



JM Financial Limited

Q3 FY17 Results Update

January 23, 2017

Safe Harbour

This presentation and the following discussion may contain “forward looking statements” by JM Financial Limited (“JM Financial” or “JMFL” or the “Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of JMFL about the business, industry and markets in which JMFL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond JMFL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of JMFL. In particular, such statements should not be regarded as a projection of future performance of JMFL. It should be noted that the actual performance or achievements of JMFL may vary significantly from such statements.

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Key Highlights – Consolidated Performance

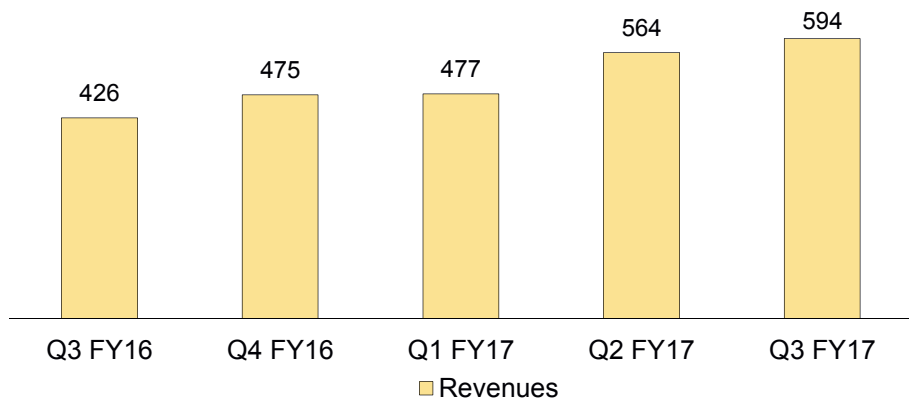
| | Revenues | PBT | Net Profit | EPS* | ROA* | ROE* |
|----------------|----------|--------|------------|------|------|-------|
| Q3 FY17 | 594 Cr | 245 Cr | 119 Cr | 1.50 | 1.2% | 3.9% |
| | ↑ 39% | ↑ 38% | ↑ 1% | ↑ | ↓ | ↓ |
| Q3 FY16 | 426 Cr | 178 Cr | 117 Cr | 1.49 | 1.6% | 4.2% |
| | | | | | | |
| | Revenues | PBT | Net Profit | EPS | ROA | ROE |
| 9M FY17 | 1,634 Cr | 645 Cr | 319 Cr | 4.04 | 4.6% | 14.3% |
| | ↑ 35% | ↑ 31% | ↑ 11% | ↑ | ↓ | ↓ |
| 9M FY16 | 1,210 Cr | 492 Cr | 287 Cr | 3.64 | 5.5% | 14.5% |

* Not annualized

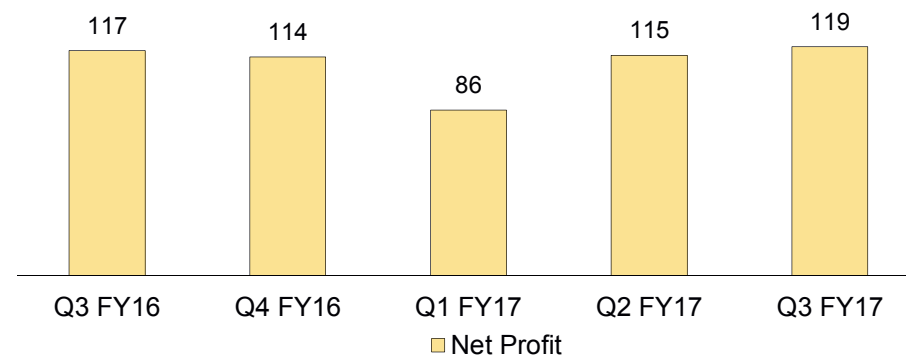
ARC figures in the statement of profit and loss are consolidated on line by line basis from October 1, 2016. The ARC was an "Associate" of JM Financial Limited till September 30, 2016.

Key Highlights – Quarterly Trend

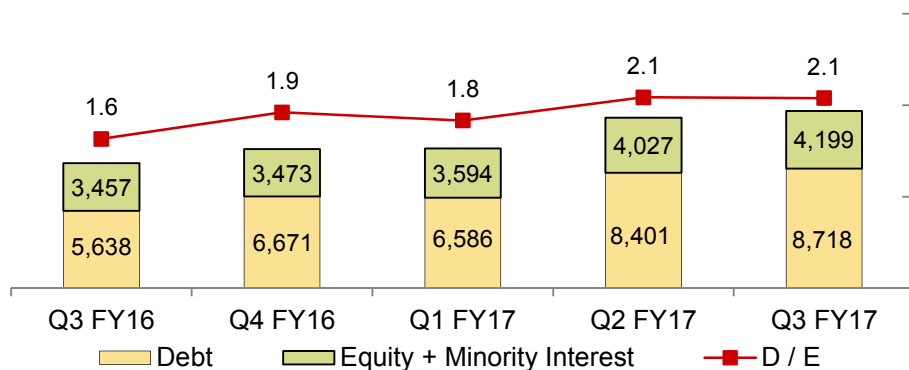
Gross Revenues (Rs Cr)



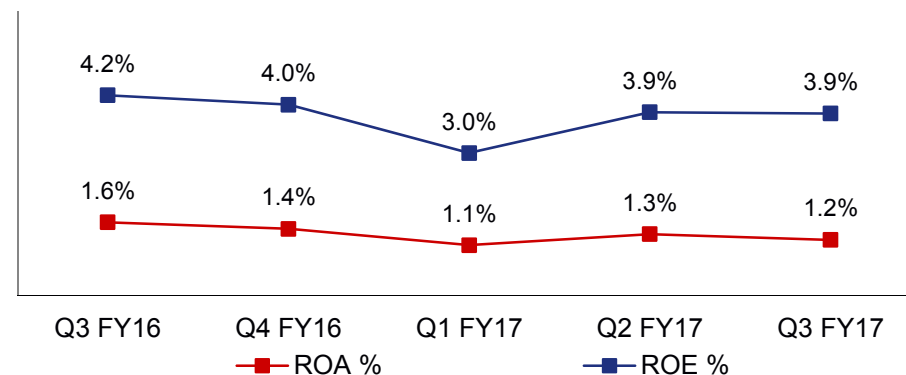
Net Profit (Rs Cr)



Leverage Analysis (Rs Cr)



Return Ratios (%)*



* Not annualized



ARC figures in the statement of profit and loss are consolidated on line by line basis from October 1, 2016. The ARC was an "Associate" of JM Financial Limited till September 30, 2016.

Consolidated Profit & Loss Statement

| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % |
|-------------------------------------|------------|------------|------------|------------|-----------|
| Gross Revenue | 594 | 426 | 39% | 564 | 5% |
| Sub-brokerage | 21 | 20 | 7% | 24 | -12% |
| Employee cost | 81 | 64 | 27% | 79 | 2% |
| Operating cost | 41 | 25 | 66% | 33 | 27% |
| Finance cost | 199 | 134 | 48% | 193 | 3% |
| Depreciation | 6 | 5 | 15% | 6 | 5% |
| PBT | 245 | 178 | 38% | 229 | 7% |
| Tax Expense | 82 | 61 | 34% | 78 | 4% |
| PAT | 164 | 117 | 40% | 151 | 9% |
| Share in profit of Associates | 0 | 33 | -100% | 6 | -96% |
| PAT before Minority Interest | 164 | 150 | 9% | 157 | 4% |
| Minority Interest | -45 | -33 | 38% | -43 | 6% |
| PAT after Minority Interest | 119 | 117 | 1% | 115 | 3% |

Consolidated Profit & Loss Statement

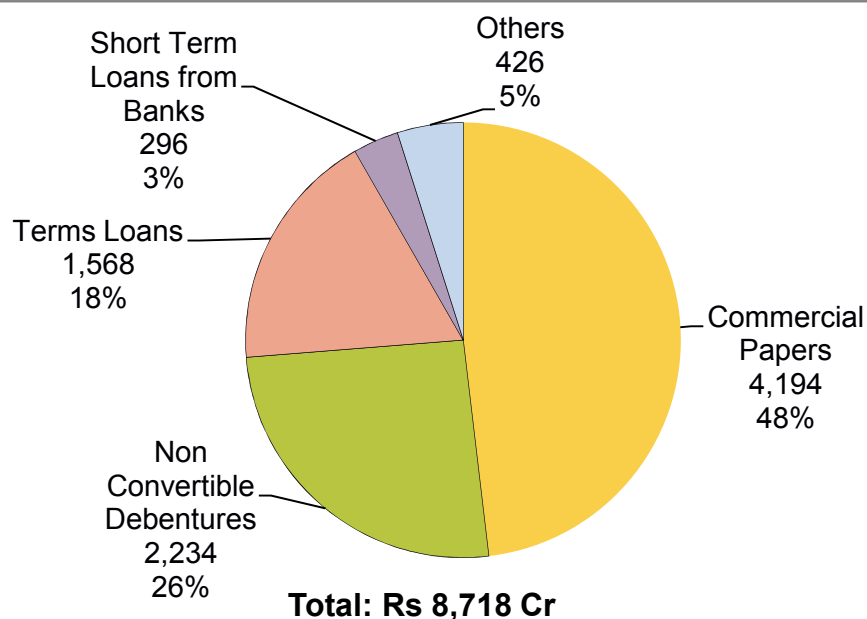
| Particulars (Rs Cr) | 9M FY17 | 9M FY16 | YoY % | FY16 |
|-------------------------------------|--------------|--------------|------------|--------------|
| Gross Revenue | 1,634 | 1,210 | 35% | 1,685 |
| Sub-brokerage | 71 | 59 | 20% | 77 |
| Employee cost | 226 | 192 | 17% | 264 |
| Operating cost | 107 | 79 | 35% | 118 |
| Finance cost | 568 | 373 | 52% | 512 |
| Depreciation | 17 | 15 | 13% | 20 |
| PBT | 645 | 492 | 31% | 693 |
| Tax Expense | 219 | 164 | 33% | 222 |
| PAT | 427 | 327 | 30% | 470 |
| Share in profit of Associates | 12 | 50 | -77% | 55 |
| PAT before Minority Interest | 438 | 377 | 16% | 526 |
| Minority Interest | -119 | -91 | 31% | 125 |
| PAT after Minority Interest | 319 | 287 | 11% | 400 |

