



SUBEX SYSTEMS LIMITED

Registered Office : No. 721, 7th Main, Mahalakshmi Layout, Bangalore - 560 086
Corporate Office: No.372, Koramangala III Block, Sarjapur Road, Bangalore - 560 034

Financial Results for the year ended 31st March 2006

(Rs. in lacs)

Sl. No.	Particulars	Nine months Ended December	Quarter Ended March		For the Year Ended 31st March		Consolidated for the year ended 31st March	
		2005	2006	2005	2006	2005	2006	2005
		Unaudited	Unaudited		Audited		Unaudited	Audited
1	Sales - Product & Product related	8,534.81	3,133.38	2,245.99	11,668.19	6,279.69	11,668.19	6,279.69
	- Services	4,649.20	1,804.23	1,301.78	6,453.43	5,375.33	6,475.23	5,375.33
	- Total	13,184.01	4,937.61	3,547.77	18,121.62	11,655.02	18,143.42	11,655.02
2	Other Income	251.29	38.99	27.25	290.28	69.62	289.09	69.62
3	Expenditure							
	- Cost of Hardware & Software	705.68	64.27	70.12	769.95	318.27	769.95	318.27
	- Commission on Sales	447.32	111.23	3.83	558.55	3.83	558.55	3.83
	- Personnel Cost	6,662.82	2,798.50	1,883.59	9,461.32	6,736.40	9,153.71	6,361.31
	- Other Expenditure	1,586.00	641.73	511.29	2,227.73	1,098.75	2,638.77	1,415.08
	- Interest	170.43	93.76	77.84	264.19	242.16	268.06	243.74
	- Total	9,572.25	3,709.49	2,546.67	13,281.74	8,399.41	13,389.04	8,342.23
4	Profit after interest but before depreciation and taxation	3,863.05	1,267.11	1,028.35	5,130.16	3,325.23	5,043.47	3,382.41
5	Depreciation and Amortization	668.53	239.36	243.68	907.89	714.26	923.58	719.42
6	Taxes							
	Income Tax	187.98	139.77	27.69	327.75	136.15	349.04	146.37
	Fringe Benefit Tax	14.10	4.81	-	18.91	-	21.24	-
	Deferred Tax	(82.00)	42.64	(52.56)	(39.36)	(55.46)	(37.52)	(55.46)
7	Net Profit	3,074.44	840.53	809.54	3,914.97	2,530.28	3,787.13	2,572.08
8	Paid up Share Capital							
	- Equity (Face value of Rs.10/-)	1,085.57	2,175.76	1,006.72	2,175.76	1,006.72	2,175.76	1,006.72
9	Reserves excluding revaluation reserves				15,977.51	11,320.54	15,929.11	11,399.97
10	Earning per share-Basic-Not Annualized (Rs.Per Share)	14.62	3.60	4.35	18.23	13.89	17.63	14.13
11	Earning per share-Diluted-Not Annualized(Rs.Per Share)	14.55	3.59	4.00	18.13	13.19	17.54	13.41
12	Aggregate of non-promoter shareholding:							
	- Number of Shares	8,835,229	17,716,608	7,346,743	17,716,608	7,346,743	17,716,608	7,346,743
	- Percentage of holding (to total shareholding)	81.40%	81.42%	72.98%	81.42%	72.98%	81.42%	72.98%

NOTES :

- The above results were taken on record and approved by the Board of Directors in their meeting held on 25th April 2006.
- The Board of Directors have recommended a final dividend of 10% (Rs.1/- per share) on the equity shares in addition to interim dividend of 15% (Rs.1.50/- per share) paid during the year.
- The previous year/period figures have been re-grouped and/or re-arranged to conform with the current quarter and year.
- During the quarter ended 31st March 2006, the Company has allotted 10,878,784 shares of Rs.10/- each as bonus shares to its shareholders in the ratio of 1:1.
- The Company has granted 13,000 options under its ESOP 2000 scheme & 70,380 options under its ESOP 2005 scheme for the quarter ended 31st March 2006. During the quarter ended 31st March 2006, the Company has allotted 23,075 shares pursuant to the exercise of options by eligible employees and directors.
- During the quarter ended 31st March 2006, the Company has acquired certain Intellectual Property Rights and other assets of Mantas Inc., for an amount of Rs.10.32 Crores. This is being amortised over 5 years.
- On 7th April 2006, the Company has raised funds aggregating to US\$ 10 million through issue of GDRs. The GDRs are listed on the Luxembourg Stock Exchange. The proceeds of the issue have been partly utilized towards the cost of acquisition of Mantas Inc., assets.
- Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March 2006 is : Opening Balance - Nil, Received - 16, Attended - 16, Closing Balance - Nil
- EPS Calculation has been re-computed for earlier periods for bonus shares issued.
- The segment-wise revenue and results for the quarter ended 31st March 2006 as required under clause 41 of the listing agreement are as follows:

(Rs. in lacs)

	Nine months Ended December	For the Quarter Ended March		For the Year Ended 31st March	
	2005	2006	2005	2006	2005
	Unaudited	Unaudited		Audited	
1. Segmentwise Revenue					
a) Product & Product related	8,534.81	3,133.38	2,245.99	11,668.19	6,279.69
b) Services	4,649.20	1,804.23	1,301.78	6,453.43	5,375.33
Total	13,184.01	4,937.61	3,547.77	18,121.62	11,655.02
2. Segmentwise Results :					
Profit / (Loss) before tax, depreciation & interest					
a) Product & Product related	3,656.97	1,320.36	1,062.31	4,977.33	3,246.70
b) Services	258.03	40.51	43.88	298.54	320.69
Total	3,915.00	1,360.87	1,106.19	5,275.87	3,567.39
Less : Interest	170.43	93.76	77.84	264.19	242.16
Other un-allocable income net of un-allocable expenditure	118.48	-	-	118.48	-
Profit before depreciation & taxation	3,863.05	1,267.11	1,028.35	5,130.16	3,325.23

- Since fixed assets are used in the company's business interchangeably, segment wise disclosure on capital employed has not been furnished.

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

Bangalore
25th April 2006

By Order of the Board

Subash Menon
Chairman & Managing Director