

Real value in a changing world

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Jones Lang LaSalle Reports 2008 Net Income of \$84 Million, \$2.44 Per Share; Adjusted Net Income of \$127 Million, \$3.71 Per Share

2008 Revenue of \$2.7 Billion Equal to 2007 Despite Global Economic Slowdown

CHICAGO, February 3, 2009 – Jones Lang LaSalle Incorporated (NYSE: JLL), the leading integrated financial and professional services firm specializing in real estate, today reported net income on a U.S. GAAP basis of \$84 million, or \$2.44 per diluted share of common stock, for the year ended December 31, 2008, compared with net income of \$256 million, or \$7.64 per share, for the year ended December 31, 2007. Full-year 2007 results included a significant transaction advisory fee earned in the Asia Pacific Hotels business. Excluding restructuring charges and adjusting for certain impacts of purchase accounting, 2008 net income would have been \$127 million, or \$3.71 per diluted share of common stock. Operating income for 2008 was \$151 million, compared with \$342 million for the prior year. The firm's earnings before interest, taxes, depreciation and amortization ("EBITDA") were \$233 million for 2008 and \$413 million for 2007.

For the fourth quarter of 2008, net income was \$41 million, or \$1.17 per share, compared with net income of \$105 million, or \$3.16 per share for the same period in 2007. Operating income for the fourth quarter was \$72 million, compared with \$140 million in the prior year. Fourth-quarter EBITDA for 2008 and 2007 was \$95 million and \$156 million, respectively.

Full-Year 2008 Highlights:

- Strong growth in global corporate outsourcing
- Americas revenue increase of 22 percent to \$933 million driven by successful Staubach merger and corporate outsourcing
- Operating income of \$151 million and EBITDA of \$233 million

Included in the firm's 2008 results were 15 acquisitions that closed during the year, the most significant being The Staubach Company and Kemper's. Full-year results included \$18 million of intangible amortization and \$7 million of integration costs related to these two acquisitions. Fourth-quarter results included \$8 million of intangible amortization and \$5 million of integration costs. Full-year results also included severance charges of \$23 million, which resulted from the need to reduce

staffing levels to reflect lower anticipated revenue in certain businesses related to the global economic slowdown and credit contraction. Integration costs for the acquisitions, as well as severance charges, are reported as Restructuring Charges for the full-year and fourth-quarter periods. Total Restructuring Charges for 2008 were \$30 million. These costs are excluded from segment operating results for the full year and fourth quarter, although they are included for consolidated reporting.

Full-year revenue was \$2.7 billion in both 2008 and 2007, despite substantial decreases in Capital Markets and Hotels transaction levels. Transaction Services revenue decreased by 8 percent from 2007, to \$1.4 billion; however, excluding Capital Markets and Hotels, Transaction Services revenue for the year increased 14 percent over 2007, to \$1.1 billion. Management Services revenue increased 22 percent to \$882 million in 2008, with all operating regions contributing to the revenue growth. LaSalle Investment Management's Advisory fees increased 13 percent over the prior year to \$278 million, and Incentive fees were \$59 million in 2008, compared with \$88 million in 2007. Acquisitions completed in 2008 contributed \$193 million in revenue for the full year and \$104 million for the fourth quarter.

For the fourth quarter of 2008, revenue was \$797 million, a decrease of 8 percent from \$862 million in the prior year, driven by the impact of foreign currency exchange rates as the U.S. dollar strengthened and a \$106 million revenue decrease in Capital Markets and Hotels from the fourth quarter of 2007. On a local currency basis, revenue increased 1 percent over the same period in 2007. Transaction Services revenue, excluding Capital Markets and Hotels, was \$365 million in the fourth quarter, an increase of 9 percent over the prior year, and Management Services revenue was \$247 million, an increase of 10 percent over the fourth quarter of 2007.

"Through focused execution for our clients, we gained market share and maintained revenues in 2008 while aggressively managing our own costs," said Colin Dyer, Chief Executive Officer of Jones Lang LaSalle. "With continuing challenges in 2009, we will focus our superior market knowledge and execution skills to create value for our clients. We will remain flexible across our operations to align the company to current market conditions," Dyer added.

