

October 31, 2011

To
The Manager – Listing
National Stock Exchange of India Limited
Exchange Plaza, Bandra – Kurla Complex,
Bandra (East)
Mumbai – 400 051

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on October 31, 2011

Please find attached the important items discussed and approved at the Board Meeting held today at the Registered Office of the Company:

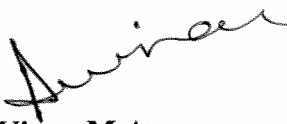
- Approval of the unaudited standalone and consolidated Financial Results of the Company for the quarter ended September 30, 2011.
- Taking on record resignation of Mr. Vinod R Sethi as Director of the Company on account of personal reasons. The Board placed on record the immense contributions made by Mr. Vinod R Sethi to the Company over the years.

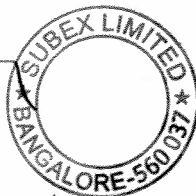
Pursuant to clause 41 of the Listing Agreement, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchange and are also being posted on the Company's website.

We also attach a copy of the press release intended to be published to the media by the Company.

We request you to take the aforesaid notification on record.

For Subex Limited

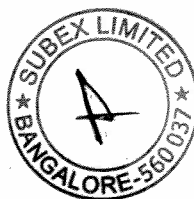

Vinay M A
Assistant Company Secretary



ENCL: As above.

SUBEX LTD Registered office: Adash Tech Park, Outer Ring Road, Devanahalli, Bangalore - 560 037 Unaudited Financial Results for the Quarter ended September 30, 2011 - CONSOLIDATED (Rs. in millions except per share data)					
	CONSOLIDATED				
	Quarter Ended 30th September		Half Year Ended 30th September		For the year Ended 31st March
	2011 Unaudited	2010 Unaudited	2011 Unaudited	2010 Unaudited	2011 Audited
Sales - Product & Product related	1,170.30	1,067.18	2,159.29	2,081.55	4,181.18
- Services	111.28	167.88	225.04	340.99	646.32
Net Sales	1,281.58	1,235.06	2,384.33	2,422.54	4,827.50
Other Operating Income (Refer Note 3)	7.35	12.55	74.11	51.31	98.42
Income from Operations	1,288.93	1,247.61	2,458.44	2,473.85	4,925.92
Expenditure					
- Cost of Hardware, Software & Services	29.74	19.05	45.89	39.74	79.66
- Personnel Cost	688.39	674.11	1,347.45	1,356.16	2,615.24
- Other Expenditure	198.07	213.91	420.42	411.60	819.85
- Total	916.20	907.07	1,813.76	1,807.50	3,514.75
Profit / (Loss) before Interest, Taxes, Depreciation & amortisation and Exceptional items	372.73	340.54	644.68	666.35	1,411.17
- Depreciation and amortisation	20.92	27.51	41.88	53.93	104.50
Profit / (Loss) from Operations before Other Income, Interest, Taxes and Exceptional items	351.81	313.03	602.80	612.42	1,306.67
- Interest (Net)	106.59	103.66	209.73	219.85	424.21
Profit / (Loss) after Interest before Exceptional items & Tax	245.22	209.37	393.07	392.57	882.46
Exceptional Items (Net)	(378.20)	111.17	(387.53)	(33.96)	(50.48)
Profit / (Loss) Before Tax	(132.98)	320.54	5.54	358.61	831.98
Taxes	(1.45)	13.34	2.80	26.19	44.19
Net Profit / (Loss) for the Period/Year	(129.53)	307.20	2.74	332.42	787.79
Paid up Share Capital	693.11	651.82	693.11	651.82	693.10
- Equity (Face value of Rs.10/-)					
Earnings per share - Basic - (Rs. Per share)	(1.87)	4.92	0.04	5.52	12.47
Earnings per share - Diluted - (Rs. Per share)	(1.87)	1.92	0.04	3.94	8.62
Aggregate of Public shareholding:* Number of shares	52,074,405	47,888,210	52,074,405	47,888,210	52,016,189
Percentage of holding (to total shareholding)	75.13%	73.47%	75.13%	73.47%	75.05%
Promoters and promoter group					
Shareholding					
a) Pledged/Encumbered					
- Number of shares	6,601,801	6,601,801	6,601,801	6,601,801	6,601,801
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.49%	81.49%	81.49%	81.49%	81.49%
- Percentage of shares (as a % of the total share capital of the company)	9.52%	10.13%	9.52%	10.13%	9.53%
b) Non-encumbered					
- Number of Shares	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	18.51%	18.51%	18.51%	18.51%	18.51%
- Percentage of shares (as a % of the total share capital of the company)	2.16%	2.30%	2.16%	2.30%	2.16%

