IDT INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 167)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2012

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

Financial Highlights, compared to the same period last year are as follows:

- Turnover decreased 10.5% to HK$708.4 million.
- Gross profit decreased 16.2% to HK$210.1 million.
- Total operating expenses decreased 11.7% to HK$216.2 million.
- Loss before tax maintained at HK$4.8 million.
- Attributable loss was HK$9.4 million (2011: profit of HK$1.2 million).
- Group net cash balances of HK$11.0 million (March 31, 2012: HK$145.5 million).

INTERIM RESULTS

The board of directors (the "Board") of IDT International Limited (the "Company") hereby announces the unaudited condensed results of the Company and its subsidiaries (the "Group") for the six months ended September 30, 2012 prepared in accordance with the Hong Kong Accounting Standard 34 "Interim Financial Reporting".

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended September 30,	
		2012	2011
		(Unaudited)	(Unaudited)
	Notes	**HK$'M**	HK$'M
Turnover	3	**708.4**	791.5
Cost of goods sold		**(498.3)**	(540.9)
Gross profit		**210.1**	250.6
Other income		**3.7**	3.7
Other gains and losses		**0.2**	(11.4)
Research and development costs		**(34.7)**	(39.3)
Distribution and selling expenses		**(127.3)**	(141.6)
General administrative expenses		**(54.2)**	(63.9)
Interest on bank and other borrowings wholly repayable within five years		**(2.6)**	(2.9)
Loss before taxation	4	**(4.8)**	(4.8)
Tax (expense)/credit	5	**(4.6)**	6.0
(Loss)/profit for the period		**(9.4)**	1.2

Other comprehensive expenses:			
Exchange differences arising on translation of foreign operations		**(9.1)**	(10.3)
Total comprehensive expenses for the period		**(18.5)**	(9.1)
(Loss)/profit for the period attributable to:			
Owners of the Company		**(9.4)**	1.2
Non-controlling interests		**-**	-
		(9.4)	1.2
Total comprehensive expenses attributable to:			
Owners of the Company		**(18.5)**	(9.1)
Non-controlling interests		**-**	-
		(18.5)	(9.1)
(Loss)/earnings per share			
- Basic and diluted	6	**(0.38 HK cents)**	0.05 HK cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**At September 30, 2012 (Unaudited) HK$'M**	At March 31, 2012 (Audited) HK$'M
Non-current assets			
Property, plant and equipment		**76.8**	88.1
Investment property		**5.4**	-
Intangible assets		**49.0**	58.0
Goodwill		**33.7**	33.9
Available-for-sale investments		**0.9**	0.9
Deferred tax assets		**26.1**	26.4
Deposit paid for acquisition of property, plant and equipment		**-**	3.4
		191.9	210.7
Current assets			
Inventories		**379.3**	253.5
Trade and other receivables	7	**385.4**	215.7
Forward contract assets		**0.2**	0.2
Short-term bank deposits		**34.2**	50.0
Bank balances and cash		**222.9**	287.5
		1,022.0	806.9
Current liabilities			
Trade and other payables and accruals	8	**399.5**	239.9
Bills payables		**0.3**	-
Obligations under finance leases due within one year		**0.5**	0.5
Taxation payable		**4.5**	4.5
Bank loans		**155.8**	102.0
		560.6	346.9
Net current assets		**461.4**	460.0
Total assets less current liabilities		**653.3**	670.7
Non-current liabilities			
Obligations under finance leases due after one year		**0.4**	0.6
Bank loans		**90.0**	90.0
Deferred tax liabilities		**2.9**	2.9
		93.3	93.5
Net assets		**560.0**	577.2
Capital and reserves			
Share capital	9	**250.2**	250.2
Reserves		**309.7**	326.9
Equity attributable to owners of the Company		**559.9**	577.1
Non-controlling interests		**0.1**	0.1
Total equity		**560.0**	577.2

