JONES LANG LASALLE INC
Form PRE 14A
April 04, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[X] Preliminary Proxy Statement
[ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
[ ] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to Rule 14a-12

JONES LANG LASALLE INCORPORATED

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

[ ] Fee paid previously with preliminary materials.
[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or

the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

JONES LANG LASALLE INCORPORATED
200 EAST RANDOLPH DRIVE
CHICAGO, ILLINOIS 60601

April 4, 2005

VIA EDGAR TRANSMISSION

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: FILING OF PRELIMINARY PROXY STATEMENT ON SCHEDULE 14A

Ladies and Gentlemen:

On behalf of Jones Lang LaSalle Incorporated, a Maryland corporation (the "Company"), transmitted herewith for filing, pursuant to Rule 14a-6(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is the Company's preliminary Proxy Statement on Schedule 14A (the "Proxy Statement") relating to the Company's 2005 Annual Meeting of Shareholders.

Pursuant to Rule 14a-6(d) under the Exchange Act, the Company supplementally informs the Securities and Exchange Commission that the Company intends to release to its shareholders on or about April 19, 2005 the definitive form of the Proxy Statement to be filed pursuant to Rule 14a-6(b).

If you have any questions or comments in connection with the preliminary Proxy Statement, please contact me at (312) 228-2423. Facsimile transmissions may be sent to the undersigned at (312) 228-2277.

Very truly yours,

/s/ Mark J. Ohringer

Mark J. Ohringer
Executive Vice President,
Global General Counsel

and Corporate Secretary

PRELIMINARY PROXY MATERIALS
SUBJECT TO COMPLETION

Jones Lang LaSalle Incorporated
200 East Randolph Drive
Chicago, Illinois 60601

April 19, 2005

Dear Shareholder:

We would like to invite you to attend our 2005 Annual Meeting of Shareholders, which will be held on Thursday, May 26, 2005, beginning at 8:30 a.m., local time, at The Mid-America Club, located on the 80th floor of the Aon Center, 200 East Randolph Drive, Chicago, Illinois.

Our Annual Report for 2004 (which includes our Form 10-K) is enclosed for your information. Also enclosed are a proxy card and a postage-paid return envelope.

Your vote is very important to us. To be sure that your shares will be voted at the meeting, you may either:

(1) complete and sign the enclosed proxy card and return it by mail in the enclosed envelope as promptly as possible; or

(2) vote electronically, by telephone or over the Internet, as described on the proxy card.

If you attend the Annual Meeting, you may vote your shares in person even though you may have previously given your proxy. We appreciate your continued interest in our firm.

Sincerely,

/s/ Sheila A. Penrose	/s/ Colin Dyer
Sheila A. Penrose Chairman of the Board of Directors	Colin Dyer President and Chief Executive Officer

PRELIMINARY PROXY MATERIALS
SUBJECT TO COMPLETION

JONES LANG LASALLE INCORPORATED
200 EAST RANDOLPH DRIVE
CHICAGO, ILLINOIS 60601

NOTICE OF 2005 ANNUAL MEETING OF SHAREHOLDERS
To Be Held Thursday, May 26, 2005

The 2005 Annual Meeting of Shareholders of Jones Lang LaSalle Incorporated will be held on Thursday, May 26, 2005, beginning at 8:30 a.m., local time, at The Mid-America Club, located on the 80th floor of the Aon Center, 200 East Randolph Drive, Chicago, Illinois, for the following purposes:

1. To elect two Directors to serve until the 2008 Annual Meeting of Shareholders or until their successors are elected and qualify;

2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2005;

3. To approve a proposed amendment to the Jones Lang LaSalle Stock Award and Incentive Plan to increase the number of shares of our Common Stock reserved for issuance under that Plan by 3,000,000;

4. To approve a proposal by our Board of Directors to amend the Jones Lang LaSalle Articles of Incorporation to declassify the terms of the members of the Board of Directors; and

5. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Our Board of Directors has fixed the close of business on Friday, March 25, 2005 as the record date for determining the shareholders entitled to receive notice of and to vote at the Annual Meeting. Only shareholders or persons holding proxies from shareholders will be permitted to attend the Annual Meeting.

By Order of the Board of Directors

/s/ Mark J. Ohringer

Mark J. Ohringer
Corporate Secretary

April 19, 2005

YOUR VOTE IS VERY IMPORTANT. ANY SHAREHOLDER MAY ATTEND THE ANNUAL MEETING IN PERSON. IN ORDER FOR US TO HAVE THE QUORUM NECESSARY TO CONDUCT THE ANNUAL MEETING, WE ASK THAT SHAREHOLDERS WHO DO NOT INTEND TO BE

PRESENT AT THE ANNUAL MEETING IN PERSON EITHER (1) SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT BY MAIL IN THE ACCOMPANYING ENVELOPE OR (2) GIVE THEIR PROXY BY TELEPHONE OR OVER THE INTERNET. ANY PROXY MAY BE REVOKED IN THE MANNER DESCRIBED IN THE ACCOMPANYING PROXY STATEMENT AT ANY TIME BEFORE IT HAS BEEN VOTED AT THE ANNUAL MEETING.

Please Mark Here for Address Change or Comments SEE REVERSE SIDE [ ]

THIS PROXY WILL BE VOTED AS DIRECTED, OR IF NO DIRECTION IS INDICATED, WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND FOR PROPOSALS 2, 3 and 4.

The Board of Directors recommends a vote FOR the listed nominees.

1. Election of Directors FOR |_| WITHHOLD |_|

01 Colin Dyer
02 Shelia A. Penrose

Withheld for the nominees you list below: (Write that nominee's name in the space provided below.)

____

The Board of Directors recommends a vote FOR Proposals 2, 3 and 4.

2. Ratification of the appointment of KPMG LLP as independent registered public accounting firm for 2005.

FOR |_| AGAINST |_| ABSTAIN |_|

3. To approve a proposed amendment to the Jones Lang LaSalle Stock Award and Incentive Plan to increase the number of shares of our Ccommon stock reserved for issuance under that Plan by 3,000,000.

FOR |_| AGAINST |_| ABSTAIN |_|

4. To approve a proposal by our Board of Directors to amend the Jones Lang LaSalle Articles of Incorporation to declassify the terms of the members of the Board of Directors; and

FOR |_| AGAINST |_| ABSTAIN |_|

5. To vote upon any other matters that may properly be presented at the meeting according to their best judgment and in their discretion.

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Signature____________________ Signature___________________ Date______

NOTE: Please sign as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

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^ FOLD AND DETACH HERE ^

Vote by Internet or Telephone or Mail
24 Hours a Day, 7 Days a Week

Internet and telephone voting is available through 11:59 PM Eastern Time the day prior to annual meeting day.

Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

Internet		Telephone		Mail
http://www.proxyvoting.com/jll		1-866-540-5760		
Use the internet to vote your proxy. Have your proxy card in hand when you access the web site.	OR	Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call.	OR	Mark, sign and your proxy car and return it in t enclosed postage- envelope.

If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card.

If you are located outside of the United States, the delivery of your Proxy MUST be via the INTERNET or MAIL

You can view the Annual Report and Proxy Statement
on the internet at www.joneslanglasalle.com

PROXY

[LOGO] JONES LANG
LASALLE(SM)

PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS
FOR THE ANNUAL MEETING OF SHAREHOLDERS -- MAY 26, 2005

The undersigned hereby appoints Colin Dyer, Lauralee E. Martin and Mark J. Ohringer, and each of them, with full power of substitution, to represent the undersigned and as proxies to vote all the Common Stock of Jones Lang LaSalle Incorporated which the undersigned has power to vote, with all powers which the undersigned would possess if personally present at the Annual Meeting of Shareholders to be held on May 26, 2005, or at any adjournment or postponement thereof.

This proxy will be voted as specified by the undersigned. If no choice is specified, this proxy will be voted FOR all the proposals.

PLEASE VOTE, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

(Continued and to be signed on reverse side)

Address Change/Comments (Mark the corresponding box on the reverse side)

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^ FOLD AND DETACH HERE ^

You can now access your Jones Lang LaSalle account online.

Access your Jones Lang LaSalle shareholder account online via Investor ServiceDirect(R) (ISD).

Mellon Investor Services LLC, Transfer Agent for Jones Lang LaSalle, now makes it easy and convenient to get current information on your shareholder account.

- View account status
- View payment history for dividends

- View certificate history
- View book-entry information
- Make address changes
- Obtain a duplicate 1099 tax form
- Establish/change your PIN

Visit us on the web at http://www.melloninvestor.com

For Technical Assistance Call 1-877-978-7778 between 9am-7pm
Monday-Friday Eastern Time

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PRELIMINARY PROXY STATEMENT
FOR THE 2005 ANNUAL MEETING OF SHAREHOLDERS

JONES LANG LASALLE INCORPORATED
200 EAST RANDOLPH DRIVE
CHICAGO, ILLINOIS 60601

PRELIMINARY PROXY STATEMENT

2005 ANNUAL MEETING OF SHAREHOLDERS

QUESTIONS AND ANSWERS ABOUT THE
PROXY MATERIALS AND OUR ANNUAL MEETING

Q: WHY AM I RECEIVING THESE MATERIALS?

