

# H1 2015 RESULTS

July 30<sup>th</sup>, 2015

JCDecaux



Digital screen branded for Jurassic World launching campaign in Waterloo station, London, UK 

# BUSINESS OVERVIEW

Jean-François Decaux  
Chairman of the Executive Board and Co-CEO



# H1 2015 RESULTS

In million Euros, except %. Adjusted figures <sup>(1)</sup> except when IFRS.

H1 2015

H1 2014 <sup>(2)</sup>

▶ Revenues	1,459.7	1,304.8	+11.9%
▶ Operating margin	285.7	256.8	+11.3%
▶ EBIT before impairment charge <sup>(3)</sup>	134.6	124.4	+8.2%
▶ Net income Group share before impairment charge, IFRS <sup>(4)</sup>	78.6	73.9	+6.4%
▶ Net cash flow from operating activities	217.1	172.3	+26.0%
▶ Free cash flow	109.2	101.3	+7.8%
▶ Net debt as of end of period, IFRS <sup>(5)</sup>	62.7	113.3	
Net debt / Operating margin <sup>(6)</sup> , IFRS	0.1x	0.2x	

<sup>(1)</sup> Adjusted figures include our prorata share in companies under joint control (accounted for using the equity method under IFRS 11).

<sup>(2)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Operating margin, -€5.2m on Net income Group share.

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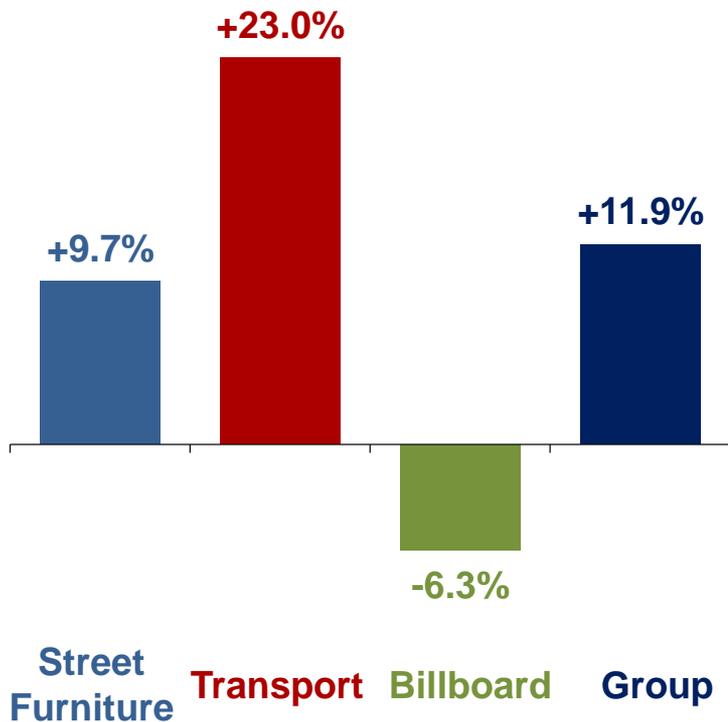
<sup>(5)</sup> Excluding €500m of own shares repurchased on July 17<sup>th</sup>, 2015 as part of the share buyback.

<sup>(6)</sup> Trailing 12 months operating margin

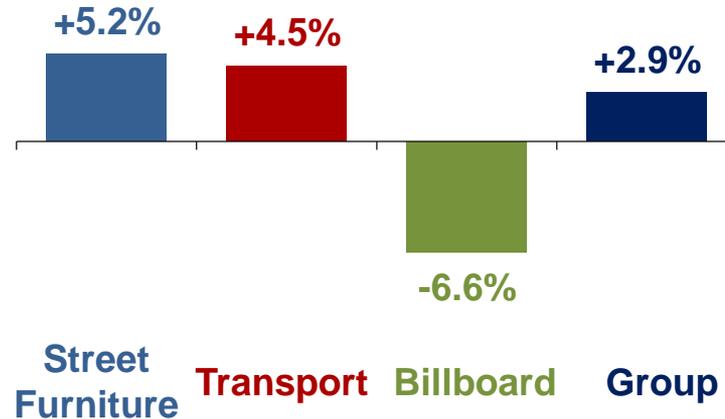
Please refer to page 50 for financial definitions.

# H1 2015 ADJUSTED REVENUES GROWTH BY SEGMENT

Reported growth (%)



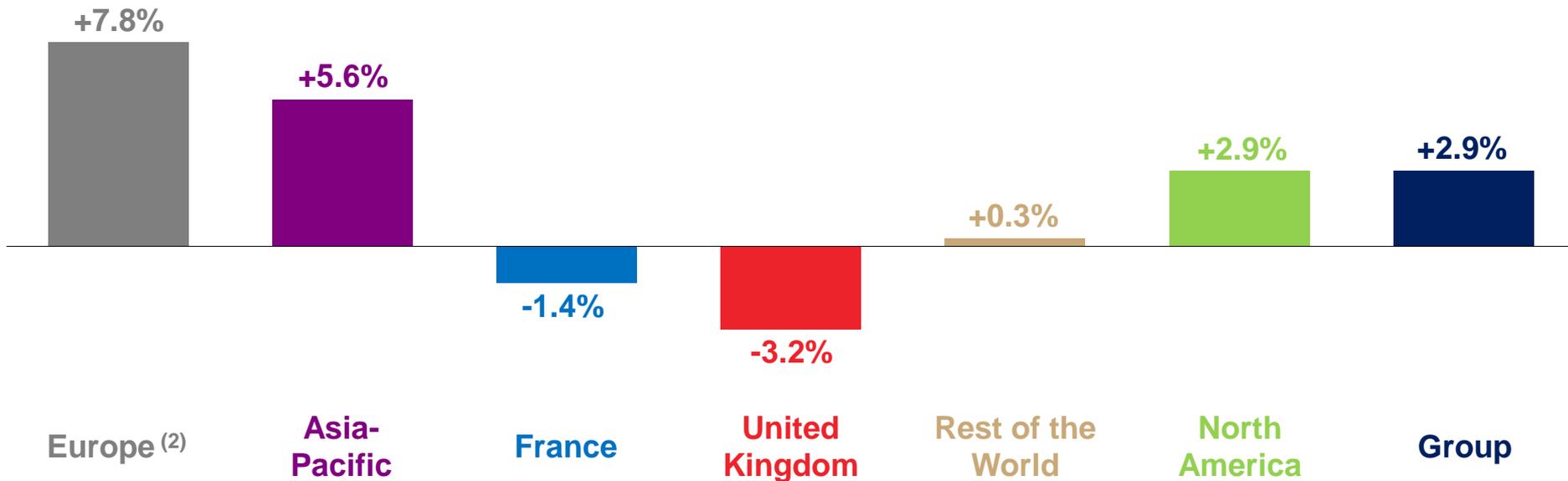
Organic growth (%) <sup>(1)</sup>



<sup>(1)</sup> Organic growth = excluding acquisitions / divestitures and the impact of foreign exchange.

