

IDT CORP
Form 8-K
March 09, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 8, 2016

IDT CORPORATION

(Exact name of registrant as specified in its charter)

Item 2.02 Results of Operations and Financial Condition.

On March 8, 2016, Zedge, Inc. (“Zedge”), a subsidiary of IDT Corporation (the “Registrant”), filed a registration statement on Form 10 with the U.S. Securities and Exchange Commission (“SEC”) that includes the following financial statements: (i) audited consolidated balance sheets of Zedge as of July 31, 2015 and 2014, and audited consolidated statements of comprehensive income (loss), equity, and cash flows for each of the years in the two-year period ended July 31, 2015, (ii) consolidated balance sheets of Zedge as of October 31, 2015 (unaudited) and July 31, 2015, (iii) unaudited consolidated comprehensive income (loss) and cash flows for the three month periods ended October 31, 2015 and 2014, (iv) an unaudited pro forma condensed consolidated balance sheet as of October 31, 2015 and unaudited pro forma consolidated statements of comprehensive income for the three months ended October 31, 2015 and for the fiscal year ended July 31, 2015 (the “Financial Statements”). The pro forma adjustments to the consolidated financial statements assume that Zedge’s spin-off from IDT occurred as of October 31, 2015. The Financial Statements included in the Information Statement filed as exhibit 99.1 to the Form 10 are incorporated herein by reference.

Item 8.01 Other Events.

On March 8, 2016, the Registrant announced the spin-off of its majority stake in its subsidiary Zedge. As previously disclosed, the board of directors of the Registrant authorized management to spin-off Zedge to its stockholders.

On March 8, 2016, the Registrant issued a press release announcing that Zedge had filed a Form 10 registration statement (containing a preliminary Information Statement for IDT stockholders) with the SEC.

The intent is that IDT’s interest in Zedge will be spun-off to the Registrant’s stockholders, so that Zedge will be a separate publicly traded company. Zedge intends to apply to have its Class B common stock listed for trading on the NYSE MKT under the symbol “ZDGE”. Approval of the spin-off by the Registrant’s stockholders is not required.

The Registrant’s board of directors believes that the spin-off will allow Zedge to better focus on its strategic mission and that its potential can be better realized as an independent entity.

The spin-off of IDT’s interest in Zedge will occur by way of a pro rata distribution of Zedge Class A common stock and Class B common stock to the Registrant’s stockholders. On the distribution date, each Registrant stockholder as of the record date for the distribution will receive one share of Zedge Class A common stock for every three shares of the Registrant Class A common stock and one share of Zedge Class B common stock for every three shares of the

Registrant Class B common stock.

Completion of the spin-off is subject to final approval by the Registrant's board of directors, receipt of a favorable opinion as to the spin-off's tax-free status, as well as effectiveness of the Form 10 registration statement filed with the SEC. The Form 10 includes detailed information about Zedge, the spin-off and related matters. IDT will distribute an information statement to stockholders following completion of the SEC's review of the Form 10. The Registrant's board of directors reserves the right to amend, modify or abandon the spin-off and the related transactions at any time prior to the distribution date.

This Form 8-K report contains forward-looking statements addressing the spin-off, the operation, business and prospects of the Registrant and Zedge following the spin-off and other expectations, prospects, estimates and other matters that are dependent upon future events or developments. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include uncertainties regarding the spin-off, including the timing and terms of the spin-off and whether the spin-off will be completed, and uncertainties regarding the impacts on the Registrant and the market for their respective securities if the spin-off is accomplished. In addition, the Registrant and Zedge are subject to additional risks and uncertainties, as described in the Registrant's Form 10-K, Form 10-Q and Form 8-K reports and the Form 10 referenced above (including all amendments to those reports) and exhibits to those reports.

A copy of the Press Release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Document

99.1 Press Release of the Registrant, dated March 8, 2016.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IDT CORPORATION

By: /s/ Shmuel Jonas
Name: Shmuel Jonas
Title: Chief Executive Officer

Dated: March 9, 2016

EXHIBIT INDEX

Exhibit No. Document

99.1 Press Release of the Registrant, dated March 8, 2016.

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