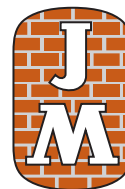


Interim report 1/2014



JM-GROUP JANUARY-MARCH 2014

FAVORABLE DEVELOPMENT FOR THE HOUSING OPERATIONS

- According to segment reporting, revenue increased to SEK 3,037m (2,875) and operating profit increased to SEK 379m (335). The operating margin increased to 12.5 percent (11.7)
- Restated according to IFRIC 15, revenue increased to SEK 2,969m (2,698) and the operating profit increased to SEK 391m (288). Revenue and profit were strengthened by a positive restatement for JM International; profit increased by SEK 12m (–47)
- Profit before tax increased to SEK 374m (273). Profit after tax increased to SEK 283m (208)
- Return on equity for the past twelve months increased to 26.1 percent (20.9). Earnings per share for the first quarter increased to SEK 3.70 (2.60)
- Consolidated cash flow including net investment in properties was SEK –241m (–309)
- The number of residential units sold totaled 697 (709) and housing starts increased to 694 (574).

SEK m	January–March 2014	2013	April–March 2013/2014	Full-year 2013
Revenue (segment reporting)	3,037	2,875	12,814	12,652
Operating profit (segment reporting)	379	335	1,620	1,576
Operating margin (segment reporting), %	12.5	11.7	12.6	12.5
Revenue ¹⁾	2,969	2,698	12,874	12,603
Operating profit ¹⁾	391	288	1,626	1,523
Profit before tax ¹⁾	374	273	1,565	1,464
Operating margin, % ¹⁾	13.2	10.7	12.6	12.1
Cash flow from operating activities	–241	–309	966	898
Return on equity, % ¹⁾			26.1	25.0
Equity/assets ratio, % ¹⁾	41	38		40
Earnings per share, SEK ¹⁾	3.70	2.60	15.20	14.10
Number of residential units sold	697	709	3,253	3,265
Number of housing starts	694	574	3,073	2,953
Number of residential units in current production	5,549	5,840		5,609

¹⁾ According to IFRIC 15.

The Group applies IFRIC 15 Agreements for the Construction of Real Estate to its income statement and balance sheet. This means that revenue and profit and loss for JM's operations outside of Sweden, JM International, are reported according to the completed contract method. Segment reporting and project management are reported according to IAS 11, percentage of completion method. The description of operations is based on segment reporting.

GROUP

"Demand for JM's residential units developed favorably during the first quarter with continued strong sales in Stockholm. This development strengthens the Group's operating margin.

Demand also improved slightly in the rest of Sweden during the first quarter. Demand in our markets in Norway recovered somewhat.

Structurally, conditions for our business are favorable, including large population increases in the markets where we are active. We are dynamically positioned with financial strength and a very good project portfolio that continues to be improved and renewed at the same time as our strong balance sheet offers us freedom of action."

Johan Skoglund, President and CEO

MARKET, SALES AND HOUSING STARTS

Demand for newly built homes in Stockholm continued to improve during the first quarter while demand in the rest of Sweden developed favorably. Interest in JM's projects is strong. Demand in Norway recovered somewhat during the first quarter. Population growth in our main markets, coupled with continued low interest rates, supports demand for housing.

The number of sold residential units in the form of signed contracts amounted to 697 (709), including 0 (0)

rental units and residential care units. The percentage of sold or reserved homes in relation to current production amounts to 75 percent (70), with an interval of 60-65 percent considered normal. JM Residential Stockholm sold 395 residential units (340), JM Residential Sweden sold 217 (237) and JM International 85 (132).

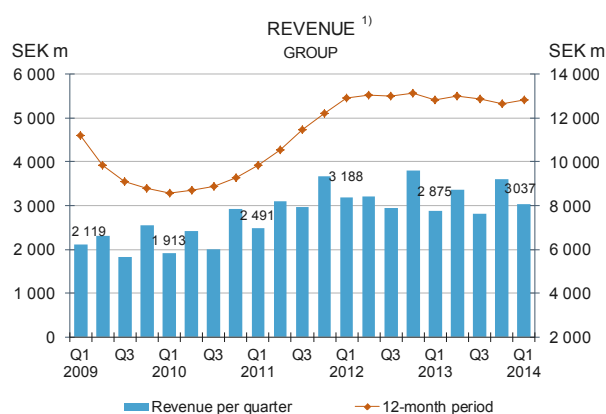
The number of housing starts increased to 694 (574). In the Stockholm area housing starts totaled 396 (314) and in the rest of Sweden 212 (187). During the first quarter, no production on rental units or residential care units was started in Stockholm. Housing starts in international operations totaled 86 (73).

The planning processes continue to play an important role in the rate of housing starts.

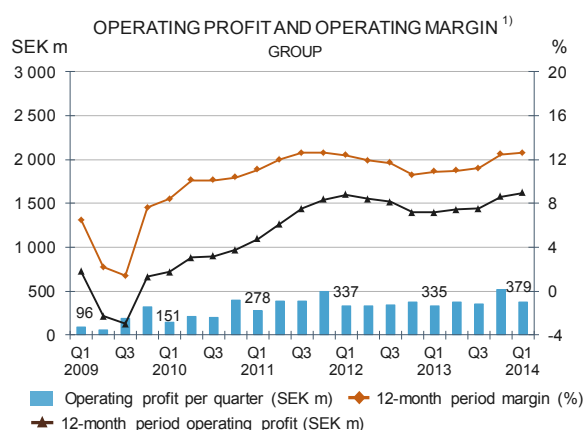
The number of residential units in current production amounts to 5,549 (5,840), of which 200 are rental units and residential care units.

Operating profit (SEK m)	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	303	247	1,223	1,167
JM Residential Sweden	51	54	218	221
JM International	18	24	120	126
JM Property Development	8	11	34	37
JM Production	13	12	74	73
Group-wide expenses	–14	–13	–49	–48
Total (segment reporting)	379	335	1,620	1,576
Restatement JM International ¹⁾	12	–47	6	–53
Total	391	288	1,626	1,523
Of which property sales	3	21	6	24

¹⁾ Effect of restatement on revenue and profit and loss according to IFRIC 15 in relation to segment reporting.



¹⁾ According to segment reporting



¹⁾ According to segment reporting

REVENUE, OPERATING PROFIT AND OPERATING MARGIN

Consolidated revenue according to segment reporting for the first quarter increased to SEK 3,037m (2,875). Revenue restated according to IFRIC 15 increased to SEK 2,969m (2,698).

Operating profit according to segment reporting increased to SEK 379m (335) and the operating margin increased to 12.5 percent (11.7). Operating profit restated according to IFRIC 15 increased to SEK 391m (288). Revenue and profit were strengthened by a positive restate-

ment for JM International; profit increased by SEK 12m (–47). The positive restatement effect is due to the low number of housing starts in relation to completed projects.

During the first quarter properties were sold for SEK 6m (85) with gains of SEK 3m (21).

Rental income from JM's project properties totaled SEK 11m (19), with residential units accounting for SEK 4m (3). Net rental income was SEK 4m (6).

