Earnings release

altice

July 30, 2020

ALTICE EUROPE N.V. SECOND QUARTER 2020 RESULTS[1]

Telecom revenue growth
Telecom EBITDA +1.0% and total OpFCF +14.1%
€3.7 billion of available liquidity[2]

Altice Europe N.V. (Euronext: ATC and ATCB) today announces financial and operating results for the quarter ended June 30, 2020.

Patrick Drahi, Altice Europe founder: *"In France, we have maintained growth in our core telecom business in the second quarter year over year, including residential service revenue growth once again. We ended the second quarter with a strong performance and improved trajectory, despite COVID-19 related impacts on areas such as roaming revenue, low margin equipment sales and a significant slowdown in the wider media business. In the second quarter of 2020, we closed the transformational Fastfiber partnership in Portugal and extended the Altice Corporate Finance facility, meaning that almost €500 million of the €700 million targeted interest savings program have been realized. The Group monetized its stake in Altice USA and has repaid €1.2 billion of debt since April 2020. The Group's diversified capital structure has no material maturity before 2025 and significant available liquidity of €3.7 billion. Overall, we have achieved a strong performance in the second quarter, especially given the wider circumstances. We reiterate our FY 2020 guidance and continue to focus on deleveraging through growing revenue, EBITDA and cash flow."*

Altice Europe Q2 2020 Key Financial Highlights

- Telecom revenue excluding equipment and roaming grew by +4.2% YoY (vs. +4.4% in Q1 2020).
- Residential service revenue excluding roaming out grew by +1.5% YoY (vs. +2.7% in Q1 2020).
- Telecom EBITDA grew by +1.0% YoY (vs. +1.9% in Q1 2020), Telecom EBITDA margin was 41.9% (vs. +38.4% in Q1 2020).
- Total accrued capital expenditure was €663 million in Q2 2020.
- Consequently, Operating Free Cash Flow amounted to €776 million in Q2 2020, growth of +14.1% YoY.

[1] All financials are shown under IFRS 15 and IFRS 16 accounting standard (from 1/1/2019). Financials exclude press magazine Groupe L'Express (following disposal on July 30, 2019) and daily newspaper Libération (following announcement of transfer to a non-profit foundation on May 14, 2020) from 1/1/19

[2] €3.7 billion liquidity includes €2.1 billion of undrawn revolvers and €1.6 billion of cash. The €1.6 billion of cash is including the €375 million earn-out to be received in December 2021 (not including the €375 million earn-out to be received in December 2026) and the repayment of the $385 million 7.625% 2025 notes on July 22, 2020 (€342 million of principal and €13 million of call premium). It excludes funding of the Covage acquisition expected in H2 2020 and any associated construction-related EBITDA

Altice Europe Q2 2020 Key Operational Highlights

- Altice France achieved a strong financial performance in Q2 2020, with revenue growth in both the residential service and business services segments:
    - The residential fixed base grew by +37k net additions, with +100k fibre net additions and 48% of the total fixed subscriber base on fibre. Residential mobile postpaid base net additions were +99k customers.
    - Altice France reported Telecom revenue growth of +2.1% YoY and Telecom EBITDA growth of +3.1% YoY in Q2 2020. Residential service revenue, excluding roaming out, grew by +2.2% YoY (vs. +2.6% in Q1 2020).
- Altice International Telecom revenue, excluding low margin equipment revenue and roaming revenue, declined by -1.9% YoY in Q2 2020 (vs. +3.0% in Q1 2020), whilst Altice International residential service revenue declined by -0.2% excluding roaming (vs. +3.1% in Q1 2020).
    - The residential fixed base grew by +17k customers, with +38k fibre customers. Residential mobile postpaid base net additions were +12k customers.

Capital Structure Key Highlights – including subsequent events

- Total consolidated Altice Europe net debt was €29.0 billion (€28.6 billion pro forma for the €375 million earn-out due in December 2021 related to the Fastfiber partnership) at the end of Q2 2020.
- On July 27, 2020, Altice Europe announced two agreements with Mediapro. Firstly, for the season 2020/21, Altice Europe will resell the UEFA rights to Mediapro in exchange for Altice Europe's right to resell Mediapro's TELEFOOT channel (including the main football matches for French Ligue 1 and Ligue 2). This will allow Mediapro to broadcast the UEFA Champions League and Europa League. Both the RMC Sport channel and Mediapro's TELEFOOT channel will broadcast the two competitions from October 2020. SFR will offer all of the football to its customers with RMC Sport, TELEFOOT, Canal+ and BeIN SPORTS. SFR will be the only operator in France to offer its subscribers all French (Ligue 1, Ligue 2) and European (UEFA Champions League, UEFA Europa League, English Premier League, Spanish and Italian championships) football. Secondly, for the seasons 2021/22, 2022/23 and 2023/24, Altice Europe entered into a distribution agreement with Mediapro to resell the TELEFOOT channel (including the main football matches for French Ligue 1 and Ligue 2) with a revenue share mechanism. This is expected to generate additional revenues for the Altice France residential segment. With this agreement, Altice Europe maintains the commitment to improve Altice TV cash flow trends, approaching break-even, while SFR customers will continue to benefit from the best football offer in France.
- On July 22, 2020, Altice International repaid $385 million (€342 million equivalent) 7.625% 2025 notes. In addition to this, the Group has bought back €140 million of debt at Altice International, since April 2020. In combination with the Altice Corporate Financing ("ACF") facility partial repayment announced on May 19, 2020, the Group has repaid €1.2 billion of debt since April 2020.
- On July 2, 2020, the transfer of approximately 9% of the share capital of Altice France S.A. from Altice Europe to Altice France Holding S.A. was completed, in-line with the previously stated objective as part of the January 2020 Altice France refinancing.
- On June 22, 2020, Altice Europe completed the sale of all of its remaining indirect stake in Altice USA, commensurate with its previously stated strategy. In total, Altice Europe sold 24.2 million shares of Altice USA Class A common stock for a total consideration of approximately €534 million. Altice Europe retained approximately 0.3 million Altice USA shares of Class A common stock.
- On May 19, 2020, Altice Europe announced the extension of the maturity and a partial repayment of the ACF facility. Altice Europe repaid €668 million of the ACF facility with cash available on balance sheet. After this repayment, the ACF facility has been reduced from €1,728 million to €1,060 million. The coupon

