

Financial results for the quarter and year ended March 31, 2007

| | | (Rs. in Lacs except per share data) | | | | | |
|---------|---|-------------------------------------|--------------|--------------------------------|--------------|----------------------|--------------|
| Sl. No. | Particulars | Quarter ended March 31, | | Nine months ended December 31, | | Year Ended March 31, | |
| | | 2007 | 2006 | 2006 | 2005 | 2007 | 2006 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Audited |
| 1 | Net Sales/ Income from Operation | 4,595 | 4,178 | 12,496 | 12,307 | 17,091 | 16,485 |
| 2 | Other income | 49 | 5 | 130 | 67 | 179 | 72 |
| 3 | Total Expenditure | | | | | | |
| a) | Employee Costs | 1,320 | 1,849 | 3,940 | 3,194 | 5,260 | 5,043 |
| b) | Project Work Expenses | 2,132 | 1,989 | 6,172 | 5,079 | 8,304 | 7,068 |
| c) | Other Expenditure | 530 | 793 | 1,711 | 1,509 | 2,241 | 2,307 |
| 4 | Profit / (Loss) Before Interest, Tax, Depreciation and Amortisation | 662 | (448) | 803 | 2,592 | 1,464 | 2,139 |
| 5 | Finance Costs | 495 | 274 | 1,484 | 630 | 1,979 | 904 |
| 6 | Depreciation and Amortisation | 100 | 128 | 359 | 376 | 459 | 504 |
| 7 | Profit / (Loss) Before Tax | 66 | (850) | (1,040) | 1,586 | (975) | 731 |
| 8 | Provision for Taxation | | | | | | |
| - | Current | 52 | 45 | - | 186 | 52 | 231 |
| - | Deferred | (0) | 8 | 44 | 3 | 44 | 11 |
| - | Fringe Benefit Tax | 8 | 9 | 35 | 19 | 43 | 28 |
| 9 | Net Profit / (Loss) | 6 | (912) | (1,119) | 1,378 | (1,113) | 461 |
| 10 | Paid up Equity Share Capital (Face Value per Share Rs 10/-) | 10,513 | 3,011 | 10,508 | 3,011 | 10,513 | 3,011 |
| 11 | Shares Pending Allotment | - | 7,476 | - | - | - | 7,476 |
| 12 | Reserve excluding Revaluation Reserve | | | | | 7,515 | 7,202 |
| 13 | Basic and Diluted EPS (including shares pending allotment under Cambridge merger Scheme("CMS")) | | | | | | |
| - | Basic | | (0.87) | | 4.76 | | 0.44 |
| - | Diluted | | (0.87) | | 4.70 | | 0.44 |
| 14 | Basic and Diluted EPS (excluding shares pending allotment under CMS) | | | | | | |
| - | Basic | 0.01 | (3.03) | (1.07) | 4.76 | (1.06) | 1.58 |
| - | Diluted | 0.01 | (3.03) | (1.07) | 4.70 | (1.06) | 1.56 |
| 15 | Aggregate of non Promoter's shareholding | | | | | | |
| - | Number of Shares | 42,982,006 | 16,934,885 | 42,924,447 | 16,934,885 | 42,982,006 | 16,934,885 |
| - | Percentage of shareholding | 40.88% | 56.24% | 40.85% | 56.24% | 40.88% | 56.24% |

Segment Reporting :

| | | Rs. in Lacs | | | | | |
|-----------------|--|-------------------------|--------------|--------------------------------|---------------|----------------------|---------------|
| Particulars | | Quarter ended March 31, | | Nine months ended December 31, | | Year Ended March 31, | |
| | | 2007 | 2006 | 2006 | 2005 | 2007 | 2006 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Audited |
| Segment Revenue | | | | | | | |
| BFSI | | 1,677 | 1,719 | 4,767 | 5,937 | 6,444 | 7,656 |
| Government | | 207 | 262 | 481 | 1,320 | 688 | 1,582 |
| Manufacturing | | 2,711 | 2,197 | 7,248 | 5,050 | 9,959 | 7,247 |
| Total | | 4,595 | 4,178 | 12,496 | 12,307 | 17,091 | 16,485 |

