

L&T Press Release

Issued by Corporate Brand Management & Communications

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

Group Performance for the year ended March 31, 2018

Consolidated Results

PAT increases by 22%

Mumbai, May 28, 2018: Larsen & Toubro recorded Consolidated Gross Revenue of ₹ 119,862 crore for the year ended March 31, 2018, registering a y-o-y growth of 9%. The International revenue during the year at ₹ 39,699 crore constituted 33% of the total revenue.

The Consolidated Gross Revenue in the quarter January to March 2018 totalled ₹ 40,678 crore recording an increase of 10% on a y-o-y basis.

Consolidated Profit After Tax (PAT) for the year ended March 31, 2018 at ₹ 7,370 crore registered a growth of 22% y-o-y. The overall PAT for the quarter January to March 2018 stood at ₹ 3,167 crore as compared to ₹ 3,025 crore recorded for the corresponding quarter of the previous year.

The Board of Directors has recommended for the approval of shareholders, a Dividend of Rs 16 per share.

The Company successfully won fresh orders worth ₹ 152,908 crore at the group level during the year ended March 31, 2018 registering a growth of 7% over the previous year. The International orders during the year at ₹ 35,853 crore constituted 23% of the total order inflow. Order wins in Infrastructure and Hydrocarbon segments were the major contributors to the order flow during the year.

The order intake for the quarter ended March 31, 2018 at ₹ 49,557 crore grew by 5% y-o-y. International order inflow during the quarter at ₹ 8,678 crore constituted 18% of the order inflow for the quarter.

Consolidated Order Book of the group stood at ₹ 263,107 crore as at March 31, 2018, with international Order Book constituting 24% of the total Order Book.

Infrastructure Segment

Infrastructure segment secured fresh orders of ₹ 87,277 crore, during the year ended March 31, 2018, registering a growth of 11%. The order awards reflect pick up of domestic investment momentum in second half of the year. International orders at ₹ 14,298 crore constituted 16% of the total order inflow of the segment during the year.

During the quarter January-March 2018, the Segment recorded order inflow of ₹ 33,455 crore registering a growth of 27% over the corresponding quarter of the previous year.

The Order Book of the Segment stood at ₹ 195,419 crore as at March 31, 2018.

Infrastructure Segment achieved Customer Revenue of ₹ 59,083 crore for the year ended March 31, 2018 registering a y-o-y growth of 12% with pick up of execution momentum in the later part of the year. International revenue constituted 29% of the total customer revenue of the segment during the year. The execution pace peaked in the quarter January to March 2018 with the Customer Revenue at ₹ 22,946 crore recording a y-o-y growth of 15%.

The EBITDA margin of the segment during the year ended March 31, 2018 was marginally lower at 10.0% compared to previous year, with cost pressures in a few international projects.

Power Segment

Power Segment secured fresh orders of ₹ 2,414 crore for the year ended March 31, 2018 lower by 16% y-o-y, with international orders constituting 86% of the total order inflow. On the domestic front, the sector continues to witness subdued ordering activity and aggressive competition. Order Inflow of the Segment during the quarter ended March 31, 2018 stood at ₹ 182 crore.

The Order Book of the Segment stood at ₹ 9,357 crore as at March 31, 2018 recording a y-o-y decline of 32%.

Power Segment recorded customer revenue of ₹ 6,201 crore during the year ended March 31, 2018, registering a y-o-y decrease of 11% on declining order book. International revenue constituted 24% of the total customer revenue of the segment during the year. For the quarter January-March 2018, the Customer Revenue was at ₹ 1,502 crore, recording y-o-y decline of 18%.

The segment EBITDA margin for the year ended March 31, 2018 was at 3.4%, marginally lower compared to 3.5% recorded in previous year.

Heavy Engineering Segment

Heavy Engineering Segment secured fresh orders valued ₹ 5,848 crore during the year ended March 31, 2018. International orders constituted 17% of the total order inflow of the segment during the year. During the quarter January-March 2018, the Segment recorded order inflow of ₹ 2,097 crore.

The Order Book of the Segment increased by 13% on a y-o-y and stood at ₹ 13,523 crore as at March 31, 2018.

