SUBEX LIMITED

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September 20, 2011

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

Dear Sir/Madam,

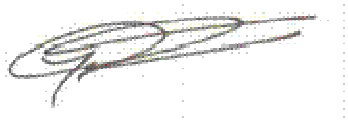
Sub: Updates

Please be informed that, pursuant to the approval of the Board of Directors, the Company has entered into an asset purchase agreement for sale of its activation business to Netcracker Technology Corporation, a leading telecom OSS player and part of the NEC group.

In this regard, please find enclosed herewith a press release that the Company intends to make. Kindly broadcast the same on your website.

Thanking you

Yours truly,
For Subex Limited



Ramanathan J
Vice President- Finance & Company Secretary

ENCL: As above.

Press release

For immediate release **20th Sept 2011**

Press contact Mansi Chouhan
Manager – Corporate Communications
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mansi.chouhan@subexworld.com

Subex Ltd. enters into an Agreement to Sell its Activation Business to NetCracker

Subex continues to focus on core business growth areas – ROC, Business Optimization and Managed Services

Bangalore, INDIA: Subex Ltd, a leading global provider of Business Support Systems (BSS) for Communications Service Providers (CSPs), announced today that it has signed an Asset Purchase Agreement with NetCracker for the sale of its Activation business. NetCracker is a leading Telecom OSS player and part of the US$ 40 Billion NEC group. The Activation business that is being sold off consists of Service Fulfilment solution (NetProvisioning, NetOptimizer and Vector).

Subex estimates its addressable market size in 2011 to be US$ 1.56 Billion and is the market leader in the global Business Optimisation market which includes fraud, revenue assurance, analytics, cost management and credit risk management (source: Analysis Mason 2011**). The decision to sell the Activation business is an outcome of a change in Subex strategy to focus on its core products, i.e. ROC Solutions (Revenue Assurance, Fraud Management, Partner Settlement, Data Integrity Management etc.) and Managed Services.

Commenting on the development, Subash Menon, Founder Chairman, Managing Director and CEO said, “The market is changing and so are the operator’s needs, to remain competitive. Market evolution is towards solutions that allow CSPs to combine data with insights to trigger customer centric near real time decisions. This enables operators to deliver superior customer experience profitably. Being the leader in the Business Optimization space, Subex is strategically positioned to take advantage of these growth areas through its ROC and Managed Services Portfolio. Hence we have taken a strategic decision to focus on our core products, i.e. ROC Solutions (Revenue Assurance, Fraud Management, Partner Settlement, Data Integrity Management etc.) and Managed Services.”

Press release

He further added, “This decision and the renewed focus will enable us in growing our revenues over 20% annually with positive growth in EBITDA and will make us a significant force in the industry.”

The company is bullish on its core business line as seen in FY12 Q1 results where the Order Intake for ROC Portfolio grew 63.12% at US $ 23m up from US $ 14.1m in FY11 Q1. Net Profit for the company grew 424.46% at Rs. 132.27 m up from Rs. 25.22 m in FY11 Q1. The company’s current qualified pipeline for the continuing business is worth US$ 350 million.

Subex is committed to its core business line and will continue to invest substantially in solutions and enhancements.. The company recently won the Global Telecoms Innovation Award for 2011 for its ROC Fraud Management solution and has been leaders in the Business Optimization space for four consecutive years according to Analysys Mason.

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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 experiences 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
** “Research Report: Billing systems: worldwide market shares 2010”, September 2011 Analysis Mason

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