

January 29, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

Scrip ID: KPITTECH

Scrip Code: 542651

Kind Attn: The Manager,
Department of Corporate Services

National Stock Exchange of India Ltd.,

Exchange Plaza, C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051.

Symbol: KPITTECH

Series: EQ

Kind Attn: The Manager,
Listing Department

Dear Sir / Madam,

Subject:- Investor Update – Q3 FY 2025.

Please find enclosed the investor Update – Q3 FY 2025.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **KPIT Technologies Limited**

Nida Deshpande
Company Secretary & Compliance Officer

Encl.: - as above

KPIT

January 29, 2025

Investor Update Q3 FY25

KPIT Technologies Ltd.



Forward Looking Statements

Some of the statements in this update that are not historical facts, are forward-looking statements. These forward-looking statements include our financial and growth projections, as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the competitive market for the type of services and solutions that we offer, market conditions that could cause our clients to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry. In certain cases, the numbers reported in this update might be rounded off to the nearest whole number.

KPI1

Performance Overview

Q3FY25

Reimagining Mobility *with YOU*

Performance Overview

**YTDQ3FY25
CC Revenue
grows 20.7%**

**FY25 EBITDA
outlook increased
to 21%+ from
20.5%+ earlier**

1

Revenue

Revenue growth 17.4% in CC and 18.1% in \$, Y-o-Y Growth led by Powertrain and Connected

2

Net Profit

Q3FY25 Net Profit at ₹ 1,870 M, 20.4% Y-o-Y growth
YTDQ3FY25 PAT growth 38%

3

EBITDA

Q3FY25 EBITDA at 21.1%
Y-o-Y EBITDA growth of 20.8%

4

Wins and
Dividend

\$ 236M worth engagements closed in the quarter
Interim Dividend of ₹ 2.50 per share

Performance Highlights

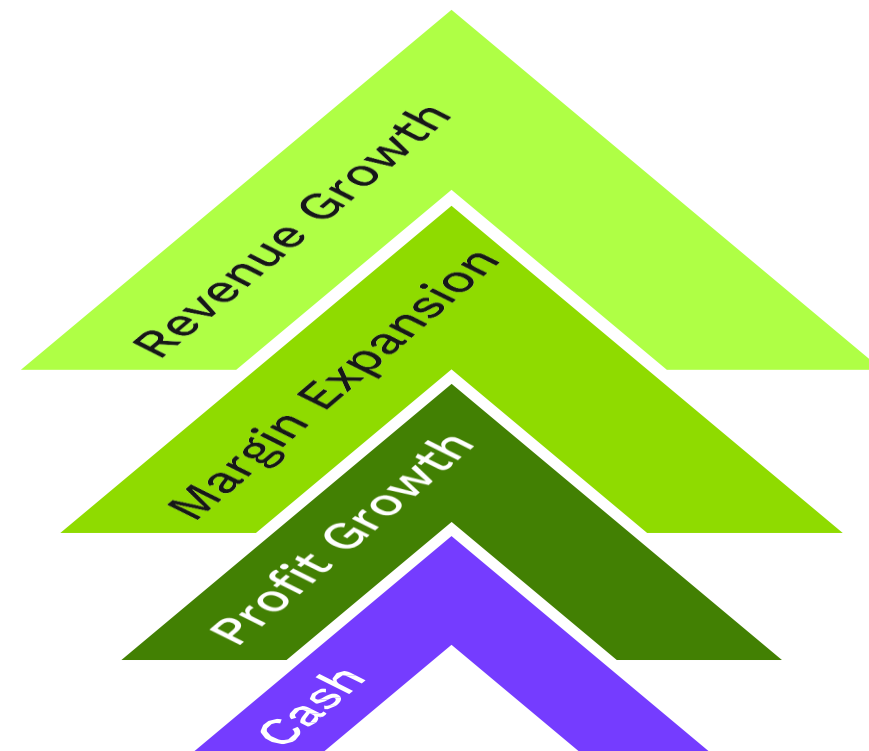
Net Profit Working (₹ million)	Q3FY25	Q2FY25	Q3FY24	Growth (Y-o-Y)	Growth (Q-o-Q)
Reported Profit	1,870	2,037	1,553	20.4%	(8.2)%
One-time Income	-	450	-	-	-
Tax on above item	-	157	-	-	-
Profit excluding one-time impact	1,870	1,744	1,553	20.4%	7.2%

