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Cambridge Solutions Announces Q3 FY 2008 Results showing strong quarter on quarter and year on year growth

- **Consolidated Revenues of Rs 3105 million for the quarter ended December 2007.**
- **Operating Profit of Rs 294 million for the quarter up 20% Quarter on Quarter.**
- **Net Profit of Rs 3.4 million for the quarter.**
 - **Excluding onetime charges, net profit was Rs. 91.02 million for the quarter.**

Connecticut, USA – January 31, 2008 — Cambridge Solutions Limited (“Cambridge”), one of the leading knowledge-based IT and BPO firms in the world, today reported Rs 3105 million in consolidated Revenues for the quarter ended December 31, 2007. The consolidated operating profit (earnings before interest, depreciation, amortization and taxes) for the quarter was Rs 294 million, an increase of 20% Quarter on Quarter (QoQ).

On a Year on Year (YoY) basis the operating profit increased by 15.6%, normalizing the results for the impact of discontinuance of Albion (the US IT Government division)

During the quarter, there were one time charges of Rs 23.7 million due to the write-off of ancillary costs related to debt restructuring, a Rs. 33.9 million charge due to an agreement of a transfer pricing arrangement with the tax office in Australia for the period 2006 through 2011 and a deferred tax charge of Rs 30 million. Excluding these charges, the net profit was Rs 91.02 million.

On a geographic basis, the Americas contributed 68.2% of the consolidated revenues followed by Australia at 19.1% and the balance 12.7% coming from Europe and Asia.

On a line of business basis, the BPO division contributed 72.8% to consolidated revenues and grew 7.2% YoY (in US Dollar terms). Within the BPO division, the India BPO operations grew 87.3 % YoY (in US Dollar terms) while the International BPO operations grew at 3.7% YoY (in US Dollar terms). The IT Services division contributed 27.2% of the consolidated revenues, growing 16.5% YoY (in US Dollar terms) net of discontinued operations.

The company expects continuing performance improvements through the last quarter of the year on the back of a solid pipeline in the IT services division and continuing strength in the Australian and Indian operations of its BPO division.

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.