

Out of Home media

Angola
Australia
Austria
Azerbaijan
Bahrain
Belgium
Botswana
Brazil
Bulgaria
Cameroon
Canada
Chile
China
Colombia
Costa Rica
Croatia
Czech Republic
Denmark
Ecuador
El Salvador
Estonia
Eswatini
Finland
France
Gabon
Germany
Guatemala
Honduras
Hungary
India
Ireland
Israel
Italy
Ivory Coast
Japan
Kazakhstan
Latvia
Lesotho
Lithuania
Luxembourg
Madagascar
Malawi
Mauritius
Mexico
Mongolia
Mozambique
Myanmar
Namibia
New Zealand
Nicaragua
Nigeria
Norway
Oman
Panama
Paraguay
Peru
Poland
Portugal
Qatar
Saudi Arabia
Singapore
Slovakia
Slovenia
South Africa
South Korea
Spain
Sweden
Switzerland
Tanzania
Thailand
The Dominican Republic
The Netherlands
Ukraine
United Arab Emirates
United Kingdom
United States
Uruguay
Uzbekistan
Zambia
Zimbabwe

Full-Year 2023 results

- Adjusted revenue up +7.6% to €3,570.0 million
- Adjusted organic revenue up +8.7%
- Adjusted operating margin of €663.1 million, up +10.0%, +€60.2 million yoy
- Adjusted EBIT, before impairment, of €266.2 million, up +25.5%, +€54.2 million yoy
- Net income Group share of €209.2 million, up +58.3%, +€77.0 million yoy
- Operating cash flows of €478.5 million, up +19.8%, +€79.1 million yoy
- Adjusted free cash flow of -€1.0 million impacted by c.€100 million one-off past rental payments
- Best-in-class ESG ratings
- Proposal to AGM not to pay any dividend in 2024 to maintain financial flexibility
- First quarter 2024 adjusted organic revenue growth expected to be around +9%

Paris, March 7th, 2024 – JCDecaux SE (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended December 31st, 2023. The accounts are audited and certified.

Commenting on the Group's 2023 results, **Jean-François Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

“Our 2023 Group revenue grew by +7.6%, +8.7% on an organic basis, to reach €3,570.0 million driven by digital, the continued growth of street furniture and the ongoing recovery of our transport activities. Our Digital Out Of Home (DOOH) revenue grew by +20.8% in full-year 2023, +22.7% on an organic basis, to reach a record 35.3% of Group revenue in 2023 with a strong programmatic revenue growth while analogue advertising revenue also grew in 2023 despite the conversion of some premium analogue sites to digital.

Our adjusted operating margin improved by €60.2 million to reach €663.1 million, representing a year-on-year increase of +10.0%. This positive operating leverage despite inflationary pressures on costs was driven by our street furniture division, benefiting from both a full revenue recovery and some contract renegotiations, while our transport business was still affected by a slower pace of recovery, notably in China, and our billboard segment was impacted by French regulations, while digital continued to enhance operating leverage within this segment. Our other P&L performance indicators improved accordingly including our net result Group share which increased by €77.0 million, i.e. +58.3% year-on-year, to reach €209.2 million. We delivered strong operating cash flows of €478.5 million increasing by €79.1 million, +19.8% compared to 2022. Our free cash flow was nearly breakeven at -€1.0 million, primarily impacted by one-off past rental payments for about €100 million released following the conclusion of contract renegotiations, implying a positive underlying free cash flow generation. Our net debt was broadly stable at €1,005.9 million at the end of 2023, leading to a decreasing financial leverage now at 1.5x.

We have confirmed once again the excellence of our sustainable practices, recognised as best-in-class by extra-financial rating agencies including A List by the CDP, and we have launched in June our Climate Strategy “committed SBTi”, including targets to continue to reduce our carbon footprint across our entire value chain. This strategy is based on three principles: Measure, Reduce, Contribute. It aims for Net Zero Carbon by 2050 (scopes 1, 2, and 3) and complements our ambitious 2030 ESG Strategy.

