Jones Lang LaSalle Limited

Directors' report and financial statements

Registered number 1188567

31 December 2009

Contents

Directors' Report

The directors present their directors' report and the audited financial statements for the year ended 31 December 2009

Business review and principal activities

The principal activity of the company is the provision of services and advice relating to all aspects of commercial real estate for investors and occupiers

The company continues to hold interests in companies mostly in Europe through its subsidiary Jones Lang LaSalle European Holdings Limited

Turnover from continuing operations decreased from £135,491,000 to £118,808,000 reflecting a slowdown in economic activity across the UK and global markets

The company continues to provide real value in a changing world This is being achieved by further strengthening client relationships and focusing on new markets

The company recorded an operating loss of £4,576,000 *(2008 loss £6,636,000)* from continuing operations, as shown on the face of the profit and loss account on page 7 The reduction in the operating loss reflects the impact of significant cost reduction and control actions undertaken throughout 2008 and 2009 mitigating a reduction in turnover in the period

The table below shows the movement in operating performance taking accelerated goodwill amortisation into account

	2009	2008
	£'000	£'000
Operating loss	**(4,576)**	(6,636)
Goodwill amortisation	**4,910**	4,905
Operating profit/(loss) excluding amortisation of goodwill	**334**	(1,731)

Key performance indicators ("KPIs")

Indicator	2009	2008	Commentary
Sales (%) (Year on year sales increase/(decrease) expressed as a percentage)	(12 3)	(16 4)	Decrease is in line with reduced activity in the real estate markets, due to the downturn in the UK and Global economy
Adjusted operating margin (%) (Operating profit/(loss) excluding goodwill amortisation)	0 3	(1 3)	Increase in margin reflects the benefit of a reduced cost base following right-sizing of the business
Net margin (%) (Ratio of profit/(loss) for the financial year to sales, expressed as a percentage)	(4 2)	(4 8)	Relative increase in margin reflects reduced cost base

Directors' Report *(continued)*

Market share

- Capital Markets

  During some of the toughest trading conditions since the mid 1990's the company advised on £5 4 billion of UK transactions, increasing its share of the investment market from 14% in 2008 to 22 5% by end 2009 This represents an increase of 61% in market share, unmatched by any competitor

  The first half of 2010 has seen a similar picture with the investment teams showing continued improvement on last years strong performance

- London Office Leasing

  Following challenging market conditions in 2009, in the face of reduced occupier demand driven by a slowdown in the global economy, the London leasing teams have had an excellent first half in 2010 The amount of sq ft disposed of in Q1 alone exceeded 2009 total disposals This has resulted in improved revenue performance up more than 100% on the same period last year At the same time the teams have achieved a significant improvement in market share in a number of markets As at Q2 2010 the company have a 20% share of the central London market (2009, 10%) by amount of sq ft transacted and are number one in the City (27%), Midtown (30%), and Docklands markets (source egi)

Future outlook

During the first half of 2010 the commercial real estate services market continued to build on the recovery of the last quarter of 2009, showing improved investor confidence and an increase in market momentum However the directors remain cautious in respect of the second half of the year Concerns about sovereign debt and the impact of the UK government austerity package could lead to slower trading conditions

The company believes that the solid start to 2010, recent cost reductions and continued focus on cost control combined with the balance and diversity of the business leaves us well positioned to deal with this continued uncertainty

The directors have identified the following priorities to guide the business through this difficult period

- Protect and grow market share
- Retain and attract key business leaders
- Take advantage of new areas of opportunity
- Continue to grow annuity revenue
- Absolute focus on current and new clients
- Maintain focus on cost control and improve operating margins across all business lines

Focusing on our priorities at this point in the market cycle places the company in a strong position to grow revenues and profits as global markets begin to show signs of recovery

Risks

The key business risks affecting the company, as identified by the directors are set out below

Risks are formally reviewed by the board and appropriate processes are put in place to monitor and mitigate them If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the company

Decline in acquisition and disposition activity

A general decline in acquisition and disposition activity can lead to a reduction in fees and commissions for arranging such transactions, as well as in fees and commissions for arranging financing for acquirers

Directors' Report *(continued)*

Decline in the real estate values and performance, leasing activity and rental levels

A general decline in the value and performance of real estate and rental levels can lead to a reduction in fees and commissions that are based upon the value of, or revenues produced by, the properties with respect to which services are provided, including fees and commissions for property management and valuations, and for arranging acquisitions, dispositions, leasing and financings

The cyclical nature of the real estate markets

This may lead to an impact on the company's profitability

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments The company manages liquidity risk through an ongoing review of future commitments, credit facilities and cash reserves

