ALTICE – THIRD QUARTER 2014 RESULTS

Strong EBITDA growth driven by cost restructuring in International business

November 14, 2014: Altice SA (Euronext: ATC NA) today announces financial and operating results for the quarter ended Sept 30, 2014.

Strong pro forma[1] EBITDA growth

- Revenue of €832m, down 0.3% (down 0.7% on CC[2] basis)
  - €504m International Revenue, down 2.3% (down 3.0% on CC basis)
  - €329m France Revenue, up 3.0%
- EBITDA of €396m, up 12% (up 12% on CC basis)
  - €239m International EBITDA, up 17% (up 16% on CC basis)
  - €158m France EBITDA, up 5.8%
- EBITDA margin expanded by 5.3% pts to 47.6%
  - International margin expanded by 7.8% pts to 47.4%
  - France margin up 1.3% pts to 48.0%
- Operating Free Cash Flow[3] down 0.8% at €195m
  - €125m International OpFCF up 9.4% (up 8.6% on CC basis)
  - €70m France OpFCF down 15%

Strategic progress

- France
  - Acquired 34.6% Numericable stake from Carlyle & Cinven
    - Issued 25m Altice SA shares; will pay €529m cash to C&C by end of Jan-15
  - Numericable rights issue completed

- Altice SA
  - Made fully financed binding offer for Portugal Telecom

Key operational progress

- France
  - Customer growth driving 3.0% cable revenue growth
  - Continuing shift to hi-speed broadband
- Israel
  - Strong triple-play, hi-speed broadband and UMTS sub growth
  - Losing single and dual-play customers
  - Cost restructuring driving 7% pts increase in EBITDA margin to 49.2%
- Dominican Republic:
  - Cost savings/synergies driving 14% pts increase in EBITDA margin to 52.5%
  - 11% cable customer growth; 15% mobile postpaid sub growth

Dexter Goei, Chief Executive Officer of Altice, said: "We drove strong EBITDA growth in the third quarter as we continued our successful strategy of driving cost efficiencies, particularly in the Dominican Republic and Israel. We look forward to closing the SFR transaction in France at the end of the month and beginning to drive the anticipated synergies."

Notes: [1] Year-on-year comparisons are pro forma for all completed acquisitions. [2] Constant currency. [3] Defined as EBITDA less Capital Expenditure.

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Conference call details

The company will host a conference call and webcast to discuss the results at 2pm CET today.

Webcast: http://www.media-server.com/m/p/hp8kcx2y

Conference call:

UK: +44(0)20 3427 1915

USA: +1 646 254 3361

Confirmation Code: 3652036

Financial Presentation

Altice S.A. (the "Company") was incorporated on January 3, 2014. However, it's operating 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 as if such acquisitions had occurred by January 1, 2014 including the financials of Numericable Group S.A., Orange Dominicana S.A. and Tricom S.A.) for the quarter ended September 30, 2014 (the "Pro Forma Consolidated Financial Information") and the Aggregated Information (giving effect to each such significant acquisition as if such acquisitions had occurred by January 1, 2013 including the financials of Numericable Group S.A. and Orange Dominicana S.A.) for the quarter ended September 30, 2013 (the "Aggregated Information"). Neither the Pro Forma Consolidated Financial Information nor the Aggregated Information has been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities Act or the requirements of the European Union Directive 2003/71/EC (as amended.) The Pro Forma Consolidated Financial Information and the Aggregated Information have not been audited in accordance with any generally accepted auditing standards. The Pro Forma Consolidated Financial Information and the Aggregated Information include results of operations data of the acquired businesses even though we may not have owned or controlled such acquired businesses for all or any of the duration of the periods presented and would not have been permitted under IFRS to consolidate the results of such acquired businesses in any historical financial statements. In addition, since we do not present any Aggregated Information below the line item "operating income before depreciation and amortization", the non -controlling interests in the operating results of the acquired businesses are not reflected therein.

The Pro Forma Consolidated Financial Information and the Aggregated Information are based on certain assumptions that we believe are reasonable. Our assumptions may prove to be inaccurate over time. Accordingly, the Pro Forma Consolidated Financial Information and the Aggregated Information may not reflect what our results of operations and financial condition would have been had we been a combined company during the periods presented, or what our results of operations and financial condition will be in the future.

This press release contains measures and ratios (the “Non-IFRS Measures”), including EBITDA 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-IFRS measures because we believe that they are of interest for 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-IFRS measures may not be comparable to similarly titled measures of other companies, 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-IFRS measures such as EBITDA and Operating Free Cash Flow are not measurements of our, or any of our subsidiaries’, performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, you should not consider 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.

Financial and statistical information and comparisons

Financial and statistical information is at and for the quarter ended September 30, 2014, unless otherwise stated. Where financial or statistical information is given for the quarter ended September 30, 2014, any comparisons are to the quarter ended September 30, 2013, unless otherwise stated.

