



October 30, 2012

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

Dear Sirs,

Sub: Unaudited Financial Results for the second quarter and half year ended September 30, 2012

Symbol: JMFANCIL

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, 2012. 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.

Further, pursuant to clause 41(l)(c)(i) of the Listing Agreement, we are also forwarding herewith a copy of the 'Limited Review Report' (both on a stand alone and consolidated basis) with regard to the above Unaudited Financial Results as received from our Statutory Auditors, M/s Khimji Kunverji & Co.

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

A handwritten signature in black ink, appearing to read "P. K. Choksi".

P K Choksi

P Group Head-Compliance, Legal
& Company Secretary

Encl : a/a



JM FINANCIAL LIMITED
CONSOLIDATED FINANCIAL RESULTS

PART I - STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Rupees in Lakh

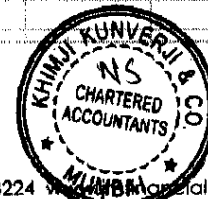
Sr. No.	Particulars	Quarter Ended			Half year ended		Year Ended
		30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
1	Income from operations						
	(a) Fees & commission	4,620.70	5,406.42	5,715.64	10,027.12	10,702.22	19,907.51
	(b) Brokerage	2,740.80	2,852.42	3,326.99	5,593.22	6,033.51	11,895.86
	(c) Interest and other income on fund based activities	11,325.50	10,297.85	8,446.04	21,623.35	16,664.74	35,613.99
	(d) Other operating income	5,673.05	5,851.80	3,874.79	11,524.85	8,556.56	19,169.30
	Total income from operations	24,360.05	24,408.49	21,363.46	48,768.54	41,957.03	86,586.66
2	Expenses						
	(a) Employee benefits expense	4,741.92	4,854.64	4,455.30	9,596.56	8,620.76	17,579.25
	(b) Sub-brokerage, fees & commission	2,754.84	2,522.70	2,833.87	5,277.54	5,519.37	9,173.66
	(c) Operating and other expenses	2,022.37	2,565.11	2,587.88	4,587.48	4,994.59	11,618.09
	(d) Depreciation and amortisation expense	260.26	261.98	293.98	522.24	591.64	1,147.41
	Total expenses	9,779.39	10,204.43	10,171.03	19,983.82	19,726.36	39,518.41
3	Profit from operations before other income and finance costs (1-2)	14,580.66	14,204.06	11,192.43	28,784.72	22,230.67	47,068.25
4	Other income	143.35	637.92	155.34	781.27	374.05	810.42
5	Profit from ordinary activities before finance costs (3+4)	14,724.01	14,841.98	11,347.77	29,565.99	22,604.72	47,878.67
6	Finance costs	9,204.14	9,062.32	6,928.17	18,266.46	14,607.53	29,607.36
7	Profit from ordinary activities before tax (5-6)	5,519.87	5,779.66	4,419.60	11,299.53	7,997.19	18,271.31
8	Tax expense	1,807.74	1,947.31	1,683.08	3,755.05	2,846.34	5,955.38
9	Net Profit from ordinary activities after tax (7-8)	3,712.13	3,832.35	2,736.52	7,544.48	5,150.85	12,315.93
10	Extraordinary items	-	-	-	-	-	-
11	Net Profit after tax (9+10)	3,712.13	3,832.35	2,736.52	7,544.48	5,150.85	12,315.93
12	Less :- Share of Minority interest	411.97	366.51	230.00	778.48	393.02	948.83
13	Add :- Share in Profit of Associates	72.01	64.76	222.15	136.77	412.41	749.76
14	Net consolidated profit (11-12+13)	3,372.17	3,530.60	2,728.67	6,902.77	5,170.24	12,116.86
15	Paid up equity share capital (face value ₹1/- per share)	7,513.89	7,509.46	7,476.70	7,513.07	7,476.70	7,476.70
16	Reserves excluding revaluation reserves						1,80,494.32
17	Earning Per Share (EPS)						
	Basic EPS (in Rs.) (Not annualised)	0.45	0.47	0.36	0.92	0.69	1.62
	Diluted EPS (in Rs.) (Not annualised)	0.45	0.47	0.36	0.91	0.68	1.61

PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

A PARTICULARS OF SHAREHOLDING							
1. Promoters and promoter group shareholding							
Percentage of holding (%) (as a % of total share capital of the Company)							
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012	
	30.84%	30.80%	33.01%	30.84%	33.01%	32.82%	
2. Promoters and promoter group shareholding							
(a) Pledged / Encumbered							
No. of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of shares (%)	-	-	-	-	0	-	-
(b) Non-encumbered							
No. of shares	51,96,20,702	51,96,20,702	50,23,54,804	51,96,20,702	50,23,54,804	50,37,43,455	
Percentage of shares (%) (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
Percentage of holding (%) (as a % of total share capital of the Company)	69.16%	69.20%	66.99%	69.16%	66.99%	67.18%	
B INVESTOR COMPLAINTS							
Quarter Ended 30th September, 2012							
Pending at the beginning of the quarter	NIL						
Received during the quarter	8						
Disposed off during the quarter	8						
Remaining unresolved at the end of the quarter	NIL						

JM Financial Limited

141, Maker Chambers III, Nariman Point, Mumbai 400 021. T: 91 22 6630 3030 F: 91 22 2202 8224 www.jmfinancial.in

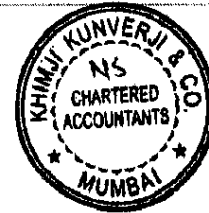




SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Rupees in Lakh

Particulars	Quarter Ended			Half year ended		Year Ended
	30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
Segment Revenue						
A Investment banking and securities business	9,369.06	10,355.62	11,346.18	19,724.68	20,959.44	40,443.37
B Fund based activities	13,750.37	12,412.90	9,388.67	26,163.27	19,140.62	41,376.50
C Alternative asset management	514.76	1,023.47	901.51	1,538.23	1,669.30	4,590.31
D Asset management	673.70	718.86	780.18	1,392.56	1,449.23	3,025.35
E Others	4,514.01	548.32	4,454.19	5,062.33	5,044.87	6,330.73
Total Segment Revenue	28,821.90	25,059.17	26,870.73	53,881.07	48,263.46	95,766.26
Less: Inter - segmental revenue	(4,318.50)	(12.76)	(5,351.93)	(4,331.26)	(5,932.38)	(8,369.18)
Total Revenue	24,503.40	25,046.41	21,518.80	49,549.81	42,331.08	87,397.08
Segment Results						
A Investment banking and securities business	337.54	693.60	1,020.31	1,031.14	1,449.56	3,526.56
B Fund based activities	4,742.70	4,161.82	2,881.30	8,904.52	5,768.39	13,311.23
C Alternative asset management	295.27	462.74	353.68	758.01	556.11	948.35
D Asset management	35.33	68.01	(35.58)	103.34	(171.36)	(226.32)
E Others	109.03	393.49	199.89	502.52	394.49	711.49
Total Results	5,519.87	5,779.66	4,419.60	11,299.53	7,997.19	18,271.31
Segment Capital Employed						
A Investment banking and securities business	79,201.78	80,101.66	59,172.92	79,201.78	59,172.92	79,160.29
B Fund based activities	88,227.04	88,530.53	81,630.26	88,227.04	81,630.26	85,652.32
C Alternative asset management	13,460.85	13,248.16	34,170.91	13,460.85	34,170.91	12,855.16
D Asset management	11,406.82	11,356.55	11,324.33	11,406.82	11,324.33	11,291.61
E Unallocated	18,450.22	14,204.60	17,436.39	18,450.22	17,436.39	13,065.29
Total Capital Employed	2,10,746.71	2,07,441.50	2,03,734.81	2,10,746.71	2,03,734.81	2,02,024.67



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STAND-ALONE FINANCIAL RESULTS

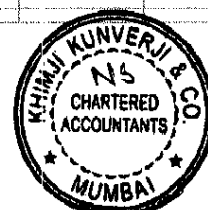
PART I - STATEMENT OF STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Rupees in Lakh

