

JONES LANG LASALLE, INC.

**Moderator: Lauralee Martin
October 28, 2009
8:00 am CT**

Operator: Good day and welcome to the Third Quarter 2009 Earnings Release conference call for Jones Lang LaSalle Incorporated. Today's call is being recorded.

Any statements made about future results and performance or about plans, expectations and objectives are forward-looking statements. Actual results and performance may differ from those included in the forward-looking statements as a result of factors discussed in the company's annual reports on Form 10-K for the year ended December 31, 2008 and our other reports filed with the SEC.

The company disclaims any undertaking to update or revise any forward-looking statements. A transcript of this call will be posted and available on the company's Web site. A Web audio replay will also be available for download. Information and the link can be found on the company's Web site.

At this time I would like to turn the call over to Mr. Colin Dyer, Chief Executive Officer for opening remarks. Please go ahead, sir.

Colin Dyer: Thank you, operator. Hello everybody, and thank you for joining us for this review of our results for the third quarter and first nine months of 2009. Joining me on today's call is Lauralee Martin, our Chief Operating and Financial Officer.

Lauralee will review our performance in detail in a few minutes, but first here are some highlights. We reported net income of \$20 million for the third quarter; that's 46 cents per share. Adjusting this for restructuring and certain non-cash co-investment charges, net income would have been \$27 million or 61 cents per share.

Year-to-date we reported a net loss of \$56 million or \$1.50 a share. Adjusting again for restructuring and co-investment charges, year-to-date net income would have turned positive to \$15 million or 40 cents per share.

Revenue for the third quarter was \$595 million, a 12% decrease in U.S. dollars from quarter three 2008 and a 9% decline in local currency. Revenue for the first nine months of the year was \$1.7 billion, down 12% from 2008 and down 6% in local currency.

Adjusted EBITDA was \$66 million for the third quarter. Year-to-date adjusted EBITDA was \$126 million.

At the end of the quarter, the outstanding balance on our long term credit facilities was \$292 million, a \$106 million reduction from the second quarter and a product of strong cash flow generation, reduced capital spending and aggressive working capital management.

And finally, we announced that our Board of Directors has declared a semi-annual dividend of 10 cents per share of our common stock.

Before Lauralee reviews the numbers in greater detail let's look at the current economic and real estate environment. The global economy is now in recovery as economies around the world emerge slowly from the great recession.

IHS Global Insights forecasts positive third quarter growth in most of the G20 countries due in large part to record government and Central Bank stimulus packages. However, forecasts do not anticipate more robust, broad-based growth emerging until late 2010 or 2011.

In commercial real estate, as in many economic sectors, market activity will be picking up unevenly from severely reduced levels. And so market conditions in our sector differ significantly today by sector and by geography. In general though, people are more optimistic now than at any time in the past 24 months.

Investment sales markets in many countries are anticipating a recovery and are beginning to find the bottom in pricing and transaction volumes. Parts of Asia and Europe for example, are moving up from price and activity lows. Cap rates fell by up to 50 basis points in Asia Pacific and 25 basis points in Europe during the third quarter for assets with reliable cash streams.

European and Asian banks are beginning to lend with greater confidence but at the same time however, the limited availability of products is slowing sales activity in some recovering markets.

The U.S. remains the exception to this picture of slow improvement with activity levels still declining. In Europe, direct commercial real estate investment volumes total 19 billion euros in the third quarter increasing by

around a third off of very low levels. In Asia Pacific, data from Real Capital Analytics indicates that overall direct commercial investment volumes increased by about 20% above the second quarter also from depressed levels.

U.S. transaction volume continued at an anemic pace in the quarter with \$10.5 billion in value traded during the period. And although this did represent a 13% increase on even weaker Q2 volumes, but with banks still reluctant to originate new loans in the sector, a sustainable upturn is unlikely to appear -- even in leading markets -- until 2010.

In global leasing markets, building supply is generally stable but demand fundamentals for real estate continue to point down in most areas. Although the pace of decline is slowing with the exception of a few global centers, leasing activity has not found a bottom in either pricing or demand. We anticipate the bottoming of leasing activity in the first half of next year in Asia and in parts of Europe and late in the second half of 2010 in the Americas.

Summarizing this picture then, markets are beginning to stabilize, although this is not yet showing through in the top line for property services.

So in this environment, how have we responded? Well, we've sized our business to current market conditions. We continue to grow our market leading corporate outsourcing business. LaSalle Investment Management is protecting values in its portfolios, focusing on its clients and maintaining a healthy advisor fee margin.

Our Value Recovery Services are supporting banks, public institutions and other clients with distressed real estate asset sales around the world. We are continuing to build our strategically important businesses in China and India

and we are using our financial strength and balance sheet to protect key people and attract new talent to our firm.

We'll look at each of these areas in greater detail during today's call. But with that, let me first turn the call over to Lauralee.

Lauralee Martin: Thank you, Colin and good morning to everyone on the call. As with our previous calls we've posted slides on the Investor Relations section of our Web site, www.joneslanglasalle.com, for your reference. I'll use these slides as the framework to discuss our quarterly results. Also included in the appendix of those slides are year-to-date comparisons beginning on Slide 10.

Turning to Slide 2, we're very pleased that GAAP net income improved to \$19.8 million in the third quarter as compared to \$15 million in the third quarter of 2008. Our earnings per share improved to 46 cents as compared to 43 cents in the prior year despite the new shares offered in our equity offering. The reconciliation in the bottom portion of the schedule provides a bridge from our reported GAAP net income to our adjusted net income of \$26.6 million for the third quarter of 2009 or 61 cents per share. The dollar amount of our adjustments has gone down from both third quarter of last year and previous quarters this year as most of restructuring actions have now been taken.

We did take an additional \$4.2 million of restructuring charges in the third quarter, \$3.6 million after tax, mostly related to severance. We also recognized \$3.7 million of non-cash co-investment impairment charges in the third quarter, \$3.2 million after tax, as a result of real estate valuations related to our co-investments in LaSalle Investment Management funds. These charges are significantly below those taken in the two previous quarters this

year as valuations have started to stabilize. These impairments do not impact our bank EBITDA ratios as they are non-cash charges.

Turning to Slide 3, adjusted EBITDA was \$66.2 million for the third quarter compared with adjusted EBITDA of \$72.6 million in the third quarter of 2008. The comparison of adjusted EBITDA by segment shows strong performance in the Americas and Asia Pacific supported by our corporate outsourcing business and the addition of the Staubach organization in the Americas. EMEA experienced the most significant decrease compared with the other segments primarily due to significantly lower transaction levels in both capital markets and leasing.

