



**For immediate publication**

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**SUSTAINING GROWTH MOMENTUM**

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**Bengaluru, February 01, 2020:**

SOBHA Limited today announced unaudited financial results for the quarter and nine months ended December 31, 2019.

The company has reported all time high total income of Rs 28.98 billion for 9M-20, up by 38% as compared to 9M-19. The EBITDA for 9M-20 stands all time high at Rs 6.47 billion, up by 35% as compared to 9M-19. The PAT for 9M-20 also stands all time high at Rs 2.31 billion, up by 26% as compared to 9M-19.

The total income for Q3-20 stands at Rs 9.01 billion, which is up by 12% as compared to Q3-19. The EBITDA for Q3-20 stands Rs 2.16 billion, which is up by 21% as compared to Q3-19. The PAT for Q3-20 stands Rs 0.74 billion, which is up by 6% as compared to Q3-19.

On the operations front, SOBHA has achieved total sales volume of 1.07 million square feet valued at Rs 7.26 billion during the quarter, up by 17% and 4% respectively for the same period. Total average price realisation showed upward trend as compared to Q2-20, as we saw good sales traction for our luxury and super luxury ongoing projects across cities. Total cash inflow for the quarter stands at Rs 8.01 billion. The company has also generated net operational cash flow of Rs 0.59 billion during the quarter. We continue to enjoy sufficient liquidity from various financial institutions at competitive cost.

During 9M-20, the company has achieved all time high total sales volume of Rs 3.17 million square feet valued at Rs 21.86 billion. The total cash inflow for 9M-20 stands all time high at Rs 24.42 billion, up by 6% as compared to 9M-19.

**Speaking on the occasion, Mr. J.C. Sharma, Vice Chairman and Managing Director, SOBHA Limited said,** "New year brings new hopes, aspirations and ambitions followed by fresh challenges. With our strong brand presence across geographies and a history of unmatched delivery track record



of quality products, we believe SOBHA will scale new heights in the years to come. With CY 2019 witnessing geo-political stability at the centre, we underwent a series of measures taken by the Government, such as corporate tax reduction, financial sector restructuring, and interest rate reductions (RBI has announced 5 rate cut in 2019 alone), to help revive the slowing economy in general and real estate sector in particular. Nonetheless, the economic outlook for 2020 remains tepid. Rate cuts have not been as impactful as hoped initially, as banks have not yet passed on the lower rates to consumers, and there are still challenges in reviving domestic consumption. We are hopeful that in the coming months, Government will take more steps for the revival of the economy and the real estate sector.”

**Commenting on the Budget Mr. J.C. Sharma, Vice Chairman and Managing Director, SOBHA Limited said** “The Union Budget 2020-21 presented by the Government today was around the themes of aspirational India, economic development for all, caring society and ease of living. It is a step towards the growth of the country while taking the economy to the \$5 trillion mark.

The Government reiterated its commitment to the affordable housing segment. Continuing from the announcement made in the last Union Budget, the Finance Minister has proposed to increase the time line of additional deduction of up to Rs. 1.5 lakh for interest paid on loans taken for an affordable house from the present 31st March, 2020 to 31st March, 2021. Similarly, it has extended the date of approval of affordable housing projects for availing tax holiday on profits earned by developers from the current 31st March 2020 to 31st March 2021. These announcements will give a significant boost to the affordable housing segment, enabling both home buyers and developers to benefit from it.”

**Mr. Sharma added,** “By bringing down the income tax slabs for individual taxpayers, the Government has protected the interest of the tax payers. In addition to this, the Government has proposed to simplify tax regime by rationalising the exemptions. Under the new regime, substantial tax benefit will accrue to a taxpayer depending upon exemptions and deductions claimed by him/her.”

**Furthermore, he said,** “We are poised to launch real estate projects to the tune of 13.64 million square feet in the coming quarters along with 0.44 million square feet of commercial projects in Bengaluru, which will help us to post better performance in the coming quarters. During 9M-20, we have also witnessed a good performance by our contracts and manufacturing verticals. The revenues grew by 25% as compared to 9M-19. Cash flows and order book remains healthy, offering good visibility for the future. ”



SOBHA, with its unique backward integrated model, proven track record, strong brand recall and good order book visibility in contractual business, should be in a position to gain market share in the coming quarters. Moving forward, SOBHA's expansions plans across India should further support its operations in the days to come.

### **Exceptional Execution**

SOBHA's superior execution capability is its core strength. The company currently has ongoing real estate projects aggregating to 40.94 million square feet of developable area and 28.34 million square feet of saleable area, and ongoing contractual projects aggregating to 10.51 million square feet under various stages of construction. As on 31<sup>st</sup> December 2019, the company has delivered overall 106.80 million square feet of developable area. The company has a real estate presence in 10 cities, viz. Bengaluru, Gurugram, Chennai, Pune, Coimbatore, Thrissur, Kozhikode, Kochi, Gujarat (Gift City) and Mysore. Overall, SOBHA has footprint in 27 cities and 14 states across India.

### **Recognition & Awards**

During the Quarter, SOBHA has been conferred with "CREDAI Awards for Real Estate (CARE) 2019" in the category "Best CSR Activity" by CREDAI Karnataka. The Award recognizes SOBHA's stellar contribution towards changing lives of people in a meaningful and sustainable way.

### **About SOBHA Limited:**

Founded in 1995, SOBHA Limited is one of the fastest growing and foremost backward integrated real estate players in the country. It means that 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 & luxury apartments, plotted developments and aspirational homes. In all its residential projects, the company lays strong emphasis on environmental management, water harvesting and highest safety standards. On the contractual projects 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. More details on financials can be accessed via our website on the below link: [www.sobha.com](http://www.sobha.com)

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