



PASSION AT WORK

January 21, 2012

To,

The Deputy Manager Department of Corporate Services, The Bombay Stock Exchange Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 532784	The Manager National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 Scrip Code: SOBHA
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Dear Sir/ Madam,

Sub: Outcome of the Board Meeting held on January 21, 2012

This is to inform that the Board of Directors of the Company at their meeting held today, i.e., January 21, 2012 took on record the unaudited financial results for the quarter ended December 31, 2011.

In this connection, please find enclosed herewith:

1. Financial Advertisement for the quarter ended December 31, 2011 in terms of Clause 41 of the Listing Agreement.
2. Press Release, the Company intends to disseminate through the media.
3. Limited Review Report for the quarter ended December 31, 2011.

Kindly take the aforesaid information on record and oblige.

Thanking you.

Yours sincerely,

FOR SOBHA DEVELOPERS LIMITED


KISHORE KAYARAT
COMPANY SECRETARY AND COMPLIANCE OFFICER

SOBHA DEVELOPERS LTD.

SOBHA DEVELOPERS LIMITED

Regd. Office: 'SOBHA', Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore - 560 103

Unaudited standalone financial results for the quarter ended on December 31, 2011

(Rs. in million)

	Particulars	Quarter ended 31. 12. 2011 [Unaudited]	Quarter ended 30. 09. 2011 [Unaudited]	Quarter ended 31. 12. 2010 [Unaudited]	Nine months ended on 31. 12. 2011 [Unaudited]	Nine months ended on 31. 12. 2010 [Unaudited]	Previous accounting year ended 31. 03. 2011 [Audited]
1	Net sales/Income from operations	3,115	3,274	3,597	9,556	10,917	14,292
2	Share of profits in a partnership firm [Subsidiary]	22	20	-	54	75	77
3	Total operating income (1+2)	3,137	3,294	3,597	9,610	10,992	14,369
4	Expenditure						
	(a) (Increase)/decrease in stock in trade and work in progress	(210)	(4,058)	220	(4,266)	328	467
	(b) Land purchase cost	79	2,250	406	2,727	1,528	1,713
	(c) Consumption of materials and construction cost	1,788	3,519	1,525	6,726	4,757	6,428
	(d) Employee cost	303	316	244	925	767	1,035
	(e) Depreciation / amortisation	106	91	73	271	209	278
	(f) Other expenditure	424	512	382	1,367	1,224	1,665
	Total	2,490	2,630	2,850	7,750	8,813	11,586
5	Profit from operations before other income, interest and exceptional items (3-4)	647	664	747	1,860	2,179	2,783
6	Other income	23	9	17	37	32	66
7	Profit before interest and exceptional items (5+6)	670	673	764	1,897	2,211	2,849
8	Interest (net)	93	81	97	275	311	413
9	Profit after interest but before exceptional items (7-8)	577	592	667	1,622	1,900	2,436
10	Exceptional items	-	-	-	-	-	-
11	Profit from ordinary activities before tax (9+10)	577	592	667	1,622	1,900	2,436
12	Tax expenses						
	- Current tax	116	121	172	325	492	630
	- Deferred tax charge/ (credit)	100	88	5	294	(18)	(22)
	- MAT credit utilisation/ (entitlement)	(40)	(26)	-	(116)	4	4
13	Net profit from ordinary activities after tax (11-12)	401	409	490	1,119	1,422	1,824
14	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
15	Net profit for the period (13-14)	401	409	490	1,119	1,422	1,824
16	Paid-up equity share capital (Face value per share - Rs.10)	981	981	981	981	981	981
17	Reserves excluding revaluation reserves as per balance sheet						17,585
18	Earnings Per Share (EPS) - (Rs.)						
	a) Basic and diluted EPS before extraordinary items	4.09	4.17	5.00	11.41	14.50	18.61
	b) Basic and diluted EPS after extraordinary items	4.09	4.17	5.00	11.41	14.50	18.61
19	Public shareholding						
	- Number of equity shares		38,687,518		38,687,518	38,687,488	38,687,488
	- Percentage of shareholding		39.45%		39.45%	39.45%	39.45%
20	Promoters and promoter group shareholding						
	a) Pledged/encumbered						
	- Number of shares		10,700,000		10,700,000	10,700,000	10,700,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		18.02%		18.02%	18.02%	18.02%
	- Percentage of shares (as a % of the total share capital of the company)		10.91%		10.91%	10.91%	10.91%
	b) Non-encumbered						
	- Number of shares		48,676,350		48,676,350	48,676,380	48,676,380
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		81.98%		81.98%	81.98%	81.98%
	- Percentage of shares (as a % of the total share capital of the Company)		49.64%		49.64%	49.64%	49.64%

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Notes :

- (1) There were no complaints from investors outstanding at the beginning of the quarter. The Company has not received any complaints from investors during the quarter. There were no complaints pending to be resolved/ replied at the end of the quarter.
- (2) As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standard 17 'Segment Reporting'.
- (3) During the quarter ended December 31, 2011, the Company has increased its equity share holding in its subsidiary, Sobha Developers (Pune) Private Limited (SDPPL) from 67.60% to 100%.
- (4) The figures of the previous year/ periods have been regrouped/ reclassified, wherever necessary.

