

INDIA IT SERVICES

3QFY26 preview: Limited visibility still on extent of recovery in CY26, though worst of cyclical headwinds likely behind

Demand environment for India IT remains sluggish, though is not worsening, and we expect revenue growth to be incrementally better over next 12 months; we are **expecting 5.4% constant Fx revenue growth for our coverage in FY27**, vs 0.9% in **FY26 (Exhibit 13)**. This is largely a function of a relatively strong outlook for the US economy as expected by our economists (including from reduced tariff drag), corroborated by our global enterprise revenue tracker which suggests a pick-up in revenue growth, including upbeat outlook for the BFSI sector.

However, this growth expectation for India IT is **still below the 7-9% longer term historical revenue growth** for the sector, and we see limited visibility on growth reaching these levels in the foreseeable future. Additionally, we remain in the camp that believes the bull case outcome of Gen-AI for IT Services companies at an aggregate level is likely to be 'Neutral', while in a bear case, there could be deflationary impact on revenue or pressure on margins. FY26 will be the first year in some time when **India IT revenue growth will be lower than global enterprise revenue growth**, and our estimates imply the trend sustaining in FY27 (**Exhibit 12**). This could potentially be a function of **AI negatively impacting IT Services** companies. We note that our **recent IT spending survey** suggests enterprises' preference to retain AI-driven cost savings rather than to re-deploy them with IT Services vendors, which is different vs the commentary from our covered IT vendors.

In the context of this growth outlook, we see sector valuations, at 22x FY27 P/E, as relatively full (**Exhibit 25**); our coverage is trading at a modest discount to its 5Y trading history, but at a double-digit premium to its 10Y history (**Exhibit 28**). We also note that India IT is trading at a meaningful premium (of c.40-50%) vs. US/EU IT Services names, vs 20-25% historically. We thus see limited upside: we have an average upside of 0% for our coverage over 12m, with the highest upside of 9% (for Buy-rated TCS; **Exhibit 31**).

Our constant Fx revenue growth estimates are largely unchanged in this report. However, we revise our 12m target prices by +4% to +10%, largely due to Fx, roll-forward and modest increase in multiples; we are Sell rated on TechM and Wipro, Neutral on Infosys, HCL and LTIM and Buy rated on TCS; we are also Sell/Neutral on WIT/INFY (ADR).

3QFY26 results unlikely to have any major surprises

Manish Adukia, CFA
+91(22)6616-9049 |
manish.adukia@gs.com
Goldman Sachs India SPL

Harshita Wadher
+91(22)6616-9258 |
harshita.wadher@gs.com
Goldman Sachs India SPL

Sumangala Lnu
+91(22)6616-9045 |
sumangala.lnu@gs.com
Goldman Sachs India SPL

For 3QFY26 (Dec '25) we forecast +1.1% qoq aggregate revenue growth for the sector (services only), vs +1.5% qoq in 2Q (adverse seasonality; [Exhibit 2](#)), though we are expecting positive sequential growth for all six covered stocks. YoY trends should still be muted, at +0.4% ([Exhibit 3](#)), though we are expecting an accelerating trend starting Mar '26.

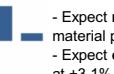
We expect Infosys to raise the lower end of its FY26 revenue growth guidance by 50 bps to 2.5% to 3%; we also expect HCL to narrow its guidance to 4% to 4.5% (current 3% to 5%; [Exhibit 16](#)), with services revenue growth guidance revised to 4.5% to 5% (current 4% to 5%).

We expect HCL to be the fastest growing company within our coverage in 3Q at +2.8% qoq (vs +2.4% in 2Q; overall revenues), aided by seasonality in the company's software business. We also expect strong revenue growth for LTIM (+2.1% qoq), with Infosys' revenue growth at the lower end of our coverage.

We expect EBIT margins to be largely flat across our coverage, with the highest qoq improvement for HCL, and a qoq decline for TCS (wage hike impact; [Exhibit 19](#)). We forecast 8% YoY EBIT growth for the sector in 3Q, similar to that in the previous quarter, with the highest EBIT growth for TechM and LTIM ([Exhibit 36](#)). We are below consensus on 3Q revenue growth for LTIM, TechM and TCS, though broadly in line with consensus on margins for most companies ([Exhibit 5](#)).

Exhibit 1: We expect positive sequential but deceleration in qoq revenue growth for most companies in our coverage, with stable margins

India IT Services coverage 3QFY26 (Dec '25) outlook

Company	Reporting date	3QFY26 (GS forecast)	Revenue (qoq) and margins (Dec '24 to Dec '25E)	Outlook and commentary (per GS, unless otherwise stated)
TCS (Buy)	12-Jan-26	0.9% QoQ sales growth (vs 0.8% in 2Q)		<ul style="list-style-type: none"> - Growth to remain at similar levels vs 2Q, as seasonal headwinds from furloughs partially offset strength in US BFSI and impact of M&A (c.10 bps); BSNL purchase order still pending (per GS) - TCS has guided to better revenue growth in FY26 for its international markets vs FY25 (+0.7% YoY), though our estimates imply +0.5% YoY revenue growth in FY26
		24.7% EBIT margin (-40bps qoq)		<ul style="list-style-type: none"> - Expect margins to see qoq dip due to wage hike impact - Expect headcount to see another quarter of decline (-1% qoq)
Infosys (Neutral)	14-Jan-26	+0.5% QoQ sales growth (vs 2.2% in 2Q)		<ul style="list-style-type: none"> - Expect revenue growth to decelerate, due to adverse seasonality/lower working days in 3Q; not expecting material pass through revenues (and costs) - Expect company to raise lower end of FY26 revenue growth guidance to 2.5%-3% (vs. 2-3% earlier; GSe at +3.1% YoY)
		21.2% EBIT margin (+20bps qoq)		<ul style="list-style-type: none"> - EBIT margins to remain range-bound; Fx tailwinds offset by impact from furloughs and lower working days in the quarter - Expect headcount to modestly increase (peak utilisation levels); expect FY26 EBIT margin guidance to remain unchanged at 20%-22% (GSe at 20.8%)
LTIM (Neutral)	TBA	+2.1% QoQ sales growth (vs 2.4% in 2Q)		<ul style="list-style-type: none"> - 3Q revenue growth to remain strong from deal ramp ups and manufacturing seasonality - We will look for additional color on AI-related productivity pass-throughs (which led to revenue decline in top 5 client accounts in 2Q)
		16% EBIT margin (+20bps qoq)		<ul style="list-style-type: none"> - Expect EBIT margins to remain range-bound as cost efficiencies and Fx tailwinds are partially offset by furloughs (lower billing days), seasonal pass-through and deal ramp up costs - Expect headcount to remain broadly flat qoq
HCL Tech (Neutral)	12-Jan-26	2.8% QoQ sales growth (vs 2.4% in 2Q)		<ul style="list-style-type: none"> - Expect overall revenue growth to remain strong on account of software seasonality; services revenue growth to decelerate to +1.5% qoq (vs +2.5% qoq in 2Q) - Expect HCL to tighten FY26 revenue growth guidance to 4%-4.5% (vs.+3% to 5%). FY26 GSe at 4.1% YoY
		18.5% EBIT margin (+110 bps qoq)		<ul style="list-style-type: none"> - Margin expansion driven by strong software segment partially impacted by wage hikes (c.70-80 bps impact); FY26 EBIT margin guidance to remain unchanged at 17%-18% (GSe at 17.6%) - Expect headcount to remain range-bound
TechM (Sell)	16-Jan-26	0.9% QoQ sales growth (vs 1.6% in 2Q)		<ul style="list-style-type: none"> - Expect revenue growth to decelerate driven by furlough seasonality; TechM expects better 2HFY26 (vs 1H); we expect 1% CQGR in 2H vs c.0% in 1H - We will monitor deal momentum to assess if TechM is on track to meet its FY27 growth guidance (of being higher vs peers)
		12.7% EBIT margin (+50 bps qoq)		<ul style="list-style-type: none"> - Expect EBIT margin to improve on a qoq basis driven by cost efficiencies & currency tailwinds - Headcount to decline in 3Q after an uptick in 2Q (BPO hiring), but excl BPO expect headcount to remain stable
Wipro (Sell)	TBA	2.2% QoQ sales growth (vs +0.3% in 2Q)		<ul style="list-style-type: none"> - Expect 3Q organic revenue growth of 1.2% qoq (constant Fx) to be at the higher end of the guided range (of -0.5% to 1.5%), driven by Phoenix deal rampup; reported growth c.100 bps higher from M&A completion - Expect company to provide 4QFY26 revenue guidance of 1% to +3% qoq growth (GSe at 2.4% qoq), of which c.200 bps from M&A
		16.8% EBIT margin (+30 bps qoq)		<ul style="list-style-type: none"> - Expect margins to remain in a tight band due to ongoing reinvestments in the business, furlough impact and ramp up of large deal - Expect headcount to see an increase (M&A impact)

Revenue growth (in constant Fx qoq) and EBIT margins for the last 5 quarters ending Dec '25 (3QFY26); Wipro revenue growth for IT segment only. All commentary above per GSe, unless otherwise stated.

Source: Company data, Goldman Sachs Global Investment Research

Global economic update: Expecting an acceleration in CY26 growth...

- Our global macro economists expect another year of 2.8% global growth in 2026 (vs 2.8% in 2025): (i) they expect the US to deliver strong growth (2.6% in 2026 vs 2.1% in 2025), driven by reduced tariff drag, tax cuts, and easier financial conditions (two more 25bp fed rate cuts in 2026); (ii) for Euro area, despite longer-term challenges, team expects reasonably upbeat 2026 growth of 1.3% in 2026 (vs 1.5% in 2025), owing to fiscal stimulus in Germany and strong growth in Spain. However, the team notes that in the US, unemployment rate is trending higher despite solid GDP growth and a key risk could be a fragile job market sparking recession fears.
- At our Annual Americas Financial Conference 2025, banks had a constructive outlook for the economy for 2026 (Exhibit 17), and highlighted that consumer spending trends remain healthy, and corporate balance sheets strong. Most US large

banks expect some pick-up in loan growth in 2026 and are constructive on outlook for capital markets activities in 2026.

- Aggregate data from global GS covered companies, which has a high correlation with IT revenue growth ([Exhibit 12](#)), shows uptick in global enterprise revenue forecasts for both CY25 (to 4.4% YoY vs 3.5% prior) and CY26 (to 7.2% YoY vs 6.9% previously; [Exhibit 6](#)), with gradually improving growth across both the US and Europe regions (vs three months ago; [Exhibit 7](#)). At an overall level, we expect acceleration in CY26 enterprise revenue growth (vs CY25), to translate into better FY27E growth for India IT vs FY26 (we forecast 5.4% constant Fx revenue growth for the sector in FY27 vs 0.9% YoY in FY26; [Exhibit 8](#)).

...though global IT peers commentary and tech spending survey suggests limited visibility in discretionary spend recovery

- Accenture's [Nov '25 results](#) suggest a **stable demand environment**, though with limited signs of change in discretionary spending trends. The company's unchanged full year (ending Aug '26) guidance of 1.5%-4.5% organic revenue growth (excl. federal services impact) implies (at the higher end) a largely unchanged growth trajectory for the remaining three quarters of the FY vs. that seen in 1QFY26.
- Capgemini in a recent fireside chat with our [Europe IT analyst](#) also noted that demand environment for discretionary spending remains unchanged. However, management noted gradual recovery in certain markets led by financial services, telecom and media.
- Our global team's [IT spending survey](#) suggests discretionary IT services spending intentions have weakened (relative to May 25 survey), as ongoing macroeconomic uncertainty and competing priorities (such as AI) have led enterprises to tighten spending on external vendors. Our team notes that as vendors increasingly offer AI-driven cost savings to clients, more clients prefer to keep these savings than to redeploy as higher spending with the vendor. We believe this could have a potential negative read across for our India IT companies.

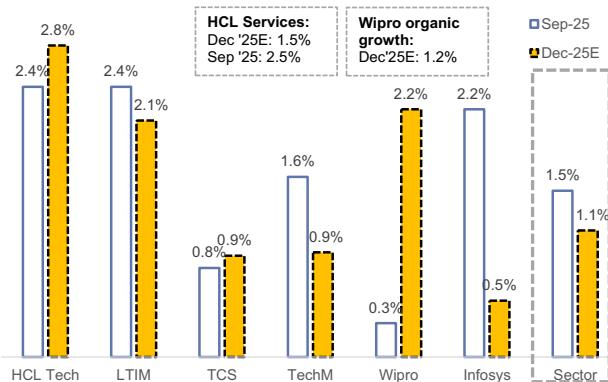
Increasing Generative AI adoption, though largely for productivity improvement

- Per our US economists' [AI adoption](#) continues to improve among US establishments, and that in areas where Generative AI has been deployed, there has been large impacts on labor productivity.
- Our [US banking team](#) notes that US large banks expect AI to impact multiple business segments, driving productivity improvements and helping bring down operating costs. [J.P. Morgan](#) is seeing increasing AI use cases, including for rewriting legacy code. Per the company, its annual productivity improvement rate has doubled this year to 6% (vs 3% previously), largely driven by AI ([link](#)).

