

SUZLON WIND ENERGY ITALY SRL

with a Sole Shareholder

00144 Rome – Italy - Viale Città d'Europa 681

Corporate Capital fully paid in Euro 10,000.00

Enrolled at the Registry of Enterprises of Rome no. 05486470965

REA no.: 116210 - Fiscal Code and VAT no. 05486470965

A company subject to the direction and co-ordination by the company Suzlon Wind Energy

A/S, with registered office in Kystvejen 29 8000C Aarhus, Denmark

FINANCIAL STATEMENTS AS AT MARCH 31, 2010

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MANAGEMENT REPORT

Shareholders,

The financial year ended for your company with revenues equal to 6,094,170 Euros.

The before tax result is negative for Euros 6,303,550, the net result is negative for Euros 6,539,949.

We refer you to the explanatory note on the financial statements for the explanations of the figures emerging from the Balance Sheet and from the Profit and Loss Account and herein we will report to you upon the company's management both with reference to the financial year which has just closed and as to its future prospects.

OPERATING CONDITIONS AND TREND OF THE COMPANY

Company profile

- The Company's main activity consists in the supply of procurement plants for wind power as well as the relative project, support, assistance and maintenance.
- Suzlon Wind Energy Italy is a Company subject to the coordination and control of a sole shareholder, Suzlon Wind Energy A/S (SWEAS), a company incorporated under Danish law.

Trend of the Company

Below please find the main aggregate figures for the financial years closed at March 31, 2008, March 31, 2009 and March 31, 2010.

ANALISYS OF THE REVENUE SITUATION	31/03/2008	31/03/2009	31/03/2010
A. TURNOVER	429,333	24,740,314	6,094,170
B. VALUE OF PRODUCTION	9,624,425	16,774,933	4,913,648
C. BEFORE TAX RESULT	596,119	112,676	(6,303,550)

The decrease in turnover is to be attributed to the economic crisis which is causing a putting off of the acquiring of contracts in the order portfolio.

DEALINGS WITH GROUP COMPANIES

In a summary table below the main asset and liability dealings for the financial year with parent companies and other affiliated companies are set forth:

COMMERCIAL AND MISCELLANEOUS DEALINGS					
Description	Suzlon Wind Energy A/S	Suzlon Wind Energy Ltd	Suzlon Wind Energy Espana	Suzlon Wind Energy Portugal	Suzlon Wind Energy Portugal
Commercial dealings					
Receivables	118,146	107,143	550,978	8,756	2,818,790
Payables	1,005,024	213,046	0	0	0
Costs – assets	2,833	57,740	0	0	0
Revenues – assets	2,654,417	0	550,978	15,183	2,818,790
Financial dealings					
Payables	9,958,642	0	0	0	0
Charges	412,111	0	0	0	0

With reference to the dealings set up it is communicated that the transactions have been effected on market conditions.

ECONOMIC MANAGEMENT

We attach the reclassified Profit and Loss Account as required under Article 2428 Civil Code and the relative profitability indexes

RECLASSIFIED PROFIT AND LOSS ACCOUNT	31/03/2010
Revenues from sales (Rv)	6,094,170
Internal production (Pi)	(1,491,532)
A. VALUE OF PRODUCTION (VP)	4,602,638
B. External costs	(10,118,399)
Consumption raw, subsidiary, consumption materials and goods	(10,118,399)
C. ADDED VALUE (VA) (A-B)	(5,515,761)
D. Personnel costs (Cp)	(431,650)
E. GROSS OPERATING MARGIN (MOL) (C-D) EBITDA	(5,947,411)
F. Depreciations and writ downs	
Depreciations (Dep)	(19,936)
G. OPERATING RESULT (RO) (E-F)	(5,967,347)
H. RESULT FROM THE NON CHARACTERISTIC AREA	77,415
Non characteristic revenues (P e-c)	311,010
Non characteristic charges (O e-c)	(233,595)
I. RESULT FROM THE FINANCIAL AREA	(1,505)
Revenues financial area (P a-f)	470
Charges financial area (O a-f)	1.975
L. ADJUSTED EBIT (EN) (A-B+/-C (net of C17) +/-D)	(5,891,437)
M. RESULT FROM THE EXTRAORDINARY AREA	1
Extraordinary area charges (O a-s)	1
N. FULL EBIT (EI) (A-B+/-C (net of C17) +/-D +/-E)	(5,891,436)
O. Financial charges	(412,114)
P. GROSS RESULT (RL)	(6,303,550)
Q. Income taxes	(236,399)
NET RESULT (RN) (O-P)	(6,539,949)

PROFITABILITY INDEX	31/03/2010
ROA	(50)
ROI	(0)
ROE	(96)

The economic result is also supported by the following main economic figures:

	31/03/2010
TOTAL REVENUES	6,094,170
Spit as follows:	
ITALY	47,754
INTERGROUP	6,046,416
<hr/>	
PERSONNEL COST	431,650
Split as follows:	
WAGES AND SALARIES	299,107
SOCIAL SECURITY AND PENSION CHARGES	111,118
EMPLOYEES SEVERANCE	21,425
OTHERS	0

FINANCING INDICATORS OF FIXED ASSETS	31/03/2010
STRUCTURE PRIMARY MARGIN	211,014
STRUCTURE PRIMARY QUOTIENT	4.60
STRUCTURE SECONDARY MARGIN	410,763
STRUCTURE SECONDARY QUOTIENT	6.37

FINANCIAL MANAGEMENT

Overall exposure resulted to be entirely financed by the parent company Suzlon Wind Energy A/S. Financial charges went from Euro 706,855 in the previous financial year to Euro 413,619. Payables due to shareholders for loans went from Euro 8,935,600 to Euro 9,958,642, receivables due from customers went from 595,765 in the previous financial year to Euro 7,500, while payables to suppliers went from Euro 4,695,830 in the previous financial year to Euro 254,502.

RESEARCH AND DEVELOPMENT ACTIVITIES

The group has not carried out any significant research and development activities in the financial year in question.

ENVIRONMENT AND PERSONNEL

No situations occurred which caused problems worthy of note either in the environmental field or in dealings with personnel.

In particular during the financial year the Company's Risk Assessment Document was updated, and the Safety Planning Document under Article 34 letter g Legislative Decree 196/2003 was completed. No serious accidents occurred nor any actions or material situations relative to personnel.

LIST OF PREMISES

The company has a single operating and administrative office located at 681, Viale Città d'Europa, Rome.

MATERIAL EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR AND FORSEEABLE EVOLUTION OF THE MANAGEMENT

From the end of the financial year to the date of drawing up of these notes no material events occurred which should be mentioned in the management report or in the explanatory notes.

Future expectations

The company expects a considerable growth on the Italian market and is currently examining a series of projects. As a result of this expansion investments in infrastructures and in personnel are foreseen so as to be able to develop commercial activities in Italy and at the same time to keep operational the increasing number of turbines installed.

Potential Risks

The Company is not exposed to particular risks of an industrial nature. There are no significant long term payables. The Company is not subject to significant risks in relation to individual customers or commercial partners.

