JCDecaux

Full-Year 2020 results

- **Adjusted revenue down -40.6% to €2,311.8 million**
- **Adjusted organic revenue down -38.1%**
- **Adjusted operating margin of €141.6 million**
- **Adjusted EBIT, before impairment charge, of -€352.9 million**
- **Net income Group share of -€604.6 million, including an impairment charge of €211.3 million**
- **Adjusted free cash flow of €161.9 million**
- **Best-in-class in ESG ratings**
- **Proposal not to pay any dividend in 2021**
- **Adjusted organic revenue decline in Q1 2021 at around -40% but double digit rebound in domestic Chinese advertising revenue**

Paris, March 11th, 2021 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its results for the year ended December 31st, 2020. JCDecaux Supervisory Board, which met on March 10th, 2021, approved the audited financial statements for fiscal year 2020. A report with an unqualified opinion is being issued by the Statutory Auditors.

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 contracts (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).

Please refer to the paragraph "Adjusted data" on pages 4 and 5 of this release for the definition of adjusted data and reconciliation with IFRS.

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.

Commenting on the 2020 results, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"In 2020, JCDecaux, the world's largest Out-of-Home media company, faced its most difficult year since it was founded in 1964, caused by the Covid-19 pandemic which forced national, regional and local governments to impose unprecedented mobility restrictions in modern history such as lockdowns, curfews, closures of stores, restaurants, cinemas, …

Our Group revenue declined by -40.6% reaching €2,311.8 million with a decrease in adjusted organic revenue of -38.1%, with a slightly better H2. Despite this strong decline, our 2020 operating margin remained positive at €141.6 million thanks to strong and fast adjustments achieved by our fully committed teams around the world in good faith with our partners. Our strong focus on cash preservation and cost savings paved the way for offsetting 59% of this very significant revenue decline. Our free cash flow remained solid at €161.9 million thanks to a tight control over working capital requirement and selective capex allocation for future growth, which led to a decrease in net debt at €1,086.3 million by the end of 2020.

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Registered capital of 3,245,684.82 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

Given the 2020 results, the first loss ever – including exceptional charges due to Covid-19 situation, we will propose at the Annual General Meeting which will take place on May 20th, 2021, not to pay any dividend in 2021.

Our digital transformation continues with a growing penetration in Street Furniture while the total share of digital revenue now represents 24% of Group revenue. While the current programmatic penetration is small, we are very well positioned to take advantage of the impressive growth forecast with our programmatic trading platform, VIOOH, which is the most connected platform with 20 DSPs transacting in 14 countries. Most advertising categories were significantly affected during the crisis, but we saw an increasing demand from Government and Public Services to use our assets and to engage with citizens over the year. Our client mix with our Top 10 clients remains diversified and represents less than 13% of Group revenue.

We remained committed to bolt-on M&A acquisitions such as Clear Media in China through a consortium of investors in March 2020 and more recently Abri Services Media in France in December 2020. These 2 acquisitions in our largest 2 markets, will enable JCDecaux to benefit from the rebound of Street Furniture, the most profitable business segment, which will be the first business to fully recover.

Following the 4.6/5 score in the FTSE4Good index by FTSE Russell and a confirmed "A Leadership" ranking in the CDP Climate Change rating, JCDecaux has obtained the maximum AAA score in the Corporate Social Responsibility (CSR) rankings of the Morgan Stanley Capital International (MSCI) ratings agency for the fourth consecutive year. JCDecaux is the only company on the Media & Entertainment panel to have obtained MSCI's maximum rating in 2020. The acknowledgement of our sustainability strategy by extra-financial rating agencies demonstrates the excellence of our environmental, social and governance practices which have been in our DNA since the company was created, as well as our ongoing commitment to ensuring transparency towards our stakeholders.

As far as Q1 2021 is concerned, we expect an adjusted organic revenue decline at around -40%, due to ongoing and stronger mobility restrictions introduced in some large countries, such as UK and Germany, while a double digit rebound in domestic Chinese advertising revenue (excluding Hong Kong) is very encouraging. While we do not expect to recover our 2019 revenue level in 2021, we believe that the rebound will be strong when audiences return to pre-Covid levels.

In a media landscape increasingly fragmented and more and more digital, out-of-home and digital out-of-home advertising reinforce its attractiveness. As the most digitised global OOH company with our new data-led audience targeting and programmatic platform, our well diversified portfolio, our ability to win new contracts, the strength of our balance sheet and the high quality of our teams across the world, we believe we are well positioned to benefit from the rebound."

