

Khimji Kunverji & Co

Chartered Accountants

(Registered)



Limited Review Report of the Consolidated Financial Results of JM Financial Limited, its Subsidiaries and Associates

The Board of Directors

JM Financial Limited

Mumbai

INTRODUCTION

1. We have reviewed the accompanying statement of unaudited Consolidated Financial Results (CFR) of **JM Financial Limited** (the Company) and its Subsidiaries and Associates ('the Group') for the quarter/nine months ended December 31, 2013, 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, which has been initialed by us for identification purpose. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. The CFR have been prepared on the basis of separate financial statements and other financial information regarding components. Our responsibility is to issue a report on these un-audited CFR based on our review

SCOPE OF REVIEW

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 (ICAI). 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; accordingly we do not express an audit opinion.
3. The CFR of the Group have been prepared by the management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.
4. Inter unit/company transactions have been eliminated based on information provided by the management.
5. Included in this CFR, are revenues of Rs 20,467.70 lacs and Rs 70,364.85 lacs for the three months and nine months ended December 31, 2013 respectively, capital employed of Rs 179,298.40 lacs and assets of Rs. 446,159.65. lacs as on the said date of 7 subsidiaries, which have not been reviewed by us. Other auditors have reviewed these, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these entities, is based solely on reports of those respective auditors.
6. Included in this CFR are revenues of Rs 842.87 lacs and Rs 2,892.12 lacs for the three months and nine months period ended December 31, 2013 respectively, capital employed of Rs 9,399.50 lacs, assets of Rs 20,041.36 lacs of 6 subsidiaries and Rs 75.90 lacs and Rs 75.89 lacs being profit of associate for the three months and nine months period ended December 31, 2013 respectively, which are based on Management Certified Results and which are subject to consequential adjustments, if any, arising out of reviews by respective auditors.

CONCLUSION

7. Based on our review conducted as above and read with paragraphs 4 and 6 above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited CFR prepared in accordance with applicable Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs) 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 and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
(Registration No: 105146W)

Hasmukh B Dedhia
Partner (F 33494)

Place: Mumbai

Date : January 29, 2014

Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, India
T: +91 22 2439 1111 E: info@kkc.in W: www.kkc.in

Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400 001, India



Limited Review Report

The Board of Directors
JM FINANCIAL LIMITED
Mumbai

INTRODUCTION

We have reviewed the accompanying statement of un-audited financial results of **JM FINANCIAL LIMITED** (the Company) for the quarter/nine months ended December 31, 2013 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, which has been initialed by us for identification purpose. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these un-audited financial results based on our review.

SCOPE OF REVIEW

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 (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results 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.

CONCLUSION

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs) 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 mis-statement.

For and on behalf of

Khimji Kunverji & Co
Chartered Accountants
(Registration Number : 105146W)

Hasmukh B Dedhia
Partner (F 33494)

