

Akero Multifamily Housing No. 1 Limited
(incorporated in the Island of Jersey with limited liability under registration
number 89816)

Portfolio Performance Report
1 January – 31 December 2006

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1. The Notes

(Amounts in Euro)

Class	Rating (Moody's / S&P)	Outstanding Principal Amount		Credit Enhancement	
		31 Dec. 2006	27 May 2005	31 Dec. 2006	27 May 2005
Class A	Aaa / AAA	193,945,111	200,200,000	28.63%	27.99%
Class B	A2 / A	55,600,000	55,600,000	8.17%	7.99%
Class C	Baa2 / BBB	22,200,000	22,200,000	0.00%	0.00%

The outstanding principal amounts as of 31 December 2006 include principal payments made up to this date.

The Class A Notes are subject to scheduled note redemption on each interest payment date in an amount of 0.375 per cent. of the aggregate initial principal amount outstanding of all classes of the Notes subject to receipt of the corresponding scheduled Loan amortisation.

The Class B Notes and the Class C Notes are not subject to any scheduled Note redemption.

No Loan or portion thereof has been prepaid during the reporting period.

The Class A Notes, the Class B Notes and the Class C Notes are due on 27 May 2015. The Notes will be subject to mandatory redemption in full on 27 May 2010, to the extent that funds are available from the Loan repayments on their repayment date, being 20 May 2010 for each Loan.

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2. Portfolio Report Pledged Property Portfolios

Akero Multifamily Housing No. 1 Limited hereby presents the following financial results for the period 1 January to 31 December 2006 for the property portfolios pledged for the Notes.

2.1. Summary Income Statement Pledged Property Portfolios

(Amounts in SEK thousand)

	Akelius Lägenheter AB	Akelius Fastigheter i Haninge AB	Total
Net rental income	165,371	260,824	426,195
Operating costs	-62,732	-106,421	-169,153
Maintenance expenses	-24,759	-22,140	-46,899
Property tax and site leasehold fee	-4,623	-7,950	-12,573
Property management expenses	-92,114	-136,511	-228,625
Depreciation and write-downs (as well as reversals) of tangible assets	-6,437	-12,366	-18,803
Gross income	66,820	111,947	178,767

Aggregate net rental income for the portfolios amounted to SEK 426.2 million. Gross income for the pledged portfolios amounted to SEK 178.8 million.

2.2. Key Ratios Pledged Property Portfolios

	Akelius Lägenheter AB	Akelius Fastigheter i Haninge AB	Total weighted average
Rental shortfall	0.5%	0.4%	0.4%
Vacancy rate	1.4%	1.20%	1.4%
Interest coverage ratio (x)	1.7	1.6	1,6

The weighted average interest coverage ratio (gross income divided by interest expenses) was 1.6 times (x) and the vacancy rate for the pledged portfolios was 1.4 per cent. at the end of the reporting period compared with 1.8x and 1.4 per cent. respectively at the end of the previous reporting period (30 September 2006).

In September 2006 the property Lund Drottning Filippa 3 included in the portfolio pledged by Akelius Lägenheter AB was substituted for the properties Trelleborg Svanen 11 and Trelleborg Spoven 26.

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2.3. Summary Valuation Pledged Property Portfolios

(Amounts in SEK million)

Borrower	No. of Properties	Aggregate Pantbrev Amount	Loan Amount		Aggregate External Valuation Amount	
	31 Dec. 2006	31 Dec. 2006	31 Dec. 2006	27 May 2005	31 Dec. 2006	31 Dec. 2005
Akelius Fastigheter i Haninge AB	13	1,642	1,595	1,631	2,869	2,588
Akelius Lägenheter	20	996	906	927	1,627	1,433
Total	33	2,638	2,501	2,558	4,496	4,021

Property valuation as of 31 December 2006 performed by the property valuation firm Svefa AB.

2.4. Summary Loan to Value Pledged Property Portfolios

Borrower	Loan to Value
	31 Dec. 2006
Akelius Fastigheter i Haninge AB	56%
Akelius Lägenheter	56%
Total	56%

Loan to Value ratios as of 31 December 2006 are calculated in accordance with the terms of the Loan agreements.

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3. Summary Annual Report Akelius Lägenheter AB

Set out below is a summary of the annual report for Akelius Lägenheter AB for the period 1 January to 31 December 2006.

3.1 Summary Income Statement Akelius Lägenheter AB

(Amounts in SEK thousand)

	2006 (1 Jan.- 31 Dec.)	2005 (1 Jan.- 31 Dec.)
Net rental income	800,323	841,755
Operating costs	-296,567	-295,378
Maintenance expenses	-105,291	-116,501
Property tax and site leasehold fee	-28,581	-30,117
Property management cost	-430,439	-441,996
Depreciations and write-downs (as well as reversals) of tangible assets	-46,662	-47,092
Gross income	323,222	352,667
Central expenses	-17,887	-20,453
Income attributable to property sales	143,838	336,763
Other income and expenses	-	-
Operating Profit	449,173	668,977
Net financial items	-187,763	405,372
Income before tax and appropriations	261,410	1,074,349

In its income statement per 31 December 2006, Akelius Lägenheter reported net rental revenues of SEK 800.3 million. Compared with the same period in 2005 net rental income decreased SEK 41.4 million reflecting a reduced property portfolio.

