L&T Technology Services

ENGINEERING **THE CHANGE**

L&T TECHNOLOGY SERVICES LIMITED

SECOND QUARTER | FY26 RESULTS

Investor Release | Mumbai, India, October 17, 2025

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 **₹29,795 million** for the quarter; up 4.0% QoQ and up 15.8% YoY

REVENUE IN USD

- Revenue of **$337.1 million** for the quarter; up 0.5% QoQ and up 9.9% YoY; in constant currency up 1.3% QoQ and up 10.4% YoY

PROFIT IN INR

- EBIT of **₹3,982 million** for the quarter; EBIT margin at 13.4%
- Net Income of **₹3,287 million** for the quarter, up 4.1% QoQ and up 2.8% YoY; Net Income margin at 11.0%

CAPITAL RETURN

- Interim Dividend of **₹18** per share; Record date 27 October 2025

MESSAGE FROM THE CEO & MANAGING DIRECTOR

LTTS' strong momentum of large deal wins continued with **a record high TCV of near-USD 300 Mn in the quarter** which reflects the confidence our global clients have in our next-gen offerings.

We delivered growth of 1.3% sequentially and 10.4% annually in CC terms with steady margins in the face of shifting market dynamics and geopolitical unpredictability.

Our 'Go Deeper to Scale' and multi-segment strategy is helping us grow with the Sustainability segment achieving double-digit annual growth for two consecutive quarters and the Tech segment remaining resilient. The Sustainability segment grew 3.0% sequentially and 12.6% annually and now has a USD 50 Mn account on an annual run-rate basis.

To further consolidate our leadership position in engineering and industrial AI, we launched an AI-first delivery model and continue to make targeted investments in Gen AI, Agentic AI and Physical AI while further expanding the AI portfolio with new platforms and solutions such as **Qguard.ai, FusionWorld.ai, PLxAI, AiNexus, GENIQ,** and **TrackEi™**. All of these are seeing healthy client engagement and early monetization results with 1% of our trailing 12-month revenue now coming from licenses.

LTTS is deepening partnerships across the AI ecosystem, with semiconductor innovators including Silicon Valley-based SiMa.ai, NVIDIA, hyperscalers as well as research institutions such as the MIT Media Lab, ensuring our technology backbone remains future-ready and scalable. Additionally, our leadership team has been strengthened across key segment and technology roles to drive the next phase of growth.

With an increased order book and a sharp focus on resilient and profitable growth, we expect both revenue and EBIT margins to see an improvement in H2 compared to H1 of FY26. We aspire for a double-digit growth in FY26 and reiterate our medium-term outlook of USD 2 Bn 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:

- LTTS signed a $100 million multi-year agreement in its Sustainability segment with a U.S.-based industrial equipment manufacturer operating in the semiconductor value chain, to support initiatives across new product development, sustenance engineering, value engineering and platform automation.
- In the Tech segment, LTTS was awarded a ~$60 million multi-year program, by a U.S. based provider of wireless telecommunications services to deliver advanced network software development and application engineering solutions.
- In the Mobility segment, LTTS signed a contract with a global leader in lifting and material-handling solutions to establish a dedicated Offshore Development Center (ODC) in India, driving faster execution and integrated collaboration across product lines.
- A global food and beverage company signed an agreement with LTTS to support a greenfield project encompassing plant design, process and utility engineering.
- LTTS has been awarded a multi-million-dollar contract by a global beverage major for end-to-end execution of their machine safety program, encompassing design and installation support across several global sites.
- A global leader in energy management has awarded LTTS a contract to establish an Offshore Development Center (ODC) for end-to-end product lifecycle management and CAD migration.
- A leading American oilfield services company awarded LTTS a multi-year program to provide intelligent well services for its deepwater pre-salt field in the South American market.
- LTTS has been selected by an O&G Major for critical transformation programs across its Global assets on Data Implementation and Maintenance Strategy Optimization for downstream business.
- LTTS will build a centralized Data Factory for a global pharmaceutical leader to transform their data management, integrate AI/ML and provide end-to-end DataOps for AI-driven business services.

