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Suzlon Group Turning Positive After 7 Quarters

**Priorities FY15**

- Volume Ramp up
- Realizing business efficiency
- Optimizing capital structure

**Enablers:**

- Completion of liability management allows business focus
- Right product portfolio for all major markets and changing business model
- Wind markets, especially home markets, bouncing back sharply
- Global financial markets buoyant, Wind OEM stocks gaining traction
### Suzlon Group: Improving business environment

<table>
<thead>
<tr>
<th>Factors</th>
<th>Past 2 years</th>
<th>Current</th>
<th>Impact / Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>India</strong></td>
<td>• Lack of Incentives</td>
<td>• GBI re-introduced</td>
<td>• Market Size Halved</td>
</tr>
<tr>
<td></td>
<td>• Unfavorable policy shifts</td>
<td>• Low cost fund from National Clean Energy Fund</td>
<td>• Poised to grow @ 40+%</td>
</tr>
<tr>
<td></td>
<td>• Political Uncertainty</td>
<td>• Pro-renewables government with strong mandate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• GBI re-introduced</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Low cost fund from National Clean Energy</td>
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<tr>
<td></td>
<td>Fund</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Pro-renewables government with strong</td>
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<tr>
<td></td>
<td>mandate</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Market Size Halved</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Global</strong></td>
<td>• Global Slowdown</td>
<td>• Recovering US and Europe economies</td>
<td>• Global installations down 21%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Poised to grow @ 40%</td>
</tr>
<tr>
<td><strong>Business Model</strong></td>
<td>• Made to Stock</td>
<td>• Made to Order</td>
<td>• High Working capital</td>
</tr>
<tr>
<td></td>
<td>• Multiple product suite</td>
<td>• Streamlined product offering</td>
<td>• Low Profitability</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• High Break even levels</td>
</tr>
<tr>
<td><strong>Employee Base &amp; Cost Structure</strong></td>
<td>• High</td>
<td>• Rationalized</td>
<td>• Low Working capital</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• High Break even levels</td>
</tr>
<tr>
<td><strong>Revenue Mix</strong></td>
<td>• Less profitable legacy orders</td>
<td>• Legacy orders executed in full</td>
<td>• Low Working capital</td>
</tr>
<tr>
<td></td>
<td>• Long pending orders for old products and</td>
<td>• Profitable current orders</td>
<td>• Normalized profitability</td>
</tr>
<tr>
<td></td>
<td>LDs for delays</td>
<td></td>
<td>• Low Break even levels</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Debt Overhang</strong></td>
<td>• Under Default</td>
<td>• Comprehensive liability management completed</td>
<td>• Volume compromised due to liability management</td>
</tr>
<tr>
<td></td>
<td>• Repayment pressures</td>
<td>• Back ended repayment structure</td>
<td>• Strained cash flows</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• No external financing</td>
</tr>
<tr>
<td><strong>Capital Structure</strong></td>
<td>• 70% of debt in India, contributing less</td>
<td>• Focus on capital rebalancing</td>
<td>• Complete volume focus</td>
</tr>
<tr>
<td></td>
<td>than 15% of revenue (FY14)</td>
<td>• Low cost FX funds to pay down high cost domestic</td>
<td>• Improved liquidity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>debt</td>
<td>• Capital rebalancing opportunity</td>
</tr>
</tbody>
</table>

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**www.suzlon.com**
Key highlights - FY14

### Strategic

**FCCB negotiations concluded**
1. **Last remaining piece** in comprehensive liability management program

**Asset sale gaining traction- Rs. ~700 crs+**
1. Big Sky Sale completed - $~90M
2. China Subsidiary stake sale completed- $~28M

**Project Transformation complete**
1. >3,200 headcount reduction since FY12
2. ~31% fixed opex reduction since FY12 (Suzlon Wind)
3. Restructuring goals at Senvion achieved; savings exceeded target
4. Working capital *rationalized to ~3.6%*

### Operational

**Ramping up volumes**
1. ~723MW in FY14 against ~251MW last year; **188% YoY growth** (Suzlon Wind)
2. Consol. Revenue Rs 20,212 Crs in FY14; Rs. 6,581 Crs in Q4 FY14 (54% YoY growth)

**Continued robust performance by Senvion**
1. FY14 EBITDA at ~EUR 146mn is 22% higher, despite 19% drop in revenue at ~EUR 1,806mn

**Positive EBITDA after 7 quarters, highest revenue in last 8 quarters**
1. Ramping up volumes
2. Increased profitability
3. Favorable geographic and product mix
4. Cost efficiencies from group wide restructuring efforts
Business Turnaround: Positive EBITDA & EBIT after 7 quarters

Improvement supported by:

- **Ramping up volumes**
  - Highest revenue in past 8 quarters

- **Improving contribution margins**
  - Favorable geographic and product mix
  - Better pricing

- **Reducing fixed cost**
  - Group wide cost and capacity rationalization
  - Project transformation