01 Q-o-Q CC growth of 2.0% and reported \$ growth of 1.7%. Growth led by Asia and Passenger Cars.

02 EBITDA margins stood at 21.1% as compared to 20.8% last quarter, mainly due to productivity improvement, revenue mix and fixed cost leverage.

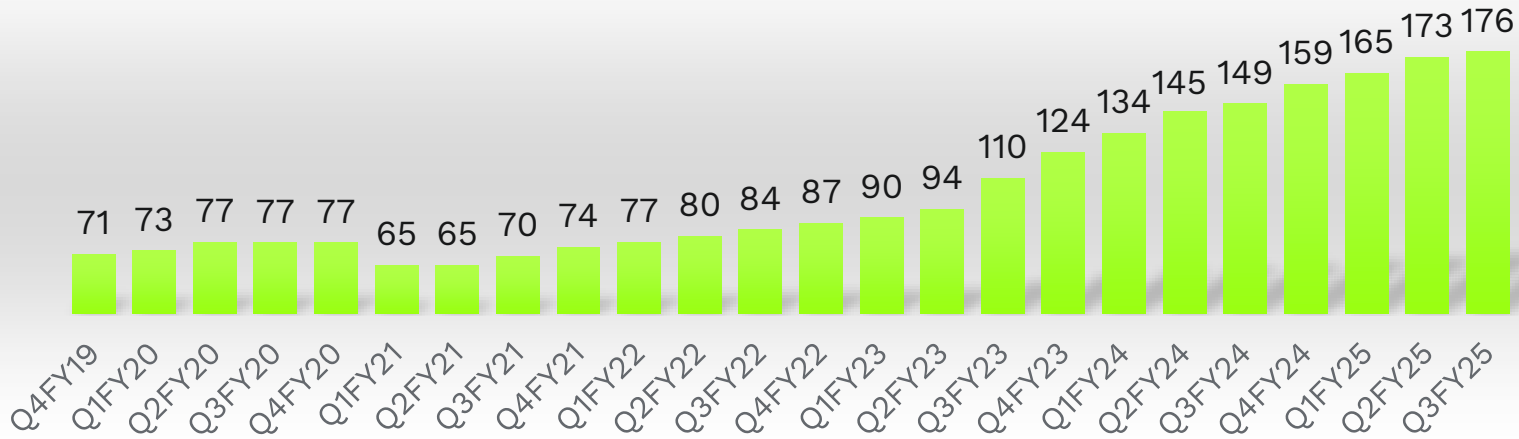
03 The INR appreciated against Euro and Yen (~ 60% of revenue) and depreciated against USD (~27% of revenue) resulting in lower INR revenues.

04 Net Cash Balance at the end of the quarter stood at ₹ 14.2 billion, depicting high cash conversion during the quarter. DSO at the end of the quarter stood at 42 Days.



