

Altice Europe

Q1 2019 Results

May 9, 2019



Disclaimer

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation constitute forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things: our future financial conditions and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; and future developments in the markets in which we participate or are seeking to participate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe”, “could”, “estimate”, “expect”, “forecast”, “intend”, “may”, “plan”, “project” or “will” or, in each case, their negative, or other variations or comparable terminology. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will be achieved or accomplished. To the extent that statements in this presentation are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements including risks referred to in our annual and quarterly reports.

FINANCIAL MEASURES

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

Adjusted EBITDA is defined as operating income before depreciation and amortization, non-recurring items (capital gains, non-recurring litigation, restructuring costs) and share-based expenses and after operating lease expenses. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating income as the effects of depreciation, amortization and impairment, excluded from this measure do ultimately affect the operating results, which is also presented within the annual consolidated financial statements in accordance with IAS 1 - Presentation of Financial Statements.

Capital expenditure (Capex), while measured in accordance with IFRS principles, is not a term that is defined in IFRS nor is it presented separately in the financial statements. However, Altice’s management believe it is an important indicator for the Group as the profile varies greatly between activities:

- The fixed business has fixed Capex requirements that are mainly discretionary (network, platforms, general), and variable capex requirements related to the connection of new customers and the purchase of Customer Premise Equipment (TV decoder, modem, etc).
- Mobile Capex is mainly driven by investment in new mobile sites, upgrade to new mobile technology and licenses to operate; once engaged and operational, there are limited further Capex requirements.
- Other Capex: Mainly related to costs incurred in acquiring content rights.

Operating free cash flow (OpFCF) is defined as Adjusted EBITDA less Capex. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating cash flow as presented in the consolidated statement of cash flows in accordance with IAS 1 - Presentation of Financial Statements. It is simply a calculation of the two above mentioned non-GAAP measures.

Adjusted EBITDA and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA as reported by us to Adjusted EBITDA of other companies. Adjusted EBITDA as presented herein differs from the definition of “Consolidated Combined Adjusted EBITDA” for purposes of any of the indebtedness of the Altice Group. The financial information presented in this presentation including but not limited to the quarterly financial information, pro forma financial information as well as Adjusted EBITDA and OpFCF is unaudited. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of the U.S. Securities and Exchange Commission (the “SEC”) and will not be subject to review by the SEC; compliance with its requirements would require us to make changes to the presentation of this information.

Altice Europe Strong Q1 2019 Financials

Revenue and EBITDA growth in Altice Europe

- *Altice France +0.1% revenue growth YoY, +9.7% Adjusted EBITDA growth YoY, ex VAT*
- *Altice Europe: +0.9% revenue growth YoY, +7.7% EBITDA growth YoY, ex VAT in France*

Operational turnaround accelerating; positive subscriber momentum sustained in France and Portugal

Closing of the SFR FTTH JV enabling acceleration of FTTH roll out in France's medium and low dense areas

€2.8bn refinancing and debt repayment leading to maturity extension and cash savings in excess of €110m

FY 2019 guidance reiterated with higher comfort

SFR Commercial Performance

Outstanding outperformance in net adds driven by further operational improvements

