JONES LANG LASALLE

News Release

For Immediate Release

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JONES LANG LASALLE REPORTS SECOND QUARTER RESULTS IN LINE WITH GUIDANCE

Chicago and London, July 30, 2003 – Jones Lang LaSalle Incorporated (NYSE: JLL), the leading global real estate services and investment management firm, today reported a GAAP net loss of $1.4 million for the second quarter of 2003, or $.05 per share. The results, which were in line with previous guidance, included a pre-tax impairment charge of $4.9 million ($.11 per share) for a property management accounting system in Australia. Excluding this impairment charge, net income was $1.8 million for the quarter, or $.06 per share. Consistent with previous performance, the firm used its strong operating cash flows to pay down its credit facility by more than $45 million from the prior year.

Second Quarter Results Highlights

- **Credit facility paid down by more than $45 million from prior year**
- **Growth in U.S. Corporate Solutions clients and revenues**
- **Record Hotels revenues**

"We are encouraged to see the early signs of an improvement in our U.S. operating environment and continued new client wins worldwide," said Chris Peacock, President and Chief Executive Officer of Jones Lang LaSalle. "Asia Pacific has weathered the SARS outbreak relatively well. However, our performance continues to be impacted by the downturn in Europe, particularly in the leasing markets. The weight of capital continuing to select real estate as a favourable equity investment is benefiting LaSalle Investment Management as well as our European Capital Markets businesses. We also continued to win substantial new business, notably the global facility and project management mandate awarded to us by Procter & Gamble, against strong competition."

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A comparison of our financial results quarter over quarter should be analyzed in the context of the significantly strengthened currencies in several of our key markets, primarily the euro, pound sterling and Australian dollar, relative to the U.S. dollar. As a result, the growth in the U.S. dollar reported revenues and expenses from the regions in which these currencies are utilized is not reflective of actual experience in the underlying countries. The attached schedule on Currency Analysis of Revenues and Operating Income (Loss) provides further clarification.

Consistent with the seasonality of our business, year-to-date the firm reported a loss of $8.7 million ($.28 per share) compared to the prior year loss of $.5 million ($.02 per share). The $.26 per share negative variance reflects the non-operational impacts of the cumulative effect of change in accounting principle of $.03 in 2002; the net increase in non-recurring and restructuring charges of $.06; the $.03 impact of the improvement in tax rates year-on-year which is negative to results while in a loss position; and increased insurance expenses of $.05. The balance of the variance is primarily due to the timing of the recognition of incentive compensation.

Revenues over the prior year period increased seven percent to $213.6 million for the quarter and nine percent to $401.5 million year to date. In local currencies, revenues in the quarter declined less than two percent over the prior year period and were essentially flat year-to-date, as the improving U.S. Corporate Solutions and North Asia businesses, together with strong performance across all regions in our Hotels business line, offset continued weakness in many key markets in Europe.

Operating expenses over the prior year periods for the quarter and year-to-date increased 12 percent in U.S. dollars to $210.8 million and $405.6 million respectively. In local currencies, operating expenses increased only four percent for the quarter. Compensation expenses increased five percent for the quarter, six percent for the first six months in local currencies, principally due to expansions in North Asia, New York, and LaSalle Investment Management and also the timing of recognition of incentive compensation. Operating and administrative expense declined in local currencies as a result of the firm's continued aggressive expense management, despite an increase in insurance of $1.5 million for the quarter and $2.5 million year-to-date, reflective of the tightened insurance markets.

Net interest expense for the second quarter of $4.9 million increased 13 percent in U.S. dollars over the same period for the prior year, but was five percent lower in local currencies due to the continued lower debt levels of the firm. The U.S. dollar increase reflected the impact of the strengthening euro. Interest expense included approximately $150,000 of accelerated debt cost amortization associated with the renewal of our bank facility completed in June.