Sr. No.	Particulars	Quarter Ended			Half year ended		Year Ended
		30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
1	Income from operations						
	(a) Dividend	4,234.96	-	3,850.25	4,234.96	3,850.25	3,850.25
	(b) Group support fees	-	-	345.00	-	690.00	1,380.00
	(c) Other operating income	278.06	309.72	258.64	587.78	504.28	1,049.12
	Total income from operations	4,513.02	309.72	4,453.89	4,822.74	5,044.53	6,279.37
2	Expenses						
	(a) Employee benefits expense	94.47	95.32	282.66	189.79	560.75	1,140.34
	(b) Operating and other expenses	73.95	52.16	109.27	126.11	213.06	569.78
	(c) Depreciation and amortisation expense	6.51	6.52	11.81	13.03	24.53	53.70
	Total expenses	174.93	154.00	403.74	328.93	798.34	1,763.82
3	Profit from operations before other income and finance costs (1-2)	4,338.09	155.72	4,050.15	4,493.81	4,246.19	4,515.55
4	Other income	0.99	238.60	0.30	239.59	0.34	51.37
5	Profit from ordinary activities before finance costs (3+4)	4,339.08	394.32	4,050.45	4,733.40	4,246.53	4,566.92
6	Finance costs	0.77	0.83	0.30	1.60	1.78	5.19
7	Profit from ordinary activities before tax (5-6)	4,338.31	393.49	4,050.15	4,731.80	4,244.75	4,561.73
8	Tax expense	50.20	282.82	94.81	333.02	173.54	311.61
9	Net Profit from ordinary activities after tax (7-8)	4,288.11	110.67	3,955.34	4,398.78	4,071.21	4,250.12
10	Extraordinary items	-	-	-	-	-	-
11	Net Profit after tax (9+10)	4,288.11	110.67	3,955.34	4,398.78	4,071.21	4,250.12
12	Paid up equity share capital (Face value Re. 1/- per share)	7,513.69	7,509.48	7,498.70	7,513.69	7,498.70	7,498.70
13	Reserves excluding revaluation reserves						1,56,301.73
14	Earning Per Share (EPS)						
	Basic EPS (in Re.) (Not annualised)	0.57	0.01	0.53	0.59	0.54	0.57
	Diluted EPS (in Re.) (Not annualised)	0.57	0.01	0.52	0.58	0.54	0.56

PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

A PARTICULARS OF SHAREHOLDING							
15	Public shareholding						
	No. of shares	23,17,48,095	23,13,27,032	24,75,14,696	23,17,48,095	24,75,14,696	24,61,26,045
	Percentage of holding (%) (as a % of total share capital of the Company)	30.84%	30.80%	33.01%	30.84%	33.01%	32.82%
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	51,96,20,702	51,96,20,702	50,23,54,804	51,96,20,702	50,23,54,804	50,37,43,455
	Percentage of shares (%) (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of holding (%) (as a % of total share capital of the Company)	69.16%	69.20%	66.99%	69.16%	66.99%	67.18%
B INVESTOR COMPLAINTS		Quarter Ended 30th September, 2012					
	Pending at the beginning of the quarter	NIL					
	Received during the quarter	8					
	Disposed off during the quarter	8					
	Remaining unresolved at the end of the quarter	NIL					

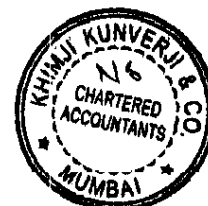




STATEMENT OF ASSETS AND LIABILITIES

Rupees in lakh

Particulars	Consolidated		Stand-alone	
	As at	As at	As at	As at
	30.09.2012	31.03.2012	30.09.2012	31.03.2012
	Unaudited	Audited	Unaudited	Audited
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share Capital	7,513.69	7,498.70	7,513.69	7,498.70
(b) Reserves and Surplus	1,95,261.02	1,87,332.45	1,61,671.66	1,56,301.73
(c) Capital Reserve on Consolidation	610.19	610.61	-	-
	2,03,384.90	1,95,441.76	1,69,185.35	1,63,800.43
Minority Interest	14,810.56	14,031.65	-	-
Non-current liabilities				
(a) Long-term borrowings	12,631.98	27,129.33	-	-
(b) Deferred tax liabilities (net)	9,647.76	9,713.34	11,018.35	11,031.93
(c) Other long-term liabilities	8.02	13.82	108.02	113.82
(d) Long-term provisions	4,433.67	4,045.03	25.77	46.67
	26,721.43	40,901.52	11,152.14	11,192.42
Current liabilities				
(a) Short-term borrowings	3,66,888.01	2,93,025.94	-	-
(b) Trade payables	23,041.34	14,181.46	59.65	73.95
(c) Other current liabilities	9,205.58	8,174.74	140.83	591.32
(d) Short-term provisions	1,025.26	6,289.43	22.76	4,585.23
	4,00,160.19	3,21,671.57	223.24	5,250.50
Total	6,45,077.08	5,72,046.50	1,80,560.73	1,80,243.35
ASSETS				
Non-current assets				
(a) Fixed assets	3,057.63	3,003.74	120.12	230.89
(b) Goodwill on consolidation	7,448.74	7,448.74	-	-
(c) Non-current investments	52,590.08	51,979.61	1,50,736.62	1,50,736.62
(d) Long-term loans and advances	67,216.85	58,924.25	14,951.51	15,189.09
(e) Other non-current assets	1,098.78	758.45	1,098.78	758.45
	1,31,412.08	1,22,114.79	1,66,907.03	1,66,915.05
Non-current assets				
(a) Current investments	43,857.69	5,005.39	-	-
(b) Securities held as stock in trade	82,513.27	75,964.89	-	-
(c) Assets held for arbitrage business	25,198.12	19,336.95	-	-
(d) Trade receivables	19,067.10	15,791.06	-	-
(e) Cash and bank balances	1,16,915.47	1,36,999.55	12,111.56	12,345.68
(f) Short-term loans and advances	2,22,347.78	1,94,426.34	42.41	52.74
(g) Other current assets	3,765.57	2,407.53	1,499.73	929.88
	5,13,665.00	4,49,931.71	13,653.70	13,328.30
Total	6,45,077.08	5,72,046.50	1,80,560.73	1,80,243.35





