

Annual Report for 2006/07

Landic Property Bonds VII (Stockholm) A/S (former Keops Ejendomsobligationer VII (Stockholm) A/S)



Reported to the OMX The Nordic Exchange via Company News Service on 31 March 2008

Summary:

Satisfactory profit for the Company, Landic Property Bonds VII (Stockholm) A/S (former Keops Ejendomsobligationer VII (Stockholm) A/S)

The profit for the financial period 1 October 2006 to 31 December 2007 amounts to DKK 36.9 million before tax. Profit before tax and before value adjustments amounts to DKK 14.3 million which is slightly lower than expected.

Value adjustments of investment properties and debt, net contribute by DKK 22.6 million to profit before tax for the period.

Equity amounts to DKK 81.1 million at 31 December 2007 compared to DKK 55.9 million in the previous period. The development in equity exceeds the budget expectations.

The operations in the Group which comprise of 11 properties located in Stockholm, Haninge, Huddinge, Rådsved, Sollentuna and Bromma, among others, have generally proceeded as planned in 2006/07.

The Supervisory Board considers the profit for 2006/07 satisfactory.

Profit before tax and value adjustments of approx. DKK 22 – 25 million are expected for 2008.

Please address questions relating to this Announcement to Company Secretary, Klaus T. W. Lund, on telephone +45 3378 4000.

LANDIC
PROPERTY

**Notice to the Stock Exchange nor. 22
Landic Property Bonds VII (Stockholm) A/S**

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Contents

Company details	3
Financial highlights	4
Management's review	5
Shareholder information	8
Statement by Management on the annual report	10
Auditors' report	11
Accounting policies	13
Income statement 1 October 2006 to 31 December 2007	20
Balance sheet at 31 December 2007	21
Cash flow statement	23
Notes	24

Disclaimer

This is an unauthorised translation of the Danish original document. In the event of inconsistency, the Danish version shall apply.

Company details

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Central Business
Registration no.: 29 13 61 30
Established: 7 October 2005
Registered in: Rudersdal

Supervisory Board

Gunnar Petersen (Chairman)
Michael Sheikh
Klaus T. W. Lund

Executive Board

Michael Sheikh

Company auditor

Deloitte Statsautoriseret Revisionsaktieselskab
Birkerød Kongevej 25c
3460 Birkerød

Annual General Meeting will be held on 30 April 2008.

Financial highlights

Consolidated financial highlights		
	2006/2007	2005/2006
	15 months	12 months
	DKK 1000	DKK 1000
Revenue	250,013	164,399
Operating expenses	-70,290	-34,455
Value adjustment of investment properties and debt, net	22,585	-6,045
Gross profit	202,308	123,899
Administrative expenses	-6,633	-9,753
Net financials	-158,754	-104,781
Profit before tax	36,921	9,365
Tax on profit for the year	-10,613	-2,510
Profit for the year	26,308	6,855
Fixed assets	2,435,231	2,454,096
Current assets	66,166	88,815
Total assets	2,501,397	2,542,911
Share capital	48,000	48,000
Equity	81,075	55,886
Provisions	13,152	2,723
Liabilities other than provisions	2,407,170	2,484,301
Total equity and liabilities	2,501,397	2,542,911
Cash flows from operating activities	5,578	94,788
Cash flows from investing activities, net	-13,429	-2,469,302
Cash flows from financing activities	-10,131	2,443,317
Total cash flows	-17,982	68,803
Ratios		
Return on equity (after tax)	30.7%	13.1%
Solvency	3.2%	2.2%
Net asset value	1.7	1.2
Earnings per share, DKK	0.44	0.14
Share dividend	0%	0%
Number of employees at year-end	0	0

The ratios have been compiled in accordance with "Recommendations and Ratios 2005" by the Danish Society of Financial Analysts. Please refer to definitions and concepts in accounting policies.

Management's review

Business concept

The purpose of the Company is, via investments in other companies, to own and operate letting business with a Swedish property portfolio of a total of 11 commercial properties, as well as to raise the necessary financing for the Group's activities.

