



Ref. No.: TTL/COSEC/SE/2024-25/62

October 28, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001, India

Scrip Code: 544028

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051, India

Trading symbol: TATATECH

Dear Sir / Madam,

Subject: Investor/analyst presentation on financial results for the quarter and half-year ended September 30, 2024

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the investor/analyst presentation with respect to financial results for the quarter and half-year ended September 30, 2024.

The same is also being made available on the Company's website www.tatatechnologies.com.

This is for your information and records.

For **Tata Technologies Limited**

Vikrant Gandhe
Company Secretary and Compliance Officer

Encl: As above

TATA TECHNOLOGIES
Tata Technologies Limited

Plot No 25, Rajiv Gandhi Infotech Park | Hinjawadi, Pune 411057 | India

Tel: +91 20 6652 9090 | Fax: +91 20 6652 9035

CIN L72200PN1994PLC013313

Email: investor@tatatechnologies.com

Website: www.tatatechnologies.com



Investor presentation Q2 FY2025

28th Oct 2024

Scrip: BSE 544028, NSE: TATATECH

/// Engineering a better world

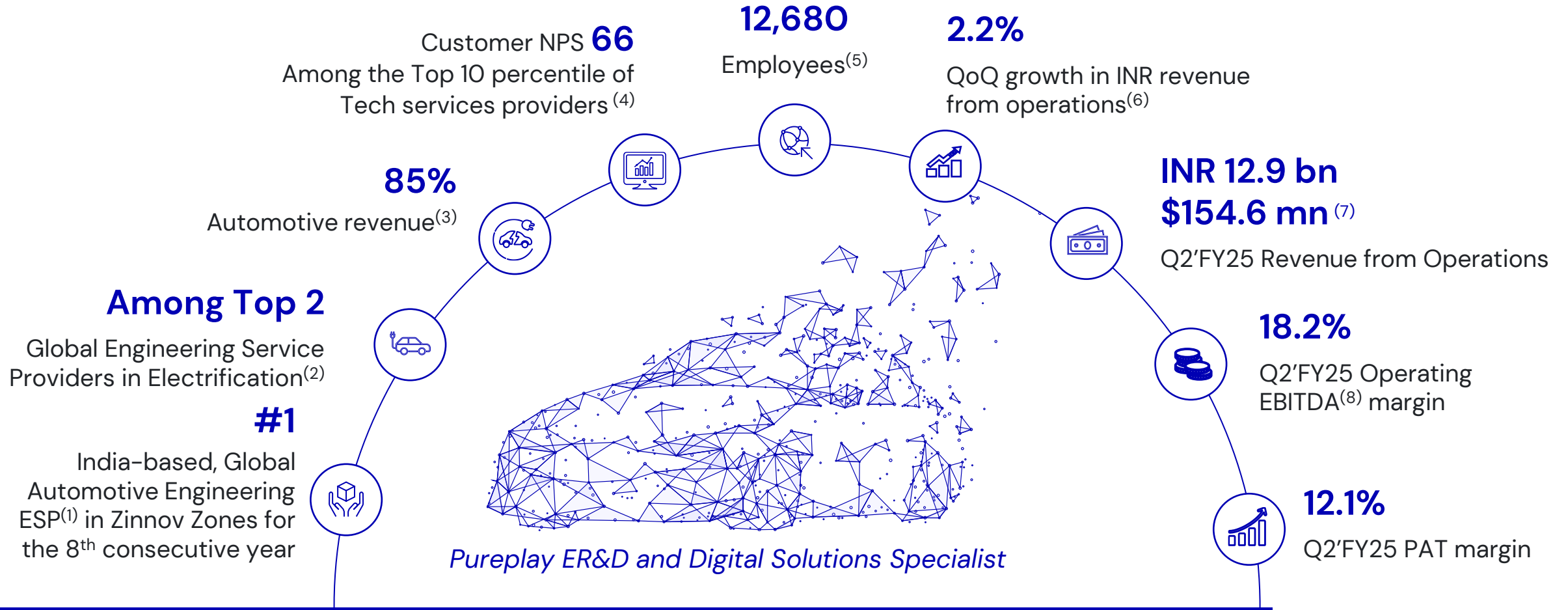
#EngineeringASoftwareDefinedFuture



Disclaimer

This release may include opinions and assumptions about future performance which could be considered forward-looking statements. Forward-looking statements intrinsically cover several risks and uncertainties, which may lead to a material difference between actual results and the statements themselves. Such statements comprise the company's current visibility on market movements, client discussions, and related factors. Tata Technologies Limited does not assume an obligation to update or revise any forward-looking statements.

Leading global engineering services company



Note: (1) ER&D Service Provider; (2) Source: Zinnov; (3) % of automotive revenue attributable to the Services segment for Q2FY25 period; (4) As sourced from Litmus World (5) FTE and contracted employees as of Sep 30, 2024 (6) Q2'25 over Q1'25; (7) Revenue from operations where the revenue from operations is accounted for on a monthly basis and converted using the average of the \$ conversion rates during each month for the relevant currencies; (8) Operating EBITDA is calculated as EBITDA less other income.

