

**ALTICE N.V.**  
*with corporate seat in Amsterdam*  
Prins Bernhardplein 200  
1097 JB Amsterdam  
The Netherlands  
Trade Register Number 63329743

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**Minutes of the Annual General Meeting of Altice N.V., a limited liability company, with corporate seat in Amsterdam and address at: 1097 JB Amsterdam, the Netherlands, Prins Bernhardplein 200, Trade Register number: 63329743 ("Altice" or the "Company"), held on 18 May 2018 at 11.00 hours at the Conservatorium Hotel, 1071 AN Amsterdam, the Netherlands, Van Baerlestraat 27.**

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## 1. Opening

The Chairman, non-executive director and Chairman of the Board of the Company, Mr. Jurgen van Breukelen, opens the meeting and on behalf of the Board welcomes everyone to the Annual General Meeting of Altice. The Chairman notes that present at the meeting are also Mr. Dexter Goei, President of Altice, Mr. Dennis Okhuijsen, Chief Financial Officer, Mr. Jérémie Bonnin, representing A4, Vice-President, and Mr. Scott Matlock, non-executive director and chairman of the Remuneration Committee. The Company Secretary, Ms. Natacha Marty, is appointed as Secretary of this Annual General Meeting.

The Chairman notes some formalities. Voting will take place by acclamation. At the end of each voting item on the agenda, he will therefore ask shareholders (or representatives of shareholders) who wish either to vote against or to abstain from voting to raise their hands. After raising of hands, the Chairman will ask those individuals to (i) state their name, (ii) indicate on behalf of whom they are voting against, or abstaining from voting and (iii) indicate the number of common shares A or common shares B for which the votes will be cast.

Some registrants have granted a proxy to the Company Secretary and the Investor Relations Manager - Altice Europe, each acting individually. These voting instructions have been processed. Votes against voting items on the agenda pursuant to these voting instructions will be included in the final voting results. The same applies to such shareholders having given an instruction to vote for or to abstain from voting in relation to one or more agenda items. The exact number of votes and the relevant percentages for each voting item will be published on the Company's website. Before starting the voting procedure for agenda item 3, the Chairman will announce the number of people attending as shareholder or representative and the number of votes that can be cast.

The Chairman requests those who have questions to use the microphone, and to state their name and also the name of the company or institution they are representing. This request is made in view of the minutes, for which purpose a recording is made of this meeting. The meeting is held in English. Questions may be posed in either English or Dutch; the response will be in English.

The Chairman makes some opening remarks. Altice has been in a year of significant transformation, during which a lot has been achieved. The Chairman mentions a few points. Most importantly, Altice's significant ongoing investments in infrastructure to provide superfast broadband and fibre coverage in the countries where Altice is active. There is also the development of Altice's media assets. In 2017, Altice started BFM Paris and My Cuisine. Altice reached global deals with Netflix and Viacom and an important agreement in the U.S. with Disney. In France, Altice acquired the rights to the Champions League and the Europa League during the years 2018 to 2021. Altice reached an agreement to acquire Media Capital in Portugal. Furthermore, in 2017, Altice concluded the acquisition of Teads, an online video advertising marketplace, and in the U.S. Altice acquired Audience Partners, which is a data-driven audience-based provider of digital advertising solutions.

In 2017, Altice refinanced successfully for a total amount of EUR 11 billion in its debt position. In France, the Company realized a successful squeeze-out of its listed subsidiary SFR Group, which is now fully part of the Altice group.

Altice realized the IPO of Altice USA and is now ready to discuss and vote on the separation of Altice USA during this year.

The Chairman notes that, in 2018, Altice has an ongoing commitment to develop fibre and other infrastructure in all the countries where it is active, and is also focusing on deleveraging its balance sheet, for which it has embarked on a few sales processes.

## **2. Management Report for the financial year 2017**

- a. Discussion of the 2017 Management Report, including corporate governance**
- b. Explanation of the reservation and dividend policy**
- c. Explanation of the implementation of the remuneration policy of the Board**

The Chairman notes that the 2017 Management Report is included in the 2017 Annual Report of the Company (pp. 5 - 126). Any deviations from the new Dutch Corporate Governance Code that came into effect in 2017 (the "**Code**") are set out in paragraph 3.6 of the 2017 Management Report. The remuneration policy and its implementation during 2017 are set out in paragraphs 5.5.2 and 5.5.3 of the 2017 Management Report.

In light of the new Code, the Board reviewed the Company's corporate governance and updated its rules and regulations as well as regulations of the Audit Committee and the Remuneration Committee. The Board also updated certain Board policies in order to implement the provisions of the new Code.

By way of example, the Board rules have been amended to provide that the Board shall develop a vision and a strategy on long-term value creation, taking into account the interests of all stakeholders, and define a culture, also aimed at long-term value creation. The strategy of the Company to provide long-term value creation is described in paragraphs 2.1 and 2.2 of the 2017 Management Report and includes the separation of Altice USA from the Company that will be discussed in more detail later on.

The Company complies with the principles and the best practice provisions of the Code. The Company has explained in paragraph 3.6.2 of the Management Report where it is not in compliance with the Code. The full comply or explain list is available on the Company's website.

The Chairman notes that there is a slightly amended dividend policy. In line with the Company's dividend policy, the Board has assessed the relevance of paying dividends in light of the Company's key objectives of increasing operational efficiencies of its existing businesses. The key objectives are achieved through reinvestment and integration of acquired businesses, and by using the Altice group's operational expertise, scale and investment support. The Board has concluded not to distribute any dividends other than the special distribution out of the share premium reserve as further explained under agenda item 6, and to allocate the profit for the year to the other reserves.

The Chairman gives the floor to Mr. Dennis Okhuijsen, the Chief Financial Officer, to guide the General Meeting through the financial results of 2017.

Mr. Okhuijsen gives an overview of the activities in 2017, including the Company's financial results and some balance sheet statistics.

Altice performed well (strong revenue growth and strong cash flow margin expansion) in the U.S. where it continues to drive revenue growth with the cable business, which is mostly centred in the New York and Texas areas.

In Europe (the other half of the Company's business), revenue slightly declined, while operating cash-flow remained relatively stable.

Altice continues to believe that the customer experience is at the heart of its operations and that it is still good to invest in infrastructure and the best content, as the Company thinks that those are differentiating items that are valued most by consumers.

Since its conversion from a cable business to triple-play services (internet and telephony), in most of its markets (except the U.S.), Altice has also bundled its services with mobile telephony services. Altice continues to invest in infrastructure, roll out 4G networks, and expand its fibre footprint. On the media side, Altice also made significant investments in the content space by acquiring media companies, like NextRadioTV, and selective sport rights in France. Altice is overlying its telecommunication services with content.

