

For Immediate Release

200 East Randolph Drive
Chicago Illinois 60601
22 Hanover Square
London W1A 2BN

Contact: Lauralee Martin
Chief Financial Officer
Phone: +1 312 228 2073

JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS

CHICAGO and LONDON, July 28, 2004 – Jones Lang LaSalle Incorporated (NYSE: JLL), the leading global real estate services and money management firm, today reported net income of \$5.1 million, or \$0.16 per diluted share of common stock, for the second quarter of 2004. These results, which include an after-tax expense of \$8.4 million (\$0.26 per share), associated with the planned early redemption of the firm’s euro 165 million 9 percent Senior Notes (“Senior Notes”), compare favorably to the consensus estimate of net income of \$0.08 per diluted share, which excluded redemption expenses. The results also compare favorably to the second quarter 2003 net loss of \$1.4 million (\$0.05 per share), which included non-recurring after-tax expenses of \$3.2 million (\$0.11 per share) related to the abandonment of a property management accounting system. EBITDA for the 2004 second quarter of \$30.2 million reflected a significant increase over the prior year quarter of \$12.1 million.

Second Quarter Highlights

- **Revenues increased by more than 20 percent year over year in local currencies**
 - **Successful redemption of 9 percent Senior Notes, reducing ongoing interest expense**
 - **EBITDA increased 150 percent year over year**
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JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS – Add One

“We continue to report improving financial results in all business segments, the result of leveraging operational excellence with an improving world economy. We are very pleased with the strong financial and operational performance our businesses demonstrated in the first six months of 2004, but given the seasonal nature of our business, there is still much remaining to deliver this year,” said Stuart Scott, the firm’s Chairman, President and Chief Executive Officer. “We have both the financial and operational strength to take advantage of any further improvement in world economies over the balance of this year and into 2005. We are proud that Colin Dyer, our new President and Chief Executive Officer, will be able to assume leadership of an organization that has a strong foundation both in the marketplace and financially, so that he can take it to the next level.”

Reflecting the seasonality of its business, the firm reported a year-to-date loss of \$1.0 million (\$0.03 per share), including the costs associated with the redemption of the Senior Notes. This compares favorably to the loss of \$8.7 million (\$0.28 per share) it reported for the first six months of 2003.

Revenues increased by \$57.3 million to \$270.9 million for the quarter, a 27 percent increase in U.S. dollars, 21 percent in local currencies, as all segments again reported year-over-year revenue improvement. Year-to-date revenues of \$493.7 million were up 23 percent in U.S. dollars, 15 percent in local currencies. The revenue growth was a result of increased transaction activity across the Investor and Occupier Services businesses where clients appear to be gaining more confidence in the prospects for economic recovery. The Hotels business delivered excellent performance in all markets, and record revenues, as its global branding and platform have positioned it as the “advisor of choice” for key industry participants. In addition, the continuing strength of real estate as an investment class has increased opportunities for the real estate money management business to realize value for clients. This generated increased equity earnings where the firm co-invests alongside clients, as well as incentive fees, as LaSalle Investment Management continues to deliver investment performance exceeding targeted returns.

Second quarter operating expenses of \$248.7 million increased 18 percent over the prior year period in U.S. dollars, 12 percent in local currency terms. Operating expenses of \$476.1 million for the year to date increased 17 percent in U.S. dollars, 10 percent in local currencies. Included in operating expenses in the second quarter of 2003 was \$4.9 million related to the abandonment of a property management accounting system. Excluding this expense, operating expenses for the quarter increased 21 percent in U.S. dollars, 15 percent in local currencies, and for the year to date they increased 19 percent in U.S. dollars, 11 percent in local currencies. These increases included a significant increase in accrued incentive compensation, reflecting the improved timing of revenue performance as compared to the prior year. The broad-based revenue strength, coupled with a continuing focus on costs, resulted in bottom-line operating improvements for all segments.

JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS – Add Two

Included in interest expense of \$15.2 million for the quarter was \$11.6 million of expense consisting of the acceleration of debt issuance cost amortization and the premium paid related to the June 15, 2004, redemption of the Senior Notes. Excluding this one-time expense, interest expense of \$3.6 million for the quarter was significantly lower than the \$4.9 million incurred in the second quarter of 2003, reflecting the continued pay-down of debt and a generally lower interest rate environment, partially offset by the strengthening euro. Net cash and debt at June 30, 2004, was \$177 million, a \$59 million reduction from the net cash and debt at June 30, 2003.

