

9 May 2019

Altice Europe N.V. First Quarter 2019 Pro Forma¹ Results**Strong Financial Performance in Q1 2019
France, Portugal and International back to growth
All FY 2019 Guidance Reiterated**

May 9, 2019: Altice Europe N.V. (Euronext: ATC and ATCB), today announces financial and operating results for the quarter ended March 31, 2019.

Patrick Drahi, Altice Europe founder, said: *“The turnaround of Altice Europe is materializing. Significant and continued investments in networks, as well as the consistent improvements in customer care, have led to a material reduction in churn rates, call volumes and strong improvement in customer satisfaction. In Q1 2019, Altice Europe started benefiting from this successful operational turnaround achieved by the new management teams put in place 18 months ago. Our two silos France and International are now growing for the first time since the IPO and the Group is back to EBITDA growth paving the way for an acceleration of the deleveraging. Altice Europe has recently successfully extended the average maturity of its capital structure through a refinancing of €2.8 billion generating annual cash savings in excess of €110 million and highlighting the strong support from the debt capital markets for our strategy”.*

Altice Europe Q1 2019 Key Financial Highlights

- Altice Europe revenue grew by +0.5% YoY ex-VAT benefit² on a constant currency (CC) basis or -0.4% YoY on a reported basis (vs. -1.7% YoY in Q4 2018 and -3.5% YoY in FY 2018 on a reported basis).
- Altice Europe Adjusted EBITDA³ grew by +7.2% YoY ex-VAT benefit on a CC basis or +4.0% YoY on a reported basis (vs. -14.4% YoY in Q4 2018 and -9.7% YoY in FY 2018 on a reported basis). Adjusted EBITDA margin was 36.9% in Q1 2019 on a reported basis (+1.5pts YoY).
- Altice Europe made significant investments in networks, customer premise equipment and innovative new services, with total accrued capital expenditure for Altice Europe of €771 million in Q1 2019, relatively stable YoY.

¹ All financials are shown under IFRS 15 accounting standard. Financials shown above are pro forma defined as results of Altice Europe new perimeter as if the spin-off of Altice USA had occurred on 1/1/18. Altice USA considered as third-party and not included in group eliminations from 1/1/18. Segments are shown on a pro forma standalone reporting basis and Group figures are shown on a pro forma consolidated basis. In addition, financials for Altice Europe exclude the international wholesale voice business (following closing announced on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing announced on February 12, 2018) from 1/1/18. 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

² Excluding benefit of lower VAT for some press/TV bundles implemented in 2016; loss of benefit from March 2018 following VAT law change

³ See reconciliation of non-GAAP performance measures to operating profit for the three-month period ended on page 18 of this release

Altice Europe Q1 2019 Key Operational Highlights

- Altice France achieved a good level of customer acquisition in the first quarter in a market with fewer promotions, while continuing to focus on and significantly reduce churn in both fixed and mobile. As expected and consistent with FY 2019 guidance, Altice France benefitted in Q1 2019 from an improved revenue trend as well as lower costs, underpinned by better quality of services and lower churn (-15% YoY in Q1 2019). The sale of a minority equity stake of 49.99% in our medium and low density 'fibre to the home' business, SFR FTTH, was successfully closed on March 27, 2019. As a result, Altice France is now benefiting from new streams of revenues for the construction and the maintenance of the FTTH network, with a greater contribution expected in the quarters to come.
 - B2C fixed base grew by +88k customers of which +63k fibre customers. SFR has the highest proportion of fibre subscribers within the total fixed customer base in France (42%).
 - B2C mobile postpaid base grew by +117k customers, supported by the continued positive impact of premium content (Champions' League), a better network (best 4G+ network in 2018 according to nPerf survey).
 - Altice France reported positive revenue growth ex-VAT benefit of +0.1% YoY (vs. +0.3% YoY in Q4 2018, -2.7% in FY 2018 ex-VAT benefit). Altice France reported a significantly improved EBITDA trend in Q1 2019 of +4.5% YoY on a reported basis or +9.7% ex-VAT benefit (vs. -10.9% YoY in Q4 2018, -4.9% in FY 2018 ex-VAT benefit).
- In Portugal, the Group again achieved a solid level of customer acquisition in the first quarter, resulting in positive revenue growth with careful cost control.
 - The B2C fixed base grew by +4k customers, while fixed and mobile churn has stabilized at the lowest level ever, alongside ARPU stabilization. Fibre customer net additions were +41k, supported by the expansion of fibre coverage. Mobile postpaid net additions were +33k.
 - Thanks to its continued network investments and successful convergent strategy, MEO inflected to positive revenue growth in Q1 2019 with +0.4% YoY (vs. -0.1% in Q4 2018, -3.1% in FY 2018). A tight control of the cost base paved the way to an improved EBITDA trend of -1.4% YoY in Q1 2019 (vs. -13.8% YoY in Q4 2018, -11.5% in FY 2018).
- Altice International revenue grew by 2.0% YoY on a reported basis with Dominican Republic back to revenue growth, Israel starting to improve its revenue trends and Teads growing revenue by 30.2% YoY.

