JCDecaux

Out of Home Media

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

Full-Year 2017 Results

- **Adjusted revenue up +2.3% to €3,471.9 million, adjusted organic revenue up +3.2%**
- **Adjusted operating margin of €653.5 million, up +1.1%**
- **Adjusted EBIT, before impairment charge, of €358.1 million, up +1.9%**
- **Net income Group share, before impairment charge, of €204.3 million, down -8.6%**
- **Net income Group share of €193.7 million, down -13.8%**
- **Adjusted free cash flow of €142.9 million, down -45.8%**
- **Dividend per share proposed for the year 2017, to €0.56, in line with 2016**
- **Adjusted organic revenue growth expected to be up around +2% in Q1 2018**

Paris, March 8th, 2018 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended December 31st, 2017. The accounts are audited and certified.

Following the adoption of IFRS 11 from January 1st, 2014, the operating data presented below is adjusted to include our *prorata* share in companies under joint control. Please refer to the paragraph "Adjusted data" on page 4 of this release for the definition of adjusted data and reconciliation with IFRS.

Commenting on the 2017 results, **Jean-François Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"2017 was for JCDecaux another year of record revenue at €3,471.9 million with a strong advertising revenue growth in H2 and China becoming the largest market for the Group. As expected, our Street Furniture operating margin slightly improved by 10bps mainly due to the successful launch of digital in global cities like London, New York, Berlin..., as well as the on-going turnaround of CEMUSA. However, our overall profitability declined by 30bps being affected by a margin reduction in Transport due to the ramp-up of new contracts and difficult market conditions mainly in China in H1 as well as in Billboard in line with revenue decline. Our free cash flow generation remains solid leading to a reduction of our net debt after dividend distribution and M&A transactions.

2017 was also marked by several strategic contracts wins such as Guangzhou Baiyun airport (Terminal 2) contract in China, 2 contracts in Brazil with São Paulo-Guarulhos airport and São Paulo metro, 2 concessions in Australia with the Yarra trams contract in Melbourne (trams and tram shelters) and the digital payphones contract with Telstra, as well as the Rotterdam Transport and Street Furniture contract. In France, we won several new contracts, of which Nantes, and renewed Lyon, Nice and Antibes. We also renewed Brussels airport. At last, driving the consolidation in Latin America, we successfully merged our businesses with América Móvil in October in Mexico, second advertising market of the continent with solid growth perspectives.

Given our strong financial flexibility, we recommend to maintain the payment of a dividend of €0.56 per share, in line with 2016, at the Annual General Meeting which will take place on May 17th, 2018.

As far as Q1 2018 is concerned, we expect our adjusted organic revenue growth to be up around +2%, which is significantly affected by the decision of the "Conseil d'Etat" to cancel the Paris "City Information Panels" interim contract, as well as the opening of Guangzhou Baiyun airport (Terminal 2) which is now due in Q2 2018.

In a media landscape increasingly fragmented, out-of-home advertising reinforces its attractiveness. With our strong exposure to faster-growth markets, our growing premium digital portfolio combined *with a new data-led audience targeting platform, our ability to win new contracts and the high quality of our teams across the world, we believe we are well positioned to continue to outperform the global advertising market and increase our leadership position in the outdoor advertising industry through profitable market share gains. The strength of our balance sheet is a key competitive advantage that will allow us to pursue further external growth opportunities as they arise."*

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ADJUSTED REVENUE

As reported on January 30th, 2018, consolidated adjusted revenue increased by +2.3% to €3,471.9 million in 2017. Adjusted organic revenue grew by +3.2%. This strong performance reflects a growing contribution from our digital Street Furniture assets and the recovery of our operations in China, combined with an improvement in France, as well as solid revenue growth in the US and in the Rest of Europe. The UK is weakening while the Rest of the World is starting to benefit from the market consolidation, especially in Latin America. Street Furniture, with a +4.4% organic growth rate, continues to benefit from the ongoing digitisation of our prime portfolio which now represents 14.0% of our Street Furniture revenue. Transport grew by +4.5% on an organic basis thanks to the recovery of our operations in China and a growing contribution from digital representing 22.2% of our Transport revenue. Billboard remains challenging in most European countries with an organic revenue decline of -4.2% due to both the lack of consolidation and a smaller contribution of digital which represents only 8.9% of our Billboard revenue.

ADJUSTED OPERATING MARGIN (1)

In 2017, adjusted operating margin increased by +1.1% to €653.5 million from €646.5 million in 2016. The adjusted operating margin as a percentage of revenue was 18.8%, -30bp below prior year.

	2017		2016		Change 17/16	
	€m	**% of revenue**	**€m**	**% of revenue**	**Change (%)**	**Margin rate (bp)**
Street Furniture	420.2	26.7%	405.4	26.6%	+3.7%	+10bp
Transport	177.7	12.7%	182.0	13.2%	-2.4%	-50bp
Billboard	55.6	11.2%	59.1	11.9%	-5.9%	-70bp
Total	**653.5**	**18.8%**	**646.5**	**19.1%**	**+1.1%**	**-30bp**

Street Furniture: In 2017, adjusted operating margin increased by +3.7% to €420.2 million. As a percentage of revenue, the adjusted operating margin increased by 10bp to 26.7%, compared to 2016, thanks to the digital expansion in the UK, the Rest of Europe and North America, as well as the on-going turnaround of CEMUSA, partly offset by the impact of a revenue decrease in France.

