

ISDN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200416788Z)

**INCORPORATION OF A COMPANY IN WUJIANG, CHINA
- JAP WIRE AND REBAR MACHINERY INC.**

The Board of Directors of ISDN Holdings Limited (the "Company") wishes to announce that the Company's wholly owned subsidiary, Motion Control Group Pte. Ltd. ("MCG") has incorporated a 90% owned subsidiary in Wujiang, China known as JAP Wire and Rebar Machinery Inc. ("JAP"). The remaining 10% is owned by Shanghai Xinsizhi Economic & Trade Developing Co., Ltd ("Xinsizhi").

JAP was incorporated with a registered capital of USD210, 000 out of which MCG has contributed USD 189, 000. The principal activity of JAP is manufacturing machines for bending and cutting fully-automatic coil wire. The two managers of JAP have a combined experience of ten years in the industry in terms of technical know how and sales and marketing. Their mechanical competency complements the motion control expertise that the Company has.

The incorporation of JAP is not expected to have a material impact on the Company's earnings per share and net tangible assets per share for the current financial year ending 31 December 2008.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

By order of the Board of Directors
Teo Cher Koon
Managing Director
08 September 2008