Growth trends showing improvement

Exhibit 2: We expect a second consecutive quarter of positive sequential revenue growth for all stocks in our coverage

Constant FX QoQ revenue growth for India IT Services coverage in 2QFY26 and 3QFY26E

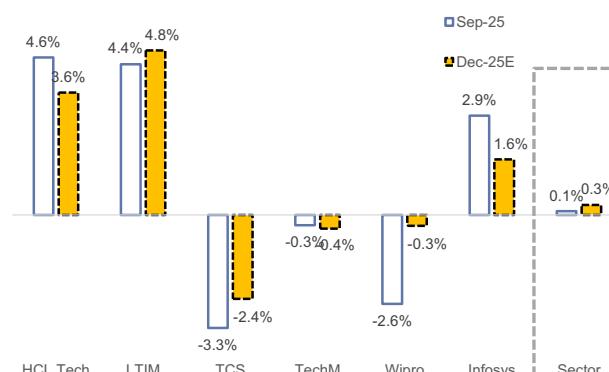


Sector shows services segment only and includes TCS, Infosys, LTIM, HCL Tech Services, TechM, Wipro IT. Dec '25E Wipro revenue growth includes c.100bps impact from M&A.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 3: However, our estimates imply still muted YoY revenue growth trends

Constant Fx YoY revenue growth in 2QFY26 and 3QFY26E for our India IT Services coverage



Sector includes TCS, Infosys, LTIM, HCL Tech, TechM, Wipro IT.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 4: We see cross currency headwinds to 3Q revenues

3QFY26E earnings snapshot for our India IT Services coverage

3QFY26 (Dec '25E)	LTIM	TCS	HCL	Infosys	TechM	Wipro
Revenues (US\$ mn)	\$1,202	\$7,484	\$3,732	\$5,082	\$1,590	\$2,650
<i>qoq change</i>	1.8%	0.2%	2.4%	0.1%	0.3%	1.8%
<i>Constant Fx (qoq)</i>	2.1%	0.9%	2.8%	0.5%	0.9%	2.2%
<i>Constant Fx (YoY)</i>	4.8%	-2.4%	3.6%	1.6%	-0.4%	-0.3%
Revenues (Rs bn)	107	669	333	454	142	238
<i>YoY change</i>	11.1%	4.5%	11.6%	8.7%	6.9%	6.6%
EBIT (Rs bn)	17.3	165.4	61.7	96.2	18.0	39.9
<i>YoY change</i>	30%	6%	6%	8%	33%	3%
EBIT Margin	16.1%	24.7%	18.5%	21.2%	12.7%	16.8%
Net Income (Rs bn)	14.2	127.1	48.7	74.7	14.2	35.0
EPS (Rs)	48.01	35.14	17.93	18.16	16.01	3.34
<i>YoY change</i>	31%	3%	6%	11%	44%	4%

Wipro USD revenues/growth for IT services segment only. EPS shown is diluted. Dec '25E Wipro revenue growth includes c.100bps impact from M&A.

Source: Goldman Sachs Global Investment Research

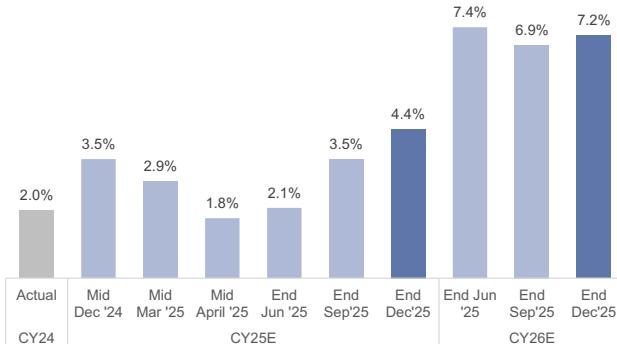
Exhibit 5: We are below consensus on revenue growth for LTIM, TechM and TCS in 3Q
 3QFY26E GS estimates vs. consensus

Company	Metrics	3QFY26E (Rs bn)		Vs. Consensus	Company	Metrics	3QFY26E (Rs bn)		Vs. Consensus
		GSe	Consensus				GSe	Consensus	
LTIM	Revenue	107	106	1%	HCL Tech	Revenue	333	329	1%
	Constant Fx (%) - QoQ	2.1%	2.6%	-46 bps		Constant Fx (%) - QoQ	2.8%	2.8%	-3 bps
	EBIT margin	16.1%	15.8%	26 bps		EBIT margin	18.5%	18.4%	15 bps
	Net Income	14.2	14.0	2%		Net Income	48.7	47.2	3%
Infosys	Revenue	454	448	1%	Wipro	Revenue	238	231	3%
	Constant Fx (%) - QoQ	0.5%	0.5%	3 bps		Constant Fx (%) - QoQ	2.2%	1.3%	95 bps
	EBIT margin	21.2%	21.2%	-1 bps		EBIT margin	16.8%	16.6%	15 bps
	Net Income	74.7	73.5	2%		Net Income	35.0	33.5	5%
TCS	Revenue	669	667	0%	TechM	Revenue	142	141	0%
	Constant Fx (%) - QoQ	0.9%	1.2%	-29 bps		Constant Fx (%) - QoQ	0.9%	1.1%	-22 bps
	EBIT margin	24.7%	24.9%	-14 bps		EBIT margin	12.7%	12.6%	04 bps
	Net Income	127.1	128.7	-1%		Net Income	14.2	13.8	3%

Wipro overall revenues. 3QFY26E Wipro revenue growth (GSe) includes c.100bps impact from M&A.

Source: Goldman Sachs Global Investment Research, Visible Alpha Consensus Data

Exhibit 6: Our GS sales tracker continues to suggest a recovery in revenue growth of global enterprises in CY26...
 GS global coverage universe (3k+ companies): Revenue growth estimates for CY25E and CY26E over time

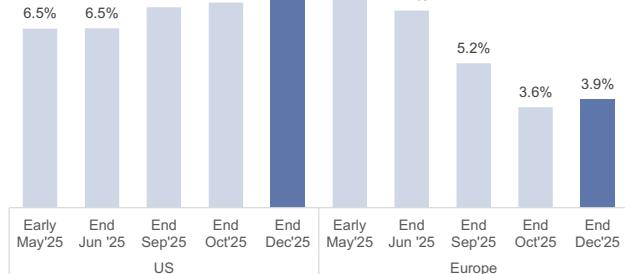


Aggregate data for global GS covered companies (3k+ companies).

Source: Goldman Sachs Global Investment Research

Exhibit 7: ...with estimate upgrades in both the US and Europe over the last few months

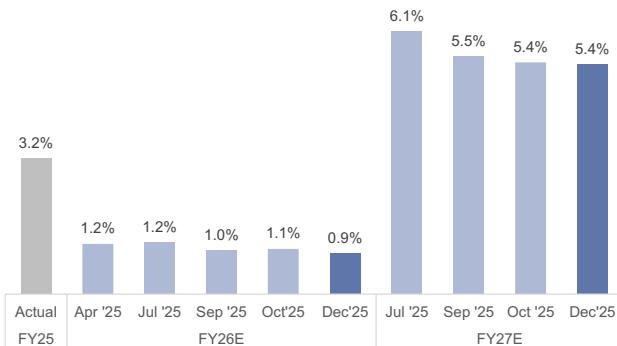
GS covered US and European companies: Revenue growth estimates for CY26E over time



Aggregate data for global GS covered US and European companies.

Source: Goldman Sachs Global Investment Research

Exhibit 8: For India IT, our revenue growth estimates are broadly unchanged, though assumes a recovery in FY27
 India IT Services coverage aggregate revenue growth estimate over time (constant Fx; YoY)

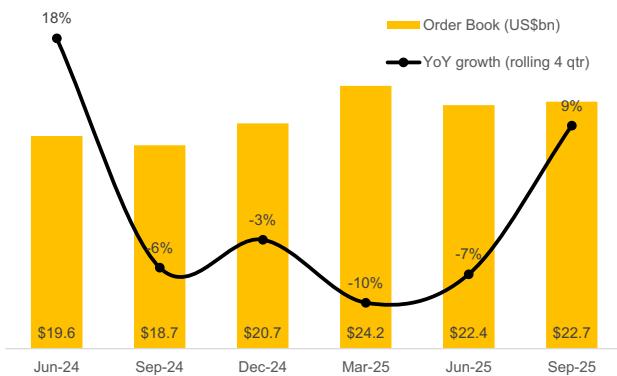


Sector includes TCS, Infosys, LTIM, HCL Services, TechM, Wipro IT.

Source: Goldman Sachs Global Investment Research

Exhibit 10: ...with positive YoY growth in Sep '25 on a rolling 4-quarter basis

India IT coverage order book (US\$bn) and rolling 4-quarter YoY growth

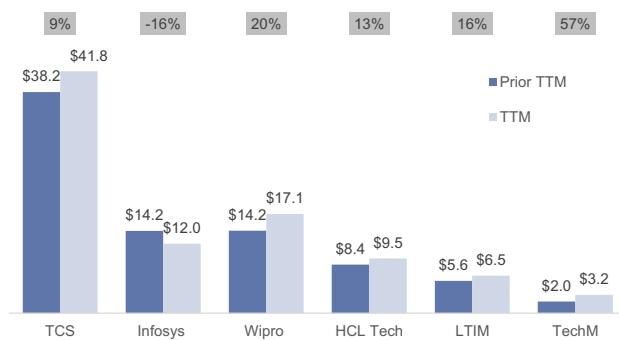


Sector includes large deal (>US\$50 mn) contract value for Infosys, overall contract value for TCS, Wipro and LTIM, new deals contract for HCL Tech, new deals >US\$5 mn for TechM.

Source: Company data

Exhibit 9: Order book growth for India IT in recent periods has been fairly strong...

Last 12-month (Dec '24 to Sep '25) orderbook (US\$ bn) vs. same period in the prior year; grey boxes show YoY growth between the two

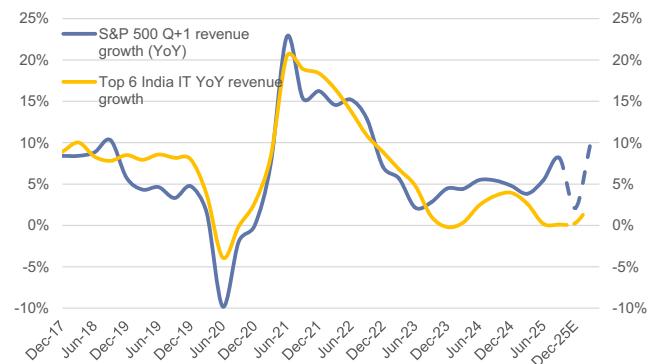


Includes large deal (>US\$50 mn) contract value for Infosys, overall contract value for TCS, Wipro and LTIM, new deals contract for HCL Tech, new deals >US\$5 mn for TechM.

Source: Company data

Exhibit 11: Quarterly S&P data suggests India IT revenue growth is tracking below S&P 500 revenue growth

S&P 500 YoY revenue growth vs. India IT Services US\$ YoY revenue growth

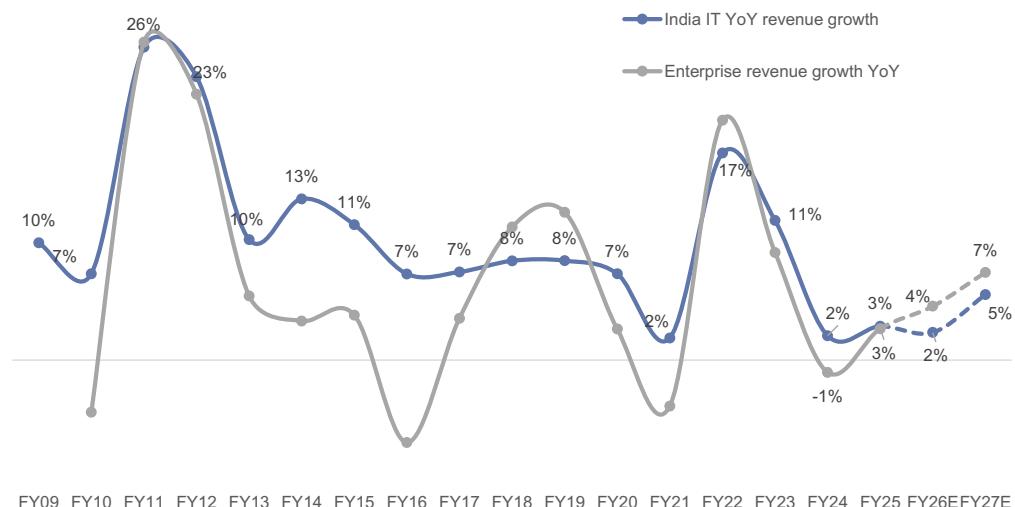


Top 6 India IT Services companies are TCS, Infosys, Wipro, TechM, LTIM and HCL Tech.

