

JCDecaux

showcasing the world

H1 2005 Results

September 14, 2005



Hong Kong, Statute Square - Central





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H1 2005 Business Overview

Jean-François Decaux
Chairman of the Executive Board and Co-CEO

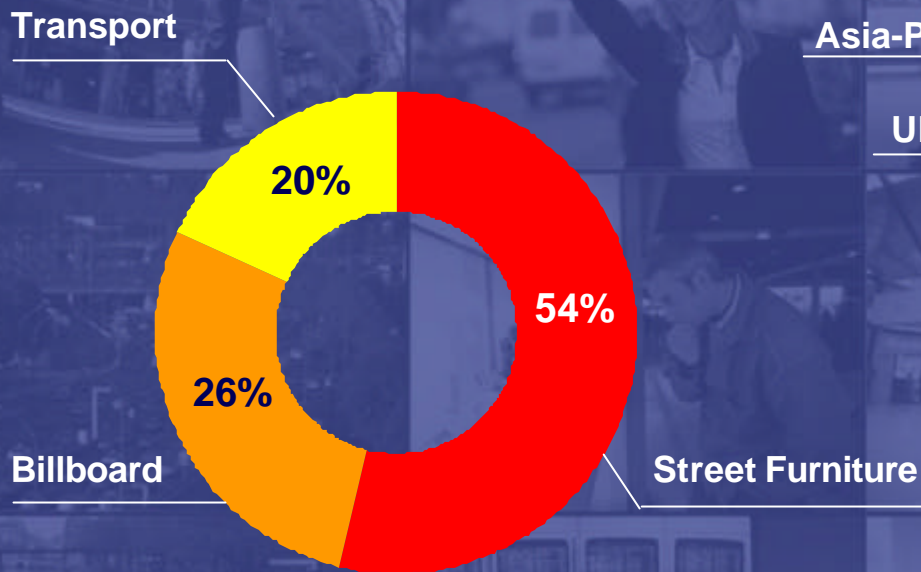
(In million €, under IFRS standards)

● Revenues	833.7	↗	+ 5.5%
● Operating margin	229.1	↗	+ 4.7%
● EBIT	138.3	↗	+ 1.9%
● EBIT before €10 million fine ⁽¹⁾	148.3	↗	+ 9.3%
● Net income Group share	83.3	↗	+ 20.2%
● Adjusted free cash flow ⁽²⁾	114.7	↗	+ 12.2%
● Free cash flow	80.6	↗	+ 45.0%

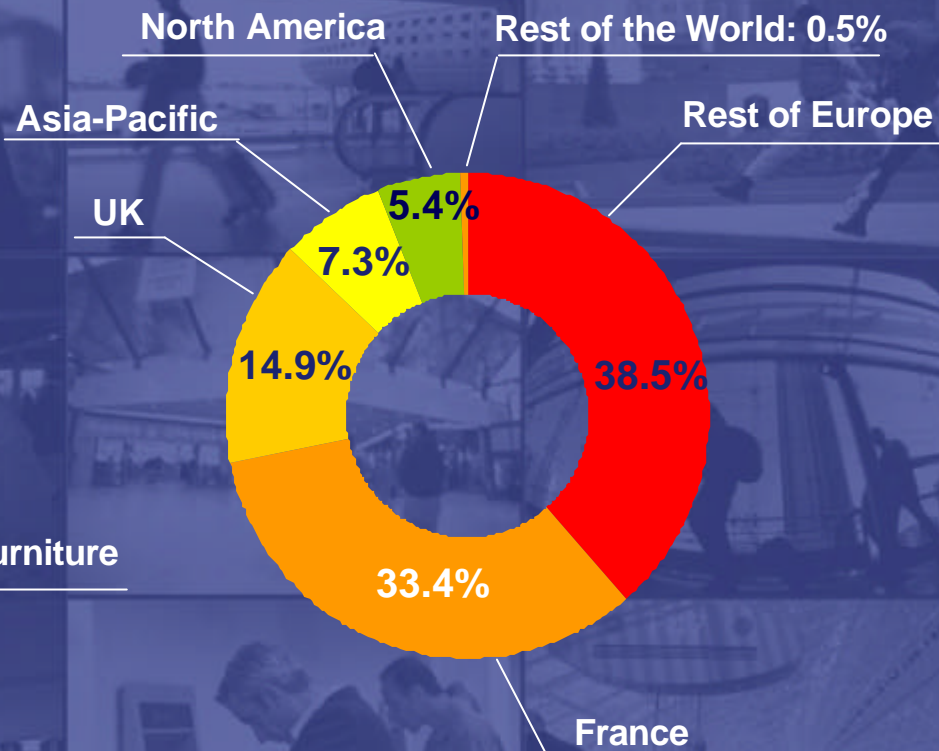
(1) €10 m fine imposed by the French Competition Council, which JCDecaux is appealing.