Summary Financials

Pro forma and Aggregated Information

Q3-14 (€m)

	Israel	Dominican Republic	Belgium and Luxembourg	Portugal	French Overseas Territories[1]	Others[2]	Total International	France	Total
Revenue									
Cable	172.5	23.2	15.4	24.8	18.7	-	254.6	222.5	477.1
Mobile	46.4	115.4	0.3		34.8	-	197.0		197.0
B2B and others		13.0	2.1	21.8	5.6	14.9	57.4	109.2	166.6
Adjustments		(5.6)			0.4	-	(5.2)	(3.1)	(8.3)
Total Revenue	**218.9**	**146.0**	**17.8**	**46.6**	**59.5**	**14.9**	**503.7**	**328.6**	**832.3**
EBITDA[3]	**107.7**	**76.7**	**12.0**	**14.4**	**26.3**	**1.5**	**238.6**	**157.6**	**396.2**
EBITDA margin	*49.2%*	*52.5%*	*67.4%*	*30.9%*	*44.2%*	*10.1%*	*47.4%*	*48.0%*	*47.6%*
Capex	**60.9**	**18.9**	**4.6**	**6.4**	**13.8**	**8.7**	**113.3**	**88.0**	**201.3**
Capex / Revenue	*27.8%*	*12.9%*	*25.8%*	*13.7%*	*23.2%*	*58.4%*	*22.5%*	*26.8%*	*24.2%*
Operating FCF	**46.8**	**57.8**	**7.4**	**8.0**	**26.3**	**(7.2)**	**125.3**	**69.6**	**194.9**
OpFCF / Revenue	*21.4%*	*39.6%*	*41.5%*	*17.2%*	*44.2%*	*-48.3%*	*24.9%*	*21.2%*	*23.4%*

Q3-13 (€m)

	Israel[1]	Dominican Republic	Belgium and Luxembourg	Portugal	French Overseas Territories	Others	Total International	France	Total
Revenue									
Cable	177.7	22.4	15.2	26.5	20.0	-	261.8	216.0	477.8
Mobile	47.9	112.8	0.3		35.1	-	196.1	-	196.1
B2B and others		14.3	2.1	25.9	6.1	17.1	65.5	103.0	168.5
Adjustments		(8.2)			0.6	-	(7.6)		(7.6)
Total Revenue	**225.6**	**141.3**	**17.6**	**52.4**	**61.8**	**17.1**	**515.8**	**319.0**	**834.8**
EBITDA	**94.8**	**55.0**	**10.7**	**12.9**	**23.1**	**7.5**	**204.0**	**149.0**	**352.9**
EBITDA margin	*42.0%*	*38.9%*	*60.9%*	*24.6%*	*37.4%*	*43.9%*	*39.5%*	*46.7%*	*42.3%*
Capex	**44.6**	**22.7**	**4.5**	**4.1**	**8.4**	**5.1**	**89.4**	**67.0**	**156.4**
Capex / Revenue	*19.8%*	*16.1%*	*25.6%*	*7.8%*	*13.6%*	*29.8%*	*17.3%*	*21.0%*	*18.7%*
Operating FCF	**50.2**	**32.3**	**6.2**	**8.8**	**14.7**	**2.4**	**114.6**	**82.0**	**196.5**
OpFCF / Revenue	*22.2%*	*22.9%*	*35.3%*	*16.8%*	*23.8%*	*14.0%*	*22.2%*	*25.7%*	*23.5%*

Notes to Summary Financials

(1) For the French Overseas Territories, cable revenue includes revenues from cable services we provide in Guadeloupe and Martinique as well as xDSL based broadband Internet (including IPTV) and fixed-line telephony services we provide in Guadeloupe, Martinique, French Guiana, La Réunion and Mayotte.

(2) Comprises our B2B telecommunications solutions business and datacentre operations in Switzerland (Green and Green Datacenter), our datacentre operations in France (Auberimmo) and our content production and distribution business in France (Ma Chaîne Sport and Sportv.) Also includes Corporate costs which includes holding company salaries, administration, accounting, legal, professional and other costs.

(3) EBITDA is defined as operating profit before depreciation and amortization, other expenses, net, management fees, reorganization and extraordinary costs, share of profit of associates and equity based compensation.

