LASSILA & TIKANOJA

10 February 2009

LASSILA & TIKANOJA PLC
FINANCIAL STATEMENTS RELEASE 1 JANUARY – 31 DECEMBER 2008

- **Net sales for the final quarter EUR 153.1 million (EUR 148.2 million); operating profit EUR 4.9 million (EUR 12.1 million); operating profit excluding non-recurring and imputed items EUR 8.6 million (EUR 13.3 million); earnings per share EUR 0.04 (EUR 0.20)**
- **Full-year net sales EUR 606.0 million (EUR 554.6 million); operating profit EUR 55.5 million (EUR 48.8 million); operating profit excluding non-recurring and imputed items EUR 45.0 million (EUR 54.3 million); earnings per share EUR 1.03 (EUR 0.83)**
- **In 2009, net sales and operating profit excluding non-recurring items are expected to reach the previous year's level.**
- **A dividend of EUR 0.55 per share is proposed.**

GROUP NET SALES AND FINANCIAL PERFORMANCE

October-December
Lassila & Tikanoja's net sales for the final quarter stood at EUR 153.1 million (EUR 148.2 million). This represented an increase of 3.3%, with corporate acquisitions accounting for 0.4 percentage points. The operating profit decreased to EUR 4.9 million (EUR 12.1 million), representing 3.2% (8.2%) of net sales. The operating profit excluding non-recurring and imputed items was EUR 8.6 million (EUR 13.3 million). Earnings per share were EUR 0.04 (EUR 0.20).

Organic growth continued in Property and Office Support Services and Industrial Services, while the net sales of Environmental Services decreased. Market prices of secondary raw materials sank and demand fell rapidly, which burdened the profitability of recycling services. L&T Biowatti's raw material supply was clearly below the targeted level due to production restrictions in the forest industry. Production efficiency enhancement measures were continued to improve profitability, and prices were revised. Exceptionally low social security costs boosted the operating profit for the comparison period.

The following non-recurring items were recorded for the final quarter: in Property and Office Support Services, the goodwill impairment in Swedish operations and a loss due to the divestment of the Norwegian business, a total of EUR -4.2 million, and in Industrial Services a profit of EUR 3.1 million from oil derivatives (EUR -0.7 million) and EUR -2.6 million from the discontinuance of the loss-making soil washing services.

Net sales and financial performance for 2008
Full-year net sales increased by 9.3% to EUR 606.0 million (EUR 554.6 million), with corporate acquisitions accounting for 1.5 percentage points of this growth. Operating profit amounted to EUR 55.5 million (EUR 48.8 million), representing 9.2% (8.8%) of net sales. The operating profit excluding non-recurring and imputed items was EUR 45.0 million (EUR 54.3 million). Earnings per share were EUR 1.03 (EUR 0.83).

Organic growth outperformed market growth, and the company's market position strengthened. New service products were introduced to the market. The first half of the year was affected by the sharp rise in general cost level while the second half was overshadowed by growing financial uncertainty.

Operating profit excluding non-recurring and imputed items fell due to rocketing production costs and higher traffic fuel prices in the first half of the year. The market prices of secondary raw materials sank and demand fell rapidly, which burdened profitability towards the year-end.

Meanwhile, a capital gain of EUR 14.3 million from the sale of Ekokem shares in January and the EUR 3.0 million profits from oil derivatives raised the operating profit. On the other hand, operating profit was adversely affected by the goodwill impairment in Swedish operations and a loss from the divestment of the Norwegian business, totalling EUR -4.2 million, and a loss of EUR -2.6 million due to the discontinuance of the loss-making soil washing services. A year earlier, non-recurring items totalled EUR -5.5 million.

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Financial summary

	10-12/ 2008	10-12/ 2007	Change %	1-12/ 2008	1-12/ 2007	Change %
Net sales, EUR million	**153.1**	148.2	3.3	**606.0**	554.6	9.3
Operating profit excluding non-recurring and imputed items, EUR million*	**8.6**	13.3	-35.3	**45.0**	54.3	-17.1
Operating profit, EUR million	**4.9**	12.1	-59.7	**55.5**	48.8	13.8
Operating margin, %	**3.2**	8.2		**9.2**	8.8	
Profit before tax, EUR million	**3.5**	10.9	-67.6	**50.7**	44.5	14.0
Earnings per share, EUR	**0.04**	0.20	-80.0	**1.03**	0.83	24.1
Dividend per share, EUR				**0.55****	0.55	
EVA, EUR million	**-3.3**	4.6		**25.0**	23.0	8.7

* Breakdown of operating profit excluding non-recurring and imputed items is presented at the end of the explanatory statement.
** Proposal by the Board of Directors

NET SALES AND FINANCIAL PERFORMANCE BY DIVISION

Environmental Services

October-December
The net sales of Environmental Services (waste management, recycling services, L&T Biowatti, environmental products) in the final quarter amounted to EUR 74.2 million (EUR 74.8 million), a decrease of 0.8%. The operating profit was EUR 6.0 million (EUR 8.4 million). Operating profit excluding non-recurring and imputed items was EUR 6.0 million (EUR 8.5 million).

Waste management was able to meet its targets thanks to satisfactory new sales and production efficiency enhancement measures. Traffic fuel price pressures also eased off.

Recycling services experienced a decline in net sales and profitability as the market prices of secondary raw materials (plastics, fibres, metals) plunged and demand shrank rapidly. Volumes of recyclable waste materials decreased, although at the end of the year the sales volumes of recovered fuels and wood chips picked up again.

L&T Biowatti failed to meet its targets due to production restrictions in the forest industry. The start-up of the wood pellet plant in Luumäki, Finland, and the introduction of a new forest service organisation increased costs.

International operations within Environmental Services expanded, and performance developed favourably. Profitability development was good in Latvia thanks to production efficiency measures and decreased production costs.

Net sales of environmental products increased considerably and the financial performance improved.

Year 2008
The full-year net sales of Environmental Services totalled EUR 300.1 million (EUR 279.8 million); an increase of 7.2%. Operating profit was EUR 32.3 million (EUR 35.0 million), while operating profit excluding non-recurring and imputed items totalled EUR 32.3 million (EUR 36.3 million).

Organic growth and customer loyalty remained good, although prices were revised following the steep rise in general cost level and transport fuel prices. The growing financial uncertainty and, in particular, the slowdown in construction lowered intake volumes at recycling plants. Furthermore, the market prices of secondary raw materials and demand for them sank in the second half.