Additional facts - timeseries

Revenue \$ Million

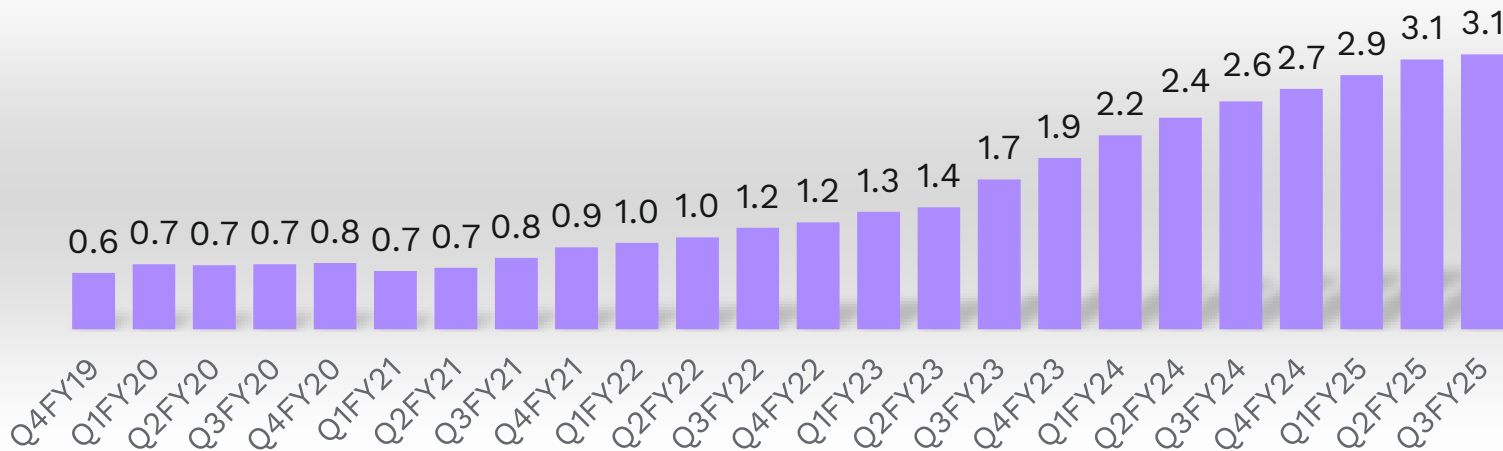


Consistent Performance



18 Consecutive Quarters of Steady Revenue Growth

EBITDA ₹ Billion



18 Consecutive Quarters of Steady EBITDA Growth

Management Quotes

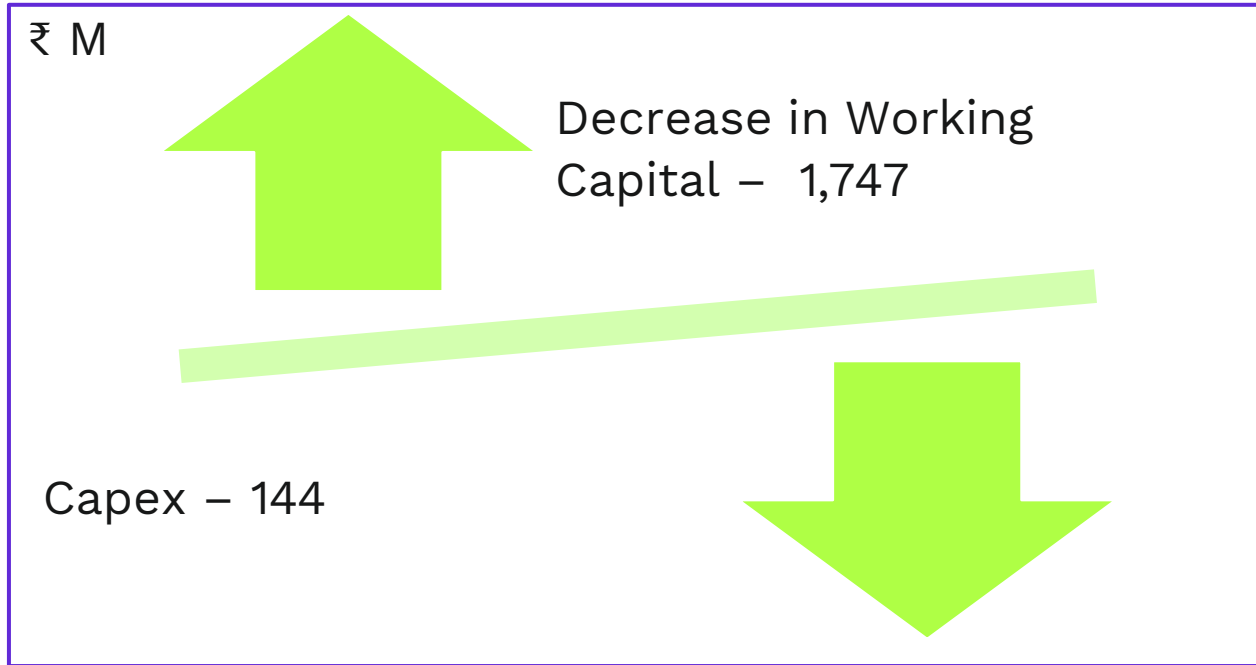


Kishor Patil, Co-founder, CEO and MD, KPIT said,” The third quarter revenues are in-line with our annual revenue outlook while the operating profit has improved due to revenue mix change and productivity improvement, despite currency headwinds. Thus, we increase our annual EBITDA Margin outlook to 21%+ from 20.5%+ earlier. We are investing in AI technologies fine-tuned with automotive-specific data. Our AI philosophy is rooted in developing human-centric, innovative, safe, and responsible AI solutions that drive value creation for our clients. We will leverage these AI investments to augment our talent pool, while creating new opportunities for future growth. Our leadership and strength of relationship with our T25 clients is demonstrated by higher deal closures, efficient cash conversion and robust build-up in the pipeline.”



Sachin Tikekar, Co-founder and Joint MD, KPIT said,” We have been developing new sub-verticals viz Trucks and Off-highway. There are sizable opportunities through these investments, and they are now contributing to building our pipeline across the geographies. These will contribute to our growth from the second half of the next financial year. There are new relationships being explored and built with the