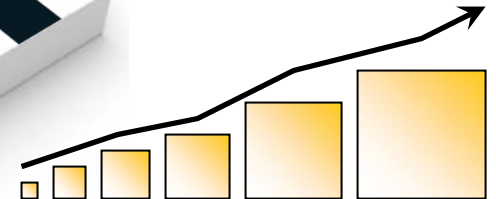




SOBHA DEVELOPERS LTD

maximizing value
in each



30th September-10

Recognition During the Quarter



1. Sobha Developers has been awarded with “India’s Top 10 Builders” Award by the Construction world for the year 2010

Construction World Architect & Builders Awards recognizes excellence in the architectural and builder fraternity. This award is based on a perception survey conducted by Construction World across a cross-section of the industry : Contractors, Material Manufacturers, Architects and Consultants



2. Sobha awarded “ICI-KBC Birla Super Endowment Award” for Outstanding Concrete Structure of Karnataka - 2010 for Infosys Global Education Center-II



Bringing Alive

50th Mn.sft

As on 30th Sept-10

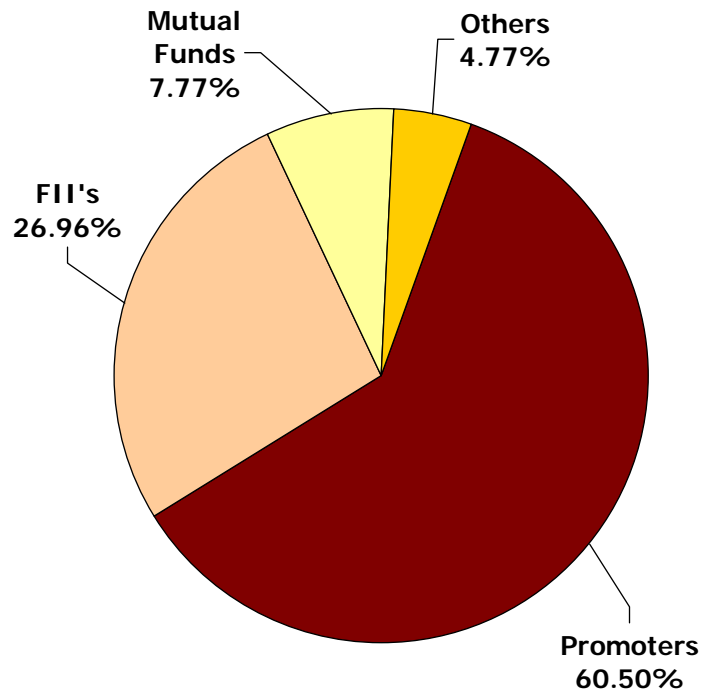
Projects completed : 37.37 mn.sft

Project under Execution : 13.91 mn.sft



Shareholding Pattern

- Promoters Holding : 60.50 %
- FII's : 26.96 %
- Mutual Fund : 7.77 %
- Others : 4.77 %



Note: Status as on 30th Sept-10

	30 th Sept-10	30 th June 10	31 st Mar 10
Promoters Holding	60.50%	60.50%	60.50%
FII's	26.96%	24.34%	23.19%
Mutual Fund	7.77%	9.06%	9.77%
Others	4.77%	6.09%	6.54%

FII's

- Morgan Stanley
- Temasek
- Emerging Markets Growth Fund
- Merrill Lynch
- Oppen Heimer International
- Capital International
- Comgest Growth PLC
- Amundi Funds India
- DWS India Equity Fund
- Invesco India Mauritius Fund

MUTUAL FUNDS / INSTITUTIONS

- Reliance Capital
- Birla Sun Life
- LIC
- Sundaram BNP Paribas
- SBI
- HDFC Mutual Funds
- JM Financial
- Kotak
- Templeton
- DSP Blackrock

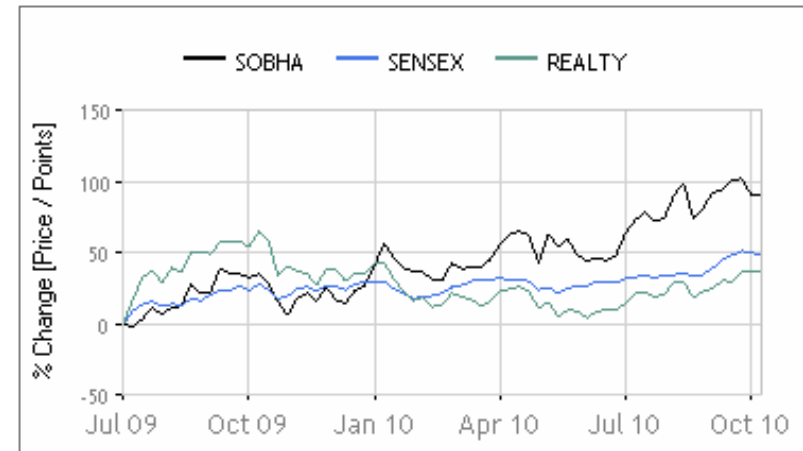


Stock Performance

Status as on: 30th Sept 10

No. of Shares	98.06 mns
Market Capitalization	Rs.36.70 bn
Stock Price : 52 week High / Low	Rs.401.80 / Rs.196.15
Avg. Daily volume (12 months)	301,717 Shares

