

**LARSEN & TOUBRO**

L&T Press Release

Issued by Corporate Brand Management & Communications

L&T House, 2nd Floor
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5555 / 836
Fax: 91 22 6752 5796

Performance for the year ended March 31, 2013

Order inflow grows by 25%
Revenues increase by 14.4%

Mumbai, 22 May 2013: Larsen & Toubro recorded Gross Revenue of ₹ 61471 crore for the year ended March 31, 2013, registering an increase of 14.4% on a y-o-y basis over the corresponding previous year. International Revenue at ₹ 12110 crore doubled as compared to the previous year.

The Gross Revenue for the quarter ended March 31, 2013 at ₹ 20485 crore recorded 10% growth over the corresponding quarter of the previous year, as certain sectoral bottlenecks moderated the pace of execution.

The Company successfully garnered fresh orders worth ₹ 88035 crore during the year 2012-13, recording a healthy y-o-y growth of 25%. The order Inflow during the quarter January-March 2013 was ₹ 27929 crore and recorded an impressive increase of 32%, despite challenging economic environment. International order inflow constituted 17% of the total order inflow for the year 2012-13. The major orders during the year came from Building & Factories, Power Transmission & Distribution, Transportation Infrastructure and Power sectors.

The Order Book is ₹ 153604 crore as at March 31, 2013. International Order Book constituted 13% of the total Order Book.

Profit after Tax (PAT) for the year April-March 2013 stood at ₹ 4911 crore, recording an increase of 10.2% over the corresponding previous year.

The Board of Directors has recommended a dividend of ₹ 18.50 per equity share.

The Board of Directors has recommended for the approval of shareholders, the issue of bonus equity shares in the ratio of 1:2 [one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held].

Engineering & Construction (E&C) Segment

The E&C Segment achieved Segment Revenue of ₹ 54378 crore for the year ended March 31, 2013 registering a y-o-y growth of 16%. International sales constituted 19% of the total revenue as compared to 10% in the corresponding previous year.

The businesses of the E&C Segment secured fresh orders of ₹ 79766 crore, during the year ended March 31, 2013 registering a y-o-y growth of 25% on the back of the proven track record and international forays. International orders constituted 16% of the total order inflow of the segment during the year ended March 31, 2013.

The Order Book of the Segment is ₹ 150346 crore as at March 31, 2013.

The EBIDTA margin of the segment is 11.5% for the year 2012-13 vis-à-vis 12.7% recorded in the previous year reflects the cost and pricing pressures prevalent in the sector.

Electrical & Electronics (E&E) Segment

E&E Segment recorded Segment Revenue of ₹ 3403 crore for the year ended March 31, 2013, recording a modest y-o-y growth of 5%, on account of depressed market conditions. International sales contributed to 10% of the total segment revenue for the year.

The Segment recorded an improved EBDITA Margin at 13.6% during the year, aided by better price realization and cost efficiencies.

Machinery & Industrial Products (MIP) Segment

MIP Segment recorded Segment Revenue of ₹ 2303 crore for the year ended March 31, 2013 vis-à-vis the Revenue of ₹ 2475 crore for the corresponding previous year. Slow-down in industrial production in India adversely impacted the Revenue during the year. International sales, however, picked pace to reach 22% of the total revenue of the segment during the year.

The Segment recorded EBIDTA Margin at 16.3% during the year ended March 31, 2013.

“Others” Segment

The Segment which includes Integrated Engineering Services and Property Development businesses, recorded Revenue of ₹ 1387 crore, registering a robust growth of 47% over the corresponding previous year. The Segment recorded improved EBIDTA Margin of 27.3% for the year ended March 31, 2013 over 22.4% earned during the previous year on the back of profitable growth achieved by Integrated Engineering Services business.

Consolidated Group Financials

The Consolidated Group revenue at ₹ 75195 crore for the year grew by 16% over ₹ 64960 crore for the previous year. The Consolidated Group Profit is ₹ 5206 crore, recording an y-o-y increase of 10.9%.

Capacity Augmentation

L&T Special Steel and Heavy Forgings Limited, a subsidiary of the Company commenced its commercial operations during the year 2012-13. The facility has been set up with a project cost of ₹ 1700 crore and is one of the longest forging facilities in the world spread over an area of 4,20,000 sq. mts.

L&T Shipbuilding Limited, another subsidiary of the Company also commenced its commercial operations during the year 2012-13. The facility is a state of the art integrated shipyard cum minor port complex and related fabrication facilities set up with a capital outlay of ₹ 4000 crore.

Outlook

The challenges in the growth path of Indian economy are still persisting in the form of infrastructure bottlenecks, resource availability, high fiscal and current account deficits. Moreover, constraints to the speedy implementation of the reform process is adversely impacting the investment climate in India.

High domestic savings and improved channelization of risk capital are expected to provide impetus to growth in the medium term. Improvement in the fortunes of the power sector, privatization and indigenisation of defence manufacturing and resolution of issues relating to mining, gas pricing, land acquisition etc will boost the Company's prospects. The infrastructure development is an irreversible process for reviving growth momentum in India and the Company, with its proven execution capabilities, is well positioned to harness the potential opportunities.

The international business environment provides opportunities but is highly competitive. The Countries in the Middle East, select markets in CIS Region, Africa and South Asia, however, hold good prospects. The Company is investing in business development efforts in these select international markets.

The Company is optimistic in sustaining its growth momentum on the back of healthy order book and strong balance sheet.