

PRESS RELEASE
For Immediate Release

JM Financial announces unaudited financial results for the quarter ended June 30, 2014.

Mumbai, July 31, 2014: The Board of Directors of JM Financial Limited, at its meeting held today, considered and approved the unaudited financial results for the quarter ended June 30, 2014.

Consolidated Results – Key Highlights:**FY 15 – Q1 compared to FY 14 – Q1 (YoY)**

- Total income at Rs. 266.40 crore compared to Rs. 281.91 crore
- The profit before tax at Rs. 83.79 crore compared to Rs. 79.08 crore
- Net profit after tax, minority interest and share of associates at Rs. 58.35 crore compared to Rs. 55.54 crore
- Rating of ICRA AA with stable outlook assigned for long term borrowings

The Earnings per share and Diluted Earnings per share, for the quarter ended June 30, 2014 is Re. 0.77 and Re. 0.74 respectively (not annualised).

Commenting on the quarterly results, Mr. Nimesh Kampani, Chairman, JM Financial Group, stated, "Backed by the strong mandate of clear majority, the new Government presented its maiden Union Budget setting the tone for revival in economic growth, fiscal consolidation and a positive investment climate.

Our strategies remain the same, investing for the long run and managing our business prudently in the short term. We expect the policies of the Government to have sustainable impact over long term. The expected economic upswing and our mix of businesses coupled with our deep understanding of industry and products will enable us to deliver long term value to our strong franchise.

During the quarter, our profitability depicts sustained financial performance. We continue to remain optimistic about the group's opportunities and potential profit avenues in the financial services sector."

Business Update**Investment banking and securities business:**

During the quarter under consideration our Investment banking division executed the following deals:

- Acted as advisors to Qualified Institutional Placement by Yes Bank Ltd – Rs. 2,942 crore.
- Acted as sole financial advisor to Trans union LLC in acquiring majority ownership in Credit Information Bureau (India) Limited
- Worked as the financial advisor to Diageo and acted as the joint manager to their tender offer to the shareholders of United spirit limited (USL) for acquiring 26% stake in USL for a total consideration of Rs 11,449 crores. The deal got concluded in the month of July, 2014.

The pipe line of our investment banking business continues to remain healthy with several mandated transactions under execution.

Our Singapore subsidiary continued to generate traction and during the quarter we acted as an advisor for sale of minority stake in a Thailand listed IT services Company.

The Institutional Equities Business gained further momentum buoyed by the positive economic sentiment.

In the wealth management business, the assets under management stood at approximately Rs.15,000 Crore as on June 30, 2014.

In the distribution business, we have a large network of approximately 8,500 active Independent Financial Distributors (IFDs) who distribute various financial products across the country. We have presence in 259 locations spread across 116 cities through a network of branches and franchisees. During the quarter, we mobilized more than Rs.750 Crore in fixed deposit schemes and fixed income products of various companies.

Fund based activities:

We continued funding activities in the areas of loan against securities and loan against commercial real estate properties. The overall funding book stood at Rs. 3,816 Crore as on June 30, 2014, which includes episodic book of around Rs.530 crore. We witnessed a 28% growth in the lending book during the quarter ended June 30, 2014 as compared to the previous quarter. The treasury book as on June 30, 2014 for the fixed income securities stood at Rs. 632 Crore. We continued with our activities of debt-raising through various money market instruments, other medium to long term instruments and secured credit facilities from Banks.

During the Quarter, our Asset Reconstruction Business saw continued momentum in acquisition activity. Many Banks came out with portfolio auctions and several deals were closed. It was a good quarter for us on the acquisition front. We acquired a large single credit account from a consortium of Banks during the quarter. Recovery from already acquired assets remained steady owing to restructuring of accounts and settlement with Borrowers.

Alternative Asset Management:

At the end of the quarter, the combined AUM/AUA of the private equity fund and real estate fund stood at around Rs. 1,040 crore.

JM Financial India Fund (the Fund), a private equity fund has exited one of its investments. The Fund is working closely with its portfolio companies in helping them grow their businesses as well as to seek exit opportunities.

JM Financial Property Fund distributed Rs. 24.5 crore to its investors realised from an investment which was exited earlier at multiple of 3.3x on the invested amount. The Real Estate Fund continues to focus on working closely with the management of the portfolio companies to develop high quality real estate projects and seeking exit opportunities.

Asset Management:

The average AUM in our Mutual Fund for the quarter ended June 30, 2014 stood at Rs. 6,957 crore. The average AUM under Equity schemes was at Rs. 603 crore and under the Debt Schemes was at Rs. 6,354 crore.

Credit Rating:

The Rating Committee of ICRA, after due consideration, has assigned the rating "[ICRA] AA" with stable outlook in respect of our long term bond Programme. The grade of rating indicates such instruments carries very low credit risk. The Rating Committee of ICRA, after due consideration, has also assigned the rating "[ICRA] A1+" in respect of our short term debt instruments. The grade of rating is the highest Rating issued by ICRA for short term debt instruments and indicates lowest credit risk.

Awards and Recognition:

One of the subsidiaries of the group has been recognized as the "Best performing National Financial Advisor- Institutional" at the 'UTI MF and CNBC TV-18 Financial Advisor Awards 2013-14'.

Two subsidiaries have also been recognized as one of the Best places to work in the 'Great Places to Work 2014 Survey', featuring amongst "India's Top 100 Companies to work for 2014".

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The unaudited financial results are attached. Both, the press release and unaudited financial results are available on our website www.jmfl.com

About JM Financial

JM Financial is an integrated financial services group offering a wide range of capital market services to its corporate and individual clients. The Group's businesses include investment banking, institutional equity sales, trading, research and broking, private and corporate wealth management, equity broking, portfolio management, asset management, commodity broking, fixed income broking, non-banking finance products, private equity and asset reconstruction. For more information, log on to www.jmfl.com

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Forward - Looking statements

This press release ('document') containing JM Financial Group's activities, projections and expectations for the future, may contain certain forward-looking statements based upon the information currently available with the Company or any of its subsidiaries and associate companies. The financial results in future may vary from the forward-looking statements contained in this document due to uncertainties and unforeseen events that may impact the businesses of the JM Financial Group. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

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