Place: Mumbai,
Dated: January 29, 2014

JM FINANCIAL LIMITED
CONSOLIDATED FINANCIAL RESULTS

PART I - STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

Rupees in Lakh

| Sr. No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|-----------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | | 31.12.2013 Unaudited | 30.09.2013 Unaudited | 31.12.2012 Unaudited | 31.12.2013 Unaudited | 31.12.2012 Unaudited | 31.03.2013 Audited |
| 1 | Income from operations | | | | | | |
| | (a) Fees & commission | 4,379.15 | 5,402.45 | 6,104.52 | 17,443.00 | 16,131.64 | 21,915.35 |
| | (b) Brokerage | 2,129.78 | 2,531.15 | 2,665.28 | 6,733.69 | 8,258.50 | 10,761.41 |
| | (c) Interest and other income on fund based activities | 11,907.58 | 11,341.36 | 12,489.73 | 36,978.29 | 34,113.08 | 47,049.45 |
| | (d) Other operating income | 3,715.90 | 5,321.94 | 5,419.42 | 13,644.18 | 16,944.27 | 23,363.65 |
| | Total income from operations | 22,132.41 | 24,596.90 | 26,678.95 | 74,799.16 | 75,447.49 | 1,03,089.86 |
| 2 | Expenses | | | | | | |
| | (a) Employee benefits expense | 4,216.15 | 4,920.87 | 5,078.19 | 14,818.31 | 14,665.48 | 19,799.84 |
| | (b) Sub-brokerage, fees & commission | 1,891.56 | 1,868.62 | 2,619.40 | 5,781.19 | 7,896.94 | 10,043.86 |
| | (c) Operating and other expenses | 2,800.86 | 3,144.33 | 2,817.88 | 8,363.92 | 7,414.63 | 10,078.29 |
| | (d) Depreciation and amortisation expense | 415.54 | 365.98 | 352.62 | 1,114.96 | 874.86 | 1,216.50 |
| | Total expenses | 9,324.11 | 10,299.80 | 10,868.09 | 30,078.38 | 30,851.91 | 41,138.49 |
| 3 | Profit from operations before other income and finance costs (1-2) | 12,808.30 | 14,297.10 | 15,810.86 | 44,720.78 | 44,595.58 | 61,951.37 |
| 4 | Other income | 60.74 | 169.76 | 158.83 | 351.91 | 940.10 | 1,132.78 |
| 5 | Profit from ordinary activities before finance costs (3+4) | 12,869.04 | 14,466.86 | 15,969.69 | 45,072.69 | 45,535.68 | 63,084.15 |
| 6 | Finance costs | 6,703.79 | 7,640.59 | 9,672.54 | 24,172.70 | 27,939.00 | 37,691.52 |
| 7 | Profit from ordinary activities before tax (5-6) | 6,165.25 | 6,826.27 | 6,297.15 | 20,899.99 | 17,596.68 | 25,392.63 |
| 8 | Tax expense | 1,838.28 | 1,907.49 | 1,630.67 | 6,078.94 | 5,385.72 | 7,493.04 |
| 9 | Net Profit from ordinary activities after tax (7-8) | 4,326.97 | 4,918.78 | 4,666.48 | 14,821.05 | 12,210.96 | 17,899.59 |
| 10 | Extraordinary items | - | - | - | - | - | - |
| 11 | Net Profit after tax (9+10) | 4,326.97 | 4,918.78 | 4,666.48 | 14,821.05 | 12,210.96 | 17,899.59 |
| 12 | Less :- Share of Minority interest | 325.50 | 295.52 | 387.85 | 1,021.95 | 1,166.33 | 1,594.14 |
| 13 | Add :- Share in Profit of Associates | 414.36 | 417.16 | 134.85 | 1,210.67 | 271.62 | 1,986.45 |
| 14 | Net consolidated profit (11-12+13) | 4,415.83 | 5,040.42 | 4,413.48 | 15,009.77 | 11,316.25 | 18,291.90 |
| 15 | Paid up equity share capital (Face value Re.1/- per share) | 7,551.87 | 7,546.50 | 7,513.94 | 7,551.87 | 7,513.94 | 7,516.15 |
| 16 | Reserves excluding revaluation reserves | | | | | | 1,90,079.76 |
| 17 | Earning Per Share (EPS) | | | | | | |
| | Basic EPS (in Rs.) (Not annualised) | 0.59 | 0.67 | 0.59 | 1.99 | 1.51 | 2.44 |
| | Diluted EPS (in Rs.) (Not annualised) | 0.57 | 0.66 | 0.59 | 1.95 | 1.50 | 2.43 |

PART II - SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

| A PARTICULARS OF SHAREHOLDING | | | | | | |
|--------------------------------------|---|--|--------------|--------------|--------------|--------------|
| 1 | Public shareholding | | | | | |
| | No. of shares | 23,73,97,757 | 23,68,60,503 | 23,17,73,489 | 23,73,97,757 | 23,17,73,489 |
| | Percentage of holding (%) | 31.44% | 31.39% | 30.85% | 31.44% | 30.85% |
| | (as a % of total share capital of the Company) | | | | | 30.91% |
| 2 | Promoters and promoter group shareholding | | | | | |
| | (a) Pledged / Encumbered | | | | | |
| | No. of shares | Nil | Nil | Nil | Nil | Nil |
| | Percentage of shares (%) | - | - | - | - | - |
| | (b) Non-encumbered | | | | | |
| | No. of shares | 51,77,89,265 | 51,77,89,265 | 51,96,20,702 | 51,77,89,265 | 51,96,20,702 |
| | Percentage of shares (%) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| | (as a % of total shareholding of promoter and promoter group) | | | | | |
| | Percentage of holding (%) | 68.56% | 68.61% | 69.15% | 68.56% | 69.15% |
| | (as a % of total share capital of the Company) | | | | | 69.09% |
| B | INVESTOR COMPLAINTS | Quarter Ended 31st December, 2013 | | | | |
| | Pending at the beginning of the quarter | 0 | | | | |
| | Received during the quarter | 12 | | | | |
| | Disposed off during the quarter | 12 | | | | |
| | Remaining unresolved at the end of the quarter | 0 | | | | |




SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

Rupees in Lakh

| Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 31.12.2013 | 30.09.2013 | 31.12.2012 | 31.12.2013 | 31.12.2012 | 31.03.2013 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Segment Revenue | | | | | | |
| A Investment banking and securities business | 7,150.49 | 11,127.70 | 11,115.64 | 29,925.78 | 30,840.32 | 42,905.35 |
| B Fund based activities | 12,607.06 | 12,143.19 | 14,394.51 | 40,027.21 | 40,557.78 | 55,175.07 |
| C Alternative asset management | 997.17 | 523.22 | 521.46 | 2,034.11 | 2,059.69 | 2,735.67 |
| D Asset management | 682.93 | 619.70 | 831.53 | 1,937.89 | 2,224.09 | 2,888.90 |
| E Others | 1,562.34 | 7,688.80 | 281.22 | 10,119.40 | 5,343.55 | 6,108.49 |
| Total Segment Revenue | 22,999.99 | 32,102.61 | 27,144.36 | 84,044.39 | 81,025.43 | 1,09,813.48 |
| Less: Inter - segmental revenue | (806.84) | (7,335.95) | (306.58) | (8,893.32) | (4,637.84) | (5,590.84) |
| Total Revenue | 22,193.15 | 24,766.66 | 26,837.78 | 75,151.07 | 76,387.59 | 1,04,222.64 |
| Segment Results | | | | | | |
| A Investment banking and securities business | (294.52) | 2,198.32 | 1,860.49 | 3,721.10 | 2,891.63 | 4,735.64 |
| B Fund based activities | 5,001.53 | 4,454.61 | 4,184.74 | 14,921.39 | 13,089.26 | 18,252.54 |
| C Alternative asset management | 656.70 | 281.98 | 345.36 | 1,226.25 | 1,103.37 | 1,630.22 |
| D Asset management | 88.49 | 52.51 | 86.85 | 193.09 | 190.19 | 222.77 |
| E Others | 713.05 | (161.15) | (180.29) | 838.16 | 322.23 | 551.46 |
| Total Results | 6,165.25 | 6,826.27 | 6,297.15 | 20,899.99 | 17,596.68 | 25,392.63 |
| Segment Capital Employed | | | | | | |
| A Investment banking and securities business | 55,316.73 | 71,282.87 | 71,076.63 | 55,316.73 | 71,076.63 | 68,704.56 |
| B Fund based activities | 99,696.54 | 95,995.79 | 91,359.67 | 99,696.54 | 91,359.67 | 95,187.82 |
| C Alternative asset management | 11,339.89 | 11,956.23 | 13,706.33 | 11,339.89 | 13,706.33 | 14,081.16 |
| D Asset management | 11,822.49 | 11,715.61 | 11,503.82 | 11,822.49 | 11,503.82 | 11,553.52 |
| E Unallocated | 50,391.70 | 32,265.70 | 26,442.09 | 50,391.70 | 26,442.09 | 23,105.18 |
| Total Capital Employed | 2,28,567.35 | 2,23,216.20 | 2,14,088.54 | 2,28,567.35 | 2,14,088.54 | 2,12,632.24 |



