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Q4FY04 Financial Results

April 22, 2004

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Accelerated ThinkingSM



Our financial call on April 22 will include remarks about future expectations, plans and prospects for IDT which constitute forward-looking statements for purposes of the safe-harbor provisions under applicable federal securities laws.

Actual results may differ materially from our forward-looking statements, as a result of various important factors, which are detailed in the Company's filings with the SEC. IDT does not intend to update the information provided in today's call and expressly disclaims any such duty, except as required by law.

Non-GAAP results referenced in this presentation exclude acquisition-related charges and other expenses and benefits that management believes are not directly related to our ongoing operations. These non-GAAP results are consistent with another way management internally analyzes IDT's results and may be useful; however, non-GAAP results are not in accordance with GAAP and may not be comparable to non-GAAP information provided by other companies. Non-GAAP information should be considered a supplement to, and not a substitute for, financial statements prepared in accordance with GAAP.



Quarterly Financial Results

	Q3FY04	Q4FY04
Revenues	\$87.1 million	\$94.5 million
Non-GAAP Net Income	\$4.0 million	\$9.3 million
Non-GAAP EPS	\$0.04	\$0.08
GAAP Net Income	\$2.3 million	\$7.7 million
GAAP EPS	\$0.02	\$0.07

	Q4FY03	Q4FY04
Revenues	\$80.8 million	\$94.5million
Non-GAAP Net Income (Loss)	(\$23.6) million	\$9.3 million
Non-GAAP EPS	(\$0.23)	\$0.08
GAAP Net Income (Loss)	(\$239.1)million	\$7.7 million
GAAP EPS	(\$2.31)	\$0.07

