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Formerly GEA ENERGY SYSTEM (INDIA) LIMITED

PRESS RELEASE

FINANCIAL RESULTS OF BGR ENERGY FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER, 2008

HIGHLIGHTS

- Sales revenue growth by 36 % on quarter on quarter basis.
- Profit after tax stands at Rs.23.69 Crores registering QoQ growth of 48%.
- Order booking up by 320 % stands at Rs.10,613 Crores.

Chennai, 30th October, 2008, BGR Energy Systems Limited ("BGR Energy"), the Chennai based EPC company, has reported superior operational and financial results during quarter ended September 30, 2008. The company has achieved creditable performance during the quarter.

The sales and service income registered Quarter on Quarter growth of 36 % which stood at Rs.731.41 Crores. The company continued its growth trend in sales as in the past.

ORDER BOOKING

The quarter end order book as of September 30, 2008 has the blend of EPC and BOP projects for power sector, Oil & Gas sector turnkey contracts and Equipment business.

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| Sl. No. | Description | (Rupees in Crores) | % |
|---------|--------------------------------------|--------------------|------------|
| A | Power sector - EPC and BOP contracts | 10,082 | 95 |
| B | Oil & Gas sector turnkey contracts | 372 | 3 |
| C | Equipment business | 159 | 2 |
| | Total | 10,613 | 100 |

BGR Energy's EBIDTA and PAT have also surged to Rs.77.18 Crores and Rs.40.92 Crores which accounts for a growth of 28% and 33 % respectively.

CURRENT YEAR OUTLOOK

The company expects that the strong growth in Power and Oil & Gas sector and increasing demand for capital equipment will continue to enable the company to sustain the growth in revenue and profitability during the current year.

The growing opportunities in Power sector and Oil & Gas sector in India and abroad provide impetus for growth. The company is geared up to seize the available market potential and expects to achieve significant growth in Order booking, Sales and Profitability. However, the current macro economic crisis and global scenario may slowdown growth. The company is however geared up to manage the same and continue its growth path. The company's Oil & Gas Equipment division and Air Fin Cooler division has aggressive plans to increase the share on the International business in the equipment business segment.

