

BSR & Associates

(Registered)
Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone +91 80 3980 6000
Fax +91 80 3980 6999

Review report to the Board of Directors of Dynamatic Technologies Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results ("the statement") of Dynamatic Technologies Limited ("the Company") its subsidiaries, and an associate as detailed in note 1 of the statement, (collectively referred to as 'Dynamatic Group') for the quarter ended 30 June 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement") except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 8 August 2013. Our responsibility is to issue a report on this statement based on our review. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 as reported in this statement are the balancing figures between audited figures in respect of the full financial year (31 March 2013) and the published year to date figures up to the end of third quarter of the previous financial year (31 March 2013). The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subject to an audit.
2. We conducted our review in accordance with the Standard on Review Engagements ("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 an analytical procedure applied to financial data and thus provides 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 results of certain subsidiaries and an associate which have been incorporated in the statement. These subsidiaries and the associate account for 71.22 % of total revenues, other operating income and other income as shown in the statement for the quarter ended 30 June 2013. Of the above:
 - a The unaudited financial results of some of the subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') have been reviewed by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for 71.22% of total revenues, other operating income and other income for the quarter ended 30 June 2013 as shown in the statement. For purposes of preparation of statement, the aforesaid local GAAP financial results have been restated by the Management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The reporting packages made for this purpose have been reviewed by other auditors and reports of those other auditors have been furnished to us. Our opinion on the statement, insofar as it relates to these entities, is based solely on the aforesaid review reports of those other auditors.

DYNAMATIC TECHNOLOGIES LIMITED
DYNAMATIC PARK, PEENYA, BANGALORE-560 058, INDIA
Unaudited consolidated financial results for the quarter ended 30 June 2013

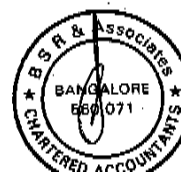
(Rs in lacs, except as otherwise stated)

Sl. No.	Particulars	Quarter ended			
		30 June 2013 Unaudited	31 March 2013 (Audited)*	30 June 2012 Unaudited	31 March 2013 Audited
1	Income from operations				
	a) Net Sales/income from operations (Net of excise duty)	35,091.27	38,208.47	37,649.58	143,717.05
	b) Other operating income	108.13	255.54	430.67	1,496.11
	Total income from operations (net)	35,199.40	38,464.01	38,080.25	145,213.16
2	Expenses				
	a) Cost of materials consumed	20,081.05	20,326.67	22,992.11	85,810.45
	b) Changes in inventories of finished goods and work-in-progress	(197.11)	2,304.74	(598.47)	(1,674.65)
	c) Employee benefit expenses	4,932.26	5,053.49	4,834.75	18,914.07
	d) Depreciation	1,284.80	1,124.49	1,132.54	4,638.12
	e) Other expenses	7,416.05	7,767.81	7,266.72	28,613.57
	Total expenses	33,517.03	36,577.20	35,627.65	136,301.56
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	1,682.35	1,886.81	2,452.60	8,911.60
4	Other income	148.43	212.19	24.06	545.42
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	1,830.78	2,099.00	2,476.66	9,457.02
6	Finance costs	2,342.91	2,303.46	1,999.02	8,227.31
7	(Loss)/ Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	(512.13)	(204.46)	477.64	1,229.71
8	Exceptional items (Refer note 4)	150.03	-	-	-
9	(Loss) / Profit from ordinary activities before tax (7 - 8)	(662.16)	(204.46)	477.64	1,229.71
10	Tax expense/ (benefit), net	377.66	1,971.56	147.09	2,421.26
11	Net (Loss) / Profit from ordinary activities after Tax (9 - 10)	(1,039.82)	(2,176.02)	330.55	(1,191.55)
12	Net (loss) / profit for the period/ year (9 - 10)	(1,039.82)	(2,176.02)	330.55	(1,191.55)
13	Paid-up equity share capital (face value of Rs 10/- each)	541.47	541.47	541.47	541.47
14	Reserves (excluding revaluation reserve)	-	-	-	9,559.49
15	(Loss) / Earnings per share (Rs.)				
	Basic	(19.20)	(40.19)	6.10	(22.01)
	Diluted	(19.20)	(40.19)	6.10	(22.01)

*Balancing figure (refer note 1)

PART II

Select Information for the quarter ended 30 June 2013					
Sl. No.	Particulars	Quarter ended			For the year ended
		30 June 2013	31 March 2013	30 June 2012	31 March 2013
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	2,418,616	2,418,616	2,418,680	2,418,616
	- Percentage of shareholding	44.67%	44.67%	44.67%	44.67%
2	Promoters and promoter group shareholding				
	a) Pledged/Encumbered				
	- Number of shares	968,500	968,500	568,500	968,500
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.33%	32.33%	18.98%	32.33%
	- Percentage of shares (as a % of the total share capital of the company)	17.89%	17.89%	10.50%	17.89%
	b) Non-encumbered				
	- Number of shares	2,027,587	2,027,587	2,427,523	2,027,587
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.67%	67.67%	81.02%	67.67%
	- Percentage of shares (as a % of the total share capital of the company)	37.44%	37.44%	44.83%	37.44%