Operating margin, %	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	23.7	18.8	23.4	22.2
JM Residential Sweden	7.2	7.7	7.6	7.7
JM International	2.9	4.2	4.3	4.6
JM Production	2.9	3.2	3.5	3.6

Residential units in current production	3/31/2014	3/31/2013	12/31/2013
Number of residential units in current production ¹⁾³⁾	5,549	5,840	5,609
Percentage of sold residential units in current production, % ²⁾³⁾	55	57	54
Percentage reserved residential units in current production, % ³⁾	20	13	17
Percentage sold and reserved residential units in current production, % ³⁾	75	70	71

¹⁾ Beginning with production startup through final occupancy according to plan.

²⁾ Percentage of sold residential units expressed as binding contract with the end customer.

³⁾ Including 200 rental units and residential care units in current production in JM Property Development – not included in the percentage of sold and reserved residential units in current production. Of these, 54 residential units are included in projects where costs incurred are only reported as project properties under construction.

Completed production, unsold units	3/31/2014	3/31/2013	12/31/2013
Completed production, number of unsold units ¹⁾	131	202	177
– Of which the balance sheet item reported as "Participations in tenant-owners associations, etc."	111	95	98

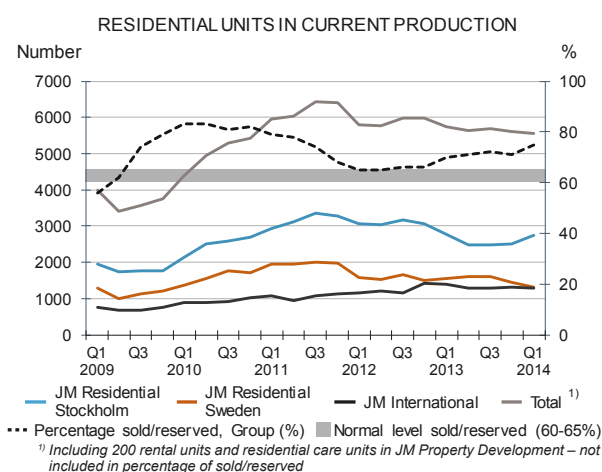
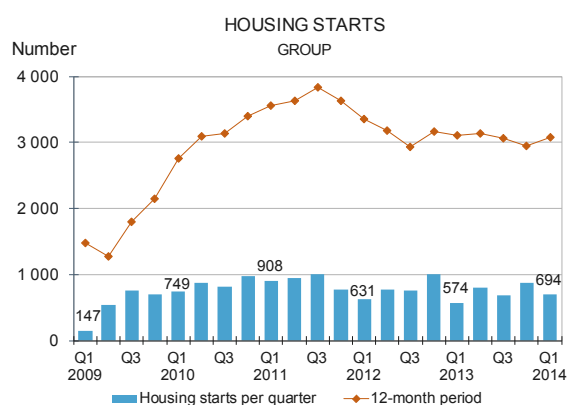
¹⁾ After final occupancy according to plan.

RESIDENTIAL BUILDING RIGHTS ¹⁾

The number of available building rights amounts to 27,700 (27,800), of which 17,600 (18,500) are recognized in the balance sheet. Capital tied up in building rights (development properties on the balance sheet) for residential units amounts to SEK 6,009m (6,136) at the end of the first quarter.

JM acquired development properties for residential units during the first quarter for SEK 281m (734), of which SEK 152m relates to JM Residential Stockholm, SEK 55m to JM Residential Sweden and SEK 74m to JM International.

¹⁾ As of Q1 2013, available building rights for rental units and residential care units in JM Property Development are recognized in the accounts of the Group's total available building rights.



FINANCIAL ITEMS

Net financial items decreased by SEK 2m compared to the same period the previous year due to a decrease in interest income.

The total interest-bearing loan stock was SEK 1,887m (1,928), of which the provision for pensions comprised SEK 928m (939). At the end of the first quarter, the average interest rate for the total interest-bearing loan stock including pension liabilities was 3.5 percent (3.6). The average term for fixed-rate loans excluding the pension liability was 0.2 years (0.2).

Consolidated available liquidity was SEK 4,942m (4,953). Aside from cash and cash equivalents of SEK 2,142m

(2,153), this includes unutilized overdraft facilities and credit lines totaling SEK 2,800m (2,800), where credit agreements for SEK 2,400m had an average maturity of 1.4 years (2.0).

Interest-bearing net receivables at the end of the first quarter totaled SEK 255m (225). At the end of the first quarter, non interest-bearing liabilities for implemented property acquisitions amounted to SEK 290m (796). SEK 150m (665) of these liabilities are short-term.

The valuation of financial assets and liabilities shows that there is no material difference between the carrying amount and the fair value.

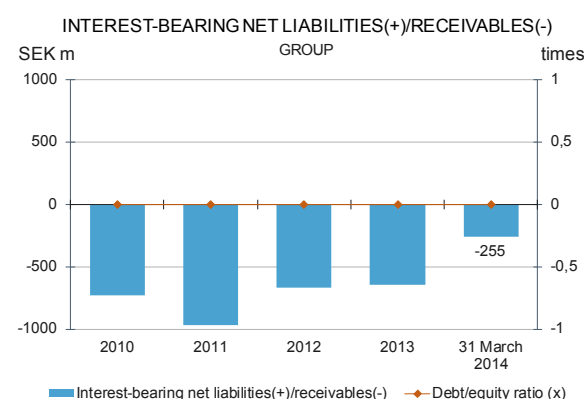
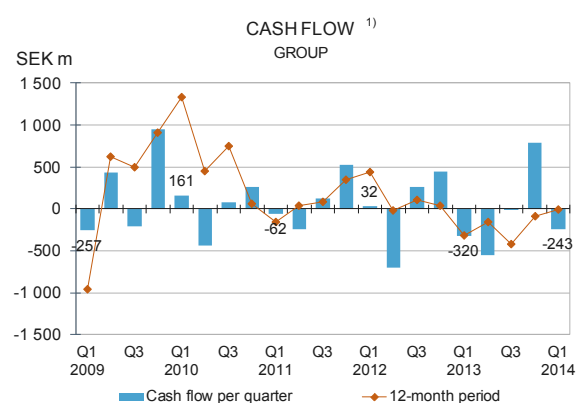
SEK m	January–March 2014	2013	April–March 2013/2014	Full-year 2013
Financial income ¹⁾	7	11	38	42
Financial expenses ²⁾	–24	–26	–99	–101
Financial income and expenses	–17	–15	–61	–59
¹⁾ Of which revaluation and currency hedging	2	4	6	8
²⁾ Of which revaluation and currency hedging	–2	–4	–6	–8

SEK m	January–March 2014	2013	April–March 2013/2014	Full-year 2013
Interest-bearing net liabilities (+)/receivables (–) at beginning of period	–642	–667	–225	–667
Change in interest-bearing net liabilities/receivables	387	442	–30	25
Interest-bearing net liabilities (+)/receivables (–) at end of period	–255	–225	–255	–642

CASH FLOW

Cash flow from operating activities was SEK –241m (–309) during the first quarter. Net investments in development properties resulted in a cash flow of SEK –141m (–351). Increased holdings of unsold residential units burdened

cash flow by SEK –164 (–118). Consolidated cash flow from project properties (sales minus investment) during the first quarter was SEK 94m (28).



