JCDecaux

# Half-year financial report

## H1 2021

July 29th, 2021

# Contents

# HALF-YEAR FINANCIAL RELEASE – H1 2021

## H1 2021 results

- **Adjusted revenue up +0.6% to €1,082.3 million**
- **Adjusted organic revenue up +2.9%, with Q2 at +80.2%**
- **Adjusted operating margin of €31.4 million, +€93.2 million yoy**
- **Adjusted EBIT, before impairment, of -€166.9 million, +€91.6 million yoy**
- **Net income Group share of -€161.3 million, +€93.7 million yoy**
- **Adjusted free cash flow of -€63.2 million**
- **Third quarter 2021 adjusted organic revenue growth above +20%**

**Paris, July 29th, 2021 – JCDecaux SA** (Euronext Paris: DEC), the number one outdoor advertising company worldwide, announced today its 2021 half-year financial results.

Commenting on the 2021 first half-year results, **Jean-François Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

*"Our H1 2021 group revenue reached €1,082.3 million, a +0.6% yoy revenue growth or +2.9% on an organic basis driven by a better than expected Q2 2021 organic growth at +80.2% thanks to a strong street furniture revenue growth across all geographies, notably in Europe. While the first quarter of 2021 was highly impacted by strict Covid-19 restrictions around the world, our Street Furniture and Billboard activities have significantly rebounded in the second quarter along with the urban audience recovery as stay-at-home requirements were progressively lifted. Transport was still suffering from a lower level of commuters than pre-pandemic in public transport and almost non-existent international air traffic with North America and UK which were the most affected regions over the period while Mainland China saw a double digit rebound thanks to domestic air traffic almost back to pre-Covid level.*

*Digital Out Of Home (DOOH) represents now 22.8% of total group revenue with a very positive momentum for our programmatic advertising trading. The VIOOH platform which is the most connected DOOH supply-side platform is now active in 13 countries following its launch in Australia and in France.*

*Despite our limited revenue growth of €6.9m in H1 2021, our adjusted operating margin has greatly improved (by €93.2m), turning positive at €31.4 million vs -€61.8 million in H1 2020 thanks to a revenue mix geared toward the higher margin Street Furniture business segment and to our ongoing cost reduction actions, including rent reliefs, staff cost optimisation and overheads management. Our tight control over working capital requirements and selective capex reduction as well as the decision not to distribute dividends for the second year in a row allowed us to contain our free-cash-flow at -€63.2m in H1 2021 and our net debt at around €1.2bn at the end of the period. We continued to strengthen our ESG leading initiatives and commitments in H1 2021 such as our carbon neutrality target for France from 2021 onwards.*

*As far as Q3 2021 is concerned, although the global advertising market remains highly volatile with low visibility and with some depressed audience levels which might take time to recover such as international air traffic and mass transit, we now expect an adjusted organic revenue growth above +20% yoy based on positive trends in our current trading with some activities close to pre-covid levels, provided that mobility restrictions do not rise significantly.*

*I would like to sincerely thank our teams across the world for their strong commitment, their resilience, their agility and their innovation spirit.*

*As the most digitised global OOH company with our new data-led audience targeting and programmatic solutions, 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. We are more than ever confident in the power of our media in an advertising landscape increasingly fragmented and more and more digital and in the role it will play to support the economic recovery as well as to drive positive changes."*

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 7 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.

## ADJUSTED REVENUE

Adjusted revenue for the six months ending June 30th, 2021 increased by 0.6% to €1,082.3 million from €1,075.4 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 increased by 2.9%. Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, increased by 1.7% on an organic basis in the first half of 2021.

In the second quarter, adjusted revenue increased by 78.5% to €628.1 million. On an organic basis, adjusted revenue increased by 80.2% compared to Q2 2020.

Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture and advertising displays, increased by 86.3% on an organic basis in Q2 2021.

### Adjusted revenue

| €m | H1 2021 | | | H1 2020 | | | Change 21/20 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | H1 | Q1 | Q2 | H1 | Q1 | Q2 | H1 |
| Street Furniture | 223.8 | 337.8 | **561.6** | 325.5 | 154.4 | **479.9** | -31.3% | 118.9% | **17.0%** |
| Transport | 151.6 | 186.8 | **338.4** | 281.7 | 141.2 | **423.0** | -46.2% | 32.3% | **-20.0%** |
| Billboard | 78.9 | 103.4 | **182.4** | 116.3 | 56.3 | **172.6** | -32.1% | 83.8% | **5.7%** |
| **Total** | **454.3** | **628.1** | **1,082.3** | **723.6** | **351.9** | **1,075.4** | **-37.2%** | **78.5%** | **0.6%** |

### Adjusted organic revenue growth [(a)]

| | Change 21/20 | | |
|---|---|---|---|
| | Q1 | Q2 | H1 |
| Street Furniture | -30.8% | 118.4% | **17.2%** |
| Transport | -42.7% | 35.9% | **-16.5%** |
| Billboard | -25.7% | 86.4% | **10.9%** |
| **Total** | **-34.6%** | **80.2%** | **2.9%** |

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

### Adjusted revenue by geographic area

| €m | H1 2021 | H1 2020 | Reported growth | Organic growth[(a)] |
|---|---|---|---|---|
| Asia-Pacific | 317.1 | 303.2 | 4.6% | 6.8% |
| Europe[(b)] | 307.6 | 283.9 | 8.4% | 8.0% |
| France | 225.5 | 189.2 | 19.2% | 16.0% |
| Rest of the World | 102.9 | 108.2 | -4.9% | 14.2% |
| United Kingdom | 80.7 | 98.5 | -18.0% | -18.7% |
| North America | 48.6 | 92.5 | -47.5% | -42.7% |
| **Total** | **1,082.3** | **1,075.4** | **0.6%** | **2.9%** |

*(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 increased by 17.0% to €561.6 million, 17.2% on an organic basis, as the activity rebounded mainly from Q2 as the Covid-19 restrictions were progressively lifted. France, UK and Rest of the World rebounded significantly while North America was the only region with a negative evolution.
First half adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were up 17.7% on an organic basis compared to the first half of 2020.

In the second quarter, adjusted revenue increased by 118.9% to €337.8 million. On an organic basis, adjusted revenue increased by 118.4% compared to the same period last year. All regions recorded strong increases in revenues compared to a challenging Q2 last year, notably Europe.
Adjusted advertising revenue, excluding revenue related to sale, rental and maintenance of street furniture were up 140.0% on an organic basis in Q2 2021 compared to Q2 2020.

**TRANSPORT**

First half adjusted revenue decreased by -20.0% to €338.4 million, -16.5% on an organic basis, significantly impacted by the Covid-19 outbreak, reflecting a significant decline globally mainly in international airport passenger traffic but also, to a lesser extent, in public transport. Asia-Pacific, with a domestic air traffic above pre-covid levels in China, and Rest of the World were up. North America and Europe continued to be affected significantly by air traffic restrictions.

In the second quarter, adjusted revenue increased by 32.3% to €186.8 million. On an organic basis, adjusted revenue increased by 35.9% compared to the same period last year. Europe and Rest of the World had a strong rebound while North America was the only negative region due to the end he New York airports contract.

**BILLBOARD**

First half adjusted revenue increased by 5.7% to €182.4 million, 10.9% on an organic basis. All regions have been positive, Asia-Pacific and North America experienced the strongest rebounds in line with the pick-up of vehicular audiences.

In the second quarter, adjusted revenue increased by 83.8% to €103.4 million. On an organic basis, adjusted revenue increased by 86.4% compared to the same period last year with Asia-Pacific, UK and North America being the strongest rebounds.

