JCDecaux

Business report FY 2020

March 15th, 2021

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ANNUAL BUSINESS REVIEW – FY 2020

ANNUAL FINANCIAL RELEASE – FY 2020

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- **Adjusted EBIT, before impairment charge, of -€352.9 million**
- **Net income Group share of -€604.6 million, including an impairment charge of €211.3 million**
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- **Proposal not to pay any dividend in 2021**
- **Adjusted organic revenue decline in Q1 2021 at around -40% but double digit rebound in domestic Chinese advertising revenue**

Paris, March 11th, 2021 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended December 31st, 2020. JCDecaux Supervisory Board, which met on March 10th, 2021, approved the audited financial statements for fiscal year 2020. A report with an unqualified opinion is being issued by the Statutory Auditors.

Following the adoptions of IFRS 11 from January 1st, 2014 and IFRS 16 from January 1st, 2019, and in compliance with the AMF's instructions, the operating data presented below are adjusted:
- to include our *prorata* share in companies under joint control, regarding IFRS 11,
- to exclude the impact of IFRS 16 on our core business lease contracts (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).

Please refer to the paragraph "Adjusted data" on pages 6 and 7 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.

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

"In 2020, JCDecaux, the world's largest Out-of-Home media company, faced its most difficult year since it was founded in 1964, caused by the Covid-19 pandemic which forced national, regional and local governments to impose unprecedented mobility restrictions in modern history such as lockdowns, curfews, closures of stores, restaurants, cinemas, …

Our Group revenue declined by -40.6% reaching €2,311.8 million with a decrease in adjusted organic revenue of -38.1%, with a slightly better H2. Despite this strong decline, our 2020 operating margin remained positive at €141.6 million thanks to strong and fast adjustments achieved by our fully committed teams around the world in good faith with our partners. Our strong focus on cash preservation and cost savings paved the way for offsetting 59% of this very significant revenue decline. Our free cash flow remained solid at €161.9 million thanks to a tight control over working capital requirement and selective capex allocation for future growth, which led to a decrease in net debt at €1,086.3 million by the end of 2020.

Given the 2020 results, the first loss ever – including exceptional charges due to Covid-19 situation, we will propose at the Annual General Meeting which will take place on May 20th, 2021, not to pay any dividend in 2021.

Our digital transformation continues with a growing penetration in Street Furniture while the total share of digital revenue now represents 24% of Group revenue. While the current programmatic penetration is small, we are very well positioned to take advantage of the impressive growth forecast with our programmatic trading platform, VIOOH, which is the most connected platform with 20 DSPs transacting in 14 countries. Most advertising categories were significantly affected during the crisis, but we saw an increasing demand from Government and

Public Services to use our assets and to engage with citizens over the year. Our client mix with our Top 10 clients remains diversified and represents less than 13% of Group revenue.

We remained committed to bolt-on M&A acquisitions such as Clear Media in China through a consortium of investors in March 2020 and more recently Abri Services Media in France in December 2020. These 2 acquisitions in our largest 2 markets, will enable JCDecaux to benefit from the rebound of Street Furniture, the most profitable business segment, which will be the first business to fully recover.

Following the 4.6/5 score in the FTSE4Good index by FTSE Russell and a confirmed "A Leadership" ranking in the CDP Climate Change rating, JCDecaux has obtained the maximum AAA score in the Corporate Social Responsibility (CSR) rankings of the Morgan Stanley Capital International (MSCI) ratings agency for the fourth consecutive year. JCDecaux is the only company on the Media & Entertainment panel to have obtained MSCI's maximum rating in 2020. The acknowledgement of our sustainability strategy by extra-financial rating agencies demonstrates the excellence of our environmental, social and governance practices which have been in our DNA since the company was created, as well as our ongoing commitment to ensuring transparency towards our stakeholders.

As far as Q1 2021 is concerned, we expect an adjusted organic revenue decline at around -40%, due to ongoing and stronger mobility restrictions introduced in some large countries, such as UK and Germany, while a double digit rebound in domestic Chinese advertising revenue (excluding Hong Kong) is very encouraging. While we do not expect to recover our 2019 revenue level in 2021, we believe that the rebound will be strong when audiences return to pre-Covid levels.

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 REVENUE

As reported on January 28th, 2021, consolidated adjusted revenue decreased by -40.6% to €2,311.8 million in 2020. Adjusted organic revenue decreased by -38.1%. Our Street Furniture and Billboard revenue declined less than Transport reflecting better pedestrian and car traffic audiences recovering rapidly when lockdowns were lifted. Transport was the most affected part of our business with airports strongly impacted by the collapse of international traffic.

By geography, France and Rest of Europe improved the most over H2 2020, mainly thanks to Street Furniture. In Asia-Pacific and more specifically in Mainland China, businesses exposed to domestic audiences, including domestic airport terminals, improved in H2 2020 as well, while international hubs 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 throughout the year.

ADJUSTED OPERATING MARGIN (1)

In 2020, despite the unprecedented revenue decline, adjusted operating margin remained positive at €141.6 million, a decrease of -82.1% compared to €792.2 million in 2019. Adjusted operating margin as a percentage of revenue was 6.1%, -1,430bp below prior year.

	2020		2019		Change 20/19	
	€m	% of revenue	€m	% of revenue	Change (%)	Margin rate (bp)
Street Furniture	145.4	12.9%	452.3	26.8%	-67.9%	-1,390bp
Transport	2.6	0.3%	265.9	16.2%	-99.0%	-1,590bp
Billboard	(6.3)	-1.7%	74.1	13.1%	-108.5%	-1,480bp
Total	**141.6**	**6.1%**	**792.2**	**20.4%**	**-82.1%**	**-1,430bp**

Street Furniture: In 2020, adjusted operating margin decreased by -67.9% to €145.4 million. As a percentage of revenue, the adjusted operating margin decreased by -1,390bp to 12.9%, compared to 2019.

Transport: In 2020, adjusted operating margin decreased by -99.0% to €2.6 million. As a percentage of revenue, the adjusted operating margin decreased by -1,590bp to 0.3% compared to 2019.

Billboard: In 2020, adjusted operating margin decreased by -108.5% to -€6.3 million. As a percentage of revenue, adjusted operating margin decreased by -1,480bp to -1.7% compared to 2019.

ADJUSTED EBIT (2)

In 2020, adjusted EBIT before impairment charge decreased by -191.6% to -€352.9 million compared to €385.2 million in 2019. As a percentage of revenue, this represented a -2,520bp decrease to -15.3%, from 9.9% in 2019. The decrease is mainly due to the operating margin decline and, to a lesser extent, to non-recurring other operating income and expenses , such as a net loss on sale of Russ Outdoor mainly due to foreign exchange recycling for €39.0 million and restructuring costs for €31.7 million.

An overall -€222.3 million impairment charge was recognised in 2020 mainly due to the consequences of the Covid-19 situation: -€36.7 million impairment charge on intangible assets and PP&E, a -€9.4 million net provision for onerous contracts and -€0.2 million provision on net assets from companies under joint control and -€176.0m impairment charge on goodwill, of which -€128.0m related the Pacific region and -€48.0m related to the Billboard business in the Rest of the World (-€10.0m impairment charge on goodwill was recorded in 2019).

Adjusted EBIT, after impairment charge decreased by -249.4% to -€575.2 million compared to €384.9 million in 2019.

NET FINANCIAL INCOME / (LOSS) (3)

In 2020, interest expenses on IFRS 16 leases were -€118.1 million compared to -€152.0 million in 2019, a favourable variation of €33.9 million mainly coming from the mechanical impact of the contract life progression.

In 2020, excluding IFRS 16, other net financial income / (loss) was -€40.6 million compared to -€24.4 million in 2019, a variation of -€16.2 million corresponding to the financial interest expenses mainly relating to the €1.2 billion bond placed in April 2020.

EQUITY AFFILIATES

In 2020, the share of net profit from equity affiliates was -€1.3 million, lower compared to 2019 (€102.0 million), their business being negatively impacted by the Covid-19 pandemic.

NET INCOME GROUP SHARE

Net income Group share was a net loss of -€604.6 million in 2020 compared to €265.5 million in 2019.

Excluding the impact from the impairment charge, net income Group share was -€393.3 million in 2020 compared to €267.3 million in 2019.

ADJUSTED CAPITAL EXPENDITURE

In 2020, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was at €185.0 million compared to €375.4 million, down -50.7% compared to last year. Capex to pursue digitisation in premium locations and to roll-out our programmatic trading platform was maintained, as well as our IT projects to automate our business processes.

ADJUSTED FREE CASH FLOW [(4)]

In 2020, adjusted free cash flow was €161.9 million compared to €169.7 million in 2019. This limited decrease is mainly due to significantly lower working capital requirements with a tight management over cash collection and payment and a significant decrease in capex.

DIVIDEND

No dividend was paid in 2020 in the context of the Covid-19 pandemic, in order to strengthen Group’s liquidity, balance sheet and financial flexibility.

Given the 2020 results, we will recommend not to pay any dividend in 2021 at the next Annual General Meeting which will take place on May 20th, 2021.

NET DEBT [(5)]

Net debt as of December 31st, 2020 amounted to €1,086.3 million compared to a net debt position of €1,125.0 million as of December 31st, 2019 thanks to measures taken by the Group to mitigate the revenue decline and preserve cash.

RIGHTS-OF-USE & LEASE LIABILITIES, IFRS 16

Rights-of-use, IFRS 16 as of December 31st, 2020 amounted to €3,416.5 million compared to €4,115.8 million as of December 31st, 2019, a decrease related to the amortisation of rights-of-use, contracts renegotiations and foreign exchange rate impacts partially offset by new contracts, contracts extended and contracts renewed.

IFRS 16 lease liabilities decreased by €608.0 million from €4,753.8 million as of December 31st, 2019 to €4,145.8 million as of December 31st, 2020, the decrease in lease liabilities corresponding to rents paid and renegotiated and foreign exchange rate impacts partially offset by new contracts, contracts extended and contracts renewed.

ADJUSTED DATA

Under IFRS 11, applicable from January 1st, 2014, companies under joint control are accounted for using the equity method.

Under IFRS 16, applicable from January 1st, 2019, a lease liability for contractual fixed rental payments is recognised on the balance sheet, against a right-of-use asset to be depreciated over the lease term. As regards P&L, the fixed rent expense is replaced by the depreciation of the right-of-use in EBIT, below the operating margin, and a lease interest expense on the lease liability in financial result, below EBIT. As regards Free cash flow, IFRS 16 impact is restated on core and non-core business rents. IFRS 16 has no impact on cash payments but payment of debt (principal) is booked in funds from financing activities.

However, in order to reflect the business reality of the Group and the readability of our performance, our operating management reports used to monitor the activity, allocate resources and measure performance continue:

- To integrate on proportional basis operating data of the companies under joint control and;
- To exclude the IFRS 16 impact on our core business lease contracts (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).

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.

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, which is reconciled with IFRS financial statements.

In 2020, the impacts of IFRS 11 and IFRS 16 on our adjusted aggregates are:

- -€212.0 million for IFRS 11 on adjusted revenue (-€402.5 million for IFRS 11 in 2019) leaving IFRS revenue at €2,099.8 million (€3,487.6 million in 2019).
- -€41.5 million for IFRS 11 and €978.6 million for IFRS 16 on adjusted operating margin (-€123.8 million for IFRS 11 and €1,046.6 million for IFRS 16 in 2019) leaving IFRS operating margin at €1,078.7 million (€1,715.0 million in 2019).
- -€19.7 million for IFRS 11 and €118.9 million for IFRS 16 on adjusted EBIT before impairment charge (-€98.7 million for IFRS 11 and €185.0 million for IFRS 16 in 2019) leaving IFRS EBIT before impairment charge at -€253.7 million (€471.6 million in 2019).

- -€19.5 million for IFRS 11 and €118.9 million for IFRS 16 on adjusted EBIT after impairment charge (-€109.4 million for IFRS 11 and €185.0 million for IFRS 16 in 2019) leaving IFRS EBIT after impairment charge at -€475.8 million (€460.6 million in 2019).
- €8.0 million for IFRS 11 on adjusted capital expenditure (€15.1 million for IFRS 11 in 2019) leaving IFRS capital expenditure at -€176.9 million (-€360.3 million in 2019).
- €16.0 million for IFRS 11 and €533.2 million for IFRS 16 on adjusted free cash flow (€19.9 million for IFRS 11 and €950.3 million for IFRS 16 in 2019) leaving IFRS free cash flow at €711.2 million (€1,139.9 million in 2019).

The full reconciliation between adjusted figures and IFRS figures is provided on page 10 of this release.

NOTES

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

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

(3) **Net financial income / (loss):** Excluding the net impact of discounting and revaluation of debt on commitments to purchase minority interests (-€2.1 million and -€12.0 million in 2020 and 2019 respectively).

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

(5) **Net debt:** Debt net of managed cash less bank overdrafts, excluding the non-cash IAS 32 impact (debt on commitments to purchase minority interests), including the non-cash IFRS 9 impact on both debt and hedging financial derivatives and excluding IFRS 16 lease liabilities.

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	Q4	FY
2019 adjusted revenue	**(a)**	**840.0**	**1,002.3**	**925.8**	**1,122.0**	**3,890.2**
2020 IFRS revenue	**(b)**	**658.2**	**310.4**	**495.0**	**636.2**	**2,099.8**
IFRS 11 impacts	(c)	65.4	41.5	46.2	58.9	212.0
2020 adjusted revenue	**(d) = (b) + (c)**	**723.6**	**351.8**	**541.2**	**695.1**	**2,311.8**
Currency impacts	(e)	1.7	8.0	15.5	22.2	47.4
2020 adjusted revenue at 2019 exchange rates	**(f) = (d) + (e)**	**725.3**	**359.9**	**556.7**	**717.3**	**2,359.2**
Change in scope	(g)	(2.3)	7.0	18.4	24.8	47.9
2020 adjusted organic revenue	**(h) = (f) + (g)**	**723.0**	**366.8**	**575.2**	**742.1**	**2,407.1**
Organic growth	**(i) = (h) / (a)**	**-13.9%**	**-63.4%**	**-37.9%**	**-33.9%**	**-38.1%**

€m	Impact of currency as of December 31st, 2020
BRL	12.5
USD	4.8
RMB	4.7
AUD	3.7
Other	21.7
Total	**47.4**

Average exchange rate	FY 2020	FY 2019
BRL	0.1697	0.2266
USD	0.8755	0.8933
RMB	0.1270	0.1293
AUD	0.6043	0.6208

Next information:
Q1 2021 revenue: May 18th, 2021 (after market)
Annual General Meeting of Shareholders: May 20th, 2021

Key Figures for JCDecaux

- *2020 revenue: €2,312m*
- *Present in 3,670 cities with more than 10,000 inhabitants*
- *A daily audience of more than 840 million people in more than 80 countries*
- *10,230 employees*
- *Leader in self-service bike rental scheme: pioneer in eco-friendly mobility*
- *1st Out-of-Home Media company to join the RE100 (committed to 100% renewable energy)*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 and Euronext Family Business indexes*
- *JCDecaux is recognised for its extra-financial performance in the FTSE4Good, MSCI and CDP (Climate Change) rankings*
- *964,760 advertising panels worldwide*
- *N°1 worldwide in street furniture (489,500 advertising panels)*
- *N°1 worldwide in transport advertising with 156 airports and 249 contracts in metros, buses, trains and tramways (329,790 advertising panels)*
- *N°1 in Europe for billboards (129,970 advertising panels)*
- *N°1 in outdoor advertising in Europe (615,530 advertising panels)*
- *N°1 in outdoor advertising in Asia-Pacific (216,590 advertising panels)*
- *N°1 in outdoor advertising in Latin America (66,120 advertising panels)*
- *N°1 in outdoor advertising in Africa (22,500 advertising panels)*
- *N°1 in outdoor advertising in the Middle East (15,350 advertising panels)*

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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 ADJUSTED FIGURES AND IFRS FIGURES

Profit & Loss

€m	2020 Adjusted	2020 Impact of companies under joint control	2020 Impact of IFRS 16 from controlled entities (1)	2020 IFRS	2019 Adjusted	2019 Impact of companies under joint control	2019 Impact of IFRS 16 from controlled entities (1)	2019 IFRS (2)
Revenue	**2,311.8**	**(212.0)**	**-**	**2,099.8**	**3,890.2**	**(402.5)**	**-**	**3,487.6**
Net operating costs	(2,170.2)	170.5	978.6	(1,021.1)	(3,098.0)	278.7	1,046.6	(1,772.7)
Operating margin	**141.6**	**(41.5)**	**978.6**	**1,078.7**	**792.2**	**(123.8)**	**1,046.6**	**1,715.0**
Maintenance spare parts	(47.1)	1.2	-	(46.0)	(41.6)	1.1	-	(40.5)
Amortisation and provisions (net)	(367.6)	21.3	(868.4)	(1,214.7)	(358.1)	23.5	(924.7)	(1,259.3)
Other operating income / expenses	(79.8)	(0.6)	8.7	(71.8)	(7.2)	0.5	63.1	56.4
EBIT before impairment charge	**(352.9)**	**(19.7)**	**118.9**	**(253.7)**	**385.2**	**(98.7)**	**185.0**	**471.6**
Net impairment charge (3)	(222.3)	0.2	-	(222.1)	(0.3)	(10.7)	-	(11.0)
EBIT after impairment charge	**(575.2)**	**(19.5)**	**118.9**	**(475.8)**	**384.9**	**(109.4)**	**185.0**	**460.6**

(1) IFRS 16 impact on core business contracts from controlled entities
(2) 2019 IFRS figures are restated from the retrospective application of IFRS IC on lease terms. The impact on the 2019 published data is an increase in operating margin of €0.7m linked to the decrease in fixed rent and fees under "Net operating costs", and an increase of -€0.7m in depreciation of right-of-use under "Amortisation and provisions (net)", with no impact on EBIT.
(3) Including impairment charge on net assets of companies under joint control.

Cash-Flow Statement

€m	2020 Adjusted	2020 Impact of companies under joint control	2020 Impact of IFRS 16 from controlled entities (1)	2020 IFRS	2019 Adjusted	2019 Impact of companies under joint control	2019 Impact of IFRS 16 from controlled entities (1)	2019 IFRS (2)
Funds from operations net of maintenance costs	**(56.2)**	**35.8**	**671.2**	**650.7**	**550.8**	**(4.9)**	**948.1**	**1,494.0**
Change in working capital requirement	403.0	(27.8)	(137.9)	237.4	(5.8)	9.7	2.2	6.2
Net cash flow from operating activities	**346.8**	**8.0**	**533.2**	**888.1**	**545.1**	**4.8**	**950.3**	**1,500.2**
Capital expenditure	(185.0)	8.0	-	(176.9)	(375.4)	15.1	-	(360.3)
Free cash flow	**161.9**	**16.0**	**533.2**	**711.2**	**169.7**	**19.9**	**950.3**	**1,139.9**

(1) IFRS 16 impact on core and non-core business contracts from controlled entities
(2) 2019 IFRS figures are restated from the retrospective application of IFRS IC on lease terms. The impact on the 2019 published data is an increase in both Funds from operations net of maintenance costs and free cash flow of €0.7m.

BUSINESS HIGHLIGHTS OF FY 2020

Our contracts portfolio evolution

- ***Asia-Pacific***

In June, JCDecaux announced that its joint venture (JV) with Beijing Metro Operation Co. Ltd has renewed and extended its advertising contract for the 9 central lines of the Beijing Metro for 20 years. Based in the Chinese capital, a city of over 20 million inhabitants, this JV, since its acquisition in 2006, has managed advertising for the 9 central Beijing Metro lines. JCDecaux will hold significant influence at the end of this period of renewal, with 33% of the JV.

At the same time, the JV has founded a new entity in Hohhot, a city of 2.9 million inhabitants and capital of the autonomous region of Inner Mongolia. Owned 51% by the JV and 49% by Hohhot metro, this entity holds an exclusive 15-year advertising contract for the first two lines of this metro: the recently opened line 1 and line 2, which is set to open in the second half of 2020.

- ***Rest of the World***

In January, JCDecaux announced that JCDecaux Gabon, its subsidiary jointly owned with Bolloré Group and in partnership with the Gabonese Strategic Investment Fund (FGIS), has been awarded the exclusive advertising contract for Libreville International Airport in Gabon (current and future airports) by ADL (*Aéroport de Libreville*), a subsidiary of Arise Infrastructure Services.

In May, JCDecaux announced that, following a competitive tender, its Colombian subsidiary 75% owned by JCDecaux and 25% owned by Caracol Television, has won the 15-year street furniture contract for the Colombian capital, Bogota (the largest city in the country, with 11 million inhabitants).

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.

- ***United Kingdom***

In November, JCDecaux announced that its subsidiary, JCDecaux UK, has been awarded a ten-year advertising contract by Manchester City Council to provide digital advertising on 86 Community Information Panels (CIPs), delivering 172 digital screens in the city centre, following a competitive tender. JCDecaux will also support a range of important environmental and community initiatives in Manchester.

- ***North America***

In October, JCDecaux announced that following a competitive tender, it has not renewed the advertising contract of the four New York and New Jersey airports, John F. Kennedy, LaGuardia, Newark Liberty, and New York Stewart airports.

JCDecaux held the PANYNJ advertising contract for over 30 years and is proud of the media programs the Group successfully implemented over three decades. JCDecaux is widely recognized as the number one worldwide in airport advertising in terms of innovation, professionalism and service quality.

Acquisitions, mergers and disposals

- ***Asia-Pacific***

In March, JCDecaux announced to acquire a minority stake, through its wholly owned subsidiary JCDecaux Innovate incorporated in Hong Kong, in a consortium of investors which formed a special purpose vehicle to make a voluntary conditional cash offer to acquire all of the shares in the entire issued share capital of Clear Media Limited, a company listed on the Hong Kong Stock Exchange.

The offer price of HK$7.12 per share represents a total value of approximately HK$3,857 million for all Clear Media's outstanding shares, of which 23% or HK$887 million will be funded by JCDecaux.

The consortium composes of Mr. Han Zi Jing, Chief Executive Officer of Clear Media at 40%, Antfin (Hong Kong) Holding Limited at 30%, JCDecaux at 23% and China Wealth Growth Fund III L.P. at 7%.

Following this offer closed on July 13th, 2020, the consortium owns 88.2% of Clear Media.

- ***France***

In December, JCDecaux announced the acquisition of Abri Services Media by its subsidiary, JCDecaux France. Abri Services Media is a French street furniture player operating under the Abri Services brand in France's Grand-Ouest region (Brittany, Pays de la Loire and Nouvelle-Aquitaine).

- ***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.

Other events

- ***Group***

In January, JCDecaux announced that it has been commended for its climate action this year, achieving a place on global environmental impact non-profit CDP's prestigious 'A List' for climate change, based on the company's climate reporting in 2018.

In March, JCDecaux announced the decision of the Executive Board, with the approval of the Supervisory Board, to submit a proposal to its shareholders for its conversion to a European Company (*Societas Europaea*, SE), at the next Annual General Shareholders Meeting, to be held on May 14th, 2020.

In March, JCDecaux announced the withdrawal of its 2019 dividend proposal in order to strengthen its liquidity, its balance sheet, with one of the lowest leverage ratio in the OOH media industry, as well as its financial flexibility in response to the unprecedented global disruption due to the Covid-19 outbreak.

In April, JCDecaux announced that it has successfully placed Notes for a principal amount of 1 billion euros at 4.5 years and 8 years. The spreads have been set at 235 and 275 basis points above the swap rates, on the 4.5 years and 8 years tranches respectively, leading to coupons of 2.000% and 2.625% respectively. Subscribed 3 times, the notes have been placed with high quality investors. The net proceeds of the issuance will be used for refinancing the existing debt, including the repayment of the €300m bond which matures in October 2020, and for General Corporate Purposes. This issuance will also increase the average maturity of the Group's debt. In November, JCDecaux has tapped the 2 issuances of April 2020 for €99.9 million each.

In May, JCDecaux has obtained the maximum AAA score in the Corporate Social Responsibility (CSR) rankings of the Morgan Stanley Capital International (MSCI) ratings agency for the third consecutive year. The AAA score places JCDecaux in the top three in the Media & Entertainment category, among the top 4% of the best-rated companies in the panel, and significantly exceeds the average for the sector.

In October, JCDecaux has set a target of achieving carbon-neutral status by 2021 for all its activities in France covering scopes 1, 2 and 3 (Scopes 1 and 2: are the sum of direct emissions caused by fossil fuel combustion (petrol, natural gas, fuel) and the sum of indirect emissions caused by electricity consumptions and urban heating – Scope 3: all other emissions, including for example transportation of our products from their production site, end-of-life treatment of our street furniture and in the travel usage of our employees, …).

PERSPECTIVES

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

"As far as Q1 2021 is concerned, we expect an adjusted organic revenue decline at around -40%, due to ongoing and stronger mobility restrictions introduced in some large countries, such as UK and Germany, while a double digit rebound in domestic Chinese advertising revenue (excluding Hong Kong) is very encouraging. While we do not expect to recover our 2019 revenue level in 2021, we believe that the rebound will be strong when audiences return to pre-Covid levels."

RELATED PARTIES

Paragraph 9 of the “Notes to the annual consolidated financial statements” on page 71 reports on related parties.

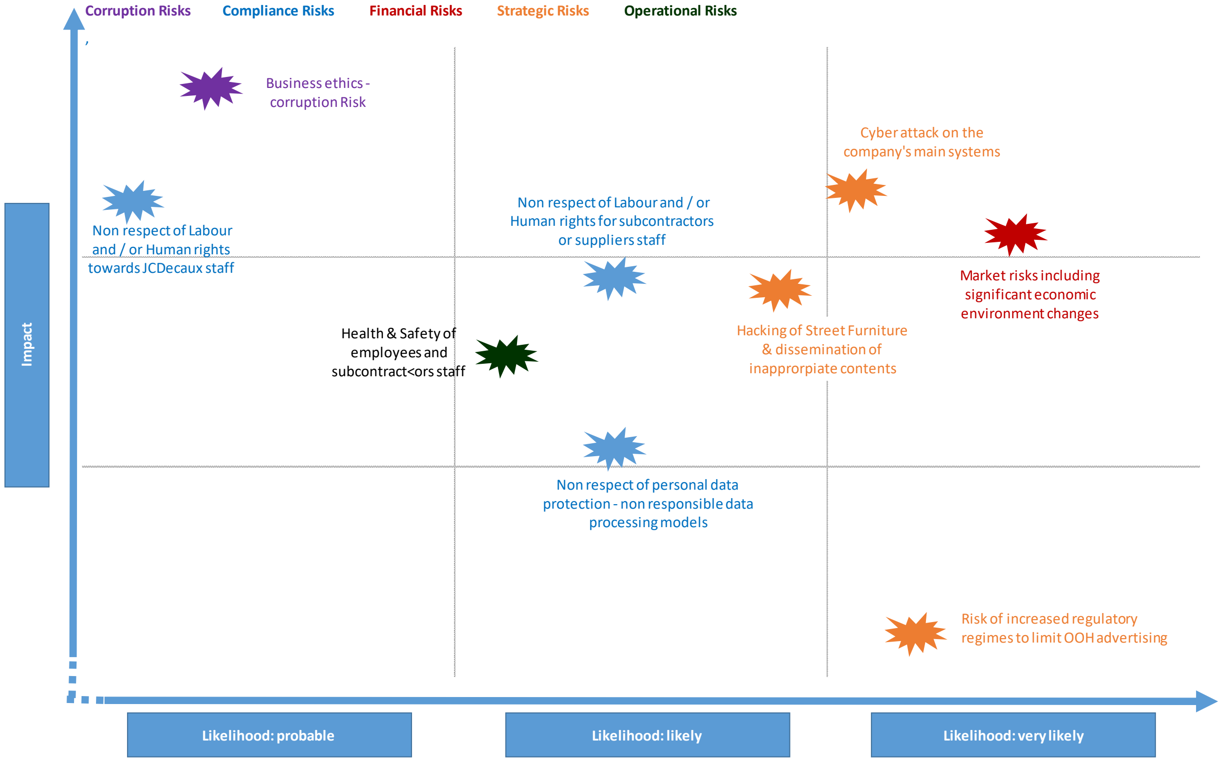
RISK FACTORS

The Group faces a number of internal and external risks that may affect the achievement of its objectives, its business or its financial position.

As specified in the previous chapter, the Group prioritizes each of the risks identified and then groups them into six major risk categories, which include the main risks dealt with in the Declaration of Extra-Financial Performance.

- Fraud, Corruption, Illicit Agreement
- Compliance with laws and regulations
- Financial risks
- Strategic risks
- Operating risks
- Exogenous risks

The Company's main risks are presented in the graph below and described in detail in the following chapters:



The Group has reviewed risks that could have a material adverse effect on its business, financial position or results (or its ability to achieve its objectives) and considers that those presented are the most significant ones.

1. Category: Fraud, Corruption, Illicit Agreement

In this category, the Group has identified risks relating to business ethics at various stages of the value chain: in relations with its customers (advertisers, agencies, etc.), with its contracting authorities (cities, local authorities, transport management companies, etc.) or with its suppliers.

The main risk associated with this category is one dealt with in the Declaration of Extra-Financial Performance: risks related to the Group's reputation and non-compliance with business ethics.

The Group's activity is closely linked to the quality and integrity of relations with contracting authorities (cities, local authorities, transport management companies, etc.). Our reputation and our history of integrity are essential elements in our business and help us access various public and private contracts. Ethical business conduct is also a key factor in preserving long- term relationships with the Group's advertisers and partners, and in maintaining its reputation for excellence in the market. JCDecaux is also particularly vigilant in respect of business ethics when making acquisitions, particularly in countries deemed sensitive in terms of corruption.

In 2001, the Group published a Code of Ethics setting out the principles and ethical rules to be followed in conducting the Group's business. The Code of Ethics is communicated to all the Group's companies and employees.

2. Category: Compliance with laws and regulations

Several major risks, dealt with in the Declaration of Extra-Financial Performance, fall within this category:

- **Risk related to non-respect of Human Rights/Employees**

The JCDecaux group operates in more than 75 countries, and 24% of the Group's FTEs are located in countries that have not ratified all the Fundamental Conventions of the International Labor Organization. However, all employees of the Group should have their fundamental human rights respected, as stated in the JCDecaux International Charter of Fundamental Social Values.

JCDecaux has implemented a specific process to deploy the JCDecaux Charters and to ensure a basis of fundamental rights for all its employees.

- **Risk related to non-respect of Human Rights/Suppliers**

Suppliers are at the heart of the Group's quality processes. JCDecaux has chosen to entrust the production of its products and solutions to trusted third parties. Some of these suppliers are located in countries that have not ratified all the Fundamental Conventions of the International Labor Organization. However, JCDecaux requires its suppliers to comply with these international standards through its Supplier Code of Conduct, whose ratification it requires.

JCDecaux has implemented a specific process to deploy the JCDecaux Charters and to ensure a basis of fundamental rights for all its employees as well as for its subcontractors.

- **Risk related to the protection of personal data and non-respect of personal privacy**

In the digital and connected age, data are at the core of JCDecaux's business lines. In the course of its business, which among other things covers Wi-Fi access, self-service bicycles, commercial relations, events and websites, JCDecaux may collect and process personal data relating to thousands of third parties. It is its responsibility to guarantee to protect the privacy and personal data of each of these parties, as well as their rights under applicable law.

To reduce the risk associated with the irresponsible processing or violation of data, JCDecaux has implemented a dedicated approach:

- a specific governance structure has been put in place: formation of a "GDPR" steering committee, appointment of a Data Protection Officer (DPO) or Privacy Manager at each subsidiary located within the EU, involvement of the Legal Department in each non-EU country
- Group policies and procedures dedicated to the protection of personal data have been published and implemented across all the entities;
- training initiatives (e-learning) have been carried out to raise awareness of these issues among all personnel
- In order to ensure the security of information systems, a Chief Information Security Officer working through a network of representatives in all Group subsidiaries is in charge of deployment of IT Security policies.

3. Category: Financial risks

As a result of its business, the Group may be exposed to varying degrees of financial risks (especially liquidity and financing risk, interest rate risk, foreign exchange rate risk and risks related to financial management, in particular, counterparty risk). The main risk identified in this category is the risk related to the economic environment.

In the event of a worldwide recession, the advertising and communications sector is quite susceptible to business fluctuations as many advertisers may cut their advertising budgets.

Current economic crisis following Covid-19 health crisis illustrates the very significant risk of brutal and unpredictable market downturn.

The Group must also deal with the cyclical nature of the advertising market. Our line of business is strongly linked to changes in the GDP in the countries where the Group operates. A significant increase or downturn in the economic activity of a country may substantially impact the Group's business and revenue.

