Interim Report January–March 2021

JM GROUP

STRONG DEMAND AND SALES OF RESIDENTIAL UNITS

JANUARY–MARCH 2021

Revenue decreased to SEK 3,337m (3,814).

Operating profit decreased to SEK 406m (483). The operating margin was 12.2 percent (12.7).

Gains from sale of properties and from joint venture of SEK 11m (18) are included in the operating profit.

Profit before tax decreased to SEK 390m (462). Profit after tax decreased to SEK 309m (364).

Return on equity for the past twelve months amounted to 20.3 percent (23.3). Earnings per share for the first quarter amounted to SEK 4.40 (5.20).

Consolidated cash flow including net investment in properties amounted to SEK 92m (188).

The number of residential units sold increased to 1,261 (805), and housing starts increased to 927 (637).

ACCORDING TO SEGMENT REPORTING SEK M	JANUARY–MARCH 2021	2020	APR.–MAR. 2020/2021	FULL-YEAR 2020
Revenue	3,337	3,814	14,911	15,388
Operating profit	406	483	1,951	2,028
Operating margin, %	12.2	12.7	13.1	13.2
Profit before tax	390	462	1,883	1,955
Cash flow from operating activities	92	188	1,619	1,715
Return on equity, %			20.3	20.8
Equity/assets ratio, %	46	43		47
Earnings per share, SEK	4.40	5.20	21.70	22.50
Number of residential units sold [1) 2)]	1,261	805	4,482	4,026
Number of housing starts [3) 4)]	927	637	3,489	3,199
Number of residential units in current production	7,485	7,583		7,976
Revenue according to IFRS	3,545	3,853	15,983	16,291
Operating profit according to IFRS	452	497	1,973	2,018
Earnings per share according to IFRS, SEK	5.00	5.30	21.60	22.00
1) Of which rental units in JM Property Development	–	–	*418*	*418*
2) Of which residential units in JM International to investors	*265*	–	*435*	*170*
3) Of which rental units in JM Property Development	–	–		–
4) Of which residential units in JM International to investors	*265*	–	*435*	*170*

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.

Unless otherwise specified, the analysis and comments in this Interim Report are based on JM's segment reporting.

Cover photo: Södra Ribersborg, Malmö

Group

A WORD FROM THE CEO

STRONG DEMAND AT BEGINNING OF YEAR

We continued to have strong demand at the beginning of the year with very good sales in all our markets. This, in turn, also resulted in a good level of housing starts. Our digital solutions in our interaction with customers continued to work very well. Revenues and profit are dampened by the lower starting and price levels for projects started in Stockholm in the past few years. The lead time in JM's business is several years from the development of the housing market, sale prices and housing starts to recognition in the income statement.

The supply of newly produced residential units on the market decreased in Stockholm and the rest of Sweden in Q1 2021 at the same time as the transaction volume continued to increase.

We assess the underlying demand for housing to continue to be good on our markets. The reservation and sales level is high in the current production of residential units on all our markets. This provides continued good conditions for housing starts and stable cash flow moving forward. Assuming that the market continues to be positive, we maintain the assessment of good possibilities to achieve a higher level of housing starts in 2021 compared to 2020 based on the planning conditions in the building rights portfolio that are relevant for the second half of the year.

STRONG SALES AND GOOD LEVEL OF HOUSING STARTS IN STOCKHOLM

We have seen continued high demand from customers in Stockholm in the first quarter, with good demand for both the tenant-owned and the freehold apartments in ongoing production.

Sales in Stockholm were strong with 357 residential units sold in the first quarter compared to 474 in Q4 2020, which was influenced by a very strong recovery effect at the end of the year in terms of both the market and sales.

The housing business in Stockholm continued to have good profitability and a stable level of housing starts during the first quarter based on good sales. Revenue and the operating profit, however, continues to be negatively impacted during the year by the lower start levels for JM projects during the years 2018–2020 and the lower prices from 2017 until the first half of 2020. The level of land transfers to projects was also low during the quarter. The very strong end to 2020 in sales also resulted in an enhanced allocation of the profit to 2020.

STRONG SALES AND GOOD LEVEL OF HOUSING STARTS IN THE REST OF SWEDEN, NORWAY AND FINLAND

The housing business in the rest of Sweden showed good sales, profitability, and housing starts during the first quarter. Sales in the rest of Sweden continued to be strong with 358 residential units sold in the first quarter compared to 380 in Q4 2020.

In Norway, activity on the housing market developed favorably during the first quarter as price increases continued.

The housing market in Finland showed good development as well. Sales in the foreign operations were enhanced during the quarter by the sale and the start of the production of an apartment hotel in Helsinki that will consist of 265 residential units in the form of small studio apartments.

NORMALIZED MARKET – COVID-19

The normalization of the housing market after the initial uncertainty linked to COVID-19 and its effects continued in 2021. Continued limited disruptions in terms of staffing and supplier chains mean that the risk level in JM's business is judged to remain limited in 2021. At the same time we have contingency plans in place if the COVID-19 situation were to deteriorate. The business is aligned on an ongoing basis within the framework of our business model, which has good adaptability.

GOOD PROJECT PORTFOLIO AND STRONG FINANCIAL POSITION RAISES THE LEVEL OF AMBITION

We are well-positioned with a good project portfolio that is continuously developed for the housing of the future at the same time as our strong financial position allows us freedom of action. The balance sheet allows both growth in JM's business and stable value transfer to shareholders. The fundamental and long-term conditions continue to be favorable for a positive development of our business. I am looking forward to the year with great confidence, and I expect our business to show strong development in 2021.

Johan Skoglund,
President and CEO

"We continued to have strong demand at the beginning of the year with very good sales in all our markets, which has also resulted in a good level of housing starts"

MARKET, SALES AND HOUSING STARTS

JANUARY–MARCH 2021

The housing market in Stockholm continued to improve during the first quarter with a good level of residential units sold. Profitability continued to be good, and housing starts in the quarter have a normal level of reservations.

The housing business in the rest of Sweden showed good profitability with good sales and housing starts in a stable market.

In Norway, the activity on the housing market increased during the quarter, and in Finland the activity stabilized at a high level.

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 increased to 1,261 (805)[1) 2)]. The percentage of sold and reserved residential units in relation to current production amounted to 77 percent (69), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 357 residential units (347), JM Residential Sweden sold 358 (300), JM International sold 546 (158), and JM Property Development sold 0 (0).

The number of housing starts was 927 (637)[3) 4)]. JM Residential Stockholm started production on 298 residential units (240), JM Residential Sweden on 277 (261), JM International on 352 (136) and JM Property Development on 0 (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 amounted to 7,485 (7,583), of which 335 are rental units (600) in JM Property Development.

1) *Of which 0 rental units (0) in JM Property Development*
2) *Of which 265 residential units (0) in JM International and JM Residential Sweden to investors*
3) *Of which 0 rental units (0) in JM Property Development*
4) *Of which 265 residential units (0) in JM International and JM Residential Sweden to investors*

REVENUE, OPERATING PROFIT AND OPERATING MARGIN

JANUARY–MARCH 2021

Consolidated revenue according to segment reporting for the first quarter decreased to SEK 3,337m (3,814). Revenue restated according to IFRS decreased to SEK 3,545m (3,853). The lower revenue is primarily attributable to a lower level of current production and a low level of transferred land to projects in JM Residential Stockholm.

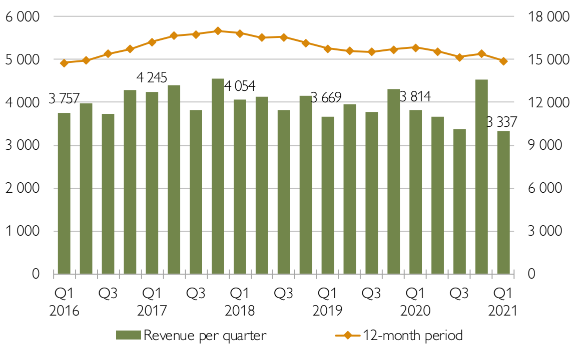
Operating profit according to segment reporting decreased to SEK 406m (483), and the operating margin amounted to 12.2 percent (12.7). Operating profit restated according to IFRS decreased to SEK 452m (497). The restatement is related to JM International, with a positive effect on earnings of SEK 42m (5), and leases according to IFRS 16, with a positive effect on earnings of SEK 4m (9).

During the first quarter, properties were sold for SEK 1m (30) with gains of SEK 1m (18) and income from joint venture amounted to SEK 10m (0), primarily attribute to value adjustments regarding rental properties.