**ADJUSTED OPERATING MARGIN** (1)

The Covid-19 outbreak with lockdown measures continued to have a massive impact on our business and our margins by segment. The strong cost management measures taken by the Group since the beginning of the pandemic led to a significant €93.2 million yoy increase in its operating margin, while revenue was increasing only by €6.9 million.
In the first half of 2021, adjusted operating margin was positive at €31.4 million vs -€61.8 million in the first half of 2020. The adjusted operating margin as a percentage of revenue was 2.9%, +860bp above prior year, a strong operating leverage driven by favourable mix revenue growth toward more roadside activities based on a reduced cost structure.

| | H1 2021 | | H1 2020 | | Change 21/20 | |
|---|---|---|---|---|---|---|
| | €m | % of revenue | €m | % of revenue | Change (€m) | Margin rate (bp) |
| Street Furniture | 49.6 | 8.8% | (20.6) | -4.3% | +70.2 | +1,310bp |
| Transport | (10.0) | -3.0% | (11.3) | -2.7% | +1.3 | -30bp |
| Billboard | (8.2) | -4.5% | (30.0) | -17.4% | 21.8 | +1,290bp |
| **Total** | **31.4** | **2.9%** | **(61.8)** | **-5.7%** | **+93.2** | **+860bp** |

**Street Furniture:** In the first half of 2021, adjusted operating margin increased by €70.2 million to €49.6 million. As a percentage of revenue, the adjusted operating margin was 8.8%, +1,310bp above prior year.

**Transport:** In the first half of 2021, adjusted operating margin improved by €1.3 million while the revenue declined by €84.6 million thanks to our saving actions implemented since the beginning of the pandemic. As a percentage of revenue, the adjusted operating margin was limited to -3.0%, -30bp below prior year.

**Billboard:** In the first half of 2021, adjusted operating margin improved by €21.8 million. As a percentage of revenue, the adjusted operating margin was -4.5%, +1,290bp above prior year.

**ADJUSTED EBIT** (2)

In the first half of 2021, adjusted EBIT before impairment charge improved by 35.4% to -€166.9 million compared to -€258.5 million in the first half of 2020. As a percentage of revenue, this represented a 860bp increase to -15.4%, from -24.0% in H1 2020. The positive variation is mainly due to the increase of the operating margin as net amortisation and provisions were relatively stable.

The impairment on tangible and intangible assets of +€3.5 million in H1 2021 is related to the mechanical reversal of the provisions for onerous contracts recognised from our historical impairment tests. No impairment charge on goodwill was recorded in H1 2021. A net impairment charge on tangible and intangible assets and on goodwill and a reversal of provision for onerous contract ~~of~~ for a total of -€60.6 million was recorded in H1 2020, mainly related to the Billboard business in the Rest of the World.

Adjusted EBIT, after impairment charge, has improved by €155.7 million from -€319.2 million in H1 2020 to -€163.5 million in H1 2021.

**NET FINANCIAL INCOME / (LOSS)** (3)

In the first half of 2021, interest expenses on IFRS 16 leases were -€42.1 million compared to -€68.3 million in the first half of 2020, a favourable variation of €26.2 million mainly coming from the mechanical reduction of the IFRS 16 lease liability related to the contract life progression.

In the first half of 2021, excluding IFRS 16, other net financial income / (loss) was -€21.0 million compared to -€14.2 million in the first half of 2020, a variation of -€6.8 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 2021, the share of net profit from equity affiliates was -€6.7 million, improving compared to the same period last year (-€14.6 million), still negative as their business continued to be negatively impacted by the Covid-19 pandemic.

**NET INCOME GROUP SHARE**

In the first half of 2021, net income Group share before impairment charge increased by +€35.3 million to -€163.7 million compared to -€199.0 million in H1 2020.

Taking into account the impact from the impairment charge, net income Group share increased by €93.7 million to -€161.3 million compared to -€254.9 million in H1 2020 due to the impairment charges recognized in H1 2020 and reminded above.

**ADJUSTED CAPITAL EXPENDITURE**

In the first half of 2021, adjusted net capex (acquisition of property, plant and equipment and intangible assets, net of disposals of assets) was reduced significantly by -29.2% from €84.5 million in H1 2020 to €59.8 million. A selective reduction nonetheless as growth capex including capex to pursue digitisation in premium locations and to roll-out our programmatic trading solutions was maintained.

**ADJUSTED FREE CASH FLOW** (4)

In the first half of 2021, adjusted free cash flow was -€63.2 million globally in line with capex made during the period.

Funds from operations net of maintenance costs remained negative at -€74.4 million but improving by +€77.3 million compared to H1 2020 due to the increase in the operating margin and the decrease in income tax paid over the period, partly mitigated by the interests paid due to the increase in gross debt and other non-recurring one-off charges. Changes in our working capital had a positive impact of €71.0 million due to a tight management over cash collection and payments, compensating the negative impact from the Funds From Operations.

**DIVIDEND**

For the second year in a row, the AGM held on May 20th, 2021 decided not to distribute a dividend, 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 remained overall stable at €1,163.3 million as of June 30th, 2021, a slight increase vs €1,086.3 million as of the end of December 2020 and below June 30th, 2020 where it stood at €1,178.6 million.

**RIGHT-OF-USE & LEASE LIABILITIES IFRS 16**

Right-of-use, IFRS 16 as of June 30th, 2021 amounted to €3,090.8 million compared to €3,416.5 million as of December 31st, 2020, a decrease related to the amortisation of rights-of-use and contracts renegotiations partially offset by foreign exchange rate impacts, new contracts, contracts extended and contracts renewed.

IFRS 16 lease liabilities decreased by -€356.2 million from €4,145.8 million as of December 31st, 2020 to €3,789.6 million as of June 30th, 2021, corresponding to rents paid and renegotiated partially offset by foreign exchange rate impacts, new contracts, contracts extended and contracts renewed.

**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 2021, the impacts of IFRS 11 and IFRS 16 on our adjusted aggregates are:

- -€87.9 million for IFRS 11 on adjusted revenue (-€106.9 million for IFRS 11 in H1 2020) leaving IFRS revenue at €994.4 million (€968.6 million in H1 2020).
- -€16.0 million for IFRS 11 and €395.4 million for IFRS 16 on adjusted operating margin (-€11.2 million for IFRS 11 and €567.3 million for IFRS 16 in H1 2020) leaving IFRS operating margin at €410.8 million (€494.3 million in H1 2020).
- -€6.3 million for IFRS 11 and €48.0 million for IFRS 16 on adjusted EBIT before impairment charge (€1.0 million for IFRS 11 and €105.9 million for IFRS 16 in H1 2020) leaving IFRS EBIT before impairment charge at -€125.3 million (-€151.6 million in H1 2020).
- -€6.3 million for IFRS 11 and €48.0 million for IFRS 16 on adjusted EBIT after impairment charge (€1.0 million for IFRS 11 and €105.9 million for IFRS 16 in H1 2020) leaving IFRS EBIT after impairment charge at -€121.8 million (-€212.3 million in H1 2020).
- €1.5 million for IFRS 11 on adjusted capital expenditure (€3.5 million for IFRS 11 in H1 2020) leaving IFRS capital expenditure at -€58.4 million (-€81.0 million in H1 2020).
- €0.8 million for IFRS 11 and €317.0 million for IFRS 16 on adjusted free cash flow (-€12.8 million for IFRS 11 and €329.6 million for IFRS 16 in H1 2020) leaving IFRS free cash flow at €254.6 million (€386.3 million in H1 2020).

The full reconciliation between adjusted figures and IFRS figures is provided on page 10 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 (-€1.4 million and -€0.2 million in H1 2021 and H1 2020 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.

