



Press Release
For immediate publication

**SOBHA DEVELOPERS LTD. ANNOUNCES CONSOLIDATED FINANCIAL RESULTS FOR
FY 2012-13 and Q4**

Sobha reports record fourth-quarter and full-year sales

Key highlights

- **Sales volume of 3.76 Million Square Feet, up 14.4% from FY 2011-12**
- **Sales value of Rs. 22.15 Billion, up 30.2% from FY 2011-12**
- **Average price realisation of Rs. 5,897 per Square Feet, up 13.8% from FY 2011-12**
- **Robust net operating cash flow of Rs. 5.93 Billion**
- **Revenue booked at Rs. 18.70 Billion**
- **Highest-ever EBITDA at Rs. 5.54 Billion**
- **PBT at Rs. 3.24 Billion, up 2% from FY 2011-12**
- **PAT at Rs. 2.17 Billion, up 5% from FY 2011-12**
- **Debt-Equity Ratio of 0.57 on a consolidated basis**
- **Recommended a dividend of Rs. 7 per equity share**
- **Received 27 awards in FY 2012-13 from various institutes of repute**
- **Targets new sales volume of 4.20 Million Square Feet for FY 2013-14**
- **Targets sales value of Rs. 26 Billion for FY 2013-14**

Bangalore, May 10, 2013:

Realty major Sobha Developers Ltd., has, on a consolidated basis, for the financial year 2012-13 recorded a top line of Rs. 18.70 Billion, Profit Before Tax (PBT) of Rs. 3.24 Billion and Profit After Tax (PAT) after adjusting the minority interests of Rs. 2.17 Billion. While there has been an increase in PAT by 5%, the PBT has increased by 2% due to higher depreciation, interest and finance charges. The Company announced the results at its board meeting, which was held at Bangalore on May 10, 2013.

The Company sold 3.76 Million Square Feet of new space valued at Rs. 22.15 Billion during the financial year 2012-13, compared to 3.28 Million Square Feet in 2011-12 valued at Rs. 17.01 Billion.

During the fiscal year 2012-13, Sobha launched new real estate projects totaling 2.64 Million Square Feet. Six real estate projects aggregating to 1.48 Million Square Feet of developable area were completed during the year. The Company also executed 19 contractual projects aggregating to 2.98 Million Square Feet.

Based on the impressive performance, the board recommended a dividend of Rs. 7 per equity share, an increase of Rs. 2 per share as compared to the last financial year.

Good Quarter, Great Results

In the 4th Quarter ended March 31, 2013, the Company clocked a consolidated turnover of Rs. 5.88 Billion. The PBT stood at Rs. 1.03 Billion and PAT, after minority interest, was at Rs. 695 Million. The revenue has increased by 12% Y-o-Y and 36% sequentially. However, significantly the core real estate income (excluding monetisation of land) has grown by 74% and 40% Y-o-Y and sequentially.

During the last quarter of FY 2012-13, the Company sold 1.07 Million Square Feet of new space at a sales value of Rs. 6.74 Billion with an average price realisation of Rs. 6,295 per Square Feet and launched 1.51 Million Square Feet of new projects.

'Best Sales Momentum'

Commenting on the results, **Mr. J.C. Sharma, Vice Chairman and Managing Director, Sobha Developers Limited**, said, "Throughout fiscal 2013, we delivered to market a strong line-up of products and services which translated into double-digit revenue growth. Our sales performance has been consistent and the entry into markets like Chennai and Gurgaon has spurred growth. Sobha generated the highest-ever operating cash flow in this fiscal. The overall reduction of the debt by Rs. 1.05 Billion has resulted in a Debt-Equity Ratio of 0.57. We will maintain this momentum."

Speaking about the contractual side of the business, Mr. J.C. Sharma, said, "The contractual segment has grown by 20% Y-o-Y on a consolidated basis. As of today, Sobha has 10.65 Million Square Feet of contractual work with an order book value of Rs. 5.34 Billion, which will be executed in the next two

years.” During FY 12-13, we have received new contractual orders (other than Infosys) of the value of Rs. 1,228 Million.

