LARSEN & TOUBRO LIMITED

SECRETARIAL DEPARTMENT

Regd. Off.: L&T House, Ballard Estate, P. O. Box 278, Mumbai 400 001 • Phone : 67525656 • Fax : 91-22-67525893
Website : www.larsentoubro.com

E-Mail :

Ref.:

SEC/ 2010

January 17, 2011

National Stock Exchange Of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051

STOCK CODE: LT

Dear Sir,

Sub : **Performance for the quarter ended December 31, 2010**

We send herewith a copy of Press Release that is being issued by the Company today, in connection with the above.

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED

N. HARIHARAN
COMPANY SECRETARY

Encl. : as above.

ISO 9001 REGISTERED
DNV
MGMT. SYS.
RvA C024
DNV Certification B.V., The Netherlands

LARSEN & TOUBRO

L&T Press Release

Issued by Corporate Communications Department

L&T House, Second Floor
Ballard Estate, Mumbai 400 001
Tel: 91 22 67525656 / 836
Fax: 91 22 67525796

Performance for the quarter ended December 31, 2010

Mumbai, January 17, 2011: Larsen & Toubro reported Gross Sales of ₹ 11418 crore, for the quarter ended December 31, 2010, registering a growth of 40% y-o-y. Execution of various jobs on hand, is on schedule.

Order inflow of ₹ 13366 crore during the quarter ended December 31, 2010 takes the Company's Order Book to ₹ 114882 crore as at December 31, 2010.

Profit after Tax (PAT) for the quarter ended December 31, 2010 excluding exceptional and extraordinary items, stood at ₹ 811 crore, recording an increase of 16% over the corresponding quarter of the previous year.

Engineering & Construction Segment

E&C segment achieved Customer Sales of ₹ 9831 crore for the quarter ended December 31, 2010, registering a growth of 45% over the corresponding quarter of the previous year. Many project orders, bagged during the second half of the previous financial year, advanced from initial engineering phase to the procurement and construction phase. The execution of several Power project orders also progressed well during the quarter and contributed sizably to the segment revenue growth. With efficient execution and close monitoring of projects, the segment is well positioned to achieve its revenue growth targets for the financial year.

The Order Inflow of ₹ 11762 crore reported by the segment during the quarter ended December 31, 2010 was lower than the corresponding quarter of the previous year in which a large Power project order was bagged by the segment. Slower pace of activities in certain key and infrastructure sectors resulted in deferment in awarding of contracts during the quarter.

Order Book of the segment stood at ₹ 112498 crore mainly contributed by Construction and Power Project orders.

The Operating Margin of the segment stood improved at 12.5% for the nine-month period ended December 31, 2010 vis-à-vis 12.2% registered during the corresponding period of the previous year.

Electrical & Electronics Segment

E&E segment recorded an increase of 11% in its Customer Sales at ₹ 759 crore for the quarter ended December 31, 2010. With industrial growth momentum picking up and improved demand from agriculture sector, the flagship Electrical Standard Products business registered a good growth in revenue, contributing to the segment sales growth. The segment recorded Operating Margin of 13.1% for the quarter ended December 31, 2010, despite a steep increase in some of the input costs.

Machinery & Industrial Products Segment

Aided by higher demand from industrial sector, the segment registered a growth of 15% in Customer Sales at ₹ 660 crore for the quarter ended December 31, 2010.The segment recorded Operating Margin at 20.9% for the quarter, mainly contributed by the Construction and Mining Businesses.

Thrust on Growth Initiatives

Various expansion projects of the Company are well on track. Recently in a major milestone, the Company commissioned the country's first private sector completely integrated facilities for the manufacture of Super Critical Boiler and Turbine Generators at a single location namely, Hazira, Gujarat.

The Company's other major expansion projects such as shipbuilding facility cum container port and modular fabrication yard at Kattupalli, Tamil Nadu, Heavy Forging Shop and the manufacturing facility for power auxiliaries at Hazira, Gujarat are progressing well as per their respective schedules.

Outlook

The Company expects the pick-up of investment momentum in the economy to coincide with the completion of its expansion projects over the next one to two years. It is well positioned to sustain revenue growth momentum in the medium term given its excellent execution capabilities, presence in diverse sectors of the economy and a healthy Order Book.

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Dear Sir,

Sub : Unaudited Financial Results for the Quarter ended 31st December, 2010.

In terms of Clause 41 of the Listing Agreement (as amended), we enclose a copy of the statement containing the unaudited financial results of the Company, **for the quarter ended 31st December, 2010,** which has been taken on record at the Meeting of the Board of Directors, held today.

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED

N. HARIHARAN
COMPANY SECRETARY

Encl : a/a

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RvA C 024
DNV Certification B.V., The Netherlands