Source : NSE index



Sobha stock covered by,

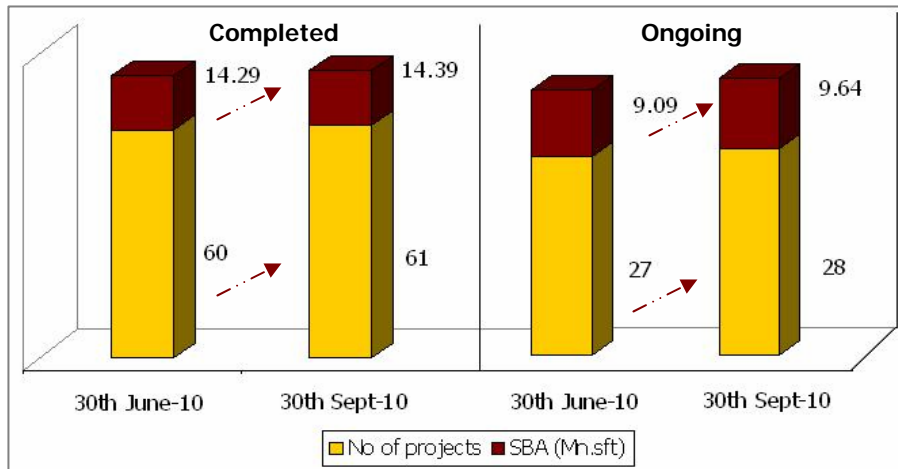
- Morgan Stanley
- CLSA India
- Edelweiss
- Credit Suisse
- Deutsche India Equities
- Religare Capital Markets
- Bank of America & Merrill Lynch
- Enam Securities
- Daiwa Capital markets
- ICICI Securities
- J P Morgan
- KR Choksey
- Antique Stock Broking Ltd
- Batliwala & Karani Securities
- Goldman Sachs
- First call India Equity Research
- Kantilal Chhaganlal Securities Pvt.Ltd
- IIFL



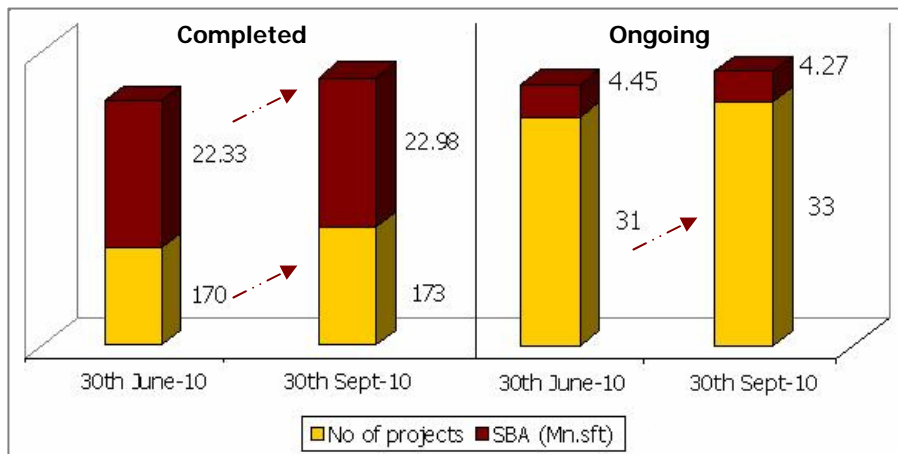
Sobha Developers : A Strong Foundation



Real Estate



Contracts



H1 -Highlights:

- Completed 8 projects aggregating 1.03 mn.sft in H1- FY11
- Encouraging response - Sobha Dew flower, Sobha Classic at Bangalore and Sobha Turquoise at Coimbatore
- Truly Global Indian Company with Scalable Execution capability
- Supported by 2,080 Qualified Management Team and 7,200 Technicians
- Executing annually 6mn.sft of projects on an average for the past 5 years
- Execution presence in 20 cities across India
- Strong Brand Recall in South India
- 15 years of Business stability

