

Altice Europe

Q4 and Full Year 2018 Results

March 28, 2019



Disclaimer

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation constitute forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things: our future financial conditions and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; and future developments in the markets in which we participate or are seeking to participate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe”, “could”, “estimate”, “expect”, “forecast”, “intend”, “may”, “plan”, “project” or “will” or, in each case, their negative, or other variations or comparable terminology. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will be achieved or accomplished. To the extent that statements in this presentation are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements including risks referred to in our annual and quarterly reports.

FINANCIAL MEASURES

This presentation contains measures and ratios (the “Non-GAAP Measures”), including Adjusted EBITDA, Capital Expenditure (“Capex”) and Operating Free Cash Flow, that are not required by, or presented in accordance with, IFRS or any other generally accepted accounting standards. We present Non-GAAP Measures because we believe that they are of interest to the investors and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The Non-GAAP Measures may not be comparable to similarly titled measures of other companies or have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our, or any of our subsidiaries’, operating results as reported under IFRS or other generally accepted accounting standards. Non-GAAP measures such as Adjusted EBITDA are not measurements of our, or any of our subsidiaries’, performance or liquidity under IFRS or any other generally accepted accounting principles, including U.S. GAAP. In particular, you should not consider Adjusted EBITDA as an alternative to (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of our, or any of our operating entities’, operating performance, (b) cash flows from operating, investing and financing activities as a measure of our, or any of our subsidiaries’, ability to meet its cash needs or (c) any other measures of performance under IFRS or other generally accepted accounting standards. In addition, these measures may also be defined and calculated differently than the corresponding or similar terms under the terms governing our existing debt.

Adjusted EBITDA is defined as operating income before depreciation and amortization, non-recurring items (capital gains, non-recurring litigation, restructuring costs) and equity based compensation expenses. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating income as the effects of depreciation, amortization and impairment, excluded from this measure do ultimately affect the operating results, which is also presented within the annual consolidated financial statements in accordance with IAS 1 - Presentation of Financial Statements.

Capital expenditure (Capex), while measured in accordance with IFRS principles, is not a term that is defined in IFRS nor is it presented separately in the financial statements. However, Altice’s management believe it is an important indicator for the Group as the profile varies greatly between activities:

- The fixed business has fixed Capex requirements that are mainly discretionary (network, platforms, general), and variable capex requirements related to the connection of new customers and the purchase of Customer Premise Equipment (TV decoder, modem, etc).
- Mobile Capex is mainly driven by investment in new mobile sites, upgrade to new mobile technology and licenses to operate; once engaged and operational, there are limited further Capex requirements.
- Other Capex: Mainly related to costs incurred in acquiring content rights.

Operating free cash flow (OpFCF) is defined as Adjusted EBITDA less Capex. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating cash flow as presented in the consolidated statement of cash flows in accordance with IAS 1 - Presentation of Financial Statements. It is simply a calculation of the two above mentioned non-GAAP measures.

Adjusted EBITDA and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA as reported by us to Adjusted EBITDA of other companies. Adjusted EBITDA as presented herein differs from the definition of “Consolidated Combined Adjusted EBITDA” for purposes of any of the indebtedness of the Altice Group. The financial information presented in this presentation including but not limited to the quarterly financial information, pro forma financial information as well as Adjusted EBITDA and OpFCF is unaudited. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of the U.S. Securities and Exchange Commission (the “SEC”) and will not be subject to review by the SEC; compliance with its requirements would require us to make changes to the presentation of this information.

Altice Europe Q4 and Full Year 2018 Summary Review

A year of execution on Altice Europe turnaround and deleveraging

1	Separation of Altice USA, simplification of Altice Europe and best management in place
2	Operational turnaround paving the way to growth
3	Enhanced investment in best-in-class infrastructure
4	Successful M&A: €8bn of infrastructure value crystalized, more than €4bn of cash proceeds ¹ while keeping some control
5	Monetisation of content investment through bundled offers, OTT and wholesale deal
6	Successful c.€5bn refinancing at Altice France extending maturity
7	All FY 2018 financial guidance achieved: €1.5bn OpFCF at Altice France, €2.3bn OpFCF at Altice Europe (ex TV)

