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
CIN: L92113TG2007PLC053585

November 9, 2018

The Manager (Listing) Department of Corporate Services BSE Limited P J Towers, Dalal Street, Mumbai — 400 001. Company Code: 533176 (BSE)	The Manager (Listing), National Stock Exchange of India Limited, "Exchange Plaza" Bandra - Kurla Complex Mumbai- 400 051. Company Code: DQE (NSE)

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on November 9, 2018

Kindly note that the Board of Directors of the Company at their meeting held on November 9, 2018 have, *interalia*, approved the un-audited financial results (Standalone & consolidated) for the quarter and half-year ended September 30, 2018.

Kindly find attached herewith the above mentioned financials in the format prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Limited Review report (Standalone & consolidated) issued by M/s MSKA & Associates, Chartered Accountants - Statutory Auditors of the Company along with a copy of earnings release for the period ended September 30, 2018 is also enclosed herewith.

The meeting commenced at 2.00 pm and concluded at 5.00 p.m.

Kindly take the same on record and upload on the stock exchanges website.

Thanking you

Yours truly
For DQ Entertainment (International) Limited

Annie Jodhani
Company Secretary

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

Unaudited Standalone Statement of Profit and Loss for the Quarter and Period ended 30 September,2018

Rs in million

		Half Yearly Figures		*Quarterly Figures*			*Annual Figures*
	Particulars	**Figures for the 6 months ended 30-Sep-18**	**Figures for the corresponding 6 months ended 30-Sep-17**	**Figures for the current Quarter ended 30-Sep-18**	**Figures for the previous Quarter ended 30-Jun-18**	**Figures for the Corresponding Quarter ended 30-Sep-17**	**Figures for the Previous Year ended 31-Mar-18**
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue From operations	503.37	453.25	274.33	229.04	238.85	958.60
II	Other Income	11.42	4.11	8.96	2.46	1.73	72.28
III	Total Income (I+II)	514.79	457.36	283.29	231.50	240.58	1,030.88
IV	EXPENSES						
	Production expenses	11.95	13.95	5.73	6.22	7.11	32.76
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	-	-	-	-	-
	Employee benefits expense	254.64	246.48	129.07	125.57	115.26	507.66
	Finance costs	135.11	100.57	67.76	67.35	52.10	271.37
	Depreciation and amortization expenses	68.22	76.48	32.65	35.57	38.41	238.26
	Other expenses	176.62	160.73	86.62	90.00	76.79	320.51
	Total expenses (IV)	646.54	598.21	321.83	324.71	289.67	1,370.56
V	Profit/(loss) before exceptional items and tax (I-IV)	(131.75)	(140.85)	(38.54)	(93.21)	(49.09)	(339.68)
VI	Exceptional Items	129.53	50.38	72.37	57.16	28.18	53.18
VII	Profit/ (loss) after exceptions items and before tax(V-VI)	(2.22)	(90.47)	33.83	(36.05)	(20.91)	(286.50)
VIII	Tax expense:						
	(1) Current tax	-	-	-		-	(188.17)
	(2) MAT Credit Entitlement	-	-	-		-	(17.84)
	(3) Deferred tax	(59.07)	(16.40)	(37.03)	(22.04)	(4.40)	(14.13)
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	56.85	(74.07)	70.86	(14.01)	(16.51)	(66.36)
X	Profit/(loss) from discontinued operations	-		-	-		-
XI	Tax expenses of discontinued operations	-		-	-		-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-		-	-		-
XIII	Profit/(loss) for the period (IX+XII)	56.85	(74.07)	70.86	(14.01)	(16.51)	(66.36)
XIV	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	4.92	(2.69)	1.81	3.11	(1.44)	12.44
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.73	-	0.40	1.33		5.33
	B. (i) Items that will be reclassified to profit or loss	-		-	-		-
	(ii) income tax relating to items that will be reclassified to profit or loss	-		-	-		-
XV	Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period)	63.50	(76.76)	73.07	(9.57)	(17.95)	(48.59)
XVI	Earnings per equity share (for continuing operation):						
	(1) Basic	0.72	(0.93)	0.89	(0.18)	(0.21)	(0.84)
	(2) Diluted	0.72	(0.93)	0.89	(0.18)	(0.21)	(0.84)
XVII	Earnings per equity share (for discontinued operation):						
	(1) Basic	-					-
	(2) Diluted	-					-
XVIII	Earning per equity share (for discontinued & continuing operation)						
	(1)Basic	0.72	(0.93)	0.89	(0.18)	(0.21)	(0.84)
	(2) Diluted	0.72	(0.93)	0.89	(0.18)	(0.21)	(0.84)