Group KPIs

Q3-14	As and for the quarter ended September 30, 2014 in thousands except percentages and as otherwise indicated						
	France	Israel[6]	Dominican Republic	Belgium and Luxembourg	Portugal	French Overseas Territories[7]	Total[8]
CABLE-BASED SERVICES							
Market and Network							
Homes passed	9,975	2,329	473	233	909	178	14,098
Docsis 3.0 upgraded	58.3%	100%	100%	100%	99%	95%	-
Unique Customers							
Cable customers[1]	1,353	1,088	119	110	225	44	2,938
Cable customer net adds	10	(20)	4	(1)	(5)	2	(10)
Triple-play customers	874	484	15	50	133	26	1,581
Triple-play penetration	65%	45%	12%	45%	59%	59%	54%
RGUs & Penetration[2, 3]							
Total RGUs	3,298	2,270	198	231	578	95	6,670
Pay TV	1,134	862	114	120	214	44	2,488
Pay TV net adds	4	(12)	1	(6)	(4)	2	(15)
Pay TV penetration	11%	37%	24%	51%	24%	24%	18%
Broadband	1,095	727	41	59	152	26	2,100
Broadband net adds	20	(11)	3	-	(2)	4	14
Broadband penetration	11%	31%	9%	25%	17%	14%	15%
Telephone	1,070	681	42	52	213	26	2,083
Telephone net adds	22	(5)	5	-	(4)	4	21
Telephone penetration	11%	29%	9%	22%	23%	14%	15%
RGUs per cable customer	2.44	2.09	1.66	2.11	2.57	2.18	2.27
ARPU[4]							
Cable ARPU	€40.15	€48.75	€32.22	€43.60	€33.69	€55.31	-
xDSL / NON-CABLE							
RGUs							
Total RGUs	97	-	336	-	-	193	597
Broadband	41	-	97	-	-	71	209
Telephone	41	-	239	-	-	107	388
MOBILE							
Market and Network							
UMTS mobile coverage	-	56%	77%	-	-	90%	-
Subscribers							
Total mobile subscribers[5]	236	932	3,391	3	-	365	4,928
Mobile net adds	16	42	(356)	0	-	(3)	(301)
Postpaid subscribers	236	927	702	3	-	205	2,074
Prepaid subscribers	0	5	2,690	-	-	160	2,855
ARPU[4]							
Mobile ARPU	€ 11.13	€ 14.58	€ 9.53	€ 32.21	-	€ 28.65	-

Q3-13

As and for the quarter ended September 30, 2013
in thousands except percentages and as otherwise indicated

	France	Israel[6]	Dominican Republic	Belgium and Luxembourg	Portugal	French Overseas Territories[7]	Total[8]
CABLE-BASED SERVICES							
Market and Network							
Homes passed	9,931	2,272	440	233	906	154	13,937
Docsis 3.0 upgraded	51.2%	100%	100%	100%	93%	49%	-
Unique Customers							
Cable customers[1]	1,340	1,145	107	115	240	38	2,985
Cable customer net adds	9	(27)	1	(2)	(3)	(0)	(22)
Triple-play customers	825	448	7	51	136	15	1,482
Triple-play penetration	62%	39%	6%	44%	57%	40%	50%
RGUs & Penetration[2, 3]							
Total RGUs	3,176	2,316	155	239	609	69	6,564
Pay TV	1,144	881	107	130	227	38	2,527
Pay TV net adds	(3)	(13)	1	(2)	(4)	(0)	(22)
Pay TV penetration	12%	39%	24%	56%	25%	25%	18%
Broadband	1,032	755	28	56	156	15	2,042
Broadband net adds	16	(19)	2	1	(0)	1	2
Broadband penetration	10%	33%	6%	24%	17%	10%	15%
Telephone	1,000	680	20	53	226	15	1,996
Telephone net adds	19	(8)	4	0	(4)	1	12
Telephone penetration	10%	30%	5%	23%	25%	10%	14%
RGUs per cable customer	2.37	2.02	1.45	2.08	2.54	1.79	2.20
ARPU[4]							
Cable ARPU (€)	€40.39	€47.58	€30.23	€41.12	€34.10	€53.99	-
xDSL / NON-CABLE							
RGUs							
Total RGUs	41	-	348	-	-	193	564
Broadband	19	-	96	-	-	71	186
Telephone	19	-	251	-	-	107	377
MOBILE							
Market and Network							
UMTS mobile coverage	-	50%	72%	-	-	90%	-
Subscribers							
Total mobile subscribers[5]	167	773	3,480	3	-	367	4,789
Mobile net adds	16	12	(50)	(1)	-	(2)	(25)
Postpaid subscribers	166	762	608	3	-	188	1,726
Prepaid subscribers	1	11	2,872	-	-	179	3,062
ARPU[4]							
Mobile ARPU	€ 12.14	€ 16.90	€ 9.63	€ 40.92	-	€ 27.82	-

Notes to Group KPIs

(1) Cable Customers represents the number of individual end users who have subscribed for one or more of our 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 premises basis. Cable Customers does not include subscribers to either our mobile or ISP services. Cable Customers for France excludes white-label subscribers.

(2) RGUs relate to sources of revenue, which may not always be the same as customer relationships. For example, one person may subscribe for two different services, thereby accounting for only one subscriber, but two RGUs. RGUs for pay television and broadband are counted on a per service basis and RGUs for telephony are counted on a per line basis.

(3) Penetration rates for our pay television, broadband and telephony services are presented as a percentage of homes passed.