## 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 |
|---|---|---|---|---|
| **2020 adjusted revenue** | **(a)** | **723.6** | **351.9** | **1,075.4** |
| **2021 IFRS revenue** | **(b)** | **416.7** | **577.7** | **994,4** |
| IFRS 11 impacts | (c) | 37.6 | 50.3 | 87.9 |
| **2021 adjusted revenue** | **(d) = (b) + (c)** | **454.3** | **628.1** | **1,082.3** |
| Currency impacts | (e) | 10.6 | 4.8 | 15.4 |
| **2021 adjusted revenue at 2020 exchange rates** | **(f) = (d) + (e)** | **464.9** | **632.8** | **1,097.7** |
| Change in scope | (g) | 8.0 | 1.0 | 9.0 |
| **2021 adjusted organic revenue** | **(h) = (f) + (g)** | **472.9** | **633.9** | **1,106.8** |
| **Organic growth** | **(i) = (h)/(a)-1** | **-34.6%** | **80.2%** | **2.9%** |

| €m | Impact of currency as of June 30th, 2021 |
|---|---|
| USD | 4.4 |
| HKD | 4.1 |
| BRL | 2.7 |
| Other | 10.2 |
| AUD | (6.0) |
| **Total** | **15.4** |

| Average exchange rate | H1 2021 | H1 2020 |
|---|---|---|
| USD | 0.8296 | 0.9074 |
| HKD | 0.1069 | 0.1169 |
| BRL | 0.1541 | 0.1848 |
| AUD | 0.6399 | 0.5961 |

| **Next information:** |
| --- |
| Q3 2021 revenue: November 4th, 2021 (after market) |

**Key Figures for JCDecaux**

- *2020 revenue: €2,312m – H1 2021 revenue: €1,082.3m*
- *Present in 3,670 cities with more than 10,000 inhabitants*
- *A daily audience of more than 840 million people in more than 80 countries*
- *10,230 employees*
- *Leader in self-service bike rental scheme: pioneer in eco-friendly mobility*
- *1st Out-of-Home Media company to join the RE100 (committed to 100% renewable energy)*
- *JCDecaux is listed on the Eurolist of Euronext Paris and is part of the Euronext 100 and Euronext Family Business indexes*
- *JCDecaux is recognised for its extra-financial performance in the FTSE4Good (4.6/5) and CDP (A Leadership) rankings, and has obtained the MSCI AAA score for the 4th year in a row*
- *964,760 advertising panels worldwide*
- *N°1 worldwide in street furniture (489,500 advertising panels)*
- *N°1 worldwide in transport advertising with 156 airports and 249 contracts in metros, buses, trains and tramways (329,790 advertising panels)*
- *N°1 in Europe for billboards (129,970 advertising panels)*
- *N°1 in outdoor advertising in Europe (615,530 advertising panels)*
- *N°1 in outdoor advertising in Asia-Pacific (216,590 advertising panels)*
- *N°1 in outdoor advertising in Latin America (66,120 advertising panels)*
- *N°1 in outdoor advertising in Africa (22,500 advertising panels)*
- *N°1 in outdoor advertising in the Middle East (15,350 advertising panels)*

For more information about JCDecaux, please visit jcdecaux.com.
Join us on Twitter, LinkedIn, Facebook, Instagram and YouTube.

**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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## RECONCILIATION BETWEEN ADJUSTED FIGURES AND IFRS FIGURES

### Profit & Loss

| €m | H1 2021 | | | | H1 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | 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** | **1,082.3** | **(87.9)** | **(0.0)** | **994.4** | **1,075.4** | **(106.9)** | **-** | **968.6** |
| Net operating costs | (1,050.9) | 71.9 | 395.4 | (583.6) | (1,137.3) | 95.7 | 567.3 | (474.3) |
| **Operating margin** | **31.4** | **(16.0)** | **395.4** | **410.8** | **(61.8)** | **(11.2)** | **567.3** | **494.3** |
| Maintenance spare parts | (15.8) | 0.4 | 0.0 | (15.4) | (12.7) | 0.4 | - | (12.2) |
| Amortisation and provisions (net) | (170.6) | 9.2 | (365.4) | (526.8) | (177.9) | 12.4 | (461.7) | (627.2) |
| Other operating income / expenses | (12.0) | 0.1 | 17.9 | 6.1 | (6.1) | (0.6) | 0.2 | (6.5) |
| **EBIT before impairment charge** | **(166.9)** | **(6.3)** | **48.0** | **(125.3)** | **(258.5)** | **1.0** | **105.9** | **(151.6)** |
| Net impairment charge [2] | 3.5 | 0.0 | 0.0 | 3.5 | (60.6) | - | - | (60.6) |
| **EBIT after impairment charge** | **(163.5)** | **(6.3)** | **48.0** | **(121.8)** | **(319.2)** | **1.0** | **105.9** | **(212.3)** |

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

### Cash-Flow Statement

| €m | H1 2021 | | | | H1 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | 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** | **(74.4)** | **(0.4)** | **283.5** | **208.6** | **(151.7)** | **9.6** | **365.1** | **223.0** |
| Change in working capital requirement | 71.0 | (0.2) | 33.5 | 104.3 | 305.7 | (25.9) | (35.6) | 244.3 |
| **Net cash flow from operating activities** | **(3.4)** | **(0.6)** | **317.0** | **312.9** | **154.0** | **(16.3)** | **329.6** | **467.3** |
| Capital expenditure | (59.8) | 1.5 | | (58.4) | (84.5) | 3.5 | - | (81.0) |
| **Free cash flow** | **(63.2)** | **0.8** | **317.0** | **254.6** | **69.5** | **(12.8)** | **329.6** | **386.3** |

*[1] IFRS 16 impact on the core and non-core business contracts of controlled entities*

# HALF-YEAR 2021: BUSINESS HIGHLIGHTS

**Key contracts wins**

In May, JCDecaux announced that, following a competitive tender, its subsidiary JCDecaux Belgium has won the street furniture contract for the city of Brussels (Brussels Capital metropolitan area: 1.2 million inhabitants), Belgium’s capital city and seat of several European Union institutions. Effective from June 15th, the exclusive 15-year contract, which was previously held by a competitor, covers the design, installation, operation and maintenance of 335 bus shelters and 215 city information panels. Digital screens will also be installed in strategic locations across the city, providing contextualised, location-based and real-time messaging. Providing real innovation, the screens will display a mix of local city information and advertising, supporting local people in their day-to-day lives while offering cities and advertisers flexibility, responsiveness and a powerful platform for communication. In an additional benefit, the city of Brussels will be able to directly manage their own communication on the screens, using technology developed by JCDecaux.

**Other events**

- ***Group***

In February, JCDecaux SA announced it has been listed in the FTSE4Good index by FTSE Russell with a 4.6/5 score, rewarding its environmental, social and corporate governance performance. Included in the FTSE4Good index since 2014, JCDecaux achieved a stronger overall performance score this year, with 4.6/5 (vs. 4.5 end-2019), much higher than the Media sector average at 2.8/5 (down compared with a year earlier). JCDecaux’s lead in the index versus the sector average is very clear for each ESG rating criterion: Environment (1.9/5 for the sector vs. 5/5 for JCDecaux), Social (2.4/5 for the sector vs. 4.3/5 for JCDecaux), and Governance (3.8/5 for the sector vs. 4.7/5 for JCDecaux).

In March, JCDecaux announced it has once again been listed in the “Corporate Social Responsibility” rankings of the MSCI rating agency, obtaining the maximum AAA score. AAA-rated since 2018, JCDecaux has obtained MSCI’s maximum rating with an overall score of 6.7/10, which came in well above the sector average at 4.2/10.

In March, JCDecaux announced that Albert Astéraf will become Executive Vice-President Communication and User Innovation from 12 April, enlarging his current duties. He is succeeding to Agathe Albertini, who is leaving JCDecaux to pursue her own entrepreneurial activities.

