Suzlon Energy Limited

Annual earnings presentation (FY13)

30 May 2013
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Key Takeaways – FY13

Suzlon wind farm in Kutch, India
## Key highlights - FY13

<table>
<thead>
<tr>
<th>What went right?</th>
<th>What went wrong?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liability Management</strong></td>
<td><strong>FCCB default</strong></td>
</tr>
<tr>
<td>1. CDR implemented – Domestic bank loans restructured</td>
<td>1. Successfully repaid $360mn to June FCCB</td>
</tr>
<tr>
<td>2. Credit enhanced bond issued - Refinanced overseas FX loans for 5 years</td>
<td>2. Defaulted on ~$209mn Oct FCCB, after 4 months extension was denied</td>
</tr>
<tr>
<td><strong>Project Transformation</strong></td>
<td><strong>Operations in Suzlon Wind almost stalled in FY13, now stabilizing post CDR</strong></td>
</tr>
<tr>
<td>1. Working capital rationalized to ~12%</td>
<td>1. Primary focus on liability management &amp; constrained working capital facilities</td>
</tr>
<tr>
<td>2. Headcount reduced by &gt;2,000 (Suzlon Wind)</td>
<td>2. Hence, delayed project execution and lower volumes</td>
</tr>
<tr>
<td>3. ~20% reduction on quarterly run-rate basis in fixed opex (Suzlon Wind)</td>
<td>3. High non-routine expenses (Impairments, FX loss etc)</td>
</tr>
<tr>
<td><strong>High Order Book</strong></td>
<td></td>
</tr>
<tr>
<td>1. High order book of ~5.9GW</td>
<td></td>
</tr>
<tr>
<td>2. ~3.5GW of order intake in FY13</td>
<td></td>
</tr>
<tr>
<td><strong>REpower continues robust growth</strong></td>
<td></td>
</tr>
<tr>
<td>1. Compounded annual growth of 35% from FY11-FY13</td>
<td></td>
</tr>
</tbody>
</table>
Despite challenges, Suzlon Group is world’s 5th largest WTG manufacturer

5th largest in Europe

5th largest in APAC

5th largest in America

2nd largest in Offshore

Canada (9th Largest*)
CAGR ~10%

France
CAGR ~20%+

Germany (3rd Largest*)
CAGR ~10%

UK (5th Largest*)
CAGR ~15%+

Italy (6th Largest*)
CAGR ~-15%

India (4th Largest*)
CAGR ~10%+

Australia
CAGR ~25%+

Offshore
CAGR ~40%+

Entrenched position in key profitable & fast growing markets

2012-17 Global Wind Market CAGR - ~5%

*Country ranking in world’s top 10 markets by annual installation in 2012 as per BTM, 2012
CAGR - Expected growth rate for 2012 - 2017E as per various industry reports
**Status Update**

**CDR**
- CDR approved and implemented
  - Extended maturity profile
  - Moratorium on interest and principal
  - Reduced interest rate
- Additional working capital support
  - Enables execution of our large order book

**Overseas FX Facilities**
- Refinanced out of proceeds of new credit enhanced bond
  - Bullet maturity in 2018
  - Backed by SBI SBLC
  - Annual interest cost ~6% p.a. (including SBLC charges)

**FCCB Restructuring**
- In active dialogue with bondholders and their advisors
- Broad structure of solution being discussed with secured lenders, bondholders and advisors
- Hopeful of achieving a resolution shortly

**DONE**

**DONE**

**In Process**

Enables business operations to be stabilised

- Last remaining step
- Resolution to remove overhang
Key priorities: FY14

### Business Efficiency
- Improve liquidity and drive execution
- Reducing project cycle time
- Optimize cash cycle
- Enhancing service profitability

### Strategic

- **Asset light / Debt light**
  - Asset sales
    - ~$400mn targeted from non-critical assets
  - Working capital optimization
    - Focus on realization of sticky receivables
  - Optimize asset base and reduce debt

