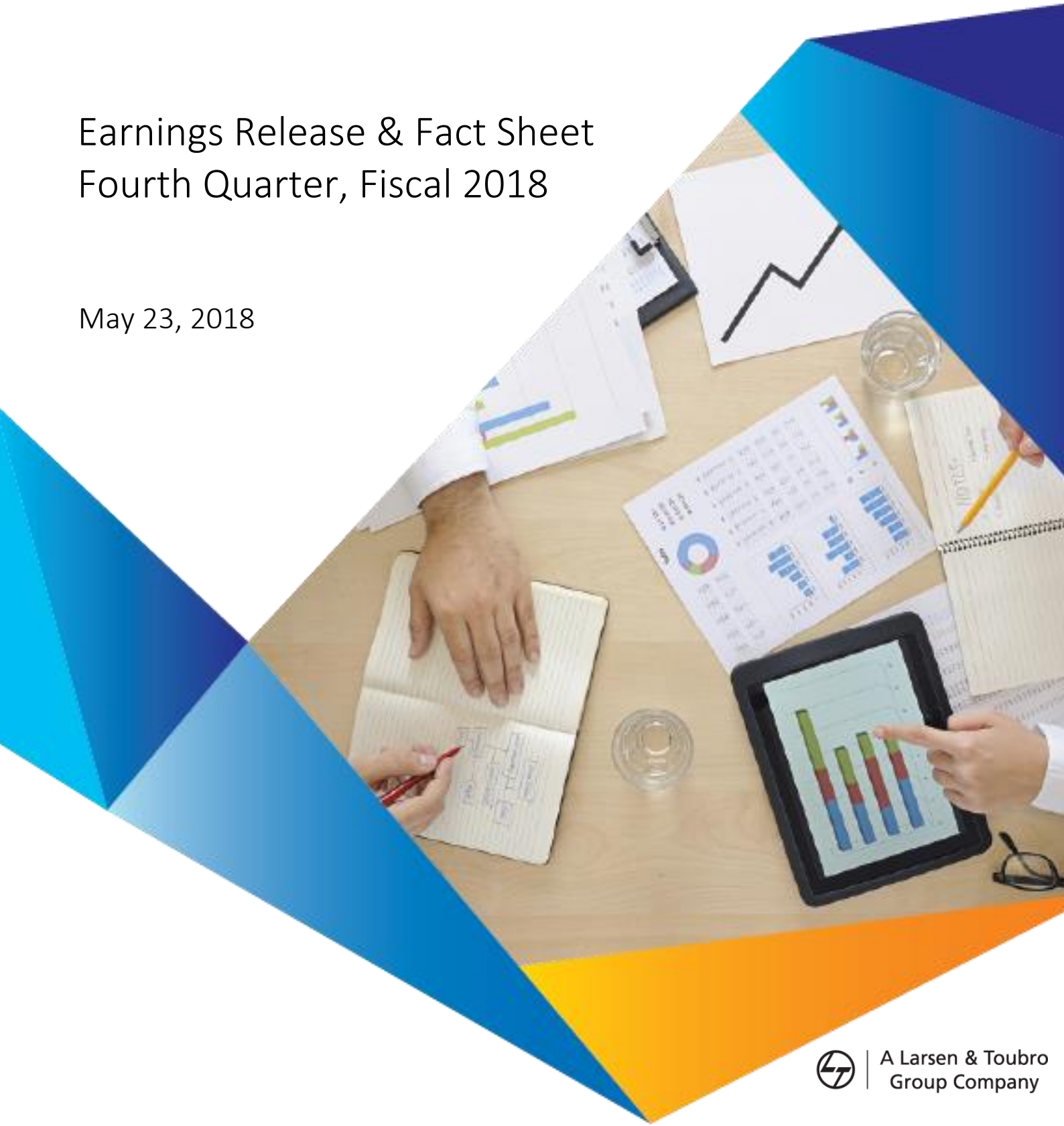




Earnings Release & Fact Sheet Fourth Quarter, Fiscal 2018

May 23, 2018



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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 – Q4 FY18 Results

**Q4 USD revenue growth up 5.3% QoQ and 21.6% YoY;
FY18 revenues of USD1.13bn, up 16.7%;
Digital revenues grow 42% in FY18**

Mumbai, India: May 23, 2018: Larsen & Toubro Infotech (BSE code: 540005, NSE: LTI), a global technology consulting and digital solutions company, announced its Q4 FY18 and full year FY18 results today.

