

PRESS RELEASE
For immediate Release

JM Financial announces unaudited financial results for the quarter ended June 30, 2011.

Mumbai, July 28, 2011: 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, 2011.

Consolidated Results Key Highlights:

Willirits-dleptupPreciofalif RII:403;41;4; " I

- > Total income increased to Rs. 208.12 crore as compared to Rs. 193.03 crore
- > Net operating profit before tax stood at Rs. 35.78 crore as compared to Rs. 4034 crore
- > Net profit after tax, minority interest and share of associates stood at Rs. 24A2 crore as compared to Rs. 29.47 crore.

The Earnings per Share (EPS), for the quarter ended June 30, 2011 is Re 0.33 (not annualised) and the Diluted Earnings per share (DPS), for the said quarter is Re.0.32 (not annualized).

Announcing the results, Mr. Nimesh Kampani, Chairman, JM Financial Group said, 'Inflationary pressures and rising interest rates in India, coupled with uncertainty in the global markets over the economic Stress In the Eurozone and the United States of America have exerted pressure on the capital markets worldwide. We saw a challenging first quarter. The fee based businesses as well as funds based business are under very strong pressure, reducing margins. Looking ahead, while the near term outlook for the capital markets remains somewhat uncertain, over the long term we maintain a positive outlook on the growth prospects for the Indian economy. "

Business Update

Investment banking and securities business:

The Investment banking business closed seven deals during the quarter across equity fund raising, debt fund raising and mergers and acquisition.

The secondary markets have continued to see dominance of Options and Futures in the total volumes. Delivery based cash segment volumes have continued to drop consistently leading to huge pressure on the brokerage earnings across the industry.

The investment advisory and distribution business has continued to focus on the distribution of Equity and Fixed Income products. It continued to expand its franchisee network and 41 new franchisees were added during the quarter. With this. It has increased its presence to 139 cities across the country.

In Institutional Equities Business focus continues to be on increasing research coverage and client additions.

Securities funding and fund based activities:

Given the tighter liquidity and increased interest rates, the margins in this business are under pressure.

The overall funding book increased to Rs. 2,113 Crore as on June 30. 2011 from Rs. 1,987 Crore as on March 31, 201 L

Anticipating a further increase in the Repo and reverse Repo rates, we kept our trading and investment book for fixed income securities light. The total book size as on June 30, 2011 was at around Rs. 141 crore.

During the quarter, the Asset Reconstruction business acquired new assets including retail portfolio and continued to resolve the assets acquired. We expect this business to have many more opportunities when the current high interest rate environment will inevitably lead to higher NPAs in the banking system.

Alternative Asset Management:

At the end of the quarter, the combined AUM I AUA of the private equity fund, real estate fund and special situations fund stands of around Rs.1 550 crore. The Private Equity Fund has completed an investment in *the* infrastructure domain and with this investment, the Fund has fully deployed its corpus.

The first investment for the newly launched Real Estate Yield Fund was made by acquiring the Multiplex unit at Phoenix Mills, Lower Parel, Mumbai. The Fund has received commitments from certain investors and is targeting to achieve its first closure soon.

Asset Management:

The Mutual Fund AUM stood at Rs. 5,301 crore as on June 30, 2011. The AUM under Equity schemes was at Rs. 838 crore and under the Debt Schemes it was at Rs. 4,463 crore as on June 30, 2011.

-ends-

The *unaudited financial results ore attached*. Both, *the* press release and *unaudited financial results are available on our website -*

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 braking, portfolio management, asset management, commodity braking, fixed income braking, non-banking finance products, private equity and asset reconstruction. For more information. log on to www.imfinancial.in.

For further information, please contact:

<p>Harshad Apte Corporate Communications Tel.: +91 22 6630 3477 Emolk harshod.aafegfirnfinoncioLin</p>	<p>Manish Sheth Chief Financial Officer Tel.: F91 22 6630 3460 Email: manish_sheth@imfinancial.in</p>
---	---

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.