JCDecaux

Half-year financial report
H1 2020

July 30th, 2020

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HALF-YEAR BUSINESS REVIEW – H1 2020

HALF-YEAR FINANCIAL RELEASE – H1 2020

- **Adjusted revenue down -41.6% to €1,075.4 million**
- **Adjusted organic revenue down -40.8%, with Q2 at -63.4%**
- **Adjusted operating margin of -€61.8 million**
- **Adjusted EBIT, before impairment charge, of -€258.5 million**
- **Net income Group share of -€254.9 million, including an impairment charge of €55.9 million**
- **Positive adjusted free cash flow of €69.5 million (vs. -€7.8m in H1 2019)**
- **No quarterly guidance on adjusted organic revenue growth provided in 2020 due to Covid-19**

Paris, July 30th, 2020 – JCDecaux SA (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its 2020 half year financial results.

Following the adoptions of IFRS 11 from January 1st, 2014 and IFRS 16 from January 1st, 2019, and in compliance with the AMF's instructions, the operating data presented below are adjusted:

- to include our *prorata* share in companies under joint control, regarding IFRS 11,
- to exclude the impact of IFRS 16 on our core business lease agreements (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).
  Please refer to the paragraph "Adjusted data" on page 6 of this release for the definition of adjusted data and reconciliation with IFRS.

The values shown in the tables are generally expressed in millions of euros. The sum of the rounded amounts or variations calculations may differ, albeit to an insignificant extent, from the reported values.

Commenting on the 2020 first half-year results, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"During the Covid-19 lockdown period, the temporary historic drop in urban and transport audiences as well as severe economic uncertainties led companies to react immediately and to reduce their advertising spend in an unprecedented scale. Once lockdown measures were lifted, urban audiences started to recover progressively in Street Furniture and in Billboard while Transport audiences are still lagging significantly, mainly in airports.

Advertising revenue has, for the time being, not followed the same pace of recovery and we see an important difference between audiences' levels, which are in some geographies close to pre-Covid-19, and revenue levels which do not yet reflect the positive momentum in urban audiences.

Our Group revenue declined by €766.9 million reaching €1,075.4 million with a decrease in adjusted organic revenue at -40.8%, mainly in Q2 2020 (-63.4%). Our H1 2020 operating margin reducing significantly to -€61.8 million. While the Group started the year positively, mainly in Street Furniture (up +3.9% by the end of February), the performance was hardly hit by the Covid-19 outbreak from March onwards. Immediate and dedicated action was taken on operating and financial levers to mitigate this decline and save cash, including but not limited to rent reliefs, severe cost management, reduced capital investment, tight control over working capital requirement and dividend cancellation.

Our digital revenue now represents 24.0% of Group revenue, up +10bp for the same period last year. After a solid Q1 2020 performance digital revenue declined in Q2 2020, to post for H1 2020 a -41.3% decline.

We have further reinforced our global leading position by completing the acquisition of a minority stake in Clear Media Limited as part of a consortium of investors (including Han Zi Jing, Chief Executive Officer of Clear Media, Antfin (Hong Kong) Holding Limited and China Wealth Growth Fund III L.P.). This strategic move combined with the structural long-term growth of the outdoor advertising industry in China will enable the Group to come out of this crisis in a stronger position.

JCDecaux has obtained the maximum AAA score in the Corporate Social Responsibility (CSR) rankings of the Morgan Stanley Capital International (MSCI) ratings agency for the third consecutive year. The ranking confirms the robustness of the CSR practices and sustainable development policy that JCDecaux has employed for many years, and also reflects its long-term resilience to environmental, social and governance risks.

Looking forward, the global advertising market remains highly volatile with low visibility. Considering the risk of new waves of Covid-19 and new local lockdowns being implemented, it remains very difficult to give a guidance for Q3 2020.

Finally, I would like to thank all of our teams around the world. Our employees have demonstrated exemplary behaviour, with outstanding commitment and solidarity, including salary cuts, despite the challenges they may have faced, professionally and personally, during and after lockdown periods.

In a media landscape increasingly fragmented and more and more digital, out-of-home and digital out-of-home advertising reinforce its attractiveness. As the most digitised global OOH company with our new data-led audience targeting and programmatic platform, our well diversified portfolio, our ability to win new contracts, the strength of our balance sheet and the high quality of our teams across the world, we believe we are well positioned to benefit from the rebound."

ADJUSTED REVENUE

Adjusted revenue for the six months ending June 30th, 2020 decreased by -41.6% to €1,075.4 million from €1,842.3 million in the same period last year. On an organic basis (i.e. excluding the negative impact from foreign exchange variations and the negative impact from changes in perimeter), adjusted revenue decreased by -40.8%. Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, decreased by -42.4% on an organic basis in the first half of 2020.

In the second quarter, adjusted revenue decreased by -64.9% to €351.9 million. On an organic basis, adjusted revenue decreased by -63.4% compared to Q2 2019.
Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, decreased by -65.7% on an organic basis in Q2 2020.

Adjusted revenue

€m	H1 2020			H1 2019			Change 20/19		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
Street Furniture	325.5	154.4	**479.9**	344.3	446.3	**790.6**	-5.5%	-65.4%	**-39.3%**
Transport	281.7	141.2	**423.0**	368.0	409.0	**777.0**	-23.4%	-65.5%	**-45.6%**
Billboard	116.3	56.3	**172.6**	127.7	147.0	**274.7**	-9.0%	-61.7%	**-37.2%**
Total	**723.6**	**351.9**	**1,075.4**	**840.0**	**1,002.3**	**1,842.3**	**-13.9%**	**-64.9%**	**-41.6%**

Adjusted organic revenue growth (a)

	Change 20/19		
	Q1	Q2	H1
Street Furniture	-5.0%	-64.9%	**-38.8%**
Transport	-23.8%	-62.6%	**-44.2%**
Billboard	-9.5%	-61.1%	**-37.1%**
Total	**-13.9%**	**-63.4%**	**-40.8%**

(a) Excluding acquisitions/divestitures and the impact of foreign exchange

Adjusted revenue by geographic area

€m	H1 2020	H1 2019	Reported growth	Organic growth(a)
Asia-Pacific	303.2	538.6	-43.7%	-41.5%
Europe(b)	283.9	472.9	-40.0%	-40.6%
France	189.2	300.6	-37.1%	-37.1%
Rest of the World	108.2	208.3	-48.0%	-44.5%
United Kingdom	98.5	171.9	-42.7%	-42.7%
North America	92.5	150.0	-38.3%	-39.8%
Total	**1,075.4**	**1,842.3**	**-41.6%**	**-40.8%**

(a) Excluding acquisitions/divestitures and the impact of foreign exchange
(b) Excluding France and the United Kingdom

Please note that the geographic comments below refer to organic revenue growth.

STREET FURNITURE

First half adjusted revenue decreased by -39.3% to €479.9 million, -38.8% on an organic basis, significantly impacted by the Covid-19 outbreak. The pandemic affected all regions to varying degrees, depending on the duration of lockdowns. The Rest of the World and North America were the most affected geographies.
First half adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were down -41.7% on an organic basis compared to the first half of 2019.

In the second quarter, adjusted revenue decreased by -65.4% to €154.4 million. On an organic basis, adjusted revenue decreased by -64.9% compared to the same period last year. UK and the Rest of the World were the most impacted regions. While North America was positive in Q1 2020, the region turned significantly negative in Q2 2020. Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were down -69.1% on an organic basis in Q2 2020 compared to Q2 2019.

TRANSPORT

First half adjusted revenue decreased by -45.6% to €423.0 million, -44.2% on an organic basis, significantly impacted by the Covid-19 outbreak, reflecting a significant decline globally in both airport passenger traffic as well as public transport commuting. Europe (including France and UK) and the Rest of the World were the most affected regions.

In the second quarter, adjusted revenue decreased by -65.5% to €141.2 million. On an organic basis, adjusted revenue decreased by -62.6% compared to the same period last year. Asia-Pacific was the least affected geography.

BILLBOARD

First half adjusted revenue decreased by -37.2% to €172.6 million, -37.1% on an organic basis, significantly impacted by the Covid-19 outbreak. The pandemic affected all regions to varying degrees, depending on the duration of lockdowns. UK and North America were the most affected regions, despite a double-digit positive performance in North America in Q1 2020.

In the second quarter, adjusted revenue decreased by -61.7% to €56.3 million. On an organic basis, adjusted revenue decreased by -61.1% compared to the same period last year.

ADJUSTED OPERATING MARGIN (1)

The Covid-19 outbreak with lockdown measures had a massive impact on our business and our margins by segment. Although the measures taken by the Group to flex its cost structure enabled to absorb 52% of the revenue drop in the first half of 2020, adjusted operating margin decreased by -120.2% to -€61.8 million from €306.4 million in the first half of 2019. The adjusted operating margin as a percentage of revenue was -5.7%, -2,230bp below prior year.

	H1 2020		H1 2019		Change 20/19	
	€m	% of revenue	€m	% of revenue	Change (%)	Margin rate (bp)
Street Furniture	(20.6)	-4.3%	176.1	22.3%	-111.7%	-2,660bp
Transport	(11.3)	-2.7%	107.2	13.8%	-110.5%	-1,650bp
Billboard	(30.0)	-17.4%	23.1	8.4%	-229.7%	-2,580bp
Total	**(61.8)**	**-5.7%**	**306.4**	**16.6%**	**-120.2%**	**-2,230bp**

Street Furniture: In the first half of 2020, adjusted operating margin decreased by -111.7% to -€20.6 million. As a percentage of revenue, the adjusted operating margin decreased by -2,660bp to -4.3%, compared to the first half of 2019.

Transport: In the first half of 2020, adjusted operating margin decreased by -110.5% to -€11.3 million. As a percentage of revenue, the adjusted operating margin decreased by -1,650bp to -2.7% compared to the first half of 2019.

Billboard: In the first half of 2020, adjusted operating margin decreased by -229.7% to -€30.0 million. As a percentage of revenue, adjusted operating margin decreased by -2,580bp to -17.4% compared to the first half of 2019.

ADJUSTED EBIT (2)

In the first half of 2020, adjusted EBIT before impairment charge decreased by -289.9% to -€258.5 million compared to €136.1 million in the first half of 2019. As a percentage of revenue, this represented a -3,140bp decrease to -24.0%, from 7.4% in H1 2019. The decrease in mainly due to the deterioration of the operating margin and, to a lesser extent, to an increase in net amortisation and provisions in line with our investments related to significant contract wins and digital over the last 2 years as well as intangibles from APN Outdoor purchase price allocation performed in H2 2019. Consumption of maintenance spare parts decreased in H1 2020 in line with the business slowdown.

