CAMBRIDGE

Cambridge Solutions Limited
(formerly Scandent Solutions Corporation Limited)
Regd. Office: #33, "Coconut Grove", 18th Main, 1st 'A' Cross, 6th Block, Koramangala, Bangalore 560 095

Financial results for the quarter ended Sept 30, 2006

(Rs. in Lacs except per share data)

Sl. No.	Particulars	Quarter ended Sept 30,		Half Year ended Sept 30,		Year ended March 31,
		2006	2005	2006	2005	2006
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales/ Income from Operation	4,441	4,150	8,578	8,365	16,485
2	Other income	14	19	123	63	72
3	Total Expenditure					
	a) Employee Costs	1,311	1,038	2,612	2,002	5,043
	b) Project Work Expenses	2,094	1,767	4,158	3,313	7,068
	c) Other Expenditure	698	409	566	1,116	2,307
4	**Profit / (Loss) Before Interest, Tax, Depreciation, Amortisation**	**352**	**955**	**1,365**	**1,997**	**2,139**
5	Finance Costs	471	212	990	409	904
6	Depreciation and Amortisation	129	134	250	252	504
7	**Profit / (Loss) Before Tax**	**(248)**	**609**	**125**	**1,336**	**731**
8	Provision for Taxation					
	- Current	42	57	129	157	231
	- Deferred	13	16	4	11	11
	- Fringe Benefit Tax	10	7	20	12	28
9	**Net Profit / (Loss)**	**(313)**	**529**	**(28)**	**1,156**	**461**
10	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	10,494	2,891	10,494	2,891	3,011
11	Shares Pending Allotment					7,476
12	Reserve excluding Revaluation Reserve					7,202
13	Basic and Diluted EPS (including shares pending allotment under Cambridge merger Scheme('CMS'))					
	-Basic	(0.30)	1.83	(0.03)	4.01	0.44
	-Diluted	(0.30)	1.80	(0.03)	3.94	0.44
14	Basic and Diluted EPS (excluding shares pending allotment under CMS)					
	-Basic	(0.30)		0.60		1.58
	-Diluted	(0.30)		0.59		1.56
15	Aggregate of Public shareholding			-		
	- Number of Shares	39,287,355	16,755,411	39,287,355	16,755,411	16,934,885
	- Percentage of shareholding	37.44%	57.96%	37.44%	57.96%	56.24%

Segment Reporting : **Rs. in Lacs**

Particulars	Quarter ended Sept 30,		Half Year ended Sept 30,		Year ended March 31,
	2006	2005	2006	2005	2006
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue					
BFSI	1,629	2,165	3,246	4,099	7,656
Government	188	412	313	1,037	1,582
Manufacturing	2,624	1,573	5,019	3,229	7,247
Total	**4,441**	**4,150**	**8,578**	**8,365**	**16,485**

Cambridge Solutions Limited
(formerly Scandent Solutions Corporation Limited)

Consolidated financial results for the quarter ended Sept 30, 2006

(Rs. in Lacs except per share data)

Sl. No.	Particulars	Quarter ended Sept 30,		Half Year ended Sept 30,		Year ended March 31,
		2006	2005	2006	2005	2006
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
			(refer note 8)		(refer note 8)	
1	Net Sales/ Income from Operation	36,168	7,976	72,510	15,726	118,070
2	Other income	795	133	1,614	216	3,143
3	Total Expenditure					
	a) Employee Costs	21,294	4,563	41,971	8,955	73,290
	b) Project Work Expenses	5,536	1,142	10,689	2,117	13,965
	c) Other Expenditure	7,443	957	14,174	2,074	24,049
4	**Profit / (Loss) Before Interest, Tax, Depreciation, Amortisation, Reorganisation Cost and Exceptional Income**	**2,690**	**1,447**	**7,290**	**2,796**	**9,909**
5	Exceptional Income	1,654	-	1,654	-	-
	Profit / (Loss) Before Interest, Tax, Depreciation, Amortisation, Reorganisation Cost	**4,344**	**1,447**	**8,944**	**2,796**	**9,909**
5	Finance Costs	1,122	275	2,468	506	4,156
6	Depreciation and Amortisation	994	218	1,798	482	4,693
7	**Profit / (Loss) Before Tax and Reorganisation Cost**	**2,228**	**954**	**4,677**	**1,808**	**1,060**
8	Reorganisation costs				-	2,052
9	**Profit / (Loss) before Tax**	**2,228**	**954**	**4,677**	**1,808**	**(992)**
10	Provision for Taxation					
	- Current	483	85	1,420	199	831
	- Deferred	13	16	11	11	11
	- Fringe Benefit Tax	15	7	25	12	28
11	**Net Profit / (Loss)**	**1,717**	**846**	**3,222**	**1,586**	**(1,862)**
12	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	10,494	2,891	10,494	2,891	3,011
13	Shares Pending Allotment					7,476
14	Reserve excluding Revaluation Reserve					5,525
15	Basic and Diluted EPS (including shares pending allotment under CMS)					
	-Basic	1.64	2.93	3.07	5.50	(1.79)
	-Diluted	1.63	2.89	3.06	5.42	(1.79)
16	Aggregate of Public shareholding					
	- Number of Shares	39,287,355	16,755,411	39,287,355	16,755,411	16,934,885
	- Percentage of shareholding	37.44%	57.96%	37.44%	57.96%	56.24%

