SOBHA

PASSION AT WORK

January 05, 2018

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**

Dear Sir / Madam,

Sub: Real Estate Operations Update for the quarter ended December 31, 2017

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 December 31, 2017.

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

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REAL ESTATE OPERATIONAL UPDATE – Q3 FY 2017-18

Season's greetings and best wishes to all our esteemed stakeholders for a happy and prosperous 2018.

According to a recent report by London-based Centre for Economics and Business Research (CEBR), India is expected to become the fifth largest economy in dollar terms in 2018, overtaking Britain and France. In addition to this, India has already overtaken Brazil and Russia to emerge as the second largest BRIC economy after China, as per a report by Bank of America Merrill Lynch. These reports are an indication of growing financial influence of the Country at the back of reforms and schemes initiated by the Government.

While the overall economic outlook has been improving continuously, the real estate sector has had its share of challenges. It was impacted adversely during the third quarter of FY16-17 due to sudden announcement of demonetization.

Thereafter, through the year 2017, several historic reforms were rolled out at the macro as well as sector level. These include Credit Linked Subsidy Scheme (CLSS) under PMAY; extension of income tax benefits to apartments of a carpet area of up to 60 square metres, amendments in Real Estate Investment Trusts (REITs), Real Estate (Regulation and Development) Act, 2016 (RERA) and Goods and Services Tax (GST). There was also a tremendous boost for the affordable housing segment with the infrastructure status. Despite the implementation of these big-ticket policy initiatives, the tangible benefits for the real estate market are yet to reflect. As a result, the last three quarters saw subdued sales and new launches, making it a difficult phase for the sector.

However, with the prices stabilizing over the last few years and home loan interest rates at a decade low, buying a home has never been this attractive in the last 15 years or so. As we move forward, the sector is expected to consolidate and revive to witness double-digit sales-volume growth as well as new launches.

In this backdrop, our operational performance for the third quarter has been impressive. The Company, during the third quarter achieved new sales volume of 933,365 square feet, valued at ₹ 7,509 million with an average realisation of ₹ 8,045 per square feet, which is highest ever quarterly sales performance of the Company in terms of value and average realisation. The sales volume and total sales value are up by 8.4% and 11.2% respectively as compared to preceding quarter. Also, sales volume and total sales value is higher by 52% and 92% respectively as compared to Q3-17.

Sobha Limited
Bangalore

During the third quarter, th
and 'Sobha Silver Estate', i

The summarized real estat

New Sales:

Location	Q3
Bangalore	64
Gurgaon	8
Chennai	2
Kochi	10
Thrissur	2(
Calicut	12
Coimbatore	14
Mysore	22
Pune	
TOTAL	**933,**

9 months sales volume up

It is important to note tha
Thrissur, Gurgaon, Coimba
hird quarter.

Sales Value:

Particulars
Total Sales value (₹ Millio
Sales Value – Sob Share (₹ Million)

Total sale s value is up by 40.8% for the first 9 months and it has
the financial year 2016. -17. As far as Sobha share is concerned, S

For the quarter ended December 31, 2017, Sobha Share of sales s crossed the total sales value achieved for
as compared to corresponding quarter of last year and preceding Sales value is up by 29.7% for 9 months.

The new sales value (Sobha Share) of ₹ 6,105 million achieved du value is up by 63.6% and 3% respectively
in the past 11 quarters. quarter.

Price Realisation:

uring the third quarter of 2017-18 is highest

Particulars	Q3 18	Q3 17	Q2 1	18	9M 18	9M 17	FY 17
Average Price Realisation – Total (₹ / Square Feet)	8,045	6,369	7,84	40	7,853	6,387	6,704
Price Realisation – Sobha Share (₹ / Square Feet)	**6,541**	**6,082**	**6,88**	**33**	**6,767**	**5,974**	**6,216**

Average price realisation has also shown a steady trend in this financial year.

We hope that, the Company will be able to sustain this improvement in operational performance in the coming quarters 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.