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Earnings  
Presentation  
Q1 FY26

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# Safe Harbor

Certain statements in this presentation may contain 'forward-looking statements' identified by the use of forward-looking words or phrases and statements relating to our future performance and prospects for growth in FY2026 and beyond, our ability to achieve our financial, strategic and business goals; and our planned investments.

Our actual actions or results may differ from those expected or anticipated in the forward-looking statements due to both known and unknown risks and uncertainties; downturns in global and regional economic conditions impacting one or more of the markets in which we and our customers operate; other economic and public health conditions or regulatory changes in the markets in which we and our customers, suppliers and partners operate; our ability to attract and retain talented and diverse employees; fluctuations in our business due to seasonality; the concentration of our customers, potentially increasing the negative impact to our business of difficulties experienced by any of our customers or changes in their purchasing or selling patterns; our ability to realize the benefits of cost-savings and efficiency and/or revenue efficiency enhancing initiatives including initiatives to integrate portfolio companies and the impact of litigation or arbitration decisions or settlement actions.

## Q1 FY26 – At a Glance

A Promise of

*Scale at Speed*™



Revenue  
**\$ 1,564 Mn**



EBIT  
**11.1%**



PAT Margin  
**8.5%**



FCF  
**\$ 86 Mn**



New Deal Wins  
**\$ 809 Mn**

# Management Commentary

*Our performance is steadily strengthening, reflecting disciplined execution and a focused strategy. Deal wins have increased by 44% on a last twelve months (LTM) basis, supported by broad-based momentum across verticals and geographies.*



**Mohit Joshi**  
CEO, Tech Mahindra

*We have delivered seven consecutive quarters of margin expansion - a clear reflection of the discipline and focus across our organization. Even in an uncertain environment, our Project Fortius program continues to generate meaningful results and drive operational improvements.*



**Rohit Anand**  
CFO, Tech Mahindra

# Strategic Highlights

## Business Updates

- TechM's **AI Consulting Practice** enables clients to validate RoI & prioritize use cases in a systematic and efficient manner as they evaluate their AI roadmap.
- Tech M's **VerifAI - Patent filed** ensures data is validated and observed as it enters agentic pipeline.
- Portfolio of **200+ enterprise-grade AI agents** across industry segments, several of these in use at scale with our clients.
- **InnoVerse 2025** – Internal Platform to showcase Tech Mahindra's innovation culture, uniting teams to solve real-world challenges with speed, scale, and creativity.
- KOGO AI and Tech Mahindra Forge Global Alliance to Lead the **Enterprise AI Revolution** by delivering scalable AI solutions using Agentic AI infrastructure, enabling enterprise-grade autonomy, compliance, and transformation across industries.
- Tech Mahindra and mimik launched the **Agentic AI Production Center** — a physical, production-first hub to build, scale, and certify agentic-native AI workflows on real-world infrastructure.

## Leadership Hiring/Changes

- **Amol Phadke** – **Chief Transformation Officer** - 25-plus years experience in global telecom industry, having held leadership roles at Google, Telenor and BT.
- **Manish Mangal** – **Head of Americas communication** - A distinguished telecom veteran with 27 years of leadership and industry-first innovations steps in to drive transformative impact.
- **Sahil Dhawan** – **Head of IMEA** - Over 22 years of rich experience in the technology industry; Known for crafting and executing go-to-market strategies and delivering transformational outcomes.

## Awards

- **Only Indian IT company** to receive the highest "A" rating across all three CDP categories: Climate Change, Water Security, and Supplier Engagement.
- Recognised as one of the '**World's Most Sustainable Companies**' 2025 by TIME.
- Recognised as one of the '**Best Organisations to Work**' for 2025 at ET NOW Best Organisations to Work 2025.

