



LASSILA & TIKANOJA PLC

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

- Net sales: EUR 280.4 million (EUR 247.7 million)
- Operating profit: EUR 30.2 million (EUR 31.7 million)
- Earnings/share: EUR 0.54 (EUR 0.61)
- Return on invested capital(ROI): 18.1% (23.8%)
- Net sales for the entire year will show a higher growth rate than in 2004. The financial performance for the entire year is expected to be on the same level as in 2004, though not better.

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 third quarter totalled EUR 97.1 million (EUR 86.2 million). The operating profit came to EUR 13.3 million (EUR 13.9 million), which was 13.7% of net sales (16.1%). Organic growth was strong.

Net sales for the first nine months went up by 13.2% to EUR 280.4 million (EUR 247.7 million). 6.8 percentage points of this growth resulted from corporate acquisitions. Operating profit was EUR 30.2 million. The earnings per share were EUR 0.54 (EUR 0.61).

Environmental Services

Net sales for the first nine months by Environmental Services (waste management, recycling services, environmental products) amounted to EUR 133.3 million (EUR 116.8 million), an increase of 14.2%. The operating profit was EUR 18.1 million (EUR 20.1 million). Sales went well and organic growth strengthened.

Sales price rises did not fully cover the increase in costs. The financial performance was adversely affected by the labour dispute in the Finnish forest industry, higher fuel prices, the unsatisfactory result by the joint venture company Salvor Oy and a fall in the prices of recovered fuels.

Increases in costs will be passed on in the sales prices on 1 January 2006. Measures to improve cost-efficiency have already been implemented and are under way at the moment. Their main impact will be felt starting from the beginning of next year.

The recycling plant investments are proceeding according to plan: The Turku facility should be ready at the end of the year and the recycling plant in Riga in early 2006. Because of a change in legislation the number of power plants using recovered fuels will fall temporarily next year until new utilization capacity is built. Lassila & Tikanoja has, however, made comprehensive agreements for the supply of recovered fuel for next year.

Net sales of environmental products went up, but the rapid rise in the purchase prices of oil-based products was passed on in sales prices with a delay.

Property Services

Net sales for the first nine months by Property Services (property maintenance and cleaning services) totalled EUR 106.3 million (EUR 91.2 million), an increase of 16.6%. The operating profit grew significantly, reaching EUR 9.6 million (EUR 7.2 million). Sales have gone well from the second half of last year, and organic growth continued. The highly developed service products have sold well.

The financial performance of both product lines improved in relative terms, too, even though cleaning services' performance was put under strain by the cost of reorganizing and taking over cleaning operations acquired in Moscow. A reorganization of production and the systematic use of new control and monitoring systems contributed to the steady improvement in property maintenance's financial performance.

Cleaning operations in Latvia were strengthened in the third quarter by the acquisition of the Riga-based cleaning company 99Perfekts.

Industrial Services

Net sales for the first nine months by Industrial Services (hazardous waste services, industrial cleaning, damage repair services and wastewater services) totalled EUR 43.2 million (EUR 41.9 million), an increase of 3.2%. The operating profit came to EUR 3.8 million (EUR 5.6 million). Net sales by hazardous waste management and industrial cleaning went up, the latter's as a result of 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 considerably below the predicted level. Adjustment measures in industrial cleaning will start to make their presence felt during the final part of the year.

The financial performance of hazardous waste management improved with growth in net sales and a rising recovery rate. The performance of damage repair services and wastewater services was hampered by unstable demand.

FINANCING

Net interest-bearing liabilities amounted to EUR 13.2 million less than a year earlier and EUR 11.5 million more than at the end of the previous financial year. Interest expenses decreased by EUR 0.9 million due to the lower interest rate level and the share issue carried out last year improving the company's financial position. A finance income of EUR 0.4 million arose from the changes in the fair values of interest rate swaps (EUR 0.7 million). Net finance costs decreased by 27% and were 0.6% (0.9%) of net sales and 5.6% (7.3%) of operating profit.

EUR 9.2 million (EUR 4.8 million) were tied up in the working capital during the period. The equity ratio was 46.8% (32.9%) and the gearing rate was 57.8 (111.7).

INVESTMENTS

Gross investments totalled EUR 49.6 million (EUR 38.1 million). Machinery and equipment was replaced and production premises were expanded. Depreciation amounted to EUR 18.2 million (EUR 15.7 million).