### Revenue (Rs. Crs)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>4,747</td>
<td>-435</td>
</tr>
<tr>
<td>Q2</td>
<td>5,702</td>
<td>-300</td>
</tr>
<tr>
<td>Q3</td>
<td>4,014</td>
<td>-516</td>
</tr>
<tr>
<td>Q4</td>
<td>4,281</td>
<td>-786</td>
</tr>
</tbody>
</table>

+54% YoY

### EBITDA (Rs. Crs)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>328</td>
<td>116</td>
</tr>
<tr>
<td>Q2</td>
<td>-132</td>
<td>-300</td>
</tr>
<tr>
<td>Q3</td>
<td>-313</td>
<td>-516</td>
</tr>
<tr>
<td>Q4</td>
<td>-302</td>
<td>-786</td>
</tr>
</tbody>
</table>

### EBIT (Rs. Crs)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>-257</td>
<td>-482</td>
</tr>
<tr>
<td>Q2</td>
<td>-132</td>
<td>-229</td>
</tr>
<tr>
<td>Q3</td>
<td>-313</td>
<td>-323</td>
</tr>
<tr>
<td>Q4</td>
<td>-302</td>
<td>-516</td>
</tr>
</tbody>
</table>

FY13 FY14
FCCB: Negotiations Concluded

- Negotiations with the ad hoc committee concluded
  - Ad hoc committee: Formed by select bondholders with significant holdings across all series
  - Zero cash solution: Cashless exchange into new FCCBs
  - Options with 2016 series bondholders
    - Max up to 50% of face value may elect to retain existing bonds
    - Minimum 50% of the face value to participate in new bonds

- Approval status
  - CDR approval
  - Application made to RBI

- Standstill agreement signed with ad hoc committee
  - Undertaking to positively support restructuring
  - Desists from taking any action deterring implementation
  - Valid till 15th Aug’14: Sufficient time to implement the proposal

- Proposed terms for the new FCCBs
  - 5 year bullet maturity; FY2019-20
  - Low Step up coupon rates
    - First 18 Months: 3.25%
    - Balance: 5.75%
  - Zero redemption premium on maturity
  - Overall Yield at <5%
  - Conversion price of Rs. 15.46 per share

Optimal solution for all stakeholders
**Asset sale gaining traction**

### Big Sky Wind Farm Sale Completed
- Acquired wind farm for token consideration in lieu of dues in March 2014
- Successfully sold the wind farm to Everpower and realized cash in May 2014
- **Net Realization** - ~$90+M (Rs. 550 crs.)
- Suzlon to continue to provide O&M services to the wind farm

### China Asset Sale completed
- Divested 75% in manufacturing facility
- **Total transaction value** - ~$28M (Rs. ~173 crs)
- Strong JV partner in state owned energy investment conglomerate

Funds raised to be used towards deleveraging and supporting business revival

- Sticky US receivable monetization complete
- Everpower continuous OMS
- Court case with Edison quashed
- Maintaining foothold in China through strong JV partner
- Asset light model – ideal for the group
- Capacity re-adjustment in line with external demand
Group Business Performance
FY14 Group financial snapshot

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY14</th>
<th>Q4 FY13</th>
<th>FY14</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>6,581</td>
<td>4,281</td>
<td>20,212</td>
<td>18,743</td>
</tr>
<tr>
<td>EBITDA</td>
<td>328</td>
<td>-594</td>
<td>-141</td>
<td>-1,296</td>
</tr>
<tr>
<td>EBITDA (before FX loss)</td>
<td>268</td>
<td>-450</td>
<td>115</td>
<td>-990</td>
</tr>
<tr>
<td>EBIT</td>
<td>116</td>
<td>-786</td>
<td>-918</td>
<td>-2,037</td>
</tr>
<tr>
<td>Net working capital</td>
<td></td>
<td></td>
<td>722</td>
<td>2,543</td>
</tr>
<tr>
<td>Net debt</td>
<td></td>
<td></td>
<td>14,423</td>
<td>13,003</td>
</tr>
</tbody>
</table>

Key takeaways:

- **Business performance**
  - Achieved 723 MW in FY14 against ~250 MW in FY13 at Suzlon wind
    - Volumes, though lower, is gradually ramping up
  - SENVION continues with its resilient performance

- **Group wide restructuring efforts completed, substantial results achieved**

- **FY14 Net results after tax impacted by**
  - Forex losses due to unfavorable currency fluctuations – **Rs 256 Crs**
  - One time exceptional costs – **Rs. 487 Crs (after EBITDA)**
    - Includes one time cost at Senvion (Rs. 308 crs ), further impairment of US receivables (Rs. 217 crs) and profit on stake sale of China subsidiary (Rs. 38 crs)
Financial performance confirms the upward trend

