

# CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

## STATEMENT OF FINANCIAL POSITION

### Assets

<i>In million euros</i>		31/12/2012	31/12/2011
Goodwill	§ 2.4	1,356.9	1,377.9
Other intangible assets	§ 2.4	302.3	328.8
Property, plant and equipment	§ 2.5	1,115.8	1,139.4
Investments in associates	§ 2.7	167.2	158.2
Financial investments		2.1	1.4
Other financial assets	§ 2.8	24.2	23.8
Deferred tax assets	§ 2.14	29.6	23.6
Current tax assets	§ 2.13	0.9	0.9
Other receivables	§ 2.9	36.4	37.5
<b>NON-CURRENT ASSETS</b>		<b>3,035.4</b>	<b>3,091.5</b>
Other financial assets	§ 2.8	12.4	14.2
Inventories	§ 2.10	98.8	94.9
Financial derivatives	§ 2.19	0.0	0.0
Trade and other receivables	§ 2.11	729.7	738.0
Current tax assets	§ 2.13	11.3	3.6
Cash and cash equivalents	§ 2.12	458.9	288.7
<b>CURRENT ASSETS</b>		<b>1,311.1</b>	<b>1,139.4</b>
<b>TOTAL ASSETS</b>		<b>4,346.5</b>	<b>4,230.9</b>

## Liabilities and Equity

<i>In million euros</i>	<b>31/12/2012</b>	<b>31/12/2011</b>
Share capital	3.4	3.4
Additional paid-in capital	1,021.3	1,010.0
Consolidated reserves	1,351.1	1,235.5
Consolidated net income (Group share)	162.8	212.6
Other components of equity	29.0	32.5
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY</b>	<b>2,567.6</b>	<b>2,494.0</b>
Non-controlling interests	(42.4)	(24.3)
<b>TOTAL EQUITY</b>	<b>§ 2.15</b> <b>2,525.2</b>	<b>2,469.7</b>
Provisions	§ 2.16 220.2	198.8
Deferred tax liabilities	§ 2.14 103.1	111.8
Financial debt	§ 2.17 140.2	357.8
Debt on commitments to purchase non-controlling interests	§ 2.18 104.1	78.6
Other payables	25.8	20.4
Financial derivatives	§ 2.19 6.1	17.7
<b>NON-CURRENT LIABILITIES</b>	<b>599.5</b>	<b>785.1</b>
Provisions	§ 2.16 31.6	29.9
Financial debt	§ 2.17 260.5	71.1
Debt on commitments to purchase non-controlling interests	§ 2.18 13.3	13.3
Financial derivatives	§ 2.19 22.5	0.1
Trade and other payables	§ 2.20 841.5	822.5
Income tax payable	§ 2.13 39.0	29.5
Bank overdrafts	§ 2.17 13.4	9.7
<b>CURRENT LIABILITIES</b>	<b>1,221.8</b>	<b>976.1</b>
<b>TOTAL LIABILITIES</b>	<b>1,821.3</b>	<b>1,761.2</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,346.5</b>	<b>4,230.9</b>

## STATEMENT OF COMPREHENSIVE INCOME

### INCOME STATEMENT

<i>In million euros</i>		2012	2011
<b>NET REVENUE</b>		<b>2,622.8</b>	<b>2,463.0</b>
Direct operating expenses	§ 3.1	(1,619.1)	(1,500.8)
Selling, general and administrative expenses	§ 3.1	(401.5)	(380.1)
<b>OPERATING MARGIN</b>		<b>602.2</b>	<b>582.1</b>
Depreciation, amortisation and provisions (net)	§ 3.1	(250.2)	(207.9)
Impairment of goodwill	§ 3.1	(38.0)	0.0
Maintenance spare parts	§ 3.1	(37.1)	(37.9)
Other operating income	§ 3.1	7.2	8.7
Other operating expenses	§ 3.1	(13.5)	(17.9)
<b>EBIT</b>		<b>270.6</b>	<b>327.1</b>
Financial income	§ 3.2	10.8	16.7
Financial expenses	§ 3.2	(40.1)	(49.0)
<b>NET FINANCIAL INCOME (LOSS)</b>		<b>(29.3)</b>	<b>(32.3)</b>
Income tax	§ 3.3	(92.1)	(93.7)
Share of net profit of associates	§ 3.5	16.8	14.6
<b>PROFIT OF THE YEAR FROM CONTINUING OPERATIONS</b>		<b>166.0</b>	<b>215.7</b>
Gain or loss on discontinued operations			
<b>CONSOLIDATED NET INCOME</b>		<b>166.0</b>	<b>215.7</b>
- Including non-controlling interests		3.2	3.1
<b>CONSOLIDATED NET INCOME (GROUP SHARE)</b>		<b>162.8</b>	<b>212.6</b>
Earnings per share (in euros)		0.734	0.959
Diluted Earnings per share (in euros)		0.733	0.958
Weighted average number of shares	§ 3.4	221,876,825	221,723,424
Weighted average number of shares (diluted)	§ 3.4	221,993,660	221,914,884

### STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>In million euros</i>		2012	2011
<b>CONSOLIDATED NET INCOME</b>		<b>166.0</b>	<b>215.7</b>
Translation reserve adjustments on foreign transactions <sup>(1)</sup>		(3.6)	29.1
Translation reserve adjustments on net foreign investments		(0.6)	(3.6)
Cash flow hedges		(0.2)	0.0
Share of other comprehensive income of associates		0.3	2.2
- Translation reserve adjustments of associates		0.3	2.0
- Gains and losses on disposal of treasury shares of associates		0.0	0.2
<b>Other comprehensive income before tax</b>		<b>(4.1)</b>	<b>27.7</b>
<b>Tax on other comprehensive income <sup>(2)</sup></b>		<b>0.0</b>	<b>(0.1)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>161.9</b>	<b>243.3</b>
- Including non-controlling interests		2.6	3.9
<b>TOTAL COMPREHENSIVE INCOME - GROUP SHARE</b>		<b>159.3</b>	<b>239.4</b>

(1) In 2012, the translation reserve adjustments on foreign transactions were related to changes in foreign exchange rates, of which €(4.0) million in China, €3.7 million in France, €(3.4) million in Hong Kong, €(2.0) million in the United States, €1.2 million in the United Kingdom and €1.0 million in South Korea.

In 2011, the translation reserve adjustments on foreign transactions were related to changes in foreign exchange rates, of which €11.8 million in Hong Kong, €4.6 million in Brazil, €3.9 million in China, €3.3 million in the United Kingdom and €2.1 million in the United States. The item also included a transfer in the income statement following the acquisition of control of Adbooth Pty Ltd (Australia) for €(0.1) million, JCDecaux Korea Inc. (South Korea) for €0.2 million and Garmoniya (Ukraine) for €0.1 million.

(2) In 2011, the deferred tax impact on the translation reserve adjustments on net foreign investments amounted to €(0.1) million. In 2012, the translation reserve adjustments on net foreign investments had no tax impact.

## STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent company										Total	Non-controlling interests	Total
	Share Capital	Additional paid-in capital	Retained earnings	Other components of equity						Total Other components			
				Cash flow hedges	Available-for-sale securities	Translation reserve adjustment	Revaluation reserves	Other					
<i>In million euros</i>													
<b>Equity as of 31 December 2010</b>	3.4	1,001.6	1,236.7	0.0	(0.1)	4.3	0.9	0.6	5.7	2,247.4	(24.7)	2,222.7	
Capital increase <sup>(1)</sup>	0.0	4.4	(0.5)						0.0	3.9	2.5	6.4	
Distribution of dividends									0.0	0.0	(8.1)	(8.1)	
Share-based payments		4.0							0.0	4.0		4.0	
Debt on commitments to purchase non-controlling interests <sup>(2)</sup>									0.0	0.0		0.0	
Change in consolidation scope <sup>(3)</sup>			(0.6)						0.0	(0.6)	2.0	1.4	
Consolidated net income			212.6						0.0	212.6	3.1	215.7	
Other comprehensive income						26.6		0.2	26.8	26.8	0.8	27.6	
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>212.6</b>	<b>0.0</b>	<b>0.0</b>	<b>26.6</b>	<b>0.0</b>	<b>0.2</b>	<b>26.8</b>	<b>239.4</b>	<b>3.9</b>	<b>243.3</b>	
Other			(0.1)						0.0	(0.1)	0.1	0.0	
<b>Equity as of 31 December 2011</b>	<b>3.4</b>	<b>1,010.0</b>	<b>1,448.1</b>	<b>0.0</b>	<b>(0.1)</b>	<b>30.9</b>	<b>0.9</b>	<b>0.8</b>	<b>32.5</b>	<b>2,494.0</b>	<b>(24.3)</b>	<b>2,469.7</b>	
Capital increase <sup>(1)</sup>	0.0	5.8	(1.0)						0.0	4.8	(0.4)	4.4	
Distribution of dividends			(97.6)						0.0	(97.6)	(8.2)	(105.8)	
Share-based payments		5.5							0.0	5.5		5.5	
Debt on commitments to purchase non-controlling interests <sup>(2)</sup>									0.0	0.0	(15.5)	(15.5)	
Change in consolidation scope <sup>(3)</sup>			1.8						0.0	1.8	3.5	5.3	
Consolidated net income			162.8						0.0	162.8	3.2	166.0	
Other comprehensive income				(0.2)		(3.3)			(3.5)	(3.5)	(0.6)	(4.1)	
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>162.8</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(3.3)</b>	<b>0.0</b>	<b>0.0</b>	<b>(3.5)</b>	<b>159.3</b>	<b>2.6</b>	<b>161.9</b>	
Other			(0.2)	0					0.0	(0.2)	(0.1)	(0.3)	
<b>Equity as of 31 December 2012</b>	<b>3.4</b>	<b>1,021.3</b>	<b>1,513.9</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>27.6</b>	<b>0.9</b>	<b>0.8</b>	<b>29.0</b>	<b>2,567.6</b>	<b>(42.4)</b>	<b>2,525.2</b>	

(1) Increase in JCDecaux SA's additional paid-in capital related to the exercise of stock options and bonus shares and part of non-controlling interests in capital increase and capital decrease of controlled entities.

(2) In 2012, new commitments to purchase non-controlling interests related to changes in consolidation scope. Discounting impacts were recorded in the income statement in "Consolidated net income" under the line item "Non-controlling interests" for €(10.0) million in 2012 versus €(5.4) million in 2011.

(3) In 2011, changes in consolidation scope due to the acquisitions of Adbooth Pty Ltd (Australia) and Médiakiosk (France) and the additional acquisition of interests in Chengdu MPI Public Transportation Adv. Co. Ltd (China).

In 2012, changes in consolidation scope, primarily following the partial disposal without loss of control of Médiakiosk (France) to new minority shareholders and the takeover of Megaboard Soravia (Austria).

## STATEMENT OF CASH FLOWS

<i>In million euros</i>		<b>2012</b>	<b>2011</b>
Net income before tax		258.1	309.4
Share of net profit of associates	§ 3.5	(16.8)	(14.6)
Dividends received from associates	§ 2.7	7.5	1.3
Expenses related to share-based payments	§ 3.1	5.5	4.0
Depreciation, amortisation and provisions (net)	§ 3.1 & § 3.2	288.2	208.5
Capital gains and losses & net income (loss) on changes in scope	§ 3.1 & § 3.2	(3.9)	(11.5)
Discounting expenses (income)	§ 3.2	17.2	11.1
Net interest expense	§ 3.2	7.7	22.1
Financial derivatives and translation adjustments		0.4	10.2
<b>Change in working capital</b>		<b>42.6</b>	<b>21.5</b>
Change in inventories		(1.9)	3.9
Change in trade and other receivables		14.7	0.7
Change in trade and other payables		29.8	16.9
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>606.5</b>	<b>562.0</b>
Interest paid		(17.6)	(19.6)
Interest received		9.1	7.6
Income taxes paid		(107.5)	(101.7)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>§ 4.1</b>	<b>490.5</b>	<b>448.3</b>
Acquisitions of intangible assets and property, plant & equipment	§ 2.4 & § 2.5	(170.9)	(180.8)
Acquisitions of long-term investments		(18.3)	(56.1)
Acquisitions of other financial assets		(5.2)	(13.9)
Change in payables on intangible assets and property, plant & equipment		(4.5)	0.2
Change in payables on financial investments		(0.2)	0.2
Change in receivables on financial investments		(1.2)	0.0
<b>Total investments</b>		<b>(200.3)</b>	<b>(250.4)</b>
Proceeds on disposal of intangible assets and property, plant & equipment		10.8	5.7
Proceeds on disposal of long-term investments		0.0	8.9
Proceeds on disposal of other financial assets		7.1	6.3
Change in receivables on intangible assets and property, plant & equipment		(3.2)	7.1
<b>Total asset disposals</b>		<b>14.7</b>	<b>28.0</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>§ 4.2</b>	<b>(185.6)</b>	<b>(222.4)</b>
Dividends paid		(105.8)	(8.1)
Capital decrease		(0.6)	0.0
Acquisitions of non-controlling interests		0.0	(1.9)
Repayment of long-term debt		(48.6)	(163.4)
Repayment of debt (finance lease)		(4.3)	(2.7)
<b>Cash outflow from financing activities</b>		<b>(159.3)</b>	<b>(176.1)</b>
Proceeds on disposal of interests without loss of control		4.2	0.3
Change in receivables on financial investments		(1.4)	0.0
Capital increase		5.0	4.0
Increase in long-term borrowings		16.9	31.9
<b>Cash inflow from financing activities</b>		<b>24.7</b>	<b>36.2</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>§ 4.3</b>	<b>(134.6)</b>	<b>(139.9)</b>
<b>CHANGE IN NET CASH POSITION</b>		<b>170.3</b>	<b>86.0</b>
<b>Net cash position beginning of period</b>	<b>§ 2.17</b>	<b>279.0</b>	<b>189.4</b>
Effect of exchange rate fluctuations and other movements		(3.8)	3.6
<b>Net cash position end of period <sup>(1)</sup></b>	<b>§ 2.17</b>	<b>445.5</b>	<b>279.0</b>

(1) Including €458.9 million in cash and cash equivalents and €(13.4) million in bank overdrafts as of 31 December 2012, compared to €288.7 million and €(9.7) million, respectively, as of 31 December 2011.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## MAJOR EVENTS OF THE YEAR

In 2012, JCDecaux continued its strategy of organic and external growth.

In October 2012, the Group won, with its Brazilian partner Publicrono, the tender launched by São Paulo to supply the contract for the design, manufacture, installation, maintenance and marketing of the advertising faces on 1,000 digital clocks (providing a minimum of 2,000 advertising faces including a number of digital displays) for a 25-year period. The company created to operate this contract, Concessionaria A Hora De Sao Paulo S.A., is fully consolidated.

In October 2012, the Group signed an agreement to take joint control of 25% of the company Russ Outdoor, the leader in the Russian outdoor advertising market, which represents 22% of the advertising poster market in Russia with more than 40,000 advertising panels in 70 Russian cities. In 2012, the company generated more than USD340 million in revenue and has more than 3,000 employees. As part of this transaction, the Group will contribute its Russian assets from BigBoard to Russ Outdoor.

In December 2012, JCDecaux, with its partner Interstate Outdoor Advertising, signed its first large-scale digital billboard network contract in the United States with the city of Chicago. This 20-year contract for 34 large (up to 1,200 square feet) digital billboards with 60 LED-display faces along city expressways will generate approximately USD700 million in advertising revenue. The company created to operate this contract, Interstate JCDecaux LLC, is proportionately consolidated at 49%.

The primary partnerships and acquisitions are detailed in Note 2.1 “Changes in the consolidation scope in 2012”.

## 1. ACCOUNTING METHODS AND PRINCIPLES

### 1.1. General principles

The JCDecaux SA consolidated financial statements for the year ended 31 December 2012 include JCDecaux SA and its subsidiaries (hereinafter referred to as the “Group”) and the Group’s share in associates or companies under joint control.

Pursuant to European Regulation No. 1606/2002 of 19 July 2002, the 2012 consolidated financial statements were prepared in accordance with IFRS, as adopted by the European Union. They were approved by the Executive Board and were authorised for release by the Supervisory Board on 6 March 2013. These financial statements shall only be definitive upon the approval of the General Meeting of Shareholders.

The principles used in 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 2012. These are available on the European Commission website: [http://ec.europa.eu/internal\\_market/accounting/ias/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/ias/index_en.htm). Moreover, these principles do not differ from the IFRS standards published by the IASB;
- Accounting treatments adopted by the Group when no guidance is provided by current standards.

These various options and positions break down as follows:

The Group has implemented the following standards, amendments to standards and interpretations adopted by the European Union and applicable from 1 January 2012:

- Amendment to IFRS 7 “Financial Instruments: Disclosures – Transfers of Financial Assets”.

The adoption of this standard did not have a material 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 2011 consolidated financial statements were maintained and are explained in paragraph 1.21 “Commitments to purchase non-controlling interests”. In particular, pending the adoption of the IFRS IC interpretation related to the commitments to purchase non-controlling interests, subsequent changes in the fair value 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 not opted for the early adoption of the following new standards, amendments to standards and interpretations, endorsed or not by the European Union, which are not yet in force for the year ended 31 December 2012:

- Standards and amendments adopted by the European Union but which are not yet in force for the year ended 31 December 2012:
  - IFRS 10 “Consolidated Financial Statements”,
  - IFRS 11 “Joint Arrangements”,
  - IFRS 12 “Disclosure of Interests in Other Entities”,
  - IFRS 13 “Fair Value Measurement”,
  - IAS 27 (2011) “Separate Financial Statements”,
  - IAS 28 (2011) “Investments in Associates and Joint Ventures”,
  - Amendment to IAS 1 “Presentation of Items of Other Comprehensive Income”,
  - Amendment to IAS 12 “Deferred tax: Recovery of Underlying Assets”,
  - Amendment to IAS 19 “Defined Benefit Plans”,
  - Amendment to IAS32 “Financial Instruments: Presentation – Offsetting Financial Assets and Financial liabilities”,
  - Amendment to IFRS 7 “Financial Instruments: Disclosures – Offsetting Financial Assets and Financial liabilities”,
- Standards and amendments not adopted by the European Union:
  - IFRS 9 “Financial Instruments”,
  - Amendments relative to the transition guidance to IFRS 10, 11 and 12,
  - Amendments to IFRS 10, 12 and IAS 27 – “Investment entities”,
  - Annual improvements to IFRS: 2009-2011 cycle.

The analysis of the impacts of these standards is being carried out, and at this stage, except for IFRS 11, Management believes that the application of these standards will not have a material impact on the consolidated financial statements. Based on the financial statements for the year ended 31 December 2012, the amendment to IAS 19 should increase liability provisions in the statement of financial position by approximately €20 million, with no material impact in the income statement.

Future application of IFRS 11, under which companies under joint control are accounted for using the equity method, should decrease net revenue and operating margin in the IFRS consolidated income statements by more than 10%, with no effect on the net income (Group Share). However, and in order to reflect the business reality of the Group’s entities, operating data of the companies under the Group’s joint control will continue to be proportionately integrated in the operating management reporting used by the Executive Board, the Chief Operating Decision-Maker (CODM), to monitor the activity, allocate resources and measure performances. Consequently, pursuant to IFRS 8, Segment Reporting presented in the financial statements shall comply with the Group’s internal information, and the Group’s external financial communication will rely on this operating financial information, which will be reconciled with the IFRS financial statements.

## **1.2. First-time adoption of IFRS**

With a 1 January 2004 transition date, the financial statements from 31 December 2005 were the first to be prepared by the Group in compliance with IFRS. IFRS 1 provided for exceptions to the retrospective application of IFRS on the transition date. The Group adopted the following options:

- The Group decided to apply IFRS 3 “Business Combinations” on a prospective basis starting from 1 January 2004. Business combinations that occurred before 1 January 2004 were therefore not restated.
- The Group decided not to apply the provisions of IAS 21, “The effects of changes in foreign exchange rates” for the cumulative amount of foreign exchange differences existing at the date of transition to IFRS. Accordingly, the cumulative amount of foreign exchange differences for all foreign business activities was considered to be zero as of 1 January 2004. As a result, any profits and losses realised on the subsequent sale of foreign activities excluded the exchange differences existing before 1 January 2004, but included any subsequent differences.
- The Group, in connection with IAS 19 “Employee Benefits”, decided to recognise in equity all cumulative actuarial gains and losses existing as of the date of transition to IFRS. This option for the opening statement of financial position does not call into question the use of the “corridor” method used for cumulative actuarial gains and losses generated subsequently (until the application of the amendment to IAS 19).