In May, JCDecaux stepped up its commitment and innovation in sustainability by announcing the creation of the first environmental, economic and social footprint calculator for campaigns. True to its pioneering vision of sustainability and societal challenges, JCDecaux has decided to create a comprehensive assessment tool. Empreinte 360 will be available from autumn 2021 in France and will provide fully transparent information to advertisers on the impact of JCDecaux campaigns. This tool will also be available for communications from local authorities on street furniture in its next development.

## PERSPECTIVES

Commenting on the 2021 first half results, **Jean-François Decaux, Chairman of the Executive Board and Co-CEO of JCDecaux**, said:

*As far as Q3 2021 is concerned, although the global advertising market remains highly volatile with low visibility and with some depressed audience levels which might take time to recover such as international air traffic and mass transit, we now expect an adjusted organic revenue growth above +20% yoy based on positive trends in our current trading with some activities close to pre-covid levels, provided that mobility restrictions do not rise significantly.*

*I would like to sincerely thank our teams across the world for their strong commitment, their resilience, their agility and their innovation spirit.*

*As the most digitised global OOH company with our new data-led audience targeting and programmatic solutions, 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. We are more than ever confident in the power of our media in an advertising landscape increasingly fragmented and more and more digital and in the role it will play to support the economic recovery as well as to drive positive changes.*

## RELATED PARTIES

Paragraph 7 of the “Notes to the condensed interim consolidated financial statements” on page 28 reports on related parties.

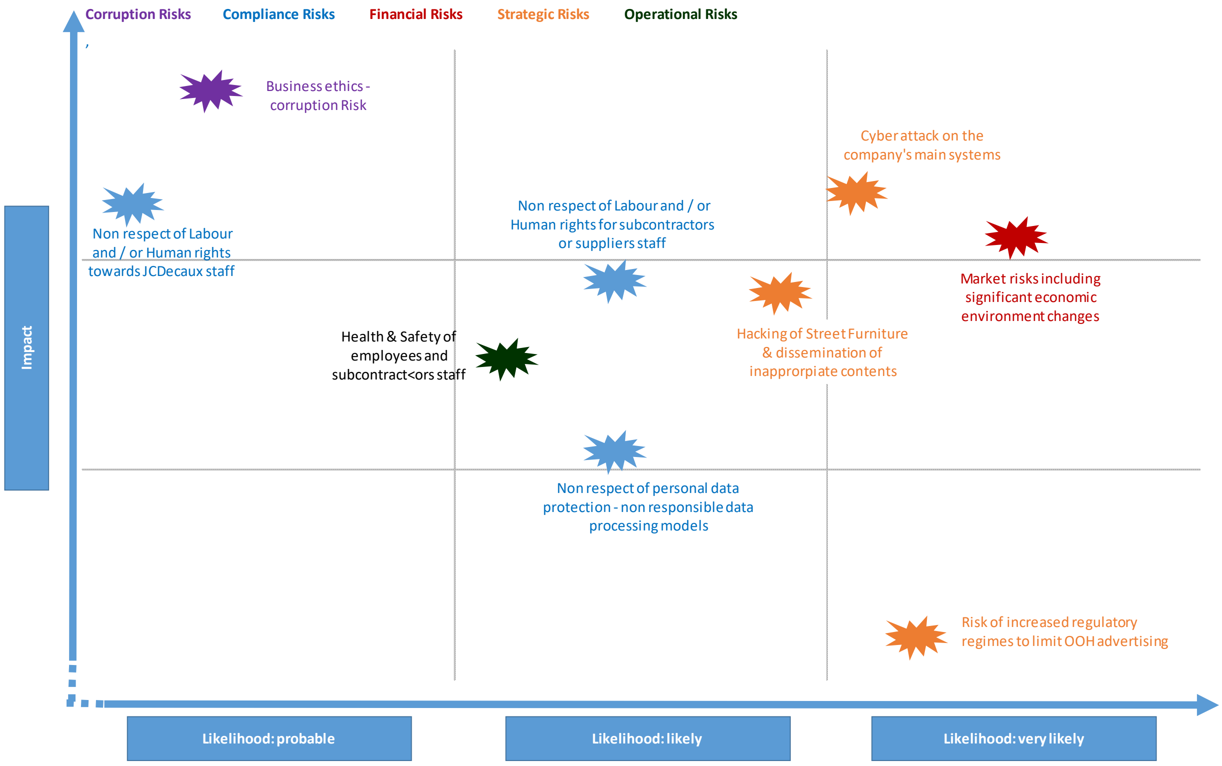
## RISK FACTORS

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 in the following chapters:




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 75 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 data, JCDecaux has implemented a dedicated approach:

- 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
- In order to ensure the security of information systems, a Chief Information Security Officer working through a network of representatives in all Group subsidiaries is in charge of deployment of IT Security policies.

## 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.

Current economic crisis following Covid-19 health crisis illustrates the very significant risk of brutal and unpredictable market downturn.

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 three main risks in this category are the following:

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

Operating in 80 countries, JC Decaux 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.

- **Risk linked to increased regulations aimed at reducing advertising assets**

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.

Several legislative proposals have been introduced in France in 2020: It is impossible to obtain precise measures of the final economic effects. Indeed, they should be read bearing in mind that at this stage they only relate to plausible scenarios: but the next few years may be marked by increasingly severe regulations. The same is true in other countries: in London, for instance, the mayor has decided to ban HFS advertising on TFL assets (Tranport for London). In Amsterdam a draft law would ban advertising for fossil energy companies.

In France, JCDecaux has the capabilities and has put in place the appropriate organization in order to manage this risk. Across all other countries, implementation of such an organization seems not necessary at this stage.

## 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 2018, 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.

# HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS – H1 2021

## CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION

#### Assets

| *In million euros* | | 30/06/2021 | 31/12/2020 |
|---|---|---|---|
| Goodwill | | 1,607.7 | 1,592.8 |
| Other,intangible,assets | | 513.2 | 534.1 |
| Property.,plant,and,equipment | | 1,220.1 | 1,261.3 |
| Right-of-use | § 4.2 | 3,090.8 | 3,416.5 |
| Investments,under,the,equity,method | | 385.3 | 392.5 |
| Other,financial,assets | | 158.3 | 161.4 |
| Deferred,tax,assets | | 146.6 | 119.0 |
| Current,tax,assets | | 0.9 | 0.9 |
| Other,receivables | | 10.3 | 9.8 |
| **NON-CURRENT,ASSETS** | | **7,133.3** | **7,488.3** |
| Other,financial,assets | | 9.2 | 3.4 |
| Inventories | | 174.5 | 172.6 |
| Financial,derivatives | § 4.5 | 3.7 | 1.7 |
| Trade,and,other,receivables | § 4.3 | 674.1 | 697.4 |
| Current,tax,assets | | 40.8 | 37.3 |
| Treasury,financial,assets | § 4.5 | 45.8 | 57.6 |
| Cash,and,cash,equivalents | § 4.5 | 1,274.6 | 1,607.8 |
| **CURRENT,ASSETS** | | **2,222.8** | **2,577.9** |
| **TOTAL,ASSETS** | | **9,356.0** | **10,066.2** |

