Good afternoon and welcome to everybody.

We can start from pages 3 and 4 that show Piaggio Group First Nine Months 2009 Financial Statement.

Having a first look at our consolidate P/L for the First Nine Months results, we can see that it shows a total level of revenues of 1.173,1 ML Euro, with a decrease of about 116 ML Euro, that means 9,0% less than previous year. Compared to the results of the First Half 2009, when the decrease for net sales which accounted 11,6%, the Third Quarter decrease resulted in 3,0%, reducing the gap with previous year sales.

The difference in the exchange rates accounted for a 7,4 ML, so that the decrease in revenues would have been -8% at the same rates.

The Gross Margin was 374,3 ML Euro, with a 16 ML decrease compared to last year but with a remarkable increase in terms of ratio to net sales, which grew to 31,9% in 2009 compared to 30,3% in '08 (this increase is even more significant if we look at the Third Quarter results only, with a Gross Margin ratio of 33,0% compared to 30,4% of the same 2008 period). This is the result of a strong product cost reduction policy and of a proper pricing management.

The Ebitda was 172,1 ML Euro, that means about 7 ML less than 2008, with an Ebitda margin of 14,7% on net sales, increasing from the 13,9% in 2008. Also in this case, the current year 3Q was better than last year: in fact the '09 3Q Ebitda margin was 17,1%, versus 13,2% of PY.

The Income Before Tax was 79,5 ML, that is 6,8% on net sales compared to the 6,5% of the previous year.
The Net Income was 40,1 ML Euro, versus the 62,0 ML of the previous year, taking into account a 50% tax rate, compared to the 26% of 2008.

The Net Debt level was 352,6 ML Euro, 25 ML higher than in September 2008, while compared to December 2008, the net debt was about 7 ML lower.

Net Sales Trend
Moving on to the slide number 5 we can take a look at the Net Sales trend.

Piaggio Group total Net Sales accounted for 1.173 ML, Euro with a decrease of 9,0% over '08.

Total 2 wheels sales (only vehicles) accounted for 746 ML euro, versus 852 ML Euro of 2008 (that means -12%), while Commercial Vehicles sales increased to 283 ML Euro from 272 ML Euro of 2008.

2 wheels European sales (including spare parts & accessories) decreased by almost 128 ML Euro, that means 13,0% over last year, to a level of about 863 ML Euro, compared to a total 2 wheels European market decrease of 17% (considering both scooters and motorcycles). Anyway, it has to be mentioned that the EMEA 23% net sales slow-down registered in the 1st Quarter ‘09 has been gradually reduced to a decrease of 10% in the 2nd Quarter ‘09 and to a decrease of 7% of the 3rd Quarter ‘09.

European sales decrease affected both Italy, with a -9% versus last year, and the other European countries as a whole, with a 6% vs ‘08. Going into details, Spain and UK were the countries which registered the highest decrease (ranging from 30% in UK to 46% in Spain), while good and positive performance came from France (+25%) and Belgium (+8%) and Holland (+4%). The good French performance was boosted by the MP3 success, which sold 11,9 k units in ‘09 compared to the 2,5k units sold in ‘08 First Nine Months in France. On a worldwide basis, MP3 totally sold in the first Nine Months
of ’09 more than 20k units, accounting for more than 97 ML Euro (compared to 9k units in the same period 2008).

**2 wheels Asian sales** were up to 44 ML, from 35 ML of 2008, that means a 24% increase over last year; such an increase was completely concentrated in the 3rd Quarter of 2009, and benefited form the results of our new Vietnamese Operations, started in June 2009.

**2 wheels American sales** were 53 ML, 23 ML less than previous year, that means about -31%. After a positive 1st Quarter, a significant decrease was registered in the 2nd Quarter and in the 3rd Quarters of the year, coming from the difficult economic situation in America, that drove to a total scooter market decrease of 66% compared to 2008.

Going to **Commercial Vehicles**, the decrease in European sales (a 6% decrease, compared to a European Commercial Vehicle market decrease of 31%) has been totally offset by the 10% increase of Indian sales, that grew to 208 ML from 189 ML in ’08 and not considering the exchange rate, the total Indian net sales would have been approximately 10 ML higher, that means an increase by +15% over last year. Also in the Indian Commercial Vehicle business it is important to mention the difference between different Quarters: in particular, in the 3rd Quarter of the year Piaggio Indian sales grew by almost 20%, against an increase of 10% in the 2nd Quarter and a decrease by 1,4% in the 1st Quarter.

Considering both 2 wheels and Commercial Vehicles business segments, extra European revenues contribution to total sales increased from 23,5% in the first nine months ’08 up to 26% in the same period of ’09.

In terms of businesses, and in line with market trends, the 2 wheels slow-down affected most motorcycle sales (-31% compared to last year) while scooter sales decreased by
almost 7%. Such a figure can be compared with the European scooter market (that is our core scooter segment) that decreased in the same period by 14%.

