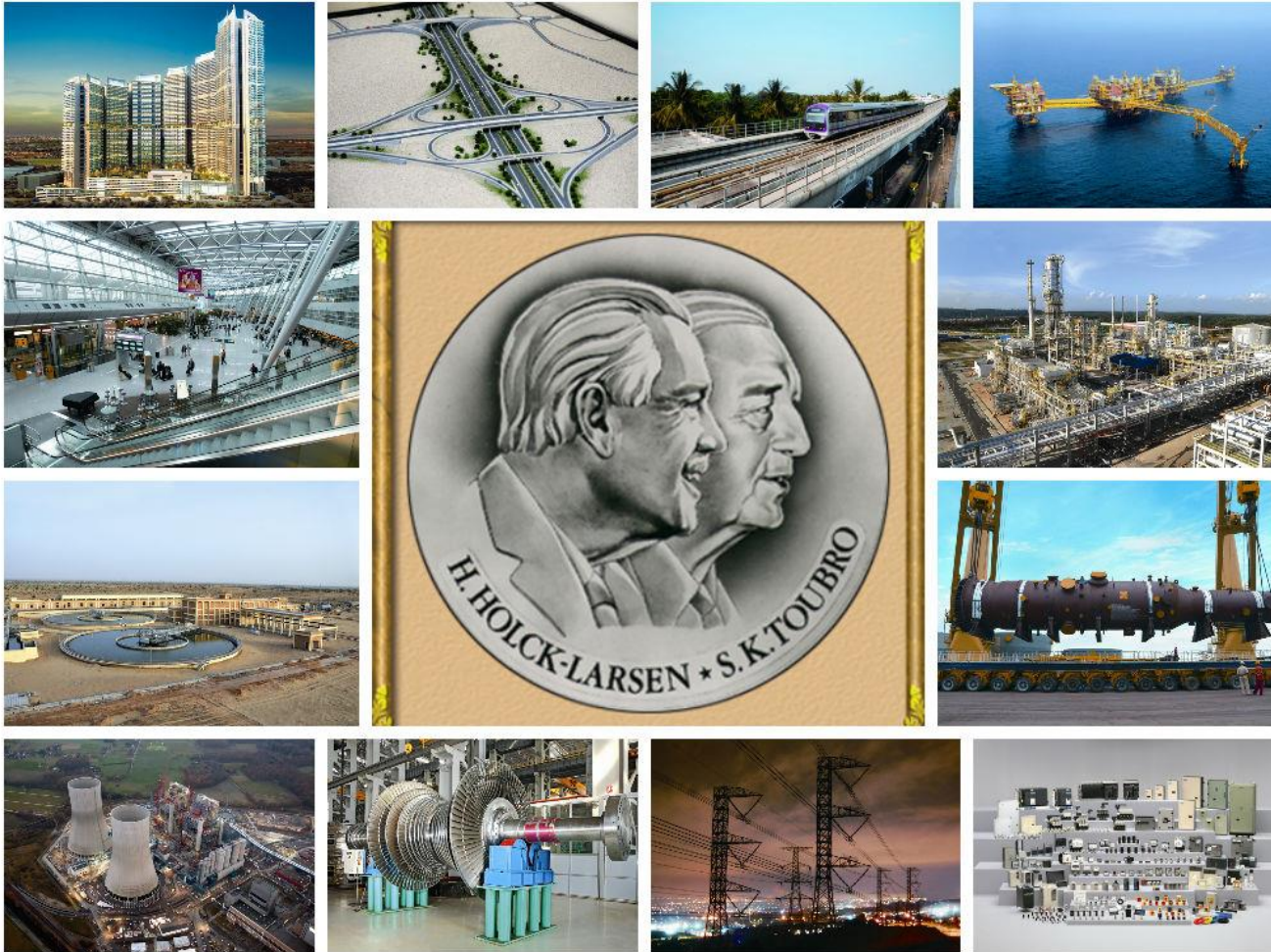


Analyst Presentation - Q3 / 9M FY15



Feb 9, 2015

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

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Group Performance Highlights

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Group Performance Summary

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Segment / Key Subsidiaries' Performance

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Outlook

Presentation Outline

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Group Performance Highlights

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Segment / Key Subsidiaries' Performance

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Outlook For FY 2014-15

Group Performance Highlights - Q3 / 9M FY15

Q3

9M

19%

Order Inflow

16%

10%

Revenues

10%

10%

EBITDA

10%

9%

Profit After Tax

31%

17%

Order Book

17%

Presentation Outline

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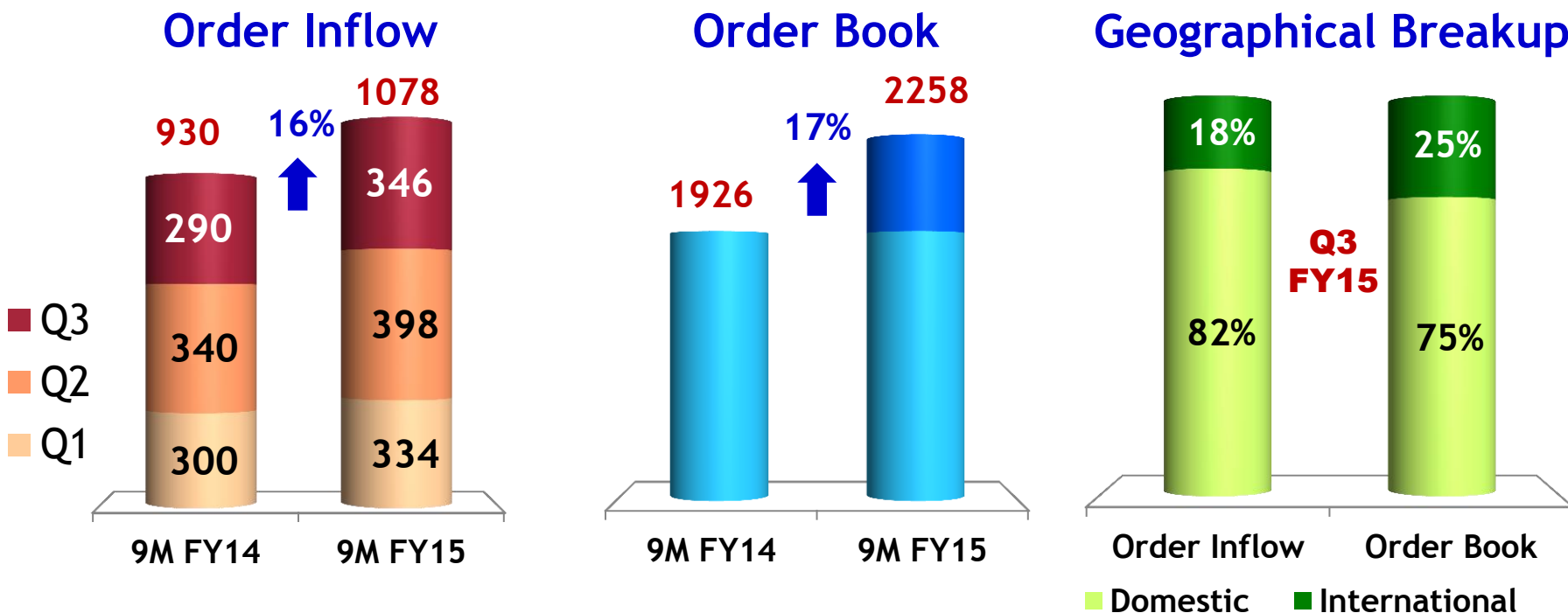
Segment / Key Subsidiaries' Performance

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Outlook For FY 2014-15

Group level Order Inflow & Order Book

Amount in ₹ Bn



- Strong growth in Q3 order receipts mainly contributed by Infra Segment
- Q4+ Prospect pipeline looks promising
- Order Inflow increase in Q3 and 9 mth driven by domestic orders
- Robust Order Book (2x+ Revenues) affords multi-year revenue visibility