# Financial Highlights

## Q1 FY26



### Revenue

- USD Revenue of 1,564 Mn up 1.0% QoQ and up 0.4% YoY
- Revenue (in cc) down 1.4 % QoQ and down 1.0% YoY
- INR Revenue of ₹ 13,351 Cr, down 0.2% QoQ and up 2.7% YoY
- IT segment up 0.7% QoQ; BPS segment up by 2.9% QoQ



### Profitability Metrics

- EBIT at \$ 172 Mn, margin at 11.1%, up 50 bps QoQ
- PAT at \$ 133 Mn, margin at 8.5%, down 20 bps QoQ
- ROCE % at 23.8%



### People

- IT Headcount 79,987; down by 622 QoQ and down by 430 YoY
- IT LTM attrition at 12.6 % v. 11.8% last quarter



### Cashflow Metrics

- Free Cash Flow at \$86 Mn
- Free Cash Flow to PAT% is 111% (on LTM basis)

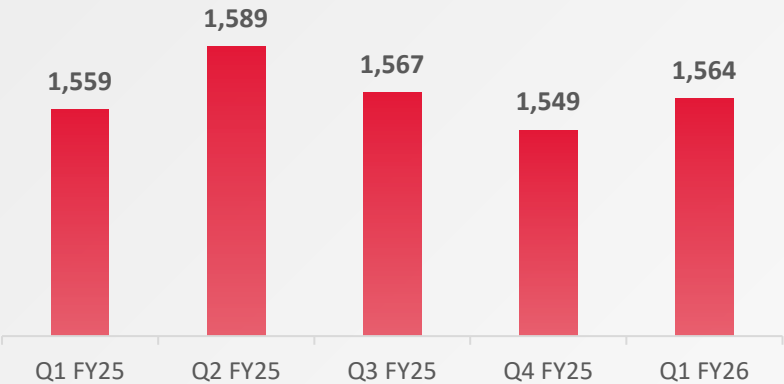


### Clients

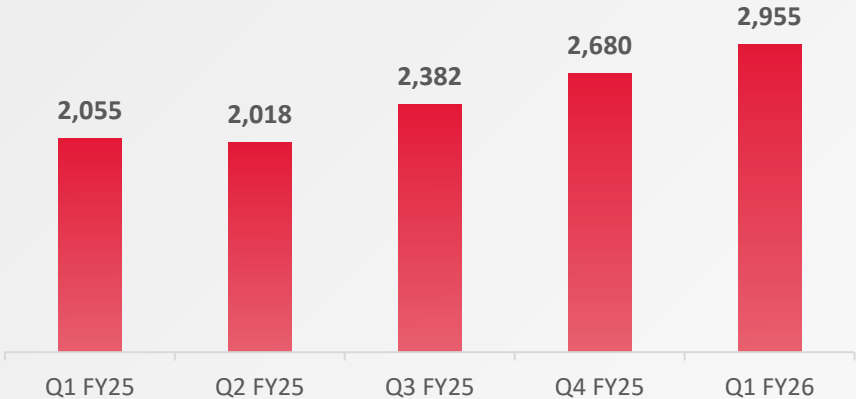
- Number of \$ 50 mn+ clients at 26; up by 2 YoY

# Financial Trend

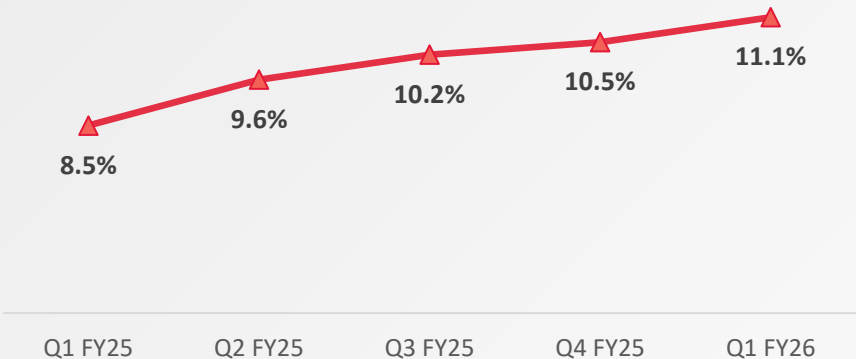
Revenue (USD Mn)



