

Blue Star Limited

Investor Update

Q1FY26

I. FINANCIAL HIGHLIGHTS

Following an exceptional year of growth, FY26 started on a softer note driven primarily by unseasonal rains across the country which resulted in a muted demand primarily for Room Air-Conditioning segment. Despite this headwind faced by the Room AC business, the Company has delivered robust revenue growth across other key businesses. Backed by a healthy order book and prospects of demand reviving during the festive season, we are optimistic about growth for the full year.

Financial highlights for the quarter ended June 30, 2025, on a consolidated basis, are summarized as follows:

- Revenue from operations for Q1FY26 grew 4.1% to Rs 2,982.25 cr as compared to Rs 2,865.37 cr in Q1FY25.
- EBIDTA (excluding other income) for Q1FY26 recorded at Rs 199.99 cr (EBITDA margin 6.7% of revenue) as compared to Rs 237.83 cr (EBITDA margin 8.3% of revenue) in Q1FY25.
- PBT before exceptional items dropped by 27.8% to Rs 163.23 cr in Q1FY26 as compared to Rs 226.02 cr in Q1FY25.
- Tax expense for Q1FY26 was Rs 42.41 cr as compared to Rs 57.26 cr in Q1FY25.
- Net profit for Q1FY26 de-grew to Rs 120.82 cr as compared to Rs 168.76 cr in Q1FY25.
- Carried-forward order book as of June 30, 2025, grew by 12.5% to Rs 6,843.04 cr, as compared to Rs 6,084.69 cr as of June 30, 2024. Carried-forward order book as of March 31, 2025, stood at Rs 6,263.36 cr.
- The capital employed as of June 30, 2025, stood at Rs 2,820.96 cr as compared to Rs 1,737.88 cr as of June 30, 2024. We continue to invest in manufacturing capacity, Research & Development and Digitalization initiatives.
- The company reported a net cash position of Rs 370.92 cr as on June 30, 2025 as compared to a net cash position of Rs 1,042.87 cr as of June 30, 2024.

II. BUSINESS HIGHLIGHTS FOR Q1FY26

Segment I: Electro-Mechanical Projects & Commercial Air Conditioning Systems

Segment I revenue grew 35.9% to Rs 1,412.46 cr in Q1FY26, as compared to Rs 1,038.99 cr in Q1FY25. Segment result was Rs 111.62 cr (7.9% of revenue) in Q1FY26 as compared to Rs 103.03 cr (9.9% of revenue) in Q1FY25.

Order inflow for the quarter was Rs 1,963.43 cr in Q1FY26 as compared to Rs 1,466.25 cr in Q1FY25.

1. Electro-Mechanical Projects business

We experienced strong order bookings in the projects business during the quarter, driven primarily by continued demand from the factory, data center, and healthcare market segments indicating sustained interest and a healthy pipeline for the upcoming quarters.

Inflow of enquiries and tenders in the Railway Electrification and Metro Railway sectors remained subdued and we continue to maintain selective approach to Infra projects.

Carried-forward order book of the Electro-Mechanical Projects business was at Rs 5,080.36 cr as on June 30, 2025, as compared to Rs 4,557.29 cr as on June 30, 2024, a growth of 11.5%.

2. Commercial Air Conditioning Systems

During the quarter, Blue Star's Commercial Air Conditioning business delivered robust growth, in line with overall market trends, reflecting sustained demand and strong execution. All key product categories like Ducted Systems, VRF and Chillers registered healthy growth during the quarter.

Key demand contributors included the Manufacturing, and Education sectors, driven by infrastructure expansion and increased investment in climate control solutions. However, demand from the Government and Public Sector remained muted due to lower capital expenditure, and Commercial Retail demand was also relatively modest.

3. International Business

We continue to pursue our international foray and are steadily progressing in the US markets. The engagement with European customers is also underway with discussions at various stages of finalization. Uncertainty due to geo-political factors including pending US trade negotiations may act as a short-term impediment. We are also focused on strengthening our presence in Middle East and Africa market.

Segment 1 margins at 7.9% for Q1FY26 vs 9.9% in Q1FY25. The quarterly margins are influenced by the projects and products mix and hence may not be comparable with the previous periods.

Segment II: Unitary Products

Segment II revenue de-grew by 13.3% to Rs 1,499.37 cr in Q1FY26 as compared to Rs 1,729.52 cr in Q1FY25. Segment result was Rs 87.47 cr (5.8% of revenue) in Q1FY26 as compared to Rs 158.03 cr (9.1% of revenue) in Q1FY25.

