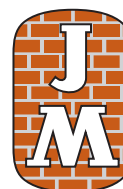


# Interim report 3/2012



JM GROUP JANUARY–SEPTEMBER 2012

## LOW SALES LEVEL BUT DEMAND CONTINUED TO IMPROVE IN STOCKHOLM

- According to segment reporting revenues increased to SEK 9,334m (8,547) and the operating profit was SEK 1,019m (1,047). The operating margin decreased to 10.9 percent (12.2)
- Restated according to IFRIC 15, revenues increased to SEK 9,041m (8,299) and the operating profit was SEK 1,010m (1,013)
- Profit before tax amounted to SEK 968m (974). Profit after tax amounted to SEK 702m (695)
- Return on equity for the past twelve months amounted to 23.9 percent (24.2). Earnings per share during the nine-month period increased to SEK 8.50 (8.30)
- Consolidated cash flow including net investment in properties increased to SEK 304m (173)
- The number of residential units sold decreased to 1,892 (2,366) and housing starts decreased to 2,165 (2,856).

SEK m	January–September		July–September		Oct.–Sept. 2011/2012	Full year 2011
	2012	2011	2012	2011		
Revenue (segment reporting)	9,334	8,547	2,938	2,959	13,004	12,217
Operating profit (segment reporting)	1,019	1,047	345	382	1,516	1,544
Operating margin (segment reporting) (%)	10.9	12.2	11.7	12.9	11.7	12.6
Revenue <sup>1)</sup>	9,041	8,299	3,108	3,071	12,743	12,001
Operating profit <sup>1)</sup>	1,010	1,013	359	395	1,510	1,513
Profit before tax <sup>1)</sup>	968	974	342	380	1,457	1,463
Operating margin <sup>1)</sup> (%)	11.2	12.2	11.6	12.9	11.8	12.6
Cash flow from operating activities	304	173	442	316	864	733
Return on equity <sup>1)</sup> (%)					23.9	24.5
Equity/assets ratio <sup>1)</sup> (%)	40	40	40	40		41
Earnings per share <sup>1)</sup> (SEK)	8.50	8.30	3.00	3.30	12.60	12.50
Number of residential units sold	1,892	2,366	611	705	2,638	3,112
Number of housing starts	2,165	2,856	759	1,005	2,938	3,629

<sup>1)</sup> According to IFRIC 15

The Group applies IFRIC 15 Agreements for the Construction of Real Estate for its income statement and balance sheet. This means that revenues 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 continues to be cautious at the same time as interest in our projects is strong. The sales process is taking longer in conjunction with the uncertain economic situation and the turmoil in the international financial market. Demand in Stockholm improved during the start of the fall. We are also seeing a positive effect on reservations of new homes from our sales initiatives.

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 Sweden continued to be cautious during the nine-month period. However, demand continued to improve slightly during the third quarter. Customers are showing strong interest in JM’s projects at the same time as the sales process in Sweden is taking

longer in the uncertain economic situation. Demand continued to be good in Norway. The weak demand in Denmark persists.

The slower sales process has resulted in fewer signed contracts during the nine-month period. However, population growth in our main markets, coupled with continued low interest rates, supports demand for housing.

The number of residential units sold in the form of signed contracts decreased to 1,892 (2,366). The percentage of sold or reserved homes in relation to current production amounts to 66 percent (74), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 833 (1,072) residential units, JM Residential Sweden sold 610 (852) and JM International sold 449 (442).

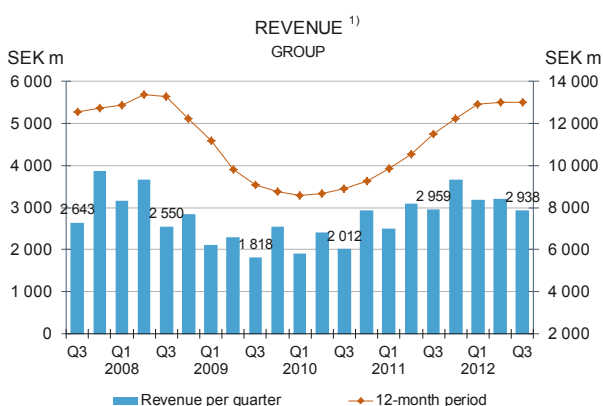
The number of housing starts decreased to 2,165 (2,856), of which 1,163 (1,335) in the Stockholm area and 529 (956) elsewhere in Sweden. Housing starts in international operations totaled 473 (565). The number of housing starts during the nine-month period exceeds the number of signed contracts, which reflects demand for the projects. The number of residential units in current production amounts to 5,986 (6,439).

Operating profit, SEK m	January–September		July–September		Oct.–Sept. 2011/2012	Full year 2011
	2012	2011	2012	2011		
JM Residential Stockholm	732	687	249	258	1,073	1,028
JM Residential Sweden	165	225	46	69	241	301
JM International	107	92	41	38	174	159
JM Property Development	7	16	4	2	6	15
JM Production	43	56	14	24	71	84
Group-wide expenses	–35	–29	–9	–9	–49	–43
Total as stated in segment reporting	1,019	1,047	345	382	1,516	1,544
Restatement JM International <sup>1)</sup>	–9	–34	14	13	–6	–31
<b>Total <sup>2)</sup></b>	<b>1,010</b>	<b>1,013</b>	<b>359</b>	<b>395</b>	<b>1,510</b>	<b>1,513</b>

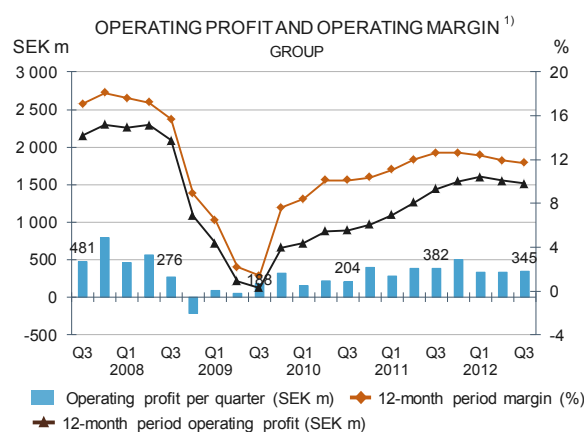
<sup>1)</sup> Effect of restatement on income and profit and loss according to IFRIC 15 in relation to segment reporting.

<sup>2)</sup> Including property sales

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<sup>1)</sup> According to segment reporting



## REVENUES, OPERATING PROFIT AND OPERATING MARGIN

Consolidated revenues in accordance with segment reporting for the nine-month period increased to SEK 9,334m (8,547). Revenues restated according to IFRIC 15 increased to SEK 9,041m (8,299).

Operating profit according to segment reporting was SEK 1,019m (1,047) and the operating margin decreased to 10.9 percent (12.2). Operating profit restated according to IFRIC 15 was SEK 1,010m (1,013).

During the nine-month period, gains on the sale of properties were SEK 0m (25). Rental income from JM's project properties totaled SEK 58m (53), with residential units accounting for SEK 6m (1). Net rental income increased to SEK 26m (15).

## BUILDING RIGHTS

JM's available building rights amount to 27,600 (28,000), of which 17,400 (17,300) are recognized in the balance sheet. Capital tied up in building rights (development properties on the balance sheet) for residential units decreased to SEK 5,643m (5,754) at the end of the nine-month period.

JM acquired development properties for residential units during the nine-month period for SEK 738m (1,261), of which SEK 97m relates to JM Residential Stockholm, SEK 173m to JM Residential Sweden and SEK 468m to JM International.