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Jones Lang LaSalle Reports Results In Line With Guidance – Add Two

The estimated 2003 effective tax rate year-to-date was 34 percent, as compared to the 40 percent rate through the second quarter of 2002. The improved tax rate reflects disciplined management of our global tax position. The reduced tax rate negatively impacted the earnings per share on a comparable year-over-year basis by approximately $.03 per share because the firm is in a loss position. The firm anticipates receiving the lower rate benefit over the balance of the year as it returns to profitability.

The firm paid down its credit facilities by more than $45 million from the prior year period, reflecting continued strong business cash flows, aggressive receivables management and reduced capital expenditures. Although there was no change in the outstanding Eurobond obligations, the U.S. dollar reported book value of these obligations increased by $26.2 million. This increase is due to the strengthening euro over the same period last year.

Business Segment Second Quarter Performance Highlights

Owner and Occupier Services

- The Americas region reported revenues of $66.7 million for the quarter, an increase of $5.3 million or nine percent from the prior year period. Year-to-date revenues of $126.2 million are up eight percent. The increase reflects continued new business wins in Project and Development Services and improved transaction flow in the Tenant Representation business. The operating income for the quarter of $2.7 million was down slightly over the same period last year, as revenue gains were offset by the timing of increased incentive compensation. The business continued to demonstrate strong cost controls as compensation cost (excluding incentive compensation) increased by less than three percent, driven by our investment in New York, while operating and administrative costs were flat quarter-over-quarter.

- The slower economic environment in Europe has continued. Revenues were $82.0 million, a three percent increase for the second quarter and $153.3 million, a six percent increase for the first six months as compared to the prior year periods in U.S. dollars. However, in local currencies, Europe reported a 14 percent decline for the quarter and an 11 percent decline for the first six months. Revenue declines reflected market conditions in the key markets of France, Holland and the UK. Additionally, comparing year-over-year, the 2002 second quarter revenues included a significant incentive fee associated with what was our Skandia joint venture. We acquired our partner’s share in the fourth quarter of 2002. There is no corresponding fee in the second quarter of 2003. Europe did see continued strength in its capital markets businesses, a record quarter for the Hotels business across the region and strong growth in Central European revenues as our investment in this area begins to generate positive returns.

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Operating expenses increased by $5.7 million, or eight percent, for the quarter and $13.9 million, or 10 percent, for the first six months in U.S. dollars. However, expenses in local currencies declined $4.8 million, or seven percent, for the quarter and $6.8 million, or five percent, for the first six months as compared to the prior year period as the business focused on cost control in response to a difficult economic environment. Additionally, the reduced performance resulted in lower incentive compensation accruals.

- Revenues in Asia Pacific for the second quarter were $41.2 million, a 12 percent increase in U.S. dollars, a five percent increase in local currencies relative to last year, which reflected strong performance despite the impact of SARS on travel and market activities. For the first six months, revenues were $73.8 million, a 10 percent increase in U.S. dollars, and a three percent increase in local currencies. Slow economic recovery continued to challenge the core markets of Hong Kong and Singapore, which were also severely impacted by SARS, while North Asia, principally Japan and Korea, continued to see revenue growth. Cost increases in local currencies of seven percent were principally the result of expansion investments made in North Asia, which are demonstrating performance payback.

Investment Management

LaSalle Investment Management revenues for the second quarter were up $1.9 million, or nine percent in U.S. dollars, and two percent in local currencies as compared to last year. For the first half of 2003, revenues were up $7.3 million, or 18 percent in U.S. dollars, 11 percent in local currencies. The growth was due to increased advisory fees, the result of several successful fee renegotiations together with successful fund closings in all three regions. Operating income for the second quarter of $1.4 million was down $1.3 million from the same period in 2002. Operating income for the first six months was $2.8 million, down $0.7 million. Increased revenues were offset by the investment in people and expenses related to growth in new funds.