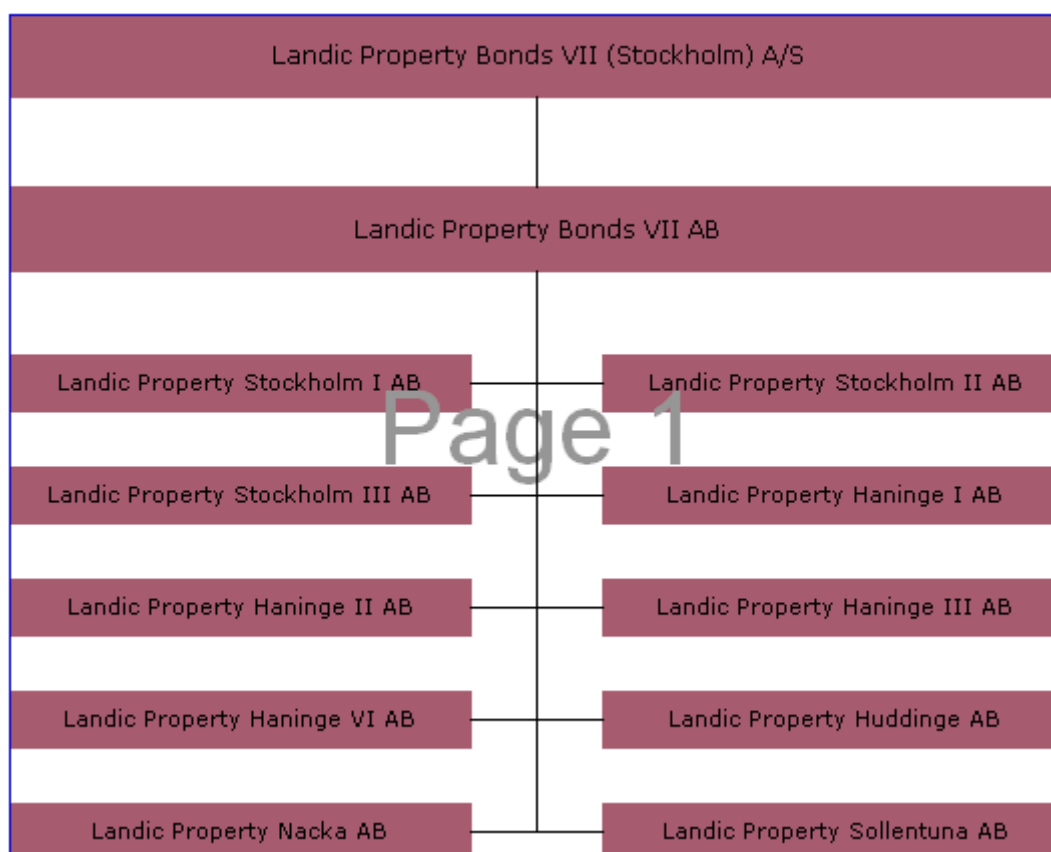
Financial objective

The ambition is to achieve annual return on operations of approx. 5.4% of the original acquisition price of the properties.

The Company furthermore has an objective of generating sufficient cash flows from operations to be able to repay the bond loans on expiry without taking out other financing.

Group structure

At 31 December 2007, the Group consists of the following companies (100% ownership):



Activities

The Group consists of a total of 12 companies owning a total of 11 properties which primarily consist of commercial properties.

Landic Property Bonds VII (Stockholm) A/S solely operates as Parent of Landic Property Bonds VII AB.

Landic Property Bonds VII AB owns – and operates as Parent of - the underlying property companies in the Group.

Management's review

Financing

Landic Property Bonds VII (Stockholm) A/S has issued property bonds of a total of DKK 480 million. Landic Property Bonds VII AB has taken out a loan from a Scottish credit institution of approx. DKK 1,698 million and established an overdraft facility in a Scottish credit institution of a total of DKK 132 million of which DKK 104 million has been drawn at 31 December 2007 as well as taken out a loan through seller note of approx. 104 million. The properties are provided as mortgage for the bond loan as well as the loans in Scottish credit institution. The proceeds from these loans have been lent to the subsidiaries for financing of the properties.

Generally about the period

The consolidated income statement shows a profit of DKK 26.3 million (2005/06: DKK 6.9 million), and the consolidated balance sheet shows equity at 31 December 2007 of DKK 81.1 million (2005/06: DKK 55.9 million).

The profit for the period has primarily been achieved by positive value adjustments of investment properties and debt of net DKK 22.6 million (2005/06: negative DKK 6.0 million).

Operating profit before value adjustments and tax amounts to DKK 14.3 million which is at the level of the expectations (2005/06: DKK 15.4 million).

In the financial period, rental income has been earned as planned from the properties, and the activities have been carried out as expected.

The financial period represents 15 months. Last year, the financial period represented 12 months.

Management considers the performance satisfactory.

Risk factors

The Company's Management will currently monitor the risks facing the Group and attempt to ensure hedging of them in consideration of the Company's overall objective of return on operations. Below, a number of the risk factors which the Company's Management assesses to have specific influence and Management's actual assessment of the actual risk are stated:

External risk factors:

Rental income: Two uncertainties have been identified which may influence rental income significantly. Firstly, vacancy in the property portfolio, secondly the development in the rental income level. So far, the property has been fully let out, and this uncertainty is still estimated to be low. The rental income level depends on the price indexing, and the uncertainty is expected to remain low in the long term.

Interest rate level: The Group's mortgage debt is linked to a floating rate of interest. The Company has concluded agreement about interest cap which limits the interest rate until the expiry of the loan, and accordingly, the uncertainty as to increasing interest rates is expected to be low until the time of refinancing.

Exchange rate: As the Group's income is in SEK, a weakening of SEK in relation to DKK will result in lower income of which to pay yield on the bond debt taken out in DKK. However, Management estimates this risk to presently be low.

Management's review

Internal risk factors:

According to Swedish custom, all maintenance of the property is incumbent upon the letter. Any unperformed current maintenance may impair the value of the Group's investment properties as the rental level may drop in a possible relating situation. In the long-term budget of the Group, funds have been provided for current maintenance which the Supervisory Board estimates to be necessary for maintaining the budgeted rent level.

Events after the balance sheet date

After the end of the financial period, operations have been satisfactory. In the Supervisory Board's estimate, no events have occurred after the balance sheet date to this date which would materially influence the Company's operations or financial position.