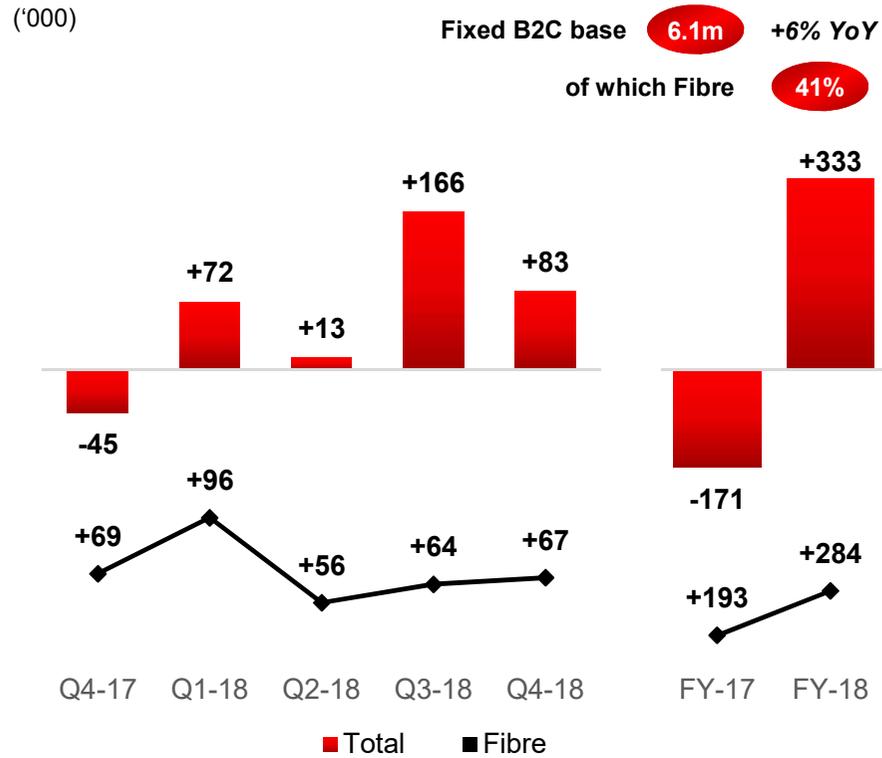
1. Pro forma for SFR FTTH disposal

SFR Strong Commercial Performance

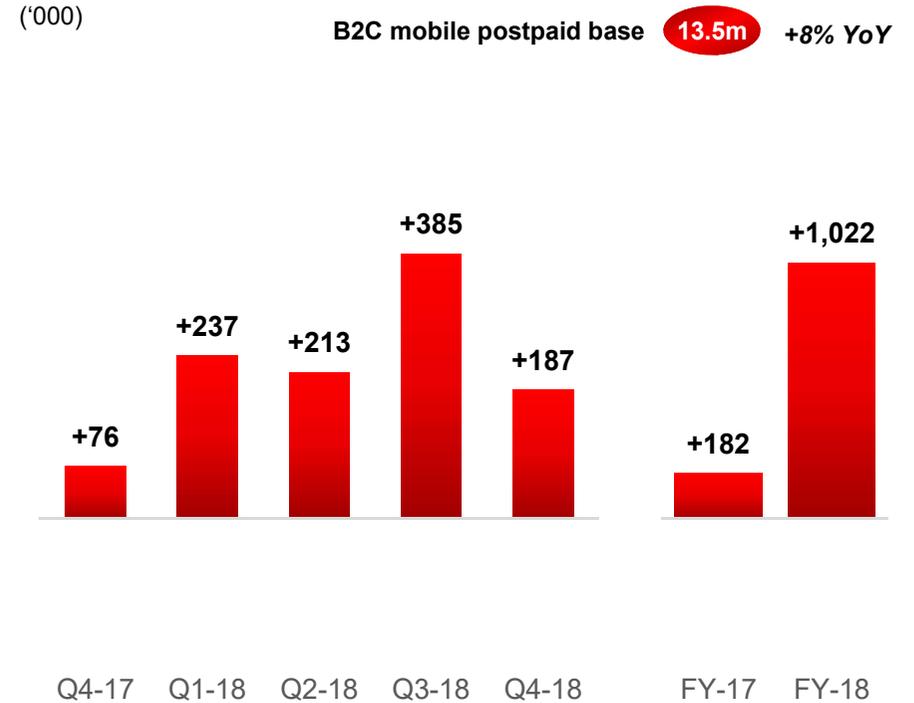
Outstanding turnaround in net adds driven by operational improvements



B2C fixed net adds



B2C mobile postpaid net adds



SFR Operational Turnaround

Year of transition in 2018 paving the way to growth in 2019



Back to Altice basics in 2018 (Q4-18 vs. Q4-17)

- **Improvements in infrastructure (4G, fibre, IT)**
 - ✓ Dropped calls: -15% YoY in Q4-18
 - ✓ Downtime: -30% YoY in Q4-18
- **Improvements in technical service operations**
 - ✓ Calls rate: -20% YoY in Q4-18
- **Premium content: media/telco convergence**

Churn

-30%

YoY in Q4-18

Complaints

-35%

YoY in Q4-18

NPS

+13pts

YoY in Q4-18

Paving the way to growth in 2019

More fibre

Higher fibre net adds driving higher ARPU

More convergence

Increased proportion of convergent customers (fixed-mobile bundles) leading to lower churn

More content

Leading to less churn, less costs, better NPS

Continued investment

Larger infrastructure footprint and content reinforcing core business

Less churn

Lower level of gross acquisitions, less costs (e.g. marketing and sales, call centers), longer customer life time

MEO Strong Commercial Performance

Sustained subscriber growth in both fixed and mobile segments

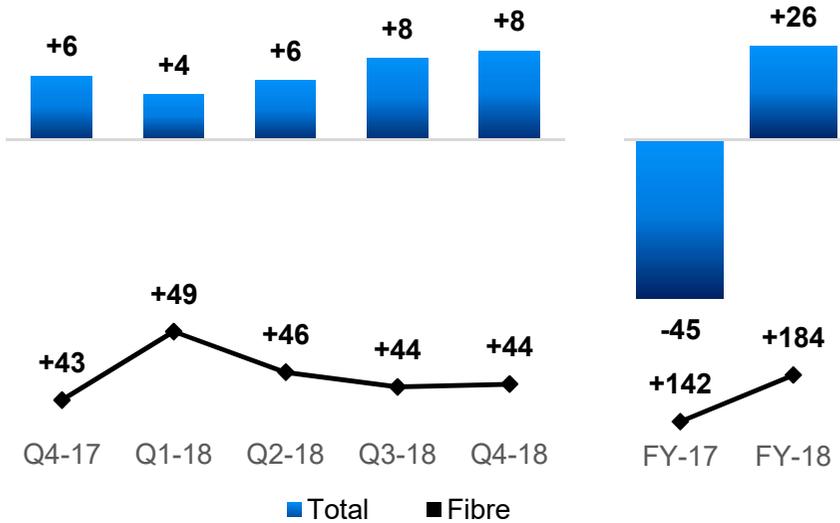


B2C fixed net adds

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Fixed B2C base **1.6m** +1.7% YoY