Outlook

As a result of the seasonality of the firm's business, revenue and profits are generated primarily during the second half of the year. The first half results saw modest improvement in the Americas while Europe continued to experience declining revenues. The timing and balance of these two market inflections continues to make accurate forecasting for the full year difficult. The firm's full year goal remains to improve on last year's results and it expects third quarter earnings to be in the range of $.20 to $.30 per share.

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About Jones Lang LaSalle

Jones Lang LaSalle is the world's leading real estate services and investment management firm, operating across more than 100 markets around the globe. The company provides comprehensive integrated expertise, including management services, implementation services and investment management services on a local, regional and global level to owners, occupiers and investors. Jones Lang LaSalle is also the industry leader in property and corporate facility management services, with a portfolio of approximately 735 million square feet (68 million square meters) under management worldwide. LaSalle Investment Management, the company's investment management business, is one of the world's largest and most diverse real estate investment management firms, with $20.5 billion of assets under management.

Statements in this press release regarding, among other things, future financial results and performance, achievements, plans and objectives may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, plans and objectives of Jones Lang LaSalle to be materially different from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include those discussed under "Business," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Quantitative and Qualitative Disclosures about Market Risk," and elsewhere in Jones Lang LaSalle's Annual Report on Form 10-K for the year ended December 31, 2002, under "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Quantitative and Qualitative Disclosures about Market Risk," in Jones Lang LaSalle's Proxy Statement dated April 4, 2003, and in other reports filed with the U.S. Securities and Exchange Commission. Statements speak only as of the date of this release. Jones Lang LaSalle expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in Jones Lang LaSalle's expectations or results, or any change in events.

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Jones Lang LaSalle Reports Results In Line With Guidance – Add Five

Conference Call

The firm will conduct a conference call for shareholders, analysts and investment professionals on Thursday, July 31 at 9 a.m. EDT.

To participate in the teleconference, please dial into one of the following phone numbers five to ten minutes before the start time:

- United States callers: +1 877 809 9540
- International callers: +1 706 679 7364

Replay Information Available: (12:00 p.m. EDT) Thursday, July 31 through (Midnight EDT) Thursday, August 14, at the following numbers:

- International callers: +1 706 645 9291
- U.S. callers: +1 800 642 1687
- Pass code: 1765082

Live web cast

Follow these steps to listen to the web cast:

1. You must have a minimum 14.4 Kbps Internet connection
2. Log onto: http://www.firstcallevents.com/service/ajwz386101889gf12.html
3. Download free Windows Media Player software: (link located under registration form)
4. If you experience problems listening, send an e-mail to webcastsupport@tfprn.com

This information is also available on the Company's website at www.joneslanglasalle.com

JONES LANG LASALLE INCORPORATED
Consolidated Statements of Earnings
For the Three and Six Months Ended June 30, 2003 and 2002
(in thousands, except share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003 (1)	2002 (1)	2003 (1)	2002 (1)
Revenue:				
Fee based services	$ 210,105	$ 196,426	$ 394,966	$ 363,815
Equity in earnings (losses) from unconsolidated ventures	(285)	1,496	(205)	1,418
Other income	3,737	1,921	6,708	4,526
Total revenue	213,557	199,843	401,469	369,759
Operating expenses:				
Compensation and benefits	139,100	122,940	269,778	236,672
Operating, administrative and other	58,284	54,351	112,669	105,076
Depreciation and amortization	9,286	9,350	18,976	18,821
Non-recurring and restructuring charges:				
Compensation and benefits	(143)	114	(587)	134
Operating, administrative and other	4,240	837	4,740	917
Total operating expenses	210,767	187,592	405,576	361,620
Operating income (loss)	2,790	12,251	(4,107)	8,139
Interest expense, net of interest income	4,935	4,361	9,018	8,279
Income (loss) before provision (benefit) for income taxes and minority interest	(2,145)	7,890	(13,125)	(140)
Net provision (benefit) for income taxes	(730)	3,155	(4,463)	(57)
Minority interests in earnings of subsidiaries	-	1,229	-	1,292
Net income (loss) before cumulative effect of change in accounting principle	$ (1,415)	$ 3,506	$ (8,662)	$ (1,375)
Cumulative effect of change in accounting principle	-	-	-	846
Net income (loss)	$ (1,415)	$ 3,506	$ (8,662)	$ (529)
EBITDA (2)	$ 12,076	$ 19,837	$ 14,869	$ 25,126
Basic earnings (loss) per common share before cumulative effect of change in accounting principle	$ (0.05)	$ 0.12	$ (0.28)	$ (0.05)
Cumulative effect of change in accounting principle	-	-	-	0.03
Basic earnings (loss) per common share	$ (0.05)	$ 0.12	$ (0.28)	$ (0.02)
Basic weighted average shares outstanding	30,719,905	30,278,032	30,717,647	30,244,245
Diluted earnings (loss) per common share before cumulative effect of change in accounting principle	$ (0.05)	$ 0.11	$ (0.28)	$ (0.05)
Cumulative effect of change in accounting principle	-	-	-	0.03
Diluted earnings (loss) per common share	$ (0.05)	$ 0.11	$ (0.28)	$ (0.02)
Diluted weighted average shares outstanding	30,719,905	31,871,256	30,717,647	30,244,245

