

<b>SUBEX LTD</b>		
Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037		
<b>Audited Financial Results for the Year ended March 31, 2009 - CONSOLIDATED</b>		
<i>(Rs. In Millions)</i>		
	<b>CONSOLIDATED</b>	
	<b>For the year Ended</b>	
	<b>31st March</b>	
	<b>2009</b>	<b>2008</b>
Sales - Product & Product related [Refer Note 3]	4,384.81	3,618.48
- Services	1,200.08	1,237.43
<b>Net Sales</b>	<b>5,584.89</b>	<b>4,855.91</b>
Other Income	449.90	3.67
<b>Income from Operations</b>	<b>6,034.79</b>	<b>4,859.58</b>
Expenditure		
- Cost of Hardware, Software & Services	123.90	84.47
- Personnel Cost	3,866.80	4,022.37
- Other Expenditure	876.97	1,192.59
- Provision for Bad & Doubtful Debts	195.82	290.35
<b>- Total</b>	<b>5,063.49</b>	<b>5,589.78</b>
<b>Profit / (Loss) before Interest, Taxes, Depreciation &amp; amortisation and Exceptional items</b>	<b>971.30</b>	<b>(730.20)</b>
- Depreciation and amortisation	228.83	184.04
<b>Profit / (Loss) before Interest, Taxes and Exceptional items</b>	<b>742.47</b>	<b>(914.24)</b>
- Interest (Net)	434.81	304.80
<b>Profit / (Loss) Before Exceptional items &amp; Tax</b>	<b>307.66</b>	<b>(1,219.04)</b>
Exceptional Items		
- Exchange Gain/(Loss) on restatement of FCCBs	(1,929.60)	607.50
- Exchange Gain/(Loss) - Mark to Market Losses on Option contracts	(97.23)	(5.50)
<b>Profit / (Loss) Before Tax</b>	<b>(1,719.17)</b>	<b>(617.04)</b>
Taxes		
Income Tax	60.04	24.44
MAT Credit written off/(carried forward)	21.17	(10.04)
Fringe Benefit Tax	4.12	11.93
Deferred Tax	79.13	37.33
<b>Net Profit / (Loss) for the year</b>	<b>(1,883.63)</b>	<b>(680.71)</b>
Paid up Share Capital	348.47	348.47
- Equity (Face value of Rs.10/-)		
Reserves excluding revaluation reserves	3,464.34	6,348.96
Earnings per share - Basic - Not Annualised (Rs. Per share)	(54.05)	(19.49)
Earnings per share - Diluted - Not Annualised (Rs. Per share)	(54.05)	(19.49)
Aggregate of Public shareholding:*		
Number of shares	21,600,258	22,162,022
Percentage of holding (to total shareholding)	61.99%	63.60%
<b>Promoters and promoter group</b>		
Shareholding		
a) Pledged/Encumbered	2,508,361	1,521,200
- Number of shares	62.26%	49.34%
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.20%	4.37%
- Percentage of shares (as a% of the total share capital of the company)		
b) Non-encumbered	1,520,339	1,561,903
- Number of Shares	37.74%	50.66%
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.36%	4.48%
- Percentage of shares (as a % of the total share capital of the company)		
<i>* Total public shareholding as defined under clause 40.A of the listing agreement (excludes shares held by founders and GDR holders)</i>		
<b>SEGMENTAL REPORTING:</b>		
	<b>Consolidated</b>	
	<b>For the year Ended</b>	
	<b>31st March</b>	
	<b>2009</b>	<b>2008</b>
	<b>Audited</b>	<b>Audited</b>
1. Segmental Revenue:		
a. Products & Product related	4,384.81	3,618.48
b. Services	1,200.08	1,237.43
	<b>5,584.89</b>	<b>4,855.91</b>
2. Segmental Profit/(Loss) before tax, interest & exceptional items		
a. Products & Product related	620.50	(808.16)
b. Services	121.98	72.45
	742.48	(735.71)
Less: Interest (Net)	434.81	304.80
Add / (Less) : Other Unallocable Income/(Expenditure)&Exceptional items [Net]	(2,026.83)	423.46
<b>Profit Before Taxation</b>	<b>(1,719.17)</b>	<b>(617.05)</b>

**Notes :**

1. The above results were taken on record and approved by the Board of Directors in their meeting held on 26th May 2009. These results have been subjected to audit by the statutory auditors.
2. The previous year / period figures have been re-grouped and/or re-arranged to conform with the current year.
3. Sales Product & Product related for the year ended March 31, 2009, include Rs.116.17 mio, being other operating income.
- 4.FCCBs if not converted earlier are due for redemption in 2012. The actual exchange loss/gain, if any, on redemption would be determined only based on the exchange rates prevailing on the date of redemption and the number of FCCBs redeemed. Hence, losses on restatement of FCCBs which is a non-cash item for the year, is treated as an exceptional item.
5. Mark to Market losses on Option contracts is a non- cash item for the year
6. During the year, the company has granted 1,764,397 options under its ESOP 2005 and 362,072 options under its ESOP 2000 schemes.
7. During the quarter ended September 30, 2008, the shareholders of the Company approved an amendment to the Employee Stock Options Schemes providing for Voluntary surrender of Options. The Personnel Cost for the year ended March 31, 2009, is net of Rs.48 Mn, being the reversal of previously recognised stock compensation costs on these options.
8. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the year ended March 31, 2009 :  
Opening Balance - Nil, Received - 2, Attended - 2, Closing Balance - Nil
- 9.Details of Capital employed as at 31st March 2009 -  
(a) Segment Assets - Product & Product related - Rs.17,149.11 Mn; Service - Rs.384.41 Mn  
(b) Segment Liabilities - Product & Product related - Rs.13,743.96 Mn; Service - Rs.67.90 Mn.  
Information for the corresponding previous year, have not been provided, since some of the assets were used interchangeably between the segments.
10. Pursuant to clause 41 of the Listing Agreement, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchanges where the securities of the Company are listed and are also being posted on the the Company's website [www.subexworld.com](http://www.subexworld.com).

