

SEC/PAM/2018

November 2, 2018

The Secretary BSE Limited Phiroze Jejeebhoy Towers, Dalal Street, MUMBAI - 400 001 STOCK CODE: 500510	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
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Dear Sir,

Sub.: Investor Presentation

Pursuant to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of updated Investor Presentation, which will be uploaded to our Investor Website <http://investors.larsentoubro.com/>

We request you to take note of the same.

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED



N. HARIHARAN
EXECUTIVE VICE PRESIDENT &
COMPANY SECRETARY
(ACS 3471)

Encl : as above



Q2/H1 FY19
October 31, 2018

Investor Presentation



Disclaimer

This presentation contains certain forward looking statements concerning L&T's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and

retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance.

The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.



Presentation Outline



01

L&T Overview

02

Business Overview

03

Group Performance

04

The Environment & the Outlook



L&T - At a Glance

India's largest E&C company with interests in Projects, Infrastructure Development, Manufacturing, IT & Financial Services



Professionally
Managed Company



FY 18 Group
Revenues: ₹ 1200 Bn
(approx. US\$ 18 Bn)



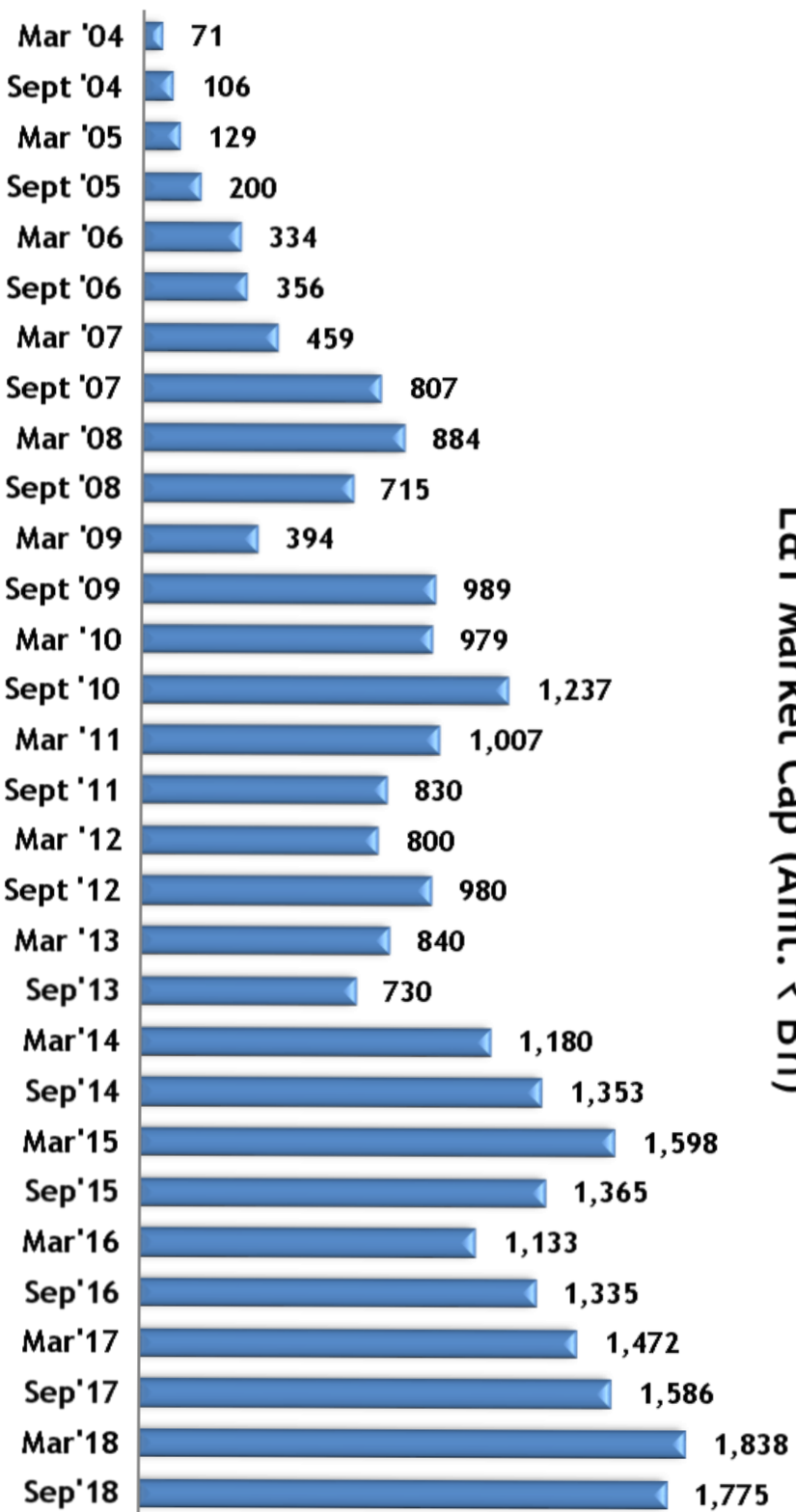
Market Cap
(31st October, 2018):
₹ 1819 Bn
(approx. US\$ 25 Bn)



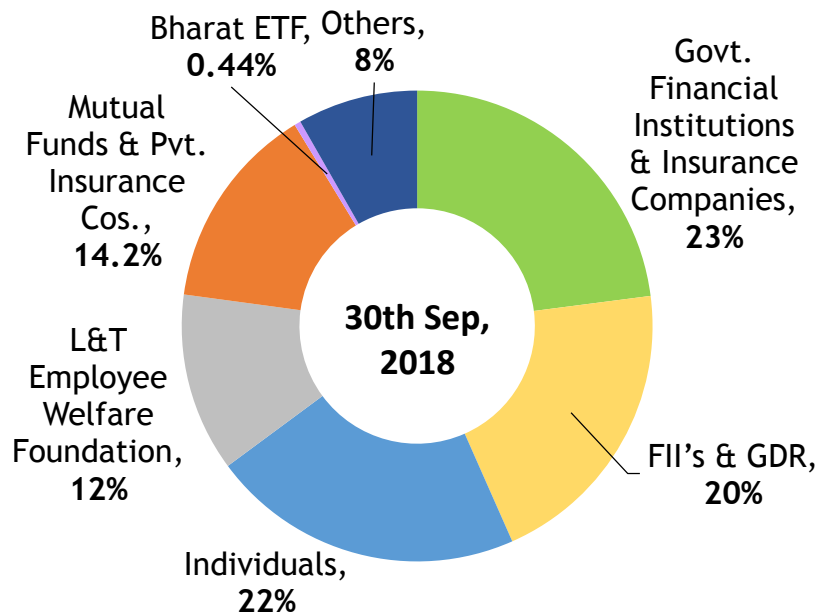
Credit Ratings
CRISIL: AAA / Stable
ICRA: AAA (Stable)

L&T - At a Glance

L&T Market Cap (Amt. ₹ Bn)



L&T - Shareholding Pattern



Major Institutional Shareholders	% Shares
Life Insurance Corporation of India	17.6%
HDFC Mutual Fund	3.8%
General Insurance Corp. of India	1.8%
SUUTI	1.8%
ICICI Prudential Life Insurance Co	1.7%
Nomura Asset Management	1.5%

- Listed with BSE & NSE
- GDRs listed with LSE and LuxSE
- L&T is one of the most widely held listed companies in India
- No promoter holding
- Uninterrupted Dividend payment record since 1946



Experienced Management Team



A M Naik
Group Chairman

- BE [Mech]
- Joined L&T in March 1965
- Diverse and vast experience in general management, Technology and E&C



S. N. Subrahmanyam
Chief Executive Officer and Managing Director

- B.SC ENGG (CIVIL), MBA (Finance)
- Joined L&T in November 1984
- Vast experience in Design & Build (D&B) Contracts, PPP Projects, Engineering and Construction Industry



R Shankar Raman
Whole-time Director & Chief Financial Officer

- B.Com, ACA, ACMA
- Joined L&T Group in Nov 1994



Shailendra Roy
Whole-time Director & Sr. Executive Vice President (Power, Heavy Engg. & Nuclear)

- B.Tech
- Joined L&T in 2004



D. K. Sen
Whole-time Director & Sr. Executive Vice President (Infrastructure)

- B.SC ENGG (CIVIL), MBA (Finance)
- Joined L&T in 1989



M. V. Satish
Whole-time Director & Sr. Executive Vice President (Building, Minerals & Metals)

- BE (Civil)
- Joined L&T in 1980



J.D. Patil
Whole-time Director & Sr. Executive Vice President (Defence Business)

- M.Tech- IIT, Mumbai
- Joined L&T in 1978



Subramanian Sarma
Non-Executive Director

- B.Tech (Chem.),
- M.Tech – IIT, Mumbai
- Joined L&T Group in 2015

Vast experience in Finance, Taxation, Insurance, Risk Management, Legal and Investor Relations

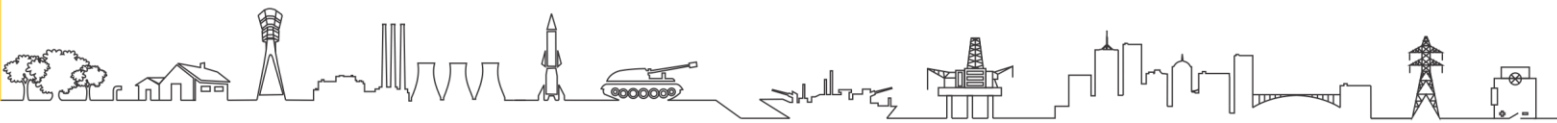
Vast experience in Thermal Power, Heavy Engineering, Nuclear Business

