IDT INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 167)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED MARCH 31, 2009

IDT INTERNATIONAL LIMITED is a holding company with subsidiaries engaged in the design, development, manufacture, and sales and marketing of innovative consumer electronic products featuring state-of-the-art liquid crystal display and microprocessor technology.

Financial highlights

- Turnover decreased 19% to HK$1,720.7 million
- Gross profit margin increased from 36% to 37%
- Total operating expenses decreased 16% to HK$619.5 million
- Profit for the year increased 41% to HK$24.6 million
- Net cash increased HK$43.1 million to HK$282.2 million

RESULTS

The directors (the “Directors”) of IDT International Limited (the “Company”) are pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended March 31, 2009, together with comparative audited figures for the year ended 31 March 2008 are as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended March 31,	
		2009	2008
	Notes	**HK$'m**	HK$'m
		(Audited)	(Audited)
Turnover	3	**1,720.7**	2,112.5
Cost of goods sold		**(1,088.3)**	(1,358.5)
Gross profit		**632.4**	754.0
Other income		**41.4**	71.3
Research and development costs		**(89.2)**	(89.0)
Distribution and selling expenses		**(332.9)**	(415.9)
Administrative expenses		**(197.4)**	(233.7)
Interest on bank and other borrowings wholly repayable within five years		**(15.8)**	(24.0)
Profit before taxation		**38.5**	62.7
Taxation	5	**(7.2)**	(41.5)
Profit for the year		**31.3**	21.2
Attributable to:			
Equity holders of the Company		**24.6**	17.5
Minority interests		**6.7**	3.7
		31.3	21.2
Earnings per share	6		
- basic		**0.98 cents**	0.70 cents
- diluted		**N/A**	N/A

CONSOLIDATED BALANCE SHEET

	At March 31, 2009 (Audited) HK$'m	At March 31, 2008 (Audited) HK$'m
Non-current assets		
Property, plant and equipment	**219.7**	252.9
Intangible assets	**78.8**	78.1
Goodwill	**34.0**	34.6
Deferred tax assets	**45.8**	49.1
	378.3	414.7
Current assets		
Inventories	**249.1**	285.7
Trade and other receivables	**306.3**	436.9
Tax reserve certificate	**43.5**	42.9
Taxation recoverable	**0.4**	1.5
Current portion of long-term bank deposit	**-**	117.0
Bank balances and cash	**632.4**	521.7
	1,231.7	1,405.7
Current liabilities		
Trade and other payables	**219.9**	323.1
Bills payables	**1.0**	7.2
Obligations under finance leases due within one year	**3.5**	3.1
Forward contract liabilities	**4.4**	0.2
Taxation payable	**14.6**	17.6
Bank loans due within one year	**330.6**	301.3
Bank overdrafts	**18.6**	12.6
	592.6	665.1
Net current assets	**639.1**	740.6
Total assets less current liabilities	**1,017.4**	1,155.3
Non-current liabilities		
Obligations under finance leases due after one year	**1.4**	4.3
Bank loans due after one year	**-**	78.5
Deferred tax liabilities	**17.7**	17.9
	19.1	100.7
Net assets	**998.3**	1,054.6
Capital and reserves		
Share capital	**250.2**	250.2
Reserves	**497.1**	543.5
Equity attributable to equity holders of the Company	**747.3**	793.7
Minority interests	**251.0**	260.9
Total equity	**998.3**	1,054.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								
	Share capital (Audited) HK$'m	Share premium (Audited) HK$'m	Properties revaluation reserve (Audited) HK$'m	Share options reserve (Audited) HK$'m	Translation reserve (Audited) HK$'m	Revenue reserve (Audited) HK$'m	Total (Audited) HK$'m	Minority interests (Audited) HK$'m	Total equity (Audited) HK$'m
At April 1, 2007	250.2	151.6	27.9	2.9	(5.9)	356.8	783.5	264.8	1,048.3
Exchange differences arising from translation of foreign operations recognized directly in equity	-	-	-	-	(7.7)	-	(7.7)	0.6	(7.1)
Profit for the year	-	-	-	-	-	17.5	17.5	3.7	21.2
Total recognized income and expense for the year	-	-	-	-	(7.7)	17.5	9.8	4.3	14.1
Dividends paid to minority interests	-	-	-	-	-	-	-	(8.2)	(8.2)
Recognition of equity-settled share base payments	-	-	-	0.4	-	-	0.4	-	0.4
At March 31 and April 1, 2008	250.2	151.6	27.9	3.3	(13.6)	374.3	793.7	260.9	1,054.6
Exchange differences arising from translation of foreign operations recognized directly in equity	-	-	-	-	(71.6)	-	(71.6)	(0.9)	(72.5)
Profit for the year	-	-	-	-	-	24.6	24.6	6.7	31.3
Total recognized income and expense for the year	-	-	-	-	(71.6)	24.6	(47.0)	5.8	(41.2)
Dividends paid to minority interests	-	-	-	-	-	-	-	(1.8)	(1.8)
Recognition of equity-settled share base payments	-	-	-	0.6	-	-	0.6	-	0.6
Lapse of share options	-	-	-	(1.8)	-	1.8	-	-	-
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	(13.9)	(13.9)
At March 31, 2009	250.2	151.6	27.9	2.1	(85.2)	400.7	747.3	251.0	998.3