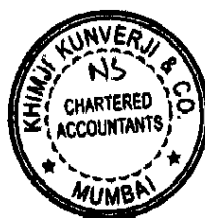
Notes:

- 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 October 30, 2012.
- 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 and six months ended September 30, 2012 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 seven subsidiaries and, one associate company 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 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.
- 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) Consolidated as well as Standalone financial results will be 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

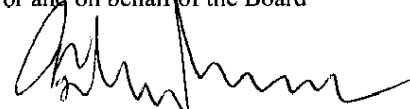
Particulars	Quarter Ended			Half year Ended		Year Ended
	30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
Total Income	4,514.01	548.32	4,454.19	5,062.33	5,044.87	6,330.74
Profit before tax	4,338.31	393.49	4,050.15	4,731.80	4,244.75	4,561.73
Profit after tax	4,288.11	110.67	3,955.34	4,398.78	4,071.21	4,250.12

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



Place: Mumbai
Date: October 30, 2012

For and on behalf of the Board


Nimesh Kampani
 Chairman & Managing Director

Khimji Kunverji & Co

(Registered)

Chartered Accountants



The Board of Directors
JM Financial Limited
 Mumbai

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

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/half year ended September 30, 2012, 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 23,613.22 lac and Rs 47,803.00 lac for the three months and six months ended September 30, 2012 respectively, capital employed of Rs 181,072.37 lac and assets of Rs. 601,425.96 lac as on the said date of 5 subsidiaries, which have not been reviewed by us. Other auditors whose reports have been furnished to us have reviewed these, 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 430.27 lac and Rs 582.45 lac for the three months and six months period ended September 30, 2012 respectively, capital employed of Rs 10,696.40 lac, assets of Rs 15,308.91 of 6 subsidiaries and Rs 14.94 lac and Rs 11.88 lac being profit of associate for the three months and six months period ended September 30, 2012 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 and other recognised 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 Number : 105146W)

Hasmukh B Dedhia
 Partner (F 33494)

Place: Mumbai,
 Dated: October 30, 2012

Khimji Kunverji & Co

(Registered)

Chartered Accountants

**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 half year/quarter ended September 30, 2012 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 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)


Hasrnukh B Dedhia
Partner (F 33494)

Place: Mumbai,
Dated: October 30, 2012

PRESS RELEASE

For Immediate Release

JM Financial announces unaudited financial results for the quarter and half year ended September 30, 2012.

Mumbai, October 30, 2012: 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, 2012.

Consolidated Results – Key Highlights:

FY 13 – Q2 compared to FY 12 – Q2

- Total income increased by 13.87% to Rs. 245.03 crore from Rs. 215.19 crore.
- Net profit before tax increased by 24.90% to Rs. 55.20 crore from Rs. 44.20 crore
- Net profit after tax, minority interest and share of associates increased by 23.58% to Rs. 33.72 crore from Rs. 27.29 crore.

The Earnings Per Share (EPS) and Diluted Earnings Per Share (DEPS), for the quarter ended September 30, 2012 is Re. 0.45 (not annualised).

FY 13 – H 1 compared to FY 12 – H 1

- Total income increased by 17.05% to Rs. 495.50 crore from Rs. 423.31 crore,
- Net profit before tax increased by 41.29% to Rs. 113.00 crore from Rs. 79.98 crore,
- Net profit after tax, minority interest and share of associates increased by 33.51% to Rs. 69.03 crore from Rs. 51.70 crore.

The EPS for the half year ended September 30, 2012 is Re. 0.92 (not annualised) and DEPS for the said half year is Re. 0.91 (not annualised).

Announcing the quarterly results, Mr. Nimesh Kampani, Chairman, JM Financial Group said, "The economic environment has improved during the last quarter due to several measures taken by the Government; this is getting reflected in the steady rise in the capital market activities; however, there still remains some ground to cover in terms of regaining confidence about the economy. The Group's second quarter and half year's performance has been better as compared to the quarter and half year during the previous Financial Year. Our NBFC arm continues to post improved performance and has been a significant contributor to our growth.