A: The Board of Directors (the BOARD) of Jones Lang LaSalle Incorporated, a Maryland corporation (JONES LANG LASALLE, which may sometimes be referred to as the COMPANY or as WE, US or OUR), is providing these proxy materials for you in connection with the Company's 2005 Annual Meeting of Shareholders (including any adjournments or postponements, the ANNUAL MEETING), which will take place at 8:30 a.m. local time, on Thursday, May 26, 2005 at The Mid-America Club, located on the 80th floor of the Aon Center, 200 East Randolph Drive, Chicago Illinois. We are sending this Proxy Statement and the enclosed form of proxy to our shareholders on or about April 19, 2005.

As one of our shareholders, you are invited to attend the Annual

Meeting and you are entitled and encouraged to vote on the items of business described in this Proxy Statement.

Q: WHAT INFORMATION IS CONTAINED IN THIS PROXY STATEMENT?

A: The information we have included in this Proxy Statement relates to the proposals to be voted on at the Annual Meeting and also to the voting process. We have organized this Proxy Statement according to the four different matters on which our shareholders will be voting and the information we are required to provide in order for you to make your decision about how to vote.

Q: WHAT INFORMATION IS INCLUDED WITH THIS PROXY STATEMENT?

A: We are also sending you our 2004 Annual Report, which includes our Form 10-K for the year ended December 31, 2004, as well as a proxy card and a postage-paid return envelope.

Q: WHAT ITEMS OF BUSINESS WILL BE VOTED ON AT THE ANNUAL MEETING?

A: The items of business scheduled to be voted on at the Annual Meeting are:

- The election of two Directors to serve until the 2008 Annual Meeting of Shareholders;
- The ratification of the appointment of our independent registered public accounting firm for the year ending December 31, 2005;
- The approval of an amendment to the Company's Stock Award and Incentive Plan; and
- The approval of an amendment to the Company's Articles of Incorporation.

We will also consider other business that properly comes before the Annual Meeting.

Q: HOW DOES THE BOARD RECOMMEND THAT I VOTE?

A: Our Board recommends that you vote your shares as follows:

- FOR each of the nominees to the Board;
- FOR the ratification of the appointment of our independent registered public accounting firm for 2005;
- FOR the amendment to the Stock Award and Incentive Plan serving to increase the number of shares of our Common Stock reserved for issuance under that Plan by 3,000,000; and
- FOR the amendment to the Company's Articles of Incorporation serving to declassify our Board of Directors.

Q: WHAT SHARES CAN I VOTE?

A: Only shareholders of record of Jones Lang LaSalle's Common Stock, $.01 par value per share (the COMMON STOCK), at the close of business on Friday, March 25, 2005 (the RECORD DATE), are entitled to notice of and to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote on all matters voted upon by shareholders and is entitled to vote for as many persons as there are Directors to be elected. Based on the information we received from our transfer agent and stock registrar, there were 33,972,089 shares of Common Stock outstanding on the Record Date held in approximately 720 registered accounts representing approximately 6,300 beneficial owners.

Q: WHAT IS THE DIFFERENCE BETWEEN HOLDING SHARES AS A SHAREHOLDER OF RECORD AND AS A BENEFICIAL OWNER?

A: Most Jones Lang LaSalle shareholders hold their shares through a broker or other nominee rather than directly in their own names. There are some distinctions between shares held of record and those owned beneficially, as we summarize below:

SHAREHOLDER OF RECORD

If your shares are registered directly in your name with Jones Lang LaSalle's transfer agent, Mellon Investor Services, then with respect to those shares you are considered to be the shareholder of record and we are therefore sending you these proxy materials directly to you. As the shareholder of record, you have the right to grant your voting proxy directly to the Company or to vote in person at the meeting. The Company has enclosed a proxy card for you to use.

BENEFICIAL OWNER

If your shares are held in a brokerage account or by a trustee or another nominee, then you are considered the beneficial owner of shares held "in street name" and these proxy materials are being forwarded to you by your broker, trustee or nominee, together with a voting instruction card. As the beneficial owner, you have the right to direct your broker, trustee or nominee how to vote and you are also invited to attend the Annual Meeting.

Since a beneficial owner is not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a "legal proxy" from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting. Your broker, trustee or nominee has enclosed or provided voting instructions to you on how to vote your shares.

Q: HOW CAN I ATTEND THE ANNUAL MEETING?

A: You are entitled to attend the Annual Meeting only if you were a Jones Lang LaSalle shareholder as of the close of business on Friday, March 25, 2005 or you hold a valid proxy for the Annual Meeting. You should be prepared to present a photo identification for admittance. In addition, if you are a shareholder of record, your name will be verified against the list of shareholders of record on the Record Date prior to your being admitted to the Annual Meeting. If you are not a shareholder of record but hold shares through a broker, trustee or nominee (in STREET NAME), you should provide proof of beneficial ownership on the Record Date, such as your most recent account statement prior to March 25, 2005, a copy of the voting instruction card provided to you, or other similar evidence of ownership. If you do not provide photo identification or comply with the other procedures outlined above upon request, you will not be admitted to the Annual Meeting.

Q: HOW CAN I VOTE MY SHARES IN PERSON AT THE ANNUAL MEETING?

A: You may vote in person at the Annual Meeting those shares you hold in your name as the shareholder of record. Shares held beneficially in street name may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions as described below so that your vote will be counted if you later decide not to attend the Annual Meeting.

Q: HOW CAN I VOTE MY SHARES WITHOUT ATTENDING THE ANNUAL MEETING?

A: Whether you hold shares directly as the shareholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. Shareholders may deliver their proxies either:

(1) by completing and submitting a properly signed proxy card or voting instruction card;

(2) by telephone; or

(3) electronically over the Internet.

You will find instructions on the proxy card or voting instruction card.

Q: MAY I CHANGE MY VOTE OR REVOKE MY PROXY?

A: You may change your vote at any time prior to the vote at the Annual Meeting. If you are the shareholder of record, you may change your vote by:

(1) granting a new proxy bearing a later date (which automatically revokes the earlier proxy);

(2) providing a written notice of revocation prior to your shares being voted; or

(3) attending the Annual Meeting and voting in person.

A written notice of revocation must be sent to our Corporate Secretary at the address of our principal executive office set forth above.

Attendance at the Annual Meeting will not cause your previously granted proxy to be revoked unless you specifically so request. For shares you hold beneficially in street name, you may change your vote by submitting new voting instructions to your broker, trustee or nominee, or, if you have obtained a legal proxy from your broker or nominee giving you the right to vote your shares, by attending the Annual Meeting and voting in person.

Q: WHO CAN HELP ANSWER MY QUESTIONS?

A: If you have any questions about the Annual Meeting or how to vote or revoke your proxy, please contact Mellon Investor Services at +1 888 213 0965.

If you need additional copies of this Proxy Statement or voting materials, please contact Mellon Investor Services at the number above or the Company's Investor Relations team at +1 312 228 2430.

Q: HOW MANY SHARES MUST BE PRESENT OR REPRESENTED TO CONDUCT BUSINESS AT THE ANNUAL MEETING?

A: The quorum requirement for holding the Annual Meeting and transacting business is that holders of a majority of shares of our Common Stock that are issued and outstanding and are entitled to vote must be present in person or represented by proxy.

Q: WHAT IS THE VOTING REQUIREMENT TO APPROVE EACH OF THE PROPOSALS?

A: Directors will be elected by a plurality of the votes cast at the Annual Meeting, which means that the two nominees receiving the highest number of votes will be elected. There is no cumulative voting for Directors. The affirmative vote of a majority of the total number of votes cast by holders of Common Stock entitled to vote at the Annual Meeting will be necessary to ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2005. The affirmative vote of a majority of the total number of votes cast by holders of Common Stock entitled to vote at the Annual Meeting will also be necessary to approve the amendment to the Stock Award and Incentive Plan, provided that the total vote cast on this proposal represents over 50% of the total number of shares outstanding on the Record Date. The affirmative vote of eighty percent (80%) of the total number of shares outstanding on the Record Date will be necessary to approve the amendment to the Company's Articles of Incorporation to declassify the Company's Board of Directors.

Q: HOW ARE VOTES COUNTED?

