IDT INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 167)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2011

IDT INTERNATIONAL LIMITED is an investment holding company with subsidiaries engaged in investment holdings and the design, development, manufacture, sales and marketing of consumer electronic products.

Financial Highlights, compared to the same period last year

- Turnover decreased 3% to HK$791.5 million.
- Gross profit declined 5% to HK$250.6 million.
- Total operating expenses decreased 3% to HK$256.2 million.
- Loss before tax of HK$4.8 million (profit of HK$2.9 million last year).
- Attributable profit increased to HK$1.2 million, compared with the loss of HK$1.8 million last year.
- Group net cash balances of HK$46.2 million (HK$160.4 million last year).

INTERIM RESULTS

The board of directors (the “board”) of IDT International Limited (the “Company”) hereby announces the condensed unaudited results of the Company and its subsidiaries (the “Group”) for the six months ended September 30, 2011 prepared in accordance with the Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended September 30, 2011 (Unaudited) HK$'M	2010 (Unaudited) HK$'M
Turnover	3	791.5	814.4
Cost of goods sold		(540.9)	(551.5)
Gross profit		250.6	262.9
Other income		3.7	6.6
Other gains and losses		(11.4)	(6.2)
Research and development costs		(39.3)	(42.9)
Distribution and selling expenses		(141.6)	(146.5)
General administrative expenses		(63.9)	(67.3)
Interest on bank and other borrowings wholly repayable within five years		(2.9)	(3.7)
(Loss)/profit before taxation	4	(4.8)	2.9
Taxation	5	6.0	(3.4)
Profit/ (loss) for the period		1.2	(0.5)
Other comprehensive (expenses)/income:			
Exchange differences arising on translation of foreign operations		(10.3)	3.6
Total comprehensive (expenses)/income for the period		(9.1)	3.1
Profit/ (loss) for the period attributable to:			
Owners of the Company		1.2	(1.8)
Non-controlling interests		-	1.3
		1.2	(0.5)
Total comprehensive (expenses)/income attributable to:			
Owners of the Company		(9.1)	1.8
Non-controlling interests		-	1.3
		(9.1)	3.1
Earnings/ (loss) per share - Basic and diluted	6	0.05 HK cents	(0.07 HK cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	At September 30, 2011 (Unaudited) HK$'M	At March 31, 2011 (Audited) HK$'M
Non-current assets			
Property, plant and equipment		110.2	132.9
Intangible assets		57.1	46.8
Goodwill		33.8	34.1
Available-for-sale investments		0.8	0.4
Deferred tax assets		40.6	38.9
		242.5	253.1
Current assets			
Inventories		404.8	295.7
Trade and other receivables	7	365.6	264.6
Taxation recoverable		0.4	0.4
Held for trading investment		5.7	5.7
Short-term bank deposits		127.3	74.2
Bank balances and cash		171.1	340.9
		1,074.9	981.5
Current liabilities			
Trade and other payables and accruals	8	439.1	273.0
Bills payables		0.5	0.1
Obligations under finance leases due within one year		1.2	0.1
Forward contract liabilities		0.1	12.4
Taxation payable		0.9	2.5
Bank loans due within one year		161.7	305.9
Bank overdrafts		-	5.8
		603.5	599.8
Net current assets		471.4	381.7
Total assets less current liabilities		713.9	634.8
Non-current liabilities			
Obligations under finance leases due after one year		0.1	0.1
Bank loans due after one year		90.0	-
Deferred tax liabilities		10.5	13.1
		100.6	13.2
Net assets		613.3	621.6
Capital and reserves			
Share capital	9	250.2	250.2
Reserves		363.0	371.3
Equity attributable to owners of the Company		613.2	621.5
Non-controlling interests		0.1	0.1
Total equity		613.3	621.6

