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IDT INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 167)

POSSIBLE DISCLOSEABLE TRANSACTION

**PROPOSED VOLUNTARY DELISTING OF
IDT HOLDINGS (SINGAPORE) LIMITED**

On 5 October 2010, IDT Int'l (BVI), a wholly-owned subsidiary of the Company, and IDTS jointly announced a proposal to seek the voluntary delisting of IDTS from the Official List of SGX-ST.

Pursuant to the Delisting Proposal and in compliance with Rule 1309 of the Listing Manual of the SGX-ST, IDT Int'l (BVI) will make the Exit Offer to acquire all the Offer Shares at S\$0.54 each in cash.

As the aggregate maximum consideration for the Exit Offer will amount to S\$20,992,905¹ (equivalent to approximately HK\$124,047,076), the Delisting Proposal constitutes a discloseable transaction of the Company, which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Delisting Proposal is subject to the Condition being fulfilled and will only proceed if the Condition is fulfilled, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

On 5 October 2010, IDT Int'l (BVI), a wholly-owned subsidiary of the Company, and IDTS jointly announced a proposal to seek the voluntary delisting of IDTS from the Official List of SGX-ST. IDTS also announced that it has agreed to put the Delisting Proposal to the IDTS Shareholders and resolved to convene an extraordinary general meeting to consider the Delisting. Details of the Delisting Proposal are as follows:-

¹ As provided by IDTS, there are a total of 175,612,624 IDTS Shares as at the date of this announcement. IDT Int'l (BVI) owns 136,736,874 IDTS Shares representing approximately 77.86% of the total number of IDTS Shares as at the date of this announcement. Accordingly, the aggregate maximum consideration of S\$20,992,905 is derived based on the Exit Offer being made for 38,875,750 Offer Shares at the Exit Offer Price of S\$0.54 per Offer Share.

THE DELISTING PROPOSAL

Pursuant to the Delisting Proposal and in compliance with Rule 1309 of the Listing Manual of the SGX-ST, IDT Int'l (BVI) will make the Exit Offer to acquire all the Offer Shares at S\$0.54 for each Offer Share in cash.

In compliance with Rule 1307 of the Listing Manual of SGX-ST, the Delisting Proposal and the Exit Offer will be conditional upon approval by the IDTS Shareholders of the resolution for the Delisting by a majority of at least 75% of the total number of the IDTS Shares (excluding treasury IDTS Shares) held by the IDTS Shareholders present and voting, on a poll, either in person or by proxy at the IDTS EGM, and such resolution not being voted against by 10% or more of the total number of IDTS Shares (excluding treasury IDTS Shares) held by the IDTS Shareholders present and voting, on a poll, either in person or by proxy at the IDTS EGM (the "Condition").

Pursuant to Rule 1307 of the Listing Manual of SGX-ST, all the IDTS Shareholders, including its directors and controlling shareholders, are entitled to vote on the resolution to approve the Delisting. The Exit Offer will not be conditional upon a minimum number of acceptances being received by IDT Int'l (BVI).

Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore, if IDT Int'l (BVI) receives acceptances pursuant to the Exit Offer of not less than 90% of the Offer Shares, IDT Int'l (BVI) will have the right to compulsorily acquire, at the Exit Offer Price, all the Offer Shares of the IDTS Shareholders who have not accepted the Exit Offer. In the event that IDT Int'l (BVI) becomes entitled to exercise its right under Section 215(1) of the Companies Act, Chapter 50 of Singapore to compulsorily acquire all the Offer Shares of the IDTS Shareholders who have not accepted the Exit Offer, IDT Int'l (BVI) intends to exercise its rights of compulsory acquisition.

In addition, pursuant to Section 215(3) of the Companies Act, Chapter 50 of Singapore, if IDT Int'l (BVI) acquires such number of IDTS Shares which, together with the IDTS Shares held by it, comprise 90% or more of the IDTS Shares, IDTS Shareholders who have not accepted the Exit Offer have the right to require IDT Int'l (BVI) to acquire their IDTS Shares at the Exit Offer Price. IDTS Shareholders who wish to exercise such a right are advised to seek their own independent advice.

