



**News Release**  
October 30<sup>th</sup>, 2010

**For Immediate Release**

## **Suzlon Group Q2: Strong orderbook and improving performance**

- Group orderbook at US\$ 5.4 bn.
- Group revenues of ₹ 3,772 cr. (~US\$ 847 mn.)
- Positive EBITDA of ₹ 148 cr. (~US\$ 33 mn.); EBITDA margin improves to 3.93 per cent
- Positive EBIT of ₹ 11 cr.
- Net debt equity ratio reduced to 1.48
- Net working capital continues to reduce

**Mumbai:** Suzlon Group, the world's third largest\* wind turbine supplier, reported its earnings today, for the quarter ended September 30<sup>th</sup>, 2010.

**Mr. Tulsi Tanti, Chairman and Managing Director – Suzlon Group,** said: "The wind industry has undergone a major transformation over the past two years. While many mature markets face near stagnant conditions – compounded by policy hurdles – new and emerging markets are increasingly driving growth for the sector. I am happy to report that we are well positioned in both the emerging and offshore markets – our strategy to focus on these markets has proven to be sound and is now beginning to deliver. That said, we remain committed to the mature markets and note the many industry reports which forecast a recovery in these geographies in 2011/2012.

"This has been a progressive quarter for us. Our Group orderbook has grown to US\$ 5.4 billion, with particularly strong contributions from REpower and our India business. This gives us confidence about the remainder of the year and beyond. We have expanded our business into South Africa and established new R&D centers in Germany and announced plans to open one in China. We continue to maintain an aggressive focus on driving sales and improving performance at every level.

"We believe that innovation and new products, along with our low cost manufacturing base and low cost structure, allows us to ride out the challenging market environment."

**Mr. Robin Banerjee, Chief Financial Officer – Suzlon Energy Limited,** said: "A comparison with previous quarters shows that our financial situation is markedly improved. We have delivered a positive EBITDA of ₹ 148 crore, and our improvement continues across the board. We are working very hard to keep our costs in check and improve our margins –

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and we are making solid progress in this endeavor. Our sales performance is on track, working capital as percentage of sales is reduced, our Opex costs are down and we continue to optimize all these areas.”

### **Key Updates**

- **Orderbook:**
  - The Suzlon Wind orderbook stood at 1,550 megawatts (MW) (₹ 8,285 crore, US\$ 1.85 billion), with 693 MW in domestic orders and 857 MW in international orders as on September 30<sup>th</sup>, 2010.
  - The REpower orderbook stood at EUR 2.58 billion compared to EUR 1.6 billion at the previous year’s record date, marking an increase of 61.3 per cent; increasing the order backlog from 1,307 MW to 2,254 MW.
- **REpower performance:** While turnover for the quarter decreased from EUR 308.9 million to EUR 285.9 million compared to the corresponding quarter, EBIT increased to EUR 32.8 million from EUR 20.6 million.
- **Debt:** The net debt-equity ratio reduced to 1.48 post the Rights Issue, down from 1.97 as on June 30<sup>th</sup>, 2010.
- **New product:** REpower launched the MM100 turbine, which has been developed for the North American wind market and will be available in a 60 Hertz (Hz) version with an 80-meter tower height, 100-meter rotor diameter, and rated power of 1.8 MW. The MM100 is intended for use in regions with low wind speeds, where it delivers higher energy output from its increased rotor diameter.
- **Research and Development:**
  - Suzlon inaugurated a new technology centre in Rostock, Germany, and announced plans to build an R&D facility in Tianjin, China.
  - REpower inaugurated a new technology center on the Kiel Canal, Germany. The technology centre is equipped to remotely monitor REpower’s global fleet of more than 2,500 turbines.
- **Board updates:** Under the terms of the refinancing agreement with lenders, Mrs. Mythili Balasubramanian, Chief General Manager and Head – Syndication and Advisory, IDBI Bank Limited will join as Nominee Director on the Board of the Company effective November 1<sup>st</sup> 2010. Also effective November 1<sup>st</sup> 2010, Mr. Vinod R. Tanti is appointed an Executive Director on the Board of the Company.
- **New appointment:** Mr. Silas Zimu was appointed as the CEO of Suzlon’s new South African operations. He was previously the Managing Director of City Power, a leading South African power utility.  
South Africa offers strong demand for new power generation capacity, and has an estimated wind potentiality of approximately 184 terawatt-hours (TWh). Suzlon is currently in the tendering process for more than 800 MW of new projects.

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### NOTES TO EDITORS:

- Conversion rate of US\$ 1 = ₹ 44.5325
- \* 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.
- Suzlon Group’s Q2 FY10 performance is not comparable with that of the current quarter due to the de-consolidation of Hansen Transmissions NV accounts.
- Suzlon has announced that it will not issue guidance until further notice.

**About Suzlon Energy Limited**

Suzlon ranked as the world's third\* leading wind turbine supplier in terms of market share in 2009. Suzlon has its corporate office in Pune, India. The company's global spread reflects in its projects and markets portfolio - extending across Africa, Asia, Australia, Europe 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. Please visit [www.suzlon.com](http://www.suzlon.com)

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