SOBHA

PASSION AT WORK

January 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 December 31, 2012

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 December 31, 2012.

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

PASSION AT WORK

SOBHA DEVELOPERS LIMITED

REAL ESTATE OPERATIONAL PERFORMANCE UPDATE FOR Q3 OF FY 2012-13

From a macroeconomic perspective, the higher interest rates coupled with inflation continued to diminish the opportunities for growth during the quarter ended December 31, 2012. The overall negative impact of these factors has a definite bearing on the performance of the real estate and construction sector. Q3 in India is historically dominated by the festival season which further coincides with the holiday season. Customer sentiments are also influenced by prevailing local convictions about unpropitious periods causing many to defer major long term buying decisions such as buying a home.

In this backdrop, we are pleased to inform you that for the quarter ended December 31, 2012; we have sold 0.90 Million Square Feet of new space valued at ₹ 5.33 Billion at an average price realisation of ₹ 5,910 Per Square Feet. The quarter witnessed weaker customer sentiment stemming from a disinclination to make purchases during periods which are believed to be inauspicious as per locally observed traditions and customs. In spite of the above, this has been the best quarter ever in terms of sales realisation in the history of the Company. The sales performance achieved during the quarter is from existing projects without any new launches in Q3.

Sobha had at the beginning of the fiscal set a guidance of new sales valued at ₹ 20 Billion comprising of 3.75 Million Square Feet for the current fiscal. Post 3 quarters, the Company looks poised to achieve the target, having already registered a sales value of ₹ 15.4 Billion comprising of 2.68 Million Square Feet.

The summarised real estate performance for the quarter ended December 31, 2012 of the financial year 2012-13 is given as under:

Sobha Developers Ltd. ★ Bangalore ★

New Sales:

In Square Feet

Location	Q3-13	Q3-12	Q2-13	9M-13	9M 12	FY 12
Bangalore	591,216	567,662	590,438	1,701,735	1,689,240	2,259,337
NCR	103,098	106,183	137,600	376,419	213,562	322,767
Chennai	67,350	-	42,323	181,756	-	85,213
Pune	23,124	23,536	38,621	92,384	98,051	128,709
Thrissur	88,407	83,243	118,306	250,809	243,317	304,373
Coimbatore	19,574	21,468	10,631	56,210	84,019	90,988
Mysore	9,881	16,843	8,209	25,065	92,823	92,823
TOTAL	**902,650**	**818,935**	**946,128**	**2,684,378**	**2,421,012**	**3,284,210**

Despite a challenging business environment, the Company is pleased to inform that the new sales achieved during the 9M 13 have increased by 10.9% YOY.

Price Realisation:

Particulars	Q3-13	Q3-12	Q2-13	9M-13	9M 12	FY 12
Sale Value (₹ Million)	5,334	4,483	5,274	15,402	12,371	17,015
Average Price Realisation (₹ / Square Feet)	5,910	5,475	5,575	5,738	5,110	5,181

The new sales value achieved during the 9M 13 have increased by 24.5% YOY. The increase in new sales value is 18.9% QOQ and 1.1% sequentially. The sales realisation has gone up by 12.3% compared to the 9M 12, 7.9% compared to Q3 12 and 6.0% sequentially.

Taking a cue from the current performance, the Company is optimistic about the forthcoming quarter and remains confident of achieving its guidance set for the current fiscal.

Sobha Developers Ltd. Bangalore

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.

Investor Contact Details:

S. Baaskaran Chief Financial Officer Mobile: +91 98800 80009 Email: baaskaran.s@sobha.com	K. Bala Murugan Senior Manager – VC & MD's Office Mobile: +91 98807 30459 Email: balamurugan.k@sobha.com