Passenger Car and Truck makers in China and Rest of Europe outside Germany. In terms of our new offerings, there is greater interest from our T25 clients in the areas of vehicle cost reduction, cyber security and data-oriented services. Our attrition remains at all-time low levels and our leadership development programs are in full swing to further enhance our continued growth.”

Cash Flow – Major Movement



Cash and Cash Equivalents break-up	₹ M
In Investment Accounts (in India)	3,388
In Investment Accounts (outside India)	4,055
In Operating Accounts	6,843
TOTAL	14,286

NET CASH (₹ M)	Q3FY25	Q2FY25
Gross Cash	14,286	10,085
Long Term Debt	NIL	NIL
Short Term Debt	70*	401*
NET CASH	14,216	9,684



DSO Q3FY25 end : 42 Days

* Debt in the books of Technica

New Engagements

Strong Wins - TCV of new engagements won during Q3FY25 : \$ 236 million



A Leading European Car Manufacturer selected KPIT for a strategic engagement in the autonomous driving domain.



Strategic engagements in the electric powertrain and architecture domains for a leading European Car Manufacturer.



Crucial engagements in the vehicle diagnostics and mechatronics domains with a leading American Commercial Vehicle OEM.



Strategic engagements in the connected, autonomous and body electronics domains with a leading Asian Car OEM.



Key Engagements in autonomous and connected domains along with joint go-to-market for a leading American Semiconductor Company.

FY25 Outlook



KPIT

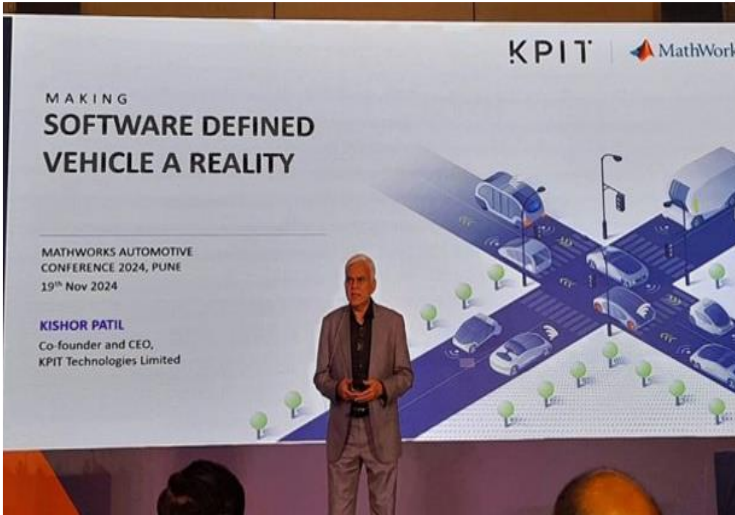
Other Updates

Sir, attachments ?

