

Altice Europe Q4 2019 Results

March 24, 2020



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, other expenses and income (capital gains, non-recurring litigation, restructuring costs) and share-based expenses and after operating lease 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 2019 Summary

Revenue growth accelerating: +11.2% YoY in Q4 2019

- *France: +13.3% with all segments growing and residential growth accelerating*
- *International: +6.9%*

EBITDA and OpFCF strong growth continues

- *EBITDA: +14.8%*
- *OpFCF¹: +20.8%*

€4.9 billion refinancing in the last six months: significant interest savings, no material maturity before 2025, capital structure simplification

€2.2 billion disposal cash proceeds secured in Q4 2019 and €4.9 billion of liquidity

2019 guidance exceeded

2020 guidance: accelerate residential revenue growth in our key geographies, grow Altice Europe revenue and EBITDA, further delever (target leverage of 4.0x to 4.5x net debt to EBITDA²)

1. Excluding Altice TV
2. Target leverage for the Telecom Perimeter
For additional footnotes see slide 22

COVID-19 Update

Protection of people: the Group's priority is to ensure the protection and safety of all employees

Maintain quality of service: ensure reliable access to critically important connectivity services and real time news and information

Closed shops: reduced sales, reduced churn

Reduced marketing expense

Maintain fibre roll-out where possible

Preparation of Altice Portugal FTTH closing and ongoing discussions with Partner Communications

Cash flow resilient business

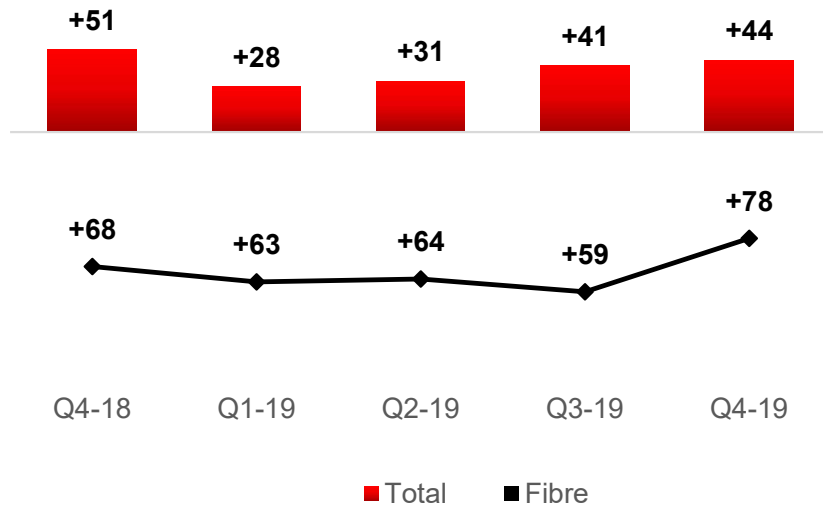
SFR Commercial Performance

Maintaining subscriber gains while growing gross add ARPU by 20%

Residential fixed net adds¹

('000)

Residential fixed base **6.4m** +2% YoY
of which fibre **45%**



Residential mobile postpaid net adds¹

('000)