Source: Bloomberg, Company data, Goldman Sachs Global Investment Research

Exhibit 12: We expect India IT revenue growth to be lower vs that of global enterprises for both FY26 and FY27

Top 6 India IT Services companies YoY US\$ revenue growth vs. enterprise revenue growth for all companies within GS global coverage

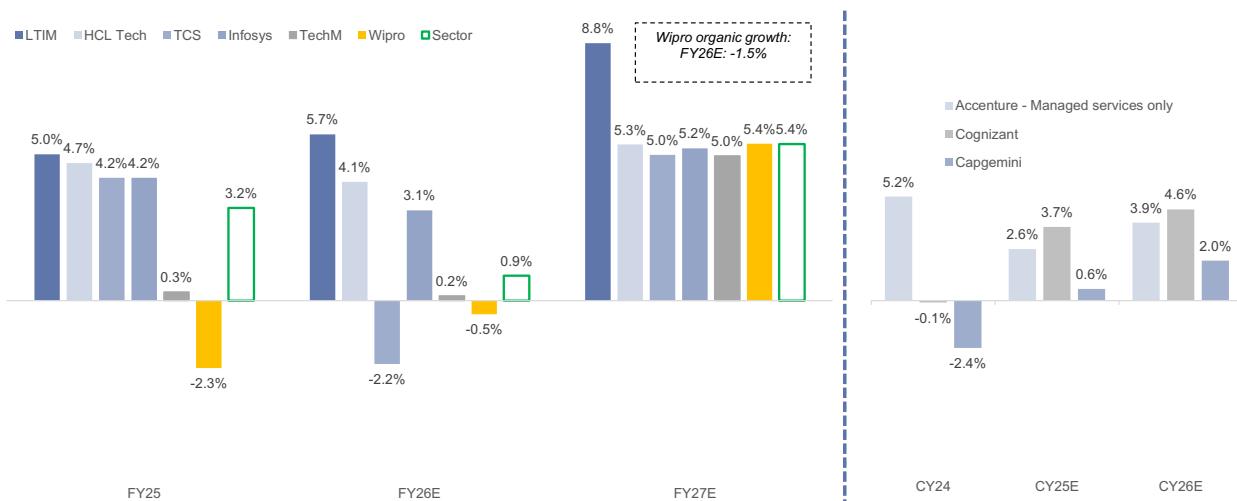


Top 6 India IT Services players include TCS, Infosys, Wipro, HCL Tech, TechM and LTIM. Wipro revenue for IT Services only.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 13: We expect LTIM and HCL's FY26E revenue growth to be at higher end of our coverage, while for Wipro and TCS to be at the lower end; we expect a better FY27...

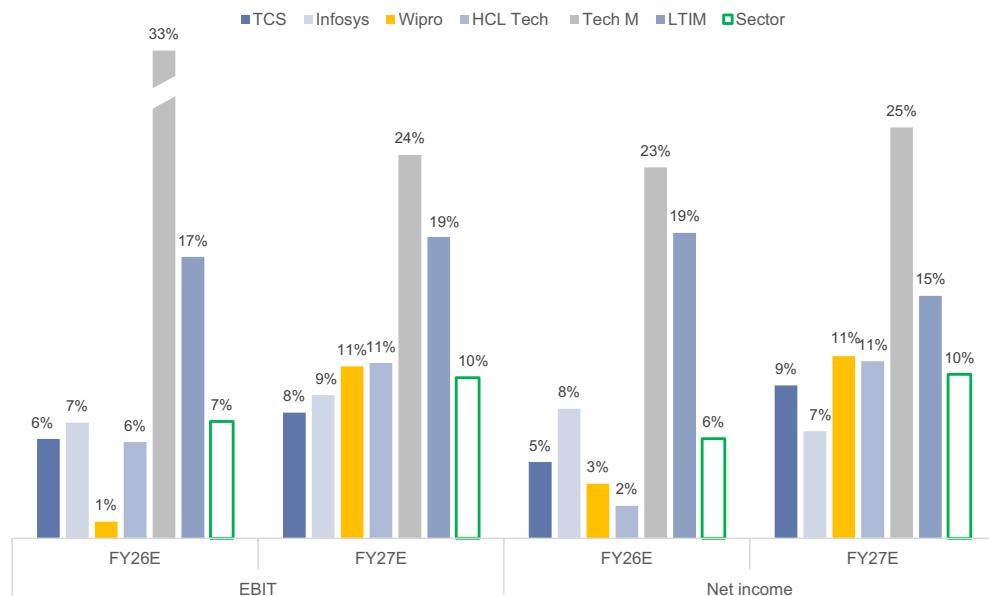
Constant currency YoY revenue growth for our India IT Services coverage and organic revenue growth US/Europe IT Services companies



Sector includes: TCS, Infosys, LTIM, HCL Tech, TechM, Wipro. For comparison purposes, Accenture CY24 data corresponds to 12m ended Feb '25 and likewise; ACN is organic growth only - assumes c.300bps inorganic contribution in CY24/CY25 and c.150 inorganic contribution in CY26; data for managed services vertical only. For Cognizant data is constant Fx growth and assumes c.200bps and c.250bps inorganic growth in CY24 and CY25, respectively. US IT Services companies covered by Jim Schneider. Capgemini covered by Mohammed Moawalla, data is organic revenue growth.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 14: ...and forecast 10% growth in both EBIT and EPS for the sector in FY27E
 EBIT and EPS YoY growth for our India IT Services Coverage



Sector includes: TCS, Infosys, LTIM, HCL Tech, TechM, Wipro.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 15: Infosys and HCL have historically raised guidance as the year progresses
 Infosys and HCL Tech revenue guidance over the last few years

Infosys	Mar	Jun	Sep	Dec	Actual
FY26	0%-3%	1%-3%	2%-3%		
FY25	1%-3%	3%-4%	3.75%-4.5%	4.5%-5%	4.2%
FY24	4%-7%	1%-3.5%	1%-2.5%	1.5%-2%	1.4%
FY23	13%-15%	14%-16%	15%-16%	16%-16.5%	15.4%
FY22	12%-14%	14%-16%	16.5%-17.5%	19.5%-20%	19.7%
FY21	NA	0%-2%	2%-3%	4.5%-5%	5.0%
FY20	7.5%-9.5%	8.5%-10%	9%-10%	10%-10.5%	9.8%
FY19	6%-8%	6%-8%	6%-8%	8.5%-9%	9.0%
FY18	6.5%-8.5%	6.5%-8.5%	5.5%-6.5%	5.5%-6.5%	5.8%
FY17	11.5%-13.5%	10.5%-12%	8%-9%	8.4%-8.8%	8.3%
FY16	10%-12%	10%-12%	10%-12%	12.8%-13.2%	13.3%
FY15	7%-9%	7%-9%	7%-9%	7%-9%	7.1%
FY14	6%-10%	6%-10%	9%-10%	11.5%-12%	12.4%

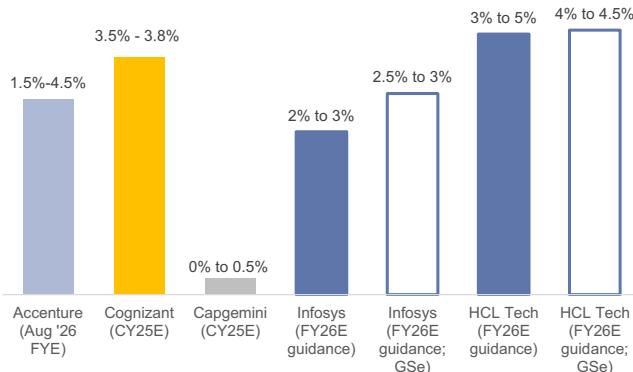
HCL	Mar	Jun	Sep	Dec	Actual
FY26	2%-5%	3%-5%	3%-5%		
FY25	3%-5%	3%-5%	3.5%-5%	4.5%-5%	4.7%
FY24	6%-8%	6%-8%	4%-5%	5%-5.5%	5.0%
FY23	12%-14%	12%-14%	13.5%-14.5%	13.5%-14.0%	13.7%
FY22	Double-digit	Double-digit	Double-digit	Double-digit	12.7%
FY21	NA	-2.3% to -0.8%	0% to +0.7%		1.1%
FY20	14%-16%	14%-16%	15%-17%	16.5%-17%	16.7%
FY19	9.5%-11.5%	9.5%-11.5%	9.5%-11.5%	9.5%-11.5%	11.8%

For HCL Tech, FY24 guidance as of Sep '23 was 4-5% (excl ASAP; 5-6% incl ASAP) and as of Dec '23 is incl. ASAP; FY25 guidance as of Dec '24 includes c.50bps from CTG acquisition. For Infosys, FY25 guidance as of Jun '24 include c.100bps from in-tech acquisition. Infosys FY26 guidance as of June '25 includes c.40 bps from M&A.

Source: Company data

Exhibit 16: We expect both Infosys and HCL to raise the lower end of their FY26 revenue growth guidance by 50-100 bps

Revenue growth guidance by global companies and GS expectation for India IT Services companies growth and guidance



Accenture guidance for year ending Aug '26; Accenture and Cognizant guidance excl. inorganic contribution of c.150 bps and 250 bps, respectively, per company.
Capgemini guidance excludes 200bps of inorganic contribution per Gse.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 17: Commentary from banks suggest sustained strong trends, while outlook for auto companies remains challenged

Excerpts of recent commentary by global banks and autos

Company	Event	Recent Management Commentary
J.P. Morgan	Americas Financial Services Conference 2025	- Highlighted continued resilience of consumers and small businesses; 4Q25 spend improved slightly YoY (vs first three quarters of the year); management, however, indicated that environment is a little bit more fragile (acknowledging a weakening labor market and low consumer sentiment)
Wells Fargo		- Management noted continued strength in macro ; WFC continues to see strength across consumers and businesses, with higher spend into the holiday season
U.S. Bancorp		- Company sees continued resilience among consumer and corporate clients . For consumer, credit remains benign and spend level remains healthy (higher consumer spend in the holiday season); for corporate clients, USB sees stronger sentiment currently (vs. April)
Bank of America		- BoFA outlined a largely constructive view on the economic outlook ; consumer spend in Oct / Nov is up 5% / 4.3% YoY; Credit continue to improve QoQ
Stellantis	Annual Autos Conference 2025	-Per CEO, headwinds from tariffs are significant but they will be mitigated in the next few years by shifting production to the US as well as potential cost savings
Porsche		- Management adopted a conservative tone, given volume and tariff pressure ; Company expects volume growth to likely only resume in 2028

Source: Company data, Goldman Sach Global Investment Research, Data compiled by Goldman Sachs Global Investment Research

Exhibit 18: Our global equity analysts expect revenue growth for cloud/SaaS companies to accelerate in CY26

YoY revenue growth for key global tech companies

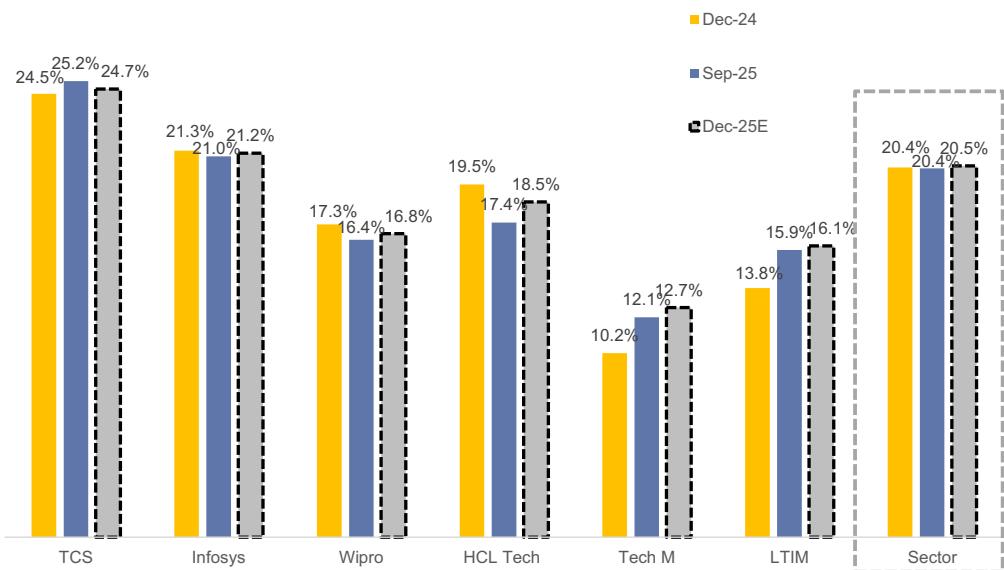
Revenues (YoY growth)	CY19	CY20	CY21	CY22	CY23	CY24	CY25E	CY26E
Oracle	-1%	2%	4%	13%	10%	8%	13%	24%
SAP	12%	-1%	2%	11%	1%	10%	8%	10%
Salesforce	29%	25%	25%	19%	12%	9%	9%	12%
Adobe	23%	16%	22%	11%	10%	11%	11%	11%
ServiceNow	33%	31%	30%	23%	24%	22%	20%	20%
Amazon Web Services	37%	30%	37%	29%	13%	19%	19%	22%
Google Cloud		46%	47%	37%	26%	31%	34%	33%
Microsoft	39%	33%	34%	27%	23%	22%	25%	24%
Weighted Average	21%	20%	25%	22%	16%	17%	20%	22%
Simple Average	24%	23%	25%	21%	15%	16%	17%	20%

Source: Company data, Goldman Sachs Global Investment Research

Expect stable margins

Exhibit 19: We expect EBIT margins in 3QFY26E to be largely flat to improving for most of our covered companies

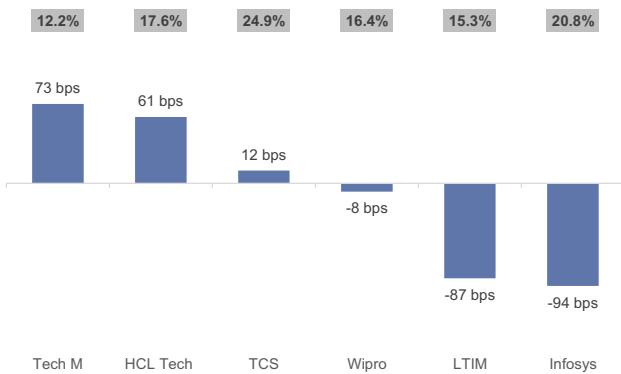
EBIT margin for 3QFY25, 2QFY26 and 3QFY26E for our India IT Services coverage