Rental income from JM's project properties amounted to SEK 10m (18). Net rental income was SEK 4m (13).

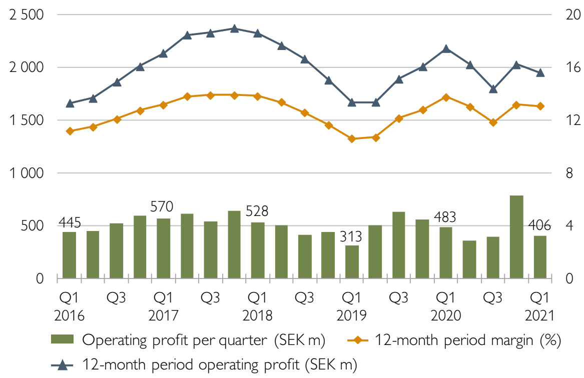
JM has not received any state support during the first quarter attributable to COVID-19.

REVENUE [1)]
GROUP



1) *According to segment reporting*

OPERATING PROFIT AND OPERATING MARGIN [1)]
GROUP



1) *According to segment reporting*

OPERATING PROFIT BY BUSINESS SEGMENT, SEK M	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	182	250	858	926
JM Residential Sweden	160	166	651	657
JM International	67	51	292	276
JM Property Development	4	3	179	178
JM Construction	3	22	12	31
Group-wide expenses	−10	−9	−41	−40
Total	**406**	**483**	**1,951**	**2,028**
Of which property sales	*1*	*18*	*170*	*187*
Of which income from joint venture	*10*	*–*	*14*	*4*

OPERATING MARGIN BY BUSINESS SEGMENT, %	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	14.6	15.4	14.3	14.6
JM Residential Sweden	15.4	15.8	15.6	15.7
JM International	7.8	5.8	7.8	7.4
JM Construction	1.3	7.4	1.0	2.5

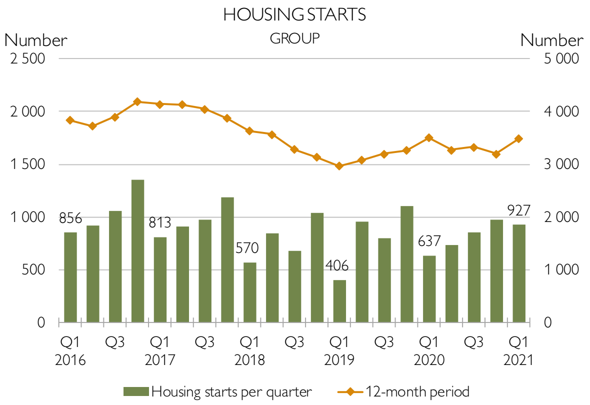
RESIDENTIAL UNITS IN CURRENT PRODUCTION	3/31/2021	3/31/2020	12/31/2020
Number of residential units in current production [1) 2)]	7,485	7,583	7,976
Percentage of sold residential units in current production, % [3)]	62	54	60
Percentage reserved residential units in current production, %	15	15	14
Percentage sold and reserved residential units in current production, %	77	69	74
[1)] *Of which rental units and residential care units in current production in JM Property Development – are not included in the percentage of sold and reserved residential units in current production*	*335*	*600*	*463*
Including residential units in projects where costs incurred are only reported as project properties under construction	*192*	*457*	*320*

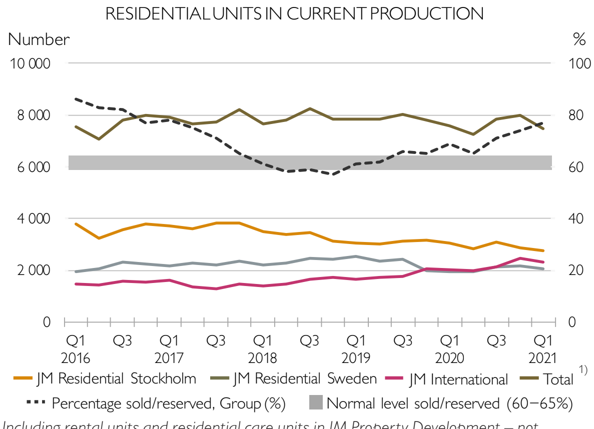
[2)] *Beginning with production start-up through final occupancy according to plan.*

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

UNSOLD UNITS	03/31/2021	03/31/2020	12/31/2020
Completed production, number of unsold units [1)]	119	193	143
The number of unsold residential units in the balance sheet recognized as "Participations in tenant-owners associations, etc."	84	108	85

[1)] *After final occupancy according to plan.*





[1)] *Including rental units and residential care units in JM Property Development – not included in percentage of sold/reserved*

RESIDENTIAL BUILDING RIGHTS

JANUARY–MARCH 2021

The number of available building rights at the end of the first quarter increased to 37,300 (35,900), of which 19,700 (21,100) are recognized in the balance sheet. The increase in available building rights is primarily attributable to JM Finland. Capital tied up in building rights (development properties in the balance sheet) for residential units decreased to SEK 8,199m (8,575).

JM acquired development properties for residential units during the first quarter for SEK 487m (273), of which SEK 378m relates to JM Residential Stockholm, SEK 25m to JM Residential Sweden and SEK 84m to JM International.

FINANCIAL ITEMS

JANUARY–MARCH 2021

Net financial items improved somewhat compared to the previous year attributable to somewhat lower average interest-bearing liabilities and lower average interest rates.

Total interest-bearing liabilities according to segment reporting was SEK 2,597m (2,882), of which the provision for pension liabilities comprised SEK 1,726m (1,716). At the end of the first quarter, the average interest rate for the total interest-bearing loan stock including pension liabilities was 1.5 percent (1.8). The average term for fixed-rate loans excluding the pension liability was 0.4 years (0.2).

Consolidated available liquidity decreased to SEK 4,948m (5,484). Aside from cash and cash equivalents of SEK 2,148m (2,684), 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 2.8 years (3.1).

Interest-bearing net liabilities including pension liabilities according to segment reporting totaled SEK 449m (198) at the end of the period. Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 526m (843). Of these liabilities, SEK 154m (95) were current.

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

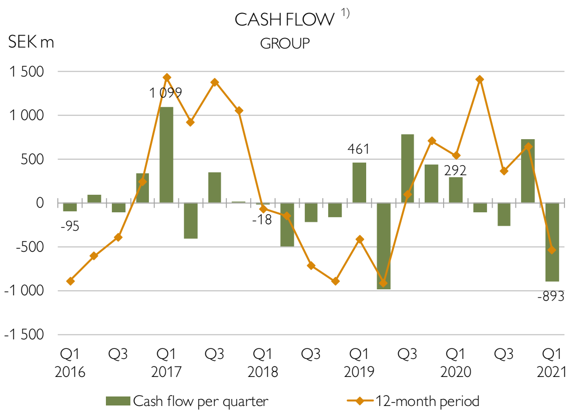
CASH FLOW

JANUARY–MARCH 2021

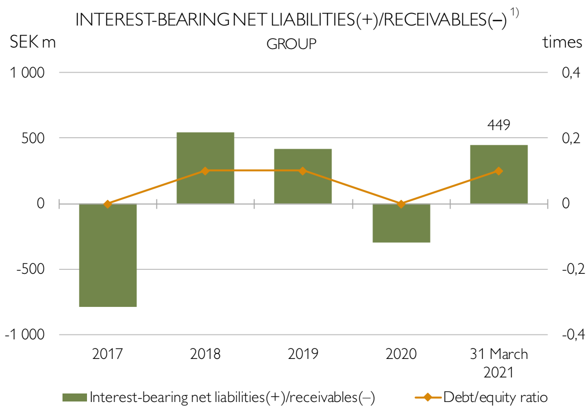
Cash flow from operating activities according to segment reporting was SEK 92m (188). Net investments in development properties resulted in a cash flow of SEK –228m (144). Holdings of unsold residential units resulted in a cash flow of SEK –44m (–60). Consolidated cash flow attributable to project properties (sales minus investment) during the first quarter was SEK –139m (–100).

