

PRESS RELEASE  
For Immediate Release

***JM Financial's consolidated revenue is up by 41.04 % and consolidated net profit is up by 41.73% for the Q3 FY 18***

**Mumbai, January 19, 2018:** The Board of Directors of JM Financial Limited, at its meeting held today, approved the unaudited financial results for the quarter and nine months ended December 31, 2017.

***The Board of Directors declares an interim dividend of Re.0.70 per share of the face value of Re.1/- each.***

**Summary of Consolidated results FY 18 – Q3 compared to FY 17 – Q3**

(Rs. in Cr)

Particulars	Quarter ended December 31, 2017	Quarter ended December 31, 2016	% Increase
Total income	837.73	593.97	41.04%
Profit before tax	350.80	245.40	42.95%
Net profit after tax and before minority interest	237.62	163.95	44.94%
Net profit after tax, minority interest and share of associates	168.10	118.60	41.73%

**Summary of Consolidated results FY 18 – 9 Months compared to FY 17 – 9 Months**

(Rs. in Cr)

Particulars	Nine months ended December 31, 2017	Nine months ended December 31, 2016*	% Increase
Total income	2,302.26	1,634.30	40.87%
Profit before tax	906.83	645.48	40.49%

Net profit after tax and before minority interest	610.00	438.40	39.14%
Net profit after tax, minority interest and share of associates	442.12	319.35	38.45%

*\*Upon JM Financial Asset Reconstruction Company Limited (the ARC) becoming a subsidiary of JM Financial Limited w.e.f. September 30, 2016, the profit and loss account is consolidated as a subsidiary from October 1, 2016 as compared to being an "Associate" till September 30, 2016.*

The Earnings per share and Diluted Earnings per share, for the nine months ended December 31, 2017 is Rs.5.55 and Rs.5.52 respectively (not annualized). The consolidated net worth\* as at December 31, 2017 stands at Rs.3,573.08 Cr and the debt equity (equity + minority Interest) ratio is 3.0 times\*. The book value per share is Rs. 44.80.

*\* Computed after reducing goodwill from shareholder's funds*

## Business Update

### Investment banking, Wealth Management and Securities business

#### Investment Banking

During the quarter, some of our investment banking transactions were as follows:

- Financial advisor to Reliance Jio Infocomm for the acquisition of the assets of Reliance Communications.
- Sell side financial advisor to Arch Pharma Limited for sale of a US FDA approved manufacturing plant.
- Fairness Opinion to the Board of Adani Enterprises Limited (AEL) on the demerger of the Renewable Energy Business of AEL and transfer of the same to Adani Green Energy Limited.
- Book Running Lead Manager to the IPO of SBI Life Insurance Company Limited - Rs.8,389 Cr.
- Global Co-ordinator and Book Running Lead Manager to the IPO of Reliance Nippon Life Asset Management Limited - ~Rs.1,542 Cr.
- Global Co-ordinator and Book Running Lead Manager to the IPO of Prataap Snacks Limited - ~Rs.482 Cr.
- Global Co-ordinator and Book Running Lead Manager to the Qualified Institutions Placement of Apollo Tyres Limited – ~Rs.1,500 Cr.

- Book Running Lead Manager to the Qualified Institutions Placement of Mahindra and Mahindra Financial Services Limited - ~Rs.1,056 Cr
- Book Running Lead Manager to the Qualified Institutions Placement of Natco Pharma Limited - ~Rs.915 Cr
- Manager to the buyback offer of Wipro Limited - Rs.11,000 Cr

We have been **ranked #1 in M&A League Tables** for CY2017 based on completed transactions.\*

*\*Source: Mergermarket*

### **Wealth Management**

The AUM of our wealth management business stood at **Rs. 31,910 Cr** (excluding custody assets) as on December 31, 2017 as compared to **Rs. 27,289 Cr** as of September 30, 2017 and **Rs. 22,337 Cr** as of December 31, 2016.

