

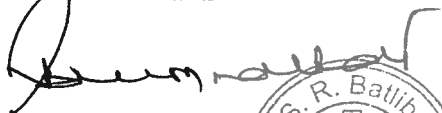
Limited Review Report

Review Report to
The Board of Directors
Subex Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Subex Limited ('the Company') for the quarter ended September 30, 2015 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 3 to the Statement regarding the management's assessment of trade receivables amounting to ₹ 18,030 Lakhs and advances amounting to ₹ 1,911 Lakhs from one of its subsidiaries that has been considered good and recoverable based on the future operational plans and projected cash flows, and that there is no diminution, other than temporary, in the carrying value of its investment, amounting to ₹ 12,496 Lakhs in the said subsidiary and hence no provision has been made at this stage for reasons stated in the said note.

Our conclusion is not qualified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants


per Sunil Bhumralkar
Partner
Membership No.: 35141

Place: Mumbai
Date: November 02, 2015



SUBEX LTD
Registered office: RMZ Ecoworld, Outer Ring Road, Devarahisannahalli, Bangalore - 560 037
Statement of Standalone Unaudited Results for the quarter and six months ended September 30, 2015

PART I

(₹ in Lakhs unless otherwise stated)

Particulars	Standalone						Previous year ended March 31, 2015 Audited
	3 months ended September 30, 2015 Unaudited	Preceding 3 months ended June 30, 2015 Unaudited	Corresponding 3 months ended September 30, 2014 Unaudited	Year to date figures for the six months ended September 30, 2015 Unaudited		2014 Unaudited	
1	Income from operations	7,274	6,430	7,754	13,704	13,196	30,567
	Net sales/ income from operations	7,274	6,430	7,754	13,704	13,196	30,567
	Total income from operations (net)	7,274	6,430	7,754	13,704	13,196	30,567
2	Expenses	53	3	375	56	377	1,530
(a)	Cost of hardware, software and support charges	2,111	2,026	1,798	4,137	3,666	7,406
(b)	Employee benefits expense and sub- contract charges	2,661	2,821	3,010	5,482	6,023	11,788
(c)	Marketing and allied service charges	1,180	1,073	1,541	2,253	2,384	5,308
(d)	Other expenditure	66	66	68	132	135	259
(e)	Depreciation and amortisation expense	283	254	194	537	572	2,068
(f)	Exchange fluctuation loss (net)	6,354	6,243	6,986	12,597	13,157	28,359
	Total expenses	6,354	6,243	6,986	12,597	13,157	28,359
3	Profit/(Loss) from operations before other income, finance costs and tax (1-2)	920	187	768	1,107	39	2,208
4	Other income	56	77	44	133	90	278
5	Profit/(Loss) from ordinary activities before finance costs and tax (3+4)	976	264	812	1,240	129	2,486
6	Finance costs	(924)	(475)	850	(1,399)	1,696	3,352
(a)	Interest on FCCBs (net) (refer note 2(b) & 2(d))	304	292	454	596	945	1,819
(b)	Other finance costs	(620)	(183)	1,304	(803)	2,641	5,171
	Total finance cost	(620)	(183)	1,304	(803)	2,641	5,171
7	Profit/(Loss) from ordinary activities after finance costs before tax (5-6)	1,596	447	(492)	2,043	(2,512)	(2,685)
8	Tax expense (net)	298	50	29	348	38	155
9	Net Profit/(Loss) for the period/year (7-8)	1,298	397	(521)	1,695	(2,550)	(2,840)