**Revenue (Rs. Crs)**
- **Q4 FY13**: 4,281
- **Q4 FY14**: 6,581
- **Change**: +54%

**FY13**: 18,743
- **FY14**: 20,212
- **Change**: +8%

**EBITDA (Rs. Crs.)**
- **Q4 FY13**: -144, 60, -268
- **Q4 FY14**: 328, 60, 268
- **Change**: +922 crs

**Fx Loss**
- **Q4 FY13**: -116
- **Q4 FY14**: +116

**EBIT (Rs. Crs.)**
- **Q4 FY13**: -786
- **Q4 FY14**: +902 crs
- **Change**: +1,041 crs

**Fy Loss**
- **FY13**: -1,297
- **FY14**: -918
- **Change**: +1,119 crs

Revenue (Rs. Crs) | EBITDA (Rs. Crs.) | EBIT (Rs. Crs.)
Service Business: Growing revenues with stable margins

Key Highlights

- FY14 OMS revenue at ~Rs. 2,700 crs
  - ~37% YoY growth
- High growth with stable and consistent margins
- Near 100% renewal track record

Annuity like cash flows over turbine life

Revenues (Rs. Crs)*

<table>
<thead>
<tr>
<th></th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suzlon</td>
<td>846</td>
<td>1,085</td>
<td>1,355</td>
</tr>
<tr>
<td>Senvion</td>
<td>549</td>
<td>878</td>
<td>1,340</td>
</tr>
</tbody>
</table>

*External only

+39% CAGR
Order Intake: Regaining Momentum

Half yearly Order Intake (MW)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Order Intake (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2 FY13</td>
<td>1,940</td>
</tr>
<tr>
<td>H1 FY14</td>
<td>751</td>
</tr>
<tr>
<td>H2 FY14</td>
<td>1,524</td>
</tr>
</tbody>
</table>

+103%

Significant orders in last 6 months

- ReNew Wind Energy, India (100.80 MW)
- Bald Hills, Australia (106.6 MW)
- Strathy North, UK (67.65 MW)
- GDF Suez, France (40 MW)
- Königshovener Höhe, Germany (38.04 MW)
- Bothe, India (35.70 MW)
- Baidyanath, GACL, MSEDCL, India (31 MW)
Robust order book position

Total value of US$7.6 bn

- Order book at ~5.3 GW
- Order book value: US$ 7.6bn
  - Onshore markets:
    - Emerging: ~US$1.3bn (India, Brazil, Turkey & Uruguay)
    - Developed: ~US$5.1bn
  - Offshore: US$1.2bn
- Strong order book with deliveries up to FY15

Order book evolution (US$ bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (US$ bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td>7.4</td>
</tr>
<tr>
<td>FY13</td>
<td>7.5</td>
</tr>
<tr>
<td>FY14</td>
<td>7.6</td>
</tr>
</tbody>
</table>

Strong order backlog in home markets, India and Germany
R&D focus to better our products and 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>S52</td>
<td>S66</td>
</tr>
<tr>
<td>1.5 – 2.5 MW</td>
<td>MM82</td>
<td>S82</td>
</tr>
<tr>
<td></td>
<td>MM92</td>
<td>S86.5</td>
</tr>
<tr>
<td>Multi MW</td>
<td>MM100</td>
<td>MM100</td>
</tr>
<tr>
<td></td>
<td>S88</td>
<td>S89</td>
</tr>
<tr>
<td></td>
<td>S95</td>
<td></td>
</tr>
<tr>
<td>Offshore</td>
<td>3.4M</td>
<td>S97 120</td>
</tr>
<tr>
<td></td>
<td>Upgraded to wind class I</td>
<td>AEP ↑ 10% (Vs S88)</td>
</tr>
<tr>
<td>6M152</td>
<td>3.4M</td>
<td>S97 90</td>
</tr>
<tr>
<td>6M152</td>
<td>Upgraded to wind class I</td>
<td>AEP ↑ 25% (Vs S88)</td>
</tr>
<tr>
<td>6M126</td>
<td>3.2M</td>
<td>S111</td>
</tr>
<tr>
<td>6M126</td>
<td>AEP ↑ 4-6% (Vs 3.2M)</td>
<td>AEP ↑ 20% (Vs S97)</td>
</tr>
</tbody>
</table>

New Product Launches in last 2 years

Upgraded products in last 2 years

AEP = Average Energy Production

Warranty provisions consistently below 2%
Moving towards newer and bigger turbines

- Better generation
- Lower cost of energy
- High profitability for customers
- Better margins for us

S111 best suited for low wind sites in India and US markets
Hybrid Towers: First of its kind

Hybrid Tower

- Combination of lattice and tubular
- Saves costs

Higher Hub height – 120 mts (33% increase over current 90 mts)
- 4-5% better wind speed at higher height
- 12-15% increase in annual generation

Higher generation and lower costs results in higher profitability for clients

3-4 years head start in this technology
- Pre-commissioning done in May 2014
- First order with new tower variant booked for 100MW

Available in S97 and S111 product suite

Game changer for low wind sites across the globe
Suzlon Group retained No. 5 Globally

