

## H1 2006 results:

Record results with net income Group share up 29% to €105.5m

- Revenues up 13.4% to €945.8 million, organic revenues up 7.6%
- Operating margin rises 15.7% to €265.0 million
- EBIT up 22.0% to €168.7 million
- Net income Group share rises 29.3% to €105.5 million
- Strong expansion in emerging markets in China, India, Ukraine, Russia and Uzbekistan
- Strategic acquisition in Germany<sup>(1)</sup>

### Out of Home Media

Argentina  
Australia  
Austria  
Belgium  
Bosnia  
Brazil  
Bulgaria  
Canada  
Chile  
China  
Croatia  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Germany  
Hungary  
Iceland  
India  
Ireland  
Italy  
Japan  
Korea  
Latvia  
Lithuania  
Luxembourg  
Malaysia  
Mexico  
Netherlands  
Norway  
Poland  
Portugal  
Russia  
Serbia & Montenegro  
Singapore  
Slovakia  
Slovenia  
Spain  
Sweden  
Switzerland  
Thailand  
Turkey  
United Kingdom  
United States  
Uruguay  
Uzbekistan  
Ukraine

**Paris, 13 September 2006** - JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company in Europe and Asia-Pacific and the number two worldwide, today announced record results for the six months ended 30 June 2006, reflecting a strong operating performance.

### Revenues

As reported on 26 July 2006, consolidated revenues of €945.8 million increased by 13.4% in the first half of 2006. Excluding acquisitions and the impact of foreign exchange, organic revenues increased by 7.6%. This growth in revenues reflected very good progress in Transport, which continued to show strong organic growth, and a solid performance from both the Street Furniture and Billboard divisions.

### Operating Margin<sup>(2)</sup>

Operating margin increased by 15.7% to €265.0 million from €229.1 million in the first half of 2005. The Group's operating margin as a percentage of consolidated revenues reached 28.0%, an increase of 50 basis points compared to the prior period (H1 2005: 27.5%), reflecting a profitability increase in all divisions with Billboard and particularly Transport reporting the highest margin improvements.

- **Street Furniture:** operating margin rose by 8.5% to €207.6 million. The operating margin as a percentage of revenues was 42.7%, an increase of 60 basis points from 42.1% in the same period last year. Strong operating margin increases were recorded in France, the United Kingdom, Central and Eastern Europe, Sweden, Italy and the Netherlands as well as in the newer territories of Asia-Pacific and the United States. The phasing of the contract renewal cycle and the development costs associated with new contracts is expected to reduce the Street Furniture operating margin as a percentage of revenues in the second half of the year.
- **Billboard:** operating margin increased by 15.8% to €34.5 million. As a percentage of revenues, the operating margin reached 15.5% compared to 13.9% in 2005, an improvement of 160 basis points. This significant increase was driven by sound revenue growth over the period, continued investment in quality locations as well as the ongoing benefits from the cost control program and inventory management, particularly in the United Kingdom, Ireland, Spain and Portugal.

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A public limited corporation with an Executive Board and Supervisory Board

Registered capital of 3,378,284.27 euros - # RCS: 307 570 747 Nanterre - FR 44307570747

- **Transport:** operating margin increased by 186.3% to €22.9 million, leading to a rise in operating margin as a percentage of revenues of 480 basis points to 9.6%, from 4.8% in the same period last year. This improvement was driven both by the very strong increase in revenues, particularly in the United States, and the contribution from the Chinese companies acquired in 2005, whose margins are above the Transport division average.

### **EBIT<sup>(3)</sup>**

EBIT increased by 22.0% to €168.7 million, up from €138.3 million in the first half of 2005. The Group's EBIT margin reached 17.8% of consolidated revenues, up from 16.6% in the same period last year. This was mainly driven by the €35.9 million increase in Operating Margin.

### **Net income Group share**

Net income Group share increased by 29.3% to €105.5 million, compared to €81.6 million<sup>(4)</sup> in the first half of 2005. This strong performance reflects the increase in EBIT and equity affiliates as well as the decrease in the tax rate and minority interests.

### **Capital expenditure**

Net capex (acquisition of tangible and intangible assets, net of disposals of assets) was €82.0 million, compared to €60.1 million in the same period last year. The rise in net capex is due to the planned increase in renewal capex during the period.

