Indian Energy

Environmental Opportunities Forum
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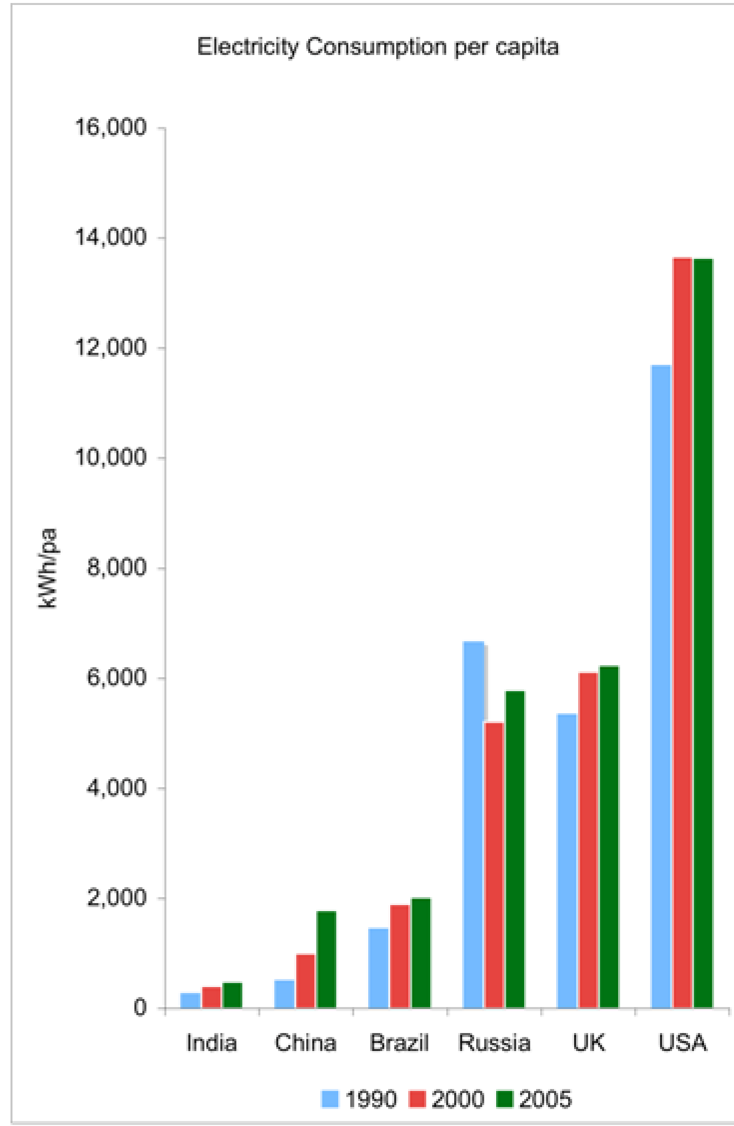
Introduction to Indian Energy

Indian Energy

- Independent Power Producer (IPP) focused on wind energy in India
  - Listed on AIM (ticker: IEL.L)
  - Invests in late stage construction and operating assets
  - Long-term owner and operator of the assets in its portfolio
  - Strategic aim to achieve 300 MW of operating capacity by Q1 2013
- Established operational business with clear growth path
  - 24.8 MW Gadag Project operating profitably and generating cash
  - 16.5 MW Theni I Project contracted December 2009; 4.5 MW commissioned February 2010
  - 33.0 MW Theni II Project optioned for commissioning 2010
  - 102.0 MW consisting of two projects under final negotiation for commissioning by Q1 2011
- High growth market with significant opportunity to leverage the business model
- High return on equity with long-term visibility of earnings
  - Fast efficient deployment of capital
  - Asset backed and secure cash flows