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company									
	Share capital (Unaudited) HK$'M	Share premium (Unaudited) HK$'M	Other reserve (Unaudited) HK$'M	Properties revaluation reserve (Unaudited) HK$'M	Share options reserve (Unaudited) HK$'M	Translation reserve (Unaudited) HK$'M	Revenue reserve (Unaudited) HK$'M	Total (Unaudited) HK$'M	Non-controlling interests (Unaudited) HK$'M	Total equity (Unaudited) HK$'M
At April 1, 2011	250.2	151.6	32.5	27.9	2.5	(56.9)	213.7	621.5	0.1	621.6
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(10.3)	-	(10.3)	-	(10.3)
Profit for the period	-	-	-	-	-	-	1.2	1.2	-	1.2
Total comprehensive expenses for the period	-	-	-	- .	-	(10.3)	1.2	(9.1)	-	(9.1)
Recognition of equity-settled share based payments	-	-	-	-	0.8	-	-	0.8	-	0.8
Lapse of share options	-	-	-	-	(0.2)	-	0.2	-	-	-
At September 30, 2011	250.2	151.6	32.5	27.9	3.1	(67.2)	215.1	613.2	0.1	613.3
At April 1, 2010	250.2	151.6	-	27.9	1.7	(69.0)	263.1	625.5	187.0	812.5
Exchange differences arising from translation of foreign operations	-	-	-	-	-	3.6	-	3.6	-	3.6
(Loss)/profit for the period	-	-	-	-	-	-	(1.8)	(1.8)	1.3	(0.5)
Total comprehensive income/(expenses) for the period	-	-	-	- .	-	3.6	(1.8)	1.8	1.3	3.1
Recognition of equity-settled share based payments	-	-	-	-	0.2	-	-	0.2	-	0.2
Lapse of share options	-	-	-	-	(0.2)	-	0.2	-	-	-
Acquisition of additional interest in a subsidiary	-	-	11.1	-	-	-	-	11.1	(41.6)	(30.5)
At September 30, 2010	250.2	151.6	11.1	27.9	1.7	(65.4)	261.5	638.6	146.7	785.3

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended September 30, 2011 (Unaudited) HK$'M	2010 (Unaudited) HK$'M
Net cash used in operating activities	(33.4)	(86.9)
Net cash (used in)/generated from investing activities	(74.1)	20.4
Net cash (used in)/generated from financing activities	(56.8)	70.9
Net (decrease)/increase in cash and cash equivalents	(164.3)	4.4
Cash and cash equivalents as at April 1	335.1	517.3
Effect of foreign exchange rate changes	0.3	1.1
Cash and cash equivalents as at September 30	171.1	522.8
Analysis of the cash and cash equivalents:		
Cash and bank balances	171.1	522.8
Bank overdrafts	-	-
	171.1	522.8

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended September 30, 2011 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at a revalued amount or fair value, as appropriate. The accounting policies and method of computation used in the preparation of this condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended March 31, 2011, except as mentioned below.

In the current period, the Group has applied, for the first time, the following amendments to standards and interpretations issued by the HKICPA, which are effective for the Group's financial year beginning April 1, 2011.

HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC)-Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

The adoption of these amendments to standards and interpretations did not result in a significant impact on the result and financial position of the Group.

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

HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets [1]
HKFRS 9	Financial Instruments [2]
HKFRS 10	Consolidated Financial Statements [2]
HKFRS 11	Joint Arrangements [2]
HKFRS 12	Disclosure of Interests in Other Entities [2]
HKFRS 13	Fair Value Measurement [2]
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income [4]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets [3]
HKAS 27 (Revised 2011)	Separate Financial Statements [2]
HKAS 28 (Revised 2011)	Investments in Associates and Joint Ventures [2]

[1] Effective for annual period beginning on or after July 1, 2011
[2] Effective for annual period beginning on or after January 1, 2013
[3] Effective for annual period beginning on or after January 1, 2012
[4] Effective for annual period beginning on or after July 1, 2012

The Directors anticipate that the adoption of these new standards, amendments to standards and interpretations will not result in a significant impact on the results and financial position of the Group.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing this condensed consolidated interim financial information are evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities include the useful lives of property, plant and equipment, recoverability of intangible assets, impairment of goodwill, allowances for trade receivable and inventories and the determination of income taxes.

3. SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes.

The following is an analysis of the Group's revenue and results by operating segments:

	LCD consumer electronic products	Electronic learning products	Tele-communication, digital media and other consumer electronic products	Total
	HK$'M	HK$'M	HK$'M	HK$'M
Six months ended September 30, 2011				
Segment revenue				
Branded sales	**131.6**	**152.3**	**72.9**	**356.8**
OEM/ODM sales	**283.0**	**50.0**	**101.7**	**434.7**
Total segment revenue	**414.6**	**202.3**	**174.6**	**791.5**
Segment profit/(loss)	**4.1**	**(2.0)**	**(3.1)**	**(1.0)**
Unallocated income				**0.9**
Unallocated expenses				**(1.8)**
Finance costs				**(2.9)**
Loss before taxation				**(4.8)**
Six months ended September 30, 2010				
Segment revenue				
Branded sales	144.8	178.3	84.2	407.3
OEM/ODM sales	244.8	45.0	117.3	407.1
Total segment revenue	389.6	223.3	201.5	814.4
Segment profit	4.7	2.0	1.0	7.7
Unallocated income				0.6
Unallocated expenses				(1.7)
Finance costs				(3.7)
Profit before taxation				2.9

The segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the period (2010: nil).

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of interest income, unallocated expenses such as central administrative cost and finance costs. This is the measure reported to the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment.

4. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation has been arrived at after charging/ (crediting) the following:

	Six months ended September 30,	
	2011	2010
	HK$'M	HK$'M
Depreciation of property, plant and equipment	**29.6**	30.5
Amortisation of intangible assets	**9.4**	20.5
Loss on disposal of property, plant and equipment	**1.2**	2.6
Write down of inventories	**2.3**	5.8
Net exchange losses	**10.2**	3.6
Interest income	**(0.9)**	(0.6)

5. TAXATION

The charge comprises:

	Six months ended September 30,	
	2011	2010
	HK$'M	HK$'M
Taxation of the Company and its subsidiaries:		
Hong Kong Profits Tax	**1.4**	(4.0)
Taxation in other jurisdictions	**(0.2)**	(0.2)
Deferred tax credit	**4.8**	0.8
	6.0	(3.4)

Hong Kong profits tax has been provided at the statutory tax rate of 16.5% (2010: 16.5%) on the estimated assessable profits for the period less available tax losses. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. EARNINGS/ (LOSS) PER SHARE

The calculation of the basic and diluted earnings/ (loss) per share attributable to the owners of the Company for the period is based on the following data:

	Six months ended September 30,	
	2011	2010
	HK$'M	HK$'M
Profit/ (loss):		
Profit/ (loss) for the period attributable to owners of the Company and profit/ (loss) for the purposes of basic and diluted earnings/ (loss) per share	**1.2**	(1.8)

	2011	2010
Number of ordinary shares:		
Number of ordinary shares for the purposes of basic and diluted earnings/ (loss) per share	**2,502,271,088**	2,502,271,088

The computation of diluted earnings/ (loss) per share for the six months ended September 30, 2011 and 2010 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 both of the six month periods ended September 30, 2011 and 2010.

7. TRADE AND OTHER RECEIVABLES

The following is an aged analysis of trade receivables (net of provision for doubtful debts), presented based, on the invoice date at the reporting date.

	At September 30 2011 HK$'M	At March 31 2011 HK$'M
0 to 30 days	**203.4**	112.8
31 to 90 days	**66.8**	52.5
Over 90 days	**14.6**	26.9
Trade receivables	**284.8**	192.2
Other receivables	**80.8**	72.4
Total trade and other receivables	**365.6**	264.6

The Group allows its trade customers a credit period normally ranging from letter of credit at sight to 90 days open account to customers with long-standing business relationship and strong financial position.