CAMBRIDGE

Segment Reporting (Consolidated) : **Rs. in Lacs**

Sl.No.	Particulars	Quarter ended Sept 30	Half year ended Sept 30	Year ended March 31
		2006	2006	2006
		Unaudited	Unaudited	Audited
1	**Segment Revenue**			
	IT	11,917	22,006	32,531
	BPO	24,268	50,555	87,713
	Total	**36,185**	**72,561**	**120,244**
	Less: Inter-segmental revenue	17	34	2,174
	Net revenue from operations	**36,168**	**72,527**	**118,070**
2	**Segment Results**			
	IT	2,063	3,662	3,296
	BPO (March 31, 2006 -- net of reorganisation cost of Rs 2,052 lacs ; September 30, 2006 -- net of exceptional income of Rs 1654 Lacs)	2,281	5,282	4,561
	Total	**4,344**	**8,944**	**7,857**
	Depreciation & Amortisation			
	IT	178	342	1,324
	BPO	816	1,456	3,369
	Less:- Unallocable			
	Interest expense	1,122	2,468	4,156
	Profit / (Loss) Before Tax	**2,228**	**4,678**	**(992)**
3	**Capital Employed**			
	IT	34,858	34,858	36,103
	BPO	33,661	33,661	33,016
	Total	**68,519**	**68,519**	**69,119**

Rs in Lacs

Particulars	For the Quarter ended September 30,		Half Year ended Sept 30,		Year ended March 31,
	2006	2005	2006	2005	2006
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue - IT Division					
BFSI	1,874	2,399	3,750	4,514	7,946
Government	3,273	2,012	5,991	4,162	8,583
Manufacturing	6,770	3,565	12,265	7,050	16,003
Total	**11,917**	**7,976**	**22,006**	**15,726**	**32,532**

Notes :

1 The above financial results for the quarter ended September 30, 2006 have been approved by the Board at its meeting held on October 26, 2006 and have been reveiwed by the statutory auditors.

2 The primary reporting of the Company has been performed on the basis of business segments. The Company is organised into four business segments, Banking, Financial services and Insurance ('BFSI'); Manufacturing, Government (collectively "IT") and Business Process Outsourcing ("BPO"). Segments have been identified and reported based on the activity of the customer, the risks and returns, the organisation structure and the internal financial reporting systems. The fixed assets used in the company's business cannot be specifically identified with any of reportable segment, as these are used interchangeably between various segments, except at IT Division & BPO division/ segment level.

3 During the quarter ended March 31, 2006, the Company has issued 5.22% Convertible Bonds of Rs. 13,365 Lacs. These bonds are compulsorily convertible into fully paid equity shares not later than 18 months from the date of allotment at a conversion price of Rs 217 per share. As of September 30, 2006, Rs.13,365 Lacs have been utilised out of the proceeds towards repayment of debts and working capital requirements.

4 For the year ended March 31, 2006 and for the quarter ended June 30, 2006, the Company was recognising revenue from incentives at the end of the contract year at actuals. With effect from July 1, 2006, these revenues are being recognised on the basis of estimates which are reasonably certain to be received and the revenue recognition from incentives is postponed to the extent of uncertainity involved until it is reasonably certain that the ultimate collection will be made. Pursuant to this change, the revenues, profit after tax and provision for tax are higher by Rs 370 Lacs, Rs 260 Lacs and Rs 110 Lacs respectively. Further, had accounting policy been followed for the year ended March 31,2006, the Revenues and the profit before tax for the year ended March 31,2006 would have been higher by Rs 1930 Lacs and the provision for tax would have been higher by Rs 580 Lacs.

5 The Group in the year ended March 31, 2005 had recorded a liability amounting to Rs. 2022 Lacs towards demands raised by the Liquidators of one of its customers. During the current quarter, the Company has settled the liability with the Liquidator for Rs. 736 Lacs, with Rs. 368 Lacs borne by AON Corporation, and accordingly, has written back excess liability of Rs. 1654 Lacs as an exceptional income.

6 The Company acquired Nexplicit India Infotech Private Limited ('NIIPL') effective July 1, 2006 at a consideration of US$ 27K, resulting into negative goodwill of Rs 16 Lacs.

7 Adjustment towards accelerated amortisation of loan arrangement fees to match it with the amounts outstanding and period of loan of Rs 100 Lacs pertaining to the period ended March 31, 2006, Rs 180 Lacs pertaining to the quarter ended June 30, 2006 and Rs 10 Lacs for the current quarter would be made in the quarter ending December 31, 2006

8 The result for the quarter ended September 30, 2005 represents IT division performance only, since the financials for that quarter on consolidate basis including the BPO division is not available owing to retrospective merger of Cambridge LLC and hence are not comparable with the current quarter above.

9 The amounts for the previous period / year have been reclassified where necessary, to confirm to the current period's presentation.

10 Information on investors' complaints for the quarter ended September 30, 2006 is as following : Opening balance: Nil, New : One, Disposal : One, Closing Balance : Nil.

Place : Connecticut , USA
Date : October 26, 2006

By Order of the Board
Christopher A. Sinclair
Executive Chairman