Outlook for 2008

For the financial period 2008, the Group expects revenue of DKK 204 million as well as profit before tax and value adjustments of investment properties and debt, net of approx. DKK 22 – 25 million.

Shareholder information

Share capital

Landic Property Bonds VII (Stockholm) A/S has a share capital of a total of DKK 48,000,000 allocated into 48,000,000 shares of nominally DKK 1.

Dividends

Profit for the year is to be transferred for consolidation of the Company in accordance with the conditions of the bond prospectus.

Shareholder composition at 31 December 2007:

	Number of shares	% of equity
Keops EjendomsHolding A/S, Rudersdal	38,400,000	80.00%
Keops EjendomsHolding II A/S, Rudersdal	<u>9,600,000</u>	<u>20.00%</u>
Total	<u>48,000,000</u>	<u>100.00%</u>

Policy for treasury shares

The Company's Articles of Association do not provide the possibility to acquire treasury shares.

Information about bonds issued

The Company has issued the following bonds listed on OMX the Nordic Stock Exchange:

7.0% Bond Loan, DKK 70,000,000, term 2005-2012, ISIN code DK0030014311

7.0% Bond Loan, DKK 410,000,000, term 2005-2015, ISIN code DK0030014584

Accruing of yield is made once a year on 30 November. The loan amounts and yield rates are fixed during the maturity.

Share and dividend ratios

See financial highlights

Shareholder information

Announcements to the Stock Exchange in the period 16 December 2006 to 31 March 2008		
No.	Date	Subject
21	30 March 2008	Minutes of Extraordinary General Meeting
20	30 March 2008	Notice convening Extraordinary General Meeting on 30 March 2008
19	31 January 2008	Financial calendar
18	21 December 2007	Interim report for the period 1 October 2006 to 30 September 2007
17	21 December 2007	Minutes of Extraordinary General Meeting
16	13 December 2007	Financial calendar
15	31 October 2007	Financial calendar
14	16 May 2007	Interim report for the period 1 October 2006 to 31 March 2007
13	13 February 2007	Financial calendar
12	30 January 2007	Minutes of Annual General Meeting
11	22 January 2007	Annual report for 2005/06
10	22 January 2007	Notice convening Annual General Meeting on 30 January 2007
9	12 January 2007	Special service announcement
Financial calendar for 2008		
	31 March 2008	Preliminary announcement of financial statements for the financial year 2006/07
	30 April 2008	Annual General Meeting for the financial year 2006/07
	29 August 2008	Interim report for the period 1 January to 30 June 2008

Contact

Further information is available on Landic Property Bonds VII (Stockholm) A/S' website www.landicproperty.com. Please address inquiries as to investor relations and the share market to Company Secretary, Klaus T. W. Lund:

Telephone +45 3378 4000
Fax +45 3378 4001
E-mail info@landicproperty.com

Statement by Management on the annual report

The Supervisory and Executive Boards have today discussed and approved the annual report for the Group and Landic Property Bonds VII (Stockholm) A/S for the financial period 1 October 2006 to 31 December 2007.

The annual report has been prepared in accordance with the Danish Financial Statements Act and additional reporting requirements for companies that have listed bonds.

We consider the applied accounting policies appropriate and the accounting estimates reasonable. We therefore believe that the Annual Report gives a true and fair view of the Group's and the Parent's financial position as well as of their financial performance and the consolidated cash flows.

The annual report is recommended for adoption at the Annual General Meeting.

Copenhagen, 31 March 2008

Executive Board

Michael Sheikh

Supervisory Board

Gunnar Petersen
(Chairman)

Klaus T. W. Lund

Michael Sheikh

The Annual General Meeting adopted the annual report on 30 April 2008

Chairman of the General Meeting

The independent auditors' report

To the shareholders of Landic Property Bonds VII (Stockholm) A/S

We have audited the annual report of Landic Property Bonds VI (Sverige) A/S for the period 1 October 2006 to 31 December 2007 which comprises statement by Management on the annual report, Management's review, accounting policies, income statement, balance sheet and notes for the Group as well as for the Parent as well as consolidated cash flow statement. The annual report has been prepared in accordance with the Danish Financial Statements Act and additional Danish reporting requirements for companies that have listed bonds.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of the annual report in accordance with the Danish Financial Statements Act and additional reporting requirements for companies that have listed bonds. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant for the entity's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

The independent auditors' report

Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the Parent's financial position at 31 December 2007 and of their financial performance and the consolidated cash flows for the financial year 1 October 2006 to 31 December 2007 in accordance with the Danish Financial Statements Act and additional Danish reporting requirements for companies that have listed bonds.

Copenhagen, 31 March 2008

Deloitte

Statsautoriseret Revisionsaktieselskab

Anders O. Gjelstrup
State Authorised Public Accountant

René H. Christensen
State Authorised Public Accountant

Accounting policies

The annual report of Keops EjendomsObligationer VII (Stockholm) A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class D enterprises, Danish Accounting Standards and additional Danish reporting requirements for companies that have listed bonds. The format of financial statements is adjusted to the form of operations.

The Company has changed the financial period from 1 October to 30 September to 1 January to 31 December as a consequence of the Company's Parent having changed its financial year. Accordingly, the Group's second financial period comprises 15 months and the period 1 October 2006 to 31 December 2007.

The comparative figures (first financial year) comprise the period 7 October 2005 to 30 September 2006.