# H1 2015 ADJUSTED REVENUES GROWTH BY REGION

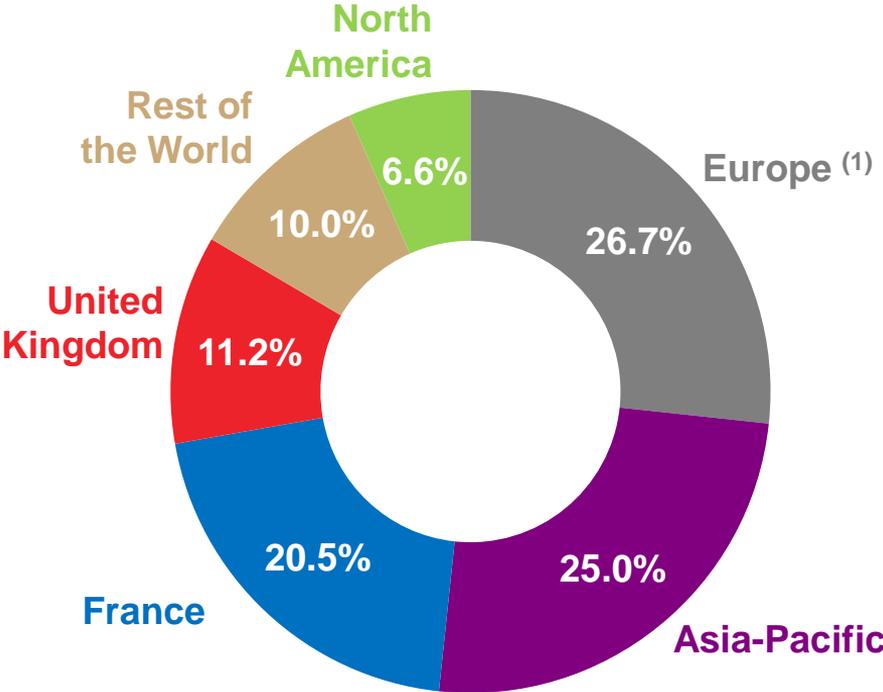
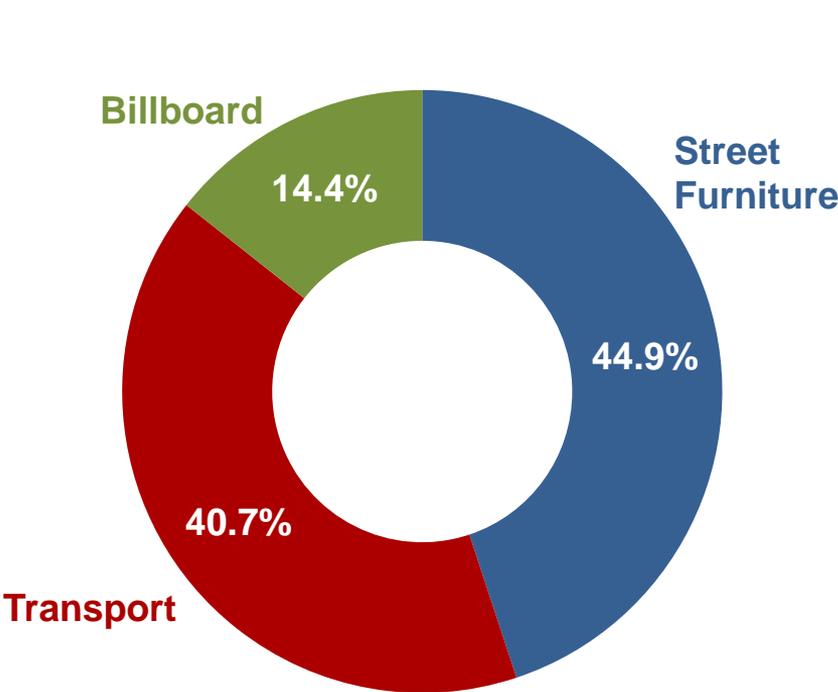
Organic growth (%) <sup>(1)</sup>



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<sup>(2)</sup> Excluding France and the United Kingdom.

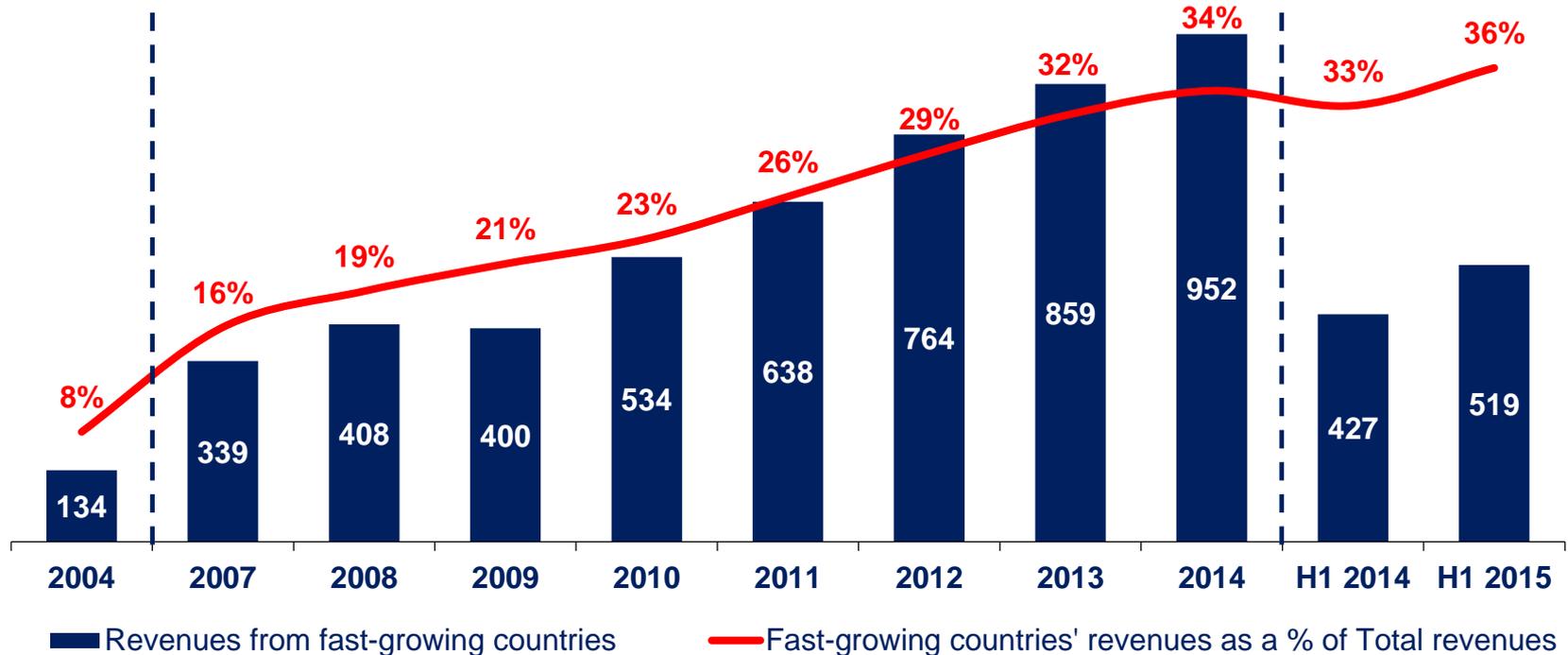
# H1 2015 ADJUSTED REVENUES BREAKDOWN



(1) Excluding France and the United Kingdom.

# FAST-GROWING COUNTRIES NOW REPRESENT MORE THAN A THIRD OF GROUP REVENUES

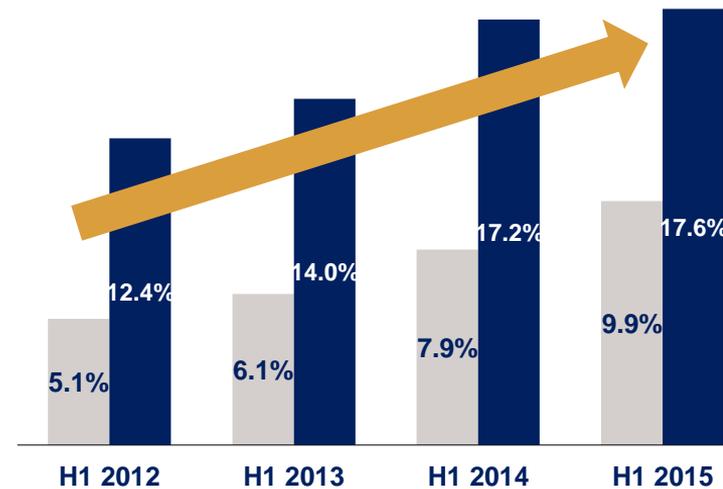
In million €. Adjusted figures.



"Fast growing countries" include Central & Eastern Europe (excl. Austria), Baltic countries, Russia, Turkey, Ukraine, Latin America, Asia (China incl. Hong Kong and Macau, Mongolia, Thailand, South Korea, Singapore, India), Africa, Middle East, Central Asia.