(2) Adjusted free cash flow = free cash flow + growth capex.

By business (% of total)

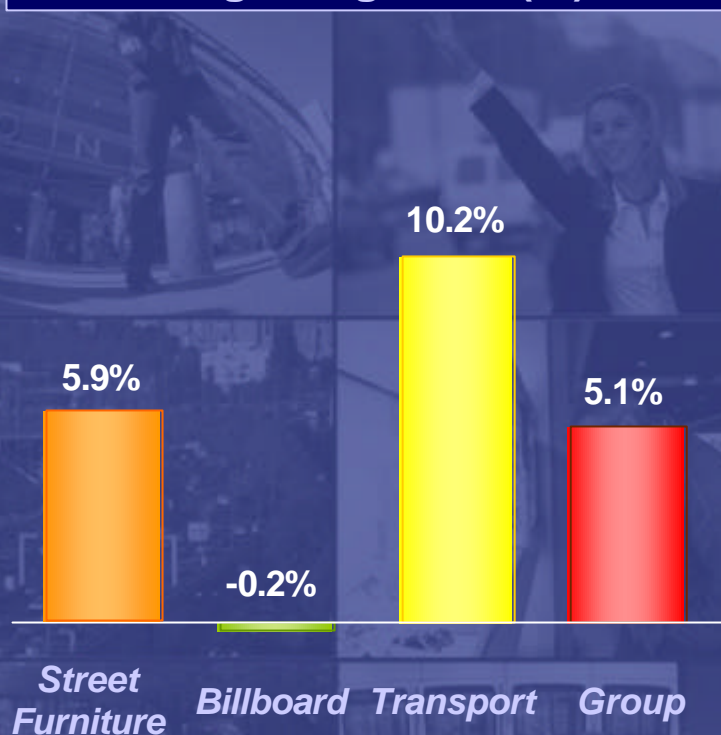


By region (% of total)

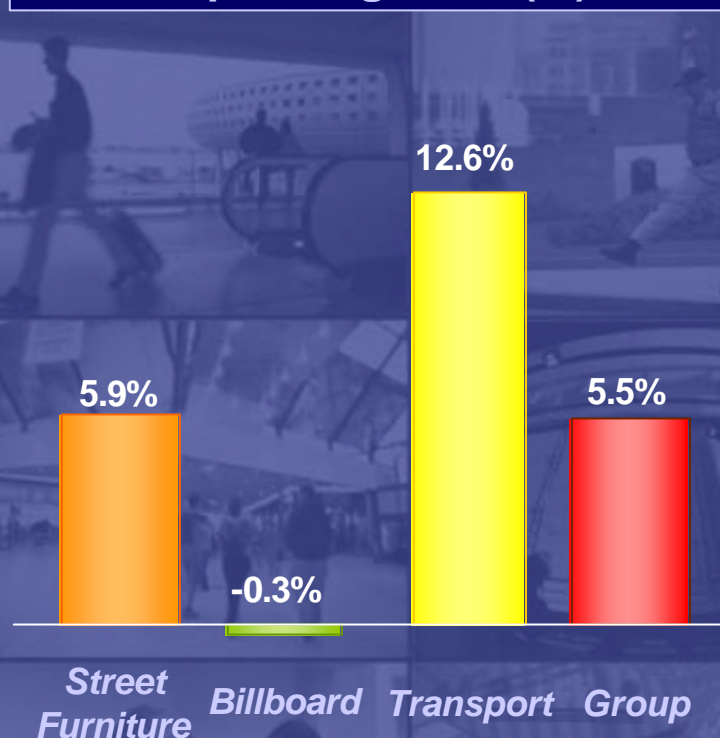


H1 2005 revenue growth by business

Organic growth (%)