The Group's operations in geographically diverse markets minimize the impact of a possible across-the-board decline in the sector, since reactions are disparate and occur at different times on markets in the various countries where it operates.

The Group management and its Finance Department are particularly attentive to cost structures and adopt action plans to maintain the Group's profitability.

4. Category: Strategic risks

As a result of its business, the Group may face several strategic risks (in particular, reliance on key executive officers, the attractiveness of the employer brand or the ability to deal with changes in the business model).

The three main risks in this category are the following:

- **Risk of online hacking of street furniture and dissemination of inappropriate content**

Operating in 80 countries, JC Decaux has a digital presence in 47 of these through almost 30,000 street furniture assets. Any external or internal attempt to access the digital screens of the Group's street furniture in order to advertise uncontrolled messages is a major risk, which could affect its results as well as its reputation and its ability to provide a credible digital offering to advertisers. The more offensive and harmful the messages disseminated, the more serious the impacts will be. With the increasing digitization of businesses, securing access to the Group's network, computer systems and data is a priority to protect the value of the Company.

JCDecaux has had a comprehensive IT policy in place for several years to protect itself against the risk of attempts to hack its digital content. Under the Corporate responsibility of the Infrastructure Department, a robust IT security policy has been implemented, with the application of principles governing architecture, a monitoring tool, procedures, action plans and a set of tools (checks, vulnerability assessments, etc.) to ensure digital security to cover all of the risks identified.

- **Risk of a cyberattack on the Company's main systems**

The Group uses complex information systems to support its commercial, industrial and management activities. The main risks are related to the integrity and maintenance of the operational capacity of its systems.

The Group's information systems are protected on several levels: the data centers are secure, access to software controlled and our billboard systems audited. These protections concern in particular the computer platform used for the preparation and dissemination of digital advertising campaigns. This platform relies on a private network and is operated by the JCDecaux teams in accordance with strict end-to-end control and audit rules. It is monitored 24/7 in order to detect and deal with any operational anomalies in real time. In addition, Business Recovery Plans aimed at ensuring the continuity of our operations are tested several times a year. Moreover, in order to improve the security of IT systems on a continuous basis and to limit the consequences of any malfunctions, the various risks (incidents affecting data centers, failure of equipment or telecommunications systems, security breaches, human error, etc.) are regularly assessed. Based on these assessments, the resources in place are strengthened or/and new protective measures developed to clamp down on any attempted security breaches, disclosure of confidential information, data loss or corruption, loss of traceability, etc.

- **Risk linked to increased regulations aimed at reducing advertising assets**

On a more general note, as regards the "compliance with laws and regulations" category, the outdoor advertising market is regulated at the local and national level, in the majority of countries where the Group operates, relating to:

- the type (analogue/digital billboard), luminosity, density, size and location of billboards and Street Furniture in urban and other areas: regulations, however, are generally moving to reduce the total number of advertising spaces, and/or reduce their size, and local authorities are becoming stricter in applying existing laws and regulations. Some advertising spaces, particularly billboards, could therefore have to be removed or relocated in certain countries in the future.
- the content of advertising messages circulated (in particular, bans and/or restrictions in certain countries on tobacco and alcohol advertising): regarding the advertising of alcoholic beverages, laws and regulations vary considerably from one European country to another, from complete prohibition of billboards to permission only at points of sale or within a certain zone: for example, since a law promulgated in October 2018, alcohol advertising has been banned within 200 meters of schools and crèches and in public transport in Ireland; however, the majority of EU Member States have adopted laws that restrict the content, presentation and/or timing of some advertising. The advertising of alcoholic beverages is also regulated outside the European Union.

Several legislative proposals have been introduced in France in 2020: It is impossible to obtain precise measures of the final economic effects. Indeed, they should be read bearing in mind that at this stage they only relate to plausible scenarios: but the next few years may be marked by increasingly severe regulations. The same is true in other countries: in London, for instance, the mayor has decided to ban HFS advertising on TFL assets (Tranport for London). In Amsterdam a draft law would ban advertising for fossil energy companies.

In France, JCDecaux has the capabilities and has put in place the appropriate organization in order to manage this risk. Across all other countries, implementation of such an organization seems not necessary at this stage.

5. Category: Operating risks

In this category, the Group has identified the operating risks related to these various activities (in particular when selling advertising spaces or during billboard, cleaning and maintenance activities).

The main risk associated with this category is one dealt with in the Declaration of Extra-Financial Performance: Risks related to the health and safety of employees and subcontractors.

There are more than 400 different skills within JCDecaux, from the design of street furniture to the marketing of advertising space, not forgetting furniture's upkeep and maintenance and advertising spaces. Operational and field staff, which represented approximately 51% of the Group's total workforce in 2018, are more exposed to the risks of accidents and incidents through their activities. This may include work at great height, use of electricity or in proximity to electrical equipment, road driving or work close to roads or railways, work in places where the "density" of the public is considerable (airports, railway stations, metro systems, pavements, etc.).

JCDecaux has implemented a Group Health & Safety Policy.

6. Category: Exogenous risks

This category includes all the risks related to natural disasters or external social, political or epidemiological factors: in fact, given that the Group operates in many countries, it may, for example, be affected by a period of economic or political instability.

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS – FY 2020

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Assets

In million euros		31/12/2020	31/12/2019 Restated (1)
Goodwill	§ 4.1	1,592.8	1,779.0
Other intangible assets	§ 4.1	534.1	612.5
Property, plant and equipment	§ 4.2	1,261.3	1,394.7
Right-of-use	§ 4.3	3,416.5	4,115.8
Investments under the equity method	§ 4.5	392.5	452.3
Other financial assets	§ 4.6	161.4	75.8
Financial derivatives	§ 4.17	-	0.1
Deferred tax assets	§ 4.11	119.0	122.7
Current tax assets	§ 4.19	0.9	1.4
Other receivables	§ 4.7	9.8	17.1
NON-CURRENT ASSETS		**7,488.3**	**8,571.4**
Other financial assets	§ 4.6	3.4	4.5
Inventories	§ 4.8	172.6	175.1
Financial derivatives	§ 4.17	1.7	1.1
Trade and other receivables	§ 4.9	697.4	1,021.5
Current tax assets	§ 4.19	37.3	34.5
Treasury financial assets	§ 4.10	57.6	83.5
Cash and cash equivalents	§ 4.10	1,607.8	149.8
CURRENT ASSETS		**2,577.9**	**1,470.0**
TOTAL ASSETS		**10,066.2**	**10,041.4**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

Equity and liabilities

In million euros		31/12/2020	31/12/2019 Restated [1]
Share capital		3.2	3.2
Additional paid-in capital		608.5	608.5
Consolidated reserves		1,775.7	1,510.2
Consolidated net income (Group share)		(604.6)	265.5
Other components of equity		(187.5)	(155.9)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		**1,595.4**	**2,231.5**
Non-controlling interests		17.7	36.8
TOTAL EQUITY	**§ 4.12**	**1,613.0**	**2,268.3**
Provisions	§ 4.13	368.7	360.1
Deferred tax liabilities	§ 4.11	98.8	132.1
Financial debt	§ 4.14	2,147.4	753.1
Debt on commitments to purchase non-controlling interests	§ 4.15	105.1	104.8
Lease liabilities	§ 4.16	3,088.0	3,696.0
Other payables		10.5	22.0
Income tax payable	§ 4.19	0.0	0.0
Financial derivatives	§ 4.17	0.0	0.0
NON-CURRENT LIABILITIES		**5,818.5**	**5,068.2**
Provisions	§ 4.13	63.1	58.3
Financial debt	§ 4.14	587.6	595.7
Debt on commitments to purchase non-controlling interests	§ 4.15	6.3	4.6
Financial derivatives	§ 4.17	4.4	3.3
Lease liabilities	§ 4.16	1,057.8	1,057.8
Trade and other payables	§ 4.18	882.1	930.7
Income tax payable	§ 4.19	19.2	46.9
Bank overdrafts	§ 4.14	14.2	7.4
CURRENT LIABILITIES		**2,634.7**	**2,704.8**
TOTAL LIABILITIES		**8,453.2**	**7,773.0**
TOTAL EQUITY AND LIABILITIES		**10,066.2**	**10,041.4**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

STATEMENT OF COMPREHENSIVE INCOME

INCOME STATEMENT

In million euros		2020	2019 Restated [1]
REVENUE	§ 5.1	**2,099.8**	**3,487.6**
Direct operating expenses	§ 5.2	(602.7)	(1,221.6)
Selling, general and administrative expenses	§ 5.2	(418.3)	(551.2)
OPERATING MARGIN		**1,078.7**	**1,715.0**
Depreciation, amortisation and provisions (net)	§ 5.2	(1,260.8)	(1,260.3)
Impairment of goodwill	§ 5.2	(176.0)	(10.0)
Maintenance spare parts	§ 5.2	(46.0)	(40.5)
Other operating income	§ 5.2	26.2	83.4
Other operating expenses	§ 5.2	(98.0)	(27.0)
EBIT		**(475.8)**	**460.6**
Interests on IFRS 16 lease liabilities	§ 5.3	**(118.1)**	**(152.0)**
Financial income	§ 5.3	3.0	6.4
Financial expenses	§ 5.3	(45.7)	(42.8)
Net financial income excluding IFRS 16	§ 5.3	**(42.6)**	**(36.4)**
NET FINANCIAL INCOME (LOSS)		**(160.7)**	**(188.4)**
Income tax	§ 5.4	21.2	(92.1)
Share of net profit of companies under the equity method	§ 5.5	(1.3)	102.0
CONSOLIDATED NET INCOME		**(616.7)**	**282.2**
- Including non-controlling interests		(12.1)	16.7
CONSOLIDATED NET INCOME (GROUP SHARE)		**(604.6)**	**265.5**
Earnings per share (in euros)		(2.842)	1.247
Diluted earnings per share (in euros)		(2.842)	1.247
Weighted average number of shares	§ 5.7	212,742,395	212,895,694
Weighted average number of shares (diluted)	§ 5.7	212,742,395	212,918,809

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

STATEMENT OF OTHER COMPREHENSIVE INCOME

In million euros	2020	2019 Restated [1]
CONSOLIDATED NET INCOME	**(616.7)**	**282.2**
Translation reserve adjustments on foreign transactions [2]	(75.7)	11.7
Translation reserve adjustments on net foreign investments	(2.2)	(0.9)
Cash flow hedges	(0.0)	(1.1)
Tax on the other comprehensive income subsequently released to net income	0.4	0.3
Share of other comprehensive income of companies under the equity method (after tax) [3]	44.8	4.8
Other comprehensive income subsequently released to net income	**(32.8)**	**14.9**
Change in actuarial gains and losses on post-employment benefit plans and assets ceiling	(10.5)	(13.1)
Tax on the other comprehensive income not subsequently released to net income	2.4	2.4
Share of other comprehensive income of companies under the equity method (after tax)	2.3	6.0
Other comprehensive income not subsequently released to net income	**(5.8)**	**(4.7)**
Total other comprehensive income	**(38.6)**	**10.2**
TOTAL COMPREHENSIVE INCOME	**(655.3)**	**292.4**
- Including non-controlling interests	(19.5)	16.2
TOTAL COMPREHENSIVE INCOME - GROUP SHARE	**(635.8)**	**276.2**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

(2) In 2020, translation reserve adjustments on foreign transactions mainly related to changes in foreign exchange rates, of which €(30.1) million in Mexico, €(15.6) million in Brazil, €(12.9) million in South Africa, €(10.8) million in the United Kingdom. The item also included a €4.1 million reclassification to net income related to changes in scope.
In 2019, translation reserve adjustments on foreign transactions mainly related to changes in foreign exchange rates, of which €5.4 million in Mexico, €12.2 million in the United Kingdom, €(4.2) million in Israel, €(4.9) million in Zimbabwe, €2.9 million in South Africa. The item also included a €(1.0) million reclassification to net income related to changes in scope.

(3) In 2020, this includes €45.5 million in reclassification to net income of translation reserves from companies accounted for under the equity method following changes in consolidation scope.

STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the owners of the parent company													
	Share Capital	Additionnal paid-in capital	Treasury shares	Retained earnings	Other components of equity							Total	Non-controlling interests	Total
In million euros					Cash flow hedges	Available-for sale securities	Translation reserve adjustments	Revaluation reserves	Actuarial gains and losses / assets ceiling	Other	Total other components			
Equity as of 31 December 2018	**3.2**	**606.4**	**0.0**	**1,634.4**	**1.7**	**(0.1)**	**(115.7)**	**0.9**	**(53.7)**	**0.8**	**(166.2)**	**2,077.9**	**30.9**	**2,108.8**
Capital increase (1)	0.0	1.8		0.0							0.0	1.8	0.3	2.2
Change in treasury shares (2)			(0.6)	0.1							0.0	(0.5)		(0.5)
Purchase			*(12.1)*								0.0	*(12.1)*		*(12.1)*
Sale			*11.5*	*0.1*							0.0	*11.6*		*11.6*
Distribution of dividends				(123.4)							0.0	(123.4)	(12.2)	(135.6)
Share-based payments		0.2									0.0	0.2		0.2
Debt on commitments to purchase non-controlling interests (3)											0.0	0.0	(5.0)	(5.0)
Change in consolidation scope (4)				(0.2)			(0.4)		0.0		(0.4)	(0.6)	6.5	5.9
Consolidated net income				265.5							0.0	265.5	16.7	282.2
Other comprehensive income					(0.8)		16.0		(4.5)		10.7	10.7	(0.5)	10.2
Total comprehensive income	**0.0**	**0.0**	**0.0**	**265.5**	**(0.8)**	**0.0**	**16.0**	**0.0**	**(4.5)**	**0.0**	**10.7**	**276.2**	**16.2**	**292.4**
Other				0.0							0.0	0.0		0.0
Equity as of 31 December 2019	**3.2**	**608.5**	**(0.6)**	**1,776.4**	**0.9**	**(0.1)**	**(100.2)**	**0.9**	**(58.2)**	**0.8**	**(155.9)**	**2,231.5**	**36.8**	**2,268.3**
Capital increase (1)		0.0									0.0	0.0	0.1	0.1
Change in treasury shares (2)			(0.8)	(0.2)							0.0	(1.0)		(1.0)
Purchase			*(24.7)*								0.0	*(24.7)*		*(24.7)*
Sale			*23.9*	*(0.2)*							0.0	*23.7*		*23.7*
Distribution of dividends											0.0	0.0	(7.8)	(7.8)
Share-based payments		0.0									0.0	0.0		0.0
Debt on commitments to purchase non-controlling interests (3)											0.0	0.0		0.0
Change in consolidation scope (4)				0.5			(0.5)		0.0		(0.5)	0.0	8.0	8.0
Consolidated net income				(604.6)							0.0	(604.6)	(12.1)	(616.7)
Other comprehensive income					0.0		(25.4)		(5.8)		(31.3)	(31.3)	(7.4)	(38.6)
Total comprehensive income	**0.0**	**0.0**	**0.0**	**(604.6)**	**0.0**	**0.0**	**(25.4)**	**0.0**	**(5.8)**	**0.0**	**(31.3)**	**(635.8)**	**(19.5)**	**(655.3)**
Other				0.4			0.2				0.2	0.6	0.0	0.6
Equity as of 31 December 2020	**3.2**	**608.5**	**(1.5)**	**1,172.5**	**0.8**	**(0.1)**	**(125.9)**	**0.9**	**(64.0)**	**0.8**	**(187.5)**	**1,595.4**	**17.7**	**1,613.0**

(1) Increase in JCDecaux SA's additional paid-in capital related to the exercise of stock options and increases in the share capital of controlled entities.
(2) Change in treasury shares of JCDecaux SA under the liquidity agreement entered into in May 2019.
(3) In 2019, new purchase commitment.
Revaluation and discounting effects on commitments to purchase non-controlling interests are recorded in the income statement under "Consolidated net income" as "Non-controlling interests" for €(2.1) million in 2020 compared to €(12.0) million in 2019.
(4) In 2020, changes in consolidation scope mainly related to the acquisition of non-controlling interests in China.
In 2019, changes in consolidation scope mainly related to disposals without loss of control in Latin America and Europe.

STATEMENT OF CASH FLOWS

In million euros		2020	2019 Restated [(1)]
NET INCOME BEFORE TAX		**(637.9)**	**374.2**
Share of net profit of companies under the equity method	§ 5.5	1.3	(102.0)
Dividends received from companies under the equity method	§ 10.4 & § 11.3	64.8	105.6
Expenses related to share-based payments	§ 5.2	0.0	0.2
Gains and losses on lease contracts	§ 5.2	(281.6)	(63.0)
Depreciation, amortisation and provisions (net)	§ 5.2 & § 5.3	1,441.7	1,271.1
Capital gains and losses and net income (loss) on changes in scope	§ 5.2 & § 5.3	36.8	(11.0)
Net discounting expenses	§ 5.3	4.4	16.6
Net interest expense & interest expenses on IFRS16 lease liabilities	§ 5.3	149.3	163.3
Financial derivatives, translation adjustments, amortised cost and other		11.7	6.2
Change in working capital		**237.4**	**6.2**
Change in inventories		3.3	(5.7)
Change in trade and other receivables		290.0	11.0
Change in trade and other payables		(55.9)	0.9
CASH FLOWS FROM OPERATING ACTIVITIES		**1,027.8**	**1,767.4**
Interest paid on IFRS16 lease liabilities	§ 4.16	(82.1)	(154.7)
Interest paid		(20.3)	(17.4)
Interest received		3.0	5.5
Income tax paid		(40.3)	(100.6)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**§ 6.1**	**888.1**	**1,500.2**
Cash payments on acquisitions of intangible assets and property, plant and equipment		(218.8)	(378.9)
Cash payments on acquisitions of financial assets (long-term investments) net of cash acquired		(30.9)	(15.6)
Acquisitions of other financial assets		(105.0)	(4.9)
Total investments		**(354.7)**	**(399.4)**
Cash receipts on proceeds on disposals of intangible assets and property, plant and equipment		41.8	18.6
Cash receipts on proceeds on disposals of financial assets (long-term investments) net of cash sold		31.7	1.6
Proceeds on disposals of other financial assets		7.4	31.9
Total asset disposals		**81.0**	**52.1**
NET CASH FLOWS FROM INVESTING ACTIVITIES	**§ 6.2**	**(273.7)**	**(347.3)**
Dividends paid		(7.8)	(135.6)
Purchase of treasury shares		(24.7)	(12.1)
Cash payments on acquisitions of non-controlling interests		(0.9)	(2.9)
Capital decrease		(0.3)	0.0
Repayment of long-term borrowings	§ 6.4	(667.9)	(83.5)
Repayment of lease liabilities	§ 4.16	(533.2)	(950.3)
Acquisitions and disposals of treasury financial assets		24.8	(1.1)
Cash outflow from financing activities		**(1,210.0)**	**(1,185.5)**
Cash receipts on proceeds on disposal of interests without loss of control		0.0	8.5
Capital increase		1.2	2.2
Sale of treasury shares		23.7	11.6
Increase in long-term borrowings	§ 6.4	2,033.7	79.6
Cash inflow from financing activities		**2,058.7**	**101.9**
NET CASH FLOWS FROM FINANCING ACTIVITIES	**§ 6.3**	**848.7**	**(1,083.6)**
CHANGE IN NET CASH POSITION		**1,463.1**	**69.3**
Net cash position beginning of period	**§ 4.14**	**142.4**	**88.0**
Effect of exchange rate fluctuations and other movements		(11.9)	(14.8)
Net cash position end of period [(2)]	**§ 4.14**	**1,593.6**	**142.4**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Including €1,607.8 million in cash and cash equivalents and €(14.2) million in bank overdrafts as of 31 December 2020, compared to €149.8 million and €(7.4) million respectively as of 31 December 2019.

NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

MAJOR EVENTS

In the context of the unprecedented global crisis caused by the Covid-19 pandemic, the Group has been strongly impacted by the full and partial lockdowns around the world, brought about by the crisis. While the Group's business model is based on delivering audiences to advertisers, lockdown implies a sharp drop in pedestrian and car traffic as well as in the number of passengers in subways, train stations and airports.
These unfavourable economic conditions have led to a significant decrease in revenue and the recognition of impairment charges following the impairment tests performed on the assets.
To withstand this unprecedented situation, depending on the country and in compliance with local guidelines, measures have been implemented to mitigate the negative impact of this crisis, notably including the reduction in the cost base, a reduced capex programme, the introduction of partial activity measures thanks to government measures particularly in France, the reduction of the employees' working hours, measures necessary to allow teleworking, as well as voluntary salary reductions. The members of the Executive Board decided to cut their 2020 compensation. The Group also benefits from the rapid decision of certain airports, cities and transport authorities around the world to aid concessionaires. This includes, for example, the suspension of the minimum annual guarantee payment obligation, the adjustment of the base rent calculation and / or the revenue sharing percentage.
The Group has also implemented measures to strengthen its liquidity and financial flexibility. Following its decision to withdraw the 2019 dividend proposal, the Group issued bonds for €1.2 billion at 4.5 years and 8 years and issued a bank term loan of €150 million repayable in April 2025. The Group has also extended the maturity of its €825 million revolving credit facility by one year to July 2025 and has obtained a waiver until 2023 of the financial covenant applicable to the €825 million credit facility and the €150 million bank loan.
The main changes in scope over the period are detailed in Note 2.1 "Major changes in the consolidation scope".

1. ACCOUNTING METHODS AND PRINCIPLES

1.1 General principles

The JCDecaux SA consolidated financial statements for the year ended 31 December 2020 include JCDecaux SA and its subsidiaries (hereinafter referred to as the "Group") and the share of the Group's equity in associates and joint ventures.
Pursuant to European Regulation No. 1606/2002 of 19 July 2002, the 2020 consolidated financial statements were prepared in accordance with IFRS, as adopted by the European Union. They were approved by the Executive Board and authorised for release by the Supervisory Board on 10 March 2021. These financial statements shall only be considered final upon approval by the General Meeting of Shareholders.
The values shown in the tables are generally expressed in millions of euros. The sum of the rounded amounts may differ, albeit insignificantly, from the reported values.
The principles used for the preparation of these financial statements are based on:

- all standards and interpretations adopted by the European Union and in force as of 31 December 2020. These are available on the European Commission website. Moreover, these principles are the same as the IFRS published by the IASB,
- accounting treatments adopted by the Group when no guidance is provided by current standards.

The accounting policies adopted are identical to those used for the preparation of the consolidated financial statements for the year ended 31 December 2019, with the exception of the adoption of the following amendments to standards and interpretations adopted by the European Union and applicable from 1 January 2020:

- Amendments to IAS 1 and IAS 8 "Definition of Material",
- Amendments to the Conceptual Framework for Financial Reporting,
- Amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform – Phase 1",
- Amendments to IFRS 3 "Definition of a Business",
- Amendment to IFRS 16 "Covid-19-Related Rent Concessions".

The impacts related to the application of the amendment to IFRS 16 "Covid-19-Related Rent Concessions" are detailed in Note 1.11.4 "IFRS 16 Rent concessions in the context of the Covid-19 epidemic".
The decision made by the IFRS IC in November 2019 on the term of leases and the useful lives of leasehold improvements, as well as the ANC's statement of conclusion dated 3 July 2020 on French commercial leases and the illustration issued by the CNCC in November 2020, have led to in-depth analyses of the terms taken into account by the Group since the initial application of IFRS 16. These analyses have not revealed any significant distortion between the depreciation period of fixtures and the contractual term of the leases applied by the Group under IFRS 16. On the other hand, they have led to a review of the duration of some contracts whose initial lease term has come to an end and which have been tacitly renewed. The impacts are detailed in Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

The application of other amendments, interpretations and standards has had no significant impact on the consolidated financial statements.
In the absence of specific IFRS provisions on the accounting treatment of debts on commitments to purchase non-controlling interests, the accounting principles used in the previous consolidated financial statements have been maintained and are explained in Note 1.19 "Commitments to purchase non-controlling interests". In particular,

subsequent revaluation and discounting effects of the debt arising from such commitments are recognised in net financial income and allocated to non-controlling interests in the income statement, with no impact on the net income Group share.
In addition, the Group has opted not to apply in advance the new standards, amendments to standards and interpretations adopted by the European Union when their application is mandatory only after 31 December 2020.

1.2 Scope and methods of consolidation

The financial statements of companies controlled by the Group are included in the consolidated financial statements from the date on which control is acquired to the date at which control ceases.
The equity method is adopted for joint ventures and for associates, companies over which the Group exercises a significant influence on operating and financial policies.
All transactions between fully-consolidated Group companies are eliminated upon consolidation.
Inter-company results are also eliminated. Capital gains or losses on inter-company sales carried out by a company consolidated under the equity method are eliminated up to the percentage of ownership and offset against the value of the assets sold. Capital losses realised on inter-company sales to an equity-accounted company are governed by IFRS3R and capital gains realised on sales to an equity-accounted company fall under SIC13.

1.3 Recognition of foreign currency transactions in the functional currency of entities

Transactions denominated in foreign currencies are translated into the functional currency at the rate prevailing on the transaction date. At the end of the period, monetary items are translated at the closing exchange rate and the resulting gains or losses are recorded in the income statement.
Long-term monetary assets held by a Group entity on a foreign subsidiary for which settlement is neither planned nor likely to occur in the foreseeable future are a part of the entity’s net investment in a foreign operation. Accordingly, pursuant to IAS 21 “The Effects of Changes in Foreign Exchange Rates”, exchange differences on these items are recorded in other comprehensive income until the investment’s disposal or disqualification. Otherwise, exchange differences are recorded in the income statement.

1.4 Translation of subsidiaries’ financial statements

The Group’s consolidated financial statements are prepared in euros, the presentation and functional currency of the parent company.
Assets and liabilities of foreign subsidiaries are translated into the Group’s presentation currency at the year-end exchange rate, and the corresponding income statement is translated at the average exchange rate for the period. Resulting translation adjustments are directly allocated to other comprehensive income.
At the time of a total or partial disposal, with loss of control, the liquidation of a foreign entity, or a step acquisition giving control, translation adjustments accumulated in equity are reclassified in the income statement.

1.5 Use of estimates

As part of the process of preparing the consolidated financial statements, the valuation of some assets and liabilities requires the use of judgments, assumptions and estimates. This primarily involves the valuation of goodwill, property, plant and equipment, intangible assets and right-of-use, the valuation of investments under the equity method, determining the amount of provisions for employee benefits and dismantling, and the valuation of commitments on securities. These judgments, assumptions and estimates are based on information available or situations existing at the financial statement preparation date, which in the future could differ from reality particularly in the context of the global crisis linked to the Covid-19 pandemic, creating increased uncertainties about the future outlook. Valuation methods are described in more detail, mainly in Note 1.10 “Impairment of intangible assets, property, plant and equipment, right-of-use and goodwill”, in Note 1.11 “Leases”, in Note 1.12 “Investments under the equity method”, in Note 1.20 “Provisions for retirement and other long-term benefits” and in Note 1.21 “Dismantling provisions”. The results of sensitivity tests are provided in Note 4.4 “Goodwill, Property, plant and equipment (PP&E), right-of-use and Intangible assets impairment tests” for the valuation of goodwill, property, plant and equipment, intangible assets and right-of-use, in Note 4.5 “Investments under the equity method and impairment tests” for the valuation of investments under the equity method, in Note 4.20 “Financial assets and liabilities by category” for the valuation of debt on commitments to purchase non-controlling interests and in Note 4.13 “Provisions” for the valuation of dismantling provisions and provisions for employee benefits.

1.6 Current/non-current distinction

With the exception of deferred tax assets and liabilities which are classified as non-current, assets and liabilities are classified as current when their recoverability or payment is expected no later than 12 months after the year-end closing date; otherwise, they are classified as non-current.

1.7 Intangible assets

1.7.1 Development costs

According to IAS 38, development costs must be capitalised as intangible assets if the Group can demonstrate:
- its intention, and financial and technical ability, to complete the development project,
- the existence of probable future economic benefits for the Group,
- the high probability of success for the Group,
- and that the cost of the asset can be measured reliably.

Development costs capitalised in the statement of financial position include all costs related to the development of or modification or improvement to the array of street furniture product lines and advertising structures in connection with contract proposals with a strong likelihood of success. Development costs also include the design and construction of models and prototypes.
The Group considers that it is legitimate to capitalise tender response preparation costs. Given the nature of the costs incurred (design and construction of models and prototypes), and the statistical success rate of the JCDecaux Group in its responses to tenders, the Group believes that these costs represent development activities that can be capitalised under the aforementioned criteria. Indeed, these costs are directly related to a given contract, and are incurred to obtain it. Amortisation, spread out over the term of the contract, begins when the project is awarded. Should the bid be lost, the amount capitalised is expensed.
Development costs carried in assets are recognised at cost less accumulated amortisation and impairment losses.

1.7.2 Other intangible assets

Other intangible assets primarily involve Street Furniture, Billboard and Transport contracts recognised in business combinations, which are amortised over the contract term. They also include upfront payments, amortised over the term of the contract, and software. Only individualised and clearly identified software (ERP in particular) is capitalised and amortised over a maximum period of 10 years. Other software expenses are recognised in expenses for the period.

1.8 Business combinations, acquisition of non-controlling interests and disposals

Goodwill represents the fair value of the consideration transferred (including the acquisition-date fair value of the acquirer's previously held equity interest in the company acquired), plus the amount recognised for any non-controlling interest in the acquired company, minus the net amount recognised in relation to the identifiable assets acquired and the liabilities measured at their fair value.
Goodwill is not amortised. The Group conducts impairment tests at least once a year at each statement of financial position date and at any time when there are indicators of impairment. Following these impairment tests, performed in accordance with the methodology described in Note 1.10 “Impairment of intangible assets, property, plant and equipment, right-of-use and goodwill”, a goodwill impairment loss is recognised if necessary. When recognised, such a loss cannot be reversed at a later period.
Negative goodwill, if any, is immediately recognised directly in the income statement.
When determining the fair value of the assets and liabilities of the acquired entity, the Group assesses contracts at fair value and recognises them as intangible assets. When an onerous contract is identified, the Group decreases the gross amount of right-of-use attached to the contract and recognises any resulting liability.
Under IFRS, companies are granted a 12-month period, starting from the date of acquisition, to finalise the fair value measurement of assets and liabilities acquired.
Acquisition-related costs are recognised by the Group in other operating expenses, except for acquisition-related costs for non-controlling interests, which are recorded in equity.
For staged acquisitions, any gain or loss arising from the fair value revaluation of the previously held equity interest is recorded in the income statement, under other operating income and expenses, at the time control is acquired. The fair value of this revaluation is estimated on the basis of the purchase price less the control premium.
For every partial or complete disposal with loss of control, any gain or loss on the disposal as well as the re-measurement of retained interest are recorded in the income statement, under other operating income and expenses.
Furthermore, for acquisitions of non-controlling interests in controlled companies and the sale of interests without loss of control, the difference between the acquisition price or sale price and the carrying value of non-controlling interests is recognised in changes in equity attributable to owners of the parent company. The corresponding cash inflows and outflows are presented under “Net cash flows from financing activities” on the statement of cash flows.

1.9 Property, plant and equipment (PP&E)

Property, plant and equipment (PP&E) are presented in the statement of financial position at historical cost less accumulated depreciation and impairment losses.

Street furniture
Street furniture (bus shelters, MUPIs®, Seniors, Electronic Information Boards (EIB), Automatic Public Toilets, Morris Columns, etc.) and advertising panels for the transport business are depreciated on a straight-line basis over the term of the contracts between 8 and 24 years. The digital screens are depreciated over a 5 to 10-year period; their economic lifetime can be shorter than the term of the contracts. Street furniture maintenance costs are recognised as expenses.
The expected discounted dismantling costs at the end of the contract are recorded in assets, with the corresponding provision, and amortised over the term of the contracts.

Billboards
Billboards are depreciated according to the method of depreciation prevailing in the relevant countries in accordance with local regulations and economic conditions.
The main method of depreciation is the straight-line method over a period of 2 to 20 years.
Depreciation charges are calculated over the following normal useful lives:

Depreciation periods
Property, plant and equipment:

▪ Buildings and constructions	10 to 50 years
▪ Technical installations, tools and equipment (Excluding street furniture and billboards)	5 to 10 years
▪ Street furniture and billboards	2 to 24 years

Other property, plant and equipment:

▪ Fixtures and fittings	5 to 16 years
▪ Transport equipment	3 to 15 years
▪ Computer equipment	3 to 5 years
▪ Furniture	5 to 10 years

1.10 Impairment of intangible assets, property, plant and equipment, right-of-use and goodwill

Items of property, plant and equipment, intangible assets and right-of-use as well as goodwill are tested for impairment at least once a year.
Impairment testing consists in comparing the net book value of a Cash-Generating Unit (CGU) or a CGU group with its recoverable amount. The recoverable amount is the highest of (i) the fair value of the asset (or group of assets) less costs of disposal and (ii) the value in use determined on the basis of future discounted cash flows.
The book value includes the right-of-use net of the book value of the lease liabilities, and the value in use is determined based on cash flows in line with the adjusted operating indicators.

