
Puravankara Projects Q1 Profits Increases 41%;

Bangalore, 30 July 2008

The Puravankara Projects consolidated net profit for the quarter ended 30 June 2008 at Rs 61.89 crores was up by 41% compared to the corresponding quarter of last fiscal.

The net profit margin at over 39% in the quarter ended 30 June 2008 has increased compared with the last quarter due to an increase in the gross profit margin and lower selling, general and administrative expenses which have reduced to 8.33% of revenues compared with a higher 9.50% of revenues in the previous quarter of last year.

Income at Rs 157.58 crores for the quarter represent an increase of 31% over the previous quarter as a result of an increase in the developable area of on-going projects.

The area currently under development has increased to 20.08 million sq. ft. with projects spread across Bangalore, Chennai, Hyderabad, Cochin, Mysore and Kolkata. There are 16 on-going residential projects and 5 commercial projects currently under development. A range of residential and commercial projects are planned to be launched in the coming months in Coimbatore, Colombo, Cochin, Bangalore and Mysore.

The current land bank has recently been further augmented through significant land acquisitions in the cities of Chennai and Hyderabad and currently stands at 125.37 million sq. ft. of developable area.

The Group's strong financial position and liquidity is underlined by its low debt to equity ratio of 0.48 and a relatively modest net debt of Rs 613 crores as at 30 June 2008.

Commenting on the results Mr. Ravi Puravankara, Chairman and Managing Director, said "We have had another very good quarter of all round growth in terms of operations and financial performance. Significantly, we have maintained our high profit margins this quarter in the face of cost and price pressures. Our solid financial position and strong liquidity, market leadership position, together with our proven ability to control costs, have placed us in a firm position to propel the Puravankara Group to the next significant level of growth and earnings across our existing presence in South India and beyond. We are confident of maintaining our profit margins at high levels and launching large projects across several locations in the coming quarters."