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IDT INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 167)

Proposed Rights Issue in the proportion of One Rights Share for Every Five Shares Held on the Record Date at HK\$0.30 per Rights Share and Resumption of Trading

Underwriters

Dr. Raymond Chan and Madam Shirley Chan

Financial Adviser

CIMB

CIMB-GK Securities (HK) Limited

THE RIGHTS ISSUE

The Company proposes to undertake a rights issue at a price of HK\$0.30 per Rights Share on the basis of one Rights Share for every five Shares held on the Record Date. The Company will provisionally allot one Rights Share for every five Shares held by the Qualifying Shareholders on the Record Date.

Based on the 417,045,181 Rights Shares proposed to be issued, the net proceeds from the Rights Issue is currently expected to be approximately HK\$123 million, of which approximately HK\$21 million will be used for the purchase of plant and machinery for the Group's production facilities and the installation of enterprise resource planning system to support the supply chain management of the Group, approximately HK\$30 million will be used as sales and marketing expenses to promote Oregon Scientific's products, and the remaining balance of approximately HK\$72 million will be used to enhance financial position of the Group for its business development.

Qualifying Shareholders are entitled to apply for any unsold entitlements of the Excluded Shareholders and any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders. The Rights Shares may or may not be offered to the Overseas Shareholders. Applications may be made by completing the Excess Application Form and lodging the same with a separate remittance for the excess Rights Shares. The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis but preference will be given to topping-up odd lots to whole board lots.

The last day of dealing in Shares on a cum-rights basis is Thursday, 29 June 2006. Existing Shares will be dealt with on an ex-rights basis from Friday, 30 June 2006. To qualify for the Rights Issue, a Shareholder (other than an Excluded Shareholder) must be registered as a member of the Company on the Record Date. Any transfers of Shares (with relevant certificates) must be lodged for registration by 4:00 p.m. on Monday, 3 July 2006 with the Company's Hong Kong branch share registrar, Union Registrars Limited at 311-312, Two Exchange Square, Central, Hong Kong. The register of members of the Company will be closed from Tuesday, 4 July 2006 to Friday, 7 July 2006, both days inclusive. No transfer of Shares will be registered during this period.

The Rights Shares will be fully underwritten by Dr. Raymond Chan and Madam Shirley Chan, on the terms and conditions set out in the Underwriting Agreement. Details of the major terms and conditions of the Underwriting Agreement are set out in the paragraph headed "Underwriting Agreement" of this announcement. Both Dr. Raymond Chan and Madam Shirley Chan are substantial Shareholders, hence, each of the Underwriters is therefore a connected person (as defined in the Listing Rules) of the Company. The Rights Issue will be in compliance with Rules 7.21(1) of the Listing Rules. The Underwriting Agreement constitutes an exempt connected transaction for the Company under Rule 14A.31(3)(c) of the Listing Rules, and is therefore exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Rights Issue is conditional upon the fulfillment or waiver of the conditions set out under the paragraph headed "Conditions of the Rights Issue" below. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms (see the paragraph headed "Termination of the Underwriting Agreement" below). If the Underwriting Agreement is terminated, or the conditions of the Rights Issue are not fulfilled or waived, the Rights Issue will not proceed.

Any persons contemplating buying or selling Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived, and any dealings in the Rights Shares in their nil-paid form between Wednesday, 12 July 2006 to Wednesday, 19 July 2006 (both dates inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, investors are recommended to consult their professional advisers.

GENERAL

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

The Company will despatch the Rights Issue Documents to each of the Qualifying Shareholders and the Prospectus to each of the Excluded Shareholders (if any), for their information only, as soon as practicable.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 15 June 2006 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares from 9:30 a.m. on 19 June 2006.

RIGHTS ISSUE

Introduction

The Company proposes to undertake a rights issue at a price of HK\$0.30 per Rights Share on the basis of one Rights Share for every five existing Shares in issue on the Record Date.

Issue statistics

Basis of Rights Issue	:	one Rights Share for every five Shares held on the close of business of the Record Date
Subscription Price	:	HK\$0.30 per Rights Share
Number of Shares in issue	:	2,085,225,907 Shares as at the date of this announcement (or 2,087,275,907 Shares upon full exercise of all of the Options by their respective holders on or before the Record Date) (<i>Note</i>)

Number of Rights Shares proposed to be issued : Not less than 417,045,181 Rights Shares (assuming no Options are exercised on or before the Record Date) and not more than 417,455,181 Rights Shares (assuming all of the Options are exercised on or before the Record Date)

Underwriters : Dr. Raymond Chan and Madam Shirley Chan

Note: As at the date of this announcement, there are 2,050,000 outstanding exercisable Options granted under the Share Option Schemes.

