



LASSILA & TIKANOJA PLC

LASSILA & TIKANOJA PLC INTERIM REPORT 1 JANUARY – 30 JUNE 2005

- Net sales: EUR 183.3 million (EUR 161.5 million)
- Operating profit: EUR 16.9 million (EUR 17.9 million)
- Earnings/share: EUR 0.29 (EUR 0.35)
- Return on invested capital(ROI): 15.6% (21.0%)
- Net sales for the full year are expected to grow at a faster rate than in 2004 and performance should be slightly above last year's level.

This interim report has been prepared in accordance with the accounting and valuation principles of IFRS. The interim report has not been audited.

NET SALES AND FINANCIAL PERFORMANCE

Lassila & Tikanoja's net sales for the second quarter totalled EUR 98.1 million (EUR 84.7 million). Operating profit came to EUR 10.6 million (EUR 11.7 million), accounting for 10.8% of net sales (13.8%). Loss of income and additional costs arising from the labour dispute in the Finnish forest industry weakened performance by about EUR 1.3 million. There was a marked improvement in organic growth.

Net sales for the first half grew by 13.5% to EUR 183.3 million (EUR 161.5 million). 7.3 percentage points of this growth derived from corporate acquisitions. Earnings per share came to EUR 0.29 (EUR 0.35).

Environmental Services

Net sales by Environmental Services (waste management, recycling services, environmental products) amounted to EUR 86.8 million (EUR 76.8 million), an increase of 12.9%. The operating profit was EUR 11.1 million (EUR 13.0 million). Financial performance was hampered by the labour dispute in the Finnish forest industry, higher liquid fuel prices, the seasonal nature of the joint venture company Salvor Oy's operations and certain non-recurring expenses.

Sales operations were successful. Moreover, because of higher fuel prices, transportation prices were raised as of 1 July 2005.

The construction of recycling plants continued according to plan. The Turku facility should be ready at the end of the year and the recycling plant in Riga in early 2006.

In the second quarter, the Russian-Finnish Company Ecosystem LLC (L&T Ecosystem), a joint venture with the City of Dubna in Russia, started operations in the field of environmental management. L&T owns 74% of this company, the rest being owned by the City of Dubna and the company management.

Property Services

Net sales by Property Services (property maintenance and cleaning services) totalled EUR 70.7 million (EUR 60.2 million), an increase of 17.5%. The operating profit grew, reaching EUR 5.1 million (EUR 3.2 million). The financial performance of both product lines improved.

Lassila & Tikanoja's position on the property services market improved further. This improvement was influenced not only by successful sales but also by factors such as good cooperation between sales and production and, in the case of property maintenance, less snow than during the previous winter. Pension costs, too, were significantly lower than in the corresponding period of the previous year.

In the second quarter, cleaning services in Moscow were launched with acquisition of the business operations of Alfa Clean. The joint venture company Blue Service Partners Oy also signed its first customer contracts. This produces comprehensive solutions in catering, property and facility services, particularly for the municipal sector.

Industrial Services

Net sales by Industrial Services (hazardous waste services, industrial cleaning, damage repair services and wastewater services) totalled EUR 27.4 million (EUR 26.0 million), an increase of 5.3%. Operating profit came to EUR 1.6 million (EUR 2.5 million). There was an increase in the net sales of all product lines except wastewater services. Industrial cleaning's growth resulted from corporate acquisitions.

The performance of the division was burdened by the labour dispute in the Finnish forest industry, as a result of which net sales were some EUR 2 million below the predicted level. Some outstanding work has been postponed until later in the year, which is when much of the income from Industrial Services accrues even in normal market conditions.

The financial performance of hazardous waste management improved further with the rising recovery rate. The performance of damage repair services was hampered by weak demand in the second quarter.

FINANCING

Net interest-bearing liabilities amounted to EUR 11.3 million less than a year earlier and EUR 9.9 million more than at the end of the previous financial year. Net finance costs remained at the level of the previous year: 0.8% (0.9%) of net sales and 8.4% (8.1%) of operating profit. There were no changes in the fair values of interest rate swaps, while finance income of EUR 0.5 million arising from these changes was recorded in the comparison period. Interest expenses decreased by EUR 0.5 million due to the lower interest rate level and the share issue carried out last year improving the company's financial position.

