

Suzlon Energy Limited

9M FY 12 Earnings Presentation

11th February, 2012

Suzlon windfarm at Dhule, India

Disclaimer

- *This presentation and the accompanying slides (the “Presentation”), which have been prepared by Suzlon Energy Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*
- *This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*
- *Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the wind power industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*
- *No offering of the Company’s securities will be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). Accordingly, unless an exemption from registration under the Securities Act is available, the Company’s securities may not be offered, sold, resold, delivered or distributed, directly or indirectly, into the United States or to, or for the account or benefit of, any U.S. Person (as defined in regulation S under the Securities Act).*
- *The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions.*

- **9M FY12**

- Group order backlog of \$7.5Bn of 5,755 MW
- Revenues of Rs 14,383 Crs in 9M FY12 as against Rs. 10,603 Crs in 9M FY11, a growth of ~36%
- Proceeds from Hansen sale received
- REpower “squeeze out” registered and Suzlon now owns 100% stake of REpower

- **Outlook for the Industry**

- Industry estimates suggests 11%+ growth over next five years
- India and Offshore to lead growth with ~+30% growth YoY

- **Focus areas for FY12**

- REpower “squeeze out” and cash generation driven by non core assets sale and working capital reduction
- Increased focus on India, Canada, Germany, France, UK and Offshore
- Suzlon Group: Guidance revised

- **Detailed financials**

Suzlon Group - Key highlights : 9M FY12



Suzlon windfarm at Utah, USA

9M FY12 – Key takeaways

✓ **Highest ever order backlog ~\$7.5Bn (5,755 MW)**

- Robust high order inflows of 2,845 MW worth ~\$3.7 Bn in 9M FY12
- Q3 Order inflow of ~US\$1.9 Bn
- International orders from North America, Europe and Brazil improve visibility of FY13

✓ **Calendar Year 11 (CY11) performance***

- Revenues ~\$4.3Bn
- EBIT of \$303 Mn, a margin of 7%
- Order intake of ~\$ 5.6 Bn (~5 GW)

✓ **Volumes impacted in Q3**

- Consolidated revenues of Rs 4,985 Crs in Q3FY12 and Rs 14,383 Crs in 9MFY12
- FY12 Guidance revised downwards

✓ **Collaboration process with REpower initiated and on track**

- Manufacturing of MM92 already started in Suzlon facilities in India
- Europe and Australian operations realigned

✓ **Impressive response to new product launches**

- S9X turbine suite exceeds 1 GW of order inflow across India, USA, Canada, Australia and Brazil
- Encouraging response for 3XM in the international market with ~750MW of orders received till date

* - CY11 nos are unaudited nos and based on quarterly summations

Financial performance snapshot

Rs Crs.

| Particulars | Q3 FY12 Unaudited | Q3 FY11 Unaudited |
|---|-------------------------|-------------------------|
| Consolidated revenue | 4,985 | 4,433 |
| Consolidated EBITDA | 322 | 182 |
| Consolidated EBIT | 152 | 40 |
| Consolidated Net Working Capital | | |
| Consolidated Net Debt | | |

| 9M FY12 Unaudited | 9M FY11 ^(a) Unaudited | Full Year FY11 Audited |
|----------------------|-------------------------------------|------------------------------|
| 14,383 | 10,603 | 17,879 |
| 1,200 | (216) | 808 |
| 741 | (622) | 151 |
| 5,503 | 4,449 | 3,788 |
| 11,790 | 9,375 | 9,142 |

9M FY12 key highlights:

- 9M FY12 Revenues grew by ~36% YoY basis, while Q3 revenues grew by ~12%
- EBITDA margins improved to 8.3% from negative (2%) in corresponding period last year
- EBIT margins at 5.1% against negative (5.9%) in corresponding period last year

CY11: Improving performance

Figures in \$ Mn

| Particulars | CY11* (Unaudited) | CY10* (Unaudited) |
|-----------------------------|----------------------|----------------------|
| Consolidated revenue | 4,332 | 3,337 |
| Consolidated GP | 1,420 | 1,104 |
| Consolidated EBIT | 303 | (46) |
| EBIT Margin | 7.0% | (1.4%) |
| Order intake | 5,565 | 4,538 |

* - Based on quarterly summation

CY11 Key highlights:

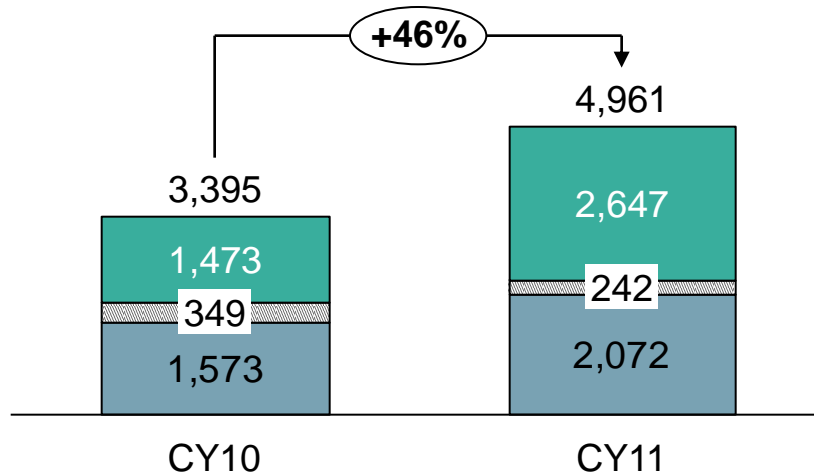
- Revenues grew by ~30% on yoy basis
- Gross profits grew by ~29% on yoy basis
- Order intake improved by ~23%

•Exchange rate: 1 USD= 50 INR

Strong momentum in order inflow continues

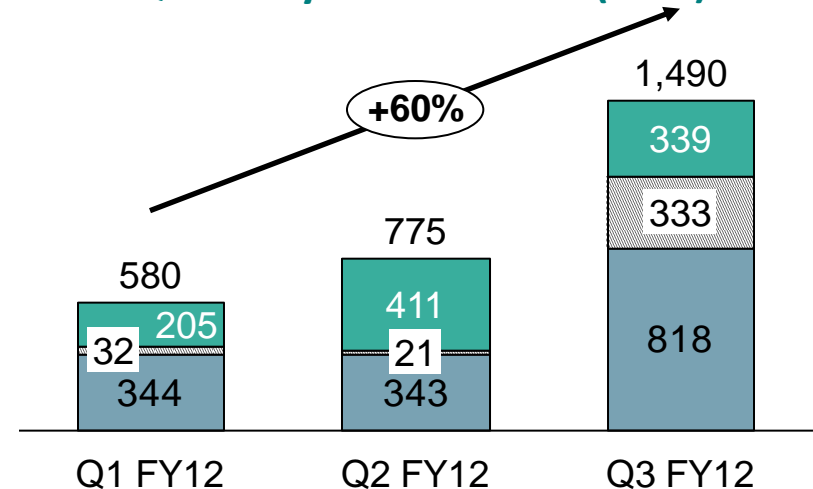
Significant visibility for FY13

Yearly Order inflow (MW)*



■ Suzlon India ■ Suzlon International ■ REpower

Quarterly Order inflow (MW)^



- Order inflow size of ~1.49 GW in this quarter alone, compared to 1.35GW over the past 2 quarters
- **~53% of orders are repeat orders, strengthening our position as the partner of choice**
- New products: 3XM and S9X widely accepted:
 - More than 1 GW order flowing in for S9X suite since introduction in April 2011, from across the globe including India, Brazil, North America
 - ~750 MW of 3XM orders till date , most of them from Germany