Operating expenses were \$2.5 billion for the year, compared with \$2.3 billion in 2007, and \$725 million for the fourth quarter of 2008, compared with \$721 million in the prior year, including Restructuring Charges of \$30 million for the year and \$20 million in the fourth quarter. Operating expenses from the 15 acquisitions completed in 2008, including integration and intangible amortization, were \$192 million for the full year and \$92 million for the fourth quarter, which were not reflected in the firm's 2007 results. Specifically, The Staubach Company and Kemper's added to the firm's cost structure and increased operating expenses compared with 2007.

Balance Sheet

During the fourth quarter, the firm amended its credit agreements with its bank group to provide additional financial flexibility. The amendments increased the maximum allowable Leverage Ratio under the credit agreements from 3.25x to 3.50x through September 2009, provided additions to Adjusted EBITDA for certain non-recurring charges related primarily to expense-management actions and adjusted certain other definitions in the agreements. Our December 19, 2008, Form 8-K filing provides additional information about the terms of the amendments. The total borrowing capacity under the agreements is \$870 million and the maturity on both agreements remains June 2012. At December 31, 2008, the firm's Leverage Ratio as calculated under the amended agreements was 2.24x.

Business Segment Full-Year and Fourth-Quarter Performance Highlights

Investor and Occupier Services

- Full-year revenue in the Americas region was \$933 million, an increase of 22 percent over the prior year, and fourth-quarter revenue was \$315 million, an increase of 26 percent. Staubach contributed \$128 million and \$81 million of revenue for the full year and fourth quarter, respectively. This revenue excludes deferred commissions not recognized due to purchase accounting of \$22 million for the year and \$8 million for the fourth quarter as well as \$11 million of third-quarter revenue recognized by Staubach prior to the July 11, 2008, transaction close. The Staubach contribution offset Capital Markets and Hotels revenue declines of \$58 million for the year and \$25 million for the quarter.

Management Services revenue for 2008 increased 17 percent for the full year, to \$422 million, and 10 percent in the quarter, to \$127 million, compared with 2007. Transaction Services revenue increased 26 percent for the year, to \$479 million, and 39 percent in the quarter, to \$177 million. Excluding Capital Markets and Hotels, Transaction Services revenue grew 58 percent for the year and 77 percent quarter over quarter compared with 2007. The increases were primarily the result of additional leasing activity from the Staubach acquisition. The region's total Leasing revenue for the year increased 52 percent, to \$348 million, up from \$229 million in 2007. For the fourth quarter, Leasing revenue increased 62 percent above 2007 levels, to \$134 million. Excluding the Staubach contribution, Leasing revenue increased 9 percent for the year and decreased 12 percent for the fourth quarter, compared with the respective periods last year.

The Corporate Solutions business in the Americas, which provides comprehensive outsourcing services including transactions, project development and integrated facility management, grew revenues 29 percent for the year and 26 percent in the quarter compared with the same periods in 2007. The trend toward corporate outsourcing of real estate services continues as clients assess their operating costs and look for potential savings.

Operating expenses were \$866 million in 2008, an increase of 26 percent, and \$276 million for the fourth quarter, an increase of 28 percent over the prior year. Excluding the impact of the Staubach acquisition, operating expenses increased 8 percent for the year and decreased 6 percent for the fourth quarter compared with 2007.

The region's EBITDA for the full year and fourth quarter of 2008 was \$115 million and \$56 million, respectively, compared with \$106 million and \$42 million for the same periods last year.

- EMEA's full-year 2008 revenue was \$871 million, a decrease of 6 percent from the prior year, 5 percent in local currency. Fourth-quarter revenue was \$243 million, a decrease of 26 percent from 2007, 13 percent in local currency. The largest contributors to the decreases were Capital Markets and Hotels, down \$152 million for the year, or 44 percent, and down \$56 million in the quarter, or 49 percent. Weakening foreign currencies against the U.S. dollar reduced revenues for the full year and most significantly in the fourth quarter. Excluding the impact of currency fluctuations and Capital Markets and Hotels, full-year and fourth-quarter revenue increased 18 percent and 1 percent, respectively. The revenue contribution from six acquisitions closed in 2008 was \$37 million for the year and \$15 million for the fourth quarter.