Vast experience in Design & Engineering, Business Development, Tendering and construction

Vast experience in Construction, Business Development, Contracts Management and Property Development in India and GCC region

Vast experience in leading high technology interdisciplinary strategic programs across defence & aerospace sector

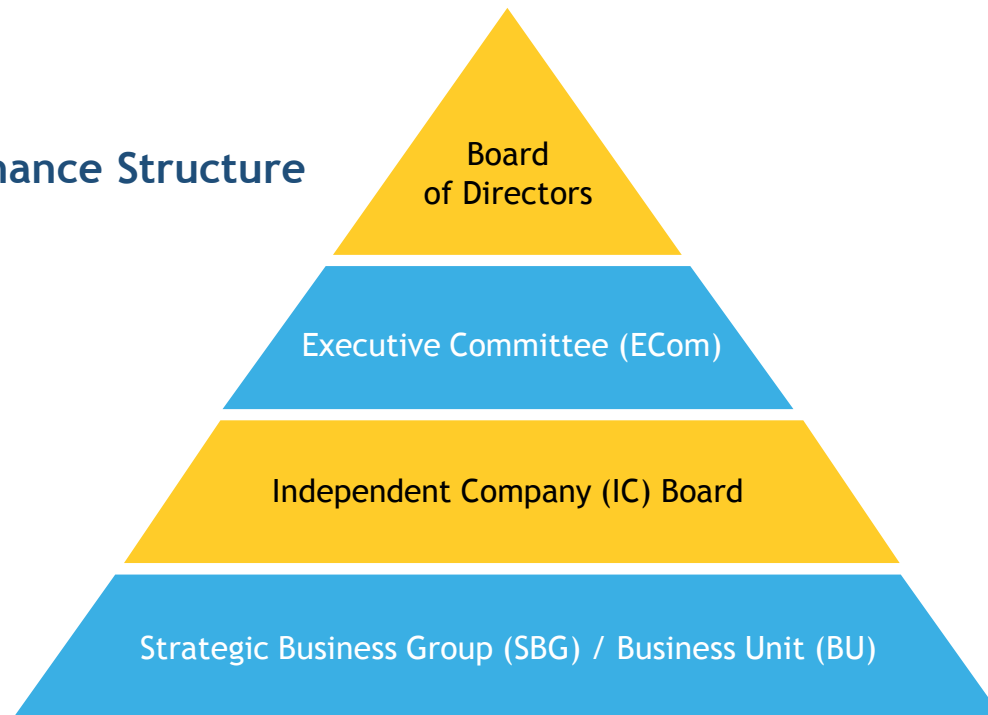
Vast experience in managing large business portfolios in energy sector



Corporate Governance

L&T's essential character revolves around values based on transparency, integrity, professionalism and accountability.

Four-tier Governance Structure





Sustainability

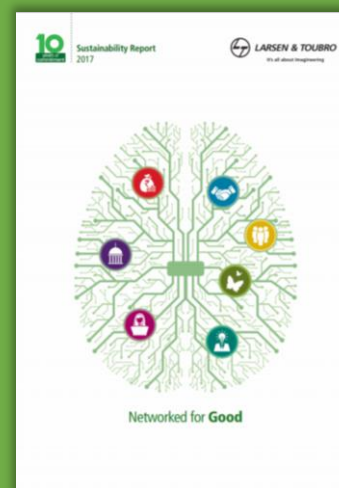
Sustainability Report 2017 released with Sustainability Roadmap 2021

‘GRI Checked’ externally assured & ‘In Accordance - Comprehensive’ highest level of disclosure in public domain

Thrust Areas:

- Energy Conservation
- Renewable Energy
- GHG Emissions
- Water Efficiency
- Material Management

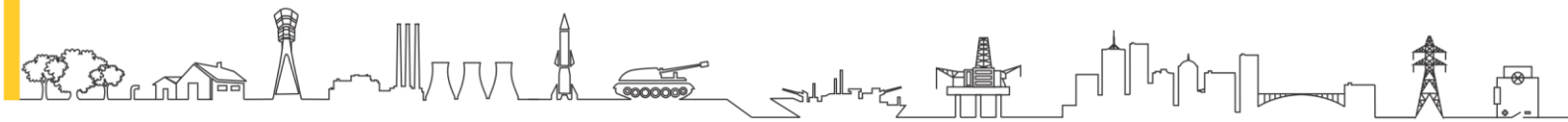
Green Buildings



Global Compact
Network India

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

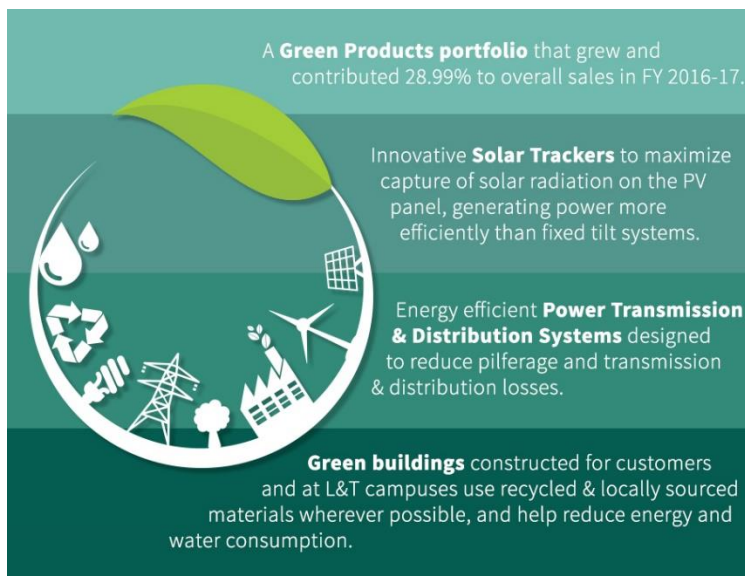




Sustainability - Environment & Social

Green Product Portfolio

- More than 49.1 million sq. ft of Green Building space constructed for clients
- Hydel projects with an aggregate capacity of 870 MW in various stages of development
- 4 supercritical and ultra-supercritical thermal power plants under execution



CSR Highlights

- Theme: Building India's social infrastructure
- Working in 3 states across India on Integrated Community Development Programmes
- Aligned with Sustainability Development Goals (SDGs)





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Builders to the Nation



Vizag Steel Plant



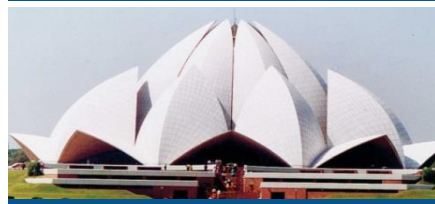
Turbine Rotor, Gujarat



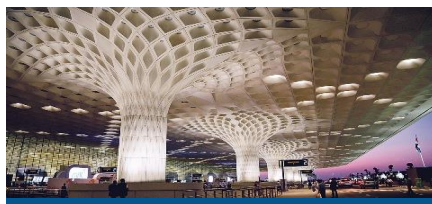
88m Rail Bridge Jammu Udhampur



Wankhede Stadium, Mumbai



Baha'i Temple, Delhi



Mumbai International Airport



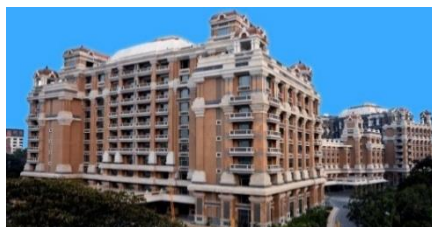
Oil & Gas Equipment



Vivekanand Bridge, Kolkata



Kakrapar Nuclear Power Plant, Guj



ITC Grand Chola Hotel, Chennai



Sri Sathya Sai Whitefield Hospital



Srinagar Hydro Electric Plant



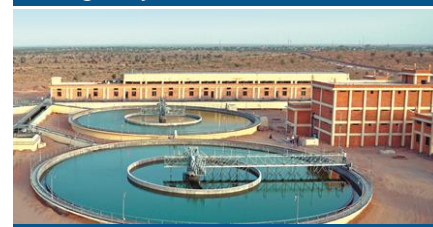
Vacuum Column, Paradip Refinery



2x384 MW CCPP, Vemagiri, A.P.



