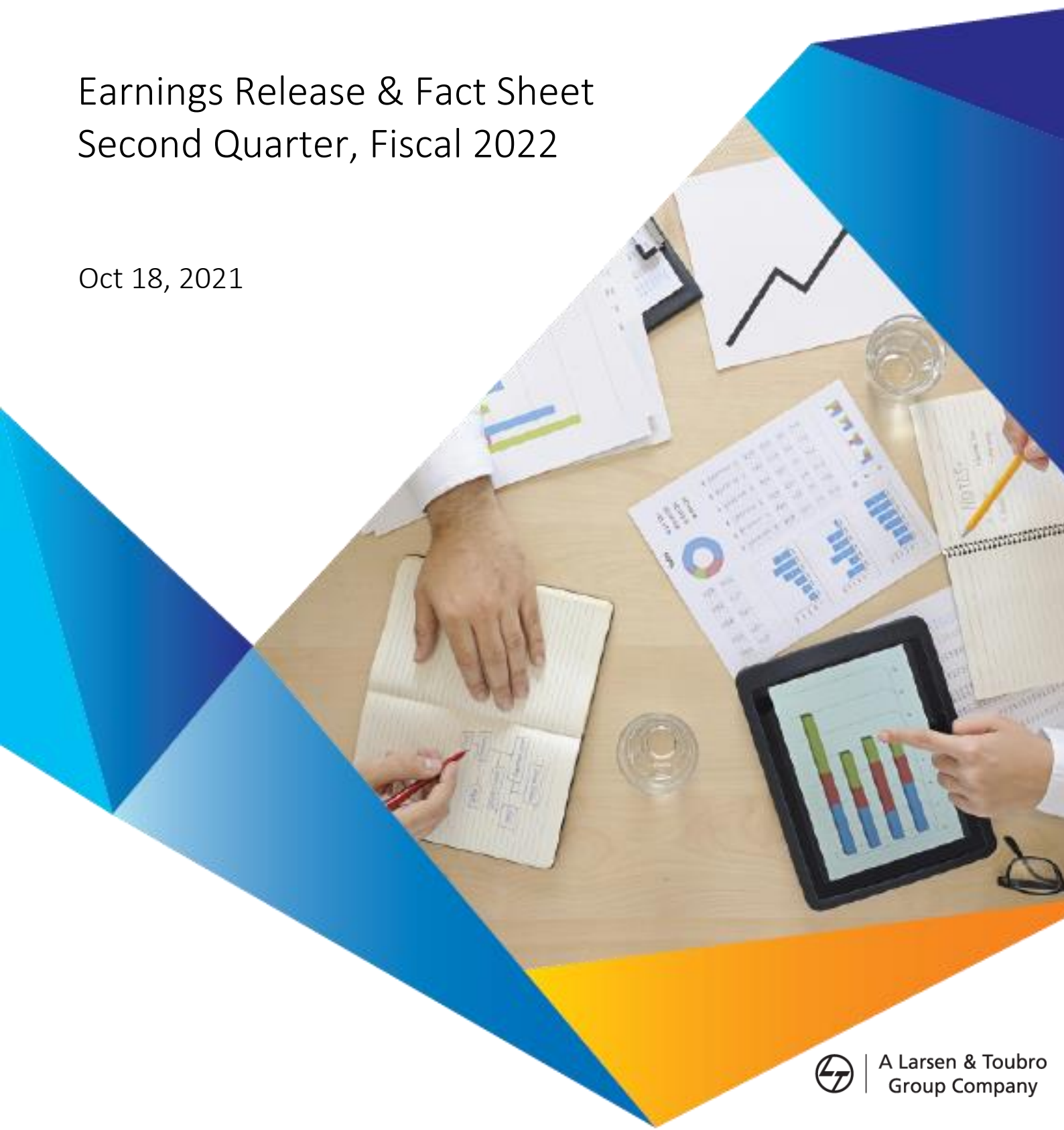




Earnings Release & Fact Sheet Second Quarter, Fiscal 2022

Oct 18, 2021



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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 – Q2 FY22 Results

LTI Crosses USD 2 billion Annual Revenue Run Rate LTI constant currency revenues grow 8.9% QoQ and 25.5% YoY; Net profit up by 20.8% YoY

Mumbai, India: Oct 18, 2021: Larsen & Toubro Infotech (BSE code: 540005, NSE: LTI), a global technology consulting and digital solutions company, announced its Q2 FY22 results today.