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, 2012	**250.2**	**151.6**	**32.5**	**27.9**	**4.2**	**(73.0)**	**183.7**	**577.1**	**0.1**	**577.2**
Exchange differences arising from translation of foreign operations	**-**	**-**	**-**	**-**	**-**	**(9.1)**	**-**	**(9.1)**	**-**	**(9.1)**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(9.4)**	**(9.4)**	**-**	**(9.4)**
Total comprehensive expenses for the period	**-**	**-**	**-**	**-**	**-**	**(9.1)**	**(9.4)**	**(18.5)**	**-**	**(18.5)**
Recognition of equity-settled share based payments	**-**	**-**	**-**	**-**	**1.3**	**-**	**-**	**1.3**	**-**	**1.3**
Lapse of share options	**-**	**-**	**-**	**-**	**(0.5)**	**-**	**0.5**	**-**	**-**	**-**
At September 30, 2012	**250.2**	**151.6**	**32.5**	**27.9**	**5.0**	**(82.1)**	**174.8**	**559.9**	**0.1**	**560.0**
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)/income 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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended September 30,	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'M	HK$'M
Net cash used in operating activities	**(113.3)**	(33.4)
Net cash used in investing activities	**(2.3)**	(74.1)
Net cash generated from/(used in) financing activities	**50.9**	(56.8)
Net decrease in cash and cash equivalents	**(64.7)**	(164.3)
Cash and cash equivalents at April 1	**287.5**	335.1
Effect of foreign exchange rate changes	**0.1**	0.3
Cash and cash equivalents at September 30	**222.9**	171.1
Analysis of the cash and cash equivalents:		
Cash and bank balances	**222.9**	171.1

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended September 30, 2012 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 Accountant ("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 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, 2012, 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, 2012.

HKFRS 7 (Amendments)	Disclosures: Transfers of financial assets
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets

The adoption of above amendment 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 adopted any new and revised standards, amendments and interpretations that have been issued but are not effective.

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 asset, impairment of goodwill, allowances for trade receivable and inventories and the determination of income taxes.

3. TURNOVER AND SEGMENT INFORMATION

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

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

	Sports, Fitness and Healthcare	Electronic Learning Products	Time and Weather	Telecom-munication	Wellness and Beauty	Others	Total
	HK$'M	HK$'M	HK$'M	HK$'M	HK$'M	HK$'M	HK$'M
Six months ended September 30, 2012							
Segment revenue							
Branded sales	**21.5**	**190.5**	**89.3**	**0.9**	**36.7**	**4.5**	**343.4**
OEM/ODM sales	**221.0**	**-**	**35.9**	**54.1**	**0.1**	**53.9**	**365.0**
Total segment revenue	**242.5**	**190.5**	**125.2**	**55.0**	**36.8**	**58.4**	**708.4**
Segment profit/(loss)	**14.1**	**(7.0)**	**(6.5)**	**5.5**	**-**	**(5.7)**	**0.4**
Unallocated income							**0.7**
Unallocated expenses							**(1.4)**
Finance costs							**(4.5)**
Loss before taxation							**(4.8)**
Six months ended September 30, 2011							
Segment revenue							
Branded sales	39.7	142.9	126.1	3.9	41.1	3.1	356.8
OEM/ODM sales	189.5	-	75.8	98.3	-	71.1	434.7
Total segment revenue	229.2	142.9	201.9	102.2	41.1	74.2	791.5
Segment (loss)/profit	(3.6)	(7.8)	8.9	3.7	6.2	(8.4)	(1.0)
Unallocated income							0.9
Unallocated expenses							(1.8)
Finance costs							(2.9)
Loss before taxation							(4.8)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both periods.