Construction of substantial added capacity began at the Kerava recycling plant. It is estimated that the first stage (wood shredding line) will be taken into use during the second quarter of 2009. Construction of the second stage (construction and demolition waste treatment plant; commercial and industrial waste treatment plant) is about to begin, and the plant is expected to be completed in about a year. This expansion will significantly increase the recovery rate of the waste processed at the plant.

The costs of the disposal of plant reject rose due to reduced landfill capacity at the Kerava plant, which was in turn due to technical reasons. A new industrial landfill site was opened in Kotka, Finland, at the end of the year.

Demand for L&T Biowatti's biofuels fell clearly short of the expected level due to the exceptionally mild winter, which also hampered the collection of forest processed chips and raised procurement costs. To compensate for the impacts of production restrictions in the forest industry, the organisation was revised and the service offering was expanded. In addition, investments were made in the company's own collecting, processing and transport equipment for forest processed chips. These measures help increase the company's own energy wood procurement considerably. The production of wood pellets was launched in Luumäki at the beginning of the final quarter.

Business in Russia and Latvia developed as planned. The uncertainty of the Latvian economy has posed challenges for business development while it has translated into high availability of labour and lower labour costs. L&T has waste management operations at two locations in Russia, Dubna and Sergiev Posad. At the year-end, a waste management agreement was signed with the City of Noginsk near Moscow, where operations will begin in the first half of the year.

All units of Lassila & Tikanoja plc's Environmental Services received certificates for quality, environmental management, occupational health and safety.

Net sales for environmental products increased and performance development was positive. Based on new customers, the Bajamaja rental operations became a year-round service, which clearly boosted net sales.

Property and Office Support Services

October-December
The net sales of Property and Office Support Services (property maintenance and cleaning services) grew by 7.0% to EUR 58.6 million (EUR 54.8 million). Operating profit was adversely affected by the non-recurring items involving goodwill impairment in Swedish operations and the loss incurred due to the divestment of the Norwegian business, a total of EUR -4.2 million. Operating loss was EUR -2.0 million (EUR 4.0 million), and operating profit excluding non-recurring and imputed items came to EUR 2.1 million (EUR 4.0 million).

Organic growth continued in Finland and additional services sold well. Finnish operations reached their target, although the result was weaker than a year earlier due to higher social security costs.

The division's international operations continued to make a loss. Net sales of the Swedish operations declined and the loss increased due to lost customers and weak new sales. Meanwhile, in Russia and Latvia, net sales increased and operating profit showed improvement.

Year 2008
Full-year net sales for Property and Office Support Services increased by 11.5% to EUR 227.6 million (EUR 204.1 million). Operating profit was EUR 5.5 million (EUR 11.0 million), and operating profit excluding non-recurring and imputed items totalled EUR 9.7 million (EUR 11.4 million).

Contract revenue increased, and sales of additional services in both product lines were successful. Organic growth was strong, particularly in property maintenance, while production costs rose and price competition remained intense.

New service products were introduced to the market. Such new products in cleaning services included the L&T® EcoCleaning concept, the first product in the industry in Finland to receive the Nordic environmental label, also known as the Swan label. This concept provides customers with the opportunity to carry out concrete environment-friendly actions.

The holding in Blue Service Partners was sold to L&T's joint venture partner at the beginning of February. Moreover, the Huomenta Toimitilapalvelut franchising chain expanded as targeted in the Helsinki region in Finland, and operations were also launched in Lahti and Tampere, Finland.

Loss from international operations declined. Operations in Russia and Latvia developed as planned while the Swedish operations fell markedly short of their targets. Action programme is underway in Sweden to improve profitability.

Industrial Services

October-December
Net sales of Industrial Services (hazardous waste management, industrial solutions, damage repair services and wastewater services) were up by 12.3% to EUR 22.3 million in the final quarter (EUR 19.9 million). Operating profit was EUR 1.6 million (EUR 0.2 million), and operating profit excluding non-recurring and imputed items was EUR 1.2 million (EUR 1.3 million).

Net sales increased in all product lines; growth was primarily organic. Despite fluctuations in demand, sales work was fairly successful and new partner agreements were signed.

Furthermore, costs associated with the storage of raw materials for the joint venture L&T Recoil re-refinery and the start-up of operations burdened the financial performance.

L&T Recoil's oil derivatives were divested and a total profit of EUR 3.1 million was recorded. A non-recurring cost of EUR -2.6 million was recorded for the divestment of the soil washing services.

Year 2008
Industrial Services' net sales for the full year totalled EUR 84.6 million (EUR 75.5 million); an increase of 12.1%. The operating profit was EUR 5.6 million (EUR 4.8 million), and the operating profit excluding non-recurring and imputed items was EUR 5.2 million (EUR 8.6 million).

Sales were successful despite the growing financial uncertainty towards the year-end. Net sales increased in all product lines, growth being primarily organic. Indeed, the division was also able to strengthen its market position.

Demand fluctuated rapidly throughout the year, and it was difficult to adjust production to these fluctuations. In the first half of the year, performance was also burdened by difficulties in delivering recycled fuels and the rise in hazardous waste disposal costs in the second half. As a result of the fire at the Tuusula plant in June, acceptance criteria for waste were revised.

New partner agreements were forged in damage repair services, and the service network was expanded. The number of major damage repair assignments was exceptionally small last year. At the beginning of 2009, damage repair services were included in the Property and Office Support Services division.

L&T Recoil's re-refinery is estimated to be completed in spring 2009. This year's objective for this joint venture is to produce one-third of the plant's 60,000-ton annual capacity. L&T Recoil's raw material procurement was successful but higher storage costs and operational start-up costs eroded the division's profitability.

A total of EUR 3.0 million worth of imputed changes and sales gains from L&T Recoil's oil derivatives were recorded.

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FINANCING

At the end of the period, interest-bearing liabilities amounted to EUR 29.9 million more than a year earlier. Net interest-bearing liabilities, totalling EUR 120.5 million, increased by EUR 34.2 million. Net finance costs exceeded those for the comparison period by EUR 0.1 million in the final quarter and by EUR 0.5 million in January–December. Interest expenses increased by EUR 0.3 million in the final quarter. The net finance costs increased as a result of the growth in the interest-bearing liabilities.

