

PRESS RELEASE

PIAGGIO GROUP ENTERS THE INDONESIAN MARKET WITH A NEW COMPANY

Jakarta (Indonesia), June 9, 2011 - The Piaggio Group strengthens its presence in Asia by announcing its entry into the Indonesian market with a new subsidiary, **PT. Piaggio Indonesia**, which will market directly the Group's vehicles that have been distributed so far through its importers.

With **7,400,000 units sold in 2010** and an expected 10% growth in 2011, **Indonesia** is the **world's third largest two-wheeler market** in terms of sales after the People's Republic of China and India.

The incorporation of **Piaggio Indonesia** was announced today in Jakarta by **Roberto Colaninno**, the Piaggio Group Chairman and CEO, during an inauguration ceremony attended by **Fauzi Bowo**, the Governor of Jakarta, and by the Italian Ambassador to Indonesia, **Roberto Palmieri**. The event, which attracted the major Indonesian dealers of the Piaggio Group and the local press, was attended also by **Costantino Sambuy**, the Group's Director of the two-wheeler market in Asia, and by Sergio Mosca, the Managing Director of Piaggio Indonesia.

Before the event, **Roberto Colaninno** met the Indonesian Minister of Economic Development, **Gita Wirjawan**, the Chairman of Indonesia's Investment Coordinating Board. "The starting of Piaggio Indonesia's operations is a critical step in the Group's strategy for South-East Asia" said Roberto Colaninno. "Based on the model that has been successfully tested in the Vietnamese market, Piaggio will organize its growth in Indonesia through a series of steps: the first, launched today, is the beginning of our local subsidiary's operations, by creating an efficient commercial organization that allows both for the development of the marketing of our vehicles and for an in-depth study of the Indonesian market in terms of products, customer expectations and prices. In the future, if this market lives up to expectations, the Piaggio Group will establish a new production site in Indonesia to meet local demand."

The growth of Piaggio Group's operations in Asia has led to the opening of the **first Vespa flagship store in Malaysia** (January 2011), and the goal is to reach 20 stores by the end of the year. In March, the Group began commercial operations also in **Thailand** by distributing the Vespa and Piaggio ranges through an exclusive distributor. More recently, it has opened in **Taiwan** - in Ximen, Taipei - **the largest Vespa flagship store in Asia**, in partnership with the Taiwanese distributor of Taikoo Motors cars.

The Company PT. Piaggio Indonesia will distribute in the Indonesian market the ranges of **Vespa** (LX 125 and 150) and **Piaggio** (Liberty 150 and Zip 100) scooters that are currently produced at the Piaggio Group's facility in Vinh Phuc, Vietnam. These products will be sold through a network of dealers that will cover the areas of Greater Jakarta, Java, Bali and Sumatra, reaching 35 stores by 2011 and with the goal of creating a strong sales network of 150 dealers by the end of 2013.