JCDecaux

JCDECAUX ANNOUNCES STRONG EARNINGS GROWTH IN 2003 AND ANTICIPATES FURTHER GROWTH IN 2004

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- **EBITDA up 2.9% to €416.9 million**
- **Operating income increased by 9.0% to €230.1 million**
- **Net income Group share up 57.3% to €40.9 million**
- **Free cash flow up 12.8% to €189.4 million**
- **Improving outlook**

Paris, 17 March 2004 – JCDecaux SA (Euronext Paris : DEC), the number one outdoor advertising company in Europe and the number two worldwide, announced today record results for the year 2003. A sound increase in organic revenues drove strong earnings growth.

Revenues

As reported on 11 February 2004, consolidated revenues of €1,543.8 million were down 2.2%; however, excluding acquisitions and foreign exchange impact, organic revenues increased by 1.3% in 2003. The Group's organic revenue growth was primarily led by an acceleration of the Street Furniture business throughout the year and a recovery in Transport advertising, especially in airports. In Billboard, organic revenues were flat, reflecting another challenging year for the European advertising market.

EBITDA

EBITDA increased by 2.9% to a record €416.9 million from €405.3 million in 2002. The Group's EBITDA margin reached 27.0% of consolidated revenues – representing the highest margin among international outdoor companies - an increase of 130 basis points compared to the prior year (2002: 25.7%). Growth in EBITDA was driven by the Group's solid organic revenue performance, combined with strong control over operating costs in established countries and by a positive contribution, for the first time, from the United States and Asia-Pacific.

Divisionally, EBITDA growth primarily reflected the strong operating performance and operational gearing of the Street Furniture business, which accounted for 84% of the Group's EBITDA in 2003, as well as from an improvement in the profitability of Transport advertising. These factors more than offset a slight decrease in Billboard's EBITDA.

- **Street Furniture :** EBITDA increased by 2.4% year-on-year, to a record €348.5 million in 2003, producing a strong EBITDA margin of 41.6%, an increase of 110 basis points over 2002. The improvement in EBITDA was driven by tight control over operating costs in established markets across Europe and a significant increase in the profitability of Street Furniture contracts recently started in the United States and Asia-Pacific.

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- **Billboard :** EBITDA decreased by 1.8% to €54.4 million in 2003; however, operating margin increased by 20 basis points to 12.7%, reflecting the Group's initiative to reduce costs and optimize yield in key markets. In the UK, Ireland and Belgium, the increase in EBITDA was driven by the good performance in organic revenues from well-invested estates.

- **Transport** : EBITDA increased by 45.7% to €14.0 million in 2003, up from €9.6 million in 2002, leading to an improvement in EBITDA margin of 170 basis points to 5.0% of the turnover of this activity. This significant upturn in the profitability of Transport advertising was driven by the gearing effect of a return to organic revenue growth as advertisers resumed their spend in airports, combined with strong cost control. EBITDA improved in all regions except in Asia-Pacific, where organic revenues were hindered by the impact of SARS.

Operating income (EBITA)

Operating income increased by 9.0% to €230.1 million, up from €211.2 million in the prior year. This was driven by an improvement in EBITDA of €11.6 million combined with a reduction in the depreciation charges and provisions of €7.3 million. Operating margin reached 14.9% in 2003, up from 13.4% in 2002.

Net Income

- Net income Group share increased by 57.3% to €40.9 million compared to €26.0 million in the prior year. This strong performance was primarily due to the increase in operating income of €18.9 million combined with an improvement in the interest charge, which decreased by €4.7 million in 2003.

- Adjusted net income Group share before goodwill amortization and exceptional items increased by 22.3% to €113.0 million, compared to €92.4 million in 2002.

Capital expenditure

Net capex (acquisition of tangible and intangible assets, net of disposals) was €141.1 million in 2003, compared to €156.6 million in the prior year. Maintenance capex of €70.4 million represented 4.6% of the Group's total revenues, in line with previous years.

Free cash flow

- JCDecaux continued to generate strong operating cash flow which rose to €330.5 million compared to €324.5 million in 2002, supporting the Group's continued organic growth as well as most of its financial investments.

- Free cash flow (defined as operating cash flow less total tangible and intangible capital expenditure) improved by 12.8% to €189.4 million (2002: €167.9 million).