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ADJUSTED REVENUE

As reported on January 28th, 2021, consolidated adjusted revenue decreased by -40.6% to €2,311.8 million in 2020. Adjusted organic revenue decreased by -38.1%. Our Street Furniture and Billboard revenue declined less than Transport reflecting better pedestrian and car traffic audiences recovering rapidly when lockdowns were lifted. Transport was the most affected part of our business with airports strongly impacted by the collapse of international traffic.
By geography, France and Rest of Europe improved the most over H2 2020, mainly thanks to Street Furniture. In Asia-Pacific and more specifically in Mainland China, businesses exposed to domestic audiences, including domestic airport terminals, improved in H2 2020 as well, while international hubs remained heavily affected by little international traffic. North America, the Rest of the World and UK were the most affected regions across the 3 business segments throughout the year.

ADJUSTED OPERATING MARGIN (1)

In 2020, despite the unprecedented revenue decline, adjusted operating margin remained positive at €141.6 million, a decrease of -82.1% compared to €792.2 million in 2019. Adjusted operating margin as a percentage of revenue was 6.1%, -1,430bp below prior year.

	2020		2019		Change 20/19	
	€m	% of revenue	€m	% of revenue	Change (%)	Margin rate (bp)
Street Furniture	145.4	12.9%	452.3	26.8%	-67.9%	-1,390bp
Transport	2.6	0.3%	265.9	16.2%	-99.0%	-1,590bp
Billboard	(6.3)	-1.7%	74.1	13.1%	-108.5%	-1,480bp
Total	**141.6**	**6.1%**	**792.2**	**20.4%**	**-82.1%**	**-1,430bp**

Street Furniture: In 2020, adjusted operating margin decreased by -67.9% to €145.4 million. As a percentage of revenue, the adjusted operating margin decreased by -1,390bp to 12.9%, compared to 2019.

Transport: In 2020, adjusted operating margin decreased by -99.0% to €2.6 million. As a percentage of revenue, the adjusted operating margin decreased by -1,590bp to 0.3% compared to 2019.

Billboard: In 2020, adjusted operating margin decreased by -108.5% to -€6.3 million. As a percentage of revenue, adjusted operating margin decreased by -1,480bp to -1.7% compared to 2019.

ADJUSTED EBIT (2)

In 2020, adjusted EBIT before impairment charge decreased by -191.6% to -€352.9 million compared to €385.2 million in 2019. As a percentage of revenue, this represented a -2,520bp decrease to -15.3%, from 9.9% in 2019. The decrease is mainly due to the operating margin decline and, to a lesser extent, to non-recurring other operating income and expenses , such as a net loss on sale of Russ Outdoor mainly due to foreign exchange recycling for €39.0 million and restructuring costs for €31.7 million.

An overall -€222.3 million impairment charge was recognised in 2020 mainly due to the consequences of the Covid-19 situation: -€36.7 million impairment charge on intangible assets and PP&E, a -€9.4 million net provision for onerous contracts and -€0.2 million provision on net assets from companies under joint control and -€176.0m impairment charge on goodwill, of which -€128.0m related the Pacific region and -€48.0m related to the Billboard business in the Rest of the World (-€10.0m impairment charge on goodwill was recorded in 2019).

Adjusted EBIT, after impairment charge decreased by -249.4% to -€575.2 million compared to €384.9 million in 2019.

NET FINANCIAL INCOME / (LOSS) (3)

In 2020, interest expenses on IFRS 16 leases were -€118.1 million compared to -€152.0 million in 2019, a favourable variation of €33.9 million mainly coming from the mechanical impact of the contract life progression.

In 2020, excluding IFRS 16, other net financial income / (loss) was -€40.6 million compared to -€24.4 million in 2019, a variation of -€16.2 million corresponding to the financial interest expenses mainly relating to the €1.2 billion bond placed in April 2020.

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EQUITY AFFILIATES

In 2020, the share of net profit from equity affiliates was -€1.3 million, lower compared to 2019 (€102.0 million), their business being negatively impacted by the Covid-19 pandemic.

NET INCOME GROUP SHARE

Net income Group share was a net loss of -€604.6 million in 2020 compared to €265.5 million in 2019.

Excluding the impact from the impairment charge, net income Group share was -€393.3 million in 2020 compared to €267.3 million in 2019.

ADJUSTED CAPITAL EXPENDITURE

In 2020, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was at €185.0 million compared to €375.4 million, down -50.7% compared to last year. Capex to pursue digitisation in premium locations and to roll-out our programmatic trading platform was maintained, as well as our IT projects to automate our business processes.

ADJUSTED FREE CASH FLOW (4)

In 2020, adjusted free cash flow was €161.9 million compared to €169.7 million in 2019. This limited decrease is mainly due to significantly lower working capital requirements with a tight management over cash collection and payment and a significant decrease in capex.

