

AE Rotor Holding B.V.
Balance Sheet as at 31 March 2018
 (After appropriation of the net result)
 All amounts in EUR unless otherwise stated

Assets	Note	31 March 2018	31 March 2017
Financial assets			
Participations in group companies	5	36,000	36,000
Participations held for sale	6	-	30,41,680
Receivable from group companies	7	<u>5,90,65,830</u>	<u>6,95,67,980</u>
		5,91,01,830	7,26,45,660
Current assets			
Receivables			
Receivables from group companies	8	1,07,77,551	1,13,84,861
Receivables from shareholder	9	13,26,344	11,87,714
Taxes and social security contribution	10	1,21,073	1,21,119
Other debtors, prepayments and accrued income	11	<u>15,32,952</u>	<u>21,83,698</u>
		1,37,57,920	1,48,77,392
Cash and cash equivalents	12	7,48,480	50,06,278
		<u>7,36,08,230</u>	<u>9,25,29,330</u>

AE Rotor Holding B.V.
Balance Sheet as at 31 March 2018
 (After appropriation of the net result)
 All amounts in EUR unless otherwise stated

Shareholder equity and liabilities	Note	31 March 2018		31 March 2017	
Shareholder equity					
Issued and paid-up share capital	13	68,30,49,610		63,64,40,000	
Share premium	14	38,77,07,811		38,77,07,811	
Legal reserves	15	36,32,033		61,71,833	
Other reserves	16	<u>(1,54,93,71,965)</u>		<u>(1,60,45,16,914)</u>	
		(47,49,82,511)			(57,41,97,270)
Non-Current liabilities					
Non-Current loan	17	<u>52,02,51,859</u>	52,02,51,859	<u>5,57,34,012</u>	5,57,34,012
Current liabilities					
Current loan	20	-		58,50,36,238	
Trade creditors	21	2,05,167		1,68,243	
Payables to group companies	22	1,84,847		5,97,957	
Other liabilities, accruals and deferred income	23	<u>2,79,48,868</u>		<u>2,51,90,150</u>	
			2,83,38,862		61,09,92,588
			<u>7,36,08,230</u>		<u>9,25,29,330</u>

For and on behalf of AE Rotor Holding B.V.


 Authorised Signatory

AE Rotor Holding B.V.
Income Statement for the year ended 31 March 2018
 All amounts in EUR unless otherwise stated

	Note	<u>31 March 2018</u>	<u>31 March 2017</u>
Salaries and wages	24	8,72,428	8,12,227
Other operating expenses	25	5,36,005	2,73,898
Total operating expenses		<u>14,08,433</u>	<u>10,86,125</u>
Operating profit/(loss)		<u>(14,08,433)</u>	<u>(10,86,125)</u>
Interest and similar income	26	8,23,39,443	29,47,433
Interest and similar expenses	27	<u>3,13,28,371</u>	<u>2,18,74,359</u>
Result from ordinary activities before taxation		4,96,02,639	(6,89,70,179)
Income from / (impairment on) receivables and participations in group and affiliated companies	28	<u>30,02,510</u>	<u>1,41,38,172</u>
Profit/(loss) after taxation		<u>6,26,05,149</u>	<u>(5,48,32,008)</u>

For and on behalf of AE Rotor Holding B.V.



Authorised Signatory

Cash Flow Statement for the year ended 31 March 2018

All amounts in EURO

	Note	2017 / 2018	2016 / 2017
Cash flow from operating activities			
Operating profit/(loss)		5,26,14,829	(5,48,32,008)
Adjustment for :			
Provision/impairment	28	(13,24,190)	(35,69,57,581)
Exchange gain / (losses)	26	(7,77,91,979)	2,83,12,488
gain/(loss) on sale of Investments	28	(16,78,320)	(8,07,94,489)
		35,04,53,816	2,18,08,723
Changes in working capital :			
Receivables		(70,89,699)	(18,97,230)
Current liabilities (exclusive of finance balances)		78,92,300	(11,36,673)
		8,02,601	(30,33,903)
Taxes		-	-
Cash generated from operations		(2,73,77,059)	(3,60,57,188)
Interest and similar income	26	(35,89,839)	(28,02,156)
Interest and similar expenses	27	3,11,85,842	3,60,28,694
		2,75,96,003	3,32,26,537
Net cash generated / used from / in operating activities		2,18,944	(28,30,650)
Cash flow from investing activities			
Net investment in financial assets		47,20,000	(1,31,90,999)
Net cash used in investing activities		47,20,000	(1,31,90,999)
Cash flow from financing activities			
Long term loans received / (paid)		(4,03,97,272)	1,68,68,576
Share premium / Equity Share capital		4,66,09,610	-
Current loan received		90,52,533	11,67,676
Current loan paid		(2,44,61,611)	(4,91,88,776)
Net cash flow from financing activities		(91,96,741)	(3,11,52,524)
Net increase / (decrease) in cash and cash equivalents		(42,57,797)	(4,71,74,173)
Movements in cash and cash equivalents can be broken down as follows:			
Balance as at 1 April 2017	12	50,06,277	5,21,80,451
Movements during the period		(42,57,797)	(4,71,74,173)
Balance as at 31 March 2018		7,48,480	50,06,277

