

11th February 2012

FOR IMMEDIATE RELEASE

Suzlon Group Q3: Strong order momentum; record US\$ 7.5 bn order book

- Q3 revenues of Rs. 4,985 cr / US\$ 1 bn, 12% growth YoY
- Robust Q3 gross margins of 33%
- Record ~Rs. 37,200 cr / ~US\$ 7.5 bn orderbook; quarter order intake of 1.5 GW; strong FY13 visibility; geographically diversified order inflows
- **Strong 12-months performance [Calendar Year 2011]:** Revenues of Rs. 21,660 cr / US\$ 4.36 bn – 30% growth YoY; EBIT margin at 7%; order inflows of US\$ 5.6 bn
- FY2011-12 guidance revised to Rs. 21,000 cr – Rs. 22,000 cr; with EBIT margin 5 – 6%; due to lower Q3 volumes

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

Mr. Tulsi Tanti, Chairman – Suzlon Group, said: "Our performance over the past 12 months [Calendar Year 2011] has shown consistent improvement on all parameters. Our revenues of Rs. 21,660 cr are a year-on-year growth of over 30 per cent; we booked orders of over US\$ 5.6 bn / Rs. 30,000 cr, and achieved an EBIT margin of 7 per cent, despite what continues to be a challenging economic environment.

"However, it is unfortunate that inspite of having our best-ever orderbook, we have had lower volumes in Q3 FY12, leading to a downward revision of our full year guidance. These lower volumes were primarily due to an extended monsoon in India, grid infrastructure delays in China, and a procedural delay in closing our new working capital facilities.

"As a Group we are extremely well positioned in the global marketplace, and with our strong order backlog we expect to deliver nearly 40 per cent growth in revenues in the next fiscal."

Mr. Robin Banerjee, Chief Financial Officer – Suzlon Energy Limited, said: "Focusing on the third quarter, we have maintained our gross profit margins at a robust 33 per cent. During Q3 we posted a cash profit of Rs. 26 cr, against a net loss of Rs. 286 cr, which was primarily due to certain non-cash items like international deferred tax liabilities of Rs. 121 cr and depreciation of Rs. 170 cr.

"We continue to see a rationalization in our operating expenses, including manpower costs. We have made progress in leveraging Group synergies with the re-alignment of our operations in Australia and Europe, alongside commencing manufacturing of the REpower MM92 turbine in India.

"I am pleased to report that we have now received an incremental sanction of Rs. 1,100 cr in our working capital facilities, which will facilitate our planned deliveries in Q4 and into the next fiscal."

Key Updates

- **Orders:** Suzlon Group reported its highest ever order backlog of 5,755 MW. The Group secured order inflows of 2.85 GW in the first nine months of FY12, with approximately 1.5 GW in Q3 FY12 alone; compared to 1.35 GW of inflows in all of H1 FY12. Over 50 per cent of new orders came from repeat customers.

Suzlon Group subsidiary SE Forge also won a major order worth Rs. 600 cr (US\$ 121 mn) from a large bearings manufacturer, and secured major contracts with two large wind players.

A strong mix of orders between emerging and developed markets, from an increasing share of large utilities and investors, creates robust visibility into FY13.

- **Group synergies:** Collaboration continued to grow rapidly between Suzlon and REpower over the course of the last quarter, combining operations in Australia, and realigning European marketing operations under REpower – bringing operational efficiencies, and optimizing our human resources.

The quarter also saw the shipment of the first REpower MM92 made in India, from the Group's manufacturing facilities in Padubidri, Karnataka.

- **Products:** The Group's latest offerings, the Suzlon S9X and the REpower 3XM, each has seen strong acceptance in the global marketplace, with over 1,000 MW of orders for the S9X and approximately 750 MW for the 3XM. The S9X also received 'type certification' from leading international testing and certification agency Germanischer Lloyd, and S9X turbines are already operational in India, Australia and USA, and delivering uptime levels above industry standards.
- **Machine availability:** Global Group fleet of over 18,000 MW across 28 countries consistently delivering availability (uptime) levels above the industry average. Suzlon's flagship S88 turbine – with an installed base of over 2,200 units worldwide – ended the most recent quarter with uptime at 97 per cent plus.
- **Market outlook:** The industry continues to grow with strong momentum in emerging markets, the offshore segment and key developed markets. The Global Wind Energy Council (GWEC) reported that, in 2011, the wind industry grew at over 21 per cent with the addition of over 41 GW of new wind capacity worldwide. New offshore installations in Europe reached 866 MW in 2011, maintaining the momentum from 2010. The Indian market continued its growth, adding 3,000 MW in 2011 to reach over 16,000 MW in cumulative installations.

With this growth, the Indian market is projected to reach 5 GW annually by 2015, and the offshore market's global share in total installations is likely to increase from ~3.5 per cent in CY10 to ~8-9 per cent in CY15.

Notes to the Editor:

Conversion rate - US\$ 1 = Rs. 49.625

10 million = 1 crore

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 18,000 MW of wind energy capacity installed in 28 countries, operations across 32 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 – with 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 AG. Visit us at www.suzlon.com

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

Press Contact:

Abhinav K. Srivastava, Edelman PR

Mobile: +91 98923 23750

Tel: +91 (22) 4353 0210 x 229

E-mail: abhinav.srivastava@edelman.com

Investor Relations Contact:

Dhaval Vakil, Suzlon Energy Limited

Investor Relations, Mumbai

Tel: +91 (22) 6639 3252

E-mail: dhaval.vakil@suzlon.com