SOBHA

PASSION AT WORK

October 03, 2012

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 and half year ended September 30, 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 and half year ended September 30, 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

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SOBHA DEVELOPERS LIMITED

REAL ESTATE OPERATIONAL PERFORMANCE UPDATE FOR Q2 OF FY 2012-13

Continuing the macroeconomic trends displayed in Q1, the Indian Economy in Q2 was under inflationary pressure coupled with high interest costs and a depreciating Rupee thereby adversely affecting the performance of all sectors. The fall in the GDP Growth to 5.5% along with the widening fiscal deficit had raised serious concerns on the overall economy. The performance of the real estate and construction sector was also impacted by these factors.

However during the last fortnight of Q2, the economy saw some positive measures being introduced by the Government and the Reserve Bank of India aimed at relieving the inflationary pressure and easing the liquidity crunch. The reduction in the cash reserve ratio, liberalisation of the aviation and retail sectors together with an appreciating rupee and reversal of the interest rate cycle augur well for the economy and will help the country to recapture the 8% GDP growth rate.

In this backdrop, Sobha had at the beginning of the fiscal set a guidance of new sales of 3.75 Million Square Feet valued at ₹ 20 Billion for the current fiscal. At the half-way mark, the Company looks poised to achieve the target, having already registered sales at ₹ 10.07 Billion comprising of 1.78 Million Square Feet.

We are pleased to inform you that for the quarter ended September 30, 2012; we have sold 0.95 Million Square Feet of new space valued at ₹ 5.27 Billion at an average price realisation of ₹ 5,575 Per Square Feet. This has also been the best quarter in terms of new sales in the history of the Company.

Since our last quarterly update, we have launched Sobha Grandeur in Bangalore having a Super Built-up Area of 363,078 Square Feet and Sobha Jade in Thrissur having a Super Built-up Area of 505,500 Square Feet aggregating to a total Super Built-up Area of 868,578 Square Feet of new launches.

Sobha Developers Ltd. ★ Bangalore ★

The summarised real estate performance for the half ended September 30, 2012 of the financial year 2012-13 is given as under:

New Sales:

In Square Feet

Location	Q2-13	Q2-12	Q1-13	H1-13	H1 12	FY 12
Bangalore	590,438	644,216	520,080	1,110,519	1,121,578	2,259,337
NCR	137,600	107,380	135,721	273,321	107,380	322,767
Chennai	42,323	-	72,083	114,406	-	85,213
Pune	38,621	46,603	30,639	69,259	74,515	128,709
Thrissur	118,306	101,876	44,096	162,402	160,074	304,373
Coimbatore	10,631	18,906	26,005	36,637	62,551	90,988
Mysore	8,209	17,438	6,975	15,184	75,980	92,823
TOTAL	**946,128**	**936,419**	**835,599**	**1,781,728**	**1,602,078**	**3,284,210**

Despite a challenging business environment, the Company is pleased to inform that the new sales achieved during the H1 13 have increased by 11.2% YOY. The company recorded a growth of 13.23% on new sales sequentially and 1.04% QOQ.

Price Realisation:

Particulars	Q2-13	Q2-12	Q1-13	H1-13	H1 12	FY 12
Sale Value (₹ Million)	5,274	4,858	4,794	10,068	7,888	17,015
Average Price Realisation (₹ / Square Feet)	5,575	5,188	5,737	5,651	4,923	5,181

The new sales value achieved during the H1 13 have increased by 27.6% YOY. The increase in new sales value is 8.6% QOQ and 10% sequentially. The sales realisation has gone up by 14.78% compared to the H1 12 and 7.5% compared to Q2 12.

The Company remains firm about 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:

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