An expense of EUR 0.1 million (EUR 0.2 million) arising from changes in the fair values of interest rate swaps was recognised in the finance costs in the final quarter. In January–December, an expense of EUR 0.3 million arising from the change in the fair value of interest rate swaps was recognised this year as well as in the previous year. Net finance costs were 0.8% (0.8%) of net sales and 8.7% (8.9%) of operating profit.

A total of EUR 1.0 million arising from the interest rate swaps to which hedge accounting under IAS 39 is applied, was recognised as a decrease in equity.

The equity ratio was 43.2% (46.6%) and the gearing rate 58.8 (42.7). Cash flows from operating activities amounted to EUR 70.4 million (EUR 55.4 million), and EUR 2.2 million were released from the working capital (EUR 13.2 million were tied up).

At the end of the year, liquid assets amounted to EUR 26.5 million and binding loan offers EUR 24 million. Thereby, financing for 2009 is secured.

DIVIDEND

The Annual General Meeting held on 1 April 2008 resolved on a dividend of EUR 0.55 per share. The dividend, totalling EUR 21.3 million, was paid to the shareholders on 11 April 2008.

CAPITAL EXPENDITURE

Capital expenditure totalled EUR 84.2 million (EUR 93.2 million). Production plants were built and machinery and equipment were purchased. The largest construction projects were L&T Recoil re-refinery, extension of Kerava landfill and Kotka landfill. In addition, information systems were replaced.

Business acquisitions amounted to EUR 5.1 million. The combined annual net sales of the acquired businesses totalled EUR 6.5 million.

In the fourth quarter Jätehuolto Savolainen Oy, a company specialising in waste management and recycling services, was acquired into Environmental Services. Oulun TOP-Huolto Oy, a company specialising in property management, was acquired into Property and Office Support Services and Kuljetusliike Eskolin Oy, a sewer maintenance service provider, was acquired into Industrial Services.

In the second quarter the property maintenance services business of Rantakylän Talonhuolto Oy and in the first quarter the cleaning services business of Siivouspalvelu Siivoset Oy and the cleaning services business of Siivousliike Lainio Oy were acquired into Property and Office Support Services. The business of Obawater Oy was acquired into Industrial Services.

In February the 50% holding in Blue Service Partners Oy was sold to the joint venture partner. Food hygiene business operations in Norway were disposed of at the end of December.

PERSONNEL

In 2008, the average number of employees converted into full-time equivalents was 8,363 (7,819). At the end of the year, the total number of full-time and part-time employees was 9,490 (9,387). Of them 7,269 (6,986) people worked in Finland and 2,221 (2,401) people in other countries.

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PROPOSAL FOR THE DISTRIBUTION OF PROFIT

According to the financial statements, Lassila & Tikanoja plc's distributable assets amount to EUR 49,060,145.05, of which EUR 26,070,501.66 constitutes profit for the financial period. There were no substantial changes in the financial standing of the company after the end of the financial period, and the solvency test referred to in Chapter 13, Section 2 of the Companies Act does not affect the amount of distributable assets. The Board of Directors proposes to the General Meeting of Shareholders that distributable assets be used as follows:

A dividend of EUR 0.55 per share will be paid on each of the 38,798,874 shares, totalling	EUR 21,339,380.70
To be retained and carried forward	EUR 27,720,764.35
Total	EUR 49,060,145.05

In accordance with the resolution of the Board of Directors, the record date is 27 March 2009. The Board of Directors proposes to the Annual General Meeting to be held on 24 March 2009 that the dividend be paid on 3 April 2009.

Earnings per share amounted to EUR 1.03. The proposed dividend is 53.4% of the earnings per share.

SHARE AND SHARE CAPITAL

Traded volume and price
The volume of trading in Lassila & Tikanoja plc shares on NASDAQ OMX Helsinki in 2008 was 17,452,448 which is 45.0% (51.2%) of the average number of shares. The value of trading was EUR 287.9 million (EUR 467.2 million). The trading price varied between EUR 10.26 and EUR 23.00. The closing price was EUR 11.00. The market capitalisation was EUR 426.8 million (EUR 880.4 million) at the end of the period.

Share capital
At the beginning of the year the company's registered share capital amounted to EUR 19,392,187. Since the beginning of the year, 14,500 shares have been subscribed for pursuant to 2005A share options. After these subscriptions the share capital is EUR 19,399,437, and the number of the shares 38,798,874 shares.

Share option scheme 2005
In 2005, 600,000 share options were issued, each entitling its holder to subscribe for one share of Lassila & Tikanoja plc. In the beginning of the exercise period, 25 key persons held 162,000 2005A options and 32 key persons held 176,000 2005B options. 40 key persons hold 221,500 2005C options. L&T Advance Oy, a wholly-owned subsidiary of Lassila & Tikanoja plc, holds 8,000 2005A options, 24,000 2005B options and 8,500 2005C options and these options will not be exercised.

The exercise price for the 2005A options is EUR 14.22, for 2005B options EUR 16.98 and for 2005C options EUR 26.87. The exercise period for 2005A options is 2 November 2007 to 29 May 2009, for 2005B options 3 November 2008 to 31 May 2010, and for 2005C options 2 November 2009 to 31 May 2011.

The outstanding options issued under the share option plan 2005 entitle their holders to subscribe for a maximum of 1.4% of the current number of shares. The 2005A options have been listed on NASDAQ OMX Helsinki since 2 November 2007 and 2005B options since 2 January 2009.

Share option scheme 2008
The Annual General Meeting of the year 2008 resolved to issue 230,000 share option rights, each entitling its holder to subscribe for one share of Lassila & Tikanoja plc. 41 key persons hold 220,500 options and L&T Advance Oy 9,500 options.

The exercise price for the 2008 options is EUR 16.27. The exercise price of the share options shall, as per the dividend record date, be reduced by the amount of dividend which exceeds 70% of the profit per share for the financial period to which the dividend applies. However, only such dividends whose distribution has been agreed upon after the option pricing period and which have been distributed prior to the share subscription are deducted from the subscription price. The exercise price shall, however, always amount to at least EUR 0.01. The exercise period will be from 1 November 2010 to 31 May 2012.

As a result of the exercise of the outstanding 2008 share options, the number of shares may increase by a maximum of 220,500 new shares, which is 0.6% of the current number of shares.

Shareholders
At the end of 2008, the company had 6,135 (4,985) shareholders. Nominee-registered holdings accounted for 9.9% (14.3%) of the total number of shares.

Notifications on major holdings
On 26 March 2008, Varma Mutual Pension Insurance Company announced that its holding of the shares and votes in Lassila & Tikanoja plc had fallen to 4.52%.