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 20: We expect TechM to have the most scope for margin expansion through FY26E

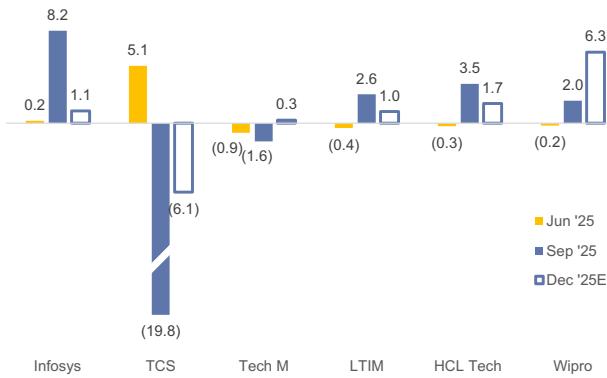
EBIT margin expansion between 2QFY26 and 4QFY26E for India IT Services coverage; grey boxes show EBIT margin in FY26E



Source: Goldman Sachs Global Investment Research

Exhibit 22: ...though with some divergence in trends across our coverage

India IT Services coverage net headcount addition (in '000s)

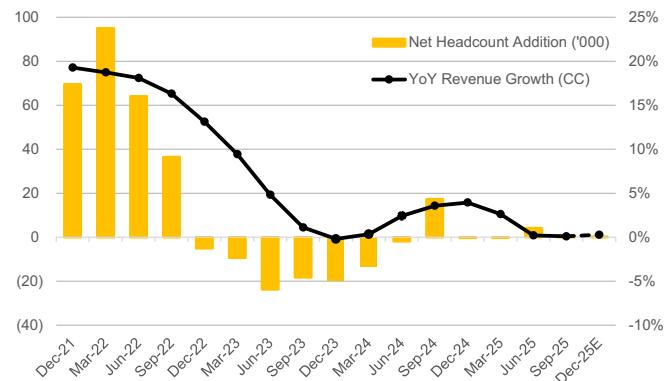


For TechM, headcount excluding BPO professionals. Wipro's Dec '25E net headcount addition includes headcount from completed M&A.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 21: We expect headcount for our coverage to remain flattish...

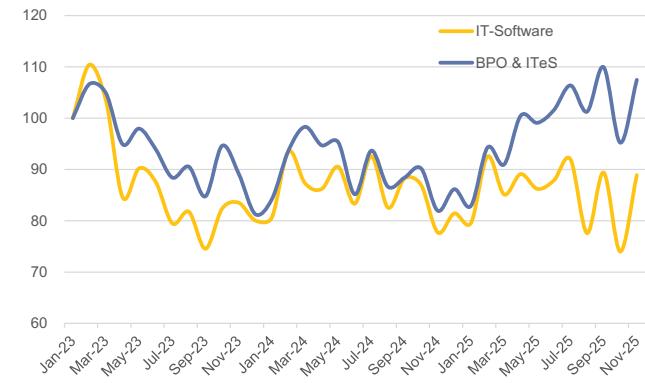
India IT Services coverage net headcount change (in '000) and YoY revenue growth (in constant Fx)



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 23: Naukri Jobspeak data shows an improvement though volatile hiring trends

Naukri Jobspeak Index (indexed to Jan 2023) for IT hiring

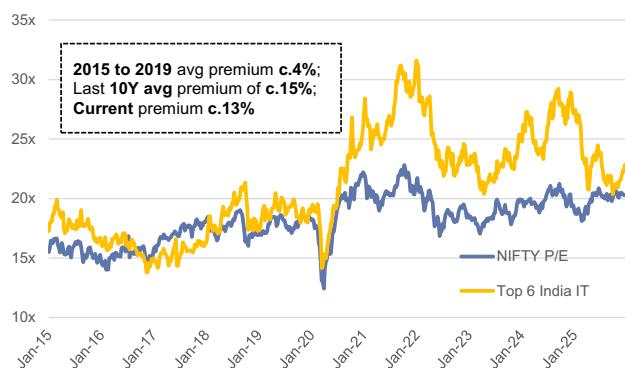


Source: Naukri Jobspeak, Data compiled by Goldman Sachs Global Investment Research

Valuations: Relatively full in the context of growth

Exhibit 24: India IT's premium to the Nifty50 is largely in line with the 10Y average...

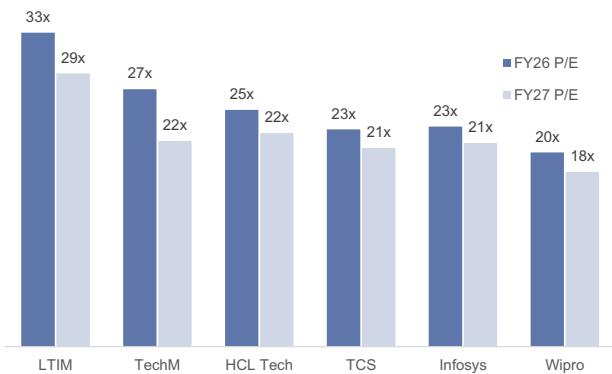
NIFTY P/E vs. Top 6 India IT P/E



Source: Bloomberg, Datastream

Exhibit 26: LTIM and TechM trade at the higher end of peers on P/E, with Wipro at the lower end

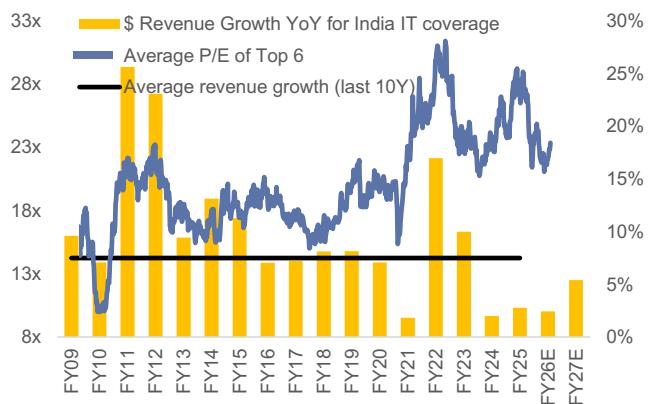
FY26E and FY27E P/E for India IT Services companies



Source: Goldman Sachs Global Investment Research, Datastream

Exhibit 25: ...though sector is trading higher vs. 2014-19 period, despite a poorer growth profile

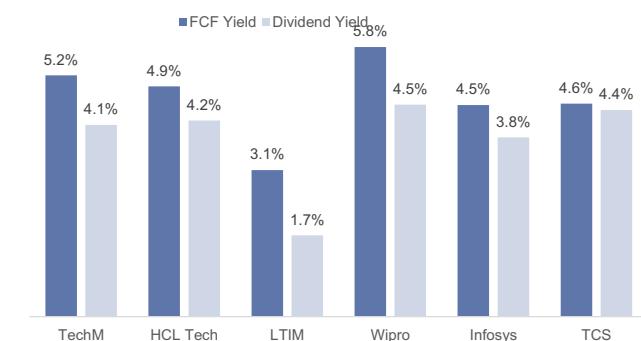
Top 6 India IT Services average P/E vs. \$ revenue growth



Average revenue growth is for FY15-FY25 period.

Source: Company data, Goldman Sachs Global Investment Research, Datastream

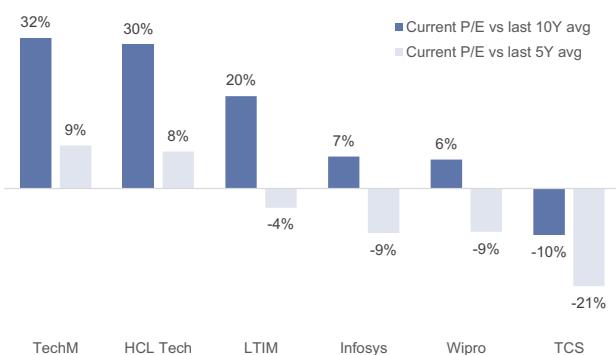
Exhibit 27: Relative to peers, LTIM has the lowest FCF yield and Dividend Yield for our India IT coverage



Source: Goldman Sachs Global Investment Research

Exhibit 28: TCS screens the most compelling on valuation vs. company's own trading history...

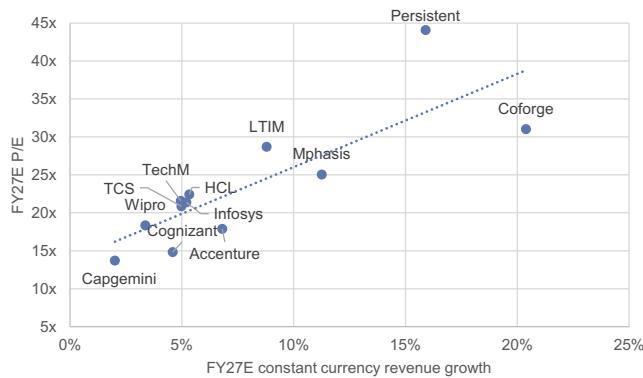
Current (12m forward) P/E of India IT Services coverage vs. their respective 5Y and 10Y avg P/E



Source: Datastream, Goldman Sachs Global Investment Research

Exhibit 30: Within our India IT coverage, LTIM screens expensive on a growth adjusted basis

FY27E P/E and FY27E constant currency revenue growth of our IT coverage, top 3 mid-cap IT and few global IT companies

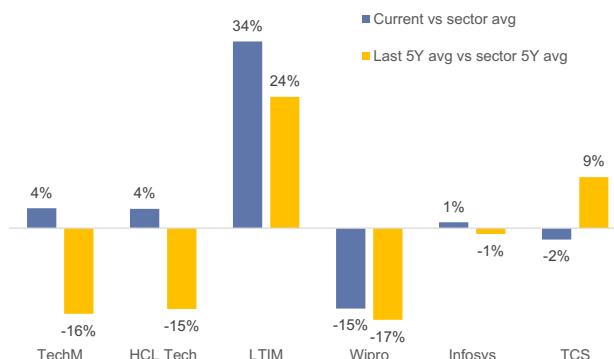


Persistent, Coforge and Mphasis data is from Visible Alpha consensus. Wipro FY27E growth excludes 200bps of inorganic contribution.

Source: Goldman Sachs Global Investment Research, Visible Alpha Consensus Data, Datastream

Exhibit 29: ...with TCS' premium vs. sector also lower vs. history

Top 6 India IT Services companies current P/E premium/discount vs. sector P/E and last 5Y average P/E prem/disc to last 5Y avg sector P/E



Source: Datastream, Goldman Sachs Global Investment Research

Exhibit 31: We are Buy rated on TCS, Neutral rated on HCL Tech, Infosys and LTIM, and Sell rated on Wipro and Tech Mahindra

