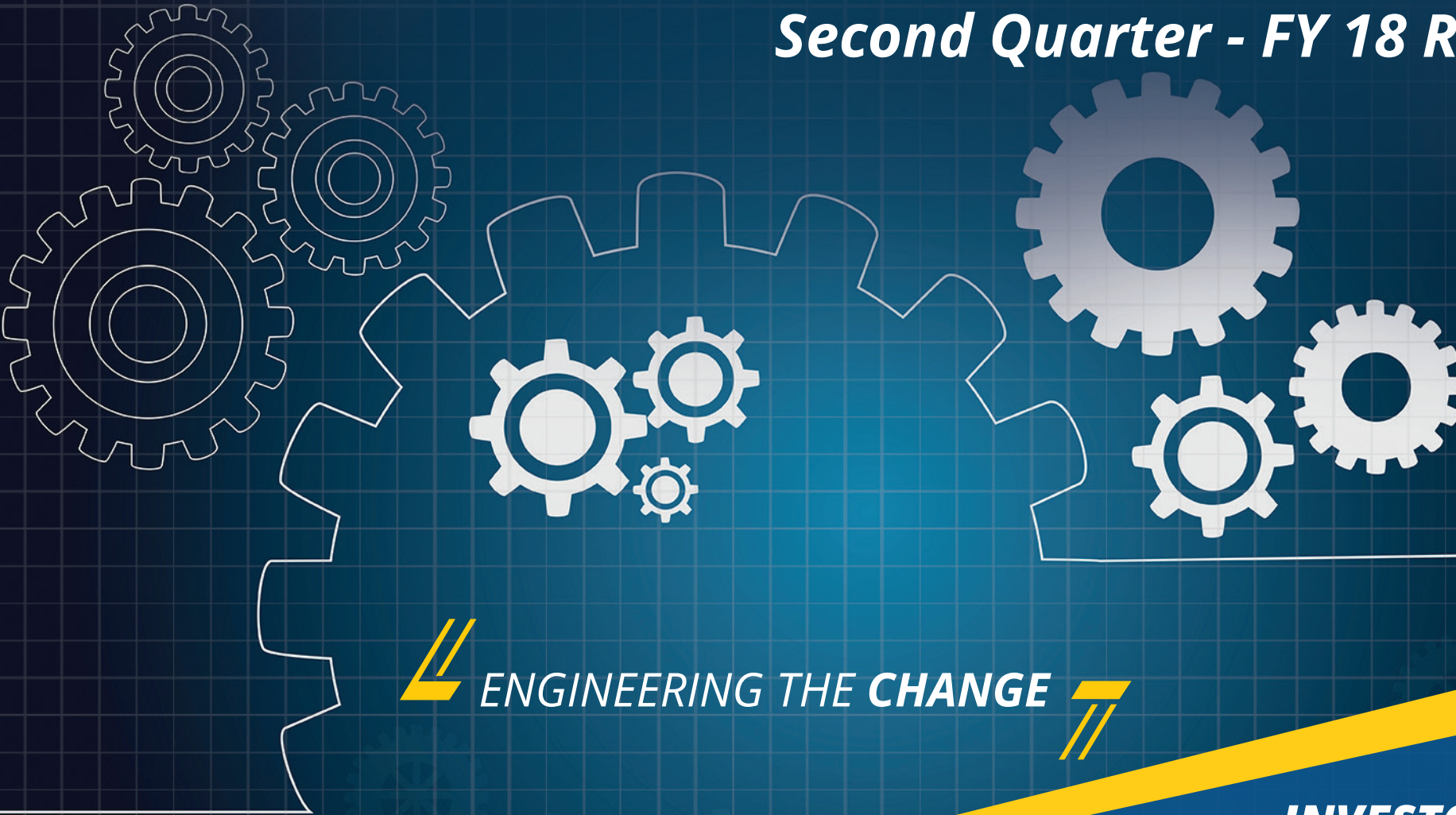


L&T Technology Services Limited **Second Quarter - FY 18 Results**



ENGINEERING THE CHANGE

INVESTOR RELEASE

Bengaluru, India - November 07, 2017

FINANCIAL HIGHLIGHTS



REVENUE IN INR

- INR Revenue at **₹9,006 million** for the quarter; growth of **9.5% QoQ; 9.5% YoY**