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
SEK M	2021	2020	2020/2021	2020
Financial income	1	2	5	6
Financial expenses	–17	–23	–73	–79
Financial income and expenses	**–16**	**–21**	**–68**	**–73**

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
ACCORDING TO SEGMENT REPORTING, SEK M	2021	2020	2020/2021	2020
Interest-bearing net liabilities (+)/receivables(–) at beginning of period	**–300**	**420**	**198**	**420**
Change in interest-bearing net liabilities/receivables	749	–222	251	–720
Interest-bearing net liabilities(+)/receivables(–) at end of period	**449**	**198**	**449**	**–300**



[1)] *Total cash flow for the period*



[1)] *According to segment reporting*

RISKS AND UNCERTAINTY FACTORS

JM's risks and risk management are presented in the 2020 Annual Report on pages 32–37 and 83. Aside from the uncertainty from COVID-19, no significant changes have occurred that have affected these reported risks.

COVID-19 and its effects have created uncertainty and risks for some time. However, JM stands strong in terms of both its business model and its finances. The percentage of reserved and sold residential units in current production is at a high level. This, together with very limited disruptions so far in terms of staffing and supplier chains, presents possibilities for keeping the business reasonably stable even during a period of a weaker market, and the risks are judged to have decreased going into 2021. At the same time we have contingency plans in place if the COVID-19 situation were to deteriorate.

JM's strategy during the COVID-19 period is to safeguard cash flows and production capacity.

OUTSTANDING SHARES

The number of outstanding shares amounted to 69,583,262 (69,583,262). The company has no holdings of treasury shares.

DIVIDEND IN 2020

The Annual General Meeting on March 24, 2021, resolved on a dividend for 2020 of SEK 12.75 per share for a total of SEK 887m. The dividend was distributed on March 31, 2021.

REPURCHASE OF OWN SHARES

The Annual General Meeting held on March 24, 2021, resolved to authorize the Board of Directors, during the period up to the next Annual General Meeting and on one or more occasions, to make a decision 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 first quarter decreased to 2,472 (2,540). The number of wage-earners decreased to 918 (986) and the number of salaried employees was 1,554 (1,554). 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 has decreased slightly.

Business Segments
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 continued to increase during the first quarter. The total supply of residential units was normal, and the supply of newly produced residential units is at a low level and continued to decrease during the quarter.

Competition and supply of well-situated land for residential purposes is considered to be normal. However, prices of building rights are still at a level that requires selective acquisition.

The housing market in Stockholm continued to improve during the first quarter. Customers are showing strong interest in JM's projects with very good sales during the first quarter. The willingness of customers to sign a contract early in the process is still at a normal level.

No extraordinary measures have been needed during the first quarter due to COVID-19.

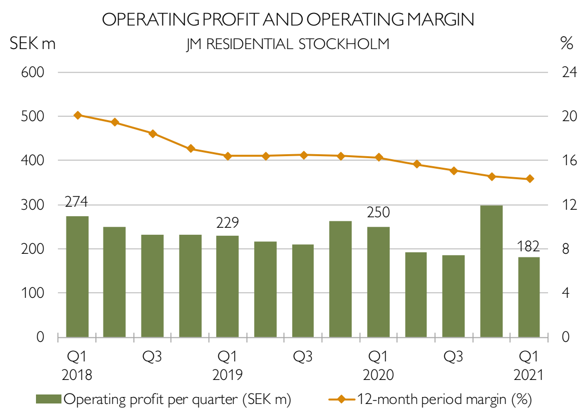
Profitability has remained good based on the good sales level. Revenue and the operating profit, however, continues to be negatively impacted during the year by the lower start levels for JM projects during the years 2018–2020 and the lower prices from 2017 until the first half of 2020. The level of land transfers to projects was also low during the quarter. The very strong end to 2020 in sales also resulted in an enhanced allocation of the profit to 2020.

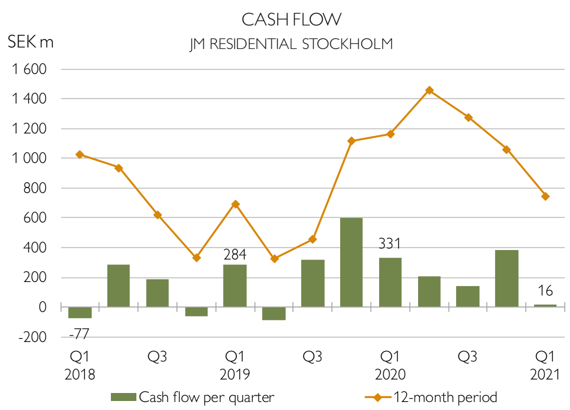
Cash flow during the first quarter is in balance taking into consideration the increase in development properties.

Production was started in the first quarter on 298 residential units in apartment buildings in Sollentuna, Stockholm and Södertälje.

No building rights were acquired during the first quarter.

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
SEK M	2021	2020	2020/2021	2020
Revenue	1,248	1,622	5,984	6,358
Operating profit	182	250	858	926
Operating margin, %	14.6	15.4	14.3	14.6
Average operating capital			5,283	5,372
Return on operating capital, %			16.2	17.2
Operating cash flow	16	331	749	1,064
Carrying amount, development properties	4,486	4,812		4,246
Number of available building rights	11,900	12,900		12,500
Number of residential units sold	357	347	1,350	1,340
Number of housing starts	298	240	1,090	1,032
Number of residential units in current production	2,773	3,035		2,878
Number of employees	816	894		872





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 increased during the first quarter in all of the business segment's submarkets.

The supply of new production in the first quarter decreased slightly in most of the submarkets in the business segment. The supply of newly produced homes in Gothenburg and Malmö is lower, and in Uppsala the supply is at the same low level as in the corresponding period last year.

Competition for land for residential purposes continued to be high in the first quarter for most of the business segment's submarkets.

Interest in JM's projects was strong with very good sales in the first quarter. The customers' willingness to sign a contract early in the process continues to be at a normal level.

No extraordinary measures have been needed during the quarter due to COVID-19.

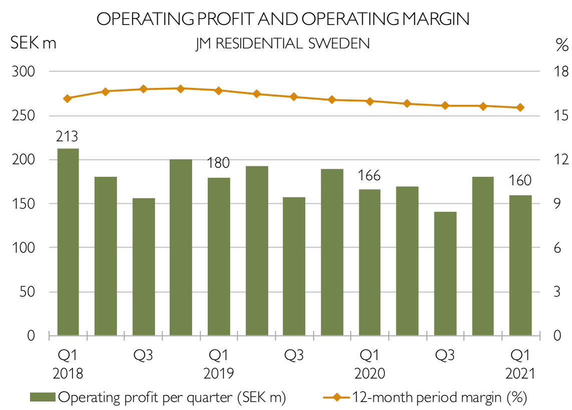
Profits and margins are at the same level as last year.

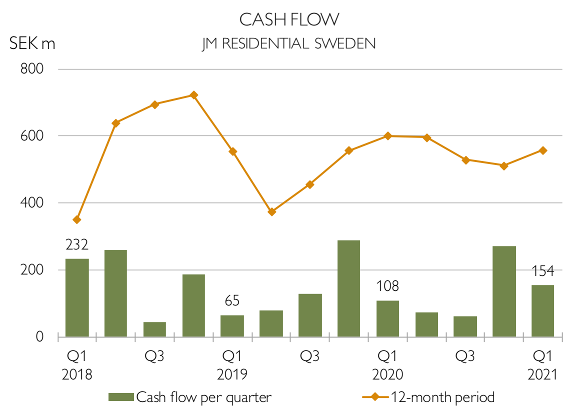
Cash flow during the first quarter is in balance.

During the first quarter, production was started on a total of 277 residential units, of which 217 in apartment buildings and 60 single-family homes in Malmö, Staffanstorp, Lomma, Gothenburg, Linköping and Uppsala.

Approximately 450 building rights were acquired in Malmö and Västerås in the first quarter.

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
SEK M	**2021**	**2020**	**2020/2021**	**2020**
Revenue	1,042	1,050	4,185	4,193
Operating profit	160	166	651	657
Operating margin, %	15.4	15.8	15.6	15.7
Average operating capital			1,345	1,307
Return on operating capital, %			48.4	50.3
Operating cash flow	154	108	558	512
Carrying amount, development properties	1,441	1,461		1,451
Number of available building rights	10,300	10,500		9,900
Number of residential units sold [1]	358	300	1,266	1,208
Number of housing starts [2]	277	261	1,088	1,072
Number of residential units in current production	2,063	1,930		2,172
Number of employees	582	597		591
[1] *Of which residential units to investors*	–	–	69	69
[2] *Of which residential units to investors*	–	–	69	69





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 is slightly lower than in the previous year. Profit and the margin amounted to SEK 67m (51) and 7.8 percent (5.8), respectively. The higher profit is primarily explained by a strong market and good sales.

