

SUZLON ENERGY LIMITED
 "SUZLON", 5, SHRIMALI SOCIETY, NEAR SHRI KRISHNA COMPLEX, NAVRANGPURA, AHMEDABAD-380009
 UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2008

(Rs. in crores)

| | Particulars | Quarter ended | | Nine months ended | | Year ended |
|-----|---|-------------------|-------------------|-------------------|-------------------|-----------------|
| | | December 31, 2008 | December 31, 2007 | December 31, 2008 | December 31, 2007 | March 31, 2008 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1. | Income from operations | 1,501.67 | 1,654.96 | 5,198.51 | 4,181.61 | 6,926.01 |
| 2. | Other operating income | 2.62 | 5.99 | 13.49 | 14.23 | 16.23 |
| 3. | Total Income (1+2) | 1,504.29 | 1,660.95 | 5,212.00 | 4,195.84 | 6,942.24 |
| 4. | Expenditure | | | | | |
| a) | (Increase) / Decrease in stock in trade and work in progress | 37.53 | 4.20 | (172.16) | (194.16) | (154.14) |
| b) | Consumption of raw materials (including project bought outs) | 881.50 | 1,032.69 | 3,325.20 | 2,748.26 | 4,304.71 |
| c) | Purchase of traded goods | 5.22 | 9.24 | 16.65 | 49.14 | 76.42 |
| d) | Employees cost | 53.58 | 39.48 | 157.38 | 105.85 | 139.34 |
| e) | Depreciation | 23.06 | 24.51 | 69.26 | 61.25 | 86.21 |
| f) | Other expenditure | 443.65 | 167.97 | 1,022.02 | 535.07 | 868.74 |
| g) | Total Expenditure | 1,444.54 | 1,278.09 | 4,418.35 | 3,305.41 | 5,321.28 |
| 5. | Profit from Operations before Other Income, Interest & Exceptional Items (3-4) | 59.75 | 382.86 | 793.65 | 890.43 | 1,620.96 |
| 6. | Other income | 43.42 | 22.21 | 96.65 | 68.95 | 109.38 |
| 7. | Profit before Interest & Exceptional Items (5+6) | 103.17 | 405.07 | 890.30 | 959.38 | 1,730.34 |
| 8. | Interest | 109.43 | 35.75 | 224.32 | 92.86 | 125.34 |
| 9. | Profit after Interest but before Exceptional Items (7-8) | (6.26) | 369.32 | 665.98 | 866.52 | 1,605.00 |
| 10. | Exceptional items (refer note 3) | | | | | |
| | A. Foreign exchange loss/(gain) on Zero Coupon Convertible Bonds | 91.75 | (11.38) | 434.50 | (39.65) | (4.40) |
| | B. WTG/Blade restoration & retrofit and consequential generation/availability charges | 233.13 | 18.74 | 307.36 | 84.20 | 266.61 |
| | C. Mark-to-Market losses on foreign exchange forward/option contracts | 111.40 | - | 202.03 | - | 23.00 |
| 11. | Profit / (Loss) from Ordinary Activities before Tax (9-10) | (442.54) | 361.96 | (277.91) | 821.97 | 1,319.79 |
| 12. | Tax expenses / (reversal) | (51.61) | 23.78 | 8.00 | 38.81 | 54.08 |
| 13. | Net Profit / (Loss) for the period (11-12) | (390.93) | 338.18 | (285.91) | 783.16 | 1,265.71 |
| 14. | Paid up equity share capital (Ordinary shares of Rs.2/- each) | 299.66 | 299.39 | 299.66 | 299.39 | 299.39 |
| 15. | Reserves excluding revaluation reserves | | | | | 6,638.05 |
| 16. | Earnings per share (EPS) | | | | | |
| | - Basic (Rs.) | (2.61) | 2.34 | (1.91) | 5.43 | 8.70 |
| | - Diluted (Rs.) | (2.61) | 2.25 | (1.91) | 5.31 | 8.47 |
| 17. | Public shareholding | | | | | |
| | - Number of shares | 512,027,109 | 510,338,900 | 512,027,109 | 510,338,900 | 510,666,400 |
| | - Percentage of shareholding | 34.17% | 34.09% | 34.17% | 34.09% | 34.11% |