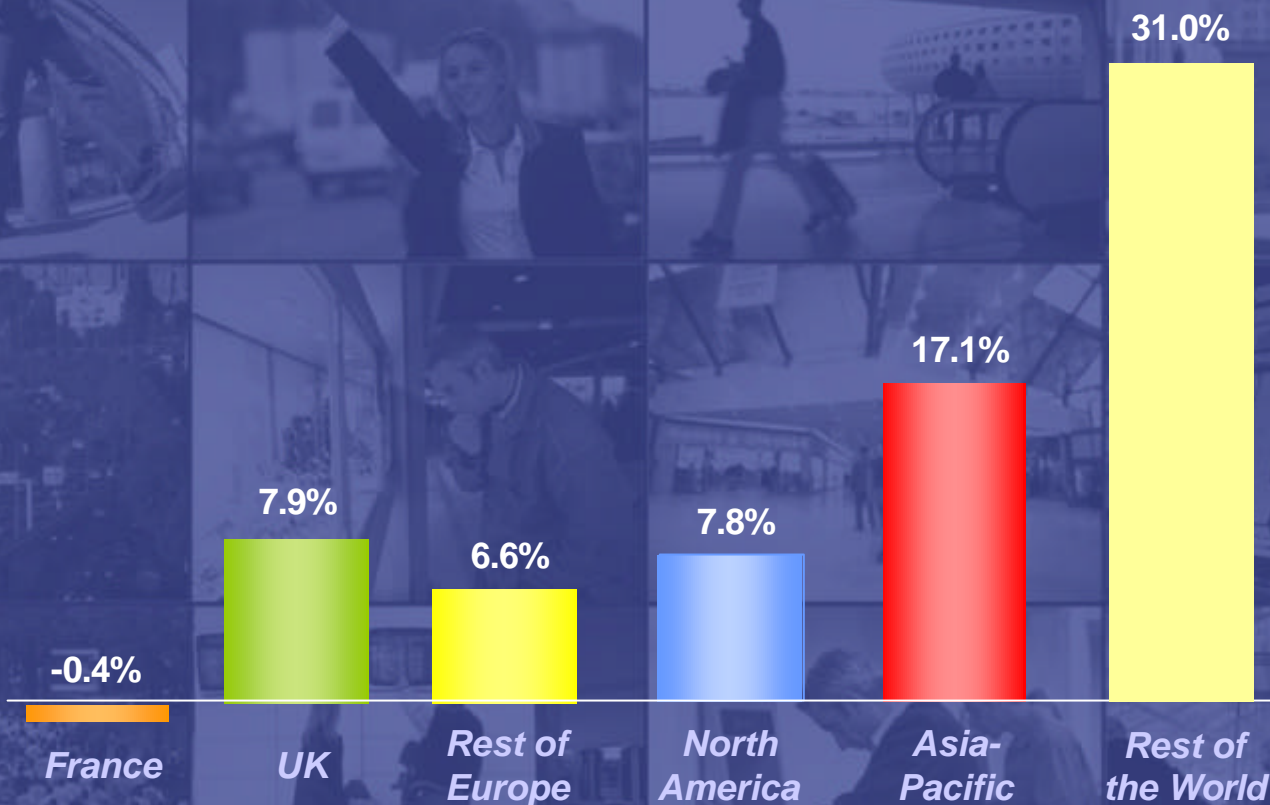
Reported growth (%)



Note: organic growth = excluding acquisitions /divestitures, the impact of foreign exchange and the revenue reclassification of some activities in 2005.

H1 2005 revenue growth by region

Organic growth (%)



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- Major expansion in Asian markets
- On-going innovation in Sales & Marketing
- Leading the bicycle revolution

Asia-Pacific Increased exposure to the fastest growing advertising market

ACQUISITIONS – H1 2005

CHINA

- MediaNation:

Acquisition of 98.6% - delisting
in progress

- Beijing subway
- Shanghai subway (2 lines out of 4)
- Shanghai newspaper kiosks
- Leader in bus advertising
(15 Chinese cities)

- **2004 revenues:** €43.1 m



- Texon:

- N°1 Street Furniture company in Hong Kong
- Long-term contracts with the 3 leading HK bus operators
- 4,800 advertising faces
- **2004 revenues:** €7.6 m



Asia-Pacific Increased exposure to the fastest growing advertising market

ORGANIC GROWTH – H1 2005

JAPAN

- Nagoya
 - 4th largest Japanese city
 - 2nd bus shelter advertising contract after Yokohama
 - Exclusive 20-year contract
 - 300 bus shelters
- Ito Yokado shopping malls
 - 15-year contract
 - 50 shopping malls in the Greater Tokyo area to be installed in the next 3 years
 - Target: 2,000 advertising faces in 150 shopping centers in Japan (Aeon Group & Ito Yokado)



CHINA

- Shanghai Airports (35% of the JV)
 - China's largest airport platform
 - 15-year contract
 - JCDecaux management