When the recoverable amount is assessed on the basis of the value in use, cash flow forecasts are determined using growth assumptions based either on the term of the contracts, or over a five-year period with a subsequent perpetual projection and a discount rate reflecting current market estimates of the time value of money. The growth assumptions used do not take into account any external acquisitions. Risks specific to the CGU tested are largely reflected in the assumptions adopted for determining the cash flows and the discount rate used.
When the book value of an asset (or group of assets) exceeds its recoverable amount, an impairment loss is recognised in the income statement to write down the asset's book value to the recoverable amount.

Adopted methodology

- Level of testing
  - For PP&E, intangible assets and right-of-use, impairment tests are carried out at the CGU-level corresponding to the operational entity,
  - For goodwill, tests are carried out at the level of each group of CGUs whose scope is determined by taking into account the expected level of synergies between the CGUs. Thus, tests are performed either at the level where the operating segments and the geographical area meet, or on specific groups of CGUs, like the Airports activity where synergies are assessed at a global level, or on Pacific and France "Roadside" areas (Street Furniture and Billboard in France) where synergies are justified in all operational sectors of these geographical areas.

- Discount rates used

The values in use taken into account for impairment testing are determined on the basis of expected future cash flows, discounted at a rate based on the weighted average cost of capital. This rate reflects management's best estimates regarding the time value of money, the risks specific to the assets or CGUs and the economic situation in the geographical areas where the business relating to these assets or CGUs is carried out.
The countries are broken down into five areas based on the risk associated with each country, and each area corresponds to a specific discount rate ranging from 6.0% to 17.0%, for the area presenting the highest risk. The after-tax rate of 6.0% used in 2020 (and in 2019), was notably used in Western Europe (excluding Spain, Portugal, Italy and Ireland), North America, Japan, Singapore, South Korea, Australia and New Zealand. In addition, there is a risk premium on the Airports segment of 300 basis points, reflecting the specific risk of this activity in the context of the unprecedented global crisis caused by the Covid-19 pandemic and an uncertain recovery horizon.

- Recoverable amounts

They are determined based on budgeted values for the first year following the closing of the accounts and growth and change assumptions specific to each market and which reflect the expected future outlook. The recoverable values are based on business plans for which the procedures for determining future cash flows differ for the various business segments, with a time horizon usually exceeding five years owing to the nature and business activity of the Group, which is characterised by long-term contracts with a strong probability of renewal. In general:

- for the Street Furniture and Transport segments, future cash flows are calculated over the remaining term of contracts, taking into account the likelihood of renewal after term, the business plans being realised over the duration of the contract, generally between 5 and 20 years, with a maximum term of 25 years,
- for the Billboard segment, future cash flows are calculated over a 5-year period with a perpetual projection using a 2% yearly growth rate for European countries, whose markets seem mature to us, and a 3% rate for other countries, where billboard advertising activity seems to be experiencing more favourable market conditions.

The recoverable amount of a group of CGUs corresponds to the sum of the individual recoverable amounts of each CGU belonging to that group.

1.11 Leases

1.11.1 Description of the Group's leases

JCDecaux's core business contracts often have specificities related to the activity they belong to (Street furniture, Transport and Billboard) or to their geographic area (local regulation or market practice). Most of the time, in the Street Furniture and Transport activities, each contract is a specific case, with complex terms arising from direct negotiations or tender-offer conditions. The terms may also be renegotiated during the life of the contract, most of the time due to unexpected market events or to the operational deployment of advertising structures.

More than 20,000 contracts identified in over 75 countries, fall within the scope of IFRS 16. These are essentially signed with municipalities, airports, transport companies, malls and private landlords. The purpose of these contracts is to secure locations in which to install advertising panels used for the Group's main activity. Among the over 20,000 contracts that fall within the scope of IFRS 16, almost 82% are advertising space lease agreements (Street furniture, Transport, and Billboard) and represent nearly 94% of lease liabilities at 31 December 2020. The remaining 18% are real estate and vehicle contracts.

Fixed (or fixed in-substance) rent and fees are quite often minimum guarantees of variable fees based on the advertising revenue generated by advertising panels installed in the locations covered by the contract. This is mainly the case in the transport and malls activities and is frequently the case for street furniture, however it is rarer in billboard advertising where rent and fees are not usually linked to revenue generated.

Fixed rent and fees and/or fixed in substance rent and fees or minimum guarantees may, according to the contracts:

- Remain at the same amount over the term of the contract,
- vary on the basis of a general index (inflation, construction, etc.) or under the same calculation method as an index but more specific to a given contract (for example, passenger numbers in transport contracts),
- vary while remaining fixed in relation to the annual amounts provided for in the contract, which is often linked to an expected increase in advertising revenue in line with the gradual installation of new advertising structures, the opening of new metro lines or a new airport terminal,
- vary on the basis of a percentage of total rent and fees (including the variable portion) paid during the previous year.

Contracts may have widely different initial terms, ranging from 1 to 39 years in total:

- For the street furniture activity, contracts range from 1 to 35 years. This mainly depends on the terms of the tender and, in a few cases, direct negotiation with the authorities. The term is largely dependent on the economic model set out in the municipalities' specifications, and in particular on JCDecaux's expected capex level for advertising and non-advertising furniture. The higher the capex, the longer it takes to balance the economic model.
- For the transport activity, contracts range from 1 to 21 years. The duration also usually depends on the terms of the tender. The contract duration is generally shorter and the rent and fees level is higher than for the street furniture activity, due to the lower capex and operational costs compared to revenue from advertising structures.
- For the large format billboard activity, contracts range from 1 to 39 years. The duration varies significantly according to the countries and their local regulations, which are more or less restrictive, as well as market practices concerning the relationship between lessees and private landlords.

Regarding extension and renewal terms:

- According to local regulations or market practices, large format billboard contracts often have tacit renewal or automatic renewal clauses which are country-specific. In such cases, the term used is the reasonably certain term, calculated according to the average term of tacit renewal to date.
- Street furniture and transport contracts may provide for extensions to the initial term of the contract. These are either dependent on a joint agreement between the two parties or on one party only. When applying IFRS 16 on an initial contract, extensions to the contractual period are only considered when JCDecaux is the only party able to exercise this option, these cases being rather rare. Renewals of street furniture or transport contracts

are generally made through new contracts, following a competitive bidding procedure (most often through a tender procedure).

Only a small number of contracts has been identified in which JCDecaux has the sole right to exercise an early termination option. More often, either the agreement of both parties is required, or the early termination option is subject to specific conditions (e.g. force majeure, change in direction of road traffic for large format billboard, major economic recession or collapse of the advertising market in certain transport contracts).

1.11.2 Contracts not covered by IFRS 16

As from 1 January 2019, each new contract is analysed to confirm whether it meets the definition of a lease. When the contractor who has granted advertising space to the Group has a right of substitution allowing them to replace any space allocated at the start of the contract with another one over the duration of the contract in order to meet their operational needs (except in the case of maintenance and repair activity), this right is considered to be substantive.
Most contracts concerning the Street Furniture and Transport activities include substitution right clauses on the advertising spaces for the benefit of the contractor. In such cases, the Group does not have control over the assets. These contracts therefore do not meet the definition of a lease under IFRS 16 and the fixed rent and fees for the year remain recognised as operating expenses in the same way as the variable rent and fees. For these contracts, future rent and fees commitments until the maturity of the contract are disclosed in off-balance sheet commitments for the total amount to which the Group is committed.
Moreover, both exemptions authorised by IFRS 16 – short-term leases (12 months or less) and low value leases – have been applied.

1.11.3 Accounting treatment of leases under IFRS 16

In accordance with IFRS 16 “Leases” applied since 1 January 2019 using the full retrospective transition method, the Group recognises a lease liability for contractual minimum and fixed rental payments (or variable based on an index) against a right-of-use asset which is depreciated on a straight-line basis over the term of the lease or the useful life of the underlying asset.
The fixed rent charge in the operating margin is replaced by the amortisation of the right-of-use recognised in EBIT and the financial expense of the lease liability recorded in financial income and expenses.
Variable rent and fees based on revenue are excluded from the lease liability and are recorded in operating expenses when they occur.
The standard has no impact on net income over the lease term but has a negative impact at the beginning of the contract, which reverses over time due to declining interest expenses.
The Group’s net debt excludes lease liabilities.
In the statement of cash flows, only the payment of interest on the lease liability impacts cash flows from operating activities, while the principal portion impacts the cash flows from financing activities.
Deferred taxes are recognised on leases falling under IFRS 16 scope.
The amount of the lease liability depends on the assumptions used for the calculation thereof, such as commitment term and marginal borrowing rate.
The marginal borrowing rate is calculated for each lease as the risk-free rate for the lease's currency plus the currency basis, if available, and the subsidiary's credit margin based on the Group's credit risk. These components are defined in light of the average weighted life of the lease.
The contract term is determined by taking into account the non-cancellable period and the periods covered by renewal (or termination) options where it is reasonably certain that these options will be exercised (or not).
With respect to extension or termination options, the Group complies with IFRS 16 and the IFRS IC decision of November 2019 on lease terms and the useful lives of leasehold improvements:

- An extension (or early termination) option is applied only when the Group is reasonably certain that it will exercise this option,
- An extension (or early termination) option is applied only when JCDecaux is the only party able to exercise this option,
- The extension (or early termination) term taken into account is retained on the basis of the overall economy of the contract and not only the contractual termination payments. If only one of the parties has an economic interest in not interrupting this contract, then the contract is enforceable beyond the date on which it can be interrupted.

For contracts that have an indefinite term, are cancellable at any time by either party or are tacitly renewed, in accordance with the IFRS IC decisions on terms, the useful life of leasehold improvements is used to determine the contract term or, in the context of tacitly renewed contracts, the average term to date of the tacitly renewed contracts.

With regard to French commercial leases, in accordance with the ANC's statement of conclusion dated 3 July 2020 and the illustration issued by the CNCC in November 2020, the term generally applied by the Group is nine years, with a non-cancellable period of three years. There is no renewal option at the end of the lease for major contracts that are never tacitly renewed; these are renegotiated.

Changes and re-estimates of contracts mainly relate to signed amendments to contracts and to the life of the contract, in particular a change in the amount of rents to be paid or a change in the reasonably certain end date when a decision is made regarding the extension or early termination of a contract. Such changes lead to a re-estimation of the lease liability against the right-of-use, which in some cases may result in a positive impact in the income statement.
Contracts already signed but not started at the closing date are disclosed in off-balance sheet commitments.

1.11.4 IFRS 16 Rent concessions in the context of the Covid-19 epidemic

In the context of the Covid-19 health crisis, the Group has negotiated reductions in fixed and minimum guaranteed rents with its concession grantors without compensation or any amendment to the other terms of their contracts.
For contracts falling within the scope of IFRS 16, i.e. contracts that do not include substantive substitution rights, the amount of these rent reductions is recognised as variable credit rent and fees in the operating margin, offset against a decrease in the lease liability:

- In accordance with IFRS 16 “Leases”, for the contracts that have been analysed and in which the Group has identified force majeure or hardship clauses, the presence of these clauses allowing for these reductions to not be considered as contract amendments,
- In accordance with the amendment to IFRS 16 "Covid-19-Related Rent Concessions" for other contracts whose rent reductions are not associated with a contract amendment and for which the period covered does not extend beyond 30 June 2021.

The extinction of the liability recognised in the income statement is restated in the statement of cash flows under “Gains and losses on leases”.

1.11.5 Impact of the application of IFRS IC on lease terms on the financial statements for 2019

The analyses carried out within the context of the IFRS IC decision of November 2019 led the Group to review the terms of a certain number of billboard advertising contracts that have been tacitly renewed.
The impacts on 2019 data of the retrospective application of this change are as follows:

- On the statement of financial position at 31 December 2019, an increase of €157.3 million in Lease liabilities and Right-of-use, with no impact on the net equity,
- On the consolidated income statement for 2019, an increase in operating margin of €0.7 million linked to the decrease in fixed rent and fees under "Direct operating expenses", and an increase of €(0.7) million in depreciation of right-of-use under "Depreciation, amortisation and provisions (net)", with no impact on EBIT or net income,
- On the statement of cash flows, the change has had no effect on the change in net cash position, as the €0.7 million impact on cash flows from operating activities is offset by the €(0.7) million impact on net cash flows from financing activities.

1.12 Investments under the equity method

Goodwill recognised on acquisition is included in the value of the investments under the equity method.
The share of impairment of the assets recognised at the time of acquisition or upon the fair value adjustment of existing assets is presented under “Share of net profit of companies under the equity method”.
If the Group’s share of losses of an equity-accounted entity exceeds its interest in that entity, its share is reduced to zero. If the Group considers itself as involved in losses, a provision is recognised under provisions for contingencies for the share of losses exceeding the initial investment as well as loans and receivables.
Investments under the equity method are subject to impairment tests on an annual basis, or when existing conditions suggest a possible impairment. When necessary, the related loss, which is recorded in “Share of net profit of companies under the equity method,” is calculated on the asset’s recoverable value which is defined as the higher of (i) the fair value of the asset less costs of disposal and (ii) its value in use based on the expected future cash flows less net debt. For listed companies, the fair value used as part of impairment tests corresponds to the stock price. The method used to calculate the values in use is the same one applied for PP&E, intangible assets and right-of-use as described in Note 1.10 “Impairment of intangible assets, property, plant and equipment, right-of-use and goodwill”.

1.13 Other financial assets

This heading mainly includes investments in non-consolidated entities (financial investments), loans and loans to participating interests granted to companies accounted for under the equity method or non-consolidated entities, deposits and guarantees and advances paid on the acquisition of long-term investments under conditions precedent.
They are recorded and measured:

- For investments in non-consolidated entities, initially at their fair value, which corresponds to their acquisition price. Following this, they are measured at fair value which, in the absence of a listed price on an active market, is close to their value in use which takes into account the share of equity and the probable recovery amount. Changes in value are recognised for each asset and definitively either in net income or in other comprehensive income with no option for reclassification to net income in the event of their disposal. Only the dividends received from these assets measured at fair value through equity are recorded in the income statement under “Other financial income and expenses”.
- For the other financial assets, at amortised cost (IFRS 9 category). An impairment loss is recognised in the income statement when the recovery amount of these loans and receivables is less than their book value.

1.14 Inventories

Inventories mainly consist of:

- parts required for the maintenance of installed street furniture, and
- street furniture and billboards in kit form.

Inventories are valued at weighted average cost, and may include production, assembly and logistic costs.
Inventories are written down to their net realisable value when the net realisable value is lower than cost.

1.15 Trade and other receivables

Trade receivables are recorded at fair value, which corresponds to their nominal invoice value, unless there is a significant discounting effect. After initial recognition, they are measured at amortised cost.
A provision for impairment is recognised when their recovery amount is less than their book value. The Group recognises an additional provision relating to expected losses using the simplified method on the performing receivables by applying an average rate of default of payment based from historical statistical data. This forward-looking model based on expected losses applies to receivables upon their initial recognition.

1.16 Managed cash

Managed cash includes cash, cash equivalents and treasury financial assets. These items are measured at fair value and changes in fair value are recognised in net financial income.
Cash recognised as assets in the statement of financial position includes cash at bank and cash in hand. Cash equivalents consist of short-term investments and short-term deposits. Short-term investments and short-term deposits are easily convertible into a known cash amount and are subject to low risk of change in value, in accordance with IAS 7.
Treasury financial assets are short-term liquid investments and cash owned by the Group but held in escrow accounts in connection with the execution of contracts. These assets have the main characteristics of cash equivalents but do not strictly comply with all the criteria to be qualified as such, according to IAS 7. They are included in the calculation of the Group's net debt.
For the consolidated statement of cash flows, net cash consists of cash and cash equivalents as defined above, net of bank overdrafts.

1.17 Financial debts

Financial debts are initially recorded at the fair value generally corresponding to the amount received less related issuance costs and are subsequently measured at amortised cost.

1.18 Financial derivatives

A financial derivative is a financial instrument having the following three characteristics:
- an underlying item that changes the value of the financial derivative,
- little or no initial net investment, and
- settlement at a future date.

Financial derivatives are recognised in the statement of financial position at fair value in assets or liabilities. Changes in subsequent values are offset in the income statement, unless they have been qualified as part of an effective cash flow hedge (effective portion) or as a foreign net investment.
Hedge accounting may be adopted if a hedging relationship between the hedged item (the underlying) and the financial derivative is established and documented from the time the hedge is set up, and its effectiveness is demonstrated from inception and at each period-end. The Group currently limits itself mainly to two types of hedges for financial assets and liabilities:
- Fair Value Hedge, whose purpose is to limit the impact of changes in the fair value of assets, liabilities or firm commitments at inception, due to changes in market conditions. The change in the fair value of the hedging instrument is recorded in the income statement. However, this impact is cancelled out by symmetrical changes in the fair value of the hedged risk (to the extent of hedge effectiveness),
- Cash Flow Hedge, whose purpose is to limit changes in cash flows attributable to existing assets and liabilities or highly probable forecasted transactions. The effective portion of the change in fair value of the hedging instrument is recorded directly in other comprehensive income, and the ineffective portion is maintained in the income statement. The amount recorded in other comprehensive income is reclassified to profit or loss when the hedged item itself has an impact on profit or loss. The initial value recorded on the balance sheet in assets or liabilities is recognised by applying the "basis adjustment".

The hedging relationship involves a single market parameter, which for the Group is currently either a foreign exchange rate or an interest rate. When a derivative is used to hedge both a foreign exchange and interest rate risk, the foreign exchange and interest rate impacts are treated separately.
Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on a cash flow hedge as part of the hedging of a highly probable forecasted transaction recognised in other comprehensive income is maintained in equity until the forecasted transaction occurs. If the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to net financial income for the year.
For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are recorded directly in net financial income for the year.

The accounting classification of financial derivatives instruments in current or non-current items is determined by the maturity of the derivative.

1.19 Commitments to purchase non-controlling interests

In the absence of any position from the IASB on the accounting treatment of commitments to purchase non-controlling interests, the accounting positions taken in the previous consolidated financial statements have been maintained for all Group commitments.
The application of IAS 32 results in the recognition of a liability relating to commitments to purchase shares held by non-controlling interests in the Group's subsidiaries, not only for the portion already recognised in non-controlling interests (reclassified in liabilities), but also for the excess resulting from the present value of the commitment. The amount of this excess portion is deducted from non-controlling interests in the equity of the statement of financial position.
In the absence of any position from the IASB on the accounting treatment of commitments to purchase non-controlling interests, subsequent changes in the fair value of the liability are recognised in net financial income and allocated to non-controlling interests in the income statement, with no impact on consolidated net income (Group share).
Commitments recorded in this respect are presented under the statement of financial position heading "Debt on commitments to purchase non-controlling interests".

1.20 Provisions for retirement and other long-term benefits

The Group's obligations resulting from defined benefit plans, as well as their cost, are determined using the projected unit credit method.
This method consists of measuring the obligation based on the projected end-of-career salary and the rights vested at the valuation date, determined in accordance with collective trade union agreements, company agreements or the legal rights in effect.
The actuarial assumptions used to determine the obligations vary according to the economic conditions prevailing in the country of origin and the demographic assumptions specific to each company.
These plans are either funded, with their assets being managed by an entity legally separate and independent from the Group, or partially funded or not funded, with the Group's obligations being covered by a provision in the statement of financial position. The income from the plan's assets is estimated based on the discount rate used for the benefit obligation.
For the post-employment benefit plans, the actuarial gains and losses are immediately and entirely recognised in other comprehensive income with no option to reclassify in the income statement. Past service costs are immediately and fully recorded in the income statement on acquired rights as well as on future entitlements.
For other long-term benefits, actuarial gains or losses and past service costs are recognised as income or expenses when they occur.
The effects of discounting the provision for employee benefits are presented in net financial income (loss).

1.21 Dismantling provisions

Costs for dismantling street furniture at the end of a contract are recorded in provisions, when a contractual dismantling obligation exists at a foreseeable date. These provisions represent the entire estimated dismantling cost from the contract's inception and are discounted. Dismantling costs are offset under assets in the statement of financial position and amortised over the term of the contract. The discounting charge is recorded as a financial expense. The discount rate applied is the swap rate in the country concerned for the average weighted life of the assets of the contracts.

1.22 Share-based payments

1.22.1. Share purchase or subscription plans at an agreed unit price

In accordance with IFRS 2 "Share-based payment", stock options granted to employees are considered to be part of compensation in exchange for services rendered over the period extending from the grant date to the vesting date.
The fair value of services rendered is determined by reference to the fair value of the financial instruments granted.
The fair value of options is determined at their grant date by an independent actuary, and any subsequent changes in the fair value are not taken into account. The Black & Scholes valuation model used is based on the assumptions described in Note 5.2 "Net operating expenses" hereafter.
The cost of services rendered is recognised in the income statement and offset under an equity heading on a basis that reflects the vesting pattern of the options. This entry is recorded at the end of each accounting period until the date at which all vesting rights of the plan in question have been fully granted.
The amount stated in equity reflects the extent to which the vesting period has expired and the number of options granted that, based on management's best available estimate, will ultimately vest.
Stock option plans are granted based on individual objectives and Group results. The exercise of stock options is subject to years of continuous presence in the company.

1.22.2. Cash-settled share subscription and purchase plans

The share subscription and purchase plans which will be settled in cash are assessed at their fair value, recorded in the income statement and offset with a liability. This liability is measured at each closing date up to its settlement.

1.23 Revenue

The Group's revenue mainly comes from sales of advertising space on street furniture equipment, billboards and advertising in transport systems.
Advertising space revenue, rentals and provided services are recorded as revenue on a straight-line basis over the period over which the service is performed, the duration of which is generally between 1 week and 3 years, with the exception of specific situations in the Transport segment, notably including advertising contracts on walkways in airports or at iconic locations, for which the duration may exceed five years.
The trigger event for advertising space revenue recognition is the execution of the advertising campaign.
Advertising space revenue is recorded on a net basis after deduction of commercial rebates. In some countries, commissions are paid by the Group to advertising agencies and media brokers when they act as intermediaries between the Group and advertisers. These commissions are then deducted from revenue.
In agreements where the Group pays variable fees or revenue sharing, and to the extent that the Group acts as the principal in its advertising space sales activity, the Group recognises all gross advertising revenue as revenue and books fees and the portion of revenue repaid as operating expenses.
Discounts granted to customers for early payment are deducted from revenue.
In addition to marketing advertising space on furniture, the Group also sells, rents and maintains street furniture, the revenue from which is recognised in the Street Furniture business. The Group also earns non-advertising revenues from its Self-Service Bicycle business as well as the implementation of innovative technical solutions, under the "JCDecaux Innovate" name, and services ancillary to its analogue and digital revenues.

1.24 Operating margin

The operating margin is defined as revenue less direct operating and selling, general and administrative expenses.
It includes charges to provisions net of reversals relating to trade receivables.
The operating margin is impacted by cash discounts granted to customers deducted from revenue, and cash discounts received from suppliers deducted from direct operating expenses. It also includes stock option or bonus share expenses recognised in the line item "Selling, general and administrative expenses".

1.25 EBIT

EBIT is determined on the basis of the operating margin less consumption of spare parts used for maintenance, depreciation, amortisation and provisions (net), goodwill impairment losses, and other operating income and expenses. Inventory impairment losses are recognised in the line item "Maintenance spare parts".
Other operating income and expenses include the gains and losses generated by the disposal of property, plant and equipment, intangible assets, joint ventures and associates, gains and losses on leases, gains and losses generated by the loss of control of companies, any gain or loss resulting from the fair value revaluation of a retained interest, any gain or loss resulting from the fair value revaluation of a previously held equity interest at the time control is acquired with staged acquisitions, potential price adjustments resulting from events subsequent to the acquisition date, as well as any negative goodwill, acquisition-related costs, and non-recurring items.
Net charges related to the results of impairment tests performed on property, plant and equipment, intangible assets and right-of-use are included in the line item "Depreciation, amortisation and provisions (net)".

1.26 Current and deferred income tax

Deferred taxes are recognised based on timing differences between the accounting value and the tax base of assets and liabilities. They mainly stem from consolidation restatements (standardisation of Group accounting principles and amortisation/depreciation periods for property, plant and equipment and intangible assets, leases, recognition of contracts as part of the purchase method, etc.). Deferred tax assets and liabilities are measured at the tax rate expected to apply for the period in which the asset is realised or the liability is settled, based on the tax regulations that were adopted at the year-end closing date. They may be written down if a subsidiary has a net deferred tax asset whose short-term recovery is uncertain.
Deferred tax assets on tax losses carried forward are recognised only when it is probable that the Group will have future taxable profits against which these tax losses may be offset. The period for recovering ordinary losses used by the Group is a 3-to-5-year time frame adapted to the specific characteristics of each country.
In accordance with IFRS, the Group determined that the CVAE (French tax known as the Cotisation sur la Valeur Ajoutée des Entreprises) is an income tax expense. This qualification as an income tax gives rise to the recognition of a deferred tax liability calculated based on the depreciable assets of the companies subject to the CVAE. Moreover, as the CVAE can be deducted from the corporate tax, its recognition generates a deferred tax asset.

2. CHANGES IN THE CONSOLIDATION SCOPE

2.1. Major changes in the consolidation scope

The main changes in the consolidation scope during 2020 are as follows:
Entries in scope

City Lead Developments Ltd, a company acquired on 29 March 2020 for 23% by JCDecaux Innovate (China) is consolidated using the equity method. This company is the consortium of investors which proceeded in April 2020, via its 100% subsidiary Ever Harmonic Global Ltd, to the acquisition of a majority share of the capital of Clear Media, a Clear Channel Outdoor subsidiary listed on the Hong Kong Stock Exchange. Since November 2020, Clear Media is consolidated under the equity method at 23% with a financial interest of 20.29% due to the control exercised by the consortium with 88.2% ownership.
On 15 December 2020, JCDecaux France acquired 100% of Abri Services Media, a French street furniture company in the Grand-Ouest region (Brittany, Pays de la Loire and Nouvelle Aquitaine). The new acquired companies are fully consolidated.

Ownership interest changes

On 27 April 2020, the ownership interest of Top Result Promotion Ltd (China) in Beijing Top Result Metro Advertising Co. Ltd (China), whose advertising contract for nine central lines of the Beijing metro was renewed and extended for 20 years, decreased by 57 basis points in accordance with the partnership agreement. This company, previously held under joint control and consolidated using the equity method at 90%, is now 33% owned with significant influence and remains consolidated under the equity method.

Disposals

On 13 July 2020, JCDecaux Central Eastern Europe GmbH (Austria) sold its 25% minority interest in Russ Out of Home BV in Russia. This disposal had a €(39.0) million impact on the 2020 EBIT mainly due to currency recycling.

Other variances

The other variances, mainly liquidations, disposals and acquisitions of long-term investments are detailed in Note 12 “Scope of consolidation”.

2.2. Impact of acquisitions

Acquisitions made in 2020, primarily concerning the companies of Abri Services Media, had the following impacts on the Group’s consolidated financial statements:

In million euros		Fair value at the date of acquisition
Non-current assets		12.3
Current assets		17.7
Total assets		**30.0**
Non-current liabilities		7.8
Current liabilities		10.9
Total liabilities		**18.7**
Fair value of net assets at 100%	**(a)**	**11.3**
- of which non-controlling interests	*(b)*	*0.0*
Total consideration transferred	**(c)**	**35.9**
- of which fair value of share previously held		
- of which purchase price		*35.9*
Goodwill	**(d)=(c)-(a)+(b)**	**24.6**
- including Goodwill allocated to companies under the equity method	*(e)*	*0.0*
Goodwill IFRS [(1)]	**(f)=(d)-(e)**	**24.6**
Purchase price		**(35.9)**
Net cash acquired		10.9
Acquisitions of long-term investments over the period		**(25.0)**

(1) The option of the full goodwill calculation method was not used for any of the 2020 acquisitions.

The value of assets and liabilities acquired and goodwill relating to these acquisitions is determined on a temporary basis and is likely to change during the period required to finalise the allocation of the goodwill, which can be extended to a maximum of 12 months following the acquisition date.
The impact of these 2020 acquisitions on revenue and net income (Group share) is nil. Had the acquisitions taken place as of 1 January 2020, the additional impact would have been an increase of €13.6 million in revenue and an increase of €3.0 million in net income (Group share).

3. SEGMENT REPORTING

To measure the Group's operational performance and to inform managers about their decision-making in line with historical data, segment information is adjusted by:

- IFRS 11 impact: in the segment reporting, the data related to joint ventures, companies under joint control, is proportionately consolidated,
- IFRS 16 impact on location lease contracts for advertising structures (“Core Business” contracts) excluding real estate and vehicle rental contracts (“Non Core Business” contracts).

These two adjustments comply with the principles followed in the Group's operating management reporting used by the Executive Board – the Chief Operating Decision Maker (CODM).
Consequently, pursuant to IFRS 8, the operating data presented hereafter, in line with internal communication, is "adjusted". The "adjusted" data is reconciled with the IFRS financial statements for which the IFRS 11 leads to consolidation of the joint ventures under the equity method and where "core business" rents are accounted for in accordance with IFRS 16.

3.1. Information related to operating segments

Definition of operating segments

Street Furniture

The Street Furniture operating segment covers, in general, the advertising agreements relating to public property entered into with cities and local authorities. It also includes advertising in shopping malls, as well as the renting of street furniture, the sale and rental of equipment, cleaning and maintenance and other various services.

Transport

The Transport operating segment covers advertising in public transport systems, such as airports, subways, buses, tramways and trains.

Billboard

The Billboard operating segment covers, in general, advertising on private property, including either traditional large format or back-light billboards, neon-light billboards and advertising wraps.

Transactions between operating segments

Transfer prices between operating segments are equal to prices determined on an arm's length basis, as in transactions with third parties.

The breakdown of the 2020 segment reporting by operating segment is as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Revenue (1)	1,131.1	810.9	369.7	2,311.8
Operating margin	145.4	2.6	(6.3)	141.6
EBIT (2)	(151.1)	(188.7)	(235.4)	(575.2)
Acquisitions of intangible assets and PP&E net of disposals (3)	157.9	15.0	12.0	185.0

(1) Including advertising revenue for €2,031.2 million and non-advertising revenue for €280.6 million.
(2) Including a net impairment charge related to impairment tests for €(222.3) million: €(94.0) million in Transport, €(117.3) million in Billboard and €(11.0) million in Street Furniture.
(3) Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.

The reconciliation of this operating data from Adjusted to IFRS breaks down as follows:

In million euros	Adjusted data (1)	Joint ventures' impact (2)	IFRS 16 impact (3)	IFRS data
Revenue	2,311.8	(212.0)		2,099.8
Operating margin	141.6	(41.5)	978.6	1,078.7
EBIT	(575.2)	(19.5)	118.9	(475.8)
Acquisitions of intangible assets and PP&E net of disposals	185.0	(8.0)		176.9

(1) Including the impact of IFRS 16 on non-core business contracts (of which +€43.1 million for the cancellation of rents and €(45.5) million for right-of-use amortisation).
(2) Impact of change from proportionate consolidation to the equity method of joint ventures.
(3) Impact of IFRS 16 on core business rents of controlled companies.

The impact of €(212.0) million resulting from IFRS 11 (change from proportionate consolidation to the equity method for joint ventures) on the adjusted revenue is split between €(220.3) million of revenue from the joint ventures – see Note 10 "Information on the joint ventures" – and €8.3 million for the non-eliminated part of intercompany revenue from Group fully consolidated companies with joint ventures, under IFRS 11, bringing the IFRS revenue to €2,099.8 million.
The impact of €978.6 million resulting from IFRS 16 on the operating margin corresponds to the cancellation of core business rent and fees of controlled companies. The impact of €118.9 million resulting from IFRS 16 on the EBIT breaks down into €978.6 million of cancellation of rent and fees on the operating margin, €(870.4) million of the right-of-use amortisation, €8.7 million of net gain on changes in contracts, €(14.6) million of cancellation of reversals of provisions for onerous contracts and €16.5 million of the right-of-use amortisation resulting from the requalification of provisions for onerous contracts.
The breakdown of the 2019 segment reporting by operating segment is as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Revenue (1)	1,688.2	1,636.4	565.6	3,890.2
Operating margin	452.3	265.9	74.1	792.2
EBIT (2)	219.3	166.8	(1.1)	384.9
Acquisitions of intangible assets and PP&E net of disposals (3)	297.9	45.7	31.8	375.4

(1) Including advertising revenue of €3,498.3 million and non-advertising revenue of €391.9 million.
(2) Including a net impairment charge related to impairment tests for €(0.3) million: €7.0 million in Street Furniture, €(1.0) million in Transport and €(6.4) million in Billboard.
(3) Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.