8. TRADE AND OTHER PAYABLES AND ACCRUALS

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	At September 30 2011 HK$'M	At March 31 2011 HK$'M
0 to 30 days	**164.1**	77.5
31 to 90 days	**41.3**	22.6
Over 90 days	**4.0**	14.5
Trade payables	**209.4**	114.6
Other payables and accruals	**229.7**	158.4
Total trade and other payables and accruals	**439.1**	273.0

9. SHARE CAPITAL

	Number of shares	Amount HK$'M
Authorised:		
At April 1, 2010, March 31, 2011 and September 30, 2011		
– ordinary shares of HK$0.10 each	3,500,000,000	350.0
– ordinary shares of US$0.10 each	10,000	-
Issued and fully paid:		
At April 1, 2010, March 31, 2011 and September 30, 2011		
– ordinary shares of HK$0.10 each	2,502,271,088	250.2

FINANCIAL REVIEW

Despite the uncertainty of global economic environment, the Group managed to maintain a small decrease in sales revenues as the same period last year. For the six months ended September 30, 2011, the Group recorded a total turnover of HK$791.5 million, a decrease of 3% when compared to HK$814.4 million achieved in the same period last year. The drop was mainly attributable to the volatile retail markets of America and Europe. The revenues from Oregon Scientific branded products declined by 12% to HK$356.8 million, whilst the revenues of ODM/OEM products increased by 7% to HK$434.7 million.

Gross profit was HK$250.6 million compared to HK$262.9 million in the same period last year, a drop of 5% as a result of changes in sales of product and channel mix. Overall gross margin was 32%, similar to last year.

Research and development expenditures on new products amounted to HK$39.3 million, 5% of the Group's revenue in the period, which was same as last year.

Distribution and selling expenses decreased 3% to HK$141.6 million compared to HK$146.5 million last year. As a percentage of Group turnover, distribution and selling expenses were 18%, which was similar to last year. The general administrative expenses declined by 5% to HK$63.9 million as a result of various cost-savings programmes. Other non-operating losses were HK$11.4 million compared to losses of HK$6.2 million last year. This was mainly due to an exchange loss of HK$10.2 million compared with last year's loss of HK$3.6 million.

Total operating expenses of the Group, including other non-operating gains and losses, research and development costs, distribution and selling expenses, and general administrative costs amounted to HK$256.2 million, a reduction of 3% against HK$262.9 million recorded last year. Total operating expenses as a percentage of turnover were 32%, similar to the same period last year.

The attributable profit for the period was HK$1.2 million, an improvement as compared to the attributable loss of HK$1.8 million, recorded last year. If an exchange loss of HK$10.2 million were excluded, this year's result would have been improved by HK$9.6 million to a profit of HK$11.4 million when compared with the same period last year.

BUSINESS REVIEW

Oregon Scientific

For the six months ended September 30, 2011, sales revenues contributed from the Oregon Scientific brand were HK$356.8 million, a reduction of 12% compared to same period last year of HK$407.3 million. The amount represented 45% of the Group's total sales revenues. The sluggish retail distribution and poor market environment, particularly in Europe and America, had a negative impact on the retail industry, which also affected the business result of Oregon Scientific. However, the growing potential of the Asian markets (including China, Hong Kong, Taiwan and Singapore) provide an opportunity for Oregon Scientific to further develop its business in these markets.

With reference to the business volume by product category, Time and Weather Products (T&W) accounted for 37% of Oregon Scientific sales, Electronic Learning Products (ELP) accounted for 43%, while Telecommunication and Others including Wellness Products, accounted for the balance of 20%.