- Major expansion in Asian markets
- On-going innovation in Sales & Marketing
- Leading the bicycle revolution

« Charlie and the Chocolate factory »



6-sheet showcases transformed into temporary sweet jars packed full with thousands of real sweets
UK (July 2005)



*Pepsi Fire and Pepsi Ice
Campaign*



*Nike Free
Campaign*

Bangkok (H1 2005)

Creativity drives growth Special advertising structures



*A giant 6m-high Samsung “hand” installed in the airport
Lisbon (June 2005)*

London's new address: JCDecaux M4 Tower



- Designed by Foster & Partners
- Largest permanent advertising structure on one of the biggest road in Europe (main highway to London)
- 1,630,000 adults hit per week

- Major expansion in Asian markets
- On-going innovation in Sales & Marketing
- Leading the bicycle revolution

Leading the bicycle revolution Lyon, Vienna, Cordoba, Gijon

Lyon:

Rentabike moves up a gear from curiosity to runaway success

"The French are not short of groundbreaking cheap and efficient public transport. But now the Paris Metro and the high speed TGV have a more humble, although no less hi-tech, equal - the Lyon rentabike"

[The Guardian, August 12th 2005](#)

Transport. Plus de 15000 abonnés au réseau qui propose des bicyclettes en ville pour 1 euro.

Lyon, in love avec Vélo'V

[Libération, August 8th 2005](#)

Vienna:

Immer mehr Citybikes und Gratis-Radler

"Die Gewista ist zufrieden: das Leihsystem kommt in dieser Saison voll auf Touren"

[Der Standard, April 16th 2005](#)

Lyon A successful self service bicycle program



- Target: 2,000 bikes to be installed (1,000 currently available)
- More than 10,000 bikes users every day
- 21,000 subscribers so far
- 1,200,000 km covered since the beginning
- A model for many other cities



« Thanks a million to JCDecaux and the Lyon municipality. The Velo'V initiative is great. I feel fit and healthy again and have fun at the same time. It is so delightful to cycle around Lyon. Congratulations ! »

C.B., a Lyon bicycle user



JCDecaux

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Financial Highlights

Gérard Degonse

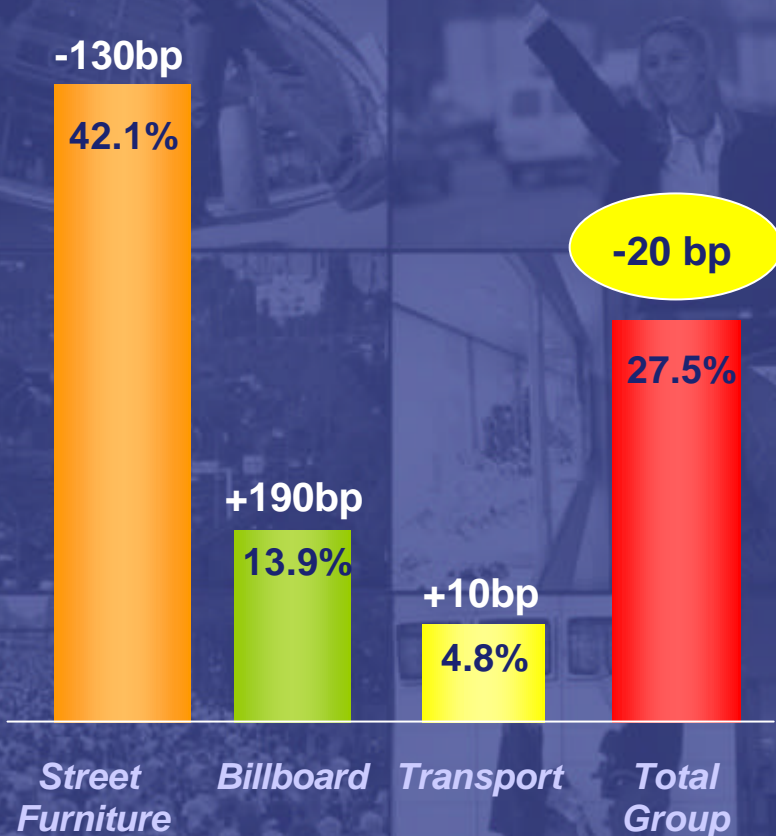
Chief Financial Officer

(In million €, except %, under IFRS standards)

