

## THE PIAGGIO GROUP: PROFILE

The Piaggio Group is the largest European manufacturer of two-wheel motor vehicles and one of the world leaders in its sector. The Group is also a major international player on the commercial vehicle market. Established in 1884 by Rinaldo Piaggio, since 2003 the Piaggio Group has been controlled by Immsi S.p.A., an industrial holding listed on the Italian stock exchange and headed by Chairman **Roberto Colaninno**. Immsi's Chief Executive Officer and MD is **Michele Colaninno**. Roberto Colaninno is the Chairman and Chief Executive Officer of the Piaggio Group, **Matteo Colaninno** is Deputy Chairman. The Piaggio Group has been listed on the Italian stock exchange since 2006.

The Piaggio Group product range includes scooters, motorcycles and mopeds from 50 to 1,400 cc marketed under the **Piaggio, Vespa, Gilera, Aprilia, Moto Guzzi, Derbi and Scarabeo** brands. The Group also operates in the three- and four-wheel light transport sector with its **Ape, Porter and Quargo (Ape Truck)** ranges of commercial vehicles. The Piaggio Group brand portfolio contains some of the most distinguished and historic names in the two-wheeler industry, from Gilera (founded in 1909) and Moto Guzzi (founded in 1921) to Aprilia (which in just over twenty years has established itself as the most successful Italian and European vehicle manufacturer in the world motorcycling championships) and Vespa, the extraordinary two-wheeler that has come to be regarded as "the" scooter: with more than 18 million vehicles produced since it made its debut in 1946, the Vespa is an incredibly long-lived market success as well as one of the best known icons of Italian style and technology in the world.

The Piaggio Group is headquartered in Pontedera (Pisa, Italy) and has production plants in: **Pontedera (Pisa)**, which produces Piaggio, Vespa and Gilera branded two-wheelers, light transport vehicles for the European market and engines for scooters and motorcycles; **Noale (Venice)**, a technical centre for the development of motorcycles and the base of Aprilia Racing; **Scorzè (Venice)**, which produces Aprilia and Scarabeo branded two-wheel vehicles; **Mandello del Lario (Lecco, Italy)**, which produces Moto Guzzi vehicles and engines; **Baramati** (in the Indian state of Maharashtra), which produces three- and four-wheel light transport vehicles for the Indian market, diesel and turbodiesel engines for the Group's commercial vehicles, and, since the beginning of 2012, the Vespa scooter for sale on the Indian market; **Vinh Phuc (Vietnam)** which produces Vespa and Piaggio scooters for the local market and the ASEAN area. The Piaggio Group also operates in China with a joint venture (Zongshen Piaggio Foshan Motorcycles, based in **Foshan** in the province of Guangdong) in which it holds a 45% stake and which is therefore not included in the Group's consolidated results.

In fiscal year **2013** the Piaggio Group reported **consolidated net sales of 1,212.5 million euro** and **Ebitda of 146.8 million euro**.

In 2013, the Piaggio Group sold a total of **555,600 vehicles** worldwide.

Despite the difficulties caused by the general fall in demand throughout the sector, on Western markets 2013 was another year of growth for the Piaggio Group, whose performance consolidated its **European leadership in the two-wheeler business**, with an overall market share of 17.6% and a 26.1% share of the scooter segment. The Group's growth was driven by the Vespa brand and by the Piaggio Mp3 range, the market's first three-wheel scooter and segment leader with more than 140,000 vehicles shipped since its launch.

The Group reported excellent results on the **American two-wheeler market**, with a **10.4%** improvement in shipments despite the weakness of the market. Sales in India showed 3.8% growth, reflecting the fact that the Vespa production facility was operational throughout the year (38,900 vehicles sold in India in 2013), after marketing of the Vespa began in India in the second quarter of 2012.

The global performance of the **Vespa** brand was particularly significant: in 2013, the Group shipped more than 188,600 Vespa scooters worldwide, for growth of 14% compared with 165,400 shipments in 2012, a result that confirms the extraordinary progress of Vespa, by far the best-selling and most widely distributed Western two-wheeler brand in the world. By comparison, Vespa worldwide sales in 2004 were 58,000.

Significant growth was also achieved by the **Moto Guzzi** brand, which, for the third consecutive year, bucked the downward trend on the Western motorcycle market, with shipment growth of **2.4%** in 2013 (approximately 6,800 bikes, compared with approximately 6,600 in 2012).

On the Indian three-wheeler market, Piaggio Vehicles Private Ltd. (PVPL) confirmed its place as the leading player with 188,900 vehicles sold in 2013 and an **improved overall market share of 34.6%** (34.3% in 2012). PVPL enjoyed growing benefits from the availability in its range of the new Apé City Pax model launched at the end of last year, and raised its share of the Passenger segment to 30.4% (30.2% in 2012). In goods transport, the PVPL market share in India rose from 52.2% in 2012 to 52.6%. **Strong growth was reported in 2013 (+20.9% from 2012)** in three-wheeler **exports** from the Indian manufacturing facility.

In the 2013 World Superbike Championship season, the Piaggio Group triumphed with the 4-cylinder Aprilia RSV4, winning its **52<sup>nd</sup> championship title** with the **World Manufacturer title**. This is the fifth WSBK championship title won by Aprilia in the past four years, and its second consecutive Manufacturer title.