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 BEFORE TAXATION

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

	Six months ended September 30, 2012 HK$'M	2011 HK$'M
Depreciation of property, plant and equipment	**15.6**	29.6
Amortisation of intangible assets	**11.5**	9.4
Loss on disposal of property, plant and equipment	**-**	1.2
Write down of inventories	**-**	2.3
Net exchange (gains)/ losses	**(0.2)**	10.2
Interest income	**(0.7)**	(0.9)

5. TAX (EXPENSE)/CREDIT

Tax (expense)/credit comprises:

	Six months ended September 30, 2012 HK$'M	2011 HK$'M
Taxation of the Company and its subsidiaries:		
Hong Kong Profits Tax	**-**	1.4
Taxation in other jurisdictions	**(4.6)**	(0.2)
Deferred tax credit	**-**	4.8
	(4.6)	6.0

Hong Kong profits tax has been provided at the statutory tax rate of 16.5% (2011: 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. (LOSS)/EARNINGS PER SHARE

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

	Six months ended September 30,	
	2012	2011
	HK$'M	HK$'M
(Loss)/profit:		
(Loss)/profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted (loss)/earnings per share	**(9.4)**	1.2

	2012	2011
Number of ordinary shares:		
Number of ordinary shares for the purposes of calculating basic and diluted (loss)/earnings per share	**2,502,271,088**	2,502,271,088

The computation of diluted (loss)/earnings per share for the six months ended September 30, 2012 and 2011 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 periods.

7. TRADE AND OTHER RECEIVABLES

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

	At September 30 2012 HK$'M	At March 31 2012 HK$'M
0 to 30 days	**207.0**	109.2
31 to 90 days	**25.8**	37.3
Over 90 days	**19.8**	12.6
Trade receivables	**252.6**	159.1
Other receivables	**132.8**	56.6
Total trade and other receivables	**385.4**	215.7

The Group normally allows credit period of 30 to 60 days to its trade customers. Customers with long business relationship and strong financial position are allowed to settle their balances beyond the normal credit terms up to 90 days.

8. TRADE AND OTHER PAYABLES AND ACCRUALS

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

	At September 30 2012 HK$'M	At March 31 2012 HK$'M
0 to 30 days	**8.4**	33.9
31 to 90 days	**100.7**	48.7
Over 90 days	**8.6**	18.8
Trade payables	**117.7**	101.4
Other payables and accruals	**281.8**	138.5
Total trade and other payables and accruals	**399.5**	239.9

9. SHARE CAPITAL

	Number of shares	Amount HK$'M
Authorised:		
At April 1, 2011, March 31, 2012 and September 30, 2012		
– 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, 2011, March 31, 2012 and September 30, 2012		
– ordinary shares of HK$0.10 each	2,502,271,088	250.2

FINANCIAL REVIEW

Due to the continued slow recovery of the global economy, the Group recorded a drop in turnover and gross profit for the six months ended September 30, 2012. On the other hand, the total operating expenses also dropped as the Group continued to exercise stringent control over operating expenses. As a result, the loss before taxation for the six months ended September 30, 2012 was HK$4.8 million, the same amount as last year.

For the six months ended September 30, 2012, the Group's total turnover was HK$708.4 million, a decrease of 10.5% as compared to HK$791.5 million for the same period last year. It was mainly attributable to downscale of the telecommunication business and decline of sales in European countries. The revenues from Oregon Scientific branded products dropped by 3.8% to HK$343.4 million, while those from the ODM/OEM business decreased by 16.0% to HK$365.0 million.

Gross profit was HK$210.1 million, a drop of 16.2% as compared to HK$250.6 million for the same period last year.

Research and development costs on new products amounted to HK$34.7 million, decreasing by 11.7% compared to HK$39.3 million for the same period last year. Distribution and selling expenses amounted to HK$127.3 million, decreasing by 10.1% compared to HK$141.6 million for the same period last year. General administrative expenses amounted to HK$54.2 million, dropping by 15.2% compared to HK$63.9 million for the same period last year.

With the effective implementation of stringent cost control and streamlining measures, total operating expenses of the Group, including research and development costs, distribution and selling expenses, and general administrative expenses amounted to HK$216.2 million, a reduction of 11.7% against HK$244.8 million recorded in the same period last year. Total operating expenses as a percentage of turnover was 30.5%, while it was 30.9% for the same period last year.

Other gains were recorded at HK$0.2 million, while there were losses of HK$11.4 million in the same period last year, both of which were mainly gains or losses from currency exchanges.

Loss before taxation was HK$4.8 million, the same amount as the same period last year.

