



Press release

Mar. 26, 2010

## Notice of Annual General Meeting

Shareholders in JM AB are hereby invited to attend the Annual General Meeting to be held at 4:00 pm on Wednesday April 28, 2010, at JM's new head office, located at Gustav III:s boulevard 64 in Solna, Sweden.

### NOTIFICATION

Shareholders who wish to participate at the Annual General Meeting must be:

- a) entered in the register of shareholders maintained by Euroclear Sweden AB by Thursday, April 22, 2010, and
- b) must have informed the Company of their intention to participate by 4:00 pm on Thursday, April 22, 2010, using one of the following channels:

JM AB's website: [www.jm.se](http://www.jm.se) (only for private individuals)

Mail: JM AB, SE-169 82 Stockholm

Telephone: +46 (0)8-782 87 00

Fax: +46 (0)8-782 86 24

E-mail: [monica.charron@jm.se](mailto:monica.charron@jm.se)

In order to be entitled to participate at the Meeting, shareholders whose shares are registered in the name of a nominee must request that their shares be temporarily registered in their own name in the register of shareholders by Thursday, April 22, 2010.

Admission cards to the Annual General Meeting will be sent out.

Shareholders represented by proxy shall issue a power of attorney for the proxy. If the proxy is issued by a legal person, a certified copy of a valid registration certificate for the legal person must be appended. The proxy in the original and registration certificate (if required) should be sent well in advance of the annual meeting to JM AB, Legal Affairs and Development, SE-169 82 Stockholm, Sweden.

A proxy form is available on the JM AB website, [www.jm.se](http://www.jm.se). The proxy form will also be sent to those shareholders who request it and provide their mailing address.

### SHARES AND VOTES

JM AB's share capital amounts to SEK 83,401,883, equivalent to 83,401,883 ordinary shares and 0 Class C shares. Ordinary shares carry one vote and Class C shares carry one tenth of a vote. As at March 30, 2010 the Company holds 185,000 own ordinary shares, equivalent to the same number of votes.

### AGENDA

1. Call to order and election of chairperson.
2. Preparation and approval of voting list.

3. Election of two people to check the minutes.
4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. The Chairman of the Board's report on the work of the Board since the 2009 Annual General Meeting. The President's report on the business during 2009 as well as the result for the first quarter of 2010, presentation of the annual report and the auditors' report, as well as the consolidated accounts and the auditors' report on the consolidated accounts.
7. Decision on approval of Income Statement and Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet.
8. Resolution about allocation of the company's profit.
9. Resolution on record day for issuing dividend.
10. Resolution to discharge the Board and the Chief Executive Officer from liability.
11. Resolution on the number of board members.
12. Determination of remuneration to the Board of Directors.
- 13 Determination of the fee payable to the auditors.
14. Proposals for Directors with information on the proposed candidates' duties in other companies
15. Election of Chairman of the Board and other Directors.
16. Motion for resolution on adopting revised instructions to the Nomination Committee.
17. Motion for resolutions on guidelines for salary and other remuneration to senior executives.
18. Motion for JM Convertibles 2010/2014 and JM Warrants 2010/2014.
19. Motion on conditional amendment of Articles of Association.

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**Proposals for resolution:**

**Item 1.** The Nomination Committee has consisted of Lars-Åke Bokenberger (chairperson) representing AMF Pension, Anders Algotsson representing AFA Försäkringar, KG Lindvall representing Swedbank Robur Funds, Per-Erik Mohlin representing SEB Fonder/SEB Trygg Liv and Lars Lundquist, Chairman of the Board of JM AB.

The Nomination Committee proposes that Lars Lundquist be appointed to chair the general meeting.

**Items 8 and 9.** The Board of Directors proposes that a dividend of SEK 2.50 per share be paid to shareholders. The proposed record date for the dividend is Monday, May 3, 2010. If the Annual General Meeting resolves to adopt the recommendation the dividend will be sent by Euroclear Sweden AB on Thursday, May 6, 2010.

**Items 11 – 16.** The Nomination Committee proposes the following:

**Item 11.** Seven directors elected by the Annual General Meeting.

**Item 12.**

Directors' remuneration

Fees for work on the Board of Directors in 2010 shall remain unchanged. The Chairman shall be paid SEK 590,000 and Directors who are not employed by the Company will be paid SEK 260,000.

Committee fees

Directors who are not employed by the Company will receive remuneration for work on committees as follows:

Chairperson of the Audit Committee: SEK 110,000.

Directors on the Audit Committee: SEK 80,000.

Chairperson of the Compensation Committee: SEK 55,000.

Director on the Compensation Committee: SEK 55,000.

