



Press release  
22 October 2003

## JM Group

### Interim Report 1 January – 30 September 2003

- Net sales totalled SEK 5,563m (6,571) and profit for the period amounted to SEK 209m (460)
- Profit after financial items amounted to SEK 300m (646).
- Property sales of SEK 2,116m (1,692) generated capital gains of SEK 400m (270), of which SEK 97m (270) is included in profit from project development.
- A deal where office properties were exchanged for residential properties in Stockholm was completed through acquisition of a residential portfolio in Vaxholm comprising approximately 1,100 units.
- The number of residential units sold during the period rose to 2,007 (1,825).
- Profit from project development amounted to SEK 166m (724). The project development margin for the past 12 months amounted to –1.3% (12.4).
- Over the past 12 months, return on equity amounted to 0% (18) and earnings per share amounted to SEK 0 (22).

SEKm	January – September		July – September		Oct – Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	5,563	6,571	1,707	1,900	7,864	8,872
Operating profit	466	849	13	298	269	652
Profit/loss after financial items	300	646	-32	230	22	368
Project development margin (%)	3.1	11.6	0.4	14.1	-1.3	5.4
Earnings per share (SEK)	7.30	15.50	-0.90	5.50	0.10	8.50
Return on equity (%)					0.0	6.8

## GROUP SUMMARY

The previously reported decline in demand and price falls in the housing market in Stockholm have eased. JM's net sales decreased, mainly due to a lower number of housing starts in recent quarters. The lower earnings were mainly due to low margins in ongoing residential projects in Stockholm. Earnings were also reduced by the lower sales. The earnings trend for JM's other operations was stable, although earnings in Norway declined due to a lower sales level. During the period efforts continued to ensure stricter project implementation in newly started residential projects in Stockholm and better control of projects in progress. This has led to postponed production starts while JM has issued redundancy notices to 350 employees in 2003. Approximately one-third of those made redundant have left the Group so far.

The Group's return on equity for the past 12-month period amounted to 0%. Over the past five calendar years, the average return has been 17%. The Group's return target over a business cycle is at least 15%. Earnings per share over the past 12 months amounted to SEK 0.

*"We continue to focus our operations on meeting market demand for homes that are functional and offer value for money. We are doing this through a continued priority on efficient product design and production."*

*Johan Skoglund, President and CEO.*

## SIGNIFICANT EVENTS IN THE PERIOD JANUARY – SEPTEMBER 2003

### Project development

*Project development of residential and commercial premises is JM's core business. Undeveloped and developed land is acquired and transformed through construction, conversion or extension into attractive living and working environments.*

Profit from project development amounted to SEK 166m (724). The margin in these operations amounted to 3.1% (11.6) for the period. Project-related property sales contributed SEK 97m (270).

The building rights portfolio comprises approximately 23,000 residential units which can be compared with just over 25,000 at year-end 2002. The number of housing starts during the period was 1,479 (2,114). The reservations situation continued to stabilise following some decline in the first quarter. Sold residential units in the form of signed contracts increased to 2,007 (1,825). However, the number of unsold residential units six months after final inspection increased. The segment for large homes in Stockholm and Oslo remains the part of the market with the weakest demand. Both production starts and sales volumes can vary over time depending on the dates of project starts and the size of individual projects.

The uncertain business climate means that JM is retaining its higher requirements for the proportion of reservations before production starts. These higher requirements are reducing the number of production starts in addition to delays due to re-planning. The number of housing starts in 2003 is mainly dictated by reservation rates and signed contracts.

Commercial project development continues to be conducted with considerable caution.

## Investment properties

*JM's portfolio of investment properties amounts to approximately SEK 2.9 billion, mostly comprising residential properties for further development and office projects under construction. Fully developed properties only account for a small portion. JM's future property portfolio will be characterised by a high turnover rate and primarily comprise residential development projects in the Stockholm area.*

The operating surplus from property management amounted to SEK 122m (227). The lower operating surplus is due to the major property sales in the present and previous year, which were carried out in line with the Group's strategy to sell fully developed properties. During the period properties were sold for SEK 2,116m (1,692) with a capital gain of SEK 400m (270), of which SEK 97m (270) is included in profit from project development.