On 20 May 2008, Ilmarinen Mutual Pension Insurance Company announced that its holding of the shares and votes in Lassila & Tikanoja plc had exceeded the threshold of 10%.

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

RESOLUTIONS BY THE ANNUAL GENERAL MEETING

The Annual General Meeting of Lassila & Tikanoja plc, which was held on 1 April 2008, adopted the financial statements for the financial year 2007 and released the members of the Board of Directors and the President and CEO from liability. The AGM resolved that a dividend of EUR 0.55, a total of EUR 21.3 million, as proposed by the Board of Directors, be paid for the financial year 2007. The dividend payment date was 11 April 2008.

The Annual General Meeting confirmed the number of the members of the Board of Directors six. The following Board members were re-elected to the Board until the end of the following AGM: Eero Hautaniemi, Lasse Kurkilahti, Juhani Lassila and Juhani Maijala. Heikki Bergholm and Matti Kavetvuo were elected as new members for the same term.

PricewaterhouseCoopers Oy, Authorised Public Accountants, were elected auditors with Heikki Lassila, Authorised Public Accountant, acting as Principal Auditor.

The Annual General Meeting approved the Board's proposal to issue 230,000 share options to key personnel of the Lassila & Tikanoja Group and/or to a wholly-owned subsidiary of Lassila & Tikanoja plc.

At its organising meeting following the Annual General Meeting, the Board of Directors re-elected Juhani Maijala as Chairman of the Board and Juhani Lassila as Vice Chairman.

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

On 22 January 2008, Lassila & Tikanoja sold its holding in the shares of Ekokem Oy Ab to Ilmarinen Mutual Pension Insurance Company. Lassila & Tikanoja had obtained possession of the shares over a period of several years and they no longer had any connection to the business operations of the company and were, consequently, not essential for them. A tax-exempt capital gain arising from the sale was recognised in the financial statements for the first quarter of the year 2008. The positive effect of the sale on the profit for the period will be EUR 14.2 million.

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In a release disclosed on 22 July 2008, the company announced that the full-year operating profit excluding non-recurring and imputed items is estimated to be somewhat lower than in the previous year. Previously the company estimated that the full-year financial performance will remain at the same level as in the previous year.

On 3 October 2008, the company announced that the waste oil re-refinery of joint venture L&T Recoil Oy will not be completed until next spring, while earlier it was expected to be completed towards the end of this year. Flaws had been detected in the piping design, which postpone the completion with a few months.

On 3 November 2008, Board of Directors appointed Ville Rantala as CFO as of 1 March 2009, as the current Vice President and CFO Sirkka Tuomola is retiring. As of 3 November 2008, Laura Aarnio, Kimmo Huhtimo and Inkeri Puputti were appointed as new Group Executives.

On 12 December 2008, the company announced that operating profit excluding non-recurring and imputed items for the final quarter is estimated to be lower than in the previous year.

On 15 January 2009, the company announced that it recognises an impairment loss of EUR 2.7 million for the goodwill of business operations in Sweden due to weaker market outlook. The earnings guidance for 2008 remained unchanged.

MARKET CYCLICALITY

Although the markets in which L&T primarily operates can be considered low-cyclical, the company is not immune to changes in the economy. About three quarters of L&T's net sales are generated in markets that could be considered low-cyclical. Furthermore, almost all of the products and services the company offers are still required and ordered, even in weak general economic conditions.

The majority of the net sales of waste management, cleaning services, property management and wastewater services are based on long-term service contracts. Although the slowdown in trade, industry and particularly in construction will reduce waste volumes and the number of individual orders, the services provided by these product lines are necessary in order to comply with environmental legislation and hygiene requirements.

L&T Biowatti offers power plants a CO_2 emission-free alternative to fossil fuels. Demand for wood-based fuels is strong, and is expected to increase considerably in the future. However, forest industry production restrictions and tightening competition in procurement of energy wood may hamper the procurement of raw material.

The oil re-refinery of the joint venture L&T Recoil, which is currently under construction, will produce high-quality base oil for the lubricant industry. There is steady demand for base oil but the market price instability of the final product renders the preparation of business forecasts difficult.

Recycling services depend on the volumes and market prices of recyclable waste materials (such as plastic, fibres and metals). To a certain extent, hazardous waste and cleaning services offered to heavy industry depend on the industrial utilisation rate, although changes in this rate affect demand for these services only after a certain delay.

NEAR-TERM UNCERTAINTIES

Escalating and continuing financial uncertainty may reduce transport and recycling volumes of waste materials and the number of commissioned assignments. Indeed, the slowdown in the construction business has already translated into lower construction waste volumes. If the market price instability of secondary raw materials persists and demand remains low, this may have a negative effect on the profitability of recycling services. Planning and implementation work is more difficult due to the rapid fluctuation in demand for industrial services.

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The potential additional delay in the start-up of L&T Recoil's operations would affect the operating profit of Industrial Services. The base oil price level follows the crude oil price development with a delay causing a negative effect should the crude oil price remain at the current low level. Demand for the fuels supplied by L&T Biowatti is strong. The forest industry production restrictions will hamper L&T Biowatti's procurement of by-products as raw materials. The uncertainty of the Latvian economy and more intense competition may prove detrimental to the profitability of Riga's waste management business.

PROSPECTS FOR THE YEAR 2009

A recession is expected in the national economies of all countries in which L&T operates. The company primarily operates in low-cyclical markets.

In 2009, L&T will focus on improving profitability. In addition to the launched measures, a productivity enhancement programme is being planned to adapt operations and cost development to the market conditions. Investments will be much lower than last year.

Full-year net sales and operating profit excluding non-recurring items are expected to reach the previous year's level. This requires success in the adaptation of operations and costs.