Particulars	3 months ended September 30, 2015	Preceding 3 months ended June 30, 2015	Corresponding 3 months ended September 30, 2014	Year to date figures for the six months ended September 30, 2015	Year to date figures for the six months ended September 30, 2014	Previous year ended March 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
10 Paid up share capital - Equity (face value of ₹ 10/-)	26,402	19,891	16,910	26,402	16,910	18,292
11 Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	10,600
12 Earnings/(Loss) per share (of ₹ 10/- each) (not annualised in case of the interim periods):						
(a) - Basic	0.61	0.20	(0.31)	0.83	(1.52)	(1.65)
(b) - Diluted	0.54	0.20	(0.31)	0.83	(1.52)	(1.65)
PART II						
A PARTICULARS OF SHAREHOLDING	3 months ended September 30, 2015	Preceding 3 months ended June 30, 2015	Corresponding 3 months ended September 30, 2014	Year to date figures for the six months ended September 30, 2015	Year to date figures for the six months ended September 30, 2014	Previous year ended March 31, 2015
1 Public shareholding: * (Refer Note 2(f))						
- Number of shares	242,536,381	197,692,784	163,882,320	242,536,381	163,882,320	180,106,578
- Percentage of shareholding (to total shareholding)	99.50%	99.39%	96.92%	99.50%	96.92%	99.33%
2 Promoters and promoter group shareholding (Refer Note 5)						
(a) Pledged/Encumbered	974,044	974,044	4,974,044	974,044	4,974,044	974,044
- Number of shares	100%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares (as a % of the total share capital of the company)	0.40%	0.49%	2.94%	0.40%	2.94%	0.54%
(b) Non-encumbered	-	-	-	-	-	-
- Number of Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
* Total public shareholding as defined under clause 40A of the listing agreement (excludes underlying shares for GDRs)						
3 Global Depository Receipts						
- Number of underlying equity shares	243,207	243,207	243,207	243,207	243,207	243,207
- Percentage of share holding	0.10%	0.12%	0.14%	0.10%	0.14%	0.13%
B INVESTOR COMPLAINTS						
Particulars	3 Months ended September 30, 2015					
Pending at the beginning of the quarter	Nil					
Received during the quarter	Nil					
Disposed off during the quarter	Nil					
Remaining unresolved at the end of the quarter	Nil					

SUBEX LTD
Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037
Statement of standalone assets and liabilities

Particulars	(₹ in Lakhs unless otherwise stated)	
	As at	As at
	September 30, 2015 Unaudited	March 31, 2015 Audited
A		
EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	26,402	18,292
(b) Reserves and surplus	16,651	10,600
Sub-total - Shareholders' funds	43,053	28,892
2 Non-current liabilities		
(a) Long-term borrowings	40,881	52,456
(b) Other long-term liabilities	7,982	8,287
(c) Long-term provisions	308	320
Sub-total - Non-current liabilities	49,171	61,063
3 Current liabilities		
(a) Short-term borrowings	11,462	12,507
(b) Trade payables - other than acceptances	46,064	45,697
(c) Other current liabilities	2,250	3,131
(d) Short-term provisions	468	225
Sub-total - Current liabilities	60,244	61,560
TOTAL - EQUITY AND LIABILITIES (1+2+3)	152,468	151,515
B		
ASSETS		
1 Non-current assets		
(a) Fixed assets	436	550
(b) Non-current investments	77,234	77,234
(c) Long-term loans & advances	4,906	4,512
(d) Other non-current assets	30,680	13,047
Sub-total - Non-current assets	113,256	95,343
2 Current Assets		
(a) Trade receivables	36,456	52,984
(b) Cash and bank balances	132	143
(c) Short-term loans & advances	795	869
(d) Other current assets	1,829	2,176
Sub-total - current assets	39,212	56,172
TOTAL - ASSETS (1+2)	152,468	151,515

Notes :

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 2, 2015.

2 (a) Pursuant to the approval of the holders of "US\$ 180 Million 2% convertible unsecured bonds", [of which US\$ 39 Million was outstanding ("FCCBs I")] and "US\$ 98.7 Million 5% convertible unsecured bonds", [of which US\$ 54.8 Million was outstanding ("FCCBs II")], at their respective meetings held on July 05, 2012 and exchange offers received under the exchange offer memorandum dated June 13, 2012, holders of US\$ 38 Million out of FCCBs I and US\$ 53.4 Million out of FCCBs II offered their bonds for exchange. Consequently, secured bonds with a face value of US\$ 127.721 Million ("FCCBs III") were issued with maturity date of July 07, 2017, having an interest rate of 5.70% p.a. payable semi-annually, an exchange rate for conversion of ₹ 56.05/US\$ and an equity conversion price of ₹ 22.79 per equity share. In accordance with the terms of FCCBs III, principal amount of US\$ 36.321 Million was mandatorily converted into equity shares at the aforesaid conversion price on July 07, 2012. Further, pursuant to the approval of the Reserve Bank of India dated April 27, 2012 and requisite approvals of the bond holders, the maturity period of the un-exchanged portion of FCCBs I of US\$ 1 Million and FCCBs II of US\$ 1.4 Million stands extended to March 09, 2017, with its other terms and conditions remaining unchanged.