Investments in existing investment properties amounted to SEK 281m (388). In addition, residential properties were acquired for SEK 1,422m.

The property market for commercial premises in Stockholm is characterised by a continued fall in rental levels and vacancies of 15-16%. New and recently renovated premises continued to do relatively well in comparison. Vacancies in JM's portfolio of fully developed commercial and residential properties amount to 7% (9) of annual rents and 6% (8) of space. The occupancy rate for office projects under construction amounts to approximately 66% of annual rents and 65% of space.

In an exchange deal JM sold the Svärdet properties in Mörby for SEK 931m and at the same time acquired approximately 2,100 residential units in Nacka and Vaxholm for SEK 1,422m. Other major property deals during the year included the sale of the new developed hotel property Pennfäktaren 10 on Vasagatan in Stockholm to a Norwegian insurance company for SEK 575m, and the sale of a newly developed office property in central Brussels for SEK 133m. There were no major property sales in the third quarter.

Through a strategic deal comprising residential portfolios in Vaxholm and Nacka with very low vacancies and therefore secure cash flows, JM has acquired an opportunity to develop two attractive property portfolios, among other things through densification with new homes. Many tenants have shown an interest in conversion to tenant-owner co-operatives, which JM also favours.

During the past year, the book value of the portfolio of fully developed commercial properties has decreased from SEK 3.1 billion to SEK 0.6 billion.

<b>SEKm (book value)</b>	<b>30 Sept 2003</b>	<b>30 Sept 2002</b>	<b>31 Dec 2002</b>
Fully developed properties	595	3,107	2,109
Properties under construction	789	385	594
Properties for further development <sup>*)</sup>	<u>1,542</u>	<u>91</u>	<u>71</u>
<b>Total</b>	<b>2,926</b>	<b>3,583</b>	<b>2,774</b>

<sup>\*)</sup> Of which, residential properties

1,422

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## FINANCE OPERATIONS

### Net financial items and debt/equity ratio

Net financial items improved compared with the same period last year. Interest expenses mainly decreased due to a lower average debt. In conjunction with the receipt of proceeds from property sales, loans of approximately SEK 1 billion were redeemed in the first quarter which led to costs of SEK 30m for early redemption.

At the end of the period, the interest-bearing net debt amounted to SEK 4,055m (4,838) and the debt/equity ratio amounted to 1.2 (1.3).

<b>SEKm</b>	<b>January – September</b>		<b>July – September</b>		<b>Oct – Sept</b>	<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
Interest income, etc.	30	37	2	12	31	38
Interest expenses	<u>-196</u>	<u>-240</u>	<u>-47</u>	<u>-80</u>	<u>-278</u>	<u>-322</u>
<b>Net financial items</b>	<b>-166</b>	<b>-203</b>	<b>-45</b>	<b>-68</b>	<b>-247</b>	<b>-284</b>

### Liquidity and loan structure

Total interest-bearing loans at the end of the period amounted to SEK 4,322m (4,998), of which the PRI liability accounted for SEK 451m (434). At the end of the period the average interest rate on the total loan stock was 5.0% (6.0). The average fixed-interest period for the Group's total loan stock, excluding the PRI liability, was 1.7 years (2.1).

The Group's available liquidity amounted to SEK 1,146m (1,681). Aside from liquid assets of SEK 142m (106) this includes unutilised overdraft facilities and credit lines totalling SEK 1,004m (1,575). At year-end 2002 available liquidity amounted to SEK 2,724m (1,754).