Q4 FY18

In US Dollars:

- Revenue at **USD 309.0 million**; growth of **5.3% QoQ and 21.6% YoY**
- Constant Currency Revenue growth of **4.5% QoQ and 18.7% YoY**

In Indian Rupees:

- Revenue at **Rs 20,012 million**; growth at **6.2% QoQ and 19.3% YoY**
- Net Income at **Rs 2,894 million**; Net Income growth at **2.3% QoQ and 13.7% YoY**

Full year FY18

In US Dollars:

- Revenue at **USD 1,132.3 million**; growth of **16.7% YoY**
- Constant Currency Revenue growth of **14.7% YoY**

In Indian Rupees:

- Revenue at **Rs 73,065 million**; growth at **12.4% YoY**
- Net Income at **Rs 11,124 million**; Net Income growth at **14.6% YoY**

“Our outstanding growth of 5.3% QoQ in Q4 is a result of broad-based performance across all verticals. We have delivered an industry leading growth of 16.7% for the full financial year with digital revenues up 42% YoY. Our sustained investments in exponential technologies are establishing us as the digital-partner-of-choice for our customers worldwide.

We have won two large deals with net-new TCV in excess of USD 50 million in Q4 and feel good about momentum in our business that would power our FY19 performance.”

- Sanjay Jalona, Chief Executive Officer & Managing Director

Recent Deal Wins

- Awarded a transformation engagement with a leading African Bank to transition it's core banking system
- US based home appliance manufacturer has engaged LTI for an Application Management and IT Operations support services deal
- Selected as IT Infrastructure and Security management partner by a US based Industrial Manufacturing company
- Won an analytics engagement with a Global Investment Bank to aggregate and orchestrate data and model a variety of analytics use cases for the firm's Capital Markets Group
- Awarded an end-to-end IT Infrastructure outsourcing engagement with a European Auto major
- Global Fortune 100 bank selected LTI as a preferred partner to deliver multiple digital initiatives and empower client's broader FinTech ecosystem
- End-to-end managed services engagement with a financial regulator for maintaining the business applications of its IT division
- European manufacturing company chose LTI to migrate its workload to Oracle Cloud
- Selected as a strategic IT partner to execute an SAP led transformation engagement by a leading European sourcing and services company
- Global specialty insurance holding company engaged LTI to establish a product and digital testing Center of Excellence
- ExxonMobil chose LTI and group company LTTS to digitize Geoscience content by leveraging automation.

Client Testimonial

"We selected LTI as our strategic IT partner for SAP ADMS engagement because of company's focus on outcomes and innovation. LTI's Mosaic Profiler provided invaluable insights in understanding extensive customizations over years. Also, LTI's deep knowledge and experience of doing business in Nordic region along with its customer focus is a distinct advantage."

- Henrik Thystrup, Vice President- Group IT, Solar A/S

Awards and Recognitions

- Tops the 'Challengers' List in Everest Group's PEAK Matrix™ Service Provider of the Year 2018 Report
- Ranked as the Top Service Provider in France in the 2017 French IT outsourcing study conducted by Whitelane Research
- Featured as Major Players in NelsonHall NEAT on Big Data and Analytics
- Recognized as a Representative Vendor in Gartner's Market Guide for Blockchain Consulting and Proof-of-Concept Development Services report, dated 13th Mar 2018
- Ranked among leaders in Property & Casualty and Life & Annuities categories in Novarica 2018 Market Navigator™ for IT Services Providers for Insurers.
- Featured as a Major Player in IDC MarketScape: Worldwide Manufacturing Customer Experience IT Strategic Consulting and System Integration 2018 Vendor Assessment
- Featured in HfS Blueprint Report : Enterprise Artificial Intelligence (AI) Services 2018

Other Business Highlights

- The Board of Directors at its meeting held on May 23rd, 2018 have declared a final dividend of Rs. 13.5 per equity share (Face value of Re. 1) for the financial year 2017-18. Total dividend for FY18 is Rs. 21.5 per equity share, including the interim dividend of Rs. 8 per equity share declared in November 2017.
- LTI joined the Enterprise Ethereum Alliance, the world's largest open source blockchain initiative. As a member, LTI will collaborate with industry leaders in pursuit of Ethereum-based enterprise technology best practices, open standards, and open-source reference architectures.

Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

About LTI

LTI (NSE: LTI, BSE: 540005) is a global technology consulting and digital solutions company helping more than 300 clients succeed in a converging world. With operations in 27 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 20 years ago as a subsidiary of the Larsen & Toubro group, our unique heritage gives us unrivaled real-world expertise to solve the most complex challenges of enterprises across all industries. Each day, our team of more than 23,000 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 <https://www.Intinfotech.com> or follow us at @LTI_Global

Earnings Conference Call

May 24th, 2018 (11:00 AM 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.

Primary Number	+91 22 6280 1104
Secondary Number	+91 22 7115 8005
Local Access Number	+91 70456 71221 Available all over India
International Toll Number	USA – Los Angeles: 13233868721 UK - London: 442034785524 Singapore: 6531575746 Hong Kong: 85230186877
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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.	

Contact

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Performance Highlights – Q4 FY18

Financial Highlights

Amount in USD million

	Q4FY17	Q3FY18	Q4FY18	QoQ Growth	YoY Growth
Revenue (USD million)	254.1	293.5	309.0	5.3%	21.6%
Revenue Constant Currency				4.5%	18.7%

Amount in INR million

	Q4FY17	Q3FY18	Q4FY18	Q4FY18 Adjusted*	QoQ Growth*	YoY Growth*
Revenue	16,772	18,837	20,012	20,012	6.2%	19.3%
EBITDA Margin	19.0%	17.1%	14.6%	17.7%		
EBIT Margin	16.5%	14.9%	12.8%	15.9%		
Revenue Related Foreign Exchange Gains/(loss)	499	772	910	910		
Net Income	2,545	2,828	2,894	3,380	19.5%	32.8%
Net Income Margin	15.2%	15.0%	14.5%	16.9%		
DSO	66	69	70	70		

*Figures adjusted for one-time commercial settlement with a client for INR 617 million under Direct Costs in Q4FY18. QoQ and YoY growth figures in the above table are computed excluding that.

Revenue by Vertical

	Q4FY17	Q3FY18	Q4FY18	QoQ Growth	YoY Growth
BFS	26.9%	27.1%	28.7%	11.4%	30.1%
Insurance	20.7%	19.4%	18.3%	(1.0%)	7.6%
Manufacturing	19.1%	17.2%	17.3%	5.5%	10.2%
Energy & Utilities	11.1%	11.8%	11.5%	2.6%	25.6%
CPG, Retail & Pharma	8.2%	9.2%	9.0%	2.8%	33.5%
High-Tech, Media & Entertainment	10.2%	10.6%	10.6%	5.3%	26.3%
Others	3.9%	4.6%	4.6%	5.5%	44.1%
Total	100%	100%	100%	5.3%	21.6%

Revenue by Service Offering

	Q4FY17	Q3FY18	Q4FY18	QoQ Growth	YoY Growth
Application Development Maintenance	36.4%	33.5%	32.8%	2.8%	9.4%
Enterprise Solutions	23.6%	26.4%	27.0%	7.7%	38.8%
Infrastructure Management Services	11.4%	10.8%	11.7%	13.3%	24.3%
Testing	9.1%	8.3%	8.4%	6.5%	11.7%
Analytics, AI & Cognitive	9.5%	10.8%	10.7%	4.0%	37.2%
Enterprise Integration & Mobility	6.0%	6.7%	6.5%	1.9%	30.1%
Platform Based Solutions	3.9%	3.5%	3.1%	(7.1%)	(4.5%)
Total	100%	100%	100%	5.3%	21.6%