RATIONALE FOR THE DELISTING PROPOSAL

Realisation of Investments for cash at a significant upfront premium

The Exit Offer presents the IDTS Shareholders with an opportunity to realise their entire shareholding for cash at an attractive premium.

Compliance costs of maintaining listing status

In maintaining its listed status, IDTS incurs compliance and associated costs. The Delisting would allow IDTS to dispense with expenses relating to the maintenance of a listed status and focus its resources on its business operations.

Low free float and low trading liquidity of the IDTS Shares

As at the date of this announcement, IDT Int'l (BVI) owns 136,736,874 IDTS Shares, representing approximately 77.86% of the total number of IDTS Shares. This implies a free float of no greater than 22.14%. As stated below, it is unlikely that IDTS will raise equity capital in the foreseeable future and it is therefore unlikely that the free float will increase through new share issuance. The trading liquidity of the IDTS Shares has also been low. IDT Int'l (BVI) had on 12 August 2010 and 28 September 2010 acquired 10,130,000 IDTS Shares and 1,008,000 IDTS Shares respectively by way of married trades. On the basis that such married trades were excluded, the average daily trading volume over the twelve-month period immediately preceding the date of this announcement was approximately 61,904 IDTS Shares, representing approximately 0.2% of the total free float of the IDTS Shares.

No necessity to access capital markets

IDTS has not raised funds through the SGX-ST since January 1999 and is unlikely to require access to the capital markets to finance its operations in the foreseeable future.

The Board considers that the terms of the Delisting Proposal are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Pursuant to Rule 1309 of the Listing Manual of the SGX-ST, IDTS will be appointing an independent financial adviser to advise the IDTS Independent Directors in connection with the Delisting Proposal and the Exit Offer. The recommendation of the IDTS Independent Directors to IDTS Shareholders in connection with the Delisting Proposal and the Exit Offer, as well as the detailed advice of the independent financial adviser, will be set out in a circular which will be sent by IDTS to IDTS Shareholders in due course.

INFORMATION ON THE COMPANY, IDT INT'L (BVI) AND IDTS

The Company

The Company was incorporated in Bermuda in 1990 and is listed on the Stock Exchange. The Company is a leader in the design, development, manufacture, marketing and distribution of lifestyle consumer electronic products in the categories of LCD consumer electronics, electronic learning and telecommunications.

IDT Int'l (BVI)

IDT Int'l (BVI), a wholly-owned direct subsidiary of the Company, was incorporated in the British Virgin Islands in 1996 and is an investment holding company. As at the date of this announcement, IDT Int'l (BVI) directly holds 136,736,874 IDTS Shares, representing approximately 77.86% of the total number of IDTS Shares.

IDTS

IDTS is listed on the Mainboard of the SGX-ST and is an investment holding company. The IDTS group of companies are engaged in the manufacturing, sales and trading of LCD consumer electronic products.

The audited consolidated net loss before and after taxation of the IDTS Group for the financial year ended 31 March 2010 were (HK\$2,142,000) and (HK\$59,352,000) respectively. The audited consolidated net profits before and after taxation of the IDTS Group for the financial year ended 31 March 2009 were HK\$22,000,000 and HK\$19,536,000 respectively².

The audited consolidated net asset value of the IDTS Group as at 31 March 2010 and 2009 were HK\$659,796,000 and HK\$728,445,000 respectively³.