1. Cooling and Purification Products business

This quarter presented unexpected headwinds due to the early onset of monsoon across India, making this an unusually soft summer season. However, as in the past, we have done marginally better than industry and we estimate that our market share has slightly improved above 14%. While the near-term environment remains challenging, we remain confident in the underlying strength of the category and are strategically positioned and focused on navigating this phase effectively as we look ahead to a stronger demand revival during the upcoming festive season.

We continue to invest in expanding our distribution footprint across the country.

We remain confident in our outlook for the rest of the year and expect to close FY26 with reasonable growth.

2. Commercial Refrigeration business

The Commercial Refrigeration business witnessed strong growth in Q1FY26, and we are now on a firmer footing. The regulatory challenges we faced in the Storage Water Coolers category last year have been resolved.

Growth in this quarter was primarily driven by strong demand from the processed food and pharmaceuticals segments, reflecting a positive turnaround in key end-user industries.

In Q1FY26, this segment reported margin of 5.8%, as compared to 9.1% of Q1FY25. Margins for the current quarter were impacted by a sharp decline in Room Air-conditioning business. With lower volumes, the operating leverage benefits witnessed in Q1FY25 could not be replicated in this quarter thus resulting in drop in margins.

Segment III: Professional Electronics and Industrial Systems

Segment III revenue de-grew by 27.3% to Rs 70.42 cr in Q1FY26 as compared to Rs 96.86 cr in Q1FY25. Segment result was Rs 7.62 cr (10.8% of revenue) in Q1FY26 as compared to Rs 9.60 cr (9.9% of revenue) in Q1FY25.

The segment faced a decline in revenue, driven by continued challenges in the Med Tech and Data Security businesses. The MedTech business has been impacted by regulatory uncertainty with the Government temporarily stopping the import of refurbished medical devices; however, Industrial Solutions business is experiencing steady growth supported by manufacturing and testing demand.

Segment margins at 10.8% for Q1FY26 vs 9.9% in Q1FY25. This improvement was majorly due to favorable change in product and service mix.

III. BUSINESS OUTLOOK

While the first quarter of FY26 was impacted due to poor room air conditioners sales owing to unseasonal rains during summer season, it is expected that the demand will revive during the festival season. Further, our strong portfolio of B2B products and solutions comprising of, Electro-Mechanical Projects, Commercial Air Conditioning and Commercial Refrigeration should help us partly offset the shortfall during the rest of the financial year.

Aligned with our long-term vision for growth and innovation, we remain committed to strategic investments in manufacturing, R&D, and digitalization while ensuring sustainable value creation for our stakeholders.

For more information contact

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SAFE HARBOUR

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

**BLUE STAR****BLUE STAR LIMITED**

Registered Office : Kasturi Buildings, Mohan T. Advani Chowk, Jamshedji Tata Road, Mumbai 400 020,

CIN No.: L28920MH1949PLC006870, Telephone No +91 22 6665 4000, Fax No. +91 22 6665 4152