As far as Q1 2024 is concerned, we now expect an organic revenue growth rate at around +9% driven by strong digital revenues with a double-digit organic revenue growth rate in our transport business and a high single-digit organic revenue growth rate in street furniture.

JCDecaux SE

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www.jodecaux.com

A European Company with an Executive Board and Supervisory Board

Registered capital of 3,249,630.93 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

We are confident that Out of Home (OOH) will continue to grow its market share in a fragmented media landscape with Digital Out of Home (DOOH) being the fastest growing media segment. JCDecaux as the industry leader and the most digitised global OOH Media company is well positioned to benefit from this digital transformation.”

Following the adoptions of IFRS 11 from January 1st, 2014 and IFRS 16 from January 1st, 2019, and in compliance with the AMF’s instructions, the operating data presented below are adjusted:

- to include our prorata share in companies under joint control, regarding IFRS 11,
- to exclude the impact of IFRS 16 on our core business lease agreements (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).

The values shown in the tables are generally expressed in millions of euros. The sum of the rounded amounts or variations calculations may differ, albeit to an insignificant extent, from the reported values. Please refer to the paragraph “Adjusted data” on page 4 of this release for the definition of adjusted data and reconciliation with IFRS.

ADJUSTED REVENUE

As reported on January 26th, 2024, adjusted revenue increased by +7.6%, +8.7% on an organic basis, to €3,570.0 million compared to €3,316.5 million in 2022.

By activity, Street Furniture delivered a solid organic revenue growth driven by digital and a continued high demand from advertisers. Transport’s organic revenue growth was strong, aligning with the global airport passenger traffic recovery, which is now at pre-COVID level, except for international traffic in China. Billboard was driven by its most digitised markets.

Full-year adjusted revenue	2023 (€m)	2022 (€m)	Reported growth	Organic growth^(a)
Street Furniture	1,839.0	1,747.0	+5.3%	+5.1%
Transport	1,232.6	1,075.2	+14.6%	+18.4%
Billboard	498.4	494.3	+0.8%	+0.7%
Total	3,570.0	3,316.5	+7.6%	+8.7%

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

All geographies grew positively organically in 2023 including Asia-Pacific, UK and Rest of the World growing double-digit.

Full-Year adjusted revenue	2023 (€m)	2022 (€m)	Reported growth	Organic growth^(a)
Europe ^(b)	1,056.9	988.3	+6.9%	+5.6%
Asia-Pacific	768.1	721.5	+6.5%	+13.0%
France	634.2	598.0	+6.1%	+3.8%
Rest of the World	469.6	416.8	+12.7%	+14.1%
United Kingdom	355.7	322.5	+10.3%	+12.5%
North America	285.4	269.3	+6.0%	+6.7%
Total	3,570.0	3,316.5	+7.6%	+8.7%

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

(b) Excluding France and the United Kingdom

For further details, please refer to the press release dated January 25th, 2024.

ADJUSTED OPERATING MARGIN ⁽¹⁾

For 2023, adjusted operating margin has improved by €60.2 million to reach €663.1 million (vs €602.9 million in 2022), a +10.0% increase year-on-year reflecting a positive operating leverage driven by our street furniture division benefiting from both a full revenue recovery and some contract renegotiations. The adjusted operating margin as a percentage of revenue was 18.6% in 2023, +40bp above prior year.

The adjusted operating margin as a percentage of revenue by business segment:

	2023		2022		Change 23/22	
	€m	% of revenue	€m	% of revenue	Change (€m)	Margin rate (bp)
Street Furniture	474.2	25.8%	417.7	23.9%	+56.5	+190bp
Transport	129.7	10.5%	118.3	11.0%	+11.4	-50bp
Billboard	59.3	11.9%	67.0	13.5%	-7.7	-160bp
Total	663.1	18.6%	602.9	18.2%	+60.2	+40bp

Street Furniture: In 2023, adjusted operating margin increased by €56.5 million to €474.2 million. As a percentage of revenue, the adjusted operating margin was 25.8%, +190bp above prior year. This reflects a strong operating leverage on this business segment with revenue growing at higher pace than the cost base due to a tight control over our cost base and the benefit from our contract renegotiations.