BREAKDOWN OF OPERATING PROFIT EXCLUDING NON-RECURRING AND IMPUTED ITEMS

EUR million	**10-12/ 2008**	**10-12/ 2007**	**1-12/ 2008**	**1-12/ 2007**
Operating profit	**4.9**	12.1	**55.5**	48.8
Non-recurring items				
Impairment loss on goodwill of business in Sweden	**3.1**		**3.1**	
Discontinuation of soil washing services	**2.6**		**2.6**	
Loss on sale of business in Norway	**1.1**		**1.1**	
Gain on sale of the shares of Ekokem			**-14.3**	
Oil derivatives	**-3.1**	0.7	**-3.0**	2.8
Loss on sale of landfill operations of Salvor and integration of the remaining Salvor's operations		0.5		2.3
Reorganisation of Property and Office Support Services operations in Russia				0.4
Operating profit excluding non-recurring and imputed items	**8.6**	13.3	**45.0**	54.3

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CONDENSED FINANCIAL STATEMENTS 1 JANUARY–31 DECEMBER 2008

ACCOUNTING POLICIES

This financial statements release has been prepared in compliance with IAS 34, Interim Financial Reporting Standard. The same accounting policies as in the annual financial statements of 31 December 2008 have been applied. This financial statements release has been prepared in accordance with the IFRS standards and interpretations as adopted by the EU. The amended standards and interpretations that became effective in 2008 did not affect the consolidated financial statements.

The preparation of financial statements in accordance with IFRS require the management to make such estimates and assumptions that affect the carrying amounts at the balance sheet date for the assets and liabilities and the amounts of revenues and expenses. Judgements are also made in applying the accounting policies. Actual results may differ from the estimates and assumptions.

The financial statements release has not been audited.

INCOME STATEMENT

EUR 1000	**10-12/2008**	**10-12/2007**	**1-12/2008**	**1-12/2007**
Net sales	**153 058**	148 172	**605 996**	554 613
Cost of goods sold	**-136 925**	-129 432	**-533 681**	-478 151
Gross profit	**16 133**	18 740	**72 315**	76 462
Other operating income	**3 820**	1 162	**21 708**	3 834
Selling and marketing costs	**-4 517**	-3 750	**-16 228**	-14 616
Administrative expenses	**-2 873**	-2 928	**-12 105**	-11 614
Other operating expenses	**-4 592**	-1 125	**-7 102**	-5 291
Goodwill impairment	**-3 090**		**-3 090**	
Operating profit	**4 881**	12 099	**55 498**	48 775
Finance income	**742**	624	**1 931**	1 661
Finance costs	**-2 112**	-1 871	**-6 737**	-5 978
Profit before tax	**3 511**	10 852	**50 692**	44 458
Income tax expense	**-1 979**	-3 217	**-10 724**	-12 291
Profit for the period	**1 532**	7 635	**39 968**	32 167
Attributable to:				
Equity holders of the company	**1 537**	7 631	**39 969**	31 909
Minority interest	**-5**	4	**-1**	258
Earnings per share for profit attributable to the equity holders of the company:				
Earnings per share, EUR	**0.04**	0.20	**1.03**	0.83
Earnings per share, EUR - diluted	**0.04**	0.19	**1.03**	0.82

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BALANCE SHEET

EUR 1000	12/2008	12/2007
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	**115 451**	119 946
Intangible assets arising from business combinations	**25 774**	30 600
Other intangible assets	**11 402**	11 571
Total	**152 627**	162 117
Property, plant and equipment		
Land	**3 832**	3 532
Buildings and constructions	**43 958**	39 594
Machinery and equipment	**113 851**	103 832
Other	**78**	82
Advance payments and construction in progress	**35 433**	4 830
Total	**197 152**	151 870
Other non-current assets		
Available-for-sale investments	**502**	410
Finance lease receivables	**4 694**	3 823
Deferred income tax assets	**945**	924
Other receivables	**689**	236
Total	**6 830**	5 393
Total non-current assets	**356 609**	319 380
Current assets		
Inventories	**18 827**	14 350
Trade and other receivables	**74 634**	71 824
Derivative receivables	**112**	1 189
Advance payments	**986**	774
Available-for-sale investments	**20 368**	21 287
Cash and cash equivalents	**6 149**	9 521
Total current assets	**121 076**	118 945
TOTAL ASSETS	**477 685**	438 325

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EUR 1000	**12/2008**	**12/2007**
EQUITY AND LIABILITIES		
Equity		
Equity attributable to equity holders of the company		
Share capital	**19 399**	19 392
Share premium reserve	**50 673**	50 474
Other reserves	**-2 964**	14 055
Retained earnings	**97 799**	86 327
Profit for the period	**39 969**	31 909
Total	**204 876**	202 157
Minority interest	**162**	187
Total equity	**205 038**	202 344
Liabilities		
Non-current liabilities		
Deferred income tax liabilities	**32 898**	29 842
Pension obligations	**674**	542
Provisions	**1 741**	953
Borrowings	**102 487**	81 411
Other liabilities	**1 083**	500
Total	**138 883**	113 248
Current liabilities		
Borrowings	**44 569**	35 757
Trade and other payables	**88 298**	85 183
Derivative liabilities	**610**	897
Tax liabilities	**273**	794
Provisions	**14**	102
Total	**133 764**	122 733
Total liabilities	**272 647**	235 981
TOTAL EQUITY AND LIABILITIES	**477 685**	438 325

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CASH FLOW STATEMENT

EUR 1000	12/2008	12/2007
Cash flows from operating activities		
Profit for the period	**39 968**	32 167
Adjustments		
Income tax expense	**10 724**	12 291
Depreciation, amortisation and impairment	**40 985**	33 432
Finance income and costs	**4 806**	4 317
Oil derivatives	**-2 221**	2 947
Gain on sale of shares	**-14 258**	
Discontinued operations	**2 616**	
Other	**444**	-859
Net cash generated from operating activities before change in working capital	**83 064**	84 295
Change in working capital		
Change in trade and other receivables	**3 502**	-4 903
Change in inventories	**-4 492**	-6 824
Change in trade and other payables	**3 152**	-1 450
Change in working capital	**2 162**	-13 177
Interest paid	**-5 953**	-5 104
Interest received	**1 867**	1 460
Income tax paid	**-10 716**	-12 041
Net cash from operating activities	**70 424**	55 433
Cash flows from investing activities		
Acquisition of subsidiaries and businesses, net of cash acquired	**-4 298**	-37 050
Proceeds from sale of subsidiaries and businesses, net of sold cash	**23**	1 878
Purchases of property, plant and equipment and intangible assets	**-77 542**	-49 109
Proceeds from sale of property, plant and equipment and intangible assets	**789**	2 261
Purchases of available-for-sale investments	**-200**	-147
Change in other non-current receivables	**-11**	1
Proceeds from sale of available-for-sale investments	**16 867**	1 098
Dividends received	**4**	4
Net cash used in investment activities	**-64 368**	-81 064
Cash flows from financing activities		
Proceeds from share issue	**206**	2 936
Change in short-term borrowings	**-4 593**	23 011
Proceeds from long-term borrowings	**47 000**	50 302
Repayments of long-term borrowings	**-14 546**	-39 909
Dividends paid	**-21 315**	-21 360
Net cash generated from financing activities	**6 752**	14 980
Net change in liquid assets	**12 808**	-10 651
Liquid assets at beginning of period	**14 008**	24 790
Effect of changes in foreign exchange rates	**-339**	-131
Change in fair value of current available-for-sale investments	**40**	
Liquid assets at end of period	**26 517**	14 008