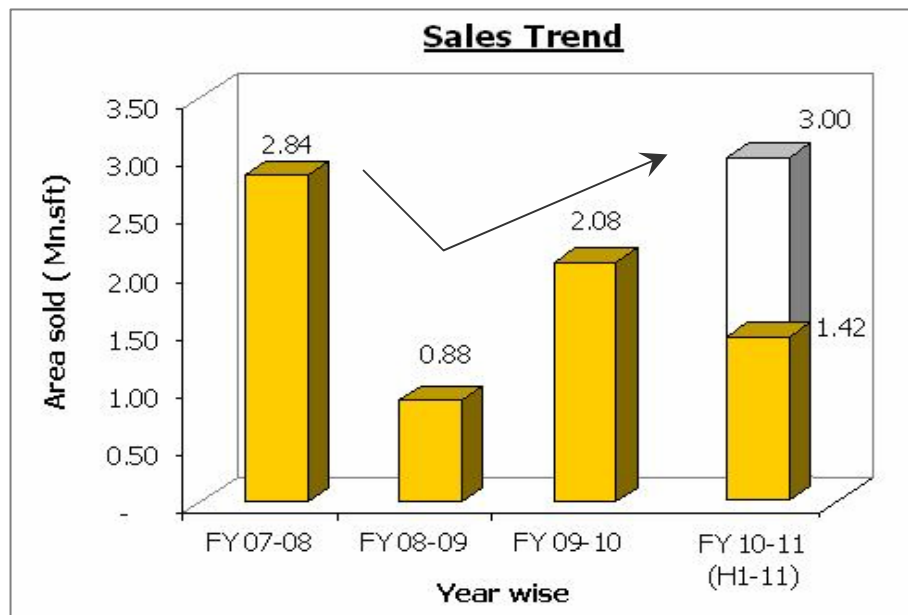


Improved Operational Performance

Period	Area Sold (sq.ft)	No of Units sold
FY 07-08	2,838,397	1,219
FY 08-09	876,117	616
FY 09-10	2,080,413	1,076

Financial Year 10 -11

Period	Area Sold (sq.ft)	No of Units sold
Q1 : 10-11	670,883	326
Q2 : 10-11	744,678	364
Q3 : 10-11		
Q4 : 10-11		
TOTAL (6 months)	1,415,561	690



- Targeted to sell **3 mn.sft** in FY10-11.
- With sales witnessing an average of 0.24 mn.sft per month during the last 6 months and with new launches planned and new locations getting added, indicates on our way to achieve 3 mn.sft of sales.
- The volumes are higher sequentially quarter on quarter (QoQ) and also year on year (YoY).



Break-up of Sales

Location wise Sales break-up

Locations	Q1 10-11 : Area sold (Sft)	Q2 10-11 : Area sold (Sft)	% growth		H1 10-11 : Area Sold (Sft)	H1 09-10 : Area Sold (Sft)	% growth		FY 09-10 Area Sold (Sft)	FY 10-11 Area to be Sold (Sft) Projected
Bangalore	482,769	524,285	9%		1,007,053	340,843	195%		1,356,744	2,100,000
Thrissur	96,747	167,463	73%		264,211	87,877	201%		266,871	300,000
Coimbatore	29,852	39,396	32%		69,248	184,422	(62%)		351,959	300,000
Pune	61,516	13,534	(78%)		75,049	29,265	156%		104,839	300,000
TOTAL	670,883	744,678	11%		1,415,561	642,407	120%		2,080,413	3,000,000

Highlights:

- Increase in volume achieved with the better product mix.
- Improved in average realization.
- Sales volume increased in all the regions except Pune, where launch is planned in the current quarter
- Sales volume has increased 120% as compared to H1 of FY10 and increased 11% as compared to Q1 of FY11.



Signs of growth momentum...

- Generated positive cash flow of Rs.2,050 mns during the 2nd quarter of the current financial year from operations.
- Reduction in gross debt from Rs.14,540 mns as on 1st April-10 to Rs.12,673 mns, with current D/E ratio of 0.69.
- Invested about Rs.597 mns for new launches.
- Decrease in interest cost from above 15% during FY 07-08 and above 14% during FY 09-10 to the current rate of about 12.5%
- Continue to maintain above 35% operating margin from our on-going residential projects and above 15% on Contractual projects.
- Preparing for newer launches of about 13 mn.sft Real Estate projects in the coming quarters
- Clear visibility on Contractual business - about 6.58 mn.sft of new contractual works will be started progressively in 2010-11 onwards, apart from the ongoing development of 4.27 mn.sft
- Order book value of 4.27 mn.sft is about Rs.4,160 mns and amount already billed till 30th Sept 10 was about Rs.1,040 mns
- Improved performance from Contractual and manufacturing units. Top line achieved from Contractual and Manufacturing business is Rs.1,825 mns for H1-11, which is 30% increase as compared to H1-10. Well in line to achieve the targeted revenue of Rs.4,000 mns in the current financial year



Challenges:

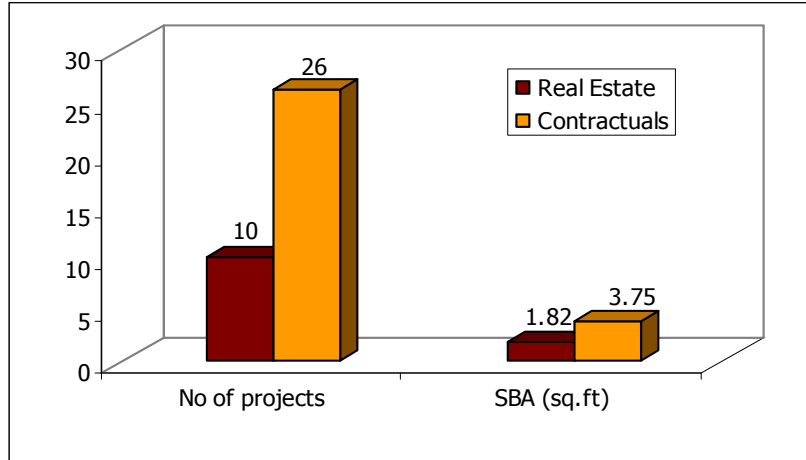
- ☐ Probable increase in rate of borrowings for end use customers
- ☐ Tightening the lending norms to Real Estate developers by RBI / Banks
- ☐ Availability of quality Manpower
- ☐ Rising Land Prices
- ☐ Rising Construction cost
- ☐ Rising human resource cost
- ☐ Entering New geographies



Project Completion – Momentum continues...

