

SUBEX LTD

Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037
Unaudited Financial Results for the quarter ended December 31, 2009 - CONSOLIDATED

(Rs. In Millions)

	CONSOLIDATED				
	Quarter Ended 31st December		Nine Months Ended 31st December		For the year Ended 31st March
	2009	2008	2009	2008	2009
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales - Product & Product related	1,019.68	1,279.03	2,860.33	3,459.69	4,384.81
- Services	190.76	327.73	623.29	927.29	1,200.08
Net Sales	1,210.44	1,606.76	3,483.62	4,386.98	5,584.89
Other Income	55.27	2.19	118.03	5.17	140.66
Income from Operations	1,265.71	1,608.95	3,601.65	4,392.15	5,725.55
Expenditure					
- Cost of Hardware, Software & Services	27.08	47.20	87.74	79.08	123.90
- Personnel Cost	663.90	951.60	2,285.00	2,988.22	3,866.80
- Other Expenditure	287.51	215.70	560.40	692.27	876.97
- Provision for Bad & Doubtful Debts	-	50.34	-	50.34	195.82
- Total	978.49	1,264.84	2,933.14	3,809.91	5,063.49
Profit / (Loss) before Interest, Taxes, Depreciation & amortisation and Exceptional items	287.22	344.11	668.51	582.24	662.06
- Depreciation and amortisation	35.37	58.45	133.31	176.64	228.83
Profit / (Loss) before Interest, Taxes and Exceptional items	251.85	285.66	535.20	405.60	433.23
- Interest (Net)	117.17	113.34	364.23	319.26	434.81
Profit / (Loss) Before Exceptional items & Tax	134.68	172.32	170.97	86.34	(158)
Exceptional Items - Net Gain/(Loss)	304.90	(304.20)	613.44	(1,564.20)	(1,717.59)
Profit / (Loss) Before Tax	439.58	(131.88)	784.41	(1,477.86)	(1,719.17)
Taxes	20.87	25.59	46.42	52.90	164.46
Net Profit / (Loss) for the period	418.71	(157.47)	737.99	(1,530.76)	(1,883.63)
Paid up Share Capital	391.98	348.47	391.98	348.47	348.47
- Equity (Face value of Rs.10/-)					
Reserves excluding revaluation reserves					3,464.34
Earnings/(Loss) per share - Basic - Not Annualised (Rs. Per share)	11.64	(4.52)	21.03	(43.93)	(54.05)
Earnings/(Loss) per share - Diluted - Not Annualised (Rs. Per share)	2.42	(4.52)	2.42	(43.93)	(54.05)
Aggregate of Public shareholding* Number of shares	25,885,558	21,735,218	25,885,558	21,735,218	21,600,258
Percentage of holding (to total shareholding)	66.04%	62.38%	66.04%	62.38%	61.99%
Promoters and promoter group					
Shareholding					
a) Pledged/Encumbered	2,508,361	2,508,361	2,508,361	2,508,361	2,508,361
- Number of shares	61.15%	64.42%	61.15%	64.42%	62.26%
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	6.40%	7.20%	6.40%	7.20%	7.20%
- Percentage of shares (as a% of the total share capital of the company)					
b) Non-encumbered	1,593,440	1,385,379	1,593,440	1,385,379	1,520,339
- Number of Shares	38.85%	35.58%	38.85%	35.58%	37.74%
- Percentage of shares (as a% of the total shareholding of promoter and promoter group)	4.07%	3.98%	4.07%	3.98%	4.36%
- Percentage of shares (as a % of the total share capital of the company)					

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

SEGMENTAL REPORTING:

	Consolidated				
	Quarter Ended 31st December		Nine Months Ended 31st December		For the year Ended 31st March
	2009	2008	2009	2008	2009
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segmental Revenue:					
a. Products & Product related	1,019.68	1,279.03	2,860.33	3,459.69	4,384.81
b. Services	190.76	327.73	623.29	927.29	1,200.08
	1,210.44	1,606.76	3,483.62	4,386.98	5,584.89
2. Segmental Profit/(Loss) before tax, interest & exceptional Items					
a. Products & Product related	264.58	238.19	523.51	293.89	311.25
b. Services	(12.73)	47.47	11.69	111.71	121.98
	251.85	285.66	535.20	405.60	433.23
Less: Interest (Net)	117.17	113.34	364.23	319.26	434.81
Add / (Less) : Other Unallocable Income/(Expenditure)&Exceptional items [Net]	304.90	(304.20)	613.44	(1,564.20)	(1,717.59)
Profit Before Taxation	439.58	(131.88)	784.41	(1,477.86)	(1,719.17)
3. Details of Capital Employed					
a. Products & Product related					
Segment Assets	16,916.68	16,952.44	16,916.68	16,952.44	17,149.11
Segment Liabilities	9,854.32	11,402.37	9,854.32	11,402.37	13,743.96
b. Services					
Segment Assets	359.33	382.83	359.33	382.83	384.41
Segment Liabilities	51.28	50.20	51.28	50.20	67.90

Notes :