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Segment Operating Results
For the Three and Six Months ended June 30, 2003 and 2002
(in thousands)
(Unaudited)

	Three Months Ended June 30, 2003 (1)	Three Months Ended June 30, 2002 (1)	Six Months Ended June 30, 2003 (1)	Six Months Ended June 30, 2002 (1)
OWNER & OCCUPIER SERVICES -				
AMERICAS				
Revenue:				
Implementation services	$ 23,778	$ 26,482	$ 45,379	$ 47,063
Management services	41,352	33,807	78,320	68,070
Equity losses	-	-	-	(10)
Other services	1,301	1,065	2,187	1,942
Intersegment revenue	270	85	339	202
	66,701	61,439	126,225	117,267
Operating expenses:				
Compensation, operating and administrative	59,455	53,146	115,871	106,197
Depreciation and amortization	4,550	4,739	9,209	9,632
Operating income (3)	$ 2,696	$ 3,554	$ 1,145	$ 1,438
EUROPE				
Revenue:				
Implementation services	$ 56,099	$ 58,193	$ 104,888	$ 103,339
Management services	23,996	20,803	44,916	39,147
Other services	1,917	595	3,510	1,842
	82,012	79,591	153,314	144,328
Operating expenses:				
Compensation, operating and administrative	76,825	71,174	146,806	133,077
Depreciation and amortization	2,781	2,712	5,546	5,268
Operating income (3)	$ 2,406	$ 5,705	$ 962	$ 5,983
ASIA PACIFIC				
Revenue:				
Implementation services	$ 22,062	$ 19,685	$ 37,067	$ 34,577
Management services	18,839	16,947	35,934	31,960
Other services	341	253	804	658
	41,242	36,885	73,805	67,195
Operating expenses:				
Compensation, operating and administrative	39,238	34,005	75,095	65,622
Depreciation and amortization	1,635	1,587	3,579	3,306
Operating income (loss) (3)	$ 369	$ 1,293	$ (4,869)	$ (1,733)
INVESTMENT MANAGEMENT-				
Revenue:				
Implementation services	$ 355	$ 509	$ 2,123	$ 1,093
Advisory fees	23,626	20,008	46,341	38,568
Equity earnings (losses)	(285)	1,496	(205)	1,428
Other services	176	-	205	82
	23,872	22,013	48,464	41,171
Operating expenses:				
Compensation, operating and administrative	22,136	19,051	45,014	37,054
Depreciation and amortization	320	312	642	615
Operating income (3)	$ 1,416	$ 2,650	$ 2,808	$ 3,502
Total segment revenue	$ 213,827	$ 199,928	$ 401,808	$ 369,961
Intersegment revenue eliminations	(270)	(85)	(339)	(202)
Total revenue	$ 213,557	$ 199,843	$ 401,469	$ 369,759
Total segment operating expenses	$ 206,940	$ 186,726	$ 401,762	$ 360,771
Intersegment operating expense eliminations	(270)	(85)	(339)	(202)
Total operating expenses before non-recurring and restructuring charges	$ 206,670	$ 186,641	$ 401,423	$ 360,569
Operating income before non-recurring and restructuring charges	$ 6,887	$ 13,202	$ 46	$ 9,190

