

Business Optimization For Recessionary Times

Challenging Times

Subex Communication Service Providers are no longer insulated from the global recession. Telcos around the world are realizing that a large number of their offerings are viewed as discretionary by subscribers. Further, they are facing reduced growth in subscriber base. Margins on 'essential' telecom services are also under pressure with regulatory mandate for reduction / capping of local and inter-carrier charges, and even SMS rates!

While these external forces are reshaping Telecom business, internal challenges are also calling for attention in these demanding times.

With more than 80% of operators' revenue flowing from legacy OSS/BSS systems, there are significant data inconsistencies and process gaps that are causing huge amounts of revenue leakage. While these issues were often ignored in times of growth, in the current times Telcos need to view these microscopically.

Many Telcos lack an enterprise wide Revenue / Cost visibility and a mechanism to study the impact of operational changes on profitability. As a result it's quite hard to prioritize IT spend on a benefit basis.

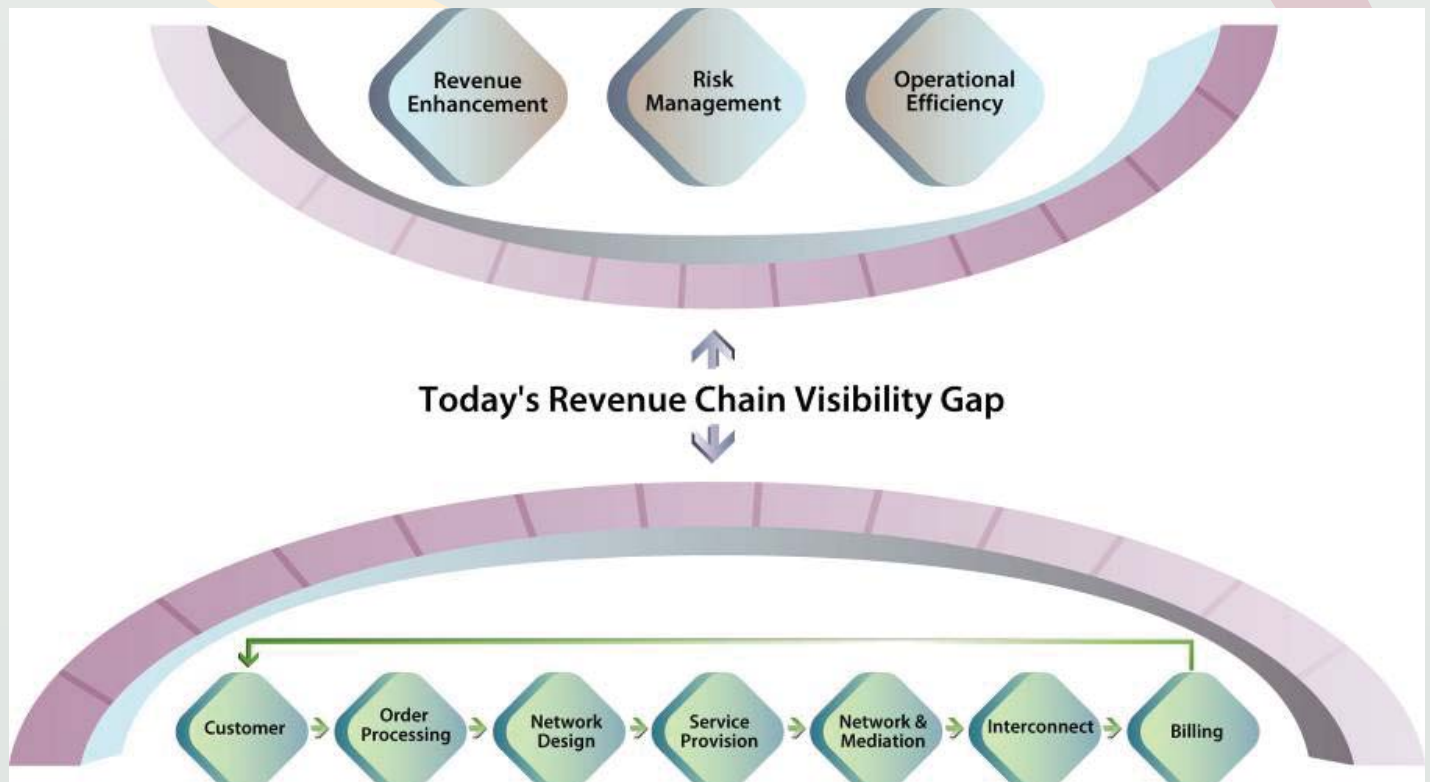
Business Optimization - Need of the hour