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Year ended March 31,	
	2009 (Audited) HK$'m	2008 (Audited) HK$'m
Net cash from operating activities	**115.0**	148.3
Net cash from investing activities	**58.7**	84.3
Net cash (used in) from financing activities	**(59.1)**	3.8
Net increase in cash and cash equivalents	**114.6**	236.4
Cash and cash equivalents at beginning of the year	**509.1**	264.7
Effect of foreign exchange rate changes	**(9.9)**	8.0
Cash and cash equivalents at end of the year	**613.8**	509.1
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	**632.4**	521.7
Bank overdrafts	**(18.6)**	(12.6)
	613.8	509.1

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated results were prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs"), which also include Hong Kong Accounting Standards ("HKASs") and Interpretations, including Hong Kong (International Financial Reporting Interpretations Committee) Interpretations ("HK (IFRIC)-INT"), issued by the Hong Kong Institute of Certified Public Accountants ("the HKICPA"), and accounting principles generally accepted in Hong Kong.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) - INT 12	Service concession arrangements
HK(IFRIC) - INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvement to HKFRSs [1]
HKFRSs (Amendments)	Improvement to HKFRSs 2009 [2]
HKAS 1 (Revised)	Presentation of financial statements [3]
HKAS 23 (Revised)	Borrowing costs [3]
HKAS 27 (Revised)	Consolidated and separate financial statements [4]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation [3]
HKAS 39 (Amendment)	Eligible hedged items [4]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate [3]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [3]
HKFRS 3 (Revised)	Business combinations [4]
HKFRS 7 (Amendment)	Improving disclosures about financial instruments [3]
HKFRS 8	Operating segments [3]
HK(IFRIC) – INT 9 & HKAS 39 (Amendments)	Embedded derivatives [5]
HK(IFRIC) - INT 13	Customer loyalty programmes [6]
HK(IFRIC) - INT 15	Agreement for the construction of real estate [3]
HK(IFRIC) - INT 16	Hedges of a net investment in a foreign operation [7]
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners [4]
HK(IFRIC) – INT 18	Transfers of assets from customers [8]

[1] Effective for annual periods beginning on or after January 1, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after July 1, 2009.
[2] Effective for annual periods beginning on or after January 1, 2009, July 1, 2009 and January 1, 2010, as appropriate.
[3] Effective for annual periods beginning on or after January 1, 2009.
[4] Effective for annual periods beginning on or after July 1, 2009.
[5] Effective for annual periods ending on or after June 30, 2009.
[6] Effective for annual periods beginning on or after July 1, 2008.
[7] Effective for annual periods beginning on or after October 1, 2008.
[8] Effective for transfers on or after July 1, 2009.

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after April 1, 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in a loss of control which will be accounted for as equity transactions. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. **Segment information**

An analysis of the Group's turnover and contribution to profit from operations by each principal business activity is as follows:

	Turnover		**Contribution to profit (loss) from operations**	
	2009 HK$'m	2008 HK$'m	**2009 HK$'m**	2008 HK$'m
Sales and manufacture of:				
LCD Consumer Electronic Products	**843.6**	947.2	**32.0**	(7.4)
Electronic Learning Products	**575.8**	773.7	**57.0**	131.2
Telecommunication, Digital Media and Other Consumer Electronic Products	**301.3**	391.6	**(45.0)**	(22.3)
	1,720.7	2,112.5	**44.0**	101.5
Unallocated income			**18.2**	6.3
Unallocated corporate expense			**(7.9)**	(21.1)
Finance costs			**(15.8)**	(24.0)
Profit before taxation			**38.5**	62.7
Taxation			**(7.2)**	(41.5)
Profit for the year			**31.3**	21.2