The Company proposes to split the group into a European group and a U.S. group, which will make it simpler to understand Altice. Altice also simplified its internal organisation by reducing intercompany trading in the group; as a result, the performance of each country on a standalone basis is easier to understand than before.

The Company bought out the minority stakes in SFR Group and now owns 100% of SFR Group, which is no longer publicly listed and was renamed Altice France. In June 2017, the Company effectuated the IPO of its U.S. business, which is now a publicly traded company on the NYSE.

The Board implemented a new, simpler management structure, re-introducing and re-involving its original founders. Some changes in management were made at the corporate level and also at the country level. The Q1 results were presented on 17 May 2018. Mr. Okhuijsen believes that the Board is on track to make the changes it thinks are necessary to further drive growth and profitability in the European business.

Every year the Company works on its balance sheet, as the Company is a leveraged growth company. By design, the Company has more debt in its balance sheet than an average company. The Board focussed more on that. Substantial refinancing was done in 2017. The Company has a good, solid capital structure in place.

As the Company is going to dividend out the U.S. business, European revenue for FY 2017 was EUR 14.7 billion. Most of the revenue comes from France (EUR 10.7 billion), clearly more than 75% of the group. Portugal realised EUR 2.1 billion revenue, Israel EUR 1 billion and the Dominican Republic in excess of EUR 600 million.

The constant currency growth was about half a percent down for the year. The European business is in slight decline looking at the 2017 numbers. EBITDA is EUR 5.7 billion. France is the biggest contributor with EUR 4.2 billion. Year-on-year, the EBITDA trend has been flat for the European business. Operating free cash flow, which is EBITDA minus capital expenditures and investments, was EUR 2.6 billion (1.3% increase year-over-year for the year 2017).

The capital structure is also one of the reasons that the Board thinks it makes sense to split the group. The Company in Europe will have EUR 30.8 billion of net debt at the end of the year. In the U.S., the Company has EUR 20 billion of debt, but after the spin-off and dividend, this will no longer sit on the Company's balance sheet. Therefore, the Company is going to have EUR 30.8 billion of debt. The leverage, which is debt divided by EBITDA, is 5.3x on a consolidated basis.

From a capital structure perspective, Altice has debt in three different silos: at the holding company level, in France and at Altice International. The French business, which is separately capitalized, has a leverage of 3.7x. Altice International (Portuguese, Israeli and Dominican Republic assets) has a 4.3x leverage. The Altice TV unit is a new unit. As Altice invests more in content, it has started this new business that will only start to launch activities in 2018. Post spin-off, Altice will continue to own a 3.4% stake in Altice USA. Altice currently holds approximately 70% of Altice USA and all those shares will be paid out as dividends to the Company's shareholders, except for the last 3.4%.

As the Company has EUR 30 billion of debt, the maturity profile of the debt is important. There are no significant amortizations of debt in 2018, 2019 and 2020. The first significant repayment is in 2021 with EUR 1.9 billion of debt becoming due, which debt sits with the Company's relationship banks. The institutional and bondholder debt is only due in 2022. The Company has significant runway on the maturity profile. The Company has strong available liquidity because it has cash and undrawn revolvers of EUR 3.6 billion. Cost of debt is 5.5% on average and 85% of the interest bill is fixed and not variable in nature. This is clearly de-risking the fact that the Company has a leveraged growth story and a leveraged growth balance sheet.

Altice has guided operating free cash flow in France (EBITDA minus CAPEX and investments) to be EUR 1.5-1.6 billion and for Europe as a whole EUR 2.3-2.5 billion. The Company reiterates again that it sees significant scope to increase the adjusted EBITDA and cash flow margins of the group over the medium to long-term.

The Chairman thanks Mr. Okhuijsen for his presentation and asks whether there are any questions.

Ms. Hanekroot (*Dutch association of investors for sustainable development, VBDO*) notes that the Company has highlighted in its Annual Report three main axes of the CSR principles for Altice: (i) environmental impact, (ii) the foundations and (iii) safety and health at work. She wants to discuss natural capital, the living wage and also the Sustainable Development Goals ("**SDGs**") that do not fit specifically into one of those three axes.

The *first topic* is about natural capital or environmental impact. The Company has clearly highlighted some of the activities in these areas in its Annual Report. It is an important topic for Altice, which has some impact on environment and risks related to it. The VBDO invites the Company to establish what is material to the Company, based on risk dependencies, but also based on the impact of the Company through the whole supply chain, to help the Company guide its future steps and set specific measurable targets in this area.

The *second topic* is living wage. The VBDO notes that, in its Annual Report, the Company stated that it is paying living wages to all its employees throughout the world. The VBDO invites the Company to make the next step and work towards a living wage throughout the supply chain. Currently, the Company refers to a minimum, legally-established wage for its suppliers to adhere to, which in many countries does not mean a living wage. It does not always allow employees to be able to pay for housing, food and education of their children. That in itself is a risk. The VBDO would like to invite the Company to start discussions and include this in its supplier Code of Conduct.

The *third topic* is SDGs. The Company included and identified the seven main SDGs that the Company wants to work with and for which it feels responsible in working towards meeting these goals. The Company has also identified an example in Portugal where the Company really utilises the KPIs on working on the SDGs (pp. 23-24 of the Annual Report). The question is whether this is an example for the whole group to work with the SDGs.

The Chairman reiterates that the Company is a young company and, at some point, it has to find its way in what it wants and how fast it should go. Thanks to the VBDO's questions of last year, these topics have been put on the agenda. The Company chose not to take a top to bottom approach but rather to look at subjects that people are most excited about, and then make a start with those. In France, and also especially in the Company's Portuguese business, people have taken many actions. The Company tries to describe its progress on this topic in the Management Report. The Board hopes that in 2019 it can be proud of steps taken over the year.

The response to the question on the *first topic* (natural capital) – have you determined the most material natural capital topics for the business? – is positive: the Company has tried to follow a specific methodology. The Company started by identifying the strategic issues, policies and values of the group. The Company has conducted internal and external stakeholders enquiries by providing questionnaires to employees, suppliers, clients, analysts and NGOs. Then the Company indicated which topics are a priority, taking its strategy into account. The Company has tried to map such topics. On the sustainability topics, the Chairman mentions a number of them: economy, environment, labour relations and human rights, conduct and ethics, innovation, technology, service and business, citizenship and social responsibility. The Company recognises the importance and relevance of these topics to Altice and its stakeholders. The most important themes are economy, labour relations and human rights, conduct and ethics, innovation, technology and service. The Portuguese business is now leading the way, which is an important first step.

The second question related to the fact that the Company does not report on its own energy consumption, but that it has insight into its dependencies, such as energy, raw materials and water, and waste on natural capital. The Company has conducted that assessment both on SFR, at the French level, and on the Portuguese business. In Portugal, the Company has an environmental management system (MPEN ISO 14001 compliant) dating from 2015, and it is being certified in this standard. The Company ensures that significant environmental aspects are taken into account and defines actions that minimize environmental impact. These actions are included in the Company's sustainability programme which is monitored quarterly, and each goal has a target and implementation timeframe.