Top 10 Suppliers at the end of 2013

<table>
<thead>
<tr>
<th>Rank</th>
<th>OEM</th>
<th>2013 Installation (GW)</th>
<th>% Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vestas</td>
<td>4.7</td>
<td>13.2%</td>
</tr>
<tr>
<td>2</td>
<td>Goldwind</td>
<td>3.7</td>
<td>10.3%</td>
</tr>
<tr>
<td>3</td>
<td>Enercon</td>
<td>3.7</td>
<td>10.1%</td>
</tr>
<tr>
<td>4</td>
<td>Siemens</td>
<td>2.9</td>
<td>8.0%</td>
</tr>
<tr>
<td>5</td>
<td>Suzlon Group</td>
<td>2.3</td>
<td>6.3%</td>
</tr>
<tr>
<td>6</td>
<td>GE</td>
<td>1.8</td>
<td>4.9%</td>
</tr>
<tr>
<td>7</td>
<td>Gamesa</td>
<td>1.7</td>
<td>4.6%</td>
</tr>
<tr>
<td>8</td>
<td>United Power</td>
<td>1.4</td>
<td>3.9%</td>
</tr>
<tr>
<td>9</td>
<td>Mingyang</td>
<td>1.3</td>
<td>3.7%</td>
</tr>
<tr>
<td>10</td>
<td>Nordex</td>
<td>1.2</td>
<td>3.4%</td>
</tr>
<tr>
<td>11</td>
<td>Others</td>
<td>11.4</td>
<td>31.7%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>36</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Annual ranking is from Make;
Senvion: Stellar Performance

Clauen Onshore Wind Farm, Germany
Higher profitability despite lower volume

### Financial Performance (€M)

<table>
<thead>
<tr>
<th></th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,675</td>
<td>2,221</td>
<td>1,806</td>
</tr>
<tr>
<td>EBITDA</td>
<td>136</td>
<td>120</td>
<td>146</td>
</tr>
<tr>
<td>EBIT</td>
<td>106</td>
<td>80</td>
<td>101</td>
</tr>
</tbody>
</table>

**Highlights of FY14**

- **Performance on track despite adverse market dynamics**
  - ~25% increase in profitability despite ~20% decline in revenue

- **Restructuring goal achieved**
  - Exceeded the €100m cost saving target

- **Asset Light and nimble**
  - Helps react to changing environments swiftly

- **Installation feat:**
  - Crosses 5,000 WTGs; cumulatively at >10 GW
  - Crosses 1 GW milestone in UK

- **Marquee Orders**
  - Its largest onshore contract in Canada for 350 MW
  - Its largest EPC contract in Australia for 106.6 MW

---

One of the most profitable asset in wind space, even during difficult industry periods

*As per Senvion’s local GAAP*
Strengthening Market Position

- **Germany**
  - 2012: 11.0%
  - 2013: 15.0%

- **United Kingdom**
  - 2012: 7.0%
  - 2013: 11.0%

- **Poland**
  - 2012: 5.0%
  - 2013: 14.0%

- **Canada**
  - 2012: 11.0%
  - 2013: 30.0%

- **France**
  - 2012: 17.0%
  - 2013: 20.0%

- **Austria**
  - 2012: 10.0%
  - 2013: 18.0%

Source: MAKE consult report 2013

**Market Position**

Strengthened position in core markets, expanding presence in new and emerging markets
We believe “true offshore” to be the fastest growing segment in coming years.

Evolving Product Technology

- **6.2M152**
  - Prototype Sold: 2014
  - > 50 turbines

- **6.2M126**
  - 2009
  - > 50 turbines

- **5M**
  - 2004
  - > 50 turbines

**Proven product technology**
- Largest commercially proven offshore turbine – 6.2 MW
- Large rotor diameter with sweeping area larger than 3 football pitches – 152 mts
- Nacelle alone is as big as two detached houses

**>10 years of operating experience**
- ~100 offshore turbines with ~600 MW installed

**Competence in “true” offshore**
- “True offshore” is >50KM distance from shore and >32M in water depth
- Installations far more complex than near shore wind
- One of the very few players with far offshore competence
Offshore track record and success story

- **Beatrice**
  - 2 x 5M (10 MW)
  - 2006-2007

- **Thornton Bank I**
  - 6 x 5M (30 MW)
  - 2008-2009

- **Alpha ventus**
  - 6 x 5M (30 MW)
  - 2009-2010

- **Ormonde**
  - 30 x 5M (150 MW)
  - 2011

- **Thornton Bank II/III**
  - 48 x 6.XM (295 MW)
  - 2012-2013

- **Nordsee Ost**
  - 48 x 6.XM (295 MW)
  - 2014*

*under installation*
Completed its largest offshore wind farm in FY14
325 MW Thornton Bank project with 6M

- Project with largest fleet of 6M turbines
- One of the largest project financed offshore wind farms in Europe (~€900mn)
- Total project cost: ~€1.3bn
- ~30KM off the coast & up to ~30 meters deep
- On time and within budget
- Showcase project for the European Offshore Industry

Reaffirms our ‘best in class’ offshore technology and superior execution capabilities
Higher banking limits to support growth
Existing facility refinanced

- Enhanced facility significant for growth
  - Long Tenure: 3 year (Mar’17)
  - Timely refinancing: Existing facility maturing in Aug’14
  - Structure: Unchanged, Largely Non fund based

- Participation from globally reputed financial institutions
  - Total Participation: 14 banks (6 New)
  - Syndication significantly oversubscribed
  - Reflects their confidence in business fundamentals

Enhanced facility to enable targeted growth for next 3 years
Lot of Value has been created since acquisition

- **High Growth and Profitability**
  - Revenue 4x since acquisition, profitability 8 times

- **Newer markets**
  - Entered new high growth markets such as USA, Canada, Australia, Romania etc.