We are realizing the run rate cost savings that we projected would result from our restructuring actions and we are also benefiting from a significant reduction in our discretionary spend. These savings have been partially offset by new gross facility management contracts.

Slide 4 shows our third quarter revenue compared with the third quarter of 2008. Overall, revenue was down 12% or 9% in local currency, primarily due to the decline in transaction levels.

Capital Markets and Hotels revenue was down 34% in the quarter, 30% in local currency and Leasing was down 6% in the quarter or 4% in local currency. I'll cover these in more detail on Slides 5 and 6 but I'd like to spend a few minutes focusing on each of our segments.

Beginning with the Americas, revenue was \$239 million, down 6% for the quarter. The largest percentage declines are in Capital Markets and our Project and Development business, which were down 62% and 39% respectively. These declines were partially offset by a 23% increase in Leasing. We're

extremely proud of our combined organizations' performance after the Staubach merger and the strength of our Leasing teams, especially in the current global economic downturn.

The Americas operating income this quarter was \$29.3 million, nearly 75% higher than the third quarter of 2008 and was achieved despite a \$13 million revenue decline. Savings in the compensation line due to our restructuring actions and a real focus on reducing discretionary spending contributed to the increase.

In EMEA, third quarter revenue was \$154 million, down 26% compared with last year. Economic pressure across the region continued to stress our transaction-based businesses.

The most substantial year-over-year decline was in Russia where we have experienced significantly reduced activity. In 2008 Russia made up 9% of EMEA's total year revenue. But on a year-to-date basis this year, Russia is only 3% of EMEA's revenue. We've taken aggressive cost actions to appropriately size the business to now be profit-neutral to positive going forward. But we've also protected our market leading position which is over 50% in this important market while competitors have been forced to close their operations.

Management Services revenue was up 2% compared with the third quarter of 2008 and up 10% in local currency. Operating expenses for the region were \$158 million in the quarter, down 22% from 2008 in U.S. dollars and down 14% in local currency. The third quarter expenses included incentive compensation for those businesses that moved from a year-to-date loss position to a year-to-date profit.

The inclusion of incentive compensation in the quarter we view as a very positive sign that our transactors in certain businesses and geographies are experiencing improved seasonal revenue performance while operating within a right-sized expense base.

Third quarter revenue in Asia Pacific was up 5% in local currency. The quality of the income continues to improve and our annuity-based revenue was up 18% in local currency compared with the third quarter of 2008. This annuity revenue, along with closing a few large transactions and an ongoing focus on costs, contributed to third quarter operating income of \$7.1 million compared to a breakeven third quarter in 2008.

On Slide 5, Capital Markets and Hotels activity remained at very low levels throughout the third quarter resulting in significantly lower revenue. We have taken the most significant restructuring actions in our Capital Markets group and have appropriately sized the business for the current environment while staying well positioned for any uptick in activity. We are seeing increasing pipelines globally for our Value Recovery Services business but this has not yet translated into meaningful revenue contributions. Asia Pacific was a bright spot in the quarter with year-over-year increase of 8% in local currency as we began to see some increased activity in Australia and Singapore.

On Slide 6, the Staubach merger continues to be very positive for the firm. Leasing was up 23% from the third quarter of 2008 in the Americas. As the merger was finalized on July 11 of 2008, the prior year quarter results exclude approximately \$11 million of revenue earned by Staubach prior to that date. Including that \$11 million in the 2008 results, leasing revenue would have increased 11% from the third quarter of 2008, a strong combined performance of our teams in increasingly difficult leasing markets.

Leasing revenue declined in both EMEA and Asia Pacific compared with the third quarter of 2008.

In EMEA, leasing revenue was down 37% in local currency. In Asia Pacific, leasing revenue was down 19% in local currency in the third quarter. While there is activity and transactions are closing, they are at reduced values as rental rates continue to fall.

We have provided additional information about our Management Services revenue on Slide 7 including a breakdown of property and facility management and project and development services revenue.

Focusing on the annuity revenue in Management Services, our property and facility management and related activities grew 18% in the quarter as new business wins in our corporate outsourcing business continued. Colin will be discussing many of these wins shortly.

Our Project and Development services offering is down 23% in local currency, offsetting the growth in property and facility management and resulting in a zero net increase in Management Services revenue across the company.

As our corporate and investor clients have reduced capital expenditures, our revenue has declined accordingly. We are growing our Energy and Sustainability Services Project and Development services offer with the increasing sustainability agendas of our clients. They are realizing that they can achieve payback on their capital expenditures through energy and environmental conservation.

On Slide 8 we provide a detail of LaSalle Investment Management's revenues. Our advisory fees of \$61 million in the quarter were down 10% in local currency compared to a year ago. We have reported approximately \$60 million of advisory fees each quarter this year demonstrating the stability of this revenue despite valuation decline impacts and market fee pressures that persist. We recognized nearly \$4 million of incentive fees in the third quarter mainly due to the liquidation of a matured fund. Excluding impairments for the quarter, LaSalle Investment Management's operating income margin was well over 20%.

Assets under management rose slightly from the second quarter to \$37.6 billion driven by valuation recoveries in our public securities portfolio. We have taken steps to stabilize portfolio debt and maximize property cash flow for our clients.

Turning to Slide 9, in our balance sheet and cash flow, in the third quarter we paid down \$106 million on our credit facilities as a result of our strong cash flow from operations and reduced spending. The debt on our credit facilities at September 30 was \$292 million and we remain comfortably within our covenant limits. Consistent with our normal seasonal patterns we expect further debt repayment in the fourth quarter.

The debt repayment achieved in the third quarter demonstrates the powerful cash flow generating ability of the firm even in the current environment where underlying real estate markets are still generally quite weak.

So in summary, we are pleased with our improved earnings performance compared to the third quarter of 2008. We are realizing the benefits of our restructuring and cost actions and we are well positioned with our strong balance sheet to be a competitive winner in this marketplace.

Let me turn the call back to Colin to discuss some of our recent wins and accomplishments.

Colin Dyer: Thank you, Lauralee. To give you a sense of how well our colleagues are performing in the current business climate we will now give you further detail on market conditions and some examples of our recent business successes.

Activity in our global Corporate Solutions business continued to gain momentum in the third quarter. Corporate occupiers see outsourcing of an effective strategy for controlling costs and right-sizing their real estate operations. And they view Jones Lang LaSalle as the preeminent global provider for these services.

