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**ISDN Holdings Ltd grows full-year FY2013 revenue by 7.4% from \$153.5 million to \$164.9 million to post net earnings of \$6.4 million**

*Singapore, 28 February 2014* – SGX Main Board listed ISDN Holdings Limited (“ISDN” or “The Group”), an integrated engineering solutions provider for diverse industries, grew full-year Group revenue by 7.4%, from \$153.5 million to \$164.9 million, buoyed by stronger demand for its Motion Control products in China. In line with the increase in Group revenue, gross profit inched marginally by \$0.27 million or 0.6% from \$47.4 million to \$47.7 million – resulting in gross margin of 28.9% - within the Group’s targeted band of between 26% and 30%. Net earnings, however, slid by 12.7% from \$7.4 million to \$6.4 million.

Mr Teo Cher Koon, ISDN Managing Director and President said, “Going forward we expect to benefit from the growth in the mobile phone sector as this uptrend translates to stronger demand for our Motion Control products in North Asia.”

Net cash generated from operating activities climbed from \$3.6 million to \$6.2 million. At the final tally, cash and cash equivalents rose from \$24.6 million to \$40.7 million after taking into account \$18.9 million and \$3.4 million proceeds from share placement and warrant issues respectively.

The Board of Directors is pleased to announce final cash dividend of 0.4 cents per share.

**Financial Highlights**

<b>(S\$)</b>	<b>FY2013</b>	<b>FY2012</b>	<b>% Change</b>
<b>Turnover</b>	164.9 mil	153.5 mil	7.4
<b>Profit Before Tax</b>	9.2 mil	11.4 mil	(19.6)
<b>Profit for the year</b>	6.4 mil	7.4 mil	(12.7)
<b>Basic Earnings per share</b>	1.39 cents	1.81 cents	(23.2)
<b>Weighted average number of ordinary shares (net of treasury shares)</b>	342,515,608	298,736,155	14.7

## **China Sales Remain Robust**

China remained the dominant revenue contributor and growing, accounting for 72.7% of Group sales as compared to 70.0%, a year earlier. Revenue from the Group's China operations rose by 11.5% from \$107.5 million to \$119.8 million. Sales from Singapore, ISDN's second largest revenue earner, however, eased by 19.2% due to weaker demand from customers in the semiconductor industry. On the other hand, demand for the Group's products from Malaysia and Other markets remained strong with a combined increase in sales of \$5.4 million in FY2013 as compared to FY2012.

Across the business segment, Motion Control products generated higher revenue, raking in 7.8% increase in sales, from \$115.6 million in FY2012 to \$124.6 million in FY2013. This was mainly due to overall stronger customer demand. Motion Control accounted for 75.6% of Group sales, the largest contributor among the four business segments. Revenue from Other Specialised Engineering Solutions, the next biggest earner, declined marginally by 2.3%, from \$32.5 million to \$31.7 million, due to softer demand from customers.

## **New Growth Catalyst Picks Up Momentum**

ISDN's nascent energy business, the Group's new growth catalyst, has since the past year shown considerable progress. The Group now has in its pipeline, through a series of acquisitions and memorandum of understandings, assembled a cluster of mini-hydropower projects in Indonesia – four in Sumatra and three in Sulawesi.

Mr Teo said, "We are pleased these projects have picked up pace and we remain on track to commence construction of our maiden mini-hydropower power project in North Sumatra in early Q2FY2014, following the recent award of the master engineering, procurement and construction contract to China Huadian Engineering Co. Ltd."

"This will be followed by the subsequent roll-out of the other six mini-hydropower projects in Sumatra and Sulawesi. At the same time, as announced earlier, we are also pursuing a sizeable coal-fired power plant project in Myanmar," he added.

The seven mini-hydropower projects in Indonesia will amount to combined 50 megawatt installed capacity of electricity generation.

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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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