- The Group applied IFRS 2 “Share-based Payment” to stock option plans granted on or after 7 November 2002, but not yet vested as of 1 January 2005.
- The Group decided not to apply the option allowing property, plant and equipment to be re-measured at fair value at the date of transition.

### **1.3. Scope and methods of consolidation**

The financial statements of companies controlled by the Group are included in the consolidated financial statements from the date control is acquired to the date control ceases. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Companies that are jointly controlled by the Group are consolidated using the proportionate method.

Companies over which the Group exercises a significant influence on the operating and financial policies are accounted for under the equity method.

All transactions between Group fully consolidated companies are eliminated upon consolidation. Transactions with companies consolidated under the proportionate method are eliminated up to the percentage of consolidation.

Inter-company results are also eliminated. Capital gains or losses on inter-company sales realised by an associate are eliminated up to the percentage of ownership and offset by the value of the assets sold.

### **1.4. 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 period-end, 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 in 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 that 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. In the opposite case, exchange differences are recorded in the income statement.

### **1.5. Translation of the financial statements of subsidiaries**

The Group consolidated financial statements are prepared in euro, which is the parent company’s presentation and functional currency.

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 of 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, or the liquidation of a foreign entity, or a step acquisition, translation adjustments accumulated in equity are reclassified in the income statement.

### **1.6. Use of estimates**

As part of the process to prepare the consolidated financial statements, the assessment of some assets and liabilities requires the use of judgments, assumptions and estimates. This primarily involves the valuation of property, plant and equipment and intangible assets, the valuation of investments in associates, 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 could differ from future reality. Valuation methods are more specifically described, mainly in Note 1.11 “Impairment of intangible assets, property, plant and equipment and goodwill” and in Note 1.23 “Dismantling provision”. The results of sensitivity tests are provided in Note 2.6 “Goodwill, Property, plant and equipment (PP&E), and Intangible assets impairment tests” for the valuation of goodwill, property, plant and equipment and other intangible assets, in Note 3.5 “Share of net profit of associates” for the valuation of investments in associates and in Note 2.16 “Provisions” for the valuation of provisions for employee benefits.

### **1.7. 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.



## **1.8. Intangible assets**

### **1.8.1. 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 from 1 January 2004 onwards primarily include all costs related to the development, modification or improvement to street furniture ranges in connection with contract proposals having a strong probability 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 group JCDecaux in its responses to street furniture bids, 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 would be expensed.

Development costs carried in assets are recognised at cost less accumulated amortisation and impairment losses.

### **1.8.2. 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 contract term, and software. Only individualised and clearly identified software (ERP in particular) is capitalised and amortised over a maximum period of five years. Other software is recognised in expenses for the period.

## **1.9. Business combinations, acquisition of non-controlling interests and disposals**

IFRS 3 revised requires the application of the acquisition method to business combinations, which consists of measuring at fair value all identifiable assets and liabilities of the acquired entity.

Goodwill represents the acquisition-date 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 of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

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 detailed in Note 1.11 "Impairment of intangible assets, property, plant and equipment 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 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, a provision is recognised.

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 directly in equity.

For step acquisitions, any gain or loss arising from the fair value re-measurement of the previously held equity interest is recorded in the income statement, under other operating income and expenses, at the time control is acquired.

For every partial or complete disposal with loss of control, the re-measurement of any previously held share in connection with the acquisition or loss of control is recorded in the income statement, under other operating income and expenses.

Furthermore, in application of IAS 27 revised, for acquisitions of non-controlling interests in controlled companies and sales of shares 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 JCDecaux SA. The corresponding cash inflows and outflows are presented under the line item *Net cash used in financing activities* of the statement of cash flows.

## 1.10. Property, plant and equipment (PP&E)

Property, plant and equipment (PP&E) are presented on 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.) is depreciated on a straight-line basis over the average term of the contracts (between 8 and 20 years).

Street furniture maintenance costs are recognised as expenses.

The discounted dismantling costs expected to be paid at the end of the contract are recorded in assets, with the corresponding provision, and amortised over the term of the contract.

### 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 10 years.

Depreciation charges are calculated over the following normal useful lives:

### DEPRECIATION PERIOD

#### *Property, plant and equipment:*

- Buildings and constructions 10 to 50 years,
- Technical installations, tools and equipment 5 to 10 years,  
(excluding street furniture and billboards)
- Street furniture and billboards 2 to 20 years.

#### *Other property, plant and equipment:*

- Fixtures and fittings 5 to 10 years,
- Transport equipment 3 to 10 years,
- Computer equipment 3 to 5 years,
- Furniture 5 to 10 years.

## 1.11. Impairment of intangible assets, property, plant and equipment and goodwill

Items of property, plant and equipment, intangible assets as well as goodwill are tested for impairment at minimum once per year.

Impairment testing consists in comparing the carrying value of a Cash-Generating Unit (CGU) or a CGU group and its recoverable amount. The recoverable amount is the highest of (i) the fair value of the asset (or group of assets) less costs to sell and (ii) the value in use determined based on future discounted cash flows.

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. 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 carrying 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 carrying value to the recoverable amount.

### Methodology followed

- Level of testing
  - For items of PP&E and intangible assets, 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 determined according to the operating segment considered (Street Furniture, Billboard, and Transport) and taking into account the level of synergies expected between the CGUs. Thus, tests are generally performed at the level where the operating segments and the geographical area meet, which is the level where commercial synergies are generated, or even beyond this level if justified by the synergy.

- **Discount rates used**

The values in use taken into account for impairment testing are determined based on 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 7.5% to 19.5%, for the area presenting the highest risk. An after-tax rate of 7.5%, used in 2012, compared to 7.4% in 2011, was used in areas such as Western Europe (excluding Spain, Portugal, Italy and Ireland), North America, Japan, Singapore and Australia, where the Group conducts nearly 65% of its business. The Group's average discount rate therefore came to 8.8% in 2012.

- **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 value is 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 computed 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 24 years;
- for the Billboard segment, future cash flows are computed over a 5-year period with a perpetual projection using a yearly growth rate of 3%.

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

## **1.12. Investments in associates**

Goodwill recognised on acquisition is included in the value of the investments.

The share of amortisation of the assets recognised at the time of acquisition or the fair value adjustment of existing assets is presented under the heading "Share of net profit of associates."

Investments in associates 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 associates," is calculated on the asset recoverable value which is defined as the higher of (i) the fair value of the asset less disposal costs and (ii) its utility value based on the expected future cash flows less net debt. The method used to calculate the values in use is the same one applied for PP&E and intangible assets as described in Note 1.11 "Impairment of intangible assets, property, plant and equipment and goodwill".

## **1.13. Financial investments (Available-for-sale assets)**

This heading includes investments in non-consolidated entities.

These assets are initially recognised at their fair value, or when it involves non-listed shares, at their acquisition price. In the absence of an active market, they are then measured at the value in use or at the utility value, which takes into account the share of equity and the probable recovery amount.

Changes in values are recognised in other comprehensive income. When the asset is sold, cumulative gains and losses in equity are reclassified in the income statement. When the impairment loss is permanent, total cumulative gains are cleared entirely or in the amount of the loss. The net loss is recorded in the income statement if the total loss exceeds the total cumulative gains.

## **1.14. Other financial assets**

This heading includes loans to long-term investments, current account advances granted to joint ventures' partners, associates or non-consolidated entities, the non-eliminated portion of loans to proportionately consolidated companies, as well as deposits and guarantees.

On initial recognition, they are measured at fair value (IAS 39, Loans and receivables category).

After initial recognition, they are measured at amortised cost.

A loss in value is recognised in the income statement when the recovery amount of these loans and receivables is less than their carrying amount.

### **1.15. Treasury shares**

Treasury shares are recognised at their acquisition cost and deducted from equity. Gains or losses on disposals are also recorded in equity and do not contribute to profit or loss for the year.

### **1.16. Inventories**

Inventories mainly consist of:

- parts necessary for the maintenance of installed street furniture;
- street furniture and billboards in kit form or partially assembled.

Inventories are valued at weighted average cost, and may include production, assembly and logistic costs.

Inventories are written down to their net realizable value when the net realizable value is less than cost.

### **1.17. Trade and other receivables**

Trade receivables are recorded at fair value, which corresponds to their nominal invoice value, unless there is any significant discounting effect. After initial recognition, they are measured at amortised cost. An impairment loss is recognised when their recovery amount is less than their carrying amount.

### **1.18. Cash and cash equivalents**

Cash recognised as assets in the statement of financial position comprises cash at bank and in hand. Cash equivalents comprise short-term investments and short-term deposits.

Short-term investments are easily convertible into a known cash amount and subject to little risk of change in value. They are measured at fair value and changes in fair value are recorded in net financial income.

For the consolidated statement of cash flows, net cash consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

### **1.19. Financial debt**

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

### **1.20. Financial derivatives**

A financial derivative is a financial instrument having the following three characteristics:

- an underlying item that changes the value of the contract (in particular, the interest rate or the foreign exchange rate);
- a little or no initial net investment;
- a settlement at a future date.

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 a cash flow hedge or as a foreign net investment.

Hedge accounting may be adopted if a hedging relationship between the hedged item (the underlying) and the 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 to two types of hedges for financial assets and liabilities:

- Fair Value Hedge, the purpose of which 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. Included in this category are, for example, receive-fixed pay-floating interest rate swaps used to transform a fixed-rate liability into a floating-rate liability. From an accounting point of view, 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, the purpose of which is to limit changes in cash flows attributable to existing assets and liabilities or highly probable forecasted transactions. Included in this category are, for example, pay-fixed receive-floating interest rate swaps used to lock in the cost of a floating-rate loan. From an accounting standpoint, 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 hedging relationship involves a single market parameter, which currently for the Group is 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 qualified 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 derivatives in current or non-current items is determined by that of the related underlying item.

### **1.21. Commitments to purchase non-controlling interests**

In the absence of specific IFRS provisions on the accounting treatment of commitments to purchase non-controlling interests, the accounting positions taken in the 2011 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 counterparty of this excess portion is deducted from non-controlling interests in the liabilities of the statement of financial position. Pending the adoption of the IFRS IC interpretation related to the 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".

### **1.22. Provision 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 in 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, branch 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, their assets being managed by an entity legally separate and independent from the Group, or partially funded or not funded, the Group's obligations being covered by a provision in the statement of financial position.

For post-employment defined benefits, actuarial gains or losses exceeding 10% of the present value of the defined benefit obligation or the fair value of the related plan assets are amortised over the remaining average working lives of employees within the Group. Past service costs are amortised on a straight-line basis, over the average period until the benefits become vested.

For other long-term benefits, actuarial gains or losses and past service costs are recognised as income or expenses when they occur.

### **1.23. Dismantling provision**

Costs for dismantling street furniture at the end of a contract are recorded in provisions, where a contractual dismantling obligation exists. 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.

### **1.24. Share purchase or subscription plans at an agreed price and bonus shares**

#### **1.24.1. Share purchase or subscription plans at an agreed 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 3.1 "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 considered plan 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.

#### **1.24.2. Bonus shares**

The fair value of bonus shares is determined at their grant date by an independent actuary. The fair value of the bonus share is determined based on the price on the grant date less discounted future dividends.

All bonus shares are granted after a defined number of years of continuous presence in the Group, based on the plans.

The cost of services rendered is recognised in the income statement via an offsetting entry in an equity heading, following a pattern that reflects the procedures for granting bonus shares. The acquisition period begins from the time the Executive Board grants the bonus shares.

#### **1.25. Revenue**

Group revenue mainly comes from sales of advertising spaces on street furniture equipment, billboards and advertising in transport systems.

Advertising space revenue, rentals and services provided are recorded as revenue on a straight-line basis over the period over which the service is performed. The triggering event for the sale of advertising space is the launch of the advertising campaign, which has a duration ranging from 1 week to 6 years.

Revenue resulting from the sale of advertising spaces 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 insofar as the Group bears the risks and rewards incidental to the 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 payments are deducted from revenue.

#### **1.26. 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 shares expenses recognised in the line item "Selling, general and administrative expenses".

#### **1.27. EBIT**

EBIT is determined based on 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 on the disposal of property, plant and equipment, and intangible assets, the gains and losses generated on the loss of control of shares of companies fully or proportionately consolidated, any resulting gain or loss resulting from the fair value re-measurement of a previously held equity interest not sold, any resulting gain or loss resulting from the fair value re-measurement of a previously held equity interest in a business combination with acquisition of control, 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 and intangible assets are included in the line item "Depreciation, amortisation and provisions (net)".

#### **1.28. 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, finance 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.

Deferred tax assets on tax losses carried forward are recognised when it is probable that the Group will have future taxable profits against which these tax losses may be offset. Forecasts are prepared using a 3-year time frame adapted to the specific characteristics of each country.

The 2010 Finance Act abolished the business license tax for French tax entities in favour of two new contributions: a local property tax based on property rental values (known as the *Cotisation Foncière des Entreprises* (CFE)), and a local tax based on corporate added value (known as the *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE)).

Following this taxation change, and in accordance with IFRS, the Group determined that the CVAE was 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.

### **1.29. Finance lease and operating lease**

Finance leases, which transfer to the Group almost all of the risks and rewards associated with the ownership of the leased item, are capitalised as assets in the statement of financial position upon inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to obtain a constant interest rate on the remaining balance of the liability. Finance charges are recognised directly in the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and rewards incident to ownership of the asset are considered as operating leases. Operating lease payments are recognised as an expense in the income statement.

### **1.30. Earnings per share**

Earnings per share are calculated based on the weighted average number of outstanding shares adjusted for treasury shares. The calculation of diluted earnings per share takes into account the dilutive effect of the issuance and buyback of shares and the exercise of stock options.

## **2. COMMENTS ON THE STATEMENT OF FINANCIAL POSITION**

### **2.1. Changes in the consolidation scope in 2012**

The main changes that took place in the consolidation scope during 2012 are as follows:

#### **Acquisitions (exclusive control acquired)**

On 31 January 2012, Gewista Werbegesellschaft mbH (Austria) purchased a 42% additional interest in Soravia (renamed Megaboard Soravia) and took the control of this group which operates in Central Europe and which was previously accounted for under the equity method at 33%.

In March 2012, JCDecaux UK Ltd took the control of the company Concourse Initiatives Ltd, renamed CIL 2012 Ltd and its affiliate, operating in the United Kingdom. These entities are now fully consolidated at 100%.

On 17 July 2012, the Group took the control of the company Arge Autobahnwerbung GmbH (Autriche), which was previously 50% owned by Gewista Werbegesellschaft mbH, following the acquisition by Megaboard Soravia of 100% of the company Autobahnwerbung GmbH who holds 50% of Arge Autobahnwerbung GmbH.

On 20 December 2012, Europlakat international Werbe GmbH (Austria) purchased 100% of the group Epamedia (Hungary), number one in Street furniture in Hungary. This company is fully consolidated.

#### **Disposal (without loss of control)**

Following the entrance on 19 December 2012 of press groups into Médiakiosk (France)'s capital, the Group now owns 82.5% of this company's voting rights. This company, previously consolidated at 95%, remains fully consolidated.

#### **Mergers**

In Austria, the companies JCDecaux Invest Holding GmbH and JCDecaux Sub Invest Holding GmbH were absorbed by JCDecaux Central Eastern Europe GmbH. The company Autobahnwerbung GmbH was absorbed by Megaboard Soravia. The company AQMI GmbH was absorbed by Europlakat International Werbe GmbH.

In Portugal, the company Placa held at 100% underwent a merger takeover by Red Portuguesa.

In Germany, the company Wall Mobiliare GmbH was absorbed by Wall AG.

## 2.2. Impact of acquisitions (exclusive control)

The main acquisitions carried out in 2012 and relating to Megaboard Soravia group (Austria), Arge Autobahnwerbung (Austria), Epamedia (Hungary) group and CIL 2012 Ltd (United-Kingdom) and its subsidiary had the following impacts on the Group's consolidated financial statements:

<i>In million euros</i>		<b>Fair value at the date of acquisition</b>
Non-current assets		22.9
Current assets		13.1
<b>Total assets</b>		<b>36.0</b>
Non-current liabilities		13.9
Current liabilities		12.1
<b>Total liabilities</b>		<b>26.0</b>
<b>Fair value of net assets at 100%</b>	<b>(a)</b>	<b>10.0</b>
- of which non-controlling participating interests	<i>(b)</i>	1.2
<b>Total consideration transferred</b>	<b>(c)</b>	<b>27.7</b>
- of which fair value of the share previously held <sup>(2)</sup>		5.7
- of which purchase price <sup>(3)</sup>		22.0
<b>Goodwill <sup>(1)</sup></b>	<b>=(c)-(a)+(b)</b>	<b>18.9</b>
<b>Purchase price</b>		<b>(22.0)</b>
Net cash acquired		1.7
<b>Acquisitions of long-term investments</b>		<b>(20.3)</b>

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

(2) Due to Megaboard Soravia and Arge Autobahnwerbung GmbH.

(3) Amounts before deduction of the net cash acquired and price adjustment.

As a result of these acquisitions, the Group recorded a net profit of €5.1 million in the income statement with respect to the revaluation of the shares previously held.

The intangible assets and residual goodwill values relating to these operations are determined on a temporary basis and are likely to change during the period necessary to allocate the goodwill, which can extend to 12 months following the acquisition date.

The impacts of these acquisitions on revenue and net income (Group share) are respectively €11.1 million and €0.6 million, excluding the impact of amortisation of contracts recognised in connection with business combinations for €(0,9) million. Had the acquisitions taken place as of 1 January 2012, the additional impact on revenue and net income (Group share) would have been a €17.2 million and €1.2 million increase respectively, excluding the impact of amortisation of contracts recognised pertaining to business combinations for €(0,3) million.



## 2.3. Financial assets and liabilities by category

In million euros	31/12/2012						31/12/2011					
	Fair value through profit or loss	Available-for-sale assets	Loans & receivables	Liabilities at amortized cost	Total net carrying amount	Fair value	Fair value through profit or loss	Available-for-sale assets	Loans & receivables	Liabilities at amortized cost	Total net carrying amount	Fair value
Financial investments		2.1			2.1	2.1		1.4			1.4	1.4
Other financial assets			36.6		36.6	36.6			38.0		38.0	38.0
Trade and other receivables (non-current) <sup>(4)</sup>			9.6		9.6	9.6			7.4		7.4	7.4
Trade, miscellaneous and other operating receivables (current) <sup>(4)</sup>			644.9		644.9	644.9			661.7		661.7	661.7
Cash			87.6		87.6	87.6			70.0		70.0	70.0
Cash equivalents <sup>(1)</sup>	371.3				371.3	371.3	218.7				218.7	218.7
<b>Total financial assets</b>	<b>371.3</b>	<b>2.1</b>	<b>778.7</b>	<b>0.0</b>	<b>1,152.1</b>	<b>1,152.1</b>	<b>218.7</b>	<b>1.4</b>	<b>777.1</b>	<b>0.0</b>	<b>997.2</b>	<b>997.2</b>
Financial debt				(400.7)	(400.7)	(399.8)			(428.9)		(428.9)	(425.9)
Debt on commitments to purchase minority interests <sup>(3)</sup>	(117.4)				(117.4)	(117.4)	(91.9)				(91.9)	(91.9)
Financial derivatives (liabilities) <sup>(2)</sup>	(28.6)				(28.6)	(28.6)	(17.8)				(17.8)	(17.8)
Trade and other payables and other operating liabilities (current) <sup>(4)</sup>				(587.1)	(587.1)	(587.1)			(552.3)		(552.3)	(552.3)
Other payables (non-current) <sup>(4)</sup>				(22.5)	(22.5)	(22.5)			(16.4)		(16.4)	(16.4)
Bank overdrafts				(13.4)	(13.4)	(13.4)			(9.7)		(9.7)	(9.7)
<b>Total financial liabilities</b>	<b>(146.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>(1,023.7)</b>	<b>(1,169.7)</b>	<b>(1,168.8)</b>	<b>(109.7)</b>	<b>0.0</b>	<b>0.0</b>	<b>(1,007.3)</b>	<b>(1,117.0)</b>	<b>(1,114.0)</b>

(1) The fair value measurement of these financial assets refers to an active market for €0.3 million (Level 1 category in accordance with IFRS 7) and uses valuation techniques that are based on observable market data (Level 2 category in accordance with IFRS 7) for €371.0 million.

(2) 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 7).

(3) 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 7).

