



LASSILA & TIKANOJA PLC

Interim Report 1 January - 30 September 2003

**22 October 2003
Lassila & Tikanoja plc
Jari Sarjo
President and CEO**

Key Points of Q303 Results

- The best quarterly results ever
- Growth in net sales 10% (year on year)
 - Major part from corporate acquisitions
 - Minor unprofitable activities discontinued in Industrial Services
- Growth in operating profit 13% (year on year)
 - Net sales grew, productivity remained at a good level or improved
- Environmental Services
 - Strong organic growth
 - Utilisation rates of treatment plants at a good level
- Property Services
 - Excellent organic growth in Property Maintenance thanks to success in sales
 - In Cleaning Services, integration processes of acquired companies have proceeded faster than planned
 - Price competition slows down growth in Cleaning Services
- Results of Industrial Services
 - Results improved significantly in Hazardous Waste Management and in Industrial Cleaning

Q303 Key Figures

	Q303	Q1 - Q303
Net sales, EUR million	77.3	227.2
Gross profit, EUR million	18.1	44.3
Gross profit margin, %	23.4	19.5
Operating profit, EUR million	12.4	26.6
Operating margin, %	16.0	11.7

Net Sales by Division

EUR million	Q103 – Q303	Q102 – Q302	Change %
Environmental Services	101.0	90.5	11.6
Property Services	84.8	64.9	30.6
Industrial Services	41.4	42.9	-3.4
Lassila & Tikanoja	227.2	198.3	14.6

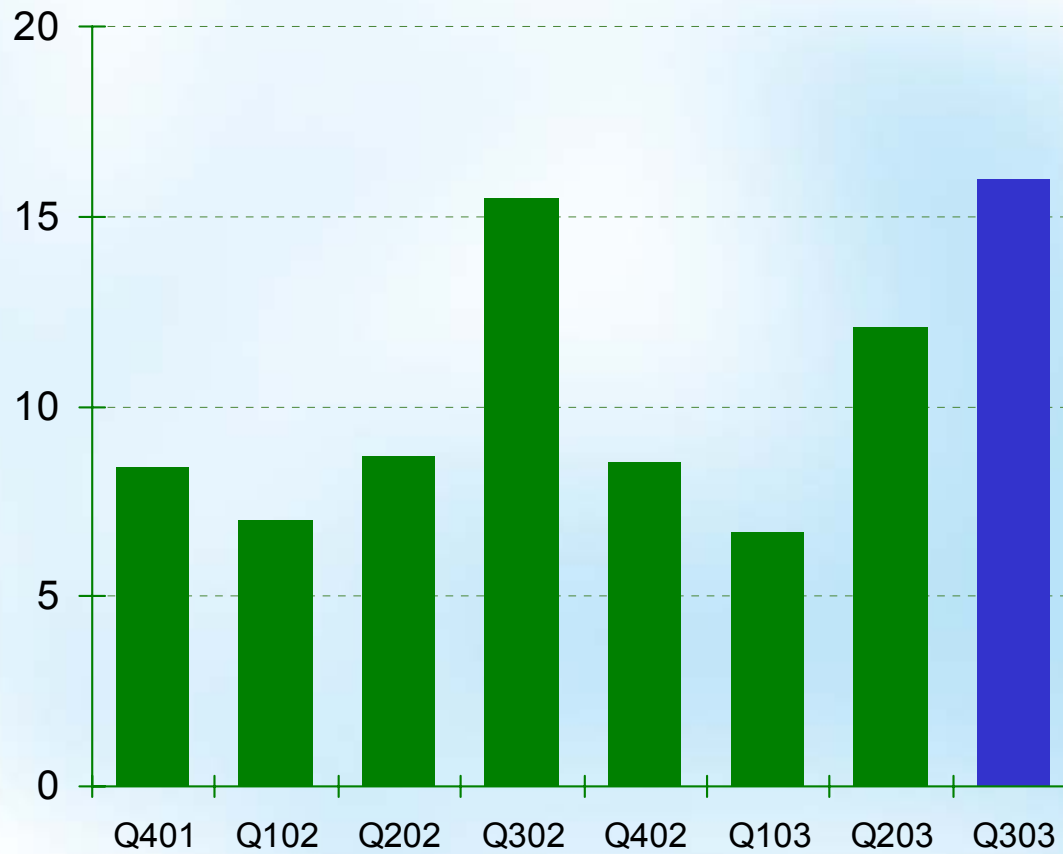
Earnings by Division

EUR million	Q103 - Q303	Q102 - Q302	Change %
Environmental Services	15.5	12.1	27.6
Property Services	6.2	4.5	37.6
Industrial Services	4.9	4.4	12.9
Operatig profit %	26.6 11.7	21.0 10.6	26.7

Key figures

	Q103 – Q303	Q102 – Q302	2002
Earnings/share, EUR	1.02	0.78	1.00
Return on equity, % (ROE)	24.4	20.4	19.2
EVA, EUR million	14.9	9.3	11.3
Return on invested capital, % (ROI)	20.5	17.2	16.5
Equity ratio, %	38.9	39.1	41.0
Gearing, %	82.6	91.6	84.4
Gross investments, EUR million	25.4	22.7	33.6
Depreciation, EUR million	18.8	16.4	22.2
Average personnel converted to full-time	4,603	3,857	3,763