(4) ARPU is an average monthly measure that we use to evaluate how effectively we are realizing revenue from subscribers. ARPU is calculated by dividing the revenue for the service provided after certain deductions for non-customer related revenue (such as hosting fees paid by channels) for the respective period by the average number of customer relationships for that period and further by the number of months in the period. The average number of customer relationships is calculated as the number of customer relationships on the first day in the respective period plus the number of customer relationships on the last day of the respective period, divided by two. For Israel and Dominican Republic, ARPU has been calculated by using the following exchange rates: (i) average rate for Q3-13, €1 = NIS 4.74 / DOP 56.01 and (ii) average rate for Q3-14, €1 = NIS 4.66 / DOP 61.6. For Dominican Republic Mobile ARPU, only the ARPU for Orange Dominica is shown i.e. it excludes Tricom

(5) Mobile subscribers is equal to the net number of lines or SIM cards that have been activated on our mobile network. In Israel, the total number of mobile subscribers for our iDEN and UMTS services were as follows:

	As of September 30,	
	2013	**2014**
	in thousands	
Mobile Subscribers		
iDEN	234	186
UMTS	539	746
Total	**773**	**932**

(6) In Israel, Homes Passed is the number of total Israeli Homes. Our cable network passes a vast majority of Israel's 2.3 million households.

(7) Cable-based information only relates to the cable based services (pay television, broadband Internet and fixed-line telephony) we provide in Guadeloupe and Martinique and excludes the xDSL based broadband Internet (including IPTV) and fixed-line telephony services we provide in Guadeloupe, Martinique, French Guiana, La Réunion and Mayotte following our acquisition of a controlling interest in Outremer in July 2013

(8) Total represents the aggregate of the respective key operating measures across all the regions in which we currently operate even though we may not have owned or controlled such business for the entire duration of the periods presented.

Financial Review - Pro Forma and Aggregated Basis

for quarter ended September 30, 2014 compared to quarter ended September 30, 2013

Group

Total group revenue of €832m, decreased 0.3% as declines in Israel and Portugal were largely offset by growth in France, the Dominican Republic and elsewhere.

Group EBITDA increased by 12% to €396m mainly due to cost reductions in Israel and the Dominican Republic. EBITDA margin expanded by 5.3% points to 47.6%.

Group Capex was up 29% to €201m mainly due to the ongoing network upgrade in France and increased capex in Israel.

Group OpFCF was down 0.8% to €195m as strong EBITDA growth was offset by the increased capex in France and Israel. International OpFCF grew by 9% to €125m.

France

Total revenue in France of €329m increased by 3.0% due to growth in both cable and B2B and other revenue. This is a slight acceleration of growth compared to the previous quarter, when growth was 2.8%.

Cable revenue increased by 3.0% mainly due to customer growth. Over the last twelve months, total individual users, including whitelabel, grew by 2.5% to 1.7m and multiplay customers grew by 6.3% to 1.1m.

Customer growth is being driven by demand for hi-speed broadband and the innovations of La Box, Numericable's high-end set-top box. The number of broadband subscribers grew by 6.1% to 1.1m. The number of La Box subscribers reached around 420,000 at the quarter-end which is 39% of multi-play subscribers.

B2B and other revenue increased by 6.0% mainly due to growth in data revenue and the acquisition of LTI Telecom.

EBITDA was up 5.8% to €158m reflecting the revenue growth and a 1.3% pt increase in EBITDA margin. Capex was up 31% to €88m due to the ongoing network upgrade. Upgraded homes increased by 724,000 in the last twelve months and by 208,000 in the third quarter to reach 5.8m homes. We are in the first year of a new three-year programme to upgrade over three million homes at a total cost of €220m to €230m.

Israel

Total revenue in Israel was €219m, down 3.0%. The Israeli shekel strengthened slightly over the last twelve months versus the Euro. Accordingly, at a constant exchange rate, total revenue decreased by 4.8%, cable revenue decreased by 4.7% and mobile revenue decreased by 4.8%. This is an improvement in the mobile revenue trend which was down 10% in the second quarter.

Revenue actually increased sequentially for the second quarter in a row and was up €5m or 2.4% compared to Q2-14, mainly due to growth in mobile revenue.

Our cable customer base declined by 57,000 or 5.0% in the last twelve months to 1,088,000, mainly due to natural evolution towards triple-play. We suffered some significant disruption to customer service during the third quarter, exacerbated by the conflict in Gaza. This, along with the continued loss of single and dual-play customers negatively affected customer growth and we lost 20,000 cable customers in the quarter. However, this was lower than the loss of 27,000 in the same quarter last year. We are working hard with our outsource partner to improve customer service and have recently opened a new call centre in Jerusalem. Nevertheless, we expect similar customer losses in Q4.

Cable revenue was down mainly due to the 5.0% decline in cable customers. Cable ARPU was flat as price rises and an improved mix were offset by discounts and refunds given to customers suffering from service issues.

Triple play penetration grew from 39% to 45% but an even higher proportion, 58% of gross additions, are now taking triple-play, compared to 51% a year ago. Broadband mix is also improving, with 70% of our broadband customer base on speeds of at least 30Mb, compared to 46% a year ago. In TV, we now have 28,000 HOT fibre boxes installed.

Mobile revenue decreased by 4.8% on a constant currency basis due to growth in the UMTS subscriber base being offset by a decrease in the iDEN subscriber base and lower ARPU. UMTS service revenue increased by 12% due to strong subscriber growth. Total mobile ARPU declined by 16% on a constant currency basis due to continued intensive price competition.

The UMTS subscriber base increased by 38% to 746,000. The iDEN subscriber base decreased by 21% to 186,000 as a result of reduced demand for this older technology.