*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 and success of investments.*

Bangalore  
26th May, 2009

**By Order of the Board**

**Subash Menon**  
Founder Chairman, Managing Director & CEO

*For further details on the results, please visit our website: [www.subexworld.com](http://www.subexworld.com)*

<b>SUBEX LTD</b>		
Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037		
<b>Audited Financial Results for the Year ended March 31, 2009 - STANDALONE</b>		
	<b>STANDALONE</b>	
	<b>For the year Ended</b>	
	<b>31st March</b>	
	<b>2009</b>	<b>2008</b>
	<b>Audited</b>	<b>Audited</b>
Sales - Product & Product related - Services (refer Note 9)	3,011.05	914.73 523.96
<b>Net Sales</b>	<b>3,011.05</b>	<b>1,438.69</b>
Other Income	221.45	1.78
<b>Income from Operations</b>	<b>3,232.50</b>	<b>1,440.47</b>
Expenditure		
- Cost of Hardware, Software & Services	37.47	464.30
- Personnel Cost	798.28	516.05
- Marketing and Allied Service Charges	1,215.94	-
- Other Expenditure	355.67	423.03
- Provision for Bad & Doubtful Debts	59.12	288.69
<b>- Total</b>	<b>2,466.48</b>	<b>1,692.07</b>
<b>Profit / (Loss) before Interest, Taxes, Depreciation &amp; amortisation and Exceptional items</b>	<b>766.02</b>	<b>(251.60)</b>
- Depreciation and amortisation	136.46	121.55
<b>Profit / (Loss) before Interest, Taxes and Exceptional items</b>	<b>629.56</b>	<b>(373.15)</b>
- Interest (Net)	352.57	278.97
<b>Profit / (Loss) Before Exceptional items &amp; Tax</b>	<b>276.99</b>	<b>(652.12)</b>
Exceptional Items		
- Exchange Gain/(Loss) on restatement of FCCBs	(1,929.60)	607.50
- Exchange Gain/(Loss) - Mark to Market Losses on Option contracts	(97.23)	(5.50)
<b>Profit / (Loss) Before Tax</b>	<b>(1,749.84)</b>	<b>(50.12)</b>
Taxes		
Income Tax	6.98	17.13
MAT Credit written off/(carried forward)	21.17	(10.04)
Fringe Benefit Tax	4.12	11.93
Deferred Tax	-	(7.26)
<b>Net Profit / (Loss) for the year</b>	<b>(1,782.11)</b>	<b>(61.88)</b>
Paid up Share Capital	348.47	348.47
- Equity (Face value of Rs.10/-)		
Reserves excluding revaluation reserves	4,167.89	6,539.30
Earnings per share - Basic (Rs. Per share)	(51.14)	(1.77)
Earnings per share - Diluted (Rs. Per share)	(51.14)	(1.77)
Aggregate of Public shareholding:*		
Number of shares	21,600,258	22,162,022
Percentage of holding (to total shareholding)	61.99%	63.60%
<b>Promoters and promoter group</b>		
Shareholding		
a) Pledged/Encumbered		
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- Number of Shares	1,520,339	1,561,903
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- Percentage of shares (as a % of the total share capital of the company)	4.36%	4.48%
<i>* Total public shareholding as defined under clause 40.A of the listing agreement (excludes shares held by founders and GDR holders)</i>		

Notes :

1. The above results were taken on record and approved by the Board of Directors in their meeting held on 26th May 2009. These results have been subjected to audit by the statutory auditors.
2. The previous year / period figures have been re-grouped and/or re-arranged to conform with the current year.
3. In the current year, Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz Products and Products related business.
4. FCCBs if not converted earlier are due for redemption in 2012. The actual exchange loss/gain, if any, on redemption would be determined only based on the exchange rates prevailing on the date of redemption and the number of FCCBs redeemed. Hence, losses on restatement of FCCBs which is a non-cash item for the year, is treated as an exceptional item.
5. Mark to Market losses on Option contracts is a non- cash item for the year
6. During the year, the company has granted 1,764,397 options under its ESOP 2005 and 362,072 options under its ESOP 2000 schemes.
7. During the quarter ended September 30, 2008, the shareholders of the Company approved an amendment to the Employee Stock Options Schemes providing for Volunatry surrender of Options. The Personnel Cost for the year ended March 31, 2009, is net of Rs.16.32 Mn, being the reversal of previously recognised stock compensation costs on these options.
8. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the year ended March 31, 2009 :  
Opening Balance - Nil, Received - 2, Attended - 2, Closing Balance - Nil
9. In terms of a Scheme of Arrangement, the Services business of the Company was transferred to a wholly owned subsidiary with effect from September 1, 2007, in terms of the approval received from the Hon'ble High court of Karnataka on March 27, 2008. The Services business segment had a profit of Rs. 26.52 mio for year ended March 31, 2008.
10. During the quarter ended March 31, 2009, the Company has incorporated certain changes in the transfer pricing mechanism for inter-company transactions, with retrospective effect from 1st of April 2008. The stand alone results incorporate the impact of this change.

*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 and success of investments.*

Bangalore  
26th May, 2009

**By Order of the Board**

**Subash Menon**

**Founder Chairman, Managing Director & CEO**

***For further details on the results, please visit our website: [www.subexworld.com](http://www.subexworld.com)***