### **Securities business**

The Indian market continues to scale new highs driven largely by strong flows from domestic institutions. We have extensive research coverage of companies and also cover institutional investors that include marquee long only FII's, hedge funds, sovereign funds, domestic mutual funds and insurance companies. Assisted by our global offices in New York, Singapore and Mauritius, we continue to enhance our relationship with global investors.

During the quarter, the average daily trading volume stood at **Rs. 5,688 Cr**

### **Fund based business**

The lending book of JM Financial Products stood at **Rs. 7,043 Cr** as on December 31, 2017. Out of the said lending book, the Corporate Credit & Structured Financing was **Rs. 2,766 Cr** and Capital Market lending book stood at **Rs. 2,380 Cr**, the Real Estate lending at **Rs. 1,897 Cr**.

During the quarter, in IPO financing business, we funded **21 IPOs** wherein the aggregate amount of funding was around **Rs. 13,204 Cr**.

The lending book of JM Financial Credit Solutions stood at **Rs. 6,475 Cr** as on December 31, 2017 which includes real estate lending book of **Rs. 6,464 Cr**. Our commercial real estate funding focuses on Tier - 1 cities, viz., Mumbai, Thane, Pune, Bangalore, Chennai and Hyderabad. We have recently entered the Kolkata and NCR market and plan to selectively enter into new geographies to expand our business.

During the quarter, JM Financial Home Loans Limited, a step-down subsidiary of JM Financial Limited, has received certificate of registration from National Housing Bank for carrying out housing finance activities.

We continued our efforts of diversifying our sources and maturities for our borrowing profile. Our long term borrowing as a proportion of total borrowing stood at **approximately 59%** on December 31, 2017.

During the quarter, Banks/NBFCs announced various NPA portfolio auctions and we continued to actively participate in several auction processes. We closed 5 deals consisting of 4 accounts out of which 1 account was a fresh acquisition and 3 accounts as part of debt aggregation process. The quarter witnessed higher recovery compared to previous quarter backed by recovery from sale of assets and restructured accounts. The outstanding Security Receipts (SRs) stood at **Rs.12,500 Cr** as on December 31,2017 as compared to **Rs.12,469 Cr** as on September 30, 2017.

### **Asset Management Business**

Asset Management business comprises of **Mutual fund, Private Equity Fund and Real Estate Fund.**

#### **Mutual Fund**

The average AUM of our Mutual Fund schemes during the quarter ended December 31, 2017 stood at **Rs. 16,633 Cr**; comprising of **Rs.11,459 Cr** in equity schemes and

**Rs. 5,174 Cr** in debt schemes. The average AUM of our Mutual Fund schemes during the quarter ended September 30, 2017 stood at **Rs. 13,952 Cr**; comprising of **Rs. 6,987 Cr** in equity schemes and **Rs. 6,965 Cr** in debt schemes

### **Private Equity and Real Estate Fund**

At the end of the quarter, the combined AUM/AUA of our private equity and real estate funds stood at around **Rs.520 Cr**.

Both the Private Equity and Real Estate Funds continue to work closely with their portfolio companies to seek exit opportunities.

As on December 31, 2017, the Private Equity Fund has returned an **aggregate of ~98%** of the capital contribution received from its Investors in Indian Rupee terms.

As on December 31, 2017, the Real Estate Fund has returned an **aggregate of ~66%** of the capital contribution received by it in Indian Rupee terms.

### **Awards & Recognitions**

- JM Financial Services Limited has been recognized by BSE Ltd., amongst the Top Performers in the Equity Broking Segment (Retail Trading) in October 2017
- JM Financial Services Limited has been recognized by BSE Ltd., amongst the Top Performers in Primary Market Segment (Equity – IPO/FPO Bids - Members) in October 2017
- JM Financial Services Limited has been recognized by BSE Ltd., amongst the Top National Distributors in Mutual Fund Segment in October 2017

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*The unaudited financial results are attached. Both, the press release and unaudited financial results are available on our website [www.jmfl.com](http://www.jmfl.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.jmfl.com](http://www.jmfl.com) or **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.

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