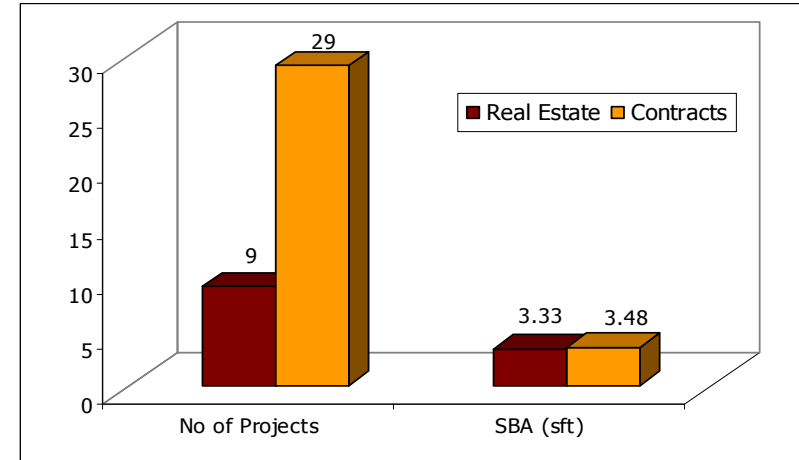
FY 2009 - 10

Actual: Completed 36 projects aggregating 5.57 mn.sft



FY 2010 - 11

Planned: Planning to complete 38 projects measuring 6.80 mn.sft



Actual Completion

PARTICULARS	Q1 : FY 10-11		Q2 : FY 10-11		H1 : FY 10-11	
	No of Projects	SBA (Mn.sft)	No of Projects	SBA (Mn.sft)	No of Projects	SBA (Mn.sft)
REAL ESTATE	-	-	1	0.10	1	0.10
CONTRACTS	4	0.28	3	0.65	7	0.93
TOTAL	4	0.28	4	0.75	8	1.03

Real Estate - Projects launched during last 6 months

- 4 projects aggregating 1.58 mn.sft of area launched at Bangalore, Coimbatore & Thrissur in last 6 months (from April-10 to Sept-10).



Project Launched in Q2 : FY 10-11...

**SOBHA
Turquoise**

**Coimbatore
- Veerakeralam**

Launched in July-10



- 95 nos of 3 BHK Row Houses
- Located at Veerakeralam – Harishree Gardens, Sobha Existing projects

SOBHA Classic

South West Bangalore

Launched in Sept-10



- CLASSIC : 162 nos of 3 BHK Luxury Units and 81 nos of 3 BHK Super Luxury Apartments
- Located at Haralur Main road, Off Sarjapur Main road



Positive Operational Cash flow

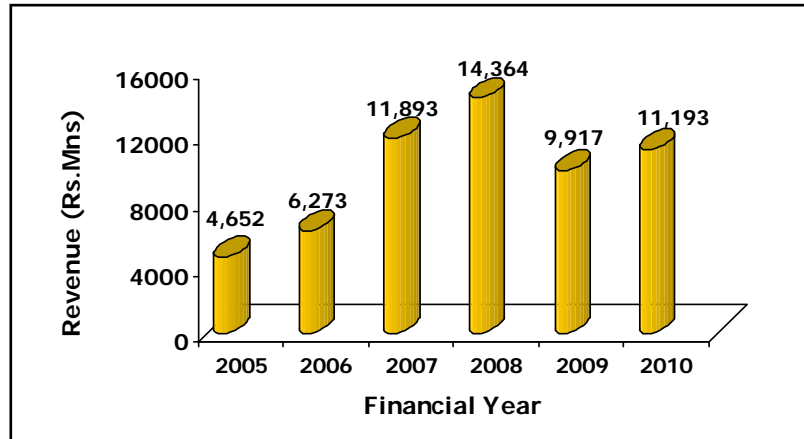
Ongoing Real Estate Projects - Cash flow status as on 30th Sept -10

Description	Ongoing Projects	Completed Projects	
Total Super Built-up area	9.64		Mn.sft
Area of Office space, Club house & JD share (Non saleable)	1.29 (-)		
Sobha share of Saleable area	8.35		Mn.sft
Total area sold till 30 th September-10	5.70		Mn.sft
Unsold area	2.65	0.05	Mn.sft
Balance construction cost to be spent to complete the entire developments	10,276	85	Rs.Mns
Outstanding receivables + Balance to be billed and collected on sold units	9,032	287	Rs.Mns
Sales value of unsold stock	12,113	92	Rs.Mns
Positive cash flow available	10,869	294	Rs.Mns
Total Positive cash flow available from the projects	11,163		Rs.Mns

