



July 16, 2020

National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051.
NSE Symbol: LTTS

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001
BSE Script Code: 540115

Subject: Outcome of Board Meeting as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref: Our letter dated July 3, 2020

Dear Sir/Madam,

We would like to inform that pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their meeting held today i.e. July 16, 2020, have approved and taken on record the Unaudited Consolidated and Standalone Financial Results of the Company, for the quarter ended June 30, 2020. The Board Meeting commenced at 5.00 p.m. and concluded at 7.10 p.m.

Accordingly, we attach herewith the following financial results approved by the Board of Directors.

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2020 along with the Limited Review Report thereon.
2. Press Release and Investor Release w.r.t. Financial Results for the quarter ended June 30, 2020.

Change in Key Managerial Personnel:

Pursuant to Regulation 30(2) read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that:

- A. Resignation of Mr. P. Ramakrishnan as the Chief Financial Officer of the Company with effect from July 19, 2020. Mr. P. Ramakrishnan is moving back to the parent Company, Larsen & Toubro Limited (L&T) to take up a new assignment as part of the Group's role rotation policy.
- B. Appointment of Mr. Rajeev Gupta, as the Chief Financial Officer of the Company with effect from July 20, 2020. The brief profile of Mr. Rajeev Gupta is enclosed as Annexure A.

The above information is also available on the website of the Company. Kindly take the above information on record.

Thanking You,

Yours sincerely,

For L&T Technology Services Limited


Kapil Bhalla
Company Secretary
FCS.3485 *AK*
Encl: As above



Annexure A



Rajeev comes with 24 years of varied experience in Financial Management including 17 years of experience in IT and ITES industry. He joins us from Birlasoft Limited where he was the Chief Financial Officer. Prior to Birlasoft, he has worked in leadership positions with reputed organizations like Jardine Lloyd Thompson, Amazon, InterGlobe Technologies, Capgemini and PwC.

He has rich experience in building businesses from start-up to scale and adept mix of technical, operations and leadership skills acquired during his global stints in the US, Asia Pacific and India.

As CFO of Birlasoft, Rajeev was involved in a complex acquisition with merger/ demerger, successfully integrating the acquired company and leading the commercial structuring of a large multi-million dollar win.

During his ten year stint at Capgemini, Rajeev was involved in the start-up of Capgemini India and played an instrumental role in growing the India business from a size of 200 people to over 35,000 people, he was also involved in the restructuring of Capgemini US business and turning it around to achieve profitability.

Rajeev is an alumnus of The Institute of Chartered Accountants of India (ICAI) and Narsee Monjee, Mumbai.



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

Independent Auditor's review report on consolidated unaudited quarterly financial results of L&T Technology Services Limited

**Review report to
The Board of Directors of
L&T Technology Services Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of L&T Technology Services Limited (the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter ended 30 June 2020 ('the Statement'), being submitted by the Parent pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), as prescribed under section 133 of Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. no.	Entity name	Relationship
1	L&T Technology Services LLC ('LTTS LLC')	Wholly owned subsidiary
2	Esencia Technologies Inc. ('Esencia')	Wholly owned subsidiary of LTTS LLC
3	L&T Technology Services (Canada) Limited	Wholly owned subsidiary of LTTS LLC
4	Esencia Technologies India Private Limited	Wholly owned subsidiary
5	L&T Thales Technology Services Private Limited	Subsidiary
6	Graphene Semiconductor Services Private Limited	Wholly owned subsidiary
7	Graphene Solutions Pte. Ltd.	Wholly owned subsidiary
8	Graphene Solutions SDN. BHD.	Wholly owned subsidiary
9	Graphene Solutions Taiwan Limited	Wholly owned subsidiary
10	Seastar Labs Private Limited	Wholly owned subsidiary
11	L&T Technology Services (Shanghai) Co. Limited	Wholly owned subsidiary

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

Tel. (22) 2204 7722/23, 2286 9900 Fax (22) 2286 9949 E-mail : admin.mumbai@stllp.in

Shreedhar T. Kunte Ramnath D. Kare Edwin P. Augustine Raghunath P. Acharya

Firdosh D. Buchia Tirtharaj A. Khot Pavan K. Aggarwal

Also at Pune. Associate Offices : New Delhi, Chennai, Bangalore, Baroda, Goa & Ahmedabad

SHARP & TANNAN

LETTER NO: _____

SHEET NO: _____

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the unaudited interim financial results and other unaudited financial information of eleven subsidiaries, which have not been reviewed by their auditors, whose interim financial results reflects total revenue of Rs. 1,468 million, total net profit after tax of Rs. 90 million and total comprehensive income Rs. 88 million for the quarter ended 30 June 2020, as considered in the Statement. According to information and explanation given to us by management, these interim financial results are not material to the Group.