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

## 2.4. Goodwill and other intangible assets

2011 changes in gross value and net carrying amount:

<i>In million euros</i>	Goodwill	Development costs	Patents, licences, advertising contracts, ERP(1)	Leasehold rights, payments on account, other	Total
<b>Gross value as of 1 January 2011</b>	<b>1,373.1</b>	<b>26.3</b>	<b>521.5</b>	<b>33.9</b>	<b>1,954.8</b>
Acquisitions/Increases		2.6	7.1	9.9	19.6
Decreases		(0.4)	(11.6)		(12.0)
Changes in scope	32.5		49.8	0.5	82.8
Translation adjustments	2.8	(0.1)	10.4	1.0	14.1
Reclassifications <sup>(2)</sup>			8.2	(3.5)	4.7
<b>Gross value as of 31 December 2011</b>	<b>1,408.4</b>	<b>28.4</b>	<b>585.4</b>	<b>41.8</b>	<b>2,064.0</b>
<b>Amortisation / Impairment loss as of 1 January 2011</b>	<b>(30.5)</b>	<b>(11.5)</b>	<b>(234.0)</b>	<b>(17.3)</b>	<b>(293.3)</b>
Amortisation charge		(2.5)	(43.1)	(0.7)	(46.3)
Impairment loss			4.2		4.2
Decreases		0.4	10.7		11.1
Changes in scope			(24.8)		(24.8)
Translation adjustments			(4.6)	(0.1)	(4.7)
Reclassifications <sup>(2)</sup>			(3.5)		(3.5)
<b>Amortisation / Impairment loss as of 31 December 2011</b>	<b>(30.5)</b>	<b>(13.6)</b>	<b>(295.1)</b>	<b>(18.1)</b>	<b>(357.3)</b>
<b>Net value as of 1 January 2011</b>	<b>1,342.6</b>	<b>14.8</b>	<b>287.5</b>	<b>16.6</b>	<b>1,661.5</b>
<b>Net value as of 31 December 2011</b>	<b>1,377.9</b>	<b>14.8</b>	<b>290.3</b>	<b>23.7</b>	<b>1,706.7</b>

(1) Includes the valuation of contracts recognised in connection with business combinations.

(2) The net impact of reclassifications is not zero, as some reclassifications have an impact on other statement of financial position items.

2012 changes in gross value and net carrying amount:

<i>In million euros</i>	Goodwill	Development costs	Patents, licences, advertising contracts, ERP(1)	Leasehold rights, payments on account, other	Total
<b>Gross value as of 1 January 2012</b>	<b>1 408,4</b>	<b>28,4</b>	<b>585,4</b>	<b>41,8</b>	<b>2 064,0</b>
Acquisitions/Increases		5,5	7,4	8,9	21,8
Decreases		(0,6)	(2,1)	(11,6)	(14,3)
Changes in scope <sup>(2)</sup>	17,7		12,2		29,9
Translation adjustments	(0,7)			0,1	(0,6)
Reclassifications <sup>(3)</sup>			6,6	0,4	7,0
<b>Gross value as of 31 December 2012</b>	<b>1 425,4</b>	<b>33,3</b>	<b>609,5</b>	<b>39,6</b>	<b>2 107,8</b>
<b>Amortisation / Impairment loss as of 1 January 2012</b>	<b>(30,5)</b>	<b>(13,6)</b>	<b>(295,1)</b>	<b>(18,1)</b>	<b>(357,3)</b>
Amortisation charge		(2,7)	(43,9)	(1,2)	(47,8)
Impairment loss	(38,0)		(8,2)		(46,2)
Decreases		0,6	2,1	4,4	7,1
Changes in scope			(0,9)		(0,9)
Translation adjustments			0,6	(0,1)	0,5
Reclassifications <sup>(3)</sup>			(0,4)	(3,6)	(4,0)
<b>Amortisation / Impairment loss as of 31 December 2012</b>	<b>(68,5)</b>	<b>(15,7)</b>	<b>(345,8)</b>	<b>(18,6)</b>	<b>(448,6)</b>
<b>Net value as of 1 January 2012</b>	<b>1 377,9</b>	<b>14,8</b>	<b>290,3</b>	<b>23,7</b>	<b>1 706,7</b>
<b>Net value as of 31 December 2012</b>	<b>1 356,9</b>	<b>17,6</b>	<b>263,7</b>	<b>21,0</b>	<b>1 659,2</b>

(1) Includes the valuation of contracts recognised in connection with business combinations.

(2) Includes the impact of price adjustments occurred during the legal period of allocation of the goodwill. Those adjustments are not significant.

(3) The net impact of reclassifications is not zero, as some reclassifications have an impact on other statement of financial position items.

## 2.5. Property, plant and equipment (PP&E)

<i>In million euros</i>	31/12/2012		31/12/2011	
	Gross value	Depreciation or provision	Net value	Net value
Land	24.5	(0.9)	23.6	22.9
Buildings	83.4	(62.1)	21.3	23.0
Technical installations, tools and equipment	2,680.5	(1,719.6)	960.9	983.8
Vehicles	133.2	(86.2)	47.0	44.0
Other	145.2	(128.1)	17.1	18.2
Assets under construction and down payments	49.0	(3.1)	45.9	47.5
<b>Total</b>	<b>3,115.8</b>	<b>(2,000.0)</b>	<b>1,115.8</b>	<b>1,139.4</b>

2011 changes in gross value and net carrying amount:

<i>In million euros</i>	Land	Buildings	Technical installations, tools & equipment		Other	Total
<b>Gross value as of 1 January 2011</b>	<b>23.1</b>	<b>81.9</b>	<b>2,455.7</b>	<b>301.1</b>	<b>2,861.8</b>	
- including finance lease		4.3	5.4	9.6	19.3	
- including dismantling cost			100.3		100.3	
Acquisitions	0.7	0.7	100.4	78.8	180.6	
- including acquisitions under finance lease				4.1	4.1	
- including dismantling cost			15.3		15.3	
Decreases	(0.4)	(0.1)	(58.8)	(14.8)	(74.1)	
- including disposals under finance lease				(3.2)	(3.2)	
- including dismantling cost			(11.6)		(11.6)	
Changes in scope			37.1	5.0	42.1	
Reclassifications			36.1	(55.1)	(19.0)	
Translation adjustments	0.4	0.2	11.6	1.1	13.3	
<b>Gross value as of 31 December 2011</b>	<b>23.8</b>	<b>82.7</b>	<b>2,582.1</b>	<b>316.1</b>	<b>3,004.7</b>	
<b>Depreciation as of 1 January 2011</b>	<b>(0.8)</b>	<b>(56.4)</b>	<b>(1,466.8)</b>	<b>(200.1)</b>	<b>(1,724.1)</b>	
- including finance lease		(3.2)	(4.0)	(6.2)	(13.4)	
- including dismantling cost			(52.8)		(52.8)	
Depreciation charge net of reversals	(0.1)	(3.2)	(163.7)	(16.9)	(183.9)	
- including finance lease		(0.5)	(0.5)	(1.6)	(2.6)	
- including dismantling cost			(9.1)		(9.1)	
Impairment loss			(2.7)	(0.2)	(2.9)	
Decreases			49.0	13.5	62.5	
- including finance lease			0.0	2.8	2.8	
- including dismantling cost			6.3		6.3	
Changes in scope			(22.1)	(2.5)	(24.6)	
Reclassifications			14.5	0.1	14.6	
Translation adjustments		(0.1)	(6.5)	(0.3)	(6.9)	
<b>Depreciation as of 31 December 2011</b>	<b>(0.9)</b>	<b>(59.7)</b>	<b>(1,598.3)</b>	<b>(206.4)</b>	<b>(1,865.3)</b>	
<b>Net value as of 1 January 2011</b>	<b>22.3</b>	<b>25.5</b>	<b>988.9</b>	<b>101.0</b>	<b>1,137.7</b>	
<b>Net value as of 31 December 2011</b>	<b>22.9</b>	<b>23.0</b>	<b>983.8</b>	<b>109.7</b>	<b>1,139.4</b>	

The net impact of reclassifications amounted to €(4.4) million as of 31 December 2011.

2012 changes in gross value and net carrying amount:

<i>In million euros</i>	Land	Buildings	Technical installations, tools & equipment	Other	Total
<b>Gross value as of 1 January 2012</b>	<b>23.8</b>	<b>82.7</b>	<b>2,582.1</b>	<b>316.1</b>	<b>3,004.7</b>
- including finance lease		4.3	5.4	10.6	20.3
- including dismantling cost			105.3		105.3
Acquisitions	0.2	0.6	99.5	86.5	186.8
- including acquisitions under finance lease				9.6	9.6
- including dismantling cost			28.1		28.1
Decreases		(0.1)	(79.6)	(15.8)	(95.5)
- including disposals under finance lease				(3.0)	(3.0)
- including dismantling cost			(7.9)		(7.9)
Changes in scope		0.1	24.4	0.5	25.0
Reclassifications	0.2		53.0	(59.9)	(6.7)
Translation adjustments	0.3	0.1	1.1		1.5
<b>Gross value as of 31 December 2012</b>	<b>24.5</b>	<b>83.4</b>	<b>2,680.5</b>	<b>327.4</b>	<b>3,115.8</b>
<b>Depreciation as of 1 January 2012</b>	<b>(0.9)</b>	<b>(59.7)</b>	<b>(1,598.3)</b>	<b>(206.4)</b>	<b>(1,865.3)</b>
- including finance lease		(3.7)	(4.6)	(5.1)	(13.4)
- including dismantling cost			(55.8)		(55.8)
Depreciation charge net of reversals		(2.4)	(177.4)	(19.4)	(199.2)
- including finance lease		(0.2)	(0.5)	(3.2)	(3.9)
- including dismantling cost			(11.0)		(11.0)
Impairment loss			(0.2)		(0.2)
Decreases		0.1	73.1	13.5	86.7
- including finance lease				2.6	2.6
- including dismantling cost			4.6		4.6
Changes in scope			(18.8)	(0.4)	(19.2)
Reclassifications			4.0	(4.6)	(0.6)
Translation adjustments		(0.1)	(2.0)	(0.1)	(2.2)
<b>Depreciation as of 31 December 2012</b>	<b>(0.9)</b>	<b>(62.1)</b>	<b>(1,719.6)</b>	<b>(217.4)</b>	<b>(2,000.0)</b>
<b>Net value as of 1 January 2012</b>	<b>22.9</b>	<b>23.0</b>	<b>983.8</b>	<b>109.7</b>	<b>1,139.4</b>
<b>Net value as of 31 December 2012</b>	<b>23.6</b>	<b>21.3</b>	<b>960.9</b>	<b>110.0</b>	<b>1,115.8</b>

The net impact of reclassifications amounted to €(7.3) million as of 31 December 2012.

As of 31 December 2012, the net value of property, plant and equipment under finance lease amounted to €12.5 million, compared to €7.0 million as of 31 December 2011, and breaks down as follows:

<i>In million euros</i>	31/12/2012	31/12/2011
Buildings	0.4	0.6
Billboards	0.3	0.9
Vehicles	11.7	5.2
Other property, plant and equipment	0.1	0.3
<b>Total</b>	<b>12.5</b>	<b>7.0</b>

Over 85% of the Group's property, plant and equipment is comprised of street furniture and other advertising structures. These assets represent a range of very diverse products (Seniors, MUIPs®, columns, flag poles, bus shelters, public toilets, benches, bicycles, public litter bins, etc.). These assets are fully owned (controlled by the Group) and Group revenue represents the sale of advertising spaces present in some of these structures. The net book value of buildings amounted to €21.3 million. The Group owns 98% of these buildings, the remaining 2% is owned under finance lease. Buildings comprise administrative offices and warehouses, mainly in Germany and in France for €8.0 million and €4.7 million, respectively.

## 2.6. Goodwill, Property, plant and equipment (PP&E), and Intangible assets impairment tests

Goodwill, property, plant and equipment and intangible assets refer to the following CGU groups:

	31/12/2012			31/12/2011		
	Goodwill	PP&E / intangible assets (1)	Total	Goodwill	PP&E / intangible assets (1)	Total
<i>In million euros</i>						
Street Furniture Europe (excluding France and United Kingdom)	373.5	442.3	815.8	364.1	444.9	809.0
Billboard Europe (excluding France and United Kingdom)	226.8	73.4	300.2	259.9	79.1	339.0
Airports World	159.4	40.3	199.7	159.4	36.3	195.7
Billboard United Kingdom	156.7	47.7	204.4	156.6	46.7	203.3
Billboard France	144.9	14.6	159.5	138.9	13.2	152.1
Other	295.6	762.1	1,057.7	299.0	807.6	1,106.6
<b>Total</b>	<b>1,356.9</b>	<b>1,380.4</b>	<b>2,737.3</b>	<b>1,377.9</b>	<b>1,427.8</b>	<b>2,805.7</b>

*This table takes into account the impairment losses recognised on intangible assets and property, plant and equipment and goodwill.*

(1) *Intangible assets and property, plant and equipment are presented net of provisions for onerous contracts, for €5.4 million and €3.8 million respectively as of 31 December 2012 and 2011, and less net deferred tax liabilities relating to the contracts recognised in connection with business combinations, for €32.3 million and €36.6 million respectively as of 31 December 2012 and 31 December 2011.*

Impairment tests conducted as of 31 December 2012 resulted in the recognition in EBIT of a €(8.4) million net impairment allocation for intangible assets and property, plant and equipment, a €(38.0) million impairment allocation for goodwill on the Billboard Europe CGU (excluding France and the United Kingdom), and a net reversal of provisions for onerous contracts for €0.6 million.

Impairment tests conducted as of 31 December 2012 for goodwill, intangible assets and property, plant and equipment have a negative impact of €(44.5) million on net income, Group share.

The discount rate and the growth rate of the operating margin are considered to be the Group's key assumptions with respect to impairment testing.

Sensitivity tests demonstrate that an increase of 50 basis points in the discount rate would result in an impairment loss of €(0.5) million on intangible assets and property, plant and equipment and of €(28.1) million on the Billboard Europe (excluding France and the United Kingdom) and the Transport Europe (excluding France and the United Kingdom) CGUs goodwill of respectively €(27.0) million and €(1.1) million.

Sensitivity tests demonstrate that a decrease of 50 basis points in the normative growth rate of the operating margin would result in an impairment loss of €(0.5) million on intangible assets and property, plant and equipment and of €(16.7) million on the Billboard Europe (excluding France and the United Kingdom) and the Transport Europe (excluding France and the United Kingdom) CGUs goodwill of respectively €(15.8) million and €(0.9) million.

The results of impairment tests conducted on associates are described in Note 3.5 "Share of net profit of associates".

## 2.7. Investments in associates

<i>In million euros</i>	31/12/2012	31/12/2011
<b>Germany</b>		
Stadtreklame Nürnberg GmbH	11.4	11.1
<b>Austria</b>		
Werbeplakat Soravia GmbH <sup>(1)</sup>	na	0.6
<b>China</b>		
Shanghai Zhongle Vehicle Painting Co. Ltd	0.1	0.2
<b>France</b>		
Metrobus	14.6	12.6
<b>Hong Kong</b>		
Bus Focus Ltd	1.0	1.1
Poad	4.9	4.6
<b>Switzerland</b>		
APG SGA SA (previously Affichage Holding)	135.1	127.9
<b>Macau</b>		
CNDecaux Airport Media Co. Ltd	0.1	0.1
<b>Total<sup>(2)</sup></b>	<b>167.2</b>	<b>158.2</b>

(1) Company consolidated under full consolidation since 31 January 2012.

(2) Including a €104.1 million in goodwill, mainly €82.9 million on APG SGA SA and €13.4 million on Metrobus.

The items representative of the statement of financial position of these associates are as follows (\*):

<i>In million euros</i>	31/12/2012				31/12/2011			
	% of consolidation	Total assets	Total liabilities (excluding equity)	Total equity	% of consolidation	Total assets	Total liabilities (excluding equity)	Total equity
<b>Germany</b>								
Stadtreklame Nürnberg GmbH	35%	16.1	5.5	10.6	35%	15.1	5.5	9.6
<b>Austria</b>								
Werbeplakat Soravia GmbH <sup>(1)</sup>	na	na	na	na	33%	6.2	5.3	0.9
<b>China</b>								
Shanghai Zhongle Vehicle Painting Co. Ltd	40%	0.5	0.2	0.3	40%	0.6	0.3	0.3
<b>France</b>								
Metrobus	33%	65.6	62.1	3.5	33%	64.0	66.5	(2.5)
<b>Hong Kong</b>								
Bus Focus Ltd	40%	3.6	1.2	2.4	40%	3.5	0.7	2.8
Poad	49%	22.9	12.9	10.0	49%	16.6	7.1	9.5
<b>Switzerland</b>								
APG SGA SA <sup>(2)</sup>	30%	236.7	62.7	174.0	30%	258.6	108.5	150.1
<b>Macau</b>								
CNDecaux Airport Media Co. Ltd	30%	0.7	0.4	0.3	30%	0.3	0.1	0.2

(\*) On a 100% basis restated according to IFRS.

(1) Company consolidated under full consolidation since 31 January 2012.

(2) The valuation of 30% of APG SGA SA at the 28 December 2012 share price amounts to €149.1 million.

Changes in investments in associates for 2012 are as follows:

<i>In million euros</i>	31/12/2011	Income/ (loss)	Dividends	Translation adjustments	Other	31/12/2012
Stadtreklame Nürnberg GmbH	11.1	0.7	(0.4)			11.4
Werbeplakat Soravia GmbH <sup>(1)</sup>	0.6				(0.6)	0.0
Shanghai Zhongle Vehicle Painting Co. Ltd	0.2			(0.1)		0.1
Metrobus	12.6	2.0				14.6
Bus Focus Ltd	1.1	0.5	(0.6)			1.0
Poad	4.6	1.9	(1.4)	(0.2)		4.9
APG SGA SA	127.9	11.7	(5.1)	0.4	0.2	135.1
CNDecaux Airport Media Co. Ltd	0.1					0.1
<b>Total</b>	<b>158.2</b>	<b>16.8</b>	<b>(7.5)</b>	<b>0.1</b>	<b>(0.4)</b>	<b>167.2</b>

(1) Company consolidated under full consolidation since 31 January 2012

## 2.8. Other financial assets (current and non-current)

<i>In million euros</i>	31/12/2012	31/12/2011
Loans	21.7	23.6
Loans to participating interests	5.5	5.8
Other financial investments	9.4	8.6
<b>Total</b>	<b>36.6</b>	<b>38.0</b>

Other financial assets are mainly comprised of current account advances granted to partners of joint ventures, associates or non-consolidated companies, the non-eliminated portion of loans to proportionately consolidated companies, as well as deposits and guarantees.

The maturity of other financial assets breaks down as follows:

<i>In million euros</i>	31/12/2012	31/12/2011
≤ 1 year	12.4	14.2
> 1 year & ≤ 5 years	22.4	21.1
> 5 years	1.8	2.7
<b>Total</b>	<b>36.6</b>	<b>38.0</b>

## 2.9. Other receivables (non-current)

<i>In million euros</i>	31/12/2012	31/12/2011
- Miscellaneous receivables	11.7	9.6
<i>Write-down for miscellaneous receivables</i>	(2.1)	(2.2)
- Tax receivables	1.0	0.8
- Prepaid expenses	25.8	29.3
<b>Total other receivables (non-current assets)</b>	<b>38.5</b>	<b>39.7</b>
<b>Total write-down for other receivables (non-current)</b>	<b>(2.1)</b>	<b>(2.2)</b>
<b>Total</b>	<b>36.4</b>	<b>37.5</b>

## 2.10. Inventories

<i>In million euros</i>	31/12/2012	31/12/2011
Gross value of inventories	119.3	119.6
Raw materials, supplies and goods	84.2	80.6
Finished and semi-finished goods	35.1	39.0
Write-down	(20.5)	(24.7)
Raw materials, supplies and goods	(13.0)	(16.4)
Finished and semi-finished goods	(7.5)	(8.3)
<b>Total</b>	<b>98.8</b>	<b>94.9</b>

## 2.11. Trade and other receivables

<i>In million euros</i>	31/12/2012	31/12/2011
- Trade receivables	629.6	631.9
<i>Write-down for trade receivables</i>	(31.7)	(27.5)
- Miscellaneous receivables	13.8	14.2
<i>Write-down for miscellaneous receivables</i>	(2.6)	(1.4)
- Other operating receivables	19.7	26.6
<i>Write-down for other operating receivables</i>	(0.6)	(0.5)
- Miscellaneous tax receivables	28.9	25.5
- Receivables on disposal of intangible assets and PP&E	14.1	10.8
- Receivables on disposal of financial investments	2.6	7.6
- Down payments	7.5	7.1
- Prepaid expenses	48.4	43.7
<b>Total Trade and other receivables</b>	<b>764.6</b>	<b>767.4</b>
<b>Total Write-down for trade and other receivables</b>	<b>(34.9)</b>	<b>(29.4)</b>
<b>Total</b>	<b>729.7</b>	<b>738.0</b>

As of 31 December 2012, trade and other receivables decreased by €8.3 million compared to 31 December 2011, i.e. a 1.1% decrease, whereas revenue for 2012 increased by 6.5% compared to 2011.

