

Xchanging plc
(the "Company or Xchanging")

Further to the Circular sent to the Company's shareholders on 24 October 2008, announcing the proposed acquisition of Cambridge Solutions Ltd. ("Cambridge"), the Company is pleased to announce the appointment to the Board of Cambridge of David Andrews (as Executive Chairman and CEO) and Richard Houghton (as Executive Director) to replace Christopher Sinclair (formerly Chairman and CEO) and Satyen Patel (formerly Executive Vice Chairman). Shobhan Thakore, an Independent Non-Executive Director of Cambridge, has also stepped down from the Board given his other work commitments.

Cambridge released 2 announcements earlier today, the first announcing the above board changes and the second as follows:

"Cambridge Solutions Limited (NSE: Cambridge) announced that its wholly owned subsidiary, Cambridge Integrated Services Group Inc., has entered into a significant new contract with Compagnie Pour Assistance Technique et Investissements S.A. (CATISA) (an associate company of the owners of 50% of the shares of Cambridge, Scandent Holdings Mauritius Ltd.) to provide consulting services, business development and procurement services over the next two years. The contract has a value of up to \$15 million over this period."

Having reviewed the prospects for the Cambridge business and taking into account the challenging macro economic environment, it is intended that Cambridge should accelerate the streamlining of its US BPO business in order to improve its competitive position and service offerings. Xchanging expects that the net impact arising from the additional costs of the accelerated streamlining of the US business, and the income from the new contract announced by Cambridge will be broadly neutral and should give Cambridge confidence in the achievement of its budget for 2009.

Commenting on the Board appointments, David Andrews said, "We are delighted to have reached this stage in our acquisition of Cambridge. By taking this step, we are now ready to start working together operationally, combining our resources and investing in our future to serve our customers globally. We will be continuing in our efforts to complete the formal aspects of the acquisition and we remain confident that the acquisition will complete in Q2 2009 as previously advised".

Xchanging anticipates announcing 2008 results in due course that are in line with market expectations. We continue to be optimistic about the business prospects for the enlarged Cambridge/Xchanging group in 2009.

The Company will announce its preliminary results for 2008 on 2nd March 2009.

Gary Whitaker
Company Secretary
Xchanging plc

13 January 2009

Note: Xchanging plc is a fast growing international, pure play business processing company with blue chip customers. Xchanging provides complex industry specific processing to the banking and insurance industries and procurement, finance and accounting and human resources services to customers across industries. www.xchanging.com