India Power

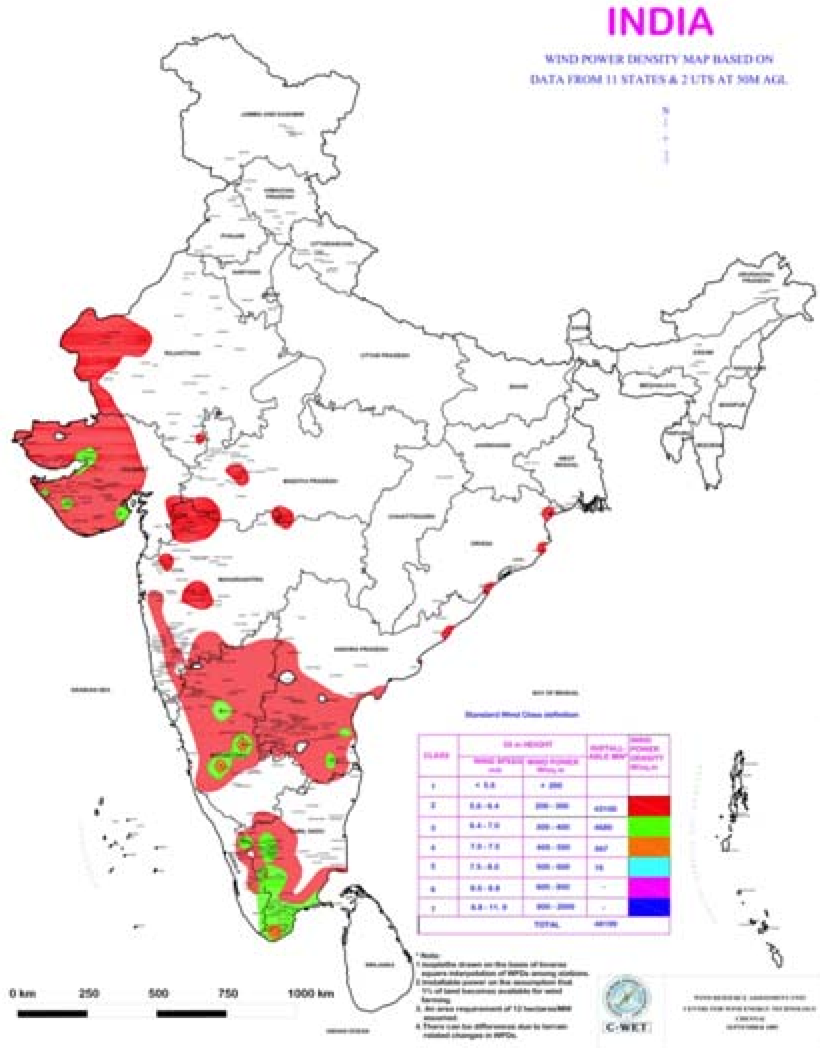
- GDP has grown between *c.* 7 – 10%
- India has 156 GW of generating capacity mainly fuelled through thermal and 15.2% peak demand power deficit
- Electricity demand is expected to grow at c. 9% pa- Estimated that an additional 300 GW capacity required by 2017
- GoI stated target of 10% power capacity from renewables by 2012, 20% by 2020
- GoI commitment to 20% - 25% emissions intensity reduction from 2005 level by 2020
- Power market liberalising with merchant power market developing



Source: International Energy Agency

Wind Power in India

- Transparent regulated market
  - Legislative framework in place
- 5th largest global installed capacity
  - Approximately 11,000 MW installed capacity
  - Average growth rate of 25% pa since 1998
  - Estimated potential capacity in excess of 45,000 MW
- Regulatory support
  - State utilities provide long term fixed price off take contracts at a premium for wind power
- Fiscal incentives
  - Depreciation & corporation tax benefits
  - CDM* status with sale of Certified Emission Reduction Certs.
  - Generation Based Incentive Scheme being implemented
  - Renewable Energy Certificate policy being formulated