# STRONG GROWTH FROM DIGITAL: +40.5% INCREASE IN REVENUES IN H1 2015

- UK, Greater China and US are still the largest contributors



Digital revenues as a % of total revenues

Transport digital revenues as a % of total Transport revenues

Adjusted figures

Digital LED screen of 17.4sqm in Hong Kong international airport

# RECENT CONTRACT WINS & RENEWALS

## New contracts

## Contract renewals / extensions

### TRANSPORT

-  Brazil **Rio de Janeiro Tom Jobim International Airport**
-  China Guangzhou Metro (9 months)
-  Hong Kong Hong Kong island buses
-  Saudi Arabia **Madinah Prince Mohammad bin Abdulaziz International Airport**

### STREET FURNITURE

-  Denmark **Copenhagen**

### TRANSPORT

-  Finland **Helsinki City Transport**
-  Italy **Rome metro**

Red: including digital

# INNOVATION AND BEAUTIFICATION

2 awards at the “Janus de l’Industrie” organized by the French Institute of Design:

- “Grand Prix Design de la Réussite”
- “Janus de la Cité 2015”



*New bus shelter designed by Marc Aurel, Paris, France*



# ENGAGING THE RAIL AUDIENCE

- **Twitter:**
  - Half a million tweets the first day of the campaign
  - 71% engagement rate
- **100% UK national digital domination**
- **Box Office results:**  
Jurassic World scored biggest opening weekend in history



*Jurassic World launching campaign in Waterloo station, London, UK* 

# FULL OUTDOOR COVERAGE IN HONG KONG



# EDINBURGH: EXCLUSIVE PARTNERSHIP

- First important city in the UK to combine Street Furniture and Large Format in one tender



Bus shelter designed by Lord Norman Foster with digital 84" LCD screens on Princes Street, Edinburgh, UK 

# PREMIUM DIGITAL BILLBOARDS ON PUBLIC LAND

- **Innovative outdoor offer in the US:**
  - **Iconic digital billboards on public land**
  - **Revenue share with the Municipality**
  - **6.5 million public service messages since launch in March 2014**
  
- **Chicago contract roll-out: 21 billboards (35 screens out of 60) as end of July 2015**



# AIRPORT ADVERTISING: STRONG GROWTH POTENTIAL IN LATIN AMERICA

- JCDecaux recently won 2 of the 10 largest airports in Latin America
- 5 of the 10 largest airports of the region are in Brazil

#	Airports	Passengers (million)
1	São Paulo – Guarulhos (Brazil)	39.8
2	Mexico City (Mexico)	34.3
3	Bogotá (Colombia)	27.4
4	Brasilia (Brazil)	18.1
5	São Paulo – Congonhas (Brazil)	18.1
6	Cancún (Mexico)	17.5
7	Rio de Janeiro (Brazil)	17.4
8	Santiago de Chile (Chile)	16.1
9	Lima (Peru)	15.7
10	Belo Horizonte (Brazil)	10.8

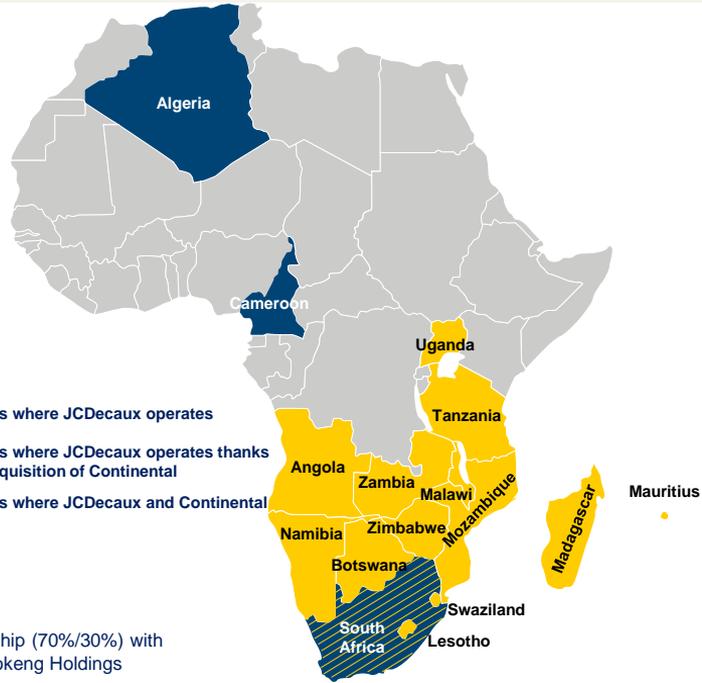


Future installation in the Rio de Janeiro airport, Brazil



# N°1 IN AFRICA

- JCDecaux has closed the acquisition <sup>(1)</sup> of Continental on June 18<sup>th</sup>, 2015
- This new platform allows JCDecaux to further expand in Africa (13 new countries)
- This transaction is both OM and EPS accretive in the first full year following the closing



Johannesburg, South Africa



# 60% STAKE IN IGPDECAUX (ITALY)

- Purchase of RCS Media Group's stake, post-acquisition:
  - JCDecaux goes from 32.35% to 60% stake in the new structure
  - Publitransport (Du Chêne de Vère family) goes from 33.15% to 40%
- The Universal Exhibition in Milan, a unique event:
  - From May, 1<sup>st</sup> to October, 31<sup>st</sup> 2015
  - 145 participating countries
  - 20 million visitors



Tramway during the Universal Exhibition in Milan, Italy 

# **CEMUSA: UPDATE ON THE ACQUISITION PROCESS**

- **Approval from the Spanish regulators obtained in October 2014**
- **Portugal: Withdrawal of the notification addressed to the Portuguese competition authorities**
- **On-going change of control discussions with New York City**

# TOP 30 GLOBAL MEDIA OWNERS

- Unique ranking of the world's largest media companies by media revenue, as estimated by **ZenithOptimedia**
- Media revenue is defined as all revenues deriving from businesses that support advertising (excluding simple redistribution of third-party content)

#	Media owner	Country
1	Google	
2	Walt Disney Company	
3	Comcast	
4	21 <sup>st</sup> Century Fox	
5	CBS Corporation	
6	Bertelsmann	
7	Viacom	
8	Time Warner	
9	News Corp	
10	Facebook	

#	Media owner	Country
11	Advance Publications	
12	iHeartMedia	
13	Discovery	
14	Baidu	
15	Gannett	
16	Asahi Shimbun Company	
17	Grupo Globo	
18	Yahoo!	
19	Fuji Media Holdings	
20	CCTV	

#	Media owner	Country
21	Microsoft	
22	Hearst Corporation	
23	JCDecaux	
24	Yomiuri Shimbun Holdings	
25	Mediaset	
26	Axel Springer	
27	ITV plc	
28	ProSiebenSat.1	
29	NTV	
30	Sanoma	

# FINANCIAL HIGHLIGHTS

David Bourg  
Chief Financial & Administrative Officer



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H1 2015

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<sup>(6)</sup> Trailing 12 months operating margin

Please refer to page 50 for financial definitions.

# ANALYSIS OF OPERATING MARGIN

In million Euros, except %. Adjusted figures.

	H1 2014 <sup>(1)</sup>	Forex effect + Perimeter effect	Organic growth	H1 2015	
▶ Revenues	1,304.8	116.9	38.0	1,459.7	+11.9%
• Rent and fees	(508.7)	(63.7)	(26.7)	(599.1)	
• Other net operational expenses	(539.3)	(33.3)	(2.3)	(574.9)	
▶ Operating margin	256.8	19.9	9.0	285.7	+11.3%

<sup>(1)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Operating margin. Please refer to page 50 for financial definitions.

- ≈ 70% of the increase in Rents & fees is due to Forex and Perimeter effects
- On an organic basis, positive operating leverage with an increase in OM of 3.5% (€9.0m)
  - Higher growth in Street Furniture business, mainly in Europe
  - Increase in Rents & fees mainly concentrated in Transport
  - Continued cost-control throughout all geographies, in a context of development in fast-growing markets

# OPERATING MARGIN TO EBIT

In million Euros, except %. Adjusted figures.