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Liquid assets

EUR 1000	**12/2008**	**12/2007**
Cash and cash equivalents	**6 149**	9 521
Certificates of deposit	**20 368**	4 487
Total	**26 517**	14 008

STATEMENT OF CHANGES IN EQUITY

EUR 1000	Share capital	Share premium reserve	Revaluation and other reserves	Retained earnings	Equity attributable to equity holders of the company	Minority interest	Total equity
Equity at 1.1.2008	**19 392**	**50 474**	**14 055**	**118 236**	**202 157**	**187**	**202 344**
Hedging reserve, change in fair value			-972		-972		-972
Current available-for-sale investments, reversal of change in fair value due to sale			-14 209		-14 209		-14 209
Translation differences			-1 838		-1 838	-24	-1 862
Items recognised directly in equity			-17 019		-17 019	-24	-17 043
Profit for the period				39 969	39 969	-1	39 968
Total recognised income and expenses			-17 019	39 969	22 950	-25	22 925
Share option remuneration							
Subscriptions pursuant to 2005 options	7	199			206		206
Remuneration expense of share options				886	886		886
Dividends paid				-21 323	-21 323		-21 323
Equity at 31.12.2008	**19 399**	**50 673**	**-2 964**	**137 768**	**204 876**	**162**	**205 038**
Equity at 1.1.2007	**19 264**	**47 666**	**326**	**106 904**	**174 160**	**2 709**	**176 869**
Hedging reserve, change in fair value			136		136		136
Current available-for-sale investments, change in fair value			14 230		14 230		14 230
Translation differences			-637		-637	-1	-638
Items recognised directly in equity			13 729		13 729	-1	13 728
Profit for the period				31 909	31 909	258	32 167
Total recognised income and expenses			13 729	31 909	45 638	257	45 895
Share option remuneration							
Subscriptions pursuant to 2002 options	128	2 808			2 936		2 936
Remuneration expense of share options				613	613		613
Dividends paid				-21 190	-21 190	-180	-21 370
Purchase of a minority						-2 599	-2 599
Equity at 31.12.2007	**19 392**	**50 474**	**14 055**	**118 236**	**202 157**	**187**	**202 344**

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KEY FIGURES

	10-12/2008	10-12/2007	1-12/2008	1-12/2007
Earnings per share, EUR	**0.04**	0.20	**1.03**	0.83
Earnings per share, EUR - diluted	**0.04**	0.19	**1.03**	0.82
Cash flows from operating activities per share, EUR	**0.74**	0.54	**1.82**	1.43
EVA, EUR million	**-3.3**	4.6	**25.0**	23.0
Capital expenditure, EUR 1000	**32 011**	15 549	**84 249**	93 187
Depreciation, amortisation and impairment, EUR 1000	**12 918**	8 891	**40 985**	33 432
Equity per share, EUR			**5.28**	5.21
Dividend/share, EUR			**0.55***	0.55
Dividend/earnings, %			**53.4***	66.7
Dividend yield, %			**5.0***	2.4
P/E ratio			**10.7**	27.5
Return on equity, ROE, %			**19.6**	17.0
Return on invested capital, ROI, %			**17.1**	17.6
Equity ratio, %			**43.2**	46.6
Gearing, %			**58.8**	42.7
Net interest-bearing liabilities, EUR 1000			**120 539**	86 360
Average number of employees in full-time equivalents			**8 363**	7 819
Total number of full-time and part-time employees at end of period			**9 490**	9 387
Adjusted number of shares, 1000 shares				
average during the period			**38 796**	38 670
at end of period			**38 799**	38 784
average during the period, diluted			**38 817**	38 843

* Proposal by the Board of Directors

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SEGMENT REPORTING

NET SALES

EUR 1000	10-12/ 2008	10-12/ 2007	Change %	1-12/ 2008	1-12/ 2007	Change %
Environmental Services	**74 211**	74 788	-0.8	**300 070**	279 845	7.2
Property and Office Support Services	**58 622**	54 798	7.0	**227 619**	204 141	11.5
Industrial Services	**22 301**	19 867	12.3	**84 634**	75 479	12.1
Group admin. and other		1			10	
Inter-division net sales	**-2 076**	-1 282		**-6 327**	-4 862	
L&T total	**153 058**	148 172	3.3	**605 996**	554 613	9.3

OPERATING PROFIT

EUR 1000	10-12/ 2008	%	10-12/ 2007	%	1-12/ 2008	%	1-12/ 2007	%
Environmental Services	**5 957**	8.0	8 372	11.2	**32 255**	10.7	34 977	12.5
Property and Office Support Services	**-2 046**	-3.5	4 015	7.3	**5 525**	2.4	11 005	5.4
Industrial Services	**1 630**	7.3	180	0.9	**5 621**	6.6	4 769	6.3
Group admin. and other	**-660**		-468		**12 097**		-1 976	
L&T total	**4 881**	3.2	12 099	8.2	**55 498**	9.2	48 775	8.8

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OTHER SEGMENT REPORTING

EUR 1000	10-12/ 2008	10-12/ 2007	1-12/ 2008	1-12/ 2007
Assets				
Environmental Services			**273 722**	250 980
Property and Office Support Services			**68 385**	75 508
Industrial Services			**104 084**	78 311
Group admin. and other			**458**	2 814
Non-allocated assets			**31 036**	30 712
L&T total			**477 685**	438 325
Liabilities				
Environmental Services			**38 207**	36 935
Property and Office Support Services			**33 493**	32 447
Industrial Services			**17 471**	17 046
Group admin. and other			**1 071**	667
Non-allocated liabilities			**182 405**	148 886
L&T total			**272 647**	235 981
Capital expenditure				
Environmental Services	**16 506**	8 568	**41 823**	60 704
Property and Office Support Services	**2 953**	3 099	**9 062**	20 040
Industrial Services	**12 541**	3 879	**33 274**	12 267
Group admin. and other	**11**	3	**90**	176
L&T total	**32 011**	15 549	**84 249**	93 187
Depreciation and amortisation				
Environmental Services	**6 055**	5 393	**23 122**	20 330
Property and Office Support Services	**2 147**	2 064	**8 529**	7 782
Industrial Services	**1 626**	1 433	**6 241**	5 315
Group admin. and other	**1**	1	**3**	5
L&T total	**9 829**	8 891	**37 895**	33 432
Impairment				
Property and Office Support Services	**3 090**		**3 090**	
L&T total	**3 090**		**3 090**	