GS IT Services and Software comp sheet

	Country/Region	Rating	Current Price	Target Price	Upside/Downside	Mkt Cap (\$B mn)	EV (\$B mn)	EV/EBITDA (X)		P/E (X)		Div Yld	FCF Yld	EBITDA margin	FY25-27E CAGR			Price performance				
								FY26E	FY27E	FY26E	FY27E				Sales	EBITDA	PAT	1m	6m	1Y		
India IT	Infosys	India	Neutral	Rs 1,629.5	1,700.0	4%	73,510	70,035	15.3	13.7	23.3	21.5	3.9%	4.6%	24.1%	23.5%	8%	7%	8%	4%	1%	-13%
	TCS	India	Buy	Rs 3,227	3,510.0	9%	129,895	125,240	15.7	14.6	22.5	21.0	4.5%	4.6%	26.4%	27.0%	5%	7%	7%	3%	-6%	-22%
	Wipro	India	Sell	Rs 267	255.0	-5%	31,179	26,173	13.0	11.6	20.7	18.6	4.5%	5.7%	20.3%	19.4%	6%	5%	7%	7%	1%	-11%
	HCL Tech	India	Neutral	Rs 1,635	1,680	3%	49,375	46,499	15.5	14.0	25.0	22.6	4.2%	4.9%	21.8%	20.9%	9%	8%	6%	0%	-5%	-15%
	Tech Mahindra	India	Sell	Rs 1,607	1,500.0	-7%	15,830	15,026	15.5	12.7	27.3	21.8	4.1%	5.2%	13.2%	15.6%	6%	22%	24%	5%	-4%	-6%
	LTI Mindtree	India	Neutral	Rs 6,110.3	5,780.0	-5%	20,147	18,862	22.4	18.8	33.2	28.9	1.7%	3.1%	17.1%	17.9%	11%	17%	17%	-1%	15%	8%
	Median							15.5	13.9	24.2	21.7	4.1%	4.8%	21.0%	20.2%	7%	7%	8%	4%	-1%	-12%	
US and EU IT	Country/Region	Rating	Current Price	Target Price	Upside/Downside	Mkt Cap (\$B mn)	EV (\$B mn)	EV/EBITDA (X)		P/E (X)		Div Yld	FCF Yld	EBITDA margin	CY24-26E CAGR			Price performance				
	Accenture	US	Buy	\$ 268.3	330.0	23%	167,967	165,604	13.2	11.3	22.1	18.9	2.5%	6.0%	19%	19%	7%	8%	8%	4%	-11%	-24%
	IBM	US	Buy	\$ 296.2	350.0	18%	280,807	315,065	16.5	14.6	25.7	23.8	2.3%	5.3%	26%	30%	6%	14%	10%	-3%	2%	35%
	Cognizant	US	Neutral	\$ 83.0	84.0	1%	40,421	39,876	10.3	9.6	15.8	14.8	1.5%	5.2%	18%	19%	6%	7%	9%	7%	3%	8%
	EPAM	US	Buy	\$ 204.9	235.0	15%	11,436	10,086	11.7	10.2	17.9	16.3	0.0%	5.4%	18%	17%	11%	8%	8%	8%	14%	-12%
	Globant	Latam	Neutral	\$ 65.4	90.0	38%	2,980	2,842	5.1	4.9	10.7	10.1	NM	14.9%	21%	23%	2%	7%	0%	1%	-29%	-70%
	TaskUs	US	Sell	\$ 11.8	12.0	2%	1,097	981	4.3	3.8	7.3	7.4	0.0%	15.1%	21%	20%	14%	11%	11%	2%	-30%	-30%
	Capgemini	Europe	Buy	€ 142.3	195.0	37%	29,620	34,454	8.1	7.1	15.4	13.7	2.6%	9.1%	16%	16%	3%	5%	3%	4%	-2%	-10%
Other Tech	Median							10.3	9.6	15.8	14.8	1.9%	6.0%	19%	19%	6%	8%	8%	4%	-2%	-11%	
	SAP	Europe	Buy	€ 208.4	320.0	54%	287,861	280,963	21.7	18.4	34.5	29.5	1.2%	3.4%	17%	32%	9%	48%	63%	0%	-18%	-12%
	Oracle	US	Neutral	\$ 194.9	220.0	13%	569,527	675,987	19.3	15.3	30.2	25.3	1.0%	4.9%	55%	57%	19%	21%	15%	-3%	-11%	17%
	Salesforce	US	Buy	\$ 264.9	385.0	45%	252,194	246,769	14.3	12.5	23.2	19.2	NM	5.3%	42%	41%	11%	9%	18%	14%	-3%	-21%
	Adobe	US	Buy	\$ 350	570	63%	145,946	145,286	13.5	11.1	17.9	14.6	NM	6.9%	50%	47%	11%	7%	14%	8%	-11%	-21%
	ServiceNow	US	Buy	\$ 153	250	63%	160,824	150,774	32.6	26.0	44.2	35.9	NM	2.7%	34%	37%	20%	25%	24%	-7%	-24%	-28%
	Amazon	US	Buy	\$ 231	290	26%	2,503,243	2,508,587	17.3	13.0	32.6	29.0	NM	0.5%	19%	24%	12%	25%	20%	-1%	5%	5%
	Google	US	Buy	\$ 313.0	330.0	5%	3,819,539	3,833,075	24.9	19.7	29.8	29.2	0.3%	1.6%	43%	49%	15%	22%	15%	-1%	78%	65%
	Microsoft	US	Buy	\$ 483.6	630.0	30%	3,610,707	3,534,508	18.5	15.8	31.4	27.2	NM	2.1%	56%	63%	15%	22%	18%	-1%	-2%	15%
	Median							18.9	15.6	30.8	28.1	1.0%	2.4%	43%	44%	14%	22%	18%	-1%	-7%	-3%	

Priced as of 31 December 2025. Target price is based on a 12-month period. Stocks covered by J. Schneider: ACN, CTSH, IBM, EPAM, GLOB, TASK; Stocks covered by M. Moawalla: CAPP.PA, SAPG.DE; Stocks covered by K. Rangan: ADBE, CRM, MSFT, NOW, ORCL; and, Stocks covered by E. Sheridan: AMZN, GOOGL. We are Neutral on INFY ADR with a 12m TP of US\$18.9 and Sell on WIT ADR with a 12m TP of US\$2.8.

Source: Company data, Datastream, Goldman Sachs Global Investment Research

Summary of estimate and target price changes

We make modest changes to our FY26-28E constant Fx revenue estimates for our coverage; we raise growth estimates for LTIM (deal ramp up) and Wipro (as we bake in the completed Harman DTS acquisition; [link](#)), though modestly lower estimates for others. Our EBIT/EPS estimates, however, see an increase by up to 4% due to FX tailwinds (INR depreciation of 2% qoq in 3Q).

We roll-forward the valuation base period of our target prices by 3 months to Dec '27. We raise/refresh multiples for most stocks to reflect likely bottoming of demand environment ([Exhibit 34](#)). Our 12m target prices for our coverage change by +4% to +10% on the above mentioned factors.

Exhibit 32: We see 30–70 bps cross currency headwinds to USD revenues in 3Q, though a tailwind to INR revenues

Revenue by currency (2QFY26) and expected cross currency impact (3QFY26E)

Currency	HCL	Wipro	TCS	TechM	Infosys	LTIM	vs. USD
USD	64%	65%	50%	51%	63%	78%	
GBP	17%	11%	15%	10%	4%	3%	-1.3%
EUR	11%	9%	12%	13%	18%	8%	-0.4%
INR	3%	4%	6%	6%	3%	4%	-2.0%
Others	4%	11%	18%	20%	12%	8%	
Fx impact on USD revenue (qoq; in bps)	(30)	(40)	(70)	(70)	(40)	(30)	
Fx impact on INR revenue (qoq; in bps)	160	240	70	60	150	120	

For context, USD has appreciated vs. GBP (1.3%), vs. Euro (0.4%) and INR (2.0%) on a qoq basis. For HCL Tech, currency mix of USD represents proportion of revenue from US, while GBP/EUR/INR, is per GSe. For TCS and TechM, INR currency mix, per GSe; for Infosys, INR currency mix represents proportion of revenue from India; for rest, per company data.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 33: We modestly reduce our constant Fx growth estimates for the sector, though raise for LTIM; Wipro increase due to M&A completion

India IT Services coverage current vs. previous estimates

Company	Metrics	New estimates (Rs bn)			Previous estimates (Rs bn)			% change		
		FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
TCS (Buy)	Revenue	2,647	2,823	3,021	2,664	2,845	3,058	-1%	-1%	-1%
	Constant Fx (%)	-2.2%	5.0%	7.0%	-1.4%	5.6%	7.5%	-75 bps	-62 bps	-50 bps
	EBIT	660	711	769	656	707	762	1%	1%	1%
	EBIT margin	24.9%	25.2%	25.5%	24.6%	24.8%	24.9%	29 bps	33 bps	56 bps
	Net Income	508	556	601	506	553	595	1%	1%	1%
Infosys (Neutral)	Revenue	1,774	1,905	2,038	1,770	1,885	2,027	0%	1%	1%
	Constant Fx (%)	3.1%	5.2%	7.0%	3.1%	5.3%	7.5%	0 bps	-4 bps	-50 bps
	EBIT	369	401	434	372	396	429	-1%	1%	1%
	EBIT margin	20.8%	21.1%	21.3%	21.0%	21.0%	21.1%	-25 bps	3 bps	17 bps
	Net Income	288	307	335	291	312	338	-1%	-2%	-1%
HCL Tech (Neutral)	Revenue	1,291	1,388	1,494	1,291	1,385	1,491	0%	0%	0%
	Constant Fx (%)	4.1%	5.3%	7.6%	4.3%	6.0%	7.6%	-26 bps	-70 bps	1 bps
	EBIT	227	251	276	226	254	279	0%	-1%	-1%
	EBIT margin	17.6%	18.1%	18.5%	17.5%	18.4%	18.7%	3 bps	-25 bps	-22 bps
	Net Income	177	197	217	177	199	219	0%	-1%	-1%
LTIM (Neutral)	Revenue	422	467	508	419	456	495	1%	2%	3%
	Constant Fx (%)	5.7%	8.8%	8.8%	5.5%	7.5%	8.5%	19 bps	130 bps	30 bps
	EBIT	65	77	85	65	74	82	-1%	3%	4%
	EBIT margin	15.3%	16.4%	16.7%	15.5%	16.3%	16.5%	-17 bps	10 bps	22 bps
	Net Income	55	63	71	55	61	68	-1%	3%	3%
Wipro (Sell)	Revenue	932	1,004	1,059	920	967	1,020	1%	4%	4%
	Constant Fx (%)	-0.5%	5.4%	5.5%	-1.4%	3.5%	5.5%	96 bps	186 bps	0 bps
	EBIT	153	169	178	152	163	171	1%	3%	4%
	EBIT margin	16.4%	16.8%	16.8%	16.5%	16.9%	16.7%	-7 bps	-5 bps	4 bps
	Net Income	136	151	160	135	148	156	1%	2%	2%
TechM (Sell)	Revenue	560	597	636	560	595	637	0%	0%	0%
	Constant Fx (%)	0.2%	5.0%	6.5%	0.4%	5.0%	7.0%	-21 bps	-9 bps	-50 bps
	EBIT	68	85	95	69	87	97	0%	-3%	-2%
	EBIT margin	12.2%	14.2%	15.0%	12.3%	14.7%	15.2%	-5 bps	-52 bps	-21 bps
	Net Income	52	65	74	52	68	75	0%	-3%	-2%

TechM net income post exceptions.

Source: Goldman Sachs Global Investment Research

Exhibit 34: We raise our target multiples for most stocks within our coverage, with TP changes of +4% to +10%
 GS target price methodology and P/E of our India IT Services coverage vs. historical averages

Company name	12m fwd P/E	Last 10 years (since 2015)			Last 5 years (since 2020)			Current P/E vs	
		-1SD	Average	+1SD	-1SD	Average	+1SD	Last 10Y	Last 5Y
TCS	21.6x	19x	24x	29x	24x	27x	30x	-10%	-21%
Infosys	22.3x	16x	21x	26x	21x	25x	28x	7%	-9%
LTIM	29.6x	16x	25x	33x	25x	31x	36x	20%	-4%
HCL Tech	22.8x	13x	18x	22x	18x	21x	24x	30%	8%
Wipro	18.8x	14x	18x	22x	17x	21x	24x	6%	-9%
TechM	22.9x	12x	17x	22x	17x	21x	25x	32%	9%

Company name	Rating	Target price		Upside/ downside	Target price methodology	Target multiple	Q3-Q4 EPS	Previous multiple	Previous TP methodology
		Old	New						
TCS	Buy	Rs3,330	Rs3,510	9%	5 yr avg P/E less 1.75 SD	21.5x	Rs163.0	21.0x	5 yr avg P/E less 2 SD
Infosys	Neutral	Rs1,570	Rs1,700	5%	5 yr avg P/E less 1 SD	21.0x	Rs80.9	20.0x	5 yr avg P/E less 1.5 SD
LTIM	Neutral	Rs5,300	Rs5,780	-5%	5 yr avg P/E less 1 SD	25.0x	Rs231.0	25.0x	Unchanged
HCL Tech	Neutral	Rs1,620	Rs1,680	3%	5 yr avg P/E	21.5x	Rs78.0	21.0x	Unchanged
Wipro	Sell	Rs232	Rs255	-3%	5 yr avg P/E less 1 SD	17.0x	Rs15.0	16.0x	5 yr avg P/E less 1.25 SD
TechM	Sell	Rs1,410	Rs1,500	-6%	5 yr avg P/E less 0.5 SD	18.5x	Rs81.3	17.5x	5 yr avg P/E less 0.75 SD

Data priced as of 31 December 2025. Target Prices are based on a 12-month period. We use USD/INR of 89.88 to calculate the INFY ADR 12m TP of US\$18.9 (US\$17.7 prior) and WIT ADR 12m TP of US\$2.8 (US\$2.6 prior).

Source: Datastream, Goldman Sachs Global Investment Research

Exhibit 35: We are in line with consensus on EPS for most stocks, through ahead for Wipro

GS estimates vs. consensus

Company	Metrics	GS estimates (Rs bn)			Visible Alpha consensus (Rs bn)			vs consensus		
		FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
TCS (Buy)	Revenue	2,647	2,823	3,021	2,640	2,794	2,975	0%	1%	2%
	Constant Fx (%)	-2.2%	5.0%	7.0%	-1.8%	4.6%	4.9%	-31 bps	41 bps	211 bps
	EBIT	660	711	769	657	694	741	0%	2%	4%
	EBIT margin	24.9%	25.2%	25.5%	24.9%	24.8%	24.9%	4 bps	33 bps	57 bps
	Net Income	508	556	601	515	543	577	-1%	2%	4%
Infosys (Neutral)	Revenue	1,774	1,905	2,038	1,761	1,862	1,982	1%	2%	3%
	Constant Fx (%)	3.1%	5.2%	7.0%	2.8%	4.4%	5.0%	24 bps	83 bps	201 bps
	EBIT	369	401	434	370	393	419	0%	2%	4%
	EBIT margin	20.8%	21.1%	21.3%	21.0%	21.1%	21.1%	-23 bps	-3 bps	18 bps
	Net Income	288	307	335	289	305	326	0%	1%	3%
HCL Tech (Neutral)	Revenue	1,291	1,388	1,494	1,282	1,373	1,472	1%	1%	1%
	Constant Fx (%)	4.1%	5.3%	7.6%	4.4%	6.1%	7.1%	-32 bps	-73 bps	52 bps
	EBIT	227	251	276	224	248	269	1%	1%	3%
	EBIT margin	17.6%	18.1%	18.5%	17.5%	18.1%	18.2%	10 bps	6 bps	25 bps
	Net Income	177	197	217	173	194	210	2%	1%	3%
LTIM (Neutral)	Revenue	422	467	508	417	458	503	1%	2%	1%
	Constant Fx (%)	5.7%	8.8%	8.8%	5.8%	8.9%	9.1%	-10 bps	-6 bps	-35 bps
	EBIT	65	77	85	64	73	81	0%	5%	5%
	EBIT margin	15.3%	16.4%	16.7%	15.4%	15.9%	16.1%	-11 bps	53 bps	64 bps
	Net Income	55	63	71	55	61	68	0%	3%	3%
Wipro (Sell)	Revenue	932	1,004	1,059	915	964	1,010	2%	4%	5%
	Constant Fx (%)	-0.5%	5.4%	5.5%	-0.5%	4.9%	5.0%	1 bps	46 bps	49 bps
	EBIT	153	169	178	150	160	168	2%	6%	5%
	EBIT margin	16.4%	16.8%	16.8%	16.4%	16.6%	16.7%	-3 bps	26 bps	10 bps
	Net Income	136	151	160	133	139	147	2%	9%	9%
TechM (Sell)	Revenue	560	597	636	558	592	630	0%	1%	1%
	Constant Fx (%)	0.2%	5.0%	6.5%	0.5%	5.3%	5.6%	-31 bps	-38 bps	90 bps
	EBIT	68	85	95	68	82	92	1%	3%	4%
	EBIT margin	12.2%	14.2%	15.0%	12.2%	13.9%	14.6%	5 bps	24 bps	39 bps
	Net Income	52	65	74	51	64	72	2%	2%	3%

TechM net income post exceptions.

