



July 04, 2019

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 June 30, 2019

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, 2019.

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**

SOBHA LIMITED

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SOBHA LIMITED

REAL ESTATE OPERATIONAL UPDATE – Q1 FY 2019-20

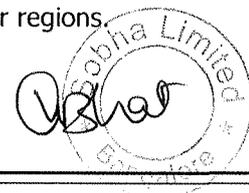
In the month of May 2019, we witnessed landslide victory for the ruling alliance that re-established hopes for a further stable, progressive and result-oriented Government. This mandate allows the new Government continuity of policy decisions in the right direction and help the Indian economy reach the \$5 trillion mark. Real Estate remains a top priority for the Government and plays a crucial role in job creation for a fast growing economy like ours. We hope that through digitisation and 'single window clearance', approval processes will become faster and efficient. This, in turn, will help the sector as well as us to improve profitability and productivity.

In India, real estate plays a vital role in driving the economic growth. According to an estimate by RBI, India's growth forecast is expected to be around 7% and is expected to pick up pace, as much as 7.5 per cent during the second half of FY 2019-20. With the implementation of various structural and regulatory reforms in the last few years, the Indian economy in general and the real estate sector in particular is expected to achieve faster growth in the financial year of 2019-20.

According to Asian Development Bank in its Asia Development Outlook, it projects India's growth rate at 7.2% this fiscal. Additionally, the real estate and construction sector together are expected to create over 15 million jobs by 2022. This will help revive the Indian economy.

The residential real estate sector witnessed some favourable outcome as listed builders registered a good profit for the last quarter of FY19. NBFCs play a huge role in providing the much-needed capital to the developers. The NBFC sector has been moving from one crisis to another ever since the IL&FS issue cropped up in September last year and liquidity position in the market remains tight. This has potential impact on lending activities and growth of the sector. As far as SOBHA is concerned, we continue to enjoy required liquidity from various banks and financial institutions.

In this background, we present our operational performance for Q1 of FY19-20. During the quarter, the company has achieved new sales volume of 1,063,632 square feet in total valued at Rs. 7.78 billion, with a total average realisation of Rs. 7,312 per square feet (SOBHA share of sales value is at Rs 6.61 billion). The sales volume is up by 11% as compared to the corresponding quarter of last year. Bengaluru continues to perform well and is ably supported by other regions.





During Q1 of financial year 2019-20, the company has launched SOBHA Nesara, a super luxury apartment project in Pune, with saleable area of 0.51 million square feet. We have also launched SOBHA Verdure, an exclusively designed row houses project in Coimbatore, with saleable area of 0.10 million square feet. In total, we have launched 0.61 million square feet of projects during the first quarter of this financial year.

As part of our geographical expansion plan, during the quarter, we have entered into a Joint Development Agreement (JDA) for residential development in Hyderabad. Further, we are planning to launch projects in Bengaluru, Gurugram, Delhi, Hosur, Chennai, Thrissur and Hyderabad in the coming quarters. This will further boost our presales. More importantly, these launches will increase our footprint in locations other than Bengaluru, which continues to be our largest market, and help us deliver better operational performance.

The summarised real estate performance for the quarter ended June 30, 2019 is given below:

New Sales:

In Square Feet

Location	Q1-20	Q1-19	Q4-19	FY-19
Bengaluru	743,479	612,944	838,957	2,767,789
Gurugram	66,183	102,190	66,616	351,242
Kochi	46,497	75,627	111,425	318,155
Mysore	49,020	49,371	18,574	180,662
Chennai	53,729	48,253	49,652	176,341
Coimbatore	14,846	31,004	17,766	112,805
Thrissur	23,198	27,400	5,429	66,380
Kozhikode	16,277	12,192	15,814	39,505
Pune	20,710	1,104	-	11,865
GIFT City	29,693	-	5,036	5,036
Total	1,063,632	960,085	1,129,268	4,029,779





Sales Value and Price Realisation:

Particulars	Q1-20	Q1-19	Q4-19	FY-19
Total Sales value (Rs Million)	7,777	7,624	9,205	31,225
Average Price Realisation – Total (Rs / Square Feet)	7,312	7,941	8,152	7,749
Sales Value – SOBHA Share (Rs Million)	6,606	6,118	7,115	25,401

SOBHA's share of sales value has increased by 8% in Q1 FY 2019-20 as compared to same period during the last financial year.

The total average price realisation for Q1 FY 2019-20 stands at Rs. 7,312 per sq. ft. We would also like to inform that the average price realisation will fluctuate Quarter-on-Quarter (Q-o-Q) due to change in sales mix across various projects.

SOBHA believes that the momentum achieved during the first quarter of the current financial year will continue in the coming quarters of FY 2019-20 as well.

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.