Gas Platform, Abu Dhabi



Water Treatment Plant, Barmer



International Footprint - Marquee Jobs



Stadium at Barbados



Salalah Airport, Oman



Twin Towers, Dubai Marina



NMC Speciality hospital, Abu Dhabi



Bhukara Hotel, Uzbekistan



World's Longest Conveyer, Bangladesh



Bulk Cement Terminal, Colombo



Fabrication Facility, Oman



Punatsangchhu HEP, Bhutan



Sheikh Khalifa Interchange, UAE



Coal Gasifier for China



Transmission Lines, Fujirah, Dhaid



Water Treatment Plant, Doha



Petronas Refinery, Malaysia



Bi-metallic Urea Stripper for Saudi

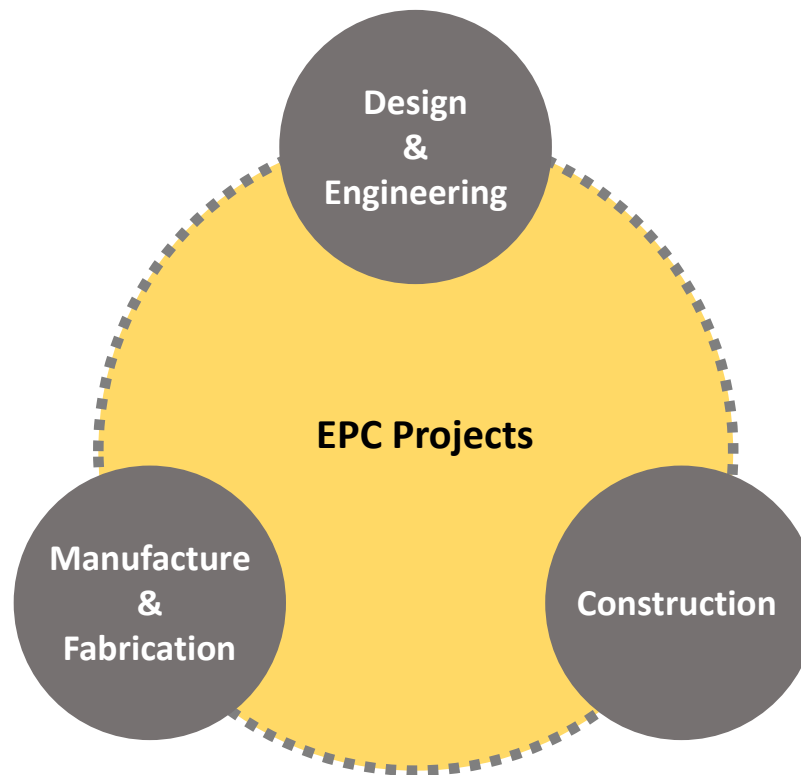


MV Switchgear Factory, Malaysia



E&C Delivery Platform

One of Asia's largest vertically integrated E&C Companies



Single point responsibility for turnkey solutions

Quality Customer Mix



Indian
Coastguard



Petroleum Development Oman






Multiple Alliances & Joint Ventures

Alliances



Pre Qualifications



Note: Some of these are project specific alliances & pre qualifications

Joint Ventures



L&T's Business Structure

LARSEN & TOUBRO LTD.

BUSINESS VERTICALS

BUILDINGS & FACTORIES

TRANSPORTATION INFRASTRUCTURE

HEAVY CIVIL INFRASTRUCTURE

WATER & EFFLUENT TREATMENT

POWER T&D

POWER

HEAVY ENGINEERING

DEFENCE ENGINEERING

ELECTRICAL & AUTOMATION

SUBSIDIARIES, JVs & ASSOCIATES

L&T HYDROCARBON ENGINEERING

FINANCIAL SERVICES

IT & TECHNOLOGY SERVICES

INFRASTRUCTURE SPVs (BOTs)

REALTY DEVELOPMENT

MHPS JVs (BOILERS & TURBINE MFG.)

OTHER MANUFACTURING & FABRICATION
SUBSIDIARIES

SERVICES AND OTHER SUBSIDIARIES
& ASSOCIATES



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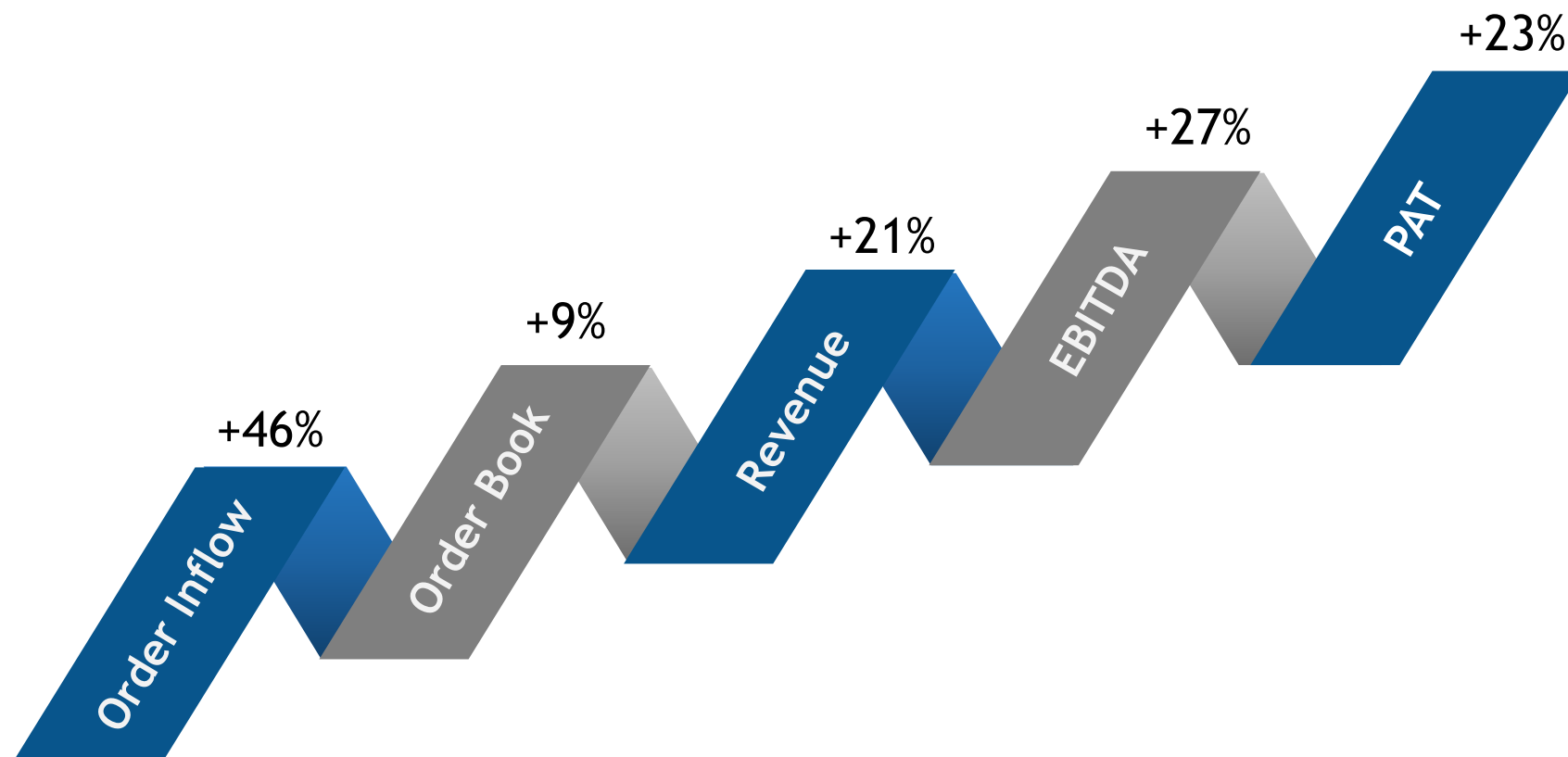
Group Performance

04

The Environment & the Outlook



Performance Highlights -Q2 FY19





Key Financial Indicators

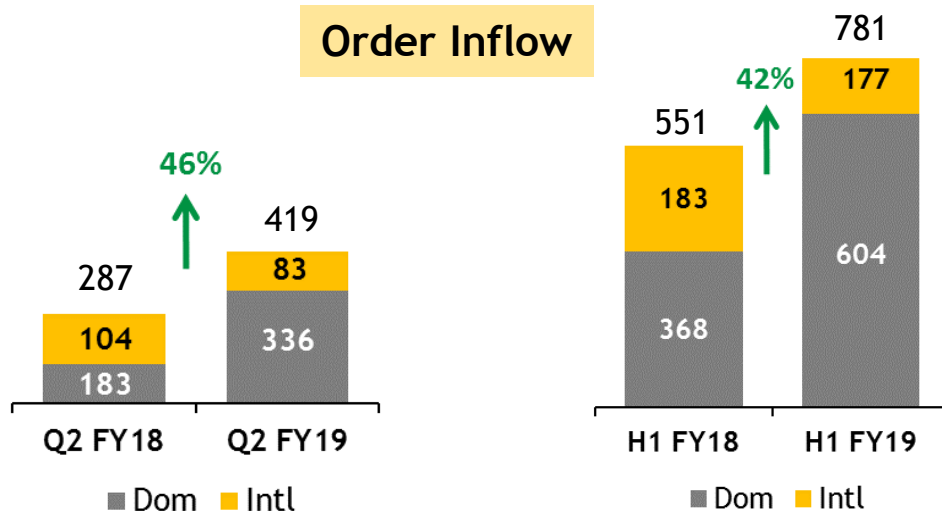
Amount in ₹ bn

Q2 FY18	Q2 FY19	% Var	Particulars	H1 FY18	H1 FY19	% Var
287	419	46%	Order Inflow	551	781	42%
			Order Book	2575	2812	9%
264	321	21%	Revenue from Operations (like-to-like)	503	604	20%
30	38	27%	EBITDA	50	67	33%
18	22	23%	Reported PAT	27	34	27%
			Net Working Capital	20.7%	19.6%	-110bps
			RONW (TTM) (%)	14.0	15.2	+120bps

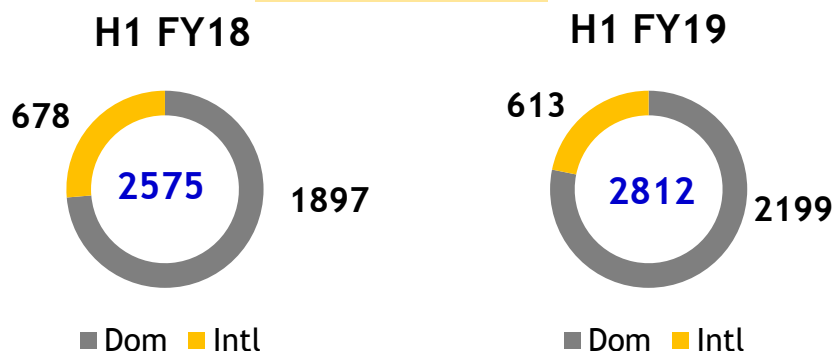
Q2/H1 FY19 Order Inflow/Order Book

Amount in ₹ bn

Order Inflow



Order Book



- Strong tendering activity in domestic market. Lower share of International order wins
- Public sector continues to drive order inflows. Private sector investment remains subdued
- Order Inflow growth in Q2 mainly driven by Infrastructure, Power & Heavy Engineering