Residential mobile postpaid base **14.4m** +5% YoY

Churn

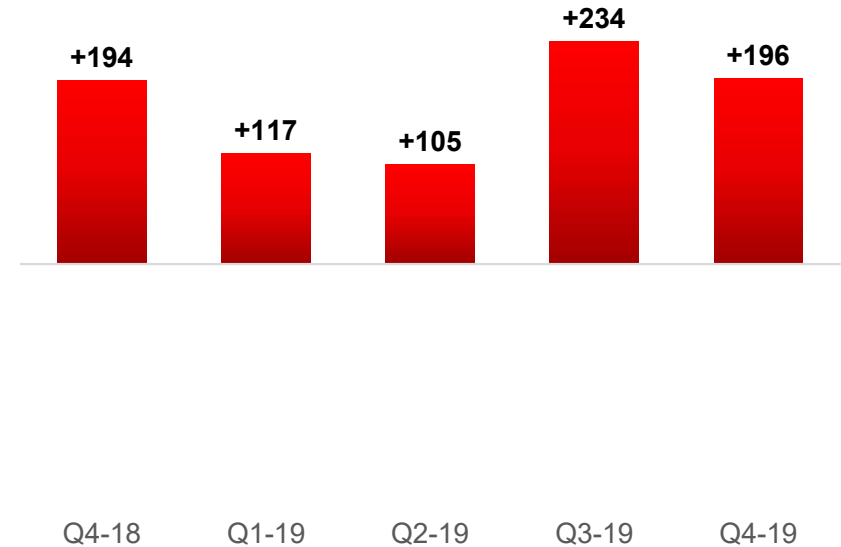
-15%

YoY in Q4-19

Call volumes

-15%

YoY in Q4-19



1. Including FOT, excluding OTT throughout

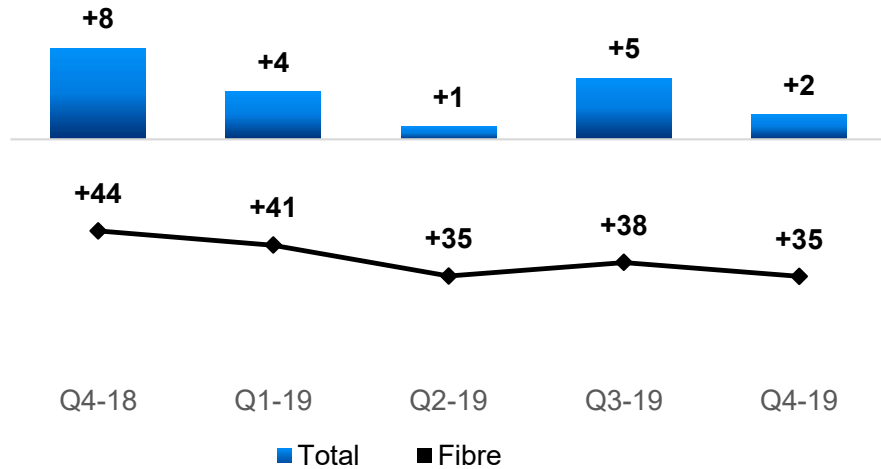
MEO Commercial Performance

Maintaining subscriber gains while growing gross add ARPU by 10%

Residential fixed net adds

('000)

Residential fixed base **1.6m** +1% YoY
of which fibre **60%**



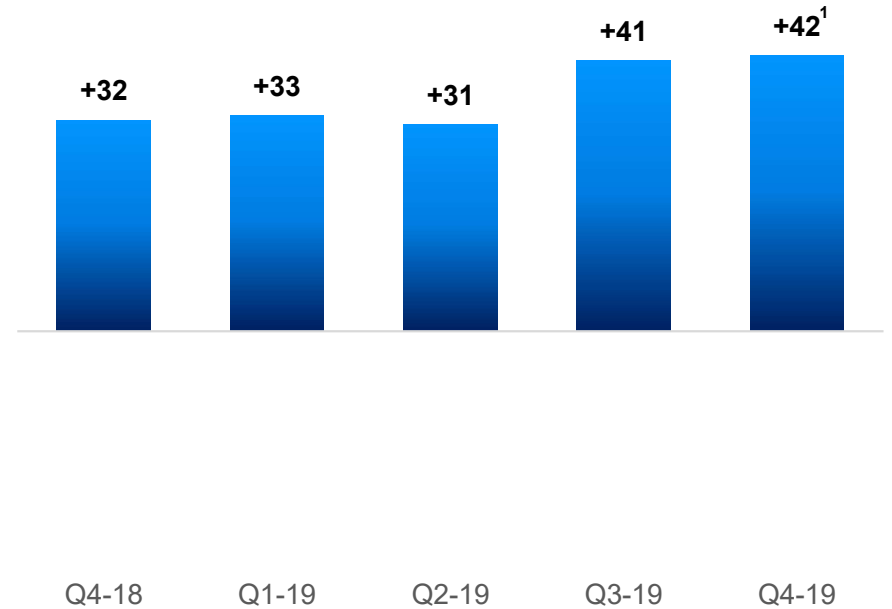
Fibre Churn
8%
in Q4-19

Call volumes
-7%
YoY in Q4-19

Residential mobile postpaid net adds

('000)

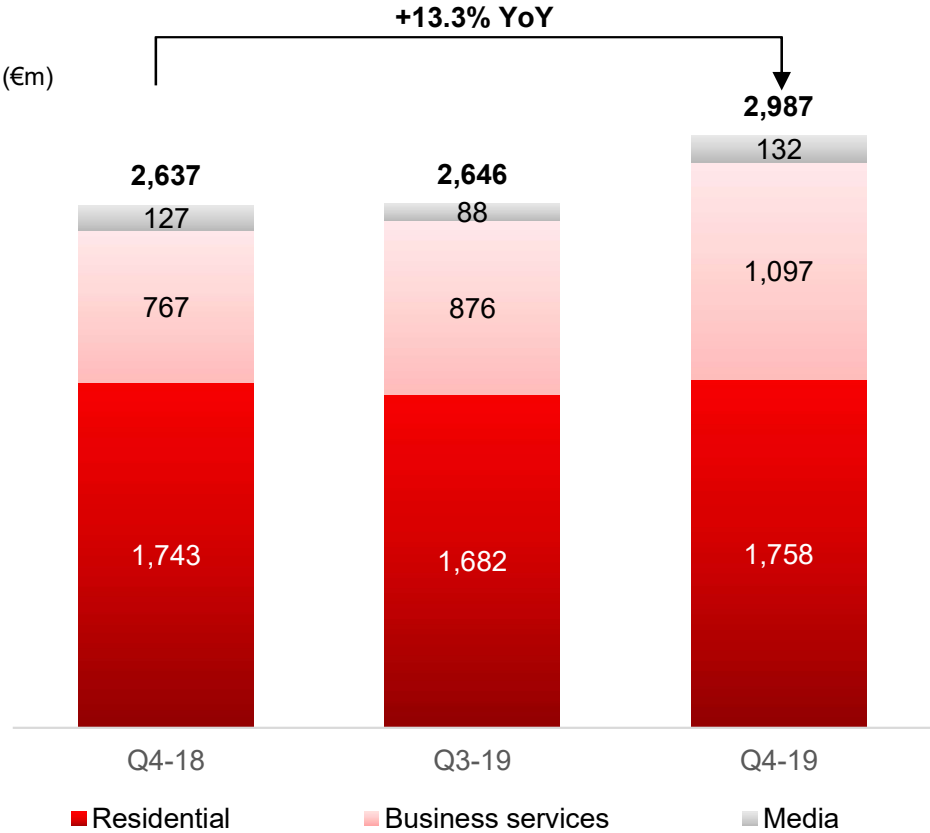
Residential mobile postpaid base **3.1m** +4% YoY



