



PRESS RELEASE

For immediate publication

Strengthening the growth momentum

Bengaluru, August 7, 2018:

SOBHA Limited today announced unaudited financial results for the quarter ended June 30, 2018. A brief snap shot of the key operational and financial parameters for the quarter ended June 30, 2018 is given below:

- Cash inflow of Rs.7.37 billion
- Net operational cash flow of Rs.800 million after interest and tax expenses
- Debt – Equity Ratio of 1.09
- Cost of Borrowings at 9.31%
- Revenue at Rs. 6.10 billion on a consolidated basis
- EBITDA of Rs. 1.43 billion; EBITDA margin at 23.4%
- PBT at Rs. 740 million; PBT margin at 12.1%
- PAT at Rs. 534 million; PAT margin at 8.8%
- Registered new sales volume of 0.96 million square feet
- Registered new sales value of Rs.7,624 million (SOBHA Share of Rs.6,118 million)
- Achieved average price realisation of Rs. 7,941 per square feet (SOBHA Share of Rs.6,373 per square feet)
- Contracts and Manufacturing order book at Rs. 24.40 Billion

SOBHA Limited, on a consolidated basis, registered a turnover of Rs.6,101 million during the first quarter of the financial year 2018-19. The Profit before Tax (PBT) stood at Rs.740 million and the Profit after Tax (PAT) at Rs. 534 million on a consolidated basis. During the quarter, the Company has generated net positive operational cash flows of Rs. 800 million after meeting interest and tax expenses.

In Q1'19, the Company achieved new sales volume of 960,085 square feet total valued at Rs. 7,624 million with an average realisation of Rs.7,941 per square feet (SOBHA Share of sale value at Rs. 6,118 million with an average realisation of Rs.6,373 per square feet).



Speaking on the occasion, Mr. J.C. Sharma, Vice Chairman and Managing Director, SOBHA Limited said, “This was also the first quarter where the new accounting standard of IND AS 115 was followed by the company, which uses the project completion method instead of the existing percentage completion method. While some fluctuations in reporting the income are expected, there is no impact on the company’s cash flow or income tax liability, as the company continues to follow percentage completion method under Income Computation and Disclosure Standards (ICDS) for income tax purpose. In other words, it is a compliance requirement which will not have any impact on the overall business of the company. We are confident that on completion of some of the ongoing projects in this financial year, the overall income growth momentum will be maintained.”

Commenting further, he said, “Our contracts vertical has also witnessed a noticeable progress, with the order book at an all-time high in this quarter. Additionally, our operating margins have also shown improvement.”

Mr. Sharma further added, “More importantly, the overall market scenario is beginning to look better with demand picking up across all regions and segments. This is despite a slight increase in the interest rates on home loans due to increase in repo rates by RBI.”

Exceptional Execution

SOBHA’s superior execution capability is its core strength. Since inception, SOBHA has completed real estate projects and contractual projects covering about 96.48 million square feet of area. The Company currently has ongoing real estate projects aggregating to 38.48 million square feet of developable area and 26.20 million square feet of saleable area, and ongoing contractual projects aggregating to 9.08 million square feet under various stages of construction. The Company has a real estate presence in 9 cities, viz. Bangalore, Gurgaon, Chennai, Pune, Coimbatore, Thrissur, Calicut, Cochin and Mysore. Overall, SOBHA has footprint in 26 cities and 13 states across India.

Recognition & Awards

Some of the key recognitions are as follows:

- Recognised as the top brand of Indian real estate sector for the 4th consecutive year by the BrandXReport 2017-18, an annual study conducted by Track2Realty. SOBHA has been the first company to achieve this rare feat in this space.



- Won Iconic Real Estate Brand Award at the India Best Brand Series and Awards (IBBA) 2018.
- Declared as the Best Developer of the year (Large Category) at CIA World Construction & Infra awards 2018.
- Awarded the Best Builder of the Year 2018 (Large) at BAM awards.

About SOBHA Limited:

Founded in 1995, SOBHA Limited is one of the fastest growing and foremost backward integrated real estate players in the country. It means that the company has all the key competencies and in-house resources to deliver a project from its conceptualization to completion. SOBHA is primarily focused on residential and contractual projects. The Company's residential projects include presidential apartments, villas, row houses, super luxury & luxury apartments, plotted developments and aspirational homes. In all its residential projects, the company lays strong emphasis on environmental management, water harvesting and highest safety standards. On the contractual projects side, the Company has constructed a variety of structures for corporates including offices, convention centres, software development blocks, multiplex theatres, hostel facilities, guest houses, food courts, restaurants, research centres, and club houses. For more information on SOBHA Limited, please visit: www.sobha.com

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