Cash flow was strengthened in the first quarter due to a decrease in working capital.

No extraordinary measures have been needed during the first quarter due to COVID-19.

NORWAY

Prices on the existing home market have been increasing during the first quarter, and the activity level has been high.

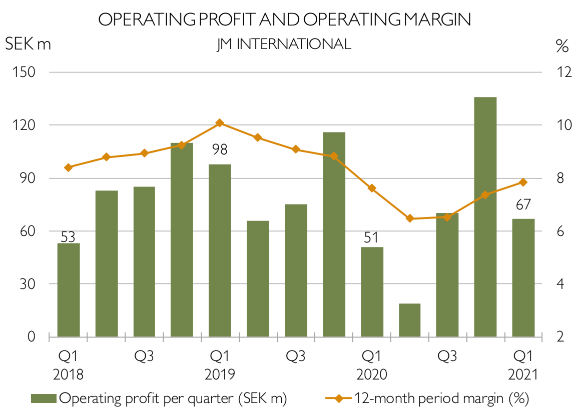
JM Norway's revenue decreased to SEK 636m (674), and operating profit increased to SEK 52m (41). The operating margin increased to 8.2 percent (6.1).

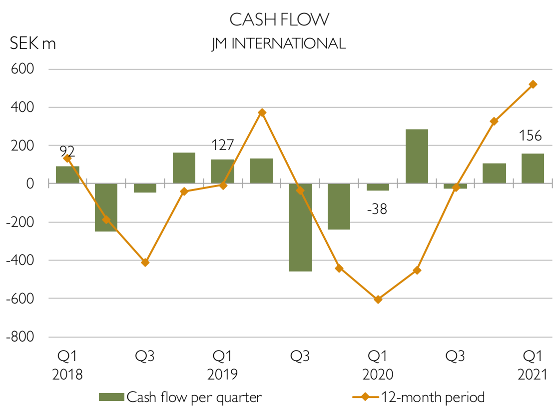
Good sales in the first quarter strengthened the operating profit and the operating margin.

During the first quarter, 176 residential units (111) were sold, and production started on 87 residential units (100) in the Oslo region, Vestfold and Bergen. The number of residential units in current production amounted to 1,120 (1,280).

During the first quarter, no building rights were acquired. Available building rights correspond to 8,400 residential units (7,400).

SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Revenue	856	882	3,721	3,747
- of which JM Norway	*636*	*674*	*2,678*	*2,716*
Operating profit [1]	67	51	292	276
- of which JM Norway	*52*	*41*	*216*	*205*
Operating margin, %	7.8	5.8	7.8	7.4
- of which JM Norway	*8.2*	*6.1*	*8.1*	*7.5*
Average operating capital			3,335	3,400
Return on operating capital, %			8.8	8.1
Operating cash flow	156	−38	520	326
Carrying amount, development properties	2,262	2,292		2,108
Carrying amount, project properties	90	4		33
Number of available building rights	13,900	11,600		14,200
Number of residential units sold [2]	546	158	1,448	1,060
Number of housing starts [3]	352	136	1,311	1,095
Number of residential units in current production	2,314	2,018		2,463
Number of employees	525	522		530
[1] Of which property sales	*1*	*–*	*–*	*-1*
[2] Of which residential units to investors	*265*	*–*	*366*	*101*
[3] Of which residential units to investors	*265*	*–*	*366*	*101*





FINLAND

The activity on the housing market in the Helsinki region stabilized at a high level. Customers are showing strong interest in JM's projects, and their willingness to convert reservations to contracts was at a high level during the quarter.

JM Finland shows a stable earnings trend.

During the first quarter, 370 residential units (47) were sold, and production started on 265 residential units (36). Of the sold residential units and housing starts, 265 consist of residential units for investors for an apartment hotel that is comprised of small studio apartments.

The number of residential units in current production amounted to 1,194 (738).

During the first quarter, no building rights were acquired. Available building rights correspond to 5,500 residential units (4,200).

JM Property Development

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

Business segment revenue increased to SEK 52m (35), of which rental income was SEK 10m (18). Contracting revenue and sales of services amounted to SEK 42m (17). Operating profit amounted to SEK 4m (3), of which income from joint venture of SEK 10m (0), primarily attribute to value adjustments regarding rental properties.

The operating profit is burdened by development costs for the new business operations, JM@home.

Net rental income for project properties was SEK 4m (13).

Cash flow during the first quarter is negative due to ongoing investments in project properties.

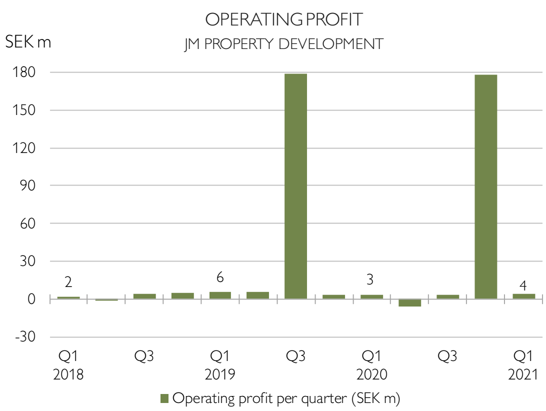
The portfolio of rental units includes a fully rented and occupied project: Manegen in Täby with 128 rental units.

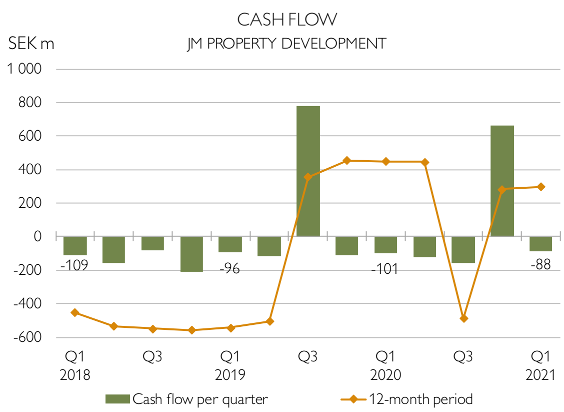
Two additional rental projects are in production, of which one on JM's own balance sheet, the project Havreflingan in Järfälla with 192 rental units and occupancy in 2021. Valla Park in Sundbyberg with 143 rental units and planned occupancy and completion in 2022 will be transferred to external buyers in conjunction with completion.

In the first quarter, production was started on the office project K1 Karlbergs Strand in Karlberg, Solna, covering approximately 20,000 square meters. The majority of the property will serve as JM's new head office.

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
SEK M	2021	2020	2020/2021	2020
Revenue	52	35	186	169
Operating profit [1) 2)]	4	3	179	178
Average operating capital			1,513	1,513
Return on operating capital, %			11.8	11.8
Operating cash flow	−88	−101	297	284
Carrying amount, development properties	10	10		10
Carrying amount, project properties	1,297	1,494		1,213
Number of available building rights [3)]	1,200	900		1,200
Number of residential units sold [3)]	–	–	418	418
Number of housing starts [3)]	–	–	–	–
Number of residential units in current production [3)]	335	600		463
Number of employees	79	66		78
[1)] Of which property sales	*–*	*–*	*170*	*170*
[2)] Of which income from joint venture	*10*	*–*	*14*	*4*

[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.

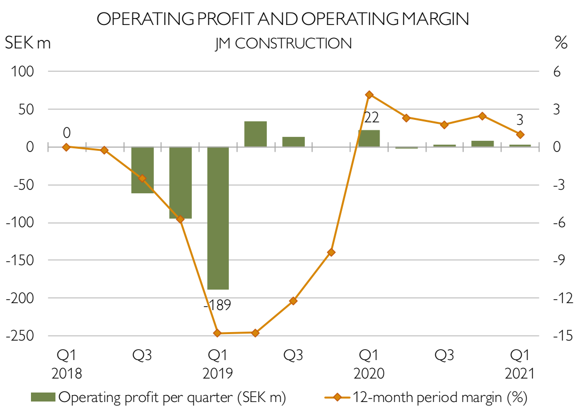
Demand in the civil engineering market in Stockholm is at a good level but with greater competition for the assignments. Business segment revenue decreased due to lower external activity for JM in the civil engineering operations, where profitability is prioritized over volume. The business segment focuses on projects that have synergies with residential project development.

