



## **Altice acquires Cablevision and creates the #4 cable operator in the US market**

September 17, 2015 – Altice N.V. (Euronext: ATC, ATCB) and Cablevision Systems Corporation (NYSE: CVC) today announced that they have entered into a definitive agreement for Altice to acquire Cablevision. Under the agreement, Altice will deliver \$34.90 in cash for each Cablevision share.

The acquisition of Cablevision represents Altice's next step in the US market following the announced acquisition of Suddenlink earlier this year. Together both operators represent the 4th largest cable operation in the US market.

Cablevision is the leading operator in the New York metropolitan area (New York, New Jersey, Connecticut) which represents the most attractive US cable market characterized by affluence and population density. With a network passing more than 5 million premises Cablevision serves more than 3.1 million residential and business customers. With approximately 65% of its cable customers subscribing to triple-play services, Cablevision generates industry-leading ARPU and benefits from high customer loyalty.

Cablevision's focus on service, innovation and investment provides a strong basis for extending its market leadership and growth momentum. Its first-in-class broadband network positions Cablevision well to provide next generation services to its customers while competing effectively in the marketplace.

The acquisition also includes:

- Lightpath, the company's business services unit
- News 12 Networks "*as local as local news gets*" is the first, largest, and most-watched 24-hour local television news network in the US, delivering local news to more than 3.7 million homes in the New York tri-state area
- Newsday Media Group with *Newsday*, the Pulitzer Prize-winning newspaper distributing to over 1.8 million weeklies on Long Island, and *amNewYork*, the prominent free daily newspaper in the US with a circulation of approximately 300,000
- Cablevision Media Sales, the company's advertising sales division.



Cablevision generated \$6,525 million in revenue and \$1,858 million in AOCF<sup>1</sup> on a consolidated basis for the 12 months period ended June 30, 2015. Cablevision's cable and Lightpath businesses generated \$6,206 million and \$2,005 million in AOCF over the same period with a balanced mix between video, broadband, telephony and business services.

The acquisition of Cablevision by Altice represents an enterprise value of \$17.7 billion and values Cablevision's cable and Lightpath business at 6.1x synergy-adjusted AOCF<sup>2</sup>.

As part of Altice, Cablevision will benefit from additional international operational expertise, enhanced scale and further investment support that are at the core of the Altice business model and strategy. While operating with independent capital structures, Cablevision and Suddenlink will draw upon management from both companies creating a leading communications services and technology group in the US market with 4.6 million customers in 20 states. Both companies will benefit from this national platform and from operating efficiencies and economies of scale.

Altice's commitment to innovation, best-in-class services, long-term network investments and customer service creates significant benefits and long-term value for customers, employees and shareholders.

**Patrick Drahi, Founder and President of Altice:** "As a family business we are proud to be entrusted by the Dolan family with the ownership of Cablevision and look forward to continuing the pioneering path they have paved for us. The strategy of Altice in the large and highly strategic US market is reinforced with the acquisition of Cablevision. We will be in a stronger position, as in all other markets in which we operate, to deliver the best services, invest in the most advanced technology, and develop innovative products for the benefit of our customers."

**Dexter Goei, CEO of Altice:** "We are very excited about our acquisition of Cablevision, which has developed into a pre-eminent cable operator under the steady, long-term ownership of the Dolan Family. This acquisition, our second in the cable sector in the US, is the next step in Altice's long-term oriented strategy in the US, one of the largest and fastest growing communications markets in the world."

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<sup>1</sup> Adjusted free cash flow ("AOCF"), which is a non-GAAP financial measure, defined as operating income (loss) before depreciation and amortization (including impairments), excluding share based compensation expense and restructuring charges or credits.

<sup>2</sup> Based on estimated run-rate operating expenditures related synergies of \$900 million.



## **Transaction details**

Holders of shares representing a majority of the outstanding of voting power of Cablevision delivered written consents approving the transaction. The announced transaction is not subject to further shareholder approval.

The transaction is to be financed with \$14.5 billion of new and existing debt at Cablevision, cash on hand at Cablevision and \$3.3 billion of cash from Altice. BC Partners and CPP Investment Board have an option to participate for up to 30% of the equity of Cablevision. Altice intends to raise equity by issuing Class A shares in connection with funding its portion of the acquisition. Altice has received full financing commitments from JP Morgan, BNP Paribas and Barclays.

The announced transaction is expected to close in the first half of 2016 once applicable regulatory approvals have been obtained.

JP Morgan, BNP Paribas and Barclays acted as financial advisors to Altice. Shearman & Sterling, Covington & Burling, Mayer Brown, Ropes & Gray, De Brauw Blackstone Westbroek and Morris Nichols Arshat & Tunnell acted as legal advisors to Altice.

## **Contacts**

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## **Webcast and conference call details**

Altice will hold a webcast and conference call for investors and analysts today at 1pm CET, 7am EST.

Webcast: <http://edge.media-server.com/m/p/6e3zm4wr>

Conference call dial-in:

UK: +44 (0)20 3427 1909

USA: +1 212 444 0896



## About Altice

Founded by telecom entrepreneur, Patrick Drahi, Altice is a multinational cable, fiber, telecommunications, contents and media company with presence in three regions - Western Europe (comprising France, Belgium, Luxembourg, Portugal and Switzerland), Israel and the Overseas Territories (currently comprising the French Caribbean and the Indian Ocean regions and the Dominican Republic). We provide very high speed based services (high quality pay television, fast broadband Internet and fixed line telephony) and, in certain countries, mobile telephony services to residential and corporate customers.

**Altice (ATC & ATCB) is listed on NYSE Euronext Amsterdam.**

## Disclaimer

Matters discussed in this release may constitute or include forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “continues”, “should” and similar expressions. These forward-looking statements reflect, at the time made, the Company’s beliefs, intentions and current expectations concerning, among other things, the Company’s and Cablevision’s results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company’s and Cablevision’s markets; the impact of regulatory initiatives; and the strength of the Company’s competitors.

Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in the Company’s and Cablevision’s records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or



impossible to predict and are beyond its control. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual results of operations, financial condition and liquidity of the Company, Cablevision or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement.

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