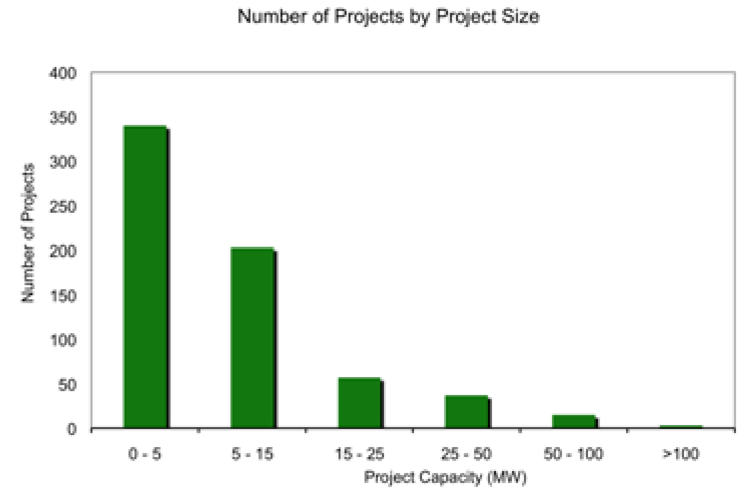


Source: Centre for Wind Energy Technology

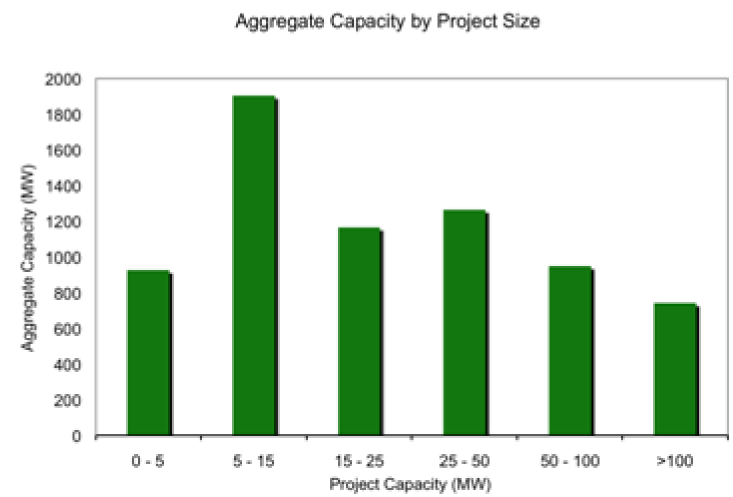
* - Clean Development Mechanism

Wind Power Market

- Fragmented market
  - Multi project, multi owned wind farms the norm
- Established turbine suppliers
  - Includes international manufacturers, e.g. Vestas, Suzlon, Enercon
  - Currently at least fourteen turbine suppliers in India
- Competition base
  - Depreciation tax benefit customers
  - Broad-base renewable power companies
  - Diversified power companies
- Competitors
  - China Light & Power
  - Green Infra
  - Reliance Power
  - Tata Power



