

Particulars	CONSOLIDATED					STANDALONE				
	Quarter ended 31st Dec 2006	Quarter ended 31st Dec 2005	Nine months ended 31st Dec '06	Nine months ended 31st Dec '05	Year ended 31st March 2006	Quarter ended 31st Dec 2006	Quarter ended 31st Dec 2005	Nine months ended 31st Dec '06	Nine months ended 31st Dec '05	Year ended 31st March 2006
	Unaudited			Audited		Unaudited			Audited	
Sales - Product & Product related	757.61	314.76	1,709.14	853.48	1,166.82	314.66	314.76	842.63	853.48	1,166.82
- Services	304.39	173.26	818.30	466.40	647.52	303.95	172.64	816.22	464.92	645.34
- Total	1,062.00	488.02	2,527.44	1,319.88	1,814.34	618.61	487.40	1,658.85	1,318.40	1,812.16
Other Income	29.41	17.30	74.03	24.18	28.91	6.21	17.30	28.58	25.13	29.03
Expenditure										
- Cost of Hardware, Software & Services	9.27	16.80	66.10	70.57	77.00	9.27	16.80	60.87	70.57	76.99
- Personnel Cost	541.83	237.47	1,480.59	600.40	915.37	330.13	244.38	995.33	661.28	946.13
- Commission on Sales	28.27	41.85	30.01	44.74	55.86	27.87	41.85	29.71	44.74	55.86
- Other Expenditure	263.09	61.29	444.82	232.16	263.88	97.36	51.82	203.67	158.60	222.77
- Interest	20.35	4.87	48.37	17.31	26.80	19.85	4.79	43.71	17.04	26.42
- Total	832.81	362.28	2,069.89	965.18	1,338.91	484.58	359.44	1,333.89	957.23	1,328.17
Profit after interest but before depreciation and taxation	228.60	143.04	531.58	378.88	504.34	140.25	145.26	353.55	388.30	513.02
Depreciation	23.08	22.74	89.34	68.05	92.58	26.53	21.92	81.45	66.85	90.79
Taxes										
- Income Tax	14.36	6.83	45.24	20.30	34.90	12.60	6.83	41.87	18.80	32.77
- Fringe Benefit Tax	1.96	0.57	3.25	1.55	2.13	1.76	0.57	3.06	1.41	1.89
- Deferred Tax	(2.00)	(2.80)	(5.91)	(8.20)	(3.75)	(2.00)	(2.80)	(5.91)	(8.20)	(3.93)
Net Profit	191.20	115.70	399.66	297.18	378.48	101.35	118.74	233.07	307.44	391.50
Paid up Share Capital	346.99	108.56	346.99	108.56	217.58	346.99	108.56	346.99	108.56	217.58
- Equity (Face value of Rs.10/-)										
Reserves excluding revaluation reserves					1,562.91					1,597.75
Earnings per share - Basic - Not Annualised (Rs. Per share)	5.51	5.33	14.28	13.91	17.82	2.92	5.47	7.49	14.39	18.23
Aggregate per share - Diluted - Not Annualised (Rs. Per share)	5.49	5.30	14.22	13.83	17.53	2.91	5.44	7.45	14.31	18.13
Aggregate of Public shareholding* Number of shares	19,757,485		19,757,485			19,757,485		19,757,485		
Percentage of holding (to total shareholding)	56.94%		56.94%			56.94%		56.94%		

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

SEGMENTAL REPORTING:

Particulars	CONSOLIDATED					STANDALONE				
	Quarter ended 31st Dec 2006	Quarter ended 31st Dec 2005	Nine months ended 31st Dec '06	Nine months ended 31st Dec '05	Year ended 31st March 2006	Quarter ended 31st Dec 2006	Quarter ended 31st Dec 2005	Nine months ended 31st Dec '06	Nine months ended 31st Dec '05	Year ended 31st March 2006
	Unaudited			Audited		Unaudited			Audited	
1. Segmental Revenue:										
a. Products & Product related	757.61	314.76	1,709.14	853.48	1,166.82	314.66	314.76	842.63	853.48	1,166.82
b. Services	304.39	173.26	818.30	466.40	647.52	303.95	172.64	816.22	464.92	645.34
- Total	1,062.00	488.02	2,527.44	1,319.88	1,814.34	618.61	487.40	1,658.85	1,318.40	1,812.16
2. Segmental Profit/(Loss) before tax, depreciation and Interest										
a. Products & Product related	225.93	129.17	534.95	365.70	497.73	128.22	130.26	328.23	365.70	497.74
b. Services	23.02	6.80	45.00	18.64	31.89	7.84	6.03	23.80	23.85	29.85
- Total	248.95	136.06	579.95	384.34	519.30	160.11	138.20	367.28	291.50	427.59
Less: Interest	20.35	4.87	48.37	17.31	26.81	19.85	4.79	43.71	17.04	26.42
Other Un-allocable Income net of un-allocable Expenditure		11.85		11.85	11.85		11.85		11.85	11.85
Depreciation	23.08	22.74	89.34	68.05	92.58	26.53	21.92	81.45	66.85	90.79
Profit Before Taxation	205.52	126.30	442.24	310.83	411.76	113.73	123.34	272.10	318.46	422.23

Notes to Consolidated Results:

- The consolidated results have not been subjected to limited review by statutory auditors.
- The results were taken on record and approved by the Board of Directors in its meeting held on 29th January 2007.
- Pursuant to acquisition of Azee Solutions Ltd on 22nd June 2006, the consolidated results for the periods thereafter include results of operation of the company's subsidiaries belonging to the erstwhile Azee Group, namely Subex Azure(UK) Ltd, Subex Azure Inc., Subex Azure (Asia Pacific) Pte. Ltd., vis-a-vis earlier periods, that include results of Subex Technology Ltd and Subex Technology Inc. say.

Notes to Standalone Results:

- The above results were taken on record and approved by the Board of Directors in its meeting held on 29th January 2007.
- The previous year/period figures have been re-grouped and/or re-arranged to conform with the current quarter.
- The Board of Directors has recommended an interim Dividend of 15% (Rs.1.50/- per share) on the equity shares.
- The company has granted 153,300 under its ESOP 2005 scheme during the quarter ended 31st December 2006.
- During the quarter, the company has allotted 58,248 shares pursuant to exercises of options by eligible employees.
- The company has signed a share purchase agreement for the acquisition of Synetel Ltd, Toronto, Canada in an all cash deal on 18th Jan 2007 for US\$ 184.50 million. The deal is proposed for closure by 31st March 2007 subject to regulatory approvals.

- Subject to applicable regulatory approvals, the said acquisition is proposed to be funded through issue of GDRs and FCIBs amounting to US\$ 239 million in aggregate.
- The acquisition of Azee Solutions has positioned the company as a premier global provider of revenue maximization solutions to the telecom worldwide with long term, multi-element contracts. This has resulted in the company having to evolve common policies and practices across all its group companies worldwide. Consequently, some of the accounting policies have been re-aligned and adopted for all companies and divisions. The revenues from contracts for sale of software licenses in various entities, which were recognised at different periods, are being recognised w.e.f. 1st April 2006 over the contract period. Identification of the impact of such changes in policy in the current quarter and revisiting the earlier year/period results is not practicable given that such rework would require the company to recompute revenue of prior periods, the supporting data for which is not available at present.
- The re-alignment of the accounting policies during the current year is transitional and the differences are expected to even out over the following quarters. Consequently, the annual guidance remains unchanged.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December 2005 - Opening Balance - Nil, Received - 2, Attended - 2, Closing Balance - Nil
- Since fixed assets used in the company's business interchangably segment wise disclosure an capital employed has not been furnished.

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, success of investments and our ability to successfully integrate our acquisitions.