



News Release

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For Immediate Release

Suzlon Group Q3 Consolidated Revenues at INR 55.90 billion; PAT at INR 141 million

- Suzlon orderbook of 1,483.60 MW (INR 81.28 billion) as on January 30, 2010
- REpower confirmed order book of ~EUR 1.7 billion, as on December 31, 2009 excluding an additional EUR 635 million guaranteed minimum order as part of the Canada order with EDF EN.
- Net debt reduced by INR 32.74 billion from INR 137.62 billion in September 2009 to INR 104.88 billion in December 2009
- Rupee refinancing progressing well; ~80 per cent tied-up and full closure expected by end-February 2010
- Strong revival seen in Indian wind market; New policy initiatives support long-term growth; Order wins from PSUs and large corporates: ACC, GACL, GAIL, ITC, RSMML, among others

Mumbai: Suzlon Energy Limited, the world's third* largest wind turbine maker, reported consolidated revenues of INR 55.90 billion for Q3 FY2009-10, compared with INR 69.22 billion for Q3 FY2008-09. Profit after tax for the quarter stood at INR 141 million.

The Suzlon orderbook (excluding Hansen and REpower) stood at 1,483.60 MW (INR 81.28 billion) as on January 30, 2010, with 314.30 MW (INR 17.05 billion) in domestic orders, and 1,169.30 MW (INR 64.23 billion) in international orders. REpower has a confirmed order book of ~EUR 1.7 billion, as on December 31, 2009 excluding an additional EUR 635 million guaranteed minimum order as part of the Canada order with EDF EN.

Mr. Tulsi Tanti, Chairman and Managing Director - Suzlon Energy Limited, said: "The improving financial environment worldwide is driving a gradual recovery in the wind sector, which will continue through FY11. Governments the world over are putting in place favourable policy regimes and incentives that support medium to long-term growth in the industry. Additionally, we see increased opportunities in the offshore sector, where our subsidiary REpower is a technology leader. Renewable energy continues to be high on the global agenda with governments driving policies to create green jobs, energy security and provide clean electricity for sustainable growth."

Mr. Sumant Sinha, COO – Suzlon Energy Limited, said: "We have demonstrated significantly improved performance in the last quarter. This is indicative of a gradually improving business landscape – particularly in markets like Australia, China and India. We expect the global market demand for wind energy to continue to gather momentum through the next quarter and the upcoming fiscal."

"We have reduced our net debt by INR 32.74 billion, taking it from INR 137.62 billion in September 2009 to INR 104.88 billion in December 2009. Our Rupee refinancing



exercise has reached an advanced stage and we expect to achieve full closure by end-February 2010. We continue to maintain a strong focus on reducing operating expenditure, improving operational efficiencies, reducing working capital and de-leveraging our balance sheet even further," he added.

Highlights:

- **Suzlon Orders:** Suzlon saw the sale of 327 MW in India in the first nine months of FY10; and a current orderbook position of 314.30 MW. In the last quarter Suzlon added new customers and secured repeat orders from large PSUs and corporates such as ACC, GACL, GAIL, ITC Limited, Rajasthan State Mines and Minerals Ltd. (RSMML), among others. Internationally, Suzlon signed a repeat order with Infigen Energy for future projects in New South Wales, Australia, and broke new ground with market entry into Sweden.
- **REpower Orders:** REpower announced over EUR 1.1 billion (excluding an additional EUR 635 million guaranteed minimum order as part of the Canada order with EDF EN) in new orders over the first nine months of the fiscal with major orders from leading players such as enXco, EDF Energies Nouvelles Company, RES Canada and E.ON Climate and Renewables.
- **Sales Agency Agreement:** Suzlon and REpower entered into an agreement where Suzlon will support REpower as sales agent in the U.S. and Australian/New Zealand markets. With more utilities and investors seeking global renewable portfolios, the agreement provides both companies with a major competitive advantage.
- **Hansen Divestment:** Suzlon completed a divestment of 35.22 per cent of its holding in Hansen, realizing GBP 224.20 million. Suzlon continues to hold 26.06 per cent stake in Hansen and remains the largest shareholder in the company with two board positions.
- **Project ACE (Achieving Collective Excellence):** Implementation of processes aimed at improving product development and design, lowering cost of procurement, streamlining project execution, improving order fulfillment and reducing manufacturing time have already begun to show results.
- **Refinancing Update:** The company is in advanced stages of completing a broad-based refinancing and consolidation of its debt facilities and solidifying a long-term sustainable capital structure.
 - The repayment and refinancing of acquisition loans aggregating ~USD 780 million announced in December 2009 was an important milestone and an integral part of the overall ~US\$ 2.8bn debt consolidation and refinancing exercise
 - A new, five year USD 465 million loan from State Bank of India is already in place
 - The consolidation and refinancing of existing Rupee denominated term loans and working capital loans through new facilities from a syndicate of banks is also in advanced stages of documentation and we expect full closure end-February 2010
 - Proceeds from the partial Hansen stake divestment were principally used to retire debt leading to an overall debt reduction of ~15%
 - In addition, Suzlon is in discussion with its Foreign Currency Convertible Bondholders to streamline the terms of these instruments, including removal of financial covenants, in line with the new debt facilities. Suzlon expects to engage bondholders in a formal consent process after obtaining requisite regulatory approvals, and is currently in discussions with the regulator for seeking such approvals.



Industry Update

New global policy initiatives continue to drive renewable energy growth. More nations are putting increased focus on stimulating economic activity, investing in renewable energy for energy security, creating green jobs and ultimately clean power to drive sustainable development.

- In **India**, the government recently announced Generation-Based Incentives (GBI), for wind power projects that feed power into the national grid. This initiative is expected to broaden the investor base, create a level playing field between various classes of investors, incentivize higher efficiencies and facilitate entry of large independent power producers (IPPs), while encouraging Foreign Direct Investment into the wind sector. India is also moving towards long-term feed-in tariffs, renewable energy certificates and nation-wide renewable portfolio mandates.
- **China** has proposed differentiated wind energy tariffs set at CNY 0.51- 0.61 per kWh and proposed amendments to the renewable energy law, targeting 15 per cent renewable energy penetration by 2020, time-bound mandates to utilities for full offtake of available renewable power generation, and penalties for underachievement. The amendment is expected to be enacted by April 2010.
- The **U.S.** saw cash grants totalling ~USD 2 billion awarded to renewable energy projects providing stimulus for further investments over the medium term, improving viability of projects and reducing financing burden.
- The **United Kingdom** allocated development licences to developers for 32 GW of offshore wind installations.
- **South Korea** recently set targets for 11 per cent renewable energy penetration by 2030 and 20 per cent by 2050; and an emission reduction target of 4 per cent against 2005 levels.

About Suzlon Energy Limited

Suzlon ranked as the world's third* leading wind turbine supplier in terms of market share in 2008. Suzlon has ranked as the leading manufacturer in the Indian market for 11 consecutive years, maintaining over 50 per cent market share. Suzlon has its corporate offices in Pune, India and company's global spread reflects in its projects and markets portfolio - extending across Asia, Australia, Europe and North and South America. Suzlon is a highly vertically integrated wind turbine manufacturer with manufacturing capability along the full value chain – from components to complete wind turbine systems. Please visit www.suzlon.com

*Suzlon and REpower, if taken together, stand as the world third leading wind turbine supplier group in terms of market share. 12.3 per cent market share derived from BTM Consult ApS World Market Update 2008, ranking Suzlon with 9 per cent of global market share and REpower with 3.3 per cent of global market share.

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