## Equity and Liabilities

| *In million euros* | | 30/06/2021 | 31/12/2020 |
|---|---|---|---|
| Share capital | | 3.2 | 3.2 |
| Additional paid-in capital | | 608.5 | 608.5 |
| Consolidated reserves | | 1,167.4 | 1,775.7 |
| Consolidated net income (Group share) | | (161.3) | (604.6) |
| Other components of equity | | (161.1) | (187.5) |
| **EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY** | | **1,456.8** | **1,595.4** |
| Non-controlling interests | | 21.0 | 17.7 |
| **TOTAL EQUITY** | **§ 4.4** | **1,477.7** | **1,613.0** |
| Provisions | | 369.0 | 368.7 |
| Deferred tax liabilities | | 92.9 | 98.8 |
| Financial debt | § 4.5 | 2,152.5 | 2,147.4 |
| Debt on commitments to purchase non-controlling interests | | 105.8 | 105.1 |
| Lease liabilities | § 4.6 | 2,773.8 | 3,088.0 |
| Other payables | | 11.6 | 10.5 |
| Income tax payable | | 0.0 | 0.0 |
| Financial derivatives | § 4.5 | 0.0 | 0.0 |
| **NON-CURRENT LIABILITIES** | | **5,505.6** | **5,818.5** |
| Provisions | | 60.4 | 63.1 |
| Financial debt | § 4.5 | 314.6 | 587.6 |
| Debt on commitments to purchase non-controlling interests | | 5.3 | 6.3 |
| Financial derivatives | § 4.5 | 7.8 | 4.4 |
| Lease liabilities | § 4.6 | 1,015.7 | 1,057.8 |
| Trade and other payables | | 945.3 | 882.1 |
| Income tax payable | | 11.1 | 19.2 |
| Bank overdrafts | § 4.5 | 12.6 | 14.2 |
| **CURRENT LIABILITIES** | | **2,372.7** | **2,634.7** |
| **TOTAL LIABILITIES** | | **7,878.3** | **8,453.2** |
| **TOTAL EQUITY AND LIABILITIES** | | **9,356.0** | **10,066.2** |

## STATEMENT OF COMPREHENSIVE INCOME

### INCOME STATEMENT

| *In million euros* | | 1st half of 2021 | 1st half of 2020 |
|---|---|---|---|
| **REVENUE** | **§ 4.7** | **994.4** | **968.6** |
| Direct operating expenses | | (363.2) | (253.6) |
| Selling, general and administrative expenses | | (220.5) | (220.7) |
| **OPERATING MARGIN** | | **410.8** | **494.3** |
| Depreciation, amortisation and provisions (net) | | (523.3) | (639.8) |
| Impairment of goodwill | | 0.0 | (48.0) |
| Maintenance spare parts | | (15.4) | (12.2) |
| Other operating income | | 25.4 | 11.0 |
| Other operating expenses | | (19.3) | (17.5) |
| **EBIT** | **§ 4.8** | **(121.8)** | **(212.3)** |
| **Interests on IFRS 16 lease liabilities** | | **(42.1)** | **(68.3)** |
| *Financial income* | | *1.6* | *2.0* |
| *Financial expenses* | | *(24.1)* | *(16.4)* |
| **Net financial income (loss) excluding IFRS 16** | | **(22.4)** | **(14.3)** |
| **NET FINANCIAL INCOME (LOSS)** | **§ 4.9** | **(64.6)** | **(82.7)** |
| Income tax | § 4.10 | 33.6 | 43.8 |
| Share of net profit of companies under the equity method | § 4.11 | (6.7) | (14.6) |
| **CONSOLIDATED NET INCOME** | | **(159.4)** | **(265.8)** |
| *- Including non-controlling interests* | | *1.9* | *(10.8)* |
| **CONSOLIDATED NET INCOME (GROUP SHARE)** | | **(161.3)** | **(254.9)** |
| Earnings per share (in euros) | | (0.758) | (1.198) |
| Diluted earnings per share (in euros) | | (0.758) | (1.198) |
| Weighted average number of shares | | 212,857,730 | 212,750,443 |
| Weighted average number of shares (diluted) | | 212,857,730 | 212,750,443 |

### STATEMENT OF OTHER COMPREHENSIVE INCOME

| *In million euros* | 1st half of 2021 | 1st half of 2020 |
|---|---|---|
| **CONSOLIDATED NET INCOME** | **(159.4)** | **(265.8)** |
| Translation reserve adjustments on foreign transactions (1) | 17.5 | (81.4) |
| Translation reserve adjustments on net foreign investments | 0.3 | (0.8) |
| Cash flow hedges | 0.5 | 0.2 |
| Tax on the other comprehensive income subsequently released to net income | (0.2) | 0.0 |
| Share of other comprehensive income of companies under equity method (after tax) | (4.8) | (5.4) |
| **Other comprehensive income subsequently released to net income** | **13.2** | **(87.5)** |
| Change in actuarial gains and losses on post-employment benefit plans and assets ceiling | 8.3 | (5.0) |
| Tax on the other comprehensive income not subsequently released to net income | (3.2) | 0.8 |
| Share of other comprehensive income of companies under equity method (after tax) | 7.4 | (1.5) |
| **Other comprehensive income not subsequently released to net income** | **12.5** | **(5.7)** |
| **Total other comprehensive income** | **25.7** | **(93.2)** |
| **TOTAL COMPREHENSIVE INCOME** | **(133.7)** | **(358.9)** |
| *- Including non-controlling interests* | *1.3* | *(17.7)* |
| **TOTAL COMPREHENSIVE INCOME - GROUP SHARE** | **(134.9)** | **(341.2)** |

*(1) For the first half of 2021. translation reserve adjustments on foreign transactions mainly related to changes in foreign exchange rates. of which mainly €7.9 million in Hong Kong. €7.8 million in the United Kingdom. €3.7 million in South Africa and €(2.9) million in the United States of America.*
*For the first half of 2020. translation reserve adjustments on foreign transactions 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 reclassification to net income related to changes in scope.*

## 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" as "Non-controlling interests" for €(0.2) million in the first half of 2020.*

## STATEMENT OF CHANGES IN EQUITY AS OF 30 JUNE 2021

| | 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 2020** | **3.2** | **608.5** | **(1.5)** | **1,172.5** | **0.8** | **(0.1)** | **(125.9)** | **0.9** | **(64.0)** | **0.8** | **(187.5)** | **1,595.4** | **17.7** | **1,613.0** |
| Capital increase / decrease [1] | | | | | | | | | | | | 0.0 | 0.1 | 0.1 |
| Variation of treasury shares [2] | | | 0.6 | 0.3 | | | | | | | | 0.9 | | 0.9 |
| Purchase | | | (10.2) | | | | | | | | | (10.2) | | (10.2) |
| Sale | | | 10.8 | 0.3 | | | | | | | | 11.1 | | 11.1 |
| Distribution of dividends | | | | | | | | | | | | 0.0 | (4.2) | (4.2) |
| Share-based payments | | | | | | | | | | | | 0.0 | | 0.0 |
| Debt on commitments to purchase non-controlling interests [3] | | | | | | | | | | | | 0.0 | 1.8 | 1.8 |
| Change in consolidation scope [4] | | | | (4.4) | | | 0.0 | | | | 0.0 | (4.4) | 4.4 | (0.0) |
| Consolidated net income | | | | (161.3) | | | | | | | | (161.3) | 1.9 | (159.4) |
| Other comprehensive income | | | | | 0.5 | | 13.3 | | 12.6 | | 26.4 | 26.4 | (0.6) | 25.7 |
| **Total comprehensive income** | **0.0** | **0.0** | **0.0** | **(161.3)** | **0.5** | **0.0** | **13.3** | **0.0** | **12.6** | **0.0** | **26.4** | **(134.9)** | **1.3** | **(133.7)** |
| Other | | | | (0.2) | | | 0.0 | | | | (0.0) | (0.2) | | (0.2) |
| **Equity as of 30 June 2021** | **3.2** | **608.5** | **(0.8)** | **1,006.9** | **1.3** | **(0.1)** | **(112.6)** | **0.9** | **(51.4)** | **0.8** | **(161.1)** | **1,456.8** | **21.0** | **1,477.7** |

