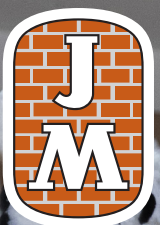


Interim Report January–September 2022



Interim Report January–September 2022

JANUARY – SEPTEMBER 2022

Revenue increased to SEK 11,233m (10,541).

Operating profit decreased to SEK 1,297m (1,460). The operating margin decreased to 11.6 percent (13.9).

Gains from sale of properties and from joint venture of SEK –8m (194) are included in the operating profit.

Profit before tax decreased to SEK 1,249m (1,416), and profit after tax decreased to SEK 982m (1,145).

Return on equity for the past twelve months amounted to 19.9 percent (22.8). Earnings per share during the nine-month period amounted to SEK 14.50 (16.50).

Consolidated cash flow including net investment in properties amounted to SEK –615m (1,371).

The number of residential units sold decreased to 2,197 (3,279), and housing starts to 2,215 (2,544).

JULY – SEPTEMBER 2022

Revenue increased to SEK 3,589m (3,485).

Operating profit decreased to SEK 399m (445). The operating margin decreased to 11.1 percent (12.8).

Gains from sale of properties and from joint venture of SEK –9m (16) are included in the operating profit.

Profit before tax decreased to SEK 380m (432), and profit after tax decreased to SEK 295m (333).

Consolidated cash flow including net investment in properties amounted to SEK –363m (487).

The number of residential units sold decreased to 470 (808), and housing starts to 688 (817).

ACCORDING TO SEGMENT REPORTING SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	11,233	10,541	3,589	3,485	15,300	14,608
Operating profit	1,297	1,460	399	445	2,053	2,216
Operating margin, %	11.6	13.9	11.1	12.8	13.4	15.2
Profit before tax	1,249	1,416	380	432	1,990	2,158
Cash flow from operating activities	–615	1,371	–363	487	302	2,287
Return on equity, %					19.9	21.9
Equity/assets ratio, %	49	48				50
Earnings per share, SEK	14.50	16.50	4.40	4.80	24.00	25.90
Number of residential units sold ¹⁾²⁾	2,197	3,279	470	808	3,166	4,248
Number of housing starts ³⁾⁴⁾	2,215	2,544	688	817	3,643	3,972
Number of residential units in current production	7,962	7,722				8,094
Revenue according to IFRS	10,507	10,723	3,004	3,120	15,433	15,650
Operating profit according to IFRS	1,205	1,460	339	422	1,973	2,227
Earnings per share according to IFRS, SEK	13.30	16.20	3.70	4.40	23.10	26.00
¹⁾ Of which rental units in JM Property Development	–	320	–	–	–	320
²⁾ Of which residential units in JM International to investors	231	437	–	78	377	583
³⁾ Of which rental units in JM Property Development	96	–	96	–	437	341
⁴⁾ Of which residential units in JM International to investors	231	359	–	–	377	505

For the Group's income statement and balance sheet in accordance with IFRS, IFRS 15 Revenue from Contracts with Customers is applied, which means that revenue and profit/loss from 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 the percentage of completion method. The Group's calculations according to IFRS are presented on pages 22–23. For definitions of key financial figures, see "Definitions Key Financial Figures" at jm.se/en/about-us/investors/

The financial statements are presented in Swedish krona (SEK), which is also the reporting currency for the Parent Company. All amounts are rounded to the nearest million unless otherwise specified. The figures in the report are based on the Group's consolidation system, which is in SEK thousand. Due to rounding of figures in tables, total amounts may not correspond to the sum of the initial rounded whole numbers. Unless otherwise specified, the analysis and comments in this Interim Report are based on JM's segment reporting. This Interim Report is a translation of the original text in Swedish which is the official version.

Strong financial position in a cautious market

The quarter has been reflected by continued uncertainty due to the ongoing war in Ukraine, high energy prices and continues rising inflation and interest rates. As a result, we are seeing a slow-down in the market, primarily in Sweden, but price levels on all of our markets continue to be good. We had a continued high percentage of reserved and sold residential units in current production, 69 percent and a strong balance sheet.

The number of housing starts decreased during the third quarter. This decrease is primarily attributable to a lower level of housing starts in Stockholm, where the absence of necessary decisions by authorities has delayed several projects.

The macroeconomic conditions for our business deteriorated in 2022, with the market dynamics in our three countries developing differently. Customers on the Swedish housing market are cautious at the same time as prices on the existing home market are decreasing and supply is increasing. The supply of new production continues to be historically low. Rising interest rates and high inflation are impacting all of our markets negatively.

In Norway, prices on the existing home market decreased during the end of the quarter but rose as a whole in 2022. Interest in our residential units continues to be high, but there is even greater cost pressure than in other countries. In Finland, prices are at a good level, but the war in Ukraine and rising interest rates had a tangible impact on consumers' future outlook. A decrease in the activity on the housing market was noted in the third quarter.

We are seeing that there are conditions for continued housing starts in all our markets. An increased level of housing starts is a highly prioritized goal for JM in order to continue to generate a stable cash flow. We expect a higher level of housing starts in the fourth quarter for the Group as a whole, assuming continued sales in our projects.

Cautious market in Sweden

The housing market in Stockholm and the rest of Sweden has been cautious in the third quarter, particularly for new production of residential units with a long time to occupancy.

The housing operations in Stockholm have had lower sales and a somewhat lower margin during the quarter. The housing business in the rest of Sweden showed good profitability and a high level of housing starts during the third quarter. In Malmö, construction began on the Docks project, with a total of 157 residential units. The project is unique with 26 floors, beautiful design and fantastic location next to the water. During the quarter, we acquired and took occupancy of the Lyckebacken area in Lund, where pending local planning is judged to allow for the development of at least 1,000 residential units and commercial premises for JM.



"Continued good price levels on all of our markets"

Good sales in Norway but somewhat cautious in Finland

The housing operations in Norway continue to show good sales and a good level of housing starts during the third quarter.

Finland continues to grow with good profitability in ongoing projects but the market has become somewhat more cautious during the third quarter.

Sustainable development

As a leading housing developer in the Nordic region, it is our ambition to also be a leader in sustainable development. During the third quarter, we started to work on climate calculations for projects throughout the Group, and as of October 1, 2022, we are using climate-improved concrete in all projects in Sweden. Implementation of JM's concept for fossil-free building sites will start in the fall of 2022. We also now have a separate section in our interim reports that describes JM's work within sustainable development.

Good project portfolio and strong financial position

The conditions for our future projects are shrouded in uncertainty. We are seeing a greater risk of worse economic conditions and further rising interest rates, which can have a major impact on our business. At the same time, we are well positioned with a good project and building rights portfolio, which is refined on an ongoing basis to meet the needs of the housing market. Our strong financial position gives us a freedom of action that allows both growth in JM's business and continued buybacks of treasury shares. Despite the uncertainty on the global market, the fundamental and long-term conditions for our business are good.

Johan Skoglund,
President and CEO

Market, sales and housing starts

JANUARY – SEPTEMBER 2022

The housing market in Stockholm has continued to be cautious, with prices that continued to decrease on the existing home market.

Profitability in Stockholm continued to be good, but the number of residential units sold in the third quarter decreased. The number of housing starts continued to decrease. An increased number of housing starts is planned for the rest of the year.

The housing business in the rest of Sweden continued to show a slight decrease in sales, but a good profitability level and a high level of housing starts.

In Norway, the activity on the housing market continued to develop favorably, with rising prices during the nine-month period. Sales and housing starts have increased, but profitability decreased during the quarter due to increased costs in ongoing projects. In Finland, activity on the housing market decreased slightly with low sales and no housing starts. Profitability in the projects continued to be on a good levels.

The number of residential units sold in the form of signed contracts decreased to 2,197 (3,279)^{1) 2)}. The percentage of sold and reserved residential units in relation to current production amounted to 69 percent (78), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 596 residential units (950), JM Residential Sweden sold 854 (901), JM International sold 747 (1,108), and JM Property Development sold 0 (320).

The number of housing starts was 2,215 (2,544)^{3) 4)}. JM Residential Stockholm started production on 456 residential units (888), JM Residential Sweden on 874 (877), JM International on 789 (779) and JM Property Development on 96 (0). In addition to demand, planning processes continue to be an important factor for the rate of housing starts.

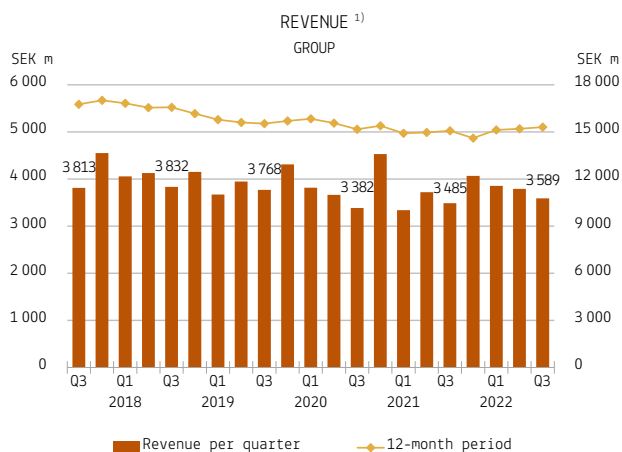
The number of residential units in current production increased to 7,962 (7,722), of which 437 rental units (335) in JM Property Development.

¹⁾ Of which 0 rental units (320) in JM Property Development

²⁾ Of which 231 residential units (437) in JM International for investors

³⁾ Of which 96 rental units (0) in JM Property Development

⁴⁾ Of which 231 residential units (359) in JM International for investors



¹⁾ According to segment reporting

Revenue, operating profit and operating margin

JANUARY – SEPTEMBER 2022

Consolidated revenue according to segment reporting increased during the nine-month period to SEK 11,233m (10,541). Revenue restated according to IFRS decreased to SEK 10,507m (10,723). The increase in revenue is primarily attributable to a higher level of current production in the JM Residential Sweden and JM International business segments.

Operating profit according to segment reporting decreased to SEK 1,297m (1,460), and the operating margin decreased to 11.6 percent (13.9). Gains from property sales for corresponding period 2021 amounted to SEK 162m. Operating profit restated according to IFRS decreased to SEK 1,205m (1,460). The restatement is related to JM International, with a negative effect on earnings of SEK –105m (–18), and leases according to IFRS 16, with a positive effect on earnings of SEK 13m (18).

Gains from joint venture amounted to SEK –8m (32).

Rental income from JM's project properties was SEK 26m (30). Net rental income was SEK 7m (15).

