



PRESS RELEASE

Piaggio Group further strengthens industrial and commercial operations in the Indian market for scooters and 3/4 wheeled vehicles

9 October 2012 – The Piaggio Group has accelerated the development of its presence in the Indian market for commercial vehicles and two wheeled vehicles, with new product, marketing and communication initiatives which will allow it to achieve higher sales volumes directly from the fourth quarter of 2012.

In the sector of three wheeled commercial vehicles, Piaggio Vehicles Private Ltd (PVPL) will give an additional impetus to the positive performance it registered in the final months of the of the extremely important Passengers segment (+5.4% in August, +4.2% in September compared to the corresponding months in 2011) thanks to the launch of the new three wheeled Apé City Passenger with the new 200cc engine – which was developed entirely by Piaggio – with Petrol, CNG (natural gas) and LPG (liquefied petroleum gas) fuel systems, which offers significant reductions in consumption levels and emissions. The new model will allow PVPL to enter a market segment which it had not been present in previously, and that, with over 200 thousand units sold in 2011, represents about 50% of the overall market.

The launch of this new model, for which production began in October 2012, will take place in the middle of this month in Pune and Mumbai with the presence in India of a delegation from the Piaggio Group led by Roberto Colaninno.

In the sector of four wheeled commercial vehicles, Piaggio Vehicles Private Ltd will launch two additional new models:

- a new commercial vehicle in the segment with a payload of less than 0.5 tonnes, with a 510cc Diesel engine, which has been designed to join the Apé Mini in order to present a complete offer of compact small vehicles with a small engine size for urban use;
- a new commercial vehicle in the segment with a payload of between 0.5 and 1 tonne, with the new two-cylinder 1,000 cc Diesel engine which was entirely developed by the Piaggio Group and manufactured in the modern Engine Plant in Baramati alongside the assembly plant for commercial vehicles and the Vespa production plant which has been operational since the first quarter of this year. The vehicle's compact and ultra-modern one litre Diesel engine places it at the forefront of its category in terms of performance, fuel consumption and eco-compatibility levels.

The two new commercial vehicles, both of which have automobile style driver cabs, developed on the basis of the bodywork of the Piaggio Porter and Quargo, will allow the Piaggio Group to extend and further strengthen its offer in a market which, in India, in recent years has seen double figure growth rates (+12% from January to August 2012 compared to the first eight months of 2011).

The Piaggio Group has also given a push to the commercial and marketing activities for supporting the diffusion of Vespa within the key scooter segment of the Indian two wheel market – overall this now represents the largest global market as it has overtaken the People's Republic of China in terms of volumes.

In recent days Piaggio Vehicles Private Ltd has launched on the main Indian television networks, a Vespa advertising campaign of great significance, in creative terms and in terms of how widespread the circulation will be. Based on a strategy of premium positioning of the Vespa brand and product, which focuses on a class of young Indian consumers with a cosmopolitan culture, the Vespa television advertising campaign will have a duration of about 6 weeks and the plan envisages the airing of about 10,000 TV ads of 30" and 10", to cover the target of more than 2,130 GRP.