The Chairman refers to Ms. Hanekroot's remark, about the Company's programmes to collect mobile phones. Other service providers in the market have reported difficulties in convincing customers to return their old devices. The Chairman notes that is true. The Company has had these policies in place for more than a decade and it recognises that it is not always easy to convince customers. Occasionally, the Company starts initiatives to try and collect these devices, especially in Portugal.

The VBDO asked whether the Company would be willing to report on the percentage of mobile phones collected and commit to a smart target. The Chairman explains that last year, the Company collected 165 kg of mobile phones, but that the Company has the same constraints that are visible in the broader market. Therefore, at this point in time, it is not feasible for the Company to set clear targets on an annual basis, but at least it is good that the Company knows how many phones it collects.

The Chairman continues with the *second topic*, where Ms. Hanekroot asked on what basis the Company can guarantee that the minimum salaries of employees, especially in the supply chain, meet the local or regional living wage standards. The Chairman refers to the two largest European businesses of the Company (SFR and PT). The Company has to assume that, in each country, the legislation ensures that the minimum wage and social benefits are enough to provide a decent life for every citizen in the country. However, if exceptional situations or cases are identified, the Company analyses them and acts accordingly. In the example of Altice Portugal, there are no employees who only receive the minimum wage. There are always additional social benefits, like a health plan, training, cultural and social activities. The Company also has a support area where the Company can help employees financially if for some reason they are facing a difficult financial situation.

The Chairman notes that regarding SDGs, the question was how the Company selected the SDGs and what the Company's future approach is. The Company started in Portugal and there, there was at least a start towards embracing the SDGs. The Company concluded that seven of the SDGs are the most relevant for the Company and specific actions have been implemented to make progress on each of them.

The Chairman notes that Ms. Hanekroot asked if there are similar activities (like the Portugal example) in other group companies. The Chairman gives another example: SFR has been a member of Global Compact for many years. Each year, on the website of SFR, SFR publishes the annual action plans. The question from the VBDO was whether the Company would consider setting smart targets at a group level. The Chairman replies that the Company is now where it is, and that the Company will consider how to bring this a step forward next year.

Ms. Hanekroot thanks the Chairman for his explanation. She asks the Company to publish this information and make it available for the shareholders so that they can help the Company further progress in the areas that the Company has identified. Ms. Hanekroot noted that the Company measures more than it publishes. The Company knows how many kg of mobile devices it collects. It would be interesting to see if there are any trends and if the Company could really try to set targets towards which it would like to work, perhaps in collaboration with others, such as similar companies that have the same challenges.

The Chairman thanks Ms. Hanekroot for her offer and reiterates that the Company has a base now and it will consider how to make a further step next year.

Person who did not disclose his name (hereinafter referred to as Person X) reminds Ms. Hanekroot that one year ago, the share price was the double of today and that this is a more critical issue than luxury, comfort issues.

Person X asks who is in charge of everything that is not U.S. Last year, Michel Combes was present. He would like to know who is today in charge of Europe, what the Company did to reverse the business, improve performance and create a real customer service in France and what the shareholders can expect in the future.

The Chairman thanks Person X for his question. He will comment on these remarks and Mr. Okhuijsen will elaborate. The Chairman emphasises that the topics that were addressed before by the VBDO are not "luxury topics".

The Chairman notes that the meeting today includes discussion of the separation of Altice USA, which will formally create one business for Europe and one for the USA. The appointment of Mr. Patrick Drahi as the new President for Altice Europe N.V. was announced. The announcement of a new Chief Executive Officer is also known to shareholders. Up until today, obviously, Mr. Dexter Goei is the President of the Company on a group basis.

Mr. Okhuijsen replies that the Company clearly acknowledged the operational difficulties since the SFR acquisition. Most of those difficulties are around the churn levels in the fixed and mobile businesses. The Company was running with a churn of around 25% in France last year on both fixed and mobile. In this business it is quite normal for people to sometimes seek other providers, but a churn of 25% means that 1 in 4 customers leaves every year, which is too many. The average in the French market is probably more around 14-15% of customers. This is the major challenge.

A big reason for a high churn rate is price increases. People say that they are going to look for another provider if prices increase. The Company has, over the last two to three years, increased price points more than its competitors, which leads to the Company having an elevated churn. For 2018, the Company announced that there will be no more price increases; consequently the churn will decrease by a few percentage points.

The Company had challenges in installing orders in a timely fashion, which could lead to customers looking for other providers. The average in the industry is that 88% to 90% of the sales are installed whereas SFR was in the high 60%. The Company is now very focused on this and confirmed that this statistic is back on track again.

Another example concerns the repair of network outages. It took too long to repair network outages. The number of days needed to repair outages has been reduced drastically. Altice is now well within two days, and still aspires to do better.

Under the previous management team, the Company focused too much on strategic issues, (e.g. rebranding, extending the product portfolio into banking, healthcare and educational services). The Company's focus is now on the basics: happy customers, no disruption, and proactively informing customers on network outages.

All these measures are driving the churn down. Altice only started working on this in November last year when it changed management. In the first quarter of 2018, the Company had the most fixed and mobile customer additions in France compared to competitors and grew its fixed and mobile customer base there. The churn is no longer 25% in the first quarter, but significantly lower. It is not at the market level yet, but the Company aspires to be at least at the market average in terms of churn by the end of the year. In Portugal, the churn is much lower than the average. This is the key focus for the Company and that is why the Company is comfortable with the turnaround to grow the profitability next year on the back of these measures.

Mr. Van der Weiden (*VEB, European Investors Association*) indicated that the Company stated in the 2017 Annual Report that the current strategy focuses on operational and financial performance (meaning cost cutting via synergies while continuing to invest in infrastructure). In the last couple of years, the Company cut costs, but in the opinion of the VEB it is difficult to combine cost cutting with margin gains and long-term sales growth. The first question is to what degree the Company thinks that it is currently investing enough in network and content, while still being able to improve EBITDA-margins. Mr. Van der Weiden notes that, in answering the questions from Person X, customer experience was mentioned. He asks how the Company assesses the disruptive forces of companies like Netflix, Amazon Prime or Hulu on its current business model.

His last question concerns M&A. It was said that Altice USA will continue to evaluate and pursue value accretive acquisitions to opportunistically grow. He asks when the Company envisions doing more M&A and whether this is related to achieving a lower leverage ratio. He adds that it would be very nice if the Company could indicate at what level this would be.

Mr. Okhuijsen responds to the first question that the Company is clearly reinvesting a lot of its operating cash flow back into infrastructure and content. The Company is still expanding its fibre network in France and is now close to 11 million homes. The Company plans to increase this number. In Portugal, the Company has a strategy to fully fiberise the whole of the country.