Operating margin (%)	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	17,7	19,3	18,6	21,6	18,8	20,0
JM Residential Sweden	7,6	9,0	7,5	9,5	7,9	9,0
JM International	5,3	5,9	6,4	5,7	6,2	6,8
JM Production	3,0	4,3	3,0	4,9	3,4	4,2

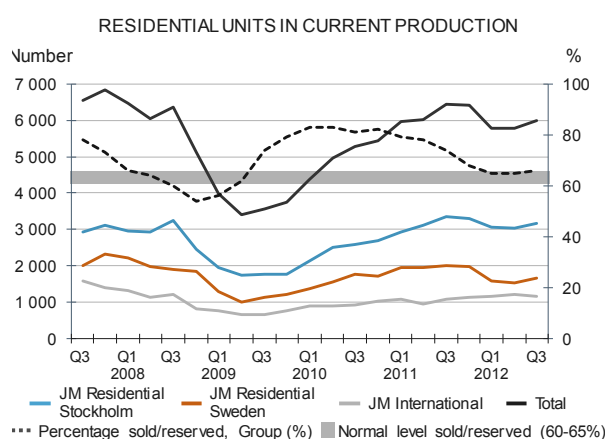
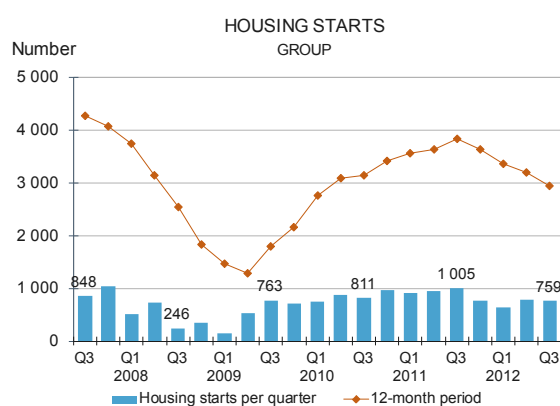
Residential units in current production	2012-06-30	2011-06-30	2011-12-31
Number of residential units in current production <sup>1)</sup>	5 986	6 439	6,401
Percentage sold residential units in current production (%) <sup>2)</sup>	53	62	60
Percentage reserved residential units in current production (%)	13	12	8
Percentage sold and reserved residential units in current production (%)	66	74	68

<sup>1)</sup> Beginning with production startup through final occupancy according to plan.

<sup>2)</sup> Percentage sold residential units expressed as binding contract with end customer.

Completed production, unsold units	2012-06-30	2011-06-30	2011-12-31
Completed production, number of unsold units <sup>1)</sup>	151	77	94
– Including the balance sheet item reported as "Participations in tenant-owners associations, etc."	69	45	59

<sup>1)</sup> After final occupancy according to plan.



## FINANCIAL ITEMS

Net financial items were down by SEK 3m compared to last year.

The total interest-bearing loan was SEK 1,619m (1,530), of which the provision for pensions comprised SEK 638m (603). At the end of the nine-month period, the average interest rate for the total interest-bearing loan stock, including pension liabilities, was 3.6 percent (4.0). The average term for fixed-rate loans excluding pension liabilities was 0.2 years (0.2).

The Group's available liquidity was SEK 4,822m (4,717).

Aside from cash and cash equivalents of SEK 2,022m (1,917), 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 1.9 years.

Interest-bearing net receivables at the end of the nine-month period totaled SEK 404m (388). At the end of the nine-month period non interest-bearing liabilities for implemented property acquisitions amounted to SEK 283m (397). SEK 174m (192) of these liabilities are short-term.

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Financial income <sup>1)</sup>	29	32	5	7	42	45
Financial expenses <sup>2)</sup>	-71	-71	-22	-22	-95	-95
<b>Financial income and expenses</b>	<b>-42</b>	<b>-39</b>	<b>-17</b>	<b>-15</b>	<b>-53</b>	<b>-50</b>
<sup>1)</sup> Including revaluation and currency hedging	3	8	1	0	3	8
<sup>2)</sup> Including revaluation and currency hedging	-3	-8	0	0	-3	-8

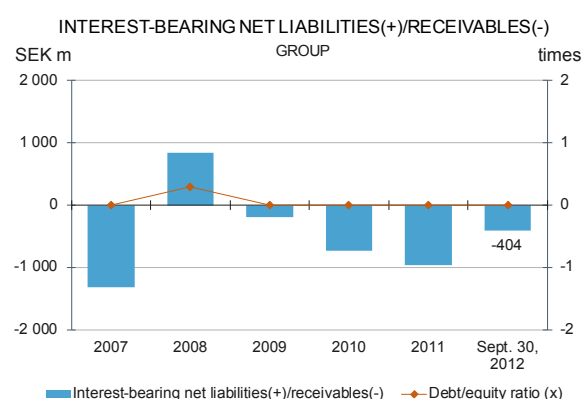
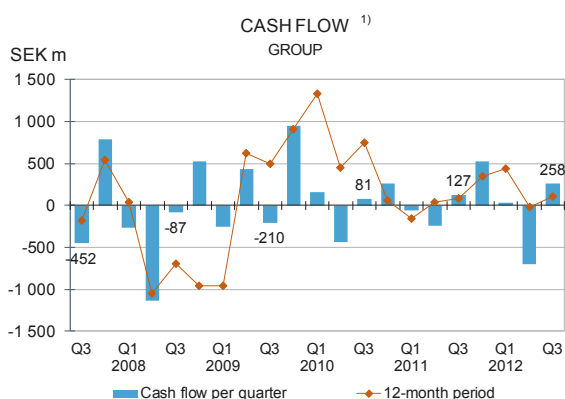
SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
<b>Interest-bearing net liabilities(+)/receivables(-) at beginning of the period</b>	<b>-970</b>	<b>-730</b>	<b>-65</b>	<b>-191</b>	<b>-388</b>	<b>-730</b>
Change in interest-bearing net liabilities/receivables	566	342	-339	-197	-16	-240
<b>Interest-bearing net liabilities(+)/receivables(-) at end of the period</b>	<b>-404</b>	<b>-388</b>	<b>-404</b>	<b>-388</b>	<b>-404</b>	<b>-970</b>

## CASH FLOW

Cash flow from operating activities increased to SEK 304m (173) during the nine-month period. Net investments in development properties resulted in a cash flow of SEK -16m (-372). Increased holdings of unsold residential units on the balance sheet contributed SEK -101m

(5). Consolidated cash flow from project properties (sales minus investment) during the nine-month period was SEK -138m (-110).

Cash flow is burdened to some extent by a temporary increase in other working capital.



<sup>1)</sup> Total cash flow for the period

**RISKS AND UNCERTAINTIES**

JM's risk and risk management policies are presented in Annual Report 2011 on pages 26-29. No significant changes have occurred to alter these reported risks.

**BUYBACK AND HOLDINGS OF OWN SHARES**

During the third quarter of 2012, 1,039,000 shares were bought back for a total of SEK 125.0m. Holdings of own shares subsequently total 2,233,056. After the 2012 Annual General Meeting, a total of 2,082,092 shares were bought back for a total of SEK 250.0m.

The number of outstanding shares, excluding holdings of own shares, totals 81,400,304.

**PERSONNEL**

The number of employees at the end of the nine-month period was 2,332 (2,336). The number of wage-earners was 1,091 (1,133) and the number of salaried employees was 1,241 (1,203). Current staffing is considered well balanced for the current project volume.

## 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–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue	4,126	3,562	1,336	1,197	5,705	5,141
Operating profit	732	687	249	258	1,073	1,028
Operating margin (%)	17.7	19.3	18.6	21.6	18.8	20.0
Average operating capital					2,366	2,286
Return on operating capital (%)					45.3	45.0
Operating cash flow	673	285	194	395	1,029	641
Carrying amount, development properties	2,544	2,813				2,888
Number of available building rights	11,100	12,100				11,800
Number of residential units sold <sup>1)</sup>	833	1,072	273	308	1,162	1,401
Number of housing starts <sup>1)</sup>	1,163	1,335	451	468	1,512	1,684
Number of residential units in current production	3,167	3,353				3,290
Number of employees	803	806				807
<sup>1)</sup> Of which rental apartments	-	77	-	77	-	77

Demand in the existing home market continues to be cautious, but increased activity and a higher number of closings were observed during the period. The time to closing is still longer. The supply of residential units on the existing home market is lower than last year. The supply of new homes continues to be low in relation to long-term demand in the Stockholm area.