Transport: In 2023, adjusted operating margin increased by €11.4 million to €129.7 million. As a percentage of revenue, the adjusted operating margin was 10.5%, -50bp below prior year. This is mainly due to a decline year-on-year in operating margin in China as the advertising rebound was soft.

Billboard: In 2023, adjusted operating margin decreased by €7.7 million to €59.3 million mainly due to France with the reglementary reduction and rationalisation of the number of sites. As a result, as a percentage of revenue, the adjusted operating margin was 11.9%, -160bp below prior year.

ADJUSTED EBIT ⁽²⁾

In 2023, adjusted EBIT before impairment charges stood at €266.2 million and improved by €54.2 million due to the increase of €60.2 million in the operating margin and the rise of €6.0 million in net charges positioned between the operating margin and the EBIT. As a percentage of revenue, this represented a 110bp increase to 7.5%, from 6.4%.

One-off items in 2023 corresponded to a net income of €33.4 million, notably including reversals of provisions totaling €33.3 million related to contract renegotiations. In 2022, the one-off items mainly included the net accounting gain on our share of Interstate for €42.1 million and the positive impact of asset sales. Excluding this positive impact from the contract renegotiations in 2023 and the net accounting revaluation of our stake in Interstate in 2022, adjusted EBIT before impairment charge for 2023 reached 6.6% as a percentage of revenue, a +150bp increase year-on-year.

The net impairment charge on tangible and intangible assets, rights-of-use assets and joint-ventures generated an income of €16.0 million in 2023 mainly due to the reversal of a provision recorded in 2022 for €17.0 million in China related to the end of the Guangzhou metro contract. Compared to last year, where the net impact was a charge of -€19.1 million, this represents an improvement of €35.1 million.

Adjusted EBIT, after impairment charge, has improved by €89.2 million from €193.0 million in 2022 to €282.2 million in 2023.

NET FINANCIAL INCOME / (LOSS) ⁽³⁾

The net financial result represented a charge of €147.3 million in 2023 compared to €139.2 million in 2022, an increase of €8.1 million. This is primarily due to the increase for €14.0 million in discount charges on provisions and assets, resulting from an increase in discount rates compared to 2022, partially offset by a decrease in the cost of the net financial debt.

This net financial result is predominantly composed of a net discount charge related to IFRS 16 lease liabilities, which remained stable at €83.8 million compared to €84.1 million in 2022.

The cost of the net financial debt amounted to €33.2 million compared to €43.4 million in 2022, a favorable variation due to higher interest received on cash deposits benefitting from rising interest rates, while our financial debt is mostly at fixed rate.

EQUITY AFFILIATES

In 2023, the share of net profit from equity affiliates was €52.0 million compared to €8.6 million in 2022, an increase of €43.4 million year-on-year mainly coming from the improvement in the results

of our affiliates under joint control and, in 2022, the negative impact from an impairment charge on our financial investment in Clear Media for €28 million.

NET INCOME GROUP SHARE

In 2023, net income Group share before impairment charge increased by +€25.9 million to €205.7 million compared to €179.8 million in 2022.

Income tax represented a charge of €32.6 million in 2023 compared to an income of €22.3 million in 2022, resulting in a variation of -€54.9 million mainly due to the improvement of the results before tax. The average tax rate stood at 13.6% in 2023, lower than usual, mainly due to the reversal in 2023 of provisions on deferred tax assets related to the recovery of activity.

Taking into account the net impact from the impairment charge, net income Group share increased by €77.0 million to €209.2 million compared to €132.1 million in 2022.

ADJUSTED CAPITAL EXPENDITURE

In 2023, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) at €355.1 million remained below 2019 capex by 5.4%. This amount, which is almost stable compared to 2022 (+€5.3 million, +1.5%), includes the third tranche for €27.4 million regarding the upfront payment related to the advertising rights of the renewal and extension of our long-term partnership with Shanghai Metro and non-core asset sales for a total amount of €35.6 million.