Mr. Okhuijsen notes that Mr. Van der Weiden's first question relates to how to cut costs and still have a sound business. He points out that some of the cost cutting is very natural. He refers to his churn reduction example. In that example, the Company would have to pay out less sales commissions because people stay longer with the Company which reduces the cost base. If the Company invests in its network and there is a superior fixed and mobile network, people will call less because there are fewer outages and fewer issues. Infrastructure investments bring down costs. Cost cutting is not an objective in itself. It is a result of how the Company runs the business.



In this industry, digitalisation is a big theme. More and more people go online to procure services and no longer go to a shop or interface with call centres. Consequently, costs come down. The Company also employs digital invoices where possible, which also cuts costs.

Mr. Okhuijsen notes that the Company would be the last to underinvest because the Company has a strategic shareholder who has a very long-term vision and does not necessarily want to make a short-term profit. The Company is therefore not a private equity company that is trying to dress up the best results as soon as it can to sell it to somebody else at a higher price. The Company has a longer-term strategy and will not be underinvesting; the Company still has a significant CAPEX budget. However, it is fair to say that the Company has let people go, but that is because the Company scales down human intervention with respect to how the Company provides services to customers and interacts with them.

The Chairman notes that the second question of Mr. Van der Weiden relates to the customer journey and Mr. Van der Weiden also talked about business model disruptors like Netflix.

Mr. Van der Weiden remarks that his question was especially about pay-tv.

Mr. Goei responds that the models of the OTT providers today have to co-exist with existing paid operators. Ultimately all forms of video are going IP. The essence is: who is the ultimate content aggregator, how is content distributed and how do customers make their choices?

In the U.S. and in some European markets, the Company partnered up with parties like Netflix, where the Company bundles those parties' product with the Company's broadband, voice and even television products as an additional option or benefit for the customers. The likes of Netflix are unavoidable. Further, this brings the Company's ability to control the customer experience whether through Altice's One platform box, the One Box, or through just an aggregation of another service. And the Company benefits from the partnerships. The Company gets paid to sell subscriptions for them and do their billing. So, it is another source of gross profit for the Company. Customers are going to subscribe anyway. So, if they subscribe through the Company, it would be better. Last, it allows a better customer experience because customers have options. Instead of trying to prohibit or deny that they exist, it needs to co-exist.

Programming costs continue to be a big part of the Company's business, particularly in the U.S. and even in Europe. As the Company continues to team up with other providers, the Company is, by definition, starting to reduce its overall need and exposure to content. The inflection point is unknown, but some time over the next two to five years, the Company will probably be reducing its content costs and be more of a partner than a content distributor that it is today.

Mr. Van der Weiden asks if Mr. Goei sees this more as an opportunity than a risk.

Mr. Goei replies that it is both. It is a risk that the Company has to create an opportunity. The Company has to be proactive about it and it has been doing a lot of work internally as to the way for the Company to benefit and also defend and minimise the risk for itself relative to its customers. It is all about the economic shift from a reduction of revenue and a reduction of programming expenses, but at the same time, developing partner relationships and partner revenues because the Company is selling other services.

The Company has chosen to use its One Box platform as the best way to control the entire customer experience. There will be new versions of this box both in the U.S. and in Europe very soon, but aggregating the entire broadband experience with a seamless linear and OTT experience is the Company's first attempt to make sure it controls its immediate environment.

The Chairman notes that the last question was about M&A in the U.S.

Mr. Goei replies that, in general, M&A is not the Company's current focus. The Company is very much focused, in both jurisdictions, on: (i) deleveraging, and (ii) operationally driven KPIs and performance. Both leverages are very similar in Europe and in the U.S. today. The Company has told its U.S. investors that a 4.5x to 5x leverage is the target, while the Company has said in Europe that a 4x leverage and lower is the target. Anything of size that would significantly change the look of the balance sheet or divert management's attention to something else is not in the pipeline.

Person who did not disclose her name (hereinafter referred to as Person Y) states that she is an individual shareholder and that she has two questions. Her *first question* is about the drop in the price of shares since the last AGM. What is the Company's own explanation for the drop? She believes there is a problem of confidence from the market regarding Altice's shares. Her *second question* concerns the Company's options. She wonders what is going to happen to options with an expiry date after the split which will happen mid-June 2018.

Mr. Goei responds that Person Y's *first question* relates to what is foremost on the Company's mind in many respects, i.e. the confidence in Altice's business plan, which is reflected in the confidence of the market in the Company's share price. At the end of 2017, the stock price moved dramatically downwards and has continued to drop to where it is today. There are two reasons. The first one was raised by Person Y, which is confidence in the execution of the business plan. The Company missed performance matrices. The Company was below everything it started off in 2017 in terms of its financial and operational objectives. The combination of that plus the leverage on the balance sheet makes the Company vulnerable to very large volatilities and swings in the share price. That is the pure and simple answer to the question. If a company has 5x leverage and the market values that company at 7x, but from one day to the next, values the company at 6x, the stock goes down by half. And the multiple is a function of confidence in the longer-term sustainability of the business plan, which is why the Company changed management teams at the end of last year. It is why Mr. Patrick Drahi has come back to help run the day-to-day operations of the business and why shareholders have seen, at least in the first four months since the Company changed management teams, a turnaround in the operational performance of the Company's key businesses in Europe. However, it takes time to rebuild confidence.

2018 is a year where the focus is to rebuild and to make sure that the Company delivers consistently. Rebuilding will require a sustained team effort for many years to come. The Company also feels good about the prospects and about the management team that is in place. The Company feels good about the aspirations and the dynamic feelings that the Company is getting amongst the various teams in all of the different countries in which it operates.

The Chairman remarks that the *second question* of how the Company is going to treat the options is a topic for the next EGM on 11 June 2018.

Mr. Goei responds that, pre-empting the EGM of 11 June 2018, the Board's expectation and desire on Altice N.V.'s options, for those people who have options and are still with the Company after the split, is that they will continue to vest those options. Those options are not disappearing. The corporate structure of Altice N.V. is not disappearing. The stock is still listed in Amsterdam. Nothing expires or disappears. The Company treats the separation in a certain way to make sure that employees who have vested options are treated in a certain way after the split.

The Chairman states that Person Y question relates to market options.

Mr. Okhuijsen indicates that these options are not regulated by the Company. Euronext has sent out a policy on how options are treated which is posted on its website.

Person Y asks if the Company sought or bought options, put or call options, with an expiry date of September for example. The split will happen in June 2018 as far as she knows. Person Y asks what shares option holders will get after June 2018.

Mr. Okhuijsen states that the options are on Altice N.V. shares and shareholders will continue to have Altice N.V. shares: these shares remain listed but their value is going to decrease. Euronext has a policy of how options are treated and there is probably a cash settlement component associated with the split, but it is not for the Company to comment on how Euronext or the stock market treats this. He refers to Euronext's policy on this topic.