Heavy Engineering Segment recorded Customer Revenue of ₹ 3,845 crore registering a y-o-y growth of 22% over the previous year, with pick up of execution momentum in defence orders. International sales constituted 23% of the total customer revenue of the segment. The Customer Revenue during the quarter January-March 2018 stood at ₹ 1148 crore recording a y-o-y growth of 23%.

The EBITDA margin of the segment declined to 17.1% for the year ended March 31, 2018 vis-à-vis the margin of 20.0% in the previous year, reflecting the stage of execution of the projects in the order book portfolio.

Electrical & Automation (E&A) Segment

E&A Segment recorded Customer Revenue of ₹ 5,209 crore during the year ended March 31, 2018, registering a growth of 5% y-o-y. On a like-to-like basis, revenues adjusted for Excise Duty grew by 11%. International Revenue constituted 28% of the total customer revenue of the segment for the year ended March 31, 2018. The Customer Revenue during the quarter January-March 2018 stood at ₹ 1,546 crore recording a marginal decrease y-o-y.

The EBITDA Margin of the E&A Segment strengthened to 16.0% for the year vis-à-vis 15.1% for the previous year on the back of streamlined execution in the automation business.

Hydrocarbon Segment

Hydrocarbon Segment secured fresh orders valued ₹ 15,811 crore during the year ended March 31, 2018, a decline of 15% compared to previous year, with reduction in international orders. International order inflow constituted 38% of the total order inflow of the segment. The order inflow for the quarter January-March 2018 stood at ₹ 2,976 crore vis-à-vis ₹ 7,276 crore recorded in the corresponding quarter of the previous year.

The Order Book of the Segment stood at ₹ 26,590 crore as at March 31, 2018, registering a y-o-y growth of 7%.

Hydrocarbon Segment recorded Customer Revenue of ₹ 11,736 crore during the year ended March 31, 2018, registering a y-o-y growth of 22% over the previous year, with substantial growth in opening order book. With receipt of large value international orders in previous year, the International sales constituted 58% of the total customer revenue of the segment for the year ended March 31, 2018. The Customer Revenue during the quarter January-March 2018 stood at ₹ 3,548 crore recording a y-o-y growth of 38%.

The segment recorded improvement in the EBITDA Margin to 7.7% for the year ended March 31, 2018 vis-a-vis 6.8% in the previous year, with close out of legacy international projects and improved operational efficiencies.

IT & Technology Services Segment

IT & Technology Services Segment achieved Customer Revenue of ₹ 11,188 crore during the year ended March 31, 2018, registering y-o-y growth of 15%. International sales constituted 93% of the total customer revenue of the segment for the year ended March 31, 2018. The Customer Revenue during the quarter January-March 2018 stood at ₹ 3,075 crore recording a y-o-y growth of 24%.

The EBITDA Margin of the IT&TS Segment was 21.4% for the year ended March 31, 2018 vis-à-vis 21.2% for the previous year.

Financial Services Segment

Financial Services Segment recorded Customer Revenue of ₹ 10,064 crore during the year ended March 31, 2018, registering a y-o-y growth of 18%, driven by growth in loan assets and disbursements in the focus areas of wholesale, real estate, micro loans and farm portfolio.

The operating margin of the Financial Services Segment for the year ended March 31, 2018 increased to 14.8% from previous year at 10.1% on the back of higher fee income and cost control measures.

Developmental Projects Segment

Developmental Projects Segment registered Customer Revenue of ₹ 4,294 crore during the year ended March 31, 2018, recording a 7% increase over the previous year, with partial commissioning of the Company's Metro Rail concession in Hyderabad, being implemented through a subsidiary. The increase also represents resumption of Revenue Recognition relating to certain costs hitherto disallowed by the customer, but allowed by Supreme Court in favour of Nabha Power Ltd, a subsidiary company.

The EBITDA Margin of the Developmental Projects Segment for the year ended March 31, 2018 improved to 6.3% vis-à-vis 2.3% earned during the previous year. The improvement is the outcome of the favourable Supreme Court judgement in the case of Nabha Power Limited.

“Others” Segment

“Others” segment comprises Metallurgical & Material Handling Systems, Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue of “Others” Segment during the year ended March 31, 2018 at ₹ 8,242 crore registered a decline of 19% over the previous year, mainly due to depleted opening order books in Valves, Metallurgical & Material Handling and Realty businesses. International sales constituted 17% of the total customer revenue of the segment.