These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information.

Our conclusion on the Statement is not modified in respect of the above matters.

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W

FIRDOSH
DARA BUCHIA



Firdosh D. Buchia
Partner

Membership no. 038332

UDIN: 20038332AAAAPT8862

Mumbai, 16 July 2020



L&T Technology Services Limited

Registered Office: L&T House, N.M. Marg, Ballard Estate, Mumbai 400 001
CIN : L72900MH2012PLC232169

Statement of consolidated unaudited financial results for the quarter ended June 30, 2020

Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		(Reviewed)	Refer Note (3)	(Reviewed)	(Audited)
					₹ Million
1	Income				
	a) Revenue from operations	12,947	14,466	13,475	56,191
	b) Other income (net)	137	614	565	2,091
	Total Income	13,084	15,080	14,040	58,282
2	Expenses				
	a) Employee benefit expenses	8,402	8,401	7,815	32,750
	b) Depreciation and amortisation expenses	492	485	428	1,829
	c) Other expenses	2,486	3,382	2,933	12,336
	d) Finance costs	107	94	91	365
	Total expenses	11,487	12,362	11,267	47,280
3	Profit from ordinary activities after finance costs but before exceptional items (1-2)	1,597	2,718	2,773	11,002
4	Exceptional items	-	-	-	-
5	Profit from ordinary activities before tax (3-4)	1,597	2,718	2,773	11,002
6	Tax expense	417	655	732	2,778
7	Net profit from ordinary activities after tax (5-6)	1,180	2,063	2,041	8,224
8	Extraordinary items (net of tax expense)	-	-	-	-
9	Net profit for the period (7+8)	1,180	2,063	2,041	8,224
10	Other comprehensive income (net of tax expense)	632	(1,907)	(19)	(2,479)
11	Total comprehensive income (9+10)	1,812	156	2,022	5,745
12	Net profit / (loss) attributable to :				
	Shareholders of the Company	1,172	2,048	2,039	8,186
	Non-controlling interest	8	15	2	38
13	Total comprehensive income attributable to :				
	Shareholders of the Company	1,804	141	2,020	5,707
	Non-controlling interest	8	15	2	38
14	Paid up equity share capital	209	209	208	209
	Face value per equity share (in Rs.)	2	2	2	2
15	Other equity				27,546
16	Earnings per equity share (Not annualised)				
	a) Basic (in Rs.)	11.22	19.61	19.60	78.56
	b) Diluted (in Rs.)	11.10	19.40	19.30	77.70

Statement of consolidated unaudited financial results for the quarter ended June 30, 2020

Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		(Reviewed)	Refer Note (3)	(Reviewed)	(Audited)
1	Segment revenue				
	Transportation	4,080	5,168	4,699	19,863
	Plant Engineering	1,792	2,318	2,062	9,099
	Industrial Products	2,512	2,785	2,640	10,863
	Medical Devices	1,659	1,469	1,073	5,113
	Telecom & Hitech	2,904	2,726	3,001	11,253
	Revenue from operations	12,947	14,466	13,475	56,191
2	Segment results				
	Transportation	410	758	966	3,510
	Plant Engineering	293	523	503	2,313
	Industrial Products	632	732	671	2,837
	Medical Devices	491	411	285	1,396
	Telecom & Hitech	403	380	554	1,857
	Total results	2,229	2,804	2,979	11,913
	Less - Unallocable expenses (net)	170	121	252	808
	Add - Other income	137	614	565	2,091
	Less - Finance costs	107	94	91	365
	Less - Depreciation and amortisation expenses	492	485	428	1,829
	Profit before tax	1,597	2,718	2,773	11,002

Notes for segment Information

- Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk/return profiles of the business, their organisational structure and internal reporting systems.
- Property, plant and equipment used and liabilities contracted for performing the Company's business have not been identified to any of the above reported segments as the property, plant and equipment and services are used interchangeably among segments.