Source: Visible Alpha Consensus Data, Goldman Sachs Global Investment Research

Exhibit 36: We expect revenue and PAT growth in FY27E to be higher YoY for our coverage (aggregate)

Summary of our India IT Services coverage revenue (constant Fx), EBIT and PAT estimates

Key metrics	FY23	FY24	FY25	FY26E	FY27E	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25E	Mar-26E
<u>QoQ growth (constant Fx)</u>											
TCS						0.1%	-0.8%	-3.3%	0.8%	0.9%	1.8%
Infosys						1.7%	-3.5%	2.6%	2.2%	0.5%	-1.0%
Wipro						0.1%	-0.8%	-2.0%	0.3%	2.2%	2.4%
HCL Tech						3.8%	-0.8%	-0.8%	2.4%	2.8%	-0.3%
Tech M						1.2%	-1.5%	-1.4%	1.6%	0.9%	1.1%
LTIM						1.8%	-0.6%	0.8%	2.4%	2.1%	3.5%
India IT coverage						1.2%	-1.5%	-1.0%	1.5%	1.3%	0.9%
India IT coverage (Services only)						1.0%	-1.2%	-0.9%	1.5%	1.1%	1.2%
<u>YoY growth (constant Fx)</u>											
TCS	13.7%	3.4%	4.2%	-2.2%	5.0%	4.5%	2.5%	-3.1%	-3.3%	-2.4%	0.1%
Infosys	15.4%	1.4%	4.2%	3.1%	5.2%	6.1%	4.8%	3.8%	2.9%	1.6%	4.3%
Wipro	11.2%	-4.4%	-2.3%	-0.5%	5.4%	-0.7%	-1.2%	-2.3%	-2.6%	-0.3%	2.9%
HCL Tech	13.7%	5.0%	4.7%	4.1%	5.3%	4.1%	2.9%	3.7%	4.6%	3.6%	4.1%
Tech M	13.7%	-4.7%	0.3%	0.2%	5.0%	1.3%	0.3%	-1.0%	-0.3%	-0.4%	2.2%
LTIM	21.2%	4.2%	5.0%	5.7%	8.8%	5.6%	6.3%	4.4%	4.4%	4.8%	9.1%
India IT coverage	14.1%	1.5%	3.2%	0.9%	5.4%	3.9%	2.6%	0.2%	0.1%	0.3%	2.7%
<u>EBIT Margin</u>											
TCS	24.1%	24.6%	24.3%	24.9%	25.2%	24.5%	24.2%	24.5%	25.2%	24.7%	25.3%
Infosys	21.1%	20.7%	21.1%	20.8%	21.1%	21.3%	21.0%	20.8%	21.0%	21.2%	20.1%
Wipro	14.9%	15.1%	17.0%	16.4%	16.8%	17.3%	17.3%	16.1%	16.4%	16.8%	16.3%
HCL Tech	18.2%	18.2%	18.3%	17.6%	18.1%	19.5%	18.0%	16.3%	17.4%	18.5%	18.0%
Tech M	11.4%	6.1%	9.7%	12.2%	14.2%	10.2%	10.5%	11.1%	12.1%	12.7%	12.9%
LTIM	16.2%	15.7%	14.5%	15.3%	16.4%	13.8%	13.8%	14.3%	15.9%	16.1%	15.0%
India IT coverage	19.8%	19.6%	20.1%	20.2%	20.7%	20.4%	20.0%	19.7%	20.4%	20.5%	20.3%
<u>PAT YoY growth</u>											
TCS	10%	9%	6%	5%	9%	12%	-2%	6%	1%	3%	9%
Infosys	9%	9%	2%	8%	7%	11%	-12%	9%	13%	10%	1%
Wipro	-7%	-3%	19%	3%	11%	24%	26%	11%	1%	4%	-2%
HCL Tech	10%	6%	11%	2%	11%	6%	8%	-10%	0%	6%	11%
Tech M	-13%	-51%	80%	23%	25%	93%	77%	34%	-4%	44%	26%
LTIM	12%	4%	0%	19%	15%	-7%	3%	11%	12%	31%	23%
India IT coverage	6%	4%	8%	6%	10%	13%	2%	6%	4%	8%	7%

Wipro constant currency revenue growth for IT Services segment only.

Source: Company data, Goldman Sachs Global Investment Research

Risk-reward analysis

We believe the bull-case for the sector from a growth perspective would be from a faster-than-expected improvement in the discretionary demand environment, while a bear-case would be from a sustained weakness in macro, further aggravated by any deflationary impact to revenues from Gen-AI related pass-through. In our bear case, we see 0.4%/3.6% average sector revenue growth (constant Fx) in FY26E/FY27E, with 13% average downside risk to stocks, while in our bull case, we see 1.2%/7.5% average sector revenue growth (constant Fx) in FY26E/FY27E, with 13% average upside potential to stocks.

We see risk-reward as skewed to the upside for Buy rated TCS, and as more balanced/negative for our Neutral-rated names (Infosys, HCL Tech and LTIM) and Sell-rated names (Wipro and TechM).

Key assumptions under our bull case:

- Discretionary spending improvement starting CY26, with limited impact of any Gen-AI headwinds
- Margin benefits from Fx and ability to retain a higher share of productivity benefits

Key assumptions under our bear case:

- A prolonged slowdown in macro
- Limited benefit of Generative AI on revenues, with negative impact on revenue streams such as BPO services and pressure on realizations.

Exhibit 37: We see risk-reward as skewed to the upside for Buy rated TCS

Risk-reward analysis for TCS, LTIM and Infosys

Amount in INR bn		Actual	Bear case		Base case		Bull case	
			FY25	FY26E	FY27E	FY26E	FY27E	FY26E
TCS (Buy)	Revenues	2,553	2,634	2,762	2,647	2,823	2,656	2,900
	vs. base case		0%	-2%			0%	3%
	YoY growth (ex FX)	4.2%	-2.6%	3.2%	-2.2%	5.0%	-1.8%	7.5%
	EBIT	622	634	680	660	711	673	759
	vs. base case		-4%	-4%			2%	7%
	EBIT margin	24.3%	24.1%	24.6%	24.9%	25.2%	25.3%	26.2%
	PAT	486	489	533	508	556	518	592
	vs. base case		-4%	-4%			2%	6%
Implied per share value (Rs)			3,050		3,510		3,820	
Upside/downside			-5%		9%		19%	
Infosys (Neutral)	Revenues	1,630	1,765	1,859	1,774	1,905	1,782	1,954
	vs. base case		-1%	-2%			0%	3%
	YoY growth (ex FX)	4.2%	2.5%	3.2%	3.1%	5.2%	3.5%	7.5%
	EBIT	344	357	381	369	401	381	429
	vs. base case		-3%	-5%			3%	7%
	EBIT margin	21.1%	20.2%	20.5%	20.8%	21.1%	21.4%	21.9%
	PAT	267	280	293	288	307	297	327
	vs. base case		-3%	-5%			3%	6%
Implied per share value (Rs)			1,460		1,700		1,810	
Upside/downside			-10%		5%		12%	
INFY ADR (Neutral)	Implied per share value (USD)		16.2		18.9		20.1	
	Upside/downside		-9%		6%		13%	
LTIM (Neutral)	Revenues	380	419	454	422	467	423	476
	vs. base case		-1%	-3%			0%	2%
	YoY growth (ex FX)	5.0%	5.0%	6.5%	5.7%	8.8%	6.1%	10.5%
	EBIT	55	63	69	65	77	66	81
	vs. base case		-3%	-9%			2%	5%
	EBIT margin	14.5%	14.9%	15.3%	15.3%	16.4%	15.5%	17.0%
	PAT	46	53	58	55	63	55	66
	vs. base case		-3%	-8%			1%	5%
Implied per share value (Rs)			5,230		5,780		7,100	
Upside/downside			-14%		-5%		17%	

Priced as of 31 December 2025. For INFY ADR, we have the same set of assumptions as Infosys.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 38: We see risk-reward as more balanced or negative for our Neutral- and Sell-rated names

Risk-reward analysis for HCL Tech, Wipro and Tech Mahindra

Amount in INR bn		Actual	Bear case		Base case		Bull case	
			FY25	FY26E	FY27E	FY26E	FY27E	FY26E
HCL Tech (Neutral)	Revenues	1,171	1,286	1,360	1,291	1,388	1,297	1,422
	vs. base case		0%	-2%			0%	2%
	YoY growth (ex FX)	4.7%	3.6%	3.7%	4.1%	5.3%	4.5%	7.5%
	EBIT	214	221	238	227	251	231	270
	vs. base case		-2%	-5%			2%	7%
	EBIT margin	18.3%	17.2%	17.5%	17.6%	18.1%	17.8%	19.0%
	PAT	174	173	186	177	197	180	210
	vs. base case		-2%	-5%			2%	7%
	Implied per share value (Rs)		1,480		1,680		1,790	
Wipro (Sell)	Revenues	891	929	988	932	1,004	936	1,020
	vs. base case		0%	-2%			0%	2%
	YoY growth (ex FX; IT)	-2.3%	-0.8%	4.0%	-0.5%	5.4%	0.0%	6.5%
	EBIT	151	148	159	153	169	157	179
	vs. base case		-3%	-6%			3%	6%
	EBIT margin	17.0%	16.0%	16.1%	16.4%	16.8%	16.8%	17.6%
	PAT	131	132	143	136	151	139	159
	vs. base case		-2%	-5%			3%	5%
	Implied per share value (Rs)		210		255		296	
Wipro ADR (Sell)	Upside/downside		-20%		-3%		12%	
	Implied per share value (USD)		2.3		2.8		3.3	
	Upside/downside		-19%		-1%		16%	
TechM (Sell)	Revenues	530	557	584	560	597	562	610
	vs. base case		-1%	-2%			0%	2%
	YoY growth (ex FX)	0.3%	-0.3%	3.2%	0.2%	5.0%	0.5%	7.0%
	EBIT	51	66	79	68	85	71	91
	vs. base case		-3%	-6%			4%	8%
	EBIT margin	9.7%	11.9%	13.6%	12.2%	14.2%	12.6%	15.0%
	PAT	43	51	62	52	65	54	71
	vs. base case		-3%	-6%			3%	8%
	Implied per share value (Rs)		1,310		1,500		1,680	
	Upside/downside		-18%		-6%		6%	

Priced as of 31 December 2025. For WIT ADR, we have the same set of assumptions as Wipro. For Wipro, YoY growth (ex FX) is for its IT services segment only.

Source: Company data, Goldman Sachs Global Investment Research

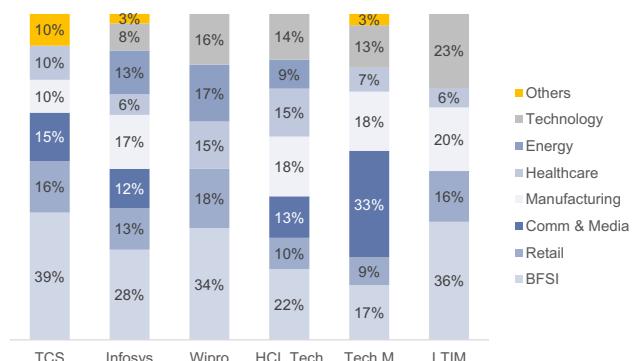
Appendix

Exhibit 39: Real GDP YoY growth forecast across regions (%)

Economies	GS Real GDP growth			
	2024	2025E	2026E	2027E
US	2.8%	2.1%	2.6%	2.1%
Europe (EU27)	1.0%	1.6%	1.5%	1.5%
UK	1.1%	1.4%	0.9%	1.5%
Asia ex Japan	5.0%	5.1%	4.8%	4.7%
India	6.7%	7.6%	6.7%	6.8%
World	2.8%	2.8%	2.8%	2.8%

Source: Goldman Sachs Global Investment Research

Exhibit 40: Vertical wise exposure of India IT Services companies (as of Sep '25)

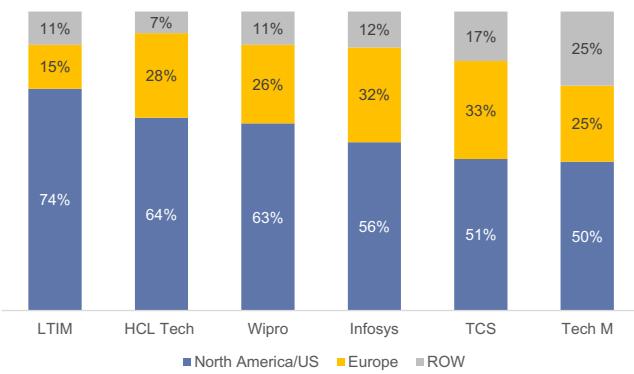


Technology for LTIM includes hi-tech and Media and Entertainment; Retail for LTIM includes travel, transportation and hospitality; Retail for Wipro includes Media, Travel and Transportation; For HCL, Energy includes travel and transport, logistics and government as well; Retail for TechM includes travel and leisure; CME for TCS includes technology as well; TCS data as per SEBI financials.

