JCDecaux

showcasing the world

2007 Annual Report

Document de Référence

TABLE OF CONTENTS

Incorporation by reference

In accordance with Article 28 of EU Regulation n°809/2004 dated 29 April 2004, the reader is referred to previous "*Documents de référence*" containing certain information:

1. Relating to fiscal year 2006:

- The Management Discussion and Analysis and consolidated financial statements, including the statutory auditors' report, set forth in the "*Document de référence*" filed on 4 April 2007 under number D.07-273 (pages 46 to 112 and 207, respectively).
- The corporate financial statements of JCDecaux SA, their analysis, including the statutory auditors' report, set forth in the "*Document de référence*" filed on 4 April 2007 under number D.07-273 (pages 114 to 137 and 208, respectively).
- The statutory auditors' special report on regulated agreements with certain related parties, set forth in the "*Document de référence*" filed on 4 April 2007 under number D.07-273 (page 209).

Otherwise, the information set forth in those two "*Documents de référence*" has been replaced and/or updated, as the case may be, by the information set forth in this "*Document de référence*".

2. Relating to fiscal year 2005:

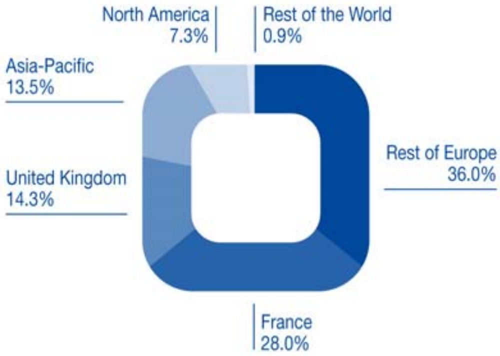
- The Management Discussion and Analysis and consolidated financial statements, including the statutory auditors' report, set forth in the "*Document de référence*" filed on 7 April 2006 under number D.06-218 (pages 42 to 113 and 191, respectively).
- The corporate financial statements of JCDecaux SA, their analysis, including the statutory auditors' report, set forth in the "*Document de référence*" filed on 7 April 2006 under number D.06-218 (pages 114 to 134 and 192, respectively).
- The statutory auditors' special report on regulated agreements with certain related parties, set forth in the "*Document de référence*" filed on 7 April 2006 under number D.06-218 (pages 193 and 194).

The portions of this document which have not been included are either not of importance to investors or are covered in another section of this annual report.

COMPANY OVERVIEW

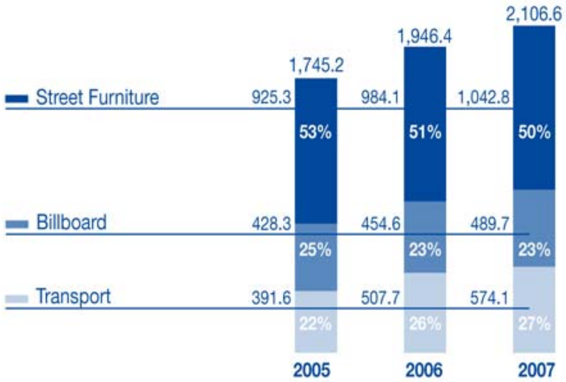
FINANCIAL HIGHLIGHTS

2007 REVENUES BY REGION



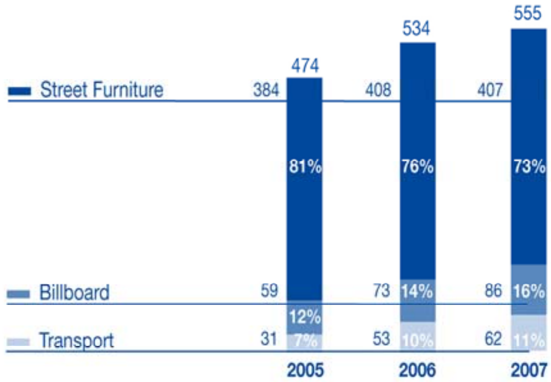
REVENUES BY BUSINESS

(in € million, segment's share in %)



OPERATING MARGIN BY BUSINESS

(in € million, segment's share in %)



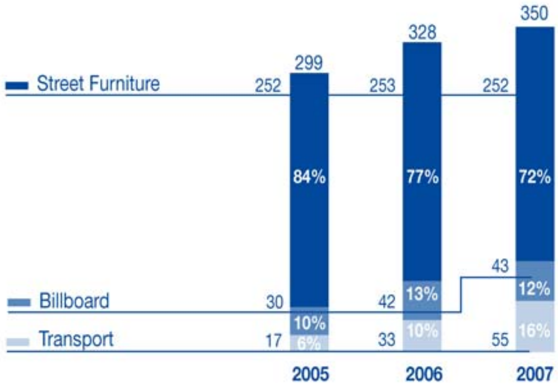
In 2007, the Group's revenues increased by 8.2% to €2,106.6 million. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 8.8%. Street Furniture revenues were €1,042.8 million, an increase of 6.0%. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 5.5%. Transport revenues grew by 13.1 % to €574.1 millions. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 16.7%. Billboard revenues grew by 7.7% to €489.7 million. Excluding acquisitions and the impact of foreign exchange, organic revenue growth was 7.3%.

The operating margin(1) increased by 4.0% to €555.2 million from €533.6 million in 2006. The operating margin as a percentage of consolidated revenues was 26.4%, down 100 basis points compared to the prior period (2006: 27.4%), reflecting a decrease in the Street Furniture operating margin, partly offset by a strong increase in operating margin from the Billboard and Transport divisions.

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

EBIT BY BUSINESS

(in € million, segment's share in %)



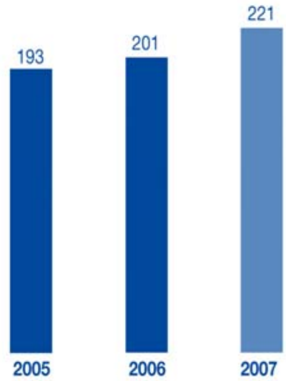
EBIT[1] increased by 6.8% to €350.2 million, up from €327.9 million[2] in 2006. The Group's EBIT margin was 16.6% of consolidated revenues, compared to 16.8% in the same period last year.

[1] *EBIT: Earnings Before Interests and Taxes = Operating Margin less Depreciation, amortization and provisions less Maintenance spare parts less Other operating income and expenses.*

[2] *2006 EBIT has been restated due to the reclassification into the EBIT of the impairment of goodwill.*

NET INCOME GROUP SHARE

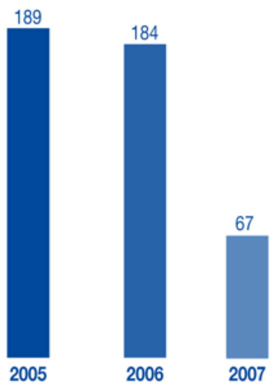
(in € million)



Net income Group share increased by 9.9% to €221.0 million, compared to €201.1 million in 2006. This improvement reflects the increase in EBIT, the very strong progression of equity affiliates as well as a decrease in the tax rate.

FREE CASH FLOW

(in € million)



Free cash flow[1] decreased to €66.9 million from €183.5 million[2] in 2006, reflecting the significant increase in net capex over the period.
Net debt as of 31 December 2007 was €719.9 million.

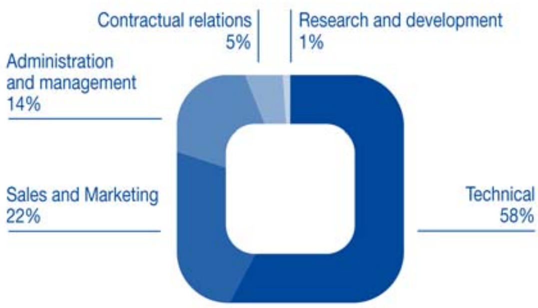
The Group is rated « Baa2 » by Moody's and « BBB+ » by Standard and Poor's.

[1] *Free Cash Flow: Net cash flow from operating activities less net capital investments (tangible and intangible assets).*

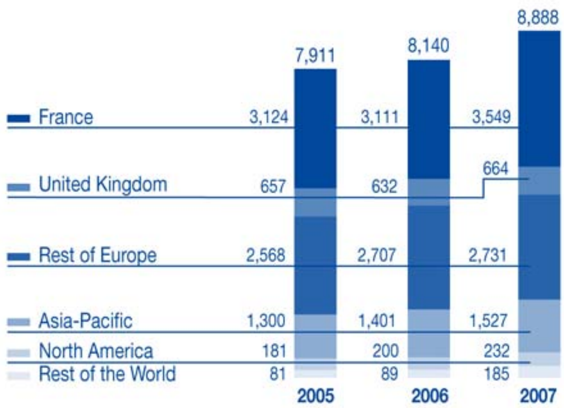
[2] *2006 Free Cash Flow have been restated following a change of methodology related to fixed assets' payables.*

FINANCIAL NET DEBT / EQUITY RATIO

2007 EMPLOYEE BREAKDOWN BY EXPERTISE



EMPLOYEE BREAKDOWN BY REGION



THE YEAR 2007

In 2007, we pursued our development strategy primarily through organic growth and strengthened our position as the world leader in Street Furniture and airport advertising. We also made several acquisitions to penetrate new high-growth markets, or to consolidate our position in mature markets. The year 2007 also saw a number of major contracts renewed, especially in France, and the introduction of additional "self-service" advertising-supported bicycle programs, especially "*Vélib*" in Paris. We also saw our Street Furniture business accelerate in Japan, with four new contracts, and we continued our expansion elsewhere in India, where we won the advertising contract for the new airport in Bangalore, and in China, with the renewal and extension of the advertising contract for the Shanghai metro. We also made several acquisitions or entered into new partnering arrangements to penetrate new, high-growth markets, in particular in the Middle East and Central Asia.

1. OUR CONTRACTS

Europe

- **In France,** in connection with public bids, we won:
  - the 12-year Street Furniture contract for the Greater Strasbourg Metropolitan Area (*Communauté Urbaine de Strasbourg* - CUS), which includes 28 towns and cities and 427,000 people, as well as the 14-year contract for tramway shelters with the Strasbourg transportation company, Compagnie des Transports Strasbourgeois (CTS). The contract with the Greater Strasbourg Metropolitan Area was renewed and extended to all of the towns and cities in the Greater Strasbourg Metropolitan Area and involves 800 bus shelters, 330 MUPI® 2m² scrolling panels, and 80 Senior® 8m² advertising columns. The Strasbourg transport company contract has been extended and covers 72 double tramway shelters and 4 triple tramway shelters.
  - the Street Furniture and self-service bicycle contracts for Mulhouse and its area for 15 years. This contract covers the cities of Mulhouse, Illzach, and Kingersheim, together with the zone of the SITRAM (*Syndicat intercommunal des transports de l'agglomération mulhousienne* – the intercity transportation authority of Mulhouse) area, which together cover 234,000 people. This contract involves 263 bus shelters, 183 MUPI® 2m² scrolling columns (street furniture for information), 88 pieces of 8m² street furniture, 7 information columns (representing approximately 1,050 faces), and 200 bicycles, and 20 Cyclocity® stations (self-service bicycles stations designed and developed by JCDecaux).
  - the Street Furniture and self-service bicycle contract for Besançon (118,000 people) for 15 years. This contract involves 180 bus shelters, 110 MUPI® 2m² scrolling columns, 53 8m² pieces of street furniture, and 5 cultural information columns, for a total of 700 advertising faces.
  - the Street Furniture contract for the Greater Nancy Metropolitan Area (*Communauté urbaine du Grand Nancy*) (267,000 people - 20 towns and cities, including Nancy) for 15 years. This contract covers 1,532 faces and involves 581 bus shelters, 311 MUPI® 2m² scrolling panels, 88 Senior® 8m² advertising columns, and 6 cultural information columns (including both firm and conditional phases).
  - the self-service bicycle contract for Toulouse (390,000 people) for 15 years. This contract includes a firm phase of 135 stations and 1,470 bicycles, then 3 conditional phases which would increase the total to 253 stations and 2,400 bicycles. The Street Furniture advertising for the stations will provide part of the financing for the contract, with another part paid by the city authorities, whose financial contribution will be reduced by revenues from renting bicycles that the City will collect directly. The bicycles will carry advertising and also contribute to financing this service.
  - the Street Furniture and self-service bicycle contract for Rouen (107,000 people) for 14 years. This contract involves 150 MUPI® 2m² columns, 80 Senior® 8m² advertising columns, and 8 information columns (representing 430 faces), and 250 bicycles and 20 Cyclocity® stations financed by Street Furniture advertising and revenues from operation of the self-service bicycle outlets.
  - the Street Furniture contract for Antibes (72,000 people) for 10 years. This new Street Furniture contract, which was previously been held by a competitor, involves 75 MUPI® 2m² scrolling panels, 10 Senior® 8m² advertising columns, and advertising columns for event advertising, and represents approximately 265 2m² and 8m² faces. It complements the bus shelter advertising contract we won in January 2007 for 14 years, which consisted of 115 bus shelters and covering 260 faces.
  - the Street Furniture contract for Nanterre (87,000 people), in the Hauts-de-Seine administrative district, for 10 years. This new Street Furniture contract, previously held by a competitor, involves 143 MUPI® 2m² scrolling panels and 112 bus shelters, representing 391 2m² faces.

- the Street Furniture and self-service bicycle contract for Amiens (136,000 people) for 15 years. The Street Furniture contract involves 161 MUPI® 2m² scrolling panels, 230 bus shelters, 83 Senior® 8m² faces, and 4 cultural advertising columns (representing 913 faces), and the availability of 313 bicycles and 25 Cyclocity® stations financed by Street Furniture advertising and revenues from self-service bicycles operations.
- the self-service bicycle contract for Metropolitan Nantes (*Nantes Métropole* - 580,000 people) for 10 years. This contract involves installation and maintenance of the following advertising outlets: 156 2m² and 65 8m² panels and the availability of 79 bicycle stations and 700 self-service bicycles.
- **SOMUPI** (66%-owned subsidiary of JCDecaux and 34%-owned by Médias et Régies Europe – Publicis Group) also signed a 10-year contract for bicycles and street furniture with the City of Paris. This self-service bicycle system, completely designed and developed for Paris, is the largest and most significant "soft" public transportation system ever devised in the world. It is financed by advertising revenues from the operation of 1,628 Senior® 2m² and 8m²scrolling information units. This service (called "Vélib'" in Paris) was introduced on 15 July 2007.
- The OPAC (*Office Public d'Aménagement et de Construction* – Public Works and Construction Department) of Paris, after a public competitive bidding process, awarded 81 advertising locations to **Avenir**, one of our subsidiaries in France, for six years. This contract represents OPAC's most important strategic bid, from both a quantitative and qualitative point of view, and will add to the system already owned and operated by Avenir, making it OPAC's principal partner in the area of outdoor advertising. Located mainly along the principal thoroughfares of the city and at the entrances to Paris, the scrolling panels strengthen Avenir's position as the largest operator of large-format billboard advertising in Paris.
- Finally, as periodically announced during 2007, we renewed 16 Street Furniture contracts in the Ile-de-France region covering 1,308 2m² faces and 210 8m² faces, as well as 12 contracts outside the Paris Region involving 1,495 2m² faces and 256 8m² faces.

- In the **United Kingdom**, we announced the signature of a 5-year contract (with the possibility of extension for another 5 years) with BT Payphones. This contract, which was previously held by Clear Channel, involves operation of advertising space on 50,000 BT call boxes in England, Wales, and Scotland, under the "StreetTalk" brand.
- In **Spain**, we won a bid from the city of Seville, the fourth largest city in Spain, for the installation operation of 500 Senior® scrolling advertising displays of 2m², as well as installation, maintenance, and management of 2,500 self-service bicycles and 250 stations for 20 years. Seville is the third city in Spain, after Gijón and Cordoba, to benefit from our Cyclocity® program.
- In **Lithuania**, we won an exclusive 15-year Street Furniture contract with the city of Vilnius. The contract involves supplying, maintaining, and marketing and selling 700 bus shelters, 200 columns and 250 Senior® advertising panels, which approximately doubles our presence in Vilnius, the capital of Lithuania, which by itself accounts for 50% of Lithuania's gross domestic product.
- In **Estonia**, we won an exclusive 15-year Street Furniture contract with the city of Tallinn. The contract involves supplying, maintaining, and marketing and selling 320 bus shelters, 140 Senior® advertising panels, and 18 sanitary facilities. This new contract reinforces our position in Tallinn, which has a third of Estonia's population and accounts for 50% of its gross domestic product.
- In **Norway**, we won a Street Furniture contract for 14 years from the National Highway Authority of the County of Rogaland. Rogaland, the third-largest urban area in Norway, has 405,000 people and includes the capital of the Norwegian oil industry, Stavanger, and the port city of Haugesund. The contract involves installation, maintenance, and management of 700 bus shelters. This new agreement strengthens our presence in the region and our position as number one in Street Furniture in Norway.
- In **Belgium**, we won a contract to manage all advertising on the grounds of the Brussels airport for 10 years. This is a major recognition of the expertise of JCDecaux Airport which, by innovating and creating custom made solutions, will ensure maximum advertising visibility to the 16 million domestic and international passengers who use the Brussels airport.
- In **Luxembourg**, we won the contract for Street Furniture and bicycles for Luxembourg City (83,000 people) for 10 years. This new Street Furniture contract involves 100 MUPI® 2m² scrolling panels, representing 180 faces, along with 200 self-service bicycles and 20 bicycle stations at the train station, in the city centre and in Kirchberg. This contract is in addition to our earlier contract for 200 bus shelters. The City of Luxembourg thus became the first city in the Grand Duchy of Luxembourg to adopt this new system of individual public transportation.
- In **Germany**, we renewed the Street Furniture contract for Hamburg. This contract, for 15 years, will commence in 2009 and includes over 2,000 bus shelters, 350 MUPI® scrolling panels, and 55 large format scrolling billboards. These additional advertising faces represent a 30% increase over the current number of faces we have managed since 1982. Hamburg, a media capital, has the highest gross domestic product per capital in Germany. With 1.7 million people, it is the second largest city in Germany (after Berlin) and the seventh largest in Europe.

North America

- In the **United States**, CBS/Decaux (which is 50/50-owned by CBS Outdoor and JCDecaux North America) won the exclusive contract to develop and maintain the Street Furniture contract for Glendale (California) located in the greater Los Angeles area. This 10-year contract has two extensions of five years each. Its ambitious development program will allow advertisers to reach a target audience of consumers with high purchasing power potential in a market where outdoor advertising is limited.
- We also won the advertising contract for Minneapolis-St Paul International Airport (MSP) in Minnesota, for eight years. With annual traffic of more than 35 million passengers, MSP is the twelfth-largest airport in the United States and one of the country's major hubs.

Asia-Pacific

- In **Japan**, MCDecaux (a joint venture company between JCDecaux SA and Mitsubishi Corporation, of which JCDecaux owns 60%) won four new contracts. These contracts, of 20 years direction, were signed with operators of private bus lines for the installation of bus shelters in Sapporo (the fifth largest Japanese city, with 1.9 million people), Kita-Kyushu (the 13th-largest Japanese city, with 1 million people), Sakai (the 15th-largest Japanese city, with 0.8 million people), and Hamamatsu (the 17th largest Japanese city, with 0.8 million people). As of 31 December 2007, with thirteen of the twenty largest Japanese cities and a potential of more than 2,600 bus shelters and 4,500 faces, MCDecaux is developing its presence in the Japanese urban landscape.
- In **China**, we signed an exclusive agreement for 15 years with the Shanghai Metro Shengtong Ltd. Group for placement and management of advertising (excepting television in trains and on platforms) on its entire system. This contract involves the five lines currently in service, as well as the eight additional lines that are to be built from now until 2012. Expected revenues over 15 years amount to 15 billion RMB (EUR1.5 billion). Shanghai, the biggest city in China, has approximately 20 million people.
- In **India**, we won the advertising concession contract for the new international airport in Bangalore. This exclusive contract, won through a competitive bid, will last for seven years. We are the exclusive partner of BIAL - Bangalore International Airport Limited – for advertising both inside and outside the airport, as well as along the access road. Bangalore, with 7 million people, is the third-largest city in India. It is also the technology capital of the country. The new airport is expected to service more than 10 million passengers in 2008.

2. PARTNERSHIPS, ACQUISITIONS AND REORGANISATIONS

Europe

- In April, we announced the strengthening of our relationship with Wall Group in Germany. In connection with this transaction, we transferred to Wall 100% of our German subsidiaries, VVR-Decaux (Berlin) and Georg Zacharias (Düsseldorf). In exchange, Wall transferred to us 100% of its Dutch subsidiary (Wall Nederland), an additional 10% of its U.S. subsidiary (Wall USA, already 50%-owned by JCDecaux), and 100% of its Russian subsidiary (Wall Russia). These transfers allowed us to complete our network and broaden our product line to sponsors and advertisers in three very important markets. In December, we strengthened our relationship with Wall Group by increasing our stake in it from 35% to 40%. This increased equity stake follows the exercise by the Wall family of a call option for 5% of the share capital. This option had been granted to the Wall family in connection with the transactions involving the exchange of assets between the two Groups described above.
- In October we signed agreements for the spin-off of Europlakat International (EPI), a company previously 50% owned by each JCDecaux and Billboard Holding, in which JCDecaux has a 30% stake. This spin-off was made with the support of Billboard Holding. We acquired EPI's direct subsidiaries in Croatia and Slovenia, while Billboard Holding took over EPI's direct subsidiaries in Bosnia, Bulgaria, Hungary, Serbia, and Montenegro. This transaction requires the approval of the competition authorities of all of the countries mentioned above.

Middle East

- In April, we announced our first investment in the Middle East, with the signature of a partnership agreement with Qatar Media Services to install outdoor advertising facilities in Doha. A joint venture company, QMS Decaux, 50%-owned by JCDecaux and 50%-owned by Qatar Media Services, will manage all outdoor advertising for Qatar. Qatar Media Services (QMS) is the exclusive representative for all Qatari media, including press and public relations.

Central Asia

- In June, we announced an investment in Kazakhstan, with the taking of a 50% stake in RTS Perekrestok. Created in 1998, RTS Perekrestok today operates 730 bus shelters in 14 towns in Kazakhstan, the vast majority in Almaty, the largest city in Kazakhstan, and in Astana, the capital, making it the leader in Street Furniture advertising in Kazakhstan. RTS Perekrestok, renamed RTS Decaux, will allow us to grow in the outdoor advertising market of Kazakhstan, especially in Almaty and Astana.

THE OUTDOOR ADVERTISING INDUSTRY

1. SEGMENTS OF THE OUTDOOR ADVERTISING INDUSTRY

1.1. Three main segments

Outdoor advertising consists of three principal segments: advertising on billboards ("Billboard"), advertising on and in public transportation vehicles, stations and airports ("Transport"), and advertising on Street Furniture ("Street Furniture"). Billboard is the most traditional and continues to be the most utilized form of outdoor advertising.

Advertising on Street Furniture (bus shelters, free-standing information panels (2m² MUPI®), large-format (Senior® 8m²) advertising panels and multi-service columns) is the newest. Other outdoor advertising activities, such as advertising on shopping trolleys or in gas stations, are grouped together as "Ambient Media".

There are not as many reliable and comparable sources of data for outdoor advertising as there are for other types of media. Consequently, to provide the most accurate possible data, we have used various sources. Where these sources contain inconsistent information, we have tried to harmonise it based on our knowledge of the market. Therefore, based on our knowledge of the market, we estimate that in 2007, Billboard accounted for more than 50% of worldwide outdoor advertising spending, Transport accounted for approximately 30% and Street Furniture accounted for approximately 20% (*source: JCDecaux*).

1.2. The place of outdoor advertising in the advertising market

In 2007, outdoor advertising spending worldwide was approximately €19.9 billion, or 6.0% of worldwide advertising spending (compared to 5.9% in 2006), which was estimated at €330.1 billion (*source: ZenithOptimedia estimates, December 2007, based on an average annual Euro/U.S. dollar exchange rate in 2007 of €0.73 to US$1).* This average market share results from variations in penetration rate in different countries. For example, outdoor advertising spending, expressed as a percentage of the overall display advertising market, is especially high in the Asia-Pacific region, because of the particularly significant market share of outdoor advertising in Japan and China, the main advertising markets in the region. In 2007, outdoor advertising accounted for 9.2% of the overall advertising market in this region, compared to only 3.9%, 7.3%, and 2.9% of the overall advertising market in North America, Europe, and South America, respectively. In the countries of Central and Eastern Europe (including Russia), outdoor advertising accounted for nearly 11% of total advertising spending, which was the highest market share in the world.

2. OUTDOOR ADVERTISING: AN INCREASINGLY RELEVANT COMMUNICATION CHANNEL

2.1. A growing audience

The audience for outdoor advertising has grown significantly in recent years as people become increasingly urbanised. According to a UN study published in 2001, 60% of the world's people will be living in cities in 2060, compared to 47% in 2000 and 50% in 2007. This trend is particularly strong in the developing world, where people are migrating in growing numbers toward large urban centres.

Furthermore, people are becoming more and more mobile and are spending more time outside of their homes, whether driving or walking on the street, or in trains, railway stations, or airports. Outdoor advertising displays have rapidly developed in city centres, along highly-travelled roads, in airports, shopping malls, supermarkets and car parks. It is predicted that the audience for outdoor advertising will continue to grow in years to come, fuelled by the increasing mobility of people.

Consequently, the average commute time between home and work has increased in most countries, which means that motorists are increasingly exposed to outdoor advertising. In France, the average distances travelled per person have more than doubled in the last 20 years. In many countries, the average number of vehicles per 1,000 inhabitants has been growing steadily, which means constant growth in road traffic. In the European Union, the average number of vehicles per 1,000 inhabitants rose by 24% between 1995 and 2006, with Poland showing the biggest growth, an increase of 68% during this period *(source: Comité des Constructeurs Français d'Automobiles).* In South Korea, where we have several Street Furniture contracts in Seoul, growth was 82% during this same period. In China, even though the number of vehicles per 1,000 inhabitants is relatively low, the volume of vehicle sales is close to overtaking the level in the United States.

In addition to the greater amount of time spent in cars going to work, people are spending more and more time outside their homes. The "Daily Life" study on the use of personal time, which we conducted with the BBC in the United Kingdom in 2005, shows that people spend on average 7.9 hours per day outside the home, with working people spending an average of nine hours per day outside the home. Inasmuch as the people studied spent half of this time outside of their place of work, advertisers have ever-increasing opportunities to reach this mobile audience whether in city centres or retail locations.

Lastly, in the area of air travel, international passenger volumes continued to grow in 2007, especially as air travel became increasingly accessible to numerous segments of the population. According to the International Air Travel Association ("IATA"), international passenger volumes grew by 7.4% in 2007, a clear increase compared to growth in 2006 (+5.9%). IATA further predicts that passenger volumes in all regions of the world will grow during the next four years, with particularly dynamic growth in Asia (driven by China and India), the Middle East and Central Europe.

International passenger traffic should reach 980 million in 2011, compared to 760 million in 2006, or average annual growth of +5.1% over this period. This growth should be driven by strong air traffic growth in Asia, the expansion of the European Union, and continuing deregulation of the airline industry, which should make air travel even more accessible to everyone (due to lower fares). Domestic air traffic, moreover, should reach 1.77 billion in 2011, compared to 1.37 billion in 2006, an average annual increase of 5.3% for the period, supported by growth in the Indian and Chinese domestic air passenger markets.

2.2. Growing fragmentation of traditional major media

As many studies show, outdoor advertising continues to benefit from the increasing fragmentation of "in-home" advertising, where increasing numbers of cable, satellite, and broadcast television channels, as well as Internet sites, compete for the viewer's attention. Our "Daily Life" study (discussed above) showed that waking time spent at home is taken up by more and more activities, squeezed into shorter and shorter time slots. As a result, people who stay at home are "multi-tasking" and are less attentive to the media that surround them. This study, furthermore, showed that audiences with high purchasing power spend more and more time outside their homes, but surf the Internet via mobile phones. This new trend has encouraged development of Internet-linked billboard campaigns to allow advertisers to tap into this type of audience.

This situation is magnified by the rapid growth in the number of consumers receiving **digital TV service**, especially in the United Kingdom where the number of sets per household is the highest in the world (76%), as well as Japan (60%). (*source: Ofcom International Communications Report*, December 2007). The result is a significant expansion in the number of households with high numbers of television channels available to them, bringing in consumers who were reluctant to pay for satellite and cable options. In many households, television is now rarely consumed as a primary activity in its own right, according to the "Daily Life" study, and most viewers are distracted by another activity, or television itself is a secondary activity, while the consumer's primary activity is often something else, such as eating, talking on the phone, sending SMS messages, or surfing the Internet, while the television is on.

Fragmentation is a result of expanding channel choice. In France, for example, general programming broadcast television audiences declined significantly in 2007, moving to Digital Television networks launched in March 2005.

Reception of channels via digital delivery has increasingly led to devices in homes that allow consumers to become their own television schedulers. The most recent expansion in the number of households with the latest generation of digital video recorders, such as TiVO in the United States or Sky+ in the United Kingdom, has started to reach penetration levels that are affecting viewing habits. Households with these digital video recorders are able to fast-forward through advertising breaks and avoid advertising altogether. The rapid drop in price of recorders and the growth in digital television service have fuelled consumer enthusiasm for these devices, which make it possible to avoid advertising breaks on TV.

Furthermore, the strong growth of "freeview" by telephone represents a new threat for traditional broadcast television. In many markets, the rapid penetration of this type of service by cable, satellite, or high-speed Internet allows a continually expanding audience to watch programs without advertising content and downloadable at home via a digital unscrambler.

In addition, with the arrival of digital audio broadcasting ("DAB") and satellite radio, **radio** advertising will also be increasingly subject to fragmentation: consumers will have access to a much broader array of stations as well as the ability to avoid advertising by live pause and fast forwarding combinations. The Ofcom Report indicates that the United Kingdom has the highest coverage rate of DAB (85% of the population). This new trend can also be seen in other European countries, especially Germany, where the penetration rate is 82%. The podcasting phenomenon, where consumers download a radio programme in order to play it on a MP3 player, and Internet delivery of radio programmes mean that radio listeners are also increasingly able to customise listening habits to suit themselves, further fragmenting home radio listening. The Ofcom Report shows that users of DAB radio via the Internet have a broad range of stations available to them, and that they listen less and less to traditional radio, accentuating fragmentation even more. In this environment, outdoor advertising becomes the only mass medium that consumers will find difficult to avoid, leading to significant opportunities for continued growth, thereby rendering it more attractive than traditional mass media.

In the United States, the strong growth of the **Internet** is threatening the effectiveness of television advertising. An ongoing study at the University of Southern California's Annenberg Center for the Digital Future entitled "The Digital Future Report" confirms that American consumers are increasingly surfing the Internet instead of watching television. The study, begun in 2001 and conducted annually for the last seven years, shows that the average number of hours online per week has grown steadily since The Digital Future Report began in 2000. In 2007, 78% of Americans were connected to the Internet, and the number of hours spent online continued to grow each year, reaching 15.5 hours per week in 2007. In 2007, more than two thirds of Americans (68%) had Internet access at home, a substantial increase from the 47% of users who reported home Internet access in 2000. This study also showed that Internet users spent 4.6 fewer hours watching television than non-users (28% less time).

The strong growth of high-speed Internet, now used by 87% of American users (*source: "The Bandwidth Report"*, December 2007*)*, has also had a significant impact on media consumption habits in the United States. According to the Ofcom Report, France and the Netherlands have the highest rate of high-speed Internet use in Europe (90% and 81%, respectively). The Digital Future Report showed that Internet users without high-speed connections tended to connect to the Internet for relatively long periods of 30 minutes, whereas users with high-speed access tended to go online in short bursts, coinciding with television commercial breaks. The growing penetration of high-speed Internet will continue to reduce the effectiveness of television and could raise questions about its position as a mass medium. This process appears to be accelerating and provides an opportunity for the development of the outdoor medium.

Finally, **daily newspapers and magazines** are also affected by increasing fragmentation, especially as a result of free newspapers and the increase in theme-based magazines.

2.3. An ever more attractive medium

We offer advertisers increasingly attractive and innovative advertising media, because of significant gains in contracts, in the Street Furniture segment and in the Transport segment, which means that we are able to offer a more extensive both sophisticated product line.

Our capacity for "product" innovation also means that we are able to offer advertisers communications media that are increasingly attractive and support the growth of outdoor advertising. In addition to recent technological and qualitative innovations that we have developed, such as scrolling panels, electronic updating of furniture and plasma screens, in 2006 we continued to expand and develop the presence of our "JCDecaux Innovate" concept in 2007.

"JCDecaux Innovate", initiated in the United Kingdom, has been adopted in 35 of the 54 countries where we do business. "JCDecaux Innovate" teams around the world have developed a range of products and a sophisticated understanding of how technologies from other emerging communications industries can be combined with outdoor advertising to make the outdoor medium more attractive and interactive. In doing so, we have anticipated the increasing desire from advertisers and their agencies for media that deliver engagement. Given the high volume of advertising messages to which consumers are exposed every day, new and innovative methods are required by media owners to persuade consumers to engage with the communication. These methods would involve actual relational marketing that flourishes in an urban environment by offering the unexpected. "JCDecaux Innovate" teams are constantly on the lookout for new and innovative advertising concepts for our customers for their product campaigns, driving interest in the medium and stimulating diversity in our customer base and, ultimately revenue growth.

A good example of this type of campaign is the development of technologies that allow consumers to use their personal mobile devices, principally their mobile phones, to interact with a poster message and to receive information and entertainment from an advertiser. These interactive campaigns, both powerful and targeted, were very popular in 2007, especially with leisure and mobile telephone advertisers (like Universal Pictures, Warner Brothers, Nokia, and Sony Ericsson) as well as major international advertisers like Coca-Cola and Nike. These campaigns allow consumers to explore and engage with their products, adding value to the media buy.

Among other "JCDecaux Innovate" products that we have developed are "Interact", which allows a consumer to select desired information directly from the advertising medium, and "Showscreen", which involves introducing an interactive television screen into an advertising display, making it possible to transmit several messages to the consumer. These two "JCDecaux Innovate" products were in great demand from advertisers during 2007, and the interactive campaigns allowed us to win new advertisers in the Street Furniture segment and thereby enhance our portfolio of new clients looking for innovative solutions, over and above those that customarily use this type of campaign (mobile telephones, cinema, and television). In 2007, advertisers that invested in such campaigns included: Australian National Bank, Canary Islands, Volvo, American Express, Microsoft, Tooheys Beer, Bacardi, and Coca-Cola.

"Showcase" also allowed us to bring in new advertising contracts. The process involved transforming MUPI® $2m^2$ scrolling panels or bus shelters into an outdoor show window exposing an advertiser's products, as in a store. This "JCDecaux Innovate" product was particularly attractive to advertisers in the fashion industry and sporting equipment (Mango, Nike), beauty products (Beiersdorf), mobile telephones (Nokia), or home furnishings/decorating (Ikea).

In the area of interactivity, beginning in January 2007 JCDecaux initiated a worldwide first in France: the launch in Paris of a network of 54 fully interactive 8m² panels, sold by weekly time slots ("**Chrono Connect**"). For example, an advertiser can choose the "**Day**" slot, which is one of the four time slots available, and use it for the digital content of its choice (such as sound, video, promotions and games). At each change of time slot, the digital content shown to the public changes in real time to that of the next advertiser. The initial results in terms of the number of messages downloaded are extremely encouraging and confirm the interest of brands in this new type of advertising.

We have also been a leader in other non-digital dynamic images, allowing advertisers to strengthen the impact of visual advertising and facilitate reception of their message. As a result of a special lens, we can now offer advertisers, at reduced cost, an interactive product that makes it possible to display different images through the same medium based on the angle at which a panel is viewed. This approach multiplies visual contacts and facilitates reception of the message. This product was used in several markets by Procter & Gamble in 2007, as well as by Peugeot and Electrolux in France, Beiersdorf in the Netherlands, and Marlboro in Germany.

All these innovative products, to which we have added sound, ultra-violet light, and modern forms of moving lights, have changed the image of outdoor advertising for advertisers, which contributes to the medium's growth.

In France alone, "JCDecaux Innovate" made more than 40 innovations in outdoor advertising in 2007, a significant part of which was for brands from markets that are not normally considered captive, such as food and beverage and beauty/hygiene. In the United Kingdom, where the idea has been present for some time, 100 billboard campaigns used "JCDecaux Innovate" technology in 2007, or more than two campaigns per week on average. This capacity for perpetual innovation allows our salesforce to attract new advertisers to outdoor advertising. A significant number of "JCDecaux Innovate" campaigns were also launched in the rest of Europe, in Asia and in the United States.

2.4. Competitive cost per contact

Outdoor advertising continues to offer a cost per contact that is significantly lower than that of other media.

In the United Kingdom, audiences for television increased in 2007, in particular because of poor summer weather, generating an increase in the number of contacts made for each €1,000 spent. On the other hand, the audiences for radio, print media, and cinema declined.

Outdoor advertising was still the most competitive medium in the United Kingdom, with a strongly increasing audience during the year, as is shown in the table below.

Contacts reached per €1,000 spent – United Kingdom	**2007**	**2006**
Outdoor advertising (Street Furniture – Billboard)	499,516	463,762
Television (broadcast, satellite, cable) – 30 sec. Spot	132,881	115,547
Radio (30 sec. spot)	273,735	378,739
Daily newspapers	131,603	148,416
Cinema (30 sec. spot)	11,728	19,770

These pricing differences can be found, moreover, in most markets.

The table below shows a comparison of costs per thousand contacts in three different European markets by breakdown of advertising spend per medium.

In each of these countries, outdoor advertising is the most cost-efficient medium.

Contacts reached per €1,000 spent	**United Kingdom**	**Sweden**	**Finland**
Outdoor advertising (Street Furniture – Billboard)	499,516	370,004	357,143
Television (broadcast, satellite, cable) – 30 sec. spot	132,881	57,454	76,923
Radio (30 sec. spot)	273,735	231,253	312,500
Daily newspaper	131,603	66,072	58,824
Cinema (30 sec. spot)	11,728	23,125	5,291
Internet	342,168	77,084	256,410

Source: Zenith Optimedia (for all media, except outdoor advertising), various estimates (Finland), Maxus Mediaschool & JCDecaux estimates (Sweden). Outdoor advertising: Audience rating agencies in various countries.

2.5. Reliability and improvements in audience measurement

In the media world, the most advanced forms of advertising have analytical tools that allow purchasers of advertising space to plan their campaigns effectively. Outdoor advertising, unlike other major media, has traditionally lacked reliable audience measurement tools. For several years, through our subsidiary JCDecaux WorldLink, we have pioneered the development of audience measurement for outdoor advertising. In 2007, we made significant developments that will further enhance the attractiveness of this medium to advertisers.

We have significantly contributed to the development of a consistent approach to outdoor audience measurement in Europe, the United States and the Asia-Pacific region. Using our reputation, we developed a reference methodology, or "best practice", in audience measurement, together with other key companies in the outdoor advertising industry. These early initiatives were recently strengthened by creation of a new research group under the aegis of the international research institute, ESOMAR, the purpose of which was to develop audience measurement standards specific to outdoor advertising, the "Global Guidelines for Out Of Home Audience Measurement". We serve on its decision-making committee and also chair the technical committee of this research group. Other members include the World Federation of Advertisers and other participants in the advertising world. Only television and the Internet have undertaken similar audience measurement initiatives so far, and this step shows the increasing importance that advertisers attach to outdoor advertising in formulating their advertising strategy.

Generally speaking, regardless of the type of medium, the development of a method of audience measurement requires active participation by the various parties involved (principal vendors, advertising agencies and advertisers). They must agree on the measurement criteria to be used. This step is a fundamental prerequisite that conditions acceptance of the results of the audience measurement technique by the advertising market and the various participants. Audience measurements carried out for outside advertising thus involve the principal parties affected and are produced by independent agencies that include the key companies in the industry.

The reference methodology used by us and other participants in the industry is built around three fundamental ideas: identifying the movements of a sample of the population over a period of one to two weeks, measuring automobile or pedestrian traffic and measuring the visibility of the advertisement (whether the panel is back-lit or not, visibility of the panel from the traffic flow position, and in relation to the direction of traffic flow, etc.). For each panel, a probability factor of being seen can be assigned, based on its potential visibility. As for television, quantitative surveys measure "opportunities to view" the medium.

For each of these branches of the methodology, the method of data collection can vary from one country to another. Collection of information about movements, for example, can be made using GPS systems, as was the case recently in Germany and Switzerland and in certain major Italian cities. The essential point is that the method makes it possible to gather reliable data about patterns of movement.

This methodology, which has been gradually implemented with success in various regions of the world, should improve the level of coverage and increase the frequency of audience measurement for outdoor advertising in order to allow comparability both with other main advertising media and from one outdoor advertising segment to another. Global advertisers will thus be able to develop a worldwide strategy for purchasing advertising space from one medium to another, increasing the ease of use and effectiveness of the medium. This reference methodology has already been adopted by the United Kingdom, Norway, Sweden, Ireland, and Finland. In the United Kingdom, where the system has been in place longer than in other countries, and, more recently, in Ireland, Sweden, and in Finland, we believe that the audience-measurement methodologies have allowed us to raise our prices due to demonstrably higher audiences for high-quality panels.

In Germany, initial audience measurement results were analysed at the end of 2007. In this major market, as well as in Australia and the United States, our clients will be able more easily to quantify the value of outdoor advertising by the end of 2008 in making their advertising choices, which should continue to support the medium's growth. Furthermore, GPS technology was used in audience measurements in the United Kingdom and the Netherlands in 2008.

More recently, we undertook our first audience measurement in China using this reference methodology. This audience measurement was carried out for all of our different types of advertising media in Shanghai. Today, our objective is to extend this measurement to the principal advertising markets in China, which should significantly strengthen our competitive position in China.

In France, our key market, each operation is now measured and, whether it involves Street Furniture or Billboard, its performance is measured by Affimétrie®, the major measurement agency, which positions the products of JCDecaux and Avenir at the top of all major indicators. Several improvements in methodology were made by Affimétrie in 2007 in particular to the effects of back-lighting and scrolling displays on "visibility" of a display. These improvements, which are particularly useful, allow our advertisers to measure the effectiveness and the quality of our networks. A very complete measurement of the outdoor medium is now available to advertisers in France, Europe's largest outdoor advertising market.

Similarly, in 2007, the outdoor industry in Spain further enhanced its measurement system, Geomex, to cover a larger number of formats. This development allowed us to strengthen our promotion of outdoor and our product network with advertisers.

In connection with the development of its expertise for the advertising industry, JCDecaux Airport France has conducted JCDecaux Airport France every year for the last five years an on-site, single-source audience poll with Ipsos. Média Aéroport Performances (MAP) is designed first and foremost to understand the media audience better by providing precise quantitative measurements of the airport audience.

This survey will also make it possible, as a result of specifically designed media software, to measure the performance of media through indicators widely used by the advertising industry, such as measurement of coverage, number of contacts, GRP (Gross Rating Point) and cost per thousand of persons reached – by face or by network. This is a major innovation for this type of medium, which can now measure its impact, as do print, television, or radio media in France. In the United Kingdom, a similar audience measurement system, RADAR, has been implemented at Heathrow Airport.

In most of the markets described above, the audience measurement techniques, which were previously used only in the Billboard business, have been extended to all types of outdoor advertising, including Transport advertising and, more recently, advertising structures located near points of sale. This development will soon allow advertisers to plan their campaigns more easily and purchase outdoor advertising networks more coherently. Thus in Finland, following the 2006 launch of the "Outdoor Impact" measurement system, advertisers can now measure the audience of our multi-media campaigns (Street Furniture, Billboard, busses and shopping malls) and make comparisons between different media. This type of tool will enable us to energise sales by attracting new investment. In 2007, outdoor advertising in Finland improved its market share compared to traditional mass media. The increase in JCDecaux Finland revenues was thus 18%, significantly better than the average growth of all media combined (+6.5%) over the year. This performance was the result of a change in commercial approach, since we no longer sold advertising faces as such, but contacts and audiences, to meet with advertisers' expectations for a multi-media advertising strategy. JCDecaux Finland was designated "Medium of the Year 2007" by TNS Gallup in recognition of our efforts in audience measurement and promotion of the medium to advertisers.

2.6. Measuring the effect of media on sales

In many markets, we have invested significantly in studies to analyse the effectiveness of outdoor advertising campaigns which, when conducted over a broad range of campaigns, are of particular relevance to our advertisers. Since 2003, in Sweden and the Netherlands, these effectiveness studies have been enhanced by the use of the Internet to gather information. This information makes it possible to measure the effectiveness of a larger number of campaigns at lower cost and to provide the results more rapidly to our advertisers and their agencies. Similar studies conducted by traditional survey methods are periodically undertaken by all our subsidiaries.

In France, working with MarketingScan, a subsidiary of GFK, we are now in a position to measure the effect of advertising media on the sale or market share of mass-market products. The goal of these studies is to measure the difference in sales of a product between a town or city where a campaign is being conducted and a town or city where it is not. This methodology makes it possible to identify accurately the impact of outdoor advertising, including in the context of a multi-disciplinary campaign. To date, more than 50 surveys have been conducted in the food and beverage industry and health and beauty products industry, using a wide variety of strategies. They have produced the largest database available in the area of comparative effectiveness. These studies show that, used alone or together with other media, outdoor advertising very often accelerates sales both when used to support a brand and to launch a new product. On the basis of these JCDecaux and Avenir campaigns tested during the last three years, 75% generated positive short-term results in terms of sales for the brand.

3. COMPETITIVE ENVIRONMENT

Three major global players
In general, we compete for advertising revenues against other media such as television, radio, daily, weekly and monthly newspapers, magazines, cinema and the Internet.

In the area of outdoor advertising, several major international companies operate in all three principal market segments (Billboard, Street Furniture, and Transport) and in multiple countries. Our major competitors worldwide are Clear Channel Outdoor and CBS Corporation, via its outdoor advertising subsidiary, CBS Outdoor.

Many local competitors
We also face competition from local competitors, especially in Billboard, the largest of which are as follows:

- France: Liote/Citylux (Illuminated panels), Insert (Micro-billboard).
- United Kingdom: Titan Outdoor (Billboard) and Primesight (Billboard).
- Belgium: Belgian Poster (Billboard) and Business Panel (Billboard).
- Germany: Ströer (Billboard, Street Furniture, and advertising in railway stations), AWK (Billboard), Degesta (Street Furniture).
- Austria: Epamedia (Billboard), Ankünder Steiermark (Street Furniture).
- Spain: Cemusa (Street Furniture), Instalaciones especiales de Publicidad Exterior (Street Furniture and Billboard) and Emociona Comunicación (Street Furniture and Billboard), Redext (Billboard and Street Furniture).
- United States: Lamar Advertising Company (Billboard), Regency (Billboard), Adams Outdoor (Billboard), Van Wagner (Billboard and telephone call boxes), and Tri-State/PNE Media (Billboard).

- China: Clear Media (Street Furniture), majority owned by Clear Channel Outdoor, Tom Group (Billboard), and Focus Media (plasma screens in public spaces).
- Canada: Pattison Outdoor (Street Furniture, Billboard, and Transport), Astral Media (Street Furniture, Billboard).
- Australia: APN (Transport advertising), acting in particular on behalf of Buspak (Transport advertising), and Adshel (Street Furniture), Cody & Australian Posters (Billboard) and Eye Corporation (Publicité dans les transports).
- Russia: News Outdoor (Street Furniture, Billboard and Transport), Gallery (Billboard).
- Poland: AMS (Billboard and Street Furniture), News Outdoor (Billboard and Street Furniture), Ströer (Billboard and Street Furniture).

In other countries, we also face significant local competition, and some competitors have leading positions in their areas, especially in certain markets in South America and Asia.

The table below shows the 18 largest outdoor advertising groups in terms of market share, based on 2007 revenues (published or estimated), set forth in order of magnitude:

Company	**Country of origin**	**Revenues** ***(in millions of $)***	**Geographic presence**
Clear Channel Outdoor	United States	3,282	United States, Canada, Europe, Asia-Pacific, South America
JCDecaux (1)	France	2,883	Europe, Asia-Pacific, North and South America, Africa and Middle East
CBS Outdoor	United States	2,187	United States, Canada, Mexico, Europe, Asia-Pacific
Lamar	United States	1,210	United States, Canada
Ströer(2)	Germany	670	Germany, Poland
Titan Outdoor (2)	United States	450	United Kingdom, Ireland, United States
News Outdoor(2)	Russia	420	Russia, Eastern Europe
Focus Media(4)	China	364	China
Affichage Holding	Switzerland	322	Switzerland, Greece, Eastern Europe
Epamedia(2)	Austria	240	Austria, Eastern Europe
Metrobus	France	201	France
Cemusa	Spain	187	Spain, Portugal, Italy, Mexico, South America, United States
AWK(2)	Germany	180	Germany
Wall	Germany	162	Germany, Turkey
Gallery(2)	Russia	150	Russia
Eye Corporation(3)	Australia	145	Australia, New Zealand, Indonesia, Singapore, United Kingdom, United States
Van Wagner(2)	United States	120	United States, United Kingdom
Pattison(2)	Canada	100	Canada

Source: Research reports, press releases, Internet sites of the companies and JCDecaux estimates, with currency transactions based on an average quarterly €/US$ exchange rate of €0.7306/US$ in 2007 and an average annual £/US$ exchange rate of £0.4993/US$ and a CHF/US$ rate of CHF 1.1986/US$ in 2007.

(1) This amount does not include revenues generated by Affichage Holding, a Swiss company in which we are the principal shareholder with a 30% interest, nor revenues generated by Wall AG, a German company in which we own a 40% interest, nor revenues generated by Metrobus, a French company in which we have a 33% interest.

(2) JCDecaux estimate.

(3) Revenues earned from 1st September 2006 to 31 August 2007 (special fiscal year).

(4) 2007 Outdoor advertising revenues.

ONE BUSINESS
THREE SEGMENTS

1. OUR STRATEGY

Each day, we reach over 170 million people around the world through our unique network of outdoor advertising displays. Our objective is to continue extending and strengthening our product line in areas of high population density and high living standards to continue to increase and improve profitability, which is already one of the highest in the industry.

To achieve this goal, our strategy focuses on three main objectives:

- continue our development through organic growth by winning new advertising contracts with the cities, local governments, metros, and airports that we deem the most attractive;
- make strategic, targeted acquisitions that enable us to gain a leadership position, or strengthen our existing position in our industry, and to increase our share of the outdoor advertising segment by developing a national network, thereby building our capacity to achieve high returns on our investments;
- maximise the commercial potential and profitability of our advertising networks in all the countries where we do business.

1.1. Continuing organic growth

We intend to continue building the most attractive advertising network for our advertisers in each of our three lines of business. To reach this goal, we use the following methods:

- targeting cities, local governments, airports and other transport systems in each country that offer a high commercial potential in order to develop a national advertising network;
- creating new products and services that meet or anticipate the needs of cities, airports and other transport systems and providing unequalled products and services to win bid tenders for advertising contracts in these locations;
- using proprietary market research and geomarketing research tools to build flexible advertising systems that meet the demands and budgets of our advertisers (complete national or regional coverage, targeted networks, time-share campaigns, etc.);
- offering an ever-larger audience to advertisers who target their audience both in city centres, through a system of street furniture unique in Europe, and on the outskirts of population centres, through a national display network in most European countries;
- developing a comprehensive pan-European presence in each of our business segments to respond to the growing demand from international advertisers in this area;
- developing operating methods that make it possible to adapt and build networks based on the requirements of our advertisers.

1.2. Participating in the consolidation of outdoor advertising

We believe our robust financial structure, solid track record and powerful advertising network, especially in Europe and Asia-Pacific, give us a significant edge in seizing the acquisition and partnership opportunities needed to enter new markets or strengthen our leading position in existing markets.

This strategy enables us to grow in cities where Street Furniture contracts have already been awarded and capitalise on the synergies of these activities nationally, while, at the same time, extending our product range. Our partnership with Gewista, created in 2001 and strengthened in 2003 by the increase in our equity stake to 67%, enabled us to grow our Billboard and Street Furniture networks in Central Europe and become a major player in Street Furniture in Austria. In Italy, where we have had a partnership with IGP since 2001, IGPDecaux is the leader in outdoor advertising and now has a truly national presence in Billboard and Transport advertising. This national dimension has strengthened the business reach of our Group in Italy, which has been helpful in winning the Street Furniture tender in Naples and Turin, in renewing our contract in Milan, and in signing the partnership agreement to display advertising in the Rome airports.

In 2005, we became the leader in outdoor advertising in China, by making three acquisitions, thanks to which we rapidly gained a significant presence in the metros and on the busses of major Chinese cities. In 2007, we entered into strategic partnerships in Central Asia and the Middle East.

We believe that we have been successful in integrating the companies that we have acquired and with which we have formed alliances in recent years, especially in France, Sweden, the Netherlands, Germany, Spain, Portugal, Italy and Austria. On the strength of this experience, we also were successful during 2006 in integrating recently acquired companies in China, following the acquisition of MediaNation and Media Partners International in 2005.

Our acquisition strategy focuses on the following main objectives:

- acquiring, or establishing alliances with companies holding strong positions in their markets;
- capitalising on our resources (products, operating expertise, commercial strength) to grow and maximise the potential of these new markets;
- developing commercial synergies; and
- centralising and reducing costs.

1.3. Maximising the potential of our advertising network

We will continue to maximise the growth and profitability potential of our network. To do so, we rely on our more than forty years of experience in outdoor advertising, our unique geographic coverage, our state-of-the-art product line and our innovative marketing and business approach.

In this way, we seek to:

- retain control of the key locations of our street furniture products and maximise visibility of faces and offer networks to advertisers that ensure the success of their advertising campaigns;
- continue our product and marketing innovations and maintain a pricing policy that reflects the superior quality of our networks;
- capitalise on the synergies among our Street Furniture, Billboard, and Transport businesses to build pan-European and/or multiformat business alliances for major international advertisers;
- continue to develop outdoor market research and audience measurement techniques to reinforce the attractiveness of the outdoor medium for advertisers and enhance its use:
  - by using sophisticated socio-demographic behavioural, consumer, movement and audience studies of target audiences to build networks that meet the advertising objectives of our customers; and
  - by providing quantitative audience information and data making it possible to measure the impact of our networks with respect to a specific audience.

2. STREET FURNITURE

2.1. The concept of Street Furniture

A simple but innovative idea
In 1964, Jean-Claude Decaux invented the concept of "Street Furniture" around a simple but innovative idea: to provide well-maintained street furniture free of charge to cities and towns in exchange for the right to place advertising on these structures. From the beginning, Street Furniture became a very attractive medium for advertisers, because it gave them access to advertising space in city centres in areas where advertising was generally very restricted.

State of the art products
For over 45 years, we have been designing and developing street furniture products that combine design and public service for cities with advertising effectiveness for advertisers.

We:

- design products that are innovative and have high added-value, or offer services that enhance the quality of urban life, such as: bus shelters, free-standing information panels (MUPI®), automatic public toilets, larger format advertising panels (Senior®), multi-service columns (such as the Morris columns in France), self-service bicycle racks (such as the Cyclocity® programme in Paris, Lyon, Marseilles and in 13 other cities in France and Europe), kiosks for flowers or newspapers, public trash bins, benches, citylight panels, public information panels, streetlights, street signage, bicycle racks and shelters, recycling bins for glass, batteries or paper, electronic message boards and interactive computer terminals;

- develop a coordinated range of street furniture by working closely with internationally renowned architects and designers, such as: Mario Bellini, Philip Cox, Peter Eisenman, Sir Norman Foster, Christophe Pillet, Philippe Starck, Robert Stern, Martin Szekely and Jean-Michel Wilmotte;
- determine, according to the advertising potential, the amount of advertising space needed to finance a city's street furniture equipment needs;
- select advertising locations and position our products to maximise the impact of advertising.

Priority given to maintenance and service
We are recognised by cities, towns and advertisers for the quality of our maintenance service in connection with our Street Furniture contracts. As of 31 December 2007, approximately two-thirds of our Street Furniture employees were responsible for the cleaning and maintenance of our street furniture and for poster management. We require all of our maintenance employees and those responsible for the hanging of posters to undergo rigorous training in our in-house facilities to ensure that they will maintain our know-how and the excellent reputation for maintenance service of our street furniture, which contributes to our international renown.

2.2. Street Furniture contracts

Characteristics of Street Furniture contracts
Most of the Street Furniture contracts into which we enter with cities, towns, and other government agencies today result from a process of competitive bidding specific to public procurement procedures. Street Furniture is installed primarily in city centre locations and along major commuting routes where pedestrian and automobile traffic is the highest. Street Furniture contracts generally require us to supply products which contain advertising space, such as bus shelters, free-standing information panels ($2m^2$ MUPI®), columns, etc., and may also require us to supply and install non-advertising products, such as benches, public trash bins, electronic message boards or street signage or bicycles. Contracts tend to differ depending on the needs of the local government and the volume of non-advertising street furniture desired.

Our strategy is to install and maintain street furniture at our expense in cities and towns with which we have a contractual relationship. In exchange, we are granted the right to sell the advertising space located on some of the street furniture. Some contracts also include an exclusive right to install additional street furniture and specify the conditions under which we can display advertising in the areas covered by our contracts. In general, contracts provide for installation of additional street furniture as new needs develop. The initial location of street furniture is usually mutually agreed upon.

Certain towns and local governments may prefer to charge a fee, instead of receiving street furniture or services. When we pay an advertising fee, the cost of such fee is generally offset, in whole or in part, by the fact that we install few or no non-advertising products. In 2007, we paid 17.2% of Street Furniture revenues to cities and towns in the form of advertising rents and fees.

Historically, almost all of our Street Furniture contracts were made with cities or towns granting us the right to install street furniture in public areas. Few Street Furniture contracts were concluded with private landowners. For several years, we have expanded our Street Furniture business to serve shopping malls, in particular in the United States, Europe, South America and Japan. Under the agreements reached with the owners of these shopping malls, we now install street furniture in private as well as public areas.

Street Furniture contracts for shopping malls
Shopping mall contracts for Street Furniture generally take the form of master agreements made with the operators of malls and a separate agreement made with the managing agent of each mall. The terms and conditions of the separate agreements incorporate the provisions of the master agreement and may contain specific provisions reflecting the size, design, and character of the mall. Master agreements provide that operators will afford us the opportunity to enter into individual concessions with all of the malls that they control, and that they will use their best efforts to convince the malls in which they have an investment, but do not control, to enter into individual agreements with us. Any new mall acquired or developed by the operators during the term of our master agreement becomes covered by that master agreement. Principal provisions common to most of the Street Furniture contracts in shopping malls are as follows:

- a term of ten to fifteen years, with a right of early termination upon material breach of the agreement by either party;
- an obligation to design, construct, install, and maintain wall displays, advertising displays and public message boards at our expense. Maintenance costs, as well as the amount of capital expenditures required in connection with such contracts, however, are less than those incurred in connection with Street Furniture contracts involving the public domain;
- an exclusive right to use the common areas of the mall to market and sell advertising space on fixed and scrolling panels, in exchange for payment of a fee proportional to the net revenues earned from such displays, together with payment of a minimum rent, in certain cases;
- provisions under which the mall's managing agent may ask us to move billboards, at our expense, to another location in the mall.

Long-term contracts
Our Street Furniture contracts have terms of 8 to 25 years. In France, the contract term is generally 10 to 15 years. As of 31 December 2007, our Street Furniture contracts had an average remaining term of 8 years (weighted by 2007 advertising revenues and adjusted to account for projected revenues from new contracts, excluding shopping malls and taking into consideration contracts renewed and signed during the first quarter of 2007). In France, the average remaining term of Street Furniture contracts is 6 years and 2 months. Outside France, the average remaining term of Street Furniture contracts was 8 years and 11 months. Between 1 January 2008 and 31 December 2010, 18% of our Street Furniture contracts (weighted by 2007 advertising revenues) will come up for renewal.

The natural attrition rate of our contract portfolio over the next three years is provided for indicative purposes only and does not necessarily reflect the evolution of either the commercial value of advertising faces that are sold as advertising network packages or of Street Furniture revenues.

Contracts may generally be terminated in the event of material breach, as well as for public policy reasons. In the latter case, however, we may be able to claim compensation.

High rate of success in competitive bids
We continue to renew our existing Street Furniture contracts successfully through competitive bids and to win a high proportion of the new contracts for which we bid. In 2007, we improved our successful record with competitive bids in both new contracts and renewals. All together, in 2007, we won 88% of the competitive bids for Street Furniture advertising contracts (renewals and new) on which we bid worldwide. In France, we successfully renewed 93% of the contracts on which we bid for renewal during this period.

2.3. Geographic presence

Number 1 worldwide in Street Furniture
We are number one worldwide in Street Furniture in terms of revenues and number of advertising faces. As of 31 December 2007, we had Street Furniture contracts in approximately 1,500 cities of more than 10,000 inhabitants, totalling almost 351,000 advertising faces in 40 countries. We have a portfolio of Street Furniture contracts that is unique in the world and includes advertising contracts in 34 of the 50 largest cities in the European Union. In addition to our operations in public areas, we are also present in nearly 1,000 shopping malls around the world.

In 2007, Street Furniture accounted for 50% of our revenues.

We believe that having Street Furniture contracts in major cities in each country is essential to being able to offer a national advertising network to advertisers. As a result of this unique presence in Europe, we are the only outdoor advertising group able to create networks that enable advertisers to undertake pan-European advertising campaigns.

As of 31 December 2007, the geographic coverage of our Street Furniture business was as follows:

Country	Number of advertising faces
France	98,700
United Kingdom	18,400
Rest of Europe (1)	175,700
Asia-Pacific (2)	31,700
North America (3)	19,900
Rest of World (4)	7,000
Total	**351,400**

(1) Includes Germany, the Netherlands, Belgium, Luxembourg, Spain, Portugal, Sweden, Norway, Finland, Denmark, Austria, Croatia, Italy, Slovenia, Iceland, Latvia, Lithuania, Estonia, Czech Republic, Russia, Ukraine, and Slovakia. Among these countries, the majority of advertising faces are located in Austria, Germany, the Netherlands, Belgium, Spain, Sweden, Portugal and Finland.
(2) Includes Australia, Japan, Korea, China, Singapore, Thailand, China (including Hong Kong and Macao), and India.
(3) Includes Canada and the United States. The majority of faces are in the United States.
(4) Includes Argentina, Brazil, Kazakhstan, Qatar, Uruguay and Uzbekistan.

In addition, we have access to more than 4,000 Street Furniture faces handled by Affichage in Bosnia, Bulgaria, Hungary, Montenegro, and Serbia, more than 54,000 faces in Switzerland, and approximately 10,000 faces in Germany through our relationship with Wall AG.

A Street Furniture network unique in Europe

We have an exceptional presence in Europe as a result of a contract portfolio that is unique in large European cities in terms of population. As of 31 December 2007, and taking into account the contracts managed by Wall and Affichage, of which we own 40% and 30%, respectively, we had Street Furniture contracts in 34 of the 50 largest cities of the European Union(1), as indicated in the table below.

	City	Country	Population *(in millions)*	Principal operators of Street Furniture
1	London	United Kingdom	7.52	**JCDecaux**/ Clear Channel Outdoor
2	Berlin	Germany	3.40	Wall(2)
3	Madrid	Spain	3.13	**JCDecaux** / Cemusa
4	Rome	Italy	2.71	Clear Channel Outdoor
5	Paris	France	2.14	**JCDecaux**
6	Vienna	Austria	1.94	**JCDecaux(3)**
7	Bucharest	Romania	1.92	EPA
8	Hamburg	Germany	1.75	**JCDecaux** / Ströer
9	Warsaw	Poland	1.70	AMS
10	Budapest	Hungary	1.70	EPA/ Mahir/ EPI
11	Barcelona	Spain	1.61	**JCDecaux**
12	Milan	Italy	1.30	**IGPDecaux(4)**
13	Munich	Germany	1.29	**JCDecaux -** Ströer
14	Prague	Czech Republic	1.19	**JCDecaux**
15	Sofia	Bulgaria	1.13	*Tender in progress*
16	Brussels	Belgium	1.04	**JCDecaux**
17	Birmingham	United Kingdom	0.99	**JCDecaux/**Clear Channel Outdoor
18	Cologne	Germany	0.99	**JCDecaux** / Ströer
19	Naples	Italy	0.97	**IGPDecaux(4)**
20	Turin	Italy	0.90	**IGPDecaux(4)**
21	Marseilles	France	0.82	**JCDecaux**
22	Valencia	Spain	0.81	**JCDecaux**/Cemusa
23	Stockholm	Sweden	0.78	**JCDecaux**/Clear Channel Outdoor
24	Lodz	Poland	0.76	AMS
25	Krakow	Poland	0.76	AMS
26	Athens	Greece	0.75	Billboard
27	Amsterdam	The Netherlands	0.74	**JCDecaux**
28	Riga	Latvia	0.72	**JCDecaux**
29	Seville	Spain	0.70	**JCDecaux(5)**/Cemusa
30	Palermo	Italy	0.67	Damir
31	Frankfurt	Germany	0.65	Ströer
32	Saragossa	Spain	0.65	**JCDecaux**
33	Wroclaw (Breslau)	Poland	0.64	AMS
34	Glasgow	United Kingdom	0.63	**JCDecaux**
35	Genoa	Italy	0.62	Cemusa
36	Stuttgart	Germany	0.59	**JCDecaux**
37	Dortmund	Germany	0.59	Wall(2)/Ruhfus
38	Rotterdam	Netherlands	0.58	CBS Outdoor
39	Essen	Germany	0.58	Ströer
40	Düsseldorf	Germany	0.58	Wall(2)
41	Poznan	Poland	0.57	AMS
42	Lisbon	Portugal	0.56	**JCDecaux** /Cemusa
43	Helsinki	Finland	0.56	**JCDecaux**
44	Malaga	Spain	0.56	Cemusa
45	Bremen	Germany	0.55	**JCDecaux**
46	Vilnius	Lithuania	0.54	**JCDecaux**
47	Hanover	Germany	0.52	Ströer
48	Leipzig	Germany	0.51	**JCDecaux** /Ströer
49	Dublin	Ireland	0.51	Clear Channel Outdoor / **JCDecaux(5)**
50	Copenhagen	Denmark	0.50	**JCDecaux**

Source: Government census reports and T. Brinkhof "The Principal Agglomerations of the World" (http://www.citypopulation.de).

(1) *As of 31 December 2007, the European Union consisted of the following countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, The Netherlands, and the United Kingdom.*

(2) *JCDecaux owns 40% of Wall's share capital.*

(3) *We are present in Vienna via our subsidiary Gewista, of which we own 67%.*

(4) *JCDecaux owns 32.35% of IGPDecaux's share capital*

(5) *Advertising faces sold through Billboard networks.*

In 2007, our Street Furniture concessions in these 34 European cities accounted for approximately 30.5% of our Street Furniture advertising revenues. These contracts had an average remaining term of nearly 8 years and 6 months (weighted by 2007 revenues).

In Europe, we renewed several significant Street Furniture contracts, particularly in France, Germany, and Spain. We also strengthened our position in the Netherlands, following an exchange of assets with Wall AG during the first six months of 2007, and in Russia, where we acquired the Russian subsidiary of Wall AG prior to transferring it to its partner, BigBoard, of which it owns 40%. BigBoard now handles the Street Furniture contract for Moscow, which is particularly complementary with the other advertising assets managed by BigBoard in Russia.

In France, we have exceptional territorial coverage, with Street Furniture contracts in 673 cities and towns, including Paris, Lyon, Marseilles, Bordeaux, Strasbourg, Toulouse, Nice, Grenoble, Clermont-Ferrand, and Saint Etienne - the largest French cities by population. Although France, the birthplace of our company, remains our largest country for Street Furniture, its relative share of our Street Furniture revenues continues to decline gradually as our international business develops (28% in 2007, compared to 30% in 2006).

In France, in 2007, we renewed Street Furniture contracts for Amiens, Besançon, Greater Nancy, Mulhouse, Orléans, Rouen, and a portion of Paris (MUPI® 2m² and Senior® 8 m²), through our SOMUPI subsidiary. We also won new advertising faces in Nantes and Toulouse, in connection with winning self-service bicycle contracts in these two cities, as well as in two new cities, Nanterre and Antibes, where the Street Furniture contracts were previously held by competitors. On the other hand, our Street Furniture contracts for Dijon and Perpignan were not renewed.

Outside France, we renewed major contracts, including Hamburg in Germany, and we won the contract for Seville, the fourth largest city in Spain, previously held by a competitor.

Cyclocity®: an innovative self-service bicycle product financed by advertising, a true revolution in urban travel.

Cyclocity came into its own in 2007 as a true means of "individual mass transit". After Vienna (Austria), Cordoba and Gijón (Spain), Lyon and Brussels, 2007 saw launches in Aix-en-Provence, Paris, Seville, Besançon, Mulhouse, Marseilles, Toulouse and Rouen (for a total of nearly 28 million rentals since launch in each of these cities and more than 30,000 bicycles in circulation) as well as winning Luxembourg, Amiens, and Nantes. The rollout of Cyclocity has been carried out according to different economic models, based on the advertising potential of the media financing the bicycle service. When the advertising potential is large, as in Paris or Lyon, advertising revenues completely finance the fleet of available bicycles. When the medium is smaller, as in Marseilles, advertising revenues partially finance the bicycles and are supplemented by a fee paid by the city, as well as by advertising on the bicycles. Finally, where the advertising medium is more modest, as in Toulouse, the system is financed by the city, partly financed by Street Furniture advertising, and we also receive revenues from advertising on the bicycles and annual subscriptions.

