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**FOR IMMEDIATE RELEASE**

**ISDN Holdings Ltd posts \$3.3 million net earnings in 3QFY2015  
 backed by \$64.8 million revenue**

**Singapore, 11 November 2015** – SGX Main Board listed ISDN Holdings Limited’s (“ISDN” or “The Group”), an integrated engineering solutions provider for diverse industries, posted net profit of \$3.3 million in 3QFY2015 backed by revenue of \$64.8 million, that grew slightly by 0.2% from \$64.6 million last year. Net earnings, however, eased by 18.6% from \$4.1 million in the corresponding period last year, partly due to a marginal increase in cost of goods sold. Gross profit margin decreased from 27.1% in 3QFY2014 to 26.1% in 3QFY2015 to stay within the Group’s traditional target range of between 26% and 30%.

Mr Teo Cher Koon, ISDN Managing Director and President said, “Looking ahead, the operating landscape in our main market, China, is expected to be generally more competitive but this will be mitigated to a degree by ISDN’s niche motion control products and solutions as well as our diversified customer base that includes industries such as medical that are relatively more resilient.”

**Financial Highlights 3QFY2015 vs 3QFY2014**

| <b>(S\$)</b>                 | <b>3QFY2015</b> | <b>3QFY2014</b> | <b>% Change</b> |
|------------------------------|-----------------|-----------------|-----------------|
| <b>Turnover</b>              | 64.8 mil        | 64.6 mil        | 0.2             |
| <b>Profit before tax</b>     | 5.1 mil         | 5.9 mil         | (15.0)          |
| <b>Profit for the period</b> | 3.3 mil         | 4.1 mil         | (18.6)          |

**Financial Highlights – 9MFY2015 vs 9MFY2014**

| <b>(S\$)</b>                                      | <b>9MFY2015</b> | <b>9MFY2014</b> | <b>% Change</b> |
|---|-----------------|-----------------|-----------------|
| <b>Turnover</b>                                   | 184.5 mil       | 173.5 mil       | 6.4             |
| <b>Profit before tax</b>                          | 14.5 mil        | 12.5 mil        | 15.2            |
| <b>Profit for the period</b>                      | 9.9 mil         | 8.4 mil         | 18.6            |
| <b>Earnings per share</b>                         | 1.95 cents      | 1.57 cents      | 24.2            |
| <b>Weighted average number of ordinary shares</b> | 354,684,950     | 359,944,950     | (1.5)           |

The Group continued to maintain healthy cash and cash equivalents balances of \$39.2 million as at 30 September 2015. Net cash used in operating activities increased from an outflow of \$1.5 million to an inflow of \$2.7 million mainly due to higher collection from customers. Earnings per share for the first 9 months increased by 24.2% from 1.57 cents to 1.95 cents.

China continued to be the dominant contributor to Group revenue, accounting for 76.5% of overall sales with \$49.6 million. China's sales however reduced a tad by 0.4% in 3QFY2015, from \$49.8 million in 3QFY2014. Mr Teo commented, "With more than two thirds of ISDN's revenue derived from China, the Group is adopting a more cautious stance on its business outlook in the light of the softer pace of the Chinese economy."

Singapore was the next largest revenue contributor, with 13.2% of Group sales, equivalent to \$8.6 million. In addition to China and Singapore, ISDN will continue to grow its market presence in its core business in motion control in emerging markets such as ASEAN, particularly in Thailand and Vietnam.

Across business segments, Motion Control still accounts for the lion's share of ISDN's revenue, generating \$50.5 million or nearly 80% of total sales. The Motion Control product group continued to register higher sales, by 5.1% from \$48.0 million a year earlier, buoyed by overall stronger customer demand.

On the renewable energy front, ground work has commenced for ISDN's maiden mini-hydropower plant in Sumatra. The Group will provide the necessary updates as they come on line.

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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](http://www.isdnholdings.com) or contact:

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