*(1) Capital increase of controlled companies.*
*(2) Change in treasury shares of JCDecaux SA under the liquidity agreement concluded in May 2019.*
*(3) Payment to a partner of the purchase commitment in a controlled company. Moreover. revaluation and discounting effects of debt on commitments to purchase non-controlling interests are recorded in the income statement on the line "Consolidated net income" as "Non-controlling interests" for €(1.4) million for the first half of 2021.*
*(4) Changes in the scope of consolidation related to the acquisition of non-controlling interests in the United Kingdom and to acquisitions made in 2020. the assets and liabilities of which had been determined on a provisional basis.*

## STATEMENT OF CASH FLOWS

| *In million euros* | | 1st half of 2021 | 1st half of 2020 |
|---|---|---|---|
| Net income before tax | | (193.1) | (309.6) |
| Share of net profit of companies under the equity method | § 4.11 | 6.7 | 14.7 |
| Dividends received from companies under the equity method | | 7.8 | 15.8 |
| Expenses related to share-based payments | | 0.0 | 0.0 |
| Gains and losses on lease contracts | | (126.5) | (158.4) |
| Depreciation, amortisation and provisions (net) | | 521.8 | 691.3 |
| Capital gains and losses and net income (loss) on changes in scope | | (4.3) | (1.0) |
| Net discounting expenses | | 1.6 | 1.2 |
| Net interest expense & interest expenses on IFRS 16 lease liabilities | | 61.6 | 78.2 |
| Financial derivatives, translation adjustments, amortised cost and other | | 0.1 | (5.7) |
| **Change in working capital** | | **104.3** | **244.3** |
| Change in inventories | | (0.6) | (51.0) |
| Change in trade and other receivables | | 38.4 | 334.0 |
| Change in trade and other payables | | 66.5 | (38.8) |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | **379.9** | **570.7** |
| Interest paid on IFRS 16 lease liabilities | | (29.8) | (72.3) |
| Interest paid | | (26.8) | (10.7) |
| Interest received | | 1.2 | 1.9 |
| Income tax paid | | (11.5) | (22.3) |
| **NET CASH FLOWS FROM OPERATING ACTIVITIES** | | **312.9** | **467.3** |
| Cash payments on acquisitions of intangible assets and property, plant and equipment | | (65.3) | (111.1) |
| Cash payments on acquisitions of financial assets (long-term investments) net of cash acquired (1) | | (13.4) | (5.2) |
| Acquisitions of other financial assets | | (5.7) | (105.1) |
| **Total investments** | | **(84.4)** | **(221.3)** |
| Cash receipts on proceeds on disposals of intangible assets and property, plant and equipment | | 7.0 | 30.1 |
| Cash receipts on proceeds on disposals of financial assets (long-term investments) net of cash sold (1) | | 0.0 | (0.0) |
| Proceeds on disposals of other financial assets | | 8.8 | 3.0 |
| **Total asset disposals** | | **15.7** | **33.1** |
| **NET CASH FLOWS FROM INVESTING ACTIVITIES** | | **(68.7)** | **(188.2)** |
| Dividends paid | | (4.2) | (8.5) |
| Purchase of treasury shares | | (10.2) | (15.5) |
| Cash payments on acquisitions of non-controlling interests | | (2.7) | (0.0) |
| Repayment of long-term borrowings | | (1,133.1) | (85.5) |
| Repayment of lease liabilities | | (317.0) | (329.6) |
| Acquisitions and disposals of treasury financial assets | | 12.2 | 26.0 |
| **Cash outflow from financing activities** | | **(1,454.9)** | **(413.0)** |
| Cash receipts on proceeds on disposals of interests without loss of control | | 0.0 | 0.0 |
| Sale of treasury shares | | 11.1 | 12.5 |
| Capital increase | | 0.1 | 0.9 |
| Increase in long-term borrowings | | 869.3 | 1,699.1 |
| **Cash inflow from financing activities** | | **880.6** | **1,712.6** |
| **NET CASH FLOWS FROM FINANCING ACTIVITIES** | | **(574.4)** | **1,299.6** |
| **CHANGE IN NET CASH POSITION** | | **(330.2)** | **1,578.7** |
| **Net cash position beginning of period** | | **1,593.6** | **142.4** |
| Effect of exchange rate fluctuations and other movements | | (1.4) | (6.2) |
| **Net cash position end of period (2)** | | **1,262.1** | **1,714.9** |

*(1) Including nil net cash acquired and sold for the 1st half of 2021 and the 1st half of 2020.*
*(2) Including €1.274.6 million in cash and cash equivalents and €12.6 million in bank overdrafts as of 30 June 2021. compared to €1.742.2 million and €27.3 million. respectively. as of 30 June 2020.*

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## 1. ACCOUNTING METHODS AND PRINCIPLES

### 1.1. Group's accounting principles

The condensed consolidated financial statements for the first half of 2021. approved by the Executive Board on 23 July 2021. 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 2020 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 2021 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 principles adopted are identical to those used for the preparation of the consolidated financial statements for the year ended 31 December 2020. with the exception of the amendment to IFRS 9. IAS 39. IFRS 7. IFRS 4 and IFRS 16: IBOR phase 2 reform. applicable from 1 January 2021. for which the analyzes carried out to date do not show any significant impact.

In addition. the Group has chosen not to apply the IFRIC decision "Attributing benefit to Periods of Service (IAS 19 employee benefits)" for which the application measures are being clarified and 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 2021.

Finally. the new amendment to IFRS 16 "Rent relief related to Covid-19 beyond June 30. 2021" has not been applied by the Group in its half-year consolidated financial statements.

### 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 2021 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 2021 in connection with the Covid-19 health crisis 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 identified at risk during the tests carried out on December 31. 2020 and for which the final 2021 budget data is down compared to the initial budget used for the tests at the end of December. The Group has not identified any indication of impairment on CGUs that were not identified as at risk during the tests carried out at 31 December 2020.

- 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 6.0% to 17.0%. for the area presenting the highest risk. The after-tax rate of 6.0% in 2021 (as in 2020). is used. in particular. in Western Europe (excluding Spain. Portugal. Italy and Ireland). North America. Japan. Singapore. South Korea and Australia.

- Recoverable amounts

For the half-year closing. the recoverable values are based on an update of the tests established on 31 December 2020: the 2021 flow has been reestimated on the basis of the final 2021 budget and the parameters for the years 2022 to 2024 have been revised with the operational departments of the tested CGUs (growth rate. operating margin ratio and investments). The other structural assumptions of the tests remained unchanged (in particular duration and renewal of contracts).

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 for reductions obtained in 2021 and not going beyond 30 June 2021 or those with force majeure clauses. The extinction of the liability debt recognised in the income statement is restated from cash flows from operating activities in the statement of cash flows. For reductions covering a period beyond 30 June 2021 and not covered by contractual force majeure clause. they have been recognised as a contract modification.

### 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 and other timing differences.

### 1.3.5. Discount rates

The discount rates used to calculate the provision for employee benefits as of 30 June 2021 is 1.9% in the United Kingdom (compared to 1.35% as of 31 December 2020) and 0.85% in the Euro zone (compared to 0.35% as of 31 December 2020). The average discount rate used to calculate dismantling provision is 0.84% (compared to 0.47% as of 31 December 2020) and the discount rate used to calculate the debt on commitments to purchase non-controlling interests. for the major commitment of the Group. is nil (compared to 0.13% as of 31 December 2020).

## 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 2021 are as follows:

**Acquisitions of non-controlling interests**

On February 2021. JCDecaux UK Ltd acquired 30% of the non-controlling interests in the company JCDecaux Small Cells Ltd in the United Kingdom. This company. which was already fully consolidated. is now 100% owned.

### 2.2 Impact of acquisitions

The Group did not take any control over the first half of 2021.

## 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.
- IFRS 16 impact on location lease contracts for advertising structures (“Core Business” contracts) excluding real estate and vehicle rental contracts (“Non Core Business” contracts).

These two adjustments comply with the principles followed in the Group’s operating management reporting used by the Executive Board – the Chief Operating Decision Maker (CODM).