COMPANY'S CONTINUITY

The Financial Statements have been drawn-up on the basis of the Company's continuity, adopting the accounting principles concerning a well functioning company, even if the Company, during the financial year ended on that date, had suffered important losses.

The condition for the Company's continuity is based on the forecasts of getting profits during the next financial years further supported by the launch of new products more suitable to the Italian market needs which will occur in the first half of next year.

The parent company had showed the intention to support the Company's continuity basing itself on the growth perspectives of the Italian market and offering solvency guarantees in connection with any financial need.

Shareholders,

In light of the considerations made to this point we invite you to approve the financial statements and to cover the loss of the financial year as follows:

For Euro 6,000,000 by using the reserve "capital contribution" which, consequently, reduced to zero;

For Euro 539,949 by using the profits carried forward which, consequently, reduced to Euro 257,661.

The Board of Directors

Erik Winther Pedersen (Chairman of the Board of Directors)

FINANCIAL STATEMENTS

BALANCE SHEET

<u>ASSETS</u>	31/03/2010	31/03/2009
A) RECEIVABLES FROM SHAREHOLDERS FOR PAYMENTS IN STILL DUE		
Total amount of receivables from shareholders (A)	0	0
B) FIXED ASSETS		
<u>I) INTANGIBLE FIXED ASSETS</u>		
1) Start-up and expansion costs	1,745	2,923
3) Patents and rights to use intellectual property	11,242	17,804
Total intangible fixed assets (I)	12,987	20,727
<u>II) TANGIBLE FIXED ASSETS</u>		
1) Land and buildings	10,754	13,143
2) Plant and machinery	3,109	4,389
4) Other assets	31,717	40,275
Total tangible fixed assets (II)	45,661	57,807
<u>III) FINANCIAL FIXED ASSETS</u>		
Total financial fixed assets (III)	0	0
TOTAL FIXED ASSETS (B)	58,648	78,534
C) CURRENT ASSETS		
<u>I) INVENTORY</u>		
1) Raw, ancillary and consumable materials	770,678	8,959,091
4) Finished products and goods	5,755,579	7,247,111
Total inventories (I)	6,526,257	16,206,202
<u>II) RECEIVABLES</u>		
1) Due from customers		
Payable within the following financial year	7,500	595,765
Total receivables from customers (1)	7,500	595,765
4) Due from parent companies		
Payable within the following financial year	225,289	136,928
Total receivables from parent companies (4)	225,289	136,928

4-bis) Tax receivables		
Payable within the following financial year	1,739,503	2,080,492
Total tax receivables (4-bis)	1,739,503	2,080,492
4-ter) Receivables for advanced taxes		
Payable within the following financial year	0	236,399
Total receivables for advanced taxes (4-ter)	0	236,399
5) From others		
Payable within the following financial year	3,418,250	333,698
Payable beyond the following financial year	17,866	17,866
Total receivables from others (5)	3,436,116	351,564
Total receivables (II)	5,408,408	3,401,148
<u>III) CURRENT FINANCIAL ASSETS</u>		
Total Current financial assets (III)	0	0
<u>IV) LIQUID FUNDS</u>		
1) Bank and postal deposits	7,757	17,685
3) Cash and valuables on hand	87	47
Total Liquid Funds (IV)	7,844	17,732
Total Current Assets (C)	11,942,509	19,625,082
<u>D) ACCRUED INCOME AND PREPAID EXPENSES</u>		
Accrued income and prepaid expenses	9,802	23,335
Total accrued income and prepaid expenses (D)	9,802	23,335
TOTAL ASSETS	12,010,959	19,726,951

BALANCE SHEET

LIABILITIES	31/03/2010	31/03/2009
A) SHAREHOLDERS' EQUITY		
I) Capital	10,000	10,000
II) Share premium reserve	0	0
III) Revaluation reserve	0	0
IV) Legal reserve	2,000	2,000
V) Statutory reserves	0	0
VI) Reserve for own shares in portfolio	0	0
VII) Other reserves, separately indicated		
Capital contribution	6,000,000	0
Difference from rounding off to the nearest Euro	1	0
Total other reserves (VII)	6,000,001	0
VIII) Profit (losses) brought forward	797,610	774,367
IX) Net Profit (losses) for the year		
Net Profit (losses) for the year	-6,539,949	23,243
Residual net Profit (losses)	-6,539,949	23,243
Total Shareholders' Equity (A)	269,662	809,610
B) RESERVES FOR RISKS AND CHARGES		
3) Others	175,000	350,000
Total Reserves For Risks And Charges (B)	175,000	350,000
C) EMPLOYEES TERMINATION INDEMNITY FUND		
	42,615	35,085
D) PAYABLES		
3) Payables to shareholders for financing		
Payable within the following financial year	9,958,642	8,935,600
Total payables to shareholders for financing (3)	9,958,642	8,935,600
4) Payables to banks		
Payable within the following financial year	0	2,343,845
Total payables to banks (4)	0	2,343,845

7) Payables to suppliers		
Payable within the following financial year	254,502	4,695,830
Total payables due to suppliers (7)	254,502	4,695,830
10) Payables to associated companies		
Payable within the following financial year	0	0
Total payables due to associated companies (10)	0	0
11) Due to parent companies		
Payable within the following financial year	1,218,070	2,134,485
Total payables due to parent companies (11)	1,218,070	2,134,485
12) Payables due to tax authorities		
Payable within the following financial year	6,033	297,106
Total payables due to tax authorities (12)	6,033	297,106
13) Payables to pension and social security bodies		
Payable within the following financial year	21,062	17,703
Total payables to pension and social security bodies (13)	21,062	17,703
14) Other payables		
Payable within the following financial year	65,373	107,687
Total payables due to tax authorities (14)	65,373	107,687
Total Payables (D)	11,523,682	18,532,256
E) ACCRUED EXPENSES AND DEFERRED INCOME		
Total accrued expenses and deferred income (E)	0	0
TOTAL LIABILITIES	12,010,959	19,726,951

PROFIT AND LOSS ACCOUNT

	31/03/2010	31/03/2009
A) VALUE OF PRODUCTION		
1) Income from sales and services	6,094,170	24,740,314
2) Changes in inventory of work in process, semi finished goods and finished products	-1,491,532	7,247,111
3) Changes in contract work in progress	0	-20,204,005
5) Other income and revenues		
Other	311,010	4,991,513
Total other income (5)	311,010	4,991,513
Total Value of Production (A)	4,913,648	16,774,933
B) COST OF PRODUCTION		
6) Raw, ancillary and consumable materials and goods	1,487,786	23,651,826
7) Services received	350,850	464,154
8) For use of third party assets	91,350	92,405
9) For personnel:		
a) Wages and salaries	299,107	437,874
b) Social charges	111,118	151,185
c) Employees' severance pay fund	21,425	27,366
e) Other costs	0	150
Total cost for personnel (9)	431,650	616,575
10) Depreciations, amortizations and writedowns		
a) amortization of intangible assets	7,740	6,060
b) depreciation of tangible assets	12,196	32,420
Tot. Depreciation, amortization and writedowns (10)	19,936	38,480
11) Changes in inventory of raw, ancillary and consumable materials and goods	8,188,413	-8,959,091
14) Other operating costs	233,595	50,764
Total Cost of Production (B)	10,803,580	15,955,113
Difference Between Value and Cost of Production (A-B)	-5,889,932	819,820