A -€14.0 million impairment on tangible and intangible assets and a €1.4 million reversal on provisions for onerous contracts have been recognised in H1 2020 (a -€0.1 million impairment on tangible and intangible assets and a €3.2 million reversal on provisions for onerous contracts have been recognised in H1 2019). An impairment charge on goodwill of -€48.0m has been recorded in H1 2020 related to the Billboard business in the Rest of the World while no impairment charge on goodwill was recorded in H1 2019.

Adjusted EBIT, after impairment charge decreased by -329.3% to -€319.2 million compared to €139.2 million in H1 2019.

NET FINANCIAL INCOME / (LOSS) (3)

In the first half of 2020, interest expenses on IFRS 16 leases were -€68.3 million compared to -€83.3 million in the first half of 2019, a variation of €15.0 million mainly coming from the mechanical impact of the contract life progression.

In the first half of 2020, excluding IFRS 16, other net financial income / (loss) was -€14.2 million compared to -€12.7 million in the first half of 2019, a variation limited to -€1.5 million mainly corresponding to the financial interest expenses relating to the €1 billion bond placed in April 2020.

EQUITY AFFILIATES

In the first half of 2020, the share of net profit from equity affiliates was -€14.6 million, lower compared to the same period last year (€38.4 million), their business being negatively impacted by the Covid-19 pandemic.

NET INCOME GROUP SHARE

In the first half of 2020, net income Group share before impairment charge decreased by -313.8% to -€199.0 million compared to €93.1 million in H1 2019, due to the impacts detailed above and to a positive tax impact of €43.8m in line with the negative profit before tax.

Taking into account the impact from the impairment charge, net income Group share decreased by -365.6% to -€254.9 million compared to €96.0 million in H1 2019.

ADJUSTED CAPITAL EXPENDITURE

In the first half of 2020, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was adjusted downwards significantly by -38.1% from €136.6 million in H1 2019 to €84.5 million. Capex to pursue digitisation in premium locations and to roll-out our programmatic trading platform was maintained.

ADJUSTED FREE CASH FLOW (4)

In the first half of 2020, adjusted free cash flow was €69.5 million compared to -€7.8 million in the same period last year despite a decrease in funds from operations. This increase is mainly due to significantly lower working capital requirements with a tight management over cash collection and payment and a decrease in capex over the period.

DIVIDEND

On March 25th, 2020, JCDecaux announced the withdrawal of its 2019 dividend proposal in order to strengthen its liquidity and balance sheet as well as its financial flexibility in response to the unprecedented global disruption due to the Covid-19 outbreak.

NET DEBT (5)

Net debt as of June 30th, 2020 decreased from €1,316.2 million as of June 30th, 2019 to €1,178.6 million thanks to measures taken by the Group to mitigate the revenue decline and preserve cash.

RIGHT-OF-USE & LEASE LIABILITIES, IFRS 16

Right-of-use, IFRS 16 as of June 30th, 2020 amounted to €3,543.2 million compared to €3,958.5 million as of December 31st, 2019, a decrease mainly related to the amortisation of rights-of-use during the period net of right-of-use from new contracts and renewals.

IFRS 16 lease liabilities decreased by -€440.4 million from €4,596.5 million as of December 31st, 2019 to €4,156.1 million as of June 30th, 2020, the decrease in lease liabilities corresponding to rents paid and renegotiated during the period.

ADJUSTED DATA

Under IFRS 11, applicable from January 1st, 2014, companies under joint control are accounted for using the equity method.
Under IFRS 16, applicable from January 1st, 2019, a lease liability for contractual fixed rental payments is recognised on the balance sheet, against a right-of-use asset to be depreciated over the lease term. As regards P&L, the fixed rent expense is replaced by the depreciation of the right-of-use in EBIT, below the operating margin, and a lease interest expense on the lease liability in financial result, below EBIT. IFRS 16 has no impact on cash payments but payment of debt (principal) is booked in funds from financing activities.
However, in order to reflect the business reality of the Group and the readability of our performance, our operating management reports used to monitor the activity, allocate resources and measure performance continue:

- To integrate on proportional basis operating data of the companies under joint control and;
- To exclude the IFRS 16 impact on our core business (lease agreements of locations for advertising structures excluding real estate and vehicle rental contracts).

As regards the P&L, it concerns all aggregates down to the EBIT. As regards the cash flow statement, it concerns all aggregates down to the free cash flow.
Consequently, pursuant to IFRS 8, Segment Reporting presented in the financial statements complies with the Group's internal information, and the Group's external financial communication therefore relies on this operating financial information. Financial information and comments are therefore based on "adjusted" data, consistent with historical data, which is reconciled with IFRS financial statements.

In the first half of 2020, the impacts of IFRS 11 and IFRS 16 on our adjusted aggregates are:

- -€106.9 million for IFRS 11 on adjusted revenue (-€190.9 million for IFRS 11 in H1 2019) leaving IFRS revenue at €968.6 million (€1,651.4 million in H1 2019).
- -€11.2 million for IFRS 11 and €567.3 million for IFRS 16 on adjusted operating margin (-€53.5 million for IFRS 11 and €567.6 million for IFRS 16 in H1 2019) leaving IFRS operating margin at €494.3 million (€820.5 million in H1 2019).
- €1.0 million for IFRS 11 and €105.9 million for IFRS 16 on adjusted EBIT before impairment charge (-€40.9 million for IFRS 11 and €107.7 million for IFRS 16 in H1 2019) leaving IFRS EBIT before impairment charge at -€151.6 million (€202.9 million in H1 2019).
- €1.0 million for IFRS 11 and €105.9 million for IFRS 16 on adjusted EBIT after impairment charge (-€40.9 million for IFRS 11 and €107.7 million for IFRS 16 in H1 2019) leaving IFRS EBIT after impairment charge at -€212.3 million (€206.0 million in H1 2019).
- €3.5 million for IFRS 11 on adjusted capital expenditure (€5.5 million for IFRS 11 in H1 2019) leaving IFRS capital expenditure at -€81.0 million (-€131.1 million in H1 2019).
- -€12.8 million for IFRS 11 and €329.6 million for IFRS 16 on adjusted free cash flow (-€1.0 million for IFRS 11 and €554.1 million for IFRS 16 in H1 2019) leaving IFRS free cash flow at €386.3 million (€545.3 million in H1 2019).

The full reconciliation between adjusted figures and IFRS figures is provided on page 9 of this release.

NOTES

(1) **Operating Margin:** Revenue less Direct Operating Expenses (excluding Maintenance spare parts) less SG&A expenses.

(2) **EBIT:** Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions (net) less Impairment of goodwill less Maintenance spare parts less Other operating income and expenses.

(3) **Net financial income / (loss):** Excluding the net impact of discounting and revaluation of debt on commitments to purchase minority interests (-€0.2 million and -€2.5 million in H1 2020 and H1 2019 respectively).

(4) **Free cash flow:** Net cash flow from operating activities less capital investments (property, plant and equipment and intangible assets) net of disposals.

(5) **Net debt:** Debt net of managed cash less bank overdrafts, excluding the non-cash IAS 32 impact (debt on commitments to purchase minority interests), including the non-cash IFRS 9 impact on both debt and hedging financial derivatives excluding IFRS 16 lease liabilities.

Forward looking statements

This news release may contain some forward-looking statements. These statements are not undertakings as to the future performance of the Company. Although the Company considers that such statements are based on reasonable expectations and assumptions on the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual performance to differ from those indicated or implied in such statements.

These risks and uncertainties include without limitation the risk factors that are described in the annual report registered in France with the French Autorité des Marchés Financiers.

Investors and holders of shares of the Company may obtain copy of such annual report by contacting the Autorité des Marchés Financiers on its website www.amf-france.org or directly on the Company website www.jcdecaux.com.

The Company does not have the obligation and undertakes no obligation to update or revise any of the forward-looking statements.

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ORGANIC GROWTH DEFINITION

The Group's organic growth corresponds to the adjusted revenue growth excluding foreign exchange impact and perimeter effect. The reference fiscal year remains unchanged regarding the reported figures, and the organic growth is calculated by converting the revenue of the current fiscal year at the average exchange rates of the previous year and taking into account the perimeter variations *prorata temporis*, but including revenue variations from the gains of new contracts and the losses of contracts previously held in our portfolio.

€m		Q1	Q2	H1
2019 adjusted revenue	**(a)**	**840.0**	**1,002.3**	**1,842.3**
2020 IFRS revenue	**(b)**	**658.2**	**310.4**	**968.6**
IFRS 11 impacts	(c)	65.4	41.5	106.9
2020 adjusted revenue	**(d) = (b) + (c)**	**723.6**	**351.8**	**1,075.4**
Currency impacts	(e)	1.7	8.0	9.7
2020 adjusted revenue at 2019 exchange rates	**(f) = (d) + (e)**	**725.3**	**359.9**	**1,085.2**
Change in scope	(g)	(2.3)	7.0	4.7
2020 adjusted organic revenue	**(h) = (f) + (g)**	**723.0**	**366.8**	**1,089.8**
Organic growth	**(i) = (h) / (a)**	**-13.9%**	**-63.4%**	**-40.8%**

€m	Impact of currency as of June 30th, 2020
BRL	4.4
AUD	3.4
HKD	(1.5)
USD	(2.2)
Other	5.6
Total	**9.7**

Average exchange rate	H1 2020	H1 2019
BRL	0.1848	0.2303
AUD	0.5961	0.6249
HKD	0.1169	0.1129
USD	0.9074	0.8851

RECONCILIATION BETWEEN ADJUSTED FIGURES AND IFRS FIGURES

Profit & Loss	**H1 2020**				**H1 2019**			
€m	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities [1]	IFRS	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities [1]	IFRS
Revenue	**1,075.4**	**(106.9)**	**-**	**968.6**	**1,842.3**	**(190.9)**	**-**	**1,651.4**
Net operating costs	(1,137.3)	95.7	567.3	(474.3)	(1,535.9)	137.4	567.6	(830.9)
Operating margin	**(61.8)**	**(11.2)**	**567.3**	**494.3**	**306.4**	**(53.5)**	**567.6**	**820.5**
Maintenance spare parts	(12.7)	0.4	-	(12.2)	(17.6)	0.6	-	(17.0)
Amortisation and provisions (net)	(177.9)	12.4	(461.7)	(627.2)	(155.1)	11.7	(501.7)	(645.1)
Other operating income / expenses	(6.1)	(0.6)	0.2	(6.5)	2.4	0.3	41.8	44.5
EBIT before impairment charge	**(258.5)**	**1.0**	**105.9**	**(151.6)**	**136.1**	**(40.9)**	**107.7**	**202.9**
Net impairment charge [2]	(60.6)	-	-	(60.6)	3.1	-	-	3.1
EBIT after impairment charge	**(319.2)**	**1.0**	**105.9**	**(212.3)**	**139.2**	**(40.9)**	**107.7**	**206.0**

[1] IFRS 16 impact core business from controlled entities
[2] Including impairment charge on net assets of companies under joint control.