AE Rotor Holding B.V.

Notes to the Balance Sheet and Income statement

All amounts in EUR unless otherwise stated unless stated otherwise

4 Financial assets

The company's direct interests in group companies comprise the following :

Name, registered office	Share in issued capital as percentage	
	31 March 2018	31 March 2017
SE Blade Technology B.V., the Netherlands	100.00	100.00
Suzlon Energy B.V., the Netherlands	100.00	100.00
Valum Holding B.V., the Netherlands	100.00	100.00
SE Drive Technik GmbH., Germany	100.00	100.00
Suzlon Wind Energy Lanka (Pvt) Ltd., Sri Lanka	-	100.00
Suzlon Wind Energy Uruguay SA, Uruguay	-	100.00

Pursuant to the process of Group Restructuring during March 2017, the Company agreed to sale its stake in following 5 (five) subsidiaries namely - Suzlon Energia Eolica do Brasil Ltda. for EUR 1, Suzlon Energy Australia Pty. Ltd. for EUR 1, Suzlon Wind Energy South Africa for EUR 1, Suzlon Wind Energy Uruguay, SA for EUR 3,04 million and Suzlon Wind Energy Lanka (Pvt.) Ltd. for EUR 1,68 million to its Parent company - Suzlon Energy Limited, Mauritius.

The sale of former 3 subsidiaries was completed in March 2017 itself. Subsequently, sale of Suzlon Wind Energy Uruguay, SA was concluded during the year on 16 June 2017 and Suzlon Wind Energy Lanka (Pvt.) Ltd. on 29 March 2018.

Losses and profits on sale of Participation have been duly recorded.

5 Participations in group companies

	31 March 2018	31 March 2017
SE Blade Technology B.V. (1.800 (1.800) equity shares of Euro 10 each)	18,000	18,000
Suzlon Energy B.V. (540.000 (540.000) equity shares of Euro 10 each)	17,20,00,095	17,20,00,095
Provision on participation Suzlon Energy B.V.	(17,20,00,095)	(17,20,00,095)
SE Drive Technik GmbH (25.000 (25.000) equity shares of Euro 1 each)	58,58,34,452	59,31,47,112
Provision on participation SE Drive Technik GmbH	(58,58,34,452)	(59,31,47,112)
Valum Holding B.V. (1.800 (1.800) equity shares of Euro 10 each)	18,000	18,000
	<u>36,000</u>	<u>36,000</u>

6 Participations held for sale

	31 March 2018	31 March 2017
Suzlon Wind Energy Lanka (Pvt) Ltd. (NIL (300.000) equity shares of LKR 1 each)	-	1,680
Suzlon Wind Energy Uruguay SA (NIL (19.077.800) equity shares of UYU 1 each)	-	97,60,866
Provision on participation Suzlon Wind Energy Uruguay SA	-	(67,20,866)
	-	<u>30,41,680</u>

