

For Immediate Release

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**JONES LANG LASALLE REPORTS RECORD EARNINGS;
2006 NET INCOME OF \$176 MILLION, \$5.24 PER SHARE**

CHICAGO, January 30, 2007 – Jones Lang LaSalle Incorporated (NYSE: JLL), the leading integrated global real estate services and money management firm, today reported record net income of \$176 million, or \$5.24 per diluted share of common stock, for the year ended December 31, 2006. This represents an increase of 70 percent over the prior year's net income of \$104 million, or \$3.12 per diluted share. Revenue for the full year 2006 reached \$2.0 billion, an increase of 45 percent in U.S. dollars and 43 percent in local currencies from the prior year, and the product of strong growth in all operating segments. Operating income for 2006 was \$244 million compared with \$132 million for the prior year, an increase of 85 percent. Included in the firm's 2006 full-year results was an incentive fee from a single client of \$112.5 million, or \$1.01 per share, at a 41 percent operating income margin. The fourth-quarter strengthening of the pound sterling and euro also contributed approximately \$0.16 per share for the year.

For the fourth quarter of 2006, net income was \$81 million, or \$2.37 per diluted share, compared with net income of \$67 million, or \$1.99 per diluted share, for the same period in 2005. Revenue for the fourth quarter of 2006 was \$704 million, an increase of 41 percent in U.S. dollars and 35 percent in local currencies from 2005, with all segments showing healthy increases. Operating income for the fourth quarter increased 33 percent to \$114 million from \$86 million in the prior year.

Full Year 2006 Highlights:

- Revenue increased 45 percent to \$2 billion with growth in all business segments
 - Operating income grew 85 percent led by LaSalle Investment Management and EMEA
 - Net income increased 70 percent to \$176 million
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“We are extremely pleased with our record 2006 performance,” said Colin Dyer, Chief Executive Officer of Jones Lang LaSalle. “Such significant increases in revenue and net income show that our strategic growth investments are paying returns across our business platform. We are also very proud that Jones Lang LaSalle has been named to Fortune’s ‘100 Best Companies to Work For’ and, for the second year in a row, to the Forbes ‘400 Best Big Companies.’ We are the only real estate money management and services firm to earn either distinction. Looking ahead, with continued healthy conditions in the world’s major economies, improving real estate fundamentals worldwide and consistently strong capital allocations to real estate, we remain confident about our firm’s prospects for 2007,” Dyer added.

Operating expenses were \$1.77 billion in 2006, an increase of approximately 40 percent in both U.S. dollars and local currencies from the prior year and \$1.26 billion in 2005. Operating expenses were \$591 million for the fourth quarter of 2006 compared with \$413 million for the same period in 2005, an increase of 43 percent in U.S. dollars and 36 percent in local currencies. The increase in operating expenses was driven by significant additions in global Capital Markets and Leasing broker teams, additional client-service staff, and by the expansion of offices to support the global business platform. Also contributing to the increase were five strategic acquisitions including Spaulding and Slye in the Americas, which closed in January 2006. Higher incentive compensation costs related to the strong revenue and profit performance also contributed to the increase.

Interest expense of \$14.3 million for the 2006 full year was higher than the \$4.0 million for 2005 due to higher debt balances throughout the year compared with 2005. The higher debt balances during the year resulted from acquisition spending totaling \$192 million, share repurchases of \$65 million, including \$35 million in the fourth quarter, and net co-investment funding of \$44 million in connection with growth in the firm’s investment management business. Despite these significant cash uses, the firm had no net debt at year end.

Business Segment Full Year and Fourth Quarter Performance Highlights

Investor and Occupier Services

- The **Americas** region continued its momentum through the end of the year. Revenue for the full year 2006 was \$625 million, an increase of 44 percent over the prior year, and fourth-quarter revenue was \$227 million, an increase of 38 percent. Compared with 2005, Transaction Services revenue increased 57 percent for the full year and 45 percent for the quarter while Management Services grew 31 percent for the year and 27 percent for the quarter.

The current year's strong performance benefited from growth in both the Markets group, whose focus is to maximize the firm's competitive position in key local markets, and the Accounts organization, whose focus is on delivering services and strategic advice to corporate clients. Revenue in the Markets and Accounts groups increased by a combined 47 percent for the full year compared with the prior year. The Spaulding and Slye acquisition had a significant impact on year-over-year revenue growth in both Markets and Accounts. Strong performance in Capital Markets also contributed to the annual year-over-year revenue growth with a 74 percent increase over the previous year. Revenue in the firm's Americas Hotels business was up 46 percent in 2006 compared with the prior year as a result of the business' strong position in a healthy industry environment.