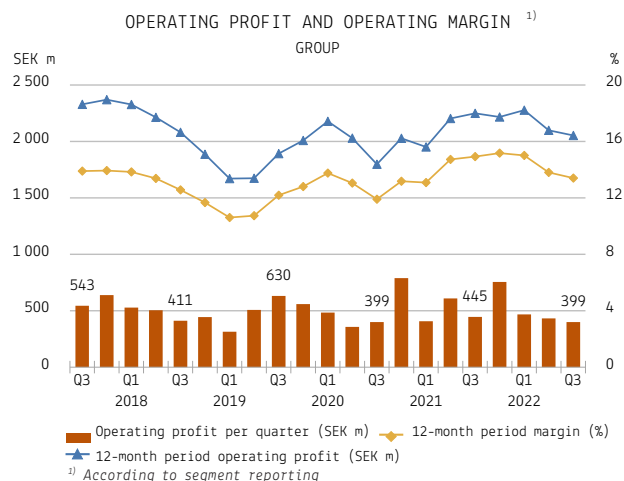
JULY – SEPTEMBER 2022

Consolidated revenue according to segment reporting during the third quarter increased to SEK 3,589m (3,485). Revenue restated according to IFRS decreased to SEK 3,004m (3,120).

Operating profit according to segment reporting decreased to SEK 399m (445), and the operating margin decreased to 11.1 percent (12.8). Operating profit restated according to IFRS decreased to SEK 339m (422). The restatement is related to JM International, with an effect on earnings of SEK –62m (–30), and leases according to IFRS 16, with a positive effect on earnings of SEK 2m (7).

During the third quarter, no properties were sold and gains from joint venture amounted to SEK –9m (16).

Rental income from JM's project properties was SEK 12m (9). Net rental income was 5m (5).



¹⁾ According to segment reporting

OPERATING PROFIT BY BUSINESS SEGMENT, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT FULL-YEAR	
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	532	559	160	181	736	763
JM Residential Sweden	512	482	153	145	692	662
JM International	296	276	90	111	435	415
JM Property Development	–20	169	–2	12	218	407
JM Construction	12	9	4	3	22	20
Group-wide expenses	–35	–35	–6	–7	–50	–50
TOTAL	1,297	1,460	399	445	2,053	2,216
<i>Of which property sales</i>	–	162	–	–	234	396
<i>Of which income from joint venture</i>	–8	32	–9	16	–	40

OPERATING MARGIN BY BUSINESS SEGMENT, %	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT FULL-YEAR	
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	14.7	15.0	14.1	15.4	15.1	15.3
JM Residential Sweden	15.3	15.3	15.1	15.2	15.3	15.3
JM International	8.1	8.8	7.3	9.4	8.6	9.2
JM Construction	1.4	1.4	1.5	1.5	2.0	2.1

RESIDENTIAL UNITS IN CURRENT PRODUCTION	9/30/2022	9/30/2021	12/31/2021
Number of residential units in current production ^{1) 2)}	7,962	7,722	8,094
Percentage of sold residential units in current production, % ³⁾	64	64	64
Percentage reserved residential units in current production, %	5	14	13
Percentage sold and reserved residential units in current production, %	69	78	76

¹⁾ Of which 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

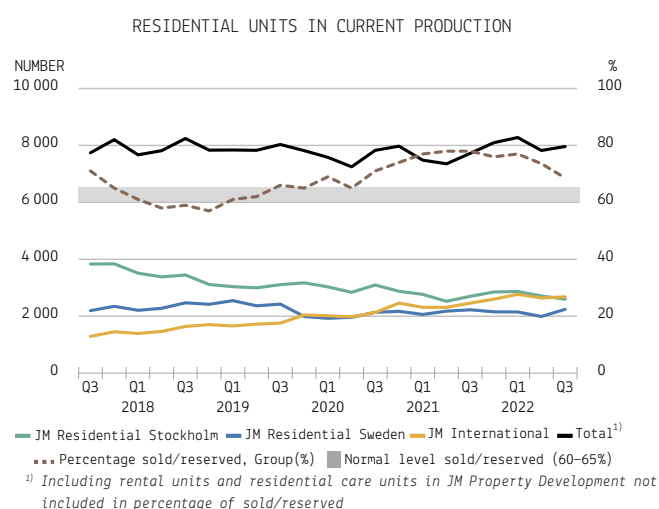
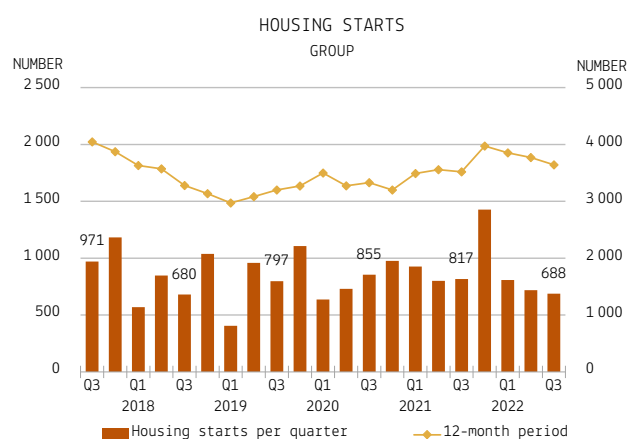
Including residential units in projects where costs incurred are only reported as project properties under construction

²⁾ Beginning with production start-up through final occupancy according to plan.

³⁾ Percentage of sold residential units expressed as binding contract with the end customer.

UNSOLD UNITS	9/30/2022	9/30/2021	12/31/2021
Completed production, number of unsold units ¹⁾	74	113	91
The number of unsold residential units in the balance sheet recognized as "Participations in tenant-owners associations, etc."	67	68	67

¹⁾ After final occupancy according to plan.



Residential building rights

JANUARY–SEPTEMBER 2022

The number of available building rights at the end of the third quarter amounted to 39,000 (36,200), of which 21,400 (19,500) are recognized in the balance sheet. Capital tied up in building rights (development properties in the balance sheet) for residential units increased to SEK 8,595m (7,975).

JM acquired development properties for residential units during the nine-month period for SEK 1,454m (1,235), of which SEK 396m relates to JM Residential Stockholm, SEK 905m to JM Residential Sweden and SEK 152m to JM International.

Financial items

JANUARY–SEPTEMBER 2022

Net financial items declined slightly during the nine-month period compared to the previous year primarily attributable to increased interest expenses.

Total interest-bearing liabilities according to segment reporting were SEK 2,521m (2,435), of which the provision for pension liabilities comprised SEK 1,609m (1,751). At the end of the nine-month period, the average interest rate for the total interest-bearing loan stock including pension liabilities was 2.3 percent (1.5). The average term for fixed-rate loans excluding the pension liability was 0.3 years (0.4).

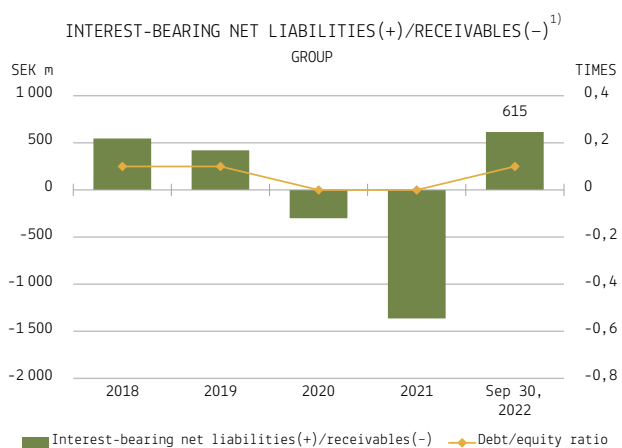
Consolidated available liquidity was SEK 4,702m (5,822). Aside from cash and cash equivalents of SEK 1,902m (3,022), this includes unutilized overdraft facilities and credit lines totaling SEK 2,800m (2,800), where credit agreements for SEK 2,400m had an average maturity of 3.1 years (2.3).

Interest-bearing net liabilities including pension liabilities according to segment reporting totaled SEK 615m (–587) at the end of the period. Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 438m (557). Of these liabilities, SEK 64m (185) were current.

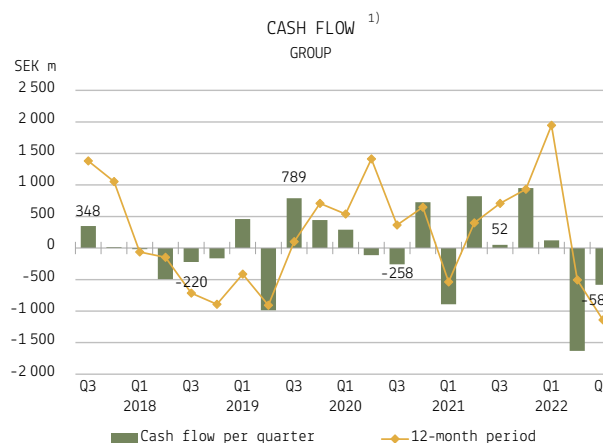
The valuation of financial assets and liabilities shows no significant difference between carrying amount and fair value.

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Financial income	9	3	2	2	11	4
Financial expenses	–58	–47	–21	–15	–74	–62
Financial income and expenses	–49	–44	–19	–13	–63	–58

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Interest-bearing net liabilities (+)/receivables (–) at beginning of period	–1,363	–300	64	–244	–587	–300
Change in interest-bearing liabilities/receivables	1,978	–287	550	–343	1,201	–1,063
Interest-bearing net liabilities (+)/receivables (–) at end of period	615	–587	615	–587	615	–1,363



¹⁾ According to segment reporting



¹⁾ Total cash flow for the period

Cash flow

JANUARY – SEPTEMBER 2022

Cash flow from operating activities according to segment reporting was SEK –615m (1,371). Net investments in development properties resulted in a negative cash flow of SEK –552m (–114). The change in holdings of unsold residential units in the balance sheet resulted in a cash flow of SEK 82m (64).

During the nine-month period, consolidated cash flow attributable to project properties (sales minus investment) was SEK –538m (188). JM bought back own shares for a total of SEK 574m during the nine-month period.

JULY – SEPTEMBER 2022

Cash flow from operating activities was SEK –363m (487) during the third quarter. Net investments in development properties resulted in a cash flow of SEK –238m (242). The reduced holdings of repurchased residential units resulted in a cash flow of SEK 79m (–30). Consolidated cash flow attributable to project properties (sales minus investment) amounted to SEK –143m (–74).

During the third quarter, own shares were bought back for SEK 250m.

Risks and uncertainty factors

JM's risks and risk management are presented in the 2021 Annual Report on pages 35–40 and 87. The uncertainty regarding Swedish cement supply, the effects from the ongoing war in Ukraine, and greater uncertainty due to a cautious housing market from higher inflation, rising energy prices and higher interest rate levels are risks that have arisen.