Interest in JM's projects is strong. The tendency of customers to sign contracts early in the process increased, but this trend is still project-dependent.

Reservations in projects improved since the second quarter, partly attributable to the large Kista Torn project.

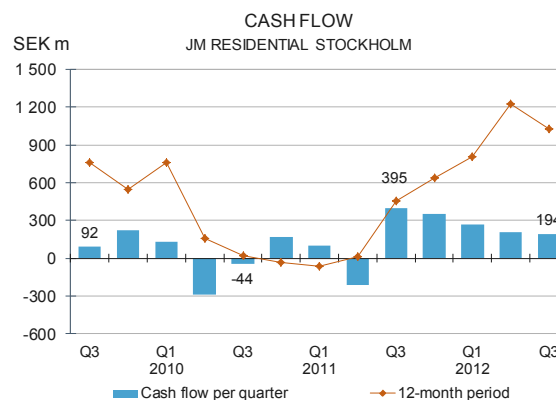
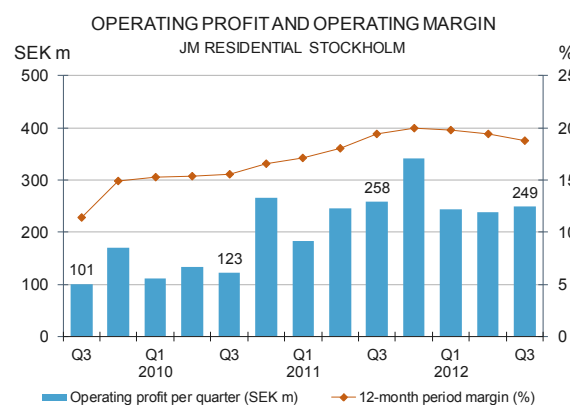
Business segment revenue increased to SEK 4,126m (3,562) and the operating profit increased to SEK 732m (687). The operating margin was 17.7 percent (19.3). The

high revenue is a result of the continued large number of residential units in current production with a high level of activity.

A temporary change in working capital had a negative impact on cash flow for the quarter.

In total, production on 423 residential units was started during the third quarter in apartment buildings in Stockholm and Sundbyberg and 28 single-family homes were started in Solna.

During the third quarter JM purchased building rights in Stockholm corresponding to about 25 homes.



## 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–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue	2,185	2,493	612	725	3,047	3,355
Operating profit <sup>1)</sup>	165	225	46	69	241	301
Operating margin (%)	7.6	9.0	7.5	9.5	7.9	9.0
Average operating capital					1,467	1,478
Return on operating capital (%)					16.4	20.4
Operating cash flow	262	325	213	196	254	317
Carrying amount, development properties	1,421	1,460				1,406
Number of available building rights	9,400	8,800				8,800
Number of residential units sold	610	852	203	229	814	1,056
Number of housing starts	529	956	166	297	730	1,157
Number of residential units in current production	1,668	2,009				1,973
Number of employees	566	604				602
<sup>1)</sup> Including property sales	-	3	-	0	1	4

Demand in the existing home market continues to be cautious, particularly in the Malmö area. Starting bid prices went up in Uppsala and Gothenburg and they remained unchanged or went down in other cities in the business unit compared to last year. The supply of residential units decreased in Uppsala and Gothenburg. In the Malmö area, the supply is large.

Interest in JM's projects is strong, but customers are taking a long time to make a decision, which has resulted in a lower number of signed contracts and fewer housing starts.

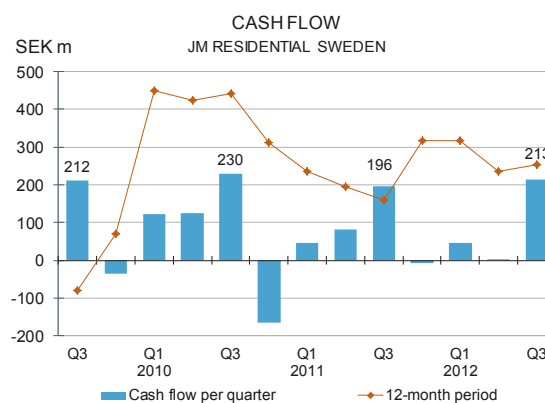
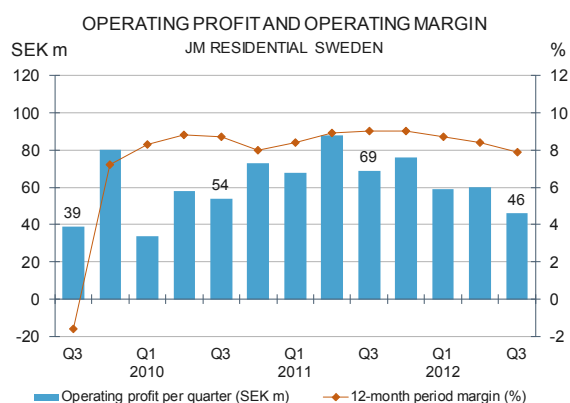
Business segment revenue decreased to SEK 2,185m (2,493) and the operating profit decreased to SEK 165m (225). The operating margin decreased to 7.6 percent

(9.0). The reduction in volume is a result of a lower number of residential units in current production. The decrease in the operating margin is primarily attributable to the decreased production volume and increased selling expenses.

A decrease in working capital had a positive impact on cash flow for the quarter.

In total, JM started production during the third quarter on 166 residential units in apartment buildings in Lomma, Lund and Gothenburg.

During the third quarter, JM purchased building rights corresponding to 70 single-family homes in Partille outside of Gothenburg.



## 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 recognition for the business segment is reported according to IAS 11, percentage of completion method.

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue	2,001	1,550	645	669	2,800	2,349
Operating profit	107	92	41	38	174	159
Operating margin (%)	5.3	5.9	6.4	5.7	6.2	6.8
Average operating capital					2,188	1,822
Return on operating capital (%)					8.0	8.7
Operating cash flow	-119	-273	98	-288	-43	-197
Carrying amount, development properties	1,678	1,481				1,462
Carrying amount, project properties	73	33				51
Number of available building rights	7,100	7,100				6,600
Number of residential units sold	449	442	135	168	662	655
Number of housing starts	473	565	142	240	696	788
Number of residential units in current production	1,151	1,077				1,138
Number of employees	363	343				348

Business segment revenue increased to SEK 2,001m (1,550). Operating profit increased to SEK 107m (92). The operating margin was 5.3 percent (5.9). The improved revenue is a result of the larger number of residential units in current production and the contracting operations acquired in Norway in 2011. The operating margin decreased due to a lower margin level in the acquired contracting operations.

Cash flow for the third quarter improved primarily due to the decrease in working capital.

### NORWAY

Demand for residential units, both newly built and in the existing home market, continued to be strong, particularly in JM's Oslo, Stavanger and Bergen markets. Demand is strengthened by a continued increase in population and high demand for manpower. The price level for residential units increased in 2012.

During the nine-month period, 381 residential units (402) were sold and production began on 411 units (435).

Housing starts during the third quarter consist of 122 residential units, of which 96 in apartment buildings in

Oslo and 26 single-family homes in Bergen and Oslo. The number of residential units in current production amounts to 972 (837).

During the third quarter, building rights equivalent to around 120 residential units were acquired, of which one acquisition includes around 70 units in Stavanger.

