

PIAGGIO GROUP: VESPA DEBUTS ON THE INDIAN MARKET.

The Vespa for the Indian market unveiled at the Auto Expo show in Delhi. Powered by a new 60 km/litre low-emission engine, the scooter will be produced in the Piaggio factory in Baramati (India), starting in March. It will be sold in India's 35 largest cities as from April. Initial production capacity of 150,000 scooters/year.

Delhi (India), 6 January 2012 – Vespa, the world's most famous and best-selling scooter, is making its debut on the Indian market at the Auto Expo show in Delhi, Asia's largest automobile and motorcycle exhibition and one of the world's most important motor shows. At the eleventh edition of the Delhi event, the Piaggio Group unveiled the Vespa LX 125 scooter developed specifically for the Indian market, the world's second-largest market in terms of volumes, with approximately 13 million vehicles sold in 2011 – including 2.5 million scooters – and very high growth rates.

Compared with the Vespa scooter produced in Italy and marketed in Europe and the USA, and the model produced by Piaggio Vietnam, the Vespa LX 125 unveiled at the Auto Expo show in Delhi presents a series of specific ergonomic features and offers easier access to the engine and tyres (punctures are an everyday occurrence on Indian roads); above all, it is equipped with a brand new 4-stroke, 3-valve 125 cc engine. The new engine has been developed by the Piaggio Group expressly for the scooter's debut on the Indian two-wheeler market. A silent, state-of-the-art, eco-friendly unit (with reduced exhaust and acoustic emissions), it is exceptionally fuel efficient, with a capacity of more than 60 km with a single litre of petrol.

Production of the Vespa 125 for the Indian market will begin in March 2012 in the new factory in Baramati, the area that houses the industrial complex of Piaggio Vehicles Private Ltd., a wholly-owned subsidiary of the Piaggio Group, which already produces three-wheel vehicles for the transport of goods and people in India (and is the leading player on the Indian market, with annual sales of more than 220,000 vehicles) and diesel and turbodiesel engines for the commercial vehicle ranges produced by Piaggio in India and in Pontedera, Italy.

The initial production capacity of the Vespa factory in India will be 150,000 scooters/year. Sales of the Vespa on the Indian market will begin in April, immediately after the scooter's market launch, through a dealer network ensuring immediate coverage of India's 35 largest cities.

Presenting the Vespa at the Auto Expo show in Delhi, Piaggio Vehicles Pvt. Ltd. Chairman and Managing Director Ravi Chopra said: *"The Piaggio Group's entry into the two-wheeler business in India opens up a completely new premium product segment, addressing customers looking for a vehicle that offers unique style and personality. With the Vespa we shall be able to leverage the great potential of this class of consumers and establish a market segment of enormous interest for the coming years."*