Handwritten signature

STAND-ALONE FINANCIAL RESULTS

PART I - STATEMENT OF STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

Rupees in Lakh

| Sr. No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|---------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | | 31.12.2013 Unaudited | 30.09.2013 Unaudited | 31.12.2012 Unaudited | 31.12.2013 Unaudited | 31.12.2012 Unaudited | 31.03.2013 Audited |
| 1 | Income from operations | 25.04 | 6,509.14 | - | 6,534.18 | 4,234.96 | 4,234.96 |
| | (a) Dividend | | | | | | 1,131.85 |
| | (b) Other operating income | 724.94 | 370.85 | 269.30 | 1,392.62 | 857.08 | |
| | Total income from operations | 749.98 | 6,879.99 | 269.30 | 7,926.80 | 5,092.04 | 5,366.81 |
| 2 | Expenses | | | | | | 427.43 |
| | (a) Employee benefits expense | 103.05 | 376.40 | 178.18 | 591.94 | 363.80 | |
| | (b) Operating and other expenses | 78.01 | 80.64 | 54.65 | 237.54 | 184.93 | 287.42 |
| | (c) Depreciation and amortisation expense | 10.81 | 10.91 | 7.56 | 30.29 | 20.59 | 26.35 |
| | Total expenses | 191.87 | 467.95 | 240.39 | 859.77 | 569.32 | 741.20 |
| 3 | Profit from operations before other income and finance costs (1-2) | 558.11 | 6,412.04 | 28.91 | 7,067.03 | 4,522.72 | 4,625.61 |
| 4 | Other income | 2.30 | 2.75 | 8.33 | 30.44 | 247.92 | 251.93 |
| 5 | Profit from ordinary activities before finance costs (3+4) | 560.41 | 6,414.79 | 37.24 | 7,097.47 | 4,770.64 | 4,877.54 |
| 6 | Finance costs | 2.35 | 2.58 | 0.69 | 6.82 | 2.29 | 2.91 |
| 7 | Profit from ordinary activities before tax (5-6) | 558.06 | 6,412.21 | 36.55 | 7,090.65 | 4,768.35 | 4,874.63 |
| 8 | Tax expense | 89.72 | 68.40 | 10.40 | 212.44 | 343.42 | 393.24 |
| 9 | Net Profit from ordinary activities after tax (7-8) | 468.34 | 6,343.81 | 26.15 | 6,878.21 | 4,424.93 | 4,481.39 |
| 10 | Extraordinary items | - | - | - | - | - | - |
| 11 | Net Profit after tax (9+10) | 468.34 | 6,343.81 | 26.15 | 6,878.21 | 4,424.93 | 4,481.39 |
| 12 | Paid up equity share capital (Face value Re. 1/- per share) | 7,551.87 | 7,546.50 | 7,513.94 | 7,551.87 | 7,513.94 | 7,516.15 |
| 13 | Reserves excluding revaluation reserves | | | | | | 1,54,428.55 |
| 14 | Earning Per Share (EPS) | | | | | | |
| | Basic EPS (in Re.) (Not annualised) | 0.06 | 0.84 | 0.00 | 0.91 | 0.59 | 0.60 |
| | Diluted EPS (in Re.) (Not annualised) | 0.06 | 0.83 | 0.00 | 0.89 | 0.59 | 0.59 |

PART II - SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

| A PARTICULARS OF SHAREHOLDING | | | | | | | |
|-------------------------------|---|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| 15 | Public shareholding | | | | | | |
| | No. of shares | 23,73,97,757 | 23,68,60,503 | 23,17,73,489 | 23,73,97,757 | 23,17,73,489 | 23,23,20,272 |
| | Percentage of holding (%) | 31.44% | 31.39% | 30.85% | 31.44% | 30.85% | 30.91% |
| | (as a % of total share capital of the Company) | | | | | | |
| 16 | Promoters and promoter group shareholding | | | | | | |
| | (a) Pledged / Encumbered | | | | | | |
| | No. of shares | Nil | Nil | Nil | Nil | Nil | Nil |
| | Percentage of shares (%) | - | - | - | - | - | - |
| | (b) Non-encumbered | | | | | | |
| | No. of shares | 51,77,89,265 | 51,77,89,265 | 51,96,20,702 | 51,77,89,265 | 51,96,20,702 | 51,92,94,390 |
| | Percentage of shares (%) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| | (as a % of total shareholding of promoter and promoter group) | | | | | | |
| | Percentage of holding (%) | 68.56% | 68.61% | 69.15% | 68.56% | 69.15% | 69.09% |
| | (as a % of total share capital of the Company) | | | | | | |
| B INVESTOR COMPLAINTS | | Quarter Ended 31st December, 2013 | | | | | |
| | Pending at the beginning of the quarter | 0 | | | | | |
| | Received during the quarter | 12 | | | | | |
| | Disposed off during the quarter | 12 | | | | | |
| | Remaining unresolved at the end of the quarter | 0 | | | | | |



Handwritten signature in blue ink.

Notes:

- 1) The above un-audited financial results of the Company have been reviewed by the Audit Committee and on its recommendation have been approved by the Board of Directors at its meeting held on January 29, 2014.
- 2) The Board of Directors has declared an interim dividend of Re 0.45 per share of the face value of Re.1 each. This will result in cash outflow of Rs 33.99 Crore. The Record date fixed by the Board for the purpose of payment of the interim dividend is February 10, 2014. The amount of the dividend shall be paid/credited to those shareholders whose names appear in the register of Members/as the beneficial owners in respect of their electronic holding of shares on the above Record date.
- 3) The Consolidated Financial Results (CFR) are prepared in accordance with the principles and procedures for the preparation and presentation of CFR as set out in the Accounting Standard (AS) 21 on “Consolidated Financial Statements” and AS 23 on “Accounting for Investments in Associates in Consolidated Financial Statements” prescribed by Companies (Accounting Standards) Rules, 2006 (as amended).
- 4) During the quarter, pursuant to receipt of FIPB approval and after having received the consideration of Rs 5,54,68,547 (being 25 % of the issue price of Rs 19.05 per Warrant/Equity Share) the Allotment Committee of the Board, has allotted 1,16,46,939 Warrants to Mr. Vikram Pandit, an NRI. The total consideration amount of Rs.11,09,37,094/- received against the issue and allotment of an aggregate of 2,32,93,878 Warrants till date has been deployed in bank fixed deposit pending its utilization.
- 5) During the quarter, the Allotment Committee has allotted 5,37,254 equity shares of Re. 1/- each to the eligible employees upon exercise of stock options by them.
- 6) On a stand-alone basis, the Company is a Core Investment Company which in the context of AS 17 on “Segment Reporting” is considered as the only segment. However, on a consolidated basis, the Company has identified four reportable segments, namely, (i) Investment banking & securities business, (ii) Fund based activities, (iii) Alternative asset management and (iv) Asset management.
- 7) On a stand-alone basis, the dividend income, if any, arising in different quarters, may not be comparable.
- 8) Consolidated as well as Standalone un-audited financial results will be made available on the Company’s website viz., www.jmfl.com and websites of BSE Limited and National Stock Exchange of India limited viz., www.bseindia.com and www.nseindia.com respectively. Key stand-alone financial information is given below:

Rupees in Lakh

| Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|-------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | 31.12.2013 Unaudited | 30.09.2013 Unaudited | 31.12.2012 Unaudited | 31.12.2013 Unaudited | 31.12.2012 Unaudited | 31.03.2013 Audited |
| Total Income | 752.28 | 6,882.74 | 277.63 | 7,957.24 | 5,339.96 | 5,618.74 |
| Profit before tax | 558.06 | 6,412.21 | 36.55 | 7,090.65 | 4,768.35 | 4,874.63 |
| Profit after tax | 468.34 | 6,343.81 | 26.15 | 6,878.21 | 4,424.93 | 4,481.39 |

- 9) Previous period/year’s figures have been regrouped and rearranged wherever necessary to conform to current period/year’s classification.

Place: Mumbai
Date: January 29, 2014



For and on behalf of the Board



Nimesh Kampani
Chairman & Managing Director

PRESS RELEASE
For Immediate Publication

JM Financial announces unaudited financial results for the quarter and nine months ended December 31, 2013. The Board of Directors declares interim dividend of Re. 0.45 per share.

Mumbai, January 29, 2014: The Board of Directors of JM Financial Limited, at its meeting held today, considered and approved the unaudited financial results for the quarter and nine months ended December 31, 2013.

Consolidated Results – Key Highlights:

FY 14 – Q3 compared to FY 13 – Q3

- Total income at Rs. 221.93 crore compared to Rs. 268.38 crore.
- The profit before tax stood at Rs. 61.65 crore compared to Rs. 62.97 crore
- Net profit after tax, minority interest and share of associates stood at Rs. 44.16 crore compared to Rs. 44.13 crore.

The Earnings per share and Diluted Earnings per share, for the quarter ended December 31, 2013 is Re. 0.59 and 0.57 respectively (not annualised).

FY 14 – 9 months compared to FY 13 – 9 months

- Total income at Rs. 751.51 crore compared to Rs. 763.88 crore.
- The profit before tax stood at Rs. 209.00 crore compared to Rs. 175.97 crore
- Net profit after tax, minority interest and share of associates stood at Rs. 150.10 crore compared to Rs. 113.16 crore.

The Earnings per share and Diluted Earnings per share, for the nine months ended December 31, 2013 is Re. 1.99 and 1.95 respectively (not annualised).

The Board of Directors has declared an interim dividend of Re. 0.45 per share of the face value of Re. 1 each, which will result in cash outflow of Rs. 33.99 crore

Commenting on the results, Mr. Nimesh Kampani, Chairman, JM Financial Group said,

"India witnessed one of the most challenging quarters for economic activity. The uncertainty on domestic political front, continuing adverse process coupled with changing global dynamics are contributing to a near flux situation for domestic business.