The current quarter tax expense of \$2.0 million reflects an estimated 28 percent effective tax rate for 2004. The prior-year tax benefit of \$730,000 reflected an estimated 34 percent effective tax rate. The reduction in the estimated effective tax rate to 28 percent in 2004 is consistent with the tax rate ultimately achieved for 2003 and reflects the continued disciplined management of the global tax position.

Business Segment Second Quarter Performance Highlights

Investor and Occupier Services (“IOS”)

- The Americas region continued the momentum of its strong 2003 finish and 2004 start, reporting a 21 percent year-over-year increase in revenues in the second quarter to \$81.0 million. Transaction businesses again delivered strong performance with a trend toward increased deal volume and increased deal size in many business lines. For example, the New York business has experienced increased demand with the number of transactions for the first six months of 2004 up 11 percent, and a 17 percent growth in the square feet transacted. In general, the management services businesses have experienced flat revenues, reflecting a shifting focus toward leasing-only assignments as large property owners undertake more self management. The Corporate Property Services business, which performs facility management outsourcing for clients, was up 20 percent in revenue terms for the quarter, reflecting its success in winning new business. Operating expenses increased 15 percent to \$73.3 million, in large part due to accrued incentive compensation expense, which increased when compared to the same period in 2003 as a result of the improved revenue performance. The balance of the increase was in revenue generation activities. Operating income for the quarter was \$7.7 million, as compared to \$2.7 million for the same period last year.

JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS – Add Three

- In Europe, the IOS business saw sustained positive revenue momentum from the first quarter, with second quarter revenues up 25 percent in U.S. dollars, 16 percent in local currencies. The revenue increase was led by the French business, where revenues were up over 125 percent in local currencies compared to the prior year, as several large capital market and agency leasing transactions moved forward in the year. The English business was up 17 percent due to the effect of improving economies on its strong market positions. There was also revenue strength in Italy, Russia and Spain, the key growth markets for the region. Revenues declined by 9 percent in the German business as difficult local economic conditions persisted. Operating expenses year over year increased 22 percent in U.S. dollars, 13 percent in local currencies, with the most significant factors being the impact of increased accrued incentive compensation due to the timing of the improved revenue performance and other costs associated with the generation of additional revenues.
- Second quarter revenues for the Asia Pacific region were up 26 percent in U.S. dollars, 19 percent in local currencies, over the prior year quarter. The growth markets of India and North Asia led the way with revenue growth of 64 percent in U.S. dollars, 57 percent in local currencies. The core market of Hong Kong also had strong revenue growth, reflecting improved sentiment in the local economy overall and toward real estate in particular. Operating expenses increased 24 percent in U.S. dollars, 17 percent in local currencies, driven by accrued incentive compensation expense, reflecting the timing impact of the strong revenue performance and continued investment in the growth markets of China, India and Japan.

Investment Management

LaSalle Investment Management revenues were up 50 percent in U.S. dollars, 44 percent in local currencies, over the prior year quarter, primarily driven by increased equity earnings, which were up \$7.2 million compared to the second quarter of 2003, and related incentive fees. The current real estate market is attractive for realizing value for clients in a shorter timeframe than originally planned. Several large transactions originally anticipated for later in the year have been accelerated to lock in excellent performance gains. Moreover, the strength of the real estate capital markets also resulted in higher than originally targeted investment returns. Operating expenses increased 27 percent in U.S. dollars, 21 percent in local currencies. The increase in operating expenses is primarily due to an increase in accrued incentive compensation, reflecting the timing impact of the equity gains and incentive fee revenue performance.

JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS – Add Four

Outlook

The firm's results continue to be seasonal in character, with the majority of profits occurring in the second half of the year. Improved global economic conditions improved market confidence, which in turn benefited higher-margin transaction businesses. The favorable second quarter financial performance was the result of the earlier timing of equity gains and fees from transactions anticipated to occur later in the year, as well as better core business performance fundamentals worldwide. Although second half prospects will depend on sustained favorable economic conditions, the firm is confident in its ability to perform in accordance with the current expectations of the analysts covering its performance, which excludes the Senior Note redemption costs.

About Jones Lang LaSalle

Jones Lang LaSalle is the world's leading real estate services and money 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 725 million square feet (67 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 money management firms, with approximately \$24 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, 2003, under "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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, and in other reports filed with the 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.