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED

Consolidated Balance Sheets

June 30, 2003 and December 31, 2002

(in thousands)

	June 30, 2003 (Unaudited)	December 31, 2002
ASSETS		
Current assets:		
Cash and cash equivalents	$ 13,175	$ 13,654
Trade receivables, net of allowances	188,293	227,579
Notes receivable	2,724	4,165
Other receivables	6,235	7,623
Prepaid expenses	24,064	15,142
Deferred tax assets	28,953	27,382
Other assets	12,884	10,760
Total current assets	276,328	306,305
Property and equipment, at cost, less accumulated depreciation	73,611	81,652
Intangibles resulting from business acquisitions and JLW merger, net of accumulated amortization	339,668	333,821
Investments in and loans to real estate ventures	71,361	74,994
Long-term receivables, net	13,796	15,248
Prepaid pension asset	1,735	9,646
Deferred tax assets	24,377	18,839
Debt issuance costs	4,595	4,343
Other assets, net	7,223	7,668
	$ 812,694	$ 852,516
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 87,900	$ 92,389
Accrued compensation	62,680	139,513
Short-term borrowings	15,757	15,863
Deferred tax liabilities	566	20
Other liabilities	33,863	21,411
Total current liabilities	200,766	269,196
Long-term liabilities:		
Credit facilities	43,500	26,077
9% Senior Euro Notes, due 2007	189,849	173,068
Deferred tax liabilities	705	146
Minimum pension liability	5,336	-
Other	17,313	17,071
Total liabilities	457,469	485,558
Commitments and contingencies		
Stockholders' equity:		
Common stock, $.01 par value per share, 100,000,000 shares authorized; 31,128,438 and 30,896,333 shares issued and outstanding as of June 30, 2003 and December 31, 2002, respectively	311	309
Additional paid-in capital	500,055	494,283
Deferred stock compensation	(17,239)	(17,321)
Retained deficit	(104,073)	(95,411)
Stock held by subsidiary	(4,659)	(4,659)
Stock held in trust	(460)	(460)
Accumulated other comprehensive income	(18,710)	(9,783)
Total stockholders' equity	355,225	366,958
	$ 812,694	$ 852,516

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Summarized Consolidated Statements of Cash Flows
Six Months Ended June 30, 2003 and 2002
(in thousands)
(Unaudited)

	2003 (4)	2002 (4)
Cash provided by earnings	$ 25,107	$ 27,591
Cash used in working capital	(35,212)	(47,035)
Cash used in investing activities	(7,384)	(15,028)
Cash provided by financing activities	17,010	31,990
Net decrease in cash	(479)	(2,482)
Cash and cash equivalents, beginning of period	13,654	10,446
Cash and cash equivalents, end of period	$ 13,175	$ 7,964

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED

Schedule of Non-Recurring and Restructuring Charges

For the Three and Six Months Ended June 30, 2003 and 2002

(in thousands, except share data)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	**2002**	**2003**	**2002**
Non-Recurring & Restructuring Charges				
Land Investment & Development Group				
Impairment Charges	-	837	-	917
Insolvent Insurance Providers	(606)	-	(606)	-
Abandonment of Property Management Accounting System				
- Compensation & Benefits	113	-	113	-
- Operating, Administrative & Other	4,822	-	4,822	-
2001 Global Restructuring Program				
- Compensation & Benefits	82	114	82	134
- Operating, Administrative & Other	-	-	-	-
2002 Global Restructuring Program				
- Compensation & Benefits	(338)	-	(782)	-
- Operating, Administrative & Other	24	-	524	-
Total Non-Recurring & Restructuring Charges	4,097	951	4,153	1,051