- **Introduced newer technology and products**
  - Highly successful 3XM onshore series
  - Highly successful 6XM offshore series
  - Broadened product portfolio covering all site types and wind classes

- **Operational efficiency**
  - Successful restructuring efforts to optimize cost and manpower
  - Rationalized working capital requirements

---

**Senvion Performance (€M)**

**Revenue**

- CY06: 459
- CY07: 680
- FY09: 1,209
- FY10: 1,304
- FY11: 1,216
- FY12: 1,675
- FY13: 2,221
- FY14: 1,806

**EBITDA**

- CY06: 17
- CY07: 35
- FY09: 91
- FY10: 119
- FY11: 113
- FY12: 136
- FY13: 120
- FY14: 146

*As per Senvion's local GAAP*

---

From regional to global player
Comprehensive Liability Management Update
**Comprehensive liability management approaches completion**

<table>
<thead>
<tr>
<th>CDR</th>
<th>Overseas FX Facilities</th>
<th>FCCB Restructuring</th>
</tr>
</thead>
</table>
| • 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  
• Equity infusion condition met | • 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) | • Negotiations with ad hoc committee concluded  
• Cashless exchange into new 5 year bonds  
• Optimal solution for all stakeholders |

**Supports stabilization of business**

- **DONE**
- **DONE**
- **Negotiations Concluded**

- Last remaining step  
- Likely to be completed in July 2014
Sustainable solution to debt across the group

As on 31st March 2014

**Suzlon Wind**

**Rupee Denominated**

1. Secured Domestic Debt | Rs. 9,016 Crs.
   - Restructured through CDR / Bilateral Negotiations

**Foreign Currency Denominated**

1. FCCBs\(^{(1)}\) | $577M
   - Negotiations concluded
   - 5 yr bullet maturity in FY2019-20

2. Credit Enhanced bonds | $647M
   - 5 yr bullet maturity in FY2017-18

3. Misc. working capital and other facilities | $124M

Note:
(1) Accredited Value including interest as on 15th July 2014
(2) Unsecured Loan from Promoters / others not included

Liability comprehensively addressed, FCCB last remaining step
Minimal repayment pressures for next 4 years for Suzlon Wind

5 year Debt Repayment Profile (Suzlon Wind)

- Next large repayment only in FY18 end (~$647M SBLC backed bonds is maturing in March 2018)
- FCCBs are likely to be converted into equity

**Back ended repayment schedule, giving sufficient headroom for operations to pick up**

**Note:**
- Assuming full 50% of the 2016 series bondholders choosing to continue in their existing bonds
- Includes secured domestic terms loans, SBLC backed bonds and FCCBs only
- Does not consider prepayments under CDR
## FCCBs: Overview of the bonds

### Pre-Restructuring – 4 series

<table>
<thead>
<tr>
<th>FCCBs</th>
<th>Principal (US$ mn)</th>
<th>Conversion price (Rs)</th>
<th>Coupon rate</th>
<th>Redemption premium</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2012 – Old</td>
<td>121.4</td>
<td>97.26</td>
<td>0%</td>
<td>144.88%</td>
<td>October 2012</td>
</tr>
<tr>
<td>October 2012 – Exchange</td>
<td>20.8</td>
<td>76.68</td>
<td>7.5%</td>
<td>157.72%</td>
<td>October 2012</td>
</tr>
<tr>
<td>July 2014</td>
<td>90.0</td>
<td>90.38</td>
<td>0%</td>
<td>134.20%</td>
<td>July 2014</td>
</tr>
<tr>
<td>April 2016</td>
<td>175.0</td>
<td>54.01</td>
<td>5.0%</td>
<td>108.70%</td>
<td>April 2016</td>
</tr>
</tbody>
</table>

### Post-Restructuring – 2 series (Max)

<table>
<thead>
<tr>
<th>FCCBs</th>
<th>Principal (US$ mn)</th>
<th>Conversion price (Rs)</th>
<th>Coupon rate</th>
<th>Maturity value with redemption premium</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Bonds</td>
<td>484.4</td>
<td>15.46</td>
<td>3.0% - 6.0%</td>
<td>100%</td>
<td>July 2019</td>
</tr>
<tr>
<td>April 2016*</td>
<td>87.5</td>
<td>54.01</td>
<td>5%</td>
<td>108.70%</td>
<td>April 2016</td>
</tr>
</tbody>
</table>

