



Piaggio & C. S.p.A.

Explanatory Memorandum

Financial Statements of Piaggio & C S.p.A. as of 31 December 2012; Directors' Report on Operations for 2012 and Proposal for the Allocation of Operating profits; Board of Statutory Auditors Report; Independent Auditors' Report; related and consequent resolution; presentation of Consolidated Financial Statements of the Piaggio Group as of 31 December 2012 and relative reports. Related and consequent resolutions.

Dear Shareholders,

The Board of Directors of your Company has convened the ordinary Shareholders' Meeting for your approval of the draft financial statements for Piaggio & C. S.p.A. at 31 December 2012.

The financial statements at 31 December 2012 closed with a profit of Euro 46.190.201,07. We refer to the point in the Report on Operations prepared by the Board of Directors and already available for Shareholders.

Therefore, we propose to allocate the profit as follows:

- Euro 2.309.510,05 as legal reserve;
- Euro 33.126.198,96 as dividends;
- Euro 10.754.492,06 as retained earnings.

The Board of Directors will also report on the consolidated financial statements at 31 December 2012.

Therefore we are submitting the following draft resolution for your approval:

"The Ordinary General Shareholders Meeting of Piaggio & C. S.p.A.,

- having heard and approved the statements of the Board of Directors;
- and in acknowledgement of the Report of the Board of Statutory Auditors, the Report of the Auditing Company and the Consolidated Financial Statements as at 31 December 2012,

resolved

1. to approve the Report of the Board of Directors and the Financial Statements as of 31 December 2012 in their entirety;
2. to approve the following allocation of the profits, totaling Euro 46.190.201,07:
 - Euro 2.309.510,05 as legal reserve;
 - Euro 33.126.198,96 as dividends;
 - Euro 10.754.492,06 as retained earnings.
3. to distribute a dividend before tax of Euro 0.092 to all eligible ordinary shares for a total maximum amount of Euro 33.126.198,96;
4. to establish 29 May 2013 as the coupon no. 7 detachment date and 23 May 2013 as the date from which the dividend is payable".

The documentation required by Article 154-ter of the Legislative Decree no. 58/1998 will be made publicly available at least twenty one days prior to the date of the Shareholders' Meeting on first call.

February 27th, 2013

For the Board of Directors

Chairman and Chief Executive Officer

Roberto Colaninno