

**Paris, 6 November 2007 – JCDecaux SA** (Euronext Paris: DEC), the number one outdoor advertising company in Europe and Asia-Pacific and the number two worldwide, published today its business review for the third quarter of 2007, as required by the new publication rules following the transposition of the European “Transparency” directive into French national law (“Information trimestrielle”).

### 1. **THIRD QUARTER 2007: BUSINESS HIGHLIGHTS**

#### *France*

- On July 15<sup>th</sup>, JCDecaux launched “Vélib” in Paris, the largest self-service bicycle scheme in the world entirely financed by advertising. The bicycle scheme will comprise 20,600 bicycles and 1,451 stations by year-end, and is part of a 10-year advertising contract (348 8m<sup>2</sup> and 1,280 2m<sup>2</sup> panels) with the city of Paris.

#### **1.1 Key contract wins**

##### Europe

#### *France*

- In July, the Public Agency for Development and Construction (OPAC) of Paris awarded our French subsidiary Avenir a series of 81 advertising sites for a 6-year period, following a consultation process.  
This contract represents the most strategic group of sites owned by OPAC in terms of both quantity and quality, and strengthens Avenir’s existing portfolio, making JCDecaux the Agency’s principal partner in terms of outdoor advertising. With prime locations on all major access roads into Paris, the scrolling displays will be installed by the end of 2007 and will help consolidate Avenir’s position as the leading billboard operator in Paris.
- In September, JCDecaux was awarded the contract for a self-service bicycle hire system in Toulouse (population: 390,350) for a period of 15 years.  
This contract includes an initial confirmed package of 135 cycle racks and 1,470 bicycles followed by provisional further packages that, if agreed, would boost the entire service to 253 cycle racks and a total of 2,400 bicycles.  
The advertising street furniture installed at the cycle racks will cover part of the financial aspects of the contract, another part being covered by the local community whose financial contribution will be reduced by the amount of bicycle rental charges paid directly to the City. Advertising carried on the bicycles will also help finance the service.
- The Group also won a 14-year contract for street furniture and a self-service bicycle hire system in Rouen (population: 106,592) following a competitive tender process.  
The renewed and extended contract for advertising street furniture concerns 150 2m<sup>2</sup> city information panels, 80 8m<sup>2</sup> displays and 8 information columns. The contract covers a total of 430 advertising faces.  
250 bicycles and 20 Cyclocity® cycle racks will also be installed, financed by advertising on the street furniture and revenues derived from operating the self-service bicycle hire system.
- JCDecaux was awarded the 10-year street furniture contract for the city of Antibes (population: 72,400), following a competitive tender.  
This new street furniture contract, previously held by a competitor, is for 75 2m<sup>2</sup> MUPI® (city information panels), 10 8m<sup>2</sup> Senior® displays and poster display poles for event-based advertising, which represent approximately 265 2m<sup>2</sup> and 8m<sup>2</sup> advertising panels in total.  
This new agreement is an addition to the 14-year bus shelter advertising contract that was awarded earlier this year for 115 bus shelters, representing a total of 260 advertising panels.

#### *Luxembourg*

- In September, JCDecaux Luxembourg was awarded a 10-year contract for street furniture and a self-service bicycle hire scheme for the City of Luxembourg (population: 83,000), following a competitive tender.  
This new street furniture contract is for 100 2m<sup>2</sup> (city information panel), a total of 180 advertising faces. It follows an earlier bus shelter advertising contract for 200 bus shelters.  
From 2008, 200 self-service bicycles and 20 stations will be installed at the railway station, in the town centre and in the Kirchberg district. Luxembourg becomes the first city in the Grand Duchy to adopt this new form of individual public transport.

## North America

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### United States

- In September, JCDecaux entered into a contract for the advertising concession at Minneapolis-St. Paul International Airport (MSP). JCDecaux Airport was awarded the 8-year contract in preference to a number of rival interested parties. The contract will start on October 1, 2007.

With more than 35 million annual passengers, MSP is the United States' 12th largest Airport, and one of the country's major airport hubs.

## Asia-Pacific

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### China

- In September, JCDecaux China – a 100% subsidiary of JCDecaux – announced having signed an exclusive 15-year contract with Shanghai Metro Shentong Group Ltd. for the operation and management of all outdoor advertising across the metro network (excluding broadcast TV in trains and platforms). This major contract will cover the 5 metro lines that are currently in operation and a further 8 that will be constructed by 2012. An advertising revenue of 15 billion RMB (1.46 billion euros) over the 15-year contract is expected to be generated.

Shanghai is the largest city in China with a population of approximately 20 million people. The implementation of this contract is expected to drive the expansion of advertising on the Shanghai Metro Shentong Group Network to the highest international standard.