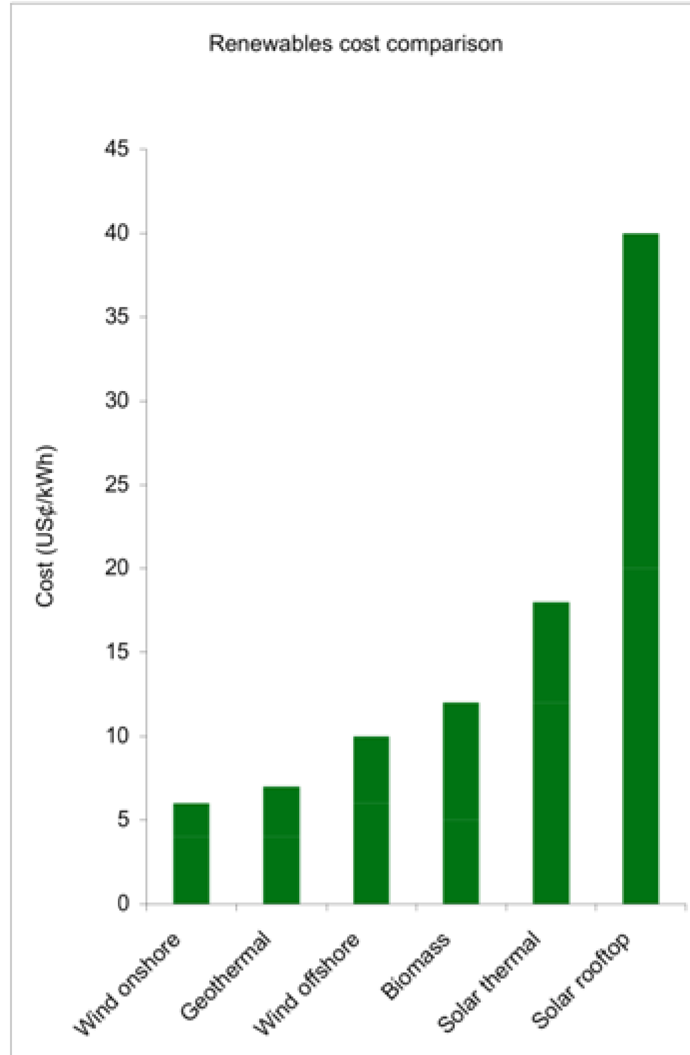
Source: New Energy Finance



Source: New Energy Finance

Indian Wind IPP Model

- Minimal development risk
  - Turbine suppliers provide permitted sites
  - Investment takes place at or after construction
- Turnkey contract with
  - Fixed price
  - Bank guarantees and delay damages
  - Land and key permits secured
- Long-term Operations & Maintenance contract with turbine manufacturer
- Long-term Power Purchase Agreements with state-owned electricity supply companies
- Availability of INR project finance



Source: CLSA Asia-Pacific Markets

Indian Energy Business Model

- Established Investment Process
  - ✓ Based on operational experience and knowledge
  - ✓ Identification of and securing suitable projects
  - ✓ Investment in construction ready projects with back to back contracts
- Diversification of risk through geographic spread, multiple suppliers and off-takers
- Access to INR debt market
- Short cycle between investment and cash flow
- Long term visibility of earnings
- Plans to implement a progressive dividend policy at the earliest opportunity

Leveraging the Business Model

As the portfolio grows Indian Energy will have the opportunity to increase project returns through:

- Group Captive Power projects
  - Establish projects for industrial customers
  - Sell power at preferential rates under medium term contracts
  - Eligible for RECs

- Merchant Power
  - Sell power to power trading companies and industrial customers
  - Medium term contracts at market rates
  - Eligible for RECs

- Improved borrowing costs
  - Portfolio re-financing
  - Access to External Commercial Borrowing market