Person Y notes that Mr. Okhuijsen suggests that shareholders will be compensated for the difference between the value of the Company now and after June 2018.

Mr. Okhuijsen repeats that this is not something for the Company to decide. Euronext decides how the options get treated. This discussion is not in the Company's power.

Person X notes that it was mentioned that there will be an inflection point, where probably the Company's investment in content will normalise or even decrease thanks to partnerships. He asks why a partner in content should choose Altice rather than its competitors.

Mr. Goei responds that there are a couple of answers. First, it is their decision. Second, obviously it is a question of what products Altice sells, what Altice wants to sell, the experience of the Altice's clients, the reach of Altice and the Company's productivity with its clients. In the U.S. today, the Company has one and a half competitors in the footprint. If someone wants to reach the New York DMA today for half of the Company's footprint, someone has to speak to the Company. In France today, there are 4+ potential video distributors and most content companies choose price. They choose the Company if it is willing to pay more or has better economic terms for them or if for whatever reason the Company has better policies, distribution, marketing or technology. The Company has content agreements with the large players in every single one of the Company's markets, whether just ordinary basic channels, premium channels, premium sports or differentiated OTT products, but the Company is not for want of not being able to get access to top providers.

As there are no further questions, the Chairman notes that the discussion of the management report and the related topics has been concluded and proposed to move to the formal business of the meeting.

### **3. Proposal to adopt the annual accounts for the financial year 2017 (voting item)**

The Chairman turns to the adoption of the annual accounts of the Company for 2017. He notes that the financial statements were drawn up by the Board and are included in the Annual Report 2017 of the Company on pp. 127-265. The Company's external auditors, Deloitte Accountants B.V., have issued an unqualified opinion. The Board proposes that the shareholder meeting adopt the annual accounts for the financial year 2017 and that this adoption includes the adoption of both the consolidated accounts and the standalone accounts of the Company. The Chairman gives the floor to Mr. Eddy Termaten of Deloitte.

Mr. Termaten remarks that Deloitte Accountants B.V. issued its report on 4 April 2018 and that Deloitte's work regarding the 2017 annual report of Altice N.V. stopped on that date. Events thereafter were not taken into consideration. Deloitte member firms are currently working with the Company on the quarterly financial statements as they do every year. With respect to transparency, Deloitte's report is now nine pages long.

Mr. Termaten remarks that Deloitte Accountants B.V. is, now for the third year, the Company's auditor. It is the successor auditor of Deloitte Audit S.à r.l., the Luxembourg network firm of DTTL. Deloitte is responsible for the audit and the execution of the audit. Mr. Termaten stresses the independence of Deloitte.

Mr. Termaten explains that management is responsible for the financial statements. In signing the engagement letter, Deloitte is relieved from maintaining confidentiality and Mr. Termaten can therefore at this meeting speak to those attending. Only during the meeting is he relieved from maintaining confidentiality.

Mr. Termaten continues with the first item, which is whether Deloitte's materiality thresholds changed compared to last year and how they have evolved. He explains that the materiality threshold in itself has not changed, compared to prior years. Deloitte still bases its decision on the EBITDA as an important benchmark. The materiality amount itself has increased from EUR 200,000,000 in 2016 to EUR 230,000,000 now, because the acquisition of Cablevision is now reflected in the financial statements of the Company for the whole year, while in the past it was only there for six months, at least for the P&L because the balance sheet was consolidated there.

Mr. Termaten continues with the scope of the audit. A question arises about what has been audited by Deloitte and how Deloitte determined what was important. He explains that the scope of the audit has also not changed compared to the prior year. The scope for the 2018 audit could change because of the spin off of Altice USA.

Mr. Termaten explains that Deloitte believes that four components are relevant for Deloitte's audit which are the N.V., the U.S., France and Portugal. Deloitte is also doing statutory auditing work. So, there is the benefit of countries like Dominican Republic and HON where Deloitte is doing statutory audits or audits on a lower level. There are silos in the group. Also, on those levels there are consolidations and those need an auditor's report. So, the benefit of the audit of Altice N.V. is that Deloitte does a lot of work at a lower level. Therefore, Deloitte gets a very good coverage of the assets and liabilities in the audit. The coverage is high (sometimes up to 92%).

Mr. Termaten continues with the use of experts. Mr. Termaten keeps the overall responsibility for the auditor's opinion, but he needs to work with tax specialists, valuation specialists, actuaries and legal specialists. Deloitte does not rely on experts and specialists from the Company.

Disposals of companies within the group are known, but announcements for such disposals were made after December 31 and formal decisions were made in early January. These items are not presented as required under IFRS 5, as assets held for sale. If shareholders are looking where those items are on the balance sheet, the Company can inform them that no decision was taken. Deloitte has audited that statement and agreed with the position taken by the Company.

Mr. Termaten continues with the topic of misstatements. He explains that in a company the size of Altice, misstatements are unavoidable. Human errors can cause misstatements. Deloitte has not identified any material misstatements. Misstatements that have been discussed and identified by Deloitte are over EUR 10,000,000 or EUR 11,500,000. The latter is the formal number because this depends on the materiality. In practice, items around EUR 10,000,000 and higher are discussed with the Audit Committee and the management and, overall, Deloitte looks at whether the aggregate of these numbers is material. This year Deloitte concluded that, following Deloitte's procedures, the numbers identified as being misstatements are not material. Deloitte did not see the need to change the risk level and therefore kept it at the same level as in years before.

Mr. Termaten continues with the key audit matters as included in Deloitte's opinion. Deloitte understood from certain parties that if Deloitte does not respond to these key audit matters with a conclusion, they do not consider that the auditor has finalised its work. He remarks that most audit firms, including Deloitte, believe that they still have to look at the financial statements as a whole and not only at certain elements of the financial statements or underlying the financial statements. Therefore, Deloitte describes what it does and describes its activities, but it does not provide conclusions on each individual item.

Mr. Termaten notes that the key audit matters consist of a selection of items that Deloitte has discussed with the Audit Committee. Not everything that is discussed with the Audit Committee is considered to be a key audit matter. Compared to prior years, 2017 was not a year with material acquisitions.

The Company noted earlier that it is simplifying its internal processes and it does not have a lot of intercompany transactions compared to previous years. The key audit matter of taxation and the key audit matter of M&A in the prior years are no longer key audit matters for Deloitte in 2017.

Mr. Termaten refers to sensitivity in the valuation of goodwill. If something happens in the market, Deloitte addresses that. Deloitte looks at the valuation, the impairment test and at the forecast prepared by the Company. Deloitte uses its own models and does some testing. Deloitte develops its own worst-case scenarios to come up with a conclusion.

