



**Press Release**  
Tuesday, May 20, 2008

**For Immediate Release**

## Suzlon reports high growth FY08

- Annual Revenues up by 71%
- Strong order backlog of INR 18,000 cr.
- Proposed dividend 50% (INR 1-per-share)

Mumbai: Suzlon Energy Limited, the world's fifth leading wind turbine maker with 10.5% of global marketshare, announced results for the financial year ended March 31, 2008, reporting 71% growth in revenues.

**Results Highlights for year-ended March 31, 2008 (INR Cr.) Consolidated**

	FY 08	FY 07
Sales	13,679.43	7,985.73
EBITDA	1,924.45	1,295.82
PAT before Exceptional Items	1,168.32	864.80
Exceptional Items (Net of tax)	151.17	Nil
PAT	1030.10	864.03

The company reported consolidated wind turbine sales volume for FY08 at 2,311 MW, compared to 1,456 MW in the previous year – a growth of 59%. Annual revenues stood at INR 13,679.43 crore in FY08, a 71% growth over the previous year. Revenues from

overseas sales stood at INR 8,107.83 crore, around 59.3% of total sales during the period.

Profit after tax before exceptional items stood at INR 1168.32 crore. Exceptional items consist of INR 65.46 crore for site restoration, and INR 121.71 crore for rotor blade retrofit program affecting the PAT by INR 151.17 crore (net of tax). PAT after Exceptional Items, share in profit of associates, and minority interest stood

**Results Highlights for quarter-ended March 31, 2008 (INR Cr.) Consolidated**

	Q4 FY 08	Q4 FY 07
Sales	4,923.75	2,915.94
EBITDA	724.62	495.37
PAT before Exceptional Items	539.48	358.98
Exceptional Items (Net of tax)	82.97	Nil
PAT	464.82	359.00

at INR 1,030.10 crore.

Commenting on the results, Mr. Tulsi R. Tanti, Chairman and Managing Director of Suzlon Energy Ltd., said: "Our global growth story continues ever stronger. Suzlon has grown at over 71%, compared to an industry average of 24%. We continue to outperform our peers on the global stage, and will continue our record breaking growth even in this supply restricted environment. Our global marketshare in CY2007 grew to 10.5%, up from 7.7% in CY2006 – registering significant increase of 30%.

"In view of the company's performance, the Board of Directors has declared a dividend of INR 1.00 per equity share of face value INR 2 each, for the financial year 2007-08, aggregating to INR 149.69 crore, excluding dividend tax. The remainder of the company's profit will be ploughed back into the business to drive future growth."



Suzlon reported a strong order book (excluding Hansen and Repower) position of INR 18,308.59 crore (3,454.25 MW); with INR 886.49 crore (160.10 MW) in domestic orders, and INR 17,422.10 crore (3,294.15 MW) in international orders, as on May 19, 2008.

"We entered several new markets in the last year, securing breakthrough orders in Nicaragua, Turkey, Spain, Brazil, and taking the business from 16 to 21 countries worldwide," said Mr. Andre Horbach, CEO – Suzlon Group.

### **Key Developments**

The company achieved another year of industry beating performance, securing 71% growth in highly supply restricted environment, compared to an industry average of 20% – 25% growth. The growth came on the back of new orders and continuing repeat orders from major customers the world over.

The company also achieved several significant landmarks in the past year. Among the most significant was the successful bid for the acquisition of REpower Systems AG of Germany. The successful bid is a major step forward in enabling both companies to leverage potential synergies and complimentary strengths to drive growth across the world. REpower, in the past year has continued its growth, adding capacity and market share. REpower also secured its largest ever order in Canada for 954 MW of capacity, as part of a consortium.

Suzlon subsidiary Hansen Transmissions raised Euro 440 million through an IPO and achieved successful listing on the London Stock Exchange. The listing establishes Hansen as one of the highest valued companies in the industry, and paves the way for the company's rapid growth. Capacity expansion plans proceed on track with capacity in Belgium raised from 3,600 MW to 7,300 MW; and 5,000 MW and 3,000 MW of new capacity in India and China respectively scheduled to come on-stream in October, 2008. By 2012, total capacity worldwide will reach 14,300 MW.