Q2'25 Financial highlights



Revenue

- Total company operating revenue at ₹12,965 million, up 2.2% QoQ
- Services segment revenue of ₹10,051 million, up 2.0% QoQ
- In USD, total operating revenue at \$154.6 million
- In USD, Services segment revenues came in at \$119.9 million; up 1.5% QoQ



Profitability

- Total company gross margin at 29.1%, vs. 28.2% QoQ
- Services segment gross margin at 32.3% vs. 31.1% QoQ
- Operating EBITDA at ₹2,355 million; EBITDA margin stable at 18.2% QoQ
- Net income at ₹1,574 million. Net income margin at 12.1%, vs. 12.8% QoQ

Message from the CEO & MD and the CFO



Warren Harris
CEO and MD

“ Our Services business has returned to sequential growth this quarter with a 2% increase in revenue. Our order book and pipeline remain healthy and combined with the continued positive momentum within our anchor accounts, we are confident that the second half of the fiscal year will show stronger performance compared to the first half. The long-term fundamentals of our business remains sound. I would like to express my sincere gratitude to all our employees for their unwavering dedication and commitment to delivering exceptional service to our clients.



Savitha Balachandran
CFO

“ We remain focussed on maintaining a balanced approach of upholding operating discipline while strategically investing in capabilities to capitalize on the emerging opportunities in the industries of our key customer segments. Our EBITDA margin for the quarter stood at 18.2%, supported by improvements in utilization and increased offshoring. Additionally, our disciplined execution led to strong cash conversion in the first half of the year, with free cash flow to net income conversion exceeding 100%. We are committed to delivering long-term value for all our stakeholders.

Strategic wins and new developments



Tata Technologies has been selected by an Asian Automotive OEM for a mid-cycle refresh turnkey project for two of their vehicles. These projects entail a comprehensive suite of automotive engineering services.



A European Luxury Automotive OEM has chosen Tata Technologies for the development of e-Propulsion system covering components like inverters, batteries and charging systems.



A global Tier 1 automotive leader has chosen Tata Technologies to establish an offshore development center (ODC) which will focus on developing embedded software for electric powertrain products.



For a European luxury auto OEM, we have initiated an AI Governance framework centered around key pillars like Responsible AI, use of large language models (LLMs), AI standardization, AI controls, and AI enablement.



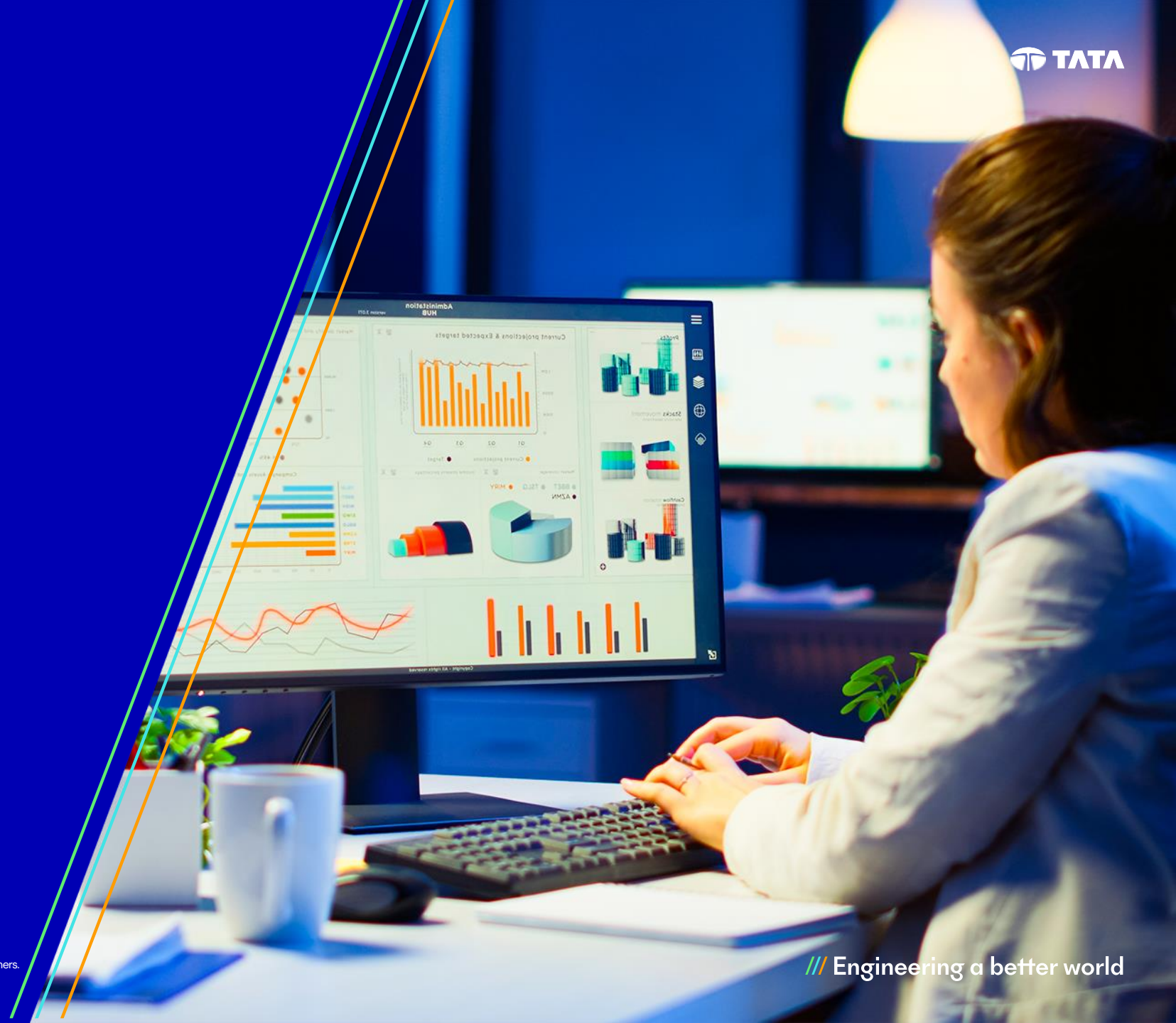
Tata Technologies has been selected by a North American automotive Tier-1 to support their multi-year growth plans through their India-based GEC, as a part of their cost efficiency initiatives.