EUR 5.6 million (EUR 4.0 million) were tied up in the working capital during the period. The equity ratio was 45.0% (31.3%) and the gearing rate was 61.8 (125.7).

INVESTMENTS

Gross investments totalled EUR 34.6 million (EUR 22.5 million). Machinery and equipment was replaced and production premises were expanded. Depreciation amounted to EUR 11.9 million (EUR 10.2 million).

Of the gross investments, EUR 16.1 million were spent on five corporate acquisitions. Jäteässä Oy, the waste paper collecting business of Raahen Romu and the machine loading operations of Lahden Autokunta were acquired for Environmental Services. The cleaning operations of the Moscow-based Alfa Clean were acquired for Property Services. Kaakon Teollisuuspalvelu Oy was acquired for industrial cleaning. The combined annual net sales of the acquired companies total EUR 14.2 million.

The biggest company acquired was Jäteässä Oy, a waste management company operating in the Helsinki region. The net sales of Jäteässä Oy totalled EUR 10 million in 2004 and it employs 65 people. The acquisition entered in force on 1 April 2005.

Three minor corporate acquisitions were made after the end of the period, one of them a Latvian cleaning company.

PERSONNEL

The average number of personnel converted to full-time employees was 5,797 (5,292) in January - June. At the end of June the total number of employees working full-time and part-time was 7,844 people (6,655). Of them 978 people were abroad.

SHARES AND SHARE CAPITAL

Traded volume and price

The volume of trading in Lassila & Tikanoja plc shares on the Helsinki Stock Exchange from January through June was 9,678,926, which is 25.4% of the average number of shares. The value of trading was EUR 139.1 million. The trading price varied between EUR 13.10 and EUR 16.00. The closing price was EUR 15.54. The market capitalisation was EUR 592.7 million on 30 June 2005.

Share capital

At the beginning of the year 2005, the company's registered share capital amounted to EUR 19,068,117. On 8 February 2005, the Board approved the subscriptions of 5,600 new shares made pursuant to the 2002A stock options. As a result of these subscriptions, the share capital increased by 2,800 euros to 19,070,917 euros and the number of the shares increased to 38,141,834 shares.

On 26 July 2005, the Board approved the subscriptions of 80,100 new shares made pursuant to the stock options 2002A and 2002B. As a result of these subscriptions, the company's registered share capital will increase by EUR 40,050 to EUR 19,110,967 and the number of the shares will increase to 38,221,934 shares after the increase has been entered in the Trade Register.

Dividend

The Annual General Meeting held on 4 April 2005 decided on a dividend of EUR 0.25 per share. The dividends, totalling EUR 9.5 million, were paid on 14 April 2005.

Stock options 2002

Pursuant to the 2002A and 2002B stock options, 227,260 new shares have been subscribed for by 13 July 2005. Pursuant to the rest of the 2002A stock options a maximum of 67,840 shares and on the basis of the rest of the 2002B stock options a maximum of 224,900 shares can be subscribed for. Pursuant to the rest of all stock options issued under stock option plan 2002 a maximum of 572,740 shares can be subscribed for, which is 1.50% of the current number of shares. The share subscription price for the 2002A stock options is EUR 7.86 and the subscription period 2 May 2004 – 30 October 2005 (Friday 28 Oct 2005), for the 2002B stock options EUR 7.02 and 2 May 2005 – 30 October 2006, and for the 2002C stock options EUR 11.46 and 2 May 2006 – 30 October 2007.

28 key persons have been entitled to subscribe for the stock options 2002.

The 2002A stock options have been listed on the Helsinki Stock Exchange since 3 May 2004 and the 2002B stock options since 2 May 2005.

Stock options 2005

The Annual General Meeting of 2005 decided to issue 600,000 stock options. Each stock option entitles its holder to subscribe for one share of Lassila & Tikanoja plc. All 170,000 2005A stock options have been subscribed for by 27 key persons of the Lassila & Tikanoja Group. All 200,000 2002B and all 230,000 2005C stock options have been subscribed for by a wholly-owned subsidiary of Lassila & Tikanoja plc to be granted at a later date to the present and future key personnel of the Lassila & Tikanoja Group.

