YEAR-END REPORT
1 January–31 December
2006

Strong growth and profitability in the fourth quarter

Period 1 January - 31 December 2006 compared with the corresponding period 2005:

- Net sales were SEK 1,116 million (646), representing an increase of 73 percent.
- Operating profit reached SEK 83m (48), giving a rise of 73 percent.
- Profit after tax amounted to SEK 84m (54), an increase of 56 percent.
- Earnings per share were SEK 1.01 (0.86), representing an increase of 17 percent.
- Cash flow from operations increased to SEK 39m (31).

Fourth quarter 2006 compared with fourth quarter 2005:

- Net sales amounted to SEK 339m (200), representing an increase of 70 percent.
- Operating profit reached SEK 43m (24), giving a rise of 79 percent.
- Profit after tax was SEK 44m (30), an increase of 47 percent.

Significant events further to the end of the year:

- Acquisition of Deva Management Consulting in Stockholm.
- Establishment of a new subsidiary in Denmark together with subsidiary company Webmedia partly owned by Acanda.

Overview of the capital structure and dividend policy:

- The Board of Directors has resolved to propose to the Annual General Meeting of Shareholders the adoption of a share split of 2:1 combined with a mandatory redemption procedure. The procedure will imply that each share will be divided into one ordinary share and one redemption share.
  The redemption shares will be redeemed for SEK 1.30 per share, representing a transfer of SEK 100 million to the Company's shareholders.

- The Board of Directors has adopted the following dividend policy with effect as of the financial year 2007: *"The objective is that the long-term dividend level shall amount to at least one third (1/3) of the Group's reported profit after tax pertaining to the Parent Company's shareholders."*

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SUMMARY OF THE PERIOD 1 JANUARY – 31 DECEMBER

The growth rate in Group sales for the year amounted to 73 percent in comparison with the corresponding period last year. Growth in Sweden was 34 percent, of which the organic growth in the previous AcandoFrontec represented 20 percent.

Results for the fourth quarter have been significantly marked by a positive trend of capacity utilisation in Sweden, further to the strengthening of sales efforts in the third quarter.

Profitability in the acquired Resco operations in Sweden and e-motion has significantly improved and contributed in the fourth quarter to improved margins.

Good growth can be witnessed for operations outside Sweden. This growth, pro forma, has been as follows compared with last year:

- Germany, +32 percent.
- Finland, +43 percent.
- The Baltic States and Eastern Europe, +101 percent (through the partly owned Webmedia).

SALES AND PROFIT FOR THE PERIOD 1 JANUARY – 31 DECEMBER

(SEK m)	**Sweden** 1) 2) 3)	**Germany** 1) 4)	**Finland** 1) 4)	**Webmedia**	**Total** 1) 2) 3)
Net sales	869.6	162.8	17.0	66.9	1,116.3
Operating profit	63.3	9.8	0.5	8.8	82.4
Operating margin	7.3%	6.0%	2.8%	13.2%	7.4%

1) Including Group-wide costs.
2) Including one-off costs related to the merger with Resco of SEK 8 million (of which SEK 0 in the fourth quarter). Adjusted for these non-recurring costs, the operating margin was 8.2% in Sweden and 8.1% for the Group.
3) e-motion is included as of 1 March and Resco as of 15 March.
4) Resco is included as of 15 March.

Consolidated net sales for the period amounted to SEK 1,116 million (646). The operating profit was SEK 83m (48), representing an operating margin of 7.4 percent (7.4). The operating profit reported for Sweden includes non-recurring costs related to the merger with Resco amounting to SEK 8m.

The net profit after tax for the period amounted to SEK 84 million (54).

The corporate tax reported as a cost in the income statement in the financial year 2006 is zero and is composed of the net of the reversed and capitalised tax receivable. The Company has deficit deductions amounting to a total of SEK 606 million up to the fiscal year 2006, of which SEK 196 million are deemed to be utilisable during the forthcoming years. Deferred tax of SEK 55 million (28 percent) calculated on this amount has been taken up as a financial asset in the balance sheet.

SALES AND PROFIT/LOSS FOR THE FOURTH QUARTER 2006

(SEK m)	**Sweden 1)**	**Germany 1)**	**Finland 1)**	**Webmedia**	**Total 1)**
Net sales	254.4	53.6	4.1	27.1	339.2
Operating profit/loss	38.0	0.5	-1.2	6.0	43.3
Operating margin	15.0%	1.0%	-30.8%	22.2%	12.8%

1) Including Group-wide costs

The Group's net sales for the quarter amounted to SEK 339 million (200), representing an increase of 70 percent compared with the same period 2005.