Changes in accounting policies

In connection with the changes in the annual financial statements act in respect of measuring investment in subsidiaries, accounting policies have changed and investment in subsidiaries are now measured at cost.

Investments in subsidiaries have formerly been measured at equity method in the financial statements of the Parent. In future, investments in subsidiaries in the Parent's financial statements will be recognised at cost, and dividends received will be recognised as income in the income statement. An impairment test is made to ensure that the investments are not recognised at a higher value than the recoverable amount.

The effect in terms of accounting of the changes in accounting policies is as follows:

Landic Property Bonds VII (Stockholm) A/S	Financial year 2006/07			Financial year 2005/06		
	Assets	Equity	Profit	Assets	Equity	Profit
Former accounting policies	564,844	82,195	26,309	564,793	55,886	6,854
Adjustments	-33,705	-33,705	-26,004	-7,701	-7,701	-6,668
New accounting policies	531,139	48,490	305	557,092	48,185	186

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement. Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Accounting policies

Reporting currency

This annual report is presented in thousand Danish kroner.

Foreign currency translation

On recognition of foreign subsidiaries and associates that are independent entities, the income statement items are translated using average rates, and balance sheet items are translated using the rates of exchange as at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Consolidated financial statements

The consolidated financial statements comprise the Parent as well as subsidiaries in which Keops EjendomsObligationer VII (Stockholm) A/S directly possesses more than 50% of the shares and the voting rights or otherwise has controlling influence.

On consolidation, intragroup income and expenses, shareholdings and intra-group balances between the consolidated enterprises are eliminated.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquisition which is the point in time when control of the enterprise is acquired. Enterprises sold or terminated are recognised in the consolidated income statement until the time of surrender which is the time at which control of the enterprise is transferred to a third party. Comparative figures are not restated for newly acquired, sold or discontinued enterprises.

The purchase method is applied in the acquisition of new enterprises, under which the identified assets and liabilities and contingent liabilities of these enterprises are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they can be separated or arise out of a contractual right, and fair value can be calculated reliably. Deferred tax is recognised of the reassessments made.

Cost of an enterprise consists of fair value of the paid consideration added the costs directly attributable to the acquisition of enterprise. If the final determination of the consideration is conditioned by one or several future events, these adjustments are only recognised in cost if the relevant event is likely and the effect in cost can be calculated reliably.

Positive differences (goodwill) between cost of the acquired enterprise and fair value of the identified acquired assets, liabilities and contingent liabilities are recognised as intangible assets. Goodwill is tested annually for impairment. The initial impairment tests are performed before the end of the year of acquisition. On acquisition, goodwill is attributed to the cash-generating units which subsequently form the basis for the impairment test.

For negative differences (negative goodwill) between cost of the acquired enterprise and fair value of the acquired identified assets, liabilities and contingent liabilities, a reassessment is made of the calculated fair values and the calculated cost of the enterprise. If the fair value of the assets, liabilities and contingent liabilities taken over upon reassessment still exceed cost, the difference is recognised as income in the income statement.

Accounting policies

Profit or loss on sale or winding up of subsidiaries is calculated as the difference between price at sale or winding up and the carrying amount of net assets at the time of sale or winding up, including goodwill, accumulate exchange adjustments taken directly to equity as well as expected costs of sale or winding up. The selling price is measured at fair value of the consideration received. Deferred tax which is reversed in connection with sale of investment properties is reversed in the income statement under realised gain on sale of properties or as value adjustment of properties, if the sale has not been executed until after the end of the financial year.

Income statement

Revenue

Revenue comprises rental income which is accrued and recognised as income according to the rental agreements concluded.

Operating expenses

Operating expenses comprise expenses incurred to earn revenue for the year, including costs in connection with operation of the properties. The operating expenses i.a. comprise taxes and duties, insurance, repairs and current maintenance as well as large maintenance work.

Value adjustment of investment properties and debt, net

Change for the year in the fair value of investment properties and related debt and derivative financial instruments is recognised in the income statement in the financial statement item "Value adjustment of investment properties and debt, net".

Administrative expenses

Administrative expenses include expenses incurred during the year for management and administration of the Company.

Financial income and expenses

Financial income and expenses are recognised in the income statement by the amounts attributable to the financial year. Financial income and expenses comprise interest income and expenses relating to mortgage credit institutions, banks and group enterprises as well as amortisation premium/deductions relating to mortgage debt, etc. as well as surcharges and repayments under the Tax Prepayment Scheme.

Tax on profit or loss for the period

Tax on profit or loss for the period which consists of current tax for the period and deferred tax for the period is recognised in the income statement by the portion attributable to profit or loss for the year.

Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

The Company is subject to the Danish rules on mandatory joint taxation of Landic Property hf Group's Danish subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated onto profit-making as well as loss-making Danish enterprises in relation to their taxable income (full allocation with a refund for tax losses). The jointly taxed companies are subject to the Danish Tax Prepayment Scheme.

Landic Property A/S is management company for the joint taxation and consequently settles all payments of corporation tax with the tax authorities.

Accounting policies

According to the rules on joint taxation, Landic Property A/S as management company acquires the liability for the subsidiaries' corporation taxes to the tax authorities as the subsidiaries make their payment of joint taxation contribution.