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored

Foreign exchange risk

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the Euro

Results and dividends

The results of the company for the year ended 31 December 2009 are set out on page 7

The directors did not pay an interim dividend during the year *(2008 £nil)*

The directors do not recommend the payment of a final dividend *(2008 £nil)*

Directors

The directors during the year and to the date of signing were

A Hughes	(resigned 3 February 2009)
SJ Cresswell	
AJ Mottram	
PR Patel	(resigned 18 September 2009)
AJ Gould	(appointed 16 July 2009)
RO Howling	(appointed 16 October 2009)

Secretary

NG Taylor
RH Webster

Employment of disabled persons

The company has a policy of giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities and of providing retraining for alternative work for employees who become disabled

Employee consultation

The company has in place established methods and procedures for providing information to all its staff on matters affecting them as employees and in relation to the business affairs of Jones Lang LaSalle Information is provided by the company intranet, regular written briefings circulated to all staff and by meetings of staff to provide information to operating units and departments and to receive feedback

Political and charitable contributions

During the year the company made contributions for charitable purposes of £34,766 *(2008 £48,516)* It is company policy not to make contributions for political purposes

Directors' Report *(continued)*

Payment policy for creditors

The company's policy is to use its purchasing power fairly and, wherever possible, to pay in accordance with terms agreed with suppliers

The company agrees payment terms with suppliers when it orders items or commits expenditure It is the company's policy to make payments for purchases on agreed terms, provided that the relevant invoice is presented to the company in a timely fashion and is complete It seeks to adhere to these arrangements providing it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions In instances where delays in payments occur, remedial action is sanctioned by an executive of the company

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors, KPMG Audit Plc will be deemed to be reappointed and will therefore continue in office

By order of the board on 30 July 2010

RH Webster

RH Webster

Secretary

22 Hanover Square
London
W1S 1JA

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Independent auditors' report to the members of Jones Lang LaSalle Limited

We have audited the financial statements of Jones Lang LaSalle Limited for the year ended 31 December 2009 set out on pages 7 to 27 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the APB's web-site at www frc org uk/apb/scope/UKNP

Opinion on financial statements
In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

WEJ Holland (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB

30 July 2010

Profit and loss account

for the year ended 31 December 2009

	Note	2009	2008
		£'000	£'000
Turnover		**118,808**	135,491
Operating expenses	*2*	**(123,384)**	(142,127)
Operating loss		**(4,576)**	(6,636)
Income from shares in group undertakings		**-**	1,000
Loss on ordinary activities before interest and taxation		**(4,576)**	(5,636)
Interest receivable and similar income	*5*	**8,955**	12,410
Interest payable and similar charges	*6*	**(7,640)**	(11,554)
Loss on ordinary activities before taxation		**(3,261)**	(4,780)
Tax on loss on ordinary activities	*7*	**(1,728)**	(1,753)
Loss for the financial year	17	**(4,989)**	(6,533)

All the Company's revenues and costs are derived from continuing operations

The Company's revenues and costs are reported on the historical cost basis Accordingly there is no difference between historical cost profits and losses and those presented

The notes on pages 10 to 27 form part of these financial statements

Balance sheet
at 31 December 2009

	Note	2009	2008
		£'000	£'000
Fixed assets			
Intangible assets	*8*	**47,641**	52,443
Tangible assets	*9*	**21,580**	23,586
Investments	*10*	**209,763**	210,870
		278,984	286,899
Current assets			
Debtors	*11*	**177,330**	197,712
Cash at bank and in hand		**975**	-
		178,305	197,712
Creditors amounts falling due within one year	*12*	**(247,915)**	(266,689)
Net current liabilities		**(69,610)**	(68,977)
Total assets less current liabilities		**209,374**	217,922
Creditors· amounts falling due after more than one year	*13*	**(9,350)**	(5,908)
Provisions for liabilities and charges	*14*	**(1,256)**	(1,207)
Net assets excluding pension (liabilities)/assets		**198,768**	210,807
Pension (liabilities)/assets			
Total of defined benefit schemes With net (liabilities)/assets	*15*	**(1,896)**	4,937
Net assets including pension (liabilities)/assets		**196,872**	215,744
Capital and reserves			
Called up share capital	*16*	**121,088**	121,088
Capital contribution reserve	*17*	**89,783**	89,783
Capital redemption reserve	*17*	**268**	268
Profit and loss account	*17*	**(14,267)**	4,605
Equity shareholders' funds		**196,872**	215,744

These financial statements were approved by the board of directors on 30 JULY 2010 and were signed on its behalf by