Leasing revenue, included in Transaction Services, increased 9 percent for the full year, 8 percent in local currency, but decreased in the fourth quarter by 17 percent, 8 percent in local currency. Management Services revenue grew 36 percent for the full year and 3 percent for the fourth quarter compared with the same periods in 2007. The acquisition of a French project development services firm in the fourth quarter of 2007 largely contributed to the full-year 2008 increase.

Operating expenses were \$848 million for the full year in 2008, an increase of 2 percent from the prior year, 3 percent in local currency. The six acquisitions completed during the year added \$33 million of incremental operating expenses, including integration and amortization, in the full-year results, and \$9 million in the quarter. Fourth-quarter operating expenses were \$221 million, a decrease of 21 percent from 2007, 8 percent in local currency, driven by aggressive cost saving actions taken across the region to mitigate the effect of the global economic slowdown.

The region's EBITDA for the full year and fourth quarter of 2008 was \$50 million and \$28 million, respectively, compared with \$111 million and \$54 million for the same periods last year.

- Revenue for the Asia Pacific region was \$536 million in 2008, compared with \$602 million in 2007, and \$144 million in the fourth quarter, compared with \$170 million in the prior year. Included in the region's full-year 2007 results was a significant transaction advisory fee earned in the Hotels business. Excluding the impact of foreign currency exchange, full-year revenue was down 14 percent, and fourth-quarter revenue was down 4 percent compared

with the same periods in 2007. The current revenue contribution from five acquisitions closed in 2008 was \$21 million for the year and \$6 million in the fourth quarter of 2008.

Management Services revenue in the region was \$245 million for the year, an increase of 19 percent over 2007, and \$65 million for the fourth quarter of 2008, an increase of 15 percent over the same period last year, driven by corporate outsourcing facility management and property management. Transaction Services revenue was \$284 million for the full year, a 27 percent decrease from 2007, 28 percent in local currency, and \$77 million for the fourth quarter, a decrease of 31 percent from the prior year, 20 percent in local currency. Excluding the impact of the 2007 Hotels advisory fee, 2008 Capital Markets and Hotels revenue decreased \$52 million year over year, or 49 percent. Leasing revenue was up 5 percent for the year, 6 percent in local currency, and decreased 25 percent in the fourth quarter 2008, 15 percent in local currency, compared with 2007.

Operating expenses for the region were \$532 million for the full year and \$137 million for the fourth quarter of 2008. With an aggressive focus on costs, operating expenses were relatively flat year over year, despite higher occupancy costs from business expansion in growth markets, as well as additional operating costs and amortization of intangibles from businesses purchased in 2008. The impact of the five acquisitions included in 2008 operating expenses added \$20 million to the full year and \$6 million to the fourth quarter.

The region's EBITDA for the full year and fourth quarter of 2008 was \$18 million and \$11 million, respectively, compared with \$79 million and \$25 million for the same periods last year.

LaSalle Investment Management

LaSalle Investment Management's 2008 full-year revenue was \$352 million, compared with \$371 million in the prior year, and fourth-quarter revenue was \$91 million, compared with \$115 million in 2007. Advisory fees grew 13 percent to \$278 million and partially offset declines in Transaction Services and Incentive fees as well as \$5 million of equity losses primarily due to asset impairments. Advisory fees decreased 15 percent for the fourth quarter of 2008, compared with the prior year, driven by lower asset values in the public securities business.

Asset sales, a key driver of Incentive fees, continued to be impacted by the limited availability of financing. Incentive fees were \$59 million in 2008, compared with \$88 million in 2007. Fourth-quarter Incentive fees were down 13 percent compared with the fourth quarter of 2007.

LaSalle Investment Management raised \$2.9 billion of equity during 2008 compared with \$10.1 billion in 2007, reflecting investor caution in an increasingly uncertain economic environment. Investments made on behalf of clients were \$4.1 billion in 2008, compared with \$8.4 billion in the prior year.