Our third quarter performance is more or less in line with last quarter on Y on Y and Q on Q basis despite the significant challenges barring in relation to non-institutional equity business. The impact of uncertainty in economic front had a rub-off effect on retail investors activity leading to extremely low level of participation in equity markets including IPO's. We remain focused on building a diverse set of businesses that will help moderate the impact of volatile market conditions and achieve long term growth."

Business Update

Investment banking and securities business:

During the quarter, we were awarded the 'Investment Bank of the Year' as well as the 'India Deal of the Year (Large Markets)' at the recently conducted M&A Atlas Awards. The India Deal of the Year award was received for the de-merger of the Pantaloons format business from Pantaloon Retail (India) Limited and acquisition of controlling stake by the Aditya Birla Group.

The Institutional Equity Business has gained further traction in a challenging scenario. We held our India Conference in Mumbai during November 2013, which was well received by clients and corporates. Participants from 98 funds and 69 corporates attended the conference.

Our Singapore entity viz., JM Financial Singapore Pte. Ltd received capital market services license from Monetary Authority of Singapore (MAS).

In non institutional equity brokerage business the major focus was on advisory based services where we offer multiple products advisory. We have presence in 257 locations spread across 114 cities through a network of branches and franchisees.

In the wealth management business, we retained our focus on providing complete financial and custody solutions to high net worth families and advising large corporate treasuries for their investments and fund raising requirements. Our wealth management business assets under advice stand over Rs.17,500 crore as on December 31, 2013. During the quarter, focus for corporate clients was on mobilization of Fixed Income investments through various products like Short Term Funds, Income Funds, Structured Fixed Maturity Plans, Corporate Fixed Deposits, Commercial Papers, Certificate of Deposits, Non-Convertible Debentures and Bonds. For High Net worth clients focus was on mobilization of investments in Structured Products, Tax Free Bonds, Debt Funds, Equity Advisory Assets, Non-Discretionary PMS Assets and Managed PMS Assets.

In the distribution business, we continued our focus on mobilization of mutual funds, public issues, fixed deposits and corporate bonds. We have a large network of over 8,000 active Independent Financial Distributors (IFDs) who distribute various financial products across the country. During the quarter, we mobilised more than Rs.1,400 crore in fixed deposit schemes and fixed income products of various companies.

Fund based activities:

We continued our business activities of offering loan against capital market instruments which includes products like IPO funding, Loan against shares, Margin funding, ESOP financing, Sponsor financing and Loans against properties. Compared to previous quarter there was a relative ease with regards to the availability of funds, however the long term money lenders were very few and selective in lending. The short term money was available but was being bid at higher rates. During the quarter, there was funding demand in few large public issues of equity, tax free bonds and Non-convertible debentures. We provided financing to our clients to subscribe in these issues. Our overall funding book stood at Rs. 2,642 crore including Rs. 1,686 crore in wholesale funding as at the end of quarter. The treasury book as on December 31, 2013 for the fixed income securities stood at Rs. 272 crore. We have been also able to maintain our revenue spread during the quarter.

In relation to our asset reconstruction business, we saw continuation of mounting pressure on banks to off-load NPAs during the quarter. Many banks came up with a number of portfolio auctions and the quarter saw an increased activity within the industry. We closed a couple of deals. In the backdrop of increased activity by the Banks and improving industry dynamics, the outlook for the business looks promising. Recovery during the quarter improved owing to collections from restructured accounts.

Alternative Asset Management:

The combined AUM / AUA of the Private Equity Fund and Real Estate Fund stood at around Rs. 1,250 crore at the end of the quarter. We exited investments of ~ Rs. 45 crore at 1.4x in Real Estate fund during the quarter.

The Private Equity Fund and the Real Estate Fund work closely with their portfolio companies to help them grow their businesses as well as to seek exit opportunities.

Asset Management:

Average AUM of JM Financial Mutual Fund for the quarter ended December 31, 2013 stood at Rs. 7,191.57 crore. The average AUM under Equity schemes was at Rs. 446.55 crore and under the Debt schemes was at Rs. 6,745.02 crore.

-ends-

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

For further information, please contact:

| | |
|--|---|
| Harshad Apte Corporate Communications Tel.: +91 22 6630 3477 Email: harshad.apte@jmfl.com | Manish Sheth Group Chief Financial Officer Tel.: +91 22 6630 3460 Email: manish.sheth@jmfl.com |
|--|---|

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.

This document is for information purposes only and any action taken by any person on the basis of the information contained herein is that person's responsibility alone and neither JM Financial Group nor any of their directors or employees will be liable in any manner for the consequences of such actions.