RO Howling
Director

The notes on pages 10 to 27 form part of these financial statements

Statement of total recognised gains and losses
for the year ended 31 December 2009

	Note	2009	2008
		£'000	£'000
Loss for the financial year		**(4,989)**	(6,533)
Actuarial (loss)/gain recognised in the pension scheme	15	**(12,393)**	521
Deferred tax arising on (losses)/gains in the pension scheme		**3,470**	(146)
Total recognised gains and losses relating to the financial year		**(13,912)**	(6,158)

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2009

	2009	2008
	£'000	£'000
Loss for the financial year	**(4,989)**	(6,533)
Other recognised gains and losses relating to the year (net of tax)	**(8,923)**	375
Share based payments charge for the year		
Parent company shares vesting	**(4,300)**	(5,644)
Share based payment amortisation	**4,304**	3,713
Movement in accruals for share based payment recharge	**(4,964)**	6,064
Net reduction to shareholders' funds	**(18,872)**	(2,025)
Opening shareholders' funds	**215,744**	217,769
Closing shareholders' funds	**196,872**	215,744

The notes on pages 10 to 27 form part of these financial statements

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Under Financial Reporting Standard No 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Jones Lang LaSalle Incorporated, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investors in the group qualifying as related parties) The consolidated financial statements of Jones Lang LaSalle Incorporated within which this company is included can be obtained from the address given in note 22

The company is exempt by virtue of S401 of the Companies Act 2006 from the requirement to prepare group accounts on the basis that the results of the company and all of its subsidiary undertakings are included in the consolidated financial statements of the ultimate parent undertaking, Jones Lang LaSalle Inc, which are prepared on an equivalent manner to the provisions of the EU seventh directive These financial statements present information about the company and not about its group

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons The company is dependent for its working capital on funds provided to it by Jones Lang LaSalle Incorporated, the ultimate parent company Jones Lang LaSalle Incorporated has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate

Turnover

Turnover is measured at the fair value of the consideration received or receivable Revenue comprises transaction commissions, advisory and management fees and project and development management fees, exclusive of sales-related taxes and amounts due to third parties

Transaction commissions related to agency leasing services, capital markets services and tenant representation services are recognised as income when we provide the related service unless future contingencies exist If future contingencies exist, we defer recognition of revenue until the respective contingencies have been satisfied

Advisory and management fees related to property management services, valuation services, corporate property services and strategic consulting are recognised as income in the period in which the related service is performed

Project and development management fees are recognised by applying the "percentage of completion" method of accounting We use the efforts expended method to determine the extent of progress toward completion for project and development management fees

Notes *(continued)*

1 Accounting policies *(continued)*

Goodwill

Purchased goodwill arising on business combinations in respect of acquisitions before 1 January 1998, when FRS 10 *Goodwill and intangible assets* was adopted, was written off to reserves in the year of acquisition When a subsequent disposal occurs any related goodwill previously written off to reserves is written back through the profit and loss account as part of the profit or loss on disposal

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations in respect of acquisitions since 1 January 1998 is capitalised Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost, less the estimated residual value of tangible fixed assets, by equal instalments over their estimated useful economic lives as follows

Motor vehicles	- on written down value	25%
Office machinery and fixtures	- on cost	10% - 20%
Computer equipment	- on cost	33%

Short leasehold improvements are amortised on a straight line basis over the length of the lease

Investments

Investments held as fixed assets are stated at cost less provision for impairment for any permanent reduction in value

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs

The Company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the Company in an independently administered fund The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

The Company also operates a pension scheme providing benefits based on final pensionable pay The assets of the scheme are held separately from those of the Company

Pension scheme assets are measured using market values Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses

Notes *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Share based payments

The share option programmes allow employees to acquire shares of the ultimate parent company The fair value of options granted after 7 November 2002 and those not yet vested at 1 January 2009 is recognised as an employee expense with a corresponding increase in equity The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options The fair value of the SAYE Scheme granted is measured using a valuation pricing model, taking into account the terms and conditions upon which the shares were granted The amount recognised as an expense is adjusted to reflect the actual number of share options that vest

The company receives a recharge from its ultimate parent company for the full value of shares issued when they vest Because the charge is clearly linked to the share awards it is recognised directly in the profit and loss reserve An accrual is made at each year end for the expected value of the charge based on the share price at year end, so as to spread the overall expected charge over the vesting period

Notes *(continued)*

2 Notes to the profit and loss account

	2009 £'000	2008 £'000
Loss on ordinary activities before taxation is stated after charging/(crediting)		
Auditors' remuneration - audit fee	**140**	140
Other payments to auditors in respect of audit of group companies	**126**	118
Rentals under operating leases		
Hire of plant and machinery	**137**	58
Land and buildings	**6,799**	6,379
Depreciation	**5,698**	5,318
Amortisation of goodwill	**4,910**	4,905
Intercompany debt forgiveness	**(1,344)**	(2,687)