Summary

The firm has successfully integrated the 15 acquisitions it closed in 2008, enhancing its market share in local markets and the corporate occupier space, and diversifying into the retail and industrial sectors. The firm continues to take aggressive staffing and cost actions in response to the global economic slowdown while adapting its service offerings to the changing needs of clients. The firm remains flexible, innovative and prepared to capitalize on new opportunities to serve clients in the challenging environment that lies ahead.

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, 2007 and in the Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008, June 30, 2008, and September 30, 2008, 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.

About Jones Lang LaSalle

Jones Lang LaSalle (NYSE:JLL) is a financial and professional services firm specializing in real estate. The firm offers integrated services delivered by expert teams worldwide to clients seeking increased value by owning, occupying or investing in real estate. With 2008 global revenue of \$2.7 billion, Jones Lang LaSalle serves clients in 60 countries from 750 locations worldwide, including 180 corporate offices. The firm is an industry leader in property and corporate facility management services, with a portfolio of approximately 1.3 billion square feet worldwide. LaSalle Investment Management, the company's investment management business, is one of the world's largest and most diverse in real estate with over \$46 billion of assets under management. For further information, please visit our Web site, www.joneslanglasalle.com.

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Conference Call

The firm will conduct a conference call for shareholders, analysts and investment professionals on Wednesday, February 4 at 9:00 a.m. EST.

To participate in the teleconference, please dial into one of the following phone numbers five to 10 minutes before the start time:

- U.S. callers: +1 877 809 9540
- International callers: +1 706 679 7364
- Pass code: 80103605

Webcast

Follow these steps to listen to the webcast:

1. You must have a minimum 14.4 Kbps Internet connection
2. Log on to <http://www.videonewswire.com/event.asp?id=54738> and follow instructions
3. Download free Windows Media Player software: (link located under registration form)
4. If you experience problems listening, send an e-mail to webcastsupport@tfpm.com

Supplemental Information

Supplemental information regarding the fourth quarter 2008 earnings call has been posted to the Investor Relations section of the company's Web site: www.joneslanglasalle.com.

Conference Call Replay

Available: 11:00 a.m. EST Wednesday, February 4 through Midnight EST February 12 at the following numbers:

- U.S. callers: +1 800 642 1687
- International callers: +1 706 645 9291
- Pass code: 80103605

Web Audio Replay

Audio replay will be available for download or stream within 24 hours of the conference call. This information and link is also available on the company's Web site: www.joneslanglasalle.com.

If you have any questions, call Yvonne Peterson of Jones Lang LaSalle's Investor Relations department at +1 312 228 2919.