Website : www.bluestarindia.com

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2025

₹ in Crores

Sr. No.	PARTICULARS	QUARTER ENDED (UNAUDITED)	QUARTER ENDED (UNAUDITED) (Refer Note 2)	QUARTER ENDED (UNAUDITED)	YEAR ENDED (AUDITED)
		30.06.2025	31.03.2025	30.06.2024	31.03.2025
1	Income				
	(a) Revenue from operations	2,982.25	4,018.96	2,865.37	11,967.65
	(b) Other income	16.07	23.99	23.77	75.00
	Total income	2,998.32	4,042.95	2,889.14	12,042.65
2	Expenses				
	(a) Cost of materials consumed (including direct project and service cost)	2,077.76	2,602.33	1,625.71	7,943.80
	(b) Purchase of stock-in-trade	352.38	452.29	453.85	1,411.83
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(145.96)	35.02	109.05	(281.29)
	(d) Employee benefits expenses	232.36	266.88	197.83	918.87
	(e) Finance costs	10.07	18.75	7.64	48.80
	(f) Depreciation and amortisation expenses	41.35	35.42	28.02	128.37
	(g) Other expenses	265.72	383.04	241.10	1,098.52
	Total expenses	2,833.68	3,793.73	2,663.20	11,268.90
3	Profit before share of profit of a joint venture, exceptional items and tax (1-2)	164.64	249.22	225.94	773.75
4	Share of profit / (loss) of a joint venture	(1.41)	(0.40)	0.08	(1.33)
5	Profit before exceptional items and tax (3+4)	163.23	248.82	226.02	772.42
6	Exceptional items (refer note 4)	-	-	-	12.51
7	Profit before tax (5+6)	163.23	248.82	226.02	784.93
8	Tax expense				
	(a) Current tax	45.21	56.06	53.76	188.87
	(b) Deferred tax	(2.80)	(1.24)	3.50	4.78
	Total tax expenses	42.41	54.82	57.26	193.65
9	Profit for the period / year (7-8)	120.82	194.00	168.76	591.28
10	Other comprehensive income / (loss)				
	(a) Items that will not be reclassified to profit / (loss)	(0.56)	1.83	(0.26)	(2.08)
	Income tax relating to items that will not be reclassified to profit / (loss)	0.13	(0.48)	0.07	0.52
	(b) Items that will be reclassified to profit / (loss)	2.20	0.94	(0.44)	5.12
	Income tax relating to items that will be reclassified to profit / (loss)	-	-	-	-
	Other comprehensive income / (loss)	1.77	2.29	(0.63)	3.56
11	Total comprehensive income for the period / year (9+10)	122.59	196.29	168.13	594.84
12	Profits for the period attributable to :				
	- Owners of the Company	120.96	193.64	168.84	591.24
	- Non-controlling interest	(0.14)	0.36	(0.08)	0.04
13	Other comprehensive income / (loss) for the period / year attributable to :				
	- Owners of the Company	1.76	2.29	(0.63)	3.50
	- Non-controlling interest	0.01	-	-	0.06
14	Total comprehensive income for the period / year attributable to :				
	- Owners of the Company	122.72	195.93	168.21	594.74
	- Non-controlling interest	(0.13)	0.36	(0.08)	0.10
15	Paid up equity share capital (face value of the share - ₹. 2/- each)	41.12	41.12	41.12	41.12
16	Earnings per share (EPS) (in ₹.) (not annualised for quarters)				
	(a) Basic	5.88	9.44	8.21	28.76
	(b) Diluted	5.88	9.44	8.21	28.76
17	Reserve excluding revaluation reserves as per balance sheet of previous accounting year				3,023.90



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Additional information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as at and for the quarter ended June 30, 2025.

Sr. No.	PARTICULARS	QUARTER ENDED (UNAUDITED)	QUARTER ENDED (UNAUDITED)	QUARTER ENDED (UNAUDITED)	YEAR ENDED (AUDITED)
		30.06.2025	31.03.2025	30.06.2024	31.03.2025
1	Debt equity ratio (Total debt [non-current borrowings + current borrowings] / equity)	0.07	0.07	0.04	0.07
2	Debt service coverage ratio (DSCR) (not annualised for quarters) (Earnings before interest and tax / [interest expenses + principal repayments made during the period for long term loans])	74.83	27.12	112.30	33.37
3	Interest service coverage ratio (ISCR) (not annualised for quarters) (Earnings before interest and tax / interest expenses)	74.83	27.12	112.30	33.37
4	Capital redemption reserve	2.34	2.34	2.34	2.34
5	Net worth (As per section 2(57) of the Companies Act, 2013)	3,188.81	3,064.42	2,777.69	3,064.42
6	Current ratio (Current assets / current liabilities)	1.33	1.28	1.37	1.28
7	Bad debts to account receivable ratio (Bad debts / average gross account receivable)	-	0.01	-	0.01
8	Current liability ratio (Current liabilities / total liabilities)	0.95	0.95	0.96	0.95
9	Total debt to total assets (Total debt [non-current borrowings + current borrowings] / total assets)	0.03	0.02	0.02	0.02
10	Debtors turnover (no. of days) (Average debtors for the period / turnover for the period X number of days in reporting period)	52.91	38.48	52.72	59.65
11	Inventory turnover (no. of days) (Average inventory for the period / cost of goods sold for the period X number of days in reporting period)	86.81	61.74	54.90	71.52
12	Operating margin (%) (Operating EBITDA [profit before tax - other income + finance charges + depreciation] / revenue from operations X 100)	6.71%	6.95%	8.30%	7.32%
13	Net profit margin (%) (Profit / (loss) for the period / total income X 100)	4.03%	4.80%	5.84%	4.91%



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SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2025

