



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

January 29, 2026

Financial Results for the Quarter ended 31st December, 2025

Highlights

- **Board recommends Interim Dividend of Rs. 6.50 per share for the Financial Year ending 31st March, 2026**

Consolidated

- **Gross Revenue up 7.1% YoY, driven by double-digit revenue growth in FMCG-Others (+12.6%) and sustained momentum in Cigarettes business (+8.2%)**
- **PBT (bei¹) up 8.8% YoY; PAT (bei) up 9.9% YoY**
- **Robust performance by Group entities** - ITC Infotech India Ltd., Surya Nepal Pvt. Ltd. and ITC Hotels Ltd.

Standalone

- **Gross Revenue up 6.3% YoY**
- **Overall EBITDA up 7.6% YoY (ex-Paper up 8.3% YoY); EBITDA Margin at 35.1% up 50 bps YoY**
- **PAT (bei) up 6.8% YoY**

Performance Commentary²

- **FMCG-Others delivers robust performance - Double-digit Revenue growth (up 11% YoY) along with EBITDA margin expansion (up 145 bps YoY)**
 - Broad-based growth across categories viz. Staples, Biscuits, Noodles, Dairy, Premium Personal wash, Homecare & Agarbattis
 - Incipient signs of recovery in Notebooks amidst continued low-priced paper imports and opportunistic play by local/regional players
 - Strong performance continues in premium portfolio and NewGen channels; Digital-first & Organic portfolio sustains its high growth trajectory, up 60% YoY.
 - Segment PBIT up 42% YoY
- **Sustained volume-led growth momentum in Cigarettes Business; Net Segment Revenue up 7.9% YoY**
 - Strong performance in differentiated and premium offerings, leveraging mainstream trademarks & innovation
 - Continued focus on strategic portfolio and market interventions to reinforce market standing and counter illicit trade
 - Leaf Tobacco consumption cost remains elevated; moderation in procurement prices witnessed in current crop cycle
 - **Unprecedented increase in cigarette taxes w.e.f. 1st Feb 2026**
 - Punitive taxes on the legal cigarette industry in earlier years have resulted in rapid growth of illicit cigarette trade, making India the 4th largest illicit cigarette market globally according to Euromonitor estimates. It is estimated that illicit cigarette trade causes a loss of appx. Rs.

¹ before exceptional items

² For Standalone results

23,000 cr. p.a. to the Exchequer and accounting for about 1/3rd of the legal industry. It is pertinent to note that illicit trade tends to get embedded in the ecosystem, posing serious challenges to public health and law enforcement; this is borne out by past experience in India and in other regions with high tax incidence.

- Stability in taxes on cigarettes along with deterrent actions by enforcement agencies in recent years checked the growth of illicit industry and enabled volume recovery for the legal cigarette industry, leading to higher demand for Indian tobaccos and bolstering revenue to the exchequer from the tobacco sector.
- The changes in GST and Excise Duty rates announced recently, have led to an unprecedented increase in tax incidence on cigarettes. Such a steep increase will provide further impetus to illicit trade and cause immense hardship and loss to millions of farmers, MSMEs, retailers, local value chains nurtured by the industry and the Exchequer.
- The legal cigarette industry continues to engage with policymakers for a framework of pragmatic, equitable, non-discriminatory, evidence-based regulations and taxation policies that balance the economic imperatives of the country and tobacco control objectives, cognising for the unique tobacco consumption pattern in India.

● **Agri Business Segment Revenue up 6.3% YoY led by Value Added Agri products & Leaf Tobacco**

- Crop development expertise, superior product quality and strong customer relationships drive growth in leaf tobacco exports
- Robust growth in Value Added Agri products (VAAP) driven by aqua and coffee; the strategic focus of the Business continues to be on accelerating growth by rapidly scaling up its VAAP portfolio, straddling multiple value chains comprising Spices, Coffee, Frozen Marine Products and Processed Fruits, amongst others.

● **Continued improvement in operating performance of Paper Segment; underlying profits up 19% QoQ and 11% YoY**

- Performance includes impact of planned shutdown for maintenance of High Pressure Recovery Boiler & Paper machines; reported profits up 3.6% QoQ, margins up 40 bps
- Overall Industry remains impacted by low-priced imports, high wood prices & subdued realisations
 - Minimum Import Price (MIP) has been imposed on Virgin Multi-layer Paperboard, effective 22nd August'25; green shoots of improvement in net realisations during the quarter
 - Proactive interventions by the Business over the past few years have led to improved wood availability; however, during the quarter, higher wood availability was partly offset by severe cyclones in harvesting season, keeping wood prices elevated; prices are expected to moderate going forward
- Industry continues to represent to policy makers for extension of MIP and sustained safeguard measures in respect of low-priced imports of paperboards and coated/uncoated paper.
- Robust growth in Packaging and Printing Business driven by both Flexibles and Cartons portfolio.

The Indian economy grew by 8.2% YoY in real terms during Q2FY26, reflecting its strong macroeconomic fundamentals amidst rising geopolitical tensions, evolving trade dynamics, and heightened uncertainty & volatility.