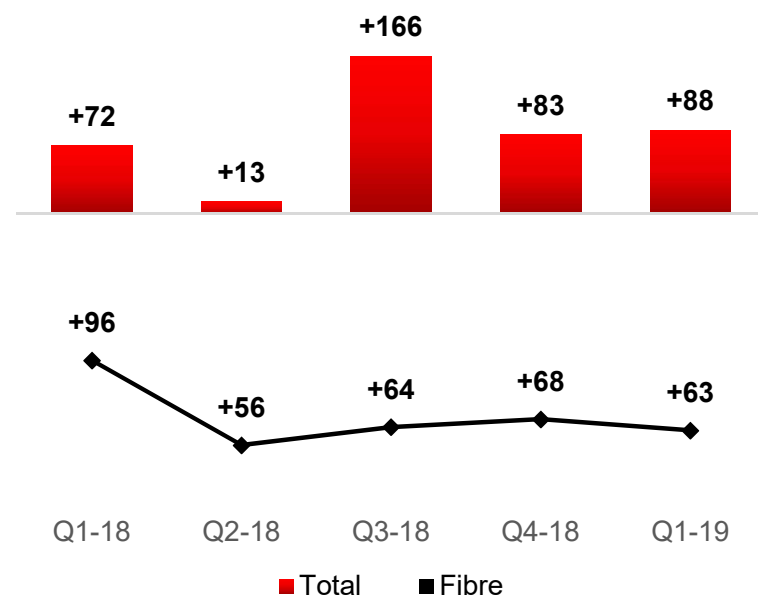


B2C fixed net adds¹

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Fixed B2C base **6.4m** +6% YoY

of which Fibre **41%**



Churn

-15%

YoY in Q1-19

-30%

Since 2017

Call Volumes

-20%

YoY in Q1-19

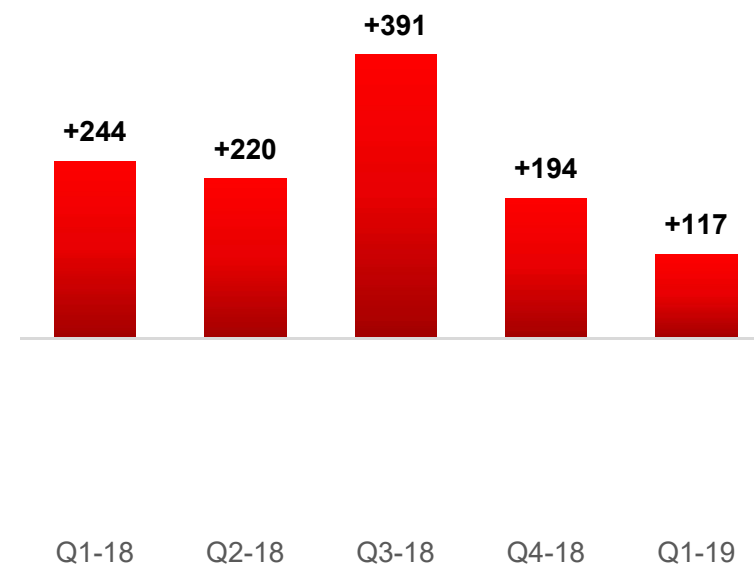
-40%

Since H2 2017

B2C mobile postpaid net adds¹

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B2C mobile postpaid base **13.9m** +7% YoY



1. Including FOT

MEO Commercial Performance

Sustained subscriber growth in both fixed and mobile segments



B2C fixed net adds

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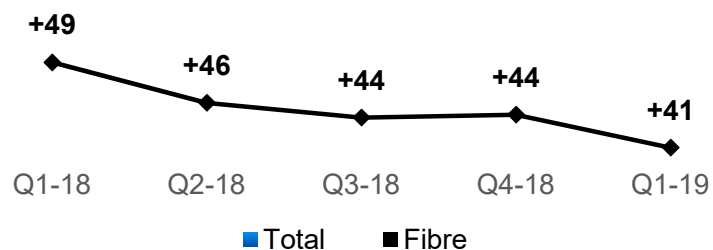
Fixed B2C base **1.6m** +1.7% YoY

of which Fibre **53%**

Churn

10%

In Q1-19



B2C mobile postpaid net adds

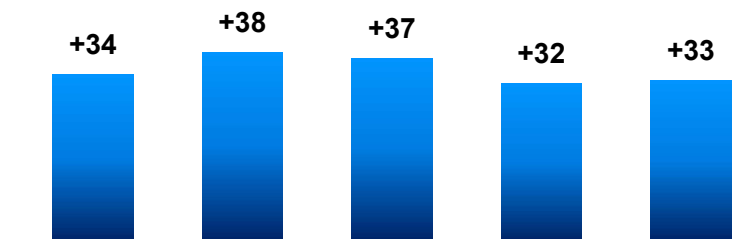
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B2C mobile postpaid base **3.0m** +5% YoY