Growth Plans

The improving cash flows have prompted the Company to look for new opportunities in emerging markets as well as its existing locations. In the current financial year, Sobha plans to make a foray into new geographies like Kochi, Kozhikode (Calicut), Hyderabad and Noida/Ghaziabad region. The Company is also committed to work within the Debt-Equity Ratio of around 0.6.

“We strongly believe that the market for premium housing is growing at a healthy pace. And Sobha, with its superior and well-differentiated product line, is all set to capitalise on the rising demand,” remarked Mr. Sharma.

The Company is well positioned for the current fiscal. Sobha has a project pipeline of 8.9 Million Square Feet for FY 13-14.

Business Outlook

Our industry is at the cusp of a new growth phase. This phase shall not restrict itself to the metros but has already seeped into interiors and smaller and new towns and cities. The demand is improving in almost all markets. Today, India is one of the most favoured real estate markets in the world.

Commenting on the recent rate cut, Mr. J.C. Sharma says, “We are happy that RBI has taken into consideration the liquidity concerns of the real estate sector. The RBI’s recent decision to cut the repo rate by 25 bps to 7.25 per cent has brought a sign of relief. The move will not only mobilise liquidity in the market but will also help developers in reducing the cost of funds. Banks are expected to slash the base rates and offer home loans at economical interest rates.”

Exceptional Execution

Sobha’s superior execution capability is its core strength. As of March 31st, 2013, in the past 18 years since its inception, Sobha has completed 85 real estate projects and 228 contractual projects covering about 56.25 Million Square Feet of area.

The Company currently has 43 ongoing real estate projects aggregating to 25.83 Million Square Feet of developable area and 10.65 Million Square Feet of contractual projects under various stages of construction. Sobha has made a footprint in 23 cities and 13 states across India.

Recognition & Awards

Twenty-seven prestigious honours were bestowed upon us in FY 2012-13 from various institutes of repute for our projects, quality, communications, business practices and corporate social responsibility. Some of the key awards won by Sobha are listed below:

- Most Reliable Real Estate Developer Award (voted by customers) by CNBC Awaaz Real Estate Awards 2012
- Muthiah Kasi Award 2012 for excellence in Value Engineering
- Platinum Award for Excellence by Construction World
- Asia's Best Investor Relations Company (Property category) by Institutional Investor magazine
- Real Estate CEO of the Year to Mr. P.N.C Menon by Arabian Business Indian CEO Awards
- Cherian Palathra Award to Mr. P.N.C. Menon for outstanding contribution and exemplary service
- Real Estate Developer of the Year (Editorial Choice) to Mr. P.N.C Menon by Construction Week India
- Young Icon of the Year to Mr. Ravi Menon at Building Industry Leadership Awards 2012
- Best Individual Dwelling Residential Row House in the Metro category to Sobha Adamus by CREDAI
- Luxury Project of the Year to Sobha Petunia by SiliconIndia
- Certificate of Excellence for CSR at Rotary Binani Zinc CSR Excellence Awards
- Best Construction Site to Sobha Forest View by Karnataka State Safety Institution (KSSI)
- Five prestigious LACP (League of American Communication Professionals) awards for our Annual Report for FY 11-12, titled '**Embracing New Markets**'. They include: Top 100 Annual Reports Worldwide Of 2011, Top 10 Indian Annual Reports Of 2011 (Ranking at No. 2), Gold Award for Excellence Within The Industry, Best Annual Report Financials – Silver (Asia-Pacific Region) and Top 50 Annual Reports In The Asia-Pacific Region.
- Four PRSI (Public Relations Society of India) awards for excellence in communication. They include first prize for 'Social Media' and three second prizes for 'Best In-house Journal', 'Best Special/Prestige Publication' and 'Best Public Relations in Action' respectively.

About Sobha Developers Ltd.:

Founded in 1995, Sobha Developers Ltd., a Rs. 20 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 contracts 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.

For further information, please contact:**Sobha Developers Limited**

Mr. R. Raman

Vice President - Corporate Communications

Mob: 99020-06465

raman.r@sobha.com