



SOBHA

PASSION AT WORK

SOBHA DEVELOPERS LTD

Investor Presentation – 30th June 2012

Q1-13 –PERFORMANCE HIGHLIGHTS

➤ SALES

- VOLUME: Sold 0.84 mn.sqft of new space during Q1-13 as against 0.67 mn.sqft during corresponding period of the last year. Volume up by 25% Yr-on-Yr.
- VALUE : Recorded new sales value of Rs.4.79 Billion during Q1-13, as against Rs.3.03 Billion during Q1-12 – sales value up by 58% Yr-on-Yr
- REALIZATION: Achieved average price realization of Rs.5,737 / sq.ft during Q1-13, as against Rs.4,547/sq.ft during Q1-12, which is up by 26% Yr-On-Yr

➤ NEW LAUNCH

- Launched a villa project – “SOBHA WEST HILL” - at Coimbatore, measuring total Super Built-up area of 147,715 sft and saleable plot area of about 270,000 sft

➤ PROJECT COMPLETION

- Completed and handed over 1 Real Estate Project and 7 Contractual projects, measuring the total developable area of 1.18 mn.sqft.

Q1-13 – CONSOLIDATED FINANCIAL HIGHLIGHTS

➤ REVENUE

- Revenue of Rs. 4.35 Billion during Q1-13 as against Rs.2.78 Billion in Q1-12
- Revenue up by 57 % on Yr-on-Yr

➤ EBITDA

- EBITDA of Rs.1.20 Billion during Q1-13 as against Rs.656 million in Q1 -12
- EBITDA up by 83 % on Yr-on-Yr
- EBITDA margin at 28% as compared to 24% during Q1-12

➤ PROFIT BEFORE TAX (PBT)

- PBT of Rs. 696 million during Q1-13 as against Rs.417 million in Q1-12.
- PBT up by 67% Yr-on-Yr
- PBT margin at 16% as compared to 15% during Q1-12.

➤ PROFIT AFTER TAX (PAT) – After Minority Interest:

- Booked PAT of Rs.449 million during Q1-13 as against Rs. 260 million in Q1-12.
- PAT up by 73% Yr-on-Yr
- PAT margin at 10% as compared to 9% during Q1-12.

Q1-13 – CONSOLIDATED FINANCIAL HIGHLIGHTS

➤ UNBILLED REVENUE

- Unbilled revenue from sold units has increased to Rs.12.92 bn from Rs.11.14 bn
- Out of the above Rs. 4.78 Billion expected to hit the P&L during the current financial year.

➤ CASH FLOW

- Collected Rs.4.86 Billion from operations
- Generated positive cash flow of Rs.730 million from operations during Q1-13

➤ LOAN

- Repaid the loan of Rs.1.56 Billion during Q1-13.
- Balance loan to be repaid during FY 13 (9 months) is about Rs.2.01 bn.

➤ DEBT

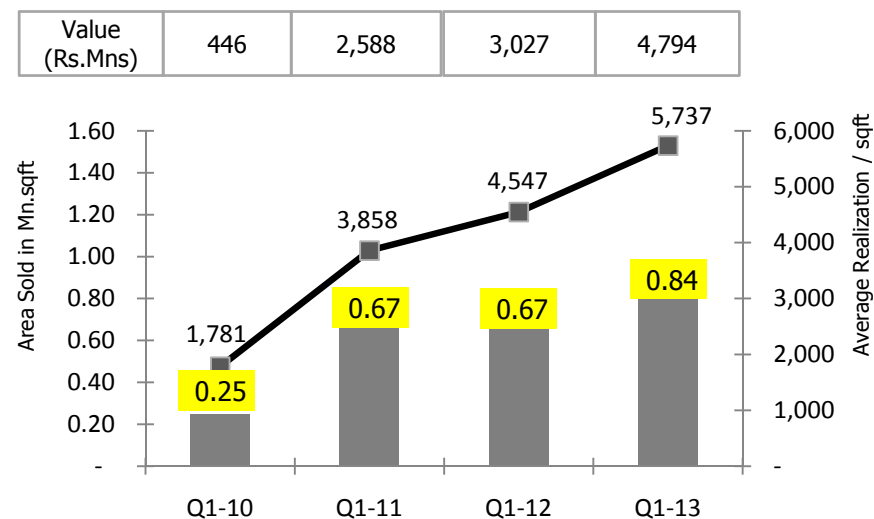
- Consolidated net debt as on 30th June-12 is Rs.11.81 bn
- Consolidated net D/E ratio stands at 0.58 of equity as compared to 0.57 as on 31st Mar-12.

QUARTERLY SALES PERFORMANCE

Locations-	Q1-13	Q1-12	Q4-12	FY 11-12
Bangalore	520,080	477,362	570,097	2,259,337
NCR (Gurgaon)	135,721	-	109,204	322,767
Chennai	72,083	-	85,213	85,213
Pune	30,639	27,912	30,658	128,709
Thrissur	44,096	58,198	61,056	304,373
Coimbatore	26,005	43,645	6,970	90,988
Mysore	6,975	58,542	-	92,823
TOTAL	835,600	665,659	863,197	3,284,209

Average Price Realization (₹ per sqft)	5,737	4,547	5,380	5,181
Sales Value (₹.in Billion)	4.79	3.03	4.64	17.01

Last 4 years – 1st quarter sales performance



Sales guidance for FY 13

- Targeted sales value of Rs.20 bn for the financial year 2012-13

OPERATIONAL CASH FLOW – REAL ESTATE

Real Estate Projects Cash flow status as on 30th June-12

Description	Ongoing Projects	Completed Projects	UOM
Total Super Built-up area	16.51	4.68	Mn.sft
Sobha share of Saleable area	14.33	4.49	Mn.sft
Total area sold till 30 th June-12	5.22	4.40	Mn.sft
Unsold area	9.11	0.09	Mn.sft
Balance construction cost to be spent to complete the entire developments	41,171	276	Rs.Mns
Outstanding receivables + Balance to be billed and collected on sold units	14,665	532	Rs.Mns
Sales value of unsold stock	60,736	415	Rs.Mns
Positive cash flow expected	34,229	671	Rs.Mns
Total Cash flow available from the Real Estate projects			
	34,900		Rs.Mns

