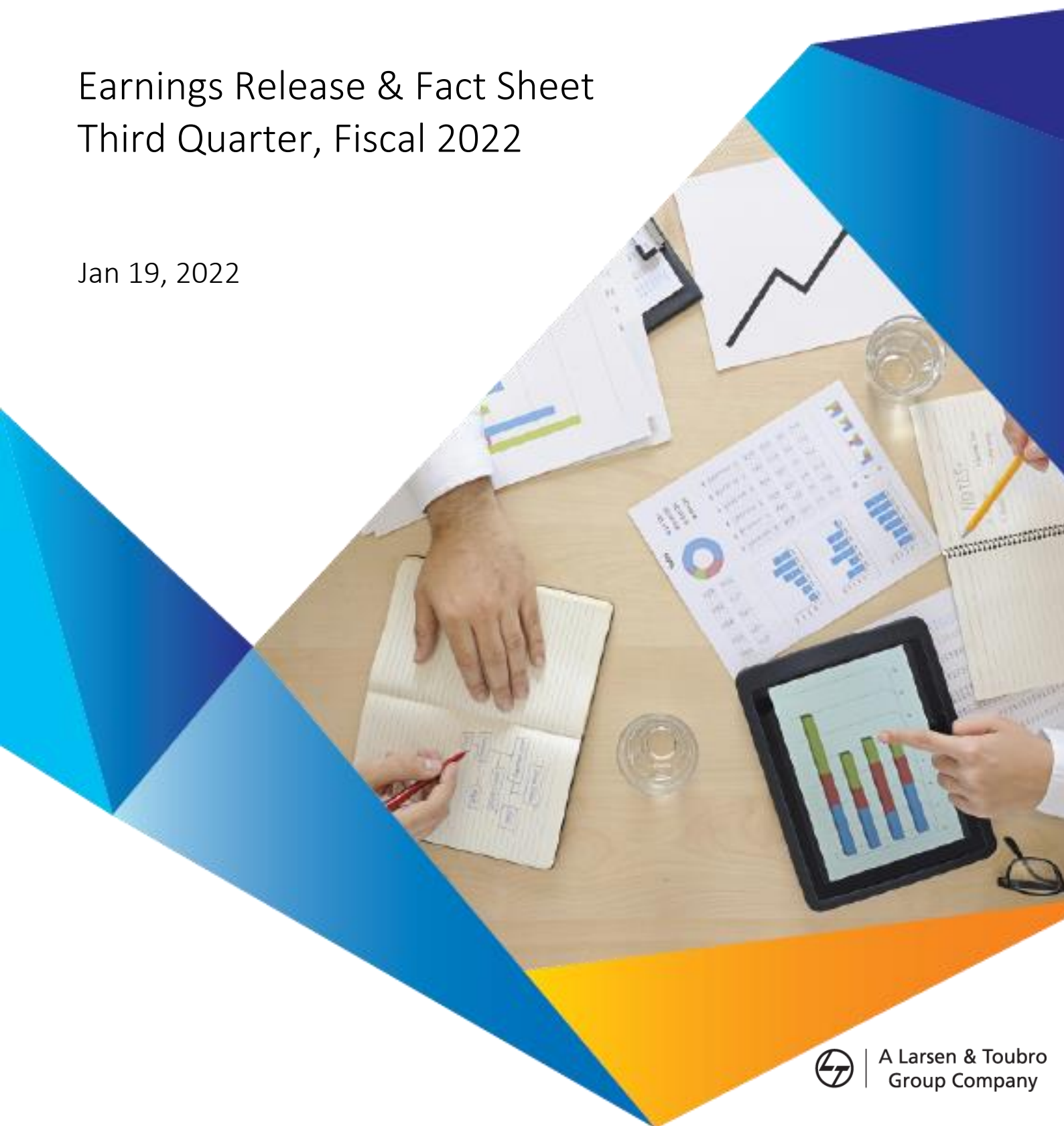




Earnings Release & Fact Sheet Third Quarter, Fiscal 2022

Jan 19, 2022



A Larsen & Toubro
Group Company

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Safe Harbour

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. LTI does not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

Recent Deal Wins, Business Highlights and Awards and Recognitions section in this release include relevant disclosures between our last earnings release and this release.