has been reduced from 6.85% to 6.625%. Total annual interest savings pro forma for this transaction alone are €48 million, through a combination of average cost of debt and absolute debt reduction. Following significant refinancing activity in January 2020 and the partial repayment and extension of the ACF facility, the Group has already achieved €470 million annual savings out of the previously stated target of €700 million annual savings, pro forma for the previously announced refinancing transactions.

- On May 19, 2020, NextRadioTV announced the launch of a restructuring plan to take into account the changing media environment and the impact of the COVID-19 pandemic on the advertising market. This plan, based on voluntary adherence, aims at reducing the employee workforce and the use of occasional workers, freelancers and consultants.
- On May 14, 2020, Altice France announced that it would transfer Libération, the daily newspaper, to a non-profit foundation.
- On April 20, 2020, Altice Europe announced the creation of Fastfiber (formerly known as Altice Portugal FTTH). Fastfiber is by far the largest FTTH wholesaler in Portugal and comprises of all MEO's fibre assets including FTTH and dark fibre. Fastfiber is the result of a partnership that follows the successful completion of the transaction announced in December 2019 of Morgan Stanley Infrastructure Partners' acquisition of a 49.99% stake in Fastfiber. Fastfiber will sell wholesale services to all operators at the same financial terms and MEO will sell technical services to Fastfiber for the construction, maintenance, and subscriber connection to the fibre network. The transaction valued Fastfiber at €4.6 billion on a 100% basis, representing an EBITDA multiple of 20x. The final cash consideration received at closing was €1,573 million for the sale of 49.99% in Fastfiber with further payments as follows, on a 49.99% basis: €375 million in December 2021 and €375 million in December 2026 subject to some performance ratchets.
- On November 25, 2019, Altice Europe announced the acquisition of 100% of Covage, the 4th largest fibre wholesale operator in France, by SFR FTTH. The transaction is expected to close in the second half of 2020.

<u>Guidance</u>

- For the full year 2020, the Group expects to:
  - Accelerate residential revenue growth in its key geographies;
  - Grow Altice Europe revenue and EBITDA;
  - Further delever the Telecom Perimeter, target leverage of 4.0x to 4.5x net debt to EBITDA.
- In the mid-term, the Group targets organic free cash flow[3] of more than €1 billion.
- The Group continues to assess the potential impacts of the pandemic carefully.
  - Main negative financial impacts include: delays in FTTH construction during lockdown which the Group expects to catch-up; sale of equipment while shops were closed; roaming; advertising severely affected.
  - The guidance assumes lock-downs were lifted during Q2 2020 and a gradual economic recovery thereafter.

[3] Excluding spectrum and significant litigations paid and received

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Conference call details

The company will host a conference call and webcast today, July 30, 2020 at 6:30pm CEST (5:30pm BST, 12:30pm EDT).

Dial-in Access telephone numbers:

Participant Toll Free Dial-In Number: +1 (833) 968-2322

Participant International Dial-In Number: +1 (778) 560-2842

Conference ID: 5519489

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

https://event.on24.com/wcc/r/2400355/E8A600F92EE46F06B3BC9D311E00628A

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 Europe 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 Europe is also a provider of enterprise digital solutions to millions of business customers. Altice Europe 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 Europe delivers live broadcast premium sports events and enables its customers to enjoy the most well-known media and entertainment.

Financial Presentation

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 Altice Europe's results of operations, we have presented and discussed the pro-forma consolidated financial information of Altice Europe – giving effect to each such significant acquisition and disposal as if such acquisitions and disposals had occurred by January 1, 2019. Therefore financials for Altice Europe for the quarters ended June 30, 2019 and June 30, 2020 exclude the press magazine Groupe L'Express (following disposal on July 30, 2019) and the newspaper Libération (following announcement of transfer to a non-profit foundation on May 14, 2020).

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[4] 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. All references to EBITDA in this press release are to Adjusted EBITDA, as defined in this paragraph.

Capital expenditure (Capex), while measured in accordance with IFRS principles is not a term that is defined in IFRS. However, Altice Europe's management believe it is an important indicator for the Group as the profile varies greatly between activities:

[4] Except for IFRS 15 - Revenue

- 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 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 June 30, 2020, unless otherwise stated, and any year over year comparisons are for the quarter ended June 30, 2019.