The company bore the cost of the audit of all of its UK subsidiary undertakings

Fees for Sarbanes-Oxley compliance work were borne by the ultimate parent company

3 Remuneration of directors

	2009 £'000	2008 £'000
Directors' emoluments	**1,171**	1,236
Company contributions to money purchase pension schemes	**29**	64
	1,200	1,300

The aggregate of emoluments of the highest paid director was £480,275 (2008 £462,323) and company pension contributions of £14,000 (2008 £10,000) were made to a money purchase scheme on his behalf He is not a member of a defined benefit scheme The highest paid director in 2008 was a member of a defined benefit scheme under which his accrued pension at year end was £7,780 The highest paid director did not exercise any share options in the ultimate holding company during either year

	Number of directors 2009	2008
Retirement benefits accrued to the following number of directors under money purchase schemes	**4**	4

No directors exercised share options during either year

Notes *(continued)*

4 Staff costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows	**2009**	2008
	No.	No
Managerial and professional	**1,185**	1,290

	2009	2008
	£'000	£'000
The aggregate payroll costs of these persons (including directors) were as follows		
Wages and salaries	**64,381**	90,058
Social security costs	**9,330**	11,491
Other pension costs		
Defined contribution fund *(see Note 15)*	**5,085**	5,675
Defined benefit fund *(see Note 15)*	**417**	659
Share based payments	**172**	2,282
	79,385	110,165

Share based payments include costs associated with shares granted prior to 8 November 2002, and therefore not accounted for in accordance with accounting standard FRS 20 "Share based payments"

5 Interest receivable and similar income

	2009	2008
	£'000	£'000
Bank interest	**472**	350
Interest receivable from fellow subsidiaries	**7,769**	11,184
Interest on pension scheme	**714**	876
	8,955	12,410

6 Interest payable and similar charges

	2009	2008
	£'000	£'000
Interest payable to third parties	**494**	564
Interest payable to fellow subsidiaries	**7,044**	10,990
Other interest payable	**102**	-
	7,640	11,554

Notes *(continued)*

7 Tax on loss on ordinary activities

Analysis of charge in the year

	2009	2008
	£'000	£'000
United Kingdom corporation tax at 28% (2008 28 5%)	**-**	-
Adjustments in respect of previous years	**(89)**	
Total current tax	**(89)**	-
Deferred tax		
Origination and reversal of timing differences		
Other movements *(see Note 11)*	**1,004**	909
Pension provision	**813**	844
Total deferred tax	**1,817**	1,753
Tax on loss on ordinary activities	**1,728**	1,753

Factors affecting tax charge for the year

The tax assessed differs from the application of the standard rate of corporation tax in the UK (28%) (2008 28 5%) to the company's loss before taxation for the following reasons

Loss on ordinary activities before tax	**(3,261)**	(4,780)
Tax (credit)/charge on (loss)/profit at a standard rate of 28% (2008 28 5%)	**(913)**	(1,362)
Expenses not deductible for tax purposes	**2,674**	2,748
Impact of share based payment recharges	**(1,204)**	(1,609)
Group relief for current year at no cost	**(501)**	2,615
Dividend income not taxable	**-**	(285)
Depreciation in excess of capital allowances	**256**	318
Other timing differences	**(688)**	(766)
Adjustments in respect of previous years	**(89)**	-
Intercompany debt forgiveness	**376**	(1,659)
Total current tax (credit)/charge (see above)	**(89)**	-

Any future tax charges and movements in deferred tax will be impacted by the enacted change in the rate of corporation tax from 28% to 27% effective from 20 July 2010. The expected impact on the deferred tax balance is £42,000.

Notes *(continued)*

8 Intangible fixed assets

	Purchased goodwill £'000
Cost	
At 1 January 2009	94,179
Additions	108
At 31 December 2009	**94,287**
Amortisation	
At 1 January 2009	41,736
Charge for the year	4,910
At 31 December 2009	**46,646**
Net book value	
At 31 December 2009	**47,641**
At 31 December 2008	52,443

Purchased goodwill principally relates to the acquisition of the activities of the Jones Lang Wootton partnership on 8 March 1999 The average useful economic life of purchased goodwill is 20 years