S Sundar
Director
DIN:03170456

Place: Hyderabad
Date: 9.11.2018

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

Unaudited Standalone Statement of Assets and Liabilities as at 30 September 2018

(Rs in million)

Particulars	Figures as at 30 September 2018	Figures as at 31 March 2018
ASSETS	(Unaudited)	(Audited)
Non-current assets		
(a) Property, Plant and Equipment	97.98	106.80
(b) Capital work-in-progress	1.17	1.17
(c) Investment Property	-	-
(d) Goodwill	-	-
(e) Other Intangible assets	382.90	436.96
(f) Intangible assets under development	24.64	24.64
(g) Biological Assets other than bearer plants		
(h) Financial Assets		
(i) Investments	2,297.59	2,269.35
(ii) Trade receivables		
(iii) Loans		
(iv) Other Asset	43.70	42.95
(i) Deferred tax assets (net)	915.23	857.90
(j) Other non-current assets	19.46	19.89
Current assets		
(a) Inventories		
(b) Financial Assets		
(i) Investments		
(ii) Trade receivables	1,214.14	1,364.58
(iii) Cash and cash equivalents	0.14	0.24
(iv) Bank balances other than(iii) above	38.76	38.75
(v) Loans		
(vi) Other Asset		
(c) Current Tax Assets (Net)		
(d) Other current assets	669.00	434.95
Total Assets	**5,704.71**	**5,598.18**
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	792.83	792.83
(b) Other Equity	1,843.10	1,781.32
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,043.13	1,032.05
(ii) Trade payables		
(iii)Other financial liabilities (other than those specified in item (b), to be specified)	-	-
(b) Provisions	121.81	123.50
(c) Deferred tax liabilities (Net)	-	-
(d) Other non-current liabilities	5.90	6.21
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	832.28	864.02
(ii) Trade payables	35.97	50.13
(iii) Other financial liabilities (other than those specified in item (c)	-	-
(b) Other current liabilities	961.48	858.09
(c) Provisions	68.21	77.96
(d) Current Tax Liabilities (Net)	-	12.07
Total Equity and Liabilities	**5,704.71**	**5,598.18**

S.Sundar
Director
DIN:03170456

Place: Hyderabad
Date: 9.11.2018

DQ Entertainment (International) Limited Hyderabad

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

1) The unaudited standalone financial results for the quarter and period ended 30, September 2018 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on November 9, 2018.

2) The unaudited standalone financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND AS) 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by Securities and Exchange Board of India("SEBI").

3) Adoption of Ind AS 115 - Revenue from contracts with customers
Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.

4) Investor can also view the financial results (standalone and consolidated) on the company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

5) *Exceptional items are foreign exchange gain / (loss) arisen on foreign exchange fluctuation calculated on translation of monetary items.

6) Corresponding quarter figures have been regrouped / reclassified wherever necessary to conform to the classification on the current period classification.

7) The company has filed an application with the bankers for restructuring of its term loans and working capital which has been classified as NPA by the bankers. The application is under active consideration by the bankers.

8) The company has intangibles to the value of Rs.383 Mn. To support the carrying value of these intangible assets as at September 30, 2018, the projected revenue streams as of 31.03.2018 from exploitation, discounted to their present values using a discount factor of 17%, have been utilized. There are no significant changes in the projections made as at 31.03.2018. There is uncertainty and judgement involved in the estimated projected revenue streams of these assets. If sufficient revenue streams are not generated then a provision for impairment is required to reduce the carrying value of these assets to their recoverable amount. The company is of the opinion that the carrying value of the intangible assets Rs. 383 Mn as at September 30, 2018, on franchise basis, are worth at least the net amount stated based on a combination of supporting discounted projected revenue streams and the company's knowledge and expectation of future sales contracts.