*Assuming full 50% of the 2016 series bondholders choosing to continue in their existing bonds
Equity Issuances conditions under CDR met

Issuance since 31st March 2013

<table>
<thead>
<tr>
<th>Entity</th>
<th>Value (Rs. Crs.)</th>
<th>No. of Shares (Crs.)</th>
<th>Locked Up Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoters</td>
<td>295</td>
<td>26.3</td>
<td>100%</td>
</tr>
<tr>
<td>CDR Lenders</td>
<td>1080</td>
<td>58.3</td>
<td>100%</td>
</tr>
<tr>
<td>Key Business Associates</td>
<td>93</td>
<td>8.0</td>
<td>100%</td>
</tr>
<tr>
<td>Employees</td>
<td>8</td>
<td>1.0</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>1476</strong></td>
<td><strong>93.6</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Further equity issuances under CDR:
To CDR banks under CDR scheme for next two quarters up to Sept 14

Equity Shares as on date

- As on March 13: 177.7 Crs.
- CDR Lenders: 58.3 Crs.
- Promoters: 26.3 Crs.
- Others: 9.0 Crs.
- Current: 271.3 Crs.

Current Shareholding Pattern

- Public: 39%
- Promoters: 39%
- CDR Lenders: 22%

Equity related condition of CDR fully complied
Industry Outlook Improving
Global Wind Market Outlook: Poised to bounce back

Annual Installations (GW)

- Recovery in global economy to fuel renewable industry growth
- High order intake seen in H2FY14 and continuing
- Increase in renewable investments

Source: Make

Suzlon Positioning

- Suzlon well positioned in key growth driving markets such as North America, India and Offshore as well as stable European Markets

Industry to grow at 40% this year, against 21% decline last year
India Market poised for a strong growth

Annual Installations (MW)

- **Strong fundamentals**
  - Growing Electricity Demand 5-6%
  - Constrained conventional sources
  - Increasing wind competitiveness
  - Huge untapped Potential 100 GW+

- **Strong regulatory push**
  - Average 40% increase in FIT across all states over 5 years
  - GBI scheme with validity till 2017
  - Proposed National Wind Energy Mission to boost wind sector
  - Availability of low cost fund from National Clean Energy Fund through IREDA

**Suzlon Positioning**

- Market leadership for over 15+ years now
- Above par Service capabilities
- End to End wind solution offering

Source: Internal Estimates

**Wind favoring policies anticipated from the New Government**
High Growth High Margin Offshore business

Annual Installations (MW)

- Strong fundamentals
  - Installations to be dominated by Europe, particularly in Germany and UK
  - Lot of countries are exploring offshore potential, such as India, North America, China, Japan etc.
  - Large untapped potential

Suzlon Positioning

- Strong in Germany and UK
- > 10 years of operating experience in far offshore projects
- Proven capabilities and dedicated product portfolio
- Track record of complex high profile projects

Offshore Market set to grow 44% next year, and CAGR 31% up to 2017

Source:: Make
Growth potential in other markets

North America

• Last minute PTC extension in the beginning of 2013 lead to low installations in USA in 2013.
• 2014 is expected to be a bumper year with 10+ GW installations predicted
• Policy environment continue to remain positive for Canada, supporting growth in wind power
• **Suzlon ended with 30% market share in Canada in 2013**
• **Suzlon’s new S111 is ideally suited for USA market**

Europe

• Non nuclear policy to spur growth for Wind installations in Europe, driven primarily by Northern Europe and Emerging markets
• Germany and UK, two largest markets in Northern Europe where Senvion has strong leadership position
• Emerging markets such as Turkey, Poland, France, Austria and Poland continue to have strong growth potential

APAC

• China bounced back in 2013 with 19GW of installations, on the back of industrial recovery and is expected to stabilize going forward
• Mandatory Renewable Energy Target (20%) of Australia to continue to drive growth in the market

Other Emerging Markets

• Other new markets such as Brazil, South Africa, Uruguay, Thailand, Vietnam etc offers excellent wind resources and strong growth potential
Key Priorities for FY15
FY15: Key Priorities

Specific Priorities for FY15

1. Volume Ramp up
   - **Suzlon Wind:**
     - Focus on India and select overseas markets
     - Streamlining product offering
   - **Senvion:**
     - Increasing market share in its core markets
     - Enter new markets
     - Enhance service capabilities to cater to broader market

2. Realizing Business Efficiencies
   - **Improving Margins**
     - Focus on profitable orders
     - Value engineered newer products with lower cost and higher returns
   - **Stabilizing fixed costs at current levels**
   - **Stabilizing working capital at current levels**

3. Optimizing Capital Structure
   - **Asset Sale Program**
     - Focus monetizing India based non-critical assets
   - **Deleveraging**
     - Tap robust international capital market scenario
     - Replacing high cost local debt with low cost FX funds

Higher Volume + Increased Business Efficiency + Optimized capital structure = Higher profitability
Detailed Financials – FY14