Of the gross investments, EUR 19.3 million were spent on nine corporate acquisitions. Jäteässät Oy, Puhtaanapito-liike K. Kervinen Oy, the waste paper collecting business of Raahen Romu and the machine loading operations of Lahden Autokunta were acquired for Environmental Services. Tammelan Huolto Oy, a Latvian cleaning company 99 Perfekts and the cleaning operations of the Moscow-based Alfa Clean were acquired for Property Services. Kaakon Teollisuuspalvelu Oy and the hazardous waste management operations of Säiliö Cistern Puts Ab Oy were acquired for industrial cleaning. The combined annual net sales of the acquired companies total EUR 18.1 million.

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

PERSONNEL

The average number of personnel converted to full-time employees was 6,183(5,621) in January – September. At the end of September the total number of employees working full-time and part-time was 7,657 people (6,647). Of them 1,245 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 September was 12,274,021, which is 32.2% of the average number of shares. The value of trading was EUR 180.2 million. The trading price varied between EUR 13.10 and EUR 16.67. The closing price was EUR 15.90. The market capitalisation was EUR 607.7 million on 30 September 2005.

Share capital

At the beginning of the year 2005, the company's registered share capital amounted to EUR 19,068,117. During the year 2005, a total of 85,700 shares have been subscribed for pursuant to the 2002A and 2002B stock options. After these subscriptions, the company's share capital amounts to EUR 19,110,967, and the number of the shares is 38,221,934.

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 option plan 2002

Pursuant to the 2002A and 2002B stock options, 227,260 new shares have been subscribed for. 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. Trading in the 2002A stock options on the Helsinki Stock Exchange ended on 24 October, and the subscription period ends on 28 October. The share subscription price is EUR 7.86. The share subscription price for the 2002B stock options is EUR 7.02 and the subscription period 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 2002B stock options have been listed on the Helsinki Stock Exchange since 2 May 2005.

Stock option plan 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 2005B 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 plan 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 have for the most part remained good. Demand in Environmental Services and Property Services is expected to continue strong. Demand in Industrial Services has returned to normal, but the shutdown work not done during the labour dispute in the Finnish forest industry will more than likely no longer be done this year.

Expansion abroad is proceeding as planned. The recycling plants under construction are being completed on schedule.

Net sales for the entire year will show a higher growth rate than in 2004. The financial performance for the entire year is expected to be on the same level as in 2004, though not better (2004 excluding the accounting impact of pension liabilities). The result will still be adversely affected by the investment made in growth and the labour dispute in the forest industry. Moreover, it has not been possible to pass on the substantial rise in fuel prices fully in sales prices.

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. – 30.9.

EUR 1000	1-9/2005	%	1-9/2004	%	Change %
Net sales	280 351	100.0	247 732	100.0	13.2
Cost of sales	-236 903	-84.5	-204 798	-82.7	15.7
Gross profit	43 448	15.5	42 934	17.3	1.2
Marketing and selling costs	-8 520	-3.0	-6 824	-2.8	24.9
Administrative expenses	-5 690	-2.0	-4 844	-2.0	17.5
Other operating income and expenses	962	0.3	481	0.2	100.0
Operating profit	30 200	10.8	31 747	12.8	-4.9
Finance costs, net	-1 681	-0.6	-2 304	-0.9	-27.0
Profit before tax	28 519	10.2	29 443	11.9	-3.1
Income tax	-7 665	2.7	-8 183	-3.3	-6.3
Profit for the period	20 854	7.4	21 260	8.6	-1.9
Attributable to:					
Equity holders of the parent	20 462		21 005	8.5	
Minority interest	392		255		
Earnings per share for profit attributable to the equity holders of the parent:					
Earnings per share, EUR	0.54		0.61		
Earnings per share, EUR - diluted	0.53		0.61		

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 for the period	35 512	10.5	27 716	8.2
Attributable to:				
Equity holders of the parent	35 129		27 333	
Minority interest	383		383	
Earnings per share for profit attributable to the equity holders of the parent:				
Earnings per share, EUR	1.01		0.79	
Earnings per share, EUR - diluted	1.01		0.78	

