CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET

Assets

(In million euros)	06/30/2006	12/31/2005 Restated [1]
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
NON-CURRENT ASSETS	**2,637.2**	**2,596.9**
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
CURRENT ASSETS	**857.6**	**773.5**
TOTAL ASSETS	**3,494.8**	**3,370.4**

[1] *See note 2 "Reconciliation of the 2005 restated financial statements".*

Liabilities and Equity

(In million euros)	**06/30/2006**	**12/31/2005 Restated [1]**
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)
TOTAL EQUITY	**1,777.2**	**1,752.9**
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
NON-CURRENT LIABILITIES	**1,056.8**	**996.6**
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
CURRENT LIABILITIES	**660.8**	**620.9**
TOTAL LIABILITIES AND EQUITY	**3,494.8**	**3,370.4**

[1] *See note 2 “Reconciliation of the 2005 restated financial statements”.*

INCOME STATEMENT

(In million euros)	**1st half of 2006**	**1st half of 2005 Restated [1]**
NET REVENUES	**945.8**	**833.7**
Direct operating expenses	(523.3)	(456.6)
Selling, general and administrative expenses	(157.5)	(148.0)
OPERATING MARGIN	**265.0**	**229.1**
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)
EBIT	**168.7**	**138.3**
Net interest expense	(11.8)	(9.7)
Other net financial expenses	(10.4)	(2.0)
FINANCIAL INCOME / (LOSS)	**(22.2)**	**(11.7)**
Income tax	(44.4)	(44.9)
Share of net profit of associates	5.4	4.3
NET INCOME FOR THE YEAR FROM CONTINUING OPERATIONS BEFORE IMPAIRMENT OF GOODWILL AND INCOME / (LOSS) FROM DISCONTINUED OPERATIONS	**107.5**	**86.0**
Income / (loss) from discontinued operations	0.0	0.0
Impairment of goodwill	0.0	0.0
CONSOLIDATED NET INCOME	**107.5**	**86.0**
Minority interests	2.0	4.4
NET INCOME (GROUP SHARE)	**105.5**	**81.6**
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".

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STATEMENT OF CHANGES IN EQUITY AS OF JUNE 30, 2005

(In million euros)	Group: Share Capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves: Financial deriva-tives	Available-for-sale securities	Transla-tion reserve adjustment	Total	Minority interests	Total
Equity as of December 31, 2004 Restated	**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)
Balance of income and expenses recognized for the period	**0.0**	**0.0**	**0.0**	**81.3**	**0.0**	**0.0**	**11.6**	**92.9**	**4.5**	**97.4**
Capital increase [(1)]		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)
Equity as of June 30, 2005 Restated	**3.4**	**938.9**	**0.0**	**748.2**	**(0.1)**	**(0.7)**	**9.1**	**1,698.8**	**(22.5)**	**1,676.3**

(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

(In million euros)	Group								Minority interests	Total
	Share Capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves			Total		
					Financial derivatives	Available-for-sale securities	Translation reserve adjustment			
Equity as of December 31, 2005 Restated	**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
Balance of income and expenses recognized for the period	**0.0**	**0.0**	**0.0**	**105.5**	**0.0**	**0.0**	**(6.9)**	**98.6**	**1.5**	**100.1**
Capital increase [(1)]		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)
Equity as of June 30, 2006	**3.4**	**958.9**	**0.0**	**847.4**	**(0.2)**	**0.0**	**0.7**	**1,810.2**	**(33.0)**	**1,777.2**

(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 [1]
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
CASH PROVIDED BY OPERATING ACTIVITIES	**201.7**	**188.1**
Net financial interest paid	(11.7)	(9.6)
Income taxes paid	(41.5)	(37.8)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**148.5**	**140.7**
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)
Total investments	**(142.1)**	**(133.9)**
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
Total disposals of assets	**4.4**	**3.1**
NET CASH USED IN INVESTING ACTIVITIES	**(137.7)**	**(130.8)**
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)
Cash outflow from financing activities	**(107.7)**	**(85.1)**
Dividends received	7.3	5.6
Capital increase	12.0	3.6
Increase in long-term borrowings	81.3	70.5
Cash inflow from financing activities	**100.6**	**79.7**
NET CASH USED IN FINANCING ACTIVITIES	**(7.1)**	**(5.4)**
Effect of exchange rate fluctuations	(4.8)	1.6
CHANGE IN NET CASH POSITION	**(1.1)**	**6.1**
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".

