

Reconciliation alternative performance measurements

Reconciliation for alternative performance measurements has been prepared in accordance with ESMA Guidelines Alternative Performance Measurements (ESMA/2015/1415).

This information has not been subject to review by SSM's auditors.

MSEK	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3
Financial performance measurements								
Net sales (P&L)	257.2	136.4	168.4	104.1	107.3	95.5	73.1	52.4
Expenses for production and management (P&L)	- 199.0	- 112.6	- 135.2	- 99.3	- 101.1	- 83.9	- 68.1	- 41.0
Gross profit (P&L)	58.2	23.8	33.2	4.7	6.2	11.6	5.0	11.4
Net sales (P&L)	257.2	136.4	168.4	104.1	107.3	95.5	73.1	52.4
Net sales, joint ventures	252.8	120.3	79.7	130.2	90.7	85.2	77.6	88.8
Net sales including joint ventures	510.1	256.8	248.1	234.3	198.0	180.7	150.8	141.3
Gross profit (P&L)	58.2	23.8	33.2	4.7	6.2	11.6	5.0	11.4
Net sales (P&L)	257.2	136.4	168.4	104.1	107.3	95.5	73.1	52.4
Gross margin, %	22.6	17.4	19.7	4.6	5.7	12.1	6.9	21.8
Pre-tax profit (P&L)	54.3	14.4	11.5	116.1	- 2.7	1.8	- 8.0	- 4.7
Net financial items (P&L)	- 7.5	- 6.9	- 8.2	- 8.8	- 7.1	- 6.1	- 9.4	- 7.6
Operating profit (P&L)	61.7	21.2	19.7	124.9	4.4	7.9	1.4	2.9
Net sales (P&L)	257.2	136.4	168.4	104.1	107.3	95.5	73.1	52.4
Operating profit (P&L)	61.7	21.2	19.7	124.9	4.4	7.9	1.4	2.9
Operating margin, %	24.0	15.6	11.7	120.0	4.1	8.3	1.9	5.5
Operating profit (P&L)	61.7	21.2	19.7	124.9	4.4	7.9	1.4	2.9
Financial income (P&L)	4.0	3.8	3.4	2.7	3.4	4.0	3.0	2.3
Profit after financial income	65.7	25.0	23.1	127.7	7.7	11.9	4.4	5.3
Financial expenses (P&L)	- 11.4	- 10.6	- 11.6	- 11.6	- 10.4	- 10.1	- 12.5	- 10.0
Interest coverage ratio, times	5.7	2.3	2.0	11.1	0.7	1.2	0.4	0.5
Shareholder's equity, closing balance (BS)	301.3	317.9	845.4	965.5	962.6	964.2	955.7	951.0
Shareholder's equity, opening balance (BS)	249.0	301.3	317.9	845.4	965.5	962.6	964.2	955.7
Shareholder's equity, average	275.1	309.6	581.7	905.5	964.0	963.4	959.9	953.3
Earnings for the period (P&L)	50.7	14.4	11.5	115.9	- 2.5	1.6	- 8.5	- 4.6
Return on equity, period, %	18.4	4.6	2.0	12.8	- 0.3	0.2	- 0.9	- 0.5
Return on equity, annualized (x4), %	73.7	18.5	7.9	51.2	- 1.0	0.7	- 3.5	- 1.9