To date in 2009 the number of relationships we've established with new clients is up 10% year-on-year. We've won 79 relationships in all, including 35 wins from new clients plus 24 expansions of existing relationships and 20 contract renewals. Our pipeline remains strong.

Leveraging our industry expertise and focus on bio-pharma, banking, technology and manufacturing, we have recently secured two major wins with leading bio-pharma companies for global transaction services. We have expanded our presence in the manufacturing sector through two multi-region wins including Volkswagen.

We've gained market share in the technology segment through expansion with ACS and Sabre, and we continue to maintain our leadership position in the banking industry through growth of existing clients like Bank of New York Mellon and new relationships with clients such as Keybank.

In the Americas, we expanded with Diageo, adding facilities management and lease administration to our existing project management activities for Diageo's 9 million square foot U.S. portfolio.

The MITRE Corporation, a not-for-profit public interest company, selected us as exclusive real estate partner for its 3.2 million square feet office, research and critical datacenters.

In Europe as we noted on our last call, Whirlpool added lease auditing services to our responsibilities in the region early in the quarter. And as I mentioned a moment ago, Bank of New York Mellon awarded us lease administration and facilities management responsibilities for 1.2 million square feet of space.

In Asia Pacific we were selected to provide tenant representation and transaction management for Virgin Blue across our network in Australia, New Zealand and the Pacific Islands. And in China, a major investment bank chose us for facilities management for its 150,000 square foot portfolio in Beijing and Shanghai.

Turning to investment sales, activity in this market began to stabilize and in Europe and Asia volumes rose in the quarter as the investment sales market anticipates demand recovery well ahead of fundamentals. Banks in Asia and Europe are lending to property again, and loan-to-value ratios are creeping up and spreads are creeping down.

In the U.S. we were retained by AkzoNobel to market an eight building office and R&D center in New Jersey and we represented PREI to sell a two building campus in Washington D.C.

Turning to Europe, we remained at the top of the UK Investment Agents League listing for the total value of transactions completed to date this year in the UK. In England, we sold the Prince Bishops Durham Shopping Centre for Blackrock for 60 million pounds and we advised the Global Infrastructure Partnership in its successful bid to purchase Gatwick Airport from BAA for 1-1/2 billion pounds.

In Germany we acted for Vivico Real Estate in Berlin selling The Roemischer Hof building for 50 million Euros. And in the Netherlands we advised a European investor on the 115 million Euro sale of a headquarters building in the Hague.

In Asia Pacific we worked for the seller on six floors in Singapore's Prudential Office Tower which transacted for \$71 million U.S., the largest transaction and the highest price per square foot for office product in Singapore this year.

In Hong Kong, we represented Merrill Lynch selling three retail properties for \$204 million U.S. in the largest single transaction in Hong Kong this year.

So some indications for you of the international deals that are being done in otherwise quiet investment sales markets.

Jones Lang LaSalle Sallmanns, our Chinese based evaluations group, continues to take advantage of the IPO revival in Greater China. In market capitalization, Sallmanns has advised on more than half of the 39 IPOs completed in China this year. One example: we valued the assets for Metallurgical Corporation of China, which raised more than \$5 billion U.S.

In Leasing and Tenant Representation, we continued to gain share. But with weak modern demand fundamentals, market activity is broadly still falling worldwide and office vacancy rates rose to near 10% across Europe, near 20% across U.S., and in the range of 20% to 40% anticipated in the major Chinese cities.

Rental rates stabilized between quarter two and quarter three in Europe, Asia and even in the U.S., indicating the beginnings of a steadying market, however growth in concessions and allowances means that effective rents are still falling.

While net and gross absorption were both down across all U.S. markets year-on-year, our U.S. agency leasing footage transacted was up 15% in the quarter, and our tenant representation volume increased by 20% as Lauralee alluded to. This remarkably strong performance reflects our successful integration of the 2008 Staubach merger.

So examples of lease action, we completed two large transactions for Kaiser Permanente during the quarter renewing their corporate headquarters in the Oakland, California, and securing 200,000 square feet of new space in Washington, DC.

In Europe, we won a 65,000 square foot mandate for GDF Suez in Paris and negotiated a 65,000 square foot office space for Ernst & Young in Budapest. There is activity in Dubai where we acquired 39,000 square feet of space for the Supreme Group and that was the largest office deal this year.

In Australia, we completed the largest lease in Brisbane in three years, 160,000 square feet for the Queensland's Department of Environment and Resource Management.

In China, Vestas, the leading supplier of wind power solutions, retained us to renew and double its Beijing office occupancy. In Singapore, we won 100,000 square foot tenant representation assignments from both Aviva and Dell, while in India we represented Unitech Wireless for leases in Delhi and Bangalore which totaled 85,000 square feet.

At LaSalle Investment Management we remain focused on two key priorities. The first is protecting and improving asset level performance in the face of continued distress in global investment markets. To this end we have renegotiated over \$3 billion of bank loans over the last 18 months, primarily refinancings, along with some new debt on individual assets. This activity is with lenders with whom we have carefully maintained excellent relationships. No properties have been surrendered to lenders. We have also begun buying and selling profitably in the recovering UK market and beginning to move to a measured buying stance in Europe and Asia.

The second priority for LaSalle is maintaining open and frequent communications with investors. We are viewed as performing amongst the best managers in the crisis and have been recognized for it with several Euromoney awards which I will discuss in a moment.

More practically, we have also been awarded with more investment dollars, so that even in today's challenging climate LaSalle has raised over \$3 billion of capital this year in public and private equity and \$1.5 billion of that sum raised in the third quarter. One point, one billion dollars of the year-to-date was the private equity for three co-mingled funds and three separate accounts in North America and the UK. A major U.S. State Pension Plan is also in the final stages of retaining LaSalle for one additional major mandate, which we will discuss in more detail on our next call.

As the broader capital and asset markets recover, indications are that real estate will continue to hold its place in institutional investment strategies, and that LaSalle's performance will see us continue to gain in reputation and in market share.

In distressed market conditions, we continue to grow our Value Recovery Services with public and private entities, and we are beginning to see meaningful activity in this emerging sector. These integrate multiple services from portfolio and evaluation advice, asset management and leasing to investment sales, all tailored to individual client situations.

Some examples of this work, in Asia Pacific our Australian retail investments team represented the property's receiver in the sale of Underwood Marketplace in Queensland to an offshore investor for \$47 million U.S. And in Japan, we are asset manager and sole agent for a foreclosed portfolio of five retail assets now owned by a global investment bank.

In the U.S., with growing numbers of owners, banks and services needing to liquidate property efficiently, we launched a JV with Real Estate Disposition LLC for sophisticated online auction platform to market commercial property and notes.

