DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora colony, Road No.3, Banjara Hills, Hyderabad -500 034. INDIA
Tel : +91-40-23553726 & 27 Fax : +91-40-23552594
URL : www.dqentertainment.com

November 15, 2013

The Department of Listing
National Stock Exchange of India Limited
Mumbai

Dear Sir/Madam,

Sub: - Outcome of the Board Meeting held on November 15, 2013

Kindly note that the Board of Directors of the Company in their meeting held on November 15, 2013 have *interalia*, approved the un-audited financial results for the quarter and half year ended September 30, 2013 alongwith all the reports related thereto.

Kindly find attached herewith the above mentioned financials in the format prescribed under the listing agreement alongwith a copy of the Earnings Release. Also attached is a copy of the limited review report issued by M/s MZSK & Associates, Chartered Accountants - Statutory Auditors of the Company.

Kindly take the above on record and do the needful. Should you require any further information/clarification, do let us know.

Thanking you

Yours truly,

for DQ Entertainment (International) Limited

DQ Entertainment (International) Limited Hyderabad

Anita Sunil Nair
Company Secretary

DQ ENTERTAL MENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034
Un-Audited Standalone Financial Results for the quarter and half year ended 30 September 2013

(Rs in million)

Sl. No	Particulars	For Quarter e..ded 20 September 2013	For Quarter ended 30 June 2013	For Quarter ended 30 September 2012	For Half year ended 30 September 2013	For Half year ended 30 September 2012	For Year ended 31 March 2013
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-audited)	(Audited)
1	Net Income from Operations	553.93	272.80	425.67	826.73	657.29	1,988.07
2	Expenditure						
a	Production Expenses	7.73	12.34	10.50	20.07	19.26	71.10
b	Employee Expenses	196.60	201.47	219.39	398.07	457.06	873.94
c	Other Expenses	85.20	35.60	32.91	120.80	72.24	160.37
d	Depreciation, Amortisation and Impairment	87.69	87.36	87.57	175.05	167.66	486.63
e	Foreign exchange (gain) / loss	(116.81)	(174.73)	86.64	(291.54)	23.09	(19.93)
f	Expenses transferred to Capital Account	-	-	-	-	(4.59)	(4.59)
	Total Expenses [2a to 2f)]	**260.41**	**162.04**	**437.01**	**422.45**	**734.72**	**1,567.52**
3	Profit / (Loss) from Operations before Other Income, Interest and Finance expense and Exceptional Items [1 -2]	293.52	110.76	(11.34)	404.28	(77.43)	420.55
4	Other Income	10.38	9.53	8.59	19.91	26.59	44.26
5	Profit / (Loss) before Interest and Finance expense and Exceptional Items [3+ 4]	**303.90**	**120.29**	**(2.75)**	**424.19**	**(50.84)**	**464.81**
6	Interest and Finance Expenses	50.05	40.34	40.24	90.39	77.70	174.71
7	Profit / (Loss) after Interest and Finance expense but before Exceptional Items. [5 - 6]	**253.85**	**79.95**	**(42.99)**	**333.80**	**(128.54)**	**290.10**
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before tax	**253.85**	**79.95**	**(42.99)**	**333.80**	**(128.54)**	**290.10**
10	Less: Tax expense (net off MAT credit entitlement)	4.65	1.21	0.06	5.86	(1.22)	19.51
11	Profit / (Loss) from Ordinary Activities after tax [9 - 10]	**249.20**	**78.74**	**(43.05)**	**327.94**	**(127.32)**	**270.59**
12	Extraordinary Item	-	-	-	-	-	-
13	Profit / (Loss) for the period [11-12]	**249.20**	**78.74**	**(43.05)**	**327.94**	**(127.32)**	**270.59**
14	Paid-up equity share capital [Face value Rs.10 per share]	792.83	792.83	792.83	792.83	792.83	792.83
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	3,080.87
16	Earnings Per Share [Face value Rs.10 per share] (not annualised/ in Rs.)						
	a) Basic	3.15	0.99	(0.54)	4.14	(1.61)	3.41
	b) Diluted	3.15	0.99	(0.54)	4.14	(1.61)	3.41
17	Public Shareholding						
	a) Number of Shares	19,820,782	19,820,782	19,820,782	19,820,782	19,820,782	19,820,782
	b) Percentage of shareholding	25%	25%	25%	25%	25%	25%
	c) Shares held by custodians against depository receipts	-	-	-	-	-	-
18	Promoters and Promoter group Shareholding						
	a) Pledged / Encumbered - No. of Shares	-	-	-	-	-	-
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	-	-	-	-	-	-
	Percentage of shareholding (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non encumbered - No. of Shares	59,462,218	59,462,218	59,462,218	59,462,218	59,462,218	59,462,218
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	Percentage of shares (as a % of the total share ca, ital of the company)	75%	75%	75%	75%	75%	75%
	c) Shares held by custodians against depository receipts	-	-	-	-	-	-



DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Standalone Segment Revenue and Results

(Rs in million)

Particulars	For Quarter ended 30 September 2013	For Quarter ended 30 June 2013	For Quarter ended 30 September 2012	For Half year ended 30 September 2013	For Half year ended 30 September 2012	For Year ended 31 March 2013
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
Segment Revenue						
Animation	417.72	263.03	363.32	680.75	588.09	1,700.90
Distribution	136.21	9.77	62.35	145.98	69.20	287.17
Net Income from Operations	**553.93**	**272.80**	**425.67**	**826.73**	**657.29**	**1,988.07**
Segment Results						
Animation	255.89	114.61	177.87	370.50	219.50	975.19
Distribution	75.97	(18.59)	6.06	57.38	(27.06)	(26.42)
Unallocated income / (expense)	(27.96)	24.27	(186.68)	(3.69)	(243.28)	(483.96)
Segment Results before Interest and Finance Expense and Tax Expenses	**303.90**	**120.29**	**(2.75)**	**424.19**	**(50.84)**	**464.81**
Interest and Finance Expense	(50.05)	(40.34)	(40.24)	(90.39)	(77.70)	(174.71)
Profit / (Loss) before tax	**253.85**	**79.95**	**(42.99)**	**333.80**	**(128.54)**	**290.10**
Tax expense	4.65	1.21	0.06	5.86	(1.22)	19.51
Profit / (Loss) for the period	**249.20**	**78.74**	**(43.05)**	**327.94**	**(127.32)**	**270.59**
Capital Employed						
Animation	2,172.99	2,006.52	1,488.79	2,172.99	1,488.79	1,861.61
Distribution	1,609.63	1,404.78	1,109.17	1,609.63	1,109.17	1,451.01
Unallocated	419.02	541.14	877.83	419.02	877.83	561.08
Total	**4,201.64**	**3,952.44**	**3,475.79**	**4,201.64**	**3,475.79**	**3,873.70**

DQ Entertainment (International) Limited Hyderabad

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Notes:

1) Un-Audited Standalone Statement of Assets and Liabilities as at 30 September 2013

(Rs in million)

Particulars	as at 30 September 2013	as at 31 March 2013
	(Un-Audited)	(Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share capital	792.83	792.83
(b) Reserves and surplus	3,408.81	3,080.87
	4,201.64	**3,873.70**
(2) Non-Current Liabilities		
(a) Long-term borrowings	625.09	541.75
(b) Deferred tax liabilities (Net)	139.23	139.23
(c) Long term provisions	144.04	133.43
	908.36	**814.41**
(3) Current Liabilities		
(a) Short term borrowings	567.40	399.48
(b) Trade payables	0.21	2.05
(c) Other current liabilities:		
(i) Current maturity of long term borrowings	285.76	379.04
(ii) Others	305.19	272.04
(d) Short term provisions	155.74	78.37
	1,314.30	**1,130.98**
Total	**6,424.30**	**5,819.09**
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed assets		
(i) Tangible assets	199.94	263.26
(ii) Intangible assets	1,251.61	1,241.90
(iii) Capital work-in-progress	1.17	1.17
(iv) Intangible asset under construction	392.70	284.95
(b) Non-current investments	1,256.85	1,113.20
(c) Long-term loans and advances	556.00	548.17
(d) Other non-current assets	57.89	43.07
	3,716.16	**3,495.72**
(2) Current Assets		
(a) Trade receivables	2,348.48	1,817.55
(b) Cash and bank balances	31.43	79.64
(c) Short-term loans and advances	11.35	21.11
(d) Other Current Assets - Unbilled revenue	316.88	405.07
	2,708.14	**2,323.37**
Total	**6,424.30**	**5,819.09**