2007 will be remembered as the year of the launch of "Vélib'", the crowning achievement of JCDecaux's self-service bicycle programs, with nearly 13 million rentals over the year, since its inauguration on 15 July 2007. Self-service bicycles are now an integral part of daily life, and Paris is the emblematic showcase for it. Self-service bicycles in cities undeniably represent an urban revolution.

North America, a niche market

We have been present in the United States since 1994, when we won our first Street Furniture contract in San Francisco. In 2001, in partnership with CBS Outdoor, we won the Street Furniture contract with Los Angeles for a term of 20 years. Then, in 2002, we won a contract with Chicago, also for a term of 20 years, as well as our first Street Furniture contract in Canada, with Vancouver, the third-largest Canadian city. Vancouver was won in partnership with CBS Outdoor.

In 2003, we acquired 50% of Wall USA, a company that holds the Street Furniture contract with Boston until 2021. In March 2007, in connection with an exchange of assets with Wall AG, our interest in Wall USA was increased to 60%.

In 2005**,** CBS-Decaux (a 50/50 joint venture company with CBS Outdoor) won an exclusive 10-year contract to supply and maintain street furniture in West Hollywood, a very attractive area located in the heart of Los Angeles. In 2007, we strengthened our advertising network in area by winning the Street Furniture contract for the City of Glendale, located in the wealthy outskirts of Los Angeles.

As of 31 December 2007, we held Street Furniture contracts in four of the five largest urban areas of the United States (Los Angeles, Chicago, Boston, and San Francisco) and are in a position to market a unique product line to advertisers.

The Group extends its expertise to shopping malls

We are also developing our Street Furniture business in the United States in shopping malls, which we view as the real "downtown" of many cities in the United States. In fact, Americans make most of their essential consumer purchases (except for automobiles) in malls, where they also visit movie theatres and restaurants. In addition to a large audience, shopping malls offer the advantage of having a commercial purpose and provide advertisers with an opportunity to advertise next to points of sale. Present in 99 shopping malls in the United States, we have a 40% market share in shopping malls in the 20 largest American urban areas. Our contracts with shopping malls include some of the most prestigious malls in the United States, including *Roosevelt Field* (New York), *The Mall at Short Hills* (New Jersey), *Water Tower Place* in Chicago (Illinois), and *Century City* and *Beverly Center* in Los Angeles (California).

We have also developed this business successfully in other countries. As of 31 December 2007, we were present in 671 shopping malls in 12 European countries (Belgium, Czech Republic, Finland, France, Spain, Portugal, Latvia, Norway, Slovakia, Slovenia, Sweden, and the United Kingdom). Through our relationship with Affichage, we are also in a position to offer advertisers space in shopping malls in Hungary, Bosnia and Serbia, areas where this business segment is experiencing strong growth.

We have also developed rapidly in Japan: in addition to our advertising operations with Aeon/Jusco, MCDecaux, our 60%-owned subsidiary in Japan, was also awarded a 15-year exclusive contract for installation of MUPI® advertisements in shopping malls operated by Ito Yokado, which has 179 malls across Japan, with a very high concentration in the area of greater Tokyo, where Ito Yokado has 116 malls. As of 31 December 2007, we were present in 136 shopping malls located in Japan's largest cities, compared to 110 in 2006.

We have also successfully developed this business in Argentina, Singapore and Hong Kong, with presences in 20 malls.

Key positions in Asia-Pacific
We believe there is significant potential to develop our Street Furniture business in the Asia-Pacific region, an area where the concept of Street Furniture is still relatively new. Present in this region since the early 1990s, we already have Street Furniture contracts in Sydney in Australia, Singapore, Bangkok in Thailand, Macao in China and Seoul in South Korea (taxi shelters and bus shelters).

In 2004, following a competitive bid tender and working through MCDecaux, our joint-venture company with Mitsubishi Corporation, we won the advertising bus shelter contract for Yokohama, the second largest city in Japan. Advertising on street furniture had previously been prohibited, but now that this restriction has been lifted we see significant growth potential in this market. In 2005, we expanded our business in Japan by winning the tenders for exclusive 20-year Street Furniture contracts in Nagoya and Kobe. In 2006, we won Street Furniture contracts, again for 20 years, in Osaka, the third-largest city in Japan and capital of Kansai Prefecture, the country's second largest economic area, as well as in Fukuoka, Hiroshima, Niigata and Shizuoka. In 2007, we won four new contracts, in Sapporo, Kitakyushu, Sakai, and Hamamatsu. In early 2008, we announced Street Furniture contracts won for Kawasaki, Sendai and Sagamihara. With sixteen of the twenty largest Japanese cities and 30 out of the top 50 Japanese cities, representing a potential audience of 28.5 million people, we have a potential of 3,500 bus shelters and 7,000 advertising faces over 5 years.

In 2005, we significantly grew our footprint in China with the acquisitions of Texon Media, the leading Street Furniture advertiser in Hong Kong. Texon manages more than 4,800 advertising faces on Hong Kong bus shelters under long-term agreements with the three principal local bus companies. With the acquisition in 2005 of MediaNation, we are now managing the contract for newspaper kiosks in Shanghai. In 2006, JCDecaux Texon won the advertising concession for complete wrap-around ads awarded by Hong Kong Tramways Ltd for 5 years. JCDecaux Texon today has exclusive rights to manage advertising on the entire stock of 140 trams.

South America, a growth area
In South America, we hold Street Furniture contracts in Salvador de Bahia and Sao Paulo in Brazil, Montevideo in Uruguay, and Buenos Aires in Argentina (shopping malls).

Future public bids: a reservoir for growth
We believe that the Street Furniture business has significant growth potential and intend to pursue international growth in the coming years. New Street Furniture contracts could be put out for bid in Europe, South America, particularly Sao Paulo in Brazil; in Asia-Pacific, with certain first-tier Japanese and Chinese cities and in the Middle East as well.

2.4. Sales and marketing

We market our Street Furniture products as a premium quality advertising medium. Grouped in networks, these spaces are sold for advertising campaigns that last between seven days in France and the majority of European countries, to 15 days in Spain and the United Kingdom, to one month in the United States. We market and sell all of our advertising space through our own sales forces to advertisers and their advertising or media agencies. Our rates are specified on standard rate cards, and it is our policy not to offer discounts, other than volume discounts. Rates across our network may vary according to the size and quality of the network, the commercial attractiveness of the city, the time of year and the occurrence of special events, such as the Olympic Games or the Soccer World Cup.

To respond to the diversity of our customers' advertising needs, we offer both very powerful mass media networks and targeted networks built on the basis of sophisticated socio-demographic and geographic databases to offer a special appeal for precise targets. This selectivity of faces makes it possible to realise higher value from our assets.

In 2008, we introduced new Street Furniture systems in France combining the strength of the medium with its segmentation capability. The three "colour" MAJOR networks introduced this year meet the expectations of advertisers who seek to reach increasingly targeted audiences. Our MAJOR networks are the most powerful national Street Furniture networks in the market: in 2008, each of the three networks was differentiated by the addition of certain locations selected on a case-by-case basis, in response to the targeting needs of our clients. Thus, MAJOR "*couleur Cœur*" is the result of combining a very powerful national network and a selection of first-class downtown locations, or located in the centre of business districts. MAJOR "*couleur Conso*" offers advertisers the possibility of displaying their campaigns near major business areas and hypermarkets in France. Finally, MAJOR "*couleur ACS*" is a network offering locations on major urban thoroughfares.

In addition, our Street Furniture line in Paris has changed significantly, with the marketing of new displays in Paris during 2007 and, in particular, a special display, called "*Champs-Elysées*", open to all French and non-French advertisers. *Champs-Elysées* covers a daily audience of more than 3 million people and offers a unique advertising opportunity.

Finally, the expansion of "JCDecaux Innovate" (see page 11) to 35 countries continues to have a positive effect on our business. "JCDecaux Innovate" teams throughout the JCDecaux Group have developed a range of products and a deep understanding of how technologies from other emerging communication industries can be combined with outdoor advertising to help make the medium more interactive and attractive. By developing this expertise, we anticipated the needs of advertisers wishing to invest in increasingly innovative media. Given the volume of advertising messages bombarding consumers every day, various media have to offer advertisers campaigns that involve consumers in an original way. "JCDecaux Innovate" teams are constantly proposing new and innovative concepts for our customers' product campaigns, driving interest in the outdoor medium and stimulating diversity in our customer base and ultimately revenue growth.

2.5. Contracts for the sale, lease and maintenance of Street Furniture

Principally in France and in the United Kingdom, we sell, lease and maintain street furniture, which generates revenues that are recorded in the Street Furniture segment of our financial statements. In 2007, such activities generated revenues of €97.6 million, representing 9.4% of our total Street Furniture revenues.

These non-advertising revenues also included sale of innovative technical solutions associated with innovative Street Furniture campaigns ("JCDecaux Innovate").

3. TRANSPORT

Our Transport advertising business includes the world's leading airport advertising business, advertising concessions in metros, trains, busses, trams and other mass transit systems, as well as the express train terminals serving international airports around the world. In addition to the 145 advertising concessions we hold in airports, we also have the right to sell advertising space in over 308 metro, train, bus and tramway systems in approximately 129 cities in Europe, Asia-Pacific, and South America. Altogether, we manage over 386,000 advertising faces in transport systems in 24 countries, with nearly 35,000 faces in airports. This number excludes small-scale advertisements on airport luggage trolleys and in bus, tram, train and metro interiors.

In addition to these faces, we also have access, in connection with our relationship with Affichage, to more than 2,700 advertising faces (outdoor) in certain transport systems in Hungary, to more than 200 faces in the Belgrade (Serbia) airport, and to approximately 750 advertising high-quality faces in Swiss railway stations. Finally, we have access to 6,800 outdoor faces and more than 40,000 inside faces and on busses, tramways, and metros in Berlin, through our relationship with Wall in Germany.

In 2007, Transport accounted for 27% of our revenues. Airport advertising accounted for 50% of our Transport revenues, with advertising in other transport systems accounting for 37%. Other operations conducted by subsidiaries in our Transport business, like print displays, sale of non-advertising products, marketing and sale of Innovate® media, or cinema advertisements, represented nearly 13% of Transport revenues.

Characteristics of transport contracts
Contracts for advertising in airports and other transport systems vary considerably. Such variations reflect the importance of the role that the grantor of the concession tries to play in managing the content of the advertising space it provides. This choice of approach can affect the terms and conditions of the contract, such as duration, the amount of any fees, ownership of the equipment, termination and the degree of exclusivity, as well as location and advertising content.

Principal terms and conditions common to most of our transport advertising contracts are as follows:

- a term of between five to fifteen years;
- in some countries, a direct alliance with airport authorities (Frankfurt and Shanghai);
- payment of a fee proportional to revenues realised, including a minimum in some cases;
- depending on the particular requirements of the grantors, we may design, build, install, and maintain at our expense wall supports, digital screens, dioramas, advertising panels, or any other type of furniture. We also provide to certain grantors information panels and information systems and advertising, such as local maps;
- we may receive exclusive rights, or, in some cases, non-exclusive rights, to conduct advertising in all or part of the terminals. Most grantors are willing to extend our rights to include external bus shelters and other outside furniture, as well as terminal areas such as arrival platforms;
- the choice of initial location for billboard installations is generally made by mutual agreement. Occasionally, advertising content may be subject to the grantor's approval. Our rights may also be limited by airlines that have sublet space from the airport and, accordingly, may have rights to determine the location and content of advertising faces in their space.

3.1. Airport advertising

According to the International Air Travel Association (IATA), 2.2 billion passengers travelled in 2007, or one-third more than in any of the preceding five years. This strong upward trend was confirmed in 2007, with 5.4% air traffic growth in the world. We benefited from that growth and enjoyed sharply higher revenues in 2007, strengthening our position as worldwide leader in airport advertising.

3.1.1. Geographic presence

We hold advertising contracts in 145 airports in 16 countries. In 2007, we won and renewed major contracts, which strengthened our n°1 position worldwide in airport advertising. Between June and November 2007, we were awarded advertising contracts in some 10 international airports, both by winning new contracts, such as those for Brussels (Belgium) and Bangalore (India), or by renewing contracts, such as those for Porto and Madeira (Portugal).

Under a single trade name, "JCDecaux Airport", we reach approximately 29% of worldwide airport traffic with presences:

- in Europe, with 107 airports, the three largest of which are London, Paris and Frankfurt. We manage the advertising concessions for 37 airports in France, including those for Aéroports de Paris (Charles-de-Gaulle and Orly), the seven British airports of the British Airport Authority ("BAA") (including Heathrow, Gatwick and Stansted), Frankfurt airport in Germany (in partnership with the Frankfurt airport authority), the Stockholm airport (Arlanda) in Sweden, 22 airports in Spain (including Barcelona, Palma de Mallorca, Malaga and Alicante), the Milan airports (Malpensa and Linate) and Rome, through IGPDecaux in Italy, 5 airports in Poland, as well as all the airports in Portugal. Furthermore, in June 2007, the Brussels airport awarded JCDecaux Belgium management of all advertising in the zone of the international airport. This contract will take effect on 1st January 2008. Finally, in November 2007, we extended our operations in Norway by signing an advertising contract for seven airports with Avinor, which brings the number of advertising contracts in that country to 10 as of 1st January 2008.
- in Asia, with 7 advertising contracts, including those for Hong Kong airport (Chek Lap Kok), the major entry point into the region, the Macau airport, the concession for the Shanghai airports (Pudong and Hongqiao), a portion of the new Terminal T3 for Beijing and the new airport in Bangkok (Suvarnabhumi). In October 2007, we won the contract to manage the interior and exterior advertising for the new international airport in Bangalore, the third most populous city in India and the country's technological capital. .The new airport, majority-owned by private investors, including Siemens and Zurich Airport, is expected to handle more than 20 million passengers by 2013.
- in the United States, with concessions in 32 airports, including New York (JFK, La Guardia, as well as Newark), Los Angeles and Ontario, Houston, Miami, Minneapolis-St. Paul (contract won in October 2007), and Washington D.C.

The following table sets forth our operations in the 10 largest airports in the world by passenger volume in 2007:

Airport	**Passengers *(in millions)***	**Holder of the contract**
London	118.2	**JCDecaux**
New York	107.4	**JCDecaux**
Tokyo (1)	101.9	Local company
Chicago	95.7	Clear Channel Outdoor
Atlanta	88.8	Clear Channel Outdoor
Paris	85.8	**JCDecaux**
Los Angeles	69.0	**JCDecaux**
Dallas	67.7	Clear Channel Outdoor /**JCDecaux**
Frankfurt	57.9	**JCDecaux**/Fraport (2)
Houston	51.8	**JCDecaux**

Source: ACI for the period November 2006-October 2007

(1) In 2004 we entered into an agreement with Tokyu Space Creation, a subsidiary of the fourth-largest Japanese advertising agency, for joint marketing of advertising space in 26 Japanese airports (including Tokyo) and our 145 airports.

(2) We own a 39% stake in Media Frankfurt, a joint venture with the Frankfurt airport authority.

Based on our strong position in Asia, we were handling, as of 1st January 2008, alone or in an alliance, advertising contracts for four of the five largest airports in Asia: Tokyo Haneda (in alliance with Tokyu Space Creation), part of the new Terminal T3 for Beijing, Hong Kong, and Bangkok.

Airports	Passengers *(in millions)* Traffic*	Holder of the contract
Tokyo Haneda	66.3	**JCDecaux** in cooperation with Tokyu Space Creation
Beijing	53.4	**JCDecaux (locations in the new international terminal T3)** and eight other local operators for terminals T1, T2, T3
Hong Kong	43.4	**JCDecaux**
Bangkok	41.8	**JCDecaux**
Singapore	36.5	Eye Corporation

** Source ACI Passenger traffic – November 2006-October 2007*

As of 1st January 2008, the geographic coverage of our advertising faces in airports was as follows:

Country/Region	Number of airports	Number of advertising faces
France	37	5,600
United Kingdom	8	4,300
Rest of 'Europe(1)	62	9,800
North America	31	12,300
Asia-Pacific	7	3,000
Total	**145**	**35,000**

1) Germany, Belgium, Denmark, Spain, Italy, Latvia, Norway, Poland, Portugal, and Sweden.

3.1.2. Airport advertising contracts

We seek to obtain the exclusive right to place advertising in airports under concessions granted by the authorities operating the airports. Concessions are granted through competitive bids, for a term that typically ranges between five and fifteen years. As of 31 December 2007, the average remaining life of our airport advertising contracts (weighted by 2007 revenues) was 5 years and 4 months.

We pay a percentage of our advertising revenues to airport authorities under our concession agreements, varying between 50% to 70%, on average, of our realised revenues. Our initial capital investment, however, which is often assumed by the airport or by advertisers, as well as our ongoing maintenance expenses, is much less than those incurred under our Street Furniture contracts.

3.1.3. Audience and traffic

Advertisers particularly value airport audiences, as they typically include a high percentage of business travellers, who are difficult to reach through traditional media. These travellers spend a considerable amount of time waiting for flights and luggage, and thus constitute a captive, targeted audience relatively open to receiving an advertiser's message. The strengthening of security procedures in recent years has also contributed significantly to the lengthening of waiting time for travellers. Airport advertising represents one of the best ways for advertisers to reach this affluent audience that generally has little free time. This advantage is also important given the fragmentation of audiences observed in recent years (due to media such as the Internet and mobile telephones) and, more than ever, airport advertising is becoming one of the most important ways to reach a major audience.

IATA forecasts annual growth of air traffic of 5.1% on average for the next four years (2008-2011).

Also according to IATA, all regions of the world should see growth over the next five years, with particularly dynamic performance in the Middle East (+7% average annual growth between 2007 and 2011) and in Asia (driven by the People's Republic of China and India). Europe, however, is still the largest market worldwide in terms of international air passengers transported, with a market share of nearly 29%.

3.1.4. Sales and marketing

We sell advertising packages for individual airports as well as packages that allow international advertisers to display their advertisements in multiple airports around the world. In this connection, we believe that our presence in 145 airports around the world, especially in the major airports of London, New York, Paris, Los Angeles, Frankfurt, Hong Kong and Shanghai, is a major asset both with respect to international advertisers, for which we can design national and international campaigns, and with respect to the airport authorities that benefit from our ability to generate greater sales and value per face as a result of marketing advertising displays nationally or globally.

Our global dimension in the area of airport advertising played a major role in the decision of the Frankfurt, Stockholm, Rome and Shanghai airports, which previously had in-house agencies, to work with us in managing their advertising over a long period to maximize their advertising revenues per passenger.

Another major advantage is that we design and position our own airport advertising structures to blend in with the overall design and architecture of airport terminals and provide our advertisers with the best possible exposure to, and impact on, their target audience.

Our products include a wide range of advertising structures of different formats, as well as exhibition spaces and advertising faces mounted on trolleys. These panels are placed where passengers tend to congregate, such as at check-in areas, passenger lounges, gate areas, passenger corridors and baggage carousel areas, offering advertisers the opportunity to interact with their target audience close to points of sale and to the commercial areas of the airport. We also design custom-made advertising structures for our advertisers, such as 3-D products or oversized models of their products, which have a maximum impact on incoming and outgoing road traffic.

Targeting and measuring the audience for airport media

Pioneer in audience measurement, we were the first outdoor advertising group to develop a system of audience measurement specifically designed for airports in Great Britain (RADAR), which makes it possible to inventory advertising faces, establish their proximity to points of sale and determine the socio-demographic characteristics of the public that is likely to see such advertising faces. With this tool, we can offer advertisers targeted advertising networks.

Since then, a major innovation has been introduced in airport media in France through the development of a study of audience measurement able to provide advertisers with data on media performance by face or by network. *Média Aéroport Performances* (MAP – Airport Media Performance) is a survey that makes it possible to quantify exactly various airport audience profiles and simulate an advertising medium through a specially-adapted ad hoc media planning software package. This analysis is updated every two years. The model of this study is now providing a basis for new airport audience studies in Germany and Asia.

Airports: a laboratory for new technologies

Airports, as a captive environment with long waiting times, are places where digital technology naturally belongs. In 2003, JCDecaux Airport launched "Aéo®", the first 100% digital soundless televisual medium dedicated to the airport-passenger relationship, in Paris's Charles de Gaulle. Since then, we have installed 300 screens broadcasting information in real time to passengers, including European and world news, airport information, lifestyle programmes and cultural documentaries, as well as advertising.

At Kennedy Airport in New York, we transformed part of Terminal 9 into a virtual digital showcase for the introduction of Microsoft Vista, with 40 Samsung 70-inch screens with exceptionally high quality image and sound, making possible a strong and direct relationship with passengers. This system shows the ability of outdoor advertising to benefit from multimedia technologies to reach consumers. Still in the U.S., Los Angeles International Airport (LAX), 5th largest in the world, also installed more than 50 digital screens dedicated to advertising, in spring 2007.

In Milan-Linate, IGP-Decaux and Terna (one of the principal electricity utilities in Italy) installed 15 70x100 touchtone screens reproducing an electric arc making it possible to pass energy through the body. By touching the screen a person's hand can trigger the production of waves producing optical and luminous effects.

Finally, the Bluetooth system is also one of the advertising technologies that has made significant inroads into airports. We conducted an experimental campaign in Heathrow Terminal 1 for Vodafone. The Bluetooth system installed in furniture was in contact with 92,000 mobile telephones in 17 days and 75% of the downloads occurred in less than a minute. Bluetooth also made it possible for advertisers to extend the range of their message to reach the public during leisure time. Future applications could include downloading tourist information on cities or hotels, the results of sporting events, the news, or the weather.

JCDecaux creates airport events

Advertisers are always looking for ways to differentiate their products to attract attention to them in airports. JCDecaux Airport offers personalised mechanisms to enlarge and multiply the impact of a campaign, regardless of whether it involves giant display panels, 3D displays, interactive furniture, podiums, or marketing relations.

In 2007, for example, all our subsidiaries around the world multiplied event campaigns and JCDecaux Innovate®. As an example, following the example of other major airports like Paris-Charles de Gaulle, Heathrow, Frankfurt, or New York JFK, the 30 walkways of the airport in Palma de Mallorca have been decorated since July 2007 (and through the end of 2008) in the colours of an advertiser (Air Berlin), showing that advertising in airports can take on ever more spectacular forms and dimensions.

Other brands, like Samsung, choose to focus on repetition of motifs. Since the installation of the giant hand at Paris-Charles de Gaulle in 2002, similar displays have been installed in Lisbon, Barcelona, London, and, in June 2007, in New York JFK.

Finally, among the most remarkably innovative campaigns for innovation in 2007, we should mention Opel, which cooperated in the opening of Terminal 2 of the Lisbon Airport with large-format displays over several surfaces both inside and outside the terminal, a display that was complemented by a podium in the middle of the passenger flow, making it possible to see the new Opel GT sport convertible; Orange, which used the Rugby World Cup to cover the doors of the elevators at the Paris airports; or SAAB, which cleverly transformed one of the "sailmast" support columns of Paris-Charles de Gaulle airport into a tree trunk to communicate the environmentally-friendly positioning of the Saab Bio Power, the fuel for which is 85% bioethanol.

3.2. Metro and other transport advertising

As of 31 December 2007, we had nearly 307 advertising contracts in metros, trains, busses, trams, and rapid transit systems serving airports around the world. We also had access to more than 46,800 faces managed by Wall in Berlin (metro and bus), as well as 750 faces in train stations in Switzerland, managed by Affichage.

3.2.1. Geographic presence

In 2006, we had significantly strengthened our presence in the Chinese market after the acquisition in 2005 of MediaNation and Media Partners International, leading companies in managing advertising contracts on metros and busses, making us the leader in outdoor advertising in China.

In addition to advertising in nearly 25,000 busses in 19 Chinese cities, we hold the concession for advertising contracts for the MTR (Mass Transit Railway) of Hong Kong, a major contract renewed in 2007, and the metros of Beijing, Guangzhou, Nanjing, Tianjin and Shanghai. This leadership position was strengthened in 2007 with the signature of an exclusive 15-year contract with the Shanghai Metro Shengtong Ltd. Group for the display and management of advertising (excepting television in trains and on platforms) in the entire system. This contract involves the five lines presently operating and their 95 stations, as well as the 8 additional lines presently planned. Thus, by 2010, the year of the Shanghai World's Fair, we will be present in 9 metro lines, or 250 stations, and will reach 6 million passengers per day. By 2012, we will manage sales and marketing in the 13 lines that will then be in service.

Outside the Asia-Pacific zone, we hold the advertising contracts for the metros in Turin, Milan, Rome, Santiago de Chile, Bilbao, Barcelona, Budapest, Vienna, Prague, and Oslo. The year 2007 also saw a strengthening of our transportation operations in Spain, with a successful bid for the Madrid Metro, a reference both throughout Spain and worldwide. This contract covers the display of event advertising by our Transport Division in Spain in the entire Madrid Metro system, including decoration of trains and advertising in the new lines that were opened this year. Beginning in October, we undertook the first event advertising with EasyJet, by displaying a campaign throughout the Nuevos Ministerios station, with more than 400 m² of vinyl in the corridors, accesses, vaults, platforms, and columns. With more than 20 million passengers per year, this station is one of the 3 biggest in the entire system.

Finally, we also manage several advertising contracts in or on busses, trams, and train stations around the world, including those for Melbourne, Vienna, Oslo, Rome, Milan, Barcelona, Prague and Budapest, and, at a national level, Italy and Sweden.

3.2.2. Metro and other transport advertising contracts

The term of our metro contracts is typically between 3 and 10 years. As of 31 December 2007, the average remaining term (weighted for 2007 sales) of our metro and other transportation system contracts was 6 years and 2 months. As the initial investment and ongoing maintenance expenses required in metro contracts are typically lower than those required in Street Furniture contracts, we pay the concession grantors a variable fee, in the form of a percentage of our advertising revenues.

3.2.3. Audience and traffic

The metro-riding population is comparable to the one for outdoor advertising (large-format Billboard and Street Furniture). We use the same geomarketing techniques to maximize the impact of these advertising networks on the metro audience, and the effectiveness of our advertisers' commercial offerings. As indicated above, the effectiveness of audience measurement of transport advertising is gradually improving, as it becomes included in measuring systems that are further developed, as is the case in Sweden, Ireland and the United Kingdom. We believe that this tendency will become more pronounced as time goes by.

3.2.4. Sales and marketing

In 2007, our transit media experienced great success with advertisers as a result of certain highly visible advertising actions.

For the Rome opening of the movie "*A Night at the Museum*", IGPDecaux set up a "JCDecaux Innovate ®" campaign in the Rome metro, with back-lighted displays equipped with a Bluetooth system. Walking in front of the displays located in different Rome metro stations caused MMS messages to be sent to the passers-by containing six key images from the film.

In Hong-Kong, JCDecaux Pearl & Dean introduced the new "Central Luxury Zone" – located in the Central station of the MTR (Mass Transit Railway), an advertising space designed specifically for leading brands and luxury products. The Central Luxury Zone made available to advertisers six scrolling panels and connected extensions, a visual display on the ground, and decoration on the supports. To maximize the effect, a plasma TV screen is available. Hermès, one of the most prestigious luxury brands in the world, was the first to use this novel space with a particularly artistic creation: the Hermès scarf-kite ("Cerf-volant – Carré Hermès"), a kite that flies into a magnificent blue sky that rolls out into an extension of the display, which is 4.6 m^2 with decoration on the ground and the supports. Strategically located near the passage leading to the Landmark shopping mall and points of sale, the Central Luxury Zone allows advertisers to capture the attention of numerous MTR passengers efficiently and effectively to bring customers directly into their stores.

4. BILLBOARD

We are the leading Billboard advertising company in Europe in terms of sales. In 2007, Billboard accounted for 23% of our revenues.

Our billboards generally appear prominently near the principal commuter routes of cities and their suburbs, allowing our advertisers to reach a wide audience. Our Billboard networks are situated in high-visibility locations in such major cities as Paris, London, Brussels, Vienna, Madrid and Lisbon, and offer advertisers extensive territorial coverage in each country.

Our Billboard activities also include illuminated advertising (JCDecaux Artvertising), consisting essentially of the creation and installation of large-format neon signs. We also offer wall wrap advertising. Present in 15 countries, with 117 neon signs, we currently cover the major European capitals and aim to become stronger in Asia and Central Europe. In 2007, illuminated advertising operations generated revenues of €19.5 million, accounting for 4.0% of total Billboard revenues.

4.1. Characteristics of Billboard contracts

We lease the sites of our billboards principally from private landowners or building owners (private law contracts) and, to a lesser extent, from city authorities (public law contracts), railway authorities, universities, or real estate companies. We pay rent directly to the owners of such land or buildings. Where state or local government property is involved, billboard contracts are generally awarded after a process of competitive bidding. In the United Kingdom, we also own certain sites where we install billboards.

Principal terms and conditions common to most of our private billboard contracts are as follows:

- a term of six years from the date of signature, with, for France, automatic renewal from year to year after expiration of the initial term, unless terminated earlier on three months notice prior to expiration, with such terms being longer in countries where the term is not limited by law;
- free access to the location to the extent required for installation and maintenance of the installation;
- provisions relating to the type of billboard, the type and surface area of the faces that may be displayed and the rent to be paid to the landlord;
- landlord responsibility for ensuring that the billboards remain visible, especially with respect to vegetation.

4.2. Geographic presence

As of 31 December 2007, we had almost 215,000 advertising faces in 22 countries in Europe, or in more than 2,800 European towns and cities with more than 10,000 people, in three Asia-Pacific countries (Thailand, Singapore and China), and in Central Asia (Kazakhstan and Uzbekistan). In 2007, we pursued our strategy of improving the quality of our large-format billboards by dismantling certain low-quality panels and replacing them with better, more state-of-the-art displays. As of 31 December 2007, we had approximately 47,400 large-format billboard faces in France.

The neon sign advertising business is located principally in France, but we are also developing this business in other countries, such as Spain, Portugal, Poland, Hungary and Belgium.

As of 31 December 2007, the geographic distribution of our Billboards was as follows:

Country	Number of advertising faces
France	47,400
United Kingdom	31,700
Rest of Europe (1)	131,900
Asia-Pacific (2)	700
Rest of world(3)	3,000
Total	**214,700**

(1) Includes Germany, Austria, Netherlands, Belgium, Italy, Spain, Portugal, Ireland, Sweden, Norway, Finland, Denmark, Croatia, Estonia, Lithuania, Latvia, Czech Republic, Russia, Slovakia, Slovenia and Ukraine.

(2) Includes Thailand, Singapore, and China.

(3) Includes Kazakhstan and Uzbekistan.

Furthermore, we had access to more than 9,500 billboards managed by Affichage in Bulgaria, Hungary, Montenegro and Serbia, to more than 40,000 billboards in Switzerland, and to more than 13,000 billboards in Germany, through our relationship with Wall AG.

4.3. Our product offering

Our Billboard offering includes a broad range of products, with general coverage packages offering advertisers a true "mass media" audience over a wide geographic area, and more targeted packages that offer contact with specific audiences having certain demographic or socio-economic characteristics.

The size and format of our billboards vary across our networks, primarily according to local regulation. In all areas, though, our billboards and neon signs are characterised by a high level of quality and visibility, which is essential to attracting our advertisers' target audience. Our premium billboards are also illuminated, which we estimate increases their audience size by up to 40%.

Our new billboards feature successful Street Furniture concepts, such as backlighting and scrolling panels. The use of scrolling panels increases the number of faces that can be marketed per display and creates new marketing opportunities, such as timesharing. Since the acquisition of Avenir in 1999, we have invested significantly to improve the quality of our Billboard network, especially in the major markets of France and the United Kingdom. Each qualitative improvement has enabled us to strengthen the advertising effectiveness of our networks and differentiate our product offering to advertisers. For the most visible and prestigious displays, for example, we have continued to replace fixed panels with 8, 12 and 18 m^2 back-lit scrolling panels called "Vitrines®".

As of 31 December 2007, we had installed over 2,100 Vitrines® in France, over 350 in Belgium, 270 in the United Kingdom, and more than 300 Vitrines panels in seven European markets, mainly in Portugal, Italy, Sweden and Spain.

In 2007, in France, 43% of the advertising faces offered in our short-term campaigns were illuminated, significantly exceeding that of our competitors' networks in France, which had only 34% of their billboards back-lit on average. In the United Kingdom, we also invested in this segment to increase the number of back-lit panels.

In 2003, we were the first national company to exceed a 50% illumination level. By 2007, we had further increased this level: 53% of our displays were backlit, compared to 49% for our competitors *(source: Postar, November 2007)*. This should enable us to continue increasing average revenues generated per face, since these panels reach a more significant audience.

In fact, impact studies by Carat, the leading French media agency, and Postar, an audience survey institute for outdoor advertising in the United Kingdom, showed that an advertising campaign posted on scrolling panels (such as "Vitrines®") had as much impact as an advertising campaign posted on a fixed panel, even though the exposure time is shorter. The mobility of the panel attracts attention and reinforces the effectiveness of the advertising message, making this type of panel particularly attractive to advertisers.

In some markets, particularly the United Kingdom, we have continued to bring forward new, large, landmark large format offerings (the "Premier" line). These are large back-lit panels, both horizontal and vertical to capture synergies with street furniture creative forms, in a range of sizes from 18 to 83m^2 and situated at only at the most prestigious and highest audience flow locations. As of 31 December 2007, we had installed 712 of these high-quality panels, compared to 584 as at 31 December 2006 and 265 as of 31 December 2004, the year in which "Premier" was launched. After London, we expanded this product to key locations in the other major cities of the United Kingdom, including Manchester, Birmingham, Glasgow and Leeds. The largest Premier sites, 4.6m high by 18m long, include the Cromwell Road in London (a high-traffic route from the city centre to Heathrow Airport) and a new site next to Junction 2 on the M1 motorway (London's major gateway to the north).

In September 2005, we added M4 Tower, the United Kingdom's tallest purpose-built advertising structure (28.5 meters tall, as high as a seven-storey building), which is positioned for maximum visibility on the main highway to Heathrow Airport from London. Designed for JCDecaux by the award-winning architects Foster and Partners, the two 50m² panels on the structure reach over 1.6 million consumers every week. Through innovative design incorporating thousands of mini-LEDs, the structure can change colour to reflect the corporate identity of the advertiser. In 2006, we continued building this type of unusual advertising display in locations near major, high-density traffic arteries. Thus, we erected the "Torch" on the M4 motorway in London, not far from the Foster M4 Tower, as well as a similar structure on the A3 motorway. Such locations can be sold in conjunction with a Street Furniture network in order to increase the visual impact of a campaign, because of the unusual size of their structures. In 2007, the "Torch" was converted into a large-format digital panel, transforming this structure into an advertising medium that is particularly flexible for advertisers.

In March 2008, we also introduced 20 new digital billboard displays at high-impact locations in central London. These new structures will be part of the "Premier" line and will enhance the attractiveness of these high value-added systems for advertisers, four years from the 2012 Olympic Games. The new billboard structures will offer advertisers the best digital display in the United Kingdom and will also make it possible for us to attract new clients. An 18m² LED billboard will enable an advertiser to see its display downloaded automatically on 20 digital screens, to send multiple messages and to change the text in real time. The advertising displays will be shown 60 times per hour and more than 20,000 times in two weeks.

Finally, in 2007, JCDecaux United Kingdom announced the conversion of all of its traditional billboards so that they could receive completely recyclable one-piece polyethylene posters. All of our billboards in the United Kingdom will be transformed into "high definition" billboards. This conversion will not only make it possible for us to reduce their environmental impact, as a result of lower consumption of paper pasted to structures, but also to speed up the posting process and improve their visibility. This recent initiative will help us maintain our advantage over our principal competitors in the United Kingdom.

In France, we also strengthened the attractiveness of our billboards in 2007. We consolidated our position in Paris by winning strategic Billboard contracts and by changing our product range to advertisers:

- in July 2007, the *Office Public d'Aménagement et de Construction de Paris* (Paris Public Works Department) awarded our subsidiary Avenir a competitive bid for 81 advertising slots for 6 years. Located mainly along Paris's *grands boulevards* and its entrance gates, called *Portes*, the scrolling structures, installed during the second half of 2007, have contributed to strengthening Avenir's position as the leading billboard operator in Paris.
- the *Port Autonome de Paris* (Paris Port Authority), after competitive bids, renewed Avenir's concession to manage 200 faces in Paris and its suburbs for 5 years (nearly 130 faces at strategic locations within the Paris city limits).
- the addition of an extra face on the 8 m² structures increased the number of faces from 3 to 4 per structure and enlarged our advertising presence in the City.

Lastly, we offer to advertisers in 15 countries, especially through our subsidiary, JCDecaux Artvertising, a product line with unusual formats such as event displays and luminous advertisements. These formats create real added value in terms of advertising draw and impact. As an example, Louis Vuitton advertised its products during the Rugby World Cup on more than 400 m² near the Stade de France, where it was played. A very original eye-catching display, since Louis Vuitton, as a result of this ad campaign, saw sales of its legendary bag take off like a Rugby kick.

With more than 60 locations in France, the JCDecaux Artvertising displays are at the cutting edge of innovation in terms of creativity, quality, and integration with the environments in which they are located.

4.4. Sales and marketing

We market our Billboard network under the Avenir trademark in France and Spain, under the JCDecaux trademark in the United Kingdom, Ireland, the Netherlands and several other European countries, under the Gewista trademark in Austria, under the Europlakat trademark in Central Europe, under the Belgoposter trademark in Belgium, and under the IGPDecaux trademark in Italy.

All advertising space is sold by our own sales forces to advertisers or to their advertising or media agencies.

A large proportion of our Billboard business comes from short-term seven to fifteen-day advertising campaigns, although in some countries, such as France, long-term packages ranging from one to three years also contribute significantly to our revenues (22.2% in 2007). Long-term packages tend to be purchased in order to provide directions to the location of a particular advertiser or to promote its trademark or corporate image.

Because of our unique presence and advertising network in Europe, we are able to offer advertisers pan-European, multi-display and/or multi-format campaigns. Since its creation in 2000, JCDecaux One Stop Shop, a subsidiary that specialises in the coordination of advertising campaigns internationally, has undertaken pan-European advertising campaigns for prestigious advertisers (see page 35).

Unlike Street Furniture advertising, prices may be discounted from our standard rate cards, consistent with market practice. This practice led us to develop a system that allows our sales force to optimise Billboard network sales. Thanks to our "Yield Management" system, our sales force can follow in real time the development of supply and demand for our advertising networks and can appropriately adjust discounts offered to advertisers in order to sell each Billboard network at the highest possible price.

In France, an additional strategy was introduced in 2007, with the first mixed national display associating JCDecaux 2m² and Avenir 8m² faces: NOVEO. This idea involves sale at a price net of any discount.

Each Billboard network is assembled in conjunction with audience measurement studies. These audience measurements are compiled on the basis of geomarketing data and tools, such as "Geo-Logic®", a unique geomarketing tool that compiles socio-demographic data on movement, behaviour, consumption and sectors of activity on the basis of geography crossed with net worth information. We use these data to help our customers to tailor their advertising campaigns to the characteristics of their target audience, such as age, gender, income, Internet usage or the proximity of panels to particular retail stores. This tool has also helped us in optimising the placement of our panels and selecting new sites.

Constructed with the help of these geomarketing tools and audience measurement studies, our Billboard networks address the specific communication objectives of our advertisers. Advertisers can buy networks that provide them with homogenous national or regional advertising coverage, or that focus coverage in a key city, or that are located near stores, movie theatres or metro stations.

Use of these tools allows us, among other things, to sell our billboard networks as a "time-share". With the advent of scrolling billboards and remote control technology, we are now able to manage in a very precise manner the display face that appears on a billboard at a given time. We offer our advertisers the option of targeting their potential audience at the times that such audience is most likely to be in the vicinity of a given billboard. Along the Paris *périphérique* (ring road), for example, we now sell separate advertising packages on our panels during the morning, afternoon and evening hours. The same is true with the Paris network Chrono Connect, involving interactive content for mobile telephones. Similarly, we developed a unique line of targeted display systems in France at the national level. Avenir, our Billboard subsidiary in France, is the only operator today able to offer this to advertisers, due in large part to the quality of its national coverage.

Our Billboard offering also benefits from the developments of our "JCDecaux Innovate" concept. We have been able to attract new advertisers with imaginative uses of our scrolling billboards, by adding LCD panels to large format boards and by using lens technology and special lighting techniques. Finally, in the United Kingdom, we have developed a new, innovative billboard technology called "Chameleon", which makes it possible to put up two completely different displays, night and day, on a single back-lit structure. We financed this innovation and own the exclusive marketing rights to use it for our customers.

OUR ADVERTISERS

1. KEY ADVERTISERS

We are constantly seeking to broaden and diversify our customer base. Diversification provides opportunities for growth and protection against the volatility of certain types of advertisers' budgets

In 2007, the expansion of our business in Asia-Pacific, especially in China and Japan, further enhanced the diversification of our revenue stream.

Revenues from only eight advertisers accounted for more than 1% of our consolidated Group advertising revenues in 2007. Ford remained our number one advertiser, and Unilever remained one of our largest customers. Samsung, which chose us for our expertise in international campaigns, once again increased its advertising spend and is now positioned as our second largest advertiser. Finally, it should be noted that Coca-Cola appeared on the list of our top 10 advertisers for the first time this year

Our ten largest advertisers in 2007, as in 2006, accounted for approximately 11% of our consolidated revenues, and were: Ford Motor Company, Samsung Electronics, Unilever, Coca-Cola Company, PSA (Peugeot-Citroën), Vodaphone Group, L'Oréal, France Télécom, Renault Nissan, and LVMH.

Breakdown of advertisers by industry
The following table shows the breakdown of our advertising revenues by industry in 2006 and 2007:

	% of the total	
Industry	**2007**	**2006**
Leisure/Entertainment/Film	12.9	13.8
Retail sales	11.3	13.5
Banking/Finance	9.9	9.0
Food and beverage	9.2	7.9
Luxury and beauty products	8.3	7.7
Automobile	8.0	7.4
Services	7.1	7.3
Fashion	6.3	6.4
Telecom/technology	5.8	5.8
Travel	5.4	5.8
Wines and spirits	3.0	2.7
Beer	2.5	2.4
Government	2.3	2.4
Internet	0.8	0.6
Tobacco	0.6	0.9
Others	6.6	6.4
Total	**100%**	**100%**

In 2007, the classification by category of our advertisers remained the same as in 2006 (in terms of relative weight), even if the growth rate observed from one category to another varied widely. Despite the opening of televised advertising to retail distribution in France as from 1st January 2007, this industry stayed in second place in the classification of our advertisers, especially because of the strong growth of this sector in Asia.

In 2007, companies in the leisure and film industries continued to represent the biggest customer category for us, accounting for 12.9% of our consolidated advertising revenues. In a media market that remained difficult and in which advertisers found it harder to connect with their audiences, outdoor advertising continued to be the "media's medium". Subject to increasing competition, the large television, film, radio and print companies continue to turn to advertising to promote their products. In 2007, major advertising campaigns were introduced by Sky Broadcasting and Virgin Media in the United Kingdom and by a number of magazines in China.

Retailing, excluding clothing, remained our second-largest customer category, despite a decrease in sales during 2007. This industry represented 11.3% of our consolidated advertising revenues in 2007, compared to 13.5% in 2006. This category of advertiser remained very important in many of our countries, especially China, where this sector was driven by the dynamism of the home improvement/home decoration segment, as well as in Eastern Europe. Advertising spend by Mulliez (which includes Auchan, Décathlon and Leroy Merlin, among others) decreased in 2007, in particular because of the opening of television advertising to the retail business in France from 1st January 2007. This advertiser, however, is still among our top twenty advertisers for the year. In France, other major retailers (such as Leclerc and Casino) transferred a portion of their advertising budgets to television, while still remaining significant users of outdoor advertising and of our advertising facilities. Carrefour maintained the level of its advertising spending with us. Strong growth by retail advertisers also was seen in certain key European markets, like Spain, while revenues in the United Kingdom for this sector remained stable, due to the significant increase that occurred in 2006. Finally, in many medium-sized European markets, growth in this sector was solid. The growth in advertising spending by retailers was driven by increased competition and store expansion, which resulted in increased outdoor advertising spending by existing advertisers in most of our markets and by the addition of new clients.

Revenues from the banking and financial industry once again experienced significant growth in 2007 and remained in third place among our advertisers, with 9.9% of consolidated advertising revenues in 2007, compared to 9.0% in 2006. This growth trend was present right across the Group and appears to result from growing recognition, especially by banks, of the power of this medium. Strong local competition between banking and insurance products aided growth in the sector, with several companies using outdoor advertising for the first time in 2006, particularly in the newer members of the European Union and in China, but also in our largest markets, like Spain and Italy, where money spent with us increased in 2007. The growth of this industry was particularly strong in the United States, where we gained several new advertisers, especially Chase, Fidelity Investments and Charles Schwab, and benefited from increased advertising spending by existing advertisers, like American Express. Our business relationship with HSBC grew in 2007: institutional campaigns were sold on new airport structures around the world and especially on passenger ramps and passageways in airport in the United States. Today, HSBC has become one of our main advertisers.

The advertising spending of food and beverage companies (including Kraft, The Coca-Cola Company and Muller Dairy, among others), household products companies, and beauty products companies (including Unilever, Procter & Gamble and Beiersdorf, etc.) showed growth that was clearly better than average in 2007. This sector remained in fourth place in our portfolio of advertisers and accounted for 9.2% of our consolidated advertising revenues, compared to 7.9% in 2006, a year in which spending in this industry saw a slowdown. In 2007, the extension of our pan-European relationship with Unilever to 41 countries around the world resulted in significant growth in advertising spending by this advertiser in Asia and in the principal European markets, which showed the power of our advertising networks around the world. We also benefited from the steady growth in advertising spending by this sector in Asian markets, especially in China, Thailand and Japan, as well as in the United States and in Europe, principally in France, Italy and the United Kingdom, where Coca-Cola increased its advertising spend for outdoor advertising. In France, the transfer of part of advertising spending in the retail business to television generated significant rate increases, driving certain food and beverage companies (like Coca-Cola, Orangina Schweppes and Kraft) to transfer part of their budgets to outdoor. Finally, certain brands (like Canderel, Wasa and Ariel) used our Street Furniture network for the first time in France.

The revenues from the major luxury and beauty products companies (such as L'Oréal, LVMH and Coty) grew strongly in most countries where we do business. Growth was particularly significant in China, but also in the rest of Asia, in the United States and in most European countries, especially in Spain, where we won new advertisers (Coty, Chanel and Bulgari).

After a slowdown seen in 2006, the auto industry showed new growth in 2007. Advertising spending in this category of advertisers is strongly correlated to new vehicle introductions, which were more numerous in 2007 than in 2006. Ford and PSA Peugeot Citroën overall kept their advertising spend at already high levels, while BMW, Renault-Nissan and Toyota strongly increased their advertising spend with us, especially in France.

Revenues from the services industry were very variable in 2007, according to the markets involved, and growth from this group of advertisers was generally below the average for the year. In these mature markets, advertising spending by high-speed Internet access providers declined slightly. This decline was offset by growth in the volume of advertising by energy suppliers, because of price competition among the various suppliers and increased environmental sensitivity, which led them to provide messages about these issues. Furthermore, several telephone operators, like T-Mobile and Vodaphone, promoted new services and new brands in certain markets. After strong growth in advertising spending in the telecoms / technology sector in 2006, this category showed solid, but less spectacular, growth in 2007.

As in 2005 and 2006, and despite a slight increase in advertising spending, the percentage of our consolidated advertising revenues represented by advertisers in the fashion industry continued to decrease in 2007. For this industry, the year saw an encouraging addition of new advertisers and the return of clients that had stopped spending with us, especially in Europe. The Chinese market, in particular, attracted advertisers from the fashion industry, which resulted in strong demand across the entire country and especially in Hong Kong. Clothing and sporting goods (Adidas, Nike and Kappa) were particularly active in these markets. In the United Kingdom, advertising expenses by Marks & Spencer with us remained at high levels, especially during promotional periods, and accounted for a significant portion of the advertising budget for this advertiser. Marks & Spencer, furthermore, launched billboard campaigns in several new countries in 2007, aware of the power of billboard campaigns, generally coupled with television. Finally, 2007 also saw the return of Hennes & Mauritz (H&M) as an advertiser, a client who had been among our leading advertisers before reducing its outdoor advertising spend for several years in favour of television.

Advertising spending by the travel industry remained stable in 2007 and tended to decline in our principal markets, except in China and Spain. In general, travel agencies reduced their advertising budgets due to a difficult environment marked by significant competition among travel agencies on the Internet. This decline was offset by the growth in campaigns by low cost airlines in several markets. This trend should strengthen in the coming years and be extended to new countries. The travel business remains an important sector for us, accounting for 5.4% of consolidated advertising revenues.

In 2007, revenues from beer advertising increased at the same rate as our consolidated advertising revenues, in particular due to the very competitive situation in the U.K. market., which led to a strong increase in spending (new campaigns by Coors and a major make-over by Stella Artois, which led to a significant increase in advertising budgets for outdoor advertising by these advertisers). New Billboard campaigns were also begun in the United States for Miller and Coors. Despite the debate about the need to restrict advertising for alcoholic beverages in certain countries for public health reasons, the wine and spirits sector saw solid growth, driven by growth in spending by major advertisers like Diageo and Pernod-Ricard, as well as the arrival of new advertisers, like Suntori in Australia and some wine producers in France. As a result, the contribution of advertising for alcoholic drinks (including beer) reached 5.5% of our consolidated revenues for the period.

Revenues from government sources have typically been dependent to a large degree on the cycle of national elections. The year 2007 saw a strong increase in advertising expenses by the U.S government, which began a vast recruitment campaign using our facilities. In 2007, the portion of our consolidated advertising revenues represented by this category of advertisers declined slightly (to 2.3% of advertising revenue).

Advertising for tobacco continued to decline and now accounts for 0.6% of advertising revenues. The only significant market for us where tobacco advertising was still permitted in 2007 was Germany.

Advertising spending by Internet and Internet-related companies grew slightly in 2007 and now accounts for 0.8% of our consolidated advertising revenues, compared to 0.6% in 2006.

Cyclicality and seasonality

Advertising spending is highly dependent on general economic conditions. In periods of sluggish economic activity, companies often cut their advertising budgets more drastically than their spending in other areas. Consequently, our advertising business is dependent on the business cycle. The location of street furniture in city centres makes street furniture particularly attractive for advertisers, limiting its susceptibility to economic swings. This phenomenon allowed us to maintain growth in Street Furniture revenues during the recessions that occurred in France in 1994, 1995, 1996, 2001 and 2002.

Street Furniture is also characterised by long reservation periods for advertising campaigns, from three to four months on average, but up to one year at times, which moderates the effect of fluctuations in the business cycle.

Traditionally, and particularly in France, our business slows down in July and August, as well as during January and February. To offset these slowdowns, we grant discounts on our advertising prices during July and August.

2. CHARACTERISTICS OF ADVERTISING CONTRACTS

Advertising contracts are generally entered into by advertising agencies hired by advertisers, but may also be entered into directly with advertisers themselves.

We sell advertising space on structures where the faces are grouped into networks. Advertising campaigns normally last from 7 to 28 days (short term), or over a period of 6 months to 3 years (long term).

Most often, contracts relate to one advertising campaign and specify the number of panels and week(s) reserved, the unit prices, the overall budget, and the applicable taxes. The posters are supplied by the advertisers. Each week we prepare the posters ourselves prior to distributing them to regional or local agencies for posting across the network. Once the campaign is launched, we check that the actual advertisements posted correspond to the terms of the contract. Billing for the campaign is calculated on the basis of actual advertisements posted.

3. JCDECAUX ONE STOP SHOP: SERVING OUR INTERNATIONAL ADVERTISERS

In 2000, we created our subsidiary JCDecaux One Stop Shop, with the purpose of simplifying the process of purchasing international campaigns for advertisers that develop their media strategy on a European scale. Located in London, JCDecaux One Stop Shop is also responsible for developing and managing alliances with international advertisers in the 54 countries where we do business. Since its creation, JCDecaux One Stop Shop has successfully completed 450 pan-European campaigns for customers such as Estée Lauder, Calvin Klein, Dolce & Gabbana, Logitech, Oakley, Prada, Armani and various international tourist offices.

JCDecaux One Stop Shop creates innovative campaigns by emphasizing the creative and universal aspects of a display in order to create a truly international advertisement.

JCDecaux One Stop Shop has also entered into international alliances, such as the one with Unilever, which was renewed and extended to 41 countries around the world. More recently, we entered into a European alliance with Cheil Worldwide for Samsung, covering 20 European countries. We have also entered into ten other alliances in the areas of consumer products, automobiles, large-scale retail and cosmetics.

These international alliances enable us to strengthen the attractiveness of outdoor advertising for our major customers.

SUSTAINABLE DEVELOPMENT

Improve the quality of life, beautify cities, control water and energy use, reduce visual pollution, recycle and reuse waste products, but also implement dynamic management of human resources based on dialogue and teamwork: for many years, we have tried to act as a responsible corporate citizen and have taken concrete steps, from the design of our Street Furniture products to our relationship with employees, customers and suppliers, to act according to this principle.

In addition to environmental protection, we are involved in good citizenship activities, the purposes of which are to:

- develop a sense of loyalty to the ethical values we all share;
- offer more services to people;
- act to promote environmentally-friendly means of transport in cities and towns;
- facilitate accessibility by the handicapped to urban infrastructures, with structures and services that are specially designed and adapted;
- support operations designed to show solidarity.

Our commitments and performance in the area of sustainable development are evaluated and recognised by ethics rating agencies as well as fund managers and analysts specialising in socially responsible investment.

We are included in three leading indices which evaluate ethical standards of publicly-traded companies, are standard-setting references in Europe and rate the companies that best meet strictly defined criteria of social and environmental responsibility.

After inclusion in the ASPI Eurozone® Index in 2003 and the FTSE4Good index in 2005, we were rated by the DJSI (Dow Jones Sustainability Index) in September 2007.

- The FTSE4Good index rates 689 companies in the world, 41 of which are French.
- The ASPI Eurozone® index consists of 120 companies traded in the Euro zone, 50 of which are French.
- The DJSI index consists of 318 companies in the world, 20 of which are French.

In 2007, our Executive Board strengthened its commitment to sustainable development and decided to create a Department of Sustainable Development which reports directly to it.

1. HUMAN RESOURCES

Present in 54 countries, our employees are at the heart of our growth strategy and share our core values: professionalism, know-how, transparency and integrity. The Human Resources Departments in our various subsidiaries work hard to create working conditions in which all our employees can thrive and fulfil their potential.

Changes in the number of employees

As of employees 31 December 2007, we employed approximately 8,888 people, an increase of 748 people compared to 2006 (an increase of 9.2%). This significant increase results from renewal of major contracts, especially in France, and launches of self-service advertising-financed bicycle programs, including the *Vélib'* program in Paris (an increase of 327 equivalent full time employees). Our headcount in Asia continued to grow (an increase of 9.0%), because of the accelerating growth of our Street Furniture business in Japan and our continued growth in India and China. The addition of the Tashkent contract in Uzbekistan and acquisitions and alliances made in Qatar and Kazakhstan led to significant increases in employees in 2007, in the "rest of world" area (an increase of 96 people, or 107.9% compared to 2006).

With 3,549 employees (representing 59% of our operating headcount), France accounted for 39.9% of our worldwide headcount at the end of fiscal year 2007. More than 2,300 people, or 65.5% of our French staff, are based in the Paris region (*Ile-de-France*), and work in our offices at Plaisir and Neuilly-sur-Seine, in our poster preparation and manufacturing warehouses in Plaisir and Maurepas, or in our five Paris sales offices. Our other employees are spread evenly over 13 regions in France.

Strategy of internal recruitment

We favour internal job mobility and promotion from within to encourage growth in our existing talent. Our "Job Market" service, available on our Intranet site and accessible to all employees, allows for easy access to information about job opportunities. We give priority to permanent employment agreements, rather than using part-time temporary workers or subcontractors. This strategy is directly linked to our quality standards, where priority is given to the transmission of knowledge.

Organisation of work time

Each subsidiary is responsible for organising work time in light of applicable legal requirements.

In France, the organization of work time in our various companies is based on a French agreement called the Organisation and Reduction of Working Time Agreement *(Accord d'Aménagement et Réduction du Temps de Travail)*, initially signed in 1998 and updated in 2002. This agreement provides for effective work time of all our itinerant staff of 35 hours per week, with other employees receiving days off *(journées de Réduction du Temps de Travail)*. For part-time employees, the organization of working time is defined on a case-by-case basis by our Department of Human Resources.

Working conditions: safety as a priority

Continuous improvement in employee safety and working conditions is a key objective. In 2007, we continued our efforts in the area of safety training by providing nearly 32,000 hours of training to more than 2,700 participants. Our policy and strategy for improving safety and working conditions is directed by the technical departments of each subsidiary, based on applicable legal requirements, and primarily involves controlling risks relating to working at elevated locations, road safety and electrical safety.

Compensation strategy and social insurance contributions

Salary and compensation policy is determined at the level of each subsidiary based on applicable legal requirements, employment agreements and financial resources.

In 2007, we granted salary increases of approximately 3% in France. This adjustment includes general increases and individual adjustments. Particular attention is paid to young managers.

Employee compensation is based on objective criteria, such as job profile, qualification, and experience. For managers, a strategy of variable compensation and bonuses based on individual objectives is generally used. At the same time, bonuses for "performance quality" are awarded for travelling employees to encourage them and reward individual results.

To promote equal opportunity, we have a chart of ethics prohibiting any form of discrimination on account of age, religion, or gender. An ethics committee has been created to ensure compliance with this charter. We are in compliance with all legal requirements relating to social insurance and other contributions relating to compensation.

Balanced employee relations

We pay considerable attention to the views of our employees, which are expressed in an organised and centralised institutional framework. We attempt to reach formal agreements that are fair to the parties involved in all circumstances.

We benefit from the presence of the five major French unions (CFDT, CGT, CFTC, FO, CGC). Employee relations are conducted through a single Workers' Council, whose membership is much larger than the statutory minimum (15 principal members and 15 alternates instead of the nine principal members and nine alternates provided in the French Labour Code), employee representatives and 16 Occupational Safety and Health Committees (*CHSCT*). This new organisation was the subject of a new collective bargaining agreement in 2006, of a collective labour agreement (unanimous agreement on employer/employee cooperation dated 31 October 2007) which, among other things, grants to employee representatives a greater role and resources than are provided in the Labour Code.

In addition, we entered into other agreements in 2007 with our employees: mandatory annual salary negotiations (unanimous agreement), pre-election agreement for elections for the Workers' Committee (unanimous agreement), employee collective profit sharing plan, provisional organisation of work in teams for mounters and the assembly facility in Maurepas (Yvelines).

Union representation bodies for negotiating purposes also exist in countries that are important to us, in particular in Spain, Germany, the United States, or Belgium, which cover 66% of our total headcount.

Employee profit sharing

The principles applicable to sharing of profits with employees depend on each subsidiary. In France, profit-sharing agreements apply to all employees. The aggregate of all amounts paid in respect of profit sharing during the fiscal year ended 31 December 2007 was €7.7 million. The amount of profit sharing paid in France during the last three fiscal years is as follows:

In thousands of Euros	**2007**	**2006**	**2005**
Profit sharing	7,265	6,123	5,732
Participation	488	361	58
Contribution	(1)	125	81
Total	**7,753**	**6,609**	**5,871**

(1) Not available

Continuing education

For many years, employee training and continuing education have been one of our key focus areas. In 2007, 79,657 hours of training were given to more than 5,000 employees throughout our subsidiaries (or 58% of our total headcount).

In France, our training centre in Plaisir, near Paris, offers a wide variety of internal and external courses covering all of the aspects of our business, including new technologies relating to Street Furniture. In 2007, more than 1,600 trainees from all regions of France took 23,000 hours of classes, a total educational investment of € 1.51 million.

For the fourth consecutive year developing the skill level of our sales forces in France was a major focus of our continuing education strategy: 230 trainees took the JCDecaux Media Academy course (for a total of more than 3,100 hours of training). The JCDecaux Media Academy is a school of continuing education dedicated to media expertise, outdoor advertising, and sales, the purpose of which is to transmit to the sales force high-level commercial knowledge and abilities adapted to our business.

In addition, we created a JCDecaux Management Academy at the end of 2007 to promote the implementation of a new management standard emphasising sound team management, the development of coaching; and management leadership, as well as good practices and conduct appropriate to our business and to our corporate culture. Thus, 95% of the middle-level executives and senior executives of our French subsidiaries will have undergone this training and continuing education experience in management techniques by the end of 2008.

Attracting young talent

To develop a group of high-potential young managers, we work closely with universities and institutions of higher education. In France, 142 trainees from various backgrounds interned at JCDecaux in France, in 2007 for periods of a few weeks to a year. These internships are an excellent way to identify future potential and a unique source for recruiting new talent.

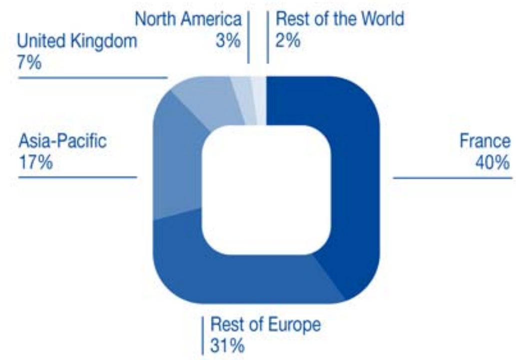
Employment of persons with disabilities

We comply with all laws regarding employment of persons with disabilities. In France, we renewed service contracts in 2007 with a protected workshop that employs persons with disabilities. For 2008, a voluntary decision was made to recruit disabled employees in order to gradually increase the percentage of disabled employees, with the objective of reaching a target percentage of 6% as quickly as possible.

Breakdown of employees by geographic region

As of 31 December	2007	2006	2005
France	3,549	3,111	3,124
United Kingdom	664	632	657
Rest of Europe	2,731	2,707	2,568
Asia-Pacific	1,527	1,401	1,300
North America	232	200	181
Rest of World	185	89	81
Group Total	**8,888**	**8,140**	**7,911**

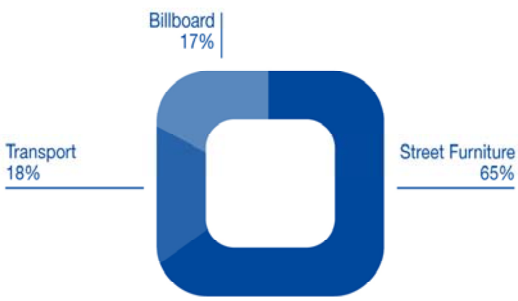
As of 31 December 2007



Breakdown of employees by segment

As of 31 December	2007	2006	2005
Street Furniture	5,732	5,163	5,000
Billboard	1,550	1,543	1,556
Transport	1,606	1,434	1,355
Total	**8,888**	**8,140**	**7,911**

As of 31 December 2007



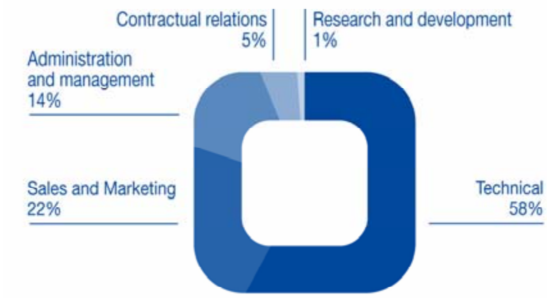
Breakdown of 2007 employees by gender

Breakdown of 2007 employees by gender (excluding field and technical staff)

Breakdown of employees by expertise

As of 31 December	2007	2006	2005
Technical	5,183	4,692	4,618
Sales and Marketing	1,918	1,701	1,625
Admin. and Management	1,243	1,198	1,146
Contractual Relations	455	455	434
Research and Development	89	94	88
Total	**8,888**	**8,140**	**7,911**
France	3,549	3,111	3,124
Outside France	5,339	5,029	4,787

As of 31 December 2007

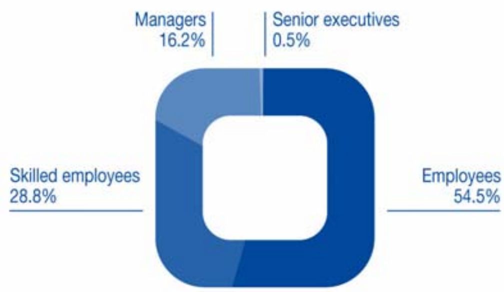


Breakdown of employees in France by category

As of 31 December	2007	2006	2005
Senior Executives (Directors)	17(1)	19(1)	20(1)
Executives	578	538	519
Skilled Employees	1,023	965	957
Employees	1,933	1,589	1,628
Group Total	**3,551**	**3,111**	**3,124**

(1) Senior executives based in France having responsibilities for French subsidiaries, or for International.

As of 31 December 2007



JCDecaux Wins the "*EDC - Éthique et Gouvernance*" ("EDC – Ethics and Governance") Prize for the Category "Major French Company"

The Ecole des Cadres executive management school awarded us for the 6th consecutive year the "*Trophée 'EDC - Éthique et Gouvernance*" ("EDC – Ethics and Governance" Prize), the purpose of which is to reward exemplary ethical initiatives by business people.

Jean-Charles Decaux collected this prize in February 2008 for the category "Major French company" ("*Grande entreprise française*").

This prize rewards JCDecaux for its values and its Charter of Ethics, its involvement with many charitable and humanitarian causes and for its actions in favour of sustainable development.

In accepting this award, Jean-Charles Decaux said: "We are very honoured to have received the Ethics and Government Prize awarded by the EDC. I wish to share this distinction with all of the teams that live these values every day, which are fundamental for us and which must be implemented with the same fervour in all countries where we do business."

JCDecaux Code of Ethics: Integrity as a Priority

Following our acquisition of Avenir and in order to instil a set of common values among employees of the two entities, in 2001 we adopted a set of rules of good business conduct in the form of a Code of Ethics applicable to all employees.

This Code of Ethics was revised in 2004 and implemented in early 2005. It is now organised around two sets of rules:

- Fundamental Ethical Rules which apply to dealings with government agencies, shareholders and financial markets. A Group Ethics Committee, consisting of the Chairman of the Audit Committee, the General Counsel and the Vice President for Internal Audit, is responsible for ensuring compliance with these rules, including an absolute prohibition of any form of corruption, active or passive, which are essential to our existence and success. One matter was brought to the attention of the Group Ethics Committee in 2006 and another was brought to its attention in 2007. These two matters were investigated internally, and the Group Ethics Committee, after reviewing the results of these investigations, decided in both cases that there was no breach of our rules relating to integrity.
- Code of Good Conduct regarding relations with suppliers and customers, as well as with fellow employees within our Company. The rules it contains must be implemented in each of our companies, in accordance with applicable local law and regulations. Compliance with them is the responsibility of the Group's general managers, both in France and elsewhere

In France, this Code has already been put into effect, following the creation of an Advertising Ethics Committee the purpose of which is to ensure the compliance of certain forms of visual advertising (such as alcohol, violence, indirect pornography, etc.) with applicable law and regulations, morality, and our Group image. In 2007, 35 matters were brought to this Committee's attention, and it denied approval to 10 Billboard campaigns.

In addition, a Code of Ethics for Suppliers was distributed in 2005 to our major suppliers in France. It is now systematically distributed to all new suppliers and sets out in particular the principles we apply in our relations with our suppliers.

2. RELATIONS WITH CUSTOMERS AND SUPPLIERS

Constant Adaptation to Customer Needs

Our success is based on the recognized quality of our products and services, as well as our ability to understand and anticipate our customers' needs, whether they involve cities, towns, transport companies or advertisers. Our keen sensitivity to quality is supported by the ISO 9001 certification of certain subsidiaries, particularly in France, Spain, Portugal and Ireland. Our constant sensitivity to advertisers through our marketing, commercial, or "concession relations" teams is supplemented by periodic customer satisfaction surveys conducted at the initiative of each subsidiary with principal advertisers and local governments.

A Central Purchasing Facility for the Group

Located at our Industrial Department in Plaisir (Yvelines, France), our purchasing division acts as a central procurement and supply facility for our Group. ISO 9001 certified for over ten years and recently ISO 14001 certified, our Industrial Department is responsible for designing street furniture, procuring parts and subassemblies and assembling them for delivery to our various subsidiaries. Our Industrial Department also supplies, on behalf of our subsidiaries, various spare parts and other items necessary for the repair and maintenance of street furniture.

In 2007, 80% of the Industrial Department's purchases were made from approximately 70 suppliers, representing 7% of the total range of suppliers. No supplier represented more than 10% of our annual production expenses. These suppliers are selected based on their ability to respond to our price, quality, environmental, and ethical requirements. We periodically audit our principal suppliers, enabling us to monitor their performance quality, encourage progress and development, and ensure that steps are taken and in place to comply with our Ethics Charter. These audits also enable us to forge real partnerships with our suppliers.