A word on people; as we begin to look forward to recovering real estate markets, we are aware of the challenges of retaining and attracting the best staff. And so to that end we are actively engaged in staying close to our key teams and individuals across the business in using our financial strength to make sure that we are paying for demonstrated performance and we're targeting those in the organization who will also be driving the future growth.

And finally, we are also using our funds very selectively to attract talented market leaders and teams to our firm.

Business development also remains high on our agenda and we are continuing to invest to respond to client needs and capture new business opportunities. For example, we recently decided to establish an office in Cairo, our first in Africa, and this is scheduled to open early in 2010.

We continue to invest for growth in key Asian markets. Relocating Jeff Jacobson, CEO of LaSalle Investment Management, to Singapore from London reflects the potential, which we see in the region. And China's decision to allow domestic financial institutions to invest in real estate for the first time opens exciting new opportunities in that key market for Jones Lang LaSalle.

I would like to finish by mentioning several major awards, which we have earned in the course. We won top honors in the prestigious Euromoney Real Estate Awards for 2009. Euromoney polls real estate developers, advisors, financial institutions, investors and users worldwide to select its award winners.

The result as I mentioned a moment ago, LaSalle Investment Management won three Euromoney awards for Best Investment Manager overall and for Best Investment Manager in both the direct and indirect investment categories. So, great accolades.

Jones Lang LaSalle was awarded "Best Global Advisor and Consultant" and also won the top awards for Global Agency, Global Transaction Execution, Global Corporate Real Estate Services, and for Global Research. We also

received top regional Euromoney awards in the Asia, Western Europe, Nordic, Baltic and emerging European categories.

In the UK in early October, we were the only real estate company named to The Times' 50 Places Where Woman Want to Work list and that was the fourth year running that we have been recognized for our commitment to be the employer of choice in this industry attracting and retaining top diverse talent, whatever the market conditions.

So summing up, the global economic recovery is underway and the pace of declining commercial real estate transaction is slowing or bottoming. Some commercial real estate markets and sectors are seeing improved investment trading activity, but most markets continue to contend with weak fundamentals and the improving sentiment is yet to translate into improving revenues.

In this environment we have strengthened our competitive advantage. We have sized our business to market conditions, and will continue to maintain rigorous cost controls. We have worked to retain our key talent and we are focused externally on servicing current clients and on taking market share.

Our balance sheet is in good order and we continue to grow share in our market leading corporate outsourcing business, and we are providing Value Recovery Services to financial institutions and public agencies around the world.

Finally, LaSalle Investment Management has bedded down its portfolio, is maintaining good operating margins and cash flow and indeed attracting new capital. All in all then, we are very well positioned to take advantage of the real estate recovery as it begins to develop into 2010.

In closing, Lauralee and I would like to express our heartfelt thanks to all of our colleagues listening on the call for producing these results and for positioning us so well for the next phase in the economy.

So let's move to questions. Operator, would you tell us how it works please.

Operator: As a reminder, if you would like to ask a question, please press Star and the number 1 on your telephone keypad at this time. Again, that's Star 1 for any questions. We'll pause for just a moment to compile the Q&A roster.

Your first question comes from Mark Biffert with Oppenheimer.

Mark Biffert: Good morning. Colin I was wondering if you can expand on your thoughts for each of the segments or sectors. In EMEA obviously it was weak. It sounds like you think that EMEA is kind of at a trough right now and that you think that it should recover in the fourth quarter and possibly the first half of next year you'll see an improved performance, is that correct?

Colin Dyer: Well, you referred to all regions and sectors. We have given you a fair amount of detail but just a quick summary. Asia we're pleased with as we have been reducing costs as we have across the business. What we are seeing there is the beginnings of some recovery and confidence in activity, probably leading the regions around the world in terms of economic recovery both broad economy and real estate sector.

In Europe, we have, as we have explained on previous calls, taken aggressive cost-cutting measures. We sized the business down to a level which is we believe right for the recoveries that gathers pace for 2010.

The teams which we have in place, particularly in the Capital Markets business, have been severely reduced. We do not intend further major cost cuts in Europe. We think we've got to levels which are sustainable over the next phase of the cycle. We want to retain the key revenue generating skills which we have in place and we believe that the sizing of the market - the business which we have carried out in Europe has achieved that.

By the way, we have not limited our European or any of our businesses in terms of the restructuring spend which we've budgeted for them. They've spent the levels which they believe appropriate to size the business correctly.

In the U.S., the business has maintained a robust quarter three. Markets are still headed downwards in terms of leasing demand. But as we described, we have countered that trend and produced significant share growth in our leasing activity.

Our corporate business continues to grow strongly as that corporate market has grown throughout the recession. And although capital markets in the U.S. are at horribly weak levels, it always was a relatively small proportion of our U.S. business and of course it's become even smaller through this part of the cycle.

LaSalle, a really strong annuity based flows in our advisory income stream. Again, we sized the business down, we've reduce the cost base and we're comfortable with where we are at.

Mark Biffert: So, I guess in the fourth quarter then I'm just wondering given the bad fourth quarter of last year, I mean is it your anticipation that you can beat the fourth quarter of last year or do better than the fourth quarter of last year?

Lauralee Martin: Well, as you know Mark, we don't give guidance. But what we are pleased with is we are seeing sequential quarterly improvements in our operations this year and clearly our people would be working very hard, because they are properly aligned to give the best performance we can in the fourth quarter.

Mark Biffert: Okay. And then you talked a little bit about maintaining people. I'm just wondering if you are seeing opportunities for acquisitions in the various markets that you are at.

Colin Dyer: We have throughout the recession, as we've said on multiple calls; we've had conversations with groups and individuals. We've hired very selectively, for example, our team in London which looks after bankruptcy work came over, eight or ten of them from one of our competitors in quarter one this year.

But we're being very selective. Obviously at this point in the cycle lots of people are dissatisfied with their prior employers and looking to move and we've been entertaining those conversations but just taking people on in very selective ways.

Mark Biffert: Okay. Thanks.

Operator: Your next question comes from the line of Kevin Doherty with Bank of America.

Kevin Doherty: Great. Thanks guys. I want to see first if you can just talk a bit more about your expectations for continued share gains in this environment, I guess given how much progress you have made to date. And maybe if you could, just touch on a different business lines and where you might see some of the biggest opportunities for further share gains?

Colin Dyer: I think the general competitive environment that we see is that whilst some of our stronger competitors maintain strength and are doing well, we do see medium and small competitors suffering. And Lauralee referred to one closure in Moscow; we've seen other closures in Spain through some of our European competitors.