Group Performance - Sales & Costs

Q2 FY18	Q2 FY19	% Var	₹ Billion	H1 FY18	H1 FY19	% Var	FY18
264	321	21%	Revenue (like-to-like)	503	604	20%	1,197
36%	33%	-3%	International Rev.	35%	34%	-1%	33%
166	199	20%	MCO Exp.	320	372	16%	773
15	18	18%	Fin. Charge Opex*	29	34	18%	60
38	46	20%	Staff Costs	73	89	21%	153
15	20	34%	Sales & Admin.	32	42	32%	77
235	283	21%	Total Opex	454	537	18%	1,063

* Finance cost of financial services business and finance lease activity

- Revenue growth primarily contributed by Infra, Hydrocarbon, Realty and Services businesses
- MCO expense improves through operating efficiencies and cost optimisation
- Rise in staff cost due to resource augmentation in services business
- Cost provisions, business development expenses and credit cost increase SGA expenses



Group Performance - EBITDA to PAT

Q2 FY18	Q2 FY19	% Var	₹ Billion	H1 FY18	H1 FY19	% Var	FY18
30	38	27%	EBITDA	50	67	33%	136
(4)	(4)	2%	Fin. Cost	(8)	(8)	1%	(15)
(4)	(5)	20%	Depreciation	(10)	(12)	18%	(19)
4	4	6%	Other Income	8	7	-13%	14
1	3	116%	Exceptional items	1	3	116%	1
(5)	(9)	63%	Tax Expense	(10)	(18)	81%	(32)
(1)	(1)		JV/S&A PAT Share	(1)	2		(4)
(2)	(4)	81%	Non-controlling Int.	(3)	(6)	84%	(6)
18	22	23%	PAT	27	34	27%	74

- Services, Heavy Engineering, Defence Engineering & Realty businesses drives EBITDA growth
- Efficient funds management contains finance cost
- Other income mainly comprises treasury earnings



Segment Performance Analysis



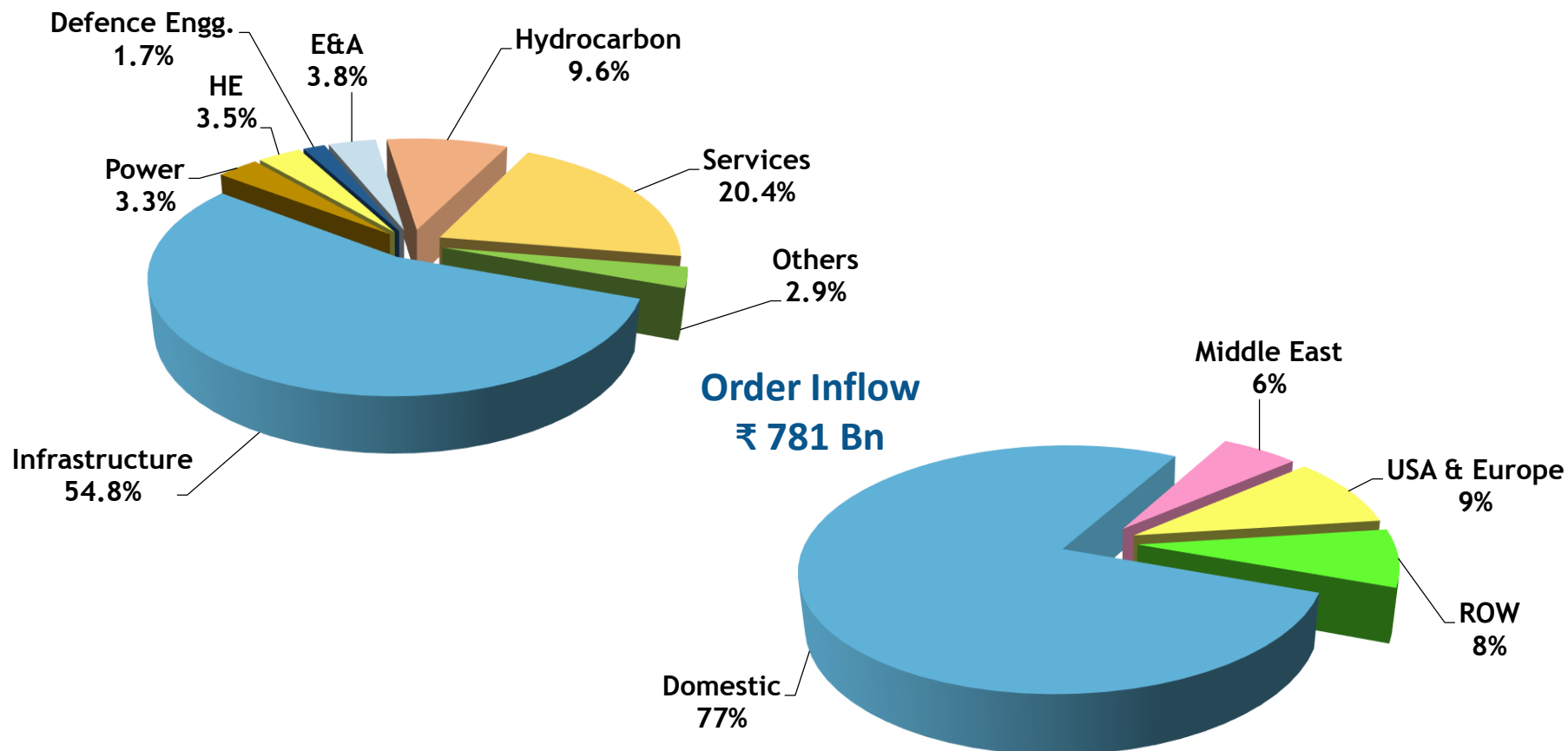
Segment Composition

Infrastructure	Power	Heavy Engineering	Electrical & Automation	Defence Engineering
Buildings & Factories (B&F)	EPC- Coal & Gas	Process Plant Equipment	Electrical Standard Products	Defence
Transportation Infra (TI)	Thermal Power Plant Construction	Nuclear Power Plant Equipment	Electrical Systems & Equipment	Aerospace
Heavy Civil infra (HC)	Electrostatic Precipitator	Piping Centre & Forgings *	Metering & Protection	Shipbuilding
Water & Effluent Treatment (WET)	Power Equipment Mfg. *		Control & Automation	
Power T&D (PT&D)				
Metallurgical & Mat. Handling (MMH)				
Smart World & Comm.(SW&C)				

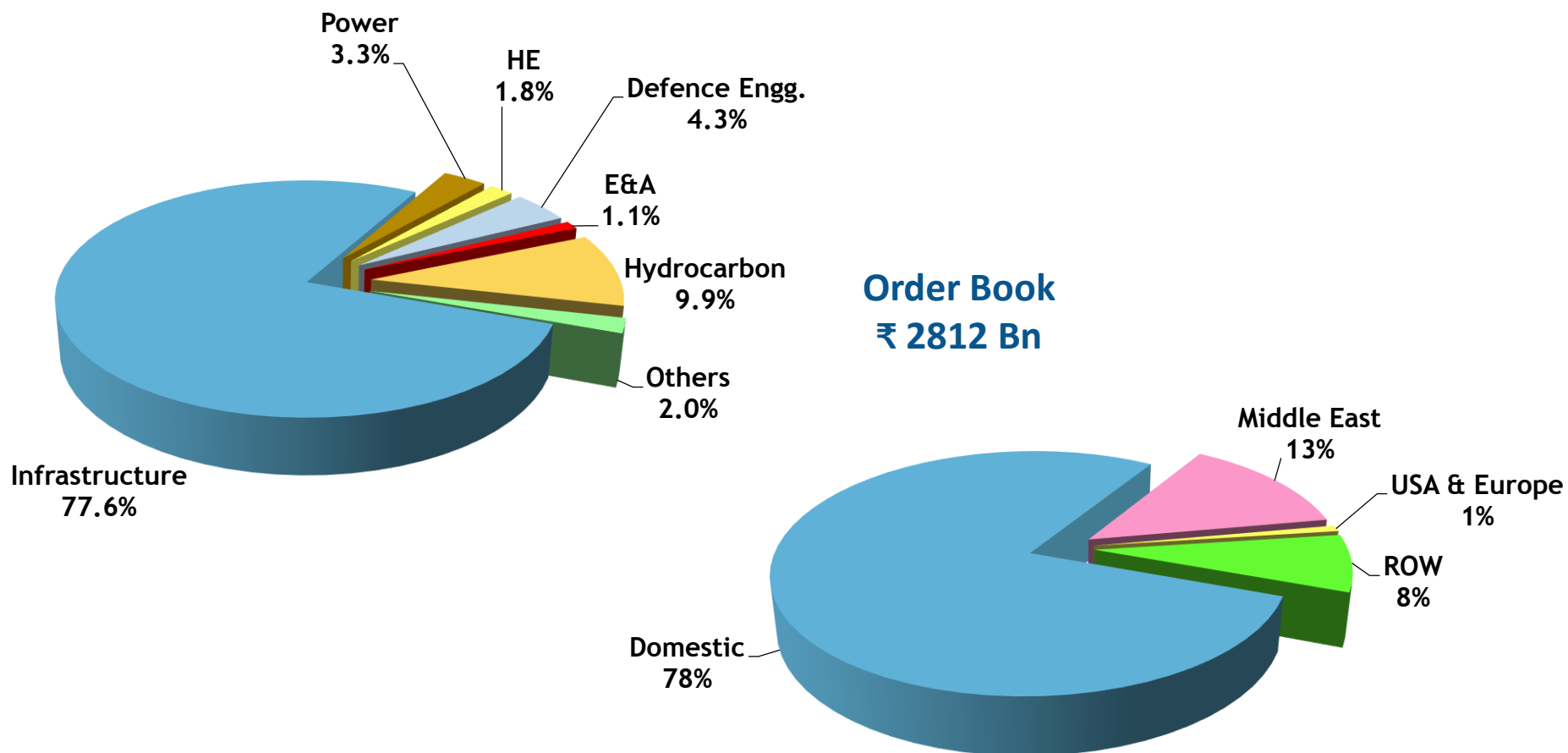
Hydrocarbon	Developmental Projects	IT & TS	Financial Services	Others
Onshore	Roads *	Information Technology	Rural Lending	Realty
Offshore	Metros	Technology Services	Housing Finance	Industrial Products & Machinery
	Power		Wholesale Finance	
			Asset Management	