RISKS AND UNCERTAINTIES

JM's risk and risk management policies are presented in the 2013 annual report on pages 28-31. No significant changes have occurred to change these reported risks.

BUY-BACK AND HOLDINGS OF OWN SHARES

During the first quarter of 2014, 609,758 shares were bought back for a total of SEK 125m. Holdings of own shares subsequently total 2,873,057. After the 2013 Annual General Meeting, a total of 2,873,057 shares were bought back for SEK 500m.

The number of outstanding shares, excluding holdings

of own shares, at March 31, 2014, totals 76,944,300.

The Board has proposed that the 2014 Annual General Meeting resolve to decrease the share capital by SEK 2,873,057 through the elimination of 2,873,057 shares.

PERSONNEL

The number of employees at the end of the first quarter was 2,169 (2,210). The number of wage-earners was 922 (983) and the number of salaried employees was 1,247 (1,227). Current staffing is considered well balanced for the current project volume and some adjustments are made on a regular basis.

BUSINESS SEGMENT

JM RESIDENTIAL STOCKHOLM

The JM Residential Stockholm business segment develops residential projects in Greater Stockholm. Operations include acquisitions of development properties, planning, pre-construction, production and sales of residential units.

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue	1,279	1,311	5,222	5,254
Operating profit	303	247	1,223	1,167
Operating margin, %	23.7	18.8	23.4	22.2
Average operating capital			2,941	2,881
Return on operating capital, %			41.6	40.5
Operating cash flow	164	1	834	671
Carrying amount, development properties	3,139	3,300		3,051
Number of available building rights	11,000	11,200		11,200
Number of residential units sold	395	340	1,568	1,513
Number of housing starts	396	314	1,486	1,404
Number of residential units in current production	2,741	2,777		2,516
Number of employees	755	761		750

Average prices on the existing home market increased during the first quarter and the supply of residential units is lower than in the same period last year. The supply of new homes continues to be low in relation to long-term demand in the Stockholm area. Competition for land appropriate for housing in good locations continues to be intense.

Interest in JM's projects is strong. The customers' tendency to sign a contract early in the process is above a normal level.

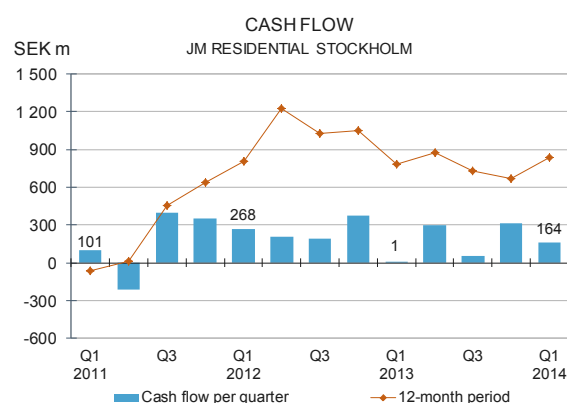
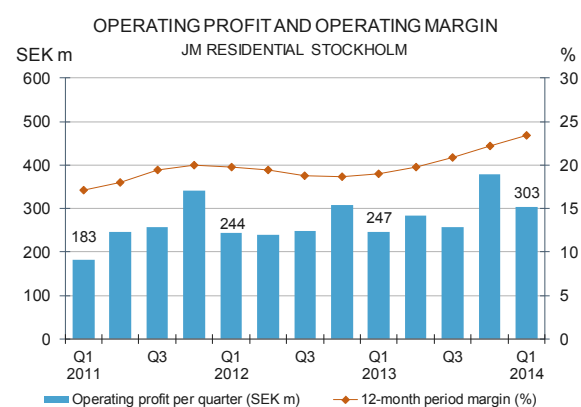
The business segment's revenue amounted to SEK 1,279m (1,311) and operating profit increased to SEK

303m (247). The operating margin increased to 23.7 per cent (18.8). The margin is strengthened by a large revaluation effect in completed projects.

The cash flow is in balance taking into account net investments in development properties.

In total, production was started in the first quarter on 396 residential units in apartment buildings in Järfälla, Solna and Stockholm.

During the first quarter JM purchased building rights in Stockholm corresponding to about 150 homes in Årsta, Stockholm.



JM RESIDENTIAL SWEDEN

The JM Residential Sweden business segment develops residential projects in growth areas in Sweden, excluding Greater Stockholm. Operations include acquisitions of development properties, planning, pre-construction, production and sales of residential units. Contracting operations are also conducted to a limited extent.

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue	707	704	2,863	2,860
Operating profit ¹⁾	51	54	218	221
Operating margin, %	7.2	7.7	7.6	7.7
Average operating capital			1,529	1,515
Return on operating capital, %			14.3	14.6
Operating cash flow	-146	41	107	294
Carrying amount, development properties	1,313	1,351		1,358
Number of available building rights	8,700	9,400		8,700
Number of residential units sold ²⁾	217	237	931	951
Number of housing starts ²⁾	212	187	886	861
Number of residential units in current production ²⁾	1,317	1,553		1,460
Number of employees	457	520		477
¹⁾ Of which property sales	-	9	-	9
²⁾ Of which rental units	-	64	-	64

The average prices on the existing home market increased during the first quarter in all of the business unit's markets. The supply of residential units is somewhat lower than it was at the same time last year.

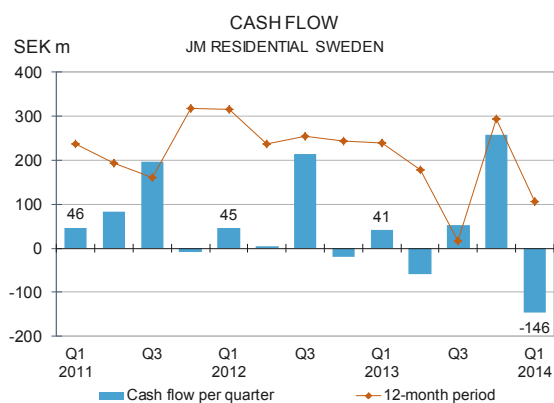
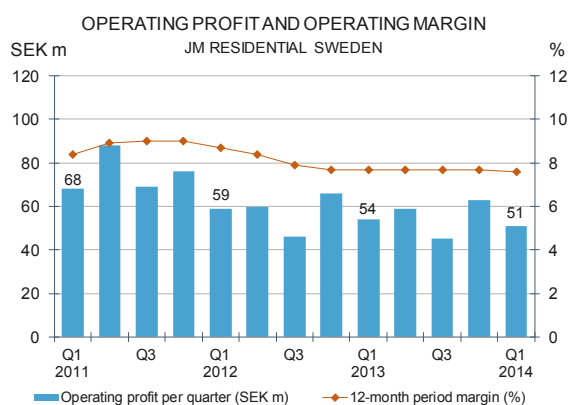
There is strong interest in JM's projects but the customers' decision-making process is still long in Skåne in southern Sweden.