BALANCE SHEET

EUR 1000	9/2005	9/2004	12/2004
ASSETS			
Non-current assets			
Goodwill	99 351	91 277	92 005
Other intangible assets	16 758	6 103	8 129
Property, plant and equipment	130 179	113 798	115 410
Other non-current assets	6 556	5 537	6 223
Total non-current assets	252 844	216 715	221 767
Current assets			
Inventories	4 243	4 170	4 261
Trade and other receivables	54 180	41 733	37 197
Cash and cash equivalents	7 488	7 608	19 759
Total current assets	65 911	53 511	61 217
TOTAL ASSETS	318 755	270 226	282 984
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital, share premium and other reserves	64 455	15 364	63 724
Accumulated profits	60 313	50 162	34 386
Profit for the period	20 462	21 005	35 129
Total equity attributable to equity holders of the parent	145 230	86 531	133 239
Minority interests	2 149	1 421	1 550
Total equity	147 379	87 952	134 789
Non-current liabilities			
Deferred income tax liabilities	14 285	7 218	10 628
Pension liabilities	278	12 030	1 162
Provisions	1 046	510	821
Non-current interest-bearing liabilities	61 309	68 453	67 704
Other non-current liabilities	226	255	245
Total non-current liabilities	77 144	88 466	80 560
Current liabilities			
Current interest-bearing liabilities	31 343	37 388	13 481
Trade and other non-interest-bearing payables	62 889	56 420	54 154
Total current liabilities	94 232	93 808	67 635
TOTAL EQUITY AND LIABILITIES	318 755	270 226	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	43	601				644
Translation differences			87			87
Remuneration expense of share options				333		333
Investment by a minority holder					207	207
Profit for the period				20 462	392	20 854
Equity on 30.9.2005	19 111	45 533	-189	80 775	2 149	147 379
Equity on 1.1.2004	7 913	7 518	-121	68 943	1 167	85 420
Dividends paid				-18 992		-18 992
Subscriptions pursuant to 2002A stock options	1	47				48
Translation differences			7			7
Remuneration expense of share options				211		211
Available-for-sale investments, change in fair value			-2			-2
Profit for the period				21 005	255	21 260
Equity on 30.9.2004	7 914	7 565	-116	71 167	1 422	87 952

RECONCILIATION OF PROFIT FOR THE PERIOD

EUR 1000	1-9/2004	1-12/2004
According to FAS	16 368	21 376
IFRS 1 First-time Adoption of IFRS:		
Depreciation on revaluations	-57	-76
IFRS 2 Share-based Payment	-211	-331
IFRS 3 Business Combinations	6 046	8 194
IAS 1 Format of financial statements: Minority interests	6	55
IAS 2 Inventories	104	125
IAS 12 Income Taxes	-1 707	-4 316
IAS 17 Leases: Finance Leases	70	-3
IAS 18 Revenue: Recognition in the income statement	76	-39
IAS 19 Employee Benefits:		
Post-employment benefits	-382	9 133
IAS 37 Provisions	6	6
IAS 39 Financial Instruments	686	1 005
According to IFRS	21 005	35 129
Revenue recognition of deferred pension liability		-7 796
Adjusted IFRS		27 333

RECONCILIATION OF EQUITY

EUR 1000	1.1.2004	30.9.2004	31.12.2004
According to FAS	95 786	93 219	130 649
IFRS 1 First-time Adoption of IFRS: Depreciation on revaluations	-1 256	-1 314	-1 333
IFRS 3 Business Combinations		6 046	8 194
IAS 1 Format of financial statements: Minority interests	1 167	1 422	1 550
IAS 2 Inventories	121	219	240
IAS 12 Income Taxes	1 879	183	-2 406
IAS 17 Leases: Finance Leases	733	804	785
IAS 18 Revenue: Recognition in the income statement	-1 137	-1 061	-1 176
IAS 19 Employee Benefits: Post-employment Benefits	-10 295	-10 676	-1 161
IAS 37 Provisions	10	16	17
IAS 39 Financial Instruments	-1 588	-906	-570
According to IFRS	85 420	87 952	134 789

KEY FIGURES

	9/2005	9/2004	12/2004 Excluding revenue recognition of deferred pension liability	12/2004
Earnings per share, EUR	0.54	0.61	0.79	1.01
Equity per share, EUR	3.80	2.51		3.49
Cash flow from operations per share, EUR	0.57	0.95		1.40
Return on equity, ROE, %	19.7	32.7	25.2	32.3
Return on invested capital, ROI, %	18.1	23.8	22.5	27.1
Equity ratio, %	46.8	32.9		48.1
Gearing, %	57.8	111.7		45.6
Gross investments, EUR 1000	49 593	38 095		48 124
Depreciation, EUR 1000	18 176	15 671		21 401
Net interest-bearing liabilities	85 164	98 233		61 427
Average personnel converted to full-time	6 183	5 621		5 409
Adjusted number of shares, 1000 shares				
average during the period	38 158	34 478		34 650
at end of period	38 222	34 482		38 136
average during period, diluted	38 398	34 686		34 871