## 1.2 Sales & Marketing

- JCDecaux signed a 3-year pan-European alliance with Samsung's in house advertising agency, Cheil Communications, in 20 countries. All Samsung divisions are included in the partnership including mobile phone, TV, MP3, white goods and digital camera. For the first time, this partnership covers all divisions of JCDecaux group including Street Furniture, Billboard and Transport.

## 1.3 Subsequent events

- The agreements pertaining to the spin-off of Europlakat International (EPI), a joint-venture previously 50-50 held by JCDecaux and Affichage Holding, in which JCDecaux holds a 30% stake, have been signed on October 26<sup>th</sup> 2007, with the support of Affichage Holding. JCDecaux took direct control of EPI's subsidiaries in Croatia and Slovenia, while Affichage Holding took direct control of EPI's subsidiaries in Bosnia, Bulgaria, Hungary, Serbia and Montenegro. This transaction requires the approval of the competition authorities in all the above-mentioned countries.

## 2. THIRD QUARTER 2007: REVENUES

Revenues for the nine months ended 30 September increased by 9.0% to €1,506.9 million compared to the same period last year. Excluding acquisitions and the impact of foreign exchange, organic revenues rose by 8.6% for the first nine months of 2007.

In the third quarter, revenues increased strongly by 11.8% to €487.9 million. Excluding acquisitions and the impact of foreign exchange, organic revenues increased by 12.2%. Organic revenues grew faster than reported revenues due to a weaker US and Hong Kong dollar versus euro compared to the same period last year. These revenues reflect the continued strong progression of Transport, which reached a record 24.2% organic revenue growth rate in the quarter, an improvement in Street Furniture revenue growth, the continued solid growth of Billboard and improved market conditions in France.

## Reported revenues

| (in million €)          | 2007  |       |              |                | 2006  |       |       |          | Change (%)   |                |
|-------------------------|-------|-------|--------------|----------------|-------|-------|-------|----------|--------------|----------------|
|                         | Q1    | Q2    | Q3           | 9 months       | Q1    | Q2    | Q3    | 9 months | Q3 07/06     | 9 months 07/06 |
| <b>Street Furniture</b> | 239.0 | 271.3 | <b>227.1</b> | <b>737.4</b>   | 227.5 | 258.2 | 208.6 | 694.3    | <b>8.9%</b>  | <b>6.2%</b>    |
| <b>Transport</b>        | 120.6 | 145.9 | <b>144.1</b> | <b>410.6</b>   | 110.8 | 126.9 | 119.2 | 356.9    | <b>20.9%</b> | <b>15.0%</b>   |
| <b>Billboard</b>        | 113.5 | 128.7 | <b>116.7</b> | <b>358.9</b>   | 103.9 | 118.5 | 108.5 | 330.9    | <b>7.6%</b>  | <b>8.5%</b>    |
| <b>Total Group</b>      | 473.1 | 545.9 | <b>487.9</b> | <b>1,506.9</b> | 442.2 | 503.6 | 436.3 | 1,382.1  | <b>11.8%</b> | <b>9.0%</b>    |

## Organic growth<sup>(1)</sup>

| (in million €)          | Change (%)   |                |
|-------------------------|--------------|----------------|
|                         | Q3 07/06     | 9 months 07/06 |
| <b>Street Furniture</b> | 8.1%         | 5.0%           |
| <b>Transport</b>        | 24.2%        | 16.3%          |
| <b>Billboard</b>        | 6.8%         | 7.7%           |
| <b>Total Group</b>      | <b>12.2%</b> | <b>8.6%</b>    |

(1) excluding acquisitions/divestitures and the impact of foreign exchange

**Street Furniture** revenues for the first nine months of 2007 increased by 6.2% to €737.4 million. Excluding acquisitions and the impact of foreign exchange, organic revenues increased by 5.0%. Core advertising revenues, excluding revenues related to the sale, rental and maintenance of street furniture contracts, rose by 6.2% organically.

In the third quarter, revenues increased by 8.9% to €227.1 million (+8.1% on an organic basis) compared to the same period last year. Core advertising revenues, excluding revenues related to the sale, rental and maintenance of street furniture contracts, rose by 8.5% organically. In Europe, double digit revenue increases were reported in Belgium, Austria and Scandinavia, while high single digit advertising revenue growth was achieved in both the United Kingdom and France. Solid revenue growth was also achieved in Spain and the Netherlands, while Asia-Pacific and the Rest of the World recorded double digit revenue growth over the period.

As previously indicated, the renewal of certain major Street Furniture franchises, as well as further expansion in emerging countries, is expected to decrease the division's operating margin as a percentage of revenues in the second half of 2007 compared to the same period last year. However, this decrease will be partly offset by an expected acceleration in organic revenue growth in Street Furniture and margin expansion in the Transport and Billboard divisions, where the company continues to benefit from good operating leverage.