(b) The bond holders in their respective meetings have approved the deferral of aggregate interest of US\$ 11.22 Million (₹ 7,356.23 Lakhs) in respect of FCCBs III for the period July 6, 2012 to January 5, 2016 till redemption date of the bonds, being July 07, 2017. Accordingly, interest on FCCBs III included under finance costs in the above results is due for payment on July 07, 2017.

(c) The Board in its meeting held on May 14, 2015 has approved the reset of conversion price of the FCCBs III, which are convertible into equity shares of the Company, from ₹ 22.79 to ₹ 13.00 per equity share. Subsequently, the reset of the conversion price has been approved by the shareholders in the annual general meeting held on June 19, 2015 and the bondholders in their meeting held on August 5, 2015. The Board in its meeting held on August 26, 2015 has approved August 26, 2015 as the effective date of reset of conversion price of ₹ 13 per share and that such conversion of all the FCCBs into equity shares shall be undertaken no later than November 30, 2015.

As a result of the aforesaid reset of conversion price, the said bonds with outstanding face value of US \$ 59.93 Million as at September 30, 2015 would potentially be converted into 258,411,245 equity shares at an exchange rate of ₹ 56.05 with a conversion price of ₹ 13 per equity share.

(d) Interest on FCCBs for the quarter and six months ended September 30, 2015 is net of reversal of interest accrued but not due amounting to ₹ 1,715.49 Lakhs and ₹ 2,897.55 Lakhs respectively (Quarter and six months ended September 30, 2014: ₹ Nil and ₹ Nil respectively) in relation to FCCBs III which has been written back as the same is considered no longer payable due to the conversion of FCCBs III with a face value of US\$ 15.10 Million during the quarter ended September 30, 2015 and US\$ 6.50 Million during the quarter ended June 30, 2015 and US\$ 9.87 Million into equity shares of the Company during the period September 2012 to March 31, 2015.

(e) The face value of FCCBs, outstanding as on September 30, 2015 is as follows:

Particulars	US\$ Million	₹ in Lakhs
FCCBs I	1.00	656
FCCBs II	1.40	918
FCCBs III	59.93	39,307
Total	62.33	40,881

Of the outstanding FCCBs III of US\$ 91.40 Million as of July 2012, US\$ 31.47 Million have been converted till the quarter and six months ended September 30, 2015.

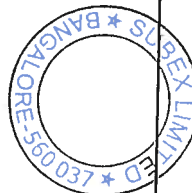
Financial year/ period	FCCBs converted US\$ Million	Conversion rate	Conversion price	No. of equity shares
2012-13	3.25	₹ 56.0545	₹ 22.79	7,993,931
2014-15	6.62	₹ 56.0545	₹ 22.79	16,282,613
Quarter ended June 30, 2015	6.50	₹ 56.0545	₹ 22.79	15,987,461
Quarter ended September 30, 2015	15.10	₹ 56.0545	₹ 13.00	65,109,454

(f) With regard to conversion of 20,265,857 equity shares during the quarter and six months ended September 30, 2015 and 1,598,745 equity shares during the year ended March 31, 2015 as the conversion was recorded by the registrar on October 15, 2015, and April 10, 2015 respectively, it has not been included in part II (Particulars of shareholding) above.

- 3 During the financial year ended March 31, 2015, considering the future operational plan and projected cash flows, management of Subex Limited considered it's dues from its subsidiary viz., Subex America Inc., pertaining to trade receivables and advances as good and recoverable. Further based on the management's assessment, there was no diminution, other than temporary, in the carrying value of its investment in the said subsidiary of ₹ 12,496 Lakhs and accordingly, no provision was required to be made. The management continues to believe that trade receivables of ₹ 18,030 Lakhs and advances of ₹ 1,911 Lakhs are good and recoverable and that there is no diminution other than temporary in the carrying value of investment of ₹ 12,496 Lakhs in Subex America Inc., as at September 30, 2015 and accordingly, no provision has been made at this stage. Further, during the quarter, the management has also initiated necessary steps for setting off of certain amounts payable against the amounts receivable from Subex America Inc., and is confident of obtaining the necessary approvals in this regard. This is an 'Emphasis of Matter' in the Limited Review Report of the Statutory Auditors on the Unaudited Standalone Results.
- 4 The Company has only single business segment with respect to software products and related services and hence has not made any additional segment disclosures.
- 5 Details of Promoters and promoter group shareholding are as per the reports furnished by the Registrar and Transfer Agents of the Company.
- 6 The figures of the previous period up to March 31, 2015 were audited/ reviewed by a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP. Previous period/year figures have been regrouped/ reclassified, wherever necessary to confirm to current period's classification.