Diversified Order inflow in CY11– 4,961 MW

Total value of \$5.6 Bn

Emerging Markets

India – 2,647 MW

Brazil - 24 MW

Total: 2,671 MW
Value: \$2.8 Bn

Europe

Germany – 384 MW

Italy - 169 MW

Netherlands – 145 MW

France – 120 MW

UK – 111 MW

Others – 86 MW

Total: 1,015 MW
Value: \$1.3 Bn

North America

USA – 618 MW

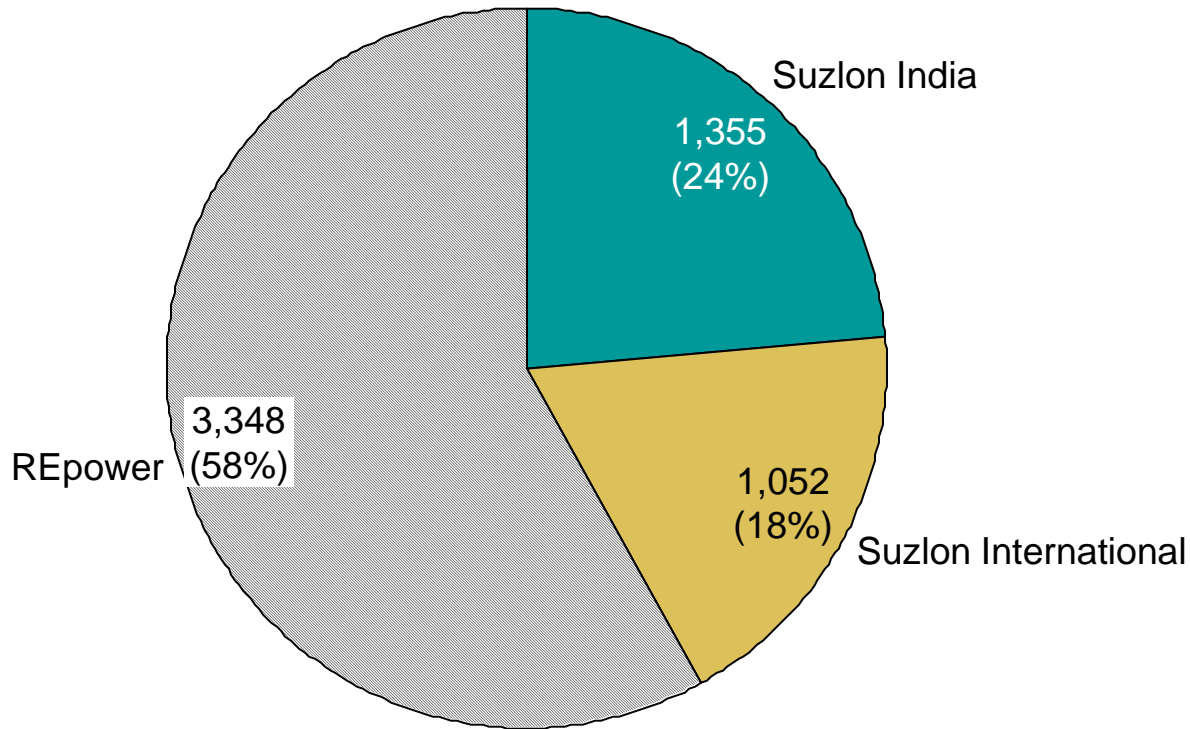
Canada - 657 MW

Total: 1,275 MW
Value: \$1.4 Bn

Group Order book at Peak – ~5.7GW / ~\$7.5Bn

Strong Long term Visibility

Order book in MW – 5,755 MW



Order book Value

Suzlon India

- Value: \$1.5Bn

Suzlon International

- Value: \$1.3 Bn

REpower

- Value: \$4.7Bn

•Exchange rate: 1 EUR= 1.326 USD, 1 USD= 49.625 INR

•Order book as on 10 February 2011

Announced framework contracts of ~4.1 GW

1. **RWE Innogy for up to 250 units of 5 MW / 6 MW offshore turbines**
 - 295 MW already confirmed for 6M turbines announced in Jan'10
2. **Frame contract with EDF Energies Nouvelles for onshore turbines**
 - 300 MW & 80 MW already confirmed announced in Jan'11 and Apr'11 respectively
3. **Framework agreement with Juwi to be commissioned between H2 CY11 and CY14**
4. **Frame agreement for up to 200 WTGs in South Africa with 'African Clean Energy Developments'**
 - South African Dept of Energy has already awarded PPA for 135 MW to the client in December 11
5. **Business agreement with Techno Electric in India**
6. **Framework agreement with EUFER in Spain**

1,500 MW

954 MW

720 MW

420 MW

300 MW

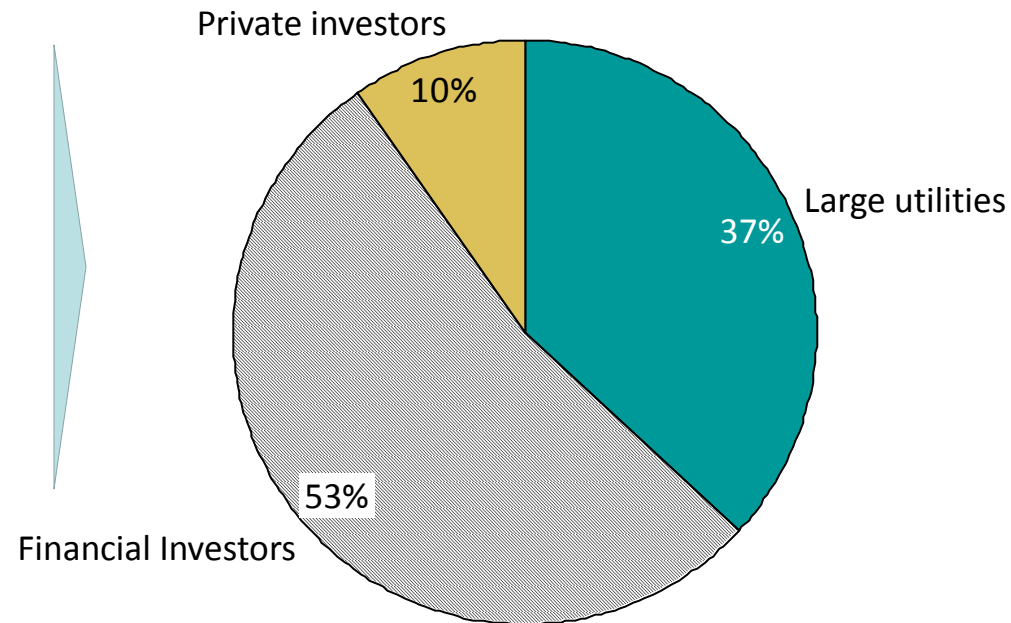
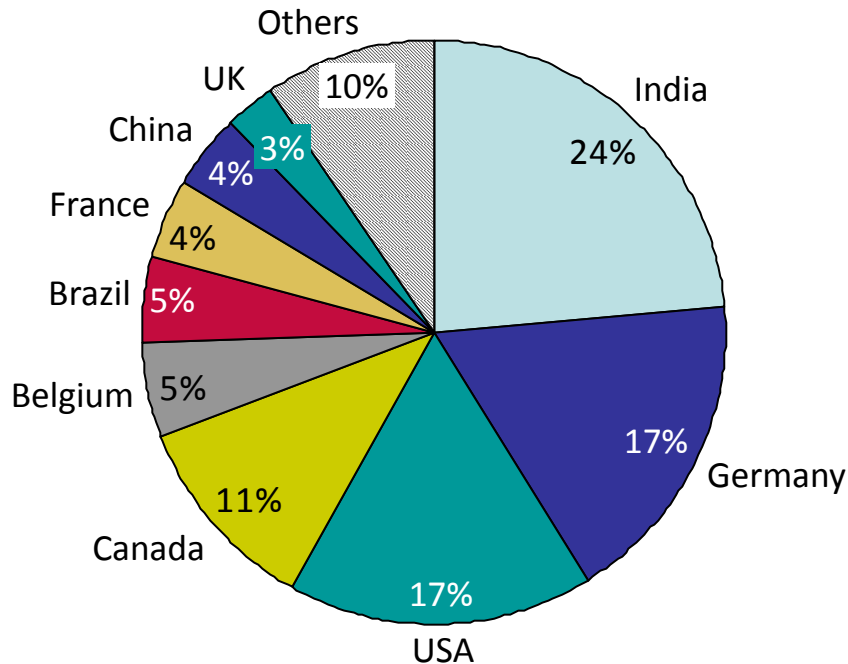
225 MW

Total Frame agreements of ~4.1GW , of which ~16% already converted into firm orders

Order book has well balanced exposure to strong markets and large utilities

Order book of ~5.7GW (As on 10th February 2012)

...with majority orders from large utilities



Presence across all high growth geographies

Order backlog largely based on large customers

Synergy realization and consolidation with REpower on accelerated track

Key initiatives being executed/targeted

✓ Markets

- Streamline market SBUs – One Organization, One Team & One product portfolio
- Suzlon Australia and Europe operations realigned with REpower
- Create regional back offices for markets
- Leverage Suzlon infrastructure to increase sales for the Group