* Total public shareholding as defined under clause 40.A of the listing agreement (excludes shares held by founders and GDR holders)



SEGMENTAL REPORTING:

	Consolidated				
	Quarter Ended 30th September		Half Year Ended 30th September		For the year Ended 31st March
	2011	2010	2011	2010	2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segmental Revenue:					
a. Products & Product related	1,170.30	1,067.18	2,159.29	2,081.55	4,181.18
b. Services	111.28	167.88	225.04	340.99	646.32
	1,281.58	1,235.06	2,384.33	2,422.54	4,827.50
2. Segmental Profit/(Loss) before tax, interest & exceptional items					
a. Products & Product related	360.91	317.60	626.12	618.19	1,296.29
b. Services	(9.10)	(4.57)	(23.32)	(5.77)	10.38
	351.81	313.03	602.80	612.42	1,306.67
Less: Interest (Net)	106.59	103.66	209.73	219.85	424.21
Add / (Less) : Other Unallocable Income/(Expenditure)&Exceptional items (Net)	(578.20)	111.17	(387.53)	(33.96)	(50.48)
Profit Before Taxation	(132.98)	320.54	5.54	358.61	831.98
3. Details of Capital Employed					
a. Products & Product related					
Segment Assets	10,329.15	11,851.45	10,329.15	11,851.45	10,353.30
Segment Liabilities	1,578.43	1,859.52	1,578.43	1,859.52	1,779.80
b. Services					
Segment Assets	130.32	325.55	130.32	325.55	155.51
Segment Liabilities	23.64	41.60	23.64	41.60	36.22

STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at 30th September		As at 31st March
	2011	2010	2011
	Unaudited	Unaudited	Audited
SHAREHOLDERS FUND:	1,496.19	3,430.42	2,094.20
(a) Capital	693.11	651.82	693.10
(b) Employee Stock Option Outstanding	61.42	60.27	63.17
(c) Reserves and Surplus	741.66	2,718.33	1,337.93
LOAN FUNDS	5,842.87	5,933.40	5,457.12
DEFERRED TAX LIABILITY	-	0.93	0.89
TOTAL	7,339.06	9,364.75	7,552.21
FIXED ASSETS	98.54	164.19	130.38
GOODWILL	8,656.89	10,366.36	8,656.89
DEFERRED TAX ASSET	12.86	12.21	12.18
CURRENT ASSETS, LOANS AND ADVANCES	1,955.03	1,855.44	1,941.24
(a) Sundry Debtors	503.25	569.39	605.42
(b) Cash and Bank balances	59.11	51.06	41.07
(c) Other current assets	837.56	697.50	817.16
(d) Loans and Advances	555.11	537.49	477.59
Less: Current Liabilities and Provisions	3,384.26	3,033.45	3,188.48
(a) Liabilities	1,295.93	1,388.80	1,344.58
(b) Provisions	2,088.33	1,744.65	1,843.90
MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	-	-	-
PROFIT AND LOSS ACCOUNT	-	-	-
TOTAL	7,339.06	9,364.75	7,552.21



Notes :

- The above results were taken on record and approved by the Board of Directors in their meeting held on 31st October 2011.
- The corresponding previous quarter/period figures have been re-grouped and/or re-arranged to conform with the current quarter/period.
- Other Operating Income includes USD 0.7 Million (Rs. 32.79 Million), accrued and received during the previous quarter towards settlement of claims from an insurance company relating to matters under litigation with a customer.
- Exceptional items comprise (a) Exchange differences arising on restatement of Foreign Currency Convertible Bonds (b) Exchange differences arising on restatement/settlement of intra group foreign currency loans and advances (c) Gain on Sale of Assets pertaining to Activation business during the quarter net of resultant ancillary costs (Refer Note 11 below) and (d) Managerial Remuneration of earlier years charged off during the year ended March 31, 2011 on approval from the Central Government.
- During the Quarter ended September 30, 2011, the company has granted 162,500 options under its ESOP 2005 scheme.
- Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the Quarter ended September 30, 2011 :
Opening Balance - Nil, Received - 1, Attended - 1, Closing Balance - Nil
- Summary of Key Standalone Financial results is as follows -