Regulated Information

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

Altice Europe Summary Financial Information

Altice Europe - Quarter ended June 30, 2020				
In EUR million	**Q2-19**	**Q2-20**	***Growth YoY (Reported)***	***Growth YoY (CC)***
France	2,589.6	2,595.1	*+0.2%*	*+0.2%*
Portugal	521.6	499.5	*-4.2%*	*-4.2%*
Israel	235.0	245.6	*+4.5%*	*+0.1%*
Dominican Republic	140.5	117.9	*-16.1%*	*-8.8%*
Teads	116.3	88.1	*-24.3%*	*-24.9%*
Altice TV	56.6	58.0	-	-
Corporate and Other, Eliminations	-76.1	-64.2	-	-
Total Revenue	**3,583.4**	**3,539.8**	***-1.2%***	***-1.2%***
France	1,077.6	1,066.8	*-1.0%*	*-1.0%*
Portugal	213.3	201.2	*-5.7%*	*-5.7%*
Israel	90.0	95.4	*+6.0%*	*+1.5%*
Dominican Republic	69.9	58.8	*-15.9%*	*-8.5%*
Teads	19.6	23.9	*+21.7%*	*+20.7%*
Altice TV	-23.2	3.4	-	-
Corporate and Other, Eliminations	-11.3	-10.5	-	-
Total Adjusted EBITDA	**1,435.9**	**1,439.1**	***+0.2%***	***+0.3%***
France	565.6	459.9	*-18.7%*	*-18.7%*
Portugal	95.9	113.9	*+18.8%*	*+18.8%*
Israel	60.0	67.2	*+12.1%*	*+7.2%*
Dominican Republic	31.2	22.1	*-29.3%*	*-22.3%*
Teads	1.5	1.4	-	-
Altice TV	4.3	-	-	-
Corporate and Other, Eliminations	-2.8	-1.5	-	-
Total Accrued Capex	**755.7**	**662.9**	***-12.3%***	***-12.4%***
France	512.0	607.0	*+18.6%*	*+18.6%*
Portugal	117.4	87.3	*-25.7%*	*-25.7%*
Israel	30.0	28.2	*-6.0%*	*-10.0%*
Dominican Republic	38.7	36.7	*-5.0%*	*+2.6%*
Teads	18.2	22.5	*+23.7%*	*+22.6%*
Altice TV	-27.5	3.4	-	-
Corporate and Other, Eliminations	-8.5	-8.9	-	-
Total OpFCF	**680.2**	**776.1**	***+14.1%***	***+14.3%***

Earnings release

In EUR million	France	Portugal	Israel	Dominican Republic	Teads	Altice TV	Corporate & Other	Eliminations	Altice Europe Consolidated
	Altice Europe - Quarter ended June 30, 2020								
Fixed	*633.6*	*149.3*	*145.9*	*23.3*	-	-	-	-	*952.1*
Mobile	*866.6*	*113.1*	*54.1*	*66.2*	-	-	-	-	*1,100.1*
Residential service	1,500.2	262.4	200.1	89.5	-	-	-	-	2,052.2
Equipment sales	131.2	21.4	14.6	8.1	-	-	-	-	175.2
Total residential	1,631.4	283.6	214.6	97.7	-	-	-	-	2,227.4
Business services	907.6	215.9	30.9	20.2	-	-	0.2	-	1,174.8
Media	56.1	-	-	-	88.1	58.0	-	-	202.1
Standalone Revenue	**2,595.1**	**499.5**	**245.6**	**117.9**	**88.1**	**58.0**	**0.2**	-	**3,604.3**
Eliminations	-6.9	-19.5	-0.1	-0.1	-0.5	-37.3	-	-	-64.4
Consolidated Revenue	**2,588.2**	**480.0**	**245.5**	**117.8**	**87.5**	**20.7**	**0.2**	**-**	**3,539.8**
Adjusted EBITDA	**1,066.8**	**201.2**	**95.4**	**58.8**	**23.9**	**3.4**	**-8.9**	**-1.6**	**1,439.1**
Margin (%)	*41.1%*	*40.3%*	*38.9%*	*49.9%*	*27.1%*	*nm*	*nm*	*nm*	*40.7%*
Accrued Capex	**459.9**	**113.9**	**67.2**	**22.1**	**1.4**	**-**	**-**	**-1.5**	**662.9**
Adjusted EBITDA - Accrued Capex	**607.0**	**87.3**	**28.2**	**36.7**	**22.5**	**3.4**	**-8.9**	**-0.1**	**776.1**

In EUR million	France	Portugal	Israel	Dominican Republic	Teads	Altice TV	Corporate & Other	Eliminations	Altice Europe Consolidated
	Altice Europe - Quarter ended June 30, 2019								
Fixed	*617.6*	*154.1*	*135.1*	*26.0*	-	-	-	-	*932.8*
Mobile	*869.6*	*115.9*	*49.5*	*76.1*	-	-	-	-	*1,111.2*
Residential service	1,487.2	270.0	184.6	102.1	-	-	-	-	2,044.0
Equipment sales	181.2	21.6	16.6	12.0	-	-	-	-	231.3
Total residential	1,668.4	291.6	201.2	114.1	-	-	-	-	2,275.3
Business services	817.2	230.1	33.7	26.5	-	-	0.2	-	1,107.7
Media	103.9	-	-	-	116.3	56.6	-	-	276.8
Standalone Revenue	**2,589.6**	**521.6**	**235.0**	**140.5**	**116.3**	**56.6**	**0.2**	-	**3,659.8**
Eliminations	-19.5	-17.6	-0.1	-0.3	-0.6	-38.3	-	-	-76.4
Consolidated Revenue	**2,570.1**	**504.1**	**234.9**	**140.3**	**115.6**	**18.3**	**0.2**	**-**	**3,583.4**
Adjusted EBITDA	**1,077.6**	**213.3**	**90.0**	**69.9**	**19.6**	**-23.2**	**-8.5**	**-2.9**	**1,435.9**
Margin (%)	*41.6%*	*40.9%*	*38.3%*	*49.7%*	*16.9%*	*nm*	*nm*	*nm*	*40.1%*
Accrued Capex	**565.6**	**95.9**	**60.0**	**31.2**	**1.5**	**4.3**	**-**	**-2.8**	**755.7**
Adjusted EBITDA - Accrued Capex	**512.0**	**117.4**	**30.0**	**38.7**	**18.2**	**-27.5**	**-8.5**	**-0.1**	**680.2**