The operating profit was SEK 43m compared with SEK 24m in the same period last year, resulting in an operating margin of 12.8 percent (11.5). The operating loss in Finland is related to a specific project for a major client. Good demand in Sweden, the Baltic States and Eastern Europe has contributed to improved margins in these regions. The lower margin in Germany is primarily due to the establishment of operations in Bremen and an expansion in Düsseldorf, which have had a temporary negative affect on profitability while creating good prerequisites for the new year.

Profit after tax amounted in the fourth quarter to SEK 44 million (30).

NET SALES AND OPERATING PROFIT PER QUARTER

(SEK m)	**Q4 2006**	**Q3 2006**	**Q2 2006**	**Q1 2006**	**Q4 2005**	**Q3 2005**	**Q2 2005**	**Q1 2005**
Net sales	339	246	299	233	200	121	168	157
Operating profit	43	3	16	21	24	3	11	10
Operating margin	12.8%	1.1%	5.4%	9.0%	12.0%	2.5%	6.5%	6.4%

MARKET AND TRENDS

Sweden

Market trends for Acando in Sweden were good in the first half-year while capacity utilisation fell during the July-August holiday period. A distinct rise was noted in the second half of September, followed by a stable fourth quarter. Trends in demand in terms of volume were good in the fourth quarter, with continued good prerequisites for 2007. Continued pressure on prices could however be felt, leading to limited potential to raise prices.

Acando entered into an agreement in the fourth quarter with SCA Hygiene Products AB regarding what is for Acando, a strategic IT project. Acando is introducing SAP's integration platform with employees from Sweden and Estonia.

The general agreement with AstraZeneca was renewed in December. The agreement, which will run for five years, implies that Acando and AstraZeneca's partnership will be strengthened and will now be pursued in both Sweden and Great Britain.

Germany

The Group's company in Germany obtained many new clients/assignments in the fourth quarter, and capacity utilisation is good. Offices are located in Hamburg, Düsseldorf, Frankfurt, as well as Bremen since the end of the year. Operations in Bremen and Düsseldorf have been expanded. All in all, this situation creates favourable conditions for the new year.

In order to meet the rise in demand in the market, the German subsidiary has engaged sub-consultants to a greater degree than previously.

New clients in the fourth quarter include Landesbank Rheinland-Pfalz and Horbach/AWD. Major projects with Airbus Spares and Airbus Deutschland were extended in the fourth quarter. Projects have been started with Air Liquide, Unilever Deutschland, Vattenfall Europe and Comdirect Bank.

Finland

Acando's operations in Finland are entirely dedicated to the SAP market, which remains stable with a high level of demand. A general agreement has been signed with the company ISS regarding the delivery of SAP services.

The Baltic States and Eastern Europe (Webmedia)

Demand has been good in Estonia and Lithuania, and the newly started operations in Serbia and Romania achieved breakeven in the fourth quarter.

FINANCIAL POSITION AND CASH FLOW

The Group's liquid assets, including current investments, amounted to SEK 136 million (85) as of 31 December 2006. In addition, the Group has an unutilised bank overdraft facility of SEK 50 million. The equity/assets ratio was 69.2 percent (64.9).

Cash flow from current operations amounted to SEK 21 million (24) for the quarter, and SEK 39 million (31) for the full year. The negative change in working capital of SEK 21 million is only momentary.

The Board of Directors has resolved to propose to the Annual General Meeting of Shareholders the adoption of a share split of 2:1 combined with a mandatory redemption procedure. The procedure will imply that each share will be divided into one ordinary share and one redemption share.

The redemption shares will be redeemed for SEK 1.30 per share, representing a transfer of SEK 100 million to the Company's shareholders.

The background to the Board's proposal of a split and the distribution of a large one-off amount to the shareholders is to adjust the consolidated balance sheet. Acando is deemed, even after this transfer to the shareholders, to have a stable financial position that enables the financing and development of Acando's operations.

EMPLOYEES

The average number of employees during the period was 925 (608), and at the end of the period the number of employees was 1,167 (683). Of these, 721 are employed in Sweden, 249 in the Baltic States and Eastern Europe, 181 in Germany and 16 in Finland.