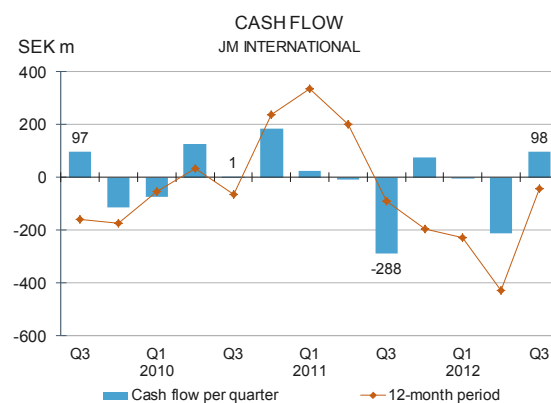
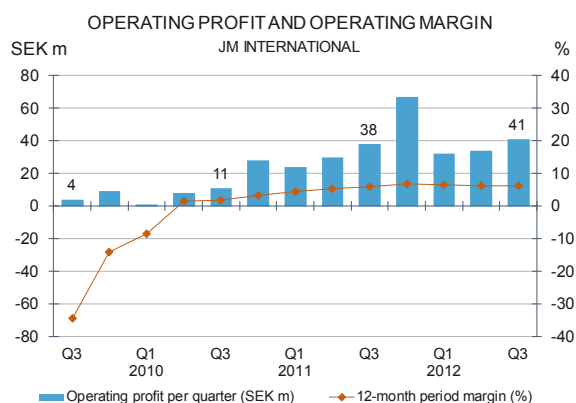
Available building rights correspond to 5,300 residential units (5,400).

### DENMARK

The turmoil in financial markets is contributing to the continued low level of activity in the housing market in Copenhagen. Banks continued their restrictive lending practices to mortgage customers, which offsets the positive effect of lower interest rates. The price level in the existing home market continues to be low.

During the nine-month period, 9 residential units (18) were sold and production began on 2 units (0).

The number of residential units in current production amounts to 20 (62). No acquisitions or housing starts were made during the third quarter. Available building rights correspond to 700 residential units (700).





**FINLAND**

Activity on the housing market in Helsinki remains stable but there are signs that it is decreasing. Customers are cautious and time to closing has increased. Prices in the capital region were unchanged during the year compared to last year.

During the nine-month period, 13 residential units (6) were sold and production began on 34 units (59). Housing starts during the third quarter consist of 20 single-family homes in Esbo. The number of residential units in current production amounts to 62 (59).

Available building rights correspond to 600 residential units (100). The building rights portfolio increased

through conditional acquisitions in Helsinki and Esbo of 480 building rights. These acquisitions serve as the basis for an enhanced position on the Finnish housing market.

**BELGIUM**

Activity in the housing market and price level in the Brussels region continue to be stable.

During the nine-month period, 46 residential units (16) were sold and production began on 26 units (71). The number of residential units in current production amounts to 97 (119). No acquisitions were made during the third quarter.

Available building rights correspond to 500 residential units (900).

**JM PROPERTY DEVELOPMENT**

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

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue	56	52	17	19	77	73
Operating profit <sup>1)</sup>	7	16	4	2	6	15
Average operating capital					922	822
Return on operating capital (%)					0.7	1.8
Operating cash flow	-111	-116	-12	-131	-129	-134
Carrying amount, development properties	61	60				60
Carrying amount, project properties	927	763				808
Number of employees	15	17				18
<sup>1)</sup> Including property sales	0	22	-	-	1	23

Business segment revenue totaled SEK 56m (52), of which rental income was SEK 56m (52). Operating profit was SEK 7m (16).

Net rental income for project properties was SEK 24m (15). Gains on property sales amounted to SEK 0m (22). Cash flow was burdened by investments in project properties totaling SEK 119m (226).

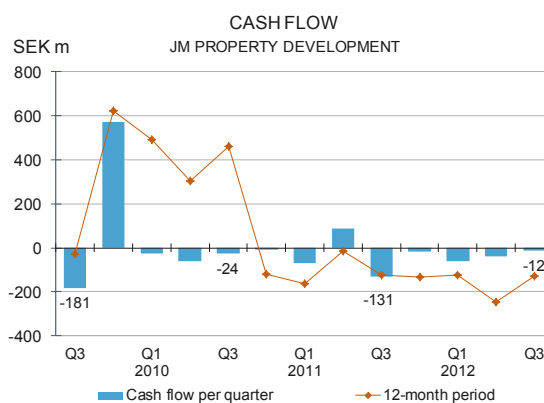
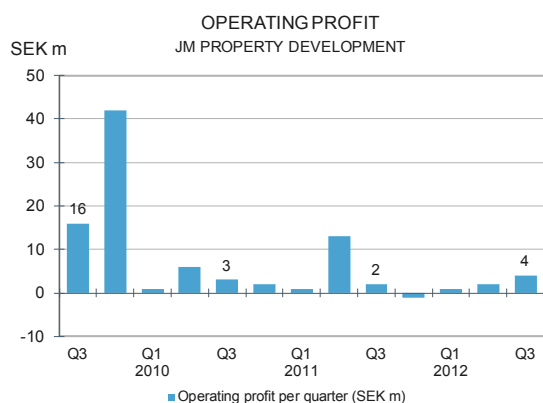
Within the Dalénium area on Lidingö, the occupancy rate in the buildings that will not be demolished is 86 percent.

Special housing for the elderly consisting of 54 residential units was completed and occupancy took place

in September. At a later stage, JM has plans to build 220 rental apartments in the area.

Within the Bolinder area in Kallhäll, Järfälla, the occupancy rate is 89 percent in the buildings that will not be demolished.

Production of a senior housing project consisting of 108 apartments in Stora Sköndal, Stockholm, is underway. A 15-year lease was signed with Stiftelsen Stora Sköndal with two move-in stages; fall of 2013 and spring of 2014.



## JM PRODUCTION

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

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue <sup>1)</sup>	1,428	1,317	463	490	2,097	1,986
Operating profit	43	56	14	24	71	84
Operating margin (%)	3.0	4.3	3.0	4.9	3.4	4.2
Operating cash flow	–1	–46	5	10	27	–18
Number of employees	465	448				478
<sup>1)</sup> Including internally	462	427	135	141	722	687

Demand in the contracting market in Stockholm continues to be strong with customers displaying a good willingness to invest. The civil engineering market is at a stable high level, although it continued to have a high level of competition. Orders are good in the business segment, with a large number of projects in current production.

Projects with lower margins have a negative impact on the outcome. These projects were obtained during a period of high competition.

Business segment revenue increased to SEK 1,428m (1,317) and the operating profit was SEK 43m (56). The operating margin decreased to 3.0 percent (4.3).

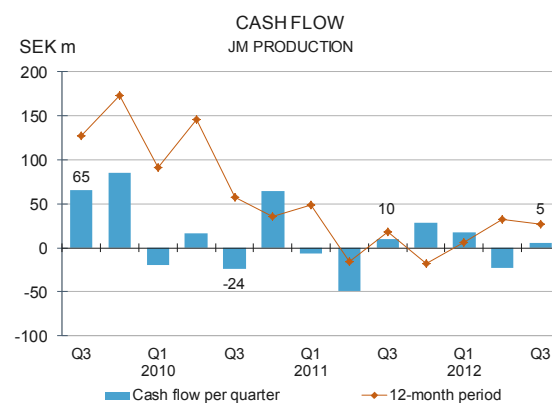
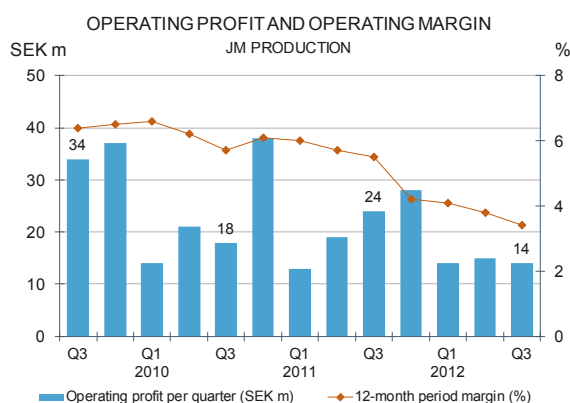
Cash flow is burdened by a temporary increase in working capital.