✓ Supply chain synergies

- Realign vendor base to Asia
- Drive joint strategic procurement
- Supply of components, to start from FY13 in full fledged
- Leverage Suzlon manufacturing facilities for REpower

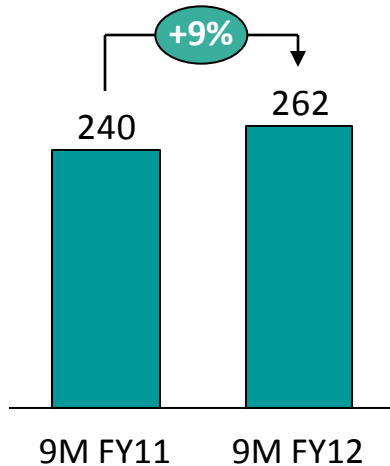
✓ Overheads

- Consolidate organization in over-lapping functions/geographies
- Realign organization capacity to optimize fixed costs
- Align technology efforts across both companies
- Establish integrated highly efficient OMS

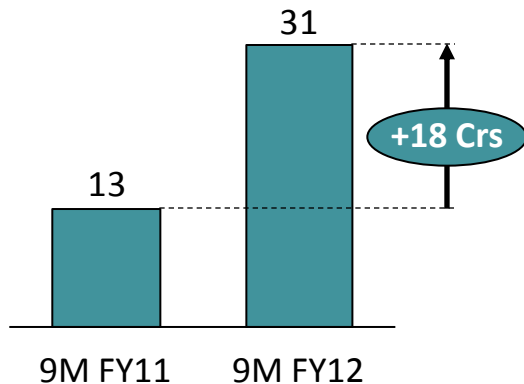
Key Outcomes in FY13:

- Increase global market share
- Improve gross margins
- Rationalise Group fixed costs

SE Forge – Revenues (Rs Crs)



SE Forge – EBITDA (Rs Crs)



Developing trends

- Recently signed Rs 600 Crs frame order with a major bearing manufacturer
- Signed two major third party agreements from two large wind players worth Rs 200 Crs cumulatively
- Marquee client profile, from both wind and non-wind industries
- Volumes continue to improve
 - ✓ Proportion of non-Suzlon business increasing
 - ✓ Oil & Gas sector in North America to contribute 15-20% of forging division's revenue by FY13

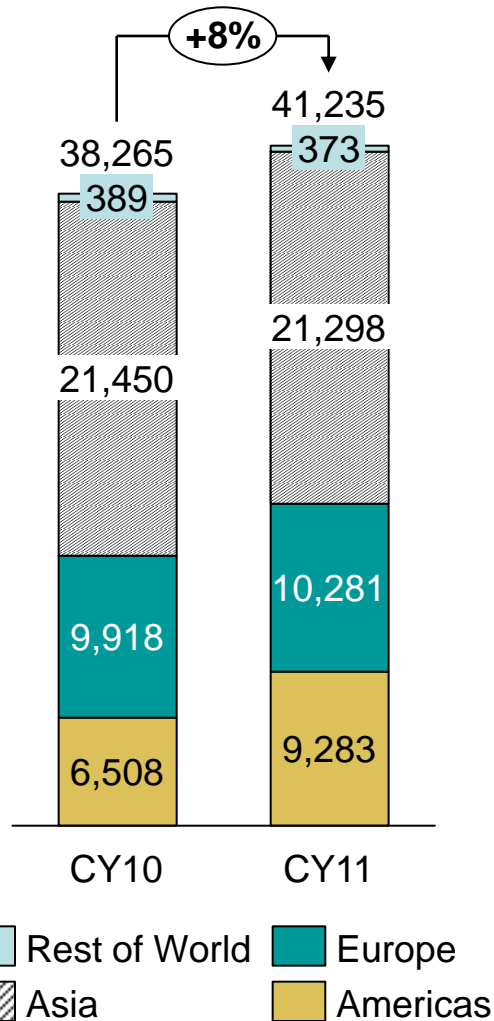
Outlook for the FY12 and beyond



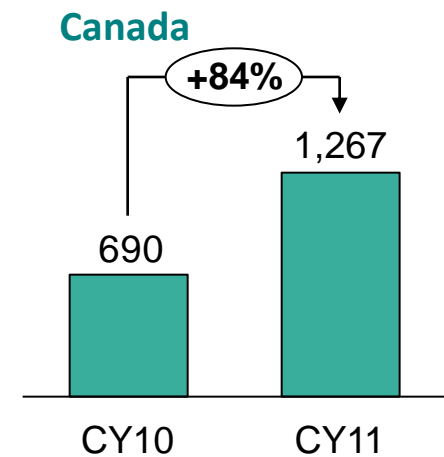
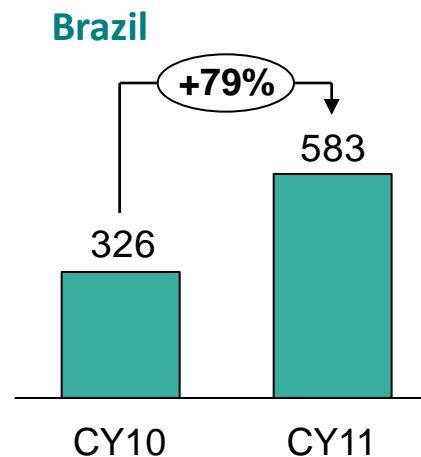
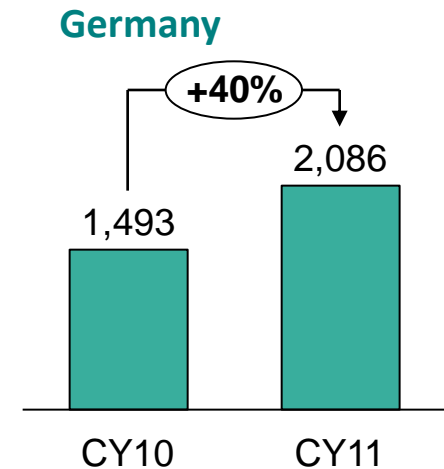
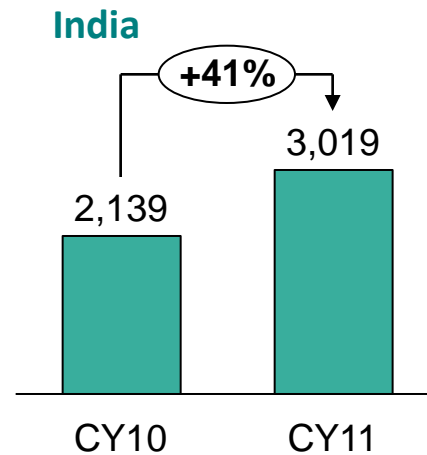
REpower offshore project : Beatrice

Annual installations grew by 8% in 2011

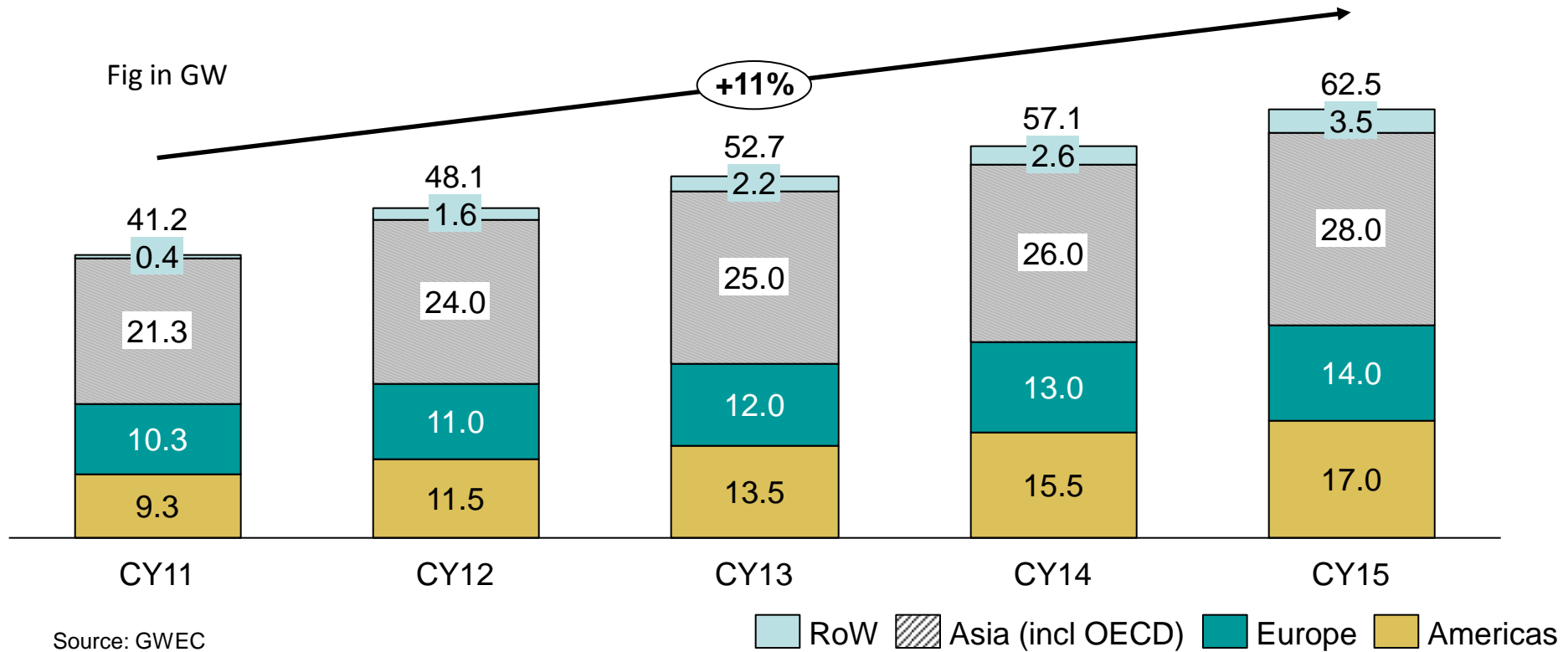
Annual installations (MW)