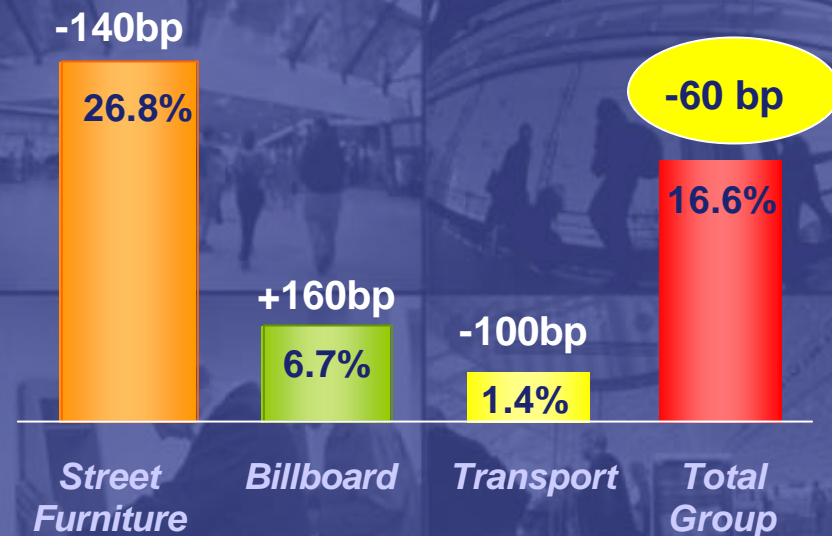
	H1 2005	H1 2004	% change
► Revenues	833.7	790.4	5.5%
▶ Operating costs	(604.6)	(571.5)	
► Operating margin	229.1	218.9	4.7%
▶ Depreciation, spare parts & others	(90.8)	(83.2)	
► EBIT	138.3	135.7	1.9%
▶ Net interests	(9.7)	(16.2)	
▶ Tax	(45.2)	(45.2)	
▶ Equity affiliates	4.3	3.3	
▶ GW Impairment	-	(3.0)	
▶ Minority interests	(4.4)	(5.3)	
► Net Income Group share	83.3	69.3	20.2%

(under IFRS standards)

Operating margin (% of revenues)



EBIT (% of revenues)



(In million €, except %, under IFRS standards)

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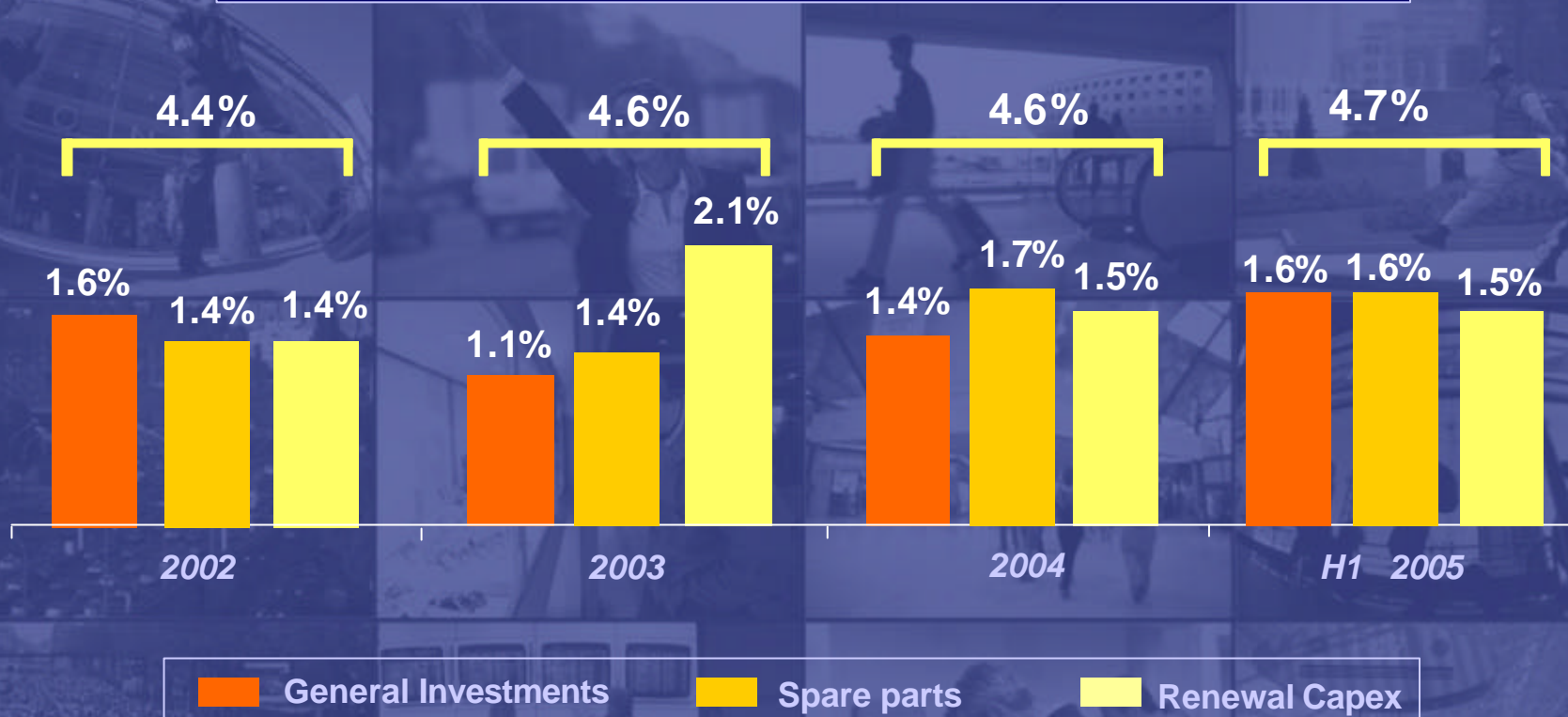
	H1 2005	H1 2004	% change
► Net Cash flow from operating activities	140.7	122.4	15.0%
► General Inv. & Renewal capex	(26.0)	(20.2)	
► Adjusted free cash flow	114.7	102.2	12.2%
► Growth capex ⁽¹⁾	(34.1)	(46.6)	
► Free cash flow	80.6	55.6	45.0%
► Dividends (net)	0.5	(9.4)	
► Equity increase	3.6	1.1	
► Financial investments (net)	(70.7)	(17.2)	
► Change in net debt (Cash)	(14.0)	(30.1)	
► Finance leases, IAS 32 & 39 impacts & others ⁽²⁾	(28.9)	(6.8)	
► Change in net debt (Balance Sheet)	14.9	(23.3)	