Q3FY25

Reimagining Mobility *with YOU*

Exhibiting Thought Leadership



Keynote at MathWorks Automotive Conference 2024

At the MathWorks Automotive Conference 2024 in Pune, and it was a wonderful experience. Sharing insights at the conference, KPIT CEO & MD Kishor Patil highlighted the critical role of software integrators and tooling partner in mitigating program risks and addressing the complexities of SDV implementation.



Showcasing intelligent and integrated mobility solutions at ELIV 2024

At ELIV 2024, KPIT showcased its pioneering advancements in intelligent mobility, focusing on AI-powered intelligent cabins, seamless integration of legacy chassis systems into SDV architectures, and a left-shift validation approach to enhance development quality.



Collaboration takes center stage at Reuters Events Michigan

At the Reuters Events in Michigan, Chinmay Pandit, President of KPIT Americas, and Anirvan Coomer, Managing Director GM Ventures, shared insights on leveraging collaboration to navigate mobility industry challenges.

Best Place to Grow



Celebrating Excellence at KPIT Awards of Excellence 2024

The KPIT Awards of Excellence 2024 celebrated the remarkable achievements and innovations of teams across technology, client engagement, and more. This vibrant event honored the spirit of collaboration and excellence that drives KPITians to reimagine the future of mobility. It was a night recognizing the collective efforts of KPITians who are shaping the mobility landscape.



KPIT Academy honors Excellence in learning and development

The KPIT Academy Recognition Evening was a celebration of dedication and collaboration, bringing together trainers, panelists, and support teams who have played a pivotal role in shaping successful programs like PMEP, PRGM, and Agile Capability Development. The event highlighted the collective impact of their efforts in fostering a culture of continuous learning and growth at KPIT.



Shaping the Future Of Automotive Education In Thailand

KPIT Thailand recently welcomed students from the Sirindhorn International Institute of Technology (SIIT), Thammasat University, as part of our renewed partnership. The visit was a dynamic exchange of ideas and knowledge, with sessions that explored the fascinating journey of car development, the intricacies of system testing, and the incredible opportunities awaiting young talent at KPIT.

Awards and Accolades



KPIT wins Digital Genius Award 2024

KPIT was honored with the Digital Genius Award 2024 in the Data Center category at the 12th edition of the CIO Crown Awards. This recognition acknowledges our ongoing efforts in advancing digital infrastructure through technologies like HCI, dHCI, and AI. It's a reflection of the work we've been putting into building future-ready data center solutions, reinforcing our position in the tech landscape.



KPIT recognized at Reuters Automotive D.R.I.V.E 2024 for Innovation

At the Reuters Automotive D.R.I.V.E. 2024, KPIT was recognized for its leadership in innovation within the automotive industry. Our Sodium Ion Battery Technology earned the prestigious Innovation Award, underscoring our commitment to advancing sustainable solutions in mobility.



Aikyam wins Economic Times DesignScape Award for Iconic Design

KPIT's Aikyam project has been recognized with the Economic Times DesignScape Award in the Iconic Projects category. The innovative design of Aikyam's dome, which serves as a versatile space for collaboration and creativity, exemplifies our commitment to sustainable and cutting-edge architecture, use of natural materials, energy-efficient systems, & emphasis on maximizing natural light.

