



**Press Release**

Thursday, July 26, 2007

**For Immediate Release**

# Suzlon Continues High Revenue Growth in Q1

**Mumbai:** Suzlon Energy Limited (SEL), the world's fifth largest wind turbine generator (WTG) company, and the largest WTG manufacturer in India and Asia, reported steady increase in volumes and revenues growth in the quarter ended June 30, 2007.

<b>Results Highlights for Quarter Ended 30<sup>th</sup> June 2007 (INR Cr.)</b>		
<b>Consolidated</b>		
	<b>Q1 FY 08*</b>	<b>Q1 FY 07</b>
<b>Sales MW</b>	317	196
<b>Sales</b>	1,945	1,069
<b>EBIDTA</b>	140	186
<b>PAT</b>	20	96
<b>Stand Alone</b>		
	<b>Q1 FY 08*</b>	<b>Q1 FY 07</b>
<b>Sales MW</b>	263	301
<b>Sales</b>	839	933
<b>EBIDTA</b>	113	239
<b>PAT</b>	89	194

The company reported 62% increase in volumes and 82% growth in total consolidated revenues to INR 1,945 crores over corresponding quarter of the previous year. Revenues from overseas sales stood at INR 1,299 crores, around 67% of total sales during the quarter. EBIDTA stood at INR 140 cr., and the company reported profit after tax of INR 20 cr., at the consolidated level.

## Order Book:

The company reported a continuing strong order book position with a combined order book of 2882 MW (INR 13,500 cr.), as on 23<sup>rd</sup> July 2007 - 315.20 MW (INR

1,710 cr.) in domestic orders and 2,567 MW (INR 11,790 cr.) in international orders.

The quarter saw Suzlon securing some of the largest orders in till date, with a 630 MW repeat order from Edison Mission Group in USA, and a 700 MW order from PPM Energy; the largest ever for Suzlon and in the history of the US wind energy market.

**Commenting on the results, Mr. Tuls R. Tanti, Chairman and Managing Director of Suzlon Energy Ltd., said:** "The quarter has been a challenging stepping-stone towards making our Vision a reality. We registered strong volumes and revenues growth over Q1 of last year. It has been an eventful quarter with the successful acquisition REpower Systems AG of Germany. Capacity expansion at Suzlon and Hansen, vertical integration and R&D development have also continued on track."

Historically, the first quarter only forms 10-15% share of the annual revenues for Suzlon and Hansen. Additionally, with the global wind industry oversold, supply chain bottlenecks were a major challenge for the industry.

## Inorganic Growth: REpower-ed

During the quarter, Suzlon successfully completed the bid for REpower, a promising wind turbine manufacturer based in Germany. Suzlon currently controls 86.5% of total voting rights through binding agreements with Martifer and Areva, two major shareholders of REpower, as well as our own direct holding. The bid has valued REpower at Euro 1.34 billion (USD 1.8 billion).

The acquisition will help Suzlon accelerate growth in the European market in the on-shore and off-shore technology space. And with Suzlon's vertically integrated supply chain, be able to increase volumes at REpower while reducing input costs and improving margins.

The acquisition has created a strong product portfolio to meet the needs of different geographies and markets across the globe.



The deal was financed through a mix of internal accruals and debt, including a zero coupon FCCB issue of USD 300 million.

**Social Commitments:**

Our quest towards higher levels of corporate social responsibility continues. The main thrust in the previous quarter was to bring much needed health care and educational facilities to the underprivileged sections of the society in different parts of rural India.

We organized free medical camps attended by expert doctors from various fields wherein more than 1,400 locals were benefited. We are also providing essential school supplies to around 8,700 children through 48 schools in these areas.

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**About Suzlon Energy Ltd.**

Suzlon Energy Limited is one of the pioneers in the wind energy industry. The company has come to the fore of the business by strategically focusing on innovation and research, an integrated value chain, and entering into emerging and high growth markets to drive sustainable growth.

Given the truly global nature of its business, Suzlon has established a Group management center in Amsterdam, Netherlands, and manages its international marketing effort out of Aarhus, Denmark, while runs its India operations out of Pune, India. The company's global spread reflects in its projects portfolio - extending across Australia, Brazil, China, India, Italy, Portugal, South Korea and the United States.

Suzlon's R&D effort also leverages this reach, in a highly successful practice of leveraging skill and knowledge pools in the industry and allied areas the world over. This has resulted in a research and development network located across geographies known for their leadership in the field – Suzlon today drives component R&D from Belgium, turbine development from India and Germany, and aerodynamics research in the Netherlands. Suzlon matches innovation with quality, with systems certified by Det Norske Veritas (DNV) to ISO 9001:2000 standards.

Suzlon is one of the most integrated wind turbine manufacturers – with manufacturing capacity ranging from components to complete wind turbine systems, the entire value chain. The company has established manufacturing facilities around the world, to support the global spread of its operations. Suzlon today has manufacturing facilities in Belgium, China, India and the United States – covering the entire value chain from wind turbine components to complete wind turbine systems. Suzlon has a combined manufacturing base of 2,700 MW of annual capacity, and is undertaking an aggressive expansion program to expand its base to 4,200 MW of capacity by January 2008.

The success of the company's strategy is seen in its growing market share, repeat orders, and breakthroughs into new markets. Suzlon ranked as the world's fifth leading wind turbine manufacturer with over 6% of global marketshare in 2005. The company has ranked as the leading manufacturer in the Indian market for eight consecutive years, maintaining over 50% marketshare.



Suzlon's true strength is seen not only in its technology, quality and market share – but also its people. The company boasts one of the largest teams in the wind energy business, totaling over 9,000 people from over a dozen nationalities in operations around the world. Suzlon in its vision for future growth aims to rank among the top three wind turbine manufacturers worldwide, maximizing growth while maintaining margins for the benefit of all stakeholders.

You can view more information on Suzlon at [www.suzlon.com](http://www.suzlon.com).

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