

January 24, 2017

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

Dear Sirs,

**Subject: Investor Release w.r.t. Financial Results for the quarter and
nine months ended December 31, 2016.**

We refer to our Investor Release w.r.t. Financial Results for the quarter and nine months ended December 31, 2016 submitted vide our letter dated January 23, 2017 on the captioned subject.


We wish to inform that the date mentioned on the first page of the “Investor Release” was inadvertently mentioned as January 21, 2016 instead of January 21, 2017.

We request you to kindly take note of the same and to also inform the investors to kindly read the date as January 21, 2017.

Inconvenience caused is regretted.

Thanking You,

Yours sincerely,
For L&T Technology Services Limited


Kapil Bhalla
Company Secretary
M. No F3485



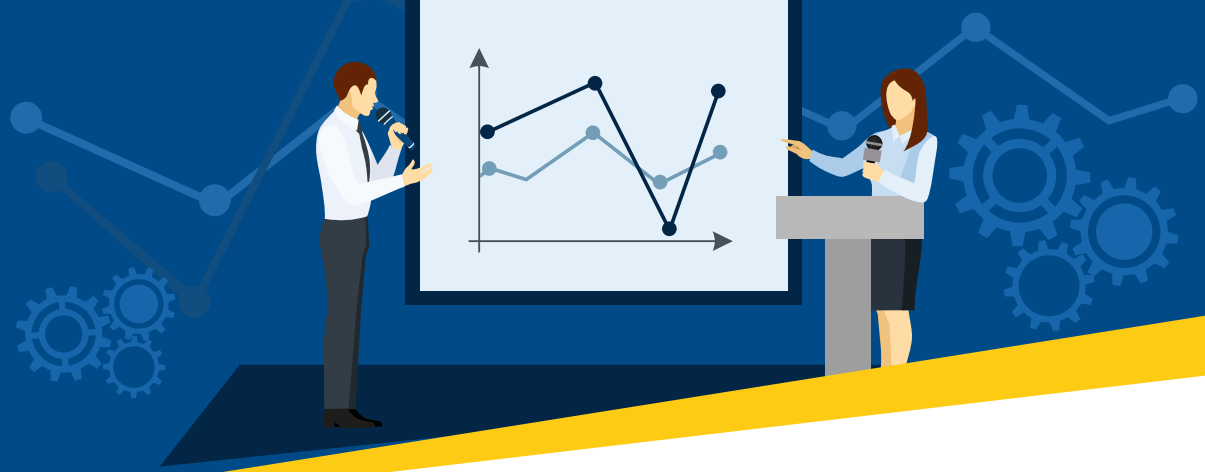
L&T Technology Services Limited Third Quarter-FY 17 Results

 L&T Technology Services

Investor Release
Mumbai, India
January 21, 2017

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FINANCIAL HIGHLIGHTS

REVENUE IN INR

- Revenue at **₹8,104 million** for the quarter; growth of **3.9% YoY**
- 9 months year-on-year revenues grew **7.6%** in INR terms

REVENUE IN USD

- Revenue at **\$120 million** for the quarter; growth of **1.5% YoY**; decline of **2.2% QoQ** on account of lesser working days and lower IP led revenues
- Revenue growth in constant currency at **1.4% YoY**
- 9 months year-on-year revenues grew **3.9%** in USD terms; constant currency growth at **4.5%**

PROFIT IN INR

- EBITDA at **₹1,457 million** for the quarter; EBITDA margin at **18%**
- Net Income at **₹1,086 million** for the quarter, steady at **13.5%**

SAFE HARBOUR STATEMENT

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. 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



L&T Technology Services (LTTS) navigated a challenging quarter despite muted market conditions impacted due to a possible change in the global economic and political scenario. We have a healthy pipeline of opportunities from our major customers in Industrial Products, Medical Devices and Transportation and also see increased traction with existing Fortune 500 customers.

Despite continuous delays in decision making by some of our customers, the impact on LTTS was relatively muted as our portfolio is well balanced across verticals. Maintaining business momentum in a fundamentally uncertain environment demonstrates the depth of traction with our key customers and is a validation of our commitment to provide innovative value added engineering solutions and services.

The quarter ended December 31 also faced headwinds in the form of some customers reprioritising planned programs and projects. But our focus on agile development, value engineering and increased utilisation has enabled us to maintain a steady momentum from last year's base.

We have been also recognized by Zinnov as an Expansive and Established player and was rated in Zinnov's Leadership Zone across 10 verticals.



