



Press Release

Tuesday, October 23, 2007

For Immediate Release

Suzlon Reports Strong Q2; Highest ever Quarter Sales and Profits

- **74% Sales growth, 68% PAT growth YoY**
- **Hansen Transmissions offering on London Stock Exchange***
- **Larger capacities planned, capex plans revised**
- **Board proposes split of equity shares in the ratio 5:1**

Mumbai: Suzlon Energy Limited (SEL), the world's fifth leading and India's largest wind turbine manufacturer, reported strong results for the quarter ended September 30, 2007.

| Results Highlights for Quarter Ended September 30, 2007 (INR Cr.) | | |
|--|-----------------|-----------------|
| Consolidated | | |
| | Q2 FY 08 | Q2 FY 07 |
| Sales MW | 683 | 388 |
| Sales | 3,641 | 2,087 |
| EBIDTA | 587 | 360 |
| PAT | 398 | 237 |

The company reported consolidated revenues of INR 3,641 crore, a 74% growth over corresponding period of the previous year. Revenues from overseas sales stood at INR 2,232 crore, around 61% of total sales during the period. Profit after tax grew by 68% to INR 398 crore, and EPS by 68% to INR 13.70, over the corresponding period of FY2006-07. SEL's consolidated order book stood at INR 16,328 crore (USD 4,106 ml), as on October 20, 2007.

"We are very pleased to report a record run for the company. The wind is blowing stronger than ever! We have achieved the highest ever sales and profits at the consolidated level for any quarter. We are planning significant new initiatives and scaling up our earlier plans to fulfill our global ambitions. We are fully committed to working towards mitigation of the climate crisis. And our rapid growth clearly shows that the world is acting to meet this challenge," **Mr. Tulsu R. Tanti, Chairman and Managing Director of Suzlon Energy Ltd., stated.**

Suzlon reported a strong consolidated order book position of INR 16,328.04 crore (3,250.55 MW); with INR 1,988.88 Crores (368.50 MW) in domestic orders, and INR 14,339.16 crore (2,882.05 MW) in international orders, as on October 20, 2007.

"Suzlon is growing across the world; a major force in all key markets. Our results clearly demonstrate our position as a trusted and valued partner in wind around the world. With our rich talent pool with its global expertise and experience, and a focused globalization strategy, we are poised go grow faster than ever before," **said Mr. Andre Horbach, CEO – Suzlon Group.**

New orders in the first half of the year came from around the world, with a **breakthrough into the Turkish wind energy market** with an order for 31.5 MW of wind turbine capacity, to be supplied through 15 units of Suzlon's S88 – 2.1 MW turbine.



Suzlon repeated its success in Latin America, with signing a large new order in Brazil with utility-major Servtec Instalacoes E Sistemas Integrados Ltda. for 155 MW of wind turbine capacity.

Suzlon secured important successes in the Indian market as well, signing a major new order with DLF Limited, one of India's leading infrastructure companies, for 150 MW wind turbine capacity.

Suzlon maintained its aggressive drive in the US wind market with a contract for 400 MW of wind turbine capacity with Horizon Wind of Houston, Texas, the largest wind turbine developers in the United States, owned by Portuguese utility EDP (Energias de Portugal, S.A.), a leading renewable energy developer in the world.

Suzlon completed its maiden commissioning in Portugal, with six turbines of 2.1 MW capacity and totaling to 12.6 MW put into operation in the Penamcor region of Portugal for client TECNEIRA - Tecnologias Energeticas, SA, Portugal

Hansen Transmissions*:

Suzlon has today announced plans to prepare its subsidiary Hansen Transmissions International NV ("Hansen") for an offering of shares to institutional investors and a listing on the London Stock Exchange. Hansen is a leading global gearbox and drive train designer, manufacturer and supplier to the wind turbine and other selected industries.

In view of the rapid growth in global wind power generation, Hansen faces increased demand for its products from wind turbine manufacturers worldwide. Hansen is seeking to cater for this demand by undertaking a significant capacity expansion programme, including the extension of its state-of-the-art integrated manufacturing facility at Lommel, Belgium and the construction of further manufacturing facilities in Coimbatore, India and in China.

Commenting on the announcement, Mr Tulsi Tanti, Chairman and Managing Director of Suzlon Energy Limited, said: "Hansen Transmissions is a company with a long and successful history which is now uniquely poised to build on its strong existing platform as a leading participant in the wind energy market. Hansen's already announced expansion programme will enable it to provide support and technological innovation to the wind industry, as expected demand grows over the coming years. Hansen is set to play a key role in making wind energy an important part of the world's energy matrix.

