

Cambridge Solutions Limited  
(formerly Scandent Solutions Corporation Limited)  
Cambridge Tower, SJR I Park, Opp. Satya Sai Hospital, 13,14,15, EPIP Park, Whitefield, Bangalore-560066  
Financial results for the quarter and Nine months period ended December 31, 2007

Sl. No.	Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31,
		2007	2006	2007	2006	2007
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales/ Income from Operation	4,517	3,918	13,020	12,496	17,091
2	Other Income	12	7	221	130	179
3	<b>Total Income (1+2)</b>	<b>4,529</b>	<b>3,925</b>	<b>13,241</b>	<b>12,626</b>	<b>17,270</b>
4	Total Expenditure					
a)	Employee Costs	1,568	1,328	4,380	3,940	5,260
b)	Project Work Expenses	1,891	2,014	5,609	6,172	8,305
c)	Other Expenditure	508	1,145	2,573	1,711	2,240
d)	Depreciation and Amortisation	94	109	274	359	460
e)	<b>Total</b>	<b>4,061</b>	<b>4,596</b>	<b>12,836</b>	<b>12,182</b>	<b>16,265</b>
5	Finance Cost	318	494	1,347	1,484	1,979
6	<b>Profit(+) / Loss(-) before tax (3)-(4+5)</b>	<b>150</b>	<b>-1,165</b>	<b>-942</b>	<b>-1,040</b>	<b>-974</b>
7	Provision for Taxation					
-	Current	-	-129	-	-	52
-	Deferred	300	40	300	44	44
-	Fringe Benefit Tax	15	15	45	35	43
8	<b>Net Profit(+) / Loss(-) after tax (6-7)</b>	<b>-165</b>	<b>-1,091</b>	<b>-1,287</b>	<b>-1,119</b>	<b>-1,113</b>
9	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,134	10,508	11,134	10,508	10,513
10	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year					7,515
11	Earning per share (Rs.) (including shares pending allotment under Cambridge merger Scheme('CMS'))					
-	Basic		-1.04		-1.07	
-	Diluted		-1.04		-1.07	
12	Earning per share (Rs.) (excluding shares pending allotment under CMS)					
-	Basic	-0.15	-1.04	-1.19	-1.07	-1.06
-	Diluted	-0.15	-1.04	-1.19	-1.07	-1.06
13	Public shareholding					
-	Number of Shares	43,028,826	42,924,447	43,028,826	42,924,447	42,982,006
-	Percentage of shareholding	38.65%	40.85%	38.65%	40.85%	40.88%

Segment Reporting :

Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31,
	2007	2006	2007	2006	2007
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>					
BFSI	1,760	1,521	4,948	4,767	6,442
Government	166	168	294	481	689
Manufacturing	2,591	2,229	7,778	7,248	9,960
<b>Total</b>	<b>4,517</b>	<b>3,918</b>	<b>13,020</b>	<b>12,496</b>	<b>17,091</b>

Cambridge Solutions Limited  
(formerly Scandent Solutions Corporation Limited)  
Consolidated Financial results for the quarter and nine months ended December 31, 2007

Sl. No.	Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31,
		2007	2006	2007	2006	2007
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales/ Income from Operation					
-	Software development and related services	9,791	12,503	28,008	35,591	49,180
-	Claim service fee	21,256	23,356	65,162	72,778	97,680
2	Other Income	660	1,301	2,614	2,915	3,752
3	<b>Total Income</b>	<b>31,707</b>	<b>37,160</b>	<b>95,784</b>	<b>111,284</b>	<b>150,612</b>
4	Total Expenditure					
a)	Employee Costs	18,366	21,662	55,789	63,633	85,769
b)	Project Work Expenses	4,220	5,686	13,368	16,375	24,079
c)	Depreciation and Amortisation	1,034	911	2,997	2,709	3,578
d)	Other Expenditure	6,185	6,464	19,326	20,638	26,970
e)	<b>Total</b>	<b>29,805</b>	<b>34,723</b>	<b>91,480</b>	<b>103,355</b>	<b>140,396</b>
5	Finance Cost	1,088	1,331	3,307	3,799	5,010
6	Exceptional Items (including impairment loss recognised on discontinuing operations Rs 1,223 lakhs recognised in March 31, 2007 and write back of liability of Rs 1,654 lakhs for 9 months ended December 31, 2006.)	-	-	-	1,654	464
7	<b>Profit(+) / Loss(-) before Tax(3)-(4+5+6)</b>	<b>814</b>	<b>1,106</b>	<b>997</b>	<b>5,784</b>	<b>5,670</b>
8	Provision for Taxation					
-	Current	266	-695	314	725	639
-	Deferred	447	-33	875	-22	-1,699
-	Fringe Benefit Tax	67	29	169	54	163
9	<b>Net Profit(+) / Loss(-) after Tax(7-8)</b>	<b>34</b>	<b>1,805</b>	<b>-361</b>	<b>5,027</b>	<b>6,567</b>
10	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,134	10,508	11,134	10,508	10,513
11	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year					12,100
12	Earning Per Share (Rs.)(including shares pending allotment under CMS)					
-	Basic	0.03	1.72	-0.33	4.79	6.26
-	Diluted	0.03	1.72	-0.33	4.78	6.26
13	Earning Per Share (Rs.)(excluding shares pending allotment under CMS)					
-	Basic		1.72		4.79	
-	Diluted		1.72		4.78	
14	Public Shareholding					
-	Number of Shares	43,028,826	42,924,447	43,028,826	42,924,447	42,982,006
-	Percentage of shareholding	38.65%	40.85%	38.65%	40.85%	40.88%