* Consolidated at PAT level

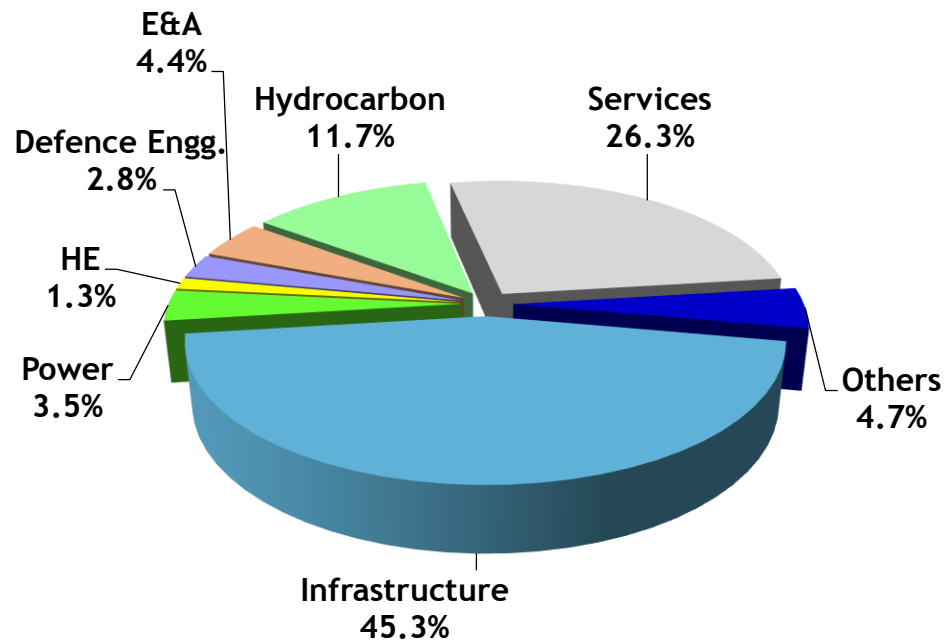
H1 FY19 Order Inflow Composition



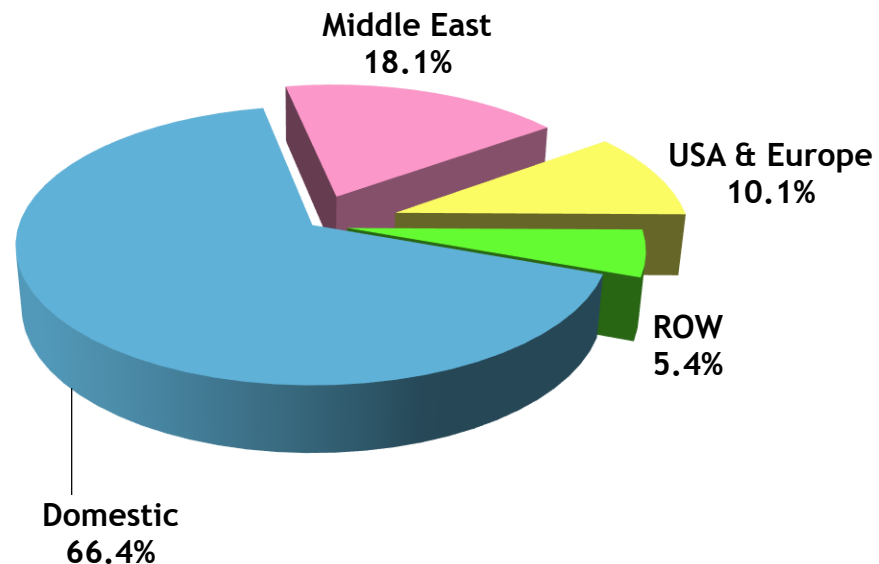
H1 FY19 Order Book Composition



H1 FY19 Revenue Composition



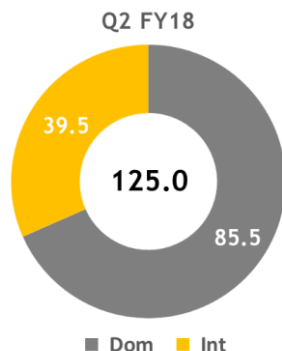
Revenue
₹ 604 Bn



Infrastructure Segment

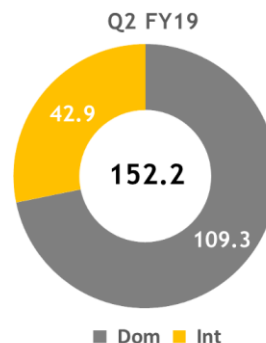
Amount in ₹ bn

Net Revenue



7.4%

EBITDA Margin

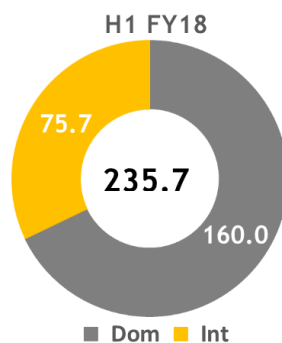


6.8%

22%

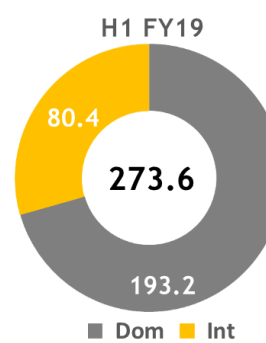


Net Revenue



7.3%

EBITDA Margin



6.8%

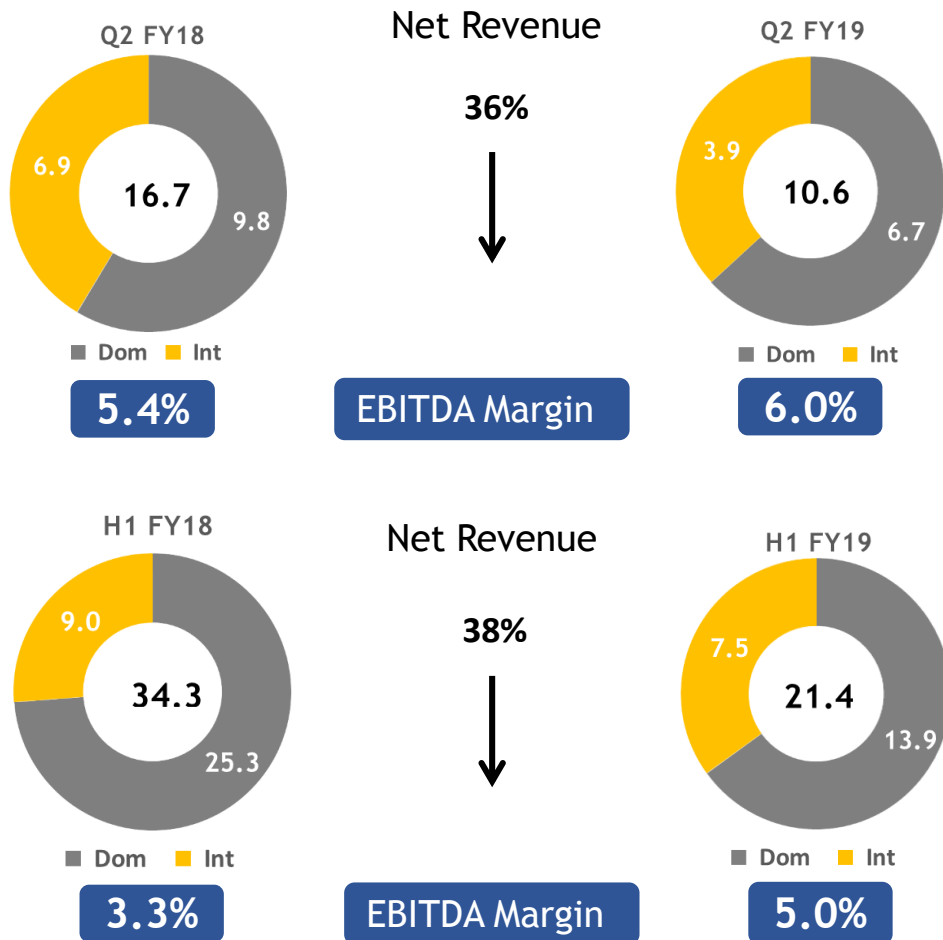
16%



- Strong growth witnessed across business verticals
- Pickup in domestic execution
- Margin reflects stage of execution & job mix