9 Tangible fixed assets

	Motor vehicles £'000	Office machinery, computer equipment and fixtures £'000	Improvements to short leasehold premises £'000	Total £'000
Cost				
At 1 January 2009	7	21,619	15,576	37,202
Additions	-	3,134	625	3,759
Disposals	-	(63)	(4)	(67)
At 31 December 2009	**7**	**24,690**	**16,197**	**40,894**
Depreciation				
At 1 January 2009	2	10,786	2,828	13,616
Charge for the year	1	3,583	2,114	5,698
Disposals	-	-	-	-
At 31 December 2009	**3**	**14,369**	**4,942**	**19,314**
Net book value				
At 31 December 2009	**4**	**10,321**	**11,255**	**21,580**
At 31 December 2008	5	10,833	12,748	23,586

Notes *(continued)*

10 Fixed asset investments

	2009 £'000	2008 £'000
Shares in group companies – subsidiaries	**209,353**	209,353
Other investments	**410**	1,517
	209,763	210,870

	£'000
Other investments	
At 1 January 2009	**1,517**
Impairment	**(1,107)**
At 31 December 2009	**410**

The directors are satisfied that the company's investments are worth at least as much as the amounts at which they are included in the balance sheet

Subsidiaries	Activity	Country of incorporation/ registration and operation	Proportion of ordinary shares held %
Direct holdings			
Jones Lang LaSalle Corporate Finance Limited	Financial services	England	100
Jones Lang LaSalle Resources Limited	Staff services provider	England	100
Jones Lang LaSalle European Services Limited	Surveying services	England	100
Jones Lang LaSalle European Holdings Limited	Holding company	England	100
Rogers Chapman Limited	Surveying services	England	100
HG2 Limited (formerly Hargreaves Goswell Limited)	Surveying services	England	100
Jones Lang Wootton Ltd	Dormant	England	100
AMAS Limited	Dormant	England	100
JLW Nominees Ltd	Dormant	England	100
JLW Second Nominees Ltd	Dormant	England	100

A full list of companies will be included in the company's annual return

Notes *(continued)*

11 Debtors

	2009	2008
	£'000	£'000
Trade debtors	**1,115**	2,870
Amounts owed by		
Subsidiary undertakings	**9,071**	1,702
Parent company and fellow subsidiaries	**140,347**	155,932
Deferred tax asset	**1,168**	2,172
Other debtors	**3,601**	17,015
Prepayments and accrued income	**22,028**	18,021
	177,330	197,712

Debtors due after more than one year amounted to £24,290 *(2008 £306,370)*

Deferred taxation movement		
At the beginning of the year	**2,172**	3,081
Charged to profit and loss account *(see Note 7)*	**(1,004)**	(909)
At 31 December 2009	**1,168**	2,172
Amounts fully provided for deferred taxation		
Accelerated depreciation	**258**	306
Company share schemes	**784**	1,779
Other timing differences	**126**	87
	1,168	2,172

12 Creditors: amounts falling due within one year

	2009	2008
	£'000	£'000
Bank loans and overdrafts	-	4,920
Amounts due to		
Subsidiary undertakings	**98,446**	98,609
Parent company and fellow subsidiaries	**109,867**	112,467
Taxation and social security	**4,398**	12,532
Other creditors	**3,999**	2,771
Accruals and deferred income	**31,205**	35,390
	247,915	266,689

Included in amounts due to parent company and fellow subsidiaries is an amount due to Jones Lang LaSalle Finance BV of £86,786,240 *(2008 £88,748,129)*

Notes *(continued)*

13 Creditors: amounts falling due after more than one year

	2009	2008
	£'000	£'000
Acquisition creditor	**2,611**	2,744
Other creditors	**2,768**	2,248
Accruals due after more than one year	**3,971**	916
	9,350	5,908

The acquisition creditor balance represents consideration outstanding in relation to the acquisitions of Rogers Chapman Limited and Hargreaves Goswell Limited

14 Provisions for liabilities and charges

	Dilapidations £'000
At the beginning of the year	**1,207**
Additions	**49**
At 31 December	**1,256**

15 Pension schemes

The Company operates a defined contribution pension scheme The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £5,085,000 (2008 £5,675,000) There were no outstanding or prepaid contributions at either the beginning or end of the financial year

The Company also operates a pension scheme providing benefits based on final pensionable pay The latest full actuarial valuation was carried out at 31 December 2008 and was updated for FRS 17 purposes to 31 December 2009 by a qualified independent actuary The Jones Lang LaSalle Limited Group contributions for the year were £2,608,000 *(2008 £2,798,000)* The Company expects to contribute around £2,920,000 to its pension scheme in 2010

	2009 £'000	2008 £'000
Fair value of plan assets	**91,131**	79,357
Present value of unfunded defined benefit obligations	**(93,764)**	(72,500)
(Deficit)/surplus	**(2,633)**	6,857
Related deferred tax	**737**	(1,920)
Net (deficit)/surplus	**(1,896)**	4,937

