



Piaggio & C. S.p.A.

Explanatory Memorandum

Financial Statements of Piaggio & C. S.p.A. as of 31 December 2017; Consolidated Financial Statements of the Piaggio Group as of 31 December 2017 and 2017 Report on Operations; proposal to allocate profit for the period; Report of the Board of Statutory Auditors; Report of the Independent Auditors; relative resolutions.

Dear Shareholders,

The Board of Directors of your Company has convened the Ordinary Meeting of Shareholders to propose the approval of the draft financial statements of Piaggio & C. S.p.A. as of 31 December 2017.

The Financial Statements as of 31 December 2017 record a profit for the period equal to € 20,593,022.32; as regards the above, reference is made to the Notes and Report on Operations prepared by the Board of Directors of the Company and already available to Shareholders.

We therefore propose allocating profit as follows:

€ 1,029,651.12 to the legal reserve;
€ 19,563,371.20 to the earnings reserve from the valuation of investments with the equity method.

Moreover, considering that no purchased treasury shares have been recorded in the Financial Statements, that available reserves of €19,720,774.09 net of development costs have been recorded - pursuant to article 2426(5) of the Italian Civil Code - in Shareholders' Equity, and also taking into account the Group's prospects, we propose distributing a dividend of € 0.055 gross of taxes, for each ordinary share, for a maximum of €19,698,450.42, for the total amount of the "Earnings carried forward" reserve.

The Board of Directors will also notify you of the Financial Statements as of 31 December 2017.

We therefore propose for your approval the following draft resolution:

“The Shareholders' Meeting of Piaggio & C. S.p.A. meeting in ordinary session,

- having been informed of and approved the information put to it by the Board of Directors;*
- having examined the Board of Statutory Auditors' Report, the Independent Auditors' Report and the Consolidated Financial Statements as of 31 December 2017,*

resolves

- 1. to approve the Report on Operations, the Separate Financial Statements and Consolidated Financial Statements as at 31 December 2017 in full;*
- 2. to approve the distribution of profit for the period as follows:*
 - € 1,029,651.12 to the legal reserve;*
 - € 19,563,371.20 to the earnings reserve from the valuation of investments with the equity method.*

3. *to distribute a dividend of €0.055 gross of taxes, for each ordinary share, for a total of €19,698,450.42, using for this purpose the "Earnings carried forward" reserve for the entire amount.*
4. *to establish 23 April 2018 as the coupon no. 11 detachment date, 24 April 2018 as the dividend record date and 25 April 2018 as the date from which the dividend is payable.*

* * *

Documents pursuant to 154-ter of Legislative Decree no. 58/1998 will be made available to the public at least twenty-one days prior to the date of the Shareholders' Meeting convened on first call.

Milan, 28 February 2018

For the Board of Directors
Chairman and Chief Executive Officer
(Roberto Colaninno)