Cambridge Solutions Limited
(formerly Scandent Solutions Corporation Limited)
Consolidated Financial results for the quarter and year ended March 31, 2007

| | | (Rs. in Lacs except per share data) | | | | | |
|---------|---|-------------------------------------|----------------|--------------------------------|----------------|----------------------|----------------|
| Sl. No. | Particulars | Quarter ended March 31, | | Nine months ended December 31, | | Year Ended March 31, | |
| | | 2007 | 2006 | 2006 | 2005 | 2007 | 2006 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Audited |
| 1 | Net Sales/ Income from Operation | | (refer note 6) | | (refer note 6) | | |
| - | Software development and related services | 12,954 | 8,364 | 33,818 | 24,167 | 46,772 | 32,531 |
| - | Claim service fee and Business process outsourcing Income | 25,658 | - | 74,551 | - | 100,209 | 85,539 |
| 2 | Other income | 749 | 84 | 2,883 | 264 | 3,632 | 3,143 |
| 3 | Total Expenditure | | | | | | |
| a) | Employee Costs | 22,136 | 5,783 | 63,633 | 13,639 | 85,769 | 73,290 |
| b) | Project Work Expenses | 7,704 | 1,614 | 16,375 | 3,438 | 24,079 | 13,965 |
| c) | Other Expenditure | 6,332 | 1,941 | 20,638 | 3,170 | 26,970 | 24,049 |
| 4 | Profit / (Loss) Before Interest, Tax, Depreciation, Amortisation Reorganisation Cost and Exceptional Items | 3,189 | (890) | 10,606 | 4,184 | 13,795 | 9,909 |
| 5 | Exceptional Items (including impairment loss recognised on discontinuing operations Rs 272 Lacs) | (1,223) | | 1,686 | - | 463 | - |
| 6 | Profit/(Loss) before Interest,Tax, Depreciation, Amortisation, Reorganisation cost | 1,966 | (890) | 12,292 | 4,184 | 14,258 | 9,909 |
| 7 | Finance Costs | 1,211 | 365 | 3,799 | 785 | 5,010 | 4,156 |
| 8 | Depreciation and Amortisation | 869 | 631 | 2,709 | 693 | 3,578 | 4,693 |
| 9 | Profit / (Loss) Before Tax and Reorganisation Cost (including profit from operations relating to discontinuing operations amounting to Rs 1,007 Lacs) | (114) | (1,886) | 5,784 | 2,706 | 5,670 | 1,060 |
| 10 | Reorganisation costs | - | - | - | - | - | 2,052 |
| 11 | Profit / (Loss) before Tax | (114) | (1,886) | 5,784 | 2,706 | 5,670 | (992) |
| 12 | Provision for Taxation | | | | | | |
| - | Current | (86) | 33 | 725 | 247 | 639 | 831 |
| - | Deferred | (1,677) | 8 | (22) | 3 | (1,699) | 11 |
| - | Fringe Benefit Tax | 109 | 9 | 54 | 19 | 163 | 28 |
| 13 | Net Profit / (Loss) | 1,540 | (1,936) | 5,027 | 2,437 | 6,567 | (1,862) |
| 14 | Paid up Equity Share Capital (Face Value per Share Rs 10/-) | 10,513 | 3,011 | 10,508 | 3,011 | 10,513 | 3,011 |
| 15 | Shares Pending Allotment | | | | | 12,100 | 5,525 |
| 16 | Reserve excluding Revaluation Reserve | | | | | | |
| 17 | Basic and Diluted EPS (including shares pending allotment under CMS) | | | | | | |
| - | Basic | 1.47 | | 4.79 | 8.43 | 6.26 | (1.79) |
| - | Diluted | 1.46 | | 4.78 | 8.32 | 6.25 | (1.79) |
| 18 | Aggregate of non Promoter's shareholding | | | | | | |
| - | Number of Shares | 42,982,006 | 16,934,885 | 42,924,447 | 16,934,885 | 42,982,006 | 16,934,885 |
| - | Percentage of shareholding | 40.88% | 56.24% | 40.85% | 56.24% | 40.88% | 56.24% |

