



Press Release

Saturday, August 1, 2009

For Immediate Release

Suzlon reports consolidated revenues of INR 4,153 cr.

- Orderbook: Suzlon – 1,501 MW; REpower – 1,231 MW
- Blade retrofit 90% complete, no additional provisions
- Improved product performance across all geographies
- Achieved reduction in working capital
- Blade supply to REpower in China commenced
- Sales back-ended in FY10

Mumbai: Suzlon Energy Limited, the world’s third largest* wind turbine supplier group with a joint market share of 12.3%, reported consolidated revenues of INR 4,153 cr. for the first quarter of FY2009-10, compared with INR 3,118 cr for Q1FY09. Profit/(Loss) After Tax for the quarter (including FCCB FX effect) stood at INR (453) cr.

<u>Consolidated Unaudited Results Highlights for quarter-ended June 30, 2009 (INR Cr.)</u>		
	Q1 FY10	Q1FY 09
Revenues	4,153	3,118
EBITDA	12	539
PAT/(Loss) including FCCB FX effect	(453)	9

The Suzlon orderbook (excluding Hansen and REpower) stood at 1,501 MW, as on July 30, 2009. The REpower orderbook stood at 1,231 MW as on 30th June, 2009.

Key Updates:

Blade Retrofit Program 90% Complete: The planned retrofit program to strengthen all V2 blades is underway with approximately 90% of the project completed as on date. The program is scheduled for completion in August, 2009, with no further provisioning needed.

Long-term Fund Raising: Suzlon successfully undertook strategic fund raising of USD 202 mn. Suzlon issued Global Depository Receipts (GDRs) of USD 108 million, and secured USD 94 million through an issue of Zero Coupon Convertible Bonds.

Order Outlook: Suzlon achieved an orderbook of 1,501 MW and INR 8,316 cr. as on 30th July, 2009, with 66 MW (INR 380 cr.) in domestic orders and 1,435 MW (INR 7,936 cr.) in international orders.

REpower reported a confirmed order book of 1,231 MW as on 30th June, 2009, with a contractually confirmed order volume of EUR 1.45 billion and more than EUR 5 billion in framework agreements and firm contracts.

Suzlon has also commenced supply of blades to REpower in China, following successful prototyping and achievement of specific technical criteria.

Market Landscape: The global wind markets have continued to feel the impact of the credit crisis and overall macro-economic conditions. Financing issues continue to be a short-term challenge, however strong worldwide policy support and cost-



competitiveness continue to drive a strong long-term outlook, with the industry projecting a revival from end-2009. China announced new feed-in-tariffs in place of the existing public bidding process, creating a highly competitive market landscape. The US has announced new measures under the stimulus program with provisions for cash grants in lieu of tax credit supports opening up the market to newer investors. Several states in India have announced favourable revisions to purchase prices for wind power adding to wind energy's competitive advantage.

Speaking on the industry Mr. Tulsi Tanti, Chairman and Managing Director of Suzlon Energy Limited, said: "Despite some momentum being lost, we see governments around the world continuously building strong policy frame-works to support the growth of renewable energy. Stimulus packages announced by governments around the world have dedicated funds of approximately USD 163 billion** to green energy, with much of the impact expected to happen in 2010, driving alongside the overall economic revival the world over."

Speaking on the company's performance, Mr. Sumant Sinha, COO – Suzlon Energy Limited, said: "We have continued our focus on consolidation in the quarter, and are pleased to report a steady improvement in the health of the operations. We have achieved a gradual reduction in working capital intensity, stabilization of inventory levels and reduction in receivables at the Suzlon Wind level. We have also brought extraordinary costs under control, and are on track with the blade retrofit program with no new provisions needed. We have launched a focused operations cost reduction program targeting significant reduction on costs."

"While we have registered growth in revenues at a consolidated level, our profits have lagged due to lower quantity of sales at the Suzlon Wind level. This has been caused by multiple factors such as the delayed budget impacting orders in India, and customers in international markets postponing deliveries to the second half of the financial year. For the full year - we see volumes picking up significantly in the second half, normalising the effect of the first half. On a market-wide level, we see the wind industry revival starting end-2009 with the US stimulus package catalyzing growth in the US and also other markets with the full impact of the stimulus packages likely to be felt in 2010 and 2011 revitalizing the wind industry."

NOTES:

* Suzlon and REpower, if taken together, stand as the world third leading wind turbine supplier group in terms of market share. 12.3% market share derived from BTM Consult ApS World Market Update 2008, ranking Suzlon with 9% of global market share and REpower with 3.3% of global market share.

** New Energy Finance



About Suzlon Energy Limited

Suzlon ranked as the world's third leading wind turbine supplier in terms of market share in 2008. Suzlon has ranked as the leading manufacturer in the Indian market for ten consecutive years, maintaining over 50% market share. Suzlon has its corporate offices in Pune, India and company's global spread reflects in its projects and markets portfolio - extending across 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

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