Save as disclosed herein, the Company has no other outstanding exercisable options, convertible securities or warrants which confer the right to subscribe for, convert or exchange into Shares as at the date hereof.

The Rights Shares will be fully underwritten by the Underwriters on the terms and conditions set out in the Underwriting Agreement. The nil-paid Rights Shares to be provisionally allotted pursuant to the terms of the Rights Issue represent 20.0% of the Company's existing issued share capital as at the date of this announcement and approximately 16.7% of the Company's enlarged issued share capital of the Company immediately following the issue of 417,045,181 Rights Shares, assuming none of the Options is exercised on or before the Record Date.

Qualifying Shareholders

The Company will send the Rights Issue Documents to the Qualifying Shareholders and, for information only, the Prospectus to the Excluded Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be an Excluded Shareholder. In order to be registered as a member of the Company on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificate(s)) with the Company's branch share registrar in Hong Kong:

Union Registrars Limited,
311-312,
Two Exchange Square,
Central,
Hong Kong,

by 4:00 p.m. (Hong Kong time) on Monday, 3 July 2006. Holder(s) of the Options who wish to participate in the Rights Issue should exercise their Options in accordance with and subject to their respective terms before 4:00 p.m. on the Record Date so as to enable them to be registered as the Shareholders on or before the Record Date. The last day of dealings in Shares on a cum-rights basis is Thursday, 29 June 2006. The Shares will be dealt with on an ex-rights basis from Friday, 30 June 2006.

Closure of Register of Members

The register of members of the Company will be closed from Tuesday, 4 July 2006 to Friday, 7 July 2006, both days inclusive, for determination of entitlements under the Rights Issue. No transfer of Shares will be registered during this period.

TERMS OF THE RIGHTS ISSUE

Subscription Price

The Subscription Price of HK\$0.30 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotments of Rights Shares or applies for excess Rights Shares or when a transferee of nil-paid Rights Shares applies for Rights Shares.

The Subscription Price of HK\$0.30 per Right Share was arrived at after arm's length negotiations between the Company and the Underwriters with reference to recent closing prices of the Shares on the Stock Exchange and represents:

- (i) a discount of approximately 37.5% to the closing price of HK\$0.48 per Share quoted on the Stock Exchange on 14 June 2006, being the last trading day prior to the suspension of the trading in the Shares on the Stock Exchange pending the release of this announcement;
- (ii) a discount of approximately 37.5% to the average closing price of HK\$0.48 per Share for the five consecutive trading days up to and including 14 June 2006;

- (iii) a discount of approximately 37.8% to the average closing price of HK\$0.482 per Share quoted on the Stock Exchange for the 10 consecutive trading days up to and including 14 June 2006;
- (iv) a discount of approximately 33.3% to the theoretical ex-rights price of HK\$0.45 per Share based on the closing price per Share of HK\$0.48 as quoted on the Stock Exchange on 14 June 2006; and
- (v) a discount of approximately 23.1% to the audited consolidated net asset value per Share of approximately HK\$0.39 as at 31 March 2006 (calculated by dividing the latest published audited net tangible assets value of the Group as at 31 March 2006, after deducting the intangible assets and minority interests, by 2,085,225,907 Shares in issue as at the date of this announcement).

The Directors are of the view that it is a market practice to issue rights shares at a discount to the market price and consider the terms of the Rights Issue and the Subscription Price to be fair and reasonable, in line with the current market condition, and are in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotments

One Rights Share for every five Shares held by the Qualifying Shareholders on the Record Date.

Status of the Rights Shares

The fully-paid Rights Shares will rank pari passu in all respects among themselves and with the existing Shares in issues on the date of allotment of the Rights Shares in fully-paid form. Holders of such Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of the allotment and issue of the Rights Shares.

Dealings in nil-paid and fully-paid Rights Shares, both in board lots of 2,000, will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

Necessary arrangement will be made by the Company to provide matching services for the odd lots of the Shares after completion of the Rights Issue. Further details of such arrangement, if any, will be disclosed in the Prospectus.