INVESTMENTS

The Group's net investments in property, plant and equipment (tangible fixed assets) amounted to SEK 7 million (6) for the full year.

Compulsory purchase of remaining shares in the previous Resco AB (publ.)

As at 31 December 2006, Acando AB holds 95.27 percent of the capital and 97.03 percent of the voting rights in Acando Europe AB (previously Resco AB which was de-listed from the OMX Stockholm Stock Exchange on 18 April). Acando has called for the compulsory purchase of the remaining outstanding shares in Acando Europe. The redemption price for the shares will be determined by an arbitration board. Acando's legal representative deems that the arbitration decision will be announced in the spring of 2007. Provided an appeal is not lodged against the judgement, payment to the remaining shareholders of Acando Europe will take place two months after the judgement has entered into force.

PARENT COMPANY

The Parent Company's external net sales amounted to SEK 0 (0) for the full year. The operating loss for the same period was SEK -12 million (-4). The Parent Company's net investments for the period amounted to SEK 4 million. The Parent Company's liquid assets were SEK 71 million (22) at the end of the year.

SIGNIFICANT EVENTS FURTHER TO THE END OF THE YEAR

The following events have taken place since the end of the year:

- Decision taken to establish Acando Denmark A/S in Copenhagen.
- Acquisition of Deva Management Consulting in Stockholm as part of the intensive investment that Acando is making within the area of Information Management. The acquisition brings 20 new management and Business Intelligence consultants.
- Acando has obtained an extended general agreement with Vattenfall.

In view of that the aforementioned acquisition was made just prior to the publication of this year-end report, it has not been possible in practice to prepare the additional information regarding the acquisitions as required by IFRS. This information will be provided in the annual report or the interim report for the first quarter.

OUTLOOK

The Board of Directors believes that the market for management and IT consultancy services will remain strong during 2007. The Company continues to prioritise organic growth with focus on improved profitability.

Acando is not publishing any profit or sales forecasts.

DIVIDEND

The Board of Directors proposes that no dividend be declared for the financial year. This follows the Board's proposed redemption program as presented above. The Board has furthermore adopted a dividend policy with effect as of the financial year 2007: *"The objective is that the long-term dividend level shall amount to at least one third (1/3) of the Group's reported profit after tax pertaining to the Parent Company's shareholders.*

NOMINATING COMMITTEE

The Chairman of the Board of Directors has, in accordance with the decision of the Annual General Meeting, and following consultations with the company's major shareholders, elected a nominating committee. The task of the nominating committee is to prepare proposals of members of the board, the chairman, remunerations to members of the board and the auditors as well as the chairperson for the next Annual General Meeting in 2007.

The nominating committee elected includes the following:
Ulf J Johansson, Chairman of the Board
Bengt Wallentin (as suggested by Acando's holders of 'A' shares)
Börje Bengtsson (as suggested by Alf Svedulf with his family and company together with Svolder AB).

The nominating committee has elected Bengt Wallentin as its chairman.

Shareholders who wish to submit proposals to Acando's nominating committee can send them by e-mail to: valberedning@acando.com or by post to Acando AB, att.: Valberedningen, Jakobsgatan 6, SE-111 52 Stockholm.

Stockholm, 6 February 2007
Acando AB (publ)
The Board of Directors

AUDIT REPORT

This report has not been examined by the auditors.

FORTHCOMING FINANCIAL INFORMATION AND FINANCIAL EVENTS

The annual report for 2006 will be published in the beginning of April 2007 and will be available in the Company's website at www.acando.com or the Company's offices at Jakobsgatan 6 in Stockholm.

Annual General Meeting of Shareholders
The Annual General Meeting of Shareholders will be held at 3pm on Thursday, 26 April 2007 at Salénhuset, Norrlandsgatan 15, Stockholm.

Interim report January–March 2007	26 April 2007
Interim report January–June 2007	16 August 2007
Interim report January–September 2007	26 October 2007
Year-end report for 2007	February 2008

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www.acando.com Ticker: ACAN

Acando is a consultancy company that, in partnership with its clients, identifies and implements business improvements through information technology. Acando provides an optimal balance of high business value, short project time and low total cost.

Acando's annual turnover exceeds SEK 1 billion and the Group employs more than 1,100 people in eight European countries. The Company is listed on the OMX Nordic Exchange.

