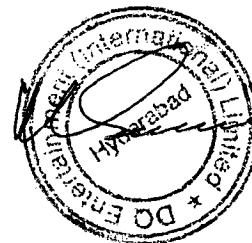




**DQ ENTERTAINMENT (INTERNATIONAL) LIMITED**  
**644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034**  
**Unaudited Consolidated Financial Results for the quarter ended 30 June 2011**

Sl. No	Particulars	(Rs in million)		
		For Quarter ended 30 June 2011	For Quarter ended 30 June 2010	For Year ended 31 March 2011
		(Unaudited)	(Unaudited)	(Audited)
1	Net Income from Operations	279.62	239.12	2,078.47
2	Expenditure			
a.	Production Expenses	16.61	29.40	388.89
b.	Employees Cost	240.83	191.00	814.61
c.	Other Expenditure	58.63	98.12	189.74
d.	Depreciation and Amortisation	86.98	68.20	343.77
e.	Less: Expenditure transferred to Capital Account	(2.95)	(29.55)	(41.45)
	Total Expenditure [2a to 2e]	400.10	357.17	1,695.56
3	(Loss) / Profit from Operations before Other Income, Interest and Finance expense and Exceptional Items [ 1 -2 ]	(120.48)	(118.05)	382.91
4	Other Income	20.76	6.69	84.13
5	(Loss) / Profit before Interest and Finance expense and Exceptional Items [ 3+ 4 ]	(99.72)	(111.36)	467.04
6	Interest and Finance Expenses	37.61	26.25	114.58
7	(Loss) / Profit after Interest and Finance expense but before Exceptional Items. [ 5 - 6 ]	(137.33)	(137.61)	352.46
8	Exceptional items	-	-	-
9	(Loss) / Profit from Ordinary Activities before tax	(137.33)	(137.61)	352.46
10	Less: Tax expense / (Credit)	(1.98)	(27.85)	73.88
11	Net (Loss) / Profit from Ordinary Activities after tax [ 9 - 10 ]	(135.35)	(109.76)	278.58
12	Extraordinary Item	-	-	-
13	Net (Loss) / Profit for the period [11-12]	(135.35)	(109.76)	278.58
14	Paid-up equity share capital [Face value Rs.10 per share]	792.83	792.83	792.83
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	2,754.26
16	Earnings Per Share [Face value Rs.10 per share] (not annualised/ in Rs.)			
a)	Basic	(1.71)	(1.38)	3.51
b)	Diluted	(1.71)	(1.38)	3.51
17	Public Shareholding			
a)	Number of Shares	19,820,782	19,820,782	19,820,782
b)	Percentage of shareholding	25%	25%	25%
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
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%





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

- 1) The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 10th August 2011.
- 2) The "Unaudited Consolidated Financial Results" have been subjected to the Limited Review by the Statutory Auditors of the Company.
- 3) Deferred tax will be considered at the year end.
- 4) The financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as set out in the Accounting Standard on "Consolidated Financial Statements" mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.
- 5) 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).
- 6) Certain Standalone Information of the Company :

Particulars	(Rs. In Million)		
	For Quarter ended 30 June 2011	For Quarter ended 30 June 2010	For Year ended 31 March 2011
Turnover (Net Sales)	264.40	221.25	1,616.97
Profit Before Tax	(130.95)	(143.13)	180.24
Profit After Tax	(128.97)	(114.61)	132.88

- 7) The details of funds raised through Initial Public Offering (IPO) and utilisation of said funds are as follows:

Particulars		(Rs in million)	
		Amount	
<b>Funds received through IPO</b>			<b>1,539.59</b>
<b>Utilisation of funds</b>			
Investment in co-production agreements, focusing on IP content creation		490.19	
Development of office premises and production facilities.		304.50	
Investment in Subsidiary (DQ Entertainment (Ireland) Limited)		294.65	
General corporate purpose		103.15	
Issues expenses		95.45	1,287.94
<b>Total funds utilised up to 30 June 2011</b>			<b>1,287.94</b>
Investments*			85.70
Fixed Deposits			165.95
<b>Balance as on 30 June 2011</b>			<b>251.65</b>

\*As on 30 June 2011 unutilised funds have been temporarily invested in short term liquid scheme of mutual funds.

- 8) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended June 30, 2011.

Nature of complaints	Opening Balance	Additions	Disposal	Closing Balance
Non - receipt of refund order	-	7	7	-

- 9) The auditors of the Company had invited attention in their auditors report for the year ended 31 March 2011 that the company has recognised a deferred tax asset on unabsorbed depreciation as claimed in the returns for the respective years. In the assessment orders passed for the assessment years 2004 -05 and 2006 -07 unabsorbed depreciation has been determined to be Rs NIL. In this respect the Company has preferred appeals in Hon'ble High Court of Andhra Pradesh against the subject orders. In the opinion of the management the manner of adjustment of unabsorbed depreciation and carry forward of business losses by the department is not appropriate and based on professional advice the management is confident of succeeding in appeals and get the unabsorbed depreciation/ carry forward of business losses restored. On a prudent basis the company has not recognised any deferred tax asset on such unabsorbed depreciation contested before the Hon'ble High court.

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



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

**Unaudited Consolidated Segment Revenue and Results**

Particulars	<i>(Rs in million)</i>		
	For Period ended 30 June 2011	For Period ended 30 June 2010	For year ended 31 March 2011
	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>			
Animation	263.84	205.66	1,841.45
Gaming	1.32	0.13	11.51
Distribution	14.46	33.33	225.51
<b>Net Income from Operations</b>	<b>279.62</b>	<b>239.12</b>	<b>2,078.47</b>
<b>Segment Results before Interest and Finance Cost and Tax from each segment</b>			
Animation	69.20	53.60	1,272.88
Gaming	0.60	0.13	6.30
Distribution	(23.41)	3.25	73.77
Unallocated expenses	(154.19)	(169.83)	(903.25)
<b>Segment Results before Interest and Finance Cost and Tax from each segment</b>	<b>(107.80)</b>	<b>(112.85)</b>	<b>449.70</b>
Interest and Finance cost	(29.53)	(24.76)	(97.24)
<b>(Loss) / Profit before tax</b>	<b>(137.33)</b>	<b>(137.61)</b>	<b>352.46</b>
Less: Tax expense / (Credit)	(1.98)	(27.85)	73.88
<b>Net (Loss) / Profit for the period</b>	<b>(135.35)</b>	<b>(109.76)</b>	<b>278.58</b>
<b>Capital Employed</b>			
Animation	1,206.61	767.33	1,097.66
Gaming	0.77	-	-
Distribution	87.87	59.38	58.86
Un allocated	2,129.72	2,297.76	2,390.57
<b>Total</b>	<b>3,424.97</b>	<b>3,124.47</b>	<b>3,547.09</b>

Check

CE	(0.00)		0.00
NP	(0.00)	0.00	-