



PRESS RELEASE

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L&T inaugurates High-End Electrical & Automation Systems manufacturing unit in Saudi Arabia

Dammam, May 6, 2008, L&T Electricals Saudi Arabia Company Limited (LTESA), the joint venture between Larsen & Toubro International FZE (LTFZE) and Yusuf Bin Ahmed Kanoo, inaugurated its switchboards manufacturing facility in the Kingdom of Saudi Arabia.

LTESA will engage in design, engineering and manufacturing, solution of conventional and intelligent power and motor control systems with automation in the Low Voltage (LV) and Medium Voltage (MV) categories, as well as offer project equipment comprising of allied products, to the fast developing Saudi Arabia's infrastructure, oil and gas, and industrial sectors.

Through LTFZE, Larsen & Toubro Limited (L&T), India's leading engineering and construction company, had joined hands with Saudi Arabia's reputed house of Kanoo in March 2006 to offer a range of high end electrical and automation systems to Saudi Arabia and other markets. LTESA operated from hired premises. The inauguration of L&T's own premises will strengthen operations.

The factory at Dammam Industrial Estate II was inaugurated by chief patrons Mr. R. N. Mukhija, President – Operations & Member of the Board of L&T, and Mr. Abdul Aziz Qassim Kanoo, Deputy Chairman of Saudi Arabia YBA Kanoo. Senior officials present on the occasion included the Directors of LTESA Board, Mr. S. C. Bhargava, Mr. Bader Kanoo and Mr. S. K. Mukherjee.

Speaking on the occasion, Mr. Mukhija said, "LTESA is poised to bring L&T closer to customers and offer solutions and service with enhanced efficiency in the fast growing market of Saudi Arabia. I am sure the association between L&T and Kanoo, two prestigious business institutions, will grow beyond business and strengthen the bonds between Saudi Arabia and India."

The inauguration of the LTESA facility comes close on the heels of L&T completing the integration process of the switchgear facilities of Tamco of Malaysia, which it had acquired in October 2007.

L&T had entered into a share sale agreement in October 2007 with Tamco Corporate Holdings Bhd towards the acquisition of latter's de-merged switchgear business, Tamco Switchgear Malaysia Sdn Bhd along with Tamco's switchgear manufacturing subsidiaries -- Tamco Shanghai Switchgear Co Ltd in China, Tamco Electrical Industries Australia Pty Ltd in Australia and PT Tamco Indonesia in Indonesia.

The Saudi facility along with Tamco's facilities in Malaysia, Indonesia, China and Australia marks the progressive globalisation of L&T electricals business, and ensures that it has a wide footprint to service some of the fastest growing markets in the Asia Pacific region as well as in the Gulf countries.

In addition, L&T's heavy engineering arm has, in association with Saudi Arabian industry, set a record by manufacturing a 104-m long product splitter in a single piece along with 8 catofin reactors. This massive 2000 MT consignment was directly shipped from L&T's works at Hazira on India's western seaboard to the petrochemical plant in Saudi Arabia.

The heavy engineering division, ranked among the top five in the world, has supplied several critical high-end equipment to Saudi Arabia such as waste heat boilers, reactors and high pressure heat exchangers since 1994. L&T's Electricals arm has also supplied switchboards and allied products to many critical installations including various paper plants and chemical industries.

L&T in the Middle East

L&T is focusing on the Gulf region in its globalization drive for projects in the infrastructure, power and hydrocarbon sectors. It also provides its switchgear & IT services to the region. The focus is on the requirements of the six Gulf Cooperation Council (GCC) member countries.

Demonstrating its long term commitment to the region, by building a strong local presence, L&T has taken the initiative of forming joint venture companies with local partners. It has already established several joint venture companies in the United Arab Emirates, Qatar, Kingdom of Saudi Arabia, Kuwait and the Sultanate of Oman. Today, L&T is involved in the construction of prestigious residential and commercial complexes in Dubai and other parts of the UAE.

L&T is setting up turnkey projects in several sectors such as hydrocarbon (upstream, midstream, downstream), power (generation, transmission, distribution) and cement plants, as well as civil and infrastructure projects. L&T has also entered into the ready mix concrete business in UAE.

As a long term commitment to the region, L&T is establishing state-of-the-art fabrication facilities for the manufacture of modular structures, heavy jackets and offshore oil & gas platforms at Sohar in Sultanate of Oman, and has recently also entered into a joint venture agreement to establish a green field plant in Sohar for the manufacture of high-tech equipment for the process industry.

For engineering services, L&T has offices in the Gulf to offer stand alone design and engineering consultancy services in oil & gas, as well as civil works in UAE.

In addition, L&T offers information technology related services, and has made a breakthrough in providing IT services to clients such as Aramco, Qatar Petroleum, etc.

L&T's exports are approximately 20% of its total revenue, and the majority of this p r _