Driving Sustainable Growth

KPIT Thailand inspires the next generation



Munich making a difference with donation drive for Lichtblick Hasenberg



US Junior Scientists Program continues to inspire in year two



Launch of Junior Scientists Program in Brazil



KPIT supports Columbus Mill Race Charity Marathon with team spirit



Inauguration of KPIT Stepwell Rejuvenation project in Pune



KPIT

Financial & Operational Data

Snapshot

Reimagining Mobility *with YOU*

Profit & Loss Account Snapshot

INR MN

DETAILS	Q3FY25	Q2FY25	Q3FY24
Revenue from Operations	14,779.58	14,714.13	12,569.62
Other Income	178.79	514.77	173.87
Total Income	14,958.37	15,228.89	12,743.49
Operating Expenses	11,657.45	11,696.59	9,984.56
EBITDA	3,122.13	3,064.11	2,585.06
Depreciation	584.40	560.83	499.59
EBIT	2,537.73	2,503.28	2,085.47
Finance Costs	103.10	101.63	157.51
Change in FMV of Investments	15.98	4.22	14.04
Profit Before Exceptional Items	2,629.40	2,874.07	2,115.87
Profit/(loss) from equity accounted investee	(63.78)	(42.94)	-
PBT	2,565.62	2,831.13	2,115.87
Tax	695.92	793.68	548.33
PAT	1,869.70	2,037.45	1,567.54
Profit Attributable to owners of Company	1,869.70	2,037.45	1,553.31
Profit Attributable to non-controlling interest	-	-	14.23

This includes forex loss of INR 46.57 million which is excluded in EBITDA computation

Balance Sheet Snapshot

INR MN

ASSETS	Q3FY25	Q2FY25	EQUITY & LIABILITIES	Q3FY25	Q2FY25
<u>NON-CURRENT ASSETS</u>			Equity Share Capital	2,716.04	2,714.92
Property, Plant & Equipment	2,388.67	2,401.93	Other Equity	24,015.71	22,288.78
Right-of-use Assets	3,094.49	3,245.22	Equity attributable to owners	26,731.75	25,003.70
Other Tangible Assets	11.44	19.68	Non-controlling interests	-	-
Goodwill & Other Intangibles	13,564.47	14,300.85	TOTAL EQUITY	26,731.75	25,003.70
Other Non-Current Assets	2,849.66	3,240.64	<u>NON-CURRENT LIABILITIES</u>		
TOTAL NON-CURRENT	21,908.73	23,208.32	Borrowings	NIL	NIL
<u>CURRENT ASSETS</u>			Lease Liabilities	2,231.79	2,373.58
Inventories	941.49	985.09	Other Non-Current Liabilities	1,238.02	1,259.70
Cash and Bank	14,285.83	10,084.52	TOTAL NON-CURRENT	3,469.81	3,633.28
Trade Receivables	7,813.27	6,530.23	<u>CURRENT LIABILITIES</u>		
Other Current Assets	2,796.79	5,047.47	Borrowings	70.39	400.80
TOTAL CURRENT	25,837.38	22,647.31	Trade Payables	2,295.41	2,910.19
TOTAL ASSETS	47,746.11	45,855.63	Lease Liabilities	725.15	716.63
			Others	14,453.60	13,191.03
			TOTAL CURRENT	17,544.55	17,218.65
			TOTAL EQUITY AND LIABILITIES	47,746.11	45,855.63

Revenue Break-up

USD MN

Verticals*	Q3FY25	Q2FY25	Q3FY24	Q-o-Q	Y-o-Y
Passenger Cars	143.86	139.08	116.85	3.40%	23.1%
Commercial Vehicles	26.88	28.65	25.90	(6.2)%	3.8%

* The balance revenues come from others, which is not a big area as of now

Business Units#	Q3FY25	Q2FY25	Q3FY24	Q-o-Q	Y-o-Y
Feature Development & Integration	109.17	103.35	93.11	5.6%	17.2%
Architecture & Middleware Consulting	35.71	40.60	27.61	(12.0)%	29.3%
Cloud Based Connected Services	31.21	29.23	28.42	6.8%	9.8%