Spare parts were down by 5.4%, to a total amount of 141 ML Euro.

Other Revenues decreased by 15 ML Euro, mainly due to the decrease of BMW contract and engine businesses.

Finally, the change in the exchange rates year over year impacted by 7.5 ML over total revenues, mainly due to the devaluation of Indian Rupeeah and Pound Sterling, partially offset by the benefits coming from the revaluation of US dollar.

**Total Volumes Trend**

The next slides show that the overall number of units sold decreased to 475K units, that means an about 12% decrease versus last year, made up by a -20% in the Q1, a -13% in the Q2 and a -3% in Q3.

Going into details, scooters volumes were 44K less than previous year (-13%) down to about 300K units, with a significant growing weight of the over 50cc segment (from 55% in up to 61% in '09 year to date). A significant part of this positive market switch is due to the Italian government campaign to support 2 wheels sales, almost completely focused on over 50cc segment.

The motorcycle units were 20 K less than previous year, down to 33K units.

Good news continue to come from average prices, both for scooter and motorcycles. In detail, we registered a unit price increase by 6% for scooters and by 11% for motorcycles. In this context, it is worth to be mentioned:

- The contribution of made in Vietnam scooter sales, that accounted for more than 9k units starting from June 2009
- The contribution of the new Aprilia Motorcycle RSV4, which competed in the Superbike World Championship with good results. Also thanks to these successful performances, the units sold were more than 1,250k units
(accounting for more than 15 ML Euro) from the last days from April until September.

The 3 and 4 wheelers units sold had an overall 2% increase, up to about 143 K units, thanks to the Indian performances that registered an increase of 4% (up to 18% if we consider only the last quarter); also in this business, we had an average unit price increase both in Europe (13%) and in India (5%).

**EBITDA Evolution**

Going to the next slide, we can see the Ebitda evolution which accounted a 7 ML decrease, down to 172 ML Euro from 179 in '08. This reduction was completely due to the net sales reduction (and the consequent gross margin decrease) partially offset by savings in operational expenses.

In term of ratio to net sales, the EBITDA rose from 13,9% of 2008 up to 14,7% in 2009 (this growth is even more relevant if we compare only the results of the 3rd Quarter, in which the EBITDA grew from 51,2 ML Euro of 2008, that is 13,2% on net sales, up to 64,6 ML Euro, or 17,1% on net sales)

The Gross Margin reduction was 16,2 ML, entirely due to the decreased level of sales. In terms of ratio to net sales, the Gross Margin ratio significantly grew from 30,3% to 31,9% in 2009. In particular, the negative impacts coming from the lower sales accounted for over 41 ML, while positive offsets came thanks to higher purchasing and production efficiencies (despite the production units decrease) and to price increases (mainly in India).

Thanks to the efforts towards a strict control of the Group operational expenses, we registered a 9 ML Euro reduction in Operational Expenses, that means -3% compared to last year, while amortizations were in line with previous year.

**Net Income**
The next slide shows the Net Income evolution, which accounted for the First Nine Months for 40,1 ML Euro, compared to 62,0 ML registered in 2008.

The Ebit amounted to 103,1 Ml Euro, with a growing EBIT margin form 8,5% of 2008 to 8,8% in 2009; the 7,0 ML decrease comes from what we have just analyzed (that is net sales reduction partially offset by unit price increases and operational expenses savings).

The Financial Expenses showed a 2,8 ML Euro reduction compared to last year, thanks to the decrease of the cost of debt mainly due to the lower interest rates and to some cost efficiencies.

At the tax level, according to the International Accounting Standards, we applied the forecasted tax rate for 2009, that is about 50% currently, significantly different from the 26% tax rate of 2008 (which, I remind you, benefited from MotoGuzzi tax losses carried forward on Piaggio&C, with a tax asset that will be reversed in 2009, when the losses are off-set): as a consequence of this, we had a tax increase that accounted for approximately 17,7 ML Euro compared to last year. At the same tax rate of previous year, the net income would have been 58,8 ML, 5% on total sales, 0,2% higher than 2008.

**Balance sheet**

If we move to the next slide, we can have a look at the balance sheet, where we can see how the slight increase in the Working Capital led to a consequent increase in the Net Invested Capital, with an improvement of the net Financial Position of 7 ML compared to December 2008.

In order to better understand the financial evolution, we can directly move to the next slide: there was a cash generation in the 9 months period by 7 ML Euro, reducing the debt level to 352,6 ML. The main components of such positive evolution were:

1. The operating cash flow, which generated 108 ML Euro coming from the P/L, which we analyzed before
2. The working capital increased by 14.2 ML Euro, in line with previous year evolution

3. The capital expenditure, that accounted for 67 ML Euro: they were 8 ML higher than previous year, due to our ongoing internationalization projects (mainly Indian Diesel engine project).

We have finished our presentation, and we are ready for your questions.

Thank you for your kind attention.