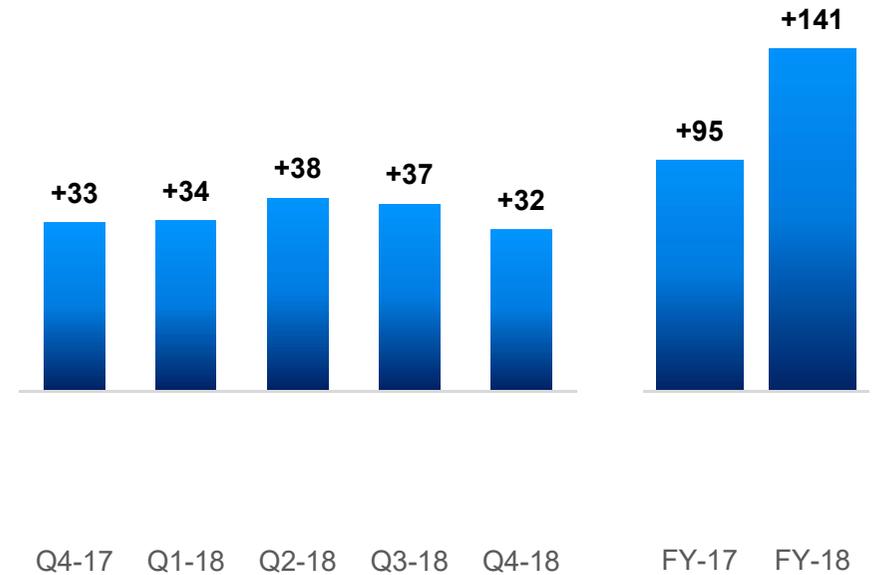
of which Fibre **51%**



B2C mobile postpaid net adds

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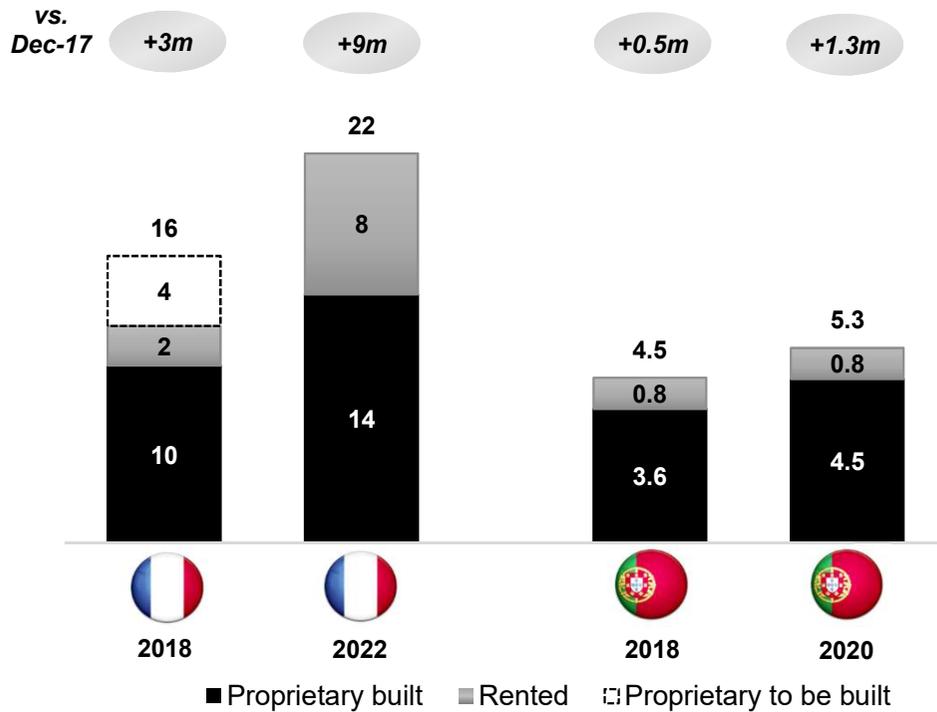
B2C mobile postpaid base **3.0m** +5% YoY



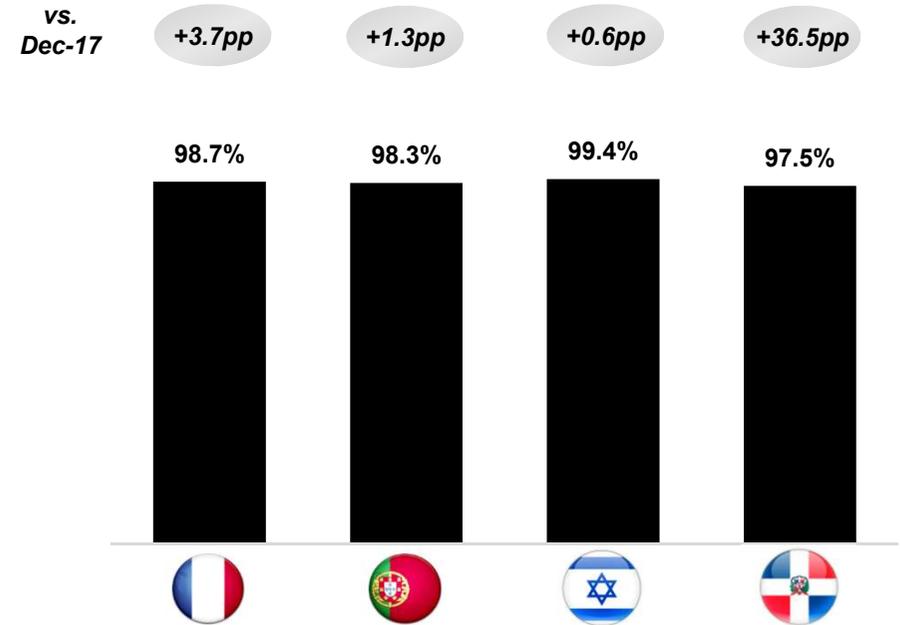
Significant Network Investments

Continued rapid expansion of premium proprietary infrastructure

Fiber Homes Passed



4G Population Coverage (Dec-18)