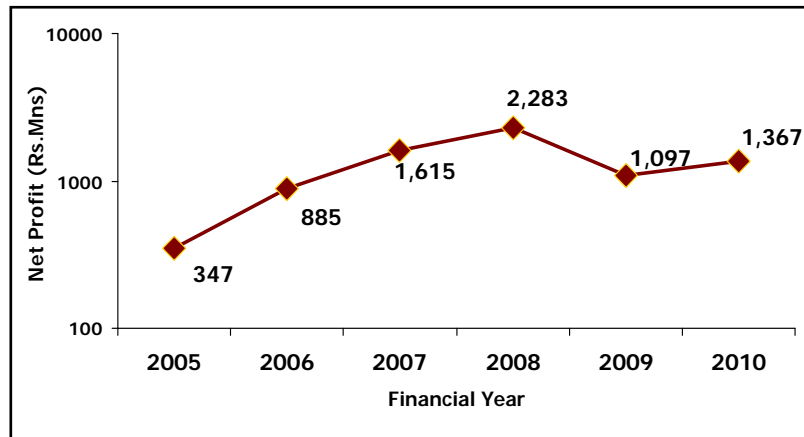


Financial Snapshot

Revenue (year-wise)



Net Profit (year-wise)



Particulars	H1 – FY11	H1 – FY 10	% growth
Revenue (Rs.Mns)	7,503	4,057	85% ↑
Net Profit (Rs.Mns)	932	402	132% ↑

Year	Revenue (Rs.Mns)	% growth	Net Profit (Rs.Mns)	% growth
2009 –10	11,193	13% ↑	1,367	25% ↑
2008–09	9,917		1,097	

As on 30th Sept 10

Net Worth	Rs.18,019 Mns
Debt (Net)	Rs.12,446 Mns
D/E ratio	0..69



Balance Sheet

Rs.in Millions

PARTICULARS	30 th Sept-10	30-Sept -09	31-Mar-10
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	981	981	981
Reserves and surplus	17,038	15,426	16,104
	18,019	16,407	17,085
Loan funds			
Secured loans	12,598	14,813	14,466
Unsecured loans	75	75	75
	12,673	14,888	14,540
	30,692	31,295	31,625
APPLICATION OF FUNDS			
Fixed assets			
Net block	1,320	1,576	1,429
Capital work in progress incl. capital advances	633	533	632
	1,953	2,109	2,061
Investments	604	393	429
Deferred tax asset (net)	75	41	52
Current assets, loans and advances			
Inventories	10,123	10,741	10,174
Sundry debtors	3,832	2,820	4,166
Cash and bank balances	227	294	800
Loans and advances	20,916	20,567	20,093
	35,098	34,422	35,233
Less: Current liabilities and provisions			
Current liabilities	6,415	5,453	5,613
Provisions	623	217	537
	7,038	5,670	6,150
Net current assets	28,060	28,752	29,083
	30,692	31,295	31,625



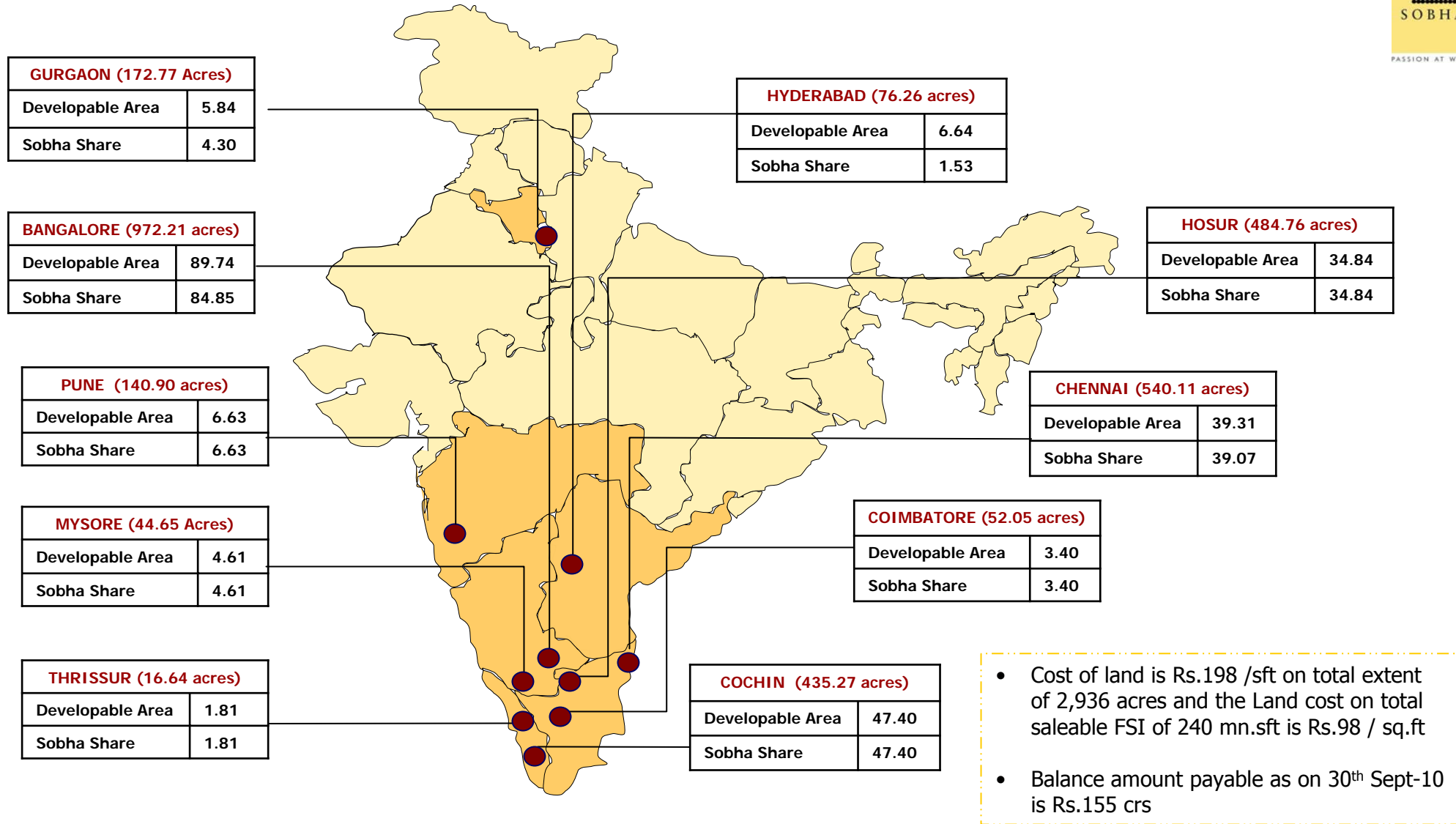
Profit and Loss Statement...