Consolidated Balance Sheet

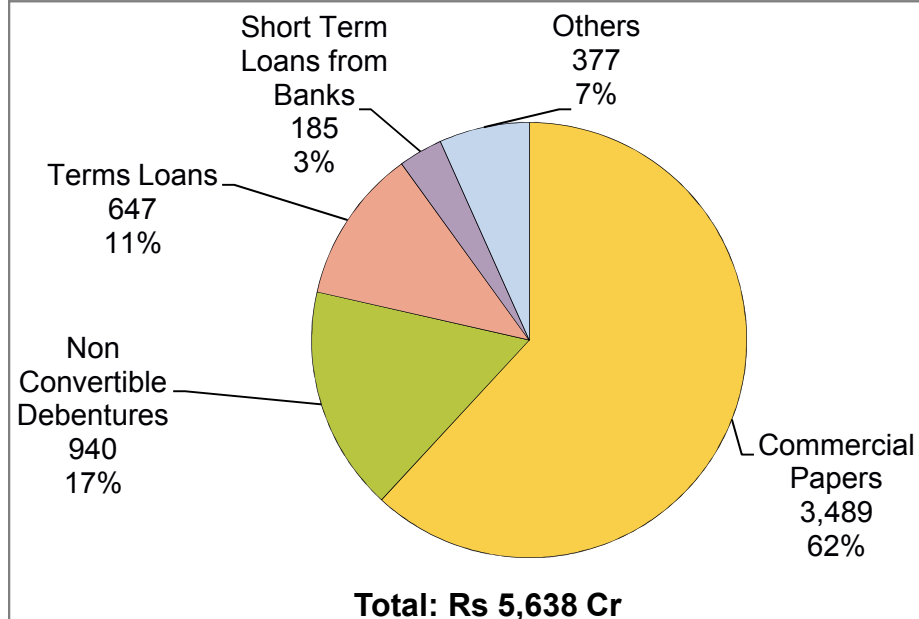
| Particulars (Rs Cr) | As at December 31, 2016 | As at March 31, 2016 |
|----------------------------------|----------------------------|-------------------------|
| Equity and Liabilities | | |
| Shareholders' funds | 3,138 | 2,804 |
| Minority interest | 1,061 | 669 |
| Borrowings | 8,718 | 6,671 |
| Other liabilities and provisions | 1,516 | 812 |
| TOTAL | 14,433 | 10,956 |
| Assets | | |
| Loan book | 8,990 | 7,214 |
| Security receipts | 1,510 | 7 |
| Investment in associates | 7 | 269 |
| Treasury fund | 1,239 | 1,962 |
| Arbitrage and trading book | 624 | 316 |
| Fixed assets | 377 | 340 |
| Other assets | 1,686 | 848 |
| TOTAL | 14,433 | 10,956 |

Borrowing Profile

Borrowing Breakup – December 2016



Borrowing Breakup – December 2015



Strong Credit Rating:

- Long term debt rating:
 - CRISIL AA STABLE
 - ICRA AA STABLE
 - India Ratings AA STABLE

- Short term debt rating:
 - CRISIL A1+
 - ICRA A1+

Near term focus on diversifying sources of funds and lenders' profiles

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Q3 FY17 Result Update – Business Performance

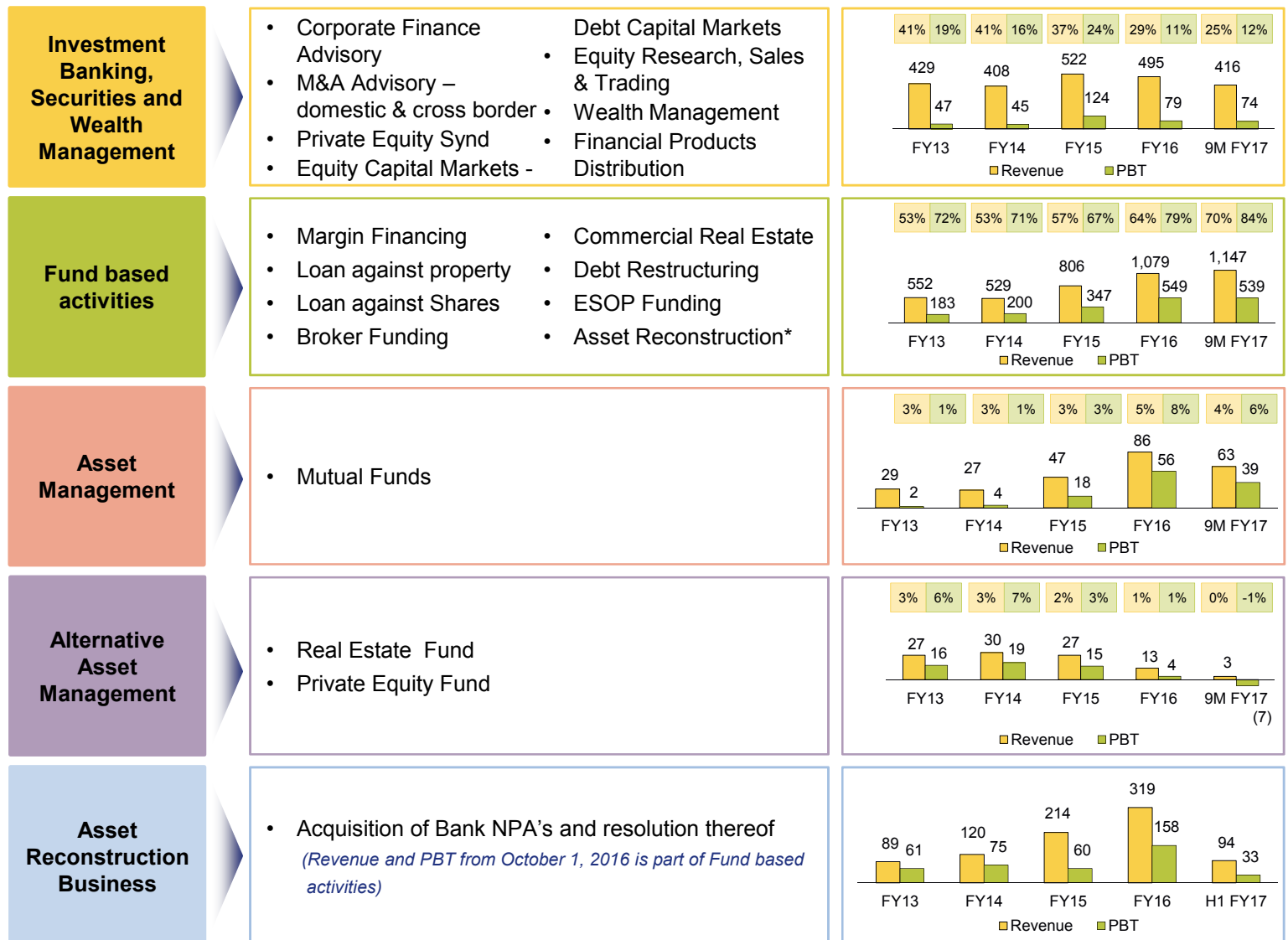
Group Structure and Shareholding Pattern

Group Overview

Annexures

Sustainable growth – Oriented portfolio

- JM Financial is a four decade old institution founded by Mr. Nimesh Kampani
- Servicing clients across the financial services spectrum
- PAN India Presence
- Firm four-decade footprints - proven track record of growth & sustainability
- Pioneered innovative products in the financial services space
- Trusted & preferred partner – client centric business model



* ARC forming part of Fund based activity post it became subsidiary with effect from September 30, 2016.

% contribution of consolidated revenue

% contribution of consolidated PBT

JM Financial Limited

In Rs Cr

Fund based activities – Subsidiaries

JM Financial Credit Solutions Ltd

| | Q3 FY17 | Q3 FY16 |
|---------------------|---------------|---------------|
| Revenue | 198 | 134 |
| Net Profit | 72 | 51 |
| Net worth | 1,334 | 1,078 |
| Loan book | 4,832 | 3,180 |
| Net Interest Margin | 8.7% | 10.2% |
| Total Assets | 4,866 | 3,261 |
| ROE(not annualized) | 5.5% | 4.8% |
| ROA(not annualized) | 1.5% | 1.6% |
| Debt / Equity Ratio | 2.55 | 1.96 |
| Ownership | 50.01% | 50.01% |

JM Financial Products Ltd

| | Q3 FY17 | Q3 FY16 |
|---------------------|---------------|---------------|
| Revenue | 180 | 154 |
| Net Profit | 54 | 45 |
| Net worth | 1,351 | 1,214 |
| Loan book | 4,122 | 3,396 |
| Net Interest Margin | 6.3% | 6.3% |
| Total assets | 4,769 | 4,293 |
| ROE(not annualized) | 4.1% | 3.8% |
| ROA(not annualized) | 1.1% | 1.1% |
| Debt / Equity Ratio | 2.44 | 2.38 |
| Ownership | 98.49% | 98.49% |

JM Financial Asset Recons. Co. Pvt Ltd

| | Q3 FY17 | Q3 FY16 |
|---------------------|---------------|---------------|
| Revenue | 47 | 148 |
| Net Profit | 8 | 65 |
| Net worth | 554 | 515 |
| AUM | 11,299 | 8,382 |
| Total assets | 1,655 | 1,138 |
| ROE(not annualized) | 1.4% | 13.4% |
| ROA(not annualized) | 0.5% | 5.0% |
| Debt / Equity Ratio | 1.87 | 1.04 |
| Ownership | 50.01% | 50.00% |

Fee Based activities – Subsidiaries

IWS Business⁽²⁾

| | Q3 FY17 | Q3 FY16 |
|---------------------|-------------|-------------|
| Revenue | 148 | 109 |
| Net Profit | 20 | 5 |
| Avg Daily TO | 2,947 | 1,906 |
| Wealth AUM | 22,337 | 23,386 |
| Research Coverage | 178 | 172 |
| Capital Employed | 597 | 576 |
| ROE(not annualized) | 3.4% | 0.9% |
| Ownership | 100% | 100% |

Asset management

| | Q3 FY17 | Q3 FY16 |
|---------------------|---------------|---------------|
| Revenue | 22 | 24 |
| Net Profit | 11 | 15 |
| Quarterly Avg AUM | 13,522 | 15,868 |
| Capital Employed | 214 | 173 |
| ROE(not annualized) | 5.3% | 9.1% |
| Ownership | 53.47% | 53.47% |

Alternative asset management

| | Q3 FY17 | Q3 FY16 |
|---------------------|-------------|-------------|
| Revenue | 1 | 4 |
| Net Profit | -2 | 1 |
| AUM | 680 | 851 |
| Capital Employed | 79 | 82 |
| ROE(not annualized) | - | 1.1% |
| Ownership | 100% | 100% |