9) The company has total investment in DQ Ireland of Rs 2,298 Mn (comprising of Equity investments – Rs. 1,168 Mn and Loans – Rs. 1,130 Mn). The subsidiary's assets comprise primarily of intangible properties, in order to support the carrying values of these intangible assets at September 30, 2018, the projected revenue streams as of 31.03.2018 from exploitation, discounted to their present values using a discount factor of 17%, have been utilised . There are no significant changes in the projections made as at 31.03.2018.

S.Sundar
Director
DIN:03170456

Place: Hyderabad
Date: 9-11-2018

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

Standalone Segment Revenue and Results

(Rs in million)

Particulars	*Half Yearly Figures*		*Quarterly Figures*			*Annual Figures*
	Figures for the 6 months ended 30-Sep-18	**Figures for the corresponding 6 months ended 30-Sep-17**	**Figures for the current Quarter ended 30-Sep-18**	**Figures for the previous Quarter ended 30-Jun-18**	**Figures for the Corresponding Quarter ended 30-Sep-17**	**Figures for the Previous Year ended 31-Mar-18**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Audited)**
Segment Revenue						
Animation	496.40	422.74	271.18	225.22	217.92	938.73
Distribution	6.97	30.50	3.15	3.82	20.93	19.88
Total	**503.37**	**453.24**	**274.33**	**229.04**	**238.85**	**958.61**
Less: Inter Segment Revenue	-	-	-			
Net Income from Operations	**503.37**	**453.24**	**274.33**	**229.04**	**238.85**	**958.61**
Segment Results -Profit/(loss)						
Animation	149.56	24.42	102.26	47.30	19.00	195.09
Distribution	(49.70)	(27.42)	(23.95)	(25.75)	(6.70)	(184.88)
Unallocated	33.03	13.10	23.28	9.75	18.88	(25.34)
Segment Results before Interest and Finance Expense and Tax Expenses	**132.89**	**10.10**	**101.59**	**31.30**	**31.18**	**(15.13)**
Interest and Finance Expense	135.11	100.57	67.76	67.35	52.10	271.37
Profit / (Loss) before tax	**(2.22)**	**(90.47)**	**33.83**	**(36.05)**	**(20.92)**	**(286.50)**
Segment Assets						
Animation	4,787.11	3,083.75	4,787.11	4,591.04	3,083.75	4,542.50
Distribution	421.20	660.55	421.20	450.90	660.55	531.10
Unallocated	496.40	1,475.71	496.40	566.41	1,475.71	524.58
Total	**5,704.71**	**5,220.01**	**5,704.71**	**5,608.35**	**5,220.01**	**5,598.18**
Segment Liabilities						
Animation	2,878.85	2,336.51	2,878.85	2,837.61	2,336.51	2,989.73
Distribution	5.61	6.05	5.61	5.51	6.05	8.40
Unallocated	184.32	252.74	184.32	205.09	252.74	25.89
Total	**3,068.78**	**2,595.30**	**3,068.78**	**3,048.21**	**2,595.30**	**3,024.02**

S.Sundar
Director
DIN:03170456
Place: Hyderabad
Date: 9.11.2018

DQ Entertainment (International) Limited Hyderabad

MSKA
& Associates
Chartered Accountants

201 & 202, Floor 2, Manbhum Jade Towers
6-3-1090/A/12 & 13, Katriya Hotel Lane
Somajiguda, Hyderabad 500082, INDIA
Tel: +91 40 3024 2999

Limited Review Report

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

1. We have reviewed the accompanying statement of unaudited standalone financial results for the quarter ended 30th September, 2018 and the year to-date results for the period 1st April 2018 to 30th September, 2018 and financial position as on 30th September, 2018 ('the Statement') of DQ Entertainment (International) Limited ('the Company'), being submitted by the Company pursuant to the requirements of Regulation 33 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and Regulation 52 as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

   This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement 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 Statement is 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results and financial position which are prepared in accordance with Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

MSKA & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

4. We draw attention to the following matters in the Notes to the accompanying Statement

(a) We draw attention to Note 8 with regard to the carrying value of intangibles assets. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgment involved in the estimated projected revenue streams of Intangible Assets.

