

L&T Press Release

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L&T House, 2nd Floor,
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5656 / 836
Fax: 91 22 6752 5796
CIN: L99999MH1946PLC004768

Performance for the quarter ended December 31, 2015

Consolidated Results

Order inflow up 11%
Revenue grows by 8%
PAT up 19%

Mumbai, January 29, 2016: Larsen & Toubro recorded Consolidated Gross Revenue of

April-December 2015, the Consolidated Gross Revenue at 70124 crore recorded a y-o-y increase of 8.7%.

The Company garnered fresh orders worth 38528 crore at the group level during the quarter ended December 31, 2015. The International order inflow during the quarter at 11115 crore constituted 29% of the total order inflow. Major orders during the quarter were secured by the Infrastructure segment.

On a cumulative basis, the order inflow for the nine months period ended December 31, 2015 stood at 93524 crore with the International order inflow accounting for 32%.

Consolidated Order Book of the group stood at 256458 crore as at December 31, 2015, higher by 14% on a y-o-y basis with International Order Book constituting 27% of the Order Book.

Consolidated Profit After Tax (PAT) for the quarter October - December 2015 at 1035 crore recorded a y-o-y growth of 19%. For the nine months period ended December 31, 2015, the PAT was 2637 crore vis-à-vis 2695 crore recorded for the corresponding period of the previous year.

Infrastructure Segment

Infrastructure Segment achieved Customer Revenue of 11749 crore for the quarter ended December 31, 2015 registering a y-o-y growth of 2%. Delayed customer clearances and tardy progress payments impacted the progress on certain jobs. International Sales constituted 33% of the total customer revenue of the segment during the quarter.

During the quarter October 2 December 2015,

Heavy Engineering Segment

Heavy Engineering Segment achieved Customer Revenue of 884 crore for the quarter ended December 31, 2015, registering

Information Technology (IT) & Technology Services (TS) Segment

IT&TS Segment recorded Customer Revenue of ₹ 2273 crore during the quarter ended December 31, 2015, registering a y-o-y growth of 15%. International sales constituted 95% of the total customer revenue of the segment for the quarter ended December 31, 2015.

The EBIDTA margin of the IT&TS Segment at 22.8% for the quarter ended December 31, 2015 recorded an improvement vis-à-vis 20.5% earned during the corresponding quarter of the previous year on the back of favourable exchange rates and better manpower utilisation.

Developmental Projects Segment

Developmental Projects Segment recorded Customer Revenue of ₹ 1285 crore during the quarter ended December 31, 2015, registering growth of 13% on y-o-y basis. The growth in revenue was contributed by newly commissioned road projects and progress on certain jobs under execution.

The EBIDTA margin of the Developmental Projects Segment for the quarter ended December 31, 2015 stood at 23.2% as compared to 29.8% recorded in the corresponding quarter of the previous year.

Financial Services Segment

Financial Services Segment recorded Customer Revenue of ₹ 1898 crore during the quarter ended December 31, 2015, registering a y-o-y growth of 16%, driven by growth in loan book and disbursements.

The operating margin of the Financial Services Segment for the quarter ended December 31, 2015 at 15.7% decreased over 16.2% earned during the corresponding quarter of the previous year.

Others Segment

Others Segment comprises Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue of Others Segment during the quarter ended December 31, 2015 stood at ₹ 1631 crore. The customer revenue was ₹ 2034 crore during the corresponding quarter of the previous year. International sales constituted 10% of the total customer revenue of the segment.

During the quarter ended December 31, 2015, the segment EBIDTA margin at 26.1% is lower than the corresponding quarter of the previous year.

Outlook

Domestic economy continues to face headwinds to growth despite favourable macro economic factors. Tight liquidity and weak global cues have kept the markets tentative.

	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	Year Ended March 31, 2015 (Audited)
1 (a) Gross Sales/Revenues from operations	2561602	2337103	2377342	6917276	6240752	9034676
Less: Excise duty	22887	21192	18468	64892	50499	75708
Net Sales/Revenues from operations	2538715	2315911	2358874	6852384	6190253	8958968
(b) Other Operational Income	44211	23411	25912	95081	207943	241490
Total Income from Operations (net) (a + b)	2582926	2339322	2384786	6947465	6398196	9200458
2 Expenses:						
a)	416654	376612	341175	1122500	947063	1297061
ii) Sub-contracting charges	521529	365389	403707	1298170	1125052	1742616
iii) Construction materials consumed	485581	423840	497310	1260897	1342855	2007640
iv) Purchases of stock-in-trade	33953	29941	30418	95843	97816	142404
v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13870)	157571	78015	32431	(72358)	(78538)
vi) Other manufacturing, construction and operating expenses	461094	343350	425662	1240026	1205343	1612563
b) Employee benefits expense	241097	242893	192859	693707	594890	798763
c) Sales, administration and other expenses	171899	140562	127059	450756	384864	544605
d) Depreciation, amortisation, impairment and obsolescence	61982	69356	67907	193562	203495	262250
Total expenses	2379919	2149514	2164112	6387892	5829020	8329364
3	203007	189808	220674	559573	569176	871094
4 Other income	45168	21911	23673	92856	72829	100932
5	248175	211719	244347	652429	642005	972026
6 Finance costs	74460	82778	91825	227911	237880	285072
7	173715	128941	152522	424518	404125	686954
8 Exceptional items	-	30957	-	30957	24928	34770
9 Profit from ordinary activities before tax (7+8)	173715	159898	152522	455475	429053	721724
10 Tax Expense	55551	49358	56931	159493	148747	225324
11 Net profit from ordinary activities after tax (9-10)	118164	110540	95591	295982	280306	496400
12 Extraordinary items	-	-	-	-	-	-
13 Net profit for the period (11+12)	118164	110540	95591	295982	280306	496400
14 Share in profit/(loss) of associates (net)	(196)	(93)	169	(98)	393	214
15 Adjustments for minority interests in subsidiaries	(14488)	(10857)	(9106)	(32195)	(11181)	(20132)
16	103480	99590	86654	263689	269518	476482
17 Paid-up equity share capital (face value of share: 2 each)	18624	18613	18577	18624	18577	18591
18 Reserves excluding revaluation reserve						4070759
19 Earnings per share (EPS) of 2 each (before extraordinary items) (Not annualised):						
(a) Basic EPS ()	11.11	10.70	9.33	28.34	29.04	51.33
(b) Diluted EPS ()	11.07	10.65	9.27	28.20	28.84	50.98
20 Earnings per share (EPS) of 2 each (after extraordinary items) (Not annualised):						
(a) Basic EPS ()	11.11	10.70	9.33	28.34	29.04	51.33
(b) Diluted EPS ()	11.07	10.65	9.27	28.20	28.84	50.98

See accompanying notes to the financial results

Notes :

(i)