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
CURRENCY ANALYSIS OF REVENUES AND OPERATING INCOME (LOSS)
(in millions)
(Unaudited)

	Pound Sterling (5)	Euro	Australian Dollar	US Dollar (5)	Other	TOTAL
	$	$	$	$	$	$
REVENUES (1)						
2003						
Q1, 2003	37.7	37.2	13.7	70.0	29.3	187.9
Q2, 2003	43.9	36.5	18.7	75.9	38.6	213.6
Total	81.6	73.7	32.4	145.9	67.9	401.5
2002						
Q1, 2002	34.9	32.7	12.4	63.3	26.6	169.9
Q2, 2002	47.1	32.2	16.5	70.2	33.8	199.8
Total	82.0	64.9	28.9	133.5	60.4	369.7
OPERATING INCOME (LOSS) (5)						
2003						
Q1, 2003	-2.6	2.9	-1.4	-2.4	-3.4	-6.9
Q2, 2003	-0.4	0.1	-4.1	1.9	5.3	2.8
Total	-3.0	3.0	-5.5	-0.5	1.9	-4.1
2002						
Q1, 2002	-2.5	3.8	-2.5	-1.0	-1.9	-4.1
Q2, 2002	7.2	-0.2	-0.3	2.9	2.7	12.3
Total	4.7	3.6	-2.8	1.9	0.8	8.2
AVERAGE EXCHANGE RATES						
Q1, 2003	1.600	1.075	0.595	N/A	N/A	N/A
Q2, 2003	1.624	1.140	0.644	N/A	N/A	N/A
Q1, 2002	1.426	0.877	0.520	N/A	N/A	N/A
Q2, 2002	1.464	0.924	0.553	N/A	N/A	N/A

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Financial Statement Notes

(1) Certain amounts described below have been reclassified to conform with the current presentation. These reclassifications have no impact on operating income (loss), net income (loss) or cash flows for any of the periods affected.

Beginning in December 2002, pursuant to the FASB's Emerging Issues Task Force ("EITF") No. 01-14, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred", we have reclassified reimbursements received for out-of-pocket expenses to revenues in the income statement, as opposed to being shown as a reduction of expenses. The amounts related to these out-of-pocket expenses by quarter are as follows ($ in millions);

	2002					2003	
	March 31	June 30	Sept. 30	Dec. 31	Full Year	March 31	June 30
Out-of-Pocket expenses	$ 0.9	1.0	1.1	1.3	4.3	1.4	1.2

Beginning in December 2002, we reclassified as revenue our recovery of indirect costs related to our management services business, as opposed to being classified as a reduction of expenses in the income statement. The amounts related to this recovery of indirect costs by quarter are as follows ($ in millions);

	2002					2003	
	March 31	June 30	Sept. 30	Dec. 31	Full Year	March 31	June 30
Recovery of indirect costs	$ 7.1	7.4	8.3	7.7	30.5	8.2	8.6

The three and six months ended June 30, 2002 reflect an adjustment made to separately identify the non-recurring and restructuring charges relating to this period.

The following tables reflect the above adjustments, first in our consolidated statement of earnings and then in our segment operating results, by quarter for all four quarters of 2002 and for the first two quarters of 2003 ($ in thousands);

