

AM FINANCIAL

October 24, 2011

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
MLMBAI — 400 051

Dear Sirs,

Sub: **Unaudited Financial Results for the second quarter and half year ended September 30, 2011**

Symbol: **JMF1NANCIL**

We wish to inform you that the Board of Directors of the Company at its meeting held today has considered and approved the Un-audited Financial Results for the second quarter and half year ended September 30, 2011. A copy of the said Un-audited Financial Results, both on a stand alone and consolidated basis is enclosed for your information and record. Additionally, a copy of the Press Release being issued by the Company is also enclosed.

You are requested to circulate the above financial results among the members of the exchange for their information.

Thank you.

Yours faithfully,
for JM Financial Limited



P K Choksi
Group Head-Compliance, Legal
& Company Secretary

End : a/a

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JM FINANCIAL LIMITED

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2(111

Sr No.	Particulars	Quarter Ended		Half Year Ended		Year Ended
		30-09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
		Unaudited	Unaudited	unaudited	Unaudited	Audited
	INCOME					
1	Fees & Commission	6311.61	6677/3	11298.19	13,84060	25,840.18
2	Brokerage	2,731.02	3,290.04	5,437.54	6,258.39	13,635.89
3	Interest and other income on fund based activities	8.44604	6.022.80	16.664.74	11.72153	28,971.80
	Dividend	77526	1,970.26	1,345.42	2,734.12	4,206.51
	Profit on sale of investment inclusive of reversal of provision	143.51	2,184.08	294.43	3,612.13	4,729.46
	Interest & Other Income	3,111.36	3,135.17	7,290.76	4,416.08	12,129.41
	Income - (A)	21,518.80	23,280.28	42,331.08	42,582.85	89,513.25
	EXPENDITURE					
1/1	Payment to & provisions for employees	4,487.35	6,519.67	8,677.72	12,485.62	20,605.14
	Sub-brokerage, Fees & Commission	2,833.87	1,865.81	5,519.37	4,710.67	8,299.03
	Operating and other expenses	2615.48	2,352.93	5,065.73	4,770.63	11,379.61
10	Depreciation	293.98	315.15	591.64	620.03	1,241.87
	Operating Expenditure - (B)	10,230.68	11,053.56	19,854.46	22,386.95	41,527.65
	Operating Profit before interest A-B = C	11,288.12	12,226.72	22,476.42	19,995.90	47,985.60
11	Interest on borrowings	6,868.52	5,052.14	14,479.43	8,767.59	24,344.90
12	Interest Income / (Reversal) on Income Tax Refund		-	-	-	(1,053.35)
	Operating profit before tax	4,419.60	7,174.58	7,997.19	11,228.31	22,787.35
13	Tax expenses (Including deferred tax)	1,683.08	1,531.48	2,846.34	2,542.70	5,278.73
	Net Profit from ordinary activities after tax	2,736.52	5,643.10	5,150.85	8,685.61	17,508.62
14	Extraordinary items		-	-	-	-
	Net Profit after tax	2,736.52	5,643.10	5,150.85	8,685.61	17,508.62
	Less :- Share of Minority interest	230.00	76.74	393.02	185.86	737.80
	Add :- Share in Profit of Associates	222.15	184.67	412.41	198.36	685.42
	Net consolidated profit	2,728.67	5,751.03	5,170.24	8,698.11	17,456.24
	Paid up Equity, share capital (Face value Re. 1/- per share)	7,498.70	7,497.11	7,498.70	7,497.11	7,497.11
18	Reserves excluding revaluation reserves					173,943.97
19	Earning Per Share (EPS)					
	Basic EPS (in Rs.) (Not annualised)	0.36	0.77	0.69	1.16	2.33
	Diluted EPS (in Rs.) (Not annualised)	0.36	0.77	0.68	1.16	2.33
	Public shareholding					
	No of shares	247,514,696	252,458,514	247,514,696	252,458,514	248,508,666
	Percentage of holding (%)	33.01%	33.67%	33.01%	33.67%	
	as a % of total share capital of the Company					
21	Promoters and promoter group shareholding					
	Number of shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares %	-	-	-	-	-
	(b) Non-encumbered					
	No. of shares	502,354,804	497,323,986	502,354,804	497,323,986	501,273,834
	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 (%)	66.99%	66.33%	66.99%	66.33%	66.86%
	(as a % of total share capital of the Company)					

