SOBHA

PASSION AT WORK

October 07, 2014

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 September 30, 2014

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, 2014.

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

Thanking you.

Yours sincerely,

FOR SOBHA LIMITED

KISHORE KAYARAT
COMPANY SECRETARY AND COMPLIANCE OFFICER

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SOBHA LIMITED

(Formerly Sobha Developers Limited)

REAL ESTATE OPERATIONAL UPDATE - Q2 FY 2014-15

Post formation of the new government at the centre, there has been an uptick in the general business sentiments. Whilst the steps being taken by the new government enthuse optimism, the same is yet to translate into a significant revival of demand in the real estate sector. On a relative basis, the demand in the southern markets continues to be stable compared to the other markets. In this backdrop, we present the performance of real estate operations of the Company during the second quarter of the financial year 2014-15.

The Company during the quarter achieved new sales of 833,991 square feet valued at ₹ 5.59 Billion with an average realisation of ₹ 6,703 per square feet. There has been an increase of 10.5% in new sales compared to the previous quarter. The realisations have improved by 5% compared to the previous quarter.

During Q2'15, the Company launched 4 projects admeasuring total saleable area of 1.58 million square feet. We launched Sobha Arena (total saleable area of 1.01 million square feet) and Sobha Morzaria Grandeur-Phase II (total saleable area of 0.08 million square feet) in Bangalore. In our other Southern Markets, we launched Sobha City Lake Edge in Thrissur with a total saleable area of 0.24 million square feet and Sobha Evergreens (plotted development) in Chennai with a total saleable area of 0.25 million square feet.

During the quarter, the Company has delivered a stable and consistent performance in all its southern markets. The real demand in the northern and western markets as a whole continues to be weak and the Company remains cautious about these micro-markets in the medium term.

The summarised real estate performance for the quarter ended September 30, 2014 of the financial year 2014-15 is given as under:

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Sales Value:

Particulars	Q2 15	Q1 15	Q2 14	H1 15	H1 14	FY 14
Sale Value (₹ Million)	5,590	4,822	6,323	10,412	12,351	23,425

The value of new sales has increased by 15.93% compared to Q1'15.

Price Realisation:

Particulars	Q2 15	Q1 15	Q2 14	H1 15	H1 14	FY 14
Average Price Realisation (₹ / Square Feet)	6,703	6,388	6,304	6,553	6,420	6,534

The average price realisation has grown by 4.93% sequentially.

New Sales:

In Square Feet

Location	Q2 15	Q1 15	Q2 14	H1 15	H1 14	FY 14
Bangalore	561,494	527,560	674,622	1,089,054	1,277,677	2,412,332
NCR	14,435	30,207	30,892	44,642	67,147	128,784
Chennai	52,015	32,708	86,869	84,723	186,832	302,551
Thrissur	49,126	43,867	103,270	92,993	252,464	359,986
Pune	24,207	35,695	12,716	59,902	35,628	83,455
Coimbatore	22,444	14,465	15,871	36,909	15,871	73,165
Cochin	51,397	22,293	-	73,690	-	16,252
Calicut	33,947	26,120	56,661	60,067	56,661	131,147
Mysore	24,926	21,864	22,128	46,790	31,428	77,513
TOTAL	**833,991**	**754,779**	**1,003,029**	**1,588,770**	**1,923,708**	**3,585,185**

(1 Square Metre = 10.764 Square Feet)

The new sales achieved has increased by 10.50% compared to Q1'15.

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With the approaching festive season and an expected improvement of overall performance in the second half of the fiscal, the Company remains positive about achieving the guidance set for the year.

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 Limited
Bangalore