Notes *(continued)*

15 Pension schemes *(continued)*

Movements in present value of defined benefit obligation

	2009 £'000	2008 £'000
Benefit obligation at beginning of year	**72,500**	90,050
Current service cost	**417**	659
Interest cost	**4,647**	5,166
Actuarial loss/(gain)	**18,806**	(20,751)
Benefits paid	**(2,606)**	(2,624)
Benefit obligation at end of year	**93,764**	72,500

Analysis of defined benefit obligation

	2009 £'000	2008 £'000
Plans that are wholly or partly funded	**93,764**	72,500

Movements in fair value of plan assets

	2009 £'000	2008 £'000
Fair value of plan assets at beginning of year	**79,355**	93,369
Expected return on plan assets	**5,361**	6,042
Actuarial gain/(loss)	**6,413**	(20,230)
Employer contributions	**2,608**	2,798
Benefits paid	**(2,606)**	(2,624)
Fair value of plan assets at end of year	**91,131**	79,355

	2009 £'000	2008 £'000
Funded status	**(2,633)**	6,855

Components of pension cost

	2009 £'000	2008 £'000
Interest cost	**4,647**	5,166
Expected return on plan assets	**(5,361)**	(6,042)
Net benefit	**(714)**	(876)
Current service cost	**417**	659
Total pension cost recognised in the profit and loss account	**(297)**	(217)

The current service cost is recognised in operating expenses and the interest benefit is recognised in interest receivable and similar income in the profit and loss account

Notes *(continued)*

15 Pension schemes *(continued)*

	2009 £'000	2008 £'000
Actuarial loss/(gain) immediately recognised in statement of total recognised gains and losses	**12,393**	(521)

	2009	2008
Cumulative amount of actuarial (gains)/losses immediately recognised	**(10,637)**	(23,030)

Plan assets

The weighted-average asset allocation at the year end was as follows

	2009 %	2008 %
Equities	**60 1**	57 5
Bonds	**38.4**	40 5
Other	**1 5**	2 0
	100 0	100 0

To develop the expected long-term rate of return on assets assumption, the company considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio This resulted in the selection of the 6 6% assumption

	2009 £'000	2008 £'000
Actual return on plan assets	**11,774**	(14,188)

Weighted average assumption used to determine benefit obligation at year end

	2009 %	2008 %
Discount rate	**5 70**	6 50
Rate of compensation increase	**5 00**	4 30
Rate of price inflation	**3 50**	2 80
Rate of pension increases	**3 40**	2 80

Weighted average assumption used to determine net pension cost for year ended

	2009 %	2008 %
Discount rate	**6 50**	5 80
Expected long-term return on plan assets	**6 80**	6 50
Rate of compensation increase	**4 30**	4 90
Rate of price inflation	**2 80**	3 40
Rate of pension increases	**2.80**	3 40

Notes *(continued)*

15 Pension schemes *(continued)*

Weighted average life expectancy for mortality tables used to determine benefit obligation at

	Male	Female
Member aged 65 (current life expectancy)	23	25
Member aged 40 (life expectancy at age 65)	25	27

Five year history

	2009 £'000	2008 £'000	2007 £'000	2006 £'000	2005 £'000
Benefit obligation at end of year	**(93,764)**	(72,500)	(90,050)	(95,000)	(95,490)
Fair value of plan assets at end of year	**91,131**	79,355	93,369	88,216	83,259
(Deficit)/surplus	**(2,633)**	6,855	3,319	(6,784)	(12,231)
Difference between actual and expected return on scheme assets					
Amount (£'000)	**6,413**	(20,230)	(606)	162	7,823
Percentage of scheme assets	**7%**	(25%)	(1%)	-	9%
Experience gains/(losses) on scheme liabilities					
Amount (£'000)	**1,120**	(749)	(532)	2,193	-
Percentage of scheme assets	**1%**	(1%)	(1%)	2%	0%

16 Called up share capital

	2009 £'000	2008 £'000
Allotted, called up and fully paid:		
At 1 January and 31 December (121,087,705 ordinary shares of £1 each)	**121,088**	121,088

Notes *(continued)*

17 Reserves

	Capital contribution reserve £'000	Capital Redemption reserve £'000	Profit and loss account £'000
At the beginning of the year	89,783	268	4 605
Loss for the year	-	-	(4,989)
Other recognised gains/losses relating to the year			
Actuarial loss recognised in the pension scheme	-	-	(12 393)
Deferred tax arising on losses in the pension scheme	-	-	3,470
Share based payments charge for the year	-	-	4
Movement in accruals for share based payment recharge	-	-	(4 964)
	89,783	268	(14,267)

