



Press Release

26 July 2007

Subex Azure announces FY 2007- 08 Q1 results

**Revenue increases by 202.19 % and PAT rises by 381.78 %
over the corresponding quarter of last year**

Quarter ended 30 June 2007 – Key Highlights

- **Net Consolidated Revenue at Rs. 1,316.59 mn (US \$ 32.42 mn), up by 202.19 % from Rs. 435.68 mn (US \$ 10.73 mn) in FY2006-07 Q1**
- **Profit After Tax (PAT) at Rs. 215.60 mn (US \$ 5.31 mn), up by 381.78 % from Rs. 44.75 mn (US \$ 1.10 mn) in FY2006-07 Q1**

Bangalore, INDIA: Subex Azure Limited, a leading vendor of OSS solutions for telecom operators, today announced that it has recorded a revenue of Rs. 1,316.59 mn (US \$ 32.42 mn) for the quarter ended 30 June 2007.

The revenue from products for this period stood at Rs. 1,004.20 mn (US \$ 24.73 mn), which indicates a rise of 377.33 % from Rs. 210.38 mn (US \$ 5.18 mn) in FY2006-07 Q1. The contribution to total revenue for FY2007-08 Q1 from products was 76.27 %. The revenue from services for this period stood at Rs. 312.39 mn (US \$ 7.69 mn), which indicates a rise of 38.66 % from Rs. 225.30 mn (US \$ 5.55 mn) in FY2006-07 Q1. The contribution to total revenue for FY2007-08 Q1 from services was 23.73 %.

The company has been focusing on integration of Syndesis in the first quarter. This resulted in resources being deployed on integration activities, leading to deferment in the execution of some projects. This deferment has depressed the product revenue which otherwise would have been higher. As this deferment is a temporary phenomenon, it will be corrected in the subsequent quarters, and the same will not have any long term impact. So, the company is confident of meeting its revenue and profit guidance for the current financial year.

Commenting on the business, Subash Menon, Founder Chairman, Managing Director & CEO, said, "Post the Syndesis acquisition, the industry has positively acknowledged the expansion of our product offerings which now include Fulfillment and Assurance

solutions, taking us one step closer to our goal of becoming one of the leading OSS players in the world”.

-ENDS-

About Subex Azure Ltd.

Subex Azure is a leading global provider of OSS solutions with a mission to empower telecom operators achieve competitive advantage and deliver its subscribers new service experiences. The company pioneered the strategic concept of the Revenue Operations Center (ROC) - a centralized and integrated infrastructure for end-to-end monitoring, measurement and control of the operator's revenue chain - to foster operational dexterity and hence sustained profitability.

Subex Azure's software portfolio powers the ROC and its best-in-class solutions enable new service creation, subscriber-centric fulfillment, provisioning automation, revenue assurance & cost management, data integrity management, fraud management and interconnect/interparty settlement.

Subex Azure's customers include 32 of the world's 50 largest telecom operators by revenue. The company has more than 150 installations in over 60 countries. Subex Azure was named in the prestigious Deloitte Technology Fast 500 Asia Pacific 2006 list of companies, underlining the company's growth and leadership status.

For more information please visit www.subexazure.com

Forward Looking and Cautionary Statements

Certain statements in this release concerning Subex Azure's products, strategy and 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, market acceptance of Subex Azure's products and services, Subex Azure's ability to implement its growth strategy, competition in Subex Azure's areas of business and general economic conditions affecting the telecom industry.

Further information:

In Europe or Asia please contact Alex Crawshaw or Kate Bonner at Catalysis
tel: +44 (0)20 7101 7333 / 7326
alex.crawshaw@catalysis.co.uk / kate.bonner@catalysis.co.uk

In the U.S. please contact Guy Murrel at Catapult PR-IR
tel +1 303-581-7760
gmurrel@catapultpr-ir.com

In India please contact Shivaram Lakshminarayan at Genesis Burson-Marsteller PR
tel: +91 9886136796
shivaram.l@bm.com