

Tata Elxsi delivers steady growth in Q2FY23 with 5.1% QoQ growth in revenues and industry leading EBITDA margin of 29.7%

Investing strongly for the next phase of growth – 1500+ Elxsians added in Q2FY23 along with new facilities in Bengaluru, Chennai, Kozhikode and Hyderabad

Bangalore, October 14, 2022: Tata Elxsi (BSE: 500408 | NSE: TATAELXSI), amongst the world's leading providers of design led technology services, announced its second quarter results for the period ending 30th September 2022.

Highlights of the Quarter Ended September 30th, 2022

- Revenues from operations at Rs. 763.2 Cr, + 5.1% QoQ, + 28.2% YoY
- Industry leading EBITDA Margin at 29.7%
- Profit after tax at Rs. 174.3 Cr, growing 39.1% YoY
- EPS grows 39.0% YoY to Rs. 27.98
- Crosses 11,000 employee mark with 1,532 net additions in the quarter

For the quarter ending 30th September 2022, the company reported Rs. 763.2 Cr of revenue from operations, a growth of 5.1% QoQ and 28.2% YoY while Profits After Tax grew 39.1% YoY.

The company's growth was primarily volume led, with all three segments of EPD, IDV and SIS showing robust growth of 3.8%, 13.5% and 26.2% QoQ respectively.

Q2 Business Highlights:

Industries:

- Transportation grows 3.8% QoQ and 30.4% YoY, aided by large deals in EV, ADAS and adjacencies in rail and offroad vehicles.
- Healthcare continues to witness strong growth of 8.2% QoQ and 55.9% YoY, driven by new product engineering and regulatory services.
- Media and Communications reports growth at 2.1% QoQ and 22.2% YoY, aided by platform-led deals and entry into new operator accounts.

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

"We have delivered a quarter of steady growth amidst macro-economic uncertainty and currency headwinds in our key markets. We are seeing strong and sustained growth in the automotive and adjacent segments, led by our EV and digital capabilities. We are gaining market share in both Automotive and Media & Communications, especially in Europe. The numbers are muted in the region due to unfavorable currency movement.

We won multi-year deals in EV and autonomous driving systems in the automotive space, and a next-gen platform for connectivity and infotainment with a leading offroad equipment maker. We have won strategic platform-led deals in media and communications, with new SaaS and managed services models.

For us, this has been a quarter of investing strongly in growth for the future. With a net add of 1532, we have added the highest number of Elxsians in our history in a single quarter, while the attrition rate declined for the second consecutive quarter. We have also invested in expanding our facilities in existing locations of Bengaluru, Chennai and Pune, and new talent bases in Kozhikode and Hyderabad.

We are also making significant investments in growing our leadership pipeline for delivery, technology and sales. This is essential for us to establish the next base of talent to win, manage and grow the increasing number of strategic accounts and new offerings we are bringing to market.

We are entering the second half of the financial year with a strong order book and a healthy deal pipeline across key markets and industries, and the confidence of customers in our technology capabilities and differentiated delivery models. Importantly, we have invested in capacity and capability building for engineering talent, leadership and technology that will drive our next phase of growth.”

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

Media Contact

Tata Elxsi
Hari Balan
Corporate Communications
+91 80 2297 9123
Email: media@tataelxsi.com