A: Shares of Common Stock represented in person or by properly executed proxy will be counted for the purpose of determining whether a quorum is present at the Annual Meeting. Shares which abstain from voting as to a particular matter and broker non-votes (as defined below) will be treated as shares that are present at the Annual Meeting for purposes of determining whether a quorum exists, but will not be counted as votes cast on such matter. Accordingly, abstentions and broker non-votes will have no effect in determining whether director nominees have received the requisite number of affirmative votes. Abstentions and broker non-votes will have no effect on the voting with respect to the approval of KPMG LLP. Abstentions and broker non-votes will have the effect of a vote against the approval of the amendment to the Stock Award and Incentive Plan unless holders of 50% of the total number of shares outstanding on the Record Date cast votes on such proposal, in which event an abstention or broker non-vote will have no effect on the result of the vote. Since 80% of the total number of outstanding shares (as opposed to votes cast) must be voted in favor of the amendment to the Articles of Incorporation to declassify the Board of Directors, abstentions and broker non-votes are equivalent to votes against this particular matter.

A "broker non-vote" occurs when a broker does not vote on a matter on the proxy card because the broker does not have discretionary voting power for that particular matter and has not received voting instructions from the beneficial owner.

Q: WHAT HAPPENS IF ADDITIONAL MATTERS ARE PRESENTED AT THE ANNUAL MEETING?

A: Each valid proxy returned to Jones Lang LaSalle will be voted at the Annual Meeting as indicated on the proxy or, if no indication is made with respect to a proposal, in accordance with the recommendations of our Board of Directors as set forth in this Proxy Statement. We do not know of any matters to be presented at the Annual Meeting other than the proposals described in this Proxy Statement. However, if any other matters are properly presented at the Annual Meeting, the persons named on the enclosed proxy intend to vote the shares represented by them in accordance with their best judgment pursuant to the discretionary authority granted them in the proxy.

Q: WHO WILL SERVE AS INSPECTOR OF ELECTIONS?

A: The inspector of elections will be a representative of Mellon Investor Services.

Q: WHAT SHOULD I DO IF I RECEIVE MORE THAN ONE SET OF VOTING MATERIALS?

A: You may receive more than one set of voting materials, including multiple copies of this Proxy Statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a shareholder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each Jones Lang LaSalle proxy card and voting instruction card that you receive.

Q: WHERE CAN I FIND THE VOTING RESULTS OF THE ANNUAL MEETING?

A: We intend to announce preliminary voting results at the Annual Meeting and publish final results in our quarterly report on Form 10-Q for our quarter ended June 30, 2005.

Q: WHAT IS THE DEADLINE TO PROPOSE ACTIONS FOR CONSIDERATION AT NEXT YEAR'S ANNUAL MEETING OF SHAREHOLDERS OR TO NOMINATE INDIVIDUALS TO SERVE AS DIRECTORS?

A: Shareholder proposals, including nominations for individuals to serve as directors, intended to be presented at the 2006 Annual Meeting and included in Jones Lang LaSalle's proxy statement and form of proxy relating to that Annual Meeting pursuant to Rule 14a-8 under the Securities and Exchange Act of 1934 (the EXCHANGE ACT) must be received by Jones Lang LaSalle at our principal executive office by December 19, 2005. In order for shareholder proposals made outside of Rule 14a-8 under the Exchange Act to be considered "timely" within the meaning of Rule 14a-4(c) under the Exchange Act, such proposals must be received by Jones Lang LaSalle at our principal executive office by March 3, 2006. Our Bylaws require that proposals of shareholders made outside of Rule 14a-8 under the Exchange Act must be submitted not later than February 24, 2006 and not earlier than January 26, 2006.

CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

Our policies and practices reflect corporate governance initiatives that we believe comply with the listing requirements of the New York Stock Exchange (NYSE), on which our Common Stock is traded, the corporate governance requirements of the Sarbanes-Oxley Act of 2002 as currently in effect, various regulations issued by the Securities and Exchange Commission (SEC) and certain provisions of the General Corporation Law in the State of Maryland, where Jones Lang LaSalle is incorporated.

We maintain a corporate governance section on our public website, www.joneslanglasalle.com, which includes key information about our corporate governance initiatives including our Corporate Governance Guidelines, the Charters for the three Committees of our Board of Directors described below, a Statement of Qualifications of Members of the Board of Directors and our Code of Business Ethics. This information is also available in print to any shareholder who requests it in writing from our Corporate Secretary at the address of our principal executive office set forth above. The Board of Directors regularly reviews corporate governance developments and modifies our Guidelines and Charters accordingly.

Our Code of Business Ethics applies to all employees of the Company, including all of our executive officers, as well as to the members of our Board of Directors.

INFORMATION ABOUT THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

The Board, which is elected by the shareholders, is the ultimate decision-making body of the Company, except with respect to those matters reserved to the shareholders either by applicable law, our Articles of Incorporation or our By-Laws. The Board elects the Chairman of the Board, the Chief Executive Officer and certain other members of the senior management team, which is charged with conducting the Company's business under the oversight of the Board to enhance the long-term value of the Company to the shareholders. The Board acts as an advisor and counselor to the Company's senior management and ultimately monitors its performance.

DIRECTOR INDEPENDENCE

A majority of our Board must consist of independent Directors. All of the members of the Audit, Compensation and Nominating and Governance Committees of our Board must be independent Directors. For a Director to be considered independent, the Board must determine that the Director does not have any direct or indirect material relationship with the Company. The Board observes all criteria for independence and experience established by the NYSE (including Rule 303A in its Listed Company Manual) and by other governing laws and regulations. At least annually, the Board reviews any relationships that the Directors have with the Company in order to reaffirm their independence. All Directors whom we describe in this Proxy Statement as being independent satisfy the foregoing criteria.

NON-EXECUTIVE CHAIRMAN OF THE BOARD

Effective January 1, 2005, the role of the Chairman of the Board has been held by Sheila A. Penrose, a Non-Executive Director who is independent and who the Board has determined will also serve as the Lead Independent

Director of the Board for purposes of the NYSE's corporate governance rules, including presiding over regularly scheduled executive sessions of our Non-Executive Directors (meaning Directors whom we do not otherwise employ as Company officers). The Board has determined that each person who serves as Chairman of the Board from time to time, if that person is independent, will automatically also serve as a member of each of the Board's Committees.

THE BOARD AND BOARD COMMITTEES

The full Board of Directors held six meetings in 2004. Each Director who held such position during 2004 attended, in aggregate, at least 75% of all meetings of the Board and of any Committee on which such Director served. Our Non-Executive Directors meet in executive session without management participation during every in-person Board meeting.

Our Board of Directors has a standing Audit Committee, Compensation Committee and Nominating and Governance Committee. The following table identifies:

(1) the current members of each of the Committees, all of whom are Non-Executive Directors and are independent;

(2) the Director who currently serves as the Chair of each Committee; and

(3) the number of meetings each Committee held during 2004.

CURRENT COMMITTEE MEMBERSHIP AND NUMBER OF MEETINGS DURING 2004

DIRECTOR NAME	AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND GOVERNANCE COMMITTEE
Henri-Claude de Bettignies	x	x	x
Darryl Hartley-Leonard	x		x
Sir Derek Higgs	Chair	x	x
Sheila A. Penrose	x	x	Chair
Thomas C. Theobald		Chair	x
NUMBER OF MEETINGS DURING 2004:	8	6	5

THE AUDIT COMMITTEE

Sir Derek Higgs (Chair), Messrs. de Bettignies and Hartley-Leonard and Ms. Penrose served as members of the Audit Committee during the entire year of 2004.

Under the terms of its Charter, the Audit Committee acts on behalf of the Board to monitor (1) the integrity of the Company's financial statements, (2) the qualifications and independence of the Company's independent auditor, (3) the performance of the Company's internal audit function and of its independent auditor and (4) compliance by the Company with legal and regulatory requirements. In fulfilling its responsibilities, the Audit Committee has the full authority of the Board to, among other things:

- appoint or replace the independent auditor, which reports directly to the Audit Committee;

- review with management and the independent auditor the Company's quarterly financial statements, including disclosures made in management's discussion and analysis, prior to the filing of the Company's Quarterly Reports on Form 10-Q;

- review with management and the independent auditor the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to the filing of the Company's Annual Report on Form 10-K;

- discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies;

- discuss with management and the independent auditor the Company's internal controls, disclosure controls and procedures and any major issues as to the adequacy of those controls and procedures and any special steps adopted in light of any material control deficiencies;

- establish procedures for the treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and

- discuss with management and advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and the Company's Code of Business Ethics.

See also the report of the Audit Committee set forth in the section headed "Audit Committee Report" below under "Proposal 2."

Our Board has determined that each of the members of our Audit Committee is "financially literate" and that at least one of the members has "accounting or related financial management expertise," in each case as required by the NYSE. While the Board has also determined that no individual member of the Audit Committee meets the specific technical definition under SEC regulations of an "audit committee financial expert" with respect to generally accepted accounting principles within the United States, the Board believes that the members comprising the Audit Committee, all of whom have had distinguished careers within prominent and sophisticated international business or academic institutions, have the requisite attributes and abilities to allow them collectively to fulfill their responsibilities as Audit Committee members.