Rights of Excluded Shareholders

The Rights Issue Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdictions other than Hong Kong and Bermuda. Based on the register of members of the Company as at 31 May 2006, there are eight Shareholders whose registered addresses as shown in the register of members of the Company are outside Hong Kong. The Company has instructed legal advisers to make enquiries regarding the applicable legal restrictions and regulatory requirements of the relevant jurisdictions outside Hong Kong in connection with extending the Rights Issue to the Overseas Shareholders. The Company will comply with all necessary requirements specified in Rule 13.36(2) of the Listing Rules and if, after making such enquiries, the Directors are of the opinion that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders having regard to legal restrictions under the laws of the relevant jurisdictions outside Hong Kong or the requirements of the relevant regulatory body or stock exchange in those jurisdictions, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to these Overseas Shareholders. Accordingly, the Rights Shares will not be offered to these Overseas Shareholders as Excluded Shareholders. The basis of exclusion of such Shareholders from the Rights Issue, if any, will be disclosed in the Prospectus. The Company will send copies of the Prospectus to the Excluded Shareholders, if any, for their information only.

The Company will make arrangements for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, if any, to be sold in the open market in their nil-paid form as soon as practicable after dealing in the nil-paid Rights Shares commences, if a premium (net of expenses) can be obtained. The proceeds of each sale, less expenses, of more than HK\$100 will be paid pro-rata to the relevant Excluded Shareholders in Hong Kong dollars. The Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold Rights Shares to which the Excluded Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders.

Fractional Entitlement to the Rights Shares

Fractional entitlements to Rights Shares will not be provisionally allotted. Rights Shares representing the aggregate of fractions of Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee appointed by the Company and, if a premium (net of expenses) can be obtained, will be sold by the Company or its appointed nominee and the net proceeds of sale will be retained by the Company for its own benefit. Any such unsold Rights Shares will be available for excess application.

Application for excess Rights Shares

Qualifying Shareholders may apply for any unsold entitlements of the Excluded Shareholders, any such unsold Rights Shares and any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders, by way of excess application.

Application for excess Rights Shares is made by completing and lodging the Excess Application Form together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for. The Directors will allocate the excess Rights Shares on a fair and equitable basis, but will give preference to topping-up odd lots to whole board lots.

Shareholders with their Shares held by a nominee company should note that the Board would regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders whose Shares are registered in the names of nominee companies should note that the aforesaid arrangement in relation to the top-up of odd lots for allocation of excess Rights Shares will not be extended to beneficial owners individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For Shareholders whose Shares are held by their nominee(s) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the branch share registrar of the Company in Hong Kong, Union Registrars Limited, 311-312 Two Exchange Square, Central, Hong Kong for completion of the relevant registration by 4:00 p.m. on Monday, 3 July 2006.

Share Certificates and Refund Cheques

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto at their own risk on or before Monday, 31 July 2006. Refund cheques in respect of wholly or partially unsuccessfully applications for excess Rights Shares are also expected to be posted on or before Monday, 31 July 2006 by ordinary post to the applicants at their own risk.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

Undertaking of the Underwriters

The Underwriters have undertaken to the Company that it shall procure each of the Underwriters or their respective nominees to continue to own on the Record Date their respective shareholding interest in the Company of an aggregate shareholding of 1,161,173,064 Shares and to accept or procure the acceptance of an aggregate of 232,234,612 Rights Shares to be provisionally allotted to them or their nominees as the holders of such Shares pursuant to the Rights Issue.

Conditions of the Rights Issue

The Rights Issue is conditional upon, among other things, each of the following events being fulfilled:

1. the Listing Committees of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms and not having withdrawn or revoked on or before the Latest Time for Termination;
2. the delivery by or on behalf of the Company not later than the date on which the Prospectus is despatched of (i) one copy of each of the Rights Issue Documents together with any requisite accompanying documents to the Stock Exchange and the Registrar of Companies in Hong Kong for filing and registration; and (ii) if required under the applicable law, one copy of the Prospectus together with any requisite accompanying documents to the Registrar of Companies in Bermuda for filing;

3. the posting of the Rights Issue Documents to the Qualifying Shareholders;
4. compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement; and
5. the Underwriting Agreement not being terminated.

In the event that the conditions of the Rights Issue are not fulfilled (or, in respect of condition (4), waived in whole or in part by the Underwriters) on or before Wednesday, 26 July 2006 (or such later time and/or date as the Company and the Underwriters may agree in writing), the Underwriting Agreement shall terminate and save in respect of any rights or obligations which may accrue under the Underwriting Agreement prior to such termination, neither the Company nor the Underwriters shall have any claim against the other party for costs, damages, compensation or otherwise and the Rights Issue will not proceed.