Entertainment (International) Limited Hyderabad

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

2) The un-audited standalone financial results for the quarter and half year ended September 30, 2013 have been taken on record by the Board of Directors at its meeting held on 15 November 2013. The "Un-Audited Standalone Financial Results" have been subjected to the limited review by statutory auditors of the company.

3) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended September 30, 2013.

Nature of complaints	Opening Balance	Received during the quarter	Disposed during the quarter	Closing Balance
Investor complaints	-	-	-	-

4) Corresponding year and quarter end figures have been regrouped / reclassified wherever necessary.

DQ Entertainment (International) Limited ★ Hyderabad

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034
Un-Audited Consolidated Financial Results for the quarter and half year ended 30 September 2013

(Rs in million)

Sl. No	Particulars	For Quarter ended 30 September 2013	For Quarter ended 30 June 2013	For Quarter ended 30 September 2012	For Half year ended 30 September 2013	For Half year ended 30 September 2012	For Year ended 31 March 2013
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
1	Net Income from Operations	565.76	304.25	643.41	870.01	952.72	2,294.08
2	Expenditure						
a	Production Expenses	3.59	16.49	28.23	20.08	73.18	178.61
b	Employee Expenses	197.44	202.22	219.86	399.66	457.98	875.83
c	Other Expenses	118.29	63.43	51.50	181.72	110.60	250.24
d	Depreciation, Amortisation and Impairment	98.35	90.85	95.16	189.20	182.58	526.99
e	Foreign exchange (gain) / loss	(143.73)	(183.96)	79.84	(327.69)	20.48	(17.97)
f	Expenses transferred to Capital Account	-	-	(46.78)	-	(51.37)	(125.44)
	Total Expenses [2a to 2f)]	**273.94**	**189.03**	**427.81**	**462.97**	**793.45**	**1,688.26**
3	Profit from Operations before Other Income, Interest and Finance expense and Exceptional Items [1 -2]	291.82	115.22	215.60	407.04	159.27	605.82
4	Other Income	3.06	2.50	1.32	5.56	12.18	16.29
5	Profit before Interest and Finance expense and Exceptional Items [3+ 4]	**294.88**	**117.72**	**216.92**	**412.60**	**171.45**	**622.11**
6	Interest and Finance Expenses	63.03	50.19	49.35	113.22	96.04	209.44
7	Profit after Interest and Finance expense but before Exceptional Items. [5 - 6]	**231.85**	**67.53**	**167.57**	**299.38**	**75.41**	**412.67**
8	Exceptional items	-	-	-	-	-	-
9	Profit from Ordinary Activities before tax	**231.85**	**67.53**	**167.57**	**299.38**	**75.41**	**412.67**
10	Less: Tax expense (net off MAT credit entitlement)	4.65	1.21	25.73	5.86	24.45	39.62
11	Profit from Ordinary Activities after tax [9 - 10]	**227.20**	**66.32**	**141.84**	**293.52**	**50.96**	**373.05**
12	Extraordinary Item	-	-	-	-	-	-
13	Profit for the period [11-12]	**227.20**	**66.32**	**141.84**	**293.52**	**50.96**	**373.05**
14	Paid-up equity share capital [Face value Rs.10 per share]	792.83	792.83	792.83	792.83	792.83	792.83
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	3,528.32
16	Earnings Per Share [Face value Rs.10 per share] (not annualised/ in `)						
	a) Basic	2.86	0.84	1.79	3.70	0.64	4.71
	b) Diluted	2.86	0.84	1.79	3.70	0.64	4.71
17	Public Shareholding						
	a) Number of Shares	19,820,782	19,820,782	19,820,782	19,820,782	19,820,782	19,820,782
	b) Percentage of shareholding	25%	25%	25%	25%	25%	25%
	c) Shares held by custodians against depository receipts	-	-	-	-	-	-
18	Promoters and Promoter group Shareholding						
	a) Pledged / Encumbered - No. of Shares	-	-	-	-	-	-
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	-	-	-	-	-	-
	Percentage of shareholding (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non encumbered - No. of Shares	59,462,218	59,462,218	59,462,218	59,462,218	59,462,218	59,462,218
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%	75%	75%	75%
	c) Shares held by custodians against depository receipts	-	-	-	-	-	-