18 Operating lease commitments

At 31 December 2009 the company was committed to making the following payments during the following year in respect of operating leases

	Land and buildings 2009 £'000	Office equipment 2009 £'000	Total 2009 £ 000	Land and buildings 2008 £ 000	Office equipment 2008 £'000	Total 2008 £ 000
Leases which expire						
Within one year	-	37	37	-	600	600
Within two to five years	2,154	547	2,701	1 256	-	1 256
After five years	5,619	-	5,619	5 681	-	5 681
	7,773	584	8 357	6 937	600	7 537

19 Capital commitments

	2009 £ 000	2008 £ 000
Contracted for but not provided	997	-

Notes *(continued)*

20 Contingent liabilities

The company, along with other Jones Lang LaSalle group entities, is guarantor of the obligations of Jones Lang LaSalle Finance BV to lending banks under the Multicurrency Credit Facility In July 2008, the US$575 million revolving Multicurrency Credit Facility was amended and increased to US$675 million and the company entered into a US$200 million term loan agreement (which was fully drawn and requires eight quarterly principal payments of US$5 million commencing 31 December 2008, six quarterly principal payments of US$7 5 million commencing 31 December 2010 and the balance payable on 6 June 2012), with terms and pricing similar to the amended Multicurrency Credit Facility As a result of these changes, the total capacity of both the revolving facility and term loan, together the "Facilities", increased to US$875 million In December 2008, the Facilities were amended to increase the maximum allowable leverage ratio through September 2009, provide additions to Adjusted EBITDA for certain non-recurring charges and modify certain other definitions and pricing while keeping the borrowing capacity unchanged In June 2009, the Facilities were further amended to (i) increase the maximum allowable leverage ratio to 3 75 to 1 through March 2011, at which point the maximum allowable leverage ratio will decrease to 3 50 to 1 through September 2011 and 3 25 to 1 thereafter, (ii) increase the permitted additions to Adjusted EBITDA for certain non-recurring charges and (iii) modify certain other definitions and pricing while keeping unchanged the unsecured borrowing capacity and the June 6, 2012 maturity date

As at 31 December 2009, the Facilities had a drawn balance of US$175 0 million (2008 US$483 9 million) The Facilities maturity date is 6 June 2012

In connection with Jones Lang LaSalle's acquisition of Staubach Holdings, Inc on 11 July 2008, the company, along with other Jones Lang LaSalle group entities, became a guarantor of deferred acquisition and potential earn out payment obligations owed by an affiliate to the Staubach Holdings, Inc shareholders The guaranteed deferred acquisition and potential earn out payments total approximately US$504 million and will be paid at various times through August 2013

21 Share-based payments

The Group operates a number of share-based payment schemes, details of those which apply to employees of the Company follow The shares are in the ultimate parent company

All of the schemes provide for shares with no performance conditions, and with the exception of the SAYE scheme, entitle participants to dividend equivalents Therefore, the fair value of the share awards, other than SAYE, is equal to the share price at date of grant The fair value of SAYE schemes is determined by using the Black-Scholes valuation model For 2006 and earlier years the Mercer Bionomial valuation model was used

All employee Save As You Earn (SAYE) schemes

The Group operates a SAYE share option scheme for all employees to encourage participation in the group's results Options are exercisable at a price equal to the quoted market price of the Group's shares on the date of grant less a discount of 15 per cent The options mature after either three years or five years and there is an exercise period of six months from when the share options become exercisable after which period the options lapse

Details of the share options outstanding during the year are as follows

	2009	2008
Outstanding at the beginning of the year	**133,202**	98,647
Granted during the year	**232,350**	69,903
Exercised during the year	**(127,610)**	(35,348)
Outstanding at the end of the year	**237,942**	133,202

Notes *(continued)*

21 Share-based payments *(continued)*

All employee Save As You Earn (SAYE) schemes *(continued)*

The options outstanding at 31 December 2009 had a weighted average exercise price of £15 63 (2008 £32 18), and a weighted average remaining contractual life of 2 8 years (2008 2 25 years) During the year options were granted on 16 March 2009 The aggregate of the estimated fair values of the options granted on that date is £1,151,284

The inputs into the binomial model that the company uses to value share options were