7 Receivable from group companies - Non current

	<u>31 March 2018</u>	<u>31 March 2017</u>
Suzlon Wind Energy South Africa*	2,85,39,670	2,65,99,719
Provision for Suzlon Wind Energy South-Africa (Pty) Limited.	(2,23,74,245)	(2,23,74,245)
Suzlon Wind Energy Uruguay	5,70,985	13,19,595
Provision for Suzlon Wind Energy Uruguay	(5,70,985)	(7,19,825)
Suzlon Energy Tianjian Ltd, China	60,38,040	64,00,698
Provision for Suzlon Energy Tianjian Ltd, China	(60,38,040)	(64,00,698)
Royalty Suzlon Rotor Corporation, USA	18,39,360	21,34,442
Provision on Royalty Suzlon Rotor Corporation, USA	(18,39,360)	(21,34,442)
Receivable Suzlon Rotor Corporation, USA	35,38,260	41,05,888
Provision on receivable from Suzlon Rotor Corporation, USA	(35,38,260)	(41,05,888)
SE Drive Technik GmbH**	16,65,67,368	17,39,10,687
Provision on receivables from SE Drive Technik GmbH	(15,93,39,918)	(15,93,39,918)
Suzlon Energy Portugal Energia Eo Un Lda	11,589	6,268.00
Provision for Suzlon Energy Portugal Energia Eo Un Lda	(11,589)	(6,268.00)
Suzlon Energia Eolica do Brasil Ltda.***	-	10,289.20
Provision for Suzlon Energia Eolica do Brasil Ltda.	-	(10,289.20)
Suzlon Wind Energy Nicaragua	9,732	5,703.00
Provision for Suzlon Wind Energy Nicaragua	(9,732)	(5,703.00)
Suzlon Energy A/S, Denmark****	1,34,76,644	1,17,39,430
Suzlon Energy B.V.*****	9,26,011	89,60,842
Suzlon Wind Energy Corporation*****	3,12,70,300	2,94,71,694
	<u>5,90,65,830</u>	<u>6,95,67,980</u>

* The interest is charged at a floating rate of 1 year EUR LIBOR + 3% p.a. on a 360-day year base on daily basis.

** The interest is charged at a fixed rate of 0,5% p.a. on a daily basis.

*** Fully written off as Bad debt as Suzlon Energia Eolica do Brasil Ltda. is under process of liquidation.

**** The interest is charged at a floating rate of 6 months EURIBOR + 1% p.a. on on monthly average balance being 6 months EURIBOR adjusted twice during the year.

***** The interest is charged at a floating rate of 3 months EURIBOR + 3% p.a. on the beginning of the quarter for the opening balance & further transactions during the quarter.

***** The interest is charged at a fixed rate of 4% p.a. on a 365-day year base on daily basis.

8 Receivables from group companies - Current

	<u>31 March 2018</u>	<u>31 March 2017</u>
SE Blade Technology B.V.*	72,16,069	99,70,263
Suzlon Energy Limited, GMBH	2,161	4,719
Valum Holding B.V.**	-	4,18,873
Tarilo Holding B.V.***	34,64,150	9,48,840
Suzlon Energy Australia	67,813	23,394
Suzlon Wind Enerji, Turkey	16,376	11,461
Suzlon Wind Energy Romania	6,336	4,661
Suzlon Wind Energy Equipment Trading Co. Ltd.	4,646	2,650
	<u>1,07,77,551</u>	<u>1,13,84,861</u>

* The amount is inclusive of interest calculated at a fixed rate of 6,5% on a daily basis.

** The interest is charged at a floating rate of 3 months EURIBOR + 3% p.a. on the beginning of the quarter for the opening balance & further transactions during the quarter.

*** The interest is charged at a floating rate of 3 months EURIBOR + 3% p.a. on the beginning of the quarter for the opening balance & further transactions during the quarter.

9 Receivable from Shareholder

	<u>31 March 2018</u>	<u>31 March 2017</u>
Suzlon Energy Limited, India	11,26,806	10,39,200
Suzlon Wind Energy Limited, UK	1,34,068	1,15,725
Suzlon Energy Limited, Mauritius	65,470	32,789
	<u>13,26,344</u>	<u>11,87,714</u>

10 Taxes and social security contributions

	<u>31 March 2018</u>	<u>31 March 2017</u>
Corporate income tax	37,607	37,607
VAT Input credit	-	46
Advance Tax	83,466	83,466
	<u>1,21,073</u>	<u>1,21,119</u>

11 Other debtors, prepayments and accrued income

	<u>31 March 2018</u>	<u>31 March 2017</u>
Royalty Suzlon Energy Tianjian Ltd, China	11,62,750	11,62,750
Provision for Royalty Suzlon Energy Tianjian Ltd, China	(11,62,750)	(11,62,750)
Prepaid expenses	15,07,005	21,58,000
Advance for Expenses	248	-
Other Debtors	25,699	25,699
	<u>15,32,952</u>	<u>21,83,698</u>

12 Cash and cash equivalents

	<u>31 March 2018</u>	<u>31 March 2017</u>
Rabo Bank	6,95,040	49,18,319
State Bank of India	53,431	87,745
Bank of India	9	9
Bank of Baroda	-	205
	<u>7,48,480</u>	<u>50,06,278</u>

13 Issued and paid-up share capital

The authorised share capital of AE-Rotor Holding B.V. is EUR 1.200.000.000 divided into 120.000.000 ordinary shares of EUR 10 each. During the year, the Company has issued 4.660.960 ordinary shares of EUR 10 each amounting to EUR 46.609.600 to Suzlon Energy Limited on 30 March 2018. Post which, the issued share capital comprises of 68.304.960 ordinary shares (31 March 2017 - 63.644.000) of EUR 10 each.