Balance sheet

Operating equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

Cost comprises acquisition price and costs directly related to acquisition until the time when the assets is ready to be put into operation.

Depreciation is made on a straight-ling basis over the estimated useful lives of the assets which are 3-5 years. Depreciation is recognised in the income statement under operating expenses. Profits and losses on sale of property, plant and equipment are measured as the difference between selling price less sales costs and the carrying amount at the time of sale. Profit or losses are recognised in the income statement under operating expenses.

Investment properties

Investment properties are measured property by property at fair value. Measurement is made by application of a discounted cash flow model by which future cash flows from the ownership of investment properties are discounted. The return requirement (the discount factor) is determined property by property.

Costs adding new or improved qualities to an investment property compared to the date of acquisition, and which thereby improve the future return on the property, are added to cost as an improvement. Costs which do not add new or improved qualities to an investment property are expensed in the income statement under property costs.

Similar to other property, plant and equipment, other than land, investment properties have limited life. The impairment taking place as an investment property ages is reflected in the current valuation at market value of the investment property. Accordingly, systematic depreciation is not made over the lives of the investment properties.

Value adjustments are taken to the income statement under the item "Value adjustment of investment properties and debt, net". Positive value adjustments of investment properties less deferred tax are recognised via the distribution of profit/loss to reserve for fair value of investment assets under equity.

Investment in subsidiary

Investment in subsidiary is recognised and measured at cost or recoverable amount if this is lower than carrying amount.

The recoverable amount of investment in subsidiary is reviewed annually for indications of impairment. If there are such indications, an impairment test is carried out to determine whether the recoverable amount is lower than carrying amount, and write-down is made to such lower recoverable amount.

The recoverable amount of investment in subsidiary is calculated on the basis of the higher of selling price less selling costs and net present value.

Accounting policies

If the recoverable amount is negative, write-down is made to DKK 0. If the Parent has a legal or constructive obligation to cover the Company's loss, provision is made for such loss.

Income in the form of dividends from investment in subsidiary is recognised in the income statement in a separate item. Dividends are recognised at the time of declaration in the subsidiary.

Any write-down is classified as a separate item in the income statement, "Write-down of financial assets".

Receivables

Receivables are measured at amortised cost or a lower net realisable value calculated on the basis of an individual assessment of each claim.

Deferred tax assets and liabilities

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based values of assets and liabilities.

Deferred tax is measured based on the tax regulations and tax rates that will be in effect applying the laws at the balance sheet date when the deferred tax is estimated to be triggered as current tax.

Deferred tax assets, including the tax-based value of tax loss carryforwards, are measured at the amount at which the asset is expected realised either by settlement against tax on future income or as a set-off against deferred tax liabilities.

Deferred tax assets and liabilities are presented net within the same legal entity.

Current tax receivables and payables are recognised in the balance sheet by the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income. Tax receivables and payables are presented net to the extent netting is legal and the items are expected settled net or concurrently.

Mortgage debt/bond debt, etc.

On initial recognition, mortgage debt/bond debt to mortgage credit institutions is measured at cost. Subsequently, these debt items are measured at fair value. The change in fair value is recognised in the income statement under the item "Value adjustment of investment properties and debt, net". Adjustment of mortgage debt, which is a write-down, is tied under equity to "Reserve for fair value".

Other liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which corresponds to nominal value.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are recognised at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included under non-current assets or under long-term liabilities other than provisions or in other receivables or other payables, if the instrument expires in less than one year. Setting off of positive and negative values is only made when the enterprise is entitled and intends to settle several contracts at once (on difference settlement).

Accounting policies

Changes in fair value are recognised currently in the income statement under "Value adjustment of investment properties and debt, net".

Cash flow statement

The cash flow statement shows the consolidated cash flows for the year by operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and the end of the year. The cash flow statement is calculated according to the indirect method based on profit for the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as consolidated profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with the purchase and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs, payment of dividends to shareholders as well as the raising of loans and instalments on interest-bearing debt.

Cash only comprises deposits in banks.

Segment information

It is not relevant to allocate the Group's and the Company's activities into different business segments or geographical areas, and therefore, no segment information is provided.

Ratios

The ratios have been compiled in accordance with "Recommendations & Ratios 2005" issued by the Danish Society of Financial Analysts.

The ratios stated in the list of financial highlights are calculated as follows:

Return on equity (after tax)	$\frac{\text{Profit after tax} * 100}{\text{(converted into full-year income)}}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity at year-end} * 100}{\text{Total liabilities and equity at year-end}}$
Net asset value at year-end	$\frac{\text{Total equity at year-end}}{\text{Share capital at year-end}}$
Earnings per share, DKK	$\frac{\text{Profit after tax and minority interests}}{\text{(converted into full-year income)}}{\text{Average number of shares}}$
Dividends	Parent's dividend ratio

Income statement 1 October 2006 to 31 December 2007

	Note	Group		Landic Property Bonds VII (Stockholm) A/S	
		1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006	1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006
		DKK 1000	DKK 1000	DKK 1000	DKK 1000
Revenue	1	250,013	164,399	0	0
Operating expenses		-70,290	-34,456	0	-205
Value adjustment of investment properties and debt, net	5	22,585	-6,045	12,827	8,882
Gross profit		202,308	123,898	12,827	8,677
Administrative expenses	2	-6,633	-9,753	-1,385	-919
Operating profit		195,675	114,145	11,442	7,758
Financial income	3	1,358	9,561	43,719	29,181
Financial expenses	4	-160,112	-114,342	-55,001	-36,681
Profit before tax		36,921	9,364	160	258
Tax on profit for the period	6	-10,613	-2,510	145	-72
Profit for the period		26,308	6,854	305	186