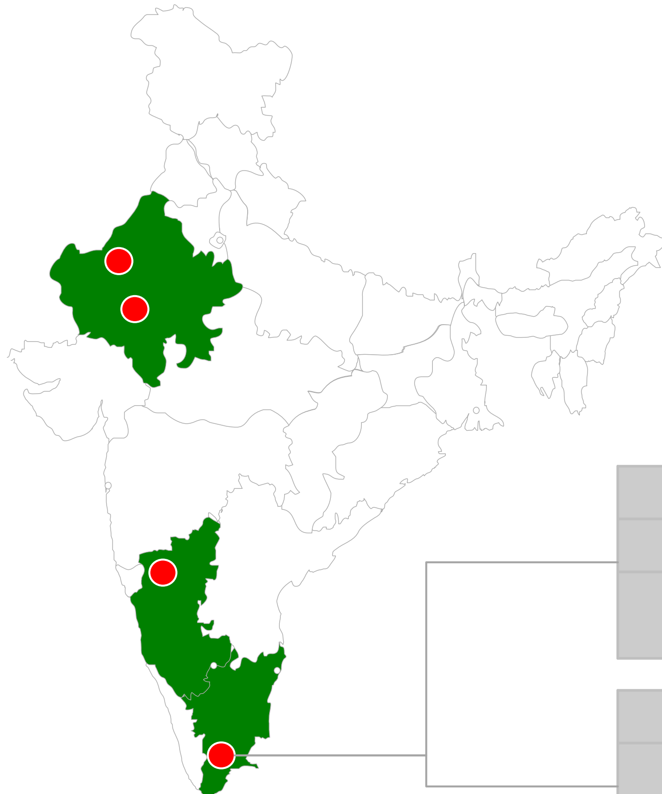
Portfolio by Q1 2011

Indian Energy

"Dev" Project
52.5 MW
Final Negotiation

"Gavaskar" Project
49.5 MW
Final Negotiation

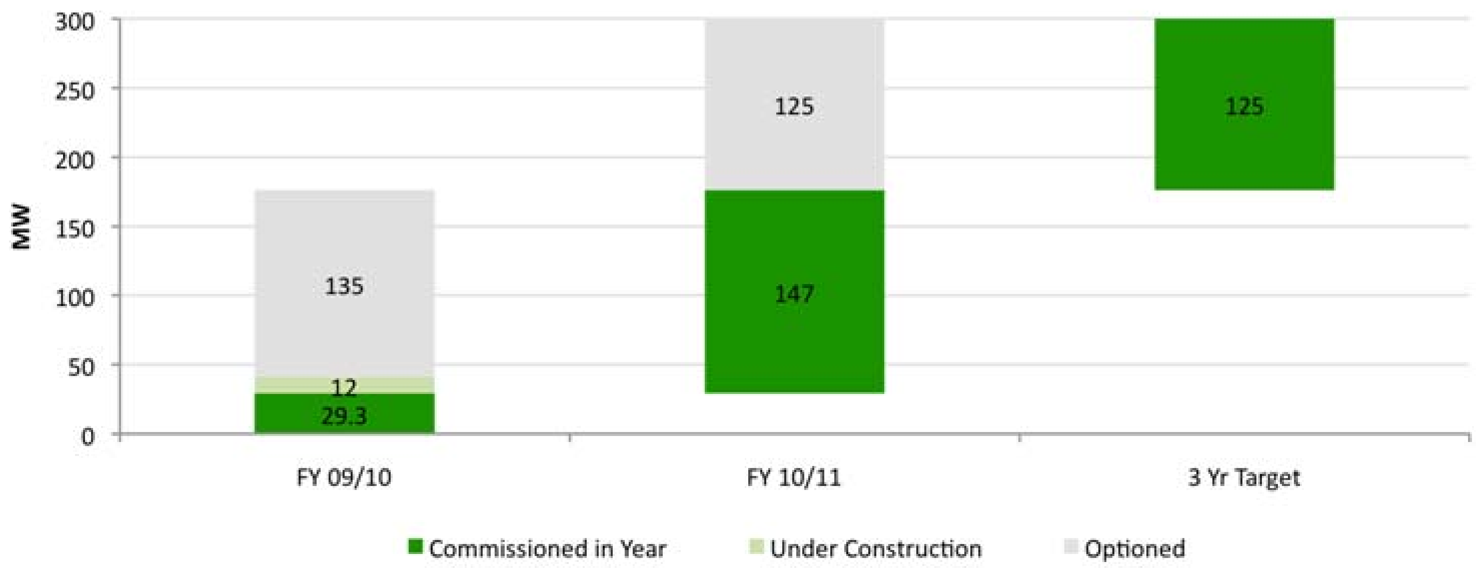
Gadag Project
24.8 MW
Operating



Theni I Project
16.5 MW
Operating & Under Construction

Theni II Project
33.0 MW
Optioned

Indicative Capacity Build-Out



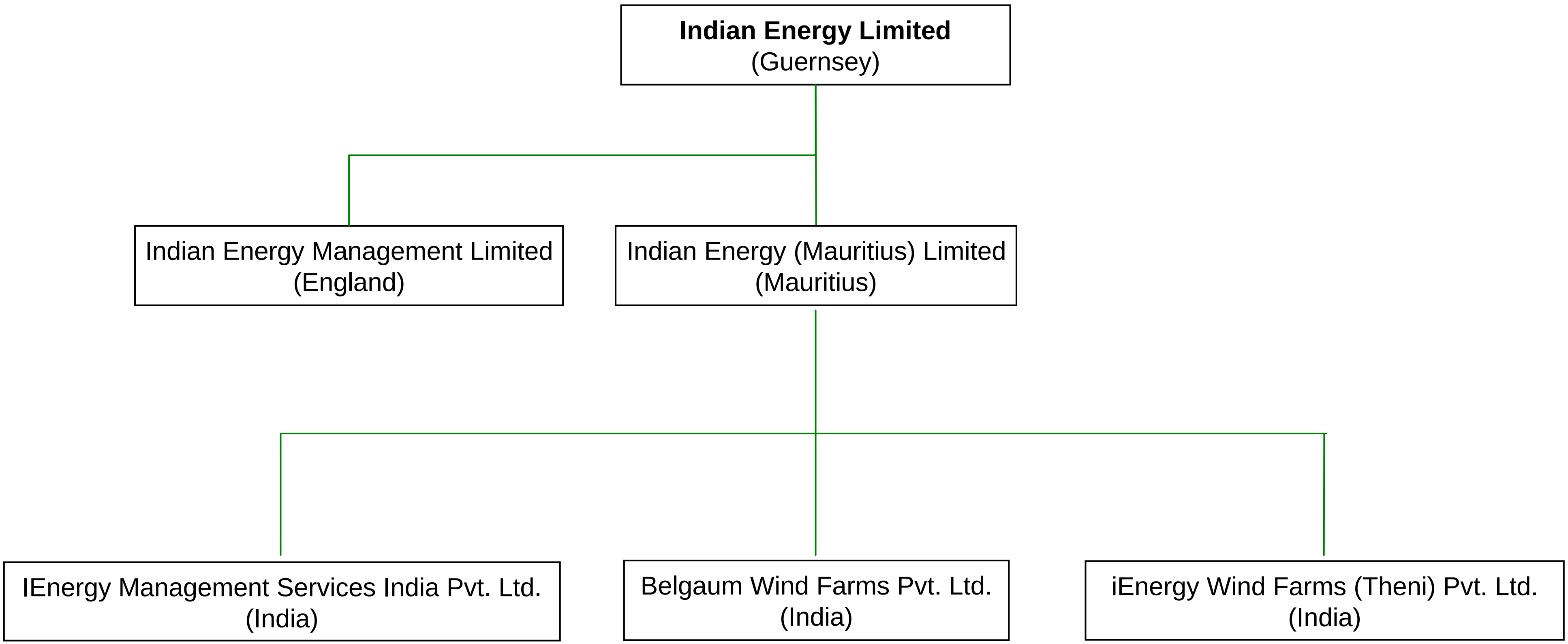
Operating	• Currently IEL has 29.3 MW of operating wind power assets • Assets located in Karnataka and Tamil Nadu
Under construction and optioned	• A further 12 MW are under construction at present • 33 MW wind park optioned
Under negotiation	• IEL is in final negotiation to invest in a further 2 projects totaling 102 MW • A further 2 projects of 100 MW under initial review

Summary

- Pure wind play
- Low risk business model
  - Power producer not developer; back to back contracts
  - Short cycle between investment and cash flow
  - Long life operating assets with attractive IRRs
- Exposure to the growth of the Indian wind industry
  - Strong demand for electricity in India
  - Supportive regulatory environment
  - Ready access to sites and turbines
- Potential to build a leading green IPP
  - Scalable business model
  - Fast and efficient deployment of capital
- Experienced management
  - Indian wind power market expertise
  - Financing and growing companies expertise
- High return on equity with long-term visibility of earnings
  - Asset backed and secure cash flows

Appendix

Corporate Structure



- Structure allows for 100% ownership of Indian assets
- Tax efficient for shareholders
- Typical Indian foreign direct investment route

Board of Directors