Capital Structure Key Highlights

- On May 6, 2019, Altice Europe announced the successful debt raising of €2.8 billion of new 8-year Senior Notes at Altice Luxembourg SA at a weighted average cost on a fully euro swapped basis of 7.9%. Pro forma for the refinancing transactions, Altice Europe has a robust, diversified and long-term capital structure, with the average maturity of its debt capital structure extended by 0.5 years at now 6.2 years.
- The proceeds from this transaction, together with €500 million cash from Altice France and swap monetization proceeds of €435 million, will be used by Altice Luxembourg to partially repay its existing \$2,900 million and €2,075 million 2022 Notes. As a result, there will be approximately €1.0 billion equivalent outstanding of the 2022 Notes.
- Furthermore, Altice Europe will use €1.0 billion of cash on balance sheet at Altice France to partially redeem its existing €1,250 million and \$1,375 million 2024 Altice France Notes on a pro rata basis. As a result, there will be approximately €1.5 billion equivalent outstanding of the 2024 Altice France Notes.
- Total consolidated Altice Europe net debt was €30.1 billion at the end of Q1 2019. Pro forma for the refinancing transactions, the average maturity of Altice Europe's debt capital structure has been extended

by 0.5 years and the weighted average cost of Altice Europe's debt remains at 5.7%. Total cash savings pro forma for these transactions are in excess of €110 million of annual cash savings.

FY 2019 Guidance Reiterated

- For the full year 2019, Altice Europe expects:
 - Operating free cash flow growth in the area of 10% YoY, excluding the Altice TV segment.
 - Altice France revenue growth within a range of 3% to 5%.
 - Altice France EBITDA within a range of €4.0 billion to €4.1 billion.
- Altice Europe targets a leverage of 4.25x net debt to Adjusted EBITDA within 24 months for the telecom perimeter (Altice Luxembourg). Altice Europe reiterates its plan to further deleverage its balance sheet and bring financial leverage in line with its stated target of 4x net debt to Adjusted EBITDA.

Other Significant Events

- On April 27, 2019 Altice Europe announced that it intends to reduce its share capital by cancelling treasury shares. On May 18, 2018, the General Meeting of Altice Europe granted the authority to the Board to cancel any shares in the share capital of the Company held or to be held by the Company. On April 26, 2019, the Board of Altice Europe resolved to cancel 685,000,000 common shares A held by the Company. The cancellation of such shares will become effective in accordance with the provisions of Dutch law.



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Conference call details

The company will host a conference call and webcast today, Thursday 9th of May 2019 at 6:30pm CEST (5:30pm BST, 12:30pm EDT)

Dial-in Access telephone numbers:

Participant Toll Free Dial-In Number: +1 (866) 393-4306

Participant International Dial-In Number: +1 (734) 385-2616

Conference ID: 9253509

A live webcast of the presentation will be available on the following website:

<https://event.on24.com/wcc/r/1958496/8B432B4362064EC79B8D176B3F43F452>

The presentation for the conference call will be made available prior to the call on our investor relations website:

<http://altice.net/investor-relations>



About Altice Europe

Altice Europe (ATC & ATCB), listed on Euronext Amsterdam, is a convergent leader in telecoms, content, media, entertainment and advertising. Altice delivers innovative, customer-centric products and solutions that connect and unlock the limitless potential of its over 30 million customers over fibre networks and mobile broadband. Altice is also a provider of enterprise digital solutions to millions of business customers. Altice innovates with technology, research and development and enables people to live out their passions by providing original content, high-quality and compelling TV shows, and international, national and local news channels. Altice delivers live broadcast premium sports events and enables its customers to enjoy the most well-known media and entertainment.

Financial Presentation

Altice Europe N.V. (Altice Europe or the “Company”) was created as a result of a cross-border merger with Altice S.A. as per a board resolution dated August 9, 2015. Altice Europe’s shares started trading on Euronext Amsterdam from August 10, 2015 onwards. Altice Europe is considered to be the successor entity of Altice S.A. and thus inherits the continuity of Altice S.A.’s consolidated business. Altice Europe and its subsidiaries have operated for several years and have from time to time made significant equity investments in a number of cable and telecommunication businesses in various jurisdictions. Therefore, in order to facilitate an understanding of the Company’s results of operations, we have presented and discussed the pro-forma consolidated financial information of the Company – giving effect to each such significant acquisition and disposal as if such acquisitions and disposals had occurred by January 1, 2018; as if the spin-off of Altice USA had occurred on January 1, 2018, for the quarters ended March 31, 2018 and March 31, 2019 (the “Pro Forma Financial Information”). In addition, financials for Altice Europe exclude the international wholesale voice business (following closing announced on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing announced on February 12, 2018) for the quarters ended March 31, 2018 and March 31, 2019. 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.