There is a negative lien in favour of the "Offshore Security Trustee" by Suzlon Energy Limited, Mauritius for all the shares held by it in Suzlon Wind Energy Limited, United Kingdom ("SWEL"), the direct parent company of AE Rotor Holding B.V., and by SWEL & SEL for all the shares held by them in AE Rotor Holding B.V.

Whereas "Offshore Security Trustee" means, the security trustee acting inter alia for and on behalf of the CDR Lenders in relation to the Security over the offshore assets pursuant to the Security Documents.

14 Share premium

	<u>31 March 2018</u>	<u>31 March 2017</u>
Balance as at 1 April	38,77,07,811	38,77,07,811
Addition/(Reduction) during the year	-	-
Closing balance	<u>38,77,07,811</u>	<u>38,77,07,811</u>

15 Legal reserves

The legal reserve relates to its subsidiary Suzlon Energy B.V.

	<u>31 March 2018</u>	<u>31 March 2017</u>
Balance as at 1st April	61,71,833	1,59,80,382
Movement during the year	(25,39,800)	(98,08,549)
Closing balance	<u>36,32,033</u>	<u>61,71,833</u>

16 Other reserves

	<u>31 March 2018</u>	<u>31 March 2017</u>
Balance as at 1 April	(1,60,45,16,914)	(1,55,94,93,455)
Results after taxation	5,26,05,149	(5,48,32,008)
	(1,55,19,11,765)	(1,61,43,25,463)
Movements to the legal reserve	25,39,800	98,08,549
Closing balance	<u>(1,54,93,71,965)</u>	<u>(1,60,45,16,914)</u>

17 Non-current liabilities

	Balance as at 31 March 2018	Repayment obligation in 1 year	Remaining term > 1 year	Remaining term > 5 year
Non-current loan	52,02,51,859	-	52,02,51,859	-
	<u>52,02,51,859</u>	<u>-</u>	<u>52,02,51,859</u>	<u>-</u>
	Balance as at 31 March 2017	Repayment obligation in	Remaining term > 1 year	Remaining term > 5 year
Non-current loan	56,65,03,614	58,50,36,238	-	-
	<u>56,65,03,614</u>	<u>58,50,36,238</u>	<u>-</u>	<u>-</u>

18 Non-Current Loan

	31 March 2018	31 March 2017
Term Loan*	45,69,85,423	-
Suzlon Energy Limited, India**	6,32,66,436	5,57,34,012
	<u>52,02,51,859</u>	<u>5,57,34,012</u>

* The Company has extended the credit facility by way of refinancing the outstanding amount of USD 590,40 million till 28 February 2023.

** The interest is calculated monthly at a fixed rate of 6% p.a. from the date of disbursement of loan based on an average value using month's opening and closing balance.

On 31 March 2017, the Company and Suzlon Energy Limited, India ("SEL"), entered into an amended Supplementary Loan Agreement. As per this Loan Agreement, SEL will not raise any demand on the Company to make any repayment of Principal and/or Interest against the loan provided until 31 March 2018.

The fair value of above loans is approximately the book value.

19 Current liabilities

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to its short term character.

20 Current loan

	31 March 2018	31 March 2017
Term Loan*	-	53,21,49,242
Covered Bonds**	-	5,28,86,996
	<u>-</u>	<u>58,50,36,238</u>

* Refer Note 18

** The Company has redeemed Bonds worth USD 56,6 million on 28 March 2018.

21 Trade creditors	31 March 2018	31 March 2017
Trade creditors	2,05,167	1,68,243
	<u>2,05,167</u>	<u>1,68,243</u>
22 Payables to group companies	31 March 2018	31 March 2017
Valum Holding B.V.	1,84,847	5,97,957
	<u>1,84,847</u>	<u>5,97,957</u>
23 Other liabilities, accruals and deferred income	31 March 2018	31 March 2017
Payable to Suzlon Energy Limited	2,73,97,522	1,95,79,962
Interest accrued but not due on bonds	-	21,937
Interest accrued but not due on TL	1,49,265	34,78,380
Payable to Suzlon Energy B.V.	2,59,873	19,65,555
Other liabilities	1,42,208	1,44,316
	<u>2,79,48,868</u>	<u>2,51,90,150</u>

* Interest amount outstanding on year-end is added to the principal loan amount on the last day of the financial year.