ACCOUNTING PRINCIPLES

Acando prepares its consolidated accounts for 2006 in accordance with the International Accounting Standards (IAS/IFRS) as approved by the EU Commission.

This year-end report is prepared in accordance with IAS 34, Interim Financial Reporting, which agrees with the Swedish Financial Accounting Standards Council's recommendation RR 31, Interim Reporting for Groups, as well as the Swedish Annual Accounts Act.

The accounts of the Parent Company are prepared in accordance with the Swedish Annual Accounts Act.

In addition to the accounting principles set out in the annual report for the year 2005, the following accounting principles are applied regarding the Group:

- IAS 19, Employee Benefits – Pensions: This implies that the value of future pensions is reported as a liability in the balance sheet. The calculation and payment of pensions is handled by PRI Pensionstjänst AB, and they are insured with Pensionsgaranti/FPG. The pensions are guaranteed by the Parent Company. Acando no longer uses the FPG/PRI method for newly vested ITP and instead pays ITP premiums directly to Alecta. However, a pension liability from previously vested ITP remains in the balance sheet.

- IAS 28, Accounting for Investments in Associates: Associated companies are reported in accordance with the equity method. The equity method implies that the Group's share of after-tax profits in associated companies is reported in the income statement. In such cases where the holding is considered to be short term and lies outside the core business of the Group or where the Group has no influence on the business and its financial position, the investment is reported at the acquisition value.

- IFRS 2, Share-Based Payment: The calculation is based on the market value and recorded as personnel costs, including related social costs. Performance and staff turnover are taken into consideration. The assessment is made by Nordea Bank.

Reporting per segment: In view of that the Company's primary segment is consultancy services, the sales and profits for this segment are recorded directly in the income statement.

The application of IFRS otherwise agrees with the principles described in AcandoFrontec's annual report for 2005. The accounts have not been affected by new standards adopted during the period.

Income statement for the Acando group

(SEK million)	3 mths Oct-Dec 2006	3 mths Oct-Dec 2005	12 mths Jan-Dec 2006	12 mths Jan-Dec 2005
Net sales	339	200	1 116	646
Other operating income	-4	2	-2	10
Total sales	**335**	**202**	**1 114**	**656**
Operating expenses				
Personnel costs	-192	-124	-687	-432
Other external costs	-99	-53	-338	-171
Depreciation and write-down of tangible and immaterial fixed assets	-1	-1	-6	-5
Operating profit, EBIT	**43**	**24**	**83**	**48**
Result from financial items				
Interest income and similar profit/loss items	1	1	2	1
Interest expenses and similar profit/loss items	0	-1	-1	-1
Profit after net financial items	**44**	**24**	**84**	**48**
Taxes*		6		6
Net profit for the year	**44**	**30**	**84**	**54**
Attributable to:				
Parent company´s shareholders	**39**	**29**	**77**	**53**
Minority interest	**5**	**1**	**7**	**1**
Earnings per share attributable to parent company's shareholders				
Before dilution, SEK	**0,51**	**0,50**	**1,07**	**0,94**
After dilution, SEK	**0,49**	**0,46**	**1,01**	**0,86**
Avarage number of shares before dilution	76 537 363	55 658 810	71 199 327	55 658 810
Average number of shares after dilution	79 963 013	60 460 207	75 538 881	60 463 707
Number of shares at the end of period before dilution	76 643 668	55 658 810	76 643 668	55 658 810
Number of shares at the end of period after dilution	79 678 579	60 735 487	79 587 939	60 735 487

The dilution consists of 1 526 000 (1 275 517) warrants and 874 348 (3 801 160) options.

* Taxes for the period is calculated as a share of total tax costs for the year.

**Earnings per share is calculated as net profit for the year, deducted with minority interest, divded with average number of shares.

Minority interest pertains to the partly owned subsidary, Webmedia

Balance sheet for the Acando group

(SEK million)	31 Dec 2006	31 Dec 2005
Assets		
Fixed assets		
Goodwill	358	100
Other intangible fixed assets	13	1
Tangible fixed assets	15	8
Deferred tax assets	55	49
Other financial fixed assets	10	6
Total fixed assets	**451**	**164**
Current assets		
Accounts receivable	227	95
Other receivables	12	5
Current tax assets	13	13
Prepaid expenses and accrued income	86	75
Liquid assets	136	85
Total current assets	**474**	**273**
Total assets	**925**	**437**
Shareholder´s equity and liabilities		
Shareholder´s equity		
Share Capital	96	69
Other contributed capital	357	106
Reserves	-2	0
Retained earnings	172	96
Minority interest	18	12
Long-term liabilites	35	7
Current liabilities	249	147
Total shareholder´s equity and liabilities	**925**	**437**