The Charter of the Audit Committee was attached as an appendix to the Company's Proxy Statement for its 2004 Annual Meeting of Shareholders and has not been subsequently amended. No member of our Audit Committee serves simultaneously on the audit committees of more than three publicly registered companies.

THE COMPENSATION COMMITTEE

Messrs. Theobald (Chair) and de Bettignies and Sir Derek Higgs served as members of the Compensation Committee during the entire year of 2004. Jackson P. Tai served as a member of the Compensation Committee during the entire year of 2004 until his resignation from the Board of Directors on October 6, 2004. Ms. Penrose became a member of the Compensation Committee effective January 1, 2005.

Under the terms of its Charter, the Compensation Committee acts on behalf of the Board to formulate, evaluate and approve the compensation of the Company's executive officers and key employees and to oversee all compensation programs involving the use of the Company's Common Stock. In fulfilling its responsibilities, the Compensation Committee has the full authority of the Board to, among other things:

- annually review and approve corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer, evaluate the Chief Executive Officer's performance in light of those goals and objectives and determine his or her compensation levels based on such evaluation;

- annually review and approve the compensation of the other executive officers of the Company;

- review and approve any employment contracts, severance arrangements and other agreements (including any change of control provisions that are included) for executive officers of the Company and the overall programs under which any such arrangements may be offered to other employees of the Company;

- approve cash incentives and deferred compensation plans for executives and oversee performance objectives and funding for executive incentive plans; and

- approve and oversee compensation programs involving the use of the Company's Common Stock and, where required, submit equity compensation matters to the Company's shareholders.

See also the report of the Compensation Committee set forth in the section headed "Compensation Committee Report" below under "Proposal 1."

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION IN COMPENSATION DECISIONS. There are no Compensation Committee interlocks or insider participation on the Compensation Committee. Certain executive officers have and will attend meetings of the Compensation Committee in order to present information and answer questions of the members of the Compensation Committee.

THE NOMINATING AND GOVERNANCE COMMITTEE

Ms. Penrose (Chair), Sir Derek Higgs and Messrs. de Bettignies, Hartley-Leonard and Theobald served as members of the Nominating and Governance Committee during the entire year of 2004. Jackson P. Tai served as a member of the Nominating and Governance Committee during the entire year of 2004 until his resignation from the Board of Directors on

October 6, 2004.

Under the terms of its Charter, the Nominating and Governance Committee acts on behalf of the Board to (1) identify and recommend to the Board qualified candidates for director nominees for each Annual Meeting of Shareholders and to fill vacancies on the Board occurring between such Annual Meetings, (2) recommend to the Board nominees for Directors to serve on each Committee of the Board, (3) develop and recommend to the Board corporate governance guidelines and (4) lead the Board in its annual review of the Board's performance. In fulfilling its duties, the Nominating and Governance Committee has the full authority of the Board to, among other things:

- Adopt and periodically review the criteria for the selection of Directors and members of Board Committees and, when necessary, conduct searches for and otherwise aid in attracting highly qualified candidates to serve on the Board, including candidates recommended by shareholders;

- Review the qualifications of new candidates for Board membership and the performance of incumbent Directors whose terms are to expire at the next Annual Meeting of Shareholders;

- Periodically review the compensation paid to non-Executive Directors for their services as members of the Board and its Committees and make recommendations to the Board for any appropriate adjustments;

- Periodically review and bring to the attention of the Board current and emerging trends in corporate governance issues and how they may affect the business operations of the Company;

- Periodically review the structure, size, composition and operation of the Board and each Committee of the Board and recommend committee assignments to the Board, including rotation, re-assignment or removal of any committee member; and

- Oversee and periodically review the orientation program for new Directors and continuing education programs for existing Directors.

NOMINATIONS PROCESS FOR DIRECTORS

IDENTIFYING AND EVALUATING NOMINEES FOR DIRECTORS

The Nominating and Governance Committee employs a variety of methods to identify and evaluate nominees for Director. The Committee regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. In the event that vacancies are anticipated or otherwise arise, the Committee would consider various potential candidates for Director. Candidates may come to the attention of the Committee through then current Board members, Company executives, shareholders, professional search firms or other persons. The candidates would be evaluated at regular or special meetings of the Committee and may be considered at any point during the year depending upon the circumstances. As described below, the Committee will consider properly submitted shareholder nominations for candidates for election to the Board at an Annual Meeting. Following verification of the shareholder status of the persons proposing candidates, recommendations would be aggregated and considered by the Committee at a regularly scheduled meeting which would generally be the first or second meeting prior to the issuance of a proxy statement for the subsequent Annual Meeting. If any materials are provided by a shareholder in connection with the nomination of a Director candidate, they will be forwarded to the Committee. The Committee would also review materials provided by professional search firms or other parties in connection with a nominee who is not proposed by a shareholder. If the Committee nominated a candidate proposed by a professional search firm, the Committee would expect to compensate the firm for its services, but the Board would not pay any compensation for suggestions of candidates from any other source.

DIRECTOR QUALIFICATIONS

Our Board has adopted a Statement of Qualifications of Members of the Board of Directors, which is available on our website and contains the membership criteria that apply to nominees to be recommended by the Nominating and Governance Committee. According to these criteria, the Board should be composed of individuals who have demonstrated notable or significant achievements in business, education or public service. In addition, the members of the Board should possess the acumen, education and experience to make a significant contribution to the Board and bring a range of skills, diverse perspectives and backgrounds to the deliberations of the Board. Importantly, the members of the Board must have the highest ethical standards, a strong sense of professionalism and a dedication to serving the interests of all the shareholders and be able to make themselves readily available to the Board in the fulfillment of their duties. All members of the Board must also satisfy all additional criteria for Board membership that may be set forth in the Company's Corporate Governance Guidelines. The criteria also set forth the particular attributes that the Committee should consider when evaluating a candidate's management and leadership experience, the skills and diversity that a candidate would contribute to the Board and the candidate's integrity and professionalism.

SHAREHOLDER NOMINEES

The Nominating and Governance Committee will consider properly submitted nominations for candidates for membership on the Board as described above. Any shareholder nominations proposed for consideration by the Committee should include the nominee's name and qualifications for Board membership and evidence of consent of the proposed nominee to serve as a director if elected. Nominations should be addressed to our Corporate Secretary at the address of our principal executive office set forth above. Consistent with the deadline for submission of shareholder proposals generally, nominations for individuals to be considered for election at the 2006 Annual Meeting must be received by the Corporate Secretary at our principal executive office by no later than December 19, 2005.

DIRECTOR COMPENSATION

NON-EXECUTIVE DIRECTORS

Under its Charter, our Nominating and Governance Committee is responsible for determining and recommending to the Board the overall compensation program for our Non-Executive Directors. In 2004, under the program that the Committee has established, each Non-Executive Director received:

- an annual retainer of $40,000, paid quarterly;
- $3,500 for attendance at each meeting ($1,000 for telephonic meetings) of the Board;
- $1,500 per meeting ($1,000 for telephonic meetings) for each Committee meeting; and
- an annual grant of restricted stock in an amount equal to $50,000 (with the number of shares determined based on the closing price of the stock on the grant date), to become vested on the fifth anniversary of the date of grant.

In addition, the Chair of the Audit Committee received an annual retainer of $10,000 and the Chair of each of the Compensation and the Nominating and Governance Committees received an annual retainer of $5,000. Upon being elected to the Board for the first time, a Director will also receive a one-time grant of restricted stock in an amount equal to $50,000 (with the number of shares determined based on the closing price of the stock on the grant date), to become vested on the fifth anniversary of the date of grant.

Directors who are also officers or employees of Jones Lang LaSalle are not paid any Directors' fees. Jones Lang LaSalle reimburses all Directors for expenses incurred in attending meetings.

Through 2003, (1) each Non-Executive Director elected to the Board for the first time received upon such election a one-time grant of options to purchase 5,000 shares of Common Stock at fair market value on the date of grant and (2) each Non-Executive Director also received an annual grant of options to purchase 5,000 shares on the day after each Annual Meeting of Shareholders after which the Non-Executive Director continued in office. All of the foregoing options have a 10-year term and vest over a 5-year period, with 20% becoming vested on each anniversary of the date of grant. The foregoing grants of options were made automatically under our Stock Incentive Plan (as defined and discussed below).