Residential rents in the different property locations increased by between 1.9 per cent. and 3.5 per cent. effective as from 1 January 2006.

The company reported maintenance expenses of SEK 105.3 million and operating costs of SEK 296.6 million.

During the period Akelius Lägenheter sold 59 properties at a total price of SEK 802.1 million and acquired properties with a total acquisition value of SEK 433.0 million. Net capital gains from property sales amounted to SEK 143.8 million.

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3.2. Balance Sheet Akelius Lägenheter AB

(Amounts in SEK thousand)

	2006 (1 Jan.- 31 Dec)	2005 (1 Jan.- 31 Dec.)
Properties	5,543,331	5,757,017
Other fixed assets	1,927,535	761,149
Current assets	2,251,865	1,290,994
Total assets	9,722,731	7,809,160
Shareholders' equity	2,279,180	2,470,693
Untaxed reserves	113,595	113,595
Deferred tax liabilities	325,096	342,155
Interest bearing debt	6,824,900	4,658,335
Other liabilities	179,960	224,382
Total shareholders' equity and liabilities	9,722,731	7,809,160

4. Summary Annual Report Akelius Fastigheter i Haninge AB

Set out below is a summary of the annual report for Akelius Fastigheter i Haninge AB for the period 1 January to 31 December 2006.

4.1 Summary Income Statement Akelius Fastigheter i Haninge AB

(Amounts in SEK thousand)

	2006 (1 Jan.- 31 Dec.)	2005 (1 Jan.- 31 Dec.)
Net rental income	273,176	265,819
Operating costs	-112,672	-101,581
Maintenance expenses	-23,241	-30,152
Property tax and site leasehold fee	-8,282	-7,968
Property management cost	-144,195	-139,701
Depreciations and write-downs (as well as reversals) of tangible assets	-13,083	-14,181
Gross income	115,898	111,937
Central expenses	-0,572	-3,360
Income attributable to property sales	-	-
Other income and expenses	-	-
Operating Profit	115,326	108,577
Net financial items	-78,553	-79,298
Income before tax and appropriations	36,773	29,279

In its income statement for January to September 2006, Akelius Fastigheter i Haninge AB reported net rental revenues of SEK 273.2 million.

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The company reported maintenance expenses of SEK 23.2 million. Operating costs were SEK 112.7 million.

The income before tax and appropriations increased to SEK 36.8 million. This is mainly due to increased rental income, decreased maintenance expenses and lower financial costs.

In the third quarter Akelius Fastigheter i Haninge AB acquired a property in Södertälje, at a purchase price of SEK 132.0 million.

4.2. Balance Sheet Akelius Fastigheter i Haninge AB

(Amounts in SEK thousand)

	2006 (1 Jan.- 31 Dec)	2005 (1 Jan.- 31 Dec.)
Properties	1,944,145	1,906,370
Other fixed assets	8,837	3,300
Current assets	35,636	25,460
Total assets	1,988,618	1,935,130
Shareholders' equity	34,930	10,355
Untaxed reserves	217	217
Deferred tax liabilities	194,603	192,405
Interest bearing debt	1,594,462	1,618,903
Other liabilities	164,406	113,250
Total shareholders' equity and liabilities	1,988,618	1,935,130

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5. Summary Consolidated Annual Report Akelius Fastigheter AB Group

Set out below is a summary of the annual report for the Akelius Fastigheter AB Group for the period 1 January to 31 December 2006.

5.1 Summary Consolidated Income Statement Akelius Fastigheter AB Group

(Amounts in SEK thousand)

	2006 (1 Jan.- 31 Dec.)	2005 (1 Jan.- 31 Dec.)
Net rental income	2,028,836	1,943,472
Operating costs	-740,808	-677,713
Maintenance expenses	-260,558	-233,307
Property tax and site leasehold fee	-67,715	-63,947
Property management cost	-1,069,081	-974,967
Depreciations and write-downs (as well as reversals) of tangible assets	-106,530	-88,607
Gross income	853,225	879,898
Central expenses	-15,783	-15,696
Income attributable to property sales	601,140	336,201
Other income and expenses	-	-
Operating Profit	1,438,582	1,200,403
Net financial items	-753,292	-708,540
Income before tax and appropriations	685,290	491,863

Net rental income for the period was SEK 2,028.9 million and the operating profit was SEK 1,438.6 million. The vacancies for the total property portfolio decreased from 2.9 per cent to 2.0 per cent. In the residential properties the vacancies were 0.9 per cent on average and are primarily due to relocation vacancies.

From January to December 2006 the Akelius Fastigheter Group sold 75 properties at a total purchase price of SEK 2,397 million. Net capital gain from property sales amounted to SEK 601 million. The property sales reflect the Group's strategy to focus on residential properties in growth regions but also the strong market for sales of residential properties for conversion to tenant-owner's rights.

During the period the Akelius Fastigheter Group acquired properties at an aggregate purchase price of SEK 3,234 million adding another 4,423 apartments to its total property portfolio.