LOCATION WISE STOCK DETAILS

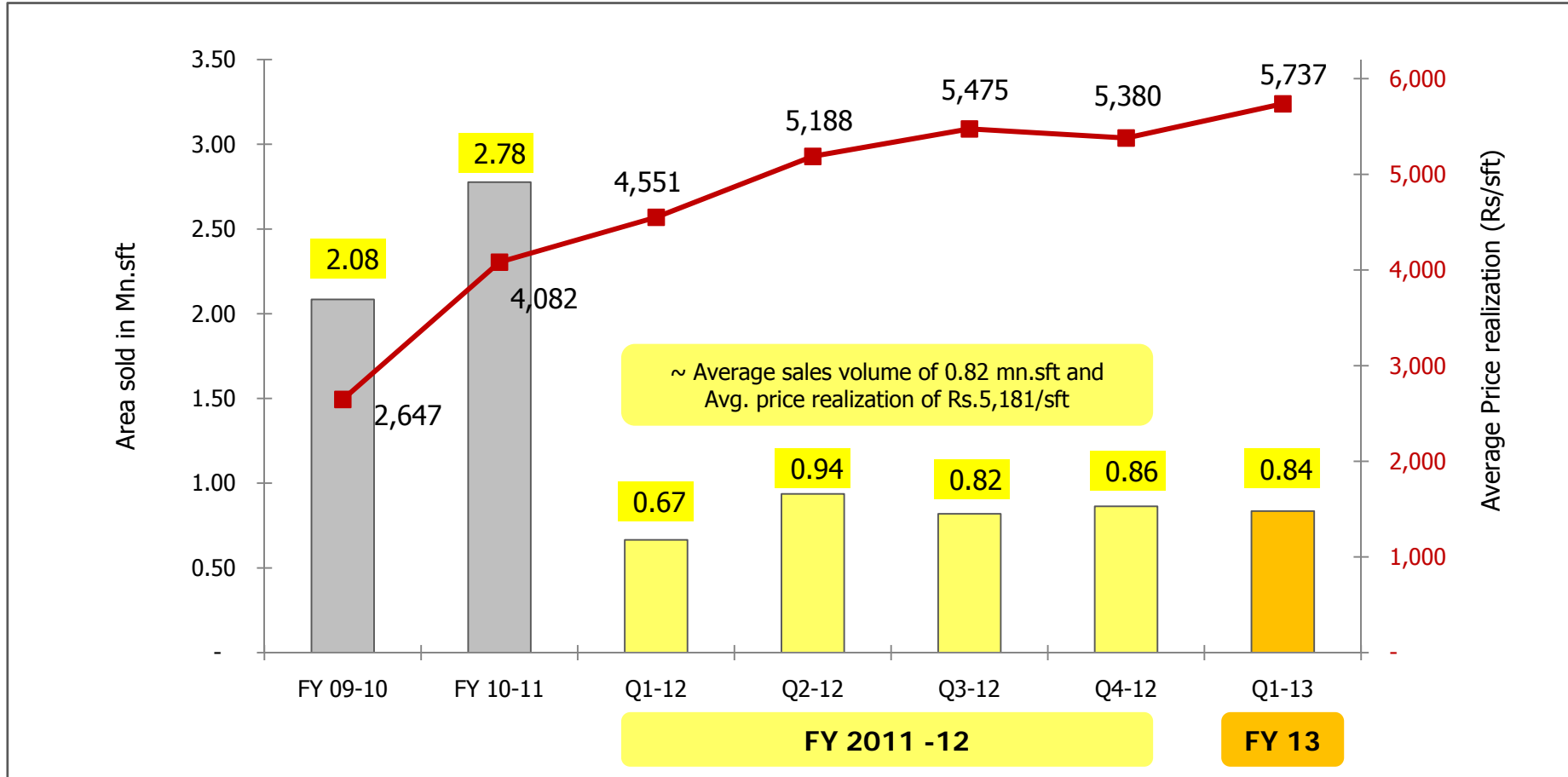
Locations	Opening stock as on 1st Apr-12	Projects launched during the quarter	Stock available for sale	Area sold during the quarter	Closing stock as on 30th June 12	Area not offered for sale	Net unsold stock as on 30th June 12
Bangalore	5.18	-	5.18	0.52	4.66	2.32	2.34
Gurgaon (NCR)	2.47	(0.02)*	2.45	0.14	2.31	1.42	0.89
Chennai	0.82	-	0.82	0.07	0.75	0.24	0.51
Pune	0.40	-	0.40	0.03	0.37	-	0.37
Coimbatore	0.33	0.27	0.60	0.03	0.57	0.32	0.25
Thrissur	0.47	-	0.47	0.04	0.43	-	0.43
Mysore	0.12	-	0.12	0.01	0.11	-	0.11
TOTAL	9.79	0.25	10.04	0.84	9.20	4.30	4.90

Note:

* Gurgaon- International city project area has been revised.

IMPROVED SALES PERFORMANCE

Consistently improving sales realization with increasing sales volume



REAL ESTATE – SNAPSHOT

Completed Projects

- ❖ 80 Projects aggregating to 20.49 mn.sft of Super Built-up area
- ❖ Total area developed * was 25.46 mn.sft



Ongoing Projects

- ❖ 38 Projects aggregating to 16.51 mn.sft of Super Built-up area
- ❖ Total developable* area of 23.50 mn.sft under progress



Forthcoming Projects

- ❖ 9 Projects aggregating to ≈ 5.51 mn.sft of Super Built-up area
- ❖ Total developable area of ~ 7.70 mn.sft



* Developed / Developable area includes super built-up area (SBA) sold to the customer plus common area, car parking area, service area, storage area, internal Roads and common amenities