Call Volumes

-20%

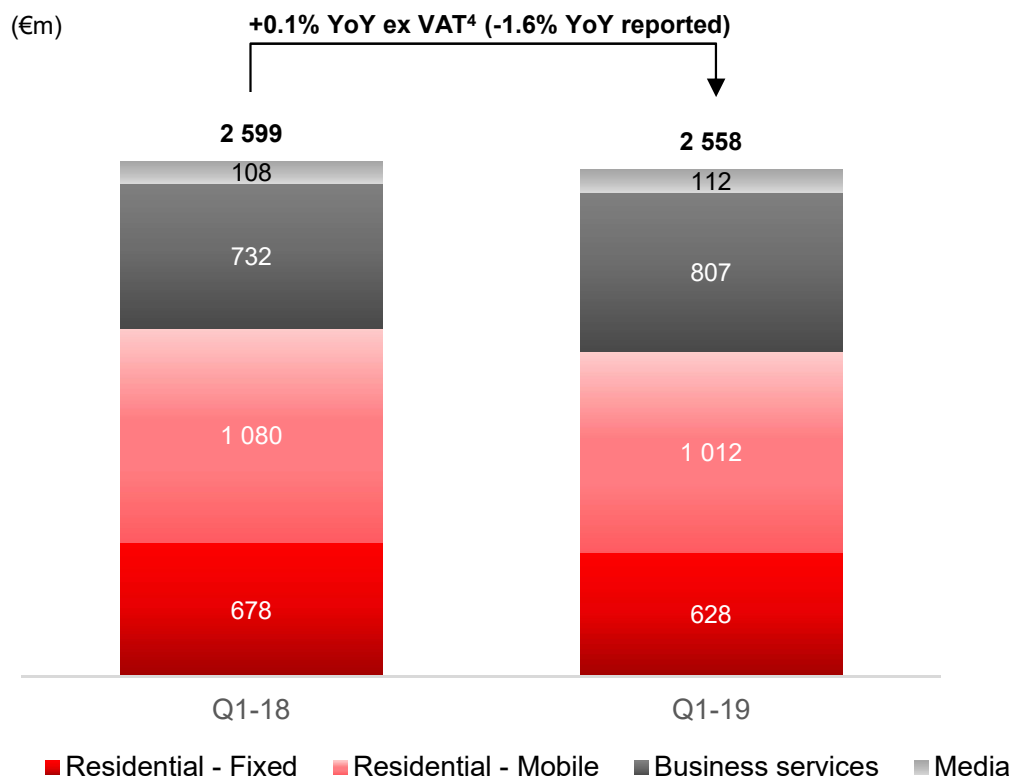
YoY in Q1-19



Q1-18 Q2-18 Q3-18 Q4-18 Q1-19

Altice France Revenue Trends

Stabilization driven by the solid conquest of the last quarters



Components of Q1 2019 revenue trends¹

- Residential²: -4.4% YoY ex VAT⁴
 - Fixed: -4.4% YoY ex VAT⁴
 - Mobile: -4.4% YoY ex VAT⁴
- Business services³: +10.2% YoY
- Media: +4.3% YoY