Note

- Figures mentioned above are based on standalone financials
- IWS Business - Investment Banking, Wealth Management and Securities Business

JM Financial Limited

In Rs Cr

Fund based activities – Subsidiaries

JM Financial Credit Solutions Ltd

| | 9M FY17 | 9M FY16 |
|---------------------|---------------|---------------|
| Revenue | 566 | 358 |
| Net Profit | 198 | 139 |
| Net worth | 1,334 | 1,078 |
| Loan book | 4,832 | 3,180 |
| Net Interest Margin | 8.8% | 10.7% |
| Total Assets | 4,866 | 3,261 |
| ROE (annualised) | 21.4% | 18.4% |
| ROA (annualised) | 5.8% | 7.2% |
| Debt / Equity Ratio | 2.55 | 1.96 |
| Ownership | 50.01% | 50.01% |

JM Financial Products Ltd

| | 9M FY17 | 9M FY16 |
|---------------------|---------------|---------------|
| Revenue | 534 | 424 |
| Net Profit | 146 | 116 |
| Net worth | 1,351 | 1,214 |
| Loan book | 4,122 | 3,396 |
| Net Interest Margin | 5.7% | 6.2% |
| Total assets | 4,769 | 4,293 |
| ROE(annualised) | 15.2% | 13.3% |
| ROA(annualised) | 4.3% | 3.5% |
| Debt / Equity Ratio | 2.44 | 2.38 |
| Ownership | 98.49% | 98.49% |

JM Financial Asset Recons. Co. Pvt Ltd

| | 9M FY17 | 9M FY16 |
|---------------------|---------------|---------------|
| Revenue | 141 | 278 |
| Net Profit | 29 | 99 |
| Net worth | 554 | 515 |
| AUM | 11,299 | 8,382 |
| Total assets | 1,655 | 1,138 |
| ROE(annualised) | 7.3% | 28.3% |
| ROA(annualised) | 2.6% | 9.7% |
| Debt / Equity Ratio | 1.87 | 1.04 |
| Ownership | 50.01% | 50.00% |

Fee Based activities – Subsidiaries

IWS Business⁽²⁾

| | 9M FY17 | 9M FY16 |
|-------------------|-------------|-------------|
| Revenue | 416 | 351 |
| Net Profit | 53 | 36 |
| Avg Daily TO | 2,829 | 2,140 |
| Wealth AUM | 22,337 | 23,386 |
| Research Coverage | 178 | 172 |
| Capital Employed | 597 | 576 |
| ROE(annualised) | 12.1% | 8.1% |
| Ownership | 100% | 100% |

Asset management

| | 9M FY17 | 9M FY16 |
|-------------------|---------------|---------------|
| Revenue | 63 | 63 |
| Net Profit | 30 | 35 |
| Quarterly Avg AUM | 13,522 | 15,868 |
| Capital Employed | 214 | 173 |
| ROE(annualised) | 20.8% | 31.0% |
| Ownership | 53.47% | 53.47% |

Alternative asset management

| | 9M FY17 | 9M FY16 |
|------------------|-------------|-------------|
| Revenue | 3 | 9 |
| Net Profit | -7 | 2 |
| AUM | 680 | 851 |
| Capital Employed | 79 | 82 |
| ROE(annualised) | - | 3.8% |
| Ownership | 100% | 100% |

Note

- Figures mentioned above are based on standalone financials
- IWS Business - Investment Banking, Wealth Management and Securities Business

Segment performance

| Segment revenue (Rs Cr) | Q3 FY17 | Q2 FY17 | QoQ | Q3 FY16 | YoY |
|---|------------|------------|------------|------------|------------|
| Investment Banking, Wealth Management and Securities Business | 148 | 145 | 2% | 109 | 36% |
| Fund Based Activities | 425 | 395 | 8% | 288 | 47% |
| Alternative Asset Management | 1 | 1 | -36% | 4 | -83% |
| Asset Management | 22 | 24 | -9% | 24 | -11% |
| Others | 32 | 77 | -59% | 17 | 91% |
| Total Segment Revenue | 627 | 641 | -2% | 441 | 42% |
| Less: Inter - segmental revenue | 33 | 77 | -58% | 15 | 117% |
| Total Revenue | 594 | 564 | 5% | 426 | 39% |
| Segment PAT (Rs Cr) | Q3 FY17 | Q2 FY17 | QoQ | Q3 FY16 | YoY |
| Investment Banking, Wealth Management and Securities Business | 20 | 18 | 11% | 5 | - |
| Fund Based Activities | 93 | 94 | -2% | 102 | -9% |
| Alternative Asset Management | -2 | -3 | -20% | 2 | - |
| Asset Management | 6 | 7 | -9% | 8 | -27% |
| Others | 2 | -2 | - | 0 | - |
| Total | 119 | 115 | 3% | 117 | 1% |

Segment performance

| Segment revenue (Rs Cr) | 9M FY17 | 9M FY16 | YoY | FY16 |
|---|--------------|-------------|------------|--------------|
| Investment Banking, Wealth Management and Securities Business | 416 | 351 | 18% | 495 |
| Fund Based Activities | 1,147 | 782 | 47% | 1,079 |
| Alternative Asset Management | 3 | 9 | -62% | 13 |
| Asset Management | 63 | 63 | 1% | 86 |
| Others | 139 | 143 | -3% | 194 |
| Total Segment Revenue | 1,768 | 1348 | 31% | 1,866 |
| Less: Inter - segmental revenue | 134 | 138 | -3% | 181 |
| Total Revenue | 1,634 | 1210 | 35% | 1,685 |
| Segment PAT (Rs Cr) | 9M FY17 | 9M FY16 | YoY | FY16 |
| Investment Banking, Wealth Management and Securities Business | 53 | 36 | 47% | 54 |
| Fund Based Activities | 258 | 230 | 12% | 315 |
| Alternative Asset Management | -7 | 2 | - | 4 |
| Asset Management | 17 | 20 | -14% | 25 |
| Others | -1 | -1 | -13% | 3 |
| Total | 319 | 287 | 11% | 400 |

Investment Banking, Wealth Management & Securities business

Investment Banking

- ✓ Over 4 decades of leadership -
• ECM / DCM / Corp. Fin. / M&A Advisory
• Private Equity Syndication
- ✓ Innovative structuring and execution of complex, challenging deals and restructuring of corporate groups & businesses
- ✓ Strong long-term Indian Corporate relationships
- ✓ Strong track record of landmark M&A transactions
- ✓ Best-in-Class Execution Team with focus on client satisfaction
- ✓ JM Financial Institutional Securities Ltd has emerged as 'QIP Dealmaker of the Year' in the Business World-PWC I-banking Survey 2016.

Wealth Management

- ✓ Wealth AUM of Rs 22,337 Cr with strong team of 71 wealth advisors
- ✓ Presence - Mumbai, Delhi, Bangalore, Ahmedabad, Pune, Kolkata & Hyderabad
- ✓ Client-oriented approach, customised long-term asset allocation strategy, unbiased investment solutions
- ✓ Client service across all segments - Investment Banking, Corporate Finance etc.
- ✓ Focus on growing discretionary assets
- ✓ Over 8,300 active IFDs

Securities business

- ✓ Worldwide institutional reach - dominant global & local institutional franchise
- ✓ Institutional distribution strength - We cover 200 funds across regions
- ✓ Extensive research coverage of 178 companies
- ✓ Coverage of broking segment
Locations: 269, Cities: 114, Franchisees: 211
- ✓ Avg. daily turnover in Q3 FY17 – Rs.2,947cr, (incl. cash segment of Rs 714 cr)
- ✓ Market Share on NSE in Q3 FY17 – overall 0.67%, 3.09 % cash segment

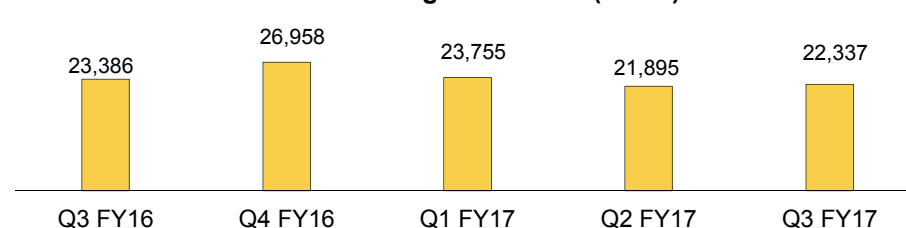
| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % | 9M FY17 | 9M FY16 | YoY % | FY16 |
|---------------------|---------|---------|-------|---------|-------|---------|---------|-------|------|
| Capital Employed | 597 | 576 | 4% | 575 | 4% | 597 | 576 | 4% | 558 |
| Revenue | 148 | 109 | 36% | 145 | 2% | 416 | 351 | 18% | 495 |
| Employee Cost | 50 | 42 | 19% | 51 | -3% | 145 | 126 | 16% | 186 |
| Other Expenses | 71 | 56 | 27% | 67 | 1% | 196 | 171 | 15% | 230 |
| PBT | 27 | 10 | 163% | 27 | 1% | 75 | 55 | 36% | 79 |
| PAT | 20 | 5 | 313% | 18 | 11% | 53 | 36 | 47% | 54 |
| ROE (%) | 3.4% | 0.9% | | 3.2% | | 12.1% | 8.1% | | 9.3% |

Investment Banking, Wealth Management & Securities business

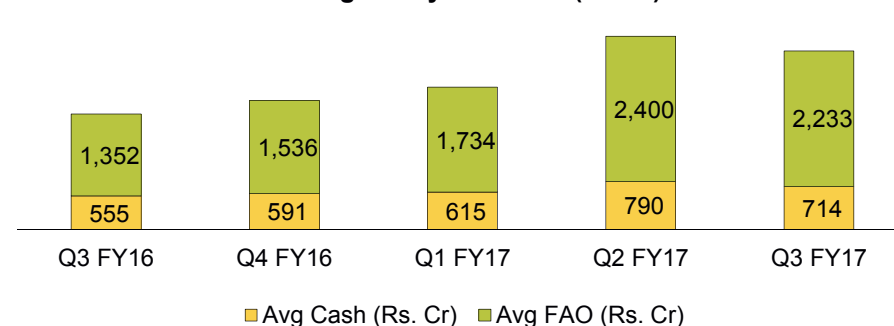
- BRLM for Initial Public Offer of PNB Housing Finance Limited – ~Rs 3,000 crore.
- Sole financial advisor to Tata Power Company Limited on acquisition of renewable assets portfolio of Welspun Energy Private Limited by Tata Power Renewable Energy Limited. This represents one of the largest deals in the power sector in India.
- Advisor to the Essar Group on the sale of controlling interest in Essar Oil to Rosneft.
- Exclusive financial advisor to Browntape Technologies on the fund raising from Gati Ltd.
- Exclusive sell-side advisor to Encyclopaedia Britannica Inc. on the sale of India curriculum business to Navneet Education Ltd.
- Sole arranger for a Rs. 500 cr mortgage backed debentures funding against inventory of residential apartments for Lodha Developers.