These principles for selecting, working with and auditing suppliers are also applied by all of our subsidiaries, which ensure, prior to choosing a supplier, that it adheres to our principles of ethics and to applicable law and regulations, especially in the areas of working conditions and environmental protection.

3. RELATIONS WITH THE COMMUNITY

JCDecaux, a supporter of major causes

Since our formation, we have been actively involved in many humanitarian and charitable activities to support major causes such as the fight against disease, protection of the environment, protection of the disadvantaged or road safety. Every day, we work with our employees to help to contribute to the welfare of the greater community. In 2007, we put up free of charge approximately 60,000 posters on our networks in support of various causes.

Among the various organizations that seek to fight disease to which we have provided displays free of charge in 2007 are the cancer awareness campaign sponsored conducted in the United Kingdom by Macmillan and the campaign of the "*Open du Coeur*" association to help disadvantaged, sick or handicapped children. We have also participated for more than ten years in community initiatives to fight AIDS both in France and internationally.

We also actively support protection of the environment. In 2007 we supported the Nicolas Hulot Foundation. Our German subsidiary put up posters promoting forest conservation free of charge, while in the United States our subsidiary focussed particularly on campaigns to enhance public awareness of global warming, working with The National Conservancy.

Community values that involve all of our employees

In 2007, we worked for the sixth consecutive year in support of the *Association Française contre les Myopathies* (AFM) and its Telethon.

We organised our second online auction sale of 6 advertising faces on the Champs-Elysées. This sale, won by the company Numéro 118 218, made it possible to collect €10,500 for the Telethon. As part of our involvement, we also contributed 50% of the cost of printing 12,000 posters and contributed vehicles (cranes, gondolas and trucks) to support the Telethon's logistics.

4. ENVIRONMENT

As a major contributor to urban beautification, we participate actively in protecting the urban environment. We have developed a complete environmental protection programme intended to limit our environmental footprint which includes: reduction of energy, water and raw material consumption, use of renewable energy sources, recycling of tons of posters and renovation of structures. Additionally, we made our capacity for innovation available to local governments with developments such as the Cyclocity system (a self-service bicycle rental system available 24/7 that is the only one of its kind in the world, with an automated payment system) and street furniture designed for waste collection.

Our goal is to meet the highest international standards in the area of environmental protection. For example, in 2007, three new subsidiaries of our Group obtained ISO 14001 certification, which brings to five the total number of subsidiaries certified: Spain (2003), Norway (2006), France (2007), Portugal (2007) and Italy (2007), representing 42% of our revenues reported in 2007. In addition, we wish to undertake an analysis and reduction of greenhouse gasses. To ensure that we have an action plan that is both concrete and effective, at the end of 2007, we made an estimate of our emissions using the Carbon Balance Sheet ("Bilan Carbone®") developed by ADEME (*Agence de l'Environnement et de la Maitrise de l'Energie*). The results of this initial analysis, focussing on design, installation and operation of billboard and street furniture in France, will make it possible to develop an action plan in 2008 to reduce greenhouse gasses in connection with our commitments.

Goals	Objectives	Actions
Improve the quality of urban life	Improve the urban environment	Reduce our display inventory through use of scrolling panels.
		Create multifunctional structures: Bus shelters incorporating glass recycling bins, Morris Columns with telephone booths, etc.
	Develop environmentally friendly solutions for urban movement	Design the Cyclocity system (automated, self-service bicycle rental system available 24/7).
	Assist in waste collection	Create collection bins for certain types of waste, such as batteries, glass and paper.
	Raise awareness of the need for conservation	Free posting of information campaigns supporting environmental protection.
Reduce consumption of water, energy, and raw materials	Reduce water consumption	Systematic recycling of water used for cleaning automatic toilets.
		Search for alternatives for cleaning structures (such as cleaning with distilled water, recovery of rainwater).
	Reduce energy consumption	Systematic use of low-energy equipment to reduce energy consumption related to illuminating structures (energy savings of approximately 25%).
		Use of high yield fluorescent tubes for lighting certain structures (T5 type) generating energy savings of up to 40%.
		Generalize use of self-extinguishing lighting systems in common areas of our buildings.
	Use renewable energy sources	Use solar panels for lighting certain urban structures.
	Reduce fuel consumption	Implementation of a programme to reduce fuel consumption by vehicles (the "Black Gold" plan).
	Protect biodiversity	Monitor the origin of materials to ensure they do not involve the use of protected plant species.
	Reduce consumption of disposable office products	Implementation of the "Ecoreflex" program to sensitise employees to good environmental practices
Control pollution and reduce waste related to our operations	Control and reduce industrial waste	Eco-design: street furniture design which takes into account how it will be treated at the end of its useful life.
		Maximize shipping conditions of products and spare parts by use of reusable metal racks for storage and transport.
		Use of "long-lasting" fluorescent tubes to reduce the frequency of changing such tubes.
	Sort and recycle waste	Selective sorting of industrial waste and treatment by authorized processing companies, with emphasis on recycling.
		Consideration when designing structures of end-of-life constraints (eco-design).

Electricity consumption of street furniture: constant search for eco-efficiency
After systematically installing low-energy lighting sources in all of our illuminated displays, generating energy savings of approximately 25%, our research centre intensified its research into ways to reduce electricity use by our installations. In 2007, a new lighting system involving a new generation of equipment to power the scrolling of our panels was developed and incorporated into all of our structures installed under our contract with the City of Paris. These innovative systems make it possible to generate energy savings of 30 to 50% compared to structures previously installed in Paris and will be gradually extended in connection with our new Street Furniture contracts.

Solar energy: a total of more than 1,500 solar-powered bus shelters installed by JCDecaux
We also put our ability to innovate to work for the environment. We developed a bus shelter equipped not with advertising panels, but with solar panels that can remain illuminated at night without using electrical energy. The first solar shelters were installed in Plymouth, in the United Kingdom, in 2003. Since then, similar shelters have been installed in Nottingham, Leicester, Vancouver, Chicago, Los Angeles, Stavanger, and, most recently, in Strasbourg. In 2007, the number of bus shelters with solar panels installed by us amounted to nearly 1,500 (700 in the United Kingdom).

Research being conducted by our research centre should make it possible in the medium term to integrate solar technology into advertising on bus shelters and other street furniture.

Bicycles: an environmentally friendly form of urban transport
In 2007, Cyclocity, a self-service bicycle system designed and developed by us, indisputably became a true "individual collective" form of urban transport. After Vienna (Austria), Cordoba and Gijón (Spain), Lyon, and Brussels, during 2007 the system was launched in Aix-en-Provence, Paris, Seville, Besançon, Mulhouse, Marseilles, Toulouse, and Rouen, along with Luxembourg, Amiens, and Nantes. All together, nearly 28 million rentals have been recorded since the introduction of bicycle programmes in each of these cities, for 30,000 bicycles in circulation. Based on an average distance travelled of 2 km for each rental, nearly 56 million kilometres have been covered by bicycles belonging to our programmes. These trips would have generated more than 11,000 tons of CO_2 if they had been made by car (1).

(1) *ADEME estimate – the current set of vehicles encompassing those belonging to private individuals driving in urban settings generates on average 200 g of CO_2 per kilometre travelled.*

Substantial fuel savings from as a result of the "Black Gold" ("*Or Noir*") plan
In 2007, we continued to implement in ten of our subsidiaries our programme to reduce fuel consumption by our vehicles. This programme, called the "Black Gold" plan (*plan* "*Or Noir*"), consists, among other things, of changing the driving habits of our drivers by putting in place a good driving guide and theoretical and practical training courses.

Clean cars: developing new solutions
Our sustainable development strategy also involves developing and using a vehicle fleet that is responsive to the environmental concerns of today and tomorrow, especially in respect of carbon dioxide emissions. In renewing and developing our vehicle fleet, we consider vehicles that are the cleanest available. This environmental approach also involves ongoing research into ways to make travel more efficient, even including the use of environmentally-friendly logistical systems, as has been proposed for Paris in connection with the *Vélib'* contract (see below). In 2007, our vehicle fleet included 236 environmentally-friendly vehicles that were electric powered, or used alternative fuels (GNV, bio diesel, or GPL), as well as 166 bicycles with assisted pedalling used by operating technicians responsible for maintenance of the Cyclocity systems.

Ecological cleaning of street furniture using rainwater and without detergent
In 2007, we continued to install devices to recover rainwater in receptacles and collection points in France. The objective is to ensure an autonomous water supply at these sites for washing street furniture. In addition to the substantial savings in drinking water, using rainwater for cleaning purposes has many ecological advantages. Its natural cleaning properties put an end to the need to use detergents (and to their release into the sewer system) and to rinsing after washing. At the end of 2007, we had a total rainwater recovery capacity of more than 260,000 litres.

Selective sorting of waste
We pay particular attention to controlling waste generated at all stages of our operations. A selective sorting of waste is undertaken at each production and operating facility by using waste collection equipment specifically dedicated to recovering posters, fluorescent tubes, waste packaging materials, iron, aluminium, glass, gravel and other ordinary waste. All waste thus recovered is taken to licensed treatment centres for treatment. Since 2006, in connection with the new European Directive on treatment of Waste Electrical and Electronic Equipment (WEEE), we implemented means to ensure the dismantling and treatment of electrical and electronic products that contain heavy metals at the end of their useful lives.

Ecoreflex: Raising employee awareness of sound environmental practices
In 2007, we strengthened our Ecoreflex® program, which is intended to raise awareness among our employees about good environmental practices. Through an interactive website, notices and displays, we provide them with suggestions of simple, daily, meaningful gestures that they can adopt to limit consumption of paper, energy and water. At the end of 2007 an internal survey was done by the Sustainable Development Department of "home-to-office" travel and business travel of 1,100 employees at our facilities in Plaisir and Neuilly (Greater Paris Region). Following this survey, an action plan will be implemented in 2008, in order to, among other things, encourage car-pooling and use of public transport, and other environmentally friendly forms of transport.

Provisions, bonds and indemnities for environmental risks

Our facilities are not required to be bonded and are not subject to special financial undertakings for emergency measures that might be required because of pollution risks. No court judgments or orders were issued or outstanding against the Company for environmental damage in 2007.

Vélib': a completely environmentally-friendly service for Paris

To respond to increasing environmental concerns, we wished to implement an active program for the overall reduction of our environmental footprint. Vélib' in Paris emerged from extensive consideration of the problem of urban transport and the quality of city life. It also reflects the results of difficult choices in the area of environmentally friendly design and has as its objective to make Paris the first showcase for "individual collective transport".

Beyond bicycle service, we have also pursued new environmentally friendly initiatives:

- by limiting travel that pollutes
  - 80% of the travel of our service personnel is by bicycle and 20% with "clean" vehicles (GNV / electrical)
  - maintenance material and equipment are stored at each station, to facilitate on-site repairs
  - major repairs are made in a "mobile workshop" located aboard a barge that has 12 landing points
- by saving energy and water
  - our facilities are powered by green electricity sources *(1)*
  - bicycles and stations are washed only with recovered rainwater, without detergents
- by reducing solid waste
  - bicycles are durable and recyclable
- by offsetting emissions of "incompressible" greenhouse gasses. We have entered into an alliance with Climat Mundi to provide logistics for "CO_2 neutral©" services. The offset project involves a station in India that produces electricity from biomass instead of using coal, the emissions of which are harmful.

(1) green electricity: electricity produced from renewable sources (wind, solar, hydraulic, biomass).

RESEARCH AND DEVELOPMENT

Our success is due to our strong commitment to research and development since our inception, resulting in a unique capacity for innovation in the market for outdoor advertising by continually developing new furniture and advertising vehicles and by supplementing our product line with new products and services, like computerised bicycle rentals, to create the city of tomorrow.

We work with internationally known architects and designers such as Philippe Starck, Lord Norman Foster, Robert A.M. Stern, Mario Bellini, Martin Szekely, Jean-Michel Wilmotte or Patrick Jouin to create innovative, high quality street furniture. Our agreements with these architects provide for the design of street furniture, transfer of the copyright to us, and include exclusivity clauses prohibiting them from creating street furniture for third parties. This year will see the installation in Paris of Vélib® stations designed by Patrick Jouin for our bicycles (JCDecaux design).

Aesthetics and functionality are at the heart of our approach to Street Furniture. We use an integrated Research & Development and Design department with which we work on the development of our new products. We try to include a maximum of functionalities in the advertising structures we develop to minimize street clutter and increase services to the public.

We are highly committed to respecting the environment and culture of the cities where we provide services. In each country, we use local architects to design customized street furniture that fits in harmoniously with local architecture and which respects the characteristics and the culture of each city.

With Cyclocity, JCDecaux is the number one worldwide in self-service bicycles

Based on 28 patents, Cyclocity® was developed around a simple concept: blend in an urban setting the ideas of accessibility, safety, freedom, and ecology. The Paris project *(Vélib')* allowed our research centre to work with a new generation of technologically innovative bicycles (durability and safety of the bikes, and computerised rental and payment systems), making it possible to improve service for the comfort of users. With 13 million rentals recorded in Paris between 15 July and the end of 2007, Parisians showed that people were willing to vote in favour of a new form of mobility and sustainable development.

Representatives of many cities from around the world have come to Paris to see the effectiveness and interest that such a system can have for a city's image.

Cyclocity®, and in particular Vélib®, were once again widely recognised and rewarded in 2007:

- ***Grand Prix Stratégies du Design 2007***, awarded to *Vélib'*, for its style, its quality, and its innovative concepts.
- **Italian Prize for "Environment Friendly Innovation"** in the category of Mobility.
- ***Grand prix des modes doux 2007***, organised by *Ville et Transports Magazine*, the trade magazine of European Transport. Two items particularly captured the jury's attention: the surprising speed of the system's deployment in fewer than 4 months and the transformation of Paris, in record time, into a bicycle showcase for the whole world.
- **Janus 2007 for service**, a prize sponsored by the French Ministry for Industry and External Commerce ("*Ministère de l'industrie et du commerce extérieur*") awarded by a jury consisting of experts from industry, design, architecture, sustainable development, and public relations based on 5 "E" criteria: Ergonomics, Æsthetics, Economics, Ethics, and Emotion.
- ***Grand Prix du DSI 2007***, awarded to Bertrand Kientz, *Directeur des Systèmes d'information* (Director of Information Systems) of JCDecaux, in particular for computerisation of the *Vélib'* terminals providing access to the bikes on a self-service basis in Paris. The computer system was deployed on the basis of electronic innovations developed by the *Direction des Nouvelles Technologies* (New Technologies Department) directed by Jacques Le Gars.
- ***Prix de l'Observateur du design 2008***, awarded to *Vélib'*: over and above its purpose and name, the jury recognised and rewarded the total innovation of this project.

To have our emphasis on sustainable development officially recognised by outside agencies, our Manufacturing Department has begun the process of ISO 14000 certification and obtained ISO 14001 certification in February 2007. Reduction of electricity consumption by our structures, rationalisation of our recycling systems and the search for "environmentally friendly" materials are parts of our development strategy that we emphasized in responding to bid solicitations in 2007.

To maximise our product line, we have pursued an ambitious development strategy that combines diversity of designs, maximum standardisation of basic components, and rationalisation of production costs. As a major means of communication for city dwellers, Street Furniture today benefits from improvements and advances in the technology of information and communication, in the area of visual information, radio (wide use of GPRS technologies to interconnect structures without tearing up the street and Bluetooth to connect city dwellers with Street Furniture, innovations in RFID reading at bicycles terminals, etc.), or computer technologies from the Internet and mobile Internet environment, so as to provide a more and more proactive and personalised level of service to users.

With integrated Research & Development, New Technologies and Graphic Arts departments, we have all the assets and the weight needed to respond quickly to any bid tenders and to design innovative structures perfectly adapted to our customers' needs and requirements both in France and the rest of the world. Our Manufacturing Department has been ISO 9001 certified since June 2003.

Thanks to this internal development strength and an extremely effective operating organisation, we were able to meet the unusual challenge of manufacturing, assembling, and installing 768 *Vélib*® stations in Paris between 27 February and 15 July 2007 and 15,360 miniterminals. As a result, 10,000 bicycles were put into circulation and made available to Parisians on 15 July 2007, after a record installation time.

During the last four years, we have spent significant amounts on research and development (€9.9 million in 2007, €7.4 million in 2006, €7.6 million in 2005, and €7.7 million in 2004), while making every effort to maximize our product line and research efforts.

The €9.9 million we spent on research and development in 2007 was mainly spent in France (€9.4 million), in connection almost entirely with our Street Furniture segment (€9.8 million).

Our investment strategy, as well as our principal present and future investments, is described on page 58 of this Annual Report.

CyclOcity
In Europe

Country	City	Start date
Austria	Vienna	May 03
Belgium	Brussels	September 06
France	Amiens	February 08
	Aix en Provence	July 07
	Besançon	September 07
	Lyon	May 05
	Marseille	October 07
	Mulhouse	September 07
	Nantes	May 08
	Paris	July 07
	Rouen	December 07
	Toulouse	November 07
Luxembourg	Luxembourg	March 08
Spain	Cordoba	October 03
	Gijon	July 04
	Sevilla	July 07

● Bicycle stations already in operation

● Planned bicycle stations

FINANCIAL STATEMENTS

MANAGEMENT DISCUSSION AND ANALYSIS OF GROUP CONSOLIDATED FINANCIAL STATEMENTS

I. DISCUSSION OF THE FINANCIAL STATEMENTS

The following discussion of the Group's financial position and results of operations should be read in conjunction with the audited consolidated financial statements and the related notes thereto, as well as the other financial information included elsewhere in this document. As required by European Union Regulation no. 1606/2002, dated July 19, 2002, the consolidated financial statements for 2007 have been prepared in accordance with international accounting standards ("IAS/IFRS") adopted by the European Union and applicable on the balance sheet date, i.e. as of December 31, 2007, and presented with comparative financial information for 2006 prepared in accordance with the same standards.

Introduction

Group revenues mainly consist in sales of advertising space for the three following activities: street furniture advertising ("Street Furniture"), Transport advertising ("Transport") and large-format billboard advertising ("Billboard"). Non-advertising revenues relate to the sale, leasing and maintenance of street furniture, as well as the development of innovative technical solutions for street furniture advertising campaigns.

From 1964, when it was created, to 1999, the Group's expansion was mainly due to organic growth, and Street Furniture was the principal business of JCDecaux. In 1999, JCDecaux acquired Média Communication Publicité Extérieure (also known as Avenir), from the Havas group, thereby expanding the outdoor advertising business into Billboard and Transport advertising. Since 2001, the Group has continued to grow organically and externally, successfully completing acquisitions and entering into partnership agreements in several European countries and, in 2005, China.

Summary of operations for the 2006-2007 period

Group revenues rose by 8.2% in 2007. Excluding the acquisitions and foreign exchange impact, revenues increased by 8.8%. The Group's operating margin increased by 4.0% in 2007, representing 26.4% of revenues compared to 27.4% in 2006. EBIT rose by 6.8% in 2007, representing 16.6% of revenues in 2007, compared to 16.8% in 2006.

Street Furniture revenues rose by 6.0% in 2007. Excluding the acquisitions and foreign exchange impact, revenues increased by 5.5%. The Street Furniture operating margin represented 39.0% of the activity's revenues in 2007, compared to 41.4% in 2006. EBIT represented 24.2% of the activity's revenues in 2007, compared to 25.7% in 2006.

Transport revenues rose by 13.1% in 2007. Excluding the acquisitions and foreign exchange impact, revenues increased by 16.7%. The Transport operating margin reached 10.9% of the activity's revenues in 2007, compared to 10.4% in 2006. EBIT represented 7.5% of the activity's revenues in 2007, compared to 6.6% in 2006.

Billboard revenues rose by 7.7% in 2007. Excluding the acquisitions and foreign exchange impact, revenues increased by 7.3%. The Billboard operating margin reached 17.6% of the activity's revenues in 2007, compared to 16.0% in 2006. EBIT represented 11.3% of the activity's revenues in 2007, compared to 9.2% in 2006.

The following table summarizes revenues, operating margin, EBIT, and operating margin and EBIT as a percentage of revenues for each of the Group's three business segments for 2006 and 2007.

Fiscal Year ended December 31

In million of euros, except for percentages	**2007**	**2006**
STREET FURNITURE		
Revenues		
- Advertising	945.2	883.8
- - Sale, rental, and maintenance	97.6	100.3
Total revenues	**1,042.8**	**984.1**
Operating margin	**406.7**	**407.8**
Operating margin / revenues	*39.0 %*	*41.4 %*
EBIT	**252.0**	**252.9**
EBIT/ revenues	*24.2 %*	*25.7 %*
TRANSPORT		
Revenues	**574.1**	**507.7**
Operating margin	**62.3**	**52.9**
Operating margin / revenues	*10.9 %*	*10.4 %*
EBIT	**42.8**	**33.3**
EBIT/ revenues	*7.5 %*	*6.6 %*
BILLBOARD		
Revenues	**489.7**	**454.6**
Operating margin	**86.2**	**72.9**
Operating margin / revenues	*17.6 %*	*16.0 %*
EBIT	**55.4**	**41.7**
EBIT/ revenues	*11.3 %*	*9.2 %*
TOTAL		
Revenues	**2,106.6**	**1,946.4**
Operating margin	**555.2**	**533.6**
Operating margin / revenues	***26.4 %***	***27.4 %***
EBIT	**350.2**	**327.9**
EBIT/ revenues	***16.6 %***	***16.8 %***

Where Group companies are active in several business segments, they are grouped according to their dominant segment. Where minority operations are significant, the revenues, operating margin and EBIT of the companies involved are allocated to the various activities carried out. Changes in the portfolio of activities may result in an adjustment to the income allocations for the three business segments.

1. REVENUES

1.1. Definitions

The amount of advertising revenues generated by the Group advertising networks depends on two principal factors:

Networks

The Group sells networks that include advertising faces located on street furniture and other outlets and charges advertisers according to the size and quality of these advertising networks. Although an increase in the number of faces resulting from the installation of new advertising displays as part of new concessions or the installation of scrolling panels, or, conversely, a reduction in the number of faces due to the loss of one or more concessions have an impact on the pricing of the networks, there is no direct correlation between the change in the number of advertising faces in a network and revenue growth, because of the specific characteristics of each network.

Prices
The Group endeavors to charge prices that reflect the superior quality of its advertising displays, which are generally located at the best locations in city centers and come in network packages that enable advertisers to maximize the launch of their advertising campaigns. The pricing policy thus depends on the quality of displays, their location, the size of the network, and the general state of the advertising sector and the economy.

1.1.1. Organic and reported growth

Group organic growth reflects growth in revenues excluding acquisitions, investments, asset disposals, at a constant foreign exchange rate but including revenues from new concessions. Reported growth reflects organic growth increased by revenues generated by acquired companies and by companies recently included within the scope of consolidation (in connection with partnership arrangements) and decreased by the negative impact of asset disposals on revenues and the positive or negative impact of foreign exchange rates.

1.1.2. Advertising revenues

Revenues resulting from the sale of advertising space are recorded on a net basis after deduction of commercial rebates. For the Billboard segment and in some countries, commissions are paid by the Group to advertising agencies and buying groups when they act as intermediaries between the Group and advertisers. These commissions are then deducted from revenues. In agreements where the Group pays variable royalties or pays back a part of its advertising revenues, the Group classifies gross advertising revenue as revenues and books royalties and the portion of revenues repaid as operating charges, insofar as the Group is not dealing as an agent but bears the risks and rewards incidental to the activity. Discount charges are deducted from revenues.

1.1.3. Non-advertising revenues

In addition to the sale of advertising space on street furniture, the Group also generates revenues from the sale, rental, and maintenance of street furniture, principally in France and the United Kingdom. Revenues from these activities are recorded in Street Furniture. In addition, the Group markets innovative technical solutions for Street Furniture advertising campaigns, under the "JCDecaux Innovate" concept.

1.2. Revenue growth

In 2007, Group revenues totaled €2,106.6 million in 2007, compared to €1,946.4 million in 2006. Acquisitions, partnerships and asset swaps contributed €15.1 million to revenues during the year. Exchange rate fluctuations between 2006 and 2007 generated a negative impact of €27.0 million on revenues. Excluding the acquisitions and foreign exchange impact, organic revenue growth reached 8.8% in 2007. This performance reflects the steadiness of the Street Furniture and Billboard segments, which posted organic growth of 5.5% and 7.3%, respectively, while Transport recorded double-digit organic growth of 16.7%.

1.2.1. Revenues by segment

Street furniture
Street furniture revenues totaled €1,042.8 million in 2007, compared to €984.1 million in 2006, up by 6.0%.

Acquisitions contributed €9.8 million to the growth of Street Furniture revenues. They mainly concern the acquisition of Wall Nederland and investments in Wall USA and RTS Kazakhstan.

Foreign exchange fluctuations between 2006 and 2007 generated an annual negative effect of €5.2 million on Street Furniture revenues, essentially related to the US dollar.

- ***Advertising revenues***

Advertising revenues rose by 6.9% in 2007.

Excluding the acquisitions and foreign exchange impact, organic growth of Street Furniture advertising revenues was 6.5% in 2007. Scandinavia posted double-digit growth. Solid growth was also recorded in Spain, the Netherlands, Austria, the United Kingdom, and Italy. Double-digit revenue growth continued in the Rest of the World and Asia-Pacific, where Japan, Singapore, Korea, and Australia stood out in particular.

- ***Non-advertising revenues***

Non-advertising revenues amounted to €97.6 million in 2007, compared to €100.3 million in 2006, for a decrease of 2.7%. This decline stems from equipment sales, street furniture leasing and maintenance services and is partly offset by an increase in services, benefiting from an increase in billing for innovative technical solutions associated with street furniture advertising campaigns. Non-advertising revenues, which largely comprise one-off sales of equipment or services, are by nature more volatile than advertising revenues.

Transport
Transport revenues totaled €574.1 million in 2007, compared to €507.7 million in 2006, rising by 13.1%.

Acquisitions contributed €3.6 million to Transport revenue growth. They primarily concern companies that sell advertising space for the Beijing and Shanghai subway systems.

Foreign exchange fluctuations had a €22.1 million negative impact on this activity's revenues in 2007, stemming from operations in the United States, Hong Kong and China.

Excluding the acquisitions and foreign exchange impact, Transport revenues recorded growth of 16.7% in 2007. France, the United Kingdom, Scandinavia, Spain, Portugal, the United States, China and Hong Kong posted double-digit growth over the period. There was also significant growth in Italy and Central Europe.

Billboard
Billboard revenues totaled €489.7 million in 2007, compared to €454.6 million in 2006, an increase of 7.7%. Foreign exchange fluctuations had a positive impact of €0.3 million.

Changes in scope (deconsolidation of Cestrian in the United Kingdom at the end of 2006, acquisition of Metropolis in 2006, and an asset swap with Affichage Holding in 2007 in Central Europe) generated a positive impact of €1.7 million.

Excluding the acquisitions and foreign exchange impact, revenues rose 7.3% in 2007. The United Kingdom and Spain recorded double-digit growth. Solid growth was also recorded in Ireland and Austria.

1.2.2. Revenues by region

Year ended December 31	**2007**		**2006**	
In million euros except for percentages	**Revenues**	**% of total**	**Revenues**	**% of total**
France	589.1	28.0	580.4	29.8
United Kingdom	301.4	14.3	265.3	13.6
Rest of Europe	759.0	36.0	692.7	35.6
Asia-Pacific	285.5	13.5	251.9	13.0
North America	153.4	7.3	140.7	7.2
Rest of the World (1)	18.2	0.9	15.4	0.8
Total	**2,106.6**	**100.0**	**1,946.4**	**100.0**

(1) In 2006, Rest of the World included Brazil, Argentina, Chile and Uruguay; in 2007, it also included Uzbekistan and Kazakhstan.

- Revenues in France totaled €589.1 million in 2007, an increase of 1.5% compared to 2006, primarily driven by strong growth in the Transport segment.
- United Kingdom revenues represented €301.4 million, up 13.6% in relation to 2006.

  Excluding the acquisitions and foreign exchange impact, United Kingdom revenues increased 15.4% thanks primarily to the Billboard activity.
- Rest of Europe revenues amounted to €759.0 million, up 9.6% in relation to 2006.

  Excluding the acquisitions and foreign exchange impact, Rest of Europe revenues recorded growth of 8.1% driven by double-digit growth in Scandinavia and Spain. The solid performance in the Netherlands, Ireland, Central Europe and Portugal also contributed to the performance of this region.
- Asia-Pacific revenues represented €285.5 million, up 13.3% compared to 2006.

  Excluding the acquisitions and foreign exchange impact, Asia-Pacific revenue growth stood at 17.6% compared to 2006, stimulated by growth in all the region's countries.
- North America revenues amounted to €153.4 million, up by 9.0% compared to 2006.

  Excluding the foreign exchange impact, North America revenues grew by 14.5%, benefiting from the outstanding performances of the US airports.
- Rest of the World revenues stood at €18.2 million, an 18.2% increase compared to 2006.

  Excluding the foreign exchange impact, Rest of the World revenues rose 10.6%, primarily because of significant revenue growth in Brazil.
- Regarding the relative weight of each geographic region within the Group, the momentum of the United Kingdom and Asia-Pacific regions in 2007 boosted their contributions to Group consolidated revenues. The United Kingdom contribution rose from 13.6% in 2006 to 14.3% in 2007, while that of the Asia-Pacific region rose from 13.0% in 2006 to 13.5% in 2007. Conversely, the relative weight of France diminished.

1.3. Impact of acquisitions on Group revenues

The impact of acquisitions and partnership arrangements on Group consolidated revenues represented €15.1 million in 2007, including €9.8 million for Street Furniture, €3.6 million for Transport and €1.7 million for Billboard.

This impact resulted mainly from the following transactions:

- acquisition of Metropolis in 2006, a company active in Croatia, Serbia, Montenegro and Slovenia;
- deconsolidation of Cestrian Imaging in the United Kingdom as of October 1, 2006;
- increase in the Group stake in Beijing Metro during the second half of 2006 and decrease in the Shanghai Metro stake during the first half of 2007;
- acquisition of Jinan Bus in China in early 2007;
- 50% proportionate consolidation of Wall USA in early January 2007 and 60% increase in the JCDecaux interest in Wall USA at the end of April 2007;
- acquisition of Wall Nederland at the end of April 2007;
- acquisition of VVR-Berek, involved in Street Furniture and Transport activities in Germany, at the end of September 2006 and resale at the end of April 2007;
- sale of RGS and Georg Zacharias in Germany at the end of April 2007;
- purchase of a 50% interest in RTS Kazakhstan at the end of May 2007;
- asset swap with Affichage Holding as of July 1, 2007 (sale of Group activities in Bosnia-Herzegovina, Serbia, Montenegro and Hungary, acquisition of Affichage Holding interests in Croatia and Slovenia).

2. OPERATING MARGIN

2.1. Definitions

The Group measures its performance using a certain number of indicators. With respect to the monitoring of operations, the Group uses two indicators:

- Operating margin,
- EBIT.

Using this structure, the Group is able to direct the two components of its financial model, namely the advertising space and asset management activities.

The operating margin is defined as revenue less direct operating and SG&A expenses, excluding consumption of spare parts used for maintenance, inventory write-downs, depreciation, amortization and provisions (net), goodwill impairment losses and other operating income and expenses. It includes charges to provisions net of reversals relating to trade receivables. The operating margin is impacted by cash discounts granted to customers deducted from revenue and cash discounts received from suppliers deducted from direct operating expenses, as well as stock option expenses recognized in "Selling, general and administrative expenses".

Approximately 80% of operating expenses are fixed and do not vary directly based on revenues. When the Group expands its network, the level of fixed operating expenses – such as fixed fees paid to concession grantors, rent, and maintenance expenses – increases, but not in direct proportion to the increase in advertising revenues. The principal costs that vary as a function of advertising revenues are variable rent and fees paid in connection with advertising contracts and the subcontracting of certain operations relating to the posting of advertising panels. The proportion of variable operating expenses is structurally weaker in the Billboard and Street Furniture activities than in Transport.

Since operating expenses are mostly fixed, the level of revenues is the principal factor that determines the analysis of the operating margin as a percentage of revenues. As a result, the Group is able to exercise a significant influence over the operating margin as a percentage of revenues by optimizing its pricing (yield management) and introducing innovative marketing techniques. On the other hand, a decline or stagnation in revenues has the effect of reducing the operating margin as a percentage of revenues.

The Group tries to control costs as much as possible by taking advantage of synergies among its various businesses, and maximizing the productivity of its technical teams and its purchasing and operating methods. The 9.2% increase in the Group's headcount, which grew from 8,140 in 2006 to 8,888 in 2007, is essentially related to the growth of bicycle activities in France and Spain, and the expansion in China.

2.2. Changes in the operating margin

The Group operating margin stood at €555.2 million in 2007, representing 26.4% of revenues compared to 27.4% in 2006. This translates into a 4.0% increase compared to the 2006 operating margin, which amounted to €533.6 million.

Street furniture
The Street Furniture operating margin was €406.7 million in 2007, compared to €407.8 million in 2006. The operating margin represented 39.0% of the segment's revenues in 2007, compared to 41.4% in 2006.

The operating margin as a percentage of revenues remains high when compared to the Group's other activities. This is primarily due to the fact that a significant portion of the costs generated by Street Furniture operations consists of the depreciation of capital expenditures for property, plant and equipment. Including charges to depreciation, amortizations and provisions, EBIT from Street Furniture operations amounted to 24.2% of revenues in 2007, compared to 25.7% in 2006.

The decline in the Street Furniture operating margin in 2007 is attributable to the renewals of street furniture contracts, including MUPI® and Senior® in Paris, and the self-service bicycle programs in France and Spain, as well as developments in new regions.

Transport
The Transport operating margin stood at €62.3 million in 2007, compared to €52.9 million in 2006, an increase of 17.8%. The operating margin represented 10.9% of the segment's revenues in 2007, compared to 10.4% in 2006.

The Transport operating margin benefited from strong organic growth. The most favorable trends concern China and Southern Europe.

Billboard
The Billboard operating margin, which amounted to €86.2 million in 2007, compared to €72.9 million in 2006, rose by 18.2% in 2007. The operating margin represented 17.6% of Billboard revenues, compared to 16.0% in 2006.

The Billboard operating margin benefited from organic growth and the control of operating costs. The most favorable trends concern the United Kingdom and Eastern Europe.

3. EBIT

3.1. Definitions

EBIT is determined based on the operating margin less consumption of spare parts used for maintenance, net charges to depreciation, amortization and provisions, goodwill impairment losses, and other operating income and expenses. Inventory write-downs are recognized in the line item "Maintenance spare parts". Other operating income and expenses include gains and losses on disposal of property, plant and equipment, intangible assets and the shares of fully and proportionately consolidated companies, as well as non-recurring items. The net charges related to impairment tests performed on property, plant and equipment and intangible assets are recognized in the line item, "Depreciation, amortization, and provisions (net)".

Street furniture is depreciated over the average life of the contracts (between 9 and 20 years).

Billboards are depreciated according to the methods prevailing in the relevant countries, in accordance with local regulations and economic conditions. The main method of depreciation is straight-line, with a term of between 2 and 10 years.

3.2. Changes in EBIT

In 2007, EBIT stood at €350.2 million, compared to €327.9 million in 2006, an increase of 6.8%. EBIT represented 16.6% of revenues in 2007, compared to 16.8% in 2006. The €22.3 million increase over 2006 is due to a €21.6 million improvement in the operating margin and a €0.7 million decrease in other charges, i.e. depreciation, amortization and provisions, goodwill impairment losses, spare parts for maintenance and other operating income and expenses.

Depreciation, amortization and goodwill impairment losses amounted to €187.0 million, up by €6.6 million compared to 2006. The increase primarily stems from the increase in street furniture investments, particularly for the renewal of contracts in France.

Provision charges amounted to €9.7 million, compared to 13.9 million in 2006, while reversals amounted to €20.4 million as in 2006.

The "Maintenance spare parts" line item stood at €34.2 million in 2007, compared to €28.9 million in 2006, for an increase of €5.3 million, in part related to France.

The "Other operating income and expenses" line item represents income of €5.5 million in 2007, of which €10.5 million in capital gains on disposals of shares as part of the asset swap with Affichage Holding, compared to a €2.9 million charge in 2006.

Street furniture
EBIT for Street Furniture declined by 0.4% in 2007, amounting to €252.0 million, compared to €252.9 million in 2006. The item represented 24.2% of revenues, compared to 25.7% in 2006.

Depreciation, amortization and goodwill impairment losses represented €137.1 million in 2007, compared to €131.9 million in 2006.

Provision charges amounted to €4.8 million, compared to €7.9 million in 2006, with a reversal of €15.2 million compared to €12.8 million in 2006.

The "Maintenance spare parts" line item comprises a charge of €31.4 million in 2007, an increase over the €25.5 million charge recorded in 2006.

The "Other operating income and expenses" line item represents income of €3.4 million in 2007, compared to a €2.3 million charge in 2006.

Transport
Transport generated EBIT of €42.8 million in 2007, compared to €33.3 million in 2006. Transport EBIT represented 7.5% of the activity's revenues, compared to 6.6% in 2006.

The higher EBIT for this segment is attributable to a €9.4 million increase in the operating margin and a €0.1 million decrease in depreciation, amortization and provision charges, spare parts and other income and expenses.

Depreciation, amortization and provision charges for the Transport activity are substantially lower than those of the Street Furniture and Billboard activities. These charges represented €17.8 million in 2007, or 3.1% of revenues, compared to €19.1 million, or 3.8% of revenues in 2006. The low level of depreciation, amortization and provision charges compared to the two other segments reflects the fact that, overall, the Group invests little in transport contracts, whose terms are shorter than street furniture contracts (from 5 to 10 years), but whose fees are higher.

Billboard
Billboard EBIT amounted to €55.4 million in 2007, compared to €41.7 million in 2006, an increase of 32.9%. The item represented 11.3% of the segment's revenues in 2007, compared to 9.2% in 2006.

In 2007, Billboard EBIT benefited from a €13.3 million increase in the operating margin and a €0.4 million decrease in depreciation, amortization and provision charges, spare parts and other operating income and expenses.

The latter items represented €30.8 million in 2007, for a decrease of €0.4 million compared to 2006.

4. NET FINANCIAL INCOME

In 2007, net financial income amounted to €(51.3) million, which compares unfavorably by €6.2 million with 2006. This result mainly comprises interest on debt net of cash for €(36.7) million and discounting charges in the amount of €(12.5) million.

5. INCOME TAXES

In 2007, income taxes totaled €92.5 million, compared to €91.4 million in 2006.

The effective tax rate, excluding goodwill impairment losses and the Group's share of net profit of associates, stood at 30.9% compared to 31.9% in 2006.

The 2007 effective tax rate benefited from national rate reductions in several countries, namely Germany and England.

6. NET INCOME

Net income (Group share) amounted to €221.0 million in 2007, compared to 201.1 million in 2006. The 2007 increase is attributable to growth in EBIT, a lower effective tax rate and the increase in the share of net profit of associates.

The increase in the share of net profit of associates is mainly due to BigBoard, consolidated during 2006 and over the full year in 2007.

7. CASH FLOW

As of December 31, 2007, Group net debt (excluding commitments to purchase minority interests, as defined and described in Note 3.17 to the Consolidated Financial Statements) stood at €719.9 million, compared to €695.0 million as of December 31, 2006, for an increase of €24.9 million.

7.1. Net cash provided by operating activities

Net cash provided by operating activities represented €507.0 million, compared to €472.5 million in 2006. The €34.5 million increase is primarily related to an increase of €21.6 million in the operating margin and a €14.4 million improvement regarding the change in the working capital requirement. The item was primarily driven by the €555.2 million operating margin less maintenance spare parts for €34.2 million and the change in the working capital requirement for €(20.9) million. Of note:

- a €65.0 million increase in trade and other receivables mainly related to higher revenues and fee advances on the awarding of major contracts;
- a €40.1 million increase in inventories, primarily related to an increase in central inventories in France due to plans for the renewal of street furniture contracts;
- these two increases were offset by a €84.2 million increase in trade and other payables, mainly involving France, China, the United Kingdom, and the United States.

Net financial interest paid in 2007 represented €37.0 million, compared to €27.5 million in 2006 due to the debt increase over the period and higher interest rates.

Income taxes paid in 2007 totaled €97.0 million, compared to €89.5 million in 2006, for an increase of €7.5 million, of which €6.2 million in France.

Net cash from operating activities amounted to €373.0 million, compared to €355.5 million in 2006.

7.2. Net cash used in investing activities

In 2007, net cash used in investing activities consisted of €306.1 million worth of net capital expenditures for property, plant and equipment and intangible assets, €36.7 million to acquire long-term investments, €3.9 million to acquire other financial assets, €4.0 million from disposals of long-term investments, €1.9 million regarding the change in receivables from disposals of financial assets and €21.6 million from disposals of financial assets.

Acquisitions of property, plant and equipment and intangible assets amounted to €321.6 million, while disposals totaled €15.5 million, generating a net flow of €306.1 million. Group acquisitions of property, plant and equipment include €239.8 million for new street furniture and billboards and €19.8 million for general investments, consisting mainly of tooling, vehicles, computer equipment and software, real estate, and improvements. Group acquisitions of intangible assets include €55.6 million in new advertising rights and capitalized development costs, as well as €6.4 million in general investments, essentially comprising software.

In 2006, the Group recorded €155.4 million for acquisitions of new street furniture and billboards and €23.6 million for general investments.

Street Furniture accounted for 83% of the Group's acquisitions of property, plant and equipment, amounting to €214.6 million in 2007. Acquisitions of intangible assets, primarily comprising capitalized development costs, amounted to €14.5 million in 2007. Total investments for the Street Furniture activity were therefore up sharply compared to the €138.0 million recorded in 2006. The high level is primarily related to the implementation of contracts signed by the Group. Of note are the contracts for Paris (Mupi® and Senior®, coupled with the self-service bicycle programs), Strasbourg, Nice, and Lyon in France, Chicago and Los Angeles in the United States, Milan in Italy, Seville in Spain, Yokohama, Nagoya and Kobe in Japan, New Delhi in India and Tashkent in Uzbekistan.

Transport acquisitions of property, plant and equipment totaled €16.4 million in 2007, while acquisitions of intangible assets amounted to €44.6 million. The particularly high level is due to the payment of the first of two tranches for advertising rights as part of the renewal of the Shanghai metro contract. Total investments for the Transport activity amounted to €13.1 million in 2006.

In 2007, capital expenditures for property, plant and equipment and intangible assets for the Billboard activity amounted to €31.5 million, compared to €27.9 million in 2006

Acquisitions of long-term investments, amounting to €36.7 million in 2007, correspond to acquisitions for €9.8 million, primarily comprising RTS Decaux JSC (Kazakhstan) and Excel Outdoor Media Ltd (United Kingdom), and purchases of minority interests for €26.9 million, of which €24.2 million relating to the acquisition of the additional 5% interest in Wall AG. Acquisitions of other financial assets totaled €3.9 million.

Disposals of long-term investments represented €4.0 million, including €11.0 million relating to the sale of Wall GUS to BigBoard. The €1.9 million change in receivables from disposals of financial assets corresponds to a Group liability vis-à-vis BigBoard, due to a price adjustment as part of the Wall GUS sale.

Disposals of other financial assets represented €21.6 million, of which €12.9 million for repayment of the loan granted by JCDecaux SA to Wall AG as part of the asset swap.

7.3. Cash flows from financing activities

The Group increased its net indebtedness by €24.9 million in 2007. The increase breaks down as a €40.5 million rise in gross debt, a €6.8 million increase in net derivative financial liabilities and a €12.0 million decrease in loans to proportionately consolidated companies. These changes were offset by €34.4 million in cash and cash equivalents net of bank overdrafts.

Foreign exchange fluctuations, the net impact of IAS 39 on indebtedness and financial derivatives, changes in the scope of consolidation and various reclassifications contributed €(3.5) million to the increase in gross financial indebtedness, net of hedging financial derivatives.

7.3.1. Net cash provided by financing activities

In 2007, net cash flow from repayments and borrowings amounted to €50.8 million within the Group.

Debt repayments and borrowings involved the following countries:

	Debt repayments
Germany	2.3
Austria	13.6
Belgium	0.7
Korea	0.6
Denmark	3.8
United States	1.6
France (JCDecaux SA)	25.2
United Kingdom	1.8
The Netherlands	2.8
Thailand	2.5
Other	1.5
TOTAL	**56.4**
Subsidiaries excluding JCDSA	**31.2**

	New borrowings
Germany	0.9
China	29.6
Croatia	7.2
France	41.9
India	3.4
Japan	1.7
Serbia	5.0
Thailand	14.4
Other	3.1
TOTAL	**107.2**
Subsidiaries excluding JCDSA	**107.2**
Borrowings net of repayments	**50.8**
Subsidiaries excluding JCDSA	**75.8**

7.3.2. Shareholders' equity and dividends

In 2007, JCDecaux SA paid dividends in the amount of €93.1 million.

Certain JCDecaux SA subsidiaries, in which there are minority stakes, made dividend payments amounting to €5.2 million. In addition, the Group received dividends from non-consolidated companies in the amount of €0.6 million, and dividends from associates for €9.5 million.

The €21.4 million increase in shareholders' equity is primarily related to issues of new shares by JCDecaux SA as a result of the exercise of stock options.

8. FINANCIAL MANAGEMENT

The type of financial risks arising from the activity conducted by the Group and its risk management policy, as well as an analysis of the management of such risks in 2007, are described in the Notes to the Consolidated Financial Statements (pages 99 to 101 of this document).

9. COMMITMENTS OTHER THAN THOSE RELATING TO FINANCIAL MANAGEMENT

The Group's material off-balance sheet commitments as of December 31, 2007 are listed and analyzed in Note 7 of the Notes to the Consolidated Financial Statements.

II. RECENT DEVELOPMENTS AND OUTLOOK

Despite a slowdown in France and the United Kingdom at the beginning of the year, the Group's objective is to reach organic revenue growth of approximately 6% in 2008, driven by a double-digit rise in Transport, China and the remaining emerging countries, along with solid growth in the United States and the region Rest of Europe. Organic growth will continue to be the focal point of the Group's strategy. Numerous opportunities should come to fruition in 2008, particularly in Asia, the Middle-East and Africa. Since December 31, 2007, the Group's business and financial position has not experienced any material change requiring discussion in this document.

III. INVESTMENT POLICY

1. MAIN INVESTMENTS COMPETED

Most of the Group's capital expenditures relate to the construction and installation of street furniture and advertising panels in connection with new contracts, as well as recurring investments necessary for ongoing business operations (vehicles, computers, tooling and buildings).

In 2007, the Group spent €295.4 million in growth investments relating to advertising contracts for telephone booths in Australia, in the cities of Seville in Spain, New Delhi in India, Yokohama, Nagoya, and Kobe in Japan, and Tashkent in Uzbekistan, for airports in Los Angeles in the United States, Bangkok in Thailand, and Shanghai in China, as well as the renewal of contracts in France (Mupi® and Senior® in Paris, Strasbourg, Lyon, Nice, Aix-en-Provence, Nancy, Le Mans and Cannes), in Italy (Milan) and in China (Shanghai subway). The Group also spent €26.2 million on general investments (building improvements, tooling, vehicles and computer systems).
In 2006, investments amounted to €155.4 million for advertising contracts and €23.6 million for general investments.

2. MAIN FUTURE INVESTMENTS

Investments in 2008 will be primarily devoted to further development of street furniture installation programs in connection with new or renewed agreements: Los Angeles airport, cities of Los Angeles and Chicago in the United States, Paris, Marseilles, Toulouse, Lyon, Nantes, Rouen and Amiens in France, Dublin in Ireland, Tallinn in Estonia, Vilnius in Lithuania, Barcelona and Seville in Spain, Nagoya, Hiroshima, Fukuoka and Kobe in Japan and various projects in China.

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

BALANCE SHEET

Assets

In million euros		12/31/2007	12/31/2006
Goodwill	§ 3.4	1 231,1	1 287,3
Other intangible assets	§ 3.4	288,1	190,6
Property, plant and equipment	§ 3.5	1 027,7	941,7
Investments in associates	§ 3.6	327,4	299,6
Financial investments	§ 3.7	19,8	8,3
Financial derivatives	§ 3.19	2,5	2,5
Other financial investments	§ 3.8	33,8	34,8
Deferred tax assets	§ 3.14	4,6	7,2
Current tax assets	§ 3.13	1,3	0,9
Other receivables	§ 3.9	66,7	64,1
NON-CURRENT ASSETS		**3 003,0**	**2 837,0**
Other financial investments	§ 3.8	14,2	4,0
Inventories	§ 3.10	127,5	87,7
Financial derivatives	§ 3.19	2,2	4,3
Trade and other receivables	§ 3.11	658,4	601,6
Current tax assets	§ 3.13	9,4	8,3
Cash and cash equivalents	§ 3.12	161,5	119,8
CURRENT ASSETS		**973,2**	**825,7**
TOTAL ASSETS		**3 976,2**	**3 662,7**

Liabilities and Equity

In million euros		12/31/2007	12/31/2006
Share capital		3,4	3,4
Additional paid-in capital		985,6	961,9
Consolidated reserves		852,3	744,4
Net income for the period (Group share)		221,0	201,1
Translation adjustments		(28,9)	1,8
Minority interests		(40,8)	(46,8)
TOTAL EQUITY	**§ 3.15**	**1 992,6**	**1 865,8**
Provisions	§ 3.16	166,2	167,6
Deferred tax liabilities	§ 3.14	116,2	105,6
Financial debt	§ 3.17	748,7	746,0
Debt on commitments to purchase minority interests	§ 3.18	85,0	80,5
Other payables		7,7	8,7
Current tax payable	§ 3.13	0,8	0,0
Financial derivatives	§ 3.19	39,3	34,6
NON-CURRENT LIABILITIES		**1 163,9**	**1 143,0**
Provisions	§ 3.16	17,9	16,1
Financial debt	§ 3.17	75,5	37,7
Debt on commitments to purchase minority interests	§ 3.18	6,0	0,0
Financial derivatives	§ 3.19	0,0	0,0
Trade and other payables	§ 3.20	662,0	546,1
Current tax payable	§ 3.13	26,8	29,8
Bank overdrafts	§ 3.17	31,5	24,2
CURRENT LIABILITIES		**819,7**	**653,9**
TOTAL LIABILITIES AND EQUITY		**3 976,2**	**3 662,7**

INCOME STATEMENT

In million euros		2007	2006 Restated [1]
NET REVENUES		**2 106,6**	**1 946,4**
Direct operating expenses	§ 4.1	(1 200,6)	(1 085,4)
Selling, general and administrative expenses	§ 4.1	(350,8)	(327,4)
OPERATING MARGIN		**555,2**	**533,6**
Depreciation, amortization and provisions (net)	§ 4.1	(176,3)	(169,9)
Impairment of goodwill	§ 4.1	0,0	(4,0)
Maintenance spare parts	§ 4.1	(34,2)	(28,9)
Other operating income and expenses	§ 4.1	5,5	(2,9)
EBIT		**350,2**	**327,9**
Financial income	§ 4.2	10,8	11,0
Financial expenses	§ 4.2	(62,1)	(56,1)
NET FINANCIAL INCOME (LOSS)		**(51,3)**	**(45,1)**
Income tax	§ 4.3	(92,5)	(91,4)
Share of net profit of associates	§ 4.3	18,6	12,6
NET INCOME BEFORE GAIN OR LOSS ON DISCONTINUED OPERATIONS		**225,0**	**204,0**
Gain or loss on discontinued operations			
CONSOLIDATED NET INCOME		**225,0**	**204,0**
Minority interests		4,0	2,9
NET INCOME (GROUP SHARE)		**221,0**	**201,1**
Earnings per share (in euros)		0,994	0,908
Diluted Earnings per share (in euros)		0,991	0,905
Weighted average number of shares	§ 4.4	222 388 524	221 427 121
Weighted average number of shares (diluted)	§ 4.4	223 111 849	222 272 053

(1) See Note 2 Reconciliation of the restated 2006 financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Group									
	Share Capital	Additional paid-in capital	Trea-sury shares	Retained earnings	Other reserves			Total	Minority interests	Total
In million euros					Financial deriva-tive instru-ments	Available-for-sale securi-ties	Trans-lation reserve adjust-ment			
Equity as of December 31, 2005	**3,4**	**945,6**	**0,0**	**830,8**	**(0,2)**	**(0,2)**	**7,5**	**1 786,9**	**(33,0)**	**1 753,9**
Available-for-sale assets						2,0		2,0	0,7	2,7
Deferred tax on available-for-sale assets						(0,3)		(0,3)	(0,2)	(0,5)
Change in translation adjustment							(5,7)	(5,7)	(0,4)	(6,1)
Other				0,3				0,3		0,3
Net income recognized directly in equity	0,0	0,0	0,0	0,3	0,0	1,7	(5,7)	(3,7)	0,1	(3,6)
Net income for the period				201,1				201,1	2,9	204,0
Total income and expenses recognized for the period	**0,0**	**0,0**	**0,0**	**201,4**	**0,0**	**1,7**	**(5,7)**	**197,4**	**3,0**	**200,4**
Capital increase (1)		14,0						14,0	(0,4)	13,6
Distribution of dividends				(88,3)				(88,3)	(5,0)	(93,3)
Share-based payments		2,3						2,3		2,3
Debt on commitments to purchase minority interests								0,0	(9,0)	(9,0)
Change in consolidation scope								0,0	(2,3)	(2,3)
Other				0,3				0,3	(0,1)	0,2
Equity as of December 31, 2006	**3,4**	**961,9**	**0,0**	**944,2**	**(0,2)**	**1,5**	**1,8**	**1 912,6**	**(46,8)**	**1 865,8**
Available-for-sale assets						(0,8)		(0,8)	(0,1)	(0,9)
Deferred tax on available-for-sale assets						0,3		0,3	0,2	0,5
Change in translation adjustment							(30,7)	(30,7)	(0,5)	(31,2)
Other				0,2				0,2		0,2
Net income recognized directly in equity	0,0	0,0	0,0	0,2	0,0	(0,5)	(30,7)	(31,0)	(0,4)	(31,4)
Net income for the period				221,0				221,0	4,0	225,0
Total income and expenses recognized for the period	**0,0**	**0,0**	**0,0**	**221,2**	**0,0**	**(0,5)**	**(30,7)**	**190,0**	**3,6**	**193,6**
Capital increase (1)		20,4						20,4	1,0	21,4
Distribution of dividends				(93,1)				(93,1)	(5,2)	(98,3)
Share-based payments		3,3						3,3		3,3
Debt on commitments to purchase minority interests								0,0	(5,3)	(5,3)
Change in consolidation scope								0,0	11,9	11,9
Other				0,2				0,2		0,2
Equity as of December 31, 2007	**3,4**	**985,6**	**0,0**	**1 072,5**	**(0,2)**	**1,0**	**(28,9)**	**2 033,4**	**(40,8)**	**1 992,6**

(1) The increase in JCDecaux SA's share capital and additional paid-in capital is related to the exercise of stock options.

CASH FLOW STATEMENT

In million euros	2007	2006 Restated (1)
Net income before tax	317,5	295,4
Share of net profit of associates	(18,6)	(12,6)
Dividends received from non-consolidated subsidiaries	(0,6)	(0,5)
Expenses related to share-based payments	3,3	2,3
Depreciation, amortization and provisions	173,7	170,2
Capital gains and losses	(9,3)	(2,0)
Discounting expenses	12,5	11,7
Net financial interest expense	36,7	28,3
Financial derivatives and translation adjustments	12,7	15,0
Change in working capital	(20,9)	(35,3)
Change in inventories	(40,1)	(6,7)
Change in trade and other receivables	(65,0)	(65,0)
Change in trade and other payables	84,2	36,4
CASH PROVIDED BY OPERATING ACTIVITIES	**507,0**	**472,5**
Net financial interest paid	(37,0)	(27,5)
Income taxes paid	(97,0)	(89,5)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**373,0**	**355,5**
Acquisitions of intangible assets and property, plant and equipment	(356,2)	(175,1)
Acquisitions of financial assets (long-term investments)	(29,7)	(214,0)
Acquisitions of financial assets (other)	(3,9)	(18,0)
Change in payables on intangible assets and property, plant and equipment	34,6	(3,9)
Change in payables on financial assets	(7,0)	(4,0)
Total investments	**(362,2)**	**(415,0)**
Proceeds on disposal of intangible assets and property, plant and equipment	15,5	7,0
Proceeds on disposal of financial assets (long-term investments)	4,0	6,1
Proceeds on disposal of financial assets (other)	21,6	2,2
Change in receivables on intangible assets and property, plant & equipment	0,0	0,0
Change in receivables on financial assets	1,9	0,0
Total asset disposals	**43,0**	**15,3**
NET CASH USED IN INVESTING ACTIVITIES	**(319,2)**	**(399,7)**
Dividends paid	(98,3)	(93,3)
Capital decrease	1,2	(0,4)
Repayment of long-term debt	(53,2)	(28,0)
Repayment of debt (finance lease)	(3,2)	(3,3)
Cash outflow from financing activities	**(153,5)**	**(125,0)**
Dividends received	10,1	9,0
Capital increase	21,4	14,0
Increase in long-term borrowings	107,2	149,8
Cash inflow from financing activities	**138,7**	**172,8**
NET CASH PROVIDED BY FINANCING ACTIVITIES	**(14,8)**	**47,8**
Effect of exchange rate fluctuations	(4,6)	(5,7)
CHANGE IN NET CASH POSITION	**34,4**	**(2,1)**
Net cash position beginning of period	**95,6**	**97,7**
Net cash position end of period	**130,0**	**95,6**

(1) See Note 2 Reconciliation of the 2006 restated financial statements

As the exchange values for asset swap operations described in Note 3.1 Changes in the consolidation scope in 2007 did not give rise to a change in cash, they were not recorded in the cash flow statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MAJOR EVENTS OF THE YEAR

In 2007, JCDecaux pursued its development strategy through organic growth and strengthened its worldwide leading position in Street Furniture and airport advertising. The year was marked by the renewal of several major contracts, particularly in France, and the set-up of self-service bicycle stations financed by advertising, including the Vélib' programme in Paris. Roll-out of the Street Furniture activity in Japan was accelerated, with four new contracts being awarded. Development was pursued in India with the awarding of an advertising contract for the new Bangalore airport and in China, with the renewal and extension of the Shanghai metro advertising contract. The Group also concluded several acquisitions and partnerships in order to penetrate new high-growth markets, namely in the Middle East and Central Asia.

Partnerships and principal acquisitions

The principal partnerships and acquisitions are detailed in Note 3.1 *Changes in the consolidation scope in 2007*.

1. ACCOUNTING METHODS AND PRINCIPLES

1.1. General principles

The JCDecaux SA consolidated financial statements for the year ended December 31, 2007 include JCDecaux SA and its subsidiaries (hereinafter referred to as the "Group") and the Group's share in associates or companies under joint control.

Pursuant to European Regulation No. 1606/2002 of July 19, 2002, the 2007 consolidated financial statements were prepared in accordance with IFRS, as adopted by the European Union. They were approved by the Executive Board and were authorised for release by the Supervisory Board on March 11, 2008. These financial statements shall only be definitive upon the approval of the General Meeting of Shareholders.

The principles used in the preparation of these financial statements are based on:

- all standards and interpretations adopted by the European Union and in force as of December 31, 2007;
- standards which the Group has decided to apply in advance;
- accounting treatments adopted by the Group in cases where no guidance is provided by current standards.

These various options and positions are detailed as follows:

The Group has implemented the following standards, amendments and interpretations with an effective date of January 1, 2007:

- IFRS 7 *Financial Instruments: Disclosures* and the IAS 1 *Amendments relating to capital disclosures*, arising from IFRS 7. These standards were subject to early adoption as of January 1, 2006;
- IFRIC 8 *Scope of IFRS 2 – Share-based payment*, applicable as of May 1, 2006 and adopted by the European Union as of September 8, 2006;
- IFRIC 10 In*terim Financial Reporting and Impairment*, applicable as of November 1, 2006.

These changes in accounting methods had no material impact on the published consolidated financial statements.

The interpretations of IFRIC 7 *Applying the Restatement Approach under IAS 29 – Financial Reporting in Hyperinflationary Economies* and IFRIC 9 *Reassessment of Embedded Derivatives* whose application is mandatory for financial years beginning on or after January 1, 2007, do not apply to the JCDecaux Group.

In addition, the Group has opted not to apply:

- IFRS 8 *Operating Segments*;
- IFRIC 11 *Group and Treasury Share Transactions*;
- and the IAS 39 *amendment on the fair value option* applicable as of January 1, 2006.

Management does not expect the application of these standards to have a material impact on the consolidated financial statements.

Finally, accounting positions have been adopted pursuant to paragraphs 10 and 12 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in the absence of specific IFRS provisions. These positions primarily concern:

- Commitments to purchase minority interests. The policies adopted are described in Note 1.21 *Commitments to purchase minority interests*;
- Step acquisitions in companies consolidated under the proportionate method with no change in method. The policies adopted are described in Note 1.9 *Business combinations*.

In terms of the presentation of the income statement and the cash flow statement, the following changes were made in 2007:

- total financial income and expenses are now presented on the income statement;
- the amount of impairment of goodwill is now included under operating income in the line item "impairment of goodwill";
- gains or losses on disposals of shares of companies fully or proportionately consolidated, previously recorded in net financial income (loss), are now recorded under EBIT in the line item "Other operating income and expenses";
- Changes in payables and receivables on intangible assets and property, plant and equipments, previously recorded in "Change in working capital", are now recorded in "Net cash used in investing activities."

The impact of these reclassifications on the consolidated financial statements published in 2006 is described in Note 2 *Reconciliation of the restated 2006 financial statements*.

1.2. First-time adoption of IFRS

With a January 1, 2004 transition date, the December 31, 2005 financial statements were the first to be prepared by the Group in compliance with IFRS. IFRS 1 provides for exceptions to the retrospective application of IFRS on the transition date. The Group adopted the following options:

- The Group decided to apply IFRS 3 *Business combinations* on a prospective basis starting from January 1, 2004. Business combinations that occurred before January 1, 2004 have not been restated.
- The Group decided not to apply the provisions of IAS 21 *The effects of changes in foreign exchange rates* for the cumulative amount of foreign exchange differences existing at the date of transition to IFRS. Accordingly, the cumulative amount of foreign exchange differences for all foreign activities is considered to be zero as of January 1, 2004. As a result, any profits and losses realised on the subsequent sale of foreign activities exclude the exchange differences existing before January 1, 2004, but include any subsequent differences.
- The Group, in connection with IAS 19 *Employee benefits*, decided to recognise in equity all cumulative actuarial gains and losses existing as of the date of transition to IFRS. This option for the opening balance sheet does not call into question the use of the "corridor" method used for cumulative actuarial gains and losses generated subsequently.
- The Group applied IFRS 2 to stock option plans granted on or after November 7, 2002, but not yet vested as of January 1, 2005.
- The Group decided not to apply the option allowing property, plant and equipment to be remeasured at fair value at the date of transition.

1.3. Scope and methods of consolidation

The financial statements of companies controlled by the Group are included in the consolidated financial statements from the date control is acquired to the date control ceases. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Companies that are jointly controlled by the Group are consolidated using the proportionate method.

Companies over which the Group exercises a significant influence on the operating and financial policies are accounted for under the equity method.

All significant transactions between Group fully consolidated companies are eliminated upon consolidation. Transactions with companies consolidated under the proportionate method are eliminated up to the percentage of consolidation.

Inter-company results are also eliminated. Capital gains or losses on inter-company sales realised by an equity-accounted company are eliminated up to the percentage of ownership and offset by the value of the assets sold.

1.4. Recognition of foreign currency transactions in the functional currency of entities

Transactions denominated in foreign currencies are translated into the functional currency at the rate prevailing on the transaction date. At the period-end, monetary items are translated at the closing exchange rate and the resulting gains or losses are recorded in the income statement.

Long-term monetary assets held by a Group entity in a foreign subsidiary for which settlement is neither planned nor likely to occur in the foreseeable future are a part of the entity's net investment in that foreign operation. Accordingly, pursuant to IAS 21 *The effects of changes in foreign exchange rates*, exchange differences on these items are recorded in a separate component of equity until the investment's disposal. In the opposite case, exchange differences are recorded in the income statement.

1.5. Translation of the financial statements of subsidiaries

The Group consolidated financial statements are prepared in euro, which is the parent company's presentation and functional currency.

Assets and liabilities of foreign subsidiaries are translated into the Group's presentation currency at the year-end exchange rate, and the corresponding income statement is translated at the average exchange rate of the period. Resulting translation adjustments are directly allocated to a separate component of equity.

At the time of a total or partial disposal, or the liquidation of a foreign entity, translation adjustments accumulated in equity are recorded in the income statement.

1.6. Use of estimates

As part of the process for the preparation of the consolidated financial statements, the assessment of some assets and liabilities requires the use of judgments, assumptions and estimates. This primarily involves the valuation of property, plant and equipment and intangible assets (referred to in Notes 1.9 *Business combinations* and 1.11 *Impairment of intangible assets, property, plant and equipment and goodwill*), and determining the amount of provisions for employee benefits and dismantling (referred to in 1.22 *Provision for retirement and other long-term benefits* and 1.23 *Dismantling provision*). These judgments, assumptions and estimates are made on the basis of information available or situations existing at the financial statement preparation date, which could prove to be different from reality in the future.

1.7. Current/non-current distinction

With the exception of deferred tax assets and liabilities which are classified as non-current, assets and liabilities are classified as current when their recoverability or payment is expected no later than 12 months after the year-end closing date; otherwise, they are classified as non-current.

1.8. Intangible assets

1.8.1. Development costs

According to IAS 38, development costs must be capitalised as intangible assets if the Group can demonstrate:

- its intention, its financial and technical ability to complete the development project;
- that it is probable that the future economic benefits attributable to such development costs will flow to the Group;
- and that the cost of the asset can be measured reliably.

Development costs capitalised in the balance sheet from January 1, 2004 onwards include all costs related to the development, modification or improvement to street furniture ranges in connection with contract proposals having a strong probability of success.

Given JCDecaux's statistical success rate in its responses to street furniture bids for tender, the Group considers that it is legitimate to capitalise tender response costs. Amortisation, spread out over the term of the contract, would begin when the project is awarded. Should the bid be lost, the amount capitalised would be expensed.

Development costs carried in assets are recognised at cost less accumulated amortisation and impairment losses.

1.8.2. Other intangible assets

Other intangible assets primarily involve Street Furniture, Billboard and Transport contracts, which are amortised over the contract term.

Only software that is significant (such as ERP), individualised and clearly identified is capitalised and amortised over a maximum period of 5 years. Other software is recognised in expenses for the period.

1.9. Business combinations

IFRS 3 requires the application of the purchase method to business combinations, which consists of valuing at fair value all identifiable assets, liabilities and contingent liabilities of the entity acquired.

Goodwill is the excess of the consideration paid over the share in fair value of all identified assets, liabilities and contingent liabilities at acquisition date.

Negative goodwill, if any, is recognised immediately against income.

When determining the fair value of assets, liabilities and contingent liabilities of the acquired entity, the Group assesses contracts at fair value and recognises them as intangible assets. When an onerous contract is identified, a provision is recognised.

Under IFRS, companies are granted a 12-month period, starting from the date of acquisition, to finalise the fair value valuation of assets, liabilities and contingent liabilities acquired.

For acquisitions achieved in stages, the purchase method applies to each transaction until control is acquired. Hence, for acquisitions of minority interests concerning companies over which the Group already exercises control, only goodwill is recognised.

In the case of an acquisition of an additional stake in a company that is already consolidated through the proportionate method, and when this method continues to apply, the excess of the consideration paid over the share of net worth acquired is only recognised as goodwill, in the absence of specific IFRS guidance on the subject.

Goodwill is not amortised but tested for impairment in accordance with IAS 36. When justified by particular circumstances (significant changes in the technical, legal or market environment, insufficient profitability, etc.), a goodwill impairment loss is recognised in accordance with the methodology detailed in Note 1.11 *Impairment of intangible assets, property, plant and equipment and goodwill*. When recognised, such a loss cannot be reversed at a later period.

1.10. Property, plant and equipment (PP&E)

Property, plant and equipment (PP&E) are presented on the balance sheet at historical cost less accumulated depreciation and impairment losses.

Street furniture

Street furniture (Bus shelters, Mupi®, Senior®, Electronic Information Boards (EIB), Automatic Public Toilets, Morris Columns, etc.) is depreciated on a straight-line basis over the average life of the contracts (between 9 and 20 years).

Street furniture maintenance costs are recognised as expenses.

The discounted dismantling costs expected to be paid at the end of the contract are recorded in assets, with the corresponding provision, and amortised over the term of the contract.

Billboards

Billboards are depreciated according to the method of depreciation prevailing in the relevant countries in accordance with local regulations and economic conditions.

The main method of depreciation is the straight-line method over a period of 2 to 10 years.

Depreciation charges are calculated over the following normal useful lives:

DEPRECIATION PERIOD

Property, plant and equipment:

▪ Buildings and constructions	10 to 50 years
▪ Technical installations, tools and equipment (excluding street furniture and billboards)	5 to 10 years
▪ Street furniture and billboards	2 to 20 years

Other property, plant and equipment:

▪ Fixtures and fittings	5 to 10 years
▪ Transport equipment	3 to 10 years
▪ Computer equipment	3 to 5 years
▪ Furniture	5 to 10 years

1.11. Impairment of intangible assets, property, plant and equipment and goodwill

As set out by IAS 36 *Impairment of assets*, items of property, plant and equipment, intangible fixed assets as well as goodwill are tested for impairment at least annually.