1. Before taking into account -25k subscribers from cleaning the mobile broadband non-paying subscriber base

Altice France Revenue Trends

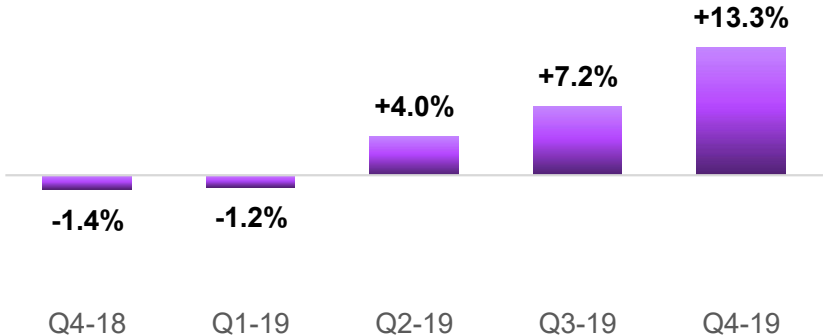
All segments growing in Q4 2019



Components of Q4 2019 revenue trends YoY

- Total Altice France: +13.3% YoY in Q4 2019
 - Residential: +0.8%
 - Business services: +43.0%
 - Media: +4.3%

Revenue growth evolution YoY

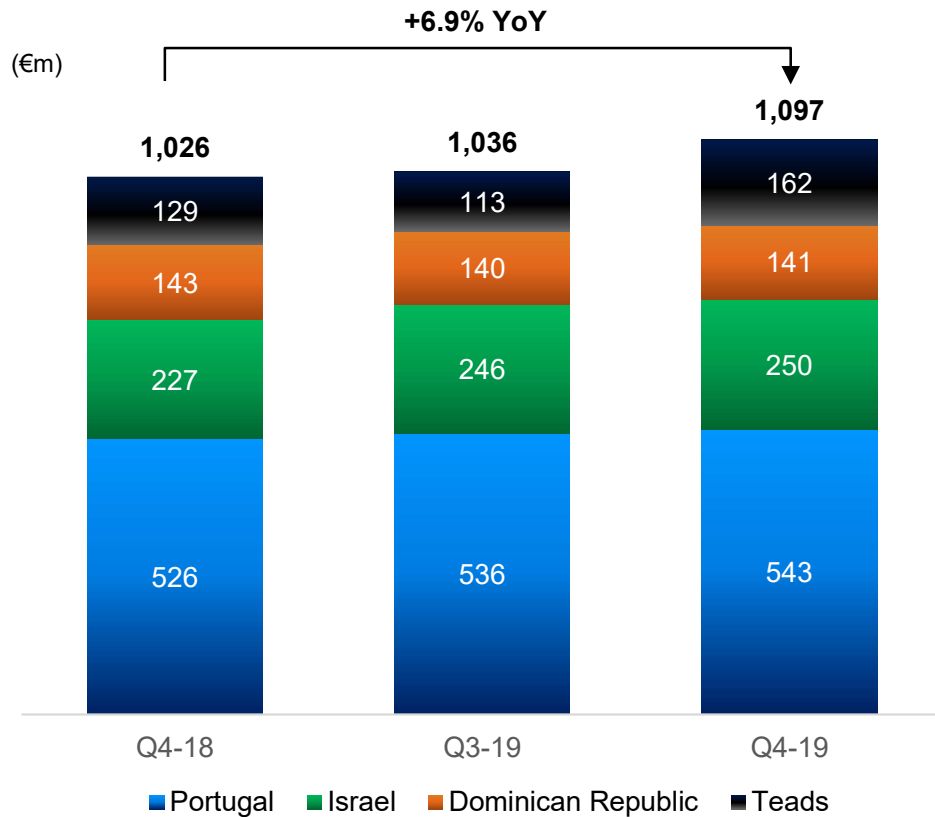


For footnotes see slide 22



Altice International Revenue Trends

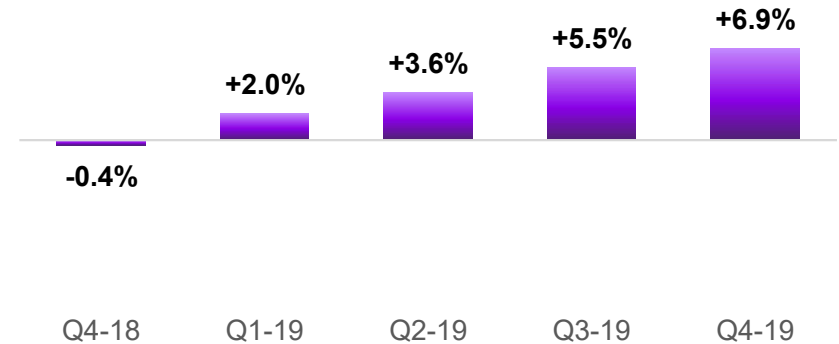
All countries growing in Q4 2019



Components of Q4 2019 revenue trends YoY

- Total Altice International: +6.9% YoY in Q4 2019
 - Portugal: +3.3%
 - Israel: +10.0% (+0.7% with CC)
 - Dominican Republic: -1.5% (+1.1% with CC)
 - Teads: +25.7% (+21.0% with CC)

