Xchanging Tower
SJR iPark • EPIP Area • Whitefield
Bangalore 560066 • India

Telephone +91 (0)80 3054 0000
Facsimile +91 (0)80 4115 7394
Email info@asia.xchanging.com
Website www.xchanging.com

CSL/SE/2011

May 31, 2011

The Asst. Vice President,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051
Fax :No. 022 – 26598237 / 8

Department of Corporate Services - CRD
Bombay Stock Exchange Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI - 400 001
Fax No. 022 – 22723121

Dear Sir,

Sub: Disposal of business of Cambridge Integrated Services Group Inc. USA, a 100% subsidiary of Cambridge Solutions Ltd.

Cambridge Integrated Services Group Inc, USA ("CISGI") a 100% subsidiary of the Company has incurred operational losses continuously over recent years due to continued decline in revenue generated in the business.

In view of the unsatisfactory returns and significant future commitments of the CISGI business, the Board of Directors in its meeting held on May 31, 2011 approved the sale of the USA workers' compensation and third party administration operations ("Operations") of CISGI to Sedgwick Claims Management Services, Inc ("Sedgwick").

The consideration to be paid by Sedgwick is $ 22.7 million which will be paid in cash today of which $ 3 million will be held in escrow for up to 18 months.

The sale includes the workers' compensation claims, managed care, consumer claims, professional liability claims, the structured settlements operations of CISGI, virtually all of CISGI's contracts. CISGI

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and Sedgwick will also enter into a transition services agreement to facilitate a smooth handover of the Operations.

The transaction will be reflected as a discontinued operation in the Q2 2011.

Ken Lever, Executive Director and Vice Chairman, and acting Chief Executive Officer commented, "Selling the CISGI operations to Sedgwick, the market leader, will provide our customers and employees with a good home for the future."

This is for your information and records.

Thanking you,

Yours faithfully,
for CAMBRIDGE SOLUTIONS LIMITED

Vijayamahantesh V. Khannur
Company Secretary