Wealth Management & Broking

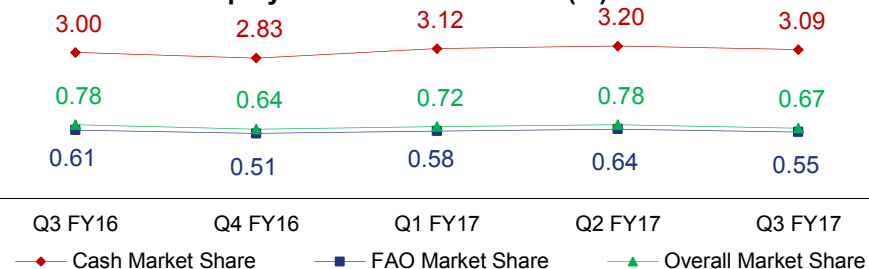
Wealth Management AUM (Rs Cr)



Average Daily Turnover (Rs Cr)



Equity Market Share on NSE (%)



Fund Based Activities

Fund Based Activities

Corporate / Wholesale lending & Loan against Shares

- This business is undertaken by JM Financial Products Ltd. – 98.5% owned NBFC of the JM Financial Group.
- It enjoys the highest short-term credit rating of A1+ from CRISIL as well its “CRISIL AA/ Stable” rating for long term NCD issuances and bank loans.

Lending to clients of traditional businesses

Corporate clients
Loan book
Rs.675 Cr

- Corporate loans
- Structured loans
- Bridge loans
- Acquisition financing
- Promoter loans

Wealth Clients
Loan book
Rs.1,500 Cr

- Loan against Property
- Loan against Security
- ESOP Funding
- IPO Financing
- Broker Funding
- Margin Trade Funding

RE Clients
Loan book
Rs.1,914 Cr

- Overflow of loans from RE lending arm

Lending to new clients using Technology as enabler

Investments
Rs.7 Cr

- Partner with new age Fin tech platforms with 3-5 year view

SME Lending*

- Loans to SME with robust credit analysis & recovery mechanism

Housing Finance*

- Provide home loans to retail customer with a focus on affordable segment (Filed application with NHB)

Real Estate Lending

- This business is undertaken by JM Financial Credit Solutions Ltd. – 50.01% owned NBFC of the JM Financial Group.
- Vikram Pandit & Associates own 49.99% stake in form of a long-term strategic partnership.



Provides an integrated financial solution to real estate developers with major focus on real estate project financing.



Lending book has grown from Rs 1,844 cr in the beginning of FY16 to Rs 4,832 cr as on 31st December 2016 which includes Rs.4,769 cr real estate.



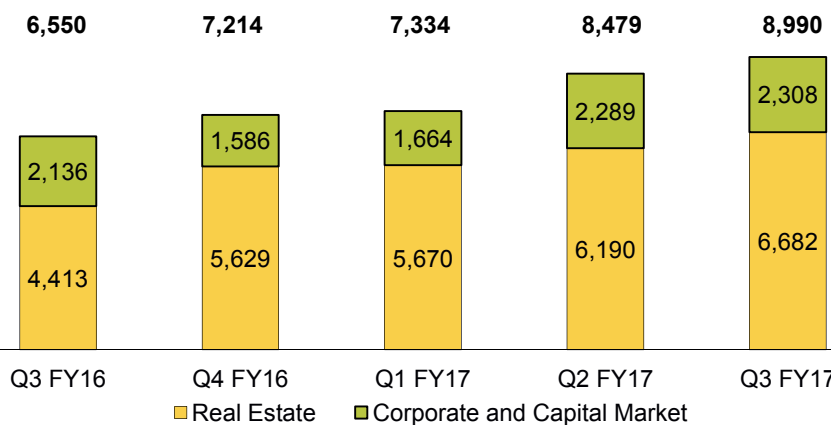
- 55 groups – significant focus on repeat business
- Most of the clients with over 25 years of experience in the industry
- Focus on Tier I markets – Mumbai, Bengaluru, Pune and Chennai – Loan disbursements of 54% in Mumbai, 17% Bengaluru, 12% Pune, 13% Chennai and others
- 88% of the book is cashflow backed lending
- 76% of the book is against residential projects



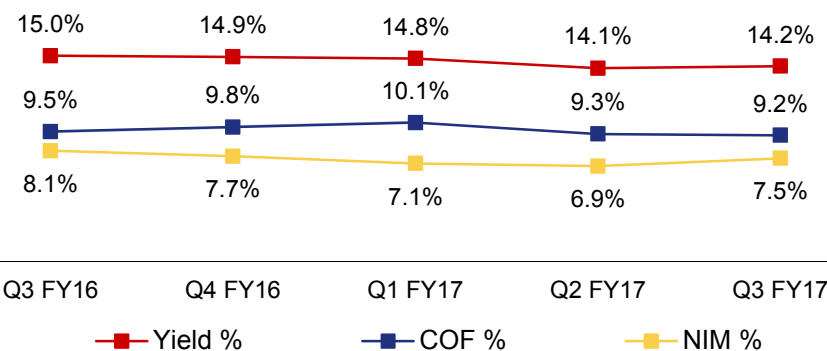
Prominent Relationships – Kalpataru, RMZ, Embassy, Kanakia, Peninsula, Adarsh, Goel Ganga, Rajesh Lifespaces and Lodha amongst others.

Fund Based Activities (Financing & Lending)

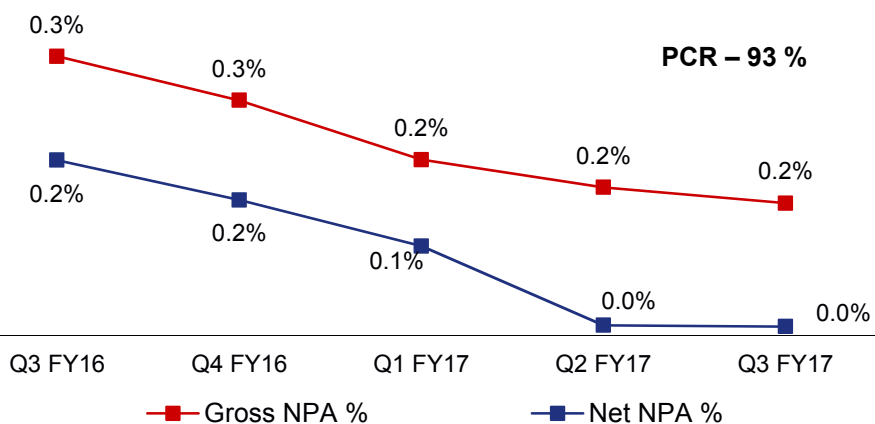
Loan Book (Rs Cr)



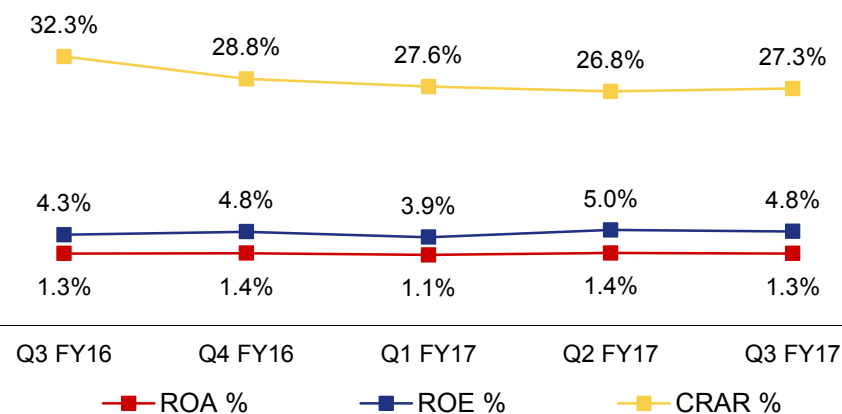
NIM Analysis (%)



Gross & Net NPA (%)



Return Ratios & Capital Adequacy (%)



* ROA and ROE Not annualized

Asset Reconstruction

Business Overview

- ☑ Highest capitalized private sector ARC with Long Term Credit Rating of AA- and Short Term Credit Rating of A1+ by CRISIL and ICRA
- ☑ This business has multiple income streams like Management Fees, Interest income and upside / yield
- ☑ Current AUM of ~Rs 11,299 Cr comprising Individual Corporate Accounts and Corporate/SME/ Retail Portfolios
- ☑ Business related activities such as Financial & Legal due diligence for acquisitions, resolutions and document storage etc are conducted by only in-house resources and not outsourced
- ☑ Focus on Restructuring and Revival of Corporate Accounts.
Consistent market share of 17% - 18% in the last 5 years

Long Term Positive Drivers

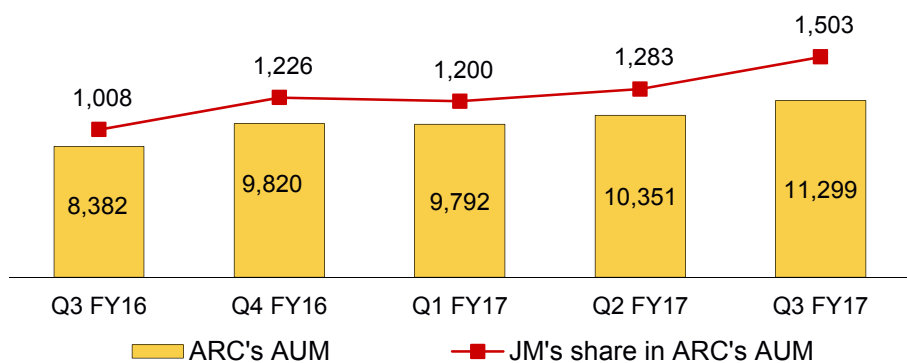
- ☑ RBI's Financial Stability Report states that the overall Stressed Advances Ratio has increased to 12.3% in Sept 2016 from 11.5% in March 2016
- ☑ RBI's actions over bank NPA's expected to increase the sell-down of distressed assets to ARCs
- ☑ Recent regulatory changes aims at faster recovery and resolution of bad debts by Banks, NBFCs and Financial Institutions
- ☑ Insolvency and Bankruptcy Code - provides for a specialized forum to oversee all insolvency and liquidation proceedings
- ☑ Capital commitments by global players adding stimulus to the sector's capital requirement
- ☑ With the various regulatory measures, the outlook for the business remains promising

| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % | 9M FY17 | 9M FY16 | YoY % | FY16 |
|---------------------|---------|---------|-------|---------|-------|---------|---------|-------|-------|
| Capital Employed | 554 | 515 | 8% | 547 | 1% | 554 | 515 | 8% | 525 |
| Revenue | 47 | 148 | -70% | 51 | -8% | 141 | 278 | -55% | 319 |
| PBT | 12 | 96 | -88% | 20 | -42% | 45 | 146 | -69% | 158 |
| PAT | 8 | 65 | -88% | 13 | -42% | 29 | 99 | -70% | 108 |
| ROA (%) | 0.5% | 5.0% | | 0.9% | | 2.6% | 9.7% | | 7.4% |
| ROE (%) | 1.4% | 13.4% | | 2.4% | | 7.3% | 28.3% | | 23.0% |