Looking ahead, we remain optimistic and hope to see encouraging economic environment, both globally and domestically and are well positioned to capitalise on the available opportunities arising out of improved economic scenario."

Business Update

Investment banking and securities business:

Our Investment banking business closed the Rights issue of Bajaj Finserv Limited for Rs.940 crore and QIP by South Indian Bank Limited for Rs. 442 crore. We also closed three public issues of Non Convertible Debentures: Shriram Transport Finance Limited for Rs 600 crore, Shriram City Union Finance Limited for Rs.434 crore and by Religare Finvest Limited for Rs.332 crore. We were also involved in placement of a block deal of Shriram City Union Finance Ltd by two private equity investors.

Our mergers and acquisitions pipeline continues to remain healthy with several mandated transactions across buy side, sell side (including cross border transactions) and corporate restructuring. However, uncertainty prevails on the timing of closing of these transactions.

The Institutional Equity Business has gained further traction in a challenging scenario. Our focus continues to remain on catering to the needs of the clients in a fiercely competitive environment and adding clients

Our Investment Advisory and Distribution business has continued to focus on offering wide range of products and services to our customers. Besides equities and derivatives, the focus has been to offer commodities, currencies and fixed income products. During the quarter, we focused on advisory based brokerage services where the brokerage yields are higher. In the distribution business focus was on mobilization of fixed deposits and corporate bonds.

Fund based activities:

The business continued its activity of capital market funding, catering to IPO Funding, Security Backed Financing, Loan against shares (LAS)/ Margin funding, Mutual fund financing, ESOP financing and Sponsor financing. We also continued providing the funding to corporates for their general requirements including towards their commercial real estate activities against moveable/immovable properties. Despite pressure on our Net interest margin, we have done well in the financing business. We continue to nurture this business with a dedicated management of the book and margin on lending. We are confident of maintaining a strong footprint in this segment, concurrently keeping an eye on the risk element. The overall funding book stood at Rs. 2,485 crore as on September 30, 2012. The treasury book for fixed income securities was at Rs. 770 crore.

During the quarter, the Asset Reconstruction business saw incremental recoveries from restructuring of corporate and retail accounts while acquisition activity was almost negligible. The rising corporate debt restructurings were the highlight of the season on the backdrop of a difficult operating environment. With expectation that the banking and financial institutions will off-load few restructured accounts, the near term outlook looks promising. However, deal closure may be a concern going forward as well, primarily due to price expectation mis-match between the Banks and us.

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.1,325 crore.

The Private Equity Fund is fully invested/ committed and the focus continues to remain on nurturing its investments so as to maximize value for opportune exits at the appropriate time.

JM Financial Property Fund's Offshore and Onshore schemes have invested its corpus fully in real estate development assets comprising largely of residential projects. The portfolio also includes commercial, retail and hospitality assets. These investments are in Tier I and in certain prominent Tier II cities.

Some of the projects have been completed while others are at different stages of development. The Fund has initiated the process of making investment realizations by actively working with its portfolio companies in exiting from operational assets. The Fund has commenced distribution to its investors and is focused on realizing all its investments within the term of the respective schemes.

Asset Management:

The Mutual Fund average AUM for the quarter ended September 30, 2012 stood at Rs. 5,624 crore. The average AUM under Equity schemes was at Rs. 564 crore and under the Debt Schemes was at Rs. 5,060 crore.

Appointment of Independent Director

Mr. Keki Dadiseth has been appointed on the Board of Directors of JM Financial Limited as an independent director.

Mr. Dadiseth has to his credit an illustrious career of 27 years at Hindustan Lever Limited between 1973 to 2000, during which term he was the Chairman of the Board between 1996 to 2000. He was also associated with the Unilever Group as Director between 2000 and 2005.

Mr. Dadiseth serves as independent director on the boards of Britannia Industries Limited, Piramal Healthcare Limited, Siemens Limited, The Indian Hotels Company Limited and Godrej Properties Limited. He is also on the boards of ICICI Prudential Life Insurance, ICICI Prudential Asset Management Trust and Prudential Plc, UK. He is the non-executive chairman of Omnicom India, a member of International Advisory Board of Fleishman-Hillard Inc, International Advisors Board of Goldman Sachs and a member of Strategic Advisory Board of Atos India Private Limited. Mr. Dadiseth serves as Chairman of Sony India Pvt Ltd and Senior Advisor to Sony Group in India.

Mr. Dadiseth has been closely associated with various industry, educational, management and medical bodies. He serves as a Trustee of the Ratan Tata Trust and is the Chairman of the Managing Committee of Breach Candy Hospital Trust. He also serves as a Member of Governing Board of Indian School of Business.

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