

Tata Elxsi delivers resilient performance in Q1'26

Bangalore, July 10, 2025: Tata Elxsi (BSE: 500408 | NSE: TATAELXSI), amongst the world's leading providers of design led technology services, announced its first quarter results for the period ending 30th June 2025.

For the first quarter of financial year 2025-26, the company reported operating revenue of Rs. 892.1 Cr.

Highlights of the Quarter Ended 30th June 2025:

- Revenues from operations at Rs. 892.1 Cr.
- EBITDA at Rs. 186.7 Cr, EBITDA Margin at 20.9%
- Profit Before Tax (PBT) at Rs. 196.3 Cr, PBT Margin at 21.1%
- Profit After Tax (PAT) at Rs. 144.4 Cr, PAT Margin at 15.5%

Mr. Manoj Raghavan, CEO and Managing Director, Tata Elxsi, commenting on the company's performance in the first quarter of FY26, said:

"For the first quarter of FY26, Tata Elxsi reported an operating revenue of Rs. 892.1 crores. EBITDA margins stood at 20.9% and PBT margin was reported at 21.1%.

This quarter was challenging across key markets, with macroeconomic uncertainties, industry and customer specific issues impacting R&D spend and decision making cycles across geographies. The company has demonstrated resiliency in protecting business in our largest vertical, executing on large deal wins across key verticals to create sustained revenue streams, and expanding our relationships with our customers.

Our transportation business that represents over 50% of our overall revenues, recovered smartly to report a 3.7% growth QoQ in actual currency, and flat in constant currency terms. We are starting to realise the positive impact of large deals won last quarter including SDV related deals with Mercedes-Benz and a European OEM, and Suzuki a quarter prior. We are executing on our adjacency strategy, with two strategic deal wins in the quarter. We see continued recovery and growth of our transportation business through the rest of the year, backed by the deals we have won, a healthy pipeline of large deals and new customer logos.

Our Media and Communication Business (MCV) reported a decline of 5.5% QoQ in constant currency. While the overall business environment in this industry continues to be subdued, the drop is largely due to transition investments for the large deals we won last quarter. We expect to bring back growth in Q2 and beyond, on the back of these large deal ramp-ups and a healthy deal pipeline. In this quarter, we also won a strategic multi-million-dollar *design-digital* deal with a US tech leader for next generation AI and product-feature development.

In the Healthcare and Lifesciences Segment (HLS), our next-gen product development and digital offerings delivered two key wins including a global pharma and biotech leader from Europe, and a Medtech leader from Japan. HLS declined 6.7% QoQ in constant currency, primarily affected by tariff related impact on medical device engineering programs and spend with two key customers in the US. We expect recovery in this region in the second half of FY26.

Our Design and Systems Integration teams successfully delivered a prestigious experiential project in Japan. We are proud of our association and the part we played in the Bharat Pavilion at the World Expo 2025 in Osaka, which was ranked among the Top 5 pavilions alongside US, Italy, Japan, and France.

We expect steady improvement in bottom-line and margin through the year even as our two largest businesses, transportation and media & communication, return to growth in Q2 FY26 and beyond, and utilization improves on the back of ready capacity and capability we have invested in over the past few quarters.

Our re-imagined website launched at the start of this quarter, reflects the AI first and human-centric approach to going beyond technology and product to designing experiences that simplify complexity, enhance human lives, and drive sustainable progress – what we call as designing purpose driven experience.”

About Tata Elxsi

Tata Elxsi is amongst the world’s leading providers of design and technology services across industries including Automotive, Broadcast, Communications, Healthcare and Transportation.

Tata Elxsi is helping customers reimagine their products and services through design thinking and application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality and Artificial Intelligence. For more information, please visit www.tataelxsi.com

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