In US Dollars:

- Revenue at **USD 509.0 million**; growth of **8.3% QoQ and 25.8% YoY**
- Constant Currency Revenue growth of **8.9% QoQ and 25.5% YoY**

In Indian Rupees:

- Revenue at **INR 37,670 million**; growth at **8.8% QoQ and 25.6% YoY**
- Net Income at **INR 5,517 million**; growth of **11.1% QoQ and 20.8% YoY**

“We are happy to report the strongest sequential revenue growth and best ever Q2 of 8.9% in constant currency terms. As we cross the \$ 2 billion annual revenue run rate, we continue to remain committed to growth in the future. We are witnessing strong demand and are rapidly scaling up on the supply-side with our headcount up 31% year on year.”

- Sanjay Jalona, Chief Executive Officer & Managing Director

Recent Deal Wins

- Selected by a European company providing digital marketing solutions for a global, end-to-end managed services deal spanning across the internal IT department. The scope includes business applications maintenance, development and support of cloud and data platforms, as well as end-user services. This will cover multiple digital technologies and will ensure costs efficiency, increased service flexibility and quality, and support growth plans of the company
- Chosen by a North American manufacturer of golf cars and utility vehicles for a global end-to-end IT managed services deal including set up of processes and tools, security operations, monitoring solutions, and application support. LTI will also be responsible for cloud migration of critical applications as part of this engagement
- Engaged by one of India's leading private sector banks to create a data platform on cloud spanning all core and foundational functions of the bank such as Retail, NRI, Wealth, Corporate, Risk, Finance, Operations and HR. The platform will deliver "Speed to Insights" through data & BI democratization, create an ecosystem for AI-assisted sales and services including hyper personalized customer management
- Selected by a leading specialty vehicle manufacturing company as primary managed services partner to support applications and infrastructure landscape. This is company's first-generation end-to-end outsourcing contract which will bring 30% savings to operational cost
- Selected by a leading mass media company as part of a vendor consolidation exercise for database management and support to streamline operations and reduce costs
- Selected by a global bank for solving regulatory reporting issues and improving business operations efficiency through process automation
- Chosen by a Global Fortune 500 company and a world-wide leader in beauty and cosmetics for migration of its SAP systems to cloud
- Engaged by a leading property and casualty insurance software and data analytics provider based in North America in the product engineering space for their Centre of Innovation to enhance customer experience and efficiency across its core products
- Selected by a Global Fortune 500 oil exploration and production company to bring down its cost and drive operational efficiency by transforming traditional operations into an agile based service delivery
- Engaged by a multinational professional services provider to provide level 3 delivery management and support on a key revenue generating platform
- Chosen by a financial services provider as its partner of choice to provide support for its key operational applications to ensure operational efficiencies and reduce costs
- Selected by the Japanese subsidiary of a utility company headquartered in Europe to migrate to SAP S/4HANA to harmonize and simplify its business processes, improve productivity and enhance user experience

Awards and Recognitions

- LTI recognized as a representative vendor in the Gartner Market Guide for Artificial Intelligence Service Providers, Shubhangi Vashisth et al., 26 July 2021
- LTI Recognized as a Leader in the ISG Provider Lens™ Utilities Industry – Services and Solutions – North America 2021 Report
- LTI Positioned as a Major Contender in Everest Group's Microsoft Dynamics 365 services PEAK Matrix® Assessment 2021
- LTI recognized in the Forrester report: Experience Design Provider Trends, 2021