Despite the revenue pressure, EBITDA in Israel was up 12% on a constant currency basis to €108m. EBITDA margin expanded by 7.2% pts to 49.2% reflecting our cost restructuring programme and our new mobile roaming agreement.

Capex in Israel increased from €45m to €61m due to three main factors. Firstly, we have begun a project to improve our network quality by increasing node segmentation. Secondly, we have increased our average installation costs in order to improve customer experience and reduce repeat visits. Finally, we have been installing more HOT Fibre boxes. We expect capex to remain at a similar in the fourth quarter for the same reasons.

Dominican Republic

Total revenue in the Dominican Republic of €146m increased by 3.3% and by 3.8% on a constant currency basis, mainly due to growth in mobile and cable revenue.

Mobile revenue increased by 2.7% on a constant currency basis to €115m, mainly due to the strong growth in the postpaid mobile subscriber base, which grew 15% to 702,000.

During the quarter, we disconnected 807,000 prepaid customers following a ruling from the Telecom regulator to all mobile operators that prepay customers without valid identification should be disconnected. Prepay churn is always relatively high, so over half of these 807,000 disconnections would probably have churned in the quarter anyway.

Cable revenue increased by 3.9% to €23m on a constant currency basis. (This figure includes DSL revenues which were relatively flat.) We grew the cable customer base by 11% to 119,000 as we increased network coverage and focused on triple-play. Cable ARPU grew by 7.0% in local currency reflecting our successful triple-play focus. Triple-play penetration doubled from 6% to 12%.

B2B revenues fell by 8.9% on a constant currency basis to €13m reflecting a decline in low margin transit revenues.

EBITDA in the Dominican Republic was €77m. On a constant currency basis, EBITDA increased by 39%. EBITDA margin expanded from 38.9% to 52.5% reflecting the cost savings and synergies following our acquisition.

Capex fell by 16% on a constant currency basis to €19m, primarily due to lower IT and mobile network spend and lower renegotiated costs with several suppliers.

This all resulted in extremely strong Operating Free Cash Flow growth, up 80% to €58m, on a constant currency basis.

French Overseas Territories (FOT)

Total revenue in the French Overseas Territories of €60m decreased by €2m mainly due to a €1.3m or 6.5% decrease in cable revenue.

Cable revenue (which includes DSL revenues) decreased mainly due to declines in DSL revenues, partially offset by growth in cable.

EBITDA in FOT was €26m, up 14%. EBITDA margin expanded from 37.4% to 44.2% mainly as a result of the cost optimization programme at Outremer Telecom following its acquisition.

Capex increased from €8m to €14m mainly due to the cable network upgrade.

Portugal

Total revenue in Portugal of €47m declined by 11%, reflecting a 6.5% decline in cable revenue to €25m and a 16% decline in B2B and other revenue to €22m.

Cable revenue declined mainly due to customer losses during the last twelve months. The cable customer base fell by 4,500 in the quarter and by 14,800 or 6.2% in the last twelve months to 225,000. This was the result of intense competition, with aggressive promotions and pricing policies adopted by competitors, combined with adverse economic conditions and austerity measures in Portugal. Cable ARPU fell by 1.2% to €33.69 due to more aggressive discounting and promotional offers.

The decrease in B2B and other revenue in Portugal was primarily due to the loss of and reduced activity at certain business clients, some contract renewals at lower prices and the impact of lower regulated termination rate cuts.

EBITDA in Portugal was up 12% to €14m. EBITDA margin expanded from 24.6% to 30.9% mainly due to improved margins at our B2B business, ONI, which expanded from 11.7% to 20.6%.

Belgium and Luxembourg (Benelux)

Total revenue in Benelux was relatively flat at €18m. EBITDA was up 12% at €12m. EBITDA margin remained strong at 67.4%.

Others

Other revenue was down slightly from €17m to €15m due to increased intercompany revenue which is eliminated on consolidation. EBITDA was down from €8m to €2m due to increased corporate costs. These increased due to higher corporate headcount and salaries, and higher professional costs relating to increased corporate acquisition activity and becoming a public company. Capex increased from €5m to €9m due to a new data centre being built in Switzerland.

Acquisitions

Increasing Numericable stake

On July 24, 2014, Altice announced that its wholly-owned subsidiary, Altice France S.A. ("Altice France"), had acquired a 34.6% stake in Numericable Group S.A. ("Numericable") from Carlyle Cable Investments SC ("Carlyle") and CCI (F3) S.à r.l ("Cinven"), as previously announced on April 7, 2014.

A first portion, representing approximately 20.6% of Numericable shares out of the 34.6% purchased, was financed by the issuance of 24,751,873 new ordinary shares by Altice S.A.

The new ordinary shares of €0.01 in the capital of Altice S.A. were subscribed for by Carlyle and Cinven in exchange for the contribution in kind to Altice S.A. of, in aggregate, 25,517,396 shares in Numericable. This represents a stake of 20.6% in Numericable, which Altice S.A. transferred to Altice France.