Business segment revenue was SEK 707m (704) and the operating profit was SEK 51m (54). The operating margin was 7.2 percent (7.7).

The negative cash flow during the quarter is due to a temporary increase in working capital and increased holdings of unsold residential units.

JM started production during the first quarter on 212 residential units in apartment buildings in Kungsbacka, Gothenburg, Linköping and Uppsala.

No building rights were acquired during the first quarter.



JM INTERNATIONAL

The JM International business segment develops residential projects in Norway, Denmark, Finland and Belgium. Contracting operations are also conducted to a limited extent in Norway. Revenue and profit and loss for the business segment is reported according to IAS 11, percentage of completion method.

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue	617	576	2,786	2,745
Operating profit ¹⁾	18	24	120	126
Operating margin, %	2.9	4.2	4.3	4.6
Average operating capital			2,162	2,131
Return on operating capital, %			5.6	5.9
Operating cash flow	–154	–33	–60	61
Carrying amount, development properties	1,549	1,455		1,485
Carrying amount, project properties	31	32		30
Number of available building rights	7,200	6,500		7,100
Number of residential units sold	85	132	500	547
Number of housing starts	86	73	501	488
Number of residential units in current production	1,291	1,402		1,325
Number of employees	395	364		392
¹⁾ Of which property sales	3	2	3	2

Business segment revenue increased to SEK 617m (576). Operating profit decreased to SEK 18m (24). The operating margin decreased to 2.9 percent (4.2).

Operating profit and the operating margin were burdened by negative results in Denmark and Finland, where sales and the number of residential units in current production are low.

Cash flow during the first quarter was weakened primarily by a temporary increase in working capital.

NORWAY

Demand for both newly built residential units and homes on the existing home market recovered somewhat during

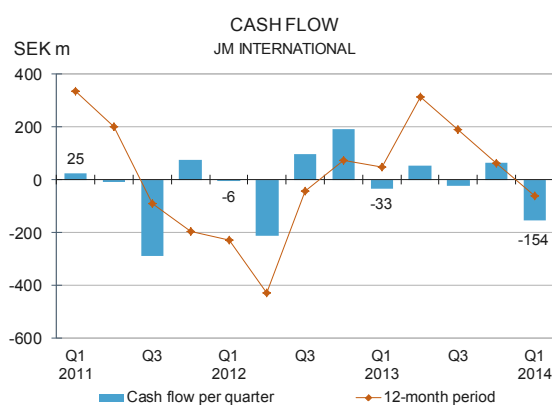
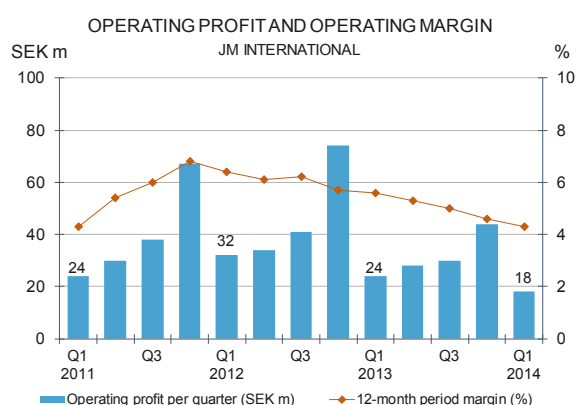
the first quarter. The price level on the existing home market increased slightly during the first quarter. The banks in Norway are continuing to take a slightly cautious approach to granting mortgages.

During the first quarter 68 residential units (109) were sold and production began on 38 units (36).

Housing starts during the first quarter consisted of 33 residential units in apartment buildings and 5 single-family homes. The number of residential units in current production amounts to 1,086 (1,233).

During the first quarter, JM purchased building rights in Oslo corresponding to about 21 homes.

Available building rights correspond to 5,400 residential units (4,800).



OTHER INTERNATIONAL MARKETS*DENMARK*

The level of activity on the housing market in Copenhagen is increasing. The price level on the existing home market increased slightly during the first quarter. Banks continued to be generally restrictive in their lending practices to mortgage customers, which offsets the positive effect of low interest rates.

During the first quarter 3 residential units (2) were sold and production began on 9 units (0).

The number of residential units in current production amounts to 21 (0). No acquisitions of building rights were made during the first quarter.

Available building rights correspond to 700 residential units (700).

FINLAND

The level of activity on the housing market in Helsinki remains stable. The price level in the capital region was stable during the first quarter. However, customers are still cautious and time to closing is long.

During the first quarter 7 residential units (15) were sold and production began on 39 units (0).

The number of residential units in current production amounts to 85 (35). No acquisitions of building rights were made during the first quarter.

Available building rights correspond to 700 residential units (600).

BELGIUM

The level of activity and prices on the housing market in the Brussels region continue to be stable.

During the first quarter 7 residential units (6) were sold and production began on 0 units (37).

The number of residential units in current production amounts to 99 (134). No acquisitions of building rights were made during the first quarter.

Available building rights correspond to 400 residential units (400).

JM PROPERTY DEVELOPMENT

The JM Property Development business segment primarily develops rental units, residential care units and commercial properties in Greater Stockholm. The business segment's entire portfolio comprises project development properties.

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue	53	23	344	314
Operating profit ¹⁾	8	11	34	37
Average operating capital			676	812
Return on operating capital, %			5.0	4.6
Operating cash flow	123	–21	711	567
Carrying amount, development properties	31	61		39
Carrying amount, project properties	232	874		214
Number of available building rights ²⁾	800	700		700
Number of residential units sold ²⁾	-	-	254	254
Number of housing starts ²⁾	-	-	200	200
Number of residential units in current production ²⁾	200	108		308
Number of employees	26	17		18
¹⁾ Of which property sales	0	10	3	13

²⁾ Refers to rental units and residential care units.

Business segment revenue increased to SEK 53m (23), including contracting revenue of SEK 43m (5) and rental revenue of SEK 10m (18). Operating profit was SEK 8m (11).

Net rental income for project properties was SEK 4m (6). Revenue from construction contracts was SEK 11m (0) and gains from property sales were SEK 0m (10).

Cash flow for the first quarter was strengthened by SEK 114m from the previous sale of the rental unit, Gästabudet 2, in Nälsta, Stockholm.

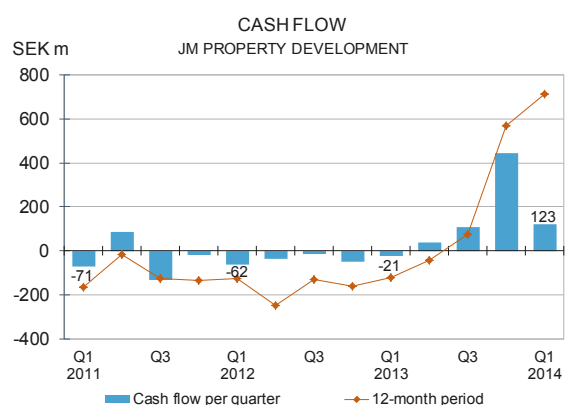
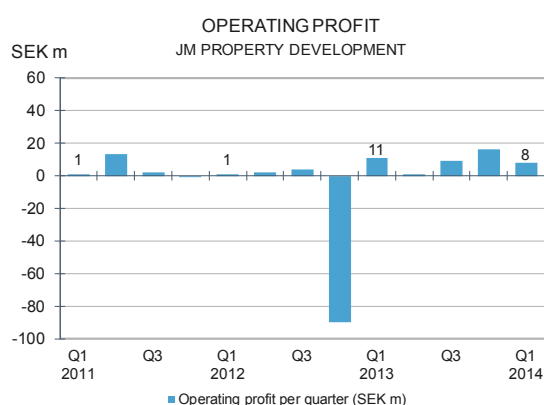
Within the Dalénium area on Lidingö, the occupancy rate in the commercial buildings that will not be demolished is 73 percent. Within the Bolinder area in Kallhäll,

Järfälla, the occupancy rate is 86 percent in the buildings that will not be demolished.