Explanatory notes to the statement of consolidated unaudited financial results for the quarter ended June 30, 2020

1. The consolidated unaudited financial results for the quarter ended June 30, 2020 been taken on record by the Board of Directors at its meeting held on July 16, 2020. The statutory auditors have carried out limited review of the above consolidated unaudited financial results and have issued an unqualified limited review report. The results for quarter ended June 30, 2020 are extracted from the unaudited interim consolidated financial statements. These consolidated interim financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto.
2. The consolidated unaudited financial results are available on the website of the Company (www.lts.com) and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone unaudited financial results of the Company are given below:

Particulars	Quarter ended			Year ended
	30-06-2020 (Reviewed)	31-03-2020 Refer Note (3)	30-06-2019 (Reviewed)	31-03-2020 (Audited)
Total income	11,990	13,874	13,004	53,936
Profit before tax	1,533	2,510	2,686	10,550
Profit after tax	1,138	1,907	1,980	7,900

3. The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and the limited reviewed year to date figures up to December 31, 2019.
4. During the quarter ended June 30, 2020, the Company has allotted 22,030 equity shares of Rs. 2 each fully paid-up on exercise of stock options by employees, in accordance with the Company's stock option scheme.
5. Estimation uncertainty relating to COVID-19:
The Group has considered internal and certain external sources of information including reliable credit reports, economic forecasts and industry reports up to the date of approval of the financial results in determining the impact on various elements of its financial results. The Group has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on current estimates, the Group expects to fully recover the carrying amount of trade receivables including unbilled receivables, intangible assets and investments. Management of the Group has also reviewed goodwill and is of the opinion that no impairment is required at present. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
6. Figures for earlier periods have been regrouped, wherever necessary.

For and on behalf of the Board of Directors
of L&T Technology Services Limited



KESHAB PANDA
Chief Executive Officer and Managing Director

New Jersey, USA
July 16, 2020



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

Independent Auditor's review report on standalone unaudited quarterly financial results of L&T Technology Services Limited

Review report to,
The Board of Directors of
L&T Technology Services Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of L&T Technology Services Limited (the 'Company') for the quarter ended 30 June 2020 (the 'Statement'), being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Company's management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations. Our responsibility is to issue a report on these standalone unaudited financial results based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W

FIRDOSH
DARA BUCHIA

Firdosh D. Buchia
Partner

Membership no. 038332
UDIN: 20038332AAAAPS6509

Mumbai, 16 July 2020

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

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L&T Technology Services Limited

Registered Office: L&T House, N.M. Marg, Ballard Estate, Mumbai 400 001
CIN : L72900MH2012PLC232169

Statement of standalone unaudited financial results for the quarter ended June 30, 2020

Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		(Reviewed)	Refer Note (3)	(Reviewed)	(Audited)
					₹ Million
1	Income				
	a) Revenue from operations	11,855	13,241	12,457	51,813
	b) Other income (net)	135	633	547	2,123
	Total Income	11,990	13,874	13,004	53,936
2	Expenses				
	a) Employee benefit expenses	7,566	7,531	7,021	29,494
	b) Depreciation and amortisation expenses	415	408	356	1,534
	c) Other expenses	2,368	3,331	2,855	12,007
	d) Finance costs	108	94	86	351
	Total expenses	10,457	11,364	10,318	43,386
3	Profit from ordinary activities after finance costs but before exceptional items (1-2)	1,533	2,510	2,686	10,550
4	Exceptional items	-	-	-	-
5	Profit from ordinary activities before tax (3-4)	1,533	2,510	2,686	10,550
6	Tax expense	395	603	706	2,650
7	Net profit from ordinary activities after tax (5-6)	1,138	1,907	1,980	7,900
8	Extraordinary items (net of tax expense)	-	-	-	-
9	Net profit for the period (7+8)	1,138	1,907	1,980	7,900
10	Other comprehensive income (net of tax expense)	631	(1,988)	(15)	(2,603)
11	Total comprehensive income (9+10)	1,769	(81)	1,965	5,297
12	Paid up equity share capital	209	209	208	209
	Face value per equity share (in Rs.)	2	2	2	2
13	Other equity	-	-	-	25,991
14	Earnings per equity share (Not annualised)				
	a) Basic (in Rs.)	10.89	18.26	19.03	75.82
	b) Diluted (in Rs.)	10.77	18.06	18.75	74.99