The reconciliation of this operating data from Adjusted to IFRS breaks down as follows:

In million euros	Adjusted data (1)	Joint ventures' impact (2)	IFRS16 impact (3)	IFRS data Restated (4)
Revenue	3,890.2	(402.5)		3,487.6
Operating margin	792.2	(123.8)	1,046.6	1,715.0
EBIT	384.9	(109.4)	185.0	460.6
Acquisitions of intangible assets and PP&E net of disposals	375.4	(15.1)		360.3

(1) Including the IFRS 16 impact on non-core business contracts (of which €49.9 million for the cancellation of rents and €(44.5) million for right-of-use amortisation).
(2) Impact of change from proportionate consolidation to the equity method for joint ventures.
(3) Impact of IFRS 16 on core business rents of controlled entities.
(4) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

The impact of €(402.5) million resulting from IFRS 11 (change from proportionate consolidation to the equity method for joint ventures) on the adjusted revenue is split between €(416.3) million of revenue from the joint ventures – See Note 10 "Information on the joint ventures" – and +€13.8 million for the non-eliminated part of intercompany revenue from Group fully consolidated companies with joint ventures, under IFRS 11, bringing the IFRS revenue to €3,487.6 million.
The impact of €1,046.6 million resulting from IFRS 16 on the operating margin corresponds to the cancellation of core business rent and fees of controlled companies. The impact of €185.0 million resulting from IFRS 16 on the EBIT breaks down into €1,046.6 million of cancellation of rent and fees on the operating margin, €(925.5) million of the right-of-use amortisation, €63.1 million of net gain on changes in contracts, €(17.4) million of cancellation of reversals of provisions for onerous contracts and €18.3 million of the right-of-use amortisation resulting from the requalification of provisions for onerous contracts.

3.2. Information by geographical area

The 2020 information by geographical area break down as follows:

In million euros	Europe (1)	Asia-Pacific (2)	France	Rest of the world	United Kingdom	North America (3)	Total
Revenue	694.3	603.5	442.8	206.3	203.8	161.3	2,311.8

(1) Excluding France and the United Kingdom. Mainly Germany, Austria, Belgium and Spain.
(2) Mainly China, Hong Kong and Australia
(3) Mainly United States.

The 2019 information by geographical area breaks down as follows:

In million euros	Europe (1)	Asia-Pacific (2)	France	Rest of the world	United Kingdom	North America (3)	Total
Revenue	997.9	1,105.0	618.8	450.2	382.1	336.1	3,890.2

(1) Excluding France and the United Kingdom. Mainly Germany, Austria and Spain.
(2) Mainly China and Australia.
(3) Mainly United States.

No single customer reaches the 10% of Group revenue threshold.

3.3. Other information

3.3.1. Non-current segment assets

The non-current segment assets by geographical area for the year 2020 (based on IFRS data) break down as follows:

In million euros	Europe (1)	Asia-Pacific	France	Rest of the world	United Kingdom	North America	Eliminations Intercos	Total
Non-current segment assets (2)	2,913.3	1,871.8	1,690.8	853.8	743.9	562.9	(1,391.0)	7,245.5
Unallocated segment assets (3)								123.8

(1) Excluding France and the United Kingdom.
(2) Excluding deferred tax assets and financial derivatives.
(3) Goodwill relating to Airports World that is not allocated by geographical area, as global coverage is a key success factor for this business activity from a commercial standpoint and in connection with the awarding and renewal of contracts. This also applies to impairment tests.

The non-current segment assets by geographical area for the year 2019 restated (based on IFRS data) breaks down as follows:

In million euros	Europe (1)	Asia-Pacific	France	Rest of the world	United Kingdom	North America	Eliminations Intercos	Total Restated (4)
Non-current segment assets (2)	2,925.2	2,220.6	1,734.9	1,134.3	933.4	761.6	(1,385.1)	8,324.8
Unallocated segment assets (3)								123.8

(1) Excluding France and the United Kingdom.
(2) Excluding deferred tax assets and financial derivatives.
(3) Goodwill relating to Airports World that is not allocated by geographical area, as global coverage is a key success factor for this business activity from a commercial standpoint and in connection with the awarding and renewal of contracts. This also applies to impairment tests.
(4) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

3.3.2. Free cash flow

The reconciliation of the free cash flow from Adjusted to IFRS for the year 2020 is as follows:

In million euros	Adjusted data	Joint ventures' impact (1)	IFRS 16 impact (2)	IFRS data
Net cash provided by operating activities	346.8	8.0	533.2	888.1
- Including Change in working capital	*403.0*	*(27.8)*	*(137.9)*	*237.4*
Acquisitions of intangible assets and PP&E net of disposals (3)	(185.0)	8.0	0.0	(176.9)
Free Cash Flow	161.9	16.0	533.2	711.2

(1) Impact of change from proportionate consolidation to the equity method of joint ventures.
(2) IFRS 16 impact on core and non-core business rents of controlled companies.

(3) Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.

The reconciliation of the free cash flow from Adjusted to IFRS for the year 2019 restated is as follows:

In million euros	Adjusted data	Joint ventures' impact (1)	IFRS16 impact (2)	IFRS data Restated (4)
Net cash provided by operating activities	**545.1**	**4.8**	**950.3**	**1,500.2**
- Including Change in working capital	*(5.8)*	*9.7*	*2.2*	*6.2*
Acquisitions of intangible assets and PP&E net of disposals (3)	**(375.4)**	**15.1**	**0.0**	**(360.3)**
Free Cash Flow	**169.7**	**19.9**	**950.3**	**1,139.9**

(1) Impact of change from proportionate consolidation to the equity method of joint ventures.
(2) IFRS 16 impact on core and non-core business rents of controlled companies.
(3) Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.
(4) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

4. COMMENTS ON THE STATEMENT OF FINANCIAL POSITION

4.1. Goodwill and other intangible assets

4.1.1. Goodwill

2020 and 2019 changes in net book value:

In million euros	2020	2019
Net value as of 1 January Restated	**1,779.0**	**1,939.0**
Impairment loss	(176.0)	(10.0)
Decreases		(0.1)
Changes in scope (1)	24.6	(163.6)
Translation adjustments	(34.8)	13.6
Net value as of 31 December	**1,592.8**	**1,779.0**

(1) The changes in scope in 2019 mainly concern the allocation of the price of acquiring the APN group in 2018.

4.1.2. Other intangible assets

2020 changes in gross value and net book value:

In million euros	Development costs	Patents, licences, advertising contracts, ERP (1)	Leasehold rights, payments on account, other	Total
Gross value as of 1 January 2020	**95.5**	**1,138.8**	**56.1**	**1,290.4**
Acquisitions/Increases	11.3	15.3	9.0	35.6
Decreases	(0.0)	(13.1)	(0.2)	(13.4)
Changes in scope		0.3		0.3
Translation adjustments	(0.9)	(36.8)	(4.0)	(41.7)
Reclassifications (2)	(1.7)	20.2	(16.5)	1.9
Goodwill allocation				0.0
Gross value as of 31 December 2020	**104.2**	**1,124.7**	**44.3**	**1,273.2**
Amortisation / Impairment as of 1 January 2020	**(54.4)**	**(589.3)**	**(34.2)**	**(677.9)**
Amortisation charge	(8.8)	(78.0)	(0.7)	(87.4)
Impairment loss		(10.5)	(0.1)	(10.6)
Decreases	0.0	13.1	0.2	13.3
Changes in scope				0.0
Translation adjustments	0.0	20.0	2.8	22.9
Reclassifications (2)	1.3	(0.8)		0.6
Goodwill allocation		0.0		0.0
Amortisation / Impairment as of 31 December 2020	**(61.8)**	**(645.4)**	**(31.9)**	**(739.1)**
Net value as of 1 January 2020	**41.1**	**549.5**	**21.9**	**612.5**
Net value as of 31 December 2020	**42.4**	**479.2**	**12.4**	**534.1**

(1) Includes the valuation of contracts recognised in connection with business combinations.
(2) The net impact of reclassifications is not nil, as some reclassifications have an impact on other items in the statement of financial position.

2019 changes in gross value and net book value:

In million euros	Development costs	Patents, licences, advertising contracts, ERP (1)	Leasehold rights, payments on account, other	Total
Gross value as of 1 January 2019	**81.1**	**836.9**	**29.0**	**947.0**
Acquisitions/Increases	15.0	16.7	18.4	50.1
Decreases	(0.3)	(9.9)	(0.2)	(10.5)
Changes in scope				0.0
Translation adjustments	(0.2)	13.7	0.5	14.0
Reclassifications (2)	(0.1)	35.5	8.4	43.8
Goodwill allocation		245.9		245.9
Gross value as of 31 December 2019	**95.5**	**1,138.8**	**56.1**	**1,290.4**
Amortisation / Impairment as of 1 January 2019	**(46.9)**	**(490.1)**	**(16.4)**	**(553.4)**
Amortisation charge	(7.9)	(85.8)	(0.8)	(94.5)
Impairment loss		(0.3)		(0.3)
Decreases	0.3	9.9	0.2	10.5
Changes in scope				0.0
Translation adjustments	0.1	(6.9)	(0.4)	(7.2)
Reclassifications (2)	0.0	(16.1)	(16.8)	(32.9)
Goodwill allocation				0.0
Amortisation / Impairment as of 31 December 2019	**(54.4)**	**(589.3)**	**(34.2)**	**(677.9)**
Net value as of 1 January 2019	**34.2**	**346.8**	**12.6**	**393.6**
Net value as of 31 December 2019	**41.1**	**549.5**	**21.9**	**612.5**

(1) Includes the valuation of contracts recognised in connection with business combinations.
(2) The net impact of reclassifications is not nil, as some reclassifications have an impact on other items in the statement of financial position.

4.2. Property, plant and equipment (PP&E)

	31/12/2020			31/12/2019
In million euros	Gross value	Depreciation or provision	Net value	Net value
Land	17.5	(1.2)	16.3	18.6
Buildings	99.5	(68.6)	30.9	26.4
Technical installations, tools and equipment	3,163.3	(2,118.5)	1,044.8	1,155.3
Vehicles	88.8	(43.6)	45.2	34.2
Other property, plant and equipment	169.5	(131.7)	37.8	44.1
Assets under construction and down payments	89.6	(3.3)	86.3	116.0
Total	**3,628.2**	**(2,366.9)**	**1,261.3**	**1,394.7**

2020 changes in gross value and net book value:

In million euros	Land	Buildings	Technical installations, tools & equipment	Other	Total
Gross value as of 1 January 2020	**19.8**	**96.0**	**3,212.8**	**371.1**	**3,699.8**
- of which dismantling cost			*203.7*		*203.7*
Acquisitions		1.1	77.1	124.3	202.5
- of which dismantling cost			*16.1*		*16.1*
- of which effect of rate change on dismantling cost			*2.9*		*2.9*
Decreases	(1.5)	(3.5)	(143.8)	(37.5)	(186.2)
- of which dismantling cost			*(21.4)*		*(21.4)*
Changes in scope		0.2	10.9	0.5	11.6
Reclassifications (1)		7.1	85.9	(99.1)	(6.1)
Goodwill allocation	0.0	(0.0)		0.0	0.0
Translation adjustments	(0.9)	(1.4)	(79.8)	(11.4)	(93.4)
Gross value as of 31 December 2020	**17.5**	**99.5**	**3,163.3**	**347.9**	**3,628.2**
Amortisation / Impairment as of 1 January 2020	**(1.2)**	**(69.6)**	**(2,057.5)**	**(176.8)**	**(2,305.1)**
- of which dismantling cost			*(114.6)*		*(114.6)*
Depreciation charge net of reversals	(0.0)	(3.5)	(213.9)	(16.9)	(234.3)
- of which dismantling cost			*(18.1)*		*(18.1)*
Impairment loss			(22.8)	(3.4)	(26.1)
Decreases	0.0	3.4	125.6	14.2	143.3
- of which dismantling cost			*10.0*		*10.0*
Changes in scope			0.0	(0.0)	0.0
Reclassifications (1)		0.6	(1.1)	0.7	0.2
Goodwill allocation					0.0
Translation adjustments	0.0	0.6	51.1	3.4	55.2
Amortisation / Impairment as of 31 December 2020	**(1.2)**	**(68.6)**	**(2,118.5)**	**(178.6)**	**(2,366.9)**
Net value as of 1 January 2020	**18.6**	**26.4**	**1,155.3**	**194.3**	**1,394.7**
Net value as of 31 December 2020	**16.3**	**30.9**	**1,044.8**	**169.3**	**1,261.3**

(1) The net impact of reclassifications is not nil, as some reclassifications have an impact on other items in the statement of financial position.

2019 changes in gross value and net book value:

In million euros	Land	Buildings	Technical installations, tools & equipment	Other	Total
Gross value as of 1 January 2019	**22.3**	**94.5**	**3,081.4**	**358.7**	**3,556.8**
- of which dismantling cost			*187.6*		*187.6*
Acquisitions	0.0	2.4	178.8	185.6	366.8
- of which dismantling cost			*28.9*		*28.9*
- of which effect of rate change on dismantling cost			*9.1*		*9.1*
Decreases	(1.9)	(5.7)	(230.0)	(22.1)	(259.7)
- of which dismantling cost			*(23.7)*		*(23.7)*
Changes in scope	0.0	(0.0)	0.0	(0.0)	0.0
Reclassifications	(1.3)	4.7	143.5	(153.5)	(6.7)
Goodwill allocation			15.1		15.1
Translation adjustments	0.7	0.2	24.0	2.6	27.5
Gross value as of 31 December 2019	**19.8**	**96.0**	**3,212.8**	**371.1**	**3,699.8**
Amortisation / Impairment as of 1 January 2019	**(1.3)**	**(68.9)**	**(2,033.1)**	**(179.4)**	**(2,282.7)**
- of which dismantling cost			*(108.0)*		*(108.0)*
Depreciation charge net of reversals	(0.0)	(2.9)	(217.9)	(16.0)	(236.8)
- of which dismantling cost			*(22.8)*		*(22.8)*
Impairment loss			(1.3)	(0.4)	(1.7)
Decreases	0.1	4.9	217.8	21.2	244.0
- of which dismantling cost			*17.1*		*17.1*
Changes in scope					0.0
Reclassifications (1)		(2.5)	(8.3)	(1.0)	(11.9)
Goodwill allocation					0.0
Translation adjustments	(0.0)	(0.2)	(14.7)	(1.0)	(15.9)
Amortisation / Impairment as of 31 December 2019	**(1.2)**	**(69.6)**	**(2,057.5)**	**(176.8)**	**(2,305.1)**
Net value as of 1 January 2019	**21.0**	**25.6**	**1,048.3**	**179.3**	**1,274.0**
Net value as of 31 December 2019	**18.6**	**26.4**	**1,155.3**	**194.3**	**1,394.7**

(1) The net impact of reclassifications is not nil, as some reclassifications have an impact on other items in the statement of financial position.

4.3. Right-of-Use

	31/12/2020			31/12/2019 Restated (1)
In million euros	Gross value	Depreciation or provision	Net value	Net value
Right-of-Use leased advertising space	7,049.8	(3,854.7)	3,195.1	3,944.1
Right-of-Use leased property	335.1	(144.3)	190.8	140.7
Right-of-Use leased vehicles	75.4	(46.6)	28.8	17.4
Right-of-Use other leases	3.4	(1.5)	1.9	13.7
Total	**7,463.7**	**(4,047.2)**	**3,416.5**	**4,115.8**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

2020 changes in gross value and net book value:

In million euros	Right-of-use leased advertising space	Right-of-use leased property	Right-of-use leased vehicles	Right-of-use other leases	Total
Gross value as of 1 January 2020 Restated (1)	**8,148.7**	**331.4**	**28.8**	**51.6**	**8,560.5**
Increases	459.8	96.7	12.3	1.7	570.5
Decreases	(1,223.8)	(86.3)	(8.9)	(0.3)	(1,319.3)
Changes in scope					0.0
Reclassifications	17.9	3.1	44.1	(49.4)	15.7
Translation adjustments	(352.8)	(9.7)	(0.9)	(0.2)	(363.7)
Gross value as of 31 December 2020	**7,049.8**	**335.1**	**75.4**	**3.4**	**7,463.7**
Amortisation / Impairment as of 1 January 2020 Restated (1)	**(4,204.6)**	**(190.7)**	**(11.4)**	**(37.9)**	**(4,444.7)**
Depreciation charge net of reversals (2)	(853.9)	(35.8)	(12.3)	(0.7)	(902.7)
Decreases	1,032.6	80.8	8.0	0.0	1,121.4
Changes in scope					0.0
Reclassifications	(17.8)	(3.3)	(31.5)	37.0	(15.7)
Translation adjustments	189.0	4.8	0.6	0.1	194.5
Amortisation / Impairment as of 31 December 2020	**(3,854.7)**	**(144.3)**	**(46.6)**	**(1.5)**	**(4,047.2)**
Net value as of 1 January 2020 Restated (1)	**3,944.1**	**140.7**	**17.4**	**13.7**	**4,115.8**
Net value as of 31 December 2020	**3,195.1**	**190.8**	**28.8**	**1.9**	**3,416.5**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Including €1.8 million of net reversals of right of use amortisation relating to impairment tests.

2019 changes in gross value and net book value:

In million euros	Right-of-use leased advertising space	Right-of-use leased property	Right-of-use leased vehicles	Right-of-use other leases	Total
Gross value as of 1 January 2019 Restated (1)	**8,244.4**	**301.4**	**19.9**	**58.3**	**8,624.0**
Increases	647.4	45.0	14.7	3.4	710.4
Decreases	(901.6)	(19.1)	(5.9)	(10.6)	(937.2)
Changes in scope	2.2	2.0			4.3
Reclassifications	16.6	(1.5)	0.0	0.2	15.2
Translation adjustments	139.7	3.5	0.1	0.4	143.8
Gross value as of 31 December 2019 Restated (1)	**8,148.7**	**331.4**	**28.8**	**51.6**	**8,560.5**
Amortisation / Impairment as of 1 January 2019 Restated (1)	**(3,750.7)**	**(167.5)**	**(11.3)**	**(39.2)**	**(3,968.8)**
Depreciation charge net of reversals (2)	(908.2)	(35.3)	(5.8)	(8.5)	(957.8)
Decreases	538.1	12.1	5.8	10.0	565.9
Changes in scope					0.0
Reclassifications	(13.7)	1.4	(0.0)	0.0	(12.3)
Translation adjustments	(70.1)	(1.4)	(0.1)	(0.2)	(71.8)
Amortisation / Impairment as of 31 December 2019 Restated (1)	**(4,204.6)**	**(190.7)**	**(11.4)**	**(37.9)**	**(4,444.7)**
Net value as of 1 January 2019 Restated (1)	**4,493.7**	**133.9**	**8.5**	**19.1**	**4,655.3**
Net value as of 31 December 2019 Restated (1)	**3,944.1**	**140.7**	**17.4**	**13.7**	**4,115.8**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Including €2.5 million of net reversals of right of use amortisation relating to impairment tests.

4.4. Goodwill, Property, plant and equipment (PP&E), intangible asset and right-of-use impairment tests

Goodwill, property, plant and equipment, intangible assets and right-of-use refer to the following CGU groups:

In million euros	31/12/2020 Goodwill (1)	31/12/2020 PP&E / intangible assets / Right-of-use (2)	31/12/2020 Total	31/12/2019 Goodwill (1)	31/12/2019 PP&E / intangible assets / Right-of-use (2)	31/12/2019 Total
Street Furniture Europe (excluding France and United Kingdom)	387.7	254.6	642.3	389.0	282.0	671.0
France Roadside	226.4	359.7	586.1	201.8	370.2	572.0
Pacific	225.9	343.7	569.7	340.0	403.1	743.0
Billboard Europe (excluding France and United Kingdom)	155.5	34.9	190.4	155.3	39.0	194.3
Billboard United Kingdom	141.7	44.1	185.8	149.3	50.8	200.1
Billboard Rest of the World	15.7	85.9	101.6	72.8	122.7	195.5
Airports World	123.9	(82.3)	41.6	123.8	(58.3)	65.5
Street Furniture United Kingdom	57.1	(32.4)	24.7	57.8	21.7	79.5
Other	173.9	38.1	211.9	192.9	129.0	321.9
Total	**1,507.8**	**1,046.4**	**2,554.2**	**1,682.7**	**1,360.1**	**3,042.8**

This table takes into account the impairment losses recognised on property, plant and equipment, intangible assets, right-of-use and goodwill.

(1) Goodwill is shown net of net deferred tax liabilities related to contracts and provisions for onerous contracts deducted from right-of-use recognised in connection with business combinations, totalling, respectively, €85.0 million and €96.3 million at 31 December 2020 and 31 December 2019.

(2) Intangible assets, property, plant and equipment and right-of-use are presented net of provisions for onerous contracts of €19.7 million and €9.1 million at 31 December 2020 and 31 December 2019, respectively. They are also shown net of lease liabilities of €4,145.8 million and €4,753.8 million at 31 December 2020 and 31 December 2019, respectively.

Impairment tests carried out at 31 December 2020 led to an overall impairment charge to EBIT of €(36.7) million on intangible assets and property, plant and equipment, a net depreciation of provision for onerous contracts of €(11.2) million, a net reversal of right of use amortisation of €1.8 million and goodwill impairment loss of €(176.0) million.

Impairment tests on goodwill, intangible assets, property, plant and equipment and right-of-use had a negative impact of €(207.1) million in net income Group share (versus €(10.0) million in 2019).

The discount rate, the operating margin ratio and the perpetual growth rate for the Billboard business are considered to be the Group's key assumptions with respect to impairment testing.

The countries are broken down into five areas based on the risk associated with each country, and each area corresponds to a specific discount rate ranging from 6.0% to 17.0%, for the area presenting the highest risk. The after-tax rate of 6.0%, used in 2020 and 2019, was used, in particular, in Western Europe (excluding Spain, Portugal, Italy and Ireland), North America, Japan, Singapore, South Korea, Australia and New Zeland where the Group generates 58.1% of its adjusted revenue. In addition, there is a risk premium of 300 basis points on the Airports CGU, reflecting the specific risk of this activity in the context of the unprecedented global crisis context caused by the Covid-19 pandemic and an uncertain recovery horizon.

The average discount rate for the Group stood at 7.8% in 2020.

The sensitivity tests whose results are presented below were run at the level of each business plan and each CGU. Where a region has several CGUs, tests were run separately on each.

- In France, the United Kingdom, Europe (excluding France and the United Kingdom), Asia and Pacific, two sensitivity tests were carried out:
    - firstly, a 50-basis point rise in the discount rate for all businesses,
    - secondly, by postponing the economic recovery following the Covid-19 crisis by one year in the cash flow forecasts.
- In the Rest of the World geographical area, where some countries are exposed to greater political and economic volatility, two sensitivity tests were also carried out:
    - firstly, a 200-basis point rise in the discount rate for all businesses,
    - secondly, by postponing the economic recovery following the Covid-19 crisis by one year in the cash flow forecasts.

The Airports CGU is tested at a global level.

The results below are an aggregate of the tests run on each business plan.

The results of the sensitivity tests demonstrate that:

- an increase of 50 basis points in the discount rate for France, the United Kingdom, Europe (excluding France and the United Kingdom), Asia and the Pacific, would result in an additional impairment loss of €(50.8) million on goodwill in the Pacific zone,
- an increase of 200 basis points in the discount rate for the Rest of the World geographical area would lead to an additional impairment loss of €(11.7) million on assets in the Billboard activity and of €(0.6) million on assets in the Street Furniture activity,
- the one-year delay in the cash flow forecasts of the economic recovery following the Covid-19 crisis for the geographic areas of France, United Kingdom, Europe (excluding France and United Kingdom), Asia and the Pacific would result in an impairment loss of €(4.7) million on the assets of the Airports CGU and €(70.2) million on goodwill in the Pacific zone,
- that the one-year delay in the cash flow forecasts of the economic recovery following the Covid-19 crisis in the Rest of the World geographical area would result in an impairment loss of €(2.9) million on assets of the Billboard activity, €(1.2) million on the assets of the Street Furniture activity, and €(0.4) million on the assets of the Airports CGU.

4.5. Investments under the equity method and impairment tests

In million euros	31/12/2020	31/12/2019
Joint ventures	159.9	266.8
Associates	232.6	185.5
Total (1)	**392.5**	**452.3**

(1) Including €13.8 million related to the Rest of the World area as of 31 December 2020 compared to €48.9 million as of 31 December 2019.

The information related to the joint ventures and associates is provided in application of IFRS 12 "Disclosure of Interests in Other Entities" and is detailed in Note 10 "Information on the joint ventures" and in Note 11 "Information on associates".

In 2020, an impairment loss was recognised on the associates in the amount of €(4.0) million and on the joint ventures in the amount of €(0.2) million.
In 2019, a €8.7 million reversal of impairment on joint ventures was recorded.

For companies consolidated under the equity method, the results of the sensitivity tests demonstrate that:

- an increase of 50 basis points in the discount rate for companies out of Rest of the world geographical area would result in an additional impairment loss of €(1.1) million on the share of net profit of companies consolidated under the equity method,

- an increase of 200 basis points in the discount rate for companies belonging to the Rest of the world geographical area would not lead to an impairment loss on the share of net profit of companies consolidated under the equity method,

- the one-year delay in the cash flow forecasts for economic recovery following the Covid-19 crisis would lead to an impairment loss of €(11.0) million on the share of net profit of companies accounted for under the equity method.

4.6. Other financial assets (current and non-current)

In million euros	31/12/2020	31/12/2019
Financial investments	0.9	0.9
Loans	23.9	33.3
Loans to participating interests	96.2	2.0
Other financial investments	43.8	44.2
Total	**164.8**	**80.3**

The €84.5 million increase in other financial assets at 31 December 2020 mainly concerns the loan granted to City Developments Lead in connection with the acquisition of Clear Media in 2020.

The maturity of other financial assets (excluding financial investments) breaks down as follows:

In million euros	31/12/2020	31/12/2019
≤ 1 year	3.4	4.5
> 1 year & ≤ 5 years	145.9	58.6
> 5 years	14.6	16.2
Total	**163.9**	**79.4**

4.7. Other receivables (non-current)

In million euros	31/12/2020	31/12/2019
Prepaid expenses	8.0	11.3
Miscellaneous receivables	3.1	7.2
Total Gross value for other receivables (non-current)	**11.1**	**18.5**
Write-down for miscellaneous receivables	(1.3)	(1.4)
Total Write-down for other receivables (non-current)	**(1.3)**	**(1.4)**
Total	**9.8**	**17.1**

4.8. Inventories

In million euros	31/12/2020	31/12/2019
Gross value of inventories	221.2	205.4
Raw materials, supply and goods	*157.5*	*155.2*
Intermediate and finished products	*63.7*	*50.2*
Write-down	(48.6)	(30.3)
Raw materials, supply and goods	*(38.8)*	*(21.8)*
Intermediate and finished products	*(9.8)*	*(8.6)*
Total	**172.6**	**175.1**

Inventories mainly consist of:
- parts required for the maintenance of installed street furniture,
- street furniture and billboards in kit form.

As of 31 December 2020, France contributed €88.4 million to the total gross value, including 65% of inventories in work in progress and 35% of maintenance inventories.

4.9. Trade and other receivables

In million euros	31/12/2020	31/12/2019
Trade receivables	537.1	848.8
Miscellaneous receivables	17.9	17.7
Other operating receivables	21.1	23.3
Miscellaneous tax receivables	80.1	93.3
Receivables on disposal of assets and equipment grant to be received	0.0	0.4
Down payments	3.8	4.8
Prepaid expenses	73.7	67.3
Total Gross value for Trade and other receivables	**733.8**	**1,055.6**
Write-down for trade receivables	(35.0)	(32.3)
Write-down for miscellaneous receivables	(1.3)	(1.7)
Write-down for other operating receivables	(0.1)	(0.1)
Total Write-down for Trade and other receivables	**(36.4)**	**(34.1)**
Total	**697.4**	**1,021.5**

The €324.1 million decrease in trade and other receivables as of 31 December 2020 is mainly due to cash flows from operating activities for €(290.5) million, foreign exchange rates impacts for €(38.1) million and changes in scope for €6.1 million.
The balance of past-due and un-provisioned trade receivables is €183.2 million as of 31 December 2020 compared to €305.2 million at 31 December 2019. 8.9% of the un-provisioned trade receivables are overdue by more than 90 days as of 31 December 2020 compared to 7.0% at 31 December 2019. These receivables are held mainly towards media agencies or international groups which pose a little recovery risk.

4.10. Managed cash

In million euros	31/12/2020	31/12/2019
Cash	1,034.2	136.0
Cash equivalents	573.7	13.9
Total cash and cash equivalents	**1,607.8**	**149.8**
Treasury financial assets	57.6	83.5
Total managed cash	**1,665.5**	**233.3**

The Group has €1,665.5 million managed cash as of 31 December 2020, compared to €233.3 million as of 31 December 2019. The increase in managed cash follows the strengthening of the Group's liquidity during 2020.
Cash and cash equivalents mainly include current account deposits, short-term deposits and money market funds. €9.4 million of the total of cash and cash equivalents is invested in guarantees as of 31 December 2020, compared to €11.2 million as of 31 December 2019.
As of 31 December 2020, treasury financial assets consist of €45.6 million of short-term liquid investments (compared to €45.2 million as of 31 December 2019) and €12.0 million held in escrow account by the Group in connection with operational contracts, where the cash belongs to the Group (compared to €38.3 million as of 31 December 2019). These financial assets have the main characteristics of cash equivalents but do not strictly comply with all the criteria to be qualified as such according to IAS 7.

4.11. Net deferred taxes

4.11.1. Deferred taxes recorded

Breakdown of deferred taxes:

In million euros	31/12/2020	31/12/2019
PP&E, intangible assets and provisions for onerous contracts	(159.8)	(173.0)
Tax losses carried forward	37.6	24.2
Provisions for dismantling costs	22.6	23.0
Provisions for retirement and other benefits	26.1	23.7
IFRS16 leases	66.9	69.4
Other	26.8	23.3
Total	**20.2**	**(9.4)**

The €29.7 million increase of deferred tax assets net of the deferred tax liabilities is mainly due to an increase in deferred tax assets on tax losses carried forward for €13.4 million and deferred tax assets on intangible assets and property, plant and equipment totalling €13.1 million, mainly related to the increase of deferred tax assets on the impairment losses of intangible assets and property, plant and equipment.

4.11.2. Net deferred tax variation

As of 31 December 2020, the net deferred tax variations are as follows:

In million euros	31/12/2019	Net expense	Reclassifications	DT on actuarial gains and losses	Translation adjustments	Changes in scope	31/12/2020
Deferred tax assets	122.7	20.9	(17.4)	2.1	(6.9)	(2.3)	119.0
Deferred tax liabilities	(132.1)	10.6	17.4	0.3	1.8	3.2	(98.8)
Total	**(9.4)**	**31.5**	**0.0**	**2.4**	**(5.1)**	**0.8**	**20.2**

As of 31 December 2019, the net deferred tax variations were as follows:

In million euros	31/12/2018	Net expense	Reclassifications	DT on actuarial gains and losses	Translation adjustments	Changes in scope	31/12/2019
Deferred tax assets	137.6	(14.1)	(3.2)	0.4	2.4	(0.3)	122.7
Deferred tax liabilities	(64.0)	9.6	3.2	2.0	(1.6)	(81.3)	(132.1)
Total	**73.5**	**(4.5)**	**0.0**	**2.4**	**0.9**	**(81.7)**	**(9.4)**

4.11.3. Unrecognised deferred tax assets on tax losses carried forward

As of 31 December 2020, the amount of deferred tax assets on unrecognised losses carried forward is €188.8 million, compared to €103.2 million as of 31 December 2019.

4.12. Equity

Breakdown of share capital

As of 31 December 2020, share capital amounted to €3,245,684.82 divided into 212,902,810 shares of the same class and fully paid up.