1. All financials in this presentation are shown under IFRS 15 accounting standard

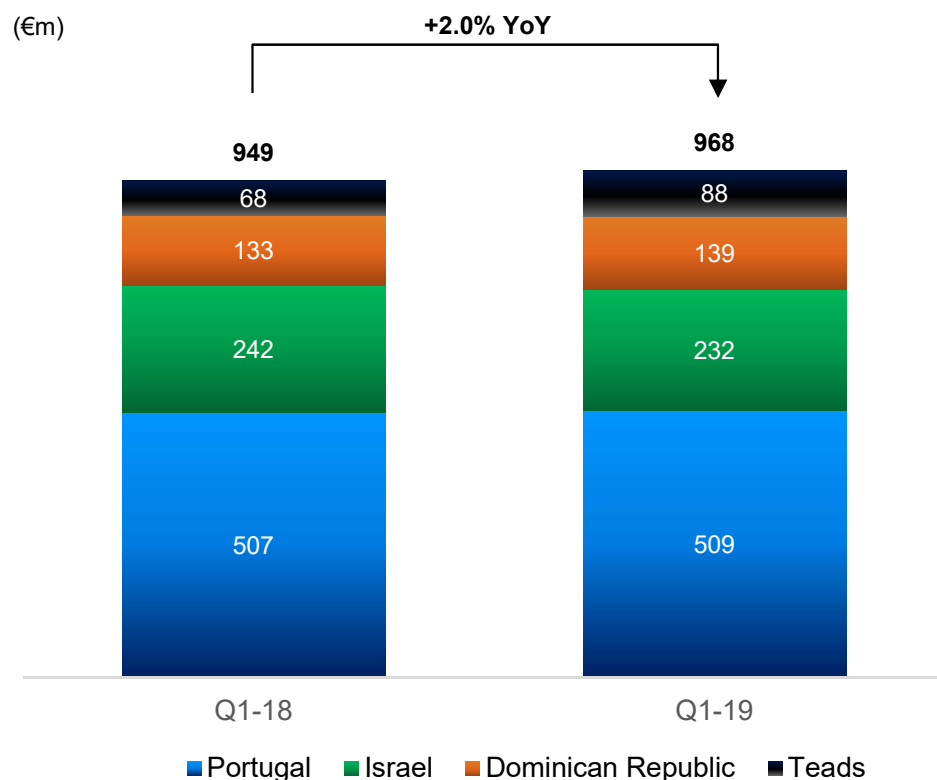
2. Including SFR Telecom B2C and FOT B2C

3. Including SFR Telecom B2B and wholesale, FOT B2B and wholesale, Altice Customer Service and Altice Technical Services

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

Altice International Revenue Trends

Total revenues back to growth in Q1 2019



Components of Q1 2019 revenue trends¹

- Portugal: +0.4% YoY
- Israel: -4.1% YoY reported, -6.7% YoY with constant currency
- Dominican Republic: +4.6% YoY, reported, -0.4% YoY with constant currency
- Teads: +30% YoY reported, +27% YoY with constant currency

1. All financials in this presentation are shown under IFRS 15 accounting standard

Altice Europe Pro Forma Financials



IFRS 15 Financials¹

€m	Q1-18	Q1-19	Growth YoY Reported	Growth YoY Constant FX
France	2,599	2,558	-1.6%	-1.6%
Altice International	949	968	+2.0%	+0.6%
Altice TV	20	60	-	-
Corporate and Other, Eliminations	-40	-70	-	-
Total Revenue	3,528	3,515	-0.4%	-0.7%
France	915	956	+4.5%	+4.5%
Altice International	396	368	-7.0%	-8.4%
Altice TV	-56	-22	-	-
Corporate and Other, Eliminations	-7	-5	-	-
Total Adjusted EBITDA	1,248	1,297	+4.0%	+3.5%
France	346	374	+8.2%	+8.2%
Altice International	205	181	-11.7%	-13.1%
Altice TV	-60	-25	-	-
Corporate and Other, Eliminations	-4	-4	-	-
Total OpFCF	487	527	+8.2%	+7.6%
Total OpFCF ex Altice TV	547	551	+0.9%	+0.4%

1. Financials shown in these tables are pro forma defined as results of the Altice Europe new perimeter ("Altice Europe") as if the spin-off of Altice USA had occurred on 1/1/18. 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 international wholesale voice business (following closing on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing on February 12, 2018) from 1/1/18. Financials shown are pro forma for the tower transaction in Portugal (following closing announced on September 4, 2018) and the tower transaction in the Dominican Republic (following closing announced on October 3, 2018) from 1/1/18