MSEK	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3
Net sales (P&L)	257.2	136.4	168.4	104.1	107.3	95.5	73.1	52.4
Net sales, same period previous year (P&L)	75.0	72.9	130.1	189.7	257.2	136.4	168.4	104.1
Net sales, change from same period previous year, %	242.8	87.2	29.4	- 45.1	- 58.3	- 30.0	- 56.6	- 49.6
Gross profit (P&L)	58.2	23.8	33.2	4.7	6.2	11.6	5.0	11.4
Gross profit, same period previous year	- 4.1	12.5	23.0	53.4	58.2	23.8	33.2	4.7
Gross profit, change from same period previous year, %	- 1,504.7	90.2	44.8	- 91.1	- 89.4	- 51.4	- 84.9	141.4
Operating profit (P&L)	61.7	21.2	19.7	124.9	4.4	7.9	1.4	2.9
Operating profit, same period previous year (P&L)	41.9	28.5	33.7	63.1	61.7	21.2	19.7	124.9
Operating profit, change from same period previous year (P&L), %	47.2	- 25.6	- 41.5	98.0	- 92.9	- 62.9	- 92.8	- 97.7
Operating margin, %	24.0	15.6	11.7	120.0	4.1	8.3	1.9	5.5
Operating margin, same period previous year, %	55.9	39.1	25.9	33.3	24.0	15.6	11.7	120.0
Operating margin, change from same period previous year, %	- 31.9	- 23.6	- 14.2	86.8	- 19.9	- 7.3	- 9.8	- 114.5
Total current assets (BS)	574.0	567.0	1,096.4	911.6	1,070.1	1,022.6	1,019.0	948.8
Total inventories (BS)	208.8	182.7	360.3	276.7	427.9	463.6	465.8	494.3
Total current assets excluding total inventories	365.2	384.3	736.1	634.9	642.2	559.0	553.3	454.4
Total current liabilities	146.0	129.3	123.6	135.8	159.1	114.9	95.3	64.2
Liquidity ratio, times	2.5	3.0	6.0	4.7	4.0	4.9	5.8	7.1
Shareholder's equity, closing balace (BS)	301.3	317.9	845.4	965.5	962.6	964.2	955.7	951.0
Total assets (BS)	1,035.8	986.9	1,538.7	1,669.6	1,626.0	1,583.3	1,553.1	1,507.3
Equity ratio, %	29.1	32.2	54.9	57.8	59.2	60.9	61.5	63.1
Shareholder's equity, closing balace (BS)	301.3	317.9	845.4	965.5	962.6	964.2	955.7	951.0
Number of shares	30,100,000	30,100,000	39,252,542	39,252,542	39,252,542	39,252,543	39,252,544	39,252,545
Equity per share, SEK	10.01	10.56	21.54	24.60	24.52	24.56	24.35	24.23

Production related measurements								
Number of cooperative apartments in production, opening balance	1,479	1,479	1,224	1,415	1,414	1,414	1,148	899
Number of production started cooperative apartments	-	-	204	-	-	-	-	-
Change of number of cooperative apartments, in development	-	-	- 13	- 1	-	-	-	-
Number of completed cooperative apartments	-	255	-	-	-	266	249	-
Number of cooperative apartments in production, closing balance	1,479	1,224	1,415	1,414	1,414	1,148	899	899
Number of rental apartments in production, opening balance	-	-	-	-	-	-	176	273
Number of production started rental apartments	-	-	-	-	-	176	94	-
Change of number of rental apartments, in development	-	-	-	-	-	-	3	- 3
Number of completed rental apartments	-	-	-	-	-	-	-	-
Number of rental apartments in production, closing balance	-	-	-	-	-	176	273	270
Number of cooperative apartments in production, closing balance	1,479	1,224	1,415	1,414	1,414	1,148	899	899
Number of rental apartments in production, closing balance	-	-	-	-	-	176	273	270
Number of apartments in production	1,479	1,224	1,415	1,414	1,414	1,324	1,172	1,169
Number of building rights, opening balance	4,975	5,255	5,502	5,996	6,427	6,848	6,775	6,539
Number of acquired building rights	350	530	485	520	400	100	-	-
Project optimization in production, number of building rights	- 70	-	- 13	- 1	-	-	3	- 3
Project optimization in planning, number of building rights	-	- 28	22	- 88	21	93	10	28
Number of apartments completed	-	255	-	-	-	266	249	-
Number of building rights, closing balance	5,255	5,502	5,996	6,427	6,848	6,775	6,539	6,564
Accumulated number of sold cooperative apartments, opening balance	1,390	1,427	1,184	1,353	1,373	1,371	1,107	861
Number of sold cooperative apartments (in production)	37	12	169	20	- 2	3	3	6
Number of cancelled agreements	-	-	-	-	-	1	-	-
Number of cooperative apartments completed	-	255	-	-	-	266	249	-
Accumulated number of sold cooperative apartments, closing balance	1,427	1,184	1,353	1,373	1,371	1,107	861	867
Accumulated number of sold cooperative apartments	1,427	1,184	1,353	1,373	1,371	1,107	861	867
Accumulated number of sold cooperative apartments in development	-	-	-	30	45	48	78	98
Accumulated number of sold cooperative apartments	1,427	1,184	1,353	1,403	1,416	1,155	939	965
Number of cooperative apartments in production, closing balance	1,479	1,224	1,415	1,414	1,414	1,148	899	899
Accumulated number of sold cooperative apartments	1,427	1,184	1,353	1,373	1,371	1,107	861	867
Sold share of cooperative apartments in production, closing balance, %	96.4	97.1	- 0.7	97.1	97.0	96.4	95.8	96.4