Profit distribution for Landic Property Bonds VII (Stockholm) A/S:

	Note	Landic Property Bonds VII (Stockholm) A/S	
		1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006
		DKK 1000	DKK 1000
Retained earnings		373	0
Exchange adjustment of foreign subsidiaries		0	0
Profit for the period		305	186
For distribution		678	186
which the Supervisory Board proposes distributed as follows:			
Retained earnings		678	373
Distributed		678	373

Balance sheet at 31 December 2007

	Note	Group		Landic Property Bonds VII (Stockholm) A/S	
		31/12 2007 DKK 1000	30/9 2006 DKK 1000	31/12 2007 DKK 1000	30/9 2006 DKK 1000
Assets					
Fixed assets					
Investment properties	7	2,364,661	2,410,801	0	0
Property, plant and equipment		2,364,661	2,410,801	0	0
Financial instruments	8	70,570	43,295	0	0
Receivables from group enterprises	9	0	0	478,454	479,500
Investments in subsidiaries	10	0	0	47,223	47,223
Deferred tax asset		0	0	72	175
Financial fixed assets		70,570	43,295	525,749	526,898
Fixed assets		2,435,231	2,454,096	525,749	526,898
Current assets					
Trade receivables		134	1,876	0	0
Receivables from group enterprises		0	1,010	3,161	29,169
Prepayments		8,864	7,170	0	0
Other receivables		5,132	9,954	0	0
Receivables		14,130	20,010	3,161	29,169
Cash funds	11	52,036	68,805	2,229	1,025
Current assets		66,166	88,815	5,390	30,194
Assets		2,501,397	2,542,911	531,139	557,092

Balance sheet at 31 December 2007

	Note	Group		Landic Property Bonds VII (Stockholm) A/S	
		31/12 2007	30/9 2006	31/12 2007	30/9 2006
		DKK 1000	DKK 1000	DKK 1000	DKK 1000
Equity and liabilities					
Share capital		48,000	48,000	48,000	48,000
Retained earnings		33,075	7,886	490	185
Equity	12	81,075	55,886	48,490	48,185
Deferred tax	13	13,152	2,723	0	72
Provisions		13,152	2,723	0	72
Mortgage debt		1,693,278	1,758,201	0	0
Bond debt		479,650	479,650	479,650	479,650
Seller note		102,596	104,468	0	0
Long-term liabilities other than provisions	14	2,275,524	2,342,319	479,650	479,650
Short-term portion of long-term liabilities other than provisions	14	43,348	44,139	0	0
Trade payables		3,829	2,746	0	0
Payables to group enterprises		5,093	0	0	983
Deferred income	15	40,707	17,168	0	0
Other payables		38,669	77,930	2,999	28,202
Short-term liabilities other than provisions		131,646	141,983	2,999	29,185
Liabilities other than provisions		2,407,170	2,484,302	482,649	508,835
Equity and liabilities		2,501,397	2,542,911	531,139	557,092
Other liabilities	16				
Related parties	17				
Supervisory and Executive Boards	18				

Cash flow statement

	Group	
	1/10 2006 - 31/12 2007	7/10 2005 - 30/9 2006
	DKK 1000	DKK 1000
Cash flow statement		
Profit before tax for the year	36,921	9,365
Value adjustment of investment properties	-22,585	6,045
Exchange adjustments, etc.	0	10,514
Financial income	-1,358	-9,561
Financial expenses	160,112	114,342
Cash flows before working capital changes	173,090	130,705
Change in receivables	4,870	-19,000
Change in receivables from group enterprises	1,010	-1,010
Change in trade payables	1,083	2,746
Change in prepayments and deferred income	23,539	17,168
Change in other payables	-14,060	36,984
Cash flows from operating activities	189,532	167,593
Financial income	1,358	594
Financial expenses	-185,312	-73,397
Cash flows from ordinary operating activities	5,578	94,790
Corporation tax paid	0	0
Cash flows from operating activities	5,578	94,790
Acquisition of property, plant and equipment	-13,429	-2,462,234
Acquisition of financial fixed assets	0	-7,068
Cash flows from investing activities	-13,429	-2,469,302
Contribution of share capital	0	48,000
Change in bank, mortgage and bond debt	-10,131	2,395,317
Cash flows from financing activities	-10,131	2,443,317
Cash flows for the period	-17,982	68,805
Cash and cash equivalents at the beginning of the year	68,805	0
Exchange adjustment at the beginning of the year	1,213	0
Cash and cash equivalents at year-end	52,036	68,805