Cement supply

Cement supply and local cement production through the operation of a limestone quarry has been exposed to risk in Sweden due to an uncertain licensing process between a market-leading producer and related authorities. An amendment to the law has been adopted to enable the continuation of local cement production through the government review of a time-limited license to operate a limestone quarry. The amendment to the law made it possible to extend the licenses in question through december 31, 2022.

Ukraine

Russia's ongoing invasion of Ukraine has created not only human suffering but also considerable uncertainty in the global economy. JM has no framework agreement suppliers in Russia, Belarus or Ukraine. Even though JM has long-term agreements and is prioritized by our agreed suppliers, they in turn may be dependent on input goods whose access is impacted by the war in Ukraine. The assessment is that it has not had a material impact on JM's ongoing projects.

Exposure to commodity prices and increased cost pressure

Commodity prices for steel, wood and concrete stabilized in the third quarter after rising prices during the first six months of 2022. Long-term agreements with JM's suppliers mean this is having a limited impact on the income statement. Cost increases on raw materials are offset in part through regular streamlining.

For JM's Swedish operations, pure steel and wood constitute around 4 percent and 2 percent, respectively, of total costs. The material cost for pure concrete is estimated to constitute around 2 percent of the total cost, which includes cement, ballast and additives.

In general, we are seeing continued increased cost pressure in the construction sector in Sweden as well as in Norway and Finland.

Higher interest rate levels

The Swedish Riksbank's sharp increases to the key rate to dampen inflation have had a negative impact on our projects in Sweden through increased financing costs.

Buy-back, elimination and holdings of own shares

After the Annual General Meeting on March 31, 2022, 2,318,000 shares were bought back for SEK 450m. Holdings of treasury shares subsequently total 2,318,000. The number of outstanding shares, excluding holdings of treasury shares, at September 30, 2022, totals 65,960,841.

The Annual General Meeting on March 31, 2022, resolved to eliminate 1,477,650 treasury shares through a decrease in the share capital for allocation to unrestricted equity. The elimination of shares and decrease in the share capital was registered in July 2022.

The Annual General Meeting also resolved to authorize the Board of Directors, during the period up to the next Annual General Meeting and on one or more occasions, to decide to buy back shares so that the Company's holdings do not at any point in time exceed 10 percent of all the shares in the Company. Acquisition should take place on Nasdaq Stockholm within the applicable share-price interval at the time of purchase.

Personnel

The number of employees in the nine-month period increased to 2,494 (2,445). The number of wage-earners was 888 (888), and the number of salaried employees was 1,606 (1,557). Current staffing is aligned with the current and increasing project volume, and adjustments are made on a regular basis. Demand on the labor market for qualified project development skills continues to be strong but stabilized during the third quarter.

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.

The average prices on the existing home market decreased during the third quarter. The total supply of residential units increased during the third quarter, but the supply of newly produced residential units continues to be at a low level.

The housing market in Stockholm was cautious during the third quarter as well. For JM's new projects, the higher interest rate and the general uncertainty, among other things, meant that customers were very cautious but continued to show interest. The willingness of customers to sign a contract early in the process was also below normal.

Housing starts in Stockholm during the third quarter had a slightly lower level of reservations, although profitability continues to be good in the current production volume.

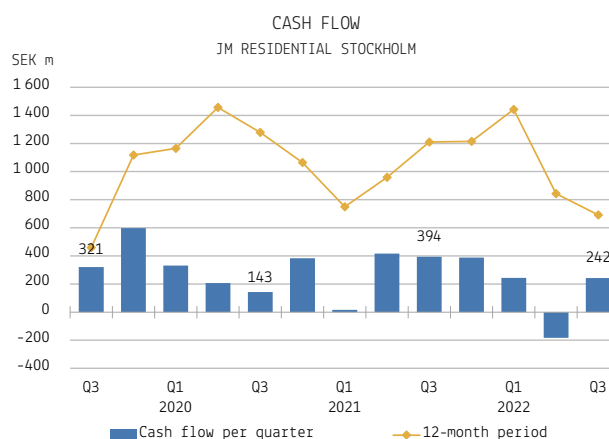
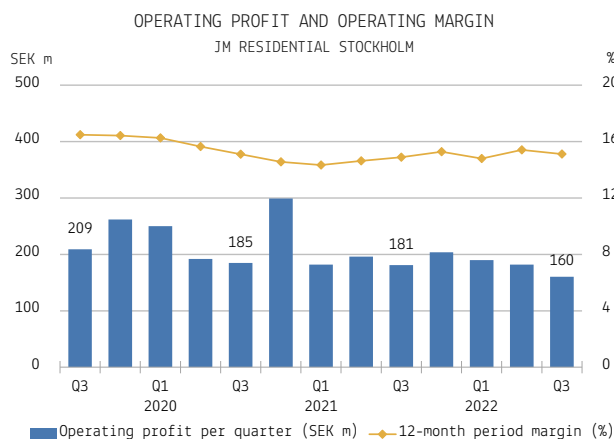
Furthermore, the level of land transfers to projects was low during the quarter.

The lack of necessary authority decisions continues to have a negative impact on the business segment's housing starts. This currently concerns five projects with a total of around 400 residential units. Housing starts in forthcoming phases for one of these projects have also been indirectly delayed. An increased number of housing starts is planned for the rest of the year but is dependent on improved sales.

Cash flow during the nine-month period is in balance taking into consideration the increase in development properties.

In the third quarter, production was started on 205 residential units in apartment buildings in Södertälje and Täby.

SEK M	JANUARY-SEPTEMBER		JULY-SEPTEMBER		OCT-SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	3,622	3,739	1,141	1,179	4,873	4,990
Operating profit	532	559	160	181	736	763
Operating margin, %	14.7	15.0	14.1	15.4	15.1	15.3
Average operating capital					4,476	4,771
Return on operating capital, %					16.4	16.0
Operating cash flow	304	827	242	394	691	1,214
Carrying amount, development properties	4,101	4,146				4,051
Number of available building rights	12,700	11,000				11,700
Number of residential units sold	596	950	102	261	952	1,306
Number of housing starts	456	888	205	351	721	1,153
Number of residential units in current production	2,598	2,703				2,855
Number of employees	821	802				806



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.

The average prices on the existing home market for both tenant-owned apartments and single-family homes decreased during the third quarter in all of the business segment's submarkets.

The supply on the existing home market increased to high levels at the same time as the supply of newly produced residential units continued to be low during the quarter.

Sales decreased during the third quarter, but the large number of housing starts during the first nine months enabled a relatively good rate of sales even during the third quarter. The willingness of customers to sign a contract early in the process was below normal, and customers continued to be cautious during the quarter.

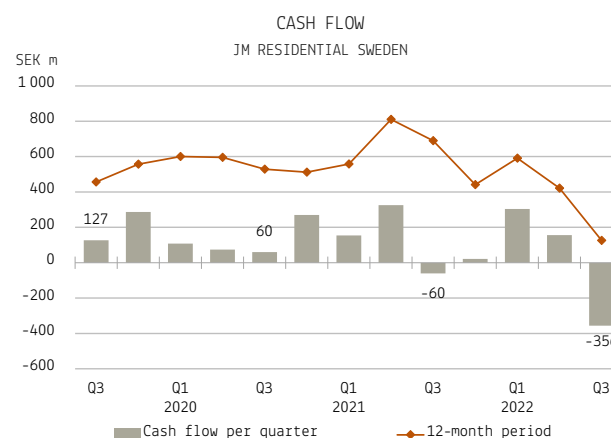
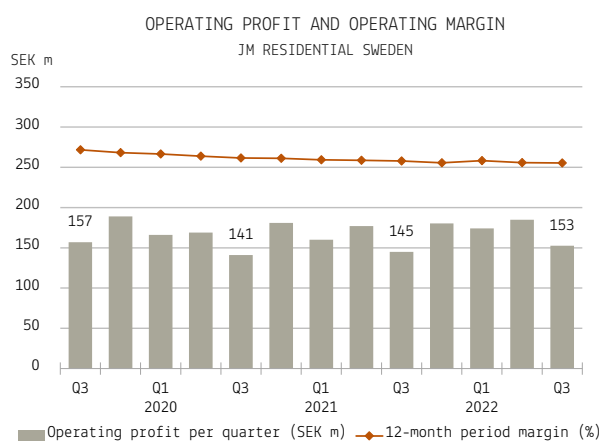
The business segment reports a continued good profit level and margin.

Cash flow for the nine-month period decreased due to the increase in development properties primarily related to occupancy of Lyckebacken in Lund and Gamlestadens Fabriker in Gothenburg.

In the third quarter, production was started on 255 residential units in apartment buildings in Malmö, Landskrona and Uppsala.

Approximately 1,000 building rights were acquired in Lund and Staffanstorp in the third quarter. Competition for land for residential purposes continued to be high in the third quarter for most of the business segment's submarkets.

SEK M	JANUARY-SEPTEMBER		JULY-SEPTEMBER		OCT-SEPT 2021/2022	FULL-YEAR 2021
	2022	2021	2022	2021		
Revenue	3,345	3,147	1,012	951	4,515	4,317
Operating profit	512	482	153	145	692	662
Operating margin, %	15.3	15.3	15.1	15.2	15.3	15.3
Average operating capital					1,515	1,354
Return on operating capital, %					45.7	48.9
Operating cash flow	104	420	-356	-60	126	442
Carrying amount, development properties	2,138	1,526				1,669
Number of available building rights	11,100	10,300				9,900
Number of residential units sold	854	901	189	280	1,074	1,121
Number of housing starts	874	877	255	238	1,174	1,177
Number of residential units in current production	2,246	2,226				2,154
Number of employees	569	567				564



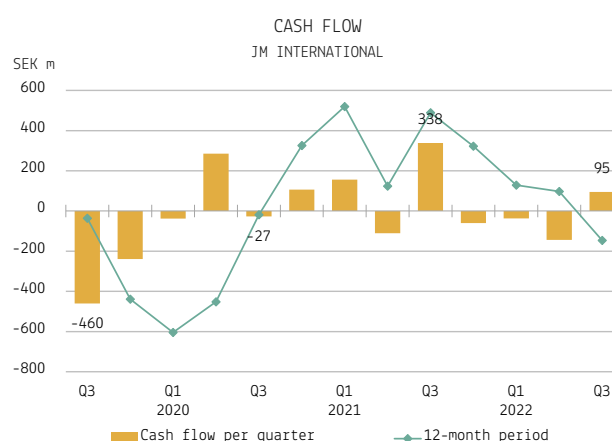
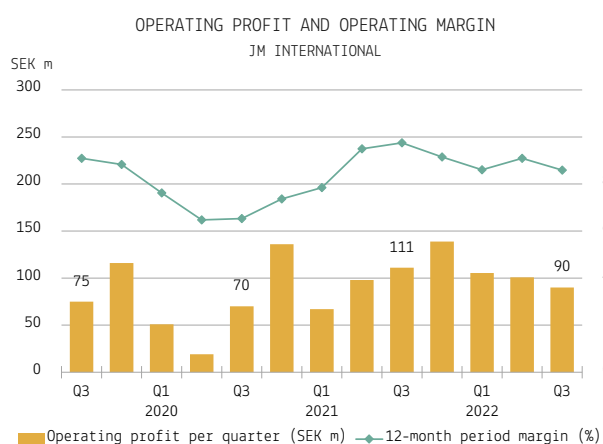
JM International

The JM International business segment develops residential projects in Norway and Finland. Operations include acquisitions of development properties, planning, pre-construction, production and sales of residential units. Revenue recognition for the business segment is reported using the percentage of completion method.