Through 2002, a Non-Executive Director could also elect, under the terms of the Stock Incentive Plan, to receive, in lieu of the annual cash retainer, an option for a number of shares such that the value of the option was equal to the amount of the annual retainer. The Stock Incentive Plan provided that the value of these options was 33% of the exercise price for options issued with respect to 1999, 2000, 2001 and 2002. For options issued with respect to 1999 and years thereafter, the exercise price was equal to the average closing prices of our Common Stock on the last trading day of each calendar quarter during the year. Such stock options were granted on January 1 of the year following the year in which the retainer was earned, were fully vested upon grant and have 10-year terms.

Beginning in 2003, pursuant to the terms of the Stock Incentive Plan, Non-Executive Directors were permitted to elect to receive shares of our Common Stock in lieu of any or all of their annual cash retainer, on a quarterly basis, based on the closing price of our Common Stock on the last trading day of each quarter. In addition, the Non-Executive Directors may elect to defer receipt of such shares for specified periods and, consistent with our Stock Ownership Program described below, any shares so deferred will be increased by the Company by 25%.

CHAIRMAN OF THE BOARD

As a Non-Executive Director who was elected to the position of Chairman of the Board effective January 1, 2005, Ms. Penrose receives compensation in addition to the foregoing amounts in consideration of undertaking the responsibilities and time commitments associated with that position which the Board has established. The Chairman's compensation for the first calendar year of the two-year term to which she has been elected is $100,000 and will be subject to review for the second year of the term. In addition, Ms. Penrose received a one-time grant of 1,000 shares of restricted stock, to become vested on the second anniversary of the date of grant.

CLASSIFICATION OF THE TERMS OF THE MEMBERS OF THE BOARD OF DIRECTORS

Jones Lang LaSalle's Articles of Incorporation provide for our Board to be divided into three classes, as nearly equal in number as possible, serving staggered three-year terms. The Board currently consists of two Class I Directors (Messrs. de Bettignies and Hartley-Leonard), two Class II Directors (Ms. Penrose and Mr. Dyer) and two Class III Directors (Mr. Theobald and Sir Derek Higgs).

The terms of our Class I Directors, Class II Directors and Class III Directors will expire upon the election and qualification of successor Directors at the Annual Meetings of Shareholders held during the calendar years 2007, 2008 and 2006, respectively. As indicated in this Proxy Statement, our Board is proposing at the 2005 Annual Meeting that the Company's Articles of Incorporation be amended by the shareholders in order to declassify the Board. If our shareholders approve this amendment, then each of our Directors will serve his or her then remaining term, after which each Director would be elected to a one-year term. See "Proposal to Declassify the Board of Directors" below under "Proposal 4."

CHANGES TO THE BOARD'S COMPOSITION DURING 2004

Christopher A. Peacock, who previously was a Class II Director and the Company's President and Chief Executive Officer, resigned from all of such positions on January 7, 2004. At that time, Stuart L. Scott, who then served as the Chairman of the Board, was named as the Company's interim President and Chief Executive Officer while a search was conducted for a successor.

Consistent with the Board's previous determination that each of the leaders of the Company's four business segments should focus his or her efforts on managing those businesses without having additional obligations as a member of the Board, Peter C. Roberts did not stand for re-election as a Class I Director at our 2004 Annual Meeting.

On August 30, 2004, Colin Dyer was elected to the position of President and Chief Executive Officer and also became a member of the Board as a Class II Director, filling the vacancy created by Mr. Peacock's resignation.

On October 6, 2004. Jackson P. Tai resigned from his position as a member of the Board. Mr. Tai had served as a Class II Director.

On December 31, 2004, Mr. Scott, as previously announced, retired from the Board as a Class III Director and from his executive officer positions after more than thirty years of service to the Company. Effective January 1, 2005, the Board elected Ms. Penrose, a Non-Executive Director, to serve as the Chairman of the Board for a two-year term, subject to her re-election by our shareholders as a member of the Board at the 2005 Annual Meeting.

The Board intends to fill each of current Class I, II and III vacancies as soon as it identifies suitable candidates who agree to serve as members of the Board. If any of such vacancies is filled while the Board is still classified, then such vacancy would be filled for the remainder of the term for the applicable class whose vacancy has been so filled. If our shareholders approve the proposed amendment to the Company's Articles of Incorporation to declassify the Board, then each of such vacancies filled after such amendment would be for a one-year term.

PROPOSAL 1

ELECTION OF DIRECTORS

Our Class II Directors, Ms. Penrose and Mr. Dyer, are standing for re-election at our 2005 Annual Meeting. Biographical information for each of the nominees is set forth below under the caption "Directors and Executive Officers." The Class II Directors will serve three-year terms until the Jones Lang LaSalle's Annual Meeting of Shareholders in 2008 and until their successors are elected and qualify, or until their earlier death, resignation, retirement, disqualification or removal.

THE BOARD RECOMMENDS YOU VOTE "FOR" THE ELECTION OF EACH OF THE TWO NOMINEES LISTED BELOW:

NOMINEES
Class II (term expiring in 2008)

Sheila A. Penrose
Colin Dyer

Each valid proxy returned to Jones Lang LaSalle will be voted at the Annual Meeting for the two nominees listed above unless the proxy specifies otherwise. Proxies may not be voted for more than two nominees for Director. While the Board does not anticipate that either of the nominees will be unable to stand for election as a Director at the Annual Meeting, if that is the case, proxies will be voted in favor of such other person or persons as our Board may designate.

DIRECTORS AND EXECUTIVE OFFICERS

The following biographical summaries provide information about each of (1) our current Non-Executive Directors, including Ms. Penrose, one of the two nominees standing for election at the 2005 Annual Meeting, (2) Mr. Dyer, a Director who is also one of our Executive Officers and one of the nominees standing for election at the 2005 Annual Meeting, and (3) those additional corporate officers whom we define as Executive Officers for SEC reporting purposes.

NON-EXECUTIVE DIRECTORS
(Including a Director Nominee)

HENRI-CLAUDE DE BETTIGNIES. Professor de Bettignies, 66, has been a Director of Jones Lang LaSalle since March 1999. His term on our Board of Directors expires at our 2007 Annual Meeting. Professor de Bettignies joined the European Institute of Business Administration, Fontainebleau, France (INSEAD) in 1967 as an Assistant Professor and became a Full Professor in 1975. Since 1988, he has held a joint professorship at the Stanford University Graduate School of Business. Professor de Bettignies started and developed INSEAD's activities in Japan and the Asia Pacific region, which led to the creation in 1980 of the Euro-Asia Centre of which he was the Director General until 1988. At INSEAD and Stanford, he teaches courses on international management, ethics and the Japan and the Asia Pacific region. He has created and directs several executive programs organized in Asia and Europe, including AVIRA, a program for chief executive officers held in Europe, the United States and Asia. He serves as a consultant to a number of major organizations and has published five books and over 50 articles in business and professional journals. He is a member of the Asian Academy of Management and serves on the Editorial Board of a number of journals, including The New Academic Review (New York), The Journal of Asian Business (Ann Arbor), Asian Academy of Management Journal (Penang), Ethica (Asti), The Revue Francaise de Gestion (Paris) and The Thunderbird International Business Review (New York). Professor de Bettignies was educated at the Sorbonne, the Catholic University of Paris (EPP) and the Harvard Business School.

DARRYL HARTLEY-LEONARD. Mr. Hartley-Leonard, 59, has been a Director of Jones Lang LaSalle since July 1997. His term on our Board of Directors expires at our 2007 Annual Meeting. Mr. Hartley-Leonard has been Chairman and Chief Executive Officer of PGI, Inc., an event and communication agency, since January 1998. He served as Chairman of the Board of Hyatt Hotels Corporation (Hyatt), an international owner and manager of hotels, from 1994 to 1996. From 1986 to 1994, he served as Chief Executive Officer and Chief Operating Officer of Hyatt. Mr. Hartley-Leonard retired from Hyatt in 1996 after a 32-year career with that organization.
Mr. Hartley-Leonard also serves on the board of directors of LaSalle Hotel Properties, a real estate investment trust. Mr. Hartley-Leonard holds a B.A. from Blackpool Lancashire College of Lancaster University and an honorary doctorate of business administration from Johnson and Wales University.

SIR DEREK HIGGS. Sir Derek, 61, has been a Director of Jones Lang LaSalle since March 1999. His term on our Board of Directors expires at our 2006 Annual Meeting. Sir Derek was Chairman of Prudential Portfolio Managers Limited, a fund manager, and a Director of Prudential plc, a financial services company, from January 1996 to December 2000, and prior to that he was employed by S.G. Warburg & Co. Ltd., an investment bank, from 1972 until 1996, serving as a Director beginning in 1979, Head of Global Corporate Finance beginning in 1986 and Chairman beginning in 1994. He is a member of the Financial Reporting Council of the UK. He is

Chairman of Partnerships UK plc, an advisor on public-private partnerships for the delivery of public services, Deputy Chairman of The British Land Company PLC, a property company, and a Director of Allied Irish Banks, p.l.c., a banking organization, and Egg plc, an internet bank. Sir Derek is also a senior advisor to UBS Investment Bank. He is a member of the Institute of Chartered Accountants in England and Wales and holds a Bachelor of Arts degree from the University of Bristol. In January 2004, Sir Derek was knighted by the Queen of England for his services to corporate governance and finance.