Notes

	Group		Landic Property Bonds VII (Stockholm) A/S	
	1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006	1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006
	DKK 1000	DKK 1000	DKK 1000	DKK 1000
1. Revenue				
Rental income, investment properties	245,468	173,242	0	0
Discounts	-11,154	-9,334	0	0
Other income	15,699	491	0	0
	250,013	164,399	0	0
2. Administrative expenses				
Fees to auditors appointed at the General Meeting				
Auditor Deloitte, statutory audit	910	301	62	125
Auditor Deloitte, other services	156	0	99	0
Auditor KPMG, other services	72	56	0	0
	1,138	357	161	125
The Parent had no employees in the past financial period.				
No remuneration has been paid to the Supervisory or Executive Boards in the financial year.				
3. Financial income				
Interest income, bank	1,150	591	21	10
Interest income, group enterprises	0	0	43,660	29,170
Other financial items	208	2	0	1
Capital gains on capital and investment properties	0	0	38	0
Exchange adjustments, realised and unrealised	0	8,967	0	0
	1,358	9,560	43,719	29,181
4. Financial expenses				
Interest expenses, mortgage credit	96,196	61,353	0	0
Interest expenses, bonds	42,458	28,077	42,069	28,077
Interest expenses, group	0	0	82	32
Other financial expenses	12,915	24,887	12,832	8,547
Exchange adjustments, realised and unrealised	8,543	21	18	21
Payment charges, etc.	0	4	0	4
	160,112	114,342	55,001	36,681

Notes

	Group		Landic Property Bonds VII (Stockholm) A/S	
	1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006	1/10 2006 - 31/12 2007	7/10 2005 - 30/09 2006
	DKK 1000	DKK 1000	DKK 1000	DKK 1000
5. Value adjustment of investment property and debt, net				
Write-down of investment properties	-17,938	-51,132	0	0
Total revaluation and write-down	-17,938	-51,132	0	0
Adjustment of liabilities other than provisions, gain	12,827	8,882	12,827	8,882
Adjustment of liabilities other than provisions, loss	-1,147	-22	0	0
Total adjustment of liabilities other than provisions	11,680	8,860	12,827	8,882
Adjustments of financial instruments, gain	28,843	36,227	0	0
Total adjustment of financial instruments	28,843	36,227	0	0
Total value adjustments of investment properties and debt	22,585	-6,045	12,827	8,882
6. Tax on profit for the period				
Tax on profit for the period	0	0	0	0
Deferred tax on profit for the period	10,613	2,511	-145	72
	10,613	2,511	-145	72
Tax on profit for the period is explicable as follows:				
Calculated 28%/25% tax on profit for the period	9,230	2,511	-40	72
Effect in different tax rates in subsidiaries	1,193	0	0	0
Tax-based value of permanent differences	11	0	0	0
Other adjustments	179	0	-105	0
Total	10,613	2,511	-145	72
Effective tax rate	29%	34%	-91%	34%

Notes

	Group		Landic Property Bonds VII (Stockholm) A/S	
	31/12 2007 DKK 1000	30/9 2006 DKK 1000	31/12 2007 DKK 1000	30/9 2006 DKK 1000
7. Investment properties				
Cost at 1/10 2006	2,462,234	0	0	0
Exchange adjustment at the beginning of the year of foreign investment properties	-42,958			
Additions	13,429	2,462,234	0	0
Disposals	0	0	0	0
Cost at 31/12 2007	2,432,705	2,462,234	0	0
Write-down at 1/10 2006	-51,433	0	0	0
Exchange adjustment at the beginning of the year of foreign investment properties	1,322	0	0	0
Write-down for the period	-17,933	-51,433	0	0
Reversal of write-down	0	0	0	0
Write-down at 31/12 2007	-68,044	-51,433	0	0
Carrying amount at 31/12 2007	2,364,661	2,410,801	0	0
	Return requirement	Year of acquisition	m2	Carrying amount at 31/12 2007
11 properties, Sweden	5.8%	2005	154,792	2,364,661
			154,792	2,364,661
The annual return on operations before interest represents 5.9% and has been calculated as gross profit excl. value adjustment of investment properties and debt, net in relation to the acquisition price of investment properties.				
The property portfolio consists of a total of 11 properties located in Stockholm, Haninge, Huddinge, Rågsved, Sollentuna and Bromma of a total of 154,792 m2, 50% has been decorated as offices, 37% for teaching and research purposes and 13% for other commerce.				
There is no public assessment of properties in Sweden.				

Notes

	Group		Landic Property Bonds VII (Stockholm) A/S	
	31/12 2007	30/9 2006	31/12 2007	30/9 2006
	DKK 1000	DKK 1000	DKK 1000	DKK 1000
8. Financial instruments				
Cost at 1/10 2006	7,068	0	0	0
Additions	0	7,068	0	0
Cost at 31/12 2007	7,068	7,068	0	0
Revaluation at 1/10 2006	36,227	0	0	0
Exchange rate adjustment	-1,568	0	0	0
Revaluation for the period	28,843	36,227	0	0
Revaluation at 31/12 2007	63,502	36,227	0	0
Carrying amount at 31/12 2007	70,570	43,295	0	0
9. Receivables from subsidiaries				
Cost at 1/10 2006	0	0	479,500	0
Additions	0	0	0	479,500
Cost at 31/12 2007	0	0	479,500	479,500
Revaluation at 1/10 2006	0	0	0	0
Revaluation for the period	0	0	-1,046	0
Revaluation at 31/12 2007	0	0	-1,046	0
Carrying amount at 31/12 2007	0	0	478,454	479,500
Payment/maturity	Fixed/ floating	Effective interest	Carrying amount DKK 1000	Carrying amount DKK 1000
Receivables from subsidiaries				
Matures between 1 - 5 years	Fast	7-8 %	69,498	0
Matures after 5 years	Fast	7-8%	408,956	479,500
			478,454	479,500
Receivables from group enterprises with a carrying amount of DKK 478,454 thousand have been mortgaged in favour of the bond owners.				