ADJUSTED FREE CASH FLOW ⁽⁴⁾

In 2023, operating cash flows reached +€478.5 million improving by +€79.1 million compared to 2022, +19.8% year-on-year, mainly driven by the improving operating margin and a decrease in net interests paid, due to the rise in interests received on our liquidity, while our debt is mainly at fixed rates.

Changes in our working capital requirements had an unfavourable impact of €124.3 million due to the release of past rental payments for c.€100 million over the period following some contract renegotiations and, to a lesser extent, an increase in receivables, and in inventory in line with the recovery of our activity.

After capital expenditure, the adjusted free cash flow amounted to -€1.0 million, a decrease of €44.2 million vs 2022 attributable to the change in our working capital requirements, partly offset by the increase in our operating cash flows.

DIVIDEND

To maintain our financial flexibility for future organic and external bolt-on investment opportunities, we will propose at the Annual General Meeting which will take place on May 7th, 2024, not to pay any dividend in 2024.

NET DEBT ⁽⁵⁾

Net debt was globally stable at €1,005.9 million as of December 31st, 2023 vs €975.0 million as of December 31st, 2022 reflecting a solid financial situation with a leverage ratio decreasing to 1.5x at the end of 2023, well distributed debt maturities and a strong liquidity including €1,684.7 million in cash and an undrawn credit facility of €825 million.

RIGHT-OF-USE & LEASE LIABILITIES IFRS 16

Right-of-use IFRS 16 as of December 31st, 2023 amounted to €2,230.1 million compared to €2,725.3 million as of December 31st, 2022, a decrease related to the amortisation of rights-of-use, contracts renegotiations and a negative foreign exchange rate impact, partially offset by new contracts, contracts extended and contracts renewed.

IFRS 16 lease liabilities decreased from €3,412,1 million as of December 31st, 2022 to €2,657,0 million as of December 31st, 2023. The decrease, mainly related to repayments occurred in 2023 as well as renegotiations and end of contracts and a negative foreign exchange rate impact, is partially offset by new contracts, extensions and renewals.

ADJUSTED DATA

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

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

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

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

As regards the P&L, it concerns all aggregates down to the EBIT. As regards the cash flow statement, it concerns all aggregates down to the free cash flow.

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

In 2023, the impacts of IFRS 11 and IFRS 16 on our adjusted aggregates are:

- -€274.1 million for IFRS 11 on adjusted revenue (-€242.5 million for IFRS 11 in 2022) leaving IFRS revenue at €3,295.9 million (€3,074.0 million in 2022).
- -€68.0 million for IFRS 11 and €665.1 million for IFRS 16 on adjusted operating margin (-€60.6 million for IFRS 11 and €780.2 million for IFRS 16 in 2022) leaving IFRS operating margin at €1,260.3 million (€1,322.5 million in 2022).
- -€56.6 million for IFRS 11 and €145.2 million for IFRS 16 on adjusted EBIT before impairment charge (-€45.0 million for IFRS 11 and €114.1 million for IFRS 16 in 2022) leaving IFRS EBIT before impairment charge at €354.8 million (€281.1 million in 2022).
- -€56.6 million for IFRS 11 and €144.5 million for IFRS 16 on adjusted EBIT after impairment charge (-€43.6 million for IFRS 11 and €114.1 million for IFRS 16 in 2022) leaving IFRS EBIT after impairment charge at €370.1 million (€263.4 million in 2022).
- €17.9 million for IFRS 11 on adjusted capital expenditure (€8.1 million for IFRS 11 in 2022) leaving IFRS capital expenditure at -€337.2 million (-€341.8 million in 2022).
- €2.4 million for IFRS 11 and €762.5 million for IFRS 16 on adjusted free cash flow (€12.1 million for IFRS 11 and €702.5 million for IFRS 16 in 2022) leaving IFRS free cash flow at €764.1 million (€757.8 million in 2022).

The full reconciliation between adjusted figures and IFRS figures is provided on page 8 of this release.