**Segment-wise Revenue, Results and Capital Employed**


Segment Reporting (Consolidated) :					(Rs in Lakhs)
Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31,
	2007	2006	2007	2006	2007
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>					
(a)IT	8,651	11,812	25,229	33,818	46,772
(b)BPO	22,608	24,103	68,466	74,641	100,320
<b>Total</b>	<b>31,259</b>	<b>35,915</b>	<b>93,695</b>	<b>108,459</b>	<b>147,092</b>
Less: Inter-segment revenue	212	56	525	90	232
<b>Net Income from operations</b>	<b>31,047</b>	<b>35,859</b>	<b>93,170</b>	<b>108,369</b>	<b>146,860</b>
<b>Segment Results(Profit+)/Loss(-) before Tax and interest from each segment</b>					
IT(Including results of discontinued operations for the quarter and 9 months period ended December 31, 2006 & year ended March 31, 2007 of Rs 792 lakhs, Rs 1,855 lakhs and Rs 1,821 lakhs, respectively and including loss on sale of discontinuing operations of Rs 1,223 lakhs in March 31, 2007).	598	799	995	3,818	4,030
BPO( March 31, 2007--net of exceptional income of Rs. 1,686 Lakhs, December 31, 2006-Rs 1,654 Lakhs)	722	337	943	2,850	3,039
<b>Total</b>	<b>1,320</b>	<b>1,136</b>	<b>1,938</b>	<b>6,668</b>	<b>7,069</b>
Less: Inter-segment profit	-78	-	-248	-	-141
<b>Net segment results</b>	<b>1,242</b>	<b>1,136</b>	<b>1,690</b>	<b>6,668</b>	<b>6,928</b>
Less: Unallocable					
Interest Expense	1,088	1,331	3,307	3,799	5,010
Other Income	-660	-1,301	-2,614	-2,915	-3,752
<b>Total Profit Before Tax</b>	<b>814</b>	<b>1,106</b>	<b>997</b>	<b>5,784</b>	<b>5,670</b>
<b>Capital Employed</b> (Segment Assets-Segment Liabilities)					
(a)IT	25,843	32,226	25,843	32,226	34,687
(b)BPO	31,342	32,044	31,342	32,044	34,763
<b>Total</b>	<b>57,185</b>	<b>64,270</b>	<b>57,185</b>	<b>64,270</b>	<b>69,450</b>

					(Rs in Lakhs)
Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31,
	2007	2006	2007	2006	2007
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue-IT Division</b>					
BFSI	2,067	1,814	5,852	5,564	7,527
Government	301	3,467	719	9,458	13,134
Manufacturing	6,283	6,531	18,658	18,796	26,111
<b>Total</b>	<b>8,651</b>	<b>11,812</b>	<b>25,229</b>	<b>33,818</b>	<b>46,772</b>

**Notes :**

- The above financial results for the quarter and nine months period ended December 31, 2007 have been approved by the Board at its meeting held on January 31, 2008.
- 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 the reportable segments, as these are used interchangeably between various segments, except at IT Division & BPO division/ segment level.
- The Company has claimed and recorded Rs 1110 Lacs as recoverable from the erstwhile parent of one of its subsidiary, certain pre-acquisition liabilities incurred by it subsequent to the acquisition of the subsidiary. These claims were refuted by such erstwhile parent. Per Auditors, the ultimate outcome of the transaction cannot be ascertained and accordingly they have qualified the report. However, the Company based on a legal opinion is confident that the claim would be recovered and has recorded these amounts as recoverable from the erstwhile parent.
- On April 25, 2007, the Group has consummated the sale of its government business being undertaken by Albion Inc ('Government business') to ACS State & Local Solutions, Inc. The agreement for the sale was entered into by the Group with ACS on January 22, 2007. Consequently, the group had recorded the loss on sale of business amounting to Rs 122 million as an exceptional loss during the year ended March 31, 2007. In accordance with the terms of the agreement, the consolidated financial results for the quarter and half year ended December 31, 2007 do not include the results of the government business, however, consolidated financial results for the quarter and half year ended December 31, 2006 include the results of the Government business.
- On November 15, 2007, the Board of Directors of the Company approved a scheme of Amalgamation and arrangement between Cambridge Integrated Services India Private Limited ('CIS'), 100% subsidiary, and Matrxone India Limited ('Matrix one'), 100% subsidiary, with the Company and their respective shareholders and creditors ( 'the scheme') has been filed with the Hon'ble High Court of Karnataka on December 12, 2007. The scheme provides for amalgamation of CIS & Matrix one with the company from the appointed date of April 1, 2008 and April 1, 2007, respectively. The Scheme further also provides for reduction of share capital and re-organisation of reserves of the company.
- The amounts for the previous period / year have been reclassified where necessary, to confirm to the current period's presentation.
- Information on investors' complaints for the quarter ended December 31, 2007 is as following : Opening balance: Nil, New : Nil, Disposal : Nil, Closing Balance : Nil.

Place : Greenwich , CT, USA  
Date : January 31, 2008

  
By Order of the Board  
Christopher A. Sincla  
Executive Chairman