SOBHA

PASSION AT WORK

Press Release
For immediate publication

Sobha posts impressive results for Q1 of FY 2012-13

Mr. P.N.C Menon appointed as Chairman Emeritus, Mr. Ravi Menon is the new Chairman of Sobha Developers Ltd. and Mr. J.C. Sharma has been designated as the Vice Chairman and Managing Director of the Company

Key highlights

- **Registers new sales volume of 0.84 million sq. ft., up 25% Yr on Yr**
- **Registers new sales value of Rs. 4.79 Billion, up 58% Yr on Yr**
- **Achieved average price realisation of Rs. 5,737 per square feet, up 26% Yr on Yr**
- **Revenues at Rs. 4.35 Billion on a consolidated basis, up 57% Yr on Yr**
- **PBT at Rs. 696 Million, up 67% Yr on Yr**
- **PAT at Rs. 449 Million, up 73% Yr on Yr**
- **Launched a villa project at Coimbatore – 'Sobha West Hill'**
- **Debt Equity Ratio at 0.58 on a consolidated basis**
- **Completed projects measuring 1.18 million sq. ft.**
- **Conferred with 11 prestigious awards**
- **Targets sales value of Rs. 20 Billion for FY 2012-13**

Bangalore, August 7, 2012

Realty major Sobha Developers Ltd., on a consolidated basis, has registered a turnover of Rs. 4.35 Billion for the 1st Quarter of FY 2012-13, which ended on June 30, 2012. The profit before tax stood at Rs. 696 Million, and the profit after tax came at Rs. 449 Million on a consolidated basis. The revenue has increased by 57% and both the PBT and the PAT have also increased by 67% and 73% respectively, Yr on Yr.

The Company during the quarter sold 8,35,600 sq. ft. compared to 6,65,659 sq. ft. in the corresponding period of last year. The average sales price realisation has also improved to Rs. 5,737 per sq. ft. as compared to Rs. 4,547 in the year-ago period.

During this quarter, Sobha has successfully launched a new villa project, Sobha West Hill, in Coimbatore with a total SBA of 1,47,715 sq. ft.

Commenting on the current market scenario, **Mr. J.C. Sharma, Vice Chairman & Managing Director, Sobha Developers Limited**, said, "Although factors like inflationary pressures, high input costs, the deceleration in the GDP growth, and challenging macro economic environment are hindering the progress of the sector, we do believe that these headwinds are gradually bottoming out due to the increase in the disposable incomes of urban Indians and easy availability of loans. The burgeoning middle class with high aspirations is fuelling the demand dynamics."

"On the contractual side, we have completed and handed over 1.17 million sq. ft. during the first quarter of FY 2012-13. We have a clear visibility for the next three years and we hope to maintain the growth momentum in this vertical too," added Mr. Sharma.

Speaking about other financial details, Mr. Sharma stated, "The cash flow from operations continues to remain positive. During the quarter, the Company generated an operational cash flow of Rs. 730 Million. We are confident of achieving our guidance for the current fiscal as well."

Impeccable Execution

Sobha's superior quality execution capability is its core strength. As of June 30, 2012, in the past 17 years since its inception, Sobha has completed 80 real estate projects and 216 contractual projects covering about 52.98 million sq. ft. of area.

The Company currently has 38 ongoing residential projects aggregating to 23.50 million sq. ft. of developable area and 16.51 million sq. ft. of Super Built-up Area, and 42 ongoing contractual projects aggregating to 9.22 million sq. ft. under various stages of construction.

Sobha has made a footprint in 22 cities and 13 states across India. The Company has its real estate presence in seven cities viz. Bangalore, Gurgaon, Chennai, Pune, Coimbatore, Thrissur and Mysore.

Changes in Board

As part of the succession plan, Mr. P.N.C. Menon, the founder Chairman of Sobha Developers Ltd., who has led the Company from the front for over 17 years, has been appointed the Chairman Emeritus. His son, Mr. Ravi Menon, who was the Co-Chairman, succeeded him as the Chairman of the Company with effect from June 30, 2012.

After his phenomenal success in the Middle East, Mr. P.N.C. Menon entered the Indian real estate market which was in dire need of quality construction. He founded Sobha Developers in 1995 with Bangalore as its headquarters. The Company has built its foundation on international quality standards and value systems and has created an unparalleled name in the Indian real estate sector.

Mr. Ravi Menon, 31, graduated with distinction in Civil Engineering from Purdue University, USA. His primary focus has been to maintain and enhance the overall product delivery and has been mainly instrumental in making Sobha the most trusted brand in the Indian real estate and construction industry. In a short span of eight years, he has contributed immensely to corporate strategy, diversification of product lines and entry into new territories.

Pursuant to the aforesaid Board level changes, Sobha Developers Limited will now be under the leadership of Mr. Ravi Menon, Chairman, and Mr. J.C. Sharma, Vice Chairman and Managing Director, with Mr. P.N.C. Menon, the founder and Chairman Emeritus, who will provide strategic guidance and support.

Recognition & Awards

This quarter brought us a lot of recognition too. We were the proud recipients of 11 awards from 8 different institutions of repute.

Sobha's Chairman Emeritus, Mr. P.N.C. Menon was honoured by Civil-Aid Technoclinic Pvt. Ltd. for his dedicated service to Civil Engineering and the construction industry. He was also bestowed with the Star Realty Extraordinaire title by Planman Media for his extraordinary contribution to the real estate sector.

Our Chairman, Mr. Ravi Menon, was bestowed with 'Star Realty Magnetic Young Icon' title at the Star Realty Awards 2012. Sobha was also awarded with the 'Realty Mogul' title under the 'Lords of the Land' category by Planman Media.

Sobha Developers has also been awarded with two prestigious awards -- 'Employer of the Year in Real Estate' and 'Environment Friendly Project of the Year (Residential)' for Sobha Forest View by Realty Plus.

In the field of communications, the Company was honoured at the Public Relations Council of India (PRCI) Annual Awards 2012 with a Gold Award for the best 'Corporate Film' and two Silver Awards for the best 'Annual Report' and 'PR Case Study' respectively.

For its devotion towards CSR, Sobha was conferred with the prestigious Mother Teresa Special Award for Corporate Citizen - 2011 and the "Rotary Binani Zinc CSR Award" in the Large Corporate Category in Kerala.

About Sobha Developers Ltd.:

Founded in 1995, Sobha Developers Ltd., a Rs. 15 Billion company, is one of the fastest growing and only backward integrated real estate players in the country. It means the Company has all the key competencies and in-house resources to deliver a project from its conceptualisation to completion.

Sobha is primarily focused on residential and contractual projects. The Company's residential projects include presidential apartments, villas, row houses, luxury, super luxury & moderately priced apartments and plotted development. In all its residential projects the Company lays strong emphasis on environmental management, water harvesting and high safety standards.

On the contractual side, the Company has constructed a variety of structures for corporates including offices, convention centres, software development blocks, multiplex theatres, hostel facilities, guest houses, food courts, restaurants, research centres, and club houses.

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