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INCOME STATEMENT BY QUARTER

EUR 1000	**10-12/ 2008**	**7-9/ 2008**	**4-6/ 2008**	**1-3/ 2008**	**10-12/ 2007**	**7-9/ 2007**	**4-6/ 2007**	**1-3/ 2007**
Net sales								
Environmental Services	**74 211**	73 740	76 639	75 480	74 788	67 915	71 744	65 398
Property and Office Support Services	**58 622**	56 309	57 114	55 574	54 798	51 963	48 660	48 720
Industrial Services	**22 301**	22 906	22 052	17 375	19 867	19 890	19 572	16 150
Group admin. and other					1	3	3	3
Inter-division net sales	**-2 076**	-1 712	-1 441	-1 098	-1 282	-1 202	-1 220	-1 158
L&T total	**153 058**	151 243	154 364	147 331	148 172	138 569	138 759	129 113
Operating profit								
Environmental Services	**5 957**	9 723	8 151	8 423	8 372	9 730	8 104	8 771
Property and Office Support Services	**-2 046**	4 806	1 156	1 609	4 015	4 213	1 690	1 087
Industrial Services	**1 630**	3 707	1 162	-878	180	2 133	2 595	-139
Group admin. and other	**-660**	-653	-271	13 681	-468	-601	-349	-558
L&T total	**4 881**	17 583	10 198	22 835	12 099	15 475	12 040	9 161
Operating margin								
Environmental Services	**8.0**	13.2	10.6	11.2	11.2	14.3	11.3	13.4
Property and Office Support Services	**-3.5**	8.5	2.0	2.9	7.3	8.1	3.5	2.2
Industrial Services	**7.3**	16.2	5.3	-5.1	0.9	10.7	13.3	-0.9
L&T total	**3.2**	11.6	6.6	15.5	8.2	11.2	8.7	7.1
Finance costs, net	**-1 370**	-1 346	-990	-1 100	-1 247	-1 294	-924	-852
Profit before tax	**3 511**	16 237	9 208	21 735	10 852	14 181	11 116	8 309

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BUSINESS ACQUISITIONS

In business combinations, all property, plant and equipment acquired is measured at fair value on the basis of the market prices of similar assets, taking into account the age of the assets, wear and tear and similar factors. Tangible assets will be depreciated over their useful life according to the management's estimate, taking into account the depreciation methods applied within the Group.

Intangible assets arising from business combinations are recognised separately from goodwill at fair value at the time of acquisition if the fair value of the asset can be determined reliably. In connection with acquired business operations, the Group mostly has acquired agreements on prohibition of competition and customer relationships. The fair value of customer agreements and customer relationships associated with them has been determined on the basis of estimated duration of customer relationships and discounted net cash flows arising from current customer relationships. The value of agreements on prohibition of competition is calculated in a similar manner through cash flows over the duration of the agreement. Other intangible assets will be amortised over their useful life according to agreement or the management's estimate.

In addition to the skills of the personnel of the acquired businesses, goodwill arising from business combinations comprises other intangible items that cannot be identified separately in accordance with IAS 38. These unidentified items include the potential for gaining new customers in the acquired businesses and the opportunities for developing new products and services, as well as the regionally strong position of an acquired business. These items do not fulfil the IAS 38 identification criteria in any way. The items cannot be separated from each other, they are not based on any agreement or legal right and their value cannot be determined reliably. All business combinations also create synergy benefits that consist primarily of savings in fixed production costs.

Changes in goodwill arising from acquisitions or acquisition costs may arise on the basis of terms and conditions related to the acquisition price in the deeds of sale. In many acquisitions a small portion of the acquisition price is contingent on future events (less than 12 months). Acquisition price adjustments, including also attorney's and consultants' fees attributable to a business combination, are recognised in goodwill within 12 months from the acquisition date. Such adjustments related to the businesses acquired in 2008 will probably still be made.

The consolidated net sales for the year 2008 would have been EUR 611 million and the consolidated profit for the period EUR 56 million if all the acquisitions had been made on 1 January. The realised net sales of the acquired businesses have been added to the consolidated net sales, and their realised profits and losses have been added to the consolidated profit in accordance with interim accounts at the time of acquisition. Profit for the period is stated less the current amortisation on intangible assets and depreciation charges on property, plant and equipment. Synergy benefits have not been accounted for.

The aggregate net sales of the acquired businesses totalled EUR 6.5 million in 2008.

Business combinations in aggregate

EUR 1 000	Fair values used in consolidation	Carrying amounts before consolidation
Property, plant and equipment	2 050	1 313
Customer contracts	1 561	
Agreements on prohibition of competition	488	
Other intangible assets	7	7
Other non-current assets	31	12
Inventories	17	17
Trade and other receivables	810	810
Cash and cash equivalents	526	526
Total assets	5 490	2 685
Deferred tax liabilities	-667	
Non-current liabilities	-189	-189

Trade and other payables	-812	-812
Total liabilities	-1 668	-1 001
Net assets	3 822	1 684
Goodwill arising from acquisitions	1 001	
Revenue recognition of negative goodwill		
Acquisition cost	4 823	
Acquisition cost	4 823	
Cash and cash equivalents at acquisition date	-525	
Cash flow effect of acquisitions	4 298	

The business operations of Siivouspalvelu Siivoset Oy were acquired into cleaning services within Property and Office Support Services on 1 January and the business operations of Siivousliike Lainio Oy on 1 March. The business operations of Rantakylän Talonhuolto Oy were acquired for property management on 1 April and Oulun TOP-Huolto Oy on 1 November.

The business operations of Obawater Oy were acquired for wastewater services within Industrial Services on 15 February and Kuljetusliike Eskolin Oy on 1 December.

Jätehuolto Savolainen Oy group specialising in waste management and recycling services was acquired on 1 October. The company also provides wastewater, hazardous waste management and industrial cleaning services.