An Asian automotive OEM has chosen Tata Technologies to implement a comprehensive CRM platform, along with Lead Management and Dealer Management systems, aimed at delivering a unified "One Country, One Solution" approach across the client's global presence in over 16 countries.



Financial & operational data



Income statement – consolidated

IND AS

INR Mn	Q2 FY24	Q1 FY25	Q2 FY25	QoQ	YoY
Revenue from operations	12,692	12,690	12,965	2.2%	2.1%
Services Segment	9,953	9,855	10,051	2.0%	1.0%
Technology Solutions segment	2,739	2,835	2,914	2.8%	6.4%
Gross Profit	3,428	3,581	3,776	5.4%	10.1%
Services Segment	2,972	3,066	3,249	6.0%	9.3%
Technology Solutions segment	457	515	527	2.4%	15.4%
Operating EBITDA	2,143	2,311	2,355	1.9%	9.9%
EBIT	1,882	2,014	2,056	2.1%	9.3%
PBT	2,133	2,196	2,175	(1.0%)	2.0%
Net Income	1,604	1,620	1,574	(2.9%)	(1.9%)
EPS (diluted)	3.95	3.99	3.87	(2.9%)	(1.9%)

Margins (%)

Gross Margin	27.0%	28.2%	29.1%
Service Segment	29.9%	31.1%	32.3%
Technology Solutions segment	16.7%	18.2%	18.1%
Operating EBITDA Margin	16.9%	18.2%	18.2%
EBIT Margin	14.8%	15.9%	15.9%
Net Income Margin	12.6%	12.8%	12.1%

USD Mn	Q2 FY24	Q1 FY25	Q2 FY25	QoQ	YoY	In Constant Currency	
						QoQ	YoY
Revenue from operations	153.4	152.1	154.6	1.7%	0.8%	0.8%	0.5%
Service Segment	120.4	118.1	119.9	1.5%	(0.4%)	0.3%	(1.2%)

Q2'25 Key metrics

Services: Customer pyramid (LTM)

	Q2' 24	Q1' 25	Q2' 25
> 50 Mn	3	2	2
10-50 Mn	3	6	6
5-10 Mn	4	3	4
1-5 Mn	28	29	30

Employee metrics

	Q2' 24	Q1' 25	Q2' 25
Headcount	12,451	12,505	12,680
Voluntary attrition, LTM	16.8%	13.7%	13.1%

Headcount includes FTEs and contractors

Liquidity metrics

	Q2' 24	Q1' 25	Q2' 25
DSO : Billed + Unbilled (days)	92	84	85
Cash and Cash Equivalent (\$ Mn) ⁽¹⁾	114.3	131.4 ⁽³⁾	145.3
FCF ⁽²⁾	1,928	2,217	2,317

1) As on last day of the respective reporting period. Excludes restricted cash, if any

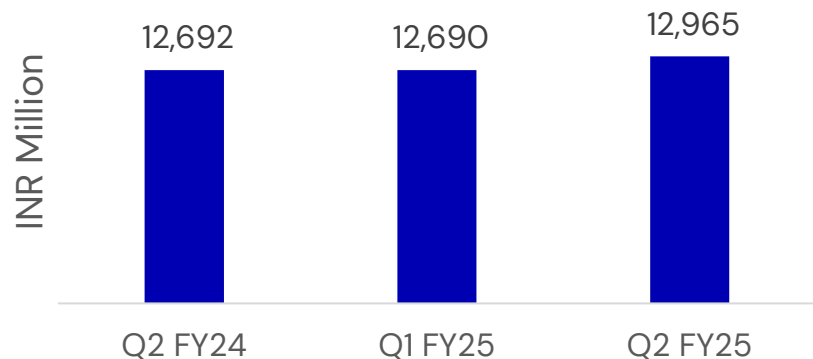
2) FCF computed as Adj. EBITDA (-) Net Capital Expenditure