REVENUE IN USD

- US Dollar Revenue at **\$139.3 million** for the quarter; revenue growth of **9.2% QoQ; 13.4% YoY**
- US Dollar Revenue growth in constant currency at **8.7% QoQ; 12.4% YoY**

PROFIT IN INR

- EBITDA at **₹1,374 million** for the quarter; EBITDA margin at **15.3%**
- Net Income at **₹1,227 million** for the quarter; up **24.9% QoQ** and **9.7% YoY**, Net margin at **13.6%**

SAFE HARBOUR STATEMENT

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. L&T Technology Services Limited (LTTs) does not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

MESSAGE FROM THE CEO & MANAGING DIRECTOR



I am pleased to announce a strong performance in the second quarter, led by large deal wins and continued traction in our top 30 customer accounts. Our revenues rose 9.5% sequentially and we closed over half a dozen multi-million dollar deals during the quarter.

These numbers demonstrate that our strategic focus on top customers and well diversified service portfolio are yielding dividends. Our revenue share from the top 30 customers increased to 65.7% in the second quarter compared to 63.8% in the first quarter.

We added 11 customer logos across telecom & hi-tech, transportation, medical devices, process industries and industrial product segments. We reiterate our confidence in achieving double digit organic revenue growth in FY18 on the back of major deal wins and new client additions.

The quality of deal pipeline is encouraging as we see demand from global customers in our core engineering offerings as well as in newer areas like entertainment platform solutions, autonomous car technologies and digital engineering solutions. These align well with the investments we are making in transformative areas such as pervasive technologies, smart manufacturing and perceptual engineering.

Our initial investments in digital engineering has been validated with a number of leading industry awards. For example, CII has recognized LTTS as one of the most innovative Indian companies in the services category. This recognition is a testimony to LTTS' culture of innovation that encourages its employees to think like start-ups.

As we mark a full year as a publicly listed company, I would like to thank our investors & stakeholders for their continued support and confidence.



Dr. Keshab Panda

CEO & Managing Director
L&T Technology Services Limited



PERFORMANCE HIGHLIGHTS



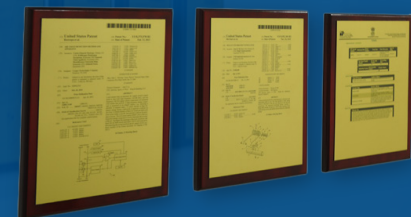
KEY DEAL WINS

We closed several multi million dollar projects from global customers across telecom and hi-tech, transportation , industrial product and medical verticals. A few key deal wins are given below.

- For one of the world's biggest technology companies, LTTS won a project in the fields of 5G networks, cloud technologies, platform development & verification and validation of software products across the globe.
- For a North American patient care company, LTTS won a contract to work on new product development that will add to the customer's healthcare portfolio and also provide design, sustenance, simulation and testing activities.
- L&T Technology Services is executing a turnkey project for a leading global automotive major for installing, testing and commissioning their ELV system for their upcoming greenfield campus in India.
- A North American chemicals company selected LTTS to provide manufacturing design and plant engineering that will leverage catalytic technologies for higher efficiencies and enhanced quality.
- A Texas based Oil & Gas production multinational chose LTTS as a strategic partner for their engineering design and sustenance support.
- A major European carmaker has selected LTTS as its R&D partner to develop safety systems, safe stop systems and vehicle state estimation functionality. The scope of the project includes autonomous driving technologies. The LTTS team will play a critical role to develop the platform for the OEM and its customers.

PATENTS

At the end of the second quarter, the patents portfolio of L&T Technology Services stood at **287** patents out of which **223** are co-authored with its customers and **64** are filed by LTTS.