	2009	**2009**	2008	2008
	3 year	**5 year**	3 year	5 year
Share price at date of grant	$22 90	$22 90	$75 52	$75 52
Share price at date of grant	£16 28	£16 28	£37 19	£37 19
Exercise price	£13 84	£13 84	£29 87	£29 87
Expected volatility	38 40%	38 00%	32 00%	32 00%
Expected life	3 year	5 year	3 years	5 years
Risk free rate	1 22%	1 65%	1 65%	2 38%
Expected dividend yield	2 2%	2 2%	1 50%	1 50%

Expected volatility was determined by calculating the historical volatility for the 3 years up to the date of grant

Share Ownership Programme

The Group also operates a Share Ownership Programme (SOP), the participants in this were the directors and senior managers of the Company Under the SOP the participants receive part of their discretionary bonus in the form of shares These shares vest eighteen and thirty months after the financial year to which they relate Vesting is conditional upon the participant remaining in the employ of a Group company, unless they retire in the intervening period at normal retirement age

Details of the shares outstanding under the SOP during the year are as follows

	2009	2008
Outstanding at the beginning of the year	**126,326**	119,732
Granted during the year	**88,379**	91,155
Exercised during the year	**(86,821)**	(84,561)
Outstanding at the end of the year	**127,884**	126,326

The options outstanding at 31 December 2009 had a weighted average remaining contractual life of 0 9 years (2008 0 9 years) During the year awards were granted on 1 January 2010 relating to performance in the current year The aggregate of the estimated fair values of the shares awarded on that date is £1,799,751

The share price at the date of grant was £21 08 ($30 55)

Restricted Stock Grant Plan

The Group operates a restricted stock grant plan (RSG), under which some directors and senior managers may receive awards of shares Shares under this plan vest in equal instalments forty months and sixty four months from the grant date Vesting is conditional upon the participant remaining in the employ of a Group company

Details of the shares outstanding under the RSG during the year are as follows

Notes *(continued)*

21 Share-based payments *(continued)*

Restricted Stock Grant Plan *(continued)*

	2009	2008
Outstanding at the beginning of the year	**148,062**	222,299
Granted during the year	**45,686**	21,861
Exercised during the year	**(56,686)**	(96,098)
Outstanding at the end of the year	**137,062**	148,062

The options outstanding at 31 December 2009 had a weighted average remaining contractual life of 2 2 years (2008 1 4 years) During the year awards were made as shown below The aggregate of the estimated fair values of the shares awarded on that date is £971,082

The inputs into the binomial model that the company uses to value share options were

Grant Date	14/02/2003	21/05/2003	30/09/2003	25/02/2004	26/04/2004
Share price at date of grant	$13 00	$15 75	$18 50	$23 00	$23 57
Share price at date of grant	£8 03	£9 60	£11 10	£12 16	£13 31
Grant Date	08/06/2004	09/07/2004	23/02/2005	29/07/2005	02/08/2005
Share price at date of grant	$26 48	$26 65	$41 35	$49 25	$50 00
Share price at date of grant	£14 39	£14 41	£21 64	£28 04	£28 28
Grant Date	01/01/2006	18/01/2006	23/02/2006	15/06/2006	15/08/2006
Share price at date of grant	$50 35	$57 55	$70 94	$78 00	$78 40
Share price at date of grant	£29 21	£32 61	£40 68	£42 39	£41 46
Grant Date	08/03/2007	02/08/2007	21/11/2007	13/12/2007	15/02/2008
Share price at date of grant	$104 34	$110 11	$71 66	$77 34	$71 70
Share price at date of grant	£54 05	£54 31	£34 85	£37 90	£36 49
Grant Date	15/04/2008	01/07/2008	01/08/2008	02/01/2009	04/03/2009
Share price at date of grant	$77 93	$62 11	$48 99	$30 55	$18 77
Share price at date of grant	£39 47	£31 16	£24 72	£20 91	£13 35
Grant Date	26/05/2009	16/06/2009	14/08/2009	01/10/2009	18/11/2009
Share price at date of grant	$35 75	$32 25	$42 02	$44 91	$54 32
Share price at date of grant	£22 49	£19 72	£25 39	£28 04	£32 31
Grant Date	23/11/2009	18/12/2009			
Share price at date of grant	$50 93	$58 38			
Share price at date of grant	£30 86	£36 02			

Notes *(continued)*

22 Ultimate controlling party

The company's immediate parent company during the year was Jones Lang LaSalle Europe Limited, a company incorporated in England and Wales, and the ultimate parent company is Jones Lang LaSalle Incorporated, a company incorporated in Maryland, USA

The only group in which the financial statements of the company are consolidated is that headed by Jones Lang LaSalle Incorporated Copies of the group financial statements of Jones Lang LaSalle Incorporated can be obtained from Jones Lang LaSalle Incorporated, 200 East Randolph Drive, Chicago, Illinois 60601, USA