Year for interest conversion, loan amount and average interest on interest-bearing loans:

<b>Year</b>	<b>Loan amount (SEKm)</b>	<b>Average interest (%)</b>
2003	1,911	4.6
2004	667	5.7
2005	287	4.7
2006	200	5.3
2007 -	<u>806</u>	<u>5.4</u>
<b>Total (excl PRI)</b>	<b>3,871</b>	<b>5.0</b>
PRI 2003	<u>451</u>	<u>5.3</u>
<b>Total (incl PRI)</b>	<b>4,322</b>	<b>5.0</b>

**SHARE BUY-BACK PROGRAMME**

The Board has a mandate from the Annual General Meeting for the repurchase of up to 10% of the number of shares outstanding. Repurchases have been made for SEK 154m in 2003. The company has not repurchased own shares under the present mandate from the Annual General Meeting.

**PERSONNEL**

The number of employees at the end of the period was 2,475 (2,643). The number of wage-earners was 1,364 (1,455) and the number of salaried employees was 1,111 (1,188).

During 2003, JM has issued redundancy notices to 350 employees, both wage-earners and salaried employees, approximately one-third of whom have left the Group so far. These notices are motivated by preparations for a less favourable market situation and subsequent delays to project starts.

**PARENT COMPANY**

The Parent Company's profit before appropriations and tax amounted to SEK 180m (405) for the period. Property investments made by the Parent Company during the period totalled SEK 218m (295).

**NOMINATION COMMITTEE**

The Chairman of the Board will take the initiative of assembling the company's major shareholders in order to constitute a Nomination Committee ahead of the 2004 Annual General Meeting.

## COMMENTS BY BUSINESS UNIT

### JM Residential Stockholm

*The business unit develops mainly residential projects in preferred areas of Greater Stockholm. Operations comprise acquisition of attractively located development properties as well as planning, designing, building and selling homes.*

SEKm	January–September		July–September		Oct–Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	2,299	2,730	641	833	3,192	3,623
Operating loss/profit <sup>*)</sup>	-35	292	-23	92	-487	-160
Margin (%) <sup>**)</sup>	-2.2	10.4	-4.2	10.9	-11.0	-0.4
Return on operating capital (%) <sup>***)</sup>	-14.9	13.5				-4.6
Number of building rights at end of period	10,100	12,500				11,500
Book value of development properties	2,249	2,547				2,330
<sup>*)</sup> Of which –property sales	16	7	4	1	18	9
–property write-downs	–	–	–	–	-155	-155
<sup>**) Excluding property sales and property write-downs</sup>						
<sup>***) 12-month rolling average</sup>						

The business unit's net sales fell by 16% to SEK 2,299m (2,730) and earnings including property sales decreased to SEK -35m (292). The capital gain from property sales amounted to SEK 16m (7).

The lower volume is due to the low number of production starts resulting from the higher requirement for the number of reserved residential units prior to project starts.

The negative earnings were due to the lower volume and weak earnings in a number of ongoing projects as well as a more cautious income assessment in early phases of ongoing projects. Higher costs for sales and marketing activities are putting pressure on margins in ongoing projects.

The costs of the staff cuts amount to SEK 10m, the full amount of which was charged to the third quarter.

House prices stabilised in the most recent quarter, in both the second hand market and in JM's projects. The sales rate started rising in the summer. Demand is good in both completed and ongoing projects although sales of large and expensive homes remain somewhat sluggish.

At the end of the period, the business unit had approximately 10,100 building rights (12,500) at its disposal.

In the third quarter production started on conversion of the old ABB building in Nacka into 140 apartments and a pre-school unit. Production also started on 45 residential units in Gustavsberg, Värmdö, and 13 single-family dwellings in Österåker.

During the first nine months of the year, housing starts totalled 380 (1,004) and 849 residential units (677) were sold.

## JM Residential Sweden

*The business unit develops mainly residential projects in preferred growth areas in Sweden, excluding Greater Stockholm. Operations comprise acquisition of attractively located development properties as well as planning, designing, building and selling homes. Contract work is also conducted to a limited extent.*

SEKm	January–September		July–September		Oct–Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	1,507	1,508	423	500	2,204	2,205
Operating profit <sup>*)</sup>	65	116	18	45	129	180
Margin (%) <sup>**) </sup>	4.6	7.4	5.0	8.2	6.2	8.1
Return on operating capital (%) <sup>***) </sup>	13.2	20.0				16.7
Number of building rights at end of period	7,450	8,800				8,400
Book value of development properties	768	877				808
<sup>*)</sup> Of which-property sales	-5	4	-3	4	-5	4
-property write-downs	–	–	–	–	-2	-2
<sup>**) </sup> Excluding property sales and property write-downs						
<sup>***) </sup> 12-month rolling average						

The business unit's net sales are unchanged at SEK 1,507m (1,508) and operating profit, including property sales, amounted to SEK 65m (116). The margin, excluding property sales, decreased to 4.6% (7.4).