Total operating expenses increased 45 percent for the full year and 43 percent for the quarter compared with 2005. The increase in operating expenses resulted from significant additions to the local market teams and from the Spaulding and Slye acquisition. In addition, incentive compensation expenses increased as a result of the growth in both revenue-generating activities and profit performance.

- **EMEA's** full-year revenue grew 38 and 34 percent in U.S. dollars and local currencies, respectively, to \$679 million, and fourth-quarter revenue increased 53 percent in U.S. dollars and 39 percent in local currencies to \$270 million. Transaction Services revenue grew 44 percent for the full year to \$557 million, and 54 percent for the quarter, while Management Services revenue grew 19 percent for the year to \$114 million, and 67 percent for the quarter. Year-over-year annual revenue growth in the region was driven by strong performance in Capital Markets, which was up 70 percent for the year driven by increased

market share and strong underlying market conditions, and by Agency Leasing, which grew 26 percent. Four strategic acquisitions were completed in the region in 2006 and six new offices were opened which, together with hiring, resulted in approximately 350 revenue-generators being added in the year.

Geographically, the region's robust full-year growth was driven primarily by France and Germany. Revenue in France grew 83 percent in U.S. dollars for the full year and 60 percent for the fourth quarter compared with the prior year, while Germany had an increase of 58 percent for the full year and 45 percent for the quarter. Russia continued its strong growth with full year revenue doubling compared with the prior year while very favorable trends continued in Central and Eastern Europe and Spain. The EMEA Hotels business also had solid growth with annual revenues up almost 30 percent compared with the prior year.

Operating expenses increased by 36 percent in U.S. dollars and 32 percent in local currencies on a full-year basis and by 56 percent in U.S. dollars and 43 percent in local currencies for the quarter. The increase was primarily due to acquisitions, staff additions to service clients and grow market share, and increased incentive compensation driven by improved revenue and profit performance.

- Revenue for the **Asia Pacific** region on a full-year basis was \$337 million, an increase of 24 percent in both U.S. dollars and local currencies, and \$124 million for the fourth quarter, an increase of 35 percent in U.S. dollars and 31 percent in local currencies from the prior year. Growth for the full year and fourth quarter in U.S. dollars resulted from both Transaction Services revenue, which increased 22 and 32 percent, respectively, and Management Services revenue, which increased 20 and 38 percent, respectively.

Geographically, the strongest profit contributions were from the region's largest market, Australia, and from the growth markets of China and Korea. Revenue in Australia grew 22 percent for the year and 26 percent for the quarter, while revenue in China increased 60 percent for the year and 64 percent for the quarter, compared with the prior year. Korea's revenue for the year was up 69 percent, and finished the year strongly with fourth-quarter 2006 revenue more than double compared with the prior year. India and Singapore also made significant revenue growth contributions. The leading Asian Hotels business recorded a very strong finish in 2006 with revenue almost tripling in the last quarter compared with the prior year and with revenue for the full year up 33 percent as a result of higher

transaction volume and increased market share. Offsetting the region's growth was a decline in Japan, where Capital Markets activity was lower in 2006 compared with 2005, which included several significant closed transactions.

Operating expenses on a full-year basis for the Asia Pacific region increased 26 percent in both U.S. dollars and local currencies, and for the fourth quarter increased 34 percent in U.S. dollars and 30 percent in local currencies, over the prior year. The increase was the result of expansion of the geographic platform, service capabilities and infrastructure throughout the region.

Operating income decreased from \$20.0 million in 2005 to \$18.6 million in 2006. Included in 2006's full year results were expenses of approximately \$1.7 million for net transition costs incurred to outsource the management of the region's IT infrastructure, call centers and application development, positioning the region for significant future growth. The 2005 full-year results included a benefit of \$2.4 million received from a litigation settlement. Excluding the impact of these items, operating income for the region would have increased from \$17.6 million in 2005 to \$20.3 million in 2006, with operating income margins flat at approximately six percent. The firm is now well-positioned with a leading market share in the region to capitalize on the anticipated growth.

LaSalle Investment Management

- **LaSalle Investment Management's** full-year revenue grew to \$384 million, up 90 percent in U.S. dollars and 86 percent in local currencies over the prior year, and fourth-quarter revenue increased to \$85 million, up 18 percent in U.S. dollars and 13 percent in local currencies. The increase in revenue was driven by the continued growth of the annuity-based business as well as from incentive fees that were generated from strong performance of client's investments managed by the firm.

