SOBHA

PASSION AT WORK

July 06, 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 ended June 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 ended June 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 Q1 OF FY 2012-13

The macroeconomic scenario of our economy remains uncertain due to the deteriorating growth-inflation dynamics. The consistent inflationary pressures and the impact of depreciation of the rupee are slowing down India's growth momentum.

The realty sector, which is an important element of the Indian economy, is also facing many challenges including global economic uncertainty and low customer confidence. The developers are under pressure due to high input costs and are striving hard to maintain healthy balance sheets. On the monetary policy front, the RBI has paused yet another time, leaving the repo rate unchanged. While urbanisation, which fosters the demand for real estate, is inevitable, the present economic conditions pose a challenge for the sector.

In this backdrop, Sobha has set a guidance of new sales valuing at ₹ 20 Billion for the current fiscal. Despite the tough economic climate, the Company, with its unique business model and delivery mechanism, has performed well in the first quarter of FY 2012-13.

We are pleased to inform you that for the quarter ended June 30, 2012; we have sold 0.84 Million Square Feet of new space valued at ₹ 4.79 Billion at an average price realisation of ₹ 5,737 Per Square Feet.

We are also glad to inform that during this quarter, Sobha has successfully launched a new villa project, Sobha West Hill, in Coimbatore with a total SBA of 1,47,715 Square Feet.

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

In Square Feet

Location	Q1-13	Q1-12	Q4-12	FY 12	FY 11
Bangalore	520,080	477,362	570,097	2,259,337	2,113,836
NCR	135,721	-	109,204	322,767	-

Sobha Developers Ltd. Bangalore

Chennai	72,083	-	85,213	85,213	-
Pune	30,639	27,912	30,658	128,709	145,926
Thrissur	44,096	58,198	61,056	304,373	382,305
Coimbatore	26,005	43,645	6,970	90,988	134,748
Mysore	6,975	58,542	-	92,823	-
TOTAL	**835,600**	**665,659**	**863,197**	**3,284,209**	**2,776,814**

The summarised average price realisation, which was achieved during the quarter ended June 30, 2012 of the financial year 2012-13 is given below:

Particulars	**Q1-13**	**Q1-12**	**Q4-12**	**FY 12**	**FY 11**
Sale Value (₹ Millions)	4,794	3,027	4,644	17,015	11,335
Average Price Realisation (₹ / Square Feet)	5,737	4,547	5,380	5,181	4,082

We are also happy to inform that Sobha's sales realisation has gone up by 26% YOY and 7% sequentially and the sales volume has also gone up by 25% YOY and has only marginally declined on a sequential basis.

Although the short-term headwinds remain, Sobha is positive about achieving its guidance set for the current fiscal.

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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Sobha Developers Ltd. Bangalore