(b) We draw attention to Note 9 with regard to the carrying value of investment in the wholly owned subsidiary. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgment involved in the estimated projected revenue streams of Intangible Assets.

Our report is not modified in respect of this matter.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W



Ananthakrishnan G
Partner
Membership No.:205226

Place: Hyderabad
Date: 09th November, 2018

DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

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

Unaudited Consolidated Statement of Profit and Loss for the Quarter and Period ended 30 September 2018

Rs. in million

		Half Yearly Figures		*Quarterly Figures*			*Annual Figures*
	Particulars	**Figures for the 6 months ended 30-Sep-18**	**Figures for the corresponding 6 months ended 30-Sep-17**	**Figures for the current Quarter ended 30-Sep-18**	**Figures for the previous Quarter ended 30-Jun-18**	**Figures for the Corresponding Quarter ended 30-Sep-17**	**Figures for the Previous Year ended 31-Mar-18**
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue From operations	457.72	368.55	232.48	225.24	188.45	801.51
II	Other Income	351.82	1.50	14.34	337.48	0.44	88.33
III	Total Income (I+II)	809.54	370.05	246.82	562.72	188.89	889.84
IV	EXPENSES		-				
	Production expenses	11.95	13.94	5.73	6.22	5.36	33.00
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	-	-	-	-	-
	Employee benefits expense	257.18	248.48	130.35	126.83	116.29	511.82
	Finance costs	228.64	464.81	116.26	112.38	288.04	866.52
	Depreciation and amortization expenses	226.65	203.62	112.71	113.94	104.29	646.92
	Other expenses	202.20	195.74	102.97	99.23	91.68	381.83
	Expenses transferred to Capital account	(149.86)	(86.56)	(75.80)	(74.06)	(51.13)	(377.82)
	Total expenses (IV)	776.76	1,040.03	392.22	384.54	554.53	2,062.27
V	Profit/(loss) before exceptional items and tax (I-IV)	32.78	(669.98)	(145.40)	178.18	(365.64)	(1,172.43)
VI	Exceptional Items	(204.42)	555.90	78.70	(283.12)	217.42	803.90
VII	Profit/ (loss) after exceptions items and before tax(V-VI)	(171.64)	(114.08)	(66.70)	(104.94)	(148.22)	(368.53)
VIII	Tax expense:						
	(1) Current tax		-	-			(188.17)
	(2) MAT Credit Entitlement		-	-			(17.84)
	(3) Deferred tax	(59.07)	(16.41)	(37.03)	(22.04)	(4.40)	(14.13)
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(112.57)	(97.67)	(29.67)	(82.90)	(143.82)	(148.39)
X	Profit/(loss) from discontinued operations	-	-	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-	-	-
XIII	Profit/(loss) for the period (IX+XII)	(112.57)	(97.67)	(29.67)	(82.90)	(143.82)	(148.39)
XIV	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	4.92	(2.69)	1.81	3.11	(1.44)	12.44
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.73	-	0.40	1.33	-	5.33
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period)	(105.92)	(100.36)	(27.46)	(78.46)	(145.26)	(130.62)
XVI	Earnings per equity share (for continuing operation):						
	(1) Basic	(1.42)	(1.23)	(0.37)	(1.05)	(1.81)	(1.87)
	(2) Diluted	(1.42)	(1.23)	(0.37)	(1.05)	(1.81)	(1.87)
XVII	Earnings per equity share (for discontinued operation):						
	(1) Basic	-	-	-	-	-	-
	(2) Diluted	-	-	-	-	-	-
XVIII	Earning per equity share (for discontinued & continuing operation)						
	(1)Basic	(1.42)	(1.23)	(0.37)	(1.05)	(1.81)	(1.87)
	(2) Diluted	(1.42)	(1.23)	(0.37)	(1.05)	(1.81)	(1.87)

