Blue Star Limited

PRESS RELEASE

Blue Star's Q2FY27 consolidated revenue grows 21% to Rs 2930.95 crores; Operating Profit grows by 10.5% to Rs 202.58 crores

In Q2FY27, an extended summer season drove robust demand for Room ACs, contributing to strong revenue growth. However, profitability remained under pressure across businesses due to continued escalation in material costs and the limited ability to fully pass on these increases.

Consolidated Financial Performance for Q2FY27

- The Company's Revenue from Operations grew by 21.0% to Rs 2930.95 crores for the quarter ended September 30, 2026, as compared to Rs 2422.37 crores during the same period in the previous year.

- The Operating Profit (EBITDA excluding Other Income) for the quarter increased by 10.5% to Rs 202.58 crores (6.9% of Revenue) compared to Rs 183.41 crores (7.6% of Revenue) in Q2FY26.

- Other Income, including income from treasury investments, for Q2FY27 was Rs 15.79 crores as compared to Rs 10.01 crores in Q2FY26, due to higher surplus levels in Q2FY27.

- Finance costs for the quarter remained about the same at Rs 16.85 crores as compared to the same period of the previous year, owing to lower borrowing levels in Q2FY27.

- Tax expense for the quarter was the same at Rs 33.39 crores as compared to Q2FY26.

- Profit Before Tax (before exceptional items and share of profit/loss from JV) grew marginally to Rs 133.61 crores in Q2FY27 compared to Rs 133.16 crores in Q2FY26.

- Net Profit for Q2FY27 grew by 25.4% to Rs 123.91 crores as compared to Rs 98.78 crores reported in the same period of the previous year. During the quarter, an exceptional gain of Rs 23.02 crores was recognised on the sale of the MedTech business.

- Earnings per share (not annualised) for Q2FY27 (Face value of Rs 2.00) was Rs 6.03 compared to Rs 4.80 in Q2FY26.

- Carried Forward Order Book as on September 30, 2026, grew marginally to Rs 7229.22 crores as compared to Rs 7120.44 crores as on September 30, 2025.

- As of September 30, 2026, due to normalised working capital levels, the capital employed decreased to Rs 3200.36 crores, as compared to Rs 3530.88 crores on September 30, 2025.

- The quarter ended with a net cash position of Rs 289.43 crores as on September 30, 2026, as compared to net borrowings of Rs 417.06 crores as of September 30, 2025.

Consolidated Segment Performance for Q2FY27

- Revenue of Segment 1, comprising Electro-Mechanical Projects, Commercial Air Conditioning Systems, Service and International Business, grew by 16.3% to Rs 1935.99 crores in Q2FY27, compared to Rs 1664.21 crores in Q2FY26. The Segment result for Q2FY27 stood at Rs 133.15 crores (6.9% of Revenue) as compared to Rs 147.14 crores (8.8% of Revenue) in the same quarter of the previous year. During the quarter, in the Electro-Mechanical Projects business, order inflows were primarily driven by data centres, while enquiries from the factory segment also remained strong. However, billing growth was subdued due to project execution delays. The Company expects a significant increase in order inflows in the coming months. The Commercial Air Conditioning business recorded strong revenue growth, driven by robust demand across healthcare, education and industrial segments. The Company launched its next-generation VRF and ducted systems, further strengthening its portfolio while maintaining its market leadership. In the US, heat pump supplies continued despite supply chain and logistics challenges, supported by growing market acceptance. Product development and testing with additional OEMs in the US and Europe are

underway, with business growth expected to accelerate as tariff-related uncertainties ease.

- Unitary Products Segment, comprising Room Air Conditioners and Commercial Refrigeration, recorded a revenue growth of 29.4% to Rs 897.66 crores in Q2FY27, compared to Rs 693.81 crores in Q2FY26. Segment result stood at Rs 20.74 crores (2.3% of Revenue) in Q2FY27 as compared to Rs 42.72 crores (6.2% of Revenue) in Q2FY26. A delayed monsoon and extended summer supported strong demand for Room ACs. Despite periodic price increases, only part of the material cost escalation could be passed on, keeping margins under pressure. The Company is in the process of rationalising its product portfolio through differentiated, cost-optimised models to improve margins. Commercial Refrigeration is also showing signs of demand revival, although margins remain under pressure due to limited ability to pass-through material cost increases.

- Revenue of the Professional Electronics and Industrial Systems Segment, increased by 51.2% to Rs 97.30 crores in Q2FY27, compared to Rs 64.35 crores in Q2FY26. The Segment result stood at Rs 23.10 crores (23.7% of Revenue) in Q2FY27, compared to Rs 6.17 crores (9.6% of Revenue) in Q2FY26. During the quarter, the Company completed the sale of its MedTech business for a total consideration of Rs 35.65 crores on August 31, 2026. Following the divestment, the write-back of warranty provisions, owing to the cessation of MedTech product-related obligations, contributed to improved profitability. Meanwhile, Industrial Solutions sustained strong growth, driven by manufacturing and testing demand, while Data Security Solutions maintained steady performance, supported by robust demand from BFSI and large enterprises.

Consolidated Financial Performance for the half-year ended September 30, 2026 (H1FY27)

- For the half-year ended September 30, 2026, the Company reported Revenue from Operations of Rs 6308.87 crores compared to Rs 5404.62 crores over the same period in the previous year, recording a growth of 16.7%.

- Operating Profit (EBITDA excluding Other Income) was Rs 377.53 crores (6.0% of Revenue) compared to Rs 383.41 crores (7.1% of Revenue) during the same period last year.

- Net Profit for the half-year ended September 30, 2026, was Rs 226.42 crores compared to Rs 219.60 crores in H1FY26. During the current period, an exceptional gain of Rs 32.19 crores was recognised, which includes Rs 23.02 crores on the sale of the MedTech business and Rs 9.17 crores profit on sale of property.

Outlook

Vir S Advani, Chairman & Managing Director, Blue Star Limited, adds, "We continue to see strong demand for Room ACs through the festive season, while a healthy pipeline of Data Centre MEP projects is expected to translate into significant order inflows in the coming months. We are also witnessing a revival in demand across Commercial Air Conditioning and Commercial Refrigeration businesses, providing further impetus to our growth prospects. While a deficient monsoon leading to potential impact on agricultural incomes and higher interest rates could impact near-term demand, the conclusion of the US trade deal and resolution of West Asia crisis could provide growth tailwinds. We remain confident of sustaining our revenue growth momentum in H2FY27, with a clear focus on strengthening profitability. Our priorities will be to drive calibrated price revisions, accelerate product cost optimisation and improve operational efficiencies to enhance margins."

Place: Mumbai
Date: October 29, 2026

For additional information, please contact Girish Hingorani, Vice President – Marketing (Unitary Cooling Products Group) & Corporate Communications, Blue Star Limited. Email: girishhingorani@bluestarindia.com Tel: +91 22 66684000/ +91 9820415919