JCDecaux

Full-Year 2014 Results

Out of Home Media

Algeria
Argentina
Australia
Austria
Azerbaijan
Belgium
Brazil
Bulgaria
Cameroon
Canada
Chile
China
Colombia
Costa Rica
Croatia
Czech Republic
Denmark
El Salvador
Estonia
Finland
France
Germany
Guatemala
Hungary
Iceland
India
Ireland
Israel
Italy
Japan
Kazakhstan
Korea
Latvia
Lithuania
Luxembourg
Mexico
Mongolia
Norway
Oman
Panama
Peru
Poland
Portugal
Qatar
Russia
Saudi Arabia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Thailand
The Dominican Republic
The Netherlands
Turkey
Ukraine
United Arab Emirates
United Kingdom
United States
Uruguay
Uzbekistan

- **Adjusted revenues up +5.1% to €2,813.3 million, adjusted organic revenues up +3.8%**
- **Adjusted operating margin up +1.0% to €630.0 million**
- **Adjusted EBIT before impairment charge of €334.9 million, down -4.7%**
- **Net income group share before impairment charge of €215.6 million, down -1.9%**
- **Net income group share of €194.3 million, up +114.7%**
- **Adjusted free cash flow of €297.9 million, up +65.7%**
- **+4.2% increase in dividend per share proposed for the year 2014, to €0.50 per share**
- **Intention to launch a share buy-back structured as a Simplified Public Tender Offer ("Offre publique d'achat simplifiée", "OPAS") for up to €500 million after next shareholders' general meeting on May 13th, 2015**
- **Around +3% increase in adjusted organic revenues expected in Q1 2015**

Paris, March 5th, 2015 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended December 31st, 2014. The accounts are audited and certified.

Following the adoption of IFRS 11 from January 1st, 2014, the operating data presented below is adjusted to include our prorata share in companies under joint control, and therefore is comparable with historical data. Please refer to the paragraph "Adjusted data" on pages 3 and 4 of this release for the definition of adjusted data and reconciliation with IFRS.

Commenting on the 2014 results, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"In 2014, JCDecaux achieved another year of record revenues and operating margin, together with particularly solid free cash flow, notably thanks to the return of positive organic growth in Rest of Europe. In a volatile environment, we have proven once again the strength of our business model with 34% of our revenues coming from fast-growing countries and 9% from our premium digital portfolio still largely focused in 3 countries including the UK, where digital already represents 33% of advertising revenues.

2014 was marked by both the successful launch of our São Paulo advertising clocks and the completion of the integration of Eumex which give us a strong platform to drive organic growth in Latin America. We were also very pleased to recently announce the signing of a contract for the acquisition of Continental Outdoor in Africa. This will enable us to become the market leader with the largest platform for growth in Africa. We will continue to focus on organic growth and to selectively invest in value accretive acquisitions.

The strength of our balance sheet remains a key competitive advantage that will allow us to pursue further external growth opportunities as they arise and to optimize the Group's financial structure. Consequently, at the Annual General Meeting, the Company is recommending the payment of a dividend of €0.50 per share and intends, following the Annual General Meeting and in accordance with the framework that will have been set thereby, to launch a share buy-back by way of an OPAS for up to €500 million, with subsequent cancellation of the shares bought back.

Regarding Q1 2015, we expect our organic revenue growth rate to be at around 3%.

Looking forward, we remain convinced that out-of-home retains its strength and attractiveness in an increasingly fragmented media landscape. With our accelerating exposure to fast growing markets, our growing premium digital portfolio, our ability to win new contracts and the high quality of our teams across the world, we believe we are well positioned to outperform the advertising market and increase our leadership position in the outdoor advertising industry through profitable market share gains."

ADJUSTED REVENUES

As reported on January 27th, 2015, consolidated adjusted revenues increased by +5.1% to €2,813.3 million in 2014. Adjusted organic revenue growth of +3.8% was driven by the strength of our Transport segment, especially in Asia-Pacific. Adjusted organic revenue growth in the Street Furniture segment was up in 2014 in Europe (including France and the UK) and Asia-Pacific, reinforced by the strong growth of Rest of the World markets. The Billboard segment continued to remain challenging throughout the year with an encouraging Q4 in Europe (including France and the UK).

ADJUSTED OPERATING MARGIN (1)

In 2014, the Group adjusted operating margin increased by +1.0% to €630.0 million from €623.6 million in 2013. The adjusted operating margin as a percentage of consolidated revenues was 22.4%, 90 basis points below the previous year.

	2014		2013		Change 14/13	
	(€m)	% of revenues	(€m)	% of revenues	Change (%)	Margin rate (bp)
Street Furniture	408.0	32.0%	391.0	32.8%	+4.3%	-80bps
Transport	175.7	16.3%	170.2	16.8%	+3.2%	-50bps
Billboard	46.3	10.1%	62.4	13.3%	-25.8%	-320bps
Total	**630.0**	**22.4%**	**623.6**	**23.3%**	**+1.0%**	**-90bps**

Street Furniture: Adjusted operating margin increased by +4.3% to €408.0 million in 2014. As a percentage of revenues, the adjusted operating margin decreased by -80bps to 32.0% due to new contracts in emerging markets where operating charges increased while revenues were still ramping up, partially offset by continued cost control throughout all geographies.