#Feature Development & Integration - Electrification, AD-ADAS, Body Electronics and VED

Architecture & Middleware Consulting - Middleware, AUTOSAR

Cloud Based Connected Services - Intelligent Cockpit, Digital Connected Solutions and Diagnostics

Geography	Q3FY25	Q2FY25	Q3FY24	Q-o-Q	Y-o-Y
US	46.41	47.59	44.55	(2.5)%	4.2%
Europe	83.16	84.46	78.81	(1.5)%	5.5%
Asia	46.52	41.13	25.77	13.1%	80.5%

P&L Metrics

	Q3FY25	Q2FY25	Q3FY24	Q-o-Q	Y-o-Y
Revenue by Contract Type					
Time & Material Basis	40.8%	43.3%	46.0%	(4.2)%	4.7%
Fixed Price Basis	59.2%	56.7%	54.0%	6.2%	29.4%
Clients					
Strategic Client Revenue	87.6%	85.5%	85.0%	4.2%	21.7%
Active Clients (Period End)	63	60	60		
Revenue per Devp. Employee USD	58,992	56,558	49,926		
R&D Expenditure (USD MN)	3.15	2.70	3.51		
EBITDA Margin	21.1%	20.8%	20.6%		
EBIT Margin	17.2%	17.0%	16.6%		
PAT Margin	12.7%	13.8%	12.4%		
Effective Tax Rate*	26.5%	27.6%	25.9%		
EPS (Basic)	6.89	7.51	5.73		
EPS (Diluted)	6.83	7.45	5.69		

KPI1

* ETR is now calculated as Tax/Profit before share of profit/loss from equity accounted investee. The Q2FY25 number is accordingly adjusted

1/27/2025

20

Currency wise revenues, Hedging Details

Currency wise revenue	Q3FY25	Q2FY25	Q3FY24
USD	26.7%	27.8%	31.1%
EUR	41.8%	41.8%	45.9%
GBP	5.6%	6.2%	6.6%
JPY	18.7%	18.7%	10.6%
INR	5.2%	3.6%	3.3%
Others	1.9%	1.9%	2.5%

O/s Hedge Details	Q3FY25
Hedge Rates	
USD/INR	85.09
EUR/INR	93.26
GBP/INR	109.57
JPY/INR	0.58
Hedge Amounts(Mn)	
USD/INR	63.60
EUR/INR	48.90
GBP/INR	13.50
JPY/INR	6,328.0

Headcount Data

Period End Headcount	Q3FY25	Q2FY25	Q3FY24	Q-o-Q	Y-o-Y
Development	11,940	12,248	11,949	-	-
Enabling & Sales	855	839	778	-	-
Total	12,795	13,087	12,727	-	-

KPIT

Contact Us

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Conference Call Details

Conference name : KPIT Technologies Q3 FY2025 Post Earnings Conference Call
Date : Wednesday January 29, 2024
Time : 1730 Hrs.
Participants : Mr. Kishor Patil, Co-founder, CEO & MD
Mr. Sachin Tikekar, President, Joint MD
Mr. Anup Sable, CTO
Mrs. Priyamvada Hardikar, CFO
Mr. Chinmay Pandit, Whole-time Director & Head Americas
Mr. Sunil Phansalkar, VP CF&G , Head-IR

Dial-in Numbers for all participants

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Hongkong - 800 964 448

About KPIT Technologies

KPIT (BSE: 542651; NSE: KPITTECH), KPIT is a global technology company with software solutions that will help mobility leapfrog towards autonomous, clean, smart and connected future. With 11,000+ Automobelievers across the globe, specializing in embedded software, AI & Digital solutions, KPIT enables clients accelerate implementation of next generation mobility technologies. With development centers in Europe, USA, Japan, China, Thailand and India – KPIT works with leaders in mobility and is present where the ecosystem is transforming.

KPIT

For more information, visit <http://www.kpit.com>

1/27/2025

24

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THANK YOU !!



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