Impairment testing consists in comparing the carrying value of a Cash Generating Unit (CGU) or a CGU group and its recoverable amount. The recoverable amount is the highest of (i) the fair value less cost to sell and (ii) the value in use determined on the basis of future discounted cash flows.

When the recoverable amount is assessed on the basis of the value in use, forecast cash flows are determined using growth assumptions based either on the duration of the contracts, or over a five-year period with a subsequent projection to infinity and a discount rate reflecting current market estimates of the time value of money. Risks specific to the CGU tested are largely reflected in the assumptions adopted for determining the cash flows and the discount rate used.

When the carrying value of an asset or group of assets exceeds its recoverable amount, an impairment loss is recognised in the income statement to write down the asset's carrying value to the recoverable amount.

Methodology followed

- Level of testing
  - For items of PP&E and intangible assets, impairment tests are carried out at the CGU level corresponding to the entity.
  - For goodwill, tests are carried out at the level of each group of CGUs determined according to the business segment considered (Street Furniture, Billboard, and Transport) and taking into account the level of synergies expected between the CGUs. Thus, tests are generally performed at the level where the business and geographical segments meet, which is the level where commercial synergies are generated, or even beyond this level if justified by the synergy.
- Discount rates used

The values in use taken into account for impairment testing are determined based on expected future cash flows, discounted at a rate based on the weighted average cost of capital. This rate reflects management's best estimates regarding the time value of money, the risks specific to the assets or CGUs and the economic situation in the geographical areas where the activity relating to these assets or CGUs is carried out.

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 6.8% to 18.8%, for the area presenting the most risk. An after-tax rate of 6.8% (compared to 6.4% in 2006) was determined for areas such as Western Europe, North America, Japan and Australia, where the Group conducts nearly 80% of its activity.

Sensitivity tests demonstrate that a change of plus or minus 50 basis points in the discount rate does not result in any additional impairment loss for goodwill.

- Recoverable amounts

They are determined following two methods:

- An initial level of testing consists in identifying entities whose assets may be impaired. This test is based on a projection of the 2007 operating margin according to a duration and procedures specific to each business segments considered. Thus, for the Street Furniture and Transport segments, the residual duration of the contracts is used assuming an average yearly growth rate of 3%, in line with past internal growing rates and the use of a discount rate as described above. For the Billboard activity, a 15-year duration is used.
- On the basis of a business plan when entities' assets have not passed this first level of testing or when the Group estimates that the projected operating margin does not reflect the expected future cash flows. Here again, the procedures for determining future cash flows depend on the business segment considered, with a time horizon usually exceeding five years owing to the nature of the Group's activity. In general:
  - for the Street Furniture and Transport segments, future cash flows are computed over the remaining life of contracts, taking into account the likelihood of renewal after term.
  - for the Billboard segment, future cash flows are computed over a five-year period with a perpetual projection using on average, a yearly growth rate of 3%; sensitivity tests demonstrate that a change of plus or minus 50 basis points in the average growth rate does not generate any additional impairment loss.

The recoverable amount of a group of CGUs corresponds to the sum of the individual recoverable amounts of each CGU belonging to that group.

1.12. Investments in associates

Goodwill recognised on acquisition is included in the value of the investments.

The share of the depreciation charge arising from the impairment of assets recognised on acquisition or the fair value adjustment of existing assets is presented under the heading "Share of net profit of associates."

Investments in associates are subject to impairment tests on an annual basis, or when existing conditions would suggest a possible impairment. Where necessary, the related loss is recorded in "Share of net profit of associates." With respect to the discount rate used to calculate the values in use based on the expected future cash flows, the same approach as that described in Note 1.11 *Impairment of intangible assets, property, plant and equipment and goodwill* is applied.

1.13. Financial investments (Available-for-sale assets)

This heading includes investments in non-consolidated entities.

These assets are initially recognised at their fair value, generally represented by their acquisition cost plus transaction costs. In the absence of an active market, they are then measured at fair value or the value in use, which takes into account the share of shareholders' equity and the probable recovery amount.

Changes in values are recognised in a separate item within shareholders' equity. However, when the asset is sold, cumulative gains and losses recognised in equity are cleared by an offsetting entry in the income statement. When the impairment loss is permanent, total cumulative gains are cleared in the amount of the loss. The net loss is recorded in the income statement if the total loss exceeds the total cumulative gains.

1.14. Other financial assets

This heading includes loans to long-term investments, current account advances granted to entities consolidated under the equity method or non-consolidated entities as well as loans, deposits and guarantees.

On initial recognition, they are measured at fair value plus set-up costs that are directly attributable (IAS 39, Loans and receivables category).

At each balance sheet date, they are measured at amortised cost.

A loss in value is recorded in the income statement when the recovery value of these loans and receivables is less than their carrying amount.

1.15. Treasury shares

Treasury shares are recognised at their acquisition cost and deducted from shareholders' equity. Gains or losses on disposals are also recorded in equity and do not contribute to profit or loss for the year.

1.16. Inventories

Inventories mainly consist of:

- parts necessary for the maintenance of installed street furniture,
- street furniture or billboards in kit form or partially assembled.

Inventories are valued at weighted average cost, which may include production, assembly and logistic costs.

Inventories are written down to their net realisable value when the net realisable value is less than the cost.

1.17. Trade and other receivables

Trade receivables are recorded at fair value, which corresponds to their nominal invoice value. A provision for bad debt is recognised when their recovery value is less than their carrying amount.

1.18. Cash and cash equivalents

Cash in the balance sheet comprises cash at bank and in hand and short-term deposits.

Cash equivalents in the balance sheet are comprised of short-term investments. They are easily convertible into a known cash amount and subject to little risk of change in value. They are measured at fair value and changes in fair value are recorded in net financial income.

For the consolidated cash flow statement, net cash consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1.19. Financial debt

Financial debt is initially recorded at the value corresponding to the amount received less related issuance costs and subsequently measured at amortised cost.

1.20. Financial derivatives

A derivative is a financial instrument having the following three characteristics:

- an underlying item that changes the value of the contract (in particular, the interest rate or the foreign exchange rate);
- little or no initial net investment;
- settlement at a future date.

Derivatives are recognised in the balance sheet at fair value. Changes in subsequent values are offset in the income statement, unless they have been qualified as cash flow hedges or as foreign net investment.

Hedge accounting may be adopted if a hedging relationship between the hedged item (the underlying) and the derivative is established and documented from the time the hedge is set up and its effectiveness is demonstrated from inception and at each period-end. The Group currently limits itself to two types of hedges for financial assets and liabilities:

- Fair Value Hedge, the purpose of which is to limit the impact of changes in the fair value of assets, liabilities or firm commitments at inception, due to changes in market conditions. Included in this category are, for example, receive-fixed pay-floating interest rate swaps used to transform a fixed-rate liability into a floating-rate liability. From an accounting point of view, the change in the fair value of the hedging instrument is recorded as profit or loss. However, this impact is cancelled out by symmetrical changes in the fair value of the hedged risk (to the extent of hedge effectiveness).
- Cash Flow Hedge, the purpose of which is to limit changes in cash flows attributable to existing assets and liabilities or highly probable forecasted transactions. Included in this category are, for example, pay-fixed receive-floating interest rate swaps used to lock in the cost of a floating-rate borrowing. From an accounting point of view, the effective portion of the change in fair value of the hedging instrument is directly offset against equity, and the ineffective portion is maintained as profit or loss. The amount recorded in equity is reclassified to profit or loss when the hedged item itself has an impact on profit or loss.

The hedging relationship involves a single market parameter, which currently for the Group is either a foreign exchange rate or an interest rate. When the same derivative hedges both a foreign exchange and interest rate risk, the foreign exchange and interest rate impacts are treated separately.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that point in time, any cumulative gain or loss on a cash flow hedge as part of the hedging of a highly probable forecasted transaction recognised in equity is maintained in equity until the forecasted transaction occurs. If the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net financial income for the year.

For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are recorded directly in net financial income for the year.

The accounting classification of derivatives in current or non-current items is determined by that of the related underlying item.

1.21. Commitments to purchase minority interests

The application of IAS 32 results in the recognition of a financial liability relating to commitments to purchase shares held by minority interests in the Group's subsidiaries, not only for the portion already recognised in minority interests (transferred to liabilities), but also for the excess resulting from the present value of the commitment. In the absence of precision from the standard covering this issue, the Group has decided to deduct the excess portion from minority interests in shareholders' equity. Subsequent changes in the fair value of the liability are recognised in net financial income and allocated to minority interests in profit or loss.

Commitments recorded in this respect are presented under the balance sheet heading "Debt on commitments to purchase minority interests."

1.22. Provision for retirement and other long-term benefits

The Group's obligations resulting from defined benefit plans, as well as their cost, are determined using the projected unit credit method.

This method consists in measuring the obligation based on the projected end-of-career salary and the rights vested at the valuation date, determined in accordance with collective trade union agreements, branch agreements or prevailing legal rights.

The actuarial assumptions used to determine the obligations vary according to the economic conditions prevailing in the country of origin and the demographic assumptions specific to each company.

These plans are either funded, their assets being managed by an entity legally separate from the Group, or partially funded or unfunded, the Group's obligations being covered by a provision in the balance sheet.

For post-employment defined benefits, actuarial gains or losses exceeding the greater of 10% of the present value of the defined benefit obligation or the fair value of the related plan assets are amortised over the remaining average working lives of employees within the Group. Past service costs are amortised on a straight-line basis, over the average period until the benefits become vested.

For other long-term benefits, actuarial gains or losses and past service costs are recognised as income or expense when they occur.

1.23. Dismantling provision

Costs for dismantling street furniture at the end of a contract are recorded in provisions. These provisions represent the entire dismantling cost from the contract's inception and are discounted. As an offset entry, dismantling costs are recognised under fixed assets in the balance sheet and amortised over the term of the contract. The reverse discounting charge is recorded in net financial income.

1.24. Share purchase or subscription plans at an agreed price and bonus shares

1.24.1. Share purchase or subscription plans at an agreed price

In accordance with IFRS 2 *Share-based payment*, employee stock options are considered to be part of compensation in exchange for services rendered over the period extending from the grant date to the vesting date.

The fair value of services rendered is determined by reference to the fair value of the financial instruments granted.

The Group has decided to apply IFRS 2 with respect to option exercise rights that were not fully vested as of January 1, 2005 for all stock option plans granted on or after November 7, 2002.

The fair value of options is determined at their grant date by an independent actuary, and any subsequent changes in the fair value are not taken into account. The Black & Scholes valuation model is used based on the assumptions described in Note 4.1 *Net operating expenses* hereafter.

The right to exercise options is vested over successive tiers over a period of three years (graded vesting). All plans are exclusively settled in shares.

The cost of services rendered is recognised in the income statement and against a corresponding increase in equity on a basis that reflects the vesting pattern of the options. This entry is recorded at the end of every period until the date at which all vesting rights of the considered plan have been fully granted.

The amount stated in equity reflects the extent to which the vesting period has expired and the number of awards that, based on management's best available estimate, will ultimately vest.

Stock option plans are attributed on a basis of individual objectives and Group results. No specific performance conditions are to be met for the stock options to be vested.

1.24.2. Bonus shares

The fair value of bonus shares is determined at their grant date by an independent actuary. The fair value of the bonus share is determined based on the price on the grant date less discounted future dividends.

All bonus shares are granted after a defined number of years of continuous presence in the Group, based on the plans.

The cost of services rendered is recognised in the income statement via an offsetting entry in an equity heading, following a profile that reflects the procedures for granting bonus shares. The period begins from the time the Executive Board grants the bonus shares.

1.25. Revenues

Group revenues mainly consist in sales of advertising spaces on street furniture equipment, billboards and advertising in transport systems.

Advertising space revenues, rentals and services provided are recorded as revenues on a straight-line basis over the realisation period of the transaction.

Revenues resulting from the sale of advertising spaces are recorded on a net basis after deduction of commercial rebates. In some countries, commissions are paid by the Group to advertising agencies and media brokers when they act as intermediaries between the Group and advertisers. These commissions are then deducted from revenues. In agreements where the Group pays variable fees or revenue sharing, and insofar as the Group is not dealing as an agent but bears the risks and rewards incidental to the activity, the Group recognizes all gross advertising revenues as revenues and books fees and the portion of revenues repaid as operating expenses.

Discounts granted to customers for early payments are deducted from revenues.

1.26. Operating margin

The operating margin is defined as revenues less direct operating and SG&A expenses, excluding consumption of spare parts used for maintenance, inventory impairment loss, depreciation, amortisation and provisions (net), goodwill impairment losses, and other operating income and expenses.

It includes charges to provisions net of reversals relating to trade receivables.

The operating margin is impacted by cash discounts granted to customers deducted from revenues, and cash discounts received from suppliers deducted from direct operating expenses. It also includes stock option expenses recognised in the line item "Selling, general and administrative expenses."

1.27. EBIT

EBIT is determined based on the operating margin less consumption of spare parts used for maintenance, depreciation, amortisation and provisions (net), goodwill impairment losses, and other operating income and expenses. Inventory impairment losses are recognised in the line item, "Maintenance spare parts".
Other operating income and expenses include the gains and losses generated on the disposal of property, plant and equipment, intangible assets, and shares of companies fully or proportionately consolidated, as well as non-recurring items.
Net charges related to impairment tests performed on property, plant and equipment and intangible assets are included in the line item, "Depreciation, amortisation and provisions (net)."

1.28. Current and deferred income tax

The Group records deferred tax resulting from temporary differences and tax losses carried forward.

Deferred tax assets net of deferred tax liabilities are recorded at their net estimated realization value. Deferred tax assets and liabilities are adjusted in order to take into account the impact of changes in tax legislation and national income tax rates prevailing at the closing date. Deferred tax assets and liabilities are not discounted.

The amount of deferred tax recorded results mainly from consolidation adjustments (standardization of Group accounting principles and amortisation/depreciation periods for property, plant and equipment and intangible assets, finance leases, recognition of contracts as part of the purchase method, etc.), and from temporary differences between the accounting value and the tax base of assets and liabilities. Deferred tax assets on tax losses carried forward are recognised when it is probable that the Group will incur future taxable profits against which those tax losses may be offset.

1.29. Finance lease and operating lease

Finance leases, which transfer to the Group substantially all the risks and rewards associated with the ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to obtain a constant interest rate on the remaining balance of the liability. Finance charges are recognised directly in profit and loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and rewards incident to ownership of the asset are considered as operating leases. Operating lease payments are recognised as an expense in the income statement.

1.30. Earnings per share

Earnings per share are calculated based on the weighted average number of outstanding shares adjusted for treasury shares. The calculation of diluted earnings per share takes into account the dilutive effect of the issuance and buyback of shares and the exercise of stock options.

2. RECONCILIATION OF THE RESTATED 2006 FINANCIAL STATEMENTS

The reclassifications mentioned in Note 1.1 *General principles* had the following impacts on the published 2006 consolidated financial statements:

- in the income statement, a decrease of €4 million in EBIT as a result of the reclassification of goodwill impairment losses, with no impact on net income;
- in the cash flow statement, an increase of €7.9 million in "Cash provided by operating activities" offset by a decrease in the same amount in "Net cash provided by investing activities."

3. COMMENTS ON THE BALANCE SHEET

3.1. Changes in the consolidation scope in 2007

The main changes that took place in the consolidation scope during 2007 are as follows:

Asset swap operations

Wall operation

On April 27, 2007, as part of an asset swap with Wall AG, JCDecaux Deutschland GmbH acquired 100% of Wall Nederland BV, subsequently renamed JCDecaux Buitenreclame BV, for €46.1 million (of which €0.2 million in purchase costs and after deduction of net cash acquired for negative €0.2 million) and 100% of Wall GUS (Russia) for €10.7 million (of which €0.1 million in purchase costs and after deduction of net cash acquired for €1.1 million). As from such date, these companies were fully consolidated. Wall GUS was resold on September 14, 2007 for €11.0 million (after deduction of net cash transferred for €1.1 million) to Bigboard BV, which is 50% consolidated using the equity method.

JCDecaux North America Inc. acquired an additional 10% of Wall Holdings Inc. for €1 million (of which €0.1 million in purchase costs and after deduction of net cash acquired for €0.7 million), bringing the percentage of interest in Wall Holdings Inc. and Wall USA Inc. to 60%. As from such date, these companies were fully consolidated.

In exchange for these acquisitions, JCDecaux Deutschland GmbH sold its 100% interest in VVR Decaux GmbH and its 50% interest in Georg Zacharias GmbH for respective amounts of €97.1 million (after deduction of net cash transferred for €2.7 million) and €3.1 million (after deduction of net cash transferred for €0.2 million) to Wall AG, which is 35% consolidated using the equity method as such date.

EPI operation

On July 1, 2007, as part of an asset swap with Affichage Holding, Gewista Werbegesellschaft mbH (Austria) took control of the remaining 50% of Europlakat International Werbegesellschaft mbH (EPI), EPI operating in Croatia, Slovenia, Hungary, Serbia, Bosnia and Bulgaria for €45.8 million (of which €0.1 in purchase costs and after deduction of net cash acquired for €7.1 million). Otherwise the control of companies operating in Hungary, Serbia, Bosnia and Bulgaria was transfered for €67.8 million (after deduction of net cash transferred for €2 million) to Affichage Holding, which is 30% consolidated using the equity method. As from such date, EPI was fully consolidated, the Croatian and Slovene subsidiaries were respectively fully consolidated and 33% proportionately consolidated.

The Wall and EPI transactions were performed at fair value.

The asset swap with Affichage Holding is effective as of July 1, 2007 but remains subject to the approval of the local competition authorities, which is unreceived as of December 31, 2007. Operational control is not challenged by this authorisation.

Other entries into the scope of consolidation

On January 1, 2007, Jinan Bus (China) was 30% proportionately consolidated for the first time. This company was acquired on December 28, 2006 for €1 million.

On January 1, 2007, 80% owned JCDecaux UZ (Uzbekistan) was fully consolidated for the first time. This company was created in order to manage the contract with the city of Tashkent.

On March 1, 2007, JCDecaux Pearl and Dean Ltd signed an agreement with Shanghai Metro Advertising Company Ltd for the creation of a joint venture, Shanghai Shentong JCDecaux Metro Advertising, which manages the advertising spaces in the Shanghai metro. This company was 65% proportionately consolidated.

On March 12, 2007, JCDecaux Middle East Africa FZ-LLC (Dubai) was created in order to hold the shares of the companies which will operate in the Middle East. This 100% owned company was fully consolidated.

On May 10, 2007, JCDecaux UK Ltd acquired 100% of the Excel Outdoor Media Ltd Group for €7.8 million (of which €0.1 million in purchase costs and after deduction of net cash acquired for €0.8 million). This company was fully consolidated.

On May 23, 2007, JCDecaux Asia Holding acquired 50% of RTS Perekrestok JSC (Kazakhstan), subsequently renamed RTS Decaux JSC, for €5.8 million (of which €0.1 million in purchase costs and after deduction of net cash acquired for €0.1 million). This company was 50% proportionately consolidated.

Changes in percentage of ownership and method of consolidation

On December 27, 2007, JCDecaux Deutschland GmbH acquired an additional 5% of Wall AG for €24.2 million, bringing the percentage of interest in Wall AG to 40%, Wall AG being consolidated using the equity method.

3.2. Impact of acquisitions (controlling interests)

The acquisition of Excel Outdoor Media Ltd, RTS JCDecaux JSC, JCDecaux Buitenreclame BV, Wall Holdings Inc., Wall USA Inc., Wall GUS, Jinan Bus, HDE Investissement, Europlakat International Werbegesellschaft (EPI), Slovene subsidiaries in EPI group (Metropolis Media Doo Slovenia, Proreklam-Europlakat Doo, Interflash doo Ljubljana, Inreklam Progress Doo, Plakatiranje Doo, Madison Doo, Svetlobne Vitrine), Croatian subsidiaries in EPI group (Europlakat Proreklam Doo, Metropolis Media Doo Croatia), AQMI Holding GmbH and MAG International BV had the following impacts on the Group consolidated financial statements:

In million euros	Recognized values after purchase accounting adjustments	Purchase accounting adjustments	Carrying amounts before purchase accounting adjustments
Non-current assets	128,7	(7,9)	136,6
Current assets	20,7	0,2	20,5
Total assets	**149,4**	**(7,7)**	**157,1**
Non-current liabilities	61,9	10,8	51,1
Current liabilities	12,7	0,0	12,7
Total liabilities	**74,6**	**10,8**	**63,8**
Net asset at fair value	**74,8**	**(18,5)**	**93,3**
Goodwill	**33,4**		
Price paid	**108,2**		
Net cash acquired	(9,6)		
Acquisitions of financial assets (long-term investments)	**98,6** (1)		

(1) *In the above table the acquisitions of financial assets include the acquisitions of interest in Wall Nederland BV, Wall Holdings Inc. and Wall GUS, elimination of the gain on disposal realized by Wall AG on the asset swap, the purchase price of Europlakat International Werbe group (EPI), the elimination of the gain on disposal realized by Affichage Holding on the asset swap, and the acquisition of Jinan Bus shares that took place last year. However, the item does not take into account a repayment for the acquisition of Metropolis made last year, the acquisition of Wall AG shares (company consolidated under the equity method and not controlled) and the acquisition of non-consolidated shares.*

The cumulated amount of net income for the various entities acquired, from their respective acquisition date, amounted to €12.0 million in JCDecaux Group consolidated net income.

Group revenues and net income would have amounted to respectively €2,127.1 million and €224.0 million, over 12 months, had these acquisitions been realized as of January 1, 2007.

3.3. Financial assets and liabilities by category

	12/31//2007						12/31/2006					
In million euros	Fair value through profit or loss	Available-for-sale assets	Loans & receivables	Liabilities at amortised cost	Total Net booked value	Fair value	Fair value through profit or loss	Available-for-sale assets	Loans & receivables	Liabilities at amortized cost	Total Net booked value	Fair value
Financial investments		19,8			19,8	19,8		8,3			8,3	8,3
Financial derivatives (assets)	4,7				4,7	4,7	6,8				6,8	6,8
Other financial assets			48,0		48,0	48,0			38,8		38,8	38,8
Trade and other receivables (non current)			11,1		11,1	11,1			13,7		13,7	13,7
Trade and other receivables (current)			551,5		551,5	551,5			515,2		515,2	515,2
Cash			159,7		159,7	159,7			115,2		115,2	115,2
Cash equivalents	1,8				1,8	1,8	4,6				4,6	4,6
Total financial assets	6,5	19,8	770,3	0,0	796,6	796,6	11,4	8,3	682,9	0,0	702,6	702,6
Financial debt				(824,2)	(824,2)	(823,7)				(783,7)	(783,7)	(788,1)
Debt on commitments to purchase minority interests				(91,0)	(91,0)	(91,0)				(80,5)	(80,5)	(80,5)
Financial derivatives (liabilities)	(39,3)				(39,3)	(39,3)	(34,6)				(34,6)	(34,6)
Trade and other payables				(444,1)	(444,1)	(444,1)				(347,6)	(347,6)	(347,6)
Other payables				(7,7)	(7,7)	(7,7)				(8,7)	(8,7)	(8,7)
Bank overdrafts				(31,5)	(31,5)	(31,5)				(24,2)	(24,2)	(24,2)
Total financial liabilities	(39,3)	0,0	0,0	(1 398,5)	(1 437,8)	(1 437,3)	(34,6)	0,0	0,0	(1 244,7)	(1 279,3)	(1 283,7)

3.4. Goodwill and other intangible assets

The values of intangible assets and the residual goodwill relating to acquisitions are determined on a provisional basis and are likely to change over the goodwill allocation period, which can extend to twelve months following the date of acquisition.

Changes in gross value and net carrying amount:

In million euros	Goodwill	Development costs	Patents, licences, advertising contracts, ERP(2)	Leasehold rights, payments on account, other	Total
Gross value as of January 1, 2006	**1,220.5**	**7.7**	**253.0**	**17.6**	**1,498.8**
Acquisitions	83.9	4.8	8.6	2.5	99.8
Disposals			(26.0)	(1.6)	(27.6)
Changes in scope			68.0	0.2	68.2
Translation adjustments	(10.1)		(12.9)		(23.0)
Reclassifications (1)			13.1	(0.9)	12.2
Gross value as of December 31, 2006	**1,294.3**	**12.5**	**303.8**	**17.8**	**1,628.4**
Amortization / Impairment loss as of January 1, 2006	**(3.0)**	**(1.1)**	**(126.3)**	**(15.3)**	**(145.7)**
Amortization charge	NA	(1.4)	(24.4)	(0.3)	(26.1)
Impairment loss	(4.0)				(4.0)
Disposals	NA		24.6	1.6	26.2
Changes in scope	NA		(0.1)		(0.1)
Translation adjustments	NA		7.0		7.0
Reclassifications (1)	NA		(8.0)	0.2	(7.8)
Amortization / Impairment loss as of December 31, 2006	**(7.0)**	**(2.5)**	**(127.2)**	**(13.8)**	**(150.5)**
Net value as of January 1, 2006	**1,217.5**	**6.6**	**126.7**	**2.3**	**1,353.1**
Net value as of December 31, 2006	**1,287.3**	**10.0**	**176.6**	**4.0**	**1,477.9**
Gross value as of January 1, 2007	**1,294.3**	**12.5**	**303.8**	**17.8**	**1,628.4**
Acquisitions	46.2	5.6	50.6	40.4	142.8
Disposals	(96.0)		(11.5)		(107.5)
Changes in scope		0.6	33.5	0.6	34.7
Translation adjustments	(10.4)		(12.7)	(1.6)	(24.7)
Reclassifications (1)		0.0	4.2	(1.3)	2.9
Gross value as of December 31, 2007	**1,234.1**	**18.7**	**367.9**	**55.9**	**1,676.6**
Amortization / Impairment loss as of January 1, 2007	**(7.0)**	**(2.5)**	**(127.2)**	**(13.8)**	**(150.5)**
Amortization charge		(2.8)	(25.1)	(0.8)	(28.7)
Impairment loss					0.0
Disposals	4.0		11.0		15.0
Changes in scope		(0.1)	1.9	(0.9)	0.9
Translation adjustments			5.3	0.1	5.4
Reclassifications (1)			0.4	0.1	0.5
Amortization / Impairment loss as of December 31, 2007	**(3.0)**	**(5.4)**	**(133.7)**	**(15.3)**	**(157.4)**
Net value as of January 1, 2007	**1,287.3**	**10.0**	**176.6**	**4.0**	**1,477.9**
Net value as of December 31, 2007	**1,231.1**	**13.3**	**234.2**	**40.6**	**1,519.2**

(1) The net impact of reclassifications is not zero, as some reclassifications have an impact on other balance sheet items.

(2) Includes the valuation of contracts recognised in connection with business combinations.

The change in goodwill over 2007 breaks down as follows:

In million euros	Goodwill
As of January 1, 2007	**1 287,3**
New goodwill arising during the period	33,4
RTS Decaux JSC	*3,3*
Excel Outdoor Media Ltd and Fontmell Ltd	*0,6*
Jinan Bus	*0,4*
HDE Investissement	*0,2*
Wall operation (1)	*27,2*
EPI operation (2)	*1,7*
Reallocation of Wall goodwill, recorded as Investments in associate as of December 31, 2006 (1)	11,7
Increase of EPI goodwill on Croatia and Slovenia, relating to the increase in EPI consolidation percentage (2)	3,2
Other	(2,1)
Decrease related to the asset swap with Wall AG (1)	(74,9)
Decrease related to the asset swap with Affichage Holding (2)	(17,1)
Translation adjustments	(10,4)
As of December 31, 2007	**1 231,1**

(1) *The assets swap with Wall AG, as described in Note 3.1, gave rise to (i) the recognition of goodwill for JCDecaux Buitenreclame BV, Wall Holdings Inc. and Wall GUS, in the amount of €27.2 million, (ii) the reallocation of the historical Wall AG and Wall Holdings Inc. goodwill to JCDecaux Buitenreclame BV and Wall Holdings Inc. for €11.7 million, and (iii) the removal of goodwill from Wall GUS, Georg Zacharias and VVR Decaux GmbH for €(74.9) million.*

(2) *The asset swap with Affichage Holding, as described in Note 3.1, gave rise to (i) the recognition of goodwill for Proreklam-Europlakat Doo (Slovenia) and Europlakat-Proreklam Doo (Croatia) for €1.7 million,, (ii) the increase in goodwill for Metropolis Croatia and Metropolis Slovenia relating to the increase in the EPI consolidation percentage, for €3.2 million, and (iii) the removal of €17.1 million in goodwill for the EPI group companies operating in Hungary, Serbia and Bosnia that were sold.*

As of December 31, 2007, goodwill amounted to €1,231.1 million, compared to €1,287.3 million as of December 31, 2006.

New goodwill arises mainly from the asset swap with Wall and is mainly justified by the synergies created in the Netherlands as part of this operation.

Goodwill, property, plant and equipment and intangible assets refer to the following CGU groups:

	12/31/2007			12/31/2006		
In million euros	Goodwill	PPE / intangible assets (1)	Total	Goodwill	PPE / intangible assets (1)	Total
Billboard Europe (excluding France and United Kingdom)	301,9	149,3	451,2	311,5	115,8	427,3
Street Furniture Europe (excluding France and United Kingdom)	197,3	313,1	510,4	239,1	326,1	565,2
Billboard France	160,1	25,4	185,5	160,1	28,4	188,5
Airports World	159,4	21,4	180,8	159,4	17,3	176,7
Billboard United Kingdom	157,1	75,6	232,7	156,9	73,9	230,8
Other	255,3	698,2	953,5	260,3	532,3	792,6
Total	**1 231,1**	**1 283,0**	**2 514,1**	**1 287,3**	**1 093,8**	**2 381,1**

(1) *Intangible assets and property, plant and equipments are presented net of provisions for losses on completion recognised on application of purchase accounting, for a respective amount of €2.4 million and €3.0 million as of December 31, 2007 and 2006, and net of deferred tax liabilities relating to the recognition of intangible assets acquired, for a respective amount of €30.4 million and €35.5 millions million as of December 31, 2007 and 2006.*

Other intangible assets

As of December 31, 2007, other net intangible assets, excluding goodwill, amounted to €288.1 million, compared to €190.6 million as of December 31, 2006.

The €97.5 million increase in the line item is related, in the amount of €76.8 million, to the gross value of advertising rights acquired by JCDecaux Advertising (Shanghai) from the Shanghai municipal transit company.

3.5. Property, plant and equipment (PP&E)

Breakdown by type of asset:

In million euros	12/31/2007 Gross value	12/31/2007 Depreciation or provision	12/31/2007 Net value	12/31/2006 Net value
Land	30,3	(0,8)	29,5	31,8
Buildings	70,1	(44,1)	26,0	27,4
Technical installations, tools and equipment	1 933,4	(1 053,2)	880,2	809,4
Vehicles	103,9	(76,1)	27,8	25,3
Other	117,8	(97,5)	20,3	21,3
Assets under construction and advance payments	44,3	(0,4)	43,9	26,5
Total	**2 299,8**	**(1 272,1)**	**1 027,7**	**941,7**

Changes in gross value and net carrying amount:

In million euros	Land	Buildings	Technical installations, tools & equipment	Other	Total
Gross value as of January 1, 2006	**33.0**	**70.3**	**1,697.9**	**239.6**	**2,040.8**
- including finance lease		*3.9*	*5.2*	*10.6*	*19.7*
Acquisitions		1.0	84.9	90.9	176.8
- including acquisitions under finance lease			*0.2*	*2.7*	*2.9*
Disposals	(0.1)	(4.0)	(74.0)	(18.7)	(96.8)
- including disposals under finance lease				*(1.5)*	*(1.5)*
Changes in scope	0.3	0.2	28.7	1.0	30.2
Reclassifications	(1.1)	1.1	71.7	(69.0)	2.7
Translation adjustments	0.6		(12.7)	(1.4)	(13.5)
Gross value as of December 31, 2006	**32.7**	**68.6**	**1,796.5**	**242.4**	**2,140.2**
Depreciation as of January 1, 2006	**(1.3)**	**(40.3)**	**(906.5)**	**(171.7)**	**(1,119.8)**
- including finance lease		*(1.6)*	*(1.3)*	*(4.9)*	*(7.8)*
Depreciation charge net of reversals		(3.2)	(128.2)	(16.5)	(147.9)
- including finance lease		*(0.2)*	*(0.5)*	*(2.4)*	*(3.1)*
Impairment loss			(1.8) (1)		(1.8)
Decreases		2.7	62.8	17.6	83.1
- including finance lease				*1.3*	*1.3*
Changes in scope			(10.4)	(0.2)	(10.6)
Reclassifications	0.4	(0.5)	(6.1)	0.5	(5.7)
Translation adjustments		0.1	3.1	1.0	4.2
Depreciation as of December 31, 2006	**(0.9)**	**(41.2)**	**(987.1)**	**(169.3)**	**(1,198.5)**
Net value as of January 1, 2006	**31.7**	**30.0**	**791.4**	**67.9**	**921.0**
Net value as of December 31, 2006	**31.8**	**27.4**	**809.4**	**73.1**	**941.7**
Gross value as of January 1, 2007	**32.7**	**68.6**	**1,796.5**	**242.4**	**2,140.2**
- including finance lease		*3.9*	*5.4*	*11.8*	*21.1*
Acquisitions	0.1	2.0	99.6	177.9	279.6
- including acquisitions under finance lease		*0.4*	*0.1*	*2.1*	*2.6*
Disposals	(0.9)	(2.5)	(65.1)	(10.7)	(79.2)
- including disposals under finance lease				*(1.6)*	*(1.6)*
Changes in scope	0.9	2.3	10.5	2.0	15.7
Reclassifications	(0.1)	0.4	121.3	(142.6)	(21.0)
Translation adjustments	(2.4)	(0.7)	(29.4)	(3.0)	(35.5)
Gross value as of December 31, 2007	**30.3**	**70.1**	**1,933.4**	**266.0**	**2,299.8**
Depreciation as of January 1, 2007	**(0.9)**	**(41.2)**	**(987.1)**	**(169.3)**	**(1,198.5)**
- including finance lease		*(1.8)*	*(1.8)*	*(6.0)*	*(9.6)*
Depreciation charge net of reversals		(3.3)	(140.6)	(16.2)	(160.1)
- including finance lease		*(0.3)*	*(0.5)*	*(2.0)*	*(2.8)*
Impairment loss			1.8 (2)		1.8
Decreases		0.9	50.0	9.5	60.4
- including finance lease				*1.3*	*1.3*
Changes in scope		(0.5)	(5.9)	(0.4)	(6.8)
Reclassifications		(0.2)	14.5	0.6	14.9
Translation adjustments	0.1	0.2	14.1	1.8	16.2
Depreciation as of December 31, 2007	**(0.8)**	**(44.1)**	**(1,053.2)**	**(174.0)**	**(1,272.1)**
Net value as of January 1, 2007	**31.8**	**27.4**	**809.4**	**73.1**	**941.7**
Net value as of December 31, 2007	**29.5**	**26.0**	**880.2**	**92.0**	**1,027.7**

(1) *Impairment loss on JCDecaux Altantis*
(2) *Reversal of impairment loss on JCDecaux Atlantis*

The net impact of reclassifications amounts to €(6.1) million as of December 31, 2007, compared to €(3.0) million as of December 31, 2006.

As of December 31, 2007, the net value of property, plant and equipment under finance lease amount to €10.2 million, compared to €11.2 million as of December 31, 2006:

In million euros	12/31/2007	12/31/2006
Buildings	2,0	2,0
Panels	3,0	3,4
Vehicles	4,9	5,6
Other property, plant and equipment	0,3	0,2
Total	**10,2**	**11,2**

Over 80% of the Group's property, plant and equipment is comprised of street furniture, and other advertising structures. These assets represent a range of very different products (Seniors Vitrine and large format, Mupi®, columns, flag poles, bus shelters, public toilets, benches, bicycles, public litter bins, etc.) for which the unit value ranges from approximately €100 to €126,000. These assets are fully owned and the Group revenues represent the sale of advertising spaces present in some of this furniture.

3.6. Investments in associates

In million euros	12/31/2007	12/31/2006
Switzerland		
Affichage Holding	131,6	131,7
Germany		
Stadtreklame Nürnberg GmbH	9,6	9,2
Wall AG	105,2	70,1
United States		
Wall Holdings Inc. / Wall USA Inc. (1)	-	4,3
Hong Kong		
Bus Focus Ltd (2)	0,4	0,3
Poad	1,7	1,3
France		
Metrobus	18,6	18,5
China		
Shanghai Zhongle vehicle painting	0,1	N/A
Ukraine / Russia		
BigBoard	60,2	64,2
Total	**327,4**	**299,6**

(1) The companies Wall Holdings Inc. and Wall USA are now fully consolidated.
(2) Subsidiary of JCDecaux Texon International Ltd

The balance sheet items representative of these associates are as follows (*):

In million euros	12/31/2007 % of interest	Total assets	Total liabilities (excluding equity)	Total equity	12/31/2006 % of interest	Total assets	Total liabilities (excluding equity)	Total equity
Switzerland								
Affichage Holding	30%	312.7	150.0	162.7	30%	265.3	115.6	149.7
Germany								
Stadtreklame Nürnberg GmbH	35%	14.3	5.1	9.2	35%	12.3	4.5	7.8
Wall AG	40%	235.4	128.3	107.1	35%	147.2	88.7	58.5
United States								
Wall Holdings Inc. / Wall USA Inc.	60%	N/A	N/A	N/A	50%	14.5	15.6	(1.1)
Hong Kong								
Bus Focus Ltd (1)	40%	2.9	2.0	0.9	40%	2.1	1.4	0.7
Poad	49%	12.4	9.0	3.4	49%	9.4	6.8	2.6
France								
Metrobus	33%	86.2	70.6	15.6	33%	89.3	74.0	15.3
China								
Shanghai Zongle vehicle painting	40%	0.8	0.5	0.3	40%	N/A	N/A	N/A
Ukraine / Russia								
BigBoard	50%	137.0	22.3	114.7	50%	141.6	22.4	119.2

(1) Subsidiary of JCDecaux Texon International Ltd
(*) On a 100% basis restated according to IFRS

Changes in investments in associates for 2007 are as follows:

In million euros	12/31/2006	Income/ (loss)	Dividends	Change in consolidation scope	Other	Translation adjustments	12/31/2007
Affichage Holding	131,7	6,3	(4,5)	(0,5)		(1,4)	131,6
Stadtreklame Nürnberg GmbH	9,2	1,1	(0,6)		(0,1)		9,6
Wall AG	70,1	3,3	(1,0)	33,1		(0,3)	105,2
Wall Holdings Inc. / Wall USA Inc.	4,3			(4,3)			0,0
Metrobus	18,5	2,1	(2,0)				18,6
Poad	1,3	1,3	(0,8)			(0,1)	1,7
Bus Focus Ltd (1)	0,3	0,7	(0,6)				0,4
Shanghai Zongle vehicle painting	0,0			0,1			0,1
BigBoard	64,2	3,8		(1,6)		(6,2)	60,2
Total	**299,6**	**18,6**	**(9,5)**	**26,8**	**(0,1)**	**(8,0)**	**327,4**

(1) Subsidiary of JCDecaux Texon International Ltd

The change in the Wall AG shares for €35.1 million is primarily related to the impact of the additional 5% interest acquired at the end of December 2007 in one hand, and in a second hand to the internal gain on disposal performed by Wall AG related to the asset swap with the group JC Decaux.

3.7. Financial investments

Financial investments totalled €19.8 million as of December 31, 2007, compared to €8.3 million as of December 31, 2006. The increase of €11.5 million is mainly due to the deconsolidation of Europlakat Kft in Hungary, for which the shares were deconsolidated due to the call belonged by Affichage Holding.

3.8. Other financial assets (current and non-current)

In million euros	12/31/2007	12/31/2006
Loans	40,1	31,5
Loans to participating interests	0,7	0,8
Other financial investments	7,2	6,5
Total	**48,0**	**38,8**

As of December 31, 2007, other financial assets increased by €9.2 million in relation to December 31, 2006.

This change is mainly attributable to the €27.8 million loan granted by JCDecaux Deutschland to Wall AG (the "balancing cash adjustment"), as part of the asset swap with Wall AG, the exchange value of the transaction's various operations not giving rise to an effective payment. The increase is partially offset by the elimination as of December 31, 2007 of the €14 million loan granted by JCDecaux SA to EPI as of December 31, 2006, due to the change in the EPI consolidation method (full consolidation as of December 31, 2007, versus proportionate consolidation as of December 31, 2006).

The maturity of other financial assets breaks down as follows:

In million euros	12/31/2007	12/31/2006
≤ 1 year	14,2	3,8
> 1 year ≤ 5 years	31,9	32,4
> 5 years	1,9	2,6
Total	**48,0**	**38,8**

3.9. Other receivables (non-current)

In million euros	12/31/2007	12/31/2006
- Miscellaneous receivables	13,8	15,0
Provisions for miscellaneous receivables	(2,9)	(1,3)
- Tax receivables	0,7	0,5
- Prepaid expenses	55,1	49,9
Total other receivables (non-current)	**69,6**	**65,4**
Total provisions for other receivables (non-current)	**(2,9)**	**(1,3)**
Total	**66,7**	**64,1**

3.10. Inventories

In million euros	12/31/2007	12/31/2006
Gross value of inventories	152,5	112,1
Raw materials, supplies and goods	*88,7*	*69,4*
Finished and semi-finished goods	*63,8*	*42,7*
Write-down	(25,0)	(24,4)
Raw materials, supplies and goods	*(15,4)*	*(15,1)*
Finished and semi-finished goods	*(9,6)*	*(9,3)*
Total	**127,5**	**87,7**

The gross value of inventories as of December 31, 2007 increased by €40.4 million compared to December 31, 2006. Inventory increases are generally due to furniture installations that were planned but not carried out, following the awarding or renewal of contracts. The change primarily concerns the French companies, whose gross inventories increased by €36.4 million following the significant number and extent of the renewed street furniture contracts, such as Paris and Strasbourg. These inventories correspond to street furniture already provided and for which the installation programmes are under way.

3.11. Trade and other receivables

In million euros	12/31/2007	12/31/2006
- Trade receivables	544,4	523,0
Provisions for trade receivables	(25,7)	(28,7)
- Miscellaneous receivables	8,8	6,8
Provisions for miscellaneous receivables	(0,3)	(0,5)
- Other operating receivables	16,0	14,9
Provisions for other operating receivables	(0,3)	(0,3)
- Miscellaneous tax receivables	49,5	29,8
Receivables on disposal of PPE and intangible assets	1,0	0,0
Receivables on disposal of long-term investments	7,6	0,0
- Advance payments	8,8	5,7
- Prepaid expenses	48,6	50,9
Total trade and other receivables	**684,7**	**631,1**
Total provisions for trade and other receivables	**(26,3)**	**(29,5)**
Total	**658,4**	**601,6**

As of December 31, 2007, trade and other receivables had risen by €56.8 million compared to December 31, 2006. The increase stems from growth in Group activity, primarily in France, Asia, the United Kingdom and the United States.

3.12. Cash and cash equivalents

In million euros	12/31/2007	12/31/2006
Cash	159,7	115,2
Cash equivalents	1,8	4,6
Total	**161,5**	**119,8**

As of December 31, 2007, the Group had €161.5 million in available cash, compared to €119.8 million as of December 31, 2006. The available cash had risen by €41.7 million. The increase includes €37.5 million from JCDecaux Advertising (Shanghaï) in order to pay early January 2008 the second part of the advertising rights acquired from the transport company of Shangaï's Metro.

Among the cash and cash equivalents €1.8 million was invested in short-term investments and €7.5 million was invested in guarantees mainly to cover future investments of a contract in China.

3.13. Tax receivable and payable

In million euros	12/31/2007	12/31/2006
Tax receivable	10,7	9,2
Tax payable	(27,6)	(29,8)
Total	**(16,9)**	**(20,6)**

3.14. Net deferred taxes

3.14.1. Deferred taxes recorded

In million euros	12/31/2007	12/31/2006
Deferred tax assets	4,6	7,2
Deferred tax liabilities	(116,2)	(105,6)
Total	**(111,6)**	**(98,4)**

Net deferred tax liabilities increased by €13.2 million between 2006 and 2007, primarily attributable to the United States for €6.2 million and Croatia for €6.5 million.

Breakdown of deferred taxes:

In million euros	12/31/2007	12/31/2006
PP&E and intangible assets	(127,5)	(119,8)
Tax losses carried forward	11,7	12,9
Dismantling provision	10,7	9,8
Other	(6,5)	(1,3)
Total	**(111,6)**	**(98,4)**

As of December 31, 2007, the "Other" line item mainly comprised deferred tax liabilities on distributable reserves.

3.14.2. Unrecognised deferred tax assets on tax losses carried forward

Deferred tax assets on losses carried forward that have not been recognised amounted to €29.4 million as of December 31, 2007, compared to €31.3 million as of December 31, 2006.

3.15. Equity

Breakdown of share capital

As of December 31, 2007, share capital amounted to €3,400,557.51 divided into 223,061,788 shares of the same category and fully paid up.

Reconciliation of the number of outstanding shares as of January 1, 2007 and December 31, 2007:

Number of outstanding shares as of 01/01/2007	221,715,260
Shares issued following the exercise of options	1,346,528
Number of outstanding shares as of 12/31/2007	**223,061,788**

As of December 31, 2007, the Group did not hold any treasury shares.

Delegations of authority granted by the General Meeting of Shareholders to the Executive Board are as follows:

Date of Shareholders' Meeting	Authority granted to the Executive Board
May 10, 2007	- Allot bonus shares from existing shares or shares to be issued, to non-executives employees or officers of the Group, or to certain of them, up to a limit of 0.5% of the share capital on the date of the decision of the General Meeting of Shareholders, this authority to remain in effect for 26 months. - Issue bonds, this authority to remain in effect for 26 months. - Increase share capital, on one or more occasions, by the issue – with maintenance of the preferential subscription right – of shares and/or other marketable securities granting immediate or future access to Company shares, up to an aggregate maximum limit of €3 billion, issue premium included, and determine the terms and conditions thereof. An over-allotment is possible up to an aggregate maximum limit of €450 million should the share capital increase be successful. This authority to remain in effect for 26 months. The same authority providing for the elimination of the preferential subscription right is also granted. - Issue shares or securities convertible into shares, without preferential subscription rights, up to an amount equal to 10% of the share capital, in consideration of contributions to capital consisting of shares, this authority to remain in effect for 26 months. - Perform a capital increase, on one or more occasions, by capitalizing premiums, reserves, or earnings , this authority to remain in effect for 26 months. - Decide to increase share capital for the benefit of employees (subscriptions to a company savings plan excluding stock options) up to an aggregate maximum limit of €30 million, including issue premium, this authority to remain in effect for 26 months. - Grant share subscription or purchase options to non executive employees or officers of the Group, or to certain of them, in the limit of 4% of the share capital, this authority to remain in effect for 26 months. - Purchase Company shares, in the limit of 10% of the share capital, at a price of €30 per share, this authority to remain in effect for 18 months. - Reduce the share capital by cancelling treasury shares, in the limit of 10% of the share capital, over a period of 24 months, this authority to remain in effect for 18 months.

The cumulated amount of capital increase can be performed up to an aggregate limit of €3 billion, including issue premium.

3.16. Provisions

Provisions break down as follows:

In million euros	12/31/2007	12/31/2006
Provisions for retirement and other benefits	32,2	30,4
Other provisions	151,9	153,3
Total	**184,1**	**183,7**

Change in provisions

In million euros	12/31/2006	Charges	Discount	Reversals Used	Reversals Not used	Reclassifi-cations	Translation adjustments	Change in scope	31/12/2007
Provisions for dismantling cost	122,8	17,4	6,0	(7,2)	(4,9)	(0,1)	(2,5)	(4,3)	127,2
Provisions for retirement and other benefits	30,4	4,0	(0,1)	(0,2)	(0,7)	(0,6)	(0,6)	0,0	32,2
Provisions for litigation	10,2	0,7	0,0	(2,5)	(1,7)	0,4	0,0	0,0	7,1
Other provisions	20,3	3,9	0,1	(5,8)	(0,4)	(0,6)	(0,4)	0,5	17,6
Total	**183,7**	**26,0**	**6,0**	**(15,7)**	**(7,7)**	**(0,9)**	**(3,5)**	**(3,8)**	**184,1**

Provisions consist mainly of provisions for dismantling costs in respect of street furniture. They are calculated at the end of each accounting period and are based on the size of the pool of street furniture currently in use and their unitary dismantling cost (labour, cost of destruction and restoration of ground surfaces).

Provisions for dismantling are discounted at a rate of 5%. The use of a 4.75% discount rate (change of 25 basis points) would have generated an additional financial expense of approximately €2.1 million, while the use of a 4.50% discount rate (change of 50 basis points) would have generated an additional financial expense of approximately €4.3 million.

Provisions for litigation amounted to €7.1 million as of December 31, 2007. All Group litigation has been reviewed by the Group's Legal Department. Risks related to litigation have been evaluated on a case-by-case basis depending on plaintiff claims, opinions of Group's legal consultants and any lower court decisions.

Provisions increased by €0.4 million for the year. This rise is mainly due to a €4.4 million increase in the provision for dismantling, reduced by write-backs on provisions, following litigation resolutions with French and American suppliers.

Reversals of unused provisions for the year amounted to €7.7 million. Provisions for dismantling contributed in the amount of €4.9 million.

Litigation and arbitration proceedings

The Group is involved in certain legal proceedings within the normal course of its business. The special nature of business relations with French and foreign public authorities may, however, create a context where litigation becomes a sensitive issue.

- The cyclical character of street furniture installations in France and abroad, which makes long-term planning difficult, is largely unavoidable, because of postponements in the signing of agreements, premature terminations at the initiative of local governmental authorities, and the Company's success rate in its responses to bid solicitations. Consequently, JCDecaux SA is subject to supplier legal actions with respect to not maintaining previous business volume, despite fluctuations in orders for the installation of advertising structures the Company was contracted to provide.
- Following verifications of the accounting performed in the Group companies, a tax risk was taken into account for JCDecaux SA. The total estimated risk was provided for based on the information available to the Company as of December 31, 2007.
- In Thailand, a competitor initiated a suit against JCDecaux Thailand for breach of concession and model infringement. In November 2007, the Supreme Court of Thailand ruled that it was not competent to judge the breach of concession suit. With respect to the model infringement claim, a decision is expected by the end of 2008.
- In Brazil, the Rio de Janeiro Public Prosecutor sought the cancellation of a concession agreement with Marketing Brasil Communicaçoes Ltda for irregularities in the awarding of the contract. As the concession agreement had been transferred to JCDecaux do Brasil by Marketing Brasil Communicaçoes Ltda, the latter called on JCDecaux do Brasil in the proceedings opposing it against the Public Prosecutor.
- In the United States, a company is claiming compensation from JCDecaux Airport Inc. with respect to the consulting agreement signed in 1999 regarding the Los Angeles Airport. An internal analysis is underway to determine the claim's significance and evaluate the risk.

- In the United States, JCDecaux Airport Inc. was investigated with regard to the terms and conditions governing application of the Disadvantaged Business Act to certain contracts.
- In addition, JCDecaux SA, JCDecaux Mobilier Urbain, SEMUP, JCDecaux Belgium and Mobiliario Urbano are parties to certain administrative procedures they have initiated against public authorities, following contract terminations, decisions to award contracts to competitors or claims for tax overpayments.

The amount of provisions set aside for each of these litigations is determined through an analysis supervised by the Group's legal department covering the basis of the claims, the defense's arguments, the jurisprudence and the status of the proceedings. The amount of the provisions is not indicated for each case as it might be seriously prejudicial to JCDecaux Group in these proceedings.

To the best of the Group's knowledge, there are no judicial, arbitration or administrative proceedings that might have, or have had in the recent past, material impacts on the JCDecaux Group's financial position or profitability.

Contingent assets and liabilities other than litigation

In the absence of a contractual obligation to dismantle billboards, no provision for dismantling costs is recognised in the Group financial statements. However, certain companies (in France, Austria, and the United Kingdom) operate large format panels similar to street furniture for which the unitary dismantling cost is material. Accordingly, the overall dismantling cost is estimated at €5.7 million as of December 31, 2007 compared to €5.3 million as of December 31, 2006.

Provision for retirement and other benefits

The Group's defined employee benefit obligations mainly consist in retirement benefits (contractual termination benefits, pensions and other retirement benefits for Managing Directors of certain Group subsidiaries) and other long-term benefits paid during the working life such as long service awards.

The Group's retirement benefits mainly involve France, the United Kingdom, Austria and the Netherlands.

In France, the termination benefits paid at the retirement date are calculated in accordance with the "*Convention Nationale de la Publicité*" (Collective Bargaining Agreement for Advertising). A portion of the obligation is covered by contributions made to an external fund by the French companies of JCDecaux Group.

In the United Kingdom, retirement obligations mainly consist in a pension plan previously open to some employees of JCDecaux UK Ltd. In December 2002, the related vested rights were frozen.

In Austria, the obligations mainly comprise termination benefits.

In the Netherlands, retirement obligations mainly relate to a pension plan partially covered by the contributions paid to an external fund.

Contributions paid for defined contribution plans represent €26.2 million in 2007, compared to €23.8 million in 2006.

There are two multi-employer defined benefit plans in Sweden (ITP) and in Finland (TEL). These plans have not been subject to an actuarial valuation, insofar as they are national plans for which the necessary information is not available to date.

Provisions are calculated according to the following assumptions:

	2007	2006
Discount rate		
Euro Zone	5.0%	4.4%
United Kingdom	5.75%	5.0%
Australia	6.0%	5.7%
Estimated annual rate of increase in future salaries		
Euro Zone	2.45%	2.5%
United Kingdom (1)	0%	0%
Australia	5.5%	5.5%
Estimated annual rate of increase in post-employment benefits		
Euro Zone	0%	0%
United Kingdom	3.2%	3.2%
Australia	0%	0%
Expected return of related plan assets		
Euro Zone	4.7%	4.9%
United Kingdom	7.0%	7.0%
Australia	N/A	N/A

(1) The United Kingdom plan had been frozen, and then, no revaluation of salaries had been performed.

Retirement benefits and other long-term benefits (before tax) break down as follows:

- **In 2006:**

In million euros	Retirement benefits unfunded	Retirement benefits funded	Other long-term benefits	Total
Change in benefit obligation				
Opening balance	12.3	63.7	3.2	79.2
Service cost	0.8	1.7	0.3	2.8
Interest cost	0.5	2.8	0.1	3.4
Amendments to plans				0.0
Actuarial gains/losses (1)	0.7	4.0	(0.2)	4.5
Benefits paid	(0.7)	(1.5)	(0.2)	(2.4)
Other (exchange gains/losses)		1.0		1.0
Benefit obligation at the end of the year	**13.6**	**71.7**	**3.2**	**88.5**
including France	*9.0*	*17.9*	*1.4*	*28.3*
including other countries	*4.6*	*53.8*	*1.8*	*60.2*
Change in plan assets				
Opening balance		37.5		37.5
Expected return on plan assets (2)		2.5		2.5
Actuarial gains/losses (3)		1.5		1.5
Employer contributions		2.7		2.7
Benefits paid		(1.5)		(1.5)
Other (exchange gains/losses)		0.8		0.8
Fair value of assets at the end of the year		**43.5**		**43.5**
including France		*4.5*		*4.5*
including other countries		*39.0*		*39.0*
Provision				
Funded status	13.6	28.2	3.2	45.0
Unamortised actuarial gains/losses	(2.9)	(8.1)		(11.0)
Unamortised past service cost	(1.2)	(2.7)		(3.9)
Assets unrecognized				0.0
Provision at the end of the year (4)	**9.5**	**17.4**	**3.2**	**30.1**
including France	*5.9*	*7.8*	*1.4*	*15.1*
including other countries	*3.6*	*9.6*	*1.8*	*15.0*
Periodic pension cost				
Service cost	0.8	1.7	0.3	2.8
Interest cost	0.5	2.8	0.1	3.4
Expected return on plan assets		(2.5)		(2.5)
Amortisation of actuarial gains/losses	0.1	2.0	(0.2)	1.9
Amortisation of past service cost	0.1	0.2		0.3
Other		(0.2)		(0.2)
Charge for the year	**1.5**	**4.0**	**0.2**	**5.7**
including France	*0.8*	*1.5*	*0.0*	*2.3*
including other countries	*0.7*	*2.5*	*0.2*	*3.4*

(1) Including €1.9 million related to changes in assumptions and €2.6 million related to experience gains and losses.
(2) The rates of return on pension funds were determined in each country concerned based on the change in the hedging asset over the last 12 months.
(3) Actuarial gains or losses generated by hedging assets are experience gains and losses.
(4) The amount of €30.1 million includes €30.4 million of provisions recognised in the balance sheet liabilities with respect to employee-related commitments, €(1.1) million of reimbursement rights relating to the Austrian retirement benefit plan and €0.8 million included in "other liabilities" corresponding to a part of the employee benefit obligation in the United Kingdom.

- **In 2007:**

In million euros	Retirement benefits unfunded	Retirement benefits funded	Other long-term benefits	Total
Change in benefit obligation				
Opening balance	13.6	71.7	3.2	88.5
Service cost	0.6	1.6	0.3	2.5
Interest cost	0.6	3.3	0.2	4.1
Amendments to plans	(0.1)		(0.4)	(0.5)
Actuarial gains/losses (1)	(1.1)	(7.7)	1.0	(7.8)
Benefits paid	(1.4)	(1.5)	(0.3)	(3.2)
Other (exchange gains/losses)		(3.6)		(3.6)
Benefit obligation at the end of the year	**12.2**	**63.8**	**4.0**	**80.0**
including France	*8.6*	*18.0*	*2.3*	*28.9*
including other countries	*3.6*	*45.8*	*1.7*	*51.1*
Change in plan assets				
Opening balance		43.5		43.5
Expected return on plan assets (2)		2.7		2.7
Actuarial gains/losses (3)		(1.8)		(1.8)
Employer contributions		3.0		3.0
Benefits paid		(1.5)		(1.5)
Other (exchange gains/losses)		(2.9)		(2.9)
Fair value of assets at the end of the year		**43.0**		**43.0**
including France		*4.7*		*4.7*
including other countries		*38.3*		*38.3*
Provision				
Funded status	12.2	20.8	4.0	37.0
Unamortised actuarial gains/losses	(1.7)	(1.2)		(2.9)
Unamortised past service cost	(1.0)	(2.5)		(3.5)
Assets unrecognized				0.0
Provision at the end of the year (4)	**9.5**	**17.1**	**4.0**	**30.6**
including France	*6.3*	*9.1*	*2.3*	*17.7*
including other countries	*3.2*	*8.0*	*1.7*	*12.9*
Periodic pension cost				
Service cost	0.6	1.6	0.3	2.5
Interest cost	0.6	3.3	0.2	4.1
Expected return on plan assets		(2.3)		(2.3)
Amortisation of actuarial gains/losses	0.1	0.7	1.0	1.8
Amortisation of past service cost	0.1	0.2		0.3
Other	(0.1)		(0.4)	(0.5)
Charge for the year	**1.3**	**3.5**	**1.1**	**5.9**
including France	*1.0*	*1.9*	*1.0*	*3.9*
including other countries	*0.3*	*1.6*	*0.1*	*2.0*

(1) Including €(8.8) million related to changes in assumptions and €1.0 million related to experience gains and losses.
(2) The rates of return on pension funds were determined in each country concerned based on the change in the hedging asset over the last 12 months.
(3) Actuarial gains or losses generated by hedging assets are experience gains and losses.
(4) The amount of €30.6 million includes €32.2 million of provisions recognised in balance sheet liabilities with respect to employee-related commitments and €(1.6) million of reimbursement rights relating to the Austrian retirement benefit plan.

As of December 31, 2007 the Group's benefit obligation amounted to €80.0 million and mainly involves four countries: United Kingdom (49% of the total obligation), France (36%), Austria (6 %) and the Netherlands (6 %).

The valuations were performed by an independent actuary who also conducted sensitivity tests for each of the plans.

The present value of the obligation for these four countries is €77.8 million. The results of the sensitivity tests demonstrate that a decrease of 30 basis points in the discount rate would have an impact of approximately €3.4 million on the amount of the obligation's present value.

The variances observed do not call into question the rates adopted for the preparation of the financial statements, as they are considered the rates that most closely match the market.

Unamortised actuarial losses as of December 31, 2007 amount to €2.9 million and are essentially related to the French, Italian and Austrian companies.

Unamortised past service cost as of December 31, 2007 amounts to €3.5 million and corresponds to the surplus resulting from application of the new French law ("*loi Fillon*"). The surplus is amortised over the average period until the benefits are vested.

Net movements in retirement and other benefits are as follows:

In million euros	2007	2006
January 1	**30,1**	**27,8**
Charge for the year	5,9	5,7
Translation adjustments	(0,7)	0,2
Contributions paid	(3,0)	(2,7)
Benefits paid	(1,7)	(0,9)
Other		
December 31	**30,6**	**30,1**

The breakdown of the related plan assets is as follows:

	2007		2006	
	In M€	%	In M€	%
Shares	21,4	50%	22,2	51%
Bonds	14,9	35%	16,2	37%
Real Estate	0,5	1%	0,5	1%
Other	6,2	14%	4,6	11%
Total	**43,0**	**100%**	**43,5**	**100%**

Future contributions to hedging assets for fiscal year 2008 are estimated at €1.5 million.

3.17. Net financial debt

		12/31/2007			12/31/2006		
In million euros		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bonds			360.2	360.2		368.2	368.2
Banks borrowings		66.2	388.4	454.6	28.5	383.6	412.1
Miscellaneous facilities and other financial debt		2.3	32.4	34.7	2.4	21.5	23.9
Finance lease liabilities		2.9	8.2	11.1	2.8	9.3	12.1
Accrued interest		4.1		4.1	4.0		4.0
Economic financial debt	**(1)**	**75.5**	**789.2**	**864.7**	**37.7**	**782.6**	**820.3**
Impact of amortised cost			(1.8)	(1.8)		(2.3)	(2.3)
Impact of fair value hedge			(38.7)	(38.7)		(34.3)	(34.3)
IAS 39 remeasurement	**(2)**	**0.0**	**(40.5)**	**(40.5)**	**0.0**	**(36.6)**	**(36.6)**
Gross balance sheet financial debt	**(3)=(1)+(2)**	**75.5**	**748.7**	**824.2**	**37.7**	**746.0**	**783.7**
Financial derivatives (assets)		(2.2)	(2.5)	(4.7)	(4.3)	(2.5)	(6.8)
Financial derivatives (liabilities)			39.3	39.3		34.6	34.6
Hedging financial instruments	**(4)**	**(2.2)**	**36.8**	**34.6**	**(4.3)**	**32.1**	**27.8**
Cash and cash equivalents		161.5		161.5	119.8		119.8
Overdrafts		(31.5)		(31.5)	(24.2)		(24.2)
Net cash	**(5)**	**130.0**	**0.0**	**130.0**	**95.6**	**0.0**	**95.6**
Restatement of the loans granted to the proportionately consolidated companies	**(6)**	**8.9**		**8.9**	**18.3**	**2.6**	**20.9**
Net financial debt (excluding minority interest purchase commitments)	**(7)=(3)+(4) -(5)-(6)**	**(65.6)**	**785.5**	**719.9**	**(80.5)**	**775.5**	**695.0**

From an economic point of view, the Group judges that it is more relevant to comment the changes in the financial debt based on its repayment value rather than on its book value. For this purpose, aggregate "economic" financial debt is defined and determined based on a debt carrying amount that is adjusted for the fair value revaluation arising from hedging and amortised cost (IAS 39 restatements).

The net financial debt is restated for the loans granted to the proportionately consolidated companies when their funding is shared between the different shareholders. The debt on commitments to purchase minority interests is recorded separately and therefore is not included in financial debt, as broken down in Note 3.18.

Financial derivatives and debt characteristics before and after hedging are described in Note 3.19.

The Group's main financial debts are held by JCDecaux SA, the drawn amount being as follows as of December 31, 2007:

In million euros	Economic value	Carrying amount	Market value (1)	Issuing date	Maturity date
US private placement	360,2	320,4	321,0	April 2003	between April 2010 and April 2015
Committed revolving credit facility	255,0	254,3	255,0	March 2005 amended in June 2006	June 2012 with a one-year extension option
Bank loans	75,0	75,0	75,0	October 2006	October 2011
Total	**690,2**	**649,7**	**651,0**		

(1) The US Private Placement (USPP) was marked to market. The Group considers that the values stated in its books for the revolving credit facility and the bank facility approximate the market value.
As the Group's financial debts are not quoted on an active market, the values mentioned have been estimated based primarily on information communicated by banks. The use of different assumptions or valuation methods could result in values that could vary from those mentioned.

These funding sources held by JCDecaux SA are committed, but they require compliance with various restrictive covenants. As of December 31, 2007, the Group was compliant with all covenants, with values significantly distant from required limits.

The average effective rate of these debts after interest rate hedging is around 5% for 2007.

Financial debt also includes:

- bank loans held by JCDecaux SA's direct and indirect subsidiaries, for a total amount of €124.6 million;
- finance lease liabilities for €11.1 million described in the final section of this paragraph;
- miscellaneous facilities and other financial debt for €34.7 million, comprising shareholder loans held by subsidiaries not wholly owned by JCDecaux SA and granted by the other shareholders of such entities;
- accrued interest for €4.1 million.

In addition, the Group has a total of €625 million available committed credit facilities as of December 31, 2007, mainly constituted by the undrawn portion of JCDecaux SA committed revolving credit line.

Maturity of financial debt (excluding unused committed credit facilities)

In million euros	12/31/2007	12/31/2006
Less than one year	75,5	37,7
More than one year and less than 5 years	475,6	486,0
More than 5 years	313,6	296,6
Total	**864,7**	**820,3**

Breakdown of financial debt by currency

Breakdown of debt by currency (before basis and currency swaps)

In million euros	12/31/2007	12/31/2006
Euro	562,1	548,3
US dollar	211,0	219,6
Chinese yuan	40,3	12,3
Thai Baht	16,3	4,0
Indian rupee	7,9	4,5
Chilean peso	5,7	5,8
Other	21,4	25,8
Total	**864,7**	**820,3**

Breakdown of debt by currency (after basis and currency swaps)

In million euros	12/31/2007 In M€	12/31/2007 In %	12/31/2006 In M€	12/31/2006 In %
Euro	625,3	72%	490,0	60%
US dollar	66,3	8%	73,3	9%
Hong Kong dollar	59,2	7%	178,8	22%
Chinese yuan	40,3	4%	12,3	1%
Pound Sterling	26,0	3%	16,5	2%
Thai Baht	16,3	2%	12,8	1%
Norwegian krone	8,6	1%	11,8	1%
Indian rupee	7,9	1%	4,5	1%
Canadian dollar	7,7	1%	7,7	1%
Chilean peso	5,7	1%	5,8	1%
Other	1,4	0%	6,8	1%
Total	**864,7**	**100%**	**820,3**	**100%**

Breakdown of debt by interest rate (excluding unused committed credit facilities)

Breakdown of debt by interest rate (before committed and optional interest rate derivatives)

In million euros	12/31/2007	12/31/2006
Fixed rate	233,8	266,0
Floating rate	630,9	554,3
Total	**864,7**	**820,3**

Breakdown of debt by interest rate (after committed and optional interest rate derivatives) – Additional information on hedging is disclosed in Note 3.19

	12/31/2007 In M€	12/31/2007 In %	12/31/2006 In M€	12/31/2006 In %
Fixed rate	25,7	3%	51,4	6%
Floating rate hedged with options	175,0	20%	175,0	21%
Floating rate	664,0	77%	593,9	73%
Total	**864,7**	**100%**	**820,3**	**100%**

Finance lease liabilities

Finance lease liabilities break down as follows:

In million euros	12/31/2007 Minimum future lease payments	12/31/2007 Interest	12/31/2007 Principal	12/31/2006 Minimum future lease payments	12/31/2006 Interest	12/31/2006 Principal
≤ 1 year	3,1	0,2	2,9	3,3	0,5	2,8
> 1 year and ≤ 5 years	7,4	0,3	7,1	8,5	1,1	7,4
> 5 years	1,1	0,0	1,1	1,9	0,0	1,9
Total	**11,6**	**0,5**	**11,1**	**13,7**	**1,6**	**12,1**

3.18. Debt on commitment to purchase minority interests

The debt on commitment to purchase minority interests amounts to €91.0 million as of December 31, 2007, compared to €80.5 million as of December 31, 2006.

The item primarily comprises a purchase commitment given to the partner Progress, for its interest in Gewista, exercisable between January 1, 2009 and December 31, 2009, for a present value on the balance sheet of €71 million, under which the partner is committed not to sell its shares before January 1, 2009.

3.19. Financial derivatives

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

3.19.1. Hedging derivative instruments related to bond issues

In connection with the issuance of its US private placement in 2003, JCDecaux SA raised funds, a significant portion of which ($250 million) were denominated in US dollars and carried a fixed coupon. As the Group did not generate such US dollar funding needs and in compliance with its policy to have its medium and long-term debt indexed to floating rates, JCDecaux SA entered into swap transactions combined with the issuance of its private placement to hedge against the change in fair value of the debt.