1. The above results were taken on record and approved by the Board of Directors in their meeting held on 19th January 2010. These results have been subjected to limited review by the statutory auditors.
2. The previous year / period figures have been re-grouped and/or re-arranged to conform with the current period.
3. Exceptional items comprise exchange differences arising on (a) restatement of Foreign Currency Convertible Bonds and (b) restatement/settlement of intra group foreign currency loans and advances.
4. During the current period, the company has granted 13,900 options under its ESOP 2005 and NIL options under its ESOP 2000 schemes.
5. During the quarter ended December 31, 2009, the Company has allotted 1,203 equity shares under its ESOP 2005 scheme and 1,210 equity shares under its ESOP 2000 scheme to the option holders upon exercise of stock options.
6. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2009 :
Opening Balance - Nil, Received - 1, Attended - 1, Closing Balance - Nil
7. During the current quarter, the Company offered to restructure its outstanding FCCBs having a face value of USD 180 Million by offering in exchange new FCCBs having a face value of USD 126 Million. Pursuant to the offer, bonds with a face value of USD 141 Million were exchanged for new bonds with a face value of USD 98.7 Million. This has resulted in a reduction of liability of Rs. 1526.90 Million (after adjusting for expenses incurred), which has been credited to Capital Reserve. The new bonds carry a coupon rate of 5% and is redeemable in March 2012 (if not converted to equity shares prior to that date in accordance with the terms of the offer) at a premium of 43.1% of the face value of the bonds.
8. During the quarter ended December 31, 2009, holders of the new bonds with a face value US\$ 7.25 Million exercised their option to the bonds into equity shares. Consequently, the Company allotted 4,348,554 equity shares as per the terms of the bonds.
9. Post the end of the quarter, the Company has allotted 6,117,965 equity shares pursuant to conversion of FCCBs aggregating to US\$ 10.2 Million.
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 Company's website 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
19th January, 2010

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

SUBEX LTD					
Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037					
Unaudited Financial Results for the quarter ended December 31, 2009 - STANDALONE					
<i>(Rs. In Millions)</i>					
	STANDALONE				
	Quarter ended		Nine Months ended		For the year Ended
	31st December		31st December		31st March
	2009	2008	2009	2008	2009
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales - Product & Product related	806.11	388.64	2,390.38	1,263.09	3,011.05
Other Income	24.23	0.21	37.78	2.19	14.59
Income from Operations	830.34	388.85	2,428.16	1,265.28	3,025.64
Expenditure					
- Cost of Hardware, Software & Services	2.47	47.80	22.95	91.22	37.47
- Personnel Cost	110.70	143.95	490.52	448.37	798.28
- Marketing and Allied Service Charges	273.74	-	845.24	-	1,215.94
- Other Expenditure	185.66	99.58	309.32	322.60	355.67
- Provision for Bad & Doubtful Debts	-	-	-	-	59.12
- Total	572.57	291.33	1,668.03	862.19	2,466.48
Profit / (Loss) before Interest, Taxes, Depreciation & amortisation and Exceptional items	257.77	97.52	760.13	403.09	559.16
- Depreciation and amortisation	16.06	28.66	74.64	108.84	136.46
Profit / (Loss) before Interest, Taxes and Exceptional items	241.71	68.86	685.49	294.25	422.70
- Interest (Net)	103.33	103.43	324.05	292.44	352.57
Profit / (Loss) Before Exceptional items & Tax	138.38	(34.57)	361.44	1.81	70.13
Exceptional Items - Net Gain/(Loss)	328.43	(304.20)	721.01	(1,564.20)	(1,819.97)
Profit / (Loss) Before Tax	466.81	(338.77)	1,082.45	(1,562.39)	(1,749.84)
Taxes	0.05	2.99	12.05	7.41	32.27
Net Profit / (Loss) for the period	466.76	(341.76)	1,070.40	(1,569.80)	(1,782.11)
Paid up Share Capital	391.98	348.47	391.98	348.47	348.47
- Equity (Face value of Rs.10/-)					
Reserves excluding revaluation reserves					4,167.89
Earnings/(Loss) per share - Basic (Rs. Per share)	13.13	(9.81)	30.51	(45.05)	(51.14)
Earnings/(Loss) per share - Diluted (Rs. Per share)	3.04	(9.81)	8.15	(45.05)	(51.14)
Aggregate of Public shareholding:*					
Number of shares	25,885,558	21,735,218	25,885,558	21,735,218	21,600,258
Percentage of holding (to total shareholding)	66.04%	62.38%	66.04%	62.38%	61.99%
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Notes :

1. The above results were taken on record and approved by the Board of Directors in their meeting held on 19th January 2010. These results have been subjected to limited review by the statutory auditors.
2. During the quarter ended March 31, 2009, the Company incorporated certain changes in the transfer pricing mechanism for intra-group transactions, with retrospective effect from April 1, 2008. Consequently the results for the quarter and nine months ended December 31, 2009 and 2008 are not strictly comparable.
3. In the current quarter, 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. Exceptional items comprise exchange differences arising on (a) restatement of Foreign Currency Convertible Bonds and (b) restatement/settlement of intra group foreign currency loans and advances.
5. During the current period, the company has granted 13,900 options under its ESOP 2005 and NIL options under its ESOP 2000 schemes.
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10. During the quarter ended December 31, 2009, holders of the new bonds with a face value US\$ 7.25 Million exercised their option to the bonds into equity shares. Consequently, the Company allotted 4,348,554 equity shares as per the terms of the bonds.
11. Post the end of the quarter, the Company has allotted 6,117,965 equity shares pursuant to conversion of FCCBs aggregating to US\$ 10.2 Million.

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
19th January, 2010

By Order of the Board

Subash Menon
Founder Chairman, Managing Director & CEO

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