S.Sundar
Director
DIN:03170456

Place: Hyderabad
Date: 9.11.2018

DQ Entertainment (International) Limited Hyderabad

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

Unaudited Consolidated Statement of Assets and Liabilities as at 30 September 2018

(Rs in million)

	Particulars	Figures as at 30 September 2018	Figures as at 31 March 2018
		(Unaudited)	(Audited)
	ASSETS		
1	**Non-current assets**		
	(a) Property, Plant and Equipment	97.98	106.81
	(b) Capital work-in-progress	1.17	1.17
	(c) Investment Property		
	(d) Goodwill		
	(e) Other Intangible assets	2,661.32	2,353.01
	(f) Intangible assets under development	4,280.90	4,279.28
	(g) Biological Assets other than bearer plants		
	(h) Financial Assets	43.74	42.99
	(i) Investments	-	-
	(ii) Trade receivables		
	(iii) Loans		
	(i) Deferred tax assets (net)	915.23	857.90
	(j) Other non-current assets	19.46	18.62
2	**Current assets**		
	(a) Inventories		
	(b) Financial Assets		
	(i) Investments		
	(ii) Trade receivables	152.29	307.94
	(iii) Cash and cash equivalents	0.14	0.24
	(iv) Bank balances other than(iii) above	219.60	117.95
	(v) Loans		
	(vi) Others		
	(c) Current Tax Assets (Net)		
	(d) Other current assets	277.62	438.49
	Total Assets	**8,669.45**	**8,524.40**
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	792.83	792.83
	(b) Other Equity	1,016.12	276.52
1	**LIABILITIES**		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	4,840.11	5,172.22
	(ii) Trade payables	-	-
	(iii)Other financial liabilities (other than those specified in item (b), to be specified)	-	-
	(b) Provisions	127.71	129.71
	(c) Deferred tax liabilities (Net)	-	-
	(d) Other non-current liabilities		
2	**Current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	930.72	958.01
	(ii) Trade payables	91.43	106.41
	(iii) Other financial liabilities (other than those specified in item (c)	-	-
	(b) Other current liabilities	802.31	1,008.94
	(c) Provisions	68.22	77.96
	(d) Current Tax Liabilities (Net)	-	1.80
	Total Equity and Liabilities	**8,669.45**	**8,524.40**

S.Sundar
Director
DIN:03170456

Place: Hyderabad

Date: 9.11.2018

DQ Entertainment (International) Limited Hyderabad

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

1) The unaudited consolidated financial results for the quarter and period ended September 30, 2018 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on November 9, 2018.

2) The consolidated financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND AS) 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by Securities and Exchange Board of India("SEBI").

3) Adoption of Ind AS 115 - Revenue from contracts with customers
Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.

4) The terms and conditions of the bond instruments issued by DQ Ireland have been modified to reflect change in interest rate to 0%. This has resulted in substantial modification to the cash flows as defined in Ind AS 109 (Financial Instruments). Consequently, a onetime gain on modification of Rs 340 mn has been recognised in the Profit & Loss Account under the head "Other Income".

5) Investor can also view the financial results (standalone and consolidated) on the company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

6) *Exceptional items are foreign exchange gain / (loss) arisen on foreign exchange fluctuation calculated on translation of monetary items.

7) Corresponding quarter figures have been regrouped / reclassified wherever necessary to conform to the classification on the current period classification.

8) The company has filed an application with the bankers for restructuring of its term loans and working capital which has been classified as NPA by the bankers. The application is under active consideration by the bankers.

9) The company has intangibles to the value of Rs. 2,661 Mn. To support the carrying value of these intangible assets as at September 30, 2018, the projected revenue streams as of 31.03.2018 from exploitation, discounted to their present values using a discount factor of 17%, have been utilised. There are no significant changes in the projections made as at 31.03.2018. There is uncertainty and judgement involved in the estimated projected revenue streams of these assets. If sufficient revenue streams are not generated then a provision for impairment is required to reduce the carrying value of these assets to their recoverable amount. The company is of the opinion that the carrying value of the intangible assets Rs. 2,661 Mn as at September 30, 2018, on franchise basis, are worth at least the net amount stated based on a combination of supporting discounted projected revenue streams and the company's knowledge and expectation of future sales contracts.

