



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata, 700 071, India
Tel.: 91 33 2288 9371
Fax: 91 33 2288 0655

Media Statement

October 30, 2025

Financial Results for the Quarter ended 30th September, 2025

Highlights

Standalone

- **Gross Revenue at Rs. 19148 cr.; up 7.1% YoY (ex-Agri Business) driven by Cigarettes and FMCG**
 - Overall EBITDA up 2.1% YoY (ex-paper up 3.2% YoY); EBITDA Margin at 35.1% up 185 bps YoY
 - PAT up 4.1% YoY.

Consolidated

- **Strong operating performance by Group companies led by ITC Infotech India Limited, ITC Hotels Limited**
 - The Company's subsidiary, Surya Nepal Private Limited delivered resilient performance amidst disruptions in Nepal during September'25.
 - **Gross Revenue (ex-Agri Business) up 7.9% YoY; EBITDA up 2.2% YoY.**
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- **FMCG – Others Segment sustained its Revenue growth momentum amidst operational challenges; up 8% YoY ex-Notebooks**
 - Excessive rains in many parts of the country and transition to the new GST regime posed operational challenges causing short-term business disruptions
 - Staples, Dairy, Premium Personal Wash & Agarbattis drive growth
 - Strong performance continues in premium portfolio and NewGen channels
 - Notebooks industry remains impacted on account of low-priced paper imports and opportunistic play by local/regional players
 - GST rates reduced in over 50% of FMCG portfolio; benefits passed on to the consumers
 - **Segment EBITDA margin up 50 bps on QoQ basis**
 - Commodity prices stabilised at elevated levels; Segment EBITDA margins at 10% (Q2FY25 10.6%; Q1FY26 9.4%)
 - Smart net revenue management and ongoing price-volume-value rebalancing & focused cost management initiatives amidst input price volatility
 - Sustained competitive levels of trade & marketing investments to support growth and market standing
 - Robust performance in **Digital-first & Organic portfolio; ARR¹ clocking appx. Rs. 1100 cr.**
 - **Cigarettes Net Segment Revenue up 6.8% YoY**
 - Strong performance sustained in differentiated and premium offerings
 - Strategic portfolio and market interventions, with focus on competitive belts and to counter illicit trade, drive growth and reinforce market standing
 - Leaf Tobacco consumption cost remains elevated; moderation in procurement prices witnessed in current crop cycle.
 - **Agri Business Segment performance during the quarter reflects timing difference and high base effect; H1 Segment Revenue up 7%, H1 Segment Result up 10%**
 - Crop development expertise, superior product quality and strong customer relationships drive growth in leaf tobacco

¹ Annual Revenue Runrate

- Value Added Agri exports during the quarter were relatively subdued due to delayed call-offs by customers amid uncertainty account US tariffs; Continued focus on market development in new geographies and scaling up the business leveraging structural capabilities (sourcing, processing)
- **Paper Segment performance improves sequentially with profit up 17% (margins up 90 bps QoQ)**
 - Overall Industry remains impacted by low-priced supplies, high wood prices & subdued realisation
 - Initial signs of moderation in wood prices with improving availability
 - Segment Revenue up 5% YoY driven by volumes
 - Minimum Import Price imposed on Virgin Multi-layer Paperboard, effective 22nd August'25. Additionally, the Directorate General of Trade has recommended imposition of Anti-dumping Duties on supplies from defaulting origins (China & Chile); Investigation on dumping of paperboard from Indonesia is also underway
 - Industry continues to represent with policy makers for suitable safeguard measures in respect of low-priced imports of coated/uncoated paper
 - Strategic interventions continue to be made for improving wood availability including accelerating plantations in core areas, developing new areas, collaborating with other wood-based industries and implementing satellite-based plantation monitoring systems.

India's GDP grew by 7.8% in Q1 FY26, underpinning the strong macroeconomic fundamentals of the Indian economy that remain resilient despite global headwinds marked by geo-political tensions, evolving trade policy dynamics and heightened uncertainty & volatility in the operating environment.

