



IDT International Limited
萬威國際有限公司

[For Immediate Release]

**IDT INTERNATIONAL ANNOUNCES ANNUAL RESULTS
FOR FINANCIAL YEAR 2002**

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**ATTRIBUTABLE PROFIT INCREASES 5% TO HK\$138.8 MILLION
OREGON SCIENTIFIC SALES UP10%**

Highlights

IDT celebrates its 25th anniversary.

Turnover for the year was HK\$2,233.5 million.

Sales of “Oregon Scientific” products grew 10% to HK\$885.2 million.

Profit attributable to shareholders increased 5% to HK\$138.8 million.

Net Cash and Deposits increased by HK\$247.8 million to HK\$653.0 million.

Dividend for the year – 7.0 HK cents per share

- interim dividend paid of 1.0 HK cent per share
 - proposed final dividend of 3.5 HK cents per share
 - proposed 25th anniversary special dividend of 2.5 HK cents per share
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(Hong Kong, June 18, 2002) -- Leading consumer electronic products manufacturer and distributor, IDT International Limited (“IDT International” or the “Group”) (SEHK code: 167), today announced its annual results for the year ended March 31, 2002.

During the year under review, IDT International recorded a turnover of HK\$2,233.5 million, compared to HK\$2,884.5 million in 2001. However in view of the Group’s significant 7% improvement in gross margins and tight controls on operating expenses which were HK\$28.6 million lower than the previous year, profit attributable to shareholders grew to HK\$138.8 million, representing an increase of 5% when compared to last year’s figure.

Basic earnings per share was 6.7 HK cents for the year under review. The board of directors of IDT International has recommended the payment of a final dividend of 3.5 HK cents per share in cash for the year ended March 31, 2002 (2001: 2.5 HK cents per share in cash) and an additional special dividend of 2.5 HK cents per share in cash to commemorate IDT’s 25th anniversary. Together with the interim dividend of 1.0 HK cent per share in cash (2001: 2.0 HK cents per share in cash with scrip option), the total dividend for the year will be 7.0 HK cents.

Mr. Raymond Chan, Chairman and CEO of IDT International, said, “I am very pleased to



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witness the growth of IDT over the past 25 years. As we move forward, we will continue to realize our commitment to create innovative consumer electronic products and services that enhance our customers' daily lives. During the year under review, despite the economic slowdown and keen competition, the Group was still able to record satisfactory performances. With our passion for creating innovative products, IDT is looking forward to the next 25 years and the many opportunities that lie ahead."

Mr Chan continued, "Our rapid diversification into our own branded distribution creates a solid base for our future business growth also bringing handsome rewards to our shareholders. In the past 25 years, our reputation as an OEM/ ODM manufacturer coupled with our customers' satisfaction have enabled us to sustain our existing strong customer base as well as cultivating new ones."

Mr Alain Li, Executive Director and CFO of IDT International, commenting on the Group's performance said, "We managed to keep growing our Oregon Scientific ("OS") branded sales through our well-established sales and marketing network around the world. During the year under review, sales of the OS brand grew 10% to HK\$885.2 million despite the challenging economic environment. We are pleased to report that the OS brand continues to sustain a prominent position in Europe. Building on our European success, we will continue to grow in the US and other newly developing markets by adapting this successful formula."

The OS brand continued to record double-digit growth and now represents 40% of the Group's turnover. The OS sales and marketing subsidiaries provide the necessary support for the Group in setting up new distribution channels and achieving higher margins for the Group.

The Group has four core businesses. The LCD Consumer Electronic Products business accounted for the largest segment in the Group's turnover. During the year, the Group introduced a new line of Health Care and Sports Products by utilizing the Group's LCD and RF technologies in addition to its innovative and quality design.

The Electronic Learning Products business recorded a successful year achieving an overall growth of 9% against the previous year. It is encouraging that the OS brand and licensed products enjoyed a 53% increase in sales to HK\$187.3 million. The Group's licensed products are a prime example, demonstrating the huge market demand for quality electronic learning products. There were even stories of premiums being paid to get hold of one of the Group's licensed kid's laptops in the run up to Christmas.

The Telecommunication Products business suffered a sales decline due to pricing pressures in the US market. In order to enhance the Group's competitive edge, IDT International is committed to keeping abreast of the fast pace of changing technology. The Group continues to integrate advanced technologies to daily necessities, aiming to uplift product value. The Group has recently launched a 1.8GHz digitally enhanced cordless telecommunications (DECT) telephone product to attack the European market and will be launching a complete product line up in year 2002.



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There was a drop in sales in the Electronic Personal Information Products business which was mainly explained by the one off project enjoyed last year, attributable to the short lived internet boom era. However, the Group foresees the tremendous growth in the market for digital imaging products. Thus it is investing in engineering and manufacturing resources to move into higher specification products to match market trends.

Mr Li said, “I am proud to report that through our efforts together with a number of partners, we have produced the world’s slimmest digital camera which is only 6mm in thickness, establishing an entry in the Guinness Book of World Records. In view of the highly promising outlook for the Electronic Personal Information Products, we are committed to the development of innovative and stylish digital products including PDAs, digital voice recorders and cameras, with the strong support of our advanced research and development team.”

It is the Group’s objective to place further emphasis on establishing its own brand and comprehensive distribution networks around the world. To increase the awareness and visibility of the OS brand and maximize its well-established brand recognition, the Group is increasing the number of point of sales cabinets and corners, shops in shop as well as custom made display units. At the same time, through the appointment of national distributors with comprehensive market coverage in their respective markets, the OS brand will be able to tap into new markets and gain extensive market recognition, further strengthening the Group’s global coverage.

Mr. Chan concluded, “Looking ahead, in view of the signs of a gradual recovery in markets around the world, reflected by our healthy order book, which is ahead of the corresponding period last year, the Group is cautiously optimistic that it will achieve satisfactory results in financial year 2003 through opportunities brought about by new markets and products. In addition, we will further invest in our research and development resources to keep pace with the changing technology and increasing expectations of our customers.”

About IDT International:

IDT International is a holding company whose shares are publicly listed on The Stock Exchange of Hong Kong Limited.

Headquartered in Hong Kong, IDT International and its member companies, including IDT Holdings (Singapore) Limited and I-Comm Technology Limited (both of which are listed in Singapore), are engaged in the development of quality electronic products, offering customers innovative design, development, engineering and manufacturing services. The core businesses include LCD Consumer Electronic Products, Telecommunication Products, Electronic Personal Information Products and Electronic Learning Products. Marketing is undertaken globally through sales and marketing offices in Germany, France, Italy, U.K., Spain, Poland, Brazil, the U.S., Australia, the PRC, Japan and Hong Kong. Research and development resources are established in both Hong Kong and the PRC and manufacturing facilities are centred in Xixian, Shenzhen, the PRC.



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