Immediately following this, Altice S.A's total number of shares outstanding was 247,722,490. Carlyle owns 6.7% and Cinven owns 3.3% of shares in Altice.

The remaining portion, representing approximately 14% of Numericable shares out of the 34.6% purchased, will need to be settled in cash by Altice France by January 31, 2015.

Following these two transactions, Altice France's stake in the share capital of Numericable has increased from 40% to 74.6%. The completion of these transactions was preceded by the granting to Altice France of a waiver from the obligation to launch a tender offer on all the Numericable's shares of common stock by the French Autorité des Marchés Financiers.

Subscription to Numericable rights issue

On October 29, 2014, Numericable Group announced the launch of a previously planned rights offering for a total amount of €4.7bn, which will partly be used to finance the SFR transaction. Altice France has subscribed to this offering in proportion to its holding in Numericable Group (74.6%), for a total amount of €3,530 million, and received an additional 198,099,585 shares, priced at a subscription price of €17.82 share (which represents a 35.1% discount to the closing price of Numericable Group shares on October 27, 2014). The rights offering closed at the end of trading on November 12, 2014.

This additional share purchase was financed by Altice France through a capital increase which was fully subscribed by the Company, using a part of the proceeds from bonds issued earlier in the year.

Buyout of shares held in Fiberman

In October 2014, the Company, via its direct subsidiary, reached an agreement with the shareholders of Fiberman S.a.R.L and Fiberman S.C.A (together, “Fiberman”), to purchase all their shares in these two companies. Fiberman S.a.R.L, owned by two ex-minority shareholders of Numericable Group and certain managers of Numericable Group, in turn held 0.92% of the share capital of Numericable Group. Prior to the transaction, Altice France held 12.8% of Fiberman. Following the transaction, Altice France held 100% of the share capital of Fiberman. The total consideration paid to all shareholders of Fiberman amounted to €33.5 million. Post transaction, as Altice France became the sole shareholder, an additional €43.5 million was committed in order to finance Fiberman’s share of the Numericable Group capital increase launched on October 29, 2014.

Following this transaction and the closing of the SFR deal, Altice France will hold 60.3% of the share capital of the Numericable-SFR ensemble, as compared to 59.7% that was previously disclosed.

Offer to purchase Portugal Telecom

On November 2, 2014, Altice announced that it has made a binding, fully financed offer to purchase the Portuguese assets of Portugal Telecom from Oi. These assets comprise the existing business of Portugal Telecom outside of Africa and excludes Portugal Telecom's Rio Forte debt securities, Oi treasury shares and Portugal Telecom financing vehicles.

The offer submitted by Altice values these assets at an enterprise value of €7.025bn on a cash and debt free basis, which includes a €400m earn-out related to the future revenue generation of Portugal Telecom and a €400m earn-out related to the future generation of Operating Free Cash Flow (EBITDA less Capex).

If this offer is accepted, the transaction net of financial debt and other purchase price adjustments would be financed by new debt and existing cash from Altice.

Financial Review – Historical Actual Basis

for quarter ended September 30, 2014 compared to quarter ended September 30, 2013

Revenue for the quarter was €832m, up from €356m in Q3-13. Operating profit before depreciation, amortization and non-recurring costs was €387m, up from €144m. Growth in both these figures was due to the several acquisitions that we have made in the last twelve months as well as organic growth in our existing and acquired businesses.

- In July 2013, we acquired Outremer Telecom in the French Overseas Territories.
- In August 2013, we acquired ONI in Portugal
- In October 2013, we acquired Ma Chaine Sport and Sportv
- In January 2014, we acquired Mobius in the French Overseas Territories
- In March 2014, we acquired Tricom in the Dominican Republic
- In April 2014, we acquired Orange Dominicana in the Dominican Republic

Operating profit increased from €47m to €127m as the increased operating profit before depreciation, amortization and non-recurring costs was partially offset by increased depreciation and amortization which resulted from the acquisitions.

Loss for the quarter increased from a loss of €70m to a loss of €285m, mainly due to increased finance costs. Finance costs increased significantly from €106m to €441m due to debt being issued to finance some of our acquisitions. In particular, we have raised a significant amount of new debt to fund the upcoming acquisition of SFR by Numericable.

Shares outstanding

As at 13th November 2014, Altice S.A. had 247.7m shares outstanding.

Condensed Consolidated Statement of Income (€m)

	Three months ended September 30, 2014	Three months ended September 30, 2013 (restated)
	(In million euros)	
Revenues	832.3	355.8
Purchase and subcontracting services	(193.3)	(103.3)
Other operating expenses	(109.6)	(54.3)
Staff costs and employee benefit expenses	(65.2)	(35.5)
General and administrative expenses	(21.3)	(7.0)
Other sales and marketing expenses	(55.7)	(11.5)
Operating profit before depreciation, amortization, management fees, restructuring, non-recurring-costs and other expenses	**387.1**	**144.2**
Depreciation and amortization	(242.7)	(100.3)
Management fees	(.1)	-
Restructuring, non-recurring costs and other expenses	(17.4)	3.3
Operating profit	**127.0**	**47.2**
Gain arising on step acquisition	-	-
Finance income	91.3	-
Finance costs	(441.0)	(105.7)
Share in income of associates	-	3.1
(Loss)/ Profit before income tax (expenses)/benefits	**(222.8)**	**(55.4)**
Income tax benefit/(expenses)	(62.1)	(14.4)
Loss for the period	**(284.9)**	**(69.8)**
Attributable to equity holders of the parent	*(242.7)*	*(69.2)*
Attributable to non-controlling interests	*(42.2)*	*(.6)*
Earnings per share (expressed in €)		
Basic	*(1.00)*	*(.29)*
Diluted	*(.97)*	*(.28)*