REAL ESTATE - OVERVIEW

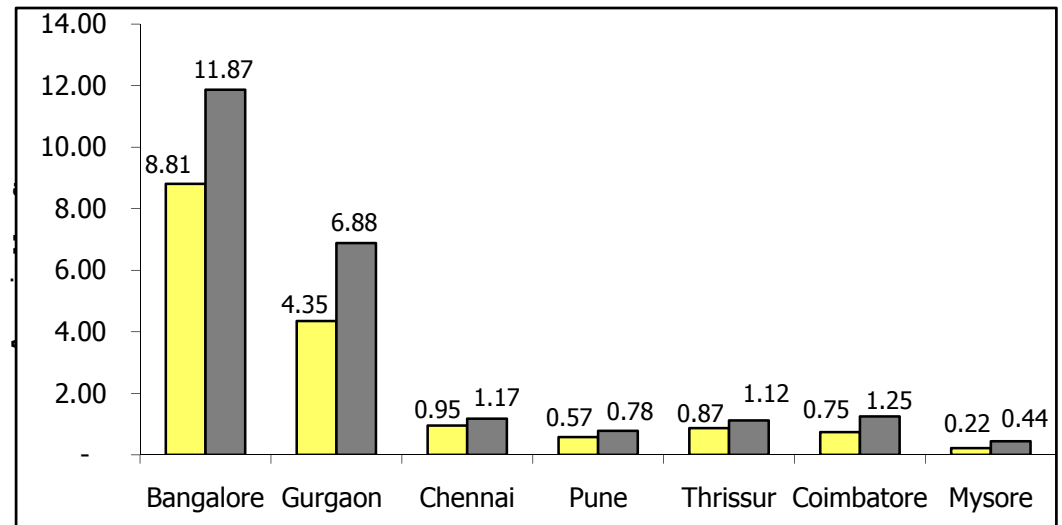
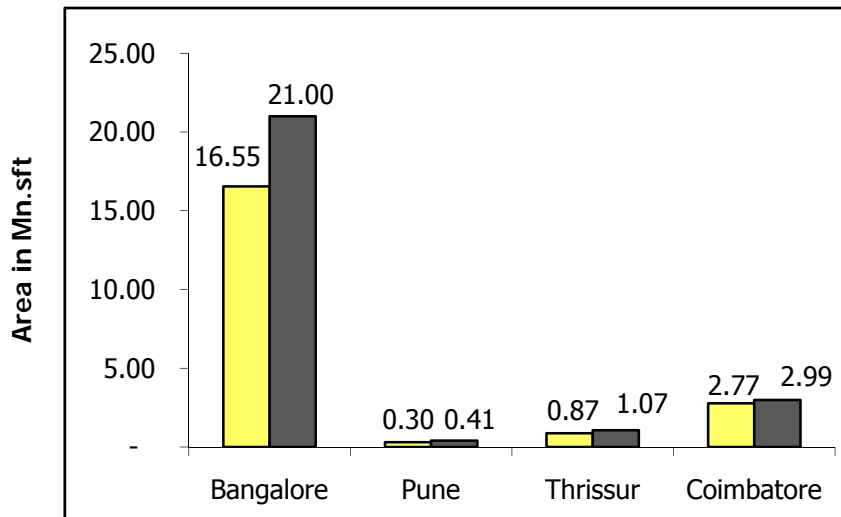
- ❖ Presence across 7 cities in India : Tier I cities : Bangalore, NCR (Gurgaon), Chennai
: Tier II cities : Pune, Coimbatore, Mysore
: Tier III cities : Thrissur
- ❖ Product mix includes Multi Storied Apartments (Dreams, Luxury, Super Luxury & Presidential category), Row Houses, Duplex Villas , Villas and Plotted Developments.

Completed

Developed Area : 25.46 mn.sft
Super Built-up area : 20.49 mn.sft

Ongoing

Developable Area : 23.50 mn.sft
Super Built-up area : 16.51 mn.sft



■ Developed / Developable Area ■ Super Built-up area

REAL ESTATE – FUTURE LAUNCHES

Proposed new launches in next 4 quarters

S.No	Projects	Location	Type	SITE Area (in Acres)	~Total SBA (sft)	Sobha share of SBA (sft)
BANGALORE						
1	Dairy Circle Property	Bannerghatta Road	Residential	3.50	363,078	181,539
2	Hosakerehalli Property	Mysore Road	L+SL Apartments	15.70	1,709,730	1,360,161
3	City Property	Minerva Mills, Gopalapura	Residential + Commercial	11.37	1,486,403	817,522
4	Hirandahalli Property	Off Old Madras Road	Villas + Apartments	22.5	453,069	289,964
5	Hosahalli Property	Kanakapura Road	Residential	3.48	471,479	471,479
6	St.Mark's Road Property	St.Mark's Road	Commercial	1.84	203,357	101,679
Thrissur						
7	Sobha Jade	Thrissur, Kerala	SL Apartments	3.15	497,090	497,090
8	Sobha City-Commercial 2	Thrissur, Kerala	Office + Hotel Space	3.36	191,309	191,309
Mysore						
9	Nadanahalli property	Nadanahalli	Plotted Development	6.20	135,036	135,036
	TOTAL			71.10	5,510,552	4,045,779

Note: Area details are subject to change

SALES vs INCOME RECOGNITION

Rs.in millions

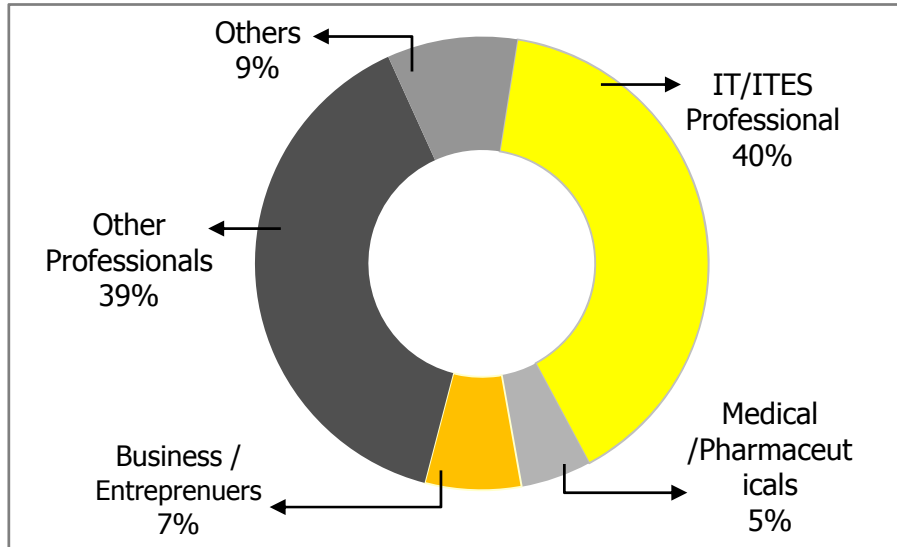
Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	Q1: 2012-13
Sale Value	10,617	2,598	5,506	11,335	17,015	4,794
Income Recognized	8,619	4,478	6,730	9,200	8,948	2,405
% income recognized				81%	53%	51%

Note:

1. The projects launched in new geographies , i.e: NCR and Chennai during 2011-12 are yet to reach the threshold limit for income recognition.
2. We expect the same to reach the threshold limit of income recognition during 3rd and 4th quarter of the current financial year onwards.

BUYERS PROFILE

Profession-wise breakup



Note:

- 1) Other Professionals includes Manufacturing, Financial Services, Hospitality, Media, Telecom etc
- 2) Others includes House wives, Agriculturist, Retired, Govt. Employees etc.