Mumbai
 Date: November 02, 2015

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



By Order of the Board

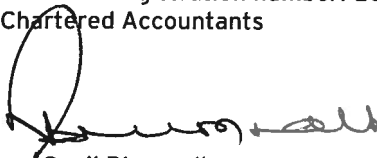
 Surjeet Singh
 Managing Director & CEO

Limited Review Report

Review Report to
The Board of Directors
Subex Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Subex Group comprising Subex Limited ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended September 30, 2015 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting [specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 4 to the Statement regarding the management's assessment that, considering future operational plans and projected cash flows, the goodwill amounting to ₹ 18,606 Lakhs arising from consolidation of one of the Company's subsidiaries, is not impaired and hence no provision has been made at this stage for reasons stated in the said note. Our conclusion is not qualified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants


per Sunil Bhumralkar
Partner
Membership No.: 35141



Place: Mumbai
Date: November 02, 2015

SUBEX LTD
Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037
Statement of Consolidated Unaudited Results for the quarter and six months ended September 30, 2015

(₹ in Lakhs unless otherwise stated)

PART I Particulars	Consolidated										
	3 months ended September 30, 2015		Preceding 3 months ended June 30, 2015		Corresponding 3 months ended September 30, 2014		Year to date figures for the six months ended September 30, 2015		Year to date figures for the six months ended September 30, 2014		Previous year ended March 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income from operations	7,954	7,351	9,050	15,305	15,568	35,983				
	Net sales/ income from operations										
	Total income from operations (net)	7,954	7,351	9,050	15,305	15,568	35,983				
2	Expenses										
(a)	Cost of hardware, software and support charges	77	19	387	96	402	1,664				
(b)	Employee benefits expense and sub-contract charges (refer note 7)	4,287	4,534	4,279	8,821	8,485	16,376				
(c)	Other expenditure	1,883	1,760	2,034	3,643	3,922	8,685				
(d)	Depreciation and amortisation expense	105	102	101	207	223	402				
(e)	Exchange fluctuation (gain)/loss (net)	(228)	1,176	(343)	948	390	1,250				
	Total expenses	6,124	7,591	6,458	13,715	13,422	28,377				
3	Profit/(Loss) from operations before other income, finance costs and tax (1-2)	1,830	(240)	2,592	1,590	2,146	7,606				
4	Other income	11	33	1	44	12	97				
5	Profit/(Loss) from ordinary activities before finance costs and tax (3+4)	1,841	(207)	2,593	1,634	2,158	7,703				
6	Finance costs										
(a)	Interest on FCCBs (net) (refer note 3 (b) & (d))	(924)	(475)	850	(1,399)	1,696	3,352				
(b)	Interest on term loan	244	231	214	475	411	850				
(c)	Other finance costs	324	312	473	636	988	1,902				
	Total finance costs	(356)	68	1,537	(288)	3,095	6,104				
7	Profit/(Loss) from ordinary activities after finance costs before tax (5-6)	2,197	(275)	1,056	1,922	(937)	1,599				
8	Tax expense (net)	637	200	94	837	161	578				
9	Net Profit/(Loss) for the period/year (7-8)	1,560	(475)	962	1,085	(1,098)	1,021				