C) FINANCIAL INCOME AND CHARGES

16) Other financial income		
d) Other income		
Other	470	34,374
Total other income (d)	470	34,374
Total other financial income (16)	470	34,374
17) Interest and other financial changes		
Other	412,114	739,686
Total Interest and other financial changes (17)	412,114	739,686
17-bis) Profits and losses on changes	-1,975	-1,543
Total Financial Income and Expenses (C) (15+16-17+-17-bis)	-413,619	-706,855

D) ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS:

Total adjustment to the value of financial assets (D) (18-19)	0	0
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E) EXTRAORDINARY INCOME AND EXPENSES

20) Income		
Difference from rounding off to the nearest Euro	1	0
Total income (20)	1	0
21) Charges		
Difference from rounding off to the nearest Euro	0	0
Other		289
Total charges (21)		289
Total extraordinary income and expenses (E) (20-21)	1	-289

Profit Before Taxation (A-B+-C+-D+-E)	-6,303,550	112,676
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22) Income deferred and advance taxes for the current year		
Current income taxes	0	325,832
Paid in advance income taxes	-236,399	236,399
Total income taxes for the year (22)	236,399	89,433
23) NET PROFIT (LOSS) FOR THE YEAR	-6,539,949	23,243

EXPLANATORY NOTE

CONTENT AND FORM OF THE FINANCIAL STATEMENTS

The financial statements for the financial year as at 31st March 2010 are composed of the: Balance Sheet, Profit and Loss Account and the Explanatory Note.

As concerns the company's activities and the material events which took place after the end of the financial year reference is made to the Management Report. Reference is also made to it for the detailed information on dealings with subsidiary, affiliated, parent companies and companies subject to the control of the latter, other connected parties and connected parties of subsidiary companies, as well as on the dealings with the company which carries out the direction and coordination activity and with the other companies which are subject thereto.

It is reported that the Board of Statutory Auditors carries out the accounting control under article 2409 bis of the Civil Code. It is also reported that the company is subject to the direction and coordination of the indirect parent company Suzlon Wind Energy A.S., a company incorporated under Danish law.

As far as the relations with the correlated parties please see what the Management Report.

CRITERIA FOR THE DRAFTING OF THE FINANCIAL STATEMENTS AND VALUATION CRITERIA

The financial statements for the financial year have been drawn up in compliance with the provisions of law, supplemented by the accounting standards issued by the Consiglio Nazionale dei Dottori Commercialisti e dei Ragionieri, reviewed and updated by the Organismo Italiano di Contabilità (OIC), and in the absence thereof, by the international financial reporting standards (IFRS).

In compliance with the provisions of Article 2423 bis of the Civil Code, in drawing up the financial statements the following has been done:

- individual items have been valued according to the principle of prudence with a view to a normal continuance of the company's business, as well as taking account of the economic function of the asset or liability item considered;
- only profits actually realised during the financial year have been included;
- the proceeds and costs have been determined respecting the accrual principle and independently of their financial emergence;
- all risks and losses for the period have been covered even if they became known after the end of the financial year;
- for the purposes of their valuation, the heterogeneous elements included in the various items on the financial statements have been considered separately;
- the valuation criteria adopted have been kept unchanged with respect to the previous financial year.

Intangible fixed assets

The intangible fixed assets have been booked at cost of purchase inclusive of imputable ancillary charges and have been indicated net of amortisation calculated at constant instalments in relation to the remaining possibility of utilisation of the assets.

In particular, industrial patent rights and rights for the utilisation of intellectual works have been amortised on the basis of their presumed period of utilisation, in any event not in excess of that established under the license agreements.

The fixed assets whose value as of the date of financial year end results as being lastingly less than the residual cost to be amortised have been booked at such lower value; this is not maintained should in subsequent financial years the reasons for the rectification made cease to exist.

The plant and the extension costs derive from the capitalisation of the charges relating to the start up and development phase of the activities carried out. The valuations set forth in the financial statements and the amortisation procedure adopted take account of a future utility estimated at 5 years. Said items have been agreed upon with the Board of Statutory Auditors.

Tangible fixed assets

Tangible fixed assets have been booked at cost of purchase or production net of the relative amortisation funds including all the ancillary costs and charges which may be directly imputed to them, indirect costs relative to internal production, as well as charges relative to the financing of the internal manufacture incurred in the manufacture period and up to the time when the asset may be utilised.

The cost of the fixed assets, the utilisation of which is limited over a period of time, has been systematically amortised in each financial year on the basis of economic-technical rates determined in relation to the remaining possibility of utilisation.

Amortizations of tangible fixed assets have been calculated at constant rates in relation to the remaining possibility of utilisation; the rates applied are considered fair in reflecting the technical-economic duration of the assets.

The following amortisation rates have been applied:

Fixed assets	Rate
Building –light constructions	12,50%
Plant and machinery	15%-20%
Industrial and commercial equipment	40%
Other assets	
Furniture and furnishing	12%
Electronic office machinery	20%

Inventory

Inventory have been booked at the lesser value between cost of purchase, inclusive of all costs and ancillary charges which may be directly imputed to them and indirect costs inherent to internal production and the presumable value of realisation which can be obtained from market trends.

Receivables and payables

Receivables of any nature have been booked at their nominal value adjusted to their presumable value of realization.

Assets for taxes paid in advance connected to the deductible time differences and tax losses have been cancelled out failing the condition of a reasonable certainty about their use.

Payables are booked in the liabilities on the basis of their nominal values.

Liquid funds available

The liquid funds available are represented by the amount as of the date of the financial statements of the cash on hand and cash available in the accounts held at banks. Liquid funds available are booked at their nominal value.

Accrued income, accrued liabilities, prepayments and deferred income

Quotas of costs and proceeds, common to two or more financial years are booked in these items, in accordance with the accrual principle.

Risks and charges fund

The risk and charges funds have been set up for the losses and charges which can be realistically foreseen, the amount or the time of emergence of which cannot be established at the end of the

financial year. The provisions reflect the best estimate possible on the basis of the information available.

TFR (Employees' Severance Pay Fund)

The employees' severance pay fund sets forth the debt accrued, for this reason, vis-à-vis personnel, calculated in compliance with the provisions of law and the applicable labour collective bargaining agreements.

Revenues

Are set forth in the Financial Statements according to the principle of prudence and on an accrual basis. Revenues are booked at the time when the work is delivered to the client and is definitively accepted by them.

Revenues from the providing of services are imputed when they have been performed.

Variations in works in progress, relative to orders lasting various years, are recognized on the basis of works' progress reports in proportion to the sale price.