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SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2011

Particulars	Quarter Ended		Half Year Ended		Year Ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue					
A Investment banking and securities business	11,346.18	13,478.43	20,959.44	24,610.82	49,027.32
B Fund based activities	9,388.67	7,219.94	19,140.62	13,734.24	34,279.62
C Alternative asset management	901.51	1,709.61	1,669.30	3,468.17	4,268.90
D Asset management	780.18	747.40	1,449.23	1,653.54	3,169.36
E Others	4,454.19	995.85	5,044.87	1,931.38	4,416.12
Total Segment Revenue	26,870.73	24,151.23	48,263.46	45,398.15	95,161.32
Less: Inter- segmental revenue	(5,351.93)	(870.95)	(5,932.38)	(2,815.30)	(5,648.07)
Total Revenue	21,518.80	23,280.28	42,331.08	42,582.85	89,513.25
Segment Results (Prior to inter segment elimination)					
A Investment banking and securities business	1,020.31	4,165.96	1,449.56	5,102.06	11,840.06
B Fund based activities	2,881.30	1,977.21	5,768.39	3,957.56	9,798.53
C Alternative asset management	353.68	1,102.24	556.11	2,219.25	1,245.96
D Asset management	(35.58)	(335.61)	(171.36)	(453.41)	(600.09)
E Others	199.89	264.78	394.49	402.85	502.89
Total Results	4,419.60	7,174.58	7,997.19	11,228.31	22,787.35
Segment Capital Employed					
A Investment banking and securities business	59,172.92	56,455.52	59,172.92	56,455.52	59,266.39
B Fund based activities	81,630.26	75,700.86	81,630.26	75,700.86	79,765.58
C Alternative asset management	34,170.91	34,818.62	34,170.91	34,818.62	33,992.83
D Asset management	11,324.33	11,638.20	11,324.33	11,638.20	11,500.71
E Unallocated	17,436.39	13,185.89	17,436.39	13,185.89	10,985.44
Total Capital Employed	203,734.81	191,799.09	203,734.81	191,799.09	195,510.95

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STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30111 SerfEmBER, 2011

Sr. No	Particulars	Quarter ended		Half year ended		Year ended
		30.09.2011 Unaudited	30-09.2010 Unaudited	30.09.2011 Unaudited	30.09.2010 Unaudited	31-03.1011 Audited
	ANCOME					
1	Dividend	3,850.25	81.68	3,850.25	81.68	181.06
2	Group support fees	345.00	690.00	690.00	1,380.00	2,760.00
3	Interest & other income	258.94	224.17	504.62	465.25	1,470.61
	Income - (A)	4,454.19	995.85	5,044.87	1,926.93	4,411.67
	EXPENDITURE					
4	Payment to dt provisions for employees	282.66	474.50	560.75	1,030.59	1,421.59
5	Operating and other expenses	109.27	188.36	213.06	409.46	898.92
6	Depreciation	11.81	15.34	24.53	34.02	61.74
	Operating expenditure - (R)	403.74	678.20	798.34	1,474.07	2,382.25
	Operating profit before interest (A-e) = (C)	4,050.45	317.65	4,246.53	452.86	2,029.42
7	Interest expenses	0.30	0.37	1.78	1.98	2.50
8	Interest Income / (Reversal) on Income Tax Refund	-	-	-	-	1,053.31i
	Operating profit after interest	4,050.15	317.28	4,244.75	450.88	973.57
9	Tax expenses (Including deferred tax)	94.81	76.78	173.54	149.78	(30.69)
	Net profit from ordinary activities after tax	3,955.34	240.50	4,071.21	301.10	1,004.26
10	Extraordinary items		-			
	Net profit after tax	3,955.34	240.50	4,071.21	301.10	1,004.26
11	Paid up Equity share capital (Face value Re. V- per share)	7,498.70	7,497.11	7,498.70	7,497.11	7,497.11
12	Reserves excluding revaluation reserves					154,283.04
13	Earning Per Share (EPS)					
	Basic EPS (in Re.) (Not annualised)	0.53	0.03	0.54	0.04	0.13
	Diluted EPS (in Re.) (Not annualised)	0.52	0.03	0.54	0.04	0.13
14	Public shareholding					
	Nu. of shares	247,514,696	252,458,514	247,514,696	252,458,514	248,508,666
	Percentage holding (%) (a% a % of total share capital of the Company)	33.01%	33.67%	33.01%	33.67%	33.14%
15	Promoters and promoter group shareholding					
	(a) Pledged / Encumbered					
	No. of shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (%)			-		
	(h) Non-encumbered					
	Nu. of shares	502,354,804	497,323,986	502,354,804	497,323,986	501,273,834
	Percentage of shares (%) (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of holding (%) (as a % of total share capital of the Company)	66.99%	66.33%	66.99%	66.33%	66.86%