NRI Booking status

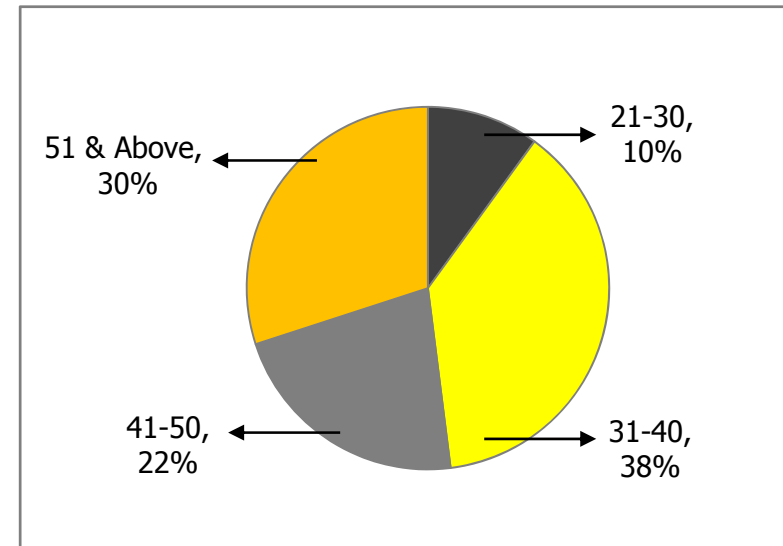
	FY 11	FY 12	Q1-13
Resident Indians	76.5%	77.5%	78.9%
NRI's	23.5%	22.5%	21.1%

Customers funding status

Customers opted for Bank Loan	44%
Self Funding	56%

Note: The funding position is considered for cumulative sales period from April-11 to March-12.

Buyers Age-wise breakup



PRICE BAND CATEGORY – RESIDENTIAL SALES

Total area sold during Q1-13	835,600 sq.ft
Total Sales value	Rs.4,794 Mns

Category	SBA (Sq.ft)	Percentage	Sale Value (Rs.Mns)	Percentage
< 50 lakhs*	11,006	1%	48	1%
50-75 lakhs	134,866	16%	597	12%
75 lakhs to 1cr	300,555	36%	1,559	33%
1 cr to 2 crs	242,904	29%	1,208	25%
Above 2 crs	146,269	18%	1,382	29%
Grand Total	835,600		4,794	

Note:

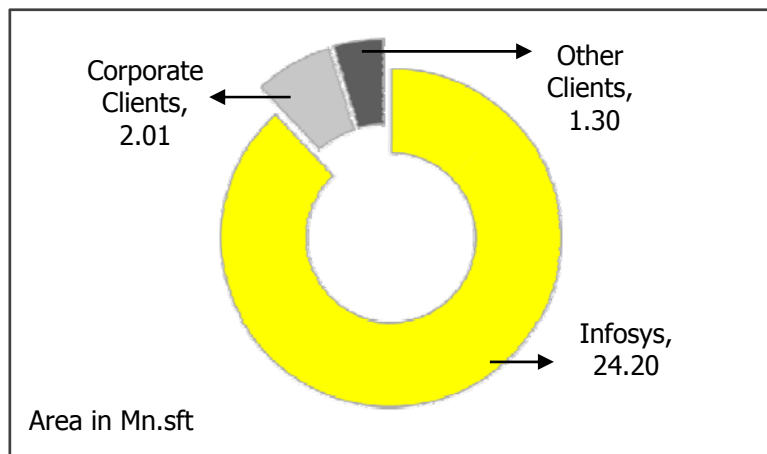
* < 50 lakhs represents 1 BHK units constructed as per requirements of local laws at Tamilnadu

CONTRACTS - OVERVIEW



Completed Projects

- ❖ 216 Projects aggregating to 27.51 mn.sft of area
- ❖ Completed projects located in 19 cities across India

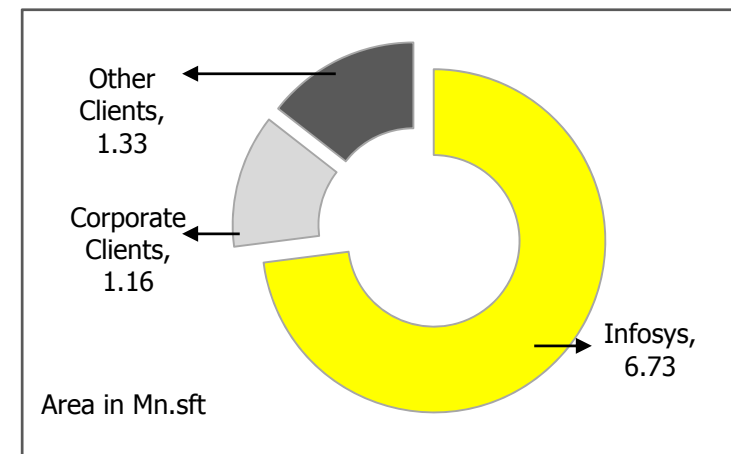


• Corporate Clients includes Dell, HP, Timken, Taj, Bayer Material Science, HCL, Bharat Forge, ITC, Biocon, IPE, Bosch, GMR, Hotel Leela Ventures etc



Projects Under Progress

- ❖ 42 Projects aggregating to 9.22 mn.sft of area
- ❖ Ongoing contractual projects located in 10 cities across India



• Other Clients includes Rangsons Electronics, Woderla Holidays, Vakil Housing, Sterling Mac Hotels, Shanthi Hospital, Chaithanya projects, Gold Plus Glass Industries and many other Private bungalows.