During the year ended March 31, 2018, the segment EBITDA margin stood at 17.3% as compared to margin of 10.9% in the previous year on the back of an asset monetisation transaction in Realty business.

Outlook

Domestic reforms such as GST, RERA and the Insolvency & Bankruptcy Code have led to disruptions in the year gone by, though these are expected to lead to sustainable long term growth. These reform measures along with increased flow of funds from multilateral Institutions aided by supportive policies such as pursuance of ‘Make in India’ initiative, focus on infrastructure buildout, etc. are likely to improve the investment climate in the country. With tax revenues estimated to show buoyancy through nominal GDP growth and widening of the tax base, budgetary allocations for

infrastructure are scheduled to increase although the short term focus of the Government could well be on development of rural India through social welfare schemes. Revival of stressed business through the IBC is targeted at progressive resolution of the “twin balance sheet” problems and is the first step in facilitating increased credit lines to kick start private sector capex.

On the global front, oil price dynamics and geo-political developments have led to investment uncertainty in countries that were hitherto considered as growth geographies. Hardening of oil prices, fluctuation in commodity prices and currency movements have infused volatility in the economies and businesses across the board. Meanwhile, some countries have started seeing opportunities in this environment for their economic growth and this bodes well for global development. Recent upswing in oil prices could also incentivise infrastructure and hydrocarbon capex in the Middle East region.

In the backdrop of this economic environment, the Company expects to continue its planned trajectory of profitable and steady growth which, along with its many value enhancing measures, is aimed at improving shareholder returns on a sustainable basis.

Background:

Larsen & Toubro is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with over **USD 18 billion** in revenue. It operates in over 30 countries worldwide. A strong, customer-focused approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business for over seven decades.



LARSEN & TOUBRO LIMITED
Registered Office: L&T House, Ballard Estate, Mumbai 400 001
CIN : L99999MH1946PLC004768

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2018

₹ Crore

Particulars	Quarter ended			Year Ended	
	March 31, 2018 see note (vii)	December 31, 2017 Limited reviewed	March 31, 2017 see note (vii)	March 31, 2018 Audited	March 31, 2017 Audited
1 Income:					
a) Revenue from operations	40678.10	28747.45	36827.99	119862.10	110011.00
b) Other income	432.76	213.94	351.31	1412.03	1344.11
Total Income	41110.86	28961.39	37179.30	121274.13	111355.11
2 Expenses:					
a) Manufacturing, construction and operating expenses:					
i) Cost of raw materials and components consumed	4114.91	3729.30	3383.20	15377.21	14320.98
ii) Stores, spares and tools consumed	638.53	682.42	548.51	2384.91	2090.42
iii) Excise duty	-	-	209.25	178.94	699.19
iv) Sub-contracting charges	9484.83	5642.65	8353.98	24639.02	22560.54
v) Construction materials consumed	9588.56	5818.81	7470.52	24057.20	20716.99
vi) Purchase of stock-in-trade	371.30	284.32	584.99	1357.76	1610.57
vii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(321.61)	(174.01)	1366.88	(1230.19)	84.00
viii) Other manufacturing, construction and operating expenses	3068.10	2384.15	3332.04	10520.74	10595.04
b) Finance cost of financial services business and finance lease activity	1576.67	1528.60	1340.33	6019.74	5362.09
c) Employee benefits expense	4128.43	3838.57	3501.37	15292.48	13853.97
d) Sales, administration and other expenses	2637.91	1869.68	2354.51	7692.91	6986.73
e) Finance costs	418.09	362.48	295.78	1538.52	1338.73
f) Depreciation, amortisation, impairment and obsolescence	492.39	454.49	722.70	1928.73	2369.93
Total Expenses	36198.11	26421.46	33464.06	109757.97	102589.18
3 Profit before exceptional items (1-2)	4912.75	2539.93	3715.24	11516.16	8765.93
4 Exceptional items	-	(13.75)	(281.00)	123.00	121.43
5 Profit before tax (3+4)	4912.75	2526.18	3434.24	11639.16	8887.36
6 Tax expense:					
a) Current tax	1795.39	795.71	864.01	3732.27	2834.35
b) Deferred tax	(337.41)	(58.47)	(526.79)	(533.40)	(827.76)
Total tax expense	1457.98	737.24	337.22	3198.87	2006.59
7 Net Profit after tax (5-6)	3454.77	1788.94	3097.02	8440.29	6880.77
8 Share in profit/(loss) of joint ventures/associates (net)	(116.82)	(171.06)	83.39	(435.86)	(395.27)
9 Net Profit after tax and share in profit/(loss) of joint ventures/associates (PAT) (7+8)	3337.95	1617.88	3180.41	8004.43	6485.50
Attributable to: Owners of the Company	3167.47	1489.98	3024.61	7369.86	6041.23
Non-controlling interests	170.48	127.90	155.80	634.57	444.27
10 Other comprehensive income (OCI)	(55.17)	107.50	380.04	163.26	177.78
Attributable to: Owners of the Company	(42.98)	92.53	344.33	162.33	146.38
Non-controlling interests	(12.19)	14.97	35.71	0.93	31.40
11 Total comprehensive income (9+10)	3282.78	1725.38	3560.45	8167.69	6663.28
Attributable to: Owners of the Company	3124.49	1582.51	3368.94	7532.19	6187.61
Non-controlling interests	158.29	142.87	191.51	635.50	475.67
12 Paid-up equity share capital (face value of share: ₹ 2 each)	280.27	280.21	186.59	280.27	186.59
13 Other Equity attributable to owners of the Company				55376.72	50029.93
14 Earnings per share (EPS) of ₹ 2 each (not annualised):					
(a) Basic EPS (₹)	22.60	10.64	21.61	52.62	43.20
(b) Diluted EPS (₹)	22.55	10.57	21.39	52.49	43.05