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STATEMENT OF ASSETS AND LIABILITIES

Particulars	Stand-alone		Consolidated	
	As at 30.09.2011 Unaudited	As at 30.09.2010 Unaudited	As at 30.09.2011 Unaudited	As at 30.119.2010 Unaudited
SOURCES OF FUNDS				
Shareholder? Fund:				
(a) Share Capital	7,498.70	7,497.11	7,498.70	7,497.11
(h) Employee Stock Options Outstanding	2,246.54		2,246.54	•
(c) Reserves and Surplus	158,455.18	158,184.40	187,743.43	178,684.40
(d) Capital Reserve on Consolidation	•	-	8,214.74	8,214.74
Minority Interest	-	-	14,462.44	13,833.89
Loan Funds	7.23	5.15	239,797.67	327,388.38
Deferred 'fax LisibilityiNet)	11,030.33	11,280.10	9,607.53	9371.22
Total	179,238.68	176,967.46	469,571.05	545,389.74
APPLICATION OF FUND',				
Goodwill on Consolidation			16,431.05	16,431.05
Fixed Assets	212.69	229.02	3,328.96	3,781.22
Investments	150,766.22	156,117.01	77,672.01	95,843.53
Current Assets, Loans and Advances				
(u) Security held as Stock in Trade	-		54,640.81	120,755.16
(b) Sundry Debtors	-	-	14,045.39	25,258.04
(c) Cash and Bank Balances	11,048.03	10,253.38	94,973.25	71,450.14
(d) Loans and Advances	17,617.79	11,158.46	242,554.93	275,503.51
(e) Other Current Assets	140.54	217.75	3,445.14	1,478.61
Less: Current Liabilities and Provisions				
(a) Current Liabilities	461.45	903.48	33,394.28	60,698.31
(b) Provisions	85.14	104.68	4,126.21	4,413.21
Total	79,238.68	176,967.46	469,571.05	545,389.74

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Notes:

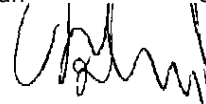
- 1) The above un-audited financial results of the Company as reviewed *and* recommended by the Audit Committee have been approved by the Board of Directors at its meeting held on October 24, 2011.
- 2) The Statutory Auditors of the Company have carried out a "Limited Review" of the above results. The un-audited financial results for the quarter half year ended September 30, 2011 of the Company's subsidiaries and associates have also been subjected to a "Limited Review" by the respective Statutory Auditors of the companies except for five subsidiaries, one associate company and a partnership firm which have not been subjected to a "Limited Review" by their respective Statutory Auditors, since the results of these entities are not material.
- 3) On a stand-alone basis, the Company is a Core Investment Holding 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 and securities business, (ii) Fund based activities, (iii) Alternative asset management and (iv) Asset management.
- 4) On a stand-alone basis, the dividend income, interest income, gains/losses on the sale of investments, if any, arising in different quarters, may not be comparable.
- 5) No investor complaints/queries were pending at the beginning and end of the quarter ended September 30, 2011. During the quarter, the Company had received and resolved 10 investor complaints/queries.
- 6) Consolidated as well as Standalone financial results will be available on the Company's website viz., www.imfinancial.in and websites of Bombay Stock Exchange Limited and National Stock Exchange of India Limited viz. www.bseindia.com and www.nseindia.com respectively.
- 7) Key stand-alone financial information is given below:

Rupees in Lakh

Particulars	Quarter ended		Half year ended		Year ended
	30.09.2011 Unaudited	30.09.2010 Unaudited	30.09.2011 Unaudited	30.09.2010 Unaudited	31.03.2011 Audited
Total Income	4,454.19	995.85	5,044.87	1,926.93	4,411.67
Profit before tax	4,050.15	317.28	4,244.75	450.88	973.57
Profit after tax	3,955.34	240.50	4,071.21	301.10	1,004.26

- 8) Figures including those of the previous period/year have been regrouped and rearranged wherever necessary.