Particulars	Quarter Ended		Half Year Ended		Year Ended
	30th September		30th September		31st March
	2011	2010	2011	2010	2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Turnover	785.43	734.08	1,550.21	1,612.89	3,135.53
Profit Before Tax	(295.36)	254.18	(235.14)	401.21	725.71
Profit After Tax	(295.36)	252.19	(246.14)	399.22	715.09

8. The Company has outstanding foreign currency convertible bonds (FCCBs) face value of USD 93.8 Million (Rs. 4,593.86 Million) that are redeemable in March 2012 along with premium, if not converted earlier. The Company is pursuing various options not limiting to fund raising in the form of debt or equity, or a mix of both, and negotiations with the current lenders, to meet any potential FCCB debt obligations that arise in March 2012. The Company firmly believes that, with a combination of its internal cash accruals in the current financial year and on achieving successful closure on these options in the coming months, it would be able to meet all repayment obligations.

9. As permitted under the Proposal approved by the Hon'ble High court of Karnataka, the company during the year ended March 31, 2011, transferred certain amounts standing to the credit of Securities Premium and Capital Reserve to the Business Restructuring Reserve and utilised the same for permitted utilisations to the extent of Rs. 1,830.37 Million. Had the Proposal not provided for the above accounting treatment :

- Other Expenditure and the loss under Exceptional Items for the year ended March 31, 2011 would have been higher by Rs. 100 Million and Rs 1,730.37 Million respectively;
- Net Profit for the year ended March 31, 2011 would have been lower by Rs. 1,830.37 Million; and
- Basic and Diluted (Loss) per share for the year ended March 31, 2011 would have been Rs. (16.50).

10. Pursuant to clause 41 of the Listing Agreement, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchanges where the securities of the Company are listed and are also being posted on the Company's website www.subexworld.com.

11. During the Quarter, the company had entered into an Asset purchase agreement for sale of assets and liabilities pertaining to its Activation business, which resulted in a net profit of USD 0.12 Million (Rs. 5.62 Million) after considering resultant ancillary costs. In the half year ended September 30, 2011, the revenue from this business was not significant and had negative margins from its operations.

Certain statements in this release concerning our performance may be forward looking statements which involve risks and uncertainties that could cause actual results to vary materially from those in such statements. These risks and uncertainties include, and are not limited to, fluctuations in earnings, intense competition and success of investments.

By Order of the Board

Bangalore
31st October, 2011

Subash Menon
Founder Chairman, Managing Director & CEO

For further details on the results, please visit our website: www.subexworld.com



SUBEX LTD Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037 Unaudited Financial Results for the Quarter ended September 30, 2011 - STANDALONE					
(Rs. In Millions except per share data)					
	STANDALONE				
	Quarter ended 30th September		Half Year Ended 30th September		For the year Ended 31st March
	2011	2010	2011	2010	2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales - Product & Product related	785.43	734.08	1,550.21	1,612.89	3,135.53
Other Operating Income	-	42.90	26.10	96.82	125.63
Income from Operations	785.43	776.98	1,576.31	1,709.71	3,261.16
Expenditure					
- Cost of Hardware, Software & Services	17.10	3.13	71.36	8.94	14.72
- Personnel Cost	217.05	187.84	437.25	375.32	764.89
- Marketing and Allied Service Charges	268.44	255.97	522.37	503.64	959.83
- Other Expenditure	87.48	91.35	180.08	172.33	333.69
- Total	590.07	538.29	1,211.06	1,060.23	2,073.13
Profit / (Loss) before Interest, Taxes, Depreciation & amortisation and Exceptional items	195.36	238.69	365.25	649.48	1,188.03
- Depreciation and amortisation	9.21	14.37	18.73	28.34	55.50
Profit / (Loss) from Operations before Other Income, Interest, Taxes and Exceptional items	186.15	224.32	346.52	621.14	1,132.53
- Interest (Net)	94.56	90.94	185.93	194.58	379.74
Profit / (Loss) after Interest before Exceptional items & Tax	91.59	133.38	160.59	426.56	752.79
Exceptional Items (Net)	(386.95)	120.80	(395.73)	(25.35)	(27.08)
Profit / (Loss) Before Tax	(295.36)	254.18	(235.14)	401.21	725.71
Taxes	-	1.99	11.00	1.99	10.62
Net Profit / (Loss) for the Period/Year	(295.36)	252.19	(246.14)	399.22	715.09
Paid up Share Capital	693.11	651.82	693.11	651.82	693.10
- Equity (Face value of Rs.10/-)					
Earnings per share - Basic (Rs. Per share)	(4.26)	4.04	(3.55)	6.63	11.32
Earnings per share - Diluted (Rs. Per share)	(4.26)	1.37	(3.55)	4.62	7.88
Aggregate of Public shareholding.*					
Number of shares	52,074,405	47,888,210	52,074,405	47,888,210	52,016,189
Percentage of holding (to total shareholding)	75.13%	73.47%	75.13%	73.47%	75.05%
Promoters and promoter group					
Shareholding					
a) Pledged/Encumbered					
- Number of shares	6,601,801	6,601,801	6,601,801	6,601,801	6,601,801
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.49%	81.49%	81.49%	81.49%	81.49%
- Percentage of shares (as a % of the total share capital of the company)	9.52%	10.13%	9.52%	10.13%	9.53%
b) Non-encumbered					
- Number of Shares	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	18.51%	18.51%	18.51%	18.51%	18.51%
- Percentage of shares (as a % of the total share capital of the company)	2.16%	2.30%	2.16%	2.30%	2.16%
* Total public shareholding as defined under clause 40.A of the listing agreement (excludes shares held by founders and GDR holders)					