Revenue by Geography

	Q4FY17	Q3FY18	Q4FY18	QoQ Growth	YoY Growth
North America	68.6%	67.3%	66.0%	3.2%	17.0%
Europe	18.1%	18.0%	18.6%	9.0%	24.8%
RoW	5.7%	6.4%	7.4%	23.0%	57.2%
India	7.5%	8.4%	8.0%	0.0%	29.4%
Total	100%	100%	100%	5.3%	21.6%

Client Contribution to Revenue

	Q4FY17	Q3FY18	Q4FY18	QoQ Growth	YoY Growth
Top 5 clients	38.5%	36.4%	35.2%	2.0%	11.4%
Top 10 clients	53.1%	50.8%	49.6%	2.8%	13.5%
Top 20 clients	68.0%	66.1%	65.1%	3.6%	16.4%

Client Profile

	Q4FY17	Q3FY18	Q4FY18
Number of Active Clients	261	289	300
New Clients Added	15	17	15
100 Million dollar +	1	1	1
50 Million dollar +	4	4	4
20 Million dollar +	11	13	13
10 Million dollar +	23	22	23
5 Million dollar +	35	43	44
1 Million dollar +	96	102	109

Effort Mix

	Q4FY17	Q3FY18	Q4FY18
Onsite	24.0%	23.5%	23.1%
Offshore	76.0%	76.5%	76.9%

Revenue Mix

	Q4FY17	Q3FY18	Q4FY18
Onsite	48.7%	46.2%	45.7%
Offshore	51.3%	53.8%	54.3%

Billed Person Months

	Q4FY17	Q3FY18	Q4FY18
Onsite	10,796	12,070	12,298
Offshore	34,115	39,276	40,843

Utilization

	Q4FY17	Q3FY18	Q4FY18
Including Trainees	78.3%	80.3%	79.9%
Excluding Trainees	79.3%	81.5%	81.1%

Headcount Details

	Q4FY17	Q3FY18	Q4FY18
Total Headcount	21,023	23,394	24,139
Development	19,627	21,979	22,655
Sales & Support	1,396	1,415	1,484
Attrition % (LTM)	16.9%	14.6%	14.8%

Constant Currency Reporting

		QoQ Growth	YoY Growth
Company		4.5%	18.7%
Vertical	BFS	9.0%	24.5%
	Insurance	(1.7%)	5.6%
	Manufacturing	4.3%	5.7%
	Energy & Utilities	1.7%	22.3%
	CPG, Retail & Pharma	1.7%	29.8%
	High-Tech, Media & Entertainment	5.1%	25.6%
	Others	16.1%	66.0%
Service Offering	Application Development Maintenance	2.1%	6.9%
	Enterprise Solutions	6.3%	33.4%
	Infrastructure Management Services	15.3%	27.0%
	Testing	4.0%	7.0%
	Analytics, AI & Cognitive	4.0%	36.1%
	Enterprise Integration & Mobility	(0.2%)	25.5%
	Platform Based Solutions	(8.1%)	(9.2%)
Geography	North America	3.2%	16.6%
	Europe	4.4%	9.5%
	RoW	15.6%	48.2%
	India	6.6%	38.1%

Financial Statements – Q4 FY18

Income Statement

Amount in INR million

	Q4FY17	Q3FY18	Q4FY18	Q4FY18* Adjusted	QoQ Growth*	YoY Growth*
Revenue	16,772	18,837	20,012	20,012	6.2%	19.3%
Direct Costs	10,765	12,568	13,919	13,301	5.8%	23.6%
Gross Profit	6,007	6,269	6,094	6,711	7.1%	11.7%
SG&A expenses	2,816	3,054	3,174	3,174	3.9%	12.7%
EBITDA	3,191	3,215	2,920	3,537	10.0%	10.9%
Depreciation & Amortization	417	403	360	360	(10.8%)	(13.7%)
EBIT	2,774	2,812	2,560	3,177	13.0%	14.5%
Revenue Related Foreign Exchange Gains/(loss)	499	772	910	910		
Other Income, net	4	111	208	208		
Provision for Tax	730	866	784	915	5.7%	25.5%
Net Income	2,545	2,828	2,894	3,380	19.5%	32.8%
Margins (%)						
EBITDA Margin	19.0%	17.1%	14.6%	17.7%		
EBIT Margin	16.5%	14.9%	12.8%	15.9%		
Net Income Margin	15.2%	15.0%	14.5%	16.9%		
Earnings Per Share						
Basic	14.92	16.49	16.84	19.66		
Diluted	14.60	16.16	16.52	19.29		

*Figures adjusted for one-time commercial settlement with a client for INR 617 million under Direct Costs in Q4FY18. QoQ and YoY growth figures in the above table are computed excluding that.