Group Performance - Sales & Costs

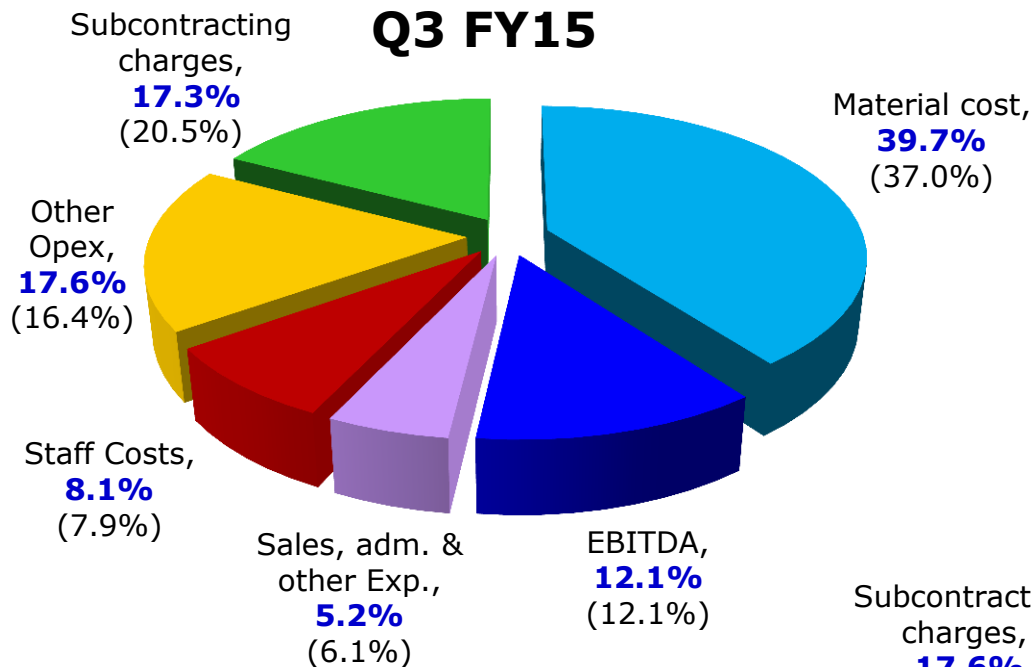
Q3 FY15	Q3 FY14	% Change	₹ Billion	9M FY15	9M FY14	% Change	FY14
238.48	217.32	10%	Net Sales / Revenue from Operations	639.82	581.04	10%	851.28
64.00	58.54	9%	----International Sales	178.04	174.77	2%	240.04
27%	27%	-	% of Total Sales	28%	30%	-2%	28%
177.96	160.64	11%	Mfg, Cons. & Opex (MCO)	464.76	420.44	11%	625.78
19.25	17.08	13%	Staff Costs	59.04	52.77	12%	71.41
12.36	13.27	-7%	Sales, adm. & other Exp.	38.63	37.74	2%	46.77
209.58	190.99	10%	Total Opex	562.43	510.95	10%	743.95

- Revenue growth driven by Infra and Services Businesses; partially offset by depleted Order Book in investment constrained segments (Power, MMH, Hydrocarbon, Heavy Engineering)
- MCO charge in line with Sales
- Staff cost increase occasioned by manpower augmentation, increased level of international operations and normal revisions
- SGA Expenses benefit from stable currency and cost

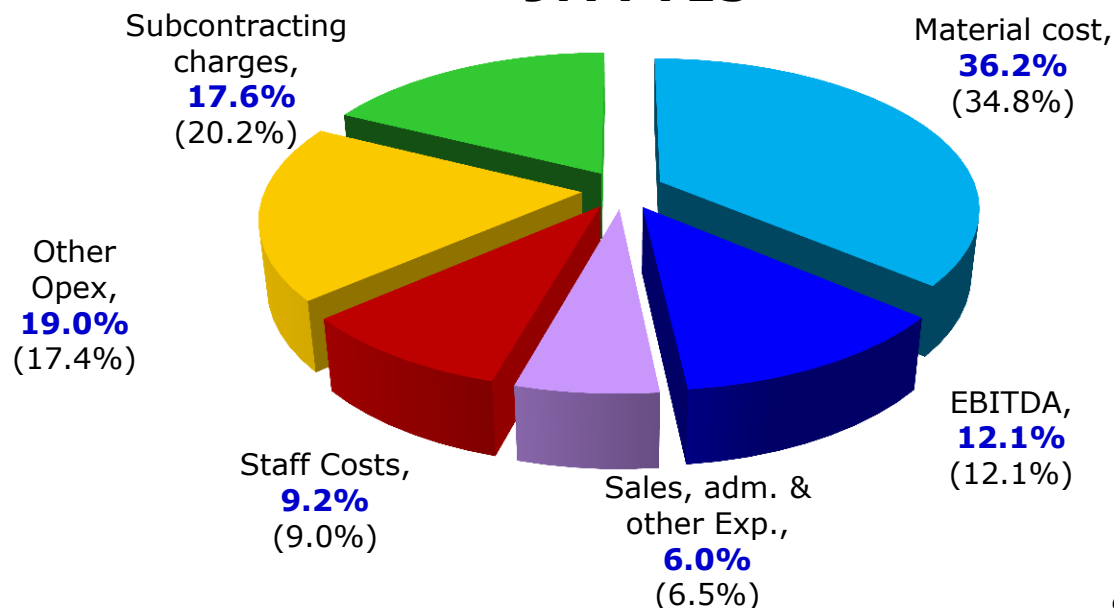
Performance Summary - Operational Costs & Profitability



Q3 FY15



9M FY15



Figures in brackets indicate corresponding period of the Previous Year

Group Performance Summary Extracts

Q3 FY15	Q3 FY14	% Change	₹ Billion	9M FY15	9M FY14	% Change	FY14
28.90	26.33	10%	EBITDA	77.39	70.09	10%	107.33
12.1%	12.1%	-	EBITDA Margin	12.1%	12.1%	-	12.6%
(9.20)	(8.84)	4%	Interest Expenses	(23.90)	(23.69)	1%	(31.41)
(6.79)	(5.88)	16%	Depreciation	(20.35)	(17.32)	18%	(14.46)
2.35	1.96	20%	Other Income	7.26	7.13	2%	9.82
(5.69)	(6.69)	-15%	Provision for Taxes	(14.87)	(17.40)	-15%	(26.28)
8.67	7.97	9%	PAT after Minority Interest	26.95	20.62	31%	49.02

- Growth in Realty and Services Business compensates for lower margins in Power, MMH, HE and Hydrocarbon segments
- Higher depreciation charge due to adoption of new rates under New Companies Act
- Other Income mainly comprises of Treasury gains

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Segment / Key Subsidiaries' Performance