FINANCIAL PERFORMANCE



INCOME STATEMENT

Amount in ₹ million

	Q2 FY18	Q1 FY18	Q2 FY17	QoQ Growth	YoY Growth
Revenue	9,006	8,226	8,227	9.5%	9.5%
Direct Costs	7,632	6,969	6,665	9.5%	14.5%
EBITDA	1,374	1,257	1,562	9.3%	(12.0%)
Depreciation & Amortisation	146	145	151	1.4%	(2.6%)
EBIT	1,228	1,112	1,411	10.3%	(13.0%)
Other Income, net	477	260	144	83.8%	231.9%
Income tax expense	475	392	436	21.4%	9.2%
Net Income before Minority Interest	1,230	980	1,119	25.4%	9.9%
Net Income	1,227	982	1,119	24.9%	9.6%

	Q2 FY18	Q1 FY18	Q2 FY17
Margins (%)			
EBITDA Margin	15.3%	15.3%	19.0%
EBIT Margin	13.6%	13.5%	17.2%
Net Income Margin	13.6%	11.9%	13.6%
Earnings Per Share			
Basic	12.04	9.66	10.97
Diluted	11.67	9.36	10.73

Note: The figures are rounded off to the nearest million, percentages are based on absolute numbers

OPERATIONAL PERFORMANCE



USD REVENUE

	Q2 FY18	Q1 FY18	Q2 FY17	QoQ Growth	YoY Growth	In Constant Currency	
						QoQ Growth	YoY Growth
Revenue (mn)	139.3	127.6	122.9	9.2%	13.4%	8.7%	12.4%

REVENUE BY VERTICAL

	Q2 FY18	Q1 FY18	Q2 FY17	QoQ Growth	YoY Growth
Transportation	32.3%	33.6%	32.9%	5.0%	11.1%
Industrial Products	23.6%	25.5%	25.6%	1.5%	5.0%
Telecom & Hi-tech	24.3%	20.1%	19.6%	31.7%	40.5%
Process Industry	12.8%	13.9%	15.2%	0.2%	(4.4%)
Medical Devices	7.0%	6.9%	6.7%	10.5%	17.6%

REVENUE BY GEOGRAPHY

	Q2 FY18	Q1 FY18	Q2 FY17	QoQ Growth	YoY Growth
North America	60.8%	64.5%	62.3%	3.1%	10.8%
Europe	16.5%	16.6%	19.5%	7.8%	(4.6%)
India	10.5%	9.3%	7.4%	23.0%	59.6%
Rest of the World	12.2%	9.6%	10.7%	39.2%	29.3%

REVENUE MIX

	Q2 FY18	Q1 FY18	Q2 FY17
Onsite	50.8%	49.2%	48.0%
Offshore	49.2%	50.8%	52.0%

REVENUE BY PROJECT TYPE

	Q2 FY18	Q1 FY18	Q2 FY17
Fixed Price	33.2%	30.2%	30.6%
Time and Material Contract	66.8%	69.8%	69.4%

CLIENT PROFILE

	Q2 FY18*	Q1 FY18*	Q2 FY17*
Number of Active Clients	233	224	216
30 Million dollar +	2	2	1
20 Million dollar +	4	3	3
10 Million dollar +	12	11	10
5 Million dollar +	28	27	28
1 Million dollar +	79	80	81

*The number of clients are restated on cumulative basis

CLIENT CONTRIBUTION TO REVENUE

	Q2 FY18	Q1 FY18	Q2 FY17
Top 5 Clients	26.8%	23.8%	23.6%
Top 10 Clients	39.8%	37.0%	36.3%
Top 20 Clients	54.9%	52.6%	52.1%

UTILISATION

	Q2 FY18	Q1 FY18	Q2 FY17
Including Trainees	76.1%	75.1%	78.4%

EMPLOYEE STATISTICS

	Q2 FY18	Q1 FY18	Q2 FY17
Total Headcount	11,532	10,805	9,599
<i>Billable</i>	10,573	9,886	8,739
<i>Sales & Support</i>	959	919	860
Voluntary Attrition % (LTM)	13.4%	13.4%	14.6%

EXCHANGE RATE (USD/INR)

	Q2 FY18	Q1 FY18	Q2 FY17
Period Realised	64.64	64.45	66.90
Period Closing	65.29	64.58	66.62

AWARDS & RECOGNITIONS

LTTS conferred with CII Industrial Innovation Award, 2017

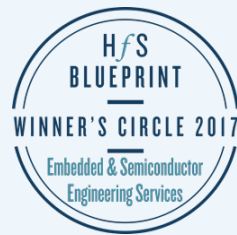
LTTS was awarded the prestigious CII Industrial Innovation Award, 2017 that recognizes us as one of the most innovative Indian companies in the Services category.