24 Salaries and wages	31 March 2018	31 March 2017
Re-charged salaries and wages	8,72,428	8,12,227
	<u>8,72,428</u>	<u>8,12,227</u>
25 Other operating expenses	31 March 2018	31 March 2017
General expenses	5,16,693	3,52,021
Rates & Taxes	68,277	-
VAT Refund	-	(6,300)
Excess provisions written off	(48,965)	(71,823)
	<u>5,36,005</u>	<u>2,73,898</u>
25(1) General expenses	31 March 2018	31 March 2017
Audit costs	45,000	18,000
Consultancy fees	1,77,882	98,227
Miscellaneous general expenses	2,61,441	2,25,127
Business promotion expenses	32,370	10,667
	<u>5,16,693</u>	<u>3,52,021</u>
26 Interest and similar income	31 March 2018	31 March 2017
Interest loan SE Drive Technik GmbH	8,55,463	8,68,015
Exchange differences	7,87,33,979	-
Interest Suzlon Energy B.V.	1,27,170	3,42,929
Interest Suzlon Blade Technology B.V.	5,29,324	6,84,235
Interest loan Suzlon Wind Energy SA, Uruguay	-	1,41,095
Interest Suzlon Wind Energy Corporation	11,91,564	-
Interest Suzlon Energy A/S	61,756	89,219
Interest Tarilo Holding B.V.	56,388	22,430
Interest Suzlon Wind Energy South-Africa (Pty) Limited	7,71,173	7,19,355
Dividend	7,400	14,710
Interest on Fixed Deposit	-	65,446
Interest from Bank	5,226	-
	<u>8,23,39,443</u>	<u>29,47,433</u>
27 Interest and similar expenses	31 March 2018	31 March 2017
Interest loan Suzlon Energy Limited, India	35,71,905	23,53,361
Exchange differences	-	3,44,62,754
Interest Valum Holding B.V.	6,762	22,694
Interest and other expenses on Bonds & Term Loan	2,74,96,055	3,39,29,161
Interest others	-	16
Bank charges	2,53,649	60,999
Penalty for Real estate transfer tax	-	2,504
	<u>3,13,28,371</u>	<u>7,08,31,488</u>

28 Income from / impairment on receivables and participations in group and affiliated companies

	<u>31 March 2018</u>	<u>31 March 2017</u>
Reversal of / (Impairment) on Participation in Suzlon Energy A/S., Denmark	-	33,71,86,447
Reversal of / (Impairment) on participation in Suzlon Wind Energy South Africa (Pty) Limited	-	19
Reversal of / (Impairment) on participation Suzlon Energia Eolica do Brasil Ltda.	-	76,351
Reversal of / (Impairment) on participation Suzlon Wind Energy Uruguay SA	-	(67,20,866)
Reversal of / (Provision) on receivables from Suzlon Rotor Corporation, USA	8,62,710	-
Reversal of / (Provision) on receivables from Suzlon Energy Tianjian Ltd, China	3,62,658	-
Reversal of / (Provision) on receivable from Suzlon Wind Energy Uruguay SA	1,48,840	70,72,901
Reversal of / (Provision) on receivable from Suzlon Energy A/S., Denmark	-	85,72,674
Reversal of / (Provision) on royalty receivables from Suzlon Energy Tianjian Ltd, China	-	7,850
Reversal of / (Provision) on receivables from Suzlon Wind Energy South Africa (Pty) Limited	-	42,24,872
Reversal / (Provision) of receivables from SE Drive Technik GmbH	-	1,36,57,704
Reversal of / (Provision) on receivable Suzlon Energia Eolica do Brasil Ltda.	-	(10,289)
Reversal of / (Provision) on receivable Suzlon Rotor Corporation, USA	-	(3,81,414)
Reversal of / (Provision) on receivable Tarilo Holding B.V.	-	9,17,710
Reversal of / (Provision) on receivable Suzlon Energy Portugal Energia Eo Un Lda	(5,321)	(6,268)
Reversal of / (Provision) on receivable Suzlon Wind Energy Nicaragua	(4,029)	(5,703)
Loss on sale of Suzlon Brasil Investment	-	(1,32,67,352)
Loss on sale of Suzlon Wind Energy South Africa (Pty) Limited	-	(18)
Loss on sale of Suzlon Energy A/S Investment	-	(33,71,86,446)
Gain on sale of Suzlon Wind Energy (Lanka) Pvt. Ltd.*	16,78,320	-
Bad debts written off of Suzlon Energia Eolica do Brasil Ltda.**	(40,668)	-
	<u>30,02,510</u>	<u>1,41,38,172</u>

* sold during the year
 ** under liquidation