JCDecaux

Full-Year 2013 Results

Out of Home Media

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

- **Revenues up 2.0% to €2,676.2 million, organic revenues up 1.2%**
- **Operating margin up 3.6% to €623.6 million**
- **EBIT before impairment charges of €351.6 million, up 10.1%**
- **Net income group share before impairment charges of €219.8 million, up 5.3%**
- **Free cash flow of €179.8 million**
- **9% increase in dividend per share proposed for the year 2013, to €0.48 per share**
- **Slight increase in organic revenues expected in Q1 2014**

Paris, 6 March 2014 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended 31 December 2013. The accounts are audited and certified.

Commenting on the 2013 results, **Jean-François Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"JCDecaux achieved another year of record revenues and operating margin in 2013, as well as record EBIT before impairment charges. In the context of a modest European economic improvement in the second half after a prolonged crisis, we have proven once again the strength of our business model with 32% of our revenues coming from fast-growing countries and 7% from our premium digital portfolio still largely focused in 3 countries including the UK, where digital already represents 20% of revenues.

During 2013, we completed the installation of our advertising clocks in São Paulo and announced the acquisition of 85% of Eumex, which will give us a strong platform for growth in Latin America. As we enter our 50th anniversary year, we continue to focus on organic growth and to selectively invest in value accretive acquisitions. Our strong financial flexibility also enables us to recommend a 9% increase in dividend per share to €0.48 at the AGM in May.

As far as Q1 2014 is concerned, bearing in mind the limited visibility and continued volatility in most markets, we currently anticipate a slight increase in organic revenues.

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

50 YEARS OF PASSION AND INNOVATION

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A public limited corporation with an Executive Board and Supervisory Board
Registered capital of 3,407,037.60 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

REVENUES

As reported on 27 January 2014, consolidated revenues increased by 2.0% to €2,676.2 million in 2013. Organic revenue growth of 1.2% was mainly driven by our Street Furniture segment, which showed good growth in H2 reflecting some underlying improvement in most of our European markets. Organic revenue growth in the Transport segment was limited in 2013, mainly due to a difficult comparative base from the Olympic Games and the loss of some contracts at the end of 2012. The Billboard segment continued to remain challenging throughout the year.

OPERATING MARGIN (1)

In 2013, Group operating margin increased by 3.6% to €623.6 million from €602.2 million in 2012. The operating margin as a percentage of consolidated revenues was 23.3%, 30 basis points higher than the previous year.

	2013		2012		Change 13/12	
	(€m)	% of revenues	(€m)	% of revenues	Change (%)	Margin rate (bp)
Street Furniture	391.0	32.8%	374.9	32.0%	+4.3%	+80bps
Transport	170.2	16.8%	170.6	16.8%	-0.2%	=
Billboard	62.4	13.3%	56.7	12.9%	+10.1%	+40bps
Total	**623.6**	**23.3%**	**602.2**	**23.0%**	**+3.6%**	**+30**bps

Street Furniture: Operating margin increased by 4.3% to €391.0 million. As a percentage of revenues, the operating margin improved by 80bps to 32.8% reflecting a slight improvement in European market conditions in the second half, along with continued cost control.

Transport: 2013 operating margin was broadly flat at €170.2 million. As a percentage of revenues, the operating margin remained stable at 16.8%, partly due to the ramp up of new contracts which have not yet achieved normalized revenue levels.

Billboard: In 2013, operating margin increased by 10.1% to €62.4 million. As a percentage of revenues, operating margin increased 40bps to 13.3%, compared to 12.9% in 2012. This mainly reflects the integration of Russ Outdoor from February 2013 while the increased rents and fees resulting from the new 10-year contracts in Moscow will impact 2014 depending on how quickly approximately 5,000 illegal billboards will be taken down by the City of Moscow.

EBIT (2)

In 2013, EBIT before impairment charges increased by 10.1% to €351.6 million compared to €319.3 million in 2012. As a percentage of consolidated revenues, this represented a 90bp increase to 13.1%, from 12.2% in 2012. Consumption of maintenance spare parts was flat. Depreciation of tangible and intangible assets excluding impairment charges and excluding depreciation charges on intangible assets recognized in acquisitions increased by €3.8 million compared to 2012. Depreciation charges on intangible assets recognized in acquisitions slightly decreased to €17.1 million (€20.5 million in 2012). Net provisions reversals increased by €3.4 million.

