



LASSILA & TIKANOJA PLC

Interim Report 1 January - 31 March 2003

**23 April 2003
Lassila & Tikanoja plc
Jari Sarjo
President and CEO**

Key Points of Q103 Results

- Growth in net sales 17.7% (year on year)
 - One major corporate acquisition, two minor ones in line with the strategy
 - Organic growth 4.3%
- Growth in operating profit 12.9% (year on year)
 - Profitability was affected by cold winter
- Operating profit of Environmental Services increased by 19.1%
 - Higher efficiency in waste collection and transport
- Property Services
 - Results of Property Maintenance improved thanks to new production control methods
 - Results of Cleaning Services were affected by integration costs as planned
- Results of Industrial Services improved but did not yet reach the target
 - Correcting measures have been undertaken in Damage Repair Services

Q103 Key Figures

	Q103	Q102
Net sales, EUR million	71.7	61.0
Gross profit, EUR million	10.8	9.7
Gross profit margin, %	15.1	15.8
Operating profit, EUR million	4.8	4.3
Operating margin, %	6.7	7.0

Net Sales by Division

EUR million	Q103	Q102	Change %
Environmental Services	31.2	27.3	14.2
Property Services	27.9	21.7	28.9
Industrial Services	12.6	12.0	5.2
Total	71.7	61.0	17.7

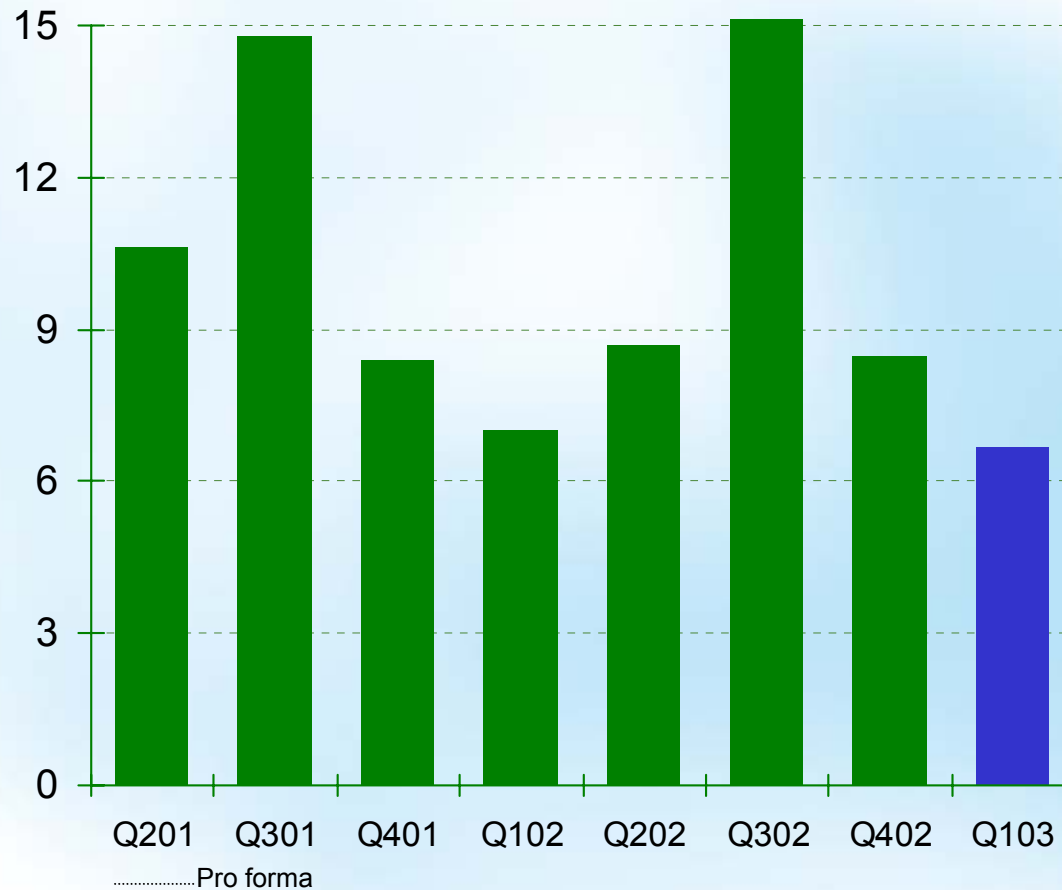
Earnings by Division

EUR million	Q103	Q102	Change %
Environmental Services	3.4	2.9	19.1
Property Services	1.2	1.3	-4.8
Industrial Services	0.2	0.1	53.2
Operatig profit	4.8	4.2	12.9
%	6.7	7.0	