Costs

The costs are booked on an accrual basis.

Criteria for the conversion of items in foreign currencies

Receivables and payables originally expressed in foreign currencies other than those of countries belonging to the Euro, are booked in the financial statements at the exchange rates relative to the date of the transaction; the net positive or negative difference between the value of the receivables and payables booked at the original exchange rates and their extension, registered at current exchange rates, is imputed to the profit and loss account in the item gains/losses on exchange rates.

Income taxes

Income taxes have not been booked failing the relating requirements.

Deferred taxes

Advance receivable taxes, already booked in the previous financial year, have been cancelled failing a reasonable certainty of their future recovery.

ANALYSIS OF THE ITEMS ON THE FINANCIAL STATEMENTS AND OF THE RELATIVE CHANGES

BALANCE SHEET: ASSETS

ASSETS

Intangible fixed assets

Intangible fixed assets are equal to Euro 12,987 (Euro 20,727 in the previous financial year).

In the pages below there are set forth, respectively, the analysis of the variations in the “Original Cost” (Table 1), of the “Depreciation and writedown fund” (Table 2) and of the “Net Values” (Table 3).

Table 1

(units of euro)

INTANGIBLE FIXED ASSETS	ORIGINAL COST						Amount as at 31.03.2010
	Amount as at 31.03.2009	Increases	Reductions For disposals	Revaluations	Transfers	Other Variations	
Plant and extension costs	5,889						5,889
Total plant and extension costs	5,889						5,889
Software	24,411						24,411
Total use rights for intellectual works	24,411						24,411
TOTAL	30,300						30,300

Table 2

(units of euro)

INTANGIBLE FIXED ASSETS	DEPRECIATION AND WRITEDOWN FUND						Amount as at 31.03.2010
	Amount as at 31.03.2009	Increases	Reductions for disposals	Recovery of value	Reclassifications	Other Variations	
Plant and extension costs							
- Depreciations	(2,966)	(1,178)					(4,144)
- Writedowns							
Total plant and extension costs	(2,966)	(1,178)					(4,144)
Software							
- Depreciations	(6,607)	(6,562)					(13,169)
- Writedowns							
Total use rights for intellectual works	(6,607)	(6,562)					(13,169)
TOTAL	(9,573)	(7,740)					(17,313)

Table 3

(units of euro)

INTANGIBLE FIXED ASSETS	NET AMOUNTS					
	31.03.2009			31.03.2010		
	Depreciation			Depreciation		
	Original Cost	Writedown Fund	Net Amount	Original cost	Writedown fund	Net Amount
Plant and extension costs	5,889	(2,966)	2,923	5,889	(4,144)	1,745
Total plant and extension costs	5,889	(2,966)	2,923	5,889	(4,144)	1,745
Software	24,411	(6,607)	17,804	24,411	(13,169)	11,242
Total rights for use of intellectual works	24,411	(6,607)	17,804	24,411	(13,169)	11,242
TOTAL	30,300	(9,573)	20,727	30,300	(17,313)	12,987

In relation to what is provided under article 2427, point 3 of the Civil Code, the following table shows the composition of the plant and extension costs and research, development and advertising costs:

GOODWILL	NET AMOUNTS					
	(units of euro)					
	Amount as				Amount as	
	at	Increases for	Reductions	Depreciations	at	Variation
31.03.2009	the finan. year	For the finan. year	For the finan. year	31.03.2010	For finan. year	
Incorporation costs and amendments to the By-laws	2,923			1,178	1,745	(1,178)
TOTAL	2,923			1,178	1,745	(1,178)

The costs booked reasonably correspond to a utility extended over various financial years and have been depreciated systematically in relation to the remaining possibility of utilisation at the rate of 20% per annum.

Tangible fixed assets

This item is equal to Euro 45,661 (Euro 57,807 in the previous financial year) with a reduction of Euro 12,146 with respect to 31st March 2009.

The pages below set forth respectively the analysis of the variations in the “Original Cost” (Table 4), of the “Depreciation and write down fund” (Table 5) and of the “Net Amounts” (Table 6).

TANGIBLE FIXED ASSETS	ORIGINAL COST						Amount as at 31.03.2010
	Amount as at 31.03.2009		Reductions			Other Variations	
			For disposals	Revaluations	Transfers		
- Historic cost	19,118						19,118
- Contributions to the capital account							
Total land and buildings	19,118						19,118
- Historic cost	6,187						6,187
- Contributions to the capital account							
Total plant and machinery	6,187						6,187
- Historic cost	46,170						46,170
- Contributions to the capital account							
Total industrial and commercial equipment	46,170						46,170
- Historic cost	64,663	49					64,712
- Contributions to the capital account							
Total other assets	64,663	49					64,712
TOTAL	136,138	49					136,187

Table 5

(units of euro)

INTANGIBLE FIXED ASSETS	DEPRECIATION AND WRITEDOWN FUND						Amount as at 31.03.2010
	Amount as at 31.03.2009	Reduction For			Other variations	Amount as at 31.03.2010	
		Increases	Disposals	Revaluations			
- Depreciations	5,975	2,390					8,365
- Writedowns							
Total land and buildings	5,975	2,390					8,365
- Depreciations	1,798	1,199					2,997
- Writedowns							
Total plant and machinery	1,798	1,199					2,997
- Depreciations	46,170	0					46,170
- Writedowns							
Total industrial and commercial equipment	46,170	0					46,170
- Depreciations	24,388	8,607					32,995
- Writedowns							
Total other assets	24,388	8,607					32,995
TOTAL	78,331	12,196					90,527

Table 6

(units of euro)

INTANGIBLE FIXED ASSETS	NET AMOUNTS					
	31.03.2009			31.03.2010		
	Depreciation			Depreciation		
	Original Cost	Writedown Fund	Net Amount	Original Cost	Writedown Fund	Net Amount
Land and buildings	19,118	5,975	13,143	19,118	8,365	10,754
Plant and machinery	6,187	1,798	4,389	6,187	2,997	3,190
Industrial and commercial equipment	46,170	46,170	0	46,170	46,170	
Other assets	64,663	24,388	40,275	64,712	32,995	31,717
TOTAL	136,138	78,331	57,807	136,187	90,527	45,661

The item *Land and Buildings* suffered a reduction with respect to 31.03.2009 of Euro 2,390, as a result of the annual depreciation.

The item *Plant and Machinery* suffered a reduction with respect to 31.03.2009 of Euro 1,199, as a result of the annual depreciation.

The item *Industrial and Commercial Equipment* remained unchanged with respect to 31.03.2009.

The item *Other Assets* suffered a net reduction with respect to 31.03.2009 of Euro 8,558 equal to the difference between new acquisitions for Euro 49 and an annual depreciation of Euro 8,607.