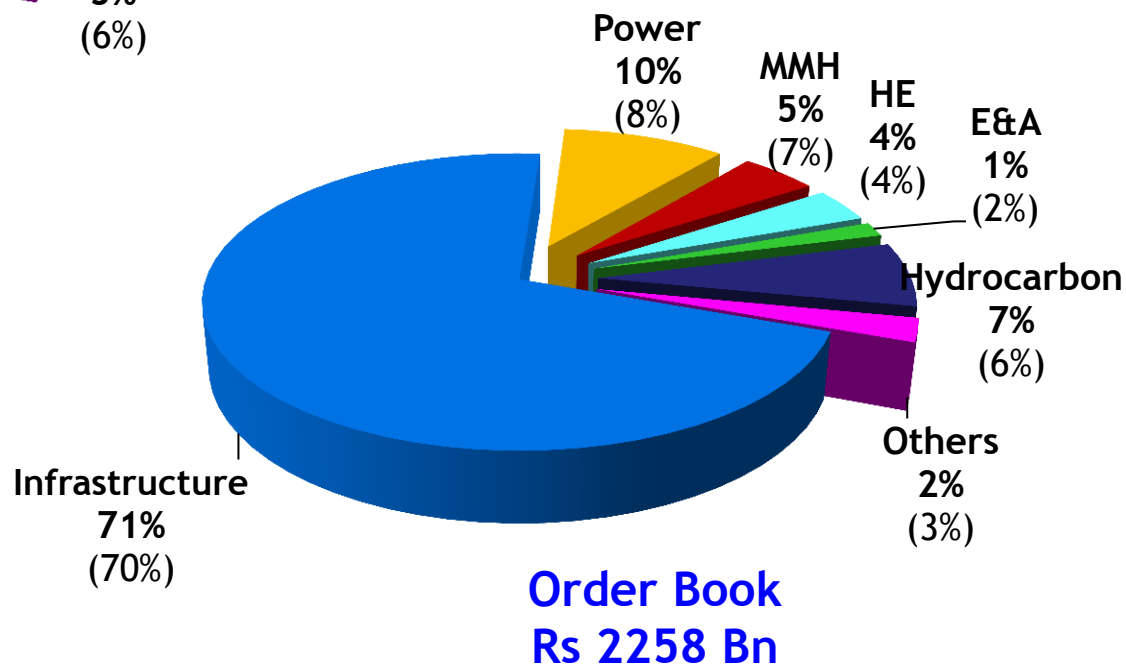
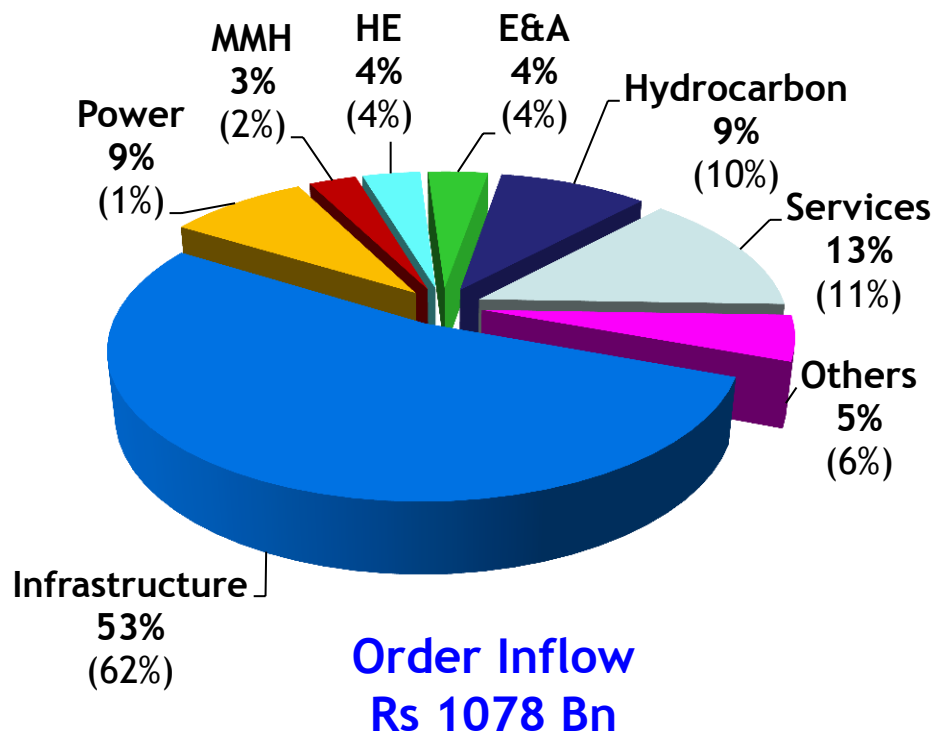
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Outlook For FY 2014-15

Segment Composition

Infrastructure Building & Factories Transportation Infra Heavy Civil Infra Water & Renewable Energy Power T&D	Power EPC - Coal & Gas Thermal Power Plant Construction Critical Piping Electrostatic Precipitators	Metallurgical & Material Handling Ferrous Non Ferrous Bulk Material Handling	Heavy Engineering Process Plant Equipment Nuclear Power Plant Equipment Defence & Aerospace	Electrical & Automation Electrical Standard Products Electrical Systems & Equipment Metering & Protection Control & Automation
Hydrocarbon Upstream Mid & Downstream Construction & Pipelines	Developmental Projects Roads Metros Ports Power	IT & TS Information Technology Technology Services	Financial Services Retail & Corporate Infrastructure General Insurance Mutual Fund Asset Management	Others Shipbuilding Realty Construction & Mining Equipment Machinery & Industrial Products

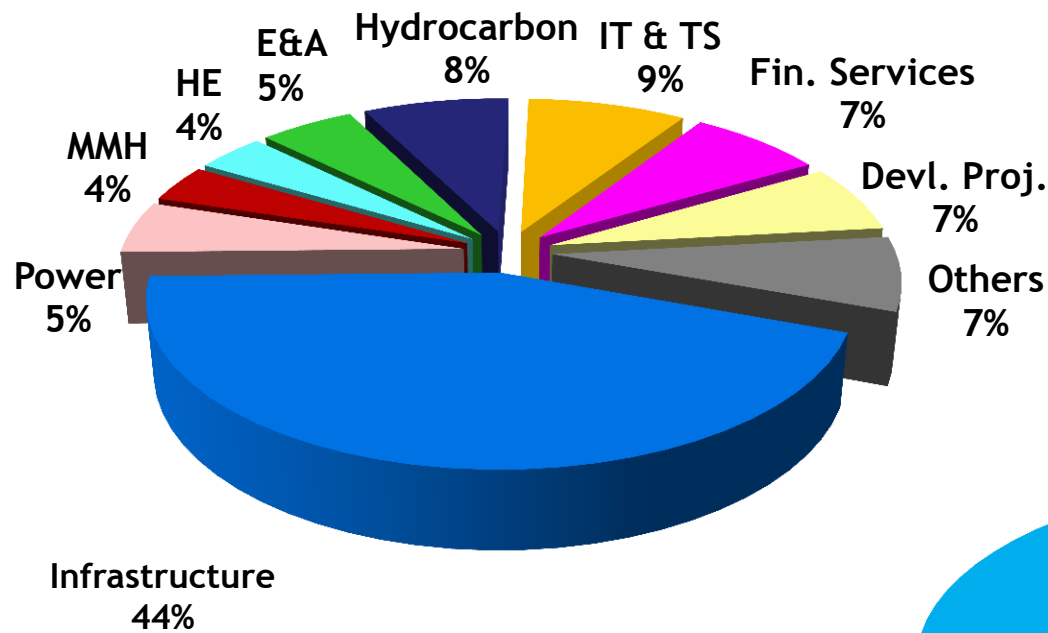
Segmental Breakup of Orders - 9M FY15



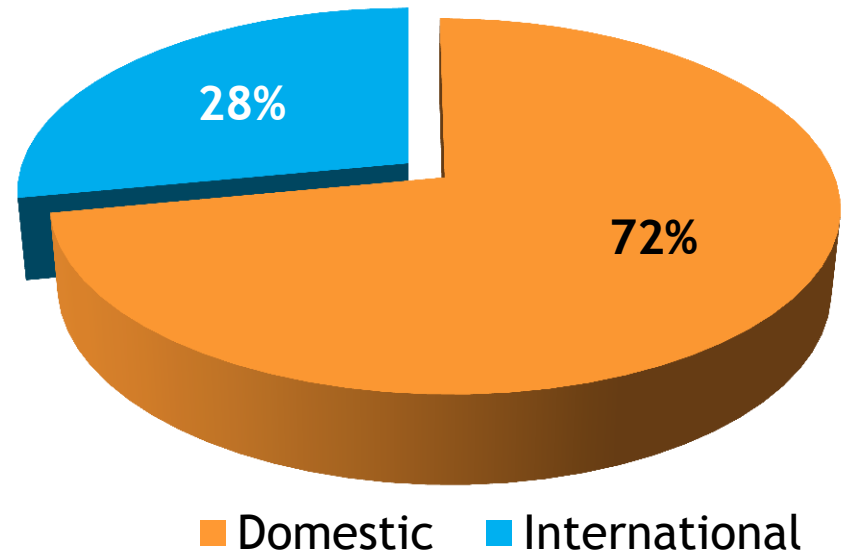
Figures in brackets indicate corresponding period of the Previous Year