Statement of cash flow for the Acando group

(SEK million)	3 mths Oct-Dec 2006	3 mths Oct-Dec 2005	12 mths Jan-Dec 2006	12 mths Jan-Dec 2005
Operating activities				
Net profit for the year	44	30	84	54
Deferred tax	-	-6	-	-6
Tax paid	-	-	-	-
Adjustment for non-cash items	-3	-	-4	-
Depreciation/amortisation	1	1	6	5
Cash flow from operating activities before changes in working capital	**42**	**25**	**86**	**53**
Cash flow from changes in working capital	-21	-1	-47	-22
Cash flow from operating activities	**21**	**24**	**39**	**31**
Cash flow from investing activities	-4	-9	-11	-16
Cash flow from financing activities	3	1	23	1
Cash flow for the period	**20**	**16**	**51**	**16**
Liquid assets at beginning of the period	**116**	**69**	**85**	**69**
Liquid assets at the end of the period	**136**	**85**	**136**	**85**

Shareholders' equity for the Acando group

(SEK thousand)	31 Dec 2006	31 dec 2005
Opening shareholder´s equity balance	**283 561**	**218 817**
New/non-cash issues	277 650	551
Costs of raising capital	-3 111	
Acquisition of own shares	-734	
Long-term incentive plan	3 255	
Exchange rate differences	-3 436	114
Acquisition of minority		10 790
Net profit for the period	83 385	53 289
Closing shareholder´s equity balance	**640 570**	**283 561**
Minority interest	**17 596**	**11 910**
Closing shareholder´s equity balance attributable to parent company´s shareholders	**622 974**	**271 651**

Specification of shareholders' equity for the period

	Attributable to parent company´s shareholders				Attributable to minority	
	Share capital	Other contrib. cap.	Reserves	Retained earnings	Retained earnings	Total
Opening shareholder´s equity balance 1 Jan	**69 573**	**106 314**	**114**	**95 650**	**11 910**	**283 561**
Exchange rate differences			-2 177		**-1 259**	**-3 436**
Sum of transactions directly accounted in shareholders equity			-2 177		**-1 259**	**-3 436**
Net profit for the period				76 440	**6 945**	**83 385**
Total sum of income and costs			-2 177	76 440	**5 686**	**79 949**
New share issues	4 829	23 797				**28 626**
Non-cash issues	21 403	227 621				**249 024**
Long-term incentive plan		2 213				**2 213**
Costs of raising capital		-3 111				**-3 111**
Acquisition of own shares				-734		**-734**
Incentive				1 042		**1 042**
Closing shareholder´s equity balance 31 Dec	**95 805**	**356 834**	**-2 063**	**172 398**	**17 596**	**640 570**

During the period the warrants 03/06 have been converted into shares.
Options according to the plan 2003/2006 can be converted into shares until 31 December 2006.

During the period the parent company acquired 420 000 own shares and the personel have acquired totally 405 000 of these, as a step towards the long-term incentive plan that was decided at the Annual general meeting in April.

Key ratios

(SEK million)	3 mths Oct-Dec 2006	3 mths Oct-Dec 2005	12 mths Jan-Dec 2006	12 mths Jan-Dec 2005
Results				
Net sales	339	200	1 116	646
Operating result, EBIT	43	24	83	48
Result before taxes	44	24	84	48
Margins				
Operating margin, %, EBIT	12,8	11,5	7,4	7,4
Profitability				
Return on capital employed, %	-	-	8,9	19,2
Return on equity, %	-	-	10,7	21,6
Financial position				
Equity/assets ratio, %	69,2	64,9	69,2	64,9
Interest coverage ratio	66	40	57	44
Per share				
Equity per share, SEK	8,05	4,67	8,05	4,67
Cash flow per share, SEK	0,26	0,26	0,68	0,26
Earnings per share, SEK	0,49	0,46	1,01	0,86
Employees				
Number of employees at the end of the period	1 167	683	1 167	683
Average number of employees	1 108	603	925	608
Net sale per employee, SEK thousand	306	332	1 206	1 063
Net investment, SEK million	2	1	7	6