The pathbreaking GST reforms introduced during the quarter are expected to enhance consumer affordability, boost consumption, revitalise small and medium enterprises, stimulate a virtuous cycle of economic growth & accelerate India's journey to 'Viksit Bharat'.

High frequency indicators for the quarter suggest mixed trends. While rural demand continued to demonstrate resilience, urban consumption witnessed uptick. On the other hand, industrial growth, core sector growth, automobile sales, credit growth and electricity & fuel consumption remained relatively subdued.

Lower inflation, reduction in interest rates & liquidity support by RBI, income tax cuts announced in the recent Union Budget along with front loading of Government expenditure, and the recent reduction in GST rates across a wide range of products are expected to progressively bolster consumption.

Excessive rains in many parts of the country and transition to new GST rates posed operational challenges, especially for the FMCG categories, causing short-term business disruptions during the quarter. Notwithstanding such transitory factors, the Company delivered resilient performance during the quarter. **Gross Revenue²** stood at **Rs. 19,148** crores, while **PBT** and **PAT** stood at **Rs. 6,851** crores and **Rs. 5180** crores respectively. Earnings Per Share for the quarter stood at Rs. 4.13 (LY 3.98).

FMCG – OTHERS

- **The FMCG Businesses sustained its Revenue growth momentum amidst operational challenges; up 8% YoY ex-Notebooks**
 - Staples, Dairy, Premium Personal Wash & Agarbattis drive growth
 - Notebooks industry continues to operate under deflationary conditions due to low-priced paper imports and witness opportunistic play by local/regional competition
 - Segment EBITDA margin up 50 bps QoQ. Prices of major commodities (viz. edible oil, wheat, maida, cocoa, soap noodles etc.) stabilised during the quarter, while remaining elevated on YoY basis
 - The Businesses continued to mitigate the impact through focused cost management initiatives, portfolio premiumisation and calibrated pricing actions.

² Standalone Financials

- Trade & marketing investments were sustained at competitive levels towards supporting growth and market standing.
- Strong growth momentum continues in the Digital first & Organic portfolio, comprising the Yogabar, Mother Sparsh, Prasuma & Meatigo and 24 Mantra brands, clocking an ARR of appx. 1100 cr.
- Robust growth in NewGen channels (viz. e-Commerce, Quick Commerce, Modern Trade) on the back of sharp execution of channel-specific joint business plans, collaborations, format-based assortments and category-specific sell-out strategies
 - The Business recently launched a range of super premium cookies with globally sourced ingredients under 'Sunfeast Baked Creations' brand. The portfolio was augmented with the introduction of delectable range of premium cookies and cakes during the quarter. These short shelf-life products are backed by hyperlocal & customised supply chains and are accessible to consumers on quick commerce platforms. These products have received encouraging response from discerning consumers and are being scaled up.