SHEILA A. PENROSE. Ms. Penrose, 59, has been a Director of Jones Lang LaSalle since May 2002 and was elected Chairman of the Board effective January 1, 2005. She is a nominee standing for re-election to our Board of Directors at the 2005 Annual Meeting. Ms. Penrose has served as an Executive Advisor to The Boston Consulting Group since January 2001, after retiring from Northern Trust Corporation, a bank holding company and a global provider of personal and institutional financial services, in September 2000 after more than 23 years of service. While at Northern Trust, Ms. Penrose served as President of Corporate and Institutional Services and as a member of the Management Committee. Ms. Penrose is a member of the board of directors of eFunds Corporation, a provider of integrated information and payment solutions, and Datacard Group, a supplier of systems for card programs and identity solutions. She received a Bachelors degree from the University of Birmingham in England and a Masters degree from the London School of Economics. She also attended the Executive Program of the Stanford Graduate School of Business.

THOMAS C. THEOBALD. Mr. Theobald, 67, has been a Director of Jones Lang LaSalle since July 1997. His term on our Board of Directors expires at our 2006 Annual Meeting. Mr. Theobald has served as a Partner and Senior Advisor of Chicago Growth Partners LLC since September 2004. He previously served as a Managing Director at William Blair Capital Partners from September 1994 to September 2004. From July 1987 to August 1994, Mr. Theobald was Chairman and Chief Executive Officer of Continental Bank Corporation. He currently is Chairman of the board of directors of Columbia Funds, a mutual fund complex, and serves on the boards of directors of Ambac Financial Group, Inc., a guarantor of public finance and structured finance obligations, Anixter International, a supplier of electrical apparatus and equipment, Ventas Inc., a health-care real estate investment trust, and the MacArthur Foundation. Mr. Theobald holds an A.B. from the College of the Holy Cross and an M.B.A. from Harvard Business School.

DIRECTOR WHO IS ALSO AN EXECUTIVE OFFICER
(and a Director Nominee)

COLIN DYER. Mr. Dyer, 52, has been the President and Chief Executive Officer, and a Director, of Jones Lang LaSalle since August 2004. He is a nominee standing for re-election to our Board of Directors at the 2005 Annual Meeting. Mr. Dyer is currently the Chairman of our Global Executive Committee. From September 2000 to August 2004 he was the founding Chief Executive Officer of the WorldWide Retail Exchange, an internet-based business-to-business exchange whose members include more than 40 of the world's leading retailers and manufacturers. From 1996 until September 2000, Mr. Dyer was Chief Executive Officer of Courtaulds Textiles plc, an international clothing and fabric company, having served in various management positions with that firm since 1982. From 1978 until 1982, he was a client manager at McKinsey & Company, an international consulting firm. He serves on the board of directors, and is the chairman of the audit committee, of Northern Foods plc, a major food supplier to the British retail sector. Mr. Dyer holds a BSc degree from Imperial College in London and an M.B.A. from INSEAD in Fontainebleau, France.

ADDITIONAL EXECUTIVE OFFICERS

PETER A. BARGE. Mr. Barge, 54, has been the Chief Executive Officer of our Asia Pacific operating segment since January 2003. He is currently a member of our Global Executive Committee. Since December 2002, he has also served as Chairman of Jones Lang LaSalle Hotels. He was Chief Executive Officer of Jones Lang LaSalle Hotels from March 1999 to December 2002 and Chief Executive Officer of our Corporate Solutions business in the Americas from January 2001 through December 2002. Previously, Mr. Barge was Chief Executive Officer of JLW TransAct, the hotel business of Jones Lang Wootton. Mr. Barge had also held various positions with that company, which was known as TransAct Hotel & Tourism Property Limited before it was acquired by Jones Lang Wootton. Before that, Mr. Barge served as "Lecturer in Charge" of all hotel and tourism programs at Australia's pre-eminent school of Food and Hotel Administration in Adelaide, South Australia, and worked in hotel management and tourism consulting.

MARGARET A. KELLY. Ms. Kelly, 47, has been the Chief Marketing and Communications Officer of the Company since March 1999. Previously, Ms. Kelly was Director of Marketing and Communications for LaSalle Partners. During Ms. Kelly's career with our firm, she has served as Director of Corporate Marketing from 1994 to 1999, Director of Property Marketing from 1992 to 1994 and Director of the West Coast division of Property Marketing from 1990 to 1992. Ms. Kelly received a B.A. from Drake University.

LAURALEE E. MARTIN. Ms. Martin, 54, has been Executive Vice President and Chief Financial Officer of Jones Lang LaSalle since January 2002. In January 2005 she was appointed to the additional position of Chief Operating Officer. Ms. Martin is currently a member of our Global Executive Committee. She served as Executive Vice President and Chief Financial Officer of Heller Financial, Inc., a commercial finance company, from May 1996 to November 2001. Ms. Martin had previously held the positions of Senior Group President, responsible for Heller Financial's Real Estate, Equipment Financing, and Small Business Lending groups, and President of its Real Estate group. She was a member of the board of directors of Heller Financial from May 1991 to July 1998. Ms. Martin has been a member of the board of directors of KeyCorp, a bank holding company, since December 2003, and a member of the board of directors of Gables Residential Trust, a real estate investment trust, since January 1994. Prior to joining Heller Financial in 1986, Ms. Martin held certain senior management positions with General Electric Credit Corporation. She received a B.A. from Oregon State University and an M.B.A. from the University of Connecticut.

MARK J. OHRINGER. Mr. Ohringer, 46, has been Executive Vice President, Global General Counsel and Corporate Secretary of Jones Lang LaSalle since April 2003. From April 2002 through March 2003, he served as Senior Vice President, General Counsel and Secretary of Kemper Insurance

Group, Inc., an insurance holding company. Prior to that, Mr. Ohringer served as General Counsel and Secretary of Heller Financial, Inc., a commercial finance company, since September 2000. He previously served as Chief Corporate Counsel and Deputy General Counsel of Heller Financial from March 1999 to September 2000, Associate General Counsel from March 1996 to March 1999, and Senior Counsel from December 1993 to February 1996. Prior to joining Heller Financial, Mr. Ohringer was a Partner at the law firm of Winston & Strawn. Mr. Ohringer has a B.A. in Economics from Yale University and a J.D. from Stanford Law School.

ROBERT S. ORR. Mr. Orr, 45, has been Chief Executive Officer for our European operating segment since March 1999. He is currently a member of our Global Executive Committee. Mr. Orr was a member of the Board of Directors of Jones Lang LaSalle from May 2001 to September 2002. From January 1998 to March 1999, Mr. Orr was European Chief Executive of Jones Lang Wootton. From 1991 to 1998, he served as Country Manager for Jones Lang Wootton's operations in Germany. Mr. Orr joined Jones Lang Wootton in 1980 and held a number of positions with them in Europe. Mr. Orr has a Bachelor in Science (BSc.) in Estate Management from Oxford Polytechnic.

NAZNEEN RAZI. Ms. Razi, 52, has been Executive Vice President and Chief Human Resources Officer of the Company since February 2004. From November 2000 to January 2004, Ms. Razi was Executive Vice President, Chief Administrative Officer of Comdisco, a provider of technology services, where she had responsibility for human resources worldwide. Comdisco filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in July, 2001 and emerged from bankruptcy under a confirmed plan of reorganization in August, 2002. Prior to Comdisco, Ms. Razi held various positions within CNA Insurance Companies, including senior vice president and senior human resources officer for CNA Risk Management. Ms. Razi holds bachelor degrees in political science, history and English literature from St. Francis College, India, a masters degree in English literature from Osmania University, India, and an M.B.A. in operational management and organizational behavior and a Ph.D. in Organizational Development from Benedictine University, Illinois.

PETER C. ROBERTS. Mr. Roberts, 44, has been the Chief Executive Officer of our Americas operating segment since January 2003. He served as a member of the Jones Lang LaSalle Board of Directors from December 2001 until May, 2004. Mr. Roberts is currently a member of our Global Executive Committee. He was the Chief Operating Officer of Jones Lang LaSalle from January 2002 through December 2002 and he served as Chief Financial Officer from January 2001 through December 2001. Prior to that he served as Managing Director of Jones Lang LaSalle's Tenant Representation Group in North America since December 1996 and then in March 1999 also became that group's Co-President. Mr. Roberts joined our Tenant Representation Group in June 1993 as Vice President and thereafter held the positions of Senior Vice President, Executive Vice President and then Managing Director. He joined Jones Lang LaSalle in 1986. Prior to that, Mr. Roberts worked within the Aerospace and Defense Contractor Group at Morgan Guaranty Trust Company of New York. Mr. Roberts is a member of the board of directors of Corus Bankshares, Inc., a commercial banking institution. He received an A.B. degree from Dartmouth College and an M.B.A. from Harvard Business School.