And in general, what the clients are doing is looking to move to reliable quality names, which they can trust to perform for them in difficult markets. It's the move to quality if you like. And in particular in investment management and in the corporate business sector they're looking very hard at the balance sheet strength of the people they are trusting their assets or their individuals to for a three to five year horizon.

And in that respect, our balance sheet, as Lauralee referred to, as been strong through the recession and we strengthened it further in quarter two with the moves we made and it's providing us a very significant competitive help as we deal, again in particular with corporates and institutional investors.

Lauralee Martin: Kevin, I might add just one thing, I think the culture of Jones Lang LaSalle, which we've been able to maintain, even with all the acquisitions that we've done, is really one that leverages the client and these multiple pieces of services that come out of a relationship and being able to drive that through our international desk globally; to drive that from our positions that we built up with our strategies over the last three years and our local markets to go global and global to go local.

There's going to be a real ability to demonstrate the strength of that platform in terms of taking share as well. So it isn't just in one product, it really runs across the gamut of what we do.

Kevin Doherty: Okay. That's helpful. And then, maybe just as a follow up, if we look at the discretionary cost savings that you are anticipating this year, could you talk about maybe what percent of that is likely to come back as conditions improved? I know you mentioned some kind of uptick in the incentive comp here, but I'm just trying to get a sense of some of those cost saving activities, what might have been viewed as more of a permanent reduction and what might come back.

Colin Dyer: Well, the incentive comp will come back we hope real quick with the recovery. That's just a good thing. We love paying people incentive comp. It's broadly related to revenue and it drives up profitability.

As for other discretionary costs, there will be some which will come back with increased activity, some of our T&E for example, travel entertainment has got a strong linkage and again it's a good thing; when we see that picking up we'll be generally encouraged.

Throughout 2010, we'll be holding down our discretionary costs in a very severe way because we believe it's the key to continuing to drive the bottom line recovery in markets which although their selling is showing some signs of life, they really aren't showing a consistent strong uptick yet in the levels of activity available.

Lauralee Martin: And I think the other factor, which is going to be determined largely by the marketplace, is when our people can operate it at better efficiency level. You know, they are doing every transaction two or three times in order to get them through the line. So that productivity is really key. And so as Colin says, we'll be watching our expense dollars carefully, but what we really want to do is get the efficiency and productivity out of every expense dollar we put back in the system.

Kevin Doherty: Okay. If I can just get one last one in, you mentioned continued debt repayment, particularly as you move into a seasonally stronger fourth quarter for free cash flow. Could you talk about what we might expect relative to the repayment we saw in the quarter?

Lauralee Martin: Well, clearly the repayment comes off of the prior quarter's receivables because that's what we are doing, we are collecting them and then managing the spend against that, which, as we've built up receivables that continues to be the case.

So, you are not going to see probably a whole lot more in the fourth quarter than what you saw in the third quarter principally because it's sort of a similar quarter in terms of receivables. It's really the first quarter when we get our seasonal spike in the fourth quarter where it goes up even more. But, it should be a good solid level because we have no plans to increase CapEx or OpEx in any material way from what we've done this quarter.

Kevin Doherty: Okay. Great. Thank you.

Colin Dyer: Thanks, Kevin.

Operator: Your next question comes from Sloan Bohlen with Goldman Sachs.

Sloan Bohlen: Hi. Good morning. Colin just to start with, if you could maybe provide a little more color on the \$1-1/2 billion that was raised in the quarter for investment management. Are you seeing a lot of that as foreign capital trying to take advantage of the weak dollar or maybe if you could give us some color on what return expectations are?

Colin Dyer: In general, to talk about the market as a whole, money is flowing back into real estate funds. Whether it's British Trusts, whether it's German open-ended funds, money is flowing back into real estate, the public is looking at real estate and seeing what we think as an opportunity for further capital gains after the pick up the stock markets have had. So there's generally across the world, a relatively positive attitude towards real estate.

When it comes to institutions, we have obviously seen some poor returns over the last 18 months to 2 years from the investment management industry as a whole. But the general attitude is they understand why that happened, that asset markets across the world have taken a hammering and real estate has been no exception to that.

And so they've been looking at their managers and trying to differentiate between the good and the less good, between those who have been transparent and those who have been less than transparent through this last 24 month period and they have been making their dispositions in allocations accordingly.

When it comes to the institutional market, from whom we raised the bulk of our capital for LIM, they have been so far this year very reluctant to begin putting new dollars out to investment. That's beginning to change because those in particular for example, pension funds, insurance organizations, with a steady inflow of dollars, can only hold up in investing for so long.

So they are beginning to put dollars back out into market. They've reinvested - they have put dollars into the equity sector and had good gains from there. And they are now seeing as a result of the gains in the equity sector and their increased funds flow into there, their real estate sectors are becoming

underweight compared to their ideal allocations and they're beginning to open up and put money back into real estate.

So, in our case, the money which we have raised has flowed significantly into the public equity sector and we have seen significant upticks in the amount of the management in that sector. And we received pieces of capital from both U.S. public pension funds and European institutions. Those have been the principal sources of the new capital which we have seen.

Sloan Bohlen: Okay. And is it fair to say that for the capital raise for actual asset investment, is there a disproportionate amount that's being raised for distressed opportunities or is it pretty much still just the same type of value add type of return expectations?

Lauralee Martin: With what we have been raising it's principally at this point in time gone into our securities business, with some funds in such as Canada and Mexico. I think there will be capital raised going forward in some of those areas, but we currently have a solid capital raise for opportunity funds particularly into Asia, that's still capital we can spend.

Colin Dyer: The new capital that's flowing into private equity is generally quite conservative across the market and so it's looking less for opportunistic returns from for example, development or value-add plays, and more for investment in core assets with a steady cash flow. Where the perception is that those core assets will also see significant value increases over the coming period, given the level to which they have been beaten down in price over the last 18 months.

Sloan Bohlen: Okay. And then if I could, just one quick one on leasing. Lauralee, I cannot remember if you guys provide what the leasing year-over-year revenue growth would have been at ex-Staubach?

Lauralee Martin: For ex-Staubach we don't do that, because we have now merged them together. What we do is talk about the pro forma as if we were together. So, for example, in the third quarter I mentioned the 11% number. On a year-to-date basis we would be down 11%.

Sloan Bohlen: Okay. All right. I must have missed that. And then maybe if you could just provide an update on - I'm sorry.

Lauralee Martin: It's a bad number, just a second.

