L&T Press Release

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L&T House, 2nd Floor,
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5656 / 836
Fax: 91 22 6752 5796

Performance for the quarter ended December 31, 2011

Revenue up 23 %
Recurring PAT grows 22%

Mumbai, January 23, 2012: Larsen & Toubro recorded Gross Revenue of ₹ 14155 crore for the quarter ended December 31, 2011, registering a growth of 23 % y-o-y.

Order inflow for the quarter at ₹ 17129 crore grew by 28% y-o-y, taking the Company's Order Book to ₹ 145768 crore as on December 31, 2011. With its proven track record, the Company was able to secure fresh orders from Infrastructure, Building & Factories, Power Transmission & Distribution and Minerals & Metals sectors despite a subdued investment sentiment prevailing during the quarter.

Highlights	Quarter ended December 31,		
	2011	2010	Y-o-Y Growth
	₹ crore	₹ crore	
Order Inflow	17129	13366	**28%**
Gross Revenue	14155	11492	**23%**
Recurring PAT	992	811	**22%**

Recurring Profit after Tax (PAT) for the quarter from normal operations stood at ₹ 992 crore recording an increase of 22 % over the corresponding quarter of the previous year.

Engineering & Construction (E&C) Segment

E&C achieved net Segment Revenue of ₹ 12424 crore for the quarter ended December 31, 2011 registering a y-o-y growth of 26%. Execution of various ongoing projects is on schedule.

During the quarter, the Segment secured orders totaling to ₹ 15283 crore with International orders constituting 10 % of the total order inflow.

The Order Book of the Segment stood at a healthy ₹ 143341 crore as at December 31, 2011.

With focused execution and efficient project management, the Segment recorded Operating Margin at 11.5% during the quarter ended December 31, 2011 vis-à-vis 11.6% for the corresponding quarter of the previous year.

Electrical & Electronics (E&E) Segment

E&E net Segment Revenue stood at ₹ 776 crore for the quarter ended December 31, 2011 recording only a marginal y-o-y growth as a result of low industrial off-take, liquidity crunch in the domestic market and sluggish international demand.

During the quarter ended December 31, 2011, the Segment produced an Operating Margin of 10.9% in line with the margin levels seen in the preceding quarters during the year. High input costs not fully passed on to the customers, due to stiff competition in the market place, kept the margins range bound.

Machinery & Industrial Products (MIP) Segment

MIP recorded net Segment Revenue of ₹ 703 crore during the quarter ended December 31, 2011. The export revenues doubled during the quarter.

The Segment earned an Operating Margin of 20.3% during the quarter ended December 31, 2011 mainly contributed by the Construction & Mining Machinery and Valves Business.

Outlook

The quarter witnessed project deferments, aggressive competition, slow reform process and sharp rupee depreciation. The recent increase in IIP numbers and easing of inflationary pressures, however, reflect some positive developments.

The Company is leveraging on its leadership position to fully exploit the available domestic opportunities. Emerging prospects in the Hydrocarbon and Infrastructure sectors in preferred overseas markets mainly in the Middle East and South East Asian countries are also being targeted. The Company is optimistic about its success in these markets in the near to medium term.

LARSEN & TOUBRO LIMITED

Registered Office: L&T House, Ballard Estate, Mumbai 400 001

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011

₹ Lakh

	Particulars	3 months ended			9 months ended		Year ended
		December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010	March 31, 2011 (Audited)
1	Gross Sales / Revenue from Operations	1415546	1137500	1149235	3510883	2890499	4432989
	Less : Excise duty	15688	12976	9659	38240	25589	39024
	Net Sales / Revenue from Operations	**1399858**	**1124524**	**1139576**	**3472643**	**2864910**	**4393965**
2	**Expenditure:**						
a)	(Increase)/decrease in stock-in-trade, finished goods and work-in-progress	(23499)	(12984)	(15837)	(65850)	(55071)	(55949)
b)	i) Consumption of raw materials, components and stores, spares & tools	377322	313722	303841	946790	688864	1010944
	ii) Sub-contracting charges	292103	175036	279871	651687	635292	916940
	iii) Construction materials	302297	237308	208728	732463	581546	970094
	iv) Purchase of traded goods	48601	44353	47963	141799	144601	206803
	v) Other manufacturing/operating expenses	105586	79850	72244	262996	208200	299559
c)	Employee cost	88680	111548	68424	277682	208887	288453
d)	Sales, administration and other expenses	74457	58286	51699	161108	128377	196650
e)	Depreciation, amortisation and obsolescence	18034	17090	12809	51910	36345	59922
	Total expenditure	**1283581**	**1024209**	**1029742**	**3160585**	**2577041**	**3893416**
3	**Profit from operations before other income, interest & exceptional items (1-2)**	**116277**	**100315**	**109834**	**312058**	**287869**	**500549**
4	Other income	44871	36317	25076	110805	84642	118461
5	**Profit before interest & exceptional items (3+4)**	**161148**	**136632**	**134910**	**422863**	**372511**	**619010**
6	Interest expenses	19071	19701	16783	54501	49301	61926
7	**Profit after interest but before exceptional items (5-6)**	**142077**	**116931**	**118127**	**368362**	**323210**	**557084**
8	Exceptional items	-	-	3530	**-**	3530	26207
9	**Profit from ordinary activities before tax (7+8)**	**142077**	**116931**	**121657**	**368362**	**326740**	**583291**
10	**Provision for taxes:**						
a)	Provision for current tax	39282	36162	36544	109573	104696	177886
b)	Provision for deferred tax	3640	930	1060	5180	1960	16700
	Total provision for taxes	**42922**	**37092**	**37604**	**114753**	**106656**	**194586**
11	**Profit after tax from ordinary activities (9-10)**	**99155**	**79839**	**84053**	**253609**	**220084**	**388705**
12	Extraordinary items [net of tax]	-	-	-	**-**	7084	7084
13	**Profit after tax (11+12)**	**99155**	**79839**	**84053**	**253609**	**227168**	**395789**
14	Paid-up equity share capital (face value of share: ₹ 2 each)				**12237**	12156	12177
15	Reserves excluding revaluation reserve						2170236
	Earnings per share:						
16	Basic EPS before extraordinary items (₹)	**16.21**	13.07	13.84	**41.52**	36.39	64.16
17	Diluted EPS before extraordinary items (₹)	**16.11**	12.94	13.65	**41.12**	35.81	63.20
18	Basic EPS after extraordinary items (₹)	**16.21**	13.07	13.84	**41.52**	37.56	65.33
19	Diluted EPS after extraordinary items (₹)	**16.11**	12.94	13.65	**41.12**	36.96	64.35
20	Aggregate of public shareholding:						
	- Number of shares ('000s)				**592445**	584199	587206
	- Percentage of shareholding				**96.83%**	96.12%	96.44%
21	Promoters and promoter group shareholding [refer note iv]				**Nil**	Nil	Nil