Bengaluru, India
January 21, 2012

For and on behalf of the
Board of Directors



J. C. Sharma
Managing Director

S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

12th & 13th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru-560 001, India
Tel: +91 80 4027 5000
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Limited Review Report

Review Report to the Board of Directors,
Sobha Developers Limited

1. We have reviewed the unaudited standalone financial results for the quarter ended December 31, 2011 included in the accompanying statement of unaudited standalone financial results of Sobha Developers Limited ('the Company') being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Company's management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the unaudited standalone financial results for the quarter ended December 31, 2011 included in the accompanying statement of unaudited standalone financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S. R. Batliboi & Associates

For S.R. BATLIBOI & ASSOCIATES

Firm registration number: 101049W

Chartered Accountants

Aranka

per Adarsh Ranka
Partner

Membership No.: 209567



Bengaluru, India
January 21, 2012



Press Release
For immediate publication

SOBHA DEVELOPERS ANNOUNCES FINANCIAL RESULTS FOR Q3 of FY 2011 – 12

Sobha registers impressive operational performance in Q3 FY 2011-12

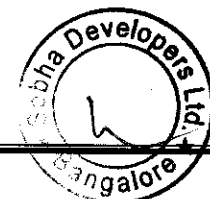
Highlights of Q3 FY 2011-12:

- **Revenues at Rs. 3,162 million on a standalone basis**
- **PBT at Rs. 576 million**
- **PAT at Rs. 401 million**
- **Debt reduced by Rs.879 mn and Debt Equity ratio at 0.65**
- **Registers new sales volume of 8,18,935 sq. ft., up 16% Yr on Yr.**
- **Completed four residential and four contractual projects measuring 1.47 mn. sq. ft.**
- **Forays into Chennai market with two significant projects**
- **Moves into its state of the art new Corporate Office**
- **Conferred with 12 prestigious awards**

Bangalore, 21 January, 2011: Bangalore headquartered realty major Sobha Developers Limited, which is known for its quality, delivery and customer orientation, today declared its financial results for the 3rd Quarter, which ended on December 31, 2011, at its board meeting held at 'Sobha', the company's new registered and corporate office in Bangalore.

Financial Performance:

Sobha Developers, on a standalone basis, has registered a turnover of Rs.3,162 million for the 3rd Quarter, which ended on December 31, 2011. Also, on standalone basis, the profit before tax stood at Rs. 576 million and the profit after tax came at Rs. 401 million. The unbilled revenue as on 31st December 2011 is Rs.9,679 mn.



During the current quarter, the company has made investment of Rs.415 mn in SDPPL by way of purchase of equity shares from PAN Atlantic (Investor), thereby increasing the stake of the company from 67.60% to 100%. We are pleased to inform that this wholly owned subsidiary, where the project Sobha Forest view is being executed has recorded the top line revenue of Rs.300 mn for the current quarter, and the profit before tax of Rs.80 mn and the profit after tax stood at Rs.55 mn.

The company in the 3rd Quarter of FY 2011-12 sold 8,18,395 sq. ft. compared to 7,05,031 sq. ft. in the corresponding period last year. The average sales price realization has also improved to Rs. 5,475 per sq. ft. as compared to Rs. 4,327 in the corresponding period last year. Sobha has also been able to maintain its margins of above 35%, despite inflationary pressures. The company completed four residential and four contractual projects measuring 1.47 mn. sq. ft. in the quarter.

Commenting on the Q3 results for FY 2011-12, **Mr. J.C. Sharma, Managing Director, Sobha Developers Limited**, said: "It has been an extremely good quarter in terms of operational performance. The response from Bangalore and NCR markets has been encouraging. Both our volumes and realization are better and at the same time we are able to maintain our margins. The revenue and other benefits of this will accrue in the coming quarters. Our foray into the Chennai market in the fourth quarter will further widen our national presence. Overall, the year 2012 looks quite promising."

"On the corporate contractual work side, which is our other vertical, we have completed and handed over 0.28 mn. sq. ft. in the 3rd Quarter of 2011-12. At present, we have about 8.50 mn. sq. ft. of contractual projects in hand to be delivered over a period of two years and fresh committed orders of 3.13 mn. sq. ft. Infosys continues to be the biggest ongoing contractual client of Sobha," added Mr. Sharma.

Speaking about other financial details, Mr. Sharma stated, "The cash flow from operations continues to remain positive. During the 3rd Quarter, the company generated an operational cash flow of Rs. 2,003 million. The debt - equity ratio now stands at 0.65 as on 31st Dec 2011 compared to 0.71 as on 30th Sept 2011, and we are on course to achieve our targeted debt equity ratio of 0.5."