Optimization of Infrastructure Economics Through Partnerships

€8bn of infrastructure value crystalized and €4bn of cash proceeds¹ with material operational benefits

	French towers (50% of SFR total sites) 	French FTTH ¹ (mid & low dense areas) 	Portuguese towers 	Dominican towers 
Enterprise value	€3.6bn	€3.4bn	€660m	€145m
EBITDA multiple	18x	n.m.	19x	18x
Cash proceeds	€1.8bn	€1.7bn ²	€540m ³	€145m
Altice retained ownership	50.01% ⁴	50.01% ⁵	25% ²	-
Long-term partners	KKR	OMERS, Allianz, Axa	Morgan Stanley Infra Partners Horizon Equity Partners	Phoenix Tower Int'l (Blackstone)
Operational benefits in the mid/long term	Growing tenancy ratios from 1.2x to 2.0x	B2C penetration expected >80% (vs. <30% today) Accelerating fibre rollout Construction & maintenance outsourced to Altice	Growing tenancy ratios from 1.2x to 2.0x	

1. Pro forma for SFR FTTH disposal

2. Final equity value at closing

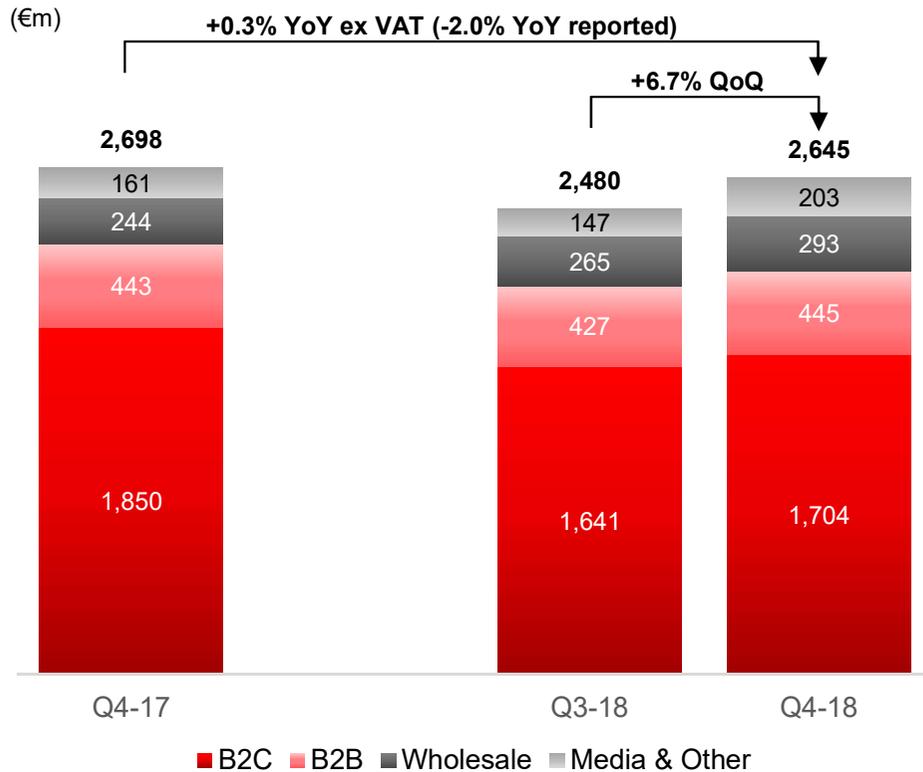
3. Cash proceeds before tax on capital gain to be paid in 2019 (c.€65m)