CONTRACTS – PROJECTS BREAK-UP

Contractual Projects status as on 30th June-12

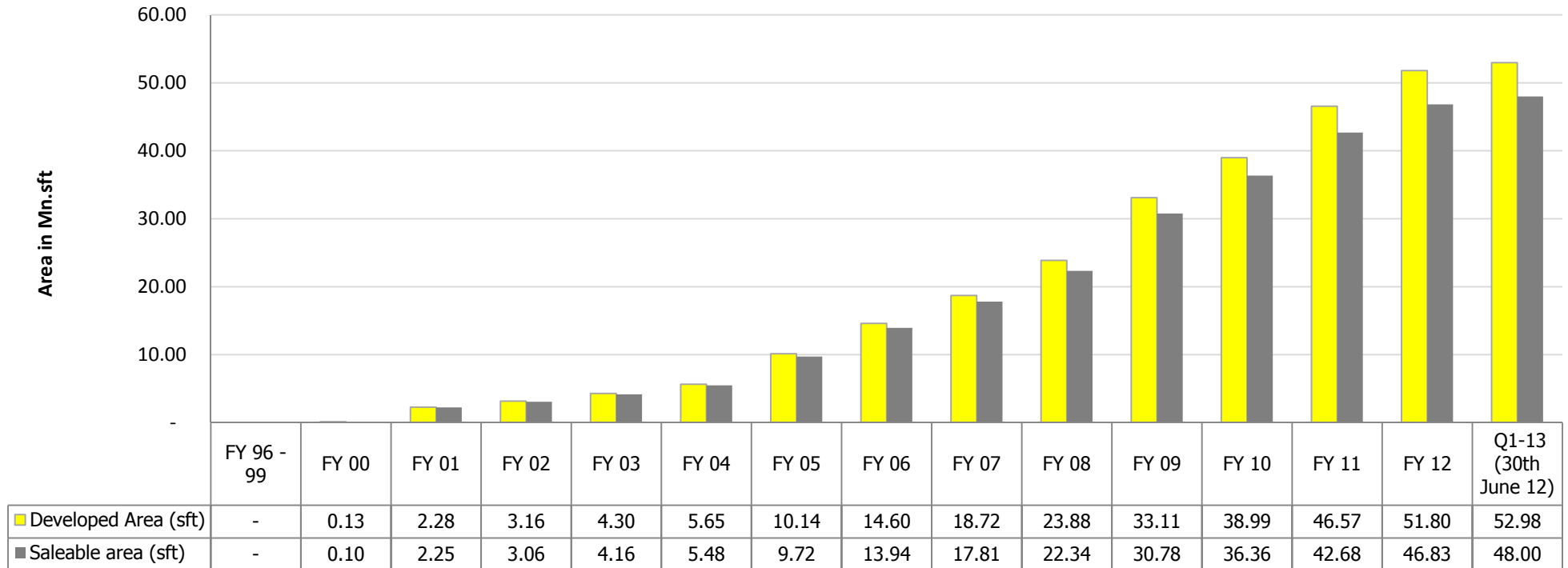
S.NO	DESCRIPTION	PROJECTS UNDER PROGRESS	
		No of Projects	SBA (Sft)
1	Bangalore	14	2,325,516
2	Mysore	3	1,738,277
3	Hyderabad	9	1,723,038
4	Chennai	5	1,091,467
5	Pune	3	1,042,918
6	Mangalore	4	546,587
7	Trivendrum	1	370,000
8	Coimbatore	1	250,000
9	Salem	1	120,000
10	Ooty	1	13,106
	TOTAL	42	9,220,909

Note:

- The scope of contractual works varies from Civil, Finishes, MEP, Interiors to Glazing
- The Order book value of projects under progress is about Rs. 6.04 Billion

EXECUTION TRACK RECORD

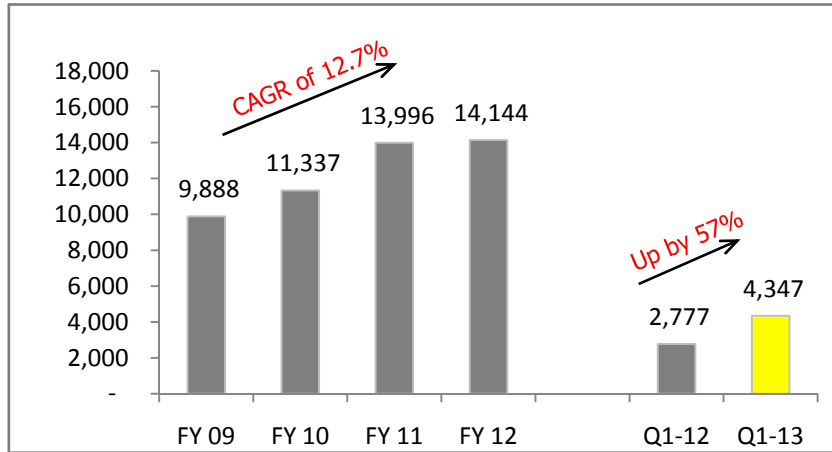
Cumulative area completion



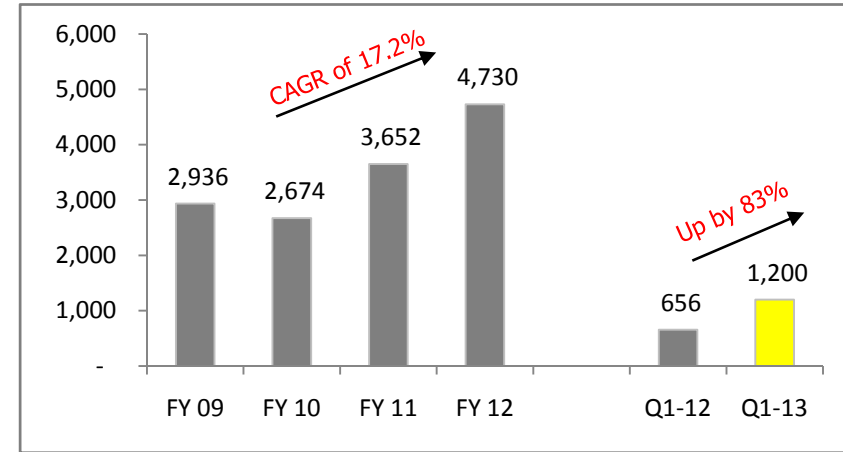
- ❖ During Q1-13, completed 1.18 mn.sft of developable area
- ❖ Sobha has completed 18.72 mn.sft of developable area over a period of 12 years till 2007, since inception in 1995, and thereof has completed 34.26 mn.sft of area in the next 5.25 years till end of June-12.
- ❖ Consistently developing 6.62 mn.sft of developable area and of 5.80 mn.sft Super Built-up area for the past 5 years