Earnings Release – Q3 FY22 Results

**LTI constant currency revenues grow 9.2% QoQ and
30.1% YoY;
Net profit up by 18.0% YoY**

Mumbai, India: Jan 19, 2022: Larsen & Toubro Infotech (BSE code: 540005, NSE: LTI), a global technology consulting and digital solutions company, announced its Q3 FY22 results today.

In US Dollars:

- Revenue at **USD 553.0 million**; growth of **8.7% QoQ and 29.3% YoY**
- Constant Currency Revenue growth of **9.2% QoQ and 30.1% YoY**

In Indian Rupees:

- Revenue at **INR 41,376 million**; growth at **9.8% QoQ and 31.2% YoY**
- Net Income at **INR 6,125 million**; growth of **11.0% QoQ and 18.0% YoY**

“We are happy to report 9.2% QoQ revenue growth in constant currency. This is our best ever quarterly sequential growth since listing. Our ongoing revenue momentum sets us up to deliver our highest year-over-year growth as a publicly listed company. We continue to have incredible conversations with our customers on their digital transformation journeys.”

- Sanjay Jalona, Chief Executive Officer & Managing Director

Recent Deal Wins

- Selected by one of the largest global veterinary care practices and chain of North American pet clinics, a new logo, for a managed services deal involving cyber security and modernization of IT infrastructure including migration to cloud to gain operational efficiencies and transform clinic management and support
- Engaged by a Global Fortune 500 multinational pharma corporation to modernize and support its data platform ensuring speed and availability of real time data, scalability for future expansion and optimized cost
- Selected by a Global Fortune 500 company and a world-wide leader in beauty and cosmetics for implementing its HR Transformation plan. Based on Snowflake technology, the engagement aims to augment next-gen HR Analytics capabilities, one-stop-shop for data, real-time access and mobile friendly solutions
- Engaged by a Global Fortune 500 energy company to provide 'Data Management as-a-Service' for their Subsurface Platform ensuring efficient and seamless operations in a secure, cloud-based environment
- Selected by a North American utility company for cloud transformation across data, infrastructure, security and ERP systems to build resilient and scalable IT infrastructure
- A world leader in semiconductor solutions partnered with LTI to rollout SAP S/4HANA to one of their largest manufacturing sites to optimize business performance and improve business agility
- A financial services firm based in North America has selected LTI to build the necessary functionality to integrate, support and migrate record keeping system onto the Unitrax platform. This will ensure their distribution, support and operations efforts are streamlined onto a single platform as well as improve time-to-market for new product launches
- Engaged by an insurance carrier to set up core systems and to design, develop and support a digital platform enabling integration of applications with both external and internal systems
- Engaged by a global bank headquartered in Europe for digital transformation of its payment processing functionality in 12 countries from legacy systems ensuring scalability, ability to process higher volumes, streamlining and standardization
- LTI modernized the ERP platform and established a centralized and standardized e-commerce platform for a global mission critical flow control equipment manufacturer and has now been selected to manage applications to drive enhanced customer experience and revenue growth
- A large bank in Namibia has appointed LTI as its partner on its digital transformation journey. LTI will revamp the integration layer with microservices enabling the bank to become cloud-ready digital leader in its chosen geographies in Africa
- Selected to partner with one of the largest banks in the Middle East on their wealth management transformation using Temenos Wealth Management Suite ensuring best practices, efficiencies, right shoring and a scalable model for future expansion

Awards and Recognitions

- ISG Provider Lens™: Digital Business — Solutions and Service Partners 2021
 - o LTI Positioned as a Leader in Digital Business Consulting Services – US
 - o LTI Positioned as a Leader in Digital Business Experience Services - US
- LTI Recognized as a Leader in Everest Group's Temenos IT Services PEAK Matrix® Assessment 2022
- LTI Positioned as a Major Player in IDC MarketScape Worldwide Managed Multicloud Services Vendor Assessment 2021
- LTI Ranked 5th in HFS Top 10 Energy Services 2021
- LTI Positioned as a Leader in Everest Group's Insurance Platforms IT Services PEAK Matrix Assessment 2022
- LTI recognized in Gartner Report What Distinguishes Successful Service Providers in the Data and Analytics Services Market, Twiggy Lo, 28 October 2021
- Fosfor Lumin, the AI-powered augmented analytics product (formerly LTI Leni) recognized in The Forrester Report : Augmented BI Holds New Promises, But It's Still Early Days, November 2021