Dr. Keshab Panda

CEO & Managing Director
L&T Technology Services Limited



PERFORMANCE HIGHLIGHTS

KEY DEAL WINS

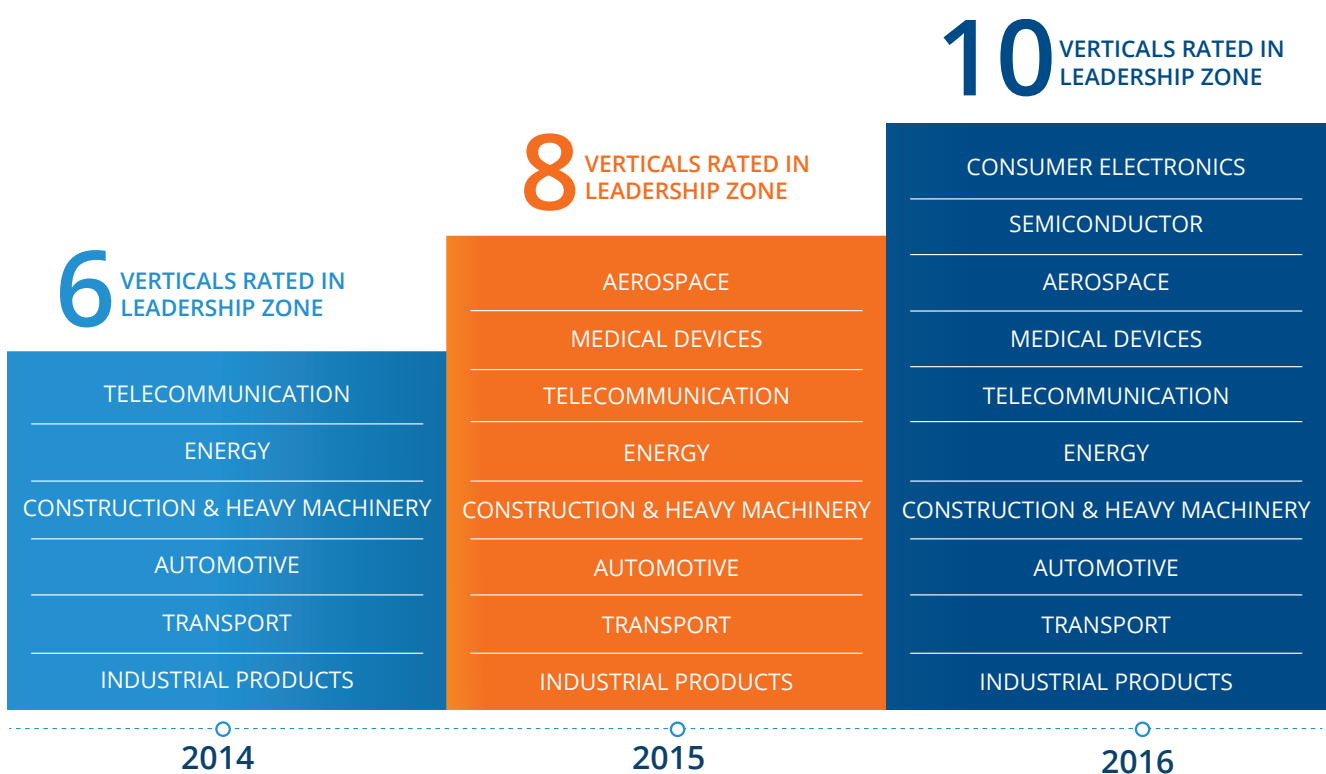
During the quarter, L&T Technology Services won several multi-million dollar contracts from global customers across verticals.

- LTTS is offering design verification, specification support, engineering surveillance and information management services to one of the world's largest process companies in a multi-year engineering contract.
- One of the world's leading OEMs in automotive space based out of Europe has awarded LTTS a contract for its infotainment systems testing, functional integration and testing and system validation.
- LTTS is providing advanced development and testing for the core R&D of one of the world's leading global diversified industrial products conglomerate, specifically for their innovative product development and current technology initiatives.
- We signed a major contract with a leading medical devices company for providing New Product Development and Product Transfer Services for its range of Surgical products and medical devices along with document validation support.
- Secured a multi-year engagement in Middleware application development for a global telecom player for its suite of offerings across IPTV, Cable, Satellite and Terrestrial Pay TV. LTTS has set up an ODC for middleware development to address their end customer projects.



