JCDecaux

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
Norway
Oman
Panama
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

H1 2014 Results

- **Adjusted revenues up 3.3% to €1,304.8 million**
- **Adjusted organic revenues up 4.0%, with a solid Q2 (+5.3%)**
- **Adjusted operating margin of €263.5 million, down 1.6%**
- **Adjusted EBIT, before impairment charge, of €131.1 million, down 6.0%**
- **Net income Group share, before impairment charge, of €79.1 million, down 9.9%**
- **Adjusted free cash flow of 101.3 million, up 62.9%**
- **Organic growth of adjusted revenues in Q3 expected to be slightly below H1 level**

Paris, 31st July 2014 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its 2014 half year financial results.

Following the adoption of IFRS 11 from 1st January 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 page 5 of this release for the definition of adjusted data and reconciliation with IFRS.

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

“We are pleased to report a better than expected organic revenue growth of 5.3% in Q2, leading to an organic growth rate of 4.0% in H1 with revenues of €1.3 billion, driven by the performance of Street Furniture and Transport. Having said that, both the strong decline in profitability of our Russian billboard business, and the increased rent and fees from new projects where revenues are still ramping up, had a negative impact on our overall results. Free cash flow generation was particularly strong in the first half while we continued to enhance our digital portfolio as well as expand our footprint in fast growing countries, which now make up a third of our revenues.

Bearing in mind the limited visibility, the continued volatility in most markets, and some geo-political tensions, we currently anticipate Q3 organic growth to be slightly below H1 level.

Looking forward, we remain convinced that out-of-home retains its strength and attractiveness in an increasingly fragmented media landscape. JCDecaux is well positioned to outperform the advertising market and increase its leadership position in the outdoor advertising industry. The strength of our balance sheet is a key competitive advantage that will allow us to pursue further external growth opportunities as they arise. We also want to take the opportunity to thank all of our teams for their continued enthusiasm and commitment.”

50 YEARS OF PASSION AND INNOVATION
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Registered capital of 3,412,674.05 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

ADJUSTED REVENUES

Adjusted revenues for the six months ending 30th June 2014 increased 3.3% to €1,304.8 million from €1,263.5 million in the same period last year. On an organic basis (i.e. excluding the negative impact from foreign exchange variations - especially emerging market currencies - and the positive impact from changes in perimeter), adjusted revenues grew by 4.0%. Adjusted advertising revenues, excluding revenues related to sale, rental and maintenance, increased by 3.4% on an organic basis in the first half of 2014.

In the second quarter, adjusted revenues increased by 4.7% to €730.7 million. On an organic basis, adjusted revenues grew by 5.3% compared to Q2 2013.
Adjusted advertising revenues, excluding revenues related to sale, rental and maintenance, increased by 4.9% on an organic basis in Q2 2014.

Adjusted revenues

€m	2014			2013			Change 14/13		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
Street Furniture	260.3	337.3	**597.6**	255.7	310.7	**566.4**	+1.8%	+8.6%	**+5.5%**
Transport	216.7	266.4	**483.1**	206.9	258.0	**464.9**	+4.7%	+3.3%	**+3.9%**
Billboard	97.1	127.0	**224.1**	103.1	129.1	**232.2**	-5.8%	-1.6%	**-3.5%**
Total	**574.1**	**730.7**	**1,304.8**	**565.7**	**697.8**	**1,263.5**	**+1.5%**	**+4.7%**	**+3.3%**

Adjusted organic revenues growth [a]

	Change 14/13		
	Q1	Q2	H1
Street Furniture	+2.5%	+6.3%	**+4.6%**
Transport	+7.3%	+7.1%	**+7.2%**
Billboard	-8.2%	-1.0%	**-4.2%**
Total	**+2.3%**	**+5.3%**	**+4.0%**

a. *Excluding acquisitions/divestitures and the impact of foreign exchange*

Adjusted revenues by geographic area

€m	H1 2014	H1 2013	Reported growth	Organic growth[a]
Europe[b]	362.1	356.3	+1.6%	+2.7%
France	304.2	299.9	+1.4%	+1.4%
Asia-Pacific	286.6	279.4	+2.6%	+7.6%
United Kingdom	150.6	143.9	+4.7%	+1.0%
Rest of the World	124.8	98.0	+27.3%	+20.0%
North America	76.5	86.0	-11.0%	-7.0%
Total	**1,304.8**	**1,263.5**	**+3.3%**	**+4.0%**

a. *Excluding acquisitions/divestitures and the impact of foreign exchange*
b. *Excluding France and the United Kingdom*

Please note that the geographic comments below refer to organic revenue growth.

Street Furniture

First half adjusted revenues increased by 5.5% to €597.6 million (+4.6% on an organic basis). Europe (including France and the UK) was up. Asia-Pacific was virtually flat, North America was down and the Rest of the World saw strong growth.
First half adjusted advertising revenues, excluding revenues related to sale, rental and maintenance were up 4.8% on an organic basis compared to the first half of 2013.