Revenue growth evolution YoY






For footnotes see slide 22

Altice Europe Financials

€m	Q4-18 Pro Forma	Q4-19	Growth YoY Reported	Growth YoY Constant FX	FY-18 Pro Forma	FY-19	Growth YoY Reported	Growth YoY Constant FX
France	2,637	2,987	+13.3%	+13.3%	10,186	10,782	+5.9%	+5.9%
Altice International	1,026	1,097	+6.9%	+5.2%	3,935	4,113	+4.5%	+2.8%
Altice TV	50	64	-	-	119	238	-	-
Corporate and Other, Eliminations	-76	-106	-	-	-203	-326	-	-
Total Revenue	3,636	4,042	+11.2%	+10.7%	14,036	14,807	+5.5%	5.0%
France	936	1,120	+19.6%	+19.6%	3,796	4,207	+10.8%	+10.8%
Altice International	391	395	+1.2%	-0.3%	1,592	1,552	-2.5%	-4.2%
Altice TV	-53	-54	-	-	-227	-131	-	-
Corporate and Other, Eliminations	-11	-12	-	-	-49	-38	-	-
Total EBITDA	1,262	1,448	+14.8%	+14.3%	5,111	5,591	+9.4%	+8.9%
France	345	441	+27.9%	+27.9%	1,527	1,852	+21.3%	+21.3%
Altice International	174	186	+6.5%	+5.8%	818	800	-2.2%	-3.4%
Altice TV	-46	-67	-	-	-229	-151	-	-
Corporate and Other, Eliminations	-9	-11	-	-	-45	-30	-	-
Total OpFCF	463	548	+18.3%	+18.1%	2,072	2,471	+19.3%	+18.8%
Total OpFCF ex Altice TV	510	616	+20.8%	+20.5%	2,301	2,662	+14.0%	+13.6%

For footnotes see slide 22

FY 2019 Guidance Achieved, FY 2020 Guidance

FY 2019 guidance achieved	Initial Guidance	Revised Guidance	Actuals	
Altice France Revenue Growth YoY	3-5%	5-6%	+5.9%	
Altice France EBITDA	€4.0-4.1bn	€4.1-4.2bn	€4.21bn	
Altice Europe (ex Altice TV) OpFCF Growth YoY	In the 10% area	In the 15% area	+14.0%	

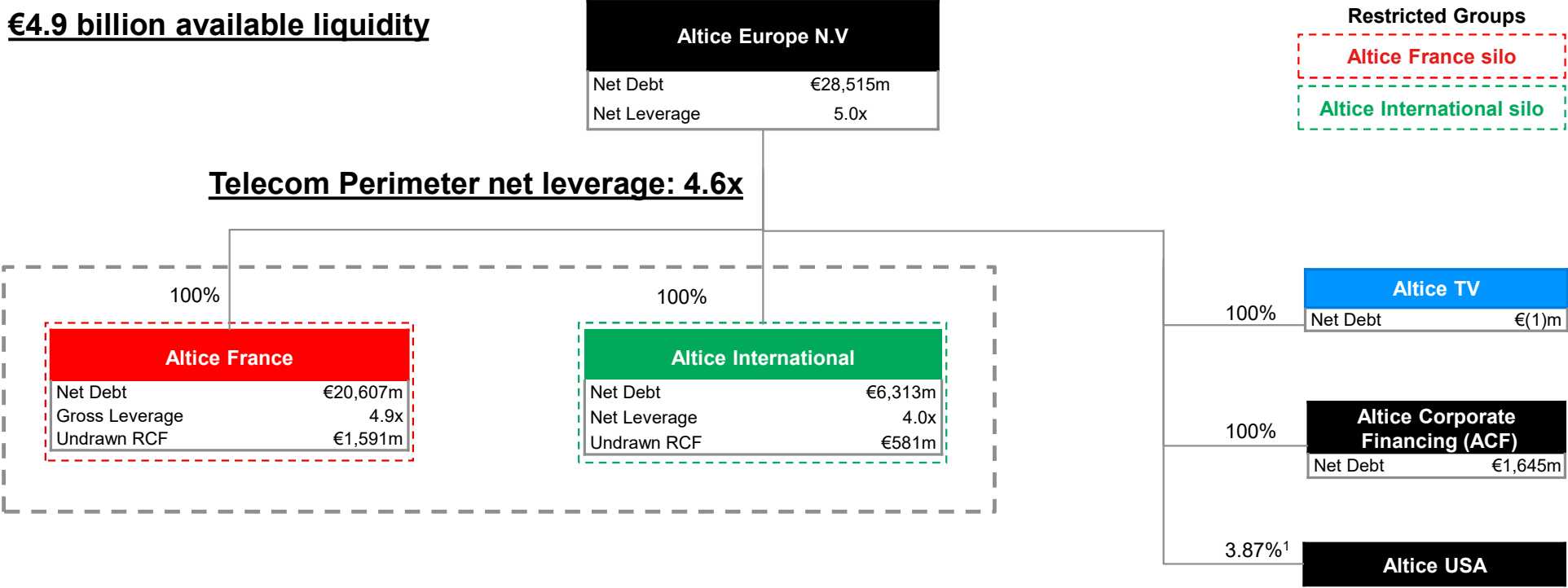
FY 2020 guidance

FY 2020	<p>Accelerate residential revenue growth in our key geographies</p> <p>Grow Altice Europe revenue and EBITDA</p> <p>Further delever (target leverage of 4.0x to 4.5x net debt to EBITDA¹)</p>
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1. Target leverage for the Telecom Perimeter
For additional footnotes see slide 22

