



October 05, 2016

To

To The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai – 400 001 Scrip Code : 532784	To The Manager The National Stock Exchange of India Limited Exchange Plaza, Plot No C/1, G Block Bandra Kurla Complex Mumbai – 400 051 Scrip Code : SOBHA
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Dear Sir / Madam,

Sub: Real Estate Operations Update for the quarter ended September 30, 2016

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, 2016.

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

Thanking You.

Yours sincerely,

FOR SOBHA LIMITED

VIGHNESHWAR G BHAT
COMPANY SECRETARY AND COMPLIANCE OFFICER



PASSION AT WORK

SOBHA LIMITED

REAL ESTATE OPERATIONAL UPDATE – Q2 FY 2016-17

The recent IMF report suggests that the Indian economy is projected to grow at 7.6% in fiscal 2017, making India as the fastest and largest growing economy in the world. With a conducive economic environment coupled with favourable policy measures like introduction of GST, introduction of RERA and rate cuts by RBI augurs well for the real estate sector as a whole and specifically for the Company. With the introduction of GST in 2017, real estate sector should see the benefits of getting input credit on items like steel, cement etc, which should mitigate the inflation effect to an extent. The reversal in the interest rate cycle has been reaffirmed by RBI by way of further rate cut to an extent of 25 bps, the benefit of which will be passed on to the home buyers. This will also help the company in reducing its cost of debt in the long term. The Seventh Pay Commission recommendations being implemented by Central Government should provide stable and positive impact on the economy in the form of increased spending for creating long term assets. We expect a significant demand revival for our sector with improved sentiments in sight along with increased affordability for the end customers.

In this backdrop, the performance of real estate operations of the Company during the second quarter of the financial year 2016-17 was on track. The Company during the quarter achieved new sales of 855,662 square feet valued at ₹ 5,182 million with an average realisation of ₹ 6,056 per square feet.

During the quarter, the Company had launched 'Sobha Square' in Yelahanka, North Bangalore with total saleable area of 0.51 million square feet. The soft launch of the 1st phase of 'Marina One' Project comprising of 0.60 Million Square Feet (Total saleable area of the project being 3.20 million square feet) in Cochin, Kerala was done in September 2016. 'Marina One' will consolidate the Company's presence in Cochin and with adequate inventory in the pipeline, will contribute towards the performance of the Company in the Kerala market.





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The summarised real estate performance for the quarter ended September 30, 2016 is given as under:

New Sales:

In Square Feet

Location	Q2 17	Q1 17	Q2 16	H1 17	H1 16	FY 16
Bangalore	637,198	606,633	605,985	1,243,831	1,306,468	2,592,144
NCR	49,782	62,839	11,941	112,621	19,048	65,718
Chennai	62,008	29,100	115,816	91,108	181,974	300,468
Thrissur	6,540	53,216	19,757	59,756	22,975	103,264
Pune	20,576	13,335	17,365	33,911	39,270	54,468
Coimbatore	9,773	5,467	10,659	15,240	13,268	19,635
Cochin	48,777	3,700	25,810	52,477	31,349	42,653
Calicut	1,957	5,542	36,896	7,499	62,565	86,842
Mysore	19,051	29,417	6,100	48,468	14,811	118,530
TOTAL	855,662	809,249	850,329	1,664,911	1,691,728	3,383,722

(1 Square Metre = 10.764 Square Feet)

Sales Value:

Particulars	Q2 17	Q1 17	Q2 16	H1 17	H1 16	FY 16
Total Sales value (₹ Million)	5,512	5,131	5,332	10,643	10,650	21,458
Sales Value – Sobha Share (₹ Million)	5,182	4,698	4,950	9,880	9,988	20,118

Price Realisation:

Particulars	Q2 17	Q1 17	Q2 16	H1 17	H1 16	FY 16
Average Price Realisation – Total (₹ / Square Feet)	6,443	6,340	6,270	6,393	6,295	6,342
Price Realisation – Sobha Share (₹ / Square Feet)	6,056	5,806	5,822	5,934	5,904	5,946





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The second quarter has shown an encouraging trend of sustaining sales momentum and achieving higher realisations. With positive factors like falling interest rates and nearing festival season, the company is confident of meeting its guidance of new sales volume of 3.50 million square feet valued at Rs.20 billion.

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.