FINANCIAL SNAPSHOT

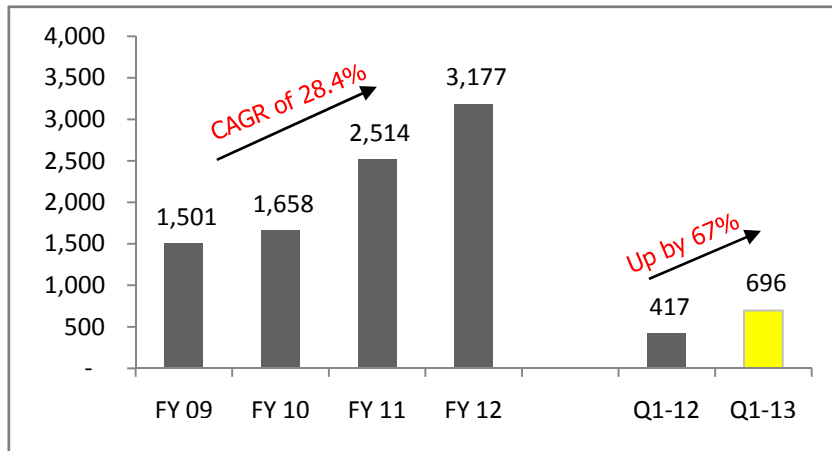
REVENUE



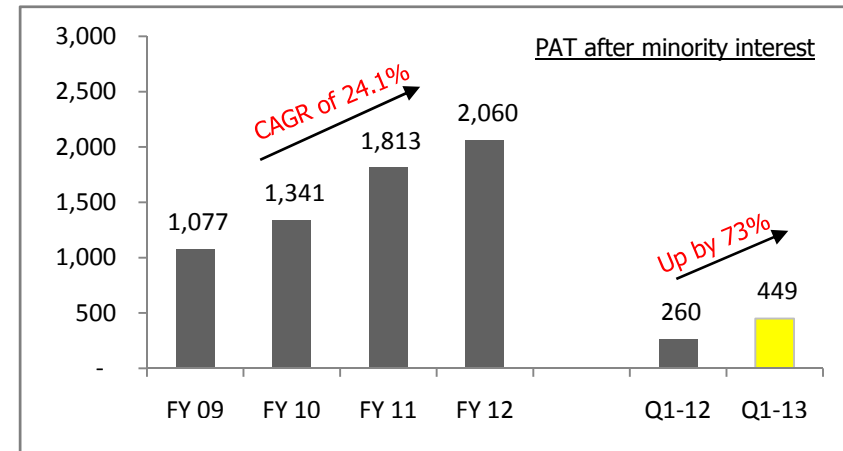
EBITDA



PROFIT BEFORE TAX



PROFIT AFTER TAX



* All values are Rs. in millions

MOVEMENT OF LOANS

Consolidated

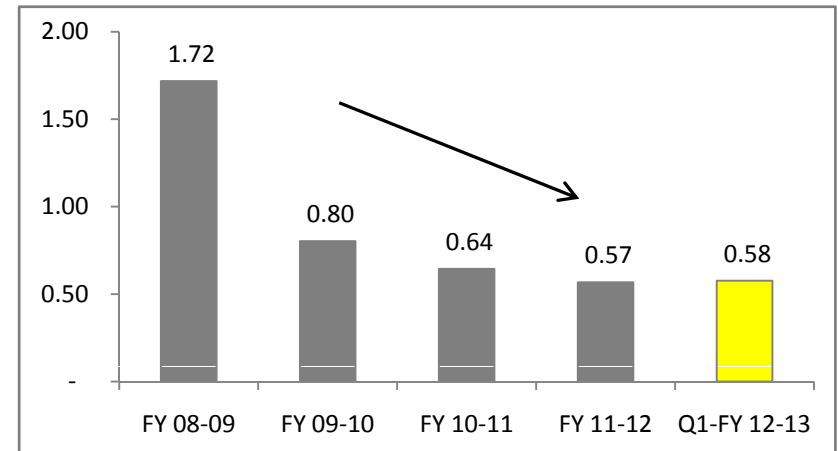
Rs. in Millions

Particulars	As on 30 th June 2012	As on 31 st Mar 2012	(Increase) /Decrease
Gross Debt	12,307	12,031	(276)
Less: Cash & Cash Equivalents	501	689	(188)
Net Debt	11,806	11,342	(464)

Reason for increase in loans:

- ❖ Invested Rs.550 mns for buying back of subsidiary at Sobha City, Thrissur
- ❖ Invested Rs.251 mns in fixed assets

D/E Ratio - Consolidated



Net Worth : Rs.20.45 Billion
 Debt (net) : Rs.11.81 Billion
D/E ratio : 0.58

BALANCE SHEET

Rs.in Millions

	30 th June-12	30 th June-11
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	980.64	980.64
Reserves and surplus	19,465.91	17,787.22
	20,446.55	18,767.86
Minority Interest		325.54
Non-current liabilities		
Long Term Borrowings	359.54	28.00
Deferred Tax Liability (net)	416.97	175.49
Trade Payables	177.62	176.72
Long term provisions	40.11	10.75
	994.25	390.96
Current liabilities		
Short term borrowings	1,996.82	3,564.26
Trade Payables	3,647.67	3,507.25
Other current liabilities	13,885.93	12,662.31
Short term provisions	1,402.98	818.00
	20,933.40	20,551.82
Total	42,374.20	40,036.19

	30 th June-12	30 th June-11
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	2,807.46	1,381.35
Intangible assets	54.83	5.56
Goodwill on consolidation	170.42	-
Capital work-in-progress	82.17	693.23
Non-current investments	0.28	37.53
Deferred tax assets (net)	-	-
Long-term loans and advances	5,495.38	5,170.79
Inventories	72.73	13.50
Trade receivables	51.25	-
Other non-current assets	78.85	58.73
	8,813.38	7,360.69
Current assets		
Current investments	-	9.95
Inventories	16,640.91	10,781.01
Trade receivables	931.29	2,061.91
Cash and bank balances	421.81	197.78
Short-term loans and advances	13,221.62	17,482.92
Other current assets	2,345.19	2,141.93
	33,560.83	32,675.50
TOTAL	42,374.20	40,036.19

PROFIT & LOSS STATEMENT

Rs. in Millions

Particulars	Q1-13	Q1-12	Q4-12	FY 12	% of Growth	
					Q1-13 on Q1-12	Q1-13 on Q4-12
Property Development	3,373.14	1,859.84	3,922.62	10,338.43	81%	(14%)
Contractual + Manufacturing	958.32	915.33	1,308.32	3,740.59	5%	(27%)
Other Income	15.66	2.01	13.59	64.70	679%	15%
TOTAL REVENUE	4,347.12	2,777.18	5,244.53	14,143.72	57%	(17%)
Total Expenditure	3,147.32	2,121.44	3,248.65	9,413.47	48%	(3%)
EBITDA	1,199.80	655.74	1,995.88	4,730.25	83%	(40%)
<i>EBIDTA %</i>	<i>28%</i>	<i>24%</i>	<i>37%</i>	<i>33%</i>		
Depreciation & Amortization	126.26	74.01	116.72	387.78	71%	8%
Finance Expenses	377.17	164.41	405.93	1,165.39		
PBT	696.37	417.32	1,473.23	3,177.08	67%	(53%)
<i>PBT %</i>	<i>16%</i>	<i>15%</i>	<i>28%</i>	<i>22%</i>		
Provision for Tax	247.18	151.88	497.59	1,076.55		
PAT before minority interest	449.19	265.44	975.64	2,100.53	69%	(54%)
Minority Interest	-	5.34	8.13	40.99		
PAT after minority interest	449.19	260.10	967.51	2,059.54	73%	(5%)
<i>PAT %</i>	<i>10%</i>	<i>9%</i>	<i>18%</i>	<i>15%</i>		