The balance of past due trade receivables that have not been depreciated for amounted to €246.4 million as of 31 December 2012, compared to €242.0 million as of 31 December 2011. 6.9% of non-provided trade receivables were past due by more than 90 days as of 31 December 2012, compared to 7.3% as of 31 December 2011. No provision was recorded for impairment since these trade receivables do not present a risk of non-recovery.

## 2.12. Cash and cash equivalents

<i>In million euros</i>	31/12/2012	31/12/2011
Cash	87.6	70.0
Cash equivalents	371.3	218.7
<b>Total</b>	<b>458.9</b>	<b>288.7</b>

As of 31 December 2012, the Group had €458.9 million in cash and cash equivalents, €8.5 million of which invested in guarantees, compared to €10.3 million invested in guarantees as of 31 December 2011. Cash equivalents mainly comprise short-term deposits and money market funds.

## 2.13. Income tax receivable and payable

<i>In million euros</i>	31/12/2012	31/12/2011
Income tax receivable	12.2	4.5
Income tax payable	(39.0)	(29.5)
<b>Total</b>	<b>(26.8)</b>	<b>(25.0)</b>



## 2.14. Net deferred taxes

### 2.14.1. Deferred taxes recorded

<i>In million euros</i>	31/12/2012	31/12/2011
Deferred tax assets	29.6	23.6
Deferred tax liabilities	(103.1)	(111.8)
<b>Total</b>	<b>(73.5)</b>	<b>(88.2)</b>

Breakdown of deferred taxes:

<i>In million euros</i>	31/12/2012	31/12/2011
PP&E and intangible assets	(119,6)	(121,4)
Tax losses carried forward	8,0	3,9
Dismantling provision	16,9	16,0
Provision for employee benefits	11,0	9,6
Other	10,2	3,7
<b>Total</b>	<b>(73,5)</b>	<b>(88,2)</b>

### 2.14.2. Net deferred tax variation

	31/12/2011	Net expense	Reclassifications	Translation adjustments	Change in scope	31/12/2012
<i>In million euros</i>						
Deferred tax assets	23.6	7.2	(5.0)	(0.4)	4.2	29.6
Deferred tax liabilities	(111.8)	9.8	5.0	(0.2)	(5.9)	(103.1)
<b>Total</b>	<b>(88.2)</b>	<b>17.0</b>	<b>0.0</b>	<b>(0.6)</b>	<b>(1.7)</b>	<b>(73.5)</b>

### 2.14.3. Unrecognised deferred tax assets on tax losses carried forward

Deferred tax assets on losses carried forward that have not been recognised amounted to €36.4 million as of 31 December 2012, compared to €26.0 million as of 31 December 2011.

## 2.15. Equity

### Breakdown of share capital

As of 31 December 2012, share capital amounted to €3,386,792.80 divided into 222,158,884 shares of the same class and fully paid up.

### Reconciliation of the number of outstanding shares as of 1 January 2012 and 31 December 2012

Number of outstanding shares as of 1 January 2012	221,860,303
Shares issued following the granting of bonus shares	58,961
Shares issued following the exercise of options	239,620
<b>Number of outstanding shares as of 31 December 2012</b>	<b>222,158,884</b>

As of 31 December 2012, the Group did not hold any treasury shares.

## 2.16. Provisions

Provisions break down as follows:

31/12/2012                      31/12/2011

### *In million euros*

Provisions for dismantling cost	182.2	160.9
Provisions for retirement and other benefits	41.9	38.6
Provisions for litigation	9.5	7.8
Other provisions	18.2	21.4
<b>Total</b>	<b>251.8</b>	<b>228.7</b>

Provisions consist mainly of provisions for dismantling costs in respect of street furniture. They are calculated at the end of each accounting period and are based on the street furniture asset pool and their unitary dismantling cost (labour, cost of destruction and restoration of ground surfaces). As of 31 December 2012, the average residual contract term used to calculate the dismantling provision is 7 years.

Provisions for dismantling are discounted at a rate of 2.9% as of 31 December 2012 versus 3.9% as of 31 December 2011. The change in discount rate leads to an €11.0 million increase of the provisions for dismantling, recognised versus Property, plant and equipment in the statement of financial position.

Provisions for litigation amounted to €9.5 million as of 31 December 2012. Provisions for risks in “Other provisions” are reclassified directly from “Other provisions” to “Provisions for litigation” once proceedings begin.

The JCDecaux Group is party to several legal disputes regarding the terms and conditions of application for certain contracts with its concession grantors and the terms and conditions governing supplier relations. In addition, the specific nature of its business (contracts with government authorities in France and abroad) may generate specific contentious procedures. The JCDecaux Group is party to litigation over the awarding or cancellation of street furniture and/or billboard contracts, as well as tax litigation.

The Group’s Legal Department identifies all litigation (nature, amounts, procedure, risk level), regularly monitors developments and compares this information with that of the Finance Department. The amount of provisions to be recognised for these litigations 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 lower court.

The other provisions for €18.2 million comprise contingency provisions regarding contractual relations with partners or concession grantors not subject to proceedings for €2.0 million, provisions for tax risks for €5.8 million, provisions for onerous contracts for €5.4 million and other miscellaneous provisions for €5.0 million.

### Change in provisions

	31/12/2011	Allocations	Discount (1)	Reversals		Reclassifi- cations	Translation adjustments	Change in Scope	31/12/2012
				Used	Not used				
<i>In million euros</i>									
Provisions for dismantling cost	160.9	17.2	17.7	(6.3)	(7.2)		(0.3)	0.2	182.2
Provisions for retirement and other benefits	38.6	6.6		(3.5)		0.1	0.1		41.9
Provisions for litigation	7.8	2.9		(0.7)	(0.4)	(0.1)			9.5
Other provisions	21.4	4.5		(3.0)	(1.4)	(3.8)	0.1	0.4	18.2
<b>Total</b>	<b>228.7</b>	<b>31.2</b>	<b>17.7</b>	<b>(13.5)</b>	<b>(9.0)</b>	<b>(3.8)</b>	<b>(0.1)</b>	<b>0.6</b>	<b>251.8</b>

(1) Including €11.0 million recognised versus PP&E.

### Contingent assets and liabilities

Subsequent to a risk analysis, the Group deemed that it was not necessary to recognise a contingency provision with respect to on-going proceedings, tax risks or the terms and conditions governing the implementation or awarding of contracts.

Due to the lack of a contractual obligation to dismantle panels of the Billboard business, no provision for dismantling costs is recognised in the Group financial statements. However, certain companies (in France, Austria, and the United Kingdom) operate large format panels similar to street furniture for which the unitary dismantling cost is material. Accordingly, the overall non-discounted dismantling cost is estimated at €5.2 million as of 31 December 2012 compared to €6.6 million as of 31 December 2011.

## Provision for retirement and other benefits

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 2011, the change in pension indexation for certain beneficiaries of defined benefits led to a decrease of the commitment.

In Austria, the obligations mainly comprise contractual termination benefits.

Contributions paid for defined contribution plans represented €31.8 million in 2012 (including €0.8 million for the contributions paid for the defined contribution multi-employer plan in Finland), compared to €30.1 million in 2011 (including €0.7 million for the contributions paid for the defined contribution multi-employer plan in Finland).

The Group takes part in three multi-employer defined benefit plans covered by assets in Sweden (ITP Plan). The benefit obligation of the company JCDecaux Sverige AB cannot currently be determined separately. As of 31 December 2011, one of the three plans was in a deficit position for a total amount of €(6.0) billion, 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 2012, i.e. €0.4 million. The future contributions of the three plans will be reduced in 2013.

Provisions are calculated according to the following assumptions:

	2012	2011
<b>Discount rate <sup>(1)</sup></b>		
Euro Zone	3.30%	4.30%
United Kingdom	4.50%	4.90%
<b>Estimated annual rate of increase in future salaries</b>		
Euro Zone	2.46%	2.59%
United Kingdom <sup>(2)</sup>	NA	NA
<b>Estimated annual rate of increase in post-employment benefits</b>		
Euro Zone	2.00%	1.50%
United Kingdom	3.30%	3.50%

(1) The discount rates for the Euro Zone and the United Kingdom are taken from the Iboxx data and are determined based on the yield rate of bonds issued by leading 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) break down as follows:

In 2011:

<i>In million euros</i>	Retirement benefits		Other long-term benefits	Total
	unfunded	funded		
<b>Change in benefit obligation</b>				
Opening balance	15.5	68.8	5.1	89.4
Service cost	0.7	2.5	0.4	3.6
Interest cost	0.7	3.3	0.2	4.2
Acquisitions / sales / transfer of plans <sup>(1)</sup>	0.5	1.7	0.3	2.5
Amendments / settlements of plans <sup>(2)</sup>	0.3	(8.8)	1.5	(7.0)
Actuarial gains/losses <sup>(3)</sup>	(0.2)	2.1		1.9
Benefits paid	(0.7)	(2.0)	(0.4)	(3.1)
Other (foreign exchange gains/losses)		1.1		1.1
<b>Benefit obligation at the end of the year</b>	<b>16.8</b>	<b>68.7</b>	<b>7.1</b>	<b>92.6</b>
<i>including France</i>	<i>11.0</i>	<i>29.8</i>	<i>4.3</i>	<i>45.1</i>
<i>including other countries</i>	<i>5.8</i>	<i>38.9</i>	<i>2.8</i>	<i>47.5</i>
<b>Change in plan assets</b>				
Opening balance		42.1		42.1
Expected return on plan assets <sup>(4)</sup>		2.4		2.4
Acquisitions / sales / transfer of plans <sup>(1)</sup>		1.5		1.5
Settlements of plans <sup>(2)</sup>		(5.8)		(5.8)
Actuarial gains/losses <sup>(5)</sup>		(0.8)		(0.8)
Employer contributions		2.9		2.9
Benefits paid		(2.0)		(2.0)
Other (foreign exchange gains/losses)		1.0		1.0
<b>Assets at the end of the year</b>		<b>41.3</b>		<b>41.3</b>
<i>including France</i>		<i>6.4</i>		<i>6.4</i>
<i>including other countries</i>		<i>34.9</i>		<i>34.9</i>
<b>Provision</b>				
Funded status	16.8	27.4	7.1	51.3
Unamortised actuarial gains/losses	(3.2)	(7.5)		(10.7)
Unamortised past service cost	(0.6)	(1.4)		(2.0)
Assets unrecognised				0.0
<b>Provision at the end of the year</b>	<b>13.0</b>	<b>18.5</b>	<b>7.1</b>	<b>38.6</b>
<i>including France</i>	<i>8.3</i>	<i>15.7</i>	<i>4.2</i>	<i>28.2</i>
<i>including other countries</i>	<i>4.7</i>	<i>2.8</i>	<i>2.9</i>	<i>10.4</i>
<b>Pension cost</b>				
Service cost	0.7	2.5	0.4	3.6
Interest cost	0.7	3.3	0.2	4.2
Expected return on plan assets		(2.4)		(2.4)
Amortisation of actuarial gains/losses	0.2	0.1	0.0	0.3
Amortisation of past service cost	0.3	(1.2)	1.5	0.6
Settlements of plans		(1.1)		(1.1)
Curtailments of plans	(0.2)			(0.2)
Surplus limitation		(0.1)		(0.1)
<b>Charge for the year</b>	<b>1.7</b>	<b>1.1</b>	<b>2.1</b>	<b>4.9</b>
<i>including France</i>	<i>1.1</i>	<i>2.7</i>	<i>1.7</i>	<i>5.5</i>
<i>including other countries</i>	<i>0.6</i>	<i>(1.6)</i>	<i>0.4</i>	<i>(0.6)</i>

(1) Including a €0.8 million provision for retirement reclassification, €0.5 million in actuarial liabilities and financial assets transferred to the English fund, and as a consequence of the acquisition of Médiakiosk, €1.2 million in actuarial liabilities hedged by €1.0 million in assets.

(2) Including a €(1.4) million amendment to the UK pension plan (change of the benchmark index for pension revaluations (from the RPI to the CPI) following a decision from the UK government), €1.5 million in actuarial liabilities for the medical coverage of certain French retirees, €(7.4) million with respect to the settlement of the actuarial liability of the Dutch pension plan and €(5.8) million with respect to the settlement of plan assets for this same plan.

(3) Including €2.2 million related to changes in assumptions and €(0.3) million related to experience gains and losses.

(4) The rates of return on pension funds were determined in each country concerned, based on the allocation of assets observed for each fund as of 31 December 2010.

(5) Actuarial gains or losses generated by plan assets are experience gains and losses.

In 2012:

<i>In million euros</i>	Retirement benefits		Other long-term benefits	Total
	unfunded	funded		
<b>Change in benefit obligation</b>				
Opening balance	16.8	68.7	7.1	92.6
Service cost	0.8	2.1	0.6	3.5
Interest cost	0.5	3.4	0.3	4.2
Transfer of plans <sup>(1)</sup>	(4.8)	4.8		0.0
Amendments of plans	(0.1)			(0.1)
Actuarial gains/losses <sup>(2)</sup>	1.4	7.9	0.2	9.5
Benefits paid	(0.8)	(2.1)	(0.5)	(3.4)
Other (foreign exchange gains/losses)		1.0		1.0
<b>Benefit obligation at the end of the year</b>	<b>13.8</b>	<b>85.8</b>	<b>7.7</b>	<b>107.3</b>
<i>including France</i>	<i>7.4</i>	<i>42.4</i>	<i>4.4</i>	<i>54.2</i>
<i>including other countries</i>	<i>6.4</i>	<i>43.4</i>	<i>3.3</i>	<i>53.1</i>
<b>Change in plan assets</b>				
Opening balance		41.3		41.3
Expected return on plan assets <sup>(3)</sup>		1.9		1.9
Actuarial gains/losses <sup>(4)</sup>		0.7		0.7
Employer contributions		2.2		2.2
Benefits paid		(2.1)		(2.1)
Other (foreign exchange gains/losses)		0.8		0.8
<b>Assets at the end of the year</b>		<b>44.8</b>		<b>44.8</b>
<i>including France</i>		<i>6.7</i>		<i>6.7</i>
<i>including other countries</i>		<i>38.1</i>		<i>38.1</i>
<b>Provision</b>				
Funded status	13.8	41.0	7.7	62.5
Unamortised actuarial gains/losses	(3.7)	(15.2)		(18.9)
Unamortised past service cost	(0.2)	(1.5)		(1.7)
Assets unrecognised				0.0
<b>Provision at the end of the year</b>	<b>9.9</b>	<b>24.3</b>	<b>7.7</b>	<b>41.9</b>
<i>including France</i>	<i>5.1</i>	<i>22.1</i>	<i>4.4</i>	<i>31.6</i>
<i>including other countries</i>	<i>4.8</i>	<i>2.2</i>	<i>3.3</i>	<i>10.3</i>
<b>Pension cost</b>				
Service cost	0.8	2.1	0.6	3.5
Interest cost	0.5	3.4	0.3	4.2
Expected return on plan assets		(1.9)		(1.9)
Amortisation of actuarial gains/losses	0.1	0.3	0.2	0.6
Amortisation of past service cost		0.2		0.2
Transfer of plans	0.8	(0.8)		0.0
Surplus limitation				0.0
<b>Charge for the year</b>	<b>2.2</b>	<b>3.3</b>	<b>1.1</b>	<b>6.6</b>
<i>including France</i>	<i>1.5</i>	<i>2.7</i>	<i>0.5</i>	<i>4.7</i>
<i>including other countries</i>	<i>0.7</i>	<i>0.6</i>	<i>0.6</i>	<i>1.9</i>

(1) Reclassification between the funded and unfunded plans from actuarial debt in France for €4.8 million.

(2) Including €8.2 million related to changes in assumptions and €1.3 million related to experience gains and losses.

(4) The rates of return on pension funds were determined in each country concerned, based on the allocation of assets observed for each fund as of 31 December 2011.

(5) Actuarial gains or losses generated by plan assets are experience gains and losses.

As of 31 December 2012 the Group's benefit obligation amounted to €107.3 million and mainly involved three countries: France (51% of the total benefit obligation), United Kingdom (35%) and Austria (6%).

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 €6.6 million increase in the amount of the benefit obligation's present value. The variances observed during the sensitivity tests do not call into question the rates adopted for the preparation of the financial statements, as they are considered the rates that most closely match the market.

Unamortised actuarial losses as of 31 December 2012 amounted to €(18.9) million and are mainly related to the French companies.

As of 31 December 2012, unamortised past service cost amounted to €(1.7) million and corresponds on the one hand to the surplus resulting from application of the 2003 French law on retirement benefits (“*loi Fillon*”) and on the other hand to the profit resulting from application of the 2010 French law (“*loi Fillon*”) on the progressive raising of the lawful age of retirement (from 61 to 62) for non-executive staff. This amount is amortised over the average employee working period until the benefits are vested.

Net movements in retirement and other benefits are as follows:

<i>In million euros</i>	2012	2011
<b>1 January</b>	<b>38.6</b>	<b>36.6</b>
Charge for the year	6.6	4.9
Translation adjustments	0.1	0.1
Contributions paid	(2.2)	(2.9)
Benefits paid	(1.3)	(1.1)
Other <sup>(1)</sup>	0.1	1.0
<b>31 December</b>	<b>41.9</b>	<b>38.6</b>

(1) Of which a €0.8 million reclassification of the pension provision and €0.2 million for the pension provision covering the entry of Média kiosk in the Group in 2011.

The breakdown of the related plan assets is as follows:

	2012				2011			
	Breakdown of the plan assets at closing		Expected return of the plan assets for the year <sup>(1)</sup>		Breakdown of the plan assets at closing		Expected return of the plan assets for the year <sup>(1)</sup>	
	In M€	%	Euro Zone	United Kingdom	In M€	%	Euro Zone	United Kingdom
Shares	20.3	45%	6.5%	5.8%	17.6	43%	6.5%	7.2%
Bonds	19.6	44%	4.1%	2.8%	18.7	45%	4.1%	4.2%
Real Estate	1.9	4%	4.7%	5.8%	1.9	5%	4.7%	
Other	3.0	7%	4.5%	0.5%	3.1	7%	4.5%	7.2%
<b>Total</b>	<b>44.8</b>	<b>100%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>41.3</b>	<b>100%</b>	<b>4.5%</b>	<b>5.6%</b>

(1) The expected long-term returns on plan assets are determined based on historical performances and current and long-term outlooks for pension fund assets.

Future contributions to pension funds for the 2013 fiscal year are estimated at €0.4 million.

Retrospective information on post-employment benefits is as follows:

<i>In million euros</i>	2012	2011	2010	2009	2008
Benefit obligation at the end of the year	107.3	92.6	89.4	82.9	71.4
Assets at the end of the year	44.8	41.3	42.1	37.4	31.7
Funded status	62.5	51.3	47.3	45.5	39.7
Actuarial experience gains / losses on the benefit obligation	1.3	(0.3)	(2.8)	(0.4)	0.1
<i>in % of the benefit obligation</i>	1.2%	(0.3)%	(3.1)%	(0.5)%	0.1%
Actuarial experience gains / losses on the assets	0.7	(0.8)	2.3	2.8	(8.2)
<i>in % of the assets</i>	1.6%	(1.9)%	5.5%	7.5%	(25.9)%

## 2.17. Net financial debt

<i>In million euros</i>		31/12/2012			31/12/2011		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
<b>Gross financial debt</b>	(1)	260.5	140.2	400.7	71.1	357.8	428.9
Financial derivatives (assets)				0.0			0.0
Financial derivatives (liabilities)		22.5	6.1	28.6	0.1	17.7	17.8
<b>Hedging financial instruments</b>	(2)	22.5	6.1	28.6	0.1	17.7	17.8
Cash and cash equivalents		458.9		458.9	288.7		288.7
Overdrafts		(13.4)		(13.4)	(9.7)		(9.7)
<b>Net cash</b>	(3)	445.5	0.0	445.5	279.0	0.0	279.0
Restatement of the loans related to the proportionately consolidated companies (*)	(4)	10.4	8.3	18.7	13.3	6.9	20.2
<b>Net financial debt (excluding non-controlling interest purchase commitments)</b>	(5)=(1)+(2)-(3)-(4)	(172.9)	138.0	(34.9)	(221.1)	368.6	147.5

(\*) The net financial debt is restated for the loans related to the proportionately consolidated companies when their funding is shared between the different shareholders.