Power Segment

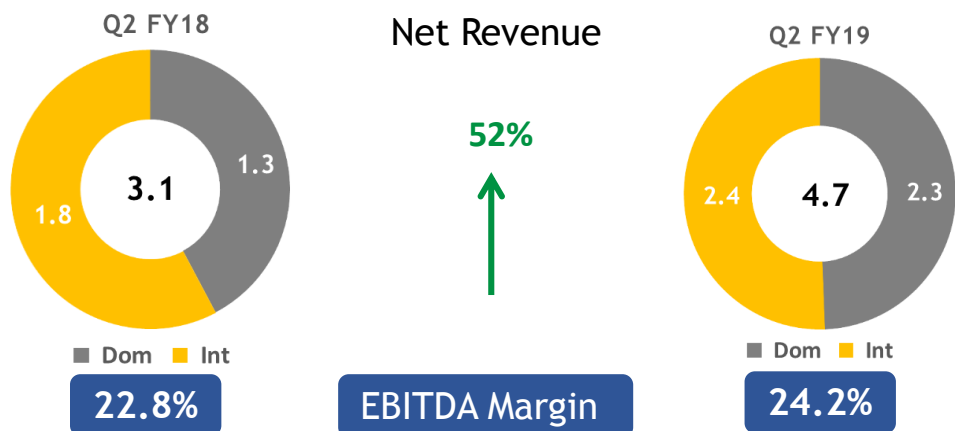
Amount in ₹ bn



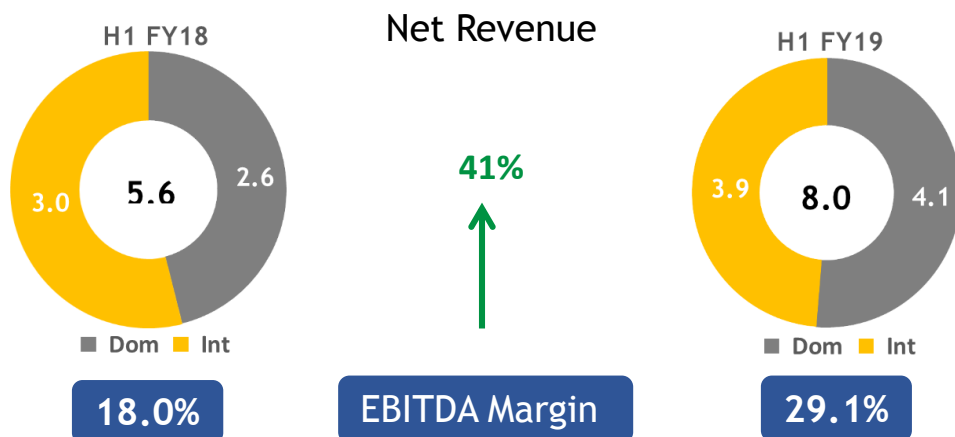
- Limited opportunities and aggressive competition in the sector continues to impact business performance
- Revenue decline reflects low order book
- Profits of MHPS and other JV companies are consolidated at PAT level under equity method

Heavy Engineering Segment

Amount in ₹ bn

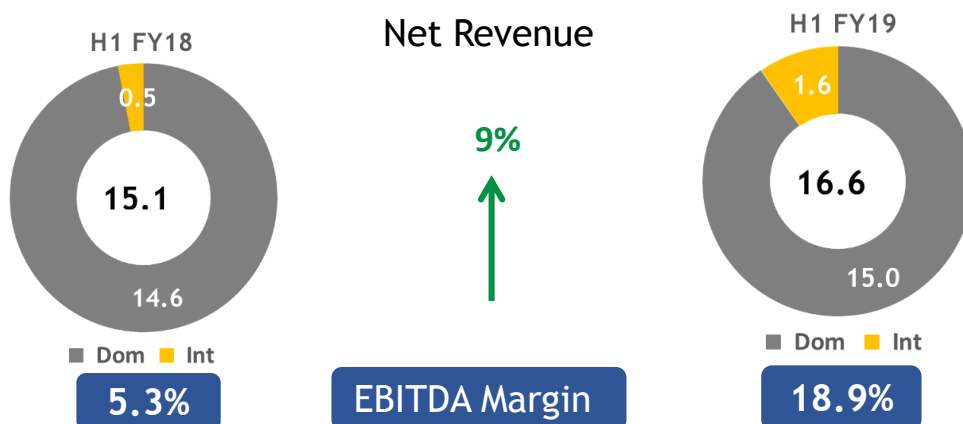
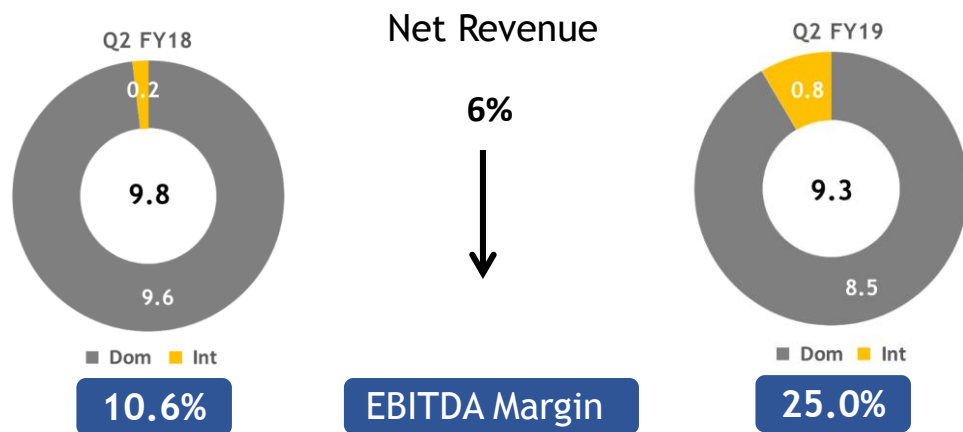


- Revenue growth predominantly driven by Oil & Gas and Nuclear sectors
- International markets showing strong traction
- Global competence, better working capital management and job status yields strong margin



Defence Engineering Segment

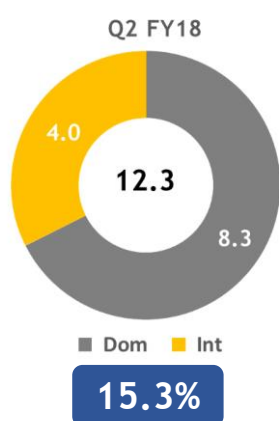
Amount in ₹ bn



- Execution of tracked gun order contributing to revenues
- Margin variation due to stage of execution and job mix

Electrical & Automation Segment

Amount in ₹ bn

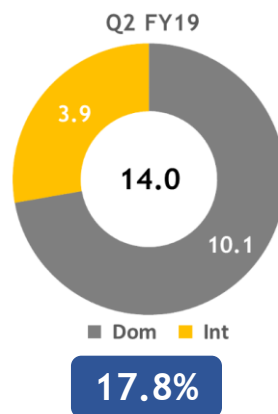


Net Revenue

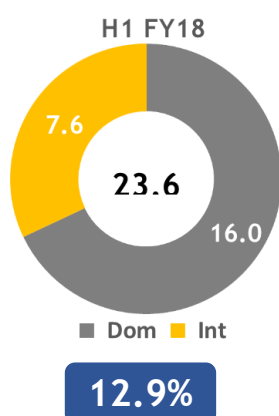
14%



EBITDA Margin



- Revenue growth mainly from Product business arising out of higher offtake from Buildings and Industrial verticals
- Margin growth led by operational efficiencies & improved realisation

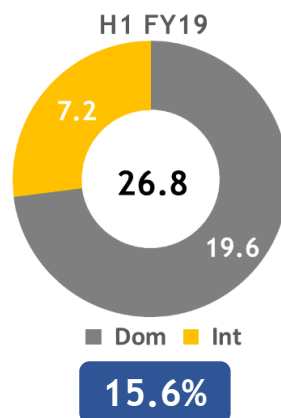


Net Revenue

14%

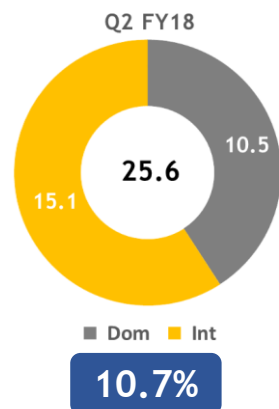


EBITDA Margin



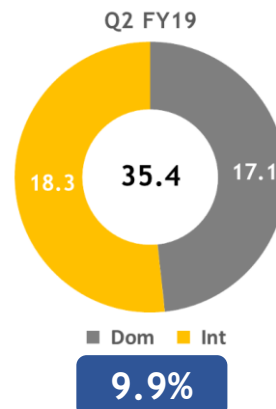
Hydrocarbon Segment

Amount in ₹ bn



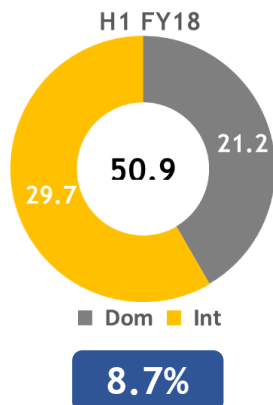
Net Revenue

38%



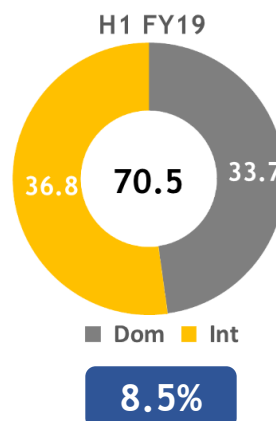
EBITDA Margin

- Higher Order Book and efficient execution leads to strong revenue growth
- Margin variation due to execution stage and job mix