**Transport** revenues for the first nine months of 2007 increased by 15.0% to €410.6 million. Excluding acquisitions and the impact of foreign exchange, organic revenues increased by 16.3% over the period.

In the third quarter, revenues increased by 20.9% to €144.1 million. Organic revenue growth reached 24.2% over the period, reflecting the continued dynamism of this business in most of our key markets.

Double-digit revenue growth was achieved in most European markets including France, the United Kingdom, Spain, Italy, Portugal and Scandinavia. Double digit revenue increases were also achieved in mainland China, Hong Kong and the United States, which benefited from rising revenues from the Los Angeles Airport advertising program.

**Billboard** revenues for the first nine months of 2007 increased by 8.5% to €358.9 million. Excluding acquisitions and the impact of foreign exchange, organic revenues increased by 7.7% over the period.

In the third quarter, revenues increased by 7.6% to €116.7 million (+6.8% on an organic basis). The United Kingdom business, which produced double-digit organic revenue growth, reported the best performance overall, benefiting from a strong market outperformance, earlier investment in its high-quality "Premiere" advertising network and the recently-signed contract with BT payphones. Double digit growth was also recorded in Spain and Portugal while revenue progression was solid in Ireland. In France, revenues were slightly down over the quarter.

Commenting on the third quarter revenues, Jean-François Decaux, Chairman of the Executive Board and Co-CEO, said:

*"The growth of our Street Furniture business accelerated in the third quarter and we saw continued strong growth in Transport and Billboard. These strong revenues reflect factors which we also expect to support our longer-term growth, in particular: the outperformance of outdoor advertising compared to the advertising sector as a whole, encouragingly in some of the largest advertising markets in the world such as the US, UK and Germany; our well invested assets and innovative products supported by experienced management; and our emphasis in recent years on expansion in higher growth emerging markets including China.*

*Given our third quarter performance, we now expect that our organic revenue growth in 2007 will be slightly ahead of 8%, compared to our previously indicated range of 7-8%, reflecting ongoing strength in the Transport division, a stronger growth rate in Street Furniture and improved market conditions in France."*

### **3. IMPACTS OF Q3 EVENTS AND SUBSEQUENT EVENTS ON JCDECAUX'S FINANCIAL SITUATION**

#### **Launch of Velib' in Paris / recently won Street Furniture franchises**

On July 15<sup>th</sup> 2007, JCDecaux launched Vélib' in Paris, the largest bicycle hire system in the world, entirely financed by advertising. 20,600 bicycles and 1,451 bike stations are expected to be installed by the end of 2007. Most of the start-up costs and capital expenditures related to this scheme will be spent in the second half of 2007.

The implementation of this particularly large-scale program, the investment in the third quarter following other recently-won Street Furniture franchises (Marseille, Aix-en Provence, Mulhouse, Besançon, Séville...) as well as further expansion in emerging countries will affect the division's operating margin as a percentage of revenues in the second half of 2007 compared to the same period last year.

Consequently, as previously indicated, while an acceleration is expected in Street Furniture organic revenue growth in the second half of 2007, operating margin as a percentage of revenues for the division is expected to decrease compared to the same period last year.

However, the decrease of the Street Furniture operating margin as a percentage of revenues will be partly offset by the margin expansion of our Transport and Billboard divisions, where we continue to benefit from a good operating leverage.

In particular, the record double-digit organic revenue growth achieved in the third quarter in our Transport division should generate a sound increase in our Transport operating margin as a percentage of revenues in the second half.

#### **Spin-off of Europlakat International**

The agreements pertaining to the spin-off of Europlakat International (EPI), a joint-venture previously 50-50 held by JCDecaux and Affichage Holding, in which JCDecaux holds a 30% stake, have been signed on October 26<sup>th</sup> 2007, with the support of Affichage Holding. JCDecaux took direct control of EPI's subsidiaries in Croatia and Slovenia, while Affichage Holding took direct control of EPI's subsidiaries in Bosnia, Bulgaria, Hungary, Serbia and Montenegro (as of July 1<sup>st</sup> 2007 in JCDecaux's consolidated financial statements).

This transaction generated a capital gain of around 10 millions euros that will impact positively the Group's full-year EBIT (capital gains of consolidated companies are booked within 'Other operating income and expenses' above the EBIT line). This spin-off still requires the approval of the competition authorities in all the above-mentioned countries.

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2007 is an important year for the Group, with major Street Furniture contract renewals in France and further expansion abroad, particularly in emerging markets where we see significant opportunities for outdoor advertising. The investments and start-up costs in 2007 will pave the way for future profit and free cash flow growth and we therefore look forward to the future with confidence and believe that the Group is well positioned in all its markets.