Reconciliation of the number of outstanding shares as of 1 January 2020 and 31 December 2020:

Number of outstanding shares as of 1 January 2020	212,902,810
Shares issued following the exercise of options	0
Number of outstanding shares as of 31 December 2020	212,902,810

The Group holds 75,000 treasury shares as of 31 December 2020.
In 2020, the Group did not grant any stock option or bonus share plans.
The cost associated with all current plans amounted to €14 thousand in 2020.
The General Meeting held on 14 May 2020, decided to not pay a dividend for any of the 212,902,810 shares making up the share capital at 31 December 2019.
This decision followed the announcement of 25 March 2020 of the decision by the Supervisory Board to withdraw the 2019 dividend proposal from the resolutions to be adopted at the General Meeting of Shareholders in order to both strengthen the liquidity and improve the financial flexibility of the Group, enabling it to take advantage of market opportunities.
Non-controlling interests do not represent a significant portion of the 2019 and 2020 Group consolidated financial statements.

4.13. Provisions

Provisions break down as follows:

In million euros	31/12/2019	Allocations	Discount [(1)]	Reversals: Used	Reversals: Not used	Actuarial gains and losses/ assets ceiling	Translation adjustments	Changes in scope	31/12/2020
Provisions for dismantling cost	256,1	16,1	4,5	(10,8)	(14,7)	0,0	(5,9)	2,2	247,4
Provisions for retirement and other benefits	103,6	6,3	1,0	(7,4)	(0,0)	10,5	(1,4)	0,7	113,4
Provisions for risks and litigation	49,5	15,4		(7,1)	(3,9)		(2,8)	0,1	51,2
Provisions for onerous contracts	9,1	11,2		(0,6)	0,0		(0,3)	0,3	19,7
Total	**418,4**	**48,9**	**5,6**	**(25,9)**	**(18,7)**	**10,5**	**(10,4)**	**3,3**	**431,7**

(1) Including €2.9 million recognised versus PP&E.

4.13.1. Provisions for dismantling costs

Provisions consist mainly of provisions for dismantling costs regarding advertising assets in respect of Street Furniture and Transport businesses. They are calculated at the end of each accounting period and are based on the assets pool and their unitary dismantling cost (labour, cost of destruction and restoration of ground surfaces). As of 31 December 2020, the average residual contract term used to calculate the provision for dismantling costs is 7.9 years.
Individual rates have been applied to each country since 2019. A weighted average discount rate was calculated based on each country's dismantling provision for the needs of the sensitivity analysis. The sensitivity analysis at 31 December 2020 used this new weighted average discount rate for dismantling provisions, calculated as 0.47%, compared to 0.71% rate used at 31 December 2019. Therefore, a 25 basis point reduction in the weighted average discount rate to 0.22% would have generated an additional provision of approximately €4.9 million.

As of 31 December 2020, the release of provisions for dismantling costs amounts to €121.4 million over a time horizon less than or equal to 5 years; it amounts to €82.3 million over a time horizon ranging between 5 and 10 years and to €43.8 million after 10 years.

4.13.2. Provisions for retirement and other benefits

4.13.2.1. Characteristics of the defined benefits plans

The Group’s defined employee benefit obligations mainly consist of retirement benefits (contractual termination benefits, pensions and other retirement benefits for senior executives of certain Group subsidiaries) and other long-term benefits paid throughout the employee’s career, such as long service awards or jubilees.

The Group’s retirement benefits mainly involve France, the United Kingdom and Austria.

In France, termination benefits paid at retirement are calculated in accordance with the "*Convention Nationale de la Publicité*" (Collective Bargaining Agreement for Advertising). A portion of the obligation is covered by contributions made to an external fund by the French companies of JCDecaux Group.

In the United Kingdom, retirement obligations mainly consist of a pension plan previously opened to some employees of JCDecaux UK Ltd. In December 2002, the vesting rights for this plan were frozen.

In Austria, the obligations mainly comprise mandatory termination benefits.

4.13.2.2. Financial information

Provisions are calculated according to the following assumptions:

	2020	2019
Discount rate [(1)]		
Euro Zone	0.35%	0.80%
United Kingdom	1.35%	1.95%
Estimated annual rate of increase in future salaries		
Euro Zone	1.99%	1.98%
United Kingdom [(2)]	NA	NA
Inflation rate		
Euro Zone	1.50%	1.75%
United Kingdom	2.35%	2.05%

(1) The discount rates for the Euro Zone and the United Kingdom are taken from Iboxx data and are determined based on the yield rate of bonds issued by highly rated companies (rated AA).
(2) As the UK plan was frozen, no salary increase was taken into account.

Retirement benefits and other long-term benefits (before tax) in 2020 break down as follows:

	Retirement benefits		Other long-term benefits	Total
In million euros	**unfunded**	**funded**		
Change in benefit obligation				
Benefit obligation at the beginning of the year	**24.8**	**137.9**	**7.8**	**170.5**
Service cost	1.4	3.8	1.0	6.3
Interest cost	0.2	1.7	0.1	2.0
Acquisitions / disposals of plans	0.0	0.7	0.0	0.7
Modifications / curtailments of plans	0.0	0.0	0.0	0.0
Actuarial gains/losses (1)	7.6	5.8	0.4	13.7
Employee contributions		0.2		0.2
Benefits paid	(2.1)	(4.4)	(0.7)	(7.2)
Translation adjustments	(0.4)	(3.5)	(0.0)	(3.9)
Benefit obligation at the end of the year	**31.5**	**142.2**	**8.7**	**182.3**
including France	*21.2*	*59.7*	*4.4*	*85.3*
including other countries	*10.2*	*82.4*	*4.3*	*96.9*
Change in plan assets				
Assets at the beginning of the year		**66.9**		**66.9**
Interest income		1.0		1.0
Return on plan assets excluding amounts included in interest income		3.2		3.2
Acquisitions / disposals of plans		0.0		0.0
Employer contributions		4.7		4.7
Employee contributions		0.2		0.2
Benefits paid		(4.4)		(4.4)
Translation adjustments		(2.5)		(2.5)
Assets at the end of the year		**69.0**		**69.0**
including France		*6.9*		*6.9*
including other countries (2)		*62.1*		*62.1*
Provisions				
Funded status	31.5	73.2	8.7	113.4
Assets ceiling				0.0
Provisions at the end of the year	**31.5**	**73.2**	**8.7**	**113.4**
including France	*21.2*	*52.8*	*4.4*	*78.4*
including other countries	*10.2*	*20.3*	*4.3*	*34.8*
Pension cost				
Interest cost	0.2	1.7	0.1	2.0
Interest income		(1.0)		(1.0)
Modifications / curtailments of plans		0.0		0.0
Service cost	1.4	3.8	1.0	6.3
Amortisation of actuarial gains/losses on other long-term benefits			0.0	0.0
Charge for the year	**1.6**	**4.6**	**1.2**	**7.4**
including France	*1.1*	*3.5*	*0.1*	*4.8*
including other countries	*0.5*	*1.1*	*1.2*	*2.8*

(1) Including €1.4 million related to experience gains and losses, €11.8 million related to financial assumptions and €0.5 million related to demographic assumptions.
(2) Mainly the United Kingdom.

As of 31 December 2020, the Group's benefit obligation amounted to €182.3 million and mainly involved three countries: France (47% of the total benefit obligation), the United Kingdom (35%) and Austria (4%).
The valuations were performed by an independent actuary who also conducted sensitivity tests for each of the plans.
The results of the sensitivity tests demonstrate that:

- a decrease of 50 basis points in the discount rate would lead to a €11.3 million increase in the benefit obligation's present value,
- an increase of 50 basis points in the annual rate of increase in future salaries would lead to a €5.2 million increase in the benefit obligation's present value,
- an increase of 50 basis points in the inflation rate would lead to a €1.9 million increase in the benefit obligation's present value.

The variances observed during the sensitivity tests do not call into question the rates taken on for the preparation of the financial statements, deemed to be the rates that most closely match the market.
Net movements in provisions for retirement and other benefits are as follows:

In million euros	2020	2019
1 January	**103.6**	**88.3**
Charge for the year	7.4	6.2
Translation adjustments	(1.4)	0.9
Contributions paid	(4.7)	(3.6)
Benefits paid	(2.8)	(1.4)
Change in actuarial gains and losses on post-employment benefit plans and assets ceiling	10.5	13.1
Other	0.7	0.1
31 December	**113.4**	**103.6**
Which are recorded:		
- In EBIT	1.1	0.4
- In Financial income (loss)	(1.0)	(1.7)
- In Other comprehensive income	(10.5)	(13.1)

The breakdown of the related plan assets is as follows:

	31/12/2020		31/12/2019	
	In M€	In %	In M€	In %
Shares	19.1	28%	22.5	34%
Bonds	25.6	37%	27.3	41%
Corporate bonds	7.2	10%	2.3	3%
Real Estate	2.9	4%	2.9	4%
Insurance contracts	10.2	15%	9.6	14%
Other	3.9	6%	2.3	3%
Total	**69.0**	**100%**	**66.9**	**100%**

The plan assets are assets that are listed, separately from real estate which is not listed.

Retirement benefits and other long-term benefits (before tax) in 2019 break down as follows:

In million euros	Retirement benefits unfunded	Retirement benefits funded	Other long-term benefits	Total
Change in benefit obligation				
Benefit obligation at the beginning of the year	**20.3**	**119.9**	**7.7**	**147.9**
Service cost	1.2	3.4	0.7	5.2
Interest cost	0.4	2.6	0.2	3.2
Acquisitions / disposals of plans	0.0	0.3	0.0	0.3
Modifications / curtailments of plans		(0.9)		(0.9)
Actuarial gains/losses (1)	3.4	12.4	0.0	15.8
Employee contributions		0.2		0.2
Benefits paid	(0.7)	(3.0)	(0.7)	(4.4)
Translation adjustments	0.2	3.0	0.0	3.2
Benefit obligation at the end of the year	**24.8**	**137.9**	**7.8**	**170.5**
including France	*17.0*	*59.9*	*4.1*	*81.0*
including other countries	*7.8*	*78.0*	*3.7*	*89.5*
Change in plan assets				
Assets at the beginning of the year		**59.8**		**59.8**
Interest income		1.5		1.5
Return on plan assets excluding amounts included in interest income		2.2		2.2
Acquisitions / disposals of plans		0.2		0.2
Employer contributions		3.6		3.6
Employee contributions		0.2		0.2
Benefits paid		(3.0)		(3.0)
Translation adjustments		2.3		2.3
Assets at the end of the year		**66.9**		**66.9**
including France		*7.4*		*7.4*
including other countries (2)		*59.5*		*59.5*
Provisions				
Funded status	24.8	71.0	7.8	103.6
Assets ceiling				0.0
Provisions at the end of the year	**24.8**	**71.0**	**7.8**	**103.6**
including France	*17.0*	*52.5*	*4.1*	*73.6*
including other countries	*7.8*	*18.5*	*3.7*	*30.0*
Pension cost				
Interest cost	0.4	2.6	0.2	3.2
Interest income		(1.5)		(1.5)
Modifications / curtailments of plans		(0.9)		(0.9)
Service cost	1.2	3.4	0.7	5.2
Amortisation of actuarial gains/losses on other long-term benefits			0.2	0.2
Charge for the year	**1.5**	**3.6**	**1.1**	**6.2**
including France	*1.1*	*2.8*	*0.2*	*4.1*
including other countries	*0.5*	*0.8*	*0.8*	*2.1*

(1) Including €(0.4) million related to experience gains and losses, €16.3 million related to financial assumptions and €(0.1) million related to demographic assumptions.
(2) Mainly the United Kingdom.

4.13.2.3. Information about the future cash flows

Future contributions to pension funds for the year 2021 are estimated at €2.3 million.

The average weighted duration is respectively 11 years and 18 years for the Euro Zone and the United Kingdom.

The JCDecaux UK Ltd pension plan in the United Kingdom has been closed since December 2002. Today only the deferred or retirees remain in this plan. "Funding" evaluations are carried out every three years in order to determine the level of the plan's deficit with the agreement of the Trustees and the employer in compliance with the regulations. A schedule of contributions is defined up to 2028.

4.13.2.4. Defined contribution plans

Contributions paid for defined contribution plans represented €30.9 million in 2020 compared to €29.6 million in 2019.

4.13.2.5. Multi-employer defined benefit plans

The Group takes part in three multi-employer defined benefit plans covered by assets in Sweden (ITP Plan). An evaluation is performed according to the local standards each year. The benefit obligation of the company JCDecaux Sverige AB cannot currently be determined separately. As of 31 December 2019, the three plans were in loss position for a total amount of €(5,270.7) million, at the national level, according to local evaluations specific to these commitments. The expense recognised in the consolidated financial statements for these three plans is the same as the contributions paid in 2020, i.e. €0.5 million. The future contributions of the three plans will be steady in 2021.
The Group also takes part in five multi-employer plans in the United States. The Group does not have sufficient information related to the assets and obligations of these plans, the amount of actuarial gains and losses, the service cost and the financial cost, information necessary for the recognition of these plans as defined benefit plans. Therefore, they are recognised on the same basis as the defined contribution plans. The Group's annual contribution for these multi-employer plans in the United States amounts to €0.5 million.

4.13.3. Provisions for risks and litigation

Provisions for risks and litigation amounted to €51.2 million as of 31 December 2020 compared to €49.5 million as of 31 December 2019.
The JCDecaux Group is party to several legal disputes regarding the implementation terms and conditions for some of its contracts with its concession grantors and the terms and conditions governing supplier relations. In addition, the specific nature of its business (contracts with public authorities) may generate specific contentious procedures. The JCDecaux Group is party to litigation over the awarding or cancellation of street furniture, transport and billboard contracts, as well as tax litigation. In addition, in the context of their businesses, Group companies may be subject to actions/investigations from legal authorities/national competition authorities. Some are ongoing and should not lead to material adverse consequences for the Group.

The Group's Legal Department identifies all risks and litigation (nature, amounts, procedure, risk level), regularly monitors developments and compares this information with that of the Finance Department. The amount of provisions recognised for risks and litigation is analysed case by case, based on the positions of the plaintiffs, the assessment of the Group's legal advisors and any decisions handed down by a court.

4.13.4 Provisions for onerous contract

The provisions for onerous contracts amounted to €19.7 million as of 31 December 2020 compared to €9.1 million as of 31 December 2019. They consist of provisions for onerous contracts recognised during the purchase price allocation exercise of €3.5 million and of provisions recognised following impairment tests of €16.2 million, compared to respectively €4.7 million and €4.5 million as of 31 December 2019. The €10.6 million increase as of 31 December 2020 is mainly due to provisions for onerous contracts recognised following impairment tests of €11.2 million.

4.13.5. Contingent assets and liabilities

Subsequent to a risk analysis, the Group deemed that it was not necessary to recognise a provision with respect to some ongoing proceedings regarding litigation or investigations by competition authorities, tax risks or the terms and conditions governing the implementation or awarding of contracts.

Subject to exceptions, no provision for dismantling costs regarding panels in respect of the Billboard business is recognised in the Group financial statements. Indeed, the Group deems that the dismantling obligation of the Billboard business corresponds to a contingent liability as either the obligation is hardly probable or it cannot be estimated with sufficient reliability due to the uncertainty of the probable dismantling date that influences the discounting impact. Regarding panels that resemble street furniture, large format digital screens and the most spectacular advertising structures, whose unitary dismantling cost is more significant than for dismantling traditional panels, as well as for dismantling programs related to panels for which a high probability of dismantling exists in the short term and at our initiative, the Group had estimated the overall non-discounted dismantling cost at €12.8 million as of 31 December 2020, compared to €16.7 million as of 31 December 2019. In exceptional cases where a short-term dismantling obligation is identified, the Group may recognise a provision for dismantling costs regarding panels of the Billboard business.

4.14. Financial debt

In million euros		31/12/2020 Current portion	31/12/2020 Non-current portion	31/12/2020 Total	31/12/2019 Current portion	31/12/2019 Non-current portion	31/12/2019 Total
Gross financial debt	**(1)**	**587.6**	**2,147.4**	**2,735.0**	**595.7**	**753.1**	**1,348.8**
Financial derivatives assets		(1.7)	0.0	(1.7)	(1.1)	(0.1)	(1.2)
Financial derivatives liabilities		4.4	0.0	4.4	3.3	0.0	3.3
Hedging financial derivatives instruments	**(2)**	**2.6**	**0.0**	**2.6**	**2.2**	**(0.1)**	**2.2**
Cash and cash equivalents (*)		1,607.8	0.0	1,607.8	149.8	0.0	149.8
Bank overdrafts		(14.2)	0.0	(14.2)	(7.4)	0.0	(7.4)
Net cash	**(3)**	**1,593.6**	**0.0**	**1,593.6**	**142.4**	**0.0**	**142.4**
Treasury financial assets (*)	**(4)**	**57.6**	**0.0**	**57.6**	**83.5**	**0.0**	**83.5**
Net financial debt (excluding non-controlling interest purchase commitments)	**(5)=(1)+(2)-(3)-(4)**	**(1,061.0)**	**2,147.4**	**1,086.3**	**372.0**	**753.0**	**1,125.0**

(*) As of 31 December 2020, the Group had €1,607.8 million of cash and cash equivalents (compared to €149.8 million as of 31 December 2019) and €57.6 million of treasury financial assets (compared to €83.5 million as of 31 December 2019). Cash and cash equivalents mainly include current account deposits, short-term deposits and money market funds. €9.4 million of the total of cash and cash equivalents is invested in guarantees as of 31 December 2020, compared to €11.2 million as of 31 December 2019.
As of 31 December 2020 treasury financial assets were made up of €45.6 million of short-term liquid investments (compared to €45.2 million as of 31 December 2019) and €12.0 million held in an escrow account by the Group in connection with operational contracts, where the cash belongs to the Group (compared to €38.3 million as of 31 December 2019). These financial assets have the main characteristics of cash equivalents but do not strictly comply with all the criteria to be qualified as such according to IAS 7.

The debts on commitments to purchase minority interests are recorded separately and therefore are not included in the financial debt. They are described in Note 4.15 "Debt on commitments to purchase non-controlling interests".
Hedging financial instruments are described in Note 4.17 "Financial instruments"*.*
The reconciliation of the cash flow variance with the change in gross financial debt is detailed in Note 6.4 "Reconciliation between the cash flows and the change in gross financial debt".
The debt analyses presented hereafter are based on the economic financial debt, which is equal to the gross financial debt on the statement of financial position adjusted by the impact of amortised cost:

In million euros	31/12/2020 Current portion	31/12/2020 Non-current portion	31/12/2020 Total	31/12/2019 Current portion	31/12/2019 Non-current portion	31/12/2019 Total
Gross financial debt	**587.6**	**2,147.4**	**2,735.0**	**595.7**	**753.1**	**1,348.8**
Impact of amortised cost	0.0	(0.4)	(0.4)	1.1	3.2	4.3
Economic financial debt	**587.6**	**2,147.0**	**2,734.6**	**596.7**	**756.3**	**1,353.0**

The economic financial debt breaks down as follows:

In million euros	31/12/2020 Current portion	31/12/2020 Non-current portion	31/12/2020 Total	31/12/2019 Current portion	31/12/2019 Non-current portion	31/12/2019 Total
Bonds	0.0	1,949.8	1,949.8	300.0	750.0	1,050.0
Commercial Paper (NEU/CP)	481.0		481.0	180.0		180.0
Bank borrowings	46.6	187.7	234.3	72.0	1.7	73.7
Miscellaneous borrowings	41.6	9.4	51.0	39.9	4.6	44.5
Accrued interest	18.5	0.0	18.5	4.8	0.0	4.8
Economic financial debt	**587.6**	**2,147.0**	**2,734.6**	**596.7**	**756.3**	**1,353.0**

As of 31 December 2020, the Group's financial debt mainly includes the debt carried by JCDecaux SA:

- Bonds issues:
  - €750 million issued in 2016 maturing in June 2023
  - €599.9 million issued in 2020 maturing in October 2024
  - €599.9 million issued in 2020 maturing in April 2028
- €150 million bank loan set up in 2020 maturing in April 2025
- €481 million of commercial paper issued by JCDecaux SA through its Negotiable European Commercial Paper (NEU CP) program for a maximum amount of €750 million.

The average effective interest rate of JCDecaux SA's debts is approximately 1.1% for 2020.
As of 31 December 2020, JCDecaux SA also holds an undrawn committed revolving credit facility of €825 million, which includes a €100 million swingline for same-day short-term drawdowns. In July 2019, the maturity of the facility was

extended to July 2024 with two possible extensions of one year. On July 2, 2020, the first extension option was exercised, bringing the maturity of the facility to July 2025.
If JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's), the revolving credit facility and the €150 million bank loan carried by JCDecaux SA require compliance with the ratio: net financial debt/operating margin strictly below 3.5.
As a precaution, the Group has obtained a waiver from the lenders of these two financings for the ratios of 31 December 2020 and 31 December 2021. The next applicable covenant will be based on the financial statements of 31 December 2022 if JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's) at this date.
JCDecaux SA is rated "Baa2" with a negative outlook by Moody's and "BBB-" with a negative outlook by Standard and Poor's (Moody's last rating is dated 29 June 2020, and that of Standard and Poor's 20 November 2020).
The Group's financial debt also includes:

- bank borrowings held by JCDecaux SA's subsidiaries, for €84.3 million,
- miscellaneous borrowings for €51.0 million, mainly including borrowings from JCDecaux SA and its subsidiaries towards the Group's joint ventures,
- accrued interest for €18.5 million.

Maturity of financial debt (excluding unused committed credit facilities)

In million euros	31/12/2020	31/12/2019
Less than one year	587.6	596.7
More than one year and less than 5 years	1,547.1	756.3
More than 5 years	600.0	-
Total	**2,734.6**	**1,353.0**

Breakdown of financial debt by currency (after foreign exchange currency hedging)

	31/12/2020		31/12/2019	
	In M€	In %	In M€	In %
Euro	2,439.9	89%	996.4	74%
Australian dollar	177.0	6%	192.9	14%
US dollar	89.0	3%	155.7	12%
Chinese yuan	71.3	3%	80.7	6%
British pound sterling	32.4	1%	51.4	4%
Japanese yen	20.8	1%	25.7	2%
South African Rand (1)	(11.4)	0%	(16.8)	-1%
Riyal Saoudi Arabia (1)	(18.2)	-1%	(12.6)	-1%
Emirati dirham (1)	(28.3)	-1%	(28.3)	-2%
Hong Kong dollar (1)	(52.8)	-2%	(89.0)	-7%
Others (1)	14.9	1%	(3.1)	0%
Total	**2,734.6**	**100%**	**1,353.0**	**100%**

(1) Negative amounts correspond to lending positions.

Breakdown of debt by interest rate (excluding unused committed credit facilities)

	31/12/2020		31/12/2019	
	In M€	In %	In M€	In %
Fixed rate	2,468.3	90%	941.5	70%
Floating rate	266.2	10%	411.5	30%
Total	**2,734.6**	**100%**	**1,353.0**	**100%**

4.15. Debt on commitments to purchase non-controlling interests

The debt on commitments to purchase non-controlling interests amounted to €111.5 million as of 31 December 2020, compared to €109.4 million as of 31 December 2019. It mainly relates to a put on a company in Europe, exercisable in 2029 and for which the debt is calculated as the present value of the estimated contractual exercise price.
The €2.1 million increase in the debt on commitments to purchase non-controlling interests in 2020 includes the revaluation and discounting impacts of debts on commitments to purchase non-controlling interests.

4.16. Lease liabilities

The lease liabilities related to lease contracts as at 31 December 2020 are as follows:

In million euros	31/12/2019 Restated (1)	Increases	Interest expense	Decreases (2)	Reclassifications	Other decreases	Changes in scope	Translation adjustments	31/12/2020
Lease liability on advertising space > 12 months	3,546.4	458.2	0.0	0.1	(764.7)	(197.2)	0.0	(154.6)	2,888.2
Lease liability on property > 12 months	129.4	96.5	0.0	0.0	(36.9)	(5.0)	0.0	(5.4)	178.6
Lease liability on vehicles > 12 months	19.5	11.5	0.0	(0.1)	(10.6)	(0.2)	0.0	(0.2)	19.9
Lease liability others > 12 months	0.8	1.7	0.0	0.0	(0.8)	(0.3)	0.0	(0.1)	1.3
Total lease liabilities - non current	**3,696.0**	**568.0**	**0.0**	**0.0**	**(812.9)**	**(202.8)**	**0.0**	**(160.3)**	**3,088.0**
Lease liability on advertising space ≤ 12 months	976.6	1.5	113.1	(859.2)	764.9	(3.8)	0.0	(37.9)	955.2
Lease liability on property ≤ 12 months	36.5	0.1	4.2	(34.7)	36.5	0.0	0.0	(0.8)	41.8
Lease liability on vehicles ≤ 12 months	11.6	0.9	0.8	(13.4)	10.7	(0.1)	0.0	(0.1)	10.3
Lease liability others ≤ 12 months	0.6	0.0	0.1	(0.8)	0.8	0.0	0.0	(0.1)	0.7
Accrued interest on lease liability ≤ 12 months	32.5	0.0	0.0	20.2	0.0	0.0	0.0	(2.8)	49.8
Total lease liabilities - current	**1,057.8**	**2.5**	**118.1**	**(888.0)**	**812.9**	**(3.9)**	**0.0**	**(41.7)**	**1,057.8**
Total lease liabilities	**4,753.8**	**570.5**	**118.1**	**(888.0)**	**0.0**	**(206.6)**	**0.0**	**(202.0)**	**4,145.8**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Includes repayment of the principal for €(533.2) million, rent concessions obtained for €(272.7) million and €(82.1) million in interest payments.

Maturity of lease liabilities:

	31/12/2020			31/12/2019 Restated (1)
In million euros	Non discounted future payments	Discount impact	Lease liabilities	Lease liabilities
Less than one year	1,152.1	94.3	1,057.8	1,057.8
More than one year and less than 5 years	2,235.9	185.5	2,050.4	2,461.8
More than 5 years	1,120.6	83.0	1,037.6	1,234.2
Total	**4,508.6**	**362.8**	**4,145.8**	**4,753.8**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".

4.17. Financial instruments

The Group uses financial instruments mainly for foreign exchange rate hedging purposes. The use of these financial instruments mainly concerns JCDecaux SA.

Foreign exchange rate financial instruments

The Group's foreign exchange risk exposure is mainly generated by its business in foreign countries. However, because of its operating structure, the JCDecaux Group is not very vulnerable to currency fluctuations in terms of cash flows, as the subsidiaries in each country do business in their own country and inter-company services and purchases are relatively insignificant. Accordingly, most of the foreign exchange risk stems from the translation of local-currency-denominated accounts to the euro-denominated consolidated accounts.
The foreign exchange risk on flows is mainly related to financial activities (refinancing and recycling of cash with foreign subsidiaries pursuant to the Group's cash centralisation policy). The Group hedges this risk mainly with short-term currency swaps.
Therefore, as of 31 December, the average exchange rates of the foreign exchange financial instruments are close to the exchange rates at closing.

As a result of inter-company loans and borrowings elimination upon consolidation, only the value of the hedging instruments is presented in the assets or liabilities of the statement of financial position.
As of 31 December 2020, the main foreign exchange rate financial instruments contracted by the Group are as follows (net positions):

In million euros	31/12/2020	31/12/2019
Forward purchases against euro:		
Emirati dirham	29.3	29.5
Hong Kong dollar	28.4	56.7
Saudi riyal	18.2	12.3
South African rand	11.3	13.7
Norwegian krone	7.8	13.2
Others	14.7	14.8
Forward sales against euro:		
Australian dollar	178.1	193.8
American dollar	69.2	112.0
British pound sterling	27.7	34.9
Brazilian real	10.3	0.0
Singaporean dollar	7.5	3.7
Japanese yen	0.0	26.8
Others	15.0	13.3
Forward purchase against Chinese yuan:		
Hong Kong dollar	4.4	31.8
Forward purchases against British pound sterling:		
Chinese yuan	6.4	14.7
Others	1.9	11.2
Forward sale against Thai Baht:		
American dollar	10.3	10.1

As of 31 December 2020, the foreign exchange financial instruments had a market value of €(2.6) million compared to €(2.2) million as of 31 December 2019.

The ineffective portion of cash flow hedges is zero as of 31 December 2020 and 31 December 2019.

4.18. Trade and other payables (current liabilities)

In million euros	31/12/2020	31/12/2019
Trade payables and other operating liabilities	507.1	537.2
Tax and employee-related liabilities	210.3	251.1
Deferred income	83.1	91.8
Payables on the acquisition of assets	33.4	8.8
Other payables	48.3	41.8
Total	**882.1**	**930.7**

Operating liabilities have a maturity of one year or less.
The €48.6 million decrease as of 31 December 2020 is mainly due to currency effect for €(34.8) million, to reclassification to non-current debts for €(12.5) million and to flows from operating activities for €(11.3) million, partially offset by changes in scope amounting to €10.1 million.

4.19. Net income tax payable (current and non-current liabilities)

In million euros	31/12/2020	31/12/2019
Income tax payable	19.2	47.0
Current tax assets	(38.2)	(35.9)
Total	**(19.0)**	**11.1**

The €30.1 million decrease in net income tax payable is mainly due to the drop in performance in 2020 and the receivables expected concerning carry-back tax losses in the United Kingdom and Australia.

4.20. Financial assets and liabilities by category

		31/12/2020					
In million euros		Fair value through income statement	Fair value through other comprehensive income	Cash flow hedges and NIH	Amortised cost	Total net carrying amount	Fair value
Financial derivatives (assets)	(1)	1.7				1.7	1.7
Other financial assets	(2)		0.9		163.9	164.8	164.8
Trade and other receivables (non- current)	(3)				1.8	1.8	1.8
Trade, miscellaneous and other operating receivables (current)	(3)				537.4	537.4	537.4
Cash		1,034.2				1,034.2	1,034.2
Cash equivalents	(4)	573.7				573.7	573.7
Treasury financial assets	(1)	57.6				57.6	57.6
Total financial assets		**1,667.2**	**0.9**	**0.0**	**703.0**	**2,371.2**	**2,371.2**
Financial debt	(5)				(2,735.0)	(2,735.0)	(2,846.2)
Debt on commitments to purchase non-controlling interests	(2)	(111.5)				(111.5)	(111.5)
Financial derivatives (liabilities)	(1)	(4.4)				(4.4)	(4.4)
Trade and other payables and other operating liabilities (current)	(3)				(578.7)	(578.7)	(578.7)
Other payables (non-current)	(3)				(8.7)	(8.7)	(8.7)
Bank overdrafts		(14.2)				(14.2)	(14.2)
Total financial liabilities		**(130.1)**	**0.0**	**0.0**	**(3,322.5)**	**(3,452.5)**	**(3,563.7)**

(1) The fair value measurement of these financial assets and liabilities uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b) except for the cash held in an escrow account for €12.0 million that is disclosed in the Treasury financial assets line and for which the change in fair value refers to quoted prices in an active market (Level 1 category in accordance with IFRS 13 (§93a and b)).

(2) The fair value measurement of these financial assets and liabilities uses valuation techniques that are based on non-observable market data (Level 3 category in accordance with IFRS 13 (§93a and b)). The main assumption impacting the fair value of debts on commitments to purchase non-controlling interests is the discount rate, which stood at 0.13% as of 31 December 2020 on the main commitment. A decrease of 13 bps in the discount rate would lead to a €1.1 million increase in the debt on commitments to purchase non-controlling interests.

(3) Employee and tax-related receivables and payables, leases liabilities, down payments, deferred income and prepaid expenses that do not meet the IAS 32 definition of a financial asset or a financial liability are excluded from these items.

(4) The fair value measurement of these financial assets refers to quoted prices in an active market for €3.5 million (Level 1 category in accordance with IFRS 13 (§93a and b)) and uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b)) for €570.2 million.

(5) The fair value measurement of these financial liabilities refers to quoted prices in an active market for bonds whose fair value amounts to €2,061.0 million (Level 1 category in accordance with IFRS 13 (§93a and b)) and uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b)) for €785.2 million.

In million euros		Fair value through income statement	Fair value through other comprehensive income	Cash flow hedges and NIH	Amortised cost	Total net carrying amount	Fair value
		31/12/2019					
Financial derivatives (assets)	(1)	1.1	0.1			1.2	1.2
Other financial assets	(2)		0.9		79.4	80.3	80.3
Trade and other receivables (non- current)	(3)				5.5	5.5	5.5
Trade, miscellaneous and other operating receivables (current)	(3)				856.1	856.1	856.1
Cash		136.0				136.0	136.0
Cash equivalents	(4)	13.9				13.9	13.9
Treasury financial assets	(1)	83.5				83.5	83.5
Total financial assets		**234.4**	**1.0**	**0.0**	**941.0**	**1,176.4**	**1,176.4**
Financial debt	(5)				(1,348.8)	(1,348.8)	(1,370.7)
Debt on commitments to purchase non-controlling interests	(2)	(109.4)				(109.4)	(109.4)
Financial derivatives (liabilities)	(1)	(3.3)	(0.1)			(3.3)	(3.3)
Trade and other payables and other operating liabilities (current)	(3)				(581.7)	(581.7)	(581.7)
Other payables (non-current)	(3)				(19.8)	(19.8)	(19.8)
Bank overdrafts		(7.4)				(7.4)	(7.4)
Total financial liabilities		**(120.1)**	**(0.1)**	**0.0**	**(1,950.2)**	**(2,070.4)**	**(2,092.3)**

(1) The fair value measurement of these financial assets and liabilities uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b) except for the cash held in an escrow account for €38.3 million that is disclosed in the Treasury financial assets line and for which the change in fair value refers to quoted prices in an active market (Level 1 category in accordance with IFRS 13 (§93a and b)).

