

January 16, 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 January 16, 2026, please find enclosed a press release in relation to the unaudited financial results (consolidated and standalone) for the quarter and nine months ended December 31, 2025.

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

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,

For L&T Finance Limited

(formerly known as L&T Finance Holdings Limited)

Apurva Rathod

Company Secretary and Compliance Officer

Encl: As above

L&T Finance Limited

(formerly known as L&T Finance Holdings Limited)

Registered Office

Brindavan, Plot No. 177, C.S.T Road
Kalina, Santacruz (East)
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Press Release
January 16, 2026, Mumbai

L&T Finance Ltd. (LTF) records highest ever core Profit After Tax (PAT) of Rs. 760 Crore (before one-time impact of New Labour Code provision), up 21% YoY in Q3FY26; PAT after one-time impact stands at Rs. 739 Crore, up 18% YoY

Highest ever Retail disbursements for the quarter ended December 31, 2025 (Q3FY26) at Rs. 22,701 Crore, up 49% YoY

Robust retail franchise with a retail portfolio of Rs. 1,11,990 Crore, reflecting a 21% growth YoY

Consolidated loan book grew by 20% YoY to Rs. 1,14,285 Crore

All-time high disbursements in Two-Wheeler Finance at Rs. 3,217 Crore and Farmer Finance at Rs. 2,783 Crore growing 33% YoY and 12% YoY, respectively

NIMs+Fees sequentially improved by 19 basis points (bps) QoQ to 10.41% from 10.22% in Q2FY26

Rural Business Finance business asset quality improves significantly with 0 Days Past Due (DPD) collection efficiencies reaching 99.7% in December 2025

Key highlights for Q3FY26:

- Retailisation stood at 98% of overall book
- Retail Book at Rs. 1,11,990 Crore vs. Rs. 92,224 Crore, registering a growth of 21% YoY
- **Sequential Improvement of 19 bps registered in NIMs + Fees** in Q3FY26 owing to a continuous focus on yield and fee improvement and efficient liability management strategy
- **Improving Asset Quality** - Gross Stage 3 (GS3) improved sequentially by 10 bps to 3.19% and Net Stage 3 (NS3) by 8 bps to 0.92%. The Company did not use any macro-prudential provisions during the quarter
- **Credit cost improved sequentially** – Credit Cost (before macro) reduced from 2.98% in Q2FY26 to 2.83% in Q3FY26, a reduction of 15 bps QoQ and 8 bps YoY
- **Highest ever recorded Core PAT** at Rs. 760 Crore (before exceptional items*) up 21% YoY; PAT after exceptional items* at Rs. 739 Crore, up 18% YoY
- Return on Assets (RoA) stood at 2.31% in Q3FY26 (before exceptional items* at 2.37%)
- **Improvement in both Profitability and RoA registered during the quarter despite nil utilization of macro-prudential provisions highlights the strength of the retail franchise**

*Exceptional items during the quarter comprises one-time impact due to ramifications of the New Labour Code amounting to Rs. 29 Crore.

Robust business model across diversified retail segments led to:

- Healthy growth in quarterly retail disbursements at Rs. 22,701 Crore vs. Rs. 15,210 Crore, up 49% YoY
- GST 2.0 and robust festive demand resulted in all-time high disbursements in Two-wheeler Finance at Rs. 3,217 Crore and Farmer Finance at Rs. 2,783 Crore growing 33% YoY and 12% YoY, respectively

Robust Asset Quality:

- Gross Stage 3 (GS3) stood at 3.19% in Q3FY26 vs. 3.23% in Q3FY25
- Net Stage 3 (NS3) stood at 0.92% in Q3FY26 vs. 0.97% in Q3FY25

Performance for Q3FY26 - Consolidated:

- PAT before exceptional items for Q3FY26 at Rs. 760 Crore, up 21% YoY. PAT after exceptional items stood at Rs. 739 Crore vs Rs. 626 Crore in Q3FY25, up 18% YoY

- Total book size at Rs. 1,14,285 Crore vs. Rs. 95,120 Crore in Q3FY25, up 20% YoY
- NIMs+Fees for Q3FY26 improved by 19 bps QoQ to 10.41% from 10.22% in Q2FY26; contributed by stable yields and reduction in cost of borrowings due to efficient Treasury management which has resulted in the lowest ever Quarterly Weighted Average Cost of Borrowing (WACB) at 7.25%
- Return on Equity (RoE) before exceptional items stood at 11.38% vs 10.21% in Q3FY25. RoE after exceptional items at 11.07% in Q3FY26 vs. 10.21% in Q3FY25

The Board of LTF, one of the leading Non-Banking Financial Companies (NBFCs) in India today, announced the financial results for the third quarter ended December 31, 2025. Under the Lakshya 2026 goals, the Company has transformed into a digitally-enabled, customer-focused retail financier offering Farmer Finance, Rural Business Finance, Two-wheeler Finance, Personal Loan, Home Loan and Loan Against Property (LAP), SME Finance, and Gold Loan. With a robust business model, advanced technology, and data analytics for fully-digitized disbursement and collection processes, LTF is dedicated towards building a high-quality consumer lending franchise.