Note : Figures are regrouped & reclassified

CASH FLOW STATEMENT

Rs. in Millions

Particulars	Quarter Ended 30 th June-12	Year ended 31 st Mar-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	696.38	3,177.08
<i>Adjustments for</i>		
Depreciation/ amortization	126.26	387.78
Profit on sale of fixed assets (net)	(0.11)	(0.82)
Provision for diminution in value of long term investment	-	26.70
Goodwill written off	14.20	-
Provision for doubtful debts and advances	-	67.00
Interest expense	351.65	1,079.49
Interest Income	(9.50)	(35.46)
Operating profit before working capital changes	1,178.89	4,701.77
<i>Movements in working capital</i>		
Increase / (decrease) in trade payables	(150.55)	534.69
Increase/ (decrease) in current liabilities and provisions	(324.70)	388.30
(Increase) / decrease in trade receivables	197.34	(165.52)
(Increase)/ decrease in inventories	45.80	(4,900.43)
(Increase)/ decrease in other assets	278.32	550.55
(Increase)/ decrease in loans and advances	(377.77)	4,289.50
Cash generated from/ (used in) operations	847.33	5,398.86
Direct taxes paid (net of refunds)	(117.13)	(537.97)
Net cash generated from/ (used in) operating activities - (A)	730.19	4,860.89

Note : Figures are regrouped & reclassified

CASH FLOW STATEMENT

Rs. in Millions

Particulars	Quarter Ended 30 th June-12	Year ended 31 st Mar-12
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets incl. capital work in progress	(251.26)	(1,021.04)
Proceeds from sale of fixed assets	(0.99)	1.73
Consideration paid on acquisition of subsidiary	(550.80)	(986.31)
Purchase of current investments	-	-
Proceeds from sale of current investments	-	9.95
Investments in bank deposits (Original maturity of more than 3 yrs)	0.52	(159.79)
Interest received	10.48	34.50
Net cash (used in)/ from investing activities - (B)	(792.06)	(2,120.96)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	370.76	7,927.12
Repayment of long-term borrowings	-	(6,907.28)
Proceeds from short-term borrowings	23.44	-
Repayment of short-term borrowings	-	(1,277.79)
Interest paid (gross)	(520.77)	(1,906.18)
Dividends paid on equity shares	(0.01)	(293.98)
Tax on equity dividend paid	-	(48.86)
Net cash (used in)/ from financing activities - (C)	(126.57)	(2,506.97)

Note : Figures are regrouped & reclassified

CASH FLOW STATEMENT

Rs. in Millions

Particulars	Quarter Ended 30 th June-12	Year ended 31 st Mar-12
Net increase/ (decrease) in cash or cash equivalents - (A+B+C)	(188.43)	232.96
Cash and cash equivalents as at beginning of the year	411.20	169.84
Cash inflow due to acquisition of subsidiary	-	8.34
Cash and cash equivalents at the end of the year	222.77	411.14
Components of cash and cash equivalents		
Cash on hand	7.35	3.68
Cheques / drafts on hand	-	
Balances with scheduled banks		53.52
On current accounts	167.13	350.66
On deposit accounts	47.52	2.57
unpaid dividend accounts *	0.77	0.77
Total cash and cash equivalents	222.77	411.20

* The company can utilize this balance only toward settlement of the unpaid dividend liability.

LAND BANK STATUS

- Total Extent of Land : 2,546.25 acres
- Sobha Share of Land : 2,473.56 acres
- Total Cost consideration : Rs.18,391.05 mns
- Balance payable as on 30.06.12 : Rs.1,133.23 mns
- Cost of Sobha Land : Rs.171 /sft
- Sobha FSI Cost of Land : Rs.86 /sft

BANGALORE (851.25 acres)

Developable Area	83.07
Sobha Share	79.83

MYSORE (32.30 acres)

Developable Area	2.59
Sobha Share	2.59

PUNE (117.58 acres)

Developable Area	5.69
Sobha Share	5.43

THRISSUR (16.64 acres)

Developable Area	1.81
Sobha Share	1.81

COCHIN (435.27 acres)

Developable Area	47.40
Sobha Share	47.40

COIMBATORE (96.97 acres)

Developable Area	6.34
Sobha Share	6.34

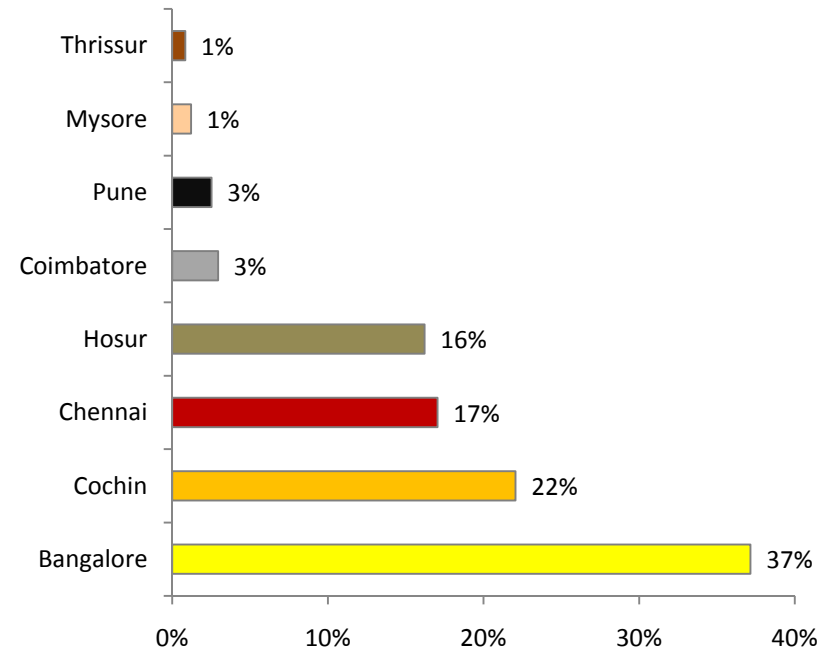
CHENNAI (511.49 acres)

Developable Area	36.76
Sobha Share	36.63

HOSUR (484.76 acres)