The item is composed as follows:

(units of euro)						
NET AMOUNT						
OTHER ASSETS	Amount			Amount		
	as at	Increases	Reductions	Depreciations	as at	Variation
		finan	financ.			finan.
	31.03.2009	year	year	Financ. year	31.03.2010	Year
Office furniture and machinery	13,065			1,849	11,216	1,849
Electronic office machinery	27,210			6,709	20,501	6,709
Assets having a unit value of less than € 516,46	0	49		49	0	
TOTAL	40,275	49		8,607	31,717	8,558

WORKING CAPITAL

Stock

The stock, comprised in the working capital is equal to Euro 6,526,257 (Euro 16,206,202 in the previous financial year) with a reduction of Euro 9,679,945 with respect to 31st March 2009. It is composed as follows:

(units of euro)			
NET AMOUNTS			
DESCRIPTION	Amount as at	Amount as at	Variation
	31.03.2010	31.03.2009	
Raw, ancillary and consumable materials	770,678	8,959,091	(8,188,413)
Works in progress on orders	0	0	0
Finished products and goods	5,755,579	7,247,111	(1,491,532)
Advanced payments	0	0	0
TOTAL	6,526,257	20,447,758	(9,679,945)

The reduction with respect to the previous financial year is to be attributed mainly to the reduction of *Raw, ancillary and consumable materials*. The item *finished products and goods* is composed of the following costs: Euro 5,197,757 relative to the construction of 14 wind towers for future orders, deposited at

Leucci Costruzioni S.p.A. (Brindisi), and Euro 557,822 relative to anchoring kits for wind towers, currently deposited at an area located in Brindisi (Strada per Pandi 8). The above costs include all the directly imputable ancillary charges.

The item *raw, ancillary and consumable materials* comprises the costs of purchase of materials, inclusive of all the directly imputable ancillary charges not yet assembled and deposited at Leucci Costruzioni S.p.A. (Brindisi).

Receivables

The item amounts to Euro 5,404,408 (Euro 3,401,148 in the previous financial year) with an increase of Euro 2,007,260 with respect 31st March 2009.

Due from customers

The receivables due from customers amount to Euro 7,500 with a reduction of Euro 588,265, with respect to the financial year as at 31st March 2009 and are detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2009	Amount as at 31.03.2010	Variation
Receivables due from Italian customers	127,896	0	(127,896)
Receivables due from EU customers	446,637	7,500	(439,137)
Receivables due from non EU customers	0	0	0
Receivables due from customers for invoices to be issued	21,232	0	(21,232)
TOTAL	595,765	7,500	(588,265)

The receivables due from EU customers refer to an invoice drawn on the customer Theolia SA for contract costs relative to the maintenance of the wind turbine generators relative to the Martignano order.

All the amounts booked are payable within the financial year.

Due from parent companies

The item amounts to Euro 225,289 (Euro 136,928 in the previous financial year) with an increase of Euro 88,361:

(units of euro)			
NATURE	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Trade	225,289	136,928	88,361
TOTAL	225,289	136,928	88,361

Tax receivables

The tax receivables amount to Euro 1,739,503 (Euro 2,080,852 in the previous financial year) with a reduction of Euro 340,989 with respect to 31st March 2009.

It is specified that the receivable towards INAIL as of 31st March 2009 for Euro 2,360 had been re-classified among *Dues from others* for a correct comparison with the data as of 31st March 2010.

The tax receivables are detailed as follows:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Tax credit for ires paid in advance	80,985	99,342	(18,357)
Tax credit for irap paid in advance	28,109	68,573	(40,464)
Tax credit for tax withholdings on bank interests	8	8,998	(8,990)
V.A.T. credit	1,630,401	1,903,579	(273,178)
TOTAL	1,739,503	2,080,492	(340,989)

The tax credits are mainly composed of tax credits for taxes paid in advance (Ires/Irap) and for VAT credits.

Advance taxes

The item reduced to zero (Euro 236,399 in the previous financial year) with a reduction of Euro 236,399 with respect to 31st March 2009.

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Taxed risks and charges fund (27.50%)	0	96,250	(96,250)
Taxed risks and charges fund (4.82%)	0	16,870	(16,870)
Non deductible interest (27.50%)	0	123,279	(123,279)
TOTAL	0	236,399	(236,399)

Due from others

Receivables due from others amount to Euro 3,436,116 (Euro 351,564 in the previous financial year) with an increase with respect to the previous financial year of Euro 3,084,552, as detailed below:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Receivables due from Suzlon Wind Energy Portugal Lda	8,756	217,501	(208,745)
Suzlon Wind Energy España S.L.U.	550,978	0	550,978
Suzlon Structures LTD.	2,818,790	0	2,818,790
Various debtors for security deposits	17,866	17,866	0
Other receivables	37,512	113,837	(76,325)
INAIL advance receivable	2,214	2,360	(146)
TOTAL	3,436,116	351,564	3,084,552

The increase with respect to the previous financial year was mainly due to the sale of raw materials for Euro 2,818,790 to Suzlon Structures Limited and for Euro 550,978 to Suzlon Wind Energy España S.L.U..

Liquid funds available

This item amounts to Euro 7,844 (Euro 17,732 in the previous financial year) with a reduction of Euro 9,888 with respect to 31st March 2009. It is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Bank and postal deposits	7,757	17,685	(9,928)
Cash and valuables on hand	87	47	40
TOTAL	7,844	17,732	(9,888)

The item bank and postal deposits include the amounts accruing as of 31st March 2010.

Receivables – Split according to due dates

Below are set forth the data relative to the splitting up of the receivables according to due dates, pursuant to article 2427, point 6 of the Civil Code:

(units of euro)			
DESCRIPTION	Due within 12 months	Due beyond 12 months	Total
Due from customers	7,500		7,500
Due from parent companies	225,289		225,289
Tax receivables	1,739,503		1,739,503
Due from others	3,418,250	17,866	3,436,116
TOTAL	5,390,542	17,866	5,408,408

Receivables – Split according to geographic area

Below are set forth the data relative to the splitting up of receivables according to geographic area, under article 2427, point 6 of the Civil Code:

DESCRIPTION	(units of euro)				Total
	Italy	EU	Rest of Europe	Others	
Due from customers		7,500			7,500
Due from parent companies		118,146	107,143		225,289
Tax receivables	1,739,503				1,739,503
Due from others	20,080	597,246	2,818,790		3,436,116
TOTAL	1,759,583	722,892	2,925,933		5,408,408

ACCRUED INCOME AND PREPAYMENTS

The item amounts to Euro 9,802 (Euro 23,335 in the previous financial year) with a reduction of Euro 13,533 with respect to 31st March 2009. It is detailed as follows:

DESCRIPTION	(units of euro)		
	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Payment of various advances	0	23,335	(23,335)
Prepayments	9,802	0	9,802
TOTAL	9,802	23,335	(13,533)

BALANCE SHEET: LIABILITIES

NET EQUITY

The item amounts to Euro 269.662 (Euro 809,610 in the previous financial year), with a reduction of Euro 539,948 with respect to 31st March 2009.

The above mentioned variation is the result of the increase of the item *Other Reserves* for Euro 6,000,000 and the loss of the financial year in question for Euro 6,539,949.

The tables set forth show the movement in the net equity in the financial year in question.