The production of a rental project with an external orderer in the Dalénium area consisting of 146 residential units is underway. Occupancy is planned for Fall 2015.

Production is underway on a senior housing project consisting of 54 residential units in Täby. A 15-year lease was signed with Attendo Care and occupancy is in November 2014.

An option agreement was signed with Nacka Municipality to construct around 100 student apartments in Alphyddan, Nacka. The goal is for the project to be completed in time for the student housing fair in Stockholm in 2017.



JM PRODUCTION

The JM Production business segment carries out construction work for external and internal customers in the Greater Stockholm area.

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue ¹⁾	447	371	2,087	2,011
Operating profit	13	12	74	73
Operating margin, %	2.9	3.2	3.5	3.6
Operating cash flow	–22	–6	–55	–39
Carrying amount, development properties	51	57		55
Number of employees	412	433		419
¹⁾ Of which internal	66	110	488	532

Demand in the contracting market in Stockholm decreased slightly in the past year but continues to be at a good level. Both the building and civil engineering markets are stable, although there are many actors competing for the assignments.

Orders are good in the business segment, with a large number of projects in current production. The mild winter combined with high activity in current projects resulted in slightly higher volume in the first quarter.

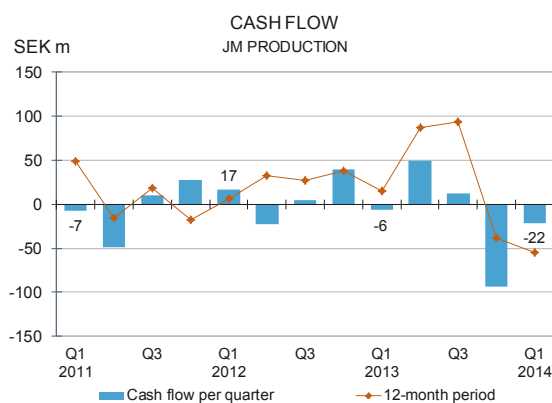
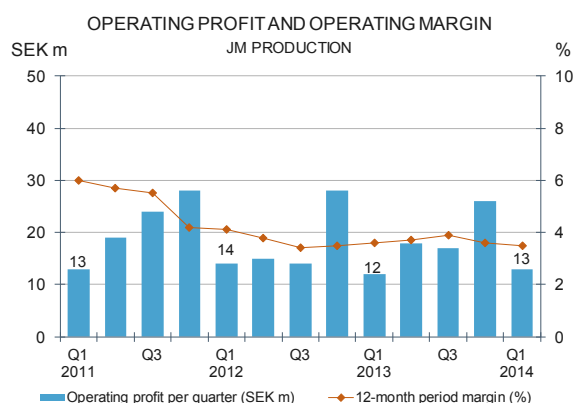
Business segment revenue increased to SEK 447m (371) and the operating profit was SEK 13m (12). The operating margin was 2.9 percent (3.2).

Cash flow is burdened by a temporary increase in working capital.

The business segment received a number of assignments during the quarter, of which the largest is land work and bridge construction for the expansion of Roslagsbanan for Storstockholms Lokaltrafik.

The largest projects currently underway include the two phases of the new E18 motorway between Hjulsta and Kista (Swedish Transport Administration), new production of a biofuel cogeneration plant in Stockholm (Fortum Värme), new production of an office building in Frösunda, Solna (Vasakronan), new construction of an apartment building in Norra Djurgårdsstaden (AB Stockholmshem), new construction of an apartment building in Upplands Väsby (Väsbyhem), renovation of and additions to offices in Södertälje (Söderenergi AB), additions to baggage handling at Arlanda airport (Swedavia), and renovation of the University Library at Campus Frescati (Akademiska Hus). In addition, preparatory work for the renovation of Slussen and engineering projects in Norra Djurgårdsstaden for the City of Stockholm are underway.

The business segment is carrying out site work within the Dalénium area of Lidingö for JM Residential Stockholm. In addition, senior housing is being constructed in Sköndal and Täby for JM Property Development.



CONDENSED CONSOLIDATED INCOME STATEMENT

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Revenue	2,969	2,698	12,874	12,603
Production and operating costs	-2,387	-2,248	-10,504	-10,365
Gross profit	582	450	2,370	2,238
Selling and administrative expenses	-194	-183	-750	-739
Gains/losses on the sale of property	3	21	6	24
Operating profit	391	288	1,626	1,523
Financial income and expenses	-17	-15	-61	-59
Profit before tax	374	273	1,565	1,464
Taxes	-91	-65	-386	-360
Net profit for the period	283	208	1,179	1,104
Other comprehensive income				
<i>Items that will be reclassified as income</i>				
Translation differences from the translation of foreign operations	15	-44	-1	-60
<i>Items that will not be reclassified as income</i>				
Restatement of defined-benefit pensions	-	-	55	55
Tax attributable to other comprehensive income	-	-	-12	-12
Comprehensive income for the period	298	164	1,221	1,087
Net profit for the period is attributable to shareholders of the Parent Company	283	208	1,179	1,104
Comprehensive income for the period is attributable to shareholders of the Parent Company	298	164	1,221	1,087
Earnings per share ¹⁾ , basic, attributable to shareholders of the Parent Company (SEK)	3.70	2.60	15.20	14.10
Earnings per share ¹⁾ , diluted, attributable to shareholders of the Parent Company (SEK)	3.70	2.60	15.20	14.00
<i>Number of outstanding shares at end of period</i>	<i>76,944,300</i>	<i>79,541,253</i>	<i>76,944,300</i>	<i>77,550,383</i>
<i>Average number of shares, basic</i>	<i>77,367,503</i>	<i>80,128,812</i>	<i>77,367,503</i>	<i>78,445,765</i>
<i>Average number of shares, diluted</i>	<i>77,755,131</i>	<i>80,930,985</i>	<i>77,869,334</i>	<i>78,983,735</i>

¹⁾ Net profit for the period.

CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	3/31/2014	3/31/2013	12/31/2013
ASSETS			
Non-current assets	237	243	236
Project properties	263	906	244
Development properties	6,083	6,224	5,988
Participations in tenant-owner associations, etc.	425	327	325
Current receivables ¹⁾	2,053	1,906	1,972
Cash and cash equivalents	2,142	2,153	2,385
Total current assets	10,966	11,516	10,914
Total assets	11,203	11,759	11,150
EQUITY AND LIABILITIES ²⁾			
Shareholders' equity	4,629	4,416	4,455
Long-term interest-bearing liabilities	324	305	319
Other long-term liabilities	140	131	144
Long-term provisions	2,138	2,328	2,112
Total non-current liabilities	2,602	2,764	2,575
Current interest-bearing liabilities	635	684	504
Other current liabilities	3,247	3,787	3,526
Current provisions	90	108	90
Total current liabilities	3,972	4,579	4,120
Total equity and liabilities	11,203	11,759	11,150
Pledged assets	737	548	633
Contingent liabilities	6,463	6,019	5,882
¹⁾ Of which receivables from property sales	1	42	113
²⁾ Of which liabilities for property acquisition	365	947	423

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	January–March		Full-year
	2014	2013	2013
Opening balance at beginning of period	4,455	4,393	4,393
Total comprehensive income for the period	298	164	1,087
Dividend	-	-	-537
Conversion of convertible loan	1	0	28
Equity component of convertible debentures	-	-	1
Buy-back of shares	-125	-141	-517
Closing balance at the end of the period	4,629	4,416	4,455

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Cash flow from operating activities before change in working capital	231	68	926	763
Investment in development properties, etc. ¹⁾	-678	-989	-2,602	-2,913
Payment on account for development properties, etc. ²⁾	373	520	2,224	2,371
Investment in project properties	-24	-9	-131	-116
Sale of project properties	118	37	683	602
Change in current liabilities/receivables	-261	64	-134	191
Cash flow from operating activities	-241	-309	966	898
Cash flow from investing activities	-7	0	-6	1
Loans raised	132	130	195	193
Amortization of debt	-2	-	-128	-126
Buy-back of shares	-125	-141	-501	-517
Dividend	-	-	-537	-537
Cash flow from financing activities	5	-11	-971	-987
Cash flow for the period	-243	-320	-11	-88
Cash and cash equivalents at end of the period	2,142	2,153	2,142	2,385
¹⁾ Of which investment in participations in tenant-owners associations and freehold residential units	-336	-391	-1,245	-1,300
²⁾ Of which sale of participations in tenant-owners associations and freehold residential units	172	273	1,205	1,306

KEY FIGURES

%	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Operating margin	13.2	10.7	12.6	12.1
Pre-tax return on capital employed			25.9	25.2
Return on equity			26.1	25.0
Debt/equity ratio (times)	-	-		-
Equity/assets ratio	41	38		40

ACCOUNTING PRINCIPLES

This interim report for the first quarter of 2014 was prepared in accordance with *IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act*. The consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS). Since the Parent Company is an enterprise within the EU, only EU-approved IFRS are applied.

The accounting policies applied in this interim report are

described in Annual Report 2013, pages 66-69. As of January 1, 2014, JM applies the new standards, IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities*. Neither IFRS 10 nor IFRS 11 have an effect on JM's accounts. Otherwise, the accounting principles and methods of calculation for the Group are the same as those applied in the annual report for the previous year.

REVENUE BY COUNTRY

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Sweden	2,420	2,299	10,028	9,907
Norway	537	516	2,489	2,468
Denmark	14	6	35	27
Finland	45	27	140	122
Belgium	21	27	122	128
Restatement JM International ¹⁾	–68	–177	60	–49
Total	2,969	2,698	12,874	12,603

REVENUE BY BUSINESS SEGMENT

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	1,279	1,311	5,222	5,254
JM Residential Sweden	707	704	2,863	2,860
JM International	617	576	2,786	2,745
JM Property Development	53	23	344	314
JM Production	447	371	2,087	2,011
Elimination	–66	–110	–488	–532
Total (segment reporting)	3,037	2,875	12,814	12,652
Restatement JM International ¹⁾	–68	–177	60	–49
Total	2,969	2,698	12,874	12,603

OPERATING PROFIT BY BUSINESS SEGMENT

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	303	247	1,223	1,167
JM Residential Sweden	51	54	218	221
JM International	18	24	120	126
JM Property Development	8	11	34	37
JM Production	13	12	74	73
Group-wide expenses	–14	–13	–49	–48
Total (segment reporting)	379	335	1,620	1,576
Restatement JM International ¹⁾	12	–47	6	–53
Total	391	288	1,626	1,523

OPERATING MARGIN BY BUSINESS SEGMENT

%	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	23.7	18.8	23.4	22.2
JM Residential Sweden	7.2	7.7	7.6	7.7
JM International	2.9	4.2	4.3	4.6
JM Production	2.9	3.2	3.5	3.6

AVERAGE OPERATING CAPITAL BY BUSINESS SEGMENT

SEK m	April–March	Full-year
	2013/2014	2013
JM Residential Stockholm	2,941	2,881
JM Residential Sweden	1,529	1,515
JM International	2,162	2,131
JM Property Development	676	812

RETURN ON OPERATING CAPITAL BY BUSINESS SEGMENT

%	April–March	Full-year
	2013/2014	2013
JM Residential Stockholm	41.6	40.5
JM Residential Sweden	14.3	14.6
JM International	5.6	5.9
JM Property Development	5.0	4.6

¹⁾ Effect of restatement on revenue and profit and loss according to IFRIC 15 in relation to segment reporting.

OPERATING CASH FLOW BY BUSINESS SEGMENT

SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	164	1	834	671
JM Residential Sweden	–146	41	107	294
JM International	–154	–33	–60	61
JM Property Development	123	–21	711	567
JM Production	–22	–6	–55	–39

DEVELOPMENT PROPERTIES BY BUSINESS SEGMENT

Carrying amount, SEK m	3/31/2014	3/31/2013	12/31/2013
JM Residential Stockholm	3,139	3,300	3,051
JM Residential Sweden	1,313	1,351	1,358
JM International	1,549	1,455	1,485
JM Property Development	31	61	39
JM Production	51	57	55
Total	6,083	6,224	5,988

AVAILABLE RESIDENTIAL BUILDING RIGHTS BY BUSINESS SEGMENT

Number	3/31/2014	3/31/2013	12/31/2013
JM Residential Stockholm	11,000	11,200	11,200
JM Residential Sweden	8,700	9,400	8,700
JM International	7,200	6,500	7,100
JM Property Development (rental units and residential care units)	800	700	700
Total	27,700	27,800	27,700
Of which, recognized on the balance sheet (development properties)			
JM Residential Stockholm	7,600	8,200	7,700
JM Residential Sweden	5,400	5,700	5,400
JM International	4,500	4,300	4,600
JM Property Development (rental units and residential care units)	100	300	100
Total	17,600	18,500	17,800

RESIDENTIAL UNITS SOLD BY BUSINESS SEGMENT

Number	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	395	340	1,568	1,513
JM Residential Sweden	217	237	931	951
JM International	85	132	500	547
JM Property Development (rental units and residential care units)	-	-	254	254
Total	697	709	3,253	3,265