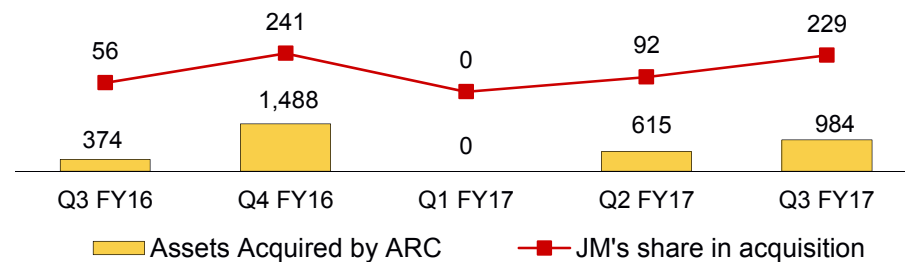
* ROA and ROE for the quarter is not annualized and Year to date is annualized

Asset Reconstruction

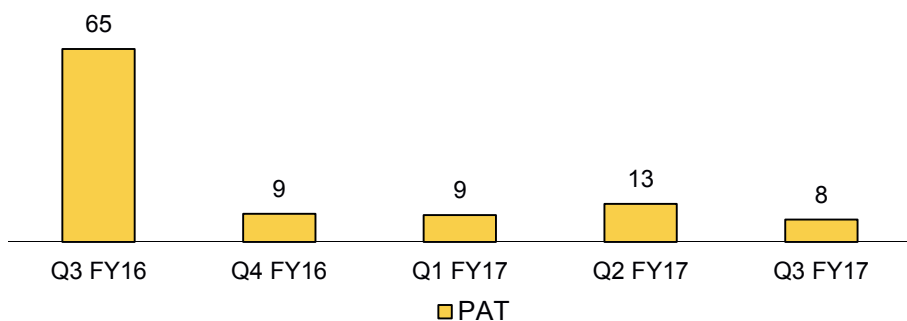
AUM (Rs Cr)



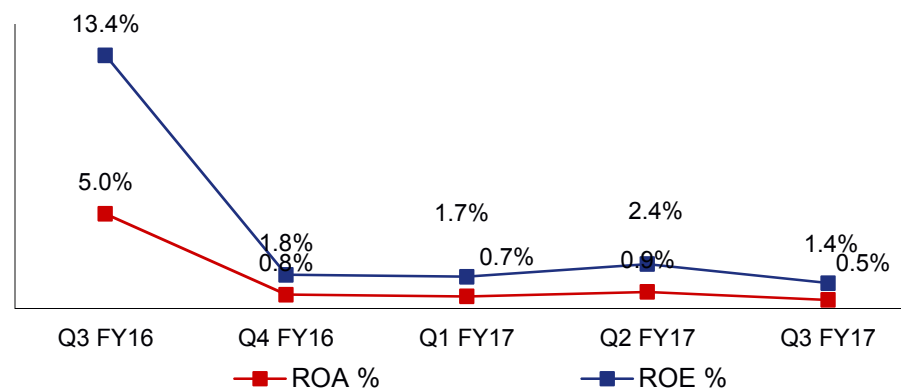
Asset Acquisitions (Rs Cr)



Net Profit (Rs Cr)



Return Ratios (%)



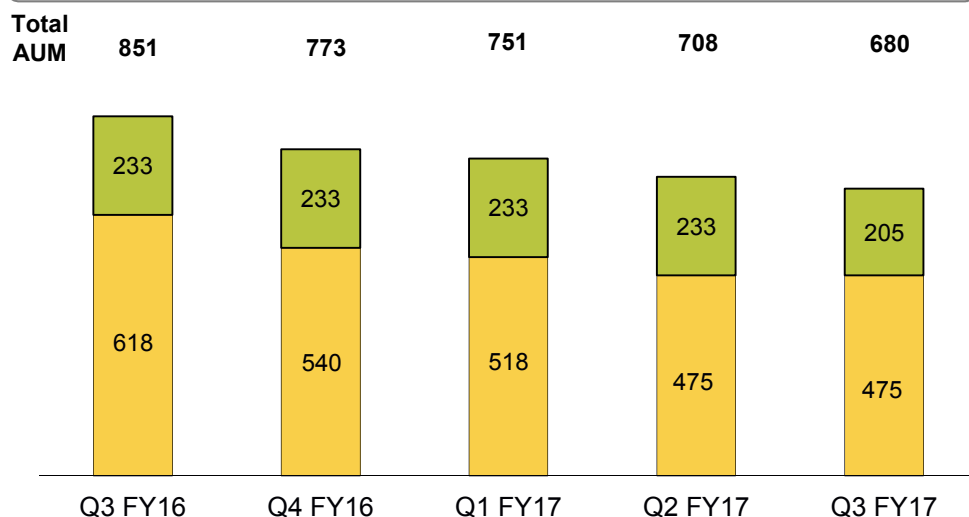
* ROA and ROE Not annualized

Fund Based Activities (including ARC)

| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % | 9M FY17 | 9M FY16 | YoY % | FY16 |
|-------------------------------------|--------------|--------------|------------|--------------|------------|--------------|--------------|------------|--------------|
| Capital Employed | 3,147 | 2,454 | 28% | 3,014 | 4% | 3,147 | 2,454 | 28% | 2,560 |
| Loan Book | 8,990 | 6,550 | 37% | 8,479 | 6% | 8,990 | 6,550 | 37% | 7,214 |
| Gross revenue | 425 | 288 | 47% | 395 | 8% | 1,147 | 782 | 47% | 1,079 |
| Interest Expense | 180 | 119 | 51% | 175 | 3% | 514 | 324 | 59% | 450 |
| Net Interest Income | 245 | 169 | 45% | 220 | 11% | 633 | 458 | 38% | 629 |
| Employee Expenses | 20 | 15 | 32% | 14 | 41% | 45 | 42 | 5% | 34 |
| Other Operating Expenses | 15 | 7 | 101% | 13 | 12% | 40 | 21 | 91% | 38 |
| Provisions / Bad Debts | 6 | 0 | -1310% | 1 | 384% | 9 | 5 | 82% | 8 |
| PBT | 205 | 147 | 39% | 192 | 7% | 539 | 390 | 38% | 549 |
| Tax | 71 | 51 | 40% | 67 | 7% | 188 | 135 | 39% | 184 |
| PAT before Minority Interest | 133 | 96 | 39% | 125 | 7% | 352 | 255 | 38% | 365 |
| Minority Interest | 40 | 26 | 55% | 37 | 9% | 105 | 74 | 42% | 104 |
| Share of Profit from Associates | 0 | 32 | -100% | 6 | -100% | 11 | 49 | -78% | 54 |
| PAT after Minority Interest | 93 | 102 | -9% | 94 | -2% | 258 | 230 | 12% | 315 |

Alternative Asset Management

Alternative Asset Management AUM (Rs Cr)



Private Equity:

- AUM on December 31, 2016 – Rs 475 Cr.
- No. of investments – 13.
- No. of Exits – 7 full
- Fully drawn down & invested
- Amount distributed till date – Rs 722 Cr.
- In advance stage for launch of PE fund II and application has been with SEBI

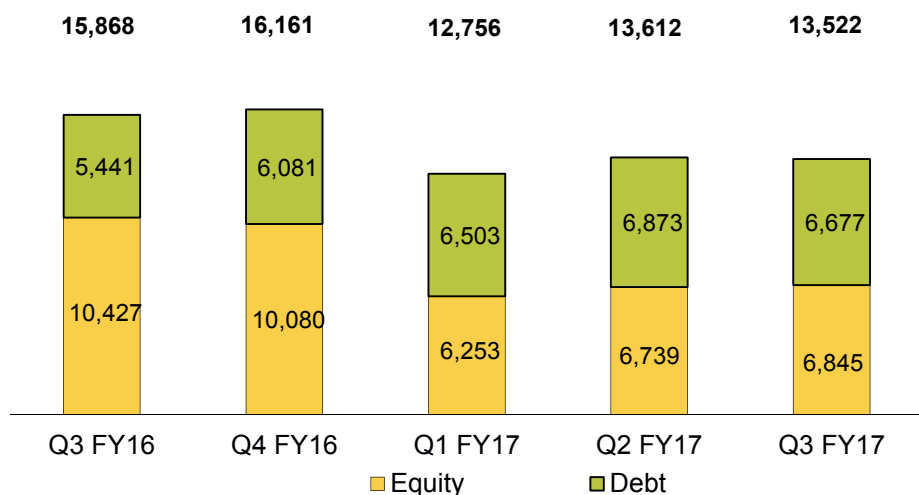
Real Estate:

- AUM on December 31, 2016 – Rs 205 Cr.
- No. of investments – 13.
- No. of Exits – 5 full and 2 part.
- Fully drawn down & invested
- Amount distributed till date – Rs 224 Cr.

| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % | 9M FY17 | 9M FY16 | YoY % | FY16 |
|---------------------|---------|---------|-------|---------|-------|---------|---------|-------|------|
| Capital Employed | 79 | 82 | -4% | 79 | 0% | 79 | 82 | -4% | 83 |
| Revenue | 1 | 4 | -83% | 1 | -36% | 3 | 9 | -62% | 13 |
| Employee Cost | 2 | 1 | | 2 | | 5 | 3 | | 5 |
| Other Expenses | 1 | 1 | | 2 | | 5 | 3 | | 4 |
| PBT | -2 | 2 | - | -3 | - | -7 | 3 | - | 4 |
| PAT | -2 | 1 | - | -3 | - | -7 | 2 | - | 4 |
| ROE (%) | - | 1.1% | | - | | - | 3.8% | | 4.5% |