Transport: In 2017, adjusted operating margin decreased by -2.4% to €177.7 million. As a percentage of revenue, the adjusted operating margin decreased by 50bp to 12.7%, compared to 2016, mainly due to new contracts in Latin America, combined with difficult market conditions in Middle East and in China in H1.

Billboard: In 2017, adjusted operating margin decreased by -5.9% to €55.6 million. As a percentage of revenue, adjusted operating margin decreased by 70bp to 11.2% compared to 2016, in line with the revenue decline of the business segment.

ADJUSTED EBIT (2)

In 2017, adjusted EBIT before impairment charge increased by +1.9% to €358.1 million compared to €351.4 million in 2016. As a percentage of revenue, this represented a 10bp decrease to 10.3%, from 10.4% in 2016. The consumption of maintenance spare parts was virtually flat in 2017 compared to 2016. Net amortisation and provisions, which were up compared to last year due to a less important reversal on provisions for onerous contracts in 2017, related to the Purchase Accounting of CEMUSA and OUTFRONT Media Latam, were compensated by a positive impact of the other operating income and expenses variation mainly related to some assets disposals and one-off items.

No impairment charge on goodwill and on investments under equity method has been recorded in 2017 as in 2016. The €12.3 million impairment charge, resulting from the impairment test conducted for tangible and intangible assets, are related to a €2.9 million net provision for onerous contracts and to a €9.4 million impairment charge on tangible.

Adjusted EBIT after impairment charge decreased by -2.1% to €345.8 million compared to €353.1 million in 2016.

NET FINANCIAL INCOME / (LOSS) (3)

In 2017, net financial income was -€33.1 million compared to -€28.9 million, up compared to 2016, mainly due to net interest expenses of the new bond of €750 million issued in June 2016 that has been used to repay the 2013 bond for €500 million on February 8th, 2018.

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EQUITY AFFILIATES

In 2017, the share of net profit from equity affiliates was €100.3 million, higher compared to 2016 (€95.2 million).

NET INCOME GROUP SHARE

In 2017, net income Group share before impairment charge decreased by -8.6% to €204.3 million compared to €223.5 million in 2016, affected by an unfavourable adjustment on deferred tax related to the change in US Federal tax rate, despite the positive impact of the income tax receivable for retroactive cancellation of the 3% dividend tax paid over 2013 to 2017 in France.
Taking into account the impact from the impairment charge, net income Group share decreased by -13.8% to €193.7 million compared to €224.7 million in 2016.

ADJUSTED CAPITAL EXPENDITURE

In 2017, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was at €289.7 million compared to €242.3 million in 2016, with higher growth capex due to new contracts mainly in China and in Brazil.

ADJUSTED FREE CASH FLOW (4)

In 2017, adjusted free cash flow was €142.9 million compared to €263.7 million in 2016. This decrease is mainly related to higher capex and to an unfavourable variation in our working capital requirements compared to 2016, mainly due to the strong revenue growth in Q4 2017 as well as pre-paid rentals on some new contracts.

NET DEBT (5)

Net debt as of December 31st, 2017 decreased to €384.4 million compared to €418.6 million as of December 31st, 2016.
In July 2017, the maturity of our unused, confirmed, revolving credit facility of €825m has been extended for one more year to July 2022.

DIVIDEND

At the next Annual General Meeting of Shareholders on May 17th, 2018, the Supervisory Board will recommend to maintain the payment of a dividend of €0.56 per share for the 2017 financial year, in line with the previous year.

ADJUSTED DATA

Under IFRS 11, applicable from January 1st, 2014, companies under joint control are accounted for using the equity method.
However, in order to reflect the business reality of the Group, operating data of the companies under joint control continue to be proportionately integrated in the operating management reports used to monitor the activity, allocate resources and measure performance.
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 which are reconciled with IFRS financial statements.
In 2017, the impact of IFRS 11 on our adjusted aggregates is:

- -432.1 million on adjusted revenue (-€418.3 million in 2016) leaving IFRS revenue at €3,039.8 million (€2,974.5 million in 2016).
- -€128.7 million on adjusted operating margin (-€118.4 million in 2016) leaving IFRS operating margin at €524.8 million (€528.1 million in 2016).
- -€110.2 million on adjusted EBIT before impairment charge (-€100.8 million in 2016) leaving IFRS EBIT before impairment charge at €247.9 million (€250.6 million in 2016).
- -€110.2 million on adjusted EBIT after impairment charge (-€100.8 million in 2016) leaving IFRS EBIT after impairment charge at €235.6 million (€252.3 million in 2016).
- -€14.9 million on adjusted capital expenditure (-€14.7 million in 2016) leaving IFRS capital expenditure at €274.8 million (€227.6 million in 2016).
- +€16.5 million on adjusted free cash flow (-€34.2 million in 2016) leaving IFRS free cash flow at €159.4 million (€229.5 million in 2016).