Business segment revenue during the nine-month period is at a higher level compared to the corresponding period of the previous year. Operating profit increased to SEK 296m (276). The higher profit is due primarily to an increase in volume and the level of residential units in current production.



JM INTERNATIONAL, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	3,655	3,125	1,229	1,185	5,062	4,531
Operating profit ¹⁾	296	276	90	111	435	415
Operating margin, %	8.1	8.8	7.3	9.4	8.6	9.2
Average operating capital					3,745	3,405
Return on operating capital, %					11.6	12.2
Operating cash flow	-86	383	95	338	-146	323
Carrying amount, development properties	2,345	2,293				2,462
Carrying amount, project properties	18	39				17
Number of available building rights	13,400	13,300				12,900
Number of residential units sold ²⁾	747	1,108	179	267	1,140	1,501
Number of housing starts ³⁾	789	779	132	228	1,311	1,301
Number of residential units in current production	2,681	2,458				2,601
Number of employees	561	544				551
¹⁾ Of which property sales	-	1	-	-	4	4
²⁾ Of which residential units to investors	231	437	-	78	377	583
³⁾ Of which residential units to investors	231	359	-	-	377	505



JM Norway

The prices on the existing home market decreased slightly toward the end of the third quarter. At the end of the third quarter, prices are at a higher level compared to the corresponding period of the previous year. The supply of residential units on the existing home market is in line with previous years, but sales periods are historically short. Demand for our residential units was good during the quarter.

There continues to be strong cost pressure in the Norwegian construction sector, with higher prices on raw materials and other inputs. Operating profit and operating margin were weakened by higher interest rate and production costs.

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

In the third quarter, production was started on 132 residential units in Asker and Lilleström outside of Oslo.

JM acquired no building rights during the quarter.

JM Finland

Activity on the housing market in the Helsinki region has been decreasing slightly. Customers are showing continued interest in JM's projects despite the ongoing war in Ukraine and higher interest rates, but the market is cautious. The willingness to sign a contract early in the process decreased during the third quarter. The price level on the existing home market in the Helsinki region was stable during the first six months of the year but decreased slightly during the third quarter.

The business unit is continuing to grow and showing improvements in both profit and margin.

Cash flow for the nine-month period is burdened by an increase in working capital.

There were no housing starts during the third quarter. An increased number of housing starts is planned for the rest of the year.

JM acquired no building rights during the quarter.

JM NORWAY, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	2,432	2,102	829	791	3,360	3,030
Operating profit ¹⁾	187	197	54	78	290	300
Operating margin, %	7.7	9.4	6.5	9.9	8.6	9.9
Average operating capital					2,181	2,178
Return on operating capital, %					13.3	13.8
Operating cash flow	–46	404	16	187	221	671
Carrying amount, development properties	1,245	1,410				1,468
Number of available building rights	7,300	7,800				7,800
Number of residential units sold	427	466	140	153	635	674
Number of housing starts	416	390	132	228	662	636
Number of residential units in current production	1,240	1,302				1,280
Number of employees	377	381				377
¹⁾ Of which property sales	–	–	–	–	4	4

JM FINLAND, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	1,223	1,023	399	394	1,702	1,501
Operating profit ¹⁾	111	81	37	33	152	122
Operating margin, %	9.1	7.9	9.3	8.5	8.9	8.1
Average operating capital					1,496	1,151
Return on operating capital, %					10.2	10.6
Operating cash flow	–38	–20	79	151	–376	–358
Carrying amount, development properties	1,031	805				930
Number of available building rights	6,100	5,500				5,100
Number of residential units sold ²⁾	320	642	39	114	505	827
Number of housing starts ³⁾	373	389	–	–	649	665
Number of residential units in current production	1,441	1,156				1,321
Number of employees	184	163				174
¹⁾ Of which property sales	–	1	–	–	–	1
²⁾ Of which residential units to investors	231	437	–	78	377	583
³⁾ Of which residential units to investors	231	359	–	–	377	505

JM Property Development

The JM Property Development business segment primarily develops rental and residential care units and commercial properties in Greater Stockholm. The business segment's entire portfolio comprises project development properties. The operations include JM@home, which offers economic and technical management services to tenant-owners associations as well as housing services.

Business segment revenue decreased in the third quarter. Contracting revenue and sales of services amounted to SEK 135m (152) and rental income to SEK 25m (30).

Operating profit was burdened by costs for the continued establishment and development of JM@home. Gains from joint venture, which was primarily attributable to negative changes in value regarding rental properties. Net rental income for project properties was SEK 6m (14).

Cash flow for the nine-month period is negative due to ongoing investments in project properties and acquisitions of properties for development of rental projects.

During the third quarter, the completed rental project Valla Park (Sundbyberg Lådmakaren 4), with 143 residential units, was handed over to the buyer of the project.

In the third quarter, production started on the rental project Igelsta in Södertälje, with 96 rental units, in JM's

own balance sheet. Production is ongoing in an additional two rental projects in JM's own balance sheet: Kvarter 8 in Järfälla, with 218 rental units, and Dyrvers Kulle in Sundbyberg, with 123 rental units.

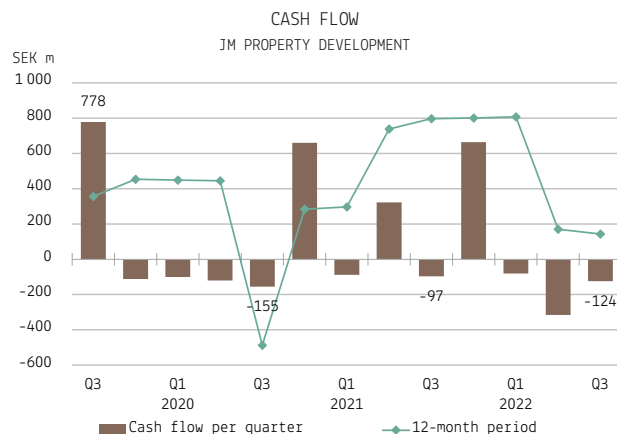
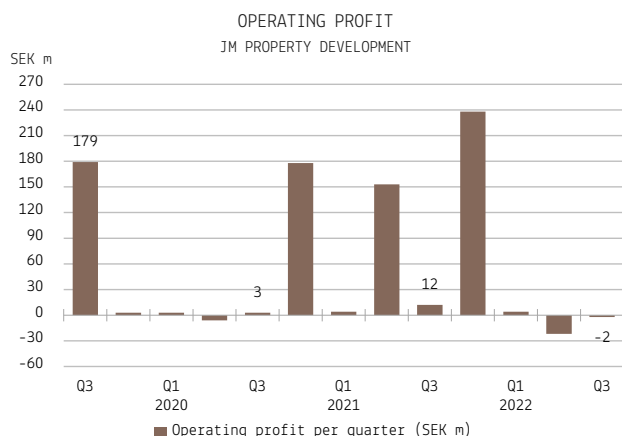
Production is also ongoing on the office project K1 Karlbergs Strand in Karlberg, Solna, which covers approximately 20,000 m². In May 2022, an agreement was signed for the sale of the office project K1 Karlbergs Strand to the Swedish Fortifications Agency for SEK 2.4bn. The transfer of the legal title is estimated for the first quarter of 2025, and the transaction is conditional on a government approval. The revenue and profit from the transaction will be recognized gradually over the course of the project after the government approval has been obtained. Until this point in time, the project will continue to be recognized in JM's own balance sheet.

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	160	182	48	65	239	262
Operating profit ¹⁾²⁾	-20	169	-2	12	218	407
Average operating capital					1,212	1,242
Return on operating capital, %					18.0	32.7
Operating cash flow	-521	137	-124	-97	143	801
Carrying amount, development properties	10	10				10
Carrying amount, project properties	1,351	1,220				795
Number of available building rights ³⁾	1,800	1,600				1,100
Number of residential units sold ³⁾	–	320	–	–	–	320
Number of housing starts ³⁾	96	–	96	–	437	341
Number of residential units in current production ³⁾	437	335				484
Number of employees	80	78				81
		161		–	231	391
		32		16	–	40

¹⁾ Of which property sales

²⁾ Of which income from joint venture

³⁾ Refers to rental units and residential care units.



JM Construction

The JM Construction business segment carries out construction work for external and internal customers in the Greater Stockholm area. The business segment focuses on projects that have synergies with residential project development.

Demand in the civil engineering market in Stockholm is at a good level but with high competition for the assignments.

Business segment revenue increased compared to previous year due to higher internal and external activity for JM in its civil engineering operations, where profitability continues to be prioritized over volume.

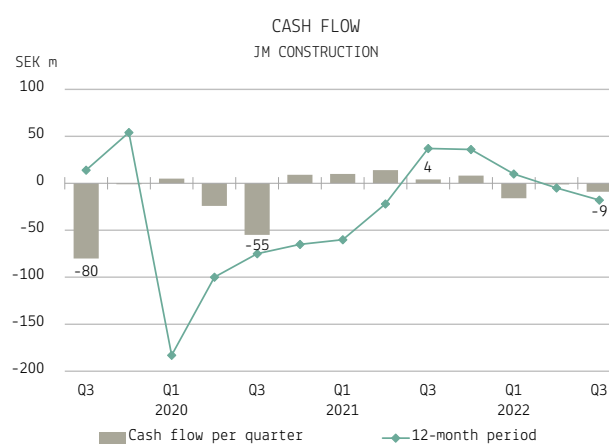
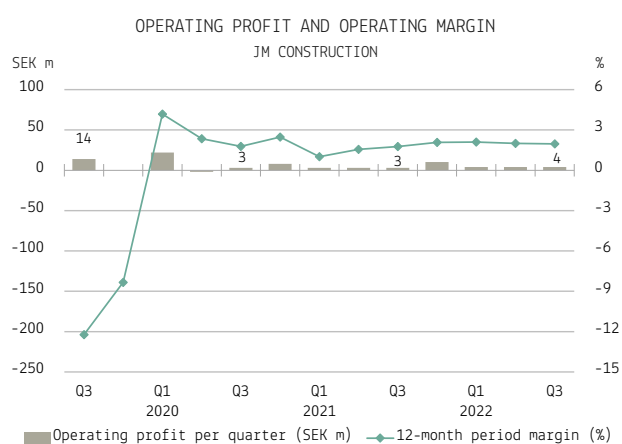
Cash flow for the nine-month period is burdened by an increase in working capital.