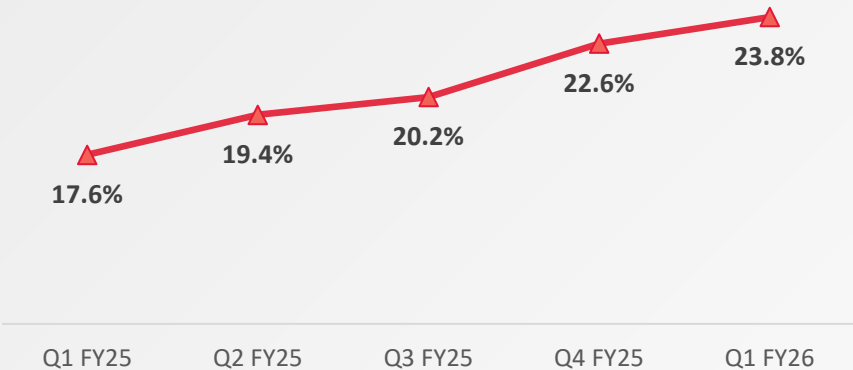
LTM Deal Wins (USD Mn)



Earnings Before Interest & Taxes (EBIT %)



Return of Capital Employed (ROCE)



# Geography-wise and Vertical-wise Performance

Geographies	Q1 FY26		
	% Mix	QoQ	YoY
Americas	49.2%	2.6%	-5.9%
Europe	26.0%	3.6%	11.7%
ROW	24.8%	-4.5%	2.9%

Verticals	Q1 FY26		
	% Mix	QoQ	YoY
Communications	33.8%	2.8%	2.5%
Manufacturing	17.5%	4.0%	-4.0%
BFSI	16.4%	-0.6%	4.7%
Technology, Media and Entertainment	13.3%	1.3%	-3.3%
Retail, Logistics and Transport	7.9%	-1.0%	3.8%
Healthcare and Lifesciences	7.3%	0.1%	-5.2%
Others	3.9%	-13.5%	2.5%

# Client Metrics

Number of Clients	Q1 FY25	Q4 FY25	Q1 FY26
≥ \$1 million clients	545	540	529
≥ \$5 million clients	191	195	193
≥ \$10 million clients	113	106	108
≥ \$20 million clients	61	59	60
≥ \$50 million clients	24	25	26

Client Concentration	Q1 FY25	Q4 FY25	Q1 FY26
Top 5	15.5%	15.5%	15.6%
Top 10	25.1%	24.5%	25.2%
Top 20	38.4%	38.2%	39.0%

Deal Wins	Q1 FY25	Q4 FY25	Q1 FY26
New Deal Wins (USD Mn)	534	798	809

# People Highlights

Total Headcount	Q1 FY25	Q4 FY25	Q1 FY26
IT	80,417	80,609	79,987
BPS	58,177	59,636	60,278
Sales & Support	9,026	8,486	8,252

IT Headcount mix	Q1 FY25	Q4 FY25	Q1 FY26
Onsite	24.6%	22.1%	21.4%
Offshore	75.4%	77.9%	78.6%

IT Utilization and Attrition	Q1 FY25	Q4 FY25	Q1 FY26
Utilization %	86.1%	86.3%	85.0%
Attrition %	10.1%	11.8%	12.6%

# Cash Flow Metrics

Cash Conversion	Q1 FY25	Q4 FY25	Q1 FY26
Days Sales Outstanding	93	88	95
Free Cash Flow (USD Mn)	106	150	86
Free Cash Flow to PAT %	104%	111%	65%

USD/INR Rate	Q1 FY25	Q4 FY25	Q1 FY26
Period Closing Rate	83.4	85.5	85.8
Period Average Rate	83.4	86.5	85.3

Cash & Borrowings (USD Mn)	Q1 FY25	Q4 FY25	Q1 FY26
Cash and Cash Equivalent #	966	896	941
Borrowings *	127	55	29

# Cash & Cash Equivalent includes Investments & Margin Money

\*\* Borrowings exclude lease obligation on right-of-use (ROU) assets, created as per Ind AS 116 new accounting standard on leases

# AI delivered right

## Productivity *delivered*

Embedding AI into the core of enterprise processes to unlock new business models and experiences.

## Transformation *delivered*

Accelerating efficiency and performance across operations through intelligent automation and decisioning.

## Innovation *delivered*

Enabling new products, services, and customer journeys powered by advanced AI capabilities.