S.Sundar
Director
DIN:03170456

Place: Hyderabad
Date: 9.11.2018

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

Consolidated Segment Revenue and Results

(Rs in million)

	Half Yearly Figures		*Quarterly Figures*			*Annual Figures*
Particulars	**Figures for the 6 months ended 30-Sep-18**	**Figures for the corresponding 6 months ended 30-Sep-17**	**Figures for the current Quarter ended 30-Sep-18**	**Figures for the previous Quarter ended 30-Jun-18**	**Figures for the Corresponding Quarter ended 30-Sep-17**	**Figures for the Previous Year ended 31-Mar-18**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue						
Animation	297.40	320.31	152.36	145.04	154.15	615.81
Distribution	160.32	48.25	80.12	80.20	34.31	185.69
Total	**457.72**	**368.56**	**232.48**	**225.24**	**188.46**	**801.50**
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Income from Operations	**457.72**	**368.56**	**232.48**	**225.24**	**188.46**	**801.50**
Segment Results -Profit/(Loss)						
Animation	38.66	(90.46)	19.81	18.86	(54.08)	80.44
Distribution	(84.09)	(109.72)	(45.88)	(38.21)	(17.30)	(475.66)
Unallocated	102.44	550.91	75.65	26.79	211.21	893.21
Segment Results before Interest and Finance Expense and Tax Expenses	**57.01**	**350.73**	**49.58**	**7.44**	**139.83**	**497.99**
Interest and Finance Expense	228.64	464.81	116.26	112.38	288.04	866.52
Profit / (Loss) before tax	**(171.63)**	**(114.08)**	**(66.68)**	**(104.94)**	**(148.21)**	**(368.53)**
Segment Assets						
Animation	1,252.49	896.74	1,252.49	1,133.57	896.74	2,842.37
Distribution	7,240.90	6,608.56	7,240.90	6,736.18	6,608.56	4,988.78
Unallocated	176.06	710.05	176.06	500.23	710.05	693.25
Total	**8,669.45**	**8,215.35**	**8,669.45**	**8,369.98**	**8,215.35**	**8,524.40**
					-	
Segment Liabilities					-	
Animation	2,808.77	6,267.26	2,808.77	2,575.11	6,267.26	3,262.88
Distribution	3,969.78	341.77	3,969.78	3,799.84	341.77	383.00
Unallocated	81.95	413.03	81.95	206.16	413.03	3,809.17
Total	**6,860.50**	**7,022.06**	**6,860.50**	**6,581.11**	**7,022.06**	**7,455.05**

S.Sundar
Director
DIN:03170456

DQ Entertainment (International) Limited Hyderabad

Place: Hyderabad
Date: 9.11.2018

MSKA
& Associates
Chartered Accountants

201 & 202, Floor 2, Manbhum Jade Towers
6-3-1090/A/12 & 13, Katriya Hotel Lane
Somajiguda, Hyderabad 500082, INDIA
Tel: +91 40 3024 2999

Limited Review Report

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results for the quarter ended 30th September, 2018 and the year to-date results for the period 1st April, 2018 to 30th September, 2018 and financial position as on 30th September, 2018 ('the Statement') of DQ Entertainment (International) Limited ('the Company'), its subsidiaries, and associates (together the "Group"), being submitted by the Company pursuant to the requirements of Regulation 33 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and Regulation 52 as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

   This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement 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 Statement is 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. 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 and financial position which are prepared in accordance with Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

MSKA & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

4. We draw attention to the following matters in the Notes to the accompanying Statement

   a) We draw attention to Note 9 with regard to the carrying value of intangibles assets. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgment involved in the estimated projected revenue streams of Intangible Assets.

Our report is not modified in respect of this matter.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W



Ananthakrishnan. G
Partner
Membership No.: 205226

Place: Hyderabad
Date: 09th November, 2018

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
CIN: L92113TG2007PLC053585

DQ Entertainment (International) Limited
Earnings Release – September, 2018

DQ Entertainment (International) Limited, a leading animation, gaming, production and distribution company, today announces its unaudited financial results for the period ended September 30, 2018.