FINANCIAL PERFORMANCE

INCOME STATEMENT (CONSOLIDATED)

Amount in ₹ million

	Q2 FY25	Q1 FY26	Q2 FY26	QoQ	YoY
Revenue	**25,729**	**28,660**	**29,795**	**4.0%**	**15.8%**
Cost of sales	18,192	20,625	21,462		
Gross Profit	**7,537**	**8,035**	**8,333**	**3.7%**	**10.6%**
Selling, General & Administration Expenses	2,877	3,411	3,425		
EBITDA	**4,660**	**4,624**	**4,908**	**6.1%**	**5.3%**
Depreciation & Amortisation	783	811	926		
EBIT	**3,877**	**3,813**	**3,982**	**4.4%**	**2.7%**
Other Income, net	531	512	498		
Income tax expense	1,208	1,164	1,188		
Minority Interest	4	4	5		
Net Income	**3,196**	**3,157**	**3,287**	**4.1%**	**2.8%**
Margins (%)					
Gross Margin	29.3%	28.0%	28.0%		
EBITDA Margin	18.1%	16.1%	16.5%		
EBIT Margin	15.1%	13.3%	13.4%		
Net Income Margin	12.4%	11.0%	11.0%		
Earnings Per Share (INR)					
Basic	30.20	29.81	31.02		
Diluted	30.12	29.77	30.97		

OTHER INCOME

Amount in ₹ million

	Q2 FY25	Q1 FY26	Q2 FY26
Income from investments, net	333	305	272
Foreign exchange gains/(loss)	251	344	60
Others	-53	-137	166
Total	**531**	**512**	**498**

BALANCE SHEET (CONSOLIDATED)

Amount in ₹ million

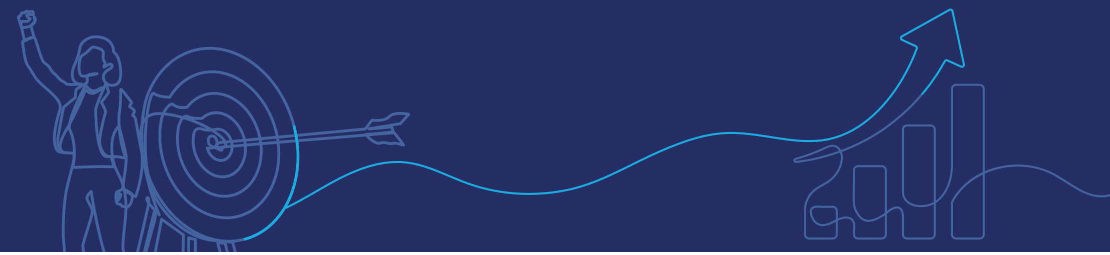
	FY25	Q2 FY26
Assets		
Property and equipment	9,063	9,362
Intangible Assets and Goodwill	13,667	13,673
Accounts Receivable	29,165	31,987
Unbilled Revenues	5,953	6,838
Investments	13,096	13,846
Cash and Cash equivalents	15,658	14,918
Other current assets	4,262	3,841
Other non-current assets	5,571	2,851
Total Assets	**96,435**	**97,316**
Liabilities and Shareholders' Equity		
Shareholders' Funds	60,800	61,890
Other current liabilities	29,900	28,670
Other non-current liabilities	5,560	6,572
Minority Interest	175	184
Total Liabilities	**96,435**	**97,316**

CASH FLOW SUMMARY (CONSOLIDATED)

Amount in ₹ million

	FY25	YTD FY26
Net cash provided by operating activities	14,811	4,809
Less: Capex	1,018	643
Free Cash Flow	**13,793**	**4,166**
Free Cash Flow to Net Income (%)	109%	65%

OPERATIONAL PERFORMANCE



	Q2 FY25	Q1 FY26	Q2 FY26	QoQ Growth	YoY Growth	In Constant Currency	
						QoQ Growth	YoY Growth
Revenue (USD Mn)	306.7	335.3	337.1	0.5%	9.9%	1.3%	10.4%

REVENUE BY SEGMENT

	Q2 FY25	Q1 FY26	Q2 FY26	QoQ Growth	YoY Growth
Mobility	35.5%	29.6%	29.0%	-1.4%	-10.1%
Sustainability	30.8%	30.8%	31.6%	3.0%	12.6%
Tech	33.7%	39.6%	39.4%	0.1%	28.6%

REVENUE BY GEOGRAPHY

	Q2 FY25	Q1 FY26	Q2 FY26	QoQ Growth	YoY Growth
North America	52.5%	54.1%	54.7%	1.7%	14.4%
Europe	18.4%	17.1%	17.3%	1.5%	3.3%
India	21.9%	21.0%	21.5%	3.0%	8.1%
Rest of the World	7.2%	7.8%	6.5%	-15.9%	-0.4%

REVENUE MIX

	Q2 FY25	Q1 FY26	Q2 FY26
Onsite	41.7%	43.9%	43.6%
Offshore	58.3%	56.1%	56.4%

REVENUE BY PROJECT TYPE

	Q2 FY25	Q1 FY26	Q2 FY26
Fixed Price	37.5%	37.8%	38.1%
Time and Material Contract	62.5%	62.2%	61.9%

