



October 05, 2018

To

To The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai – 400 001 Scrip Code : 532784	To The Manager The National Stock Exchange of India Limited Exchange Plaza, Plot No C/1, G Block Bandra Kurla Complex Mumbai – 400 051 Scrip Code : SOBHA
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Dear Sir / Madam,

Sub: Real Estate Operations Update for the quarter ended September 30, 2018

With reference to the above captioned subject, please find enclosed a statement containing an update on the real estate operations of the Company for the quarter ended September 30, 2018.

We request you to kindly take the aforesaid information on record for dissemination through your website.

Thanking You.

Yours sincerely,

FOR SOBHA LIMITED

**VIGHNESHWAR G BHAT
COMPANY SECRETARY AND COMPLIANCE OFFICER**

SOBHA LIMITED

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SOBHA LIMITED

REAL ESTATE OPERATIONAL UPDATE – Q2 FY 2018-19

The real estate sector in India has entered into a consolidation phase, as the impact of various regulatory reforms such as RERA, GST, Insolvency and Bankruptcy Code, IND AS 115, REITs regulation, etc. start settling in. This will result in a healthy ecosystem infused with greater transparency, accountability and customer assurance. Sobha believes that the projected growth of USD 650 billion by 2025 and USD 850 billion by 2028 in the sector can be made possible in such an environment only. However, delay in getting statutory approvals is still an area which needs to be addressed.

Government has encouraged development of Affordable housing by various schemes for the end-users. On the demand side, commercial real estate in cities where we operate has witnessed good traction in the recent times, thanks to the increase in demand from the shared-space community. This augurs well to push uptake in residential demand in coming years. It is also expected that, organized players like SOBHA should be the beneficiary of these structural changes. The recent developments on the interest rates, crude oil prices, depreciation of Rupee etc., may have some short term impact in the economy as well as our sector. On the positive side, the retail home buyer will continue to enjoy the retail liquidity from financial institutions as they become the key stakeholders in such an environment.

In this background, we are pleased to present our operational performance for second quarter. The Company during the second quarter achieved new sales volume of 1,031,602 square feet total valued at Rs 7,408 million with an average realisation of Rs 7,181 per square feet (Sobha Share of sales value at Rs 6,166 million with an average realisation of Rs 5,977 per square feet). Sales volume is up by 7% as compared to preceding quarter & up by 19% YoY. Sales volume achieved during the second quarter is the highest in the past 5 years. During the quarter we have launched Sobha Lake Garden residential project in Bangalore with saleable area of 888,943 square feet. In the second half of the FY 18-19, we are poised to launch one affordable housing project each in North Bangalore and GIFT City (Gujrat) respectively and normal Sobha products launches are also planned in Bangalore, Thrissur, Pune, Cochin, which should further improve our operational performance.

It is heartening to note that we continue to perform well in our principal market i.e. Bengaluru. Sales volume achieved in Gurugram during the second quarter is the highest in past 23 quarters. It is also





worthwhile to note that we have achieved this sales volume during the second quarter despite the fact that Kerala locations sales were impacted during the quarter by excessive rainfall /flood. This impact is likely to continue for atleast one more quarter.

The summarized real estate performance for the quarter ended September 30, 2018 is given below:

New Sales:

In Square Feet

Location	Q2 19	Q1 19	Q2 18	H1 19	H1 18	FY 18
Bangalore	702,072	612,944	612,818	1,315,016	1,205,754	2,600,252
Gurugram	132,875	102,190	78,721	235,065	202,595	360,857
Chennai	43,731	48,253	27,837	91,984	55,322	102,227
Thrissur	17,247	27,400	19,919	44,647	33,110	59,570
Pune	4,825	1,104	6,239	5,929	(2,703)	3,025
Coimbatore	46,807	31,004	13,234	77,811	29,147	69,271
Kochi	12,726	75,627	63,075	88,353	91,505	317,618
Calicut	9,438	12,192	20,429	21,630	28,179	45,340
Mysore	61,881	49,371	18,812	111,252	33,404	67,230
TOTAL	1,031,602	960,085	861,084	1,991,687	1,676,313	3,625,390

(1 Square Metre = 10.764 Square Feet)

Sales Value:

Particulars	Q2 19	Q1 19	Q2 18	H1 19	H1 18	FY 18
Total Sales value (Rs Million)	7,408	7,624	6,751	15,032	12,985	28,612
Sales Value – Sobha Share (Rs Million)	6,166	6,118	5,927	12,284	11,554	24,217

Sales value (Sobha Share) up by 4% and 6% as compared to Q2-18 and Y-o-Y respectively.



**Price Realisation:**

Particulars	Q2 19	Q1 19	Q2 18	H1 19	H1 18	FY 18
Average Price Realisation – Total (Rs / Square Feet)	7,181	7,939	7,840	7,547	7,746	7,892
Price Realisation – Sobha Share (Rs / Square Feet)	5,977	6,373	6,883	6,168	6,892	6,680

Price realisation has come down QoQ & YoY due to impact of product mix in sales.

Despite a challenging macro environment, we are confident of maintaining sales momentum in forthcoming quarters.

Investor Contact Details:

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Disclaimer: The information in this update contains certain forward-looking statements. These include statements regarding outlook on future development schedules, business plans and expectations of capital expenditure. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated by the Company.