An analysis of the Group's turnover by geographical market is as follows:

	Turnover	
	2009 HK$'m	2008 HK$'m
Americas	**621.0**	867.2
Europe	**732.1**	918.1
Asia Pacific	**367.6**	327.2
	1,720.7	2,112.5

4. **Profit from operations**

	2009 HK$'m	2008 HK$'m
Profit from operations has been arrived at after charging:		
Depreciation of property, plant and equipment	**55.1**	53.0
Amortisation of product development costs included in research and development costs	**32.8**	42.9
Loss on disposal of property, plant and equipment	**5.7**	5.1
and after crediting:		
Interest income	**8.3**	6.3

5. **Taxation**

The charge comprises:

	2009 **HK$'m**	2008 HK$'m
Taxation of the Company and its subsidiaries:		
Hong Kong Profits Tax		
- current year	**(4.2)**	(8.1)
- under provision in prior years	**(0.5)**	-
Taxation in other jurisdictions		
- current year	**(1.2)**	(5.7)
- over provision in prior years	**-**	0.3
	(5.9)	(13.5)
Deferred taxation		
- Current year	**(1.9)**	(28.0)
- Attributable to a change in tax rate	**0.6**	-
	(1.3)	(28.0)
	(7.2)	(41.5)

Hong Kong Profits Tax is calculated at 16.5% (2008: 17.5%) of estimated assessable profit for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. **Earnings per share**

The calculation of the basic earnings per share attributable to the equity holders of the Company for the year is based on the following data:

	2009 **HK$'m**	**2008** **HK$'m**
Profit for the year attributable to the equity holders of the Company and earnings for the purposes of basic earnings per share	**24.6**	17.5
Number of ordinary shares for the purposes of basic earnings per share	**2,502,271,088**	2,502,271,088

The computation of diluted earnings per share for the year ended March 31, 2009 and 2008 does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for the year ended March 31, 2009 and 2008.

7. **Dividends**

The directors of the Company do not propose any dividend for the year ended March 31, 2009 (2008: Nil).

BUSINESS REVIEW

The financial year 2009 was a challenging one. The financial turmoil had swept the entire world and inevitably affected the consumer sentiment, particularly in the second half of the financial year. However, the Group's profit attributable to equity holders increased 41% to HK$ 24.6 million for the year ended March 31, 2009. This was achieved through our persistent effort to implement our new business model, focusing on containing costs and on high margin products.

The Group's turnover for the year ended March 31, 2009 amounted to HK$ 1,720.7 million, a 19% reduction from last year. This was mainly attributable to the exit of non-core products and decline in customer demand especially in Americas and Europe.

Total sales of the Oregon Scientific brand products for the year ended March 31, 2009 was HK$1,033.4 million, a decrease of 25% from last year. ODM sales dropped only by 7% to HK$ 687.3 million. However, sales in the Asia Pacific region recorded an increase of 11% and 13% over last year for both Oregon Scientific brand and ODM respectively.

The Group's gross profit for the year ended March 31, 2009 was HK$632.4 million, decreased 16% from last year. However, gross margin increased from 36% to 37%. The increase in gross margin was the result of the combined effort in streamlining the number of product groups, focusing on profitable sales, re-engineering product design and strengthening the centralized supply chain management. The Group will continue to strive to increase production efficiency through factory and plant rationalization for better efficiency and returns.

Distribution and selling expenses decreased 20% to HK$ 332.9 million, in line with the drop in sales. Administrative expenses reduced 16% to HK$ 197.4 million which included an exchange loss of HK$ 14.4 million. If excluding current year's exchange loss of HK$ 14.4 million, administrative expenses would have dropped 22% to HK$183.0 million. Research and development investment remains an important driver for innovation for new products to the Group. Total research and development investment continues to be maintained at 5% of the Group's total sales.