...but our key markets witnessed huge growth

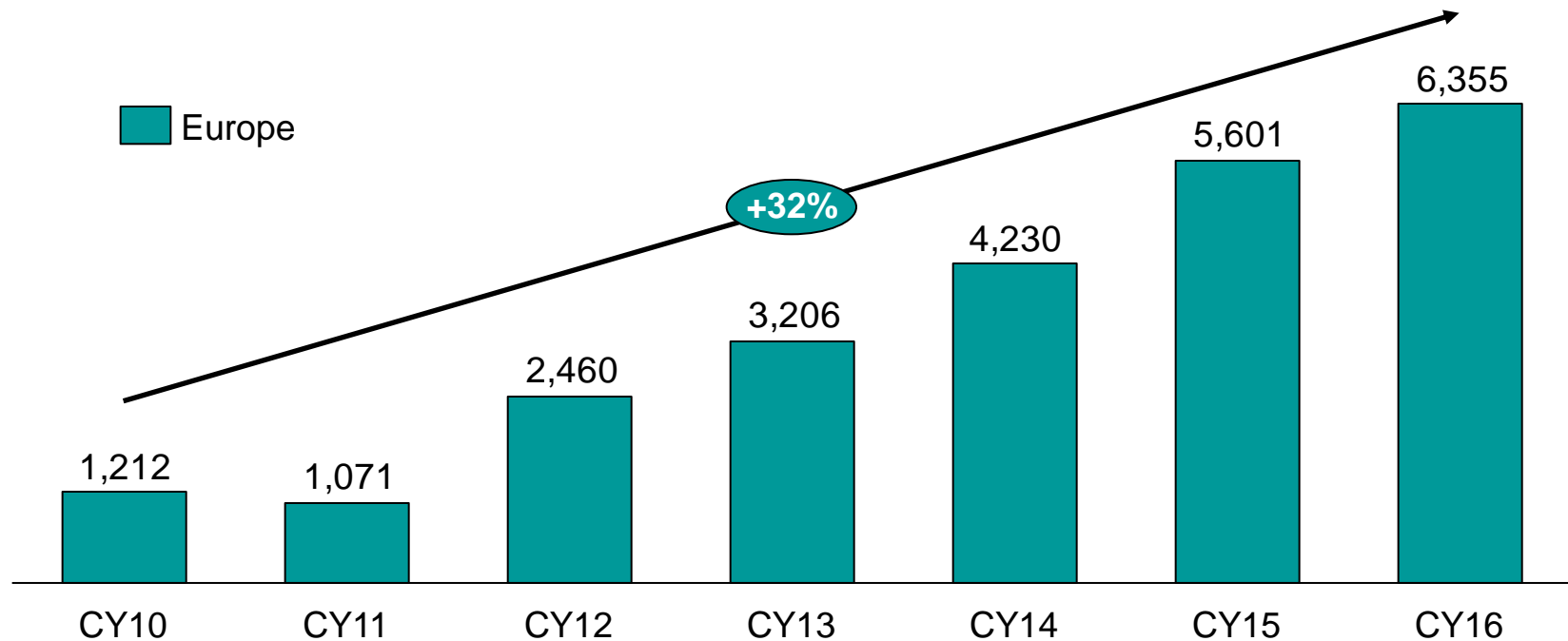


Industry estimates for annual installations



- The share of wind power in global electricity generation is estimated to go up to ~9% by 2020 from current ~2%
- Developed markets, such as US and Europe, are expected to grow at CAGR of ~12-13% pa
- Higher growth is expected in emerging markets like India, Brazil and South Africa

Offshore : Next Big Growth Story

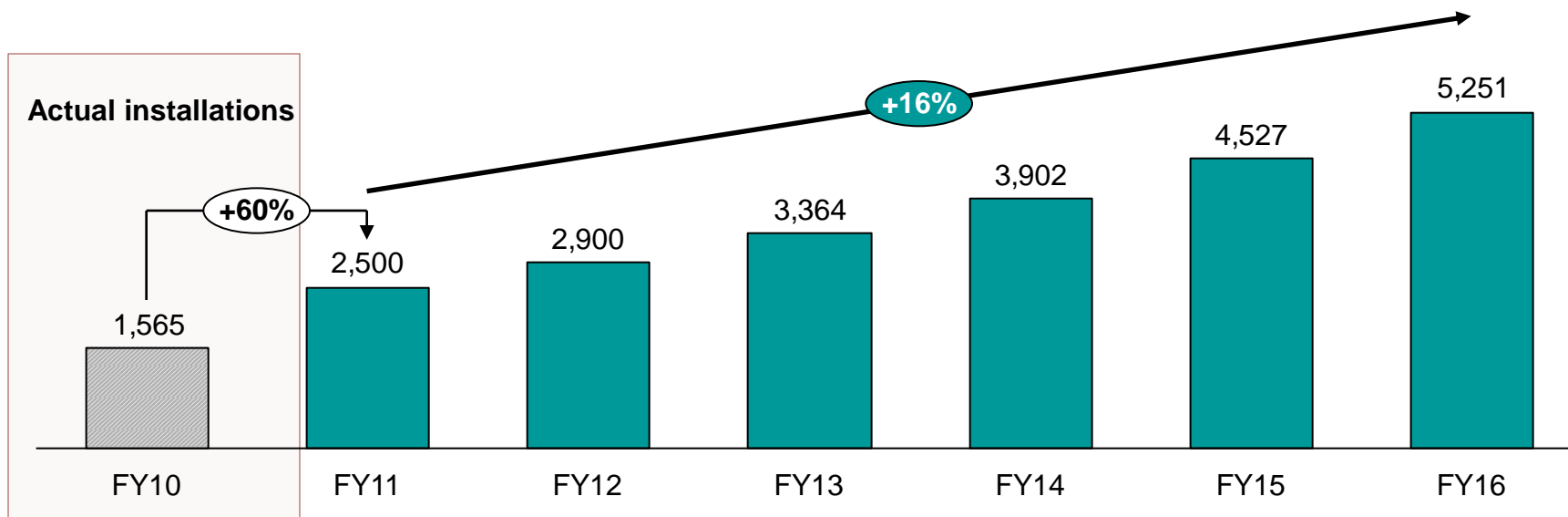


Source: MAKE Consulting, 2011

- Offshore market's global share in total installations will increase from ~4% in CY10 to ~11% in CY16, driven by Northern Europe and Asia
- UK, Germany, France, Belgium and China to be the main growth drivers
- Huge offshore installation targets by UK (~18GW) and Germany (~10GW), key markets of Suzlon Group
- However, insufficient transmission infrastructure may impede the offshore growth potential in the short term