### Operational

- **Products / Orders**
  - Continued R&D focus to optimize yield and reduce cost of energy
  - Investing in project pipeline in India
  - Sustaining quality and profitability of orders
  - Focus on core and profitable markets

- **Long Term Sustainability**
  - Improving contribution margin
  - ‘Make vs Buy’ analysis for critical components
  - Rationalizing headcount / fixed costs
  - Asset sales
    - ~$400mn targeted from non-critical assets
  - Working capital optimization
    - Focus on realization of sticky receivables
  - Optimize asset base and reduce debt

- **Reduced Breakeven**
Liability Management Update – FY13
## Facilities approved under CDR

<table>
<thead>
<tr>
<th>Facilities</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rupee Term Loan</td>
<td>~Rs. 3,720 crs</td>
</tr>
<tr>
<td></td>
<td>• Existing term loan rolled over</td>
</tr>
<tr>
<td></td>
<td>• 10 year repayment plan till Sep’22</td>
</tr>
<tr>
<td></td>
<td>• 2 year principal and interest moratorium</td>
</tr>
<tr>
<td>Working Capital</td>
<td>~Rs. 2,530 crs (New)</td>
</tr>
<tr>
<td></td>
<td>• Dues up to Jun’13 converted into long term loan</td>
</tr>
<tr>
<td></td>
<td>• Reduced interest rate of 11%</td>
</tr>
<tr>
<td>Working Capital</td>
<td>~Rs. 5,800 crs (Incl Rs. 3,100 crs NFB)</td>
</tr>
<tr>
<td></td>
<td>• Fund Based</td>
</tr>
<tr>
<td></td>
<td>• ~Rs. 2,200 crs (Existing)</td>
</tr>
<tr>
<td></td>
<td>• Rs. ~500 crs (New – fungible NFB)</td>
</tr>
<tr>
<td></td>
<td>• Reduced interest rate ~11%</td>
</tr>
<tr>
<td></td>
<td>• 6 months interest moratorium</td>
</tr>
<tr>
<td></td>
<td>• Non-Fund Based</td>
</tr>
<tr>
<td></td>
<td>• Rs. ~1,800 crs (Existing)</td>
</tr>
<tr>
<td></td>
<td>• Rs. ~1,300 crs (New)</td>
</tr>
<tr>
<td>Other Key Terms</td>
<td>• Interest during moratorium to be equitized - Rs. ~1,500 Cr</td>
</tr>
<tr>
<td></td>
<td>• Rs 250 crs of promoters’ contribution – Rs ~125 Cr already infused</td>
</tr>
</tbody>
</table>

**Implementation of CDR process to enable full focus on business performance**
Successful credit enhanced bond issue

<table>
<thead>
<tr>
<th>Key Terms</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue Size</td>
<td>$647M</td>
</tr>
<tr>
<td>Coupon</td>
<td>~4.969%</td>
</tr>
<tr>
<td>Maturity</td>
<td>5 years (2018)</td>
</tr>
<tr>
<td>Ratings</td>
<td>Baa2 (Moody’s)</td>
</tr>
<tr>
<td>Credit enhancement</td>
<td>Standby and irrevocable SBLC from SBI</td>
</tr>
<tr>
<td>Listing</td>
<td>SGX</td>
</tr>
<tr>
<td>Use of Proceeds</td>
<td>Refinancing erstwhile FX facilities from Indian banks and transaction costs</td>
</tr>
</tbody>
</table>

**Benefits for the company**

- Near term maturing debt refinanced with long term bonds
- 5 yr bullet maturity
- Achieved lower interest cost

**First ever credit enhanced US$ bond of this size out of India**
Liability management to allow focus on operations

Back-ended maturity profile...

