

Press Release

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Subex Azure announces telecom operator losses on the increase

Bangalore, India - But, operators are now taking greater corporate responsibility for revenue assurance Subex Azure Ltd, the world's largest vendor of revenue maximization solutions for telecom operators, today revealed that average revenue leakage across global telecoms operators has increased to 12.1 per cent of turnover (\$176 billion), compared to 11.6 per cent in 2005. This is one of the main findings of the fourth consecutive annual 'Operator Attitudes to Revenue Assurance 2006' report, which Subex Azure conducted with telecoms analysts, Analysys.

The report is based on the responses of over 100 operators around the world, to investigate levels of revenue loss globally. Fraud was again the single largest area of revenue leakage having increased to 2.9 per cent of turnover. There were also increases in revenue leakage due to credit management, incorrect service usage data and interconnect/partner payment errors.

There continues to be significant regional differences with losses across Europe and the Americas reducing, however losses have increased in Asia-Pacific, the Middle East and Africa. When looking at losses by operator type the larger operators (those with in excess of 5 million subscribers) are typically suffering a lower percentage of revenue loss than their counterparts.

On a positive note, the report revealed that more operators are now trying to reduce revenue leakage at the product planning stage in an effort to fully recoup future revenues. Additionally, revenue assurance is continuing to move up the corporate agenda at many operators, with ultimate responsibility increasingly being at CEO or CFO level – interestingly, these operators have shown lower levels of revenue leakage.

Danny Dicks, Principal Analyst at Analysys, said: "From this year's research it is clear that operators are more concerned about all sources of revenue leakage. It is apparent that revenue assurance has become much more of a board-level issue."

Subash Menon, Founder Chairman, Managing Director & CEO, Subex Azure Ltd said: "Reducing revenue leakage is a continuous exercise, as every time new products are launched or systems changed, there is the potential for fraud and revenue leakage. This year's research shows there is still plenty of work to do, however there are signs that operators are starting to be much more pro-active with regards to implementing revenue-assurance measures."

The full 'Operator Attitudes to Revenue Assurance 2006' report is free to operators. To receive a copy of the report, please go to www.subexazure.com/survey2006

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About Subex Azure Limited

[Subex Azure Limited](#) is the world's largest vendor of Revenue Maximization solutions for telecom operators. Subex Azure pioneered the strategic concept of a Revenue Operations Centre (ROC) - a centralized and integrated operational infrastructure to monitor, control and assure the integrity of the revenue chain. Subex Azure's RevMax™ is an integrated suite of best-in-class software solutions that power the ROC.

Subex Azure is the world's No. 1 vendor for Fraud Management and Revenue Assurance solutions and the 2nd largest vendor for Interconnect and Inter-Party Billing solutions. Subex Azure counts amongst its customers, 23 of the world's largest 40 telcos and has a customer base of over 150 customer installations in more than 60 countries. Subex Azure has offices in London, Denver CO, Bangalore and Beijing.

Forward Looking and Cautionary Statements

Certain statements in this release concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to successfully integrate acquisitions, competition in our areas of business, client concentration, liability for damages in our contracts, withdrawal of tax incentives, political instability, unauthorized use of our intellectual property and general economic conditions affecting our industry.

For more information on Subex Azure, please visit www.subexazure.com

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