H1 2015

H1 2014 <sup>(1)</sup>

	H1 2015	H1 2014 <sup>(1)</sup>	
<b>► Operating margin</b>	<b>285.7</b>	<b>256.8</b>	<b>+11.3%</b>
• Maintenance spare parts	(20.1)	(18.7)	
• Amortization and provisions (net)	(124.0)	(120.6)	
○ <i>Of which net depreciation of PP&amp;E and intangible assets</i>	(121.6)	(118.9)	
○ <i>Of which impact of PPA depreciation</i>	(11.7)	(9.7)	
○ <i>Of which net provision charge</i>	9.3	8.0	
• Other operating income and expenses	(7.0)	6.9	
<b>► EBIT before impairment charge</b>	<b>134.6</b>	<b>124.4</b>	<b>+8.2%</b>
• Impairment charge, excluding goodwill <sup>(2)</sup>	1.2	(3.4)	
• Goodwill impairment	-	-	
<b>► EBIT after impairment charge</b>	<b>135.8</b>	<b>121.0</b>	<b>+12.2%</b>

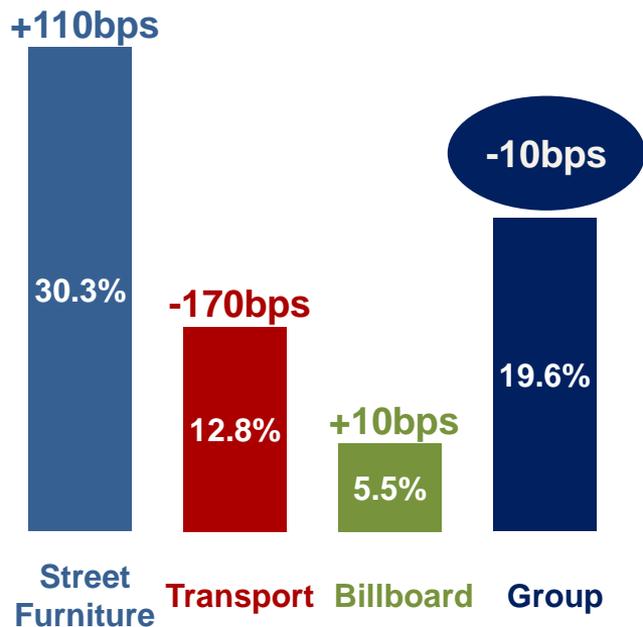
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<sup>(2)</sup> Including impairment charge on net assets of companies under joint control.

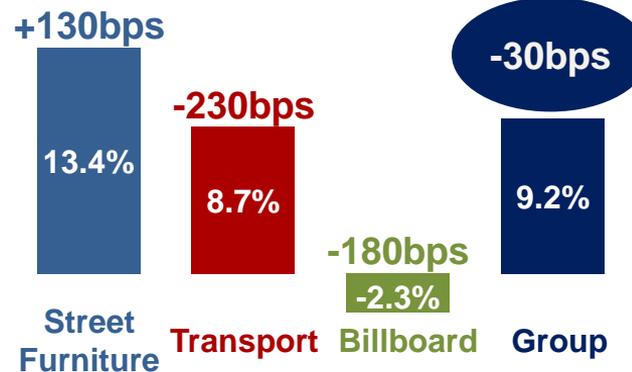
Please refer to page 50 for financial definitions.

# MARGINS BY SEGMENT

Operating margin (% of revenues)  
Adjusted figures



EBIT <sup>(1)</sup> (% of revenues)  
Adjusted figures



<sup>(1)</sup> Before impairment charge

# EBIT TO NET INCOME

In million Euros, except %

H1 2015

H1 2014 <sup>(1)</sup>

## ► Adjusted EBIT after impairment charge

135.8

121.0

+12.2%

• Restatement of EBIT from companies under joint control

(32.9)

(24.6)

## ► EBIT after impairment charge, IFRS

102.9

96.4

+6.7%

• Financial income / (loss) <sup>(2)</sup>

(13.1)

(15.6)

• Tax

(30.6)

(27.9)

• Equity affiliates

29.4

24.7

• Minority interests <sup>(2)</sup>

(9.1)

(7.4)

## ► Net income Group share, IFRS

79.5

70.2

+13.2%

• Net impact of impairment charge

(0.9)

3.7

## ► Net income Group share before impairment charge, IFRS

78.6

73.9

+6.4%

<sup>(1)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Adjusted EBIT, -€5.8m on EBIT IFRS, +€1.0m on Taxes, -€0.6m on Equity affiliates, €0.2m on Minority interests, meaning an impact of -€5.2m on Net income Group share.

<sup>(2)</sup> Excluding the impact of actualization of debt on commitments to purchase minority interests (+€3.6m and -€2.1m in H1 2015 and H1 2014 respectively).

Please refer to page 50 for financial definitions.

# CASH FLOW STATEMENT

In million Euros, except %

H1 2015 H1 2014 <sup>(1)</sup>

▶ <b>Adjusted funds from operations net of maintenance costs</b>	<b>210.0</b>	<b>183.1</b>	<b>+14.7%</b>
• Adjusted change in working capital requirement	7.1	(10.8)	
▶ <b>Adjusted net cash flow from operating activities</b>	<b>217.1</b>	<b>172.3</b>	<b>+26.0%</b>
• Adjusted capital expenditure	(107.9)	(71.0)	
▶ <b>Adjusted free cash flow</b>	<b>109.2</b>	<b>101.3</b>	<b>+7.8%</b>
• Restatement from companies under joint control	(13.7)	(16.0)	
▶ <b>Free cash flow, IFRS</b>	<b>95.5</b>	<b>85.3</b>	
• Dividends	(120.3)	(113.9)	
• Equity increase (net)	14.2	8.1	
• Financial investments (net) <sup>(2)</sup>	(123.0)	(68.4)	
• Others <sup>(3)</sup>	(12.6)	(22.7)	
▶ <b>Change in Net debt (Balance Sheet), IFRS <sup>(4)</sup></b>	<b>146.2</b>	<b>111.6</b>	
▶ <b>Net debt as of end of period, IFRS <sup>(4)</sup></b>	<b>62.7</b>	<b>113.3</b>	

<sup>(1)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Funds from operations net of maintenance costs, +€6.7m on Change in working capital requirement, no impact on Cash flow from operating activities.

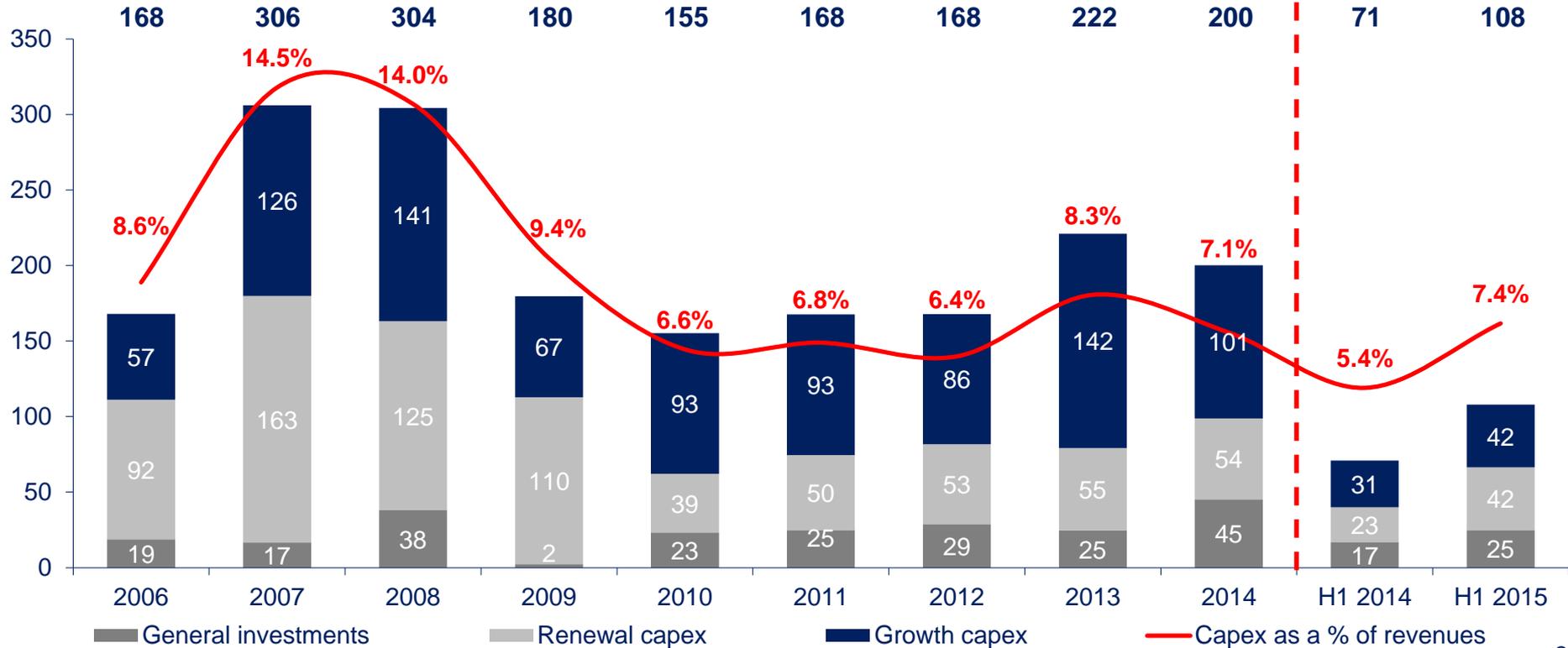
<sup>(2)</sup> Excluding net cash acquired.