## Assurance *delivered*

Embedding trust, governance, and responsible AI practices into every deployment.

## Highlights

- **AI Delivered Right** has gained strong customer traction since launch last quarter, driving multiple deal wins and recognition across its core pillars.
- TechM's **Advanced AI Consulting Practice** and partner ecosystem are accelerating agentic AI adoption—enabling clients to validate ROI and prioritize use cases efficiently.
- **200+ AI Agents at Scale**: TechM's agentic AI portfolio powers hybrid workforces across industries.
- Tech Mahindra's seminal effort on AI assurance , **Verifai** is now filed as patent. Verifai ensures data is validated and observed as it enters agentic pipeline.
- **77K +** employee across the company trained in AI and Gen AI , several of these with advance training and certifications.

# AI: Deal Wins



- Selected as a Prime partner with **a leading UK based Telco** for a multi-service line deal including AI Ops monitoring network performance and automation.
- Won strategic position for scaling AI use cases in a **global pharmaceutical company**. Gen AI would be used to do analytics on metadata related to enterprise policies, documents and financial commentary on R&D expense.
- AI-driven transformation across IT and Network operations, for a top **European Telco player**.
- Gen AI based transformation across use cases in HR, data and analytics for enterprise search for a top tier **vaccine alliance company**.
- Gen AI based transformation for a top tier **US telecom** for a dynamic defense application.
- A tier 1 **Energy technology company** has chosen Tech Mahindra to infuse Gen AI and Agentic AI capabilities into their own proprietary platform to optimize asset performance.
- **A Japan based global automotive manufacturer** engaged us to accelerate the creation of diverse 3D virtual farm environments to support autonomous robot training.
- Partnered with chief data office of a **US tier Telco provider** to provide a conversational Gen AI based search for internal data/metadata. This work is done with one of the top hyper-scaler
- SLM (Small Language Model) developed on the Edge for a **Middle Eastern oil and gas** major.
- Selected by a **leading global Financial Services Company** to transform customer and employee experiences through an enterprise-wide Agentic AI ecosystem.
- TechM has won transformation work to scale Gen AI for a **Swiss multinational life sciences company**.
- **Leading US Mobile Computing Company** has awarded an Agentic AI-led Document Intelligence program to automate invoice and tax document processing without templates, reducing considerable manual effort.
- A **global Telecommunications Company** has selected us to engineer a multi-agent Agentic AI solution integrating Microsoft Copilot with TechM NetOps.ai that autonomously manages Service Request workflows.
- **Large North American Energy Infrastructure Company** has selected us for implementing Microsoft Copilot with Agentic AI capabilities across critical business functions like Finance, Procurement and Manufacturing Operations.
- A leading **European Telecommunications Provider**, selected us to build a next-gen Network Operations Center (NOC) using Agentic AI on Google Vertex AI and ServiceNOW for predictive monitoring.

# Deal-Win Performance

Total **TCV Q1 FY26**: \$ 809 Mn



- Selected as a **key 'growth partner'** by one of US-based leading consumer wireless operators for its Customer Operations transformation. The designation as a **'growth partner' unlocks the door to all future opportunities** as per the client's new sourcing strategy.
- Selected by a Railroad company in the Americas region for the **support and development of a portfolio of applications** across multiple corporate functions and technologies including SAP, Salesforce and Data and Analytics, amongst others.
- Selected by a leading US based Hi-Tech company to enable them **deliver to their end customers a truly immersive and enriched user experience** on one of their flagship consumers focused product which is powered by their AI and LLM platform. TechM will ensure that the consumer product with 2.0 billion+ active users have **enriched user experience including keeping the platform safe**.
- Chosen as strategic partner by UK-based Manufacturer to **drive digital transformation** by establishing a Shared Services Center. TechM will **deliver end-to-end IT, digital solutions, and BPS services** focused on transforming the customer's enterprise back office - enhancing experience, efficiency, agility, and resilience and delivering superior business outcomes.
- Selected by a leading global fashion apparel brand for a multi-year strategic engagement to provide **digital and data transformation and support services**. The scope includes SAP, Cloud, Data & AI, and Digital Commerce platforms, with a dedicated Global Capability Hub to drive innovation, cost efficiency, and business agility.
- Selected by a leading global insurance and asset management company's Japanese subsidiary to **consolidate, modernise, and digitise its IT systems and operations**, enabling the client to adopt cloud-native applications, revamp their enterprise architecture, accelerate AI adoption, and bring innovative products to market more quickly.
- Selected as a **Prime partner** with a leading UK based Telco for a multi-service line deal **to deliver and manage applications across its fixed and mobile networks**. The scope includes delivering services across ADMS, Network Services, Next-Gen Services, Engineering Services and Digital Enterprise Applications.
- Selected by a leading international telecom company in the MEA region for a **transformation and managed services deal to manage, centralise, and transform its various IT functions**. Customer will benefit by reducing its TCO due to transformed ways of working, increased automation and AI.