Cash-Flow Statement	**H1 2020**				**H1 2019**			
€m	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities [1]	IFRS	Adjusted	Impact of companies under joint control	Impact of IFRS 16 from controlled entities [1]	IFRS
Funds from operations net of maintenance costs	**(151.7)**	**9.6**	**365.1**	**223.0**	**191.0**	**0.6**	**520.7**	**712.3**
Change in working capital requirement	305.7	(25.9)	(35.6)	244.3	(62.2)	(7.1)	33.4	(35.9)
Net cash flow from operating activities	**154.0**	**(16.3)**	**329.6**	**467.3**	**128.8**	**(6.5)**	**554.1**	**676.4**
Capital expenditure	(84.5)	3.5	-	(81.0)	(136.6)	5.5	-	(131.1)
Free cash flow	**69.5**	**(12.8)**	**329.6**	**386.3**	**(7.8)**	**(1.0)**	**554.1**	**545.3**

[1] IFRS 16 impact core and non-core business from controlled entities

BUSINESS HIGHLIGHTS OF H1 2020

Key contracts wins

- ***Asia-Pacific***

In June, JCDecaux announced that its joint-venture (JV) with Beijing Metro Operation Co. Ltd has renewed and extended its advertising contract for the 9 central lines of the Beijing Metro for 20 years. Based in the Chinese capital, a city of over 20 million inhabitants, this JV, since its acquisition in 2006, has managed advertising for the 9 central Beijing Metro lines. JCDecaux will hold significant influence at the end of this period of renewal, with 33% of the JV.

At the same time, the JV has founded a new entity in Hohhot, a city of 2.9 million inhabitants and capital of the autonomous region of Inner Mongolia. Owned 51% by the JV and 49% by Hohhot metro, this entity holds an exclusive 15-year advertising contract for the first two lines of this metro: the recently opened line 1 and line 2, which is set to open in the second half of 2020.

- ***Rest of the World***

In January, JCDecaux announced that JCDecaux Gabon, its subsidiary jointly owned with Bolloré Group and in partnership with the Gabonese Strategic Investment Fund (FGIS), has been awarded the exclusive advertising contract for Libreville International Airport in Gabon (current and future airports) by ADL (*Aéroport de Libreville*), a subsidiary of Arise Infrastructure Services.

In May, JCDecaux announced that, following a competitive tender, its Colombian subsidiary 75% owned by JCDecaux and 25% owned by Caracol Television, has won the 15-year street furniture contract for the Colombian capital, Bogota (the largest city in the country, with 11 million inhabitants).

Other events

- ***Group***

In January, JCDecaux announced that it has been commended for its climate action this year, achieving a place on global environmental impact non-profit CDP's prestigious ‘A List’ for climate change, based on the company’s climate reporting in 2018.

In March, JCDecaux announced the decision of the Executive Board, with the approval of the Supervisory Board, to submit a proposal to its shareholders for its conversion to a European Company (*Societas Europaea*, SE), at the next Annual General Shareholders Meeting, to be held on May 14th, 2020.

In March, JCDecaux announced the withdrawal of its 2019 dividend proposal in order to strengthen its liquidity, its balance sheet, with one of the lowest leverage ratio in the OOH media industry, as well as its financial flexibility in response to the unprecedented global disruption due to the Covid-19 outbreak.

In April, JCDecaux announced that it has successfully placed Notes for a principal amount of 1 billion euros at 4.5 years and 8 years. The spreads have been set at 235 and 275 basis points above the swap rates, on the 4.5 years and 8 years tranches respectively, leading to coupons of 2.000% and 2.625% respectively. Subscribed 3 times, the notes have been placed with high quality investors. The net proceeds of the issuance will be used for refinancing the existing debt, including the repayment of the €300m bond which matures in October 2020, and for General Corporate Purposes. This issuance will also increase the average maturity of the Group’s debt.

In May, JCDecaux has obtained the maximum AAA score in the Corporate Social Responsibility (CSR) rankings of the Morgan Stanley Capital International (MSCI) ratings agency for the third consecutive year. The AAA score places JCDecaux in the top three in the Media & Entertainment category, among the top 4% of the best-rated companies in the panel, and significantly exceeds the average for the sector.

- ***Asia-Pacific***

In March, JCDecaux announced to acquire a minority stake, through its wholly owned subsidiary JCDecaux Innovate incorporated in Hong Kong, in a consortium of investors which formed a special purpose vehicle to make a voluntary conditional cash offer to acquire all of the shares in the entire issued share capital of Clear Media Limited, a company listed on the Hong Kong Stock Exchange.

The offer price of HK$7.12 per share represents a total value of approximately HK$3,857 million for all Clear Media’s outstanding shares, of which 23% or HK$887 million will be funded by JCDecaux.

The consortium composes of Mr. Han Zi Jing, Chief Executive Officer of Clear Media at 40%, Antfin (Hong Kong) Holding Limited at 30%, JCDecaux at 23% and China Wealth Growth Fund III L.P. at 7%.

The offer, still on-going on June 30th, 2020, was closed on July 13th, 2020. Following this offer, the consortium owns 88.2% of Clear Media.

- ***Rest of Europe***

In February, JCDecaux invited the Czech Republic to engage in discussions. This is the first step in arbitration proceedings pursuant to the Bilateral Investment Treaties between France, Austria and the Czech Republic of 1990.

The background is: JCDecaux, via its Austrian group company Gewista, holds a 70% participation in RENCAR, a previously 100% subsidiary of the Transport Enterprises of the City of Prague (Dopravní podnik hl. m. Prahy; "DPP") which JCDecaux acquired in 2001. DPP and RENCAR had entered into a rent agreement in 1997. JCDecaux paid the value of this rent agreement when acquiring the share. In addition, DPP had committed itself to uphold the rent agreement.

After 18 years of a successful cooperation, DPP abruptly and completely changed its mind. DPP wants to cancel the rent agreement of 1997. The absurd reason: It was "too vague". A Prague court of first instance shared that view, although the rent agreement has been implemented and repeatedly affirmed since 1997, ie for 22 years, and although DPP is obliged to uphold the rent agreement. An appeal against this decision is pending. Nevertheless, DPP allowed third parties to use its advertising spaces and excluded RENCAR from its use retroactively as of 1 December 2019.

As a direct consequence, JCDecaux stands to suffer damage of €40m to date.

PERSPECTIVES

Commenting on the 2020 first half results, **Jean-Charles Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

"Looking forward, the global advertising market remains highly volatile with low visibility. Considering the risk of new waves of Covid-19 and new local lockdowns being implemented, it remains very difficult to give a guidance for Q3 2020."

RELATED PARTIES

Paragraph 7 of the “Notes to the condensed interim consolidated financial statements” on page 31 reports on related parties.

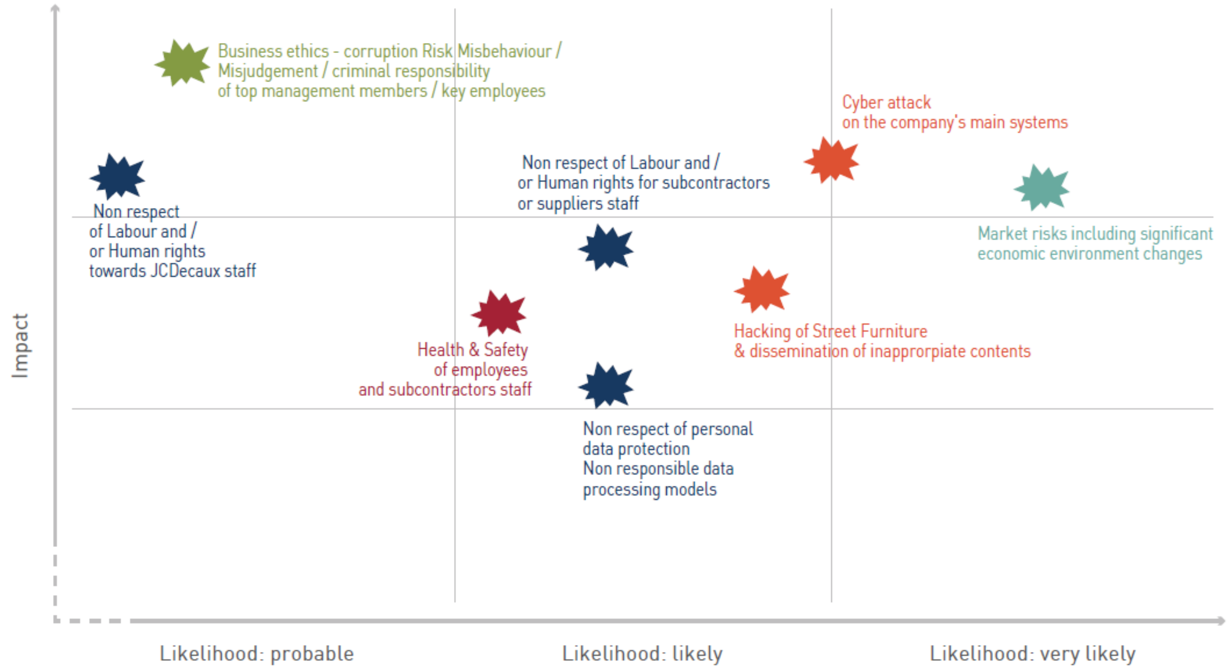
RISK FACTORS

The Group faces a number of internal and external risks that may affect the achievement of its objectives, its business or its financial position.

The Group prioritizes each of the risks identified and then groups them into six major risk categories, which include the main risks dealt with in the Declaration of Extra-Financial Performance.

- Fraud, Corruption, Illicit Agreement
- Compliance with laws and regulations
- Financial risks
- Strategic risks
- Operating risks
- Exogenous risks

The Company's main risks are presented in the graph below and described in detail below:



The Group has reviewed risks that could have a material adverse effect on its business, financial position or results (or its ability to achieve its objectives), and considers that those presented are the most significant ones.

1. Category: Fraud, Corruption, Illicit Agreement

In this category, the Group has identified risks relating to business ethics at various stages of the value chain: in relations with its customers (advertisers, agencies, etc.), with its contracting authorities (cities, local authorities, transport management companies, etc.) or with its suppliers.