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Other Business Highlights

- The Board of Directors at its meeting held on Oct 18th, 2021 have declared an interim dividend of INR 15 per equity share (Face value of INR 1)
- LTI has entered in a partnership with eClinicalHealth Limited to accelerate digital innovation in R&D clinical trials management process for patient centric drug development. LTI will help accelerate joint go-to-market pursuits and faster deployment for Clinpal (cloud-based patient-centric SaaS solution). The solution will make use of exponential technologies such as analytics and AI to enhance patient engagement and faster clinical studies
- LTI is now a signatory to the Ten Principles of UN Global Compact. These principles lay down the operating guidelines for a company to meet their fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption
- LTI has been recognized as a Great Place to Work-Certified™ Company in the USA for a second consecutive year
- LTI has been awarded the Golden Peacock National Quality Award 2021. The award recognizes LTI's consistent endeavor to deliver excellence while maintaining optimum quality benchmarks

About LTI

LTI (NSE: LTI) is a global technology consulting and digital solutions Company helping more than 460 clients succeed in a converging world. With operations in 33 countries, we go the extra mile for our clients and accelerate their digital transformation with LTI's Mosaic platform enabling their mobile, social, analytics, IoT and cloud journeys. Founded in 1997 as a subsidiary of Larsen & Toubro Limited, our unique heritage gives us unrivalled real-world expertise to solve the most complex challenges of enterprises across all industries. Each day, our team of more than 40,000 LTites enable our clients to improve the effectiveness of their business and technology operations and deliver value to their customers, employees and shareholders. Find more at <http://www.Ltinfotech.com> or follow us at @LTI_Global.

Earnings Conference Call and Audio Webcast

Oct 18th, 2021 (08:00 PM IST)

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

Universal Access Number	+91 22 6280 1104 +91 22 7115 8005
International Toll Number	USA : 13233868721 UK : 442034785524 Singapore : 6531575746 Hong Kong : 85230186877
Replay of Conference Call	Available after 1 hour from the call end time until October 22 nd , 2021 Playback Code: 60905 Dial-in Number: India +91 22 7194 5757 +91 22 6663 5757 USA Toll Free 18332898317 UK Toll Free 8007563427 Singapore Toll Free 8001012510 Hong Kong Toll Free 800965553
Audio Webcast	
The audio from the conference call will be available online through a webcast and can be accessed at the following link: https://links.ccwebcast.com/?EventId=LTI20211018	
Click here for your DiamondPass™	
DiamondPass™ is a Premium Service that enables you to connect to your conference call without having to wait for an operator. 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 – Q2 FY22

Financial Highlights

Amount in USD million

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
Revenue (USD million)	404.5	470.2	509.0	8.3%	25.8%
Revenue Constant Currency				8.9%	25.5%

Amount in INR million

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
Revenue	29,984	34,625	37,670	8.8%	25.6%
EBITDA Margin	22.9%	18.7%	19.5%		
EBIT Margin	19.9%	16.4%	17.2%		
Revenue Related Foreign Exchange Gains/(loss)	(212)	690	675		
Net Income	4,568	4,968	5,517	11.1%	20.8%
Net Income Margin	15.2%	14.3%	14.6%		
Billed DSO	62	60	61		
DSO (Including unbilled)	94	98	98		

Revenue by Vertical

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
BFS	29.9%	32.1%	32.5%	9.6%	36.8%
Insurance	16.0%	14.5%	14.2%	5.6%	11.4%
Manufacturing	16.2%	15.0%	15.6%	12.4%	20.8%
Energy & Utilities	10.6%	9.1%	8.9%	6.3%	6.0%
CPG, Retail & Pharma	11.0%	10.7%	10.1%	1.9%	15.3%
High-Tech, Media & Entertainment	10.6%	12.7%	12.5%	6.9%	48.5%
Others	5.7%	5.9%	6.2%	14.2%	38.4%
Total	100%	100%	100%	8.3%	25.8%