As of December 31, 2007, the bond debt is as follows – before and after hedging -:

	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E
Principal amount before hedging	US$100 million	US$100 million	€100 million	US$50 million	€50 million
Maturity date	April 2010	April 2013	April 2013	April 2015	April 2015
Repayment	At maturity	At maturity	At maturity	At maturity	At maturity
Interest rate before hedging	US$ Fixed rate	US$ Fixed rate	EURIBOR rate	US$ Fixed rate	EURIBOR rate
Hedging instrument	Interest rate swap: receiving fixed rate / paying floating rate (LIBOR)	interest rate swaps combined with basis swaps: receiving fixed rate / paying floating rate (EURIBOR)	NA	interest rate swaps combined with basis swaps: receiving fixed rate / paying floating rate (EURIBOR)	NA
Principal amount after hedging	US$100 million	€94.8 million	€100 million	€47.4 million	€50 million
Interest rate after hedging	LIBOR rate	EURIBOR rate	EURIBOR rate	EURIBOR rate	EURIBOR rate

These swaps meet the conditions required to qualify as fair value hedges within the meaning of IAS 39. The features of the hedged debt and the hedging instrument being identical, the hedge is effective.

As the debt is measured at fair value, the changes in value of the hedged debt are offset by symmetrical changes in value of the derivatives. The impacts on the income statement are therefore cancelled out.

The market values of these derivatives were determined by discounting the future cash flow differential based on zero coupon rates prevailing as of closing date:

In million euros	IAS 39 treatment	Market value as of 12/31/07	Market value as of 12/31/06
Interest rate swap	hedging of changes in fair value of debt relating to changes in interest rate	1.1	(6.2)
Basis swap	hedging of changes in fair value of debt relating to changes in foreign exchange rate	(40.4)	(28.4)
		(39.3)	**(34.6)**

3.19.2. Other interest rate instruments

Most of the Group's debt is denominated in euros and indexed to floating rates. In order to limit the impact of an increase in Euribor rates on its cost of debt, the Group has set up medium-term hedges in the form of caps, sometimes funded by sales of caps or floors.

Accordingly, as of December 31, 2007, the euro positions contracted by the Group are as follows:

- caps purchased for €175 million maturing between 2009 and 2010; these were in the money on December 31, 2007;
- caps sold for €125 million maturing between 2009 and 2010; €75 million were in the money on December 31, 2007;
- floors sold for €100 million maturing in 2009; none were in the money based on a 3-month EURIBOR of 4.684% as of December 31, 2007.

In accordance with the definitions of IAS 39, the effectiveness of these financial instruments in relation to the hedged items is not perfect. The Group currently does not wish to apply hedge accounting to these instruments. Consequently, only the market value of these instruments is recorded on the balance sheet, with changes in fair value recorded in the income statement.

The market values used for this type of derivative are the valuations communicated by first rank banks.

As of December 31, 2007, the market value of these financial instruments amounts to €2.5 million, the same amount as of December 31, 2006.

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

The foreign exchange risk exposure of the Group is generated by its business in foreign countries. It is mainly related to financial activities (refinancing and recycling of cash deposits with foreign subsidiaries pursuant to the Group's cash centralisation policy). The Group covers this risk with short-term currency swaps.

Since the inter-company loans and receivables are eliminated on consolidation, only the value of the hedging instruments is presented in the balance sheet.

As of December 31, 2007, the hedging transactions implemented by the Group are as follows (net positions):

In million euros	12/31/2007	12/31/2006
Forward purchases against Euro		
Australian dollar	17.6	9.4
American dollar	4.8	4.9
Swedish krone	2.9	8.2
Singapore dollar	0.4	2.6
Forward sales against Euro		
Hong Kong dollar	59.2	178.8
Pound sterling	20.1	11.4
Norwegian krone	8.6	12.1
Canadian dollar	5.1	5.1
Czech koruna	3.5	4.4
Danish krone	1.3	3.0
Thai Baht	0.0	8.8
Other	2.5	1.5

As of December 31, 2007, the market value of these financial instruments amounts to €2.2 million, compared to €4.3 million as of December 31, 2006.

3.20. Trade and other payables (current liabilities)

In million euros	12/31/2007	12/31/2006
Trade payables	246,9	212,9
Tax and employee related liabilities	150,6	136,2
Other operating liabilities	128,2	107,0
Payables on the acquisition of tangible and intangible assets	43,5	8,9
Payables on the acquisition of financial investments	16,2	10,8
Other liabilities	9,3	8,0
Payments on account received	10,2	9,2
Deferred income	57,1	53,1
Total	**662,0**	**546,1**

The €115.9 million increase in current liabilities as of December 31, 2007 is attributable to the increase in trade payables for €34.0 million (particularly in France, in conjunction with the increase in inventories due to planned furniture installations that have not been carried out) and to the increase in payables on the acquisition of tangible and intangible assets for €34.6 million. The latter item also includes €37.2 million related to the future payment of the second tranche of the Shanghai metro advertising rights.

Operating liabilities have a maturity of one year or less.

4. NOTES TO THE INCOME STATEMENT

4.1. Net operating expenses

In million euros	2007	2006
Rents and fees	(687,3)	(621,9)
Other net operating expenses	(433,3)	(391,8)
Taxes and duties	(13,8)	(17,3)
Staff costs	(417,0)	(381,8)
Direct operating expenses & Selling, general & administrative expenses (1)	**(1 551,4)**	**(1 412,8)**
Net provision charge	**10,7**	**6,5**
Net depreciation and amortization	**(187,0)**	**(176,4)**
Impairment of goodwill	**0,0**	**(4,0)**
Maintenance spare parts	**(34,2)**	**(28,9)**
Other operating income and expenses	**5,5**	**(2,9)**
Total	**(1 756,4)**	**(1 618,5)**

(1) *including €1,200.6 million of « Direct operating expenses » andt €350.8 million of « Selling, general & administrative expenses » in 2007 (compared to respectively €1,085.4 million and €327.4 million in 2006).*

Rents and fees
This item includes rents and fees that the Group pays to landlords, public authorities, airports, transport companies and shopping centres.

In 2007, fees paid for the right to advertise total €687.3 million:

In million euros	Total	Fixed expenses	Variable expenses
Fees associated with Street Furniture and Transport contracts	523,3	347,5	175,8
Rents related to BillBoard locations	164,0	137,0	27,0
Total	**687,3**	**484,5**	**202,8**

Variable expenses are determined based on contractual terms and conditions: rents and fees that fluctuate according to revenue levels are considered as variable expenses. Rents and fees that fluctuate according to the number of furniture items or the number of passengers in the case of airports are considered as fixed expenses.

Other net operating expenses
This item includes four principal cost categories:

- Subcontracting costs for certain maintenance operations;
- Billboard advertising stamp duties and taxes;
- Operating lease expenses;
- Fees and operating costs, excluding staff costs, for different Group services.

Operating lease expenses, amounting to €28.7 million in 2007, are fixed expenses.

Research costs and non-capitalised development costs are also included in "Other net operating expenses" and amount to €5.0 million in 2007, compared to €3.5 million in 2006.

Taxes and duties
This item includes taxes and similar charges other than income taxes. The principal taxes recorded under this item are business tax (*taxe professionnelle*) and property taxes.

Staff costs

This item includes salaries, benefits, share-based payments and social security including furniture installation and maintenance staff, research and development staff, sales team and administrative staff.

It also covers profit-sharing and investment plans and related expenses for French employees.

Staff costs include:

In million euros	2007	2006
Compensation and other benefits	324,8	297,8
Social security contributions	88,9	81,7
Share-based payment expenses	3,3	2,3
Total	**417,0**	**381,8**

Staff costs in respect of post-employment benefits break down as follows:

In million euros	2007	2006
Retirement benefits and pensions	4,8	5,5
Other long-term benefits	1,1	0,2
Total provision for retirement and other benefits (1)	**5,9**	**5,7**

(1) Including €3.1 million of expenses related to retirement benefits and pensions and other post-employment benefits included in "Net provision charge" in 2007, against €4.0 million in 2006.

Share-based payment expenses recognised pursuant to IFRS 2 total €3.3 million in 2007 compared to €2.3 million in 2006.

Breakdown of bonus share plan:

	2007 Plan		2006 Plan
Grant date	February 20, 2007	May 10, 2007	February 3, 2006
Number of beneficiaries	1	1	2
Acquisition date	February 20, 2009	May 10, 2011	February 3, 2008
Number of bonus shares	9,987	15,807	25,974
Equity cost (%)	8.172	7.892	5.733
Value at the Grant date	€ 22.86	€ 23.05	€ 20.22
Dividend / share expected Y+1 (1)	€ 0.491	€ 0.491	€ 0.341
Dividend / share expected Y+2 (1)	€ 0.543	€ 0.543	€ 0.375
Dividend / share expected Y+3 (1)		€ 0.597	
Dividend / share expected Y+4 (1)		€ 0.635	
Fair value of bonus shares	€ 21.94	€ 21.18	€ 19.56

(1) Consensus of financial analysts on future dividends (Bloomberg source)

Breakdown of stock option plans:

	2007 Plan	2006 Plan	2005 Plan	2004 Plan	2003 Plan	2002 Plan	2001 Plan	2001 Plan	2001 Plan
Grant date	February 20, 2007	February 20, 2006	March 4, 2005	March 5, 2004	January 16, 2003	December 13, 2002	December 14, 2001	July 20, 2001	June 21, 2001
Vesting date	February 20, 2010	February 20, 2009	March 4, 2008	March 5, 2007	January 16, 2006	December 13, 2005	December 14, 2004	July 20, 2004	June 21, 2004
Expiry date	February 20, 2014	February 20, 2013	March 4, 2012	March 5, 2011	January 16, 2010	December 13, 2009	December 14, 2008	July 20, 2008	June 21, 2008
Number of beneficiaries	178	4	140	120	20	2	49	771	5,540
Number of options	763,892	70,758	690,365	678,711	209,546	88,096	340,996	479,024	3,283,684
Exercise price	€ 22.58	€ 20.55	€ 19.81	€ 15.29	€ 10.78	€ 10.67	€ 11.12	€ 15.46	€ 16.50

Stock option movements during the period and average exercise price by category of options:

Period	2007	Average exercise price in euros	2006	Average exercise price in euros
Number of options outstanding at the beginning of the year	**3 000 591**	**€ 16,19**	**3 898 046**	**€ 16,03**
Options granted during the period	763 892	€ 22,58	70 758	€ 20,55
Options forfeited during the period	38 739	€ 21,12	78 504	€ 16,73
Options exercised during the period	1 346 528	€ 15,16	889 709	€ 15,79
Options expired during the period	0	NA	0	NA
Number of options outstanding at the end of the period	**2 379 216**	**€ 18,75**	**3 000 591**	**€ 16,19**
Number of options exercisable at the end of the period	**1 374 861**	**€ 16,45**	**2 257 813**	**€ 15,41**

The average strike price per plan of options exercised during the year was as follows:

Plan	Grant date	Options exercised in 2007	Average exercice price in euros	Options exercised in 2006	Average exercice price in euros
2001	June 2001	697 716	23,84	694 090	21,35
	July 2001	70 668	24,09	74 779	22,16
	December 2001	167 890	25,10	74 450	21,39
2002	2002	28 584	27,95	0	0
2003	2003	97 688	23,98	26 118	21,57
2004	2004	231 995	24,28	15 819	21,16
2005	2005	51 987	25,38	4 453	21,09
2006	2006	0		0	
2007	2007	0		0	
Total		**1 346 528**	**24,24**	**889 709**	**21,42**

The residual terms of option plans outstanding as of December 31, 2007 and 2006 were as follows:

		12/31/2007			12/31/2006		
Plan	Grant date	In options	Residual term in years	Average strike price in euros	In options	Residual term in years	Average strike price in euros
2001	June 2001	425 689	0,47	16,50	1 127 964	1,47	16,50
	July 2001	20 004	0,55	15,46	90 999	1,55	15,46
	December 2001	37 981	0,96	11,12	205 871	1,95	11,12
2002	2002	59 512	1,95	10,67	88 096	2,95	10,67
2003	2003	63 570	2,04	10,78	161 258	3,04	10,78
2004	2004	375 843	3,18	15,29	605 241	4,18	15,29
2005	2005	582 031	4,18	19,81	650 404	5,18	19,81
2006	2006	70 758	5,15	20,55	70 758	6,15	20,55
2007	2007	743 828	6,15	22,58			
Total		**2 379 216**		**18,75**	**3 000 591**		**16,19**

The plans were valued using the Black & Scholes model based on the following assumptions:

	Plan					
Assumptions	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**
- Price of underlying at date of grant	€22.86	€20.70	€19.70	€16.19	€11.78	€10.49
- Estimated volatility	28.66%	29.43%	32.84%	50.00%	50.00%	50.00%
- Risk-free interest rate	4.02%	3.11%	2.96%	3.61%	3.96%	4.00%
- Estimated option life (in years)	4.5	4.5	4.5	7.0	7.0	7.0
- Estimated turnover	5%	0%	5%	2%	2%	2%
- Dividend payment rate *(1)*	2.0	1.9	-	-	-	-
- Fair value options	€5.76	€5.11	€6.21	€9.23	€6.88	€5.86

(1) Consensus of financial analysts on future dividends (Bloomberg source)

The estimated option life represents the period from the grant date to management's best estimate of the most likely date of exercise.

Stock option plans granted between 2002 and 2004 were valued at the date of transition to IFRS based on historical volatility, with the date of the stock market initial public offering (IPO) as the start point. It was assumed that options will be exercised at the end of their life.

As the Group had more historical data for the valuation of the 2005 to 2007 plans, it was able to refine its volatility calculation assumptions. Therefore, the first year of listing was not included in the volatility calculation, as it was considered abnormal due primarily to the sharp movements in share price inherent to the IPO and the effect of September 11, 2001.

Furthermore, based on observed behaviour, the Group considered on the issuance of the 2005 to 2007 plans, that the option would be exercised 4.5 years on average after the grant date.

Maintenance spare parts

The item comprises the cost of spare parts for street furniture as part of maintenance operations for the advertising network, excluding glass panel replacements and cleaning products, and inventory impairment loss.

Other operating income and expenses

Other operating income and expenses break down as follows:

In million euros	**2007**	**2006**
Gain and losses on disposal of financial assets	10,7	0,0
Gain and losses on disposal of PPE and intangible assets	(1,1)	(1,5)
Other operating income	0,4	0,5
Other operating expenses	(4,5)	(1,9)
Total	**5,5**	**(2,9)**

Amounting to €5.5 million in 2007, the item comprises €11.1 million in operating income and €(5.6) million in operating expenses.

Capital gains on disposals of consolidated securities for €10.7 million are related to the EPI asset swap with Affichage Holding in the amount of €10.5 million. Other operating expenses for €(4.5) million primarily comprise €(1.3) million in restructuring costs for the Netherlands, €(1.5) million in litigation expenses in the US, and €(1) million in expenses concerning the Barcelona contract in Spain.

4.2. Net financial income (loss)

In million euros	2007	2006
Interest income	7.9	5.4
Interest expense	(44.6)	(33.7)
Net interest expense (1)	**(36.7)**	**(28.3)**
Dividends	**0.6**	**0.5**
Net foreign exchange gains / (losses)	**(1.8)**	**(6.2)**
Impact of IAS 39 - foreign exchange	1.0	(0.5)
Impact of IAS 39 - interest rate	0.0	0.0
Variation in fair value of derivatives not qualified as hedges	0.0	2.2
Amortized cost impact	(0.5)	(0.5)
Impact of IAS 39	**0.5**	**1.2**
Discounting charges	**(12.5)**	**(11.7)**
Bank guarantee costs	**(0.6)**	**(0.6)**
Charge to provisions for financial risks	(1.9)	(2.3)
Reversal of provisions for financial risks	2.3	2.9
Provisions for financial risks - Net charge	**0.4**	**0.6**
Net income / (loss) on the sale of financial investments	**(1.2)**	**(0.6)**
Other	0.0	0.0
Other net financial expenses (2)	**(14.6)**	**(16.8)**
Net financial income (loss) (3) = (1)+(2)	**(51.3)**	**(45.1)**
Total financial income	*10.8*	*11.0*
Total financial expenses	*(62.1)*	*(56.1)*

Net financial income total €(51.3) million in 2007 compared to €(45.1) million in 2006, representing a decrease of €6.2 million, mainly attributable to:

- An increase in net interest expense by €8.4 million as a result of the increase in average net debt and higher interest rates;
- The stability of the value of derivatives not qualified as hedges compared to an improvement of €2.2 million in 2006;
- These two negative impacts are partly compensated by an improvement of the foreign exchange result.

4.3. Income tax

Breakdown between deferred and current taxes

In million euros	2007	2006
Current taxes	(93,8)	(92,3)
Deferred taxes	1,3	0,9
Total	**(92,5)**	**(91,4)**

The effective tax rate before impairment of goodwill and the share of net profit of associates, was 30.9% in 2007 and 31.9% in 2006.

The 2007 deferred tax charge breaks down as follows:

- net deferred tax charge of €(3.7) million,
- reversal of deferred tax asset provisions in the amount of €5.0 million.

Breakdown of deferred tax charge

In million euros	2007	2006
Intangible assets and PPE	4,9	4,5
Tax losses carried forward	(0,3)	(4,5)
Dismantling provision	1,4	1,1
Other	(4,7)	(0,2)
Total	**1,3**	**0,9**

In 2007, the "Other" line item totalling €(4.7) million includes a reversal on the dividend tax credit in Spain for €1.5 million and taxes relating to distributable reserves for €1.1 million.

Tax proof:

In million euros	2007	2006
Consolidated net income	**225.0**	**204.0**
Income tax charge	(92.5)	(91.4)
Consolidated income before tax	**317.5**	**295.4**
Impairment of goodwill	0.0	4.0
Share of net profit of associates	(18.6)	(12.6)
Expenses related to share-based payments	3.3	2.3
Financial expenses for debt on commitments to purchase minority interests	5.8	4.7
Parent / Subsidiary tax regime (dividends) (1)	8.7	1.9
Non-taxable income	(14.4)	(11.1)
Non-deductible expenses	18.6	25.6
Net income before tax subject to the standard tax rate	**320.9**	**310.2**
Weighted Group tax rate	30.41%	31.52%
Theoretical tax charge	**(97.6)**	**(97.8)**
Deferred tax on unrecognized tax losses	(4.8)	(5.4)
Use of unrecognized prior year tax losses carried forward	1.3	2.2
Recognition of prior year tax losses carried forward	0.0	2.5
Other unrecognized deferred tax assets	1.5	1.6
Miscellaneous (2)	7.1	5.5
Income tax calculated	(92.5)	(91.4)
Income tax recorded	**(92.5)**	**(91.4)**

(1) Of which, in 2007, €2.9 million for France and €5.5 million for Spain where dividends received are taxable and thus entitled to a tax credit.
(2) In 2007, tax credits received in France, Spain and Belgium primarily contributed for €6.0 million.

4.4. Number of shares for the earnings per share (EPS) / diluted EPS computation

	2007	2006
Weighted average number of shares for the purposes of earnings per share	222,388,524	221,427,121
Weighted average number of stock options	2,325,610	3,554,958
Weighted average number of stock options issued at the market price	(1,602,285)	(2,710,026)
Weighted average number of shares for the purposes of diluted earnings per share	223,111,849	222,272,053

As of December 31, 2007, the February 20, 2007 stock option plan is excluded from the calculation, since it has an anti-dilutive effect.

4.5. Share of net profit of associates

In million euros	2007	2006
Affichage Holding	6,3	6,1
Bus Focus Ltd (1)	0,7	0,7
Metrobus	2,1	1,6
Poad	1,3	1,0
Stadtreklame Nürnberg GmbH	1,1	0,4
Wall AG	3,3	2,8
Wall Holdings Inc. / Wall USA Inc. (2)	/	(0,5)
BigBoard	3,8	0,5
Total	**18,6**	**12,6**

(1) Subsidiary of Texon International
(2) Wall Holdings Inc. and Wall USA Inc. are now fully consolidated.

Key income statement items of associates are as follows (1):

		2007		2006	
In million euros	% interest 2007	Net Income	Net Revenues	Net Income	Net Revenues
Switzerland					
Affichage Holding	30%	21.2	235.2	20.3	212.7
Germany					
Stadtreklame Nürnberg GmbH	35%	3.2	11.8	1.1	11.1
Wall AG	40% (2)	9.3	118.3	8.0	99.6
United States of America					
Wall Holdings Inc./Wall USA Inc.	N/A	N/A	N/A	(1.1)	6.2
Hong Kong					
Bus Focus Ltd	40%	0.9	4.2	1.8	4.4
Poad	49%	2.7	24.2	2.0	23.4
France					
Metrobus	33%	6.3	146.7	4.9	149.5
China					
Shanghai Zhongle vehicle painting	40%	0.1	1.7	N/A	N/A
Ukraine / Russia					
BigBoard	50%	7.6	46.6	1.0	17.2

(1) on a 100% basis restated according to IFRS after elimination of the gain on disposal.
(2) 35% interest till the end of December 2007

4.6. Headcount

In 2007, the Group had 8,888 employees compared to 8,140 employees in 2006.

The Group's share of employees of proportionately consolidated companies is 489 as of December 31, 2007 (included in the above total of 8,888 employees).

The breakdown of employees by function for 2007 and 2006 is as follows:

	2007	2006
Technical	5 183	4 692
Sales and marketing	1 918	1 701
IT and administration	1 243	1 198
Contract business relations	455	455
Research and development	89	94
Total	**8 888**	**8 140**

The increase in personnel is concentrated on Technical personnel and mainly relates to the Group's development in China and the bicycle programmes in France and Spain.

5. COMMENTS ON THE CASH FLOW STATEMENT

5.1. Cash flows of proportionately consolidated companies

Cash flows of proportionately consolidated companies break down as follows:

- Net cash from operating activities in 2007 was €27.5 million compared to €31.8 million in 2006.
- Net cash used in investing activities was €(29.9) million in 2007 compared to €(34.6) million in 2006.
- Net cash from financing activities was €2.3 million in 2007 compared to €13.9 million in 2006.

5.2. Non-cash transactions

The increase in property, plant and equipment and liabilities related to finance lease contracts amounted to €2.6 million in 2007, compared to €2.9 million in 2006.

Non-cash transactions relating to asset swaps with Wall AG and Affichage Holding represent €0.5 million for net cash provided by operating activities, €12.3 million for net cash used in investing activities and €(12.8) million for net cash provided by financing activities.

6. MARKET RISKS

As a result of its operations, the Group is exposed to different degrees of market risks. The objective is to minimise such risks by pursuing appropriate financial strategies. However, the Group may need to manage residual positions. This strategy is monitored and managed centrally, by a dedicated team within the Group Finance Department. Risk management policies and hedging strategies are approved by Group management.

6.1. Risks relating to operations and strategy for managing such risks

Liquidity and financing risk

The following table presents the contractual cash flows related to financial liabilities and derivative instruments:

In million euros	Book value	Contractual cash flows	01/01/2008 to 06/30/2008	07/01/2008 to 12/31/2008	01/01/2009 to 12/31/2010	01/01/2011 to 12/31/2012	> 12/31/2012
Bonds	320,4	413,2	8,8	8,8	101,5	28,5	265,6
Bank borrowings at floating rate	451,8	459,0	426,7	5,6	24,1	1,7	0,9
Bank borrowings at fixed rate	2,1	2,4	0,3	0,3	1,8	0,0	0,0
Miscelleanous facilities and other financial debt	34,7	46,6	11,5	2,0	5,4	5,0	22,7
Finance lease liabilities	11,1	11,2	1,5	1,5	3,5	3,5	1,2
Accrued interest	4,1	4,1	4,1	0,0	0,0	0,0	0,0
Overdrafts	31,5	32,0	32,0	0,0	0,0	0,0	0,0
Total financial liabilities excluding derivatives	**855,7**	**968,5**	**484,9**	**18,2**	**136,3**	**38,7**	**290,4**
Swaps on bonds	39,3	16,3	1,5	1,5	5,6	4,9	2,8
Interest rate hedges	(2,5)	(3,3)	(0,8)	(0,8)	(1,7)	0,0	0,0
Foreign exchange hedges	(2,2)	(2,2)	(2,2)	0,0	0,0	0,0	0,0
Total derivatives	**34,6**	**10,8**	**(1,5)**	**0,7**	**3,9**	**4,9**	**2,8**

The Group generates significant operating cash flows that enable it to self-finance organic growth. In the Group's opinion, acquisition opportunities could lead it to temporarily increase this net debt.

The Group's financing strategy consists of:

- centralising financing at the parent company level. Subsidiaries are therefore primarily financed through direct or indirect loans granted by JCDecaux SA. However, the Group may use external financing for certain subsidiaries, especially (i) where the tax or currency situation is unfavourable (withholding tax, on-shore or off-shore interest rate terms, etc.); (ii) for subsidiaries that are not wholly owned by the Group; or (iii) for historical reasons (financings already in place when the subsidiary joined the Group);
- having financing resources available (i) that are diversified, especially to avoid being exclusively dependent on the banking market; (ii) which maturity is in line with the medium and long-term life of its assets; (iii) that are flexible, in order to absorb fluctuations in Group net debt;
- having permanent access to a liquidity reserve in the form of committed, but unused credit facilities;
- minimising the risk of non-renewal of financing sources, by staggering annual instalments;
- optimising financing margins, through early renewal of loans that are approaching maturity, or by re-financing certain financing sources when market conditions are favourable; and
- optimising the cost of net debt, by recycling excess cash flow generated by different Group companies as much as possible, in particular by repatriating the cash to JCDecaux SA through loans or dividend payments.

Group medium and long-term debt is rated "Baa2" by Moody's and "BBB+" by Standard and Poor's, with a stable outlook in both cases.

As of December 31, 2007, balance sheet debt excluding hedging instruments amounts to €824.2 million. After deduction of net cash of €130.0 million and the impact of the loans granted to the proportionately consolidated companies for €8.9 million, Group net debt is €685.3 million.

Pursuant to IFRS, this debt balance includes the fair value revaluation of hedged debt and the impact of amortised cost (IAS 39 adjustments). This debt balance should, however, be corrected for these adjustments in order to assess its repayment value. Debts on commitments to purchase minority interests (IAS 32 adjustments) are recorded in a separate line of the balance sheet and are not included in financial debt.

As of December 31, 2007, the "economic" net debt is €719.9 million, representing a debt/equity (Group share) ratio of 35.4%, compared to €695.0 million and a debt/equity (Group share) ratio of 36.4% as of December 31, 2006.

80% of Group financial debt is carried by JCDecaux SA and has an average maturity of around 4.8 years.

As of December 31, 2007, the Group has cash of €161.5 million and unused committed credit facilities of €625 million (see Note 3.12 *Cash and cash equivalents*).

JCDecaux SA financing sources are confirmed but they require compliance with a number of covenants. Breach of these covenants could, if conditions are met, trigger early repayment of loans and credit facilities. As of December 31, 2007, the Group was compliant with all covenants. As of the publication date of this document, no exceptional event likely to trigger these covenants as of March 31, 2008 had occurred.

Interest rate risk

The Group is exposed to interest rate fluctuations as a result of its debt, including the euro, the U.S. dollar, the Hong Kong dollar and the Chinese Yuan. Given the high correlation between the advertising market and the level of general economic activity of the countries where the Group operates, it is Group policy to secure primarily floating-rate financing. Hedging operations are mainly centralised at the JCDecaux SA level.

The cost of the JCDecaux SA gross debt after hedging would be impacted over the year 2007 by changes in the EURIBOR rate as follows:

Change in basis points of EURIBOR rates compared to rates as of Dec. 31, 2007	-100bp	+100bp	+200bp	+300bp
Impact in basis points on the cost of gross debt	-90bp	+93bp	+186bp	+279bp

As of December 31, 2007, 3% of total Group economic gross debt, all currencies combined, was at fixed rates, 20% was hedged against an increase in short-term interest rates in the currencies concerned, 3% of the total Group euro-denominated[(1)] economic gross debt was at fixed rates, and 27% was hedged against an increase in EURIBOR rates.

Foreign exchange risk

In 2007, revenues realised in currencies other than the euro accounted for 43.9% of Group net revenues. As the Group's presentation currency is the euro, the Group's financial statements are affected by the conversion into euro of financial statements denominated in local currencies. However the Group is not very sensitive to currency fluctuations, as the subsidiaries in each country do business solely in their own country and inter-company services and purchases are relatively insignificant.

[(1)] *Euro-denominated debt after adjustment for currency swaps and issue swaps*

In 2007, the Group mainly implemented foreign currency hedges of financial transactions:

- pursuant to application of its centralised financing policy and its multi-currency excess cash position, and in order to hedge inter-company loan transactions, the Group implemented short-term currency swaps. The Group does not hedge positions generated by inter-company loans when hedging arrangements are (i) too costly (ii) not available or (iii) the loan amount is limited;
- the Group implemented swaps covering the full term of operations, for the portion of its long-term debt denominated in US dollars[(2)] not used to finance the current expansion of activities in the United States.

As of December 31, 2007, the Group considers then that its financial position and earnings would not be materially affected by exchange rate fluctuations.

Management of excess cash positions
As of December 31, 2007, the Group excess cash position totals €161.5 million, spread across more than 40 countries.

Out of the total amount of €161.5 million, €1.8 million is invested in short-term investments and €7.5 million is used as guarantees.

Management of capital and the debt/equity (Group share) ratio
The Group is not subject to any externally imposed capital requirement.

The Group financial policy is to optimise the debt/equity (Group share) balance. Accordingly, the Group objective – unless in the case of any exceptional acquisition – is to maintain debt within a range of 2 to 2.5 times its operating margin, which would result in a net debt/total equity (Group share) ratio of 55% to 70%.

Net debt refers to net financial debt as disclosed in the Note 3.17 *Net financial debt* (excluding debt on commitments to purchase minority interests). Total equity (Group share) corresponds to the equity disclosed in the balance sheet adjusted by IAS 39 items (cash flow hedges and financial investments available for sale).

As of December 31, 2007, the debt/operating margin ratio stood at 1.3 and the debt/equity ratio at 35.4%, compared to, respectively, 1.3 and 36.4% as of December 31, 2006.

6.2. Risks related to financial management

Risks related to interest rate and foreign exchange derivatives
The Group does not use derivatives except for hedging foreign exchange and interest rate risks, which is done centrally.

Risks related to credit rating
The Group is rated "Baa2" by Moody's and "BBB+" by Standard & Poor's. The Group's principal financing sources (financing raised by the parent company), as well as principal hedging arrangements are not subject to early termination in the event of a downgrade of the Group's credit rating.

Counterparty risk
Group counterparty risks relate to the investment by the subsidiaries of their excess cash balances with banks and to other financial transactions principally involving JCDecaux SA (via unused committed credit facilities and hedging commitments). The Group strategy is to minimise this risk (i) by minimising excess cash flows within the Group through the internal recycling strategy, with the remaining counterparty risk being managed by restricting the opening of bank accounts to leading banks and (ii) by entering into these financial transactions solely with such banks.

Risk related to portfolio securities
To earn a return on excess cash position, the Group occasionally subscribes to short-tem investments. The investments acquired consist of money market securities (mutual funds and money-market SICAV funds that are not sensitive; certificates of deposits issued by leading banks; short-term government securities etc.). These instruments are acquired on a short-term basis, earn interest at money market benchmark rates, are liquid, and involve only limited counterparty risk, as indicated above.

Group policy is not to own marketable shares or securities other than money market securities and treasury shares. As such, the Group considers its risk exposure arising from marketable shares and securities to be very low.

[(2)] *Private placement issued in the United States in 2003*

7. COMMENTS ON OFF-BALANCE SHEET COMMITMENTS

7.1. Security and other commitments

In million euros	12/31/2007	12/31/2006
Commitments given [1]		
Business guarantees	76,2	68,7
Other guarantees	16,4	4,1
Pledges, mortgages and collateral	7,5	10,2
Commitments on securities	300,1	126,3
Total	**400,2**	**209,3**
Commitments received		
Guarantees	1,4	1,1
Commitments on securities	81,3	101,6
Credit facilities	625,0	570,0
Total	**707,7**	**672,7**

(1) Excluding commitments relating to lease, rent and minimum franchise payments, given in the ordinary course of business.

Business guarantees are granted mainly by JCDecaux SA. As such, JCDecaux SA guarantees the performance of contracts entered into by subsidiaries, either directly to third parties or by counter-guaranteeing guarantees granted by banks or insurance companies.

"Other guarantees" include guarantees granted mainly by JCDecaux SA: (i) covering payments under building lease agreements and car rentals of its subsidiaries; (ii) as counter-guarantees for guarantee lines granted by banks to subsidiaries; (iii) covering payments related to financial debt of non-consolidated subsidiaries or equity associates; (iv) covering payments related to financial debts of proportionately consolidated companies when the guarantee amount exceeds the Group's percentage of interest.

The "pledges, mortgages and collateral" mainly comprise amounts of cash given in guarantees. A breakdown is provided in Note 3.12 *Cash and cash equivalents*.

Guarantees received are mainly related to the representations and warranties received.

Commitments on securities are mainly granted and received in the context of acquisitions.

As of December 31, 2007, commitments on securities given in favour of different partners comprise the following options:

- Regarding the 34% interest held by the Group's partner Publicis in Somupi, two put options have been granted:
  - the first, valid from September 15, 2005 to March 31, 2014, will be exercisable only in the event of a change in the control of JCDecaux Group. The exercise price will be determined in accordance with a contractual calculation formula;
  - the second, valid from April 1, 2014, is only exercisable in the event that JCDecaux Group wishes to transfer its entire interest to a third party. The exercise price will be determined in good faith by the parties or by an expert.
- A call option with the two exercise periods: from October 1, 2011 to September 30, 2012 or from December 1, 2011 to November 30, 2012. This option concerns the Group's 50% interest in the BigBoard Group. The contractual calculation formula values this commitment at approximately €60 million as of December 31, 2007.
- A put option that can be exercised beginning January 1, 2010. The option covers all Wall AG share capital held by the Wall family, the latter having the right to sell its interest by lots on or more occasions. The option price will be negotiated between the two parties or, under certain conditions, valued based on a contractual calculation formula wich assesses this commitment for an approximate amount of €225 million
- Call option granted to Affichage Holding on 67.57% of Europlakat Kft shares exercisable from October 15, 2007 onwards. The exercise price is €15.2 million less the amount of dividends paid from July 1, 2007.

As of December 31, 2007, commitments on securities received by the Group comprise the following options:

- Regarding the 33% interest in the Metrobus Group, three put options have been received:
  - the first, valid from September 15, 2005 to March 31, 2014 can only be exercised in the event of change in the control of Publicis Group. Its exercise price will be determined in accordance with the contractual calculation formula;
  - the second, valid from April 1, 2014 to September 30, 2014 can be exercised if the RATP renews its contract with Metrobus. The exercise price will be determined by investment banks;
  - the last, valid from April 1, 2014 is only exercisable in the event that the Publicis Group wishes to transfer its entire interest to a third party. The exercise price will be determined in good faith by the parties or by an expert.

- A call option exercisable from April 15, 2009 to May 15, 2009. The option covers a capital increase subscription in the BigBoard Group, increasing JCDecaux's control from 40% to 50%.
- A call option with the two exercise periods: from April 1, 2011 to September 30, 2011 or from June 1, 2011 to November 30, 2011. This option concerns our partner's 50% interest in the BigBoard Group. The contractual calculation formula values this commitment at approximately €60 million as of December 31, 2007.
- A call option exercisable from January 1, 2010. The option concerns Wall AG 40% interest in Wall Holdings Inc. The calculation formula values this commitment at approximately €6.0 million.
- Put option on 67.57% of Europlakat Kft shares exercisable from October 15, 2007 onwards. The exercise price is €15.2 million less the amount of dividends paid from July 1, 2007. The option is exercisable under conditions.

In addition, as part of their binding cooperation agreement, JCDecaux and Affichage Holding have granted reciprocal calls should contractual clauses not be respected or in case of transfer of certains assets and in case of change in control.

Lastly, the Group benefits from pre-emptive rights under certain partnership agreements, which are not considered as commitments given or received.

Credit facilities primarily comprise the confirmed revolving credit line secured by JCDecaux SA for €850 million.

7.2. Commitments relating to lease, rent and minimum franchise payments given in the ordinary course of business

In the ordinary course of business, JCDecaux has entered into the following agreements:

- contracts with cities, airports and transport companies, which entitle the Group to operate its advertising business and collect the related revenues, in return for payment of fees, comprising a fixed portion or guaranteed minimum (*minima garantis*);
- rental agreements for billboard locations on private property;
- lease agreements for buildings, vehicles and other equipment (computers, office equipment, etc.).

Such commitments given in the ordinary course of business break down as follows (amounts are not discounted):

In million euros	≤ 1 year	>1 &≤ 5 years	> 5 years (1)	Total
Minimum franchise payments associated with Street Furniture or Transport contracts	350,4	1 116,9	1 202,2	2 669,5
Rents related to Billboard locations	95,9	157,1	48,6	301,6
Operating leases	22,2	48,7	17,0	87,9
Total	**468,5**	**1 322,7**	**1 267,8**	**3 059,0**

(1) until 2032.

7.3. Commitments to purchase assets

Commitments to purchase property, plant and equipment and intangible assets total €321.8 million and €3.9 million respectively as of December 31, 2007.

7.4. Commitments relating to employee benefits

Pursuant to IAS 19 *Employee benefits*, and in accordance with the Group decision to apply the corridor method, a portion of actuarial gains and losses, and past service costs, is not recognised as provisions. A breakdown is provided in Note 3.16 *Provisions*.

8. SEGMENT REPORTING

Pursuant to IAS 14 *Segment Reporting*, primary segment information is reported by line of business and secondary segment information is reported by geographical area. This distinction is based on the internal organisation systems and management structure of the Group. The primary segment information reflects the three business models suitable for each of the three lines of business.

8.1. By line of business

Definition of business segments

Street Furniture

The Street Furniture line of business covers, in general, the advertising agreements relating to public property entered into with cities and local authorities. It also includes advertising in shopping centres, as well as the renting of street furniture, the sale and rental of equipment, and other various services such as cleaning and maintenance.

Transport

The Transport line of business covers advertising in public transport systems, including airports, subways, buses, tramways and trains.

Billboard

The Billboard line of business covers advertising on private property, including both traditional billboards and back-light billboards. It also includes neon-type activity.

Transactions between business lines

Transfer prices between business lines are equal to prices determined on an arm's length basis, as in transactions with third parties.

The breakdown of the 2007 segment reporting by line of business is as follows:

In million euros	Street Furniture	Transport	Billboard	Eliminations	Total
Net revenues					
- to third parties	1 042,8	574,1	489,7		2 106,6
- inter-segment revenues	20,3	1,8	14,6	(36,7)	0,0
Total	**1 063,1**	**575,9**	**504,3**	**(36,7)**	**2 106,6**
Operating margin	**406,7**	**62,3**	**86,2**	**0,0**	**555,2**
EBIT (=Segment profit)	**252,0**	**42,8**	**55,4**	**0,0**	**350,2**
Net financial loss					(51,3)
Income tax					(92,5)
Share of net profit of associates	5,1	2,1	11,4		18,6
Consolidated net income					**225,0**
Segment assets	1 869,9	683,1	988,0	(141,5)	3 399,5
Investments in associates	115,2	18,7	193,5		327,4
Financial investments					19,8
Other financial investments					48,0
Financial derivatives					4,7
Cash and cash equivalents					161,5
Tax assets					15,3
Total assets					**3 976,2**
Segment liabilities	512,3	223,2	259,8	(141,5)	853,8
Balance sheet gross financial debt					824,2
Debt on commitments to purchase minority interests					91,0
Financial derivatives					39,3
Bank overdrafts					31,5
Tax liabilities					143,8
Total equity					1 992,6
Total liabilities and equity					**3 976,2**
Acquisitions of intangible assets and PPE (1)	229,1	61,0	31,5		321,6
Depreciation and amortization (2)	(137,1)	(17,8)	(32,1)		(187,0)
Non-cash expenses other than depreciation and amortization	(15,5)	1,3	(3,7)		(17,9)

(1) excluding sales of intangible assets and PPE and including changes in payables on fixed assets
(2) including impairment losses on intangible assets and PPE and excluding goodwill impairment losses

The breakdown of the 2006 segment reporting by line of business is as follows:

In million euros	Street Furniture	Transport	Billboard	Eliminations	Total
Net revenues					
- to third parties	984,1	507,7	454,6		1 946,4
- inter-segment revenues	21,1	1,2	13,4	(35,7)	0,0
Total	**1 005,2**	**508,9**	**468,0**	**(35,7)**	**1 946,4**
Operating margin	**407,8**	**52,9**	**72,9**	**0,0**	**533,6**
EBIT (=Segment profit)	**252,9**	**33,3**	**41,7**	**0,0**	**327,9**
Net financial loss					(45,1)
Income tax					(91,4)
Share of net profit of associates	3,4	1,6	7,6		12,6
Consolidated net income					**204,0**
Segment assets	1 674,4	612,3	962,0	(75,7)	3 173,0
Investments in associates	83,9	18,5	197,2		299,6
Financial investments					8,3
Other financial investments					38,8
Financial derivatives					6,8
Cash and cash equivalents					119,8
Tax assets					16,4
Total assets					**3 662,7**
Segment liabilities	450,7	168,1	195,4	(75,7)	738,5
Balance sheet financial debt					783,7
Debt on commitments to purchase minority interests					80,5
Financial derivatives					34,6
Bank overdrafts					24,2
Tax liabilities					135,4
Total equity					1 865,8
Total liabilities and equity					**3 662,7**
Acquisitions of intangible assets and PPE (1)	138,0	13,1	27,9		179,0
Depreciation and amortization (2)	127,9	20,0	28,5		176,4
Non-cash expenses other than depreciation and amortization	(4,3)	(2,0)	0,6		(5,7)

(1) excluding sales of intangible assets and PPE and including changes in payables on fixed assets
(2) including impairment losses on intangible assets and PPE and excluding goodwill impairment losses

8.2. By geographical area

The 2007 segment reporting by geographical area breaks down as follows:

In million euros	France	United Kingdom	Rest of Europe	North America	Pacific-Asia	Rest of the world	Elimi-nations	Total
Net revenues	589.1	301.4	759.0	153.4	285.5	18.2		2,106.6
Segment assets	971.0	433.0	1,234.3	160.6	325.0	22.1	(44.0)	3,102.0
Unallocated assets								297.5
Acquisitions of intangible assets and PPE (1)	167.8	18.7	59.7	12.1	61.0	2.3		321.6

(1) excluding sales of intangible assets and PPE and including changes in payables on fixed assets

Unallocated assets of €297.5 million comprise goodwill of the Transport business line not allocated by geographical area. Global coverage is a key success factor in the Transport business line from both a commercial point of view and with regards to securing the renewal of contracts. As such, Transport goodwill is not allocated to a specific geographical area. This also applies to impairment tests.

The 2006 segment reporting by geographical area breaks down as follows:

In million euros	France	United Kingdom	Rest of Europe	North America	Pacific-Asia	Rest of the world	Elimi-nations	Total
Net revenues	580.4	265.3	692.7	140.7	251.9	15.4		1,946.4
Segment assets	821.6	429.9	1,275.2	138.6	236.5	14.8	(50.1)	2,866.5
Unallocated assets								306.5
Acquisitions of intangible assets and PPE [(1)]	78.7	17.6	58.4	5.4	17.5	1.4		179.0

(1) excluding sales of intangible assets and PPE and including changes in payables on fixed assets

Unallocated assets of €306.5 million comprise goodwill of the Transport business line not allocated by geographical area.

9. RELATED PARTIES

9.1. Definitions

Related party transactions break down into the following five categories:

- the portion of transactions with proportionately consolidated companies not eliminated in the consolidated financial statements,
- transactions between JCDecaux SA and its parent JCDecaux Holding,
- transactions between a fully consolidated company and its significant minority interests,
- the portion of transactions with equity associates not eliminated in the Group consolidated financial statements,
- transactions with key management personnel and companies held by such personnel and over which they exercise control.

9.2. Related party transactions

Loans granted to related parties as of December 31, 2007 totalled €37.1 million, including a loan of €27.8 million from JCDecaux Deutschland to Wall AG and, in conjunction with the asset swap with Wall AG, a €5.7 million loan to Proreklam Europlat Doo, as well as a loan of €2.6 million to CBS Outdoor JCDecaux Street Furniture Canada Ltd.

Borrowings secured from related parties as of December 31, 2007 totalled €107.8 million, including €71 million in purchase commitments given to the partner Progress and €11.9 million from Media Regies regarding Somupi.

Liabilities to related parties as of December 31, 2007 totalled €11.7 million, including €2.2 million towards Affichage Holding, €1.9 million towards BigBoard, and €1.5 million towards Dopravni Podnik in the Czech Republic.

Receivables on the related parties as of December 31, 2007 totalled €9.7 million, including €1.3 million with BigBoard located in Ukraine.

Operating income realized with related parties totalled €23.6 million in 2007, including a €10.5 million gain on disposal with Affichage Holding, €3 million realized with IGP Decaux Spa in Italy and €1 million with Shanghai Shentong JCD Metro Advertising located in China.

Purchases from related parties totalled €21.6 million in 2007, including €11.8 million of rent charges with the companies SCI Troisjean (€7.5 million) in France, Belgium, Spain and the United Kingdom, and with JCDecaux Holding (€4.3 million) in France, and €3.2 million in rent charges with Dopravni Podnik in the Czech Republic.

In 2007, financial income excluding dividends realised with related parties totalled €1.8 million and financial expenses totalled €7.3 million.

9.3. Executive officer compensation

Compensation paid to members of the Executive Board breaks down as follows:

In million euros	2007	2006
Short-term benefits	8,0	6,8
Fringe benefits	0,1	0,1
Life insurance/special pension	0,3	0,3
Share-based payments	0,9	0,8
Total	**9,3**	**8,0**

In addition, two of the four members of the Executive Board will receive breaking off indemnity, under the terms of which compensation of up to one to two years' payment would be payable on termination of their employment contract by the Group.

Post-employment benefits booked in the balance sheet amount to €0.4 million as of December 31, 2007 against €0.4 million as of December 31, 2006.

Directors' fees of €0.1 million were paid to members of the Supervisory Board in respect of 2007. Directors' fees of €0.1 million were paid to members of board of Directors in respect of 2007.

10. PROPORTIONATELY CONSOLIDATED COMPANIES

The Group holds a number of investments which are proportionately consolidated.

The Group's share in the assets, liabilities and earnings of these joint ventures (included in the consolidated financial statements) is as follows as of December 31, 2007 and 2006:

In million euros	12/31/2007	12/31/2006
Non-current assets	52,9	65,3
Current assets	85,4	80,8
Total Assets	**138,3**	**146,1**
Non-current liabilities	31,8	49,8
Current liabilities	63,1	54,2
Total Liabilities (excluding net equity)	**94,9**	**104,0**
Net equity	**43,4**	**42,1**
including net income	**20,8**	**14,8**
including profits	*168,3*	*154,8*
including losses	*(147,5)*	*(140,0)*

The €1.3 million increase in net equity is mainly attributable to changes in the scope of consolidation:

- €0.4 million in respect of the asset swap with Affichage Holding,
- €0.3 million in respect of Asia, including €1.4 million for Shanghai Shentong JC Decaux Metro Advertising and decrease €(0.9) million for Beijing Press JC Decaux Media Advertising,
- €0.5 million in Europe, including €0.2 million for PSG Poster Service and €0.3 million for JCDecaux Cevasa.

11. SCOPE OF CONSOLIDATION

11.1. Identity of the parent company

As of December 31, 2007, 69.95% of the share capital of JCDecaux SA is held by JCDecaux Holding.

11.2. List of consolidated companies

See following pages.

COMPANIES	Country	% interest	Consolidation Method	% control
STREET FURNITURE				
JCDECAUX SA	France	100.00	F	100.00
JCDECAUX MOBILIER URBAIN	France	100.00	F	100.00
SOPACT	France	100.00	F	100.00
SEMUP	France	100.00	F	100.00
DPE - DECAUX PUBLICITE EXTERIEURE	France	100.00	F	100.00
SOMUPI	France	66.00	F	66.00
JCDECAUX ASIE HOLDING	France	100.00	F	100.00
JCDECAUX EUROPE HOLDING	France	100.00	F	100.00
JCDECAUX AMERIQUES HOLDING	France	100.00	F	100.00
CYCLOCITY (1)	France	100.00	F	100.00
ACM GmbH	Germany	100.00	F	100.00
JCDECAUX STADTMOBLIERUNG GmbH	Germany	100.00	F	100.00
JCDECAUX DEUTSCHLAND GmbH	Germany	100.00	F	100.00
GEORG ZACHARIAS GmbH (2)	Germany	50.00	F	50.00
RGS (2)	Germany	25.00	F	50.00
DSM DECAUX GmbH	Germany	50.00	P	50.00
JCDECAUX GmbH	Germany	100.00	F	100.00
STADTREKLAME NÜRNBERG GmbH	Germany	35.00	E	35.00
ILG AUSSENWERBUNG GmbH	Germany	50.00	F	50.00
WALL AG	Germany	40.00	E	40.00
VVR DECAUX GmbH (2) (3)	Germany	100.00	F	100.00
STAUDENRAUS AUSSENWERBUNG GmbH (1)	Germany	100.00	F	100.00
JCDECAUX UK Ltd (3)	United Kingdom	100.00	F	100.00
JCDECAUX ARGENTINA S.A.	Argentina	99.93	F	99.93
JCDECAUX STREET FURNITURE Pty Ltd	Australia	100.00	F	100.00
JCDECAUX AUSTRALIA Pty Ltd	Australia	100.00	F	100.00
ADBOOTH Pty	Australia	50.00	P	50.00
AQMI GmbH	Austria	67.00	F	100.00
ARGE AUTOBAHNWERBUNG (1)	Austria	33.50	P	50.00
JCD BAHRAIN HOLDING SPC (1)	Bahrein	100.00	F	100.00
JCDECAUX BELGIUM PUBLICITE SA	Belgium	100.00	F	100.00
ACM SA	Belgium	100.00	F	100.00
JCDECAUX DO BRASIL SA	Brazil	100.00	F	100.00
JCDECAUX SALVADOR S.A.	Brazil	100.00	F	100.00
CBS OUTDOOR JCDECAUX STREET FURNITURE CANADA Ltd.	Canada	50.00	P	50.00
JCD P&D OUTDOOR ADVERTISING Co. Ltd	China	100.00	F	100.00
TOP RESULT KIOSK (SHANGHAI) DEVELOPMENT Co. Ltd	China	100.00	F	100.00
BEIJING GEHUA JCD ADVERTISING Co. Ltd	China	50.00	P	50.00
BEIJING PRESS JCDECAUX MEDIA ADVERTISING Co. Ltd (1)	China	50.00	P	50.00
IPDECAUX Inc.	Korea	50.00	P	50.00
AFA JCDECAUX A/S (3)	Denmark	50.00	F	50.00
JCDECAUX MIDDLE EAST FZ-LLC (1)	United Arab Emirates	100.00	F	100.00
EL MOBILIARIO URBANO S.L.	Spain	100.00	F	100.00
JCDECAUX ATLANTIS S.A.	Spain	85.00	F	85.00
JCDECAUX EESTI OU	Estonia	100.00	F	100.00
JCDECAUX NEW YORK Inc	United States	100.00	F	100.00

COMPANIES	Country	% interest	Consolidation Method	% control
JCDECAUX SAN FRANCISCO Llc	United States	100.00	F	100.00
JCDECAUX MALLSCAPE Llc	United States	100.00	F	100.00
JCDECAUX CHICAGO Llc	United States	100.00	F	100.00
JCDECAUX NEW YORK Llc	United States	100.00	F	100.00
CBS DECAUX STREET FURNITURE, LlC	United States	50.00	P	50.00
JCDECAUX NORTH AMERICA Inc.	United States	100.00	F	100.00
WALL HOLDINGS Inc. (4)	United States	60.00	F	60.00
WALL USA Inc. (4)	United States	60.00	F	60.00
JCDECAUX FINLAND Oy	Finland	100.00	F	100.00
JCDECAUX TEXON INTERNATIONAL LTD(3) (5)	Hong Kong	100.00	F	100.00
INTELLECT WORLD INVESTMENTS Ltd	Hong Kong	100.00	F	100.00
JCDECAUX ADVERTISING INDIA PVT LTD (3)	India	100.00	F	100.00
AFA JCDECAUX ICELAND ehf	Iceland	50.00	F	100.00
MCDECAUX Inc.(6)	Japan	60.00	P	60.00
RTS DECAUX (1)	Kazakhstan	50.00	P	50.00
JCDECAUX LATVIJA SIA	Latvia	100.00	F	100.00
JCDECAUX LIETUVA UAB	Lithuania	100.00	F	100.00
JCDECAUX LUXEMBOURG SA	Luxembourg	100.00	F	100.00
JCDECAUX GROUP SERVICES SARL	Luxembourg	100.00	F	100.00
JCDECAUX MACAO (3)	Macau	80.00	F	80.00
JCDECAUX UZ (1)	Uzbekistan	64.59	F	64.59
JCDECAUX NEDERLAND BV	The Netherlands	100.00	F	100.00
V.K.M. BV	The Netherlands	100.00	F	100.00
JCDECAUX BUITENRECLAME B.V. (1)	The Netherlands	100.00	F	100.00
JCDECAUX PORTUGAL Lda	Portugal	100.00	F	100.00
PURBE Lda	Portugal	100.00	F	100.00
JCDECAUX MESTSKY MOBILIAR Spol Sro	Czech Rep.	100.00	F	100.00
WALL GUS (7)	Russia	100.00	F	100.00
ALMA QUATTRO (8)	Serbia	29.31	P	50.00
JCDECAUX SINGAPORE Pte Ltd	Singapore	100.00	F	100.00
JCDECAUX OUT OF HOME ADVERTISING Pte Ltd	Singapore	100.00	F	100.00
JCDECAUX SLOVAKIA Sro	Slovakia	100.00	F	100.00
JCDECAUX SVERIGE AB (3)	Sweden	100.00	F	100.00
OUTDOOR IMPACT AB (1)	Sweden	48.50	P	48.50
JCDECAUX THAÏLAND Co., Ltd (3)	Thailand	95.15	F	95.15
JCDECAUX URUGUAY (9)	Uruguay	100.00	F	100.00
TRANSPORT				
JCDECAUX AIRPORT FRANCE	France	100.00	F	100.00
METROBUS	France	33.00	E	33.00
MEDIA FRANKFURT GmbH	Germany	39.00	P	39.00
JCDECAUX AIRPORT MEDIA GmbH	Germany	100.00	F	100.00
JCDECAUX AIRPORT UK Ltd	United Kingdom	100.00	F	100.00

COMPANIES	Country	% interest	Consolidation Method	% control
INFOSCREEN AUSTRIA GmbH	Austria	67.00	F	100.00
JCDECAUX AIRPORT BELGIUM (1)	Belgium	100.00	F	100.00
JCDECAUX CHILE S.A.	Chile	100.00	F	100.00
JCD MOMENTUM SHANGHAI AIRPORT ADVERTISING Co. Ltd	China	35.00	P	35.00
BEIJING TOP RESULT PUBLIC TRANSPORTATION ADV. Co. Ltd (3)	China	80.00	F	80.00
SHANGHAI TOP RESULT METRO ADVERTISING Co. Ltd	China	90.00	F	90.00
BEIJING TOP RESULT METRO ADV. Co. Ltd (6)	China	90.00	P	38.00
JCDECAUX ADVERTISING (SHANGHAI) Co. Ltd	China	100.00	F	100.00
SHANGHAI METRO-ADS ADVERTISING Co. Ltd (6)	China	90.00	P	90.00
SHANGHAI DONGHU MPI ADV. Co.	China	70.00	F	70.00
NANJING MPI METRO ADVERTISING Co. Ltd	China	70.00	F	70.00
GUANGZHOU YONG TONG METRO ADV. Ltd	China	32.50	P	32.50
NANJING MPI TRANSPORTATION ADVERTISING	China	50.00	F	50.00
CHONGQING MPI PUBLIC TRANSPORTATION ADVERTISING Co. Ltd	China	100.00	F	100.00
CHENGDU MPI PUBLIC TRANSPORTATION ADV. Co. Ltd	China	50.00	F	50.00
SHANGHAI ZHONGLE VEHICLE PAINTING Co. Ltd (1)	China	40.00	E	40.00
JINAN CHONGGUAN SHUNHUA PUBLIC TRANSPORT ADV. Co. Ltd (1)	China	30.00	P	30.00
SHANGHAI SHENTONG JCDECAUX METRO ADVERTISING Co. Ltd (1)	China	65.00	P	51.00
JCDECAUX AIRPORT ESPANA S.A.	Spain	100.00	F	100.00
JCDECAUX-PUBLIMEDIA UTE	Spain	70.00	F	70.00
JCDECAUX CEVASA (1)	Spain	50.00	P	50.00
JCDECAUX AIRPORT Inc.	United States	100.00	F	100.00
JCDECAUX TRANSPORT INTERNATIONAL Llc	United States	100.00	F	100.00
JCDECAUX SERVICES NORTH AMERICA, LLC (1)	United States	100.00	F	100.00
JCDECAUX TRANSPORT FINLAND Oy	Finland	100.00	F	100.00
JCDECAUX PEARL & DEAN Ltd	Hong Kong	100.00	F	100.00
MNI HOLDING (10)	Hong Kong	100.00	F	100.00
MPI HOLDING (10)	Hong Kong	100.00	F	100.00
JCDECAUX OUTDOOR ADVERTISING HK Ltd	Hong Kong	100.00	F	100.00
JCDECAUX INNOVATE Ltd	Hong Kong	100.00	F	100.00
MEDIA PRODUCTION Ltd (11)	Hong Kong	100.00	F	100.00
JCDECAUX CHINA HOLDING Ltd	Hong Kong	100.00	F	100.00
TOP RESULT PROMOTION Ltd (11)	Hong Kong	100.00	F	100.00
MEDIA PARTNERS INTERNATIONAL Ltd (12)	Hong Kong	100.00	F	100.00
IGP DECAUX Spa (3)	Italy	32.35	P	32.35
AEROPORTI DI ROMA ADVERTISING Spa	Italy	24.10	P	32.35
JCDECAUX NORGE AS (3)	Norway	97.69	F	100.00
JCDECAUX AIRPORT POLSKA Sp zoo	Poland	100.00	F	100.00
JCDECAUX AIRPORT PORTUGAL S.A.	Portugal.	85.00	F	85.00
RENCAR PRAHA AS	Czech Rep.	48.24	F	72.00
JCDECAUX ASIA SINGAPORE Pte Ltd	Singapore	100.00	F	100.00
XPOMERA AB	Sweden	79.00	F	79.00
BILLBOARD				
AVENIR	France	100.00	F	100.00
JCDECAUX ARTVERTISING	France	100.00	F	100.00

COMPANIES	Country	% interest	Consolidation Method	% control
JCDECAUX MEDIA SERVICES Ltd	United Kingdom	100.00	F	100.00
MARGINHELP Ltd	United Kingdom	100.00	F	100.00
JCDECAUX Ltd	United Kingdom	100.00	F	100.00
JCDECAUX UNITED Ltd	United Kingdom	100.00	F	100.00
ALLAM GROUP Ltd	United Kingdom	100.00	F	100.00
EXCEL OUTDOOR MEDIA Ltd (1)	United Kingdom	100.00	F	100.00
GEWISTA WERBEGES.mbH (3)	Austria	67.00	F	67.00
EUROPLAKAT INTERNATIONAL WERBE GmbH	Austria	67.00	F	100.00
PROGRESS AUSSENWERBUNG GmbH	Austria	67.00	F	100.00
PROGRESS WERBELAND Werbe. GmbH	Austria	34.17	F	51.00
ISPA WERBEGES.mbH	Austria	67.00	F	100.00
USP UNI SERVICE PLAKAT GmbH	Austria	50.25	F	75.00
JCDECAUX INVEST HOLDING GmbH	Austria	100.00	F	100.00
JCDECAUX SUB INVEST HOLDING GmbH	Austria	100.00	F	100.00
JCDECAUX CENTRAL EASTERN EUROPE GmbH	Austria	100.00	F	100.00
GEWISTA SERVICE GmbH	Austria	67.00	F	100.00
AUSSENW.TSCHECH.-SLOW.BETEILIGUNGS GmbH	Austria	67.00	F	100.00
PSG POSTER SERVICE GmbH (1)	Austria	32.83	P	49.00
ROLLING BOARD OBERÖSTERREICH WERBE GmbH (1)	Austria	25.13	P	50.00
JCDECAUX BILLBOARD	Belgium	100.00	F	100.00
AFFICHAGE NOUVEL ESSOR NV	Belgium	100.00	F	100.00
JC DECAUX ARTVERTISING BELGIUM	Belgium	100.00	F	100.00
HDE INVESTISSEMENT (1)	Belgium	100.00	F	100.00
EUROPLAKAT Doo (BANJA LUKA) (8)	Bosnia	23.45	P	50.00
EUROPLAKAT Doo (SARAJEVO) (8)	Bosnia	23.45	P	50.00
EUROPLAKAT-PROREKLAM Doo	Croatia	34.17	F	51.00
METROPOLIS MEDIA Doo (CROATIA)	Croatia	34.17	F	100.00
JCDECAUX ESPANA SL (3)	Spain	100.00	F	100.00
JCDECAUX PUBLICIDAD LUMINOSA SL	Spain	100.00	F	100.00
POAD	Hong Kong	49.00	E	49.00
AVENIR BUDAPEST Kft (8)	Hungary	18.43	P	50.00
JCDECAUX NEONLIGHT BUDAPEST Kft (8)	Hungary	27.47	P	50.00
EUROPLAKAT Kft (13)	Hungary	22.78	P	50.00
PERON REKLAM Kft (13)	Hungary	5.70	E	25.00
DAVID ALLEN HOLDINGS Ltd (14)	Ireland	100.00	F	100.00
DAVID ALLEN POSTER SITES Ltd	Ireland	100.00	F	100.00
SOLAR HOLDINGS Ltd	Ireland	100.00	F	100.00
JCDECAUX IRELAND Ltd	Ireland	100.00	F	100.00
JCDECAUX MEDIA Sdn Bhd	Malaysia	100.00	F	100.00
EUROPOSTER BV	The Netherlands	100.00	F	100.00
MAG INTERNATIONAL BV	The Netherlands	67.00	F	100.00
JCDECAUX NEONLIGHT Sp zoo	Poland	60.00	F	60.00
RED PORTUGUESA S.A.	Portugal	94.86	F	94.86
PLACA Lda	Portugal	100.00	F	100.00
CENTECO Lda	Portugal	70.00	F	70.00
AUTEDOR Lda	Portugal	51.00	F	51.00
GREEN Lda	Portugal	54.02	F	55.00

COMPANIES	Country	% interest	Consolidation Method	% control
RED LITORAL Lda	Portugal	71.14	F	75.00
JCDECAUX NEONLIGHT (PORTUGAL) (1)	Portugal	67.04	F	67.04
AVENIR PRAHA	Czech Rep	90.00	F	90.00
EUROPLAKAT Spol Sro	Czech Rep	67.00	F	100.00
EUROPLAKAT YU Doo (8)	Serbia	33.50	P	50.00
AIR MEDIA (8)	Serbia	29.31	P	50.00
INTERNATIONAL METROPOLIS MEDIA Doo (SERBIA) (8)	Serbia	29.31	P	50.00
N.B.S.H. PROREKLAM-EUROPLAKAT PRISHTINA (1)	Serbia (Kosovo)	16.58	P	75.00
ISPA BRATISLAVA Spol Sro	Slovakia	67.00	F	100.00
EUROPLAKAT INTERWEB Spol Sro	Slovakia	67.00	F	100.00
INREKLAM PROGRESS Doo	Slovenia	22.11	P	33.00
PROREKLAM-EUROPLAKAT Doo	Slovenia	22.11	P	33.00
PLAKATIRANJE Doo	Slovenia	22.11	P	33.00
SVETLOBNE VITRINE	Slovenia	22.11	P	33.00
MADISON Doo	Slovenia	22.11	P	33.00
METROPOLIS MEDIA Doo (SLOVENIA)	Slovenia	22.11	P	33.00
INTERFLASH d.o.o. LJUBLJANA (1)	Slovenia	22.11	P	33.00
AFFICHAGE HOLDING	Switzerland	30.00	E	30.00
BIGBOARD BV (15)	Ukraine / Russia / The Netherlands	50.00	E	40.00

(1) Company consolidated since 2007.
(2) Company sold to Wall AG on April 27, 2007.
(3) Companies spread over each of the three activities for segment reporting purposes, but listed here according to their historical activity.
(4) Company 60% held by the JCDecaux Group and 40% held by Wall AG (equity accounted) since April 27, 2007.
(5) Including Bus Focus Ltd, an equity-accounted company.
(6) MCDecaux Inc. (Japan), Beijing Top Result Metro Adv. Co Ltd (China) and Shanghai Metro-ads Advertising Co. Ltd (China) are proportionately consolidated due to joint control over management with the Group's partner.
(7) Company acquired on April 27, 2007 and sold to BigBoard (equity accounted) on September 14, 2007.
(8) Company sold to Affichage Holding on July 1, 2007.
(9) This company is a representative office of JCDecaux Mobilier Urbain.
(10) Three companies have been consolidated in JCDecaux China Holding Ltd since January 1, 2007.
(11) Company consolidated in MNI Holding until the end of 2006.
(12) Company consolidated in MPI Holding until the end of 2006.
(13) Company deconsolidated as of July 1, 2007.
(14) Company incorporated under British law and operating in Northern Ireland.
(15) Company incorporated under Dutch law and operating in Ukraine and Russia.

Note: F = Full consolidation P = Proportionate consolidation E = Equity accounted

12. SUBSEQUENT EVENTS

On February 22, 2008, the Group has signed an additional clause to the agreement with Progress Beteiligungsges mbH, a 33% minority shareholder in Gewista Werbegesellschaft mbh, thus deferring the put on the minority share of fiscal year 2009 to fiscal year 2019. The discounting of the liability relating to this put will result in the recognition of a gain for approximately €23 million, with an impact on the minority share in profit or loss.

On March 6, 2008, and following a call for tender, the Group was awarded the contract to operate the non-station advertising assets ('Lot 2') of Réseau Ferré de France, RFF, the company responsible for managing the French railway infrastructure, for a period of 8 years. The contract involves 10,000 advertising panels, of which Avenir already operates nearly 2,300 under subleases. Full-year revenue related to this contract should amount to approximately €28 million.

MANAGEMENT DISCUSSION AND ANALYSIS OF CORPORATE FINANCIAL STATEMENTS

1. DISCUSSION OF OPERATIONS

In an advertising market that remained highly competitive and during a year that saw the opening of television advertising to retailing and specialized retailing as of January 1, 2007, JCDecaux SA pursued its strategy of maintaining market shares in France combined with a discerning control over investments and operating costs.

The Company's activities cover the following areas:

- Marketing of advertising space for JCDecaux Mobilier Urbain, Sopact and Somupi;
- Installation, maintenance, repair and removal of street and sidewalk furniture;
- Supply of street furniture and spare parts for Group subsidiaries;
- Assistance and consulting services in the technical, administrative, IT, legal, real estate, employee relations and industrial areas for the various JCDecaux Group subsidiaries;
- Investment management.

2. DISCUSSION OF THE FINANCIAL STATEMENTS

2.1. Revenue

Revenue for 2007 stood at €764.5 million, an increase of €125.8 million compared to 2006.

This change reflects the growth in equipment sales for €71.5 million, primarily due to the renewal of contracts in France, and particularly with regard to the contract between Somupi and the City of Paris.

Advertising revenue rose by 4.6% or €14.1 million, mainly recognized over the second half of 2007, and stood at €319.9 million in 2007. It represented 41.8% of 2007 revenue, compared to 47.9% in 2006.

Provision reversals rose by €15.6 million to reach €23.0 million in 2007, essentially comprising the reversal of the inventory impairment provision for €16.5 million.

2.2. Operating expenses

Operating expenses amounted to €749.3 million in 2007, compared to €608.2 million in 2006.

The increase is mainly attributable to higher furniture manufacturing costs related to an increase in equipment sales, technical sub-contracting related to installation plans, and fees paid to municipalities for contracts under renewal.

In 2007, employee-related expenses stood at €136.4 million, compared to €127.9 million in 2006, an increase of 6.6%. The rise is essentially due to growth in the number of employees.

Depreciation, amortization and provisions totaled €37.3 million in 2007, compared to €27.2 million in 2006.

Depreciation and amortization decreased by €1.7 million, primarily due to intangible assets.

Charges to provisions on current assets increased by €13 million. This is mainly attributable to charges to inventory impairment provisions (+ €17.1 million), offset by a provision reversal for €16.5 million.

Other expenses increased by €7.8 million in 2007, standing at €18.2 million. The increase primarily concerns fees paid to municipalities.

Non-deductible expenses for income tax purposes, as provided under Article 223 *quater* of the French Tax Code, amounted to €31,870, generating an estimated tax charge of €10,973.

2.3. Operating income

Operating income posted a profit of €79.9 million, compared to €61.4 million in 2006.