<table>
<thead>
<tr>
<th></th>
<th>Pre-Restructuring</th>
<th>Post-Restructuring</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs Crs</td>
<td></td>
</tr>
<tr>
<td>H2FY13 FY14 FY15</td>
<td>4,500 1,350 1,420</td>
<td>0 125 375 500 750</td>
</tr>
<tr>
<td></td>
<td>800 1,130 650</td>
<td>4,350 4,500</td>
</tr>
</tbody>
</table>

...leading to significant cash flow relief

- **Back-ended debt maturity profile**
  - ~Rs. 3,720 crs - Existing term loan expiring by FY18 rolled over to FY22
  - ~Rs. 2,530 crs - Short-term working capital dues converted into long-term 10 year loan
  - FX loans refinanced through Credit enhanced bonds, with a bullet repayment in FY18

- **Debt moratorium**
  - 2 yr moratorium on term debt repayment and interest expenses (Oct 12 - Sept 14)
  - 6 months interest moratorium on working capital interest (Oct 12 - March 13)

- **Partial equitisation**
  - Amortized interest of ~Rs. 1,500 crs being equitized

- **Interest reduced** to 11%

Enables us to prioritise project execution & meet business obligations

1) Maturity profile does not include working capital limits as they are revised annually. 2) FCCB restructuring options are under discussion, hence not considered. 3) Figures are rounded off
FCCB: Status update

- Paid the first tranche of FCCBs of $360mn in July 2012 after 45 days extension
- Prior to maturity had officially sought four months extension for October series with intention to meet our obligations in their entirety
  - Extension did not achieve required super-majority, resulting in non payment
- Continue to be in active and constructive dialogue with our bond holders
- Select bondholders, representing significant majority across all series, have formed an ad hoc committee and have engaged financial and legal advisors to fast track the process to arrive at a consensual solution for the benefit of all stakeholders
- Active negotiations with bondholders and their advisors in an organized process is a conscious effort on part of the Company and its key stakeholders to facilitate an efficient and consensual solution finding process

Stakeholders are aligned for preserving business value and need for a quick resolution
Business Update – FY13
### Financial snapshot

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY13</th>
<th>Q4 FY12</th>
<th>FY13</th>
<th>FY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Revenue</td>
<td>4,281</td>
<td>6,699</td>
<td>18,743</td>
<td>21,082</td>
</tr>
<tr>
<td>Consolidated EBITDA</td>
<td>-594</td>
<td>403</td>
<td>-1,296</td>
<td>1,821</td>
</tr>
<tr>
<td>Consolidated EBIT</td>
<td>-786</td>
<td>202</td>
<td>-2,037</td>
<td>1,160</td>
</tr>
<tr>
<td>Consolidated Net working capital</td>
<td></td>
<td></td>
<td>2,182</td>
<td>4,861</td>
</tr>
<tr>
<td>Consolidated Net debt</td>
<td></td>
<td></td>
<td>13,003</td>
<td>11,129</td>
</tr>
</tbody>
</table>

### Key takeaways:

- FY13 results impacted due to:
  - Lower volumes at Suzlon Wind - 251 MW
    - Management’s full focus on liability management affected business operations
    - Constrained working capital facilities impacted volumes and project execution
    - Indian market collapsed by ~50% due to non availability of key incentives – GBI now reinstated

- REpower continues to outperform industry – Revenues grew 33% YOY in FY13

**Completion of CDR process and working capital facilities to support operations in F14**
## FY13 results impacted by non-routine expenses

### FX Loss

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs Crs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>FX Loss</td>
<td>307</td>
<td>FX fluctuations primarily due to two major FX loan repayments</td>
</tr>
</tbody>
</table>

### Breakup of exceptional items

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs Crs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset impairments</td>
<td>587</td>
<td>Impairments in assets in China, USA, Australia and US receivables</td>
</tr>
<tr>
<td>Refinance cost</td>
<td>100</td>
<td>Refinance costs of earlier Debt Consolidation and Refinancing exercise now fully amortised on completion of CDR</td>
</tr>
<tr>
<td>Profit on sale of subsidiaries</td>
<td>-43</td>
<td>Profit on wind assets sold in Q2 FY13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>643</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Taxes