3) This is after ~\$49 million in dividends paid out in Q1 FY25

Q2'25 Financial highlights

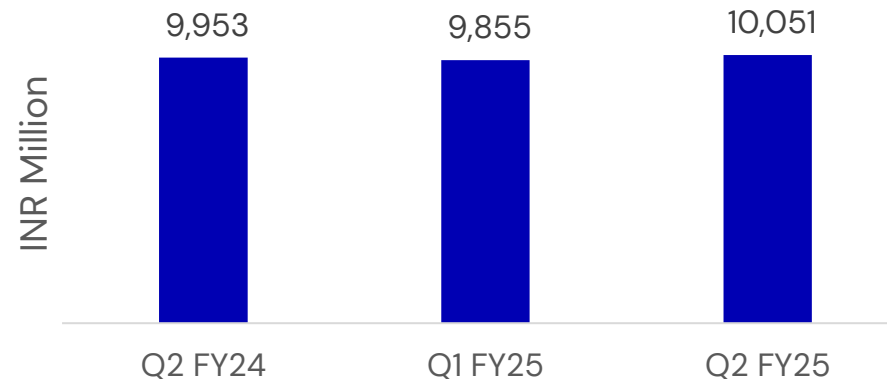
Revenue from Operations

2.1% YoY; 2.2% QoQ



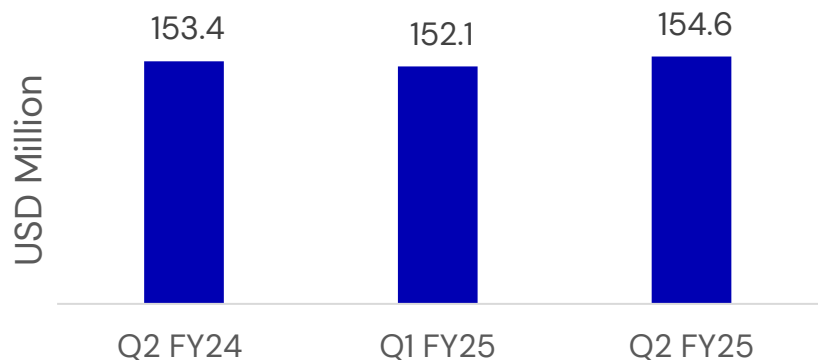
Revenue from Services Segment

1.0% YoY; 2.0% QoQ



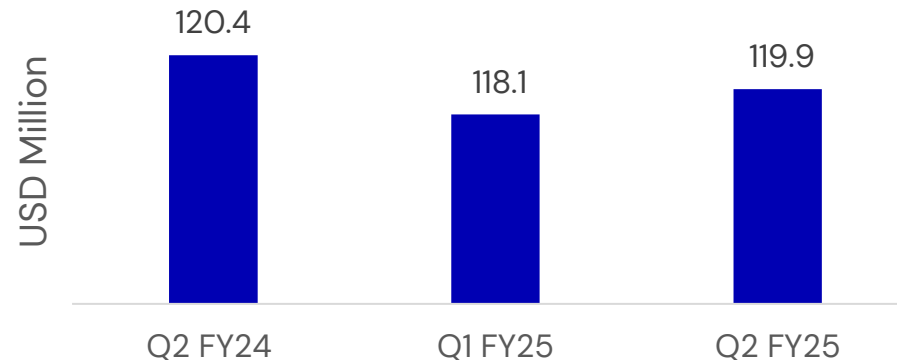
Revenue from Operations

0.8% YoY; 1.7% QoQ



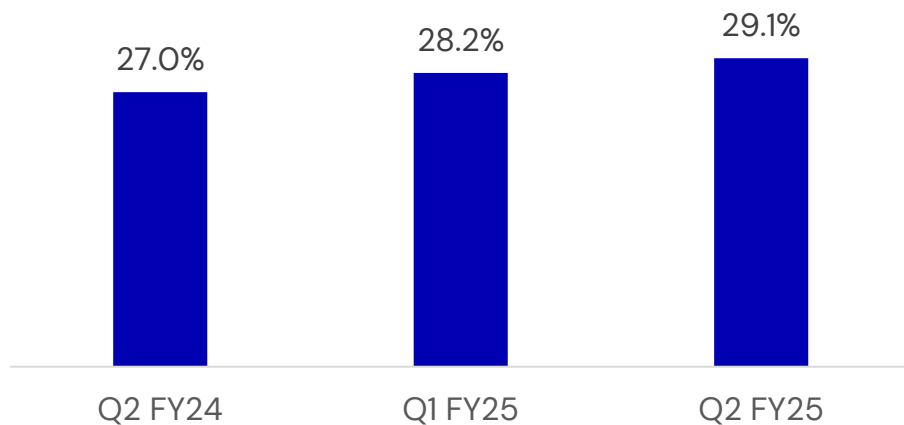
Revenue from Services Segment

-0.4% YoY; 1.5% QoQ

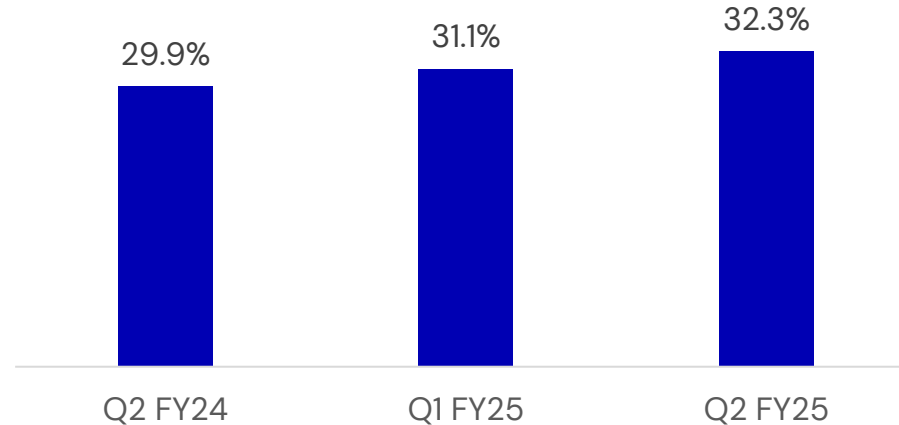


Q2'25 Financial highlights

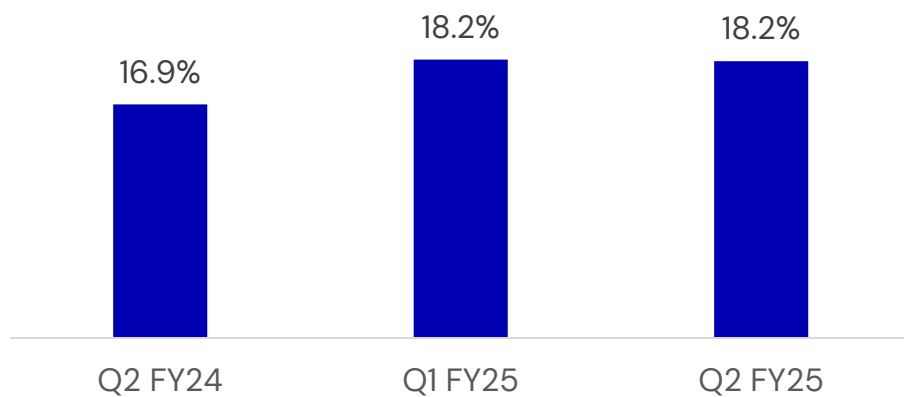
Gross Margin %



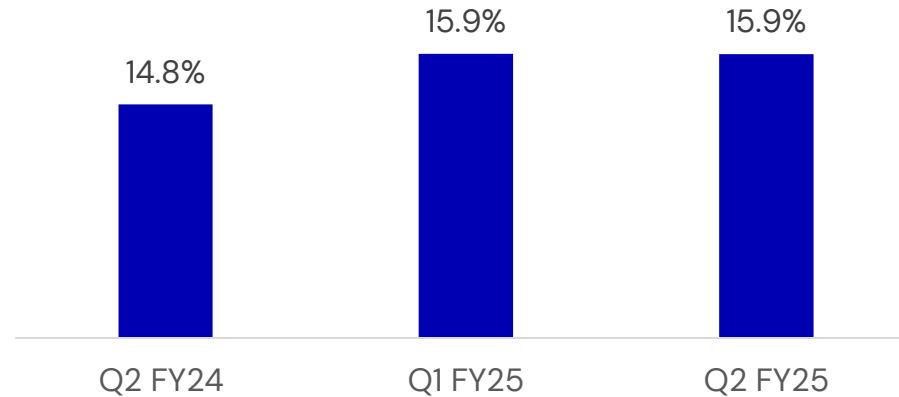
Gross Margin: Services Segment



Operating EBITDA Margin

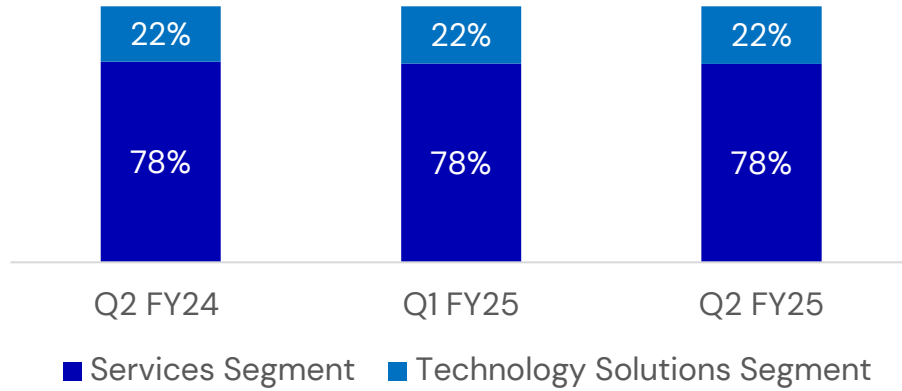


EBIT Margin

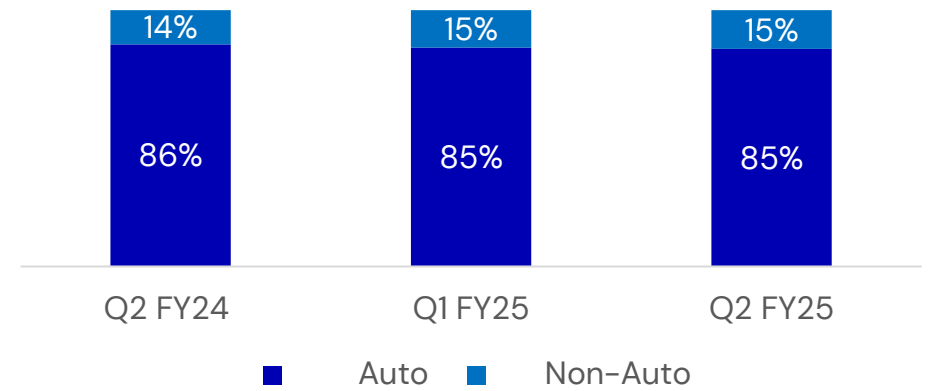


Q2'25 Financial highlights

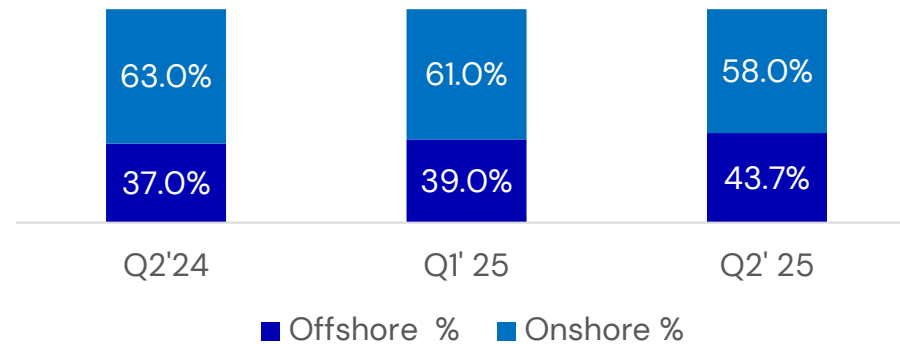
% of Operating Revenue



% of Services Segment Revenue



Revenue Mix



Offshore revenue represents Services revenue delivered from India & Romania and sourced outside India & Romania