The continued focus on the growth in annuity revenue led to a full-year increase in Advisory fees of 39 percent and a fourth quarter increase of 48 percent over 2005. The growth in the annuity business was principally due to the healthy increase in assets under management. Supporting this growth, the firm's co-investment capital totaled \$132 million at the end of 2006, compared with \$89 million in the prior year.

Incentive fees vary significantly from period to period due to both the performance of the underlying investments and the contractual timing of the measurement periods for different clients. In 2006, incentive fees were up significantly for the full year due to the single incentive fee earned in the second quarter of the year, and were slightly down for the fourth quarter compared with last year. The amount of the specific incentive fee was originally disclosed as \$109.5 million, but increased during the second half of the year to \$112.5 million as a result of final third-party valuations and audit.

LaSalle Investment Management raised over \$7.1 billion of equity during 2006, as it launched three new private equity funds and secured 16 global securities mandates. Investments made on behalf of clients in 2006 were \$9.6 billion, including the CenterPoint acquisition, compared with approximately \$5.4 billion in 2005. Assets under management grew to \$40.6 billion from \$30.0 billion, a 35 percent increase over the prior year.

Summary

In 2006, the firm benefited from favorable global market environments, effective execution of its strategic initiatives, and its globally diverse business platform. These initiatives included several acquisitions and the addition of a significant number of people, product lines and infrastructure to its platform. The firm remains committed to future growth, to expanding market share across its businesses and to delivering superior results to clients.

About Jones Lang LaSalle

Jones Lang LaSalle (NYSE: JLL), the only real estate money management and services firm named to FORTUNE magazine's "100 Best Companies to Work For" and Forbes magazine's "400 Best Big Companies," has approximately 150 offices worldwide and operates in more than 450 cities in over 50 countries. With 2006 revenue of over \$2.0 billion, the company provides comprehensive integrated real estate and investment management expertise on a local, regional and global level to owner, occupier and investor clients. Jones Lang LaSalle is an industry leader in property and corporate facility management services, with a portfolio of over 1.0 billion square feet worldwide. LaSalle Investment Management, the company's investment management business, is one of the world's largest and most diverse real estate money management firms, with approximately \$40.6 billion of assets under management. For further information, please visit our website, www.joneslanglasalle.com.

Statements in this press release regarding, among other things, future financial results and performance, achievements, plans and objectives, dividend payments and share repurchases may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, plans and objectives of Jones Lang LaSalle to be materially different from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include those discussed under "Business," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Quantitative and Qualitative Disclosures about Market Risk," and elsewhere in Jones Lang LaSalle's Annual Report on Form 10-K for the year ended December 31, 2005 and in the Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006, and September 30, 2006 and in other reports filed with the Securities and Exchange Commission. There can be no assurance that future dividends will be declared since the actual declaration of future dividends, and the establishment of record and payment dates, remains subject to final determination by the Company's Board of Directors. Statements speak only as of the date of this release. Jones Lang LaSalle expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in Jones Lang LaSalle's expectations or results, or any change in events.

Conference Call

The firm will conduct a conference call for shareholders, analysts and investment professionals on Wednesday, January 31 at 9:00 a.m. EST.

To participate in the teleconference, please dial into one of the following phone numbers five to ten minutes before the start time:

- U.S. callers: +1 877 809 9540
- International callers: +1 706 679 7364
- Pass code: 6757230

Replay Information Available: (12:00 p.m. EST) Wednesday, January 31 through Midnight EST February 7 at the following numbers:

- U.S. callers: +1 800 642 1687
- International callers: +1 706 645 9291
- Pass code: 6757230

Live web cast

Follow these steps to listen to the web cast:

1. You must have a minimum 14.4 Kbps Internet connection
2. Log on to <http://www.videonewswire.com/event.asp?id=37597> and follow instructions
3. Download free Windows Media Player software: (link located under registration form)
4. If you experience problems listening, send an e-mail to webcastsupport@tfprn.com

This information is also available on the company's website at www.joneslanglasalle.com

If you have any questions, call Yvonne Peterson of Jones Lang LaSalle's Investor Relations department at +1 312 228 2919.