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

Adjusted EBITDA is defined as operating income before depreciation and amortization, non-recurring items (capital gains, non-recurring litigation, restructuring costs) and 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 Europe'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 Group. The financial information presented in this press release 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.

Financial and Statistical Information and Comparisons

Financial and statistical information is for the quarter ended March 31, 2019, unless otherwise stated, and any year over year comparisons are for the quarter ended March 31, 2018.

Regulated Information

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Altice Europe Summary Financials Pro Forma Information

Altice Europe - Quarter ended March 31, 2019										
<i>In EUR million</i>	Altice France	Portugal	Israel	Dominican Republic	Teads	Others	Altice TV	Corporate & Other	Eliminations	Altice Europe Consolidated
Residential – Fixed	627.7	153.6	139.5	25.3	-	-	-	-	-	946.2
Residential – Mobile	1,011.7	136.0	63.7	87.1	-	-	-	-	-	1,298.4
Business services	806.8	219.3	28.4	26.5	-	0.1	-	-	-	1,081.1
Media	112.2	-	-	-	88.1	-	59.7	-	-	260.0
Standalone Revenue	2,558.4	508.9	231.7	138.9	88.1	0.1	59.7	-	-	3,585.8
Eliminations	-21.2	-10.2	-0.1	-0.0	-0.8	-	-38.4	-0.0	-	-70.6
Consolidated Revenue	2,537.2	498.7	231.6	138.9	87.3	0.1	21.3	-	-	3,515.2
Adjusted EBITDA	955.7	206.5	84.5	70.8	6.5	-0.2	-21.6	-4.3	-0.6	1,297.2
<i>Margin (%)</i>	37.4%	40.6%	36.5%	51.0%	7.4%	nm	nm	nm	nm	36.9%
Accrued Capex	581.4	100.5	57.7	28.2	0.6	-	3.2	-	-0.9	770.6
Adjusted EBITDA - Accrued Capex	374.3	106.0	26.9	42.6	5.9	-0.2	-24.8	-4.3	0.3	526.7

Altice Europe - Quarter ended March 31, 2018										
<i>In EUR million</i>	Altice France	Portugal	Israel	Dominican Republic	Teads	Others	Altice TV	Corporate & Other	Eliminations	Altice Europe Consolidated
Residential – Fixed	678.3	155.3	150.2	24.4	-	-	-	-	-	1,008.2
Residential – Mobile	1,080.4	134.9	61.8	86.0	-	-	-	-	-	1,363.1
Business services	732.5	216.6	29.6	22.3	-	0.2	-	0.3	-	1,001.5
Media	107.6	-	-	-	67.7	-	20.3	-	-	195.6
Standalone Revenue	2,598.8	506.7	241.5	132.7	67.7	0.2	20.3	0.3	-	3,568.3
Eliminations	-11.2	-11.9	-0.2	-0.3	-0.5	-	-15.8	-0.4	-	-40.2
Consolidated Revenue	2,587.6	494.9	241.4	132.4	67.3	0.2	4.5	-0.1	-	3,528.1
Adjusted EBITDA	914.5	209.3	107.1	73.8	5.5	-0.1	-56.0	-6.2	-0.4	1,247.5
<i>Margin (%)</i>	35.2%	41.3%	44.4%	55.6%	8.1%	nm	nm	nm	nm	35.4%
Accrued Capex	568.8	104.7	58.1	27.6	-	-	3.8	-	-2.3	760.7
Adjusted EBITDA - Accrued Capex	345.8	104.6	49.1	46.1	5.5	-0.1	-59.8	-6.2	1.9	486.8

Notes to Summary Financials

- (1) Financials shown in these tables are pro forma defined as results of Altice Europe new perimeter as if the spin-off of Altice USA had occurred on 1/1/18. Altice USA considered as third-party and not included in group eliminations from 1/1/18. Segments are shown on a pro forma standalone reporting basis and Group figures are shown on a pro forma consolidated basis. In addition, financials for Altice Europe exclude the international wholesale voice business (following closing announced on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing announced on February 12, 2018) from 1/1/18. 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
- (2) "Other" segment within Altice International includes datacentre operations in France (Auberimmo)
- (3) Adjusted EBITDA is defined as operating income before depreciation and amortization, non-recurring items (capital gains, non-recurring litigation, restructuring costs) and share-based expenses and after operating lease expenses
- (4) Teads gross revenues are presented before discounts (net revenues after discounts are recognised in the financial statements)