Manufacturing unit in Daman, India
## Consolidated financial results

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY14 Audited</th>
<th>Q4 FY13 Unaudited</th>
<th>Q3 FY14 Unaudited</th>
<th>FY14 Audited</th>
<th>FY13 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from operations</td>
<td>6,581</td>
<td>4,281</td>
<td>5,010</td>
<td>20,212</td>
<td>18,743</td>
</tr>
<tr>
<td>Less: COGS</td>
<td>-4,741</td>
<td>-3,185</td>
<td>-3,430</td>
<td>-14,435</td>
<td>-13,640</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td><strong>1,840</strong></td>
<td><strong>1,095</strong></td>
<td><strong>1,580</strong></td>
<td><strong>5,776</strong></td>
<td><strong>5,104</strong></td>
</tr>
<tr>
<td><strong>Gross Profit %</strong></td>
<td><strong>28.0%</strong></td>
<td><strong>25.6%</strong></td>
<td><strong>31.5%</strong></td>
<td><strong>28.6%</strong></td>
<td><strong>27.2%</strong></td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>-542</td>
<td>-501</td>
<td>-583</td>
<td>-2,231</td>
<td>-2,133</td>
</tr>
<tr>
<td>Other expenses</td>
<td>-1,094</td>
<td>-1,100</td>
<td>-1,084</td>
<td>-3,621</td>
<td>-4,131</td>
</tr>
<tr>
<td>Exchange Loss / (Gain)</td>
<td>60</td>
<td>-144</td>
<td>-91</td>
<td>-256</td>
<td>-307</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>64</td>
<td>56</td>
<td>42</td>
<td>191</td>
<td>170</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td><strong>328</strong></td>
<td><strong>-594</strong></td>
<td><strong>-137</strong></td>
<td><strong>-141</strong></td>
<td><strong>-1,296</strong></td>
</tr>
<tr>
<td><strong>EBITDA %</strong></td>
<td><strong>5.0%</strong></td>
<td><strong>-13.9%</strong></td>
<td><strong>-2.7%</strong></td>
<td><strong>-0.7%</strong></td>
<td><strong>-6.9%</strong></td>
</tr>
<tr>
<td>Less: Depreciation</td>
<td>213</td>
<td>192</td>
<td>186</td>
<td>777</td>
<td>740</td>
</tr>
<tr>
<td>EBIT</td>
<td>116</td>
<td>-786</td>
<td>-323</td>
<td>-918</td>
<td>-2,037</td>
</tr>
<tr>
<td><strong>EBIT %</strong></td>
<td><strong>1.8%</strong></td>
<td><strong>-18.4%</strong></td>
<td><strong>-6.4%</strong></td>
<td><strong>-4.5%</strong></td>
<td><strong>-10.9%</strong></td>
</tr>
<tr>
<td>Finance costs</td>
<td>-578</td>
<td>-487</td>
<td>-510</td>
<td>-2,070</td>
<td>-1,855</td>
</tr>
<tr>
<td>Finance Income</td>
<td>38</td>
<td>23</td>
<td>11</td>
<td>71</td>
<td>152</td>
</tr>
<tr>
<td><strong>Profit / (Loss) before tax</strong></td>
<td><strong>-425</strong></td>
<td><strong>-1,249</strong></td>
<td><strong>-823</strong></td>
<td><strong>-2,916</strong></td>
<td><strong>-3,740</strong></td>
</tr>
<tr>
<td>Less: Exceptional Items</td>
<td>-32</td>
<td>-604</td>
<td>-252</td>
<td>-487</td>
<td>-643</td>
</tr>
<tr>
<td>Less: Tax</td>
<td>-185</td>
<td>-58</td>
<td>8</td>
<td>-144</td>
<td>-349</td>
</tr>
<tr>
<td>Less: Associates</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Add: Minority</td>
<td>38</td>
<td>-1</td>
<td>-9</td>
<td>28</td>
<td>8</td>
</tr>
<tr>
<td><strong>Net Profit / (Loss) after tax</strong></td>
<td><strong>-603</strong></td>
<td><strong>-1,913</strong></td>
<td><strong>-1,075</strong></td>
<td><strong>-3,520</strong></td>
<td><strong>-4,724</strong></td>
</tr>
</tbody>
</table>
## Consolidated net working capital

