



PASSION AT WORK

July 04, 2020

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, 2020

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, 2020.

We request you to 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 2020-21

SOBHA posted its highest ever income, sales volume and collections during FY-20 despite challenges thrown by COVID-19 during last fortnight of the fourth quarter. World is going through one of its most challenging times and looking at ways to come out of this crisis successfully. COVID-19 pandemic continues to overwhelm the livelihood of millions of people around the globe. All major global economies and businesses have written-off the first quarter of the FY-21.

With extended limitations on movement of goods and labor and other restrictions in the operating environment, industries are expected to suffer further deterioration in performance during Q1-21.

India's real estate sector has been hit hard by the COVID-19 pandemic. Work on projects had to be stopped suddenly due to nationwide lockdown which came into effect from 25th March 2020. In recent weeks, the measures have eased allowing some construction activities to resume in parts of the country. But demand for both residential and commercial property in India remains tentative and as a result new launches during the quarter remain muted.

The real estate sector will have to reinvent itself to understand, comprehend, plan and incorporate new innovative ways to meet the emerging new requirements. The time for '**Business as Usual**' is over, and creative disruption shall be the norm. While it will prompt the real estate sector to go back to the drawing board, it also offers new avenues to explore innovations and fast-track incorporation of new technologies, be it construction technologies, home automation, IoT or AI. The planning would need to incorporate altered norms of social distancing, mobility, density and health considerations.

The pandemic has opened a new era of selling real estate. Going forward, developers are expected to be more focused on digital strategies and reach out to the millennial that constitute the larger part of buyers. Priorities of people have also changed, and they now have realized the importance of owning a home, especially the ones that can guarantee safety and security.

Despite 2 months of lockdown, disrupted demand outlook, complete washout of economic activities in the real estate sector, we are happy to announce that we were able to clock 70% of sales volume during Q1-21 as compared to Q4-20. We were able to achieve this through online technological tools, our Self-reliant business model, customer trust on SOBHA brand and unmatched delivery track record. Continuous improvement in our processes, adaptable approach in business, use of technology & online/digital platforms and cost optimization has yielded in good operational performance for the company.

Demand has remained consistent in all the cities where we operate inspite of uncertainties of the Pandemic. We continue to enjoy sufficient liquidity from banks/FI to meet our obligations. With our continuous focus on efficient cash flow management, we were able to reduce our net debt and average interest cost of borrowing during Q1-21. This is the second consecutive quarter when our net debt has reduced.



Bengaluru is amongst the least impacted metros from COVID-19 so far and has contributed 74% of sales volume during Q1-21 along with other regions also contributing meaningfully. With more and more companies opting for work from home, inherent demand for better quality homes, low interest rates and other benefits extended by government, demand is likely to sustain in the coming quarters and organized players are expected to perform better. The level of inquiries from customers are now almost back to pre-COVID levels.

In this background, we are pleased to present our operational performance for Q1-21. We are happy to announce that during the quarter we have achieved sales volume of 650,400 square feet valued at Rs 4.88 billion, with a total average realization of Rs. 7,498 per square feet. The price realization has also remained stable.

The summarized real estate performance for the quarter ended June 30, 2020 is given below:

New Sales:

In Square Feet

Location	Q1-21	Q1-20	Q4-20	FY-20
Bengaluru	484,278	743,479	657,769	3,002,161
Gurugram	30,745	66,183	84,669	237,383
Kochi	39,622	46,497	32,104	155,626
Mysore	17,903	49,020	-	63,608
Chennai	21,049	53,729	38,881	212,091
Coimbatore	11,335	14,846	15,010	73,981
Thrissur	20,630	23,198	22,629	101,048
Calicut	6,960	16,277	1,424	33,857
Pune	9,440	20,710	22,030	65,376
GIFT City	8,438	29,693	31,194	126,573
Total	650,400	1,063,632	905,710	4,071,704

Arshat



13/10/2020

Sales Value and Price Realisation:

Particulars	Q1-21	Q1-20	Q4-20	FY-20
Total Sales value (Rs Million)	4,877	7,777	6,945	28,806
Sales Value – Sobha Share (Rs Million)	3,931	6,606	5,536	23,827
Total Average Price Realisation –(Rs / Square Feet)	7,498	7,312	7,668	7,075

With over 100 vaccines under pre-clinical trials and a couple entering into human trial stage, we hope that vaccine for this pandemic is found soon so that world can come out of this unprecedented crisis and human life can be back to normal life. Till that time we wish all our investor community and other stakeholders to be safe and healthy.

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.