The main risk associated with this category is one dealt with in the Declaration of Extra-Financial Performance: risks related to the Group's reputation and non-compliance with business ethics.

The Group's activity is closely linked to the quality and integrity of relations with contracting authorities (cities, local authorities, transport management companies, etc.). Our reputation and our history of integrity are essential elements in our business, and help us access various public and private contracts. Ethical business conduct is also a key factor in preserving long- term relationships with the Group's advertisers and partners, and in maintaining its reputation for excellence in the market. JCDecaux is also particularly vigilant in respect of business ethics when making acquisitions, particularly in countries deemed sensitive in terms of corruption.

In 2001, the Group published a Code of Ethics setting out the principles and ethical rules to be followed in conducting the Group's business. The Code of Ethics is communicated to all the Group's companies and employees.

2. Category: Compliance with laws and regulations

Several major risks, dealt with in the Declaration of Extra-Financial Performance, fall within this category:

- **Risk related to non-respect of Human Rights/Employees**

The JCDecaux group operates in more than 80 countries, and 24% of the Group's FTEs are located in countries that have not ratified all the Fundamental Conventions of the International Labor Organization. However, all employees of the Group should have their fundamental human rights respected, as stated in the JCDecaux International Charter of Fundamental Social Values.

JCDecaux has implemented a specific process to deploy the JCDecaux Charters and to ensure a basis of fundamental rights for all its employees.

- **Risk related to non-respect of Human Rights/Suppliers**

Suppliers are at the heart of the Group's quality processes. JCDecaux has chosen to entrust the production of its products and solutions to trusted third parties. Some of these suppliers are located in countries that have not ratified all the Fundamental Conventions of the International Labor Organization. However, JCDecaux requires its suppliers to comply with these international standards through its Supplier Code of Conduct, whose ratification it requires.

JCDecaux has implemented a specific process to deploy the JCDecaux Charters and to ensure a basis of fundamental rights for all its employees as well as for its subcontractors.

- **Risk related to the protection of personal data and non-respect of personal privacy**

In the digital and connected age, data are at the core of JCDecaux's business lines. In the course of its business, which among other things covers Wi-Fi access, self-service bicycles, commercial relations, events and websites, JCDecaux may collect and process personal data relating to thousands of third parties. It is its responsibility to guarantee to protect the privacy and personal data of each of these parties, as well as their rights under applicable law.

To reduce the risk associated with the irresponsible processing or violation of this information, JCDecaux has a governance structure and policy on the protection of personal data. This system has been further strengthened by the entry into force of the General Data Protection Regulation:

- a specific governance structure has been put in place: formation of a "GDPR" steering committee, appointment of a Data Protection Officer (DPO) or Privacy Manager at each subsidiary located within the EU, involvement of the Legal Department in each non-EU country
- Group policies and procedures dedicated to the protection of personal data have been published and implemented across all the entities;
- training initiatives (e-learning) have been carried out to raise awareness of these issues among all personnel

On a more general note, as regards the "compliance with laws and regulations" category, the outdoor advertising market is regulated at the local and national level, in the majority of countries where the Group operates, relating to

- the type (analogue/digital billboard), luminosity, density, size and location of billboards and Street Furniture in urban and other areas: regulations, however, are generally moving to reduce the total number of advertising spaces, and/or reduce their size, and local authorities are becoming stricter in applying existing laws and regulations. Some advertising spaces, particularly billboards, could therefore have to be removed or relocated in certain countries in the future.
- the content of advertising messages circulated (in particular, bans and/or restrictions in certain countries on tobacco and alcohol advertising): regarding the advertising of alcoholic beverages, laws and regulations vary considerably from one European country to another, from complete prohibition of billboards to permission only at points of sale or within a certain zone: for example, since a law promulgated in October 2018, alcohol advertising has been banned within 200 meters of schools and crèches and in public transport in Ireland; however, the majority of EU Member States have adopted laws that restrict the content, presentation and/or timing of some advertising. The advertising of alcoholic beverages is also regulated outside the European Union.

3. Category: Financial risks

As a result of its business, the Group may be exposed to varying degrees of financial risks (especially liquidity and financing risk, interest rate risk, foreign exchange rate risk and risks related to financial management, in particular, counterparty risk). The main risk identified in this category is the risk related to the economic environment.

In the event of a worldwide recession, the advertising and communications sector is quite susceptible to business fluctuations as many advertisers may cut their advertising budgets.

The Group must also deal with the cyclical nature of the advertising market. Our line of business is strongly linked to changes in the GDP in the countries where the Group operates. A significant increase or downturn in the economic activity of a country may substantially impact the Group's business and revenue.

The Group's operations in geographically diverse markets minimize the impact of a possible across-the-board decline in the sector, since reactions are disparate and occur at different times on markets in the various countries where it operates.

The Group management and its Finance Department are particularly attentive to cost structures, and adopt action plans to maintain the Group's profitability.

4. Category: Strategic risks

As a result of its business, the Group may face several strategic risks (in particular, reliance on key executive officers, the attractiveness of the employer brand or the ability to deal with changes in the business model).

The two main risks in this category are the following:

- **Risk of online hacking of street furniture and dissemination of inappropriate content**

Operating in 80 countries, JCDecaux has a digital presence in 47 of these through almost 30,000 street furniture assets. Any external or internal attempt to access the digital screens of the Group's street furniture in order to advertise uncontrolled messages is a major risk, which could affect its results as well as its reputation and its ability to provide a credible digital offering to advertisers. The more offensive and harmful the messages disseminated, the more serious the impacts will be. With the increasing digitization of businesses, securing access to the Group's network, computer systems and data is a priority to protect the value of the Company.

JCDecaux has had a comprehensive IT policy in place for several years to protect itself against the risk of attempts to hack its digital content. Under the Corporate responsibility of the Infrastructure Department, a robust IT security policy has been implemented, with the application of principles governing architecture, a monitoring tool, procedures, action plans and a set of tools (checks, vulnerability assessments, etc.) to ensure digital security to cover all of the risks identified.

- **Risk of a cyberattack on the Company's main systems**

The Group uses complex information systems to support its commercial, industrial and management activities. The main risks are related to the integrity and maintenance of the operational capacity of its systems.

The Group's information systems are protected on several levels: the data centers are secure, access to software controlled and our billboard systems audited. These protections concern in particular the computer platform used for the preparation and dissemination of digital advertising campaigns. This platform relies on a private network and is operated by the JCDecaux teams in accordance with strict end-to-end control and audit rules. It is monitored 24/7 in order to detect and deal with any operational anomalies in real time. In addition, Business Recovery Plans aimed at ensuring the continuity of our operations are tested several times a year. Moreover, in order to improve the security of IT systems on a continuous basis and to limit the consequences of any malfunctions, the various risks (incidents affecting data centers, failure of equipment or telecommunications systems, security breaches, human error, etc.) are regularly assessed. Based on these assessments, the resources in place are strengthened or/and new protective measures developed to clamp down on any attempted security breaches, disclosure of confidential information, data loss or corruption, loss of traceability, etc.

5. Category: Operating risks

In this category, the Group has identified the operating risks related to these various activities (in particular when selling advertising spaces or during billboard, cleaning and maintenance activities).

The main risk associated with this category is one dealt with in the Declaration of Extra-Financial Performance: Risks related to the health and safety of employees and subcontractors.

There are more than 400 different skills within JCDecaux, from the design of street furniture to the marketing of advertising space, not forgetting furniture's upkeep and maintenance and advertising spaces. Operational and field staff, which represented approximately 51% of the Group's total workforce in 2019, are more exposed to the risks of accidents and incidents through their activities. This may include work at great height, use of electricity or in proximity to electrical equipment, road driving or work close to roads or railways, work in places where the "density" of the public is considerable (airports, railway stations, metro systems, pavements, etc.).

JCDecaux has implemented a Group Health & Safety Policy.

6. Category: Exogenous risks

This category includes all the risks related to natural disasters or external social, political or epidemiological factors: in fact, given that the Group operates in many countries, it may, for example, be affected by a period of economic or political instability.

The Covid-19 crisis is having a material impact on the Group, mainly because of its prevalence in China and Hong Kong since February 2020 and its subsequent spread to other areas where the Group is active, since March 2020, mainly in Europe, in North America and Latin America. It affects the safety of the Group's employees, the organisation of the supply chain, our audiences and sales performance.

During the Covid-19 lockdown period, companies reacted immediately and reduced their advertising spend in an unprecedented scale to reflect the temporary historic drop in urban audiences as well as severe economic uncertainties. Once lockdown measures were lifted, urban audiences started to recover progressively in Street Furniture and in Billboard while Transport audiences are still lagging significantly, mainly in airports.

Advertising revenue has, for the time being, not followed the same pace of recovery and we see an important difference between audiences' levels, which are in some geographies close to pre-Covid-19, and revenue levels which do not yet reflect the positive momentum in urban audiences.

The Group has therefore been obliged to take a number of measures as part of a business continuity plan to protect health and safety of its employees and also to guarantee, as much as possible, delivery of commitments to its advertisers and agents.

While the health and safety of our employees remain our top priority, we have implemented additional measures to mitigate the negative impact of this crisis including but not limited to cutting discretionary spend and capex, introducing temporary unemployment measures, reducing employee hours and introducing voluntary salary reduction. All stakeholders show support during this unprecedented crisis, and we welcome the early decision from some airports, cities, transport authorities around the world to aid concessionaires. This includes for example, minimum annual guarantee reliefs, the adjustment of the base rent calculation and / or the revenue share percentage.

JCDecaux will be exposed, for the second half of 2020, to the usual risk factors and business uncertainties, which are inherent to the Group's activity as described above.

HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS – H1 2020

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Assets

In million euros		30/06/2020	31/12/2019
Goodwill		1,691.4	1,779.0
Other intangible assets		560.7	612.5
Property, plant and equipment		1,299.2	1,394.7
Right-of-use	§ 4.2	3,543.2	3,958.5
Investments under the equity method		438.6	452.3
Other financial assets	§ 4.3	176.7	75.8
Financial derivatives	§ 4.6	0.0	0.1
Deferred tax assets		142.2	122.7
Current tax assets		0.9	1.4
Other receivables		3.6	17.1
NON-CURRENT ASSETS		**7,856.6**	**8,414.1**
Other financial assets	§ 4.3	3.6	4.5
Inventories		223.7	175.1
Financial derivatives	§ 4.6	3.1	1.1
Trade and other receivables	§ 4.4	666.9	1,021.5
Current tax assets		46.2	34.5
Treasury financial assets	§ 4.6	58.3	83.5
Cash and cash equivalents	§ 4.6	1,742.2	149.8
CURRENT ASSETS		**2,743.9**	**1,470.0**
TOTAL ASSETS		**10,600.4**	**9,884.1**

Equity and Liabilities

In million euros		30/06/2020	31/12/2019
Share capital		3.2	3.2
Additional paid-in capital		608.5	608.5
Consolidated reserves		1,773.1	1,510.2
Consolidated net income (Group share)		(254.9)	265.5
Other components of equity		(242.2)	(155.9)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		**1,887.7**	**2,231.5**
Non-controlling interests		11.7	36.8
TOTAL EQUITY	**§ 4.5**	**1,899.4**	**2,268.3**
Provisions		344.7	360.1
Deferred tax liabilities		104.2	132.1
Financial debt	§ 4.6	2,183.3	753.1
Debt on commitments to purchase non-controlling interests	§ 4.7	105.0	104.8
Lease liabilities	§ 4.8	3,201.0	3,564.3
Other payables		15.2	22.0
Income tax payable		0.0	0.0
Financial derivatives	§ 4.6	0.0	0.0
NON-CURRENT LIABILITIES		**5,953.5**	**4,936.5**
Provisions		54.8	58.3
Financial debt	§ 4.6	770.9	595.7
Debt on commitments to purchase non-controlling interests	§ 4.7	4.6	4.6
Financial derivatives	§ 4.6	0.6	3.3
Lease liabilities	§ 4.8	955.1	1,032.3
Trade and other payables		895.3	930.7
Income tax payable		39.0	46.9
Bank overdrafts	§ 4.6	27.3	7.4
CURRENT LIABILITIES		**2,747.6**	**2,679.3**
TOTAL LIABILITIES		**8,701.0**	**7,615.7**
TOTAL EQUITY AND LIABILITIES		**10,600.4**	**9,884.1**

STATEMENT OF COMPREHENSIVE INCOME

INCOME STATEMENT

In million euros		1st half of 2020	1st half of 2019
REVENUE	§ 4.9	**968.6**	**1,651.4**
Direct operating expenses		(253.6)	(556.3)
Selling, general and administrative expenses		(220.7)	(274.6)
OPERATING MARGIN	§ 4.10	**494.3**	**820.5**
Depreciation, amortisation and provisions (net)		(639.8)	(642.0)
Impairment of goodwill		(48.0)	0.0
Maintenance spare parts		(12.2)	(17.0)
Other operating income		11.0	55.4
Other operating expenses		(17.5)	(10.9)
EBIT	§ 4.11	**(212.3)**	**206.0**
Interest expenses on IFRS 16 lease		**(68.3)**	**(83.3)**
Financial income		*2.0*	*2.7*
Financial expenses		*(16.4)*	*(17.9)*
Net financial income (loss) excluding IFRS 16		**(14.3)**	**(15.2)**
NET FINANCIAL INCOME (LOSS)	§ 4.12	**(82.7)**	**(98.5)**
Income tax	§ 4.13	43.8	(35.2)
Share of net profit of companies under the equity method	§ 4.14	(14.6)	38.4
PROFIT FROM CONTINUING OPERATIONS		**(265.8)**	**110.7**
Gain or loss on discontinued operations		0.0	0.0
CONSOLIDATED NET INCOME		**(265.8)**	**110.7**
- Including non-controlling interests	§ 4.15	*(10.8)*	*14.7*
CONSOLIDATED NET INCOME (GROUP SHARE)		**(254.9)**	**96.0**
Earnings per share (in euros)		(1.198)	0.451
Diluted earnings per share (in euros)		(1.198)	0.451
Weighted average number of shares		212,750,443	212,843,450
Weighted average number of shares (diluted)		212,750,443	212,889,680

STATEMENT OF OTHER COMPREHENSIVE INCOME

In million euros	1st half of 2020	1st half of 2019
CONSOLIDATED NET INCOME	**(265.8)**	**110.7**
Translation reserve adjustments on foreign operations (1)	(81.4)	4.7
Translation reserve adjustments on net foreign investments	(0.8)	(0.2)
Cash flow hedges	0.2	(0.3)
Tax on the other comprehensive income subsequently released to net income	0.0	0.3
Share of other comprehensive income of companies under equity method (after tax)	(5.4)	3.9
Other comprehensive income subsequently released to net income	**(87.5)**	**8.4**
Change in actuarial gains and losses on post-employment benefit plans and assets ceiling	(5.0)	(9.1)
Tax on the other comprehensive income not subsequently released to net income	0.8	2.4
Share of other comprehensive income of companies under equity method (after tax)	(1.5)	(0.1)
Other comprehensive income not subsequently released to net income	**(5.7)**	**(6.8)**
Total other comprehensive income	**(93.2)**	**1.6**
TOTAL COMPREHENSIVE INCOME	**(358.9)**	**112.3**
- Including non-controlling interests	*(17.7)*	*15.0*
TOTAL COMPREHENSIVE INCOME - GROUP SHARE	**(341.2)**	**97.3**

(1) For the first half of 2020, translation reserve adjustments on foreign operations are mainly related to changes in foreign exchange rates, of which mainly €(17.0) million in Mexico, €(14.3) million in Brazil, €(13.9) in South Africa, €(13.0) million in the United Kingdom and €(13.0) million in Australia. The item also included a €(1.3) million transfer in the income statement related to the changes of scope.
For the first half of 2019, translation reserve adjustments on foreign operations are mainly related to changes in foreign exchange rates, of which mainly €2.7 million in Mexico.

STATEMENT OF CHANGES IN EQUITY AS OF 30 JUNE 2019

	Equity attributable to the owners of the parents company													
					Other components of equity									
In million euros	Share Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Cash flow hedges	Available-for sale securities	Translation reserve adjustments	Revaluation reserves	Actuarial gains and losses / assets ceiling	Other	Total other components	Total	Non- controlling interests	Total
Equity as of 31 December 2018 [1]	**3.2**	**606.4**	**0.0**	**1,634.4**	**1.7**	**(0.1)**	**(115.7)**	**0.9**	**(53.7)**	**0.8**	**(166.2)**	**2,077.9**	**30.9**	**2,108.8**
Capital increase / decrease [2]		1.8		0.0								1.8	0.4	2.2
Purchase of treasury shares			(1.0)									(1.0)	0.0	(1.0)
Distribution of dividends				(123.4)								(123.4)	(9.6)	(133.0)
Share-based payments		0.1										0.1	0.0	0.1
Debt on commitments to purchase non-controlling interests [3]												0.0	0.0	0.0
Change in consolidation scope				(0.5)			0.4				0.4	(0.1)	2.5	2.4
Consolidated net income				96.0								96.0	14.7	110.7
Other comprehensive income							8.2		(6.9)		1.3	1.3	0.3	1.6
Total comprehensive income	**0.0**	**0.0**	**0.0**	**96.0**	**0.0**	**0.0**	**8.2**	**0.0**	**(6.9)**	**0.0**	**1.3**	**97.3**	**15.0**	**112.3**
Other				(0.1)								(0.1)	(0.2)	(0.3)
Equity as of 30 June 2019	**3.2**	**608.3**	**(1.0)**	**1,606.4**	**1.7**	**(0.1)**	**(107.1)**	**0.9**	**(60.6)**	**0.8**	**(164.5)**	**2,052.5**	**39.0**	**2,091.5**

(1) Includes an adjustment to the 2018 proforma accounts under IFRS 16.

(2) Increase in JCDecaux SA's additional paid-in capital related to the exercise of stock options and capital increases and decreases of controlled entities.

(3) There is no new commitment or exercise of purchase commitments in the first half of 2019. Moreover, revaluation and discounting effects of debt on commitments to purchase non-controlling interests are recorded in the income statement under the line item "Consolidated net income" in "Non-controlling interests" for €(2.5) million in the first half of 2019.

STATEMENT OF CHANGES IN EQUITY AS OF 30 JUNE 2020

	Equity attributable to the owners of the parents company													
					Other components of equity									
In million euros	Share Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Cash flow hedges	Available-for sale securities	Translation reserve adjustments	Revaluation reserves	Actuarial gains and losses / assets ceiling	Other	Total other components	Total	Non- controlling interests	Total
Equity as of 31 December 2019	**3.2**	**608.5**	**(0.6)**	**1,776.4**	**0.9**	**(0.1)**	**(100.2)**	**0.9**	**(58.2)**	**0.8**	**(155.9)**	**2,231.5**	**36.8**	**2,268.3**
Capital increase / decrease												0.0	0.0	0.0
Variation of treasury shares [1]			(2.3)	(0.6)								(3.0)	0.0	(3.0)
Purchase			(15.5)									(15.5)		(15.5)
Sale			13.1	(0.6)								12.5		12.5
Distribution of dividends												0.0	(8.5)	(8.5)
Share-based payments												0.0	0.0	0.0
Debt on commitments to purchase non-controlling interests [2]												0.0	0.0	0.0
Change in consolidation scope				0.1			0.0				0.0	0.1	0.9	1.1
Consolidated net income				(254.9)								(254.9)	(10.8)	(265.8)
Other comprehensive income					0.2		(80.7)		(5.7)	0.0	(86.3)	(86.3)	(6.9)	(93.2)
Total comprehensive income	**0.0**	**0.0**	**0.0**	**(254.9)**	**0.2**	**0.0**	**(80.7)**	**0.0**	**(5.7)**	**0.0**	**(86.3)**	**(341.2)**	**(17.7)**	**(358.9)**
Other				0.1			(0.0)				(0.0)	0.1	0.1	0.2
Equity as of 30 June 2020	**3.2**	**608.5**	**(3.0)**	**1,521.1**	**1.0**	**(0.1)**	**(180.9)**	**0.9**	**(63.9)**	**0.8**	**(242.2)**	**1,887.7**	**11.7**	**1,899.4**

(1) Change in treasury shares of JCDecaux SA under the liquidity agreement concluded in May 2019.

(2) There is no new commitment or exercise of purchase commitments in the first half of 2020. Moreover, revaluation and discounting effects of debt on commitments to purchase non-controlling interests are recorded in the income statement under the line item "Consolidated net income" in "Non-controlling interests" for €(0.2) million in the first half of 2020.