AWARDS & RECOGNITIONS

- The premiere consultancy Zinnov in its latest report titled Zinnov Zones Product Engineering Services report 2016, rated LTTTS in the “Leadership Zone” across **10** major verticals including two new ones- Semiconductors and Consumer Electronics, along with Automotive, Aerospace, Telecom, Energy & Utilities, Industrial Automation, Transport, Construction & Heavy Machinery and Medical Devices.
- Zinnov also positioned L&T Technology Services as an “Expansive and Established” engineering partner with deep domain competencies across both Embedded Systems and Mechanical Engineering domains.



LTTTS Leadership across key industries over the years.

Source Zinnov Zones

PARTNERSHIP & ALLIANCES

L&T Technology Services announced a partnership with the Centre for Nano Science and Engineering (CeNSE), Indian Institute of Science (IISc), Bangalore to jointly work towards innovations in the areas of Sensors and Energy Efficient Systems based on Nanotechnology. LTTS will bring its domain expertise in the area of Industrial Products, Power Electronics, Intelligent Buildings and Smart Campuses, Medical Electronics, Testing and Measurements, Transportation and IIOT to create a platform for their accelerated digital journey. L&T Technology Services is also working closely with CeNSE, IISc in the field of robotics and other related futuristic technologies.

L&T Technology Services is a strategic partner with NASSCOM for the IoT CoE for start-ups and is leading the initiative created by NASSCOM in association with the Indian government. During the quarter, LTTS conducted several NASSCOM partnered events:

- L&T Technology Services participated in NASSCOM's Design & Engineering Summit'2016 as a gold sponsor.
- NASSCOM convened the industry meet of the Sector Skill Council (SSC) which develops courseware for IoT, PLM and Engineering Analysis, at our Knowledge City Campus in Vadodara.

PATENTS

During the third quarter **2** patents co-authored with LTTS' global customers got published, taking the total number of patents to **176**. Newly filed patents include one patent in the Medical Devices/ Hi-Tech domain for a method and system for digital key generation from user data, and another one for the Industrial Products domain for a patent on multiple refrigerant compressor.

The company has also filed for two new trademarks during this period, including the trademark application for its smart building framework i-BEMS™ with the Indian Trademark Office.



OTHER HIGHLIGHTS

- LTTS inaugurated a dedicated innovation lab for one of its top customer at Bangalore. The lab, co-funded by the customer, is a testament to the confidence customers have in the Company's ability to become their trusted innovation partner. The task is to engineer the future roadmap in three major areas - intelligent buildings, connected homes and cold chain.
- **TECHgium™**: In the quarter, LTTS launched TECHgium™, a nationwide initiative to offer a ready platform to young talent to work on real-time technology challenges and engineering problems that its customers currently face. LTTS has invited students from top tier engineering institutes in India to work on projects and Proof of Concepts (PoCs) that will address current needs and future challenges of LTTS' global clients. The forum has met with a very warm response. The students will demonstrate their PoCs to our customers in Q1 FY18. The Grand Finale will be held in Bangalore.
- LTTS showcased solutions in the field of Internet of Medical Things at AdvaMed 2016, America's leading medtech conference. Our breakthrough demos featured at the event included IoT for Homecare Application, Image Processing and Ultrasound on Android.
- L&T Technology Services participated at the high profile Asset Management Conference 2016 held in London in November and showcased its capabilities in Integrated Asset Management at the prestigious event. A presentation on 'Automation: Processes-Accelerators-Tools for enriching integrated asset information' highlighted the list of tools developed by LTTS that helps in cost saving efforts.
- We participated at the Conference IoT in Stockholm in December. At the event, we demonstrated our solutions in the Internet of Things space that would transform the practice of Digital Engineering and dramatically alter the Smart Manufacturing landscape.

Innovation Engine-Tech Panorama

The Tech Panorama is LTTS' largest internal innovation event that invites all our engineers to ideate and innovate on a variety of topics related to major industries and technologies. In its sixth year, the initiative has seen more than **90** percent of LTTS' employee base participate. Successful PoCs include Wireless power banks, HR Workforce analytics, Product fitment of a 6M Scissor lift model & Suspension system design and development for earthmoving equipment.

CSR & DIVERSITY

NASSCOM hosted their first western region Diversity & Inclusion Conference on 22nd December, 2016 in partnership with LTTS and GESIA, Gujarat's premier industry forum at our Knowledge City Campus, Vadodara. The focus of the conference was to discuss Diversity with focus on gender diversity & People with Disabilities (PWD), and share best practices followed across industries.

LTTS' CSR and diversity initiatives were highlighted during the conference. Notable among these were Naya Savera a program for Persons with Disabilities in Vadodara for building the strength, confidence and characters of the PWD to make them ready to take on jobs in their future and WINGS, the company's Gender Diversity initiative – WINGS and how L&T Technology Services had conducted a **90** day training program under the Naya Savera initiative.