The debt on commitments to purchase non-controlling interests is recorded separately and therefore is not included in the financial debt, as described in Note 2.18 “Debt on commitments to purchase non-controlling interests”.

Financial derivatives and debt characteristics before and after hedging are described in Note 2.19 “Financial derivatives”.

The debt analyses presented hereafter are based on the economic financial debt, which is determined by correcting the book value of the debt (gross financial debt on the statement of financial assets) of the fair value revaluation arising from hedging and amortised cost (IAS 39 restatements):

<i>In million euros</i>		31/12/2012			31/12/2011		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
<b>Gross financial debt</b>	(1)	260.5	140.2	400.7	71.1	357.8	428.9
Impact of amortised cost			3.1	3.1		0.5	0.5
Impact of fair value hedge		18.0	5.8	23.8		18.0	18.0
<b>IAS 39 remeasurement</b>	(2)	18.0	8.9	26.9	0.0	18.5	18.5
<b>Economic financial debt</b>	(3)=(1)+(2)	278.5	149.1	427.6	71.1	376.3	447.4

As of 31 December 2012, the economic financial debt breaks down as follows:

<i>In million euros</i>	31/12/2012			31/12/2011		
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bonds	194.9	97.4	292.3		292.3	292.3
Bank borrowings	63.0	20.3	83.3	45.2	47.2	92.4
Miscellaneous facilities and other financial debts	11.3	25.0	36.3	20.3	31.5	51.8
Finance lease liabilities	7.6	6.4	14.0	2.9	5.3	8.2
Accrued interest	1.7		1.7	2.7		2.7
<b>Economic financial debt</b>	278.5	149.1	427.6	71.1	376.3	447.4

The Group’s main financial debts are held by JCDecaux SA, and mainly comprise the bond debt detailed as follows:

<i>In million euros</i>	Economic value	Carrying amount	Market value	Issuing date	Maturity date
Bond debt (US private placement)	292.3	268.4	267.5	April 2003	April 2013 and April 2015

These financial debts are not quoted on an active market, the values mentioned have been estimated based primarily on information communicated by banks. The use of different assumptions or valuation methods could result in values that vary from those mentioned.

The Group's financial debt also includes:

- bank loans held by JCDecaux SA's subsidiaries, for a total amount of €83.3 million;
- finance lease liabilities for €14.0 million described in the last section of this note;
- miscellaneous facilities and other financial debt for €36.3 million, mainly comprising shareholder loans subscribed by subsidiaries not wholly owned by JCDecaux SA and granted by the other shareholders of such entities;
- accrued interest for €1.7 million.

The average effective interest rate of JCDecaux SA's debts after interest rate hedging is approximately 1.9% for 2012.

In addition, as of 31 December 2012, the Group has a €600.0 million committed revolving credit facility, carried by JCDecaux SA and maturing in February 2017. This facility is undrawn as of 31 December 2012.

The funding sources held by JCDecaux SA are committed, but they require compliance with various restrictive covenants, calculated based on the consolidated financial statements.

They require the Group to maintain specific financial ratios:

- Interest coverage ratio: operating margin / net financial expenses strictly greater than 3.5; applicable to the bond debt (USPP) and the committed revolving credit facility.
- Net debt coverage ratio: net financial debt / operating margin strictly less than 3.5; applicable to the bond debt (USPP).

As of 31 December 2012, the Group is in compliance with these covenants, with values significantly distant from required limits.

#### Maturity of financial debt (excluding unused committed credit facilities)

	31/12/2012	31/12/2011
<i>In million euros</i>		
Less than one year	278.5	71.1
More than one year and less than 5 years	143.8	367.0
More than 5 years	5.3	9.3
<b>Total</b>	<b>427.6</b>	<b>447.4</b>

#### Breakdown of financial debt by currency

*Breakdown of debt by currency (after basis and currency swaps)*

	31/12/2012		31/12/2011	
	In M€	In %	In M€	In %
Euro	427.5	100%	373.9	84%
US dollar	38.9	9%	7.6	2%
Israeli shekel	26.2	6%	25.0	6%
Chinese yuan	22.2	5%	34.2	8%
Turkish lira	18.3	4%	20.4	5%
Japanese yen	18.2	4%	24.3	5%
Indian rupee	14.9	3%	12.8	2%
Emirati dirham <sup>(1)</sup>	(26.2)	(6)%	(13.5)	(3)%
Hong Kong dollar <sup>(1)</sup>	(112.1)	(25)%	(79.2)	(18)%
Other <sup>(1)</sup>	(0.3)	(0)%	41.9	9%
<b>Total</b>	<b>427.6</b>	<b>100%</b>	<b>447.4</b>	<b>100%</b>

(1) Negative amounts correspond to lending positions.



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

Breakdown of debt by interest rate (before committed and optional interest rate derivatives)

	31/12/2012	31/12/2011
<i>In million euros</i>		
Fixed rate	174.0	172.7
Floating rate	253.6	274.7
<b>Total</b>	<b>427.6</b>	<b>447.4</b>

Breakdown of debt by interest rate (after committed and optional interest rate derivatives)

	31/12/2012		31/12/2011	
	In M€	In %	In M€	In %
Fixed rate	32.5	8%	30.5	7%
Floating rate hedged with options	100.0	23%	105.0	23%
Floating rate	295.1	69%	311.9	70%
<b>Total</b>	<b>427.6</b>	<b>100%</b>	<b>447.4</b>	<b>100%</b>

## Finance lease liabilities

Finance lease liabilities break down as follows:

	31/12/2012			31/12/2011		
	Non discounted minimum future lease payments	Discount impact	Finance lease liabilities	Non discounted minimum future lease payments	Discount impact	Finance lease liabilities
<i>In million euros</i>						
Less than one year	7.9	0.4	7.5	3.0	0.1	2.9
More than one year and less than 5 years	6.6	0.3	6.3	5.5	0.2	5.3
More than 5 years	0.2	0.0	0.2	0.0	0.0	0.0
<b>Total</b>	<b>14.7</b>	<b>0.7</b>	<b>14.0</b>	<b>8.5</b>	<b>0.3</b>	<b>8.2</b>

### 2.18. Debt on commitments to purchase non-controlling interests

The debt on commitments to purchase non-controlling interests amounted to €117.4 million as of 31 December 2012, compared to €91.9 million as of 31 December 2011.

The item primarily comprises a purchase commitment given to the partner company Progress, for its interest in Gewista Werbe GmbH, exercisable between 1 January 2019 and 31 December 2019, for a discounted value in the statement of financial position liabilities of €72.7 million.

The €25.5 million increase in the debt on commitments to purchase non-controlling interests between 31 December 2011 and 31 December 2012 represents the discounting loss recorded in the period and new commitments to purchase non-controlling interests relating to the evolution of the scope in the period.

### 2.19. Financial derivatives

The Group uses derivatives solely for interest rate and foreign exchange rate hedging purposes. The use of these derivatives primarily concerns JCDecaux SA.

#### 2.19.1. Hedging derivative instruments related to bond issues

In connection with the issuance of its bond debt (US private placement) in the United States in 2003, JCDecaux SA raised funds, a significant portion of which (US\$250 million) was denominated in US dollars and carried a fixed coupon. Since the Group did not generate US dollar funding needs in such an amount and in compliance with its policy to have its medium and long-term debt indexed to floating rates, JCDecaux SA entered into swap transactions combined with its bond issue to hedge against the change in fair value of the debt.

As of 31 December 2012, the bond debt (USPP), before and after hedging, is as follows:

	<b>Tranche B</b>	<b>Tranche C</b>	<b>Tranche D</b>	<b>Tranche E</b>
Principal amount before hedging	US\$100 million	€100 million	US\$50 million	€50 million
Maturity date	April 2013	April 2013	April 2015	April 2015
Repayment	At maturity	At maturity	At maturity	At maturity
Interest rate before hedging	US\$ Fixed rate	Euribor	US\$ Fixed rate	Euribor
Hedging instrument	basis swap combined with interest rate swap: receiving fixed rate (US\$) / paying floating rate (Euribor)	NA	basis swap combined with interest rate swap: receiving fixed rate (US\$) / paying floating rate (Euribor)	NA
Principal amount after hedging	€94.9 million	€100 million	€47.4 million	€50 million
Interest rate after hedging	Euribor	Euribor	Euribor	Euribor

These basis swaps meet the conditions required to be qualified as fair value hedges within the meaning of IAS 39. The features of the hedged debt and the hedging instrument are identical, therefore the hedge is effective.

As the debt is measured at fair value, the changes in value of the hedged debt are offset by symmetrical changes in value of the derivatives. The impacts on the income statement are therefore cancelled out.

The market values of these derivatives were determined by discounting the future cash flow differential based on zero coupon rates prevailing as of the closing date of the statement of financial position:

<i>In million euros</i>	<b>IAS 39 treatment</b>	<b>Market value as of 31/12/12</b>	<b>Market value as of 31/12/11</b>
Interest rate swap	hedging of changes in fair value of debt relating to changes in interest rate	5.5	8.7
Basis swap	hedging of changes in fair value of debt relating to changes in foreign exchange rate	(28.6)	(26.3)
<b>Total</b>		<b>(23.1)</b>	<b>(17.6)</b>

### 2.19.2. Other interest rate derivative instruments

As of 31 December 2012, the Group held €100 million in interest rate hedges in the form of spread caps and the sale of floors maturing in 2014 and €0.7 million in the form of an interest rate swap maturing in 2015.

In accordance with the definitions of IAS 39, the effectiveness of these financial instruments in relation to the hedged items is not demonstrated. The Group currently does not wish to apply hedge accounting to these instruments. Consequently, only the market value of these instruments is recorded in the assets or liabilities of the statement of financial position, with changes in fair value recorded in the income statement.

The market values used for this type of derivative are the valuations communicated by banks.

As of 31 December 2012, the market values of these financial instruments amounted to €(0.6) million, versus €(0.1) million as of 31 December 2011.

### 2.19.3. Foreign exchange rate instruments (excluding financial instruments related to bond issues)

The Group's foreign exchange risk exposure is 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 solely 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.

Since the inter-company loans and receivables are eliminated 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 2012, the net positions contracted by the Group are as follows:

<i>In million euros</i>	31/12/2012	31/12/2011
<b><i>Forward purchases against the Euro</i></b>		
Hong Kong dollar	112.0	79.2
Emirati dirham	26.2	13.5
US dollar	15.0	8.4
Australian dollar	12.8	10.4
Other	29.1	13.2
<b><i>Forward sales against the Euro</i></b>		
Israeli shekel	26.2	25.0
Turkish lira	18.3	20.7
Japanese yen	13.4	17.6
British Pound sterling	8.3	22.3
Other	6.9	6.5
<b><i>Forward purchases against the Brazilian real</i></b>		
US dollar	9.4	0.0

As of 31 December 2012, the market value of these financial instruments amounted to €(4.9) million, compared to €(0.1) million as of 31 December 2011.

### 2.20. Trade and other payables (current liabilities)

<i>In million euros</i>	31/12/2012	31/12/2011
Trade payables and other operating liabilities	556.0	505.7
Tax and employee-related liabilities	162.8	171.6
Payables on the acquisition of PP&E and intangible assets	11.1	16.1
Payables on the acquisition of financial investments	3.4	14.4
Other liabilities	16.6	16.1
Down payments received	14.9	23.0
Deferred income	76.7	75.6
<b>Total</b>	<b>841.5</b>	<b>822.5</b>

The €19.0 million increase in current liabilities as of 31 December 2012 is primarily related to the growth of business activity.

Operating liabilities have a maturity of one year or less.

### 3. COMMENTS ON THE INCOME STATEMENT

#### 3.1. Net operating expenses

<i>In million euros</i>	2012	2011
Rent and fees	(999.3)	(901.8)
Other net operational expenses	(497.9)	(479.3)
Taxes and duties	(5.7)	(6.1)
Staff costs	(517.7)	(493.7)
<b>Direct operating expenses &amp; Selling, general &amp; administrative expenses <sup>(1)</sup></b>	<b>(2,020.6)</b>	<b>(1,880.9)</b>
Provision charge net of reversals	5.3	21.0
Depreciation and amortisation net of reversals	(255.5)	(228.9)
Impairment of goodwill	(38.0)	0.0
Maintenance spare parts	(37.1)	(37.9)
Other operating income	7.2	8.7
Other operating expenses	(13.5)	(17.9)
<b>Total</b>	<b>(2,352.2)</b>	<b>(2,135.9)</b>

(1) Including €(1,619.1) million in "Direct operating expenses" and €(401.5) million in "Selling, general & administrative expenses" in 2012 (compared to €(1,500.8) million and €(380.1) million in 2011, respectively).

#### Rent and fees

This item includes rent and fees that the Group pays to landlords, municipal public authorities, airports, transport companies and shopping centres.

In 2012, rent and fees paid for the right to advertise totalled €999.3 million:

<i>In million euros</i>	Total	Fixed expenses	Variable expenses
Fees associated with Street Furniture and Transport contracts	(853.0)	(530.1)	(322.9)
Rent related to Billboard locations	(146.3)	(117.2)	(29.1)
<b>Total</b>	<b>(999.3)</b>	<b>(647.3)</b>	<b>(352.0)</b>

Variable expenses are determined based on contractual terms and conditions: rent and fees that fluctuate according to revenue levels are considered as variable expenses. Rent and fees that fluctuate according to the number of furniture items are treated as fixed expenses.

#### Other net operational expenses

This item includes five main cost categories:

- Subcontracting costs for certain maintenance operations;
- Cost of services and supplies relating to operations;
- Fees and operating costs, excluding staff costs, for different Group services;
- Operating lease expenses;
- Billboard advertising stamp duties and taxes.

Operating lease expenses, amounting to €46.4 million in 2012, are fixed expenses.

#### Research and development costs

Research costs and non-capitalised development costs are included in "Other net operational expenses" and in "Staff costs" and amount to €6.9 million in 2012, compared to €7.6 million in 2011.

#### Taxes and duties

This item includes taxes and similar charges other than income taxes. 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.

It also covers the expenses associated with profit-sharing and investment plans for French employees.

<i>In million euros</i>	2012	2011
Compensation and other benefits	(408.0)	(388.6)
Social security contributions	(104.2)	(101.1)
Share-based payment expenses	(5.5)	(4.0)
<b>Total</b>	<b>(517.7)</b>	<b>(493.7)</b>

Staff costs in respect of post-employment benefits break down as follows:

<i>In million euros</i>	2012	2011
Retirement benefits	(5.5)	(2.8)
Other long-term benefits	(1.1)	(2.1)
<b>Total <sup>(1)</sup></b>	<b>(6.6)</b>	<b>(4.9)</b>

(1) Including €(3.1) million in expenses related to retirement benefits and other long-term benefits included in the line item "Provision charge net of reversals" in 2012, against €(0.9) million in 2011.

Share-based payment expenses recognised pursuant to IFRS 2 totalled €5.5 million in 2012, compared to €4.0 million in 2011.

Breakdown of bonus share plans:

	2012 Plan	2011 Plan
Grant date	21/02/2012	17/02/2011
Number of beneficiaries	1	1
Acquisition date	21/02/2016	17/02/2015
Number of bonus shares	21,900	13,076
Risk-free interest rate (%)	1.35	2.27
Value at grant date (in €)	20.21	24.00
Dividend/share expected Y+1 (in €) <sup>(1)</sup>	0.44	0.00
Dividend/share expected Y+2 (in €) <sup>(1)</sup>	0.45	0.40
Dividend/share expected Y+3 (in €) <sup>(1)</sup>	0.45	0.55
Dividend/share expected Y+4 (in €) <sup>(1)</sup>	0.47	0.70
Fair value of bonus shares (in €)	18.63	22.64

(1) Consensus of financial analysts on future dividends (Bloomberg source)

Breakdown of stock option plans:

	2012 Plan	2011 Plan	2010 Plan	2009 Plan	2008 Plan	2007 Plan	2006 Plan
Grant date	21 February 2012	17 February 2011	01 December 2010	23 February 2009	15 February 2008	20 February 2007	20 February 2006
Vesting date	21 February 2015	17 February 2014	01 December 2013	23 February 2012	15 February 2011	20 February 2010	20 February 2009
Expiry date	21 February 2019	17 February 2018	01 December 2017	23 February 2016	15 February 2015	20 February 2014	20 February 2013
Number of beneficiaries	215	220	2	2	167	178	4
Number of options	1,144,734	934,802	76,039	101,270	719,182	763,892	70,758
Strike price	€ 19.73	€ 23.49	€ 20.20	€ 11.15	€ 21.25	€ 22.58	€ 20.55

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

Period	2012	Average share price on the date of exercise	Average strike price	2011	Average share price on the date of exercise	Average strike price
Number of options outstanding at the beginning of the period	2,783,441		€ 21.63	2,208,451		€ 20.35
Options granted during the period	1,144,734		€ 19.73	934,802		€ 23.49
Options forfeited during the period	110,530		€ 21.70	120,146		€ 22.15
Options exercised during the period	239,620	€ 20.40	€ 19.82	237,000	€ 22.94	€ 16.78
Options expired during the period	193,559		€ 19.81	2,666		€ 21.25
<b>Number of options outstanding at the end of the period</b>	<b>3,384,466</b>		<b>€ 21.22</b>	<b>2,783,441</b>		<b>€ 21.63</b>
<b>Number of options exercisable at the end of the period</b>	<b>1,654,383</b>		<b>€ 21.44</b>	<b>1,796,917</b>		<b>€ 20.93</b>

Option plans outstanding as of 31 December 2012 and 2011 were as follows:

Plan / Grant date	31/12/2012			31/12/2011		
	In number of options	Residual term in years	Average strike price in euros	In number of options	Residual term in years	Average strike price in euros
2005				439,855	0.18	19.81
2006	52,413	0.14	20.55	52,413	1.14	20.55
2007	585,349	1.14	22.58	610,813	2.14	22.58
2008	573,413	2.14	21.25	600,976	3.14	21.25
2009	101,270	3.15	11.15	101,270	4.15	11.15
2010	76,039	4.92	20.20	76,039	5.92	20.20
2011	873,736	5.13	23.49	902,075	6.13	23.49
2012	1,122,246	6.14	19.73			
<b>Total</b>	<b>3,384,466</b>		<b>21.22</b>	<b>2,783,441</b>		<b>21.63</b>

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

Assumptions	2012	2011	2010	2009	2008	2007	2006
- Price of underlying at grant date	€20.21	€24.00	€19.93	€9.99	€20.46	€22.86	€20.70
- Estimated volatility	38.41%	36.71%	36.56%	31.74%	24.93%	28.66%	29.43%
- Risk-free interest rate	1.35%	2.27%	1.69%	2.31%	3.37%	4.02%	3.11%
- Estimated option life (in years)	4.5	4.5	4.5	4.5	4.5	4.5	4.5
- Estimated turnover	3.33%	3.33%	0.00%	0.00%	2.00%	5.00%	0.00%
- Dividend payment rate (1)	2.16%	1.20%	1.08%	2.41%	2.56%	2.00%	1.90%
- Fair value options	(2) €5.72	(2) €7.45	€5.82	€2.00	€3.77	€5.76	€5.11

(1) Consensus of financial analysts on future dividends (Bloomberg source).

(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 2006 to 2012 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, at the issuance of the plans and based on observed behaviours, the Group considered that the option would be exercised 4.5 years on average after the grant date.

## Depreciation, amortisation and provisions net of reversals

Depreciation and amortisation net of reversals increased €26.6 million. The provision charge net of reversals decreased €15.7 million and in 2011, primarily represented the reversals on provisions in Asia related to litigation settlement for €8.3 million.

This item comprises in 2012 a depreciation for €(7.8) million related to impairment tests, including a €0.6 million reversal of provisions for onerous contract. In 2011, this line item included a net €1.9 million reversal, 0.6 million of which was a reversal of provisions for onerous contracts.

## Impairment of goodwill

As of 31 December 2012, an impairment on goodwill was recorded on the Billboard Europe CGU (excluding France and the United Kingdom) for €38.0 million.