4. Fully consolidated

5. Consolidated as per equity method

Altice France Revenue Trends

Positive sequential trends with all segments including residential growing QoQ



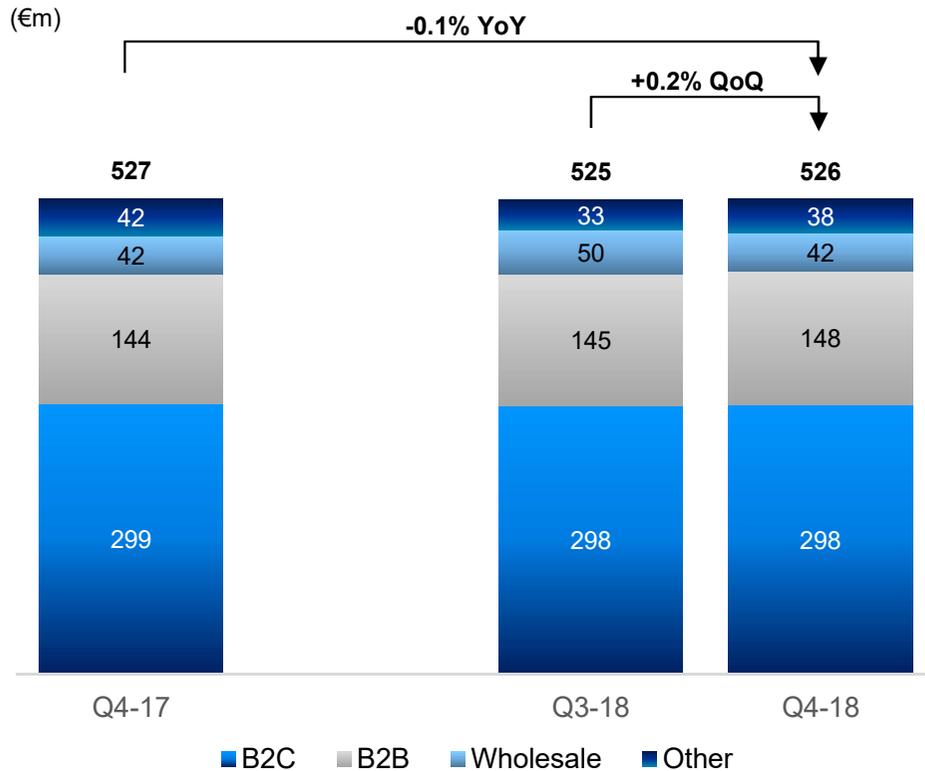
Components of Q4 2018 revenue trends¹

- **Residential:** +3.8% QoQ, -4.9% YoY ex VAT
- **Business services:** +6.6% QoQ, +7.5% YoY
 - **B2B:** +0.5% YoY
 - **Wholesale:** +20.0% YoY
- **Media & Other:** +26.5% YoY

1. All financials in this presentation are shown under IFRS 15 accounting standard

Altice Portugal Revenue Trends

Telecom business back to growth in Q4 2018



Components of Q4 2018 revenue trends¹

- **Residential:** +0.2% QoQ, -0.3% YoY
- **Business services:** +2.3% YoY
 - **B2B:** +3.0% YoY
 - **Wholesale:** Flat YoY
- **Other:** -9.3% YoY

**Residential
+ Business
services:
+0.7% YoY**

1. All financials in this presentation are shown under IFRS 15 accounting standard

Altice Europe Pro Forma Financials

IFRS 15 Financials¹

<i>In million Euros</i>	Q4-17	Q4-18	Growth YoY Reported	Growth YoY Constant FX	FY-17	FY-18	Growth YoY Reported	Growth YoY Constant FX
France	2,698	2,645	-2.0%	-2.0%	10,702	10,240	-4.3%	-4.3%
Portugal	527	526	-0.1%	-0.1%	2,142	2,075	-3.1%	-3.1%
Israel	257	227	-11.8%	-10.0%	1,036	941	-9.1%	-5.0%
Dominican Republic	148	143	-3.1%	-3.0%	630	554	-12.1%	-4.2%
Teads ²	98	129	+31.7%	+34.0%	164	365	<i>n.m.</i>	<i>n.m.</i>
Altice TV	12	50	-	-	28	119	-	-
Corporate and Other, Eliminations	-33	-77	-	-	-101	-203	-	-
Total Revenue	3,707	3,644	-1.7%	-1.6%	14,601	14,091	-3.5%	-2.9%
France	1,108	935	-15.6%	-15.6%	4,160	3,785	-9.0%	-9.0%
Portugal	231	199	-13.8%	-13.8%	949	840	-11.5%	-11.5%
Israel	120	94	-21.8%	-20.4%	474	406	-14.3%	-10.5%
Dominican Republic	79	65 ³	-18.0%	-19.3%	349	286	-17.9%	-10.6%
Teads	27	33	+22.0%	+23.7%	39	60	<i>n.m.</i>	<i>n.m.</i>
Altice TV	-57	-53	-	-	-222	-227	-	-
Corporate and Other, Eliminations	-35	-11	-	-	-103	-50	-	-
Total Adjusted EBITDA	1,473	1,261	-14.4%	-14.4%	5,646	5,101	-9.7%	-8.9%
France	391	342	-12.4%	-12.4%	1,766	1,516	-14.2%	-14.2%
Portugal	98	79	-19.4%	-19.4%	511	417	-18.5%	-18.5%
Israel	57	30	-47.9%	-47.5%	232	172	-26.1%	-22.8%
Dominican Republic	41	34	-17.1%	-20.2%	234	171	-26.9%	-20.4%
Teads	27	32	+16.9%	+18.6%	39	59	<i>n.m.</i>	<i>n.m.</i>
Altice TV	-73	-46	-	-	-268	-229	-	-
Corporate and Other, Eliminations	-33	-9	-	-	-107	-45	-	-
Total OpFCF	508	461	-9.2%	-9.4%	2,407	2,060	-14.4%	-13.5%

1. Financials shown are pro forma defined as results of Altice Europe new perimeter as if the spinoff of Altice USA had occurred on 1/1/17 and excluding the press titles within the AMG France business ("France - Media" segment) as if the disposals occurred on 1/1/17. Altice USA considered as third-party and not included in group eliminations from 1/1/18. Segments are shown on a pro forma standalone reporting basis and group figures are shown on a pro forma consolidated basis. Financials include the contribution from Teads from Q3 2017 onwards.