Segmental reporting:

(Rs in lacs, except as otherwise stated)

	Particulars	Quarter ended		For the year ended	
		30 June 2013	31 March 2013	30 June 2012	31 March 2013
		Unaudited	(Audited)*	Unaudited	Audited
1	Segment revenue				
	a) Hydraulics	6,933.06	6,990.27	7,746.48	28,674.74
	b) Aerospace	4,539.61	4,942.96	3,939.64	17,246.71
	c) Automotive	23,699.73	26,503.78	26,367.13	99,183.71
	d) Research farm	27.00	27.00	27.00	108.00
	Total income from operations (net)	35,199.40	38,464.01	38,080.25	145,213.16
2	Segment results (loss) / profit before tax and interest from each segment)				
	a) Hydraulics	458.71	297.92	931.26	2,052.85
	b) Aerospace	1,199.10	1,520.70	1,058.79	4,764.59
	c) Automotive	13.94	49.35	443.56	2,018.74
	d) Research farm	10.60	18.64	18.99	75.42
	Total	1,682.35	1,886.81	2,452.60	8,911.60
	Unallocable				
	- Finance costs	2,342.91	2,303.46	1,999.02	8,227.31
	- Exceptional items (refer note 3)	150.03	-	-	-
	- Other income	(148.43)	(212.19)	(24.06)	(545.42)
	(Loss) / Profit before tax	(662.16)	(204.46)	477.64	1,229.71
3	Segment capital employed (Segment assets - segment liabilities)				
	a) Hydraulics	9,696.84	10,852.80	14,276.85	10,852.80
	b) Aerospace	14,473.65	13,182.11	11,549.34	13,182.11
	c) Automotive	5,579.66	5,435.37	11,286.45	5,435.37
	d) Research farm	551.11	585.11	520.90	585.11
	e) Others	2,964.99	2,974.81	2,858.66	2,974.81
	Total	33,266.25	33,030.20	40,492.20	33,030.20
	Unallocable assets	(21,921.25)	(19,665.95)	(25,547.96)	(19,665.95)
		11,345.00	13,364.25	14,944.24	13,364.25

*Balancing figure (refer note 1)



NOTES:

1. The above results of Dynamatic Technologies Limited ("the Company"), its subsidiaries and an associate, as listed below, (collectively known as "the Group") are prepared in accordance with requirements of the Accounting Standard AS 21 "Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006 (as amended).

Sl. no.	Name of the entity	Subsidiary / associate	Country of incorporation	Effective group shareholding%
1	JKM Erla Automotive Limited	Subsidiary	India	99.99
2	JKM Ferrotech Limited	Subsidiary	India	99.99
3	JKM Research Farm Limited	Subsidiary	India	99.99
4	JKM Global Pte Limited	Subsidiary	Singapore	100
5	Dynamatic Limited	Subsidiary	United Kingdom	100
6	Yew Tree Investments Limited	Subsidiary	United Kingdom	100
7	JKM Erla Holdings GmbH	Subsidiary	Germany	100
8	Eisenwerk Erla GmbH	Subsidiary	Germany	100
9	Harasfera Design Private Limited	Associate	India	50

2. The above results were reviewed by Audit Committee and thereafter approved by the Board of Directors at their meeting held on 8 August 2013 and have undergone a "Limited Review" by Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with the Bombay Stock Exchange and the National Stock Exchange and is also available on the Company's website at www.dynamatics.com. Figures for the quarter ended 31 March 2013 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figure upto the end of the third quarter of the relevant financial year.
3. Pursuant to the provisions of the Listing Agreement, the Management has decided to publish consolidated financial results in the newspapers. However the standalone financial results will be made available on the Company's website at www.dynamatics.com and also on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
4. Exceptional item includes various expenses such as professional fees and other ancillary charges incurred by the Company during the quarter ended 30 June 2013 towards loan funds raised from KKR India Financials Services Private Limited, a Non-Banking Financial Company.