STANLEY STEC. Mr. Stec, 45, has been Senior Vice President and Global Controller of Jones Lang LaSalle since November, 2004. From May

2001 until October 2004, Mr. Stec served as Vice President, Controller of CCC Information Services, Inc., a publicly traded supplier of automobile claims information and processing and communications services. During 2000, he was Vice President of Operations for Finetrics (a divine interVentures company), a provider of web-based financial applications and business services. From February 1992 to March 2000, Mr. Stec held various financial management positions with J.D. Edwards & Company, a publicly held developer and marketer of enterprise and supply chain computing solutions, including Senior Director of Business Development, Senior Director of Worldwide Financial Service Centers, Director of International Finance and Director of Financial Reporting and Accounting. Mr. Stec, who is a certified public accountant, received a B.A. in Business from St. Xavier College and attended the Executive Program at the Kellogg Graduate School of Management.

LYNN C. THURBER. Ms. Thurber, 58, has been the Chief Executive Officer of LaSalle Investment Management, Jones Lang LaSalle's investment management business, since March 2000, and from March 1999 until March 2000 she was the Co-Chief Executive Officer of LaSalle Investment Management. She is currently a member of our Global Executive Committee. She was a member of the Board of Directors of Jones Lang LaSalle from its incorporation until March 1999 and then again from May 2000 to September 2002. From April 1997 until March 1999, she was Co-President of LaSalle Advisors Capital Management, Inc. (now known as LaSalle Investment Management), an operating subsidiary of Jones Lang LaSalle. Ms. Thurber was a Managing Director and Co-President of LaSalle Advisors Limited Partnership from November 1994 until 1997. Prior to that, she was Chief Executive Officer of Alex Brown Kleinwort Benson Realty Advisors Corporation (ABKB) from May 1993 to November 1994, at which time its assets were acquired by Jones Lang LaSalle. From July 1992 to May 1993, Ms. Thurber served as Chief Operating Officer and Director of Acquisitions of ABKB. Prior to that time, Ms. Thurber was a Principal at Morgan Stanley & Co. Incorporated. She holds an A.B. degree from Wellesley College and an M.B.A. from Harvard Business School.

EXECUTIVE COMPENSATION

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee is responsible for the oversight of executive compensation and Jones Lang LaSalle's compensation programs, including those with respect to stock ownership.

We believe that our employee compensation system is unusual in the real estate industry in many parts of the world, including the United States. Our system is designed to reward the strengthening of existing client relationships, securing new client relationships, client satisfaction and teamwork, as well as to foster employee commitment and align employee and shareholder interests. Toward this end, we generally compensate our real estate professionals and managers with salary, bonus and stock ownership programs, rather than primarily on a commission basis as we believe is typical for other real estate firms in the United States and other parts of the world.

ANNUAL CASH COMPENSATION PROGRAMS.

Our executive officers are assigned target annual compensation consisting of a base salary and target bonus. The Compensation Committee approved the executive officers' 2004 base salaries during the first quarter of 2004. Their bonuses paid in March 2005 and reported in this Proxy Statement as compensation earned in respect of 2004 were based on target bonuses that were established during the first quarter of 2004. Target bonus levels for executive officers are set to provide compensation levels which, together with their base salaries, are sufficiently competitive to attract and retain high caliber executives.

As described below under "Management Incentive Plan," the payment of an employee's bonus in a particular year is based upon an evaluation of performance against specific performance objectives set in the beginning of the prior year. These performance objectives include both objective and subjective criteria and vary from employee to employee. All of our executive officers have their performance objectives established as part of our Individual Performance Management Program (IPMP), in which substantially all of our employees participate on an annual basis. For executive officers with primarily global firm responsibilities, including our President and Chief Executive Officer and our Chief Operating and Financial Officer, performance objectives relate to overall firm performance and fell principally into the categories of (1) meeting assigned financial targets, (2) contributing to the growth of the Company and (3) providing superior employee management. Each executive officer leading one of our regional or global business segments is principally measured against these categories, including also providing superior client service and developing new business opportunities insofar as they apply to the particular business for which such executive officer was responsible. Those business segment executives who are also members of our Global Executive Committee, which is our senior-most executive management committee currently consisting of our Global Chief Executive Officer, Global Chief Operating and Financial Officer and the Chief Executive Officers of our Americas, Europe, Asia-Pacific and LaSalle Investment Management business segments, also have an overall global performance objective as a component of their target bonuses.

The performance objectives on which bonuses were paid in 2005 relating to the overall 2004 financial performance of Jones Lang LaSalle were measured on achievement of the earnings per share target for the 2004 calendar year. Those other executive officers who were evaluated on the financial performance of their regional or global business units were measured principally on achievement of the financial plans for those units.

Individualized performance objectives concentrated on key matters upon which the particular executive officer was to focus and were set based upon identified goals for Jones Lang LaSalle as a whole, as well as identified goals for particular business units or groups of business units. The Compensation Committee has encouraged management to set performance objectives, to the extent possible, in a manner which allows objective measurement of performance, including by setting quantitative standards where appropriate.

The determination of compensation by the Compensation Committee for those individuals who served as our Chief Executive Officer during 2004 is explained below under "Compensation of Chief Executive Officer." With respect to the base salaries that were established and paid during 2004, Stuart L. Scott, our interim Chief Executive Officer during a portion of 2004, reviewed the performance of the relevant executive officers, including the other persons identified as our Named Executive Officers for purposes of the Summary Compensation Table below, and, with the assistance of our Chief Human Resources Officer, presented his evaluation and the resulting compensation recommendations to the Compensation Committee. The Compensation Committee reviewed these evaluations and recommendations, discussed them with Mr. Scott and our Chief Human Resources Officer and determined base compensation early in 2004. With respect to the determination of the bonuses paid in 2005 and related to 2004 performance, Colin Dyer, who became our Chief Executive Officer on August 30, 2004, reviewed the performance of each of the other Named Executive Officers, determined bonus levels based upon his evaluation of performance against objectives and, with the assistance of our Chief Human Resources Officer, presented his evaluation and the resulting compensation recommendations to the Compensation Committee. The Compensation Committee reviewed these evaluations and recommendations, discussed them with Mr. Dyer and our Chief Human Resources Officer and determined the bonus payments that are reported in this Proxy Statement. In connection with its approval process, the Compensation Committee also met in executive session without Mr. Dyer being present.

The amount of the bonuses paid to our Named Executive Officers in 2005 (in respect of the Company's 2004 performance) increased significantly over the amount of the bonuses paid to those individuals in 2004 (in respect of the Company's 2003 performance). The increases related to the achievement, and often over-performance, of individual goals and to the strength of the Company's financial performance during 2004, as net income increased by 78% over the prior year to a record $64.2 million, net debt was reduced by $119 million during the year and each of our business segments showed significant performance improvement and contributed to the Company's overall results. Importantly, these results were achieved during a year in which the Company conducted a global search for, and then transitioned to, a new Chief Executive Officer.

STOCK PLANS AND LONG-TERM COMPENSATION PROGRAMS.

We have various equity and other incentive plans and programs that are designed to align the interests of our employees, and particularly our executives, with the interests of our shareholders and to serve as longer-term retention vehicles for our people. Our plans and programs are described in more detail below under "Summary of Plans, Programs and Agreements."

Our executive officers, as well as other management employees, are eligible to receive equity-based awards under our Stock Incentive Plan (as defined and discussed below). Prior to 2003, we principally used stock options as our equity compensation vehicle, but in 2003, consistent with evolving best-practices we observed at other firms generally, we decided to use restricted stock grants as our principal equity compensation method. Half of the shares of restricted stock that were granted to executive officers in 2003 vest three years from the date of grant and the remaining half vest five years from the date of grant. Ongoing awards under the Stock Incentive Plan are expected to be made annually, with the Compensation Committee and senior management to decide how such awards will be allocated among our people.

Programs such as the Co-Investment Plan and the LIM Co-Investment Program (both as defined and discussed below) are intended to provide more targeted performance and/or retention incentives to specific groups of key employees where particular line-of-sight attributes are deemed the best use of compensation resources.

The Stock Purchase Plan, the Stock Ownership Program and the UK Share Plan (all as defined and described below) also provide certain executive officers, as well as other employees, a means for accumulating Jones Lang LaSalle Common Stock. The Stock Purchase Plan provides employees in the United States with a means to purchase stock at a 15% discount through regular payroll deductions. Under the Stock Ownership Program, executive officers and officers at certain other levels receive a portion of their bonuses in restricted stock units that vest equally over 18 and 30 month periods. The UK Share Plan provides employees in the UK with an option to purchase stock at a 15% discount through regular payroll deductions. The opportunity to offer employees stock purchase plans differs from country to country depending on the tax laws of that country. The Company regularly evaluates additional opportunities to establish similar plans.

