ISDN HOLDINGS LIMITED
No.10 Kaki Bukit Road 1 #01-30
KB Industrial Building
Singapore 416175
Tel: 6844 0288 Fax: 6844 0070
Web: www.isdnholdings.com

FOR IMMEDIATE RELEASE

ISDN Holdings Limited net profit for full-year FY2011 grew 3% from $10.7 million to $11.0 million as revenue rose 1.4% from $163.6 million to $165.9 million

Singapore, 28 February 2012 **–** SGX Main Board listed ISDN Holdings Limited ("ISDN" or "The Group"), an integrated engineering solutions provider for diverse industries, grew net profit for the full-year FY2011 by 3% from $10.7 million to $11.0 million backed by revenue growth of 1.4% from $163.6 million to $165.9 million.

Gross profit remained relatively stable at 29.2%, within the Group's traditional band of between 27 and 30%. Cash and cash equivalents stood at $28.4 million; the company had generated $4.4 million from operating activities.

The Board of Directors is pleased to declare final dividends of 0.5 cents per share.

Financial Highlights

Quarterly comparison

(S$)	4QFY11	4QFY10	% Change
Turnover	36.1 mil	45.2 mil	(20.1)
Profit Before Tax	1.5 mil	3.6 mil	(58.3)
Profit for the period	0.9mil	2.5 mil	(64.0)

Full-year comparison

(S$)	FY2011	FY2010	% Change
Turnover	165.9 mil	163.6 mil	1.4
Profit Before Tax	15.0 mil	14.7 mil	2.0
Profit for the period	11.0 mil	10.7 mil	3.0
Earnings per share (EPS)	2.82 cents	3.30 cents	(14.5)

Full-Year Report Card

Mr Teo Cher Koon, ISDN Managing Director and President, said “Overall the results were comparable to the previous year. In the light of the somewhat uncertain business conditions still unfolding, this was a relatively creditable performance. We expect the next 12 months to be very challenging. The global economic outlook is expected to remain volatile and unstable, so we will continue to adopt a more measured approach to managing costs and pursuing new business opportunities.”

“Our integrated engineering solution business is likely to benefit from the growth of emerging markets that are keeping pace with the developed economies. The former would require our suite of solutions to help boost productivity and add value to their end-products,” Mr Teo added.

New Growth Drivers

Despite external challenges that have come in the way of the Group’s traditional businesses, two new business areas provide potential silver linings for ISDN and could potentially develop as new growth drivers. Hydroponics or high-tech farming charted new milestones recently. The company is in the final stages of formalizing a joint venture to expand the number of hydroponics farms in Malaysia. Details of the JV will be announced shortly. Whilst in China, ISDN is set to roll out mass production after a successful pilot run.

On the energy business front, as has been announced previously, ISDN has entered into the mining foray through its proposed equity stake, at the associate company level, of PT Putra Perkasa Indah, a company engaged in the business of coal mining exploration based in Kalimantan, Indonesia. The Group has recently received the official nod from its shareholders to proceed with this planned business diversifications at an Extraordinary General Meeting held earlier this month following a letter of clearance from the Singapore Exchange for the circular relating to the EGM.

Mr Teo commented, “We believe these new business endeavors will add fresh impetus to the Group’s revenue and enhance shareholder value in the long-run.”

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About ISDN Holdings Limited

Founded on its precision and motion control engineering capabilities in 1987 and listed on the Singapore Exchange Main Board since 2005, ISDN Holdings Limited has today transformed into a multi-industry corporation with diverse strengths. With more than 90 offices spanning key Asian growth markets, ISDN's business interests now include, in addition to engineering, the energy and agriculture sectors

ISDN is dominant in the niche area of motion control and industrial computing, attending to the needs of customers in the Asian region. ISDN's customised solutions cater to different industrial sectors including medical, robotics, factory automation, oil and gas, water treatment, manufacturing, hard disk and semiconductor industries. By leveraging on its alliances with strategic partners in Europe, Asia and Australia, ISDN is able to combine and thereupon benefit from the best-in-class technology and business systems these collaborations have to offer.

For more information, please visit www.isdnholdings.com or contact:

Eruwin Sudirman
NRA Capital Pte Ltd
Tel : (65) 6236 6878
Fax : (65) 6222 0093
Email : eruwin.sudirman@nracapital.com