The business segment received in the third quarter a number of external assignments in the civil engineering operations, of which the largest is an allocation decisions relating to work on a sewage treatment plant for Haninge Municipality.

The largest ongoing external assignments are the infrastructure project in Tyresö (Tyresö Municipality), groundworks for Arlanda Terminal 5 (IN3PRENÖR AB), detailing work in Norra Djurgårdsstaden (City of Stockholm), groundworks and conduit work in Ursvik Västra (City of Sundbyberg), and the restoration and renovation of an existing pipeline network in Huddinge (Stockholm Vatten).

The business segment also has several ongoing intra-company projects, of which the largest is the work on the office project K1 Karlbergs Strand in Solna.

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue ¹⁾	825	656	274	200	1,120	951
Operating profit	12	9	4	3	22	20
Operating margin, %	1.4	1.4	1.5	1.5	2.0	2.1
Operating cash flow	-26	28	-9	4	-18	36
Carrying amount, development properties	13	16				13
Number of employees	260	255				251
¹⁾ Of which intra-Group	375	308	115	95	509	442



Group – segment reporting

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	11,233	10,541	3,589	3,485	15,300	14,608
Production and operating costs	-9,117	-8,532	-2,942	-2,849	-12,398	-11,814
Gross profit	2,116	2,009	646	636	2,902	2,795
Selling and administrative expenses	-810	-743	-238	-207	-1,083	-1,015
Gains/losses on the sale of property, etc. ¹⁾	-8	194	-9	16	234	436
Operating profit	1,297	1,460	399	445	2,053	2,216
Financial income and expenses	-49	-44	-19	-13	-63	-58
Profit before tax	1,249	1,416	380	432	1,990	2,158
Taxes	-267	-271	-85	-99	-356	-360
Profit for the period	982	1,145	295	333	1,634	1,798
Other comprehensive income	302	173	143	-18	347	218
Comprehensive income for the period	1,283	1,318	438	315	1,981	2,016
Earnings per share ²⁾ , diluted, SEK	14.50	16.50	4.40	4.80	24.00	25.90
Average number of shares, diluted	67,948,342	69,753,728	66,967,768	69,485,841	68,244,814	69,560,505
¹⁾ Of which income from joint venture	-8	32	-9	16	-	40
²⁾ Net profit/loss for the period.						

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO SEGMENT REPORTING, SEK M	9/30/2022	9/30/2021	12/31/2021
ASSETS			
Non-current assets	318	405	330
Project properties	1,369	1,259	813
Development properties	8,607	7,991	8,205
Participations in tenant-owners associations, etc.	339	432	377
Current receivables ¹⁾	4,536	3,475	3,528
Cash and cash equivalents	1,902	3,022	3,981
Total current assets	16,753	16,179	16,903
Total assets	17,071	16,584	17,233
EQUITY AND LIABILITIES ²⁾			
Equity	8,396	8,023	8,608
Non-current interest-bearing liabilities	250	308	190
Other non-current liabilities	374	373	373
Non-current provisions	2,862	3,100	3,078
Total non-current liabilities	3,485	3,781	3,641
Current interest-bearing liabilities	662	376	667
Other current liabilities	4,391	4,255	4,172
Current provisions	137	149	145
Total current liabilities	5,189	4,780	4,984
Total equity and liabilities	17,071	16,584	17,233
¹⁾ Of which receivables from property sales	15	-	14
²⁾ Of which liabilities for property acquisition	462	581	675

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–SEPTEMBER		FULL-YEAR
	2022	2021	2021
Opening balance at beginning of the period	8,608	7,817	7,817
Total comprehensive income for the period	1,283	1,318	2,016
Dividends	-922	-887	-887
Conversion of convertible loan	1	25	38
Repurchase of shares	-574	-250	-375
Closing balance at end of the period	8,396	8,023	8,608

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Cash flow from operating activities before change in working capital and taxes ^{1) 2)}	1,016	1,295	313	351	1,369	1,648
Tax paid	-416	-438	-116	-110	-526	-549
Investment in development properties	-1,674	-1,130	-668	-339	-2,083	-1,539
Payment on account for development properties	1,122	1,016	430	581	1,456	1,349
Investment in project properties	-538	-362	-143	-74	-623	-447
Sale of project properties	–	550	–	–	790	1,340
Change in current liabilities/receivables	-125	440	-179	78	-80	485
Cash flow from operating activities	-615	1,371	-363	487	302	2,287
Cash flow from investing activities	–	-1	–	-1	-17	-17
Loans raised	444	360	85	1	748	663
Amortization of liabilities	-423	-611	-52	-310	-551	-738
Buy-back of shares	-574	-250	-250	-125	-699	-375
Dividends	-922	-887	–	–	-922	-887
Cash flow from financing activities	-1,476	-1,388	-219	-434	-1,425	-1,338
Cash flow for the period	-2,091	-18	-582	52	-1,140	933
Cash and cash equivalents at end of the period	1,902	3,022	1,902	3,022	1,902	3,981
¹⁾ Of which investment in participations in tenant-owners associations and freehold residential units	-167	-601	-10	-177	-296	-730
²⁾ Of which the sale of participations in tenant-owners associations and freehold residential units	248	665	89	147	421	837

GROUP KEY FIGURES

ACCORDING TO SEGMENT REPORTING, %	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Operating margin	11.6	13.9	11.1	12.8	13.4	15.2
Return on equity					19.9	21.9
Return on capital employed					19.3	20.4
Debt/equity ratio, multiple	0.1	–				–
Equity/assets ratio	49	48				50

*According to segment reporting***REVENUE BY COUNTRY**

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Sweden	7,577	7,416	2,360	2,300	10,238	10,077
Norway	2,432	2,102	829	791	3,360	3,030
Finland	1,223	1,023	399	394	1,702	1,501
Belgium	–	–	–	–	–	–
Total	11,233	10,541	3,589	3,485	15,300	14,608

REVENUE BY BUSINESS SEGMENT

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	3,622	3,739	1,141	1,179	4,873	4,990
JM Residential Sweden	3,345	3,147	1,012	951	4,515	4,317
JM International	3,655	3,125	1,229	1,185	5,062	4,531
JM Property Development	160	182	48	65	239	262
JM Construction	825	656	274	200	1,120	951
Elimination	–375	–308	–115	–95	–509	–442
Total	11,233	10,541	3,589	3,485	15,300	14,608

OPERATING PROFIT BY BUSINESS SEGMENT

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	532	559	160	181	736	763
JM Residential Sweden	512	482	153	145	692	662
JM International	296	276	90	111	435	415
JM Property Development	–20	169	–2	12	218	407
JM Construction	12	9	4	3	22	20
Group-wide expenses	–35	–35	–6	–7	–50	–50
Total	1,297	1,460	399	445	2,053	2,216

OPERATING MARGIN BY BUSINESS SEGMENT

%	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	14.7	15.0	14.1	15.4	15.1	15.3
JM Residential Sweden	15.3	15.3	15.1	15.2	15.3	15.3
JM International	8.1	8.8	7.3	9.4	8.6	9.2
JM Construction	1.4	1.4	1.5	1.5	2.0	2.1

AVERAGE OPERATING CAPITAL BY BUSINESS SEGMENT

SEK M	OCT–SEPT	FULL-YEAR
	2021/2022	2021
JM Residential Stockholm	4,476	4,771
JM Residential Sweden	1,515	1,354
JM International	3,745	3,405
JM Property Development	1,212	1,242

RETURN ON OPERATING CAPITAL BY BUSINESS SEGMENT

%	OCT–SEPT	FULL-YEAR
	2021/2022	2021
JM Residential Stockholm	16.4	16.0
JM Residential Sweden	45.7	48.9
JM International	11.6	12.2
JM Property Development	18.0	32.7

According to segment reporting

PROFIT/LOSS COMPONENTS, HOUSING BUSINESS, PERCENTAGE OF COMPLETION METHOD (GROSS PROFIT)

SEK M	JULY–SEPTEMBER		APRIL–JUNE		JANUARY–MARCH		OCT–DECEMBER		JULY–SEPTEMBER	
	2022		2022		2022		2021		2021	
Cost-based effect	291		309		248		294		254	
Revaluation effect	352		410		384		391		336	
Sales effect	–30		7		52		70		29	
Total	613		726		684		755		619	

Starting in Q1 2021, the profit/loss components that are included in gross profit for the housing business are reported. The percentage of completion method in JM and the accounting of gross profit consists of three components: incurred costs (cost-based effect), assessment of expected margin (revaluation effect), and sales rate of projects (sales effect).

Profit/loss components are reported quarterly and are not accumulated. The table starts with the business segments' gross operating profit (excluding net rental income from project and development properties) for the housing business. For definitions of profit/loss components in the housing business, see the document entitled "Definitions key financial figures" at jm.se/en/about-us/investors

REVALUATION EFFECTS – HOUSING BUSINESS

SEK M	JULY–SEPTEMBER		APRIL–JUNE		JANUARY–MARCH		OCT–DECEMBER		JULY–SEPTEMBER	
	2022		2022		2022		2021		2021	
JM Residential Stockholm	120		126		113		83		95	
JM Residential Sweden	173		203		169		186		134	
JM International	59		81		102		122		107	
Total	352		410		384		391		336	

OPERATING CASH FLOW BY BUSINESS SEGMENT

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT		FULL-YEAR	
	2022		2021		2021/2022		2021	
JM Residential Stockholm	304	827	242	394	691		1,214	
JM Residential Sweden	104	420	–356	–60	126		442	
JM International	–86	383	95	338	–146		323	
JM Property Development	–521	137	–124	–97	143		801	
JM Construction	–26	28	–9	4	–18		36	

DEVELOPMENT PROPERTIES BY BUSINESS SEGMENT

CARRYING AMOUNT, SEK M	9/30/2022	9/30/2021	12/31/2021
JM Residential Stockholm	4,101	4,146	4,051
JM Residential Sweden	2,138	1,526	1,669
JM International	2,345	2,293	2,462
JM Property Development	10	10	10
JM Construction	13	16	13
Total	8,607	7,991	8,205

AVAILABLE RESIDENTIAL BUILDING RIGHTS BY BUSINESS SEGMENT

NUMBER	9/30/2022	9/30/2021	12/31/2021
JM Residential Stockholm	12,700	11,000	11,700
JM Residential Sweden	11,100	10,300	9,900
JM International	13,400	13,300	12,900
JM Property Development ¹⁾	1,800	1,600	1,100
Total	39,000	36,200	35,600

Including those carried in the balance sheet (development properties)

	9/30/2022	9/30/2021	12/31/2021
JM Residential Stockholm	6,600	6,600	6,500
JM Residential Sweden	6,800	5,900	6,200
JM International	7,200	6,500	7,100
JM Property Development ¹⁾	800	500	200
Total	21,400	19,500	20,000

RESIDENTIAL UNITS SOLD BY BUSINESS SEGMENT

NUMBER	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT		FULL-YEAR	
	2022		2021		2021/2022		2021	
JM Residential Stockholm	596	950	102	261	952		1,306	
JM Residential Sweden	854	901	189	280	1,074		1,121	
JM International	747	1,108	179	267	1,140		1,501	
JM Property Development ¹⁾	–	320	–	–	–		320	
Total	2,197	3,279	470	808	3,166		4,248	

¹⁾ Refers to rental units and residential care units.