Revenue Breakup - 9M FY15

Segmental Breakup



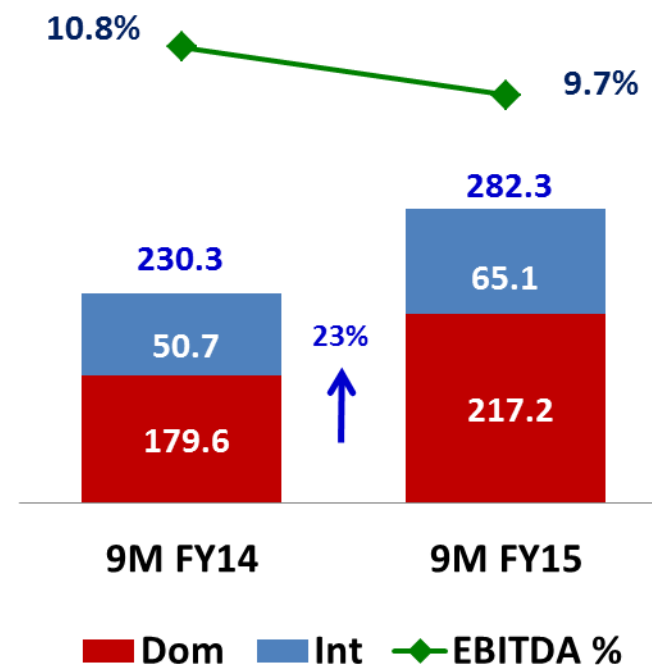
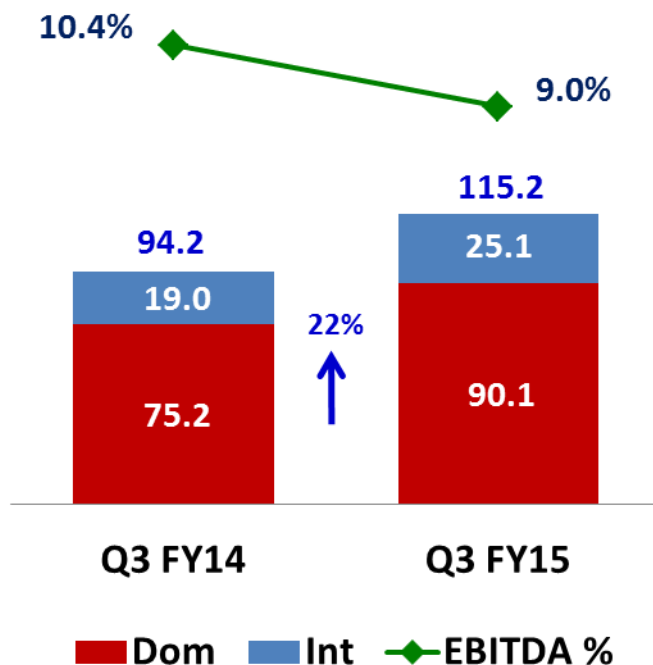
Geographical breakup



Infrastructure Segment

Amount in ₹ Bn

Revenues & Margin

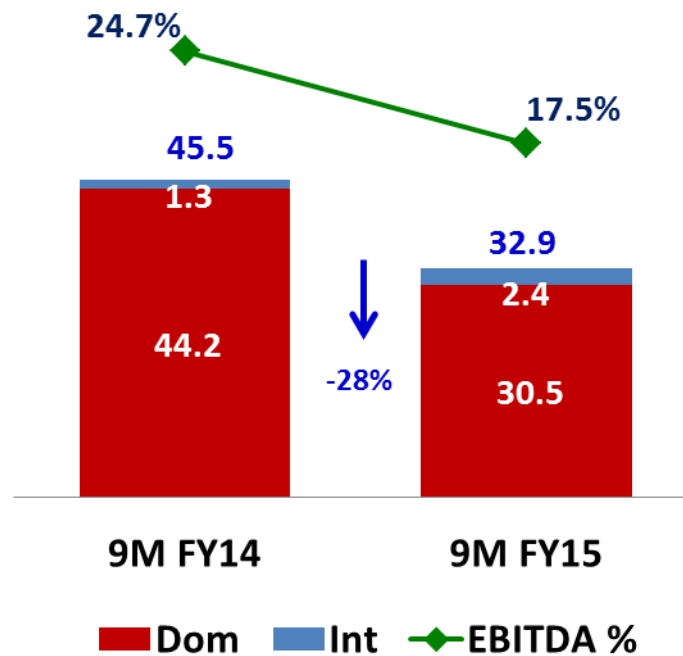
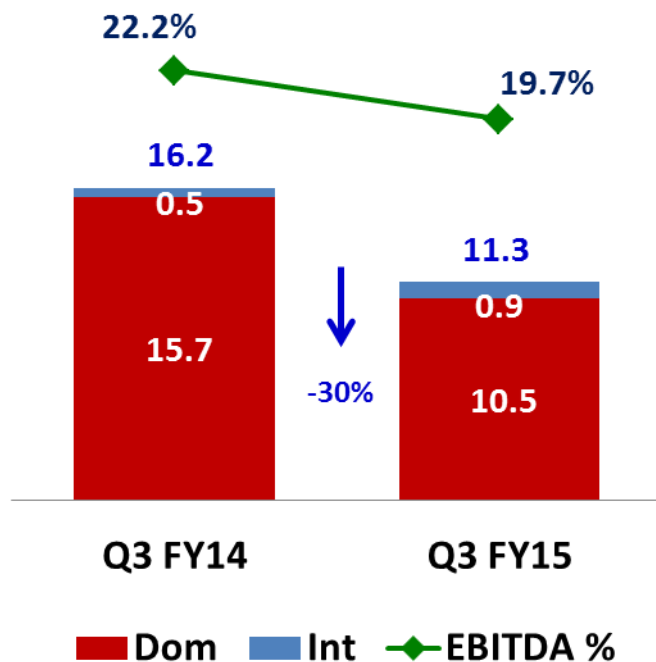


- Investment momentum yet to pick up strongly
- Revenue growth driven by in-line execution across all businesses
- Execution of large, long duration international orders starting to contribute to Revenue
- Comparative Margin reflective of job mix and one-off gains in FY14

