

July 10, 2026

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

BSE Limited
Corporate Relations Department,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Symbol: LTF

Security Code No.: 533519

Kind Attn: Head – Listing Department / Dept of Corporate Communications

Sub: Press Release

Dear Sir / Madam,

Further to our letter dated July 10, 2026, please find enclosed a press release in relation to the unaudited financial results (consolidated and standalone) for the quarter ended June 30, 2026.

Further, as per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said press release will also be available on the website of the Company i.e., www.ltfinance.com/investors.

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,

For **L&T Finance Limited**

Apurva Rathod
Company Secretary and Compliance Officer

Encl: As above

Press Release
July 10, 2026, Mumbai

L&T Finance Ltd. (LTF) records highest ever consolidated Profit After Tax (PAT) of Rs. 902 Crore for Q1FY27, up 29% YoY, while also achieving its highest ever consolidated book of Rs. 1,29,634 Crore, up 27% YoY

Robust Q1FY27 Retail Disbursements at Rs. 23,852 Crore, up 36% YoY

Accelerates technology deployment to transform to an AI-native lender

Key highlights for Q1FY27:

- Strong start to Lakshya 2031 trajectory by registering a Retail book growth of 28% YoY against a target of 20%+ YoY. Retail book for the quarter stands at Rs. 1,27,535 Crore vs. 99,816 Crore in Q1FY26
- Consolidated book for Q1FY27 stands at Rs. 1,29,634 Crore vs. Rs. 1,02,314 Crore in Q1FY26, registering a growth of 27% YoY
- Stable NIMs + Fees for Q1FY27 at 10.47% vs. 10.22% in Q1FY26, registering an improvement of 25 bps YoY
- Maintained an improving trajectory in consolidated asset quality - Gross Stage 3 (GS3) at 2.86% and Net Stage 3 (NS3) at 0.90% for Q1FY27 vs a GS3 of 3.31% and NS3 of 0.99% in Q1FY26
- Return on Assets (RoA) improved to 2.48% in Q1FY27 vs. 2.37% in Q1FY26

Robust business model coupled with responsible growth across all retail segments led to:

- Healthy quarterly retail disbursements in Q1FY27 at Rs. 23,852 Crore vs. Rs. 17,522 Crore in Q1FY26, a growth of 36% YoY
- Risk calibrated growth across product segments with a focus on high yielding secured and unsecured products

Proactive Asset Liability Management:

- Diversified liability mix has enabled the Company to firmly anchor Q1FY27 Weighted Average Cost of Borrowing (WACB) at 7.20% compared to 7.68% in Q1FY26, down 48 bps YoY. This has been achieved despite an uncertain and challenging external environment.

Steady Consolidated Asset quality:

- Gross Stage 3 (GS3) stood at 2.86% in Q1FY27 vs. 3.31% in Q1FY26
- Net Stage 3 (NS3) stood at 0.90% in Q1FY27 vs. 0.99% in Q1FY26

Improvement in credit cost:

- Continuous focus on tightening credit and risk administration frameworks, strengthening collections infrastructure and accelerating our AI-led technology transformation led to a 89 bps YoY reduction in Credit Cost to 2.54% in Q1FY27 vs 3.43% (before macro prudential provisions) in Q1FY26
- Credit cost for Q1FY27 stood at 2.54% vs. 2.64% in Q4FY26, a sequential reduction of 10 bps



Performance for Q1FY27 (Consolidated)

- Profit after tax for Q1FY27 stands at Rs. 902 Crore vs. Rs. 701 Crore, up by 29% YoY
- Retail disbursements for Q1FY27 stands at Rs. 23,852 Crore vs. Rs. 17,522 Crore in Q1FY26, growth of 36% YoY
- Rural business finance disbursements continued to exhibit strong growth at 6,961 Crore in Q1, a growth of 24% YoY, while maintaining a strong ODPD Collection efficiency of ~99.8%.
- Cyclops powered Two-Wheeler disbursements stood at Rs. 3,006 Crore vs. 2,128 Crore in Q1FY26, a growth of 41% YoY
- Personal Loans disbursements continued the growth momentum by registering a 126% jump in YoY disbursements to Rs. 4,380 Crore in Q1FY27, with an increased focus on risk calibrated disbursements through Big Tech Partnerships
- Continued the momentum in Gold Finance distribution expansion, exiting Q1FY27 with 343 branches, a cumulative addition of 213 new branches since acquisition of the business in June 2025. Book size of the Gold Loan business expanded to Rs. 3,829 Crore in Q1FY27 as against a book size of Rs. 1,360 Crore in Q1FY26, witnessing a growth of 182% YoY
- Consolidated Credit cost for Q1FY27 at 2.54% vs. 2.64% in Q4FY26, a reduction of 10 bps QoQ
- RoE increased to 12.71% in Q1FY27 from 10.86% (RoE after macro prudential provisions) in Q1FY26
- RoA stood at 2.48% in Q1FY27 vs. 2.37% in Q1FY26, up 11 bps YoY