Altice Europe KPIs

	Altice Europe - Quarter ended March 31, 2019				
<i>000's unless stated otherwise</i>	Altice France	Portugal	Israel	Dominican Republic	Total
Homes passed	23,518	5,205	2,138	794	31,654
Fibre homes passed	12,978	4,592	2,138	756	20,463
<u>FIXED B2C</u>					
Fibre / cable unique customers	2,637	845	992	192	4,666
Net adds	63	41	3	0	107
Total fixed B2C unique customers	6,446	1,585	992	325	9,348
Net adds	88	4	3	7	101
<u>MOBILE B2C</u>					
Postpaid subscribers	13,866	2,991	1,147	579	18,583
Net adds	117	33	7	11	167
Prepaid subscribers	1,534	3,375	160	2,485	7,554
Total mobile B2C subscribers	15,400	6,367	1,307	3,064	26,137

	Altice Europe - Quarter ended March 31, 2018				
<i>000's unless stated otherwise</i>	Altice France	Portugal	Israel	Dominican Republic	Total
Homes passed	24,777	5,066	2,098	788	32,729
Fibre homes passed	11,410	4,168	2,098	750	18,426
<u>FIXED B2C</u>					
Fibre / cable unique customers	2,386	669	1,002	200	4,257
Net adds	96	49	1	-4	143
Total fixed B2C unique customers	6,097	1,559	1,002	322	8,980
Net adds	72	4	1	-1	76
<u>MOBILE B2C</u>					
Postpaid subscribers	12,944	2,851	1,159	530	17,484
Net adds	244	34	7	-5	280
Prepaid subscribers	1,720	3,504	150	2,688	8,062
Total mobile B2C subscribers	14,663	6,356	1,309	3,219	25,547

Notes to KPIs tables

- (1) Total homes passed in France includes unbundled DSL homes outside of SFR's fibre / cable (FTTH / FTTB) footprint. Portugal total homes passed includes DSL homes enabled for IPTV outside of MEO's fibre footprint and fibre homes passed figures include homes where MEO has access through wholesale fibre operators (c.0.4 million in Q1 2019)
- (2) Fibre / cable unique customers represents the number of individual end users who have subscribed for one or more of our fibre / cable based services (including pay television, broadband or telephony), without regard to how many services to which the end user subscribed. It is calculated on a unique premise basis. Fibre / cable customers for France excludes white-label wholesale subscribers and includes 4G Box subscribers. For Israel, it refers to the total number of unique customer relationships, including both B2C and B2B
- (3) Mobile subscribers is equal to the net number of lines or SIM cards that have been activated on the Group's mobile networks and excludes M2M. In Israel, the split between iDEN and UMTS (B2C only, including prepaid) services is as follows: 5k iDEN and 1,302k UMTS as of March 31, 2019, and 7k iDEN and 1,302k UMTS as of March 31, 2018
- (4) The tables above exclude Altice USA's key operating measures. As a result, the totals are presented as if the separation of Altice USA had occurred on January 1, 2018

Altice Europe Financial and Operational Review by Segment - Pro Forma⁴

For the quarter ended March 31, 2019 compared to the quarter ended March 31, 2018

France (Altice France including SFR)

SFR continued to invest in its proprietary infrastructure to further improve customer satisfaction and enhance its position in the fast-growing fibre wholesale market. SFR remains the number one high-speed broadband infrastructure in France⁵, with more than 12.8 million homes passed⁶ at the end of Q1 2019.

On March 27, 2019, Altice closed the SFR FTTH transaction, marking the creation of the largest alternative FTTH infrastructure wholesale operator in France. SFR FTTH has 5 million homes to be passed with scope for more homes to be franchised or acquired. Altice France benefits from an impressive momentum having been awarded with exclusive FTTH deployments in 5 more French departments, 500,000 homes, since January 1, 2019.

On the mobile side, SFR continues to be the leader in terms of 4G mobile antennas in service in France (39,308⁷) and covered 98.7% of the population with 4G at the end of Q1 2019, in line with its target of 99%. SFR reached its target of 90% population coverage in very low-dense areas, three years in advance. SFR delivers higher 4G data rates, thereby improving customer experience (4G+ at 300/500 Mbps). SFR is pleased to have the best 4G+ network coverage in 2018, according to the nPerf survey (more than 1 billion measures per annum). This increase in speed makes it possible to support the transition to 5G, something which the Group continues to work towards actively.

The operational turnaround and sustained customer growth have been underpinned by churn reduction and NPS improvements (Net Promoter Score), leading to an inflection in revenue growth and lower costs in Q1 2019 to continue in the quarter coming. The turnaround is supported by significant improvements in 2018 in infrastructure and in technical service operations. This turnaround is also driven by the highest level of employee commitment since 2008 according to our latest Human Resource study.

