



**News Release**  
February 4, 2011

## **Suzlon Group Q3: Record US\$ 7.3 bn orderbook; steadily improving performance**

- Group orderbook rises to record US\$ 7.3 bn; increase of 35 per cent\*
- Group revenues of Rs. 4,433 cr. (US\$ 968 mn)
- EBITDA of Rs. 182 cr. (US\$ 40 mn); Normalized EBITDA of Rs. 354 cr. (US\$ 77 mn.)<sup>#</sup>
- EBIT of Rs. 40 cr. (US\$ 9 mn); Normalized EBIT of Rs. 212 cr. (US\$ 46 mn)<sup>#</sup>
- Gross margins maintained at 32 per cent
- Net debt-to-equity ratio of 1.5x

**Mumbai:** Suzlon Group, the world's third largest\*\* wind turbine supplier, reported its earnings today for the quarter ended December 31, 2010.

**Mr. Tulsu R. Tanti, Chairman and Managing Director – Suzlon Group,** said: "I am pleased to report that our Group performance is steadily improving. Emerging, offshore and key matured markets are showing sustained momentum. Our strategy to focus on these markets is delivering for us, as evidenced by our steady inflow of major orders over the past few months in India, Brazil, Canada and Belgium. Our US\$ 7.3 billion orderbook (~5,000 MW) is one of the best in the industry, and gives us strong visibility for future growth.

"While the business environment remains challenging, particularly in the US and parts of Europe, our competitive position remains strong with a global sales and service organization – spanning 32 countries and 15 GW operating wind capacity worldwide – which is delivering in excess of 97 per cent availability. Our customer focus, comprehensive product portfolio and low cost supply chain has allowed us, in just 15 years, to build a base of over 1,800 customers, including 11 out of 15 of the largest wind customers worldwide."

**Mr. Robin Banerjee, Chief Financial Officer – Suzlon Energy Limited,** said: "We have achieved a marked improvement in business performance over the past three quarters. There has been progress on all financial parameters and we have delivered steady gross profit margins. Our debt-to-equity ratio has been maintained and our focus on bringing down fixed costs is delivering results; we are working hard to reduce these further.

"However, notional forex losses have impacted our reported bottom line due to the significant volatility in the Euro-Rupee exchange rates. We are very clearly headed in

the right direction, substantially improving our quarterly normalized EBIT performance year on year.”#

### Key Updates

- **Market outlook:** The global market for wind energy is improving. There has been a steady increase in financing for new build wind projects, quarter on quarter, going from US\$ 18 billion in Q1 CY10 to US\$ 26 billion in Q3 CY10. Additionally, there is significantly higher visibility of volumes emerging, with a global pipeline of 140 GW to 150 GW of wind installations over the next three years.^
- **Orderbook:** The Suzlon Group has reported its largest ever orderbook, valued at approximately US\$ 7.3 bn.
  - The Suzlon Wind orderbook stood at 2,578 MW (Rs. 14,600 cr.), with 1,624 MW (Rs. 9,300 cr.) in domestic orders and 954 MW (Rs. 5,300 cr.) in international orders as on February 4, 2011.
  - The REpower orderbook stood at EUR 2.9 billion (2,458 MW), compared to EUR 2.6 billion (2,254 MW) at the previous year’s record date, marking an increase of 11 per cent.
- **Key orders:**
  - **India:** Suzlon entered into an agreement for 1,000 MW with Caparo Energy India Limited, valued at approximately US\$ 1.28 billion – the largest in India to-date. The Company has also signed an order for 150 MW with Hindustan Zinc, a Vedanta Group company.
  - **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. 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.
  - **Belgium:** REpower also signed 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.
- **New offices:** Suzlon Energy announced the opening of a sales office in South Korea, a wind market with an estimated potential of 27 GW; and appointed a sales head for Sweden, which has set targets for half of the nation’s energy coming from renewables by 2020.
- **New appointment:** Suzlon Energy appointed He Yaozu as CEO and Country Manager of its China operations, Suzlon Energy Tianjin Limited. Yaozu has been a senior adviser to China Machinery New Energy Co, and serves as a non-executive director of China Green Power Limited.

Suzlon is giving a strong push to expand its China operations through initiatives including establishing an R&D centre in Tianjin, co-investing in wind farm projects, and increasing its manufacturing investment. Suzlon is the first major international wind turbine manufacturer in China with a Chinese CEO.
- **MoU with Gujarat Government:** Suzlon signed a MoU with Gujarat Government, under the auspices of Vibrant Gujarat, to develop 1,000 MW of wind power projects.
- **15 GW installations:** This quarter Suzlon Group marked a significant achievement and crossed the 15 GW milestone in worldwide installations. These include 10 GW by Suzlon Energy Limited and 5 GW by REpower Systems AG, amounting to nine per cent of the world’s total wind power installations. It covers Group onshore and offshore installations in 25

countries. The cumulative power generation from this 15 GW capacity has the potential to light up more than 13 million## households every year.

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**NOTES TO EDITORS:**

- Conversion rate of US\$ 1 = Rs. 45.795
- Conversion rate of EUR 1 = Rs. 62.9315
- \* Compared to previous record date of orderbook announcement – October 30, 2010.
- # Normalized EBITDA and EBIT calculations are made after adjusting for forex losses (primarily notional), forex loss on translation of REpower raw material cost.
- \*\* Suzlon and REpower, if taken together, stand as the world's third leading wind turbine supplier group in terms of market share. Market share of 9.8 per cent is derived from BTM Consult ApS World Market Update 2009, ranking Suzlon with 6.4 per cent of global market share and REpower with 3.4 per cent of global market share.
- ^ Bloomberg New Energy Finance Report, October 2010.
- ## Based on average per-household energy consumption in India.
- Suzlon has declared that it will not to issue guidance until further notice.

**About Suzlon Group**

Suzlon Group ranked as the world's third\* leading wind turbine supplier in terms of market share in 2009. Suzlon has its corporate headquarters – Suzlon One Earth – in Pune, India. The company's global spread reflects in its projects and markets portfolio – extending across Asia, Australia, Europe, South Africa and North and South America. Suzlon is a highly vertically integrated wind turbine manufacturer with manufacturing capability along the full value chain – from components to complete wind turbine systems. The Group has installed over 15,000 MW of wind energy capacity in 25 countries, established operations across 32 countries, with a workforce of over 13,000 personnel.

Suzlon was recognized with the Gigaton Award for global leadership in emissions control and sustainability practices in the energy at the COP16 summit in Cancun, Mexico. Suzlon was also ranked as a prestigious 'Business Superbrand' ranking in 2010 for the second time.

Suzlon has a share of over 90 per cent in REpower, and taken together, has a combined market share of 9.8 per cent\*.

\* Derived from BTM Consult ApS World Market Update 2009, ranking Suzlon with 6.4 per cent of global market share and REpower with 3.4 per cent of global market share

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