The business segment received a number of assignments during the quarter, of which the largest was an order by Microsoft for the renovation of an office building in Kista.

The largest projects currently underway are two

phases of the new E18 motorway between Hjulsta and Kista (Swedish Transport Administration), new production of an office building in Frösunda, Solna (Vasakronan), a collaborative contract for rebuilding a school in Stockholm (SISAB), renovation of and additions to Pir F Västra at Arlanda (Swedavia), streets and conduits (Tyresö and Nacka Municipalities), a renovation project in central Stockholm (Praktikertjänst) and site and track work for expansion of railway tracks in Bromma (Storstockholms Lokaltrafik). A project is also underway for the renovation of, additions to and new production of schools (Nacka, Sundbyberg and Sollentuna Municipalities). A project is underway in Hammarby Sjöstad to build streets and conduits (City of Stockholm).

Projects for JM Residential Stockholm include construction of apartment buildings in Bromma, at Telefonplan and in Älta, as well as site work within the Dalén area on Lidingö. In addition, the quays in the Liljeholmen area are being extended and completed for use. Senior housing at Stora Sköndal is being built for JM Property Development.



## CONDENSED CONSOLIDATED INCOME STATEMENT

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Revenue	9,041	8,299	3,108	3,071	12,743	12,001
Production and operating costs	–7,473	–6,773	–2,598	–2,521	–10,498	–9,798
<b>Gross profit</b>	<b>1,568</b>	<b>1,526</b>	<b>510</b>	<b>550</b>	<b>2,245</b>	<b>2,203</b>
Selling and administrative expenses	–558	–538	–151	–155	–737	–717
Gains on the sale of properties	0	25	-	-	2	27
<b>Operating profit</b>	<b>1,010</b>	<b>1,013</b>	<b>359</b>	<b>395</b>	<b>1,510</b>	<b>1,513</b>
Financing income and expenses	–42	–39	–17	–15	–53	–50
<b>Profit before tax</b>	<b>968</b>	<b>974</b>	<b>342</b>	<b>380</b>	<b>1,457</b>	<b>1,463</b>
Taxes	–266	–279	–94	–107	–408	–421
<b>Net profit for the period</b>	<b>702</b>	<b>695</b>	<b>248</b>	<b>273</b>	<b>1,049</b>	<b>1,042</b>
<b>Total other comprehensive income</b>						
Translation differences	–22	22	–23	4	–47	–3
<b>Total comprehensive income for the period</b>	<b>680</b>	<b>717</b>	<b>225</b>	<b>277</b>	<b>1,002</b>	<b>1,039</b>
Net profit for the period attributable to shareholders of the parent company	702	695	248	273	1,049	1,042
Total comprehensive income attributable to shareholders of the parent company	680	717	225	277	1,002	1,039
Earnings per share, basic attributable to shareholders of the parent company (SEK) <sup>1)</sup>	8.50	8.30	3.00	3.30	12.60	12.50
Earnings per share, diluted attributable to shareholders of the parent company (SEK) <sup>1)</sup>	8.40	8.30	3.00	3.30	12.60	12.40
<i>No. of shares outstanding at close of period</i>	<i>81,400,304</i>	<i>83,371,032</i>	<i>81,400,304</i>	<i>83,371,032</i>	<i>81,400,304</i>	<i>83,379,407</i>
<i>Average number of shares, basic</i>	<i>82,873,118</i>	<i>83,281,526</i>	<i>83,200,033</i>	<i>83,356,017</i>	<i>82,998,625</i>	<i>83,305,326</i>
<i>Average number of shares, diluted</i>	<i>83,813,591</i>	<i>84,587,590</i>	<i>83,993,433</i>	<i>84,486,616</i>	<i>83,962,560</i>	<i>84,560,636</i>

<sup>1)</sup> Profit for the period.

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	2012-09-30	2011-09-30	2011-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>296</b>	<b>334</b>	<b>315</b>
Project properties	1,000	796	859
Development properties	5,722	5,814	5,816
Participations in tenant-owners associations, etc.	193	115	150
Current receivables <sup>1)</sup>	1,889	1,731	1,719
Cash and cash equivalents	2,022	1,917	2,437
<b>Total current assets</b>	<b>10,826</b>	<b>10,373</b>	<b>10,981</b>
<b>Total assets</b>	<b>11,122</b>	<b>10,707</b>	<b>11,296</b>
<b>EQUITY AND LIABILITIES<sup>2)</sup></b>			
<b>Shareholders' equity</b>	<b>4,494</b>	<b>4,276</b>	<b>4,598</b>
Non-current interest-bearing liabilities	293	287	293
Other non-current liabilities	109	205	172
Non-current provisions	2,189	1,918	2,123
<b>Total non-current liabilities</b>	<b>2,591</b>	<b>2,410</b>	<b>2,588</b>
Current interest-bearing liabilities	688	640	566
Other current liabilities	3,244	3,272	3,440
Current provisions	105	109	104
<b>Total current liabilities</b>	<b>4,037</b>	<b>4,021</b>	<b>4,110</b>
<b>Total shareholders' equity and liabilities</b>	<b>11,122</b>	<b>10,707</b>	<b>11,296</b>
Pledged assets	514	547	422
Contingent liabilities	6,166	5,576	5,915
<sup>1)</sup> Including receivables from property sales	0	35	0
<sup>2)</sup> Including liabilities for property acquisition	429	472	470

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

SEK m	January–September		Full year 2011
	2012	2011	
<b>Opening balance at beginning of the year</b>	<b>4,598</b>	<b>3,923</b>	<b>3,923</b>
Total comprehensive income for the period	680	717	1,039
Dividend	-542	-375	-375
Conversion of convertible loan	7	11	11
Equity component of convertible debentures	1	2	2
Share-based payments regulated with equity instruments	-	-2	-2
Repurchase of shares	-250	-	-
<b>Closing balance at end of the period</b>	<b>4,494</b>	<b>4,276</b>	<b>4,598</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

SEK m	January–September		July–September		Oct.–Sept. 2011/2012	Full year 2011
	2012	2011	2012	2011		
<b>Cash flow from current operations before change in working capital</b>	<b>734</b>	<b>756</b>	<b>292</b>	<b>358</b>	<b>1,168</b>	<b>1,190</b>
Investment in development properties, etc. <sup>1)</sup>	-1,232	-1,405	-441	-570	-1,699	-1,872
Payment on account for development properties etc. <sup>2)</sup>	1,115	1,038	472	417	1,513	1,436
Investment in project properties	-138	-228	-15	-136	-201	-291
Sale of project properties	0	118	-	0	0	118
Change in current liabilities/receivables	-175	-106	134	247	83	152
<b>Cash flow from current operations</b>	<b>304</b>	<b>173</b>	<b>442</b>	<b>316</b>	<b>864</b>	<b>733</b>
Acquisition subsidiary	-	-136	-	-136	-	-136
Other investing activities	-2	31	0	-9	10	43
<b>Cash flow from investment activities</b>	<b>-2</b>	<b>-105</b>	<b>0</b>	<b>-145</b>	<b>10</b>	<b>-93</b>
Loans raised	223	437	19	40	233	447
Amortization of debt	-145	-302	-78	-84	-205	-362
Repurchase of shares	-250	-	-125	-	-250	-
Dividend	-542	-375	-	-	-542	-375
<b>Cash flow from financing activities</b>	<b>-714</b>	<b>-240</b>	<b>-184</b>	<b>-44</b>	<b>-764</b>	<b>-290</b>
<b>Cash flow for the period</b>	<b>-412</b>	<b>-172</b>	<b>258</b>	<b>127</b>	<b>110</b>	<b>350</b>
<b>Cash and cash equivalents at end of the period</b>	<b>2,022</b>	<b>1,917</b>	<b>2,022</b>	<b>1,917</b>	<b>2,022</b>	<b>2,437</b>
<sup>1)</sup> Including investment in participations in tenant-owners associations and freehold residential units	-418	-178	-202	-47	-556	-316
<sup>2)</sup> Including sale of participations in tenant-owners associations and freehold residential units	317	183	135	54	398	264