Altice Europe Pro Forma Debt Capital Structure

€4.9 billion available liquidity

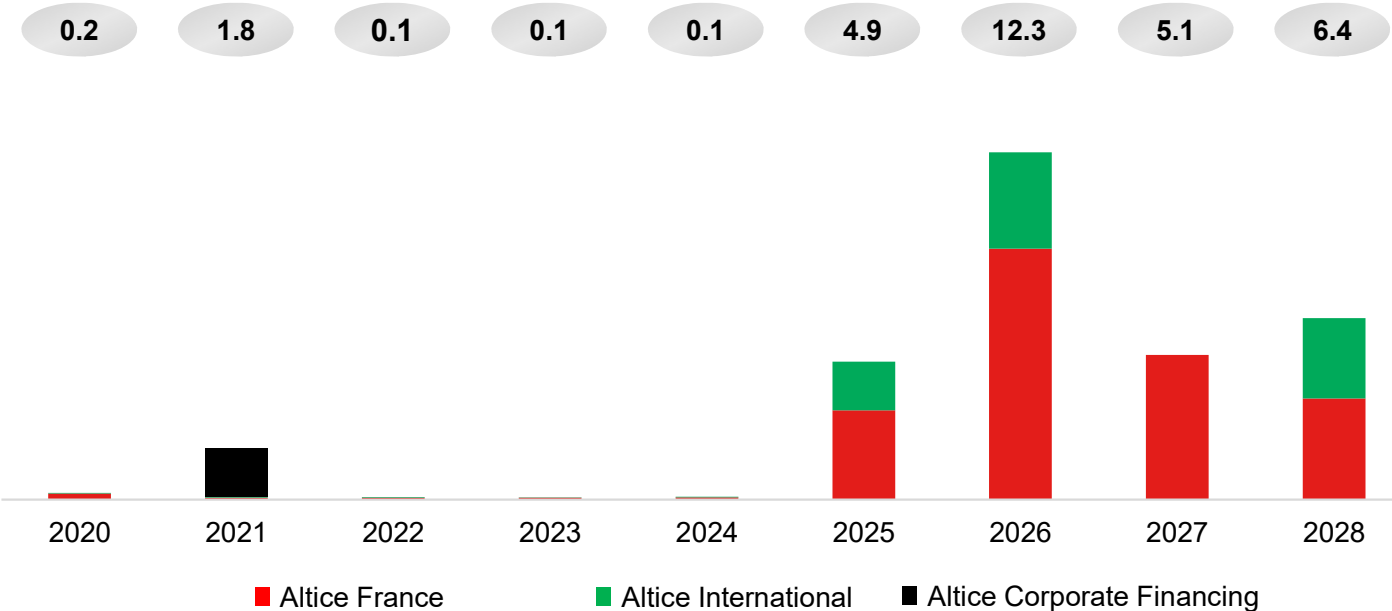


1. Shares owned by Altice Europe N.V. via Altice CVC Lux S.à r.l. at December 31, 2019
For additional footnotes see appendix slide 22

Altice Europe Debt Maturity Profile¹

No material maturities before 2025

Altice maturity profile (€bn)



€4.9 billion available liquidity

- WAL of 6.3 years
- WACD of 5.0%
- 85% fixed interest debt

Diversified capital structure with long-dated maturities

1. Maturity profile excluding leases/other debt (c. €171 million)
For additional footnotes see appendix slide 22

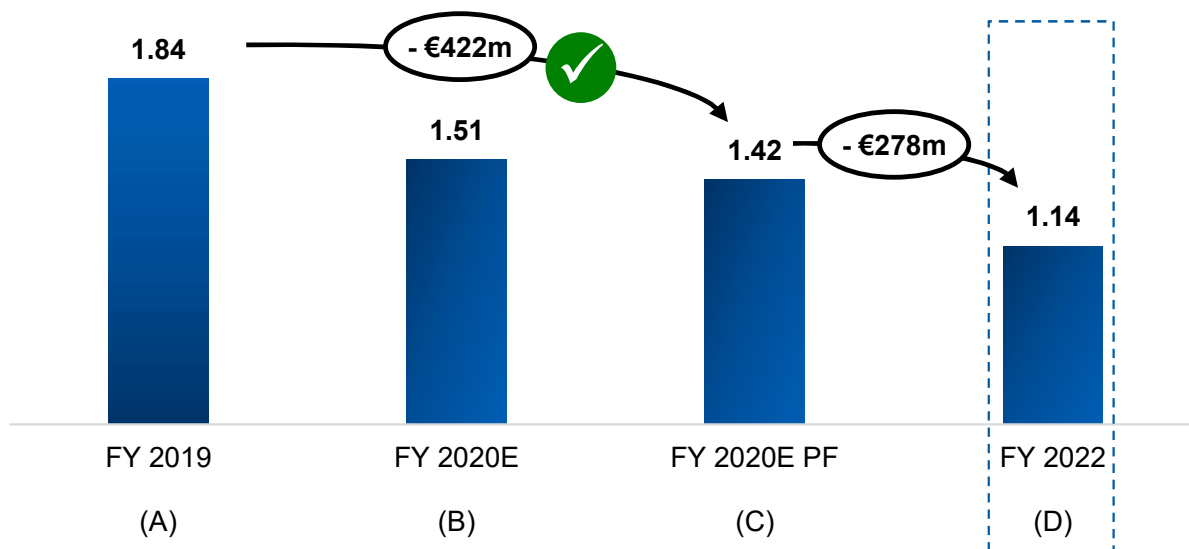


Update on Cash Interest Savings Program

Lower interest costs to drive higher FCF generation

Altice Europe interest cost evolution

(€bn)