The share subscription price for the 2005A stock options shall be the trade volume weighted average price of the Company's share on the Helsinki Stock Exchange in May 2005, rounded off to the nearest cent, for the 2005B stock options the trade volume weighted average price of the Company's share on the Helsinki Stock Exchange in May 2006, rounded off to the nearest cent, and for the 2005C stock options the trade volume weighted average price of the Company's share on the Helsinki Stock Exchange in May 2007, rounded off to the nearest cent. The subscription price of the stock options shall, as per the dividend record date, be reduced by the amount of dividend which exceeds 70% of the profit per share for the financial period to which the dividend applies. However, only such dividends whose distribution has been agreed upon after the option

pricing period and which have been distributed prior to the share subscription are deducted from the subscription price. For the 2005A stock options the subscription price is EUR 14.22.

The share subscription periods are as follows: for the 2005A stock options 2 November 2007 – 29 May 2009, for the 2005B stock options 3 November 2008 – 31 May 2010, for the 2005C stock options 2 November 2009 – 31 May 2011.

The stock options issued under the stock option scheme 2005 entitle their holders to subscribe for a maximum of 1.57% of the Company's current number of shares.

Notifications on major holdings

On 10 March 2005, Varma Mutual Pension Insurance Company reported that it holds 5.08% of the share capital and votes of Lassila & Tikanoja plc.

Authorisation for the Board of Directors

The Board of Directors is not authorised to effect any share issues or to launch a convertible bond or a bond with warrants. Neither is the Board authorised to decide on the repurchase nor disposal of the company's own shares.

BOARD OF DIRECTORS AND AUDITORS

The Annual General Meeting of Shareholders held on 4 April 2005 confirmed five as the number of the members of the Board of Directors. The following Board members were re-elected to the Board until the end of the following AGM: Heikki Hakala, Lasse Kurkilahti, Juhani Lassila, Juhani Maijala and Soili Suonoja.

PricewaterhouseCoopers Oy, Authorised Public Accountants, were elected auditors. Principal Auditor is Heikki Lassila, Authorised Public Accountant.

In a meeting held after the Annual General Meeting the Board of Directors re-elected Juhani Maijala as Chairman of the Board and Heikki Hakala as Vice Chairman. The position of the Chairman of the Board of Directors is no more full-time.

SUMMARY OF STOCK EXCHANGE RELEASES PURSUANT TO ARTICLE 7, CHAPTER 2 OF THE SECURITIES MARKETS ACT

4 April 2005: The changes caused by the transition to IFRS to accounting principles and figures reported for 2004.

4 April 2005: The Board of Directors resolved to apply for listing of 2002B stock option rights on the main list of the Helsinki Stock Exchange starting from 2 May 2005. A total of 260,000 shares can be subscribed for on the basis of the 2002B stock options. The subscription period is from 2 May 2005 to 30 October 2006.

PROSPECTS FOR THE REMAINDER OF 2005

Prospects in the company's divisions are good. The amount of waste material entering the recycling plants is expected to remain at a good level. Property Services sales are expected to continue strong. The labour dispute in the forest industry has now ended, which will normalize demand in Industrial Services and create potential to growth and performance improvement.

Progress is being made with expansion abroad and several smallish corporate acquisitions are planned. Investments in recycling plants are progressing according to plan.

Net sales are expected to grow at a faster rate than last year and the comparable result for the full period should be slightly above last year's level (2004 excluding the revenue recognition of pension liability).

The settlement reached in the negotiations in the forest industry will have a positive effect on Property Services and Industrial Services in the long term. The forest industry will be able to purchase property maintenance services from companies in the field. Since downtime maintenance will be distributed across several months in future, evening out the work flow and facilitating resource allocation in industrial cleaning, this will in turn improve efficiency and help reduce tied-up capital.

TRANSITION TO IFRS

The changes caused by the transition to IFRS to accounting principles and figures reported for 2004 are explained in a stock exchange release disclosed on 4 April 2005 and on the company website. The accounting principles presented in the release have been applied in preparing this interim report.

A non-recurring pension liability amounting to EUR 10.5 million (EUR 7.8 million net of deferred tax assets) was recognised as revenue in the IFRS income statement for the final quarter of the year 2004, because the principles for calculating disability pension liabilities under the Finnish statutory employment pension scheme had changed (TEL). The IFRS income statement for the period 1 January - 31 December 2004 and key figures 12/2004 are presented below also excluding this revenue recognition.

INCOME STATEMENT 1.1. – 30.6.