COMPOSITION OF NET EQUITY	Allocation of results of financial year		Other variations				Resultant of the Period	Amount as at 31.03.2010
	Amount as at 31.03.2009	Distribution of Dividends	Other	Increases	Reductions	Reclassification		
	Capital	10,000						
Share premium account								
Revaluation reserve								
Legal Reserve	2,000						2,000	
Statutory Reserves								
Reserves for own shares in portfolio								
Other reserves				6,000,000			6,000,000	
Profit (loss) carried forward	774,367			23,243			797,610	
Profit (loss) for the financial year	23,243					(23,243)	(6,539,949)	
Difference from the rounding up to Euro				1			1	
TOTAL	809,610			6,023,244		(23,243)	(6,539,949)	269,662

The information required under article 2427, point 7-bis of the Civil Code relative to the specification of the items of the net equity with reference to their origin, possibility of utilization and possibility of distribution, as well as their use in previous financial years, can be seen from the following schedule:

DESCRIPTION	Origin		Use and possibility of distribution					
	Amount as at 31.03.2010	Contributions From shareholders	Profits	Freely Available Part	Part which may be distributed with restrictions	Non distributable Part	Use to cover Losses	Other Uses
	Capital	10,000	10,000				10,000	
Legal reserve	2,000		2,000				2,000	
Statutory reserves								
Other reserves	6,000,000	6,000,000					6,000,000	
Profit (losses) carried forward	797,610		797,610	257,661			539,949	
TOTAL	6,809,610	6,010,000	799,610	257,661		10,000	6,541,949	

RISKS AND CHARGES FUNDS

The item amounts to Euro 175,000 (Euro 350,000 in the previous financial year) with a reduction of Euro 175,000 with respect to 31st March 2009.

Below are set forth the composition and movements for the period.

DESCRIPTION	(units of euro)				
	Amount as at 31.03.2009	Provisions	Uses	Reclassifications	Amount as at 31.03.2010
Fund for risks and charges	350,000		(175,000)		175,000
TOTAL	350,000		(175,000)		175,000

The balance of the fund for risks and charges refers to the provision for general future risks on the Martignano order.

EMPLOYEES' SEVERANCE PAY FUND

The item amounts to Euro 42,615 (Euro 35,085 in the previous financial year) with an increase of Euro 7,530 with respect to 31st March 2009. Below there are set forth the movements in the item which took place in the period. The amount reflects the indemnities accrued at the end of the year by employees of the company in compliance with the provisions of law.

(units of euro)	
EMPLOYEES' SEVERANCE PAY FUND	
Amount of the fund as at 31.03.2009	35,085
Increases:	
Provisions and revaluations	21,425
Others	
	<u>21,425</u>
Reductions:	
Terminations of employment	(13,840)
Others	(55)
	<u>(13,895)</u>
Amount of the fund as at 31.03.2010	42,615

PAYABLES

The item amounts to Euro 11,523,682 (Euro 18,532,256 in the previous financial year) with a reduction of Euro 7,008,754 with respect to 31st March 2009.

Payables to quotaholders for loans

The item amounts to Euro 9,958,642 with an increase of Euro 1,023,042 with respect to 31st March 2009. The item includes the loans received from the parent company Suzlon Wind Energy A/S for the construction of twenty new wind towers destined for future orders.

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Payables to Suzlon Wind Energy A/S	9,958,642	8,935,600	1,023,042
TOTAL	9,958,642	8,935,600	1,023,042

Payables to banks

The item reduced to zero with a reduction of Euro 2,343,845 with respect to 31st March 2009. It is specified that the item payables for credit cards, included at 31st March 2009 in the item payables to banks for Euro 3,548, had been reclassified in the item Other payables for a more correct comparison with the data as of 31st March 2010. The item had undergone the following movements.

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Financial payables to banks for letters of credit issued	0	2,343,845	(2,343,845)
TOTAL	0	2,343,845	(2,343,845)

Payables to suppliers

The item amounts to Euro 254,502 with a reduction of Euro 4,441,328, as detailed below:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Payables to Italian suppliers	64,861	3,860,846	(3,795,985)
Payables to EU suppliers	85,094	823,766	(738,672)
Payables on account of invoices to be received	104,547	211,325	(106,778)
Payables for credit notes to be received	0	(200,107)	200,107
TOTAL	254,502	4,695,830	4,441,328

Payables to parent companies

The item amounts to Euro 1,218,070 with a reduction of Euro 916,415 with respect to previous financial year and had undergone the following movements:

(units of euro)

NATURE	Value as at 31.03.2010	Value as at 31.03.2009	Variation
Trade	1,218,070	2,134,485	(916,415)
Others			
TOTAL	1,218,070	2,134,485	(916,415)

Tax payables

The item amounts to Euro 6,033 with a reduction of Euro 291,073 with respect to 31st March 2009. It is detailed as follows:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Tax authorities tax withholdings on remunerations	5,943	9,182	(3,239)
Tax authorities tax withholdings on fees of third parties	90	3,342	(3,252)
Payables to the tax authorities for Irap	0	73,268	(73,268)
Payables to the tax authorities for Ires	0	211,314	(211,314)
TOTAL	6,033	297,106	(291,073)

Payables to social security and pension bodies

The item amounts to Euro 21,062 with an increase of Euro 3,359 with respect to 31st March 2009 and is detailed as follows:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Payables within the following financial year			
- Inps debit employees	16,508	11,899	4,609
- Inail debit employees	0	701	(701)
- Payables to Quas	0	601	(601)
- Payables to A. Pastore fund	1,317	1,317	0
- Payables to M. Negri fund	2,010	2,092	(82)
- Payables to Est fund	60	55	5
- Payables to M. Besusso fund	973	973	0
- Payables to M. Negri fund training	194	65	129
Total payables due within the next financial year	21,062	17,703	3,359
TOTAL	21,062	17,703	3,359

The item under examination refers to payables to social security and pension bodies for the parts for which the company is responsible.

Other payables

The item amounts to Euro 65,373 with a reduction of Euro 42,314 with respect to the previous financial year. It is specified that the item payables for credit cards at 31st March 2009 for Euro 3,548, had been reclassified in the item Other payables for a more correct comparison with the data as of 31st March 2010. The item other payables is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Payables to employees for expense notes to be paid	242	1,141	(899)
Payables to employees for vacation, accrued leave, additional monthly salaries	35,229	67,154	(31,925)
Payables to employees for annual contractual bonus	27,501	35,844	(8,343)
Payables to credit cards	2,401	3,548	(1,147)
TOTAL	65,373	107,687	(42,314)

Payables – split according to due dates

Below are set forth the figures relative to the splitting up of the payables according to due dates, under article 2427, point 6 of the Civil Code:

(units of euro)			
DESCRIPTION	Within 12 months	Beyond 12 months	Total
To quotaholders for loans	9,958,642		9,958,642
To suppliers	254,502		254,502
To parent companies	1,218,070		1,218,070
Tax payables	6,033		6,033
To social security bodies	21,602		21,602
To others	65,373		65,373
TOTAL	11,523,682		11,523,682

Payables – split according to geographic area

Below the data are set forth relative to the splitting up of payables according to geographic area, under article 2427, point 6 of the Civil Code:

(units of euro)					
DESCRIPTION	Italy	EU countries	Rest of Europe	Others	Total
To quotaholders for loans		9,958,642			9,958,642
To suppliers	156,248	98,254			254,502
To parent companies		1,005,024		213,046	1,218,070
Tax payables	6,033				6,033
To social security bodies	21,062				21,062
To others	65,373				65,373
TOTAL	274,983	11,248,699			11,523,682

PROFIT AND LOSS ACCOUNTS

Below the revenues and costs for the financial year closed on 31st March 2010 are analysed compared with those of the previous financial year.