Market prices remain stable. Demand is good in ongoing projects and there is considerable interest in newly started projects. A slightly sluggish trend can be noted, however, in the market for large residential units in Gothenburg.

At the end of the period the business unit had approximately 7,450 building rights (8,800) at its disposal.

During the third quarter production started on the third phase with 55 residential units in a central project in Uppsala, 13 single-family dwellings in Vallentuna, the first phase of 10 out of a total of 25 single-family dwellings in Partille, the second phase with 20 single-family dwellings in Kungsbacka, and the first phase with 21 single-family dwellings out of a total of just over 100 in Staffanstorps in Skåne.

Housing starts totalled 587 (738) in the first nine months of the year and 707 residential units (671) were sold.

## JM Production

*The business unit carries out construction work primarily for internal customers in the Greater Stockholm area. The unit also conducts some production for external customers.*

Figures for revenue-earning construction work are reported below. Net sales and operating profit from residential projects are reported under the JM Residential Stockholm business unit.

SEKm	January–September		July–September		Oct–Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	505	953	172	174	718	1,166
Operating profit/loss <sup>*)</sup>	21	2	8	5	-8	-27
Margin (%)	4.2	0.2	4.7	2.9	-1.1	-2.3
<sup>*)</sup> Provision for risk of loss in ongoing project	–	-30	–	–	-35	-65

Operating profit during the period amounted to SEK 21m (2).

The business unit's lower external volumes are a result of a greater focus on margins and the fact that the unit's production resources are being used for JM's own project development to a greater extent.

Major external contracts include new construction of premises for the University College of Film, Radio, Television and Theatre on Stockholm's Valhallavägen, and conversion of the Swedish Patent and Registration Office's premises on Valhallavägen for Vasakronan.

Work already in progress includes a new 12,000 sq.m. office along the Bergshamra link road with a view over Brunnsviken which has been completed, and conversion of J&W's former offices at Torsviks Torg, Lidingö.

## JM Commercial

*The business unit manages JM's commercial properties and is responsible for the purchase and sale of the Group's investment properties. The business unit also develops commercial property projects in Greater Stockholm.*

SEKm	January–September		July–September		Oct–Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	163	322	60	97	265	424
Operating profit <sup>*)</sup>	403	414	17	143	623	634
Margin (%) <sup>**)</sup>	22.1	52.2	28.3	55.7	33.2	51.9
Return on operating capital (%) <sup>***)</sup>	22.7	11.2				16.8
<sup>*)</sup> Of which –property sales	367	259	–	89	621	513
–property write-downs	–	-13	–	–	-86	-99
<sup>**) Excluding property sales and property write-downs</sup>						
<sup>***) 12-month rolling average</sup>						

Operating profit for the period amounted to SEK 403m (414), of which property sales accounted for SEK 367m (259). Operating net amounted to SEK 72m (213). In line with the strategy to

reduce the portfolio of fully developed properties, sales and earnings from property management are decreasing.

Major property deals during the period included the sale of the newly developed hotel property Pennfaktaren 10 on Vasagatan, Stockholm, to a Norwegian insurance company for SEK 575m, and an exchange deal where JM sold the Svärdet properties in Mörby for SEK 931m and at the same time acquired 2,100 residential units in Vaxholm and Nacka for SEK 1,422m. No major property sales took place during the third quarter.

