



**Press Release  
For immediate publication**

**SOBHA DEVELOPERS LTD ANNOUNCES FINANCIAL RESULTS FOR  
Q4 and FY 2009 –10**

---

**Highlights of Q4 FY 09-10:**

- **Revenues at Rs. 4, 030 Million, Up 146% % from Q4 FY 08-09**
- **PAT at Rs.557 Million, Up 696 % from Q4 FY 08-09**
- **Recognized as the Best Contractor by Bayer Technologies for safety practices**

**Highlights for FY 2009-10**

- **Revenues at Rs. 11,185 Millions, Up 13% from FY 2008-09**
- **PAT at Rs. 1,367 Million, Up 25% from FY 2008-09**
- **Dividend recommended of Rs. 2.5 per share**
- **Completed 2.08 Million sq. ft. as against 0.87 Million sq. ft. in FY 08-09**
- **Delivered 10 residential projects and launched 2 new projects**
- **Completed 26 contractual projects**
- **Completed Infosys Global Education Center II**

**Bangalore, April 27th, 2010:** Sobha Developers Limited, one of India's leading Real Estate Company known for its quality, delivery and customer orientation, today declared

its financial results for the 4th Quarter ended March 31, 2010 and for the overall financial year 2009-10, at its Board meeting held in Bangalore.

**Financial Performance:**

For the 4<sup>th</sup> Quarter ended March 31, 2010, the Company clocked a turnover of **Rs. 4,030 Million compared to Rs. 1,635 Million in Q4 of FY 08-09, up 146%**. The Profit after tax stood at **Rs. 557 Million compared to Rs. 70 Million in Q4 of FY 08-09, up 696 %**.

For the overall FY 2009-10, the Company had a turnover of **Rs.11,185 Million compared to Rs.9,905 Million in 2008-09, up 13%**. The Profit after tax stood at **Rs. 1,367 Million compared to Rs 1,097 Million in 2008-09, up 25 %**.

Based on the impressive performance the board has recommended a dividend of Rs. 2.5 per share.

From the volume point of view this quarter the Company achieved 635,147 sq. ft. of sales, and an overall sale of 2.08 Million sq. ft. for FY 2009-10 which is much higher than the volumes achieved during last financial year (876,117 sq. ft.), a growth of 137%. Bangalore contributes 65% of the sales volume followed by Coimbatore 17%, Thrissur 13% and the rest coming from Pune.

The Company in FY 2009-10, completed and delivered 10 residential projects aggregating to 1.82 Million sq. ft. In addition, two new residential projects have been launched in Bangalore and one Commercial project at Thrissur, totally aggregating to 1.39 Million sq. ft. During the same time, the Company has completed 26 Contractual projects aggregating to 3.75 Million sq. ft. in Bangalore, Mysore, Chennai, Hyderabad, Chandigarh, Trivendrum, Pune, Kolkata and Roorkee.

Commenting on the results for the FY 2009-10, **Mr. J C Sharma, Managing Director, Sobha Developers Limited**, said: "We have performed better than what we had expected in the beginning of the financial year. While there has been an overall revival

in the economy and market sentiments, the various proactive steps taken by the Company have resulted in marked improvement in its performance. Concrete actions like enhancing operational efficiency, reducing fixed costs, Debt restructuring, land monetization, investment in marketing, and continuous emphasis to bring down Debt Equity Ratio has yielded remarkable results.”

In order to face the challenging economic environment over the last year Company adopted a strategy which allowed it to be in a comfortable liquidity position as it managed to effectively service on its debts and interest obligations. Company, also reduced debt by initiating Qualified Institutional Placements (QIP) and restructured its Debt wherever possible. Company also continued its focus on cost reduction in all areas and maintained positive operational cash flows.

The Company raised Rs 2250 Million by way of SPV and Rs 5100 Million through a QIP. The Debt Equity Ratio has been brought down from one time high of 1.92 to current 0.8 levels.