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JONES LANG LASALLE INCORPORATED
Consolidated Statements of Earnings
For the Three and Twelve Months Ended December 31, 2006 and 2005
(in thousands, except share data)
(Unaudited)

	<u>Three Months Ended December 31,</u>		<u>Twelve Months Ended December 31,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenue	\$ 704,373	\$ 498,962	\$ 2,013,578	\$ 1,390,610
Operating expenses:				
Compensation and benefits	449,968	309,922	1,313,294	902,722
Operating, administrative and other	124,395	93,740	407,985	320,924
Depreciation and amortization	16,324	8,869	48,964	33,836
Restructuring charges (credits)	(74)	906	(744)	1,377
Total operating expenses	<u>590,613</u>	<u>413,437</u>	<u>1,769,499</u>	<u>1,258,859</u>
Operating income	113,760	85,525	244,079	131,751
Interest expense, net of interest income	2,455	980	14,254	3,999
Equity in earnings (losses) from unconsolidated ventures	<u>(201)</u>	<u>6,052</u>	<u>9,221</u>	<u>12,156</u>
Income before provision for income taxes	111,104	90,597	239,046	139,908
Provision for income taxes	<u>30,177</u>	<u>23,711</u>	<u>63,825</u>	<u>36,236</u>
Net income before cumulative effect of accounting change	80,927	66,886	175,221	103,672
Cumulative effect of change in accounting principle	<u>-</u>	<u>-</u>	<u>1,180</u>	<u>-</u>
Net income	<u>\$ 80,927</u>	<u>\$ 66,886</u>	<u>\$ 176,401</u>	<u>\$ 103,672</u>
Net income available to common shareholders	<u>\$ 80,392</u>	<u>\$ 66,886</u>	<u>\$ 175,344</u>	<u>\$ 103,287</u>
EBITDA	<u>\$ 129,883</u>	<u>\$ 100,446</u>	<u>\$ 303,444</u>	<u>\$ 177,743</u>
Basic earnings per common share	<u>\$ 2.50</u>	<u>\$ 2.11</u>	<u>\$ 5.50</u>	<u>\$ 3.29</u>
Basic weighted average shares outstanding	<u>32,169,852</u>	<u>31,645,835</u>	<u>31,872,112</u>	<u>31,383,828</u>
Diluted earnings per common share	<u>\$ 2.37</u>	<u>\$ 1.99</u>	<u>\$ 5.24</u>	<u>\$ 3.12</u>
Diluted weighted average shares outstanding	<u>33,853,502</u>	<u>33,529,785</u>	<u>33,447,939</u>	<u>33,109,261</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Segment Operating Results
For the Three and Twelve Months Ended December 31, 2006 and 2005
(in thousands)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
INVESTOR & OCCUPIER SERVICES - AMERICAS				
Revenue:				
Transaction services	\$ 126,846	\$ 87,596	\$ 316,752	\$ 201,460
Management services	93,434	73,384	292,270	223,604
Equity earnings	44	184	700	565
Other services	4,164	2,618	12,420	8,657
Intersegment revenue	2,319	326	3,234	1,026
	226,807	164,108	625,376	435,312
Operating expenses:				
Compensation, operating and administrative	178,772	125,231	537,783	370,184
Depreciation and amortization	5,605	3,708	22,040	14,788
	184,377	128,939	559,823	384,972
Operating income	\$ 42,430	\$ 35,169	\$ 65,553	\$ 50,340
EMEA				
Revenue:				
Transaction services	\$ 229,859	\$ 149,148	\$ 556,792	\$ 385,869
Management services	41,920	25,128	113,515	95,179
Equity earnings (losses)	(78)	5	(362)	(221)
Other services (expenses)	(1,377)	2,907	9,394	12,006
	270,324	177,188	679,339	492,833
Operating expenses:				
Compensation, operating and administrative	231,473	151,135	616,824	458,180
Depreciation and amortization	8,883	2,686	18,511	10,124
	240,356	153,821	635,335	468,304
Operating income	\$ 29,968	\$ 23,367	\$ 44,004	\$ 24,529
ASIA PACIFIC				
Revenue:				
Transaction services	\$ 80,181	\$ 60,901	\$ 199,037	\$ 162,574
Management services	41,864	30,378	130,514	108,689
Equity earnings (losses)	87	(66)	1,802	(66)
Other services	2,305	938	5,624	1,716
Intersegment revenue (expense)	(113)	-	89	-
	124,324	92,151	337,066	272,913
Operating expenses:				
Compensation, operating and administrative	104,536	77,044	311,379	245,356
Depreciation and amortization	1,463	2,131	7,042	7,545
	105,999	79,175	318,421	252,901
Operating income	\$ 18,325	\$ 12,976	\$ 18,645	\$ 20,012
LASALLE INVESTMENT MANAGEMENT				
Revenue:				
Transaction services	\$ 9,419	\$ 4,980	28,573	\$ 19,593
Advisory	51,140	34,511	178,087	127,880
Incentive	24,618	26,473	170,600	43,383
Equity earnings (losses)	(254)	5,929	7,081	11,878
Intersegment revenue (expense)	117	-	(3)	-
	85,040	71,893	384,338	202,734
Operating expenses:				
Compensation, operating and administrative	61,904	50,578	258,613	150,953
Depreciation and amortization	374	344	1,371	1,378
	62,278	50,922	259,984	152,331
Operating income	\$ 22,762	\$ 20,971	\$ 124,354	\$ 50,403
Total segment revenue	706,495	505,340	2,026,119	1,403,792
Intersegment revenue eliminations	(2,323)	(326)	(3,320)	(1,026)
Reclassification of equity earnings (losses)	201	(6,052)	(9,221)	(12,156)
Total revenue	\$ 704,373	\$ 498,962	\$ 2,013,578	\$ 1,390,610
Total segment operating expenses	593,010	412,857	1,773,563	1,258,508
Intersegment operating expense eliminations	(2,323)	(326)	(3,320)	(1,026)
Total operating expenses before restructuring charges (credits)	\$ 590,687	\$ 412,531	\$ 1,770,243	\$ 1,257,482
Operating income before restructuring charges (credits)	\$ 113,686	\$ 86,431	\$ 243,335	\$ 133,128