DIVIDEND

No dividend was paid in 2020 in the context of the Covid-19 pandemic, in order to strengthen Group's liquidity, balance sheet and financial flexibility.

Given the 2020 results, we will recommend not to pay any dividend in 2021 at the next Annual General Meeting which will take place on May 20th, 2021.

NET DEBT (5)

Net debt as of December 31st, 2020 amounted to €1,086.3 million compared to a net debt position of €1,125.0 million as of December 31st, 2019 thanks to measures taken by the Group to mitigate the revenue decline and preserve cash.

RIGHTS-OF-USE & LEASE LIABILITIES, IFRS 16

Rights-of-use, IFRS 16 as of December 31st, 2020 amounted to €3,416.5 million compared to €4,115.8 million as of December 31st, 2019, a decrease related to the amortisation of rights-of-use, contracts renegotiations and foreign exchange rate impacts partially offset by new contracts, contracts extended and contracts renewed.

IFRS 16 lease liabilities decreased by €608.0 million from €4,753.8 million as of December 31st, 2019 to €4,145.8 million as of December 31st, 2020, the decrease in lease liabilities corresponding to rents paid and renegotiated and foreign exchange rate impacts partially offset by new contracts, contracts extended and contracts renewed.

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. As regards Free cash flow, IFRS 16 impact is restated on core and non-core business rents. 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 contracts (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 2020, the impacts of IFRS 11 and IFRS 16 on our adjusted aggregates are:

- -€212.0 million for IFRS 11 on adjusted revenue (-€402.5 million for IFRS 11 in 2019) leaving IFRS revenue at €2,099.8 million (€3,487.6 million in 2019).
- -€41.5 million for IFRS 11 and €978.6 million for IFRS 16 on adjusted operating margin (-€123.8 million for IFRS 11 and €1,046.6 million for IFRS 16 in 2019) leaving IFRS operating margin at €1,078.7 million (€1,715.0 million in 2019).
- -€19.7 million for IFRS 11 and €118.9 million for IFRS 16 on adjusted EBIT before impairment charge (-€98.7 million for IFRS 11 and €185.0 million for IFRS 16 in 2019) leaving IFRS EBIT before impairment charge at -€253.7 million (€471.6 million in 2019).
- -€19.5 million for IFRS 11 and €118.9 million for IFRS 16 on adjusted EBIT after impairment charge (-€109.4 million for IFRS 11 and €185.0 million for IFRS 16 in 2019) leaving IFRS EBIT after impairment charge at -€475.8 million (€460.6 million in 2019).
- €8.0 million for IFRS 11 on adjusted capital expenditure (€15.1 million for IFRS 11 in 2019) leaving IFRS capital expenditure at -€176.9 million (-€360.3 million in 2019).
- €16.0 million for IFRS 11 and €533.2 million for IFRS 16 on adjusted free cash flow (€19.9 million for IFRS 11 and €950.3 million for IFRS 16 in 2019) leaving IFRS free cash flow at €711.2 million (€1,139.9 million in 2019).

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, 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 net impact of discounting and revaluation of debt on commitments to purchase minority interests (-€2.1 million and -€12.0 million in 2020 and 2019 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
2019 adjusted revenue	**(a)**	**840.0**	**1,002.3**	**925.8**	**1,122.0**	**3,890.2**
2020 IFRS revenue	**(b)**	**658.2**	**310.4**	**495.0**	**636.2**	**2,099.8**
IFRS 11 impacts	(c)	65.4	41.5	46.2	58.9	212.0
2020 adjusted revenue	**(d) = (b) + (c)**	**723.6**	**351.8**	**541.2**	**695.1**	**2,311.8**
Currency impacts	(e)	1.7	8.0	15.5	22.2	47.4
2020 adjusted revenue at 2019 exchange rates	**(f) = (d) + (e)**	**725.3**	**359.9**	**556.7**	**717.3**	**2,359.2**
Change in scope	(g)	(2.3)	7.0	18.4	24.8	47.9
2020 adjusted organic revenue	**(h) = (f) + (g)**	**723.0**	**366.8**	**575.2**	**742.1**	**2,407.1**
Organic growth	**(i) = (h) / (a)**	**-13.9%**	**-63.4%**	**-37.9%**	**-33.9%**	**-38.1%**

€m	Impact of currency as of December 31st, 2020
BRL	12.5
USD	4.8
RMB	4.7
AUD	3.7
Other	21.7
Total	**47.4**

Average exchange rate	FY 2020	FY 2019
BRL	0.1697	0.2266
USD	0.8755	0.8933
RMB	0.1270	0.1293
AUD	0.6043	0.6208

Next information:
Q1 2021 revenue: May 18th, 2021 (after market)
Annual General Meeting of Shareholders: May 20th, 2021