Segment Reporting (Consolidated) :

| Sl.No. | Particulars | Rs. in Lacs | | | |
|--------|---|------------------------|-------------------------------|---------------------|---------------------|
| | | Quarter ended March 31 | Nine Months ended December 31 | Year ended March 31 | Year ended March 31 |
| | | 2006 Unaudited | 2006 Unaudited | 2007 Audited | 2006 Audited |
| 1 | Segment Revenue | | | | |
| | IT | 12,954 | 33,818 | 46,772 | 32,531 |
| | BPO | 25,799 | 74,641 | 100,440 | 87,713 |
| | Total | 38,753 | 108,459 | 147,212 | 120,244 |
| | Less: Inter-segmental revenue | 141 | 90 | 231 | 2,174 |
| | Net revenue from operations | 38,612 | 108,369 | 146,981 | 118,070 |
| 2 | Segment Results | | | | |
| | IT (including results of discontinued operations Rs. 1,007 Lacs ; March 31, 2007 -- Loss on Sale of discontinuing operations Rs 1223 Lacs) | 367 | 4,317 | 4,684 | 2,947 |
| | BPO (March 31, 2006 -- net of reorganisation cost of Rs 2,052 lacs ; December 31, 2006 -- net of exceptional income of Rs 1686 Lacs) | 2,536 | 3,406 | 5,942 | 1,767 |
| | Total | 2,903 | 7,723 | 10,626 | 4,714 |
| | Depreciation & Amortisation | | | | |
| | IT | 155 | 499 | 654 | 1,324 |
| | BPO | 714 | 2,210 | 2,924 | 3,369 |
| | Less:- Unallocable | | | | |
| | Interest expense | 1,211 | 3,799 | 5,010 | 4,156 |
| | Other Income | 937 | (4,569) | (3,632) | (3,143) |
| | Total | 2,148 | (770) | 1,378 | 1,013 |
| | Profit / (Loss) Before Tax | (114) | 5,784 | 5,670 | (992) |
| 3 | Capital Employed | | | | |
| | IT | 32,334 | 32,226 | 32,334 | 36,103 |
| | BPO | 32,700 | 32,044 | 32,700 | 33,016 |
| | Total | 65,034 | 64,270 | 65,034 | 69,119 |

| Particulars | Quarter ended March 31, | | Nine months ended December 31, | | Year Ended March 31, | |
|--------------------------------------|-------------------------|--------------|--------------------------------|---------------|----------------------|---------------|
| | 2007 | 2006 | 2006 | 2005 | 2007 | 2006 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Audited |
| Segment Revenue - IT Division | | | | | | |
| BFSI | 1,965 | 1,962 | 5,564 | 6,620 | 7,529 | 7,946 |
| Government | 4,171 | 1,947 | 9,458 | 5,999 | 13,629 | 8,582 |
| Manufacturing | 6,818 | 4,455 | 18,796 | 11,548 | 25,614 | 16,003 |
| Total | 12,954 | 8,364 | 33,818 | 24,167 | 46,772 | 32,531 |

Notes :

- The above financial results for the quarter and year ended March 31, 2007 have been approved by the Board at its meeting held on June 19, 2007.
- 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.
- 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.
- Exceptional items for the year ended March 31, 2007 represents loss on sale of IT Government division for North America region. The company has incurred expenses of Rs 805 Lacs towards legal & professional charges and other related charges. This has also resulted in goodwill impairment of Rs 271 Lacs.
- During the quarter, the company has received assesment orders for FY 2002-03 and 2003-04 proposing a transfer pricing adjustment of Rs 1263 Lacs and Rs 635 Lacs respectively. The company has filed an appeal with the Commissioner of Income tax Appeals. These amounts have been considered as contingent liability as of March 31, 2007.
- The result for the quarter ended March 31, 2006 and nine months ended December 31, 2005 represents IT division performance only, since the comparative financials for the BPO division for those periods are not available owing to retrospective merger of Cambridge LLC and hence are not comparable with current year quarterly results.
- The amounts for the previous periods / year has been reclassified where necessary, to confirm to the current period's presentation.
- Information on investors' complaints for the quarter ended March 31, 2007 is as following : Opening balance: Nil, New : Nil , Disposal : Nil , Closing Balance : Nil.

Place : Bangalore, India
Date : June 19, 2007

By Order of the Board
Christopher A. Sinclair
Executive Chairman