

FINAL: 14 July 2010

Greenko Group PLC
(“Greenko” or “the Company”)

Acquisition of 24MW operating run-of-river hydro asset

Greenko reaches 611MW of secured capacity with operating capacity of 183MW

Greenko, the Indian developer, owner and operator of clean energy projects, announces that it has entered into a conditional Share Purchase Agreement to acquire Hemavathi Power & Light Pvt Ltd (“HPL”) which operates a 24MW run-of-river hydro asset. It is expected that the acquisition of HPL, under the terms of the Share Purchase Agreement, will complete in the next few weeks.

The effective consideration for HPL shareholders is €26 million, including net debt/liabilities assumed as part of the acquisition. €18.4 million of this will be satisfied by new debt finance from L&T Finance and the balance will be satisfied by a combination of cash and, at the option of the vendor, Ordinary shares in Greenko. The asset has a consistent track record of above normal energy generation for the region and will provide an ability to participate in the Indian energy open markets in the near future. The acquisition will increase the secured capacity of Greenko from 587MW to 611MW and its operating capacity from 159MW to 183MW.

The Directors believe that, in a normal monsoon period, the asset should contribute an annualised EBITDA of €4.0 million. In the year ended 31 March 2009, the audited accounts of HPL showed EBITDA of approximately Rs 190 million (€3.15 million), compared to Rs 256 million (€4.26 million) in the previous year. HPL’s net assets as at 31 March 2009, including assumed loans of approximately Rs 625 million within the actual consideration paid, were Rs 1 billion (€16.7 million).

HPL is a 24MW operating run-of-river hydro asset situated on the Hemavathi River in the state of Karnataka. The Hemavathi River is an important tributary of the Kaveri, one of India’s largest rivers, which has a catchment area of 5,140 square kilometres. The Directors believe the asset will provide long term sustainable cash flows and meet Greenko’s benchmark equity returns.

The Directors believe that Greenko is well positioned and making good progress on implementation projects with a strong pipeline of potential new projects at various stages. The recent capacity additions are in line with the Company’s target of reaching 1000MW of installed capacity by 2015.

Commenting on the transaction, Anil Chalamalasetty, Founder & CEO of Greenko, said: “We are pleased to have reached an agreement to acquire this asset which will add a substantial operational asset to our portfolio. At Greenko, we are building a diversified clean energy portfolio with high quality earnings and good visibility of growth potential which will enable us to consolidate our leadership position in the Indian clean energy sector.”

-Ends-

Note: An exchange rate of Rs 60 : €1 has been used throughout this release.

For further information please visit www.greenkogroup.com or call:

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