During the period under review, Oregon Scientific had received several International Design and Innovation Awards, such as CES Innovation Award, the IF Product Design Award, Red Dot Design Award and Hong Kong Award for Industries for its innovative products, which included the ATC9K Action Video Camera and NCCO Air Sanitising System.

Value Manufacturing Services

For the six month ended September 30, 2011, sales revenues contributed by the Value Manufacturing Services (VMS) were HK$434.7 million, an increase of 7% compared to the same period last year of HK$407.1 million. The amount represented 55% of the Group's total sales revenues. The rise was mainly due to the success in acquiring new ODM/OEM customers because of our technical competence, manufacturing capability and engineering support in new product development.

In terms of business performance by product category, sales revenue of LCD products increased by 16% to HK$283.0 million compared with the same period last year. Although LCD products had experienced price and cost pressure, the Group managed to gain new customers by providing value added services such as redesigning the products to lower the product costs. Sales revenues of ELP products also increased by 11% to HK$50.0 million compared with the same period last year. This was mainly due to the strong business relationship with the existing customers. Sales revenues of Telecommunication products, which has become a commodity product, decreased by 13% to HK$101.7 million due to keen price competition.

OUTLOOK

The volatile global economy and the debt crisis situation in Europe have had an adverse effect on consumer spending sentiments. In view of the slow business environment, the Group has proactively implemented various initiatives aimed at improving the Group's overall business performance.

For the ELP products category, Oregon Scientific will launch further new and innovative products. In June 2011, Oregon Scientific has signed an agreement with Discovery Enterprises International to develop a series of electronic learning products with a 21st century technological twist including the SmartGlobe^{TM} and new interactive laptop product for "Explore Your World" to further strengthen the product portfolio and distribution of ELP products. Two new devices, in the T&W product category, converged with revolutionary QI wireless charging functions have been developed and will be launched to the markets in the coming months. In the Wellness product category, a new beauty product line-up has been established to capture the growing market for anti-aging products. Oregon Scientific has partnered with a Korean bio-chemical company to develop a home-use NanoActiv Skin Restoring System using nanotechnology. New and innovative ELP products have also been developed for debut in the October 2011 Dallas Toy Fair as well as to be introduced at other international electronic exhibitions. With all these new and innovative products, Oregon Scientific is well positioned to capture the business growth.

The Group will continue to invest in the Asia Pacific markets, particularly in Greater China, to tap the business opportunities and product demand. Oregon Scientific has established a partnership with distributors and major department stores in China to expand its distribution network. Two new flagship stores have been opened in southern China at Shanghai and Guangzhou, in October and November 2011 to further penetrate the China market. To widen its geographic coverage, Oregon Scientific will strengthen its presence in Turkey, the Middle East, South East Asia, Taiwan, Japan, and Korea. It will continue to invest and develop the e-commerce platform for its e-commerce business, which is one of its key business drivers.

It is envisaged that price pressures and a weak global economy will continue for some period of time. VMS will continue to invest in research and development of new technology and innovative products. This aligns with the Group's strategy of seeking to develop pioneering products in terms of both technology and applications in order to improve gross margin and profitability. The Group will focus on streamlining the factory operations, strengthening its outsourcing strategy to improve operational efficiency and cost effectiveness. The Group will also continue to strengthen collaboration with external business partners where the Group can leverage their designs, technical and manufacturing capabilities. Given the uncertain global economic situation and the weak economy in the Americas and the debt crisis in Europe, the Group will remain vigilant in monitoring the business risks and will continue to exercise stringent control over operating costs, whilst investing in new product development and new markets.

WORKING CAPITAL

The inventory balance as at September 30, 2011 was HK$404.8 million, increasing by 37% compared to HK$295.7 million as at March 31, 2011. The considerable increase in stock level is largely due to the longer lead time of sourcing raw materials and finished goods for seasonal sales. The Group has strived for different alternatives to improve and lower the inventory level for the second half of the financial year. The inventory balance as at September 30, 2011 increased by 25% compared with the balance last year of HK$324.5 million. The inventory turnover rose from 107 days recorded last year, to 137 days this year.