Components of lower interest costs

- **FY 2019 (A)**
 - Accrued interest starting point for FY 2019
- **FY 2020E (B)**
 - Cash interest expected for FY 2020
- **FY 2020E Pro Forma (C)**
 - €140m savings locked in from refinancing activity in May 2019 and September 2019
 - €282m savings locked in from significant refinancing and swaps restructuring in January 2020¹
- **FY 2022E (D)**
 - Target to achieve overall €700m interest savings

Significant reduction of annual cash interest costs

1. Pro forma for total annual interest savings realized from refinancing transactions completed in 2020. Includes €114m interest savings pro forma for debt reduction expected to be made with proceeds from recent disposals and cash available on balance sheet.

Q&A

Appendix

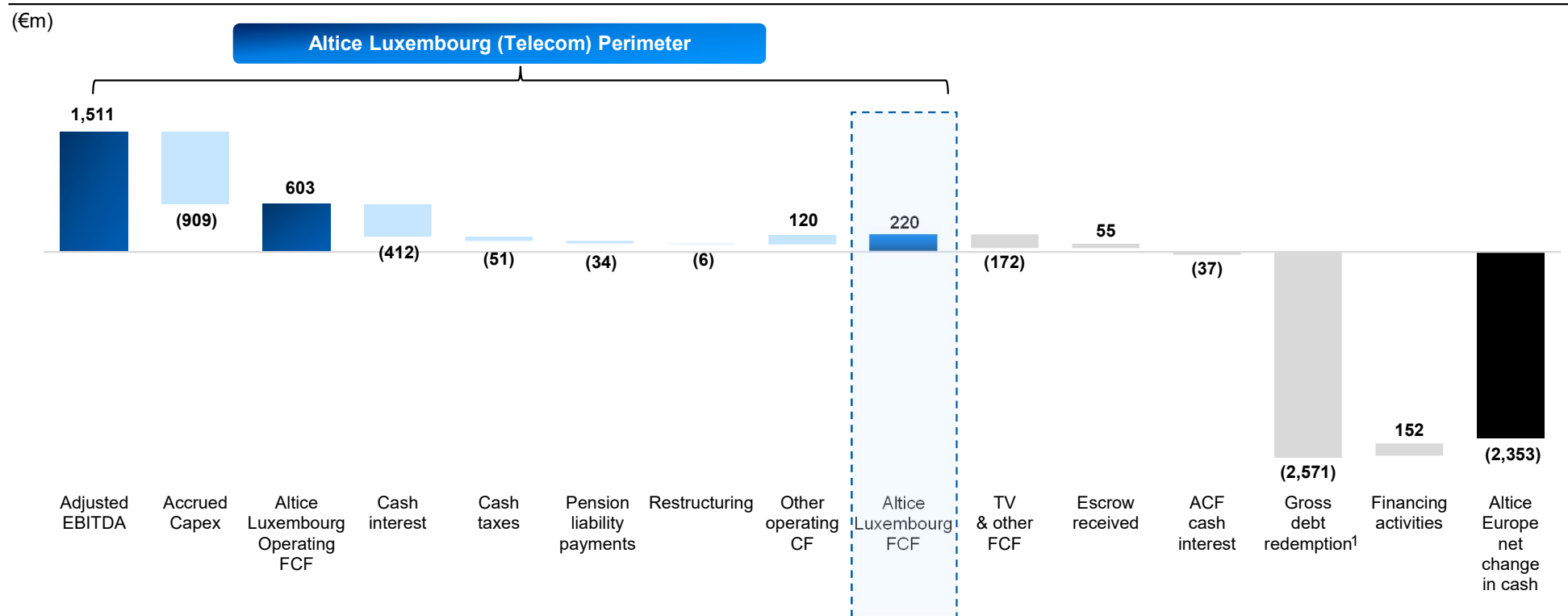
Detailed Financials

€m	Q4-18 Pro Forma	Q4-19	Growth YoY Reported	Growth YoY Constant FX	FY-18 Pro Forma	FY-19	Growth YoY Reported	Growth YoY Constant FX
France	2,637	2,987	+13.3%	+13.3%	10,186	10,782	+5.9%	+5.9%
Portugal	526	543	+3.3%	+3.3%	2,075	2,110	+1.7%	+1.7%
Israel	227	250	+10.0%	+0.7%	941	962	+2.2%	-3.9%
Dominican Republic	143	141	-1.5%	+1.1%	553	561	+1.3%	-0.5%
Teads	129	162	+25.7%	+20.9%	365	480	+31.7%	+31.7%
Altice TV	50	64	-	-	119	238	-	-
Corporate and Other, Eliminations	-76	-106	-	-	-203	-326	-	-
Total Revenue	3,636	4,042	+11.2%	+10.7%	14,036	14,807	+5.5%	+5.0%
France	936	1,120	+19.6%	+19.6%	3,796	4,207	+10.8%	+10.8%
Portugal	199	197	-1.1%	-1.1%	840	832	-1.0%	1.0%
Israel	94	92	-1.9%	-10.2%	406	359	-11.4%	-16.7%
Dominican Republic	65	67	+3.0%	+6.1%	286	278	-2.8%	-4.5%
Teads	33	40	+19.2%	+17.3%	60	83	+37.1%	+37.1%
Altice TV	-53	-54	-	-	-227	-131	-	-
Corporate and Other, Eliminations	-11	-12	-	-	-49.6	-38	-	-
Total EBITDA	1,262	1,448	+14.8%	+14.3%	5,111	5,591	+9.4%	+8.9%
France	345	441	+27.9%	+27.9%	1,527	1,852	+21.3%	+21.3%
Portugal	79	78	-0.4%	-0.4%	417	447	+7.3%	+7.3%
Israel	30	26	-12.2%	-20.0%	172	114	-33.4%	-37.4%
Dominican Republic	34	45	+32.0%	+35.0%	171	164	-4.4%	-6.0%
Teads	32	36	+13.9%	+11.5%	59	75	+27.5%	+15.8%
Altice TV	-46	-67	-	-	-229	-151	-	-
Corporate and Other, Eliminations	-9	-11	-	-	-45	-30	-	-
Total OpFCF	463	548	+18.3%	+18.1%	2,072	2,471	+19.3%	18.8%
Total OpFCF ex Altice TV	510	616	+20.8%	+20.5%	2,301	2,622	+14.0%	13.6%

For footnotes see slide 22

Free Cash Flow Generation

Q4 2019 Free Cash Flow (FCF) and net change in cash bridge



1. Gross debt reduction from redemption of the Altice France €750 million and \$815 million 2024 Senior Secured Notes and Altice Luxembourg €445 million and \$636 million 2022 Senior Notes, including the effect of call premia and transaction fees where applicable

Non-GAAP Reconciliation to unaudited GAAP measures¹

€m	For the twelve months ended December 31, 2019 (unaudited)
