

August 22, 2014

## **L&T: World's 58<sup>th</sup> Most Innovative Company - Ranking by *Forbes* Magazine**

*Forbes* - the reputed US-based international business magazine - has ranked L&T the world's 58<sup>th</sup> 'Most Innovative Company' in a global study. *Forbes* is a leading source for reliable business news and financial information. L&T is the only Indian engineering and construction company to be included in the list of 'Top 100 Most Innovative Companies'.

The *Forbes* list ranks companies that investors believe are most likely to come up with the next big innovation.

The rankings are based on analysis by Finstra Consulting in collaboration with Innovators DNA and using data and a proprietary valuation model from HOLT, a division of Credit Suisse. The method relies on an *Innovation Premium* (IP), the difference between a firm's enterprise value and the net present value of cash flows from its existing businesses.

The *Forbes* study takes into account the innovation premium, which is a measure of how much investors have raised the market capitalisation of a company above the net present value of its projected cash flows.

The only other Indian companies to feature in the Top 100 are Hindustan Unilever, Tata Consultancy Services, Sun Pharma and Bajaj Auto.

The results of the study provide affirmation from global business media about L&T's achievements, its strong strategic direction and the professional environment that encourages and incubates innovation. The high global ranking is also an indicator of the strength of Brand L&T.