Financials for Altice Europe exclude the international wholesale voice business (following closing announced on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing announced on February 12, 2018) from 1/1/17. Q3-18 Altice TV accrued capex excludes €1,013m related to the acquisition of multi-year major sports rights in France (Champions League). Financials are shown pro forma for Portugal and Dominican Republic tower transactions

2. Gross revenues before discounts (net revenues after discounts are recognised in the financial statements)

3. Dominican Republic Q4-18 adjusted EBITDA as shown was negatively impacted by one-off operating costs of €2.3m in Q4-18 (one-time costs related to electricity companies)

FY 2018 Guidance Achieved and FY 2019 / Mid-Term Outlook

FY 2018 Guidance Acheived

	Guidance	Actuals	
Altice France OpFCF	€1.5-1.6bn	€1.52bn	
Altice Europe (ex Altice TV) OpFCF	€2.3-2.5bn	€2.36bn ¹	

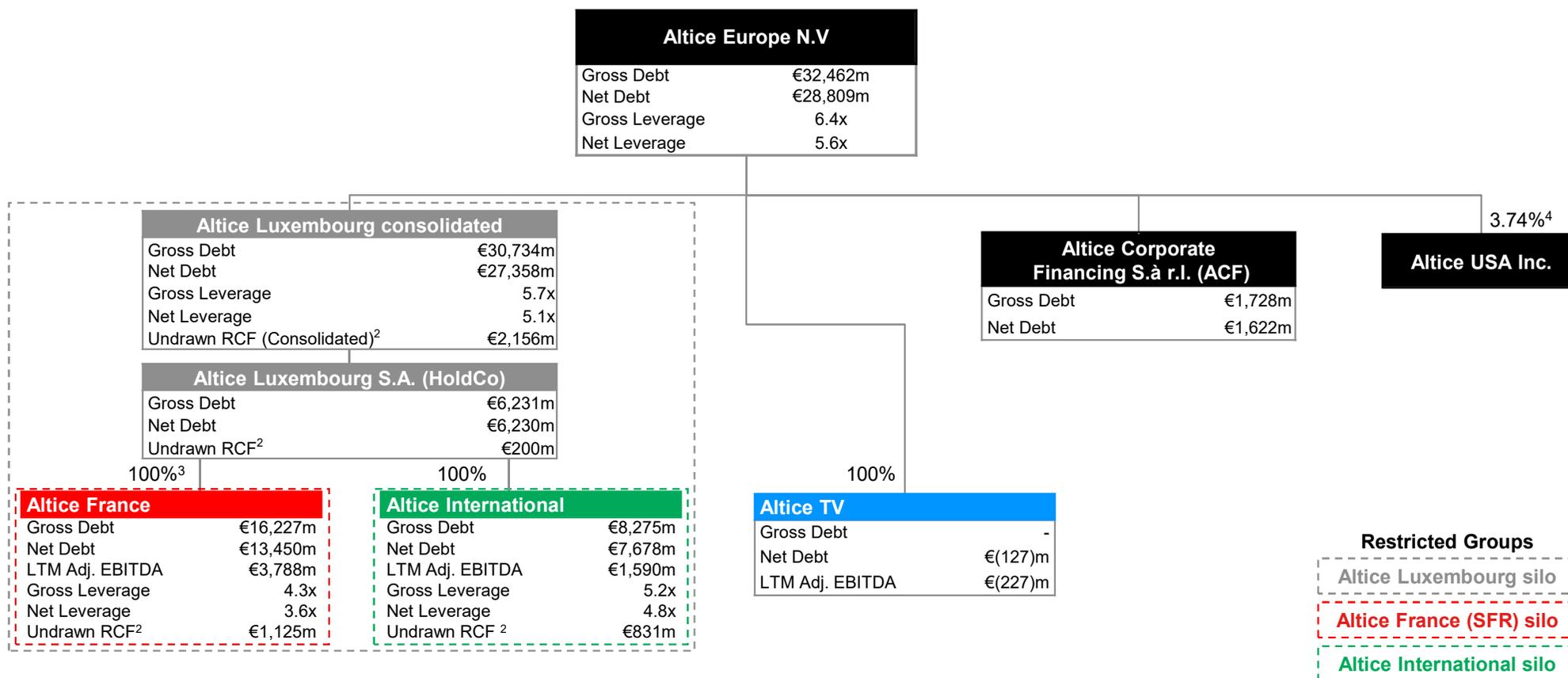
FY 2019 and Target Leverage

Altice France	<p>FY 2019: Revenue growth of between 3% to 5% YoY</p> <p>FY 2019: Adjusted EBITDA of between €4.0bn to €4.1bn</p>
Altice Europe (ex Altice TV) OpFCF	<p>FY 2019: Growth in the 10% area YoY</p>
Altice Europe Leverage	<p>Target leverage of 4.25x Net Debt to Adjusted EBITDA within 24 months for the telecom perimeter (Altice Luxembourg)</p>

1. Actuals shown on a like-for-like basis with guidance; pro forma for tower portfolio disposals in Portugal and in the Dominican Republic and at constant FX

Altice Europe Pro Forma Debt Capital Structure¹

Diversified silos



1. Pro forma for SFR FTTH sale in France (cash proceeds of €1.71bn); Group net debt includes €43m of cash at Altice Europe N.V. and other subsidiaries outside debt silos