Statement of standalone unaudited financial results for the quarter ended June 30, 2020

Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		(Reviewed)	Refer Note (3)	(Reviewed)	(Audited)
1	Segment revenue				
	Transportation	3,537	4,449	4,017	17,014
	Plant Engineering	1,808	2,320	2,062	9,101
	Industrial Products	2,382	2,664	2,641	10,717
	Medical Devices	1,619	1,470	1,071	5,109
	Telecom & Hitech	2,509	2,338	2,666	9,872
	Revenue from operations	11,855	13,241	12,457	51,813
2	Segment results				
	Transportation	347	604	817	3,064
	Plant Engineering	294	526	503	2,315
	Industrial Products	606	618	670	2,695
	Medical Devices	484	412	285	1,397
	Telecom & Hitech	351	340	558	1,649
	Total results	2,082	2,500	2,833	11,120
	Less - Unallocable expenses (net)	161	121	252	808
	Add - Other income	135	633	547	2,123
	Less - Finance costs	108	94	86	351
	Less - Depreciation and amortisation expenses	415	408	356	1,534
	Profit before tax	1,533	2,510	2,686	10,550

Notes for segment information

- Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk/return profiles of the business, their organisational structure and internal reporting systems.
- Property, plant and equipment used and liabilities contracted for performing the Company's business have not been identified to any of the above reported segments as the property, plant and equipment and services are used interchangeably among segments.

Explanatory notes to the statement of standalone unaudited financial results for the quarter ended June 30, 2020

1. The standalone unaudited financial results for the quarter ended June 30, 2020 been taken on record by the Board of Directors at its meeting held on July 16, 2020. The statutory auditors have carried out limited review of the above standalone unaudited financial results and have issued an unqualified limited review report. The results for quarter ended June 30, 2020 are extracted from the unaudited interim standalone financial statements. These standalone interim financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto.
2. During the quarter ended June 30, 2020, the Company has allotted 22,030 equity shares of Rs. 2 each fully paid-up on exercise of stock options by employees, in accordance with the Company's stock option scheme.
3. The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and the limited reviewed year to date figures up to December 31, 2019.
4. Estimation uncertainty relating to COVID-19:
The Company has considered internal and certain external sources of information including reliable credit reports, economic forecasts and industry reports up to the date of approval of the financial results in determining the impact on various elements of its financial results. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, intangible assets and investments. Management of the Company has also reviewed goodwill and is of the opinion that no impairment is required at present. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
5. Figures for earlier periods have been regrouped, wherever necessary.

For and on behalf of the Board of Directors
of L&T Technology Services Limited



KESHAB PANDA
Chief Executive Officer and Managing Director

New Jersey, USA
July 16, 2020

L&T Technology Services reports Q1 FY21 results

Medical and Telecom & Hitech segments show resilience Announces acquisition of Orchestra, a Telecom network specialist

Mumbai, July 16, 2020: L&T Technology Services Limited (BSE: 540115, NSE: LTTS), India's leading pure-play engineering services company, announced its results for the first quarter ended June 30, 2020.

Key financial parameters for Q1FY21:

- USD Revenue at \$171 million
- Revenue at ₹12,947 million; down 4% YoY
- EBIT margin at 12.1%
- Net profit at ₹1,173 million; down 42% YoY

LTTS has executed a definitive agreement to acquire 100% stake in Orchestra Technology, a specialist technology solutions provider for the Telecom industry. Orchestra is based in Texas, USA and will enable LTTS to strengthen its capabilities in network engineering and modernization.

“With many industries operating at limited capacity on account of the pandemic, Q1 was a challenging quarter as expected. Still, we had a good performance in two of our segments - Telecom & Hitech and Medical, and our large deal engine continues to churn wins. Free cash flow generation was strong during the quarter and the healthy cash position sets us up well for the future. Looking ahead, we see a path for recovery backed by good order bookings and a healthy pipeline. We expect both revenue and operating margin to show sequential improvement over the remaining quarters of the current fiscal.