# Other Highlights

## NEW LAUNCHES, PARTNERSHIPS & COLLABORATIONS



Tech Mahindra announced the launch of a new managed services offering for Cisco Multicloud Defense, a component of Cisco's Hybrid Mesh Firewall. The new offering provides enterprises a robust cloud security solution that enables secure, scalable, and seamless operations across multi-cloud environments.



Tech Mahindra was named a Red Hat Premier Partner globally, enabling access to technical resources, joint go-to-market opportunities, and extended collaboration with Red Hat. TechM has jointly engineered over 15 solutions across automation, edge intelligence, and AI-driven cloud-native capabilities.



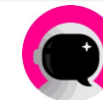
Tech Mahindra announced a partnership with ServiceNow to deliver next-gen broadband solutions tailored for CSPs, offering a comprehensive vertical solutions stack that includes planning and building networks, managing operations, enhancing customer experience, and monetising services.



Tech Mahindra and CrateDB, a data management company, announced a strategic partnership to revolutionise the automotive, MFG, and smart factory sectors by delivering advanced agentic AI solutions that leverage real-time data analytics, enabling innovation and efficiency at scale.



Tech Mahindra announced a partnership with Nuix, a global leader in AI-powered investigative analytics and intelligence software to provide innovative, scalable solutions for cyber and fraud detection by leveraging TechM's extensive expertise in AI, Digital Engineering, and Cyber Risk Management with Nuix's advanced investigative and data analytics solutions.



Tech Mahindra and KOGO AI, a category-defining provider of Agentic AI infrastructure, announced a strategic collaboration to jointly build intelligent AI agents for host of cross enterprise use-cases, designing Private AI architectures that run on-prem, hybrid, or secure cloud environments and integrating with legacy systems to drive transformation without overhauling existing infrastructure.

# Analyst Recognitions



- Recognised with the **ISG Star of Excellence™ – 2024 award** for the APAC region highlighting TechM's exceptional CX performance in APAC
- Leader - **Aerospace and Defense Services and Solutions 2025-Engineering, Design, and Innovation** - Overall Ecosystem – Europe and US by ISG
- Leader - **Aerospace and Defense Services and Solutions 2025-Maintenance, Repairs and Overhaul (MRO) and Aftermarket** - Overall Ecosystem - Europe and US by ISG
- Leader - **Google Cloud Partner Ecosystem 2025 - GenAI and AI Services** – US by ISG
- Leader - **Google Cloud Partner Ecosystem 2025 - Professional Services - (Consulting and Migration)** - US and APAC by ISG
- Leader - **Google Cloud Partner Ecosystem 2025 - Managed Services-** US and APAC by ISG
- Leader - **Google Cloud Partner Ecosystem 2025 - Enterprise Data Infrastructure Services** - US by ISG
- Leader - **Private/Hybrid Cloud - Data Center Services 2025 - Managed Services** — Midmarket- Nordics by ISG
- Leader - **Cybersecurity Services and Solutions 2025 - Next-Gen SOC/MDR Services (Midmarket)** – UK by ISG
- Leader - **Automotive and Mobility Services and Solutions 2025 - Automotive Engineering and Manufacturing Services** – North America, Europe, and APAC by ISG
- Leader - **Automotive and Mobility Services and Solutions 2025 - Electric Vehicles and Mobility Services** - North America, Europe, and APAC by ISG
- Leader - **Automotive and Mobility Services and Solutions 2025 - Autonomous Systems and Software-defined Vehicles** - North America, Europe, and APAC by ISG
- Leader - **Automotive and Mobility Services-and Solutions 2025 - Automotive Retail and Aftermarket Services** – North America, Europe and APAC by ISG
- Leader - **Automotive and Mobility Services and Solutions 2025 - Technology Transformation and Consulting** - North America and APAC by ISG
- Leader - **Network - Software-Defined Solutions and Services 2025 SD-Networks Transformation Services (Consulting and Implementation)** – US and Germany by ISG
- Leader - **Network - Software-Defined Solutions and Services 2025 - Edge Technologies and Services (Including Private 5G)** – Germany by ISG
- Leader - **Life Sciences Digital Services 2025 - Clinical Development (Service Providers)** - Global by ISG
- Leader - **Life Sciences Digital Services 2025 - Commercial Operations - Digital Evolution (Service Providers)** - Global by ISG
- Leader - **Supply Chain Transformation Services for Retail and CPG PEAK Matrix® Assessment 2025** by Everest Group
- Leader - **Retail Services PEAK Matrix® Assessment 2025** by Everest Group
- Leader - **SPARK Matrix™: Procurement Services, 2025** by Quadrant Knowledge Solutions

