Q3 2020 – Business review

Paris, November 5th, 2020 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, published today its business review for the third quarter of 2020.

THIRD QUARTER 2020: BUSINESS HIGHLIGHTS

Key contracts wins

- ***Rest of the World***

In August, JCDecaux announced that it has won, following a public bidding process, the 20-year street furniture contract of Campinas (population: 1.2 million), the third most populated municipality in the state of São Paulo. This exclusive contract covers the conception, installation, management, maintenance and advertising operation of 140 digital clocks, all of which will offer creative and customized solutions to meet local advertising demand.

Other

- ***Rest of the World***

In July, JCDecaux announced the sale of its 25% minority stake held by its subsidiary JCDecaux CEE, in ROOH B.V., the holding company of Russ Outdoor activities in Russia to Stinn, current main shareholder of ROOH B.V.

THIRD QUARTER 2020 AND OUTLOOK

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. Please refer to the paragraph "Adjusted data" on page 3 of this release for the definition of adjusted data and reconciliation with IFRS.
The values shown in the tables are generally expressed in millions of euros. The sum of the rounded amounts or variations calculations may differ, albeit to an insignificant extent, from the reported values.

Adjusted revenue for the third quarter of 2020 decreased by -41.5% to €541.2 million compared to €925.8 million in the third quarter of 2019.
Excluding the negative impact from foreign exchange variations and the negative impact from changes in perimeter, adjusted organic revenue declined by -37.9%.
Adjusted organic advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, decreased by -39.3% in the third quarter of 2020.

Q3 adjusted revenue	2020 (€m)	2019 (€m)	Reported growth	Organic growth[a]
Street Furniture	281.7	390.4	-27.8%	-26.5%
Transport	172.6	400.7	-56.9%	-52.0%
Billboard	87.0	134.8	-35.5%	-28.7%
Total	**541.2**	**925.8**	**-41.5%**	**-37.9%**

(a) Excluding acquisitions/divestitures and the impact of foreign exchange

JCDecaux SA
United Kingdom: 27 Sale Place - London W2 1YR - Tel.: +44 (0)20 7298 8000
Head Office: 17, rue Soyer - 92200 Neuilly-sur-Seine - France - Tel.: +33 (0)1 30 79 79 79
www.jcdecaux.com
A public limited corporation with an Executive Board and Supervisory Board
Registered capital of 3,243,470.83 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

JCDecaux

9-month adjusted revenue	2020 (€m)	2019 (€m)	Reported growth	Organic growth[(a)]
Street Furniture	761.6	1,180.9	-35.5%	-34.8%
Transport	595.5	1,177.7	-49.4%	-46.9%
Billboard	259.6	409.5	-36.6%	-34.3%
Total	**1,616.7**	**2,768.1**	**-41.6%**	**-39.9%**

(a) Excluding acquisitions/divestitures and the impact of foreign exchange

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

STREET FURNITURE

Third quarter adjusted revenue decreased by -27.8% to €281.7 million (-26.5% on an organic basis), but with diverging trends market by market, depending on measures taken by national governments and local authorities such as lockdowns or curfews. France and the Rest of Europe performed much better than UK, North America, Asia-Pacific and the Rest of the World thanks to better city audience figures, which were, in some countries, almost back to pre-Covid level.
Third quarter adjusted organic advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were down -28.7% compared to the third quarter of 2019.

TRANSPORT

Third quarter adjusted revenue decreased by -56.9% to €172.6 million (-52.0% on an organic basis), significantly impacted by the Covid-19 outbreak, reflecting a strong decline globally in both airport passenger traffic as well as public transport commuting. UK, the Rest of the World and North America were the most affected regions. In Mainland China, the on-going recovery in domestic traffic continued, in both metros and airports which were almost at pre-Covid audience level towards the end of the quarter but with advertising revenue lagging, while international air traffic remained highly impacted.

BILLBOARD

Third quarter adjusted revenue decreased by -35.5% to €87.0 million (-28.7% on an organic basis), but with diverging trends market by market as well, depending on measures taken by national governments and local authorities. UK and Asia-Pacific were the most affected regions while France was the least affected.

Commenting on the 2020 third quarter revenue, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"Our Q3 2020 organic revenue decline at -37.9% was less than Q2 2020 (-63.4%) but remained highly affected by the Covid-19 pandemic. This improvement was driven by the post-lockdown urban audience recovery which was nonetheless not the same all over the world. This explains the better performance of both Street Furniture and Billboard, while Transport remained meaningfully impacted by a significant decline globally in airport passenger traffic and, to a lesser extent, in public transport commuting.