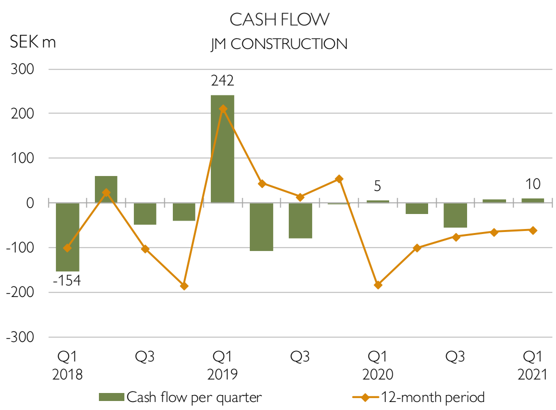
Cash flow during the first quarter is in balance.

In the first quarter, the business segment received a number of assignments in the civil engineering operations, of which the largest are ground and foundation works for the production of JM's new head office for JM Property Development and detailing work in Norra Djurgårdsstaden for City of Stockholm.

The largest ongoing external assignments are the infrastructure project in Tyresö (Tyresö Municipality), groundworks for Arlanda Terminal 5 (IN3PRENÖR AB), and the restoration and renovation of existing road networks in Huddinge (Huddinge Municipality). The business segment also has several ongoing internal projects.

SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Revenue [1]	230	296	1,187	1,253
Operating profit [2]	3	22	12	31
Operating margin, %	1.3	7.4	1.0	2.5
Operating cash flow	10	5	−60	−65
Carrying amount, development properties	16	19		16
Number of employees	267	270		257
[1] *Of which internal*	*91*	*71*	*352*	*332*
[2] *Of which property sales*	*–*	*18*	*–*	*18*





Group – segment reporting

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Revenue	3,337	3,814	14,911	15,388
Production and operating costs	−2,703	−3,105	−12,205	−12,607
Gross profit	**634**	**709**	**2,706**	**2,781**
Selling and administrative expenses	−239	−244	−939	−944
Gains/losses on the sale of property, etc. [1]	11	18	184	191
Operating profit	**406**	**483**	**1,951**	**2,028**
Financial income and expenses	−16	−21	−68	−73
Profit before tax	**390**	**462**	**1,883**	**1,955**
Taxes	−81	−98	−363	−380
Profit for the period	**309**	**364**	**1,520**	**1,575**
Other comprehensive income	200	−129	114	−215
Comprehensive income for the period	**509**	**235**	**1,634**	**1,360**
Earnings per share [2] , diluted, SEK	4.40	5.20	21.70	22.50
Average number of shares, diluted	*70,125,557*	*69,985,557*	*70,100,688*	*70,061,421*
[1] Of which income from joint venture	*10*	*–*	*14*	*4*

[2] Net profit/loss for the period.

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO SEGMENT REPORTING, SEK M	3/31/2021	3/31/2020	12/31/2020
ASSETS			
Non-current assets	**298**	**193**	**278**
Project properties	1,387	1,498	1,246
Development properties	8,215	8,594	7,831
Participations in tenant-owners associations, etc.	422	438	445
Current receivables [1]	3,726	4,007	3,828
Cash and cash equivalents	2,148	2,684	3,037
Total current assets	**15,898**	**17,221**	**16,387**
Total assets	**16,196**	**17,414**	**16,665**
EQUITY AND LIABILITIES [2]			
Equity	**7,439**	**7,561**	**7,817**
Non-current interest-bearing liabilities	366	267	354
Other non-current liabilities	373	749	372
Non-current provisions	3,231	3,151	3,290
Total non-current liabilities	**3,970**	**4,167**	**4,016**
Current interest-bearing liabilities	505	899	579
Other current liabilities	4,141	4,652	4,120
Current provisions	141	135	133
Total current liabilities	**4,787**	**5,686**	**4,832**
Total equity and liabilities	**16,196**	**17,414**	**16,665**
[1] Of which receivables from property sales	*1*	*76*	*1*
[2] Of which liabilities for property acquisition	*550*	*863*	*459*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	FULL-YEAR 2020
Opening balance at beginning of period	**7,817**	**7,326**	**7,326**
Total comprehensive income for the period	509	235	1,360
Dividend	−887	–	−870
Equity component of convertible debentures	–	–	1
Closing balance at the end of the period	**7,439**	**7,561**	**7,817**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Cash flow from operating activities before change in working capital and taxes [1) 2)]	**386**	**403**	**1,703**	**1,720**
Paid tax	−193	−165	−512	−484
Investment in development properties	−414	−345	−1,598	−1,529
Payment on account for development properties	186	489	1,707	2,010
Investment in project properties	−139	−100	−730	−691
Sale of project properties	–	–	1,060	1,060
Change in current liabilities/receivables	266	−94	−11	−371
Cash flow from operating activities	**92**	**188**	**1,619**	**1,715**
Cash flow from investing activities	**1**	**−1**	**−77**	**−79**
Loans raised	16	105	364	453
Amortization of debt	−115	0	−686	−571
Dividend	−887	–	−1,757	−870
Cash flow from financing activities	**−986**	**105**	**−2,079**	**−988**
Cash flow for the period	**−893**	**292**	**−537**	**648**
Cash and cash equivalents at end of the period	**2,148**	**2,684**	**2,148**	**3,037**
1) Of which the purchase of participations in tenant-owners associations and freehold residential units	*−277*	*−391*	*−1,111*	*−1,225*
2) Of which the sale of participations in tenant-owners associations and freehold residential units	*233*	*331*	*1,050*	*1,148*

GROUP KEY FIGURES

ACCORDING TO SEGMENT REPORTING, %	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Operating margin	12.2	12.7	13.1	13.2
Return on equity			20.3	20.8
Return on capital employed			19.1	19.6
Debt/equity ratio, multiple	0.1	0.0		–
Equity/assets ratio	46	43		47

ACCORDING TO SEGMENT REPORTING

REVENUE BY COUNTRY

SEK M	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Sweden	2,481	2,932	11,190	11,641
Norway	636	674	2,678	2,716
Finland	220	208	1,043	1,031
Belgium	–	–	0	0
Total	**3,337**	**3,814**	**14,911**	**15,388**

REVENUE BY BUSINESS SEGMENT

SEK M	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	1,248	1,622	5,984	6,358
JM Residential Sweden	1,042	1,050	4,185	4,193
JM International	856	882	3,721	3,747
JM Property Development	52	35	186	169
JM Construction	230	296	1,187	1,253
Elimination	−91	−71	−352	−332
Total	**3,337**	**3,814**	**14,911**	**15,388**

OPERATING PROFIT BY BUSINESS SEGMENT

SEK M	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	182	250	858	926
JM Residential Sweden	160	166	651	657
JM International	67	51	292	276
JM Property Development	4	3	179	178
JM Construction	3	22	12	31
Group-wide expenses	−10	−9	−41	−40
Total	**406**	**483**	**1,951**	**2,028**

OPERATING MARGIN BY BUSINESS SEGMENT

%	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	14.6	15.4	14.3	14.6
JM Residential Sweden	15.4	15.8	15.6	15.7
JM International	7.8	5.8	7.8	7.4
JM Construction	1.3	7.4	1.0	2.5

AVERAGE OPERATING CAPITAL BY BUSINESS SEGMENT

SEK M	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	5,283	5,372
JM Residential Sweden	1,345	1,307
JM International	3,335	3,400
JM Property Development	1,513	1,513

RETURN ON OPERATING CAPITAL BY BUSINESS SEGMENT

%	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	16.2	17.2
JM Residential Sweden	48.4	50.3
JM International	8.8	8.1
JM Property Development	11.8	11.8

ACCORDING TO SEGMENT REPORTING

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

SEK M	JANUARY–MARCH 2021	OCT–DECEMBER 2020	JULY–SEPTEMBER 2020	APRIL–JUNE 2020	JANUARY–MARCH 2020
Cost-based effect	265	318	269	338	345
Revaluation effect	178	255	234	236	146
Sales effect	163	235	68	35	178
Total	**606**	**808**	**571**	**609**	**669**

Starting in Q1 2020, 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	JANUARY–MARCH 2021	OCT–DECEMBER 2020	JULY–SEPTEMBER 2020	APRIL–JUNE 2020	JANUARY–MARCH 2020
JM Residential Stockholm	−15	−31	36	13	−30
JM Residential Sweden	135	166	136	190	135
JM International	58	120	62	33	41
Total	**178**	**255**	**234**	**236**	**146**