The figures for these acquired businesses are stated in aggregate, because none of them is of material importance. Fair values have been determined as of the time the acquisition was realised. No business operations have been divested as a consequence of any acquisition. All acquisitions have been paid for in cash. Individual purchase prices have not been itemised because none of them is of material importance when considered separately. All share acquisitions have resulted in a holding of 100% of voting power.

The largest acquired companies by annual net sales were Jätehuolto Savolainen (EUR 2.8 million), Oulun TOP-Huolto (EUR 2.6 million) and Kuljetusliike Eskolin (EUR 0.9 million).

It is not possible to itemise the effects of the acquired businesses on the consolidated net sales and profit for the period, because L&T integrates its acquisitions into the current business operations as quickly as possible to gain synergy benefits.

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CHANGES IN INTANGIBLE ASSETS

EUR 1000	**1-12/2008**	**1-12/2007**
Carrying amount at beginning of period	**162 117**	124 407
Business acquisitions	**3 057**	41 885
Other capital expenditure	**3 812**	5 403
Disposals	**-2 762**	-1 546
Amortisation and impairment	**-12 147**	-7 921
Transfers between items	**2**	228
Exchange differences	**-1 452**	-339
Carrying amount at end of period	**152 627**	162 117

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR 1000	**1-12/2008**	**1-12/2007**
Carrying amount at beginning of period	**151 870**	134 038
Business acquisitions	**2 050**	5 574
Other capital expenditure	**75 183**	40 147
Disposals	**-2 548**	-2 096
Depreciation and impairment	**-28 838**	-25 511
Transfers between items	**-2**	-228
Exchange differences	**-563**	-54
Carrying amount at end of period	**197 152**	151 870

CAPITAL COMMITMENTS

EUR 1000	**1-12/2008**	**1-12/2007**
Intangible assets	**1 021**	70
Property, plant and equipment	**10 868**	8 646
Total	**11 889**	8 716
The Group's share of capital commitments of joint ventures	**972**	5 090

RELATED-PARTY TRANSACTIONS
(Joint ventures)

EUR 1000	**1-12/2008**	**1-12/2007**
Sales	**990**	1 851
Purchases		247
Interest income	**202**	
Non-current receivables		
Capital loan receivable	**8 396**	2 646
Current receivables		
Trade receivables	**62**	110
Loan receivables	**202**	

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CONTINGENT LIABILITIES

EUR 1000	**12/2008**	**12/2007**
Securities for own commitments		
Real estate mortgages	**10 192**	10 114
Corporate mortgages	**10 460**	15 000
Other securities	**200**	182
Bank guarantees required for environmental permits	**4 126**	4 309

Other securities are security deposits.
The Group has given no pledges, mortgages or guarantees on behalf of outsiders.

Operating lease liabilities

EUR 1000	**12/2008**	**12/2007**
Maturity not later than one year	**7 459**	7 424
Maturity later than one year and not later than five years	**16 051**	15 611
Maturity later than five years	**7 281**	3 905
Total	**30 791**	26 940

Derivative financial instruments

Interest rate swaps

EUR 1000	**12/2008**	**12/2007**
Nominal values of interest rate swaps*		
Maturity not later than one year	**15 000**	7 500
Maturity later than one year and not later than five years		15 000
Total	**15 000**	22 500
Fair value	**112**	394
Nominal values of interest rate swaps**		
Maturity not later than one year	**4 629**	3 029
Maturity later than one year and not later than five years	**20 914**	18 514
Maturity later than five years	**5 000**	12 028
Total	**30 543**	33 571
Fair value	**-610**	703

* Hedge accounting under IAS 39 has not been applied to these interest rate swaps. Changes in fair values have been recognised in finance income and costs.
** The interest rate swaps are used to hedge cash flow related to a floating rate loan, and hedge accounting under IAS 39 has been applied to it. The hedges have been effective, and the total change in the fair values has been recognised in the hedging fund under equity.

Currency derivatives

EUR 1000	**12/2007**
Nominal values of forward contracts*	
Maturity not later than one year	2 184
Fair value	7

* Hedge accounting under IAS 39 has not been applied to the currency derivatives. Changes in fair values have been recognised in finance income and costs. There were no forward contracts at 31 December 2008.

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Oil derivatives

1000 bbl	**12/2007**
Volume of crude oil put options	
Maturity not later than one year	182
Maturity later than one year and not later than five years	226
Total	408
Fair value, EUR 1000	83
Volume of sold crude oil futures	
Maturity not later than one year	42
Fair value, EUR 1000	-897

Hedge accounting under IAS 39 has not been applied to oil derivatives. Changes in fair values have been recognised in other operating expenses. The fair values of the oil options have been determined on the basis of a generally used valuation model. The fair values of other derivative contracts are based on market prices at the balance sheet date. The oil derivatives were sold in 2008.

CALCULATION OF KEY FIGURES

Earnings per share:
profit attributable to equity holders of the parent company /adjusted average number of shares

Cash flows from operating activities/share:
cash flow from operating activities as in the cash flow statement / adjusted average number of shares

EVA:
operating profit - cost calculated on invested capital (average of four quarters) before taxes
WACC 2007: 8.75%
WACC 2008: 9.30%

Equity/share:
profit attributable to equity holders of the parent company / adjusted number of shares at end of period

Return on equity, % (ROE):
(profit for the period / shareholders' equity (average)) x 100

Return on investment, % (ROI):
(profit before tax + interest expenses and other finance costs) / (balance sheet total - non-interest-bearing liabilities (average)) x 100

Equity ratio, %:
shareholders' equity / (balance sheet total - advances received) x 100

Gearing, %:
net interest-bearing liabilities / shareholders' equity x 100

Net interest-bearing liabilities:
Interest-bearing liabilities - liquid assets

Annual Report for the year 2008 containing the report by the Board of Directors and the financial statements for the year 2008, will be published in week 11.

LASSILA & TIKANOJA

10 February 2009

Helsinki 9 February 2009

LASSILA & TIKANOJA PLC
Board of Directors

Jari Sarjo
President and CEO

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Lassila & Tikanoja specialises in environmental management and property and plant support services and is a leading supplier of wood-based biofuels, recovered fuels and recycled raw materials. With operations in Finland, Sweden, Latvia and Russia, L&T employs 9,500 persons. Net sales in 2008 amounted to EUR 606 million. L&T is listed on NASDAQ OMX Helsinki.

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