2.4. Net financial income

Net financial income stood at €11.0 million in 2007, compared to €62.7 million in 2006, for a decrease of €51.7 million. The change is primarily explained by:

- A decline of €38.6 million in financial investment income related to a decrease in dividends received from subsidiaries;
- An increase of €16.7 million in interest and similar charges. The increase is explained by the higher debt level (€100.0 million in the consolidated financial statements) and higher interest rates in 2007.

2.5. Non-recurring income

Non-recurring income posted a loss of €5.9 million in 2007, primarily comprising a €5.8 million accelerated depreciation charge.

2.6. Net income

Net income stood at €67.2 million, compared to €114.0 million in 2006.

3. RECENT DEVELOPMENTS AND OUTLOOK

Although it remains subject to changes in the economy, advertising revenue should continue to grow in 2008, thanks in particular to the contracts renewed in 2006 and 2007.

CORPORATE FINANCIAL STATEMENTS AND NOTES

BALANCE SHEET ASSETS

(In million euros)		2007	2006
INTANGIBLE ASSETS	Gross value	52.8	46.7
	Amortization	(38.9)	(33.8)
	Net value	13.9	12.9
PROPERTY, PLANT AND EQUIPMENT	Gross value	152.6	147.0
	Depreciation	(126.7)	(120.6)
	Net value	25.9	26.4
LONG-TERM INVESTMENTS	Gross value	2,917.0	2,851.7
	Amortization	(60.3)	(58.0)
	Net value	2,856.7	2,793.7
NON-CURRENT ASSETS		**2,896.5**	**2,833.0**
INVENTORIES	Gross value	100.2	63.7
	Provisions	(17.3)	(16.5)
	Net value	82.9	47.2
TRADE RECEIVABLES	Gross value	187.7	173.0
	Provisions	(5.4)	(6.3)
	Net value	182.3	166.7
OTHER RECEIVABLES	Gross value	24.0	19.7
	Provisions	0.0	0.0
	Net value	24.0	19.7
MISCELLANEOUS	Cash and cash equivalents	1.1	3.2
PREPAID EXPENSES		7.0	6.6
CURRENT ASSETS		**297.3**	**243.4**
	Deferred charges	1.8	2.2
	Unrealized translation losses	19.1	11.8
TOTAL		**3,214.7**	**3,090.4**

BALANCE SHEET LIABILITIES AND EQUITY

(In million euros)		**2007**	**2006**
Share capital		3.4	3.4
Premium on share issues, mergers and contributions		1,135.4	1,115.0
Reserves		685.0	23.3
Retained earnings			640.9
NET INCOME FOR THE YEAR		67.2	114.0
Tax-driven provisions		13.5	7.7
EQUITY		**1,904.5**	**1,904.3**
PROVISIONS FOR CONTINGENCIES AND LOSSES		**20.9**	**16.8**
LONG-TERM DEBT	Other bonds	363.1	371.1
	Bank borrowings	343.8	370.7
	Miscellaneous facilities and other financial debt	367.6	247.7
OPERATING LIABILITIES	Trade payables and related accounts	106.2	66.5
	Tax and social security liabilities	64.7	66.1
MISCELLANEOUS LIABILITIES	Amounts due on non-current assets and related accounts	1.3	9.2
	Other liabilities	8.3	7.7
DEFERRED INCOME		9.6	10.0
LIABILITIES		**1,264.6**	**1,149.1**
	Unrealized translation gains	24.7	20.2
TOTAL		**3,214.7**	**3,090.4**

INCOME STATEMENT

(In million euros)	2007	2006	2005
NET REVENUES	**764.5**	**638.7**	**583.6**
Change in inventories of finished goods and work-in-progress	18.1	4.3	0.4
Own work capitalized	5.3	2.0	2.1
Reversals of amortization, depreciation, provisions, expense reclassifications	23.9	8.3	9.6
Other revenue	17.5	16.3	15.6
TOTAL OPERATING INCOME	**829.3**	**669.6**	**611.3**
Purchase of raw materials and other supplies	121.6	79.0	68.2
Other purchases and external charges	424.8	354.3	331.5
Taxes and similar charges	11.1	9.4	8.5
Wages and salaries	95.0	90.1	86.7
Social security contributions	41.4	37.8	36.4
Amortization, depreciation and provisions	37.3	27.2	25.9
Other charges	18.2	10.4	5.4
TOTAL OPERATING CHARGES	**749.4**	**608.2**	**562.6**
NET OPERATING INCOME	**79.9**	**61.4**	**48.7**
NET FINANCIAL INCOME	**11**	**62.7**	**38.3**
CURRENT INCOME BEFORE TAXES	**90.9**	**124.1**	**87.0**
Non-recurring income	7.6	880.8	8.3
Non-recurring charges	13.5	877.3	11.4
NON-RECURRING INCOME/(CHARGES)	**(5.9)**	**3.5**	**(3.0)**
Employee profit-sharing	0.3	0.0	0.0
Income taxes	17.5	13.6	3.9
NET INCOME	**67.2**	**114.0**	**80.0**

NOTES TO THE CORPORATE FINANCIAL STATEMENTS

The corporate financial statements of JCDecaux SA for the year ended December 31, 2007 were approved by the Executive Board on March 11, 2008 and show revenues of €764.5 million, net income of €67.2 million and total assets of €3,214.7 million.

1. ACCOUNTING POLICIES AND METHODS

1.1. General principles

The corporate financial statements for the twelve-month period ended December 31, 2007 have been prepared in accordance with current legal provisions and regulations and with generally accepted accounting principles:

- going concern,
- consistency,
- accrual basis.

The items recorded in the accounts are valued according to the historical cost method.

1.2. Main principles used

1.2.1. Non-current assets

Non-current assets are valued at acquisition cost in accordance with accounting standards. There has been no change in valuation methods.

1.2.1.1. Intangible assets

Intangible assets consist mainly of software. They are amortized on a straight-line basis, over a period of 3 to 5 years.

Expenses incurred, both internal and external, to develop significant software (core business line IT applications) are carried in intangible assets and amortized on a straight-line basis over 5 years. In accordance with prevailing accounting regulations, only expenses incurred in the detailed design, programming and configuration, testing and acceptance phases are recorded under intangible assets.

In order to benefit from tax provisions, the Company records the difference between accounting and tax depreciation in accelerated depreciation (12 months).

Any research and development expenditure incurred over the year is expensed.

1.2.1.2. Property, plant and equipment

The depreciation methods and periods used are as follows:

- Buildings.. straight-line - 20 years
- Fixtures and fittings in buildings....................... straight-line - 5 or 10 years
- Technical installations, tools and equipment.... straight-line or declining balance - 5 or 10 years
- Vehicles... straight-line - 4 years
- Office and computer equipment……............... straight-line or declining balance - 3 or 5 years
- Furniture... straight-line - 10 years
- Street Furniture... term of contracts

1.2.1.3. Financial assets

Equity investments are presented on the balance sheet at acquisition cost. An impairment loss is recognized when their value in use, assessed for each subsidiary, is less than the acquisition cost.

The Company has reviewed the value of assets by comparing it with the value in use resulting from the impairment tests performed for the JCDecaux SA Group consolidated financial statements. This value was primarily calculated using discounted cash flows.

The value in use takes into account the share in net equity and profitability projections when the latter provide reasonable assurance.

When equity investments are sold, the FIFO method is applied.

1.2.2. Current assets

1.2.2.1. Inventories and work-in-progress

Inventories of raw materials are valued at purchase price. Semi-finished and finished goods are valued at cost, including direct and indirect production costs.

An impairment loss is recognized on the basis of value in use and the probability of future sale.

1.2.2.2. Receivables

Provisions for impairment based on the risk of non-recovery are recognized for bad or disputed debt due to age.

1.2.2.3. Prepaid expenses

In accordance with the accrual basis principle, expenses relating to 2008 and thereafter are recorded in this account.

1.2.3. Liabilities and Equity

1.2.3.1. Provisions for contingencies and losses

Provisions are recognized to meet legal or implicit obligations, arising from past events existing at the balance sheet date and for which an outflow of resources is expected.

1.2.3.2. Provisions for retirement and similar benefits

JCDecaux SA's obligations resulting from defined benefit plans, as well as their cost, are determined using the actuarial projected unit credit method.

This method consists in measuring the obligation based on the projected end-of-career salary and the rights vested at the valuation date, determined in accordance with collective trade union agreements, Company-wide agreements or prevailing legal rights.

For post-employment defined benefits, actuarial gains or losses exceeding the greater of 10% of the present value of the defined benefit obligation or the fair value of the related plan assets are amortized over the remaining average working lives of employees within the Group. Past service costs are amortized on a straight-line basis, over the average period until the benefits become vested.

For long-term benefits, actuarial gains or losses and past service costs are recognized as income or expense when they occur.

1.2.3.3. Deferred income

In accordance with the accrual basis principle, income relating to 2008 and thereafter is recorded in this account.

1.2.4. Foreign currency transactions and financial instruments

1.2.4.1. Foreign currency transactions

Payables, receivables and cash denominated in foreign currencies are shown on the balance sheet at their euro equivalent value using year-end exchange rates. Any difference resulting from the revaluation of these foreign currency payables and receivables is recorded in the balance sheet under "Unrealized translation gains and losses" within assets and liabilities.

Unrealized foreign exchange losses that are not hedged are covered by a foreign exchange loss provision.

1.2.4.2. Financial instruments

The purpose of interest rate hedging is to limit the impact of fluctuations in short-term interest rates on loans secured by the Company.

Items are hedged by means of over-the-counter instruments with leading banking counterparties. The financial instruments used are mainly swaps, forward rate agreements and interest rate options.

The purpose of foreign exchange hedging is to protect the Company against foreign currency fluctuations affecting the euro. The instruments used are mainly forward purchases and sales of foreign currencies against the euro and foreign exchange options.

2. MAJOR EVENTS OF THE YEAR

The government tax audit of the Company's accounts initiated in 2006 continued during the year. A provision was recognized for the reassessment risk in the amount of €3.9 million, as estimated by the Company as of December 31, 2007.

3. NAME AND ADDRESS OF THE CONSOLIDATING PARENT COMPANY

Although the Company publishes consolidated financial statements, its corporate financial statements are fully consolidated into the consolidated financial statements of the following company:

JCDecaux Holding
17, Rue Soyer
92200 Neuilly sur Seine

4. INTANGIBLE ASSETS

(In million euros)	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Gross value	46.7	10.7	4.6	52.8
Amortization and provisions	(33.8)	(5.1)		(38.9)
Net value	**12.9**	**5.6**	**4.6**	**13.9**

Gross value *(In million euros)*	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Patents, licenses and software	44.6	5.9		50.5
Purchased goodwill	0.1			0.1
Intangible assets under development	2.0	4.8	4.6	2.2
Total	**46.7**	**10.7**	**4.6**	**52.8**

Amortization *(In million euros)*	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Patents, licenses and software	(33.8)	(5.1)		(38.9)
Total	**(33.8)**	**(5.1)**		**(38.9)**

5. PROPERTY, PLANT AND EQUIPMENT

(In million euros)	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Gross value	147.0	7.8	2.2	152.6
Depreciation and provisions	(120.6)	(8.1)	(2.0)	(126.7)
Net value	**26.4**	**(0.3)**	**0.2**	**25.9**

Gross value *(In million euros)*	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Land	0.2	-	-	0.2
Buildings	22.9	0.4	0.1	23.2
Street furniture	0.3	-	-	0.3
Technical installations, machinery and equipment	28.6	2.2	0.1	30.7
Fixtures and fittings	34.9	0.6	-	35.5
Vehicles	39.7	2.6	1.3	41.0
Office and computer equipment	19.4	1.8	0.7	20.5
Other	0.1	-	-	0.1
PPE under construction	0.8	0.2	-	1.0
Advances and payments on account	0.1	-	-	0.1
Total	**147.0**	**7.8**	**2.2**	**152.6**

Depreciation *(In million euros)*	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Buildings	(14.4)	(1.1)	-	(15.5)
Street furniture	(0.2)	-	-	(0.2)
Technical installations, machinery and equipment	(25.4)	(1.3)	-	(26.7)
Fixtures and fittings	(28.5)	(1.6)	-	(30.1)
Vehicles	(35.8)	(2.0)	(1.3)	(36.5)
Office and computer equipment	(16.0)	(2.0)	(0.7)	(17.3)
Other	(0.1)			(0.1)
PPE under construction	(0.2)	(0.1)		(0.3)
Total	**(120.6)**	**(8.1)**	**(2.0)**	**(126.7)**

6. FINANCIAL ASSETS

(In million euros)	Amount as of 01/01/2007	Increase	Decrease	Amount as of 12/31/2007
Equity investments	2,425.0	163.0	5.2	2,582.8
Loans to affiliates	69.0	281.0	206.6	143.4
Loans and other long-term investments	357.7	119.5	286.4	190.8
Gross value	**2,851.7**	**563.5**	**498.2**	**2,917.0**
Provision for impairment	(58.0)	(34.8)	(32.5)	(60.3)
Net value	**2,793.7**	**528.7**	**465.7**	**2,856.7**

The increase or decrease in "Loans to affiliates" corresponds to new loans and to the repayment of loans granted to subsidiaries.

Changes in "Loans and other long-term investments" correspond to new loans exceeding one year and the repayments of subsidiaries.

The change in equity investments is due to:

- the transfer of MC Decaux Inc. shares to a wholly owned sub-holding company. This transfer was realized at the net carrying amount;
- the JCD Belgium capital increase subscription;
- the share capital reduction of Affichage Holding.

The change in equity investments breaks down as follows:

(In million euros)	Increase	Decrease
JCD Belgium Publicité SA	157.3	
Affichage Holding		1.3
JC Decaux Asie Holding	3.9	
MC Decaux Inc		3.9
IP Decaux Inc	1.0	
MC Decaux Taiwan		NM
VBM	0.1	
JCDecaux UZ – Uzbekistan	0.7	
Change in equity investments	**163.0**	**5.2**

7. INVENTORIES

(In million euros)	2007	2006
Raw materials and supplies	46.7	28.5
Work-in progress	1.8	1.8
Semi-finished goods	31.7	20.3
Finished goods	20.0	13.1
Gross value	**100.2**	**63.7**
Provision for impairment	(17.3)	(16.5)
Net value	**82.9**	**47.2**

The increase in net value of inventories is attributable to the number of contacts awarded in France and abroad which generate a substantial year-end order book and, for €5.1 million at the opening of the fiscal year, additional indirect production costs included in inventory cost.

8. MARKETABLE SECURITIES AND OTHER FINANCIAL INSTRUMENTS

As of December 31, 2007, the portfolio of JCDecaux SA does not contain any marketable security.

9. CASH AND CASH EQUIVALENTS

(In million euros)	2007	2006
Bank	1.1	3.2
Cash	N/M	N/M
Total	**1.1**	**3.2**

10. DEFERRED CHARGES

(In million euros)	2007	2006
Loan issuing costs	1.8	2.2
Total	**1.8**	**2.2**

Loan issuing costs relate to the 2003 private placement issue in the United States and the renewal of the revolving credit line in 2005, which was subsequently amended in 2006. These costs are expensed over the respective term of each loan.

11. MATURITY OF RECEIVABLES AND PAYABLES

(In million euros)	Total	Less than 1 year	More than 1 year but less than 5 years	More than 5 years
Receivables	552.3	234.4	294.8	23.1
Payables	1,264.6	216.6	755.8	292.2

The amounts shown in receivables include loans to affiliates, loans, other long-term investments, as well as trade receivables and related accounts, other receivables and prepaid expenses.

The amounts appearing under "Payables" include bond debt, bank debt and other long-term debt with respect to subsidiaries, as well as trade payables and related accounts, other liabilities and deferred income.

JCDecaux SA's long-term debt with respect to companies that are not directly or indirectly owned subsidiaries consists of:

- a private placement issued for US$250 million and €150 million in 2003 in the United States, repayable between 2010 and 2015, and valued at €360.2 million as of December 31, 2007, hedging included.
- a €255 million draw-down on a credit facility set up in March 2005 and amended in 2006. This confirmed revolving credit line for €850 million matures in June 2012, with a one-year extension option (an initial one-year extension option was exercised and accepted by the banking pool in June 2007). Consequently, as of December 31, 2007, the Company had available confirmed credit facilities amounting to €595 million.
- a €75 million credit facility set up in October 2006 with an October 2011 maturity.

While JCDecaux SA financing sources are confirmed, they impose compliance with a number of covenants. As of December 31, 2007 the Group was compliant with all covenants, with values in excess of required limits.

12. PREPAID EXPENSES AND DEFERRED INCOME

(In million euros)	2007	2006
Leasing of advertising sites	4.6	4.7
Miscellaneous costs (maintenance, leasing, etc.)	2.4	1.9
Prepaid expenses	**7.0**	**6.6**
Sales of advertising space	9.6	9.9
Miscellaneous	N/M	0.1
Deferred income	**9.6**	**10.0**

13. EQUITY

(In million euros)	01/01/2007	Allocation of 2006 net income	Change 2007	12/31/2007
Share capital	3.4			3.4
Additional paid-in capital	711.9		20.4	732.3
Merger premium	159.1			159.1
Contribution premium	244.0			244.0
Legal reserve	0.3			0.3
Other reserves	23.0	661.7		684.7
Retained earnings	640.9	(640.9)		-
Net income for the period	114.0	(114.0)	67.2	67.2
Equity	**1,896.6**	**(93.2)**	**87.6**	**1,891.0**
Tax-driven provisions	7.7		5.8	13.5
Total equity	**1,904.3**	**(93.2)**	**93.4**	**1,904.5**

As of December 31, 2007, share capital amounts to €3,400,557.51, consisting of 223,061,788 fully paid-up shares. During the year, 1,346,528 shares were created following the exercise of stock options.

As part of the share subscription option plan authorized by the General Meeting of Shareholders of May 11, 2005, the Executive Board granted 763,892 options during fiscal year 2007. As of December 31, 2007, 6,605,072 options, broken down as follows, were allocated under the stock option plans authorized by the General Meetings of Shareholders of March 23, 2001, May 23, 2002, and May 11, 2005:

Date of issuance	06/21/2001	07/20/2001	12/14/2001	12/13/2002	01/16/2003	03/05/2004	03/04/2005	02/20/2006	02/20/2007
Number of options issued	3,283,684	479,024	340,996	88,096	209,546	678,711	690,365	70,758	763 892
Option strike price	€16.50	€15.46	€11.12	€10.67	€10.78	€15.29	€19.81	€20.55	22,58
Expiry date	06/21/2008	07/20/2008	12/14/2008	12/13/2009	01/16/2010	03/05/2011	03/04/2012	02/20/2013	02/19/2014

As of December 31, 2007, JCDecaux Holding held 69.94% of the Company's share capital (i.e. 156,030,573 shares).

The Company distributed a dividend of €0.42 per share in 2007, for a total of €93,120,409.20.

Tax-driven provisions consist of accelerated depreciation.

14. PROVISIONS FOR CONTINGENCIES AND LOSSES

(In million euros)	Amount as of 01/01/07	Charges 2007	Reversals 2007	Amount as of 12/31/07
Provisions for contingencies				
Litigation	6.5	0.1	1.7	4.9
Subsidiary contingencies	0.6	-	0.6	-
Foreign exchange losses	0.5	0.6	0.5	0.6
Other	0.5	-	-	0.5
Provisions for losses				
Provision for retirement benefits and long-service bonuses	8.7	2.3	-	11.0
Provision for taxes	-	3.9	-	3.9
Total	**16.8**	**6.9**	**2.8**	**20.9**

Reversals of provisions for contingencies break down as follows:

(In million euros)	Provisions used	Provisions unused	Total
Litigation	0.8	0.9	1.7

JCDecaux SA's commitments in respect of defined-benefit plans for employees are mainly made up of retirement benefits pursuant to the applicable collective bargaining agreement and long-service bonuses.

The retirement benefit plan is financed in part by a special fund.

Provisions are calculated according to the following assumptions:

As of December 31,	2007
Discount rate	5.0%
Salary revaluation rate	2.5%
Expected return on plan assets	4.5%
Average remaining working lives of employees	17 years

Retirement and other long-term benefits break down as follows:

(In million euros)	Retirement benefits	Other commitments	Total
Change in benefit obligation			
Opening balance	17.9	0.9	18.8
Service cost	1.1	-	1.1
Interest cost	0.8	-	0.8
Actuarial gains/losses	(1.2)	0.9	(0.3)
Benefits paid	(0.6)	-	(0.6)
Benefit obligation at the end of the period	**18.0**	**1.8**	**19.8**
Change in plan assets			
Opening balance	4.5	-	4.5
Expected return on plan assets	0.2	-	0.2
Actuarial gains/losses	-	-	-
Benefits paid by the fund	(0.6)	-	(0.6)
Employer contribution to the fund	0.6	-	0.6
Fair value of assets at the end of the period	**4.7**	**-**	**4.7**
Provision			
Funded status	13.3	1.8	15.1
Actuarial gains or losses to be amortized	(1.7)	-	(1.7)
Past service cost to be amortized	(2.4)	**-**	(2.4)
Closing provision	**9.2**	**1.8**	**11.0**
Net periodic pension cost			
Service cost	1.1	0.1	1.2
Interest cost	0.7	-	0.7
Expected return on plan assets	(0.2)	-	(0.2)
Amortization of actuarial gains or losses	0.1	0.9	1.0
Amortization of past service cost	0.2	-	0.2
Charge for the year	**1.9**	**1.0**	**2.9**

Net changes during the year are as follows:

(In million euros)	2007
As of 01/01/2007	**8.7**
Cost based on the income statement	2.9
Benefits paid	(0.6)
As of 12/31/2007	**11.0**

The breakdown of assets is as follows:

	2007	
(In million euros)	**Principal amount**	**%**
Shares	0.5	10.6%
Bonds	3.8	80.9%
Real estate	0.4	8.5%
Total	**4.7**	**100%**

15. UNRECOGNISED TAX ASSETS OR LIABILITIES

Decrease (+) and increase (-) in the future tax debt

(In million euros)	**2007**	**2006**
Retirement benefits	9.1	7.7
Other provisions for contingencies and losses	1.2	1.1
Provision for NER receivables	0.4	0.4
Provisions for other receivables	-	1.8
Social security tax	0.9	0.7
Unrealized foreign exchange gains/losses	6.2	3.6
Other	-	0.5
Total	**17.8**	**15.8**

16. BREAKDOWN OF REVENUE

(In million euros)	**2007**	**2006**
France	692.7	569.7
Export	71.8	69.0
Total	**764.5**	**638.7**

(In million euros)	**France**	**Export**
Administrative and financial services	35.4	7.7
Sales of advertising space	305.5	14.5
Sales of street furniture	142.3	41.7
Other services	209.5	7.9
Total	**692.7**	**71.8**

Revenue includes the sale of advertising space for the Street Furniture business in France, services rendered to non-advertiser clients (local authorities), the sale of street furniture to French and foreign subsidiaries, as well as technical and administrative services provided to all of the Group's French companies.

17. NET FINANCIAL INCOME

Net financial income amounted to €11 million in 2007, compared to €62.7 million in 2006, a decrease of €51.7 million.

The change is primarily explained by:

- the decrease in revenue from equity investments for €38.6 million;
- the €16 million increase in the interest cost paid on borrowings, offset for €1.2 million by the increase in revenue from interest rate hedging;
- the €1.4 million decrease in net change of provisions for long-term investments.

18. NON-RECURRING INCOME AND CHARGES

(In million euros)	**2007**
Net carrying amount of tangible and intangible assets sold	0.1
Net carrying amount of financial assets sold (transfer)	4.0
Accelerated depreciation charge	8.4
Charge to provisions for contingencies	0.6
Other	0.4
Total non-recurring charges	**13.5**

(In million euros)	**2007**
Price of tangible and intangible assets sold	0.2
Price of financial assets sold (transfer)	4.0
Reversal of equity provisions (transfer)	-
Reversal of accelerated depreciation	2.6
Reversal of provisions for contingencies	-
Other	0.8
Total non-recurring income	**7.6**

19. ACCRUED INCOME AND EXPENSES

(In million euros)	**2007**	**2006**
ACCRUED EXPENSES		
Long-term debt		
Other bonds	2.9	2.9
Bank borrowings	1.2	1.0
Other borrowings and long-term debt		-
Operating liabilities		
Trade payables and related accounts	44.0	36.8
Tax and social security liabilities	30.8	28.2
Miscellaneous liabilities		
Amounts due on non-current assets and related accounts	0.6	0.2
Other liabilities	6.7	5.8

(In million euros)	**2007**	**2006**
ACCRUED INCOME		
Long-term investments		
Loans to affiliates	0.2	0.2
Loans	1.4	3.9
Operating receivables		
Trade receivables and related accounts	13.3	13.2
Other receivables	1.5	0.9
Miscellaneous receivables		
Cash instruments	2.1	6.1
Cash and cash equivalents	-	-

20. BREAKDOWN OF INCOME TAX

(In million euros)	Income before taxes	Taxes	Income after taxes
Current income	90.3	19.1	71.2
Non-recurring income	(5.9)	(1.7)	(4.2)
Employee-profit sharing	0.3	0.1	0.2
Net income	84.7	17.5	67.2

A tax consolidation agreement, under which JCDecaux SA is the head company, came into effect as of January 1, 2002 and comprised the following companies:

- JCDecaux Mobilier Urbain
- Avenir
- JCDecaux Airport France
- JCDecaux Artvertising
- SEMUP
- DPE

As of January 1, 2006, SOPACT joined the consolidation group as a consolidated company.

As of January 1, 2007, Cyclocity, JCDecaux Asie Holding, JCDecaux Amériques Holding and JCDecaux Europe Holding joined the consolidation group as consolidated companies.

Pursuant to the provisions of this agreement and in accordance with prevailing regulations, each tax-consolidated company determines its taxable income and calculates its corporate income tax as if there were no tax consolidation. The tax expense is recorded by the tax-consolidated company, and the corporate income tax is paid by the consolidating company. In the event of a tax loss for the consolidated company, the tax saving represents an immediate gain for the consolidating company.

In the event that one of the Group's subsidiaries leaves the consolidated tax group, the parties shall meet to analyze the consequences.

21. OFF-BALANCE SHEET COMMITMENTS OTHER THAN FINANCIAL INSTRUMENTS

(In million euros)	12/31/2007	12/31/2006
COMMITMENTS GIVEN		
Business guarantees (1)	44.4	42.6
Other guarantees (2)	107.5	48.8
Pledges, mortgages and collateral	-	-
Commitments received on shares (3)	97.5	95.8
Total	**249.4**	**187.2**
COMMITMENTS RECEIVED		
Commitments received on shares (4)	-	-
Available credit facility	595.0	570.0
Debt forgiveness (return to profit clause)	2.4	13.5
Total	**597.4**	**583.5**

(1) *Business guarantees correspond to guarantees issued whereby the Company guarantees, either directly or through counter–guarantees with respect to banks or insurance companies, the performance of concession agreements by subsidiaries.*

(2) *The "Other guarantees" line item consists of the guarantees issued in respect of settlement of lease payments, long-term debt, vehicle rental for certain subsidiaries or counter-guarantees to banks within the scope of collateral security granted to certain subsidiaries. It should be noted that the amount of the guarantees with regard to long-term debt (credit facilities and bank overdrafts) and collateral security corresponds to the actual amount as of the closing date.*

Commitments given and received on shares are primarily related to acquisition transactions.

(3) *Commitments given on shares comprise:*

- *A right of sale in favor of the Group's partners, estimated at €78.3 million as of December 31, 2007, which may be exercised between January 1, 2009 and December 31, 2009, as well as a commitment from the Group's partner Progress not to sell its Gewista shares before January 1, 2009.*
- *A put option exercisable from March 31, 2014 to September 30, 2014. This option concerns the 34% interest held by the Group's partner Publicis in Somupi, and the exercise price will be determined by merchant banks. It is estimated at €19.2 million as of December 31, 2007.*

Commitments given on shares also include:

- *A put option exercisable from September 15, 2005 to March 31, 2014. This option concerns the 34% interest held by the Group's partner Publicis in Somupi, and the exercise price will be determined in accordance with a contractual calculation formula. This option can only be exercised in the event of a change in control of JCDecaux Group.*
- *A put option exercisable from March 31, 2014. This option concerns the 34% interest held by the Group's partner Publicis in Somupi, and the exercise price will be determined in good faith by the parties or an independent expert. This option can only be exercised should JCDecaux Group wish to transfer its entire interest to a proposed transferee.*

(4) *Commitments received on shares comprise:*

- *A put option exercisable from March 31, 2014 to September 30, 2014. This option concerns the 33% interest held by the Group in Metrobus Group, and the exercise price will be determined by merchant banks. This option can only be exercised if the RATP renews its contract with Metrobus.*
- *A put option exercisable from September 15, 2005 to March 31, 2014. This option concerns the 33% interest held by the Group in Metrobus Group, and the exercise price will be determined in accordance with a contractual calculation formula. This option can only be exercised in the event of a change in control of the Publicis Group.*
- *A put option exercisable from March 31, 2014. This option concerns the 33% interest held by the Group in Metrobus Group, and the exercise price will be determined in good faith by the parties or an independent expert. This option can only be exercised should JCDecaux Group wish to transfer its entire interest to a proposed transferee.*

22. FINANCIAL INSTRUMENTS

The Company uses derivative instruments solely for interest rate and foreign exchange rate hedging purposes.

a) *Financial instruments related to bond issues*

In connection with the issuance of its US private placement in 2003, JCDecaux SA raised funds, a significant portion of which ($250 million) were denominated in US dollars and carried a fixed coupon. As the Group did not generate US dollar funding needs for such an amount and in compliance with its policy to have its medium and long-term loans indexed to floating rates, JCDecaux SA entered into issue swap transactions in tandem with the issuance of its private placement:

	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E
Amount before hedging	USD 100 million	USD 100 million	EUR 100 million	USD 50 million	EUR 50 million
Maturity date	April 2010	April 2013	April 2013	April 2015	April 2015
Repayment	In fine	In fine	In fine	In fine	In fine
Interest rate before hedging	USD fixed	USD fixed	Euribor	USD fixed	Euribor
Amount after hedging	USD 100 million	EUR 94.8 million	EUR 100 million	EUR 47.4 million	EUR 50 million
Interest rate after hedging	Libor	Euribor	Euribor	Euribor	Euribor

The market value of the financial instruments portfolio as of December 31, 2007 (theoretical cost of liquidation) is €(39.3) million.

b) Hedging of foreign exchange risk

The Company is exposed to foreign exchange rate risk on the activities of its subsidiaries abroad. Such risks are primarily related to:

- commercial transactions: purchases of equipment
- financial transactions:
  - refinancing and recycling of cash flows for foreign subsidiaries, hedged by foreign exchange swaps (the latest maturity of these agreements is March 2008),
  - loans denominated in US dollars and converted into euros, hedged through issue swaps with the same maturity as the loans (see paragraph a).

As of December 31, 2007, the Company had entered into the following hedging agreements:

(In million euros)	Financial and commercial assets	Financial and commercial liabilities	Assets – Liabilities	Off-balance sheet (1)	Contingent positions	Difference
USD	70.2	207.0	(136.8)	147.0	0	10.2
CAD	5.2	0	5.2	(5.1)	0	0.1
GBP	25.6	1.5	24.1	(20.1)	0	4.0
SGD	1.0	1.2	(0.2)	0.4	0	0.2
SEK	0.8	2.9	(2.1)	2.9	0	0.8
AUD	0.7	17.6	(16.9)	17.6	0	0.7
NOK	9.8	-	9.8	(8.6)	0	1.2
DKK	2.2	-	2.2	(1.3)	0	0.9
JPY	0.1	0.1	0.0	0	0	0
HKD	22.9	1.1	21.8	(21.7)	0	0.1
THB	0.2	-	0.2	0	0	0.2
CZK	4.0	-	4.0	(3.5)	0	0.5
Other currencies	2.8	-	2.8	(2.5)	0	0.3
Total	**145.5**	**231.4**	**(85.9)**	**105.1**	**0**	**19.2**

(1) Issue swaps and short-term foreign exchange swaps. Issue swaps are valued at the hedging rate in the same way as the corresponding financial liabilities. The other swaps are valued at the year-end rate.

The market value of the short-term financial instrument portfolio (foreign exchange swaps, excluding issue swaps covered above) as of December 31, 2007 (theoretical cost of liquidation) is €2.2 million.

c) Hedging of interest rate risk

The Company is exposed to interest rate risk on:

- bonds issued directly at a floating rate or at a fixed rate but converted into a floating rate upon issue of the bonds, throughout their term;
- bank loans indexed to a floating interest rate.

Thus, the loans subscribed by the Company are mainly indexed to money market rates. In order to protect itself against a rise in Euribor rates, the Company has entered into hedges in the form of purchases of straight caps, or caps financed by sales of caps or floors.

As of December 31, 2007, the Company had entered into the following interest rate hedging agreements:

- Caps purchased for €175 million, maturing between April 2009 and April 2010, all of which were in the money as of December 31, 2007;
- Caps sold for €125 million, maturing between June 2009 and April 2010, €75 million of which were in the money as of December 31, 2007;
- Floors sold for €100 million, maturing between April 2009 and June 2009, all of which were in the money under the 3-month Euribor as of December 31, 2007, i.e. 4.684%.

The market value of these financial instruments as of December 31, 2007 (theoretical cost of liquidation) is €2.5 million.

23. COMPENSATION OF SENIOR EXECUTIVES

Attendance fees paid to members of the Supervisory Board in respect of 2007 amount to €120,855.
Fees paid to the members of the Executive Board amount to €3,595,102.

24. HEADCOUNT

The headcount breakdown by employee category is as follows:

Category	**2007**	**2006**
Executives	417	378
Supervisors	721	688
Employees	1,504	1,453
Total	**2,642**	**2,519**

25. TRANSACTIONS CARRIED OUT WITH RELATED COMPANIES

(In million euros)

Balance sheet items ***(gross value)***	**2007**	**2006**
Long-term investments		
Equity investments	2,431.7	2,425.0
Loans to affiliates	143.4	69.0
Loans	189.2	356.1
Deposits and sureties paid	1.1	1.1
Receivables		
Trade receivables and related accounts	70.5	68.8
Other receivables	9.0	1.1
Prepaid expenses	4.6	4.7
Liabilities		
Miscellaneous loans and long-term debt	367.7	247.7
Trade payables and related accounts	36.4	24.2
Other liabilities	0.8	1.7
Amounts due on non-current assets and related accounts	0	NM
Deferred income	NM	0,1

Income statement items	**2007**	**2006**
Total operating charges	**256.5**	**242.5**
Total operating income	**446.3**	**341.3**
Interest expenses		
Interest and similar charges	14	6.3
Interest income		
Income from equity investments	42.4	83.7
Interest	20.2	18.6
Non-recurring income		
Income from the disposal of non-current assets	4.0	858.3

In addition to companies likely to be fully consolidated, related companies include companies that are proportionately consolidated in the JCDecaux Group financial statements.

26. SUBSIDIARIES AND EQUITY INVESTMENTS AS OF 12/31/2006

COMPANIES	Share capital in K€	Other equity (1) in K€	Share in capital in %	Net carrying amount of shares held in K€		Loans and advances granted by the Company and not repaid in K€	Amount of guarantees and securities given by the Company in K€	Net revenues excluding tax for 2007 in K€	Net income (loss) for 2007 in K€	Dividends received by the Company during the year in K€
				Gross	Net					
A – FRENCH SUBSIDIARIES Held at over 50%										
SOPACT	229	9,984	100	30,031	30,031	-	-	18,010	2,885	-
JCDecaux Mobilier Urbain	993	78,538	100	233,677	233,677	79,000	-	224,600	13,103	26,715
SEMUP	831	8,706	100	39,471	39,471	-	-	23,332	2,248	4,578
AVENIR	26,805	171,512	100	608,462	575,662	-	-	182,657	(22,195)	-
JCDecaux Artvertising	778	1,146	100	30,390	30,390	-	-	12,883	1,818	1,021
JCDecaux Airport France	768	5,165	100	98,799	98,799	1,900		48,289	4,559	4,434
JCDecaux Asie Holding	6,525	48,170	100	54,691	54,691	7,600	-	-	(194)	-
JCDecaux Amériques Holding	297,000	(727)	100	297,000	297,000	-	-	-	(24)	-
JCDecaux Europe Holding	510,569	81,338	100	510,569	510,569	-	-	-	66,425	-
SOMUPI	762	2,180	66	1,135	1,135	23,100	-	25,969	(13,998)	-
CYCLOCITY	37	--	100	37	37	9,700	-	10,688	157	-
B – Equity investments in France Held at between 10% and 50%										
METROBUS	1,840	19,218	33	17,886	17,886	-	-	146,691	11,288	1,980
DPE	152	26	27.71	3,168	3,168	2,700	-	9,143	183	47

(1) Equity excluding share capital and net income for the year.

COMPANIES	Share capital in K currency	Other equity (1) in K currency	Share in capital in %	Net carrying amount of shares held in K€		Loans and advances granted by the Company and not repaid in K€	Amount of guarantees and securities given by the Company in K€	Net revenues excluding tax for 2007 in K€	Net income (loss) for 2007 in K€	Dividends received by the Company during the year in K€
				Gross	Net					
C – Foreign subsidiaries held at over 50%										
JCDecaux Belgium Publicité SA	EUR 269	EUR 325,501	100	355,493	355,493	-	-	28,937	9,247	-
JCDecaux ESPANA SL	EUR 29,050	EUR 84,609	100	111,656	111,656	-	-	39,375	5,627	3,500
JCDecaux Eesti	EEK 40	EEK 102,811	100	10,838	10,838	-	-	4,297	2,151	-
JCDecaux MESTSKY MOBILIAR Spool Sro	CZK 120,000	CZK 16,972	96.20	3,092	3,092	3,493	-	7,343	2,346	2,014
JCDecaux SALVADOR S.A.	BRL 5,200	BRL (26,253)	90	2,330	0	14,420	144	2,997	(136)	-
JCDecaux MACAU	MOP 1,000	MOP 2,681	80	114	114	-	360	1,834	216	-
IP Decaux Inc.	KRW 1,000,000	KRW (631,450)	50	1,424	385	-	4,221	8,925	3,654	-
AFA JCDecaux X A/S	DKK 7,200	DKK 39,469	50	2,209	2,209	1,274	-	21,301	1,962	-
JCDecaux UZ	UZS 2,044,980	UZS (14,912)	64.59	786	786	-	-	225	40	-
UDC-JCDecaux Airport (non consolidated)	MXN 12,600	MXN (12,400)	50	772	0	82	-	-	-	-
C – Foreign equity investments Held at between 10% and 50%										
Affichage Holding	CHF 26,530	CHF 185,197	30	133,084	118,834	-	-	235,233	37,740	4,366
IGP Decaux Spa	EUR 11,086	EUR 61,732	20.48	34,861	34,861	-	-	154,036	6,159	-
VBM (non consolidated)	HUF 120,000	NA	33.33	240	240	-	-	-	-	-
E – Other Foreign equity investments Held at less than 10 but whose gross value exceeds 1% of the company's capital										
JCDecaux Artvertising Belgique	EUR 1,735	EUR (204)	9.29	274	274	-	-	503	41	-
JCDecaux PORTUGAL Lda	EUR 1,247	EUR 11,007	0.15	253	253	-	-	40,669	6,588	59

(1) Equity excluding share capital and net income for the year.

27. FIVE-YEAR FINANCIAL SUMMARY

Type of data	2003	2004	2005	2006	2007
I -CAPITAL AT THE END OF THE FISCAL YEAR					
a) Share capital *(in euros)*	3,378,284	3,384,274	3,366,466	3,380,030	3,400,558
b) Number of common shares	221,600,760	221,993,669	220,825,551	221,715,260	223,061,788
c) Maximum number of future shares to be created (stock options)	4,401,346	4,687,148	3,895,898		
II -OPERATIONS AND INCOME FOR THE FISCAL YEAR *(in euros)*					
a) Revenue excluding taxes	551,028,006	549,606,687	583,634,027	638,686,328	764,462,923
b) Income before taxes, profit-sharing and calculated charges (depreciation, amortization and provisions)	244,911,913	177,558,052	138,468,132	132,225,776	107,404,556
c) Income tax	(493,718)	192,997	4,894,074	13,534,833	17,522,262
d) Employee profit-sharing	29,043	22,145	33,774	41,763	291,890
e) Income after taxes, profit-sharing and calculated charges (depreciation, amortization and provisions)	215,836,942	143,639,313	79,977,350	113,952,229	67,151,154
f) Dividends paid	-	-	88,330,220	93,120,409	[1]
III -EARNINGS PER SHARE *(in euros)*					
a) Income after taxes and profit-sharing but before calculated charges	1.11	0.80	0.61	0.54	0.40
b) Income after taxes, profit-sharing and calculated charges	0.97	0.65	0.36	0.51	0.30
c) Net dividend allocated to each share	-	-	0.40	0.42	[1]
IV - PERSONNEL					
a) Average headcount during the fiscal year	2,609	2,510	2,522	2,519	2,642
b) Total payroll for the fiscal year *(in euros)*	84,417,060	83,650,042	86,748,722	90,089,881	94,987,691
c) Total amounts paid during the fiscal year for employee-related benefits (social security, welfare organizations, etc.) (in euros)	31,581,498	33,416,275	36,405,945	37,799,970	41,389,650

(1) Subject to approval of the 2007 proposed income allocation by the General Meeting of Shareholders.

LEGAL INFORMATION

CORPORATE GOVERNANCE AND INTERNAL CONTROL

Since 2000, our Company has been organised as a French corporation *(Société Anonyme)* with an Executive Board and a Supervisory Board.

We comply with the recommendations of the AFEP/MEDEF Report of October 2003 on corporate governance of publicly-traded companies consolidating the Viénot and Bouton Reports of 1995, 1999, and 2002 and the recommendations of the AFEP/MEDEF Report of January 2007 on compensation of officers of publicly-traded companies. Any discrepancies or points of divergence from these reports are indicated and explained in this Annual Report.

1. COMPOSITION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

1.1. Executive Board

Under our Articles of Association, the Executive Board may consist of no fewer than two and no more than seven members, who are appointed by the Supervisory Board for terms of three years. The term of office of the members of the Executive Board expires at the end of the General Meeting of Shareholders that considers and acts on the financial statements of the fiscal year just ended and that is held during the year in which such term of office is due to expire.

The members of the Executive Board must be individuals and need not be chosen from among the shareholders. Incumbent members may be re-appointed. They may be removed at any time at a General Meeting of Shareholders or by the Supervisory Board. The Supervisory Board appoints a Chairman from among the members of the Executive Board, whose length of term it determines.

No one past the age of seventy may serve on the Executive Board. Any Executive Board member who reaches that age is deemed to have retired at the close of the meeting of the Supervisory Board following the date on which he or she reaches that age, unless the Supervisory Board decides to allow the member to serve out the balance of his or her term.

Our Executive Board currently consists of 4 members:

Mr. Jean-François DECAUX

49 years old.

Chairman of the Executive Board of JCDecaux SA (annual rotation between Jean-Charles Decaux and Jean-François Decaux) since 10 May 2007, for a term of one year, in accordance with our Company's principle of alternating general management responsibilities:

Member of the Executive Board since:	10 May 2006
Date first appointed:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	Brentford, 991 Great West Road, TW8 9DN Middlesex United Kingdom

Jean-François Decaux joined our Company in 1982 and started and developed our German subsidiary. He also ensured the development of all of our subsidiaries in Northern and Eastern Europe and then successfully undertook our moves into the United States and Australia.

As of 31 December 2007, Jean-François Decaux owned 1,156,179 JCDecaux SA shares.

Both Jean-Charles Decaux and Jean-François Decaux have the same authority to represent the Company *vis-à-vis* third parties, and use the title of Group Co-Chief Executive Officer for business and public relations purposes.

Mr. Jean-Charles DECAUX

38 years old

Chief Executive Officer of JCDecaux SA since:	10 May 2007, for a term of one year.
Member of the Executive Board since:	10 May 2006
Date first appointed:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Jean-Charles Decaux joined our Company in 1989. He started the Spanish subsidiary and then created and developed, mostly through organic growth, all of our subsidiaries in Southern Europe, Asia, and South America.

As of 31 December 2007, Jean-Charles Decaux owned 1,712,210 JCDecaux SA shares.

Mr. Gérard DEGONSE

60 years old

Member of the JCDecaux SA Executive Board since: 10 May 2006

Date first appointed:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Gérard Degonse, Chief Financial and Administrative Officer, joined the Company in June 2000.

Prior to joining the Company, he was Corporate Treasurer of Elf-Aquitaine and VP Treasurer-Company Secretary of Euro Disney.

As of 31 December 2007, Gérard Degonse did not directly own any JCDecaux SA shares.

Mr. Jeremy MALE

49 years old

Member of the JCDecaux SA Executive Board since: 10 May 2006

Date first appointed:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	Summit House, 27 Sale Place, W21YR, London, United Kingdom

Jeremy Male, Managing Director for Northern and Central Europe, joined the Company in August 2000.

Previously, he was Managing Director of European Operations for Viacom Outdoor and held management positions with companies in the food and beverage industry such as Jacobs Suchard and Tchibo.

As of 31 December 2007, Jeremy Male did not directly own any JCDecaux SA shares.

Mr. Robert CAUDRON (until 16 July 2007)

59 years old

Member of the JCDecaux SA Executive Board since: 10 May 2006

Date first appointed:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Robert Caudron, Chief Operating Officer, joined the Company in 1984 as Finance Director and in 1995 was appointed President of JCDecaux Services and Managing Director of the Group.

Prior to joining the Company, he was with Eternit and Ciments Français, where he was responsible for finance and investment.

As of 31 December 2007, Robert Caudron owned 18,695 JCDecaux SA shares.

Robert Caudron resigned from the Company on 16 July 2007.

1.2. Supervisory Board

Our Articles of Association provide that the Supervisory Board may consist of no fewer than three and no more than eigthteen members, who are elected at the annual General Meeting of Shareholders for a maximum term of six years. The term of office of its Members expires at the end of the General Meeting of Shareholders that considers and acts on the financial statements for the fiscal year just ended and that is held during the year in which such term of office is due to expire.

Members of the Supervisory Board are eligible for re-election. They may be removed at any time at a General Meeting of Shareholders. The Supervisory Board elects a Chairman and a Vice Chairman, who must be individuals, from among its Members. They are elected for a term that is equal in length to their term of office on the Supervisory Board. They are always eligible to be re-elected.

The number of members of the Supervisory Board over the age of 75 may not be greater than one-third of the members serving. When this limit is passed, the oldest member is deemed to have left office. In addition, starting at age 75, the term of office is annual.

The Supervisory Board currently has five members, each elected for a term of three years:

Mr. Jean-Claude DECAUX

70 years old

Chairman of the Supervisory Board since:	10 May 2006
Date first elected:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Jean-Claude Decaux is the founder of JCDecaux.

As of 31 December 2007, Jean-Claude Decaux owned 8,175 JCDecaux SA shares.

Mr. Jean-Pierre DECAUX

64 years old

Vice Chairman of the Supervisory Board since:	10 May 2006
Date first elected:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92000 Neuilly sur Seine, France

Throughout his career with the Company, which he joined at its founding in 1964, Jean-Pierre Decaux has held several offices, in particular:

- from 1975 to 1988: Chairman and Chief Executive Officer of SOPACT (*Société de Publicité des Abribus et des Cabines Téléphoniques*)
- from 1980 to 2001: Chairman and Chief Executive Officer of RPMU (*Régie Publicitaire de Mobilier Urbain*)
- from 1989 to 2000: Chief Executive Officer of Decaux SA (now JCDecaux SA)
- from 1995 to 2001: Chairman and Chief Executive Officer of SEMUP (*Société d'Exploitation du Mobilier Urbain Publicitaire*)

As of 31 December 2007, Jean-Pierre Decaux owned 1,574 JCDecaux SA shares.

Mr. Pierre-Alain PARIENTE (Independent Member)

72 years old

Member of the Supervisory Board since:	10 May 2006
Date first elected:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Pierre-Alain Pariente held various positions in our Company from 1970 to 1999, in particular Sales and Marketing Director of RPMU (*Régie Publicitaire de Mobilier Urbain*).

As of 31 December 2007, Pierre-Alain Pariente owned 1,020 JCDecaux SA shares.

Mr. Xavier de SARRAU (Independent Member)

57 years old

Member of the Supervisory Board since:	10 May 2006
Date first elected:	14 May 2003
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Xavier de Sarrau, an attorney, specialises in advising private companies and family businesses. He began his career in 1973 as a lawyer with Arthur Andersen in their Legal and Tax Department.

He has also held the following positions:

- from 1989 to 1993: Managing Partner of Arthur Andersen - Tax and Legal for France
- from 1993 to 1997: Chairman of Arthur Andersen for all operations in France
- from 1997 to 2000: Chairman of Arthur Andersen for Europe, Middle East, India, and Africa, based in London.
- from 2000 to 2002: Managing Partner - Global Management Services, based in London and New York. He also served multiple terms on the Board of Directors of Arthur Andersen.

All of this experience has enabled him to acquire expertise in the areas of international taxation, ownership structures, management of private assets, complex financial instruments, mergers and reorganisations. He has also written several books and articles in the area of international tax law and has lectured at the World Economic Forum.

Xavier de Sarrau is a *Chevalier de la Légion d'Honneur* and a former member of the National Bar Council (*Conseil National des Barreaux*)

As of 31 December 2007, Xavier de Sarrau owned 11,000 JCDecaux SA shares.

Mr. Christian BLANC (Independent Member)

65 years old

Member of the Supervisory Board since:	10 May 2006
Date first elected:	9 October 2000
Expiration of term of office:	30 June 2009
Business address:	17, rue Soyer, 92200 Neuilly sur Seine, France

Christian Blanc was Chairman and Chief Executive Officer of the Paris Transit Authority (*RATP*) from 1989 to 1992, then, from 1993 to 1997, Chairman and Chief Executive Officer of Air France and Air France Europe.

From 2000 to 2001, Christian Blanc was a Vice-President of Merrill Lynch Europe and Chairman of Merrill Lynch France.

Christian Blanc was elected to the French Parliament in 2002.

As of 31 December 2007, Christian Blanc owned 1,500 JCDecaux SA shares.

Under the internal By-Laws of the Supervisory Board, which were adopted on 3 July 2003, a member of the Board is considered "independent" if he or she meets the following conditions:

- is not an employee, director or executive officer of our Company, an employee or director of our parent company or any of its consolidated subsidiaries, and has not held any of those positions during the past five years;
- is not an executive officer of a company in which our Company is (directly or indirectly) a director or member of the Supervisory Board or in which an executive officer or a designated employee of our Company (presently or during the past five years) is a director or member of the Supervisory Board;
- is not a significant client, supplier, investment banker or commercial banker of our Company or our Group, or for which our Company or our Group represents a material portion of their respective businesses;
- does not have close family ties with one of our directors or members of our senior management;
- has not been an auditor of our Company during the past five years;
- has not been a member of our Supervisory Board or a director for more than 12 years.

These criteria of independence are those recommended in the AFEP/MEDEF Report of October 2003 on Corporate Governance, consolidating the so-called Viénot and Bouton Reports of 1995, 1999, and 2000.

The By-Laws provide that, to ensure the objectivity required for it to discharge its responsibilities, the Board must, at all times during the year, consist of at least one third independent members, as stated in the AFEP/MEDEF Report, which recommends that companies like JCDecaux SA, which have a controlling shareholder and the share capital of which is not widely held, have at least one-third of its Board members be independent.

The Compensation and Nominating Committee, which meets in March, reviews each year whether each of the members of the Supervisory Board meets the independence criteria.

At its meeting on 13 March 2007, the Supervisory Board found that, based on the conclusions of the Compensation and Nominating Committee, three of the five members constituting the Supervisory Board (or more than half its members) met the independence criteria set forth in the internal By-Laws: Mr. Christian Blanc, Mr. Pierre-Alain Pariente, and Mr. Xavier de Sarrau.

As a practical matter, we exceed the public recommendations and requirements set forth in our internal By-Laws.

Article 17 of our Articles of Association provides that each member of the Board must own at least two shares in the Company during his or her term of office. The obligation of owning shares set forth in the Articles does not apply to employees who may be elected members of the Supervisory Board.

1.3. Nature of family ties between/among members of the Executive Board and Supervisory Board

Jean-Claude and Jean-Pierre Decaux, Chairman and Vice Chairman, respectively, of the Supervisory Board, are brothers.

Jean-François Decaux and Jean-Charles Decaux, Chairman of the Executive Board and Chief Executive Officer, respectively, are sons of Jean-Claude Decaux.

2. AUTHORITY AND FUNCTIONING OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

2.1. Executive Board

Powers and Responsibilities of the Executive Board

Our Executive Board has the broadest possible authority to act in all circumstances on behalf of our Company, exercising its authority within the limits prescribed by our corporate purposes and subject to the powers expressly reserved to the shareholders and the Supervisory Board.

The role of the Executive Board is to define our broad strategic direction, to implement it and to monitor proper performance. For purposes of implementing and monitoring the performance of our strategic direction, the Executive Board relies on a system of delegations of authority to internal operating and functional divisions and departments, on an internal control manual, and on strong ethical principles that are set forth in a Group Code of Ethics.

Functioning of the Executive Board

The Executive Board meets as often as our Company's interests require, at our registered office or at any other place indicated in the notice of meeting. Meetings of the Executive Board are called by the Chairman, or, in his absence, by at least half of its members, by any appropriate means, including orally.

Meetings of the Executive Board are chaired by its Chairman or, in his absence, by the Vice-Chairman or, in his absence, by a member of the Executive Board chosen at the beginning of the meeting.

If the Executive Board consists of only two members, both must be present for business to be validly conducted, and actions must be taken unanimously. If it has more than two members, at least half of the members must be present for business to be validly conducted, and actions are then taken by a majority of the members present in person or by proxy. In the event of a tie, the person chairing the meeting has the deciding vote.

The Executive Board generally meets every month for an entire day. In 2007, the Executive Board met 14 times. All members of the Executive Board were present at these meetings. The Executive Board also holds a weekly telephone conference to keep abreast of current developments.

Executive Board meetings are generally divided into three parts:

- review and discussion of our Company's business and affairs, the level of commercial activity, prospects for the year, and trends in operating results;
- presentation and analysis of organic or external growth operations, new bids, and proposed acquisitions. In this connection, the Executive Board sets objectives, allocates resources and reviews risks relating to these transactions;
- review of pending matters that are either:
  - recurrent, such as the results of audits, the terms and conditions of executive compensation (bonuses, stock-options and free shares), budgets, review and approval of six-month and annual financial statements, the results of the reviews and audits by Statutory Auditors, financing of our Group and coverage of the risks of our Group, guarantees and other forms of security and sureties, and capital increases related to exercise of stock options;
  - or non-recurrent, such as, during 2007: proposed alliances and acquisitions, intellectual property, sustainable development, public relations, share repurchase programs, insurance strategy, nominations and election to office, and reorganisation of our Group's equity investments.

Depending on the subject, employees or third parties may be asked to attend and participate in an Executive Board meeting.

Minutes are prepared of each Executive Board meeting.

The Executive Board does not have By-Laws.

The Executive Board is responsible for ensuring, under its control and supervision, financial disclosures to the market. As a practical matter, this issue is handled by Mr. Jean-François Decaux and Mr. Jean-Charles Decaux, our co-Chief Executive Officers, Gérard Degonse, our Chief Financial and Administrative Officer, and Alexandre Hamain, Manager of Financial Communications and Investor Relations.

2.2. Supervisory Board

Authority of the Supervisory Board

The Supervisory Board oversees the management of our Company by the Executive Board. The Supervisory Board may review or investigate our Company's operations at any time it deems appropriate and may obtain any documents that it believes are necessary for this purpose. At least once every quarter, the Executive Board must report to the Supervisory Board on our Company's business and affairs. Within three months following the end of each fiscal year, the Executive Board must present to the Supervisory Board, for its review and approval, the financial statements for the period. The Supervisory Board must present its report to the annual General Meeting of Shareholders on the report of the Executive Board, as well as on the financial statements for the period.

Functioning of the Supervisory Board

The Supervisory Board meets as often as our Company's interests require and at least once every quarter to hear the report of the Executive Board, at our registered office or at such other location indicated in the notice of meeting.

Meetings of the Supervisory Board are chaired by its Chairman of the Supervisory Board or, in his absence, by the Vice-Chairman or, otherwise by any member chosen by the Supervisory Board at the beginning of the meeting. At least half of the Board members must be present for the Supervisory Board to transact business validly. Actions must be taken by a majority of the members present in person or by proxy. In the event of a tie, the person chairing the meeting has the deciding vote.

The Supervisory Board is assisted by two Committees: the Audit Committee and the Compensation and Nominating Committee. In addition, the Chairman of the Audit Committee and of the Compensation and Nominating Committee report to it on their work.

In 2007, the Supervisory Board met six times, including once by teleconference, in March, May, July, September, and December. The average rate of participation was 90%.

At each Supervisory Board meeting:

- The two Co-Chief Executive Officers always report on:
    - the Group's business, its results of operations, and its financial condition;
    - proposed bids and major external growth projects and, more generally, implementation of our Group's strategy and possible changes to it;
    - various matters are discussed, including:
        - recurring subjects, such as: company strategy, the financial statements, forecasts, review of documents prepared in connection with the annual General Meeting of Shareholders, guarantees and security interests and other forms of surety, the appointment of the Chairman of the Executive Board and the Chief Executive Officer, executive compensation, evaluation of the work of the Supervisory Board, capital increases related to exercises of stock options;
        - non-recurring matters such as, for 2007: reorganization of the Company's equity investments, approval of agreements with related parties, departure of a member of the Executive Board, legislative and regulatory developments, both within France and at the EU level, in the areas of securities law and corporate governance.

Representatives of the Central Workers' Council attended meetings of the Supervisory Board, on a purely advisory basis.

At its meeting held on 13 March 2007, the Supervisory Board also reviewed and approved the content of Report of the Chairman on the operations of the Board and internal controls.

During the fiscal year just ended, the Supervisory Board approved one agreement falling under Article L. 225.86 of the French Commercial Code (abandonment of a claim, coupled with a promise to repay, in case of improved circumstances, in favour of IPDecaux Inc, South Korea, in an amount of €2.1 million). In addition, it has not given any approvals along these lines since the end of the fiscal year just ended.

By-Laws of the Supervisory Board

The Supervisory Board adopted By-Laws on 3 July 2003.

In addition to provisions relating to the independence of Board members, described on page 140, they include the following other principal provisions:

- use of video-conferencing and other means of telecommunication is permitted on the terms and conditions provided by applicable law and regulations and must allow for identification of the members and ensure their effective participation in Board meetings. This technique was used on 22 March 2007;
- the distribution among Supervisory Board members of the aggregate amount of directors' fees approved at the General Meeting of Shareholders.

The annual amount of directors' fees paid since 2005 amount to €168,760 and are distributed as follows in accordance with the By-Laws:

Supervisory Board (per member – 4 meetings)			**Audit Committee (4 meetings)**		**Compensation and Nominating Committee (2 meetings)**	
Base portion	Variable portion	Additional meeting	Variable portion Chairman	Variable portion Member	Variable portion Chairman	Variable portion Member
12,520	12,300	2,050	8,200	6,200	5,100	4,100

The amounts awarded in respect of the fixed base amount are pro-rated when terms of office begin or end during the course of a fiscal year.

Fees are paid to members of the Supervisory Board and committees quarterly, in arrears.

Jean-Claude Decaux waived his fees as a member of the Supervisory Board and Chairman of the Compensation and Nominating Committee.

- The By-Laws establish the rights and responsibilities of members of the Board, which include:
  - each member may receive continuing education on specific issues relating to our Company, its operations and its industry;
  - in connection with the right to be kept informed, members are entitled to receive any information necessary for them to perform their duties and to be provided with any information they deem useful. As a practical matter, to assist them in their discussions, members receive (at least one week before a Supervisory Board meeting) the documents to be discussed during the meeting;
  - they are required to disclose transactions they may undertake in respect of our Company's shares under terms and conditions prescribed by law, and, in accordance with legal requirements, must refrain from such transactions during certain periods. As a practical matter, the members are advised of the periods during the year when they may not trade in our shares, based on the dates for making public disclosure of financial information.

The Board must set as an agenda item for at least one of its meetings an evaluation of its operations, especially in respect of the following points:

- the adequacy of the information provided and the subjects discussed, the performance of its responsibilities, the frequency and length of its meetings, and of the information that it, and each of its members, has available to enable it to make informed decisions;
- the quality of the preparatory work of the committees and their membership, which membership should ensure sufficient objectivity for the review and examination of the matters to be considered;
- the desirability of reserving certain types of decisions to the Supervisory Board; and
- the independence of the members of the Supervisory Board.

For fiscal year 2007, this evaluation took place at the Supervisory Board meeting held on 11 March 2008 and was based on the responses of Supervisory Board members to a questionnaire submitted to them by the Compensation and Nominating Committee related to the operation of the Supervisory Board during the fiscal year under consideration.

The Supervisory Board members were asked to indicate their degree of satisfaction with, and any comments on, the following points:

- the general operation and membership of the Supervisory Board, in terms of independence, abilities, and number of its members;
- the definition of the Supervisory Board's responsibilities, the adequacy of the frequency and duration of its meetings to fulfil its responsibilities of permanent supervision and oversight of management by the Executive Board, the performance of all appropriate audits and reviews;
- the conduct of Supervisory Board meetings: lead time for notices of meetings, availability and presentation of information required to make informed decisions, clarity of the items on the agenda, relevance of subjects discussed, general conduct of meetings in terms of discussion, opportunity to participate and exchange points of view, accuracy of transcription of discussions and actions taken in the minutes, length of meetings;
- the processes for reviewing, considering, and adopting the financial statements: availability, on a timely basis, of the information required to make informed decisions; quality of the explanations given and discussions that occurred in analysing the financial statements; participation of the Audit Committee in the review process, considering and adopting the financial statements;

- the processes for approving guarantees and security deposits: availability, on a timely basis, of the information required to make informed decisions;
- review of the documents prepared in connection with the Annual General Meeting of Shareholders: availability of the information required to make informed decisions; sufficiency of the explanations given, especially regarding the substance of the financial approvals;
- with respect to the Audit Committee and the Compensation and Nominating Committee: definition of their responsibilities, membership, frequency of their meetings, resources made available and timeliness thereof, quality of the information provided.

On the basis of the responses given by the members, the Compensation and Nominating Committee unanimously concluded that the Supervisory Board had functioned satisfactorily during the fiscal year ended 31 December 2007.

In connection with its constant effort to improve its methods of operation, the By-Laws are regularly reviewed by the Supervisory Board and, if necessary, adapted to reflect changes in applicable law and regulations in the area of corporate governance as well as the wishes of the members themselves.

2.3. Committees of the Supervisory Board

The Audit Committee and the Compensation and Nominating Committee each have their own by-laws, annexed to the By-Laws of the Supervisory Board, containing provisions relating to their membership, their purposes, and the terms and conditions of their operation.

Minutes are prepared for each meeting of such Committees. These minutes are kept with the Company's books and records.

The Audit Committee

Membership

The Audit Committee consists of no fewer than two members and no more than three members, the majority of whom are appointed from among the independent members of the Supervisory Board.

The Audit Committee currently has two members: Xavier de Sarrau, Chairman, and Christian Blanc, both independent members of the Supervisory Board. We thus go beyond the recommendations of the AFEP/MEDEF Report of October 2003, which recommends that two thirds of an Audit Committee consist of independent members.

The Chairman of the Audit Committee also chairs our Ethics Committee.

Committee Responsibilities

The responsibilities of the Audit Committee are mainly as follows:

- review the accounting methods and principles used, or make recommendations for changing such methods and principles, and ensure their consistent application or the soundness of any proposed changes;
- review any changes in the scope of consolidation;
- review drafts of the semi-annual and annual corporate and consolidated financial statements;
- provide oversight of external and internal audits of our company;
- become familiar with pending litigation and request any appropriate explanations related thereto;
- lead the process for selecting the Statutory Auditors and, as a general matter, ensure compliance with rules guaranteeing their independence.

Functioning of the Committee

The Audit Committee may validly conduct business either by meeting in person or by telephone or videoconference, upon notice given by its Chairman or Secretary, as long as at least half of its members participate in the meeting. Notices of meetings must include an agenda and may be given verbally, or by any other means.

As a practical matter, a calendar of meetings is agreed at the end of each fiscal year for the following year. Notices of meetings are sent in writing, at least one week prior to the meeting, together with the necessary preparatory documents.

The Audit Committee acts if at least half of its members are present.

The Audit Committee meets as often as necessary and, in any event, at least twice a year, in March and September, in connection with the preparation of the annual and half-year financial statements.

In 2007, the Audit Committee met four times, in March, July, September, and December. The rate of participation was 100%.

During each Audit Committee meeting, various matters were discussed, including:

- recurring subjects, such as: review of the independence of the Statutory Auditors, proposed annual and semi-annual company and consolidated financial statements, planned projects of the Statutory Auditors, pending litigation, and planned projects and actions of the internal audit group;
- non-recurring subjects, such as: review of measures to ensure independence of the Company from its controlling shareholder, and the half-yearly financial report.

The members of the Committee also met with the Statutory Auditors, Company management, the Chief Financial and Administrative Officer, the General Counsel, the Director of Financial Controls and the Director of Internal Audit, to whom they have a right of direct access.

The Compensation and Nominating Committee

Membership

The Compensation and Nominating Committee consists of no fewer than two members and no more than three, at least half of whom must be independent members of the Supervisory Board.

The Compensation and Nominating Committee presently has two members:

Jean-Claude Decaux, Chairman, and Christian Blanc, who is an independent member of the Supervisory Board.

Thus, half of the Compensation and Nominating Committee consists of independent members. While it is true that the AFEP/MEDEF Report recommends that a majority of the Compensation and Nominating Committee be independent, it also recommends that, where such Committee also performs responsibilities in the area of nominations, as is the case with our Committee, the Chairman also be a member.

Committee Responsibilities

The responsibilities of the Compensation and Nominating Committee consist mainly of the following:

- regarding compensation, it must make recommendations to the Supervisory Board, in particular about:
    - the amounts and criteria for awarding directors' fees to members of the Supervisory Board;
    - compensation of any kind for members of the Executive Board;
    - the policy for granting options and free shares.

The Compensation and Nominating Committee, therefore, is responsible for ensuring that the compensation of our officers is justified and justifiable under relevant criteria, such as the practices of our competitors in the area involved, or the size and complexity of the company, while also taking into consideration the responsibilities and risks assumed by our Executive Board members.

The Compensation and Nominating Committee must define the rules applicable to the variable portion of compensation, ensuring the consistency of these rules with the annual performance appraisals of our Executive Board members and our Company's strategy in the medium term. The Compensation and Nominating Committee must oversee the annual application of these rules.

- regarding nominations, it must make recommendations to the Supervisory Board relating to:
    - appointment of members to the Executive Board;
    - membership of the Supervisory Board, taking into consideration, among other things, the composition and changes in our Company's shareholder structure and the existence of potential conflicts of interest.

Functioning of the Committee

The Compensation and Nominating Committee may validly conduct business either by meeting in person, or by telephone or videoconference, upon notice given by its Chairman or Secretary, as long as half of the members participate in the meeting. Notices of meetings must include an agenda and may be given verbally or by any other means.

As a practical matter, a calendar of meetings is agreed at the end of each fiscal year for the next fiscal year. In addition, notices of meetings are sent in writing, at least one week prior to the meeting, together with the necessary preparatory documents.

The Compensation and Nominating Committee may validly act if at least half of its members are present.

The Compensation and Nominating Committee meets as often as necessary and, in any event, at least once per year.

The Compensation and Nominating Committee held two meetings during the fiscal year just ended, one in March and one in December. The participation rate was 100%.

At each meeting of the Compensation and Nominating Committee, various subjects are discussed, including:

- recurring matters, such as: review and evaluation of the operation of the Supervisory Board, review of the independence of members of Supervisory Board and proposals regarding compensation of members of the Executive Board and directors' fees for members of the Supervisory Board; and
- non-recurring matters, such as: review of terms and conditions for retention of stock options and free shares for members of the Executive Board.

3. OFFICES AND DIRECTORSHIPS

The offices and directorships held by members of the Executive Board and the Supervisory Board in any company in 2007 were as follows:

Executive Board
All of the offices and directorships held by members of the Executive Board in 2007 were in direct or indirect subsidiaries of JCDecaux SA or in companies in the area of outdoor advertising in which we held a significant stake.