### **Free cash flow<sup>(5)</sup>**

The Group continued to generate strong net cash flow from operating activities, up 5.5% to €148.5 million compared to €140.7 million in the first half of 2005.

Free cash flow decreased by 17.5% to €66.5 million as expected. This variation reflects the increase in net capex over the period.

### **Net debt<sup>(6)</sup>**

Financial investments and the first-time dividend payment exceeded the amount of free cash flow generated in the first half of 2006. As a consequence, net debt as of 30 June 2006 increased by €52.9 million to €654.3 million compared to €601.4 million as of 31 December 2005.

### **New business and subsequent acquisitions**

Recently, the Group has made very good progress in expanding its presence in India, Uzbekistan, Ukraine, Russia, as well as Germany.

In March, JCDecaux India signed an exclusive 15-year bus shelter advertising contract for the centre of New Delhi, following an invitation to tender. The Group will operate 197 bus shelters, incorporating 591 advertising faces. The bus shelters are being installed in some of the most prominent locations in the centre of New Delhi. JCDecaux India is committed to using this new contract as a showcase to further develop the Street Furniture advertising concept in India.

The Group has recently announced that it has signed an exclusive 25-year contract with the city of Tashkent for the operation of street furniture, such as bus shelters, information panels and columns, incorporating advertising. Tashkent, which has a population of 2.1 million people, is not only the capital of Uzbekistan (26 million people) but is also the biggest city in central Asia.

JCDecaux has also recently signed a joint venture agreement with the BigBoard Group, the N° 1 outdoor operator in Ukraine, to develop its presence in the outdoor advertising markets of Ukraine and Russia. BigBoard operates more than 7,400 faces in nearly 30 cities in Ukraine (20% market share) as well as more than 3,000 advertising faces in Russia, with a presence in 8 out of the 12 cities with more than one million inhabitants.

In Germany, where the Group has been operating since 1982, JCDecaux has just won the privatisation of VVR-Berek<sup>(1)</sup>, one of the largest outdoor advertising companies in Berlin, operating thousands of Street Furniture and Transport faces in Germany's capital city. This unique and strategic asset will reinforce JCDecaux as the N° 1 Street Furniture player with a presence in all four largest German cities (Berlin, Hamburg, Munich and Cologne) and enhance our Transport portfolio, enabling the Group to provide nation-wide advertising solutions to advertisers.

Commenting on the H1 2006 results, Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO, said:

*" We are very pleased to report record results for the first half of 2006, reflecting the quality of our teams throughout the world who have driven a strong operating performance across our three divisions. Good organic revenue growth coupled with the contribution from acquisitions made in 2005 translated into a double-digit rise in earnings.*

*In the last few months, as part of our strategy of expanding into emerging markets, we have successfully expanded our footprint in China, India, Ukraine, Russia, and Uzbekistan, building clear platforms for future growth. In just three years, the share of revenues from emerging countries out of the Group total revenues has more than doubled to reach 15%.*

*The strong revenue increase from Transport advertising, the overall improvement in the French advertising market compared to 2005, as well as the good progress of our North American and Asia-Pacific operations, should continue fuelling our organic revenue growth, which we still expect to exceed 6% for 2006 - comfortably ahead of forecasts for growth in the worldwide advertising market."*

- (1) The closing of the transaction is still conditional upon the approval of the German cartel authority.
- (2) **Operating Margin** = Revenues less Direct Operating Expenses (excluding Maintenance spare parts) less SG&A expenses
- (3) **EBIT** = Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions less Maintenance spare parts less Other operating income and expenses
- (4) Due to the retrospective application of the IAS 21 amendment as of January 1<sup>st</sup> 2006, H1 2005 Net income Group share was restated following a change in net interests and tax
- (5) **Free cash flow** = Net cash flow from operating activities less net capital investments (tangible and intangible assets).
- (6) **Net debt** = Debt net of cash including the non-cash impact of IAS39 (on both debt and derivatives) and excluding the non-cash impact of IAS 32 (debt on commitments to purchase minority interests)

#### Next information:

Q3 2006 revenues: 25 October 2006 (before market)

