

L&T TECHNOLOGY SERVICES LIMITED **FIRST QUARTER | FY26 RESULTS**

Investor Release | Mumbai, India, July 16, 2025



Purposeful.
Agile.
Innovation.

SAFE HARBOUR STATEMENT

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve 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.

FINANCIAL HIGHLIGHTS



REVENUE IN INR

- Revenue of **₹28,660 million** for the quarter; down 3.9% QoQ and up 16.4% YoY

REVENUE IN USD

- Revenue of **\$335.3 million** for the quarter; down 2.9% QoQ and up 13.6% YoY; in constant currency down 4.2% QoQ and up 12.8% YoY

PROFIT IN INR

- EBIT of **₹3,813 million** for the quarter; EBIT margin at 13.3%
- Net Income of **₹3,157 million** for the quarter, up 1.5% QoQ and up 0.7% YoY; Net Income margin at 11.0%

MESSAGE FROM THE CEO & MANAGING DIRECTOR



For the third straight quarter, LTTS exceeded USD 200 Mn in Large Deals TCV, continuing its deal momentum in Q1 with one USD 50 Mn win, three deals in USD 20-30 Mn range, and six USD 10+ Mn deals.

In this dynamic macro environment, our multi-segment diversification strategy has proven resilient, with the Sustainability segment achieving double-digit annual growth. The 'Go Deeper to Scale' strategy and investments in new age technologies are leading to stronger partnerships with clients and a robust TCV booking.

In Q1, Sustainability grew 4% sequentially and 16% annually to cross the USD 100Mn milestone and is now a USD 400 Mn plus annual business on a run-rate basis. We now have all three segments with USD 400+ Mn annualised revenues.

With AI and automation advancing rapidly, client engagements and deal wins are increasing, making AI central to our conversations and programs. Our engineers have deployed multiple programs for clients in AI and have so far filed 206 patents in this domain.

Additionally, we are launching PLxAI, our proprietary AI framework, which accelerates product development lifecycle for global clients. PLxAI combines smart prompting, contextual intelligence, and agentic workflows to significantly reduce product lifecycle. PLxAI was originally incubated in the Mobility segment, but has now been scaled and propagated to other segments using our multi-vertical crosspollination approach.

To service specific demand in key areas aligning with future growth, we inaugurated a new design center in Plano, Texas. The center is focused on cutting-edge technologies, cybersecurity and AI, expanding our footprint in the U.S. Market.

We remain committed to helping our clients successfully navigate challenging market and technology environments. While a specific Tech subsector Q1 seasonality and global macros in Mobility impacted our revenues, we managed to improve the margins with tight control over operating levers. We expect EBIT margins to see an improvement in the coming quarters as growth gets broad-based across segments.

Backed by an increased order book and a focus on resilience and profitable growth, we expect to clock double-digit growth in FY26 and maintain our medium-term outlook of USD 2 billion revenue.

I thank all our stakeholders for their constant encouragement, support and belief in us.

Amit Chadha
CEO & Managing Director
L&T Technology Services Limited

PERFORMANCE HIGHLIGHTS



KEY DEAL WINS

LTTS closed several multi-million dollar projects from global customers across segments. The major wins are listed below:

- thyssenkrupp Steering has selected LTTS as a strategic partner to establish a state-of-the-art software development center in Pune, India, dedicated to developing safety-critical software for advanced steering technologies, while supporting thyssenkrupp's global engineering expansion.
- In the Sustainability segment, LTTS has been awarded a USD 50 Million plus agreement by a Global Energy Major for Enterprise Data and Digital Services.
- LTTS and Tennant Company have signed a strategic agreement in the Sustainability segment to advance sustainable new product development. LTTS will set up a dedicated offshore engineering center.
- A leading American LNG producer awarded LTTS a multi-year program in the Sustainability segment for detailed engineering for their liquefaction and export facility.
- In the Mobility segment, an American manufacturer of off-highway equipment awarded LTTS a contract to set up a center of excellence focusing on new product design, digital engineering, software & power electronics and manufacturing sustenance.
- LTTS secured a multi-year deal in its Mobility segment with a U.S. automotive components maker to deliver engineering support, including ASPICE-compliant systems, software, functional safety, cybersecurity and quality assurance.
- An American EV manufacturer awarded LTTS a contract in the Mobility segment for next-gen product design, including lighting, interiors, and external body design.
- A satellite technology company awarded LTTS a significant deal in the Mobility segment for software design, development, and embedded engineering for airborne systems.
- LTTS was awarded contracts from a global oil and gas company to support engineering and enterprise asset management for upstream assets in the U.S. and Africa, covering project management, field verification, work management, and enterprise asset management for onshore and offshore operations.
- In the Sustainability segment, LTTS has entered into a definitive agreement to support product sustenance and lifecycle development for a Semiconductor equipment manufacturing company across multiple product lines.
- LTTS has won a Safe City project in India, leveraging AI and analytics to enhance public safety with an Adaptive Traffic Control System. The scope includes public addressing, emergency call boxes, traffic management, network infrastructure, and setting up of a command control center with video management, GIS, AI-based video analytics, and facial recognition systems.