John Wallinger - Non-Executive Chairman. John has been a consultant to UBS AG since his retirement, having been an executive director of UBS, and worked at UBS AG and its precursor companies since 1976. During his time there he was Vice-Chairman of S.G. Warburg International, where he was Global Head of Equity Sales. and is now Non-executive Chairman of Zebedee European Fund Limited, and Zebedee Emerging Market (EMEA) Fund Limited, both listed on the Irish Stock Exchange, Zebedee Focus Fund Limited, and Kingsbridge Capital Advisers Limited, both unlisted. He is also a director of Jupiter European Opportunities Trust Plc, listed on the London Stock Exchange, and JEOT Securities Ltd, an unquoted subsidiary. He also spent several years adding a brokerage business to the Swiss Bank Corporation's (now UBS) Delhi and Mumbai corporate and trade finance businesses, as well as advising for some years on the UTI India Access Fund, a tracker fund following the Indian equity market. John was a member of the Association of Institutional Investment Management & Research.

Rupert Strachwitz - Chief Executive Officer. Prior to co-founding Indian Energy, Rupert was the Managing Partner of CB Equity Partners, based in Munich a specialist investment firm focusing on debt and equity transactions. Rupert started his career in insurance, initially at a Lloyd's broking house and went on to be the Special Risks Underwriter at Frankona Rückversicherungs AG in Munich. In 1996 he joined a media finance advisory firm in London, where he was director responsible for risk management. In 2000 he moved to Dresdner Kleinwort Capital ("DrKC"), the private equity division of Dresdner Kleinwort Wasserstein, and was responsible for DrKC's structuring and placement of alternative asset funds, including its sponsorship of the Fine Art Fund. In 2002 he co-founded, with James Pockney, Kingsbridge Capital Limited, an FSA authorised private equity management business that specialises in mid-market buy-outs and distressed situations, predominately in Germany. Rupert has been involved in several start-up firms, in which he remains a shareholder. He is a member of the Securities Institute.