By geography, France and the Rest of Europe recorded green shoots, mainly in Street Furniture. The improvement over the third quarter in Mainland China in businesses exposed to domestic audiences which are almost back to pre-Covid level, mainly metros and domestic airport terminals, was offset by the poor performance in our airport business related to international traffic which remained heavily affected by little international traffic. North America, the Rest of the World and UK were the most affected regions across the 3 business segments.

As far as digital revenue, which represents 23.6% of Group revenue by the end of September 2020, is concerned, programmatic sales, which are still a very small part of our business, achieved their best performance ever during the quarter, through the VIOOH trading platform which is now connected to 30 DSPs (Demand Side Platforms)

While we do not see any real change in current trading compared to Q3 2020 but with Covid-19 cases growth throughout the world triggering new mobility restrictions such as lockdowns, curfews, closures of restaurants, cinemas, … it remains impossible to give any guidance for Q4 2020.

In order to mitigate the revenue decline, JCDecaux remains highly focused and proactive in dedicated actions including but not limited to rents & fees reliefs, severe cost management, reduced capital investment, tight control over working capital requirement and debt refinancing.

Finally, I would like to sincerely thank for the hard work, commitment and motivation of our teams across the world.

In a media landscape increasingly fragmented and more and more digital, out-of-home and digital out-of-home advertising reinforce its attractiveness. As the most digitised global OOH company with our new data-led audience targeting and programmatic platform, our well diversified portfolio, our ability to win new contracts, the strength of our balance sheet and the high quality of our teams across the world, we believe we are well positioned to benefit from the rebound."

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 by directors to monitor the activity, allocate resources and measure performance.

Consequently, pursuant to IFRS 8, Segment Reporting presented in the financial statements complies with the Group's internal information, and the Group's external financial communication therefore relies on this operating financial information. Financial information and comments are therefore based on "adjusted" data, consistent with historical data prior to 2014, which is reconciled with IFRS financial statements.

In Q3 2020, the impact of IFRS 11 on adjusted revenue was -€46.2 million (-€93.7 million in Q3 2019), leaving IFRS revenue at €495.0 million (€832.1 million in Q3 2019).

For the first nine months of 2020, the impact of IFRS 11 on adjusted revenue was -€153.1 million (-€284.6 million for the first nine months of 2019), leaving IFRS revenue at €1,463.6 million (€2,483.5 million for the first nine months of 2019).

ORGANIC GROWTH DEFINITION

The Group's organic growth corresponds to the adjusted revenue growth excluding foreign exchange impact and perimeter effect. The reference fiscal year remains unchanged regarding the reported figures, and the organic growth is calculated by converting the revenue of the current fiscal year at the average exchange rates of the previous year and taking into account the perimeter variations *prorata temporis*, but including revenue variations from the gains of new contracts and the losses of contracts previously held in our portfolio.

€m		Q1	Q2	Q3	9M
2019 adjusted revenue	**(a)**	**840.0**	**1,002.3**	**925.8**	**2,768.1**
2020 IFRS revenue	**(b)**	**658.2**	**310.4**	**495.0**	**1,463.6**
IFRS 11 impacts	(c)	65.4	41.5	46.2	153.1
2020 adjusted revenue	**(d) = (b) + (c)**	**723.6**	**351.8**	**541.2**	**1,616.7**
Currency impacts	(e)	1.7	8.0	15.5	25.2
2020 adjusted revenue at 2019 exchange rates	**(f) = (d) + (e)**	**725.3**	**359.9**	**556.7**	**1,641.9**
Change in scope	(g)	(2.3)	7.0	18.4	23.1
2020 adjusted organic revenue	**(h) = (f) + (g)**	**723.0**	**366.8**	**575.2**	**1,665.0**
Organic growth	**(i) = (h) / (a)**	**-13.9%**	**-63.4%**	**-37.9%**	**-39.9%**

€m	Impact of currency as of September 30th, 2020
BRL	7.2
RMB	3.8
AUD	3.2
MXN	1.9
Other	9.1
Total	**25.2**

Average exchange rate	9M 2020	9M 2019
BRL	0.1751	0.2291
RMB	0.1271	0.1296
AUD	0.6014	0.6220
MXN	0.0408	0.0462

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.

FINANCIAL SITUATION

The evolution of revenues is the major factor which to impact the operating margin, free cash flow or net debt during Q3 2020.