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING METHODS AND PRINCIPLES

1.1. General principles

The condensed consolidated financial statements for the first half of 2006 approved by the Executive Board on September 7, 2006 have been prepared in accordance with IAS 34 "*Interim financial reporting*".

They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the period ended December 31, 2005.

1.2. Main accounting policies

With the exception of the points mentioned hereafter, all the accounting policies adopted by the Group for the preparation of its condensed interim consolidated financial statements do not differ from those used in the preparation of the consolidated financial statements for the period ended December 31, 2005.

The Group has implemented the following standards, amendments and interpretations with an effective date of January 1, 2006:

- Amendment to IAS 21 "*Net investment in a foreign operation*" released on December 15, 2005 by the IASB;
- Amendment to IAS 39 "*Cash flow hedge accounting of forecast intra-group transactions*";
- Amendment to IAS 19 "*Actuarial gains and losses, group plans and disclosures*", with the exception of the option allowing actuarial gains or losses to be recognized immediately through equity;
- IFRIC 4 "*Determining whether an arrangement contains a lease*".

These changes in accounting policies have been applied retrospectively, with the restatement of comparative financial information. The only impact on the interim consolidated financial statements arises from the implementation of the amendment to IAS 21 and is as follows:

(In million euros)	
Income statement for the half-year ended June 30, 2005	
Foreign exchange gain	(2.0)
Income tax	0.3
Net loss for the half-year ended June 30, 2005	**(1.7)**

(In million euros)	
Balance sheet as of December 31, 2005	
Consolidated reserves	(0.6)
Consolidated net income (Group share)	(2.6)
Change in translation adjustment	3.2
Equity as of December 31, 2005	**0.0**

Finally, the Group has decided not to apply the amendment to IAS 39 "*The fair value option*" applicable as of January 1, 2006, and has not opted for an early adoption of IFRS 7 "*Financial instruments: disclosures*" applicable as of January 1, 2007.

2. RECONCILIATION OF THE 2005 RESTATED FINANCIAL STATEMENTS

The 2005 consolidated financial statements have been restated for the following two impacts:

- The retrospective application in 2005 of the amendment to IAS 21 applicable as of January 1, 2006, as mentioned in paragraph 1.2 "Main accounting policies" above;
- The finalization within the 12-month allocation period of the measurement of goodwill identified upon the acquisition of Media Nation International (MNI) in the first half of 2005.

The resulting negative impact on the consolidated net income for the first half of 2005 is €1.7 million and only arises from the retrospective application of the amendment to IAS 21.

The impact on equity as of December 31, 2005 is nil, and breaks down as follows:

(In million euros)	**Amendment to IAS 21**	**MNI**	**Total Impact**
Intangible assets and property, plant and equipment		(5.0)	(5.0)
Goodwill		2.1	2.1
Deferred tax assets		(1.3)	(1.3)
Other non-current assets		0.8	0.8
Current assets		(0.5)	(0.5)
Total Assets		**(3.9)**	**(3.9)**
Provisions for contingencies and losses		(4.1)	(4.1)
Trade and other payables		0.2	0.2
Equity	***0.0***	***0.0***	***0.0***
Consolidated reserves	(0.6)	0.0	(0.6)
Consolidated net loss (Group share)	(2.6)	0.0	(2.6)
Change in translation adjustment	3.2	0.0	3.2
Total Liabilities	**0.0**	**(3.9)**	**(3.9)**

3. COMMENTS ON THE BALANCE SHEET AND INCOME STATEMENT

3.1. Changes in the scope of consolidation during the first half of 2006

The main changes that took place in the consolidation scope during the first half of 2006 are as follows:

Entries into the scope of consolidation

On January 12, 2006, JCDecaux UK Ltd acquired 100% of the Allam Group for £25.5 million (acquired cash amount of £12.5 million not taken into account). This company was fully consolidated.

