

For Immediate Release

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Suzlon announces Q1 FY20 results

- Pre-forex EBITDA of Rs 61 crores and EBITDA margin of 7.4% in Q1 FY20
- Concerted efforts on-going towards a holistic solution for debt reduction

Pune, India: Suzlon Group, India's largest renewable energy solutions provider, announced its first quarter results for financial year 2019-20 (Q1 FY20).

J. P. Chalasani, Group CEO, said, *"We continue to witness sectoral slowdown, owing to the prolonged industry transition to the bidding regime and policy uncertainty in few states. On the positive side, tariffs are stabilizing and the volume growth in the long-term augur well for sustainable growth of the sector. Our Operation and Maintenance Services (OMS) division continues to deliver high machine performance for the customers, surpassing industry benchmarks. We will fuel the growth for OMS with our value added products and services. India is expected to be a relatively high volume market once the transitional problems of the sector are addressed. We are well poised to capitalize on this growth."*

Kirti Vagadia, Group CFO, said, *"Post default scenario, the company operations are at a sub-optimal level. However, we have continued to focus on cost optimization across the board including Cost of goods sold (COGS), fixed costs, working capital and thereby curtailed losses in this lean period. This is reflected in the fact that inspite of minimal volumes, the impact on the bottom line as compared both on Q-o-Q and Y-o-Y basis has been limited. We are committed and tirelessly working towards debt resolution and fixing the capital structure at a sustainable level and are exploring various funding options like raising fresh equity, disposal of subsidiaries, etc."*

Suzlon Group Q1 FY20 at a glance (consolidated):

- Q1 FY20 revenue at Rs. 833 crores
- **Operating Performance (Pre-forex)**
 - **EBIDTA :** Rs 61 crores in Q1 FY20; EBITDA margin at 7.4%
 - **EBIT :** Loss of Rs 12 crores in Q1 FY20
- **Reported Net Loss** of Rs 337 crores in Q1 FY20

➤ **Net Debt (including FCCB)**

- Consolidated net term debt at Rs 7,751 crores
- Working capital debt at Rs 4,000 crores

Key highlights:

➤ **Operations and Maintenance Services (OMS)**

- Achieved 97.25% fleet machine availability for our customers for whom we operate and maintain a fleet of over 12.5 GW

➤ **Industry update**

- The Ministry of New and Renewable Energy (MNRE) has made amendments to the competitive bidding guidelines for the procurement of power from grid-connected wind energy projects for the first time since formulation of the guidelines in December 2017
 - i. Land to be secured by Solar Energy Corporation of India (SECI) Commercial Operation Date (SCOD), not by Financial Closure (extended period from 7 months to 18 months)
 - ii. Requirement of “ownership of land” changed to “possession of land”
 - iii. SCOD 18 months from the date of PPA or PSA signing whichever is earlier
 - iv. Part commissioning also eligible for full tariff
 - v. Window for revision of declared Capacity Utilisation Factor (CUF) of wind power project has been increased to three years
- As per MNRE, the amendments are intended to not only reduce the investment risks related to the land acquisition and CUF but also to provide incentives for early part commissioning of project
- SECI has invited bids to set up an aggregate 1,200 MW of capacity with Inter-State Transmission System (ISTS)-connected wind/solar/wind-solar hybrid projects, along with energy storage, throughout India. The projects will be awarded through an e-bidding process, followed by a reverse auction

About Suzlon Group:

Suzlon Group is one of the leading renewable energy solutions provider in the world with a global presence across 18 countries in Asia, Australia, Europe, Africa and Americas. Headquartered at Suzlon One Earth in Pune, India; the Group is comprised of Suzlon Energy Limited (NSE & BSE: SUZLON) and its subsidiaries. A vertically integrated organization, with over two decades of operational track record, the group has a cumulative global installation of over 18 GW of wind energy capacity, over 7,500 employees with diverse nationalities and world-class manufacturing facilities. Suzlon is the only Indian wind energy company with a large in-house Research and Development (R&D) set-up in Germany, the Netherlands, Denmark and India. Group’s installation in India, adds upto ~35% of the country’s wind installations, making Suzlon the largest player in this sector. The Group is the custodian of over 12.5 GW of wind assets under service in India making it the 2nd largest operations and maintenance company (over 8,500 turbines) in Indian power sector. The Group also has around 3 GW of wind assets under service outside India. Suzlon corporate website: www.suzlon.com

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