The OSS Observer Market Review defines Business Optimization as "focusing primarily on the profitability of the business – making sure they collect all the possible revenue, preventing fraud, managing inter-carrier expenses, retaining records for law enforcement, and monitoring the operational state of the business." In summary, Business Optimization is a sum total of protected revenues, reduced costs and operational monitoring of the business.

Business Optimization can help Service Providers address many of their challenges discussed above.

Service providers should look at optimizing operations and maximizing profitability with the least amount of investment. For this they would have to establish profitability at a nuclear (department/product) level and end to end operational visibility - akin to the CRM systems.

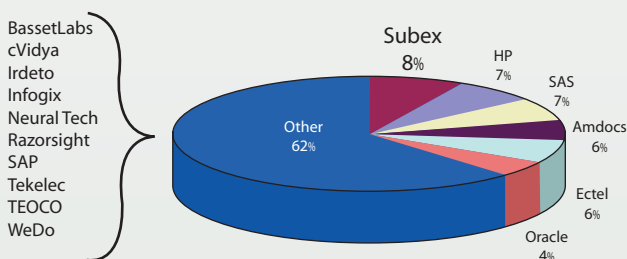
Service providers should also be looking at addressing specific areas of concern that are resulting in either unrealised revenues, higher costs or wasteful capex.



Subex – leader in Business Optimization

The OSS Observer's recently released report titled Billing and Customer Care Market Review 2008, reported Subex as the market leader in the Business Optimization space. The report comments, "Subex's wide-spread global presence and its Revenue Operations Center (ROC) which combines expense optimization, operational monitoring as well as analytics, were the drivers for its leadership position. The company is already the leader in revenue assurance and fraud management".

2007 Bus Opt Revenue = \$517 million



Source: OSS Observer

Business optimization market share

Subex has helped its customers to monitor operations through the centralized framework of the Revenue Operations Centre, or ROC.

About Subex

Subex Limited is a leading global provider of Operations and Business Support Systems (BSS/OSS) that empowers communications service providers to achieve competitive advantage and deliver new service experiences to subscribers. The company pioneered the strategic concept of the Revenue Operations Center (ROC) – a centralized framework for end-to-end control of a service provider's revenue and costs, fostering operational dexterity for sustained profitability.

Subex's software portfolio powers the ROC and its best-in-class solutions enable new service creation, operational transformation, subscriber-centric fulfillment, provisioning automation, revenue assurance, cost management, data integrity management, fraud management and interconnect/interparty settlement.

Subex's customers include 32 of the world's 50 largest service providers. The company has more than 300 installations across 70 countries.

For more information please visit www.subexworld.com

The primary function of a ROC is to collect, collate and correlate data from various operational functions & then to present processes and the KPI information to assess the ongoing health of the enterprise from both financial and operational performance perspectives.

A portfolio of products, targeted at solving specific Revenue/ Cost concerns or preventing wasteful capex complement the ROC. These include solutions for

- Revenue Assurance
- Fraud Management
- Credit Risk Management
- Cost Management
- Interconnect Billing
- Interparty Management
- Route Optimisation
- Stranded Asset Recovery

Business Optimization for all times

The good news is that a significant opportunity and upside exists for those CSPs that leverage the downturn and deploy focused Telecom Business Optimization Strategies. An Optimized Business can not only help to weather the downturn, but will be a source of competitive advantage at all times.



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