



**PIAGGIO
GROUP**

2014-2017 Plan update

Disclaimer

This presentation contains forward-looking statements regarding future events and future results of Piaggio & C S.p.A (the "Company"). that are based on the current expectations, estimates, forecasts and projections about the industries in which the Company operates, and on the beliefs and assumptions of the management of the Company. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management, competition, changes in business strategy and the acquisition and disposition of assets are forward-looking in nature. Words such as 'expects', 'anticipates', 'scenario', 'outlook', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', as well as any variation of such words and similar expressions, are intended to identify such forward-looking statements. Those forward-looking statements are only assumptions and are subject to risks, uncertainties and assumptions that are difficult to predict because they relate to events and depend upon circumstances that will occur in the future. Therefore, actual results of the Company may differ materially and adversely from those expressed or implied in any forward-looking statement and the Company does not assume any liability with respect thereto. Factors that might cause or contribute to such differences include, but are not limited to, global economic conditions, the impact of competition, or political and economic developments in the countries in which the Company operates. Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect any change in its expectations with regard thereto, or any change in events, conditions or circumstances which any such statement is based on. The reader is advised to consult any further disclosure that may be made in documents filed by the Company with Borsa Italiana S.p.A (Italy).

The Manager in Charge of preparing the Company financial reports hereby certifies pursuant to paragraph 2 of art. 154-bis of the Consolidated Law on Finance (Testo Unico della Finanza), that the accounting disclosures of this document are consistent with the accounting documents, ledgers and entries.

This presentation has been prepared solely for the use at the meeting/conference call with investors and analysts at the date shown below. Under no circumstances may this presentation be deemed to be an offer to sell, a solicitation to buy or a solicitation of an offer to buy securities of any kind in any jurisdiction where such an offer, solicitation or sale should follow any registration, qualification, notice, disclosure or application under the securities laws and regulations of any such jurisdiction.

Softer macroeconomic trends coupled with Piaggio weaker performance in some areas led 2015 financials off 2014-2017 plan targets

Key macroeconomic differences

Minus

- GDP growth lower than previously forecasted in several European countries (e.g. Italy), USA, Asean5
- Market demand weaker than expected:
 - European market recovering at slower pace than expected in the scooter segment
 - USA scooter market kept declining since 2013
 - Asia Pacific negative demand trend accelerated in 2015
 - Indian 4 Wheeler plummeted; market size halved in the last 4 year

Plus

- FX tailwinds, positively impacting absolute Gross Margin and EBITDA, despite a dilutive % effect
- Indian scooter market grew at a higher pace than expected

Piaggio performance

Minus

- Slight market share dilution in Europe, mainly reflecting delayed scooter market pick up, coupled with network de-stocking
- Market share loss in Vietnam, driven by heightened competition
- Market share loss in Indian 3 Wheeler Pax, mainly driven by unfavorable rural vs. urban and product mix
- Weak performance in 2 Wheeler India

Plus

- Increased average prices across the board, well above old targets
- Continued tight grip on SG&A, with total OpEx well below prior plan forecast

As a result, whilst confirming the strategic guidelines, 2017 key financial targets kept unchanged but postponed to 2019 in line with consensus expectations

Strategic guidelines unchanged vs. 2014-2017 Plan

Western Countries

- Europe
 - Exploit market recovery leveraging our undisputed leadership position in scooter that will be further strengthened by the deep pipeline of new product launches
 - Keep growing in Bike sales outstripping marked trend and increasing profitability focusing on Moto Guzzi and Aprilia premium range (also leveraging MotoGP)
 - Grow in the e-bike market leveraging our technological leadership, design and distribution network
- Americas
 - Grow in bikes leveraging on dealer network expansion and Moto Guzzi and Aprilia premium range
 - Pursue market opportunities in Scooters and in mid-sized bikes in Latin America