The on-going challenge of the fragmented Billboard market in Europe and France, together with general softness in the European economy, led to the booking of a €132.0 million impairment charge as a result of impairment tests conducted on goodwill and tangible and intangible assets:

- €126.8 million relating to the impairment of goodwill: €77.3 million on Billboard in Europe (excluding France and the UK), €29.5 million on Billboard in France, and €20.0 million on non-airport Transport in Europe (excluding France and the UK).
- €5.2 million relating to the impairment of tangible and intangible assets.

EBIT after impairment charges decreased to €219.6 million compared to €273.5 in 2012.

NET FINANCIAL INCOME / (LOSS) (3)

In 2013, net financial income was -€26.3 million compared to -€21.4 million in 2012. This evolution reflects a higher interest expense due to the net interest cost on the €500 million bond issue completed in February and the integration of Russ Outdoor.

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EQUITY AFFILIATES [4]

Share of net profit from equity affiliates decreased to €13.4 million compared to €17.8 million last year mainly due to APG|SGA in Switzerland and Metrobus in France.

NET INCOME GROUP SHARE [5]

In 2013, net income Group share before impairment charges increased by 5.3% to €219.8 million, compared to €208.8 million in 2012.
Taking into account the €129.3 million impact from the impairment charge, net income Group share decreased to €90.5 million compared to €164.3 million in 2012. The €129.3 million impairment charge in 2013 corresponds to the sum of €126.2 million goodwill impairment (net of the impact on minorities) and €3.1 million impairment on tangible and intangible assets (net of tax and of the impact on minorities).

CAPITAL EXPENDITURE

The increase in net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) to €222.1 million is in line with our expectations and reflects Street Furniture capital expenditure following major contract wins/renewals such as São Paulo and Amsterdam.

FREE CASH FLOW [6]

Free cash flow was €179.8 million in 2013 compared to €322.7 million in 2012. This decrease is due to higher capex and an unfavorable evolution of the change in working capital requirement largely due to some non-recurring items including advance payments on rents and fees in 2013 and to higher trade receivables following the good Q4.

NET DEBT [7]

The Group had a net cash position of €32.0 million as of 31 December 2013, slightly lower than last year (31 December 2012: €34.9m).

DIVIDEND

At the next Annual General Meeting of Shareholders on 14 May 2014, the Supervisory Board will recommend the payment of a dividend of €0.48 per share for the 2013 financial year, which represents a 9% increase compared to the previous year.

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

(2) **EBIT = Earnings Before Interests and Taxes** = Operating Margin less Depreciation, amortization and provisions (net) less Impairment of goodwill less Maintenance spare parts less Other operating income and expenses
2012 figures are proforma of (i) the impact of Revised IAS 19 regarding employee benefits and (ii) the change in the P&L presentation of the discounting effects on the provisions for employee benefits (reclassification from the EBIT to the net financial income / loss). The impact on previously published 2012 EBIT is €2.9 million

(3) **Net financial income / (loss):** Excluding the impact of actualization of debt on commitments to purchase minority interests (-€2.5 million and -€10.0 million in 2013 and 2012 respectively)
2012 figures are proforma of (i) the impact of Revised IAS 19 regarding employee benefits and (ii) the change in the P&L presentation of the discounting effects on the provisions for employee benefits (reclassification from the EBIT to the net financial income / loss). The impact on previously published 2012 net financial income is -€2.1 million

(4) **Equity affiliates:** 2012 figures are proforma of the impact of Revised IAS 19 regarding employee benefits. The impact on previously published 2012 equity affiliates is €1.0 million

(5) **Net income group share:** 2012 figures are proforma of the impact of Revised IAS 19 regarding employee benefits. The impact on previously published 2012 net income group share is €1.5 million

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

(7) **Net debt** = Debt net of cash managed less bank overdrafts, excluding the non-cash IAS 32 impact (debt on commitments to purchase minority interests), including the non-cash IAS 39 impact on both debt and hedging financial derivatives and including the restatement of loans related to the proportionately consolidated companies

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Next information:
Q1 2014 revenues: 6 May 2014 (after market)
Annual General Meeting of Shareholders: 14 May 2014

Key Figures for the Group

- *2013 revenues: €2,676m*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 index*
- *No.1 worldwide in street furniture (480,400 advertising panels)*
- *No.1 worldwide in transport advertising with more than 145 airports and more than 290 contracts in metros, buses, trains and tramways (377,000 advertising panels)*
- *No.1 in Europe for billboards (191,000 advertising panels)*
- *No.1 in outdoor advertising in the Asia-Pacific region (211,400 advertising panels)*
- *No.1 worldwide for self-service bicycle hire*
- *1,082,400 advertising panels in more than 55*
- *Present in 3,700 cities with more than 10,000 inhabitants*
- *11,402 employees*

Forward looking statements

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

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