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JONES LANG LASALLE INCORPORATED
Consolidated Statements of Earnings
For the Three and Twelve Months Ended December 31, 2008 and 2007
(in thousands, except share data)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	2008	2007
Revenue	\$ 797,067	\$ 861,785	\$ 2,697,586	\$ 2,652,075
Operating expenses:				
Compensation and benefits	512,440	549,332	1,771,673	1,724,174
Operating, administrative and other	165,958	155,395	653,465	530,412
Depreciation and amortization	26,676	16,752	90,584	55,580
Restructuring charges (credits)	20,129	-	30,401	(411)
Total operating expenses	<u>725,203</u>	<u>721,479</u>	<u>2,546,123</u>	<u>2,309,755</u>
Operating income	71,864	140,306	151,463	342,320
Interest expense, net of interest income	13,336	3,018	30,568	13,064
Gain on sale of investments	-	-	-	6,129
Equity in earnings (loss) from unconsolidated ventures	<u>(3,524)</u>	<u>736</u>	<u>(5,462)</u>	<u>12,216</u>
Income before provision for income taxes	55,004	138,024	115,433	347,601
Provision for income taxes	13,515	31,655	28,743	87,595
Minority interest, net of tax	(31)	976	1,807	2,174
Net income	<u>\$ 41,520</u>	<u>\$ 105,393</u>	<u>\$ 84,883</u>	<u>\$ 257,832</u>
Net income available to common shareholders	<u>\$ 41,155</u>	<u>\$ 104,722</u>	<u>\$ 83,515</u>	<u>\$ 256,490</u>
Basic earnings per common share	<u>\$ 1.19</u>	<u>\$ 3.28</u>	<u>\$ 2.52</u>	<u>\$ 8.01</u>
Basic weighted average shares outstanding	<u>34,498,974</u>	<u>31,906,476</u>	<u>33,098,228</u>	<u>32,021,380</u>
Diluted earnings per common share	<u>\$ 1.17</u>	<u>\$ 3.16</u>	<u>\$ 2.44</u>	<u>\$ 7.64</u>
Diluted weighted average shares outstanding	<u>35,059,856</u>	<u>33,101,792</u>	<u>34,205,120</u>	<u>33,577,927</u>
EBITDA	<u>\$ 94,682</u>	<u>\$ 156,147</u>	<u>\$ 233,410</u>	<u>\$ 412,729</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Segment Operating Results
For the Three and Twelve Months Ended December 31, 2008 and 2007
(in thousands)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	2008	2007
INVESTOR & OCCUPIER SERVICES				
AMERICAS				
Revenue:				
Transaction services	\$ 177,318	\$ 127,814	\$ 478,918	\$ 378,815
Management services	127,140	115,343	421,635	359,731
Equity earnings (loss)	242	(56)	283	1,626
Other services	10,776	6,896	32,451	25,057
	<u>315,476</u>	<u>249,997</u>	<u>933,287</u>	<u>765,229</u>
Operating expenses:				
Compensation, operating and administrative	259,595	208,432	818,369	659,392
Depreciation and amortization	16,445	6,880	47,808	25,387
	<u>276,040</u>	<u>215,312</u>	<u>866,177</u>	<u>684,779</u>
Operating income	<u>\$ 39,436</u>	<u>\$ 34,685</u>	<u>\$ 67,110</u>	<u>\$ 80,450</u>
EBITDA	<u>\$ 55,881</u>	<u>\$ 41,565</u>	<u>\$ 114,918</u>	<u>\$ 105,837</u>
EMEA				
Revenue:				
Transaction services	\$ 186,795	\$ 270,327	\$ 641,102	\$ 754,428
Management services	54,363	52,683	215,222	157,783
Equity earnings (loss)	(939)	394	(840)	373
Other services	2,901	3,956	15,359	13,497
	<u>243,120</u>	<u>327,360</u>	<u>870,843</u>	<u>926,081</u>
Operating expenses:				
Compensation, operating and administrative	214,986	273,489	820,638	814,936
Depreciation and amortization	6,427	6,552	27,291	19,703
	<u>221,413</u>	<u>280,041</u>	<u>847,929</u>	<u>834,639</u>
Operating income	<u>\$ 21,707</u>	<u>\$ 47,319</u>	<u>\$ 22,914</u>	<u>\$ 91,442</u>
EBITDA	<u>\$ 28,134</u>	<u>\$ 53,871</u>	<u>\$ 50,205</u>	<u>\$ 111,145</u>
ASIA PACIFIC				
Revenue:				
Transaction services	\$ 77,307	\$ 112,212	\$ 284,320	\$ 388,129
Management services	64,586	56,198	244,672	206,329
Equity earnings (loss)	(26)	17	(732)	502
Other services	2,576	2,069	7,913	7,181
	<u>144,443</u>	<u>170,496</u>	<u>536,173</u>	<u>602,141</u>
Operating expenses:				
Compensation, operating and administrative	133,642	145,764	518,580	523,179
Depreciation and amortization	3,161	2,775	13,123	8,774
	<u>136,803</u>	<u>148,539</u>	<u>531,703</u>	<u>531,953</u>
Operating income	<u>\$ 7,640</u>	<u>\$ 21,957</u>	<u>\$ 4,470</u>	<u>\$ 70,188</u>
EBITDA	<u>\$ 10,801</u>	<u>\$ 24,732</u>	<u>\$ 17,593</u>	<u>\$ 78,962</u>
LASALLE INVESTMENT MANAGEMENT				
Revenue:				
Transaction services	\$ 4,601	\$ 10,502	\$ 19,087	\$ 27,768
Advisory fees	62,218	73,282	277,864	245,138
Incentive fees	26,486	30,503	59,043	88,219
Equity earnings (loss)	(2,801)	381	(4,173)	9,715
	<u>90,504</u>	<u>114,668</u>	<u>351,821</u>	<u>370,840</u>
Operating expenses:				
Compensation, operating and administrative	70,176	77,042	267,552	257,079
Depreciation and amortization	642	545	2,361	1,716
	<u>70,818</u>	<u>77,587</u>	<u>269,913</u>	<u>258,795</u>
Operating income	<u>\$ 19,686</u>	<u>\$ 37,081</u>	<u>\$ 81,908</u>	<u>\$ 112,045</u>
EBITDA	<u>\$ 20,328</u>	<u>\$ 37,626</u>	<u>\$ 84,269</u>	<u>\$ 113,761</u>
Total segment revenue	793,543	862,521	2,692,124	2,664,291
Reclassification of equity earnings (loss)	(3,524)	736	(5,462)	12,216
Total revenue	<u>\$ 797,067</u>	<u>\$ 861,785</u>	<u>\$ 2,697,586</u>	<u>\$ 2,652,075</u>
Total operating expenses before restructuring charges (credits)	<u>\$ 705,074</u>	<u>\$ 721,479</u>	<u>\$ 2,515,722</u>	<u>\$ 2,310,166</u>
Operating income before restructuring charges (credits)	<u>\$ 91,993</u>	<u>\$ 140,306</u>	<u>\$ 181,864</u>	<u>\$ 341,909</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Consolidated Balance Sheets
December 31, 2008 and 2007
(in thousands)
(Unaudited)