(2) The fair value measurement of these financial assets and liabilities uses valuation techniques that are based on non-observable market data (Level 3 category in accordance with IFRS 13 (§93a and b)). The main assumption impacting the fair value of debts on commitments to purchase non-controlling interests is the discount rate, which stood at 0.4% as of 31 December 2019. A decrease of 40 bps in the discount rate would lead to a €3.5 million increase in the debt on commitments to purchase non-controlling interests.

(3) Employee and tax-related receivables and payables, leases liabilities, down payments, deferred income and prepaid expenses that do not meet the IAS 32 definition of a financial asset or a financial liability are excluded from these items.

(4) The fair value measurement of these financial assets refers to quoted prices in an active market for €4.6 million (Level 1 category in accordance with IFRS 13 (§93a and b)) and uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b)) for €9.3 million.

(5) The fair value measurement of these financial liabilities refers to quoted prices in an active market for bonds whose fair value amounts to €771.9 million (Level 1 category in accordance with IFRS 13 (§93a and b)) and uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 13 (§93a and b)) for €598.8 million.

5. COMMENTS ON THE INCOME STATEMENT

5.1. Revenue

IFRS revenue amounted to €2,099.8 million in 2020 compared to €3,487.6 million in 2019, a decrease of 39.8% linked to the Covid-19 epidemic.

The contributions of the three business lines Street Furniture, Transport and Billboard to 2020 IFRS revenue were €1,090.8 million, €664.8 million and €344.2 million, respectively, (compared to €1,627.0 million, €1,346.1 million and €514.6 million respectively in 2019).

The IFRS advertising revenue stood at €1,835.6 million in 2020 (versus €3,128.9 million in 2019) and the IFRS non-advertising revenue totalled €264.2 million in 2020 (versus €358.7 million in 2019).

5.2. Net operating expenses

In million euros	2020	2019 Restated [1]
Rent and fees Core Business	(46.1)	(497.2)
Other net operational expenses	(437.8)	(579.1)
Taxes and duties	(6.6)	(7.5)
Staff costs	(530.5)	(688.9)
Direct operating expenses & Selling, general & administrative expenses [2]	**(1,021.1)**	**(1,772.7)**
Provision charge net of reversals	**0.7**	**29.7**
Depreciation and amortisation net of reversals	**(1,261.5)**	**(1,290.0)**
Impairment of goodwill	**(176.0)**	**(10.0)**
Maintenance spare parts	**(46.0)**	**(40.5)**
Other operating income	**26.2**	**83.4**
Other operating expenses	**(98.0)**	**(27.0)**
Total	**(2,575.6)**	**(3,027.2)**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Including €(602.7) million in "Direct operating expenses" and €(418.3) million in "Selling, general & administrative expenses" in 2020 (compared to €(1,221.6) million and €(551.2) million in 2019, respectively).

Rent and fees

In 2020, rent and fees broke down as follows:

In million euros	Rent and fees [1] Core Business	Non-Core Business rents [1] & [2]
Variable lease expenses	61.4	0.0
Short-term lease expenses	(11.8)	(3.3)
Low-value lease expenses	(25.0)	(4.6)
Fixed lease expenses on contracts with substantive substitution right clauses	(70.7)	0.0
Total	**(46.1)**	**(7.9)**

(1) Core business rents are related to location lease contracts for advertising structures and non-core business rents are related to real estate and vehicle rental.
(2) Included in the "Other net operational expenses" line.

Variable expenses are determined based on contractual terms and conditions: rent and fees that fluctuate according to revenue levels are considered as variable expenses. In 2020, in accordance with the recommendations of the amendment to IFRS 16, these variable expenses benefit from the favourable effect of the extinguishment of lease liabilities in line with the negotiation of fixed and minimum guaranteed rents for periods ending in or prior to June 2021. This favourable effect represents the majority of the "Gains and losses on lease contracts" item in the 2020 statement of cash flows.

In the specific context of 2020, substantial renegotiations of minimum guarantees have taken place. Fiscal year 2020 was marked by a 39.8% decrease in revenue compared to 2019 and a 33.6% decrease in rent and fees (€(1,074.8) million in 2020 compared to €(1,619.3) million in 2019 - including right-of-use amortisation and interest on lease liabilities for contracts restated under IFRS 16).

A simulation of the sensitivity of rent and fees to changes in revenue based on contract terms alone is not relevant because the specific context of the Covid-19 crisis has demonstrated the Group's ability, when faced with a significant decrease in revenue, to negotiate material reductions in fixed and minimum guarantee rent and fees, as well as variable fee rates.

In 2019, lease expenses broke down as follows:

In million euros	Rent and fees Core Business (1) & (2)	Non-Core Business rents (2) & (3)
Variable lease expenses	(389.0)	0.0
Short-term lease expenses	(25.3)	(5.8)
Low-value lease expenses	(21.1)	(6.5)
Fixed lease expenses on contracts with substantive substitution right clauses	(61.8)	0.0
Total	**(497.2)**	**(12.3)**

(1) See Note 1.11.5 "Impact of the application of IFRS IC on lease terms on the financial statements for 2019".
(2) Core business rents are related to location lease contracts for advertising structures and non-core business rents are related to real estate and vehicle rental.
(3) Included in the "Other net operational expenses" line.

Other net operational expenses

This item includes five main cost categories:
- subcontracting costs for certain maintenance operations,
- the cost of services and supplies relating to operations,
- the fees and operating costs, excluding staff costs, of various Group services,
- billboard advertising stamp duties and taxes,
- non-core business rents on short-term and low-value contracts.

Non-Core business rents, which amount to €(7.9) million in 2020, are fixed expenses and are detailed in the above paragraph.

Research and development costs

Non-capitalised research and development costs are included in "Other net operational expenses" and in "Staff costs". They amounted to €8.2 million in 2020, compared to €11.2 million in 2019.

Taxes and duties

This item includes taxes and similar charges other than income tax. The principal taxes recorded under this item are property taxes.

Staff costs

This item includes salaries, social security contributions, share-based payments and employee benefits, including furniture installation and maintenance staff, research and development staff, the sales team and administrative staff. The positive impact of state aid related to temporary unemployment is included in this item.
It also covers the expenses associated with profit-sharing and investment plans for French employees and retirement expenses.

In million euros	2020	2019
Compensation and other benefits	(424.9)	(561.5)
Social security contributions	(105.5)	(127.2)
Share-based payments (1)	(0.0)	(0.2)
Total	**(530.5)**	**(688.9)**

(1) Including equity settled share-based payments for €(0.01) million in 2020 compared to €(0.2) million in 2019.

The Group did not grant any bonus share plans in 2020 or in 2019.

Breakdown of stock option plans (1):

	2017 Plan	2016 Plan	2015 Plan	2014 Plan
Grant date	13/02/2017	17/02/2016	16/02/2015	17/02/2014
Vesting date	13/02/2020	17/02/2019	16/02/2018	17/02/2017
Expiry date	13/02/2024	17/02/2023	16/02/2022	17/02/2021
Number of beneficiaries	188	270	173	237
Number of options granted	344,108	866,903	546,304	780,392
Strike price before adjustment (2)	€29.77	€34.01	€31.29	€31.69
Strike price after adjustment (2)	N/A	N/A	€31.12	€31.51
Repricing - Adjustment of the number of options (2)	N/A	N/A	3,145	3,992
Number of options outstanding at the end of the period	314,182	744,522	459,094	534,106

(1) The Group did not grant any stock-option plans in 2013, 2018, 2019 or 2020.
(2) Following the simplified public tender offer (OPAS) launched by JCDecaux SA in June 2015 at a unit price of €40, 12,500,000 shares were repurchased on 17 July 2015, and subsequently cancelled. As a result, the number of options previously granted and still outstanding at the date of the OPAS was adjusted by an adjustment coefficient of 1.0056. The exercise price of the options was also adjusted to ensure that the effects of the OPAS on the rights of option holders would be neutral.
The adjustment related to the OPAS had no impact on the IFRS 2 "Share-based payment" charge.

Stock option movements during the period and average strike price by category of options:

PERIOD	2020	Average share price at the date of exercise	Average strike price	2019	Average share price at the date of exercise	Average strike price
Number of options outstanding at the beginning of the period	2,143,905		€32.08	2,298,008		€31.47
- Options granted during the period	0		€0.00			
- Options forfeited during the period	92,001		€32.48	43,689		€31.41
- Options exercised during the period	0	€0.00	€0.00	92,460	€26.30	€19.62
- Options expired during the period	-		€0.00	17,954		€19.62
Number of options outstanding at the end of the period	2,051,904		€0.00	2,143,905		€32.08
Number of options exercisable at the end of the period	**2,051,904**		**€32.06**	**2,143,905**		**€32.08**

The plans were valued using the Black & Scholes model based on the following assumptions:

Assumptions	2017	2016	2015	2014
- Price of underlying at grant date	€30.02	€34.90	€31.75	€31.57
- Estimated volatility	23.38%	25.56%	25.51%	27.46%
- Risk-free interest rate	(0.11)%	(0.24)%	(0.03)%	0.80%
- Estimated option life (in years)	4.5	4.5	4.5	4.5
- Estimated turnover	4.70%	4.70%	4.70%	4.70%
- Dividend payment rate (1)	2.21%	1.77%	1.77%	1.42%
- Fair value of options (2)	€4.32	€6.09	€5.51	€6.42

(1) Consensus of financial analysts on future dividends (source: Bloomberg).
(2) The fair value does not include the impact of turnover.

The option life retained represents the period from the grant date to Management's best estimate of the most likely date of exercise.
As the Group had more historical data for the valuation of the 2014 to 2017 plans, it was able to refine its volatility calculation assumptions. Therefore, the first year of listing was not included in the volatility calculation, as it was considered abnormal due primarily to the sharp movements in share price inherent to the IPO and the effect of 11 September 2001.
Furthermore, based on observed behaviours, the Group considered at the issuance of the plans that the options would be exercised 4.5 years on average after the grant date.

Depreciation, amortisation and provisions net of reversals

Net reversals of provisions decreased by €(29.0) million and amortisation net of reversals decreased by €28.4 million including €54.1 million of amortisation of right-of-use and €(25.7) million of amortisation of PP&E and intangible assets.

In 2020, net reversals of provisions mainly correspond to reversals of provisions for dismantling costs totalling €14.2 million, reversals of provisions for employee benefits for €1.1 million, reversals of provisions for onerous contracts due to the accounting treatment of acquisitions for €0.6 million, allocation of provisions following impairment tests for €(11.2) million and allocation of provisions for risks and charges for €(4.4) million.

Net reversals of provisions in 2019 mainly corresponded to reversals of provisions for dismantling costs in the amount of €23.7 million.

In 2020, this item included a net depreciation of €(46.1) million relating to impairment tests carried out, including €(36.7) million of net depreciation on PP&E and intangible assets, €1.8 million in net reversals of right-of-use amortisation and €(11.2) million of net allocations of provisions for onerous contracts.

In 2019, this item included a net depreciation of €(1.0) million following impairment tests, including €(2.0) million of net depreciation on PP&E and intangible assets, €2.5 million in net reversals of right-of-use amortisation and €(1.5) million of net allocations of provisions for onerous contracts.

Goodwill impairment

As of 31 December 2020, a €(176.0) million goodwill impairment was recorded including €(128.0) million on the Pacific CGU (including €(49.7) million related to the Billboard segment and €(78.3) million related to the Transport segment) and €(48.0) million on the Billboard Rest of the World CGU.

As of 31 December 2019, a €(10.0) million goodwill impairment was recorded on the Billboard Rest of the World CGU.

Maintenance spare parts

The item comprises the cost of spare parts for street furniture as part of maintenance operations for the advertising network, excluding glass panel replacements and cleaning products, and inventory impairment losses.

Other operating income and expenses

Other operating income and expenses break down as follows:

In million euros	2020	2019
Gain on disposals of financial assets and gain on changes in scope	0.0	4.3
Gain on disposals of intangible assets and PP&E	11.7	11.8
Other management income	4.6	4.2
P&L effect following changes on IFRS16 Non Core Business contracts	0.3	0.0
P&L effect following changes on IFRS16 Core Business contracts	9.7	63.1
Other operating income	**26.2**	**83.4**
Loss on disposals of financial assets and loss on changes in scope	(46.8)	(2.3)
Loss on disposals of intangible assets and PP&E	(2.0)	(2.7)
Other management expenses	(48.3)	(21.9)
P&L effect following changes on IFRS16 Non Core Business contracts	0.0	(0.1)
P&L effect following changes on IFRS16 Core Business contracts	(1.0)	0.0
Other operating expenses	**(98.0)**	**(27.0)**
Total	**(71.8)**	**56.4**

In 2020, no gains on disposals of financial assets and income from changes in scope were observed.
In 2019, the gains on disposals of financial assets and income from changes in scope totalling €4.3 million were related, in particular, to the impact of the liquidation of a European company for €3.2 million.
In 2020, the P&L impact regarding changes in core business leases amounted to €8.7 million. These mainly arose from the withdrawal of the minimum guarantees or shortening of contract terms. These totalled €63.1 million in 2019.
In 2020, the losses on disposals of financial assets and expenses associated with changes in scope totalling €(46.8) million mainly concerned the disposal of Russ Outdoor for €(39.0) million.
In 2019, the losses on disposals of financial assets and expenses associated with changes in scope totalling €(2.3) million mainly concerned the liquidation of a company in the United Kingdom.
In 2020, other management expenses for €(48.3) million mainly include restructuring costs for €(31.8) million related to the Covid-19 situation.
In 2019, other management expenses for €(21.9) million mainly included restructuring costs for €(10.0) million related to acquisitions and liquidations.

5.3. Net financial income (loss)

In million euros		2020	2019
Interests on IFRS 16 lease liabilities		**(118.1)**	**(152.0)**
Interest income		3.0	6.2
Interest expense		(34.1)	(17.5)
Net interest expense		**(31.2)**	**(11.3)**
Amortised cost impact		**(1.0)**	**(1.1)**
Cost of net financial debt	**(1)**	**(32.1)**	**(12.4)**
Net foreign exchange gains (losses) and hedging costs		**(3.8)**	**(5.6)**
Net discounting losses		**(4.4)**	**(16.6)**
Bank guarantee costs		**(1.6)**	**(1.8)**
Charge to provisions for financial risks		(0.8)	(0.1)
Reversal of provisions for financial risks		0.0	0.1
Provisions for financial risks - Net charge		**(0.8)**	**(0.0)**
Income on the sale of financial investments		0.0	0.0
Expense on the sale of financial investments		0.0	0.0
Net income (loss) on the sale of financial investments		**0.0**	**0.0**
Other		**0.1**	**0.1**
Other net financial expenses	**(2)**	**(10.5)**	**(23.9)**
Net financial income (loss) excluding IFRS16	**(3)=(1)+(2)**	**(42.6)**	**(36.4)**
Net financial income (loss)		**(160.7)**	**(188.4)**
Total financial income		*3.0*	*6.4*
Total financial expenses		*(163.8)*	*(194.8)*

The €27.7 million improvement in net financial income is mainly due to the decrease in interest on IFRS 16 lease liabilities and discounting charges. This improvement is partially offset by an increase of the net debt cost in connection with the implementation of new financing by JCDecaux SA, in particular bond issues for €1.2 billion.

5.4. Income tax

Breakdown between deferred and current taxes

In million euros	2020	2019
Current tax	(10.3)	(87.6)
Local tax ("CVAE")	*(3.8)*	*(6.3)*
Other	*(6.5)*	*(81.3)*
Deferred taxes	31.5	(4.5)
Local tax ("CVAE")		
Other	*31.5*	*(4.5)*
Total	**21.2**	**(92.1)**

The effective tax rate before impairment of goodwill and the share of net profit of companies under the equity method was 4.6% in 2020 compared to 32.6% in 2019. Excluding the discounting and revaluation impacts of debts on commitments to purchase non-controlling interests, the effective tax rate was 4.6% in 2020 compared to 31.3% in 2019. The low level of 4.6% in 2020 is notably related to the non-recognition of deferred tax assets on tax losses carried forward in some geographical areas of the Group.

Breakdown of deferred tax

In million euros	2020	2019
Intangible assets, PP&E and provisions for onerous contracts	6.0	6.3
Tax losses carried forward	16.1	(4.3)
Provisions for dismantling costs	0.9	(0.2)
Provisions for retirement and other benefits	0.3	(1.9)
IFRS 16 leases	(1.1)	(9.7)
Other	9.4	5.2
Total	**31.5**	**(4.5)**

Tax proof

In million euros	2020	2019
Consolidated net income	**(616.7)**	**282.2**
Income tax charge	21.2	(92.1)
Consolidated income before tax	**(637.9)**	**374.2**
Share of net profit of companies under the equity method	1.3	(102.0)
Impairment of goodwill	176.0	10.0
Taxable dividends received from subsidiaries	5.7	8.0
Other non-taxable income	(18.7)	(45.8)
Other non-deductible expenses	87.8	71.4
Net income before tax subject to the standard tax rate	**(385.7)**	**315.8**
Weighted Group tax rate (1)	27.85%	23.44%
Theoretical tax charge	**107.4**	**(74.0)**
Deferred tax on unrecognised tax losses	(99.1)	(15.8)
Capitalisation and use of unrecognised prior year tax losses carried forward	1.0	5.4
Other deferred tax (temporary differences and other restatements)	15.5	2.1
Tax credits	2.2	1.9
Withholding tax	(2.0)	(5.0)
Tax on dividends	(0.2)	(0.7)
Other	0.1	0.2
Income tax calculated	**25.0**	**(85.8)**
Net Local tax ("CVAE")	(3.8)	(6.3)
Income tax recorded	**21.2**	**(92.1)**

(1) National average tax rates weighted by taxable income.

5.5. Share of net profit of companies under the equity method

In 2020, the share of net profit of associates totalled €(9.5) million compared to €18.9 million in 2019, and the share of net profit of joint ventures totalled €8.2 million in 2020 compared to €83.1 million in 2019. An impairment charge on associates was recorded in 2020 for €(4.0) million. An impairment charge on joint ventures was recorded in 2020 for €(0.2) million while an impairment reversal on joint ventures was recorded in 2019 for €8.7 million.
The information related to joint ventures and associates is presented in Note 10 “Information on joint ventures” and in Note 11 “Information on associates”.

5.6. Headcount

As of 31 December 2020, the Group had 9,760 employees, compared to 12,076 employees as of 31 December 2019. These figures do not include the share of employees of joint ventures which represents 474 employees and 1,129 employees, respectively, as of 31 December 2020 and 31 December 2019.
The breakdown of employees for the years 2020 and 2019 is as follows:

	2020	2019
Technical	5,020	6,251
Sales and marketing	2,351	2,936
IT and administration	1,835	2,157
Contract business relations	423	548
Research and development	131	184
Total	**9,760**	**12,076**

The breakdown of employees of joint ventures for the years 2020 and 2019 is as follows:

	2020	2019
Technical	221	492
Sales and marketing	142	370
IT and administration	91	232
Contract business relations	20	35
Research and development	0	0
Total	**474**	**1,129**

The decline in headcount in 2020 is due to the impact of temporary unemployment, imposed part-time working hours and other similar initiatives, as well as restructuring plans and the non-replacement of departing employees.

5.7. Number of shares for the earnings per share (EPS)/diluted EPS calculation

	2020	2019
Weighted average number of shares for the purposes of earnings per share	**212,742,395**	**212,895,694**
Weighted average number of stock options potentially convertible	2,051,904	2,167,020
Weighted average number of stock options which would not be exercised at strike price (1)	(2,051,904)	(2,143,905)
Weighted average number of shares for the purposes of diluted earnings per share	**212,742,395**	**212,918,809**

(1) This average number reflects the number of stock options which would not be exercised due to a strike price granted greater than the market price.

Earnings per share are calculated based on the weighted average number of outstanding shares. The calculation of diluted earnings per share takes into account the dilutive effect from the exercise of stock options.

5.8. Auditors' fees

In 2020, the amount of the audit fees was as follows:

In thousand euros	EY et Autres	KPMG Audit
Audit of statutory and consolidated accounts and limited audit	1,820	1,797
JCDecaux SA and its french subsidiaries (1)	*507*	*520*
Other controlled entities (1)	*1,313*	*1,277*
Non-audit services (2)	146	136
JCDecaux SA and its french subsidiaries (1)	*75*	*55*
Other controlled entities (1)	*71*	*81*
Total	**1,966**	**1,933**

(1) The controlled entities taken into account are fully-consolidated subsidiaries.
(2) The services provided cover the non-audit services required by the law and the regulations, as well as non-audit services provided at the request of the entity. This concerns the services that fall within the scope of the services usually provided in addition to the statutory audit engagement (drawing-up of specific attestations, performing agreed-upon procedures, establishing acquisition due diligences, etc.).

In 2019, the amount of the audit fees was as follows:

In thousand euros	EY et Autres	KPMG Audit
Audit of statutory and consolidated accounts and limited audit	2,252	2,113
JCDecaux SA and its french subsidiaries (1)	*806*	*738*
Other controlled entities (1)	*1,447*	*1,375*
Non-audit services (2)	277	137
JCDecaux SA and its french subsidiaries (1)	*56*	*29*
Other controlled entities (1)	*221*	*108*
Total	**2,529**	**2,250**

(1) The controlled entities taken into account are fully-consolidated subsidiaries.
(2) The services provided cover the non-audit services required by the law and the regulations, as well as non-audit services provided at the request of the entity. This concerns the services that fall within the scope of the services usually provided in addition to the statutory audit engagement (drawing-up of specific attestations, performing agreed-upon procedures, establishing acquisition due diligences, etc.).

6. COMMENTS ON THE STATEMENT OF CASH FLOWS

6.1. Net cash flows from operating activities

In 2020, net cash flows from operating activities totalling €888.1 million comprised:

- operating cash flows generated by EBIT and other financial income and expenses, adjusted for non-cash items, for a total of €790.4 million,
- a change in the working capital of €237.4 million,
- and the payment of interest on IFRS 16 lease liabilities, other net financial interest and income tax for €(82.1) million, €(17.4) million and €(40.3) million respectively.

In 2019, net cash flows from operating activities of €1,500.2 million included the operating cash flows generated by EBIT and other financial income and expenses, adjusted for non-cash items, for a total of €1,761.2 million, the change in working capital of €6.2 million, the payment of interest on IFRS 16 lease liabilities of €(154.7) million, the payment of other net financial interest of €(11.9) million and the payment of income tax for €(100.6) million.

6.2. Net cash flows from investing activities

In 2020, net cash flows from investing activities totalling €(273.7) million comprised:

- cash payments on acquisitions of intangible assets and PP&E for €(218.8) million (including €0.4 million of changes in payables and receivables on intangible assets and PP&E),
- cash receipts on disposals of intangible assets and PP&E for €41.8 million,
- cash receipts on disposals of long-term investments net of cash payments and cash acquired and sold for a total of €0.8 million (including €23.8 million of changes in payables and receivables on financial investments and €10.9 million of net cash acquired and sold). This amount mainly comprised the sale of Russ Outdoor (Russia) and the acquisition of Abri Services Media (France). The amount relating to acquisitions of controlling interests represented €(25.0) million including €10.9 million of net cash acquired,
- acquisitions of other financial assets net of disposals for a total of €(97.6) million. This amount mainly concerns the loan granted to City Lead Development Ltd for the acquisition of Clear Media (China).

In 2019, net cash flows from investing activities for €(347.3) million included the cash payments on acquisitions of intangible assets and PP&E net of cash receipts for a total of €(360.3) million, cash payments on acquisitions of long-term investments net of cash receipts and cash acquired and sold for €(14.0) million (including €7.9 million of net cash acquired and sold) and €27.0 million of disposals of other financial assets net of acquisitions.

6.3. Net cash flows from financing activities

In 2020, net cash flows from financing activities totalling €848.7 million comprised:

- net cash flows on the borrowings of controlled entities for €1,365.9 million,
- repayments of lease liabilities for €(533.2) million, a limited amount notably due to retained payments in the specific context of the health crisis,
- payment of dividends by controlled companies of the Group to their minority shareholders for €(7.8) million,
- disposals of treasury financial assets for €24.8 million,
- cash payments on acquisitions of non-controlling interests net of cash receipts for €(0.9) million,
- net capital increases for €0.9 million,
- purchases of treasury shares net of disposals for €(1.0) million.

In 2019, net cash flows from financing activities amounted to €(1,083.6) million and concerned repayments of lease liabilities for €(950.3) million, payment of dividends for €(135.6) million, cash receipts on disposals of non-controlling interests net of cash payments for €5.6 million, acquisitions of treasury financial assets for €(1.1) million, net cash flows on the borrowings of controlled entities for €(3.9) million, net capital increases for €2.2 million and purchases of treasury shares net of disposals for €(0.5) million.

6.4. Reconciliation between the cash flows and the change in gross financial debt

In million euros	31/12/2019	Repayment of long-term borrowings	Increase in long-term borrowings	Translation differences, consolidation scope variations, net impact of IFRS9 and accrued interest variations	31/12/2020
Bonds (amortised cost included)	1 048,1	(300,0)	1 199,8	4,8	1 952,8
Commercial Paper (NEU/CP)	180,0		301,0		481,0
Bank borrowings (amortised cost included)	71,3	(361,2)	518,9	2,7	231,7
Miscellaneous borrowings	44,5	(6,7)	14,1	(0,9)	51,0
Accrued interest	4,8			13,7	18,5
Gross financial debt	**1 348,8**	**(667,9)**	**2 033,7**	**20,3**	**2 735,0**

6.5. Non-cash transactions

The increase in right-of-use and lease liabilities relating to lease contracts amounted to €570.5 million in 2020.
No non-cash transactions related to the acquisitions of long-term investments were recognised in 2020.

7. FINANCIAL RISKS

The Group is exposed to various financial risks (especially liquidity and financing risks, interest rate risk, foreign exchange rate risk and risks related to financial management, in particular, counterparty risk). The Group’s objective is to minimise such risks by choosing appropriate financial policies. The Group may nevertheless need to manage residual positions. This strategy is monitored and managed centrally, by a dedicated team within the Group Finance Department. Risk management policies and hedging strategies are approved by Group management.

7.1. Risks relating to the business and risks management policies

Liquidity and financing risk

The table below presents the contractual cash flows (interest cash flows and contractual repayments) related to financial liabilities and financial instruments:

In million euros	Carrying amount	Contractual cash flows (*)	2021	2022	2023	2024	> 2024
Bonds	1,952.8	2,146.3	35.2	35.2	785.2	627.6	663.1
NEU CP (Commercial Paper)	481.0	481.0	481.0	0.0	0.0	0.0	0.0
Bank borrowings at floating rate	224.1	239.7	49.4	31.9	4.0	2.2	152.2
Bank borrowings at fixed rate	7.6	7.7	2.7	5.0	0.0	0.0	0.0
Miscelleanous borrowings	51.0	51.0	51.0	0.0	0.0	0.0	0.0
Accrued interest	18.5	0.0	0.0	0.0	0.0	0.0	0.0
Bank overdrafts	14.2	14.2	14.2	0.0	0.0	0.0	0.0
Total financial liabilities excluding derivatives	**2,749.2**	**2,939.9**	**633.5**	**72.1**	**789.2**	**629.8**	**815.3**
Foreign exchange hedges	(2.6)	(2.6)	(2.6)	0.0	0.0	0.0	0.0
Total financial instruments (**)	**(2.6)**	**(2.6)**	**(2.6)**	**0.0**	**0.0**	**0.0**	**0.0**

For revolving debt, the nearest maturity is indicated.
(*) The interest amounts are included in the contractual cash flows for each type of borrowing.
(**) A negative amount represents a cash flow to be paid.

The Group's financing strategy consists of:

- centralising financing at JCDeaux SA parent company level. Subsidiaries are therefore primarily financed through direct or indirect loans granted by JCDecaux SA to its subsidiaries. However, the Group may use external financing for certain subsidiaries, (i) depending on the tax, currency or regulatory environment; (ii) for subsidiaries not wholly owned by the Group; or (iii) for historical reasons (financing already in place when the subsidiary joined the Group),
- having available funding sources that (i) are diversified; (ii) have a term consistent with the maturity of its assets and (iii) are flexible, in order to cover the Group's growth and the investment and business cycles,
- having permanent access to a liquidity reserve such as committed credit facilities,
- minimising the risk of renewal of financing sources, by staggering instalments,
- optimising financing margins, through early renewal of loans that are approaching maturity, or by refinancing certain financing sources when market conditions are favourable,
- optimising the cost of net debt by recycling excess cash generated by different Group entities as much as possible, in particular by repatriating the cash to JCDecaux SA through loans or dividend payments.

As of 31 December 2020, 96% of the Group's financial debt is carried by JCDecaux SA with an average maturity of 3.6 years.
The Group generates significant operating cash flows which allow it to self-finance its organic growth. In the Group's opinion, external growth opportunities could lead it to temporarily increase this net debt.
As of 31 December 2020, the Group has €1,665.5 million in cash, cash equivalents and treasury financial assets (see Note 4.10 "Managed Cash") and €836.4 million in unused committed credit facilities.
JCDecaux SA's financing sources are committed, but some of them require compliance with a ratio if the credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's), for which the calculation is based on the consolidated financial statements.
If JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's), the revolving credit facility and the €150 million bank loan carried by JCDecaux SA require compliance with the ratio: net financial debt/operating margin strictly below 3.5. As a precaution, the Group has obtained a waiver from the lenders of these two financings for the ratios of 31 December 2020 and 31 December 2021. The next applicable covenant will be based on the financial statements of 31 December 2022 if JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's) at that date.
JCDecaux SA is rated "Baa2" with a negative outlook by Moody's and "BBB-" with a negative outlook by Standard and Poor's (Moody's last rating is dated 29 June 2020, and that of Standard and Poor's 20 November 2020).

The Group holds cash in some countries from which funds cannot be immediately repatriated, mainly because of regulatory restrictions. Nevertheless, the Group receives dividends on a regular basis from most of its subsidiaries located in these countries, and the cash is used for local purposes.

Interest rate risk

The Group is exposed to interest rate fluctuations because of its indebtedness. Given the low interest rate environment over the past several years, the Group is mainly indebted at fixed rates. The breakdown between fixed rate and floating rate is described in Note 4.14 "Financial debt".
The following table breaks down financial assets and liabilities by interest rate maturity as of 31 December 2020:

In million euros		≤ 1 year	> 1 year & ≤ 5 years	> 5 years	Total
JCDecaux SA borrowings		(675.2)	(1,349.9)	(599.9)	(2,625.0)
Other borrowings		(101.7)	(7.9)		(109.6)
Bank overdrafts		(14.2)			(14.2)
Financial liabilities	**(1)**	**(791.1)**	**(1,357.8)**	**(599.9)**	**(2,748.8)**
Cash and cash equivalents		1,607.8			1,607.8
Treasury financial assets		57.6			57.6
Other financial assets (excluding financial investments)		3.4	145.9	14.6	163.9
Financial assets	**(2)**	**1,668.8**	**145.9**	**14.6**	**1,829.3**
Net position	**(3)=(1)+(2)**	**877.7**	**(1,211.9)**	**(585.3)**	**(919.5)**

For fixed-rate assets and liabilities, the maturity indicated is that of the assets and the liabilities.
For floating rate assets and liabilities, the rates are adjusted every one, three or six months. The maturity indicated is therefore less than one year regardless of the maturity date.

As of 31 December 2020, 90% of the Group's total economic financial debt, all currencies considered, was on a fixed rate.