### **Growth Plans:**

In the year 2010-11 the Company plans to launch about 7.72 Million sq. ft. across various market segments. These will be approximately 6.22 Million sq. ft. in Bangalore, 0.2 Million sq. ft. in Coimbatore, 0.5 Million sq. ft. in Chennai, and 0.3 Million sq. ft. in Pune. The land required for proposed launches has been fully paid up and the infrastructure needed for development is in place.

**Expressing his optimism for FY 2010-11, Mr. J C Sharma, Managing Director,** said, “We see more stability in volumes as well as an improving demand environment. Our diversified portfolio of services, residential plus contractual, and quality delivery continues to position us as a developer of choice for our customers. We are targeting 3 Million sq. ft. of sales in residential business and above 30% growth in contractual business.”

### **Impeccable Execution:**

As of 31 March 2010, in the past 14 years since its inception, Sobha has completed 60 residential projects and 166 contractual projects covering about 36.34 Million sq. ft. of area in 18 cities across India. The Company currently has 27 ongoing residential projects aggregating to 9.08 Million sq. ft., while 4.24 Million sq. ft. volume of contractual projects is under various stages of construction.

"The Company is constantly executing about 6 Million sq. ft. of work on average basis for the past 5 years. In the current year, which will be Company's 15<sup>th</sup> year of establishment, it will enter into execution of 50 Million sq. ft. of area, something which will be a landmark in the industry." **said Mr. Sharma.**

Sobha in the current financial year also completed Infosys Global Education Center II (GEC II) which is the largest monolithic structure to be constructed in Independent India. It has a built-up area of 1,002,095 sq. ft. GEC II has eighty four 100-seater, six 60-seater, three 200-seater, and two 36-seater class rooms, five examination halls, 19 meeting rooms, and 302 faculty cabins. It also has an induction hall which can seat 400 trainees, a state-of-the-art library which can accommodate 80,000 books, a food court with a seating capacity of 1772 and a 40 seat Management Council room. The seating capacity of the cyber café is 236. The overall structure surpasses Rashtrapati Bhavan in size and equals it in grandeur.

Sobha believes that environment for sustainable growth in Real Estate in India is increasingly become attractive and the company is well poised to take full advantage of the same given its large land bank and unparallel execution capability supported by quality product.

### **Recognition:**

Sobha in Q4 of FY 10-11 has been recognized in the twin areas of design and safety.

Sobha received Special Mention for its project 'The Terminal Building - Bangalore Infosys Food court' in the Recreational Architecture category of Architecture + Design &

Spectrum Foundation Architecture Awards 2009. This award-winning steel structure stands out in the Infosys campus due to its simplicity of form, intricate details, modern design elements and material - like the usage of imported roofing material, stainless steel, colorful vinyl flooring, and glazing.

The Eco Commercial building for Bayer Technology services is a prestigious project executed by Sobha Developers and is one of the first LEED platinum rated building in India. Bayer Technology selected Sobha as "The Best Contractor, working with safe practices at the site". The Eco Commercial building site is a zero accident site and the Sobha team has put in their best efforts to maintain the record till date.

.....

#### **About Sobha Developers Ltd.:**

Founded in 1995, Sobha Developers Ltd is one of the largest and only backward integrated real estate player in the country.

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

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

One of the key competitive strengths of the Company is its backward integration model, which means that it has the key competencies and in-house resources to deliver a project from its conceptualization to completion. Backward integration includes architectural, structural and interior studio, concrete block making plant, metal and glazing factory and interiors and wood working factory.

The Company also strongly believes in returning back to the society through comprehensive and sustainable development of rural India. It has launched, Graamasobha, a unique social developmental program in two gram panchayats in Palakkad district of Kerala to take care of the educational, healthcare, and other basic requirements of over 2500 BPL families.

---

***For further information, please contact:***

#### **Sobha Developers Ltd.**

R. Raman

Vice President – Corporate Communications

+91 9902006465

Email – [raman.r@sobha.com](mailto:raman.r@sobha.com)