Asset Management

Asset Management AUM (Rs Cr)



Note:
Equity AUM for Q3 FY17 include arbitrage fund of Rs. 3,429 Cr

Mutual Fund:

- Quarterly Average AUM (QAAUM) – Rs 13,522 cr.
- Rank (QAAUM) – 18 among 43 Mutual Funds.
- Market Share – 0.80 %.
- 17 Schemes categorized as Long Term Debt, Short Term Debt, Balance, Equity Arbitrage and Equity.
- Investor reach - 135,025 base, 17 branches & 81 service centres.
- As per a recent analysis done by Value Research (Mutual Fund Insight Nov 2016 edition), 82% of JM Financial Mutual Fund's assets have beaten the benchmark over the past 3 years and also the 2nd highest in terms of % assets beating the benchmark (for AMC's with over Rs.10,000 cr AUM)

| Particulars (Rs Cr) | Q3 FY17 | Q3 FY16 | YoY % | Q2 FY17 | QoQ % | 9M FY17 | 9M FY16 | YoY % | FY16 |
|---------------------------------|---------|---------|-------|---------|-------|---------|---------|-------|-------|
| Capital Employed | 214 | 173 | 23% | 203 | 5% | 214 | 173 | 23% | 183 |
| Revenue | 22 | 24 | -11% | 24 | -9% | 63 | 63 | 1% | 86 |
| Employee Cost | 5 | 4 | 33% | 6 | -12% | 18 | 14 | 31% | 22 |
| Other Expenses | 2 | 2 | 34% | 2 | 4% | 7 | 5 | 32% | 7 |
| PBT | 14 | 18 | -25% | 15 | -10% | 39 | 44 | -12% | 56 |
| PAT | 11 | 15 | -27% | 12 | -10% | 30 | 35 | -14% | 44 |
| Minority Interest | -5 | 7 | - | -5 | - | -14 | -16 | - | -21 |
| Share of Profit from Associates | 0 | 0 | - | 0 | - | 1 | 1 | - | 1 |
| PAT after Minority Interest | 6 | 8 | -27% | 7 | -9% | 17 | 20 | -14% | 25 |
| ROE (%) | 5.3% | 9.1% | | 6.2% | | 20.8% | 31.0% | | 28.7% |

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Q3 FY17 Result Update – Group Performance

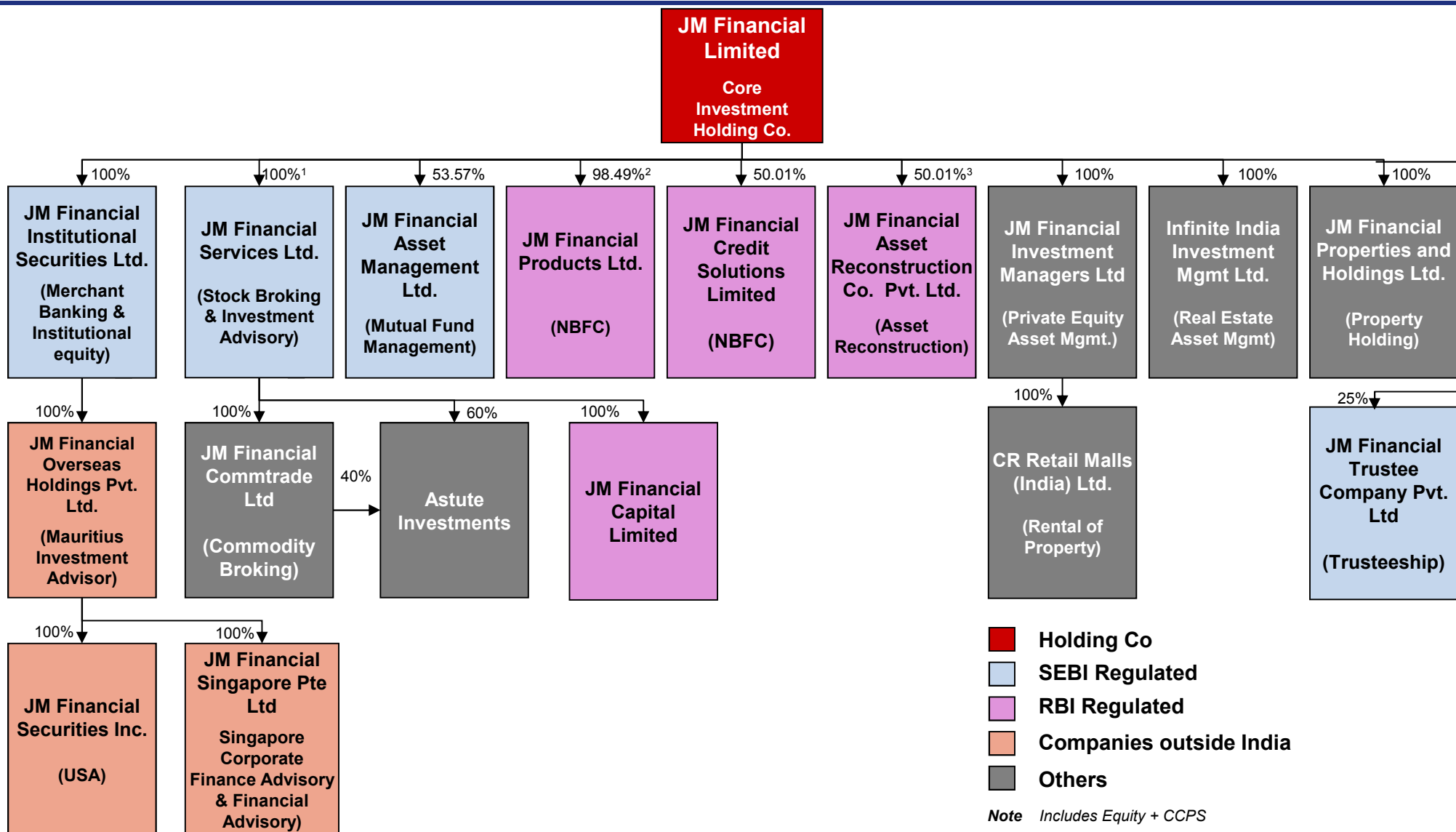
Q3 FY17 Result Update – Business Performance

Group Structure and Shareholding Pattern

Group Overview

Annexures

Organisational Structure



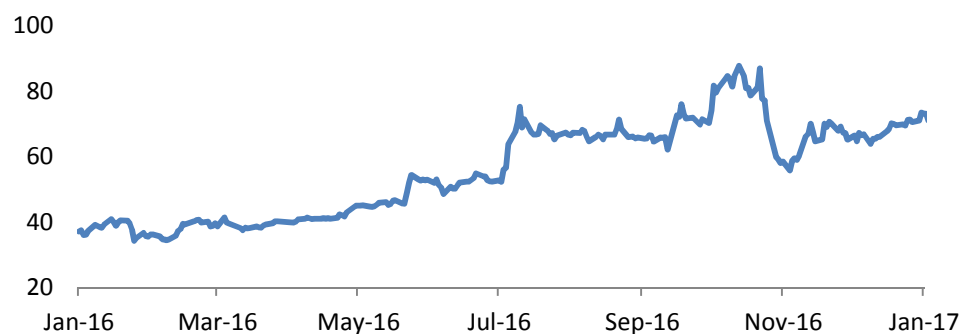
- Holding Co
- SEBI Regulated
- RBI Regulated
- Companies outside India
- Others

Note Includes Equity + CCPS

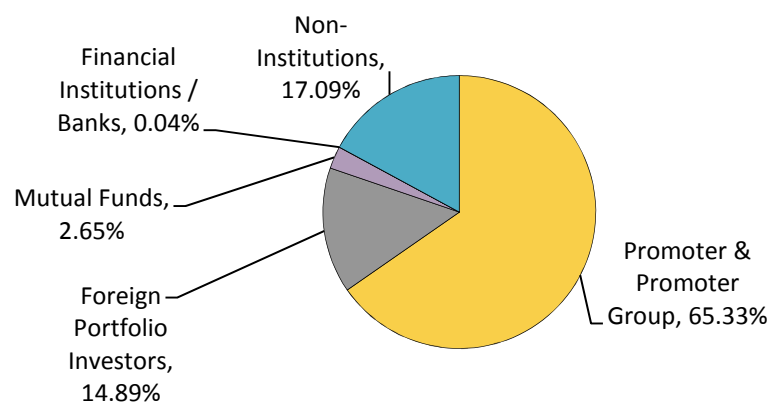
- Note**
1. JM Financial Institutional Securities Limited, wholly owned subsidiary of the Company holds 9 % in JM Financial Services Limited.
 2. JM Financial Institutional Securities Ltd and JM Financial Services Ltd. holds 4.245% each in JM Financial Products Limited.
 3. JM Financial Asset Reconstruction Company Pvt. Ltd. became subsidiary of JM Financial Limited with effect from September 30, 2016.

Shareholding Summary

Share Price Performance



% Shareholding – December 31, 2016



Source – Company

Market Information (BSE)

As on 20.01.2017

| | |
|--------------------------------|---------------|
| Market Capitalization (Rs Cr) | 5,644 |
| Price (Rs) | 71.10 |
| No. of Shares Outstanding (Cr) | 79.37 |
| 52 Week High-Low (Rs) | 90.90 – 33.40 |

Key Institutional Investors – As on December 31, 2016

% Holding

| | |
|---|-------|
| Morgan Stanley Asia (Singapore) Pte | 4.69% |
| Valiant Mauritius Partners Ltd & Associates | 3.93% |
| Azim Hasham Premji | 2.76% |
| IDFC Premier Equity Fund | 2.62% |
| TIMF Holdings | 2.54% |
| Vikram Shankar Pandit | 1.47% |

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Key Milestones

We have taken many pioneering initiatives in the Indian financials market space

1973 – 1986

1973:

- JM Financial & Investment Consultancy Services established in Mumbai.

1979-1980 :

- Filed **First** offer document for listing securities of an Indian client with FSA, London.
- **First** to introduce fully convertible debentures in Indian capital markets.

1986:

- JM Financial Limited (holding company) incorporated to engage in the business of Stock Broking and Securities.