DQ Entertainment (International) Limited ★ Hyderabad

DO ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Consolidated Segment Revenue and Results

(Rs in million)

Particulars	For Quarter ended 30 September 2013	For Quarter ended 30 June 2013	For Quarter ended 30 September 2012	For Half year ended 30 September 2013	For Half year ended 30 September 2012	For Year ended 31 March 2013
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
Segment Revenue						
Animation	415.71	275.73	420.93	691.44	701.77	1,820.10
Distribution	150.05	28.52	222.48	178.57	250.95	473.98
Net Income from Operations	**565.76**	**304.25**	**643.41**	**870.01**	**952.72**	**2,294.08**
Segment Results						
Animation	273.18	114.61	217.27	387.79	278.34	986.91
Distribution	94.41	(18.59)	158.62	75.82	139.78	120.00
Unallocated income / (expense)	(72.71)	21.70	(158.97)	(51.01)	(246.67)	(484.80)
Segment Results before Interest and Finance Expense and Tax Expenses	**294.88**	**117.72**	**216.92**	**412.60**	**171.45**	**622.11**
Interest and Finance Expense	(63.03)	(50.19)	(49.35)	(113.22)	(96.04)	(209.44)
Profit before tax	**231.85**	**67.53**	**167.57**	**299.38**	**75.41**	**412.67**
Tax expense	4.65	1.21	25.73	5.86	24.45	39.62
Profit for the period	**227.20**	**66.32**	**141.84**	**293.52**	**50.96**	**373.05**
Capital Employed						
Animation	1,992.46	1,927.99	1,684.61	1,992.46	1,684.61	1,640.45
Distribution	3,210.07	2,445.62	4,093.84	3,210.07	4,093.84	2,403.30
Unallocated	(184.07)	205.34	(1,815.82)	(184.07)	(1,815.82)	277.40
Total	**5,018.46**	**4,578.95**	**3,962.63**	**5,018.46**	**3,962.63**	**4,321.15**

DO Entertainment (International) Limited ★ Hyderabad

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

2) The un-audited consolidated financial results for the quarter and half year ended September 30, 2013 have been taken on record by the Board of Directors at its meeting held on 15 November 2013. The "Un-audited Consolidated Financial Results" have been subjected to the limited review by statutory auditors of the company.

3) Pursuant to Clause 41 of the Listing Agreement, the Company opted to publish only the Consolidated Results of the Company. Investor can view the Standalone results of the Company on the Company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com).

4) Certain Standalone Information of the Company.

(Rs in million)

Particulars	For Quarter ended 30 September 2013	For Quarter ended 30 June 2013	For Quarter ended 30 September 2012	For Half year ended 30 September 2013	For Half year ended 30 September 2012	For Year ended 31 March 2013
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
Net Income from Operations	553.93	272.80	425.67	826.73	657.29	1,988.07
Profit / (Loss) before tax	253.85	79.95	(42.99)	333.80	(128.54)	290.10
Profit / (Loss) after tax	249.20	78.74	(43.05)	327.94	(127.32)	270.59

5) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter and harlf year ended September 30, 2013.

Nature of complaints	Opening Balance	Received during the quarter	Disposed during the quarter	Closing Balance
Investor complaints	-	-	-	-

6) Corresponding year end figures have been regrouped / reclassified wherever necessary.