Net Revenue

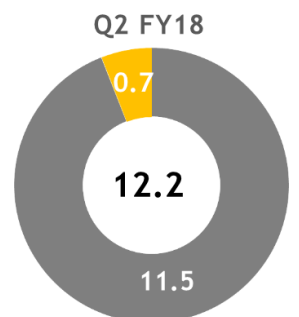
38%



EBITDA Margin

Developmental Projects Segment

Amount in ₹ bn

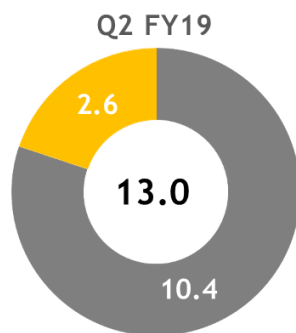


■ Nabha ■ Hyd. Metro

32.2%

Net Revenue

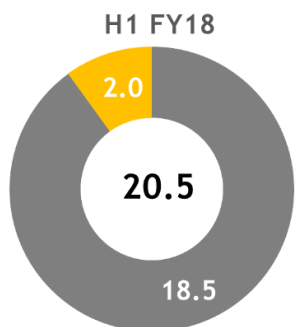
6%



■ Nabha ■ Hyd. Metro

4.3%

EBITDA Margin

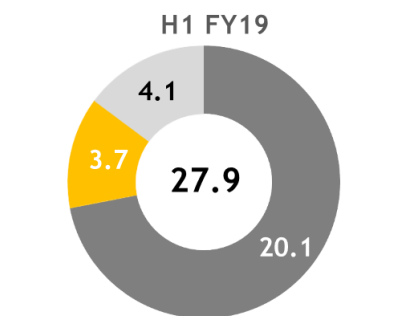


■ Nabha ■ Hyd. Metro

17.5%

Net Revenue

36%



■ Nabha ■ Hyd. Metro
■ Kattupalli Port

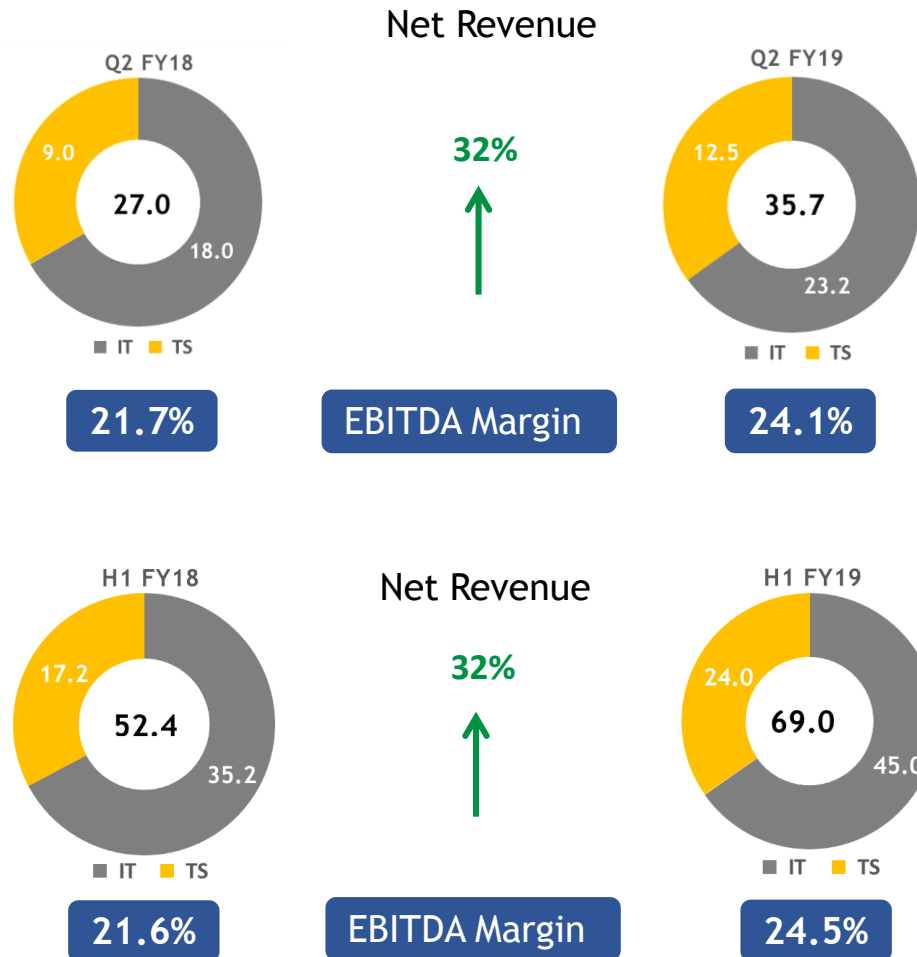
18.3%

EBITDA Margin

- Segment includes Power Development business, Hyderabad Metro and Kattupalli Port (until divestment)
- Nabha Power revenue enhanced by higher PLF; PY includes lumpy revenue
- Hyderabad Metro: Partial CoD of 30 Km in Nov 2017 & 16 km in Sept 2018
- IDPL (Roads & TL) consolidated at PAT level under Equity method

IT & Technology Services Segment

Amount in ₹ bn

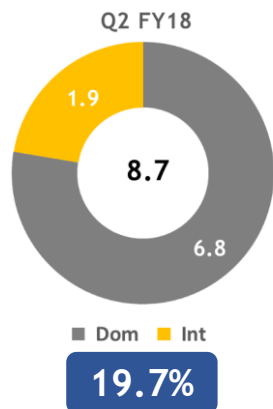


- Strong growth by LTI & LTTS
- Focus on client mining and product offerings based on Digital & Other new technologies
- LTI Q2 revenue growth led by BFS, CPG, Retail & Pharma and High-Tech, Media & Entertainment verticals
- LTTS Q2 revenue growth led by Telecom & Hi-Tech, Transportation and Process Industry verticals
- EBITDA Margin improvement aided by currency and operational efficiencies

Others Segment

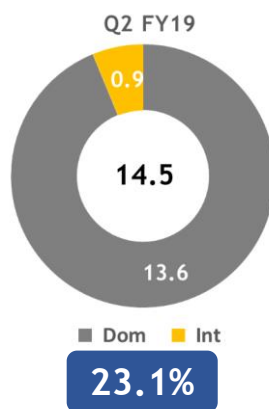
Amount in ₹ bn

Net Revenue



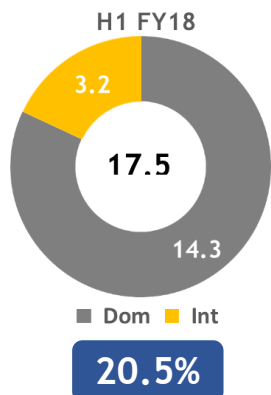
67%
↑

EBITDA Margin



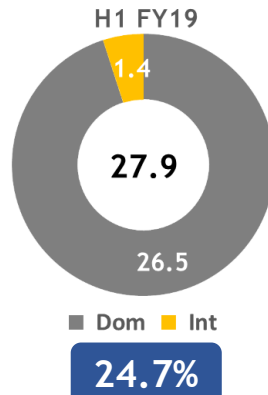
- Segment comprises Industrial Products & Machinery (IPM) and Realty business; PY includes Welding Products Business
- Revenue & Margin growth largely contributed by Realty business
- Modest Revenue growth in Construction & Mining Business

Net Revenue



60%
↑

EBITDA Margin





L&T Finance Holdings

Q2 FY18	Q2 FY19	% Var	₹ Bn	H1 FY18	H1 FY19	% Var
26.1	33.3	27%	Total Income	49.4	64.8	31%
3.4	5.6	65%	PAT	6.8	11.0	61%
Mutual Fund Average AUM				527.4	737.5	40%
Net Loan Book				656.9	833.4	27%
Gross Stage 3 Assets				11.0%	7.1%	-385bps
Net Stage 3 Assets				5.4%	2.8%	-261 bps
Networth				78.2	123.2	57%

- Strong growth driven by Rural segment and Investment management businesses
- Focus on increased retailisation, stable NIMs, increase in fee based income and low credit costs with an overarching goal of delivering top quartile ROE
- Business is geared to handle ALM, Interest rate risk and liquidity in the current volatile environment

Note: Gross Stage 3 Assets include GNPA > 90 DPD + Impaired assets (S4A, SDR, 5:25, etc.) where regulatory forbearances are available + Identified standard assets which are under incipient stress