1997 – 2006

1999 :

- Formed a joint venture with Morgan Stanley in the areas of Investment Banking and Securities business.

2002-2006 :

- Managed India's **first** IPO through Book Building.
- Recorded **3 firsts** in India - first Indian dual tranche FCCB issue, first billion dollar IPO, first conditional IPO.
- Launched Private Equity Fund.

OUR JOURNEY – EVOLUTION INTO A FULL-FLEDGED DIVERSIFIED FINANCIAL SERVICES FIRM

1987-1996

1987-1996 :

- **First** to introduce equity warrants in the Indian capital markets.
- **First** to introduce Deep Discount Bond in Indian capital markets.
- Managed four transactions of Securities Offerings in excess of Rs. 100 cr each, a size unmatched till then in Indian markets.
- JM Financial Asset Management, the **first** private sector Mutual Fund, commenced operations.

2007-2017

2007:

- Separated from joint venture with Morgan Stanley.
- Acquired ASK Securities - a Institutional Securities Firm.
- Launched Real Estate Fund.

2008-17 :

- Floated Housing Finance Company (HFC) and applied to NHB.
- Announced the appointment of Mr. Vishal Kampani as MD of JM Financial Ltd; Mr. Nimesh Kampani continues to be the non-executive Chairman of the Group and a director on the Board of Directors of a few Group Companies at JM Financial.
- Announced Real Estate NBFC in partnership with a fund managed Mr. Vikram Pandit & Associates.
- Established step down subsidiary in the USA to cater to and service overseas clients/investors
- Commenced Asset Reconstruction Business.
- Expanded business in International Jurisdictions and operations in Fixed Income business
- Managed India's first IDR issue.

Corporate Governance – Strong Board of Directors



Mr. Nimesh Kampani, Chairman

B. Com, FCA

- Founder and Chairman of JM Financial Group, one of India's leading financial services groups.
- Made pioneering contributions to the Indian capital markets
- Served as a member on several important committees like MoF, GoI, RBI, SEBI, BSE, NSE, CII, FICCI and ICAI
- Serves As An Independent Director on the Board of several leading Indian companies.



Mr. Vishal Kampani, Managing Director

M.com, M. S. (Finance) from London Business School

- Managing Director of JM Financial Ltd., the group's flagship listed company.
- Launched the Asset Reconstruction business in 2008 and the Real Estate Finance business in 2009.
- Expanded the International Operations and built a global profile
- Joined the JM Financial group in 1997 as an Analyst in the Merchant Banking Division and has since moved up the rank



Mr. E. A. Kshirsagar, Independent Director

B.Sc, FCA (England & Wales)

- Specialist in corporate strategy and structure, disinvestments-central/state/private sector, feasibility studies for a variety of industries and the impact of legislations on business;
- Serves on the Board of several reputed public limited companies.
- BSC (Science), FCA (India), FCA (England & Wales).



Dr. Vijay Kelkar, Independent Director

B.Sc, M.S. from University of Minnesota, USA, Ph.D from University of California, Berkely, USA

- Former Finance Secretary to the Government of India. He has also held several senior level positions in Govt. of India as well as International Organisations including International Monetary Fund
- Awarded with Padma Vibhushan, the second highest civilian award
- Serves on the Board of several reputed public limited companies.



Mr. Darius E. Udawadia, Independent Director

B.A., M.A., LLB,

- Founder partner, M/s. Udawadia & Udeshi, Solicitors & Advocates
- Serves on the Board of several reputed public limited companies.
- Vast experience and expertise in the areas like corporate law, mergers, acquisitions and takeovers, corporate restructuring, foreign collaboration, joint ventures, project and infrastructure finance, telecommunication, international loan and finance related transactions and instruments, real estate and conveyancing



Mr. Keki Dadiseth, Independent Director

FCA (England & Wales)

- Worked with HUL for 27 years.
- Member of strategic advisory board of Atos India Pvt Ltd, and senior advisor to Sony group in India.
- Associated with various industry, educational, management and medical bodies.
- Serves on the Board of several reputed public limited companies.



Mr. Paul Zuckerman, Independent Director

M.A. in Economics, Ph.D in Agricultural Economics

- Has been associated with various international organisations, including World Bank and International Institute of Tropical Agriculture, Ibadan, Nigeria
- Was Chairman, SG Warburg & Co., and was closely associated with Indian companies in the early days of globalisation In India.



Ms. Jagi Mangat Panda, Independent Director

B.Sc (Biology & Chemistry), Management Development Programme, Indian Institute of Management, Ahmedabad

- Presently, Managing Director of Ortel Communications Limited
- Has more than 19 years of experience in the media and broadcasting industry
- Recognized as the 'Young Global Leader' at the World Economic Forum in 2008.

Effective Risk Management Framework

1

Robust risk management architecture encompassing independent identification, measurement and management of risk across various businesses of the Group

2

Effective systems, processes and adequate review mechanism to actively monitor, manage and mitigate risks

3

Quarterly risk meetings of all businesses with Group Risk Committee

4

"Risk Events Update" briefly describing 'Risk Identification', 'Risk Classification', 'Risk Assessment & Impact' and 'Remedial Action/ Risk Mitigation' aspects of all the identified risks are placed periodically (every six monthly) before the Board of Directors

5

Independent Internal Audit firms appointed to review and report on the business processes and policies in all operating companies of the Group

6

Internal Financial Controls (IFC) framework (as per provisions of the Companies Act, 2013) is laid-down which briefly highlights the Risk Control Matrices (RCMs) across the Group with a focus on Entity Level Controls

Community Engagement

At JM Financial, CSR extends beyond a statutory obligation

The CSR Projects of the Group are implemented by its philanthropic arms viz. JM Financial Foundation (JMFF) and Kampani Charitable Trust (KCT) directly or in partnership with grassroots NGOs. These include :

- **Drought Relief** – JMFF & KCT support rehabilitation of drought hit villages (10 villages in Beed district, Ambejogai Taluka of Maharashtra)
- **Vocational Skills Training** – JMFF & KCT support a vocational skills training program in rural areas by way of mobile livelihood development centres (MLDC's). These centres provide training in activities that result in local job opportunities, and even self-employment.
- **Environment Education** - JMFF & KCT support an environment education program for underprivileged children that include nature trails, slide shows & quizzes which enrich their minds with learnings on the basics of environment, conservation and sustainability in daily life.
- **Education** - JMFF & KCT support the campus development and operations of Ashoka University which is an independent non-profit private university under the Haryana Private Universities Act, 2006, that is engaged in providing Under Graduate and Post Graduate education to students.

Employees volunteered their time and visited the drought hit villages, vocational skills program & participated in the environment education sessions .

Community Engagement

Firm belief in strengthening and uplifting the lesser privileged communities

- **JM Financial Foundation** drives our community engagement initiatives that focus on –
 - Education
 - Healthcare
 - Disaster Relief
 - Promotion of Sport
 - Animal Care
- **JM Financial Foundation Walkathon**
 - annual event where our clients & employees pledge their support for the under-privileged
 - fund-raiser inviting contributions towards the various causes supported by JM Financial Foundation
- **Employee volunteering at JM Financial**
 - Sparsh - Employees aid the lesser privileged aged members of society and mentor children
 - Project Drishti – Contribution of glossy magazines to a school for the blind, these are used for preparing reading and learning material in Braille
 - Joy of Giving week –Blood donation camps are held, employees donate personal & household items, exhibition of festive items made by paraplegics is held

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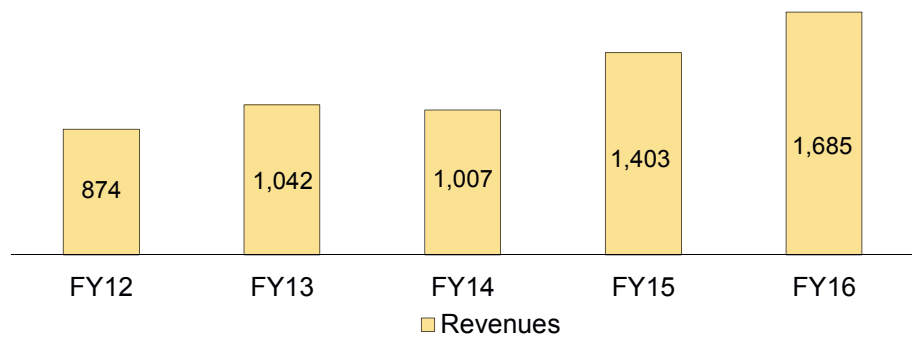
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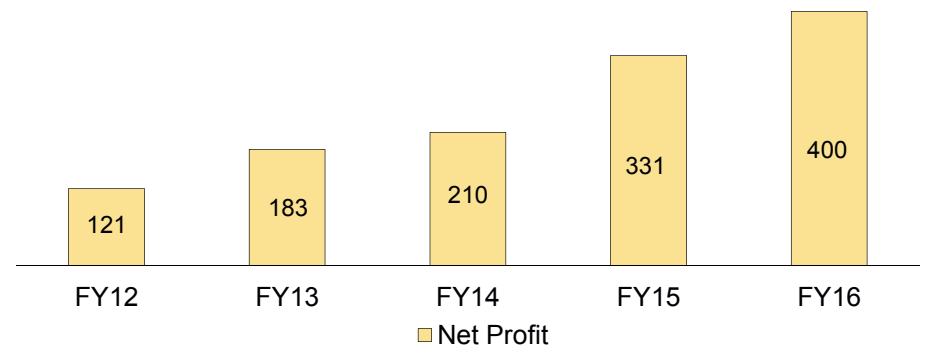
Annexures

Financial Summary – Consolidated Financials

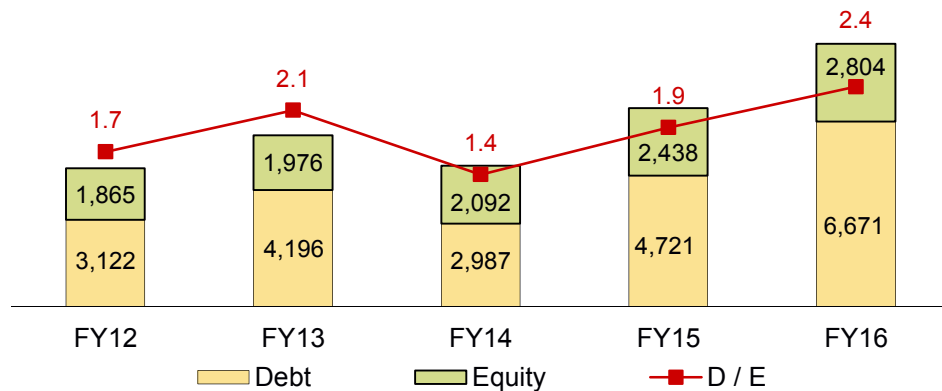
Gross Revenues (Rs Cr)



