



April 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
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Dear Sir / Madam,

Sub: Real Estate Operations Update for the quarter ended March 31, 2018.

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 March 31, 2018.

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 – Q4 FY 2017-18

The financial year 2017-18 was a memorable year for the structural changes at the macro as well as micro level. While overcoming the impact of sudden demonetization, the sector also faced transitional challenges due to the roll out of landmark reforms of Real Estate (Regulation and Development) Act, 2016 (RERA) and Goods and Services Tax (GST) during FY 2017-18. This resulted in an uncertain and difficult environment that saw negligible new launches and slow sales. However, as the sector has embraced the changes brought by these reforms and has settled in the post RERA and GST period, the market sentiments appear to be showing signs of improvement. This has been appropriately supported by reduced interest rates on home loans, controlled inflation and necessary impetus by the Government to affordable housing through affordable housing fund, lower GST rates, increased tenure of loans under Credit Linked Subsidy Scheme (CLSS) of Pradhan Mantri Awas Yojana (PMAY) and extended income tax benefits to apartment owners of up to 6,600 square metre.

The upturn in the sector is also evident in the overall economic outlook of the country. According to a report titled 'India Outlook 2018: The Fours of Growth' by Credit Rating Information Services of India (CRISIL), the country's growth is pegged at 7.5% this fiscal. This clearly indicates the revival of Indian economy. Additionally, the real estate and construction sector together are expected to create over 15 million jobs by 2022. In spite of these positive developments, the challenges for such a large economy is expected to continue in the near future.

In this backdrop, it is to be noted that SOBHA's performance for the FY17-18 and for the quarter ended 31st March, 2018 has been consistent and exceptional. It exhibits company's strong foundation backed by robust processes, enabling it to overcome transitional challenges posed by RERA and GST smoothly.

Our operational performance for the fourth quarter and for the financial year 2017-18 has been the best ever in value terms, with growth across regions and product categories.

The Company has registered new sales volume of 3.63 million square feet, total valued at ₹ 28.61 Billion at an average price realisation of ₹ 7,892 per square feet at the close of financial year 2017-18 (Sobha Share of sales value at ₹ 24.22 Billion, at an average price realization of ₹ 6,680 per square feet).

Annual sales volume and values are up by 21% and 42% respectively.





For the fourth quarter, the Company has achieved new sales volume of 1.02 million square feet, total valued at ₹ 8.12 Billion at an average price realisation of ₹ 7,993 per square feet (Sobha Share of sales value at ₹ 6.56 Billion, at an average price realization of ₹ 6,457 per square feet). Sales volume and values are up by 40% and 31% respectively as compared to corresponding quarter of last year and are up by 9% and 7.5% as compared to preceding quarter.

It is important to note that our core market, Bangalore has registered highest ever sales performance both in volume and value terms for the financial year 2017-18. Equally heartening has been our improved performance in the markets of Kochi and Gurgaon.

During the fourth quarter, the company had launched two projects namely, 'Sobha Forest Edge', in Bangalore and 'Sobha Gardenia', in Chennai, measuring total saleable area of 0.63 million square feet.

The summarized real estate performance for the quarter ended March 31, 2018 is given below:

New Sales volume:

uIn Square Feet.

Location	Q4 18	Q4 17	Q3 18	FY 18	FY 17
Bangalore	750,375	508,572	644,123	2,600,252	2,255,440
Gurgaon	75,733	97,867	82,529	360,857	233,592
Chennai	20,100	55,651	26,804	102,227	180,229
Kochi	116,409	8,200	109,704	317,618	68,020
Thrissur	6,425	3,312	20,036	59,570	76,357
Calicut	4,871	18,036	12,290	45,340	27,759
Coimbatore	25,127	8,355	14,997	69,271	28,654
Mysore	10,944	15,389	22,882	67,230	77,381
Pune	5,727	7,883	-	3,025	54,397
TOTAL	1,015,711	723,265	933,365	3,625,390	3,001,829

(1 Square Metre = 10.764 Square Feet)

Annual sales volume is up by 21% and quarterly sales volumes are up by 40% and 9% Y-o-Y and preceding quarter respectively.





Sales Value:

Particulars	Q4 18	Q4 17	Q3 18	FY 18	FY 17
Total Sales value (₹ Million)	8,118	5,572	7,509	28,612	20,124
Sales Value – Sobha Share (₹ Million)	6,558	5,048	6,105	24,217	18,661

For the financial year 2017-18, Total sales value is up by 42% and Sobha share sales value is up by 28%.

For the quarter ended March 31, 2018, Sobha Share of sales value is up by 30% and 7.4% respectively as compared to corresponding quarter of last year and preceding quarter.

The new sales value (Sobha Share) of ₹6,558 million achieved during the fourth quarter of 2017-18 is highest in the past 12 quarters.

Price Realisation:

Particulars	Q4 18	Q4 17	Q3 18	FY 18	FY 17
Average Price Realisation – Total (₹ / Square Feet)	7,993	7,704	8,045	7,892	6,704
Price Realisation – Sobha Share (₹ / Square Feet)	6,457	6,980	6,541	6,680	6,216

Average price realisation improvement reflects return of demand across all price categories.

We believe that the forthcoming year will be the turnaround year for the sector. As the housing demand improves gradually, we are poised to enter the new financial year confidently with many new launches in pipeline.





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.