THE UNDERWRITING AGREEMENT

Principal terms of the Underwriting Agreement

Date	:	15 June 2006
Number of Underwritten Shares	:	not less than 184,810,569 Rights Shares (assuming none of the Options is exercised on or before the Record Date) and not more than 185,220,569 Rights Shares (assuming all of the Options is exercised on or before the Record Date), being all Rights Shares less those Rights Shares agreed to be taken up or procured to be taken up by the Underwriters
Underwriters	:	Dr. Raymond Chan and Madam Shirley Chan
Commission	:	2.0% of the aggregate Subscription Price of the Underwritten Shares, being not more than HK\$877,000 for Dr. Raymond Chan and not more than HK\$235,000 for Madam Shirley Chan

The Directors are of the view that the terms of the Underwriting Agreement are on normal commercial terms.

Termination of the Underwriting Agreement

The Underwriting Agreement contains provisions granting the Underwriters, by notice in writing, the right to terminate the Underwriters' obligations thereunder on the occurrence of certain events. The Underwriters may terminate the Underwriting Agreement at any time prior to the Latest Time for Termination:

- (a) in the reasonable opinion of the Underwriters after reasonable consultation with the Company, the success of the Rights Issue would be materially and adversely affected by:
 - i. the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - ii. the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof, of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - iii. any material adverse change in the business or in the financial or trading position or the prospects of the Group as a whole; or
- (b) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, and any change in currency conditions (including a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United

States of America) occurs which in the reasonable opinion of the Underwriters makes it inexpedient or inadvisable to proceed with the Rights Issue.

The Underwriters shall be entitled by notice in writing to the Company to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (a) any material breach of any of the warranties or undertakings of the Company contained in the Underwriting Agreement comes to the knowledge of any of the Underwriters; or
- (b) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties of the Company contained in the Underwriting Agreement untrue or incorrect in any material respect, comes to the knowledge of any of the Underwriters.

Warning of the risks of dealing in the Shares

The Shares will be dealt in on an ex-rights basis from 30 June 2006. Dealings in the Rights Shares in the nil-paid form will take place from 12 July 2006 to 19 July 2006 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled and/or waived before 26 July 2006 (or such later time and/or date as the Company and the Underwriters may determine in writing), or the Underwriters terminate or rescind the Underwriting Agreement, the Rights Issue will not proceed.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled (or, if appropriate, waived), and any dealings in the Rights Shares in their nil-paid form are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons contemplating any dealings in the Shares or the Rights Shares in their nil-paid forms are recommended to consult their own professional advisers.

Connected transaction

Both Dr. Raymond Chan and Madam Shirley Chan are substantial Shareholders, hence, each of the Underwriters is therefore a connected person (as defined in the Listing Rules) of the Company. The Rights Issue will be in compliance with Rules 7.21(1) of the Listing Rules. The Underwriting Agreement constitutes an exempt connected transaction for the Company under Rule 14A.31(3)(c) of the Listing Rules, and is therefore exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

SHAREHOLDING STRUCTURE

The shareholding structure of the Company before and after completion of the Rights Issue will be as follows:

	As at the date of this announcement		Immediately after completion of the Rights Issue on the assumption as set out in Note 1		Immediately after completion of the Rights Issue on the assumption as set out in Note 2	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr. Raymond Chan and Madam Shirley Chan						
<i>Existing shareholding</i>	1,161,173,064	55.69%	1,393,407,676	55.69%	1,393,407,676	55.69%
<i>Underwritten Shares</i>	–	–	–	–	184,810,569	7.39%
Other Directors	3,090,439	0.15%	3,708,526	0.15%	3,090,439	0.12%
Sub-total	1,164,263,503	55.84%	1,397,116,202	55.84%	1,581,308,684	63.20%
Public Shareholders	920,962,404	44.16%	1,105,154,886	44.16%	920,962,404	36.80%
Total	2,085,225,907	100.0%	2,502,271,088	100.0%	2,502,271,088	100.0%

Notes:

1. Assuming (i) none of the Options is exercised on or before the Record Date; and (ii) all Shareholders take up their respective provisional allotments of the Rights Shares in full.
2. Assuming (i) none of the Options is exercised on or before the Record Date; (ii) none of the Shareholders (save for the Underwriters) takes up any provisional allotments of the Rights Shares; and (iii) all the Underwritten Shares are taken up by the Underwriters pursuant to the Underwriting Agreement.