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Other Business Highlights

- LTI has partnered with Securonix and Snowflake to strengthen its cybersecurity offerings and prevent sensitive data from growing threats as enterprises migrate to cloud
- LTI wins Top Performing Partner Award at Red Hat India

About LTI

LTI (NSE: LTI) is a global technology consulting and digital solutions Company helping more than 475 clients succeed in a converging world. With operations in 33 countries, we go the extra mile for our clients and accelerate their digital transformation with LTI's Mosaic platform enabling their mobile, social, analytics, IoT and cloud journeys. Founded in 1997 as a subsidiary of Larsen & Toubro Limited, our unique heritage gives us unrivalled real-world expertise to solve the most complex challenges of enterprises across all industries. Each day, our team of more than 40,000 LTites enable our clients to improve the effectiveness of their business and technology operations and deliver value to their customers, employees and shareholders. Find more at <http://www.Ltinfotech.com> or follow us at @LTI_Global.

Earnings Conference Call and Audio Webcast

Jan 19th, 2022 (08:00 PM IST)

Please dial the below number at least 5-10 minutes prior to the conference schedule to ensure that you are connected to your call in time.

Universal Access Number	+91 22 6280 1107 +91 22 7115 8008
International Toll Number	USA : 13233868721 UK : 442034785524 Singapore : 6531575746 Hong Kong : 85230186877
Replay of Conference Call	Available after 1 hour from the call end time until January 24 th , 2022 Playback Code: 40131 Dial-in Number: India +91 22 7194 5757 +91 22 6663 5757 USA Toll Free 18332898317 UK Toll Free 8007563427 Singapore Toll Free 8001012510 Hong Kong Toll Free 800965553
Audio Webcast The audio from the conference call will be available online through a webcast and can be accessed at the following link: https://links.ccwebcast.com/?EventId=LTI20220119	
<p style="text-align: center;">Click here for your DiamondPass™</p> <p>DiamondPass™ is a Premium Service that enables you to connect to your conference call without having to wait for an operator.</p> <p>If you have a DiamondPass™, click the above link to associate your pin and receive the access details for this conference. If you do not have a DiamondPass™, please register through the link and you will receive your DiamondPass™ for this conference.</p>	

Contact

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Performance Highlights – Q3 FY22

Financial Highlights

Amount in USD million

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
Revenue (USD million)	427.8	509.0	553.0	8.7%	29.3%
Revenue Constant Currency				9.2%	30.1%

Amount in INR million

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
Revenue	31,528	37,670	41,376	9.8%	31.2%
EBITDA Margin	23.2%	19.5%	20.1%		
EBIT Margin	20.6%	17.2%	17.9%		
Revenue Related Foreign Exchange Gains/(loss)	167	675	715		
Net Income	5,193	5,517	6,125	11.0%	18.0%
Net Income Margin	16.5%	14.6%	14.8%		
Billed DSO	63	61	66		
DSO (Including unbilled)	93	98	100		

Revenue by Vertical

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
BFS	30.6%	32.5%	32.8%	9.7%	38.4%
Insurance	15.0%	14.2%	13.3%	2.0%	14.3%
Manufacturing	16.8%	15.6%	17.0%	18.3%	30.4%
Energy & Utilities	10.0%	8.9%	8.8%	6.7%	13.0%
CPG, Retail & Pharma	10.9%	10.1%	10.0%	7.2%	18.0%
High-Tech, Media & Entertainment	10.6%	12.5%	11.8%	3.0%	44.5%
Others	6.0%	6.2%	6.4%	10.7%	37.6%
Total	100%	100%	100%	8.7%	29.3%