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs Crs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAT credit and tax reversals</td>
<td>156</td>
<td>Reversal of MAT credit due to non utilisation possibility in stipulated time frame</td>
</tr>
</tbody>
</table>
REpower: Robust growth continues

REpower revenues (€M)

<table>
<thead>
<tr>
<th></th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,216</td>
<td>1,675</td>
<td>2,221</td>
<td></td>
</tr>
</tbody>
</table>

+35%

Highlights of FY13

- Continues to grow at a healthy pace
  - With support from Group on markets and project execution synergies and cost reductions
- Improved market position
  - 4.7% in CY2012 (2.4%, CY2011)*
- Highest ever annual installations in FY13
  - Over 2.2 GW of installations in FY13
  - Crossed 1 GW mark installations in UK and USA
- Marquee orders received
  - 359 MW Canada Order – Largest contract to date
  - 131 MW order – Largest contract for REpower in Australia
- Expanded product portfolio
  - Launched 3.0M122 for low wind sites
  - Upgraded 3.4M and 3.2M to suit all wind classes

Consistently posting one of the best operating performance in the wind space

* - Source: based on installations in BTM, 2012
Service Business: Global installed fleet and availability

MW Under Service

<table>
<thead>
<tr>
<th></th>
<th>Suzlon</th>
<th>REpower</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>428</td>
<td>4,949</td>
<td>5,377</td>
</tr>
<tr>
<td>America</td>
<td>2,716</td>
<td>994</td>
<td>3,710</td>
</tr>
<tr>
<td>Asia pacific(^\text{^})</td>
<td>8,710</td>
<td>914</td>
<td>9,624</td>
</tr>
<tr>
<td>Offshore</td>
<td>0</td>
<td>408</td>
<td>408</td>
</tr>
<tr>
<td>Others</td>
<td>452</td>
<td>0</td>
<td>452</td>
</tr>
<tr>
<td>Total</td>
<td>12,306</td>
<td>7,265</td>
<td>19,571</td>
</tr>
</tbody>
</table>

\(^\text{^}\) - ~765MW of Suzlon turbines under REpower OMS, post Australia market alignment

Key Highlights

- **Annuity like cash flows**
  
  - Every MW installed, generates 20 yrs of service income potential
  
  - Total 22 GW of actual installations, of which 90%+ under service contracts
  
  - Further installations will generate incremental revenue

- **Highly efficient vertical**
  
  - Best-in-class after sales performance and service
  
  - Turbine availability consistently above par
  
  - Employs more than 4,000 service employees

Global Turbine Availability
Service Business: High margins, stable cash flow

Stable Revenues (Rs. Crs)

<table>
<thead>
<tr>
<th>FY</th>
<th>Suzlon</th>
<th>REpower</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>1,115</td>
<td>598</td>
</tr>
<tr>
<td></td>
<td>517</td>
<td>517</td>
</tr>
<tr>
<td>FY12</td>
<td>1,396</td>
<td>846</td>
</tr>
<tr>
<td></td>
<td>550</td>
<td>550</td>
</tr>
<tr>
<td>FY13</td>
<td>1,806</td>
<td>928</td>
</tr>
<tr>
<td></td>
<td>878</td>
<td>878</td>
</tr>
<tr>
<td>FY14E</td>
<td>2,500</td>
<td>1,300</td>
</tr>
<tr>
<td></td>
<td>1,200</td>
<td>1,200</td>
</tr>
</tbody>
</table>

+27% +38%

FY14 figures are preliminary estimates based on current installation plans
*Revenues do not include internal provisions

Key Highlights

- **FY14 OMS revenue estimate ~Rs. 2,500 crs**
  - Based on actual installation plans

- **High margin business**
  - EBITDA margins of ~25+
  - In-built price escalation clause to account for inflation