Foreign exchange risk

Despite its presence in more than 80 countries, the JCDecaux Group is relatively immune to currency fluctuations in terms of cash flows, as subsidiaries in each country do business in their own country and inter-company services and purchases are relatively insignificant.
However, as the Group presentation currency is the Euro, the Group's consolidated financial statements are affected by the conversion of financial statements denominated in local currencies into euro.
In 2020, net income generated in currencies other than the euro accounted for 49.6% of the Group's consolidated net income.
Based on 2020 actual data, the table below details the Group's consolidated net income and reserves exposure to a (10%) change in the foreign exchange rates of each of the most represented currencies in the Group, those being the American dollar, the Australian dollar, the British pound sterling, the Hong Kong dollar, and the Chinese yuan:

	American dollar	Australian dollar	British sterling pound	Hong Kong dollar	Chinese yuan
Share of the currencies in the consolidated net income	**14.1%**	**10.7%**	**6.5%**	**2.8%**	**2.4%**
Impact on consolidated income	1.4%	1.1%	0.6%	0.3%	0.2%
Impact on consolidated reserves	1.9%	(3.2%)	(0.9%)	(1.7%)	(1.2%)

As of 31 December 2020, the Group mainly holds foreign exchange currency hedges on financial transactions.

As part of the application of its centralised financing strategy, the Group has mainly implemented short-term foreign exchange currency swaps to hedge intercompany loans and borrowings transactions. The Group can decide not to hedge some of the foreign exchange risks generated by inter-company transactions when hedging arrangements are (i) too costly, (ii) not available, or (iii) when loan amounts are too small.

As of 31 December 2020, the Group considers that its earnings and financial position would not be materially affected by currency fluctuations.

Management of cash and treasury financial assets

As of 31 December 2020, the Group has €1,665.5 million of cash, cash equivalents and treasury financial assets, which includes €1,607.8 million of cash and cash equivalents (including €573.7 million in cash equivalents) and €57.6 million of treasury financial assets. €9.4 million of the total cash and cash equivalents is invested in guarantees.

Management of equity and gearing ratio

The Group is not subject to any external requirements in terms of its equity management.

7.2. Risks related to financial management

Risks related to financial instruments

The Group solely uses financial instruments to hedge foreign exchange risk.

Risks related to credit rating

JCDecaux SA is rated "Baa2" by Moody's and "BBB-" by Standard & Poor's as of the date of publication of these Notes, with a negative outlook for both ratings.
Bonds issued by the Group for a total amount of €1,949.8 million include in their terms and conditions a change of control clause giving bond holders the possibility to request early repayment in the event of a change of control, when accompanied by a downgrade of the credit rating to speculative grade or a credit rating exit. The Group's other primary

financing sources (financing raised by the parent company), as well as the main hedging arrangements, are not subject to early termination in the event of a downgrade of the Group's credit rating.

If JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's), the €825 million revolving credit facility and the €150 million bank loan carried by JCDecaux SA require compliance with the ratio: net financial debt/operating margin strictly below 3.5. As a precaution, the Group has obtained a waiver from the lenders of these two financings for the ratios of 31 December 2020 and 31 December 2021. The next applicable covenant will be based on the financial statements of 31 December 2022 if JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's) at that date.

Bank counterparty risk

The Group's counterparty risk relates to the investment of the Group's excess cash with its banking partners and to other financial transactions mainly carried out by JCDecaux SA (via unused committed credit facilities and hedging commitments). The Group's policy is to minimise this risk by (i) reducing excess cash within the Group by centralizing the subsidiaries' available cash at JCDecaux SA level as much as possible, (ii) obtaining prior authorization from the Group's Finance Department before opening bank accounts, (iii) selecting banks in which JCDecaux SA and its subsidiaries can make deposits (iv) and monitoring this counterparty risk on a regular basis.

Customer counterparty risk

The counterparty risk in respect of trade receivables is covered by the necessary provisions if needed. The net book value of trade receivables is detailed in Note 4.9 "Trade and other receivables". The Group maintains a low level of dependence towards any particular client, as no single client represents more than 2.3% of the Group's revenue.

Risk related to securities and term deposits

The Group's excess cash may be invested in short-term investments or in short-term deposits. In the case of short-term investments, the investments consist of money market securities. These instruments are invested on a short-term basis, earn interest at money market benchmark rates, are liquid, and involve only limited counterparty risk.
The Group's policy is not to own shares or negotiable securities other than money market securities and its own shares. Therefore, the Group considers its risk exposure arising from shares and negotiable securities as very low.

8. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

8.1. Commitments on securities and other commitments

In million euros	31/12/2020	31/12/2019
Commitments given [(1)]		
Business guarantees	505.3	551.7
Other guarantees	37.3	37.7
Pledges, mortgages and collateral	10.8	8.2
Commitments on securities (put options granted)	0.5	0.5
Total	**553.9**	**598.1**
Commitments received		
Securities, endorsements and other guarantees	0.0	0.0
Commitments on securities (call options received)	0.7	5.5
Credit facilities	836.4	844.5
Total	**837.2**	**850.0**

(1) Excluding the commitments under leases signed but not started and the commitments in advertising space contracts provision with substance of the substitution rights.

"Business guarantees" are granted mainly by JCDecaux SA and JCDecaux North America Inc. As such, JCDecaux SA and JCDecaux North America Inc. guarantee the performance of contracts entered into by subsidiaries, either directly to third parties, or by counter-guaranteeing guarantees granted by banks or insurance companies.
"Other guarantees" include securities, endorsements and other guarantees such as (i) guarantees covering lease payments, (ii) JCDecaux SA's counter-guarantees of credit facilities granted by banks, and (iii) other commitments such as guarantees covering payments to suppliers.
"Pledges, mortgages and collateral" mainly comprise cash amounts given in guarantee, and the mortgage of land and buildings in Germany.
"Commitments on securities" are granted and received primarily as part of external growth transactions.
Moreover, under certain advertising contracts, JCDecaux North America Inc., directly and indirectly through its subsidiaries, and its joint venture partners have granted, under the relevant agreements, reciprocal put/call options in connection with their respective ownership in their shared companies.

Lastly, as part of agreements between shareholders, JCDecaux SA can grant, or receive, calls in the event either party's contractual clauses are breached. Under partnership agreements, the Group and its partners benefit from pre-emptive rights, and sometimes rights to purchase, tag along or drag along, which the Group does not consider as commitments given or received. Moreover, the Group does not mention the commitments which are subject to exercise conditions which limit their probability of occurring.
Credit facilities include the committed revolving credit facility secured by JCDecaux SA for €825.0 million and committed credit facilities granted to subsidiaries for €11.4 million.

8.2. Commitments to purchase assets

Commitments to purchase property, plant and equipment and intangible assets totalled €368.9 million as of 31 December 2020 compared to €441.4 million as of 31 December 2019.

8.3. Commitments under leases signed but not started

At 31 December 2020 commitments on leases signed but not started were as follows:

In million euros	Total
Lease advertising space	36.0
Lease property	0.0
Lease Vehicles	0.0
Other lease	0.0
Total	**36.0**

These commitments are recognised as a liability under IFRS 16 at the start date of the lease.

8.4. Commitments in advertising space contracts provision with substantive substitution rights

In the Street Furniture and Transport businesses, some contracts include a substantive substitution right on advertising spaces in favour of the contractor. As such, these contracts are considered to be service contracts excluded from the scope of IFRS16 application.
The amount of commitments given on this type of contracts, and for those beginning after 1 January 2019, totalled €769.6 million as of 31 December 2020 compared to €572.6 million as of 31 December 2019 (amounts are neither inflated nor discounted).

9. RELATED PARTIES

9.1. Definitions

The following four categories are considered related party transactions:

- the portion of transactions with jointly-controlled companies and with associates not eliminated in the consolidated financial statements,
- transactions carried out by JCDecaux SA and its subsidiaries with JCDecaux Holding (JCDecaux SA's parent company) and its subsidiaries,
- transactions carried out with the significant non-controlling interests,
- transactions with key management personnel and companies held by such personnel and over which they exercise a control.

9.2. Details regarding related-party transactions

In million euros	2020				2019			
	Companies under the EM [(1)]	Parent Companies [(2)]	Other	Total	Companies under the EM [(1)]	Parent Companies [(2)]	Other	Total
Statement of financial position								
Assets								
Right-of-use		14.1	78.6	92.7		0.4	36.8	37.2
Loans and loans to participating interests [(*)]	119.0	0.0	0.0	119.1	34.2			34.2
Other receivables	30.6	0.3	2.1	33.1	30.1	0.2	2.2	32.5
Total Assets	**149.6**	**14.5**	**80.7**	**244.9**	**64.3**	**0.6**	**39.0**	**103.9**
Liabilities								
Financial debts and debt on commitments to purchase non-controlling interests [(3)]	38.6	113.4		151.9	39.3	111.1		150.4
Other liabilities	8.3	19.6	95.2	123.1	10.4	6.9	45.4	62.7
Total Liabilities	**46.9**	**133.0**	**95.2**	**275.0**	**49.7**	**118.0**	**45.4**	**213.1**
Income Statement								
EBIT								
Income	34.3	0.3	3.0	37.6	50.6	0.1	2.9	53.6
Expenses [(6)]	(9.6)	(4.9)	(11.9)	(26.4)	(9.8)	(5.8)	(11.6)	(27.2)
EBIT	**24.7**	**(4.6)**	**(8.9)**	**11.2**	**40.8**	**(5.7)**	**(8.7)**	**26.4**
Net financial income (loss)								
Income	1.5	0.3		1.8	2.3			2.3
Expenses [(4)(5)]	(0.2)	(2.4)	(0.8)	(3.4)	(0.4)	(12.1)	(1.2)	(13.7)
Net financial income (loss)	**1.3**	**(2.1)**	**(0.8)**	**(1.6)**	**1.9**	**(12.1)**	**(1.2)**	**(11.4)**

(*) Including accrued interest.
(1) Portion of transactions with joint ventures and with associates not eliminated.
(2) Transactions carried out between JCDecaux SA and its parent JCDecaux Holding and transactions carried out with the significant non-controlling interests.
(3) The debt on commitments to purchase non-controlling interests amounted to €111.5 million as of 31 December 2020 compared to €109.4 million as of 31 December 2019.
(4) Including €(2.1) million in 2020 and €(12.0) million in 2019 of net expenses of revaluation and discounting on debt on commitments to purchase non-controlling interests.
(5) Including €(0.9) million in 2020 and €(1.2) million in 2019 of interest on IFRS 16 lease liabilities with related parties.
(6) Including €(11.1) million in 2020 and €(10.3) million in 2019 of amortisation depreciation of right-of-use with related parties.

As of 31 December 2020, the main material change in relations between the Group and the related parties as compared to 2019 consists of a €84.8 million increase in loans granted to companies accounted for under the equity method, predominantly concerning the loan granted to City Lead Development Ltd in conjunction with the acquisition of Clear Media in 2020.
The off-balance sheet commitments from leases with related parties are now, in accordance with IFRS 16, recorded as liabilities in the statement of financial position at their present value. This lease liability with related parties is recognised under "Other liabilities" in the table above and represented €108.8 million as of 31 December 2020 compared to €44.6 million as of 31 December 2019.
As of 31 December 2020, the commitments given as business guarantees with associates totalled €16.5 million.

9.3. Management compensation

Compensation owed to members of the Executive Board for the fiscal years 2020 and 2019 breaks down as follows:

In million euros	2020	2019
Short-term benefits	4.4	7.9
Fringe benefits	0.3	0.3
Directors'fees	0.0	0.0
Life insurance/special pension	0.1	0.1
Share-based payments	0.0	0.0
Total (*)	**4.8**	**8.3**

(*) Compensation received from associates is excluded.

In addition, should their employment contracts be terminated, two Executive Board members are entitled to receive non-competition compensation over a two-year period and equal to 33% of their fixed and variable compensation calculated on the basis of the average of the twelve months preceding the date of termination of contractual relations.
Post-employment benefits recognised as liabilities in the statement of financial position amounted to €5.2 million as of 31 December 2020, compared to €4.5 million as of 31 December 2019.
Compensation owed to members of the Supervisory Board amounted to €0.4 million for the year 2020.

10. INFORMATION ON THE JOINT VENTURES

The following information related to the joint ventures is provided by operating segment in application of IFRS 12 "Disclosure of Interests in Other Entities".

10.1. Income statement items

10.1.1. For the year 2020

10.1.1.1. Net income

The 2020 net income of the joint ventures and reconciliation with the income statement of the consolidated financial statements for 2020 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Net Income [(1)]	**5.9**	**46.5**	**(30.6)**	**21.8**
Impact of application of the holding percentage	(3.2)	(31.9)	21.7	(13.4)
Impairment of joint ventures	(0.2)		0.0	(0.2)
Share of net profit of joint ventures	**2.5**	**14.6**	**(8.9)**	**8.2**

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.1.1.2. Revenue

The 2020 revenue for the joint ventures and reconciliation with their contribution in the consolidated adjusted revenue for 2020 are as follows:

In million euros	Revenue
Street Furniture	**82.5**
Transport	**326.9**
Billboard	**75.3**
Total [(1)]	**484.6**
Impact of application of the holding percentage	(263.2)
Elimination of the transactions inter-activities & with controlled entities	(1.1)
Contribution of the joint ventures in the Consolidated adjusted Revenue	**220.3**

(1) IFRS data on a 100% basis before elimination of transactions made between the different activities and before elimination of transactions made with the controlled entities.

10.1.1.3. Other items of the income statement

The other items of the income statement for 2020 that are characteristic of the joint ventures are as follows [(1)]:

In million euros	Street Furniture	Transport	Billboard
Depreciation, amortisation and provisions (net)	(26.7)	(95.5)	(32.7)
Cost of net financial debt	(0.2)	2.2	(6.9)
Income tax	(4.9)	(20.6)	(0.5)

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.1.2. For the year 2019

10.1.2.1. Net income

The 2019 net income of the joint ventures and reconciliation with the income statement of the consolidated financial statements for 2019 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Net Income [(1)]	**27.7**	**162.2**	**(17.8)**	**172.1**
Impact of application of the holding percentage	(13.6)	(97.7)	13.5	(97.7)
Impairment of joint ventures	5.0		3.7	8.7
Share of net profit of joint ventures	**19.1**	**64.5**	**(0.5)**	**83.1**

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.1.2.2. Revenue

The 2019 revenue of the joint ventures and reconciliation with their contribution in the consolidated adjusted revenue for 2019 are as follows:

In million euros	Revenue
Street Furniture	126.3
Transport	587.1
Billboard	161.7
Total (1)	875.1
Impact of application of the holding percentage	(457.2)
Elimination of the transactions inter-activities & with controlled entities	(1.6)
Contribution of the joint ventures in the Consolidated adjusted Revenue	416.3

(1) IFRS data on a 100% basis before elimination of transactions made between the different activities and before elimination of transactions made with the controlled entities.

10.1.2.3. Other items of the income statement

The other items of the income statement for 2019 that are characteristic of the joint ventures are as follows (1):

In million euros	Street Furniture	Transport	Billboard
Depreciation, amortisation and provisions (net)	(22.2)	(103.8)	(52.8)
Cost of net financial debt	(0.1)	3.1	(16.7)
Income tax	(7.6)	(56.4)	(1.0)

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.2. Statement of other comprehensive income

10.2.1. For the year 2020

Other 2020 comprehensive income for the joint ventures and reconciliation with the statement of other comprehensive income of the consolidated financial statements for 2020 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Other comprehensive income (1)	(1.7)	(4.8)	29.2	22.8
Impact of application of the holding percentage	0.8	1.9	(22.3)	(19.5)
Translation reserve adjustments on impairment of joint ventures	0.0	0.0	1.1	1.1
Translation reserve adjustments on goodwill & elimination of shares	(0.3)	(2.6)	35.7	32.8
Share of other comprehensive income of the joint ventures	(1.1)	(5.5)	43.8	37.2

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.2.2. For the year 2019

Other 2019 comprehensive income for the joint ventures and reconciliation with the statement of other comprehensive income of the consolidated financial statements for 2019 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Other comprehensive income (1)	0.0	(0.6)	(4.8)	(5.4)
Impact of application of the holding percentage	0.0	0.4	3.8	4.2
Translation reserve adjustments on impairment of joint ventures	0.0	0.0	(1.1)	(1.1)
Translation reserve adjustments on goodwill & elimination of shares	0.1	0.6	6.2	6.9
Share of other comprehensive income of the joint ventures	0.1	0.4	4.1	4.6

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.3. Statement of financial position items

10.3.1. As of 31 December 2020

10.3.1.1 Net assets

Net assets (1) as of 31 December 2020 of the joint ventures and reconciliation with the statement of financial position of the consolidated financial statements as of 31 December 2020 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Non-current assets	131.9	268.8	137.3	537.9
Current assets	81.7	181.5	18.3	281.5
Non-current liabilities	(107.5)	(83.5)	(157.5)	(348.5)
Current liabilities	(58.4)	(213.0)	(22.4)	(293.8)
Net assets (1)	**47.7**	**153.7**	**(24.3)**	**177.1**
Impact of application of the holding percentage	(22.1)	(78.7)	11.0	(89.8)
Impairment of joint ventures	(9.6)	(0.0)	(7.9)	(17.6)
Goodwill and elimination of shares held by joint ventures	12.4	47.4	5.8	65.6
Negative Net Equity limitation			24.6	24.6
Investments under the equity method	**28.4**	**122.3**	**9.2**	**159.9**

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.3.1.2. Other items of the statement of financial position

The items related to the net financial debt as of 31 December 2020 characteristic of the joint ventures are as follows [1]:

In million euros	Street Furniture	Transport	Billboard
Cash and cash equivalents net of bank overdrafts	3.5	84.2	4.3
Financial debt (non-current)	(55.1)	(0.9)	(64.6)
Financial debt (current)	(0.2)	(1.3)	(1.9)

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.3.2. As of 31 December 2019

Net assets [1] as of 31 December 2019 of the joint ventures and reconciliation with the statement of financial position of the consolidated financial statements as of 31 December 2019 are as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Non-current assets	115.4	265.4	335.8	716.6
Current assets	102.9	361.3	53.1	517.3
Non-current liabilities	(49.6)	(130.4)	(258.4)	(438.4)
Current liabilities	(106.0)	(260.7)	(211.8)	(578.5)
Net assets (1)	**62.6**	**235.6**	**(81.3)**	**216.9**
Impact of application of the holding percentage	(29.2)	(118.9)	56.0	(92.1)
Impairment of joint ventures	(9.4)		(9.1)	(18.5)
Goodwill and elimination of shares held by joint ventures	12.7	69.6	54.5	136.7
Negative Net Equity limitation			23.7	23.7
Investments under the equity method	**36.8**	**186.3**	**43.8**	**266.8**

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.3.2.2. Other items of the statement of financial position

The items related to the net financial debt as of 31 December 2019 characteristic of the joint ventures are as follows [1]:

In million euros	Street Furniture	Transport	Billboard
Cash and cash equivalents net of bank overdrafts	(45.3)	198.8	3.3
Financial debt (non-current)	(7.8)	0.0	(68.7)
Financial debt (current)	(0.2)	(2.6)	(130.3)

(1) IFRS data on a 100% basis without any elimination of transactions made between the different activities and without any elimination of transactions made with the controlled entities.

10.4. Other items

The dividends received from the joint ventures for the year 2020 break down as follows:

In million euros	Street Furniture	Transport	Billboard
Dividends received	10.5	51.1	0.1

The dividends received from the joint ventures for the year 2019 break down as follows:

In million euros	Street Furniture	Transport	Billboard
Dividends received	17.9	62.2	1.3

11. INFORMATION ON ASSOCIATES

11.1. Income statement items

Income statement items characteristic of the significant entity APG|SGA SA and the reconciliation with the income statement of the consolidated financial statements are as follows:

	2020	2019
In million euros	APG|SGA SA	APG|SGA SA
Revenue	244.7	286.3
Net income (1)	9.9	35.0
Impact of application of the holding percentage	(6.9)	(24.5)
Impairment of associates	0.0	0.0
Share of net profit of associates	**3.0**	**10.5**

(1) IFRS data on a 100% basis.

The contribution of other companies in the share of net profit of associates totalled €(12.5) million in 2020 and €8.4 million in 2019.

11.2. Statement of financial position items

Statement of financial position items(1) characteristic of the significant entity APG|SGA SA and the reconciliation with the statement of financial position of the consolidated financial statements as of 31 December 2020 and as of 31 December 2019 are as follows:

	2020	2019
In million euros	APG|SGA SA	APG|SGA SA
Assets	469.6	495.3
Liabilities	(336.9)	(380.7)
Equity	132.7	114.6
Impact of application of the holding percentage	(92.9)	(80.2)
Impairment of associates	0.0	0.0
Goodwill	82.9	82.9
Investments in associates	**122.7**	**117.3**

(1) IFRS data on a 100% basis.

The contribution of other companies in investments in associates in the statement of financial position totalled €109.9 million as of 31 December 2020 and €68.2 million as of 31 December 2019.
The valuation of 30% of APG|SGA SA at the 30 December 2020 share price amounts to €164.5 million.

11.3. Other items

The dividends received from associates for the fiscal years 2020 and 2019 break down as follows:

	2020			2019		
In million euros	APG|SGA SA	Other companies	Total	APG|SGA SA	Other companies	Total
Dividends received	0.0	3.1	**3.1**	15.6	8.6	**24.2**

12. SCOPE OF CONSOLIDATION

12.1. Identity of the parent company

As of 31 December 2020, JCDecaux Holding holds 64.67% of the share capital of JCDecaux SA.