<sup>(3)</sup> Non cash variations (mainly due to consolidation scope variations, translation differences on net financial debt, the impact of IAS 39 and finance lease).

<sup>(4)</sup> Excluding €500m of own shares repurchased on 17<sup>th</sup> July, 2015 as part of the share buyback.

# BREAKDOWN OF CAPEX

In million €. Adjusted figures



# SUCCESS OF THE SHARE BUYBACK (“OPAS”)

- 194,419,422 shares, accounting for 87% of the share capital, were tendered to the offer
- Out of these, 61% of the free float were tendered
- The buyback allocation was determined through a pro rata reduction on an equal basis between all shareholders based on the number of shares tendered to the offer
- JCDecaux bought back a total of 12,500,000 shares, for a consideration of €500 million
- The shares have been cancelled on July 20<sup>th</sup>, 2015
- Net debt as of June 30<sup>th</sup>, 2015 is €62.7m. Taking into account this cash-out, net debt as of June 30<sup>th</sup>, 2015 would have been €562.7 million

# RENEGOTIATION OF THE SYNDICATED LOAN

- **Committed revolving credit line**
- **New terms renegotiated:**
  - **Increase of the amount from €600m to €825m**
  - **Credit period of 5 years + 2 one-year extensions**
  - **Reduction of the margins**

# H1 2015 FINANCIAL HIGHLIGHTS

- **Solid performance in revenue – Slower Q2 in the Transport segment**
- **Stable operating margin ratio driven by a good performance in Street Furniture and continued tight cost-control**
- **Strong free cash flow generation despite a sustained capex program**
- **A strong and leveraged balance sheet including the impact of the OPAS performed on July 17<sup>th</sup>, 2015**

# GROWTH STRATEGY AND OUTLOOK

Jean-Charles Decaux  
Co-CEO



# RAPID URBANIZATION OVER THE NEXT 10 YEARS

- 50% of the global GDP is generated by the 300 largest metropolitan areas
- By 2025, there could be nearly 40 cities with a population of over 10 million people
- Cities occupy 0.5% of the world's surface, represent 50% of the global population and consume 75% of its resources

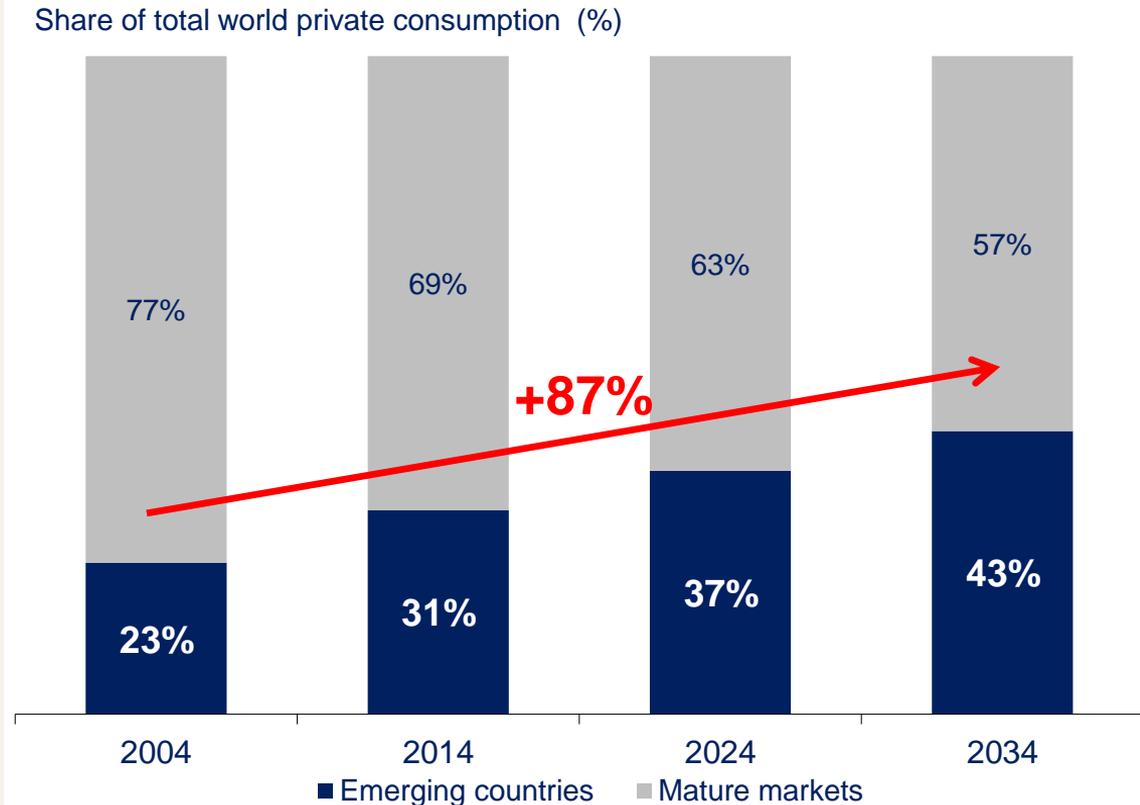


Source: PWC, Brookings Institute, United Nations

São Paulo, Brazil 

# PRIVATE CONSUMPTION TO BECOME IMPORTANT GROWTH DRIVER IN EMERGING COUNTRIES

- Private consumption in emerging countries will increase by 87% from 2004 to 2034
- Emerging countries will represent **43%** of the world private consumption by 2034, up from 31% in 2014

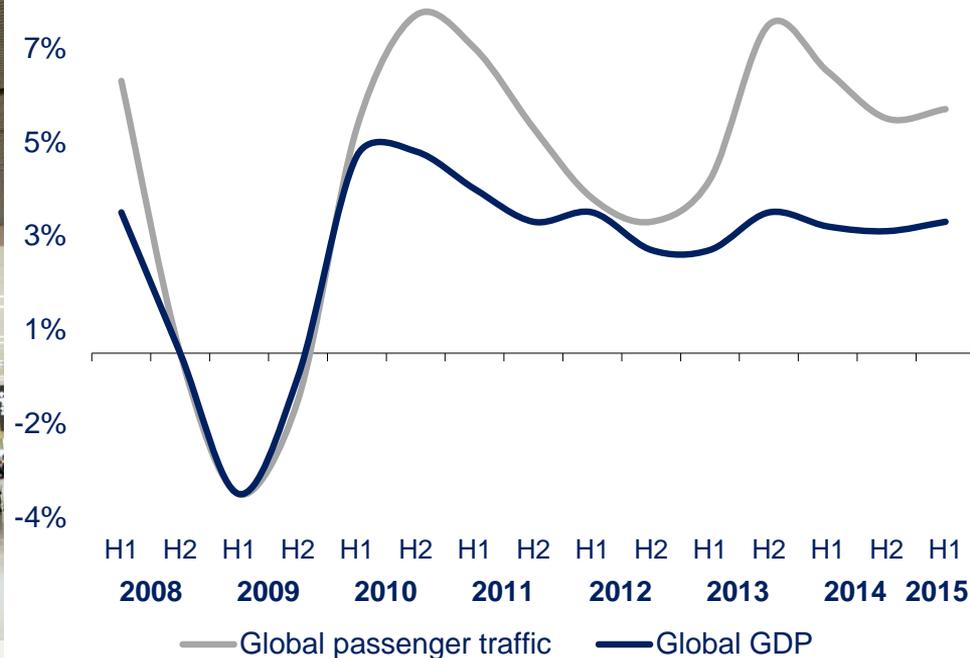


# PASSENGER TRAFFIC IS OUTPERFORMING GDP GROWTH

- Between 2014 and 2034, revenue per passenger will increase by 5.8% CAGR in emerging countries (vs. 3.8% in mature markets)