Key figures

	Q103	Q102	2002
Earnings/share, EUR	0.16	0.14	1.00
Return on equity, % (ROE)	11.5	10.9	19.2
EVA, EUR million	1.1	0.3	11.3
Return on invested capital, % (ROI)	11.6	10.5	16.5
Equity ratio, %	40.8	38.5	41.0
Gearing, %	83.8	85.6	84.4
Gross investments, EUR million	9.2	3.8	33.6
Depreciation, EUR million	6.1	5.4	22.2
Average personnel converted to full-time	4,414	3,589	3,763

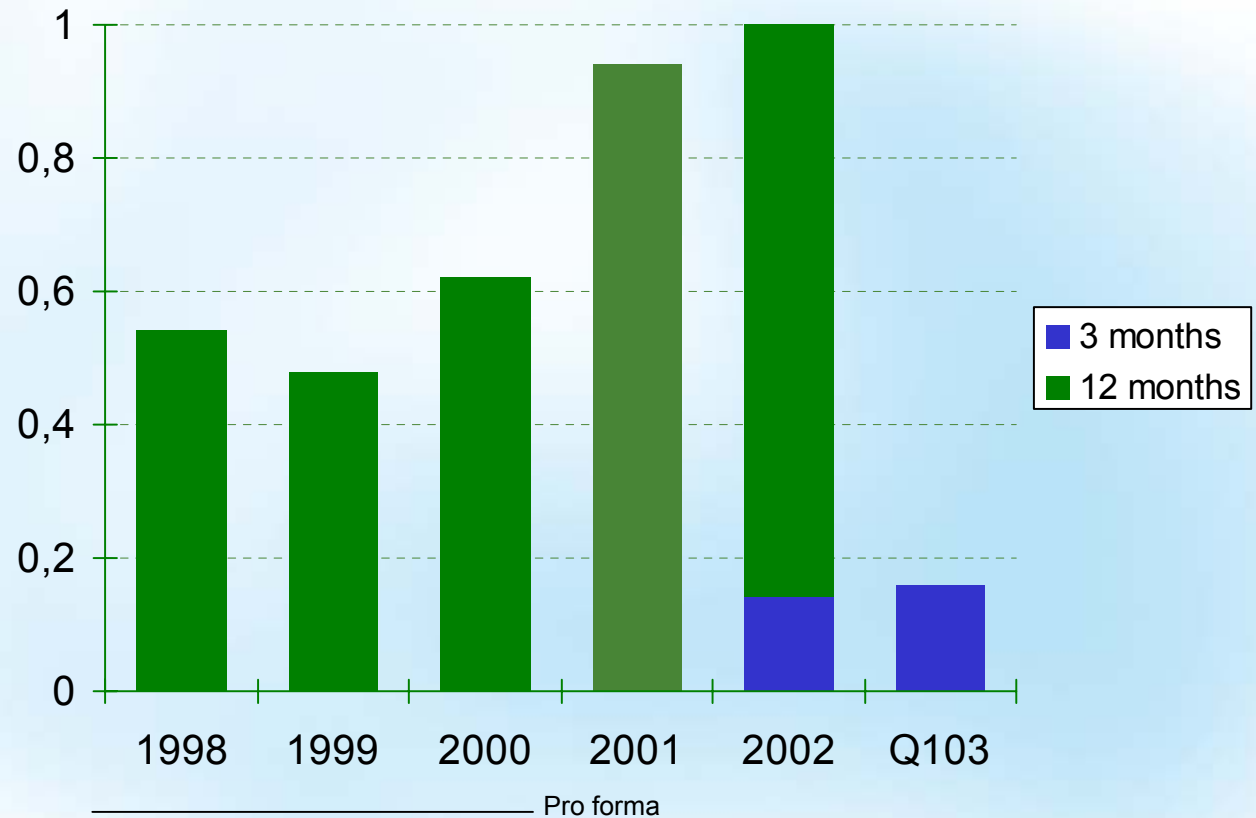
Operating Margin by Quarter



Operating Margin by Division Quarterly Figures

%	Q103	Q1-					Pro forma		
		Q402	Q402	Q302	Q202	Q102	Q401	Q301	Q201
Environmental Services	11.0	13.0	11.7	17.0	12.2	10.5	8.9	14.7	11.6
Property Services	4.3	7.1	7.4	12.4	2.7	5.8	8.4	15.2	6.8
Industrial Services	1.3	8.4	2.9	16.8	10.2	0.9	7.2	14.4	13.7
Lassila & Tikanoja	6.7	10.0	8.5	15.5	8.7	7.0	8.4	14.8	10.6

Earnings per Share



Prospects for the rest of the year

- Net sales are expected to grow at a clearly quicker pace than in 2002.
- Results are expected to improve.
- Forecast supported by e.g.
 - last year's corporate acquisitions
 - this year's corporate acquisitions
 - better sales resources
 - new production management methods

This estimate was made in April after Q103.