

# L&T Press Release

## Performance for the quarter ended September 30, 2009

### Highlights

- ◆ **Order Inflow registers healthy growth of 47%**
- ◆ **Order Book reaches Rs.81623 crore**
- ◆ **Profit after Tax rises 26%**
- ◆ **Operating Margin improves to 10.6%**

**Mumbai, October 22, 2009:** Amidst positive sentiments building up within and outside the country, the Engineering and Construction conglomerate Larsen & Toubro, registered a healthy growth in Order Inflow for the quarter ended September 30, 2009 aggregating to Rs. 18365 crore. Order Inflow grew 47% over the corresponding quarter of the previous year.

Gross Sales Revenue of the Company stood at Rs. 7936 crore for the quarter. The corresponding quarter of the previous year had sales of Rs. 275 crore from Ready

The Company's Order Book stood at Rs. 81623 crore, registering an increase of 30% y-on-y.

Judicious de-risking strategies coupled with efficient treasury operations have enabled the Company improve the Operating Margin to 10.6% for the quarter over 9.3% for the corresponding quarter of the previous year.

Profit after Tax (PAT) from normal operations at Rs. 568 crore grew 23.5% y-on-y. Including the net gain from exceptional items, PAT for the quarter increased by 26% as compared to the corresponding quarter of the previous year.

### **Engineering & Construction Segment**

Buoyed by the accelerated infrastructure-building initiative of the Central Government, the E&C Segment reported a healthy growth in Order Inflow at Rs. 17004 crore during the quarter. Large Orders from the Hydrocarbon & Power

sectors enabled the Segment to register a record 63% growth in Order Inflow y-on-y. The Segment's proven capability to execute mega projects within stiff timeline and challenging cost target, helped it win new orders in the fiercely competitive environment.

The Segment recorded Gross Customer revenue of Rs. 6702 crore during the quarter, which translates into an increase of 11.5% y-on-y. This revenue growth was in line with the plan for the quarter, considering the skewed order Inflows in the earlier quarters and delay in project clearances and financial closure of a few infrastructure sector orders.

Continuing its past track record, the Segment was able to maintain its Operating Margin at 11.3% for the quarter. The Segment's Operating Margin for the six-month period ended September 30, 2009 stands at an improved 11.6% vis-à-vis 11% registered during the same period of the previous year.

The Segment Order Book stood at Rs. 79857 crore as at September 30, 2009.

### **Electrical & Electronics Segment**

The Segment witnessed some recovery in the otherwise sluggish demand for its products, in line with the infrastructure spending ramp up and revival of core industrial sectors. Gross Customer revenue of the Segment for the quarter at Rs. 693 crore was marginally lower when compared with the revenue of the corresponding quarter of the previous year. However, the segment succeeded in improving its Operating Margin by 4 percentage point to 17.1%, due to lower input prices and better product-mix.

### **Machinery & Industrial Products Segment**

Gross Customer revenue of the segment for the quarter remained subdued at Rs. 501 crore on the back of depressed demand for industrial products and equipment. Though recovery signs were seen in the construction equipment business, margins were under strain due to intense competition and persistent demand of customers for higher discounts in prices.

### **Outlook**

Rs.Lakh

	2009	2008	2009	2008	2009 (Audited)
1 Gross Sales / Revenues from Operations (See Note no.1)	793626	777621	1536711	1476897	3404504
Less: Excise Duty	7008	9401	13822	18534	39847
<b>Net Sales / Revenues from Operations</b>	<b>786618</b>	<b>768220</b>	<b>1522889</b>	<b>1458363</b>	<b>3364657</b>
2 Other Operational Income	5266	4287	9824	8331	27980
3 <b>Total Income (1+2)</b>	<b>791884</b>	<b>772507</b>	<b>1532713</b>	<b>1466694</b>	<b>3392637</b>
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