COMPENSATION OF CHIEF EXECUTIVE OFFICER.

The 2004 year was an important transitional one for our Company as Christopher A. Peacock resigned as our Chief Executive Officer effective January 7th of that year and Stuart L. Scott, who had then previously been our Chairman of the Board, served as our interim Chief Executive Officer while a search was conducted for Mr. Peacock's successor. Colin Dyer was then elected as our Chief Executive Officer effective August 30, 2004.

CHRISTOPHER A. PEACOCK

Upon his resignation as our Chief Executive Officer, Mr. Peacock and the Company entered into an amendment to his Employment Agreement pursuant to which, among other aspects, Mr. Peacock agreed to assist in the transfer of his employment duties, provide the Company transition support for key client relationships and provide consulting services to the Company and advice on business strategies and related matters. Mr. Peacock also agreed to extend certain restrictive covenants with respect to his ability to solicit clients and employees of the Company and to compete with the Company. Taking the value of these agreements into account, and given the rights Mr. Peacock already had under the then current provisions of his Employment Agreement, we determined that it would be appropriate to compensate Mr. Peacock for the period from January 7, 2004 through the April 9, 2005 termination date of his revised Employment Agreement at an annualized rate of $850,000 that was equivalent to the $400,000 annual base salary he was then being paid plus the actual amount of his previous year's bonus, which was $450,000. Provided that Mr. Peacock continued to comply with the terms of his amended Employment Agreement, we did not set any additional performance objectives, or conduct any review, during the remainder of the term of his Employment Agreement.

For additional information about the terms of Mr. Peacock's Employment Agreement, please see "Employment Agreement with Christopher A. Peacock" below.

STUART L. SCOTT

When Mr. Scott became our interim Chief Executive Officer during 2004, while he continued in his previous role as the Chairman of our Board, we established his compensation under an agreement that provided Mr. Scott with an annualized base salary to be paid during the period that he served as our Chief Executive Officer that was the same as what Mr. Peacock's base salary had been. We also established a bonus target against which we established certain specific performance objectives, one of which was to actively participate in the identification and selection of a new chief executive officer and another of which was to lead the Company to achievement of a certain minimum earnings per share target. Once a new chief executive officer had been hired, Mr. Scott's compensation would revert to what it would then continue to be for his serving as an executive member of the Board and its Chairman, as well as for certain services to LaSalle Investment Management and as a member of the boards of directors for certain of its investment funds and management committees. Mr. Scott's compensation for 2004 is disclosed below in the Summary Compensation Table and the terms of his agreement are further discussed below under "Compensation Arrangements with Stuart L. Scott."

We evaluated Mr. Scott's performance in early 2005 against his objectives in order to determine the amount of his bonus. The actual bonus paid to Mr. Scott for his 2004 performance exceeded his target bonus amount because of, among other elements, (1) the quality of his leadership of our Company and the members of its Global Executive Committee during the transition from one chief executive officer to another, (2) the quality of his participation in the search for, and hiring of, our new chief executive officer, which we believe was very successful and was achieved within the desired time-frame, and (3) the fact that the Company significantly improved its earnings per share during 2004 over what it had been for 2003 (and over-performed versus the target objective we had set for Mr. Scott), rising to $1.96 per diluted share from $1.12, an increase of 75%.

COLIN DYER

The compensation that Mr. Dyer received during 2004 was determined pursuant to the agreement that was negotiated with Mr. Dyer in connection with his election to the position of our Chief Executive Officer effective August 30, 2004. Our agreement with Mr. Dyer is summarized below under "Compensation Arrangements with Colin Dyer." The Compensation Committee approved the terms and conditions of the agreement as an overall appropriate and reasonable compensation package based on a number of factors, including (1) the level of compensation necessary to attract an experienced, globally-oriented executive with the potential to provide high quality leadership and strategic guidance to a complex, multi-national organization, (2) a review of the publicly available data on compensation being paid for similar positions at competitor and other comparable firms and (3) the compensation being paid to other executives within our own firm.

Mr. Dyer's agreement did provide that his bonus for 2004 (payable in 2005) would at a minimum be $250,000 subject to further review by the Compensation Committee. The Committee decided that Mr. Dyer's actual bonus for 2004 would be $400,000 because, when it reviewed Mr. Dyer's transition to his new responsibilities during 2004 and the objectives for his first four months with the Company that the Board had discussed with him, the Committee was of the view that Mr. Dyer had exceeded its expectations in terms of the effort he made, and the results he achieved, in (1) familiarizing himself with the Company and its people, (2) the positive relationships he had developed with the Global Executive Committee members and with the other corporate staff group heads who report to him, (3) the strategic vision for the Company that he was beginning to develop and communicate to the Board and the Company's leadership and (4) contributing to the Company's strong financial and operating performance for 2004 as noted above.

The Committee and Mr. Dyer have established his IPMP objectives for 2005, which relate principally to achievement of the budgeted earnings per share for 2005 that the Board has approved and the delivery of certain planned global business and infrastructure programs that are critical to the achievement of the Company's overall strategic plan.

CERTAIN TAX MATTERS.

United States tax laws limit the deduction a publicly held corporation is allowed for compensation paid to the chief executive officer and to the four most highly compensated executive officers other than the chief executive officer. Generally, amounts paid in excess of $1 million to a covered executive, other than performance compensation, cannot be deducted. Jones Lang LaSalle considers ways to maximize the deductibility of executive compensation but reserves the right to compensate executive officers in a manner commensurate with performance and the competitive environment for executive talent. As a result, some portion of executive compensation paid to an executive officer whose compensation is subject to the deduction limits described above may not be deductible by Jones Lang LaSalle in the United States.

COMPENSATION COMMITTEE

Thomas C. Theobald (Chair)
Henri-Claude de Bettignies
Sir Derek Higgs
Sheila A. Penrose

COMPENSATION TABLES

The following tables and footnotes set forth information regarding the cash and other forms we paid in respect of performance during 2004, 2003 and 2002 to each person who served as the Com executive officer during 2004 and to the five other members of the Company's Global Executive Com constituted the other most highly compensated executive officers (the NAMED EXECUTIVE OFFICERS) d Descriptions of the Company-sponsored plans under which such compensation was paid are provided f tables in "Summary of Plans, Programs and Agreements." As applicable, all amounts shown in the t converted to U.S. Dollars from the foreign currencies in which the compensation was actually paid

SUMMARY COMPENSATION TABLE

		ANNUAL COMPENSATION		LONG-TERM COMPENSATION	
				AWARDS $	
NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS (5)	RESTRICTED STOCK AWARDS (6)	SECURITIES UNDERLYING OPTIONS

Colin Dyer (1)	2004	$255,769	$320,000	$1,380,000	0
President and Chief	2003	$0	$0	$0	0
Executive Officer	2002	$0	$0	$0	0
Stuart L. Scott (2)	2004	$356,666	$845,595	$0	0
Interim President and Chief	2003	$270,000	$120,666	$37,708	0
Executive Officer	2002	$250,000	$114,000	$35,625	0
Christopher A. Peacock (3)	2004	$17,700	$0	$0	0
Former President and Chief	2003	$400,000	$450,000	$130,000	0
Executive Officer	2002	$400,000	$360,000	$112,500	12,500
Lauralee E. Martin (4)	2004	$370,000	$800,000	$596,350	0
Chief Operating and	2003	$340,000	$240,000	$205,000	0
Financial Officer	2002	$340,000	$147,200	$46,000	32,500
Peter C. Roberts	2004	$330,000	$1,100,000	$92,360	0
Chief Executive Officer,	2003	$330,000	$670,000	$97,500	0
Americas	2002	$330,000	$280,000	$87,500	10,000
Lynn C. Thurber					
Chief Executive Officer,	2004	$310,000	$1,062,101	$457,101	0
LaSalle Investment	2003	$310,000	$527,887	$222,637	0
Management	2002	$310,000	$424,000	$132,500	5,000

		ANNUAL COMPENSATION		LONG-TERM COMPENSATION	
				AWARDS $	
NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS (5)	RESTRICTED STOCK AWARDS (6)	SECURITIES UNDERLYING OPTIONS
Robert S. Orr	2004	$300,000	$740,000	$323,610	0
Chief Executive Officer,	2003	$250,000	$210,000	$122,500	0
Europe	2002	$250,000	$100,000	$25,000	5,000
Peter A. Barge	2004	$300,000	$720,000	$317,360	0
Chief Executive Officer,	2003	$250,000	$338,855	$203,392	0
Asia Pacific	2002	$250,000	$212,000	$66,250	9,000