Notes :

(i) The Company, during the quarter ended December 31, 2011, has allotted 6,83,530 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.

(ii) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.

(iii) There were no pending investor complaints as on October 1, 2011. During the quarter ended December 31, 2011, 10 complaints were received and 9 complaints were resolved. 1 complaint which was pending resolution at the end of the quarter has since been resolved.

(iv) The promoter and promoter group shareholding is nil and accordingly the information on shares pledged / encumbered is not applicable.

(v) The results for the quarter ended December 31, 2011 have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 23, 2012.

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Chairman & Managing Director

Mumbai
January 23, 2012

Segment-wise Revenue, Result and Capital Employed in terms of clause 41 of the listing agreement:

₹ *Lakh*

Particulars	3 months ended			9 months ended		Year ended
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010	March 31, 2011 (Audited)
Gross segment revenue						
1 Engineering & Construction	1246539	972129	998332	3028611	2468404	3825671
2 Electrical & Electronics	84256	84741	79676	243616	221044	321156
3 Machinery & Industrial Products	71977	67803	68092	208820	192719	279292
4 Others	26704	22211	16958	68813	45062	65971
Total	**1429476**	**1146884**	**1163058**	**3549860**	**2927229**	**4492090**
Less : Inter-segment revenue	13930	9384	13823	38977	36730	59101
Net segment revenue	**1415546**	**1137500**	**1149235**	**3510883**	**2890499**	**4432989**
Segment result (Profit before interest and tax)						
1 Engineering & Construction	128214	103500	105681	312357	276336	474407
2 Electrical & Electronics	7155	7098	8677	20478	24735	39943
3 Machinery & Industrial Products	13012	10627	12858	35834	35716	53047
4 Others	6794	4768	2143	15785	7213	11801
Total	**155175**	**125993**	**129359**	**384454**	**344000**	**579198**
Less : Inter-segment margins on capital jobs	765	1480	980	1354	1189	1239
Less : Interest expenses	19071	19701	16783	54501	49301	61926
Add : Unallocable corporate income net of expenditure	6738	12119	10061	39763	33230	67258
Profit before tax	**142077**	**116931**	**121657**	**368362**	**326740**	**583291**
Capital employed						
(Segment assets *less* segment liabilities)						
1 Engineering & Construction				1043793	702934	753346
2 Electrical & Electronics				134397	120396	118618
3 Machinery & Industrial Products				68202	32782	47022
4 Others				67711	42058	54250
Total capital employed in segments				**1314103**	**898170**	**973236**
Unallocable corporate assets *less* corporate liabilities				2072675	1997824	1953848
Total capital employed				**3386778**	**2895994**	**2927084**

Notes:

(i) Segments have been identified in accordance with Accounting Standard (AS) 17 on Segment Reporting, considering the risk/return profiles of the businesses, their organisational structure and the internal reporting systems.

(ii) Segment composition**: Engineering & Construction** comprises execution of engineering and construction projects to provide solutions in civil, mechanical, electrical and instrumentation engineering (on turnkey basis or otherwise) to core/infrastructure sectors including railways, shipbuilding and supply of complex plant and equipment to core sectors. **Electrical & Electronics** includes manufacture and/or sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters/protection (relays) systems, control & automation products and medical equipment. **Machinery & Industrial Products** comprises manufacture and sale of industrial machinery & equipment, manufacture and marketing of industrial valves, construction equipment and welding/industrial products. **Others** include property development and integrated engineering services.

(iii) Segment revenue comprises sales & operational income allocable specifically to a segment. Unallocable expenditure mainly includes expenses incurred on common services provided to segments and other corporate expenses. Unallocable income primarily includes interest income, dividends and profit on sale of investments. Corporate assets mainly comprise investments.

(iv) In the Engineering & Construction segment, sales and margins do not accrue uniformly during the year. Hence the operational / financial performance of aforesaid segment can be discerned only on the basis of figures for the full year.

for LARSEN & TOUBRO LIMITED

A. M. NAIK
Chairman & Managing Director

Mumbai
January 23, 2012