According to segment reporting

HOUSING STARTS BY BUSINESS SEGMENT

NUMBER	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
JM Residential Stockholm	456	888	205	351	721	1,153
JM Residential Sweden	874	877	255	238	1,174	1,177
JM International	789	779	132	228	1,311	1,301
JM Property Development ¹⁾	96	–	96	–	437	341
Total	2,215	2,544	688	817	3,643	3,972

RESIDENTIAL UNITS IN CURRENT PRODUCTION

NUMBER	9/30/2022	9/30/2021	12/31/2021
JM Residential Stockholm	2,598	2,703	2,855
JM Residential Sweden	2,246	2,226	2,154
JM International	2,681	2,458	2,601
JM Property Development ¹⁾	437	335	484
Total	7,962	7,722	8,094

PROJECT PROPERTIES, GROUP

CARRYING AMOUNT, SEK M	9/30/2022	9/30/2021	12/31/2021
Properties under development	1,345	1,214	789
Completed rental unit properties	–	–	–
Completed commercial properties	24	45	23
Total	1,369	1,259	813

DEVELOPMENT PROPERTIES, GROUP

CARRYING AMOUNT, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Opening balance at beginning of the period	8,205	7,831	8,336	8,155	7,991	7,831
New purchases	1,454	1,235	654	407	1,973	1,754
Transferred to production	–1,122	–1,041	–430	–581	–1,470	–1,388
Other	71	–34	47	10	114	8
Closing balance at end of the period	8,607	7,991	8,607	7,991	8,607	8,205

¹⁾ Refers to rental units and residential care units.

Group five-year overview

ACCORDING TO SEGMENT REPORTING, SEK M	2021	2020	2019	2018	2017
Revenue	14,608	15,388	15,692	16,161	17,008
Operating profit	2,216	2,028	2,008	1,886	2,369
Profit before tax	2,158	1,955	1,928	1,817	2,579
Total assets	17,233	16,665	17,593	16,487	15,405
Cash flow from operating activities	2,287	1,715	1,291	–473	2,013
Interest-bearing net liabilities (+)/receivables (–)	–1,363	–300	420	546	–790
Operating margin, %	15.2	13.2	12.8	11.7	13.9
Return on equity, %	21.9	20.8	22.2	22.2	38.7
Equity/assets ratio, %	50	47	42	41	40
Earnings per share, SEK	25.90	22.50	22.50	20.60	31.00
Dividend per share, SEK	13.50	12.75	12.50	12.00	11.00
Number of available building rights	35,500	37,800	35,900	35,900	34,800
Number of residential units sold	4,248	4,026	3,595	2,463	3,100
Number of housing starts	3,972	3,199	3,269	3,135	3,873
Number of residential units in current production	8,094	7,976	7,813	7,835	8,200

Sustainable development

Sustainability is an integrated part of JM's residential and urban development, from the acquisition of land and throughout the entire design phase until the customers move in and are living in Swan Ecolabel homes in areas that promote a sustainable lifestyle. Structured work environment initiatives, efforts to prevent accidents, quality-assured supplier chains, and active efforts to improve diversity and equal opportunity are central components of JM's sustainability work.

JM has established a target of climate-affecting emissions close to zero by 2030. During the third quarter, crucial steps were taken toward this target with the implementation of climate-improved concrete and fossil-free building sites. These initiatives relate initially to Sweden. Tests are being conducted in Finland and Norway with the ambition to implement the initiatives in 2023.

During the quarter, JM began its work to calculate the climate impact of projects throughout the entire Group. The increase in data gathering will contribute to greater knowledge about JM's climate-affecting emissions and increases the conditions for being able in the long run to add more key ratios linked to the climate impact in the regular reporting.

Among the key ratios that JM reports, energy consumption in completed constructions and estimated energy needs should be highlighted in particular since efforts to provide the market with low-energy residential units continue to demonstrate a positive development. In an energy crisis with high electricity prices, low-energy residential units become important from both a social perspective and for customer value. JM's residential units have an estimated energy consumption that is significantly lower than regulatory requirements. Estimated annual energy consumption

amounts currently in completed property to 58 kWh/m² for JM Sweden and 51 for JM Norway.

During the period January–September 2022, JM received Swan Ecolabel certification for a total of 29 projects in the Group, which is in line with the goal for all completed projects during the period to have Swan Ecolabel certification. An additional four projects were completed during the period, but since the design of these projects started prior to 2018, they are not subject to JM's requirement on Swan Ecolabel certification.

JM's target for equal gender distribution and diversity among salaried employees (at least 35/65 percent women/men) by no later than 2023 has already been achieved, but the gender distribution between managers is further away from this target; therefore, this continues to be a prioritized area for JM.

A positive development has been noted for the target of at least 10 percent of JM's wage-earners being women.

That six serious accidents have occurred so far this year is a disheartening deviation from the target of zero serious accidents. The work to risk assess, prevent and follow up on the work environment and safety at JM's workplaces continues to be a major focus area for the operations.

TARGET 2030	OPERATIONAL TARGET 2023	JAN–SEP 2022	FY 2021	FY 2020
JM has the industry's best work environment and zero workplace accidents	No serious (according to national work environment authority's definition) accidents for own staff or subcontractors	6 (Sweden) 1 (Norway) 0 (Finland)	7	3
20% women among JM's wage-earners	Percentage of women among JM's wage-earners at least 10%	7.9 %	6.8 %	7.1 %
JM is striving for an even gender distribution and diversity among its employees (at least 40/60 women/men)	Even gender distribution among salaried employees, at least 35/65 women/men	39/61	39/61	38/62
	Even gender distribution among managers, at least 35/65 women/men	30/70	30/70	30/70
Total amount of construction waste reduced to 15 kg/GFA (Gross floor area) by 2030 ¹⁾	Total amount of construction waste reduced to max 25/GFA for JM Sweden	33	36	35
	Total amount of construction waste reduced to max 25/GFA for JM Norway	31	28	28
JM's operations have climate-affecting emissions close to zero ¹⁾²⁾	The estimated energy needed for residential units is at least 10% below the applicable norm in Sweden	19 %	23 %	27 %
	The estimated energy needed for residential units is at least 25% below the applicable norm in Norway	36 %	34 %	36 %
All properties must receive Swan Ecolabel certification	All completed projects during the project will receive Swan Ecolabel certification	15 (Sweden) 11 (Norway) 3 (Finland)	30	8

¹⁾ Data is missing for JM Finland.

²⁾ As calculation methods and data gathering develop, more key ratios will be added, primarily with regard to climate-affecting emissions in JM's production.

Group quarterly overview

ACCORDING TO SEGMENT REPORTING, SEK M

INCOME STATEMENT	2022			2021			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	3,589	3,790	3,854	4,068	3,485	3,719	3,337
Production and operating costs	-2,942	-3,035	-3,140	-3,282	-2,849	-2,980	-2,703
Gross profit	646	755	714	786	636	739	634
Selling and administrative expenses	-238	-317	-255	-273	-207	-297	-239
Gains/losses on the sale of property, etc.	-9	-6	7	242	16	167	11
Operating profit	399	432	466	755	445	609	406
Financial income and expenses	-19	-14	-16	-14	-13	-15	-16
Profit before tax	380	418	450	741	432	594	390
Taxes	-85	-87	-94	-89	-99	-91	-81
Profit for the period	295	331	356	652	333	503	309
CONSOLIDATED BALANCE SHEET	9/30	6/30	03/31	12/31	9/30	6/30	03/31
ASSETS							
Non-current assets	318	326	351	330	405	336	298
Project properties	1,369	1,225	896	813	1,259	1,269	1,387
Development properties	8,607	8,336	7,995	8,205	7,991	8,155	8,215
Participations in tenant-owners associations, etc.	339	389	330	377	432	375	422
Current receivables	4,536	4,218	3,770	3,528	3,475	3,569	3,726
Cash and cash equivalents	1,902	2,481	4,115	3,981	3,022	2,969	2,148
Total current assets	16,753	16,649	17,105	16,903	16,179	16,337	15,898
Total assets	17,071	16,975	17,457	17,233	16,584	16,673	16,196
EQUITY AND LIABILITIES							
Equity	8,396	8,210	8,904	8,608	8,023	7,808	7,439
Non-current interest-bearing liabilities	250	247	193	190	308	281	366
Other non-current liabilities	374	373	374	373	373	373	373
Non-current provisions	2,862	3,036	3,066	3,078	3,100	3,012	3,231
Total non-current liabilities	3,485	3,657	3,633	3,641	3,781	3,666	3,970
Current interest-bearing liabilities	662	617	658	667	376	737	505
Other current liabilities	4,391	4,349	4,118	4,172	4,255	4,313	4,141
Current provisions	137	142	144	145	149	149	141
Total current liabilities	5,189	5,109	4,920	4,984	4,780	5,199	4,787
Total equity and liabilities	17,071	16,975	17,457	17,233	16,584	16,673	16,196
CASH FLOW STATEMENT	Q3	Q2	Q1	Q4	Q3	Q2	Q1
From operating activities	-363	-525	273	916	487	792	92
From investing activities	-	6	-6	-16	-1	-1	1
From financing activities	-219	-1,111	-146	51	-434	32	-986
Total cash flow for the period	-582	-1,630	122	951	52	823	-893
Cash and cash equivalents at end of the period	1,902	2,481	4,115	3,981	3,022	2,969	2,148
INTEREST-BEARING NET LIABILITIES/RECEIVABLES	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Interest-bearing net liabilities(+)/-receivables(-) at beginning of period	64	-1,466	-1,363	-587	-244	449	-300
Change in interest-bearing net liabilities/receivables	550	1,530	-102	-776	-343	-693	749
Interest-bearing net liabilities(+)/receivables(-) at end of period	615	64	-1,466	-1,363	-587	-244	449
DEVELOPMENT PROPERTIES	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Carrying amount at beginning of the period	8,336	7,995	8,205	7,991	8,155	8,215	7,831
New purchases	654	658	141	519	407	341	487
Transferred to production	-430	-261	-431	-347	-581	-247	-213
Other	47	-56	80	43	10	-154	110
Carrying amount at end of the period	8,607	8,336	7,995	8,205	7,991	8,155	8,215
KEY RATIOS	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Operating margin, %	11.1	11.4	12.1	18.6	12.8	16.4	12.2
Debt/equity ratio, multiple	0.1	-	-	-	-	-	0.1
Equity/assets ratio, %	49	48	51	50	48	47	46
Earnings per share, SEK	4.40	4.90	5.20	9.40	4.80	7.20	4.40
Number of available building rights	39,000	38,400	36,300	35,600	36,200	37,300	37,300
Number of residential units sold	470	732	995	969	808	1,210	1,261
Number of housing starts	688	719	808	1,428	817	800	927
Number of residential units in current production	7,962	7,823	8,276	8,094	7,722	7,353	7,485