LISTING RULES IMPLICATIONS

As at the date of this announcement, based on the total number of 38,875,750 Offer Shares subject to the Exit Offer, the aggregate maximum consideration for the Exit Offer will amount to S\$20,992,905 (equivalent to approximately HK\$124,047,076). Such aggregate maximum consideration under the Delisting Proposal constitutes a discloseable transaction of the Company, which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As the Delisting Proposal is subject to the Condition being fulfilled and will only proceed if the Condition is fulfilled, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

For the purposes of this announcement, capitalised terms appearing herein shall, unless the context otherwise admits, have the meanings set out below:

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| “Board” | the board of Directors |
| “Company” | IDT International Limited, a company incorporated in Bermuda with limited liabilities and the securities of which are listed on the Main Board of the Stock Exchange |
| “Delisting” | voluntary delisting of IDTS from the Official List of SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual of the SGX-ST |
| “Delisting Proposal” | a proposal proposed by IDT Int’l (BVI) to seek the Delisting |
| “Director(s)” | the director(s) of the Company |
| “Exit Offer” | an exit offer for all the Offer Shares to be made by IDT Int’l (BVI) pursuant to the Delisting Proposal |

² Based on the audited consolidated statement of comprehensive income as extracted from page 23 of the IDTS Annual Report 2010.

³ The audited consolidated net asset value of the IDTS Group of HK\$659,796,000 and HK\$728,445,000 as at 31 March 2010 and 2009 respectively were derived by deducting total current liabilities and non-current liability from total assets. The values of total assets, total current liabilities and non-current liability as at 31 March 2010 and 2009 are based on the statements of financial position as extracted from page 22 of the IDTS Annual Report 2010.

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| “Exit Offer Price” | S\$0.54 per IDTS Share payable in cash by IDT Int’l (BVI) under the Exit Offer |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “IDT Int’l (BVI)” | IDT International Holdings (BVI) Limited, a company incorporated in the British Virgin Islands with limited liabilities and a wholly-owned direct subsidiary of the Company |
| “IDTS” | IDT Holdings (Singapore) Limited, a company incorporated in Singapore with limited liabilities and the shares of which are listed on the Main Board of the SGX-ST |
| “IDTS EGM” | an extraordinary general meeting to be held by IDTS to approve the Delisting Proposal |
| “IDTS Group” | IDTS and its subsidiaries |
| “IDTS Independent Directors” | The directors of IDTS who are considered independent for the purposes of the Delisting Proposal and the Exit Offer |
| “IDTS Shares” | issued ordinary shares in the capital of IDTS |
| “IDTS Shareholder(s)” | the holder(s) of IDTS Shares |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Offer Share(s)” | all the issued IDTS Shares other than those held by IDT Int’l (BVI), its related corporations and their respective nominees |
| “SGX-ST” | The Singapore Exchange Securities Trading Limited |
| “Shareholder(s)” | the shareholder(s) of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “S\$” | Singapore dollars, the lawful currency of Singapore |
| “%” | per cent. |

In this announcement, for purpose of illustration only, amounts quoted in S\$ have been converted into HK\$ at the rate of S\$1.00 to HK\$5.909. Such exchange rate has been used, where applicable, for purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
IDT International Limited
Dr. Raymond Chan
Chairman

Hong Kong, 5 October 2010

The Directors of the Company as at the date of this announcement are Dr. Raymond Chan (Chairman), Mr. Barry John Buttifant (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.

The directors of the Company (including any director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement (other than those relating to IDT Int'l (BVI) and IDTS) are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information in this announcement has been extracted from published or publicly available sources (including, without limitation, in relation to IDT Int'l (BVI) and IDTS and its subsidiaries and associated companies), the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

The directors of IDTS (including any director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement (other than those relating to IDT Int'l (BVI) and the Company) are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information in this announcement has been extracted from published or publicly available sources (including, without limitation, in relation to the Company and IDT Int'l (BVI)), the sole responsibility of the directors of IDTS has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

The directors of IDT Int'l (BVI) (including any director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement (other than those relating to IDTS and the Company) are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information in this announcement has been extracted from published or publicly available sources (including, without limitation, in relation to the Company and IDTS and its subsidiaries and associated companies), the sole responsibility of the directors of IDT Int'l (BVI) has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.