- **Large service order backlog**
  - $3.4bn spread over 5+ year horizon
  - Service order backlog stable, with potential renewal of expiring contracts
Optimizing working capital

**Key actions taken:**

- Controlled procurement
- Project prioritisation for better receivables management
- Focus on realizations

**Plan for further reductions:**

- Expedite order execution in Brazil and South Africa to reduce inventory
- Monetize and prioritize project pipeline
- Achiever leaner inventory cycle
- Clearing up of commissioning pipeline

---

**Net Working Capital Ratio**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1QFY13</th>
<th>2QFY13</th>
<th>3QFY13</th>
<th>4QFY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Working Capital Ratio</td>
<td>27.1%</td>
<td>23.8%</td>
<td>20.4%</td>
<td>11.6%</td>
</tr>
</tbody>
</table>

* - Net Working Capital/Trailing twelve months

**Target**

- FY13: 20%
Project Transformation: Rationalizing employee headcount

Employee Headcount

**Suzlon Wind**

- Mar 12: 11,093
- Mar 13: 9,035
- ~2,000 reduced
- -19% YoY increase in manpower cost

**REpower**

- Mar 12: 2,795
- Mar 13: 3,316
- +19% YoY decrease in manpower cost

Further reductions planned for FY14.

Reductions are net of increase in service business headcount.

**Employee cost rationalisation (On annual run rate basis based on Q4 FY13)**

- ~36% YoY decrease in manpower cost
- ~10% YoY increase in manpower cost

Right-sizing employee base across business verticals.
Project Transformation: Rationalizing fixed expenses

Consolidated Opex (Rs. Crs)

Key actions taken:

- Reduced headcount
- Stringent cost control measures in place
- Rationalizing travel and consulting expenses
- Rationalized office and factory space

Plan for further reductions:

- ~€100 mn cost reduction plan initiated at REpower
  - Savings targeted in purchase, production, employee costs and opex
- Reducing headcount further
Robust order book position
Total value of US$7.5 bn

- Order book at ~5.9 GW
- Order book value: US$ 7.5bn
  - Onshore markets:
    - Emerging: ~US$1.7bn (India, Brazil and South Africa)
    - Developed: ~US$4.5bn
  - Offshore: US$1.3bn
- Strong order book spread up to FY16

Strong order backlog in home markets, India and Germany

As on 30th May 2013. FY13 Exchange rate – USD/EUR – 1.29, INR/EUR – 72.55, INR/USD – 56.29
Order book for the quarter reflects orders booked between two board meetings and does not net off sales of the next quarter
Launching new products to continuously improve yields

Expansive product portfolio covering all wind classes

<table>
<thead>
<tr>
<th>Class I</th>
<th>Class II</th>
<th>Class III</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1.5 MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MM82</td>
<td>MM100</td>
<td>MM100</td>
</tr>
<tr>
<td>MM92</td>
<td>S88</td>
<td>S97</td>
</tr>
<tr>
<td>1.5 – 2.5 MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offshore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6M+</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6M+</td>
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</tbody>
</table>