Notes to Summary Financials

(1) Segments are shown on a pro forma standalone reporting basis and Group figures are shown on a pro forma consolidated basis. Financials for Altice Europe exclude the press magazine Groupe L'Express (following disposal on July 30, 2019) from 1/1/19 and newspaper Libération (following the announcement of the transfer to a non-profit foundation on May 14, 2020)

(2) 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

(3) Teads gross revenue is presented before discounts (net revenue after discounts is recognised in the consolidated financial statements)

Altice Europe KPIs

	Altice Europe - Quarter ended June 30, 2020				
000's unless stated otherwise	Altice France	Portugal	Israel	Dominican Republic	Total
Fibre homes passed	**17,457**	**5,291**	**2,184**	**774**	**25,706**
FIXED B2C					
Fibre unique customers	**3,070**	**1,015**	**1,036**	**196**	**5,317**
Net adds	100	29	7	2	139
Total fixed B2C unique customers	**6,401**	**1,606**	**1,036**	**335**	**9,378**
Net adds	37	7	7	2	53
MOBILE B2C					
Postpaid subscribers	**14,578**	**3,133**	**1,175**	**613**	**19,499**
Net adds	99	17	5	-10	110
Prepaid subscribers	**1,300**	**2,845**	**170**	**2,083**	**6,399**
Total mobile B2C subscribers	**15,877**	**5,978**	**1,346**	**2,697**	**25,897**

	Altice Europe - Quarter ended June 30, 2019				
000's unless stated otherwise	Altice France	Portugal	Israel	Dominican Republic	Total
Fibre homes passed	**13,506**	**4,712**	**2,146**	**759**	**21,123**
FIXED B2C					
Fibre unique customers	**2,734**	**879**	**999**	**191**	**4,803**
Net adds	71	35	6	-1	112
Total fixed B2C unique customers	**6,271**	**1,586**	**999**	**326**	**9,182**
Net adds	31	1	6	1	40
MOBILE B2C					
Postpaid subscribers	**13,970**	**3,023**	**1,152**	**593**	**18,739**
Net adds	105	31	5	14	156
Prepaid subscribers	**1,473**	**3,304**	**173**	**2,348**	**7,298**
Total mobile B2C subscribers	**15,444**	**6,327**	**1,326**	**2,941**	**26,037**

Notes to KPIs tables

(1) Portugal fibre homes passed figures include homes where MEO has access through wholesale fibre operators (c.0.5 million in Q2 2020)

(2) Fibre 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 customer base for France includes FTTH, FTTB and 4G Box customers and excludes white-label wholesale customers. For Israel, it refers to the total number of unique customer relationships, including both B2C and B2B.

(3) Mobile subscribers are equal to the net number of lines or SIM cards that have been activated on the Group's mobile networks and excludes M2M.

Altice Europe Financial and Operational Review by Segment

For the quarter ended June 30, 2020 compared to the quarter ended June 30, 2019

France (Altice France including SFR)

Altice France reported residential service revenue growth in Q2 2020. This performance was underpinned by a sustained focus on operations and significant and ongoing investment in proprietary infrastructure.

In Q2 2020, SFR continued to invest in its proprietary infrastructure to further improve customer satisfaction and enhance its position in the growing fibre wholesale market. At the end of Q2 2020, SFR had 17.5 million homes passed (FTTH/FTTB), an increase of more than a million homes passed compared to Q1 2020. Altice France had 5,515 fibre municipalities at the end of Q2 2020 (vs. 4,918 in Q1 2020).

Altice France continues to invest in its 4G network, with 46,176 4G systems activated (1,597 new units in Q2 2020). The current 4G coverage of the SFR Mobile network reaches 99% of the national population (32,255 municipalities). Altice France continues to deploy 4G and new radio sites in white areas. The top 32 French cities are now open in 4G+. On June 11, 2020, Arcep announced the new timetable for the 5G spectrum auction, which will begin between September 20 and September 30, 2020.

Altice France continued to focus on digitalization. These measures include offering customers the choice to take simple actions via digital in an effortless experience and improving the digital experience through use of Chat Bot and complete order tracking, for example.

From May 11, 2020, SFR started the reopening of 50% of its stores, with the appropriate sanitary measures and procedures in place. Since June 10, 2020, all stores and door-to-door sales network have been operational.

On May 19, 2020, NextRadioTV announced the launch of a restructuring plan to take into account the media changing environment and the impact of the COVID-19 pandemic on the advertising market. This plan, based on voluntary adherence, aims at reducing the employee workforce and notably the use of occasional workers, freelancers and consultants.

