

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, 2006 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 a subsidiary of the Company, IDT Holdings (Singapore) Limited ("IDTS Option Scheme"), 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 4.1.2006	Number of options		
				Exercise price per share ⁽¹⁾ HK\$	Adjustmen ⁽¹⁾	Outstanding at 9.30.2006 ⁽¹⁾
Employees	12.29.1998	12.30.1999 to 12.29.2008	525,000*	0.489	21,000	546,000
	12.29.1998	12.30.2000 to 12.29.2008	525,000*	0.489	21,000	546,000
			1,050,000		42,000	1,092,000

Notes :

⁽¹⁾ Pursuant to the 1993 IDT International Option Scheme, the number of unexercised options and the exercise price are subject to alterations in the event of any reorganisation of capital structure of the Company. The rights issue completed on July 26, 2006 constituted an event which gave rise to adjustments to the number of unexercised options and exercise price.

* The number of share options were adjusted as a result of the three-for-four bonus issue of shares made by the Company in August 1999.

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

(2) 2002 IDT International Option Scheme

Participants	Date of grant (M/D/Y)	Period during which options are exercisable (M/D/Y)	Outstanding at 4.1.2006	Number of options		Lapsed/ cancelled during the period	Outstanding at 9.30.2006 ⁽¹⁾
				Subscription price per share ⁽¹⁾ HK\$	Adjustment ⁽¹⁾		
Directors							
Raymond Chan	11.30.2005	12.01.2006 to 11.30.2015	3,000,000	0.529	120,000	-	3,120,000
Chan Pau Shiu Yeng, Shirley	11.30.2005	12.01.2006 to 11.30.2015	2,000,000	0.529	80,000	-	2,080,000
Lo Kai Yiu, Anthony	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Kao Ying Lun	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Jack Schmuckli	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Kenichi Ohmae	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Woo Chia Wei	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Yoram (Jerry) Wind	11.30.2005	12.01.2006 to 11.30.2015	1,000,000	0.529	40,000	-	1,040,000
Employees							
	5.21.2003	5.21.2005 to 5.20.2013	250,000	0.798	10,000	-	260,000
	5.21.2003	5.21.2006 to 5.20.2013	250,000	0.798	10,000	-	260,000
	7.5.2004	7.6.2006 to 7.5.2014	500,000	1.860 ⁽²⁾	-	500,000 ⁽²⁾	-
	7.5.2004	7.6.2007 to 7.5.2014	500,000	1.860 ⁽²⁾	-	500,000 ⁽²⁾	-
	10.7.2004	10.8.2006 to 10.7.2014	250,000	1.808	10,000	-	260,000
	10.7.2004	10.8.2007 to 10.7.2014	250,000	1.808	10,000	-	260,000
	11.12.2004	11.13.2005 to 11.12.2014	500,000	1.788	20,000	-	520,000
	11.12.2004	11.13.2007 to 11.12.2014	500,000	1.788	20,000	-	520,000
	11.28.2005	11.29.2006 to 11.28.2015	400,000	0.570 ⁽²⁾	-	400,000 ⁽²⁾	-
	11.28.2005	11.29.2006 to 11.28.2015	2,050,000	0.548	82,000	-	2,132,000
	11.28.2005	11.29.2007 to 11.28.2015	1,325,000	0.570 ⁽²⁾	-	1,325,000 ⁽²⁾	-
	11.28.2005	11.29.2007 to 11.28.2015	10,100,000	0.548	404,000	494,000	10,010,000
	11.28.2005	11.29.2008 to 11.28.2015	925,000	0.570 ⁽²⁾	-	925,000 ⁽²⁾	-
	11.28.2005	11.29.2008 to 11.28.2015	8,050,000	0.548	322,000	494,000	7,878,000
			36,850,000		1,328,000	4,638,000	33,540,000

Notes:

- (1) Pursuant to the 2002 IDT International Option Scheme, the number of outstanding options and the subscription price are subject to adjustments in the event of any reorganisation of capital structure of the Company. The rights issue completed on July 26, 2006 constituted an event which gave rise to adjustments in outstanding options and the subscription prices.
- (2) These options lapsed before the completion of the rights issue and were not subject to any adjustments in note (1) above.

No option was granted or exercised under the 2002 IDT International Option Scheme during the period.

(3) IDTS Option Scheme

There is no outstanding share option at the beginning of the financial period for the six months ended September 30, 2006. No option was granted during the period under the IDTS Option Scheme.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by officers of the Group (the "Code") on terms no less exacting than the Model Code contained in Appendix 10 of the Listing Rules. Having made specific enquiry of all directors, they have confirmed that they fully complied with the required standards set out in both the Model Code and the Code throughout the six months period ended September 30, 2006.

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of corporate governance. In the six months ended September 30, 2006, the Group had applied the principles and complied with the requirements set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules, with a major deviation from CG Code provision A.2.1 in respect of the separation of roles of the chairman and chief executive officer. The Group's compliance with the provisions and recommended best practices of the CG Code together with the reasons for any deviations are set out in the Corporate Governance Report contained in the Company's 2006 Annual Report issued in July 2006.

AUDIT COMMITTEE

The audit committee, comprising three independent non-executive directors, Mr. Lo Kai Yiu, Anthony (Chairman), Mr. Kao Ying Lun and Mr. Jack Schmuckli, had reviewed with the management 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, 2006.

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, 2006.

APPRECIATION

On behalf of the Board, I wish to express my gratitude to our management team and staff members for their hard work, dedication and support throughout the period.

On behalf of the board of directors



Dr. Raymond Chan, JP
Chairman & Chief Executive Officer

Hong Kong, November 13, 2006