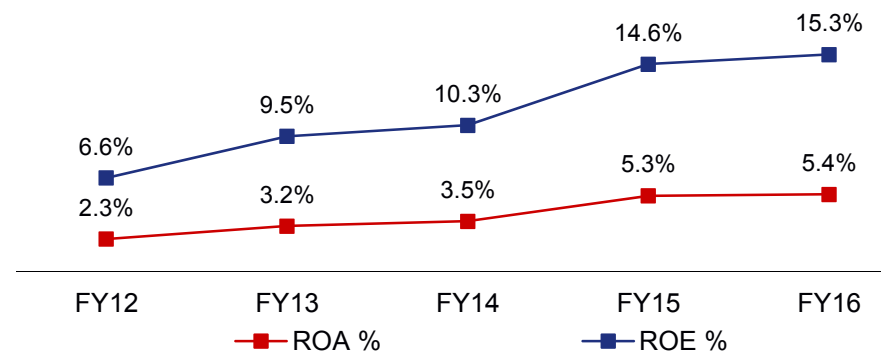
Net Profit (Rs Cr)



Leverage Analysis (Rs Cr)

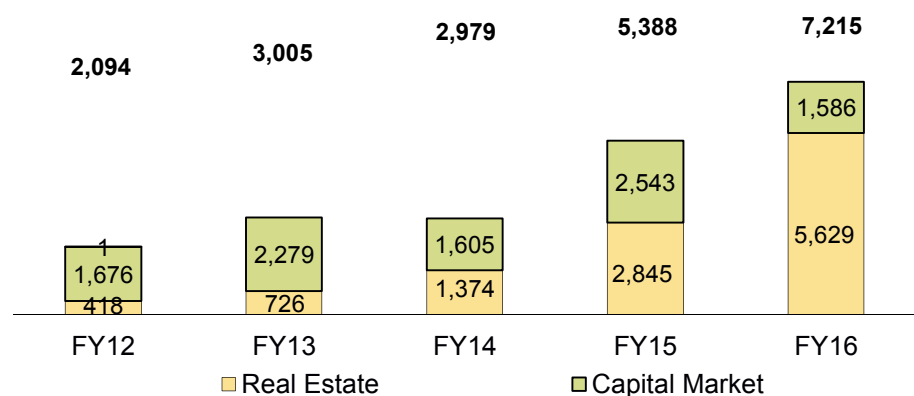


Return Ratios & Capital Adequacy (%)

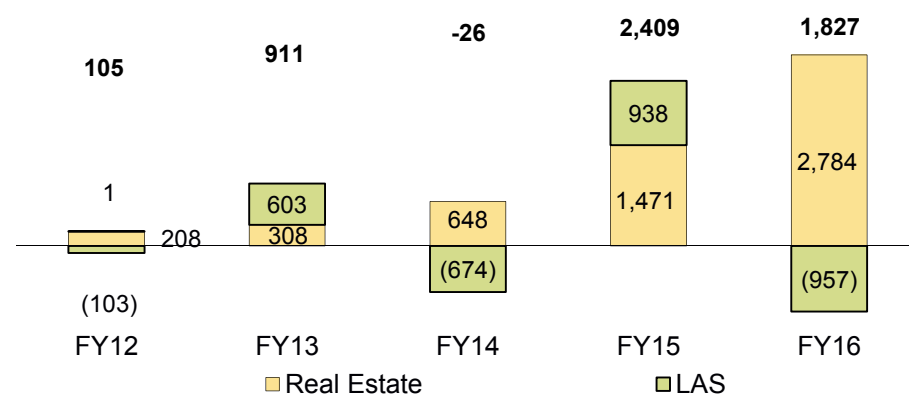


Financial Summary – Fund Based Activities

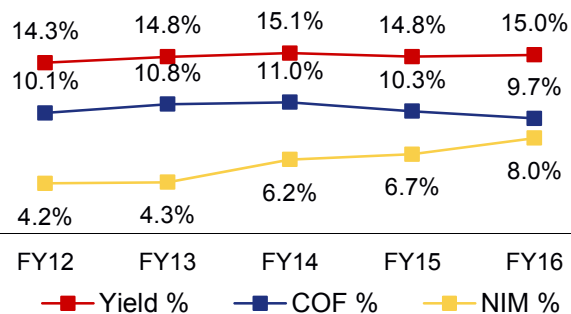
Loan Book (Rs Cr)



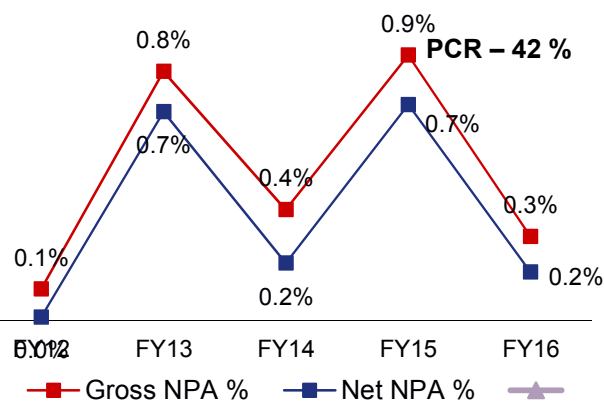
Net Disbursements (Rs Cr)



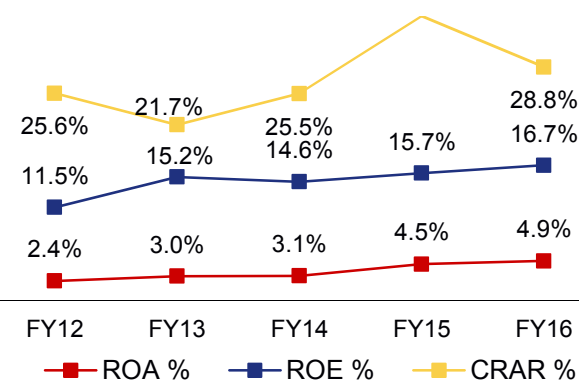
Spread Analysis (%)



Gross & Net NPA (%)

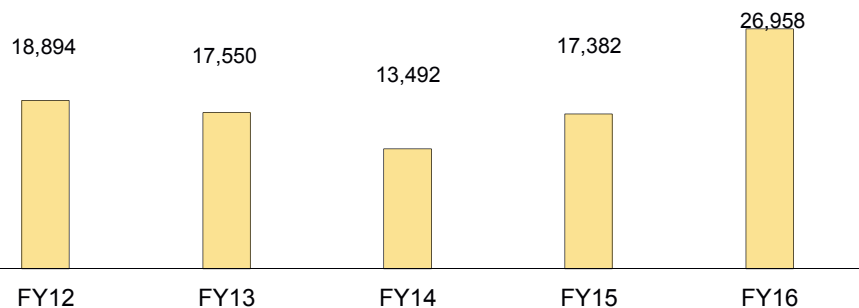


Return Ratios & Capital Adequacy (%)

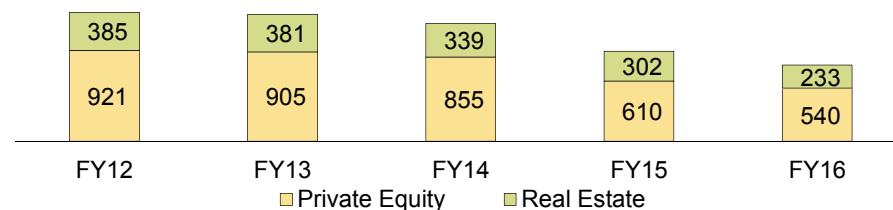


Financial Summary – Wealth Management, Alternative Asset Management, Asset Management, Asset Reconstruction

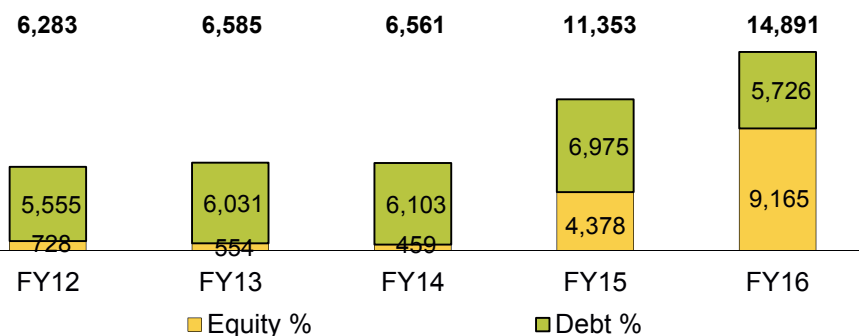
Wealth Management AUM (RS Cr)



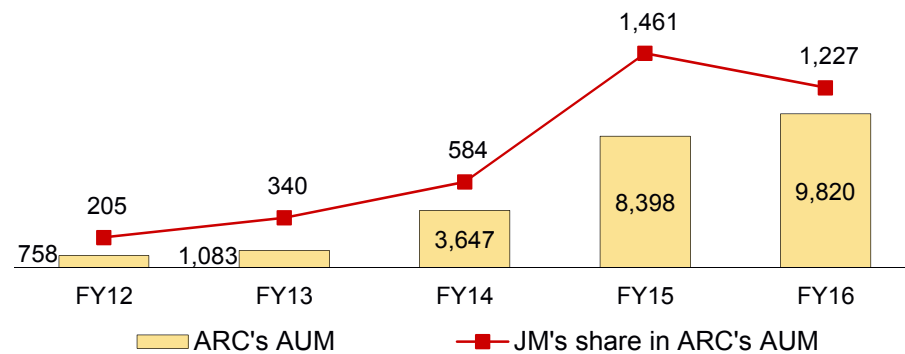
Alternative Asset Management AUM (Rs Cr)



Asset Management AUM (Rs Cr)



ARC AUM (Rs Cr)



For Further Queries -



Mr. Manish Sheth

Group CFO

Email: manish.sheth@jmfl.com

Contact No: 022 66303461

Ms. Karishma Mehta

Investor Relations

Email: karishma.mehta@jmfl.com

Contact No: 022 66303585



Mr. Nilesh Dalvi

IR Consultant

Email: nilesh.dalvi@dickensonir.com

Contact No: 9819289131

Mr. Mandar Kapse

IR Consultant

Email: mandar.kapse@dickensonir.com

Contact No: 9867550004