In the third quarter, JM signed a rental contract with the transport and logistics company DHL for the newly built office property Norra Brunnsviken in Solna. The lease runs for five years and comprises approximately 7,400 sq.m., corresponding to two-thirds of the property. Occupation is scheduled for the first quarter of 2004. A 9,000 sq.m. industrial property is being converted into modern office premises in the Barnängen block in Södermalm where tenants already moved in include the architect firm Nyréns and Sweco FFNS. Office and retail space is also being converted in the Västerbotten block in Torsvik, Lidingö. So far, leases have been signed for approximately 16,000 sq.m. out of a total of 25,000 sq.m. in ongoing commercial projects.

JM possesses land for commercial project development on prime sites in Norra Frösunda, Solna, and the Lustgården block in Kungsholmen where production can start as soon as demand is guaranteed. JM's building rights for commercial premises total approximately 200,000 sq.m. with a book value of SEK 178m, of which approximately half is designated to be sold.

## JM International

*The business unit develops and sells housing properties in Norway, Denmark and Belgium. In Belgium, JM also develops centrally located commercial property projects.*

SEKm	January–September		July–September		Oct–Sept	Full year
	2003	2002	2003	2002	2002/03	2002
Net sales	1,136	1,134	425	350	1,532	1,530
Operating profit <sup>*)</sup>	57	71	6	24	76	90
Margin (%) <sup>**) )</sup>	3.1	6.3	1.4	6.9	3.7	6.1
Return on operating capital (%) <sup>***) )</sup>	7.1	10.9				9.2
Number of building rights at end of period	5,400	5,100				5,650
Book value of development properties	573	464				641
<sup>*)</sup> Of which, property sales	22	–	–	–	19	-3
<sup>**) )</sup> Excluding property sales						
<sup>***) )</sup> 12-month rolling average						

Operating profit during the period amounted to SEK 57m (71). Sales for the operations in Norway amounted to SEK 711m (801).

Earnings in Norway weakened during the third quarter which was attributable to a lower sales level combined with a more cautious market assessment.

At the end of the period, the available building rights portfolio totalled some 5,400 units (5,100). Housing starts totalled 512 (372) during the period and 451 residential units (477) were sold.

## Norway

Housing prices have levelled out. Estate agents' statistics show that housing prices are at the same level as one year ago. Demand has fallen despite lower interest rates. The market has now adopted a wait-and-see attitude, mainly due to the situation in the labour market. Despite this, interest in JM's projects increased in the third quarter.

Vikevåg Bolag AS with operations in Stavanger was acquired during the period.

Housing starts totalled 253 (329) during the period and 340 units (354) were sold.

The available building rights portfolio comprises 4,400 residential units (3,900).

## Denmark

The housing market remains stable with a high turnover. The stable trend from the first quarters of 2003 has continued.

Housing starts totalled 180 (43) during the period and 82 residential units (57) were sold.

The available building rights portfolio comprises approximately 900 units (1,000).

## Belgium

The enlargement of the EU with ten new countries means that demand for high-standard homes in attractive areas remains high. Housing prices have risen.

JM had 79 housing starts (0) during the period. Additional housing starts are expected to take place in autumn 2003. Since a limited number of residential units were available for sale, only 29 units (66) were sold.

EU enlargement is also having a positive impact on demand for office space. In the Leopold district of central Brussels, where JM's office projects are located, vacancies are low, rents are rising and the return requirement is falling slightly. Arts 21, the 5,100 sq.m. office property converted by JM, was sold during the period to the German property fund MEAG for SEK 133m with a capital gain of SEK 22m.

Conversion of the 11,000 sq.m. La Science 14 property is under way. During the period investments in existing investment properties amounted to SEK 59m (37).

The building rights portfolio comprises approximately 130 residential units (210).

Stockholm, 22 October 2003

Johan Skoglund  
President and CEO

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

**Additional information**

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**Financial calendar**

16 February 2004	Year-end report for 2003
28 April 2004	Interim report, January – March 2004
28 April 2004	Annual General Meeting

JM AB is a public limited company listed on the Stockholm Stock Exchange. JM has around 2,500 employees in Sweden, Norway, Denmark and Belgium and annual sales of approximately SEK 8 billion. The company is Sweden's leading housing developer, and the core business is project development of residential and commercial premises in central areas of growth markets. JM's operations are characterised by a focus on quality and the environment.

