



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
<http://ir.asiaone.com/isdn>

ISDN Holdings Limited (“ISDN”) acquires 49% of Germany-based Dirak Asia

- ***Acquisition will have a positive impact on ISDN’s bottom line***

Singapore, 29 October 2007 – SGX Main Board listed ISDN, has entered into an agreement to acquire a 49% stake in Dirak Asia Pte Ltd (“Dirak Asia”) for a purchase consideration of S\$5.9 million cash and \$5.9 million of new ISDN shares, subject to the relevant regulatory and shareholders approvals. 50% of Dirak Asia is currently owned by Mr. Teo Cher Koon, who is also ISDN's Managing Director and President.

Dirak Asia was set up as a joint venture company between Mr Teo Cher Koon and German-based Dirak Holding GmbH in 1997 has consistently generated approximately 55 % CAGR in the past three years.

Mr. Teo Cher Koon said the proposed acquisition is a strategic for ISDN's diversification plans and for the Group to introduce new revenue streams. The acquisition is expected to have a positive impact on ISDN's bottom line. Mr. Teo has undertaken to provide a cumulative profit guarantee of \$7 million net profit after tax to ISDN for financial years of 2007 and 2008 combined. The proposed acquisition will add at least S\$2 million to the NPAT of ISDN for financial year 2008.

DIRAK GmbH & Co. KG (“Dirak”, the holding company of Dirak Holding GmbH) group of companies, has a strong innovation heritage with their ownership of more than 250 patents. Most of these patents were created by Dirak's Founder and President, Dieter Ramsauer, who was recently nominated as one of the finalists for the prestigious 2007 Engineer of the Year Award by US-based Design News (see article in <http://www.designnews.com/article/CA6478192.html>).

Dirak Asia has a strong manufacturing base in Suzhou, China, since 2002. Plans are in the pipeline to expand the facilities to meet growing demand from the China market as well as for export. Mr. Teo said, "This acquisition opens a new vista of opportunities for ISDN to

provide a wider scope of engineering support services to our growing pool of global and domestic clientele.”

“It makes perfect economic sense for Dirak to be in partnership with ISDN to tap into our extensive distribution networks of over 50 offices in China and Asia,” he added.

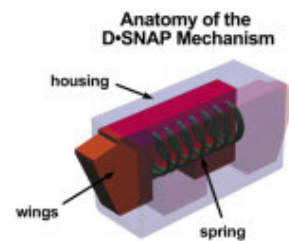
Mr. Teo concluded: “ISDN will continue to seek out for more of such partnership to expand the value chain for our customers and as a way to enhance our shareholder value.”

- end -







About Dirak (<http://www.dirak.com/>)

Dirak is a global company, dedicated to customer oriented designs and the production of mechanical and electronic hardware, particularly hinges, handles, profiles, and locks and latches. Its headquarters is located at Ennepetal, Germany.

Dirak specializes in the innovative design and manufacture of hinges and locks for the high end industrial enclosure market, including the automotive, telecommunication, machinery, tools, security, public utility and transportation markets. The group also provides customized locking and fastening solutions to various industries. The D-SNAP technology which Dieter Ramsauer has patented uses no screw for fastening and this will change the traditional method of using screws. This technology enables manufacturers to save labour, time and cost.



SOME D-SNAP PRODUCTS

Hinges	Swinghandles	Latches	Rod Latch Systems	Panel Fasteners	Handles
					

Their main focus is hardware for industrial enclosures in the following industries:

- Enclosure Manufacturing
- Telecommunications

- Healthcare
- HVAC
- Automotive
- Environment
- Mechanical Engineering
- Electrical Industry
- Instrumentation and Small Machines

With Dirak's modular system, which has proven successful for 40 years, they are able to provide countless efficient applications to improve competitiveness.

Dirak has developed the SNAP-LINE series incorporating the new D-SNAP Technology. This is just another step in their ongoing commitment to be better than its competitors. This innovation puts DIRAK and the customers far ahead of all the other comparable technologies.

With manufacturing facilities in Germany, the United States, Asia and the Dirak worldwide distribution network, its operations and partner organizations, Dirak is able to ensure the reliable supply of DIRAK products and service to all parts of the world.

About ISDN Holdings Limited

Listed on SGX-ST Mainboard on 24 November 2005, ISDN Holdings Limited is an integrated specialist engineering solutions provider, serving manufacturers across a broad range of industries within China and the Asian region. Our engineering solutions serve to engage the productivity and efficiency, as well as improved process control of our clients' manufacturing assets. ISDN is dominant in the niche area of motion control and industrial computing, attending to the needs of over 3,000 customers in the Asian region. ISDN's customized solutions cater to different industrial sectors including medical, robotics, factory automation, oil and gas, water treatment, manufacturing, hard disk and semiconductor industries.

ISDN's core competencies lie in its strong network of customers and manufacturing joint ventures with strategic technology partners to expand its scope of integrated specialist solutions to wider niche areas, including laser services for precision cutting, high precision measurement, gears and special purpose motors and other related engineering solutions.

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

Eruwin Sudirman
BIG PICTURE CONSULTING
Tel: (65) 6223 0865
Fax: (65) 6223 2058
Email: eruwin@bigpicture.com.sg