₹ in Crores

Sr. No.	PARTICULARS	CONSOLIDATED			
		QUARTER ENDED (UNAUDITED) 30.06.2025	QUARTER ENDED (UNAUDITED) 31.03.2025	QUARTER ENDED (UNAUDITED) 30.06.2024	YEAR ENDED (AUDITED) 31.03.2025
I	SEGMENT REVENUE				
	(a) Electro - mechanical projects and commercial air conditioning systems	1,412.46	1,968.17	1,038.99	5,997.99
	(b) Unitary products	1,499.37	1,960.23	1,729.52	5,621.11
	(c) Professional electronics and industrial systems	70.42	90.56	96.86	348.55
	TOTAL SEGMENT REVENUE	2,982.25	4,018.96	2,865.37	11,967.65
II	SEGMENT RESULT				
	PROFIT BEFORE INTEREST & TAX				
	(a) Electro - mechanical projects and commercial air conditioning systems	111.62	149.91	103.03	490.88
	(b) Unitary products	87.47	164.53	158.03	471.26
	(c) Professional electronics and industrial systems	7.62	8.75	9.60	29.72
	TOTAL SEGMENT RESULT	206.71	323.19	270.66	991.86
	Less: (a) Interest and other financial charges	10.07	18.75	7.64	48.80
	(b) Un-allocable expenditure	32.00	55.22	37.08	169.31
	TOTAL PROFIT BEFORE SHARE OF PROFIT OF A JOINT VENTURE, EXCEPTIONAL ITEM AND TAXATION	164.64	249.22	225.94	773.75
	Share in profit / (loss) of joint venture	(1.41)	(0.40)	0.08	(1.33)
	Exceptional items	-	-	-	12.51
	PROFIT BEFORE TAX	163.23	248.82	226.02	784.93
III	SEGMENT ASSETS				
	(a) Electro - mechanical projects and commercial air conditioning systems	3,572.59	3,731.01	2,721.46	3,731.01
	(b) Unitary products	2,652.65	2,902.25	1,997.11	2,902.25
	(c) Professional electronics and industrial systems	165.10	148.44	211.30	148.44
	(d) Un-allocable corporate assets	1,297.02	1,475.80	1,551.73	1,475.80
	TOTAL SEGMENT ASSETS	7,687.36	8,257.50	6,481.60	8,257.50
IV	SEGMENT LIABILITIES				
	(a) Electro - mechanical projects and commercial air conditioning systems	2,476.17	2,707.36	1,828.06	2,707.36
	(b) Unitary products	1,243.69	1,735.86	1,326.11	1,735.86
	(c) Professional electronics and industrial systems	135.26	138.53	176.42	138.53
	(d) Un-allocable corporate liabilities	640.37	608.13	370.24	608.13
	TOTAL SEGMENT LIABILITIES	4,495.49	5,189.88	3,700.83	5,189.88
Note :					
a. Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments.					
b. Unitary product segment is seasonal in nature.					
c. Previous periods' / year's figures have been regrouped / rearranged wherever necessary.					



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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2025

NOTES:

1 Consolidated financial results includes the results of below mentioned entities.

Sr. No.	NAME OF ENTITIES	RELATIONSHIP
1	Blue Star Engineering & Electronics Limited	Subsidiary companies
2	Blue Star Climatech Limited	
3	Blue Star International FZCO	
4	Blue Star Qatar WLL	
5	Blue Star MEA Airconditioning LLC	
6	BSL AC&R (Singapore) PTE. Limited	
7	Blue Star North America Inc.	
8	Blue Star Innovation Japan LLC	
9	Blue Star Europe BV	
10	Blue Star Air Conditioning & Refrigeration (U) Limited	
11	Blue Star M&E Engineering (Sdn) Bhd.	Joint Venture
12	Blue Star Oman Electro-Mechanical Co. LLC	

2 The Audit Committee has reviewed and the Board of Directors has approved the above results at their respective meetings held on August 05, 2025 and August 06, 2025. Figures for the quarter ended March 31, 2025 are balancing figures between audited figures in respect of the year ended March 31, 2025 and the unaudited figures upto the third quarter ended December 31 2024, which were subject to limited review.

3 Financial Results of Blue Star Limited (Standalone Information) :

₹ in Crores

PARTICULARS	STANDALONE			
	QUARTER ENDED			YEAR ENDED
	(UNAUDITED)			(AUDITED)
	30.06.2025	31.03.2025	30.06.2024	31.03.2025
Revenue from operations	2,846.63	3,804.70	2,713.53	11,325.75
Profit before tax	146.67	210.34	196.63	649.93
Profit after tax	108.56	157.27	146.06	484.90
Total comprehensive income	108.15	158.64	145.87	483.33

4 Blue Star Engineering & Electronics Limited, wholly owned subsidiary of Blue Star Limited ("the Holding Company") had sold property, which resulted in book profit of ₹ 12.51 crores (₹ 10.37 Crores net of tax) and the same was reported as exceptional income in the financial results for the year ended March 31, 2025.

5 Previous periods' / year's figures have been regrouped / rearranged wherever necessary.

For BLUE STAR LIMITED

Date : August 06, 2025
Place : Mumbai

Vir S. Advani
Chairman and Managing Director
(DIN : 01571278)