The Board of LTF, one of the leading Upper-Layer Non-Banking Financial Companies (NBFCs) in India, today announced the financial results for the first quarter ended June 30, 2026. Having successfully transitioned to an AI-enabled Retail lender under its Lakshya 2026 strategy, the Company as a part of its next 5-year strategic plan Lakshya 2031 is steadily working towards transitioning to an AI-native Retail financial services institution through cutting-edge in-house AI & Deep Tech stack. The Company offers Farmer Finance, Rural Business Finance, Two-wheeler Finance, Personal Loan, Home Loan and Loan Against Property (LAP), SME Finance, and Gold Finance. With a robust business model and super-fast solutions development cycle, LTF is dedicated towards building a high-quality risk calibrated retail lending franchise with equal dominance in urban and rural segments.

Commenting on the financial results **Mr. Sudipta Roy, Managing Director & CEO, LTF**, said, “Q1FY27 was another quarter where we remained focused on disciplined execution amidst an evolving macroeconomic environment marked by geopolitical uncertainties, inflationary pressures and elevated borrowing costs. Despite these external factors, our diversified retail franchise continued to demonstrate resilience, delivering strong business momentum and healthy book growth in line with the goals of our Lakshya 31 strategic plan. Our consistent investments in technology, analytics and AI continue to be a key differentiator, both in terms of customer experience as well as credit outcomes. In our bid to transform into an AI-native organization, we are increasingly embedding our proprietary AI ecosystem across the entire lending stack from sourcing and underwriting through our in-house AI credit engine ‘Project Cyclops’ to portfolio monitoring through ‘Project Nostradamus’ and our expanding suite of in-house developed AI co-pilots and agents. These capabilities are enabling superior credit selection, improved customer experience, faster turnaround times and enhanced operating efficiencies, while strengthening the quality and sustainability of our growth.

The economy continues to exhibit resilience, supported by healthy government spending, improving infrastructure and sustained consumption trends. We are also pleased to note that our Rural Business Finance vertical has resumed its growth trajectory, with healthy business parameters across new customer acquisition, disbursement growth and collection efficiencies.

As we embark on the first full year of our Lakshya 31 journey, our focus remains on delivering consistent, profitable and high-quality growth. We will continue to invest in innovation, strengthen our distribution capabilities and enhance customer experience as we build a future-ready, AI-native financial institution that will be resilient across economic cycles.”

Developing digital finance delivery as a customer value proposition

The Company's customer-facing PLANET app, which has emerged as a powerful digital channel for customers, crossed more than 2.5 Crore downloads as of June 30, 2026, comprising more than 20 Lakh customers on the Rural side. As of June 30, 2026, this channel has done collections of over Rs. 11,500 Crore while servicing over 14 Crore requests and has sourced loans of around Rs. 34,462 Crore.

Partner PLANET

The Company's Partner PLANET app continues to strengthen digital engagement with its dealer network. As of June 30, 2026, the platform has onboarded over 4,400 dealers, facilitated more than 51,000 logins, and enabled trade advance (TA) withdrawals of over Rs. 590 Crore.

Outcome of AI Implementations

- **Two-Wheeler 'Project Cyclops' portfolio shows significant outperformance** in comparison to industry credit parameters with a lower delinquency rate in comparison to industry averages.
- **In-house developed AI solutions and Co-pilots driving operational efficiencies:** Co-pilots at LTF provide speed and deepen human decisions across underwriting, fraud detection, servicing and collections. For instance, Project Helios, SME underwriting co-pilot, which has now processed more than 40,000 files has successfully slashed SME underwriting turnaround times (TAT) by a wide margin. Other enterprise-wide AI Co-pilots like 'Project Orion', the 'Project Nostradamus' Portfolio Management Co-Pilot has serviced more than 3,000 business queries. ShighraM, the Mortgage Legal Process Automation Co-Pilot has processed over 4,000 files in 11 vernacular languages. Mortgage Policy and Pricing Assistant Co-Pilot has serviced more than 200 queries per day in 15 vernacular languages.
- **AI- Powered proprietary in-house developed Gold Loan Origination System (LOS) 'Project Canyon'**, which features an in-house Agentic AI assistant 'Ginni' to support users alongside a context-aware asset capturing module has accelerated scale in gold finance operations. 60% of the 'Project Canyon' codebase has been generated using AI tools and combines 16+ integrated systems, 60+ application programming interface (APIs), and over 12 business services into a strong framework-based architecture designed to seamlessly adapt to market and regulatory changes.
- **Focus on cost-optimisation through Private Cloud** directly addresses the growing demands of the Company's artificial intelligence and machine learning projects while simultaneously driving substantial cost optimisations. This shift enables the Company to leverage significant long-term savings, with analysis indicating that opensource private cloud is projected to be 70% cheaper than hyperscale clouds over a 5-year total cost of ownership (TCO).