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**OWNERSHIP STRUCTURE**

<b><u>At 30 September 2003</u></b>	<b><u>% of number of shares</u></b>
SEB funds and foundations	
Gamla Livförsäkrings AB SEB Trygg Liv	16.2
Robur funds	10.1
AFA Försäkringar	6.7
Stefan Persson Placering AB	4.3
Handelsbanken funds	4.1
Eikos	3.5
Fourth National Pension Fund	2.7
Second National Pension Fund	2.6
Livförsäkrings AB Skandia	2.5
RAM One AB	2.0
Länsförsäkringar Liv Försäkrings AB	
Länsförsäkringar – funds	1.8
Foreign shareholders	19.8
<u>Other shareholders</u>	<u>23.7</u>
<b>Total</b>	<b>100.0</b>

Number of shareholders at 30 September 2003: 5,309

The number of shares is 28,065,407.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

<b>SEKm</b>	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
Net sales	5,563	6,571	1,707	1,900	7,864	8,872
Costs for production and management	<u>-5,126</u>	<u>-5,605</u>	<u>-1,586</u>	<u>-1,597</u>	<u>-7,481</u>	<u>-7,960</u>
<b>Gross profit</b>	<b>437</b>	<b>966</b>	<b>121</b>	<b>303</b>	<b>383</b>	<b>912</b>
Selling and administrative expenses	-371	-374	-109	-99	-524	-527
Gains on the sale of properties	400	270	1	94	653	523
Property write-downs	<u>—</u>	<u>-13</u>	<u>—</u>	<u>—</u>	<u>-243</u>	<u>-256</u>
<b>Operating profit</b>	<b>466</b>	<b>849</b>	<b>13</b>	<b>298</b>	<b>269</b>	<b>652</b>
Net financial items	<u>-166</u>	<u>-203</u>	<u>-45</u>	<u>-68</u>	<u>-247</u>	<u>-284</u>
<b>Profit/loss after financial items</b>	<b>300</b>	<b>646</b>	<b>-32</b>	<b>230</b>	<b>22</b>	<b>368</b>
Tax	<u>-91</u>	<u>-186</u>	<u>7</u>	<u>-67</u>	<u>-20</u>	<u>-115</u>
<b>Net profit/loss for the period</b>	<b>209</b>	<b>460</b>	<b>-25</b>	<b>163</b>	<b>2</b>	<b>253</b>
Earnings per share (SEK)	7.30	15.50	-0.90	5.50	0.10	8.50
Earnings per share after full dilution (SEK)	7.30	15.30	-0.90	5.50	0.10	8.50
Number of shares at end of period	28,065,407 <sup>*)</sup>	29,660,183	28,065,407 <sup>*)</sup>	29,660,183	28,065,407 <sup>*)</sup>	29,463,614
Average number of shares before dilution	28,550,018	30,005,657	28,065,407	29,900,441	28,912,782	29,857,486
Average number of shares after dilution	28,550,018	30,105,962	28,065,407	30,004,859	28,912,782	29,954,360

<sup>\*)</sup> Opening balance 29,463,614  
Conversion 1,793  
Repurchased  
and cancelled -1,400,000  
28,065,407

**CONDENSED CONSOLIDATED BALANCE SHEET**

<b>SEKm</b>	<b>30 Sept 2003</b>	<b>30 Sept 2002</b>	<b>31 Dec 2002</b>
<b>Assets</b>			
Fixed assets	167	200	196
Investment properties	2,926	3,583	2,774
Development properties	3,773	4,038	3,871
Other current assets <sup>*)</sup>	3,121	3,613	3,191
Liquid assets	<u>142</u>	<u>106</u>	<u>596</u>
<b>Total</b>	<b>10,129</b>	<b>11,540</b>	<b>10,628</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	3,308	3,790	3,570
Provisions	1,051	1,082	918
Interest-bearing liabilities	3,871	4,564	3,880
Other liabilities	<u>1,899</u>	<u>2,104</u>	<u>2,260</u>
<b>Total</b>	<b>10,129</b>	<b>11,540</b>	<b>10,628</b>
Pledged assets	197	429	432
Contingent liabilities	3,554	3,772	3,641