Revenue by Service Offering

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
ADM and Testing	33.6%	34.2%	33.5%	6.6%	28.9%
Enterprise Solutions	31.4%	30.4%	31.4%	12.0%	29.1%
Cloud Infrastructure & Security	14.3%	14.0%	13.2%	2.4%	19.0%
Analytics, AI & Cognitive	11.9%	12.1%	12.7%	13.8%	37.9%
Enterprise Integration & Mobility	8.8%	9.3%	9.3%	7.9%	36.4%
Total	100%	100%	100%	8.7%	29.3%

Revenue by Geography

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
North America	67.9%	67.5%	66.0%	6.3%	25.7%
Europe	16.1%	16.1%	15.8%	6.4%	26.7%
RoW	7.4%	9.8%	8.6%	(4.8%)	49.5%
India	8.6%	6.6%	9.6%	58.4%	45.1%
Total	100%	100%	100%	8.7%	29.3%

Client Contribution to Revenue

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
Top 5 clients	29.3%	28.2%	28.3%	9.0%	24.8%
Top 10 clients	42.0%	40.7%	40.4%	7.9%	24.5%
Top 20 clients	57.1%	55.0%	55.5%	9.6%	25.8%

Client Profile

	Q3FY21	Q2FY22	Q3FY22
Number of Active Clients	419	463	476
New Clients Added	22	25	27
1 Million dollar +	165	180	187
5 Million dollar +	60	71	73
10 Million dollar +	32	43	43
20 Million dollar +	18	21	20
50 Million dollar +	5	7	8
100 Million dollar +	1	1	1

Effort Mix

	Q3FY21	Q2FY22	Q3FY22
Onsite	18.4%	16.4%	16.0%
Offshore	81.6%	83.6%	84.0%

Revenue Mix

	Q3FY21	Q2FY22	Q3FY22
Onsite	44.3%	40.8%	40.1%
Offshore	55.7%	59.2%	59.9%

Billed Person Months

	Q3FY21	Q2FY22	Q3FY22
Onsite	13,836	15,111	15,734
Offshore	61,304	77,271	82,670

Utilization

	Q3FY21	Q2FY22	Q3FY22
Including Trainees	81.1%	81.6%	80.3%
Excluding Trainees	84.1%	83.7%	81.4%

Headcount Details

	Q3FY21	Q2FY22	Q3FY22
Total Headcount	33,983	42,382	44,200
Development	32,194	40,395	42,162
Sales & Support	1,789	1,987	2,038
Attrition % (LTM)	12.4%	19.6%	22.5%

Constant Currency Reporting

		QoQ Growth	YoY Growth
Company		9.2%	30.1%
Vertical	BFS	10.4%	39.6%
	Insurance	2.2%	14.4%
	Manufacturing	19.0%	31.6%
	Energy & Utilities	7.0%	13.5%
	CPG, Retail & Pharma	7.8%	18.9%
	High-Tech, Media & Entertainment	3.1%	44.6%
	Others	11.4%	39.2%
Service Offering	ADM and Testing	7.1%	29.7%
	Enterprise Solutions	12.6%	29.8%
	Cloud Infrastructure & Security	2.9%	20.4%
	Analytics, AI & Cognitive	14.1%	38.4%
	Enterprise Integration & Mobility	8.4%	37.3%
Geography	North America	6.3%	25.5%
	Europe	8.7%	31.1%
	RoW	(4.3%)	49.8%
	India	59.7%	47.2%

Financial Statements – Q3 FY22

Income Statement

Amount in INR million

	Q3FY21	Q2FY22	Q3FY22	QoQ Growth	YoY Growth
Revenue	31,528	37,670	41,376	9.8%	31.2%
Direct Costs	20,507	26,011	28,547	9.8%	39.2%
Gross Profit	11,021	11,659	12,829	10.0%	16.4%
SG&A expenses	3,701	4,327	4,518	4.4%	22.1%
EBITDA	7,320	7,332	8,311	13.4%	13.5%
Depreciation & Amortization	819	850	885		
EBIT	6,502	6,482	7,426	14.6%	14.2%
Revenue Related Foreign Exchange Gains/(loss)	167	675	715		
Other Income, net	325	263	96		
Provision for Tax	1,801	1,903	2,112		
Net Income	5,193	5,517	6,125	11.0%	18.0%
Margins (%)					
EBITDA Margin	23.2%	19.5%	20.1%		
EBIT Margin	20.6%	17.2%	17.9%		
Net Income Margin	16.5%	14.6%	14.8%		
Earnings Per Share					
Basic	29.71	31.50	34.95		
Diluted	29.53	31.41	34.87		