New Product Launches in FY13

Upgraded products in FY13

AEP = Average Energy Production

Warranty provisions consistently below 2%
Detailed Financials – FY13

Suzlon wind farm in Penamacor, Portugal
## Consolidated financial results

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY13 Audited</th>
<th>Q4 FY12 Unaudited</th>
<th>Q3 FY13 Unaudited</th>
<th>FY13 Audited</th>
<th>FY 12 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from operations</td>
<td>4,281</td>
<td>6,699</td>
<td>4,014</td>
<td>18,743</td>
<td>21,082</td>
</tr>
<tr>
<td>Less: COGS</td>
<td>-3,185</td>
<td>-4,622</td>
<td>-2,673</td>
<td>-13,640</td>
<td>-14,074</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>1,095</td>
<td>2,077</td>
<td>1,341</td>
<td>5,104</td>
<td>7,009</td>
</tr>
<tr>
<td><strong>Gross Profit %</strong></td>
<td>25.6%</td>
<td>31.0%</td>
<td>33.4%</td>
<td>27.2%</td>
<td>33.2%</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>-501</td>
<td>-530</td>
<td>-553</td>
<td>-2,133</td>
<td>-2,009</td>
</tr>
<tr>
<td>Other expenses</td>
<td>-1,100</td>
<td>-1,259</td>
<td>-1,087</td>
<td>-4,131</td>
<td>-3,396</td>
</tr>
<tr>
<td>Exchange Loss / (Gain)</td>
<td>-144</td>
<td>0</td>
<td>-47</td>
<td>-307</td>
<td>-59</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>56</td>
<td>116</td>
<td>34</td>
<td>170</td>
<td>277</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>-594</td>
<td>403</td>
<td>-313</td>
<td>-1,296</td>
<td>1,821</td>
</tr>
<tr>
<td><strong>EBITDA %</strong></td>
<td>-13.9%</td>
<td>8.3%</td>
<td>-7.8%</td>
<td>-6.9%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Less: Depreciation</td>
<td>-192</td>
<td>-202</td>
<td>-203</td>
<td>-740</td>
<td>-661</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>-786</td>
<td>202</td>
<td>-516</td>
<td>-2,037</td>
<td>1,160</td>
</tr>
<tr>
<td><strong>EBIT %</strong></td>
<td>-18.4%</td>
<td>5.3%</td>
<td>-12.9%</td>
<td>-10.9%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Finance costs</td>
<td>-487</td>
<td>-424</td>
<td>-457</td>
<td>-1,855</td>
<td>-1,655</td>
</tr>
<tr>
<td>Finance Income</td>
<td>23</td>
<td>40</td>
<td>26</td>
<td>152</td>
<td>126</td>
</tr>
<tr>
<td><strong>Profit / (Loss) before tax</strong></td>
<td>-1249</td>
<td>-182</td>
<td>-946</td>
<td>-3,740</td>
<td>-369</td>
</tr>
<tr>
<td>Less: Exceptional Items</td>
<td>-604</td>
<td>0</td>
<td>-82</td>
<td>-643</td>
<td>227</td>
</tr>
<tr>
<td>Less: Associates</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-33</td>
</tr>
<tr>
<td>Less: Minority</td>
<td>-1</td>
<td>-1</td>
<td>2</td>
<td>8</td>
<td>27</td>
</tr>
<tr>
<td><strong>Net Profit / (Loss) after tax</strong></td>
<td>-1,913</td>
<td>-300</td>
<td>-1,155</td>
<td>-4,724</td>
<td>-479</td>
</tr>
</tbody>
</table>
## Consolidated net working capital