In the second quarter, adjusted revenues increased by 8.6% to €337.3 million. On an organic basis, adjusted revenues increased by 6.3% compared to the same period last year. The sequential increase relative to Q1 (+2.5%) reflected slightly better market conditions in Europe. Adjusted advertising revenues, excluding revenues related to sale, rental and maintenance were up 6.7% on an organic basis in Q2 2014 compared to Q2 2013.

Transport

Adjusted revenues increased by 3.9% to €483.1 million (+7.2% on an organic basis) during the first half. Europe (including France and the UK) delivered solid growth. Asia-Pacific showed good growth. The Rest of the World continued to be strong in most markets. North America was down.

In the second quarter, adjusted revenues increased by 3.3% to €266.4 million (+7.1% on an organic basis).

Billboard

Adjusted revenues during the first half fell by 3.5% to €224.1 million (-4.2% on an organic basis). Europe (including France and the UK) remained challenging. The Rest of the World was down reflecting the situation in Moscow where the removal of c. 5,000 illegal billboards was delayed. The removal of these illegal billboards is now finished and we expect occupancy rates to improve in the second half.

In the second quarter, adjusted revenues decreased by 1.6% to €127.0 million compared to Q2 2013 (-1.0% on an organic basis).

ADJUSTED OPERATING MARGIN [1]

In the first half of 2014, adjusted operating margin decreased by 1.6% to €263.5 million from €267.8 million in the same period last year. The adjusted operating margin as a percentage of revenues was 20.2%, 100 basis points below prior year.

	H1 2014		H1 2013		Change 14/13	
	(€m)	% of revenues	(€m)	% of revenues	Change (%)	Margin rate (bp)
Street Furniture	177.8	29.8%	169.8	30.0%	+4.7%	-20bps
Transport	70.7	14.6%	69.2	14.9%	+2.2%	-30bps
Billboard	15.0	6.7%	28.8	12.4%	-47.9%	-570bps
Total	**263.5**	**20.2%**	**267.8**	**21.2%**	**-1.6%**	**-100bps**

Street Furniture: In the first half of 2014, adjusted operating margin increased by 4.7% to €177.8 million. As a percentage of revenues, the adjusted operating margin was 20bps below H1 2013 level, at 29.8%, due to various effects, including further strengthening our teams in some fast-growing regions.

Transport: In the first half of 2014, adjusted operating margin increased by 2.2% to €70.7 million. As a percentage of revenues, the adjusted operating margin decreased by 30bps to 14.6% primarily due to new contracts which have not yet achieved normalized revenue run rates particularly in the US and some fast-growing markets.

Billboard: In the first half of 2014, adjusted operating margin decreased by 47.9% to €15.0 million. As a percentage of revenues, adjusted operating margin decreased by 570bps to 6.7% compared to the first half of 2013. This reflects both the organic revenue decrease in continental Europe, and the situation in Russia, where increased rent and fees resulting from the new 10-year contracts in Moscow could not be offset by higher revenues due to the delayed removal of approximately 5,000 illegal billboards by the municipality. Moreover, the geo-political backdrop was unhelpful to the business in that region.

ADJUSTED EBIT [2]

In the first half of 2014, adjusted EBIT before impairment charge decreased by 6.0% to €131.1 million compared to €139.5 million in the first half of 2013. As a percentage of revenues, this represented a 100bps decrease to 10.0%, from 11.0% in H1 2013. The consumption of maintenance spare parts was slightly up in H1 2014 compared to H1 2013. Net amortization and provisions were up compared to the same period last year. Other operating income and expenses slightly improved.

The on-going geo-political tensions in Ukraine led to a €4.5 million impairment charge as a result of impairment tests. This was partially offset by a €1.1 million reversal on provisions. Adjusted EBIT, after impairment charge decreased to €127.7 million compared to €139.2 in H1 2013.

NET FINANCIAL INCOME / (LOSS) (3)

In the first half of 2014, net financial income was -€15.6 million compared to -€11.9 million in the first half of 2013, mainly due to the impact from foreign exchange variations on some local borrowings.

EQUITY AFFILIATES (4)

In the first half of 2014, the share of net profit from equity affiliates was €25.3 million, lower compared to the same period last year (€30.0 million), largely attributed to Russ Outdoor.

NET INCOME GROUP SHARE

In the first half of 2014, net income Group share before impairment charge decreased by 9.9% to €79.1 million compared to €87.8 million in H1 2013.
Taking into account the impact from the impairment charge, net income Group share decreased to €75.4 million compared to €87.5 million in H1 2013.

ADJUSTED CAPITAL EXPENDITURE

In the first half of 2014, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was in line with our expectations at €71.0 million compared to €87.2 million during the same period last year.