Exchange Rate (USD:INR)

	Q3FY21	Q2FY22	Q3FY22
Period closing rate	73.07	74.23	74.34
Period average rate	73.70	74.01	74.82

Balance Sheet

Amount in INR million

	As at 31 March, 2021	As at 31 Dec, 2021
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment & CWIP	4,260	6,726
(b) Right of Use Assets	6,221	6,243
(c) Goodwill	6,574	6,888
(d) Intangible assets	2,667	3,021
(e) Non-current Financial Assets	3,065	6,886
(f) Deferred Tax Assets (Net) & Tax Assets	1,476	1,597
(g) Other Assets	1,515	2,270
Total Non-Current Assets	25,778	33,631
Current assets		
(a) Investments	36,282	30,059
(b) Trade Receivables and Unbilled Revenue	26,906	34,577
(c) Cash, Cash Equivalents	7,594	3,608
(d) Other Bank Balances	0	2,475
(e) Other Financial Assets	2,158	3,418
(f) Other Assets & Tax Assets	8,373	8,997
Total Current Assets	81,313	83,134
TOTAL ASSETS	107,091	116,765
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	175	175
(b) Other Equity	72,859	81,969
(c) Non- Controlling interests	37	46
Total Equity	73,071	82,190
Liabilities		
Non-current liabilities		
(d) Financial Liabilities - Others	445	133
(e) Financial Liabilities - Lease Liabilities	6,375	6,442
(f) Other Non-Current Liabilities	479	0
(g) Deferred Tax Liabilities	35	138
(h) Non-Current Provisions	363	403
Total Non-Current Liabilities	7,697	7,116
Current liabilities		
(a) Financial Liabilities - Borrowings	414	309
(b) Financial Liabilities - Others	16,108	15,932
(c) Financial Liabilities - Lease Liabilities	1,194	1,206
(d) Other Liabilities	4,921	5,671
(e) Provisions	3,542	3,918
(f) Current Tax Liabilities (Net)	144	423
Total Current Liabilities	26,323	27,459
TOTAL EQUITY AND LIABILITIES	107,091	116,765

Cash Flow

Amount in INR million

	Q3FY21	Q2FY22	Q3FY22
Cash flow from operating activities			
Net profit after tax	5,193	5,517	6,125
Adjustments for:			
Depreciation and amortization	819	850	885
Others	(929)	(415)	(164)
Changes in working capital (net)	966	(911)	(2,543)
Net cash from operating activities [A]	6,049	5,041	4,303
Cash flow from investing activities			
(Purchase)/ Sale of assets and investments	(3,766)	2,197	(2,852)
Acquisitions & Earnout payments	(4)	(509)	-
Investment income	61	320	124
Net cash from investing activities [B]	(3,709)	2,008	(2,728)
Cash flow from financing activities			
Issue of share capital	0	0	0
Proceeds from/(repayment) of borrowings by subsidiaries	(72)	(426)	85
Credit Support Agreement Deposit (including interest)	(4)	354	(261)
Dividend paid (including DDT)	(2,619)	(6,121)	(2,628)
Payment towards lease liability	(410)	(431)	(411)
Net cash from financing activities [C]	(3,105)	(6,624)	(3,215)
Effect of exchange rate on cash and cash equivalents [D]	127	(83)	(144)
Net increase in cash and cash equivalents [A+B+C+D]	(638)	342	(1,784)
Cash and cash equivalents at beginning of the period	5,886	5,050	5,392
Cash and cash equivalents at end of the period	5,248	5,392	3,608

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