Sloan Bohlen: Okay.

Lauralee Martin: It would be down 28% for the year-to-date.

Sloan Bohlen: Okay. And then with that in mind, could you maybe give us an update on where we are with regard to the earn-out hurdles for Staubach and when those - I think with a \$114 million worth of payments - that were tied to that.

Lauralee Martin: I think there are two pieces. The earn-out is way out. So, it's awful early to be talking about that since we are only a year into a five-year deal structure. We do have a payment that we put in as a current liability that would be a year from now. There is an ability for that to be delayed if they don't hit the numbers that are there.

As you know, we put it into current. We will be absolutely delighted to pay it, but it's early in that process, but we are very pleased with it, how well the

teams are working together and the share that they are taking in terms of their performance.

Sloan Bohlen: Okay. All right. Thank you, guys.

Operator: Your next question comes from Vance Edelson with Morgan Stanley.

Vance Edelson: Hi. Thanks. First, just back on your appetite for M&A, you mentioned as it relates to your market share gains that some competitors are a bit on the ropes now. Any thoughts on whether that might make this a better time than normal to pursue acquisitions as opposed to '06 to '08 when prices were high and perhaps this is even a limited window of opportunity that you should be taking advantage of especially when your balance sheet is getting stronger? Any thoughts there?

Colin Dyer: We've obviously had those thoughts. In general, our position as we stated it in the prior parts of the call is that we like hiring individuals and teams at this point in the cycle and we are getting good flow of people coming to talk to us and we are indeed approaching some people on that basis.

I think the challenge with some of the competitors and we talked more about medium and small competitors as you stated were not faring so well, is that what we have done in our acquisition policy is acquire successful businesses. We've viewed ourselves as being a successful culture and we tried to always be acquiring other businesses which were showing success. And the reason for that is if you get two businesses that are feeling good about each other coming together.

If we are in a position of acquiring businesses which are suffering, then you're bringing quite often problems into the business, you're bringing sometimes

cultural issues, but most of all you are bringing a mismatching confidence and morale and we are very hesitant about that.

So, whilst it might be a good time economically to do it, we are just very cautious about the sorts of businesses that are available in the sorts of states they're in at this point in the cycle.

Vance Edelson: Okay. Got it. And then second, given the recent pickup in activity, you're beginning to invest in people, and perhaps acquire some teams if it makes sense, but it sounds like you are largely right-sized at this point given the environment. How about on the outsourcing side given the expansion there and the wins you outlined and the strong pipeline that you mentioned, is there any elevated need to hire there?

Colin Dyer: Yes, and it's been selective. We have referred on previous calls the way we have transferred people across from areas that are not doing so well, markets that are not doing so well into the corporate business. We have added people to the corporate business and so when you look at our overall expense level reduction that's net all increases in some areas such as the corporate outsourcing business.

Again, we are selective at this point of the cycle. You can hire people well but it fits with our policy which we have maintained through the recession of growing where we needed to and downsizing in very targeted ways in countries and business sectors where we saw market demand falling away very sharply.

Vance Edelson: Okay. And just one more question. With the capital markets activity picking up very recently, it sounds like there is certainly some strength beyond the

normal seasonal factors. Could you offer any insight into the balance there, has seasonality been much of a factor versus past years?

Colin Dyer: It's difficult to tell. You see upticks of, for example, up to 50% in some of the European markets, about a third across Europe as a whole. But the markets are at such low levels that one or two transactions make a big impact. So I think our conclusion at the moment is that year-on-year it's still sort of the numbers are down big, tens of percentage points.

Quarter-to-quarter we are beginning to see stability and recovery, particularly in Asia and parts of Europe, not yet much in the U.S. and that sort of suggests we are beginning to see the bottom. But it's not a solid kind of a trend of turning and recovery yet, it's just an indicator. We find that encouraging, but it's not enough to stop building business plans around.

Vance Edelson: Okay. That's helpful. Thanks.

Operator: Again, if you would like to ask a question please press star 1 on your telephone keypad at this time.

Your next question comes from the line of David Gold with Sidoti.

David Gold: Hi. Good morning.

Colin Dyer: Good morning.

David Gold: Just a couple of small things. One, in the past you have given some metrics as to cost cuts, say year-to-date. I am curious if A, you can update on that and B, from here on out if there is sort of more in the plan or should we largely be done with the restructuring costs?

Lauralee Martin: I am going to work on base compensation data because I think we've talked about the discretionary piece. If we look at what we've done so far, we've taken severance of a little over \$31 million this year where we expect to have savings of over \$130 million.

So, that brings us cumulative savings to just under \$145 million on a run rate basis. So that's a payback of about five months period of time on a global basis with the longest being EMEA which runs about seven months and the balance of the regions sort of running three to four.

So, we've continued I think to spend that money wisely and get appropriate savings for them.

David Gold: Can you go over with me, I think in the past, maybe I am wrong, you have broken down on the \$145 million number, basically how much of that's sort of cost reduction and how much of it is, let's say, tightening spend, T&E, things of that ilk.

Lauralee Martin: No, this number is just comp.

David Gold: Pure comp.

Lauralee Martin: But in addition to that our discretionary savings have been over \$50 million on a run rate basis. And you did ask me a question of further severance, we'll probably take a number sort of comparable to what we took in the third quarter, in the fourth quarter as we just sort of wind down the last pieces of what has already been put into place.

David Gold: Got you.

Colin Dyer: But absent any new lurch down within the global economy, we're sort of done with the big things.

David Gold: Got you. Perfect. And then one other, Colin, as we sort of think about the broader world, a couple of things, one, on credit markets. I guess incrementally we are hearing a little bit by way of insurance companies actually easing, so curious if you can comment on that. And then two - or so easing on standards I should say, so things are getting a little easier there as far as lending.

And then two, essentially longer term, what do you think it sort of takes to get to those next steps of, you know, sort of the 2010 recovery, is it easing in the credit markets, is it the economic uptick that you are looking to or some companies and thereof?

Colin Dyer: To take your bank question, it varies around the world. In general, Asian banks were not too badly hit by the whole downturn, which was sharp but short for them. And in particular Australia, India and Chinese banks are in great shape.

And the Chinese economy, the Chinese government is pumping credit into the economy at a rapid rate and that's actually causing asset prices to move up very sharply and that's happening in and around China. So Hong Kong residential prices are up over a third this year as the spillover from Chinese liquidity goes out into Asia.

In Europe, the French and German banks are generally in good shape, except for the German mortgage banks, but they are lending again. And, so

surprisingly the other UK banks who have found ways or quartering off their bad loans and we see prepared to lend in measured ways.