DQ Entertainment (International) Limited ★ Hyderabad

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Notes:

1)Un-Audited Consolidated Statement of Assets and Liabilities as at 30 September 2013

(Rs in million)

Particulars	as at 30 September 2013	as at 31 March 2013
	(Un-Audited)	(Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share capital	792.83	792.83
(b) Reserves and surplus	4,225.63	3,528.32
	5,018.46	**4,321.15**
(2) Non-Current Liabilities		
(a) Long-term borrowings	1,305.90	1,095.04
(b) Deferred tax liabilities (Net)	139.23	139.23
(c) Other long term liabilities	433.61	203.38
(d) Long term provisions	144.04	133.43
	2,022.78	**1,571.08**
(3) Current Liabilities		
(a) Short term borrowings	892.28	666.45
(b) Trade payables	196.43	205.63
(c) Other current liabilities:		
(i) Current maturity of long term borrowings	455.98	379.04
(ii) Others	339.15	309.13
(d) Short term provisions	169.57	93.56
	2,053.41	**1,653.81**
Total	**9,094.65**	**7,546.04**
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed assets		
(i) Tangible assets	199.94	263.26
(ii) Intangible assets	1,622.16	1,558.83
(iii) Capital work-in-progress	1.17	1.17
(iv) Intangible asset under construction	4,224.57	3,058.81
(b) Long-term loans and advances	309.77	233.80
(c) Other non-current assets	57.89	43.07
	6,415.50	**5,158.94**
(2) Current Assets		
(a) Trade receivables	1,940.36	1,624.30
(b) Cash and bank balances	36.15	81.70
(c) Short-term loans and advances	108.78	38.35
(d) Other Current Assets - Unbilled revenue	593.86	642.75
	2,679.15	**2,387.10**
Total	**9,094.65**	**7,546.04**

DQ Entertainment (International) Limited Hyderabad

MZSK
& Associates
Chartered Accountants

Mumbai
Pune
New Delhi
Aurangabad
Hyderabad

www.mzsk.in

Review Report to the Board of Directors of DQ Entertainment (International) Limited:

1. We have reviewed the accompanying statement of unaudited consolidated financial results of DQ Entertainment (International) Limited and its subsidiary for the quarter ended 30.09.2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management, and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. We did not review the financial information of the subsidiary, whose unaudited financial results reflect total revenues of Rs.131,450,264 for the period ended on 30th September 2013, as considered in the unaudited consolidated financial results. This financial information have been reviewed by another auditor who has furnished his review information to us and our review report, in so far as it relates to the amounts included in the unaudited consolidated financial results in respect of the subsidiary, is based solely on such review information of the other auditor.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards [Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For MZSK & Associates
Chartered Accountants
Firm Registration No.105047 W

Abuali Darukhanawala
Partner
Membership No.: 108053
Hyderabad
15.11.2013

Mumbai | The Ruby, Level 9, North West Wing,
Senapati Bapat Marg, Dadar (W), Mumbai - 400 028
Tel.: + 91 22 24393600, Fax: +91 22 24393700

Pune | Business Bay, Level 3, Plot No. 84,
Wellesley Road, Near RTO (Sangam Bridge), Pune - 411 001
Tel.: + 91 20 26225500, Fax: +91 20 26225670

DQ Entertainment (International) Limited, India
Earnings Release - September 2013

DQ Entertainment (DQE) a leading global animation, gaming, live action, entertainment production and distribution company, today announces its results for the period ended 30 September 2013

1. FINANCIAL HIGHLIGHTS:

- **Revenue: INR 870 mn (2012: INR.953 mn)**
- **EBIDTA: INR 596 mn (2012: INR 342 mn)**
- **Profit before tax: INR 299 mn (2012: INR 75 mn)**
- **Profit after tax: INR 294 mn (2012: INR 51 mn)**

- With the first signs of improvement in the global scenario your Company has buoyantly sustained itself and generated a total revenue of Rs. 870 mn during the half year ended September 2013 which is on line with our annual estimates.