For an e Board



Nimesh N K pani
Chairman & Managing Director

Place! Mumbai
Date: October 24, 2011

PRESS RELEASE

For Immediate Release

JM Financial announces unaudited financial results for the quarter and half year ended September 30, 2011.

Murribal, October 24, 2011: The Board of Directors of JM Financial Limited, at its meeting held today, considered and approved the unaudited financial results for the quarter and half year ended September 30, 2011.

Consolidated Results - Key Highlights:

FY 2011/14* Compared to FY IT Q²

- > Total income stood at Rs 215.19 crore as compared to Rs 232.80 crore
- > Net operating profit before tax stood at Rs. 44.20 crore as compared to Rs 71.75 crore
- > Net profit after tax, minority interest and share of associates stood at Rs. 22.29 crore as compared to Rs. 57.51 crore.

The Earnings per Share (EPS) and the Diluted Earnings per share (DPS), for the *quarter* ended September 30, 2011 is Re 0.26 (not annualised).

FY 2011/14* Compared to FY 1:1 Hi

- > Total income stood at Rs. 42331 crore as compared to Rs. 425.83 crore
- > Net operating profit before tax stood at Rs. 79.97 crore as compared to Rs. 112.28 crore
- > Net profit after tax, minority interest and share of associates stood at Rs. 5130 crore as compared to Rs. 86.98 crore.

The EPS, for the half year ended September 30, 2011 is Re. 0.69 (not annualised) and DPS, for the said half year ended is Re.0.68 (not annualized).

Announcing the results, Mr. Nimesh Kampani, Chairman, JM Financial Group said, "The continuing stress and uncertainty in the global financial system combined with the domestic issues have contributed to a near standstill of the domestic financial markets. The trading volume in the secondary market has reduced substantially. Primary Market issuances have also been very few. Persisting high inflation has become the topmost priority for the policy makers and as a result, growth may be slow to pick up. Uncertainty prevails over the interest rate and exchange rate scenario. Given the state of prevailing market conditions, investors have decided to stay away from the equities and have moved to low risk investments such as bank deposits and fixed income securities. As a risk containment measure, we have decided not to increase our book size in several of our businesses. As a Group, we are following a strategy of "cost containment rather than maximizing Profits" _ At the same time, we remain committed to our focus on both fee based and fund based activities. We will very carefully watch the opportunities as they emerge."

Business Update

Investment banking and securities business:

The Investment banking business closed two deals during the quarter. These include initial public issues of L & T Finance Holdings Limited for Rs.1,245 crore and Tree House Education & Accessories Limited for Rs.112 crore.

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 15 new franchisees were added during the quarter. With this, it has increased its presence to 144 cities across the country.

The Institutional Equities Business continues to work towards greater research coverage along with client additions.

Fund based activities:

In spite of increasing interest rates, we have been able to maintain our margins but at the same time, we have been selective *in* growing our loan portfolio. Our focus is to maintain loan book by managing credit risk of the portfolio.

The overall funding book stood at Rs. 1,969 crore as on September 30, 2011.

The treasury book for fixed income securities as on September 30, 2011 was at Rs. 306 crore.

During the quarter, the Asset Reconstruction business acquired new assets in the corporate as well as the retail space and continued to resolve the assets acquired. The NPAs in the banking system are expected to increase significantly considering the economic stress. However, primarily due to price expectation mis-match between the Banks and the ARCs, the acquisitions are expected to increase less than proportionately. We hope to achieve a significant market share in the ARC segment and consolidate our leadership position.

Alternative Asset Management:

At the end of the quarter, the combined AUM / AUA of the private equity fund, real estate fund and special situations group stands at around Rs.1,550 crore. As the Private Equity Fund has fully deployed its corpus, the fund will be seeking to maximize value for opportune exits at the appropriate time.

Asset Management:

The Mutual Fund AUM stood at Rs. 6296 crore as on September 30, 2011. The AUM under Equity schemes was at Rs. 687 crore and under the Debt Schemes was at Rs. 5,609 crore as on September 30, 2011.

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

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.imfinanCi0.1

For further information, please contact:

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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.

This document is for information purposes only and any action taken by any person on the bath 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.