5. Information of standalone audited financial results of the Company in terms of Clause 41 (VI) (b) of the Listing Agreement is as under:

Particulars	Quarter ended			(Rs in lacs)	
	30 June 2013	31 March 2013	30 June 2012	Year ended 31 March 2013	
	Unaudited	Audited*	Unaudited	Audited	
Revenue	9,335.91	9,965.52	11,374.19	41,721.77	
(Loss) / profit before tax and exceptional items	(531.87)	(158.76)	37.78	143.29	
(Loss) / profit after tax and exceptional items	(681.90)	(158.76)	37.78	143.29	

* refer note 2

6. Pursuant to a resolution passed in the Extraordinary General Meeting of shareholders dated 25 March 2013, amounts aggregating Rs 67,500,166 and Rs 57,499,994 (being 25% of the total value of warrants at the date of allotment) has been brought in by Mr Udayant Malhoutra in his capacity as Promoter and by Wavell Investments Private Limited, being a Promoter group company, towards subscription of 338,440 and 288,300 convertible warrants of Rs 797.78 each respectively. These warrants give the right to the warrant holders to subscribe for one equity share of Rs 10 each in the Company per warrant which is exercisable within 18 (eighteen) months from the date of allotment i.e. 26 March 2013.

7. Status of investor complaints for the quarter ended 30 June 2013:

Particulars	Opening	Received	Resolved	Pending
Number of Complaints	-	5	5	-

8. Previous period/ year figures have been reclassified to conform with current period / year presentation, where applicable.

For and on behalf of the Board of Directors



Udayant Malhoutra
CEO and Managing Director
 Dynamatic Technologies Limited
 Place: Bangalore
 Date: 8 August 2013



B S R & Associates

(Registered)
Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone +91 80 3980 6000
Fax +91 80 3980 6999

Review report to the Board of Directors of Dynamatic Technologies Limited

We have reviewed the accompanying standalone unaudited financial results ('the Statement') of Dynamatic Technologies Limited ("the Company") for the quarter ended 30 June 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement") "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 reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 8 August 2013. Our responsibility is to issue a report on the Statement based on our review. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 as reported in this statement are the balancing figures between audited figures in respect of the full financial year (31 March 2013) and the published year to date figures up to the end of third quarter of the previous financial year (31 March 2013). The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subject to an audit.

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 procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with applicable accounting standards and other recognized 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 B S R & Associates

Chartered Accountants

Membership Number: 116231W



Sunil Gaggar
Partner

Membership number: 104315

Place: Bangalore

Date: 8 August 2013

DYNAMATIC TECHNOLOGIES LIMITED
DYNAMATIC PARK, PEENYA, BANGALORE-560 058, INDIA
Unaudited standalone financial results for the quarter ended 30 June 2013

PART I*(Rs in lacs, except as otherwise stated)*

Sl. No.	Particulars	Quarter ended		For the year ended	
		30 June 2013 Unaudited	31 March 2013 (Audited)*	30 June 2012 Unaudited	31 March 2013 Audited
1	Income from operations				
	a) Net Sales/income from operations (Net of excise duty)	9,092.42	9,702.38	11,070.18	40,621.71
	b) Other operating income	243.49	263.14	304.01	1,100.06
	Total income from operations (net)	9,335.91	9,965.52	11,374.19	41,721.77
2	Expenses				
	a) Cost of materials consumed	4,700.41	5,060.43	6,886.08	20,899.36
	b) Changes in inventories of finished goods and work-in-progress	121.74	(286.53)	(1,051.39)	(342.56)
	c) Employee benefit expenses	1,173.45	1,111.50	1,308.17	4,692.17
	d) Depreciation	705.08	695.58	632.21	2,628.52
	e) Other expenses	2,258.07	2,780.71	2,648.48	10,337.82
	Total expenses	8,958.75	9,361.69	10,423.55	38,215.31
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	377.16	603.83	950.64	3,506.46
4	Other income	319.89	306.16	220.92	1,032.78
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	697.05	909.99	1,171.56	4,539.24
6	Finance costs	1,228.92	1,068.75	1,133.78	4,395.95
7	(Loss) / Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	(531.87)	(158.76)	37.78	143.29
8	Exceptional items (Refer note 3)	150.03	-	-	-
9	(Loss) / Profit from ordinary activities before tax (7 - 8)	(681.90)	(158.76)	37.78	143.29
10	Tax expense/ (benefit) , net	-	41.99	12.27	113.33
11	Net (Loss) / Profit from ordinary activities after Tax (9 - 10)	(681.90)	(200.75)	25.51	29.96
12	Net (loss) / profit for the period/ year (9 - 10)	(681.90)	(200.75)	25.51	29.96
13	Paid-up equity share capital (face value of Rs 10/- each)	541.47	541.47	541.47	541.47
14	Reserves (excluding revaluation reserve)	-	-	-	13,067.00
15	(Loss) / Earnings per share (Rs.)				
	Basic	(12.59)	(3.71)	0.47	0.55
	Diluted	(12.59)	(3.71)	0.47	0.55

*Balancing figure (refer note 1)