Presentation Outline



01

L&T Overview

02

Business Overview

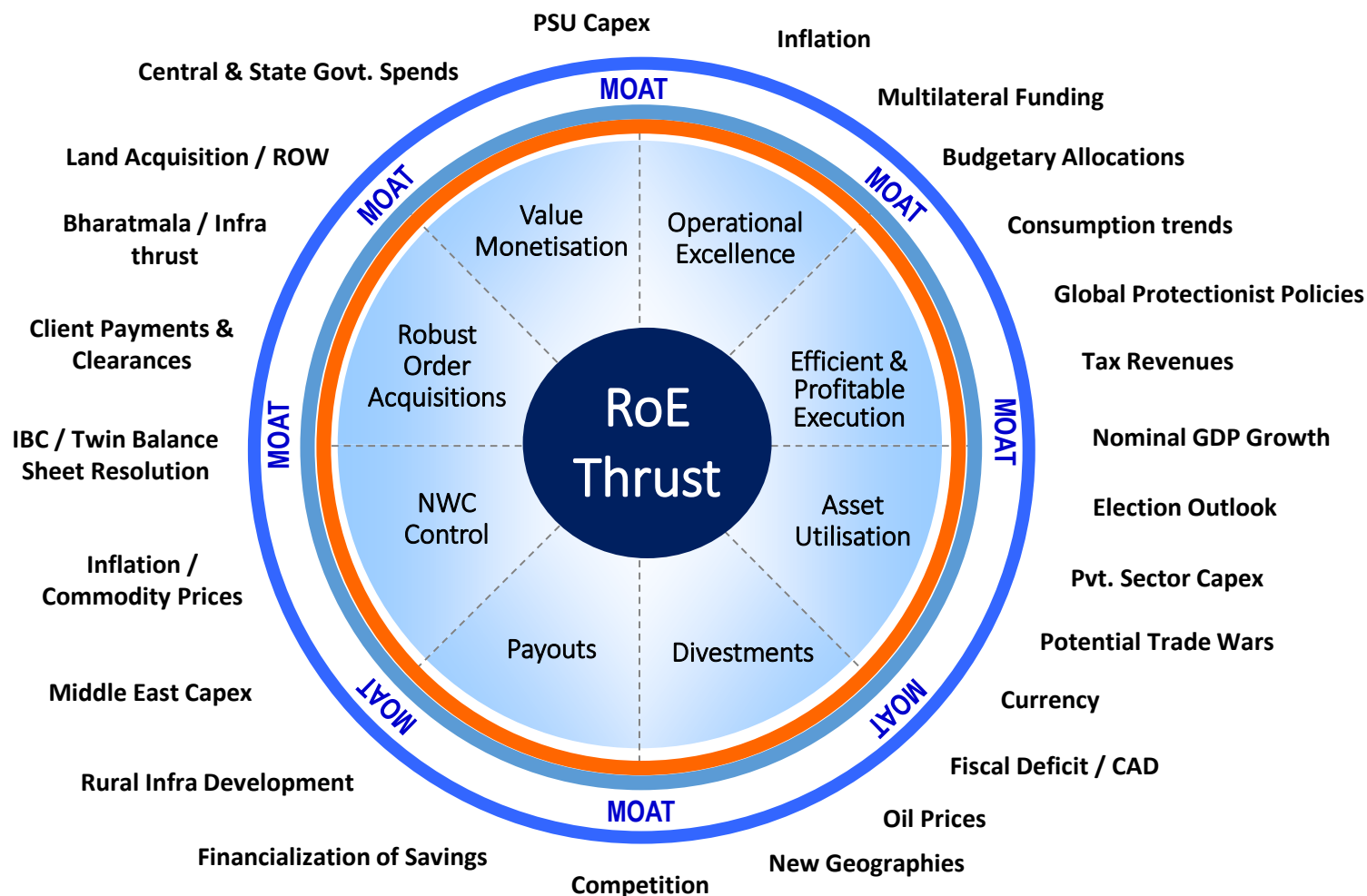
03

Group Performance

04

The Environment & the Outlook

The Environment & the Outlook





Thank You

Turn overleaf for Annexures



Group Profit & Loss Extracts

₹ Billion	IT & TS	Fin. Services	Devl. Projects	L&T & Others (Incl. Eliminations)	L&T Group		
					H1 FY19	H1 FY18	% Var
Income from Operations*	69.0	62.0	27.9	444.8	603.6	504.4	20%
EBITDA	15.1	14.1	5.2	32.4	66.8	50.4	33%
Other Income	1.8	1.4	(0.1)	3.6	6.7	7.7	-13%
Interest Expenses	(0.1)	(0.0)	(0.8)	(6.8)	(7.7)	(7.6)	1%
Depreciation	(1.3)	(0.2)	(1.7)	(8.4)	(11.6)	(9.8)	18%
Provision for Taxes	(3.9)	(3.6)	(0.5)	(10.1)	(18.2)	(10.0)	81%
Share in profit/(loss) of JVs / Associates	-	-	1.7	(0.0)	1.6	(1.5)	
Adjustments for Non-Controlling Interest in S&A	(2.0)	(4.2)	0.0	(0.0)	(6.2)	(3.4)	
Exceptional Items	-	-	-	2.9	2.9	1.4	116%
Net PAT	9.5	7.4	3.8	13.7	34.4	27.1	27%

*Income from operations does not include Excise duty from 1st July, 2017

Balance Sheet

₹ Billion	Sep-18	Mar-18	Incr / (Decr)
Equity & Reserves	563	549	14
Non Controlling Interest	61	52	9
Borrowings - Financial Services	853	752	100
Development Projects	184	178	6
Others	199	145	54
Sources of Funds	1,860	1,676	183
Fixed Assets	127	128	(1)
Intangible Assets & Investment Property	202	192	9
Loans towards Financing Activities	834	772	62
Finance lease receivable	91	93	(1)
Net Non-Current Assets	166	142	24
Current Investments, Cash & Cash Equivalents	216	174	41
Net Current Assets	224	175	49
Application of Funds	1,860	1,676	184

Cash Flow

Q2 FY19	Q2 FY18	₹ Billion	H1 FY19	H1 FY18
42.5	30.7	Operating Profit	70.4	52.2
(7.4)	(10.0)	Changes in Working Capital	(39.1)	(44.5)
(11.0)	(9.0)	Direct Taxes paid	(20.5)	(16.9)
24.1	11.7	Net Cash from Operations (A)	10.9	(9.2)
(7.2)	(7.6)	Net Investment in Fixed Assets (incl. Intangible)	(13.8)	(14.0)
(10.6)	0.8	Net (Purchase)/ Sale of Long Term investments	(7.3)	(2.6)
(66.0)	(5.2)	Net (Purchase)/ Sale of Current investments	(81.7)	(3.6)
(0.3)	(0.8)	Loans/Deposits made with JV/Associate Cos.	(0.8)	(3.4)
0.9	3.4	Interest & Dividend Received	3.3	4.4
(83.3)	(9.5)	Net Cash from/(used in) Invest. Act. (B)	(100.3)	(19.1)
24.7	(1.5)	Issue of Share Capital / Minority	30.6	2.6
137.5	51.7	Net Borrowings	166.3	82.2
(55.2)	(40.2)	Disbursements towards financing activities*	(72.2)	(23.5)
(32.8)	(29.5)	Interest & Dividend paid	(42.1)	(36.1)
74.2	(19.6)	Net Cash from Financing Activities (C)	82.6	25.2
15.0	(17.4)	Net (Dec) / Inc in Cash & Bank (A+B+C)	(6.8)	(3.1)



Share in Profit/(Loss) of JVs/Associates

Q2 FY18	Q2 FY19	₹ Bn	H1 FY18	H1 FY19
0.33	0.39	MHPS JVs	0.77	0.81
(0.92)	(0.88)	IDPL & Subs.	(1.33)	1.67
(0.50)	(0.35)	Special Steels and Heavy Forgings	(1.01)	(0.71)
(0.02)	(0.13)	Others	0.10	(0.14)
(1.11)	(0.96)	Total	(1.48)	1.63

Concessions Business Portfolio - 14 SPVs



Roads and Bridges:
Portfolio: 10 projects (1048 Km)
10 Operational
Project Cost: ₹108 bn



Transmission Lines:
Portfolio: 1 project (482 Km)
- Operational
Project Cost: ₹15 bn

**Balance Equity Commitment
(Sep 2018): ₹ 8 Bn**

**Equity Invested at SPV level
(Sep 2018): ₹ 83 Bn**

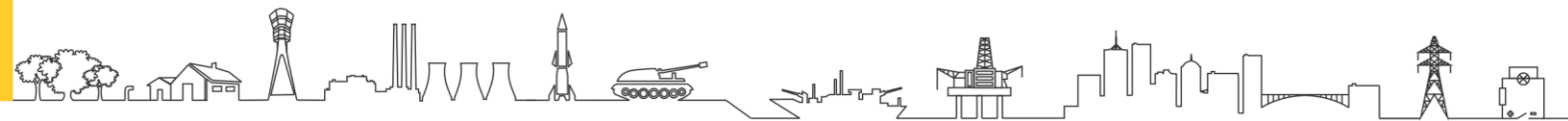
**Total Project Cost
(Sep 2018): ₹406 Bn**



Power (Excl. Projects under DPR):
Portfolio: 2 projects (1499 MW)
1 Operational
Project Cost: ₹112 bn



Metros:
Portfolio: 1 project (71.16 Km)
- Under-implementation
Project Cost (Fin. Closure): ₹170 bn



Major Opportunities

Roads & Highways - National & State Highways - Expressways - Special Bridges - Tunnels - Elevated Corridors	Railways - Metro Railways - Track laying / track modernization for conventional railways - Railway Electrification	Water - Water transmission & distribution - Lift Irrigation schemes - Water Treatment (Incl. Desal) - Effluent & Waste water Treatment (Incl. Namami Gange)
Smart Cities - Surveillance systems - Optical fiber layout - Traffic mgmt system - Smart Grid - Wifi enabled	Power T&D - Opportunities in overseas markets - Transmission Lines - Substations - Green Energy corridors - Solar EPC	Building & Factories - Airports - Residential Real Estate - Affordable & Mass Housing - Commercial Buildings - Hospitals & Medical Colleges - Hospitality - Factory Buildings
Defence & Aerospace - Landing Platform Docks - Artillery Gun programs - Submarines - Make Programs (TCS, BMS, FICV) - Other Naval Vessels	Hydrocarbon - Onshore projects in refineries and petrochemicals - Offshore projects - Fertilizer plants - Oil & Gas Pipelines	Nuclear Power - Indigenous plants - Nuclear Reactors - Steam generators