We're engineering a software-defined future for everyone

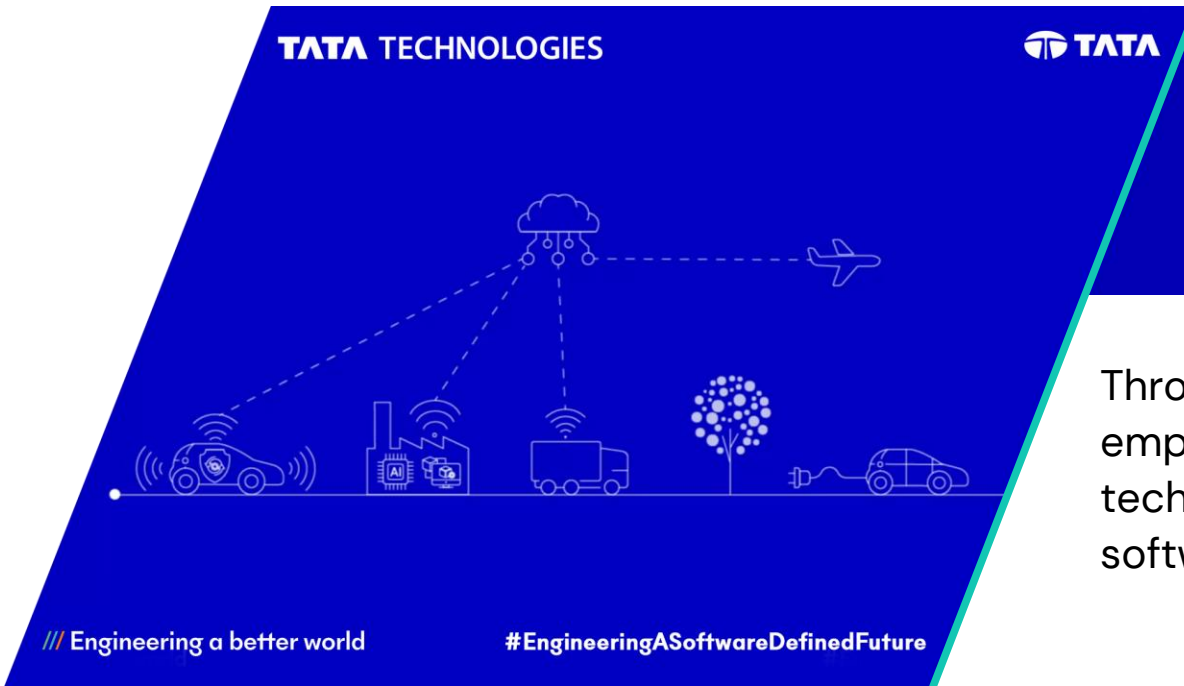
/// Engineering a better world



#EngineeringASoftwareDefinedFuture

Launch of #EngineeringASoftwareDefinedFuture brand campaign

We are at the forefront of next-gen technologies, driving the shift towards software-led intelligent products. We lead innovations across SDVs, AI-powered smart manufacturing, and software-defined enterprises to create adaptive, connected, and sustainable solutions for the future.



Through our campaign, we're reinforcing our commitment to empowering the manufacturing industry with advanced technology solutions, equipping businesses to thrive in a software-driven world.

Launch of BMW TechWorks India – Tata Technologies and BMW Group JV

We officially announced the JV BMW TechWorks India which aims to innovate automotive software, including software-defined vehicles (SDV) and digital transformation solutions for business IT. This JV re-enforces our automotive software and digital engineering capability towards software-defined solutions.



Strategic Indian talent centres – Pune, Bengaluru and Chennai – will become part of BMW Group's global network of software and IT hubs
Rapid growth to a four-digit number of employees is planned by the end of 2025

Thought Leadership towards #engineeringASoftwareDefinedFuture

Establishing industry leadership with over 30 years of expertise, we are driving the shift to software-defined engineering, transforming automotive aerospace and IHM industries with advanced AI Smart Manufacturing and Software-Defined Vehicle solutions

PIM

How Tata Technologies is Helping Automobile Companies Build AI-Powered Cars



Modern cars have evolved significantly in the last few years and we have seen a software-oriented approach replacing the traditional hardware-centric approach in automobiles. Tata Technologies signed a Memorandum of Understanding (MoU) with TIHAN IIT Hyderabad to develop Software Defined Vehicles (SDV) and ADAS.