India: 2011 is a record year of growth for Wind

Analysts estimates market to touch ~5 GW by 2015



Source: World Institute for Sustainable Energy, India, 17 March, 2011

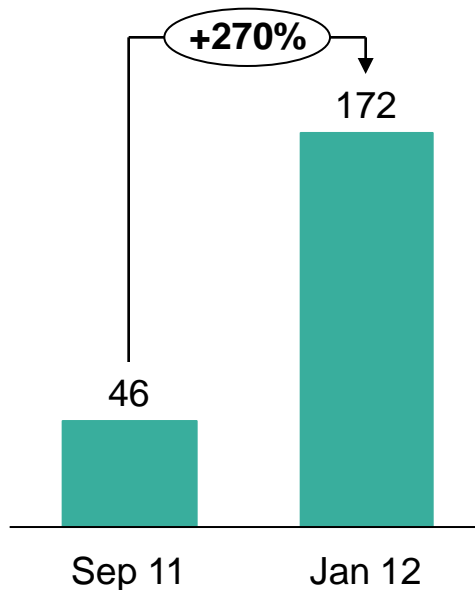
- **Investment in clean energy projects in India grew faster than any other major economy in 2011, rising by 52% to \$10.3Bn**
- **Going forward, widespread adoption of REC and GBI are expected to drive continued growth**
 - ✓ RECs trading at ~Rs 3,051/REC and volumes also growing fast.
 - ✓ GBI registrations increased by ~50% YoY in 2011 with total 1,304 MW registered so far as on 4th Jan 12*

Improving momentum in Indian REC market –

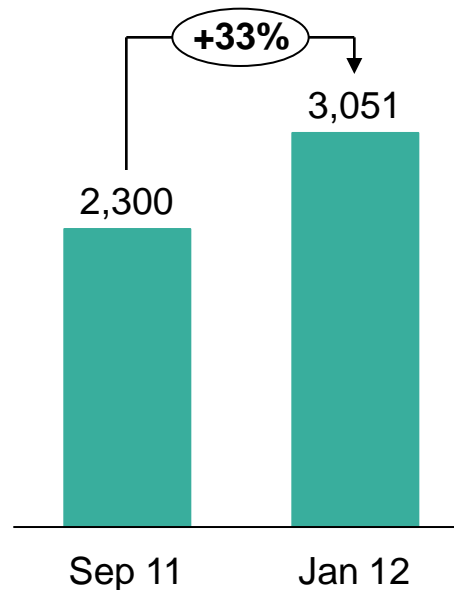
Strong driver for Wind

- Growing demand of RECs to meet RPO requirements from the obligated entities
- Long term certainty over the pricing range (Floor / Cap) is a positive development
- Significant demand potential for RECs as the volume currently traded is only 1% of the of the overall RE requirement
- With prices of REC moving northwards, it is becoming more remunerative for the IPPs than preferential tariff route

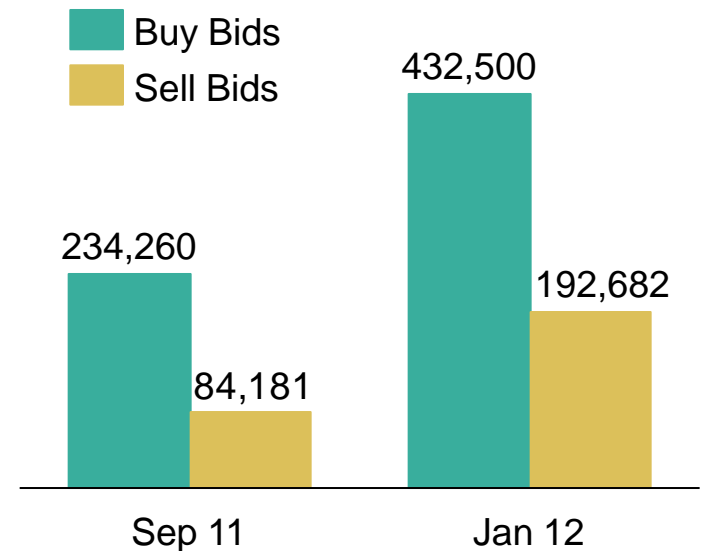
Trading Volumes (000's)



Price (Rs/REC)



No. of Sell / Buy bids



Source: IEX, PXIL

Western Markets making a comeback

Americas – *Reviving US market coupled with strong growth in Canada*

USA:

- Market size is expected to double in CY12 due to expiry of PTC and ITC benefits

Canada:

- Most of the provinces established wind energy targets - Ontario and Quebec expect WTG installations of 10GW and 4GW respectively by 2015
- Market is expected to have an annual size of more than 1GW

Europe – *Holding turf through targets*

Onshore:

- Onshore market continue to hold ground
- Germany, France, UK, Italy are top contributors in Europe
- German nuclear shut down is likely to boost demand for new wind
- Growth seen in countries like Poland and Romania

Offshore:

- UK dominated offshore wind installations in 2010 with ~40% of new installed capacity
- France is expected to conduct a second tender for 3,000 MW of offshore wind power projects in April 2012 along with declaration of results for the first tender
- Going forward, UK and Germany are expected to account for 80% of European offshore market

Huge potential unlocking in emerging markets

Brazil:

- In recent auction in Brazil, 39 wind farm projects were awarded with a total installed capacity of ~1 GW, in addition to the 2GW projects announced in the last auctions in August
- Contracted wind projects posted some of the most competitive pricing, even undercutting hydroelectricity in a parallel auction
- Brazilian wind potential is estimated at 143GW with ability to reach up to 300GW with the use of modern generators

South Africa:

- Total wind potential in South Africa is estimated at 70GW+
- South Africa Wind Association targets 30% of total generation from wind by 2025
- 10 GW + of wind projects are in pipeline
- 633 MW already awarded, about 1.2 GW to be contracted in FY12-13
- Two more auctions are expected, in March 2012 and November 2012

Focus Areas for FY12



REpower offshore project : Thorntonbank

FY12: Turnaround year

1

Markets

- Increased focus on India, emerging markets, select developed markets and Offshore
- Higher revenues and strong margins

2

Products

- High penetration of new products in various markets
- New products for low wind regimes with higher hub heights

3

Operational Efficiency

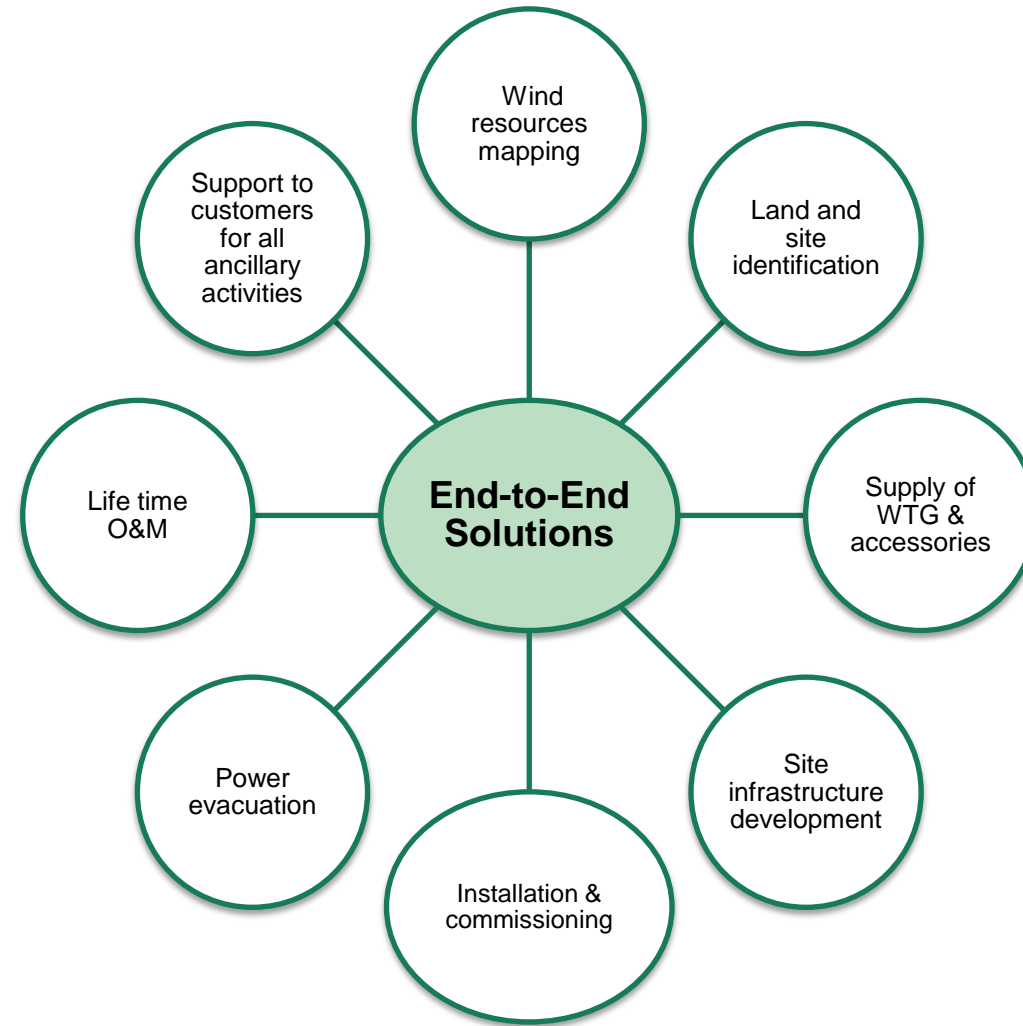
- Reduction in COGS
- Focus on cash generation
- Lower Working Capital intensity & lower CAPEX

