

ISDN HOLDINGS LIMITED

CLARIFICATIONS ON ANNUAL REPORT 2007

Further to the Annual Report 2007 ("AR") released on 11 April 2008, the Board of Directors of ISDN Holdings Limited (the "Company") are pleased to clarify the following reclassifications between its AR and unaudited full year financial results announcement for year ended 31 December 2007 released on 21 February 2008 ("announcement"):-

- a) In the consolidated cash flow statement, the AR shows net cash generated from operating activities and net cash generated from financing activities being S\$3,519,000 and S\$6,154,000 respectively, whilst the announcement shows them being S\$2,824,000 and S\$7,148,000 respectively. This is mainly due to reclassification of notes payable balances from bank borrowings in the announcement to trade payables in the AR. This is an alignment for better presentation.

- b) In the consolidated cash flow statement, the AR shows net cash generated from operating activities and net cash used in investing activities being S\$3,519,000 and S\$2,069,000 respectively, whilst the announcement shows them being S\$2,824,000 and S\$2,368,000 respectively. This is mainly due to reclassification of foreign currency translation of property, plant and equipment in the announcement to exchange translation differences in the AR. This is an alignment for better presentation.

By order of the Board
Teo Cher Koon
Managing Director
18 April 2008