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Greenko Group plc

Tariff Increases, New Power Purchase Agreements and Carbon Credit Registrations

- Tariff increases for ISA Power (8 MW) and Ecofren (8 MW) biomass assets
- Entered into Power Purchase Agreements with Power Trading Corporation for hydro projects under development
- AMR Power (24 MW) and Sonna (10.5 MW) registered for Carbon Credits by UNFCCC

Greenko Group plc ("Greenko" or the "Company") is pleased to announce that it has concluded successful tariff negotiations under long term Power Purchase Agreements ("PPAs") for the ISA Power (8 MW) and Ecofren (8 MW) biomass plants in the State of Chhattisgarh. This important development will increase the tariffs of these plants by Rs. 0.76 per kwh to 3.90 per kwh (approximately a 20% increase in the tariff). The Rs. 0.76 per kwh increase will be back dated to electricity provided from 1 April 2009 and will remain ongoing subject to any review by the Chhattisgarh State Electricity Regulatory Commission.

The Company believes that there is further potential for tariff increases under long term PPAs across all States, and has initiated negotiations to secure tariff increases within the other states where Greenko has operational assets.

Greenko continues to take advantage of the opportunities presented by direct power sales and has entered into 10 year power purchase agreement from 1 June 2009 with PTC, India's largest government owned power trading company. The PPA relates to electricity to be supplied from 5 small hydro assets currently under development totalling 24 MW in Himachal Pradesh, for Rs. 5.00 per kwh base price and with an upside sharing formula if PTC sells on the electricity at a premium to Rs. 5.00 per kwh.

The projects being developed with a minimum power sale price of Rs 5.00/Kwh (approximately 0.07 euro per kwh) will enable significantly higher returns in comparison with average long term PPAs at Rs 3.00 per kwh.

The Company is also pleased to announce that it has successfully registered AMR Power (24 MW) and Sonna (10.5 MW) hydro plants for Carbon Credits with UNFCCC. Rithwik hydro plant is in the final stage of hosting and is expected to be registered by early December 2009. This will mean that 5 of the 6 operational assets will be registered creating approximately 300,000 CERs per annum.

Commenting on the tariff increases and new concessions, Anil Chalamalasetty, CEO and co-founder of Greenko, said:

"These recent developments reinforces the mature nature of Indian power markets and reflect the Company's ability to generate additional value from our assets without any change to input costs. New PPAs for the hydro projects under development will help generate greater returns once the assets become operational and ensures long term visibility of merchant rates. The CDM registration of two hydro assets will provide a useful additional revenue stream. We will continue to use these additional measures to enhance the value of both existing assets and those under development in order to generate value for Greenko's shareholders."

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NOTES TO EDITORS**Background**

Greenko intends to become a leading owner and operator of clean energy projects in India. Greenko currently has 101.5 MW contracted capacity of clean energy assets including six biomass and three hydro plants and 154 MW of concessions under development. The Company is focused on developing a portfolio of biomass, hydro electric and wind assets within India and intends to increase the installed capacity it operates through a combination of purchasing projects as well as the winning of concessions to develop new greenfield assets.

The Indian renewable energy sector is a relatively young and fragmented market. The new projects are likely to take the form of the acquisition of existing assets under construction and the building of new plants on greenfield sites. Greenko intends to be a consolidator within this sector. The Directors believe that operational and financial benefits will flow from this strategy.

The Group's income is generated from receipts for power sold to state electricity boards and from sale of high margin carbon credits or Certified Emission Reduction units ("CERs") generated from the Group's registered clean energy projects. In the future, the Directors believe that new opportunities, such as the direct sale of electricity to large scale users and sales of CERs in the voluntary market, will broaden the income streams of the Group as well as enhance profitability.

The Indian economy

India has a population of approximately 1.1 billion people, which is currently growing at 1.5% per annum, making it one of the largest populations in the world. The average age of the population is 24, providing a growing, well educated workforce. The Indian economy has benefited from low inflation and recent liberalisation has encouraged strong international investment which has helped to promote strong economic growth particularly in the past five years. The growth in industrial production and GDP per capita has resulted in a strong increase in demand for electricity. This has led to a shortfall in supply of supply, resulting in both brown-outs (where the voltage level drops below the normal minimum level specified for the system, therefore particularly damaging to electric motors) and black-outs. In addition, the 2001 Indian Census reported that 44% of households did not have access to electricity.