Benign inflation, resilient rural demand and acceleration in credit growth were some of the key positives during the quarter. The Indian Rupee, however, remained under pressure during the quarter due to sustained FII capital outflows and elevated Trade Deficit.

Reduction in interest rates & liquidity support by RBI, lower inflation, income tax cuts along with front loading of Government expenditure, reduction in GST rates across a wide range of products and the India-EU Free Trade Agreement augur well for economic growth. Further, these measures are expected to enhance consumer affordability, revitalise small and medium enterprises, stimulate a virtuous cycle of economic growth, and accelerate the Nation's journey to 'Viksit Bharat'.

The Company delivered strong performance during the quarter, **Gross Revenue³** stood at **Rs. 19,200** crores, while **PBT(bei)** stood at **Rs. 6,959** crores. Earnings Per Share for the quarter, after taking into account exceptional items (Rs. 274 crores) stood at Rs. 4.06.

FMCG – OTHERS

- **The FMCG Businesses deliver robust performance - Double-digit Revenue growth (up 11% YoY) along with EBITDA margin expansion (up 145 bps YoY)**
 - Broad-based growth across categories viz. Staples, Biscuits, Noodles, Dairy, Premium Personal wash, Homecare & Agarbattis
 - Calibrated pricing actions, premiumisation, and focused cost management initiatives drive margin expansion
 - Prices of major commodities (viz. edible oil, wheat, maida, cocoa, soap noodles etc.) were largely stable during the quarter, while remaining elevated on YoY basis
- **Segment PBIT up 42% YoY**
- Trade & marketing investments were sustained at competitive levels towards supporting growth and market standing.
- 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.
- Strong growth momentum continues in the Digital first & Organic portfolio, comprising the Yogabar, Mother Sparsh, Prasuma and 24 Mantra brands; up 60% YoY.
- **Branded Packaged Foods Businesses**
 - **‘Aashirvaad’ Atta** posted strong growth reinforcing its leadership position in the Branded Atta industry
 - Value-added variants and Staples adjacencies continue to scale up (~1.7x over 2 years) and now comprise over 16% of Aashirvaad Staples portfolio
 - ‘Aashirvaad High Protein Atta’, made with a thoughtfully selected blend of Wheat, Soya, Bengal gram and Oats, continued to garner customer traction
 - ‘Aashirvaad Vermicelli’, ‘Aashirvaad Rava’, ‘Ready-to-Cook Chapati’, ‘Organic Atta’ and ‘Aashirvaad Soya Chunks’ sustained their high growth trajectory.
 - **‘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 robust growth during the quarter on the back of powerful brand propositions, differentiated offerings and strong consumer connect. The ‘Sunfeast Mom’s Magic’ range of differentiated cookies was augmented with the launch of 2 exciting bakery variants: ‘Choco Walnut’ and ‘Fruit & Nut’. The recently launched ‘Sunfeast Mom’s Magic Shines’ continued to elicit excellent consumer response and was extended to newer markets.
 - **‘YiPPee!’ Noodles** witnessed strong growth and introduced differentiated offerings during the quarter to augment its product range. The Korean range of YiPPee! Noodles was further strengthened with launch of ‘Gochujang’ variant, a spicy and tangy Korean Style noodles, infused with an authentic Gochujang punch, delivering a bold and flavourful kick with every bite. The Business also launched ‘Tom Yum’ variant, a tangy Thai styled flat noodles, with a tasty Tom Yum punch and added vegetables.
 - **‘Bingo!’ Snacks** continued to build on its growth momentum, and fortified its portfolio with the launch of 3 exciting variants of Baked Puffs under ‘XXX’ range - ‘Chilli Cheese’, ‘Hot & Spicy Korean Style’ and ‘Hot & Sweet’. These new launches and the recently launched ‘Bingo! Crushin’

³ Standalone Financials

Himalayan Pink Salt' & 'Bingo! Bangin' Butter & Garlic' potato chips, continue to gain consumer traction.

- **'Sunrise'** spices reinforced its market standing in the core market of West Bengal and the newer markets of Northeast, Bihar and Jharkhand. Product portfolio was strengthened with the launch of 'Sunrise Fish Curry Masala', 'Sunrise Champaran Mutton Masala' and 'Sunrise Til Chicken Masala' in line with the brand's promise of serving the unique tastes and preferences of consumers of each region.
 - 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.
- The **'24 Mantra'** range of organic products continues to be scaled up both in India and export markets. The Business is making good progress on integration and synergy plans.
- **Personal Care Products Business** recorded strong growth, led by 'Fiamma' range of Personal Wash products, 'Savlon' range of Health & Hygiene portfolio and 'Nimyle' range of Homecare products. In the Fragrances category, the Business strengthened its product portfolio with the launch of 'Engage Roll On', a range of 0% alcohol deodorants in 4 innovative variants, with FreshEncap™ technology, delivering long-lasting freshness.
- The **Education and Stationery Products Business** continued to focus on portfolio premiumisation & innovation. Drawing inspiration from the much-loved puzzles featured on the last page of Classmate notebooks, the brand introduced 'Design Discoveries' - an interactive concept where visual clues embedded in the cover artwork lead to puzzles inside the notebook. By blending creativity with engagement, Classmate aims to make learning more enjoyable while supporting cognitive development. The new range has elicited encouraging response from the student community.
- The Business also launched a 360 degree campaign, **'Every Student Deserves a Classmate'** across target markets, sharply communicating the brand's proposition of providing feature-rich notebooks at affordable prices.
- **'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 Dhoop was augmented with the launch of 2 innovative variants in Premium Wet Dhoop viz. 'Kesar Kumkum' and 'Black Musk'. Mangaldeep reinforced its positioning as an enabler of devotion by bringing alive the Ayodhya Deepotsav experience to lakhs of devotees across India through an Augmented Reality (AR) powered microsite; with over 26 lakh diyas lit on a single day, with the initiative being recognised as a Guinness World Record Event.