4

Strategic

- Strengthening Group's competitive positioning
- Completion of "Squeeze out" process in REpower
- Sale of Hansen stake

Strengthening our position in emerging markets through end-to-end business model



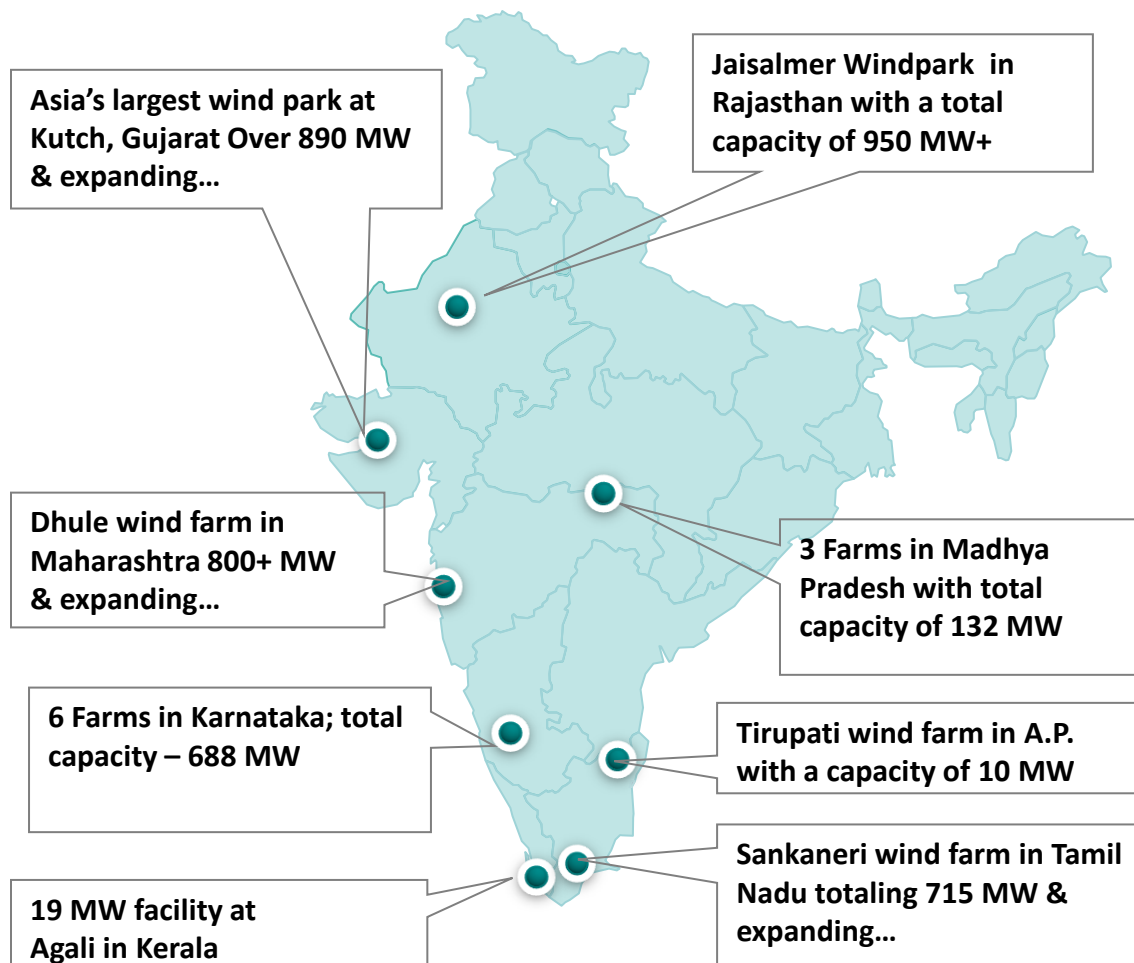
End to end
solution
provider –

Key to
emerging
markets

- Allows customers to benefit from cost-efficiencies and economies of scale in wind farms
- Avoids need for customers to undertake cumbersome wind farm development process
- Provides greater control over execution timeline
- Control on value chain from planning to maintenance stages
- Leverages Suzlon's deep experience across wind energy value chain
- Best partner for IPP customers

...backed by successful track record of executing large end-to-end projects in India

Some of our largest wind farms in India



- **Installed base of 6,800+ MW in India (>1,000 MW sites in four states)**
- **Capacity to deliver large scale projects** (Four mega size windfarms of >700 MW each)
- **More than 100 project sites across 8 states**
 - Rajasthan, Gujarat, MP, Maharashtra, Karnataka, AP, Tamil Nadu & Kerala
- **Suzlon is well placed to cater to the growing market due to its**
 - Unique business model of concept to commissioning,
 - Strong EPC execution capabilities and
 - Access to large wind sites

Some of our large operational offshore projects



Alpha Ventus Project, Germany

**Customer: Consortium of EWE,
E.ON & Vattenfall**

- 6 WTGs of 5M
- Installed in 2009
- >4,000 load hrs per WTG



Thornton Bank Project, Belgium

Customer: C-Power

- 6 WTGs of 5M (Phase I)
- Installed in 2008
- Next phase order of 295 MW already received

Other projects under development (>700 MW)

Thornton Bank Project, Belgium

Customer: C-Power

- 295 MW in Phase II & III (48 WTGs of 6M)
- Largest non recourse financed project (€ 1.3bn)
- Installation by 2012 & 2013

Nordsee OST Project, Germany

Customer: RWE Innogy

- 295 MW (48 WTGs of 6M)
- Part of the frame contract of 1.2-1.5GW
- Co funded by European Commission under EEPR programme
- Installation by 2012/2013

Ormonde Project, UK

Customer: Vattenfall

- 150 MW (30 WTGs of 5M)
- Installation of WTGs finished in August 2011 (3 weeks ahead of schedule)
- Grid connection still due (responsibility of customer)

High penetration of new products in various markets

- New products backed by proven performance and efficient processes, as well as customer-focused team: a global company with local reach
- Enhancements, innovation and comprehensive design driven through the entire technology platform for even better reliability and higher power yield in low-wind sites

New products launched

- ✓ **Suzlon S9X for low-wind sites**
 - **Suzlon S97:** 2.1 MW platform, with a 97 meter rotor diameter
 - **Suzlon S95:** 2.1 MW platform, with a 95 meter rotor diameter
- ✓ **REpower MM100:** MM100-1.8 MW developed for low wind sites
- ✓ **REpower 3.XM:**
 - 3.2M with a 114 meter rotor diameter for Class-III wind sites, with a hub height of 100m, 123m & 143m
 - 3.4M with a 104 meter rotor diameter for Class-II wind sites

Status update

- ✓ **S9X**
 - Already launched for all geographies
 - Prototypes already installed
 - GL certification received
 - 1 GW orders already received for S9X
- ✓ **REpower MM100/3XM:**
 - Already launched for relevant geographies
 - Cold climate version to follow
 - Large sized orders received for new products

S9X: Focus on providing higher yields at a lower cost from low wind sites

- ✓ 2 MW-class turbines, designed for moderate to low wind regimes
- ✓ Robust, reliable design optimized to deliver higher yields at a lower cost per-kW/h
- ✓ Extends proven technology platform to meet specific market, wind regime and operating conditions

Key features in the S9X design are:

- ✓ Power yield up by ~14-19%
- ✓ Tower weight less by 15%
- ✓ Larger swept area with rotor diameters; 95 and 97 meters
- ✓ DFIG convertor featuring variable speed
- ✓ 80-meter, 90-meter and 100-meter hub heights

Suzlon has received a solid response from the market for its new products.