12.2. List of consolidated companies

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
STREET FURNITURE					
JCDecaux SA		France	100.00	F	100.00
JCDecaux FRANCE	(1)	France	100.00	F	100.00
SOPACT		France	100.00	F	100.00
SOMUPI		France	66.00	F	66.00
JCDecaux ASIE HOLDING		France	100.00	F	100.00
JCDecaux EUROPE HOLDING		France	100.00	F	100.00
JCDecaux AMERIQUES HOLDING		France	100.00	F	100.00
CYCLOCITY		France	100.00	F	100.00
JCDecaux AFRIQUE HOLDING		France	100.00	F	100.00
JCDecaux BOLLORE HOLDING		France	50.00	E*	50.00
MEDIAKIOSK	(15)	France	100.00	F	100.00
MEDIA PUBLICITE EXTERIEURE	(17)	France	100.00	F	100.00
SOCIETE FERMIERE DES COLONNES MORRIS		France	100.00	F	100.00
SOCIETE INFORMATION COMMUNICATION MOBILITE - SICM		France	100.00	F	100.00
JCDECAUX MOBILITE AIX-MARSEILLE		France	100.00	F	100.00
JCDECAUX SUPPLY CHAIN	(3)	France	100.00	F	100.00
SOCIETE HAVRAISE DE MOBILIER URBAIN	(3)	France	100.00	F	100.00
SOCIETE EURO METROPOLITAINE DE MOBILIER URBAIN	(3)	France	100.00	F	100.00
SOCIETE DE MOBILIER URBAIN DE CAGNES SUR MER	(3)	France	100.00	F	100.00
ABRI SERVICES MEDIA SAS	(3) & (25)	France	100.00	F	100.00
ABRI SERVICES PAYS DE LOIRE	(3) & (25)	France	100.00	F	100.00
ABRI SERVICES BRETAGNE	(3) & (25)	France	100.00	F	100.00
ABRI SERVICES DEVELOPPEMENT	(3) & (25)	France	100.00	F	100.00
ABRI SERVICES NOUVELLE AQUITAINE	(3) & (25)	France	100.00	F	100.00
WALL GmbH	(1)	Germany	100.00	F	100.00
DSM DECAUX GmbH		Germany	50.00	E*	50.00
STADTREKLAME NÜRNBERG GmbH		Germany	35.00	E	35.00
DIE DRAUSSENWERBER GmbH		Germany	100.00	F	100.00
SKY HIGH TG GmbH		Germany	100.00	F	100.00
REMSCHEIDER GESELLSCHAFT FÜR STADTVERKEHRSANLAGEN GbR.		Germany	50.00	E*	50.00
JCDecaux ARGENTINA S.A.		Argentina	100.00	F	100.00
JCDecaux STREET FURNITURE Pty Ltd		Australia	100.00	F	100.00
JCDecaux AUSTRALIA Pty Ltd		Australia	100.00	F	100.00
ADBOOTH Pty Ltd		Australia	100.00	F	100.00
JCDecaux CITYCYCLE AUSTRALIA Pty Ltd		Australia	100.00	F	100.00
JCDECAUX AUSTRALIA UNIT TRUST		Australia	100.00	F	100.00
ARGE AUTOBAHNWERBUNG GmbH		Austria	67.00	F	100.00
DIGITAL OUT OF HOME OO GmbH		Austria	33.50	E*	50.00
JCDecaux STADMOBILIAR AZ		Azerbaijan	100.00	F	100.00
JCDecaux AZERBAIJAN LLC		Azerbaijan	50.00	E*	50.00
JCDecaux STREET FURNITURE BELGIUM	(1)	Belgium	100.00	F	100.00
JCDecaux MALLS		Belgium	73.36	F	73.36
JCDecaux DO BRASIL LTDA		Brazil	100.00	F	100.00
JCDecaux SALVADOR MOBILIARIO URBANO LTDA		Brazil	100.00	F	100.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
JCDecaux LATAM SERVIÇOS DE MANAGEMENT LTDA		Brazil	100.00	F	100.00
CONCESSIONARIA A HORA DE SÃO PAULO LTDA		Brazil	100.00	F	86.67
CEMUSA BRASILIA S.A.		Brazil	100.00	F	100.00
CEMUSA AMAZONIA Ltda		Brazil	100.00	F	100.00
CEMUSA RIO S.A.		Brazil	100.00	F	100.00
CEMUSA SALVADOR MOBILIARIO URBANO LTDA		Brazil	100.00	F	100.00
WALL SOFIA EOOD		Bulgaria	50.00	E*	50.00
OUTFRONT JCDecaux STREET FURNITURE CANADA, Ltd		Canada	50.00	E*	50.00
JCDecaux COMUNICACION EXTERIOR CHILE S.A.	(1)	Chile	100.00	F	100.00
JCDecaux PEARL&DEAN OUTDOOR ADVERTISING (CHINA) Co. Ltd		China	100.00	F	100.00
BEIJING PRESS JCDecaux MEDIA ADVERTISING Co. Ltd		China	50.00	E*	50.00
NINGBO JCDecaux Pearl &Dean ADVERTISING Co. Ltd		China	100.00	F	100.00
JCDecaux CITYSCAPE HONG KONG Ltd		China	100.00	F	100.00
JCDecaux CITYSCAPE Ltd		China	100.00	F	100.00
JCDecaux MACAU	(1)	China	80.00	F	80.00
CITY LEAD DEVELOPMENTS. Ltd	(3) & (19) & (22)	China	23.00	E	23.00
EVER HARMONIC GLOBAL. Ltd	(3) & (19) & (23)	China	23.00	E	23.00
CLEAR MEDIA LIMITED	(3) & (19) & (24)	China	20.29	E	23.00
EQUIPAMIENTOS URBANOS NACIONALES DE COLOMBIA SAS	(1)	Colombia	75.00	F	75.00
LLEGA S.A.S.		Colombia	75.00	F	100.00
JCDecaux KOREA Inc.		South Korea	80.00	F	80.00
JCDECAUX TOP MEDIA COSTA RICA, SA. (previously EQUIPAMIENTOS URBANOS DE COSTA RICA S.A.)	(1)	Costa Rica	76.16	F	100.00
JCDecaux COTE d'IVOIRE		Ivory Coast	50.00	E*	50.00
AFA JCDecaux A/S	(1)	Denmark	50.00	F	50.00
JCDecaux STREET FURNITURE FZ LLC		United Arab Emirates	100.00	F	100.00
JCDecaux DXB MEDIA FZ LLC		United Arab Emirates	75.00	F	75.00
JCDecaux ECUADOR SA.		Ecuador	100.00	F	100.00
JCDecaux ESPANA SLU	(1)	Spain	100.00	F	100.00
JCDecaux ATLANTIS SA		Spain	85.00	F	85.00
JCDecaux LATIN AMERICA INVESTMENTS HOLDING S.L.		Spain	100.00	F	100.00
CORPORACION AMERICANA DE EQUIPAMIENTOS URBANOS SL.		Spain	100.00	F	100.00
CORPORACION EUROPEA DE MOBILIARIO URBANO S.A.	(1)	Spain	100.00	F	100.00
JCDecaux EESTI OU		Estonia	100.00	F	100.00
JCDecaux NEW YORK, Inc.	(2)	United States	100.00	F	100.00
JCDecaux SAN FRANCISCO, LLC		United States	100.00	F	100.00
JCDecaux MALLSCAPE, LLC		United States	100.00	F	100.00
JCDecaux CHICAGO, LLC		United States	100.00	F	100.00
JCDecaux NEW YORK, LLC	(2)	United States	100.00	F	100.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL *
OUTFRONT DECAUX STREET FURNITURE, LLC		United States	50.00	E*	50.00
JCDecaux NORTH AMERICA, Inc.		United States	100.00	F	100.00
JCDecaux BOSTON, Inc.		United States	100.00	F	100.00
JCDecaux STREET FURNITURE, Inc.		United States	100.00	F	100.00
JCDecaux STREET FURNITURE GREATER BOSTON, LLC		United States	100.00	F	100.00
JCDecaux STREET FURNITURE NEW YORK, LLC		United States	100.00	F	100.00
JCDecaux FINLAND Oy	(1)	Finland	100.00	F	100.00
JCDecaux GABON		Gabon	40.00	E*	40.00
JCDecaux GUATEMALA, S.A.		Guatemala	76.16	F	100.00
VBM VAROSBUTOR ES MEDIA Kft.		Hungary	67.00	F	100.00
JCDecaux HUNGARY Zrt	(1)	Hungary	67.00	F	100.00
JCDecaux ADVERTISING INDIA PVT Ltd	(1)	India	100.00	F	100.00
JCDecaux ISRAEL Ltd		Israel	92.00	F	92.00
MCDECAUX Inc.	(1)	Japan	85.00	F	85.00
CYCLOCITY Inc.		Japan	100.00	F	100.00
RTS DECAUX JSC		Kazakhstan	50.00	F	50.00
JCDecaux LATVIJA SIA		Latvia	100.00	F	100.00
JCDecaux LIETUVA UAB		Lithuania	100.00	F	100.00
JCDecaux LUXEMBOURG SA	(1)	Luxembourg	100.00	F	100.00
JCDecaux MONGOLIA LLC		Mongolia	51.00	F	51.00
EQUIPAMIENTOS URBANOS DE MEXICO, S.A. DE C.V.		Mexico	100.00	F	100.00
SERVICIOS DE COMERCIALIZACION DE PUBLICIDAD, S.A. DE C.V.		Mexico	100.00	F	100.00
SERVICIO Y TECNOLOGIA ESPECIALIZADA, S.A. DE C.V.		Mexico	60.00	F	100.00
MEDIOS DE PUBLICIDAD S.A. DE C.V.		Mexico	60.00	F	100.00
EQUIPAMIENTOS URBANOS DE LA PENINSULA, S.A. DE C.V.		Mexico	60.00	F	100.00
JCDecaux OUT OF HOME MEXICO SA de CV		Mexico	60.00	F	60.00
ESCATO URBANO, S.A. DE C.V.		Mexico	60.00	F	100.00
STOC SA DE CV	(18)	Mexico	60.00	F	100.00
FMIDecaux Co., Ltd.		Myanmar	60.00	F	60.00
JCDecaux OMAN	(1) & (5)	Oman	100.00	F	100.00
JCDecaux UZ		Uzbekistan	72.26	F	72.26
JCDecaux PANAMA, S.A.	(1)	Panama	76.16	F	100.00
JCDecaux CENTRAL AMERICA HOLDING S.A.		Panama	100.00	F	100.00
JCDecaux Top Media SA		Panama	76.16	F	76.16
JCDecaux TOP MEDIA CORPORATIVO, S.A		Panama	76.16	F	100.00
FUTURAD, S.A	(3)	Panama	11.61	E	15.25
JCDecaux NEDERLAND BV		The Netherlands	100.00	F	100.00
JCDecaux PORTUGAL - MOBILIARIO URBANO Lda		Portugal	100.00	F	100.00
PURBE PUBLICIDADE URBANA & GESTAO Lda		Portugal	100.00	F	100.00
ELAN DECAUX W.L.L	(1)	Qatar	50.00	E*	49.00
JCDecaux DOMINICANA, SAS.		Dominican Rep.	100.00	F	100.00
JCDecaux MESTSKY MOBILIAR Spol Sro	(1)	Czech Rep.	100.00	F	100.00
RENCAR MEDIA Spol Sro		Czech Rep.	46.90	F	100.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
CLV CR Spol Sro		Czech Rep.	23.45	E*	50.00
JCDecaux UK Ltd	(1)	United Kingdom	100.00	F	100.00
JCDecaux SMALL CELLS Ltd		United Kingdom	70.00	F	70.00
IN FOCUS PUBLIC NETWORKS LIMITED		United Kingdom	100.00	F	100.00
VIOOH LIMITED	(1)	United Kingdom	93.50	F	93.50
JCDecaux EL SALVADOR, S.A. DE C.V.		Salvador	76.16	F	100.00
JCDecaux SINGAPORE Pte Ltd		Singapore	100.00	F	100.00
JCDecaux SLOVAKIA Sro		Slovakia	100.00	F	100.00
JCDecaux SVERIGE AB		Sweden	100.00	F	100.00
OUTDOOR AB		Sweden	48.50	E*	48.50
JCDecaux SVERIGE FORSALJNINGSAKTIEBOLAG		Sweden	100.00	F	100.00
JCDecaux CORPORATE SERVICES GmbH		Switzerland	100.00	F	100.00
JCDecaux URUGUAY	(6)	Uruguay	100.00	F	100.00
JCDecaux URUGUAY SA		Uruguay	100.00	F	100.00
JCDecaux OOH URUGUAY SA		Uruguay	100.00	F	100.00
PUBLIBUS SA		Uruguay	100.00	F	100.00
TRANSPORT					
MEDIA AEROPORTS DE PARIS		France	50.00	E*	50.00
METROBUS		France	33.00	E	33.00
JCDecaux SPG OUTDOOR ADVERTISING (PTY) LTD		South Africa	35.00	E*	50.00
JCDecaux ALGERIE SARL		Algeria	80.00	F	80.00
JCDecaux AIRPORT ALGER EURL		Algeria	80.00	F	100.00
JCDecaux AIRPORT CENTRE SARL		Algeria	49.00	E	49.00
MEDIA FRANKFURT GmbH		Germany	39.00	E*	39.00
JCDecaux AIRPORT MEDIA GmbH		Germany	100.00	F	100.00
JCDecaux ATA SAUDI LLC		Saudi Arabia	60.00	F	60.00
BUSPAK ADVERTISING GROUP PTY LTD		Australia	100.00	F	100.00
GSP PRINT PTY LTD		Australia	100.00	F	100.00
INFOSCREEN AUSTRIA GmbH		Austria	67.00	F	100.00
JCD BAHRAIN SPC		Bahrain	100.00	F	100.00
CEMUSA DO BRASIL LTDA		Brazil	100.00	F	100.00
JCDecaux MIDIA AEROPORTOS LTDA		Brazil	100.00	F	100.00
JCDecaux CAMEROUN		Cameroon	50.00	E*	50.00
JCDecaux CHILE SA		Chile	100.00	F	100.00
JCDecaux MOMENTUM SHANGHAI AIRPORT ADVERTISING Co. Ltd		China	35.00	E*	35.00
JCDecaux ADVERTISING (BEIJING) Co. Ltd		China	100.00	F	100.00
BEIJING TOP RESULT METRO Advertising. Co. Ltd	(14)	China	33.00	E	33.00
JCDecaux ADVERTISING (SHANGHAI) Co. Ltd		China	100.00	F	100.00
CHONGQING MPI PUBLIC TRANSPORTATION ADVERTISING Co. Ltd		China	60.00	F	60.00
CHENGDU MPI PUBLIC TRANSPORTATION Advertising. Co. Ltd		China	100.00	F	100.00
JINAN ZHONGGUAN XUNHUA PUBLIC TRANSPORT Advertising. Co. Ltd	(4)	China	30.00	E	30.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
SHANGHAI SHENTONG JCDecaux METRO ADVERTISING Co. Ltd		China	60.00	E*	51.00
NANJING METRO JCDecaux ADVERTISING Co., Ltd		China	100.00	F	100.00
JCDecaux ADVERTISING CHONGQING Co., Ltd		China	80.00	F	80.00
SUZHOU JCDecaux METRO ADVERTISING Co.Ltd		China	80.00	F	65.00
NANJING JCDecaux BUS ADVERTISING Co., Ltd		China	100.00	F	100.00
GUANGZHOU METRO JCDecaux ADVERTISING Co., Ltd		China	49.00	E*	49.00
GUANGZHOU JCDECAUX AEROTROPOLIS ADVERTISING Co.,Ltd		China	100.00	F	100.00
TIANJIN METRO JCDecaux ADVERTISING Co., Ltd	(13)	China	60.00	E*	60.00
VIOOH CHINA LIMITED		China	93.50	F	100.00
NANJING JCDECAUX METRO VIOOH MEDIA TECHNOLOGY Co., Ltd	(3)	China	100.00	F	100.00
JCDecaux PEARL & DEAN Ltd		China	100.00	F	100.00
JCDecaux INNOVATE Ltd		China	100.00	F	100.00
MEDIA PRODUCTION Ltd		China	100.00	F	100.00
JCDecaux CHINA HOLDING Ltd		China	100.00	F	100.00
TOP RESULT PROMOTION Ltd	(1)	China	100.00	F	100.00
MEDIA PARTNERS INTERNATIONAL Ltd	(1)	China	100.00	F	100.00
JCDecaux DIGITAL VISION (HK) Ltd.		China	100.00	F	100.00
VIOOH (HK) LIMITED		China	93.50	F	100.00
CNDECAUX AIRPORT MEDIA Co. Ltd		China	30.00	E	30.00
JCDecaux DICON FZCO		United Arab Emirates	75.00	F	75.00
JCDecaux ADVERTISING AND MEDIA LLC	(2)	United Arab Emirates	80.00	F	49.00
JCDecaux MIDDLE EAST FZ-LLC		United Arab Emirates	100.00	F	100.00
JCDecaux OUT OF HOME FZ-LLC (ABU DHABI)		United Arab Emirates	55.00	F	55.00
JCDecaux AIRPORT, Inc.		United States	100.00	F	100.00
JOINT VENTURE FOR THE OPERATION OF THE ADVERTISING CONCESSION AT LAWA, LLC		United States	92.50	F	92.50
MIAMI AIRPORT CONCESSION, LLC		United States	50.00	E*	50.00
JCDecaux AIRPORT CHICAGO, LLC		United States	100.00	F	100.00
THE JOINT VENTURE FOR THE OPERATION OF THE ADVERTISING CONCESSION AT HOUSTON AIRPORTS, LLC		United States	99.00	F	99.00
JCDecaux AIRPORT BOSTON, LLC		United States	98.00	F	98.00
JCDecaux AIRPORT DALLAS FORT WORTH, LLC		United States	97.50	F	97.50
IGPDECAUX Spa	(1) & (13)	Italy	60.00	E*	60.00
JCDecaux NORGE AS	(1)	Norway	97.69	F	100.00
CITY BUS TOP, S.A.		Panama	60.93	F	80.00
PUBLICIDAD AEROPUERTO DE TOCUMEN S.A.		Panama	76.16	F	100.00
JCDECAUX PARAGUAY SA (previously CIPRES S.A.)	(16)	Paraguay	70.00	F	70.00
JCDecaux PERU SAC	(1)	Peru	100.00	F	100.00
JCDecaux AIRPORT POLSKA Sp zoo		Poland	100.00	F	100.00
JCDecaux AIRPORT PORTUGAL SA		Portugal	85.00	F	85.00
RENCAR PRAHA AS		Czech Rep.	46.90	F	70.00
JCDecaux ASIA SINGAPORE Pte Ltd		Singapore	100.00	F	100.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
JCDecaux OUT OF HOME ADVERTISING Pte Ltd		Singapore	100.00	F	100.00
JCDecaux THAILAND Co., Ltd		Thailand	98.00	F	49.50
BILLBOARD					
JCDecaux SOUTH AFRICA HOLDINGS (PROPRIETARY) LIMITED		South Africa	100.00	F	100.00
JCDecaux SOUTH AFRICA OUTDOOR ADVERTISING (PROPRIETARY) LIMITED		South Africa	49.00	F	70.00
JCDecaux SUB-SAHARAN AFRICA (Pty) Ltd		South Africa	78.15	F	100.00
MERAFE RAIL		South Africa	78.15	F	100.00
MERAFE OUTDOOR		South Africa	78.15	F	100.00
CORPCOM OUTDOOR		South Africa	78.15	F	100.00
SUBURBAN INDUSTRIAL SIGN DESIGN		South Africa	78.15	F	100.00
RENT A SIGN LEBOWA		South Africa	39.08	E*	50.00
JCDecaux SOUTH AFRICA (PTY) Ltd		South Africa	70.00	F	100.00
OUTDOOR Co (Pty) Ltd		South Africa	70.00	F	100.00
BDEYE DESIGNS (Pty) Ltd		South Africa	70.00	F	100.00
KCF INVESTMENTS (Pty) Ltd		South Africa	70.00	F	100.00
NEWSHELF1001 (Pty) Ltd (Lease Co)		South Africa	70.00	F	100.00
SIYENZA GRAPHIC DESIGN AND SIGNAGE (PTY) LTD		South Africa	70.00	F	100.00
INTER-AFRICA OUTDOOR ADVERTISING (SOUTH AFRICA) (PTY) Ltd		South Africa	78.15	F	100.00
JCDecaux SUBSAHARAN AFRICA HOLDINGS (Pty) Ltd		South Africa	70.00	F	100.00
JINJA 3 OUTDOOR ADVERTISING PTY LTD		South Africa	21.00	E*	30.00
JCDecaux ANGOLA LIMITADA		Angola	78.15	F	100.00
URBANMEDIA ARGENTINA S.A.		Argentina	100.00	F	100.00
JCDecaux ARGENTINA OOH S.A.		Argentina	100.00	F	100.00
JCDecaux ANZ PTY Ltd		Australia	100.00	F	100.00
JCDecaux AUSTRALIA HOLDINGS PTY Ltd		Australia	100.00	F	100.00
APN OUTDOOR GROUP PTY LTD (previously APN OUTDOOR GROUP LTD)		Australia	100.00	F	100.00
APNO GROUP HOLDINGS PTY LTD		Australia	100.00	F	100.00
APNO FINANCE PTY LTD		Australia	100.00	F	100.00
APN OUTDOOR PTY LTD	(1)	Australia	100.00	F	100.00
JCDECAUX AUSTRALIA TRADING PTY LTD (previously APN OUTDOOR (TRADING) PTY LTD)		Australia	100.00	F	100.00
AUSTRALIAN POSTERS PTY LTD		Australia	100.00	F	100.00
ADSPACE PTY LTD		Australia	100.00	F	100.00
IOM PTY LIMITED		Australia	100.00	F	100.00
GEWISTA WERBEGESELLSCHAFT.mbH	(1)	Austria	67.00	F	67.00
PROGRESS AUSSENWERBUNG GmbH		Austria	45.10	F	51.00
PROGRESS WERBELAND WERBE. GmbH		Austria	67.00	F	100.00
USP WERBEGESELLSCHAFT.mbH		Austria	50.25	F	75.00
JCDecaux CENTRAL EASTERN EUROPE GmbH		Austria	100.00	F	100.00
GEWISTA SERVICE GmbH		Austria	67.00	F	100.00
ROLLING BOARD OBERÖSTERREICH WERBE GmbH	(20)	Austria	33.50	E*	50.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
KULTURFORMAT		Austria	67.00	F	100.00
MEGABOARD SORAVIA GmbH		Austria	45.10	F	51.00
ANKÜNDER GmbH		Austria	22.31	E	33.30
JCDecaux BILLBOARD BELGIUM		Belgium	86.93	F	100.00
JCDecaux ARTVERTISING BELGIUM		Belgium	100.00	F	100.00
CS CONSULTING BVBA		Belgium	86.93	F	86.93
PUBLICITE TOUSSAINT NV		Belgium	43.46	E*	50.00
PUBLIROUTE NV		Belgium	86.93	F	100.00
CITY BUSINESS MEDIA		Belgium	100.00	F	100.00
JCDecaux BOTSWANA (PTY) LIMITED		Botswana	78.15	F	100.00
JCDecaux GRANDES FORMATOS MIDIA EXTERIOR LTDA		Brazil	100.00	F	100.00
JCDecaux OUTDOOR Ltda		Brazil	100.00	F	100.00
JCDecaux BULGARIA HOLDING BV	(11)	Bulgaria	50.00	E*	50.00
JCDecaux BULGARIA EOOD		Bulgaria	50.00	E*	50.00
MARKANY LINE EOOD		Bulgaria	25.00	E*	50.00
EASY DOCK EOOD		Bulgaria	50.00	E*	50.00
PRIME OUTDOOR OOD		Bulgaria	50.00	E*	50.00
JCDecaux IMAGE JSC		Bulgaria	25.00	E*	50.00
IOAHC INVESTMENTS URUGUAY COMPANY		Cayman Islands	100.00	F	100.00
IOA PROLIX COMPANY		Cayman Islands	80.00	F	80.00
JCDecaux OOH CHILE S.A.		Chile	100.00	F	100.00
POAD		China	49.00	E	49.00
CEE MEDIA HOLDING LIMITED	(2)	Cyprus	50.00	E*	50.00
DROSFIELD ENTERPRISES LIMITED	(2)	Cyprus	50.00	E*	50.00
OUTDOOR MEDIA SYSTEMS LIMITED	(2)	Cyprus	50.00	E*	50.00
ELACORP LIMITED	(4)	Cyprus	18.75	E*	25.00
EUROPLAKAT Doo		Croatia	45.10	F	51.00
CLEAR CHANNEL ESPANA, S.L.U. y CEMUSA - CORPORACION EUROPEA DE MOBILIARIO URBANO, S.A.		Spain	50.00	E*	50.00
JCDecaux ESWATINI (PROPRIETARY) LIMITED		Eswatini	78.15	F	100.00
INTERSTATE JCDecaux LLC		United States	49.00	E*	49.00
TOP MEDIA GUATEMALA, S.A.		Guatemala	76.16	F	100.00
JCDecaux TOP MEDIA HONDURAS S.A.		Honduras	76.16	F	100.00
JCDecaux REUNION ISLAND	(21)	Reunion Island	62.13	F	100.00
DAVID ALLEN HOLDINGS Ltd	(10)	Ireland	100.00	F	100.00
DAVID ALLEN POSTER SITES Ltd		Ireland	100.00	F	100.00
SOLAR HOLDINGS Ltd		Ireland	100.00	F	100.00
JCDecaux IRELAND Ltd	(1)	Ireland	100.00	F	100.00
BRAVO OUTDOOR ADVERTISING Ltd		Ireland	100.00	F	100.00
JCDecaux LESOTHO (PTY) LTD		Lesotho	78.15	F	100.00
JCDecaux MADAGASCAR SA		Madagascar	62.52	F	80.00
JCDecaux OUTDOOR ADVERTISING LTD		Malawi	78.15	F	100.00
JCDecaux (MAURITIUS) Ltd	(21)	Mauritius	62.13	F	79.50
CONTINENTAL OUTDOOR MEDIA MANAGEMENT COMPANY (MAURITIUS) Ltd		Mauritius	78.15	F	100.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
VENDOR PUBLICIDAD EXTERIOR S DE R.L. DE C.V.		Mexico	60.00	F	100.00
CORPORACION DE MEDIOS INTEGRALES, S.A. DE C.V.		Mexico	60.00	F	100.00
PUBLITOP DE OCCIDENTE, S.A. DE C.V.		Mexico	60.00	F	100.00
PUBLITOP, S.A. DE C.V.		Mexico	60.00	F	100.00
JCDecaux MOZAMBIQUE LDA		Mozambique	55.88	F	71.50
JCDecaux NAMIBIA OUTDOOR ADVERTISING (Pty) Limited		Namibia	78.15	F	100.00
JCDECAUX TOP MEDIA NICARAGUA SA. (previously TOP MEDIA NICARAGUA, S.A.)		Nicaragua	76.16	F	100.00
JCDecaux NIGERIA OUTDOOR ADVERTISING Ltd		Nigeria	54.71	F	70.00
JCDECAUX NEW ZEALAND HOLDINGS LIMITED (previously APN OUTDOOR HOLDINGS Ltd)		New Zealand	100.00	F	100.00
JCDECAUX NEW ZEALAND TRADING LIMITED (previously APN OUTDOOR Ltd)	(1)	New Zealand	100.00	F	100.00
JCDecaux UGANDA OUTDOOR ADVERTISING LTD		Uganda	78.15	F	100.00
JCDecaux TOP MEDIA SERVICIOS DE PANAMA, S.A.		Panama	76.16	F	100.00
TOP MEDIA PANAMA, S.A.		Panama	76.16	F	100.00
PUBLITOP DE PANAMA, S.A.		Panama	76.16	F	100.00
OUTDOOR SYSTEMS AMERICAS NETHERLANDS NEWCO BV	(2)	The Netherlands	100.00	F	100.00
JCDecaux NEONLIGHT Sp zoo		Poland	100.00	F	100.00
GIGABOARD POLSKA Sp zoo Poland		Poland	67.00	F	100.00
RED PORTUGUESA - PUBLICIDADE EXTERIOR SA		Portugal	96.38	F	96.38
RED LITORAL - PUBLICIDADE EXTERIOR Lda		Portugal	72.29	F	75.00
DISTRIBUIDORA DE VALLAS DOMINICANA, S.A.		Dominican Rep.	100.00	F	100.00
EUROPLAKAT Spol Sro		Czech Rep.	67.00	F	100.00
JCDecaux Ltd		United Kingdom	100.00	F	100.00
JCDecaux UNITED Ltd		United Kingdom	100.00	F	100.00
ALLAM GROUP Ltd		United Kingdom	100.00	F	100.00
EXCEL OUTDOOR MEDIA Ltd		United Kingdom	100.00	F	100.00
RUSS OUT OF HOME BV (RUSS OUTDOOR)	(8) & (4)	Russia	25.00	E*	25.00
ADVANCE GROUP LLC	(4)	Russia	12.75	E*	25.00
APR CITY/TVD LLC	(4)	Russia	25.00	E*	25.00
BIGBOARD LLC	(4)	Russia	25.00	E*	25.00
DISPLAY LLC	(4)	Russia	18.75	E*	25.00
EUROPEAN OUTDOOR COMPANY Inc.	(9) & (4)	Russia	25.00	E*	25.00
EXPOMEDIA LLC	(4)	Russia	25.00	E*	25.00
FREGAT LLC	(4)	Russia	25.00	E*	25.00
HARDLINK SOLUTIONS LLC	(4)	Russia	25.00	E*	25.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
WALL CIS LLC	(4)	Russia	25.00	E*	25.00
MEDIA SUPPORT SERVICES Ltd	(9) & (4)	Russia	25.00	E*	25.00
MERCURY OUTDOOR DISPLAY Ltd	(9) & (4)	Russia	25.00	E*	25.00
RUSS OUT OF HOME GmbH	(7) & (4)	Russia	25.00	E*	25.00
NORTHERN OUTDOOR DISPLAYS Ltd	(9) & (4)	Russia	25.00	E*	25.00
OMS LLC	(4)	Russia	25.00	E*	25.00
OUTDOOR LLC	(4)	Russia	25.00	E*	25.00
OUTDOOR MARKETING LLC	(4)	Russia	25.00	E*	25.00
OUTDOOR MEDIA MANAGEMENT LLC	(4)	Russia	25.00	E*	25.00
OUTDOOR SYSTEMS LIMITED	(9) & (4)	Russia	25.00	E*	25.00
PRIME SITE LLC	(4)	Russia	25.00	E*	25.00
PRIME SITE Ltd	(9) & (4)	Russia	25.00	E*	25.00
REKART MEDIA LLC	(4)	Russia	25.00	E*	25.00
REKTIME LLC	(4)	Russia	25.00	E*	25.00
RUSS INDOOR LLC	(4)	Russia	25.00	E*	25.00
RUSS OUTDOOR LLC	(4)	Russia	25.00	E*	25.00
RUSS OUTDOOR MEDIA LLC	(4)	Russia	25.00	E*	25.00
SCROPE TRADE & FINANCE SA	(9) & (4)	Russia	25.00	E*	25.00
SENROSE FINANCE LIMITED	(9) & (4)	Russia	25.00	E*	25.00
SOLVEX Ltd	(9) & (4)	Russia	25.00	E*	25.00
TERMOTRANS LLC	(4)	Russia	25.00	E*	25.00
UNITED OUTDOOR HOLDING Inc.	(9) & (4)	Russia	25.00	E*	25.00
MERIDIAN LLC	(4)	Russia	12.75	E*	25.00
RINGROADMEDIA LLC	(4)	Russia	12.75	E*	25.00
VA LLC	(4)	Russia	24.98	E*	25.00
ADVERTRACK LLC	(4)	Russia	12.75	E*	25.00
ADMETRIX LLC	(4)	Russia	25.00	E*	25.00
HIGHWAY ADVERTISING LLC	(4)	Russia	12.75	E*	25.00
TOP MEDIA EL SALVADOR, S.A. de C.V.		Salvador	76.16	F	100.00
ISPA BRATISLAVA Spol Sro		Slovakia	67.00	F	100.00
EUROPLAKAT Doo		Slovenia	27.56	E*	41.13
PLAKATIRANJE Doo		Slovenia	27.56	E*	41.13
SVETLOBNE VITRINE		Slovenia	27.56	E*	41.13
MADISON Doo		Slovenia	27.56	E*	41.13
METROPOLIS MEDIA Doo (SLOVENIA)		Slovenia	27.56	E*	41.13
APG|SGA SA		Switzerland	30.00	E	30.00
JCDecaux TANZANIA LTD		Tanzania	78.15	F	100.00
BIGBOARD B.V.	(12)	Ukraine	50.00	E*	50.00
BIGBOARD GROUP LLC	(2)	Ukraine	50.00	E*	50.00
ALTER-V LLC		Ukraine	50.00	E*	50.00
AUTO CAPITAL LLC	(4)	Ukraine	50.00	E*	50.00
BIG MEDIA LLC		Ukraine	50.00	E*	50.00
BIGBOARD KHARKOV		Ukraine	50.00	E*	50.00
BIGBOARD LLC (KIEV)		Ukraine	50.00	E*	50.00

COMPANIES		COUNTRY	% INTEREST	CONSOL. METHOD	% CONTROL*
BIGBOARD LVOV		Ukraine	50.00	E*	50.00
BIGBOARD VYSHGOROD		Ukraine	50.00	E*	50.00
BIGBOARD ZAPOROZHIE		Ukraine	50.00	E*	50.00
BOMOND LLC		Ukraine	25.00	E*	50.00
MEDIA PARTNER - O		Ukraine	50.00	E*	50.00
OUTDOORAUTO LLC		Ukraine	50.00	E*	50.00
POSTER DNEPROPETROVSK		Ukraine	50.00	E*	50.00
POSTER DONBASS		Ukraine	50.00	E*	50.00
POSTER GROUP LLC	(2)	Ukraine	50.00	E*	50.00
POSTER LLC (KIEV)		Ukraine	50.00	E*	50.00
POSTER ODESSA		Ukraine	50.00	E*	50.00
REKSVIT UKRAINE LLC		Ukraine	50.00	E*	50.00
UKRAIYINSKA REKLAMA LLC		Ukraine	50.00	E*	50.00
JCDecaux ZAMBIA LTD		Zambia	78.15	F	100.00
JCDecaux ZIMBABWE (PVT) LTD		Zimbabwe	78.15	F	100.00

(1) Companies spread over two or three activities for segment reporting purposes but listed in the above table according to their historical business activity.

(2) Companies liquidated in 2020.

(3) Companies consolidated in 2020.

(4) Companies sold in 2020.

(5) This company is a representative office of JCDecaux Bahrain SPC.

(6) This company is a representative office of JCDecaux France.

(7) Company incorporated under Austrian law and operating in Russia.

(8) Company incorporated under Dutch law and operating in Russia.

(9) Company incorporated under British Virgin Islands law and holding interests in Russia.

(10) Company incorporated under British law and operating in Northern Ireland.

(11) Company incorporated under Dutch law and operating in Bulgaria.

(12) Company incorporated under Dutch law and operating in Ukraine.

(13) TIANJIN METRO JCDecaux ADVERTISING Co., Ltd (China) and IGPDECAUX Spa (Italy) are consolidated under the equity method due to joint control with the Group's partner in management matters.

(14) On 27 April 2020, the percentage of financial rights in the entity BEIJING TOP RESULT METRO Advertising Co. Ltd (China) decreased by 57 points and the percentage of control decreased by 5 points. This entity is now consolidated under the equity method with significant influence.

(15) MEDIAKIOSK (France) was absorbed by JCDecaux FRANCE (France) on 1 January 2020.

(16) On 19 May 2020, sale without loss of control of shares held in the entity JCDECAUX PARAGUAY SA (previously CIPRES S.A.) (Paraguay) reducing the percentage of interest and control from 100% to 70%.

(17) MEDIA PUBLICITE EXTERIEURE (France) was absorbed by JCDecaux FRANCE (France) on 1 January 2020.

(18) STOC SA DE CV (Mexico) was absorbed by PUBLITOP DE OCCIDENTE, S.A. DE C.V. (Mexico) on 31 March 2020.

(19) City Lead Developments Ltd, acquired on 29 March 2020, is the consortium of investors consolidated using the equity method with a 23% percentage of interest and control which acquired on 28 April 2020, via its 100% subsidiary Ever Harmonic Global Ltd a majority share of the capital of Clear Media (China). Clear Media is consolidated since November 2020 under the equity method at 23% with a financial interest of 20.29% due to the control exercised by the consortium with 88.2% ownership.

(20) On 9 September 2020, increase in the percentage of interest in ROLLING BOARD OBERÖSTERREICH WERBE GmbH (Austria) from 25.13% to 33.50%.

(21) Capital increase of JCDecaux (Mauritius) Ltd (Mauritius), reducing the percentage of control from 80.25% to 79.50% and the percentage of interest from 62.72% to 62.13%, and reducing the percentage of interest of the entities held by JCDecaux (Mauritius) Ltd.

(22) Company incorporated under British Virgin Islands law and operating in China.

(23) Company incorporated under Cayman Islands law and operating in China.

(24) Company incorporated under British law and operating in China.

(25) On 15 December 2020, JCDecaux France acquired 100% of the company Abri Services Media and its subsidiaries. The new acquired companies are fully consolidated.

Note:
F = Full consolidation
E = Under the equity method (joint control)*
E = Under the equity method (significant influence)

* The percentage of control corresponds to the portion of direct or indirect ownership in the share capital of the companies except for the companies held by a company under joint control and under significant influence. For these companies, the percentage of control corresponds to the percentage of control of its owner.
For controlled companies and companies under the equity method they hold, the voting rights percentage is normally determined based on the percentage of control, with the exception of a few companies in China, where it is determined by representation in the governance bodies, given that local legal and regulatory specificities do not allow it to be assessed otherwise, and in Thailand, where the voting rights percentage is 98%.

13. SUBSEQUENT EVENTS

On 10 March 2021, the Supervisory Board decided to propose to not distribute any dividend for 2020 at the General Meeting in May 2021.

STATUTORY AUDITORS' REPORT

KPMG Audit
Département de KPMG S.A.
Tour Eqho
2, avenue Gambetta,
92066 Paris-La Défense cedex
S.A. au capital de 5 497 100 €
775 726 417 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la Compagnie Régionale
des Commissaires aux Comptes
de Versailles

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la Compagnie Régionale
des Commissaires aux Comptes
de Versailles et du Centre

JCDecaux SA

Year ended December 31, 2020

Statutory auditors' report on the consolidated financial statements

To the Annual General Meeting of JCDecaux SA,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of JCDecaux SA for the year ended 31 December 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from 1 January 2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Emphasis of Matter

We draw your attention to the following matters described in the notes to the consolidated financial statements:

- Note 1.11.4 “IFRS 16 Rent concessions in the context of the COVID-19 epidemic” to the consolidated financial statements, which describes the consequences of the application of the amendment to IFRS 16 relating to the accounting treatment of the rent concessions granted by lessors in the context of the COVID-19 pandemic

- Notes 1.11.3 “Accounting treatment of leases under IFRS 16” and 1.11.5 “Impact of the application of IFRS IC on lease terms on the financial statements for 2019” which describes the impacts of the application of the IFRS IC interpretation of November 2019 concerning lease terms.

Our opinion is not modified in respect of these matters.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this accounting period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. These measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on how audits are performed.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Accounting treatment of leases

Risk identified	As of 1 January 2019, the JCDecaux Group has applied IFRS 16 “Leases”, according to which lessees use the same recognition model for all leases with the recognition of a right-of-use asset and a lease liability. Under this standard, a contract is a lease, or contains a lease component, if it conveys the right to the lessee to control the use of an identified asset (mainly advertising space in the case of JCDecaux) for a period of time in exchange for consideration. Contracts providing for substantive rights of substitution of advertising space are excluded from the standard. The conditions of application of IFRS 16 are described in the note “Leases” to the consolidated financial statements. Thus, as at 31 December 2020, the right-of-use assets in your company’s consolidated financial statements amount to €3,416.5m. Your Group opted for the application of the amendment to IFRS 16 published by the European Union on 9 October 2020, which specifies the methods of accounting for the COVID-19-related rent concessions granted by lessors.

	We considered the accounting treatment of leases to be a key audit matter due to the number and importance of these contracts for your Group, the significant impact of this standard on the consolidated financial statements, the accounting methods chosen and the high level of judgment required by your Group's Management to determine the assumptions adopted (the substantive nature of the lessors' rights of substitution, the effective term of the leases including tacit renewal, and the determination of discount rates).

Our response	Our work notably consisted in:
	• Familiarizing ourselves with the procedures set up by your Group to identify and account for leases;
	• Assessing the relevance of the methods used to determine the main assumptions underlying the determination of the right-of-use assets and the lease liabilities;
	• Assessing the relevance of the analyses performed by the JCDecaux Group on the substantive nature of the rights of substitution granted to lessors;
	• Assessing whether the amendment to IFRS 16 of 9 October 2020 relating to the renegotiation of rents in connection with COVID-19 has been correctly applied;
	• Testing the reliability of the information system dedicated to the management of the leases concerned by the application of IFRS 16 with the assistance of our experts;
	• Comparing, through sampling:
	  • the data entered in the information system to determine the assets and liabilities relating to leases, based on the underlying contractual documents;
	  • the criteria taken into account by Management to determine the effective rental period used for tacit renewal contracts and the contracts including termination and renewal options;
	  • the data used to determine the financing rates with the market data;
	• Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

■ Valuation of goodwill, other tangible and intangible assets, right-of-use assets and equity-accounted investments

Risk identified	As at 31 December 2020, the net carrying amount of goodwill, other tangible and intangible assets, right-of-use assets and equity-accounted investments was €7,197.2m. The JCDecaux Group performs impairment tests at the level of the cash-generating units (CGUs) corresponding to the operating entities for tangible and intangible assets and equity-accounted investments, and at the level of each group of CGUs for which the scope is determined either at the level where the operating segments and the geographical area meet, or based on specific CGU groups (Airports Sector, Pacific and France Roadside areas) for goodwill. The impairment testing methods used by the JCDecaux Group are described in Note 1.10 to the consolidated financial statements. These tests constitute a key audit matter due to their importance in the consolidated financial statements and the estimates and judgments required for their valuation. They use forecast data specific to each operating segment to determine the recoverable amount. This data includes Management's view of profitability prospects as well as assumptions concerning the contract renewal rates for the Street Furniture and Transport segments, and the long-term growth rate for the Billboard segment.
Our response	Our audit procedures notably consisted in: • Familiarizing ourselves with the processes and analysis performed by the group for the purposes of these valuations; • Reconciling the net book values of the assets subject to impairment tests with the accounts;

	• Verifying, through sampling, the arithmetic accuracy of the model used to determine values in use; • Analyzing the reasonableness of the main assumptions used, based on discussion with the Finance Management and the Executive Board of your Group, and by comparison with the data used for previous impairment tests as well as the historical performance of the subsidiaries concerned; • Assessing the reasonableness of the discount rate, long-term growth rate and renewal rate of the contracts; • Performing sensitivity analyses on the main assumptions used; • Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations of the information pertaining to the Group presented in the Executive Board's management report.

We attest that the consolidated non-financial statement provided for by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the financial statements of the information contained in this statement. This information should be the subject of a report by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No. 2019/815 of 17 December 2018 to years beginning on or after 1 January, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of JCDecaux SA by the annual general meeting held on 10 May 2006 for KPMG S.A., and on 20 June 2000 for ERNST & YOUNG et Autres.

As at 31 December 2020, KPMG S.A. was in its fifteenth year and ERNST & YOUNG et Autres in its twenty-first year of total uninterrupted engagement, including twenty years since the securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Executive Board.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

■ Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)*. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La-Défense, 15 March 2021

The Statutory Auditors

French original signed by:

KPMG Audit *Département de KPMG S.A*	ERNST & YOUNG et Autres
Grégoire Menou Frédéric Quélin	Aymeric de La Morandière