OPERATING CASH FLOW BY BUSINESS SEGMENT

SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	16	331	749	1,064
JM Residential Sweden	154	108	558	512
JM International	156	−38	520	326
JM Property Development	−88	−101	297	284
JM Construction	10	5	−60	−65

DEVELOPMENT PROPERTIES BY BUSINESS SEGMENT

CARRYING AMOUNT, SEK M	3/31/2021	3/31/2020	12/31/2020
JM Residential Stockholm	4,486	4,812	4,246
JM Residential Sweden	1,441	1,461	1,451
JM International	2,262	2,292	2,108
JM Property Development	10	10	10
JM Construction	16	19	16
Total	**8,215**	**8,594**	**7,831**

AVAILABLE RESIDENTIAL BUILDING RIGHTS BY BUSINESS SEGMENT

NUMBER	3/31/2021	3/31/2020	12/31/2020
JM Residential Stockholm	11,900	12,900	12,500
JM Residential Sweden	10,300	10,500	9,900
JM International	13,900	11,600	14,200
JM Property Development [1]	1,200	900	1,200
Total	**37,300**	**35,900**	**37,800**
Including those carried in the balance sheet (development properties)			
JM Residential Stockholm	7,100	7,700	7,300
JM Residential Sweden	5,800	6,800	6,300
JM International	6,500	6,500	6,500
JM Property Development [1]	300	100	300
Total	**19,700**	**21,100**	**20,400**

RESIDENTIAL UNITS SOLD BY BUSINESS SEGMENT

NUMBER	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	357	347	1,350	1,340
JM Residential Sweden	358	300	1,266	1,208
JM International	546	158	1,448	1,060
JM Property Development [1]	–	–	418	418
Total	**1,261**	**805**	**4,482**	**4,026**

[1] *Refers to rental units and residential care units.*

HOUSING STARTS BY BUSINESS SEGMENT

NUMBER	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
JM Residential Stockholm	298	240	1,090	1,032
JM Residential Sweden	277	261	1,088	1,072
JM International	352	136	1,311	1,095
JM Property Development [1]	–	–	–	–
Total	**927**	**637**	**3,489**	**3,199**

RESIDENTIAL UNITS IN CURRENT PRODUCTION

NUMBER	3/31/2021	3/31/2020	12/31/2020
JM Residential Stockholm	2,773	3,035	2,878
JM Residential Sweden	2,063	1,930	2,172
JM International	2,314	2,018	2,463
JM Property Development [1]	335	600	463
Total	**7,485**	**7,583**	**7,976**

PROJECT PROPERTIES, GROUP

CARRYING AMOUNT, SEK M	3/31/2021	3/31/2020	12/31/2020
Properties under development	981	901	1,215
Completed rental unit properties	374	587	0
Completed commercial properties	32	10	31
Total	**1,387**	**1,498**	**1,246**

DEVELOPMENT PROPERTIES, GROUP

CARRYING AMOUNT, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Opening balance at beginning of period	**7,831**	**8,938**	**8,594**	**8,938**
New purchases	487	273	1,236	1,022
Transferred to production	−213	−448	−1,653	−1,888
Other	110	−169	38	−241
Closing balance at the end of the period	**8,215**	**8,594**	**8,215**	**7,831**

[1] *Refers to rental units and residential care units.*

Group five-year overview

ACCORDING TO SEGMENT REPORTING, SEK M	2020	2019	2018	2017	2016
Revenue	15,388	15,692	16,161	17,008	15,752
Operating profit	2,028	2,008	1,886	2,369	2,011
Profit before tax	1,955	1,928	1,817	2,579	1,951
Total assets	16,665	17,593	16,487	15,405	12,848
Cash flow from operating activities	1,715	1,291	–473	2,013	1,957
Interest-bearing net liabilities (+)/receivables (–)	−300	420	546	–790	435
Operating margin, %	13.2	12.8	11.7	13.9	12.8
Return on equity, %	20.8	22.2	22.2	38.7	31.4
Equity/assets ratio, %	47	42	41	40	40
Earnings per share, SEK	22.50	22.50	20.60	31.00	21.20
Dividend per share, SEK	12.75	12.50	12.00	11.00	9.50
Number of available building rights	37,800	35,900	35,900	34,800	32,500
Number of residential units sold	4,026	3,595	2,463	3,100	3,843
Number of housing starts	3,199	3,269	3,135	3,873	4,187
Number of residential units in current production	7,976	7,813	7,835	8,200	7,984

Promenaden, Silverdal i Sollentuna

Silverdal in Sollentuna just north of Stockholm was built as a garden city with residential units, schools and workplaces. JM's last block in Silverdal is Promenaden and consists of 28 freehold apartments with 1–4 rooms plus a kitchen and a balcony or outdoor area. It is close to the beaches at Edsviken bay and has excellent public transportation to the city.

With small-scale streets and lush gardens, JM's pleasant neighborhood Parklunden in Hjärup, Staffanstorp, 15 km outside of Malmö has become popular. In a quiet setting walking distance to the commuter train to Malmö, Lund and Copenhagen, around 40 family-friendly two-story single-family homes and townhouses with parking, storage areas and lovely gardens are now being planned.

Parklunden, Hjärup i Staffanstorp

K1 Karlberg, Solna

The office property K1 Karlbergs Strand in Karlberg, Solna, will house both JM's new head office and external tenants. The property is centrally located, a five-minute walk from the subway, and includes around 20,000 m^2 of bright floor area, a garage and an active roof landscape. The project will be certified in accordance with LEED Platinum, and occupancy is planned for 2024.

In Hertonäs just outside the center of Helsinki, JM is constructing a nine-story building with 265 residential units that will be an LEED-certified apartment hotel in the heart of the growing former industrial historic area. JM already has ongoing production of three apartment buildings in Hertonäs.

GWS Hotel Noli, Helsingfors, Finland

Group quarterly overview

ACCORDING TO SEGMENT REPORTING, SEK M	2021	2020			
INCOME STATEMENT	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	3,337	4,530	3,382	3,662	3,814
Production and operating costs	−2,703	−3,680	−2,786	−3,036	−3,105
Gross profit	**634**	**850**	**596**	**626**	**709**
Selling and administrative expenses	−239	−233	−198	−269	−244
Gains/losses on the sale of property, etc.	11	172	1	–	18
Operating profit	**406**	**789**	**399**	**357**	**483**
Financial income and expenses	−16	−19	−16	−17	−21
Profit before tax	**390**	**770**	**383**	**340**	**462**
Taxes	−81	−127	−81	−74	−98
Profit for the period	**309**	**643**	**302**	**266**	**364**
CONSOLIDATED BALANCE SHEET	**3/31**	**12/31**	**09/30**	**06/30**	**03/31**
ASSETS					
Non-current assets	**298**	**278**	**194**	**200**	**193**
Project properties	1,387	1,246	1,791	1,643	1,498
Development properties	8,215	7,831	8,411	8,724	8,594
Participations in tenant-owners associations, etc.	422	445	558	603	438
Current receivables	3,726	3,828	3,847	3,796	4,007
Cash and cash equivalents	2,148	3,037	2,314	2,572	2,684
Total current assets	**15,898**	**16,387**	**16,921**	**17,338**	**17,221**
Total assets	**16,196**	**16,665**	**17,115**	**17,538**	**17,414**
EQUITY AND LIABILITIES					
Equity	**7,439**	**7,817**	**7,704**	**7,430**	**7,561**
Non-current interest-bearing liabilities	366	354	362	293	267
Other non-current liabilities	373	372	679	751	749
Non-current provisions	3,231	3,290	3,398	3,280	3,151
Total non-current liabilities	**3,970**	**4,016**	**4,439**	**4,324**	**4,167**
Current interest-bearing liabilities	505	579	632	806	899
Other current liabilities	4,141	4,120	4,198	4,837	4,652
Current provisions	141	133	142	141	135
Total current liabilities	**4,787**	**4,832**	**4,972**	**5,784**	**5,686**
Total equity and liabilities	**16,196**	**16,665**	**17,115**	**17,538**	**17,414**
CASH FLOW STATEMENT	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
From operating activities	92	1,288	−165	404	188
From investing activities	1	−78	0	0	−1
From financing activities	−986	−484	−93	−516	105
Total cash flow for the period	**−893**	**726**	**−258**	**−112**	**292**
Cash and cash equivalents at end of the period	**2,148**	**3,037**	**2,314**	**2,572**	**2,684**
INTEREST-BEARING NET LIABILITIES/RECEIVABLE	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Interest-bearing net liabilities(+)/−receivables(−) at beginning of period	**−300**	**409**	**247**	**198**	**420**
Change in interest-bearing net liabilities/receivables	749	−709	162	49	−222
Interest-bearing net liabilities(+)/−receivables(−) at the end of the period	**449**	**−300**	**409**	**247**	**198**
DEVELOPMENT PROPERTIES	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Carrying amount at beginning of period	**7,831**	**8,411**	**8,724**	**8,594**	**8,938**
New purchases	487	249	103	397	273
Transferred to production	−213	−792	−346	−302	−448
Other	110	−37	−70	35	−169
Carrying amount at end of period	**8,215**	**7,831**	**8,411**	**8,724**	**8,594**
KEY RATIOS	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Operating margin, %	12.2	17.4	11.8	9.7	12.7
Debt/equity ratio, multiple	0.1	–	0.1	0.0	0.0
Equity/assets ratio, %	46	47	45	42	43
Earnings per share, SEK	4.40	9.20	4.30	3.80	5.20
Number of available building rights	37,300	37,800	37,900	38,600	35,900
Number of residential units sold	1,261	1,623	956	642	805
Number of housing starts	927	976	855	731	637
Number of residential units in current production	7,485	7,976	7,829	7,249	7,583