➤ **Branded Packaged Foods Businesses**

- **'Aashirvaad' Atta** posted robust growth reinforcing its leadership position in the Branded Atta industry
 - The value-added portfolio was augmented with the launch of 'Aashirvaad High Protein Atta', made with a thoughtfully selected blend of Wheat, Soya, Bengal gram and Oats – just 3 rotis a day made from this flour can help fulfil around 1/4th of the recommended daily protein requirement
 - 'Aashirvaad Vermicelli', 'Aashirvaad Rava' (Suji Rava, Banshi Rava, Samba Rava), 'Ready-to-Cook Chapati', 'Organic Atta' and 'Aashirvaad Soya Chunks' sustained their high growth trajectory
 - Value-added variants and Staples adjacencies continue to scale up (~1.7x over 2 years) and now comprise ~15% of Aashirvaad Staples portfolio.
- **'Aashirvaad' Salt** posted robust growth in focus markets, supported by its distinctive positioning of "Iodine Assured salt for a Smarter India".
- **'Sunfeast' Biscuits and Cakes** recorded resilient performance during the quarter on the back of powerful brand propositions, differentiated offerings and strong consumer connect. The 'Sunfeast Dark Fantasy' range of differentiated cookies was augmented with the launch of 3 exciting Dual Fills variants: 'Peanut Butter Choco Dual Fills', 'Mocha Vanilla Dual Fills' and 'Coconut & Hazelnut Macaroon Fills'. The recently launched 'Sunfeast Mom's Magic Shines' continued to elicit excellent consumer response and was extended to newer markets.
- **'YiPPee!' Noodles** continued to build on its growth momentum while strengthening its portfolio through differentiated offerings catering to diverse consumer cohorts. The range of YiPPee! Korean Noodles continues to garner increasing consumer franchise.
- **'Bingo!' Snacks** continued to strengthen its product portfolio with the launch of exciting variants of snacks & namkeens. The Business augmented the potato chips portfolio with the launch of 2 exciting variants - 'Bingo! Crushin' Himalayan Pink Salt' & 'Bingo! Bangin' Butter & Garlic' - with new pack designs that are inspired by a deliciously dark and macabre aesthetic. These new launches and the recently launched 'Bingo! Mad Angles Mystery Pickle', exploring India's love for pickles with a unique twist, continue to gain consumer traction.
- **'Sunrise'** spices strengthened its market standing in the core market of West Bengal and adjacent markets of Northeast, Bihar and Jharkhand. The recently launched 'Sunrise Soya Curry Masala' and 'Sunrise Fried Rice Masala' continue to scale up.
- In the **Dairy category**, **'Aashirvaad Svasti'** fresh dairy portfolio comprising pouch milk, curd, lassi and paneer recorded strong growth on the back of best-in-class quality, differentiated products and superior taste profile. These products are currently available in Bihar, West Bengal and Jharkhand markets.

- In the **Personal Care Products Business**, 'Fiama' range of Personal Wash products and 'Savlon' range of Health & Hygiene portfolio recorded strong growth. The 'Nimyle' range of Homecare products

continues to perform well. In the Fragrances category, Business strengthened its product portfolio with the launch of 'Engage Eau De Toilette' range of Perfumes comprising 4 innovative variants.

- The **Education and Stationery Products Business** sustained its leadership position amidst heightened competitive intensity especially from regional/local players on the back of sharp reduction in paper prices as a result of dumping of low-priced paper imports. The Business continued its focus on portfolio premiumisation & innovation and launched 'Classmate Pulse' notebooks with detachable separators in select markets.
- **'Mangaldeep' Agarbattis and Dhoop** posted robust growth during the quarter leveraging a range of differentiated products backed by sustained & impactful communication of brand attributes, execution of channel-led trade inputs and retail distribution drives. The Mangaldeep range of Incense sticks was augmented with the launch of Super Premium 'Scent Range' of Agarbattis. The recently launched premium range of aromatherapy products under the brand 'Pranah' comprising scented candles, incense sticks, cones etc. have received encouraging response from discerning consumers.
- The organic products under **'24 Mantra'** brand is being scaled up and is progressing well on synergy plans.

FMCG – CIGARETTES

Net Segment Revenue up 6.8% YoY; Segment PBIT up 4.3% YoY

- Differentiated variants and premium segment register strong growth leveraging mainstream trademarks & innovation.
- Strategic portfolio and market interventions with focus on competitive belts and to counter illicit trade, drive volume-led growth and reinforce market standing
 - Continued focus on fortifying last mile execution capability.
- Leaf Tobacco consumption cost remains elevated; partly mitigated through product mix enrichment and cost management interventions
 - Moderation in leaf tobacco procurement prices witnessed in current crop cycle.
- As seen in the past, stability in taxes on cigarettes, backed by deterrent actions by enforcement agencies, enables volume recovery for the legal cigarette industry from illicit trade leading to higher demand for Indian tobaccos and bolstering revenue to the exchequer from the tobacco sector.

AGRI BUSINESS

Agri Business Segment performance during the quarter reflects timing difference and high base effect; H1 Segment Revenue up 7%; H1 Segment Results up 10%

- Leaf Tobacco posted strong growth; Business continues to leverage its crop development expertise, superior product quality, and strong customer relationships.
- Value-added Agri exports during the quarter were relatively subdued due to delayed call-offs by the customers amid uncertainty on account of US tariffs. The Business remains focused on market development in new geographies and scaling up the value-added portfolio leveraging structural capabilities (sourcing, processing) and strong customer relationships.
- The Business continued to provide strategic sourcing support with traceability to the Branded Packaged Foods & Cigarette Businesses with sharply aligned procurement strategies in line with category-relevant market dynamics.