**KEY FIGURES**

%	January–September		July–September		Oct.–Sept. 2011/2012	Full year 2011
	2012	2011	2012	2011		
Operating margin	11.2	12.2	11.6	12.9	11.8	12.6
Pre-tax return on capital employed					26.0	27.5
Return on equity					23.9	24.5
Debt/equity ratio (x)	-	-	-	-		-
Equity/assets ratio	40	40	40	40		41

**ACCOUNTING PRINCIPLES**

This interim report for the first nine months 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 will be applied.

The accounting policies applied in this interim report are described in Annual Report 2011, pages 64-67. The

accounting policies and methods of calculation for the Group are the same as those applied in the annual report for the previous year.

New and changed accounting standards and interpretations that apply to 2012 are extremely limited in scope and are not assessed to have any impact on JM's financial statements.

**REVENUE BY COUNTRY**

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Sweden	7,334	6,997	2,294	2,290	10,205	9,868
Norway	1,700	1,282	539	555	2,392	1,974
Denmark	90	124	23	54	145	179
Finland	110	72	50	30	129	91
Belgium	94	72	26	30	127	105
Restatement JM International <sup>1)</sup>	-287	-248	176	112	-255	-216
<b>Total</b>	<b>9,041</b>	<b>8,299</b>	<b>3,108</b>	<b>3,071</b>	<b>12,743</b>	<b>12,001</b>

**REVENUE BY BUSINESS SEGMENT**

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	4,126	3,562	1,336	1,197	5,705	5,141
JM Residential Sweden	2,185	2,493	612	725	3,047	3,355
JM International	2,001	1,550	645	669	2,800	2,349
JM Property Development	56	52	17	19	77	73
JM Production	1,428	1,317	463	490	2,097	1,986
Elimination	-462	-427	-135	-141	-722	-687
Total as stated in segment reporting	9,334	8,547	2,938	2,959	13,004	12,217
Restatement JM International <sup>1)</sup>	-293	-248	170	112	-261	-216
<b>Total</b>	<b>9,041</b>	<b>8,299</b>	<b>3,108</b>	<b>3,071</b>	<b>12,743</b>	<b>12,001</b>

**OPERATING PROFIT BY BUSINESS SEGMENT**

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	732	687	249	258	1,073	1,028
JM Residential Sweden	165	225	46	69	241	301
JM International	107	92	41	38	174	159
JM Property Development	7	16	4	2	6	15
JM Production	43	56	14	24	71	84
Group-wide costs	-35	-29	-9	-9	-49	-43
Total as stated in segment reporting	1,019	1,047	345	382	1,516	1,544
Restatement JM International <sup>1)</sup>	-9	-34	14	13	-6	-31
<b>Total</b>	<b>1,010</b>	<b>1,013</b>	<b>359</b>	<b>395</b>	<b>1,510</b>	<b>1,513</b>

**OPERATING MARGIN BY BUSINESS SEGMENT**

%	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	17.7	19.3	18.6	21.6	18.8	20.0
JM Residential Sweden	7.6	9.0	7.5	9.5	7.9	9.0
JM International	5.3	5.9	6.4	5.7	6.2	6.8
JM Production	3.0	4.3	3.0	4.9	3.4	4.2

**AVERAGE OPERATING CAPITAL BY BUSINESS SEGMENT**

SEK m	Oct.–Sept.	Full year
	2011/2012	2011
JM Residential Stockholm	2,366	2,286
JM Residential Sweden	1,467	1,478
JM International	2,188	1,822
JM Property Development	922	822

**RETURN ON OPERATING CAPITAL BY BUSINESS SEGMENT**

%	Oct.–Sept.	Full year
	2011/2012	2011
JM Residential Stockholm	45.3	45.0
JM Residential Sweden	16.4	20.4
JM International	8.0	8.7
JM Property Development	0.7	1.8

<sup>1)</sup> Effect of restatement on income and profit and loss according to IFRIC 15 in relation to segment reporting.

**OPERATING CASH FLOW BY BUSINESS SEGMENT**

SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	673	285	194	395	1,029	641
JM Residential Sweden	262	325	213	196	254	317
JM International	-119	-273	98	-288	-43	-197
JM Property Development	-111	-116	-12	-131	-129	-134
JM Production	-1	-46	5	10	27	-18

**DEVELOPMENT PROPERTIES BY BUSINESS SEGMENT**

Carrying amount, SEK m	2012-09-30	2011-09-30	2011-12-31
JM Residential Stockholm	2,544	2,813	2,888
JM Residential Sweden	1,421	1,460	1,406
JM International	1,678	1,481	1,462
JM Property Development	61	60	60
JM Production	18	-	-
<b>Total</b>	<b>5,722</b>	<b>5,814</b>	<b>5,816</b>

**AVAILABLE RESIDENTIAL BUILDING RIGHTS BY BUSINESS SEGMENT**

Number	2012-09-30	2011-09-30	2011-12-31
JM Residential Stockholm	11,100	12,100	11,800
JM Residential Sweden	9,400	8,800	8,800
JM International	7,100	7,100	6,600
<b>Total</b>	<b>27,600</b>	<b>28,000</b>	<b>27,200</b>

Recognized on the balance sheet (development properties)

JM Residential Stockholm	7,200	7,100	7,500
JM Residential Sweden	5,700	5,600	5,600
JM International	4,500	4,600	4,500
<b>Total</b>	<b>17,400</b>	<b>17,300</b>	<b>17,600</b>

**RESIDENTIAL UNITS SOLD BY BUSINESS SEGMENT**

Number	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	833	1,072	273	308	1,162	1,401
JM Residential Sweden	610	852	203	229	814	1,056
JM International	449	442	135	168	662	655
<b>Total</b>	<b>1,892</b>	<b>2,366</b>	<b>611</b>	<b>705</b>	<b>2,638</b>	<b>3,112</b>

**HOUSING STARTS BY BUSINESS SEGMENT**

Number	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
JM Residential Stockholm	1,163	1,335	451	468	1,512	1,684
JM Residential Sweden	529	956	166	297	730	1,157
JM International	473	565	142	240	696	788
<b>Total</b>	<b>2,165</b>	<b>2,856</b>	<b>759</b>	<b>1,005</b>	<b>2,938</b>	<b>3,629</b>

**RESIDENTIAL UNITS IN CURRENT PRODUCTION**

Number	2012-09-30	2011-09-30	2011-12-31
JM Residential Stockholm	3,167	3,353	3,290
JM Residential Sweden	1,668	2,009	1,973
JM International	1,151	1,077	1,138
<b>Total</b>	<b>5,986</b>	<b>6,439</b>	<b>6,401</b>

**PROJECT PROPERTIES, GROUP**

Carrying amount, SEK m	2012-09-30	2011-09-30	2011-12-31
Residential units (tenancy rights)	130	130	130
Properties under development	651	562	672
Fully developed commercial properties and senior housing	219	104	57
<b>Total</b>	<b>1,000</b>	<b>796</b>	<b>859</b>