In November 2005, JCDecaux Pearl & Dean signed a 30-year agreement for the creation of a joint venture, Beijing Gehua JCD Advertising Co, in partnership with the Beijing Gehua Cultural Development Group. This company was 50% consolidated under the proportionate method.

Mergers

In Spain, the formerly fully consolidated entity Planigrama Exclusivas Publicitarias S.A. was merged as of January 1, 2006 into El Mobiliario Urbano S.L. – which was also fully consolidated.

3.2. Impacts of acquisitions (controlling interest)

The takeover of the Allam Group had the following impacts on the Group condensed interim consolidated financial statements:

(In million euros)	**Recognized values after purchase accounting adjustments**	**Purchase accounting adjustments**	**Carrying amounts before purchase accounting adjustments**
Non-current assets	19.2	18.1	1.1
Current assets	21.3	0.0	21.3
Total Assets	**40.5**	**18.1**	**22.4**
Non-current liabilities	5.5	5.5	0.0
Current liabilities	2.9	0.0	2.9
Total Liabilities	**8.4**	**5.5**	**2.9**
Net assets at fair value	**32.1**	**12.6**	**19.5**
Price paid	**36.7**		
Goodwill	**4.6**		
Net cash acquired	(18.3)		
Acquisitions of financial assets (long-term investments)	**18.4**		

The revenues and net income of Allam amounted to respectively €7.5 million and €1.8 million for the first half of 2006.

3.3 Goodwill and intangible assets

As of June 30, 2006, goodwill amounted to €1,204.1 million, compared to €1,200.2 million as of December 31, 2005. This increase during the first half of 2006 arises mainly from the recognition of goodwill in the amount of €4.6 million in connection with the acquisition of the Allam Group.

As of June 30, 2006, net intangible assets, excluding goodwill, amounted to €159.6 million, compared to €151.9 million as of December 31, 2005.

This increase was mainly due to the acquisition of the Allam Group in the amount of €17.3 million. The application of the purchase method, as required by IFRS 3 "Business Combinations", resulted in the recognition of contracts as intangible assets.

3.4. Financial investments

As of June 30, 2006, financial investments amounted to €26.4 million, compared to €6.3 million as of December 31, 2005. This increase in the first half of 2006 is attributable to the acquisition by EPI (Austria) in June 2006 of Metropolis Media for €22.3 million. This company operates in Slovenia, Serbia and Croatia. The conclusion of this transaction is conditional upon the approval of the local anti-trust regulation authorities. This approval is still pending.

3.5. Other financial assets (net)

As of June 30, 2006, other net financial assets increased by €10.9 million compared to December 31, 2005.

This change is mainly attributable to a loan granted by JCDecaux SA to EPI for the financing of Metropolis Media's acquisition.

3.6. Equity

As of June 30, 2006, share capital amounted to €3,378,026.26 divided into 221,583,836 fully paid-up shares of the same category.

Reconciliation of the number of shares outstanding as of December 31, 2005 and June 30, 2006:

Number of shares outstanding as of December 31, 2005	220,825,551
Shares issued following the exercise of options (1)	758,285
Number of shares outstanding as of June 30, 2006	221,583,836

(1) for an amount of €12.0 million.

On February 20, 2006, 70,758 stock options were granted with a strike price of €20.55. Moreover, 25,974 bonus shares were granted on February 3, 2006.