STATEMENT OF CASH FLOWS

In million euros		1st half of 2020	1st half of 2019
Net income before tax		(309.6)	145.9
Share of net profit of companies under the equity method	§ 4.14	14.7	(38.4)
Dividends received from companies under the equity method		15.8	53.7
Expenses related to share-based payments		0.0	0.1
Gains and losses on lease contracts		(158.4)	(41.6)
Depreciation, amortisation and provisions (net)		691.3	640.6
Capital gains and losses and net income (loss) on changes in scope		(1.0)	(8.1)
Net discounting expenses		1.2	4.7
Net interest expense & interest expenses on IFRS 16 lease		78.2	88.5
Financial derivatives, translation adjustments, amortised cost and other		(5.7)	2.2
Change in working capital		**244.3**	**(35.9)**
Change in inventories		(51.0)	(56.8)
Change in trade and other receivables		334.0	8.8
Change in trade and other payables		(38.8)	12.1
CASH FLOWS FROM OPERATING ACTIVITIES		**570.7**	**811.7**
Interest paid on IFRS 16 lease		(72.3)	(74.2)
Interest paid		(10.7)	(11.5)
Interest received		1.9	2.1
Income tax paid		(22.3)	(51.7)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**467.3**	**676.4**
Cash payments on acquisitions of intangible assets and property, plant and equipment		(111.1)	(140.5)
Cash payments on acquisitions of financial assets (long-term investments) net of cash acquired (1)		(5.2)	(0.8)
Acquisitions of other financial assets		(105.1)	(1.1)
Total investments		**(221.3)**	**(142.4)**
Cash receipts on proceeds on disposals of intangible assets and property, plant and equipment		30.1	9.4
Cash receipts on proceeds on disposals of financial assets (long-term investments) net of cash sold (1)		(0.0)	1.0
Proceeds on disposals of other financial assets		3.0	3.8
Total asset disposals		**33.1**	**14.2**
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(188.2)**	**(128.2)**
Dividends paid		(8.5)	(133.0)
Purchase of treasury shares		(15.5)	(1.0)
Cash payments on acquisitions of non-controlling interests		(0.0)	(2.9)
Repayment of long-term borrowings		(85.5)	(28.9)
Repayment of lease liabilities		(329.6)	(554.1)
Acquisitions and disposals of treasury financial assets		26.0	24.6
Cash outflow from financing activities		**(413.0)**	**(695.3)**
Cash receipts on proceeds on disposals of interests without loss of control		0.0	4.7
Sale of treasury shares		12.5	-
Capital increase		0.9	2.2
Increase in long-term borrowings		1,699.1	176.6
Cash inflow from financing activities		**1,712.6**	**183.5**
NET CASH FLOWS FROM FINANCING ACTIVITIES		**1,299.6**	**(511.8)**
CHANGE IN NET CASH POSITION		**1,578.7**	**36.4**
Net cash position beginning of period		**142.4**	**88.0**
Effect of exchange rate fluctuations and other movements		(6.2)	0.9
Net cash position end of period (2)		**1,714.9**	**125.3**

(1) Including nil net cash acquired and sold for the 1st half of 2020 and the 1st half of 2019.
(2) Including €1,742.2 million in cash and cash equivalents and €27.3 million in bank overdrafts as of 30 June 2020, compared to €132.3 million and €7.0 million, respectively, as of 30 June 2019..

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MAJOR EVENTS

In the context of the unprecedented global crisis caused by the Covid-19 pandemic, the Group has been strongly impacted by the global or partial confinements that the crisis has brought about around the world. While the Group's business model is based on delivering audiences to advertisers, confinement implies a sharp drop in pedestrian and car traffic as well as in the number of passengers in subways, stations and airports.

To withstand this unprecedented situation, depending on the country and in compliance with local guidelines, measures have been implemented to mitigate the negative impact of this crisis, in particular, the reduction in the cost base, a reduced capex program, as well as the introduction of partial activity measures thanks to government measures, the reduction of the working hours of employees, the measures necessary to allow teleworking as well as voluntary salary reductions. The Executive Board members as well as the Supervisory Board decided to cut their 2020 compensation by 25% and 20% respectively. The Group also benefits from the rapid decision of certain airports, cities and transport authorities around the world to aid concessionaires. This includes, for example, the suspension of the minimum annual guarantee payment obligation, the adjustment of the base rent calculation and / or the revenue share percentage.
The Group has also implemented measures to strengthen its liquidity and financial flexibility. Following its decision to withdraw the 2019 dividend proposal, the Group thus issued bonds for 1 billion euros at 4.5 years and 8 years, issued a bank term loan of 150 million euros repayable in April 2025 and extended the maturity of its revolving credit facility by one year to July 2025.

1. ACCOUNTING METHODS AND PRINCIPLES

1.1. Group's accounting principles

The condensed consolidated financial statements for the first half of 2020, approved by the Executive Board on 24 July 2020, have been prepared in accordance with IAS 34 "Interim financial reporting" and were subject to a limited review of the Group's auditors.
As these are condensed accounts, the half-year consolidated financial statements do not include all the financial information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2019 included in the listing file transmitted to the AMF, and with the particularities specific to the preparation of interim financial statements as described hereafter.

1.2. Main accounting policies

The accounting policies adopted for the preparation of the condensed consolidated financial statements for the first half of 2020 are in accordance with IFRS standards and interpretations, as adopted by the European Union. These are available on the European Commission website: : https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002/amending-and-supplementary-acts/acts-adopted-basis-regulatory-procedure-scrutiny-rps_fr.
The accounting policies adopted are identical to those used for the preparation of the consolidated financial statements for the year ended 31 December 2019, with the exception of the adoption of the following new standards, amendments to standards and interpretations adopted by the European Union and applicable from 1 January 2020:

- IAS 1 and IAS 8 Amendments "Definition of Material";
- Amendments to the Conceptual Framework for Financial Reporting ;
- IFRS 9, IAS 39 and IFRS 7 Amendments "Interest Rate Benchmark reform – Phase 1";
- IFRS 3 Amendments "Definition of a Business".

The application of these amendments, interpretations and standards did not have a significant impact on the consolidated financial statements.

The Group has not applied the IFRS 16 Amendment "Covid-19-Related Rent Concessions » early applicable on 1 January 2020 but not yet adopted by the European Union, and which consists of recording the decrease of lease liability resulting from the rents reliefs in income statement. The Group has therefore recorded this decrease in application of IFRS 9 standard.

In addition, the Group has opted not to apply in advance the new standards, amendments to standards and interpretations, adopted by the European Union when their application is only mandatory after 30 June 2020.

1.3. Accounting principles used in connection with the interim consolidated financial statements

1.3.1. Use of estimates

The accounting estimates used in the preparation of the condensed interim consolidated financial statements for the first half of 2020 were made against a background of high volatility in the advertising market and a definite difficulty in understanding the economic outlook.

1.3.2. Impairment tests

Due to the unfavorable economic conditions at 30 June 2020 in connection with the Covid-19 health crisis and the resulting significant drop in turnover, an impairment test was conducted on property, plant and equipment, intangible assets and right-of-use, as well as on goodwill and investments under equity method, in accordance with IAS 36.

- Scope of assets tested

For the half-year closing, the impairment tests were carried out on the assets most sensitive to a decline in activity identified during tests carried out at 31 December 2019, as well as on the global Airports CGU and on companies consolidated under the equity method whose main activity is airport, due to the particularly negative impact of the Covid-19 pandemic on air traffic and airport activity.

- Discount rates used

The countries are broken down into five areas based on the risk associated with each country, and each area corresponds to a specific discount rate ranging from 6.5% to 17.5%, for the area presenting the highest risk. The after-tax rate of 6.5%, used in 2020 (compared to 6.0% in 2019), was used, in particular, in Western Europe (excluding Spain, Portugal, Italy and Ireland), North America, Japan, Singapore, South Korea, and Australia. These discount rates were increased by 50 basis points between December 2019 and June 2020, this increase reflecting the general increase in market risk, the specific risks linked to the health and economic crisis being taken into account in the expected cash flows.

- Recoverable amounts

For the half-year closing, the recoverable values have been determined for the second half of 2020 on the basis of operational budgeted objectives integrating the health and economic crisis, then are based on the assumption of a return in 2022 to the level of activity and profitability of 2019 for the CGUs and groupings of CGUs for Street Furniture and Billboard, and a return in 2023 to the level of activity and profitability of 2019 for the global Airports CGU, as well as for companies consolidated using the equity method for which the main activity is airport. For the Billboard Rest of the World CGU grouping, the recoverable values were determined from specific business plans developed in collaboration with the operational departments of the companies that make up this CGU and which show a deterioration in activity and profitability compared to the assumptions used in the test carried out at the end of 2019.

The result of these impairment tests is described in Note 4.1 “Goodwill, Property, plant and equipment (PP&E), intangible assets, right-of-use and investments under the equity method impairment tests”.

1.3.3. Reduction of IFRS 16 rents in the context of Covid-19 epidemic

In the context of Covid-19 health crisis, the Group has negotiated reductions in fixed and minimum guaranteed rents with its concession grantors without consideration or modification of the other terms of contract.
The Group has recognised the decrease of the lease liability consecutive to these reductions in operating margin in the income statement in application of IFRS 9 standard. The extinction of the liability recognised in the income statement is restated from cash flows from operating activities in the statement of cash flows.

1.3.4. Income tax

Income tax for the half-year is calculated for each country on the basis of an average effective tax rate estimated on an annual basis and applied to the half-year income before tax of each country. This average estimated effective tax rate takes into account if such is the case the use and the recognition or not of the tax losses carried forward.

1.3.5. Discount rates

The discount rates used to calculate the provision for employee benefits as of 30 June 2020 is 1.5% in the UK (compared to 1.95% as of 31 December 2019) and 0.8% in the Euro zone (the same as of 31 December 2019). The average discount rate used to calculate dismantling provision is 0.74% (compared to 0.71% as of 31 December 2019) and the discount rate used to calculate the debt on commitments to purchase non-controlling interests, for the major commitment of the Group, is 0.42% (compared to 0.4% as of 31 December 2019).

2. CHANGES IN THE SCOPE OF CONSOLIDATION

2.1. Major changes in consolidation scope

The main changes in the consolidation scope during the first half of 2020 are as follows:

Entry in the scope of consolidation

The company City Lead Development Ltd, 23% owned by JCDecaux Innovate (China), is consolidated using the equity method. This company constitutes the consortium of investors which proceeded with the acquisition of Clear Media, a subsidiary of Clear Channel Outdoor listed in Hong Kong, announced on March 31, 2020, and over which the consortium had no significant influence on 30 June 2020.

Change in interest

On 27 April 2020, the percentage of financial interests of Top Result Promotion Ltd (China) in the company Beijing Top Result Metro Advertising Co. Ltd (China) which has renewed and extended its advertising contract for the 9 central lines of the Beijing Metro for 20 years, is reduced by 57% in accordance with the contract with the partner. This company, previously held under joint control and accounted for using the equity method at 90%, is now owned at 33% with significant influence and remains consolidated using the equity method.

2.2. Impact of acquisitions

The Group did not take any control over the first half of 2020.