PAPERBOARDS, PAPER & PACKAGING

Paper Segment performance improves sequentially with profit up 17% (margins up 90 bps QoQ)

- The operating environment remained challenging during the quarter, with sustained influx of low-priced supplies into global markets including India, elevated domestic wood prices and subdued realisations
 - Initial signs of moderation in wood prices with improving availability.
- Segment Revenue grew 5% YoY driven by volumes; Speciality paper segment posted robust growth.
- The Business continued its sharp focus on portfolio augmentation and structural cost management to mitigate near term challenges.
- Minimum Import Price imposed on Virgin Multi-layer Paperboard, effective 22nd August'25. Additionally, the Directorate General of Trade has recommended imposition of Anti-dumping Duties on supplies from defaulting origins (China & Chile); Investigation on dumping of paperboard from Indonesia is also underway.
- Industry continues to represent with policy makers for suitable safeguard measures towards arresting the rapid increase of low-priced imports of coated/uncoated paper into the country.
- The Business continues to focus on accelerating plantations in core areas, developing new areas, collaborating with other wood-based industries and implementing satellite-based plantation monitoring systems, among others.
- The Packaging and Printing Business witnessed sequential uptick in domestic demand. The Business continues to focus on accelerating new business development, offering innovative and customised solutions.
- The sustainable paperboards/packaging solutions portfolio maintained its strong growth momentum leveraging cutting-edge innovation platforms and has grown to 2.6x over last 4 years.

FoodTech Business

FoodTech Business, a new vector of growth envisioned in the ITC Next strategy, leverages the Company's institutional strengths in Foods Science & Manufacturing, FMCG Food brands and Culinary expertise to tap into the fast-growing online food services segment

- A delectable range of cuisines is today being offered under 4 brands - **'ITC Master Chef Creations', 'ITC Aashirvaad Soul Creations', 'ITC Sunfeast Baked Creations'** and **'Sansho by ITC Master Chef'**.
- The full-stack food-tech platform has scaled up to over 60 cloud kitchens across 5 cities and is now being progressively introduced across India; 7 new Kitchens opened during the quarter.
- GMV crossed Rs. 90 cr. in H1 FY26 (FY25 GMV appx. Rs.105 cr).

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

ITC is a global exemplar in 'Triple Bottom Line' performance and is the only enterprise in the world of comparable dimensions to have achieved and sustained the three key global indices of environmental sustainability of being **'water positive' (for 23 years), 'carbon positive' (for 20 years), and 'solid waste recycling positive' (for 18 years)**. The Company sustained its **'AA' rating by MSCI-ESG for the 7th successive year** - the highest amongst global tobacco companies. The Company has also been included in the **Dow Jones Sustainability Emerging Markets Index** for the fifth year in a row - a reflection of being a sustainability leader in the industry and a recognition of its continued commitment to people and planet. The Company continued to be part of the prestigious **'A List'** for **CDP Water** with the **'Leadership Level'** score of **'A'**. For **CDP Climate**, the Company retained **'Leadership Level'** score of **'A -'**

The Company's infrastructure facilities continue to set new benchmarks of sustainability. Till date, **9 units** of the Company have achieved Platinum level certification under the Alliance for Water Stewardship (AWS) Standard which is a credible, globally recognized framework for ensuring sustainable water management.

The Sustainability Report 2025 is available on the Company's corporate website at

<https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf>

Please refer link below for performance highlights of the quarter:

<https://www.itcportal.com/content/dam/itc-corporate/pdfs/financial-result/quarterly-results-2025-2026/september-2025/ITC-Quarterly-Result-Presentation-Q2-FY2026.pdf>

The Board of Directors, at its meeting on 30th October 2025, approved the financial results for the quarter ended 30th September 2025, which are enclosed.



(Nazeeb Arif)

Executive Vice President

Corporate Communications