- Total Altice France revenue increased by +0.2% YoY in Q2 2020 to €2,595 million. This increase reflects the sustained contribution of positive net adds and ARPU trends, but is impacted by the pandemic related roaming and media decline.
- Residential service revenue in Q2 2020 excluding roaming grew by +2.2% YoY (vs. +2.6% in Q1 2020), as a result of sustained subscriber base growth and improved ARPU trends, although still affected by the COVID-19 pandemic.
- The residential fixed base in France grew with +37k unique customer net additions in Q2 2020 (vs. +8k in Q1 2020 and +31k in Q2 2019) with April and the first half of May 2020 affected by the closure of shops.
    - Fibre net additions reached +100k in Q2 2020 (vs. +71k in Q1 2020 and +71k in Q2 2019 also).
- Mobile residential postpaid customer growth was supported by positive net adds from both the SFR brand and the digital RED brand, even though April and the first half of May 2020 were affected by the closure of shops.
    - The mobile residential postpaid customer base increased by +99k net additions in Q2 2020 (vs. +79k in Q1 2020 and +105k in Q2 2019).
- Business service revenue grew by +11.1% YoY in Q2 2020 (vs. +8.0% in Q1 2020). In Q2 2020, +268k FTTH homes were constructed by SFR FTTH (+192k in Q1 2020 and +273k in Q4 2019), with

construction activity recovering strongly by the end of Q2 2020, after a slower start at the beginning of the quarter as a result of the COVID-19 pandemic.

- Media revenue declined by -46.0% YoY in Q2 2020 (vs. -7.3% in Q1 2020 and +1.4% in Q2 2019) mainly driven by the severe slowdown of the global advertising market. Additionally, Altice France has engaged a restructuring plan in its French media business to adapt to this new environment.
- Altice France reported total EBITDA in Q2 2020 of €1,067 million, -1.0% YoY (vs. +1.6% YoY in Q1 2020), Telecom EBITDA grew by +1.0% YoY (vs. +1.9% YoY in Q2 2020).
- Total Altice France Capex amounted to €460 million in Q2 2020, a decrease of -18.7% YoY, related to the implications of the COVID-19 pandemic.

Portugal (MEO)

MEO delivered a robust result in Q2 2020, sustaining customer subscriber base growth and growing the converged proportion of the customer base and maintaining low levels of churn. Significantly higher data usage in Q2 2020 due to the COVID-19 pandemic was accommodated by resilient and well-invested networks, providing vital connectivity services to residential and business customers.

Sustained mobile network investment in both 4G and 4G+ has resulted in coverage of 99% and 78% respectively at the end of Q2 2020. At the end of Q2 2020, Altice Portugal had 5.3 million FTTH homes passed in total.

In Q2 2020, customer digital adoption increased to unprecedented levels. For example, website visits grew by c.50% YoY, online self-care usage and e-commerce conversion rates grew significantly, and online sales of equipment tripled in volume compared to Q2 2019.

On March 19, 2020, ANACOM decided to suspend the ongoing consultation on the draft regulation of the 5G spectrum auction, due to the exceptional and temporary measures as part of the COVID-19 pandemic response. On July 9, 2020, ANACOM announced that it is estimated that the 5G auction will start in October 2020 and the allocation of rights of use for frequencies is scheduled for 2021.

- Total Altice Portugal revenue declined -4.2% YoY in Q2 2020 to €499 million.
- Total residential service revenue declined by -2.8% YoY in Q2 2020, or -2.3% excluding roaming out. Equipment sales were affected by shop closures, given approximately 75% of MEO shops were closed until the beginning of May 2020. Stay at home restrictions together with less foreigners coming to Portugal led to lower prepaid revenues. Additionally, SportTV Premium Channels were offered for free until the end of May whilst the National Soccer Championship was suspended, a temporary headwind which negatively impacted the Q2 2020 figures. As of the end of Q2 2020, over 90% of MEO stores were open.
- MEO residential fixed subscriber base grew again, supported by strong net adds and low churn, +7k in Q2 2020 (vs. +5k in Q1 2020 and +1k in Q2 2019):
  - Fibre customer net additions in Q2 2020 were +29k (vs. +34k in Q1 2020, +35k in Q2 2019), with 63% of the total customer base taking fibre. Convergence of the customer base continues to grow (+1pp YoY), resulting in more valuable customers with higher lifetime value (convergent customers have less than half of non-convergent customers churn rate).
  - Postpaid residential mobile subscriber net additions in Q2 2020 were +17k (vs. +35k in Q1 2020, +31k in Q2 2019), supported by MEO's ongoing network investments and steady performance and successful convergent strategy. Mobile service revenue was impacted by lower roaming out revenue, in addition to lower out of bundle revenue streams.
  - Business services revenue declined -6.2% YoY in Q2 2020. Commercial activity declined in Q2 2020.

- Total Altice Portugal EBITDA declined with -5.7% YoY to €201 million, mainly driven by wholesale and B2B.
- Total Altice Portugal Capex amounted to €114 million in Q2 2020 (€96 million in Q2 2019). The rapid expansion of fibre coverage continued, with +172k FTTH homes constructed for Fastfiber in Q2 2020.

Israel (HOT)

HOT achieved strong commercial momentum in Q2 2020, growing the fixed customer base with +7k net additions in Q2 2020 in the fixed customer base, resulting in growth for the sixth successive quarter. In addition, the postpaid mobile subscriber base grew by +5k net additions in Q2 2020.