Commenting on the financial results, **Mr. Sudipta Roy, Managing Director & CEO, LTF**, said, “Q3FY26 for the financial services sector has been defined by a powerful convergence of favourable macro-tailwinds. The implementation of GST 2.0, good monsoons, and a series of repo rate cuts have seen a surge in consumption and created an environment for growth. In Q3FY26, LTF's focus remained on delivering a standout performance across business segments. We registered the highest ever quarterly disbursements of Rs. 22,701 Crore, up 49% YoY, and the retail portfolio reaching Rs.1,11,990 Crore, reflecting a growth of 21% YoY leading to a PAT of Rs. 760 Crore, up 21% YoY (without the impact of a one-time exceptional item).

In line with our commitment to deliver a sustainable and profitable growth across quarters, we are focused on transforming LTF into a risk-first, tech-first, multi-product retail financier of choice. In line with this, we have been continuously broadening our customer acquisition funnels while sourcing creditworthy customers backed by technology and robust credit guardrails, while keeping a strong focus on collection efficiencies across businesses.

Our proprietary AI driven next-gen digital credit engine ‘Project Cyclops’ is now implemented in Personal Loans in addition to Two-wheeler, Farm Equipment, and SME Finance businesses. It will go live in Home Loans and LAP and Rural Group Loans and MFI businesses in FY27. At LTF, we are no longer just automating processes, we are deploying predictive intelligence at scale. Our portfolio management engine, ‘Project Nostradamus,’ is now live in Beta for Two-wheeler Finance, while ‘Project Helios,’ our AI Underwriting Co-Pilot is live in SME Finance. The recent launch of ‘Project Orion’ – Nostradamus Co-pilot in December 2025 has brought automated conversational intelligence to our portfolio management, ensuring we stay ahead of risk while enhancing customer experience. We remain focused on continuously strengthening our risk and credit frameworks, which will serve us well in times to come.

Furthermore, through our RAISE’ 25 conference and the ‘Pitch Point’ competition launched as a part of RAISE, we are nurturing a new ecosystem of AI entrepreneurship and thought leadership. We are confident that our focused actions will not only ensure a sustainable and resilient performance in the coming quarters, but also truly transform LTF into a risk-first, tech-first, diversified retail finance company.”

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 from around 2,257 rural meeting centers/branches and 439 branches across urban centers. This extensive geographic presence is also supported by around 14,000 distribution points built over 15 years. In Q3FY26, the Company also launched its first Sampoorana Branch in Ujjain, Madhya Pradesh. The Company also leverages around 2.8 Crore of its customer database to drive a credible cross-sell and up-sell franchise, contributing 40% of the Company's repeat disbursements share in value and 48% in count during Q3FY26. The Company has a portfolio mix of 59% Urban and 41% Rural.

Building a diversified retail franchise:**Rural Business Finance:**

- Q3FY26 disbursements at Rs. 6,740 Crore vs. Rs. 4,599 Crore, up 47% YoY
- Book size at Rs. 28,976 Crore vs. Rs. 26,231 Crore, up 10% YoY
- Growth driven by heightened focus on improving collection efficiency and macro sectoral trends

Farmer Finance:

- Q3FY26 disbursements at Rs. 2,783 Crore vs. Rs. 2,495 Crore, up 12% YoY
- Book size at Rs. 16,671 Crore vs. Rs. 15,075 Crore, up 11 % YoY
- GST 2.0 along with a favourable monsoon fueled robust festive demand resulted in all-time high disbursements

Two-wheeler Finance:

- Q3FY26 disbursements at Rs. 3,217 Crore vs. Rs. 2,414 Crore, up 33% YoY
- Book size at Rs. 13,913 Crore vs. Rs. 12,676 Crore, up 10% YoY
- GST 2.0 & robust festive demand resulted in all-time high disbursements

Personal Loans:

- Q3FY26 disbursements at Rs. 3,574 Crore vs. Rs. 1,642 Crore, up 118% YoY
- Book size at Rs. 12,810 Crore vs. Rs. 7,820 Crore, up 64% YoY
- Growth in the segment aided by big tech partnerships and focus on continuously broadening customer acquisition channels