Tax expense was HK$4.6 million, while there was a tax credit of HK$6.0 million for the same period last year.

Loss for the six months ended September 30, 2012 was HK$9.4 million, while there was a profit of HK$1.2 million for the same period last year.

BUSINESS REVIEW

Oregon Scientific ("OS")

For the six months ended September 30, 2012, sales revenues of OS were HK$343.4 million, a reduction of 3.8% compared to same period last year of HK$356.8 million. The amount represented 48.5% of the Group's total sales revenues. The persistently sluggish global economy, especially in Europe and the US, continued to affect the market sentiment.

OS products were regrouped into different product categories, Electronic Learning Products ("ELP") accounted for 55.5% of total OS sales; Time and Weather ("T&W") accounted for 26.0% of total OS sales; other product categories including Wellness and Beauty, Sports, Fitness and Healthcare ("SFH"), and Telecommunication ("TEL") accounted for 18.5% of the total OS sales revenues. ELP recorded a significant increase in turnover due to the launching of MEEP!, a tablet for kids.

During the period, OS had received several international Design and Innovation Awards, such as Red Dot Design Awards for its Time & Wireless Charging Station, the ATC Chameleon action camera and the Smart Watch; the Consumer Product Design Grand Awards for its NanoActiv Skin Restoring System and The Hong Kong Electronic Industries Association ("HKEIA") Bronze award for Innovation and Technology for its MEEP! product.

Value Manufacturing Services ("VMS")

For the six months ended September 30, 2012, sales revenues contributed by VMS were HK$365.0 million, a decrease of 16.0% as compared to the same period last year of HK$434.7 million. The decrease was mainly attributable to the decrease in sales of TEL products, which VMS was planning to downscale. The amount represented 51.5% of the Group's total sales revenues.

With reference to the business volume by product category, SFH accounted for 60.5%, TEL and T&W accounted for 24.7% of total VMS sales; while other product categories accounted for the balance of 14.8%. Despite the weak consumer market for the period, SFH recorded a moderate rise in turnover. This increase reflected that the strong market demand thus the Group will continue to allocate more resources to developing more innovative SFH products with the latest technologies.

OUTLOOK

The Group will continue to implement various initiatives and measures to improve its overall business performance and productivity. However, it is anticipated that the costs of components and materials as well as labour will continue to increase. The Group will focus on streamlining its factory operations, strengthening its outsourcing activities to improve the efficiency and cost effectiveness of its operations. The Group will also continue to exercise stringent control over inventory and operating costs, whilst maintaining the development of innovative products and exploring new markets.

Oregon Scientific

In the ELP category, OS launched its first dedicated tablet for children, MEEP!, receiving positive feedback from retailers, it will be distributed in many of the major stores in the US, as well as in European and Asia Pacific countries. Awarded Toy of the Year 2012 in France in the tablet category, MEEP! is sold with an entire line of accessories and was supported by a global media, launch campaign through TV commercials, social networking, magazine advertisements and many more marketing activities. With the successful introduction of this new product, OS anticipates to become one of the leading kids' tablets in the next two years.

In the T&W product category, OS has developed weather measurement devices for professional and industrial applications compatible with smartphones, which will be launched at the end of this year.

In the Wellness and Beauty product category, a brand new wake-up light device with smart phone apps for sleep tracking has been developed and will debut in the markets during the coming months. More innovative devices to improve sleep quality, and bring smart living to customers are under development.

OS currently has five key distribution channels, namely, retail stores, e-commerce, corporate accounts ("B2B"), distributor and key accounts. OS will continue to develop new sales channels such as pharmaceutical, jewellery, stationery, and iPhone related digital device shops. It will further expand into new markets such as Turkey, Russia, South Africa, South America, Japan, and South East Asia through recruiting qualified distributors, sales agents and partnering with other well-known brands on co-branding projects. Moreover, OS will further enhance its online shopping platforms to promote branding and launching of its new products more effectively.

Value Manufacturing Services

Several OEM/ ODM projects will start mass production and shipment in the second half of this financial year. In particular, the SFH business will continue to be the strong sales contributor.