- The financials had a positive impact of change due to foreign exchange rates and substantial increase in production/delivery efficiencies. For the half year ended September 2013 there is a foreign exchange gain of Rs. 328 mn as compared to a loss of Rs. 20 mn for the corresponding period in the previous year. This gain is on account of restatement of foreign currency balances as on 30 September 2013.

- The Company continues to make significant efforts to reduce its receivables to a normal cycle. Since April 2013 the Company has already collected Rs. 86 Crores. We are constantly in touch with all the clients/partners/broadcasters/distributors/agents for recovery of due amounts and monies are being received from most of the clients on regular basis, thereby assuring that the clients are committed to pay. We do not foresee any issues on the recoverability of these amounts.

- During the half year ended, the Company has repayed term loans to the extent of INR 155 mn.

2. CHAIRMAN'S STATEMENT:

The global entertainment industry is developing at an unprecented pace. Mobility and portability of content will, in my opinion, have a profound impact as viewers consume programming outside their homes and want to control what they watch, when they watch, and on what device . So many opportunities are evolving and we recognize that in so far as content production is important, even more vital will be the distribution technologies that are emerging.

Recognizing and serving this need with regards to distribution technology, we have made substantial and focused progress in Licensing and Distribution of our Intellectual Properties not only for television broadcast, but other VOD (Video on Demand) and SVOD (Subscription Video on Demand) & OTT (Over theTop) platforms as well. Our flagship global property Jungle Book Series is on Netflix, Vudu and Hulu - the famous OTT platforms in the USA.

DQ Entertainment (International) Limited Hyderabad

New associations with leading networks and licensees globally are paving the way to monetize our IPs and co-produced content. New deals across our portfolio of properties in recent months are with best-in-class partners such as France Television, Nickelodeon, Disney Channel Productions, Sky Italia, Universal Music, Discovery Kids, Rai TV, Italy etc. The promotional deal for The Jungle Book with Burger King Worldwide has been immensely successful and will be extended for second promotion.

We have successfully completed deliveries while new productions are in development. Our foray into theatrical production of 'The Jungle Book' is gathering momentum, and we hope to conclude announceable distribution deals in the near future.

We remain confident that the global entertainment industry has excellent growth prospects, while our business remains well placed for projected growth in the current year."

3. OPERATING HIGHLIGHTS:

Completed projects:



1. **Peter Pan Season 1** – 26 x 22' 3D HD Stereoscopic TV Series with ZDF Germany, De Agostini Italy, Method Animation supported by France TV, B Channel – Indonesia, JCCTV – Middle East and Noga – Israel

DQ Entertainment (International) Limited Hyderabad

DQ Entertainment (International) Limited, India
Earnings Release - September 2013

On- going projects :



Jungle Book Season 2
52 x 11'- CGI TV series with ZDF- Germany and TF1 - France



Jungle Book Christmas Special
42' - CGI TV Feature, ZDF and Disney Channel



Robin Hood Mischief in Sherwood
52 x 11' - CGI TV series with Method Animation and TF1 - France, ZDF - Germany, ATV - Turkey, DeA Kids - Italy



Lassie & Friends
52 x 11' 2D HD TV series with Dreamworks Classic Media - USA, Super Prod & TF1 - France, ZDF - Germany



Lanfeust Quest
26 x 22' - CGI TV series with Gaumont Animation - France, M6 TV - France



NFL Rush Zone Season 3
24 x 22' -CGI & 2D TV Series with Rollman Entertainment - USA for Nicktoons



Little Prince Season 3
26 x 22' - CGI TV series with Method Animation – France, WDR - Germany, France Television, RAI TV Italy



Iesodo
10 x 13' – CGI TV Series with Zaya Toonz LLC - USA



Manav
1 x 60' - 2D TV feature for Disney - India

DQ Entertainment (International) Limited Hyderabad

New projects signed/in development:

1. **Peter Pan Season 2** – 26 x 22' CGI TV series with ZDF - Germany, De Agostini - Italy and Method Animation - France and France TV
2. **Yonaguni** - 52 x 11' CGI TV series with Sea World - USA and Rollman Entertainment- USA
3. **7 Dwarfs & Me** - 52 x 11' CGI & Live Action Hybrid Series with Method Animation - France
4. **5 & IT** – 52 x 11' – CGI TV Series with ZDF Enterprises – Germany, Method Animation – France, Nick- India and Global TV – Indonesia
5. **Leo & The Pisa Gang** – 52 x 11' – CGI TV series with MPP Production and Penta TV - Germany
6. **Raz & Benny** – 52 x 11' – CGI TV series with Foothill Entertainment - USA
7. **The Wind in the Willows** – 52 x 11' HD TV series under development

Recently the Group concluded the new co-production and licensing deals worth INR 2220 mn.

Licensing and Distribution:

Our licensing and distribution efforts have proven increasingly successful on a global scale and are helping to create long term and sustained value for DQE.

Broadcasting deals signed during the period:

S. No	Name of the licensee	Project Name	Territories
1	Discovery	Robin Hood	Indian Sub- Continent Region
2	Nickelodeon	The Jungle Book – 1 & 2, The Rising Star and Galactic Football	Indian Sub- Continent
3	Sky Italia	Peter Pan – 1	Italy
4	Rai TV	Peter Pan – 1	Italy
5	Universal Music	Jungle Book – 2	World Wide
6	2 x 2	Iron Man 2	Russia
7	Green Narae Media	Jungle Book 2, Peter Pan	Korea

Merchandising deals signed during the period: The Jungle Book & Peter Pan

S. No	Licensee	Category	Territories
1	Show Attraction	Costume Character Appearance	Australia
2	Habuba Clip	Toys	Israel
3	TRU Dubai	Toys	Dubai
4	Hunter Leisure	Toys	Australia

DQ Entertainment (International) Limited Hyderabad

5	Prima Toys	Toys	South Africa
6	Scandi Toys	Toys	Scandinavia
7	Ho's Team- Shoprite	Toys	South Africa
8	BBS	Disposables and Tableware	Italy, San Marino & Vatican City
9	Jil Croft Pty Ltd.	Puzzles & Games	Australia
10	Ranocchiore	Ceramic, Porcelain, Glass, Silver bi-laminate, Resin and Cardboard	Italy, San Marino, Vatican City and Italian speaking Switzerland
11	Tendenze srl	Apparels	Italy, San Marino and Vatican City.



4. AWARDS AND ACCOLADES

Mr. Tapaas Chakravarti received the Life Time Achievement – Hall of Fame Award on November 3, 2013 at the World Animation and VFX summit held in California. The accolade was awarded to Tapaas for his contribution to the growth of the animation industry in India and his global outreach efforts in animation.