EUR 1000	1-6/2005	%	1-6/2004	%	Change %
Net sales	183 253	100.0	161 526	100.0	13.5
Cost of sales	-157 066	-85.7	-135 910	-84.1	15.6
Gross profit	26 187	14.3	25 616	15.9	2.2
Marketing and selling costs	-5 982	-3.3	-4 823	-3.0	24.0
Administrative expenses	-3 902	-2.1	-3 351	-2.1	16.4
Other operating income and expenses	597	0.3	410	0.3	45.6
Operating profit	16 900	9.2	17 852	11.1	-5.3
Finance costs, net	-1 418	-0.8	-1 443	-0.9	-1.7
Profit before tax	15 482	8.4	16 409	10.2	-5.6
Income tax	-4 226	-2.3	-4 334	-2.7	-2.5
Profit before minority interests	11 256	6.1	12 075	7.5	-6.8
Minority interests	-260		-172		51.2
Profit for the period	10 996	6.0	11 903	7.4	-7.6
Earnings per share, EUR	0.29		0.35		
Diluted earnings per share, EUR	0.29		0.34		

The relative proportion of the estimated taxes due for the full financial year has been taken into account.

INCOME STATEMENT 1.1. – 31.12.2004

EUR 1000	1-12/2004		1-12/2004 excluding revenue recognition of pension liability	
		%		%
Net sales	337 241	100.0	337 241	100.0
Cost of sales	-271 031	-80.4	-280 915	-83.3
Gross profit	66 210	19.6	56 326	16.7
Marketing and selling costs	-9 223	-2.7	-9 578	-2.8
Administrative expenses	-6 026	-1.8	-6 322	-1.9
Other operating income and expenses	361	0.1	361	0.1
Operating profit	51 322	15.2	40 787	12.1
Finance costs, net	-2 969	-0.9	-2 969	-0.9
Share of profits of associates	64		64	
Profit before tax	48 417	14.4	37 882	11.2
Income tax	-12 905	-3.8	-10 166	-3.0
Profit before minority interests	35 512	10.5	27 716	8.2
Minority interests	-383		-383	
Profit for the period	35 129	10.4	27 333	8.1
Revenue recognition of pension liability			7 796	
Profit for the period			35 129	
Earnings per share, EUR	1.01		0.79	
Diluted earnings per share, EUR	1.01		0.78	

BALANCE SHEET

EUR 1000	6/2005	6/2004	12/2004
ASSETS			
Non-current assets			
Goodwill	98 613	85 509	92 005
Other intangible assets	13 273	4 637	8 129
Property, plant and equipment	126 049	109 853	115 410
Other non-current assets	6 368	5 457	6 223
Total non-current assets	244 303	205 456	221 767
Current assets			
Inventories	4 310	3 715	4 261
Trade and other receivables	50 052	39 330	37 197
Cash and cash equivalents	6 516	3 462	19 759
Total current assets	60 878	46 507	61 217
TOTAL ASSETS	305 181	251 963	282 984
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital, share premium and other reserves	63 841	15 378	63 724
Accumulated profits	60 198	50 045	34 386
Profit for the period	10 996	11 903	35 129
Total equity attributable to equity holders of the parent	135 035	77 326	133 239
Minority interests	1 921	1 339	1 550
Total equity	136 956	78 665	134 789
Non-current liabilities			
Deferred income tax liabilities	13 220	6 122	10 628
Pension liabilities	556	11 451	1 162
Provisions	900	397	821
Non-current interest-bearing liabilities	60 942	68 523	67 704
Other non-current liabilities	18	270	245
Total non-current liabilities	75 636	86 763	80 560
Current liabilities			
Current interest-bearing liabilities	30 156	33 856	13 481
Trade and other non-interest-bearing payables	62 433	52 679	54 154
Total current liabilities	92 589	86 535	67 635
TOTAL EQUITY AND LIABILITIES	305 181	251 963	282 984

STATEMENT OF CHANGES IN EQUITY

EUR 1000	Share capital	Share premium	Revaluation and other reserves	Accumulated profits	Minority interests	Total equity
Equity on 1.1.2005	19 068	44 932	-276	69 515	1 550	134 789
Dividends paid				-9 535		-9 535
Subscriptions pursuant to 2002A stock options	3	41				44
Translation differences			73			73
Remuneration expense of share options				218		218
Investment by a minority holder					111	111
Minority interests					260	260
Profit for the period				10 996		10 996
Equity on 30.6.2005	19 071	44 973	-203	71 194	1 921	136 956
Equity on 1.1.2004	7 913	7 518	-121	68 943	1 167	85 420
Dividends paid				-18 992		-18 992
Translation differences			71			71
Remuneration expense of share options				94		94
Available-for-sale investments, change in fair value			-3			-3
Change in minority interests					172	172
Profit for the period				11 903		11 903
Equity on 30.6.2004	7 913	7 518	-53	61 948	1 339	78 665