#### Key Figures for the Group:

- 2005 revenues: €1,745.2M ; H1 2006 revenues: € 945.8M
- JCDecaux is listed on the Eurolist of the Euronext Paris stock exchange, and is part of the Euronext 100 and FTSE4Good indices
- N°1 worldwide in street furniture (318,000 advertising panels)
- N°1 worldwide in airport advertising with 153 airports and more than 300 transport contracts in metros, buses, tramways and trains (207,000 advertising panels)
- N°1 in Europe for billboards (200,000 advertising panels)
- N°1 in outdoor advertising in China (79,000 advertising panels in 20 different cities)
- 725,000 advertising panels in 48 countries
- Present in 3,400 cities with over 10,000 inhabitants
- 7,900 employees

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**Forward Looking Statement**

*Certain statements in this release constitute « forward-looking statements » within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The words or phrases « guidance », « expect », « anticipate », « estimates » and « forecast » and similar words or expressions are intended to identify such forward-looking statements. In addition, any statements that refer to expectations or other characterizations of future events or circumstances are forward-looking statements. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this release include, but are not limited to : changes in economic conditions in the U.S. and in other countries in which JCDecaux currently does business (both general and relative to the advertising and entertainment industries) ; fluctuations in interest rates ; changes in industry conditions ; changes in operating performance ; shifts in population and other demographics ; changes in the level of competition for advertising dollars ; fluctuations in operating costs ; technological changes and innovations ; changes in labor conditions ; changes in governmental regulations and policies and actions of regulatory bodies ; fluctuations in exchange rates and currency values ; changes in tax rates ; changes in capital expenditure requirements and access to capital markets. Other key risks are described in the JCDecaux reports filed with the U.S. Securities and Exchange Commission. Except as otherwise stated in this news announcement, JCDecaux does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.*

# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## BALANCE SHEET

### Assets

<i>(In million euros)</i>	06/30/2006	12/31/2005 Restated <sup>(1)</sup>
Intangible assets (net)	159.6	151.9
Goodwill	1,204.1	1,200.2
Property, plant and equipment (net)	918.3	921.0
Investments in associates	237.2	240.2
Financial investments	26.4	6.3
Financial derivatives	2.0	0.3
Other financial investments (net)	32.7	23.8
Deferred tax assets	18.6	19.0
Current tax assets	0.8	0.9
Other receivables (net)	37.5	33.3
<b>NON-CURRENT ASSETS</b>	<b>2,637.2</b>	<b>2,596.9</b>
Other financial investments (net)	3.1	1.1
Inventories (net)	92.1	81.5
Trade and other receivables (net)	627.6	573.2
Current tax assets	12.6	3.0
Financial derivatives	5.4	0.0
Cash and cash equivalents	116.8	114.7
<b>CURRENT ASSETS</b>	<b>857.6</b>	<b>773.5</b>
<b>TOTAL ASSETS</b>	<b>3,494.8</b>	<b>3,370.4</b>

<sup>(1)</sup> See note 2 "Reconciliation of the 2005 restated financial statements" in the notes to the Consolidated Financial Statements.

## Liabilities and Equity

<i>(In million euros)</i>	06/30/2006	12/31/2005 Restated <sup>(1)</sup>
Share capital	3.4	3.4
Additional paid-in capital	958.9	945.6
Consolidated reserves	741.7	637.1
Net income for the period (Group share)	105.5	192.7
Translation adjustments	0.7	7.6
Minority interests	(33.0)	(33.5)
<b>TOTAL EQUITY</b>	<b>1,777.2</b>	<b>1,752.9</b>
Provisions for contingencies and losses	167.0	167.7
Deferred tax liabilities	109.1	105.0
Financial debt	677.2	631.7
Debt on commitments to purchase minority interests	65.1	63.0
Other payables	2.0	8.9
Financial derivatives	36.4	20.3
<b>NON-CURRENT LIABILITIES</b>	<b>1,056.8</b>	<b>996.6</b>
Provisions for contingencies and losses	15.0	12.3
Financial debt	44.7	46.3
Debt on commitments to purchase minority interests	0.0	3.8
Financial derivatives	0.0	1.1
Trade and other payables	541.6	509.6
Current tax payable	39.3	30.8
Bank overdrafts	20.2	17.0
<b>CURRENT LIABILITIES</b>	<b>660.8</b>	<b>620.9</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,494.8</b>	<b>3,370.4</b>

<sup>(1)</sup> See note 2 "Reconciliation of the 2005 restated financial statements" in the notes to the Consolidated Financial Statements.