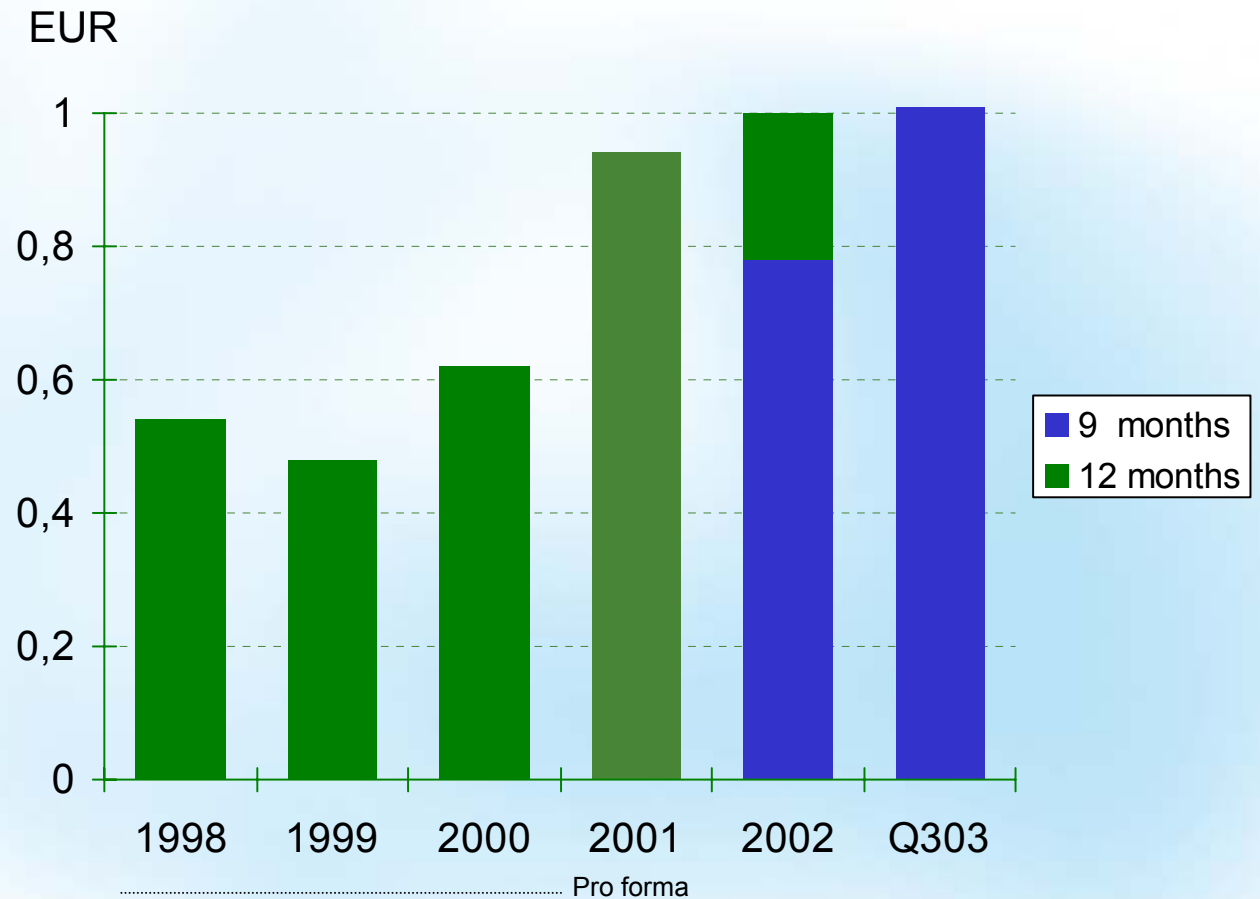
Operating Margin by Quarter



Operating Margin by Division Quarterly Figures

%	Q303	Q203	Q103	Q1- Q402	Q402	Q302	Q202	Q102	Q401
Environmental Services	18.0	16.5	11.0	13.0	11.7	17.0	12.2	10.5	8.9
Property Services	11.0	6.7	4.3	7.1	7.4	12.4	2.7	5.8	8.4
Industrial Services	20.8	12.1	1.3	8.4	2.9	16.8	10.2	0.9	7.2
Lassila & Tikanoja	16.0	12.1	6.7	10.0	8.5	15.5	8.7	7.0	8.4

Earnings per Share



Prospects for the rest of the year

- In the last quarter, growth in net sales is expected to be slower than in January - September.
- Pension costs will rise from the level of the last quarter of the previous year.
- Results for the last quarter are expected to be of the same magnitude as last year.
- Net sales for the entire year are expected to exceed slightly EUR 300 million and pre-tax profit to be over EUR 28 million.

This estimate was made in October after Q303.