The acquisition of Orchestra will enhance our offerings in the areas of Network Engineering & Enterprise Mobility and provide us strategic access to Telecom service providers who are investing in next generation digital systems for 5G and IoT networks.

As customers redraw their business plans, we are working with them to improve operating efficiency, finetune sourcing and production plans, and prepare for faster go-to-market. Our newer set of offerings like Frugal Manufacturing, Telehealth solution and i-BEMS Shield are seeing good traction in the market. The large deal discussions we are having with customers are a notch higher in terms of criticality and adoption of new age technologies, which we believe will pave the way for greater mind share and competitive differentiation”, said Dr. Keshab Panda, CEO & Managing Director, L&T Technology Services Limited.

During the quarter, LTTS won 9 multi-million dollar deals across all major industry segments which includes one deal with TCV of USD30mn plus and two deals with TCV of USD15mn plus. On a YoY basis, LTTS has increased its USD10mn+ clients by 5 and its USD1mn+ clients by 3.

Industry Recognitions:

- TechCircle honored LTTS with the **Business Transformation Award** in the “New Markets” category to our IT and HR functions jointly for leading digital transformation at LTTS with innovative solutions.
- Enterprise IT magazine conferred LTTS’ IT Team with the “**COVID-19 Super Hero Award**” for their tireless efforts to help LTTS’ workforce during lockdown.

Patents

At the end of the first quarter, the patents portfolio of L&T Technology Services stood at **525**, out of which **385** are co-authored with its customers and the rest are filed by LTTS.

Human Resources

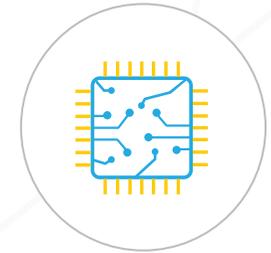
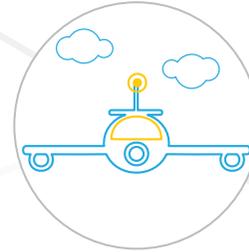
At the end of Q1FY21, LTTS’ employee strength stood at 16,641.

About L&T Technology Services Ltd

L&T Technology Services Limited (LTTS) is a listed subsidiary of Larsen & Toubro Limited focused on Engineering and R&D (ER&D) services. We offer consultancy, design, development and testing services across the product and process development life cycle. Our customer base includes 69 Fortune 500 companies and 53 of the world’s top ER&D companies, across industrial products, medical devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, we have over 16,600 employees spread across 17 global design centers, 28 global sales offices and 51 innovation labs as of June 30, 2020.

Media Contact:

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T: +91-80-67675173

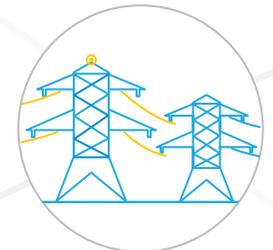
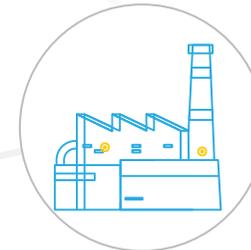


L&T TECHNOLOGY SERVICES LIMITED **FIRST QUARTER - FY 21 RESULTS**

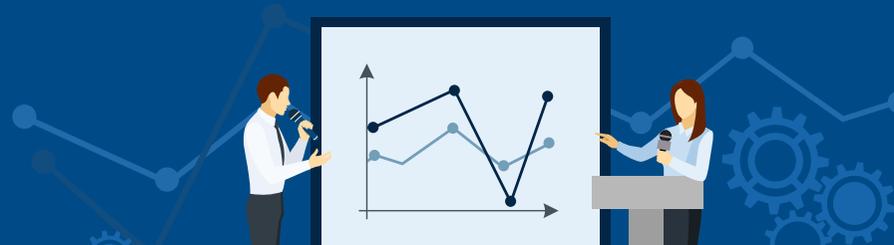


Investor Release

Mumbai, India, July 16, 2020



FINANCIAL HIGHLIGHTS



REVENUE IN INR

- Revenue of **₹12,947 million** for the quarter; down **10.5% QoQ** and **3.9% YoY**

REVENUE IN USD

- Revenue of **\$171 million** for the quarter; down **12.5% QoQ** and **11.8% YoY**; in constant currency down **12.7% QoQ** and **10.9% YoY**

