

News Release

14 May, 2011

For Immediate Release

Suzlon Group posts strong Q4 profit of Rs. 432 crore (US\$ 96 mn)

- Revenues of Rs. 7,276 crore (US\$ 1,622 mn), Q4 YoY growth of 20%
- EBITDA Rs. 1,024 crore (US\$ 228 mn), Q4 YoY growth of 91%
- EBIT Rs. 773 crore (US\$ 172 mn), Q4 YoY growth of 98%
- Robust orderbook of ~Rs. 30,100 cr (~US\$ 6.7 bn), YoY growth of 60%
- Consistent turbine availability (uptime), exceeding 97 per cent for its global operating turbine fleet of over 17,000 MW in 32 countries
- Record annual order intake of ~4,000 MW
- FY12 Guidance: Revenue Rs. 24,000 cr. to 26,000 cr. (US\$ 5.3 bn to 5.8 bn); EBIT 7% – 8%

Mumbai: Suzlon Energy Limited, the world's fifth largest* wind turbine supplier, reported its earnings today, for the quarter ended March 31, 2011.

Mr. Tulsi R. Tanti, founder, Chairman and Managing Director – Suzlon Group, said: "The past year has seen consistent improvement in our Group performance, and we are very pleased to report a profitable fourth quarter. Our focus on emerging and key developed markets, along with offshore, is paying dividends with a robust orderbook and a strong pipeline of projects under discussion. The India market, in particular, has delivered tremendous growth. We have made substantial progress on many strategic initiatives, including successfully launching the S9X and 3XM turbines suites, and initiating the 'squeeze-out' of REpower's minority shareholders – both of which will play an important role in further strengthening our position.

"Looking at the bigger picture, events over the past year have reinforced the need for a balanced, safe energy portfolio to secure and de-risk our energy future, and to mitigate the threat of climate change. The case for wind is stronger than ever, and I remain very optimistic about the future of our company and the industry."

Mr. Robin Banerjee, Chief Financial Officer – Suzlon Energy Limited, said: "We are very pleased to report a profitable Q4. Key initiatives focused on lowering operating costs, rationalizing inventories and improving overall operating efficiency have delivered positive results. Along with lowering our cost base, we have brought down our net debt-to-equity ratio to 1.36, and maintained a tight focus on cashflow and driving orders. This has resulted in strengthening our competitive positioning and making the Group more flexible and agile."

Key Updates

- **Market Outlook:** In the short-term we anticipate growth in our key markets and offshore. The medium-to-long-term scenario remains positive with price volatility in fossil fuels, energy security and climate change concerns, and strong growth in emerging markets and offshore.
- **Orders:** The Suzlon Group orderbook stood at 4,639 MW (~Rs. 30,100 cr, ~US\$ 6.7 bn) in value as on 13th May, 2011. The Group, over the year, secured the highest order intake of 4,000 MW. Some of the firm orders included:
 - **Brazil:** Secured 218 MW order in Brazil from the Martifer Group, reinforcing Suzlon's presence in this growth market.
 - **Canada:** REpower and Saint-Laurent Énergies Inc. (co-owned by EDF EN), concluded a contract for the delivery of 300 MW of capacity for the Lac Alfred wind farm project, making it the largest onshore project to date for the Company. REpower has also signed a contract to deliver 80 MW to the Saint-Robert-Bellarmin project, which marks the second call from a framework agreement that REpower signed with EDF Energies Nouvelles Canada Inc. in November 2009. Another contract for 30 MW has been signed with Wind Works Power Corp.
 - **Germany:** REpower has signed a 74.8 MW contract with German wind farm project developer Denker & Wulf AG, for a new project in Mecklenburg-Western Pomerania, Germany. Further, REpower has also signed a 720 MW frame agreement with German wind developer Juwi.
 - **India:** Suzlon has secured some of the biggest orders in India. Several new orders, from companies such as Altrade, Serum and HPCL, and repeat ones from Malpani, Baidyanath and GSFC. The Company has also signed an order for 150 MW with Hindustan Zinc, a Vedanta Group company. Independent power producers are emerging as a strong sector in this fast growing market – Suzlon won a 202 MW order from the Techno Electric Group, and a 1,000 MW order from Caparo Energy – the largest in India to-date.
 - **UK:** REpower and UK-based wind energy company Energiekontor UK Construction signed two contracts for a total of 43 MW.
 - **US:** REpower concluded a contract for the delivery of 51 MW for EverPower Wind Holdings, Inc. for development projects located across the states of New York, Ohio, Pennsylvania and Washington.
 - **Offshore:** REpower signed a 295 MW contract with C-Power for Thornton Bank offshore wind farm in Belgium. This contract – as measured by investment volume – represents the biggest ever project financing in the offshore wind industry. REpower supplied 30 units of the 5M turbine, totaling 150 MW in capacity, to the Ormonde offshore windfarm project in the UK. In addition, REpower has supplied over 70 MW to the Beatrice windfarm in the UK, Thornton Bank in Belgium, and Alpha Ventus in Germany, totaling over 220 MW of offshore capacity supplied till date.
- **Initiated REpower 'squeeze-out':** Suzlon crossed 95 per cent share holding in REpower and initiated the 'squeeze-out' process of minority shareholders in order to move towards full ownership of the company.

- **Financials:** Suzlon successfully completed the issuance of Foreign Currency Convertible Bonds, raising US\$ 175 mn, and also completed a Rights Issue of Rs. 1,188 cr.
- **Technology**
 - Suzlon brought to market its new S9X suite of turbines. The suite is an evolution of Suzlon's proven technology platform, and is built around a core of Doubly Fed Induction Generator-based technology. Serial production of the S95 turbine is scheduled to begin in Q2 FY12, followed by the S97 in Q4 FY12.
 - REpower launched a new variant in its 3XM series – the 3.2M114 with a 114 meter rotor diameter, a hub height of 143 meters and a concrete-steel hybrid tower designed to exploit the potential in low-wind locations. The company also launched the MM100 – 1.8 MW turbine developed specially for the North American market.
 - The Group opened four R&D and technology centers in Germany, India and China.
- **Awards**
 - Suzlon won the Gigaton Award at the COP16 global summit in Mexico, for global leadership in emissions control and sustainability practices.
 - Tulsii R. Tanti was named the 'Wind Visionary of Asia' by the Asian Development Bank.

Notes to the Editor:

Conversion rate of US\$ 1 = Rs. 44.86

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 2010. The company's global spread extends across Asia, Australia, Europe, Africa and North and South America with over 17,000 MW of wind energy capacity installed in 25 countries, operations across 32 countries, a workforce of over 13,000 and revenues of approximately US\$ 4 billion. 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 on Pune, India – comprises Suzlon Energy Limited and its subsidiaries, including REpower Systems AG in which the company holds ~95 per cent share. Visit us at www.suzlon.com

Source: *BTM Consult ApS – A part of Navigant Consulting – World Market Update 2010.

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