



DQ Entertainment (International) ("DQE" or "the Company")

Quarterly operations update

DQ Entertainment, the global entertainment, production and distribution group, is pleased to announce that it is continuing to deliver new productions and has signed several new licensing and merchandising deals in respect of its intellectual properties during the quarter ending 31 March 2012.

These are summarised below.

DQE has successfully delivered 6 new TV productions:

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1	Iron Man season 2	26 x 22 minutes 3D TV series co-produced with Method Animation, France and Marvel Entertainment, USA
2	Little Prince seasons 1 and 2	26 x 22 minutes 3D TV series co-produced with Method Animation, France and France Televisions
3	Little Nick season 2	52 x 11 minutes 3D TV series co-produced with Method Animation, France and M6 Studios
4	Keymon Ache season 1	52 x 11 minutes 2D animated TV series produced in collaboration with Nickelodeon, India
5	Omkar season 2	70 minute 2D animated TV feature acquired for broadcast by Turner Networks for the Indian subcontinent
6	Feluda TV series	13 x 22 minutes 2D animated TV series acquired for broadcast by Disney, India



Licensing agreements for “The New Adventures of Peter Pan”



DQE has appointed France Television Distribution (“FTD”), one of France’s leading licensing and merchandising agents, as their licensing representative for its latest 3D 52 x 11’ TV series of its wholly owned IP ‘The New Adventures of Peter Pan’. This 3 year agreement permits FTD to act as DQE’s exclusive licensing and merchandising agent in France, Monaco, Andorra, French-speaking Belgium, Switzerland and Luxembourg.



Further, DeAgostini, Italy has acquired the rights for agency representation in respect of licensing and merchandising for Peter Pan in Italy.

Licensing and merchandising agreements for “The Jungle Book”

DQE has signed multiple licensing deals for its very successful 3D TV series “The Jungle Book” including:



- **Jungle Online, Belgium**, has acquired the rights to make Jungle Book comic books in French in France, Monaco, Belgium, Switzerland and Luxembourg. This deal was concluded through TF1 France, DQE’s licensing agent for these regions
- **Gruppo Edicart, Italy**, acquired the publishing rights of Jungle Book in Italy, San Marino and the Vatican City through DQE’s Italian licensing agents, Planeta Junior. Edicart has the right to publish for example, Jungle Book pop up books, activity and games books, sticker albums and story books
- **Swadesh Essfil, India**, an upcoming licensee in the Indian market and the license holder for Angry Birds in India has acquired the rights for the production of Jungle Book stationary, stamps, writing pads, white boards, water bottles, lunch boxes, cookie jars etc. in India
- **Haksan, a South Korean** publishing company has acquired the rights to make colouring book, sticker albums and puzzles, while Marken Dosi, another South Korean company, will produce wall paper decorations and souvenirs of Jungle Book
- **Showtime Attraction, Australia**, has acquired the rights for costume character appearances in malls and various festivals and shows of Jungle Book characters



- **Blue Ocean**, a leading publishing house in Germany has acquired the publishing rights of Jungle Book Magazine 3 in Germany and German speaking Europe



- **Exim Licensing**, a USA based licensing and merchandising firm was appointed as DQE's licensing agents for The Jungle Book in Mexico. Exim will represent the licensing interests for the TV series in Mexico and has the rights to negotiate and administer licensing agreements on DQE's behalf.

Broadcasting and distribution agreements for "Iron Man"

DQE has signed new broadcasting and distribution agreements for series 2 of its 3D TV series "Iron Man Armoured Adventures" including:

- Broadcasting agreement with Buena Vista International (Disney channel) in many Asian regions including Indonesia, Brunei, East Timor, Cambodia, Laos, Malaysia, Myanmar, Mongolia, Thailand, Singapore, Vietnam, Papua New Guinea and Republic of Palau.
- Home video distribution agreement with Australian distribution company, Magna Home Entertainment ("Magna"). The 5 year agreement provides Magna with the home video distribution rights of the TV series in Australia and New Zealand.

DQE is continuing to negotiate new licensing deals across its library of IPs and is also confident of concluding negotiations over certain new projects in the MIPTV 2012, Cannes, held between 1 - 4 April 2012.

Tapaas Chakravarti Chairman & CEO of DQE Group commented:

"We have been getting a lot of interest for many of our high quality projects like The Jungle Book, Peter Pan and Iron Man for licensing and distribution from major global players. We are delighted that our licensing arm has started paying dividends by fast tracking many strategic deals around the world and will contribute substantially to the Group's financial results."



About DQE:

DQE is one of the leading producers of animation, visual effects, game art and live action entertainment content for the global media and entertainment industry. With a workforce of approximately 3,200 employees and a global client - partner base of over 100 producers, distributors, broadcasters and licensors, including Walt Disney Group, Universal Pictures, Nickelodeon Animation Studios Inc., Electronic Arts, Marvel Comics, American Greetings, the BBC, M6 / France TV Group / TF-1, all leading broadcasting and distribution groups from France, ZDF TV and ZDF Enterprises, a leading pubcaster and distributor from Germany, ABC Australia, Al Jazeera - Arabic nations, Disney Channels - Asia, Cartoon Network Group and many more worldwide.

DQE has produced/co-produced and distributed iconic animated brands such as Iron Man , Twisted Whiskers, Mikido, Casper, Pinky & Perky, Large Family, Mickey Mouse Club House and Penguins of Madagascar TV series and is now co-producing properties like The Little Prince, Little Nick, Iron Man, Charlie Chaplin and others with major international broadcasters and producers. DQE has a substantial library of international programs for distribution and licensing globally for TV, home entertainment, merchandising and publishing. Two feature films are also currently in development at DQE.

DQE has received over 35 awards including an EMMY, at several national and international forums recognising creativity and excellence. Among these are the E&Y Entrepreneur of the Year Award, The UK Broadcast Award 2010, Sichuan TV Festival International "Gold Panda" Award, 11 Emmy nominations and an Emmy Award administered by the National Academy of Television Arts & Sciences , USA for 'Tutenstein' animated TV series. The Jungle Book produced by DQE was nominated in 5 categories at the Cartoons on the bay - Pulcinella awards Italy in 2011.

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