The characteristics of these plans as well as the assumptions used for the fair value calculation of these options (using the Black & Scholes model) and shares are as follows:

Assumptions of the February 20, 2006 plan

- Vesting date	02/20/2009
- Expiry date	02/20/2013
- Price of underlying at grant date (in €)	20.7
- Estimated volatility (in %)	29.43
- Risk-free interest rate (in %)	3.11
- Estimated option life (in years)	4
- Estimated turnover (in %)	0
- Dividend payment (in %)	1.9
- Options fair value (in €)	5.108

Assumptions of the February 3, 2006 plan

- Vesting date	02/03/2008
- Price of underlying at grant date (in €)	20.22
- Risk-free interest rate (in %)	2.883
- Estimated turnover (in %)	0
- Dividend expected by shares in 2007 (in €)	0.341
- Dividend expected by shares in 2008 (in €)	0.375
- Equity cost (in %)	5.733
- Shares fair value (in €)	19.56

The assumptions regarding the payment of future dividends are based on a consensus of financial analysts.

The cost recognized in connection with these two plans amounted to €0.2 million as of June 30, 2006.

The general meeting held on May 10, 2006 decided to pay a dividend of €0.4 to each of the 220,825,551 shares that formed the share capital as of December 31, 2005.

3.7. Provisions for contingencies and losses

Provisions for contingencies and losses amounted to €182.0 million as of June 30, 2006, compared to €180.0 million as of December 31, 2005. They break down into €28.2 million relating to provisions for retirement and other benefits, €115.1 million relating to dismantling provisions and €38.7 million relating to other provisions for contingencies and losses, as compared to €26.2 million, €113.3 million and €40.5 million respectively as of December 31, 2005.

The changes in discount rates in the first half of 2006 have been taken into account in the condensed interim consolidated financial statements. The discount rates used to calculate the provision for employee benefits rose from 4.7% as of December 31, 2005 to 5.2% as of June 30, 2006 in the UK, and from 4.1% as of December 31, 2005 to 4.7% as of June 30, 2006 in the Euro zone.

3.8. Net financial debt

(In million euros)		06/30/2006 Current portion	Non-current portion	Total	12/31/2005 Current portion	Non-current portion	Total
Bonds			370.9	370.9		377.0	377.0
Bank borrowings		34.3	317.3	351.6	38.3	259.0	297.3
Miscellaneous facilities and other financial debt		4.3	18.2	22.5	2.0	8.9	10.9
Finance lease liabilities		3.1	9.6	12.7	3.1	9.6	12.7
Accrued interest		3.0		3.0	2.9		2.9
Economic financial debt	**(1)**	**44.7**	**716.0**	**760.7**	**46.3**	**654.5**	**700.8**
Impact of amortized cost			(2.5)	(2.5)		(2.3)	(2.3)
Impact of fair value hedge			(36.3)	(36.3)		(20.5)	(20.5)
IAS 39 remeasurement	**(2)**	**0.0**	**(38.8)**	**(38.8)**	**0.0**	**(22.8)**	**(22.8)**
Gross balance sheet financial debt	**(3)=(1)+(2)**	**44.7**	**677.2**	**721.9**	**46.3**	**631.7**	**678.0**
Financial derivatives (assets)		(5.4)	(2.0)	(7.4)		(0.3)	(0.3)
Financial derivatives (liabilities)			36.4	36.4	1.1	20.3	21.4
Hedging financial instruments	**(4)**	**(5.4)**	**34.4**	**29.0**	**1.1**	**20.0**	**21.1**
Cash and cash equivalents		116.8		116.8	114.7		114.7
Overdrafts		(20.2)		(20.2)	(17.0)		(17.0)
Net cash	**(5)**	**96.6**	**0.0**	**96.6**	**97.7**	**0.0**	**97.7**
Net financial debt (excluding minority interest purchase commitments)	**(6)=(3)+(4)-(5)**	**(57.3)**	**711.6**	**654.3**	**(50.3)**	**651.7**	**601.4**

Breakdown of main financial debt items

An amendment to the committed revolving credit facility agreement set up in 2005 was signed in June 2006, raising this credit facility from €540.0 million to €850.0 million. Owing to more favorable market conditions, the Group has extended the maturity of the credit facility and reduced the credit spread.

With the exception of this amendment, the Group has not set up any other borrowings nor repaid any substantial portion of its debt during the first half of 2006.