Housing Loans and Loan Against Property:

- Q3FY26 disbursements at Rs. 2,879 Crore vs. Rs. 2,475 Crore, up 16% YoY
- Book size at Rs. 28,682 Crore vs. Rs. 23,461 Crore, up 22% YoY

SME Finance:

- Q3FY26 disbursements at Rs. 1,550 Crore vs. Rs. 1,249 Crore, up 24% YoY
- Book size at Rs. 7,946 Crore vs. Rs. 5,817 Crore, up 37% YoY

Gold Loan:

- Q3FY26 disbursements at Rs. 1,408 Crore
- Book size reached Rs. 1,738 Crore.
- Focus remains on geo-expansion and increasing disbursement from new branches

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 2.20 Crore downloads as of December 31, 2025, comprising more than 18.3 Lakh customers on the rural side. As of December 31, 2025, this channel has done collections of over Rs. 7,700 Crore while servicing over 10 Crore requests and has sourced loans of over Rs. 24,100 Crore.

Update on Next-gen technology initiatives:

- 'Project Cyclops' has been implemented in Two-wheeler Finance, Farm Equipment Finance, SME Finance, and Personal Loans. It will be rolled out in Home Loans and Rural Group Loans & MFI in FY27.
- 'Project Nostradamus' – Proprietary AI portfolio management engine live in Beta mode for Two-wheeler
- 'Project Helios' - Underwriting AI Co-Pilot live in SME Finance
- 'Project Orion' - Nostradamus Co-Pilot AI Conversational Assistant for automated portfolio live in Two-wheeler-Finance from December 2025
- RAISE' 25, LTFs flagship AI conference which was conducted in November 2025 saw widespread participation of over 4,500 attendees. It brought together global tech leaders, policymakers, innovators, and industry practitioners. On the sidelines of RAISE' 25, LTF launched an AI startup pitch platform – 'Pitch Point' thereby incubating new tech AI entrepreneur ecosystem

CSR and ESG initiatives

LTF continued its progress and commitment towards sustainable growth. Below are the key CSR and ESG initiatives:

CSR Initiatives:

- Integrated Community Development Model: Launched a pilot project in Valsad, Gujarat, integrating the Digital Sakhi and Jalvaibhav initiatives. This project aims to reach over 2 Lakh tribal community members, covering 50 villages for digital and financial literacy and 10 villages for water conservation.
- Disaster Relief: Distributed over 25,000 relief kits, benefiting 1 Lakh flood-affected individuals across Bihar, Uttar Pradesh, Punjab, Haryana, Rajasthan, and Odisha.
- Financial Inclusion: The Digital Sakhi project has successfully achieved financial inclusion for more than 12.75 Lakh rural community members.
- Cyber Fraud Awareness: Sensitized over 70,000 individuals in rural areas regarding cyber fraud prevention.
- Social Scheme Convergence: Facilitated over Rs. 100 Crore through the convergence of various social schemes.

ESG Initiatives:

- LTF felicitated with prestigious ICSI Award for Business Responsibility & Sustainability (BRS) in service sector
- NSE Sustainability Ratings & Analytics – 75 (December 2025)
- Operational Decarbonisation: Achieved ~47% green energy mix within total operations
- Transitioning to Renewable Energy: Successfully shifted 46 branches to green power, significantly reducing operational carbon footprint and enhancing energy efficiency
- Mapping Waste Footprint & Inspiring Change: Conducted waste management study & created awareness across 50 meeting centres (MCs)
- Going beyond Water Positivity: 200+ Lakh KL water replenished through water conservation initiatives
- Digital Seva Kendras (DSK): Digital Financial Inclusion Centre: 15 DSKs to create sustainable livelihood for beneficiaries
- Green Power Emissions Avoided: 2,104.67 tCO₂e
- Total EVs Financed: 43,560

About L&T Finance Ltd. (LTF):

L&T Finance Ltd. (LTF) (www.LTFINANCE.com) formerly known as L&T Finance Holdings Ltd., (LTFH) 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 assigned 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 creating a top-class, digitally enabled, Retail finance company as part of the Lakshya 2026 plan. The goal is to move the emphasis from product focus to customer focus and establish a robust Retail portfolio with quality assets, thus creating a Fintech@Scale while keeping ESG at the core. Fintech@Scale is one of the pillars of the Company's strategic roadmap - Lakshya 2026. The Company has over 2.8 Crore customer database, which is being leveraged to cross-sell, up-sell, and identify new customers.