NOTES

- (1) **Operating Margin:** Revenue less Direct Operating Expenses (excluding Maintenance spare parts) less SG&A expenses.
- (2) **EBIT:** Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions (net) less Impairment of goodwill less Maintenance spare parts less Other operating income and expenses.
- (3) **Net financial income / (loss):** Excluding the net impact of discounting and revaluation of debt on commitments to purchase minority interests (-€2.7 million and €3.6 million in FY 2023 and FY 2022 respectively).
- (4) **Free cash flow:** Net cash flow from operating activities less capital investments (property, plant and equipment and intangible assets) net of disposals.
- (5) **Net debt:** Debt net of managed cash less bank overdrafts, excluding the non-cash IAS 32 impact (debt on commitments to purchase minority interests), including the non-cash IFRS 9 impact on both debt and hedging financial derivatives and excluding IFRS 16 lease liabilities.

ORGANIC GROWTH DEFINITION

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

€m		Q1	Q2	Q3	Q4	FY
2022 adjusted revenue	(a)	683.0	791.8	808.4	1,033.3	3,316.5
2023 IFRS revenue	(b)	671.8	795.2	789.0	1,039.9	3,295.9
IFRS 11 impacts	(c)	49.5	68.6	66.0	90.0	274.1
2023 adjusted revenue	(d) = (b) + (c)	721.3	863.7	855.0	1,130.0	3,570.0
Currency impacts	(e)	1.2	19.1	33.4	22.6	76.3
2023 adjusted revenue at 2022 exchange rates	(f) = (d) + (e)	722.5	882.8	888.4	1,152.6	3,646.3
Change in scope	(g)	-5.7	-9.3	-12.2	-13.1	-40.3
2023 adjusted organic revenue	(h) = (f) + (g)	716.8	873.6	876.2	1,139.5	3,606.0
Organic growth	(i) = (h)/(a)-1	+5.0%	+10.3%	+8.4%	+10.3%	+8.7%

€m	Impact of currency as of December 31 st , 2023
CNY	18.5
AUD	16.9
USD	7.9
GBP	7.3
Others	25.8
Total	76.3

Average exchange rate	FY 2023	FY 2022
CNY	0.1305	0.1413
AUD	0.6140	0.6593
USD	0.9246	0.9496
GBP	1.1497	1.1727

Next information:

Q1 2024 revenue: May 2nd, 2024 (after market)

Key Figures for JCDecaux

- 2023 revenue: €3,570.0m^(a)
 - N°1 Out-of-Home Media company worldwide
 - A daily audience of 850 million people in more than 80 countries
 - 1,056,833 advertising panels worldwide
 - Present in 3,918 cities with more than 10,000 inhabitants
 - 11,650 employees
 - JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 and Euronext Family Business indexes
 - JCDecaux is recognised for its extra-financial performance in the FTSE4Good (3.4/5), CDP (A), MSCI (AA), Sustainalytics (13.7), and has achieved Gold Medal status from EcoVadis1st Out-of-Home Media company to join the RE100
 - Leader in self-service bike rental scheme: pioneer in eco-friendly mobility
 - N°1 worldwide in street furniture (630,196 advertising panels)
 - N°1 worldwide in transport advertising with 153 airports and 258 contracts in metros, buses, trains and tramways (319,081 advertising panels)
 - N°1 in Europe for billboards (85,743 advertising panels worldwide)
 - N°1 in outdoor advertising in Europe (708,620 advertising panels)
 - N°1 in outdoor advertising in Asia-Pacific (165,292 advertising panels)
 - N°1 in outdoor advertising in Latin America (91,682 advertising panels)
 - N°1 in outdoor advertising in Africa (25,337 advertising panels)
 - N°1 in outdoor advertising in the Middle East (21,300 advertising panels)
- (a) Adjusted revenue

For more information about JCDecaux, please visit [jcdecaux.com](https://www.jcdecaux.com).

Join us on [Twitter](#), [LinkedIn](#), [Facebook](#), [Instagram](#) and [YouTube](#).