Note:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on January 29, 2009. The Statutory Auditors of the Company have carried out a limited review of the above results for the quarter and nine months ended December 31, 2008.
- In view of the seasonality of business, the financial results for the quarter / nine months ended are not indicative of the full year's performance.
- Exceptional items referred to above include the following:
 - The Company has treated the Zero Coupon Convertible Bonds as monetary liability and accordingly restated the liability based on the exchange rate prevailing as at the end of the respective quarter. The amount of restatement for the quarter and nine months ended December 31, 2008 aggregated Rs.91.75 crores and Rs.434.50 crores respectively.
 - WTG / Blade restoration & retrofit costs are arising out of events like blade failures in Overseas Markets and disruption of WTGs in Dhule and, including their consequential generation / availability provisions. These amounts aggregate Rs.233.13 crores (Rs.18.74 crores) for the quarter ended December 31, 2008 and Rs.307.36 crores (Rs.84.20 crores) for the nine months ended December 31, 2008 and Rs.266.61 crores (Rs.Nil) for the year ended March 31, 2008. During the quarter ended December 31, 2008, the Company has made an additional provision of approximately Rs.171 crores (USD 35 Million) towards its blade retrofit program. This is in addition to Rs.122 crores (USD 30.34 Million) which the Company had provided during the year ended March 31, 2008.
 - Mark-to-market losses are in respect of foreign exchange forward / option contracts. The amounts for the quarter and nine months ended December 31, 2008 aggregated Rs.111.40 crores and Rs.202.03 crores respectively. These losses reflect the position as at the period end.
- On June 11, 2007 and October 10, 2007, the Company made an issue of USD 300 Million (Rs.1,223.70 crores) and USD 200 Million (Rs.786.20 crores) Zero Coupon Convertible Bonds due 2012, respectively convertible into equity shares. The initial conversion price is fixed at Rs.359.68 per share and Rs.371.55 per share respectively (Face Value of Rs.2 per share) and the same is subject to adjustment in certain circumstances.
- The Company has not provided for the proportionate premium on redemption of Zero Coupon Convertible Bonds, due 2012, since the Company believes that the same is contingent in nature. The proportionate premium for the quarter and nine months ended December 31, 2008 is approximately Rs.61.46 crores (Rs.Nil) and Rs.273.09 crores (Rs.63.08 crores) respectively. The auditors have without qualifying their opinion, given a matter of emphasis on non-provision of the proportionate premium in their limited review report for the quarter and nine months ended December 31, 2008. This item does not have any impact on the profit / (loss) for the quarter and nine months ended December 31, 2008.
- On January 26, 2009, AE-Rotor Holding B.V. ("AERH"), a wholly owned subsidiary of the Company has sold 67,010,421 shares (10% equity) in Hansen Transmissions International NV ("Hansen") to funds managed by Ecofin Limited ("Ecofin"), a London based specialized investment firm. Following this disposal, the Suzlon Group has a voting and economic interest in Hansen of approximately 61.28%.
- Pursuant to an agreement dated December 15, 2008 with the Martifer Group to acquire its 22.4% stake in Repower, in three tranches, by payment of Euro 65 Million in December 2008, Euro 30 Million in April, 2009 and the final tranche of Euro 175 Million in May 2009, the Company, through its subsidiary has paid first tranche of Euro 65 Million in December 2008, thereby increasing its holding in REpower to 73.71% as on December 31, 2008.
- The Company has provided for Rs.83.45 crores (Rs.Nil) being liquidated damages, in terms of a contractual obligation with a customer of its subsidiary. This amount has been included under the caption "other costs" in the results for the quarter and nine-months ended December 31, 2008.
- The Company has raised Rs.300 crores in December 2008 from The Life Insurance Corporation of India (LIC) vide an issue of 12.5% Secured Redeemable Non-Convertible Debentures (NCDs). These NCDs are listed on the National Stock Exchange of India Limited.

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- 10 A fire occurred in the scrap yard of Pondicherry unit of the Company, on December 11, 2008, causing a temporary disruption of production. There has been no loss to assets and life. The cause of the fire is under investigation.
- 11 In terms of the approval of the shareholders, the Company has sub-divided the face value of the equity shares of Rs.10 each into face value of Rs.2 each with effect from January 28, 2008. Accordingly, the basic and diluted earning per share and number of shares disclosed above have been computed for all the periods based on the revised face value of Rs.2 each.
- 12 The Company has fully utilized QIP proceeds and the utilization was in line with the objects of the issue as stated in the placement document.
- 13 The Company is in the business of "Wind Turbine Generator (WTG)" and accordingly has only one reporting segment , in terms of Accounting Standard 17 - "Segment Reporting" as notified by the Companies (Accounting Standard) Rules 2006.
- 14 During the quarter ended December 31, 2008, the Company has issued and allotted 45,000 equity shares of Rs.2 each at an exercise price of Rs.51 per equity share on October 4, 2008 in terms of employee stock option plan - 2005.
- 15 The status of investor complaints received by the Company is as follows: Pending as on October 1, 2008 - Nil; Received during the quarter - 31; Disposed during the quarter - 31; Pending as on December 31, 2008 - Nil.
- 16 The figures stated above, have been reclassified wherever necessary to confirm with the classification in the financial statements for the quarter / nine months ended December 31, 2008.

For and on behalf of the Board of Directors

Place Mumbai
Dated January 29, 2009

Tulsi R.Tanti
Chairman & Managing Director