The following subscriber KPIs are based on the current reporting perimeter for Altice France (including FOT):

- Total Altice France revenue increased +0.1% YoY ex-VAT benefit⁸, -1.6% YoY reported in Q1 2019 to €2,558 million, reflecting the impact of positive net adds mitigating the negative ARPU effect.
- The B2C fixed base in France grew again with +88k unique customer net additions in Q1 2019 (vs. +72k net additions in Q1 2018):
 - Fibre net additions reached +63k in Q1 2019 (vs. +96k in Q1 2018)
 - Residential fixed revenues declined by -4.4% YoY ex-VAT benefit (vs. -3.9% YoY in Q4 2018 ex-VAT benefit), or -7.5% YoY on a reported basis in Q1 2019 (vs. -7.7% YoY in Q4 2018), impacted by prior customer losses and the decline in ARPU.
- Mobile B2C postpaid customer growth in France was again very strong this quarter:
 - The mobile B2C postpaid customer base increased by +117k net additions in Q1 2019 (vs. +244k in Q1 2018); the SFR brand continued to show positive quarter of net additions, on top of the digital Red brand success highlighting the competitiveness of SFR from the no-frill and digital segment to the 5-Play convergent market.
 - Residential mobile revenues declined by -4.4% YoY ex-VAT benefit, or -6.4% YoY on a reported basis in Q1 2019 (vs. -7.4% YoY in Q4 2018 on a reported basis), impacted by prior customer

⁴ Financials shown in this section are based on the new reporting perimeter for Altice Europe unless stated otherwise

⁵ Delivering broadband speeds over 100Mbps

⁶ FTTB and FTTH homes passed

⁷ Source: ANFR

⁸ Excluding benefit of lower VAT for some press/TV bundles implemented in 2016; loss of benefit from March 2018 following VAT law change

losses and the decline in ARPU due to the intensification of market competition during summer 2018 and the back-to-school period.

- Business services (B2B, wholesale and other non-media revenues) revenues grew by +10.2% YoY in Q1 2019 (vs. +10.5% YoY in Q4 2018). B2B benefitted from the adoption of a new pricing and customer retention strategy, along with better cross-selling between the fixed and mobile segments from a better franchise, linked to a better-quality network. Wholesale revenues benefitted from an increased contribution from the major MVNO operators in France (La Poste, EIT), both in mobile and fixed, evidence of the improved quality network at Altice France. In addition, Altice France started benefiting in Q1 2019 from new streams of revenues for the construction and maintenance of the FTTH network following the successful closing of the sale of a minority equity stake of 49.99% in SFR FTTH on March 27, 2019. As a result, Altice France benefitted only slightly in Q1 2019 from this new stream of revenues. A greater contribution is expected in the coming quarters.
- Media revenues grew by +4.3% YoY in Q1 2019 (vs. +11.2% in Q1 2018).

Altice France reported a significantly improved EBITDA trend in Q1 2019 of +4.5% YoY on a reported basis or +9.7% ex-VAT benefit to €956 million (vs. -10.9% YoY in Q4 2018, -4.9% in FY 2018 ex-VAT benefit). EBITDA margin improved by 2.2% pts YoY on a reported basis to 37.4% thanks to an improved revenue trend as well as lower costs, underpinned by lower churn (-15% YoY in Q1 2019), seeing benefits in the areas of marketing and sales, call centers and customer acquisition and retention effort.

Total Altice France capex amounted to €581 million in Q1 2019, an increase of €13 million YoY reflecting sustained fixed and mobile network investments, with optimization through refurbished equipment to limit success capex (i.e. CPE).

Portugal (MEO)

Q1 2019 was the sixth consecutive quarter of growth for the fixed B2C customer base in Portugal. This solid customer growth is contributing to an improved trend in revenue growth. MEO has reached almost 4.6 million fibre homes passed (+102k in Q1 2019), on track for its target for nationwide fibre coverage of 5.3 million homes. MEO's competitive mobile infrastructure reached 98.6% 4G and 75.0% 4G+ population coverage at the end of Q1 2019.

- Total Altice Portugal revenue grew +0.4% YoY in Q1 2019 to €509 million.
- Total residential revenues modestly declined by -0.2% YoY in Q1 2019, with residential mobile growth of +0.9% YoY offset by a decline in residential fixed of -1.1% YoY.
- MEO B2C fixed subscriber base grew YoY in Q1 2019, supported by positive net additions in Q1 2019 of +4k (vs. +4k in Q1 2018):
 - Fibre customer net additions in Q1 2019 were +41k (vs. +49k in Q1 2018); DSL/DTH customer losses were -37k in Q1 2019 (vs. -45k in Q1 2018); convergence of the base continued to grow, increasing the proportion of valuable customers with higher lifetime value. 53% of the total customers in the B2C fixed segment are on fibre technology, still a major growth enabler. In Q1 2019, MEO launched Eleven Sports channels with relevant sports contents such as the Champions League and Formula 1.
- Postpaid B2C mobile subscriber net additions in Q1 2019 were +33k (vs. +34k net additions in Q1 2018), supported by MEO's ongoing network investments. Prepaid B2C mobile net losses were -182k in Q1 2019 (vs. -154k in Q1 2018).