NASSCOM Digital Skills Award, 2017

LTTS was awarded the prestigious NASSCOM Digital Skills Award for 2017. NASSCOM through this award gave a formal recognition to LTTS' continued success in aligning its offerings with the rising customer demand for Digital Engineering.

LTTS Positioned in 'Winner's Circle' of HfS Blueprint Report on - Embedded & Semiconductor Engineering services

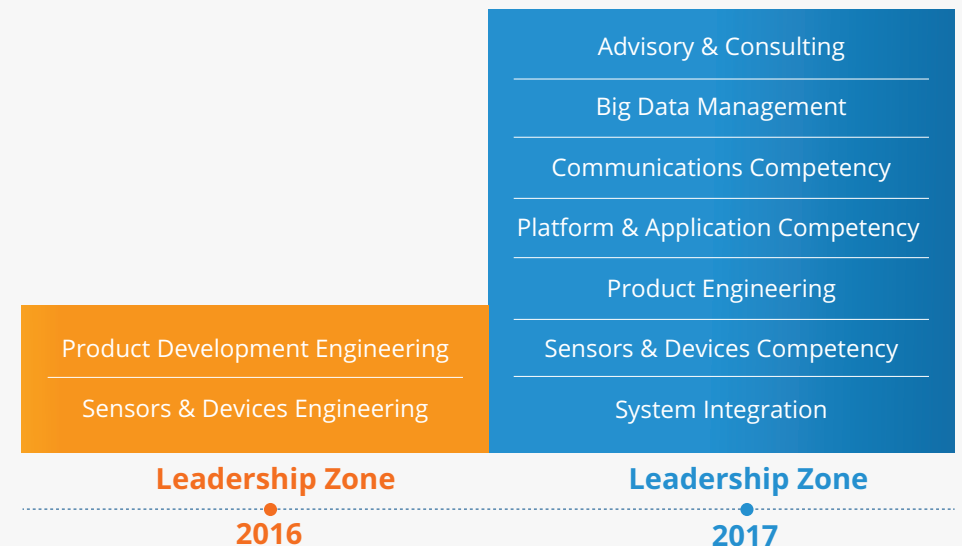


Zinnov recognises LTTS as leader in IoT

L&T Technology Services Limited (LTTS), has been rated as an Expansive and Established player in the Zinnov Zones 2017 IoT Technology Services study and positioned in the Zinnov Leadership Zone across seven unique expertise areas.



L&T TECHNOLOGY SERVICES INTERNET OF THINGS CAPABILITIES



CSR & DIVERSITY



As part of its social responsibility, LTTS undertook a number of CSR initiatives during the second quarter:

- L&T Technology Services declared its organizational level support and participation in the Organ Donation Campaign initiated by The Times of India, involving 9,000 employees across its India centers.
- L&T Technology Services joined hands with Sankara Nethralaya to provide quality eye care to the rural population of Tamil Nadu free of cost.



L&T Technology Services announced the launch of NAYA SAVERA – the company’s flagship CSR skill development initiative in Nagpur.



LTTS launched a watershed project in Kanchipuram district, Tamil Nadu for a period of four years, covering several districts within the state.

ABOUT L&T TECHNOLOGY SERVICES

L&T Technology Services Limited (LTTS) is a listed subsidiary of Larsen & Toubro Limited focused on Engineering and R&D (ER&D) services. We offer consultancy, design, development and testing services across the product and process development life cycle. Our customer base includes 52 Fortune 500 companies and 48 of the world's top ER&D companies, across industrial products, medical devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, we have around 11,000 employees spread across 15 global delivery centers, 28 global sales offices and 38 innovation labs in India as of September 30, 2017.



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