JONES LANG LASALLE REPORTS STRONG SECOND QUARTER RESULTS AHEAD OF EXPECTATIONS – Add Five

Conference Call

The firm will conduct a conference call for shareholders, analysts and investment professionals on Thursday, July 29, at 9:00 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 29, through (Midnight EDT) Thursday, August 5, at the following numbers:

- International callers: +1 706 645 9291
- U.S. callers: +1 800 642 1687
- Pass code: 8789888

Live web cast (available through August 5)

Follow these steps to listen to the web cast:

1. You must have a minimum 14.4 Kbps Internet connection
2. Log onto: <http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=81245&eventID=918392>
3. Download free Windows Media Player software: (link located under registration form)

If you experience problems listening, send an e-mail to webcast.info@tfn.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, 2004 and 2003
(in thousands, except share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
Revenue:				
Fee based services	\$ 259,556	\$ 210,105	\$ 476,596	\$ 394,966
Equity in earnings (loss) from unconsolidated ventures	6,916	(285)	9,039	(205)
Other income	4,438	3,737	8,061	6,708
Total revenue	<u>270,910</u>	<u>213,557</u>	<u>493,696</u>	<u>401,469</u>
Operating expenses:				
Compensation and benefits	175,385	139,100	330,450	269,778
Operating, administrative and other	66,254	58,284	130,331	112,669
Depreciation and amortization	7,941	9,286	16,243	18,976
Non-recurring and restructuring charges:				
Compensation and benefits	73	(143)	(137)	(587)
Operating, administrative and other	(983)	4,240	(793)	4,740
Total operating expenses	<u>248,670</u>	<u>210,767</u>	<u>476,094</u>	<u>405,576</u>
Operating income (loss)	22,240	2,790	17,602	(4,107)
Interest and other costs:				
Interest expense, net of interest income	3,642	4,935	7,456	9,018
Loss on extinguishment of Euro Notes	11,561	-	11,561	-
Total interest and other costs	<u>15,203</u>	<u>4,935</u>	<u>19,017</u>	<u>9,018</u>
Income (loss) before provision (benefit) for income taxes	7,037	(2,145)	(1,415)	(13,125)
Net provision (benefit) for income taxes	1,970	(730)	(396)	(4,463)
Net income (loss)	<u>\$ 5,067</u>	<u>\$ (1,415)</u>	<u>\$ (1,019)</u>	<u>\$ (8,662)</u>
EBITDA (1)	<u>\$ 30,181</u>	<u>\$ 12,076</u>	<u>\$ 33,845</u>	<u>\$ 14,869</u>
Basic income (loss) per common share	<u>\$ 0.17</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>	<u>\$ (0.28)</u>
Basic weighted average shares outstanding	<u>30,449,030</u>	<u>30,719,905</u>	<u>30,889,639</u>	<u>30,717,647</u>
Diluted income (loss) per common share	<u>\$ 0.16</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>	<u>\$ (0.28)</u>
Diluted weighted average shares outstanding	<u>32,652,871</u>	<u>30,719,905</u>	<u>30,889,639</u>	<u>30,717,647</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Segment Operating Results
For the Three and Six Months Ended June 30, 2004 and 2003
(in thousands)
(Unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
INVESTOR & OCCUPIER SERVICES - AMERICAS				
Revenue:				
Implementation services	\$ 37,917	\$ 23,778	\$ 61,993	\$ 45,379
Management services	41,305	41,352	79,296	78,320
Equity earnings	-	-	467	-
Other services	1,465	1,301	2,742	2,187
Intersegment revenue	299	270	381	339
	<u>80,986</u>	<u>66,701</u>	<u>144,879</u>	<u>126,225</u>
Operating expenses:				
Compensation, operating and administrative	69,925	59,455	131,040	115,871
Depreciation and amortization	3,361	4,550	7,024	9,209
Operating income (2)	<u>\$ 7,700</u>	<u>\$ 2,696</u>	<u>\$ 6,815</u>	<u>\$ 1,145</u>
EUROPE				
Revenue:				
Implementation services	\$ 75,971	\$ 56,099	\$ 141,602	\$ 104,888
Management services	24,326	23,996	46,724	44,916
Other services	2,077	1,917	3,956	3,510
	<u>102,374</u>	<u>82,012</u>	<u>192,282</u>	<u>153,314</u>
Operating expenses:				
Compensation, operating and administrative	94,626	76,825	183,656	146,806
Depreciation and amortization	2,676	2,781	5,455	5,546
Operating income (2)	<u>\$ 5,072</u>	<u>\$ 2,406</u>	<u>\$ 3,171</u>	<u>\$ 962</u>
ASIA PACIFIC				
Revenue:				
Implementation services	\$ 30,233	\$ 22,062	\$ 49,406	\$ 37,067
Management services	21,271	18,839	41,933	35,934
Other services	409	341	757	804
	<u>51,913</u>	<u>41,242</u>	<u>92,096</u>	<u>73,805</u>
Operating expenses:				
Compensation, operating and administrative	49,238	39,238	92,432	75,095
Depreciation and amortization	1,587	1,635	3,143	3,579
Operating income (loss) (2)	<u>\$ 1,088</u>	<u>\$ 369</u>	<u>\$ (3,479)</u>	<u>\$ (4,869)</u>
INVESTMENT MANAGEMENT-				
Revenue:				
Implementation and other services	\$ 3,454	\$ 531	\$ 4,918	\$ 2,328
Advisory fees	24,325	23,609	50,021	45,763
Incentive fees	1,243	17	1,311	578
Equity earnings (loss)	6,914	(285)	8,570	(205)
	<u>35,936</u>	<u>23,872</u>	<u>64,820</u>	<u>48,464</u>
Operating expenses:				
Compensation, operating and administrative	28,149	22,136	54,034	45,014
Depreciation and amortization	317	320	621	642
Operating income (2)	<u>\$ 7,470</u>	<u>\$ 1,416</u>	<u>\$ 10,165</u>	<u>\$ 2,808</u>
<hr/>				
Total segment revenue	\$ 271,209	\$ 213,827	\$ 494,077	\$ 401,808
Intersegment revenue eliminations	(299)	(270)	(381)	(339)
Total revenue	<u>\$ 270,910</u>	<u>\$ 213,557</u>	<u>\$ 493,696</u>	<u>\$ 401,469</u>
Total segment operating expenses	\$ 249,879	\$ 206,940	\$ 477,405	\$ 401,762
Intersegment operating expense eliminations	(299)	(270)	(381)	(339)
Total operating expenses before non-recurring and restructuring charges	<u>\$ 249,580</u>	<u>\$ 206,670</u>	<u>\$ 477,024</u>	<u>\$ 401,423</u>
Operating income before non-recurring and restructuring charges	<u>\$ 21,330</u>	<u>\$ 6,887</u>	<u>\$ 16,672</u>	<u>\$ 46</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Consolidated Balance Sheets
June 30, 2004, December 31, 2003 and June 30, 2003
(in thousands)

