



Press release

Oct. 24, 2008

JM Announces Layoffs

To address the declining demand for newly built homes, today JM Sweden announced that nearly 400 people would be laid off and the company will now initiate negotiations with the involved trade unions. An additional 120 people have been laid off in Sweden from June up to today. About 80 people in JM's foreign operations are also affected by the planned staff cuts. In all, almost 600 people will be affected by the cutback.

JM reported weakened demand for newly built homes in the Nordic countries in the interim report for January – September 2008. Customers are more cautious due to the rapidly declining economy, coupled with the financial turmoil and deteriorating conditions in the housing market, though we still see continued interest in JM's newly built homes.

- "JM works based on the strategy of not starting production of new projects if there isn't a clear demand," says Johan Skoglund, president and CEO of JM. Now that declining demand is a fact we also have to adapt our staffing. Of course it is extremely regrettable that we are now forced to lay off skilled employees and that individuals must suffer from the current market situation."

Planned staff cuts are distributed as follows: JM Residential Stockholm 260 people, JM Residential Sweden 250 people, and JM International 80 people.

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JM is one of the Nordic Region's leading developers of housing and residential areas. Operations focus on new production of homes in attractive locations, with the main focus on expanding metropolitan areas and university towns in Sweden, Norway, Denmark, Finland and Belgium. We are also involved in project development of commercial premises and contract work, primarily in the Greater Stockholm area. JM shall promote long-term quality and environmental management in all its operations. Our annual sales total approximately SEK 13 billion and the company has about 2,500 employees. JM AB is a public limited company listed on the Nordic Stock Exchange, Large Cap segment.