



July 17, 2023

DGM – Corporate Relations  
BSE Limited.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
**Scrip Code: 500408**

The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C-1, Block G  
Bandra – Kurla Complex, Bandra (East)  
Mumbai – 400 051  
**Scrip Code: TATAELXSI**

Dear Sir / Madam,

**Sub: Press Release**

Please find enclosed the Press Release dated July 17, 2023 titled “**Tata Elxsi delivers steady performance in Q1 FY’24 with operating revenue crossing Rs. 850 crores and EBITDA margin at industry leading 29.6%**”

The aforesaid information is also available on the website of the Company [www.tataelxsi.com](http://www.tataelxsi.com).

You are requested to please take the same on record.

Yours faithfully,

**For Tata Elxsi Limited**

**Cauveri Sriram**  
**Company Secretary & Compliance Officer**

Encl.: as above

**TATA ELXSI**

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(CIN-L85110KA1989PLC009968)

## Tata Elxsi delivers steady performance in Q1 FY'24 with operating revenue crossing Rs. 850 crores and EBITDA margin at industry leading 29.6%

**Continues to build capacity for long-term growth; employee base crosses 12,000 Elxsians**

Bangalore, July 17, 2023: 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 30<sup>th</sup> June 2023.

### Highlights of the Quarter Ended June 30, 2023:

- Revenues from operations at Rs. 850.3 Cr
- Industry leading EBITDA Margin of 29.6%
- Profit before Tax of Rs. 248.3 Cr
- Crosses 12,000 employee mark with 422 net additions in the quarter

For the quarter ending June 30, 2023, company reported Rs. 850.3 Cr of operating revenue, a growth of 17.1% over the same quarter of previous year (YoY). During the period, Profit before Tax stood at Rs. 248.3 Cr, registering a growth of 8.9% YoY.

### Business Highlights:

- The Industrial Design & Visualization division recorded a strong growth of 41.1% YoY in constant currency terms. Company's Design-Digital offerings continues to drive volume led growth in a challenging global market environment.
- Transportation continues to show healthy growth, registering a revenue growth of 17.0% YoY in constant currency terms, and a healthy large deal pipeline across SDV and EV.
- Healthcare signalled a strong recovery, registering 3.2% QoQ growth in Q1 of FY24 in constant currency.

**Mr. Manoj Raghavan, CEO and Managing Director, Tata Elxsi**, commenting on the company's performance in the first quarter of FY24, said:

"We are happy to report a healthy growth of 17.1% YoY in the current macro-economic environment, while delivering industry leading EBITDA margin of 29.6%. While the overall global economic outlook remains challenging, our customer focus and targeted efforts to keep the growth momentum going is showing good results.

During the quarter, our Healthcare & Lifesciences business has reported a healthy QoQ growth of 3.4% which is a significant improvement over the performance during the earlier two quarters. This vertical also reported new product development deal wins for medical diagnostics and Smart Hospital equipment.

In the Transportation business, we continue to drive differentiated software capability and scale, and see good traction and a strong deal pipeline, especially in Software Defined Vehicles and EV. While some deal closures were delayed in this quarter, we won significant new deals including a strategic multi-year multi-million US\$ SDV deal with a leading Asian OEM for their SDV platform and software development, and a multi-country licensing and deployment of our Connected vehicle platform with a global Top 5 OEM. To expand our automotive and smart mobility focus in North America, we have opened an Innovation Hub and nearshore engineering centre in Troy, Michigan that will innovate along with leading institutes and technology ecosystem in the region.

We also signed a Memorandum of Understanding (MoU) with the Indian Institute of Technology, Guwahati (IIT-G) to jointly work on developing and commercializing state-of-the-art solutions for the fast-evolving space of electric mobility.

Our Media & Communications business performed creditably to retain and grow market share even though absolute revenue growth was muted. We won our first multi-year deal for our 5G network orchestration and automation suite with a leading telecom operator. This is an important milestone for the renewed portfolio we are building for this industry vertical. However, the Media, Telecom and Technology sector is still soft globally and we remain cautious on short-term growth in this sector, while staying close to our key customers and focusing on intelligent AI powered solutions and technologies that will drive the next wave of transformation in this industry.

I am delighted by the all-round customer excellence demonstrated by Elxsians that has allowed us to grow strongly with our key customers and positioned us well for competitive differentiation and new project considerations across our customer base.

On the people front, we continue to invest in our talent base. With a net add of 422 Elxsians in this quarter, the Tata Elxsi family is now 12,000+ strong, with attrition dropping further to 15.6%.

We have driven strong operational excellence across the organization and protected our EBITDA margins, despite wage hikes and strong employee additions in the quarter. Our Effective Tax Rate (ETR) in this quarter has increased on account of lower tax exemption due to completion of 5 years for two of our SEZ units, impacting our PAT Margins.

In our aspirational journey of being carbon neutral by 2030, we were awarded a silver medal by EcoVadis, the world's largest and most trusted provider of business sustainability ratings. The silver medal underscores our ESG standing amongst the global corporate community, and demonstrates our commitment to responsible practices across areas including environmental impact, labour conditions, ethical sourcing, and business conduct.

It is a matter of great pride for all of us at Tata Elxsi to partner with ISRO and play a role in the Gaganyaan project. This collaboration will help push the boundaries of technology, and provide us a unique opportunity to advance our capabilities while strengthening India's space mission. We wish ISRO the very best as it progresses further in the ambitious Human Space Flight mission.

As we step into the second quarter of this financial year, the confidence of our customers in our differentiated *Design Digital* proposition and delivery excellence, and a strong deal pipeline especially in the automotive, healthcare and design businesses, provides us the confidence and foundation for accelerating growth through the year."

### **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](http://www.tataelxsi.com)

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