Transport: Adjusted operating margin increased by +3.2% to €175.7 million in 2014. As a percentage of revenues, the adjusted operating margin slightly decreased by -50bps at 16.3%, partly due to a different mix of revenues in China and to the start-up of new contracts in the US (Boston airport and renewal of Los Angeles airport).

Billboard: Adjusted operating margin decreased by -25.8% to €46.3 million in 2014. As a percentage of revenues, adjusted operating margin decreased by -320bps to 10.1%. It reflects the difficult conditions in the traditional billboard business where both in the UK and France there are still too many operators. As far as Russia is concerned, the market conditions remain very tough.

ADJUSTED EBIT (2)

In 2014, adjusted EBIT before impairment charge decreased by -4.7% to €334.9 million compared to €351.6 million in 2013. As a percentage of consolidated revenues, this represented a -120bps decrease to 11.9%, from 13.1% in 2013. Consumption of maintenance spare parts slightly increased. Net amortization and provisions were up compared to last year. Other operating income and expenses slightly decreased.

The difficult market conditions in North America and the on-going geo-political tensions in Ukraine led to the booking of a -€31.8 million impairment charge as a result of impairment tests conducted on tangible and intangible assets and net asset of joint-controlled entities.
Adjusted EBIT after impairment charge increased to €303.1 million compared to €219.6 million in 2013.

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NET FINANCIAL INCOME / (LOSS) (3)

In 2014, net financial income was -€26.2 million compared to -€23.4 million in 2013. This evolution is mainly due to foreign exchange effect.

EQUITY AFFILIATES (4)

Share of net profit from equity affiliates increased to €70.3 million compared to €68.8 million last year, mainly due to APG|SGA result in Switzerland.

NET INCOME GROUP SHARE

In 2014, net income Group share before impairment charge decreased by -1.9% to €215.6 million, compared to €219.8 million in 2013.
Taking into account the -€21.3 million impact from the impairment charge, net income Group share increased by +114.7% to €194.3 million compared to €90.5 million in 2013.

ADJUSTED CAPITAL EXPENDITURE

The decrease in net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) to €200.2 million is in line with our expectations.

ADJUSTED FREE CASH FLOW (5)

Adjusted free cash flow was €297.9 million in 2014, increasing by +65.7% compared to €179.8 million in 2013. This increase is due to the higher operating cash flow, a lower level of capex (in line with our expectations) and a strong improvement of the change in working capital requirement.

NET DEBT (6)

The Group was fully deleveraged as of December 31st, 2014 with a net cash position of €83.5 million compared to a net debt position of €1.7 million as of December 31st, 2013.

DIVIDEND

At the next Annual General Meeting of Shareholders on May 13th, 2015, the Supervisory Board will recommend the payment of a dividend of €0.50 per share for the 2014 financial year, which represents a +4.2% increase compared to the previous year.

INTENTION TO LAUNCH AN OPAS

On the back of strong operating and financial performance, resulting in a net positive cash position of €83.5 million for the Group, the Executive Board of Directors has decided to optimize the Group's financial structure.

To this effect, JCDecaux announces its intention to buy back, by way of a Simplified Public Tender Offer ("Offre Publique d'Achat Simplifiée", OPAS), up to €500 million of its share capital. The terms thereof will be set after the Annual General Meeting which will take place on May 13th, 2015 and during which shareholders will be called to vote to renew or amend existing authorizations. JCDecaux Holding SAS has stated that it will tender shares *pro rata* to its ownership of JCDecaux capital. JCDecaux plans to cancel the shares bought back.

ADJUSTED DATA

Under IFRS 11, applicable from January 1st, 2014, companies under joint control are accounted for using the equity method.
However in order to reflect the business reality of the Group, operating data of the companies under joint control will continue to be proportionately integrated in the operating management reports used to monitor the activity, allocate resources and measure performance.
Consequently, pursuant to IFRS 8, Segment Reporting presented in the financial statements shall comply with the Group's internal information, and the Group's external financial communication will therefore rely on this operating financial information. Financial information and comments will therefore be based on "adjusted" data, consistent with historical data, which will be reconciled with IFRS financial statements. As regards the P&L, it concerns all aggregates down to the EBIT. As regards the cash flow statement, it concerns all aggregates down to the free cash flow.

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In 2014, the impact of IFRS 11 on our adjusted aggregates was:

- -€331.1 million on adjusted revenues (-€342.1 million in 2013) leaving IFRS revenues at €2,482.2 million (€2,334.1 million in 2013).
- -€99.0 million on adjusted operating margin (-€106.1 million in 2013) leaving IFRS operating margin at €531.0 million (€517.5 million in 2013).
- -€77.9 million on adjusted EBIT before impairment charge (-€84.2 million in 2013) leaving IFRS EBIT before impairment charge at €257.0 million (€267.4 million in 2013).
- -€70.8 million on adjusted EBIT after impairment charge (-€77.8 million in 2013) leaving IFRS EBIT after impairment charge at €232.3 million (€141.8 million in 2013).
- +€32.1 million on adjusted capital expenditure (+€13.7 million in 2013) leaving IFRS capital expenditure at €168.1 million (€208.4 million in 2013).
- +€14.7 million on adjusted free cash flow (+€41.3 million in 2013) leaving IFRS free cash flow at €312.6 million (€221.1 million in 2013).