Notes

	Registered in	Ownership	Profit DKK 1000	Equity DKK 1000
10. Investment in subsidiary				
Landic Property Bonds VII AB	Sverige	100%	26,004	79,808
Landic Property Bonds VII AB:				
Cost at 1/10 2006				47,223
Additions				0
Disposals				0
Cost at 31/12 2007				47,223
Carrying amount at 31/12 2007				47,223
11. Cash				
Cash funds of DKK 52,037 thousand have been provided as security for the Group's mortgage debt which at 31 December 2007 amounts to DKK 2,277 thousand.				
12. Equity				
The Company's share capital amounts to DKK 48,000,000 allocated into shares of DKK				
Equity has developed as follows:				
Group:		Share capital DKK 1000	Retained earnings DKK 1000	Total DKK 1000
Equity at 1/10 2006		48,000	7,886	55,886
Exchange adjustment of foreign subsidiaries		0	-1,119	-1,119
Profit for the year		0	26,308	26,308
Equity at 31/12-2007		48,000	33,075	81,075
Landic Property Bonds VII (Stockholm) A/S:		Share capital DKK 1000	Retained earnings DKK 1000	Total DKK 1000
Equity at 1/10 2006		48,000	185	48,185
Profit for the period		0	305	305
Equity at 31/12-2007		48,000	490	48,490
The share capital has changed as follows in the past 5 years:				
Additions 2005/2006				48,000
Share capital at 31/12 2007				48,000

Notes

					Landic Property Bonds VII (Stockholm) A/S	
	Group				31/12 2007 DKK 1000	30/9 2006 DKK 1000
	31/12 2007 DKK 1000	30/9 2006 DKK 1000	31/12 2007 DKK 1000	30/9 2006 DKK 1000		
13. Deferred tax						
Deferred tax at 1/10 2006	2,723	0		72	0	
Exchange adjustments at the beginning of the year of foreign	-184	0		0	0	
Deferred tax for the period	10,613	2,723		-144	-103	
Deferred tax at 31/12 2007	13,152	2,723		-72	-103	
Deferred tax at year-end is included in the financial statement items:						
Receivables	0	0		-72	-175	
Provisions	13,152	2,732		0	72	
	13,152	2,732		-72	-103	
Deferred tax relates to:						
Tax loss carry-forwards	13,152	0		-72	-103	
Investment properties	0	2,732		0	0	
	13,152	2,732		-72	-103	
14. Long-term liabilities other than provisions						
The Company's long-term liabilities other than provisions mature as follows:						
	Payment/ expiry	Fixed/ floating	Effective interest	Group Carrying amount DKK 1000	Landic Property Bonds VII (Stockholm) A/S Carrying amount DKK 1000	
Mortgage debt, SEK	1-5 years	floating	4,4%-6%	1,693,278	0	
Seller note, SEK	1-5 years	-	3.0%	102,596	0	
Bond debt, DKK	1-5 years	fixed	7.0%	69,650	0	
Bond debt, DKK	> 5 years	fixed	7.0%	410,000	0	
				2,275,524	0	
Short-term portion of long-term debt				43,348	0	
				2,318,872	0	
As security for the Group's mortgage and bond debt, mortgage has been provided in investment properties, the carrying amount of which at 31 December 2007 amounts to DKK 2,364 million.						
The Company has concluded agreement about interest swap which limits the interest rate a total debt in SEK of DKK 2,200 million until repayment of the debt.						

Notes

	Group	
	1/10 2006 - 31/12 2007	24/5 2005 - 30/9 2006
	DKK 1000	DKK 1000
15. Prepayments and deferred income		
Prepayments and deferred income consist of pre-paid rent.		
16. Other liabilities		
The Company has assumed no security, guarantee or other liabilities apart from what is customary for a property company and otherwise appears from financial statements and notes.		
17. Related parties		
The Group's related parties consist of the Company's shareholders, Landic Property hf Group and its subsidiaries.		
During the period, the Group has had transactions with Keeps Properties A/S and Landic Asset Management AB.		
All fees and outstanding accounts in the financial period have been settled on market terms and amount to:		
Keeps Properties A/S, management fee	790	635
Landic Property Asset Management AB	2,459	3,601
18. Supervisory and Executive Boards		
Landic Property Bonds VII (Stockholm) A/S' Supervisory and Executive Boards hold the following managerial positions in other Danish public limited companies:		
Supervisory and Executive Boards		
Michael Sheikh		
Director in:		
A number of companies in the Landic Property hf Group.		
Supervisory Board member of:		
PKD-Holding A/S, Ejendomsdriftsselskabet Docken A/S as well as a number of companies in Landic Property hf Group.		
Klaus T. W. Lund		
Supervisory Board member of:		
Installers A/S		
A number of companies in Landic Property hf Group.		
Gunnar Petersen		
Director of:		
A number of companies in Landic Property hf Group.		
Supervisory Board member of:		
A number of companies in Landic Property hf Group.		