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED

Consolidated Balance Sheets

December 31, 2006 and December 31, 2005

(in thousands)

	<u>December 31,</u> <u>2006</u>	<u>December 31,</u> <u>2005</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 50,612	\$ 28,658
Trade receivables, net of allowances	630,121	415,087
Notes and other receivables	30,079	15,231
Prepaid expenses	28,040	22,442
Deferred tax assets	49,230	35,816
Other assets	19,363	13,864
Total current assets	<u>807,445</u>	<u>531,098</u>
Property and equipment, at cost, less accumulated depreciation	120,376	82,186
Goodwill, with indefinite useful lives, at cost, less accumulated amortization	520,478	335,731
Identified intangibles, with finite useful lives, at cost, less accumulated amortization	37,583	4,391
Investments in real estate ventures	131,789	88,710
Long-term receivables	29,781	20,931
Deferred tax assets	37,465	59,262
Other assets	45,031	22,460
	<u>\$ 1,729,948</u>	<u>\$ 1,144,769</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 221,356	\$ 155,741
Accrued compensation	514,586	300,847
Short-term borrowings	17,738	18,011
Deferred tax liabilities	1,426	400
Deferred income	31,896	20,823
Other liabilities	43,444	26,813
Total current liabilities	<u>830,446</u>	<u>522,635</u>
Long-term liabilities:		
Credit facilities	32,398	26,697
Deferred tax liabilities	648	3,079
Deferred compensation	30,668	15,988
Pension benefits	19,252	16,753
Deferred business acquisition obligations	34,178	-
Other liabilities	31,978	23,614
Total liabilities	<u>979,568</u>	<u>608,766</u>
Stockholders' equity:		
Common stock, \$.01 par value per share, 100,000,000 shares authorized; 36,592,864 and 35,199,744 shares issued and outstanding as of December 31, 2006 and December 31, 2005, respectively	366	352
Additional paid-in capital	676,270	606,001
Retained earnings	255,914	100,141
Stock held by subsidiary	(197,543)	(132,791)
Stock held in trust	(1,427)	(808)
Accumulated other comprehensive income (loss)	16,800	(36,892)
Total stockholders' equity	<u>750,380</u>	<u>536,003</u>
	<u>\$ 1,729,948</u>	<u>\$ 1,144,769</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED
Summarized Consolidated Statements of Cash Flows
For the Twelve Months Ended December 31, 2006 and 2005
(in thousands)
(Unaudited)

	Twelve Months Ended December 31,	
	2006	2005
Cash provided by earnings	\$ 281,334	\$ 170,462
Cash provided by (used in) working capital	<u>96,369</u>	<u>(49,826)</u>
Cash provided by operating activities	377,703	120,636
Cash used in investing activities	(306,360)	(61,034)
Cash used in financing activities	(49,389)	(61,087)
Net increase (decrease) in cash and cash equivalents	<u>21,954</u>	<u>(1,485)</u>
Cash and cash equivalents, beginning of period	28,658	30,143
Cash and cash equivalents, end of period	<u>\$ 50,612</u>	<u>\$ 28,658</u>

Please reference attached financial statement notes.