Source: Company data

Exhibit 41: LTIM has the highest exposure to the US within our coverage

India IT Services coverage geographic revenue exposure as of Sep '25



North Americas/Americas/USA exposure refers to Americas 1 and Americas 2 for Wipro; North America and Latin America for TCS; US for HCL Tech; and for remaining companies it is North America.

Source: Company data, Goldman Sachs Global Investment Research

Investment Thesis and Price Target Risks and Methodology

Investment Thesis - Tata Consultancy Services

TCS is India's largest IT Services company with US\$30 bn in revenues as of FY25, which we expect to grow -2.2% YoY in constant Fx terms in FY26E, though recover to 5% YoY in FY27. We remain Buy rated on TCS and see the company as well positioned given its diversified revenue base, tailwinds from vendor consolidation and relatively better margin visibility. TCS' margin profile is meaningfully stronger vs. its India IT Services peers (24.3% in FY25), and we forecast further improvement by FY27E. We believe TCS' soft near-term outlook is already being reflected in its share price and view valuation as attractive with TCS trading below its last 5/10 year average P/E, and its premium vs. the sector also lower vs. history. Key catalysts include (1) sustained strength in deal wins; (2) improving near-term macro outlook (particularly in the US); and (3) improving margin profile.

Price Target Risks and Methodology - Tata Consultancy Services Ltd.

We are Buy rated on TCS. We value TCS at a 21.5x P/E (last 5-yr average less 1.75SD) applied to our Q5E-Q8E EPS of Rs163.04, resulting in a 12-month PT of Rs3,510. **Key risks** include (i) Prolonged period of macro weakness; (ii) Adverse FX movement; (iii) Inability to improve margins; and (iv) Negative impact from any technology change.

Investment Thesis - Infosys

Infosys is India's second largest IT Services company with c.US\$19 bn in revenues as of FY25, which we expect to grow 3% YoY in constant Fx terms in FY26E, improving to 5% YoY in FY27. While we expect Infosys to be a beneficiary of vendor consolidation in an uncertain macro environment, we continue to see reduced growth visibility, particularly on discretionary spends. We forecast 7% YoY EBIT growth in FY26E (flat on a YoY basis). On a 12m forward P/E, Infosys is trading at a discount to its last 5-year historical average; however Infosys' premium vs. sector is largely in line vs. history. We see a balanced risk-reward and are Neutral rated on INFY.BO/INFY.

Price Target Risks and Methodology - Infosys Ltd.

We are Neutral rated on Infosys. Our 12-month target prices for INFY.BO/INFY, of Rs1,700/US\$18.9 are based on a target P/E of 21x (in line with the last 5-year average less 1 SD) applied to our Q5E-Q8E EPS estimate of Rs80.91. We use USD/INR of 89.88 to calculate the INFY ADR 12m TP of US\$18.9. **Key upside risks:** (i) faster-than-expected improvement in the US/global macro; (ii) a recovery in discretionary IT spend; and (iii) faster-than-expected margin expansion. **Key downside risks:** (i) slower-than-expected recovery in discretionary IT spending; (ii) negative impact from technology changes; (iii) pressure on margins.

Investment Thesis - Wipro

Wipro is India's fourth largest IT services company with US\$10.5 bn in revenues as of FY25. We forecast -0.5% YoY revenue growth (constant Fx) in FY26E, at the lower end of our coverage (organic); while Wipro's margin delivery has been strong, we expect revenue headwinds to translate into a near-term subdued EBIT margin profile. We see limited signs of Wipro's revenue underperformance gap closing with peers in the near term, particularly in a subdued macro environment; we are Sell rated on Wipro/WIT. Key

catalysts include continued underperformance vs. peers on revenue growth. Wipro's discount vs. sector is narrower vs. historical average.

Price Target Risks and Methodology - Wipro Ltd.

We are Sell rated. Our 12-month target prices for WIPR.BO/WIT of Rs255/US\$2.8 are based on a target P/E of 17x (last 5-yr average minus 1 SD) applied to our Q5E-Q8E EPS of Rs14.99. We use USD/INR of 89.88 to calculate the WIT ADR 12m TP of US\$2.8. **Key upside risks** include (i) uptick in discretionary IT spending; (ii) higher-than-expected benefits from generative AI; (iii) better-than-expected margins; (iv) favourable FX movement; and (v) accretive M&A.

Investment Thesis - HCL Tech

HCL Tech is India's third-largest IT Services company with c.US\$13.9 bn in revenues as of FY25, which we expect to grow at 4.1%/5.3% in FY26E/FY27E (constant Fx), with growth at the higher end of our India IT Services coverage. We expect 6%/11% YoY EBIT growth in FY26E/FY27E for HCL and healthy FCF generation; we forecast FCF/Net Income of >100% in FY26E, one of the highest within our India IT Services coverage. We are Neutral rated on HCL Tech, however, as we see this growth and margin profile being reflected in valuations. HCL Tech is currently trading at a premium to its own history and is trading broadly in line vs. the sector (vs. a discount historically); we see balanced risk-reward.

Price Target Risks and Methodology - HCL Technologies Ltd.

We are Neutral rated on HCL Tech. Our 12-month target price for HCL Tech of Rs1,680 is based on a target P/E of 21.5x (last 5-yr average) applied to our Q5E-Q8E EPS of Rs77.99. **Key risks** include stronger-/weaker-than-expected revival in tech spends, higher/lower-than-expected impact from Generative AI, and FX impact.

Investment Thesis - LTIMindtree

LTIM is India's 6th-largest IT services company by revenue (FY25 sales of US\$4.5 bn). While we expect LTIM's revenue growth to remain faster vs. peers, the path to the company's target band (of 17-18% EBIT margins) could be some time away. We believe the near-term revenue strength is already in the stock price: LTIM is trading broadly in line with its 5-year historical average and its premium to the sector is higher than the historical average premium. We see a balanced risk-reward and are Neutral rated on the stock.

Price Target Risks and Methodology - LTIMindtree

We are Neutral rated on LTIMindtree. We value LTIMindtree at a target P/E of 25x (last 5-yr average less 1 SD) applied to our Q5E-Q8E EPS of Rs231.03, resulting in a 12-month PT of Rs5,780. **Key upside risks:** (i) faster-than-expected improvement in the US macro; (ii) a recovery in discretionary IT deals; and (iii) faster-than-expected margin expansion. **Key downside risks:** (i) a prolonged slowdown in discretionary IT spending; (ii) further headwinds from GenAI to revenues; (iii) pressure on margins.

Investment Thesis - Tech Mahindra

TechM is India's fifth largest IT services company with US\$6.3 bn in revenues as of FY25; TechM has been underperforming peers on revenue growth, but the company's margin

delivery has been encouraging. We believe TechM's high exposure to telecom and manufacturing verticals, which we see as having a subdued near-term growth outlook, is likely to result in continued revenue underperformance vs. peers; however, we expect EBIT growth at 33%/24% in FY26E/FY27E to be meaningfully higher vs. peers, though off a low base. TechM trades at a premium vs. its own history and at a premium vs. the sector (vs. a discount historically) on 12m fwd P/E, despite a weaker revenue growth outlook vs. peers; we are Sell rated on TechM. Key catalysts include continued weakness in telecom spends, and margins staying below management guidance.

Price Target Risks and Methodology - Tech Mahindra Ltd.

We are Sell rated. Our 12-month target price for TEML.BO of Rs1,500 is based on a target P/E of 18.5x (last 5-yr average less 0.5 SD) applied to our Q5E-Q8E EPS of Rs81.28. **Key risks** include (i) stronger-than-expected TCV growth; (ii) successful execution of re-prioritization plans; (iii) better-than-expected EBIT margins; and (iv) favourable FX movement.

Disclosure Appendix

Reg AC

I, Manish Adukia, CFA, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Unless otherwise stated, the individuals listed on the cover page of this report are analysts in Goldman Sachs' Global Investment Research division.

GS Factor Profile

The Goldman Sachs Factor Profile provides investment context for a stock by comparing key attributes to the market (i.e. our universe of rated stocks) and its sector peers. The four key attributes depicted are: Growth, Financial Returns, Multiple (e.g. valuation) and Integrated (a composite of Growth, Financial Returns and Multiple). Growth, Financial Returns and Multiple are calculated by using normalized ranks for specific metrics for each stock. The normalized ranks for the metrics are then averaged and converted into percentiles for the relevant attribute. The precise calculation of each metric may vary depending on the fiscal year, industry and region, but the standard approach is as follows:

Growth is based on a stock's forward-looking sales growth, EBITDA growth and EPS growth (for financial stocks, only EPS and sales growth), with a higher percentile indicating a higher growth company. **Financial Returns** is based on a stock's forward-looking ROE, ROCE and CROCI (for financial stocks, only ROE), with a higher percentile indicating a company with higher financial returns. **Multiple** is based on a stock's forward-looking P/E, P/B, price/dividend (P/D), EV/EBITDA, EV/FCF and EV/Debt Adjusted Cash Flow (DACP) (for financial stocks, only P/E, P/B and P/D), with a higher percentile indicating a stock trading at a higher multiple. The **Integrated** percentile is calculated as the average of the Growth percentile, Financial Returns percentile and (100% - Multiple percentile).

Financial Returns and Multiple use the Goldman Sachs analyst forecasts at the fiscal year-end at least three quarters in the future. Growth uses inputs for the fiscal year at least seven quarters in the future compared with the year at least three quarters in the future (on a per-share basis for all metrics).

For a more detailed description of how we calculate the GS Factor Profile, please contact your GS representative.

M&A Rank

Across our global coverage, we examine stocks using an M&A framework, considering both qualitative factors and quantitative factors (which may vary across sectors and regions) to incorporate the potential that certain companies could be acquired. We then assign a M&A rank as a means of scoring companies under our rated coverage from 1 to 3, with 1 representing high (30%-50%) probability of the company becoming an acquisition target, 2 representing medium (15%-30%) probability and 3 representing low (0%-15%) probability. For companies ranked 1 or 2, in line with our standard departmental guidelines we incorporate an M&A component into our target price. M&A rank of 3 is considered immaterial and therefore does not factor into our price target, and may or may not be discussed in research.

Quantum

Quantum is Goldman Sachs' proprietary database providing access to detailed financial statement histories, forecasts and ratios. It can be used for in-depth analysis of a single company, or to make comparisons between companies in different sectors and markets.

Disclosures

The rating(s) for HCL Technologies Ltd., Infosys Ltd., Infosys Ltd. (ADR), LTIMindtree Ltd., Tata Consultancy Services Ltd., Tech Mahindra Ltd., Wipro Ltd. and Wipro Ltd. (ADR) is/are relative to the other companies in its/their coverage universe: Bharti Airtel, Eternal Ltd., FSN E-Commerce Ventures, HCL Technologies Ltd., Indus Towers Ltd., Info Edge India Ltd., Infosys Ltd., Infosys Ltd. (ADR), LTIMindtree Ltd., MakeMyTrip Ltd., One 97 Communications, PhysicsWallah Ltd., TBO Tek Ltd., Tata Consultancy Services Ltd., Tech Mahindra Ltd., Urban Company, Vodafone Idea Ltd., Wipro Ltd., Wipro Ltd. (ADR), Zee Entertainment Enterprises

Company-specific regulatory disclosures

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	49%	34%	17%	63%	58%	42%

As of October 1, 2025, Goldman Sachs Global Investment Research had investment ratings on 3,014 equity securities. Goldman Sachs assigns stocks as Buys and Sells on various regional Investment Lists; stocks not so assigned are deemed Neutral. Such assignments equate to Buy, Hold and Sell for the purposes of the above disclosure required by the FINRA Rules. See 'Ratings, Coverage universe and related definitions' below. The Investment Banking Relationships chart reflects the percentage of subject companies within each rating category for whom Goldman Sachs has provided investment banking services within the previous twelve months.

Price target and rating history chart(s)

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Regulatory disclosures

Disclosures required by United States laws and regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Goldman Sachs trades or may trade as a

principal in debt securities (or in related derivatives) of issuers discussed in this report.

The following are additional required disclosures: **Ownership and material conflicts of interest:** Goldman Sachs policy prohibits its analysts, professionals reporting to analysts and members of their households from owning securities of any company in the analyst's area of coverage. **Analyst compensation:** Analysts are paid in part based on the profitability of Goldman Sachs, which includes investment banking revenues. **Analyst as officer or director:** Goldman Sachs policy generally prohibits its analysts, persons reporting to analysts or members of their households from serving as an officer, director or advisor of any company in the analyst's area of coverage. **Non-U.S. Analysts:** Non-U.S. analysts may not be associated persons of Goldman Sachs & Co. LLC and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading in securities covered by the analysts.