<sup>\*)</sup> Of which, receivables from property sales

63 690 1,063

**CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY**

<b>SEKm</b>	<b>January – September</b>		<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2002</b>
Shareholders' equity, opening balance	3,570	3,823	3,823
Translation differences	-36	0	19
Dividend	-281	-420	-420
Repurchase of shares	-154	-84	-116
New issue (conversion) and options	–	11	11
Net profit for the period	<u>209</u>	<u>460</u>	<u>253</u>
<b>Shareholders' equity, closing balance</b>	<b>3,308</b>	<b>3,790</b>	<b>3,570</b>

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

<b>SEKm</b>	<b>January – September</b>		<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2002</b>
Cash flow after financial items and cash <sup>*)</sup>	-399	-40	-33
Investments in properties, etc.	-3,011	-1,121	-1,678
Sale of properties, etc.	3,786	2,741	4,077
Change in current liabilities/receivables	<u>-402</u>	<u>-642</u>	<u>-205</u>
<b>Cash flow from operating activities</b>	<b>-26</b>	<b>938</b>	<b>2,161</b>
<b>Cash flow from investing activities, other</b>	<b>-10</b>	<b>-22</b>	<b>-34</b>
Repurchase of shares and remuneration for options, net	-154	-84	-116
Dividend	-281	-420	-420
Other financing activities	<u>17</u>	<u>-958</u>	<u>-1,647</u>
<b>Cash flow from financing activities</b>	<b>-418</b>	<b>-1,462</b>	<b>-2,183</b>
<b>Cash flow for the period</b>	<b>-454</b>	<b>-546</b>	<b>-56</b>
<b>Liquid assets at the end of the period</b>	<b>142</b>	<b>106</b>	<b>596</b>
<i>Change in interest-bearing net debt</i>	<i>390</i>	<i>-382</i>	<i>-1,555</i>
<i>(+ = increase/ - = decrease)</i>			

<sup>\*)</sup> Of which, SEK 140m (225) pertains to paid tax on profit for the previous year.

**KEY RATIOS**

<b>SEKm</b>	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
Profit/loss from project development	166	724	7	254	-99	459
Project development margin (%)	3.1	11.6	0.4	14.1	-1.3	5.4
Return on capital employed before tax (%)					3.7	7.8
Return on equity before tax (%)					0.0	6.8
Interest-bearing net debt	4,055	4,838	4,055	4,838		3,665
Debt/equity ratio	1.2	1.3	1.2	1.3		1.0
Equity ratio (%)	33	33	33	33		34

**NET SALES FROM PROJECT DEVELOPMENT**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>SEKm</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	2,299	2,730	641	833	3,192	3,623
JM Residential Sweden	1,507	1,508	423	500	2,204	2,205
JM Production	505	953	172	174	718	1,166
JM International	1,136	1,134	425	350	1,532	1,530
Eliminations	<u>-47</u>	<u>-76</u>	<u>-14</u>	<u>-54</u>	<u>-47</u>	<u>-76</u>
<b>Total Group</b>	<b>5,400</b>	<b>6,249</b>	<b>1,647</b>	<b>1,803</b>	<b>7,599</b>	<b>8,448</b>

**PROFIT FROM PROJECT DEVELOPMENT**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>SEKm</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	-35	292	-23	92	-487	-160
JM Residential Sweden	65	116	18	45	129	180
JM Production	21	2	8	5	-8	-27
JM Commercial	58	243	-2	88	191	376
JM International	<u>57</u>	<u>71</u>	<u>6</u>	<u>24</u>	<u>76</u>	<u>90</u>
<b>Total Group</b>	<b>166</b>	<b>724</b>	<b>7</b>	<b>254</b>	<b>-99</b>	<b>459</b>