FINANCIAL PERFORMANCE



INCOME STATEMENT (CONSOLIDATED)

Amount in ₹ million

	Q1 FY25	Q4 FY25	Q1 FY26	QoQ	YoY
Revenue	24,619	29,824	28,660	-3.9%	16.4%
Cost of sales	17,403	21,540	20,625		
Gross Profit	7,216	8,284	8,035	-3.0%	11.3%
Selling, General & Administration Expenses	2,654	3,529	3,411		
EBITDA	4,562	4,755	4,624	-2.8%	1.4%
Depreciation & Amortisation	726	816	811		
EBIT	3,836	3,939	3,813	-3.2%	-0.6%
Other Income, net	491	334	512		
Income tax expense	1,188	1,171	1,164		
Minority Interest	3	-9	4		
Net Income	3,136	3,111	3,157	1.5%	0.7%
Margins (%)					
Gross Margin	29.3%	27.8%	28.0%		
EBITDA Margin	18.5%	15.9%	16.1%		
EBIT Margin	15.6%	13.2%	13.3%		
Net Income Margin	12.7%	10.4%	11.0%		
Earnings Per Share (INR)					
Basic	29.65	29.38	29.81		
Diluted	29.57	29.32	29.77		

OTHER INCOME

Amount in ₹ million

	Q1 FY25	Q4 FY25	Q1 FY26
Income from investments, net	373	301	305
Foreign exchange gains/(loss)	83	21	344
Others	35	12	-137
Total	491	334	512

BALANCE SHEET (CONSOLIDATED)

Amount in ₹ million

	FY25	Q1 FY26
Assets		
Property and equipment	9,063	8,736
Intangible Assets and Goodwill	13,667	13,519
Accounts Receivable	29,165	33,487
Unbilled Revenues	5,953	5,689
Investments	13,096	10,087
Cash and Cash equivalents	15,658	13,138
Other current assets	4,262	4,092
Other non-current assets	5,571	5,277
Total Assets	96,435	94,025
Liabilities and Shareholders' Equity		
Shareholders' Funds	60,800	59,608
Other current liabilities	29,900	28,473
Other non-current liabilities	5,560	5,765
Minority Interest	175	179
Total Liabilities	96,435	94,025

CASH FLOW SUMMARY (CONSOLIDATED)

Amount in ₹ million

	FY25	Q1 FY26
Net cash provided by operating activities	14,811	83
Capex	-1,018	-366
Free Cash Flow	13,793	-283
Free Cash Flow to Net Income (%)	109%	-

OPERATIONAL PERFORMANCE



	Q1 FY25	Q4 FY25	Q1 FY26	QoQ Growth	YoY Growth	In Constant Currency	
						QoQ Growth	YoY Growth
Revenue (USD Mn)	295.2	345.1	335.3	-2.9%	13.6%	-4.2%	12.8%

REVENUE BY SEGMENT

	Q1 FY25	Q4 FY25	Q1 FY26	QoQ Growth	YoY Growth
Mobility	35.2%	29.2%	29.6%	-1.5%	-4.4%
Sustainability	30.0%	28.7%	30.8%	4.1%	16.4%
Tech	34.8%	42.1%	39.6%	-8.5%	29.4%

REVENUE BY GEOGRAPHY

	Q1 FY25	Q4 FY25	Q1 FY26	QoQ Growth	YoY Growth
North America	52.9%	51.9%	54.1%	1.3%	16.1%
Europe	18.1%	16.5%	17.1%	0.5%	7.6%
India	22.0%	24.4%	21.0%	-16.4%	8.6%
Rest of the World	7.0%	7.2%	7.8%	5.5%	26.0%

REVENUE MIX

	Q1 FY25	Q4 FY25	Q1 FY26
Onsite	41.1%	44.2%	43.9%
Offshore	58.9%	55.8%	56.1%

REVENUE BY PROJECT TYPE

	Q1 FY25	Q4 FY25	Q1 FY26
Fixed Price	36.9%	39.9%	37.8%
Time and Material Contract	63.1%	60.1%	62.2%