Jean-François Decaux – Chairman of the Executive Board

Other offices and directorships held in 2007 in all companies of our Group:

JCDecaux Holding (France)	Director – Acting Chief Executive Officer (1st appointment 15 June 1998)
Metrobus (France)	Director (1st appointment: 18 November 2005)
Media Frankfurt GmbH (Germany)	Vice Chairman of the Supervisory Board (1st appointment: 1st April 2001)
Europlakat International Werbe (Austria)	Member of the Supervisory Board (1st appointment: 3 December 2002)
Gewista Werbegesellschaft MbH (Austria)	Vice Chairman of the Supervisory Board (1st appointment: 9 August 2003)
Affichage Holding (publicly traded company – Switzerland)	Director (1st appointment: 7 February 2002)
Wall AG (German company)	Member of the Supervisory Board (1st appointment: 30 October 2003)

Offices and directorships held during the last five years in companies outside our Group: None

Jean-Charles Decaux –Chief Executive Officer – Member of the Executive Board

Other offices and directorships held in 2007 in all companies of our Group::

JCDecaux Holding (France)	Director - Acting Chief Executive Officer (1st appointment: 22 June 1998)
Avenir (France)	Chairman (1st appointment: 3 May 2000)
Metrobus (France)	Director (1st appointment: 18 November 2005)
JCDecaux España (Spain)	Chairman - Acting Chief Executive Officer (1st appointment: 30 June 2000)
El Mobiliario Urbano SA (Spain)	Chairman - Acting Chief Executive Officer (1st appointment: 14 March 2003)
JCDecaux Atlantis (Spain)	Chairman - Acting Chief Executive Officer (1st appointment: 25 April 1997)
JCDecaux & Cevasa SA (Spain)	Chairman of the Board of Directors (1st appointment: 10 March 2000)
IGPDecaux Spa (Italy)	Vice Chairman of the Board of Directors (1st appointment: 1er December 2001)

Offices and directorships held during the last five years in companies outside our Group: None

Gérard Degonse – Member of the Executive Board

Other offices and directorships held in 2007 in all companies of our Group:

JCDecaux UK Ltd. (United Kingdom)	Director (1st appointment: 1st January 2002)
Affichage Holding (publicly traded company - Switzerland)	Director (1st appointment: 25 May 2005)

Offices and directorships held during the last five years in companies outside our Group:

B.D.T. (France)	Director (from 20 Dec. 2000 to 12 June 2003)
Bouygues Télécom (France)	Director (from 16 Dec. 2000 to 19 Feb. 2004)

Jeremy Male – Member of the Executive Board

Other offices and directorships held in 2007 in all companies of our Group:

Xpomera AB (Sweden)	Director (1st appointment: 16 March 2001)
JCDecaux Sverige AB (Sweden)	Chairman of the Board of Directors (1st appointment: 31 December 2001)
AFA JCDecaux A/S (Denmark)	Director (1st appointment: 5 March 2002)
JCDecaux Airport UK Ltd. (United Kingdom)	Director (1st appointment: 11 September 2000)
JCDecaux UK Ltd. (United Kingdom)	Director (1st appointment 1st September 2000)
Street Furniture Ltd. (Ireland)	Chairman (1st appointment: 31 July 2002)
SIMU BV (Netherlands)	Member of the Supervisory Board (until 24 December 2007)

Offices and directorships held during the last five years in companies outside our Group: None

Robert Caudron – Member of the Executive Board until 16 July 2007

Other offices and directorships held in 2007 in all companies of our Group:

JCDecaux UK Ltd. (United Kingdom)	Director (until 2 July 2007)
JCDecaux Billboard (ex Belgoposter) (Belgium)	Director (until 2 July 2007)
Ste Holding de Gestion et de Participation (Belgium)	Director (until 2 July 2007)
SIMU BV (Netherlands)	Member of the Executive Board (until 14 March 2007)
JCDecaux Group Services (Luxembourg)	Managing Director (until 17 December 2007)
AFA JCDecaux A/S (Denmark)	Director (until 23 April 2007)
JCDecaux Portugal Mobiliario Urbano & Publicidade Ltda (Portugal)	Managing Director (until 31 December 2007)
Centre de Formation JCDecaux Communicat. Ext. (France)	Managing Director (until 2 July 2007)

Offices and directorships held during the last five years in companies outside our Group: None

Supervisory Board

Jean-Claude Decaux – Chairman of the Supervisory Board

Other offices and directorships held in 2007 in all companies of our Group:

S.O.P.A.C.T. (France)	Chairman (1st appointment: 18 February 1972)

Offices and directorships held during the last five years in companies outside our Group:

JCDecaux Holding (France)	Chairman-Chief Executive Officer (1st appointment: 19 September 1994)
S.C.I Troisjean (France)	Managing Director (1st appointment: 9 April 1984)
S.C.I. Clos de la Chaîne (France)	Managing Director (1st appointment: 31 December 1969)
S.C.I Lyonnaise d'Entrepôt (France)	Managing Director (until 30 June 2006)
HSBC (formerly Crédit Commercial de France) (France)	Director (from May 2003 to 12 May 2004)
Bouygues Télécom (France)	Representative of JCDecaux Holding, Director (1st appointment: 19 February 2004)

Jean-Pierre Decaux – Vice Chairman of the Supervisory Board

Other offices and directorships held during 2007 in all companies of our Group: None

Offices and directorships held during the last five years in companies outside our Group:

S.C.I. de la Plaine St-Pierre (France)	Managing Director (1st appointment: 14 October 1981)
S.C. Bagavi (France)	Managing Director (1st appointment: n.c.)
S.C.I. CRILUCA (France)	Managing Director (1st appointment: n.c.)
Assor (France)	Director (1st appointment: n.c.)
Société Foncière de Joyenval (France)	Director (1st appointment: 23 May 2003)

Pierre-Alain Pariente - Member of the Supervisory Board

Other offices and directorships held during 2007 in all companies of our Group: None

Offices and directorships held during the last five years in companies outside our Group:

SCEA La Ferme de Chateluis (France)	Managing Director (1st appointment: 23 July 2001)
Arthur SA (France)	Director (1st appointment: n.c.)

Christian Blanc - Member of the Supervisory Board

Other offices and directorships held during 2007 in all companies of our Group: None

Offices and directorships held during the last five years in companies outside our Group:

Principal occupation: Member of the French Parliament

Carrefour (France)	Director (until February 2005)
Thomson Multimédia (France)	Director (until December 2006)
COFACE (France)	Director (1st appointment: n.c.)
Cap Gemini (France)	Director (until December 2006)

Xavier de Sarrau - Member of the Supervisory Board

Other offices and directorships held during 2007 in all companies of our Group: None

Offices and directorships held during the last five years in companies outside our Group:

Financière Atlas	Member of the Supervisory Board (1st appointment: n.c.)

Principal occupation: Attorney-at-law

4. INTERESTS OF MANAGEMENT

4.1. Gross Compensation and Other Benefits Paid to Officers during the Fiscal Year (in Euros)

Members of the Executive Board

		2006					2007				
Members	**Country**	**Base Salary**	**Bonus**	**Directors' fees**	**Fringe benefits**	**Life Ins./specific retirement**	**Base Salary**	**Bonus**	**Directors' fees**	**Fringe benefits**	**Life Ins./specific retirement**
Jean-François Decaux	France	598,000	540,000	0	0	20,000	598,000	800,000	0	0	15,500
	Abroad	471,000	813,000	0	32,750	0	479,500	800,000	53,000	39,000	0
Jean-Charles Decaux	France	598,000	540,000	0	0	20,000	598,000	800,000	0	0	15,500
	Abroad	469,000	498,000	0	22,000	0	467,000	800,000	0	22,000	2,800
Gérard Degonse	France	384,000	80,000	0	1,700	0	384,000	170,000	0	1,700	0
	Abroad	67,000	0	0	0	0	66,000	0	48,300	15,900	0
Jeremy Male	France	0	0	0	0	0	0	0	0	0	0
	Abroad	729,000	546,000	0	14,000	207,000	730,000	513,000	0	20,000	195 724
Robert Caudron (until 16 July 2007)	France	306,000	0	0	0	17,000	419,500	33,000	0	0	7,700
	Abroad	133,000	40,000	0	0	0	166,000	135,000	0	0	0

At the time of his departure, Robert Caudron received severance and non-competition indemnities of €611,000, in accordance with approvals given by the Supervisory Board and at a General Meeting of Shareholders.

Criteria for Calculating Base Salary and Bonus (Variable Portion)

The amounts shown as being paid in "France" are those paid by JCDecaux SA together with those paid by JCDecaux Holding, JCDecaux SA's controlling shareholder. The amounts shown as being paid "Abroad" are paid by foreign subsidiaries of JCDecaux SA.

For salaries paid in pounds sterling, the exchange rate used is the average rate in 2007 of £1 to €1.454. For bonuses paid in sterling, the exchange rate applied was that as of the date of payment, that is, £1 to €1.363.

Bonuses paid 2006 are based on results of operations during fiscal year 2005. Bonuses paid in 2007 are based on results of operations during fiscal year 2006. As an exception, bonuses paid in the United Kingdom to Jean-François Decaux and Jeremy Male in 2007 are based on results of operations for fiscal year 2007 and those paid in 2006 are based on results of operations for fiscal year 2006.

Any compensation and adjustments for Members of the Executive Board, their bonuses and any fringe benefits are approved by the Supervisory Board, on the recommendation of the Compensation and Nominating Committee, after analysis by it of our Group's overall performance during the year.

Bonuses correspond to a percentage of fixed annual base salary.

For Jean-François Decaux and Jean-Charles Decaux, bonuses may reach 150% of annual base salary, 50% with respect to financial objectives tied to EBIT and to Free Cash Flow and 100% in respect of achievement of strategic objectives by management, as and when they occur (for example, signing new contracts and acquisition of new companies). In connection with particularly significant contracts, a special bonus may be awarded.

For Jeremy Male, the bonus may reach 75% of his annual base salary, if the results of operations of the countries in his area of responsibility grow by at least 15%. This bonus may be increased in case of exceptional performance.

For Gérard Degonse, the reference annual bonus is €150,000, 50% of which is guaranteed and 50% is awarded based on the achievement of financial objectives tied to EBIT and Free Cash Flow, the achievement of specific objectives set by the Executive Board, and the achievement of personal objectives linked to the departments for which he is responsible. This reference amount is not a limit.

Termination Indemnities

Jean-Charles Decaux and Jean-François Decaux are not entitled to receive any special compensation upon the termination of their responsibilities.

If Gérard Degonse's employment agreement is terminated at the Company's initiative, he will be entitled to receive from it:

- retirement compensation equal to 2 years of base and variable salary, including indemnities provided by law or collective agreement; .
- a non-competition indemnity equal to 1.5 years of base and variable salary for two years.

If Jeremy Male's employment agreement is terminated at the initiative of JCDecaux UK Ltd, he will be entitled to receive from it:

- compensation equal to one year's salary and the average of his performance bonuses paid for the preceding two years.

Fringe Benefits

The fringe benefits valued above relate to the use of company vehicles for Jean-François Decaux, Gérard Degonse, Jeremy Male, and Robert Caudron, a company apartment in Spain for Jean-Charles Decaux, and an award of free shares to Jean-François Decaux and Gérard Degonse as compensation for their services as directors of Affichage Holding (a publicly traded company in Switzerland).

Life Insurance/Special Retirement

A contribution is made on behalf of Jeremy Male to a retirement fund equal to 15% of his annual salary and bonus.

Stock options and Free Shares

This form of long-term incentive compensation for executive officers and employees, consisting of stock options and free share awards, makes it possible to reward and encourage the loyalty of our employees, which is indispensable to our success.

Jean-François Decaux and Jean-Charles Decaux do not receive stock options or free share awards, since they have waived their rights to do so.

Stock options and free shares awarded and exercised during the fiscal year are set forth on page 170 and page 172 of this Annual Report.

Members of the Supervisory Board

During the fiscal year ended 31 December 2007, the Members of the Supervisory Board received from JCDecaux SA the following gross amounts in respect of directors' fees in consideration of their service on the Supervisory Board and its Committees:

	2006				2007			
Members	Supervisory Board	Audit Committee	Compensation and Nominating Committee	Total Gross Amount Paid *(in Euros)*	Supervisory Board	Audit Committee	Compensation and Nominating Committee	Total Gross Amount Paid *(in Euros)*
Jean-Claude Decaux	-	-	-	-	-	-	-	-
Christian Blanc	24,820	6,200	4,100	35,120	24,820	6,200	4,100	35,120
Jean-Pierre Decaux	21,745	-	-	21,745	23,795	-	-	23,795
Pierre-Alain Pariente	24,820	-	-	24,820	26,870	-	-	26,870
Xavier de Sarrau	24,820	8,200	-	33,020	26,870	8,200	-	35,070

Jean-Claude Decaux waived his right to receive directors' fees in respect of his services both as Chairman of the Supervisory Board and as Chairman of the Compensation and Nominating Committee.

In respect of his responsibilities as Chairman of SOPACT, Jean-Claude Decaux received €45,700 in 2006 and €45,735 in 2007.

As Chairman and Chief Executive Officer of JCDecaux Holding, Jean-Claude Decaux received € 195,100 in 2006 and €193,610 in 2007, €10,671 of which was in fringe benefits (company car).

The aggregate amount provisioned or recorded by our Company and its subsidiaries for payment of pensions, retirement benefits, or other benefits to Members of the Executive Board and of the Supervisory is shown on page 106 of this Annual Report.

4.2. Share Subscription Options and Free Shares Awarded to Members of the Executive Board

Share subscription options and free shares awarded to executive officers during fiscal year 2007 are set forth on page 170 and 172 of this Report.

As provided in Articles L.225-179 and L.225-197-1 of the French Commercial Code, Members of the Supervisory Board may not receive stock options or free shares.

4.3. Terms and Conditions for Holding Stock Options and Free Shares by Members of the Executive Board

French Law n°2006-1770 dated 30 December 2006 regarding employees participation and share ownership requires the Supervisory Board, to impose, in connection with any award of stock options or free shares after 31 December 2006, on Members of the Executive Board:

- either partial or complete prohibition on exercising their options before leaving office;
- of an obligation to keep in registered form all or part of the shares resulting from exercise of stock options or awarded without consideration until leaving office.

On 13 March 2007, the Supervisory Board acted to opt in favour of requiring Members of the Executive Board to keep 10% of the aggregate number of shares from stock options or free shares awarded in 2007 in registered form.

4.4. Stock Options Held by Members of the Executive Board as of 31 December 2007

Members	Number of Options	Date of Grant
Gérard Degonse	18,345	20 Feb. 06
	19,929	20 Feb. 07
	27,410	4 Mar. 05
	35,513	5 Mar. 04
Total	**101,197**	
Jeremy Male	32,437	20 Feb. 07
	33,528	20 Feb. 06
	48,748	4 Mar. 05
	59,512	13 Dec. 02
	62,491	5 Mar. 04
	75,065	21 June 01
Total	**311,781**	

4.5. Shares Owned by Members of the Executive Board and of the Supervisory Board

As of 31 December 2007, certain Members of the Executive Board and of the Supervisory Board, described on page 161 owned 2,891,658 of the Company's shares (accounting for approximately 1.296% of the share capital and voting rights), as follows:

	Shares		
Members	Number of shares	% of share capital	% of voting rights
Jean-François Decaux	1,156,179	0.518 %	0.518 %
Jean-Charles Decaux	1,712,210	0.768 %	0.768 %
Jean-Claude Decaux	8,175	0.004 %	0.004 %
Jean-Pierre Decaux	1,574	0.001 %	0.001 %
Christian Blanc	1,500	0.001 %	0.001 %
Pierre-Alain Pariente	1,020	0.000 %	0.000 %
Xavier de Sarrau	11,000	0.005 %	0.005 %
Total	**2,891,658**	**1.296 %**	**1.296 %**
Total number of shares	*223,061,788*	*100.000 %*	*100.000 %*

As of 31 December 2007, certain Members of the Executive Board and of the Supervisory Board, described on page 173, owned in full legal title and bare legal title ("*nue-propriété*") 1,299,965 shares of JCDecaux Holding (accounting for approximately 67% and voting rights of that company), which, in turn, owns approximately 70% of our Company's shares.

4.6. Share Transactions by Members of the Executive Board and the Supervisory Board

During the year just ended, Members of the Executive Board and of the Supervisory Board reported the following transactions involving our Company's shares:

Members	Type of Transaction	Date pf Transaction	Price per share *(in Euros)*	Amount of Transaction *(in Euros)*
Jean-François Decaux	Transfer of 640,000 shares to JCDecaux Holding	01 Feb. 07	22.70	14,528,000.00
Gérard Degonse	Exercise of 21,000 stock options	07 Feb..07	16.50	346,500.00
	Sale of 21,000 shares	07 Feb. 07	22.20	466,200.00
	Exercise of 11,732 stock options	17 Sept.. 07	16.50	193,578.00
	Sale of 11,732 shares	17 Sept. 07	23.54	276,171.28
	Exercise of 10,000 stock options	17 Sept. 07	16.50	165,000.00
	Sale of 10,000 shares	17 Sept. 07	23.40	234,000.000
	Exercise of 5,000 stock options	19 Oct. 07	11.12	55,600.00
	Sale of 5,000 shares	19 Oct. 07	25.49	127,450.00
	Exercise of 10,000 stock options	8 Nov. 07	10.67	106,700.00
	Sale of 10,000 shares	8 Nov. 07	28.08	280,800.00
	Exercise of 10,000 stock options	13 Nov. 07	10.67	106,700.00
	Sale of 10,000 shares	13 Nov. 07	27.94	279,400.00
	Exercise of 8,584 stock options	14 Nov. 07	10.67	91,591.28
	Sale of 8,584 shares	14 Nov. 07	29.00	248,936.00
Jeremy Male	Exercise of 20,000 stock options	06 Jun. 07	11.12	222,400.00
	Sale of 20,000 shares	06 Jun. 07	24.12	482,400.00
	Exercise of 10,000 stock options	02 Jul. 07	11.12	111,200.00
	Sale of 10,000 shares	02 Jul. 07	23.19	231,900.00
	Exercise of 20,000 stock options	09 Oct. 07	11.12	222,400.00
	Sale of 20,000.00 shares	09 Oct. 07	25.29	505,800.00
	Exercise of 10,000 stock options	10 Oct.. 07	11.12	111,200.00
	Sale of 10,000 shares	15 Oct. .07	25.75	257,500.00
	Exercise of 20,000 stock options	19 Nov. 07	11.12	222,400.00
	Sale of 20,000 shares	19 Nov. 07	27.81	556,200.00
	Exercise of 3,122 stock options	19 Nov. 07	15.46	48,266.12
	Sale of 3,122 shares	19 Nov. 07	27.49	85,823.78
	Exercise of 20,000 stock options	11 Dec. 07	11.12	222,400.00
	Sale of 20,000 shares	11 Dec. 07	27.46	549,200.00

No persons to whom they are related conducted any transactions in our Company's shares.

4.7. Assets Belonging Directly or Indirectly to our Directors and Officers and Members of their Family

4.7.1. Real Estate Assets

All premises where we conduct business are owned by us or leased under commercial leases.

Some premises belong to companies controlled by JCDecaux Holding, which owns approximately 70% of our shares. Our registered office in Neuilly-sur-Seine, for example, and our premises in Plaisir, Maurepas (Yvelines), and Puteaux, our offices in London, Brussels, and Madrid belong to SCI Troisjean, a subsidiary of JCDecaux Holding. We occupy premises under commercial leases that have been entered into based on market conditions. These market conditions were verified by an independent expert in November 2004.

The aggregate amount of rent paid by us during the fiscal year ended 31 December 2007 under such commercial leases was €11,757,000.

4.7.2. Intellectual Property

We protect intellectual property necessary for our business (trademarks, designs and models, patents, domain names) by exclusive rights both in France and in the principal countries where we have operations.

Most of our trademarks belong to JCDecaux SA. Some trademarks belong to JCDecaux Mobilier Urbain and Avenir, which are both wholly-owned subsidiaries of JCDecaux SA.

The trademark "JEAN-CLAUDE DECAUX" belongs to Mr. Jean-Claude Decaux, who agreed, in an agreement dated 8 February 2001, not to use it in the same line of business as ours. This trademark is kept for defensive purposes, to prevent usage of it by third parties, but it is not used by our Group, which uses the trademark JCDecaux.

The trademark "JCDecaux" is thus protected in many countries.

Under a trademark co-existence agreement with Mr. Jean-Claude Decaux, JCDecaux SA and its subsidiaries have the exclusive right, royalty-free, to use and file on an unlimited basis JCDecaux trademarks, as well as any trademark containing the words "JCDecaux", in the operations relating to use and sale of advertising space on street furniture, billboards, and illuminated structures.

As of 31 December 2007, we owned more than 490 secondary trademarks. Over 900 designs and models registered in France and abroad protect products such as bus shelters, columns, billboards and interactive kiosks, some of which are designed by internationally known architects. Patents protect technical innovations such as the computer system that regulates the provision of bicycle rentals or our automatic public toilets.

As of 31 December 2007, we owned more than 248 patents in France and abroad. As fees applicable to our patents and to the renewal of each of our intellectual property rights become due, we regularly review the appropriateness of maintaining the monopoly on them.

All our patents belong to JCDecaux SA.

4.8. Agreements with Related Parties, Loans and Guarantees Given by our Company

On 13 March 2007, the Supervisory Board authorised JCDecaux SA to abandon a claim that it hold with respect to its Korean subsidiary, IPDecaux Inc., in the amount of KRW 2,628 million (approximately €2.1 million). This approval will substitute for the approval given on 9 December 2005 in the amount of KRW 2,560 million (approximately €2 million).

There are no service agreements between our Company and any officers conferring a benefit at the end of such agreement.

During the fiscal year just ended, no loan or guarantee was made or given by our Company in favour of Members of the Executive Board or Supervisory Board.

4.9. Transactions by our Company with Affiliates

The total amount of rent we paid to SCI TroisJean, a subsidiary of JCDecaux Holding, and to JCDecaux Holding, JCDecaux SA's parent company, was €11.8 million in 2007 (€10.3 million in 2006).

This amount was distributed as follows: €7.5 million to SCI Troisjean for space in France, Belgium, Spain, and the U.K., and €4.3 million to JCDecaux Holding for space in France.

This rent is consistent with market prices, which was confirmed by an appraisal conducted by an independent appraiser in November 2004.

This rent represents the largest amount of the operating expenses incurred with related parties in 2007, or 54% of such expenses. Comments on transactions with related parties in respect of fiscal year 2007 are set forth in the Notes to the Consolidated Financial Statements and on page 106 of this Annual Report.

4.10. Adverse Judgements, Penalties, and Conflicts of Interest

No judgement for fraud has been entered against any member of the Executive Board or the Supervisory Board during the last five years.

No official citation or penalty has been entered against any of them by any legal or regulatory authority. Among other things, none of them has been prevented or prohibited by a court from acting as a member of a corporate governance body or from participating in the management or conduct of the business and affairs of a company during the last five years.

No member of the Executive Board or of the Supervisory Board has been associated as a member of a corporate governance body with any insolvency or bankruptcy or receivership or liquidation proceeding of a company during the last five years.

5. EMPLOYEE PROFIT SHARING AND BENEFIT PLANS

In France, the employee profit sharing plans for JCDecaux SA, Avenir and JCDecaux Airport France were renewed in 2007 and supplemented with a Group agreement. These plans are intended not only to give employees a stake in the performance of their company, but also to enhance their loyalty to our Group. The agreement for JCDecaux Mobilier Urbain was also renewed in 2007, and other agreements are still in effect for JCDecaux Artvertising (formerly JCDecaux Publicité Lumineuse) and JCDecaux Holding.

Each such agreement was made for three years and covers the employees of the companies involved who have at least three months' service with our Group during the fiscal year giving rise to the profit share.

In France, a Group participation plan was adopted in 2001 providing for a profit pooling agreement among its parties (JCDecaux SA, JCDecaux Airport France, Avenir, JCDecaux Artvertising). This agreement applies to all employees having served at least three months with our Group during the fiscal year giving rise to the profit share. The calculation of the benefit is made pursuant to the provisions of Article L.442.2 of the French Labour Code.

The amounts of the profit share and participation paid for France for the last three fiscal years is set forth on page 37 of this Annual Report.

JCDecaux SA, Avenir, JCDecaux Airport France, JCDecaux Artvertising, JCDecaux Mobilier Urbain, and JCDecaux Holding each have a Company Savings Plan (*Plan d'Epargne d'Entreprise*), and each of these Plans was renewed in 2002. The covered employees can make voluntary contributions to a fund consisting of JCDecaux shares, allowing employees to invest in JCDecaux SA's share capital.

6. INTERNAL CONTROLS

6.1. Internal Control Procedures

The purpose of the internal control and audit procedures is to ensure effective operations, compliance with applicable law and regulations, and the reliability of financial and accounting information.

One of the objectives of our internal control and audit procedures is to prevent and control risks resulting from our Company's business and the risk of negligence or fraud, in particular in the areas of accounting and finance. Like any system of control, it cannot, however, provide an absolute guarantee that such risks have been completely eliminated.

Our internal control procedures apply to companies that are fully and proportionally consolidated in the consolidated financial statements of JCDecaux SA, and do not apply to companies that are accounted for by the equity method. These procedures are the result of an analysis of the financial and operating risks arising from our Company's business. They have been defined by reference to the Committee of Sponsoring Organization of the Treadway Commission (COSO) system. They are distributed broadly to the employees concerned, and their application is the responsibility of operating management of our Group, such as the Finance and Control Department, Legal Department and Management Information Services Department. The Internal Audit Department is responsible for verifying compliance with the procedures adopted and identifying any weaknesses in such procedures.

6.1.1. Risk Analysis

Our business is organized around four processes: asset management, commercial management, operations and financial management. The management committees of our Group's subsidiaries reflect this organization.

Asset Management
Since our Company's purpose is to market advertising space, the acquisition of new sites and the renewal of existing occupancy rights is an important activity for us. This process covers all of the operations involved in the preparation of bid tenders, the negotiation of agreements and the performance of contracts.

The risks associated with this process are legal risks relating to compliance with applicable law and rules of competition. Over time we have developed a department of lawyers with specialised knowledge in public and administrative law to manage our bids in France and elsewhere. This legal team analyses the content of the public tenders and ensures strict compliance with procedures and standard specifications issued by the procurement authority.

The preparation of responses to public tenders follows a precise process that includes all of the relevant departments of our Company, under the supervision of a member of the Executive Board. Reponses to bid tenders that exceed certain criteria are systematically referred to the Executive Board for approval.

Commercial Management
Since we market advertising space principally through networks, this process covers the following phases: definition of products and prices, definition of our commercial strategy, taking orders and making contracts, management planning and scheduling and sales administration. The Sales and Marketing Departments are responsible for relations with our advertisers and their advertising agencies.

The essential risk in this process is the integrity of our revenues. Over and above the commercial, accounting and financial procedures in place, we rely on the integration of management information systems (assets, commercial and financial) to ensure the integrity of revenues.

Operations
This process covers all operational functions that range from installation of structures or billboards, to posting posters and maintenance of structures.

The major risks relating to these operations are controlled by an organization and the existence of procedural safeguards relating to:

- diversification of sources of supply, means of production, and transportation of posters to their display sites, delays in which can directly affect the level of sales;
- operations, which include most of our employees: working conditions and safety are checked on a regular basis by our Occupational Safety and Health Committees;
- in addition, facilities have been installed to make it possible to continue the operations of the Group, even in the event of a major casualty, fire, etc.
- finally, information systems are protected from intrusions and physical risks by a private detection and firewall network (with alarms in real time) and the doubling up of systems and the regular back-up of stored data at various sites.

Finance
The process for producing financial information and the procedures implemented for reducing risks are described on pages 155 to 159 of this Annual Report.

6.1.2. Rules and Procedures

Code of Ethics
The change in our Group's size beginning in 1999 led us to adopt a Code of Ethics in 2001, formalising the rules of conduct which have been integral to our success from our inception.

In late 2004, the Code of Ethics was updated and now consists of two sets of rules:

- Fundamental Ethical Rules which apply to dealings with government agencies, shareholders, and the financial markets; a Group Ethics Committee is responsible for ensuring compliance with these rules, which are essential to our existence and success and which include the absolute prohibition of any form or corruption, active or passive;
- A Code of Good Conduct covering relations with suppliers, clients and fellow employees within our Company. The rules it contains must be implemented in each company of the Group, in accordance with applicable local law and regulations. Compliance with them is the responsibility of the Group's local general managers, both in France and elsewhere.

This new version of the Code of Ethics took effect in early 2005. It has been widely disseminated and is available via Intranet, or, on request, from the Human Resources Department of each of our companies. In addition, each employee receives a copy of the Code of Ethics at the time he or she is hired.

The Ethics Committee consists of three members: the Chairman of the Audit Committee of the Supervisory Board, the General Counsel, and the Director of Internal Audit.

The role of the Ethics Committee is to be informed of and handle violations of the Fundamental Ethical Rules, while ensuring strict confidentiality.

The Ethics Committee is also responsible for:

- dealing with any matter relating to our Group's ethics and making any recommendations it deems necessary;
- ensuring distribution of the Code of Ethics and recommending any changes to it;
- conducting, or causing to be conducted, any investigation, proposing any corrective measures, and, if appropriate, preparing any responses to claims against, or questions to, our Group relating to the appropriateness of its practices in respect of its ethics policies.

In 2006, the Ethics Committee adopted a set of by-laws governing the membership, responsibilities, and operation of the Committee.

Two matters were brought to the Committee's attention, one in 2006 and another in 2007. These two cases were investigated internally, and, after reviewing the results of such investigations, the Group Ethics Committee concluded in both cases that there had been no breach of our Group's rules on integrity.

Delegations of Authority

Since our Group's operating structure is based on fully operational subsidiaries in France and in the other countries where we do business, the general management of these companies is vested by law with the appropriate authority.

In 2004, however, the Executive Board adopted a system of more specific delegations of authority by function for subsidiaries in France and elsewhere, a system that it recently reviewed for the purpose of adapting it to our Group's new organisation, implemented in France beginning in April 2007.

Thus, in three areas of particular sensitivity to us, the Executive Board has limited the authority of our subsidiaries to make binding commitments:

- responses to bid tenders;
- opening and maintaining bank accounts with instructions in these areas to be covered in an annual review;
- entering into commitments other than those relating to banking transactions: commercial agreements, employment agreements, purchases and sales of real estate and registration of patents, trademarks and models, etc.

Three levels of delegation will henceforth be effective within JCDecaux SA on the basis of three levels of responsibility:

- the level of Managing Directors ("*Directeurs Généraux*") acting in the following areas:
  - Corporate Finance and Administration,
  - Products, Finance, and Human Resources France,
  - Commerce and Development France,
  - Marketing, Analysis, and Strategy France.
- the level of executive officers ("*Directeurs*") acting in the following areas:
  - Financial Control;
  - Mergers, Acquisitions, and Development,
  - Legal Affairs,
  - Quality Control and Sustainable Development,
  - Finance France,
  - Human Resources,
  - Urban Relations,
  - Assets/Property and Development,
  - Operations,
  - Industry.
- by region, at the level of Regional Director, Regional Technical Director, Regional Human Resources Manager, Regional Administrative Managers, and Regional Asset/Property Managers.

Internal Control Manual and Self-Evaluation

In 2003, we prepared an Internal Control Manual with the help of an outside consultant. This Manual was presented to all Financial Directors of our Group in June 2003 and sent to all subsidiaries. The preparation of this Manual enabled us to identify the principal decision-making processes and to define the major risks with respect to each of them.

On the basis of the Internal Control Manual, we developed a self-evaluation questionnaire to obtain feedback from the Financial Directors of our subsidiaries regarding the administrative processes and the related risks for which they were responsible.

This questionnaire made it possibly to identify certain weak points in our internal controls over certain administrative cycles with respect to which corrective actions have been included in action plans implemented beginning in 2004. These weaknesses are not considered to be material deficiencies in our internal controls.

Lastly, beginning on the same date, we undertook an analysis of the various stages of each of the processes identified to define the most appropriate points of control. With respect to each of such points, the subsidiaries were asked to describe the internal controls they applied and evaluate the suitability and adequacy of such controls. Since 2005, six principal processes have been covered:

- sales cycle (from order taking to invoicing);
- purchasing cycle (from submitting an order to payment);
- cycle for managing assets (leases, city contracts, etc.)
- information systems (security, availability and business continuity);
- fixed asset cycle (recording, depreciation/amortisation and dismantling);
- financial control and treasury.

The responses from the subsidiaries, although they did not expose major deficiencies in our internal controls, helped identify corrective actions that are now being implemented.

Beginning in 2008, subsidiaries will update their responses based on the 24 control points considered to be the most important. Exchanges with subsidiaries will thus be even more dynamic, and the identification and sharing of best practices in the area of internal controls will be facilitated.

6.1.3. Implementation

The application of internal controls within our Group is done through the Legal, Finance and IT Departments, and through a Department of Quality Control and Sustainable Development.

Each year in June and December, our Corporate Legal Department inventories and classifies from subsidiaries and their outside counsel all litigation (type, subject matter, amounts, proceedings, level of risk) and tracks and monitors it on a regular basis, comparing this information with the information developed by International management control and reporting thereon to the Audit Committee and to the Statutory Auditor.

The Financial Control Department tracks the performance of the subsidiaries on the basis of the information they report, prepares comparisons among subsidiaries, and makes specific analyses of costs and investments. Within the Financial Control Department, a group of controllers is responsible for the financial monitoring of our foreign subsidiaries. The Financial Directors meet on a regular basis to analyse and discuss technical and ethical developments and their responsibilities in the area of controls.

The IT Department works in four areas with respect to internal controls: security of data and information, harmonisation of systems, hosting of systems, and plan for re-starting operations.

The Department of Quality Control and Sustainable Development verifies, among other things, compliance with new standards and laws and regulations relating to the environment.

6.1.4. Internal Audit

Since our initial public offering in 2001, we have sought to strengthen internal controls and develop a culture of risk management by developing the Internal Audit Department.

The Internal Audit Department was created on 1st April 2004.

The Internal Audit Department reports to our Co-Chief Executive Officer who does not hold the office of Chairman of the Executive Board. The members of the Audit Committee and the Chairman of the Supervisory Board have direct access, outside normal reporting lines, to this Department and may assign specific tasks and responsibilities to it.

In 2007, the Internal Audit Department:

- conducted audits in France of the Sales and Marketing Department ("*Direction Commerciale*");
- conducted audits in the Netherlands on management of fixed assets, goods held in inventory and barters;
- conducted financial audits in Finland and Portugal;
- conducted audits of financial controls in the Baltics and cash flow and treasury management, purchasing, advertising taxes, contracts and sales in Latvia;
- supervised evaluation of internal control procedures by the subsidiaries.

6.2. Process for Producing Financial and Accounting Information

The process for producing the financial and accounting information of JCDecaux SA is intended to:

- provide to members of the Executive Board and to operating management the information they need to manage our Company and its subsidiaries;
- permit accounting consolidation, management of operations through reporting and budgeting;
- ensure proper financial communication within the Group.

The process of producing financial and accounting information is organized around three cycles: budget, reporting and consolidation. These three cycles apply to all legal entities and follow an identical format (scope, definitions, treatment) set forth in the "Finance Manual". This manual contains all the accounting and management principles, rules and procedures applicable within our Group.

- The budget is prepared in the fall and covers closing forecasts for the end of the fiscal year then pending, the budget for the year N+1, and forecasts for the years N+2 and N+3. Approved by the Executive Board in December, it is sent out to the subsidiaries before the beginning of the year involved. In addition to information which is strategic and commercial, the budget includes an operating income account and a table of source and application of funds prepared according to the same format as the consolidated financial statements.

- Reporting prepared monthly, except for January and August, includes several parts: an operating income account, monitoring of investments, treasury and cash flow reporting, and monitoring of headcount. In addition to the usual comparisons with prior periods and budget, the reports include an updated forecast of the closing forecasts.
- The consolidated financial statements are prepared quarterly, but distributed on a half-yearly basis. They include an income statement, balance sheet and a cash flow statement and notes thereto. Consolidation is centralised (no consolidation cut-off).

All of these cycles are under the responsibility of the following departments of the Corporate Finance and Administration Department:

- a Financial Control Department consisting of a Budget and Reporting Group, a Consolidation Group and an International Management Control Group responsible for tracking the financial performance of foreign subsidiaries;
- a Mergers, Acquisitions, and Cash Flow Management Department consisting of a Financing-Cash Flow Management Department and a Mergers-Acquisitions and Development Department;
- a Tax Department.

The executive officers ("*Directeurs*") that head these Departments have global and interdivisional responsibility for all subsidiaries. The Corporate Chief Financial/Chief Administrative Officer has operational authority over the finance Departments of all of our subsidiaries. This structure is strengthened by the delegations of authority described above.

When the financial statements are closed, the General Managers and Financial Directors of the subsidiaries prepare "letters of confirmation" signed jointly and sent to the Corporate Controller.

Involvement of Outside Auditors

Our financial statements are audited twice a year by the statutory auditors, in connection with the annual closing (full audit) and half-year closing (limited review) of the consolidated financial statements and company accounts of JCDecaux SA.

In connection with the annual closing, subsidiaries within the scope of consolidation are audited. For the half-year closing, targeted audits are conducted on significant subsidiaries.

TRENDS

We believe we have a strong and coherent system of internal control, well adapted to our business. We will continue to evaluate it, however, on a regular basis and make any changes that appear necessary.

The work undertaken with subsidiaries, which are asked to describe and evaluate the adequacy and appropriateness of control points, will be continued.

SHAREHOLDERS AND TRADING INFORMATION

1. BREAKDOWN OF SHARE CAPITAL

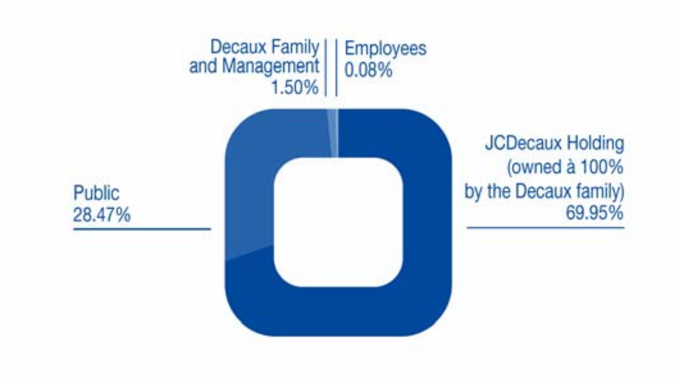
As of 31 December 2007, the share capital was €3,400,557.51, divided among 223,061,788 shares.

In light of all of the various securities outstanding that could give rise to dilution, the maximum potential percentage of dilution is 1.09%.

As of 31 December 2007, the breakdown of share capital was as follows:

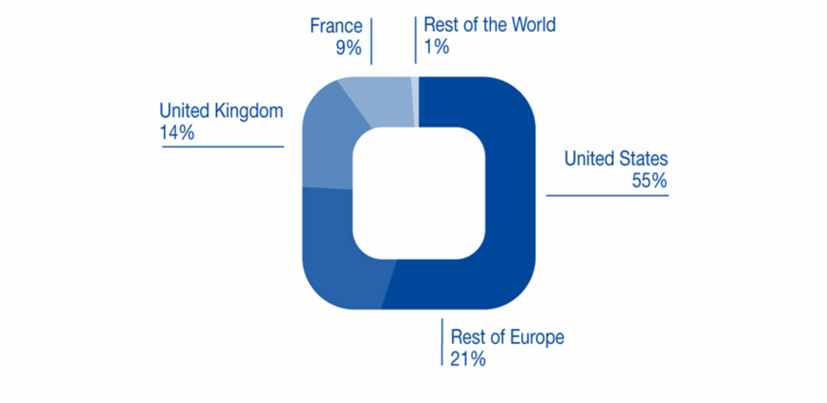
- registered shares: 159,636,538 shares owned by 97 shareholders,
- bearer shares: 63,425,250 shares.

As of 31 December 2007



DISTRIBUTION OF PUBLICLY-TRADED FLOATING SHARES BY GEOGRAPHIC AREA

As of 31 December 2007



Source: Thomson Financial / Euroclear
(on the basis of shares identified (98.96% of the float)).

2. PRINCIPAL SHAREHOLDERS

As of 31 December 2007 or on the date on which a threshold was crossed, our Company's shares were held as follows:

	Shareholders	Number of Shares	% of Share Capital	% of Voting Rights
Registered Form	JCDecaux Holding	156,030,573	69.949 %	69.949 %
	Jean-Charles Decaux	1,712,210	0.768 %	0.768 %
	Jean-François Decaux	1,156,179	0.518 %	0.518 %
	Jean-Sébastien Decaux	435,000	0.195 %	0.195 %
	Jean-Claude Decaux	8,175	0.004 %	0.004 %
	Danielle Decaux	3,059	0.001 %	0.001 %
	Robert Caudron	18,695	0.008 %	0.008 %
	Annick Piraud	18,572	0.008 %	0.008 %
	Xavier de Sarrau	11,000	0.005 %	0.005 %
	Jean-Pierre Decaux	1,574	0.001 %	0.001 %
	Christian Blanc	1,500	0.001 %	0.001 %
	Pierre-Alain Pariente	1,020	-	-
	Lothar Späth	2	-	-
	FCPE JCDecaux Développement	190,100	0.085 %	0.085 %
	Other registered shareholders	48,879	0.022 %	0.022 %
Subtotal Registered Shares		159,636,538	71.566 %	71.566 %
Shareholders having filed a declaration of crossing a threshold	ING *	11,159,873	5.003 %	5.003 %
	Lansdowne Partners Limited **	6,587,312	2.953 %	2.953 %
	Marsico Capital Management LLC ***	6,580,396	2.950 %	2.950 %
	Franklin Resources****	4,391,824	1.969 %	1.969 %
Others	Shares held in the Treasury	0	0.000 %	0.000 %
	Public	34,705,845	15.559 %	15.559 %
TOTAL		**223,061,788**	**100.000,%**	**100.000 %**

** according to the declaration dated 11 Feb. 08*

*** according to the declaration dated 15 Aug. 07*

**** according to the declaration dated 8 Nov. 07*

***** according to the declaration dated 10 Sept 07*

To our knowledge, there are no agreements among the shareholders listed above relating to their respective interests in the Company. We were not party to any shareholder agreements whether relating to a publicly traded company, or to non-publicly traded subsidiaries containing provisions that could have a material effect on our share price.

We are not aware, as of the date hereof, of the existence of any concerted action against our Company.

To our knowledge, no shareholder other than JCDecaux Holding and ING owns, directly or indirectly or with others, 5% or more of our share capital or voting rights.

Our principal shareholders do not have different voting rights. No shares have double voting rights.

3. DECLARATIONS OF SHAREHOLDING THRESHOLD CROSSING

During 2007, the following declarations indicating that share ownership thresholds had been crossed were made:

Lansdowne Partners Limited, in a declaration dated 15 August 2007, indicated that it had crossed below the threshold of 3% and, accordingly, owned 6,587,312 shares.

Franklin Resources Inc., in a declaration dated 10 September 2007, indicated that it had crossed below the threshold of 2% and, accordingly, owned 4,391,824 shares.

Marsico Capital Management made the following declarations:

- a declaration dated 27 February 2007, in which it indicated that it had crossed above the threshold of 2% and, accordingly, owned 4,476,735 shares;
- a declaration dated 22 August 2007 in which it indicated that it had crossed above the threshold of 3% and, accordingly, owned 6,655,165 shares;
- a declaration dated 4 September 2007 in which it indicated that it had crossed below the threshold of 3% and, accordingly, owned 6,572,775 shares;
- a declaration dated 12 October 2007 in which it indicated that it had crossed above the threshold of 3% and, accordingly, owned 6,719,931 shares;
- a declaration dated 8 November 2007 in which it indicated that it had crossed below the threshold of 3% and, accordingly, owned 6,580,396 shares.

ING made the following declarations:

- a declaration dated 26 November 2007 in which it indicated that it had crossed above the threshold of 2% and, accordingly, owned 4,785,965 shares;
- a declaration dated 12 December 2007 in which it indicated that it had crossed above the threshold of 3% and, accordingly, owned 6,979,965 shares;
- a declaration dated 21 January 2008 in which it indicated that it had crossed above the threshold of 4% and, accordingly, owned 8,998,965 shares;
- a declaration dated 11 February 2008 in which it indicated that it had crossed above the threshold of 5% and, accordingly, owned 11,159,873 shares.

4. 2007 STOCK PERFORMANCE

JCDecaux shares are traded on Euronext Paris by NYSE Euronext (Section A – "*Compartiment A*"), and only on that market. JCDecaux shares have been among the shares constituting the SBF 120 index since 26 November 2001, and the Euronext 100 index since 2 January 2004. Since 3 January 2005, we have also joined a new stock index, called the CAC Mid100 index. This index consists of the 100 first market capitalisations that follow the 60 largest stocks that make up the CAC 40 and CAC Next20 indices. Since 22 September 2003, we have also been part of the ASPI Eurozone Index, a European index used by investors who wish to invest in companies committed to sustainable development and social responsibility. Since 21 March 2005, we have been included in the FTSE4Good Index, another share index of socially responsible companies. Lastly, since 6 September 2007 we have been included among the 42 new companies (including 4 French companies) that are part of the Dow Jones Sustainability (DJSI) index, another index of socially responsible companies consisting of 318 companies around the world, including 20 French companies.

As of 31 December 2007, the number of shares outstanding was 223,061,788, and the share capital included no shares held in the Treasury. The weighted average number of shares outstanding in fiscal year 2007 was 222,388,524 shares. On average 355,922 shares were traded per day.

Our shares closed the year 2007 at €26.90, up 24% compared to 31 December 2006.

5. TREND IN TRADING PRICE AND TRADING VOLUME

Since 1st January 2006, the trading price and transaction volumes of JCDecaux shares have been as follows:

	PRICES			VOLUMES		
	High *(in Euros)*	Low *(in Euros)*	Closing Price *(in Euros)*	Number of shares traded	Average shares traded	Market capitalisation(1) *(in € millions)*
2006						
January	20.98	19.67	20.44	10,497,707	477,169	4,513.70
February	21.69	20.17	21.05	7,116,373	355,819	4,448.37
March	23.46	21.10	22.33	7,640,885	332,212	4,931.03
April	24.57	22.26	23.70	4,360,288	242,238	5,233.56
May	23.96	20.85	22.23	6,554,439	297,929	4,908.95
June	22.41	19.62	20.66	6,759,171	307,235	4,562.26
July	20.66	19.10	20.17	7,551,858	359,612	4,454.06
August	22.00	19.93	21.65	2,790,239	121,315	4,780.88
September	22.74	20.72	21.33	5,657,148	269,388	4,710.21
October	21.69	20.00	20.00	5,979,826	271,810	4,416.52
November	21.91	20.06	21.30	6,190,979	281,408	4,719.73
December	22.09	21.25	21.68	2,674,148	148,564	4,803.93
2007						
January	22.70	21.24	22.70	3,783,588	171,981	5,029.95
February	23.29	21.63	21.63	4,472,839	223,642	4,792.85
March	22.52	21.37	22.09	6,585,516	299,342	4,894.78
April	23.27	22.00	22.98	6,680,415	351,601	5,091.99
May	24.70	22.95	24.70	8,819,337	400,879	5,473.11
June	24.75	23.00	23.53	8,399,522	399,977	5,214.05
July	23.75	22.62	23.03	4,937,523	224,433	5,103.25
August	24.08	21.93	22.38	10,427,424	453,366	4,959.22
September	24.63	22.27	24.63	6,853,543	342,677	5,457.80
October	26.08	24.68	25.43	6,741,463	293,107	5,635.07
November	29.01	25.73	26.47	16,522,538	751,024	5,865.53
December	27.50	26.63	26.90	6,536,302	344,016	5,960.81
2008						
January	26.56	20.75	21.76	20,259,918	880,866	4,821.83
February	21.74	19.33	20.01	13,606,861	680,343	4,434.05

(1) Source: Thomson Financial (on the basis of the last closing trading price of the month)

Stock information

ISIN Code	FR 0000077919
SRD / PEA Eligibility	Yes / Yes
Reuters Code	JCDX.PA
Bloomberg Code	DEC FP

2007 trading data

Highest price (14 Nov. 07) (1)	29.01
Lowest price (10 Jan. 07) (1)	21.24
Market capitalisation (2)	5,960.81
Number of shares as of 31 Dec. 2007	223,061,788
Average daily volume	355,922

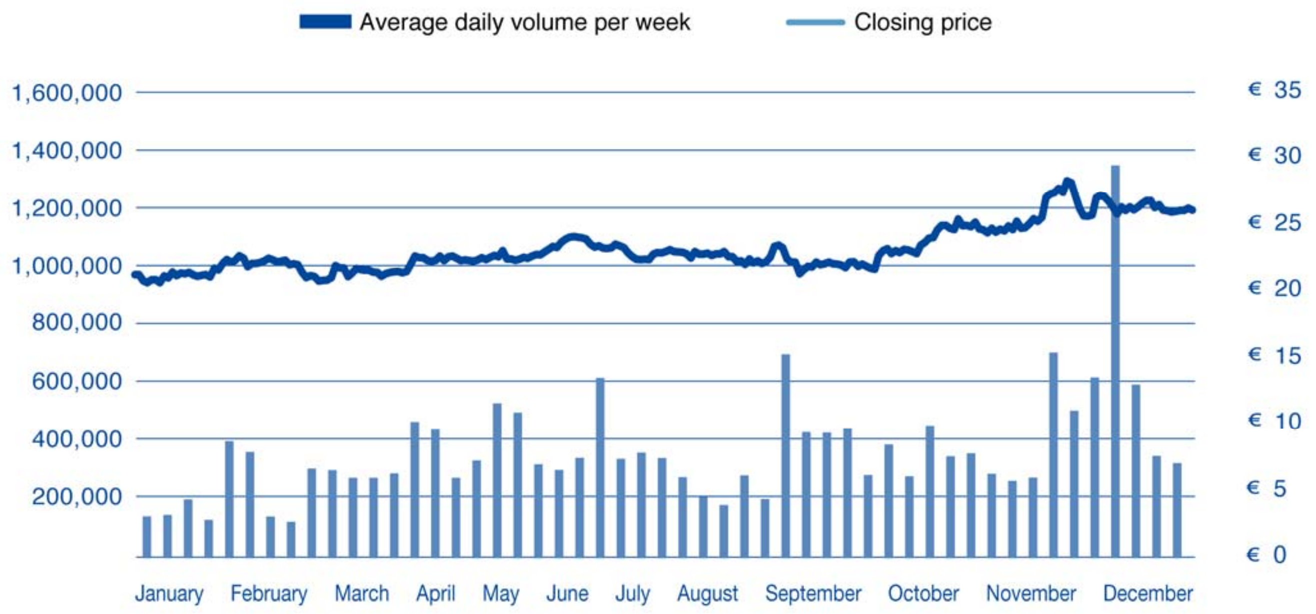
Source: Thomson Financial

(1) In Euros, closing price.

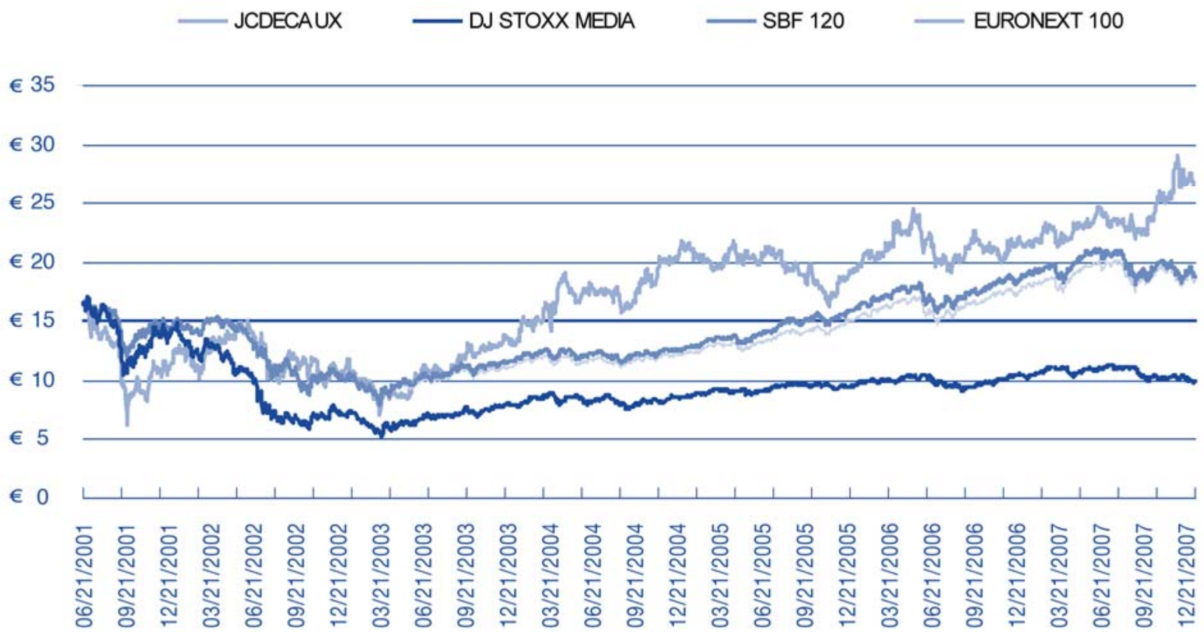
(2) In millions of Euros, as of 31 December 2007.

TREND OF TRADING PRICES

Evolution of share price and trading volumes in 2007



Performance of our share price since the IPO on 21 June 2001 compared to the SBF 120, Euronext 100, and DJ Euro Stoxx Media indices



6. SHAREHOLDER RELATIONS

Alexandre Hamain

Manager – Financial Information and Investor Relations

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E-mail: actionnaires@jcdecaux.fr

Market Information is available to shareholders at the Internet site: www.jcdecaux.com.

Tentative Investor Relations Calendar

Date	Event
6 May 2008	First quarter 2008 revenues and quarterly information
14 May 2008	Annual General Meeting of Shareholders
1st August 2008	Second quarter 2008 revenues and half-year 2008 results of operations Six-month Financial Report
4 November 2008	Third quarter 2008 revenues and quarterly information

SHARE CAPITAL

1. GENERAL INFORMATION

1.1. Provisions in the Articles of Association Relating to Changes in the Share Capital and Voting Rights

Any changes in our share capital or voting rights are subject to applicable law. Our Articles of Association do not provide for any other restrictions.

The breakdown of our shareholding structure is set forth on page 160 of this Annual Report.

1.2. Share Capital

As of 31 December 2007, our share capital was €3,400,557.051 and consisted of 223,061,788 shares all of the same class and fully paid.

When our share capital was converted into Euros in June 2000, the reference to nominal value of the shares was deleted from the Articles of Association.

Delegations of authority currently outstanding granted to our Executive Board to increase the share capital are as follows:

Date of Shareholders' Meeting	Description of authority delegated to Executive Board	Use made of delegation by our Executive Board in 2007
11 May 2005	Grant options to subscribe for or purchase shares of the Company to officers or employees, or certain of them, up to a limit of 4% of the share capital, such authority to expire at the end of 26 months from date of grant	The Executive Board granted 70,758 stock options on 20 February 2006 763,892 stock options on 20 February 2007
	Make grants of free shares, from shares outstanding or to be issued, to officers or employees of the Company, or certain of them, up to a limit of 0.5% of the share capital, such authority to expire at the end of 26 months from date of grant	The Executive Board made grants of 25,974 free shares on 3 February 2006 9,987 free shares on 20 February 2007
10 May 2007	Make grants of free shares, from shares outstanding or to be issued, to officers or employees of the Company, or certain of them, up to a limit of 0.5% of the share capital, such authority to expire at the end of 26 months from date of grant	The Executive Board made grants of 15,807 free shares on 10 May 2007
	Issue bonds or debt securities, such authority to expire at the end of 26 months from date of grant; Increase the Company's share capital, on one or more occasions, by issuing shares and/or other securities carrying the right to acquire shares immediately or in the future – with shareholders' preferential subscription rights maintained – up to a limit of a maximum of €3 billion, including issue premium, and set the terms and conditions thereof. Over allotment is possible in an amount of up to € 450 million, if the capital increase is successful. This delegation expires 26 months from the date of grant. The same authority was granted with a provision eliminating the preferential subscription right	This delegation was not used during the fiscal year just ended
	Issue shares or securities convertible into shares without preferential subscription rights, in consideration of capital contributions consisting of shares, up to a limit of 10% of the share capital, such authority to expire 26 months from the date of grant	This delegation was not used during the fiscal year just ended
	Increase the Company's share capital, on one or more occasions, by capitalising premiums, reserves, or earnings, up to a maximum amount of €3 billion, such authority to expire 26 months from date of grant	This delegation was not used during the fiscal year just ended
	Approve an increase in the Company's share capital for the benefit of employees (acquisition of shares under Employee Stock Purchase Plans, apart from stock options); such capital increases to total no more than €30 million, including issue premium, such authority to expire 26 months from date of grant	This delegation was not used during the fiscal year just ended
	Grant options to subscribe for or to purchase shares to the Company's shares to officers and employees of our Group, or certain of them, up to 4% of the share capital, such authority to expire 26 months from the date of grant.	This delegation was not used during the fiscal year just ended

The Combined Extraordinary and Ordinary General Meeting of Shareholders held on 10 May 2007 also authorised our Executive Board:

- to purchase the Company's shares in the market within the limit of €30 per share and up to an aggregate maximum amount of €665,145,780, for a period of 18 months; and
- to reduce the share capital by cancelling treasury shares, also for a period of 18 months.

During fiscal year 2007, the Executive Board undertook no transactions in connection with these two delegations of authority.

New share repurchase programme

A new share repurchase programme, together with a resolution authorising cancellation of the shares repurchased, will be submitted to the Shareholders for their action at the Combined Extraordinary and Ordinary Meeting of Shareholders to be held on 14 May 2008.

The main characteristics of this programme are as follows:

- Affected shares: Shares of our Company
- Maximum percentage authorized to be repurchased: 10% of the shares of our Company's share capital outstanding at any time, such percentage to apply to an amount of adjusted share capital based on transactions affecting it subsequent to the General Meeting of Shareholders to be held on 14 May 2008, or, for indicative purposes, 223,061,788 shares as of 31 December 2007.
- Maximum unit price authorised: €30.
- Maximum aggregate amount of the programme: €669,185,340 for 22,306,178 shares.
- Objectives of such programme:
    - implementation of any Company stock option plan under Articles L.225-177 *et seq.* of the French Commercial Code; or
    - grants of shares to employees to reward them for contributing to our Company's growth and implement any stock savings plan on the terms and conditions provided by law and especially under Articles L.443-1 *et seq.* of the French Labour Code; or
    - grants of free shares as provided under Articles L.225-197-1 *et seq.* of the French Commercial Code; or
    - delivery of shares upon exercise of rights attached to securities carrying the right to acquire shares by redemption, conversion, exchange, or presentation of a bond, or in any other manner; or
    - cancellation of all or part of the shares thereby acquired, subject to approval at the Combined Extraordinary and Ordinary General Meeting of Shareholders to be held on 14 May 2008 and according to the terms indicated therein; or
    - delivery of shares in respect of an exchange, payment, or otherwise in connection with acquisitions under applicable law and regulations; or
    - support for a secondary market or for the liquidity of JCDecaux SA shares by an investment bank in connection with a liquidity contract that complies with the ethical standards of the *Autorité des Marchés Financiers (AMF).*

This authority will also allow our Company to conduct transactions for any other purpose that is authorised, or that may be authorised, by applicable law or regulations. In such case, the Company will advise the shareholders through a press release.

- Length of the programme: this programme will expire 18 months from the date on which the Extraordinary and Ordinary General Meeting of Shareholders scheduled for 14 May 2008 is held, that is, until 14 November 2009.

Changes in the Company's share capital over the last three years:

Date	Transaction	Number of shares issued/ cancelled	Nominal amount of capital incr./ decrease	Issue premium per share	Aggregate amount of issue premium	Successive amounts of share capital	Aggregate number of shares	Nominal value
			in Euros	*in Euros*	*in Euros*	*in Euros*		
30-June-04	Capital increase in connection with exercises of stock options	20,010	305.05	15.12	302,474.81	3,378,589.32	221,620,770	(1)
31-Dec-04	Capital increase in connection with exercises of stock options	372,899	5,684.81	15.66	5,840,738.71	3,384,274.13	221,993,669	(1)
3-June-05	Capital reduction by cancellation of treasury shares	200,000	3,049.98	10.26	2,052,536.12	3,381,225.15	221,793,669	(1)
7-July-05	Capital increase in connection with exercises of stock options	233,684	3,562.49	15.51	3,623,707.45	3,384,787.64	222,027,353	(1)
8-Dec-05	Capital reduction by cancellation of treasury shares	1,500,000	22,867.37	19.29	28,937,721.06	3,361,920.27	220,527,353	(1)
31-Dec-05	Capital increase in connection with exercises of stock options	298,198	4,546	16.06	4,787,921.07	3,366,466.27	220,825,551	(1)
30-June-06	Capital increase in connection with exercises of stock options	758,285	11,559.99	15.84	12,010,224.60	3,378,026.26	221,583,836	(1)
31-Dec-06	Capital increase in connection with exercises of stock options	131,424	2,003.55	15.31	2,012,769.18	3,380,029.81	221,715,260	(1)
31-Dec-07	Capital increase in connection with exercises of stock options	1,346,528	20,527.70	15.15	20,401,052.82	3,400,557.51	223,061,788,	(1)

(1) Upon the conversion of the share capital into Euros, reference to a nominal, or par, value of the shares was deleted from the Articles of Association.

Changes in our shareholders over the last three years:

	Shareholders	31 December 2005			31 December 2006			31 December 2007		
		Number of Shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
	JCDecaux Holding	155,056,749	70.217%	70.217%	155,056,749	69.935%	69.935%	156,030,573	69.949%	69.949%
Members of the Executive Board and Supervisory Board	Jean-François Decaux	1,796,179	0.813%	0.813%	1,796,179	0.810%	0.810%	1,156,179	0.518%	0.518%
	Jean-Charles Decaux	1,712,210	0.775%	0.775%	1,712,210	0.772%	0.772%	1,712,210	0.768%	0.768%
	Jean-Claude Decaux	8,175	0.004%	0.004%	8,175	0.004%	0.004%	8,175	0.004%	0.004%
	Christian Blanc	1,500	0.001%	0.001%	1,500	0.001%	0.001%	1,500	0.001%	0.001%
	Jean-Pierre Decaux	6,574	0.003%	0.003%	1,574	0.001%	0.001%	1,574	0.001%	0.001%
	Pierre-Alain Pariente	1,020	-	-	1,020	-	-	1,020	-	-
	Xavier de Sarrau	11,000	0.005%	0.005%	11,000	0.005%	0.005%	11,000	0.005%	0.005%
Other registered shares	Jean-Sébastien Decaux	768,824	0.348%	0.348%	768,824	0.347%	0.347%	435,000	0.195%	0.195%
	Danielle Decaux	3,059	0.001%	0.001%	3,059	0.001%	0.001%	3,059	0.001%	0.001%
	Annick Piraud	18,572	0.008%	0.008%	18,572	0.008%	0.008%	18,572	0.008%	0.008%
	Robert Caudron	19,420	0.009%	0.009%	19,420	0.009%	0.009%	18,695	0.008%	0.008%
	Lothar Späth	2	-	-	0	0.000%	0.000%	2	-	-
	FCPE JCDecaux Développement	254,000	0.115%	0.115%	213,400	0.096%	0.096%	190,100	0.085%	0.085%
Shareholders having filed statements for crossing thresholds	Lansdowne Partners Limited *	N/A	N/A	N/A	N/A	N/A	N/A	6,587,312	2.953%	2.953%
	Franklin Resources **	N/A	N/A	N/A	N/A	N/A	N/A	4,391,824	1.969%	1.969%
	Marsico Capital Management LLC ***	N/A	N/A	N/A	N/A	N/A	N/A	6,580,396	2.950%	2.950%
	ING ****	N/A	N/A	N/A	N/A	N/A	N/A	11,159,873	5.003%	5.003%
	Shares held in the Treasury	0	0.000%	0.000%	0	0.000%	0.000%	0	0.000%	0.000%
	Public and other shares in registered form	61,168,267	27.700%	27.700%	62,103,578	28.011%	28.011%	34,754,724	15.581%	15.581%
TOTAL		**220 825 551**	**100.000%**	**100.000%**	**221,715,260**	**100.000%**	**100.000%**	**223,061,788**	**100.000%**	**100.000%**

** according to most recent declaration of threshold crossing dated 15 Aug. 2007*

*** according to most recent declaration of threshold crossing dated 10 Sept. 2007*

**** according to most recent declaration of threshold crossing dated 08 Nov. 2007*

***** according to most recent declaration of threshold crossing dated 11 Feb. 2008*

The difference between the percentage of share capital and percentage of voting rights, if any, is due to the number of treasury shares.

2. STOCK OPTIONS

At the Combined Extraordinary and Ordinary General Meeting of Shareholders held on 10 May 2007 the Executive Board was authorised to grant options to subscribe for or to purchase shares to officers and non-executive employees of our Group, or certain of them, up to a limit of 4% of the Company's share capital for a period expiring 26 months from the date of such Shareholders' Meeting.

This authority replaced the authority granted at the General Meeting of Shareholders held on 11 May 2005.

Under the authority granted at the Combined General Meeting of Shareholders held on 23 March 2001, 4,103,704 stock options were granted by the Executive Board to 6,254 employees during fiscal year 2001.

Under the authority granted by the Combined General Meeting of Shareholders held on 23 May 2002, 1,666,718 options were awarded by the Executive Board to 160 employees during fiscal years 2002, 2003, 2004 and 2005.

Under the authority granted at the General Meeting of Shareholders held on 11 May 2005, 834 650 options were granted by the Executive Board to 182 employees during fiscal years 2006 and 2007.

Grants and exercises of stock options during fiscal year 2007:

Stock options awarded to, and exercised by Members of the Executive Board	Number of options	Price in Euros	Expiration Date	Date of Grant	Date of approval by Shareholders
Options granted during fiscal year to Members of the Executive Board					
Robert Caudron	29,229	22.58	20-Feb.-14	20-Feb.-07	11-May-05
Gérard Degonse	19,929	22.58	20-Feb.-14	20-Feb.-07	11-May-05
Jeremy Male	32,437	22.58	20-Feb.-14	20-Feb.-07	11-May-05
Total	**81,595**				
Options exercised by Members of the Executive Board during the fiscal year					
Gérard Degonse	21,000	16.50	21-June-08	21-June-01	23-Mar.-01
	10,000	16.50	21-June-08	21-June-01	23-Mar.-01
	11,732	16.50	21-June-08	21-June-01	23-Mar.-01
	5,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	10,000	10.67	13-Dec-09	13-Dec.-02	23-May-02
	10,000	10.67	13-Dec-09	13-Dec.-02	23-May-02
	8,584	10.67	13-Dec-09	13-Dec.-02	23-May-02
Jeremy Male	20,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	10,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	20,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	10,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	20,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01
	3,122	15.46	20-July-08	20-July-01	23-Mar.-01
	20,000	11.12	14-Dec-08	14-Dec.-01	23-Mar.-01

Grant and exercise of stock options to, and by, non-officer employees	Number of options	Weighted Average Price in Euros	Expiration Date	Date of Grant	Date approval by Shareholders
Number of options granted during fiscal year to the ten employees of the Company and of any company included within the scope of qualified employees having the highest number of options granted during the fiscal year	114,717	22.58	20-Feb.-14	20-Feb.-07	11-May-05
Number of options exercised by the ten employees of the Company of to any company included within the scope of qualified employees having the highest number of options granted during the fiscal year	323,498	23.6	-	-	-

Summary of terms of our 2001, 2002, and 2005 Stock Option Plans:

	2001 Plan	2002 Plan	2005Plan
Dates of Extraordinary Shareholders' Meetings authorising the stock option plans	23 March 2001	23 May 2002	11 May 2005
Dates of option grants and number of options per date of grant	21 June 2001: 3,283,684 options 20 July 2001: 479,024 options 14 December 2001: 340,996 options	13 December 2002: 88,096 options 16 January 2003: 209,546 options 5 March 2004: 678,711 options 4 March 2005: 690,365 options	20 February 2006: 70,758 options 20 February 2007: 763,892 options
Total number of beneficiaries under all grants	6,254	160	182
Types of options	Stock Options	Stock Options	Stock Options
Total number of shares under options granted, including:	4,103,704	1,666,718	834,650
Executive Board Members	250,919	334,742	81,595
Top ten employees	183,485	362,628	114,717
Expiration Date	7 years from date of grant	7 years from date of grant	7 years from date of grant
Exercise price for options granted:	21 June 2001: €16.50 20 July 2001: €15.46 14 December 2001: €11.12	13 December 2002: €10.67 16 January 2003: €10.78 5 March 2004: €15.29 4 March 2005: €19.81	20 February 2006: €20.55 20 February 2007: €22.58

Criteria for exercising options

Beneficiaries under an employment agreement with a French company:

- no option may be exercised before the first anniversary of the date of the meeting of the Executive Board at which these options were granted;
- each beneficiary may exercise up to one third of the options granted on the first anniversary of the date of the meeting of the Executive Board at which these options were granted. A three-year lock-up period applies to any shares so acquired;
- each beneficiary may exercise up to two thirds of the options granted on the second anniversary of the date of the meeting of the Executive Board at which these options were granted. A two-year lock-up period applies to any shares so acquired;
- each beneficiary may exercise all of the options granted from and after the third anniversary and until the seventh anniversary of the date of the meeting of the Executive Board at which these options were granted. A one-year lock-up period applies to any shares so acquired.

Beneficiaries under an employment agreement with a foreign company:

- no option may be exercised before the first anniversary of the date of grant of these options by the Executive Board;
- each beneficiary may exercise on the first anniversary of the date of grant of these options by the Executive Board up to one third of the options granted;
- each beneficiary may exercise on the second anniversary of the date of grant of these options by the Executive Board up to two thirds of the options granted;
- each beneficiary may exercise from and after the third anniversary and up to the seventh anniversary of the date of grant of these options by the Executive Board up to all of the Options awarded.