**CONSOLIDATED NET SALES BY BUSINESS UNIT**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>SEKm</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	2,299	2,730	641	833	3,192	3,623
JM Residential Sweden	1,507	1,508	423	500	2,204	2,205
JM Production	505	953	172	174	718	1,166
JM Commercial	163	322	60	97	265	424
JM International	1,136	1,134	425	350	1,532	1,530
Eliminations	<u>-47</u>	<u>-76</u>	<u>-14</u>	<u>-54</u>	<u>-47</u>	<u>-76</u>
<b>Total Group</b>	<b>5,563</b>	<b>6,571</b>	<b>1,707</b>	<b>1,900</b>	<b>7,864</b>	<b>8,872</b>

**CONSOLIDATED OPERATING PROFIT BY BUSINESS UNIT**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>SEKm</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	-35	292	-23	92	-487	-160
JM Residential Sweden	65	116	18	45	129	180
JM Production	21	2	8	5	-8	-27
JM Commercial	403	414	17	143	623	634
JM International	57	71	6	24	76	90
Group-wide expenses	<u>-45</u>	<u>-46</u>	<u>-13</u>	<u>-11</u>	<u>-64</u>	<u>-65</u>
<b>Total Group</b>	<b>466</b>	<b>849</b>	<b>13</b>	<b>298</b>	<b>269</b>	<b>652</b>

**MARGIN BY BUSINESS UNIT <sup>\*)</sup>**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>%</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	-2.2	10.4	-4.2	10.9	-11.0	-0.4
JM Residential Sweden	4.6	7.4	5.0	8.2	6.2	8.1
JM Production	4.2	0.2	4.7	2.9	-1.1	-2.3
JM Commercial	22.1	52.2	28.3	55.7	33.2	51.9
JM International	3.1	6.3	1.4	6.9	3.7	6.1

<sup>\*)</sup> Operating profit excluding property sales and property write-downs in relation to net sales

**ORDER BOOKINGS BY BUSINESS UNIT**

	<b>January–September</b>		<b>July–September</b>		<b>Oct–Sept</b>	<b>Full year</b>
<b>SEKm</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2002/03</b>	<b>2002</b>
JM Residential Stockholm	1,305	2,493	439	1,010	1,645	2,833
JM Residential Sweden	1,419	1,411	303	455	2,618	2,610
JM Production	475	304	141	33	684	513
JM International	<u>1,320</u>	<u>800</u>	<u>373</u>	<u>296</u>	<u>1,254</u>	<u>734</u>
<b>Total Group</b>	<b>4,519</b>	<b>5,008</b>	<b>1,256</b>	<b>1,794</b>	<b>6,201</b>	<b>6,690</b>

**ORDER BACKLOG BY BUSINESS UNIT**

<b>SEKm</b>	<b>30 Sept 2003</b>	<b>30 Sept 2002</b>	<b>31 Dec 2002</b>
JM Residential Stockholm	1,854	3,261	2,740
JM Residential Sweden	1,717	1,277	1,785
JM Production	454	490	465
JM International	<u>1,125</u>	<u>1,394</u>	<u>935</u>
<b>Total Group</b>	<b>5,150</b>	<b>6,422</b>	<b>5,925</b>

**OPERATING CAPITAL (SEKm) <sup>\*)</sup>****RETURN (%) ON OPERATING CAPITAL BY BUSINESS UNIT <sup>\*\*)</sup>**

	<b>January – September</b>		<b>Full year</b>
	<b>2003</b>	<b>2002</b>	<b>2002</b>
JM Residential Stockholm	3,261 -14.9%	3,631 13.5%	3,496 -4.6%
JM Residential Sweden	980 13.2%	1,105 20.0%	1,076 16.7%
JM Commercial	2,745 22.7%	4,158 11.2%	3,776 16.8%
JM International	1,064 7.1%	927 10.9%	979 9.2%

<sup>\*)</sup> Average

<sup>\*\*)</sup> 12-month rolling average

**Accounting principles**

This interim report is prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20, Interim Financial Reporting. The accounting principles and calculation methods applied are the same as those used in the annual report for 2002.