RECONCILIATION OF PROFIT FOR THE PERIOD

EUR 1000	1-6/2004	1-12/2004
According to FAS	8 847	21 376
IFRS 1 First-time Adoption of IFRS: Depreciation on revaluations	-38	-76
IFRS 2 Share-based Payment	-94	-331
IFRS 3 Business Combinations	3 925	8 194
IAS 1 Format of financial statements: Minority interests	-2	55
IAS 2 Inventories	39	125
IAS 12 Income Taxes	-1 319	-4 316
IAS 17 Leases: Finance Leases	99	-3
IAS 18 Revenue: Recognition in the income statement	159	-39
IAS 19 Employee Benefits: Post-employment benefits	-223	9 133
IAS 37 Provisions	6	6
IAS 39 Financial Instruments	504	1 005
According to IFRS	11 903	35 129
Revenue recognition of deferred pension liability		-7 796
Adjusted IFRS		27 333

RECONCILIATION OF EQUITY

EUR 1000	1.1.2004	30.6.2004	31.12.2004
According to FAS	95 786	85 724	130 649
IFRS 1 First-time Adoption of IFRS: Depreciation on revaluations	-1 256	-1 294	-1 333
IFRS 3 Business Combinations		3 924	8 194
IAS 1 Format of financial statements: Minority interests	1 167	1 339	1 550
IAS 2 Inventories	121	151	240
IAS 12 Income Taxes	1 879	555	-2 406
IAS 17 Leases: Finance Leases	733	833	785
IAS 18 Revenue: Recognition in the income statement	-1 137	-977	-1 176
IAS 19 Employee Benefits: Post-employment Benefits	-10 295	-10 518	-1 161
IAS 37 Provisions	10	16	17
IAS 39 Financial Instruments	-1 588	-1 088	-570
According to IFRS	85 420	78 665	134 789

KEY FIGURES

	6/2005	6/2004	12/2004 Excluding revenue recognition of deferred pension liability	12/2004
Earnings per share, EUR	0.29	0.35	0.79	1.01
Equity per share, EUR	3.59	2.28		3.53
Cash flow from operations per share, EUR	0.45	0.49		1.40
Return on equity, ROE, %	16.2	29.0	24.8	31.9
Return on invested capital, ROI, %	15.6	21.0	22.5	27.1
Equity ratio, %	45.0	31.3		48.1
Gearing, %	61.8	125.7		45.6
Gross investments, EUR 1000	34 628	22 501		48 124
Depreciation, EUR 1000	11 903	10 213		21 401
Net interest-bearing liabilities	84 583	98 917		61 427
Average personnel converted to full-time	5 797	5 292		5 409
Adjusted number of shares, 1000 shares				
average during the period	38 140	34 477		34 650
at end of period	38 142	34 477		38 136
average during period, diluted	38 379	34 686		34 871

CASH FLOW STATEMENT

EUR 1000	6/2005	6/2004	12/2004
Cash flow before change in working capital	27 860	27 647	62 321
Change in working capital	-5 560	-4 010	68
Net finance cost	-1 754	-1 977	-4 024
Taxes	-3 235	-4 859	-9 990
Cash flow from operating activities	17 311	16 801	48 375
Investments in group companies	-12 744	-5 773	-15 236
Other investments	-17 054	-12 574	-30 365
Proceeds from sales of property, plant and equipment	775	1 335	2 158
Cash flow from investing activities	-29 023	-17 012	-43 443
Increase of share capital	44		48 569
Dividends paid	-9 525	-18 968	-34 845
Change in interest-bearing liabilities	7 937	11 912	-9 573
Cash flow from financing	-1 544	-7 056	4 151
Change in cash and cash equivalents	-13 256	-7 267	9 083
Cash and cash equivalents at the beginning of the financial period	19 759	10 710	10 710
Changes in exchange rates and fair values	23	19	-34
Cash and cash equivalents in balance sheet	6 526	3 462	19 759