HOUSING STARTS BY BUSINESS SEGMENT

Number	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
JM Residential Stockholm	396	314	1,486	1,404
JM Residential Sweden	212	187	886	861
JM International	86	73	501	488
JM Property Development (rental units and residential care units)	-	-	200	200
Total	694	574	3,073	2,953

RESIDENTIAL UNITS IN CURRENT PRODUCTION

Number	3/31/2014	3/31/2013	12/31/2013
JM Residential Stockholm	2,741	2,777	2,516
JM Residential Sweden	1,317	1,553	1,460
JM International	1,291	1,402	1,325
JM Property Development (rental units and residential care units)	200	108	308
Total	5,549	5,840	5,609

PROJECT PROPERTIES, GROUP

Carrying amount, SEK m	3/31/2014	3/31/2013	12/31/2013
Properties under development	226	603	208
Completed rental units and residential care units	-	266	-
Completed commercial properties	37	37	36
Total	263	906	244

DEVELOPMENT PROPERTIES, GROUP

Carrying amount, SEK m	January–March		April–March	Full-year
	2014	2013	2013/2014	2013
Opening balance at beginning of period	5,988	5,769	6,224	5,769
New purchases	281	786	769	1,274
Transferred to production	-201	-241	-977	-1,017
Other	15	-90	67	-38
Closing balance at the end of the period	6,083	6,224	6,083	5,988

PARENT COMPANY**CONDENSED INCOME STATEMENT, PARENT COMPANY**

SEK m	January–March		Full-year
	2014	2013	2013
Net sales	2,017	2,036	8,218
Production and operating costs	-1,562	-1,648	-6,439
Gross profit	455	388	1,779
Selling and administrative expenses	-129	-120	-465
Gains/losses on the sale of property	0	-	-51
Operating profit	326	268	1,263
Financial income and expenses	-14	-9	-91
Profit before appropriations and tax	312	259	1,172
Appropriations	-	-	-85
Profit before tax	312	259	1,087
Taxes	-70	-58	-439 ¹⁾
Net profit for the period	242	201	648

¹⁾ Of which SEK 167m refers to paid tax attributable to a ruling by the Administrative Court of Appeals in May for the years 2005 and 2006. The proceedings referred to impairment losses on shares in Group companies, which the Administrative Court of Appeals ruled to be non-deductible. JM had made full provisions in the consolidated accounts for a negative outcome.

CONDENSED BALANCE SHEET, PARENT COMPANY

SEK m	3/31/2014	3/31/2013	12/31/2013
Assets			
Non-current assets	1,538	1,293	1,543
Current assets	6,683	8,834	6,892
Total assets	8,221	10,127	8,435
Equity and liabilities			
Shareholders' equity	2,884	3,194	2,767
Untaxed reserves	1,474	1,313	1,474
Provisions	821	856	810
Long-term liabilities	198	206	197
Current liabilities	2,844	4,558	3,187
Total equity and liabilities	8,221	10,127	8,435
Pledged assets	169	169	169
Contingent liabilities	7,334	6,746	6,716

Investments in properties totaled SEK 200m (89).

Stockholm, April 24, 2014
JM AB (publ)

Johan Skoglund
President and Chief Executive Officer

The company's auditors did not review this interim report.

GROUP

FIVE-YEAR OVERVIEW

SEK m	2013	2012	2011	2010	2009
Revenue	12,603	12,480	12,001	9,136	9,620
Operating profit	1,523	1,374	1,513	907	646
Profit before tax	1,464	1,318	1,463	840	529
Total assets	11,150	11,556	11,296	9,893	9,887
Cash flow from operating activities	898	979	733	42	1,124
Interest-bearing net liabilities (+)/receivables (–)	–642	–667	–970	–730	–189
Operating margin, %	12.1	11.0	12.6	9.9	6.7
Return on equity, %	25.0	21.9	24.5	15.7	10.6
Equity/assets ratio, %	40	38	41	40	37
Earnings per share, SEK	14.10	11.70	12.50	7.10	4.40
Dividend per share, SEK	7.25 ¹⁾	6.75	6.50	4.50	2.50
Number of available building rights	27,700	26,600	27,200	27,500	27,900
Number of residential units sold	3,265	2,952	3,112	3,276	3,291
Number of housing starts	2,953	3,163	3,629	3,404	2,150
Number of residential units in current production	5,609	5,988	6,401	5,431	3,744

¹⁾ Board proposal.

GROUP

QUARTERLY OVERVIEW

SEK m	2014		2013		
	Q 1	Q 4	Q 3	Q 2	Q 1
INCOME STATEMENT					
Revenue	2,969	3,891	2,618	3,396	2,698
Production and operating costs	-2,387	-3,165	-2,122	-2,830	-2,248
Gross profit	582	726	496	566	450
Selling and administrative expenses	-194	-187	-153	-216	-183
Gains/losses on the sale of property	3	2	1	-	21
Operating profit	391	541	344	350	288
Financial income and expenses	-17	-12	-18	-14	-15
Profit before tax	374	529	326	336	273
Taxes	-91	-120	-88	-87	-65
Net profit for the period	283	409	238	249	208
BALANCE SHEET	3/31	12/31	9/30	6/30	3/31
ASSETS					
Non-current assets	237	236	234	241	243
Project properties	263	244	771	889	906
Development properties	6,083	5,988	6,142	6,314	6,224
Participations in tenant-owner associations, etc.	425	325	401	439	327
Current receivables	2,053	1,972	2,239	2,211	1,906
Cash and cash equivalents	2,142	2,385	1,600	1,607	2,153
Total current assets	10,966	10,914	11,153	11,460	11,516
Total assets	11,203	11,150	11,387	11,701	11,759
EQUITY AND LIABILITIES					
Shareholders' equity	4,629	4,455	4,122	4,030	4,416
Non-current interest-bearing liabilities	324	319	290	288	305
Other non-current liabilities	140	144	170	171	131
Non-current provisions	2,138	2,112	2,207	2,166	2,328
Total non-current liabilities	2,602	2,575	2,667	2,625	2,764
Current interest-bearing liabilities	635	504	618	692	684
Other current liabilities	3,247	3,526	3,862	4,248	3,787
Current provisions	90	90	118	106	108
Total current liabilities	3,972	4,120	4,598	5,046	4,579
Total equity and liabilities	11,203	11,150	11,387	11,701	11,759
CASH FLOW STATEMENT	Q 1	Q 4	Q 3	Q 2	Q 1
From operating activities	-241	974	111	122	-309
From investing activities	-7	0	-1	2	0
From financing activities	5	-189	-116	-671	-11
Total cash flow for the period	-243	785	-6	-547	-320
Cash and cash equivalents at end of the period	2,142	2,385	1,600	1,607	2,153
INTEREST-BEARING NET LIABILITIES/ RECEIVABLES	Q 1	Q 4	Q 3	Q 2	Q 1
Interest-bearing net liabilities (+)/receivables (-) at beginning of period	-642	265	320	-225	-667
Change in interest-bearing net liabilities/receivables	387	-907	-55	545	442
Interest-bearing net liabilities (+)/receivables (-) at end of period	-255	-642	265	320	-225
DEVELOPMENT PROPERTIES	Q 1	Q 4	Q 3	Q 2	Q 1
Carrying amount at beginning of period	5,988	6,142	6,314	6,224	5,769
New purchases	281	179	43	266	786
Transferred to production	-201	-338	-175	-263	-241
Other	15	5	-40	87	-90
Carrying amount at end of period	6,083	5,988	6,142	6,314	6,224
KEY FIGURES	Q 1	Q 4	Q 3	Q 2	Q 1
Operating margin, %	13.2	13.9	13.1	10.3	10.7
Debt/equity ratio, times	-	-	0.1	0.1	-
Equity/assets ratio, %	41	40	36	34	38
Earnings per share, SEK	3.70	5.20	3.00	3.20	2.60
Number of available building rights	27,700	27,700	27,700	28,200	27,800
Number of residential units sold	697	803	810	943	709
Number of housing starts	694	881	690	808	574
Number of residential units in current production	5,549	5,609	5,689	5,633	5,840