The big area where nothing much is happening in the banking market, and you mentioned insurance companies, but it's just not making the difference, but the banks in the U.S. are still pretty much closed for business. And if you get a term sheet, it's got all sorts of conditions in it, it doesn't last very long and it's got spreads on it. So, our debt people are not very enthusiastic about the short term prospects in U.S. bank lending.

What gets us going again in 2010? Two things really. The capital markets revival or bottoming and gradual revival in some areas, which we've described is a trading reaction, it's a trading anticipation of broader recovery we believe. As such, it's subject to the vagaries of old trading moves. In other words it could turn back again if people lose confidence in an impending recovery.

But in general, if that confidence remains intact and if the world economy continues to edge upwards then we would expect to see Asia leading Europe, leading the U.S. in terms of recovery in the capital market investment sales transactions in 2010.

As for leasing, that's all dependent on the economy. And what we've said consistently is that leasing market demand picks up about 12 to 18 months after the bottoming of the broader economic cycle. So assuming that bottomed in April 2009, then expect somewhere between April and the fourth quarter of next year to see the leasing market demand begin to pick up on a broader scale across the world.

David Gold: Okay. And then just for a second, to the extent that you think there is a recovery in the U.S. or the Americas, that is second half of 2010, basically you don't have baked into their an expectation of credit markets opening back up?

Colin Dyer: The recovery in the second half of 2010 will probably be in leasing demand. It's probable in the capital markets, so investment sales, will anticipate that as its done in the rest of the world. So if you take the rest of the world as a template and apply it to the U.S., then you could expect capital markets investment sales pick up perhaps in the early part of next year.

Credit markets, if the banks begin to deal with their issues, we have seen the move through their credit cards, through their residential lending. It's clear that the commercial mortgage sector is the piece that they are dealing with last, but there are indications that they are beginning to take that on now.

David Gold: Got you. Got you. Okay. Thank you both. That's helpful.

Operator: Your next question comes from the line of Will Marks with JMP Securities.

William Marks: Good morning, Colin. Good morning, Lauralee. First question I had was on your balance sheet and the current liabilities. You referred to the deferred business acquisition obligations I believe, but also the short term borrowings figure, is up significantly. Can you comment on that?

Lauralee Martin: A couple of things; are you talking about in our countries, is that specifically what...

William Marks: Well, on the balance sheet in current liabilities there is a short-term borrowings figure that looks like - unless I'm reading this wrong. Is...

Lauralee Martin: Yes. No you have got it. What we do is we've been very efficient at managing our country's cash because we have both our bank lines as well as lines in our countries. And so because we at the end of the quarter can't get the cash out of those countries as quickly as we'd like, because of repatriation rules we use the balance sheets locally. And so, you'll see that we're running a little more cash on the balance sheet and a little more liabilities and that's really using those balance sheets of the countries very effectively.

So, we would have done that, we probably would have left more cash - not be able to get the cash out of the countries and run up the balance sheet more centrally, but we think this is the more optimal way to do it.

William Marks: Okay. Great. And then on a related note, just interest expense in general went way up during the quarter, and you are paying down debt. Can you help us a little bit think about what the interest expense line does going forward?

Lauralee Martin: Yes. Good observation. The cash interest in the quarter was \$6 million. The balance of it was non-cash. We did do a catch up adjustment on an acquisition relative to minority interest which because of the way the transaction is structured, the minority interest actually gets paid as non-cash interest through the balance sheet. And that adjustment was \$2.8 million.

So, the current interest in total is not reflective of our run rate. But our cash interest is at \$6 million is down from the prior quarter which was \$8 million.

William Marks: If we are trying to do maybe a simple ratio of the cash interest plus the interest on the deferred business obligations, you would...

Lauralee Martin: For this quarter, I'd sort of just back out about \$2-1/2 million.

William Marks: About \$2-1/2 million, you're right. Okay.

Lauralee Martin: ...And say it'll run its way normal from here on out.

William Marks: Perfect. Okay. And then, I noticed that the third quarter versus the second quarter, the EBITDA declines were fairly similar, but the EPS decline was much less in the third quarter versus the second. And I'm trying to figure out exactly how you are able to improve or have shown much less of an EPS decline.

Lauralee Martin: I think what I'd like to do is take that offline and get back to you. It's just tough to do the math while we are online.

William Marks: Okay.

Lauralee Martin: We'd be more than happy to go through that. And are you taking about basic EBITDA or adjusted EBITDA?

William Marks: Adjusted EBITDA?

Lauralee Martin: Yes, because I think it's probably going to run into what is excluded and what is not relative for the banks.

William Marks: Okay. That's fine. Last question is on U.S. leasing. You just talked a lot about this, but I'm curious on the third quarter, you grew, but when taking into account Staubach you were able to grow U.S. leasing revenues and clearly that was not the case with competition at least in terms of my channel checks.

Maybe you can tell us how many U.S. offices you have, have you added people? I know it's probably a combination of adding people and doing more business because of your corporate account deal flow, but any incremental thought would be appreciated.

Lauralee Martin: Well, I think the answer is we have added staff. I don't have them in front of me, but we've added capabilities in industrial and in healthcare. We've gone deeper into our local markets where we've been able to pick up people, so there is no question, we have added staff.

The other thing is we are comparing to a quarter that for the Staubach organization would have been a weaker quarter for them. Because their year end, if you recall we told you, was June 30 and so it means that they would have their big fourth quarter and then their third quarter which we're now comparing to is always their lowest quarter. We now have them on our systems and our structures. So they are going into our seasonality, but we are comparing to last year results under their seasonality.

William Marks: Okay. That's really helpful. Thank you. And my final question is on just looking out on U.S. or Americas' leasing. What I found from talking to people is that over the last 9 to 12 months there's been a lot of leases that have been signed are short term in nature as companies are concerned about the economy, which would lead to lower commissions. Should that be a benefit in 2010 versus 2009? Should that be offset by lower rental rates which also drive commissions? Any thoughts there?

Colin Dyer: You've seen sort of all of the factors working the wrong way. In the last 12, 18 months in the U.S., people have been delaying renewals for the last minute. They've been renewing for short-term as you described. They've been

downsizing and they've been paying low rental rates. So all of the factors that go to the calculation of our fees have been headed the wrong way.

Some of that will begin to unwind as we move into 2010. Obviously, any short-term leases taken for a year or so will either get renewed or will be put onto longer leases back to normal.