Note: Adjusted free cash flow = Free Cash Flow + Growth Capex.

(1) Including capitalised development costs.

(2) Non cash variations (mainly translation differences on financial debts).

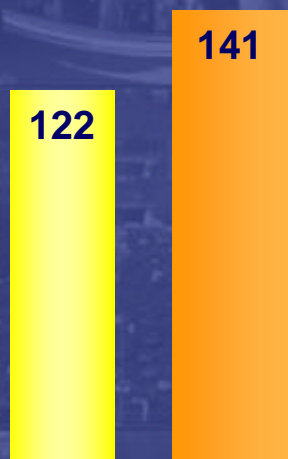
Maintenance (net) as a % of Group revenues



Note : Maintenance = general investments (software, building extensions, vehicles, etc.) + spare parts + renewal capex (amount invested each year to renew revenues from contracts which are expiring during that year).

(In million €, under IFRS standards)

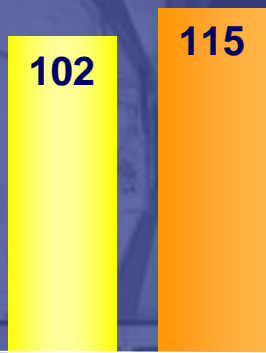
Net Cash Flow from operating activities



2004 2005

H1

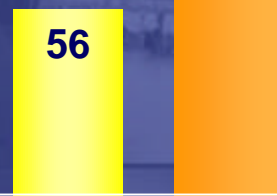
Adjusted FCF



2004 2005

H1

Free cash flow



2004 2005

H1

- Solid and growing cash flows
- Sound LT resources
- €540 M of available committed credit lines
- Stable long term ratings:

S&P: upgrade from "BBB" to "BBB+"

Moody's : "Baa2"

Note: Adjusted free cash flow = Free Cash Flow + Growth Capex.