Power Segment

Revenues & Margin

Amount in ₹ Bn

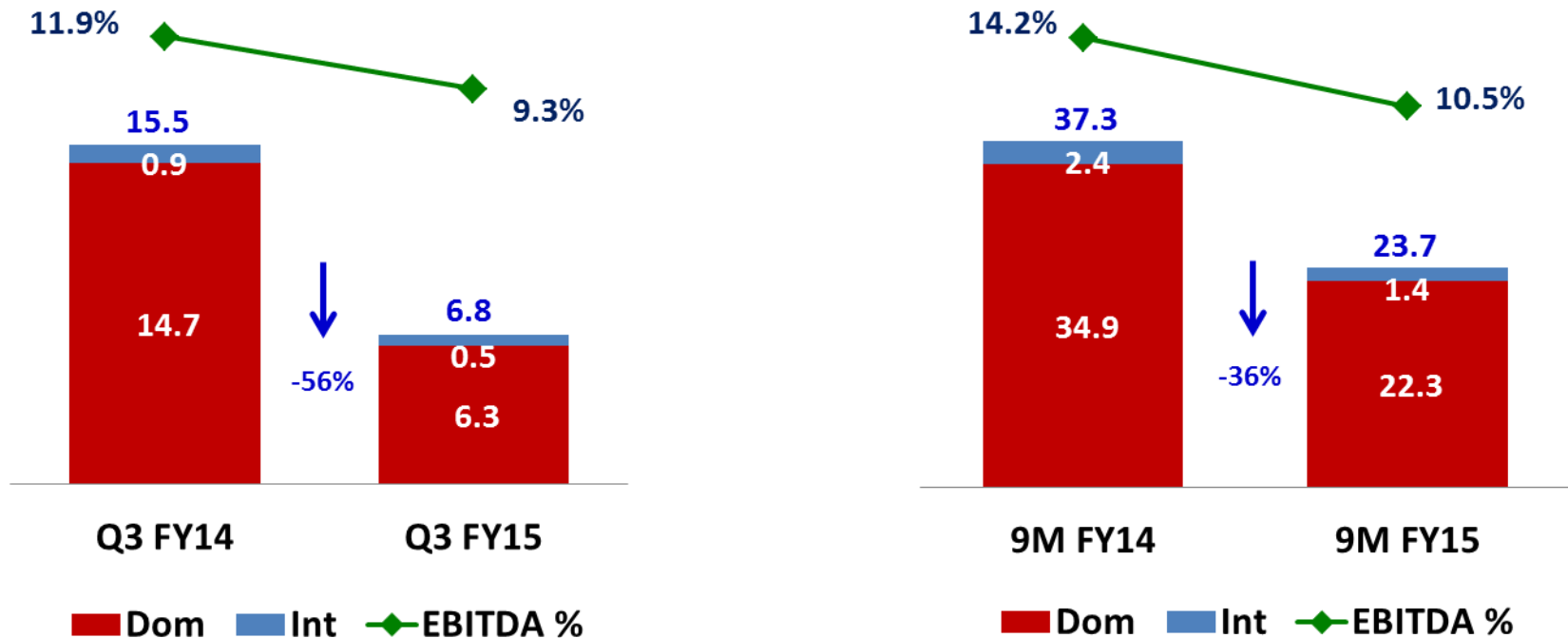


- Long bid-to-award timelines adversely affecting the power sector
- Slow progress on land, clearances and fuel availability
- Revenue decline due to delayed replenishment of Order Book
- Margin variation on account of lower level of operations

Metallurgical & Material Handling (MMH) Segment

Amount in ₹ Bn

Revenues & Margin

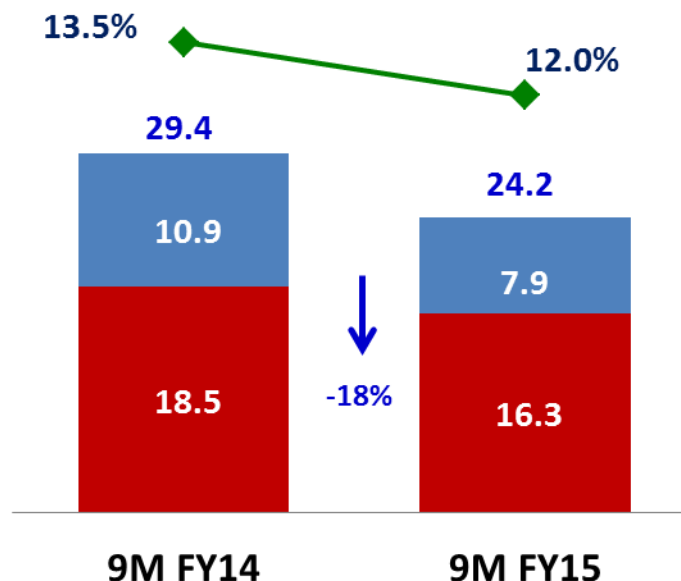
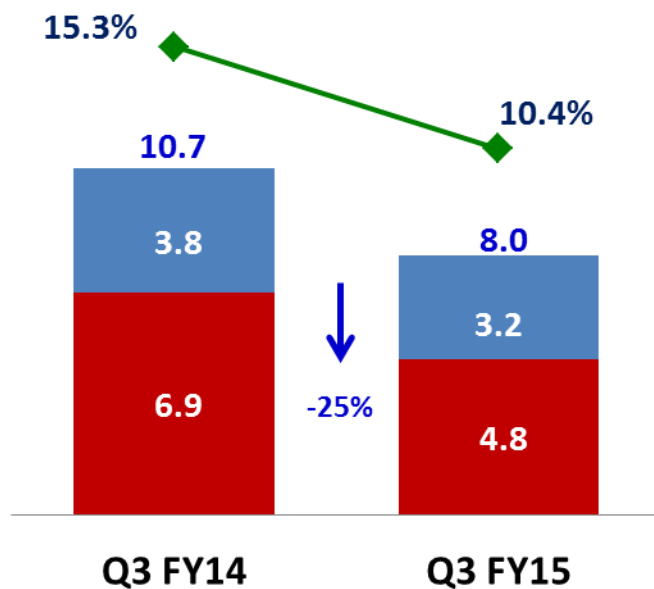


- Business shrinkage due to current business conditions (iron ore mining ban, global over-capacity of steel, protracted procedures for clearances, depressed domestic industrial capex, etc)
- Revenue and Margin decline due to reduced Order Book and under-utilization

Heavy Engineering Segment

Amount in ₹ Bn

Revenues & Margin



Dom Int EBITDA %

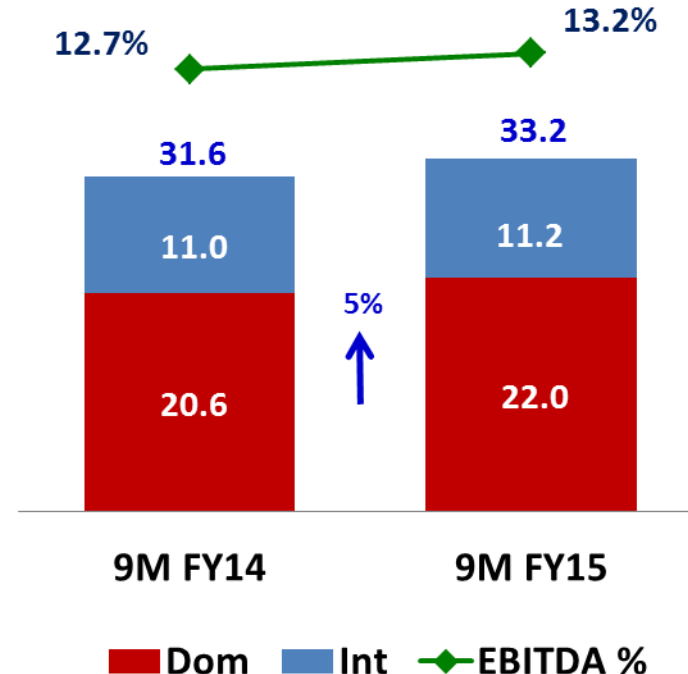
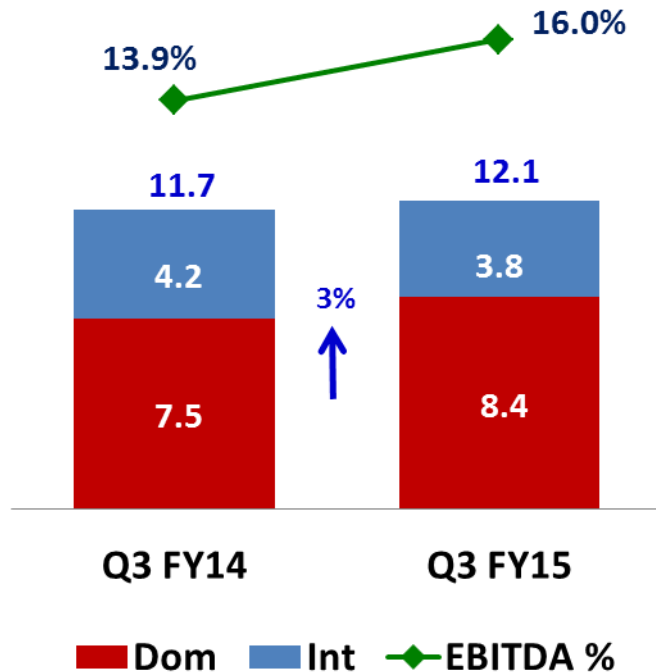
Dom Int EBITDA %

- Deferral of investments in Oil, Gas, Fertiliser and Nuclear Power sectors continues
- Global economic uncertainties dampening prospects
- Private sector participation in domestic Defence opportunities is yet to mature
- Revenue contraction due to paucity of orders in process plant sector
- Margin diminution due to under-utilization and cost overruns in some projects