As of June 30, 2006 , the drawn amount of the Group's financial debt is as follows:

- a US private placement of €370.9 million;
- a committed revolving credit facility of €295.0 million (the amount drawn during the first half of 2006 increased by €65.0 million);
- bank loans held by JCDecaux SA's subsidiaries for a total amount of € 56.6 million;
- miscellaneous facilities and other financial debt of €22.5 million;
- finance lease liabilities of €12.7 million;
- accrued interest of €3.0 million.

Therefore, the Group has a total of €555.0 million available committed credit facilities.

The Group estimates that its credit spread has remained stable and hence the market value of its financial debt has not varied significantly since December 31, 2005.

As of June 30, 2006 the Group was compliant with all debt covenants, with values far away from required limits.

3.9. Debt on commitments to purchase minority interests

The debt on commitments to purchase minority interests amounted to €65.1 million as of June 30, 2006, compared to €66.8 million as of December 31, 2005. The decrease is mainly attributable to the purchase during the first half of 2006 of 0.57% of Media Partners International Holdings Inc.' minority interests and 1.77% of JCDecaux Sverige's minority interests, with respective impacts on the debt of €(0.6) million and €(3.2) million.

3.10 Financial derivatives

The Group uses derivatives solely for interest rate and foreign exchange rate hedging purposes. The use of those derivatives primarily concerns JCDecaux SA.

3.10.1 Financial instruments related to bond issues

As of June 30, 2006, the market value of these financial instruments amounted to:

- a negative €12.0 million with respect to interest rate hedging instruments, compared to a negative €5.1 million as of December 31, 2005. The decline in value of the financial instrument is attributable to the increase in interest rates over the period.
- a negative €24.3 million with respect to foreign exchange rate hedging instruments, compared to a negative €15.2 million as of December 31, 2005. The decline is due to the decrease in the US dollar since the last balance sheet date.

3.10.2 Interest rate instruments (excluding financial instruments related to bond issues)

During the first half of 2006, derivatives not qualified as hedges matured in the amount of €35.0 million. The Group set up new instruments of this kind for €100.0 million consisting of cap spread and ratchet caps funded by the sale of floors. These new instruments mature in 2009.

Thus, the portfolio of interest rate hedging instruments amounted to €175.0 million as of June 30, 2006.

As of June 30, 2006, the market value of these financial instruments amounted to €2.0 million, compared to €0.3 million as of December 31, 2005. This improvement is due to the increase in interest rates over the period.

3.10.3 Foreign exchange rate instruments (excluding financial instruments related to bond issues)

As of June 30, 2006, the market value of these financial instruments amounted to €5.4 million, compared to a negative €1.1 million as of December 31, 2005.

3.11 Financial income / (loss)

(In million euros)	1st half of 2006	1st half of 2005 Restated [(1)]
Interest income	2.8	2.7
Interest expense	(14.6)	(12.4)
Net interest expense (1)	**(11.8)**	**(9.7)**
Dividends	**0.2**	**0.1**
Net foreign exchange gains	**(6.1)**	**2.6**
Impact of IAS 39 - foreign exchange	0.7	0.1
Impact of IAS 39 - interest rate	(0.4)	0.0
Changes in fair value of derivatives not qualified as hedges	1.9	0.6
Amortized cost impact	(0.2)	(1.4)
Impact of IAS 39	**2.0**	**(0.7)**
Discounting expenses	**(6.2)**	**(4.0)**
Bank guarantee costs	**(0.3)**	**(0.4)**
Provisions for financial risks - Net charge	**0.7**	**0.6**
Net loss from sale of marketable securities & unconsolidated investments	**(0.6)**	**(0.3)**
Other	(0.1)	0.1
Other net financial expense (2)	**(10.4)**	**(2.0)**
Financial income / (loss) (3) = (1)+(2)	**(22.2)**	**(11.7)**

[(1)] *See note 2 "Reconciliation of the 2005 restated financial statements".*

During the first half of 2006, the financial loss totaled €22.2 million, compared to a €11.7 million loss for the same period last year.