Net debt

Given the Group's strong operating cash flow, net debt as of 31 December 2003 increased by only €22.6 million to €635.8 million, after financial investments of €210.1 million on acquisitions and the repurchase of some minority interests. This gave a net debt to equity ratio of 47.5%. The interest cover ratio continued to be comfortable at 14.8x.

Commenting on the results, Jean-François Decaux, Chairman of the Executive Board and Co-Chief Executive Officer, said:

"2003 was a milestone year for the Group: we reached an operating income margin of nearly 15%, continued to generate strong cash flows, became the second largest outdoor advertising Group in the world and, more importantly, achieved the highest margins among the international players.

Looking forward, we expect slight growth in organic revenues in the first quarter of 2004, with organic revenue growth getting stronger in the second quarter. Demand remains solid in the United States and Asia-Pacific and is gradually improving in Europe. For the full year 2004, we expect the Group's organic revenue growth to be stronger than that achieved in 2003, leading to further improvement in profitability.

JCDecaux will continue to focus on organic growth with some of the largest opportunities worldwide coming up in 2004, including bus shelter contracts in New York and London, as well as the advertising contract for railway stations and billboards in the UK."

Next information :
Q1 2004 revenues will be released on 28 April 2004 before market.
The Company will hold its General Shareholder Meeting on 12 May 2004.

Key Information on the Group

- 2003 revenues : €1 544 million
- Listed on Euronext Paris ; part of the SBF 120 and Euronext 100 indexes
- N°1 worldwide in street furniture (291,000 faces)
- N°1 worldwide in airport advertising, with 153 airports and over 150 transport contracts in metros, buses, tramways and trains (150,000 Transport faces)
- N°1 in Europe for billboards (189,000 faces)
- 630,000 advertising faces in 43 countries
- Present in 3,500 cities with over 10,000 inhabitants
- 6 900 employees

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BALANCE SHEET AS AT DECEMBER 31, 2003, 2002 AND 2001

Assets

In million Euros

	December 31, 2003	December 31, 2002	December 31, 2001
Intangible assets (net)	31.9	33.1	36.2
Goodwill (net)	1,178.6	1,080.0	1,105.3
Tangible assets (net)	675.3	722.3	773.2
Investments (net)	75.9	79.8	87.3
FIXED ASSETS	**1,961.7**	**1,915.2**	**2,002.0**
Inventories (net)	95.4	92.6	113.4
Trade receivables (net)	386.7	403.1	409.8
Others receivables (net)	141.7	126.7	152.2
Marketable securities (net)	85.9	82.4	141.1
Cash	71.8	80.0	52.6
Deferred tax assets (net)	15.0	29.7	46.4
CURRENT ASSETS	**796.5**	**814.5**	**915.5**
TOTAL ASSETS	**2,758.2**	**2,729.7**	**2,917.5**

Liabilities and Equity

In million Euros

	December 31, 2003	December 31, 2002	December 31, 2001
SHAREHOLDERS ' EQUITY			
Capital	3.4	3.4	3.4
Share premium	923.2	923.2	923.2
Legal reserve	0.3	0.3	0.3
Consolidated reserves / Group share	366.0	360.5	384.8
Current year net income / Group share	40.9	26.0	10.2
SHAREHOLDERS ' EQUITY (Group share)	**1,333.8**	**1,313.4**	**1,321.9**
MINORITY INTERESTS	31.4	64.2	68.8
PROVISIONS FOR RISKS AND CONTINGENCIES	**114.6**	**82.6**	**83.4**
DEFERRED TAX LIABILITIES	**16.5**	**20.7**	**27.4**
Indebtedness			
Bonds	375.0		
Bank borrowings	394.6	737.7	896.5
Miscellaneous loans and financial debts	11.2	8.3	12.2
Trade payables	147.2	159.1	188.1
Other liabilities	321.2	314.0	300.7
Bank overdrafts	12.7	29.7	18.5
INDEBTEDNESS	**1,261.9**	**1,248.8**	**1,416.0**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**2,758.2**	**2,729.7**	**2,917.5**