Business Segment Quarterly Overview

ACCORDING TO SEGMENT REPORTING, SEK M

	2022			2021			
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
JM RESIDENTIAL STOCKHOLM							
Revenue	1,141	1,196	1,285	1,251	1,179	1,312	1,248
Operating profit	160	182	190	204	181	196	182
Operating margin, %	14.1	15.2	14.8	16.3	15.4	14.9	14.6
Average operating capital	4,476	4,548	4,644	4,771	4,963	5,157	5,283
Return on operating capital, % ^{*)}	16.4	16.6	16.6	16.0	17.3	16.7	16.2
Operating cash flow	242	-182	244	388	394	417	16
Carrying amount, development properties	4,101	4,143	3,960	4,051	4,146	4,361	4,486
Number of available building rights	12,700	12,900	12,600	11,700	11,000	11,500	11,900
Number of residential units sold	102	230	264	356	261	332	357
Number of housing starts	205	178	73	265	351	239	298
Number of residential units in current production	2,598	2,709	2,870	2,855	2,703	2,526	2,773
JM RESIDENTIAL SWEDEN							
Revenue	1,012	1,205	1,127	1,170	951	1,154	1,042
Operating profit	153	185	174	180	145	177	160
Operating margin, %	15.1	15.3	15.5	15.4	15.2	15.3	15.4
Average operating capital	1,515	1,377	1,366	1,354	1,332	1,339	1,345
Return on operating capital, % ^{*)}	45.7	49.7	49.5	48.9	49.8	49.2	48.4
Operating cash flow	-356	156	304	22	-60	326	154
Carrying amount, development properties	2,138	1,704	1,553	1,669	1,526	1,439	1,441
Number of available building rights	11,100	10,100	10,000	9,900	10,300	10,400	10,300
Number of residential units sold	189	290	375	220	280	263	358
Number of housing starts	255	262	357	300	238	362	277
Number of residential units in current production	2,246	1,991	2,153	2,154	2,226	2,178	2,063
JM INTERNATIONAL							
Revenue	1,229	1,196	1,231	1,407	1,185	1,084	856
Operating profit ¹⁾	90	101	105	139	111	98	67
Operating margin, %	7.3	8.4	8.6	9.9	9.4	9.0	7.8
Average operating capital	3,745	3,635	3,506	3,405	3,309	3,336	3,335
Return on operating capital, % ^{*)}	11.6	12.5	12.9	12.2	12.5	11.1	8.8
Operating cash flow	95	-144	-37	-60	338	-111	156
Carrying amount, development properties	2,345	2,467	2,459	2,462	2,293	2,329	2,262
Carrying amount, project properties	18	18	18	17	39	111	90
Number of available building rights	13,400	13,500	12,400	12,900	13,300	14,000	13,900
Number of residential units sold ²⁾	179	212	356	393	267	295	546
Number of housing starts ³⁾	132	279	378	522	228	199	352
Number of residential units in current production	2,681	2,639	2,769	2,601	2,458	2,314	2,314
¹⁾ Of which property sales	-	-	-	4	-	-	1
²⁾ Of which residential units to investors	-	103	128	146	78	94	265
³⁾ Of which residential units to investors	-	103	128	146	-	94	265
JM PROPERTY DEVELOPMENT							
Revenue	48	40	73	80	65	65	52
Operating profit ¹⁾²⁾	-2	-22	4	238	12	153	4
Average operating capital	1,212	1,171	1,187	1,242	1,407	1,460	1,513
Return on operating capital, % ^{*)}	18.0	19.8	34.3	32.7	24.7	23.1	11.8
Operating cash flow	-124	-316	-81	664	-97	322	-88
Carrying amount, development properties	10	10	10	10	10	10	10
Carrying amount, project properties	1,351	1,208	878	795	1,220	1,158	1,297
Number of available building rights ³⁾	1,800	1,900	1,300	1,100	1,600	1,400	1,200
Number of residential units sold ³⁾	-	-	-	-	-	320	-
Number of housing starts ³⁾	96	-	-	341	-	-	-
Number of residential units in current production ³⁾	437	484	484	484	335	335	335
¹⁾ Of which property sales	-	-	-	231	-	161	-
²⁾ Of which income from joint venture	-9	-6	7	8	16	6	10
³⁾ Refers to rental units and residential care units.							
JM CONSTRUCTION							
Revenue	274	289	262	295	200	226	230
Operating profit	4	4	4	10	3	3	3
Operating margin, %	1.5	1.4	1.4	3.5	1.5	1.3	1.3
Operating cash flow	-9	-1	-16	8	4	14	10
JM OTHER							
Revenue (elimination)	-115	-136	-124	-134	-95	-122	-91
Operating profit (Group-wide expenses)	-6	-18	-11	-15	-7	-18	-10

^{*)} Calculated on 12-month rolling profits and average capital.

Group – IFRS

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO IFRS, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue	10,507	10,723	3,004	3,120	15,433	15,650
Production and operating costs	-8,473	-8,541	-2,413	-2,504	-12,367	-12,435
Gross profit	2,033	2,182	591	616	3,066	3,215
Selling and administrative expenses	-820	-755	-243	-210	-1,097	-1,032
Gains/losses on the sale of property, etc. ¹⁾	-8	33	-9	16	3	45
Operating profit	1,205	1,460	339	422	1,973	2,227
Financial income and expenses	-62	-63	-21	-20	-80	-80
Profit before tax	1,143	1,397	318	402	1,893	2,147
Taxes	-244	-268	-72	-98	-319	-343
Profit for the period	899	1,129	246	304	1,573	1,804
Other comprehensive income						
<i>Items that will be reclassified as income</i>						
Translation differences from the translation of foreign operations	101	70	48	10	138	108
<i>Items that will not be reclassified as income</i>						
Restatement of defined-benefit pensions	241	119	113	-37	248	126
Tax attributable to other comprehensive income	-50	-24	-23	8	-51	-26
Comprehensive income for the period	1,191	1,294	384	285	1,908	2,012
Net profit for the period is attributable to shareholders of the Parent Company	899	1,129	246	304	1,573	1,804
Comprehensive income for the period is attributable to shareholders of the Parent Company	1,191	1,294	384	285	1,908	2,012
Earnings per share ²⁾ , basic, is attributable to shareholders of the Parent Company, SEK	13.30	16.30	3.70	4.40	23.20	26.10
Earnings per share ²⁾ , diluted, is attributable to shareholders of the Parent Company, SEK	13.30	16.20	3.70	4.40	23.10	26.00
Number of outstanding shares at end of the period	65,960,841	68,910,847	65,960,841	68,910,847	65,960,841	68,648,746
Average number of shares, basic	67,637,497	69,357,938	66,656,923	69,090,051	67,933,969	69,220,764
Average number of shares, diluted	67,948,342	69,753,728	66,967,768	69,485,841	68,244,814	69,560,505
¹⁾ Of which income from joint venture	-8	32	-9	16	-	40
²⁾ Net profit for the period.						

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO IFRS, SEK M	9/30/2022	9/30/2021	12/31/2021
ASSETS			
Non-current assets¹⁾	545	638	584
Project properties	1,369	1,259	813
Development properties	8,607	7,991	8,205
Utilization of site leasehold rights	626	454	456
Participations in tenant-owners associations, etc.	339	432	377
Work in progress	4,946	4,183	4,073
Current receivables	6,216	5,631	5,902
Cash and cash equivalents	1,902	3,022	3,981
Total current assets	24,004	22,972	23,807
Total assets	24,549	23,610	24,391
EQUITY AND LIABILITIES^{2) 3) 4) 5)}			
Equity	8,080	7,780	8,385
Non-current interest-bearing liabilities	1,016	906	818
Other non-current liabilities	374	373	373
Non-current provisions	2,783	3,061	3,024
Total non-current liabilities	4,173	4,340	4,214
Current interest-bearing liabilities	7,765	7,130	7,566
Other current liabilities	4,394	4,211	4,082
Current provisions	137	149	145
Total current liabilities	12,295	11,490	11,793
Total equity and liabilities	24,549	23,610	24,391
Pledged assets	461	441	476
Contingent liabilities	8,351	8,032	7,827
¹⁾ Of which right-of-use offices and cars	226	233	255
²⁾ Of which project financing JM International	3,851	3,390	3,123
³⁾ Of which project financing JM Residential Stockholm and JM Residential Sweden	2,943	3,260	3,338
⁴⁾ Of which liabilities for property acquisition	462	581	675
⁵⁾ Of which current and non-current interest-bearing leasing liabilities	856	690	714

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO IFRS, SEK M	JANUARY–SEPTEMBER		FULL-YEAR
	2022	2021	2021
Opening balance at beginning of the period	8,385	7,598	7,598
Total comprehensive income for the period	1,191	1,294	2,012
Dividends	–922	–887	–887
Conversion of convertible loan	1	25	38
Repurchase of shares	–574	–250	–375
Closing balance at end of the period	8,080	7,780	8,385