Following the launch by HOT in 2019 of broadband speeds of 500MB across the entire network, there has been an acceleration in the connected customers, and this is expected to continue in the context of teleworking. The 5G spectrum auction bidding is now scheduled for August 2020, and the allocation of new frequencies is expected shortly after.

In 2019, increasing household consumption and public expenditure in Israel fueled significant upturn in the Israeli Shekel. Despite the macroeconomic circumstances in Q2 2020, the Israeli Shekel has remained robust, contributing to an increasing revenue and EBITDA growth in reported currency.

- HOT total revenue increased by +0.1% YoY in Q2 2020 on a CC basis or +4.5% on a reported basis to €246 million. Excluding iDEN within the business services segment (the iDEN technology has been decommissioned by the end of Q4 2019), total revenue grew by +0.8% YoY in Q2 2020 on a CC basis:
  - Residential service revenue increased by +3.7% YoY in Q2 2020 on a CC basis, as a result of an increase in the customer base and an increase in the use of telecommunications services in the context of the COVID-19, despite ongoing pricing pressure driven by intense competition within the market.
  - Business services revenue declined by -12.1% YoY in Q2 2020 on a CC basis mainly due to iDEN revenue. Excluding iDEN, business services revenue declined by -7.5% YoY in Q2 2020 on a CC basis.
- EBITDA increased by 1.5% YoY on a CC basis and +6.0% on a reported basis, to €95 million supported by cost savings in G&A and sales and marketing expenses.
- Total Capex was €67 million in Q2 2020, an increase of +7.2% YoY on a CC basis and +12.1% on a reported basis mainly due to the upgrade of Internet headend equipment.

Dominican Republic (Altice Dominicana)

Altice Dominicana has seen a commercial slowdown due to the COVID-19 pandemic, which resulted in revenue and EBITDA deceleration. The subscriber mobile and fixed base however showed robust positive trends.

The main areas of negative impacts on residential revenues from the COVID-19 pandemic, by order of magnitude, included a decrease in voice and data traffic linked to lower top-ups, a decrease in low margin equipment sales, a decrease in reconnection and late payment charges and a decrease in roaming revenue.

The COVID-19 pandemic led to a fall in economic activity and pressures on the Dominican Republic given its dependence on tourism and remittances. This has led to an increasing deterioration of the Dominican Peso in Q2 2020, contributing to the deceleration of revenue and EBITDA in reported currency.

- Overall, total revenue in Dominican Republic decreased by -8.8% YoY in Q2 2020 on a CC basis, or -16.1% YoY on a reported basis to €118 million.
- Residential service revenue excluding roaming declined -4.6% YoY in Q2 2020 (vs. growth of +1.3% in Q1 2020) on a CC basis. Retail revenues in Q2 2020 were impacted by lower B2C mobile prepaid top-ups, which decreased due to a national curfew in place from 5pm to 6am which led to closure of shops, and because of the decrease in consumer purchasing power. In addition, residential mobile postpaid and residential fixed were impacted by a decrease in reconnection and late payment charges year over year, as a result of government mandated action.
  - The total fixed residential subscriber base grew by +2k in Q2 2020 (vs. +4k in Q1 2020, +1k in Q2 2019), the subscriber base growing +2.9% YoY.
  - The total residential mobile subscriber base increased by +11k net additions in Q2 2020 (vs. -51k in Q1 2020, -123k in Q2 2019) mainly driven by mobile prepaid. The mobile prepaid trend slowdown was mainly impacted by the national curfew and restriction on commercial activities due to the COVID-19 pandemic. Residential mobile postpaid net losses were -10k in Q2 2020 (vs. +1k in Q1 2020, +14k in Q2 2019). Postpaid mobile net additions slowed as gross adds decreased, due to the closing of commercial channels (the majority of shops were closed from the second half of March until the second half of May 2020) and due to a decrease of migrations from prepaid to postpaid.
  - Business services revenue declined by -17.0% YoY in Q2 2020 (vs. -10.3% in Q1 2020) on a CC basis, mainly driven by a slower activity within this segment (suspension and discounts as a retention strategy), and a decline in outgoing voice traffic.
- Total EBITDA in the Dominican Republic declined by -8.5% YoY on a CC basis in Q2 2020, or -15.9% YoY on a reported basis to €59 million. The EBITDA margin was flat YoY at 49.9% on a reported basis, supported by a decrease in operating costs.
- Total Capex was €22 million in Q2 2020, a significant decrease YoY due to less fixed Capex.

Teads

Teads significant pace of growth was impacted in Q2 2020 as a result of the global downturn in advertising.

- Due to the prevailing market conditions in the advertising sector, total revenue[5] for Teads decreased by -24.3% YoY in Q2 2020 to €88 million (-24.9% on a CC basis).
- A wider adoption of Teads self-serve ad platform, Teads Ad Manager, and new machine learning algorithms helped improve the business efficiency. Simultaneously, a variety of cost-saving measures were implemented across technology infrastructure and G&A.
- These measures allowed Teads to maintain a positive EBITDA growth of +21.7% YoY in Q2 2020 at €24 million (+20.7% on a CC basis).

Altice TV

- Altice TV revenue was €58 million in Q2 2020, negatively impacted by the interruption of the European Champions League in March after the best start of the year (vs. €63 million in Q1 2020 and €57 million in Q2 2019).
- EBITDA was €3 million in Q2 2020 (vs. -€29 million in Q1 2020 and -€23 million in Q2 2019) as Altice TV spent less on production.
- The Group has engaged with the UEFA to be compensated following the suspension of the competition since mid-March 2020.