"Hansen is managed as an independent business. With its excellent executive team and strong business plans, we see Hansen as a global market leader in gearbox technology."

Wind CapEx Plans:

With growing global demand for wind energy products, the company has expanded its capex plans to meet its rapid growth in new and existing markets. Plans for the integrated turbine manufacturing facility are being scaled up from the original target of 1,500 MW, to 3,000 MW. This will take the final global manufacturing capacity to 5,700 MW when complete. The facilities are also planned to be future-ready, with the capability to build next generation turbines of large rated capacities that are in the pipeline.



Component manufacturing facilities planned through the foundry, forging and machining facility will also be expanded to meet the additional requirement for gearbox and bearing parts

The facilities are scheduled to come online in a phased manner between Q1 and Q3 FY2008 – 09. Funding for capex will be through a mix of internal accruals, debt, quasi-equity and funds raised already through the Suzlon IPO in 2005-06.

Funding Approvals:

The Board also proposed the issuance of equity or quasi-equity to the extent of INR 5,000 crore. The company had previously secured approval from shareholders to the extent of INR 5,000 crore, and utilized INR 2,000 crore. The proposal revises the remainder INR 3,000 crore upwards to INR 5,000 crore.

The issuance, when required, can be in single or multiple tranches of equity, equity-linked instruments, quasi-equity and/or convertible bonds. The funds may be used for replacement of debt, funding for capex or other requirements.

Split of Equity Shares:

The Board also proposed a split of authorized, subscribed and paid up equity capital of the Company subject to the approval of shareholders. The proposed split, in the ratio of 5:1, is aimed at increasing liquidity of Company's shares and increasing the number of investors in the stock through lowering minimum investment amount. With this split, each equity share of face value INR 10 (only), will be subdivided into five units of face value INR 2 (only).

Awards and Recognition:

Suzlon received the **Euromoney and Ernst & Young Global Renewable Energy Award for 'M&A of the Year' for the successful acquisition of REpower Systems AG of Germany**. Suzlon is the first Indian company to win the prestigious award. The awards program, dubbed the 'Green Oscars', recognize projects, companies and individuals who have made a significant contribution to the renewable energy sector.

These awards have created a platform for all key players to debate the future of the industry and lead the way forward. There are various categories of awards focusing on financials, commercials and other aspects. Suzlon was also recognized with the 'IPO of the Year' at the 2006 edition of the awards.

NOTE: All INR-US\$ figures in this document are converted at the rate of US\$1 = INR 39.77

** These materials are not for distribution in, and should not be distributed, directly or indirectly in or sent into, the United States, Canada, Australia or Japan. These materials do not contain or constitute an offer of securities for sale or an invitation or offer to the public or form of application to subscribe for securities.*



The securities referred to herein have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration (as such term is defined in Regulation S under the Securities Act). No public offering of securities is being made in the United States.

The offering of shares in Hansen (the "Offering") and the distribution of this announcement and other information in connection with the Offering in certain jurisdictions may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The price and value of securities may go up as well as down. Persons needing advice should contact a professional adviser.

This document is an advertisement and not a prospectus and investors should not subscribe for any shares referred to in this document except on the basis of information in the prospectus to be published by Hansen in due course in connection with the admission of Hansen's shares to the Official List of the FSA. Copies of the prospectus will, following publication, be available from Hansen's registered office.

About Suzlon Energy Ltd.

Suzlon Energy Limited is one of the leading players 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 it runs its India operations out of Pune, India. The company's global spread reflects in its projects and markets portfolio - extending across Australia, Brazil, China, India, Italy, Portugal, South Korea and the United States.

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 research and development network located across geographies known for their leadership in the field – Suzlon today drives gearbox 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 5,700 MW of capacity by Q3 FY2008-09.

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 7.7% of global market share in 2006. 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 company boasts one of the largest teams in the wind energy business, totaling over 10,000 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.

- ### -

For more details on this release, please contact:

| | | |
|---|---|---|
| Suzlon Energy Ltd., Vivek Kher – VP, Corporate Communications Amsterdam +31-20-573-4433 +91-98225-46590 | Suzlon Energy Ltd., Nishit Dave Investor Relations Mumbai +91.22.6639.3200 | Adfactors PR Pvt. Ltd., Ratnadeep Sur Mumbai +91.22.2281.3565 |
|---|---|---|