FINANCIAL PERFORMANCE

INCOME STATEMENT

Amount in ₹ million

	Q3 FY17	Q2 FY17	Q3 FY16	QoQ Growth	YoY Growth
Revenue	8,104	8,227	7,802	(1.5%)	3.9%
Direct Costs	6,647	6,665	6,265	(0.3%)	6.1%
EBITDA	1,457	1,562	1,537	(6.7%)	(5.2%)
Depreciation & Amortisation	149	151	138	(1.3%)	8.0%
EBIT	1,308	1,411	1,399	(7.3%)	(6.5%)
Other Income, net	165	144	280	14.6%	(41.1%)
Income tax expense	387	436	372	(11.2%)	4.0%
Net Income	1,086	1,119	1,307	(2.9%)	(16.9%)

	Q3 FY17	Q2 FY17	Q3 FY16
Margins (%)			
EBITDA Margin	18.0%	19.0%	19.7%
EBIT Margin	16.1%	17.2%	17.9%
Net Income Margin	13.5%	13.6%	16.8%
Earnings Per Share			
Basic	10.68	10.97	14.39
Diluted	10.26	10.73	10.61

Note: The figures are rounded off to the nearest million, percentages are based on absolute numbers



OPERATIONAL PERFORMANCE

REVENUE BY VERTICAL

	Q3 FY17	Q2 FY17	Q3 FY16	QoQ Growth	YoY Growth
Transportation	34.0%	32.9%	29.4%	0.3%	16.6%
Industrial Products	26.6%	25.5%	25.6%	1.7%	5.1%
Telecom & Hi-tech	17.2%	19.6%	20.3%	(12.9%)	(13.1%)
Process Industry	15.5%	15.2%	18.5%	(0.1%)	(15.0%)
Medical Devices	6.7%	6.7%	6.1%	(2.8%)	11.9%
Total	100.0%	100.0%	100.0%	(2.2%)	1.5%

REVENUE BY GEOGRAPHY

	Q3 FY17	Q2 FY17	Q3 FY16	QoQ Growth	YoY Growth
North America	62.5%	62.3%	61.1%	(1.9%)	3.8%
Europe	19.2%	19.5%	19.5%	(3.7%)	0.2%
India	8.1%	7.4%	7.9%	6.2%	3.5%
Rest of the World	10.2%	10.7%	11.5%	(7.4%)	(10.1%)
Total	100.0%	100.0%	100.0%		

REVENUE MIX

	Q3 FY17	Q2 FY17	Q3 FY16
Onsite	47.5%	48.0%	52.5%
Offshore	52.5%	52.0%	47.5%

REVENUE BY PROJECT TYPE

	Q3 FY17	Q2 FY17	Q3 FY16
Fixed Price	31.0%	30.6%	31.9%
Time and Material Contract	69.0%	69.4%	68.1%

CLIENT PROFILE

	Q3 FY17	Q2 FY17	Q3 FY16
Number of Active Clients	217	216	211
20 Million dollar +	3	3	3
10 Million dollar +	7	7	8
5 Million dollar +	18	18	18
1 Million dollar +	53	53	45

CLIENT CONTRIBUTION TO REVENUE

	Q3 FY17	Q2 FY17	Q3 FY16
Top 5 Clients	23.4%	23.6%	22.9%
Top 10 Clients	35.5%	36.3%	36.4%
Top 20 Clients	51.7%	52.1%	54.1%

UTILISATION

	Q3 FY17	Q2 FY17	Q3 FY16
Including Trainees	75.1%	78.4%	74.9%

EMPLOYEE STATISTICS

	Q3 FY17	Q2 FY17	Q3 FY16
Total Headcount	10,040	9,599	9,444
Billable	9,160	8,739	8,630
Sales & Support	880	860	814
Voluntary Attrition % (LTM)	14.0%	14.6%	10.7%

EXCHANGE RATE (USD/INR)

	Q3 FY17	Q2 FY17	Q3 FY16
Period Average	67.44	66.90	65.92
Period Closing	67.92	66.62	66.15

ABOUT L&T TECHNOLOGY SERVICES

L&T Technology Services Limited, a subsidiary of India's largest construction and engineering conglomerate Larsen & Toubro, is a leading global pure-play engineering services company. L&T Technology Services serves 43 of the world's top ER&D spenders and provides solutions in the areas of Mechanical Engineering Services, Embedded Systems & Applications, Engineering Process Services, Product Lifecycle Management, Engineering Analytics, Power Electronics, Machine-to Machine (M2M), and the Internet-of-Things (IoT).



For more information please contact:

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