JONES LANG LASALLE INCORPORATED

Financial Statement Notes

1. EBITDA represents earnings before interest expense, net of interest income, income taxes, depreciation and amortization. Although EBITDA is a non-GAAP financial measure, it is used extensively by management and is useful to investors as one of the primary metrics for evaluating operating performance and liquidity. The firm believes that an increase in EBITDA is an indicator of improved ability to service existing debt, to sustain potential future increases in debt and to satisfy capital requirements. EBITDA is also used in the calculations of certain covenants related to the firm's revolving credit facility. However, EBITDA should not be considered as an alternative either to net income or net cash provided by operating activities, both of which are determined in accordance with GAAP. Because EBITDA is not calculated under GAAP, the firm's EBITDA may not be comparable to similarly titled measures used by other companies.

Below is a reconciliation of net income to EBITDA (in thousands):

	Years Ended December 31,	
	2006	2005
Net income	\$ 176,401	\$ 103,672
<i>Add:</i>		
Interest expense, net of interest income	14,254	3,999
Net provision for income taxes	63,825	36,236
Depreciation and amortization	48,964	33,836
EBITDA	\$ 303,444	\$ 177,743

Below is a reconciliation of net cash provided by operating activities, the most comparable cash flow measure on the consolidated statements of cash flows, to EBITDA (in thousands):

	Years Ended December 31,	
	2006	2005
Net cash provided by operating activities	\$ 377,703	\$ 120,636
<i>Add:</i>		
Interest expense, net of interest income	14,254	3,999
Change in working capital and non-cash expenses	(152,338)	16,872
Net provision for income taxes	63,825	36,236
EBITDA	\$ 303,444	\$ 177,743

Please reference attached financial statement notes.

2. Net debt represents the aggregate of Short-Term Borrowings and Credit Facilities, less Cash and Cash Equivalents.
3. For purposes of segment operating results, the allocation of restructuring charges to our segments has been determined to not be meaningful to investors. Additionally, the performance of segment results has been evaluated without these charges being allocated.
4. The consolidated statements of cash flows are presented in summarized form. For complete consolidated statements of cash flows, please refer to the firm's Annual Report on Form 10-K for the year ended December 31, 2006, to be filed with the Securities and Exchange Commission shortly.
5. Net income available to common shareholders is net income less dividends declared on unvested common shares of \$0.5 million for the fourth quarter of 2006 and \$1.1 million for the full year 2006 compared to \$0 for the fourth quarter of 2005 and \$0.4 million for the full year 2005.

	<u>Three Months Ended December 31,</u>		<u>Twelve Months Ended December 31,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Net income before cumulative effect of change in accounting principle	\$ 80,927	\$ 66,886	\$ 175,221	\$ 103,672
Cumulative effect of change in accounting principle	-	-	1,180	-
Net income	80,927	66,886	176,401	103,672
Dividends on unvested common stock	535	-	1,057	385
Net income available to common shareholders	<u>\$ 80,392</u>	<u>\$ 66,886</u>	<u>\$ 175,344</u>	<u>\$ 103,287</u>
Basic weighted average shares outstanding	32,169,852	31,645,835	31,872,112	31,383,828
Basic income per common share before cumulative effect of change in accounting principle and dividends on unvested common stock	\$ 2.52	\$ 2.11	\$ 5.50	\$ 3.30
Cumulative effect of change in accounting principle	-	-	0.03	-
Dividends on unvested common stock	0.02	-	0.03	0.01
Basic earnings per common share	<u>\$ 2.50</u>	<u>\$ 2.11</u>	<u>\$ 5.50</u>	<u>\$ 3.29</u>
Diluted weighted average shares outstanding	33,853,502	33,529,785	33,447,939	33,109,261
Diluted income per common share before cumulative effect of change in accounting principle and dividends on unvested common stock	\$ 2.39	\$ 1.99	\$ 5.24	\$ 3.13
Cumulative effect of change in accounting principle	-	-	0.03	-
Dividends on unvested common stock	0.02	-	0.03	0.01
Diluted earnings per common share	<u>\$ 2.37</u>	<u>\$ 1.99</u>	<u>\$ 5.24</u>	<u>\$ 3.12</u>

6. Europe, Middle East, Africa – EMEA; previously referred to as Europe.