The 'Renewable Energy Technology Center GmbH' (RETC) was established as a joint venture between Suzlon and REpower Systems AG, in Hamburg, Germany. The center aims to combine forces and cooperate strategically in the fields of research, innovation, training, validation and technical processes. The intention of RETC is, to implement innovative projects that will significantly influence the development of the next generation of wind power solutions.

The group's human resource grew from 10,734 in FY07 to 14,044 in FY08 across various geographies, in line with the organizations increasing global spread.

### **CapEx**

Growing to take advantage of the vast opportunity, the company has invested in major expansion plans – establishing new manufacturing facilities in India to act as a hub for global markets. Work to establish 3,000 MW in new capacity are in an advanced state of progress, with production scheduled to begin in July FY09 and to reach full utilization levels by Q4 FY09 – more than doubling Suzlon's manufacturing capacity from 2,700 MW to 5,700 MW. The company's project to establish Forging facilities of 70,000 MT capacity and Foundry facilities of 120,000 MT capacity - are also scheduled to commence production in Q3 FY09. The aggregate investment on all Suzlon capex projects (excluding Hansen) amounts to INR 2,961 crores.



### **Global Markets**

The global market for wind energy continued steady growth – growing 24% worldwide in 2007, with added impetus from skyrocketing oil and gas prices, climate change concerns. With high visibility and renewed emphasis on energy security across nations, global wind energy is projected to demonstrate steady annual growth of 20% to 25% over the next ten years.

“The global economy is struggling to sustain growth with oil above USD 120-per-barrel, and expected to reach USD 200-per-barrel in two years. Climate change concerns have made renewable power a key priority for people, governments and nations. And with energy security firmly on every national agenda - wind energy is poised to continue to grow strongly worldwide,” said Mr. Tanti.

All key markets demonstrated a renewed commitment to wind energy, with United States setting a goal to achieve 20% of power production from renewable sources by 2030. Europe, the world’s largest wind energy market has set a more aggressive target to secure 20% of its power needs from renewables by 2020. China has committed to achieving 100,000 MW from renewables by 2020. India is also expected to match global industry growth.

“The targets are proof that the world has woken up to the gravity of the challenge we face. All key markets have shown strong initiatives in the renewable field, supported by policy and legislative instruments such as Renewable Portfolio Standards in India and Production Tax Credits in the US,” added Mr. Horbach.

Market shares and ranking: BTM Consult ApS – World Market Update 2007



**About Suzlon Energy Limited**

Suzlon Energy Limited is one of the world's leading players in wind energy. The company has come to the fore of the business by strategically focusing on R&D, innovation, 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 its Group Management Center in Amsterdam, Netherlands, has corporate offices in Pune, India. The company's global spread reflects in its projects and markets portfolio - extending across 21 countries; Australia, Belgium, Brazil, China, Denmark, Germany, Greece, India, Italy, New Zealand, Nicaragua, Portugal, Romania, South Africa, South Korea, Spain, The Netherlands, Turkey, USA, Ukraine, and the United Kingdom.

Suzlon's R&D effort includes a highly successful practice of leveraging skill and knowledge pools in the industry and allied areas the world over. This has resulted in a R&D network located across geographies known for their leadership in the field – Suzlon today drives 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 a vertically integrated wind turbine manufacturer – with manufacturing capability along the full value chain – ranging from components to complete wind turbine systems. The company has established manufacturing facilities in India, China and the United States, to support the global spread of its operations. The company currently has a combined manufacturing base of 2,700 MW of annual capacity, and is undertaking an aggressive expansion program to expand its base to 5,700 MW of capacity in FY08-09.

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 10.5 % of global market share in 2007. The company has ranked as the leading manufacturer in the Indian market for nine consecutive years, maintaining over 50% market share.

Suzlon's true strength is seen not only in its technology, quality and market share – but also its people. The Suzlon Group boasts one of the largest teams in the wind energy business, totaling over 14,000 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 to generate maximum value for all stakeholders. You can view more information on Suzlon at [www.suzlon.com](http://www.suzlon.com)

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