

SHARE OPTION SCHEMES

Particulars of outstanding options at the beginning and at the end of the financial period for the six months ended September 30, 2004 and options granted, exercised, cancelled and lapsed during the period under each of share option scheme adopted on September 28, 1993 ("1993 IDT International Option Scheme"), share option scheme adopted on August 28, 2002 ("2002 IDT International Option Scheme") and share option scheme operated by IDT Holdings (Singapore) Limited ("IDTS Option Scheme"), the subsidiary of the Company, were as follows:

(1) 1993 IDT International Option Scheme

Participants	Date of grant (M/D/Y)	Period during which options are exercisable (M/D/Y)	Outstanding at 4.1.2004	Number of options		Outstanding at 9.30.2004
				Exercised during the period	Exercise price per share	
Directors						
Alain Jacques Gilbert Li	4.11.2002	4.11.2004 to 4.10.2007	1,000,000	1,000,000	HK\$0.6545	-
Employees						
	12.29.1998*	12.30.1999 to 12.29.2008	525,000*	-	HK\$0.509*	525,000*
	12.29.1998*	12.30.2000 to 12.29.2008	552,000*	-	HK\$0.509*	552,000*
			2,077,000	1,000,000		1,077,000

* Share options granted on December 29, 1998 were adjusted in terms of number and exercise price owing to the three-for-four bonus issue of shares made by the Company in August 1999.

No option was granted or cancelled or lapsed under the 1993 IDT International Option Scheme during the period.

The weighted average closing price of the shares immediately before the dates on which share options were exercised under the 1993 IDT International Option Scheme was HK\$1.810 per share.

(2) 2002 IDT International Option Scheme

Participants	Date of grant (M/D/Y)	Period during which options are exercisable (M/D/Y)	Outstanding at 4.1.2004	Number of options			Outstanding at 9.30.2004	
				Granted during the period	Subscription price per share	Exercised during the period		Lapsed/ cancelled during the period
Directors								
Alain Jacques Gilbert Li	3.17.2003	3.18.2005 to 3.16.2013	500,000	-	HK\$0.780	-	500,000	
	3.17.2003	3.18.2007 to 3.16.2013	500,000	-	HK\$0.780	-	500,000	
Giuseppe Finocchiaro	2.28.2003	3.1.2005 to 2.27.2013	500,000	-	HK\$0.798	-	500,000	
	2.28.2003	3.1.2007 to 2.27.2013	500,000	-	HK\$0.798	-	500,000	
	6.25.2004	6.26.2005 to 6.25.2014	-	170,000	HK\$1.810	-	170,000	
Employees								
	8.30.2002	8.30.2004 to 8.29.2012	1,000,000	-	HK\$0.730	500,000	500,000	
	10.18.2002	10.18.2003 to 10.17.2012	250,000	-	HK\$0.730	250,000	-	
	10.18.2002	10.18.2005 to 10.17.2012	250,000	-	HK\$0.730	-	250,000	
	4.1.2003	4.2.2004 to 4.1.2013	500,000	-	HK\$0.810	500,000	-	
	4.1.2003	4.2.2005 to 4.1.2013	500,000	-	HK\$0.810	-	500,000	
	5.21.2003	5.21.2005 to 5.20.2013	250,000	-	HK\$0.830	-	250,000	
	5.21.2003	5.21.2006 to 5.20.2013	250,000	-	HK\$0.830	-	250,000	
	8.12.2003	8.13.2004 to 8.12.2013	1,000,000	-	HK\$0.976	-	1,000,000	
	7.5.2004	7.6.2006 to 7.5.2014	-	500,000	HK\$1.860	-	500,000	
	7.5.2004	7.6.2007 to 7.5.2014	-	500,000	HK\$1.860	-	500,000	
			6,000,000	1,170,000		1,250,000	500,000	5,420,000

The closing market prices per share immediately before June 25, 2004 and July 5, 2004, the dates on which the share options were granted under the 2002 IDT International Option Scheme, were HK\$1.810 and HK\$1.850 respectively.

The weighted average closing price of the shares immediately before the dates on which share options were exercised under the 2002 IDT International Option Scheme was HK\$1.818 per share.

(3) IDTS Option Scheme

Participants	Date of grant (M/D/Y)	Period during which options are exercisable (M/D/Y)	Outstanding at 4.1.2004	Number of options			Outstanding at 9.30.2004
				Exercised during the period	Subscription price per share	Outstanding at 9.30.2004	
Directors							
Giuseppe Finocchiaro	8.14.2000	8.15.2002 to 8.13.2005	100,000	-	US\$2.149	100,000	
	8.14.2000	8.15.2004 to 8.13.2005	100,000	-	US\$2.149	100,000	
Employees							
	8.14.2000	8.15.2002 to 8.13.2005	672,500	15,000	US\$2.149	657,500	
	8.14.2000	8.15.2003 to 8.13.2005	200,000	-	US\$2.149	200,000	
	8.14.2000	8.15.2004 to 8.13.2005	572,500	-	US\$2.149	572,500	
	1.12.2001	1.13.2005 to 1.11.2006	30,000	-	US\$1.424	30,000	
			1,675,000	15,000		1,660,000	

No share option was granted or cancelled or lapsed under the IDTS Option Scheme during the period.

The weighted average closing price of the shares immediately before the dates on which share options were exercised under the IDTS Option Scheme was S\$2.300 per share.

The directors consider it is not appropriate to disclose the value of the share options granted during the period under the 1993 IDT International Option Scheme and 2002 IDT International Option Scheme since any valuation of the share options would be subject to a number of assumptions that would be subjective and uncertain. The directors believe that the evaluation of share options based upon speculative assumptions would not be meaningful and would be misleading.

AUDIT COMMITTEE

The audit committees, comprising independent non-executive directors, Mr. Lo Kai Yiu, Anthony (Chairman) and Mr. Kao Ying Lun, and non-executive director, Mr. Jack William Edouard Heuer, had reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited financial statements of the Group for the six months ended September 30, 2004.

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, 2004.

COMPLIANCE WITH CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange throughout the six months ended September 30, 2004, save and except that all non-executive directors of the Company are not appointed for specific terms but they are subject to retirement by rotation at the annual general meeting of the Company in accordance with the Bye-laws of the Company. As at the date of this report, each non-executive director has entered into a service contract with the Company for a fixed term not exceeding three years and is subject to retirement by rotation at the annual general meeting of the Company in accordance with the Bye-laws of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the six-month period ended September 30, 2004, the Company has adopted its own Code for Securities Transactions by Officer (the "Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under Appendix 10 to the Listing Rules of The Stock Exchange. All directors of the Company have confirmed, following specific enquiry by the Company that they have complied with the required standard set out in the Model Code and the Code during the period under review.

APPRECIATION

Mr. Shigenobu Morita retired as Executive Director of the Company with effect from August 18, 2004. The board of directors would like to thank him for his invaluable contribution to the Company during the tenure of his services.

On behalf of the directors, I would like to express our gratitude to our shareholders and business associates for their continue support, and extend our sincere appreciation to all management and staff members for their ongoing dedication, commitments and contributions throughout the period.

On behalf of the board of directors



Dr. Raymond Chan
Chairman & Chief Executive Officer

Hong Kong
November 10, 2004

Websites: <http://www.idthk.com>
<http://www.irasia.com/listco/hk/idt>