2. Altice France, Altice International and Altice Luxembourg RCF's undrawn

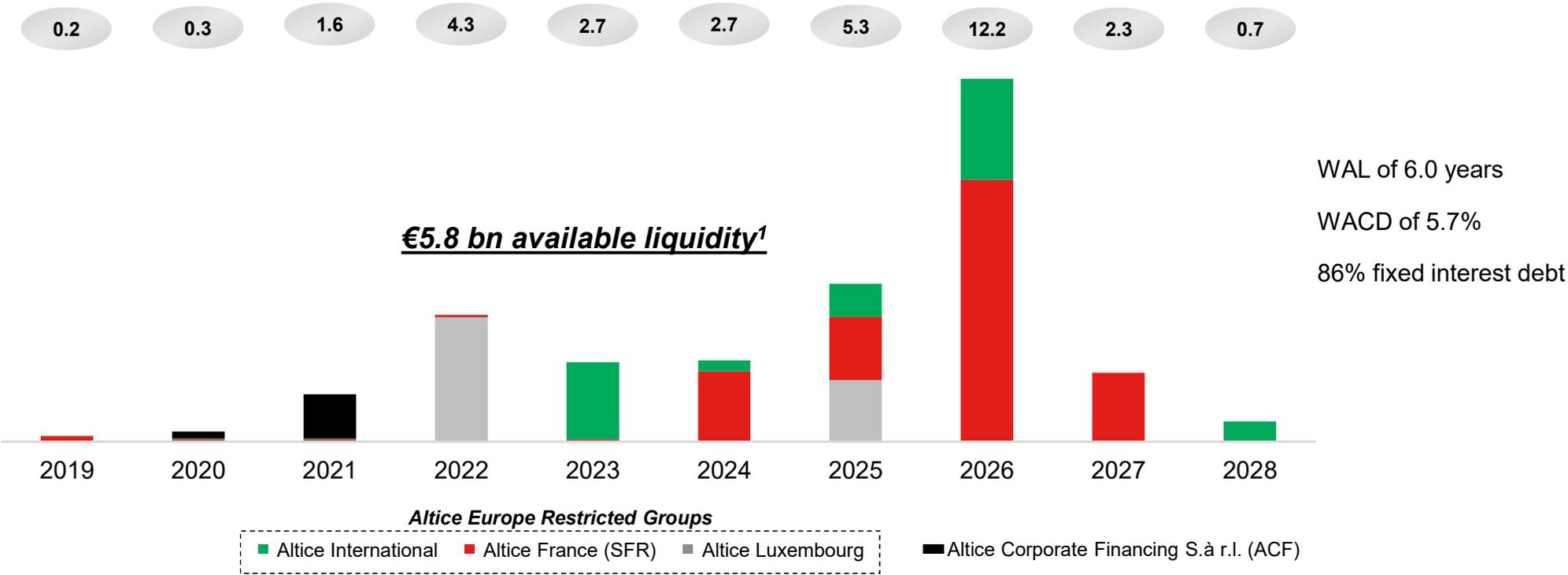
3. Owned 91% by Altice Luxembourg and 9% by Altice Europe N.V.

4. Shares owned directly (c.1.37%) and through Neptune Holding US LP with c.1.56% of underlying Altice USA shares attributable to Altice USA management and 2.37% attributable to Altice Europe N.V. (assuming reference share price of \$16.52 as of 31-12-2018 for Altice USA)

Altice Europe Debt Maturity Profile¹

Long-dated maturities

Altice maturity profile (€bn)



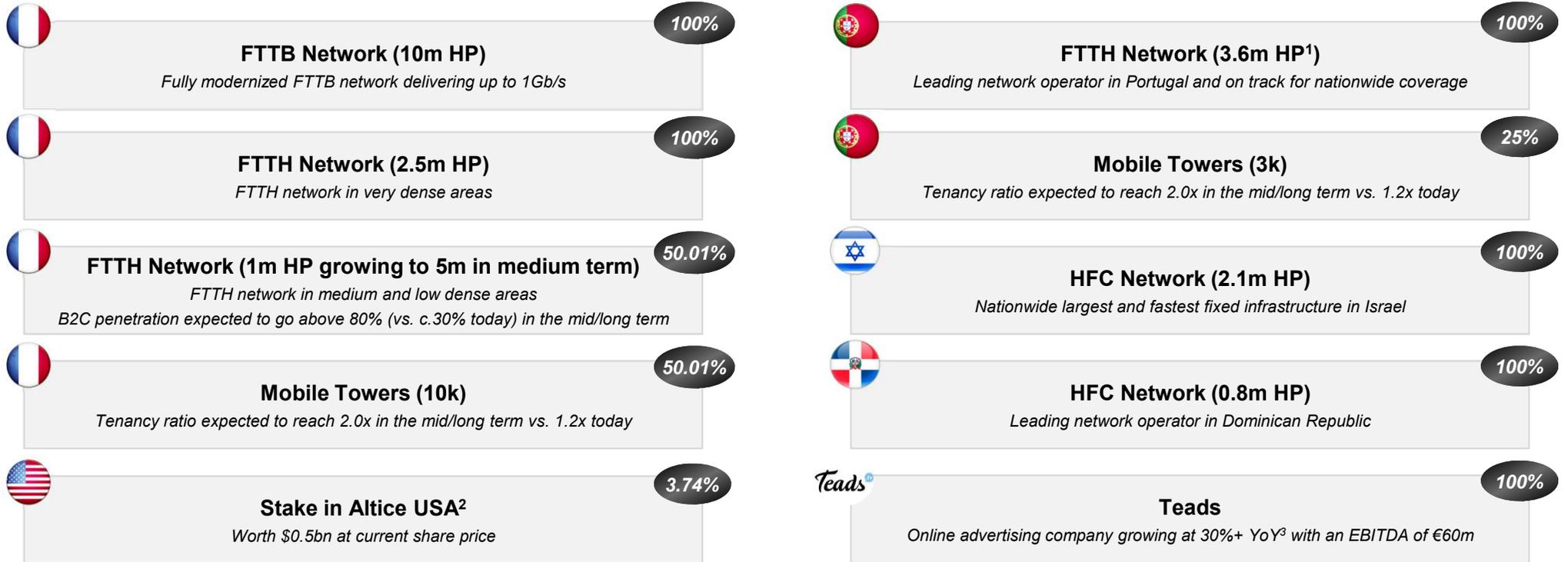
Maturity profile excluding leases/other debt (c.€264m)