World real GDP and passenger traffic year-on-year growth

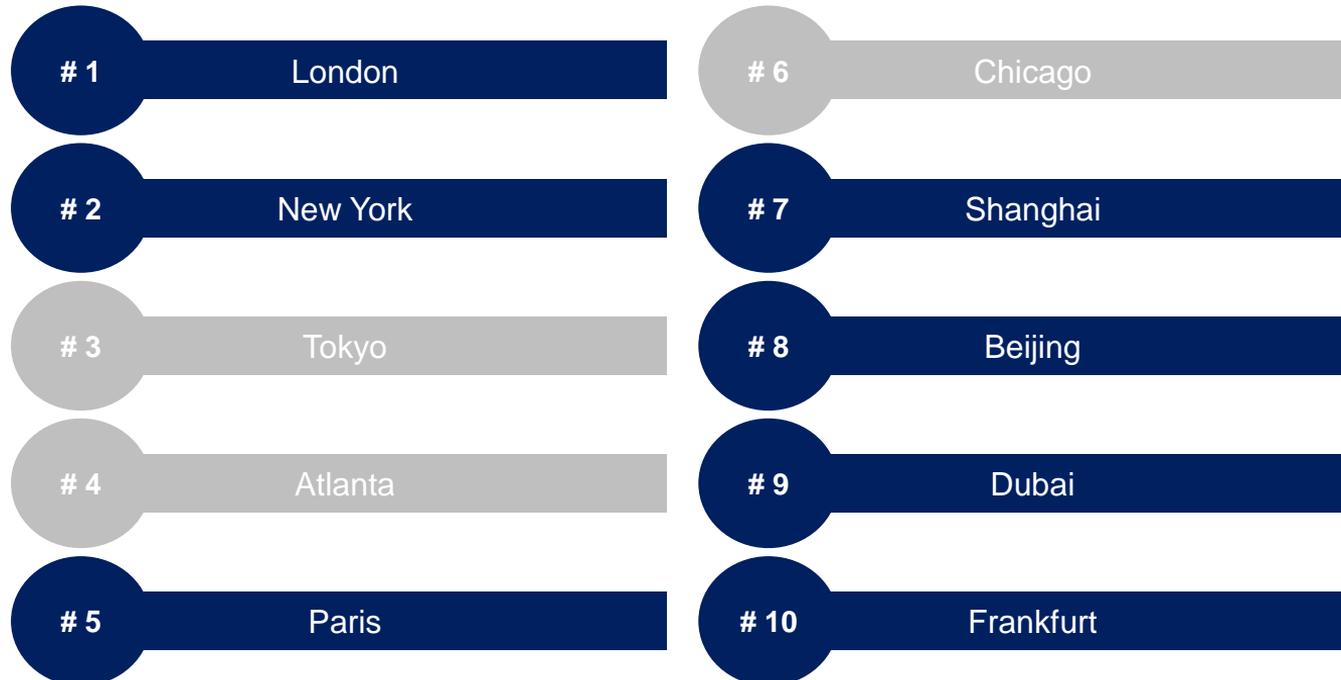


Source: IHS Global Insights, Airbus, JCDecaux estimates 34



# A UNIQUE AIRPORT PLATFORM FOR A GLOBAL REACH

- JCDecaux covers 59% of the passenger traffic over the Top 10 airports
- JCDecaux is present in 50% of the largest airports in Europe, Asia-Pacific and North America



Ranking of the 10 largest airport platforms in the world (In blue, the presence of JCDecaux where we are in at least one airport)

# TRANSPORT CONTINUES TO LEAD DIGITAL TRANSFORMATION

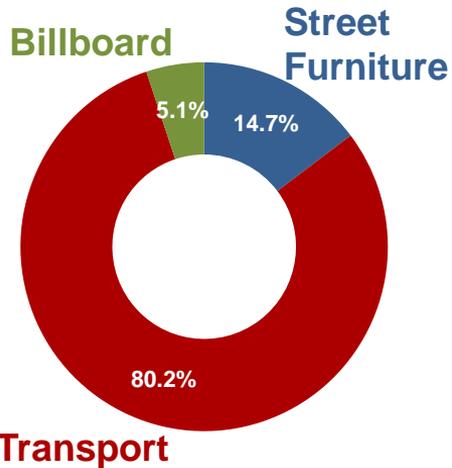
- Transport is an ideal environment with a valuable and captive audience
- More than 45,000 screens, in all segments, in 26 countries
- In H1 2015, JCDecaux Transport digital revenues accounted for 73% of digital revenues



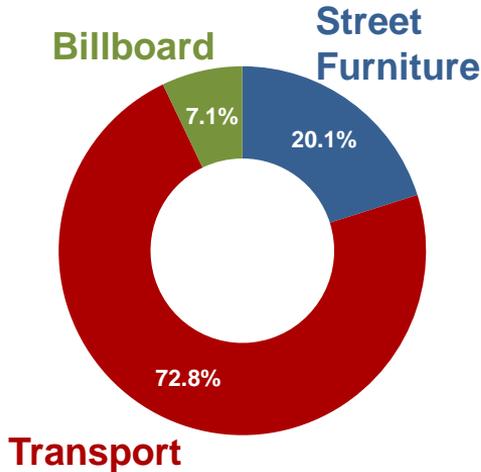
# DIGITAL MOVES TO STREET FURNITURE

## Breakdown by segment

H1 2014



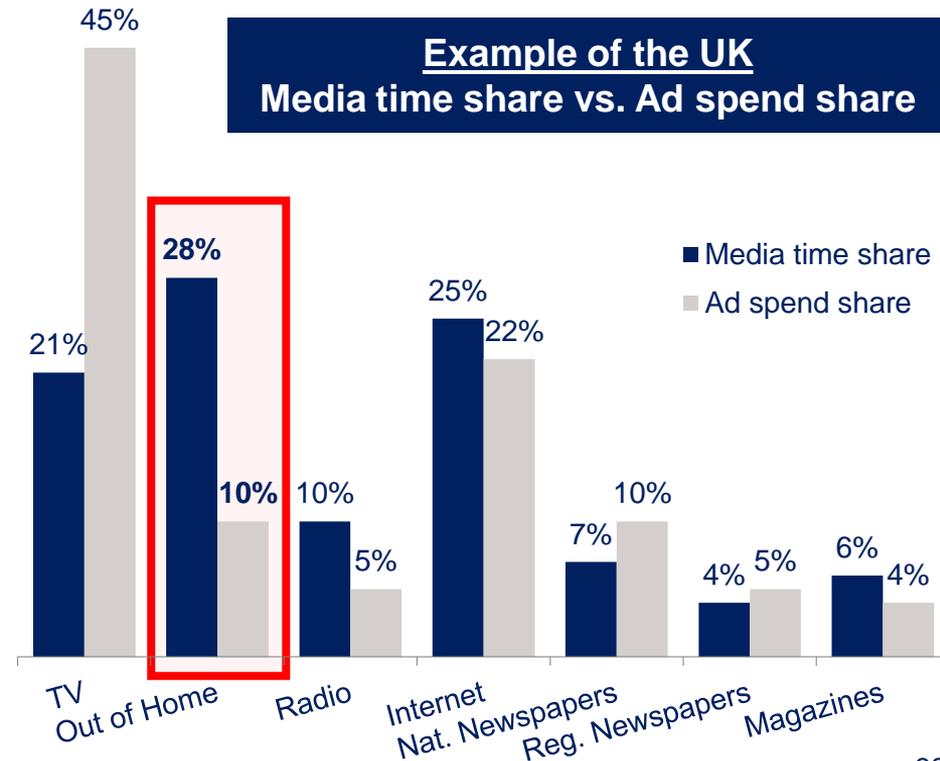
H1 2015



Digital screen in Hamburg, Germany 

# EXPOSURE TO OUTDOOR ADVERTISING IS RISING

- More advertising displays being built in public spaces
- Migration to cities in emerging markets
- Consumers' greater willingness to spend their leisure time out of home
- From 2014 to 2017, exposure to **outdoor advertising** will globally increase by **+0.2% per year**, according to ZenithOptimedia