## Spare parts maintenance

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:

<i>In million euros</i>	<b>2012</b>	<b>2011</b>
Gain on disposal of financial assets and gain on changes in scope	6.3	7.5
Gain on disposal of PP&E and intangible assets	0.7	0.8
Other management income	0.2	0.4
<b>Other operating income</b>	<b>7.2</b>	<b>8.7</b>
Loss on disposal of financial assets and loss on changes in scope	(0.1)	(1.0)
Loss on disposal of PP&E and intangible assets	(2.7)	(4.6)
Other management expenses	(10.7)	(12.3)
<b>Other operating expenses</b>	<b>(13.5)</b>	<b>(17.9)</b>
<b>Total</b>	<b>(6.3)</b>	<b>(9.2)</b>

In 2012, the gains on disposal of financial assets and changes in scope for €6.3 million are mainly related to the revaluation of the previously held interest in Soravia following the control acquired in Megaboard Soravia group in Austria for €2.6 million and to the revaluation of the previously held interest in Arge Autobahnwerbung GmbH for €2.5 million in Austria.

Other management expenses in 2012 for €(10.7) million are mainly related to acquisition costs for €(4.9) million, to restructuring costs for €(2.9) million and to penalties risks for €(1.6) million.

In 2011, the gains on disposal of financial assets and changes in scope for €7.5 million were attributable to the revaluation of the previously held interest on the acquisition of JCDecaux Korea, Inc. in South Korea in January 2011 and to the negative goodwill related to the change in the Bigboard consolidation percentage in Ukraine and Russia.

The losses on disposal of financial assets and changes in scope for €(1.0) million in 2011 were related to the revaluation following the acquisition of Adbooth Pty Ltd in Australia and Garmoniya in Ukraine.

Other management expenses in 2011 for €(12.3) million were mainly related to the impact from litigation settlement in Asia. These expenses were compensated by a provision reversal in the line item "Depreciation, amortisation and provisions (net)". They also included fines, penalties and restructuring costs.

### 3.2. Net financial income

<i>In million euros</i>	2012	2011
Interest income	9.6	7.3
Interest expense	(17.3)	(29.4)
<b>Net interest expense (1)</b>	<b>(7.7)</b>	<b>(22.1)</b>
<b>Dividends</b>	<b>0.0</b>	<b>0.0</b>
<b>Net foreign exchange gains (losses)</b>	<b>(0.9)</b>	<b>(5.1)</b>
Impact of IAS 39 - foreign exchange	(0.1)	0.4
Impact of IAS 39 - interest rate	0.0	0.0
Change in fair value of derivatives not qualified as hedges	(0.4)	0.0
Amortised cost impact	(1.1)	(1.3)
<b>Impact of IAS 39</b>	<b>(1.6)</b>	<b>(0.9)</b>
<b>Net discounting income (losses)</b>	<b>(17.2)</b>	<b>(11.1)</b>
<b>Bank guarantee costs</b>	<b>(2.1)</b>	<b>(1.0)</b>
Charge to provisions for financial risks	(0.3)	(1.2)
Reversal of provisions for financial risks	0.9	0.6
<b>Provisions for financial risks - Net charge</b>	<b>0.6</b>	<b>(0.6)</b>
<b>Net income (loss) on the sale of financial investments</b>	<b>(0.5)</b>	<b>8.8</b>
<b>Other</b>	<b>0.1</b>	<b>(0.3)</b>
<b>Other net financial expenses (2)</b>	<b>(21.6)</b>	<b>(10.2)</b>
<b>Net financial income (loss) (3) = (1)+(2)</b>	<b>(29.3)</b>	<b>(32.3)</b>
<i>Total financial income</i>	<i>10.8</i>	<i>16.7</i>
<i>Total financial expenses</i>	<i>(40.1)</i>	<i>(49.0)</i>

Net financial income totalled €(29.3) million in 2012, compared to €(32.3) million in 2011, representing an improvement of €3.0 million.

The favourable changes are a positive change in foreign exchange gains and losses of €3.7 million and the decrease in net interest expense for €14.4 million. These positive impacts are partly offset by an increase of discounting losses for €6.1 million related mainly on the decrease of discounting rate on debts on commitments to purchase non-controlling interests, and by the sale in 2011 of the non-controlling interest in the company Tulip (Hong Kong) for €8.6 million.

The change in net interest expense is explained on one hand by an expense in 2011 representing the discounted value of the future reimbursements related to the claw-back provision of a debt waiver granted by a non-controlling interest in favour of a Group company for €(9.7) million, and on the other hand by a €4.7 million decrease of net interest expense in 2012 due to the decrease of the average net financial debt.

### 3.3. Income tax

#### Breakdown between deferred and current taxes

<i>In million euros</i>	2012	2011
Current taxes	(109.1)	(100.4)
<i>Local tax ("CVAE")</i>	<i>(6.8)</i>	<i>(6.9)</i>
<i>Other</i>	<i>(102.3)</i>	<i>(93.5)</i>
Deferred taxes	17.0	6.7
<i>Local tax ("CVAE")</i>	<i>0.6</i>	<i>0.5</i>
<i>Other</i>	<i>16.4</i>	<i>6.2</i>
<b>Total</b>	<b>(92.1)</b>	<b>(93.7)</b>

The effective tax rate before impairment of goodwill and the share of net profit of associates was 33.0% in 2012 against 31.8% in 2011. Excluding the discounting impact of debts on commitments to purchase non-controlling interests, the effective tax rate was 31.8% in 2012, against 31.2% in 2011.



## Breakdown of deferred tax charge

<i>In million euros</i>	2012	2011
Intangible assets and PP&E	3.5	5.0
Tax losses carried forward	3.3	(1.7)
Dismantling provision	1.2	(0.1)
Provision for employee benefit	1.3	0.9
Other	7.7	2.6
<b>Total</b>	<b>17.0</b>	<b>6.7</b>

## Tax proof

<i>In million euros</i>	2012	2011
<b>Consolidated net income</b>	<b>166.0</b>	<b>215.7</b>
Income tax charge	(92.1)	(93.7)
<b>Consolidated income before tax</b>	<b>258.1</b>	<b>309.4</b>
Impairment of goodwill	38.0	0.0
Share of net profit of associates	(16.8)	(14.6)
Taxable dividends received from subsidiaries	5.1	4.8
Other non-taxable income	(14.5)	(24.9)
Other non-deductible expenses	29.5	19.7
<b>Net income before tax subject to the standard tax rate</b>	<b>299.4</b>	<b>294.4</b>
Weighted Group tax rate <sup>(1)</sup>	27.61%	28.72%
<b>Theoretical tax charge</b>	<b>(82.7)</b>	<b>(84.6)</b>
Deferred tax on unrecognised tax losses	(8.4)	(5.9)
Capitalization and use of unrecognised prior year tax losses carried forward	5.7	5.4
Other deferred tax	(0.8)	(0.5)
Other	0.3	(1.7)
<b>Income tax recorded</b>	<b>(85.9)</b>	<b>(87.3)</b>
Net CVAE (local tax on added value)	(6.2)	(6.4)
<b>Income tax recorded</b>	<b>(92.1)</b>	<b>(93.7)</b>

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

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

	2012	2011
<b>Weighted average number of shares for the purposes of earnings per share</b>	<b>221,876,825</b>	<b>221,723,424</b>
Weighted average number of stock options	211,910	885,931
Weighted average number of stock options issued at the market price	(95,075)	(694,471)
<b>Weighted average number of shares for the purposes of diluted earnings per share</b>	<b>221,993,660</b>	<b>221,914,884</b>

As of 31 December 2012, 4 March 2005, 20 February 2006, 20 February 2007, 15 February 2008, 1 December 2010, 17 February 2011 and 21 February 2012 stock option plans are excluded from the calculation since they have an anti-dilutive effect.

### 3.5. Share of net profit of associates

<i>In million euros</i>	2012	2011
Stadtreklame Nürnberg GmbH	0.7	0.6
Werbeplakat Soravia GmbH	na	0.1
Shanghai Zhongle Vehicle Painting Co. Ltd	0.0	0.0
Metrobus	2.0	1.8
Bus Focus Ltd	0.5	0.5
Poad	1.9	1.6
APG SGA SA (previously Affichage Holding)	11.7	10.0
CNDecaux Airport Media Co. Ltd	0.0	0.0
<b>Total</b>	<b>16.8</b>	<b>14.6</b>

The €2.2 million increase in the share of net profit of associates mainly consists of the improvement in the companies APG SGA SA, Metrobus, Poad and Stadtreklame Nürnberg GmbH net income.

In 2012, no impairment loss was booked. In 2011, the impairment tests on associates gave rise to an €1.8 million impairment reversal for Metrobus.

The results of the sensitivity tests demonstrate that an increase of 50 basis points in the discount rate would not result in a significant impairment loss on the share of net profit of associates, and that a decrease of 50 basis points in the normative growth rate of the operating margin would not result in a significant impairment loss on the share of net profit of associates.

Key income statement items of associates are as follows<sup>(1)</sup>:

<i>In million euros</i>	% of consolidation	2012		2011	
		Net Income	Net Revenue	Net Income	Net Revenue
<b>Germany</b>					
Stadtreklame Nürnberg GmbH	35%	2.1	10.7	1.8	10.8
<b>Austria</b>					
Werbeplakat Soravia GmbH <sup>(2)</sup>	33%	na	na	0.2	3.7
<b>China</b>					
Shanghai Zhongle Vehicle Painting Co. Ltd	40%	0.0	0.8	(0.1)	0.7
<b>France</b>					
Metrobus	33%	6.0	220.3	5.5	224.4
<b>Hong Kong</b>					
Bus Focus Ltd	40%	1.2	5.9	1.1	4.4
Poad	49%	3.9	41.3	3.3	32.0
<b>Switzerland</b>					
APG SGA SA	30%	38.9	263.5	33.4	253.0
<b>Macau</b>					
CNDecaux Airport Media Co. Ltd	30%	0.1	0.5	0.1	0.3

(1) On a 100% basis restated according to IFRS.

(2) Company consolidated under full consolidation since 31 January 2012.

### 3.6. Headcount

As of 31 December 2012, the Group had 10,484 employees, compared to 10,304 employees as of 31 December 2011.

The Group's share of employees of proportionately consolidated companies is 813 as of 31 December 2012, included in the above total of 10,484 employees.

The breakdown of employees for the 2012 and 2011 fiscal years is as follows:

	2012	2011
Technical	5,828	5,927
Sales and marketing	2,379	2,263
IT and administration	1,638	1,500
Contract business relations	510	523
Research and development	129	91
<b>Total</b>	<b>10,484</b>	<b>10,304</b>

## **4. COMMENTS ON THE STATEMENT OF CASH FLOWS**

### **4.1. Net cash provided by operating activities**

In 2012, net cash provided by operating activities for €490.5 million comprised:

- operating cash flows generated by EBIT and other financial income and expenses, adjusted for non-cash items, for a total of €563.9 million;
- a change in the working capital for €42.6 million, the favourable impacts of which are mainly related to strict control of the terms of payment of the receivables and payables during the year;
- and the payment of net financial interest and tax for €(8.5) million and €(107.5) million, respectively.

### **4.2. Net cash used in investing activities**

In 2012, net cash used in investing activities for €(185.6) million comprised:

- acquisitions of intangible assets and PP&E net of the change in payables on intangible assets and PP&E for €(175.4) million;
- sales of intangible assets and PP&E net of the change in receivables on intangible assets and PP&E for €7.6 million;
- acquisitions of long-term investments net of cash acquired, of disposals and change in payables and receivables on financial investments, for a total of €(19.7) million. This amount mainly comprised the acquisition of control of Megaboard Soravia GmbH and Arge Autobahnwerbung GmbH (Austria), Epamedia (Hungary) and Concourse Initiatives Ltd, renamed CIL 2012 Ltd (United Kingdom). The net cash acquired amounted to €1.7 million;
- disposals of other financial assets for a total of €1.9 million. The change in loans related to the proportionately consolidated companies amounted to €0.7 million.

In 2011, net cash used in investing activities for €(222.4) million included the acquisitions of intangible assets and PP&E net of disposals and net of the change in payables and receivables on intangible assets and PP&E, for a total of €(167.8) million and the acquisitions of long-term investments and other financial assets (including €(4.8) million of change in loans related to the proportionately consolidated companies) net of cash acquired (for €9.1 million), of disposals and change in payables on financial investments for €(54.6) million.

### **4.3. Net cash used in financing activities**

In 2012, net cash used in financing activities for €(134.6) million mainly comprised:

- dividends paid to the JCDecaux SA's shareholders for €(97.6) million and the payment of dividends by Group companies to their minority shareholders for €(8.2) million;
- net cash flows on borrowings for €(36.0) million;
- capital increases for €5.0 million, including €4.8 million for the exercise of stock options in JCDecaux SA;
- disposals of interests without loss of control net of the change in receivables on financial investments for €2.8 million.

In 2011, net cash used in financing activities amounted to €(139.9) million, and primarily concerned the net cash flows on borrowings for €(134.2) million.

### **4.4. Cash flows of proportionately consolidated companies**

Cash flows of proportionately consolidated companies break down as follows:

- Net cash provided by operating activities was €69.6 million in 2012, compared to €60.7 million in 2011;
- Net cash used in investing activities was €(16.8) million in 2012, versus €(23.9) million in 2011;
- Net cash used in financing activities was €(44.6) million in 2012, compared to €(32.3) million in 2011.

### **4.5. Non-cash transactions**

The increase in property, plant & equipment and liabilities related to finance lease contracts amounted to €9.6 million in 2012, compared to €4.1 million in 2011.

## 5. FINANCIAL RISKS

As a result of its business, the Group is exposed to varying degrees of financial risk (notably liquidity and financing risk, 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. However, the Group may 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.

### 5.1. Risks relating to the business and management policies for these risks

#### Liquidity and financing risk

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

<i>In million euros</i>	Carrying amount	Contractual cash flows	01/01/2013 to 30/06/2013	01/07/2013 to 31/12/2013	01/01/2014 to 31/12/2015	01/01/2016 to 31/12/2017	> 31/12/2017
Bonds	268.4	272.0	179.0	1.4	91.6	0.0	0.0
Bank borrowings at floating rate	72.7	75.2	54.0	2.0	10.1	5.2	3.9
Bank borrowings at fixed rate	7.6	7.7	6.8	0.1	0.8	0.0	0.0
Miscellaneous facilities and other financial debt	36.3	36.7	21.3	3.3	1.7	9.4	0.9
Finance lease liabilities	14.0	14.0	3.8	3.8	3.1	3.1	0.2
Accrued interest	1.7	1.7	1.7	0.0	0.0	0.0	0.0
Overdrafts	13.4	13.4	13.4	0.0	0.0	0.0	0.0
<b>Total financial liabilities excluding derivatives</b>	<b>414.1</b>	<b>420.7</b>	<b>280.0</b>	<b>10.6</b>	<b>107.3</b>	<b>17.7</b>	<b>5.0</b>
Swaps on bonds	(23.1)	(4.7)	(1.8)	(0.8)	(2.1)	0.0	0.0
Interest rate hedges	(0.6)	(0.6)	(0.6)	0.0	0.0	0.0	0.0
Foreign exchange hedges	(4.9)	(4.9)	(4.9)	0.0	0.0	0.0	0.0
<b>Total derivatives</b>	<b>(28.6)</b>	<b>(10.2)</b>	<b>(7.3)</b>	<b>(0.8)</b>	<b>(2.1)</b>	<b>0.0</b>	<b>0.0</b>

*For revolving debt, the nearest maturity is indicated.*

The Group generates significant operating cash flows that enable it to self-finance its organic growth. In the Group's opinion, acquisition opportunities could lead it to temporarily increase this net debt.

The Group's financing strategy consists of:

- centralising financing at the parent company level. Subsidiaries are therefore primarily financed through direct or indirect loans granted by JCDecaux SA. However, the Group may use external financing for certain subsidiaries, (i) depending on the tax or currency or regulatory situation (withholding tax, etc.); (ii) for subsidiaries that are not wholly owned by the Group; or (iii) for historical reasons (financing already in place when the subsidiary joined the Group);
- having financing resources available 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 non-renewal of financing sources, by staggering annual instalments;
- optimising financing margins, through early renewal of loans that are approaching maturity, or by re-financing certain financing sources when market conditions are favourable;
- optimising the cost of net debt by recycling excess cash flow generated by different Group entities as much as possible, in particular by repatriating the cash to JCDecaux SA through loans or dividend payments.

JCDecaux SA is rated "Baa2" by Moody's and "BBB" by Standard and Poor's (last Moody's rating on 7 February 2013, and Standard and Poor's on 20 December 2012), with a stable outlook for both ratings.

As of 31 December 2012, the net financial debt (excluding non-controlling interest purchase commitments) was €(34.9) million, compared to €147.5 million as of 31 December 2011.

69% of Group financial debt is carried by JCDecaux SA and has an average maturity of approximately one year.

As of 31 December 2012, the Group has €458.9 million in cash (see Note 2.12 "Cash and cash equivalents") and €636.5 million in unused committed credit facilities.

JCDecaux SA financing sources are confirmed, but they require compliance with a number of covenants calculated based on the consolidated financial statements. The nature of the ratios is described in Note 2.17 “Net financial debt”.

### Interest rate risk

The Group is exposed to interest rate fluctuations as a result of its debt, particularly the euro, the US dollar, the Israeli shekel, the Chinese yuan, the Turkish lira and the Japanese yen. Given the high correlation between the advertising market and the level of general economic activity of the countries where the Group operates, it is Group policy to secure primarily floating-rate financing except when the interest rates are considered particularly low. Hedging operations are mainly centralised at JCDecaux SA level. The split between fixed rate and floating rate is described in Note 2.17 “Net financial debt” and the hedging information is available in Note 2.19 “Financial derivatives”.

The following table breaks down financial assets and liabilities by interest rate as of 31 December 2012:

<i>In million euros</i>	> 1 year			Total
	≤ 1 year	& ≤ 5 years	> 5 years	
JCDecaux SA borrowings	(244.9)	(47.4)	0.0	(292.3)
Other borrowings	(119.8)	(15.1)	(0.4)	(135.3)
<b>Financial liabilities</b>	<b>(1)</b>	<b>(364.7)</b>	<b>(62.5)</b>	<b>(427.6)</b>
<b>Financial assets</b>	<b>(2)</b>	<b>36.6</b>	<b>0.0</b>	<b>36.6</b>
<b>Net position before hedging</b>	<b>(3)=(1)+(2)</b>	<b>(328.1)</b>	<b>(62.5)</b>	<b>(391.0)</b>
Issue swaps on USPP	(4)	94.9	47.4	142.3
Other interest rate hedging	(4)	100.7	0.0	100.7
<b>Net position after hedging</b>	<b>(5)=(3)+(4)</b>	<b>(132.5)</b>	<b>(15.1)</b>	<b>(148.0)</b>

*For fixed-rate assets and liabilities, the maturity indicated is that of the asset and the liability.*

*The interest rates on floating-rate assets and liabilities 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 2012, 7.6% of total Group economic financial debt, all currencies combined, was at fixed rates, 23.4% was hedged against an increase in short-term interest rates in the currencies concerned; 0.4% of total Group euro-denominated<sup>(1)</sup> economic gross debt was at fixed rates, and 23% was hedged against an increase in Euribor rates.

### Foreign exchange risk

In 2012, net income generated in currencies other than the euro accounted for 93% of the Group’s consolidated net income.

Despite its presence in more than 55 countries, the JCDecaux Group is relatively immune to currency fluctuations in terms of cash flows, as the subsidiaries in each country do business solely in their own country and inter-company services and purchases are relatively insignificant.

However, as the presentation currency of the Group is the euro, the Group’s consolidated financial statements are affected by the conversion of financial statements denominated in local currencies into euro.

Based on the 2012 actual data, the Group’s exposure to the Chinese yuan, British pound sterling, US dollar and Hong Kong dollar is as follows:

The portion of the consolidated net income denominated in Chinese yuan represents 38.6% of the Group’s income. A variance of -5% in the Chinese yuan exchange rate would have an impact of -1.9% and -0.1%, respectively, on the Group’s consolidated net income and total equity.

The portion of the consolidated net income denominated in British pound sterling represents 14.0% of the Group’s income. A variance of -5% in the British pound sterling exchange rate would have an impact of -0.7% and -0.1%, respectively, on the Group’s consolidated net income and total equity.

The portion of the consolidated net income denominated in US dollars represents 13.7% of the Group’s income. A variance of -5% in the US dollar exchange rate would have an impact of -0.7% and +0.1%, respectively, on the Group’s consolidated net income and total equity.

The portion of the consolidated net income denominated in Hong Kong dollars represents 4.1% of the Group’s income. A variance of -5% in the Hong Kong dollar exchange rate would have an impact of -0.2% and -0.3%, respectively, on the Group’s consolidated net income and total equity.

<sup>1</sup> Euro-denominated debt after adjustment for currency swaps and basis swaps.