Developable Area	34.84
Sobha Share	34.84

Distribution based on development potential



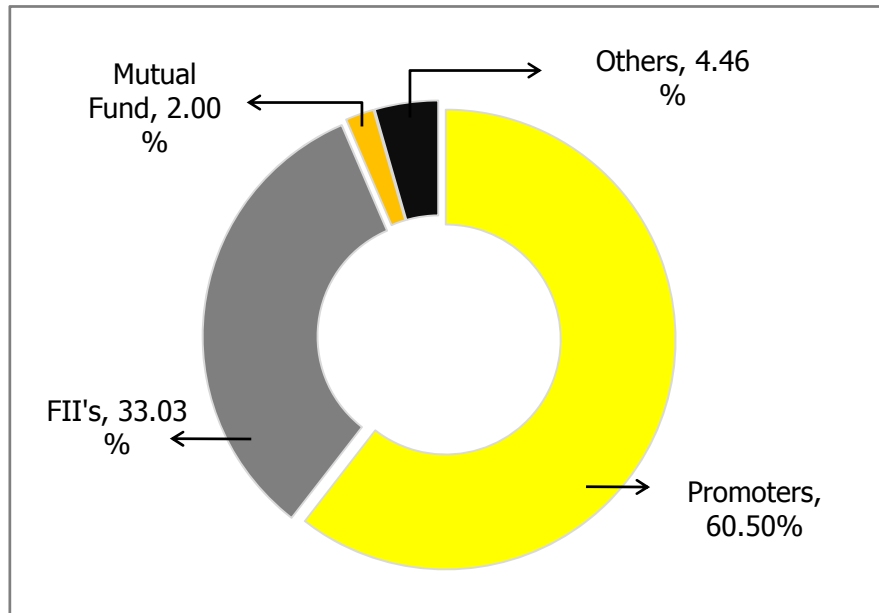
BACKWARD INTEGRATION (World Class Manufacturing Facilities)



Interiors & Furnishing Division		Glazing & Metal Works Division		Concrete Products Division	
Total Factory area	: 0.8 Mn sq ft	Factory area	: 0.3 Mn sq ft	Factory area	: 0.4 Mn sq ft
Workforce	: 753	Workforce	: 615	Workforce	: 155
PRODUCTS <ul style="list-style-type: none"> • Manufacturing wood based products such as doors, windows, paneling, cabinets, cupboards & loose furniture. • Manufacture of Economy, Deluxe, Super Deluxe & Premium Mattresses from Furnishing division 		PRODUCTS <ul style="list-style-type: none"> • Metal / Steel fabrication • Aluminum door and windows, structure • Glass works 		PRODUCTS <ul style="list-style-type: none"> • Manufacture of wide range of concrete products such as concrete blocks, pavers, kerb stones, water drainage channels, paving slabs and elite landscape products 	



SHARE HOLDING PATTERN



- ❖ In the last 1 year FII's holding has increased from 30.21% to 33.03%.
- ❖ No. of shareholders as on 30th June 2012 is 60,927.
- ❖ Market capitalization as on 30th June 2012 is Rs.32.90 Billion.

	30 th June-12	31 st Mar- 12	31 st Dec- 11	30 th Sep-11	30 th Jun-11
Promoters Holding	60.50%	60.50%	60.50%	60.50%	60.50%
FII's	33.03%	32.37%	32.22%	33.24%	30.21%
Mutual Fund	2.00%	2.03%	1.29%	1.07%	4.04%
Others	4.46%	5.10%	5.99%	5.19%	5.25%

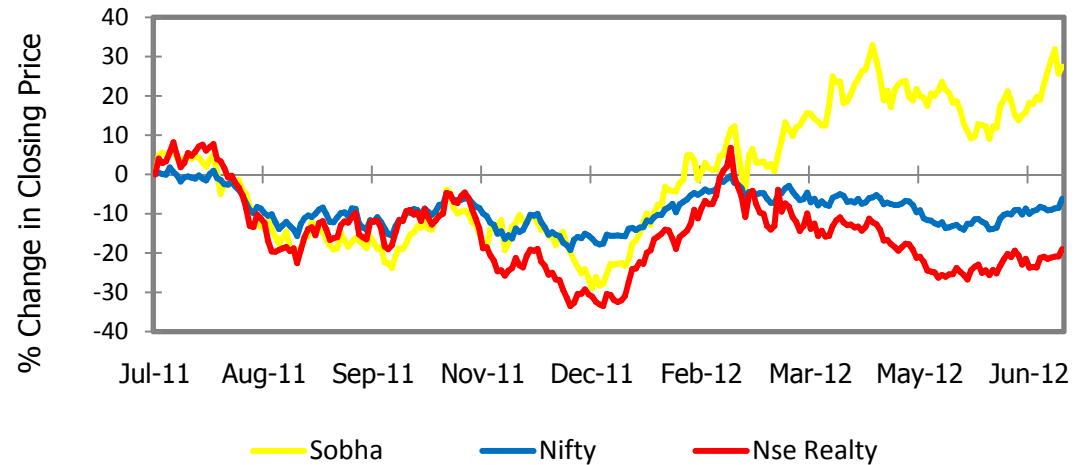
SOBHA – STOCK PERFORMANCE

Status as on: 30th June 12

No. of Shares	98.06 Million
Market Capitalization	Rs 32.90 Billion
Stock Price : 52 week High / Low	Rs. 368 /179.50
Avg. Daily volume (12 months)	155,437

Source : NSE index

1 year Chart - Sobha v/s Nifty v/s Realty



Sobha stock covered by,

- | | | | |
|---|---|--|--|
| <ul style="list-style-type: none"> • Morgan Stanley • Goldman Sachs • CLSA India • ICICI Securities • J P Morgan • TATA Securities • Credit Suisse | <ul style="list-style-type: none"> • Jefferies India Ltd • Enam Securities • Deutsche India Equities • Religare Capital Markets • BNP Paribas • Kotak Securities • Ambit Capital | <ul style="list-style-type: none"> • IDBI Capital • IIFL (India Info Line) • JM Financials • Prabhudas & Lilladher • ICICI Direct • Standard Chartered Bank • SBI Capital | <ul style="list-style-type: none"> • IDFC securities • Macquarie Capital Securities • Bank of America (Merrill Lynch) • Kantilal Chhaganlal Securities • Emkay Global • Nirmal Bang Institutional Equities • KR Choksey |
|---|---|--|--|



THANK YOU

Corporate Office

Sobha Developers Ltd.
'SOBHA', Sarjapur-Marathahalli Outer Ring
Road(ORR),
Devarabisanahalli, Bellandur Post,
Bangalore-560103
Phone: +91-80- 49320000, Fax: +91-80- 49320444

For Investors Contact :

S. Baaskaran
Chief Financial Officer
Mobile: +91- 98800 80009
Email: baaskaran.s@sobha.com
Web : www.sobha.com

K.Bala Murugan
Senior Manager – VC & MD's Office
Mobile: +91- 98807 30459
Email: balamurugan.k@sobha.com



Sobha Corporate Office



Sobha Malachite-Thrissur



Sobha Moonstone



Sobha Azalea

Disclaimer:

The information in this presentation contains certain forward-looking statements. These include statements regarding outlook on future development schedules, business plans and expectations of Capital expenditures. 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.