LARSEN & TOUBRO LIMITED

SECRETARIAL DEPARTMENT

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SEC/2011 December 27, 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: **Mitsubishi Heavy Industries to License Shipbuilding Technology to L&T**

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

Please take the note of the same.

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED

N. HARIHARAN
COMPANY SECRETARY

Encl. as above

ISO 9001 REGISTERED
DNV
MGMT. SYS.
RvA C 024
DNV Certification B.V., The Netherlands

L&T Press Release

Issued by Corporate Brand Management & Communications

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Mitsubishi Heavy Industries to License Shipbuilding Technology to L&T

Wide Ranging Technology Support Assured

Tokyo, December 27, 2011 - Mitsubishi Heavy Industries Ltd. (MHI), Japan is to sign a technological collaboration agreement with L&T Shipbuilding Limited (LTSB) - the shipbuilding arm of Larsen & Toubro conglomerate - to provide a broad range of technological support for the construction of commercial vessels.

The agreement, under which MHI will provide licensing and technology support, including training of LTSB engineers, represents the successful convergence of the long term business interests of both companies. MHI has been proactively promoting development of its engineering business, centering on technology licensing, while L&T Shipbuilding has been seeking to strengthen its shipbuilding business through the introduction of technology from a global leader.

The agreement calls for MHI to provide support for an initial period of three years, with an option to extend beyond that time frame. In specific terms, support from MHI will comprise design support and a broad range of training, in ship construction and quality control. Support activities will further include consultation relating to potential expansion of L&T's shipbuilding facilities in the future and to overseas procurement of shipbuilding materials, as well as support for LTSB's marketing efforts. Going forward, MHI and LTSB will market vessels built by LTSB under exclusive technical collaboration with MHI.

Commencing in early 2012, MHI will train L&T Shipbuilding engineers at the company's Nagasaki Shipyard & Machinery Works and the Shimonoseki Shipyard & Machinery Works in Yamaguchi Prefecture. In addition, MHI will depute experts in design, ship construction and quality control from its shipyards to India to impart training.

As India enhances its infrastructure in tandem with economic expansion, the country is focusing on a growth strategy that entails improvements in basic infrastructure, including better port facilities, and for the nurturing of its shipbuilding and shipping industries. As a result, the acquisition and accumulation of globally competitive shipbuilding technologies is a top priority for Indian industry.

With the latest shipbuilding technical collaboration agreement, L&T Shipbuilding and MHI plan to step up its aggressive development of new business opportunities relating to shipyards in newly emerging economies.

MHI and L&T have been partners since 2007, with two joint ventures established in the power generation system sector.

Background:

LARSEN & TOUBRO

Larsen & Toubro is a USD 11.7 billion technology, engineering, construction, manufacturing and financial services conglomerate, with global operations. It is one of the largest and most respected companies in India's private sector. A strong, customer - focused approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business over seven decades.

MITSUBISHI HEAVY INDUSTRIES

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 2,903.7 billion yen in fiscal 2010, the year ended March 31, 2011. MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space rocketry and air-conditioning systems.