# CONNECTIVITY: A STRATEGIC DEVELOPMENT

- **JCDecaux Link**: a dedicated entity created in January 2015, to coordinate Group's connectivity initiatives and assist subsidiaries in the roll-out of local connectivity strategy
- **JCDecaux Link** has been awarded in the category of “Small cell technology and deployment enablers” at the Small Cell World Summit



# SUCCESSFUL PROJECTS WITH CONNECTIVITY

- 52 Wi-Fi hotspots deployed in Düsseldorf with a 5-year extension on the contract
- Free Wi-Fi sponsored in “Aéroports de Paris”
- JCDecaux value added:
  - The efficiency of the business model
  - Complementarity with both online and offline
  - On-field teams who can monitor operations



Wi-Fi hotspot in Düsseldorf, Germany



# A UNIQUE GLOBAL PRESENCE

## North America: JCDecaux n°4

- ✓ Transition to digital billboards
- ✓ Outdoor market share gains
- ✓ Organic growth and consolidation opportunities

## Europe: JCDecaux n°1

- ✓ Beautification
- ✓ Smart/connected street furniture
- ✓ JCDecaux well placed to benefit from a European recovery

## Middle East: JCDecaux n°1

- ✓ Need for infrastructure
- ✓ Beautification
- ✓ Increase in air passenger traffic

## Asia-Pacific: JCDecaux n°1

- ✓ Urbanization
- ✓ Need for infrastructure
- ✓ Increase in air passenger traffic

## Latin America: JCDecaux n°1

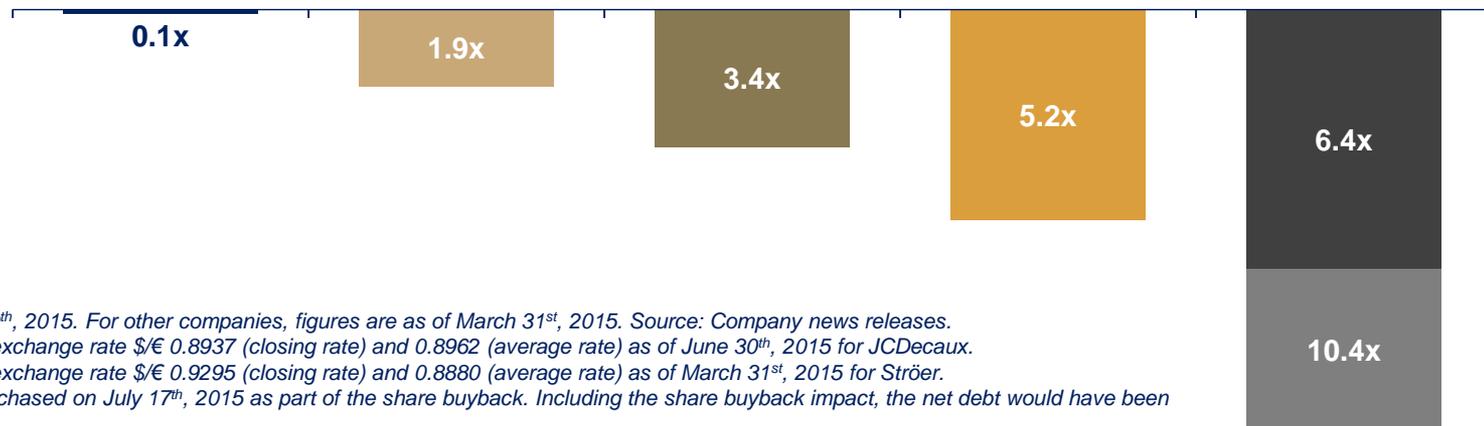
- ✓ Urbanization and beautification
- ✓ Solid growth potential for outdoor
- ✓ Bolt-on acquisitions still possible

## Africa: JCDecaux n°1

- ✓ Urbanization
- ✓ Need for infrastructure
- ✓ Solid growth potential for outdoor

# THE STRONGEST BALANCE SHEET IN THE INDUSTRY

	JCDecaux	Ströer	Lamar	Outfront Media	CCO / iHeartMedia
Net debt <sup>(1)</sup> / EBITDA <sup>(2)</sup>	0.1x	1.9x	3.4x	5.2x	6.4x / 10.4x
Gross debt	\$699m	\$364m	\$1.9bn	\$2.3bn	\$4.9bn / \$20.5bn
Maturity date	2018	2020	2019-2024	2022-2025	2020-2022 / 2017-2027
Credit Rating (S&P)	BBB	NA	BB-	BB-	NA / CCC+
Credit Rating (Moody's)	Baa2	NA	Ba3	Ba3	NA / Caa2



For JCDecaux, figures are as of June 30<sup>th</sup>, 2015. For other companies, figures are as of March 31<sup>st</sup>, 2015. Source: Company news releases. Currency conversions are based on an exchange rate \$/€ 0.8937 (closing rate) and 0.8962 (average rate) as of June 30<sup>th</sup>, 2015 for JCDecaux. Currency conversions are based on an exchange rate \$/€ 0.9295 (closing rate) and 0.8880 (average rate) as of March 31<sup>st</sup>, 2015 for Ströer.

<sup>(1)</sup> Excluding €500m of own shares repurchased on July 17<sup>th</sup>, 2015 as part of the share buyback. Including the share buyback impact, the net debt would have been 562.7m€.

<sup>(2)</sup> For consistency purpose, maintenance spare parts have been reclassified in the Operating margin for JCDecaux.

# MAIN TENDERS EXPECTED IN 2015-2016

## Street Furniture

### Europe

-  Leipzig, Bonn, Aachen
-  **Brussels bus shelters**
-  **London (TfL bus shelters)**
-  Dublin
-  **Paris' kiosks**
-  **Madrid CIPs & Columns**
-  Lisbon
-  **Istanbul**

### North America

-  **Seattle**

### Asia-Pacific

-  ASEAN (Southeast Asia)
-  India
-  Japan

### Rest of the World

-  **St. Petersburg**
-  **Belo Horizonte bus shelters and clocks**
-  Durban

## Transport

### Europe

-  **Istanbul**
-  **Rome buses**
-  **Naples metro and buses**
-  **London metro**

### North America

-  New York metro and buses

### Asia-Pacific

-  Metros in Chinese cities
-  Terminals in Chinese airports

### Rest of the World

-  Panama metro
-  San José airport
-  Algiers metro
-  **Abu Dhabi airport**
-  Moscow metro and buses

