

PRESS RELEASE*For Immediate Release***JM Financial announces audited financial results and dividend for the year ended March 31, 2012.**

Mumbai, May 24, 2012: The Board of Directors of JM Financial Limited, at its meeting held today, considered and approved the audited financial results for the year ended March 31, 2012. The Board has also recommended a dividend of Re. 0.60 per share of the face value of Re. 1/- each as against the dividend of Re. 0.60 per share paid during the previous year.

Consolidated Results - Key highlights:

- > Total income was Rs. 873.97 crore as compared to Rs. 895.92 crore
- > Net operating profit before tax stood at Rs. 182.71 crore as compared to Rs. 227.87 crore
- > Net profit after tax, minority interest and share of associates stood at Rs. 121.17 crore as compared to Rs. 174.56 crore.

The Earnings per share for the year ended March 31, 2012 is Rs.1.62 and Diluted Earnings per share, for the year ended March 31, 2012 is Rs. 1.61

Announcing the results, Mr. Nimesh Kompani, Chairman, JM Financial Group said, "The Indian capital market continues to face headwinds in the form of macro-economic concerns and global pressures which impacted investor sentiment thereby adversely affecting our financial performance.

However, the group's NBFC arm continues to do well and has been a significant contributor to our growth. During the quarter, we consolidated some of our businesses/ entities into one entity through amalgamation route to have better synergies and get a benefit of scale.

Looking ahead, we believe that our diverse portfolio will help us better navigate the challenging environment even as we remain committed to delivering value to our stakeholders.'

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

The Investment banking business closed five capital market deals including one QIP deal during the quarter. These include two public issues of long term infrastructure bonds of Infrastructure Development Finance Company Limited (Tranche II R. III) aggregating Rs. 855 crore, and of L & T Infrastructure Finance Company Limited for Rs. 479 crore and a bond issue of Muthoot Finance Limited for Rs. 260 crore. The issue size of QIP by Trent Limited was Rs. 250 crore.

The Institutional Equities business continued to gain more traction. In the quarter, the Institutional Equities Business hosted the New York Conference which got an overwhelming response from both corporates as well as the investors who attended the 2 day event in March 2012.

The investment advisory and distribution business has continued its focus on the distribution of Equity and Fixed Income products. It continued to expand its franchisee network by adding 20 new franchisees during the quarter. With this, it has increased its presence to 143 cities across the country. During the quarter, our investment advisory team was recognized as the Best Performing National Financial Advisor- Institutional at the UT! MF & CNBC TV 18 Financial Advisor Awards 2012.

Fund based activities:

Our NaFC arm undertakes capital market funding, 1P0 Funding, Security Backed Financing, Loan against shares/Margin Funding (LAS), Mutual Fund financing, ESOP financing and Sponsor Financing. Despite the difficult environment, the Fund based business has done reasonably well during the last quarter.

The loan book stood at approximately Rs. 2,000 crore and the treasury book for fixed income securities was at Rs. 571 crore as on March 31, 2012.

During the quarter, the Asset Reconstruction business made acquisitions in the corporate and retail space and continued to resolve the assets already acquires. With expectation of sizeable proportion of loans restructured by Banks slipping into NPAs Combined with incremental NPAs. the distressed assets market will offer interesting opportunities. However, the acquisitions are expected to increase less than proportionately primarily due to potential price-expectation mis-match between the Banks and the ARCS.

Alternative Asset Management:

At the end of the quarter, the combined AUM / AUA of the private equity fund and the real estate fund stood at around Rs.1.325 crore.

Cruring the quarter, the domestic scheme of the Real Estate Fund made its first distribution to the investors since the scheme exited from couple of its portfolio investments_

The Private Equity and Real Estate Funds hove enhanced their focus on management of their existing investments.

Asset Management:

The total AUM as on May 22, 2012 stood at around Rs. 6,729 crore. This comprises AUM under Equity schemes at Rs. 543 crore and under Debt Schemes at Rs_ 6,166 crore.

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The audited financial results are attached- path, the press release and audited rinc,r1C;Of results are available an our website - www.jnrrinanciaLin

About JM Financial

JM Financial is on integrated financial services group offering a wide range of capital market services to it corporate and individual clients. me Group's businesses include investment banking. institutional equity sales, trading, research and braking, 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, IOs2 on to ww,imilnaligial,in.

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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 uncertainty 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.