	<u>December 31,</u> <u>2008</u>	<u>December 31,</u> <u>2007</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 45,893	\$ 78,580
Trade receivables, net of allowances	718,804	834,865
Notes and other receivables	89,636	52,695
Prepaid expenses	32,990	26,148
Deferred tax assets	102,934	64,872
Other assets	9,511	13,816
Total current assets	999,768	1,070,976
Property and equipment, at cost, less accumulated depreciation	224,845	193,329
Goodwill, with indefinite useful lives	1,448,663	694,004
Identified intangibles, with finite useful lives, at cost, less accumulated amortization	59,319	41,670
Investments in real estate ventures	179,875	151,800
Long-term receivables	51,974	33,219
Deferred tax assets	58,639	58,584
Other assets	53,942	48,292
	\$ 3,077,025	\$ 2,291,874
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 352,489	\$ 302,976
Accrued compensation	487,895	655,895
Short-term borrowings	24,570	14,385
Deferred tax liabilities	2,698	727
Deferred income	29,213	29,756
Deferred business acquisition obligations	13,073	45,363
Other liabilities	77,947	60,193
Total current liabilities	987,885	1,109,295
Long-term liabilities:		
Credit facilities	483,942	29,205
Deferred tax liabilities	4,429	6,577
Deferred compensation	44,888	46,423
Pension liability	4,101	1,096
Deferred business acquisition obligations	371,636	36,679
Minority shareholder redemption liability	43,313	-
Other liabilities	65,026	43,794
Total liabilities	2,005,220	1,273,069
Minority interest	4,123	8,272
Shareholders' equity:		
Common stock, \$.01 par value per share, 100,000,000 shares authorized; 34,561,648 and 31,722,587 shares issued and outstanding as of December 31, 2008 and December 31, 2007, respectively	346	317
Additional paid-in capital	599,742	441,951
Retained earnings	543,318	484,840
Stock held in trust	(3,504)	(1,930)
Accumulated other comprehensive income (loss)	(72,220)	85,355
Total shareholders' equity	1,067,682	1,010,533
	\$ 3,077,025	\$ 2,291,874

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Summarized Consolidated Statements of Cash Flows
For the Twelve Months Ended December 31, 2008 and 2007
(in thousands)
(Unaudited)