Forward looking statements

This news release may contain some forward-looking statements. These statements are not undertakings as to the future performance of the Company. Although the Company considers that such statements are based on reasonable expectations and assumptions on the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual performance to differ from those indicated or implied in such statements.

These risks and uncertainties include without limitation the risk factors that are described in the universal registration document registered in France with the French Autorité des Marchés Financiers.

Investors and holders of shares of the Company may obtain copy of such universal registration document by contacting the Autorité des Marchés Financiers on its website www.amf-france.org or directly on the Company website www.jcdecaux.com.

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

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RECONCILIATION BETWEEN ADJUSTED FIGURES AND IFRS FIGURES

Profit & Loss	2023				2022			
	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities ⁽¹⁾	IFRS	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities ⁽¹⁾	IFRS
€m								
Revenue	3,570.0	(274.1)	0.0	3,295.9	3,316.5	(242.5)	0.0	3,074.0
Net operating costs	(2,906.9)	206.1	665.1	(2,035.7)	(2,713.6)	181.9	780.2	(1,751.5)
Operating margin	663.1	(68.0)	665.1	1,260.3	602.9	(60.6)	780.2	1,322.5
Maintenance spare parts	(48.1)	1.4	0.0	(46.8)	(47.0)	1.1	0.0	(46.0)
Amortisation and provisions (net)	(327.5)	16.7	(592.2)	(903.1)	(377.9)	14.4	(691.6)	(1,055.1)
Other operating income / expenses	(21.3)	(6.7)	72.3	44.3	34.0	0.2	25.5	59.6
EBIT before impairment charge	266.2	(56.6)	145.2	354.8	212.0	(45.0)	114.1	281.1
Net impairment charge ⁽²⁾	16.0	0.0	(0.7)	15.3	(19.1)	1.4	0.0	(17.7)
EBIT after impairment charge	282.2	(56.6)	144.5	370.1	193.0	(43.6)	114.1	263.4

⁽¹⁾ IFRS 16 impact on the core business contracts of controlled entities.

⁽²⁾ Including impairment charge on net assets of companies under joint control.

Cash Flow Statement	2023				2022			
	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities ⁽¹⁾	IFRS	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities ⁽¹⁾	IFRS
€m								
Operating Cash Flows	478.5	(15.8)	600.0	1,062.8	399.4	(10.6)	703.7	1,092.6
Change in working capital requirement	(124.3)	0.4	162.5	38.5	(6.4)	14.6	(1.2)	7.0
Net cash flow from operating activities	354.2	(15.3)	762.5	1,101.3	393.0	4.0	702.5	1,099.6
Capital expenditure	(355.1)	17.9	0.0	(337.2)	(349.9)	8.1	0.0	(341.8)
Free cash flow	(1.0)	2.4	762.5	764.1	43.2	12.1	702.5	757.8

⁽¹⁾ IFRS 16 impact on the core and non-core business contracts of controlled entities.

FULL-YEAR CONSOLIDATED FINANCIAL STATEMENTS – 2023

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Assets

<i>In million euros</i>	31/12/2023	31/12/2022
Goodwill	1,666.0	1,748.7
Other intangible assets	699.7	624.0
Property, plant and equipment	1,240.2	1,279.0
Right-of-use	2,230.1	2,725.3
Investments under the equity method	421.6	411.9
Other financial assets	83.7	114.5
Financial derivatives	-	-
Deferred tax assets	167.5	209.9
Current tax assets	2.4	2.7
Other receivables	17.9	9.4
NON-CURRENT ASSETS	6,529.0	7,125.4
Other financial assets	4.1	4.8
Inventories	187.6	161.7
Financial derivatives	6.8	2.5
Trade and other receivables	824.1	775.9
Current tax assets	16.2	22.4
Treasury financial assets	91.4	46.8
Cash and cash equivalents	1,597.2	1,919.5
CURRENT ASSETS	2,727.4	2,933.5
TOTAL ASSETS	9,256.4	10,058.9