STATEMENT OF ASSETS AND LIABILITIES			
Particulars	As at 30th September		As at 31st March
	2011	2010	2011
	Unaudited	Unaudited	Audited
SHAREHOLDERS FUND:	2,442.89	4,324.74	3,117.50
(a) Capital	693.11	651.82	693.10
(b) Employee Stock Option Outstanding	61.42	60.26	63.17
(c) Reserves and Surplus	1,688.36	3,612.66	2,361.23
LOAN FUNDS	5,515.93	5,769.46	5,295.09
TOTAL	7,958.82	10,094.20	8,412.59
FIXED ASSETS	57.37	82.62	63.73
INVESTMENTS	7,723.44	9,263.44	7,723.44
DEFERRED TAX ASSET	12.18	12.18	12.18
CURRENT ASSETS, LOANS AND ADVANCES	2,502.18	2,772.11	2,553.48
(a) Sundry Debtors	1,847.37	1,542.50	1,615.59
(b) Cash and Bank balances	10.55	17.35	8.68
(c) Other current assets	162.58	124.15	203.73
(d) Loans and Advances	481.68	1,088.11	725.48
Less: Current Liabilities and Provisions	2,336.35	2,036.15	1,940.24
(a) Liabilities	667.02	422.40	516.34
(b) Provisions	1,669.33	1,613.75	1,423.90
PROFIT AND LOSS ACCOUNT	-	-	-
TOTAL	7,958.82	10,094.20	8,412.59

Notes :

- The above results were taken on record and approved by the Board of Directors in their meeting held on 31st October 2011.
- Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz Products and Products related business.
- Exceptional items comprise exchange differences arising on (a) restatement of Foreign Currency Convertible Bonds (b) restatement/settlement of intra group foreign currency loans and advances and (c) Managerial Remuneration of earlier years charged off during the year ended March 31, 2011 on approval from the Central Government.
- During the Quarter ended September 30, 2011, the company has granted 162,500 options under its ESOP 2005 scheme.
- Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the Quarter ended September 30, 2011 :
Opening Balance - Nil, Received - 1, Attended - 1, Closing Balance - Nil
- The corresponding previous quarter/period figures have been re-grouped and/or re-arranged to conform with the current quarter/period.
- The Company has outstanding foreign currency convertible bonds (FCCBs) face value of USD 93.8 Million (Rs. 4,593.86 Million) that are redeemable in March 2012 along with premium, if not converted earlier. The Company is pursuing various options not limiting to fund raising in the form of debt or equity, or a mix of both, and negotiations with the current lenders, to meet any potential FCCB debt obligations that arise in March 2012. The Company firmly believes that, with a combination of its internal cash accruals in the current financial year and on achieving successful closure on these options in the coming months, it would be able to meet all repayment obligations.
- As permitted under the Proposal approved by the Hon'ble High court of Karnataka, the company during the year ended March 31, 2011, transferred certain amounts standing to the credit of Securities Premium and Capital Reserve to the Business Restructuring Reserve and utilised the same for permitted utilisations to the extent of Rs. 1,550.37 Million (Net). Had the Proposal not provided for the above accounting treatment :
- Other Expenditure and the loss under Exceptional Items for the year ended March 31, 2011 would have been higher by Rs. 100 Million and Rs 1,450.37 Million respectively;
- Net Profit for the year ended March 31, 2011 would have been lower by Rs. 1,550.37 Million; and
- Basic and Diluted (Loss) per share for the year ended March 31, 2011 would have been Rs. (13.22).