Exchange Rate (USD:INR)

	Q4FY17	Q3FY18	Q4FY18
Period closing rate	64.85	63.88	65.18
Period average rate	66.02	64.18	64.77

Cash Flow

Amount in INR million

	Q4FY17	Q3FY18	Q4FY18
Cash flow from operating activities			
Net profit after tax	2,545	2,828	2,894
Adjustments for:			
Depreciation and amortization	417	403	360
Others	701	(271)	(177)
Changes in working capital (net)	(1,548)	1,201	(1,032)
Net cash from operating activities [A]	2,116	4,162	2,046
Cash flow from investing activities			
(Purchase)/ Sale of assets and investments	(2,703)	(2,698)	(2,252)
Investment income	96	165	109
Net cash from investing activities [B]	(2,607)	(2,533)	(2,142)
Cash flow from financing activities			
Issue of share capital	1	3	-
Proceeds from/(repayment of borrowings)	-	-	-
Credit Support Agreement Deposit (including interest)	1,206	426	(724)
Dividend paid (including DDT)	-	(1,654)	-
Net cash from financing activities [C]	1,207	(1,225)	(724)
Effect of exchange rate on cash and cash equivalents [D]	(106)	(9)	68
Net increase in cash and cash equivalents [A+B+C+D]	716	405	(821)
Cash and cash equivalents at beginning of the period	3,184	3,991	4,386
Cash and cash equivalents at end of the period	3,795	4,387	3,633

Performance Highlights – FY18

Financial Highlights

Amount in USD million

	FY17	FY18	YoY Growth
Revenue (USD million)	969.9	1,132.3	16.7%
Revenue Constant Currency			14.7%

Amount in INR million

	FY17	FY18	FY18 Adjusted*	YoY Growth*
Revenues	65,009	73,065	73,065	12.4%
EBITDA Margin	18.9%	16.3%	17.1%	
EBIT Margin	16.2%	14.1%	15.0%	
Revenue Related Foreign Exchange Gains/(loss)	1,643	3,391	3,391	
Net Income	9,709	11,124	11,610	19.6%
Net Income Margin	14.9%	15.2%	15.9%	
DSO	66	70		

*Figures adjusted for one-time commercial settlement with a client for INR 617 million under Direct Costs. YoY growth figures in the above table are computed excluding that.

Revenue by Vertical

	FY17	FY18	YoY Growth
BFS	26.0%	27.5%	23.5%
Insurance	21.2%	19.7%	8.5%
Manufacturing	18.3%	16.8%	7.5%
Energy & Utilities	11.1%	11.7%	23.1%
CPG, Retail & Pharma	8.0%	9.0%	30.1%
High-Tech, Media & Entertainment	10.6%	10.7%	17.5%
Others	4.8%	4.6%	12.7%
Total	100%	100%	16.7%

Revenue by Service Offering

	FY17	FY18	YoY Growth
Application Development Maintenance	37.3%	34.2%	7.0%
Enterprise Solutions	23.5%	25.2%	25.4%
Infrastructure Management Services	11.0%	11.4%	21.4%
Testing	9.4%	8.6%	7.2%
Analytics, AI & Cognitive	8.8%	10.6%	40.0%
Enterprise Integration & Mobility	6.1%	6.6%	26.0%
Platform Based Solutions	4.0%	3.5%	1.7%
Total	100%	100%	16.7%

Revenue by Geography

	FY17	FY18	YoY Growth
North America	68.8%	68.0%	15.3%
Europe	18.2%	18.0%	15.3%
RoW	6.2%	6.7%	26.9%
India	6.8%	7.3%	25.7%
Total	100%	100%	16.7%

Client Contribution to Revenue

	FY17	FY18	YoY Growth
Top 5 clients	37.6%	36.8%	14.3%
Top 10 clients	51.7%	49.9%	12.8%
Top 20 clients	67.4%	65.5%	13.4%

