



CAMBRIDGE

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Cambridge Solutions Announces Q1 FY 2008 Results

- **Reports Consolidated Revenues of Rs 312.4 Crores for the quarter ended June 2007.**
- **Reports Operating Profit of Rs 19.2 Crores, for the quarter.**
- **Reports Net Loss of Rs 4.9 Crores, for the quarter.**

Connecticut, USA – July 30, 2007 — Cambridge Solutions Limited (“Cambridge”), one of the leading knowledge-based IT and BPO firms in the world, today reported Rs 312.4 Crores in consolidated Revenues for the quarter ended June 30, 2007. The consolidated Earnings before Interest, Depreciation, Amortization and Tax for the quarter were Rs 19.2 Crores.

Normalising for the impact of discontinuance of Albion (US IT Government division) and one time recognition of bonuses in Australia claims division during the quarter ended June 30, 2006, the operating profits in rupee terms increased by 9.0% Year on Year (YoY). On the same measure, in US Dollar terms, revenue increased by 10.2 % and operating profits increased by 20.2 % year on year. The results of the current quarter were adversely impacted disproportionately due to the Rupee appreciation vis a vis US dollars of 9.3% YoY and redundancy costs that we have taken in this quarter for the rationalization of our US workforce.

On a geographic basis, Americas, being the major territory, contributed 74.5% of the consolidated revenues followed by Australia at 14.3% and the balance 11.2 % coming from Europe and Asia.

On a line of business basis, the BPO segment contributed 73.7% to consolidated revenues and grew 6.6% YoY (in US Dollar terms) normalised. The India BPO operations grew 48.4% YOY (in US Dollar terms) while the International BPO operations grew at 4.9% YOY (in US Dollar terms) normalised. IT Services contributed 26.3% of the consolidated revenues , growing 22.0% YoY (in US Dollar terms) net of discontinued operations.

Commenting on the results of the quarter, Christopher Sinclair, CEO and Chairman said, “We are continuing to see growth across all our business units and expect the momentum to drive strong revenue and profitability growth in the latter half of the year. The cost optimization measures that are underway will also benefit our margins in the balance of the year. In addition, we have taken necessary measures to safeguard our margins from adverse exchange rate movements in the future”.

About Cambridge Solutions Ltd.

Cambridge Solutions Ltd. (HQ: Bangalore, India; USHQ: Greenwich, CT.) is a strategic global outsourcing firm with deep expertise in:

- IT business consulting, application implementation, software engineering, maintenance and support services
- Business process outsourcing (BPO) for insurance, banking and financial services companies; process consulting; transaction processing, finance and accounting back office support; claims and risk management services; inbound and outbound contact centers to support all of these activities; and other processes that require knowledge-based decision making.

The company employs 4400 professionals serving customers on four continents through more than 80 locations worldwide. With offices in the U.S., Europe, India, Singapore, and Australia, Cambridge serves Fortune 500 firms, insurance and financial services companies, and public entities around the world.

The company's BPO subsidiary was named one of the top three best performing BPO companies by Global Services media and neoIT in 2006 and 2007, ranked as one of the top three leaders in human capital management. Cambridge Solutions was ranked as the 10th leading outsourcing company in the world in the International Association of Outsourcing Professionals (IAOP)'s "2007 Global Outsourcing 100" list, that appeared in a special advertising section in Fortune Magazine, improving its ranking from 28 last year. The company is listed on the major stock exchanges of India (BSE, NSE, MSE & ASE) under the ticker "CAMBRIDGE". For more information, visit: www.cambridgeworldwide.com. In case of Investor Grievances, Please contact: Compliance Officer Ph : 080 3054 0000 Fax: 080 4115 7394 EMail : compliance@cambridge-asia.com

Safe Harbor

Certain statements in this release 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 regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services, including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns in fixed price, fixed time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, etc. The company does not undertake to update any forward looking statement that may be made from time to time by or on behalf of the company.