REASONS FOR THE RIGHTS ISSUE AND USE OF THE PROCEEDS

The Group is principally engaged in the design, development, manufacture, distribution and marketing of innovative consumer electronic products featuring state-of-art liquid crystal display and microprocessor technology.

In the Group's annual results announcement for the year ended 31 March 2006, the Group's net loss of HK\$263.4 million which was adversely impacted by several factors. Severe price competition in the product market commoditized the digital cameras and MP3 players in terms of their features and prices, which the Group found it difficult to compete; over projection on high-end feature-rich models of LCD consumer electronic products and the relevant investments in the supporting sales force overseas resulted in higher operating and administrative expenses; low profit margin from the clearance of these high-end LCD products at re-positioned prices and the sale of the inventory of digital camera and MP3 players. To combat the challenging adverse operating conditions, the Group undertook a series of measures to improve profitability, cost effectiveness and operational efficiency. These measures included reducing its involvement in the low margin and price competitive digital media product category and reducing the number of products in each product categories to counter the shortening lifecycles of the products. The Group has shifted its focus to develop high margin lifestyle electronic products. It also streamlined the structure, hence reducing the operating costs, of its overseas sales and marketing support and all the product divisions.

Oregon Scientific will continue to expand its distribution networks worldwide by appointing new distributors in new markets having growth potentials. The Group also intends to commence a special sales campaign for Oregon Scientific's time and weather products in the third quarter of this year. New management personnel coming on board is expected to take Oregon Scientific business to the next level.

The Group has also implemented measures to improve overall production efficiency, product development and planning capability. These measures allow the Group to strengthen its leading position in products innovation, sustain business growth and improve the profit margin. With the reposition of the Group's business direction and strategies and the successful implementation of the above measures, the management is optimistic about the Group's recovery from the business restructuring.

The Directors consider that the Group should strengthen its financial position to support the Group's business development as explained above, and to meet the funding requirements during the peak season in the third quarter of each financial year (i.e. October to December). The Directors consider that it is in the interest of the Company to effect the fund raising exercise by way of the Rights Issue which is a preferred source of funding to enhance the financial position of the Group, and will allow the Shareholders to participate in the Rights Issue in proportion to their shareholdings and in the business growth of the Group.

Based on the 417,045,181 Rights Shares proposed to be issued, the net proceeds to be raised from the Rights Issue is currently expected to be approximately HK\$123 million, of which approximately HK\$21 million will be used for the purchase of plant and machinery for the Group's production facilities and the installation of enterprise resource planning system to support the supply chain management of the Group, approximately HK\$30 million will be used as sales and marketing expenses to promote the special sales campaign for Oregon Scientific's time and weather products, and the remaining balance of approximately HK\$72 million will be used to enhance financial position of the Group for its business development.

The Company did not engage in any fund-raising exercise during the 12 months immediately preceding the date of this announcement.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled.

The expected timetable for the Rights Issue is set out below:

2006

Last day of dealings in Shares on a cum-rights basis	Thursday, 29 June
Commencement of dealings in Shares on an ex-rights basis	Friday, 30 June
Latest time for lodging transfers of Shares in order to qualify for the Rights Issue	4:00 p.m. on Monday, 3 July
Book closure period (both days inclusive)	Tuesday, 4 July to Friday, 7 July
Record Date	Friday, 7 July
Rights Issue Documents expected to be despatched on	Monday, 10 July
Register of members re-opens	Monday, 10 July
Commencement of dealings in nil-paid Rights Shares	Wednesday, 12 July
Latest time for splitting nil-paid Rights Shares	4:00 p.m. on Friday, 14 July
Last day of dealings in nil-paid Rights Shares	Wednesday, 19 July
Latest time for acceptance of and payment for Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Monday, 24 July
Latest time for the termination of the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 26 July
Announcement of results of the Rights Issue	Thursday, 27 July
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares expected to be despatched on or before	Monday, 31 July
Certificates for fully-paid Rights Shares expected to be despatched on or before	Monday, 31 July
Dealings in fully-paid Rights Shares commence on	Wednesday, 2 August

Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company. Any changes to the anticipated timetable for the Rights Issue will be published to Shareholders appropriately.

Note: If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on the latest date for acceptance for the offer of Rights Shares at any time between 12:00 noon and 4:00 p.m., the latest acceptance time for the Rights Shares will be postponed to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 12:00 noon and 4:00 p.m..