***

DQ Entertainment (International) Limited Hyderabad

	STANDALONE		CONSOLIDATED	
Particulars	**For Quarter ended 30 Sept 2013**	**For Year ended 31 March 2013**	**For Quarter ended 30 Sept 2013**	**For Year ended 31 March 2013**
Audited / Unaudited	Unaudited	Audited	Unaudited	Audited
Consolidated / Non Consolidated	Standalone	Standalone	Consolidated	Consolidated
Period Type	Second Quarter	Annual	Second Quarter	Annual
Segment Type	Multi Segment	Multi Segment	Multi Segment	Multi Segment
Audit Qualification Addressed	Yes	Yes	Yes	Yes
Utilization of Funds disclosed	No	No	No	No
Report	NA	Auditors report	NA	Auditors report
From Date	1-Jul-13	1-Apr-12	1-Jul-13	1-Apr-12
To Date	30-Sep-13	31-Mar-13	30-Sep-13	31-Mar-13
Part I				
Particulars	(Rupees in Lacs)	(Rupees in Lacs)	(Rupees in Lacs)	(Rupees in Lacs)
Income from Operations				
Net Sales/Income from Operations (Net of excise duty)	5,539.3	19,880.7	5,657.6	22,940.8
Other Operating Income				
Total income from Operations (net)	5,539.3	19,880.7	5,657.6	22,940.8
Expenses				
Production Expenses	77.3	711.0	35.9	1,786.1
Expenses tansferred to Capital Account	-	(45.9)	-	(1,254.4)
Foreign Exchange Loss/(Gain)	(1,168.1)	(199.3)	(1,437.3)	(179.7)
Employee benefits expense	1,966.0	8,739.4	1,974.4	8,758.3
Depreciation and amortisation expense	876.9	4,866.3	983.5	5,269.9
Other expenses	852.0	1,603.7	1,182.9	2,502.4
Total Expenses	2,604.1	15,675.2	2,739.4	16,882.6
Profit / (Loss) from operations before other income, finance costs and exceptional items	2,935.2	4,205.5	2,918.2	6,058.2
Other Income	103.8	442.6	30.6	162.9
Profit / (Loss) from ordinary activities before finance costs and exceptional items	3,039.0	4,648.1	2,948.8	6,221.1
Finance Costs	500.5	1,747.1	630.3	2,094.4
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	2,538.5	2,901.0	2,318.5	4,126.7
Exceptional Items	-	-	-	-
Profit / (Loss) from ordinary activities before tax	2,538.5	2,901.0	2,318.5	4,126.7
Tax expense	46.5	195.1	46.5	396.2
Net Profit / (Loss) from ordinary activities after tax	2,492.0	2,705.9	2,272.0	3,730.5
Extraordinary items (net of tax expenses)	-	-	-	-
Net Profit / (Loss) for the period	2,492.0	2,705.9	2,272.0	3,730.5
Share of Profit / (loss) of associates	-	-	-	-
Minority Interest	-	-	-	-
Other Related Items	-	-	-	-
Consolidated Net Profit/Loss for the period	2,492.0	2,705.9	2,272.0	3,730.5
Face Value	Rs.10/- each	Rs.10/- each	Rs.10/- each	Rs.10/- each
Paid-up equity share capital	7,928.3	7,928.3	7,928.3	7,928.3
Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	30,808.7	-	35,283.2
Basic EPS before Extraordinary items	3.2	3.4	2.9	4.7
Diluted EPS before Extraordinary items	3.2	3.4	2.9	4.7
Basic EPS after Extraordinary Items	3.2	3.4	2.9	4.7
Diluted EPS after Extraordinary items	3.2	3.4	2.9	4.7
Part II				
A PARTICULARS OF SHAREHOLDING				
Public Shareholding				
Number of Shares	19,820,782.0	19,820,782.0	19,820,782.0	19,820,782.0
Percentage of shareholding	0.3	0.3	0.3	0.3
Promoters and Promoter Group Shareholding				
a) Pledged/ Encumbered				
Number of Shares	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
b) Non-Encumbered				
Number of Shares	59,462,218.0	59,462,218.0	59,462,218.0	59,462,218.0
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	10000%	100%	100%
Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%	75%
B INVESTOR COMPLAINTS				
Pending at the beginning of the quarter	-	-	-	-
Received during the quarter	-	-	-	-
Disposed off during the quarter	-	-	-	-
Remaining unresolved at the end of the quarter	-	-	-	-
Segment Details				
Segment Revenue	5,539.3	19,880.7	5,657.6	22,940.8
Total	5,539.3	19,880.7	5,657.6	22,940.8
Less:				
Inter Segment Revenue	-	-	-	-
Net sales/Income from Operations	5,539.3	19,880.7	5,657.6	22,940.8
Segment Results	3,039.0	4,648.1	2,948.8	6,221.1
Total	3,039.0	4,648.1	2,948.8	6,221.1
Less:				
Interest	500.5	1,747.1	630.3	2,094.4
Other Un-allocable Expenditure net off	-	-	-	-
Un-allocable income	-	-	-	-
Total Profit Before Tax	2,538.5	2,901.0	2,318.5	4,126.7
Capital Employed	42,016.4	38,737.0	50,184.6	43,211.5
Total	42,016.4	38,737.0	50,184.6	43,211.5