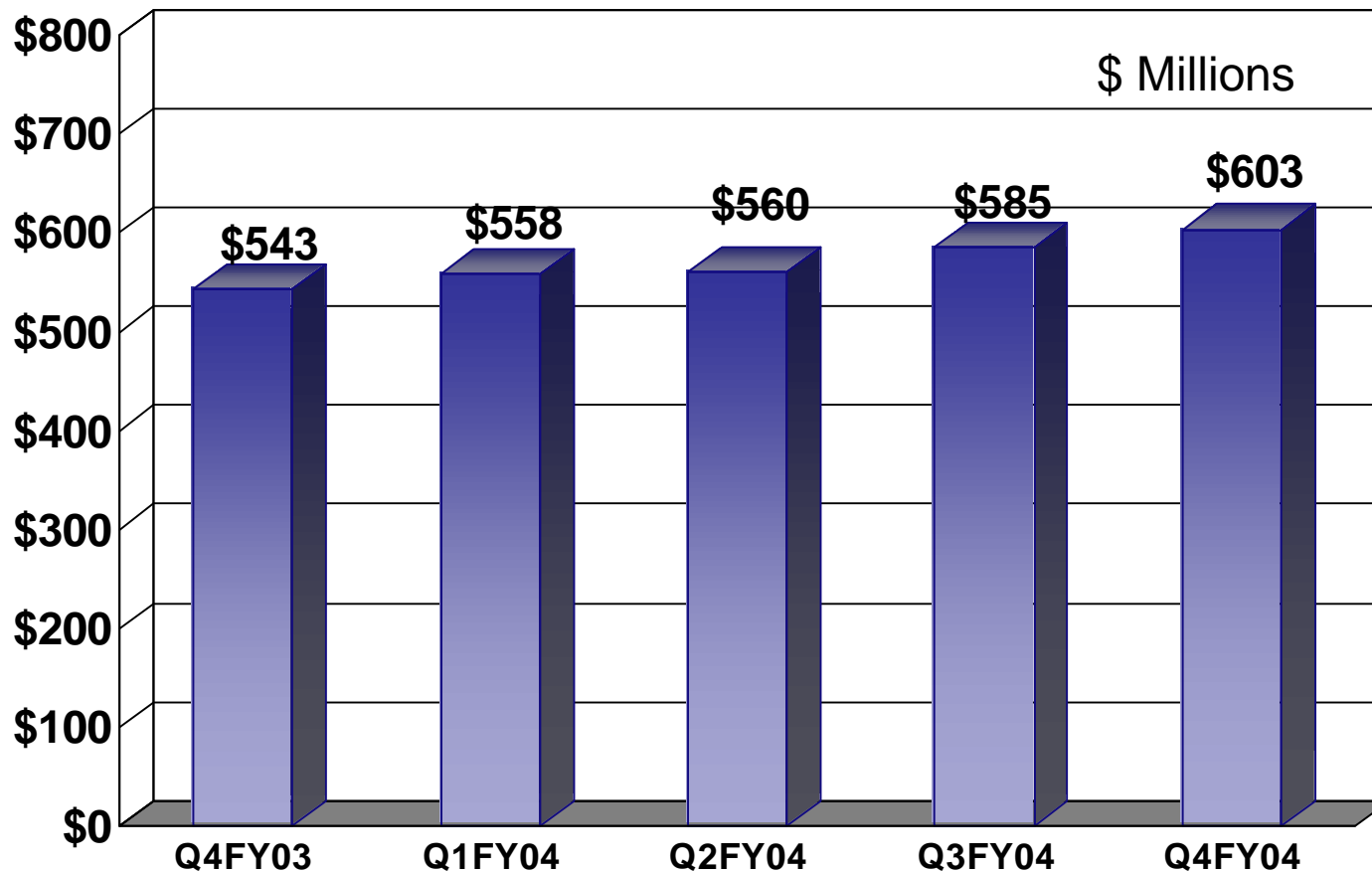


Full Year FY04 Financial Results

	FY03	FY04
Revenues	\$343.9 million	\$345.4 million
Non-GAAP Net Income (Loss)	(\$53.2 million)	\$7.4 million
Non-GAAP EPS	(\$0.51)	\$0.07
GAAP Net Income (Loss)	(\$277.9 million)	\$6.4 million
GAAP EPS	(\$2.68)	\$0.06



Cash and Investments* (net of debt)



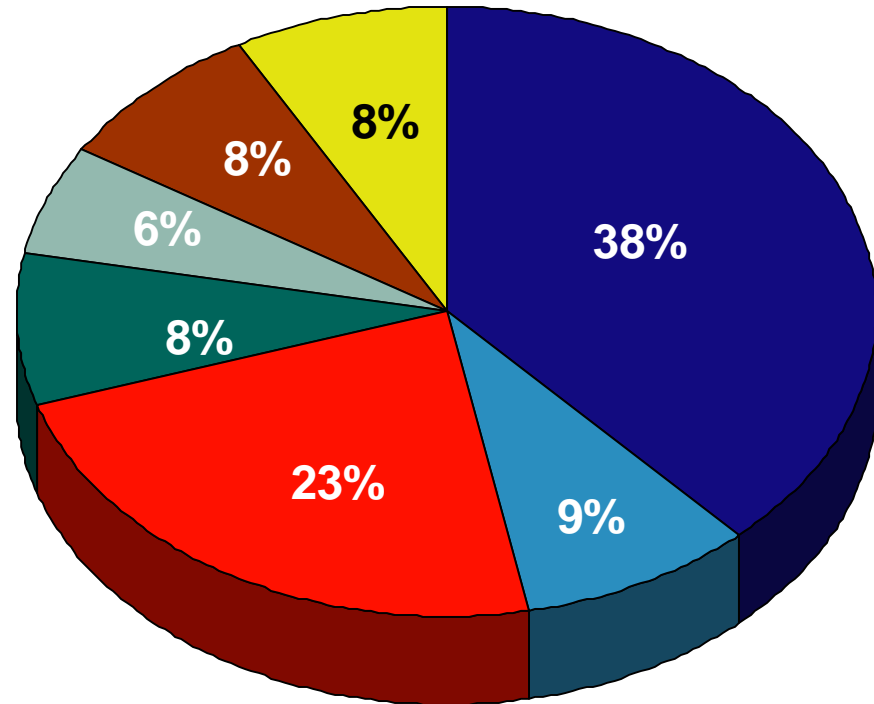
*Excludes equity investments and restricted cash



Revenue by Market Area

Revenue Across All Products

-  Enterprise Networking
-  Carrier Networking
-  Wireless Networking
-  Access Communications
-  Storage
-  Computing
-  Other



Fiscal Q4 2004
\$94.5 million



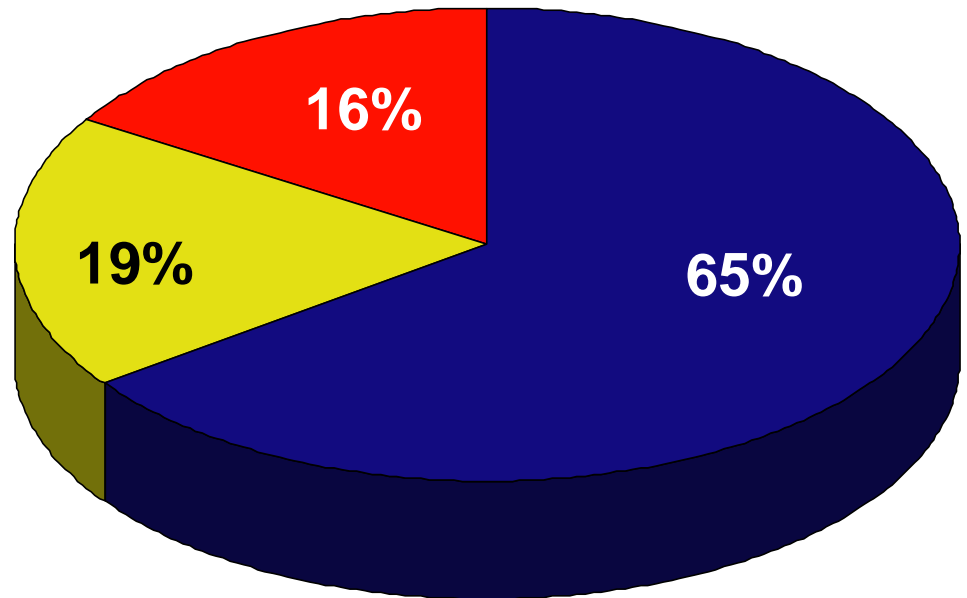
Historical Market Area Revenue

	FY03	FY04	Q3FY04	Q4FY04
Enterprise Networking	36%	38%	38%	38%
Carrier Networking	8%	8%	8%	9%
Wireless Networking	21%	21%	20%	23%
Access Communications	8%	9%	8%	8%
Storage Area Networks	7%	7%	8%	6%
Computing	11%	9%	10%	8%
Other	9%	8%	8%	8%