Distribution of ratings: See the distribution of ratings disclosure above. **Price chart:** See the price chart, with changes of ratings and price targets in prior periods, above, or, if electronic format or if with respect to multiple companies which are the subject of this report, on the Goldman Sachs website at <https://www.gs.com/research/hedge.html>.

Additional disclosures required under the laws and regulations of jurisdictions other than the United States

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to United States laws and regulations. **Australia:** Goldman Sachs Australia Pty Ltd and its affiliates are not authorised deposit-taking institutions (as that term is defined in the Banking Act 1959 (Cth)) in Australia and do not provide banking services, nor carry on a banking business, in Australia. This research, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act, unless otherwise agreed by Goldman Sachs. In producing research reports, members of Global Investment Research of Goldman Sachs Australia may attend site visits and other meetings hosted by the companies and other entities which are the subject of its research reports. In some instances the costs of such site visits or meetings may be met in part or in whole by the issuers concerned if Goldman Sachs Australia considers it is appropriate and reasonable in the specific circumstances relating to the site visit or meeting. To the extent that the contents of this document contains any financial product advice, it is general advice only and has been prepared by Goldman Sachs without taking into account a client's objectives, financial situation or needs. A client should, before acting on any such advice, consider the appropriateness of the advice having regard to the client's own objectives, financial situation and needs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests and a copy of Goldman Sachs' Australian Sell-Side Research Independence Policy Statement are available at: <https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html>. **Brazil:** Disclosure information in relation to CVM Resolution n. 20 is available at <https://www.gs.com/worldwide/brazil/gir/index.html>. Where applicable, the Brazil-registered analyst primarily responsible for the content of this research report, as defined in Article 20 of CVM Resolution n. 20, is the first author named at the beginning of this report, unless indicated otherwise at the end of the text. **Canada:** This information is being provided to you for information purposes only and is not, and under no circumstances should be construed as, an advertisement, offering or solicitation by Goldman Sachs & Co. LLC for purchasers of securities in Canada to trade in any Canadian security. Goldman Sachs & Co. LLC is not registered as a dealer in any jurisdiction in Canada under applicable Canadian securities laws and generally is not permitted to trade in Canadian securities and may be prohibited from selling certain securities and products in certain jurisdictions in Canada. If you wish to trade in any Canadian securities or other products in Canada please contact Goldman Sachs Canada Inc., an affiliate of The Goldman Sachs Group Inc., or another registered Canadian dealer. **Hong Kong:** Further information on the securities of covered companies referred to in this research may be obtained on request from Goldman Sachs (Asia) L.L.C. **India:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (India) Securities Private Limited, Research Analyst - SEBI Registration Number INH000001493, 10th Floor, Ascent-Worli, Sudam Kalu Ahire Marg, Worli, Mumbai-400 025, India, Corporate Identity Number U74140MH2006FTC160634, Phone +91 22 6616 9000, Fax +91 22 6616 9001. Goldman Sachs may beneficially own 1% or more of the securities (as such term is defined in clause 2 (h) the Indian Securities Contracts (Regulation) Act, 1956) of the subject company or companies referred to in this research report. Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Goldman Sachs (India) Securities Private Limited compliance officer and investor grievance contact details can be found at: <https://www.goldmansachs.com/worldwide/india/documents/Grievance-Redressal-and-Escalation-Matrix.pdf>, and a copy of the annual audit compliance report can be found at this link: <https://publishing.gs.com/content/site/india-annual-compliance-report.html>. **Japan:** See below. **Korea:** This research, and any access to it, is intended only for "professional investors" within the meaning of the Financial Services and Capital Markets Act, unless otherwise agreed by Goldman Sachs. Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (Asia) L.L.C., Seoul Branch. **New Zealand:** Goldman Sachs New Zealand Limited and its affiliates are neither "registered banks" nor "deposit takers" (as defined in the Reserve Bank of New Zealand Act 1989) in New Zealand. This research, and any access to it, is intended for "wholesale clients" (as defined in the Financial Advisers Act 2008) unless otherwise agreed by Goldman Sachs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests is available at: <https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html>. **Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation, but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. Research reports do not constitute a personalized investment recommendation as defined in Russian laws and regulations, are not addressed to a specific client, and are prepared without analyzing the financial circumstances, investment profiles or risk profiles of clients. Goldman Sachs assumes no responsibility for any investment decisions that may be taken by a client or any other person based on this research report. **Singapore:** Goldman Sachs (Singapore) Pte. (Company Number: 198602165W), which is regulated by the Monetary Authority of Singapore, accepts legal responsibility for this research, and should be contacted with respect to any matters arising from, or in connection with, this research. **Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor. **United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Conduct Authority, should read this research in conjunction with prior Goldman Sachs research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Goldman Sachs International. A copy of these risks warnings, and a glossary of certain financial terms used in this report, are available from Goldman Sachs International on request.

European Union and United Kingdom: Disclosure information in relation to Article 6 (2) of the European Commission Delegated Regulation (EU) (2016/958) supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council (including as that Delegated Regulation is implemented into United Kingdom domestic law and regulation following the United Kingdom's departure from the European Union and the European Economic Area) with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest is available at <https://www.gs.com/disclosures/europeanpolicy.html> which states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

Japan: Goldman Sachs Japan Co., Ltd. is a Financial Instrument Dealer registered with the Kanto Financial Bureau under registration number Kinsho 69, and a member of Japan Securities Dealers Association, Financial Futures Association of Japan Type II Financial Instruments Firms Association, The Investment Trusts Association, Japan, and Japan Investment Advisers Association. Sales and purchase of equities are subject to commission pre-determined with clients plus consumption tax. See company-specific disclosures as to any applicable disclosures required by Japanese stock exchanges, the Japanese Securities Dealers Association or the Japanese Securities Finance Company.

Ratings, coverage universe and related definitions

Buy (B), Neutral (N), Sell (S) Analysts recommend stocks as Buys or Sells for inclusion on various regional Investment Lists. Being assigned a Buy or Sell

on an Investment List is determined by a stock's total return potential relative to its coverage universe. Any stock not assigned as a Buy or a Sell on an Investment List with an active rating (i.e., a stock that is not Rating Suspended, Not Rated, Early-Stage Biotech, Coverage Suspended or Not Covered), is deemed Neutral. Each region manages Regional Conviction Lists, which are selected from Buy rated stocks on the respective region's Investment Lists and represent investment recommendations focused on the size of the total return potential and/or the likelihood of the realization of the return across their respective areas of coverage. The addition or removal of stocks from such Conviction Lists are managed by the Investment Review Committee or other designated committee in each respective region and do not represent a change in the analysts' investment rating for such stocks.

Total return potential represents the upside or downside differential between the current share price and the price target, including all paid or anticipated dividends, expected during the time horizon associated with the price target. Price targets are required for all covered stocks. The total return potential, price target and associated time horizon are stated in each report adding or reiterating an Investment List membership.

Coverage Universe: A list of all stocks in each coverage universe is available by primary analyst, stock and coverage universe at <https://www.gs.com/research/hedge.html>.

Not Rated (NR). The investment rating, target price and earnings estimates (where relevant) are removed pursuant to Goldman Sachs policy when Goldman Sachs is acting in an advisory capacity in a merger or in a strategic transaction involving this company, when there are legal, regulatory or policy constraints due to Goldman Sachs' involvement in a transaction, and in certain other circumstances. **Early-Stage Biotech (ES).** An investment rating and a target price are not assigned pursuant to Goldman Sachs policy when this company neither has a drug, treatment or medical device that has passed a Phase II clinical trial nor a license to distribute a post-Phase II drug, treatment or medical device. **Rating Suspended (RS).** Goldman Sachs Research has suspended the investment rating and price target for this stock, because there is not a sufficient fundamental basis for determining an investment rating or target price. The previous investment rating and target price, if any, are no longer in effect for this stock and should not be relied upon. **Coverage Suspended (CS).** Goldman Sachs has suspended coverage of this company. **Not Covered (NC).** Goldman Sachs does not cover this company.

Global product; distributing entities

Goldman Sachs Global Investment Research produces and distributes research products for clients of Goldman Sachs on a global basis. Analysts based in Goldman Sachs offices around the world produce research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy. This research is disseminated in Australia by Goldman Sachs Australia Pty Ltd (ABN 21 006 797 897); in Brazil by Goldman Sachs do Brasil Corretora de Títulos e Valores Mobiliários S.A.; Public Communication Channel Goldman Sachs Brazil: 0800 727 5764 and / or contatogoldmanbrasil@google.com. Available Weekdays (except holidays), from 9am to 6pm. Canal de Comunicação com o Públíco Goldman Sachs Brasil: 0800 727 5764 e/ou contatogoldmanbrasil@google.com. Horário de funcionamento: segunda-feira à sexta-feira (exceto feriados), das 9h às 18h; in Canada by Goldman Sachs & Co. LLC; in Hong Kong by Goldman Sachs (Asia) L.L.C.; in India by Goldman Sachs (India) Securities Private Ltd.; in Japan by Goldman Sachs Japan Co., Ltd.; in the Republic of Korea by Goldman Sachs (Asia) L.L.C., Seoul Branch; in New Zealand by Goldman Sachs New Zealand Limited; in Russia by OOO Goldman Sachs; in Singapore by Goldman Sachs (Singapore) Pte. (Company Number: 198602165W); and in the United States of America by Goldman Sachs & Co. LLC. Goldman Sachs International has approved this research in connection with its distribution in the United Kingdom.

Goldman Sachs International ("GSI"), authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA, has approved this research in connection with its distribution in the United Kingdom.

European Economic Area: Goldman Sachs Bank Europe SE ("GSBE") is a credit institution incorporated in Germany and, within the Single Supervisory Mechanism, subject to direct prudential supervision by the European Central Bank and in other respects supervised by German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and Deutsche Bundesbank and disseminates research within the European Economic Area.

General disclosures

This research is for our clients only. Other than disclosures relating to Goldman Sachs, this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Goldman Sachs conducts a global full-service, integrated investment banking, investment management, and brokerage business. We have investment banking and other business relationships with a substantial percentage of the companies covered by Global Investment Research. Goldman Sachs & Co. LLC, the United States broker dealer, is a member of SIPC (<https://www.sipc.org>).

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and principal trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, principal trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

The analysts named in this report may have from time to time discussed with our clients, including Goldman Sachs salespersons and traders, or may discuss in this report, trading strategies that reference catalysts or events that may have a near-term impact on the market price of the equity securities discussed in this report, which impact may be directionally counter to the analyst's published price target expectations for such stocks. Any such trading strategies are distinct from and do not affect the analyst's fundamental equity rating for such stocks, which rating reflects a stock's return potential relative to its coverage universe as described herein.

We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research, unless otherwise prohibited by regulation or Goldman Sachs policy.

The views attributed to third party presenters at Goldman Sachs arranged conferences, including individuals from other parts of Goldman Sachs, do not necessarily reflect those of Global Investment Research and are not an official view of Goldman Sachs.

Any third party referenced herein, including any salespeople, traders and other professionals or members of their household, may have positions in the products mentioned that are inconsistent with the views expressed by analysts named in this report.

This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors.

Investors should review current options and futures disclosure documents which are available from Goldman Sachs sales representatives or at <https://www.theocc.com/about/publications/character-risks.jsp> and https://www.goldmansachs.com/disclosures/cftc_fcm_disclosures. Transaction costs may be significant in option strategies calling for multiple purchase and sales of options such as spreads. Supporting documentation will be supplied upon request.

Differing Levels of Service provided by Global Investment Research: The level and types of services provided to you by Goldman Sachs Global Investment Research may vary as compared to that provided to internal and other external clients of GS, depending on various factors including your individual preferences as to the frequency and manner of receiving communication, your risk profile and investment focus and perspective (e.g., marketwide, sector specific, long term, short term), the size and scope of your overall client relationship with GS, and legal and regulatory constraints. As an example, certain clients may request to receive notifications when research on specific securities is published, and certain clients may request that specific data underlying analysts' fundamental analysis available on our internal client websites be delivered to them electronically through data feeds or otherwise. No change to an analyst's fundamental research views (e.g., ratings, price targets, or material changes to earnings estimates for equity securities), will be communicated to any client prior to inclusion of such information in a research report broadly disseminated through electronic publication to our internal client websites or through other means, as necessary, to all clients who are entitled to receive such reports.

All research reports are disseminated and available to all clients simultaneously through electronic publication to our internal client websites. Not all research content is redistributed to our clients or available to third-party aggregators, nor is Goldman Sachs responsible for the redistribution of our research by third party aggregators. For research, models or other data related to one or more securities, markets or asset classes (including related services) that may be available to you, please contact your GS representative or go to <https://research.gs.com>.

Disclosure information is also available at <https://www.gs.com/research/hedge.html> or from Research Compliance, 200 West Street, New York, NY 10282.

© 2026 Goldman Sachs.

You are permitted to store, display, analyze, modify, reformat, and print the information made available to you via this service only for your own use. You may not resell or reverse engineer this information to calculate or develop any index for disclosure and/or marketing or create any other derivative works or commercial product(s), data or offering(s) without the express written consent of Goldman Sachs. You are not permitted to publish, transmit, or otherwise reproduce this information, in whole or in part, in any format to any third party without the express written consent of Goldman Sachs. This foregoing restriction includes, without limitation, using, extracting, downloading or retrieving this information, in whole or in part, to train or finetune a machine learning or artificial intelligence system, or to provide or reproduce this information, in whole or in part, as a prompt or input to any such system.