3. SEGMENT REPORTING

To measure the group's operational performance and to inform managers about their decision-making in line with historical data, segment information is adjusted by:

- IFRS 11 impact: in the segment reporting, the data related to joint ventures, companies under joint control, is proportionately consolidated as in the Group's operating management reporting used by the Executive Board – the Chief Operating Decision Maker (CODM),
- IFRS 16 impact on location lease contracts for advertising structures ("Core Business" contracts) excluding real estate and vehicle rental contracts.

Consequently, pursuant to IFRS 8, operating data presented hereafter, in line with internal communication, is "adjusted". The "adjusted" data is reconciled with the IFRS financial statements for which the IFRS 11 leads to consolidation of the joint ventures under the equity method and where "core business" rents are accounted for in accordance with IFRS 16.

3.1. Information related to operating segments

3.1.1. First half of 2020

The information by operating segments for the first half of 2020 is as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Revenue (1)	479.9	423.0	172.6	1,075.4
Operating margin	(20.6)	(11.3)	(30.0)	(61.8)
EBIT (2)	(137.0)	(56.9)	(125.3)	(319.2)
Acquisitions of intangible assets and PP&E net of disposals (3)	68.7	9.3	6.4	84.5

(1) *Including advertising revenue for €943.4 million and non advertising revenue for €132.0 million.*
(2) *Including a net impairment charge related to impairment tests for €(60.6) million: €0.3 million in Street Furniture, €0.5 million in Transport and €(61.4) million in Billboard.*
(3) *Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.*

The reconciliation of these operating data from Adjusted to IFRS breaks down as follows:

In million euros	Adjusted data (1)	Joint ventures' impact (2)	IFRS 16 impact (3)	IFRS data
Revenue	1,075.4	(106.9)		968.6
Operating margin	(61.8)	(11.2)	567.3	494.3
EBIT	(319.2)	1.0	105.9	(212.3)
Acquisitions of intangible assets and PP&E net of disposals	84.5	(3.5)		81.0

(1) *Including impact of IFRS 16 on non core business contracts (of which +€28.5 million for the cancellation of rents and €(25.9) million for right-of-use amortisation).*
(2) *Impact of change from proportionate consolidation to the equity method of joint ventures.*
(3) *Impact of IFRS 16 on core business rents of controlled companies.*

The impact of €(106.9) million resulting from IFRS 11 (change from the proportionate consolidation to the equity method of joint ventures) on the adjusted revenue is split between €(114.0) million of revenue made by the joint ventures and €7.2 million of non-eliminated part of intercompany revenue made by Group fully consolidated companies with joint ventures, under IFRS 11, leaving IFRS revenue at €968.6 million.

The impact of €567.3 million resulting from IFRS 16 on the operating margin corresponds to the cancellation of core business rent and fees of controlled companies. The impact of €105.9 million resulting from IFRS 16 on the EBIT breaks down into €567.3 million on the operating margin, €(459.5) million of the right-of-use amortisation, €0.2 million of net gain on end of contracts, €(11.0) million of reversals of provisions for onerous contracts and €8.9 million of amortisation of the right-of-use resulting from the reclassification of provisions for onerous contracts.

3.1.2. First half of 2019

The information by operating segments for the first half of 2019 is as follows:

In million euros	Street Furniture	Transport	Billboard	Total
Revenue (1)	790.6	777.0	274.7	1,842.3
Operating margin	176.1	107.2	23.1	306.4
EBIT (2)	74.5	70.5	(5.8)	139.2
Acquisitions of intangible assets and PP&E net of disposals (3)	110.0	14.5	12.1	136.6

(1) Including advertising revenue for €1,660.0 million and non advertising revenue for €182.3 million.
(2) Including a net reversal related to impairment tests for €3.1 million: €0.6 million in Street Furniture and €2.5 million in Transport.
(3) Cash payments on acquisitions of intangible assets and property, plant and equipment net of cash receipts on proceeds on disposals of intangible assets and property, plant and equipment.

The reconciliation of these operating data from Adjusted to IFRS breaks down as follows:

In million euros	Adjusted data (1)	Joint ventures' impact (2)	IFRS 16 impact (3)	IFRS data
Revenue	1,842.3	(190.9)		1,651.4
Operating margin	306.4	(53.5)	567.6	820.5
EBIT	139.2	(40.9)	107.7	206.0
Acquisitions of intangible assets and PP&E net of disposals	136.6	(5.5)		131.1

(1) Including impact of IFRS 16 on non core business contracts (of which +€27.4 million for the cancellation of rents and €(24.4) million for right-of-use amortisation).
(2) Impact of change from proportionate consolidation to the equity method of joint ventures.
(3) Impact of IFRS 16 on core business rents of controlled companies.

The impact of €(190.9) million resulting from IFRS 11 (change from the proportionate consolidation to the equity method of joint ventures) on the adjusted revenue is split between €(200.6) million of revenue made by the joint ventures and €9.7 million of non-eliminated part of intercompany revenue made by Group fully consolidated companies with joint ventures, under IFRS 11, leaving IFRS revenue at €1,651.4 million.

The impact of €567.6 million resulting from IFRS 16 on the operating margin corresponds to the cancellation of core business rent and fees of controlled companies. The impact of €107.7 million resulting from IFRS 16 on the EBIT breaks down into €567.6 million of cancellation of rent and fees on the operating margin, €(499.8) million of the right-of-use amortisation, €41.8 million of net gain on end of contracts, €(9.8) million of reversals of provisions for onerous contracts and €7.9 million of amortisation of the right-of-use resulting from the reclassification of provisions for onerous contracts.

3.2. Information by geographical area

3.2.1. First half of 2020

The information by geographical area for the first half of 2020 is as follows:

In million euros	Asia-Pacific (1)	Europe (2)	France	Rest of the world	United-Kingdom	North America (3)	Total
Revenue	303.2	283.9	189.2	108.2	98.5	92.5	1,075.4

(1) Mainly China and Australia.
(2) Excluding France and the United Kingdom. Mainly Germany, Austria, Spain and Belgium.
(3) Mainly United States.

3.2.2. First half of 2019

The information by geographical area for the first half of 2019 is as follows:

In million euros	Asia-Pacific (1)	Europe (2)	France	Rest of the world	United-Kingdom	North America (3)	Total
Revenue	**538.6**	**472.9**	**300.6**	**208.3**	**171.9**	**150.0**	**1,842.3**

(1) Mainly China and Australia.
(2) Excluding France and the United Kingdom. Mainly Germany, Spain and Austria.
(3) Mainly United States.

3.3. Other information

3.3.1. First half of 2020

The reconciliation of the free cash flow from Adjusted to IFRS for the first half of 2020 is as follows:

In million euros	Adjusted data	Joint ventures' impact (1)	IFRS16 impact (2)	IFRS data
Net cash flow from operating activities	**154.0**	**(16.3)**	**329.6**	**467.3**
- Including Change in working capital	*305.7*	*(25.9)*	*(35.6)*	*244.3*
Acquisitions of intangible assets and PP&E net of disposals	**(84.5)**	**3.5**		**(81.0)**
Free Cash Flow	**69.5**	**(12.8)**	**329.6**	**386.3**

(1) *Impact of change from proportionate consolidation to the equity method of joint ventures.*
(2) IFRS 16 impact on core and non-core business rent and fees of controlled companies.

3.3.2. First half of 2019

The reconciliation of the free cash flow from Adjusted to IFRS for the first half of 2019 is as follows:

In million euros	Adjusted data	Joint ventures' impact (1)	IFRS16 impact (2)	IFRS data
Net cash flow from operating activities	**128.8**	**(6.5)**	**554.1**	**676.4**
- Including Change in working capital	*(62.2)*	*(7.1)*	*33.4*	*(35.9)*
Acquisitions of intangible assets and PP&E net of disposals	**(136.6)**	**5.5**		**(131.1)**
Free Cash Flow	**(7.8)**	**(1.0)**	**554.1**	**545.3**

(1) *Impact of change from proportionate consolidation to the equity method of joint ventures.*
(2) IFRS 16 impact on core and non-core business rent and fees of controlled companies.

4. COMMENTS ON THE STATEMENT OF FINANCIAL POSITION AND ON THE INCOME STATEMENT

4.1. Goodwill, Property, plant and equipment (PP&E), intangible assets, right-of-use and investments under the equity method impairment tests

Impairment tests carried out at 30 June 2020 on Goodwill, Property, plant and equipment (PP&E), intangible assets and right-of-use led to an overall impairment charge to EBIT of €(14.0) million on intangible assets and property, plant and equipment, a net reversal of €1.4 million on provisions for onerous contracts and goodwill impairment loss of €(48.0) million related to the CGU Billboard Rest of the World.

Impairment tests on goodwill, intangible assets and property, plant and equipment and right-of-use had a negative impact of €(55.9) million in net income Group share.

As of 30 June 2020, no impairment loss was recognised on the investments under equity method.

The sensitivity tests whose results are presented below were run at the level of each business plan of each CGU. Where a region has several CGUs, tests were run separately on each of these CGU making up the region concerned.

- On the Billboard Rest of the World CGUs, whose business plans have been drawn up in collaboration with the operational departments of the companies that make up this CGU, the sensitivity test was carried out as follows:
    - Decrease in revenue for 2022 and following years by -10%
- On the Airports CGU, tested worldwide, and on the companies under the equity method, whose main activity is airport, the sensitivity test was carried out as follows:

    - Postponement of an additional year of the return to the level of key figures for 2019, i.e a return to the level of 2019 in 2024

- On the other CGUs, the sensitivity test was carried out as follows:
    - Postponement of an additional year of the return to the level of key figures for 2019, i.e a return to the level of 2019 in 2023.

The results of the sensitivity are the following:

- On the Billboard Rest of the World CGU, the 10% decrease in revenue from 2022 would lead to an impairment loss of €(59.1) million on goodwill in this business and €(36.4) million on assets in this business;
- On the Airports CGU, and on the companies under the equity method, whose main activity is airport, the one-year delay in returning to 2019 would not lead to any impairment loss;
- On the other CGUs, the one-year delay in returning to 2019 would lead to an impairment loss of less than €(30.0) million on goodwill in the businesses concerned.

4.2. Right-of-use

Right-of-use amounted to €3,543.2 million in net book value as of 30 June 2020 compared to €3,958.5 million as of 31 December 2019, which represented a decrease of €415.3 million. This decrease mainly related to the amortisation charge in the first half of 2020 and foreign exchange impacts, was partly offset by new contracts and renewals.

4.3. Other financial assets

As of 30 June 2020, other financial assets increased by €100.0 million compared to 31 December 2019. This increase is mainly related to the loan granted to the equity method company City Lead Development Ltd as part of Clear Media acquisition.