PART II

Select Information for the quarter ended 30 June 2013					
Sl. No.	Particulars	Quarter ended			For the year ended
		30 June 2013	31 March 2013	30 June 2012	31 March 2013
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	2,418,616	2,418,616	2,418,680	2,418,616
	- Percentage of shareholding	44.67%	44.67%	44.67%	44.67%
2	Promoters and promoter group shareholding				
	a) Pledged/Encumbered				
	- Number of shares	968,500	968,500	568,500	968,500
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.33%	32.33%	18.98%	32.33%
	- Percentage of shares (as a % of the total share capital of the company)	17.89%	17.89%	10.50%	17.89%
	b) Non-encumbered				
	- Number of shares	2,027,587	2,027,587	2,427,523	2,027,587
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.67%	67.67%	81.02%	67.67%
	- Percentage of shares (as a % of the total share capital of the company)	37.44%	37.44%	44.83%	37.44%



Segmental reporting:

(Rs in lacs, except as otherwise stated)

	Particulars	Quarter ended			
		30 June 2013	31 March 2013	30 June 2012	For the year ended
		Unaudited	(Audited)*	Unaudited	31 March 2013 Audited
1	Segment revenue				
	a) Hydraulics	3,817.23	3,827.58	4,599.04	16,188.37
	b) Aerospace	1,905.20	2,085.97	1,300.95	6,572.26
	c) Automotive	3,590.03	4,047.21	5,366.08	18,546.23
	d) Others	23.45	4.76	108.12	414.91
	Total	9,335.91	9,965.52	11,374.19	41,721.77
2	Segment results (loss) / profit before tax and interest from each segment)				
	a) Hydraulics	353.86	268.52	965.02	2,113.83
	b) Aerospace	731.10	707.40	438.22	2,387.57
	c) Automotive	(722.72)	(347.05)	(557.69)	(1,256.46)
	d) Others	14.92	(25.04)	105.09	261.52
	Total	377.16	603.83	950.64	3,506.46
	Unallocable				
	- Finance costs	1,228.92	1,068.75	1,133.78	4,395.95
	- Exceptional items (refer note 3)	150.03	-	-	-
	- Other income	(319.89)	(306.16)	(220.92)	(1,032.78)
	(Loss) / Profit before tax	(681.90)	(158.76)	37.78	143.29
3	Segment capital employed (Segment assets - segment liabilities)				
	a) Hydraulics	7,147.43	7,563.36	9,935.50	7,563.36
	b) Aerospace	7,408.26	8,078.28	7,246.05	8,078.28
	c) Automotive	15,548.18	15,967.31	16,614.39	15,967.31
	d) Others	2,987.17	2,979.04	2,862.38	2,979.04
	Total	33,091.04	34,587.99	36,658.32	34,587.99
	Unallocable assets	(17,411.04)	(17,717.03)	(21,141.81)	(17,717.03)
	Total	15,680.00	16,870.96	15,516.51	16,870.96

*Balancing figure (refer note 1)




NOTES:

- 1 The above results were reviewed by Audit Committee and thereafter approved by the Board of Directors at their meeting held on 8 August 2013 and have undergone a "Limited Review" by the Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with the Bombay Stock Exchange and the National Stock Exchange and is also available on the Company's website at www.dynamatics.com. Figures for the quarter ended 31 March 2013 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year.
- 2 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish consolidated financial results in the newspapers. However the standalone financial results will be made available on the Company's website at www.dynamatics.com and also on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 3 Exceptional item includes various expenses such as professional fees and other ancillary charges incurred by the Company during the quarter ended 30 June 2013 towards loan funds raised from KKR India Financials Services Private Limited, a Non-Banking Financial Company.
- 4 Pursuant to a resolution passed in the Extraordinary General Meeting of shareholders dated 25 March 2013, amounts aggregating Rs 67,500,166 and Rs 57,499,994 (being 25% of the total value of warrants at the date of allotment) has been brought in by Mr Udayant Malhoutra in his capacity as Promoter and by Wavell Investments Private Limited, being a Promoter group company, towards subscription of 338,440 and 288,300 convertible warrants of Rs 797.78 each respectively. These warrants give the right to the warrant holders to subscribe for one equity share of Rs 10 each in the Company per warrant which is exercisable within 18 (eighteen) months from the date of allotment i.e. 26 March 2013.
- 5 Status of investor complaints for the quarter ended 30 June 2013:

Particulars	Opening	Received	Resolved	Pending
Number of Complaints	-	5	5	-

- 6 Previous period/ year figures have been reclassified to conform with current period/ year presentation, where applicable.

For and on behalf of the Board of Directors



Udayant Malhoutra
CEO and Managing Director
 Dynamatic Technologies Limited
 Place: Bangalore
 Date: 8 August 2013