Equity and liabilities

<i>In million euros</i>	31/12/2023	31/12/2022
Share capital	3.2	3.2
Additional paid-in capital	612.4	608.5
Treasury shares	(0.6)	(2.0)
Consolidated reserves	1,304.2	1,152.8
Consolidated net income (Group share)	209.2	132.1
Other components of equity	(177.3)	(131.3)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	1,951.0	1,763.3
Non-controlling interests	95.9	36.2
TOTAL EQUITY	2,046.9	1,799.5
Provisions	356.6	452.0
Deferred tax liabilities	36.3	79.9
Financial debt	1,922.1	1,916.4
Debt on commitments to purchase non-controlling interests	105.6	102.9
Lease liabilities	1,959.5	2,454.7
Other payables	9.7	10.2
Income tax payable	0.3	0.6
Financial derivatives	0.0	0.0
NON-CURRENT LIABILITIES	4,390.2	5,016.8
Provisions	81.0	83.8
Financial debt	770.9	993.3
Debt on commitments to purchase non-controlling interests	4.6	4.6
Financial derivatives	4.3	4.2
Lease liabilities	697.5	957.3
Trade and other payables	1,230.6	1,145.9
Income tax payable	26.6	23.7
Bank overdrafts	3.9	29.8
CURRENT LIABILITIES	2,819.4	3,242.6
TOTAL LIABILITIES	7,209.5	8,259.4
TOTAL EQUITY AND LIABILITIES	9,256.4	10,058.9

STATEMENT OF COMPREHENSIVE INCOME
Income statement

<i>In million euros</i>	2023	2022
REVENUE	3,295.9	3,074.0
Direct operating expenses	(1,420.2)	(1,198.2)
Selling, general and administrative expenses	(615.5)	(553.3)
OPERATING MARGIN	1,260.3	1,322.5
Depreciation, amortisation and provisions (net)	(870.3)	(1,072.8)
Impairment of goodwill	(17.5)	0.0
Maintenance spare parts	(46.8)	(46.0)
Other operating income	81.7	80.9
Other operating expenses	(37.4)	(21.3)
EBIT	370.1	263.4
INTERESTS ON IFRS 16 LEASE LIABILITIES	(83.8)	(84.1)
Financial income	62.5	13.4
Financial expenses	(128.6)	(64.8)
NET FINANCIAL INCOME EXCLUDING IFRS 16	(66.1)	(51.4)
NET FINANCIAL INCOME (LOSS)	(150.0)	(135.6)
Income tax	(32.6)	22.3
Share of net profit of companies under the equity method	52.0	8.6
CONSOLIDATED NET INCOME	239.5	158.7
<i>- Including non-controlling interests</i>	30.3	26.6
CONSOLIDATED NET INCOME (GROUP SHARE)	209.2	132.1
Earnings per share (in euros)	0.982	0.621
Diluted earnings per share (in euros)	0.978	0.621
Weighted average number of shares	213,008,301	212,733,422
Weighted average number of shares (diluted)	213,912,412	212,733,422

Statement of other comprehensive income

<i>In million euros</i>	2023	2022
CONSOLIDATED NET INCOME	239.5	158.7
Translation reserve adjustments ⁽¹⁾	(31.4)	5.8
Cash flow hedges	(0.6)	(1.5)
Tax on the other comprehensive income subsequently released to net income	0.9	1.2
Share of other comprehensive income of companies under equity method (after tax) ⁽²⁾	(3.9)	(11.0)
OTHER COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	(35.0)	(5.6)
Change in actuarial gains and losses on post-employment benefit plans and assets ceiling	(1.6)	25.5
Tax on the other comprehensive income not subsequently released to net income	0.3	(4.3)
Share of other comprehensive income of companies under equity method (after tax)	(1.6)	0.3
OTHER COMPREHENSIVE INCOME NOT SUBSEQUENTLY RELEASED TO NET INCOME	(2.9)	21.5
TOTAL OTHER COMPREHENSIVE INCOME	(38.0)	15.9
TOTAL COMPREHENSIVE INCOME	201.5	174.6
- Including non-controlling interests	38.4	29.7
TOTAL COMPREHENSIVE INCOME - GROUP SHARE	163.1	145.0
<p>⁽¹⁾ In 2023, translation reserve adjustments mainly related to changes in foreign exchange rates, of which €(13.8) million in Hong Kong, €(11.7) million in Australia, €(7.2) million in South Africa, €(6.5) million in France and €8.8 million in Mexico. The item also includes a €(0.1) million reclassification to net income related to changes in consolidation scope.</p> <p>In 2022, translation reserve adjustments mainly related to changes in foreign exchange rates, of which €19.1 million in Hong Kong, €7.9 million in Mexico, €(11.0) million in the United States and €(6.6) million in the United Kingdom.</p> <p>⁽²⁾ This includes reclassification to net income of translation reserves from companies accounted for under the equity method following changes in consolidation scope of €(0.3) million in 2023 and €3.1 million in 2022.</p>		