Chairperson of the Investment Committee: SEK 55,000.

Directors on the Investment Committee: SEK 55,000.

Proposed fees for the 2010 Annual General Meeting pertaining to six paid Directors amounts to a total of SEK 2,435,000, including remuneration for work on committees.

**Item 13.** Auditors' fees shall be as per invoices issued by the auditing company and approved by JM AB.

**Items 14 and 15.** Reelection of Lars Lundquist to Chairman of the Board (elected 2005).

Reelection of Directors Elisabet Annell (elected 2002), Anders Narvinger (elected 2009), Johan Skoglund (elected 2003), Åsa Söderström Jerring (elected 2007) and Torbjörn Torell (elected 2004) and election of Kia Orback Pettersson. Kia Orback Pettersson has a degree in business and is a partner in Konceptverkstan. She is Chairperson of the Board for NAI Svefa AB and Ponderus Invest AB and is a Board member of Forsen Projekt AB, Hemtex AB, Jernhusen AB, Tengbomgruppen AB and Ticket Travel AB.

Information about all Directors proposed for JM AB's Board as well as the statement of the Nomination Committee pertaining to the proposal is available on JM AB's website at [www.jm.se](http://www.jm.se) under section *About JM – Corporate Governance*. These documents will also be sent to those shareholders who request them and provide their mailing address. They will also be available at the AGM.

**Item 16.** The proposal is that the Annual General Meeting adopts a revised version of the instructions for the Nomination Committee adopted at the 2009 Annual General Meeting. According to the proposed revision, the instructions will state that the shareholders to be included on the Nomination Committee will be identified on July 31 instead of on August 31.

The duties of the Nomination Committee and how the work was conducted between October 2009 and March 2010 can be seen in the Nomination Committee's report, which can be found on JM AB's website [www.jm.se](http://www.jm.se), under section *About JM – Corporate Governance*. This document will also be sent to those shareholders who request it and provide their mailing address.

The proposal for instructions for the Nomination Committee can be found on the JM AB website at [www.jm.se](http://www.jm.se) under section *About JM – Corporate Governance* and will be sent to those shareholders who request it and provide their mailing address. It will also be available at the AGM.

**Item 17.** The Board of Directors proposes that the Annual General Meeting approve the following guidelines for salary and other remuneration to senior executives.

Compensation to the CEO and other senior executives shall consist of fixed salary, short- and long-term variable salary programs, pension benefits and other benefits. "Other senior executives" refers to Executive Management. Total compensation must be at market rates and competitive in the labor market in which the executive works. Fixed salary and short-term variable salary program will be related to the executive's responsibilities and authorities. The short-term variable salary program for senior executives will be capped at 50 percent of fixed salary. The short-term variable salary program will be based on performance in relation to established targets, which is usually the externally reported operating profit before tax, earnings per share and Customer Satisfaction Index. Long-term variable salary programs can be share- and/or cash-related and will be performance-based and upon commitment obligations be capped at 50 percent of fixed salary. Termination of employment is normally subject to a mutual period of notice of six months. If notice of termination is given by JM, severance pay equivalent to six months' salary should also be payable. Pension benefits shall be either defined benefit or defined contribution, or a combination thereof, and the normal retirement age is 65. The Compensation Committee will draft and the Board of Directors will approve the remuneration policy for the CEO and senior executives. The Board shall have the right to depart from the guidelines if extenuating circumstances are present in the individual case.

**Item 18.** The Board of Directors proposes, that the Annual General Meeting resolve that JM AB raise a debenture loan with a maximum nominal value of SEK 120,000,000 by issuing a maximum of 530,000 convertible debentures, aimed at all employees in Sweden and issue a maximum of 95,000 warrants aimed at all employees outside Sweden.

With respect to convertibles, the issue price will correspond with the par value of the debt commitments and with respect to the warrants, the option premium will correspond with the market value of the warrants at the time of issue. Each

convertible and each warrant, respectively, may be converted to or entitle the holder to subscription of one ordinary share at a conversion price or subscription price equivalent to 125 percent of the latest noted average price paid for ordinary shares in JM on the official exchange list of the NASDAQ OMX Stockholm AB for the period of May 3, 2010 to May 11, 2010.

Conversion or subscription may occur commencing on June 1, 2012 through May 22, 2014, with the exclusion of the period January 1 through the record date for dividends each year, or if the Annual General Meeting should not resolve on a dividend during a year, the third business day after the AGM. In the event of full participation in the offer as well as full conversion and full exercise of the warrants, respectively, JM's share capital could increase by a maximum of SEK 625,000, through the issue of a maximum of 625,000 ordinary shares, each with a quota value of 1 Swedish krona. This corresponds with dilution of about 0.7 percent of shares and votes in JM.