VALUE OF PRODUCTION

The value of production amounts to Euro 4,913,648 (Euro 16,774,933 in the previous financial year), with a reduction of Euro 11,861,285 with respect to the financial year as at 31st March 2009.

It is composed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Revenue from sales and services	6,094,170	24,740,314	(18,646,144)
Changes in inventory of work in process, semi finished goods and finished products	(1,491,532)	7,247,111	(8,738,643)
Changes in contract work in progress on order	0	(20,204,005)	20,204,005
Other income and revenues	311,010	4,991,513	(4,680,503)
TOTAL	4,913,648	16,774,933	(11,861,285)

The detail of the items which constitute the value of production is illustrated in the tables and comments set forth below.

Income from sales and services

The item amounts to Euro 6,094,170 and is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Revenues from E.U. sales and services	3,275,380	24,740,314	(21,464,934)
Revenues from extra E.U. sale and services	2,818,790	0	2,818,790
TOTAL	6,094,170	24,740,314	(18,646,144)

The item is mainly composed of the following items: Euro 2,818,790 invoiced to Suzlon Structures Ltd. in relation to the sale of iron material, Euro 2,654,417 invoiced to Suzlon Wind Energy A/S in relation to the transfer over of the costs for the production of the towers for the Kardam order, Euro 550,978 invoiced to Suzlon Wind Energy España S.L.U..

Changes in inventory of work in process, semi finished goods and finished products

The item shows a negative balance equal to Euro 1,491,532 (Euro 7,247,111 in the previous financial year), and is fully referred to the booking of the finished products detailed in the balance sheet at the item inventory.

Changes in contract work in progress on order

The item reduced to zero (negative balance of Euro 20,204,005 in the previous financial year).

Other income and revenues

The item amounts to Euro 311,010 (Euro 4,991,513 in the previous financial year), with a reduction of Euro 4,680,503 with respect to the financial year as at 31st March 2009, and it is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Re-debiting of costs to customers	72,216	4,688,124	(4,615,908)
Re-debiting of costs to SWEAS	54,546	0	54,546
Extraordinary income	184,231	303,361	(119,130)
Other income and revenues	17	28	(11)
TOTAL	311,010	4,991,513	4,680,503

The balance is composed mainly of the following items: Euro 184,231 for extraordinary income, out of which Euro 175,000 concerning the writing off of the non-use of the risk fund; Euro 72,216 for the re-debiting of costs to customers, out of which Euro 42,246 to the customer Theolia SA and Euro 23,170 concerning the transfer over of the costs to Suzlon Energy Ltd.; Euro 54,546 for the re-debiting of costs to the parent company Suzlon Wind Energy A/S wholly referred to the transfer over of the costs to the above mentioned parent company.

COSTS OF PRODUCTION

The costs of production amount to Euro 10,803,580 (Euro 15,955,113 in the previous financial year) with a reduction of Euro 5,151,533 with respect to 31st March 2009.

They are composed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Raw, ancillary and consumable materials and goods	1,487,786	23,651,826	(22,164,140)
Services	350,850	464,154	(113,304)
Use of third party assets	91,350	92,405	(1,055)
Personnel	431,650	616,575	(184,925)
Depreciations and writedowns	10,936	38,480	(18,544)
Changes in stock of raw materials, ancillary materials, Consumption materials and goods	8,188,413	(8,959,091)	17,147,504
Provisions for risks	0	0	0
Miscellaneous operating costs	233,595	50,764	182,831
TOTAL	10,803,580	15,955,113	(5,151,533)

The detail of the items composing costs of production are illustrated in the tables and in the comments set forth below.

Raw, ancillary and consumable materials and goods

The item amounts to Euro 1,487,786 with a reduction of Euro 22,164,040 with respect to the previous financial year and is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Purchase of consumption materials	6,295	18,175	(11,880)
Costs to be re-debited to Suzlon Wind Energy A/S		33,266	(33,266)
Purchase of goods for external workings	754,806	2,486,865	(1,732,059)
Purchase of raw materials for the production of wind towers		10,590,502	(10,590,502)
Purchase of materials for non EU productions		297,332	(297,332)
Costs Martignano order	170,169	1,234,115	(1,063,946)
Costs Akbuk order		1,688,430	(1,688,430)
Finished Products	463,400	6,168,491	(5,705,091)
Costs to be re-debited to customer	42,246	897,133	(854,887)
Costs to be re-debited for T.C.I.	23,170	77,173	(54,003)
Charters and customs duties	20,900	160,344	(139,444)
Costs to be re-debited to BlaDE-Retrofitting	6,800		6,800
TOTAL	1,487,786	23,651,826	(22,164,040)

Services

The item amounts to Euro 350,850 with a reduction of Euro 113,304 with respect to the previous financial year and is detailed as follows:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Transportation		307	(307)
Tax consultancy	14,098	17,818	(3,720)
Accounting Certification and audit	6,164	84,255	(78,091)
Electric power	2,084	1,591	493
Maintenance and repair expenses		2,162	(2,162)
Technical services and consultancy		81,500	(81,500)
Miscellaneous services and consultancy	9,683		9,683
Services comparable to employed work	15,027	3,242	11,785
Legal expenses and consultancy	65,949	118,971	(53,022)
Telephone expenses	14,483	25,310	(10,827)
Insurance	175,187	4,398	170,789
Representation expenses	140		140
Trip and transfer expenses	30,223	74,480	(44,257)
Expenses for updating, training		19,157	(19,157)
Other	17,812	30,963	(13,151)
TOTAL	350,850	464,154	(113,304)

Use of third party assets

The item amounts to Euro 91,350, with a reduction of Euro 1,055 and is detailed as follows:

(units of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Rent and lease fees	73,307	73,898	(591)
Lease fees for movable assets	18,043	18,507	(464)
TOTAL	91,350	92,405	(1,055)

Personnel

The item amounts to Euro 431,650 with a reduction of Euro 184,925 with respect to the previous financial year and is detailed as follows:

(unit s of euro)

DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Wages and Salaries	299,107	437,874	(138,767)
Social security charges	111,118	151,185	(40,067)
Employees' severance pay	21,425	27,366	(5,941)
Other costs	0	150	(150)
TOTAL	431,650	616,575	(184,925)

Depreciations and write downs

The item amounts to Euro 19,936 with a reduction of Euro 18,544 and is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Depreciation of intangible fixed assets	7,740	6,060	1,680
Depreciation of tangible fixed assets	12,196	32,420	(20,224)
TOTAL	19,936	38,480	(18,544)

Changes in stock of raw, subsidiary, consumption materials and goods

The item amounts to Euro 8,188,413 (Euro -8,959,091 in the previous financial year) and is mainly due to the devaluation of part of the warehouse stock.

