

# L&T Press Release

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L&T House, 2<sup>nd</sup> Floor,  
Ballard Estate, Mumbai 400 001  
Tel: 91 22 6752 5656 / 836  
Fax: 91 22 6752 5796

## L&T to Divest Plastics Machinery Business *Full Stake in Subsidiary to Be Sold to Toshiba Machine*

**Mumbai, August 27, 2012:** Larsen & Toubro today signed a share sale & purchase agreement, pending final closing conditions, with Toshiba Machine Co., Ltd. (TMC), Japan, to sell its entire stake in L&T Plastics Machinery Limited (LTPML). The move is in line with the L&T's strategic road-map to exit non-core businesses and rationalize its portfolio.

LTPML, a wholly owned subsidiary of L&T, manufactures and markets injection moulding machines. With a significant installed base of injection moulding machines across various sectors such as automotive, packaging, stationery among others, the Company enjoys strong brand recognition and has valuable on-going customer relationships.

TMC is involved in the manufacture of injection moulding machines and other machinery. It has manufacturing units in Japan and China, and primarily caters to the Asian and North American markets. As a part of its strategy to expand globally with a focus on developing countries, TMC has decided to acquire L&T's stake in LTPML.

### **About L&T**

Larsen & Toubro is a USD 12.8 billion technology, engineering, construction, manufacturing company, with global operations. Its core businesses cover sectors critical to the economy including oil & gas, refinery, petrochemical, infrastructure, and power.

### **About LTPML**

LTPML was originally formed as a joint venture with Demag Ergotech GmbH in 2000. The Company acquired the JV partner's stake in 2009 and LTPML became a wholly owned subsidiary of the Company. LTPML recorded sales of Rs.206 crores and profit after tax of Rs.11 crores in the financial year ending March 2012.

### **About TMC**

TMC is a member of the Toshiba group of companies and was established in 1938. It is listed on Tokyo Stock Exchange. For the financial year ending March 2012, TMC generated sales of Japanese Yen 119 billion with profit after tax of Japanese Yen 6 billion.