# Awards

Awarded the **'TM Forum Upskilling Award'** at DTW Ignite 2025 reaffirming TechM's continued leadership in building a future-ready workforce that empowers CSPs to navigate and lead in an increasingly autonomous and platform-driven telecom landscape

Recognized as a constituent of the **FTSE4Good Index Series** for the **9th consecutive year** reflecting our continued excellence in ESG across Corporate Governance, Health & Safety, and Climate Change.

Included in **Sustainalytics 2025 ESG Top-Rated Companies list** and recognised as both **'Region Top Rated'** and **'Industry Top Rated'** for outstanding performance in sustainability practices

The only **Indian IT company to receive the highest "A" rating** across all three CDP categories: **Climate Change, Water Security, and Supplier Engagement.**

Recognised amongst the **'Champions of Green Business Practices'** by ET Edge at Times Now Global Sustainability Alliance - Sustainable Organisations 2025

Recognised as one of the **'Most Sustainable Organisations'** of 2025 at ET Edge 4th edition of Sustainable Organisations 2025

Recognised as one of the **'Most Innovative Organisations'** of 2025 at ET NOW Most Innovative Organisations 2025

Recognised as one of the **'Best Organisations to Work'** for 2025 at ET NOW Best Organisations to Work 2025

Recognised as one of the **'World's Most Sustainable Companies'** 2025 by TIME

# Financial Statement

in USD millions	Q1 FY26	QoQ	YoY
<b>Revenue</b>	<b>1,564</b>	<b>1.0%</b>	<b>0.4%</b>
Direct Cost	1,117	1.8%	-2.5%
<b>Gross Profit</b>	<b>448</b>	<b>-1.0%</b>	<b>8.2%</b>
SG&A	222	-5.7%	-1.9%
<b>EBIT</b>	<b>172</b>	<b>5.4%</b>	<b>30.2%</b>
<b>Other Income</b>	<b>26</b>	<b>28.4%</b>	<b>47.4%</b>
Miscellaneous + Interest Income	22		
Exchange Gain / (Loss)	3		
<b>Profit Before Tax</b>	<b>189</b>	<b>10.9%</b>	<b>33.5%</b>
Provision for tax	57		
<b>Profit After Tax</b>	<b>133</b>	<b>-2.0%</b>	<b>30.2%</b>
<i>PAT %</i>	8.5%		
EPS (Basic) in ₹	12.89		
EPS (Diluted) in ₹	12.87		

# About Tech Mahindra

Tech Mahindra is a global consulting service and systems integrator that operates in over 90+ countries, delivering solutions with a unique blend of digital innovation and robust, industry-strong processes. With our promise to help our customers Scale at Speed™, we design future state solutions for industry leaders and offer innovative digital experiences that enable them to transform and scale at speed. Our aim is to enable enterprises, associates, and society to Rise for a more equal world, future readiness, and value creation.

## Investor Relations

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*Scale at Speed™*