**DEVELOPMENT PROPERTIES, GROUP**

Carrying amount, SEK m	January–September		July–September		Oct.–Sept.	Full year
	2012	2011	2012	2011	2011/2012	2011
Opening balance at beginning of period	5,816	5,374	5,939	5,570	5,814	5,374
New purchases	738	1,261	153	599	1,062	1,585
Transferred to production	-797	-833	-336	-341	-1,077	-1,113
Other	-35	12	-34	-14	-77	-30
<b>Closing balance at end of period</b>	<b>5,722</b>	<b>5,814</b>	<b>5,722</b>	<b>5,814</b>	<b>5,722</b>	<b>5,816</b>

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

SEK m	January–September		Full year
	2012	2011	2011
Net sales	6,355	6,029	8,436
Production and operating costs	-5,155	-4,822	-6,934
<b>Gross profit</b>	<b>1,200</b>	<b>1,207</b>	<b>1,502</b>
Selling and administrative expenses	-369	-365	-499
Gains on the sale of properties	0	-	1
<b>Operating profit</b>	<b>831</b>	<b>842</b>	<b>1,004</b>
Financial income and expenses	25	-4	831
<b>Profit before appropriations and tax</b>	<b>856</b>	<b>838</b>	<b>1,835</b>
Appropriations	-	-	-263
<b>Profit before tax</b>	<b>856</b>	<b>838</b>	<b>1,572</b>
Tax	-218	-211	-200
<b>Net profit for the period</b>	<b>638</b>	<b>627</b>	<b>1,372</b>

**CONDENSED BALANCE SHEET, PARENT COMPANY**

SEK m	2012-09-30	2011-09-30	2011-12-31
<b>Assets</b>			
Non-current assets	1,234	1,486	1,215
Current assets	8,691	8,251	9,082
<b>Total assets</b>	<b>9,925</b>	<b>9,737</b>	<b>10,297</b>
<b>Equity and liabilities</b>			
Shareholders' equity	3,218	2,616	3,365
Untaxed reserves	1,092	829	1,092
Provisions	923	943	912
Non-current liabilities	210	313	280
Current liabilities	4,482	5,036	4,648
<b>Total shareholders' equity and liabilities</b>	<b>9,925</b>	<b>9,737</b>	<b>10,297</b>
Pledged assets	169	169	169
Contingent liabilities	6,921	6,594	6,806

Investments in properties amounted to SEK 321m (464).

Stockholm October 26, 2012  
JM AB (publ)

Johan Skoglund  
President

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

## GROUP

### FIVE-YEAR OVERVIEW <sup>1)</sup>

SEK m	2011	2010	2009	2008	2007
Revenue	12,001	9,136	9,620	12,229	12,731
Operating profit	1,513	907	646	1,083	2,301
Profit before tax	1,463	840	529	1,052	2,297
Total assets	11,296	9,893	9,887	10,055	9,916
Cash flow from operating activities	733	42	1,124	101	1,826
Interest-bearing liabilities(+)/receivables(-)	-970	-730	-189	842	-1,313
Operating margin (%)	12.6	9.9	6.7	8.9	18.1
Return on equity (%)	24.5	15.7	10.6	22.9	44.5
Equity/assets ratio (%)	41	40	37	32	39
Earnings per share (SEK)	12.50	7.10	4.40	9.50	18.30
Dividend per share (SEK)	6.50	4.50	2.50	0	5.50
Number of available building rights	27,200	27,500	27,900	31,000	31,000
Number of sold residential units	3,112	3,276	3,291	1,871	3,880
Number of housing starts	3,629	3,404	2,150	1,829	4,065
Number of residential units in current production	6,401	5,431	3,744	5,118	6,844

<sup>1)</sup> Financial year 2008 and earlier are not restated according to IFRIC 15.



## GROUP

## QUARTERLY OVERVIEW

SEK m	2012			2011			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>INCOME STATEMENT</b>							
Revenue	3,108	2,946	2,987	3,702	3,071	2,681	2,547
Production and operating costs	-2,598	-2,403	-2,472	-3,025	-2,521	-2,162	-2,090
<b>Gross profit</b>	<b>510</b>	<b>543</b>	<b>515</b>	<b>677</b>	<b>550</b>	<b>519</b>	<b>457</b>
Selling and administrative expenses	-151	-221	-186	-179	-155	-203	-180
Gains on the sale of properties	-	-	0	2	0	23	2
<b>Operating profit</b>	<b>359</b>	<b>322</b>	<b>329</b>	<b>500</b>	<b>395</b>	<b>339</b>	<b>279</b>
Financial income and expenses	-17	-12	-13	-11	-15	-10	-14
<b>Profit before tax</b>	<b>342</b>	<b>310</b>	<b>316</b>	<b>489</b>	<b>380</b>	<b>329</b>	<b>265</b>
Taxes	-94	-83	-89	-142	-107	-94	-78
<b>Net profit for the period</b>	<b>248</b>	<b>227</b>	<b>227</b>	<b>347</b>	<b>273</b>	<b>235</b>	<b>187</b>
<b>BALANCE SHEET</b>	<b>09-30</b>	<b>06-30</b>	<b>03-31</b>	<b>12-31</b>	<b>09-30</b>	<b>06-30</b>	<b>03-31</b>
<b>ASSETS</b>							
<b>Non-current assets</b>	<b>296</b>	<b>311</b>	<b>312</b>	<b>315</b>	<b>334</b>	<b>173</b>	<b>176</b>
Project properties	1,000	984	925	859	796	783	854
Development properties	5,722	5,939	5,798	5,816	5,814	5,570	5,593
Participations in tenant-owners associations, etc.	193	147	168	150	115	99	115
Current receivables	1,889	2,154	1,860	1,719	1,731	1,687	1,404
Cash and cash equivalents	2,022	1,767	2,469	2,437	1,917	1,790	2,024
<b>Total current assets</b>	<b>10,826</b>	<b>10,991</b>	<b>11,220</b>	<b>10,981</b>	<b>10,373</b>	<b>9,929</b>	<b>9,990</b>
<b>Total assets</b>	<b>11,122</b>	<b>11,302</b>	<b>11,532</b>	<b>11,296</b>	<b>10,707</b>	<b>10,102</b>	<b>10,166</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Shareholders' equity</b>	<b>4,494</b>	<b>4,391</b>	<b>4,827</b>	<b>4,598</b>	<b>4,276</b>	<b>3,990</b>	<b>4,099</b>
Non-current interest-bearing liabilities	293	332	340	293	287	247	305
Other non-current liabilities	109	163	173	172	205	198	198
Non-current provisions	2,189	2,169	2,149	2,123	1,918	1,867	1,852
<b>Total non-current liabilities</b>	<b>2,591</b>	<b>2,664</b>	<b>2,662</b>	<b>2,588</b>	<b>2,410</b>	<b>2,312</b>	<b>2,355</b>
Current interest-bearing liabilities	688	742	635	566	640	752	445
Other current liabilities	3,244	3,404	3,303	3,440	3,272	2,942	3,159
Current provisions	105	101	105	104	109	106	108
<b>Total current liabilities</b>	<b>4,037</b>	<b>4,247</b>	<b>4,043</b>	<b>4,110</b>	<b>4,021</b>	<b>3,800</b>	<b>3,712</b>
<b>Total shareholders' equity and liabilities</b>	<b>11,122</b>	<b>11,302</b>	<b>11,532</b>	<b>11,296</b>	<b>10,707</b>	<b>10,102</b>	<b>10,166</b>
<b>CASH FLOW STATEMENT</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
Cash flow from operating activities	442	-140	2	560	316	-78	-65
Cash flow from investing activities	0	-2	0	12	-145	-1	41
Cash flow from financing activities	-184	-560	30	-50	-44	-158	-38
<b>Total cash flow for the period</b>	<b>258</b>	<b>-702</b>	<b>32</b>	<b>522</b>	<b>127</b>	<b>-237</b>	<b>-62</b>
<b>Cash and cash equivalents at end of period</b>	<b>2,022</b>	<b>1,767</b>	<b>2,469</b>	<b>2,437</b>	<b>1,917</b>	<b>1,790</b>	<b>2,024</b>
<b>INTEREST-BEARING NET LIABILITIES/ RECEIVABLES</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
<b>Interest-bearing net liabilities(+)/ receivables(-) at beginning of period</b>	<b>-65</b>	<b>-876</b>	<b>-970</b>	<b>-388</b>	<b>-191</b>	<b>-683</b>	<b>-730</b>
Change in interest-bearing net liabilities/ receivables	-339	811	94	-582	-197	492	47
<b>Interest-bearing net liabilities(+)/ receivables(-) at end of the period</b>	<b>-404</b>	<b>-65</b>	<b>-876</b>	<b>-970</b>	<b>-388</b>	<b>-191</b>	<b>-683</b>
<b>DEVELOPMENT PROPERTIES</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
<b>Opening balance at beginning of period</b>	<b>5,939</b>	<b>5,798</b>	<b>5,816</b>	<b>5,814</b>	<b>5,570</b>	<b>5,593</b>	<b>5,374</b>
New purchases	153	307	278	324	599	247	415
Transferred to production	-336	-162	-299	-280	-341	-325	-167
Other	-34	-4	3	-42	-14	55	-29
<b>Closing balance at end of period</b>	<b>5,722</b>	<b>5,939</b>	<b>5,798</b>	<b>5,816</b>	<b>5,814</b>	<b>5,570</b>	<b>5,593</b>
<b>KEY RATIOS</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
Operating margin (%)	11.6	10.9	11.0	13.5	12.9	12.6	11.0
Debt/equity ratio (x)	-	-	-	-	-	-	-
Equity/assets ratio (%)	40	39	42	41	40	39	40
Earnings per share (SEK)	3.00	2.70	2.70	4.20	3.30	2.80	2.20
Number of available building rights	27,600	27,700	27,200	27,200	28,000	26,500	26,300
Number of residential units sold	611	654	627	746	705	821	840
Number of housing starts	759	775	631	773	1,005	943	908
Number of residential units in current production	5,986	5,769	5,786	6,401	6,439	6,027	5,957