10	Paid up share capital - Equity (face value of ₹ 10/-)	3 months ended September 30, 2015	Preceding 3 months ended June 30, 2015	Corresponding 3 months ended September 30, 2014	Year to date figures for the six months ended September 30, 2015	Year to date figures for the six months ended September 30, 2014	Previous year ended March 31, 2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		26,402	19,891	16,910	26,402	16,910	18,292
11	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	2,612
12	Earnings/(Loss) per share (of ₹ 10/- each) (not annualised in case of the interim periods):						
(a)	- Basic	0.73	(0.24)	0.57	0.53	(0.65)	0.59
(b)	- Diluted	0.59	(0.24)	0.57	0.53	(0.65)	0.59
PART II							
A							
PARTICULARS OF SHAREHOLDING							
1	Public shareholding* (Refer Note 3(f))	3 months ended September 30, 2015	Preceding 3 months ended June 30, 2015	Corresponding 3 months ended September 30, 2014	Year to date figures for the six months ended September 30, 2015	Year to date figures for the six months ended September 30, 2014	Previous year ended March 31, 2015
	- Number of shares	242,536,381	197,692,784	163,882,320	242,536,381	163,882,320	180,106,578
	- Percentage of shareholding (to total shareholding)	99.50%	99.39%	96.92%	99.50%	96.92%	99.33%
2	Promoters and promoter group shareholding (Refer Note 6)						
(a)	- Pledged/Encumbered	974,044	974,044	4,974,044	974,044	4,974,044	974,044
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	0.40%	0.49%	2.94%	0.40%	2.94%	0.54%
(b)	- Non-encumbered	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>* Total public shareholding as defined under clause 40A of the listing agreement (excludes underlying shares for GDRs)</i>							
3	Global Depository Receipts						
	- Number of underlying equity shares	243,207	243,207	243,207	243,207	243,207	243,207
	- Percentage of share holding	0.10%	0.12%	0.14%	0.10%	0.14%	0.13%
B							
INVESTOR COMPLAINTS							
Particulars		3 Months ended September 30, 2015					
Pending at the beginning of the quarter		Nil					
Received during the quarter		Nil					
Disposed off during the quarter		Nil					
Remaining unresolved at the end of the quarter		Nil					

SUBEX LTD
Registered office: RMZ Ecoworld, Outer Ring Road, Devarahisannahalli, Bangalore - 560 037
Statement of consolidated assets and liabilities

(₹ in Lakhs unless otherwise stated)

Particulars	As at	
	September 30, 2015 Unaudited	March 31, 2015 Audited
A		
EQUITY AND LIABILITIES		
1		
Shareholders' Funds		
(a)	26,402	18,292
Share capital	7,702	2,612
(b)		
Reserves and surplus	34,104	20,904
Sub-total - Shareholders' funds		
2		
Non-current Liabilities		
(a)	44,488	57,769
Long-term borrowings	8,103	9,320
(b)		
Other long-term liabilities	308	320
(c)		
Long-term provisions	52,899	67,409
Sub-total - Non-current liabilities		
3		
Current Liabilities		
(a)	11,462	12,507
Short-term borrowings	2,069	3,414
(b)		
Trade payables - other than acceptances	11,014	8,601
(c)		
Other current liabilities	816	545
(d)		
Short-term provisions	25,361	25,067
Sub-total - Current liabilities		
TOTAL - EQUITY AND LIABILITIES (1+2+3)	112,364	113,380
B		
ASSETS		
1		
Non-current assets		
(a)	745	818
Fixed assets	85,642	85,642
(b)		
Goodwill on consolidation	2,842	2,568
(c)		
Long-term loans & advances	89,229	89,028
Sub-total - Non-current assets		
2		
Current Assets		
(a)	13,030	12,302
Trade receivables	5,028	5,651
(b)		
Cash and bank balances	1,282	1,103
(c)		
Short-term loans & advances	3,795	5,296
(d)		
Other current assets	23,135	24,352
Sub-total - current assets		
TOTAL - ASSETS (1+2)	112,364	113,380

Notes :
1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 2, 2015.

2 The Financial Results of Subex Limited (Standalone Information): (₹ In Lakhs)

Particulars	3 months ended September 30, 2015		Preceding 3 months ended June 30, 2015		Corresponding 3 months ended September 30, 2014		Year to date figures for the six months ended September 30, 2015		Previous year ended March 31, 2015	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
Net sales/ income from operations	7,274	6,430	6,430	7,754	7,754	13,704	13,196	30,567	30,567	30,567
Profit/(Loss) from ordinary activities before tax	1,596	447	447	(492)	(492)	2,043	(2,512)	(2,685)	(2,685)	(2,685)
Profit/(Loss) from ordinary activities after tax	1,298	397	397	(521)	(521)	1,695	(2,550)	(2,840)	(2,840)	(2,840)