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As on 31&lt;sup&gt;st&lt;/sup&gt; Mar ‘13</th>
<th>As on 31&lt;sup&gt;st&lt;/sup&gt; Dec ‘12</th>
<th>As on 30&lt;sup&gt;th&lt;/sup&gt; Sept’12</th>
<th>As on 30&lt;sup&gt;th&lt;/sup&gt; June’12</th>
<th>As on 31&lt;sup&gt;st&lt;/sup&gt; Mar’12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>5,264</td>
<td>5,928</td>
<td>5,421</td>
<td>5,960</td>
<td>5,580</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>6,382</td>
<td>6,990</td>
<td>8,584</td>
<td>8,265</td>
<td>8,201</td>
</tr>
<tr>
<td>Short-term loans and advances</td>
<td>2,185</td>
<td>2,375</td>
<td>2,549</td>
<td>2,677</td>
<td>2,368</td>
</tr>
<tr>
<td>Other current assets</td>
<td>443</td>
<td>491</td>
<td>577</td>
<td>677</td>
<td>645</td>
</tr>
<tr>
<td><strong>Total (A)</strong></td>
<td><strong>14,274</strong></td>
<td><strong>15,785</strong></td>
<td><strong>17,132</strong></td>
<td><strong>17,579</strong></td>
<td><strong>16,794</strong></td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>4,651</td>
<td>4,916</td>
<td>5,739</td>
<td>5,761</td>
<td>5,807</td>
</tr>
<tr>
<td>Advances from Customers</td>
<td>4,168</td>
<td>3,517</td>
<td>3,206</td>
<td>3,060</td>
<td>3,432</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>1,715</td>
<td>1,449</td>
<td>1,421</td>
<td>1,428</td>
<td>1,091</td>
</tr>
<tr>
<td>Provisions</td>
<td>1,558</td>
<td>1,591</td>
<td>1,488</td>
<td>1,499</td>
<td>1,603</td>
</tr>
<tr>
<td><strong>Total (B)</strong></td>
<td><strong>12,092</strong></td>
<td><strong>11,473</strong></td>
<td><strong>11,853</strong></td>
<td><strong>11,748</strong></td>
<td><strong>11,932</strong></td>
</tr>
<tr>
<td>Net Working Capital (A-B)</td>
<td>2,182</td>
<td>4,311</td>
<td>5,278</td>
<td>5,831</td>
<td>4,861</td>
</tr>
</tbody>
</table>

*Rs Crs*
## Financial leverage

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Suzlon Wind Debt</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FX term loans*</td>
<td>3,513</td>
<td>3,555</td>
<td>3,475</td>
<td>2,053</td>
<td>1,920</td>
</tr>
<tr>
<td>FCCBs</td>
<td>2,211</td>
<td>2,239</td>
<td>2,152</td>
<td>3,641</td>
<td>3,327</td>
</tr>
<tr>
<td>W.Cap, Capex and other loans</td>
<td>8,701</td>
<td>8,383</td>
<td>8149</td>
<td>7,783</td>
<td>7,895</td>
</tr>
<tr>
<td><strong>Gross debt (A)</strong></td>
<td><strong>14,425</strong></td>
<td><strong>14,177</strong></td>
<td><strong>13,775</strong></td>
<td><strong>13,477</strong></td>
<td><strong>13,142</strong></td>
</tr>
<tr>
<td><strong>Cash (B)</strong></td>
<td>502</td>
<td>608</td>
<td>512</td>
<td>455</td>
<td>1,037</td>
</tr>
<tr>
<td><strong>Net Debt (A-B)</strong></td>
<td><strong>13,924</strong></td>
<td><strong>13,569</strong></td>
<td><strong>13,264</strong></td>
<td><strong>13,022</strong></td>
<td><strong>12,105</strong></td>
</tr>
</tbody>
</table>

| Gross Debt                       | **15,191**  | **15,040**  | **14,568**    | **14,389**   | **14,034**   |
| Cash (B)                         | 2,188       | 1,453       | 964           | 1,372        | 2,905        |
| **Net Debt (A-B)**               | **13,003**  | **13,587**  | **13,604**    | **13,017**   | **11,129**   |

(a) Unaudited
(b) Cash balance includes cash and cash equivalents and non current bank balances
(c) Debt includes short term loans, long term loans, current maturities of long term borrowings and interest accrued and due

* FX term loan as on 31st March 2013 pertains to credit enhanced bonds issued in the quarter, whereas for all other quarters it includes acquisition loan and loan taken from domestic banks to pay June FCCBs

^- Suzlon Consol includes SE Forge and REpower in addition to Suzlon Wind
## FCCBs: Status update