Notes:

- (i) Revenue for the periods upto June 30, 2017 includes excise duty collected from customers. Revenue from July 1, 2017 onwards is exclusive of Goods and Service tax which subsumed excise duty.
- (ii) During the quarter ended March 31, 2018, the Company has allotted 3,37,835 equity shares of ₹ 2 each fully paid-up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.
- (iii) On July 15, 2017, the Company allotted bonus equity shares of ₹ 2 each, fully paid-up, in the ratio of 1:2 (one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held) to all registered shareholders as on the record date. The earnings per share ["EPS"] data for all the periods disclosed above have been adjusted for the issue of bonus shares as per Indian Accounting Standard 33 "Earnings Per Share" (Ind AS 33).
- (iv) Exceptional items during the year ended March 31, 2018 represent gains on divestment of stake in two subsidiary companies and provision towards customer receivables under insolvency proceedings.
- (v) On May 1, 2018, the Company signed, subject to regulatory approvals, definitive agreements with Schneider Electric for strategic divestment of its Electrical and Automation (E&A) business (which is a reported segment), together with certain associated subsidiary companies outside India, for an all-cash consideration of ₹ 14000 crore which is subject to customary post-closing adjustments.
- (vi) The Board of Directors recommended a final dividend of ₹ 16.00 per equity share of face value of ₹ 2 each.
- (vii) The figures for the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and the limited reviewed year-to-date published figures for the nine month period ended December 31, 2017 and December 31, 2016 respectively.

(viii) Statement of assets and liabilities as per Regulation 33(3)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016:

₹ Crore

Particulars	As at	
	March 31, 2018 Audited	March 31, 2017 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	10642.04	11232.97
Capital work-in-progress	2143.07	1944.71
Investment property	4345.86	3613.26
Goodwill	1561.78	1398.66
Other intangible assets	2030.51	432.22
Intangible assets under development	11300.36	11353.23
Financial Assets		
Investments in joint ventures and associates	2487.59	2772.90
Other investments	3359.47	2679.90
Loans	1793.85	1487.38
Loans towards financing activities	61816.54	47133.86
Other financial assets	614.32	857.60
Deferred tax assets (net)	2131.98	1736.15
Other non-current assets	4587.74	3697.51
Sub-total - Non-current assets	108815.11	90340.35
Current assets		
Inventories	4847.80	4139.74
Financial assets		
Investments	9464.25	14300.22
Trade receivables	34654.08	28688.97
Cash and cash equivalents	6834.34	3526.87
Other bank balances	1198.19	1779.09
Loans	559.72	486.45
Loans towards financing activities	26448.01	24927.38
Other financial assets	4194.59	3286.34
Other current assets	46524.83	39056.82
Sub-total - Current assets	134725.81	120191.88
Group(s) of assets classified as held for sale	1512.43	1649.37
TOTAL ASSETS	245053.35	212181.60
EQUITY AND LIABILITIES:		
EQUITY		
Equity share capital	280.27	186.59
Other equity	55376.72	50029.93
Equity attributable to owners of the company	55656.99	50216.52
Non-controlling interests	5625.00	3563.60
Sub-total - Equity	61281.99	53780.12
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	72914.76	67340.58
Other financial liabilities	353.95	226.09
Provisions	523.54	526.60
Deferred tax liabilities (net)	637.92	610.95
Other non-current liabilities	67.97	172.14
Sub-total - Non-current liabilities	74498.14	68876.36
Current liabilities		
Financial Liabilities		
Borrowings	19331.85	16534.47
Current maturities of long term borrowings	15277.47	10078.90
Trade payables	37794.96	30294.86
Other financial liabilities	4848.99	4828.64
Other current liabilities	27326.97	23384.55
Provisions	2483.75	2667.81
Current tax liabilities (net)	747.26	240.29
Sub-total - Current liabilities	107811.25	88029.52
Liabilities associated with group(s) of assets classified as held for sale	1461.97	1495.60
TOTAL EQUITY AND LIABILITIES	245053.35	212181.60

(ix) The Company reports consolidated financial results on quarterly basis, pursuant to the option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The standalone financial results are available on the Company's website viz. www.larsentoubro.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone financial results of the Company for the quarter and year ended March 31, 2018 are given below:

₹ Crore

Particulars	Quarter ended			Year Ended	
	March 31, 2018 see note (vii)	December 31, 2017 Limited reviewed	March 31, 2017 see note (vii)	March 31, 2018 Audited	March 31, 2017 Audited
Revenue from operations	26941.74	17717.98	23499.64	74611.65	66301.35
Profit before tax	3392.85	1580.14	1739.76	7262.38	6757.84
Net profit after tax (including exceptional items)	2445.22	1221.95	1254.08	5387.30	5453.74
Net profit after tax (excluding exceptional items)	2220.35	1095.80	2215.16	4861.37	4559.77

(x) Figures for the previous periods have been re-grouped/re-classified to conform to the figures of the current periods.

(xi) The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 28, 2018.

for LARSEN & TOUBRO LIMITED

Consolidated Audited segment-wise Revenue, Result, Total assets and Total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