- Business services revenues grew +1.2% YoY in Q1 2019, driven by growth in both B2B and wholesale revenue streams. In the B2B segment, consistent with Q4 2018, its service mix is diversifying rapidly with strong ICT service revenues growth YoY.

Total Altice Portugal Adjusted EBITDA modestly declined by -1.4% YoY to €206 million with EBITDA margins reducing by -0.7% pts to 40.6% reflecting the loss of higher margin revenue in the B2B segment, offset by robust cost control. On a sequential basis, EBITDA grew +3.9% reflecting the reduction of operating costs vs. Q4 2018, predominantly in the areas of sales and marketing and network operations.

Total Altice Portugal capex was €100 million in Q1 2019 (€105 million in Q1 2018), reflecting sustained network investments.

Israel (HOT)

- Total revenue declined by -6.7% YoY in Q1 2019 on a CC basis, -4.1% on a reported basis to €232 million, reflecting ongoing price competition in both the fixed and mobile markets during Q1 2019:
 - The cable customer base grew +3k in Q1 2019 (vs. -3k in Q4 2018, +1k in Q1 2018). Overall fixed revenues declined by -9.6% YoY in Q1 2019 on a CC basis driven by sustained pricing pressure;
 - The B2C mobile postpaid customer base grew this quarter with net additions of +7k (vs. +7k in Q4 2018 and Q1 2018). Overall mobile revenues grew +0.3% YoY in Q1 2019 on a CC basis predominantly driven by higher equipment sales YoY, as pricing pressure remained a material drag.
- Total Adjusted EBITDA in Israel declined by -23.2% in Q1 2019 YoY on a CC basis, or -21.1% on a reported basis YoY to €85 million, driven by revenue declines as the operating cost base was broadly stable YoY. EBITDA margin decreased by -7.9% pts YoY to 36.5% on a reported basis.
- Total capex was €58 million in Q1 2019, stable YoY.

Dominican Republic (Altice Dominicana)

- Total revenue in Dominican Republic declined by -0.4% YoY in Q1 2019 on a CC basis, or +4.6% YoY on a reported basis to €139 million:
 - The total fixed B2C customer base grew in Q1 2019 with +7k net adds in Q1 2019 (vs. +2k in Q4 2018, -1k in Q1 2018);
 - Total B2C mobile subscriber decreased by -36k net losses in Q1 2019 (vs. -13k in Q4 2018, -34k in Q1 2018). B2C mobile postpaid net additions were +11k in Q1 2019 (vs. +24k in Q4 2018, -5k in Q1 2018). 4G population coverage was 97% in Q1 2019 (+16% pts vs. Q1 2018), supporting consumer needs for data traffic;
 - At the end of March 2019, an electrical failure led to the shutdown of the mobile network for approximately 2 days, resulting in a negative financial impact in Q1 2019.
- Total Adjusted EBITDA in Dominican Republic declined by -8.7% in Q1 2019 YoY on a CC basis, or -4.1% on a reported basis YoY to €71 million, driven by revenue declines and an increase in the operating cost base YoY as a result of higher network operations and maintenance operating costs. EBITDA margin decreased by -4.6% pts YoY to 51.0%.
- Total capex was €28 million in Q1 2019, stable YoY.

Teads

- Total revenue⁹ grew +30.2% in Q1 2019 YoY to €88 million (+27.0% on a CC basis).
- Total EBITDA grew +19.1% in Q1 2019 YoY to €6 million (+15.8% on a reported basis).

Altice TV

- Altice TV revenue was €60 million in Q1 2019 (vs. €50 million in Q4 2018, €20 million in Q1 2018). The increase in revenue YoY was driven by higher OTT revenues, the contribution of the previously announced wholesale deal signed with Canal+ and an increased contribution from the annual minimum guarantee from SFR vs. FY 2018.
- As a result of the increased revenue YoY EBITDA declines moderated YoY to -€22 million in Q1 2019 (vs. -€53 million in Q4 2018, -€56 million in Q1 2018).

Shares outstanding

As at March 31, 2019, Altice Europe had 1,189,927,773¹⁰ common shares outstanding and 1,391,748 preference shares B outstanding.