PROFIT IN INR

- EBIT of **₹1,567 million** for the quarter, EBIT margin at **12.1%**
- Net Income of **₹1,173 million** for the quarter, down **42.7% QoQ** and **42.5% YoY**; Net Income margin at **9.1%**

SAFE HARBOUR STATEMENT

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. L&T Technology Services Limited (LTTS) does not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

MESSAGE FROM THE CEO & MANAGING DIRECTOR



With many industries operating at limited capacity on account of the pandemic, Q1 was a challenging quarter as expected. Still, we had a good performance in two of our segments – in Medical, we continued the momentum from Q4 and grew at 42% YoY, while in Telecom & Hitech we are back on track for sequential growth. The sharp sequential decline in Transportation and Plant Engineering segments reflected the uncertainty and weak outlook at heavily impacted industries like Aero and Oil & Gas.

The operating margin in the quarter was impacted primarily due to a drop in utilization because of the furloughs and temporary reduction in spending by our customers. We have accelerated training of our resources in the newer skill sets as part of a program tailor-made to support the technology road map of our top customers, which will help us in better resource deployment in the coming quarters. The free cash flow generation was strong during the quarter as our collections included a bit of the recovery of Q4 too.



The large deal traction continues to be strong, with 9 deal wins across all industry segments and this includes one deal with TCV of USD30mn plus and two deals with TCV of USD15mn plus. As customers redraw their business plans, we are working with them to improve operating efficiency, finetune sourcing and production plans, and prepare for faster go-to-market. We are seeing a positive response to our newer set of offerings like Frugal Manufacturing, Telehealth solution and i-BEMS Shield. The large deal discussions we are having with customers are a notch higher in terms of criticality and adoption of new age technologies, which we believe will pave the way for greater mind share and competitive differentiation.

Based on the deal wins and customer conversations, we see a path for recovery and expect sequential growth in revenue over the remaining quarters of the current fiscal. Our USD revenue guidance for FY21 is for a decline of 9-10%. The cost rationalization measures we have undertaken and the recovery in revenue growth will help us to improve operating margin going forward.

We announced the acquisition of Orchestra which will enhance our offerings in the areas of Network Engineering & Enterprise Mobility and provide us strategic access to Telecom service providers who are investing in next generation digital systems for 5G and IoT networks.

I am very thankful to our employees for their spirit and determination which enabled LTTS to remain the reliable and preferred partner to our customers. Together as a team, we are committed to achieve the milestones we have set for ourselves.



Dr. Keshab Panda

CEO & Managing Director
L&T Technology Services Limited



KEY DEAL WINS

LTTS closed several multi-million dollar projects from global customers across various verticals. The major wins are listed below:

- A chemical manufacturing company has engaged LTTS to work on its 'Global Digital Transformation' program and leverage analytics and data sciences services across key business functions and roll the services globally.
- An oil field services company has awarded LTTS a contract to setup a software development Center of Excellence (CoE) in Bangalore. The CoE shall focus on data analytics platform development and validation and testing services for upstream applications.
- LTTS has been selected by an American life sciences company to provide digital assurance services for their connected care mobile application ecosystem.
- A leading global Tier1 firm partnered with LTTS to build a hybrid unified business engagement that will drive engineering process harmonization across their global locations enabling shorter time to market.
- LTTS was chosen as a strategic partner by an aerospace Tier1 major to support its legacy defence platforms. The scope of the engagement includes multiple upgrades and execution ownership.
- A leading industrial automation company has awarded LTTS a project for creating a low cost variant of their popular power drive and fast track its release to market.
- LTTS won a project to take ownership of multi-disciplinary engineering design activities for an OEM involved in energy generation solutions.
- A European telecommunications company has awarded LTTS a program to orchestrate its vast core network across Europe consisting of various routers, switches and gateways for video streaming and other data services.
- LTTS has been selected as a strategic partner for continuous integration tooling, build management and complex embedded systems verification for the next generation of electric vehicle electronic control units by a major OEM.