Financial Statements – FY18

Income Statement

Amount in INR million

	FY17	FY18	FY18 Adjusted*	YoY Growth*
Revenue	65,009	73,065	73,065	12.4%
Direct Costs	42,123	49,123	48,506	15.2%
Gross Profit	22,886	23,942	24,559	7.3%
Selling, General & Administration Expenses	10,583	12,065	12,065	14.0%
EBITDA	12,303	11,877	12,494	1.5%
Depreciation & Amortization	1,780	1,563	1,563	(12.2%)
EBIT	10,524	10,314	10,931	3.9%
Revenue Related Foreign Exchange Gains/(loss)	1,643	3,391	3,391	
Other Income, net	192	710	710	
Provision for Tax	2,649	3,291	3,423	29.2%
Net Income	9,709	11,124	11,610	19.6%
Margins (%)				
EBITDA Margin	18.9%	16.3%	17.1%	
EBIT Margin	16.2%	14.1%	15.0%	
Net Income Margin	14.9%	15.2%	15.9%	
Earnings Per Share				
Basic	57.08	64.93	67.77	
Diluted	55.80	63.48	66.20	

*Figures adjusted for one-time commercial settlement with a client for INR 617 million under Direct Costs. YoY growth figures in the above table are computed excluding that.

Balance Sheet

Amount in INR million

	As at 31 March, 2017	As at 31 March, 2018
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	2,587	2,518
(b) Goodwill	993	2,763
(c) Intangible assets	1,852	1,593
(d) Non-current Financial Assets	2,177	1,109
(e) Deferred tax assets (Net) & Tax Assets	2,156	2,821
(g) Other assets	1,292	1,080
Total Non-Current Assets	11,057	11,884
Current assets		
(a) Investments	9,406	12,643
(b) Trade Receivables and Unbilled Revenue	16,421	22,327
(c) Cash and cash equivalents	3,795	3,633
(d) Other Financial assets	2,677	2,214
(e) Others assets	988	1,125
Total Current Assets	33,287	41,942
TOTAL ASSETS	44,344	53,826
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	171	172
(b) Other Equity	31,272	38,426
(c) Non- Controlling interests	8	13
Total Equity	31,451	38,611
Liabilities		
Non-current liabilities		
(d) Financial liabilities	-	1,042
(e) Deferred tax liabilities	171	132
(f) Non-current provisions	285	279
Total Non-Current Liabilities	456	1,453
Current liabilities		
(a) Financial Liabilities	9,364	9,994
(b) Other Liabilities	1,158	1,617
(c) Provisions	1,614	1,844
(d) Current Tax Liabilities (Net)	301	307
Total Current Liabilities	12,437	13,762
TOTAL EQUITY AND LIABILITIES	44,344	53,826

Cash Flow

Amount in INR million

	Year Ended March 31, 2017	Year Ended March 31, 2018
Cash flow from operating activities		
Net profit after tax	9,709	11,124
Adjustments for:		
Depreciation and amortization	1,780	1,563
Income tax expense	2,649	3,291
Others	430	(199)
Operating profit before working capital changes	14,568	15,778
Changes in working capital (net)	(413)	(3,760)
Cash generated from operations	14,155	12,019
Direct taxes paid	(2,459)	(3,581)
Net cash from operating activities (excl. extraordinary items) [A]	11,696	8,438
Cash flow from investing activities		
(Purchase)/ Sale of assets	(688)	(983)
(Purchase)/sale of investments	(9,048)	(4,163)
Interest & Investment income	221	540
Net cash from investing activities [B]	(9,515)	(4,606)
Cash flow from financing activities		
Issue of share capital	4	3
Proceeds from/(repayment) of borrowings	(437)	-
Credit Support Agreement Deposit (including interest)	1992	(545)
Dividend paid (including DDT)	(1,887)	(3,534)
Net cash from financing activities [C]	(328)	(4,075)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(94)	81
Net increase in cash and cash equivalents [A+B+C]	1,853	(243)
Cash and cash equivalents at beginning of the period	2,035	3,795
Cash and cash equivalents at end of the period	3,795	3,633

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