⁹ Teads gross revenues are presented before discounts (net revenues after discounts are recognised in the financial statements)

¹⁰ As at March 31, 2019, Altice Europe had 1,614,108,025 common shares A (including 632,798,253 treasury shares) and 208,618,001 common shares B outstanding

Altice Europe Consolidated Net Debt as of March 31, 2019, breakdown by credit silo¹¹

- Altice Europe has a robust, diversified and long-term capital structure:
 - Group weighted average debt maturity of 6.2 years;
 - Group weighted average cost of debt of 5.7%;
 - 85% fixed interest rate;
 - No major maturities at Altice France until 2024, none at Altice International until 2023 and none at Altice Luxembourg until 2025;
 - Available liquidity of €3.4 billion¹².
- Total consolidated Altice Europe net debt was €30.1 billion at the end of Q1 2019.

Altice Luxembourg (HoldCo)	Amount in millions (local currency)	Actual	PF	Coupon / Margin	Maturity
Senior Notes	EUR 2,075	2,075	445	7.250%	2022
Senior Notes	USD 2,900	2,584	567	7.750%	2022
Senior Notes	EUR 750	750	750	6.250%	2025
Senior Notes	USD 1,480	1,319	1,319	7.625%	2025
Senior Notes	EUR 1,400	-	1,400	8.000%	2027
Senior Notes	USD 1,600	-	1,426	10.500%	2027
Swap Adjustment	-	-498	-42	-	-
Altice Luxembourg Gross Debt		6,231	5,865		
Total Cash		-74	-109		
Altice Luxembourg Net Debt		6,156	5,755		
Undrawn RCF		200	200		
WACD (%)			7.3%		
Altice France (SFR)	Amount in millions (local currency)	Actual	PF	Coupon / Margin	Maturity
Senior Secured Notes	USD 1,375	1,225	726	6.250%	2024
Senior Secured Notes	EUR 1,250	1,250	750	5.625%	2024
Senior Secured Notes	USD 5,190	4,625	4,625	7.375%	2026
Senior Secured Notes	USD 1,750	1,560	1,560	8.125%	2027
Senior Secured Notes	EUR 1,000	1,000	1,000	5.875%	2027
Term Loan	EUR 1,125	1,125	1,125	E+3.00%	2025
Term Loan	USD 1,395	1,243	1,243	L+2.75%	2025
Term Loan	USD 2,123	1,892	1,892	L+3.6875%	2026
Term Loan	EUR 988	988	988	E+3.00%	2026
Term Loan	USD 2,494	2,222	2,222	L+4.00%	2026
Drawn RCF - Opco	-	10	10	E+1.5%	2024
Commercial Paper	-	114	114	0.53%	2019
Other debt & leases	-	175	175	-	-
Swap Adjustment	-	-1,235	-1,235	-	-
Altice France Gross Debt		16,194	15,195		
Total Cash		-1,624	-95		
Altice France Net Debt		14,570	15,100		
Undrawn RCF		1,415	1,415		
WACD (%)			5.0%		

¹¹ Pro forma for Altice Luxembourg refinancing closed on May 3 2019: repaid €3.6bn of 2022's notes and issued new €2.8bn 2027's notes at Altice Luxembourg, partial repayment of €1.0bn of the 2024's notes at Altice France; Group net debt includes €63m of cash at Altice Europe and other subsidiaries outside debt silos. Excludes operating lease liabilities recognized under IFRS 16

¹² Altice France Hivory opco RCF is drawn for €10m; Altice France, Altice International and Altice Luxembourg RCF's undrawn; €2.4bn of undrawn revolvers and €1.0bn of cash, pro-forma for €1.5bn of cash on balance sheet per March 31, 2019 used to repay €0.5bn of additional Altice Luxembourg 2022's notes and €1.0bn of Altice France 2024's notes. Cash includes €106m of restricted cash for debt financing obligations at Altice Corporate Financing

Altice International	Amount in millions (local currency)	Actual	PF	Coupon / Margin	Maturity
Senior Secured Notes	EUR 500	500		5.250%	2023
Senior Secured Notes	USD 2,060	1,836		6.625%	2023
Senior Secured Notes	USD 2,750	2,451		7.500%	2026
Term Loan	USD 894	797		L+2.75%	2025
Term Loan	USD 889	792		L+2.75%	2026
Term Loan	EUR 296	296		E+2.75%	2026
Drawn RCF	-	0		E+3.50%	2021
Other debt & leases	-	56		-	-
Swap Adjustment	-	-51		-	-
Altice International Senior Debt		6,677			
Senior Notes	EUR 250	250		9.000%	2023
Senior Notes	USD 400	356		8.125%	2024
Senior Notes	USD 385	343		7.625%	2025
Senior Unsecured Notes	EUR 675	675		4.750%	2028
Swap Adjustment	-	-3		-	-
Altice International Total Debt		8,299			
Total Cash		-555			
Altice International Net Total Debt		7,743			
Undrawn RCF		831			
WACD (%)		5.7%			
<hr/>					
Total Altice Lux Consolidated Debt		30,723	29,358		
Total Cash		-2,254	-760		
Total Altice Lux Consolidated Net Debt		28,470	28,598		
WACD (%)			5.6%		
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ACF	Amount in millions (local currency)	Actual		Coupon / Margin	Maturity
Corporate Facility	EUR 240	240		E+6.843%	2020
Corporate Facility	EUR 1,488	1,488		E+6.843%	2021
ACF Gross Debt		1,728			
Total Cash		-107			
ACF Net Debt		1,621			
WACD (%)		6.8%			

