



**“The future begins today”**

**Altice welcomes the unanimous decision by the Vivendi Supervisory Board.**

**The merger of SFR and Numericable opens the way to the creation of a French champion in Very High Speed Broadband and in the convergence of fixed and mobile networks.**

**Conference call to be held Monday 7<sup>th</sup> April at 5.00pm CET**

Paris – 6th April 2014: Altice (Euronext: ATC) welcomes the unanimous decision by Vivendi’s Supervisory Board in favor of the offer by Altice/Numericable. This offer relates to the industrial project which will provide the greatest growth prospects and create the most value for employees, shareholders, clients and for the entire French telecommunications sector.

Patrick Drahi, founder and Chairman of the Altice group, parent company to Numericable, said: *“Our industrial project is ambitious and growth-oriented. By bringing together SFR and Numericable we will create the French champion in very high speed broadband and in the convergence of fixed and mobile networks. This is a trend throughout the sector, borne out across Europe and around the world. Our project, which is founded upon perfectly complementary networks and skillsets, will generate strong growth, which in turn will create jobs and stimulate investment. The future begins today.”*

The two groups, which have agreed a new reciprocal exclusivity agreement, will now consult their employee representatives and initiate procedures to obtain the necessary authorizations from the appropriate administrative authorities.

**Vivendi has accepted our offer on the basis of the following criteria:**

- The quality of our industrial project is based on very high speed broadband, fixed/mobile convergence, perfectly complementary networks, and the development of *Quadruple Play*. It is consistent with the French government’s “France Tres Haut Debit” plan, regarding which we have undertaken firm commitments;
- Job preservation: our project is also based on complementary skills and guarantees job creation over the long-term, notably because of the investments entailed. We have also made formal commitments to guarantee jobs within the framework of the merger;
- Minimal competition risks, supported by the opinions of all the experts consulted by Vivendi on the subject;
- The overall valuation for Vivendi, with a balance between cash received upfront and a stock participation allowing it to benefit from future upside.

.../...



Under the terms of the agreement, of which the details are laid out in the appendix, Vivendi will receive €13.5 billion in cash and 20% of the combined SFR - Numericable Group as well as a potential earn-out of €750 million. Vivendi will also at a later stage have the possibility of selling its 20% stake according to set terms.

The transaction values SFR at 6.5x 2014E EBITDA pre-synergies and 5.0x 2014E post synergies<sup>1</sup>.

Given the agreement reached on April 5<sup>th</sup> (to be implemented prior to the fulfillment of the acquisition of SFR by Numericable Group) on the acquisition by Altice of the 21.32% stake in Numericable Group owned by Carlyle Cable Investment SC (an affiliate of The Carlyle Group) and the 13.27% stake in Numericable Group owned CCI (F3) S.a.r.l (an affiliate of Cinven), in total a 34.6% stake in Numericable Group (cf.detailed terms of this acquisition in the press release issued today), Altice will hold ultimately 60% of the new entity, with the final 20% as the free-float.

Altice might consider raising up to an additional €550 million equity to help finance the overall transaction.

The new SFR-Numericable group will remain headquartered in France and listed on the Paris stock exchange.

## CONFERENCE CALL

**Altice will hold a webcast and conference call to  
discuss the transaction at 5pm CET on Monday 7th April  
France: + 33(0)1 70 99 43 00  
UK: + 44(0)20 7136 2054  
USA: + 1212 444 0481**

**Webcast link:** <http://www.media-server.com/m/p/uzpggcgd>

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<sup>1</sup> Assuming SFR 2014E EBITDA of €2.4 Bn as per latest brokers consensus

Appendix	Selected Altice / Numericable Offer
<b>Cash at closing</b>	€13.5bn
<b>Vivendi's Stake in the Combined Entity</b>	20% (publicly-listed company)
<b>Altice's Stake in the Combined Entity</b>	60% for Altice (Carlyle and Cinven, have agreed to sell their 35% current stake in Numericable to Altice in return for a combination of cash and Altice shares)
<b>Liquidity for Vivendi</b>	One-year lock-up period. Call option for Altice at market value (with floor <sup>1</sup> ) on Vivendi's stake in several tranches (7%, 7%, 6%) over a period comprised between the 19 <sup>th</sup> and the 43 <sup>rd</sup> month following the acquisition of SFR. Possibility to sell or distribute the listed shares, with a preemptive right for Altice.
<b>Earn-out</b>	Potential additional consideration of €750m if the combined entity's (EBITDA - Capex) is at least equal to €2bn during one fiscal year.
<b>Financing – Numericable Group</b>	€11.64 billion incurrence covenant only debt package with a weighted average life of at least 7 years fully underwritten by a syndicate of banks €4.7 billion capital increase with preferential subscription rights, Altice to subscribe its pro rata share of 74.6% (including Carlyle and Cinven rights) and remaining portion guaranteed by a syndicate of banks Bullet repayment structure Revolving credit of €750 MM
<b>Financing – Altice</b>	Altice will subscribe its pro rata share of the Numericable's rights issue and recycle Carlyle and Cinven rights (74.6%) €4.15 billion incurrence covenant only debt package fully underwritten by a syndicate of banks Potential capital increase of up to €550m Weighted average life of at least 7 years Revolving credit of €200m
<b>Governance</b>	Majority representation of Altice on the SFR Numericable board Patrick Drahi will be Chairman of the SFR Numericable board Minority Board representation for Vivendi Veto rights on key reserved matters subject to Vivendi retaining a 20% stake in the combined entity

(1) VWAP of Numericable stock price over the 20 business days before closing, grossed-up by an annual rate of 5% during the period ranging from the closing of the transaction until the exercise date of the call option by Altice.



## Contacts

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## Disclaimer

This press release contains statements about future events, projections, forecasts and expectations that are forward-looking statements. Any statement in this presentation that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risk and uncertainties include those discussed or identified in the Document de Base of Numericable Group filed with the Autorité des marchés financiers ("AMF") under number I.13-043 on September 18, 2013 and its Actualisation filed with the AMF under number D.13-0888-A01 on October 25, 2013. In addition, past performance of Numericable Group cannot be relied on as a guide to future performance. Numericable Group makes no representation on the accuracy and completeness of any of the forward-looking statements, and, except as may be required by applicable law, assumes no obligations to supplement, amend, update or revise any such statements or any opinion expressed to reflect actual results, changes in assumptions or in Numericable Group's expectations, or changes in factors affecting these statements. Accordingly, any reliance you place on such forward-looking statements will be at your sole risk.

This press release does not contain or constitute an offer of Numericable Group's or Altice's shares for sale or an invitation or inducement to invest in Numericable Group's or Altice's shares in France, the United States of America or any other jurisdiction.

## About Altice

We are a multinational cable and telecommunications company with presence in three regions-Western Europe (comprising France, Belgium, Luxembourg, Portugal and Switzerland), Israel and the Overseas Territories (currently comprising the French Caribbean and the Indian Ocean regions and the Dominican Republic). We provide cable based services (high quality pay television, fast broadband Internet and fixed line telephony) and, in certain countries, mobile telephony services to residential and corporate customers.

**Altice (ATC) is listed on NYSE Euronext Amsterdam, ISIN LU1014539529.**