	June 30, 2004 (Unaudited)	December 31, 2003	June 30, 2003 (Unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 24,462	\$ 63,105	\$ 13,175
Trade receivables, net of allowances	230,538	253,126	188,293
Notes receivable	2,814	3,698	2,724
Other receivables	8,567	8,317	6,235
Prepaid expenses	26,584	18,866	24,064
Deferred tax assets	23,428	18,097	28,953
Other assets	5,790	7,731	12,884
Total current assets	322,183	372,940	276,328
Property and equipment, at cost, less accumulated depreciation	67,486	71,621	73,611
Intangibles resulting from business acquisitions and JLW merger, net of accumulated amortization	342,597	347,608	339,668
Investments in and loans to real estate ventures	66,437	71,335	71,361
Long-term receivables, net	10,954	13,007	13,796
Prepaid pension asset	13,229	11,920	1,735
Deferred tax assets	45,888	43,252	24,377
Debt issuance costs	2,110	4,113	4,595
Other assets, net	11,742	7,144	7,223
	\$ 882,626	\$ 942,940	\$ 812,694
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 83,294	\$ 96,466	\$ 87,900
Accrued compensation	98,773	154,317	62,680
Short-term borrowings	14,473	3,592	15,757
Deferred tax liabilities	2,466	2,623	566
Other liabilities	43,626	28,414	33,863
Total current liabilities	242,632	285,412	200,766
Long-term liabilities:			
Credit facilities	186,990	-	43,500
9% Senior Euro Notes, due 2007	-	207,816	189,849
Deferred tax liabilities	4,348	761	705
Minimum pension liability	-	-	5,336
Other	23,282	17,960	17,313
Total liabilities	457,252	511,949	457,469
Commitments and contingencies			
Stockholders' equity:			
Common stock, \$.01 par value per share, 100,000,000 shares authorized; 32,178,613, 31,762,077 and 31,128,438 shares issued and outstanding as of June 30, 2004, December 31, 2003 and June 30, 2003, respectively	322	318	311
Additional paid-in capital	532,803	519,438	500,055
Deferred stock compensation	(21,022)	(21,649)	(17,239)
Retained deficit	(60,364)	(59,346)	(104,073)
Stock held by subsidiary	(33,062)	(12,846)	(4,659)
Stock held in trust	(230)	(460)	(460)
Accumulated other comprehensive income (loss)	6,927	5,536	(18,710)
Total stockholders' equity	425,374	430,991	355,225
	\$ 882,626	\$ 942,940	\$ 812,694