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO IFRS, SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Cash flow from operating activities before change in working capital and taxes ¹⁾²⁾	–408	–475	–173	–240	–859	–927
Tax paid	–416	–438	–116	–110	–526	–549
Investment in development properties	–1,674	–1,130	–668	–339	–2,083	–1,539
Payment on account for development properties	358	304	169	150	539	485
Investment in project properties	–538	–362	–143	–74	–623	–447
Sale of project properties	–	550	–	–	790	1,340
Change in current liabilities/receivables	233	377	–121	–400	530	675
Cash flow from operating activities ³⁾	–2,446	–1,174	–1,052	–1,013	–2,232	–961
Cash flow from investing activities	–	–1	–	–1	–17	–17
Loans raised	444	360	85	1	748	664
Amortization of liabilities	–495	–691	–76	–337	–651	–846
Loans raised, project financing ³⁾	3,368	4,038	1,215	1,731	4,638	5,308
Amortization of debt, project financing ³⁾	–1,465	–1,413	–503	–204	–2,004	–1,951
Buy-back of shares	–574	–250	–250	–125	–699	–375
Dividends	–922	–887	–	–	–922	–887
Cash flow from financing activities	355	1,157	470	1,066	1,109	1,911
Cash flow for the period	–2,091	–18	–583	52	–1,140	933
Cash and cash equivalents at end of the period	1,902	3,022	1,902	3,022	1,902	3,981

¹⁾ Of which investment in participations in tenant-owners associations and freehold residential units

–167 –601 –10 –177 –296 –730

²⁾ Of which the sale of participations in tenant-owners associations and freehold residential units

248 665 89 147 421 837

³⁾ JM sometimes recognizes initial project financing for Swedish residential projects where the financing is taken over by the customer at a later point in time. The take-over occurs without any in- or outpayments, and when the debt is settled the cash flow statement is not affected, either as a negative item (amortization) in the financing activities or as a positive item in the operating activities.

Accounting principles

This interim report for the first nine months of 2022 has been 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 Parent Company's accounts were prepared in accordance with RFR 2.

The accounting principles and methods of calculation for the Group have not changed compared to the description on pages 93–97 of the 2021 Annual Report.

JM's appeal to the Administrative Court regarding Finansinspektionen's interpretation of IFRS for tenant-owner associations in production was decided with a ruling by the court in JM's favor on October 26, 2021. The Administrative Court reached a different assessment than Finansinspektionen (FI) and therefore overruled FI's previous decision. FI has appealed the Administrative Court's ruling to the Court of Appeal and the appeal will be considered. JM submitted statements to the Court of Appeal in February, May and June 2022 in response to FI's appeal. A final ruling is expected from the Court of Appeal in Q4 2022. For more information, see JM's annual report for 2021, page 86.

Amended standards as of 2022

The amended standards according to IFRS the Group applies as of January 1, 2022, are expected to have no or a small impact on JM's financial reporting.

Segment reporting

JM's segment reporting primarily differs from IFRS in three respects:

In its segment reporting, revenue for JM International is recognized using the percentage of completion method.

In addition, JM International's project financing, as well as part of the financing of JM Residential Stockholm and JM Residential Sweden, is recorded as a deduction item to "Revenue less progress billings" or "Progress billings in excess of recognized revenue" and raised/repaid project financing is reported in the cash flow from operating activities.

The reporting of leases in accordance with IFRS 16 is not applied in the segment reporting.

JM makes the assessment that segment reporting most accurately reflects the economic implications of JM's business at the same time as it correlates well with the Group's internal governance, which is based on the Group's cash flows, risk profile and capital allocation.

Parent Company

CONDENSED INCOME STATEMENT, PARENT COMPANY

SEK M	JANUARY–SEPTEMBER		FULL-YEAR
	2022	2021	2021
Net sales	7,024	7,208	9,710
Production and operating costs	-5,570	-5,680	-7,609
Gross profit	1,453	1,528	2,100
Selling and administrative expenses	-656	-551	-712
Gains/losses on the sale of property	–	–	–
Operating profit	797	977	1,388
Financial income and expenses	718	21	24
Profit before appropriations and tax	1,515	998	1,412
Appropriations	–	–	-16
Profit before tax	1,515	998	1,397
Taxes	-164	-197	-279
Net profit for the period¹⁾	1,352	801	1,118

¹⁾ Net profit/loss for January–September 2022 was burdened by SEK 138m after changed assumptions regarding the valuation of pension liabilities. The amount includes special payroll tax and deductions for tax.

CONDENSED BALANCE SHEET, PARENT COMPANY

SEK M	9/30/2022	9/30/2021	12/31/2021
Assets			
Non-current assets	2,924	2,105	2,214
Current assets	12,475	13,069	13,862
Total assets	15,399	15,174	16,076
Equity and liabilities			
Equity	4,274	4,212	4,417
Untaxed reserves	2,390	2,410	2,390
Provisions	1,470	1,336	1,304
Non-current liabilities	385	417	417
Current liabilities	6,879	6,799	7,548
Total equity and liabilities	15,399	15,174	16,076
Pledged assets	100	100	100
Contingent liabilities	10,496	9,358	9,471

Reconciliation between segment reporting and IFRS

CONSOLIDATED INCOME STATEMENT

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Revenue for the period (segment reporting)	11,233	10,541	3,589	3,485	15,300	14,608
Restatement JM International	-726	-359	-585	-365	-608	-240
Reclassification property sale	–	541	–	–	741	1,281
Revenue for the period (IFRS)	10,507	10,723	3,004	3,120	15,433	15,650
Operating profit/loss for the period (segment reporting)	1,297	1,460	399	445	2,053	2,216
Restatement JM International	-105	-18	-62	-30	-97	-10
Leases IFRS 16	13	18	2	7	17	22
Operating profit/loss for the period (IFRS)	1,205	1,460	339	422	1,973	2,227
Profit/loss for the period (segment reporting)	982	1,145	295	333	1,634	1,798
Restatement JM International	-82	-15	-49	-29	-60	7
Leases IFRS 16	–	-1	–	–	–	-1
Profit/loss for the period (IFRS)	899	1,129	246	304	1,573	1,804

CONSOLIDATED BALANCE SHEET

SEK M	9/30/2022	9/30/2021	12/31/2021
Balance sheet total (segment reporting)	17,071	16,584	17,233
Restatement JM International	-544	-311	-303
Reclassification project financing JM International, interest-bearing	3,753	3,254	3,121
Reclassification project financing JM International, non-interest-bearing ¹⁾	473	136	292
Reclassification project financing JM Residential Stockholm and Sweden, interest-bearing	3,260	3,408	3,692
Transfer between Progress billing in excess of recognized revenue to Revenue less progress billings	-317	-148	-354
Leases IFRS 16	853	687	711
Balance sheet total (IFRS)	24,549	23,610	24,391

¹⁾ Billing on account to customers.

CONSOLIDATED EQUITY

SEK M	9/30/2022	9/30/2021	12/31/2021
Equity (segment reporting)	8,396	8,023	8,608
Restatement JM International	-313	-240	-221
Leases IFRS 16	-3	-3	-3
Equity (IFRS)	8,080	7,780	8,385

GROUP KEY FIGURES

%	9/30/2022	9/30/2021	12/31/2021
Equity/assets ratio (segment reporting)	49	48	50
Equity/assets ratio (IFRS)	33	33	34

CONSOLIDATED CASH FLOW

SEK M	JANUARY–SEPTEMBER		JULY–SEPTEMBER		OCT–SEPT	FULL-YEAR
	2022	2021	2022	2021	2021/2022	2021
Cash flow from operating activities (segment reporting)	-615	1,371	-363	487	302	2,287
Reclassification project financing JM International	-524	-531	-384	-558	-344	-350
Reclassification project financing JM Residential Stockholm and JM Residential Sweden, interest-bearing	-1,379	-2,094	-327	-969	-2,291	-3,006
Leases IFRS 16	73	80	23	27	101	108
Cash flow from operating activities according to IFRS	-2,446	-1,174	-1,052	-1,013	-2,232	-961

CONSOLIDATED INTEREST-BEARING NET LIABILITIES/RECEIVABLES

SEK M	9/30/2022	9/30/2021	12/31/2021
Interest-bearing net liabilities (+)/receivables (-) at end of period (segment reporting)	615	-587	-1,363
Reclassification project financing JM International	3,753	3,254	3,121
Reclassification project financing JM Residential Stockholm and Sweden, interest-bearing	3,260	3,408	3,692
Leases IFRS 16	856	690	714
Interest-bearing net liabilities (+)/receivables (-) at end of period (IFRS)	8,483	6,765	6,163

Stockholm, October 27, 2022

JM AB (publ)

Johan Skoglund
President and CEO

Review report JM AB (publ), corporate identity number 556045-2103

Introduction

We have reviewed the condensed interim financial information (interim report) of JM AB as of September 30, 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that

we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 27, 2022
PricewaterhouseCoopers AB

Ann-Christine Hägglund
Authorized Public
Accountant
Auditor in charge

Fredrik Kroon
Authorized Public
Accountant

JM in brief

Business concept

With people in focus and through constant development, we create homes and sustainable living environments.

Vision

We are laying the foundations for a better life.

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 and Finland. We are also involved in project development of commercial premises and contract work, primarily in the Greater Stockholm area.

JM should promote long-term sustainability work in all its operations. Annual sales total approximately SEK 15 billion and the company has around 2,400 employees. JM AB is a public limited company listed on NASDAQ Stockholm, Large Cap segment.

Financial targets, benchmarks for capital structure and dividend policy

The operating margin should amount to on average 12 percent, including gains/losses from property sales.

Return on equity should be 25 percent on average over time.

Long-term growth should amount to 4 percent a year on average for the number of housing starts, where the baseline is an annual rate of 3,800 housing starts.

Benchmark for capital structure where the visible equity/assets ratio should amount to at least 35 percent over a business cycle.

Dividend policy where the average dividend should be 50 percent of the Group's profit after tax over a business cycle.

JM's financial targets, benchmarks for capital structure and dividend policy are based on segment reporting.

Disclosures

This information is information that JM AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CEST on October 27, 2022.

For more information please contact:

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Financial calendar

Februari 1, 2023	Year-end Report
Week 10, 2023	Annual Report 2022 is published
March 30, 2023	Annual General Meeting
April 27, 2023	Interim Report January–March
July 12, 2023	Interim Report January–June
October 26, 2023	Interim Report January–September

Press releases, Q3 2022

September 29	JM AB's Nomination Committee for the 2023 Annual General Meeting
September 28	Annica Ånäs leaves JM's Board of Directors
July 29	Notification of reduction share of capital in JM AB (publ)
July 12	JM Interim Report January–June 2022
July 8	JJM acquiring property through joint venture for development of a total of 2,500 residential units in Lund
July 5	JM acquiring 330 building rights for residential development in Gothenburg

JM's Annual Reports, Interim Reports and other financial information are available at jm.se/investors

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