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

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NOTES

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

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

(3) **Net financial income / (loss):** Excluding the impact of discounting and revaluation of debt on commitments to purchase non-controlling interests (-€2.1 million and +€10.1 million in 2017 and 2016 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 non-controlling interests), including the non-cash IAS 39 impact on both debt and hedging financial derivatives.

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
2016 adjusted revenue	**(a)**	**748.5**	**868.8**	**792.7**	**982.8**	**3,392.8**
2017 IFRS revenue	**(b)**	**670.2**	**770.6**	**712.1**	**886.9**	**3,039.8**
IFRS 11 impacts	(c)	87.4	113.2	99.9	131.6	432.1
2017 adjusted revenue	**(d) = (b) + (c)**	**757.6**	**883.8**	**812.0**	**1,018.5**	**3,471.9**
Currency impacts	(e)	(4.1)	1.0	21.5	30.6	49.0
2017 adjusted revenue at 2016 exchange rates	**(f) = (d) + (e)**	**753.5**	**884.8**	**833.5**	**1,049.1**	**3,520.9**
Change in scope	(g)	(12.4)	(2.9)	(1.9)	(2.5)	(19.7)
2017 adjusted organic revenue	**(h) = (f) + (g)**	**741.1**	**881.9**	**831.6**	**1,046.6**	**3,501.2**
Organic growth	**(i) = (h) / (a)**	**-1.0%**	**+1.5%**	**+4.9%**	**+6.5%**	**+3.2%**

€m	Impact of currency in 2017
GBP	25.3
USD	6.0
RMB	16.2
HKD	5.0
Other	(3.5)
Total	**49.0**

Average exchange rate	2017	2016
GBP	1.1407	1.2203
USD	0.8852	0.9034
RMB	0.1311	0.1360
HKD	0.1136	0.1164

Next information: Q1 2018 revenue: May 14th, 2018 (after market) Annual General Meeting of Shareholders: May 17th, 2018

Key Figures for JCDecaux

- *2017 revenue: €3,472m*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 and Euronext Family Business indexes*
- *JCDecaux is part of the FTSE4Good and Dow Jones Sustainability Europe indexes*
- *N°1 worldwide in street furniture (543,050 advertising panels)*
- *N°1 worldwide in transport advertising with more than 215 airports and 250 contracts in metros, buses, trains and tramways (356,320 advertising panels)*
- *N°1 in Europe for billboards (141,630 advertising panels)*
- *N°1 in outdoor advertising in Europe (672,220 advertising panels)*
- *N°1 in outdoor advertising in Asia-Pacific (216,290 advertising panels)*
- *N°1 in outdoor advertising in Latin America (77,190 advertising panels)*
- *N°1 in outdoor advertising in Africa (26,770 advertising panels)*
- *N°1 in outdoor advertising in the Middle-East (18,650 advertising panels)*
- *Leader in self-service bike rental scheme: pioneer in eco-friendly mobility*
- *1,074,113 advertising panels in more than 75 countries*
- *Present in 4,033 cities with more than 10,000 inhabitants*
- *13,040 employees*

Forward looking statements

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

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RECONCILIATION BETWEEN ADJUSTED FIGURES AND IFRS FIGURES

Profit & Loss

	2017			2016		
€m	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
Revenue	**3,471.9**	**(432.1)**	**3,039.8**	**3,392.8**	**(418.3)**	**2,974.5**
Operating costs	(2,818.4)	303.4	(2,515.0)	(2,746.3)	299.9	(2,446.4)
Operating margin	**653.5**	**(128.7)**	**524.8**	**646.5**	**(118.4)**	**528.1**
Maintenance spare parts	(46.6)	1.3	(45.3)	(46.1)	1.0	(45.1)
Amortisation and provisions (net)	(239.7)	17.0	(222.7)	(215.8)	16.6	(199.2)
Other operating income / expenses	(9.1)	0.2	(8.9)	(33.2)	0.0	(33.2)
EBIT before impairment charge	**358.1**	**(110.2)**	**247.9**	**351.4**	**(100.8)**	**250.6**
Net impairment charge (1)	(12.3)	-	(12.3)	1.7	-	1.7
EBIT after impairment charge	**345.8**	**(110.2)**	**235.6**	**353.1**	**(100.8)**	**252.3**

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

Cash-flow Statement

	2017			2016		
€m	Adjusted	Impact of companies under joint control	IFRS	Adjusted	Impact of companies under joint control	IFRS
Funds from operations net of maintenance costs	**436.9**	**(25.4)**	**411.5**	**458.1**	**(19.0)**	**439.1**
Change in working capital requirement	(4.3)	27.0	22.7	47.9	(29.9)	18.0
Net cash flow from operating activities	**432.6**	**1.6**	**434.2**	**506.0**	**(48.9)**	**457.1**
Capital expenditure	(289.7)	14.9	(274.8)	(242.3)	14.7	(227.6)
Free cash flow	**142.9**	**16.5**	**159.4**	**263.7**	**(34.2)**	**229.5**