Consequently. pursuant to IFRS 8. the 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 2021

The information by operating segments for the first half of 2021 is as follows:

| *In million euros* | Street Furniture | Transport | Billboard | Total |
|---|---|---|---|---|
| **Revenue** [(1)] | **561.6** | **338.4** | **182.4** | **1,082.3** |
| **Operating margin** | **49.6** | **(10.0)** | **(8.2)** | **31.4** |
| **EBIT** [(2)] | **(83.8)** | **(45.0)** | **(34.6)** | **(163.5)** |
| **Acquisitions of intangible assets and PP&E net of disposals** [(3)] | **55.9** | **2.8** | **1.0** | **59.8** |

*(1) Including advertising revenue for €937.0 million and non advertising revenue for €145.3 million.*
*(2) Including a net reversal of provisions for onerous contracts related to impairment tests of previous years for €3.5 million: €0.6 million in Street Furniture. €2.9 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** | **1,082.3** | **(87.9)** | **0.0** | **994.4** |
| **Operating margin** | **31.4** | **(16.0)** | **395.4** | **410.8** |
| **EBIT** | **(163.5)** | **(6.3)** | **48.0** | **(121.8)** |
| **Acquisitions of intangible assets and PP&E net of disposals** | **59.8** | **(1.5)** | **0.0** | **58.4** |

*(1) Including the impact of IFRS 16 on non core business contracts (of which +€25.3 million for the cancellation of rents and €(23.0) million for right-of-use amortisation).*
*(2) Impact of change from proportionate consolidation to the equity method for joint ventures.*
*(3) Impact of IFRS 16 on core business rents of controlled companies.*

The impact of €(87.9) million resulting from IFRS 11 (change from the proportionate consolidation to the equity method for joint ventures) on the adjusted revenue is split between €(92.3) million of revenue made by the joint ventures and €4.4 million of non-eliminated part of intercompany revenue made by Group fully consolidated companies with joint ventures. under IFRS 11. bringing the IFRS revenue to €994.4 million.

The impact of €395.4 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 €48.0 million resulting from IFRS 16 on the EBIT breaks down into €395.4 million on the operating margin. €(365.0) million of the right-of-use amortisation. €17.9 million of net gain on changes in contracts. €(5.2) million of cancellation of reversals of provisions for onerous contracts and €4.8 million of the right-of-use amortisation resulting from the requalification of provisions for onerous contracts.

### 3.1.2 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 the IFRS 16 impact 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 for 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 for 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. bringing the IFRS revenue to €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 changes in contracts. €(11.0) million of cancellation of reversals of provisions for onerous contracts and €8.9 million of the right-of-use amortisation resulting from the requalification of provisions for onerous contracts.

## 3.2. Information by geographical area

### 3.2.1. First half of 2021

The information by geographical area for the first half of 2021 is as follows:

| *In million euros* | Asia-Pacific (1) | Europe (2) | France | Rest of the world | United-Kingdom | North America (3) | Total |
|---|---|---|---|---|---|---|---|
| **Revenue** | **317.1** | **307.6** | **225.5** | **102.9** | **80.7** | **48.6** | **1,082.3** |

*(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 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.*

## 3.3. Other information

### 3.3.1. First half of 2021

The reconciliation of the free cash flow from Adjusted to IFRS for the first half of 2021 is as follows:

| *In million euros* | Adjusted data | Joint ventures' impact (1) | IFRS16 impact (2) | IFRS data |
|---|---|---|---|---|
| **Net cash flow from operating activities** | **(3.4)** | **(0.6)** | **317.0** | **312.9** |
| *- Including Change in working capital* | *71.0* | *(0.2)* | *33.5* | *104.3* |
| **Acquisitions of intangible assets and PP&E net of disposals** | **(59.8)** | **1.5** | **0.0** | **(58.4)** |
| **Free Cash Flow** | **(63.2)** | **0.8** | **317.0** | **254.6** |

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

### 3.3.2. 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 rents 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

As of 30 June 2021. no impairment loss has been recognised on Goodwill. Property. plant and equipment (PP&E) and intangible assets. right-of-use or investments under the equity method.

The sensitivity tests whose results are presented below were run at the level of each business plan of each CGU where there are indications of impairment. Where a region has several CGUs. tests were run separately on each.

- In the Rest of the World geographical area. two sensitivity tests were carried out:
  - firstly. a 200 basis points rise in the discount rate
  - secondly. by postponing the economic recovery following the Covid-19 crisis by one year in the cash flow forecasts.

- In France and the United Kingdom. two sensitivity tests were carried out:
  - firstly. a 50 basis points rise in the discount rate
  - secondly. by postponing the economic recovery following the Covid-19 crisis by one year in the cash flow forecasts.

The results of the sensitivity tests are the following:

- On the Billboard UK and Roadside France CGUs. the 50 basis point increase in the discount rate would not result in any impairment.
- On the Billboard UK and Roadside France CGUs. the one-year delay in cash flow forecasts would not result in any impairment.

- On the Billboard Rest of the World CGU. the 200 basis point increase in the discount rate would lead to an impairment loss of €(12.6) million on assets.
- On the Billboard Rest of the World CGU. the one-year delay in cash flow forecasts would result in an impairment loss of less than €(6.6) million on assets.

The impairment tests carried out at 30 June 2020 on Goodwill. Property. plant and equipment (PP&E) and intangible assets and right-of-use had led to the recognition in operating income of a net impairment charge of €(14.0) million on intangible and tangible fixed assets. a net reversal of provision for onerous contracts of €1.4 million. as well as a goodwill impairment loss of €(48.0) million relating to the CGU Billboard Rest of the World. Impairment tests on Goodwill. property. plant and equipment and intangible assets and right-of-use had a negative impact of €(55.9) million in net income Group share at 30 June 2020. No impairment loss had been recognised on the investments under the equity method as of 30 June 2020.

### 4.2. Right-of-use

Right-of-use amounted to €3.090.8 million in net book value as of 30 June 2021 compared to €3.416.5 million as of 31 December 2020. which represented a decrease of €325.7 million. This decrease is mainly related to the amortisation charge in the first half of the year and to contract renegotiations.

### 4.3. Trade and other receivables

The €23.3 million decrease in trade and other receivables as of 30 June 2021 is mainly due to cash flows from operating activities for €36.0 million partially offset by foreign exchange rates impacts for €(14.0) million.

As at 30 June 2021. the Group carried out a one-off non-recourse sale of trade receivables for an outstanding amount of €87.2 million. Assigned trade receivables are derecognized in the statement of financial position as at 30 June 2021 in accordance with the provisions of IFRS 9. with substantially all of the risks and rewards associated with the assigned receivables being transferred to the bank.

### 4.4. Equity

As of 30 June 2021. in the absence of the issuance of new shares in the first half of 2021. the share capital is unchanged compared to December 31. 2020.

The Group did not grant any bonus share plan or stock option plan in the first half of 2021.

The Group holds 34.908 treasury shares as of 30 June 2021.

The General Meeting held on 20 May 2021. decided not to pay a dividend for any of the 212.902.810 shares making up the share capital at 31 December 2020.