CASH FLOW STATEMENT

EUR 1000	9/2005	9/2004	12/2004
Cash flow before change in working capital	47 305	46 605	62 321
Change in working capital	-9 161	-4 764	68
Net finance cost	-1 798	-2 009	-4 024
Taxes	-5 433	-7 067	-9 990
Cash flow from operating activities	30 913	32 765	48 375
Investments in group companies	-15 893	-13 892	-15 236
Other investments	-29 072	-20 537	-30 365
Proceeds from sales of property, plant and equipment	1 138	2 247	2 158
Cash flow from investing activities	-43 827	-32 182	-43 443
Increase of share capital	644		48 569
Dividends paid	-9 525	-18 968	-34 845
Change in interest-bearing liabilities	9 500	15 283	-9 573
Cash flow from financing	619	-3 685	4 151
Change in cash and cash equivalents	-12 295	-3 102	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	10		-34
Cash and cash equivalents in balance sheet	7 474	7 608	19 759

SEGMENT REPORTING**NET SALES**

EUR 1000	9/2005	9/2004	Change %	12/2004
Environmental Services	133 346	116 765	14.2	159 152
Property Services	106 345	91 210	16.6	124 820
Industrial Services	43 222	41 870	3.2	56 195
Group administration and other non-allocated items	274	286		377
Inter-division net sales	-2 836	-2 399		-3 303
Lassila & Tikanoja	280 351	247 732	13.2	337 241

OPERATING PROFIT

EUR 1000	9/2005	%	9/2004	%	Change %	12/2004	%
Environmental Services	18 124	13.6	20 129	17.2	-10.0	26 097	16.4
Property Services	9 554	9.0	7 203	7.9	32.6	9 336	7.5
Industrial Services	3 837	8.9	5 601	13.4	-31.5	6 907	12.3
Group administration and other non-allocated items	-1 315		-1 186			-1 553	
Lassila & Tikanoja	30 200	10.8	31 747	12.8	-4.9	40 787	12.1

OTHER SEGMENT REPORTING

EUR 1000	9/2005	9/2004	12/2004
Assets			
Environmental Services	193 960	158 565	159 659
Property Services	48 516	41 655	41 638
Industrial Services	61 880	57 146	55 797
Non-allocated assets	14 399	12 860	25 890
Lassila & Tikanoja	318 755	270 226	282 984
Liabilities			
Environmental Services	33 341	30 129	25 819
Property Services	20 591	25 160	20 484
Industrial Services	9 860	11 054	9 104
Non-allocated liabilities	107 583	115 931	92 788
Lassila & Tikanoja	171 375	182 274	148 195
Investments			
Environmental Services	33 293	21 125	26 928
Property Services	8 849	10 524	12 609
Industrial Services	7 387	6 439	8 580
Group administration and other non-allocated items	64	7	7
Lassila & Tikanoja	49 593	38 095	48 124
Depreciation			
Environmental Services	9 972	8 647	11 727
Property Services	4 126	3 529	4 888
Industrial Services	3 995	3 434	4 706
Group administration and other non-allocated items	83	61	80
Lassila & Tikanoja	18 176	15 671	21 401

SEGMENT REPORTING BY QUARTER

EUR 1000	7-9 /2005	4-6 /2005	1-3 /2005	10-12 /2004*	7-9 /2004	4-6 /2004	1-3 /2004
Net sales							
Environmental Services	46 588	47 234	39 524	42 387	39 950	40 679	36 136
Property Services	35 645	35 955	34 745	33 610	31 051	29 750	30 409
Industrial Services	15 838	15 746	11 638	14 325	15 865	14 938	11 067
Group administration and other non-allocated items	91	92	91	91	92	94	100
Inter-division net sales	-1 064	-966	-806	-904	-752	-775	-872
Lassila & Tikanoja	97 098	98 061	85 192	89 509	86 206	84 686	76 840
Operating profit							
Environmental Services	7 017	6 390	4 717	5 968	7 161	7 484	5 484
Property Services	4 462	2 868	2 224	2 133	3 985	2 014	1 204
Industrial Services	2 260	1 820	-243	1 306	3 067	2 604	-70
Group administration and other non-allocated items	-439	-524	-352	-367	-318	-449	-419
Lassila & Tikanoja	13 300	10 554	6 346	9 040	13 895	11 653	6 199
Operating margin							
Environmental Services	15.1	13,5	11.9	14.1	17.9	18.4	15,2
Property Services	12.5	8,0	6.4	6.3	12.8	6.8	4,0
Industrial Services	14.3	11,6	-2.1	9.1	19.3	17.4	-0,6
Lassila & Tikanoja	13.7	10,8	7.4	10.1	16.1	13.8	8,1
Finance costs, net	-263	-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	13 037	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	9/2005	9/2004	12/2004
Security for company liabilities			
Pledged shares		284	284
Real estate mortgages	821	784	784
Corporate mortgages	500		50
Other securities	193	272	943
Other liabilities			
Leasing payments and liabilities	279	824	512

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

Helsinki, 25 October 2005

LASSILA & TIKANOJA PLC
Board of Directors