The full reconciliation between IFRS figures and adjusted figures is provided on page 6 of this release.

NOTES

(1) **Operating Margin:** Revenues less Direct Operating Expenses (excluding Maintenance spare parts) less SG&A expenses.

(2) **EBIT:** Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions (net) less Impairment of goodwill, less Maintenance spare parts less Other operating income and expenses.

(3) **Net financial income / (loss):** Excluding the impact of actualization of debt on commitments to purchase minority interests (-€6.3 million and -€2.5 million in 2014 and 2013 respectively).
2013 figure is proforma of the impact of IFRS11 on Joint-Arrangements. The impact on previously published 2013 figure is €2.9 million.

(4) **Equity affiliates:** 2013 figure is proforma of the impact of IFRS11 on Joint-Arrangements. The impact on previously published 2013 figure is €55.4 million.

(5) **Free cash flow:** Net cash flow from operating activities less capital investments (property, plant and equipment and intangible assets) net of disposals.

(6) **Net debt:** Debt net of cash managed less bank overdrafts, excluding the non-cash IAS 32 impact (debt on commitments to purchase minority interests), including the non-cash IAS 39 impact on both debt and hedging financial derivatives. 2013 figure is proforma of the impact of IFRS 11 on Joint Arrangements. The impact on previously published 2013 net debt is €33.7 million.

Next information:
Q1 2015 revenues: May 6th, 2015 (after market)
Annual General Meeting of Shareholders: May 13th, 2015

Key Figures for the Group

- *2014 revenues: €2,813m*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 index*
- *N°1 worldwide in street furniture (491,710 advertising panels)*
- *N°1 worldwide in transport advertising with more than 135 airports and more than 279 contracts in metros, buses, trains and tramways (379,060 advertising panels)*
- *N°1 in Europe for billboards (180,590 advertising panels)*
- *N°1 in outdoor advertising in the Asia-Pacific region (215,350 advertising panels)*
- *N°1 in outdoor advertising in Latin America (52,340 advertising panels)*
- *N°1 worldwide for self-service bicycle hire*
- *1,078,220 advertising panels in more than 60 countries*
- *Present in 3,700 cities with more than 10,000 inhabitants*
- *11,900 employees*

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Forward looking statements

This news release may contain some forward-looking statements. These statements are not undertakings as to the future performance of the Company. Although the Company considers that such statements are based on reasonable expectations and assumptions on the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual performance to differ from those indicated or implied in such statements.
These risks and uncertainties include without limitation the risk factors that are described in the annual report registered in France with the French Autorité des Marchés Financiers.
Investors and holders of shares of the Company may obtain copy of such annual report by contacting the Autorité des Marchés Financiers on its website www.amf-france.org or directly on the Company website www.jcdecaux.com.
The Company does not have the obligation and undertakes no obligation to update or revise any of the forward-looking statements.

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RECONCILIATION BETWEEN IFRS FIGURES AND ADJUSTED FIGURES

Profit & Loss

	2014			2013		
€m	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
Revenues	**2,813.3**	**(331.1)**	**2,482.2**	**2,676.2**	**(342.1)**	**2,334.1**
Operating costs	(2,183.3)	232.1	(1,951.2)	(2,052.6)	236.0	(1,816.6)
Operating margin	**630.0**	**(99.0)**	**531.0**	**623.6**	**(106.1)**	**517.5**
Spare parts	(42.1)	1.2	(40.9)	(37.0)	1.0	(36.0)
Amortization and provisions (net)	(254.2)	19.0	(235.2)	(236.5)	18.9	(217.6)
Other operating income/ expenses	1.2	0.9	2.1	1.5	2.0	3.5
EBIT before impairment charge	**334.9**	**(77.9)**	**257.0**	**351.6**	**(84.2)**	**267.4**
Impairment charge [1]	(31.8)	7.1	(24.7)	(132.0)	6.4	(125.6)
EBIT after impairment charge	**303.1**	**(70.8)**	**232.3**	**219.6**	**(77.8)**	**141.8**

[1] Including impairment charge on net assets of companies under joint control

Cash-flow Statement

	2014			2013		
€m	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
Funds from operations net of maintenance costs	**494.6**	**(20.8)**	**473.8**	**459.7**	**(16.1)**	**443.6**
Change in working capital requirement	3.5	3.4	6.9	(57.8)	43.7	(14.1)
Net cash flow from operating activities	**498.1**	**(17.4)**	**480.7**	**401.9**	**27.6**	**429.5**
Capital expenditure	(200.2)	32.1	(168.1)	(222.1)	13.7	(208.4)
Free cash flow	**297.9**	**14.7**	**312.6**	**179.8**	**41.3**	**221.1**