Revenue by Service Offering

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
ADM and Testing	36.0%	34.0%	34.2%	8.7%	19.5%
Enterprise Solutions	30.8%	30.7%	30.4%	7.2%	24.3%
Cloud Infrastructure & Security	14.4%	14.9%	14.0%	1.9%	22.7%
Analytics, AI & Cognitive	10.6%	11.7%	12.1%	11.9%	43.7%
Enterprise Integration & Mobility	8.3%	8.7%	9.3%	16.2%	41.3%
Total	100%	100%	100%	8.3%	25.8%

Revenue by Geography

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
North America	68.7%	67.0%	67.5%	8.9%	23.5%
Europe	16.1%	16.6%	16.1%	5.1%	25.7%
RoW	8.2%	9.6%	9.8%	10.6%	50.5%
India	6.9%	6.7%	6.6%	6.0%	19.4%
Total	100%	100%	100%	8.3%	25.8%

Client Contribution to Revenue

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
Top 5 clients	30.0%	28.2%	28.2%	8.1%	18.1%
Top 10 clients	42.9%	41.3%	40.7%	6.8%	19.6%
Top 20 clients	57.8%	55.2%	55.0%	7.8%	19.8%

Client Profile

	Q2FY21	Q1FY22	Q2FY22
Number of Active Clients	419	438	463
New Clients Added	26	23	25
1 Million dollar +	169	169	180
5 Million dollar +	61	66	71
10 Million dollar +	32	38	43
20 Million dollar +	16	18	21
50 Million dollar +	6	6	7
100 Million dollar +	1	1	1

Effort Mix

	Q2FY21	Q1FY22	Q2FY22
Onsite	19.4%	17.3%	16.4%
Offshore	80.6%	82.7%	83.6%

Revenue Mix

	Q2FY21	Q1FY22	Q2FY22
Onsite	46.5%	42.7%	40.8%
Offshore	53.5%	57.3%	59.2%

Billed Person Months

	Q2FY21	Q1FY22	Q2FY22
Onsite	13,887	14,791	15,111
Offshore	57,533	70,647	77,271

Utilization

	Q2FY21	Q1FY22	Q2FY22
Including Trainees	80.5%	83.7%	81.6%
Excluding Trainees	82.0%	84.1%	83.7%

Headcount Details

	Q2FY21	Q1FY22	Q2FY22
Total Headcount	32,455	38,298	42,382
Development	30,682	36,431	40,395
Sales & Support	1,773	1,867	1,987
Attrition % (LTM)	13.5%	15.2%	19.6%

Constant Currency Reporting

		QoQ Growth	YoY Growth
Company		8.9%	25.5%
Vertical	BFS	10.6%	36.0%
	Insurance	6.1%	10.9%
	Manufacturing	12.9%	20.8%
	Energy & Utilities	6.9%	5.9%
	CPG, Retail & Pharma	2.6%	15.4%
	High-Tech, Media & Entertainment	7.0%	48.4%
	Others	15.0%	38.4%
Service Offering	ADM and Testing	9.2%	19.3%
	Enterprise Solutions	8.1%	23.6%
	Cloud Infrastructure & Security	2.7%	22.7%
	Analytics, AI & Cognitive	12.1%	43.6%
	Enterprise Integration & Mobility	16.7%	41.1%
Geography	North America	9.1%	23.3%
	Europe	7.5%	25.5%
	RoW	11.5%	48.5%
	India	6.6%	19.5%

Financial Statements – Q2 FY22

Income Statement

Amount in INR million

	Q2FY21	Q1FY22	Q2FY22	QoQ Growth	YoY Growth
Revenue	29,984	34,625	37,670	8.8%	25.6%
Direct Costs	19,537	23,898	26,011	8.8%	33.1%
Gross Profit	10,447	10,727	11,659	8.7%	11.6%
SG&A expenses	3,591	4,249	4,327	1.8%	20.5%
EBITDA	6,856	6,478	7,332	13.2%	7.0%
Depreciation & Amortization	899	795	850		
EBIT	5,957	5,682	6,482	14.1%	8.8%
Revenue Related Foreign Exchange Gains/(loss)	(212)	690	675		
Other Income, net	386	349	263		
Provision for Tax	1,563	1,753	1,903		
Net Income	4,568	4,968	5,517	11.1%	20.8%
Margins (%)					
EBITDA Margin	22.9%	18.7%	19.5%		
EBIT Margin	19.9%	16.4%	17.2%		
Net Income Margin	15.2%	14.3%	14.6%		
Earnings Per Share					
Basic	26.13	28.40	31.50		
Diluted	25.95	28.27	31.41		

