SOBHA

PASSION AT WORK

April 03, 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 and financial year ended March 31, 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 and financial year ended March 31, 2014.

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

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REAL ESTATE OPERATIONAL PERFORMANCE UPDATE FOR Q4 OF FY 2013-14

Fiscal 2014 was a very challenging year for the Indian economy on account of varied factors which culminated in the GDP growth rate falling to its lowest level in a decade. A receding economy, rising inflation combined with heightened interest rates had an adverse impact on the savings potential leading to a decline in general demand for goods and services including real estate. The slowdown in the real estate sector was more prominent in the NCR region and the Western markets. Though the Southern markets continued to be fairly resilient, the performance of the real estate sector on the whole has been subdued.

Bearing in mind the macro-economic pressures, the Company's performance during the first half of the financial year was stable. The Company however, was, not completely insulated against the effects of the slowdown which reflected in lower sales performance in the third quarter. There has been an improvement in the performance of Q4'14 as compared to Q3'14. Overall, the Company's performance for the financial year 2013-14 has been better than the average industry performance despite the aberration in the third quarter.

At the close of the financial year, the Company has registered new sales area of 3.59 Million Square Feet valued at ₹ 23.43 Billion at an average price realisation of ₹ 6,534 Per Square Feet. The new sales value has increased by 5.78% and average price realisation has registered a growth of 10.80% year-on-year.

The growth in sales volume and new sales value, excluding NCR Gurgaon, is 6.47% and 28.32% respectively as compared to FY'13. The sharp slowdown in the NCR-Gurgaon market saw it's contribution to the Company's performance declining to 3.59% (Sales Volumes) and 6.01% (Sales Value) in FY'14 as compared to 13.56% (Sales Volume) and 22.52% (Sales Value) respectively in FY'13.

At the beginning of the financial year, the Company had set a guidance of new sales valued at ₹ 26 Billion comprising of 4.20 Million Square Feet for the financial year 2013-14. Owing to the tough economic conditions and it's consequent impact on the real estate market, particularly, in NCR-Gurgaon, the Company achieved 3.59 Million Square Feet of news sales area valued at ₹ 23.43 Billion.

Sobha Developers Ltd. Bangalore

During the last quarter of the financial year 2014, the Company sold 0.92 Million Square Feet of new space valued at ₹ 6.05 Billion at an average price realisation of ₹ 6,568 Per Square Feet. The new area sold and new sales value have increased by 24.46% and 20.46% respectively as compared to Q3'14.

During the last quarter, the Company launched four residential projects in its southern markets; out of which three were in the second fortnight of March 2014. The Company launched *Sobha Silicon Oasis* and *Sobha Valley View* in Bangalore with a Total Saleable Area of 1.48 Million Square Feet and 0.49 Million Square Feet respectively, *Sobha Rio Vista* in Calicut with a Total Saleable Area of 0.51 Million Square Feet and *Sobha Isle* in Cochin with a Total Saleable Area of 1.09 Million Square Feet.

The summarised real estate performance for the quarter ended March 31, 2014 of the financial year 2013-14 is given as under:

Sales Value:

Particulars	Q4 14	Q4 13	Q3 14	FY 14	FY 13	FY 12
Sale Value (₹ Million)	6,051	6,743	5,023	23,425	22,145	17,015

The value of new sales increased by 20.46% sequentially and 5.78% on an annual basis

Price Realisation:

Particulars	Q4 14	Q4 13	Q3 14	FY 14	FY 13	FY 12
Average Price Realisation (₹ / Square Feet)	6,568	6,295	6,786	6,534	5,897	5,181

The average sales realisation has gone up by 4.34% compared to Q4'13 and 10.80% compared to FY'13.

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New Sales:

In Square Feet

Location	Q4 14	Q4 13	Q3 14	FY 14	FY 13	FY 12
Bangalore	630,947	682,629	503,708	2,412,332	2,384,364	2,259,337
NCR	38,114	132,732	23,522	128,784	509,151	322,767
Chennai	62,195	106,377	53,523	302,551	288,132	85,213
Thrissur	58,458	93,034	49,064	359,986	343,843	304,373
Pune	23,395	45,324	24,433	83,455	137,708	128,709
Coimbatore	40,171	7,160	17,124	73,165	63,371	90,988
Cochin	16,252	-	-	16,252	-	-
Calicut	32,193	-	42,293	131,147	-	-
Mysore	19,547	4,015	26,538	77,513	29,080	92,823
TOTAL	**921,272**	**1,071,271**	**740,205**	**3,585,185**	**3,755,649**	**3,284,210**

(1 Square Metre = 10.764 Square Feet)

The new area sold has increased by 24.46% sequentially.

The Company is confident of improving its sales performance in FY'15 backed by the sales generated through recent launches in March 2014 along with a healthy launch pipeline for the coming quarters.

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 ★