FINANCIAL PERFORMANCE

INCOME STATEMENT (CONSOLIDATED)

Amount in ₹ million

	Q1 FY20	Q4 FY20	Q1 FY21	QoQ	YoY
Revenue	13,475	14,466	12,947	-10.5%	-3.9%
Cost of sales	9,040	9,614	9,479		
Gross Profit	4,435	4,851	3,468	-28.5%	-21.8%
Selling, General & Administration Expenses	1,708	2,169	1,409		
EBITDA	2,727	2,682	2,059	-23.2%	-24.5%
Depreciation & Amortisation	428	485	492		
EBIT	2,299	2,198	1,567	-28.7%	-31.8%
Other Income, net	474	521	30		
Income tax expense	733	655	416		
Minority Interest	2	16	8		
Net Income	2,039	2,048	1,173	-42.7%	-42.5%
Margins (%)					
Gross Margin	32.9%	33.5%	26.8%		
EBITDA Margin	20.2%	18.5%	15.9%		
EBIT Margin	17.1%	15.2%	12.1%		
Net Income Margin	15.1%	14.2%	9.1%		
Earnings Per Share (INR)					
Basic	19.60	19.61	11.22		
Diluted	19.30	19.40	11.10		

OTHER INCOME

Amount in ₹ million

	Q1 FY20	Q4 FY20	Q1 FY21
Income from investments, net	101	58	107
Foreign exchange gains/(loss)	222	231	-38
Govt. incentives	192	323	51
Others (incl. IND AS 116 Finance charge)	-40	-91	-91
Total	474	521	30

BALANCE SHEET (CONSOLIDATED)

Amount in ₹ million

	FY20	Q1 FY21
Assets		
Property and equipment	5,676	6,132
Intangible Assets and Goodwill	6,146	6,049
Accounts Receivable	13,807	12,334
Unbilled Revenues	3,510	3,212
Investments	6,420	7,291
Cash and Cash equivalents	2,439	4,989
Other current assets	3,236	2,568
Other non-current assets	1,799	1,515
Total Assets	43,033	44,090
Liabilities and Shareholders' Equity		
Shareholders' Funds	27,686	29,537
Short term borrowings	303	755
Other current liabilities	10,085	9,004
Other non-current liabilities	4,890	4,717
Minority Interest	69	77
Total Liabilities	43,033	44,090

CASH FLOW SUMMARY (CONSOLIDATED)

Amount in ₹ million

	FY20	YTD FY21
Net cash provided by operating activities	6,381	3,406
Capex	-1,511	-228
Free Cash Flow	4,870	3,177
Free Cash Flow to Net Income (%)	59%	271%

OPERATIONAL PERFORMANCE



	Q1 FY20	Q4 FY20	Q1 FY21	QoQ Growth	YoY Growth	In Constant Currency	
						QoQ Growth	YoY Growth
Revenue (USD Mn)	193.9	195.4	171.0	-12.5%	-11.8%	-12.7%	-10.9%

REVENUE BY VERTICAL

	Q1 FY20	Q4 FY20	Q1 FY21	QoQ Growth	YoY Growth
Transportation	34.9%	35.7%	31.5%	-22.8%	-20.4%
Industrial Products	19.6%	19.4%	19.4%	-12.2%	-12.5%
Telecom & Hi-tech	22.3%	18.7%	22.4%	5.1%	-11.3%
Plant Engineering	15.3%	16.0%	13.8%	-24.2%	-20.2%
Medical Devices	8.0%	10.3%	12.8%	9.2%	42.0%

REVENUE BY GEOGRAPHY

	Q1 FY20	Q4 FY20	Q1 FY21	QoQ Growth	YoY Growth
North America	60.9%	61.2%	61.2%	-12.5%	-11.4%
Europe	15.6%	16.7%	16.0%	-16.2%	-9.3%
India	12.8%	12.8%	13.0%	-11.0%	-10.5%
Rest of the World	10.7%	9.2%	9.8%	-7.7%	-19.4%

REVENUE MIX

	Q1 FY20	Q4 FY20	Q1 FY21
Onsite	44.3%	47.1%	48.3%
Offshore	55.7%	52.9%	51.7%

REVENUE BY PROJECT TYPE

	Q1 FY20	Q4 FY20	Q1 FY21
Fixed Price	42.4%	38.6%	38.5%
Time and Material Contract	57.6%	61.4%	61.5%

CLIENT PROFILE

	Q1 FY20	Q4 FY20	Q1 FY21
Number of Active Clients	258	270	270
50 Million dollar +	1	-	-
30 Million dollar +	3	2	1
20 Million dollar +	5	8	4
10 Million dollar +	17	21	22
5 Million dollar +	44	43	43
1 Million dollar +	110	113	113