Rs.in Millions

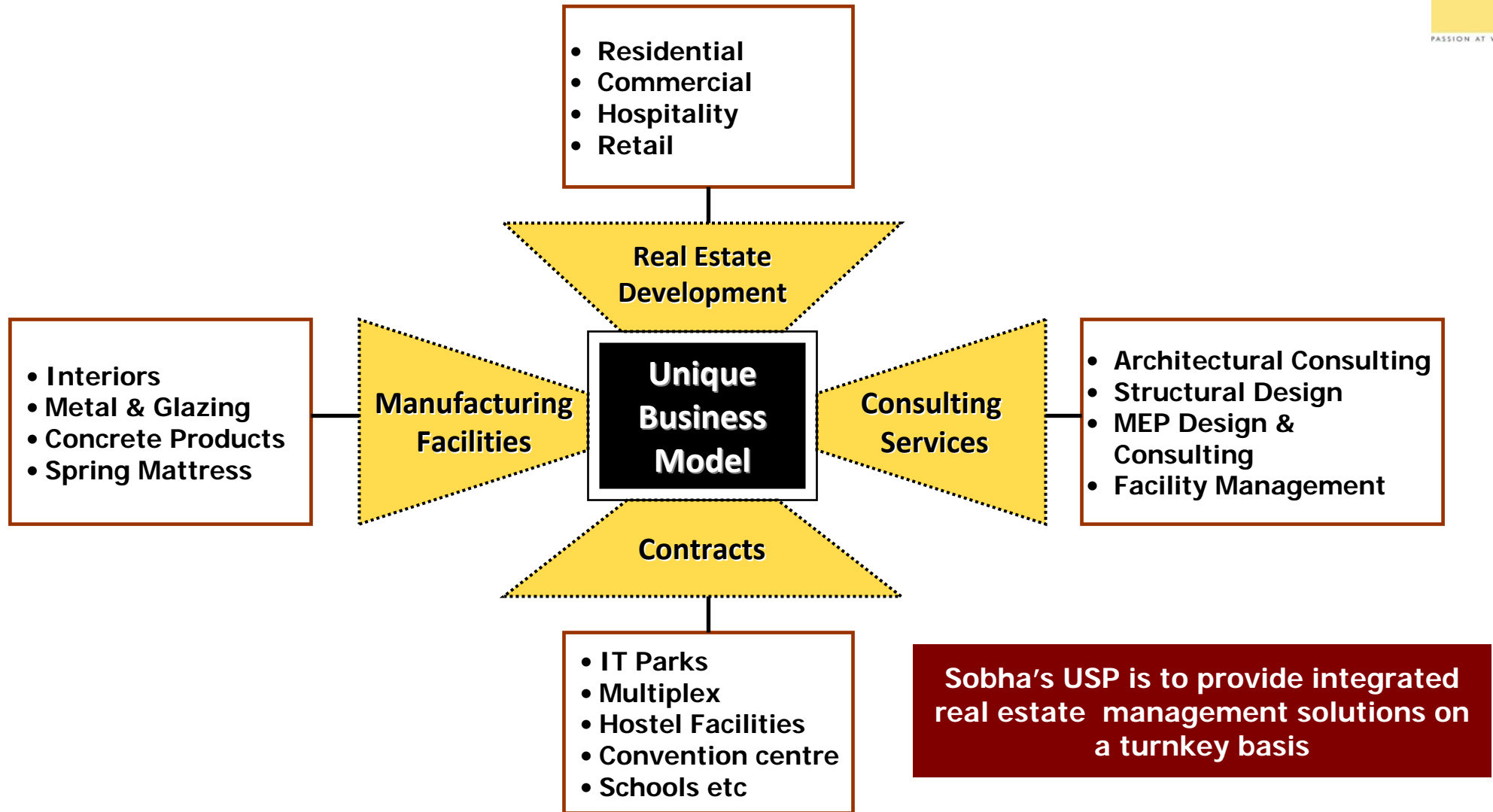
Particulars	Q2-11	Q2-10	H1-11	H1-10	FY-10	% of Growth	
						Q2-11 on Q2-10	H1-11 on H1-10
Property Development	2,183	1,430	4,391	2,603	6,246		
Land	1,140	-	1,198	-	1,779		
Contractual + Mfg + Profit share from Sobha city (net of ED)	985	823	1,899	1,436	3,115		
Other Income	5	10	15	14	45		
Total Revenue	4,313	2,263	7,503	4,053	11,185	91%	85%
Constn/Mfg Cost	2,584	1,226	4,462	2,167	6,496		
Staff/Admn/Selling Cost	753	537	1,458	982	2,271		
Total Expenditure	3,337	1,763	5,920	3,149	8,767		
EBITDA	976	500	1,583	904	2,418	95%	75%
EBITDA %	23%	22%	21%	22%	22%		
Depreciation	69	82	136	164	323		
Interest	109	143	214	338	492		
PBT	798	275	1,233	402	1,603	190%	207%
PBT %	19%	12%	16%	10%	14%		
Provision for Tax	209	-	301	-	236		
PAT	589	275	932	402	1,367	114%	132%
PAT %	14%	12%	12%	10%	12%		
EPS (Basic & Diluted) (Rs)	6.01	2.82	9.50	4.10	13.94		