## INCOME STATEMENT

<i>(In million euros)</i>	1st half of 2006	1st half of 2005 Restated <sup>(1)</sup>
<b>NET REVENUES</b>	<b>945.8</b>	<b>833.7</b>
Direct operating expenses	(523.3)	(456.6)
Selling, general and administrative expenses	(157.5)	(148.0)
<b>OPERATING MARGIN</b>	<b>265.0</b>	<b>229.1</b>
Depreciation, amortization and provisions (net)	(81.1)	(67.3)
Maintenance spare parts	(13.2)	(13.6)
Other operating income and expenses	(2.0)	(9.9)
<b>EBIT</b>	<b>168.7</b>	<b>138.3</b>
Net interest expense	(11.8)	(9.7)
Other net financial expenses	(10.4)	(2.0)
<b>FINANCIAL INCOME/(LOSS)</b>	<b>(22.2)</b>	<b>(11.7)</b>
Income tax	(44.4)	(44.9)
Share of net profit of associates	5.4	4.3
<b>NET INCOME FOR THE YEAR FROM CONTINUING OPERATIONS BEFORE IMPAIRMENT OF GOODWILL AND INCOME/(LOSS) FROM DISCONTINUED OPERATIONS</b>	<b>107.5</b>	<b>86.0</b>
Income/(loss) from discontinued operations	0.0	0.0
Impairment of goodwill	0.0	0.0
<b>CONSOLIDATED NET INCOME</b>	<b>107.5</b>	<b>86.0</b>
Minority interests	2.0	4.4
<b>NET INCOME (GROUP SHARE)</b>	<b>105.5</b>	<b>81.6</b>
Earnings per share (in euros)	0.478	0.368
Diluted earnings per share (in euros)	0.476	0.367
Weighted average number of shares	220,829,740	221,794,960
Weighted average number of shares (diluted)	221,753,847	222,630,999

(1) See note 2 "Reconciliation of the 2005 restated financial statements" in the notes to the Consolidated Financial Statements.

## STATEMENT OF CHANGES IN EQUITY AS OF JUNE 30, 2005

<i>(In million euros)</i>	Group							Total	Minority interests	Total
	Share Capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves					
					Financial derivatives	Available-for-sale securities	Translation reserve adjustment			
<b>Equity as of December 31, 2004 Restated</b>	3,4	933,2	(2,1)	669,0	(0,1)	(0,7)	(2,5)	1 600,2	(16,4)	1 583,8
Net income for the period				81,6				81,6	4,4	86,0
Change in translation adjustment							11,6	11,6	0,1	11,7
Tax on elements directly booked in equity				(0,3)				(0,3)		(0,3)
<b>Balance of income and expenses recognized for the period</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>81,3</b>	<b>0,0</b>	<b>0,0</b>	<b>11,6</b>	<b>92,9</b>	<b>4,5</b>	<b>97,4</b>
Capital increase <sup>(1)</sup>		3,6						3,6		3,6
Distribution of dividends								0,0	(5,1)	(5,1)
Financial investments								0,0		0,0
Cash flow hedge								0,0		0,0
Deferred tax on cash flow hedge								0,0		0,0
Share-based payments		2,1						2,1		2,1
Treasury shares:								0,0		0,0
- Purchase								0,0		0,0
- Cancellation			2,1	(2,1)				0,0		0,0
Debt on commitments to purchase minority interests								0,0		0,0
Change in scope of consolidation								0,0	(5,5)	(5,5)
<b>Equity as of June 30, 2005 Restated</b>	<b>3,4</b>	<b>938,9</b>	<b>0,0</b>	<b>748,2</b>	<b>(0,1)</b>	<b>(0,7)</b>	<b>9,1</b>	<b>1 698,8</b>	<b>(22,5)</b>	<b>1 676,3</b>

(1) The increase in JCDecaux SA's share capital and additional paid-in capital is related to the exercise of stock options.