A few of the large orders which also include delivery of new products:

- ✓ 1000 MW order from Mytra Energy, India
- ✓ 218 MW order from Martifer, Brazil
- ✓ 202 MW order from Techno Electric, India
- ✓ 100 MW order from Orient Green Power, India
- ✓ 120 MW order in Western USA

**Operating successfully
across the world.....**

S9X in Australia

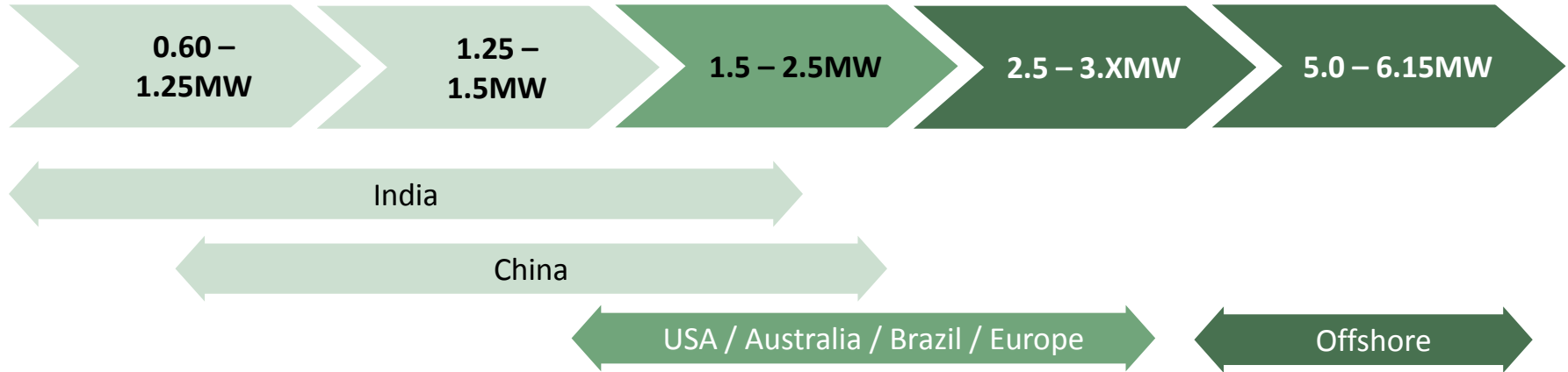


S9X in India



2

With new products, Suzlon Group boasts a complete commercially proven portfolio



Products spanning all capacities - sub-MW to multi-MW turbines

Products spanning technologies - variable, semi-variable and fixed speeds

Product variants spanning climatic conditions, all wind class sites and grid requirements

Ability to supply large volumes across various geographies

- **Operations to be cash generating**

- Maximise volumes, focus on key markets, improvement in margins, optimisation of costs
- Endeavours to generate cash from operations, while keeping investments into balance sheet at a minimum

- **Focused efforts to reduce working capital intensity**

- Reduce debtor days, with efforts to recover slow moving debtors in USA
- Structurally reduce inventories tied up in overseas markets for executing ex-Asia orders
- Optimise suppliers credit

- **Continued policy of incurring only 'MUST HAVE' CAPEX**

- Suzlon wind to incur minimal new CAPEX
- REpower to incur CAPEX only for offshore/multi MW turbine manufacturing

Suzlon owns 100% stake in REpower with successful completion of “squeeze out”

Squeeze out process:

- ✓ Squeeze out initiated by Suzlon's wholly owned subsidiary
- ✓ Cash compensation offered at Euro 142.77/share, validated by Valuation auditor appointed by Court
- ✓ Resolution passed at the AGM for REpower on 21st September, 2011
- ✓ **Squeeze out registered in commercial register on 27th October, 2011**
- ✓ **Suzlon holds 100% stake in REpower**

Possible benefits that can accrue:

- ✓ **Supply chain synergies to drive down costs**
 - Manufacturing and Sourcing in Low cost countries of Asia
 - Significant reduction in COGS
 - REpower products to become more price competitive
- ✓ **Collaboration of Sales & Service organization:**
 - Leveraging Group Sales and Service infrastructure across the globe to boost sales
- ✓ **Enhanced technical collaboration to maximize benefits and optimize R&D spend**
- ✓ **Stronger balance sheet and effective utilization of Group resources**

Group well positioned in current market environment

1 Emerging markets

- India: high growth market
- Entrenched in China, Brazil
- Early entrant in South Africa, Chile, Argentina and Mexico

2 Offshore & key stable developed markets

- Comprehensive product portfolio for Offshore
- Performing well in Germany, Canada, France, UK and Turkey

3 Global Sales & Service Organisation

- Relationship with 11 clients out of Top 15 global customers
- Robust global sales infrastructure ensuring excellent service with higher machine availability and reliability

4 Product portfolio

- Covering all wind classes I, II, III and all customer and market segments
- Product range from 600 KW to 6.15 MW delivering competitive cost / kWh
- End-to-end business solution provider with strong execution skills

5 Low cost manufacturing & sourcing

- Majority of the manufacturing in the low cost countries already established
- Additional capacity creation requires low capex
- Fully developed Asia centric supply chain
- Healthy gross profit margins

Suzlon Group: Revised Guidance for FY12

Original Guidance

- Revenues: Rs 24,000 – 26,000 Crs
- EBIT Margin: 7% - 8%

Revised Guidance

- **Revenues: Rs 21,000 – 22,000 Crs**
- **EBIT Margin: 5% - 6%**

- **Guidance revision due to:**

- Volumes impacted in Q3

- Slow grid infrastructure ramp up in China
 - Extended monsoons in India
 - Procedural delays in enhancement of working capital facilities due to volatility in financial markets

- **Incremental working capital facilities of Rs. 1,100 Crs now sanctioned**

Outlook for FY13

- **Revenues likely to grow by 40%, backed by**
 - Strong order inflows in Q3 of 1.49 GW, order backlog of \$7.5Bn and strong order pipeline
 - Spill-over of unexecuted orders to be executed in FY13

Detailed financials – Q3 FY2012



REpower offshore project : Thorntonbank

Consolidated financial results

Rs Crs.

| Particulars | Q3 FY12 Unaudited | Q3 FY11 Unaudited | 9M FY12 Unaudited | 9M FY11 Unaudited |
|---|----------------------|----------------------|----------------------|----------------------|
| Sales | 4,986 | 4,433 | 14,383 | 10,603 |
| Raw material cost | 3,335 | 3,031 | 9,452 | 7,344 |
| Gross Profit | 1,651 | 1,402 | 4,931 | 3,259 |
| Gross Profit margin | 33.1% | 32.0% | 34.3% | 31.0% |
| Manpower cost | 528 | 415 | 1,479 | 1,220 |
| Operating income | 48 | 61 | 161 | 115 |
| Other operating expenses | 803 | 804 | 2,334 | 2,172 |
| Forex loss / (Gain) | 45 | 63 | 80 | 198 |
| EBITDA | 322 | 182 | 1,200 | (216) |
| EBITDA margin | 6.5% | 4.0% | 8.3% | -2.0% |
| Depreciation | 170 | 142 | 459 | 406 |
| EBIT | 152 | 40 | 741 | (622) |
| Interest | 322 | 252 | 908 | 726 |
| Interest on acquisition loans | 35 | 43 | 105 | 97 |
| Exceptional items | (8) | -- | (227) | 37 |
| Other non-operating Income | 30 | 34 | 86 | 77 |
| Taxes | 134 | 31 | 214 | 139 |
| Add/(Less): Share in associate's PAT | - | (3) | (33) | (19) |
| Add/(Less): Share of profit of minority | 15 | 2 | 29 | 29 |
| PAT | (286) | (254) | (178) | (1,535) |

Consolidated Net Working Capital

Rs Crs.

| Particulars | As on 31 st Dec'11 | As on 30 th Sept'11 | As on 30 th June'11 | As on 31 st Mar'11 | As on 31 st Dec. '10 |
|--|----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|------------------------------------|
| Inventories | 6,152 | 5,907 | 5,755 | 5,352 | 6,907 |
| Receivables | 7,323 | 6,332 | 6,131 | 5,915 | 5,010 |
| Advances | 2,533 | 2,229 | 2,145 | 1,956 | 1,915 |
| Deposit / Advance Tax | 479 | 475 | 409 | 393 | 370 |
| Total (A) | 16,487 | 14,943 | 14,439 | 13,615 | 14,202 |
| Prepayment from customers (including dues to customers) | 3,473 | 2,776 | 2,656 | 2,728 | 4,352 |
| Trade payables | 4,641 | 4,245 | 3,797 | 4,537 | 3,312 |
| Other Current Liabilities | 1,533 | 1,497 | 1,529 | 1,230 | 927 |
| Provisions | 1,338 | 1,383 | 1,325 | 1,333 | 1,163 |
| Total (B) | 10,985 | 9,900 | 9,307 | 9,827 | 9,753 |
| Net Working Capital (A-B) | 5,503 | 5,043 | 5,132 | 3,788 | 4,449 |