Key Figures for JCDecaux

- *2020 revenue: €2,312m*
- *Present in 3,670 cities with more than 10,000 inhabitants*
- *A daily audience of more than 840 million people in more than 80 countries*
- *10,230 employees*
- *Leader in self-service bike rental scheme: pioneer in eco-friendly mobility*
- *1st Out-of-Home Media company to join the RE100 (committed to 100% renewable energy)*
- *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, MSCI and CDP (Climate Change) rankings*
- *964,760 advertising panels worldwide*
- *N°1 worldwide in street furniture (489,500 advertising panels)*
- *N°1 worldwide in transport advertising with 156 airports and 249 contracts in metros, buses, trains and tramways (329,790 advertising panels)*
- *N°1 in Europe for billboards (129,970 advertising panels)*
- *N°1 in outdoor advertising in Europe (615,530 advertising panels)*
- *N°1 in outdoor advertising in Asia-Pacific (216,590 advertising panels)*
- *N°1 in outdoor advertising in Latin America (66,120 advertising panels)*
- *N°1 in outdoor advertising in Africa (22,500 advertising panels)*
- *N°1 in outdoor advertising in the Middle East (15,350 advertising panels)*

For more information about JCDecaux, please visit jcdecaux.com.
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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

€m	2020 Adjusted	2020 Impact of companies under joint control	2020 Impact of IFRS 16 from controlled entities [1]	2020 IFRS	2019 Adjusted	2019 Impact of companies under joint control	2019 Impact of IFRS 16 from controlled entities [1]	2019 IFRS [2]
Revenue	**2,311.8**	**(212.0)**	**-**	**2,099.8**	**3,890.2**	**(402.5)**	**-**	**3,487.6**
Net operating costs	(2,170.2)	170.5	978.6	(1,021.1)	(3,098.0)	278.7	1,046.6	(1,772.7)
Operating margin	**141.6**	**(41.5)**	**978.6**	**1,078.7**	**792.2**	**(123.8)**	**1,046.6**	**1,715.0**
Maintenance spare parts	(47.1)	1.2	-	(46.0)	(41.6)	1.1	-	(40.5)
Amortisation and provisions (net)	(367.6)	21.3	(868.4)	(1,214.7)	(358.1)	23.5	(924.7)	(1,259.3)
Other operating income / expenses	(79.8)	(0.6)	8.7	(71.8)	(7.2)	0.5	63.1	56.4
EBIT before impairment charge	**(352.9)**	**(19.7)**	**118.9**	**(253.7)**	**385.2**	**(98.7)**	**185.0**	**471.6**
Net impairment charge [3]	(222.3)	0.2	-	(222.1)	(0.3)	(10.7)	-	(11.0)
EBIT after impairment charge	**(575.2)**	**(19.5)**	**118.9**	**(475.8)**	**384.9**	**(109.4)**	**185.0**	**460.6**

[1] IFRS 16 impact on core business contracts from controlled entities
[2] 2019 IFRS figures are restated from the retrospective application of IFRS IC on lease terms. The impact on the 2019 published data is an increase in operating margin of €0.7m linked to the decrease in fixed rent and fees under "Net operating costs", and an increase of -€0.7m in depreciation of right-of-use under "Amortisation and provisions (net)", with no impact on EBIT.
[3] Including impairment charge on net assets of companies under joint control.

Cash-Flow Statement

€m	2020 Adjusted	2020 Impact of companies under joint control	2020 Impact of IFRS 16 from controlled entities [1]	2020 IFRS	2019 Adjusted	2019 Impact of companies under joint control	2019 Impact of IFRS 16 from controlled entities [1]	2019 IFRS [2]
Funds from operations net of maintenance costs	**(56.2)**	**35.8**	**671.2**	**650.7**	**550.8**	**(4.9)**	**948.1**	**1,494.0**
Change in working capital requirement	403.0	(27.8)	(137.9)	237.4	(5.8)	9.7	2.2	6.2
Net cash flow from operating activities	**346.8**	**8.0**	**533.2**	**888.1**	**545.1**	**4.8**	**950.3**	**1,500.2**
Capital expenditure	(185.0)	8.0	-	(176.9)	(375.4)	15.1	-	(360.3)
Free cash flow	**161.9**	**16.0**	**533.2**	**711.2**	**169.7**	**19.9**	**950.3**	**1,139.9**

[1] IFRS 16 impact on core and non-core business contracts from controlled entities
[2] 2019 IFRS figures are restated from the retrospective application of IFRS IC on lease terms. The impact on the 2019 published data is an increase in both Funds from operations net of maintenance costs and free cash flow of €0.7m.