Altice Europe Pro Forma Net Leverage Reconciliation as of March 31, 2019

In EUR million

Altice Group Reconciliation to Swap Adjusted Debt	Actual	PF
Total Debenture and Loans from Financial Institutions	33,549	33,549
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-35,960	-34,944
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	34,174	33,613
Transaction Costs	339	339
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	32,101	32,557
Commercial Paper	114	114
Overdraft	35	35
Other debt and leases	201	201
PF Refinancing	-	-1,821
Gross Debt Consolidated	32,451	31,086

In EUR million

Altice Group (Actual)	Altice Luxembourg Consolidated	Altice TV	Altice Corporate Financing	Altice Europe	Altice Europe Consolidated
Gross Debt Consolidated	30,723	-	1,728	-	32,451
Cash	-2,254	-21	-107	-63	-2,445
Net Debt Consolidated	28,470	-21	1,621	-63	30,006

Altice Group (Pro Forma)	Altice Luxembourg Consolidated	Altice TV	Altice Corporate Financing	Altice Europe	Altice Europe Consolidated
Gross Debt Consolidated	29,358	-	1,728	-	31,086
Cash	-760	-21	-107	-63	-951
Net Debt Consolidated	28,598	-21	1,621	-63	30,135

In EUR million

Altice Europe (Pro Forma)	Altice France	Altice International	Altice Luxembourg	Eliminations	Altice Luxembourg Consolidated	Altice TV	Altice Corporate Financing	Altice Europe	Altice Europe Consolidated
Gross Debt Consolidated	15,195	8,299	5,865	-	29,358	-	1,728	-	31,086
Cash	-95	-555	-109	0	-760	-21	-107	-63	-951
Net Debt Consolidated	15,100	7,743	5,755	-	28,598	-21	1,621	-63	30,135
LTM Standalone	3,826	1,586	-	-	5,412	-193	-	-48	5,172
Eliminations	1	2	-	-	3	-	-	-	3
Corporate Costs	-	-3	-2	-	-5	-	-	5	-
PF International voice disposal & I24 Europe	-	-7	-	-	-7	-	-	-	-7
LTM EBITDA Consolidated	3,827	1,577	-2	-	5,402	-193	-	-43	5,167
PF Tower sale and lease back	-	-21	-	-	-21	-	-	-	-21
LTM EBITDA	3,827	1,556	-2	-	5,381	-193	-	-43	5,146
Gross Leverage	4.0x	5.3x	-	-	5.5x	-	-	-	6.0x
Net Leverage	3.9x	5.0x	-	-	5.3x	-	-	-	5.9x

Altice Europe Non-GAAP Reconciliation to GAAP measures as of March 31, 2019 year to date¹³

<i>In EUR million</i>	March 31, 2019
Revenues	3,511.1
Purchasing and subcontracting costs	-901.0
Other operating expenses	-723.9
Staff costs and employee benefits	-386.4
Total	1,499.8
Share-based expense	14.4
Rental expense operating lease	-217.1
Adjusted EBITDA	1,297.2
Depreciation, amortisation and impairment	-1,283.9
Share-based expense	-14.4
Other expenses and income	2,880.0
Rental expense operating lease	217.1
Operating profit	3,096.0
Capital expenditure (accrued)	770.6
Capital expenditure - working capital items	178.5
Payments to acquire tangible and intangible assets	949.1
Operating free cash flow (OpFCF)	526.6

FORWARD-LOOKING STATEMENTS

Certain statements in this press release 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 press release, 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 press release 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

¹³ The financial numbers disclosed in the reconciliation above are subject to review procedures of Altice Europe’s external auditors. The difference in consolidated revenue as reported for Altice Europe in the Non-GAAP Reconciliation to GAAP measures as of March 31, 2019 year to date and the Pro Forma Financial Information for Altice Europe as disclosed in this Earnings Release is mainly due to Teads gross revenues which are presented before discounts in this Earnings Release (net revenues after discounts are recognised in the financial statements)