## Billboard

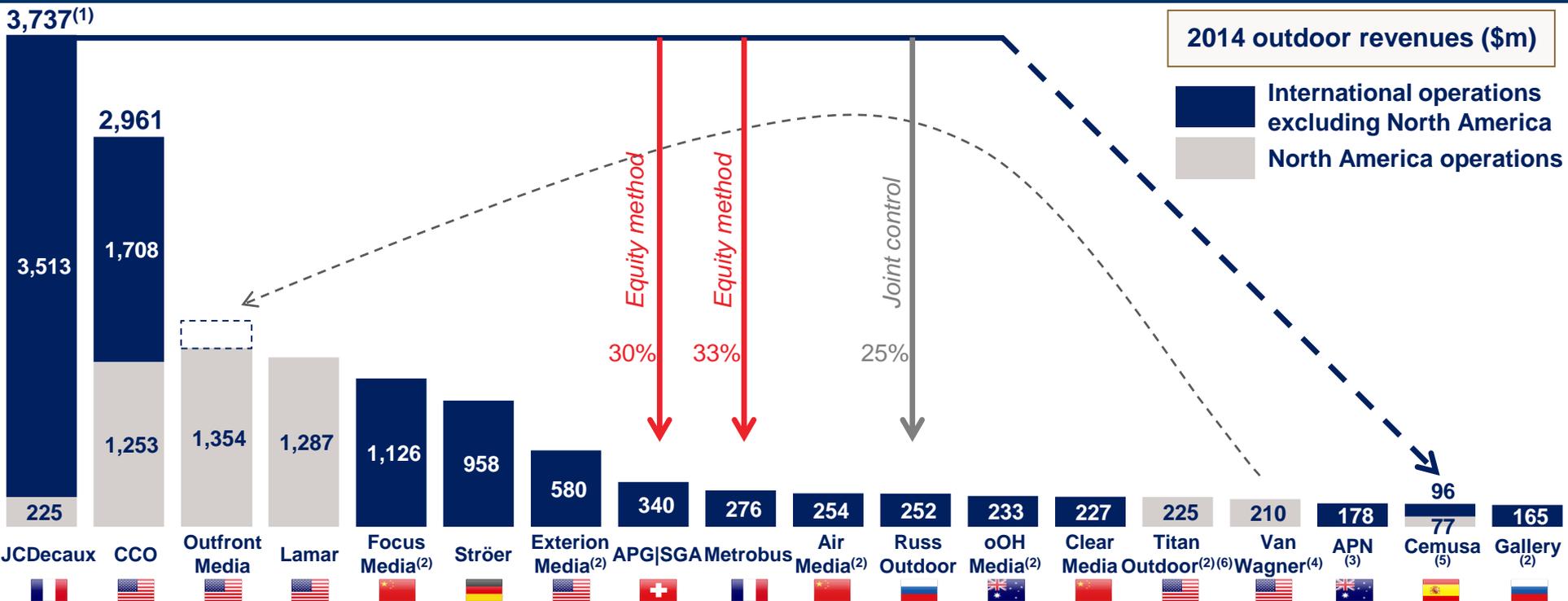
### Rest of the World

-  **St. Petersburg**

*In red: on-going tenders*

*In green: postponed tender timetable*

# CONSOLIDATION CONTINUES WITH MID TO SMALL SIZE OPERATORS



Sources: Company news releases. Currency conversions are based on an annual average exchange rate \$/€ of 0.7527, CHF/€ of 0.8233, HKD/€ of 0.0971, AUD/€ of 0.6794 and RUB/€ of 0.0196.

<sup>(1)</sup> Does not include revenues from APG|SGA and Metrobus, companies integrated through the equity method in JCDecaux's financial statements. <sup>(2)</sup> JCDecaux's estimate of 2014 revenues. <sup>(3)</sup> APN Outdoor listed on ASX on November 11<sup>th</sup>, 2014. <sup>(4)</sup> On October 1<sup>st</sup>, 2014, Outfront Media announced the completion of the acquisition of certain outdoor advertising businesses from Van Wagner Communications. <sup>(5)</sup> On March 17<sup>th</sup>, 2014, JCDecaux announced that it has signed an agreement for the acquisition of 100% of Cemusa. The closing of the transaction is subject to standard regulatory conditions. <sup>(6)</sup> On June 23<sup>rd</sup>, 2015, Sidewalk Labs acquired a stake in Titan Outdoor.

# CONCLUSION

## ▪ **Solid financial achievements in H1 2015**

- **Solid performance in revenue – Slower Q2 in the Transport segment**
- **Stable operating margin ratio driven by a good performance in Street Furniture and continued tight cost-control**
- **Strong free cash flow generation despite a sustained capex program**
- **A strong and leveraged balance sheet including the impact of the OPAS performed on July 17<sup>th</sup>, 2015**

## ▪ **Investments for future growth**

- **Completion of the Paris bus shelter installation**
- **New contracts won and renewed**
- **Pursue further external growth opportunities**

## ▪ **JCDecaux: a worldwide leadership position in its industry**

- **Strong exposure to fast-growing countries**
- **Acceleration of digital transformation in our 3 business segments**
- **Streets ahead in product innovation**

## Q3 2015 OUTLOOK

***“Bearing in mind the limited visibility and the on-going volatility in most markets, we currently anticipate Q3 organic revenue growth to be in line with our H1 performance.”***

# IMPLEMENTATION OF IFRS 11

- Under IFRS 11, applicable from January 1<sup>st</sup>, 2014, companies under joint control previously consolidated using the proportionate method are accounted for using the equity method.
- However, operating data of the companies under joint control will continue to be proportionately integrated in the operating management Group reports on which operating management relies in their decision making.
- Indeed, operating management considers this information to measure the operating performance and to inform their decision making. Consequently, the operating data presented in this document is “adjusted” to reflect the contribution of companies under joint control, and is therefore consistent with historical data.
- As regards the Profit & Loss, it concerns all aggregates down to the EBIT. As regards the cash flow statement, it concerns all aggregates down to the free cash flow.
- We systematically present the reconciliations between the IFRS data and the adjusted data, in compliance with the AMF's instructions. Reconciliations are provided on slides 48 and 49.

# RECONCILIATION BETWEEN IFRS FIGURES AND ADJUSTED FIGURES – PROFIT & LOSS

In million Euros	H1 2015			H1 2014 <sup>(1)</sup>		
	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
► Revenues	1,459.7	(172.0)	1,287.7	1,304.8	(153.7)	1,151.1
• Operating costs	(1,174.0)	126.6	(1,047.4)	(1,048.0)	114.5	(933.5)
► Operating margin	285.7	(45.4)	240.3	256.8	(39.2)	217.6
• Maintenance spare parts	(20.1)	0.5	(19.6)	(18.7)	0.6	(18.1)
• Amortization and provisions (net)	(124.0)	11.8	(112.2)	(120.6)	9.4	(111.2)
• Other operating income / expenses	(7.0)	0.2	(6.8)	6.9	0.1	7.0
► EBIT before impairment charge	134.6	(32.9)	101.7	124.4	(29.1)	95.3
• Impairment charge <sup>(2)</sup>	1.2	-	1.2	(3.4)	4.5	1.1
► EBIT after impairment charge	135.8	(32.9)	102.9	121.0	(24.6)	96.4

<sup>(1)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Adjusted operating margin and -€5.8m on IFRS operating margin.

<sup>(2)</sup> Including impairment charge on net assets of companies under joint control.

# RECONCILIATION BETWEEN IFRS FIGURES AND ADJUSTED FIGURES – CASH FLOW STATEMENT

In million Euros	H1 2015			H1 2014 <sup>(1)</sup>		
	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
▶ Funds from operations net of maintenance costs	210.0	1.5	211.5	183.1	(5.1)	178.0
• Change in working capital requirement	7.1	(34.6)	(27.5)	(10.8)	(19.2)	(30.0)
▶ Net cash flow from operating activities	217.1	(33.1)	184.0	172.3	(24.3)	148.0
• Capital expenditure	(107.9)	19.4	(88.5)	(71.0)	8.3	(62.7)
▶ Free cash flow	109.2	(13.7)	95.5	101.3	(16.0)	85.3

<sup>(1)</sup> H1 2014 figures are proforma of the retrospective impact of IFRIC 21 "Levies". The impact on the previously published H1 2014 figures was -€6.7m on Funds from operations net of maintenance costs, +€6.7m on Change in working capital requirement on adjusted figures (vs. respectively -€5.8m and +€5.8m on IFRS figures), no impact on Net cash flow from operating activities.

# FINANCIAL DEFINITIONS

## **Operating margin**

Revenues less Direct Operating Expenses (excluding Maintenance spare parts) less SG&A expenses

## **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

## **Free cash flow**

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

## **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 IAS 39 impact on both debt and hedging financial derivatives

# FORWARD LOOKING STATEMENTS

This presentation 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](http://www.amf-france.org) or directly on the Company website [www.jcdecaux.com](http://www.jcdecaux.com).

The Company does not have the obligation and undertakes no obligation to update or revise any of the forward-looking statements.

The logo for JCDecaux, featuring the company name in a bold, white, sans-serif font. The text is positioned to the right of a white L-shaped graphic element consisting of a vertical line and a horizontal line meeting at a right angle.

**JCDecaux**