	Twelve Months Ended December 31,	
	2008	2007
Cash provided by operating activities	\$ 33,365	\$ 409,418
Cash used in investing activities	(494,864)	(258,502)
Cash provided by (used in) financing activities	428,812	(122,948)
Net (decrease) increase in cash and cash equivalents	<u>(32,687)</u>	<u>27,968</u>
Cash and cash equivalents, beginning of period	78,580	50,612
Cash and cash equivalents, end of period	<u>\$ 45,893</u>	<u>\$ 78,580</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Financial Statement Notes

1. Charges excluded from GAAP net income to arrive at adjusted net income for the quarter and the year ended December 31, 2008, are amortization expense and integration costs related to two significant acquisitions completed in 2008, acquisition leasing activity that could not be recognized as revenue under U.S. GAAP purchase accounting and severance.

Below is a reconciliation of the impacts on net income and diluted earnings per share of charges excluded from GAAP net income to arrive at adjusted net income and adjusted earnings per share (in millions after tax, except per share):

	Three Months Ended December 31, 2008		Twelve Months Ended December 31, 2008	
	Net Income	Diluted EPS	Net Income	Diluted EPS
GAAP net income and diluted earnings per share	\$ 41.2	\$ 1.17	\$ 83.5	\$ 2.44
<i>Add:</i>				
Intangibles amortization	6.2	0.18	13.2	0.39
Acquisition leasing activity	2.5	0.07	7.3	0.21
Acquisition integration costs	3.5	0.10	5.1	0.15
Severance	11.6	0.33	17.7	0.52
Adjusted net income and diluted earnings per share	<u>\$ 65.0</u>	<u>\$ 1.85</u>	<u>\$ 126.8</u>	<u>\$ 3.71</u>

2. EBITDA represents earnings before interest expense, net of interest income, income taxes, depreciation and amortization. Although EBITDA is a non-GAAP financial measure, it is used extensively by management and is useful to investors as one of the primary metrics for evaluating operating performance and liquidity. The firm believes that an increase in EBITDA is an indicator of improved ability to service existing debt, to sustain potential future increases in debt and to satisfy capital requirements. EBITDA is also used in the calculations of certain covenants related to the firm's revolving credit facility. However, EBITDA should not be considered as an alternative either to net income or net cash provided by operating activities, both of which are determined in accordance with GAAP. Because EBITDA is not calculated under GAAP, the firm's EBITDA may not be comparable to similarly titled measures used by other companies.

Below is a reconciliation of net income to EBITDA (in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	2008	2007
Net income	\$ 41,155	\$ 104,722	\$ 83,515	\$ 256,490
<i>Add:</i>				
Interest expense, net of interest income	13,336	3,018	30,568	13,064
Provision for income taxes	13,515	31,655	28,743	87,595
Depreciation and amortization	26,676	16,752	90,584	55,580
EBITDA	<u>\$ 94,682</u>	<u>\$ 156,147</u>	<u>\$ 233,410</u>	<u>\$ 412,729</u>

Below is a reconciliation of net cash provided by operating activities, the most comparable cash flow measure on the consolidated statements of cash flows, to EBITDA (in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	2008	2007
Net cash provided by operating activities	\$ 146,487	\$ 256,007	\$ 33,365	\$ 409,418
<i>Add:</i>				
Interest expense, net of interest income	13,336	3,018	30,568	13,064
Change in working capital and non-cash expenses	(78,656)	(134,533)	140,734	(97,348)
Provision for income taxes	13,515	31,655	28,743	87,595
EBITDA	<u>\$ 94,682</u>	<u>\$ 156,147</u>	<u>\$ 233,410</u>	<u>\$ 412,729</u>

- For purposes of segment operating results, the allocation of restructuring credits to our segments has been determined to not be meaningful to investors. Additionally, the performance of segment results has been evaluated without these charges being allocated.
- The consolidated statements of cash flows are presented in summarized form. For complete consolidated statements of cash flows, please refer to the firm's Annual Report on Form 10-K for the year ended December 31, 2008, to be filed with the Securities and Exchange Commission shortly.
- EMEA refers to Europe, Middle East, and Africa.