INCOME STATEMENT FOR THE YEARS ENDED DECEMBER 31, 2003, 2002, AND 2001

In million Euros

	2003	2002	2001
NET REVENUES	**1,543.8**	**1,577.7**	**1,543.2**
Operating expenses excluding depreciation charges & provisions	(1,126.9)	(1,172.4)	(1,165.9)
EBITDA (1)	**416.9**	**405.3**	**377.3**
Depreciation charges & provision (net)	(186.8)	(194.1)	(176.2)
OPERATING INCOME	**230.1**	**211.2**	**201.1**
NET FINANCIAL INCOME/(LOSS)	**(32.0)**	**(36.7)**	**(53.1)**
INCOME FROM RECURRING OPERATIONS	**198.1**	**174.5**	**148.0**
Non-recurring income/(loss)	(0.3)	(2.7)	(5.8)
Income tax	(75.8)	(70.2)	(49.8)
NET INCOME FROM CONSOLIDATED COMPANIES BEFORE INCOME FROM EQUITY AFFILIATES AND AMORTISATION OF GOODWILL	**122.0**	**101.6**	**92.4**
Net income from equity affiliates	4.9	5.6	7.1
Amortisation of Goodwill	(71.8)	(63.7)	(70.9)
CONSOLIDATED NET INCOME	**55.1**	**43.5**	**28.6**
. Minority interests	14.2	17.5	18.4
. Group Share	**40.9**	**26.0**	**10.2**
. Earnings per share (in Euros) (2)	**0.185**	**0.117**	**0.051**
. Earnings per share diluted (in Euros) (2)	**0.181**	**0.115**	**0.050**
. Number (average) of shares (2)	221,400,760	221,528,081	201,470,353
. Number (average) of shares (diluted) (2)	225,793,495	225,627,199	203,438,129

(1) The Group measures the performance of business on the basis of EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization). EBITDA is not defined by French accounting principles.
(2) After deduction of Treasury shares acquired by JCDecaux SA in 2002.

CASH FLOW STATEMENT FOR THE YEARS ENDED DECEMBER 31 , 2003, 2002 AND 2001

In million Euros

	2003	2002	2001
Net income (Group share)	40.9	26.0	10.2
Minority interests	14.2	17.5	18.4
Income from equity affiliates	(4.9)	(5.5)	(7.1)
Dividends received from equity affiliates	4.0	4.3	4.1
Employee profit sharing			
Change in deferred tax	2.4	(10.3)	(47.9)
Net amortisation & provision allowance	272.6	261.8	270.5
Capital (Gain/Loss)	(1.9)	6.5	(12.7)
CASH PROVIDED BY OPERATIONS	327.3	300.3	235.5
CHANGE IN WORKING CAPITAL	3.2	24.2	(6.0)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**330.5**	**324.5**	**229.5**
Acquisitions of intangible assets	(8.1)	(10.2)	(12.6)
Acquisitions of tangible assets	(142.7)	(156.5)	(274.3)
Acquisitions of financial assets (long term investments)	(204.6)	(49.9)	(135.4)
Acquisitions of financial assets (others)	(7.4)	(1.8)	(9.1)
Change in payables on assets	(1.0)	(3.8)	(10.0)
TOTAL Investments	(363.8)	(222.2)	(441.4)
Disposals of intangible assets	0.2		1.6
Disposals of tangible assets	9.5	10.1	33.2
Disposals of financial assets (long term investments)	0.2	1.2	
Disposals of financial assets (others)	1.7	18.4	4.4
Change in receivables on assets		3.9	(3.8)
TOTAL Disposals of assets	11.6	33.6	35.4
NET CASH (USED FOR) PROVIDED BY INVESTING ACTIVITIES	**(352.2)**	**(188.6)**	**(405.9)**
Dividends paid	(8.4)	(12.3)	(14.6)
Reduction of capital			
Repayment of debt	(346.9)	(202.1)	(408.3)
Cash inflow from financing activities	(355.3)	(214.4)	(422.9)
Increase in shareholders' equity			679.8
Increase in debt	388.3	38.6	25.1
Cash outflow from financing activities	388.3	38.6	704.9
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	**33.0**	**(175.8)**	**282.0**
Effect of exchange rates fluctuations	1.0	(2.7)	
CHANGE IN CASH POSITION	**12.3**	**(42.6)**	**105.7**
Cash position beginning of period	**132.7**	**175.3**	**69.6**
Cash position end of period	**145.0**	**132.7**	**175.3**