Business Segment Quarterly Overview

ACCORDING TO SEGMENT REPORTING, SEK M	2021	2020			
JM RESIDENTIAL STOCKHOLM	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	1,248	2,023	1,310	1,403	1,622
Operating profit	182	299	185	192	250
Operating margin, %	14.6	14.8	14.1	13.7	15.4
Average operating capital	5,283	5,372	5,552	5,682	5,740
Return on operating capital, %[*)]	16.2	17.2	16.0	16.1	16.3
Operating cash flow	16	383	143	207	331
Carrying amount, development properties	4,486	4,246	4,587	4,816	4,812
Number of available building rights	11,900	12,500	12,600	12,800	12,900
Number of residential units sold	357	474	299	220	347
Number of housing starts	298	282	252	258	240
Number of residential units in current production	2,773	2,878	3,095	2,843	3,035
JM RESIDENTIAL SWEDEN	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	1,042	1,137	913	1,093	1,050
Operating profit	160	181	141	169	166
Operating margin, %	15.4	15.9	15.4	15.5	15.8
Average operating capital	1,345	1,307	1,295	1,274	1,226
Return on operating capital, %[*)]	48.4	50.3	51.4	53.5	57.5
Operating cash flow	154	270	60	74	108
Carrying amount, development properties	1,441	1,451	1,530	1,532	1,461
Number of available building rights	10,300	9,900	10,200	10,500	10,500
Number of residential units sold [1)]	358	380	250	278	300
Number of housing starts [2)]	277	250	285	276	261
Number of residential units in current production	2,063	2,172	2,138	1,961	1,930
[1)] *Of which residential units to investors*	–	–	–	*69*	–
[2)] *Of which residential units to investors*	–	–	–	*69*	–
JM INTERNATIONAL	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	856	1,102	867	896	882
Operating profit [1)]	67	136	70	19	51
Operating margin, %	7.8	12.3	8.1	2.1	5.8
Average operating capital	3,335	3,400	3,440	3,395	3,368
Return on operating capital, %[*)]	8.8	8.1	7.4	7.7	9.1
Operating cash flow	156	106	−27	285	−38
Carrying amount, development properties	2,262	2,108	2,265	2,347	2,292
Carrying amount, project properties	90	33	25	25	4
Number of available building rights	13,900	14,200	13,900	14,200	11,600
Number of residential units sold [2)]	546	351	407	144	158
Number of housing starts [3)]	352	444	318	197	136
Number of residential units in current production	2,314	2,463	2,133	1,982	2,018
[1)] *Of which property sales*	*1*	*−2*	*1*	–	–
[2)] *Of which residential units to investors*	*265*	–	*101*	–	–
[3)] *Of which residential units to investors*	*265*	–	*101*	–	–
JM PROPERTY DEVELOPMENT	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	52	57	42	35	35
Operating profit [1) 2)]	4	178	3	−6	3
Average operating capital	1,513	1,513	1,507	1,523	1,545
Return on operating capital, %[*)]	11.8	11.8	0.2	11.8	12.4
Operating cash flow	−88	660	−155	−120	−101
Carrying amount, development properties	10	10	10	10	10
Carrying amount, project properties	1,297	1,213	1,766	1,618	1,494
Number of available building rights [3)]	1,200	1,200	1,200	1,100	900
Number of residential units sold [3)]	–	418	–	–	–
Number of housing starts [3)]	–	–	–	–	–
Number of residential units in current production [3)]	335	463	463	463	600
[1)] *Of which property sales*	–	*170*	–	–	–
[2)] *Of which income from joint venture*	*10*	*4*	–	–	–
[3)] *Refers to rental units and residential care units.*					
JM CONSTRUCTION	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue	230	307	330	320	296
Operating profit [1)]	3	8	3	−2	22
Operating margin, %	1.3	2.6	0.9	−0.6	7.4
Operating cash flow	10	9	−55	−24	5
[1)] *Of which sale of properties and operations*	–	–	–	–	*18*
JM OTHER	**Q 1**	**Q 4**	**Q 3**	**Q 2**	**Q 1**
Revenue (elimination)	−91	−96	−80	−85	−71
Operating profit (Group-wide expenses)	−10	−13	−3	−15	−9

[*)] *Calculated on 12-month rolling profits and average capital.*

Group – IFRS

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO IFRS, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Revenue	3,545	3,853	15,983	16,291
Production and operating costs	−2,859	−3,127	−13,069	−13,337
Gross profit	**686**	**726**	**2,914**	**2,954**
Selling and administrative expenses	−245	−247	−955	−957
Gains/losses on the sale of property, etc. [1]	11	18	14	21
Operating profit	**452**	**497**	**1,973**	**2,018**
Financial income and expenses	−22	−32	−91	−101
Profit before tax	**430**	**465**	**1,882**	**1,917**
Taxes	−83	−93	−368	−378
Profit for the period	**347**	**372**	**1,514**	**1,539**
Other comprehensive income				
Items that will be reclassified as income				
Translation differences from the translation of foreign operations	99	−117	59	−157
Items that will not be reclassified as income				
Restatement of defined-benefit pensions	115	1	62	−52
Tax attributable to other comprehensive income	−24	0	−13	11
Comprehensive income for the period	**537**	**256**	**1,622**	**1,341**
Net profit for the period is attributable to shareholders of the Parent Company	347	372	1,514	1,539
Comprehensive income for the period is attributable to shareholders of the Parent Company	537	256	1,622	1,341
Earnings per share [2], basic, is attributable to shareholders of the Parent Company, SEK	5.00	5.30	21.80	22.10
Earnings per share [2], diluted, is attributable to shareholders of the Parent Company, SEK	5.00	5.30	21.60	22.00
Number of outstanding shares at end of period	*69,583,262*	*69,583,262*	*69,583,262*	*69,583,262*
Average number of shares, basic	*69,583,262*	*69,583,262*	*69,583,262*	*69,583,262*
Average number of shares, diluted	*70,125,557*	*69,985,557*	*70,100,688*	*70,061,421*
[1] Of which income from joint venture	*10*	*–*	*14*	*4*

[2] Net profit for the period.