Electrical & Automation (E&A) Segment

Amount in ₹ Bn

Revenues & Margin

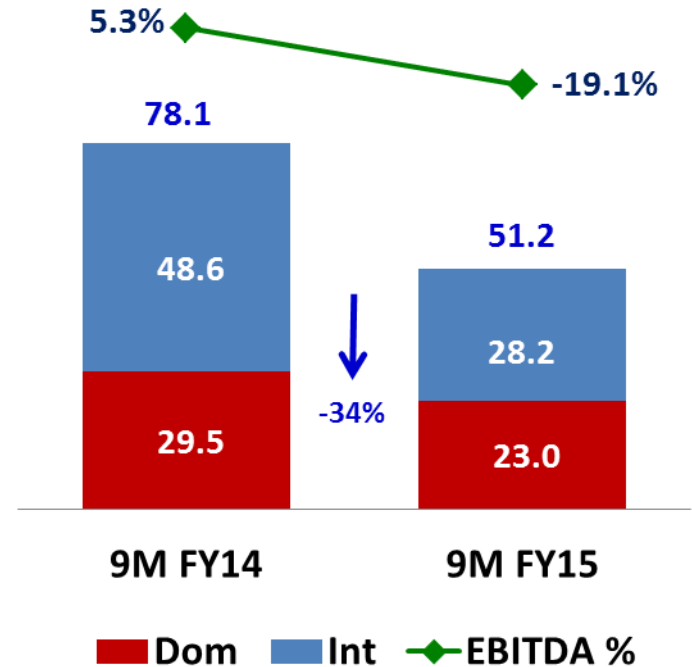
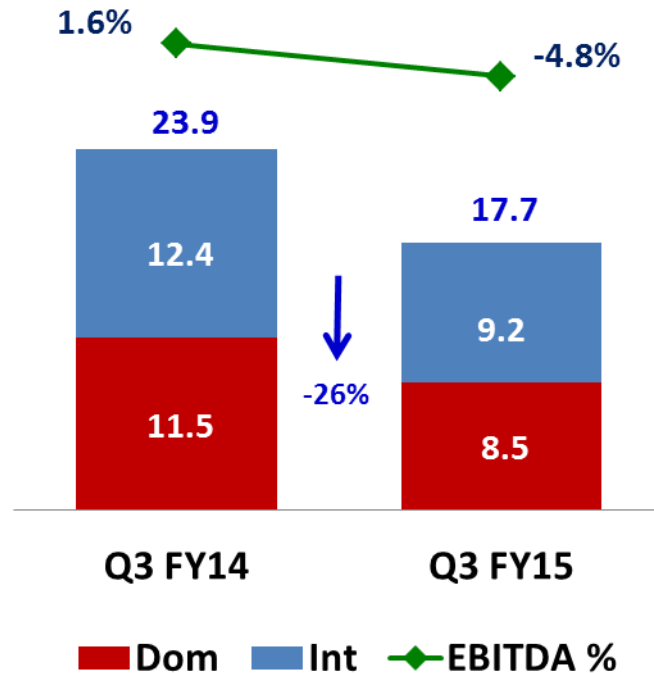


- Modest revenue growth affected by lacklustre domestic industrial capex; revival closely linked to economic conditions
- Healthy margins aided by stable input costs, operational efficiencies and product mix

Hydrocarbon Segment

Revenues & Margin

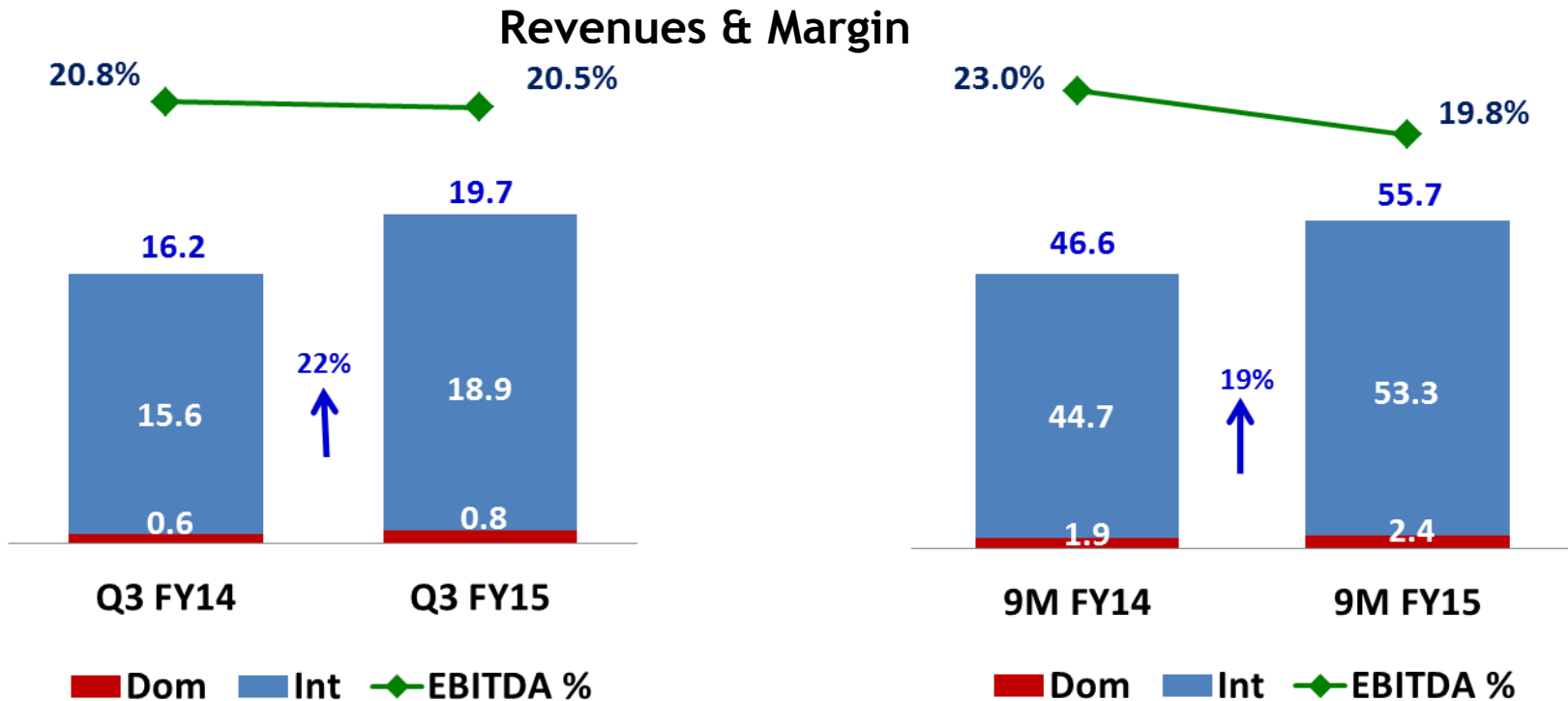
Amount in ₹ Bn



- Falling oil prices leading to uncertainty in oil & gas capex across geographies
- Decline in revenues due to low opening order book and execution challenges in some Middle East projects
- Under-recovery, cost overruns and close out cost impact margins