<table>
<thead>
<tr>
<th>FCCBs</th>
<th>Outstanding amount (US$ mn)</th>
<th>Conversion price (Rs)</th>
<th>Maturity date</th>
<th>Coupon rate</th>
<th>Maturity value with redemption premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2012 – Old</td>
<td>121.4</td>
<td>97.26</td>
<td>October 2012</td>
<td>0%</td>
<td>144.88%</td>
</tr>
<tr>
<td>October 2012 – Exchange</td>
<td>20.8</td>
<td>76.68</td>
<td>October 2012</td>
<td>7.5%</td>
<td>157.72%</td>
</tr>
<tr>
<td>July 2014 – New issuance</td>
<td>90.0</td>
<td>90.38</td>
<td>July 2014</td>
<td>0%</td>
<td>134.20%</td>
</tr>
<tr>
<td>April 2016 – New issuance</td>
<td>175.0</td>
<td>54.01</td>
<td>April 2016</td>
<td>5.0%</td>
<td>108.70%</td>
</tr>
</tbody>
</table>
Suzlon consolidated balance sheet

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>FY 2013</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholders' Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Share Capital</td>
<td>355</td>
<td>355</td>
</tr>
<tr>
<td>b) Reserves and Surplus</td>
<td>-35</td>
<td>4,623</td>
</tr>
<tr>
<td></td>
<td>320</td>
<td>4,978</td>
</tr>
<tr>
<td><strong>Share application money</strong></td>
<td>582</td>
<td>0</td>
</tr>
<tr>
<td><strong>Preference Shares</strong></td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td><strong>Minority Interest</strong></td>
<td>78</td>
<td>83</td>
</tr>
<tr>
<td><strong>Non Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Long Term Borrowings</td>
<td>10,858</td>
<td>7,365</td>
</tr>
<tr>
<td>b) Other Non Current Liabilities</td>
<td>912</td>
<td>866</td>
</tr>
<tr>
<td></td>
<td>11,770</td>
<td>8,231</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Short Term Borrowings</td>
<td>2,835</td>
<td>3,584</td>
</tr>
<tr>
<td>b) Trade Payables</td>
<td>4,651</td>
<td>5,807</td>
</tr>
<tr>
<td>c) Other Current Liabilities</td>
<td>6,950</td>
<td>7,156</td>
</tr>
<tr>
<td>d) Due to customers</td>
<td>342</td>
<td>309</td>
</tr>
<tr>
<td>e) Short Term Provisions</td>
<td>1,473</td>
<td>2,274</td>
</tr>
<tr>
<td></td>
<td>16,251</td>
<td>19,129</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>29,007</td>
<td>32,427</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets</th>
<th>FY 2013</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Fixed Assets</td>
<td>12,382</td>
<td>12,602</td>
</tr>
<tr>
<td>b) Non Current Investments</td>
<td>36</td>
<td>33</td>
</tr>
<tr>
<td>c) Deferred Tax Asset (Net)</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>d) Long Term Loans &amp; Advances</td>
<td>672</td>
<td>904</td>
</tr>
<tr>
<td>e) Trade Receivables</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>e) Other Non Current Assets</td>
<td>503</td>
<td>368</td>
</tr>
<tr>
<td></td>
<td>13,603</td>
<td>13,954</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Current Investments</td>
<td>0</td>
<td>64</td>
</tr>
<tr>
<td>b) Inventories</td>
<td>5,264</td>
<td>5,580</td>
</tr>
<tr>
<td>c) Trade Receivables</td>
<td>3,445</td>
<td>5,315</td>
</tr>
<tr>
<td>d) Cash and bank balances</td>
<td>1,959</td>
<td>2,632</td>
</tr>
<tr>
<td>e) Short Term Loans &amp; Advances</td>
<td>1,549</td>
<td>1,664</td>
</tr>
<tr>
<td>f) Due from customers</td>
<td>2,936</td>
<td>2,861</td>
</tr>
<tr>
<td>g) Other Current Assets</td>
<td>250</td>
<td>357</td>
</tr>
<tr>
<td></td>
<td>15,403</td>
<td>18,473</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>29,007</td>
<td>32,427</td>
</tr>
</tbody>
</table>
Suzlon wind farm in Paracuru, Brazil

Thank you