As of 31 December 2007, 1,346,528 options had been exercised. Taking into consideration the options exercised and options cancelled, there remained as of that date 2,379,216 options to be exercised. If all such options are exercised, the employees of our Company and its subsidiaries and of JCDecaux Holding will own 1.06% of our Company's shares (excluding FCPE), taking into consideration options exercised as of 31 December 2007.

3. FREE SHARES

At the Combined Extraordinary and Ordinary General Meeting of Shareholders held on 10 May 2007 the Shareholders authorised the Executive Board to make grants of free shares, either from issued and outstanding shares or of new shares of the Company (excluding preference shares), up to a limit of 0.5% of the share capital, for 26 months from the date of that Meeting, to officers and non-executive employees of our Group or certain of them.

This authority was substituted for the authority granted at the Annual General Meeting of Shareholders held on 11 May 2005.

Acting under the authority granted at the Combined Annual General Meeting held on 11 May 2005, the Executive Board made grants of 35,961 free shares to two of its Members during fiscal years 2006 and 2007.

Acting under the authority granted at the Combined Annual General Meeting held on 10 May 2007, the Executive Board made grants of 15,807 shares to one of its Members during fiscal year 2007.

Grants of free shares during 2007:

Grants of free shares during 2007	Number of Shares	Price in Euros	Expiration Date	Date of Grant	Date of Authority Granted at General Shareholders' Meeting
Shares granted during fiscal year to Members of the Executive Board					
Gérard Degonse	9,987	22.58	20-Feb;-11	20-Feb.-07	11-May-05
Jeremy Male	15,807	23.06	10-May-11	10-May-07	10-May-07

Summary of terms for the 2006 and 2007 grants of free shares:

	2005 Plan	2007 Plan
Date of Extraordinary General Shareholders' Meetings authorising grants of free shares	11-May-05	10-May-07
Date of grant of free shares and number of shares per date of grant	3 February 2006: 25,974 shares 20 February 2007: 9,987 shares	10 May 2007: 15,807 shares
Aggregate number of beneficiaries under all grants	2	1
Types of shares	New issue	New issue
Total free shares granted	35,961	15,807
- to officers	*2*	*1*
- to top ten non-executive employees	*0*	*0*
Expiration date	Grant made on 3 February 2006: 3 February 2010 Grant made on 20 February 2007: 20 Feb. 2011	Grant made on 10 May 2007: 10 May 2011
Price	on 3 February 2006: €20.52 on 20 February 2007: €22.58	on 10 May 2007: €23.06

Criteria for exercising shares:

- Beneficiaries: officers or non-executive employees of our Group, or certain of them ;
- Requirement of employment by our Group;
- Two-year acquisition period and two-year lock-up period. The acquisition period is four years for employees who do not qualify for the special tax treatment set forth in Articles 80 *quaterdecies* and 200A, 6 *bis* of the French General Tax Code without a lock-up period.

4. CONDITIONAL OR UNCONDITIONAL CALL OPTION OR AGREEMENT ON SHARES OF COMPANIES IN OUR GROUP

Such options or agreements are described in Notes to the Consolidated Financial Statements, on pages 90, 102 and 103 of this Annual Report.

5. COMPANIES THAT OWN A CONTROLLING INTEREST IN OUR COMPANY

Our Company's principal shareholder is JCDecaux Holding, which is majority owned by the Decaux family, and the corporate purpose of which is principally to give strategic direction to companies in which it holds interests, directly or indirectly.

As of 31 December 2007, the share capital of JCDecaux Holding was held as follows:

	Number of shares		
Shareholders	**Full Legal Title**	**Bare Legal Title ("*nue propriété*")**	**% of share capital**
Jean-François Decaux	45,435		2.330 %
Jean-Charles Decaux	45,435	604,500(1)	33.331 %
Jean-Claude Decaux	30		0.002 %
Jean-Pierre Decaux	65		0.003 %
JFD Investissement	175,500		9.000 %
JFD Participations		429,000(1)	22.001 %
Jean-Sébastien Decaux	45,435	604,500(1)	33.331 %
Danielle Decaux	35		0.002 %
Subtotal	**311,935**	**1,638,000**	**100.000 %**
Total	**1,949,935**		**100.000%**

*(1) Mr Jean-Claude Decaux has the beneficial ownership ("*usufruit*") of these shares*

JCDecaux Holding exercises control of our Company subject to the following:

Neither the Articles of Association nor the By-Laws of the Supervisory Board contain provisions having the effect of delaying, deferring, or preventing a change of the control presently held by JCDecaux Holding.

No double voting rights or other advantages, such as awards of shares without consideration, have been granted to the controlling shareholder, JCDecaux Holding.

With respect to the Company's corporate governance bodies, more than half of the members of the Supervisory Board are independent. Half of the Compensation and Nominating Committee consists of independent members. The Audit Committee is completely independent.

The agreements with JCDecaux Holding or with family companies, especially leases, as set forth on pages 153 and 154 of this Annual Report, were made under normal market terms and conditions.

Lastly, it should be noted that the compensation of the Company's directors and officers who are members of the family is reviewed annually by the JCDecaux SA's Compensation and Nominating Committee of JCDecaux SA. The compensation of members of the family who have positions within our Group, but are not members of management, is set in a manner which is identical to that of persons who perform similar jobs within the Company.

6. PLEDGES, SECURITY INTERESTS AND GUARANTEES

As of 31 December 2007, no material pledges, security interests or guarantees on or over or in respect of shares of our Company existed.

7. DIVIDENDS

For the last three fiscal years, the following dividend payments have been made:

- Fiscal year 2004: None
- Fiscal year 2005: a dividend of €0.40 per share, eligible for a deduction of 40%
- Fiscal year 2006: a dividend of €0.42 per share, eligible for a deduction of 40%

Our Executive Board has decided to propose at the General Meeting of Shareholders to be held on 14 May 2008 that a dividend of €0.44 per share be paid in respect of fiscal year 2007.

Unclaimed dividends will revert to the French State five years from the payment date.

OTHER LEGAL INFORMATION

1. GENERAL INFORMATION

Company name	JCDecaux SA
Registered office	17, rue Soyer 92200 Neuilly-sur-Seine
Principal administrative office	Ste Apolline 78378 Plaisir Cedex
Telephone number	33 (0)1 30 79 79 79
Registry of Commerce and Companies (*Registre du Commerce et des Sociétés*)	307 570 747 (Nanterre)
Legal form	French corporation (*Société Anonyme*) with Executive Board and Supervisory Board
Governing law	French law
Date of formation	5 June 1975
Expiration Date	5 June 2074 (unless prematurely dissolved or extended)
Fiscal year	From 1 January to 31 December

The Company's purposes, in France and elsewhere (Article 2 of the Articles of Association) are:

- the study, invention, development, manufacture, repair, assembly, maintenance, leasing, and sale of all articles or equipment destined for industrial or commercial use, and especially the manufacture, assembly, maintenance, sale, and operation of all types of street furniture, whether advertising or not, and the performance of all services, including advisory and public relations services; transport of goods, directly or indirectly, by public ways and leasing of vehicles for transport of such goods;
- advertising, marketing of advertising space on all types of street furniture, advertising displays, as well as any other media, including neon signs, façades, television, radio, the Internet, and all other media, and the undertaking on behalf of third parties of all sales, leasing, display, installation, and maintenance of advertising displays and street furniture;
- management of investments in securities, particularly relating to advertising and especially display advertising, and use of its resources to invest in securities, especially through acquisition of, or subscription for, shares, equity interests, bonds, bills and notes, or other securities issued by French or foreign companies and relating particularly to advertising;
- and more generally, engaging in any financial, commercial, business or real estate transactions which may be related, directly or indirectly, to the corporate purposes, or likely to further or develop them;
- in particular, the Company may organize a centralized treasury management system with all companies in which it has a direct and/or indirect equity interest, for the purpose of optimising its credit, such as by investing its surplus cash, in any manner permitted by law at that time.

2. HISTORY

1964:	Jean-Claude Decaux invents the concept of street furniture and forms JCDecaux. First street furniture concession in Lyon.
The '70s:	We invest in Portugal and Belgium.
1972:	First citylight information panels (MUPI®). Street furniture contract for Paris.
1973:	Introduction of the short-term (seven-day) ad campaign.
The '80s:	Expansion in Europe, in Germany (Hamburg), the Netherlands (Amsterdam), and Northern Europe.
1980:	Installation of the first automatic public toilets in Paris.
1981:	First electronic information boards.
1988:	Introduction of "Senior®", the first larger format advertising panels (8 m²).
The '90s:	We are present on three continents: in Europe, the United States and Asia-Pacific.
1994:	First street furniture contract in San Francisco.
1998:	We extend the concept of street furniture to shopping malls in the United States.

1999:	Acquisition of Avenir and diversification of our business into Billboard and Transport advertising. We become a world leader in outdoor advertising.
2001:	Partnership with Gewista in Central Europe and IGPDecaux in Italy. We become number 1 in Billboard in Europe. We win contracts for Los Angeles and Chicago, in the United States.
2002:	We sign the Chicago contract in the United States and, in partnership with CBS Outdoor, win the tender for the city of Vancouver in Canada.
2003:	JCDecaux increases to 67% its interest in Gewista, a leader in outdoor advertising in Austria.
2004:	We renew the street furniture contract for Lyon. In Asia-Pacific, we sign the first exclusive bus shelter advertising contracts in Yokohama, the second largest city in Japan, and win the contract to manage advertising space in the airports of Shanghai, in partnership with them.
2005:	We make three major acquisitions in China and become number one in outdoor advertising in this fast-growing market. We simultaneously pursue our growth in Japan.
2006:	We make several acquisitions in order to penetrate new, high-growth markets, or consolidate our positions in mature markets. We thus acquire VVR-Berek, the leading outdoor advertiser in Berlin, and invest in Russia and the Ukraine. We accelerate our growth in Japan.
2007:	We renew a number of major contracts, especially in France, and introduce self-service advertising-financed bicycle systems, including the *Vélib'* program in Paris. Our Street Furniture business accelerates its expansion in Japan, adding four new contracts, and we pursue our growth in India and in China, with the renewal and extension of the advertising contract for the Shanghai metro. We make acquisitions and alliances to penetrate new high-growth markets, particularly in the Middle East and Central Asia.

3. ARTICLES OF ASSOCIATION

Our Articles of Association were amended in accordance with applicable law and regulations.

3.1. Allocation of earnings

Our Shareholders, after making any necessary credit to the legal reserve, may allocate any amount of net distributable income that they choose to retained earnings, any special reserve fund, or any other special or ordinary purpose. The remainder is to be distributed among all shareholders, in proportion to their equity interest in the share capital. Following the General Shareholders' Meeting held on 23 May 2002 to approve the financial statements for the fiscal year ended 31 December 2001, the legal reserve was fully funded.

3.2. General Shareholders' Meetings

General Shareholders' Meetings are held and transact business on the terms and conditions provided by law. They may be held at our registered office or at any other location in France.

General Shareholders' Meetings are open to all shareholders, regardless of the number of shares they own, as long as their shares have been fully paid, to the extent that payment is due.

The right to be present in person or by proxy at a shareholders' meeting is subject to the shareholder being registered either in the books and records of registered shareholders kept by the Company, or in accounts for shares held in registered form by an authorised broker or agent, on the terms and conditions and subject to the deadlines provided under applicable law and regulations.

An intermediary that meets the requirements set forth in Article L.228-1 of the French Commercial Code, acting under general authority to manage securities, may transmit the vote or proxy of a shareholder for any General Shareholders' Meeting. Prior to transmitting the proxy or votes to the General Shareholders' Meeting, the intermediary is required to supply a list of the non-resident shareholders with respect to which the voting rights attach, at the request of the Company or its representative. This list must be provided on the terms and conditions set forth in Articles L228-2 or L228-3, as appropriate, of the French Commercial Code.

The vote or proxy issued by an intermediary that either has not registered as such, or has not disclosed the shareholder's name, may not be counted.

Shareholders may participate in a Meeting of Shareholders by videoconference or any other means of telecommunication permitted by applicable law and regulation and be deemed present for quorum purposes and determination of required majorities at such Shareholders' Meeting, upon a decision allowing such participation taken by the Executive Board and published in the notice of the meeting.

The Workers' Council of our Company may propose resolutions for inclusion in the Agenda of Shareholders' Meetings.

Two members of the Workers' Council, one from the category of technicians and supervisors (shop stewards), the other from the category of employees and workers, or, if applicable, the persons indicated in the third and fourth paragraphs of Article L.432-6 of the French Labour Code, may be appointed by the Workers' Council to attend General Meetings of Shareholders. They have the right to be heard, upon request, in respect of any matter requiring unanimity that may come before the Meeting.

General Shareholders' Meetings are chaired by the Chairman of the Supervisory Board or, in his absence, by the Vice-Chairman of the Supervisory Board or, in his absence, by a member of the Supervisory Board specially delegated for such purpose by the Supervisory Board. Otherwise, the shareholders may elect their own person to chair the meeting.

Each share carries the right to one vote. Our Articles of Association prohibit shares having the rights to more than one vote.

3.3. Crossing certain thresholds

In addition to the filings for crossing thresholds required to be made on the terms and conditions set forth in the first and second paragraphs of Article L.233-7 of the French Commercial Code, Article 9 of our Articles of Association provides, among other things, that any person or entity acting alone or in concert with others who becomes the owner, directly or indirectly, through one or more companies that it controls for purposes of Article L.233-3 of the French Commercial Code, of a number of shares representing 2% or more of our share capital or our voting rights, must notify us by registered mail with return receipt within five trading days of crossing such threshold of the total number of shares and voting rights the person then owns, as well as of any securities convertible into shares or voting rights which may potentially be attached. The same notice requirement applies each time a change of more than 1% in shareholding occurs in respect of such threshold.

Such notice must also be given to the Company when a shareholder's ownership of shares or voting rights falls below one of the thresholds set forth above.

Any individual or entity that fails to comply with such notice requirements will be deprived of voting rights with respect to the shares in excess of the relevant threshold upon the request at the General Shareholders' Meeting of one or more shareholders holding at least 5% of our share capital or voting rights, duly recorded in the minutes of the General Shareholders' Meeting, until the end of a two-year period following the date on which such person or entity complies with the notification requirements.

4. MATTERS THAT COULD BE RELEVANT IN CASE OF A PUBLIC OFFERING

Not applicable.

5. RISK FACTORS

5.1. Reputational risk

Our business is closely linked to the quality and integrity of the relations we have with local governmental authorities, essentially with respect to our Street Furniture business. Our reputation for, and our history of, integrity are essential factors that help us to procure contracts with local governments.

Beginning in 2001, we developed ethical rules applicable to our entire business. These rules were revised in 2004 and implemented in early 2005, and have been broadly distributed throughout all companies in our Group. They have been clarified with terms and conditions of application adapted to our lines of business in order to avoid any misunderstanding as to their interpretation.

5.2. Specific risks relating to our business

Reliance on key executives
We depend to a large extent on the continued services of our key executive officers, especially Jean-Charles Decaux and Jean-François Decaux, both members of the Executive Board and each a Co-Chief Executive Officer, and Jean-Claude Decaux, the Chairman of our Supervisory Board and founder of the Group. The loss of the services of any of our key executive officers, for any reason, could have an adverse effect upon our business.

5.3. Legal risks

Risks relating to public procurement procedures
The making of contracts with local governments in France and elsewhere is subject to complex statutory and regulatory provisions.

Our public sector contracts include concessions to display advertising on public property, made in accordance with rules and conditions set by the governmental authorities involved, and contracts for street furniture, whether or not they carry advertising.

A degree of uncertainty exists as to the exact legal status of contracts for street furniture carrying advertising in certain countries. In France, they have been characterised as public procurement contracts since the publication on 4 November 2005 of two decisions by France's highest administrative court, the *Conseil d'Etat* (Council of State). Consequently, the *Code des Marchés Publics* (Public Procurement Code) applies as a general rule in France to such contracts.

The changing legal environment means that local government authorities must constantly adapt their procedures to various reforms and to developments in case law. We have developed internal rules and procedures, which are systematically applied in conducting our business.

Nevertheless, we cannot rule out the possibility that we could become involved in litigation. Our competitors have challenged the procedures for making contracts before they are signed, a tendency which seems to be occurring with increasing frequency, especially in France.

In accordance with the rules contained in the *Code général des Collectivités territoriales* (General Code of Local Governmental Authorities), public procurement contracts made by local governmental authorities are transmitted to the Office of the Prefect, the local representative of the central government (the *préfet*), for legal review.

If a public procurement contract is voided by a court decision, compensation is awarded to the counterparty, but it does not necessarily cover the total amount of the loss.

Additionally, under French law, any governmental authority that is party to a public procurement contract may terminate it at any time, in whole or in part, for reasons of general public interest, regardless of whether or not such termination right is specifically provided in the contract. The compensation to which such termination gives rise as a legal right in such case is supposed to cover the entire amount of the loss, the amount and extent of which is determined by a court.

From 1st January 2008 to 31 December 2010, 18% of our Street Furniture contracts (weighted by 2007 advertising revenues) will come up for renewal. In connection with such procedures, we could, upon signing such contracts, be placed in the position of making investments greater than those made in the past, or be required to refund a significant part of our advertising revenues to local governments. Furthermore, if we should lose contracts that are made subject to competitive bidding procedures in key cities, we could encounter difficulties attracting advertisers that are as prestigious as our present clients and in setting prices that are appropriate to our high-quality structures.

Risks related to changes in law and regulations applicable to outdoor advertising

The outdoor advertising industry is subject to significant governmental regulation at both the national and local level, particularly in Europe and the United States, relating to the density, size and location of billboards and street furniture in urban and other areas, and regulation of the content of outdoor advertising (including bans and/or restrictions in certain countries on tobacco and alcohol advertising).

In the principal markets where we do business:

- In France, the Environment Code (Law n° 79-1150, dated 29 December 1979) sets forth the general rules applicable to advertising, to signs and indications visible from any thoroughfare open to the public. The law authorizes this type of advertising in urban areas subject to compliance with certain conditions and prohibits advertising in rural areas, natural parks and on buildings designated as historic landmarks or monuments, or listed on an additional registry of historical monuments, in the absence of prior approval from local governmental authorities. Illuminated advertising is subject to specific regulation regarding size and may not be installed until after local governmental approval, on a case-by-case basis. A system of prior approval applies to advertising and signs under a provision of Decree n° 96-946 dated 24 October 1996.
- In the United States, each state and each municipality has its own laws and regulations. Governmental authorities have discretion to add new restrictions (such as the obligation to provide additional information or obtain prior approval), or impose new regulatory requirements relating to the content of advertising or the location of structures in connection with regulation of public health and safety.
- In the United Kingdom, outdoor advertising is subject to regulation under the Town and Country Planning (Control of Advertisements) Regulations of 2007. Similar to French regulations, these rules permit large-format billboard advertising subject to compliance with certain conditions relating to size, location, content and illumination. However, installations that have already been in place ten years are deemed to have tacit approval. As a general matter, installation of most advertising panels requires the express prior approval of the local planning and zoning authorities. The principal conditions to be met by advertisers relate to public safety and harmonisation with local surroundings.
- In China, at the national level, the Advertising Law of the People's Republic of China of 1994 prohibits billboards in certain places, such as historical landmarks. In addition, installation of billboards and advertising displays is subject to issuance of a certificate from the State Administration for Industry and Commerce defining the conditions of the advertisement, its form, and the length of time it can remain posted. At the local level, each city has specific rules with which to comply in addition to national law. In Beijing, for example, under the Registration Regulation of Outdoor Advertisement dated 15 November 1998, the term of advertising authorisations may not exceed 2 years, renewable on governmental authorisation. Likewise, in Shanghai, the term of advertising authorisations may not exceed 3 years, renewable on governmental authorisation, in accordance with the Display and Supervision Rules On Outdoor Advertisement, dated 1st April 2005. In Hong Kong, installation of structures and advertising displays is subject to governmental approval.

- In Spain, it is illegal to put advertising displays on any location close to government property, including within eight metres from either side of motorways and high-speed roads and three metres from either side of secondary roads. Non-compliance with these standards is subject to a fine of €6,000 to €150,000, for which the owner of the structures and the media company are jointly liable. Except for these prohibitions, advertising is permitted in urban areas (in town and on any land characterised as urban by zoning plan). The size of advertising structures is regulated by municipal ordinances that relate only to support structures (as opposed to mural displays).

To our knowledge, there is no proposed legislation that would have the effect of significantly limiting our ability to display advertising in the principal countries where we do business. Local law and regulations, however, are moving in the direction of reducing the total number of advertising spaces, and local authorities are becoming stricter in applying existing law and regulations. A portion of our advertising media, especially in the area of Billboard, may thus have to be withdrawn or repositioned at some point, both in France and elsewhere.

Risks related to changes in regulations applicable to other media

The application in France of the EU Directive on "Cross-Border Television" (*Télévision sans Frontières*) broadcasts, dated 3 October 1989, involves a progressive opening of all media to all industries. In France, the Decree dated 7 October 2003 provides for gradual access for large retailers to television advertising, and all televised media (local channels, cable, satellite and broadcast channels) became open to large retailer advertising from 1st January 2007. Such access has had an adverse impact on outdoor advertising as from 2007.

Risks related to law and regulations applicable to tobacco advertising

Anti-tobacco campaigns have become a major priority in the European Union, and European countries have taken steps to harmonise the legislation against advertising tobacco products, especially in light of EU Directive 89/552 EEC, as amended by Directive 97/36/EC on Cross-Border Television, which harmonises legislation in this area.

In particular, outdoor advertising of tobacco products is prohibited in France, the United Kingdom, Spain, Italy, Finland, Portugal, the Netherlands, Ireland, Denmark, Belgium, Austria, Norway, Australia, Iceland, and Sweden, with minor exceptions in Sweden. Tobacco products advertising is permitted, subject to restrictions, in Germany.

- In Spain, since 27 December 2005, tobacco advertising is a violation punishable by a fine from €10,000 to €600,000, applicable jointly to the advertising agency, the advertiser and the owner of the advertising space. It can also involve measures such as temporary suspension of a company's business operations or temporary closure of its facilities.
- In China, outdoor advertising of tobacco is subject to the Advertising Law of the People's Republic of China dated 27 October 1994, which requires prior approval from local or provincial authorities and the inclusion of a warning that "smoking is dangerous to health". In Hong Kong, tobacco advertising is prohibited, except where specifically provided in the Ordinance (Public Health) on Tobacco.
- In the United States, under and pursuant to the Master Settlement Agreement, dated 23 November 1998 among the major manufacturers of tobacco products and 46 States (including New York, Illinois, and California) outdoor advertising for tobacco products is prohibited, and anti-tobacco advertising campaigns must be developed. Each state, moreover, has its own laws, and the general trend is to restrict advertising near schools and playgrounds and even in public spaces, such as airports.

In 2007, tobacco advertising accounted for 0.6% of our consolidated revenues, compared to 0.9% in 2006.

Risks related to regulations applicable to alcoholic beverage advertising

The European Directive dated 30 June 1997 regulates advertising of alcoholic beverages. Laws and regulations in this area vary considerably from country to country, from complete prohibition of advertising to permission only at points of sale. Most countries, however, have adopted laws that restrict the content, presentation and/or timing of such advertising.

- Alcoholic beverage advertising is strictly regulated in France, for example, by the "Evin" law of 10 January 1991. Alcoholic beverage advertising must contain a health warning stating that abuse of alcohol is dangerous to health.
- In Spain, such advertising is subject to regulation at the local level (it is prohibited, in particular, in Valladolid, Salamanca, and Burgos) and at the regional level. A law, adopted on 27 June 2005 by the city of Madrid, for example, limits alcohol advertising. An agreement signed on 8 April 2005 between the city of Madrid and Autocontrol, the outdoor advertising representative, interprets this law as prohibiting advertising on public property, but allows it on private property, subject, however, to certain restrictions, including restrictions on display size.
- In the United States, certain municipalities prohibit advertising of alcoholic beverages near schools and churches; other towns prohibit it completely. Moreover, makers of alcoholic beverages attempt to avoid having such advertising reach persons who are under the legal drinking age.
- In the United Kingdom, such advertising is not prohibited, but the industry applies self-regulatory mechanisms and thus prohibits promotion of alcoholic beverages near schools, hospitals or workplaces.

- In China, advertising of alcoholic beverages is subject to regulation under the Regulatory Rules on Alcoholic Beverage Advertising, dated 17 November 1995. These rules require obtaining a certificate issued by the "Inspection by the Food Quality Inspection Organ" for alcohol made in China and obtaining a Health Certificate from the "Supervision and Control over Import Foods" for imported alcoholic products. Advertising of wine must comply with health regulations requiring that terms analogous to medical or health care terms not be used. In Hong Kong, there are no laws prohibiting advertising of alcoholic beverages. Advertising campaigns for alcoholic beverages on radio and television, however, are subject to codes of good practice on advertising standards, including restrictions on manner of presentation and on the hours for advertising and the persons targeted.

Measures involving the total prohibition of this type of advertising could have a negative impact on our business.

Risks relating to regulation of competition

An element of our growth strategy involves acquisitions of additional outdoor advertising companies and properties, many of which are likely to require the prior approval of national and/or European competition authorities.

The European Commission or national competition authorities could prevent us from making certain acquisitions or impose conditions limiting such acquisitions.

In connection with our business, we bring actions and other proceedings with national competition authorities, or are the subject of actions and proceedings brought by our competitors.

Risks related to the environment

Since we were formed, we have been actively involved, together with local governments, transportation companies, airport authorities, advertisers, and advertising and media agencies in improving the urban environment. As a result, we have developed a complete programme of actions intended to protect the environment: reduction of energy, water and raw materials consumption, use of renewable energy sources, recycling of posters, and renovation of structures. At the same time, we make our capacity for innovation available to local governments, as demonstrated by the development of the Cyclocity system (a system unique in the world for renting bicycles on a self-service basis, 24 hours a day and seven days a week) or the design of structures to collect waste.

An internal environmental audit conducted in 2002 confirmed that our business activities do not involve a serious risk of pollution, but that our management of potential environmental risks could be improved. We have created a Quality Control and Sustainable Development Department that, working with the Technical Departments of our subsidiaries, is responsible for applying new standards and legal requirements in the area of environmental regulation and ensuring that each subsidiary develops and implements, in accordance with our sustainable development strategy, an action plan for reducing its impact on the environment.

Our goal is to meet the highest international standards of environmental protection. Our subsidiaries in France, Spain, Norway, the United Kingdom, Portugal, and Italy have received ISO 14001 certification. This standard was also implemented in our Industrial Department, which obtained ISO 14001 certification in February 2007.

A risk of accidental pollution cannot be ruled out, however, even though our operations do not expose us to a significant degree of risk.

Litigation

We are regularly involved in legal proceedings within the normal course of our business activities. Our business activities with local governmental authorities, in France and elsewhere, can, however, lead to greater vulnerability to legal proceedings.

- The cyclical character of our street furniture installations in France and elsewhere, which makes long-term planning difficult, is largely unavoidable, because of postponements in the signing of agreements, premature terminations at the initiative of local governmental authorities, and our success rates in our responses to bid solicitations. As a result, we are defending ourselves in an action with a supplier asserting a claim for not having maintained a previous level of orders, despite fluctuations in the rate of orders for installations previously completed.
- As a result of a tax audit conducted on our Companies, a tax risk has been reflected for JCDecaux SA. The total amount of the estimated risk has been provisioned on the basis of the information available to us as of 31 December 2007.
- In Thailand, a competitor has brought an action against JCDecaux Thailand for violation of a licence and infringement of a model. The Supreme Court of Thailand held in November 2007 that it lacked jurisdiction over the action for violation of the license. A ruling on the infringement claim is expected in late 2008.
- In Brazil, the Public Ministry for Rio de Janeiro has sought cancellation of a concession agreement with Marketing Brasil Communicaçoes Ltda for improprieties in the award process. JCDecaux do Brasil, having acquired the concession agreement from Marketing Brasil Communicaçoes Ltda, has been impleaded by that company in its litigation with the Public Ministry.
- In the United States, a company is seeking damages from JCDecaux Airport Inc in respect of a consulting agreement made in 1999 relating to the Los Angeles Airport. An internal review is underway to assess the importance of the claim and the level of risk.
- In the United States, JCDecaux Airport Inc. is involved in an investigation relating to the way in which the Disadvantaged Business Act should apply to certain of its agreements.

- In addition, JCDecaux SA, JCDecaux Mobilier Urbain, SEMUP, JCD Belgium, and Mobiliario Urbano are parties to a certain number of administrative proceedings brought by them against local governmental authorities in connection with termination of contracts, awards of competitive bids to competitors, or liability for or the amount of taxes relating to advertising structures.

The amount of the reserves established for each of these cases is the result of an analysis, conducted under the supervision of our Legal Department, of the basis for the claims and possible defences against them, the applicable case law, and the status of the proceedings. The amount of the reserves is not stated on a case-by-case basis, as indicating them might be seriously prejudicial to us.

To the best of our knowledge, there are no court, arbitration or administrative proceedings that have recently been commenced, or are threatened, that could have a material effect on the financial condition or profitability of our Group.

Insurance

- *Organisation*

Given the similarity of our operations in various countries, our strategy is to cover essential risks centrally under worldwide insurance policies obtained by JCDecaux SA from major insurers with international operations. We thus obtain coverage for risks of damage to property and operating losses, as well as for civil liability risks and directors' and officers' insurance.

This strategy enables us both to obtain a significant level of coverage on the basis of worldwide premium rates, but also to ensure that the degree of coverage applicable to our companies, both in France and elsewhere, is consistent with the potential risks that have been identified and with our Group strategy for risk coverage.

Our principal insurance policies were renewed on 1 July 2006 for a period of three years.

We may also obtain local and/or specific coverage to comply with locally applicable law and regulations, or to meet specific requirements. Purely local risks, such as vehicle insurance, are covered separately in each country under its responsibility. Since 1st January 2007, however, France, Spain, and the U.K. have been covered under a single international vehicle insurance program.

For essential risks, our worldwide coverage applies where there are differences or gaps in the terms and conditions or limits of coverage under local policies.

In addition, to obtain the most value for our insurance investment and have full control of risks, we self-insure low-level or mid-range risks, essentially through Business Interruption/Damage and Civil Liability policies.

- *Strategy*

Our insurance management strategy is to identify major catastrophic risks by analysing the consequences of which would be most important for third parties, for our employees and for our Group.

All material risks are covered under a Group insurance program, with self-insurance (deductibles) provided only in respect of frequent risks. The aggregate amount of premiums paid in 2007 was €2,362,000.

As a matter of policy we do not with insurers unless they have the highest rating.

All of these insurance programmes include levels of deductibles which ensure that only non-recurring risks are covered, and levels of coverage that, in light both of our past risk history, in particular the severe storms of 1999 in Europe, and the study undertaken of our essential industrial facilities, have the objective of insuring major risks that are exceptional in character.

- *Implementation – principal Group policies*

Since July 2006, our principal coverage under Group policies, obtained for 3 years, is as follows:

  - Civil liability

We self-insure risks in a unit amount of €3,000 in general, which may go up to €10,000 for certain countries that have a high level of recurring risks.

Above these levels of self-insurance, we put in place three successive levels of coverage the amounts of which have been determined after analysis of risk factors specific to our business and their possible consequences. These three levels cover all our subsidiaries around the world.

The basic deductible of these group policies is €1 million; below that level, specific policies have been obtained in each country.

In 2007, we had no major claims.

  - Property damage – Business interruption

A single insurance program implemented for principal European countries (a "free servicing agreement") was continued in 2007 (in particular for France, the United Kingdom, Germany, Spain, Portugal, and Belgium). Our other main subsidiaries are covered under a worldwide programme that provides reinsurance of local policies (particularly in Denmark, the United States, Hong Kong, Finland, Thailand, Singapore and Sweden).

The smallest foreign subsidiaries are insured locally, and our Group policy provides coverage in cases of losses under different conditions and/or limits.

Advertising structures are covered up to €15 million per event.

Operating facilities, especially facilities where posters are prepared, are insured up to €100 million per event. Coverage limitations include business interruption losses as a result of a covered event.

An absolute deductible of €50,000 applies to each claim. This deductible was reduced to €15,000 for the smallest subsidiaries.

In terms of disruption of operations, the deductible is three days.

In 2007, there were no major claims or losses. Policies obtained are typical for the market. They include specific endorsements for certain events, consistent with the market.

The strategy described above is provided as an illustration of a situation over a given period and should not be considered as representative of a permanent situation.

Our insurance strategy may change at any time, depending on the occurrence of insurable events, the appearance of new risks, or market conditions.

No assurance can be given that we will not be subject to an uninsured loss.

5.4. Market risks

Market risks are discussed in the Notes to the Consolidated Financial Statements (pages 99, 100 and 101 of this Annual Report).

6. PRINCIPAL SUBSIDIARIES AND AFFILIATES

A simplified organisation chart of companies owned by JCDecaux SA as of 31 December 2007 appears on page 184. A list of companies controlled by JCDecaux SA is set forth in the Notes to the Consolidated Accounts, appearing on page 107. None of these companies owns any equity interest in JCDecaux SA.

We are not aware of minority interests that pose, or could pose, a risk to our Group's structure.

We have subsidiaries in 54 countries: these subsidiaries conduct most of their operations locally (including sales to advertisers and local operating expenses). Thus, there exists little in the way of operating expenses and income that flows between and among the various countries where we do business. Our principal subsidiaries are located in France (28.0% of our revenues in 2007), the United Kingdom (14.3% of revenues in 2007), and the rest of Europe (36.0% of revenues in 2007). The financial information by principal groups of subsidiaries is set forth in the Notes to the Consolidated Financial Statements on page 103 of this Annual Report (segment information).

JCDecaux SA provides its French and non-French subsidiaries with support in the areas of finance and control, legal affairs and insurance services, management and administration. Such services are billed to the subsidiaries in proportion to the gross margin of revenues that they represent, when they involve general assistance, and based on key factors of the type of service actually rendered to such subsidiaries when they involve pooling of resources. In 2007, JCDecaux SA thus billed €28.2 million to its subsidiaries.

In addition, JCDecaux SA invoices the use by its subsidiaries of intellectual property rights belonging to it. The amount billed in this respect in 2007 was €16.8 million.

JCDecaux SA, in addition to its role as a parent company, also has its own business operations in France (sale of advertising space on Street Furniture, non-advertising services to clients (local governments), sale of street furniture to our subsidiaries and technical and administrative services provided to all of our French companies).

7. RELATIONSHIP WITH JCDECAUX HOLDING

JCDecaux Holding provides JCDecaux SA with services in the areas of conception and implementation of strategic plans, alliances, financing and organisation under an Agreement dated 21 January 2000.

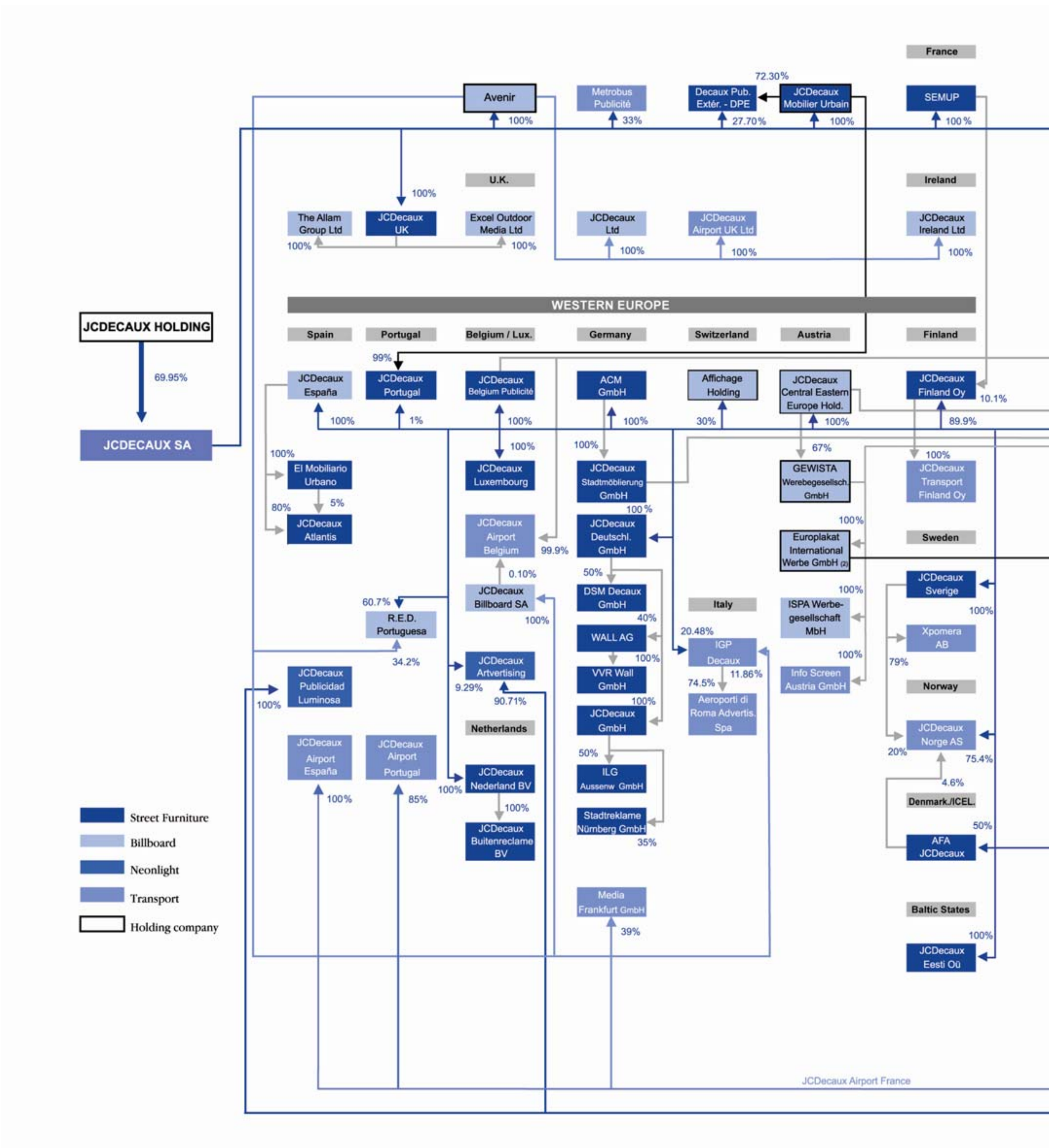
In 2007, JCDecaux Holding billed JCDecaux SA €762,245 under this agreement. This amount has not changed since 2000 and is not indexed.

8. PUBLICLY AVAILABLE DOCUMENTS

During the entire time this Annual Report, or, in French, *"Document de Référence"*, is outstanding, the following documents may be consulted at our registered office electronically:

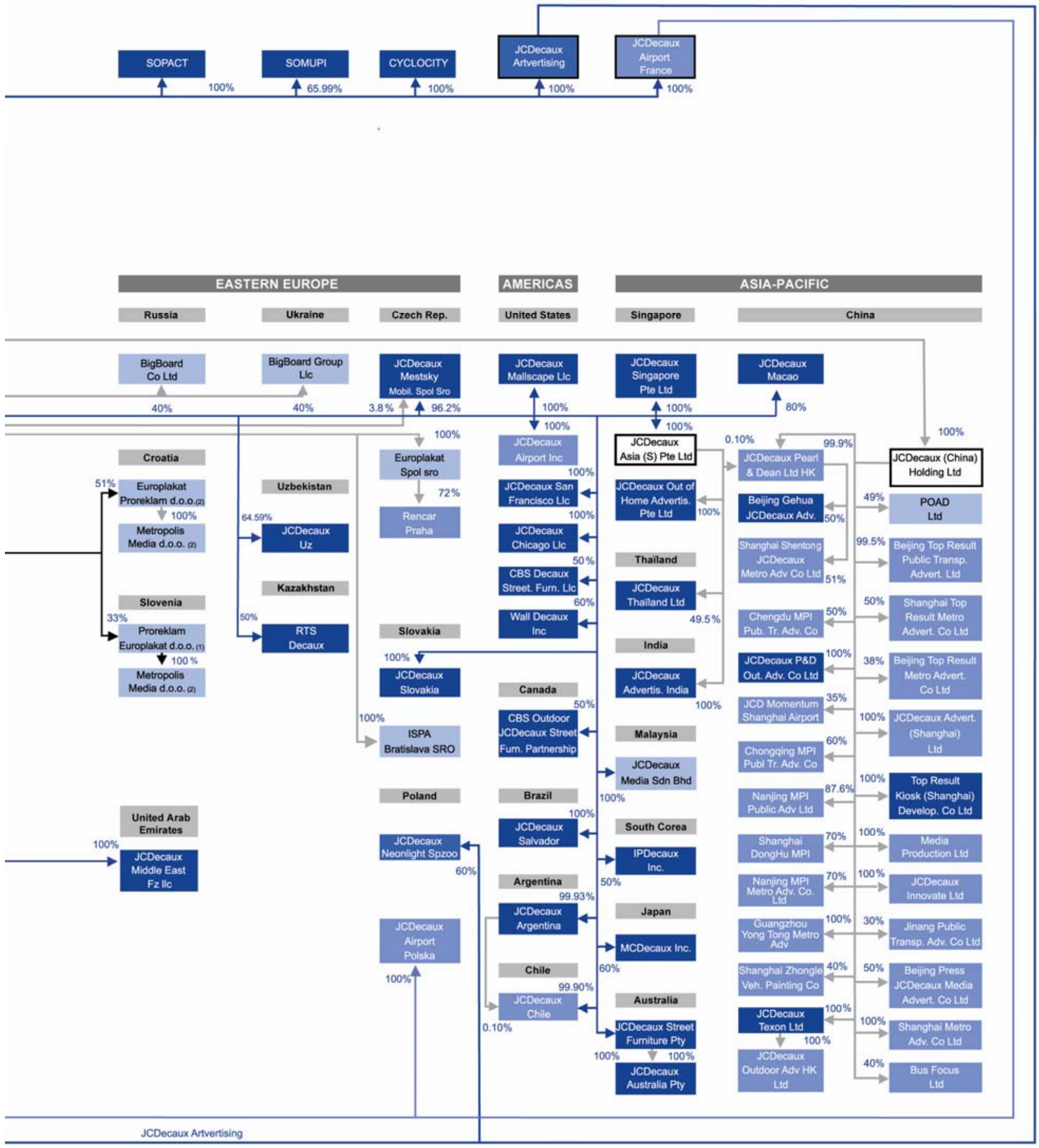
- our Articles of Association;
- all reports, letters, evaluations, statements prepared by an expert at our request which are included, in whole or in part, in this Annual Report;
- historical financial information of JCDecaux SA and its subsidiaries for the last three fiscal years;
- as well as the "Document d'Information Annuel".

9. SIMPLIFIED WORLDWIDE ORGANISATION CHART AS OF 31 DECEMBER 2007



(1) *For ease of reference, this simplified organizational chart does not feature all of the consolidated companies in our Group, a complete list of which is included in the notes to the consolidated financial statements.*

(2) *The restructuring of the assets of Europlakat International was underway at 1st July 2007, but remained subject to the pending approval of local competition authorities, as well as to local legal formalities, at 31 December 2007, in particular with respect to subsidiaries in the following countries: Bulgaria, Serbia, Hungary and Bosnia (including the following formerly consolidated subsidiaries: Europlakat Kft., Avenir Budapest Kft., JCDecaux Neonlight Budapest Kft, Europlakat YU, Alma Quattro doo, International Metropolis doo, Air Media doo, Europlakat Sarajevo doo, Europlakat Banja Luka doo and Peron Reklam Kft).*



SOPACT
SOMUPI
CYCLOCITY
JCDecaux Artvertising
JCDecaux Airport France
EASTERN EUROPE
AMERICAS
ASIA-PACIFIC
Russia
Ukraine
Czech Rep.
United States
Singapore
China
BigBoard Co Ltd
BigBoard Group Llc
JCDecaux Mestsky Mobil. Spol Sro
JCDecaux Mallscape Llc
JCDecaux Singapore Pte Ltd
JCDecaux Macao
Europlakat Spol sro
Rencar Praha
JCDecaux Airport Inc
JCDecaux San Francisco Llc
JCDecaux Chicago Llc
CBS Decaux Street. Furn. Llc
Wall Decaux Inc
JCDecaux Asia (S) Pte Ltd
JCDecaux Out of Home Advertis. Pte Ltd
JCDecaux Pearl & Dean Ltd HK
JCDecaux (China) Holding Ltd
Croatia
Europlakat Proreklam d.o.o.(2)
Metropolis Media d.o.o. (2)
Uzbekistan
JCDecaux Uz
Kazakhstan
RTS Decaux
Slovenia
Proreklam Europlakat d.o.o. (1)
Metropolis Media d.o.o. (2)
Slovakia
JCDecaux Slovakia
ISPA Bratislava SRO
Canada
CBS Outdoor JCDecaux Street Furn. Partnership
Thailand
JCDecaux Thailand Ltd
India
JCDecaux Advertis. India
Malaysia
JCDecaux Media Sdn Bhd
Beijing Gehua JCDecaux Adv.
POAD Ltd
Shanghai Shentong JCDecaux Metro Adv Co Ltd
Beijing Top Result Public Transp. Advert. Ltd
Chengdu MPI Pub. Tr. Adv. Co
Shanghai Top Result Metro Advert. Co Ltd
JCDecaux P&D Out. Adv. Co Ltd
Beijing Top Result Metro Advert. Co Ltd
JCD Momentum Shanghai Airport
JCDecaux Advert. (Shanghai) Ltd
Chongqing MPI Publ Tr. Adv. Co
Top Result Kiosk (Shanghai) Develop. Co Ltd
Nanjing MPI Public Adv Ltd
Shanghai DongHu MPI
Media Production Ltd
Nanjing MPI Metro Adv. Co. Ltd
JCDecaux Innovate Ltd
Guangzhou Yong Tong Metro Adv
Jinang Public Transp. Adv. Co Ltd
Shanghai Zhongle Veh. Painting Co
Beijing Press JCDecaux Media Advert. Co Ltd
JCDecaux Texon Ltd
Shanghai Metro Adv. Co Ltd
JCDecaux Outdoor Adv HK Ltd
Bus Focus Ltd
United Arab Emirates
JCDecaux Middle East Fz llc
Poland
JCDecaux Neonlight Spzoo
JCDecaux Airport Polska
Brazil
JCDecaux Salvador
Argentina
JCDecaux Argentina
Chile
JCDecaux Chile
South Corea
IPDecaux Inc.
Japan
MCDecaux Inc.
Australia
JCDecaux Street Furniture Pty
JCDecaux Australia Pty
JCDecaux Artvertising

COMBINED ANNUAL GENERAL MEETING OF SHAREHOLDERS – 14 MAY 2008

AGENDA

I. ORDINARY SESSION

1) Approval of 2007 corporate financial statements.

2) Approval of 2007 consolidated financial statements.

3) Allocation of income.

4) Expenses and charges described in Article 39-4 of the French General Tax Code.

5) Agreements with related parties (“Regulated agreements”).

6) Authority to the Executive Board to conduct transactions in the shares of the Company.

7) Increase in the amount of directors’ fees.

II. EXTRAORDINARY SESSION

8) Delegation of authority to the Executive Board to reduce the share capital by cancelling shares held in the Treasury.

9) Authority with respect to formalities.

SUMMARY OF PROPOSED RESOLUTIONS

1. ORDINARY SESSION

The *1st and 2nd Resolutions* relate to the approval of the corporate and consolidated financial statements for the fiscal year ended 31 December 2007 and to the release of the Members of the Executive Board and the Supervisory Board in respect of the performance of their responsibilities.

The *3rd Resolution* relates to allocation of the net income from the fiscal year ended of €67,151,154.42 and to other provisions amounting to €684,713,503.88. It is proposed to declare and pay a dividend of €0.44 per share and to allocate €1,628.34 to the legal reserve.

The *4th Resolution* takes note of the amount of expenses and charges under Article 39-4 of the French General Tax Code.

The *5th Resolution* relates to approval of an agreement with a related party ("*convention réglementée*"); which was previously authorised by the Supervisory Board during fiscal year 2007 (forgiveness of a claim against IPDecaux).

The *6th Resolution* authorises the Executive Board to repurchase our Company's shares for a period of eighteen months, on the following terms and conditions:

- the number of shares that the Company purchases during the term of this authorisation may not exceed 10% of the shares constituting our Company's share capital at any time, and the number of shares acquired with a view to retention and future delivery in connection with a merger, spin-off, split-up, or contribution may not exceed 5% of our Company's share capital;
- a maximum price per share of €30.

The *7th Resolution* relates to an increase in the aggregate amount of directors' fees, which, from and after fiscal year 2008, would be €180,000.

2. EXTRAORDINARY SESSION

The *8th Resolution* authorises the Executive Board to reduce the share capital by cancelling shares that are held in our Treasury, up to a limit of 10% of the share capital, during a period of twenty-four months following their acquisition. This authority would be valid for a period of 18 months.

The *9th Resolution* grants any and all authority to undertake and perform any and all required formalities.

PROPOSED RESOLUTIONS

I. ORDINARY SESSION

FIRST RESOLUTION

(Approval of the corporate financial statements for 2007)

The Shareholders, after reviewing the reports of the Executive Board, the Supervisory Board, and the Statutory Auditors, hereby resolve to approve such reports in their entirety, together with the corporate financial statements for the fiscal year ended 31 December 2007, as presented, such financial statements showing net income of €67,151,154.42.

Accordingly, they resolve to approve the transactions reflected in such financial statements and summarised in such reports and to grant a discharge to the members of the Executive Board and the Supervisory Board in connection with the performance of their respective offices during such period.

SECOND RESOLUTION

(Approval of the consolidated financial statements for 2007)

The Shareholders, after reviewing the reports of the Executive Board, the Supervisory Board, and of the Statutory Auditors, hereby resolve to approve such reports in their entirety, together with the consolidated financial statements for the fiscal year ended 31 December 2007, as presented.

Accordingly, they resolve to approve the transactions reflected in such financial statements and summarised in such reports.

THIRD RESOLUTION

(Allocation of income)

The Shareholders, after reviewing the report of the Executive Board and the comments of the Supervisory Board, and finding that:

▪ net income for the fiscal year ended 31 December 2007 was:	€67,151,154.42
▪ other provisions amount to:	€684,713,503.88

Hereby resolve:

▪ to allocate to the legal reserve out of net income for the fiscal year the amount of:	€1,628.34
▪ to declare and pay a dividend of:	€98,147,186.72

Accordingly, there shall be paid, with respect to each of the 223,061,788 shares constituting the share capital, a dividend of €0.44. Such dividend shall be payable on 9 June 2008.

After such allocation of net income, other provisions will amount to €653,715,843.24, and the legal reserve will amount to €340,055.75.

As provided in Article 243 *bis* of the French General Tax Code and with respect to dividends subject thereto, unless a different option exists for the lump-sum charge provided in Article 117 *quater* of such Code, the persons eligible therefor shall be entitled to receive a deduction of 40% (Art 158, 3-2° of the French General Tax Code).

If, at the time this dividend is paid, the Company should hold any of its own shares, the amount of distributable income corresponding to the dividend not paid on account of holding such shares shall be credited to retained earnings.

For the record, the following amounts have been declared and paid as dividends in respect of the three previous fiscal years:

2004: None

2005: a dividend of €0.40 per share, eligible for a deduction of 40%

2006: a dividend of €0.42 per share, eligible for a deduction of 40%.

FOURTH RESOLUTION

(Expenses not deductible for tax purposes under Article 39-4 of the French General Tax Code)

As required under Article 223 *quater* of the French General Tax Code, the Shareholders hereby take note of the fact that the expenses and charges not deductible for tax purposes and described in Article 39-4 of such Code during the fiscal year 2007 amounted to €43,903.17 and generated a tax expense estimated at €15,116.

FIFTH RESOLUTION

(Agreement with related party)

The Shareholders, after reviewing the Special Report of the Statutory Auditors on the execution and performance during fiscal year 2007 of agreements subject to Article L. 225-86 of the French Commercial Code hereby take note of the conclusions of such report relating, among other things, to the following agreement:

• Forgiveness of a claim against IPDecaux (South Korea) in a maximum amount of KRW 2,628 million (or approximately €2.1 million), subject to a clause providing for repayment, in the event of improved circumstances.

The Shareholders resolved to approve the above-described agreement.

SIXTH RESOLUTION

(Authority to the Executive Board to conduct transactions in the Company's shares)

The Shareholders, acting pursuant to the quorum and majority requirements applicable to Ordinary Meetings of Shareholders, and after reviewing the Report of the Executive Board:

• hereby resolve to authorise the Executive Board, with the right to sub-delegate authority as provided in Article L. 225-209 *et seq.* of the French Commercial Code, to repurchase, or cause to be repurchased, shares of the Company for the following purposes:

- implementing any stock option plan of the Company under Article L. 225-177 *et seq.* of the French Commercial Code; or
- the grant or sale of shares to employees in respect of their contribution to the results of the Company's growth and the implementation of any employee savings plan on the terms and conditions provided by law, including, but not limited to, Article L. 443-1 *et seq.* of the French Labour Code; or
- the grant of free shares under Article L. 225-197-1 *et seq.* of the French Commercial Code; or
- the delivery of shares upon exercise of rights attached to securities carrying the right to acquire shares through redemption, conversion, exchange, presentation of a coupon, or otherwise; or
- cancellation of all or part of the equity securities so acquired, subject to the adoption by the Extraordinary Session of the General Meeting of Shareholders of the eighth resolution set forth hereafter and on the terms and conditions set forth therein; or
- delivery of shares in connection with an exchange, payment, or otherwise in respect of acquisition, merger, split-up or spin-off, or contribution transactions; or
- encouraging active trading or liquidity in JCDecaux SA shares by an investment services provider in connection with a liquidity agreement in accordance with the professional code adopted by the *Autorité des marchés financiers*; or
- the making of purchase, sale, or transfer transactions by any means by an investment services provider, especially in connection with off-floor transactions.

This authority shall also allow the Company to act for any other authorised purpose, or that may be authorised by applicable laws and regulations. In such case, the Company shall inform the Shareholders through a press release.

The acquisition of shares of the Company may involve a number of shares, such that:

• the number of shares that the Company acquires during the term of this authorisation shall not exceed 10% of the shares constituting the Company's share capital at any time (for illustrative purposes, 223,061,788 shares as of 31 December 2007), such percentage to apply to the share capital as adjusted on the basis of transactions that may occur subsequent to this General Meeting of Shareholders, provided, however, that the number of shares acquired with a view to their retention and delivery in connection with a merger, split-up or spin-off or contribution transaction may not exceed 5% of its share capital;

• the number of shares that the Company holds at any time shall not exceed 10% of the shares constituting the Company's share capital on the relevant date.

The acquisition, sale, or transfer of the shares may be made at any time (including during a public offering) and by any means, on the market, or in private transactions between individuals, including by acquisition or sale in block trades (without limiting the portion of the repurchase programme that may be made by this means), by public tender offer, or by use of options or other forward financial instruments traded on a regulated securities exchange or in private transactions between individuals, or by delivery of shares following an issuance of securities carrying the right to acquire shares of the Company by conversion, exchange, redemption, exercise of a coupon, or otherwise, either directly or indirectly through an investment services provider.

The maximum purchase price of shares in connection with this Resolution shall be €30 per share (or the equivalent thereof in any other currency on the same date), such maximum price to apply both to acquisitions undertaken as from the date of this General Meeting of Shareholders and to future transactions undertaken under the authorisation given at any previous General Meeting of Shareholders and providing for acquisition of shares subsequently to the date of this General Meeting of Shareholders.

Accordingly, for illustrative purposes, the maximum amount that the Company may pay to acquire its shares shall be €669,185,340, corresponding to a maximum price per share of €30 and to a maximum of 22,306,178 shares (subject to adjustments).

This authorisation shall replace and supersede from and after the date hereof any unused portion of any prior delegation of authority to the Executive Board to conduct transactions in the Company's shares.

This authorisation shall be granted for a period of eighteen months from the date hereof.

The Shareholders hereby delegate full authority to the Executive Board, in the event of a change in the nominal value of the shares, of a capital increase through capitalisation of reserves, grants of free shares, stock splits or amalgamations, distribution of reserves or any other assets, amortisation of the share capital, or any other transaction involving the Company's shareholders' equity, the power to adjust the price set forth above to reflect the impact of such transactions on the value of the shares.

The Shareholders hereby grant any and all authority to the Executive Board, with power to sub-delegate under applicable legal terms and conditions, to implement this authority, to specify the terms and conditions hereof, if necessary, and to determine on the terms and conditions thereof to complete the repurchase programme, including, but not limited to, for placing any order on a market, entering into any agreement, with a view to maintaining records of sales and purchases of sales, making any filings or filing any statements with the *Autorité des marchés financiers* and any other authority or agency that may be substituted therefor, meeting or fulfilling any other formality and, as a general matter, do whatever may be necessary.

SEVENTH RESOLUTION

(Increase in the amount of directors' fees)

The Shareholders, after reviewing the Report of the Executive Board, hereby resolve to fix the aggregate amount of directors' fees at €180,000 from and after fiscal year 2008, with the Supervisory Board to be responsible for deciding on the distribution and payment thereof among its Members.

II. EXTRAORDINARY SESSION

EIGHTH RESOLUTION

(Delegation of authority to the Executive Board to reduce the share capital by cancellation of shares held in the Treasury)

The Shareholders, acting pursuant to the quorum and majority requirements applicable to extraordinary general meetings of shareholders and after reviewing the report of the Executive Board and the Special Report of the Statutory Auditors, hereby resolve to authorise the Executive Board to decrease the share capital on one or more occasions, in the proportions and at the times it may decide, by cancelling any number of shares held in the treasury that it may decide within the limits permitted by law and as provided in Articles L. 225-209 *et seq.* of the French Commercial Code.

The maximum number of shares that may be cancelled by the Company pursuant to this authorisation during a period of twenty-four months shall be ten percent (10%) of the Company's issued and outstanding shares, it being understood that this limit shall apply to an amount of the Company's share capital that shall be adjusted to take into consideration transactions affecting the share capital that are subsequent to this General Meeting of Shareholders.

This authorisation shall replace and supersede, as from the date hereof and in the amount, if any, of the unused portion thereof, any previous delegation of authority to the Executive Board for the purpose of reducing the share capital by cancellation of treasury shares.

The authority granted hereby shall remain in effect for a period of eighteen months from the date hereof.

The Shareholders hereby resolve to grant to the Executive Board any and all authority, with power of delegation, to complete such transactions cancelling or decreasing the share capital that may be made under this authorisation, and to amend the Articles of Association as a consequence and carry out any formalities.

NINTH RESOLUTION

(Authority with respect to formalities)

The Shareholders hereby resolve to grant any and all necessary authority to a bearer of copies or abstracts of the Minutes of this Meeting for the purpose of making any statements and completing any legal, filing, publication or other formalities.

OTHER INFORMATION

REPORT OF STATUTORY AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report issued in French language and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting matters. These assessments were made for the purpose of issuing an opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside the consolidated financial statements. The report also includes information relating to the specific verification of information in the group management report.
This report should be read in conjunction with and is construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting, we have audited the accompanying consolidated financial statements of JCDecaux S.A. for the year ended December 31, 2007.

These consolidated financial statements have been approved by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position of the group as at December 31, 2007 and the results of its operations for the year then ended, in accordance with IFRSs as adopted by the European Union.

II. JUSTIFICATION OF ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- Note 1.21 to the financial statements describes the accounting treatment for commitments to purchase minority interests, which is not specifically described in IFRS as adopted in the European Union. We have assessed that this note gives the relevant information as to the method used by the company.
- Tangibles and intangibles fixed assets and goodwill are subject to an impairment test based on the prospects of future profitability following the method described in note 1.11 to the financial statements. We have assessed the appropriateness of the methodology applied and of the data and assumptions used by the group to perform these valuations. On these bases, we have carried out the assessment of the reasonableness of these estimates.

The assessments were thus made in the context of the performance of our audit of the consolidated financial statements taken as a whole and therefore contributed to the formation of our opinion expressed in the first part of this report.

III. SPECIFIC VERIFICATION

In accordance with professional standards applicable in France, we have also verified the information given in the group's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, March 11, 2008

French original signed by
The Statutory Auditors

KPMG Audit
A division of KPMG S.A.

Frédéric Quélin
Partner

Ernst & Young et Autres

Pierre Jouanne
Partner

REPORT OF STATUTORY AUDITORS ON CORPORATE FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Following our appointment as Statutory Auditors by your shareholders' meeting, we hereby report to you, for the year ended December 31, 2007, on:

- the audit of the accompanying financial statements of JCDecaux S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities, as of December 31, 2007 and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L.823-9 of the Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

As specified in Note 1.2.1.3 to the financial statements, JCDecaux's Management carries out a valuation of equity investments based on the prospects of future profitability.

In compliance with French professional standards applicable to accounting estimates, we analyzed the data and assumptions on which these estimates are based, notably relating to the determination of the fair value of these assets to be used as a comparison with their book value. We assessed the reasonableness of these estimates.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding:

- the fair presentation and the consistency with the financial statements of the information given in the management report of the Executive Board, and in the documents addressed to the shareholders with respect to the financial position and the financial statements,
- the fair presentation of the information given in the management report of the Executive Board in respect of remunerations and benefits granted to the relevant directors and any commitments given to them in connection with, or after, their appointment, termination or change in function.

In accordance with French law, we ascertained that the information relating to the acquisition of shares and controlling interests and the identity of shareholders and holders of voting rights were given in the management report of the Executive Board.

Paris La Défense and Neuilly-sur-Seine, March 11, 2008

French original signed by
The Statutory Auditors

KPMG Audit	Ernst & Young et Autres
A division of KPMG S.A.	
Frédéric Quélin	Pierre Jouanne
Partner	Partner

SPECIAL REPORT OF STATUTORY AUDITORS ON AGREEMENTS AND THE COMMITMENTS WITH RELATED PARTIES (“*CONVENTIONS RÉGLEMENTÉES*”)

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby present to you our report on the regulated agreements and commitments.

AGREEMENTS AND COMMITMENTS ENTERED INTO BY THE COMPANY IN 2007

In accordance with article L.225-88 of the Commercial Code we have been advised of agreements and commitments which have been previously authorised by your Supervisory Board.

We are not required to ascertain whether any other agreements or commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements and commitments of which we were notified. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of article R.225-58 of the Commercial Code, to evaluate the benefits arising from these agreements and commitments prior to their approval.

We conducted our work in accordance with professional standards applicable in France; those standards require that we perform the procedures deemed necessary so as to verify that the information provided to us is in agreement with the underlying documentation from which it was extracted.

With IPDecaux Inc

Nature and purpose
Your Supervisory Board meeting held on March 13, 2007, authorized the forgiveness of a debt, including a clause of return to profit, in favor of its subsidiary IPDecaux Inc (South Korea), in the amount of € 2.1 million.

Terms and conditions
This debt forgiveness was granted on March 25, 2007 in the amount of € 2.1 million.

CONTINUING AGREEMENTS AND COMMITMENTS WHICH WERE ENTERED INTO IN PRIOR YEARS

Moreover, in accordance with the Commercial Code, we have been informed of the following agreements and commitments, which were approved during previous years and which were applicable during the period:

With JCDecaux S.A.

Nature and purpose
Your Supervisory Board meeting held on March 15, 2005, authorized the grant to Mr. Gérard Degonse, a Member of the Executive Board, in the event of termination of his employment decided by the Company:

- of a retirement indemnity equivalent to two years of his fixed and variable salary, including indemnities provided for under French law;
- of a non-competition indemnity equivalent to one and a half year of his fixed and variable salary for an obligation of two years.

Nature and purpose
Your Supervisory Board meeting held on March 15, 2005, authorized the redefinition of the terms and conditions for calculating the pension due to Mr. Jeremy Male, a Member of the Executive Board. This pension will be equal to 15% of his total salary and bonuses.

Paris La Défense and Neuilly-sur-Seine, March 11, 2008

French original signed by
The Statutory Auditors

KPMG Audit	Ernst & Young et Autres
A division of KPMG S.A.	
Frédéric Quélin	Pierre Jouanne
Partner	Partner

REPORT ON THE REPORT PREPARED BY THE CHAIRMAN OF THE SUPERVISORY BOARD DEALING WITH INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND TREATMENT OF FINANCIAL AND ACCOUNTING INFORMATION

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of JCDecaux S.A., and in accordance with article L. 225-235 of French company law (Code de commerce), we hereby report on the report prepared by the Chairman of the Supervisory Board of your company in accordance with article L. 225-68 of French company law (Code de commerce) for the year ended December 31, 2007.

It is the Chairman's responsibility to describe in his report the preparation and organization of the Supervisory Board's work and the internal procedures implemented by the company. It is our responsibility to report to you on the information contained in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information.

We conducted our work in accordance with French professional standards. These standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report and existing documentation are based;
- obtaining an understanding of the work involved in the preparation of this information and existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Supervisory Board in accordance with Article L.225-68 of French company law (Code de commerce).

Paris La Défense and Neuilly-sur-Seine, March 11, 2008

French original signed by
The Statutory Auditors

KPMG Audit *A division of KPMG S.A.*	Ernst & Young et Autres
Frédéric Quélin Partner	Pierre Jouanne Partner

PERSON RESPONSIBLE FOR THE ANNUAL REPORT AND PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

1. PERSON RESPONSIBLE FOR THIS DOCUMENT

Mr. Jean-François Decaux
Chairman of the Executive Board of JCDecaux SA.

2. CERTIFICATE OF THE PERSON RESPONSIBLE FOR THIS DOCUMENT AND THE ANNUAL FINANCIAL REPORT

"I hereby certify, after taking every reasonable step for such purpose, that the information contained in this Annual Report is, to my knowledge, true to reality and does not omit any information required to make it not misleading.

I certify, to the best of my knowledge, that the accounts have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities and financial position and profit or loss of the Company and all the undertakings included in the consolidation, and that the management report presents a fair review of the development and performance of the business and financial position of the Company and all the undertakings included in the consolidation as well as a description of the main risks and uncertainties to which they are exposed.

I have obtained from persons legally responsible for auditing the financial statements a "*lettre de fin de travaux"* in which they state that they have conducted an audit of the information relating to the financial condition and accounting data in this Annual Report, as well as having read the entire Annual Report.

The historical financial information presented in this annual report has been the subject of the reports of the statutory auditors included on pages 194 and 195 of this annual report, as well as those incorporated by reference for the 2006 and 2005 fiscal years on, respectively, pages 207 and 208 of the 2006 Annual Report (a French-language version of which was filed with the *Autorité des Marchés Financiers* on 4 April 2007 under no. D.07-273) and pages 191 to 192 of the 2005 Annual Report (a French-language version of which was filed with the *Autorité des Marchés Financiers* on 7 April 2006 under no. D.06-218).

The statutory auditors' report on the 2005 corporate financial statements contains a comment."

April 7, 2008

Jean-François Decaux
Chairman of the Executive Board

3. PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND THE INVESTOR INFORMATION

PRINCIPAL STATUTORY AUDITORS

Ernst & Young et Autres
41, rue Ybry
92200 Neuilly-sur-Seine
represented by Mr. Pierre Jouanne,
appointed on 20 June 2000, the engagement of which, renewed by the General Meeting of Shareholders of 10 May 2006, will expire at the General Meeting of Shareholders reviewing and approving the financial statements for the fiscal year ended 31 December 2011.

KPMG SA
1, cours Valmy
92923 Paris La Défense Cedex
represented by Mr. Frédéric Quélin,
appointed on 10 May 2006, the engagement of which will expire at the General Meeting of Shareholders reviewing and approving the financial statements for the fiscal year ended 31 December 2011.

ALTERNATE STATUTORY AUDITORS

AUDITEX,
11, allée de l'Arche - Faubourg de l'Arche
92400 Courbevoie
appointed on 10 May 2006, the engagement of which will expire at the General Meeting of Shareholders reviewing and approving the financial statements for the fiscal year ended 31 December 2011.

SCP Jean-Claude ANDRE & Autres
2 bis, rue de Villiers
92300 Levallois Perret
appointed on 10 May 2006, the engagement of which will expire at the General Meeting of Shareholders reviewing and approving the financial statements for the fiscal year ended 31 December 2011.

PERSON RESPONSIBLE FOR SHAREHOLDER AND INVESTOR INFORMATION

Alexandre Hamain
Manager for Investor Relations and Financial Communications
Téléphone: +33 (0)1 30 79 43 77
Fax : +33 (0) 1 30 79 77 91

This document constitutes the English language translation of JCDecaux's 2007 *Document de référence*, which was filed with the French *Autorité des marchés financiers (AMF)* on 7 April 2008, as provided in Article 212-13 of the Rules and Regulations of the *Autorité des marchés financiers*. It may not be used to support a financial transaction unless it is completed with an operation note approved by the *Autorité des marchés financiers (AMF)*.

Only the French version of the 2007 *Document de Référence* is legally binding.

This document was designed and produced by
JCDecaux SA's Corporate Finance Department / Financial Communications
and Investor Relations

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JCDecaux

showcasing the world