Last year, the VEB had questions about how Deloitte handles third-party claims. Mr. Termaten answered the questions then, and his answer remains unchanged.

Mr. Termaten explains that Deloitte is an auditor with worldwide presence and Deloitte takes full responsibility for its opinion. Deloitte does not have a U.S.- situation in the Netherlands, where one can refer to another auditor who did a portion of the work. Everyone involved followed the same instructions as issued by Mr. Termaten and with the same quality requirements. The Deloitte standard was followed in this audit. Mr. Termaten emphasises again that Deloitte is independent.

Mr. Termaten continues with the last question: not all the statutory audits have been signed off, which is not uncommon. Big audits have been signed off. Some others are still ongoing. Companies prepare reporting packages which they send to the group management. Component auditors audit these reporting packages and send their vision and their clearance to Deloitte. Statutory audits could be different because another accounting framework could be used compared to the framework used for the group. This is not uncommon, but the most important ones have been done.

The Chairman notes there are no questions. The Chairman thanks Mr. Termaten for his presentation.

The Chairman then start with the voting procedure. He notes that the persons present at the meeting represent a total number of 786,389,518 common A shares with the same number of votes and 208,738,324 common shares B with a total number of 5,218,458,100 votes. Therefore, in total, a number of 6,004,847,618 votes can be cast today. Of the total number of issued and outstanding common shares A, 81.47% is present or represented. Of the total number of issued and outstanding common shares B, 91.74% is present or represented. That means that of the total number of issued and outstanding shares, 83.43% is present or represented. The Chairman notes that in accordance with article 39.5 of the Company's articles of association, votes abstained will not be calculated as part of the votes cast.

The Chairman notes that the results show that 99.99% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **4. Proposal for discharge of liability of the executive directors of the Board (*voting item*)**

The Chairman indicates that the annual accounts for the financial year 2017 have been adopted. The Board requests the General Meeting to discharge the executive directors who were in office in 2017, of liability for their management during the financial year 2017 and discharge the non-executive directors who were in office during that same year of liability for their performance and in particular their supervision of management during the financial year 2017. The Chairman notes that there are no questions.

The Chairman then opens the voting for agenda item 3. He notes that the results show that 99.65% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **5. Proposal for discharge of liability of the non-executive directors of the Board (*voting item*)**

The Chairman continues with the proposal for discharge of liability of the non-executive directors.

Mr. Van der Weiden has a question relating to the departure of Mr. Combes.

The Chairman indicates that the proposal is about non-executive directors.

Mr. Van der Weiden refers to item 10 put on the agenda by the Remuneration Committee. He asks for more guidance on the departure of Mr. Combes so that all those attending can be fully informed on whether they would like to discharge non-executive directors, and especially the Remuneration Committee in this case.

Mr. Van der Weiden indicates that his question is that it is not fully clear to him on which grounds Mr. Combes' cash severance package was granted.

Mr. Matlock indicates that the Remuneration Committee took into account the fact that the decision to change management was made quickly and that, in order to get the management team set on a new course, that decision needed to be made quickly. Therefore, when Mr. Combes resigned, the Remuneration Committee took into account the relevant circumstances, amongst which were the amount of compensation he could have earned had he completed the year in full. The Remuneration Committee also took into account: (i) the scope of his non-compete provisions, and (ii) the litigation and reputational risk, which could have arisen from his resignation. Taking all that into account, with advice from outside counsel, the Remuneration Committee felt that the amount of the severance payment was appropriate, so that the Company could move on with new management expeditiously.

Mr. Van der Weiden notes that was the case even though Mr. Combes resigned and that according to his employment agreement, he was entitled to six months of base salary. His question relates to the non-compete provision. Mr. Van der Weiden asks whether it is true that Mr. Combes is now Chief Executive Officer of one of the Company's competitors.

Mr. Matlock explains that the Company's primary focus with respect to Mr. Combes's non-compete provision was in France. The Company does not compete in the wireless business in the U.S. on a network-owned basis. The Remuneration Committee felt that it was appropriate for the Company to make this decision.

Person X remarks that in his opinion, the Company is facing a broader issue concerning the Remuneration Committee. He notes that even though Mr. Combes resigned, the Company was generous with him, for reasons shareholders can understand: the Company wanted to move to the next step, which was a priority. Person X was critical of the Company. He does not have any question but wanted to raise this issue.

The Chairman notes there are no further questions.

The Chairman notes that 99.56% has voted in favour of the proposal. The Chairman concludes that the proposal is adopted.

## **6. Proposal to approve the separation of the U.S. business from the Company by way of a special dividend in kind in the form of shares in Altice USA, Inc. (voting item)**

The Chairman states that in accordance with article 30.8 of the Company's articles of association, the Board proposes to the General Meeting to approve the separation of the U.S. business from the Company by way of a special dividend in kind in the form of shares

in Altice USA, Inc. The proposal includes the proposal to approve the Board resolution dated 8 January 2018 as set out in the explanatory notes of the agenda since the implementation of that Board resolution results in a change in the identity or character of the Company as referred to in article 2:107(a) of the Dutch Civil Code. The Chairman invites Mr. Goei to highlight some important elements about this agenda topic.

Mr. Goei notes that many will have seen the public disclosure around the proposed separation, but he will review in any case: (i) the technical factors, (ii) the reasons why the Company is proposing this to its shareholders, and (iii) the proposed timetable should it get approved by the General Meeting.

In terms of the transaction structure, the Company is looking for approval to spin off its 67.2% interest in Altice USA stock through a distribution in kind to Altice N.V.'s shareholders that will take place out of Altice N.V.'s share premium reserve. Altice USA will pay a USD 1,500,000,000 special cash dividend prior to the separation and will authorise a share repurchase programme of USD 2,000,000,000 for the next three years effective following the completion of the separation. Both elements were approved by the Altice USA Board of Directors.

Mr. Goei points out that Next, which is the vehicle of Mr. Patrick Drahi, together with parties in concert with Next, remain controlling shareholders in both Altice N.V. and Altice USA with commitment to a long-term relationship. There will be no changes in the control of the two companies.

In terms of the perimeters, Altice N.V. (to be renamed Altice Europe N.V.) will include Altice France, Altice International and a newly created Altice TV subsidiary. Altice USA (to be spun off from Altice N.V.) obviously includes Altice USA, but also includes Altice Technical Services U.S. which was owned by the Company and i24news which was also owned by the Company. Both of those have been sold to Altice USA over the previous several months.

Mr. Goei continues with the expected timetable for completion. He notes that expected completion time is early June 2018. All U.S. regulatory approvals have been obtained. The split-up of the Company is subject to (a) the Company's shareholder vote, (b) the AFM's (the Dutch regulator) approval, and (c) publication of the prospectus in connection with the distribution in kind. The Company expects that to happen soon.