The company is also well on its way to achieve new sales of more than 3 million sq. ft. in the current financial year with the sales value exceeding Rs. 15,000 million.

As an important initiative, the company has also moved to its own new registered and corporate office at Sarjapur-Marathahalli Outer Ring Road (ORR). Expressing his happiness at this new milestone of Sobha, **Mr. J.C. Sharma, Managing Director, Sobha Developers Ltd.** said, "It is a proud moment for all of us and we are extremely delighted to move to Sobha's new corporate office. The building has been aesthetically designed, planned and executed and has all the management employees under one roof.



Since our inception, we have been building magnificent structures for our clients. Today, we are proud to have an integrated office of our own. This will help us in serving all our clients and stakeholders to the best of our capacity.”

Summarising the overall developments, Mr Sharma said that the company has managed its operations in an extremely challenging environment. We have excelled in our operations, further consolidated our financial position, entered another important geography, moved into a new state of the art integrated office, and have strengthened our position as a key realty player in the country.”

Growth Plans:

Elaborating on the company’s growth plans, Mr. Sharma said, “We are currently executing 14.98 mn. sq. ft. of Real Estate projects in six cities and are planning to launch about 8.97 mn. sq. ft. of new projects in the next four to six quarters. The new calendar year has begun well for us as we have already launched two significant projects in Chennai, ‘Sobha Meritta’ and ‘Sobha Serene’. Also, we have immediate plans to launch ‘Sobha Habitech’ in the Whitefield area of Bangalore and Sobha Hillview in Coimbatore. Our focus is to continuously strengthen our national presence. We will be concentrating more in Pune, Chennai and NCR markets in the coming quarters apart from our existing Bangalore market. We are quite hopeful of a very good performance in the year 2012.”

As of December 31, 2011, Sobha has completed 77 Real Estate projects and 202 Contractual projects covering a total Super Built-up Area (SBA) of 44.81 million sq. ft. and a total developed area of 49.57 million sq. ft. The Company currently has 37 ongoing Real Estate projects in 6 cities across India aggregating to 14.98 million sq. ft. and 39 Contractual projects aggregating to 8.50 million sq. ft. which are under various stages of construction. Sobha has made a footprint in 21 cities and 11 states across India.

Real Estate Outlook:

The Real Estate sector is an important element of the Indian economy as it plays a key role in the country’s long-term growth dynamics. The various macro factors indicate that we are poised to enjoy the positive effects of increasing productivity, infrastructure build-up, better job scenario and a greater drive for reforms, which will help boost both the economy and the sector. Of late, the Real Estate sector witnessed a challenging environment with increase in interest rates and tightening of liquidity but the worst is behind us. Inflation is coming down and the interest rates will also follow suit. The cycle seems to have turned for the better. The year 2012 looks extremely promising.



Awards Galore:

This quarter brought us a lot of recognition too. We were the proud recipients of 12 awards from 7 different institutions.

The Chairman of Sobha Developers, Mr. PNC Menon, was honoured with the "Inspirational Leadership Award" in the construction and infrastructure industry by EPC World.

Sobha Developers was awarded for building the "Most Outstanding Structure" in Pune under the commercial category this year by Indian Concrete Institute (ICI) for the project INFOSYS FOOD COURT- 3. This was the third award in a row for this prestigious project, which has been earlier awarded by the Builders Association of India (BAI) and Architects, Engineers and Surveyors Association (AESAs).

The company also received the "Eco Friendly Project of the Year" award 2011 by Property Awards for the construction of Bayer Eco-Commercial Building. The Bayer Eco-Commercial Building at Greater Noida is a first-of-its-kind project, which is aimed at displaying and showcasing the energy efficient practices in the building and construction industry. This was the second award in the year which Sobha won for this project.

Sobha was honoured with the "Handa Golden Key Trophy" award this year for Value Engineering. The winning of the Golden Trophy in 2011 also means that Sobha is the best company in the country practicing Value Engineering. The company is also the proud recipient of the "Muthiah Kasi Trophy" for excellence in Value Engineering, Value Management (VE/VM). This is an award instituted this year and Sobha is the proud winner of this maiden award.

In the area of communications, Sobha Developers was awarded with three different awards for three different publications undertaken by the company in the year 2010 by ABCI (Association of Business Communicators of India). These include – Gold Award for "Newsletter Design", Bronze Award for "Illustration" and Bronze Award for "Annual Report".

Sobha was also awarded by PRSI (Public Relations Society of India) in four different categories. These include – First prize for 'Corporate Social Responsibility' and third prizes for its 'House Journal', 'Corporate Website' and 'PR in Action' respectively.



About Sobha Developers Ltd.:

Founded in 1995, Sobha Developers Ltd. is one of the largest and the only backward integrated real estate player in the country. It means 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 apartments, luxury apartments, moderately priced apartments and plotted development. In all its residential projects the Company lays strong emphasis on environment management, water harvesting and high safety standards.

On the contractual 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 further information, please contact:

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