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As on 31st Mar’14</th>
<th>As on 31st Dec’13</th>
<th>As on 30th Sept’13</th>
<th>As on 30th June’13</th>
<th>As on 31st Mar ’13</th>
<th>As on 31st Dec ’12</th>
<th>As on 30th Sept’12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>4,033</td>
<td>5,016</td>
<td>5,274</td>
<td>5,386</td>
<td>5,264</td>
<td>5,928</td>
<td>5,421</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>5,946</td>
<td>5,725</td>
<td>5,889</td>
<td>5,759</td>
<td>6,382</td>
<td>6,990</td>
<td>8,584</td>
</tr>
<tr>
<td>Loans &amp; Advances and Others</td>
<td>2,911</td>
<td>3,303</td>
<td>3,408</td>
<td>3,028</td>
<td>2,837</td>
<td>2,866</td>
<td>3,126</td>
</tr>
<tr>
<td>Total (A)</td>
<td>12,890</td>
<td>14,044</td>
<td>14,572</td>
<td>14,172</td>
<td>14,483</td>
<td>15,785</td>
<td>17,132</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>5,285</td>
<td>5,243</td>
<td>5,183</td>
<td>4,645</td>
<td>4,651</td>
<td>4,916</td>
<td>5,739</td>
</tr>
<tr>
<td>Advances from Customers</td>
<td>2,620</td>
<td>3,295</td>
<td>3,766</td>
<td>3,987</td>
<td>4,168</td>
<td>3,517</td>
<td>3,206</td>
</tr>
<tr>
<td>Provisions and other liabilities</td>
<td>4,263</td>
<td>4,016</td>
<td>3,946</td>
<td>3,514</td>
<td>3,121</td>
<td>3,041</td>
<td>2,909</td>
</tr>
<tr>
<td>Total (B)</td>
<td>12,168</td>
<td>12,554</td>
<td>12,895</td>
<td>12,145</td>
<td>11,940</td>
<td>11,473</td>
<td>11,853</td>
</tr>
<tr>
<td>Net Working Capital (A-B)</td>
<td>722</td>
<td>1,490</td>
<td>1,677</td>
<td>2,027</td>
<td>2,543</td>
<td>4,311</td>
<td>5,278</td>
</tr>
<tr>
<td>NWC as % of sales</td>
<td>3.6%</td>
<td>8.3%</td>
<td>9.9%</td>
<td>11.4%</td>
<td>13.6%</td>
<td>20.4%</td>
<td>23.8%</td>
</tr>
</tbody>
</table>

**Rs Crs**
### Suzlon consolidated balance sheet

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>FY 2014</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholders' Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Share Capital</td>
<td>498</td>
<td>355</td>
</tr>
<tr>
<td>b) Reserves and Surplus</td>
<td>-1,041</td>
<td>-35</td>
</tr>
<tr>
<td><strong>Share application money</strong></td>
<td>-544</td>
<td>320</td>
</tr>
<tr>
<td><strong>Preference Shares</strong></td>
<td>162</td>
<td>582</td>
</tr>
<tr>
<td><strong>Minority Interest</strong></td>
<td>58</td>
<td>78</td>
</tr>
<tr>
<td><strong>Non Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Long Term Borrowings</td>
<td>11,641</td>
<td>10,858</td>
</tr>
<tr>
<td>b) Other Non Current Liabilities</td>
<td>1,147</td>
<td>932</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>12,788</td>
<td>11,790</td>
</tr>
<tr>
<td>a) Short Term Borrowings</td>
<td>3,523</td>
<td>2,835</td>
</tr>
<tr>
<td>b) Trade Payables</td>
<td>5,285</td>
<td>4,651</td>
</tr>
<tr>
<td>c) Other Current Liabilities</td>
<td>6,625</td>
<td>7,281</td>
</tr>
<tr>
<td>d) Due to customers</td>
<td>211</td>
<td>200</td>
</tr>
<tr>
<td>e) Short Term Provisions</td>
<td>2,201</td>
<td>1,473</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>17,844</td>
<td>16,440</td>
</tr>
</tbody>
</table>

### Assets

<table>
<thead>
<tr>
<th>Non Current Assets</th>
<th>FY 2014</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Fixed Assets</td>
<td>13,948</td>
<td>12,382</td>
</tr>
<tr>
<td>b) Non Current Investments</td>
<td>4</td>
<td>36</td>
</tr>
<tr>
<td>d) Long Term Loans &amp; Advances</td>
<td>518</td>
<td>672</td>
</tr>
<tr>
<td>e) Trade Receivables</td>
<td>0</td>
<td>713</td>
</tr>
<tr>
<td>e) Other Non Current Assets</td>
<td>374</td>
<td>533</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,845</td>
<td>14,336</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>FY 2014</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Current Investments</td>
<td>703</td>
<td>0</td>
</tr>
<tr>
<td>b) Inventories</td>
<td>4,033</td>
<td>5,264</td>
</tr>
<tr>
<td>c) Trade Receivables</td>
<td>2,687</td>
<td>2,732</td>
</tr>
<tr>
<td>d) Cash and bank balances</td>
<td>2,448</td>
<td>1,959</td>
</tr>
<tr>
<td>e) Short Term Loans &amp; Advances</td>
<td>1,845</td>
<td>1,549</td>
</tr>
<tr>
<td>f) Due from customers</td>
<td>3,259</td>
<td>2,936</td>
</tr>
<tr>
<td>g) Other Current Assets</td>
<td>496</td>
<td>439</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,470</td>
<td>14,880</td>
</tr>
</tbody>
</table>

| Total Assets                         | 30,315   | 29,216   |
Thank You