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Growth strategy and outlook

Jean-Charles Decaux

Co-CEO

« Network television, newspapers and magazines have come under a bit of pressure because of new media and fragmentation, and our clients are looking at new opportunities in cable, in satellite, in outdoor, in radio and last, but not least, direct interactive and internet. »

Sir Martin Sorrell, CEO of WPP

CNBC Europe interview, 26 August 2005

Nagoya



Texon



Ito Yokado



New York Airports



Key contracts in 2005

On-going bidding process

United States

- New York (Street Furniture)
- LAX (Los Angeles Airport)

UK

- London (Subway advertising)

Japan

- Kobe

Bidding process expected

Europe

- France: France Rail Publicité
- Roma
- Malaga
- Sofia
- Stockholm

Asia-Pacific

- Japan
- China
- Australia (Melbourne)
- Singapore (Changi Airport)

North America

- Toronto

South America

- Sao Paulo (City & Subway)
- Buenos Aires (City)

● Initial offers 5 bidders:

Viacom



Clear Channel



Van Wagner



NBCDecaux



Cemusa



● Best & Final Offer (BAFO)

NBCDecaux



Cemusa



Van Wagner



Selected company ?

Street Furniture

- **Bus shelters**

Viacom

Yearly revenues: \$30 m

Status: pending decision

- **Payphones**

Van Wagner

Yearly revenues: \$30 m

Status: termination between 2008 & 2014

- **Subway entrances**

Clear Channel

Yearly revenues: \$10 m

Status: tender expected in 2008

Transport

- **Airports**

JCDecaux

Yearly revenues: \$32 m

Status: renewed for 10 years

- **Subway**

Viacom

Yearly revenues: \$26 m

Status: tender expected in 2006

