



October 06, 2017

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, 2017

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, 2017.

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



REAL ESTATE UPDATE

SOBHA LIMITED

REAL ESTATE OPERATIONAL UPDATE – Q2 FY 2017-18

A recent report from HSBC suggests that India is poised to become the third largest economy by 2028. This shift is expected to take place at a much quicker pace in terms of Purchasing Power Parity (PPP). This will require consistent efforts from the Government towards introducing policy initiatives. In line with this, two major structural reforms - Real Estate (Regulation and Development) Act, 2016 (RERA) and Goods and Services Tax (GST) have become a reality.

Despite, a decline in the GDP at 5.7 % as compared to 7.1% last fiscal, these reforms are expected to help the real estate sector to unlock the potential of every Indian, owning a home in the longer run. The economy is well supplemented by the inflation being brought under control and gradual decrease in the home loan interest rates. It is also expected that, organized players like SOBHA should be more benefited, as these reforms bring transparency and simplicity to the business.

Our operational performance for the second quarter needs to be viewed in the backdrop of an environment where both RERA and GST came into force. While it is believed that the sector did get impacted, SOBHA has shown not only a steady, but also an improved performance for the quarter as reflected in the numbers during the second quarter. The Company during the second quarter achieved new sales volume of 861,084 square feet total valued at ₹ 6,751 million with an average realisation of ₹ 7,840 per square feet (Sobha Share of sales value at ₹ 5,927 million with an average realisation of ₹ 6,883 per square feet). The sales volume and total sales value are up by 5.6% and 8.3% respectively as compared to preceding quarter. Also, sales volume is marginally higher and total sales value is up by 22.5% as compared to Q2-17.

It is heartening to note that we continue to perform well in our principal market Bengaluru. This was supported adequately by an improved performance in the Kochi market followed with a consistent traction in other markets. Further, it is notable that we have achieved this without launching any new projects.

The summarized real estate performance for the quarter ended September 30, 2017 is given below:





RESIDENTIAL WORK

New Sales:

In Square Feet

Location	Q2 18	Q1 18	Q2 17	H1 18	H1 17	FY 17
Bangalore	612,818	592,936	637,198	1,205,754	1,243,831	2,255,440
NCR	78,721	123,874	49,782	202,595	112,621	233,592
Chennai	27,837	27,485	62,008	55,322	91,108	180,229
Thrissur	19,919	13,191	6,540	33,110	59,756	76,357
Pune	6,239	(8,941)	20,576	(2,703)	33,911	54,397
Coimbatore	13,234	15,913	9,773	29,147	15,240	28,654
Kochi	63,075	28,430	48,777	91,505	52,477	68,020
Calicut	20,429	7,750	1,957	28,179	7,499	27,759
Mysore	18,812	14,592	19,051	33,404	48,468	77,381
TOTAL	861,084	815,230	855,662	1,676,314	1,664,911	3,001,829

(1 Square Metre = 10.764 Square Feet)

Besides Bangalore, Kerala market includes Kochi, Calicut and Thrissur regions sales performance has shown improvement in volume. Sales volume up by 5.6% as compared to preceding quarter and marginally up by 0.6% Y-o-Y.

Sales Value:

Particulars	Q2 18	Q1 18	Q2 17	H1 18	H1 17	FY 17
Total Sales value (₹ Million)	6,751	6,234	5,512	12,985	10,643	20,124
Sales Value – Sobha Share (₹ Million)	5,927	5,627	5,182	11,554	9,880	18,661

Sales value (Sobha Share) up by 5.3% and 14.4% as compared to preceding quarter and Y-o-Y respectively.

The new sales value of ₹ 5,927 million achieved during the second quarter of 2017-18 is highest in the past 10 quarters.





PASSION AT WORK

Price Realisation:

Particulars	Q2 18	Q1 18	Q2 17	H1 18	H1 17	FY 17
Average Price Realisation – Total (₹ / Square Feet)	7,840	7,647	6,443	7,746	6,393	6,704
Price Realisation – Sobha Share (₹ / Square Feet)	6,883	6,903	6,056	6,892	5,934	6,216

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.