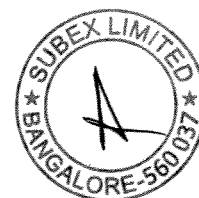
Certain statements in this release concerning our performance may be forward looking statements which involve risks and uncertainties that could cause actual results to vary materially from those in such statements. These risks and uncertainties include, and are not limited to, fluctuations in earnings, intense competition and success of investments.

Bangalore
31st October, 2011

By Order of the Board

Subash Menon
Founder Chairman, Managing Director & CEO

For further details on the results, please visit our website: www.subexworld.com



For immediate release

31 October 2011

Press contact Mansi Chouhan
Manager – Corporate Communications
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Subex Ltd. announces FY12 Q2 results
Profit Grows Non linearly by 75% sequentially to Rs. 248.67 mln

- Product revenue grows 18% sequentially
- Product EBITDA improves to 32.41%

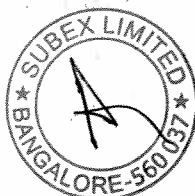
Quarter ended 30 September 2011 – Key Highlights

- Net Consolidated Revenue at Rs. 1288.93 mln (USD 27.56 mln), up from Rs. 1,247.61 mln (USD 26.68 mln) in FY11 Q2
- Net Profit (before exceptional items) at Rs. 248.67 mln (USD 5.32 mln) up from Rs. 196.03 mln (USD 4.19 mln) in FY11 Q2
- Revenue from Products at Rs. 1177.65 mln (USD 25.18 mln)

Bangalore, INDIA: Subex Ltd, a leading global provider of Business Support Systems (BSS) for Communications Service Providers, announced today that it has recorded strong growth and profitability in its Continuing Product Business (Business Optimization or RMS). Revenue for this segment has grown 26% Y-o-Y. Consequent to the sale of its Activation products, the company will put more emphasize in Business Optimization or RMS. This segment, which is the area in which the company has been operating traditionally, is the fastest growing segment in telecom BSS space.

The Product Revenue for the company stood at Rs. 1177.65 mln (USD 25.18 mln) contributing to 91.37 % of the consolidated revenue. The company posted a Product EBITDA of Rs. 381.66 mln (USD 8.16 mln) i.e. 32.41% while the EBITDA for Continuing Product Business (Business Optimization or RMS) was Rs. 451.81 (USD 9.66 mln) i.e. 41.7%.

The company was declared market leaders in Business Optimization for the fourth consecutive year by renowned analyst firm Analysys Mason. Business Optimisation includes fraud, revenue assurance, analytics, cost management and



credit risk management, which together constitutes the core business of the company.

Commenting on the business, Subash Menon, Founder Chairman, Managing Director and CEO, said, "The results for this quarter are extremely promising, as expected. We sold off our activation business this quarter and have renewed our focus on our core business. There is increasing uptake for our industry-changing Revenue Operations Center (ROC™) and Managed Services offering and the non-linearity in the business continues to help us."

He further added, "With the sale of the Activation products which were a drag on our core business, the real growth and profitability in the latter will be obvious in the coming quarters. The strong EBITDA of around 40% in this business will lead to significant cash generation in the future and increase our ability to invest for growth."

- ENDS -

About Subex Limited

Subex Limited is a leading global provider of Business Support Systems (BSS) that empowers communications service providers (CSPs) to achieve competitive advantage through Business Optimization - thereby enabling them to improve their operational efficiency to deliver enhanced service experience to subscribers.

The company pioneered the concept of a Revenue Operations Center (ROC™) - a centralized approach that sustains profitable growth and financial health through coordinated operational control. Subex's product portfolio powers the ROC and its best-in-class solutions enable revenue assurance, fraud management, data integrity management, cost management and interconnect / inter-party settlement. Subex also offers a scalable Managed Services program and has been the market leader in Business Optimization for four consecutive years. Subex has been awarded the Global Telecoms Business Innovation Award for 2011 along with Swisscom for industry's first successful Risk Reward Share model for fraud management.

Subex's customers include 16 of top 20 wireless operators worldwide* and 26 of the world's 50 biggest# telecommunications service providers. The company has more than 300 installations across 70 countries.

*RCR Wireless list, 2010

#Forbes' Global 2000 list, 2010

For More information visit: www.subexworld.com

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