Land Bank – Development Potential



Fully Integrated Business Model



Interiors and Furnishing Division

Factory Area	0.80 Mn Sft	Turnover 09-10	Rs.508 Mns
Work Force	761	Turnover H1-11	Rs.336 Mns

FEATURES	PRODUCTS
<ul style="list-style-type: none"> ➤ Largest wood working / joinery facility in India. ➤ Two highly mechanized factory with total floor area of 2,55,000 Sft. located at Bommasandra, Bangalore. ➤ State of the Art Factory with Imported Machineries from Spain, Italy, Germany. 	<ul style="list-style-type: none"> ➤ Solid wood veneer paneled doors and MDF paneled doors ➤ Customized joinery works like Paneling, partitions, Tables etc ➤ Loose furniture like Chairs, Sofas, Cots and Modular Kitchens etc. <p><u>CLIENTS</u></p> <ul style="list-style-type: none"> ➤ Infosys Technologies Ltd ➤ Corporate clients like HP, Accenture, HCL, MICO, Damas Jewellery and others.



Note : Turnover includes Spring Mattress division turnover also, since mattress division is part of Interiors division



FEATURES	PRODUCTS
<ul style="list-style-type: none"> ➤ First retail product of Sobha, named as "SOBHA RESTOPLUS". Leading manufactures of World Class spring mattress. ➤ Member of International Sleep Product Association (ISPA). ➤ Only mattress manufactures in entire Asia to have a 'Mattress testing facility' to validate and strengthen warranty terms. ➤ Mattress are produced on most advanced machineries imported from Germany, Italy, Spain, South Africa, Turkey, Belgium. 	<ul style="list-style-type: none"> ➤ <u>Bonell Spring Mattress</u> <ul style="list-style-type: none"> • They are hourglass shaped with three grades called Siesta, Snooze, and Slumber. ➤ <u>Pocketed Spring Mattress</u> <ul style="list-style-type: none"> • These are pre-compressed and individually encased coils to support the body in any sleeping position. <p style="text-align: center;"><u>CLIENTS</u></p> <ul style="list-style-type: none"> ➤ Infosys, Ginger Hotels, Zuri Hotels and Resorts, The Royale Senate Hotel, Tranquil Residences, Bharath Hotel etc.,



Factory Area	0.30 Mn Sft	Turnover 09-10	Rs.653 Mns
Work Force	584	Turnover H1-11	Rs.271 Mns

FEATURES	PRODUCTS
<ul style="list-style-type: none"> ➤ Largest metal & glazing factory in India, spread across 7.3 acres of land with the factory covered area of 1,20,000 sq.ft ➤ Equipped with advanced machineries like CNC profile cutting machine, TIG welding machines, ACP routing machine, Milling machines etc etc., ➤ First of its kind in the industry for its style of operations and the quality of work 	<ul style="list-style-type: none"> ➤ Structural Glazing Works ➤ MS & SS metal fabrications ➤ Conventional curtain wall Glazing works ➤ Aluminum composite panels, windows and doors. <p style="text-align: center;"><u>CLIENTS</u></p> <ul style="list-style-type: none"> ➤ Infosys Technologies Ltd., Gold Plus Glass Industries, Magna Warehousing, Glass Tech Industries, Contel, HCL Technologies etc.,



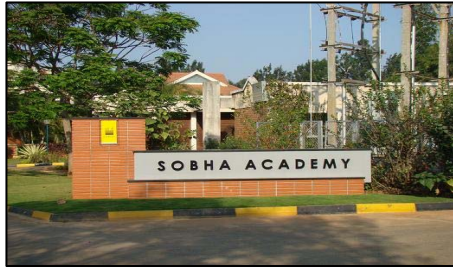
Sobha Concrete Product Division

Factory Area	0.35 Mn Sft	Turnover 09-10	Rs.147 Mns
Work Force	77	Turnover H1-11	Rs.69 Mns