## STATEMENT OF CHANGES IN EQUITY AS OF JUNE 30, 2006

<i>(In million euros)</i>	Group									
	Share Capital	Additiona l paid-in capital	Treasur y shares	Retaine d earnings	Financial derivatives	Other reserves	Available- for-sale securities	Translatio n reserve adjustment	Total	Minority interests
<b>Equity as of December 31, 2005 Restated</b>	3.4	945.6	0.0	830.2	(0.2)	(0.2)	7.6	1,786.4	(33.5)	1,752.9
Net income for the period				105.5				105.5	2.0	107.5
Change in translation adjustment							(6.9)	(6.9)	(0.5)	(7.4)
Tax on elements directly booked in equity								0.0		0.0
<b>Balance of income and expenses recognized for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>105.5</b>	<b>0.0</b>	<b>0.0</b>	<b>(6.9)</b>	<b>98.6</b>	<b>1.5</b>	<b>100.1</b>
Capital increase <sup>(1)</sup>		12.0						12.0	0.1	12.1
Distribution of dividends				(88.3)				(88.3)	(4.2)	(92.5)
Financial investments						0.2		0.2		0.2
Cash flow hedge								0.0		0.0
Deferred tax on cash flow hedge								0.0		0.0
Share-based payments		1.3						1.3		1.3
Treasury shares:								0.0		0.0
- Purchase								0.0		0.0
- Cancellation								0.0		0.0
Debt on commitments to purchase minority interests								0.0	4.3	4.3
Change in scope of consolidation								0.0	(1.0)	(1.0)
Other								0.0	(0.2)	(0.2)
<b>Equity as of June 30, 2006</b>	<b>3.4</b>	<b>958.9</b>	<b>0.0</b>	<b>847.4</b>	<b>(0.2)</b>	<b>0.0</b>	<b>0.7</b>	<b>1,810.2</b>	<b>(33.0)</b>	<b>1,777.2</b>

(1) The increase in JCDecaux SA's share capital and additional paid-in capital is related to the exercise of stock options.

## CASH FLOW STATEMENT

(In million euros)

	1st half of 2006	1st half of 2005 Restated <sup>(1)</sup>
Net income before tax	151.9	130.9
Share of net profit of associates	(5.4)	(4.3)
Dividends received from non-consolidated subsidiaries	(0.2)	(0.1)
Expenses related to share-based payments	1.3	2.1
Depreciation, amortization and provisions	77.3	65.1
Capital gains and losses	2.8	0.2
Discounting expenses	6.2	4.0
Net financial interest expense	11.8	9.7
Financial derivatives and translation adjustments	6.1	(5.9)
Change in working capital	(50.1)	(13.6)
Change in inventories	(11.3)	(11.3)
Change in trade and other receivables	(62.5)	(19.2)
Change in trade and other payables	23.7	16.9
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>201.7</b>	<b>188.1</b>
Net financial interest paid	(11.7)	(9.6)
Income taxes paid	(41.5)	(37.8)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>148.5</b>	<b>140.7</b>
Acquisitions of intangible assets and property, plant and equipment	(84.9)	(63.0)
Acquisitions of financial assets (long-term investments)	(44.9)	(63.4)
Acquisitions of financial assets (other)	(12.3)	(7.5)
<b>Total investments</b>	<b>(142.1)</b>	<b>(133.9)</b>
Proceeds on disposal of intangible assets and property, plant and equipment	2.9	2.9
Proceeds on disposal of financial assets (long-term investments)	1.3	0.0
Proceeds on disposal of financial assets (other)	0.2	0.2
<b>Total disposals of assets</b>	<b>4.4</b>	<b>3.1</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(137.7)</b>	<b>(130.8)</b>
Dividends paid to shareholders	(88.3)	0.0
Dividends paid	(4.2)	(5.1)
Reduction in equity	(0.4)	0.0
Repayment of debt	(13.1)	(78.7)
Repayment of debt (finance lease)	(1.7)	(1.3)
<b>Cash outflow from financing activities</b>	<b>(107.7)</b>	<b>(85.1)</b>
Dividends received	7.3	5.6
Capital increase	12.0	3.6
Increase in long-term borrowings	81.3	70.5
<b>Cash inflow from financing activities</b>	<b>100.6</b>	<b>79.7</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(7.1)</b>	<b>(5.4)</b>
Effect of exchange rate fluctuations	(4.8)	1.6
<b>CHANGE IN NET CASH POSITION</b>	<b>(1.1)</b>	<b>6.1</b>
Net cash position at beginning of period	97.7	38.1
Net cash position at end of period	96.6	44.2

(1) See note 2 "Reconciliation of the 2005 restated financial statements" in the notes to the Consolidated Financial Statements.