Total operating expenses decreased 16% to HK$ 619.5 million. Excluding exchange loss of HK$ 14.4 million, total operating expenses dropped 18% to HK$ 605.1 million. Operating profit dropped from HK$ 86.7 million to HK$ 54.3 million. If excluding this year's exchange loss of HK$ 14.4 million and last year's exchange gain of HK$ 47.0 million, operating profit this year would be HK$ 68.7 million compared with last year's HK$ 39.7 million. This represented HK$ 29.0 million or 73% improvement over last year.

OREGON SCIENTIFIC

Total sales in the Oregon Scientific brand was HK$1,033.4 million, a drop of 25% compared to last year. This represented 60% of the Group's total sales.

The global economic downturn caused a reduction in demand in US and Europe, which in turn caused sales in Americas to drop 32% to HK$ 416.5 million and sales in Europe to drop 23% to HK$ 504.8 million. Re-engineering of Oregon Scientific's business continues to strengthen the leadership position of the Time and Weather category through product innovation and streamlining of fixed overheads.

On the other hand, sales in Asia Pacific recorded a strong growth of 11% to HK$ 112.1 million. The launch of the new Health & Wellness, and Sports & Fitness categories was well received by the market, particularly in the successful launch of the I-Balance negative ion accessories collection and the new back massager "I-Comfort".

LCD CONSUMER ELECTRONIC PRODUCTS

Sales dropped 11% to HK$ 843.6 million, accounting for 49% of the Group's total sales.

Sales of Oregon Scientific branded products decreased 20% to HK$ 474.3 million. The drop in sales reflected the keen competition on mature and traditional products, which in turn caused pricing pressure. The introduction of new products such as crystal clocks and weather forecast watches, partly helped mitigate the effects of market competition.

ODM sales increased 4% to HK$ 369.3 million. The Group is committed to producing high end products with innovative designs and technology. The Group also strives to offer quality solutions and meet the needs of its

ODM customers who embrace active lifestyles, appreciate new technologies and at the same time are both environmental and health conscious.

ELECTRONIC LEARNING PRODUCTS

Sales dropped 26% to HK$ 575.8 million, accounting for 33% of the Group's total sales.

Sales of Oregon Scientific branded products decreased 27% to HK$ 462.0 million. Notwithstanding the good performance of its award-winning products such as Action Camera and Smart Globe in the current year, overall performance was affected by the decrease in sales from traditional laptop business and decline in customer demand in a weak global market environment.

ODM sales decreased 21% to HK$ 113.8 million, largely attributable to the decreasing customer demand and poor market sentiment. The Group continues to stick to its strategy of focusing on premium and high margin products without sacrificing quality.

TELECOMMUNICATION AND OTHER PRODUCTS

Sales dropped 23% to HK$ 301.3 million, accounting for 18% of the Group's total sales.

Sales of Oregon Scientific branded products decreased 36% to HK$ 97.1 million. Intense competition in the cordless phone market combined with contraction in customer demand in US and Europe contributed to the decrease in sales. On the other hand, Asia Pacific recorded a big jump in sales by 109%. The growing awareness on health issues in Hong Kong led to a good performance in sales of Oregon Scientific Branded products, particularly in the Health and Wellness category.

OUTLOOK

We expect weak consumer sentiment and poor economic environment to continue at least in 2009. The Statistics Department of Hong Kong announced a decrease of 22.2% in total volume of exported goods in the first quarter of 2009 over the same period last year. Meanwhile, many institutions still predict a decline in world economy with various degrees of recession in key markets in the coming year. Despite all these challenges, with the Group's proven record of turning challenges into opportunities, we are committed to further improve profitability and liquidity.

To achieve these goals and to combat against the challenging operating environment, we will focus our resources on the following:

Drive Innovation and Grow New Product Categories

The Group will maintain, if not increase, our investment in research and development, while continue to leverage on external partnerships in product design and applications. Riding on the premium life-style image of the Oregon Scientific brand, a full collection of the Wellness products will be launched. The Group is dedicated to develop world class and technologically advanced products with on-going innovation and design capability, to satisfy the needs of customers in different age group, gender and living environment.

Expand New Markets and New Channels

In existing markets, we will transform and consolidate small key accounts and focus on new markets and new channels with an aim to increase sales penetration and build up a strong brand communication network.

Improve Operational Excellence

Although the Group may benefit from easing raw material and labor costs, we will continue to enhance our supply chain management and achieve cost efficiency improvement. The Group will ride on its centralized procurement function, with just-in-time manufacture through a balance of in-house and outsource production, strengthen the demand forecasting process in order to improve inventory management and tighten production and delivery lead-time.