Condensed Consolidated Statement of Cash Flows (€m)

	Q3 2014	Q3 2013
	In million euros	
Loss for the period	**(284.9)**	**(69.2)**
Adjustments for :		
Depreciation and amortization	242.7	99.9
Share in income of associates	-	(3.1)
Gains and losses on disposals		(3.2)
Gain on step acquisition	-	-
Expense related to stock options	4.6	-
Other non-cash operating gains and losses	16.7	6.6
Net cash provided by operating activities before changes in working capital, finance costs and income tax	**(20.8)**	**31.0**
Finance costs, net	349.8	110.0
Income tax (gain)/expense recognised in profit and loss	62.1	14.4
Income tax paid	(30.8)	(4.1)
Changes in working capital	39.9	(28.0)
Net cash provided by operating activities	**400.1**	**123.3**
Purchases of tangible and intangible assets	(201.1)	(66.1)
Proceeds from disposal of assets	2.2	1.9
Acquisitions of available for sale financial assets		(2.8)
Increase / (Decrease) in loans and other non-current financial assets		7.4
Increase/(Decrease) of restricted cash	-	(1.4)
Transactions with non-controlling interests	(12.0)	(14.9)
Net payments on acquisition of subsidiaries	-	(203.5)
Net cash used in investing activities	**(210.9)**	**(279.4)**
Proceeds from issuance of shares	.1	-
Shareholder contribution	-	-
Proceeds from debt issuance	-	821.9
Repayment of debt	(461.4)	(518.3)
Distribution to CPEC's holders	-	(172.0)
Interest paid	(314.5)	(33.3)
Net cash provided by/ (used in) financing activities	**(775.8)**	**98.3**
Effects of exchange rate changes on the balance of cash held in foreign currencies	1.9	(.1)
Net increase in cash and cash equivalents	**(584.7)**	**(57.9)**
Cash and cash equivalents at the beginning of the period	**1,124.8**	119.7
Net (decrease)/increase in cash and cash equivalents	**(584.7)**	**(57.9)**
Cash and cash equivalents at the end of the period	**540.1**	**61.8**
Cash and cash equivalent	*540.7*	*61.9*
Bank overdraft	*(.6)*	-

Condensed Consolidated Statement of Financial Position

	September 30, 2014	December 31 , 2013
	(in millions of euros)	
ASSETS		
Current assets		
Cash and cash equivalents	540.7	61.6
Restricted cash	13,880.4	1,242.8
Trade and other receivables	647.2	232.2
Inventories	64.2	11.0
Current tax assets	96.0	14.6
Total current assets	**15,228.5**	**1,562.2**
Non-current assets		
Deferred tax assets	416.0	47.4
Investment in associates	3.0	679.1
Financial assets	62.4	50.6
Trade and other receivables	26.3	22.8
Property, plant & equipment	3,105.5	1,134.2
Intangible assets	1,182.5	579.6
Goodwill	4,608.6	1,100.7
Total non-current assets	**9,404.3**	**3,614.4**
Total assets	**24,632.8**	**5,176.6**
LIABILITIES AND EQUITY		
Current liabilities		
Borrowings	282.8	59.7
Deferred revenue	158.3	55.9
Trade and other payables	1,288.8	517.4
Other current liabilities	583.4	15.9
Provisions	2.4	31.1
Current tax liabilities	112.7	57.1
Total current liabilities	**2,428.3**	**737.0**
Non-current liabilities		
Borrowings	20,164.2	3,741.0
Loans from related parties	-	100.7
Other financial liabilities	648.0	271.6
Deferred revenue	110.8	10.6
Trade and other payables	17.2	29.0
Retirement benefit obligations	19.4	8.2
Provisions	100.6	-
Deferred tax liabilities	295.5	183.1
Total non-current liabilities	**21,355.7**	**4,344.2**
Equity		
Issued capital	2.5	-
Additional Paid In Capital	1,827.9	-
Other reserves	(238.6)	-
Accumulated losses	(728.6)	-
Total equity attributable to the shareholders of the parent	**863.2**	**95.8**
Non-controlling interests	(14.4)	(.5)
Total equity	**848.8**	**95.3**
Total liabilities and equity	**24,632.8**	**5,176.6**