₹ Crore

Particulars	Quarter ended			Year Ended	
	March 31, 2018 see note (V)	December 31, 2017 Limited reviewed	March 31, 2017 see note (V)	March 31, 2018 Audited	March 31, 2017 Audited
Gross segment revenue					
1 Infrastructure	23135.97	13965.97	20300.96	59818.97	53920.81
2 Power	1506.76	1269.84	1838.55	6208.23	6938.79
3 Heavy Engineering	1183.46	988.03	1034.65	4113.88	3446.94
4 Electrical & Automation	1643.06	1287.47	1678.63	5508.27	5367.27
5 Hydrocarbon	3559.07	3089.93	2579.72	11759.63	9628.34
6 IT & Technology Services	3152.35	2914.98	2548.62	11357.43	9887.54
7 Financial Services	2722.08	2634.27	2206.52	10063.75	8545.29
8 Developmental Projects	1216.98	1031.50	1006.48	4294.05	4367.28
9 Others	3151.59	2083.72	4417.34	8834.32	10862.43
Total	41271.32	29265.71	37611.47	121958.53	112964.69
Less: Inter-segment revenue	593.22	518.26	783.48	2096.43	2953.69
Net segment revenue	40678.10	28747.45	36827.99	119862.10	110011.00
Segment result					
1 Infrastructure	2945.26	918.16	2519.12	5293.30	4722.54
2 Power	52.02	20.30	58.90	163.99	201.18
3 Heavy Engineering	173.88	146.07	225.35	515.84	498.57
4 Electrical & Automation	265.53	175.36	240.43	668.82	549.89
5 Hydrocarbon	179.08	206.72	208.01	771.81	508.42
6 IT & Technology Services	565.77	558.40	455.36	2146.51	1825.53
7 Financial Services	408.71	372.26	(52.80)	1440.64	786.44
8 Developmental Projects	(199.30)	67.28	(62.65)	196.40	32.01
9 Others	814.33	222.70	394.27	1139.10	387.19
Total	5205.28	2687.25	3985.99	12336.41	9511.77
Less: Inter-segment margins on capital jobs	8.98	(9.53)	18.22	(12.90)	28.14
Less: Interest expenses	418.09	362.48	295.78	1538.52	1338.73
Add: Unallocable corporate income net of expenditure	134.54	191.88	(237.75)	828.37	742.46
Profit before tax	4912.75	2526.18	3434.24	11639.16	8887.36
Segment assets					
1 Infrastructure				58443.26	50020.69
2 Power				6437.33	6847.03
3 Heavy Engineering				6624.54	5123.67
4 Electrical & Automation				4412.36	4364.25
5 Hydrocarbon				9226.17	6728.63
6 IT & Technology Services				7555.66	6166.03
7 Financial Services				87888.63	71841.82
8 Developmental Projects				30375.07	28240.72
9 Others				19531.60	18599.96
Total segment assets				230494.62	197932.80
Less: Inter-segment assets				2452.59	1492.79
Add: Unallocable corporate assets				17011.32	15741.59
Total assets				245053.35	212181.60
Segment liabilities					
1 Infrastructure				40932.30	33912.75
2 Power				5647.48	6362.49
3 Heavy Engineering				5245.60	3826.93
4 Electrical & Automation				2140.87	1935.65
5 Hydrocarbon				7841.04	5589.70
6 IT & Technology Services				2182.27	1893.77
7 Financial Services				76383.88	64341.27
8 Developmental Projects				10515.57	8931.32
9 Others				6971.77	6953.07
Total segment liabilities				157860.78	133746.95
Less: Inter-segment liabilities				2452.59	1492.79
Add: Unallocable corporate liabilities				28363.17	26147.32
Total liabilities				183771.36	158401.48

Notes:

- (I) The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (II) Segment composition: **Infrastructure segment** comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution, water & effluent treatment and smart world & communication projects. **Power segment** comprises turnkey solutions for Coal-based and Gas-based thermal power plants including power generation equipment with associated systems and/or balance-of-plant packages. **Heavy Engineering segment** comprises manufacture and supply of custom designed, engineered critical equipment & systems to core sector industries like Fertiliser, Refinery, Petrochemical, Chemical, Oil & Gas, Thermal & Nuclear Power, Aerospace and Defence. **Electrical & Automation segment** comprises manufacture and sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters/protection (relays) systems and control & automation products. **Hydrocarbon segment** comprises complete EPC solutions for the global Oil & Gas Industry from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning. **IT & Technology Services segment** comprises information technology and integrated engineering services. **Financial Services segment** comprises rural finance, housing finance, wholesale finance, mutual fund, wealth management and general insurance (upto the date of sale). **Developmental Projects segment** comprises development, operation and maintenance of basic infrastructure projects, toll and fare collection, power development, development and operation of port facilities and providing related advisory services. **Others segment** includes metallurgical & material handling systems, realty, shipbuilding, manufacture and sale of industrial valves, welding equipment & cutting tools (till the date of sale), manufacture, marketing and servicing of construction equipment and parts thereof, marketing and servicing of mining machinery and parts thereof, manufacture and sale of rubber processing machinery, mining and aviation.
- (III) Segment revenue comprises sales and operational income allocable specifically to a segment and includes in the case of Developmental Projects and Realty business (grouped under "Others" segment) profits on sale of stake in the subsidiary and/or joint venture companies in those segments. Unallocable corporate income primarily includes interest income, dividends and profit on sale of investments. Unallocable expenditure mainly includes corporate expenses not allocated to segments. Unallocable corporate assets mainly comprise investments. Corporate liabilities mainly comprise borrowings.
- (IV) In respect of most of the segments for the Company, sales and margins do not accrue uniformly during the year.
- (V) The figures for the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and the limited reviewed year-to-date published figures for the nine month period ended December 31, 2017 and December 31, 2016 respectively.

for LARSEN & TOUBRO LIMITED

Mumbai
May 28, 2018

S.N. SUBRAHMANYAN
Chief Executive Officer & Managing Director