- **Buses**

Viacom

Yearly revenues: \$30 m

Status: tender expected in 2007



Cultural advertising column, Paris

France

- Paris cultural advertising
- Toulouse
- Strasbourg
- Lille (CIPs)
- Marseille

UK

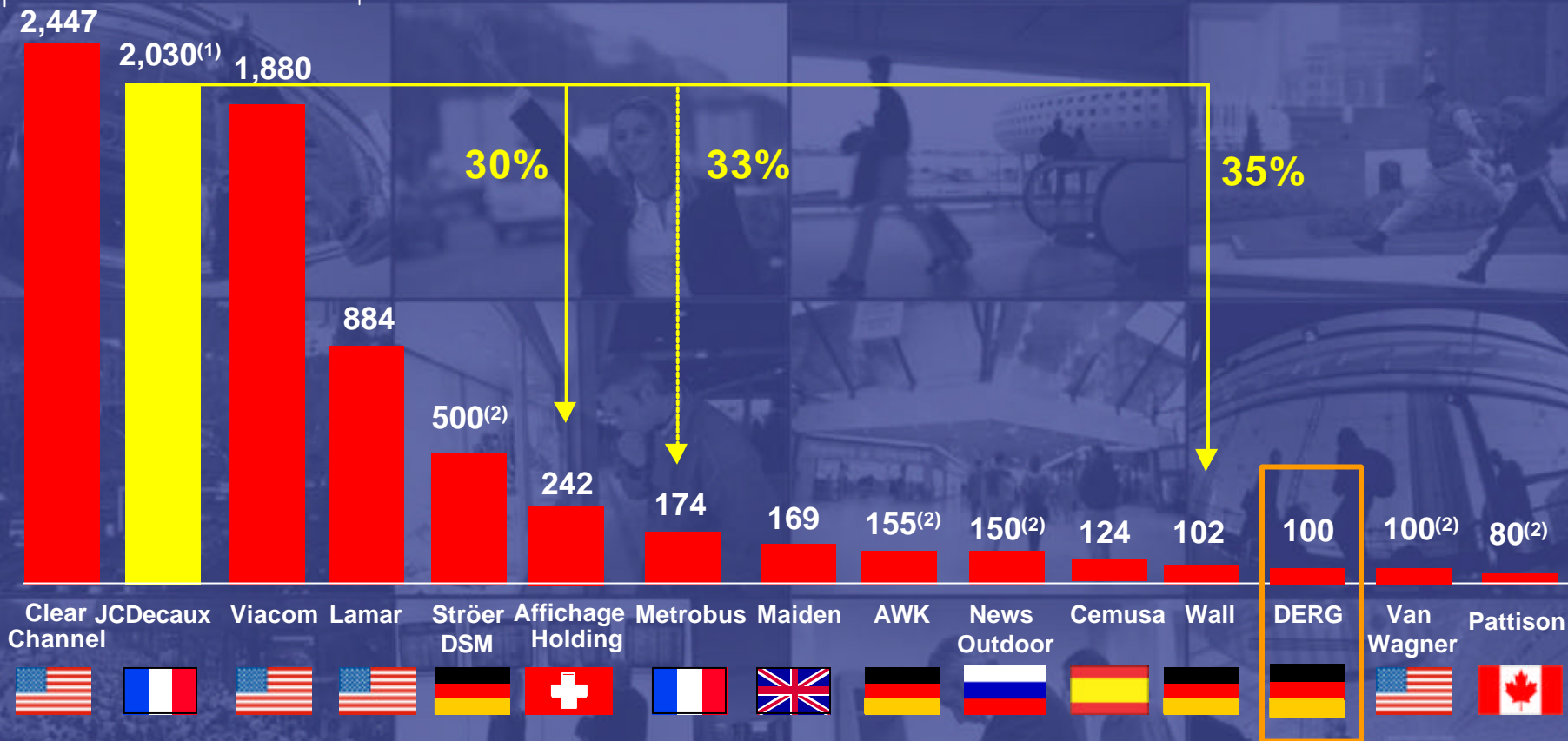
- London: BAA Airports

Rest of Europe

- Milan

More than 30% of the outdoor advertising market

(2004 outdoor revenues, in million \$)

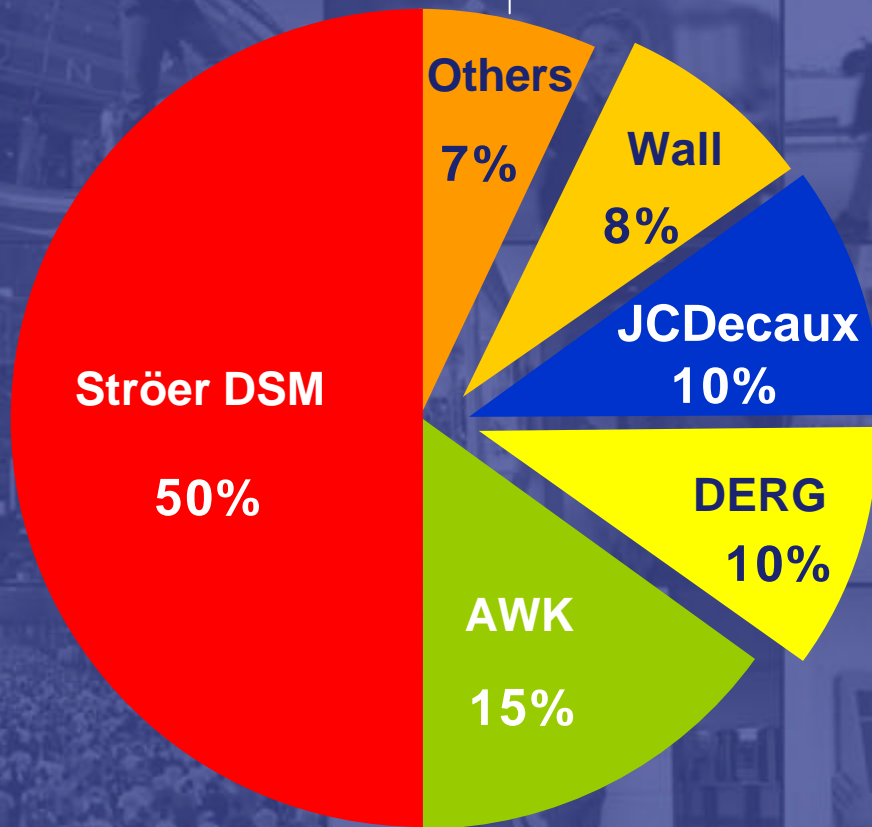


Sources : Company news releases and Internet sites, analyst reports and JCDecaux estimates. Currency conversions are based on a quarterly average exchange rate \$/€ of 0.8036, and on an annual average exchange rate \$/£ of 0.5456 and \$/CHF of 1.2410 in 2004.

(1) This amount does not include revenues from Affichage Holding & Wall, companies integrated through the equity method in JCDecaux's financial statements.

(2) JCDecaux's estimate of 2004 revenues.

Germany Consolidation of €710 M outdoor advertising market



- VVR Berek (Berlin Columns & Transport)
- Moplak (DERG owns 33%)
- Stadtreklame Nürnberg (JCDecaux owns 35%)
- Small other local companies



- Oldest outdoor company in Germany
Start: 1866
- Parent company: Deutsche Bahn AG
- Advertising revenues: \$ 100 m
 - # of employees: 240
 - # of railway stations: 5,700
 - # of trains: 36,000 (including ICE)
 - # of billboards: 10,000 (50% in railway stations)
 - # of street furniture: 4,100

Full year 2005 guidance:

Organic revenue growth around 4%.

**Slower profit growth rate at
operating margin and EBIT levels.**

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