JCDecaux

Q3 2018 – Business review

Paris, November 8th, 2018 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, published today its revenue for the three months ended September 30th, 2018.

THIRD QUARTER 2018: BUSINESS HIGHLIGHTS

Key contracts wins

- ***France***

In August, JCDecaux announced that it has won, following a competitive tender, the 10-year advertising street furniture contract for the city of Perpignan (population: 117,000).

- ***United Kingdom***

In September, JCDecaux announced the signature of a 5-year deal with Network Rail that will see the number one outdoor advertising company worldwide deliver an improved station environment with a 100% digital transport environment at Network Rail stations.

In September, JCDecaux announced that it has commissioned the globally renowned Zaha Hadid Design to create a landmark advertising structure in London that integrates public art, contemporary design and digital media. Unveiled today, The Kensington provides brands with a unique communications' channel in the capital that combines the latest in digital screen technology with a spectacular, curved double-ribbon stainless steel design.

- ***Asia-Pacific***

In September, JCDecaux announced that its Japanese subsidiary, MCDecaux (85% owned by JCDecaux and 15% by Mitsubishi Corporation) has been awarded a 20-year Tokyo advertising bus shelter contract by Odakyu Bus Corporation.

In September, JCDecaux announced that its wholly-owned subsidiary JCDecaux Advertising (Shanghai) Co., Ltd., following a competitive tender, has signed the 10-year advertising contract with Tianjin Metro Resource Investment Co., Ltd., the subsidiary of Tianjin Rail Transit Group. The two parties will establish a joint venture (60% owned by JCDecaux and 40% by the Metro) for the operation and management of advertising on Lines 5 and 6 in Tianjin Metro.

- ***Rest of the World***

In July, JCDecaux announced that JCDecaux Côte d'Ivoire, joint venture jointly owned with Bolloré Group has signed a 20-year contract with SOTRA, the Abidjan Transport Company ("Société des Transports Abidjanais"), for the implementation of a street furniture advertising program (bus shelters and signposts) as well as advertising operations for SOTRA's different transport networks (buses, train stations, bus terminals, and water buses) in the Abidjan district (nearly 5 million inhabitants).

In July, JCDecaux announced that JCDecaux Côte d'Ivoire, joint venture jointly owned with Bolloré Group has signed a 20-year contract for a street furniture advertising program with Cocody (around 800,000 inhabitants).

Acquisitions, divestitures and financial investments

- ***Asia-Pacific***

In August and September, JCDecaux did several press releases regarding APN Outdoor acquisition, of which the decision of the ACCC (Australian Competition and Consumer Commission) to grant clearance of JCDecaux's acquisition of APN Outdoor, the decision of the Federal Court of Australia approving the dispatch of the scheme booklet to the shareholders and the decision of the Australian Foreign Investment Review Board (FIRB) indicating that the Commonwealth of Australia has no objection to JCDecaux's acquisition of APN Outdoor.

- ***Rest of the World***

In July, JCDecaux announced that it has acquired 100% of Corameq, a holding company of Eumex, after acquiring the stakes of the two founders and noncontrolling shareholders: Antonio Torres and Carlos de Meer.

THIRD QUARTER 2018 AND OUTLOOK

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 3 of this release for the definition of adjusted data and reconciliation with IFRS.
The 2017 comparative figures are restated from the retrospective application of IFRS 15 "Revenue from Contracts with Customers", applicable from January 1st, 2018. The application of IFRS 15 leads to the change in presentation of invoices relating to advertising taxes. The impact on previously published Q3 2017 and the first nine months of 2017 figures are +5.1 million and +€15.1 million on adjusted revenue, respectively.

Adjusted revenue for the third quarter of 2018 increased by +6.2% to €867.7 million compared to €817.1 million in Q3 2017.
Excluding the negative impact from foreign exchange variations and the positive impact from changes in perimeter, adjusted organic revenue grew by +7.3%.
Adjusted organic advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, increased by +8.0% in the third quarter of 2018.

Q3 adjusted revenue	**2018 (€m)**	**2017 (€m)**	**Reported growth**	**Organic growth(a)**
Street Furniture	365.0	362.5	+0.7%	+2.3%
Transport	384.9	335.3	+14.8%	+15.5%
Billboard	117.8	119.3	-1.3%	-0.5%
Total	**867.7**	**817.1**	**+6.2%**	**+7.3%**

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

9-month adjusted revenue	**2018 (€m)**	**2017 (€m)**	**Reported growth**	**Organic growth(a)**
Street Furniture	1,107.7	1,114.1	-0.6%	+2.7%
Transport	1,044.3	987.0	+5.8%	+9.9%
Billboard	359.0	367.4	-2.3%	-0.8%
Total	**2,511.0**	**2,468.5**	**+1.7%**	**+5.1%**

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

Please note that the geographic comments hereafter refer to organic revenue growth.