Shares outstanding

As at June 30, 2020, Altice Europe had 1,194,011,147[6] common shares outstanding and 1,855,664 preference shares B outstanding.

[5] Teads gross revenue is presented before discounts (net revenue after discounts is recognised in the financial statements)
[6] As at June 30, 2020, Altice Europe had 1,057,529,900 common shares A (including 58,999,879 treasury shares) and 195,481,126 common shares B outstanding

Altice Europe Consolidated Net Debt as of June 30, 2020, breakdown by credit silo[7]

- Altice Europe has a robust, diversified and long-term capital structure:
  - Group weighted average debt maturity of 6.1 years;
  - Reduced WACD from 5.0% at year-end 2019 to 4.6%;
  - 86% fixed interest rate;
  - No major maturities until 2025;
  - Available liquidity of €3.7 billion[8].
- Total consolidated Altice Europe net debt was €29.0 billion (€28.6 billion pro forma for the €375 million earn-out due in December 2021, from the sale of 49.99% of Fastfiber) at the end of Q2 2020.

Altice France (SFR)	Amount in millions (local currency)	Actual	PF	Coupon / Margin	Maturity
Senior Secured Notes	EUR 500	500	500	2.125%	2025
Senior Secured Notes	EUR 550	550	550	2.500%	2025
Senior Secured Notes	USD 5,190	4,616	4,616	7.375%	2026
Senior Secured Notes	USD 1,750	1,557	1,557	8.125%	2027
Senior Secured Notes	EUR 1,000	1,000	1,000	5.875%	2027
Senior Secured Notes	EUR 1,000	1,000	1,000	3.375%	2028
Senior Secured Notes	USD 1,100	978	978	5.500%	2028
Term Loan	EUR 1,111	1,111	1,111	E+3.00%	2025
Term Loan	USD 1,377	1,225	1,225	L+2.75%	2025
Term Loan	USD 2,096	1,864	1,864	L+3.6875%	2026
Term Loan	EUR 975	975	975	E+3.00%	2026
Term Loan	USD 2,463	2,190	2,190	L+4.00%	2026
Drawn RCF	-	0	0	E+3.25%	2023
Drawn RCF - Opco	-	0	0	E+1.5%	2024
Commercial Paper	-	32	32	0.79%	2020
Other debt & leases	-	115	115	-	-
Swap Adjustment	-	-503	-503	-	-
Altice France Secured Debt		**17,210**	**17,210**		
Exchange Altice Lux Senior Notes	EUR 1,317	1,317	1,317	8.000%	2027
Exchange Altice Lux Senior Notes	USD 1,562	1,389	1,389	10.500%	2027
Senior Notes	EUR 500	500	500	4.000%	2028
Senior Notes	USD 1,225	1,090	1,090	6.000%	2028
Swap adjustment	-	-3	-3		
Altice France Gross Debt		**21,503**	**21,503**		
Total Cash		-486	-486		
Altice France Net Debt		**21,017**	**21,017**		
Undrawn RCF		**1,601**	**1,601**		
WACD (%)			**4.7%**		

[7] Group net debt is pro forma for the €375 million earn-out in December 2021 from the sale of 49.99% of Fastfiber. Group net debt includes €7 million of cash at Altice Europe and other subsidiaries outside debt silos

[8] €3.7 billion liquidity includes €2.1 billion of undrawn revolvers and €1.6 billion of cash. The €1.6 billion of cash is including the €375 million earn-out to be received in December 2021 (not including the €375 million earn-out to be received in December 2026) and the repayment of the Altice Finco S.A. $385 million 2025 7.625% 2025 notes on July 22, 2020 (€342 million of principal and €13 million of call premium). It excludes funding of the Covage acquisition expected in H2 2020 and any associated construction-related EBITDA

Altice International	**Amount in millions (local currency)**	**Actual**	**PF**	**Coupon / Margin**	**Maturity**
Senior Secured Notes	USD 2,593	2,307	2,307	7.500%	2026
Senior Secured Notes	EUR 600	600	600	2.250%	2025
Senior Secured Notes	EUR 1,100	1,100	1,100	3.000%	2028
Senior Secured Notes	USD 1,200	1,067	1,067	5.000%	2028
Term Loan	USD 883	785	785	L+2.75%	2025
Term Loan	USD 878	780	780	L+2.75%	2026
Term Loan	EUR 293	293	293	E+2.75%	2026
Drawn RCF	-	-	-	E+3.50%	2021
Other debt & leases	-	32	32	-	-
Swap Adjustment	-	-20	-20	-	-
Altice International Senior Debt		**6,944**	**6,944**		
Senior Notes	USD 385	342	-	7.625%	2025
Senior Notes	EUR 675	675	675	4.750%	2028
Swap Adjustment	-	-	-	-	-
Altice International Total Debt		**7,962**	**7,619**		
Total Cash		-1,076	-1,096		
Altice International Net Total Debt		**6,885**	**6,524**		
Undrawn RCF			**528**		
WACD (%)			**4.1%**		
Telecom Perimeter Consolidated Debt		**29,465**	**29,122**		
Total Cash		-1,562	-1,581		
Telecom Perimeter Consolidated Net Debt		**27,903**	**27,541**		
WACD (%)			**4.6%**		

