



Press Release

April 25, 2006

Subex announces FY06 results

- Product Revenue Grows by 87%; Profit Grows by 55%

Bangalore, India - Subex Systems Limited, the Bangalore-based Telecom Software Product Company announced that it has clocked a revenue of Rs. 1812.16 million (US \$40.28 million) for the year ended 31st March, 2006. Profits grew by 55%, at Rs. 391.49 million (US \$8.70 million). The revenue composition was 65% from products and 35% from services. This compares with 54% from products during FY05.

About the results, Mr. Subash Menon, Founder Chairman, President & CEO, Subex Systems said, "We have met our targets for this year and have maintained our growth momentum. Further, despite the growth in services business, products contributed a much higher share than last year in the total revenue.

The Board approved a final dividend of 10%. Thus, with the interim dividend of 15%, the total for the year comes to 25%.

Guidance

Mr. Menon issued the guidance for FY07 and FY08. "The guidance for FY08, ending 31st March 2008, is Rs. 4500 million (about US\$ 100 million) of product revenue and Rs. 1500 million (about US\$ 33 million) of net profit and for FY07, ending 31st March 2007, is Rs. 2400 million (about US\$ 53 million) of product revenue and Rs. 650 million (about US\$ 14 million) of net profit," he said.

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About Subex Systems Limited

Subex Systems is a global telecom software product company that partners with telcos to maximize revenue by offering comprehensive and flexible solutions. An ISO 9001 certified company; Subex has a global presence across North America, Europe and Asia. Subex's Ranger™ has the largest installed base worldwide for Fraud Management Systems. Subex has over 80 leading telcos as customers, and they span across 42 countries in the Americas, EMEA and Asia Pacific. Subex went public with an IPO in July 1999.



Forward Looking and Cautionary Statements

Certain statements in this release concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to successfully integrate acquisitions, competition in our areas of business, client concentration, liability for damages in our contracts, withdrawal of tax incentives, political instability, unauthorized use of our intellectual property and general economic conditions affecting our industry.

For additional information on Subex, please visit www.subexsystems.com