Key performance indicators	Definition	Purpose
<i>Definitions of key performance indicators defined according to IFRS</i>		
Net sales	Net sales for the Group.	
Profit for the period	Profit for the period after taxes.	
Earnings per share (SEK)	Profit for the period after taxes compared to the average number of outstanding shares.	
<i>Definitions of key performance indicators not defined according to IFRS</i>		
Net sales joint ventures	Total net sales for SSM's joint ventures.	The Company considers the key performance indicator to be facilitating for investors that want to assess the net sales for SSM's joint ventures.
Net sales including joint ventures	Net sales for the Group including net sales for joint ventures.	The Company considers the key performance indicator to be facilitating for investors that want to assess the net sales for SSM's projects.
Gross profit	Net sales minus expenses for production and management.	The Company considers the key performance indicator to be facilitating for investors that want to assess the profitability of the projects which SSM carries out on its own.
Gross margin, %	Gross profit divided by net sales for the period.	The key performance indicator is a significant complement to gross profit, which only shows changes in absolute figures, whereas the gross margin also shows how much value the changes create.
Operating profit	Earnings before financial items and taxes.	The Company considers the key performance indicator to be facilitating for investors that want to assess the profit generated from the operating activities, including joint ventures.
Operating margin, %	Operating income as a percentage of net sales for the period.	The key performance indicator is a significant complement to operating profit, which only shows changes in absolute figures, whereas the operating margin also shows how much value the changes create.
Dividend per share (SEK)	Dividend in SEK divided by the number of outstanding shares at the balance sheet date, with adjustments for executed share split.	The Company considers the key performance indicator to be of interest as the Company has a dividend target, adopted by the board of directors.
Equity per share (SEK)	Equity in relation to the number of outstanding shares at the balance sheet date, with adjustments for executed share split.	The Company considers the key performance indicator to be facilitating for investors that want to assess historical capital attributable to the shareholders.

Key performance indicators	Definition	Purpose
Interest coverage ratio	Profit after financial income in relation to financial costs for the period.	The Company considers the key performance indicator to be facilitating for investors that want to assess the Company's ability to pay for its financial costs.
Liquidity ratio	Current assets not including inventories in relation to current liabilities at the balance sheet date.	The Company considers the key performance indicator to be facilitating for investors that want to assess the Company's liquidity.
Debt/equity ratio, %	Equity in relation to total assets at the balance sheet date.	The key performance indicator shows the proportion between total assets and equity, and has been included to enable investors to assess the Company's capital structure.
Return on equity, %	Profit after tax divided by average equity for the period.	The Company considers the key performance indicator to be facilitating for investors that want to assess the Company's ability to generate return on the equity that the shareholders has put at the Company's disposal.
Number of outstanding shares	Number of outstanding shares at the balance sheet date, adjusted for executed share split.	The Company considers the key performance indicator to be facilitating for investors that want to assess the Company's creation of value per share.

Production related measurements	Definition	Purpose
Number of apartments in production	Number of apartments started and not completed.	Measure showing the volume of apartments which, during the period, have contributed to the company's earnings.
Number of apartments started	Number of apartments for which SSM has started revenue recognition.	Measure indicating how many apartments that are in the early stage of profit recognition. Increases the number of apartments in production.
Number of completed apartments	Number of apartments in projects that have been closed out.	Measure indicating how many apartments that will no longer contribute to the company's earnings.
Project optimization	Changes in the number of building rights in previously acquired projects.	Measure indicating how efficient the company is in the planning stages.

Booked apartment	Apartment that has been booked through non-binding contracts.	Measure indicating future sales.
Sold apartments	Number of apartments that have been sold through binding contracts.	Measure indicating demand of the company's products.
Accumulated number of sold apartments in production	Total number of apartments in production that are sold through binding contracts.	Measure indicating how large share of ongoing production that has secured income.
Percentage of sold apartments in production	Accumulated number of sold apartments in relation to number of apartments under construction.	Measure that, together with total number of apartments in a project generates the sales rate, which in turn shows how large share of the project that contributes to the profit recognition rate.
Profit recognition rate	Percentage of sold apartments multiplied with production rate.	Measure showing how large share of a project's profit that has been recognized.
Production rate	Accumulated cost in relation to total forecasted cost.	Measure showing how far a project has come in production.