	2002					2003	
	March 31	June 30	Sept. 30	Dec. 31	Full Year	March 31	June 30
Revenue:							
Fee based services	$ 167,389	196,426	211,286	271,832	846,933	184,861	210,105
Equity earnings (losses)	(78)	1,496	987	176	2,581	80	(285)
Other income	2,605	1,921	4,255	4,276	13,057	2,971	3,737
Total revenue	169,916	199,843	216,528	276,284	862,571	187,912	213,557
Operating expenses:							
Compensation and benefits	113,732	122,940	137,444	168,887	543,003	130,678	139,100
Operating, administrative and other	50,725	54,351	51,386	56,415	212,877	54,385	58,284
Depreciation and amortization	9,471	9,350	9,418	8,886	37,125	9,690	9,286
Non-recurring and restructuring charges:							
Compensation and benefits	20	114	(615)	11,919	11,438	(444)	(143)
Operating, administrative and other	80	837	1,087	1,429	3,433	500	4,240
Total operating expenses	174,028	187,592	198,720	247,536	807,876	194,809	210,767
Operating income (loss)	$ (4,112)	12,251	17,808	28,748	54,695	(6,897)	2,790

	2002					2003	
	March 31	June 30	Sept. 30	Dec. 31	Full Year	March 31	June 30
Revenue:							
Owner & Occupier Services:							
Americas	$ 55,828	61,439	71,299	102,338	290,904	59,524	66,701
Europe	64,737	79,591	74,702	98,740	317,770	71,302	82,012
Asia Pacific	30,310	36,885	35,695	42,474	145,364	32,563	41,242
Investment Management	19,158	22,013	35,005	32,833	109,009	24,592	23,872
Less: intersegment revenue	(117)	(85)	(173)	(101)	(476)	(69)	(270)
Total revenue	169,916	199,843	216,528	276,284	862,571	187,912	213,557
Operating expenses:							
Owner & Occupier Services:							
Americas	57,944	57,885	65,005	78,068	258,902	61,075	64,005
Europe	64,459	73,886	73,839	87,831	300,015	72,746	79,606
Asia Pacific	33,336	35,592	35,637	41,030	145,595	37,801	40,873
Investment Management	18,306	19,363	23,940	27,360	88,969	23,200	22,456
Less: intersegment expense	(117)	(85)	(173)	(101)	(476)	(69)	(270)
Non-recurring and restructuring charges	100	951	472	13,348	14,871	56	4,097
Total operating expenses	174,028	187,592	198,720	247,536	807,876	194,809	210,767
Operating income (loss)	$ (4,112)	12,251	17,808	28,748	54,695	(6,897)	2,790

(2) EBITDA represents earnings before interest expense, income taxes, depreciation and amortization, and excludes Minority Interests in EBITDA. For the six months ended June 30, 2002, EBITDA excludes the cumulative effect of change in accounting principle resulting from the adoption of SFAS 142. Management believes that EBITDA is useful to investors as a measure of operating performance, cash generation and ability to service debt. EBITDA is also used in the calculation of certain covenants related to our revolving credit facility. However, EBITDA should not be considered an alternative to (i) net income (loss) (determined in accordance with GAAP), (ii) cash flows (determined in accordance with GAAP), or (iii) liquidity.

Reconciliation from operating income (loss) to EBITDA (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Operating income (loss)	$ 2,790	$ 12,251	$ (4,107)	$ 8,139
Plus: Depreciation and amortization	9,286	9,350	18,976	18,821
Less: Minority interests in EBITDA	-	(1,764)	-	(1,834)
EBITDA	$ 12,076	$ 19,837	$ 14,869	$ 25,126

(3) For purposes of this analysis we have determined that the allocation of the non-recurring charges to our segments is not meaningful to investors. Additionally, we evaluate the performance of our segment results without these charges being allocated.

(4) The consolidated statements of cash flows are presented in summarized form. Please reference our second quarter Form 10-Q for detailed consolidated statements of cash flows.

(5) The objective of this presentation is to provide guidance as to the key currencies that the Company does business in and their significance to reported revenues and operating income. The operating income sourced in pound sterling and US dollars understates the profitability of the businesses in the United Kingdom and America because it includes the locally incurred expenses of our global offices in London and Chicago, respectively, as well as the European regional office in London. The revenues and operating income of the global investment management business are allocated to their underlying currency, which means that this analysis may not be consistent with the performance of the geographic OOS segments. In particular, as incentive fees are earned by this business, there may be significant shifts in the geographic mix of revenues and operating income.