Looking forward, despite the impact of the global economic downturn and an uncertain operating environment, the Group is well prepared for the challenges ahead. The Group will continue to develop innovative smart living products which satisfy our customer's needs. As always, the Group is committed to improve profitability and generate good returns to our shareholders.

WORKING CAPITAL

The inventory balance as at March 31, 2009 was HK$ 249.1 million, which represented a decrease of 13% compared with last year, largely due to improvement in supply chain management. Inventory turnover increased to 84 days compared with last year's 77 days.

Trade debtors balance as at March 31, 2009 was HK$ 225.7 million, a 38% decrease compared with last year. Trade debtors turnover was 48 days compared with last year of 63 days, as a result of the improvement in debt collection.

LIQUIDITY AND TREASURY MANAGEMENT

The Group's total borrowings as at March 31, 2009 were HK$ 350.2 million (2008: 399.6 million). The borrowings are all current in nature, mainly denominated in HK dollars and on floating rates basis. Gearing ratio decreased from 38% to 35% at March 31, 2009. At the balance sheet date, there was no charge on the Group's assets and there were 2,502,271,088 ordinary shares in issue.

The Group's total cash and bank balances were HK$ 632.4 million (2008: HK$ 638.7 million). Net cash position as at March 31, 2009 was HK$ 282.2 million, an increase of HK$ 43.1 million or 18% against previous year end. The Group has sufficient cash and liquidity to meet its financial needs.

The Group's exposure to foreign currency stems mainly from the net cash flow and net working capital translation of its overseas subsidiaries. Hedging of foreign currency exposures is done through natural hedges and forward contracts. As at March 31, 2009, there were forward contracts in place to hedge against possible exchange risk from future net cash flows. Speculative currency transactions are strictly prohibited. Management of currency risk is the responsibility of the Group's headquarters in Hong Kong.

CAPITAL EXPENDITURE

For the year ended March 31, 2009, the Group invested HK$30.8 million (2008: HK$ 42.5 million) in capital expenditure, mainly in purchases of plant and machinery, equipment and computer systems. These capital expenditures were financed primarily by internal resources.

CONTINGENT LIABILITIES

As at March 31, 2009, the Group had no contingent liabilities (2008: nil).

HUMAN RESOURCES AND REMUNERATION POLICY

As at March 31, 2009, the Group had about 3,249 employees. The Group fully recognizes the importance of its employees who contribute significantly to its success and continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training.

The Group's remuneration policy is to provide compensation packages at market rates which reward individual's performance and attract, retain and motivate high quality employees. The compensation packages offered by the Group are comparable with other organizations of similar size and business nature and are reviewed annually. The components of employee's remuneration package consists of base salary, double pay, fringe benefits including pension scheme, medical insurance, life and personal accident insurance, employee compensation and business travel insurance as well as incentives like discretionary cash bonus and the opportunities to participate in the Group's share option schemes.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year ended March 31, 2009.

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of corporate governance. Throughout the year ended March 31, 2009, the Company has applied the principles and complied with the requirements set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for the deviation from CG Code provision A.2.1 in respect of the separation of roles of the chairman and chief executive officer. The Group's compliance with the code provisions and recommended best practices of the CG Code together with the reasons for any deviations are set out in the Corporate Governance Report contained in the Company's Annual Report.

REVIEW OF ACCOUNTS

The Audit Committee had reviewed with the management and the external auditors the results of the Group for the year ended March 31, 2009.

APPRECIATION

On behalf of the Board of Directors, I wish to express my gratitude to our shareholders and business associates for the continued support and extend our appreciation to our management team and staff members for their hard work and dedication in the past financial year.

On behalf of the Board of Directors of
IDT International Limited
Dr. Raymond Chan
Chairman & Chief Executive Officer

Hong Kong, July 7, 2009

The Directors of the Company as at the date of this announcement are Dr. Raymond Chan (Chairman & Chief Executive Officer), Mrs. Chan Pau Shiu Yeng, Shirley and Dr. Lam Yee Wah, Eva (Group Chief Financial Officer) as Executive Directors; Mr. Lo Kai Yiu, Anthony, Mr. Kao Ying Lun, Mr. Jack Schmuckli and Dr. Kenichi Ohmae as Independent Non-Executive Directors.

Websites: http://www.idthk.com
http://www.irasia.com/listco/hk/idt