What we're not seeing yet is any bottoming in rental rates in the U.S., so the net numbers are still declining so that doesn't get to show a turn. But what we are seeing amongst companies is an increased willingness to make decisions.

And one of the big factors that contributed to the slowdown and reduction in activity from Q4 last year through to Q2 this year was a complete reluctance on the part of companies to make decisions unless they absolutely had to.

While confidence is recovering, I wouldn't say investment budgets are recovering yet, but confidence is coming back, and this earnings season where we've seen a lot of companies coming in ahead of consensus and ahead of prior year numbers will only help with the recovery or that process of recovery in confidence.

So, all those things put together you'll begin to see we think a turn in confidence, you'll begin to see short-term leases unwinding and being extended for longer periods. The rates are still declining and that's going to take a little while to bottom. Put it altogether and that's why we think about 2010 in the U.S.

William Marks: Okay. Great. Thank you. That's all from me.

Operator: Your next question comes from Nick Pirsos with Macquarie.

Nick Pirsos: Good morning. At this point I just had one question, but circle back off-line. As markets begin to recover, Asia in particular, would you anticipate a reinvesting in a business in 2010 or more leveling off at existing levels?

Colin Dyer: A reinvesting in our business?

Nick Pirsos: Yes.

Colin Dyer: Well we have been investing through, cautiously as I said, through the cycle in hiring new people. So, whilst we have been paying restructuring costs for sectors where we were seeing extreme lots of activity or where we were overstaffed, given market conditions, we have been selectively hiring in other areas where we have seen market growth.

And in that context, China and India have continued to perform well with revenues either flat or indeed up quarter-by-quarter over the last – right through the recession really. So we'll be looking to continue to invest in growing people in those markets, but that will be it for now. Because we are just still very cautious about our overall market environment as we move into 2010 and as we said, there's some fragility both in the capital markets and some of the leasing trends. We'd like to see a sustained picture before we start to reinvest on any scale.

Nick Pirsos: Great. Thank you.

Operator: Your next question comes from Michael Mueller with JPMorgan

Mike Lewis: Hi, this is Mike Lewis on Mike's line actually. Most of my questions have been answered at this point. But I just wanted to get your thoughts on kind of

a wave of debt maturities for real estate coming up, especially 2011, 2012 as we look out. And do you think that kind of gets transactions market going again or we hear a lot about pretend and extend, do you think maybe that's more subdued than a lot of people would think? Then related to that, you know, what does this kind of wave of debt maturities maybe mean for your Value Recovery business?

Lauralee Martin: Well, I think there's two pieces to those debt maturities. There clearly is the bank piece, which is a substantial piece and that's where you have heard a lot of the lend extend and delay and pray and so forth.

The CMBS markets will start to have an accelerated maturities. Now some people are somewhat optimistic but those are the loans that were originated when there were still some degree of rationality in the marketplace and then that will build as it goes forward.

But clearly, that's going to put some more stress on the system. I think it's one of the expectations that we've had for building our Value Recovery Services that there in fact will need to be a great deal of sorting and resulting activity that comes out of that. And it will definitely require the marketplace to get much more realistic about really what they are dealing with, which some would say hasn't occurred so far.

Mike Lewis: Thanks.

Colin Dyer: The vast majority of what have to be refinanced is with the banks, sort of 80%. And, so far at least they've rearranged, if not forgiven, they've at least allowed forbearance on loans. And they have just found ways of rolling these things forward and refinancing them. So, we'll see how that pattern evolves and whether they can continue to try to do that into 2010 and beyond.

Mike Lewis: Okay.

Operator: Your next question comes from Brandon Dobell with William Blair.

Brandon Dobell: Hi. Thanks. I won't torture you too much more here, but one quick one related to a previous question around investment management. Are you guys seeing opportunities to go raise capital with the same economics to LaSalle Investment Management as you saw previously? Are you seeing interest in opportunities, same transaction fee opportunities and getting paid for mining the money versus putting it to work or are the economics different these days?

Lauralee Martin: I think that's the question that is to be answered Brandon.

Brandon Dobell: Okay.

Lauralee Martin: I mean there hasn't been a lot of capital raised, but there's no question that investors are challenging whether the fee structures promoted the results and the behaviors that they had hoped that it would.

Brandon Dobell: Right.

Lauralee Martin: Clearly, probably the most vulnerable piece of that is being paid on commitments because if you want someone - it's how do I think about my money and it being out. And yet they're struggling with they want people to be cautious, so they don't want them to get the money out there quickly.

So, anytime you start to solve one piece you are on to solving another, and I think it's in negotiation as funds start to get raised.

Brandon Dobell: Okay. And in a related way, as you look at the commission structures on both the Capital Market side as well as the Leasing side and even across in the Corporate Services side, any push backs from your clients in terms of commission structure? I know there's going to be different leasing commissions on different lengths of terms, but in terms of base commission schedule that you guys have, any changes to the good or the bad based on what you are seeing in different marketplaces?

Colin Dyer: Broadly they've been on some pressure across the piece during the downturn, but it varies by sector. Quite a lot of pressure in capital markets investment sales fees. In the leasing markets if you are doing the leasing the fees of it under pressure.

If you are bringing clients, if you are bringing tenants as with tenant rep, there's been some indication that fees have actually been maintained or even increased slightly because it is a buyer's market, so anyone bringing the buyers is well rewarded.

Brandon Dobell: Okay.

Colin Dyer: Overall has been down, and gain that's something which as markets bottom will also begin to bottom and pick up again.

Brandon Dobell: Right. And then final question, Lauralee in the past has talked about opportunities in investment management to consolidate some of the weaker or underperforming players, any movement from that perspective? Maybe not necessarily for LIM in particular, but do you see much consolidation going on or is there just too much uncertainty about asset values right now to try and value the managers?

Lauralee Martin: Yes, I would say that there is an awful lot of uncertainty. I mean that's still out there, that has some noise around it is where limited partners are unhappy with their general partner, want to think about removing them and then how is that done, and how is that done for the benefit of their portfolio. But, again, these are things that are playing themselves out.

Brandon Dobell: Yes. Okay. Great. Thanks a lot.

Operator: I'm showing there are no further questions at this time. Do you have any further remarks?

Colin Dyer: Well thank you operator. If there are no further questions, we'll draw today's call to a close.

Thanks to everybody for joining us and for your interest in Jones Lang LaSalle. We look forward to talking with you again during the fourth quarter results announcement at the end of January. Thank you very much and have a good day everyone.

Operator: This concludes today's Jones Lang LaSalle Third Quarter earnings call. Thank you for your participation. You may now disconnect.

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