SEGMENT REPORTING**NET SALES**

EUR 1000	6/2005	6/2004	Change %	12/2004
Environmental Services	86 758	76 815	12.9	159 152
Property Services	70 700	60 159	17.5	124 820
Industrial Services	27 384	26 005	5.3	56 195
Group administration and other non-allocated items	183	194		377
Inter-division net sales	-1 772	-1 647		-3 303
Lassila & Tikanoja	183 253	161 526	13.5	337 241

OPERATING PROFIT

EUR 1000	6/2005	%	6/2004	%	Change %	12/2004	%
Environmental Services	11 107	12.8	12 968	16,9	-14.4	26 097	16.4
Property Services	5 092	7.2	3 218	5,3	58.2	9 336	7.5
Industrial Services	1 577	5.8	2 534	9,7	-37.8	6 907	12.3
Group administration and other non-allocated items	-876		-868			-1 553	
Lassila & Tikanoja	16 900	9.2	17 852	11,1	-5.3	40 787	12.1

OTHER SEGMENT REPORTING

EUR 1000	6/2005	6/2004	12/2004
Assets			
Environmental Services	183 664	150 234	159 659
Property Services	47 580	34 876	41 638
Industrial Services	60 320	57 468	55 797
Non-allocated assets	13 617	9 385	25 890
Lassila & Tikanoja	305 181	251 963	282 984
Liabilities			
Environmental Services	31 685	27 579	25 819
Property Services	21 737	24 203	20 484
Industrial Services	10 211	11 053	9 104
Non-allocated liabilities	104 592	110 463	92 788
Lassila & Tikanoja	168 225	173 298	148 195
Investments			
Environmental Services	24 636	13 682	26 928
Property Services	5 471	3 514	12 609
Industrial Services	4 518	5 299	8 580
Group administration and other non-allocated items	3	6	7
Lassila & Tikanoja	34 628	22 501	48 124
Depreciations			
Environmental Services	6 503	5 663	11 727
Property Services	2 703	2 291	4 888
Industrial Services	2 642	2 218	4 706
Group administration and other non-allocated items	55	41	80
Lassila & Tikanoja	11 903	10 213	21 401

SEGMENT REPORTING BY QUARTER

EUR 1000	4-6/2005	1-3/2005	10-12/2004*	7-9/2004	4-6/2004	1-3/2004
Net sales						
Environmental Services	47 234	39 524	42 387	39 950	40 679	36 136
Property Services	35 955	34 745	33 610	31 051	29 750	30 409
Industrial Services	15 746	11 638	14 325	15 865	14 938	11 067
Group administration and other non-allocated items	92	91	91	92	94	100
Inter-division net sales	-966	-806	-904	-752	-775	-872
Lassila & Tikanoja	98 061	85 192	89 509	86 206	84 686	76 840
Operating profit						
Environmental Services	6 390	4 717	5 968	7 161	7 484	5 484
Property Services	2 868	2 224	2 133	3 985	2 014	1 204
Industrial Services	1 820	-243	1 306	3 067	2 604	-70
Group administration and other non-allocated items	-524	-352	-367	-318	-449	-419
Lassila & Tikanoja	10 554	6 346	9 040	13 895	11 653	6 199
Operating margin						
Environmental Services	13,5	11,9	14,1	17,9	18,4	15,2
Property Services	8,0	6,4	6,3	12,8	6,8	4,0
Industrial Services	11,6	-2,1	9,1	19,3	17,4	-0,6
Lassila & Tikanoja	10,8	7,4	10,1	16,1	13,8	8,1
Finance costs, net	-1 010	-408	-665	-861	-253	-1 190
Share of profits of associates			64			
Revenue recognition of deferred pension liability			10 535			
Profit before tax	9 544	5 938	18 974	13 034	11 400	5 009

* Operating profit excluding revenue recognition of deferred pension liability

CONTINGENT LIABILITIES

EUR 1000	6/2005	6/2004	12/2004
SECURITY FOR COMPANY LIABILITIES			
Pledged shares	0	354	284
Real estate mortgages	798	784	784
Corporate mortgages	500	480	50
Other securities	427		943
OTHER LIABILITIES			
Leasing payments and liabilities	417	925	512

Leasing payments and liabilities do not include payments under agreements classified as finance lease agreements.