FMCG – CIGARETTES

Sustained volume-led growth momentum; Net Segment Revenue up 7.9% YoY; Segment PBIT up 5.1% YoY

- The Business continues to make strategic portfolio and market interventions, with focus on competitive belts, to reinforce market standing and counter illicit trade
- Differentiated variants and premium segment register strong growth, leveraging mainstream trademarks
- Leaf Tobacco consumption cost remains elevated; partly mitigated through product mix enrichment and cost management interventions
 - Procurement prices witness moderation in current crop cycle
- The changes in GST and Excise Duty rates announced recently, have led to an unprecedented increase in tax incidence on cigarettes. Such a steep increase will provide further impetus to illicit trade and

cause immense hardship and loss to millions of farmers, MSMEs, retailers, local value chains nurtured by the industry and the Exchequer.

The Cigarettes Business will continue to invest in its powerful trademarks & well-laddered product portfolio, innovation capacity, manufacturing excellence, integrated seed-to-smoke value chain, and world-class last mile execution capability to reinforce its market standing.

AGRI BUSINESS

Agri Business Segment Revenue up 6.3% YoY led by Value Added Agri products & Leaf Tobacco

- Leaf Tobacco posted strong growth; Business continues to leverage its crop development expertise, superior product quality, and strong customer relationships.
- Robust growth in Value Added Agri products (VAAP) driven by aqua and coffee; the strategic focus of the Business continues to be on accelerating growth by rapidly scaling up its VAAP portfolio, straddling multiple value chains comprising Spices, Coffee, Frozen Marine Products and Processed Fruits, amongst others.
- The Business continued to provide strategic sourcing support to the Branded Packaged Foods & Cigarette Businesses with sharply aligned procurement strategies in line with category-relevant market dynamics.

PAPERBOARDS, PAPER & PACKAGING

Continued improvement in operating performance of Paper Segment; underlying profits up 19% QoQ and 11% YoY

- Performance includes impact of planned shutdown for maintenance of High Pressure Recovery Boiler & Paper machines; reported profits up 3.6% QoQ, margins up 40 bps
- Overall Industry remains impacted by low-priced supplies, high wood prices & subdued realisations
 - Minimum Import Price has been imposed on Virgin Multi-layer Paperboard, effective 22nd August'25; green shoots of improvement in net realisations during the quarter
 - Proactive interventions by the Business over the past few years have led to improved wood availability; however, during the quarter, higher wood availability was partly offset by severe cyclones in harvesting season, keeping wood prices elevated; prices are expected to moderate going forward
- Continued 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.
- Industry continues to represent to policy makers for extension of MIP and sustained safeguard measures in respect of low-priced imports of paperboards and coated/uncoated paper
- The Packaging and Printing Business witnessed robust growth driven by both Flexibles and Cartons. The Business remains focused 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 2.4x over the last 4 years.

FoodTech Business

As a new growth vector envisioned in the ITC Next strategy, the FoodTech Business aims to harness the Company's expertise in Food Science & Manufacturing, FMCG Food brands, and Culinary expertise to capitalise on the burgeoning online food services segment.

- The delectable range of cuisines being offered under 4 brands - '**ITC Master Chef Creations**', '**ITC Aashirvaad Soul Creations**', '**ITC Sunfeast Baked Creations**' & '**Sansho by ITC Master Chef**' is constantly being expanded and witnessing increasing consumer traction.
- The full-stack food-tech platform has scaled up to appx. 70 cloud kitchens across 5 cities and is now being progressively introduced across India; 4 new kitchens opened during the quarter (~21 kitchens in YTD Dec'25).
- GMV doubled over same period last year, to appx. Rs. 150 cr. in YTD Dec'25. (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 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** and retained its '**Leadership Level**' score of '**A -**' for **CDP Climate**. In 2025, the Company also debuted on the '**A List**' for **CDP Forest** in its first year of participation.

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://itcportal.com/content/dam/itc-corporate/pdfs/financial-result/quarterly-results-2025-2026/december-2025/ITC-Quarterly-Result-Presentation-Q3-FY2026.pdf>

The Board of Directors, at its meeting on 29th January 2026, approved the financial results for the quarter ended 31st December 2025, which are enclosed.



(Nazeeb Arif)
Executive Vice President
Corporate Communications