Miscellaneous operating charges

The item amounts to Euro 233,595 with an increase of Euro 182,831 with respect to the previous financial year and is detailed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
Registration tax	310	310	0
Chamber of Commerce fees	2,102	662	1,440
Other operating charges	35,439	49,792	(14,353)
Contingent liabilities	195,744	0	195,744
TOTAL	233,595	50,764	182,831

The balance is mainly composed of the item Contingent Liabilities for Euro 195,744, out of which Euro 100,494 concerning discounts to the customer Theolia S.A. and Euro 95,250 for the writing off of a receivable relating to insurances.

FINANCIAL PROCEEDS AND CHARGES

The financial proceeds and charges showed a negative balance of Euros 413,619 with a reduction of Euro 293,236 with respect to 2009. They are composed as follows:

DESCRIPTION	(units of euro)		
	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
FINANCIAL INCOME			
Other financial income			
- from securities booked in working capital			
Total other financial income			
Income different from the previous income			
- from others			
- Interests receivable on bank and postal current accounts	31	33,935	(33,904)
- Interests receivable from miscellaneous debtors	439	439	439
Total income other than the previous one	470	34,374	(33,904)
Total other financial income	470	34,374	(33,904)
TOTAL FINANCIAL INCOME	470	34,374	(33,904)
FINANCIAL CHARGES			
Interests and other financial charges			
- to others			
- Interests payable to parent companies	412,111	729,836	(317,725)
- Interests payable to other lenders	0	9,789	(9,789)
- other financial charges	3	61	(58)
Total charges different from the above	412,114	739,686	(327,572)
TOTAL INTEREST AND FINANCIAL CHARGES	412,114	739,686	(327,572)
PROFIT (LOSS) ON EXCHANGE RATES			
- positive difference on exchange rates			
- negative difference on exchange rates	(1,975)	(1,543)	(432)
TOTAL INTEREST AND FINANCIAL CHARGES	(1,975)	(1,543)	(432)
TOTAL INCOME AND FINANCIAL CHARGES	(413,619)	(706,855)	(293,236)

EXTRAORDINARY INCOME AND CHARGES

Extraordinary income and charges amount in total to Euro 1 with a decrease of Euro 290 with respect to 31st March 2009. They are composed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
EXTRAORDINARY INCOME			
- Difference due to the rounding off to Euro		1	1
TOTAL EXTRAORDINARY INCOME	1		1
EXTRAORDINARY CHARGES			
- Extraordinary liabilities			
- other extraordinary charges	0	(289)	289
TOTAL EXTRAORDINARY CHARGES	0	(289)	289
TOTAL OF THE EXTRAORDINARY ITEMS	1	(289)	290

INCOME TAXES CURRENT, DEFERRED AND ADVANCE TAXES FOR THE PERIOD

The income taxes amount to Euro 236,399 with an increase of Euro 146,966 with respect to 31st March 2009. They are composed as follows:

(units of euro)			
DESCRIPTION	Amount as at 31.03.2010	Amount as at 31.03.2009	Variation
CURRENT TAXES			
- Ires IRAP	0	325,832	(325,832)
- Irap	0		
TOTAL CURRENT TAXES	0	325,832	(325,832)
DEFERRED AND ADVANCE TAXES			
- Advance taxes	236,399	(236,399)	472,798
- Deferred taxes			
TOTAL DEFERRED AND ADVANCE TAXES	236,399	(236,399)	472,798
TOTAL INCOME TAXES FOR THE FINANCIAL YEAR	236,399	89,433	146,966

Reconciliation between the tax charges on the financial statements and the theoretical charge

In compliance with the instructions provided under the reference accounting standards, the following schedules allow the reconciliation to be made between the tax charge arising from the Financial Statements and the theoretical charge, separately for Ires and Irap:

IRES 2010	
Profit (Loss) before tax	(6.303.550)
<i>Increases</i>	
- telephone expenses (land lines)	1,495
- telephone expenses (cellular telephones)	1,454
- Depreciation electrical plant	217
- Non deductible costs	231
- Leasing cars for personal use of employees	1,284
- Further costs on cars for personal use by employees	45
- Maintenance costs for cars for personal use for employees	286
- Cost of fuel for cars for personal use for employees	585
- Reimbursement of kilometres to employees	637
- Fines	28,693
- Extraordinary liabilities	195,774
- Provisions to risks fund	
- Non deductible interest (under art 96 Consolidated Income Taxes)	411,645
Total increases	642,346
<i>Reductions</i>	
- Use of provisions and risks fund	175,000
- deductible IRAP (paid)	2,996
Total reductions	177,996
IRES tax loss	(5,839,200)
IRES rate	27.50%

IRAP 2010

Profit (Loss) before tax (6,303,550)

Increases

- Extraordinary liabilities	
- Non deductible personnel costs	21,029
- Losses on exchange rate	1,975
- Interest on loans	412,114
- Salaries	431,650
- Costs for temporary workers	15,027

Total increase 881,795

Reduction

- Use of provisions to risks fund	175,000
- Bank interest receivable	470
- Inail	2,460
- Compulsory contributions (fiscal recovery)	133,691
- Writing off IRAP major provision for 2008/2009	2,996

Total reductions 314,617

IRAP fiscal loss (5,736,372)

IRAP rate 4.82%

OTHER INFORMATION

Average number of employees

The number of employees amounts to 4 with a reduction of 4 units with respect to the previous financial year and is split as follows, according to category:

SUZLON WIND ENERGY ITALY S.R.L.			
CATEGORY	Financial year 2009	Hirings	Terminations
Managers	1		
Middle managers	2		1
White collar workers	5		3
TOTAL	8		4

Information on the company or bodies carrying out the direction and control activity - art. 2497 bis of the Civil Code

The Company is subject to the direction and coordination activities of the company Suzlon Wind Energy A/S, with registered office at Kystvejen 29 8000C Aarhus, Denmark.

Below are set forth the essential data of the last financial statements approved as at 31/03/2009 of the aforesaid parent company expressed in euro:

Revenue	98,992,000
Profits (loss) for the financial year	(23,728,000)
Net equity	(15,029,000)
Total Assets	93,856,000

Fees to directors and statutory auditors

Below are set forth the aggregate fees to which the members of the Board of Statutory Auditors are entitled for the performance of their functions.

PERCIPIENTS	2010
Directors	No remuneration
Statutory Auditors	9,900
TOTAL	9,900

Rome, date

The Board of Directors

Erik Winther Pedersen (Chairman of the Board of Directors)