ACF	**Amount in millions (local currency)**	**Actual**	**PF**	**Coupon / Margin**	**Maturity**
Corporate Facility	EUR 1,060	1,060	1,060	E+6.625%	June 2023
ACF Gross Debt		**1,060**	**1,060**		
Total Cash		-0	-0		
ACF Net Debt		**1,059**	**1,059**		
WACD (%)			**6.6%**		

Altice Europe Pro Forma Net Leverage Reconciliation as of June 30, 2020

In EUR million

Altice Group Reconciliation to Swap Adjusted Debt	Actual	PF
Total Debenture and Loans from Financial Institutions	**30,619**	**30,619**
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-43,388	-43,388
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	42,862	42,862
Transaction Costs	266	266
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	**30,359**	**30,359**
Commercial Paper	32	32
Overdraft, RCF drawn at Hivory Opco, cancellation call premium	11	11
Other debt and leases	136	136
Cancellation of Call Premium	-13	-13
PF Refinancing	-	-342
Gross Debt Consolidated	**30,524**	**30,182**

In EUR million

Altice Europe (Actual)	Altice Telecom Perimeter	Altice TV	Altice Corporate Financing	Altice Europe	Altice Europe Consolidated
Gross Debt Consolidated	**29,465**	**-**	**1,060**	**-**	**30,524**
Cash	-1,562	-4	-0	-7	-1,573
Net Debt Consolidated	**27,903**	**-4**	**1,059**	**-7**	**28,951**

Altice Europe (Pro Forma)	Altice Telecom Perimeter	Altice TV	Altice Corporate Financing	Altice Europe	Altice Europe Consolidated
Gross Debt Consolidated	**29,122**	**-**	**1,060**	**-**	**30,182**
Cash[9]	-1,581	-4	-0	-7	-1,593
Net Debt Consolidated	**27,541**	**-4**	**1,059**	**-7**	**28,589**

In EUR million

Altice Europe (Pro Forma)	Altice France	Altice International	Altice Telecom Perimeter	Altice TV	Altice Corporate Financing	Altice Europe	Intra-Group Eliminations	Altice Europe Consolidated
Gross Debt Consolidated	**21,503**	**7,619**	**29,122**	**-**	**1,060**	**-**	**-**	**30,182**
Cash	-486	-1,096	-1,581	-4	-0	-7	**-**	-1,593
Net Debt Consolidated	**21,017**	**6,524**	**27,541**	**-4**	**1,059**	**-7**	**-**	**28,589**
LTM Standalone	4,210	1,546	5,756	-111	-	-31	-	5,614
Eliminations	-	-0	-0	-	-	-	-7	-8
Corporate Costs	-	-2	-2	-	-	2	**-**	-
LTM EBITDA Consolidated	**4,210**	**1,544**	**5,754**	**-111**	**-**	**-29**	**-7**	**5,606**
PF Press magazines	10	-	10	-	-	-	**-**	10
PF Tower sale and lease back	-	-	-	-	-	-	**-**	-
LTM EBITDA	**4,220**	**1,544**	**5,763**	**-111**	**-**	**-29**	**-7**	**5,616**
Gross Leverage	5.1x	4.9x	5.1x	0.0x	0.0x	0.0x	**-**	5.4x
Net Leverage	5.0x	4.2x	4.8x	0.0x	0.0x	0.0x	**-**	5.1x
L2QA EBITDA Consolidated PF	**4,088**	**1,507**	**5,595**	**-51**	**-**	**-27**	**-5**	**5,512**
Gross Leverage	5.3x	5.1x	5.2x	0.0x	0.0x	0.0x	0.0x	5.5x
Net Leverage	5.1x	4.3x	4.9x	0.1x	0.0x	0.0x	0.0x	5.2x

[9] €1.6 billion of cash is including the €375 million earn-out to be received in December 2021 (not including the €375 million earn-out to be received in December 2026) and the repayment of the $385 million 7.625%, 2025 notes on July 22, 2020 (€342 million of principal and €13 million of call premium). It excludes funding of the Covage acquisition expected in H2 2020 and any associated construction-related EBITDA

Altice Europe Non-GAAP Reconciliation to unaudited GAAP measures as of June 30, 2020 year to date[10]

In EUR million	**June 30, 2020 (unaudited)**
Revenue	**7,165.5**
Purchasing and subcontracting costs	-1,883.7
Other operating expenses	-1,337.9
Staff costs and employee benefits	-712.5
Total	**3,231.4**
Share-based expense	-23.9
Rental expense operating lease	-457.1
Adjusted EBITDA	**2,750.4**
Depreciation, amortisation and impairment	-2,463.8
Share-based expense	23.9
Other expenses and income	-33.2
Rental expense operating lease	457.1
Operating profit	**734.4**
Capital expenditure (accrued)	**1,385.3**
Capital expenditure - working capital items	301.9
Payments to acquire tangible and intangible assets	**1,687.1**
Operating free cash flow (OpFCF)	**1,365.1**

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.

[10] The difference in consolidated revenue as reported for Altice Europe in the Non-GAAP Reconciliation to GAAP measures as of June 30, 2020 year to date and the Pro Forma Financial Information for Altice Europe as disclosed in this press release is mainly due to Teads gross revenue which is presented before discounts in this press release (net revenue after discounts is recognised in the financial statements). In addition, financials for Altice Europe exclude press magazine Groupe L’Express (following disposal on July 30, 2019) and daily newspaper Libération (following announcement of the transfer to a non-profit foundation on May 14, 2020) from 1/1/19