LARSEN & TOUBRO LIMITED

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

UNAUDITED STAND-ALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2010

₹ Lakh

	Particulars	3 months ended December 31,		9 months ended December 31,		Year ended March 31,
		2010	2009	2010	2009	2010 (Audited)
1	Gross sales / revenues from operations	1141826	813930	2867343	2350641	3699593
	Less : Excise duty	9659	6793	25589	20615	32078
	Net sales / revenues from operations	**1132167**	**807137**	**2841754**	**2330026**	**3667515**
2	Other operational income	9141	7424	19999	15252	35965
3	**Total income (1+2)**	**1141308**	**814561**	**2861753**	**2345278**	**3703480**
4	**Expenditure:**					
a)	(Increase)/decrease in stock-in-trade and work-in-progress	(15837)	(1652)	(55071)	32716	42299
b)	i) Consumption of raw materials	305555	152413	683676	491262	785430
	ii) Sub-contracting charges	280583	202255	633711	575264	866175
	iii) Construction materials	206601	162771	577979	436582	747808
	iv) Purchase of traded goods	49133	40457	144406	103721	157428
	v) Other manufacturing/operating expenses	70096	69360	206017	167232	246215
c)	Employee cost	67715	54605	206922	176719	237914
d)	Sales, administration and other expenses	53673	33670	137491	93369	138656
e)	Depreciation, amortisation and obsolescence	12809	10452	36345	29838	41460
	Total expenditure	**1030328**	**724331**	**2571476**	**2106703**	**3263385**
5	**Profit from operations before other income, interest & exceptional items (3-4)**	**110980**	**90230**	**290277**	**238575**	**440095**
6	Other income	24718	23364	84053	66107	91025
7	**Profit before interest & exceptional items (5+6)**	**135698**	**113594**	**374330**	**304682**	**531120**
8	Interest expenses	17571	13392	51120	36975	50531
9	**Profit after interest but before exceptional items (7-8)**	**118127**	**100202**	**323210**	**267707**	**480589**
10	Exceptional items [refer note (i)]	3530	-	3530	104726	107478
11	**Profit from ordinary activities before tax (9+10)**	**121657**	**100202**	**326740**	**372433**	**588067**
12	**Provision for taxes:**					
a)	Provision for current tax	36544	30216	104696	83969	164425
b)	Provision for deferred tax	1060	359	1960	977	(338)
	Total provision for taxes	**37604**	**30575**	**106656**	**84946**	**164087**
13	**Profit after tax from ordinary activities (11-12)**	**84053**	**69627**	**220084**	**287487**	**423980**
14	Extraordinary items [net of tax]	-	6255	7084	6255	13572
15	**Profit after tax (13+14)**	**84053**	**75882**	**227168**	**293742**	**437552**
16	Paid-up equity share capital (face value of share: ₹ 2 each)			**12156**	12005	12044
17	Reserves excluding revaluation reserve					1814282
	Earnings per share:					
18	Basic EPS before extraordinary items (₹)	**13.84**	11.68	**36.39**	48.70	71.49
19	Diluted EPS before extraordinary items (₹)	**13.65**	11.45	**35.81**	47.77	70.15
20	Basic EPS after extraordinary items (₹)	**13.84**	12.72	**37.56**	49.76	73.77
21	Diluted EPS after extraordinary items (₹)	**13.65**	12.48	**36.96**	48.81	72.39
22	Debt service coverage ratio (DSCR) [no.of times]					4.86
23	Interest service coverage ratio (ISCR) [no.of times]					10.51
24	Aggregate of public shareholding:					
	- Number of shares ('000s)			**584199**	582941	585993
	- Percentage of shareholding			**96.12%**	97.11%	97.31%
25	Promoters and promoter group shareholding [refer note (v)]			**Nil**	Nil	Nil
26	***Profit after tax from normal operations (i.e.excluding exceptional and extraordinary items)***	***81077***	***69627***	***217108***	***184282***	***318456***

Notes :

i) Exceptional items for the quarter ended December 31, 2010 represent gains on divestment of part-stake in subsidiary and associate companies.

ii) The Company, during the quarter ended December 31, 2010, has allotted 28,56,919 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.

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

iv) There were no pending investor complaints as on October 1, 2010. During the quarter ended December 31, 2010, 42 complaints were received and resolved.

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

vi) The results for the quarter ended December 31, 2010 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 17, 2011.

for LARSEN & TOUBRO LIMITED

A.M.Naik
Chairman & Managing Director

Mumbai
January 17, 2011

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

₹ Lakh

Particulars	3 months ended December 31,		9 months ended December 31,		Year ended March 31, 2010 (Audited)
	2010	2009	2010	2009	
Gross segment revenue					
1 Engineering & Construction	1000411	702500	2465174	2043697	3231577
2 Electrical & Electronics	79500	71822	221253	199822	298654
3 Machinery & Industrial Products	68066	59100	192708	153761	221953
4 Others	16813	9502	44937	26409	36456
Total	**1164790**	**842924**	**2924072**	**2423689**	**3788640**
Less: Inter-segment revenue	13823	21570	36730	57796	53082
Net segment revenue	**1150967**	**821354**	**2887342**	**2365893**	**3735558**
Segment result (Profit before interest and tax)					
1 Engineering & Construction	106469	85539	278155	224845	409501
2 Electrical & Electronics	8677	8733	24735	26132	39419
3 Machinery & Industrial Products	12858	12059	35716	30878	45190
4 Others	2143	2050	7213	4230	4434
Total	**130147**	**108381**	**345819**	**286085**	**498544**
Less: Segment margins on internal capitalisation	980	1470	1189	3404	5835
Less: Interest expenses	17571	13392	51120	36975	50531
Add: Unallocable corporate income net of expenditure	10061	6683	33230	126727	145889
Profit before tax	**121657**	**100202**	**326740**	**372433**	**588067**
Capital employed (Segment assets *less* segment liabilities)					
1 Engineering & Construction			702934	666904	629067
2 Electrical & Electronics			120396	110206	113176
3 Machinery & Industrial Products			32782	17610	22400
4 Others			21004	18322	20348
Total capital employed in segments			**877116**	**813042**	**784991**
Unallocable corporate assets *less* corporate liabilities			2018878	1732411	1733995
Total capital employed			**2895994**	**2545453**	**2518986**

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 definitions: **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** include manufacture and/or sale of low and medium voltage switchgear, custom built switchboards, control gear, electronic energy meters/protection (relays) systems, control & automation products and medical equipment. **Machinery & Industrial Products** comprise manufacture and sale of industrial machinery & equipment, 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 17, 2011