



LASSILA & TIKANOJA PLC

Interim Report

1 January - 30 June 2003

23 July 2003
Lassila & Tikanoja plc
Jari Sarjo
President and CEO

Key Points of Q203 Results

- Growth in net sales 16.5% (year on year)
 - One corporate acquisition in maintenance of technical systems in line with the strategy
 - Organic growth somewhat above 4%
- Growth in operating profit 62.1% (year on year)
 - Net sales grew faster than fixed costs
- Environmental Services
 - Increase of sales resources showed in net sales
 - Profitability remained on a good level
- Property Services
 - Results of Property Maintenance improved thanks to new production control methods
 - Results of Cleaning Services good in spite of integration costs
- Results of Industrial Services were burdened by poor performance of Damage Repair Services
 - Unprofitable activity was discontinued

Q203 Key Figures

	Q203	H103
Net sales, EUR million	78.1	149.9
Gross profit, EUR million	15.4	26.2
Gross profit margin, %	19.7	17.5
Operating profit, EUR million	9.5	14.3
Operating margin, %	12.1	9.5

Net Sales by Division

EUR million	H103	H102	Change %
Environmental Services	66.3	58.4	13.6
Property Services	56.7	43.2	31.2
Industrial Services	26.9	26.4	1.7
Total	149.9	128.0	17.1

Earnings by Division

EUR million	H103	H102	Change %
Environmental Services	9.2	6.7	38.4
Property Services	3.1	1.8	70.8
Industrial Services	1.9	1.6	19.5
Operatig profit	14.3	10.1	
%	9.5	7.9	

Key figures

	H103	H102	2002
Earnings/share, EUR	0.52	0.35	1.00
Return on equity, % (ROE)	19.7	14.2	19.2
EVA, EUR million	6.7	2.3	11.3
Return on invested capital, % (ROI)	16.9	12.8	16.5
Equity ratio, %	36.8	37.5	41.0
Gearing, %	101.5	102.2	84.4
Gross investments, EUR million	19.9	12.6	33.6
Depreciation, EUR million	12.4	10.8	22.2
Average personnel converted to full-time	4,688	3,878	3,763

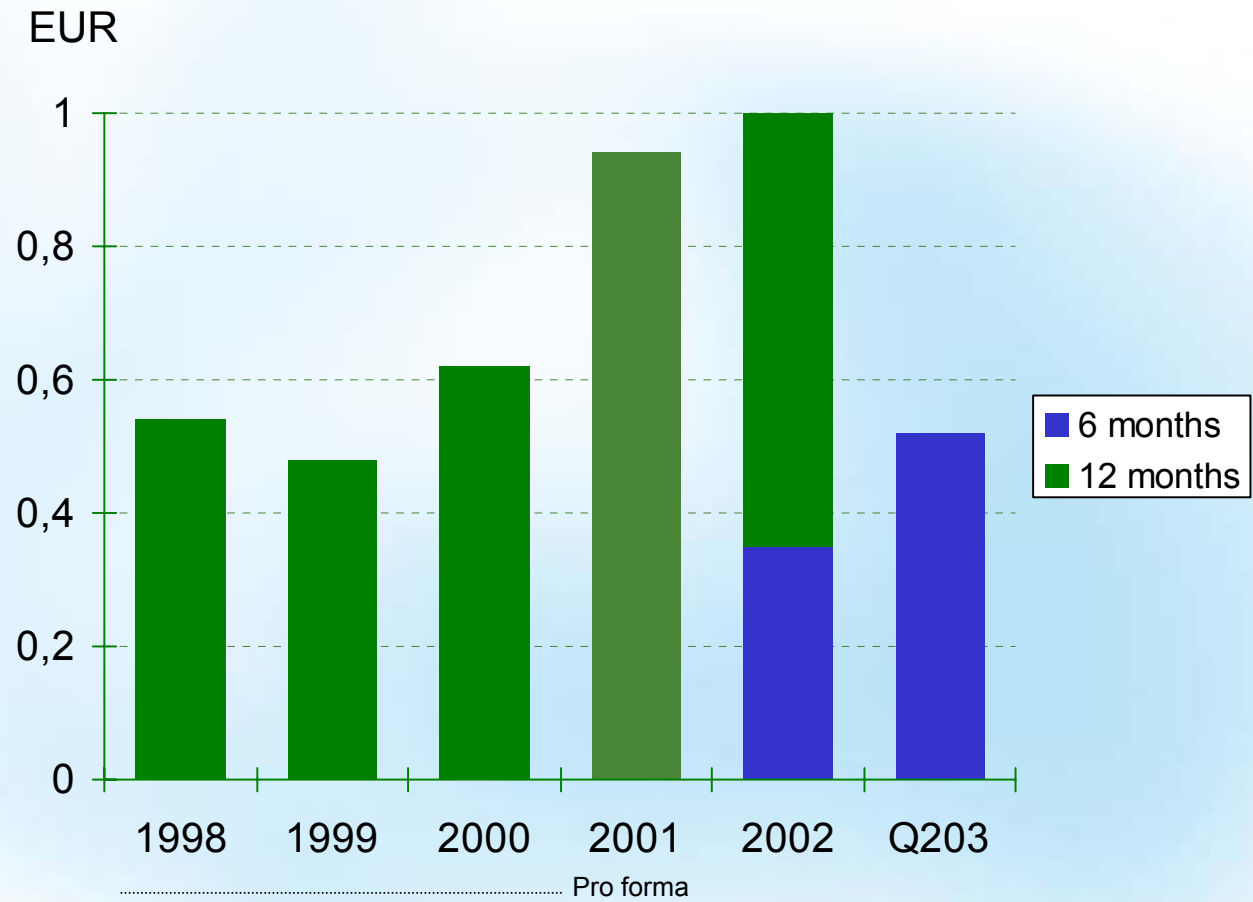
Operating Margin by Quarter



Operating Margin by Division Quarterly Figures

%	Q203	Q103	Q1- Q402	Q402	Q302	Q202	Q102	Q401	Pro forma Q301
Environmental Services	16.5	11.0	13.0	11.7	17.0	12.2	10.5	8.9	14.7
Property Services	6.7	4.3	7.1	7.4	12.4	2.7	5.8	8.4	15.2
Industrial Services	12.1	1.3	8.4	2.9	16.8	10.2	0.9	7.2	14.4
Lassila & Tikanoja	12.1	6.7	10.0	8.5	15.5	8.7	7.0	8.4	14.8

Earnings per Share



Prospects for the rest of the year

- In July - December growth in net sales and results are expected to be slower than in January - June.
- In 2003, net sales are expected to grow at a clearly quicker pace than in 2002 and results are expected to improve.

This estimate was made in July after Q203.