The term of the convertibles will begin on June 17, 2010, and fall due for payment on June 16, 2014, insofar as conversion has not already been undertaken. The interest rate on the convertible bonds is determined annually, the first time as at June 15, 2010. The interest rate is based in part on the conversion rate and the calculated market value for the convertibles at issuance. Assuming an average share price of about SEK 116 during the benchmark period and a conversion price of SEK 145, the interest rate would be STIBOR 360 plus 1.75 percentage points.

Only a wholly owned subsidiary of JM shall be entitled to subscribe to the convertibles and issue of warrants respectively, with waiver of shareholders' rights of pre-emption. The subsidiary must subscribe and pay for the convertibles and warrants, respectively, during the period commencing on June 15, 2010 through June 17, 2010. The subsidiary shall have the right and obligation during the period commencing on May 24, 2010 until June 4, 2010, to offer those who as of April 29, 2010 are (i) employees in the JM Group in Sweden, on market-based terms, the opportunity to acquire convertible debentures and (ii) to offer employees in the JM Group outside Sweden to acquire warrants.

The Board cited the following reasons for waiving the shareholders' rights of pre-emption: the employees are important for JM's development. Consequently the Board of Directors proposes that the employees shall be offered a long-term incentive program consisting of convertibles and warrants, respectively, in accordance with what was offered in 2007, 2008 and 2009. The employee's ownership commitment enhances and strengthens interest in JM's operations and future financial performance. It is the Board of Directors' assessment that increased employee motivation and participation in JM's operations is in the interest of the Company, the employees and existing stockholders.

Everyone entitled to subscribe for convertibles will be guaranteed a nominal amount of SEK 40,755, though a maximum of 180 convertibles, and everyone entitled to subscribe for the warrants will be guaranteed 180 warrants.

The resolution about the issue by the AGM in accordance with the Board's proposal requires that the meeting's decision is supported by shareholders representing at least nine tenths of the votes cast as well as the shares represented at the meeting.

The Board of Directors proposes the establishment of equivalent convertible and warrant programs even next year, on condition of approval to that effect at the next AGM.

The Board of Directors' complete proposal will be available no later than April 14, 2010, at JM AB's head office, Gustav III:s boulevard 64, Solna, Sweden and on the JM AB website, [www.jm.se](http://www.jm.se) under section *About JM – Corporate Governance*. The proposal will also be sent to those shareholders who request it and provide their mailing address. It will also be available at the Annual General Meeting.

**Item 19.** The Board of Directors proposes amendment of section 8 point 2 of the Articles of Association to adapt the Articles of Association to new rules in the Companies Act that are expected to come into force prior to the 2011 AGM.

**Current wording:** Notice will be issued through advertisement in Post- och Inrikes Tidningar (the Swedish Official Gazette) and Svenska Dagbladet or, in the event that the daily newspaper, Svenska Dagbladet is no longer a daily national newspaper, Dagens Nyheter or, in the event that neither Svenska Dagbladet nor Dagens Nyheter are daily national newspapers, Dagens Industri.

**Proposed wording:** Notice will be issued through publication in Post- och Inrikes Tidningar (the Swedish Official Gazette) and on the company's website. An advertisement to the effect that notice has been given in this manner will be published in Svenska Dagbladet, or in the event that Svenska Dagbladet is no longer a daily national newspaper, Dagens Nyheter or, in the event that neither Svenska Dagbladet nor Dagens Nyheter are daily national newspapers, Dagens Industri.

The Board of Directors proposes that the AGM's decision on the amendment to the Company's Articles of Association will be made conditional on the change in means used to give notice of General Meetings laid down in the Swedish Companies Act (SFS 2005:551) having come into effect, which would mean that the proposed wording of section 8 point 2 of the Articles of Association would be in accordance with the Swedish Companies Act. Moreover, the Board of Directors proposes that the CEO be authorized to make any minor adjustments to the decision as may be required in order for the Articles of Association to be able to be registered by the Swedish Companies Registration Office.

In order for the resolution by the AGM about the amendment to the Articles of Association to go into force it must be supported by shareholders with at least two thirds of both the specified votes and the shares represented at the general meeting.

Stockholm, March 2010

**For further information, please contact**

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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 project development of commercial premises and contract work, primarily in the Greater Stockholm area. JM shall promote long-term quality and environmental management in all its operations. Our annual sales total approximately SEK 10 billion and the

company has about 1,900 employees. JM AB is a Swedish public limited company listed on NASDAQ OMX Stockholm, Mid Cap segment.