Shantanu Bagchi – Chief Operations Officer*. Prior to joining Indian Energy, Shantanu was a Director of BP Alternative Energy where he was responsible for Business Development in India and the Middle East. Whilst at BP, Shantanu established BP's renewable energy operations in India, including recruitment of a high quality team for the successful delivery of alternative energy projects and setting up the first BP wind power project in Asia. Prior to this role, Shantanu headed the Power Generation & Offshore division of Castrol/BP in India, the Middle East and South Asia. Prior to joining BP, he worked at Bharat Heavy Electrical Limited where he was involved in the management, execution and commissioning of large power projects in India consisting of approximately 4,500 MW of capacity. Shantanu holds a first class Mechanical Engineering Degree from Bengal Engineering and Science University.

* - Shantanu Bagchi has been appointed a Director with effect from 1 April 2010 subject to registration with the Guernsey Company Registrar

Dr. Pankaj Agarwal - Chief Technology Officer. Pankaj has extensive experience in the business development and commercialisation of new technologies in the renewable energy and cleantech sectors. Prior to co-founding Indian Energy he founded Panitek GmbH, a renewable energy advisory firm. Previously, he worked for a Dutch subsidiary of Metrohm AG, a Swiss analytical instrument manufacturer, where he was responsible for international business development. Pankaj has also worked as a research scientist at the Swiss Federal Institute of Technology (EPFL) in Lausanne, Switzerland, where he consulted for energy, alternative power, and new material development organisations in North America, Western Europe, and South Asia. He has a Ph.D. in Chemical Engineering from the University of Florida, Gainesville and an MBA from the Rotterdam School of Management, Erasmus Graduate School of Business Netherlands, with a focus on globalisation and sustainable development. Pankaj has a Bachelor in Chemical Engineering from the Indian Institute of Technology, Kanpur, India.

James Pockney - Non-Executive Director. James is an emerging market specialist with significant experience of investing in, financing and growing early stage companies. He started his career on the Far Eastern Equities desk at Swiss Bank Corporation, now UBS AG, and then moved to set up the Far Eastern investment and trading division for a private Jersey based Investment Company. In 1995, he founded General & Oriental Investments Limited (G&O), a private investment company. He is currently a director of G&O, Saliston Limited, and J.C. Pockney & Co. Limited.

Martyn Henley-Roussel - Non-Executive Director. Martyn worked at Kleinwort Benson Guernsey from 1994 to 2000, where he was Head of Portfolio Management. He became a director of Kleinwort Benson Asset Management Limited in 2000. From 2002 to 2006 he worked as an investment manager at Fortis, and was also a member of the advisory committee for a substantial Family Trust. During his period at Fortis, Martyn had specific responsibility for collective investment scheme investment analysis and helped design Fortis' multi-manager funds model for the sterling area. He is currently an independent consultant and director of a number of companies including two London traded closed ended Funds; Ceres Agriculture Fund Limited and Signet Global Fixed Income Strategies Limited. Martyn is a member of the Securities Institute and has a BA in Economics.

Shareholders

As at February 2010	Total ordinary shares	% of share capital
Utilico Emerging Markets Limited	5,197,792	20.5%
Premier Fund Managers Limited	2,253,523	8.9%
IEL Management	2,330,033	9.2%
Clerical Medical	1,028,455	4.1%
RAB Special Situations (Master) Fund Limited	1,080,767	4.3%
Scottish Widows Inv Partnership	1,521,546	6.0%
Union Bancaire Privee	899,869	3.6%
IGNIS Asset Management	1,290,502	5.1%
AXA Framlington Investment Mgmt	875,000	3.5%
RAB Octane Fund Limited	830,767	3.3%
Standard Life Investments Ltd	770,000	3.0%
Other	7,269,436	28.7%
Total	25,347,690	100.0%