IT & Technology Services Segment

Amount in ₹ Bn

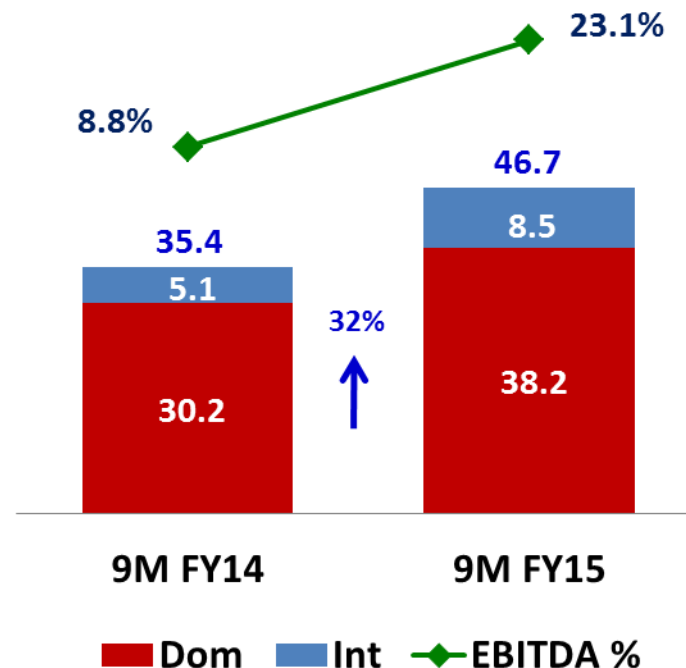
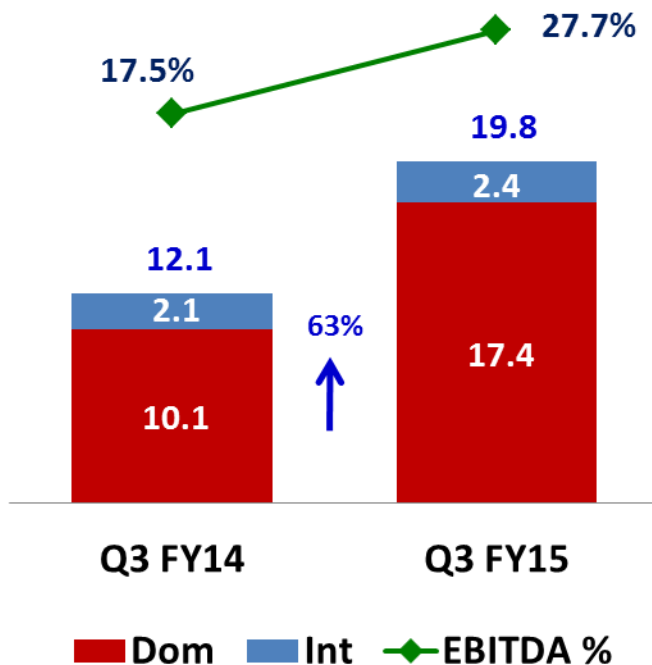


- Robust revenue growth driven mainly by North American markets
- Focus is on leveraging depth of relationship with existing customers while continuing efforts in new customer acquisitions
- Margin variation due to augmentation of front-end Sales & Marketing staff, compliance costs and increase in onsite staff deployment

Others Segment

Amount in ₹ Bn

Revenues & Margin

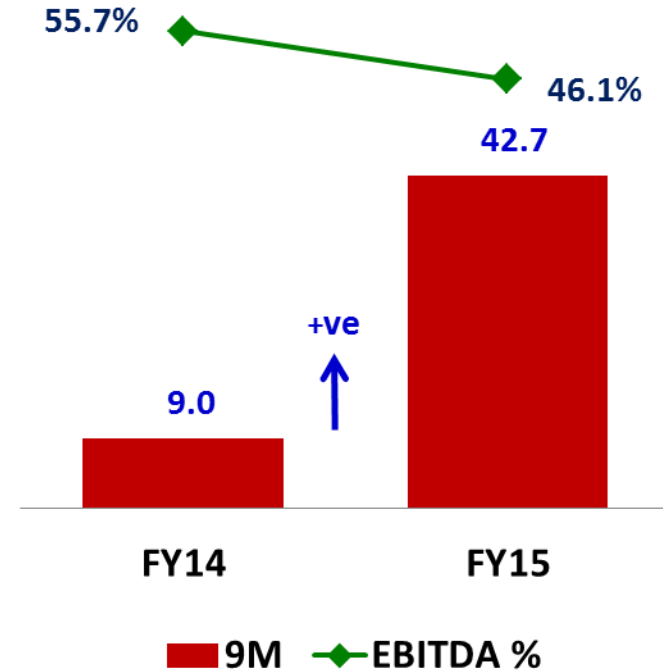
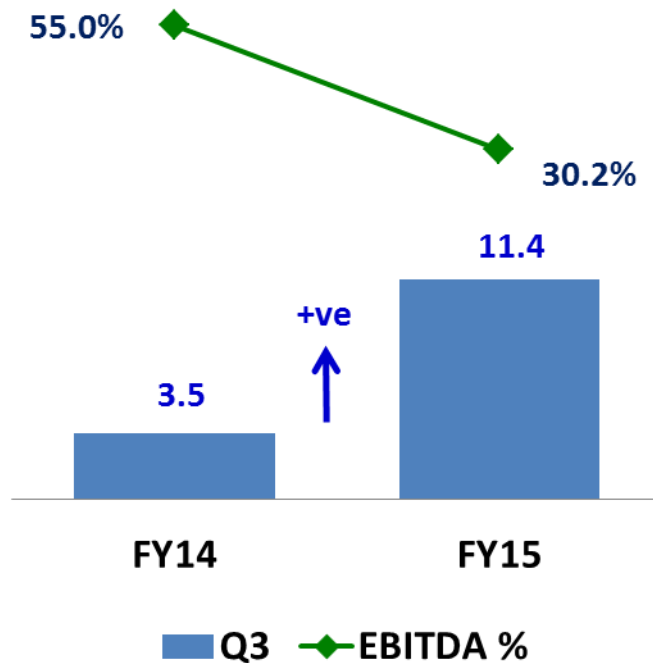


- Realty and Valves Businesses power segment growth
- EBITDA margin improvement through -
 - Increase in Realty Business
 - Reduction of Shipbuilding losses

Developmental Projects Segment

Amount in ₹ Bn

Revenues & Margin



- Step up in revenues due to operationalization of 2x700 MW Coal fired power plant at Rajpura, Punjab ('Nabha') in early Q2 FY15
- Traffic growth on operational road SPVs seen
- CPPIB invests the first tranche of Rs 10 Bn in IDPL

Concessions Business Portfolio - 26 SPVs



Roads and Bridges:

Portfolio: 17 projects (1764 Km); 12 Operational
Project Cost: ₹184 Bn

Power:

Portfolio: 5 projects (2270 MW); 1 Operational
Project Cost: ₹178 Bn



Ports:

Portfolio: 2 projects (18 MTPA) - Operational
Project Cost: ₹21 Bn

Metros:

Portfolio: 1 project (71.16 Km) - Under-implementation
Project Cost: ₹170 Bn



Transmission Lines:

Portfolio: 1 project (482 Km) - Under-implementation
Project Cost: ₹14 Bn

Total Project Cost (Dec 2014): ₹ 567 Bn

24

Equity Invested (Dec 2014): ₹ 83 Bn

Balance Equity Commitment (Dec 2014): ₹ 45 Bn

L&T Finance Holdings

Q3 FY15	Q3 FY14	% Change	₹ Billion	9M FY15	9M FY14	% Change	FY14
65	58	11%	Networth (Excl. Pref. Cap.)	65	58	11%	58
396	324	22%	Borrowings	396	324	22%	359
94	64	46%	Disbursements	235	178	32%	260
452	378	20%	Loans and Advances	452	378	20%	401
3.0%	2.9%	0.1%	Gross NPA (%)	3.0%	2.9%	0.1%	3.2%
1.82	1.10	66%	PAT	5.30	4.10	29%	5.97

- Loan assets growth through strong disbursements across segments:
 - Retail B2C: Microfinance, Tractors, 2-wheelers, Housing
 - Wholesale: Operational Renewable & Road projects
- MF achieves AUM above Rs. 210 Bn with continuous accretion in equity assets
- PAT growth due to healthy NIMs and strong fee income

Presentation Outline

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Group Performance Highlights