VMS will continue to invest in research and development of new technology and innovative products aiming at improving both the sales turnover and gross margins. As one of the Group's restructuring projects, VMS will play a more important role in developing and manufacturing more products for OS through integration of OS product development, engineering, and sourcing activities by leveraging its resources, and optimising its production capacity to enhance cost effectiveness and capabilities of its operations.

WORKING CAPITAL

Inventory at September 30, 2012 was HK$379.3 million, increased by 49.6% compared to HK$253.5 million at March 31, 2012. The considerable increase in stock level is largely due to longer lead time of sourcing raw materials and finished goods resulting from seasonal factor. The Group will strive for different alternatives to improve and lower the inventory level for the second half of the financial year. Inventory at September 30, 2012 decreased by 6.3% compared with HK$404.8 million at September 30, 2011. Inventory turnover day for this period slightly increased to 139 days from 137 days recorded in the same period last year.

Trade debtor at September 30, 2012 was HK$252.6 million, increased by 58.8% compared to HK$159.1 million at March 31, 2012. When comparing with September 30, 2011, trade debtor decreased by 11.3% from HK$284.8 million. Trade debtor turnover day for this period slightly improved to 65 days from 66 days recorded in the same period last year.

LIQUIDITY AND TREASURY MANAGEMENT

At September 30, 2012, the cash and bank balances of the Group, including short term bank deposits, were HK$257.1 million (March 31, 2012: HK$337.5 million).

During the six months ended September 30, 2012, the Group generated its funds mainly from bank borrowings. The net cash position (bank balances and cash plus short-term bank deposits, less total bank borrowings and bills payables) at September 30, 2012 amounted to HK$11.0 million (March 31, 2012: HK$145.5 million). The decrease in net cash position, when comparing to the previous period, was mainly due to seasonality and the temporary use of working capital in MEEP!. The Group maintained sufficient financial resources to meet all working capital requirements and the finance of its commitments. By year end, we expect net cash position will back to similar level as the previous period.

The Group's exposure to foreign currency stems mainly from the net cash flow and net working capital translation achieved in its overseas subsidiaries. Hedging of foreign currency exposures is done through a combination of natural hedges and forward forex contracts. At September 30, 2012, 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

Total bank borrowings of the Group at September 30, 2012 amounted to HK$246.1 million (March 31, 2012: HK$192.0 million) which consisted of short term bank loan of HK$155.8 million, long term bank loan of HK$90.0 million and bills payables of HK$0.3 million. The bank 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 bank borrowings over total equity) at September 30, 2012 and March 31, 2012 were approximately 43.9% and 33.3% respectively.

CHARGES ON GROUP ASSETS

At September 30, 2012, 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, 2012 amounted to HK$6.6 million (2011: HK$7.9 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, 2012.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended September 30, 2012. (September 30, 2011: Nil).

CONTINGENT LIABILITIES

At September 30, 2012, the Group had no contingent liabilities (March 31, 2012: Nil).

HUMAN RESOURCES AND REMUNERATION POLICY

As at September 30, 2012, the Group had approximate 3,200 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 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 six months ended September 30, 2012.

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of corporate governance. Throughout the period ended September 30, 2012, the Company has applied the principles and complied with all Code Provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, with the exception of Code Provisions A.2.1, A.6.7 and C.1.2. Code Provision A.2.1 relates to the separation of roles of the chairman and chief executive officer. The considered reasons for this deviation were stated in the Corporate Governance Report contained in the Company's 2012 Annual Report issued in July 2012. Code Provision A.6.7 relates to the attendance of independent non-executive directors at general meetings. An Independent Non-Executive Director who lives overseas, could not attend the last Annual General Meeting of the Company held in August 2012 due to other business engagements. Code Provision C.1.2 relates to the provision of monthly updates to all directors. The monthly updates for April and May 2012 were not provided to the Directors due to changes in personnel. However, these two months' results have been included in the quarter results for the three months ended June 30, 2012 and reviewed by the Directors. With effect from July 2012, monthly updates were provided to all Directors.

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, 2012.

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 28, 2012

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