AUTOCAR professional

Computer Aided Engineering Simulation Solutions for SDVs on Cloud



The significant reduction in the number of parts in an electric vehicle, has led to modular architecture, which gives multiple advantages to an OEM to design and manufacture.

THE TIMES OF INDIA

Software Defined Vehicles (SDV) – Shift in Vehicle Cybersecurity



Automotive OEMs are transitioning to Software Defined Vehicles (SDVs) driven by safety and sustainability, facing cybersecurity challenges. The market for SDVs is expected to reach USD 210.88 billion by 2032, shaping the future of the automotive industry.

AUTOCAR professional

How OEMs can leverage SDVs to stay ahead of the curve



The USD 3.6 trillion global automotive industry is undergoing a transformative shift towards Software-Defined Vehicles (SDVs), signalling a new era where software takes precedence over hardware.

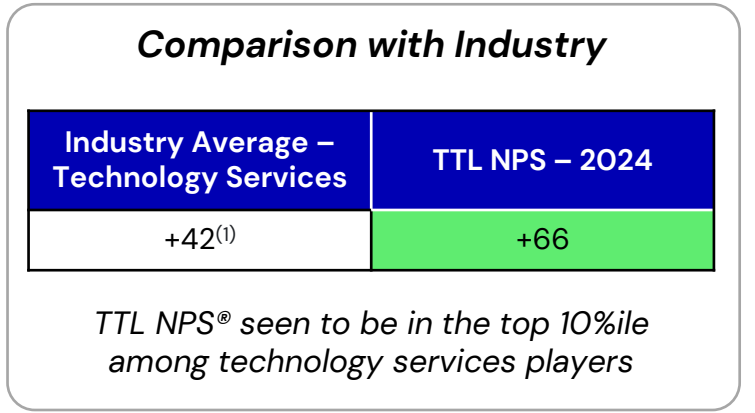
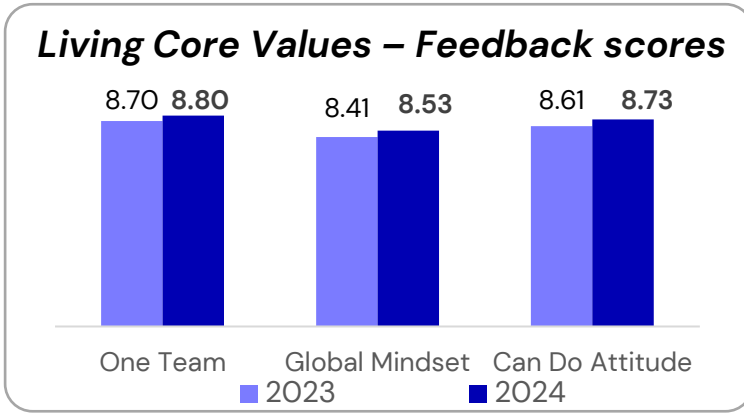
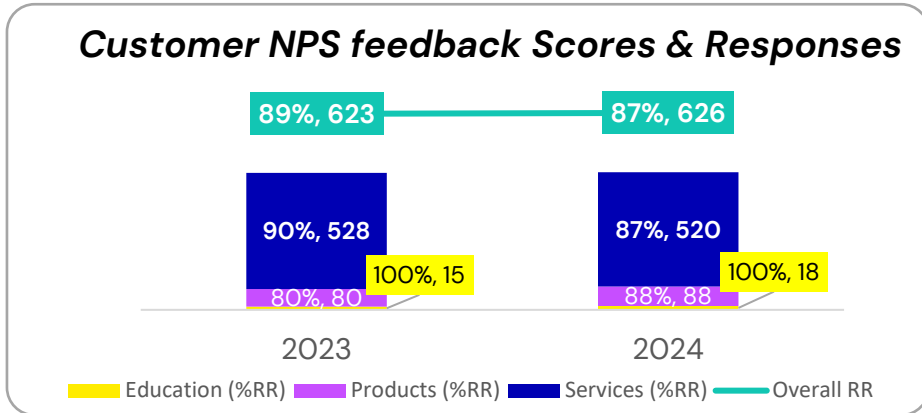
Air India and Tata Technologies collaborate to transform the Air India aircraft interiors for enhancing travel experience

The collaboration between Tata Technologies and Air India will significantly enhance the overall travel experience by tailoring modifications and upgrades to meet specific customer needs with futuristic, functional interiors



