SOBHA

PASSION AT WORK

July 04, 2013

To,

The Deputy Manager Department of Corporate Services, The Bombay Stock Exchange Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400 001 **Scrip Code: 532784**	The Manager National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 **Scrip Code: SOBHA**

Dear Sir / Madam,

Sub: Real Estate Operations Update for the quarter ended June 30, 2013

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 June 30, 2013.

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

Thanking you.

Yours sincerely,

FOR SOBHA DEVELOPERS LIMITED

KISHORE KAYARAT
COMPANY SECRETARY AND COMPLIANCE OFFICER

SOBHA

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REAL ESTATE OPERATIONAL PERFORMANCE UPDATE FOR Q1 OF FY 2013-14

The real estate operations of the Company during the first quarter of the financial year 2013-14 performed credibly especially in Bangalore, Chennai and Trichur. Notwithstanding a slowing economy and sliding rupee, there was a sustained momentum in sales.

The Company during the quarter achieved new sales of 920,679 square feet valued at ₹ 6,028 million with an average realisation of ₹ 6,548 per square feet. The recent launch of Sobha Indraprastha, a mixed development project having a total super built up area of 1.51 million square feet in Rajajinagar, Bangalore, has been very successful, allaying concerns of a slowdown in the Bangalore real estate market.

In the past 3-4 years, the Company has strategically diversified its operations into new cities such as Chennai, NCR etc. The sales performance of the Company in new markets has shown a steady growth. The Company has during the quarter generated 35% of its new area sold outside of Bangalore. The products launched by the Company in the new markets have been well received and the Company reaffirms its strategy to tap the potential of various micro markets like Kozhikode and Kochi during this financial year. As a step towards this direction, the Company plans to launch a residential project in Kozhikode during Q2 FY'14. The NCR market witnessed a dip in sales in Q1'14. However, we expect the market to recover on account of positive dynamics in employment and demographics.

Though higher interest rates remain a cause of concern to the developers, the Company could achieve its best ever sales realisation of ₹ 6,548 per square feet. This could be achieved in spite of the fact that the performance of NCR, where the Company has been selling products having higher realisable value, was subdued during the quarter.

During the quarter, we had launched two projects in Bangalore, Sobha Landscape, a plotted development project admeasuring 202,524 square feet and a Commercial Project at St. Mark's Road, Bangalore admeasuring total developable area of 359,587 square feet (Super Built-up area of 200,527 square feet).

Sobha Developers Ltd. ★ Bangalore ★

The summarised real estate performance for the quarter ended June 30, 2013 of the financial year 2013-14 is given as under:

Sales Value:

Particulars	Q1 14	Q1 13	Q4 13	FY 13	FY 12
Sale Value (₹ Million)	6,028	4,794	6,743	22,145	17,015

The Company is pleased to inform that the value of new sales has increased by 25.7% compared to Q1'13.

Price Realisation:

Particulars	Q1 14	Q1 13	Q4 13	FY 13	FY 12
Average Price Realisation (₹ / Square Feet)	6,548	5,737	6,295	5,897	5,181

The average sales realisation has gone up by 14.1% compared to Q1'13 and 4.02% sequentially.

New Sales:

In Square Feet

Location	Q1 14	Q1 13	Q4 13	FY 13	FY 12
Bangalore	603,055	520,080	682,629	2,384,364	2,259,337
NCR	36,255	135,721	132,732	509,151	322,767
Chennai	99,963	72,083	106,377	288,132	85,213
Pune	22,912	30,639	45,324	137,708	128,709
Thrissur	149,194	44,096	93,034	343,843	304,373
Coimbatore	-	26,005	7,160	63,371	90,988
Mysore	9,300	6,975	4,015	29,080	92,823
TOTAL	**920,679**	**835,599**	**1,071,271**	**3,755,649**	**3,284,210**

The new area sold has increased by 10.2% compared to Q1'13.

While the overall economic climate continues to be challenging, we remain positive about achieving the guidance set for the financial year 2013-14.

Sobha Developers Ltd. ★ Bangalore ★

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.

Sobha Developers Ltd. ★ Bangalore ★