BUSINESS SEGMENT

QUARTERLY OVERVIEW

SEK m	2014		2013		
	Q 1	Q 4	Q 3	Q 2	Q 1
JM RESIDENTIAL STOCKHOLM					
Revenue	1,279	1,475	1,078	1,390	1,311
Operating profit	303	379	257	284	247
Operating margin, %	23.7	25.7	23.8	20.4	18.8
Average operating capital	2,941	2,881	2,793	2,672	2,541
Return on operating capital, % ²⁾	41.6	40.5	39.3	40.7	41.1
Operating cash flow	164	317	53	300	1
Carrying amount, development properties	3,139	3,051	3,161	3,267	3,300
Number of available building rights	11,000	11,200	11,000	11,100	11,200
Number of residential units sold	395	453	366	354	340
Number of housing starts	396	426	330	334	314
Number of residential units in current production	2,741	2,516	2,475	2,492	2,777
JM RESIDENTIAL SWEDEN	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	707	780	580	796	704
Operating profit ¹⁾	51	63	45	59	54
Operating margin, %	7.2	8.1	7.8	7.4	7.7
Average operating capital	1,529	1,515	1,512	1,516	1,505
Return on operating capital, % ²⁾	14.3	14.6	14.8	14.8	15.0
Operating cash flow	-146	258	53	-58	41
Carrying amount, development properties	1,313	1,358	1,420	1,421	1,351
Number of available building rights	8,700	8,700	9,000	9,300	9,400
Number of residential units sold ³⁾	217	216	230	268	237
Number of housing starts ³⁾	212	243	223	208	187
Number of residential units in current production ³⁾	1,317	1,460	1,619	1,596	1,553
¹⁾ Of which property sales	-	-	-	-	9
³⁾ Of which rental units	-	-	-	-	64
JM INTERNATIONAL	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	617	801	618	750	576
Operating profit ¹⁾	18	44	30	28	24
Operating margin, %	2.9	5.5	4.9	3.7	4.2
Average operating capital	2,162	2,131	2,165	2,208	2,205
Return on operating capital, % ²⁾	5.6	5.9	7.2	7.6	7.8
Operating cash flow	-154	64	-24	54	-33
Carrying amount, development properties	1,549	1,485	1,465	1,530	1,455
Carrying amount, project properties	31	30	30	32	32
Number of available building rights	7,200	7,100	7,100	7,100	6,500
Number of residential units sold	85	134	106	175	132
Number of housing starts	86	212	83	120	73
Number of residential units in current production	1,291	1,325	1,287	1,291	1,402
¹⁾ Of which property sales	3	-	-	-	2
JM PROPERTY DEVELOPMENT	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	53	64	171	56	23
Operating profit ¹⁾	8	16	9	1	11
Average operating capital	676	812	933	960	960
Return on operating capital, % ²⁾	5.0	4.6	-7.4	-7.7	-7.6
Operating cash flow	123	442	107	39	-21
Carrying amount, development properties	31	39	39	39	61
Carrying amount, project properties	232	214	741	857	874
Number of available building rights ³⁾	800	700	600	700	700
Number of residential units sold ³⁾	-	-	108	146	-
Number of housing starts ³⁾	-	-	54	146	-
Number of residential units in current production ³⁾	200	308	308	254	108
¹⁾ Of which property sales	0	2	1	-	10
³⁾ Refers to rental units and residential care units.					
JM PRODUCTION	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	447	654	468	518	371
Operating profit	13	26	17	18	12
Operating margin, %	2.9	4.0	3.6	3.5	3.2
Operating cash flow	-22	-94	12	49	-6
JM OTHER	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue (elimination)	-66	-176	-105	-141	-110
Operating profit (Group-wide expenses)	-14	-14	-5	-16	-13
RESTATEMENT JM INTERNATIONAL	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	-68	293	-192	27	-177
Operating profit	12	27	-9	-24	-47

²⁾ Calculated on 12-month rolling profits and average capital.

JM IN BRIEF

BUSINESS CONCEPT

To create attractive living and working environments that satisfy individual needs both today and in the future.

VISION

JM creates houses where people feel at home.

BUSINESS

JM is one of the leading developers of housing and residential areas in the Nordic region.

Operations focus on new production of homes in attractive locations, with the main focus on expanding metropolitan areas and university towns in Sweden, Norway, Denmark, Finland and Belgium. We are also involved in the project development of commercial premises and contract work, primarily in the Greater Stockholm area.

JM should promote long-term quality and environmental management in all its operations.

Annual sales total approximately SEK 13bn and the company has around 2,200 employees.

JM AB is a public limited company listed on NASDAQ OMX Stockholm, Large Cap segment.

FINANCIAL TARGETS AND DIVIDENDS POLICY

The operating margin should amount to 10 percent, including gains/losses from property sales. The visible equity ratio should amount to 35 percent over a business cycle.

Over time, the dividend should reflect the earnings trend in total operating activities and over a business cycle on average correspond to 50 percent of consolidated profit after tax. Capital gains from property sales are a natural part of JM's project development operations and therefore are included in the calculation of dividends.

DISCLOSURES

JM discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 2:00 PM on April 24, 2014.

FOR MORE INFORMATION PLEASE CONTACT:

Claes Magnus Åkesson, CFO, Head of IR
Tel. +46 8 782 89 71

ADDITIONAL INFORMATION

FINANCIAL CALENDAR

July 15, 2014

Interim report January-June 2014

October 24, 2014

Interim report January-September 2014

February 11, 2015

Year-end Report 2014

PRESS RELEASES, Q1

3/24/2014

Notice of JM's Annual General Meeting on April 24, 2014

2/12/2014

Year-end Report 2013

1/31/2014

Conversion of Convertible debentures into shares in JM AB (publ)

1/30/2014

The Nomination Committee for JM AB proposes the re-election of the Board of Directors at the 2014 Annual General Meeting

1/21/2014

JM planning development of rental units in Uppsala

JM's annual reports, interim reports and other financial information is available at

www.jm.se/en

JM AB (publ)

Mailing address SE-169 82 Stockholm
Street address Gustav III:s boulevard 64, Solna
Telephone +46 8 782 87 00
Fax +46 8 782 86 00
Comp.Reg. No. 556045-2103
Website www.jm.se