

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:

Aniruddha Basu
L&T Technology Services Limited
E: Aniruddha.Basu@LTTS.com
T: +91-80-67675173