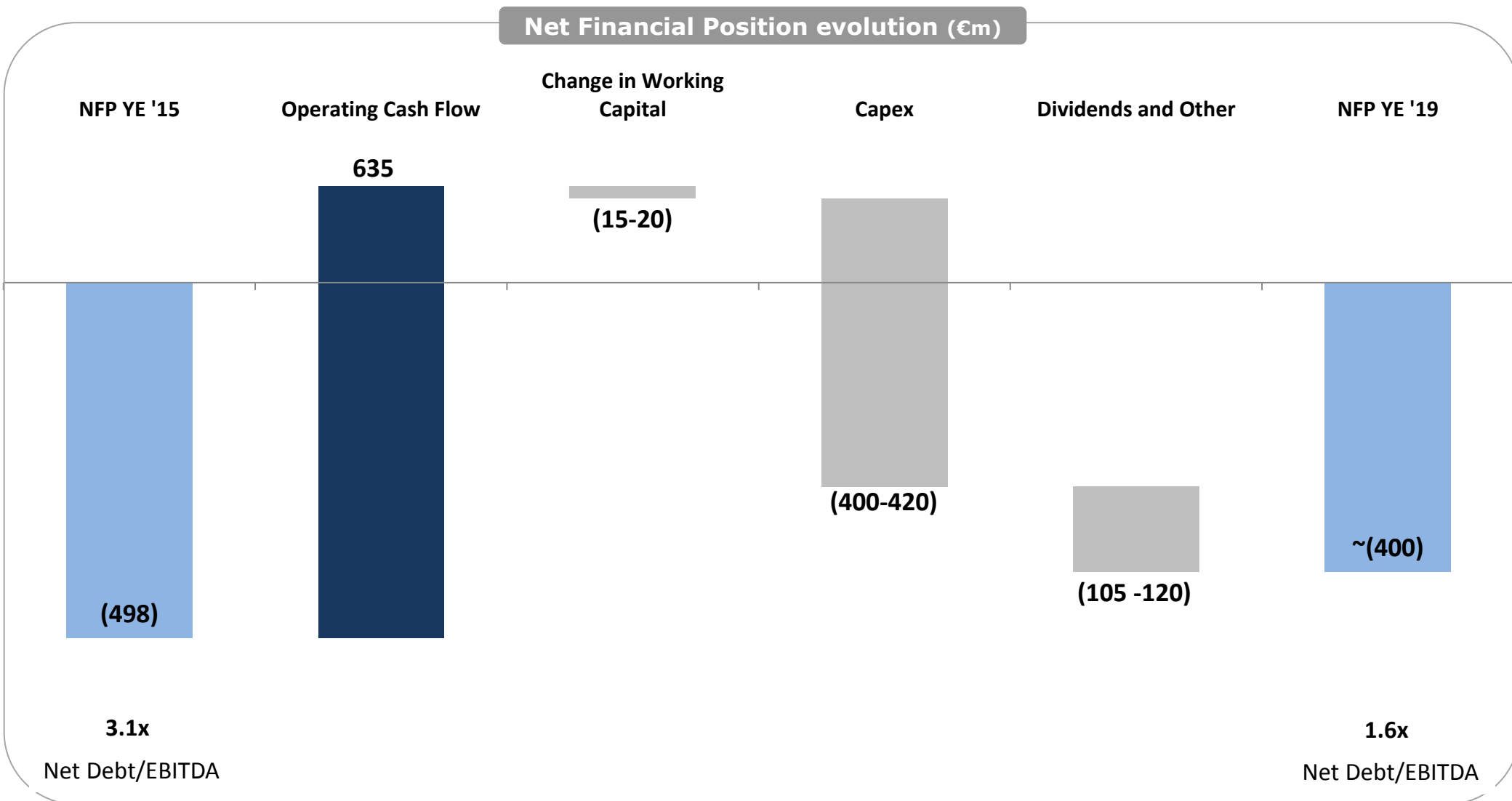
Asia Pacific

- Go on with expansion of sales in the area (Indonesia, Thailand, Malaysia, Taiwan)
- Take the opportunity to grow in the arising mid-size bike market
- Increase the penetration of Chinese premium market through our direct presence in the country

India

- Push on 3 Wheel export to Africa and Latin America, leveraging both Indian and European sales force
- Consolidate leadership position in 3 Wheels pushing on new version of Apé City Pax in urban areas; push on 4 Wheels
- Introduce new models in premium 2 Wheel segments (scooters and motorbikes), increasing capacity utilization also for buyback

Net Financial Position evolution



Key financial figures evolution in 2015-2019 plan and comparison vs. 2014-2017 targets

	2015 actual	2019 2016-2019 plan	2017 2014-2017 plan
Revenues	~1.30 €bn	1.75-1.85 €bn	~1.75 €bn
EBITDA	~162€m	~255 €m	~250 €m
Net Debt	~500 €m	~400 €m	~400 €m

Contacts

Investor Relations Office

E: investorrelations@piaggio.com

T: +39 0587 272286

W: www.piaggiogroup.com

 : @PiaggioInvestor

Raffaele Lupotto

Head of Investor Relations

E: r.lupotto@piaggio.com

T: +39 0587 272596