STREET FURNITURE

Third quarter adjusted revenue increased by +0.7% to €365.0 million (+2.3% on an organic basis). Europe (including France and the UK) was slightly up, negatively affected by the cancellation of the Paris "City Information Panels" interim contract in France. Asia-Pacific was up strongly with a double-digit growth, mainly driven by our new contracts in Australia. North America was up. The Rest of the World was down.
Third quarter adjusted organic advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were up +3.6% compared to the third quarter of 2017.

TRANSPORT

Third quarter adjusted revenue increased by +14.8% to €384.9 million (+15.5% on an organic basis). Europe (including France and the UK), Asia-Pacific and North America delivered a strong double-digit growth. The Rest of the World showed negative growth.

BILLBOARD

Third quarter adjusted revenue decreased by -1.3% to €117.8 million (-0.5% on an organic basis). Europe (including France and the UK) was down, affected by the on-going footprint reduction in our UK traditional portfolio, while our UK digital billboard business remained strong and our performance in France was good. The Rest of the World and North America were up.

Commenting on the 2018 third quarter revenue, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"Our strong Q3 organic revenue growth rate of +7.3% is our second best quarterly revenue performance since 2011 and reflects both, the strong performance of our Transport advertising business in China, as well the successful on-going digitisation of our prime OOH media assets across all business divisions. Street Furniture's organic revenue growth of +2.3% was mainly driven by a +37.5% digital revenue increase, while analogue revenue continued to be negatively affected by the unexpected cancellation of the Paris "City Information Panels" interim contract in France. Transport's organic revenue growth rate of +15.5% was driven by both, a double-digit revenue growth in China combined with a good sales performance in Europe as well as in North America, and digital growing at +48.6%. Our slight organic revenue decline of -0.5% in our Billboard division was mainly due to the on-going dismantling of traditional billboard panels in the UK while Group digital billboard revenue grew at +29.6% and our performance in France was good.

The closing of the APN Outdoor acquisition on October 31st, 2018 is paving the way for JCDecaux to grow its OOH market share close to 40% in Australia which is the world's 7th largest media market with a significant exposure to DOOH (c.50% of outdoor advertising revenue).

As far as Q4 2018 is concerned, and bearing in mind the strong Q4 2017 as well as a soft current trading in our metro business in China in Q4 2018, we expect our adjusted organic revenue growth rate to be at around +4% leading to a full year organic revenue growth rate around +4.5%.

In a media landscape increasingly fragmented, out-of-home advertising reinforces its attractiveness. With our accelerating 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 outperform the 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 and to continue to invest significantly in digital."

ADJUSTED DATA

Under IFRS 11, applicable from 1st January, 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 will 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, consistent with historical data prior to 2014, which is reconciled with IFRS financial statements.
In Q3 2018, the impact of IFRS 11 on adjusted revenue was -€108.0 million (-€99.9 million in Q3 2017), leaving IFRS revenue at €759.7 million (€717.2 million in Q3 2017).
For the first nine months of 2018, the impact of IFRS 11 on adjusted revenue was -€303.5 million (-€300.5 million for the first nine months of 2017), leaving IFRS revenue at €2,207.5 million (€2,168.0 million for the first nine months of 2017).

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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	9-month
2017 adjusted revenue	**(a)**	**762.6**	**888.8**	**817.1**	**2,468.5**
2018 IFRS revenue	**(b)**	**658.0**	**789.8**	**759.7**	**2,207.5**
IFRS 11 impacts	(c)	84.5	111.0	108.0	303.5
2018 adjusted revenue	**(d) = (b) + (c)**	**742.5**	**900.8**	**867.7**	**2,511.0**
Currency impacts	(e)	42.1	32.2	10.6	84.9
2018 adjusted revenue at 2017 exchange rates	**(f) = (d) + (e)**	**784.6**	**933.0**	**878.3**	**2,595.9**
Change in scope	(g)	(0.3)	(0.5)	(1.5)	(2.3)
2018 adjusted organic revenue	**(h) = (f) + (g)**	**784.3**	**932.5**	**876.8**	**2,593.6**
Organic growth	**(i) = (h) / (a)**	**+2.8%**	**+4.9%**	**+7.3%**	**+5.1%**

€m	Impact of currency as of September 30th, 2018
USD	14.2
HKD	11.8
BRL	11.3
RMB	9.0
GBP	3.3
Other	35.3
Total	**84.9**

Average exchange rate	9-month 2018	9-month 2017
USD	0.8374	0.8976
HKD	0.1068	0.1152
BRL	0.2327	0.2829
RMB	0.1286	0.1320
GBP	1.1312	1.1452

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.

FINANCIAL SITUATION

The evolution of revenues is the major factor which to impact the operating margin, free cash flow or net debt during Q3 2018.