Standalone financial highlights for the period ended 30th September, 2018.

- Total income was INR 514.79 Mn compared to INR 457.35 Mn over the same period last year.
- EBIDTA was INR 71.58 Mn as compared to INR 36.20 Mn over the same period last year.

Consolidated financial highlights for the period ended 30th September, 2018.

- Total income was INR 466.24 Mn* compared to INR 370.05.16 Mn over the same period last year
- EBIDTA was INR 144.77 Mn* as compared to INR (1.55) Mn over the same period last year.

**It is net off the one-time gain of Rs. 343 mn as explained in Note no.4 of the notes given in the results published under Regulation 33 of the LODR, 2015.*

BUSINESS UPDATE:

Animation:

Our Company is an independent children's entertainment production studio owing iconic brands namely Jungle Book, Peter Pan, Robin Hood, The Psammy Show and more. Currently, the followings IPs are in production:

- The third season of our flagship property, **The Jungle Book** TV series comprising of 52 episodes of 11 minutes each out of which 26 episodes have already been delivered to the broadcasters. The entire season is planned to be delivered by end of March, 2019.
- **The Psammy Show** TV series comprising of 52 episodes of 11 minutes each, coproduced with Walt Disney, Germany and Walt Disney, France and supported by Method Animation group France has been completed and all 52 episodes have been delivered from our studio and post-production is in process. Discussions are ongoing for production of second season.
- **Robin Hood – Season 2 TV series** comprising of 52 episodes of 11 minutes each, out of which 13 episodes have been delivered and the balance will be delivered by March, 2019. We are very hopeful that third season will commence soon.

- Recently, we have developed Toadlly Awesome and Cuddle Cubbies (pre-schooler series) television series which is under negotiation for co-production with global partners.

SERVICE PROJECTS

Currently, the following projects are being produced for various production studios on service basis as under:

- Three major Television series for Disney, USA namely, Mickey Mouse Roadster Racers, Puppy Dog Pals and Doc Mc Stuffins. Several other projects are in final negotiations and developmental stage expected to go into production soon.
- In collaboration with Method Animation, France and ZagToons, USA namely, Miraculous Lady Bug, 7 Dwarfs & Me season 2 and Power Players.

Licensing and Distribution:

DQE's licensing and Distribution has concluded several broadcasting and licensing deals during the period and some of the major highlights are as under:

- **Peterpan – The Quest for Never Book** movie of 90 min has been released in USA , Turkey, Vietnam and 22 Arabic nations. The movie is awaiting theatrical release in Latin America, South Korea, Japan, Vietnam, Russia and CIS countries, Hungary and other European and ASEAN countries as well.

- **The Psammy Show** is under active negotiation for distribution in 118 countries with Disney group and other broadcasters. There is a good licensing and merchandising opportunity developing for this TV series and is under negotiation. We have already concluded licensing & merchandising deal with Team Licensing for Germany.

- **Jungle Book** Season 1 and 2 has been broadcasted in more than 140 countries and discussions are on with all these broadcasters for acquisition of the third season which is in production currently. We expect the third season to be as successful as the first and second season.

- **Jungle book** season 1 and 2 is now broadcasting on Sinclair television, USA which is one of the biggest free television networks reaching over 90 million homes in America. The show has received great response and is one of the top rated shows in the US on Sinclair's network.

- We have signed a worldwide master toy deal for figurines and other toys for the **Jungle book** with European & Global Licensing (EGL), Netherlands. It is expected to enter the worldwide market during early 2019.



- We have also signed another Master deal for Block toys with Super Value, Indonesia for worldwide retail chains for the **Jungle book** property. The toys are being manufactured and expected to enter the worldwide market during early 2019.

Our Commitment:

"Our focus continues to be on improving operational efficiencies and the consolidation of our technical pipeline, while productivity enhancement has become a norm across all processes of production.

While the Company continues to grow it's business and consistently deliver and produce high quality TV series, the focus has also been on balance sheet and cash flow efficiencies."

Rashida Adenwala
Director