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Summarized Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2004 and 2003
(in thousands)
(Unaudited)

	Six Months Ended June 30,	
	2004 (3)	2003 (3)
Cash provided by earnings	\$ 22,712	\$ 25,107
Cash used in working capital	(38,849)	(35,212)
Cash provided by (used in) investing activities	(3,858)	(7,384)
Cash provided by (used in) financing activities	(18,648)	17,010
Net decrease in cash	<u>(38,643)</u>	<u>(479)</u>
Cash and cash equivalents, beginning of period	63,105	13,654
Cash and cash equivalents, end of period	<u>\$ 24,462</u>	<u>\$ 13,175</u>

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, 2004 and 2003
(in thousands, except share data)
(Unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<u>Non-Recurring & Restructuring Charges</u>				
Land Investment & Development Group				
Impairment Charges	(1,279)	-	(1,279)	-
Insolvent Insurance Providers	-	(606)	-	(606)
Abandonment of Property Management Accounting System				
- Compensation & Benefits	76	113	76	113
- Operating, Administrative & Other	163	4,822	353	4,822
2001 Global Restructuring Program				
- Compensation & Benefits	(3)	82	(38)	82
- Operating, Administrative & Other	-	-	-	-
2002 Global Restructuring Program				
- Compensation & Benefits	-	(338)	(175)	(782)
- Operating, Administrative & Other	133	24	133	524
Total Non-Recurring & Restructuring Charges (Credits)	<u>(910)</u>	<u>4,097</u>	<u>(930)</u>	<u>4,153</u>
Net expense (benefit) for Income Taxes on Non-Recurring and Restructuring Charges	(255)	1,393	(260)	1,412
Non-Recurring and Restructuring Charges (Credits) After Tax	<u>(655)</u>	<u>2,704</u>	<u>(670)</u>	<u>2,741</u>
Diluted Weighted Average Shares Outstanding	32,652,871	30,719,905	30,889,639	30,717,647
Per Share Impact of Non-Recurring and Restructuring Charges (Credits)	(0.02)	0.09	(0.02)	0.09

Please reference attached financial statement notes.

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

(in millions)

(Unaudited)

	Pound Sterling (4) \$	Euro \$	Australian Dollar \$	US Dollar (4) \$	Other \$	TOTAL \$
REVENUES (4)						
Q1, 2004	50.5	43.5	17.6	77.9	33.3	222.8
Q2, 2004	56.2	48.2	23.4	94.3	48.8	270.9
Total	<u>106.7</u>	<u>91.7</u>	<u>41.0</u>	<u>172.2</u>	<u>82.1</u>	<u>493.7</u>
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	<u>81.6</u>	<u>73.7</u>	<u>32.4</u>	<u>145.9</u>	<u>67.9</u>	<u>401.5</u>
OPERATING INCOME (LOSS) (4)						
Q1, 2004	-2.5	4.8	-1.5	-3.4	-2.0	-4.6
Q2, 2004	1.6	4.9	2.2	9.2	4.3	22.2
Total	<u>-0.9</u>	<u>9.7</u>	<u>0.7</u>	<u>5.8</u>	<u>2.3</u>	<u>17.6</u>
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	<u>-3.0</u>	<u>3.0</u>	<u>-5.5</u>	<u>-0.5</u>	<u>1.9</u>	<u>-4.1</u>
AVERAGE EXCHANGE RATES						
Q1, 2004	1.842	1.246	0.764	N/A	N/A	N/A
Q2, 2004	1.829	1.215	0.694	N/A	N/A	N/A
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

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Financial Statement Notes

- (1) EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. 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,	
	2004	2003	2004	2003
Operating income (loss)	\$ 22,240	\$ 2,790	\$ 17,602	\$ (4,107)
Plus: Depreciation and amortization	7,941	9,286	16,243	18,976
EBITDA	\$ 30,181	\$ 12,076	\$ 33,845	\$ 14,869

- (2) 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.
- (3) 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.
- (4) 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 (loss). The operating income (loss) 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 (loss) 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 IOS 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 (loss).