### 4.5. Financial debt

| | | 30/06/2021 | | | 31/12/2020 | | |
|---|---|---|---|---|---|---|---|
| *In million euros* | | Current portion | Non current portion | Total | Current portion | Non current portion | Total |
| **Gross financial debt** | (1) | **314.6** | **2,152.5** | **2,467.1** | **587.6** | **2,147.4** | **2,735.0** |
| Hedging financial derivatives assets | | (3.7) | | (3.7) | (1.7) | | (1.7) |
| Hedging financial derivatives liabilities | | 7.8 | | 7.8 | 4.4 | | 4.4 |
| **Hedging financial derivatives instruments** | (2) | **4.1** | **0.0** | **4.1** | **2.6** | **0.0** | **2.6** |
| Cash and cash equivalents (*) | | 1,274.6 | | 1,274.6 | 1,607.8 | | 1,607.8 |
| Bank overdrafts | | (12.6) | | (12.6) | (14.2) | | (14.2) |
| **Net cash** | (3) | **1,262.1** | **0.0** | **1,262.1** | **1,593.6** | **0.0** | **1,593.6** |
| **Treasury financial assets (**)** | (4) | **45.8** | **0.0** | **45.8** | **57.6** | **0.0** | **57.6** |
| **Net financial debt (excluding non-controlling interest purchase commitments)** | (5)=(1)+(2)-(3)-(4) | **(989.2)** | **2,152.5** | **1,163.3** | **(1,061.0)** | **2,147.4** | **1,086.3** |

*(*) As of 30 June 2021. the Group has €1.274.6 million of cash and cash equivalents compared to €1.607.8 million as of 31 December 2020. Cash and cash equivalents mainly include current account deposits. short-term deposits and money market funds. €9.4 million of the total of cash and cash equivalents are invested in guarantees as of 30 June 2021. equivalent amount as of 31 December 2020.*
*(**) As of 30 June 2021. treasury financial assets are made up of €45.8 million of short-term liquid investments (compared to €45.6 million as of 31 December 2020). As of 31 December 2020. treasury financial assets also include €12.0 million held in an 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 revaluation to fair value due to the amortized cost (IFRS 9 restatement) is as follows:

| *In million euros* | | 30/06/2021 Current portion | Non-current portion | Total | 31/12/2020 Current portion | Non-current portion | Total |
|---|---|---|---|---|---|---|---|
| **Gross financial debt** | **(1)** | **314.6** | **2,152.5** | **2,467.1** | **587.6** | **2,147.4** | **2,735.0** |
| **Impact of amortised cost (IFRS 9 remeasurement)** | **(2)** | 0.3 | (0.7) | (0.4) | | (0.4) | (0.4) |
| **Economic financial debt** | **(3)=(1)+(2)** | **314.9** | **2,151.7** | **2,466.7** | **587.6** | **2,147.0** | **2,734.6** |

As of 30 June 2021. the Group's financial debt mainly includes the debt carried by JCDecaux SA:

- Bonds issues:
  - €750 million issued in 2016. maturing in June 2023;
  - €599.9 million issued in 2020 maturing in October 2024;
  - €599.9 million issued in 2020 maturing in April 2028;
- €150 million bank loan set up in 2020 maturing in April 2025;
- €225 million of commercial paper issued by JCDecaux SA through its Negotiable European Commercial Paper program (NEU CP) program for a maximum amount of €750 million.

As of 30 June 2021. JCDecaux SA also holds an undrawn committed revolving credit facility of €825 million which includes a €100 million swingline for same-day short-term drawdowns. The maturity of this facility has been extended to June 30. 2026 following the exercise of a second extension option effective July 2021.

If JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's). the revolving credit facility and the €150 million bank loan carried by JCDecaux SA require compliance with the ratio: net financial debt/operating margin strictly below 3.5. As a precaution. the Group has obtained a waiver from the lenders on these both financings for the ratios of 31 December 2020 and 31 December 2021. The next applicable covenant will be based on the financials statement of 31 December 2022 if JCDecaux's credit rating goes below Baa3 (Moody's) or BBB- (Standard and Poor's) at the end of this date.

JCDecaux SA is rated "Baa3" with stable outlook by Moody's and "BBB-" with negative outlook by Standard and Poor's (Moody's last rating dated 18 March 2021. and that of Standard and Poor's 20 November 2020).

### 4.6. Lease liabilities

Lease liabilities amounted to €3.789.6 million as of 30 June 2021 compared to €4.145.8 million as of 31 December 2020. which represented a decrease of €(356.2) million. The decrease. mainly related to repayment occurred on the first half of 2021 as well as end of contracts and reductions in fixed and minimum guaranteed rents obtained in the Covid-19 context. is partly offset by new contracts and renewals and a positive foreign exchange rates impact.

### 4.7. Revenue

IFRS revenue amounted to €994.4 million for the first half of 2021 compared to €968.6 million for the first half of 2020. which represented an increase of 2.7%.
The IFRS advertising revenue stood at €854.2 million for the first half of 2021 (versus €846.3 million for the first half of 2020) and the IFRS non-advertising revenue totalled €140.2 million for the first half of 2021 (versus €122.3 million for the first half of 2020).

### 4.8. EBIT

During the first half of 2021. EBIT amounted to €(121.8) million compared to €(212.3) million during the first half of 2020. The increase of €90.5 million despite the decrease of the operating margin for €83.5 million is mainly due to the decrease in the amortization charges and to the net impairment charge recognised following the impairment test carried out as of 30 June 2020. and to a lesser extent to the positive effect of modifications on core business contracts.

### 4.9. Net Financial income (Loss)

During the first half of 2021. the net financial income amounted to €(64.6) million compared to €(82.7) million during the first half of 2020. This €18.1 million improvement is mainly due to the decrease in interest on IFRS 16 lease liabilities for €26.2 million. This improvement is partially offset by the increase of the net debt cost for €8.4 million in connection with the implementation of new financing by JCDecaux SA. in particular bond issues for €1.2 billion.

### 4.10. Income tax

During the first half of 2021. the Group recorded a tax revenue of €33.6 million compared to a tax revenue of €43.8 million during the first half of 2020. The effective tax rate before impairment of goodwill. the share of net profit of companies under the equity method and the discounting and revaluation impacts of debts on commitments to purchase non-controlling interests was 18.2% during the first half of 2021 (compared to 17.8% during the first half of 2020).

### 4.11. Share of net profit of companies under the equity method

During the first half of 2021. the share of net profit of associates amounted €(12.1) million compared to €(13.1) million during the first half of 2020. and the share of net profit of joint ventures amounted €5.5 million during the first half of 2021 compared to €(1.6) million during the first half of 2020.

## 5. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

The main source of significant changes in off-balance sheet commitments as of 30 June 2021 compared to 31 December 2020 is the following:

- an increase of €126.1 million in commitments in advertising space contracts provision with substantive substitution rights;
- an increase of €10.3 million in commitments under 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 2021 are not necessarily representative of the expected 2021 full year results.

## 7. INFORMATION ON RELATED PARTIES

As of June 30. 2021. there is no significant change in the statement of financial position of the relations between the Group and the related parties. Transactions made with the related parties and impacting the income statement are similar to those of the first half of 2020.

## 8. SUBSEQUENT EVENTS

No significant subsequent event has been identified.

# *Statutory auditors' report on the half-yearly financial information*

## JCDecaux SA

Period from 1 January to 30 June 2021

To the Shareholders.

In compliance with the assignment entrusted to us by your shareholders' 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 1 January to 30 June 2021.

- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the COVID-19 pandemic. the condensed half-yearly consolidated financial statements for this period have been prepared and reviewed under special circumstances. Indeed. this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies. particularly on their operations and their financing. and have led to greater uncertainties regarding their future prospects. These measures. such as travel restrictions and remote working. have also had an impact on companies' internal organization and on the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of your Executive Board. Our role is to express a conclusion on these financial statements based on our review.

## 1. 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 IFRS as adopted by the European Union applicable to interim financial information.

## 2. Specific Verification

We have also verified the information presented in the half-yearly management report 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. 29 July 2021

The Statutory Auditors

*French original signed by:*

| KPMG Audit<br>*Département de KPMG S.A.* | | ERNST & YOUNG et Autres |
|---|---|---|
| Frédéric Quelin | Grégoire Menou | Aymeric de La Morandière |

# 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-François Decaux**
**Chairman of the Board and co-Chief Executive Officer**