As of 31 December 2012, the Group mainly held foreign currency hedges of financial transactions:

- pursuant to the application of its centralised financing policy and its multi-currency excess cash position, and in order to hedge inter-company loan transactions, the Group implemented short-term currency swaps. The Group does not hedge positions generated by inter-company loans when hedging arrangements are (i) too costly (ii) not available or (iii) when the loan amount is limited;
- the Group has implemented basis swaps covering the full term of the operation for the portion of its long-term debt denominated in US dollars<sup>(1)</sup> not used to finance the current business expansion in the United States. The hedging information is available in Note 2.19 “Financial derivatives”.

As of 31 December 2012, the Group considers that its financial position and earnings would not be materially affected by exchange rate fluctuations.

#### **Management of excess cash positions**

As of 31 December 2012, the Group’s excess cash and cash equivalents position totalled €458.9 million, including €371.3 million in cash equivalents and €8.5 million in guarantees.

#### **Management of capital and the net debt/equity ratio**

The Group is not subject to any externally imposed capital requirement. The Group’s financial policy is to optimise the net debt/equity balance.

### **5.2. Risks related to financial management**

#### **Risks related to interest rate and foreign exchange derivatives**

The Group uses derivatives solely to hedge foreign exchange and interest rate risks.

#### **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 stable outlook for both ratings. The Group’s primary financing sources (financing raised by the parent company), as well as principal hedging arrangements are not subject to early termination in the event of a downgrade of the Group’s credit rating.

#### **Bank counterparty risk**

Group counterparty risks relate to the investment by the subsidiaries of their excess cash balances with banks and to other financial transactions mainly involving 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 centralising the subsidiaries’ available cash at JCDecaux SA level as much as possible, (ii) obtaining prior authorisation from the Group’s finance department when opening bank accounts, and (iii) selecting banks in which JCDecaux SA and its subsidiaries can make deposits.

#### **Customer counterparty risk**

The counterparty risk in respect of trade receivables is covered by the necessary provisions if needed. The net book value of the trade receivables is detailed in part 2.11 “Trade and other receivables”. The Group maintains a low level of dependence towards a particular client, as no client represents more than 3% of the Group’s revenue.

#### **Risk related to securities and term deposits**

In order to generate interests on its excess cash position, the Group may subscribe short-term investments and short term deposits. The investments consist of money market securities (mutual funds and money-market funds; certificates of deposit; short-term government securities, etc.). 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 marketable shares or securities other than money market securities and treasury shares. As such, the Group considers its risk exposure arising from marketable shares and securities to be very low.

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*(1) Bond debt issued in the United States in 2003*

## 6. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

### 6.1. Commitments on securities and other commitments

<i>In million euros</i>	31/12/2012	31/12/2011
<b>Commitments given <sup>(1)</sup></b>		
Business guarantees	274.1	140.8
Other guarantees	13.4	6.5
Pledges, mortgages and collateral	25.2	26.6
Commitments on securities	0.9	1.2
<b>Total</b>	<b>313.6</b>	<b>175.1</b>
<b>Commitments received</b>		
Securities, endorsements and other guarantees	1.4	1.2
Commitments on securities	1.3	1.6
Credit facilities	636.5	850.0
<b>Total</b>	<b>639.2</b>	<b>852.8</b>

(1) Excluding commitments relating to lease, rent and minimum franchise payments, given in the ordinary course of business.

Business guarantees are granted mainly by JCDecaux SA. As such, JCDecaux SA guarantees the performance of contracts entered into by subsidiaries, either directly to third parties, or by counter-guaranteeing guarantees granted by banks or insurance companies.

The “Other guarantees” line item includes securities, endorsements and other guarantees such as (i) guarantees covering payments under building lease agreements and car rentals of certain subsidiaries; (ii) JCDecaux SA’s counter-guarantees for guarantee facilities granted by banks to certain subsidiaries; and (iii) other commitments such as guarantees covering payments to suppliers.

“Pledges, mortgages and collateral” mainly comprise the mortgage of a building in Germany, and cash amounts given in guarantee.

Securities, endorsements and other guarantees received mainly comprise guarantees given by customers.

Commitments on securities are granted and received primarily as part of external growth transactions.

As of 31 December 2012, commitments on securities given in favour of different partners include the following options:

- regarding the company JCDecaux Bulgaria BV (Bulgaria) a put option granted to Limited Novacorp, exercisable from 9 June 2016 to 9 June 2017 and giving rights on 50% of capital. This price of the option will be determined by an investment bank or under particular conditions, valued with a contractual calculation formula;
- regarding the company Europlakat Doo (Slovenia), a put option granted to the local partner of the Group exercisable from 1 January 2012, on 8.13% of this company’s shares. The contractual calculation formula estimates this commitment to be worth approximately €0.9 million;
- regarding the Wall group, a call option of a Group partner covering a portion of the share capital of Nextbike GmbH.

As of 31 December 2012, commitments on securities received by the Group comprise the following options:

- regarding the Metrobus group, a put option, valid from 1 April 2014 to 30 September 2014. The option covers the JCDecaux Group’s 33% interest in the Metrobus group. The exercise price will be determined by investment banks;
- regarding the company Europlakat Doo (Slovenia), a call option that can be exercised beginning 1 January 2014 by Europlakat International Werbe GmbH over the partner of the Group covering 8.13% of the share capital of this company. A contractual calculation formula estimates this commitment to be worth approximately €0.9 million;
- regarding the Wall group, a call option that can be exercised by Wall AG for a maximum of 24.8% of the share capital of Nextbike GmbH, bringing the Group’s interest to 50% plus one vote. A contractual calculation formula estimates this commitment to be worth €0.4 million.

Moreover, under certain advertising contracts, JCDecaux North America, Inc., directly and indirectly through 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.

In addition, as part of their agreement between shareholders, JCDecaux SA and APG SGA SA (formerly Affichage Holding) have granted reciprocal calls should contractual clauses not be respected or in the event of a transfer of certain assets, and pre-emptive rights in the event of change of control.

Lastly, under certain 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 subject to exercise conditions which limit their probability of occurring.



Credit facilities comprise the committed revolving credit line secured by JCDecaux SA for €600.0 million and the committed credit lines granted to subsidiaries for €36.5 million.

## 6.2. Commitments relating to lease, rent and minimum franchise payments given in the ordinary course of business

In the ordinary course of business, JCDecaux has entered into the following agreements, primarily:

- contracts with cities, airports and transport companies, which entitle the Group to operate its advertising business and collect the related revenue, in return for payment of fees, comprising a fixed portion or guaranteed minimum (*minima garantisi*);
- rental agreements for billboard locations on private property;
- lease agreements for buildings, vehicles and other equipment (computers, office equipment, or other).

These commitments given in the ordinary course of business break down as follows (amounts are not discounted):

<i>In million euros</i>	$\leq 1$ year	$>1$ & $\leq 5$ years	$> 5$ years <sup>(1)</sup>	Total
Minimum and fixed franchise payments associated with Street Furniture or Transport contracts	552.1	1,707.9	1,397.5	3,657.5
Rent related to Billboard locations	100.6	144.4	82.4	327.4
Operating leases	37.0	83.4	35.4	155.8
<b>Total</b>	<b>689.7</b>	<b>1,935.7</b>	<b>1,515.3</b>	<b>4,140.7</b>

(1) Until 2037.

## 6.3. Commitments to purchase assets

Commitments to purchase property, plant and equipment and intangible assets totalled €295.7 million as of 31 December 2012 compared to €255.5 million as of 31 December 2011.

## 6.4. Commitments relating to employee benefits

Pursuant to IAS 19 “Employee benefits”, and in accordance with the Group decision to apply the corridor method, a portion of actuarial gains and losses, and past service costs, is not recognised as provisions. A breakdown is provided in Note 2.16 “Provisions”.

# 7. SEGMENT REPORTING

Information communicated to the Executive Board is based on the business segment, as adopted pursuant to the application of IFRS 8 “Operating segments”. No aggregation of operating segments is realised.

Companies under joint control are proportionately consolidated in the segment reporting, as is the case in the Group’s operating management reporting, which is used by the Executive Board, the Chief Operating Decision Maker (CODM).

## 7.1. 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 centres, 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. It also includes neon-light billboards.

### 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 2012 segment reporting by operating segment is as follows:

<i>In million euros</i>	Street Furniture	Transport	Billboard	Total
Net revenue	1,171.3	1,012.5	439.0	2,622.8
Operating margin	374.9	170.6	56.7	602.2
EBIT	157.2	133.8	(20.4)	270.6
Acquisitions of intangible assets and PP&E net of disposals <sup>(1)</sup>	129.4	24.1	14.3	167.8

(1) Including sales of intangible assets and PP&E and changes in payables and receivables on fixed assets.

The breakdown of the 2011 segment reporting by operating segment is as follows:

<i>In million euros</i>	Street Furniture	Transport	Billboard	Total
Net revenue	1,179.0	874.8	409.2	2,463.0
Operating margin	386.9	139.9	55.3	582.1
EBIT	184.4	111.6	31.1	327.1
Acquisitions of intangible assets and PP&E net of disposals <sup>(1)</sup>	130.7	24.9	12.2	167.8

(1) Including sales of intangible assets and PP&E and changes in payables and receivables on fixed assets.

## 7.2. Other information

The 2012 information by geographical area breaks down as follows:

<i>In million euros</i>	France	United Kingdom	Europe <sup>(1)</sup>	North America	Pacific-Asia	Rest of the world	Eliminations	Total
Net revenue	615.2	316.7	759.6	188.5	604.6	138.2		2,622.8
Non current segment assets <sup>(2)</sup>	799.5	302.0	1,596.7	79.2	472.2	118.1	(521.3)	2,846.4
Unallocated segment assets <sup>(3)</sup>								159.4

(1) Excluding France and United Kingdom.

(2) Excluding deferred tax assets.

(3) Goodwill relating to airport advertising that is not allocated by geographical area, global coverage being 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 2011 information by geographical area breaks down as follows:

<i>In million euros</i>	France	United Kingdom	Europe <sup>(1)</sup>	North America	Pacific-Asia	Rest of the world	Eliminations	Total
Net revenue	607.8	272.1	792.6	179.2	504.3	107.0		2,463.0
Non current segment assets <sup>(2)</sup>	826.8	299.9	1,646.6	79.2	367.3	194.7	(506.0)	2,908.5
Unallocated segment assets <sup>(3)</sup>								159.4

(1) Excluding France and United Kingdom.

(2) Excluding deferred tax assets.

(3) Goodwill for Airports world.

No single customer represents more than 10% of Group revenue.

## 8. RELATED PARTIES

### 8.1. Definitions

The following five categories are considered related party transactions:

- the portion of transactions with proportionately consolidated companies not eliminated in the consolidated financial statements;
- transactions carried out between JCDecaux SA and its parent JCDecaux Holding;
- transactions carried out between a fully consolidated company and its significant non-controlling interests;
- the portion of transactions with equity associates not eliminated in the Group consolidated financial statements;
- transactions with key management personnel and companies held by such personnel and over which they exercise control.

### 8.2. Details regarding related party transactions

Loans granted to related parties as of 31 December 2012 totalled €16.9 million, primarily including a €5.0 million loan granted to Metrobus (France), a €4.8 million loan granted to MCDcaux Inc. (Japan), a €3.5 million loan granted to Europlakat Doo (Slovenia), a €1.8 million loan granted to Média Aéroports de Paris (France) and a €0.6 million loan granted to CBS Outdoor JCDecaux Street Furniture Canada, Ltd.

Receivables on related parties as of 31 December 2012 totalled €11.0 million, primarily including €3.0 million in receivables from Shanghai Shentong JCDecaux Metro Advertising Co. Ltd. (China), €1.1 million from Europlakat Doo (Slovenia) and €1.0 million from Beijing Press JCDecaux Media Advertising Co. Ltd. (China).

Borrowings secured from related parties and debt on commitments to purchase non-controlling interests toward related parties as of 31 December 2012 totalled €140.2 million, primarily including €72.7 million in purchase commitments given to the partner Progress, €15.3 million in purchase commitments given to Média Régies, €13.3 million in purchase commitments given to a partner in Germany and €7.7 million in debt representing the discounted value of the future reimbursements related to the exercise of the claw-back provision of a debt waiver granted by a non-controlling interest in favour of a Group company.

Liabilities to related parties as of 31 December 2012 totalled €11.0 million, the most significant of which include €3.2 million with APG SGA SA (formerly Affichage Holding) and €2.2 million with Metrobus (France).

Operating income generated with related parties amounted to €19.4 million in 2012, primarily including €4.8 million with Shanghai Shentong JCDecaux Metro Advertising Co. Ltd. (China) and €2.7 million with Média Aéroports de Paris (France).

Operating expenses with related parties represented €22.9 million in 2012, of which €11.3 million in rent charges with JCDecaux Holding and SCI Troisjean.

In 2012, financial expenses with related parties represented €11.1 million, including €8.6 million in discounting losses regarding the commitment to purchase the non-controlling interests of Gewista Werbe GmbH.

Financial income with related parties represented €0.5 million in 2012.

The commitments on securities granted with related parties mainly concerned Metrobus and Europlakat Doo (Slovenia) and are described in Note 6.1 "Security and other commitments".

### 8.3. Management compensation

Compensation owed to members of the Executive Board for the 2012 and 2011 fiscal years breaks down as follows:

<i>In million euros</i>	2012	2011
Short-term benefits	4.7	7.0
Fringe benefits	0.1	0.1
Directors' fees	0.1	0.1
Life insurance/special pension	0.2	0.2
Share-based payments	0.7	0.6
<b>Total</b>	<b>5.8</b>	<b>8.0</b>

In addition, two Executive Board members are entitled to receive a termination benefit, potentially representing for the first, a maximum of two years of fixed compensation and, for the second, a benefit equal to one year's salary and the average of the performance bonuses paid for the preceding two years. The latter will be paid in the event the member's employment contract is terminated at the Group's initiative.

Post-employment benefits booked in the statement of financial position liabilities amounted to €0.8 million as of 31 December 2012, compared to €0.4 million as of 31 December 2011.

Directors' fees in the amount of €0.2 million were owed to members of the Supervisory Board for the 2012 fiscal year.

## 9. PROPORTIONATELY CONSOLIDATED COMPANIES

The Group holds a number of investments which are proportionately consolidated.

As of 31 December 2012 and 2011, the Group's share in the assets, liabilities and earnings of these joint ventures (which is included in the consolidated financial statements) is as follows:

<i>In million euros</i>	31/12/2012	31/12/2011
Non-current assets	22.2	34.0
Current assets	148.1	133.4
<b>Total assets</b>	<b>170.3</b>	<b>167.4</b>
Non-current liabilities	21.3	22.4
Current liabilities	100.1	96.5
<b>Total liabilities (excluding net equity)</b>	<b>121.4</b>	<b>118.9</b>
<b>Net equity</b>	<b>48.9</b>	<b>48.5</b>
<b>including net income</b>	<b>50.7</b>	<b>34.0</b>
<i>including profits</i>	307.6	267.5
<i>including losses</i>	(256.9)	(233.5)

The €0.4 million increase in net equity is mainly attributable to:

- the €50.7 million net profit of the proportionately consolidated companies in 2012;
- dividend distributions of €(44.7) million;
- foreign exchange negative impacts for €(5.6) million, mainly in Asia.

## 10. SCOPE OF CONSOLIDATION

### 10.1. Identity of the parent company

As of 31 December 2012, 70.23% of the share capital of JCDecaux SA is held by JCDecaux Holding.

### 10.2. List of consolidated companies

COMPANIES		Country	% interest	Consolidation Method	% control*
<b>STREET FURNITURE</b>					
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	P	50.00
JCDECAUX FRANCE HOLDING		France	100.00	F	100.00
MEDIAKIOSK	(2)	France	87.50	F	82.50
SOCIETE VERSAILLAISE DE KIOSQUES (SVK)	(2)	France	87.50	F	100.00
JCDECAUX DEUTSCHLAND GmbH		Germany	100.00	F	100.00
DSM DECAUX GmbH		Germany	50.00	P	50.00
STADTREKLAME NÜRNBERG GmbH		Germany	35.00	E	35.00
WALL AG	(3) & (12)	Germany	90.10	F	90.10
GEORG ZACHARIAS GmbH		Germany	90.10	F	100.00
VVR WALL GmbH	(1)	Germany	90.10	F	100.00
DIE DRAUSSENWERBER GmbH		Germany	90.10	F	100.00
WALL MOBILIARE GmbH	(3)	Germany	90.10	F	100.00
SKY HIGH TG GmbH		Germany	90.10	F	100.00
REMSCHIEDER GESELLSCHAFT FÜR STADTVERKEHRSANLAGEN GbR.		Germany	45.05	P	50.00
JCDECAUX UK Ltd	(1)	United Kingdom	100.00	F	100.00
JCDECAUX ARGENTINA SA		Argentina	99.82	F	99.82
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	50.00	F	50.00
JCDECAUX CITYCYCLE AUSTRALIA Pty Ltd		Australia	100.00	F	100.00
AQMI GmbH	(4)	Austria	67.00	F	100.00
ARGE AUTOBAHNWERBUNG GmbH	(5)	Austria	58.66	F	100.00
AUTOBAHNWERBUNG GmbH	(5) & (6) & (7)	Austria	50.32	F	100.00
JCDECAUX AZERBAIJAN LLC	(6)	Azerbaijan	100.00	F	100.00
JCD BAHRAIN SPC		Bahrain	99.98	F	100.00
JCDECAUX BELGIUM PUBLICITE SA		Belgium	100.00	F	100.00
CITY BUSINESS MEDIA		Belgium	100.00	F	100.00
JCDECAUX DO BRASIL S.A		Brazil	100.00	F	100.00

<b>COMPANIES</b>		<b>Country</b>	<b>% interest</b>	<b>Consolidation Method</b>	<b>% control*</b>
JCDECAUX SALVADOR S.A		Brazil	100.00	F	100.00
CONCESSIONARIA A HORA DE SAO PAULO S.A	(6)	Brazil	100.00	F	80.00
WALL SOFIA EOOD	(8)	Bulgaria	50.00	P	50.00
JCDECAUX CAMEROUN	(4)	Cameroon	50.00	P	50.00
CBS OUTDOOR JCDECAUX STREET FURNITURE CANADA Ltd		Canada	50.00	P	50.00
JCD P&D OUTDOOR ADVERTISING Co. Ltd		China	100.00	F	100.00
BEIJING JCDECAUX TIAN DI ADVERTISING Co. Ltd		China	100.00	F	100.00
BEIJING GEHUA JCD ADVERTISING Co. Ltd		China	50.00	P	50.00
BEIJING PRESS JCDECAUX MEDIA ADVERTISING Co. Ltd		China	50.00	P	50.00
JCDECAUX NINGBO BUS SHELTER ADVERTISING CO. Ltd	(6)	China	100.00	F	100.00
JCDECAUX KOREA Inc.		South Korea	100.00	F	100.00
AFA JCDECAUX A/S		Denmark	50.00	F	50.00
JCDECAUX MIDDLE EAST FZ-LLC		United Arab Emirates	99.98	F	99.98
JCDECAUX STREET FURNITURE FZ-LLC		United Arab Emirates	99.98	F	100.00
EL MOBILIARIO URBANO SLU		Spain	100.00	F	100.00
JCDECAUX ATLANTIS SA		Spain	85.00	F	85.00
JCDECAUX EESTI OU		Estonia	100.00	F	100.00
JCDECAUX NEW YORK, Inc.		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		United States	100.00	F	100.00
CBS DECAUX STREET FURNITURE, LLC		United States	50.00	P	50.00
JCDECAUX NORTH AMERICA, Inc.		United States	100.00	F	100.00
JCDECAUX BOSTON, Inc.		United States	100.00	F	100.00
JCDECAUX FINLAND Oy	(1)	Finland	100.00	F	100.00
JCDECAUX CITYSCAPE HONG KONG Ltd		Hong Kong	100.00	F	100.00
INTELLECT WORLD INVESTMENTS Ltd		Hong Kong	100.00	F	100.00
BUS FOCUS Ltd		Hong Kong	40.00	E	40.00
VBM VAROSBUTOR ES MEDIA Kft. (VBM Kft)		Hungary	90.10	F	100.00
EPAMEDIA HUNGARY Köztéri Médiaügynökség Zártkörűen Működő Részvénytársaság	(1)&(6)	Hungary	67.00	F	100.00
JCDECAUX ADVERTISING INDIA PVT Ltd	(1)	India	100.00	F	100.00
AFA JCDECAUX ICELAND ehf		Iceland	50.00	F	100.00
JCDECAUX ISRAEL Ltd		Israel	92.00	F	92.00
MCDECAUX Inc.	(9)	Japan	60.00	P	60.00
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		Luxembourg	100.00	F	100.00
JCDECAUX GROUP SERVICES SARL		Luxembourg	100.00	F	100.00
JCDECAUX MACAO	(1)	Macau	80.00	F	80.00
JCDECAUX OMAN	(6)&(10)	Oman	100.00	F	100.00
JCDECAUX UZ		Uzbekistan	70.25	F	70.25
JCDECAUX NEDERLAND BV		The Netherlands	100.00	F	100.00
VERKOOP KANTOOR MEDIA (V.K.M) BV		The Netherlands	100.00	F	100.00