4.4. Trade and other receivables

As of 30 June 2020, the trade and other receivables decreased by €354.6 million compared to 31 December 2019. This variation is mainly related to the revenue decrease in connection with the Covid-19.

4.5. Equity

As of 30 June 2020, share capital amounted to €3,245,684.82 divided into 212,902,810 fully paid-up shares of the same category. In the absence of the issuance of new shares in the first half of 2020, the share capital is unchanged compared to December 31, 2019.

The Group did not grant any bonus share plan or stock option plan in the first half of 2020.

The Group holds 165,000 treasury shares as of 30 June 2020.

The Shareholders' Meeting of 14 May 2020 decided not to pay any dividend for each of the 212,902,810 shares making up the share capital as of 31 December 2019. This decision follows the announcement on 25 March 2020 of the Supervisory Board's decision to withdraw the 2019 dividend proposal from the resolutions to be adopted by the shareholders' meeting in order to both strengthen liquidity and enhance the Group financial flexibility enabling the Group to take advantage of market opportunities.

4.6. Financial debt

		30/06/2020			31/12/2019		
In million euros		Current portion	Non current portion	Total	Current portion	Non current portion	Total
Gross financial debt	(1)	**770.9**	**2,183.3**	**2,954.2**	**595.7**	**753.1**	**1,348.8**
Hedging financial derivatives assets		(3.1)	(0.0)	(3.1)	(1.1)	(0.1)	(1.2)
Hedging financial derivatives liabilities		0.6	0.0	0.6	3.3	0.0	3.3
Hedging financial derivatives instruments	(2)	**(2.5)**	**(0.0)**	**(2.5)**	**2.2**	**(0.1)**	**2.2**
Cash and cash equivalents (*)		1,742.2		1,742.2	149.8		149.8
Bank overdrafts		(27.3)		(27.3)	(7.4)		(7.4)
Net cash	(3)	**1,714.9**	**0.0**	**1,714.9**	**142.4**	**0.0**	**142.4**
Treasury financial assets (**)	(4)	**58.3**	**0.0**	**58.3**	**83.5**	**0.0**	**83.5**
Net financial debt (excluding non-controlling interest purchase commitments)	(5)=(1)+(2)-(3)-(4)	**(1,004.7)**	**2,183.3**	**1,178.6**	**372.0**	**753.0**	**1,125.0**

(*) As of 30 June 2020, the Group has €1,742.2 million of cash and cash equivalents (compared to €149.8 million as of 31 December 2019). Cash equivalents mainly include short-term deposits and money market funds. €8.5 million of the total of cash and cash equivalents are invested in guarantees as of 30 June 2020, compared to €11.2 million as of 31 December 2019.

(**) As of 30 June 2020, treasury financial assets are made of €45.4 million of short-term liquid investments (compared to €45.2 million as of 31 December 2019) and €12.8 million (compared to €38.3 million as of 31 December 2019) held in escrow account by the Group in connection with operational contracts, where the cash belongs to the Group. These financial assets have the main characteristics of cash equivalents but do not strictly comply with all the criteria to be qualified as such according to IAS 7.

The impact of the fair value revaluation arising from amortised cost (IFRS 9 restatements) breaks down as follows:

		30/06/2020			31/12/2019		
In million euros		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Gross financial debt	**(1)**	**770.9**	**2,183.3**	**2,954.2**	**595.7**	**753.1**	**1,348.8**
Impact of amortised cost (IFRS9 remeasurement)	**(2)**	2.7	8.9	11.6	1.1	3.2	4.3
Economic financial debt	**(3)=(1)+(2)**	**773.6**	**2,192.1**	**2,965.8**	**596.7**	**756.3**	**1,353.0**

As of 30 June 2020, the Group's financial debt mainly includes:

- Bonds issued by JCDecaux SA:
  - €1,000 million issued in April 2020, of which €500 million maturing in October 2024 and €500 million maturing in April 2028;
  - €750 million issued in June 2016, maturing in June 2023;
  - €300 million issued in October 2018, maturing in October 2020.
- A €150 million bank term loan issued in April 2020 and repayable in April 2025;
- Commercial paper for €386 million issued by JCDecaux SA as part of its Negociable European Commercial Paper program (NEU CP).

As of 30 June 2020, JCDecaux SA also holds a €825 million committed revolving credit facility including a sub-limit for a maximum amount of €100 million to enable same-day short-term drawdowns (swingline). As of end of June 2020, this credit facility was drawn up to €270 million. On 2 July 2020, the maturity of this credit facility has been extended to July 2025 following the exercise of the first extension option.

If JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's), the revolving credit facility requires compliance with the ratio: net financial debt/operating margin strictly below 3.5.

JCDecaux SA is rated "Baa2" with negative outlook by Moody's since 24 June 2020 and "BBB" under negative surveillance by Standard and Poor's since 31 March 2020.

4.7. Debt on commitments to purchase non-controlling interests

As of 30 June 2020, the increase in debts on commitments to purchase non-controlling interests for €0.2 million compared to 31 December 2019 is due to the actualisation**.**
During the first half of 2020, a partner has exercised his put the value of which is contested by the Group.

4.8. Lease liabilities

Lease liabilities amounted to €4,156.1 million as of 30 June 2020 compared to €4,596.5 million as of 31 December 2019, which represented a decrease of €(440.4) million. The decrease, mainly related to repayment occurred on the first half of 2020 as well as fixed and minimum guaranteed rents obtained in the Covid-19 context and to exchange rate fluctuations, is partly offset by new contracts and renewals.

4.9. Revenue

IFRS revenue decreased by 41.3% from €1,651.4 million for the first half of 2019 to €968.6 million for the first half of 2020 in relation with Covid-19 health crisis.
The IFRS advertising revenue stood at €846.3 million for the first half of 2020 (versus €1,483.0 million for the first half of 2019) and the IFRS non-advertising revenue totalled €122.3 million for the first half of 2020 (versus €168.4 million for the first half of 2019).

4.10. Operating Margin

During the first half of 2020, operating margin amounted to €494.3 million compared to €820.5 million during the first half of 2019, a €326.2 million decrease in relation with the decrease of revenue. The drop in operating margin is limited by the decrease in fees due to the reductions of fixed and minimum guaranteed rents obtained in the context of the Covid-19 crisis and the impact on variable lease expenses linked to the activity decline.

4.11. EBIT

During the first half of 2020, EBIT amounted to €(212.3) million compared to €206.0 million during the first half of 2019. The decrease is mainly due to the €326.2 million deterioration of the operating margin and to the net impairment charge recognised following the impairment test carried out as of 30 June 2020 for €48.0 million on goodwill and €12.6 million on tangible and intangible assets.

4.12. Net Financial income (Loss)

During the first half of 2020, the financial result amounted to €(82.7) million compared to €(98.5) million during the first half of 2019. This improvement is mainly due to the decrease of the interest expenses on IFRS 16 lease for €15.0 million.

4.13. Income tax

During the first half of 2020, the Group recorded a tax revenue of €43.8 million compared to a tax charge of €(35.2) million during the first half of 2019. The effective tax rate before impairment of goodwill and the share of net profit of companies under the equity method was 17.8% during the first half of 2020.

4.14. Share of net profit of companies under the equity method

During the first half of 2020 the share of net profit of associates totalled €(13.1) million compared to €8.9 million during the first half of 2019, and the share of net profit of joint ventures totalled €(1.6) million during the first half of 2020 compared to €29.5 million during the first half of 2019.

4.15. Non-controlling interests

Non-controlling interests totalled €(10.8) million during the first half of 2020, compared to €14.7 million during the first half of 2019. This variation is mainly due to the positive impact in the first half of 2019 of renegotiations of lease contracts and the negative impact in the first half of 2020 of Covid-19 health crisis.

5. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

The main source of significant changes in off-balance sheet commitments as of 30 June 2020 compared to 31 December 2019 is the following:

- an increase of €308.9 million in commitments in advertising space contracts provision with substantive substitution rights;
- a decrease of €128.5 million in commitments on leases signed but not started.

6. SEASONALITY

Excluding the Covid-19 effect, all the operational indicators are marked by a strong seasonality generally translated by a lower level of activity on the first half of the civil calendar year. In view of the impact of this epidemic on operating income for the first half of the year and its uncertain future development, the half year results as of 30 June 2020 are not necessarily representative of the expected 2020 full year results.

7. INFORMATION ON RELATED PARTIES

As of 30 June 2020, the main change on the statement of financial position of the relations between the Group and the related parties is an increase of €100.3 million in the loans granted to companies under the equity method compared to 31 December 2019, in relation notably with a €102.3 million loan for the acquisition of Clear Media in China. The transactions made with the related parties and impacting the income statement are in decline to those existing in the first half of 2019 in connection with the activity decrease.

In the first half of 2020, management compensation fell due to the waiver of members of the Executive Board at 25% of their compensation, and of members of the Supervisory Board at 20% of their compensation, in the context of Covid-19, as well as the resignation of the Executive Board of one of its members and his appointment to the Supervisory Board.

8. SUBSEQUENT EVENTS

On 13 July 2020 the Group sold for RUB2.56 billion its 25% minority stake in Russ Out of Home BV, the holding company for Russ Outdoor's activities in Russia. This sale should have a negative impact on EBIT for the second half of 2020 in the order of €(40) million due to currency recycling.

STATUTORY AUDITORS' REPORT

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

JCDecaux SA

Registered office: 17, rue Soyer - 92200 Neuilly-sur-Seine

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1 to June 30, 2020

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholder's meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- *the review of the accompanying condensed half-yearly consolidated financial statements of JCDecaux SA, for the period from January 1 to June 30, 2020,*
- *the verification of the information presented in the half-yearly management report.*

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors and were prepared on July 24, 2020 based on the information available at that date in the evolving context of the Covid-19 crisis and related difficulties to apprehend its impacts and outlooks. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information presented in the half-yearly management report prepared on July 30, 2020 on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, on the July 30, 2020

KPMG Audit
Département de KPMG S.A.

ERNST & YOUNG et Autres

Grégoire Menou
Partner

Frédéric Quélin
Partner

Aymeric de La Morandière
Partner

DECLARATION BY THE PERSON RESPONSIBLE OF THE HALF-YEAR REPORT

"I certify, to the best of my knowledge, that the accounts have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities and financial position and profit or loss of the Company and all the undertakings included in the JCDecaux Group consolidation, and that the half-year financial report presents a fair review of the information mentioned in Article 222-6 of the General Regulations of the Autorité des Marchés Financiers."

Jean-Charles Decaux
Chairman of the Board and co-Chief Executive Officer