CLIENT PROFILE

	Q1 FY25	Q4 FY25	Q1 FY26
Number of Active Clients	378	421	459
30 Million dollar +	6	6	6
20 Million dollar +	12	11	10
10 Million dollar +	31	32	34
5 Million dollar +	60	59	64
1 Million dollar +	177	194	200

Client profile is based on LTM (Last Twelve Months) revenue

CLIENT CONTRIBUTION TO REVENUE

	Q1 FY25	Q4 FY25	Q1 FY26
Top 5 Clients	15.0%	15.1%	15.1%
Top 10 Clients	26.3%	25.8%	25.1%
Top 20 Clients	41.3%	39.4%	38.2%

Client contribution is based on LTM (Last Twelve Months) revenue

EMPLOYEE STATISTICS

	Q1 FY25	Q4 FY25	Q1 FY26
Total Headcount	23,577	24,258	23,626
Billable	22,120	22,579	21,962
Sales & Support	1,457	1,679	1,664
Voluntary Attrition % (LTM)	14.8%	14.3%	14.8%

EXCHANGE RATE (USD/INR)

	Q1 FY25	Q4 FY25	Q1 FY26
Period Realised	83.40	86.41	85.48
Period Closing	83.39	85.48	85.76

INDUSTRY RECOGNITIONS

- Inducted into **John Deere Supplier Hall of Fame** for Five Consecutive Years of Excellence.
- **Ashish Khushu**, CTO, LTTS has been named as one of the Most Influential People in Tech and Innovation in **MIT Sloan Management Review India's TECH 100 list**.
- Rated as **Leaders** in Engineering Research and Development Service Providers, 2025 by **HFS**
- Rated as **Leaders** in Aerospace and Defense Services and Solutions 2025 – Overall Ecosystem & Mid-Sized Specialists in Europe by **ISG**

OTHER HIGHLIGHTS

LTTS Unveils Engineering Design Center in Texas

LTTS inaugurated a state-of-the-art Engineering Design Center in Plano, Texas, focusing on AI, digital manufacturing, and cybersecurity. The facility will create over 350 high-skilled jobs and deliver innovations in smart cities and healthcare technologies. This strengthens LTTS' global presence and Texas' tech leadership.

U.S. Senator Ted Cruz acknowledged the center as a demonstration of Texas's commitment to fostering business growth and leadership in emerging industries. Governor Greg Abbott presented a certificate of recognition, while Plano Mayor John Muns described the center as a notable example of innovation during the ribbon-cutting ceremony.



8th Edition of TECHgium®

LTTS concluded the 8th Edition of TECHgium® with over 39,000 participants from 560+ institutions. The event spotlighted cutting-edge innovations in sustainability, mobility, and AI-driven solutions. Winners presented impactful projects like autonomous robots and energy systems, benefiting from expert mentorship and industry connections.



PATENTS

At the end of **Q1FY26**, the patents portfolio of L&T Technology Services stood at **1,550**, out of which **952** are co-authored with its customers and the rest are filed by LTTS.



CORPORATE SOCIAL RESPONSIBILITY



As part of its Social Responsibility mandate, LTTS undertook several CSR initiatives throughout the year, with a focus on areas such as Health, Education, Skill Development, Water, Environment and Sports. The key CSR initiatives undertaken in Q1 FY26 include:

Empowering Education Through Access and Innovation

Children in rural areas continue to face obstacles in accessing quality education, primarily due to shortage of essential resources. LTTS is breaking these barriers by improving access and opportunities for learning. By providing buses to a school on the outskirts of Gurugram, LTTS ensured safe and reliable transportation, enabling uninterrupted education. LTTS also launched a digital classroom program, where employees can teach subjects like Math, Science, and AI in regional languages to rural children via online platforms.



Creating Possibilities for People with Disabilities

LTTS has enabled individuals with disabilities to transform temple flower waste into sustainable products like incense sticks and herbal-dyed fabrics. This initiative promotes skill-building and eco-friendly innovation while nurturing livelihoods and fostering social inclusion.



ABOUT L&T TECHNOLOGY SERVICES

L&T Technology Services (LTTS) is a global leader in engineering and technology services. A listed subsidiary of Larsen & Toubro (L&T), we offer design, development, testing, and sustenance services across products and processes.

Purposeful. Agile. Innovation. is how we drive growth across the Mobility, Sustainability, and Tech segments. Our customer base includes 69 Fortune 500 companies and 57 top ER&D companies across industrial products, medical devices, transportation, telecom & hi-tech, and process industries. Headquartered in India, we have over 23,600 employees across 23 global design centers, 30 global sales offices, and 105 innovation labs, as of June 30, 2025.



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