Client profile is based on LTM (Last Twelve Months) revenue

CLIENT CONTRIBUTION TO REVENUE

	Q1 FY20	Q4 FY20	Q1 FY21
Top 5 Clients	24.7%	19.2%	17.8%
Top 10 Clients	36.7%	31.8%	29.7%
Top 20 Clients	52.5%	48.5%	46.8%

Client contribution is based on LTM (Last Twelve Months) revenue

UTILISATION

	Q1 FY20	Q4 FY20	Q1 FY21
Including Trainees	79.6%	78.1%	70.9%

EMPLOYEE STATISTICS

	Q1 FY20	Q4 FY20	Q1 FY21
Total Headcount	15,913	16,883	16,641
Billable	14,755	15,667	15,481
Sales & Support	1,158	1,216	1,160
Voluntary Attrition % (LTM)	15.8%	13.8%	11.4%

EXCHANGE RATE (USD/INR)

	Q1 FY20	Q4 FY20	Q1 FY21
Period Realised	69.48	74.05	75.71
Period Closing	69.02	75.67	75.51

ACQUISITION

LTTS has executed a definitive agreement to acquire 100% stake in Orchestra Technology, a specialist technology solutions provider for the Telecom industry. Orchestra is based in Texas, USA and will enable LTTS to strengthen its capabilities in Telecom Network Engineering and Modernization Services that will be a key differentiator as 5G rollouts take off across geographies. It will also provide LTTS strategic access to Telecom service providers who are investing in next generation digital systems for 5G and IoT networks.

INDUSTRY RECOGNITIONS

- Enterprise IT magazine conferred LTTS' IT Team with the **COVID-19 Super Hero Award** for their tireless efforts to help LTTS' workforce during lockdown.
- TechCircle honoured LTTS' HR and IT teams with the **Business Transformation Award** in the "New Markets" category for leading digital transformation at LTTS with innovative solutions.

'BACK TO OFFICE' CAMPAIGN

LTTS has enabled the safe return of a part of its workforce by undertaking the following measures:

- **weCare App** - LTTS launched an app to track and monitor safety and health of employees and their immediate family members, while ensuring employee data safety.
- **Safe return of employees at India location:** LTTS resumed operations in a few of its locations after the lockdown was lifted taking a host of precautionary measures to protect employees' health and wellbeing.
- **Virtual Wet Lab:** LTTS' engineers created and launched the virtual clone of its **Wet Lab** where chemicals and potential hazardous material are handled in a controlled environment.



PATENTS

At the end of the first quarter, the patents portfolio of L&T Technology Services stood at **525**, out of which **385** are co-authored with its customers and the remaining **140** are filed by LTTS.



CORPORATE SOCIAL RESPONSIBILITY

As part of its Social Responsibility mandate, LTTS undertook several CSR initiatives throughout the year, with a focus on areas such as Health, Education, Skill Development, Water, Environment and Sports.

Key initiatives undertaken in Q1 FY21 include:

Online Education Camp: L&T Technology Services conducted online camps for rural students in Itki Hira and Moti (Jharkhand), Rudra and Jabarrah (West Bengal) to provide access to quality education in the absence of physical schooling.

Solid Waste Management Program: As part of the Solid Waste Management Program, L&T Technology Services enabled regular door-to-door waste collection and segregation, while complying with all the Government precautions & guidelines.

The segregated waste was then transferred to a manufacturer of recycled goods and plastic benches/dustbins were produced.

LTTS also spread awareness among the 1,500 households in Dumad Village (near Vadodara) on waste segregation and collected over 1,500 KG of plastic waste. This plastic waste has been reused to make benches, t-shirts, and other material.



ABOUT L&T TECHNOLOGY SERVICES

L&T Technology Services Limited (LTTS) is a listed subsidiary of Larsen & Toubro Limited focused on Engineering and R&D (ER&D) services. We offer consultancy, design, development and testing services across the product and process development life cycle. Our customer base includes 69 Fortune 500 companies and 53 of the world's top ER&D companies, across industrial products, medical devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, we have over 16,600 employees spread across 17 global design centers, 28 global sales offices and 51 innovation labs as of June 30, 2020.



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