3 (a) Pursuant to the approval of the holders of "US\$ 180 Million 2% convertible unsecured bonds", [of which US\$ 39 Million was outstanding ("FCCBs I") and "US\$ 98.7 Million 5% convertible unsecured bonds", [of which US\$ 54.8 Million was outstanding ("FCCBs II")], at their respective meetings held on July 05, 2012 and exchange offers received under the exchange offer memorandum dated June 13, 2012, holders of US\$ 38 Million out of FCCBs I and US\$ 53.4 Million out of FCCBs II offered their bonds for exchange. Consequently, secured bonds with a face value of US\$ 127.721 Million ("FCCBs III") were issued with maturity date of July 07, 2017, having an interest rate of 5.70% p.a. payable semi-annually, an exchange rate for conversion of ₹ 56.05/US\$ and an equity conversion price of ₹ 22.79 per equity share. In accordance with the terms of FCCBs III, principal amount of US\$ 36.321 Million was mandatorily converted into equity shares at the aforesaid conversion price on July 07, 2012. Further, pursuant to the approval of the Reserve Bank of India dated April 27, 2012 and requisite approvals of the bond holders, the maturity period of the un-exchanged portion of FCCBs I of US\$ 1 Million and FCCBs II of US\$ 1.4 Million stands extended to March 09, 2017, with its other terms and conditions remaining unchanged.

(b) The bond holders in their respective meetings have approved the deferral of aggregate interest of US\$ 11.22 Million (₹ 7,356.23 Lakhs) in respect of FCCBs III for the period July 6, 2012 to January 5, 2016 till redemption date of the bonds, being July 07, 2017. Accordingly, interest on FCCBs III included under finance costs in the above results is due for payment on July 07, 2017.

(c) The Board in its meeting held on May 14, 2015 has approved the reset of conversion price of the FCCBs III, which are convertible into equity shares of the Company, from ₹ 22.79 to ₹ 13.00 per equity share. Subsequently, the reset of the conversion price has been approved by the shareholders in the annual general meeting held on June 19, 2015 and the bondholders in their meeting held on August 5, 2015. The Board in its meeting held on August 26, 2015 has approved August 26, 2015 as the effective date of reset of conversion price of ₹ 13 per share and that such conversion of all the FCCBs into equity shares shall be undertaken no later than November 30, 2015. As a result of the aforesaid reset of conversion price, the said bonds with outstanding face value of US \$ 59.93 Million as at September 30, 2015 would potentially be converted into 258,411,245 equity shares at an exchange rate of ₹ 56.05 with a conversion price of ₹ 13 per equity share.

(d) Interest on FCCBs for the quarter and six months ended September 30, 2015 is net of reversal of interest accrued but not due amounting to ₹ 1,715.49 Lakhs and ₹ 2,697.55 Lakhs respectively (Quarter and six months ended September 30, 2014: ₹ Nil and ₹ Nil respectively) in relation to FCCBs III which has been written back as the same is considered no longer payable due to the conversion of FCCBs III with a face value of US\$ 15.10 Million during the quarter ended September 30, 2015 and US\$ 6.50 Million during the quarter ended June 30, 2015 and US\$ 9.87 Million into equity shares of the Company during the period September 2012 to March 31, 2015.

(e) The face value of FCCBs outstanding as on September 30, 2015 is as follows:

Particulars	US\$ Million	₹ In Lakhs
FCCBs I	1.00	656
FCCBs II	1.40	918
FCCBs III	59.93	39,307
Total	62.33	40,881

Of the outstanding FCCBs III of US\$ 91.40 Million as of July 2012, US\$ 31.47 Million have been converted till the quarter and six months ended September 30, 2015.

Financial year/ period	FCCBs converted US\$ Million	Conversion rate	Conversion price	No. of equity shares
2012-13	3.25	₹ 56.05/45	₹ 22.79	7,993,931
2014-15	6.62	₹ 56.05/45	₹ 22.79	16,282,613
Quarter ended June 30, 2015	6.50	₹ 56.05/45	₹ 22.79	15,987,461
Quarter ended September 30, 2015	15.10	₹ 56.05/45	₹ 13.00	65,109,454

(f) With regard to conversion of 20,265,857 equity shares during the quarter and six months ended September 30, 2015 and 1,598,745 equity shares during the year ended March 31, 2015 as the conversion was recorded by the registrar on October 15, 2015 and April 10, 2015 respectively, it has not been included in part II (Particulars of shareholding) above.