<b>COMPANIES</b>		<b>Country</b>	<b>% interest</b>	<b>Consolidation Method</b>	<b>% control*</b>
JCDECAUX PORTUGAL - MOBILIARO URBANO Lda		Portugal	100.00	F	100.00
PURBE PUBLICIDADE URBANA & GESTAO Lda		Portugal	100.00	F	100.00
Q. MEDIA DECAUX WLL	(1)	Qatar	49.99	P	49.00
JCDECAUX MESTSKY MOBILIAR Spol Sro	(1)	Czech Rep.	100.00	F	100.00
JCDECAUX – BIGBOARD AS		Czech Rep.	50.00	P	50.00
RENCAR MEDIA Spol Sro		Czech Rep.	47.35	F	100.00
CLV CR Spol Sro		Czech Rep.	23.67	P	50.00
JCDECAUX SINGAPORE Pte Ltd		Singapore	100.00	F	100.00
JCDECAUX SLOVAKIA Sro		Slovakia	100.00	F	100.00
JCDECAUX SVERIGE AB	(1)	Sweden	100.00	F	100.00
OUTDOOR AB		Sweden	48.50	P	48.50
JCDECAUX SVERIGE FORSALJNINGSAKTIEBOLAG		Sweden	100.00	F	100.00
JCDECAUX THAILAND Co., Ltd	(1)	Thailand	95.15	F	49.50
ERA REKLAM AS		Turkey	89.76	F	100.00
WALL SEHIR DIZAYNI LS		Turkey	89.72	F	99.58
JCDECAUX URUGUAY	(11)	Uruguay	100.00	F	100.00

## **TRANSPORT**

METROBUS		France	33.00	E	33.00
MEDIA AEROPORTS DE PARIS		France	50.00	P	50.00
MEDIA FRANKFURT GmbH		Germany	39.00	P	39.00
JCDECAUX AIRPORT MEDIA GmbH		Germany	100.00	F	100.00
TRANS – MARKETING GmbH	(12)	Germany	79.12	F	87.82
JCDECAUX AIRPORT UK Ltd		United Kingdom	100.00	F	100.00
CONCOURSE INITIATIVES Ltd (previously MEDIA INITIATIVES Ltd)	(6)	United Kingdom	100.00	F	100.00
CIL 2012 Ltd (previously CONCOURSE INITIATIVES Ltd)	(6)	United Kingdom	100.00	F	100.00
JCDECAUX ALGERIE SARL		Algeria	79.98	F	80.00
JCDECAUX AIRPORT ALGER		Algeria	79.98	F	100.00
JCDECAUX AIRPORT CENTRE SARL	(6)	Algeria	48.99	F	49.00
JCDECAUX ATA SAUDI LLC		Saudi Arabia	59.99	F	60.00
INFOSCREEN AUSTRIA GmbH		Austria	67.00	F	100.00
JCDECAUX AIRPORT BELGIUM		Belgium	100.00	F	100.00
JCDECAUX CHILE SA	(1)	Chile	100.00	F	100.00
JCD MOMENTUM SHANGHAI AIRPORT ADVERTISING Co. Ltd		China	35.00	P	35.00
JCDECAUX ADVERTISING (BEIJING) Co. Ltd		China	100.00	F	100.00
BEIJING TOP RESULT METRO ADV. Co. Ltd	(9)	China	90.00	P	38.00
JCDECAUX ADVERTISING (SHANGHAI) Co. Ltd		China	100.00	F	100.00
NANJING MPI METRO ADVERTISING Co. Ltd		China	70.00	F	70.00
GUANGZHOU YONG TONG METRO ADV. Ltd		China	32.50	P	32.50
NANJING MPI TRANSPORTATION ADVERTISING CHONGQING MPI PUBLIC TRANSPORTATION ADVERTISING Co. Ltd		China	50.00	F	87.60
CHONGQING MPI PUBLIC TRANSPORTATION ADVERTISING Co. Ltd		China	60.00	F	60.00
CHENGDU MPI PUBLIC TRANSPORTATION ADV. Co. Ltd		China	100.00	F	100.00
SHANGHAI ZHONGLE VEHICLE PAINTING Co. Ltd		China	40.00	E	40.00
JINAN CHONGGUAN SHUNHUA PUBLIC TRANSPORT ADV. Co. Ltd		China	30.00	P	30.00



<b>COMPANIES</b>	<b>Country</b>	<b>% interest</b>	<b>Consolidation Method</b>	<b>% control*</b>
SHANGHAI SHENTONG JCDECAUX METRO ADVERTISING Co. Ltd	China	65.00	P	51.00
JCDECAUX XINCHAO ADV. (XIAMEN) LIMITED Co. Ltd	China	80.00	F	80.00
NANJING METRO JCDECAUX ADVERTISING Co., Ltd	China	98.00	F	98.00
JCDECAUX ADVERTISING CHONGQING Co., Ltd	China	80.00	F	80.00
JCDECAUX SUZHOU METRO ADVERTISING CO.Ltd	(6) China	80.00	F	65.00
JCDECAUX-DICON FZ CO	United Arab Emirates	74.99	F	75.00
JCDECAUX ADVERTISING AND MEDIA LLC	United Arab Emirates	79.98	F	49.00
JCDECAUX AIRPORT ESPANA S.A.U	Spain	100.00	F	100.00
JCDECAUX & CEVASA SA	Spain	50.00	P	50.00
JCDECAUX ESPANA SL Y PUBLIMEDIA SISTEMAS PUBLICITARIOS - METRO DE BARCELONA	(13) Spain	70.00	F	70.00
JCDECAUX TRANSPORT, SLU	Spain	100.00	F	100.00
JCDECAUX AIRPORT, Inc.	United States	100.00	F	100.00
JCDECAUX TRANSPORT INTERNATIONAL, LLC	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
JOINT VENTURE FOR THE OPERATION OF THE ADVERTISING CONCESSION AT DALLAS, LLC	United States	100.00	F	100.00
MIAMI AIRPORT CONCESSION LLC	United States	50.00	P	50.00
JCDECAUX AIRPORT CHICAGO LLC	(6) United States	100.00	F	100.00
JCDECAUX PEARL & DEAN Ltd	Hong Kong	100.00	F	100.00
JCDECAUX OUTDOOR ADVERTISING HK Ltd	Hong Kong	100.00	F	100.00
JCDECAUX INNOVATE Ltd	Hong Kong	100.00	F	100.00
MEDIA PRODUCTION Ltd	Hong Kong	100.00	F	100.00
JCDECAUX CHINA HOLDING Ltd	Hong Kong	100.00	F	100.00
TOP RESULT PROMOTION Ltd	(1) Hong Kong	100.00	F	100.00
MEDIA PARTNERS INTERNATIONAL Ltd	(1) Hong Kong	100.00	F	100.00
DIGITAL VISION (MEI TI BO LE GROUP)	Hong Kong	100.00	F	100.00
IGPDECAUX Spa	(1) Italy	32.35	P	32.35
AEROPORTI DI ROMA ADVERTISING Spa	Italy	24.10	P	32.35
CNDECAUX AIRPORT MEDIA Co. Ltd	Macau	30.00	E	30.00
JCDECAUX NORGE AS	(1) Norway	97.69	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.	47.35	F	70.67
JCDECAUX ASIA SINGAPORE Pte Ltd	Singapore	100.00	F	100.00
JCDECAUX OUT OF HOME ADVERTISING Pte Ltd	(1) Singapore	100.00	F	100.00
XPOMERA AB	Sweden	100.00	F	100.00

## **BILLBOARD**

JCDECAUX MEDIA SERVICES Ltd	United Kingdom	100.00	F	100.00
MARGINHELP Ltd	United Kingdom	100.00	F	100.00
JCDECAUX Ltd	United Kingdom	100.00	F	100.00
JCDECAUX UNITED Ltd	United Kingdom	100.00	F	100.00



<b>COMPANIES</b>		<b>Country</b>	<b>% interest</b>	<b>Consolidation Method</b>	<b>% control*</b>
ALLAM GROUP Ltd		United Kingdom	100.00	F	100.00
EXCEL OUTDOOR MEDIA Ltd		United Kingdom	100.00	F	100.00
JCDECAUX SOUTH AFRICA HOLDINGS (PROPRIETARY) LIMITED	(6)	South Africa	100.00	F	100.00
JCDECAUX SOUTH AFRICA OUTDOOR ADVERTISING (PROPRIETARY) LIMITED	(6)	South Africa	65.00	F	65.00
GEWISTA WERBEGESELLSCHAFT .mbH	(1)	Austria	67.00	F	67.00
EUROPLAKAT INTERNATIONAL WERBE GmbH	(4)	Austria	67.00	F	100.00
PROGRESS AUSSENWERBUNG GmbH		Austria	67.00	F	100.00
PROGRESS WERBELAND WERBE. GmbH		Austria	34.17	F	51.00
ISPA WERBEGES.mbh		Austria	67.00	F	100.00
USP WERBEGESELLSCHAFT .mbH		Austria	50.25	F	75.00
JCDECAUX INVEST HOLDING GmbH	(14)	Austria	100.00	F	100.00
JCDECAUX SUB INVEST HOLDING GmbH	(14)	Austria	100.00	F	100.00
JCDECAUX CENTRAL EASTERN EUROPE GmbH	(14)	Austria	100.00	F	100.00
GEWISTA SERVICE GmbH		Austria	67.00	F	100.00
AUSSENW.TSCHECH.-SLOW.BETEILIGUNGS GmbH		Austria	67.00	F	100.00
PSG POSTER SERVICE GmbH		Austria	32.83	P	49.00
ROLLING BOARD OBERÖSTERREICH WERBE GmbH		Austria	25.13	P	50.00
KULTURPLAKAT		Austria	46.90	F	70.00
MEGABOARD HOLDING GmbH	(15)	Austria	47.80	F	95.00
MEGABOARD SORAVIA GmbH	(1) & (7) & (15)	Austria	50.32	F	75.10
JCDECAUX BILLBOARD		Belgium	100.00	F	100.00
JC DECAUX ARTVERTISING BELGIUM		Belgium	100.00	F	100.00
JCDECAUX BULGARIA HOLDING BV	(8) & (16)	Bulgaria	50.00	P	50.00
JCDECAUX BULGARIA EOOD	(8)	Bulgaria	50.00	P	50.00
GRANTON ENTERPRISES LIMITED	(8)	Bulgaria	50.00	P	50.00
AGENCIA PRIMA AD	(8)	Bulgaria	45.00	P	50.00
MARKANY LINE EOOD	(8)	Bulgaria	50.00	P	50.00
RA INTERREKLAMA EOOD	(8)	Bulgaria	50.00	P	50.00
A TEAM EOOD	(8)	Bulgaria	50.00	P	50.00
EASY DOCK EOOD	(8)	Bulgaria	50.00	P	50.00
OUTDOOR MEDIA SYSTEMS		Cyprus	55.00	P	50.00
CEE MEDIA HOLDING		Cyprus	55.00	P	50.00
DROSFIELD ENTERPRISES		Cyprus	55.00	P	50.00
FEGPORT INVESTMENTS		Cyprus	55.00	P	50.00
EUROPLAKAT Doo (previously EUROPLAKAT-PROREKLAM Doo)		Croatia	34.17	F	51.00
METROPOLIS MEDIA Doo		Croatia	34.17	F	100.00
FULLTIME Doo		Croatia	34.17	F	100.00
JCDECAUX ESPANA SLU	(1) & (13)	Spain	100.00	F	100.00
INTERSTATE JCDECAUX LLC	(6)	United States	49.00	P	49.00
POAD		Hong Kong	49.00	E	49.00
OUTDOOR Közterületi Reklámügynökség Zrt.	(6)	Hungary	67.00	F	100.00
DAVID ALLEN HOLDINGS Ltd	(17)	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		Ireland	100.00	F	100.00
N.B.S.H. PROREKLAM-EUROPLAKAT PRISHTINA		Kosovo	20.67	P	41.13
JCDECAUX MEDIA Sdn Bhd		Malaysia	100.00	F	100.00

<b>COMPANIES</b>		<b>Country</b>	<b>% interest</b>	<b>Consolidation Method</b>	<b>% control*</b>
EUROPOSTER BV		The Netherlands	100.00	F	100.00
JCDECAUX NEONLIGHT Sp zoo		Poland	100.00	F	100.00
GIGABOARD POLSKA Sp zoo Poland	(6) & (15)	Poland	47.80	F	100.00
RED PORTUGUESA – PUBLICIDADE EXTERIOR SA	(18)	Portugal	96.38	F	96.38
PLACA Lda	(18)	Portugal	100.00	F	100.00
CENTECO - PUBLICIDADE EXTERIOR Lda	(18)	Portugal	67.47	F	70.00
AUTEDOR - PUBLICIDADE EXTERIOR Lda	(18)	Portugal	49.15	F	51.00
GREEN - PUBLICIDADE EXTERIOR Lda	(18)	Portugal	53.01	F	55.00
RED LITORAL - PUBLICIDADE EXTERIOR Lda	(18)	Portugal	72.29	F	75.00
AVENIR PRAHA Spol Sro		Czech Rep.	100.00	F	100.00
EUROPLAKAT Spol Sro		Czech Rep.	67.00	F	100.00
WALL GUS		Russia	55.00	P	50.00
BIG – MEDIA Ltd.		Russia	55.00	P	50.00
BIGBOARD Co., Ltd.	(19)	Russia	55.00	P	50.00
X – FORMAT PLUS, Ltd.	(19)	Russia	55.00	P	50.00
PETROVIK KRASNODAR		Russia	55.00	P	50.00
MEGABOARD SORAVIA Doo, BEOGRAD	(15)	Serbia	47.80	F	100.00
ISPA BRATISLAVA Spol Sro		Slovakia	67.00	F	100.00
EUROPLAKAT INTERWEB Spol Sro		Slovakia	67.00	F	100.00
INREKLAM PROGRESS Doo		Slovenia	27.56	P	41.13
EUROPLAKAT Doo (previously PROREKLAM-EUROPLAKAT Doo)		Slovenia	27.56	P	41.13
PLAKATIRANJE Doo		Slovenia	27.56	P	41.13
SVETLOBNE VITRINE		Slovenia	27.56	P	41.13
MADISON Doo		Slovenia	27.56	P	41.13
METROPOLIS MEDIA Doo (SLOVENIA)		Slovenia	27.56	P	41.13
INTERFLASH doo LJUBLJANA		Slovenia	27.56	P	41.13
APG SGA SA (previously AFFICHAGE HOLDING)		Switzerland	30.00	E	30.00
BIGBOARD B.V	(20)	Ukraine	55.00	P	50.00
BIGBOARD GROUP		Ukraine	55.00	P	50.00
BIGBOARD KIEV		Ukraine	55.00	P	50.00
BIGBOARD KHARKHOV		Ukraine	55.00	P	50.00
BIGBOARD DONETSK		Ukraine	55.00	P	50.00
BIGBOARD KRIVOY ROG		Ukraine	55.00	P	50.00
BIGBOARD SIMFEROPOL		Ukraine	55.00	P	50.00
BIGBOARD NIKOLAEV		Ukraine	55.00	P	50.00
BIGBOARD VYSHGOROD		Ukraine	55.00	P	50.00
AUTO CAPITAL		Ukraine	55.00	P	50.00
BIGBOARD LVIV		Ukraine	55.00	P	50.00
POSTER GROUP		Ukraine	55.00	P	50.00
POSTER KIEV		Ukraine	55.00	P	50.00
POSTER DNEPROPETROVSK		Ukraine	55.00	P	50.00
POSTER ODESSA		Ukraine	55.00	P	50.00
REKSVIT UKRAINE		Ukraine	55.00	P	50.00
ALTER – V		Ukraine	55.00	P	50.00
UKRAYINSKA REKLAMA		Ukraine	55.00	P	50.00
BOMOND		Ukraine	27.50	P	50.00
GARMONIYA		Ukraine	55.00	P	50.00
BIG MEDIA		Ukraine	55.00	P	50.00
MEDIA CITY		Ukraine	55.00	P	50.00

- <sup>(1)</sup> Companies spread over two or three activities for segment reporting purposes, but listed here according to their historical business activity.
- <sup>(2)</sup> Entry of new partners in the share capital of Médiakiosk.
- <sup>(3)</sup> Wall Mobiliare GmbH was merged into Wall AG on 1 January 2012.
- <sup>(4)</sup> AQMI GmbH was merged into Europlakat International Werbe GmbH on 1 July 2012.
- <sup>(5)</sup> These companies are now fully consolidated after the Group took the control of Autobahnwerbung GmbH <sup>(7)</sup> in 2012.
- <sup>(6)</sup> Companies consolidated in 2012.
- <sup>(7)</sup> Company absorbed by Megaboard Soravia GmbH on 30 October 2012.
- <sup>(8)</sup> The sale of JCDecaux Bulgaria Holding BV by Wall AG, held at 90.10%, to JCDecaux Central Eastern Europe GmbH, wholly owned, led to the increase of the interest rate in the Bulgarian Group.
- <sup>(9)</sup> MCDcaux Inc. (Japan) and Beijing Top Result Metro Adv. Co Ltd (China) are proportionately consolidated due to joint control over management with the Group's partner.
- <sup>(10)</sup> This company is a representative office of JCDecaux Babrain SPC.
- <sup>(11)</sup> This company is a representative office of JCDecaux France.
- <sup>(12)</sup> Acquisition of 9.5% of non-controlling interests in the share capital of Trans-Marketing GmbH.
- <sup>(13)</sup> JCDecaux Espana SL y Publimedia Sistemas Publicitarios was absorbed by JCDecaux Espana SLU after the partner's withdrawal as of 30 June 2012.
- <sup>(14)</sup> JCDecaux Invest Holding GmbH and JCDecaux Subinvest Holding GmbH were absorbed by JCDecaux Central Eastern Europe GmbH on 19 October 2012.
- <sup>(15)</sup> The purchase of a 42% additional interest in the share capital of Soravia, previously equity accounted, consequently led to the full consolidation of the group Megaboard Soravia on 30 January 2012.
- <sup>(16)</sup> Company incorporated under Dutch law and operating in Bulgaria.
- <sup>(17)</sup> Company incorporated under UK law and operating in Northern Ireland.
- <sup>(18)</sup> The company Placa Lda was absorbed by Red Portuguesa as of 1 January 2012. This transaction resulted in the dilution of the non-controlling interests in Red Portuguesa, and in the decrease in the interest rates in the companies held until then by Placa Lda.
- <sup>(19)</sup> In Russia, X-Format Plus was absorbed by Bigboard Co. Ltd in August 2012.
- <sup>(20)</sup> Company incorporated under Dutch law and operating in Ukraine.

Note:

F = Full consolidation      P = Proportionate consolidation      E = Equity accounted

\*The percentage of control corresponds to the portion of direct ownership in the share capital of the companies except for the companies proportionately consolidated which are held by a company also proportionately consolidated. For these companies, the percentage of control corresponds to the percentage of control of its owner.

## 11. SUBSEQUENT EVENTS

At the beginning of February 2013, JCDecaux SA issued a €500 million bond denominated in euros maturing in February 2018.

On 12 February 2013, the Group took joint control of 25% of the company Russ Outdoor, the leader in the Russian outdoor advertising market, which represents 22% of the advertising poster market in Russia, with more than 40,000 advertising faces in 70 Russian cities. In 2012, the company generated more than USD340 million in revenue and has more than 3,000 employees. As part of this transaction, the Group will contribute its Russian assets from BigBoard to Russ Outdoor.

On 11 July 2012, the Group signed an agreement under which the Group takes a 24.9% interest in the company Ankünder, an Austrian company well-established in the city of Graz and its surrounding region, with an option to increase its share in Ankünder to 33.3% by end of 2015 at the latest. This agreement, which was approved by the competition authorities in January 2013, involves the contribution by the Group of some of its Austrian assets into Ankünder. This transaction will be effective once the transaction is registered in the trade register in March 2013.

On 6 March 2013, the Supervisory Board decided to offer a €0.44 dividend distribution per share for 2012 at the General Meeting of Shareholders planned in May 2013, subject to the payment of a 3% dividend tax.