ADJUSTED FREE CASH FLOW (5)

In the first half of 2014, adjusted free cash flow was €101.3 million compared to €62.2 million in the same period last year. This increase is due to lower capex, favorable movements from change in working capital and to a lower tax paid.

NET DEBT (6)

Net debt as of 30th June 2014 amounted to €113.3 million compared to €179.5 million as of 30th June 2013, representing 0.2 times the last 12 months operating margin.

DIVIDEND

The dividend of €0.48 per share for the 2013 financial year, approved at the Annual General Meeting of Shareholders on 14th May 2014, was paid on 21st May 2014, for a total amount of €107.3 million.

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 (-€2.1 million and -€3.8 million in H1 2014 and H1 2013 respectively). H1 2013 figure is proforma of the impact of IFRS 11 on Joint Arrangements. The impact on previously published H1 2013 figure is €1.6 million.
(4) **Equity affiliates** H1 2013 figure is proforma of the impact of IFRS 11 on Joint Arrangements. The impact on previously published H1 2013 figure is €23.1 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
H1 2013 figure is proforma of the impact of IFRS 11 on Joint Arrangements. The impact on previously published H1 2013 net debt is €89.3 million

ADJUSTED DATA

Under IFRS 11, applicable from 1st January 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.

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

- -€153.7 million on adjusted revenues (-€155.9 million in H1 2013) leaving IFRS revenues at €1,151.1 million (€1,107.6 million in H1 2013).
- -€40.1 million on adjusted operating margin (-€47.4 million in H1 2013) leaving IFRS operating margin at €223.4 million (€220.4 million in H1 2013).
- -€30.0 million on adjusted EBIT before impairment charge (-€35.6 million in H1 2013) leaving IFRS EBIT before impairment charge at €101.1 million (€103.9 million in H1 2013).
- -€25.5 million on adjusted EBIT after impairment charge (-€35.6 million in H1 2013) leaving IFRS EBIT after impairment charge at €102.2 million (€103.6 million in H1 2013).
- +€8.3 million on adjusted capital expenditure (€4.3 million in H1 2013) leaving IFRS capital expenditure at €62.7 million (€82.9 million in H1 2013).
- -€16.0 million on adjusted free cash flow (-€16.8 million in H1 2013) leaving IFRS free cash flow at €85.3 million (€45.4 million in H1 2013).

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

Next information:
Q3 2014 revenues: 6th November 2014 (after market)

Key Figures for the Group

- *2013 revenues: €2,676m ; H1 2014: €1,305m*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 index*
- *No.1 worldwide in street furniture (480,400 advertising panels)*
- *No.1 worldwide in transport advertising with more than 145 airports and more than 276 contracts in metros, buses, trains and tramways (379,000 advertising panels)*
- *No.1 in Europe for billboards (191,000 advertising panels)*
- *No.1 in outdoor advertising in the Asia-Pacific region (211,400 advertising panels)*
- *No.1 in outdoor advertising in Latin America (30,000 advertising panels)*
- *No.1 worldwide for self-service bicycle hire*
- *1,082,400 advertising panels in more than 60 countries*
- *Present in 3,700 cities with more than 10,000 inhabitants*
- *11,900 employees*

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

P&L	H1 2014			H1 2013		
€m	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
Revenues	**1,304.8**	**-153.7**	**1,151.1**	**1,263.5**	**-155.9**	**1,107.6**
Operating costs	-1,041.3	113.6	-927.7	-995.7	108.5	-887.2
Operating margin	**263.5**	**-40.1**	**223.4**	**267.8**	**-47.4**	**220.4**
Spare parts	-18.7	0.6	-18.1	-18.0	0.5	-17.5
Amortization and provisions (net)	-120.6	9.4	-111.2	-116.8	9.4	-107.4
Other operating income/ expenses	6.9	0.1	7.0	6.5	1.9	8.4
EBIT before impairment charge	**131.1**	**-30.0**	**101.1**	**139.5**	**-35.6**	**103.9**
Impairment charge (1)	-3.4	4.5	1.1	-0.3	-	-0.3
EBIT after impairment charge	**127.7**	**-25.5**	**102.2**	**139.2**	**-35.6**	**103.6**

(1) Including impairment charge on net assets of companies under joint control

Cash-flow Statement	H1 2014			H1 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	**189.8**	**-6.0**	**183.8**	**180.8**	**-19.2**	**161.6**
Change in working capital requirement	-17.5	-18.3	-35.8	-31.4	-1.9	-33.3
Net cash flow from operating activities	**172.3**	**-24.3**	**148.0**	**149.4**	**-21.1**	**128.3**
Capital expenditure	-71.0	8.3	-62.7	-87.2	4.3	-82.9
Free cash flow	**101.3**	**-16.0**	**85.3**	**62.2**	**-16.8**	**45.4**

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