ADJUSTMENTS TO OPTIONS GRANTED BY THE COMPANY

The Rights Issue will cause adjustments to the subscription price and the number of Shares to be issued under the outstanding Options. The Company will engage professional accountants to review and certify the basis of such adjustments pursuant to the Share Option Schemes. The adjustments to the Options shall be made pursuant to the Share Option Schemes and in compliance with the Listing Rules and the supplementary guidance issued by the Stock Exchange on 5 September 2005. Details of the adjustment will be disclosed in the Prospectus. The adjustment, if any, will take effect from the date on which the Rights Issue becomes unconditional on 26 July 2006. The Company will inform the holders of the Options of such adjustments accordingly by written notice to each of the holders.

GENERAL

The Company will despatch the Rights Issue Documents to each of the Qualifying Shareholders and, for information only, the Prospectus to each of the Excluded Shareholders (if any) on or about 10 July 2006.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 15 June 2006 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares from 9:30 a.m. on 19 June 2006.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Business Day”	any day (other than Saturday) on which banks are generally open for business in Hong Kong
“Company”	IDT International Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Dr. Raymond Chan”	Dr. Raymond Chan, an executive Director, the Chairman and the Chief Executive Officer of the Company, together with Madam Shirley Chan, has the interest (personal and corporate) in approximately 55.69% of the issued share capital of the Company
“Excess Application Form”	the form of application for excess Rights Shares
“Excluded Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date and whose addresses as shown on the register of members are in places outside Hong Kong, in respect of whom the Directors consider the exclusion from the Rights Issue to be necessary or expedient on account of either the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Time for Termination”	4:00 p.m. on the second Business Day after 24 July 2006 (or such later time as may be agreed between the Company and the Underwriters)
“Listing Committee”	the listing committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Madam Shirley Chan”	Ms. Chan Pau Shiu Yeng, Shirley, an executive Director and the spouse of Dr. Raymond Chan, together with Dr. Raymond Chan, has the interest (personal and corporate) in approximately 55.69% of the issued share capital of the Company
“Options”	share options granted under the Share Option Schemes, which are exercisable on or before the Record Date, and remain outstanding as at the date of this announcement
“Oregon Scientific”	branded business of the Group
“Overseas Shareholders”	Shareholders the registered addresses of which as shown in the register of members of the Company at the close of business on the Record Date are outside Hong Kong
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue

“Provisional Allotment Letter”	the provisional allotment letter to be issued in connection with the Rights Issue
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date other than the Excluded Shareholders
“Record Date”	7 July 2006, or such other date as may be agreed between the Company and the Underwriters for the determination of the entitlements under the Rights Issue
“Rights Issue”	the proposed issue of the Rights Shares at the Subscription Price on the basis of one Rights Share for every five existing Shares held by the Shareholders as at the close of business on the Record Date
“Rights Issue Documents”	the Prospectus, the Provisional Allotment Letter and the Excess Application Form
“Rights Shares”	not less than 417,045,181 new Shares (assuming no Options are exercised on or before the Record Date) and not more than 417,455,181 new Shares (assuming all of the Options are exercised on or before the Record Date) proposed to be issued under the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	share(s) of HK\$0.10 each in the existing capital of the Company
“Share Option Schemes”	the share option schemes of the Company adopted on 28 September 1993 and 28 August 2002 respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.30 per Rights Share
“Underwriters”	Dr. Raymond Chan and Madam Shirley Chan
“Underwriting Agreement”	the underwriting agreement dated 15 June 2006 entered into between the Company and the Underwriters in relation to the Rights Issue
“Underwritten Shares”	not less than 184,810,569 Rights Shares (assuming none of the Options is exercised on or before the Record Date) and not more than 185,220,569 Rights Shares (assuming all the Options are exercised on or before the Record Date), being all Rights Shares less such number of Rights Shares agreed to be taken up or procured to be taken up by the Underwriters in respect of their pro rata entitlements as the Qualifying Shareholders of the Company
“HK\$”	Hong Kong dollars
“%”	per cent.

By order of the Board
IDT International Limited
Dr. Raymond Chan
Chairman and Chief Executive Officer

Hong Kong, 16 June 2006

As at the date of this announcement, the board of Directors comprises two executive Directors, namely Dr. Raymond Chan and Mrs. Chan Pau Shiu Yeng, Shirley; one non-executive Director Professor Woo Chia Wei; and five independent non-executive Directors, namely Mr. Lo Kai Yiu, Anthony, Mr. Kao Ying Lun, Mr. Jack Schmuckli, Dr. Kenichi Ohmae and Professor Yoram (Jerry) Wind.

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*