Mr. Goei explains the rationale for the separation: creating two separate long-term investment opportunities, with two different market dynamics, strategies and regulatory regimes. There will be dedicated management teams in each of Altice Europe and Altice USA with an enhanced focus on execution. The controlling shareholder will remain Mr. Patrick Drahi. There will be a simplified, more efficient operating and financial structure with distinct targets and a very transparent view of each Company's unique value drivers. It will preserve the balance sheet strength with long-term capital structures and strong liquidity in an independent way between the two entities.

Mr. Goei next elaborates on the key separation considerations. In the distribution, there is the option for the Altice N.V. shareholders to receive either Altice USA A shares or B shares. The ratio in any case will be 0.4163 Altice USA share per each Altice N.V. share. He reminds shareholders that B shares, which are at 25 to 1 vote, will represent up to a maximum of 50% of the shares in Altice USA being distributed. If the cap on B shares is exceeded, B



shares to be delivered to shareholders who have requested them will be proportionally reduced and replaced with corresponding A shares. If an Altice N.V. shareholder does not make a choice, A shares will be distributed by default. Next, together with directors and officers of Altice USA, acting in concert with Next, intend to elect to receive only B shares. Altice USA B shares will remain unlisted, but convertible into listed Altice USA A shares at the shareholder's request. There is no tax impact expected for Altice N.V. nor Altice USA in this transaction.

Mr. Goei continues that on the debt structure and the cash special dividend, there will be no structural changes to the outstanding debt instruments that exist. All instruments remain in place at the same economic terms and the same coupons, maturities and the existing revolving credit facilities remain fully available within each silo. The debt that is naturally currently allocated between Altice Europe and Altice USA based on current silos will remain the same: Altice Europe (which is the SFR silo) plus the Altice International silo plus the Altice Luxembourg silo plus the Altice Corporate Financing silo. Altice USA will comprise Cequel, which is the Suddenlink silo and Cablevision, which is the Optimum silo.

Mr. Goei indicates that Altice USA will pay a USD 1,500,000,000 special cash dividend to all shareholders. Altice N.V.'s proceeds will be approximately EUR 900,000,000, and EUR 625,000,000 will be used to prepay a portion of the Altice corporate facility financing. EUR 275,000,000 will be injected for additional liquidity into the group.

Mr. Goei explains the pro forma capital structure, showing today's existing economic and voting positions. Next - together with parties in concert with Next - has a 52% economic interest and a 72.1% voting interest in Altice N.V. Public shareholders own 48% of the economics and 27.9% of the votes in Altice N.V. Subject to the elections of shareholders of Altice N.V. - who will choose to receive either A or B shares of Altice USA -, Next - together with parties in concert with Next - will own 43% of the economics of Altice USA and anywhere between 51.2% and 93.7% of the voting rights in Altice USA. There are financial sponsors that are our partners in the U.S., who will own 14.6% of the economics. Their voting stake will be 1.6%. The free float expected will own 42.4% of the economics, leading to votes anywhere between 4.7% and 47.2%, depending on the elections of the Altice N.V. shareholders.

Mr. Goei continues by giving shareholders an idea of the revenue split. Pre-reorganization, 47% of the Company's revenues originated in France at SFR, 35% in the U.S., 10% in Portugal, 7% in Israel, and in smaller amounts for the other assets. Pro forma for the reorganization, 74% of the revenues in Altice Europe will come from France, 26% will come from Portugal, and the remainder will come from the Altice TV division.

Mr. Goei states that in relation to the separation timetable, the Company is expecting to get AFM prospectus approval and the S1-form declared effective by the SEC (which is a filing procedure only) in the near future. The offer date will start at that period of time. Based on an offer period of circa ten days, to elect the different shares that people would like to receive, there is an expectation to have the Altice USA special dividend payment and the distribution in kind sometime in early June 2018.

The record date for the Altice USA cash dividend was declared on Tuesday, 22 May 2018. The ex-dividend date for distribution of the Altice USA shares will be declared based on the timetable of the approval from the General Meeting and on the AFM-approval, which is

expected shortly. The record date for distribution of the Altice USA's shares will be approximately ten days later. The Altice USA cash dividend distribution will be two days before the separation of Altice USA from Altice N.V.

The Chairman notes that there are no questions.

The Chairman declares that 99.99% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **7. Amendment of the articles of association**

- a. Proposal to amend the articles of association ("Amendment 1") and to authorise each lawyer and paralegal employed by De Brauw to execute the deed of amendment of the articles of association to implement Amendment 1 (*voting item*)**
- b. Proposal to amend the articles of association ("Amendment 2") and to authorise each lawyer and paralegal employed by De Brauw to execute the deed of amendment of the articles of association to implement Amendment 2 (*voting item*)**

##### **Item 7.a**

The Chairman notes that it is proposed to the General Meeting to amend the articles of association to change the name of the Company from Altice N.V. to Altice Europe N.V. in accordance with the draft proposal of Amendment 1 available on the Company's website and as set out in the explanatory notes of the agenda. The implementation of Amendment 1 is subject to the effectuation of the separation of the U.S. business from the Company.

In addition, it is proposed to the General Meeting to authorise each lawyer and paralegal employed by De Brauw Blackstone Westbroek to execute the deed of amendment of the articles of association, to implement Amendment 1.

The Chairman notes that there are no questions.

The Chairman declares that 99.99% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

##### **Item 7.b**

The Chairman moves to item 7.b, relating to Amendment 2 of the articles of association, which is (i) the proposal to decrease the authorised share capital of the Company to allow further cancellation of shares following conversion of common shares B into common shares A and (ii) to adjust - in line with the Code - the term for which a non-executive director can be reappointed after an eight-year term in office, all in accordance with the draft proposal of Amendment 2 available on the Company's website and as set out in the explanatory notes of the agenda.

In addition, it is proposed to the General Meeting to authorise each lawyer and paralegal of De Brauw Blackstone Westbroek to execute the deed of the amendment of the articles of association, to implement Amendment 2.

The Chairman notes there are no questions.

The Chairman declares that 99.98% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

**8. Proposal to appoint Mr. Patrick Drahi as executive director of the Board (voting item)**

The Chairman states that it is proposed to the General Meeting to appoint Mr. Patrick Drahi as executive director of the Board and that the Board intends to grant Mr. Patrick Drahi the title of President.

The proposed appointment is for a term starting as per the date of effectuation of the separation of the U.S. business as discussed earlier in this meeting and ending immediately after the annual general meeting to be held in 2022.

The Chairman continues by stating that many of the attendees know Mr. Drahi, and he elaborates on both Mr. Drahi's CV and his proven industry track record.

The Chairman notes there are no questions.