4 During the financial year ended March 31, 2015, the Company had assessed the carrying value of goodwill arising from its investment in its subsidiary viz. Subex Americas Inc., amounting to ₹ 18,606 Lakhs. Based on the management's assessment, there was no impairment of such goodwill taking into account the future operational plans and projected cash flows as prepared by the management and accordingly, no impairment loss was required to be recognised. The management continues to believe that, based on its assessment, there is no impairment of such goodwill as at September 30, 2015. This is an 'Emphasis of Matter' in the Limited Review Report of the Statutory Auditors on the Unaudited Consolidated Results.

5 The Company has only single business segment with respect to software products and related services and hence has not made any additional segment disclosures.

6 Details of Promoters and promoter group shareholding are as per the reports furnished by the Registrar and Transfer Agents of the Company.

7 Employee benefits expense and sub-contract charges for the quarters ended September 30, 2015 and September 30, 2014 is net of reversal of provision no longer required, in respect of employee incentives, amounting to ₹ 384 Lakhs and ₹ Nil, respectively and that for the six months ended September 30, 2015, September 30, 2014 and the year ended March 31, 2015 amounting to ₹ 453 Lakhs, ₹ 287 Lakhs and ₹ 1,191 Lakhs, respectively.

8 Pursuant to the approval of the Board of Directors, the Company has discontinued the operations of two of its subsidiaries with effect from April 01, 2013. The details of unaudited/audited results of the discontinued business consolidated in the above results are as follows:

Particulars	3 months ended September 30, 2015		Preceding 3 months ended June 30, 2015		Corresponding 3 months ended September 30, 2014		Year to date figures for the six months ended September 30, 2015		2014		Previous year ended March 31, 2015 Audited
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited		
Total income	-		-		-		-		-		-
(Loss) / Profit before tax	(1.31)		(0.90)		18.15		(2.21)		(81.32)		(474.18)
Profit/(Loss) after tax	1.62		(0.91)		17.92		0.71		(81.59)		(479.80)

9 The figures of the previous period up to March 31, 2015 were audited/ reviewed by a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP. Previous period/year figures have been regrouped/ reclassified, wherever necessary to confirm to current period's classification.

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.subex.com.

Mumbai
Date: November 02, 2015

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



By Order of the Board
Surjeet Singh
Managing Director & CEO



For Immediate Release

November 02, 2015

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**Subex announces FY16 Q2 Results with Revenue of US\$ 12.3 Million,
EBIDTA of US\$ 2.6 Million and PAT of US\$ 2.4 Million**

MUMBAI, INDIA – Subex Ltd, a leading global provider of Business and Operations Support Systems (B/OSS) for Communications Service Providers, today announced its financial results for the second quarter ended September 30, 2015.

Performance Highlights for the quarter ended September 30, 2015:

- **Revenue for the quarter at Rs. 7,954 lacs (US\$ 12.3 million)**
 - Up by 8.2% QoQ from Rs. 7,351 lacs (US\$ 11.6 million) in FY16 Q1
 - License & Implementation at 32%, Managed Services at 31% & Support at 37% of the total revenues
- **EBIDTA ex forex for the quarter at Rs. 1,707 lacs (US\$ 2.6 million)**
 - Up by 64.5% QoQ from Rs. 1,038 lacs (US\$ 1.6 million) in FY16 Q1
- **Operating Profit ex-forex for the quarter at Rs. 1,602 lacs (US\$ 2.5 million)**
 - Up by 71.2 % QoQ from Rs. 936 lacs (US\$ 1.5 million) in FY16 Q1
- **Profit after Tax (PAT) for the quarter at Rs. 1,560 lacs (US\$ 2.4 million)**
 - Up by 428.4 % QoQ from Rs. (475) lacs (US\$ -0.7 million) in FY16 Q1

Surjeet Singh, Managing Director & CEO, Subex Limited said, "We have ended the quarter with an increased EBITDA as well as Profit after Tax. Our recently concluded Subex User Conference 2015 is testimony of our solutions capabilities and assurance of our customer's support and belief in the company's strategy and growth. As the industry continues to focus on enhanced efficiency and reduced capital expenditure, the prospects of Subex continue to be brighter than ever, indicating better performance ahead with our clarity of purpose and mission of stability".

- Ends -