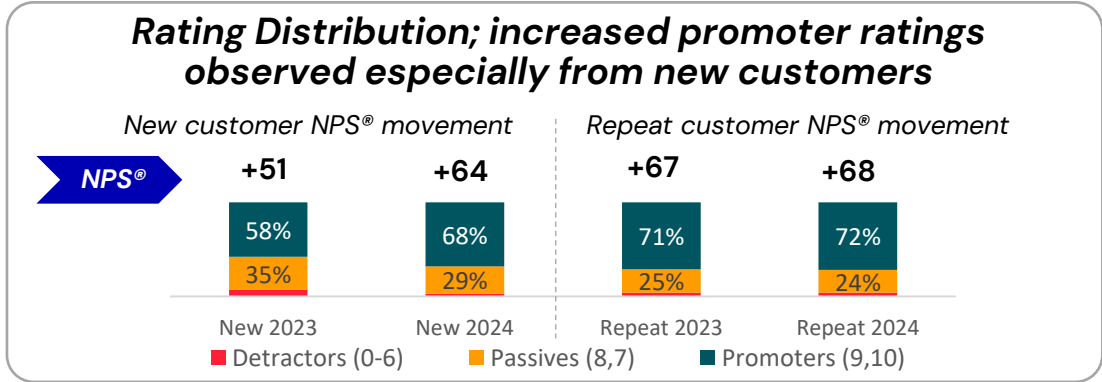
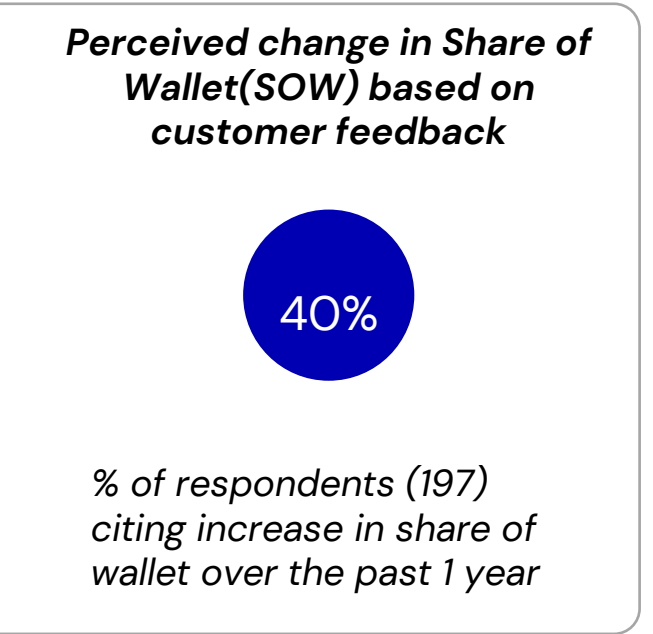
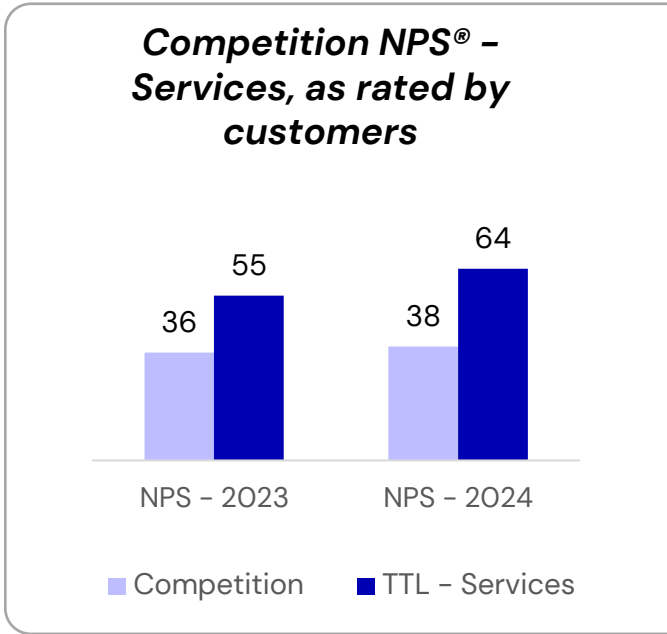
The collaboration will also streamline Air India's operations, improve safety and reliability, and support the Government of India's Atmanirbhar Bharat initiative.

Engineering customer success through our One Team with Customers approach



NPS and trend

Engagement	2023	2024
Services	+55	+64
Products	+75	+74
Education	+100	+89
Overall	+58	+66



1) As sourced from Litmus World

About Tata Technologies

Tata Technologies (BSE: 544028, NSE: TATATECH) is a global product engineering and digital services company focused on fulfilling our mission of helping the world drive, fly, build, and farm by enabling our customers to realize better products and deliver better experiences. We are the strategic engineering partner businesses turn to when they aspire to be better. Manufacturing companies rely on us to enable them to conceptualize, develop and realize better products that are safer, cleaner, and improve the quality of life for all the stakeholders, helping us achieve our vision of #EngineeringABetterWorld.

For more, visit us at <https://www.tatatechnologies.com/> or learn more [here](#). Follow us on [Instagram](#), [LinkedIn](#), [Twitter](#), [Facebook](#) and [YouTube](#) for the latest updates.



Contact Us

For investor queries



Name: Vijay Lohia



Email: ir@tatatechnologies.com



Desk Phone: [+91 20 66529090](tel:+912066529090)

For media queries



Name: Priyanka Bhatia



Email: priyanka.bhatia@adfactorspr.com



Desk Phone: [+91 22 67574444](tel:+912267574444)

ASIA PACIFIC

25 Rajiv Gandhi Infotech Park
Hinjawadi, Pune
India
411057
Tel: +91 20 6652 9090

EUROPE

The European Innovation
and Development Centre (EIDC)
Olympus Avenue
Tachbrook Park
Warwick, UK
CV34 6RJ
Tel: +44 (0) 8443 759 685

NORTH AMERICA

6001 Cass Avenue
Suite 600
Detroit MI
USA 48202
Tel: +1 248 426 1482

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