The Chairman declares that 95.47% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

**9. Remuneration of Board members**

- a. **Proposal to determine the annual cash bonus for the executive directors of the Board for the financial year 2017 (voting item)**
- b. **Proposal to determine the remuneration of Mr. Patrick Drahi (voting item)**
- c. **Proposal to amend the remuneration of Mr. Dexter Goei (voting item)**
- d. **Proposal to amend the remuneration of Mr. Dennis Okhuijsen (voting item)**
- e. **Proposal to adopt the 2017 Share Option Plan (voting item)**
- f. **Proposal to adopt the 2017 Long-Term Incentive Plan (voting item)**

**Item 9.a**

The Chairman notes that it is proposed to the General Meeting to determine the annual cash bonuses for the executive directors, for the financial year 2017, as follows:

- Mr. Dexter Goei: USD 3,000,000; and
- Mr. Okhuijsen: EUR 350,000.

The Chairman notes there are no questions.

The Chairman declares that 92.87% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

**Item 9.b**

The Chairman notes that it is proposed to the General Meeting to determine the remuneration of Mr. Patrick Drahi, consisting of:

- annual fixed compensation as executive director of the Company in accordance with the remuneration policy of the Company; and
- the other benefits, as provided for in the remuneration policy.

The Chairman notes there are no questions.

The Chairman declares that 98.82% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **Item 9.c**

The Chairman states that it is proposed to the General Meeting to amend the remuneration of Mr. Dexter Goei as follows:

- an aggregate annual fixed compensation of USD 750,000, consisting of both:
  - a) the annual fixed compensation as executive director of the Company in accordance with the remuneration policy; and
  - b) the annual fixed compensation under his employment contract for services rendered to the Company's subsidiaries;
- an annual cash bonus of USD 1,500,000;
- other benefits relating to the personal use of transportation and the tax gross-up on imputed income related to commuting usage;
- the other benefits, as provided for in the remuneration policy; and
- 1,201,208 stock options under the ATUS 2017 long-term incentive plan with an exercise price of USD 19.48 and a start of the 3-year vesting period on 21 December 2017.

The Chairman adds that the other remuneration elements, as previously granted to Mr. Goei by the General Meeting, remain unchanged.

The Chairman notes there are no questions.

The Chairman declares that 91.68% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **Item 9.d**

The Chairman states that it is proposed to amend Mr. Dennis Okhuijsen's remuneration as follows:

- an aggregate gross annual fixed compensation of EUR 350,000, consisting of both:
  - a. the annual fixed compensation as executive director of the Company, in accordance with the remuneration policy; and
  - b. the annual fixed compensation under his employment and service contracts for services rendered to the Company and the Company's subsidiaries;
- an annual cash bonus of CHF 395,500;
- an exceptional variable gross compensation of EUR 1,000,000, as employee of Altice Management International S.A.; and
- the other benefits, as provided for in the remuneration policy.

The Chairman adds that the other remuneration elements, as previously granted to Mr. Okhuijsen by the General Meeting, remain unchanged.

Mr. Van der Weiden asks the Chairman to explain "exceptional variable gross compensation".

The Chairman answers that in light of the separation of the U.S. business from the Company but also of other various projects, this has obviously been a time of significant change for the Altice group and a lot of work has been done. Taking that into account and looking at the contribution of Mr. Okhuijsen to the Company, the Board thought that this was appropriate to have on the agenda.

The Chairman notes there are no additional questions.

The Chairman declares that 92.23% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **Item 9.e**

The Chairman states that it is proposed to the General Meeting to adopt the 2017 share option plan to extend it to be applicable to executive directors of the Board as well. The full version of the draft 2017 share option plan has been made available at the offices of the Company in Amsterdam and on the Company's website in advance of the General Meeting.

The Chairman notes there are no questions.

Mr. Van der Weiden indicates that the VEB votes against this proposal.

The Chairman declares that 92.24% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **Item 9.f**

The Chairman states that it is proposed to the General Meeting to extend the 2017 long-term incentive plan to be applicable to the executive directors of the Board, as set out in the explanatory notes to the agenda. The full version of the 2017 long-term incentive plan has been made available at the offices of the Company in Amsterdam and on the Company's website in advance of this meeting.

The Chairman notes there are no questions.

Mr. Van der Weiden indicates that the VEB votes against this proposal.

The Chairman declares that 92.24% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **10. Proposal to approve the remuneration of Mr. Michel Combes (*voting item*)**

The Chairman continues with the proposal to approve the severance package of Mr. Michel Combes, who stepped down as executive board member and Chief Executive Officer of the Company as of 9 November 2017.

The proposed severance package was recommended by the Remuneration Committee after obtaining advice from both legal and remuneration counsel, and after careful consideration. It includes the following elements:

- a cash severance payment of a gross amount of EUR 6,000,000; and
- the vesting of 50% of the stock options granted to Mr. Combes on 31 January 2016 under the share option plan, being 1,418,104 stock options, each for one common share A of the Company with an exercise price of EUR 17 each, immediately after the General Meeting, and such stock options being exercisable until four years thereafter.

The Chairman notes there are no questions.

Mr. Van der Weiden indicates that the VEB votes against this proposal.

The Chairman declares that 91.17% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **11. Proposal to authorise the Board to acquire own shares (*voting item*)**

The Chairman continues with the proposal to authorise the Board - for the statutory maximum period of 18 months, commencing on 18 May 2018 - to acquire shares in the Company's own share capital, subject to the conditions set out in the explanatory notes to the agenda and with due observance of the law and the Company's articles of association.

The Chairman notes there are no questions.

The Chairman declares that 99.87% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

#### **12. Proposal to cancel shares that the Company holds in its own share capital (*voting item*)**

The Chairman notes that, in line with article 32.2 of the Company's articles of association, the Board proposes to the General Meeting to cancel shares - held or to be held by the Company - in the share capital of the Company. The cancellation may be executed in one or more tranches, and the number of shares that will be cancelled, whether or not in a tranche, shall be determined by the Board. Pursuant to the relevant statutory provisions, cancellation may not be effected earlier than two months after a resolution to cancel shares is adopted and publicly announced. This will apply for each tranche.

The Chairman notes there are no questions.

The Chairman declares that 99.98% has voted in favour of the proposal. The Chairman concludes that the proposal has been adopted.

### **13. Any other business**

The Chairman asks the attending shareholders whether they would like to address other topics or ask questions.

Person X notes that he is worried about last year's drop of the share price. He also expresses his concerns about the management not having given hints last year at the annual General Meeting that the situation might not exactly be what the market was expecting. Will the new management give hints this year if necessary, if things are not what the market is generally expecting?

The Chairman notes that if the Board would have felt there was relevant information, which the Company would have to disclose to the market at the same time last year, the Board would have done that, and that was not the case. Person X has also asked whether there were some hints that there is a similar situation today. Mr. Okhuijsen, in his presentation, has reiterated the guidance that the Company has given for this year.

### **14. Closing**

The Chairman, on behalf of the Board, thanks everyone for attending. The Chairman declares the meeting closed.

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