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO IFRS, SEK M	3/31/2021	3/31/2020	12/31/2020
ASSETS			
Non-current assets [1]	**556**	**392**	**435**
Project properties	1,387	1,498	1,246
Development properties	8,215	8,594	7,831
Rights-of-use site leasehold rights	586	651	558
Participations in tenant-owners associations, etc.	422	438	445
Work in progress	3,643	3,740	3,577
Current receivables	5,778	5,252	5,959
Cash and cash equivalents	2,148	2,684	3,037
Total current assets	**22,179**	**22,857**	**22,653**
Total assets	**22,735**	**23,249**	**23,088**
EQUITY AND LIABILITIES [2] [3] [4] [5]			
Equity	**7,248**	**7,382**	**7,598**
Non-current interest-bearing liabilities	1,307	1,223	1,180
Other non-current liabilities	373	749	372
Non-current provisions	3,196	3,115	3,255
Total non-current liabilities	**4,876**	**5,087**	**4,807**
Current interest-bearing liabilities	6,153	5,996	6,480
Other current liabilities	4,317	4,649	4,070
Current provisions	141	135	133
Total current liabilities	**10,611**	**10,780**	**10,683**
Total equity and liabilities	**22,735**	**23,249**	**23,088**
Pledged assets	445	420	395
Contingent liabilities	9,122	8,381	8,789
[1] Of which right-of-use offices and cars	*258*	*199*	*157*
[2] Of which project financing JM International	*2,943*	*2,954*	*2,914*
[3] Of which project financing JM Residential Stockholm and JM Residential Sweden	*3,023*	*2,259*	*3,064*
[4] Of which liabilities for property acquisition	*550*	*863*	*459*
[5] Of which current and non-current interest-bearing leasing liabilities	*848*	*853*	*717*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO IFRS, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	FULL-YEAR 2020
Opening balance at beginning of period	**7,598**	**7,126**	**7,126**
Total comprehensive income for the period	537	256	1,341
Dividend	–887	–	–870
Equity component of convertible debentures	–	–	1
Closing balance at the end of the period	**7,248**	**7,382**	**7,598**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO IFRS, SEK M	JANUARY–MARCH 2021	JANUARY–MARCH 2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Cash flow from operating activities before change in working capital and taxes [1] [2]	**–119**	**73**	**–76**	**116**
Paid tax	–193	–165	–512	–484
Investment in development properties	–414	–345	–1,598	–1,529
Payment on account for development properties	41	78	396	433
Investment in project properties	–139	–100	–730	–691
Sale of project properties	–	0	1,060	1,060
Change in current liabilities/receivables	717	–108	1,210	385
Cash flow from operating activities [3]	**–107**	**–567**	**–250**	**–710**
Cash flow from investing activities	**1**	**–1**	**–77**	**–79**
Loans raised	16	105	364	453
Amortization of debt	–141	–25	–785	–669
Loans raised, project financing [3]	1,013	982	4,517	4,486
Amortization of debt, project financing [3]	–788	–202	–2,549	–1,963
Dividend	–887	–	–1,757	–870
Cash flow from financing activities	**–787**	**860**	**–210**	**1,437**
Cash flow for the period	**–893**	**292**	**–537**	**648**
Cash and cash equivalents at end of the period	**2,148**	**2,684**	**2,148**	**3,037**
[1] Of which the purchase of participations in tenant-owners associations and freehold residential units	*–277*	*–391*	*–1,111*	*–1,225*
[2] Of which the sale of participations in tenant-owners associations and freehold residential units	*233*	*331*	*1,050*	*1,148*

[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 quarter of 2021 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 89–93 of the 2020 Annual Report.

There is no new information on JM's appeal to the Administrative Court regarding Finansinspektionen's interpretation of IFRS for tenant-owner associations in production. For more information see JM's annual report for 2020, page 82.

NEW AND AMENDED STANDARDS AS OF 2021

The amended standards according to IFRS the Group applies as of January 1, 2021, 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–MARCH 2021	2020	FULL-YEAR 2020
Net sales	2,358	2,744	10,790
Production and operating costs	−1,863	−2,175	−8,586
Gross profit	**495**	**569**	**2,204**
Selling and administrative expenses	−172	−173	−650
Gains/losses on the sale of property	–	–	0
Operating profit	**323**	**396**	**1,554**
Financial income and expenses	−33	−14	280
Profit before appropriations and tax	**290**	**382**	**1,834**
Appropriations	–	–	−61
Profit before tax	**290**	**382**	**1,773**
Taxes	−66	−82	−319
Profit for the period	**224**	**300**	**1,454**

CONDENSED BALANCE SHEET, PARENT COMPANY

SEK M	3/31/2021	3/31/2020	12/31/2020
Assets			
Non-current assets	1,751	1,707	1,776
Current assets	13,022	13,661	13,834
Total assets	**14,773**	**15,368**	**15,610**
Equity and liabilities			
Equity	3,838	4,216	4,501
Untaxed reserves	2,410	2,380	2,410
Provisions	1,483	1,382	1,422
Non-current liabilities	461	793	461
Current liabilities	6,581	6,597	6,816
Total equity and liabilities	**14,773**	**15,368**	**15,610**
Pledged assets	100	100	100
Contingent liabilities	10,088	9,298	9,459

Reconciliation between segment reporting and IFRS

CONSOLIDATED INCOME STATEMENT

SEK M	JANUARY–MARCH 2021	2020	APRIL–MARCH 2020/2021	FULL-YEAR 2020
Revenue for the period (segment reporting)	**3,337**	**3,814**	**14,911**	**15,388**
Restatement JM International	208	39	32	−137
Reclassification property sale	–	–	1,040	1,040
Revenue for the period (IFRS)	**3,545**	**3,853**	**15,983**	**16,291**
Operating profit/loss for the period (segment reporting)	**406**	**483**	**1,951**	**2,028**
Restatement JM International	42	5	0	−37
Leases IFRS 16	4	9	22	27
Operating profit/loss for the period (IFRS)	**452**	**497**	**1,973**	**2,018**
Profit/loss for the period (segment reporting)	**309**	**364**	**1,520**	**1,575**
Restatement JM International	40	9	−4	−35
Leases IFRS 16	−2	−1	−2	−1
Profit/loss for the period (IFRS)	**347**	**372**	**1,514**	**1,539**

CONSOLIDATED BALANCE SHEET

SEK M	3/31/2021	3/31/2020	12/31/2020
Balance sheet total (segment reporting)	**16,196**	**17,414**	**16,665**
Restatement JM International	−271	−228	−270
Reclassification project financing JM International, interest-bearing	2,561	2,596	2,609
Reclassification project financing JM International, non-interest-bearing [1]	382	358	305
Reclassification project financing JM Residential Stockholm and Sweden, interest-bearing	3,181	2,604	3,400
Transfer between Progress billing in excess of recognized revenue to Revenue less progress billings	−158	−345	−336
Leases IFRS 16	844	850	715
Balance sheet total (IFRS)	**22,735**	**23,249**	**23,088**

[1] *Billing on account to customers.*

CONSOLIDATED EQUITY

SEK M	3/31/2021	3/31/2020	12/31/2020
Equity (segment reporting)	**7,439**	**7,561**	**7,817**
Restatement JM International	−187	−176	−217
Leases IFRS 16	−4	−3	−2
Equity (IFRS)	**7,248**	**7,382**	**7,598**

GROUP KEY FIGURES

%	3/31/2021	3/31/2020	12/31/2020
Equity/assets ratio (segment reporting)	46	43	47
Equity/assets ratio (IFRS)	32	32	33

CONSOLIDATED CASH FLOW

	JANUARY–MARCH		APRIL–MARCH	FULL-YEAR
SEK M	2021	2020	2020/2021	2020
Cash flow from operating activities (segment reporting)	**92**	**188**	**1,619**	**1,715**
Reclassification project financing JM International	193	−132	181	−144
Reclassification project financing JM Residential Stockholm and JM Residential Sweden, interest-bearing	−418	−648	−2,149	−2,379
Leases IFRS 16	26	25	99	98
Cash flow from operating activities according to IFRS	**−107**	**−567**	**−250**	**−710**

CONSOLIDATED INTEREST-BEARING NET LIABILITIES/RECEIVABLES

SEK M	3/31/2021	3/31/2020	12/31/2020
Interest-bearing net liabilities (+)/receivables (–) at end of period (segment reporting)	**449**	**198**	**−300**
Reclassification project financing JM International	2,561	2,596	2,609
Reclassification project financing JM Residential Stockholm and Sweden, interest-bearing	3,181	2,604	3,400
Leases IFRS 16	848	853	717
Interest-bearing net liabilities (+)/receivables (–) at end of period (IFRS)	**7,039**	**6,251**	**6,426**

Stockholm, April 28, 2021
JM AB (publ)

Johan Skoglund
President and CEO

This interim report has not been reviewed by the Company's auditors.


Promenaden, Sollentuna

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 2,500 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 12 percent on average, 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 April 28, 2021.

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FINANCIAL CALENDAR

May 27, 2021	Capital Market Day
July 13, 2021	Interim Report January–June
October 28, 2021	Interim Report January–September

PRESS RELEASES, Q1 2021

March 24	Annual General Meeting – JM AB
March 4	JM starts production on office property in Karlberg, Solna
March 3	Publication of JM's annual report 2020
February 18	Notice of JM AB's Annual General Meeting on March 24, 2021
February 10	New Chief Financial Officer at JM
February 3	JM acquiring building rights in Solna, Stockholm
February 2	Year-end Report January–December 2020
February 1	Change in JM's Executive Management
January 28	JM acquiring building rights for development of 400 residential units in Västerås

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

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