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Group Performance Summary

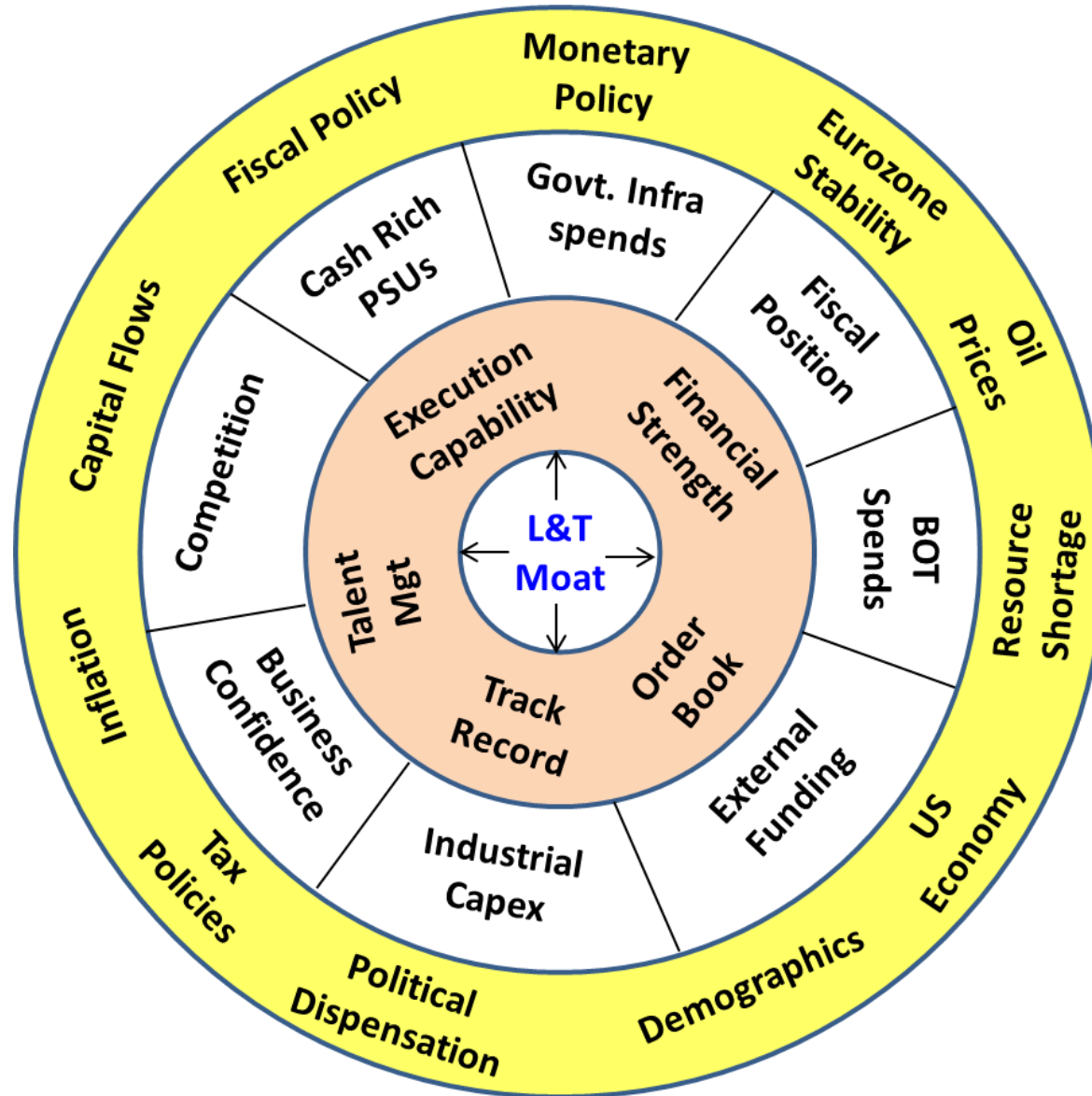
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Segment / Key Subsidiaries' Performance

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Outlook For FY 2014-15

Outlook - Wide circles of influence



Thank You

Annexure-1: Standalone Like-to-Like Extracts

₹ Billion	Q3 FY 14			Q3 FY 15	% Change
	Reported	IES	Like-to-Like	Total	
Net Sales / Revenue from Operations	143.88	4.17	139.71	149.95	7%
EBITDA	16.89	0.86	16.02	15.70	-2%
Interest Expenses	(2.91)	(0.02)	(2.89)	(5.00)	73%
Depreciation	(1.99)	(0.07)	(1.92)	(2.64)	37%
Other Income	4.33	(0.01)	4.34	6.22	43%
Profit after Tax	12.41	0.64	11.77	10.60	-10%

₹ Billion	9M FY 14			9M FY 15	% Change
	Reported	IES	Like-to-Like	Total	
Net Sales / Revenue from Operations	365.20	11.59	353.61	380.49	8%
EBITDA	37.66	2.65	35.01	39.99	14%
Interest Expenses	(7.71)	(0.09)	(7.62)	(10.85)	42%
Depreciation	(5.79)	(0.20)	(5.58)	(7.62)	37%
Other Income	13.86	(0.08)	13.94	17.13	23%
Profit after Tax	27.70	1.89	25.80	29.96	16%

IES Business became a separate subsidiary from 1st April, 2014

Annexure-2: Group 9M P&L Summary Extracts

₹ Billion	L&T Parent	IT & TS	Fin. Services *	Devl. Projects	Other Subsidiaries & Eliminations	L&T Group			
						9M FY 15	9M FY 14	% Change	FY 14
Revenue from Operations	380.49	55.65	47.17	42.70	113.80	639.82	581.04	10%	851.28
EBITDA	39.98	10.86	6.68	19.65	0.22	77.39	70.09	10%	107.33
Interest Expenses	(10.85)	(0.03)	0.01	(8.42)	(4.60)	(23.90)	(23.69)	1%	(31.41)
Depreciation	(7.62)	(1.69)	(0.85)	(4.06)	(6.13)	(20.35)	(17.32)	18%	(14.46)
Other Income	17.13	0.18	1.19	0.07	(11.32)	7.26	7.13	2%	9.82
Provision for Taxes	(10.40)	(1.67)	(2.68)	(1.48)	1.35	(14.87)	(17.40)	-15%	(26.28)
Profit After Tax	29.96	7.65	3.65	5.94	(20.25)	26.95	20.62	31%	49.02

* Includes Insurance Business

Annexure 3: Group Balance Sheet Extracts

₹ Billion	L&T Parent	IT & TS	Fin. Services *	Devl. Projects	Other Subsidiaries & Eliminations	L&T Group		
						Dec-14	Mar14	Inc / (Dec)
Net Worth (Excl. Pref. Cap.)	366.5	27.7	45.1	88.4	(123.9)	403.8	377.1	26.7
Minority Interest	-	0.0	31.6	10.7	5.3	47.5	31.8	15.7
Borrowings	148.2	4.2	395.7	226.1	112.8	887.0	803.5	83.5
Net Segment Assets	514.7	31.9	472.4	354.8	(5.3)	1,368.5	1,247.2	121.3

* Includes Insurance Business

Annexure 4: Group Cash Flow (Summarised)

₹ Billion	Q3 FY15	9M FY15	Q3 FY14	9M FY14
Operating Profit	30.10	77.80	25.95	74.53
Adjustments for NWC	(0.74)	(25.57)	(8.84)	(70.53)
Direct Taxes (Paid) / Refund - Net	(7.22)	(20.97)	(4.01)	(20.89)
Net Cash from Operations	22.14	31.26	13.10	(16.89)
Investments in Fixed Assets (Net)	(15.89)	(53.55)	(16.34)	(49.49)
(Purchase) / Sale of Long Term & Current Investments (Net)	(5.73)	(10.88)	3.20	4.21
Investments / Loans to S&A Cos (Net)	(0.73)	5.67	(0.31)	(2.35)
Interest & Div. Received from Investments	1.20	3.46	2.16	4.40
Net Consideration on acquisition / disposal of Subs.	(0.74)	1.08	1.08	1.14
Net Cash from / (used in) Investing Activities	(21.89)	(54.21)	(10.22)	(42.09)
Issue of Share Capital / Minority	10.21	16.25	2.82	3.68
Net Borrowings	29.01	94.25	20.69	123.12
Loans towards financing activities *	(29.17)	(47.87)	(20.33)	(37.21)
Interest & Dividend paid	(8.80)	(38.70)	(12.96)	(37.35)
Net Cash from Financing Activities	1.25	23.93	(9.77)	52.24
Net (Dec) / Inc in Cash & Bank	1.51	0.98	(6.90)	(6.74)

* included under Net Cash from operations under statutory financial statements