Revenue by Product Area

- Communications ICs**
 - Network search engines
 - Content inspection engines
 - Integrated communications processors
 - Flow-control management ICs
 - Telecom products
 - FIFOs
 - Multi-ports
- Logic and Clocks**
- SRAMs**



Fiscal Q4 2004
\$94.5 million



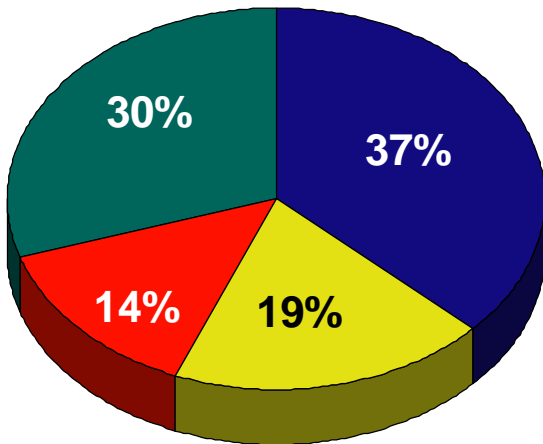
Historical Product Revenue

	FY03	FY04	Q3FY04	Q4FY04
Communications ICs	64%	66%	66%	65%
Logic and Clocks	21%	19%	18%	19%
SRAMs	15%	15%	16%	16%

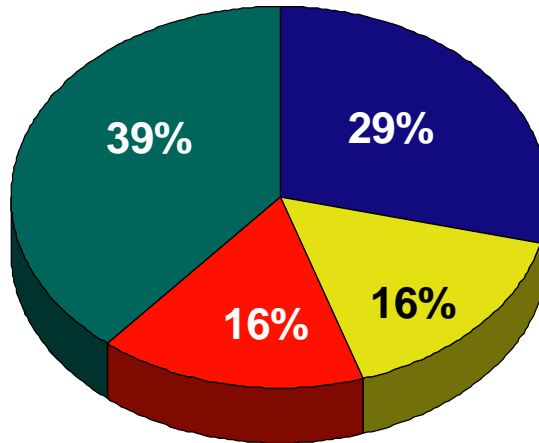


Revenue By Geography

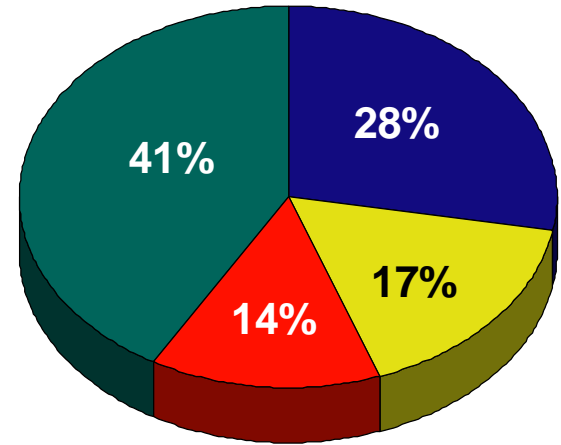
- Americas
- Europe
- Japan
- APAC



Fiscal 2003
\$343.9 million



Fiscal 2004
\$345.4 million



Fiscal Q4 2004
\$94.5 million



Historical Geographical Revenue

	FY03	FY04	Q3FY04	Q4FY04
Americas	37%	29%	29%	28%
Europe	19%	16%	15%	17%
Japan	14%	16%	15%	14%
APAC	30%	39%	41%	41%



Recent Highlights

- Last week IDT announced its entrance into the serial switching market with its planned acquisition of ZettaCom, Inc. Through the creation of a new division focused on Advanced Switching and PCI-Express technologies, IDT plans to accelerate the shift from proprietary to standards-based serial switching and bridging semiconductor solutions, and will make aggressive investments in technology, products, partnerships and standards.
- IDT continued to build on its strength in network search engines by achieving the highest revenues in the past six quarters, and a 10 percent increase from the previous quarter. Additionally, the Company surpassed the three-million-units-shipped mark.
- The Company introduced the industry's lowest-cost network search engines that are ideally suited for cost-sensitive applications in the enterprise and access markets. The products operate at up to 100 million searches per second (MSPS) and can achieve search rates up to 200 MSPS by utilizing simultaneous multi-database lookup (SMDL), a feature that allows for efficient multiple packet searches.



Recent Highlights

- IDT announced the industry's first family of 1.8-volt dual-port devices specifically developed for high-end, power-sensitive wireless applications. The device family targets those wireless platforms where multiple low-voltage processors are used to address the ever-increasing processor requirements for high-end wireless handset applications.



Thank You