Revenue	14,796.2
Purchasing and subcontracting costs	-3,948.0
Other operating expenses	-2,860.9
Staff costs and employee benefits	-1,553.0
Total	6,434.4
Share-based expense	43.1
Rental expense operating lease	-894.0
Adjusted EBITDA	5,583.5
Depreciation, amortisation and impairment	-5,238.1
Share-based expense	-43.1
Other expenses and income	1,484.3
Rental expense operating lease	894.0
Operating profit/(loss)	2,680.5
Capital expenditure (accrued)	3,170.7
Capital expenditure - working capital items	267.5
Payments to acquire tangible and intangible assets	3,438.2
Operating free cash flow (OpFCF)	2,412.8

1. The difference in consolidated revenue as reported for Altice Europe in the Non-GAAP Reconciliation to GAAP measures as of December 31, 2019 year to date and the Pro Forma Financial Information for Altice Europe as disclosed in this presentation is mainly due to Teads gross revenues which are presented before discounts in this presentation (net revenues after discounts are recognised in the financial statements)

Pro Forma Net Leverage Reconciliation as of December 31, 2019

€m	Actual	Pro Forma
Altice Europe N.V. Reconciliation to Swap Adjusted Debt		
Total Debenture and Loans from Financial Institutions	31,815	31,814
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-35,837	-34,519
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	34,993	33,684
Transaction Costs	301	301
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	31,271	31,280
Commercial Paper	149	149
Overdraft / RCF Hivory / Cancellation call premium	8	8
Other debt and leases	165	165
Pro Forma Refinancing	0	-356
Gross Debt Consolidated	31,593	31,247

Altice Europe N.V. (Actual)	Altice Telecom Perimeter	Altice Corporate Financing	Altice TV	Altice Europe N.V.	Altice Europe N.V. Consolidated
Gross Debt Consolidated	29,865	1,728	-	-	31,593
Cash	-971	-83	-1	-50	-1,104
Net Debt Consolidated	28,894	1,645	-1	-50	30,498

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	29,519	1,728	-	-	31,247
Cash	-2,599	-83	-1	-50	-2,732 ¹
Net Debt Consolidated	26,920	1,645	-1	-50	28,515

1. €2.7bn of cash includes proceeds from the sale of 49.99% of Altice Portugal FTTH (payment terms: €1,565 million in 2020, €375 million in December 2021, not including €375 million in December 2026), proceeds from the sale of 25% of OMTEL (total cash proceeds of up to €200 million in 2020) and reflects the January 2020 refinancing transactions including the effect of call premia and transaction fees where applicable. Cash also includes €82 million of restricted cash for debt financing obligations at Altice Corporate Financing. Excludes funding of Covage acquisition expected in H1 2020 and excludes any associated construction-related EBITDA.