Consolidated Pro Forma Net Debt

		(€m equivalent)			
ALTICE INTERNATIONAL	**Amount (local currency)**	**Actual**	**Pro forma SFR related debt[1]**	**Coupon / Margin**	**Maturity**
HOT Unsecured Notes (NIS)	NIS1,188m	255		3.90 - 6.90%	2018
Unsecured Coditel Mezzanine (EUR)	EUR116m	116		8.50% / 5.25% PIK	2017
Green Data Center Debt (CHF)	CHF42m	35		L+1.700%	2022
Senior Secured Notes (USD)	USD460m	364		7.875%	2019
Senior Secured Notes (EUR)	EUR210m	210		8.000%	2019
Term Loan(USD)[3]	USD1,026m	813		L+4.500%	2019
Senior Secured Notes (USD) - DR	USD900m	713		6.500%	2022
Senior Secured Notes (EUR) - DR	EUR300m	300		6.500%	2022
Altice International Senior Debt		**2,805**			
Senior Notes (USD)	USD425m	337		9.875%	2020
Senior Notes (EUR)	EUR250m	250		9.000%	2023
Senior Notes (USD) - DR	USD400m	317		8.125%	2024
Altice International Total Debt		**3,709**	**3,709**		
Cash - Altice International		(141)	(141)		
Altice International Net Total Debt		**3,567**	**3,567**		

NUMERICABLE	**Amount (local currency)**	**Actual**	**Pro forma SFR related debt**	**Coupon / Margin**	**Maturity**
USD Notes 2019	USD2,400m	1,736		4.875%	2019
USD Notes 2022	USD4,000m	2,893		6.000%	2022
USD Notes 2024	USD1,375m	994		6.250%	2024
EUR Notes 2022	EUR1,000m	1,000		5.375%	2022
EUR Notes 2024	EUR1,250m	1,250		5.625%	2024
USD Term Loan	USD2,600m	1,880		L+3.750%	2020
EUR Term Loan	EUR1,900m	1,900		E+3.750%	2020
Other Debt (EUR)[2]		46			
RCF		50			
FX[2]		97	(97)		
Additional Sources			81		
Numericable Total Debt		**11,846**	**11,830**		
Cash		(14)	(14)		
Cash USD Escrow	EUR8,966m	(6,485)			
Cash EUR Escrow	EUR2,409m	(2,409)			
Numericable Net Total Debt		**2,938**	**11,816**		

ALTICE SA	**Amount (local currency)**	**Actual**	**Pro forma SFR related debt**	**Coupon / Margin**	**Maturity**
Altice SA Senior Notes (EUR)	EUR2,075m	2,075		7.250%	2022
Altice SA Senior Notes (USD)	USD2,900m	2,097		7.750%	2022
Altice SA Total Debt		**4,172**	**4,172**		
Cash - Altice SA[3]		(385)	**(401)**		
Cash Escrow		(4,172)			
Altice SA Net Debt		**(385)**	**3,772**		
Total Altice SA Consolidated Debt		**19,727**	**19,712**		
Cash		(13,607)	(556)		
Total Altice SA Consolidated Net Debt		**6,121**	**19,156**		

(1) Proforma for debt related to SFR acqusition
(2) Includes other debt of €46m (mainly leases) and FX adjustment of €97m on USD debt/USD escrow cash (relating to Sept 30 exchange rate of 1.2629 v swapped rate of 1.3827)
(3) Includes impact of overfunding/excess proceeds at SFR closing, and Carlyle and Cinven €529m payment

The average cost of Altice SA debt is approximately 7.3%. The average cost of Altice International debt is approximately 7.5%. The average cost of Numericable debt is approximately 5.0%.

Margin loan repaid

In July, Altice France repaid the principal on its €446m margin loan and accrued interest using proceeds from an equity capital raise in June.

Notes

Revenues and EBITDA disclosed by Numericable Group differ from those disclosed by Altice in two respects:

- Altice presents Numericable revenues net of intercompany transactions between Numericable and other companies in the Altice SA group.
- Under Altice accounting policies, all provisions and reversals thereof are presented below EBITDA (as they are considered non-cash, and in case of utilization, non-recurrent). This is not the case at Numericable.

The segments "cable" and "B2B and other" are reported as one segment "fixed" in our Q3 financial statements. Please refer to those statements on our website for more details

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FORWARD-LOOKING STATEMENTS

Certain statements in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 result or 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.

FINANCIAL MEASURES

This press release contains measures and ratios (the "Non-IFRS Measures"), including EBITDA 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-IFRS or any other generally accepted accounting standards. We present Non-IFRS measures because we believe that they are of interest for 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-IFRS measures may not be comparable to similarly titled measures of other companies, 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-IFRS measures such as EBITDA and Operating Free Cash Flow are not measurements of our, or any of our subsidiaries', performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, you should not consider 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.

EBITDA, Operating Free Cash Flow 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 EBITDA and Operating Free Cash Flow as reported by us to EBITDA and Operating Free Cash Flow of other companies. EBITDA as presented herein differs from the definition of "Consolidated Combined EBITDA" for purposes of any of the indebtedness of Altice S.A., Numericable Group S.A., Altice Financing S.A. and Altice Finco S.A., respectively. The information presented as EBITDA 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.