1. €2.16bn of undrawn revolvers and €3.66bn of cash, pro-forma for €1.71bn FTTH sale proceeds in France. Cash includes €106m of restricted cash for debt financing obligations at Altice Corporate Financing



Altice Europe Hidden Value

A full set of strategic fixed and mobile infrastructure assets in all geographies and high value stakes



1. Portugal total homes passed of 5.2m includes DSL homes enabled for IPTV outside of MEO's fibre footprint and Portugal fibre homes passed figure of 3.6m shown above excludes those homes where MEO has access through wholesale fibre operators (c.0.8m in Q4 2018).
 2. Shares owned directly (c.1.37%) and through Neptune Holding US LP with c.1.56% of underlying Altice USA shares attributable to Altice USA management and 2.37% attributable to Altice Europe N.V. (assuming reference share price of \$16.52 as of 31-12-2018 for Altice USA)
 3. FY 2018 vs. FY 2017

Q&A

Appendix

Altice Europe N.V.

Reconciliation of non-GAAP performance measures to operating profit¹

€m	For the twelve months ended December 31, 2018
Revenue	14,255.2
Purchasing and subcontracting costs	-4,480.8
Other operating expenses	-3,134.5
Staff costs and employee benefits	-1,545.7
Total	5,094.2
Share-based expense	42.9
Adjusted EBITDA	5,137.2
Depreciation, amortisation and impairment	-4,124.5
Share-based expense	-42.9
Other expenses and income	457.1
Operating profit/(loss)	1,426.9
Capital expenditure (accrued)	4,053.0
Capital expenditure - working capital items	-567.7
Payments to acquire tangible and intangible assets	3,485.3
Operating free cash flow (OpFCF)	1,084.2

1. The financial numbers disclosed in the reconciliation below are subject to audit procedures of Altice Europe's external auditors. The difference in consolidated revenue and Adjusted EBITDA as reported for Altice Europe in the Non-GAAP Reconciliation to GAAP measures as of December 31, 2018 year to date and the Pro Forma Financial Information for Altice Europe as disclosed in this presentation is mainly due to pro forma adjustments to exclude the financial information related to the international wholesale voice business and i24news, and are shown pro forma for the Portugal and Dominican Republic tower transactions

Altice Europe N.V.

Pro forma net leverage reconciliation as of December 31, 2018

€m	Actual	Pro Forma
Altice Europe N.V Reconciliation to Swap Adjusted Debt		
Total Debenture and Loans from Financial Institutions	33,093	33,093
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-35,351	-35,351
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	34,004	34,004
Transaction Costs	349	349
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	32,095	32,095
Commercial Paper	107	107
Overdraft	39	39
Other debt and leases	220	220
Gross Debt Consolidated	32,462	32,462

Altice Europe N.V (Actual)	Altice Luxembourg Consolidated	Altice Corporate Financing	Altice TV	Altice Europe N.V.	Altice Europe N.V. Consolidated
Gross Debt Consolidated	30,734	1,728	-	-	32,462
Cash	-1,666	-106	-127	-43	-1,943
Net Debt Consolidated	29,068	1,622	-127	-43	30,519

Altice Europe N.V (Pro Forma)	Altice Luxembourg Consolidated	Altice Corporate Financing	Altice TV	Altice Europe N.V.	Altice Europe N.V. Consolidated
Gross Debt Consolidated	30,734	1,728	-	-	32,462
Cash	-3,376	-106	-127	-43	-3,652
Net Debt Consolidated	27,358	1,622	-127	-43	28,809

Altice Europe N.V.

Pro forma net leverage reconciliation as of December 31, 2018

€m	Altice Luxembourg Consolidated					Altice TV	ACF	Altice Europe N.V	Altice Europe N.V Consolidated
	Altice France	Altice International	Altice Luxembourg	Eliminations	Altice Lux Conso				
Altice Europe N.V (Pro Forma)									
Gross Debt Consolidated	16,227	8,275	6,231	-	30,734	-	1,728	-	32,462
Cash	-2,778	-597	-0	0	-3,376	-127	-106	-43	-3,652
Net Debt Consolidated	13,450	7,678	6,231	-	27,358	-127	1,622	-43	28,809
LTM Standalone	3,785	1,626	-	-	5,411	-227	-	-49	5,134
Eliminations	-	2	-	-14	-12	-	-	12	-
Corporate Costs	-	-8	-2	-	-10	-	-	10	-
Pro Forma International Voice Disposal & I24 Europe	3	4	-	-	7	-	-	-4	3
LTM EBITDA Consolidated	3,788	1,623	-2	-14	5,395	-227	-	-31	5,137
Pro Forma Tower sale and lease back	-	-33	-	-	-33	-	-	-	-33
LTM EBITDA Consolidated After Adjustments	3,788	1,590	-2	-14	5,362	-227	-	-31	5,104
Gross Leverage	4.3x	5.2x	-	-	5.7x	-	-	-	6.4x
Net Leverage	3.6x	4.8x	-	-	5.1x	-	-	-	5.6x

Altice Europe N.V.

IFRS 16: Impact on KPIs

	KPI	IFRS 16 impact	Comments
Income Statement	Adjusted EBITDA (after operating leases and before financial leases)	No impact	<ul style="list-style-type: none"> • Unchanged Adjusted EBITDA definition
Cash Flow Statement	Adjusted EBITDA - Capex	No impact	<ul style="list-style-type: none"> • Unchanged Capex definition • Unchanged Adjusted EBITDA – Capex definition
Balance Sheet	Net Debt	No impact	<ul style="list-style-type: none"> • Unchanged Net Debt definition (already including financial leases)

Implementation as of Q1 2019