Pro Forma Net Leverage Reconciliation as of December 31, 2019

€m	Altice Luxembourg Consolidated					Altice TV	ACF	Altice Europe N.V.	Intra-Group Eliminations	Altice Europe N.V. Consolidated
	Altice France	Altice International	Altice Luxembourg	Eliminations	Altice Telecom Perimeter					
Altice Europe N.V. (Pro Forma)										
Gross Debt Consolidated	21,427	8,092	-	-	29,519	-	1,728	-	-	31,247
Cash	-820	-1,779	-0	-	-2,599	-1	-83	-50	-	-2,732
Net Debt Consolidated	20,607	6,313	-0	-	26,920	-1	1,645	-50	-	28,515
LTM Standalone	4,200	1,552	-	-	5,752	-131	-	-29	-9	5,584
Eliminations	-	-0	-	-8	-8	-	-	-	8	-
Corporate Costs	-	-3	-3	-	-7	-	-	7	-	-
LTM EBITDA Consolidated	4,200	1,548	-3	-8	5,737	-131	-	-22	-0	5,584
Pro Forma Press magazines	7	-	-	-	7	-	-	-	-	7
Pro Forma Tower sale and lease back	-	-	-	-	-	-	-	-	-	-
LTM EBITDA Consolidated After Adjustments	4,207	1,548	-3	-8	5,744	-131	-	-22	-0	5,591
Gross Leverage (LTM EBITDA)	5.1x	5.2x	-	-	5.1x	-	-	-	-	5.6x
Net Leverage (LTM EBITDA)	4.9x	4.1x	-	-	4.7x	-	-	-	-	5.1x
L2QA EBITDA Consolidated After Adjustments	4,344	1,581	-5	-9	5,911	-171	-	-28	-0	5,711
Gross Leverage (L2QA EBITDA)	4.9x	5.1x	-	-	5.0x	-	-	-	-	5.5x
Net Leverage (L2QA EBITDA)	4.7x	4.0x	-	-	4.6x	-	-	-	-	5.0x

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

Glossary

<p>Segments are shown on a pro forma standalone reporting basis and Group figures are shown on a pro forma consolidated basis and are shown under IFRS 15 accounting standard</p> <p>Financials exclude the international wholesale voice business (following closing announced on September 13, 2018) and press magazines disposed (following closing of Point de Vue on July 2, 2018 and Groupe L'Express on July 30, 2019) from 1/1/18. Financials shown are pro forma for the tower transaction in Portugal (following closing announced on September 4, 2018) and the tower transaction in the Dominican Republic (following closing announced on October 3, 2018) from 1/1/18</p> <p>Q3-18 Altice TV accrued capex excludes €1,013m related to the acquisition of multi-year major sports rights in France (Champions League)</p>	Pages 7, 8, 9, 16
<p>Adjusted for Capex in relation to Altice Portugal FTTH network homes passed which were contributed as part of the announced Altice Portugal FTTH transaction (€22 million in Q4 2019, €29 million in Q3 2019)</p>	Pages 3, 9, 10, 16
<p>Teads gross revenue is presented before discounts (net revenue after discounts is recognised in the Consolidated financial statements)</p>	Page 16
<p>Disposal cash proceeds include the sale of 49.99% of Altice Portugal FTTH (payment terms: €1,565 million in 2020, €375 million in December 2021, not including €375 million in December 2026) and the sale of 25% of OMTEL (total cash proceeds of up to €200 million in 2020)</p>	Page 3
<p>€4.9 billion liquidity include €2.2 billion of undrawn revolvers and €2.7 billion of cash. The €2.7 billion of cash includes proceeds from the sale of 49.99% of Altice Portugal FTTH (payment terms: €1,565 million in 2020, €375 million in December 2021, not including €375 million in December 2026), proceeds from the sale of 25% of OMTEL (total cash proceeds of up to €200 million in 2020) and reflects the January 2020 refinancing transactions including the effect of call premia and transaction fees where applicable. Cash also includes €82 million of restricted cash for debt financing obligations at Altice Corporate Financing. Excludes funding of the Covage acquisition expected in H1 2020 and excludes any associated construction-related EBITDA</p>	Pages 3, 11, 12
<p>Leverage is shown on an L2QA basis. Pro forma for the full redemption of the Altice Luxembourg SA €750 million and \$1,480 million 2025's notes, the Altice Luxembourg SA €1,400 million and \$1,600 million 2027's notes exchange, the issuance at Altice France SA of new €500 million 2025 senior secured notes, the issuance at Ypso France bis SA of the €500 million and \$1,225 million 2028's senior notes, the repayment of €90 million of Altice France SA RCF, the full redemption of the Altice Finco SA €250 million 2023 and \$400 million 2024 notes, the full redemption of the Altice Financing SA €500 million and \$2,060 million 2023's notes, the issuance of the new Altice Financing SA €1,100 million and \$1,200 million 2028's notes, the issuance of the Altice Financing SA €600 million 2025 notes, the cash proceeds of the OMTEL transaction (€200 million) and the Altice Portugal FTTH transaction (€1,940 million). Pro-forma numbers includes as well the effect of call premia and transaction fees where applicable. Group net debt includes €50 million of cash at Altice Europe N.V. and other subsidiaries outside debt silos</p> <p>Altice France net debt excludes operating lease liabilities recognized under IFRS 16 and includes €4.3 billion equivalent of Senior Notes issued at Altice France Holding S.A</p> <p>Altice France Ivory OpCo RCF is drawn for €10 million; Altice France SA, Altice International and Altice Luxembourg RCFs are undrawn</p>	Page 11