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FOR IMMEDIATE RELEASE

Suzlon Group to realize US\$ 60 mn by selling China manufacturing subsidiary

- Suzlon Group signs binding term sheet with China Power (Tianjin) New Energy Development Company Ltd (CPNE)
- Suzlon Group will continue its strong presence in China and complete all existing customer / contract obligations

Pune / Beijing: Suzlon Group, the world's fifth largest wind turbine maker, announced today that it had entered into a binding agreement to sell its equity in its wholly-owned China manufacturing subsidiary to China Power (Tianjin) New Energy Development Company Limited (CPNE).

The two companies signed a binding term-sheet on 22nd June, 2012 for the sale of Suzlon Group's China manufacturing subsidiary – Suzlon Energy Tianjin Limited – to CPNE, with the majority of its assets and liabilities, for approximately US\$ 60 mn / RMB 384 mn / Rs 340 cr. The sale is subject to requisite regulatory approvals.

Speaking on the development, **Mr Tulsi Tanti, Chairman – Suzlon Group** said: "The dynamics of the wind energy market have changed considerably over the past year, and we are realigning our strategy to the China market with an agile, asset-light business model to achieve the high growth and margins but with lower investments. Therefore, we have decided to realign our business there, as reflected in this transaction. This is also in line with our previously announced strategy to dispose of non-critical Group assets to reduce our long-term debt.

"We believe this is a positive, strategic move for both companies; the Suzlon Group monetizes a high-quality enterprise that we have built up since 2006, and CPNE expands its base and capabilities in a highly competitive marketplace. We strongly believe that China will maintain its position as the world's largest wind market, and we continue to remain fully committed to China and our customers here. Looking ahead, we will approach this market by combining development with an innovative partnership model."

Suzlon Group established its marketing operations in China in 2005, followed by the set up of its wholly-owned manufacturing facility in 2006. The company has to-date installed over 900 MW of wind capacity in China.



About Suzlon Group:

The Suzlon Group is ranked as the world's fifth largest* wind turbine supplier, in terms of cumulative installed capacity, at the end of 2011. The company's global spread extends across Asia, Australia, Europe, Africa and North and South America with wind energy capacity approaching 20,000 MW installed in 30 countries, operations in 33 countries, and a workforce of over 13,000. The Group offers one of the most comprehensive product portfolios – ranging from sub-megawatt on-shore turbines at 600 Kilowatts (KW), to the world's largest commercial 6.15 MW offshore turbine – built on a vertically integrated, low-cost, manufacturing base. The Group – headquartered at Suzlon One Earth in Pune, India – comprises Suzlon Energy Limited and its subsidiaries, including REpower Systems SE. Visit us at www.suzlon.com

Source: *BTM Consult ApS – A part of Navigant Consulting – World Market Update 2012.

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