FEATURES	PRODUCTS
<ul style="list-style-type: none"> ❖ Fully Automated production and control facility by using remote controlling systems. ❖ Imported Technologies from Germany (Masa Plant) and England. ❖ No Human Touch from Production to Loading. ❖ Products are high compressive strength, precise dimensions as par with the Indian Standards. ❖ Production capacity of 28,000 nos of Blocks/ day or 20mn nos of Landscaping products. 	<ul style="list-style-type: none"> ❖ Hollow, Solid Blocks (4", 6" & 8") and Lintel Blocks. ❖ Kerb Stones & Bull Nose Kerb ❖ Dish Channels & Bar face ❖ Drainage Covers ❖ Paving Slabs <p style="text-align: center;"><u>CLIENTS</u></p> <ul style="list-style-type: none"> ❖ Infosys, Shapoorji, Jain Structures, B L Kashyap, Adarsh group, Galaxy, JMC projects, Realty homes, Maya ventures, Windsor, Ashok Infrastructures etc...



Superior Internal Process



Sobha Training Academy



Imported German Tools



Mini Batching Plant

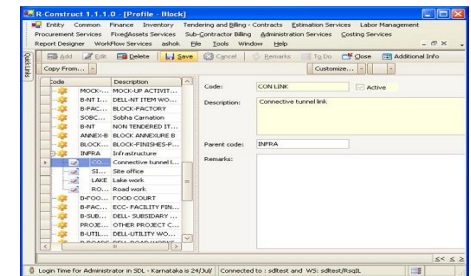
- Continuous training to the Engineers and Tradesmen from Sobha Training Academy
- International Quality Standards at execution (IS & DIN – Germany)
- Imported German tools and supervision for fine detailing and workmanship
- Web based Quality rating system for all the Sobha Projects for bringing International Quality homes
- Continuous focus on Integration and Automation of projects by using latest technologies and machineries
- R&D and Value Engineering teams are established to improve and update the latest Construction Technologies and innovative ideas at execution
- Well defined Technical and Process manuals
- Centralized Planning team
- Customized ERP system for enabling controlled and fastest working culture in the entire organization



Quality check at site



Training by German staffs



Sobha ERP – 'R' Construct



Corporate Social Responsibilities (CSR)

- Sobha Group has adopted two villages, Kizhakkenchery and Vadakkenchery, in Palakkad district of Kerala, with a population of $\approx 90,000$



Sobha Hermitage

- A Senior Citizen's and Widow's home - 50 spacious, fully furnished double rooms
- Supported with spacious Dining Hall, Laundry with fully automated imported washing equipment & fully equipped Health centre
- Hygienic, dust-free modern kitchen, Staff trained at 5-star hotels



Sobha Academy

- A truly International school with ICSE syllabus – for the financially challenged students from the locality.
- Facilities includes free education, uniforms, books, food and transportation
- Has a facility of modern computer lab, swimming pool and video projector room etc.



Sobha Health Care

- This is a 6-bedded polyclinic with Resident Doctor, Visiting Consultants and paramedical personnel.
- This Health Center is equipped with ECG, X-ray room, Ultra Sound scanning, fully computerized Biochemistry, Hematology Laboratories and well equipped casualty room and Minor OT.



Recognition



PASSION AT WORK



Sobha bagged '**CW & ARCHITECT BUILDERS AWARD 2010**' by Construction World for the year 2010, for being among **India's Top 10 Builders**.

"GEC-II, Infosys Campus, Mysore" awarded '**Outstanding Concrete Structure of Karnataka-2010**' by Indian Concrete Institute on Sept 2010



"The Best Contractor – working with Safety practices at site by Bayer's Material Technology services."

"The Best Real Estate Developer for IT Infrastructure-2010" by Construction Source India on May 2010



PUBLIC RELATION COUNCIL INDIA AWARD – 2010
PRCI Gold Award for "Newsletter", PRCI Silver Award for "Annual Report" and PRCI Bronze Award for "Corporate Brochure"



Recognition



PRAVASI BHARATIYA SAMMAN PURASKAR – 2009

Mr.P.N.C.Menon, Chairman of the company was awarded the “**PRAVASI BHARATIYA SAMMAN PURASKAR**” by Hon’ble President of India Smt.Pratiba Patil at Chennai on Jan-2009

Prof. Vasanth Rao Trophy 2009

Awarded Prof. Vasanth Rao Trophy in recognition of being the **Second best company practicing Value Engineering in India** by Indian Value Engineering Society in Dec 2009

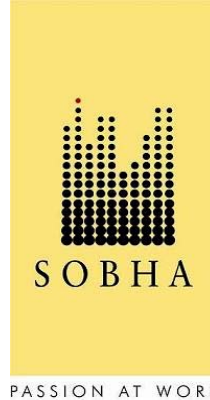


A+D SPECTRUM AWARD 2009

Infosys Terminal Foodcourt building - awarded by **A+D Spectrum foundation Architecture award 2009** to Mr.Neil Jeffery, Architect, Sobha Developers.

Infosys **Employee Care Centre**, Hinjewadi, Pune – Awarded ‘**BEST OF THE BEST**’ by Builders Association of India, Pune centre, for the year 2008





THANK YOU

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Disclaimer:

The information in this presentation contains certain forward-looking statements. These include statements regarding outlook on future development schedules, business plans and expectations of Capital expenditures. 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.