## BUSINESS SEGMENTS

### QUARTERLY OVERVIEW

SEK m	2012			2011			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>JM RESIDENTIAL STOCKHOLM</b>							
Revenue	1,336	1,376	1,414	1,579	1,197	1,320	1,045
Operating profit	249	239	244	341	258	246	183
Operating margin (%)	18.6	17.4	17.3	21.6	21.6	18.6	17.5
Average operating capital	2,366	2,394	2,349	2,286	2,153	1,985	1,843
Return on operating capital (%) <sup>2)</sup>	45.3	45.2	46.4	45.0	44.3	41.2	38.3
Operating cash flow	194	211	268	356	395	-211	101
Carrying amount, development properties	2,544	2,741	2,753	2,888	2,813	2,691	2,679
Number of available building rights	11,100	11,500	11,500	11,800	12,100	10,900	10,700
Number of residential units sold <sup>1)</sup>	273	252	308	329	308	369	395
Number of housing starts <sup>1)</sup>	451	367	345	349	468	439	428
Number of residential units in current production	3,167	3,032	3,059	3,290	3,353	3,116	2,931
<sup>1)</sup> Including rental apartments	-	-	-	-	77	-	-
<b>JM RESIDENTIAL SWEDEN</b>							
Revenue	612	790	783	862	725	976	792
Operating profit <sup>1)</sup>	46	60	59	76	69	88	68
Operating margin (%)	7.5	7.6	7.5	8.8	9.5	9.0	8.6
Average operating capital	1,467	1,487	1,485	1,478	1,443	1,462	1,469
Return on operating capital (%) <sup>2)</sup>	16.4	17.7	19.7	20.4	20.7	19.4	17.2
Operating cash flow	213	4	45	-8	196	83	46
Carrying amount, development properties	1,421	1,465	1,499	1,406	1,460	1,512	1,539
Number of available building rights	9,400	9,500	9,000	8,800	8,800	9,000	8,900
Number of residential units sold	203	231	176	204	229	303	320
Number of housing starts	166	210	153	201	297	332	327
Number of residential units in current production	1,668	1,533	1,571	1,973	2,009	1,955	1,953
<sup>1)</sup> Including property sales	-	-	-	1	0	3	-
<b>JM INTERNATIONAL</b>							
Revenue	645	696	660	799	669	464	417
Operating profit	41	34	32	67	38	30	24
Operating margin (%)	6.4	4.9	4.8	8.4	5.7	6.5	5.8
Average operating capital	2,188	2,072	1,924	1,822	1,764	1,718	1,774
Return on operating capital (%) <sup>2)</sup>	8.0	8.3	8.7	8.7	6.8	5.4	4.0
Operating cash flow	98	-211	-6	76	-288	-10	25
Carrying amount, development properties	1,678	1,654	1,485	1,462	1,481	1,306	1,315
Carrying amount, project properties	73	74	51	51	33	35	33
Number of available building rights	7,100	6,700	6,700	6,600	7,100	6,600	6,700
Number of residential units sold	135	171	143	213	168	149	125
Number of housing starts	142	198	133	223	240	172	153
Number of residential units in current production	1,151	1,204	1,156	1,138	1,077	956	1,073
<b>JM PROPERTY DEVELOPMENT</b>							
Revenue	17	18	21	21	19	17	16
Operating profit <sup>1)</sup>	4	2	1	-1	2	13	1
Average operating capital	922	893	864	822	797	770	739
Return on operating capital (%) <sup>2)</sup>	0.7	0.4	1.7	1.8	2.3	2.5	1.6
Operating cash flow	-12	-37	-62	-18	-131	86	-71
Carrying amount, development properties	61	61	61	60	60	61	60
Carrying amount, project properties	927	910	874	808	763	748	821
<sup>1)</sup> Including property sales	-	-	0	1	-	20	2
<b>JM PRODUCTION</b>							
Revenue	463	510	455	669	490	480	347
Operating profit	14	15	14	28	24	19	13
Operating margin (%)	3.0	2.9	3.1	4.2	4.9	4.0	3.7
Operating cash flow	5	-23	17	28	10	-49	-7
<b>JM OTHER</b>							
Revenue (elimination)	-135	-182	-145	-260	-141	-160	-126
Operating profit (group-wide expenses)	-9	-13	-13	-14	-9	-9	-11
<b>RESTATEMENT JM INTERNATIONAL</b>							
Revenue	170	-262	-201	32	112	-416	56
Operating profit	14	-15	-8	3	13	-48	1

<sup>2)</sup> 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 seeks to promote long-term quality and environmental considerations in all its operations.

Annual sales total approximately SEK 13 billion and the company has approximately 2,300 employees.

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

### FINANCIAL TARGETS AND DIVIDENDS POLICY

The operating margin should amount to 10 percent, including gains from property sales of 1–2 percent. 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 are therefore 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 11:00 AM on October 26, 2012.

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### ADDITIONAL INFORMATION

#### FINANCIAL CALENDAR

#### February 12, 2013

Year-end Report 2012

#### April 25, 2013

Interim report January–March 2013 and Annual General Meeting 2013

#### PRESS RELEASES, Q3

#### 2012-09-28

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

#### 2012-09-27

JM AB's Nomination Committee for Annual General Meeting 2013

#### 2012-09-24

Maria Bäckman new General Counsel at JM AB (publ)

#### 2012-08-31

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

#### 2012-08-23

Interim report January-June 2012

#### 2012-08-22

JM builds Stockholm's highest apartment building

#### 2012-07-31

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

JM's annual reports are available at  
[www.jm.se/investors](http://www.jm.se/investors)

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