Trade debtor's balance at September 30, 2011 was HK$284.8 million, up by 48% compared to HK$192.2 million at March 31, 2011. No major overdue is recorded for the reporting period. When compared with September 30, 2010, trade debtor's balance decreased by 20%. Trade debtor's turnover however, improved to 66 days compared to last year's 80 days.

LIQUIDITY AND TREASURY MANAGEMENT

At September 30, 2011, the cash and bank balances of the Group, including short term bank deposits, were HK$298.4 million (March 31, 2011: HK$415.1 million).

During the six months ended September 30, 2011, the Group generated its funds mainly from operating activities and bank borrowings. The net cash position (cash and bank balances less total borrowings and bills payables) at September 30, 2011 amounted to HK$46.2 million (March 31, 2011: HK$103.3 million). The decrease in net cash position, when compared with the previous period, was mainly due to the result of privatisation of our Singaporean-listed subsidiary near the end of the previous financial year. The Group maintained sufficient financial resources to meet all working capital requirements and the financing of its commitments.

The Group's exposure to foreign currency stems mainly from the translation of the net cash flow and net working capital of its overseas subsidiaries. Hedging of foreign currency exposures is done through a combination of natural hedges and forward forex contracts. At September 30, 2011, there were forward contracts in place to hedge against possible exchange movements of 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.

DEBTS AND GEARING RATIO

The total borrowings of the Group as at September 30, 2011 amounted to HK$252.2 million (March 31, 2011: HK$311.8 million) which consisted of the short term bank loan of HK$161.7 million, long term bank loan of HK$90.0 million and bills payables of HK$0.5 million. The borrowings are mainly denominated in HK dollars and on floating rates bases.

The debts incurred by the Group are mainly used for general corporate purposes, including capital or long term expenditures and working capital requirements.

Gearing ratio (total borrowings over total equity) at September 30, 2011 and March 31, 2011 were approximately 41% and 50% respectively.

CHARGES ON GROUP ASSETS

At September 30, 2011, there were no financial charges on the Group's assets.

CAPITAL EXPENDITURE

Capital expenditure on property, plant and equipment for the six months ended September 30, 2011 amounted to HK$7.9 million (2010: HK$10.0 million) which was primarily used for the business operation and development. Sources of funds were mainly financed by internal resources and borrowings.

There were no material acquisitions or disposals and associated companies in the course of the six months ended September 30, 2011.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended September 30, 2011. (September 30, 2010: Nil).

CONTINGENT LIABILITIES

At September 30, 2011, the Group had no contingent liabilities (March 31, 2011: Nil).

HUMAN RESOURCES AND REMUNERATION POLICY

As at September 30, 2011, the Group had approximate 3,327 employees. The Group fully recognises 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 organisations of similar size and business nature and are reviewed annually. The components of employees' remuneration packages consist 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 such as 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 six months ended September 30, 2011.

CORPORATE GOVERNANCE

The Group is committed to achieving high corporate governance standards. Throughout the period ended September 30, 2011, the Company applied the principles and complied with the requirements set out in the Code on Corporate Governance Practices ("CG Code") in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except the deviation from CG Code provision A.2.1 in respect of the separation of roles of the chairman and chief executive officer following the re-designation of Dr. Raymond Chan as Chairman & Group Chief Executive Officer with effect from April 11, 2011. The Group's compliance with the provisions and recommended best practices of the CG Code together with the reasons for any deviation are set out in the Corporate Governance Report contained in the Company's 2011 Annual Report issued in July 2011.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited financial statements and the results of the Group for the six months ended September 30, 2011.

APPRECIATION

On behalf of the Board, I wish to express gratitude to the management team and staff members for their hard work, dedication and support to the Group throughout the review period.

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

Hong Kong, November 29, 2011

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

Website: http://www.idthk.com