CLIENT PROFILE

	Q2 FY25	Q1 FY26	Q2 FY26
Number of Active Clients	373	459	450
30 Million dollar +	7	6	7
20 Million dollar +	13	10	10
10 Million dollar +	33	34	34
5 Million dollar +	60	64	63
1 Million dollar +	176	200	205

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

CLIENT CONTRIBUTION TO REVENUE

	Q2 FY25	Q1 FY26	Q2 FY26
Top 5 Clients	15.0%	15.1%	15.1%
Top 10 Clients	26.5%	25.1%	25.0%
Top 20 Clients	41.5%	38.2%	38.1%

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

EMPLOYEE STATISTICS

	Q2 FY25	Q1 FY26	Q2 FY26
Total Headcount	23,698	23,626	23,678
Billable	22,185	21,962	22,000
Sales & Support	1,513	1,664	1,678
Voluntary Attrition % (LTM)	14.3%	14.8%	14.8%

EXCHANGE RATE (USD/INR)

	Q2 FY25	Q1 FY26	Q2 FY26
Period Realised	83.90	85.48	88.39
Period Closing	83.80	85.76	88.79

INDUSTRY RECOGNITIONS

- LTTS has once again been certified during **Caterpillar's 2025 Supplier Excellence Recognition (SER)** event, following its certification in 2024
- Rated as **Leaders** by ISG in U.S.:
  - **Medical Device Digital Services 2025** for Digital Engineering and Product Development, Post-Market Digital Enablement and Regulatory Compliance, Strategy and Quality Assurance
  - **Automotive and Mobility Services and Solutions** for Autonomous Systems and Software-defined Vehicles, Electric Vehicles and Mobility Services and Automotive Engineering and Manufacturing Services

OTHER HIGHLIGHTS

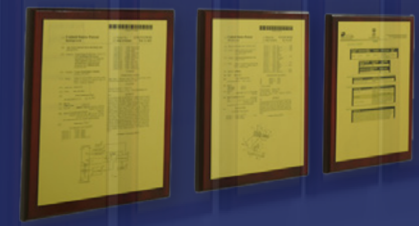
Multiple ODC inaugurations in Vadodara, Mysore, and Pune to support global clients with advanced engineering solutions, catering to industries like FMCG, energy & automation, and automotive

LTTS Joins the MIT Media Lab to Collaborate on AI-led Innovations
Partnered with the MIT Media Lab to drive AI-led innovations in Mobility, Sustainability and Tech. This collaboration combines LTTS' engineering expertise with MIT Media Lab's cutting-edge research to explore transformative solutions like Agentic AI and sustainable systems, redefining industries globally.

LTTS, SiMa.ai Collaborate for Product Innovation in Mobility, Healthcare, Industrial Automation & Robotics
LTTS and SiMa.ai have joined forces to develop AI-driven solutions in mobility, healthcare and robotics. By integrating LTTS' engineering expertise with SiMa.ai's MLSoC™ platform, the partnership accelerates Physical AI adoption, delivering intelligent, power-efficient, and scalable innovations.

LTTS' OpenHack events held in Mysore and Bangalore saw 650+ participants in a 24-hour hackathon, showcasing the company's collaborative innovation approach. Teams developed prototypes using AI & ML, IoT, Robotics, Cloud, Vision Analytics, energy efficiency, vehicle communications and more to tackle real-world challenges.

PATENTS



At the end of **Q2FY26**, the patents portfolio of L&T Technology Services stood at **1,601**, out of which **978** 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 **Q2FY26** include:

Supporting St. Jude's Mission in Texas (USA)

The LTTS team participated in the St. Jude Walk in Texas, USA, to support St. Jude Children's Hospitals childhood cancer research program. Held during Childhood Cancer Awareness Month (September), the walk was a meaningful opportunity to amplify St. Jude's mission and raise awareness for the cause.

Shaping Futures: Early Learning for Underserved Children



Inspired by NEP 2020, LTTS launched a foundational learning program in Vadodara District, Gujarat, to equip underserved children with essential skills in reading, arithmetic, logical thinking, and emotional development.

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 23,670 employees across 23 global design centers, 30 global sales offices, and 105 innovation labs, as of September 30, 2025.

L&T Technology Services

For more information please contact:

Sandesh Naik
Head, Investor Relations
Email: sandesh.naik1@LTTS.com

For additional information about L&T Technology Services log on to www.LTTS.com