Group Financial Leverage^(a)

Rs Crs.

| Particulars | As at 31 st Dec. 2011 | | As at 30 th Sept. 2011 | | As at 30 th June. 2011 | | As at 31 st Mar. 2011 | | As at 31 st Dec. 2010 | |
|-----------------------|-------------------------------------|-------------------------|--------------------------------------|-------------------------|--------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|
| | SEL Wind (a) | Consol. Group (a) | SEL Wind (a) | Consol. Group (a) | SEL Wind (a) | Consol. Group (a) | SEL Wind (a) | Consol. Group (a) | SEL Wind (a) | Consol. Group (a) |
| Gross Debt (A) | 12,750 | 13,705 | 12,406 | 13,357 | 11,836 | 12,774 | 11,233 | 12,264 | 11,112 | 12,087 |
| Cash (B) | 678 | 1,915 | 846 | 2,257 | 955 | 2,230 | 1,023 | 3,121 | 945 | 2,712 |
| Net Debt (A-B) | 12,072 | 11,790 | 11,560 | 11,101 | 10,881 | 10,544 | 10,210 | 9,142 | 10,167 | 9,375 |

(a) Unaudited

Net debt to equity – 2.1x as on 31st December 2011*

* - Increase due to adjustment of FCCB redemption premium of Rs. 898 Crs in net worth

FCCBs: Post restructuring & new issuance

| FCCBs | Outstanding amount (USD Mn) | Conversion price (Rs.) | Maturity date | Coupon rate | Maturity value with Redemption premium |
|---------------------------|--------------------------------|---------------------------|---------------|-------------|--|
| June 2012 - Old | 211.3 | 97.26 | June 2012 | 0% | 145.23% |
| October 2012 - Old | 121.4 | 97.26 | October 2012 | 0% | 144.88% |
| June 2012 - Exchange | 35.6 | 76.68 | June 2012 | 7.5% | 150.24% |
| October 2012 – Exchange | 20.8 | 76.68 | October 2012 | 7.5% | 157.72% |
| July 2014 – New Issuance | 90.0 | 90.38 | July 2014 | 0% | 134.20% |
| April 2016 - New Issuance | 175.0 | 54.01 | April 2016 | 5.0% | 108.70% |

Total number of shares to be issued on conversion: **~381.6 Mn**

No financial covenants till maturity

Consolidated financial results: Q3 FY12

Rs Crs.

| Particulars | Q3 FY12 (unaudited) (Rs Crs.) | | | | Q3 FY11 (unaudited) (Rs Crs.) | | | |
|---|-------------------------------|---------------|--------------|--------------|-------------------------------|-------------|--------------|--------------|
| | Suzlon | SE Forge | REpower | Consol. | Suzlon | SE Forge | REpower | Consol. |
| Sales | 1,955 | 45 | 3,069 | 4,985 | 2,509 | 91 | 1,903 | 4,433 |
| | | | | | | | | |
| EBITDA | 6 | (2) | 312 | 322 | 136 | 8 | 44 | 182 |
| EBITDA margin | 0.3% | (4.2)% | 10.2% | 6.5% | 5.4% | 8.8% | 2.3% | 4.1% |
| Depreciation | 98 | 13 | 60 | 170 | 88 | 18 | 37 | 142 |
| EBIT | (92) | (15) | 252 | 152 | 48 | (10) | 7 | 40 |
| Interest | 291 | 23 | 9 | 322 | 212 | 18 | 22 | 252 |
| Interest on acquisition loans | -- | -- | 35 | 35 | -- | -- | 43 | 43 |
| Exceptional items | (8) | -- | 0 | (8) | -- | -- | -- | -- |
| Other non-operating Income | 22 | -- | 7 | 30 | 15 | -- | 19 | 34 |
| Taxes | 55 | -- | 79 | 134 | (14) | -- | 45 | 31 |
| Add/(Less): Share in associate's PAT | -- | -- | 0 | 0 | -- | -- | -- | (3) |
| Add/(Less): Share of profit of minority | 7 | -- | 8 | 15 | (1) | 1 | 2 | 2 |
| PAT | (400) | (37) | 145 | (286) | (136) | (27) | (82) | (254) |

Consolidated financial results: 9M FY12

Rs Crs.

| Particulars | 9M FY12 (unaudited) (Rs Crs) | | | | 9M FY11 (unaudited) (Rs Crs) | | | |
|---|------------------------------|--------------|--------------|---------------|------------------------------|-------------|--------------|----------------|
| | Suzlon | SE Forge | REpower | Consol. | Suzlon | SE Forge | REpower | Consol. |
| Sales | 7,221 | 262 | 7,163 | 14,383 | 6,138 | 240 | 4,411 | 10,603 |
| | | | | | | | | |
| EBITDA | 456 | 31 | 713 | 1200 | (274) | 13 | 53 | (216) |
| EBITDA margin | 6.3% | 11.7% | 10.0% | 8.3% | (4.5)% | 5.4% | 1.2% | (2.0)% |
| Depreciation | 265 | 50 | 144 | 459 | 252 | 53 | 101 | 406 |
| EBIT | 191 | (20) | 569 | 741 | (526) | (40) | (49) | (622) |
| Interest | 823 | 63 | 22 | 908 | 631 | 53 | 43 | 726 |
| Interest on acquisition loans | -- | -- | 105 | 105 | -- | -- | 97 | 97 |
| Exceptional items | (227) | -- | -- | (227) | 37 | -- | -- | 37 |
| Other non-operating Income | 70 | 1 | 15 | 86 | 42 | 1 | 35 | 77 |
| Taxes | 64 | -- | 150 | 214 | 33 | -- | 106 | 139 |
| Add/(Less): Share in associate's PAT | -- | -- | -- | (33) | -- | -- | -- | (19) |
| Add/(Less): Share of profit of minority | 6 | -- | 23 | 29 | -- | 12 | 16 | 29 |
| PAT | (394) | (81) | 330 | (178) | (1,186) | (79) | (243) | (1,535) |

Suzlon Wind: Volumes by geography

| Region | Q3 FY12 | Q3 FY11 | 9M FY12 | 9M FY11 | FY 11 Sales | FY10 Sales |
|----------------------|------------|------------|-------------|-------------|--------------|--------------|
| | (MW) | (MW) | (MW) | (MW) | (MW) | (MW) |
| India | 275 | 325 | 974 | 754 | 1,169 | 688 |
| USA | 32 | - | 32 | 27 | 27 | 410 |
| China | - | 73 | 64 | 181 | 201 | 182 |
| ANZ | - | 57 | 4 | 57 | 57 | 128 |
| Europe & ROW | - | 6 | 90 | 10 | 67 | 52 |
| Total | 307 | 461 | 1164 | 1029 | 1,521 | 1,460 |
| | | | | | | |
| Domestic | 90% | 70% | 84% | 73% | 76% | 47% |
| International | 10% | 30% | 16% | 27% | 24% | 53% |

Suzlon Wind: Financial leverage^(a)

INR Cr.

| Debt type | Balance as on 31 st Dec. 2011 | Balance as on 30 th Sept. 2011 | Balance as on 30 th June 2011 | Balance as on 31 st Mar. 2011 | Balance as on 31 st Dec. 2010 |
|---------------------------------|---|--|---|---|---|
| Acquisition loans | 2,004 | 2,277 | 2,079 | 2,074 | 2,073 |
| FCCBs | 3,473 | 3,203 | 2,924 | 2,136 | 2,141 |
| W.Cap, Capex and other loans | 7,273 | 6,925 | 6,833 | 7,023 | 6,898 |
| Gross debt (A) | 12,750 | 12,406 | 11,836 | 11,233 | 11,112 |
| Cash (B) | 678 | 846 | 955 | 1,023 | 945 |
| Net Debt (A-B) | 12,072 | 11,560 | 10,881 | 10,210 | 10,167 |

(a) Unaudited

Thank You