Exchange Rate (USD:INR)

	Q2FY21	Q1FY22	Q2FY22
Period closing rate	73.77	74.33	74.23
Period average rate	74.12	73.65	74.01

Balance Sheet

Amount in INR million

	As at 31 March, 2021	As at 30 Sept, 2021
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment & CWIP	4,260	5,218
(b) Right of Use Assets	6,221	5,914
(c) Goodwill	6,574	6,969
(d) Intangible assets	2,667	2,940
(e) Non-current Financial Assets	3,065	5,074
(f) Deferred Tax Assets (Net) & Tax Assets	1,476	1,794
(g) Other Assets	1,515	2,345
Total Non-Current Assets	25,778	30,254
Current assets		
(a) Investments	36,282	31,516
(b) Trade Receivables and Unbilled Revenue	26,906	30,250
(c) Cash, Cash Equivalents & Bank Balances	7,594	6,887
(d) Other Financial Assets	2,158	2,638
(e) Other Assets & Tax Assets	8,373	10,476
Total Current Assets	81,313	81,767
TOTAL ASSETS	107,091	112,021
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	175	175
(b) Other Equity	72,859	77,791
(c) Non- Controlling interests	37	44
Total Equity	73,071	78,010
Liabilities		
Non-current liabilities		
(d) Financial Liabilities - Others	445	241
(e) Financial Liabilities - Lease Liabilities	6,375	6,133
(f) Other Non-Current Liabilities	479	486
(g) Deferred Tax Liabilities	35	113
(h) Non-Current Provisions	363	415
Total Non-Current Liabilities	7,697	7,388
Current liabilities		
(a) Financial Liabilities - Borrowings	414	224
(b) Financial Liabilities - Others	16,108	14,888
(c) Financial Liabilities - Lease Liabilities	1,194	1,202
(d) Other Liabilities	4,921	5,454
(e) Provisions	3,542	4,056
(f) Current Tax Liabilities (Net)	144	799
Total Current Liabilities	26,323	26,623
TOTAL EQUITY AND LIABILITIES	107,091	112,021

Cash Flow

Amount in INR million

	Q2FY21	Q1FY22	Q2FY22
Cash flow from operating activities			
Net profit after tax	4,568	4,968	5,517
Adjustments for:			
Depreciation and amortization	899	795	850
Others	(91)	118	(415)
Changes in working capital (net)	(912)	(4,938)	(911)
Net cash from operating activities [A]	4,464	943	5,041
Cash flow from investing activities			
(Purchase)/ Sale of assets and investments	(572)	(3,339)	2,197
Acquisitions & Earnout payments	(52)	(121)	(509)
Investment income	285	263	320
Net cash from investing activities [B]	(339)	(3,197)	2,008
Cash flow from financing activities			
Issue of share capital	1	0	0
Proceeds from/(repayment) of borrowings	2	236	(426)
Credit Support Agreement Deposit (including interest)	(3)	(182)	354
Dividend paid	(2,700)	0	(6,121)
Payment towards lease liability	(400)	(414)	(431)
Net cash from financing activities [C]	(3,100)	(360)	(6,624)
Effect of exchange rate on cash and cash equivalents [D]	(54)	70	(83)
Net increase in cash and cash equivalents [A+B+C+D]	971	(2,544)	342
Cash and cash equivalents at beginning of the period	4,915	7,594	5,050
Cash and cash equivalents at end of the period	5,886	5,050	5,392

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