This decrease is mainly attributable to:

- The increase in negative translation adjustments for €8.7 million,
- The increase in discounting expenses for €2.2 million,
- The rise of interest expense for €2.1 million as a result of the increase in net debt during the period.

3.12. Income tax

The effective tax rate before impairment of goodwill and the share of net profit of associates was 30.3% as of June 30, 2006, compared to 35.5% as of June 30, 2005.

This decrease results mainly from the impact of the merger that occurred in Spain in 2006 together with the positive impact of the €1.8 million reimbursement by the French Tax authorities of a carryback receivable and the positive impact on tax loss carryforwards of improving results in the United States.

3.13. Share of net profit of associates

The share of net profit of associates as of June 30, 2006 amounted to €5.4 million, compared to €4.3 million as of June 30, 2005. This amount mainly comprises the contribution of €2.5 million from Affichage Holding (Switzerland).

4. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

As of June 30, 2006, off-balance sheet commitments were comparable to those as of December 31, 2005, with the exception of the committed revolving credit line, of which €555.0 million was not drawn as of June 30, 2006, compared to €310.0 million as of December 31, 2005. An amendment to the committed revolving credit line facility agreement set up in 2005 was signed in June 2006, raising this credit line from €540.0 million to €850.0 million as of June 30, 2006.

5. SEGMENT REPORTING

5.1. By line of business

Segment reporting by line of business for the first half of 2006 breaks down as follows:

(In million euros)	Street Furniture	Billboard	Transport	Eliminations	Total
Net revenues					
- to third parties	485.7	222.4	237.7		945.8
- inter-segment revenues	13.5	6.7	3.6	(23.8)	0.0
Total net revenues	**499.2**	**229.1**	**241.3**	**(23.8)**	**945.8**
Operating margin	**207.6**	**34.5**	**22.9**		**265.0**
EBIT	**139.9**	**16.6**	**12.2**		**168.7**

Segment reporting by line of business for the first half of 2005 breaks down as follows:

(In million euros)	Street Furniture	Billboard	Transport	Eliminations	Total
Net revenues					
- to third parties	454.9	214.4	164.4		833.7
- inter-segment revenues	10.4	5.0	0.7	(16.1)	0.0
Total net revenues	**465.3**	**219.4**	**165.1**	**(16.1)**	**833.7**
Operating margin	**191.3**	**29.8**	**8.0**		**229.1**
EBIT	**121.8**	**14.3**	**2.2**		**138.3**

5.2. By geographical area

Segment reporting by geographical area for the first half of 2006 breaks down as follows:

(In million euros)	France	United Kingdom	Rest of Europe	North America	Pacific-Asia	Rest of the world	Total
Net Revenues	294.7	125.2	338.3	64.5	116.1	7.0	945.8

Segment reporting by geographical area for the first half of 2005 breaks down as follows:

(In million euros)	France	United Kingdom	Rest of Europe	North America	Pacific-Asia	Rest of the world	Total
Net Revenues	278.7	124.4	320.7	44.7	61.1	4.1	833.7

6. RELATED PARTIES

During the first half of 2006, the relations between the Group and its related parties remained comparable to those existing in 2005. In particular, no unusual transactions of a noticeable amount or nature occurred during this period, with the exception of the borrowing of €11.1 million by EPI (Austria) from Affichage Holding (consolidated under the equity method) and the loan of €11.1 million granted by JCDecaux SA to EPI (proportionately consolidated).

7. SUBSEQUENT EVENTS

In July 2006, JCDecaux signed a partnership agreement with the BigBoard Group with the intention to develop itself in the outdoor advertising market in Ukraine and Russia. A common entity, BigBoard BV, has been set up ; The Group subscribed a 40% participation in this entity for USD52.3 million.

On August 23, 2006, JCDecaux was notified by Berliner Verkehrsbetriebe (BVG), one of the most significant worldwide public transport companies, of its intent to sell all its shares held indirectly in the external communication company VVR-Berek to JCDecaux following a European call for tenders. The outcome of the transaction is subject to the approval of the German anti-trust authorities.