Key Highlights:

Robust Retail Franchise:

The Company's granular and deep pan-India Retail franchise is led by its strong distribution capabilities, namely, its geographic presence in around 2 Lakh villages and over 450 cities/towns, around 2,800 branches in urban and rural geographies. This extensive geographic presence is supported by around 14,000 distribution points built over 15 years. The Company witnessed strong growth in its Distribution Network in Q1FY27. The Company activated 23,467 new villages for Rural Group Loans and MFI. Active sourcing points at the end of the quarter were 8,914 for Two-wheeler Finance, 2,750 for Farm Equipment Finance, and 310 for Home Loan/LAP. Additionally, the Company has 343 active Gold Finance branches as of Q1FY27.

The Company also leverages over 2.9 Crore of its customer database to drive a credible cross-sell and up-sell franchise. With Lakshya 2031, the Company is focused on becoming a Risk-first, Tech-first, AI Native Retail Financial Services Institution.

Building a diversified retail franchise:

Retail disbursements for Q1FY27 stands at Rs. 23,852 Crore vs. Rs. 17,522 Crore in Q1FY26, a growth of 36% YoY. The Retail Book size for Q1FY27 stands at Rs. 1,27,535 Crore vs. Rs. 99,816 Crore in Q1FY26, registering a growth of 28% YoY. Growth was driven by all business segments across rural and urban geographies with a focus on high yielding loan products.

Rural Business Finance:

- Book size up 22% YoY to Rs. 32,493 Crore vs. Rs. 26,616 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 6,961 Crore vs. Rs. 5,618 Crore, up 24% YoY

Farmer Finance:

- Book size up 11% YoY to Rs. 17,514 Crore vs. Rs. 15,756 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 2,453 Crore vs. Rs. 2,200 Crore, up 11% YoY

Two-wheeler Finance:

- Book size up 22% YoY to Rs. 15,068 Crore vs. Rs. 12,331 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 3,006 Crore vs. Rs. 2,128 Crore, up 41% YoY

Personal Loans:

- Book size up 80% YoY to Rs. 16,917 Crore vs. Rs. 9,383 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 4,380 Crore vs. Rs. 1,942 Crore, up 126% YoY

Housing Loans and Loan Against Property (LAP):

- Book size up 20% YoY to Rs. 31,630 Crore in Q1FY27 vs. Rs. 26,464 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 3,401 Crore vs. Rs. 2,780 Crore, up 22% YoY

SME Finance:

- Book size up 28% YoY to Rs. 8,884 Crore in Q1FY27 vs. Rs. 6,964 Crore in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 1,567 Crore vs. Rs. 1,273 Crore, up 23% YoY

Gold Finance:

- Book size up 182% YoY to Rs. 3,829 Crore in Q1FY27 vs. Rs. 1,360 in Q1FY26
- Quarterly disbursements for Q1FY27 at Rs. 1,928 Crore vs. Rs. 1,530 Crore, up 26% YoY

About L&T Finance Ltd. (LTF):

L&T Finance Ltd. (LTF) (www.LTFINANCE.com), is a leading Non-Banking Financial Company (NBFC), offering a range of financial products and services. Headquartered in Mumbai, the Company has been rated 'AAA' — the highest credit rating — by four leading domestic rating agencies. In August 2025, S&P Global Ratings upgraded LTF long-term Issuer Credit Rating to "BBB/Stable" from "BBB-/Positive" and short-term issuer credit rating to "A-2" from "A-3". Fitch Ratings has affirmed LTF Long-Term Foreign and Local-Currency Issuer Default Ratings of "BBB-" with a Stable outlook. It has also received leadership scores and ratings by global and national Environmental, Social, and Governance (ESG) rating providers for its sustainability performance. The Company has been certified as a Great Place To Work® and has also won many prestigious awards for its flagship CSR project – "Digital Sakhi" - which focuses on women's empowerment and digital and financial inclusion. Under Right to Win, being in the 'right businesses' has helped the Company become one of the leading financiers in key Retail products. The Company is focused on transforming into a Risk-first, Technology-first, AI-native Retail financial services institution as part of the Lakshya 2031 plan. The Company has over 2.9 Crore customer database, which is being leveraged to cross-sell, up-sell, and identify new customers.