STATEMENT OF CASH FLOWS

<i>In million euros</i>	2023	2022
NET INCOME BEFORE TAX	272.1	136.5
Share of net profit of companies under the equity method	(52.0)	(8.6)
Dividends received from companies under the equity method	56.5	51.4
Expenses related to share-based payments	12.8	6.1
Gains and losses on lease contracts	(95.7)	(48.9)
Depreciation, amortisation and provisions (net)	889.4	1,074.3
Capital gains and losses and net income (loss) on changes in scope	(0.9)	(67.2)
Net discounting expenses	18.2	(2.0)
Net interest expense & interest expenses on IFRS16 lease liabilities	115.2	126.3
Financial derivatives, translation adjustments, amortised cost and other	1.5	(0.4)
Interest paid on IFRS16 lease liabilities	(98.8)	(93.8)
Interest paid	(67.0)	(45.9)
Interest received	57.8	9.7
Income tax paid	(46.4)	(44.9)
Operating Cash Flows	1,062.8	1,092.6
Change in working capital	38.5	7.0
<i>Change in inventories</i>	(22.0)	(15.6)
<i>Change in trade and other receivables</i>	(57.1)	(15.7)
<i>Change in trade and other payables</i>	117.6	38.2
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,101.3	1,099.6
Cash payments on acquisitions of intangible assets and property, plant and equipment	(372.8)	(351.2)
Cash payments on acquisitions of financial assets (long-term investments) net of cash acquired	(14.6)	(89.4)
Cash payments on acquisitions of other financial assets	(3.4)	(4.0)
TOTAL INVESTMENTS	(390.8)	(444.6)
Cash receipts on proceeds on disposals of intangible assets and property, plant and equipment	35.6	9.4
Cash receipts on proceeds on disposals of financial assets (long-term investments) net of cash sold	0.1	0.3
Cash receipts on proceeds on disposals of other financial assets	16.8	18.0
TOTAL ASSET DISPOSALS	52.5	27.7
NET CASH FLOWS FROM INVESTING ACTIVITIES	(338.3)	(416.9)
Dividends paid	(12.8)	(17.8)
Purchase of treasury shares	(36.0)	(43.1)
Cash payments on acquisitions of non-controlling interests	(0.0)	(6.3)
Capital decrease	0.0	(0.1)
Repayment of long-term borrowings	(973.8)	(1,179.2)
Repayment of lease liabilities	(762.5)	(702.5)
Acquisitions and disposals of treasury financial assets	(44.4)	-
CASH OUTFLOW FROM FINANCING ACTIVITIES	(1,829.5)	(1,949.0)
Cash receipts on proceeds on disposal of interests without loss of control	-	-
Capital increase	3.9	0.5
Sale of treasury shares	37.5	43.7
Increase in long-term borrowings	737.2	1,623.9
CASH INFLOW FROM FINANCING ACTIVITIES	778.6	1,668.2
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,050.8)	(280.8)
CHANGE IN NET CASH POSITION	(287.8)	401.8
NET CASH POSITION BEGINNING OF PERIOD	1,889.7	1,487.4
Effect of exchange rate fluctuations and other movements	(8.5)	0.5
NET CASH POSITION END OF PERIOD ⁽¹⁾	1,593.3	1,889.7