FY 2019 Guidance and Mid-Term Outlook Reiterated

		FY 2019 Guidance	Q1 2019 actual ¹
	Altice France Revenue Growth YoY	3-5%	+0.1%
	Altice France Adjusted EBITDA	€4.0-4.1 billion	€956 million²
	Altice Europe (ex Altice TV) OpFCF Growth YoY	In the 10% area	+1%
	Altice Luxembourg (Telecom) Net debt to Adjusted EBITDA	4.25x within 24 months	5.3x

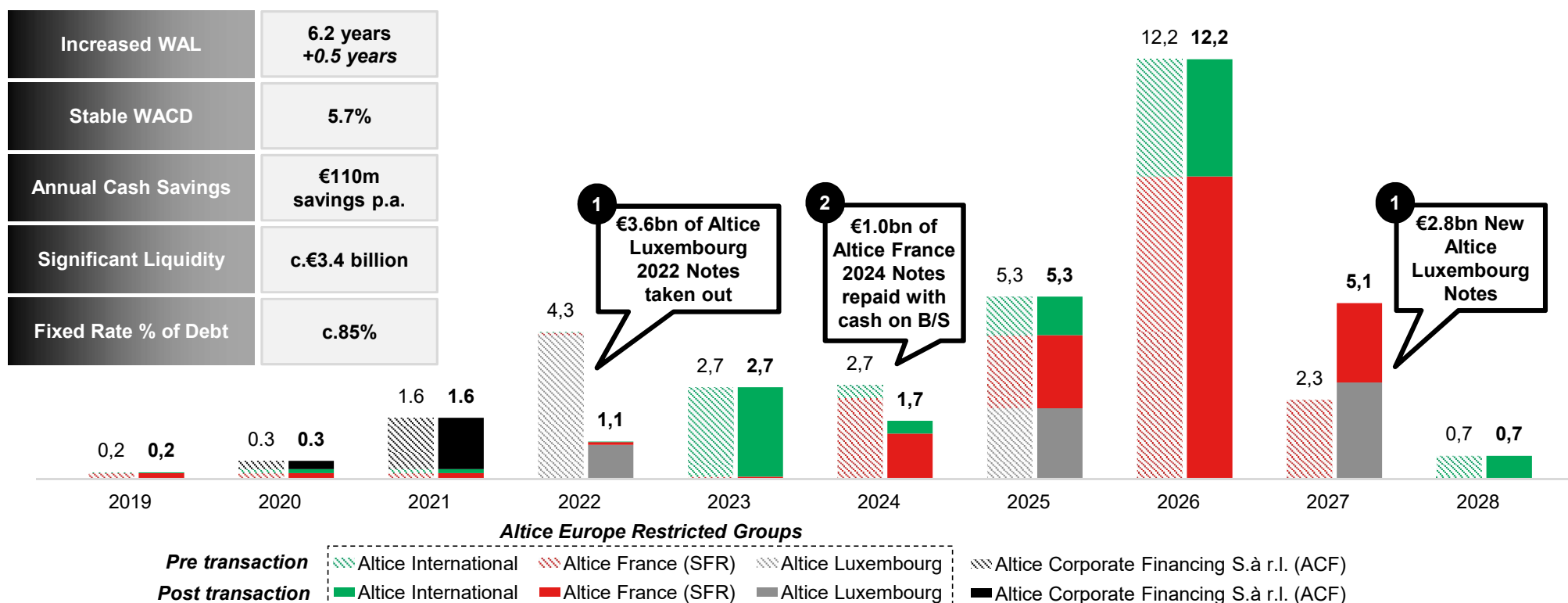
1. Excluding benefit of lower VAT for some press/TV bundles implemented in 2016; loss of benefit from March 2018 following VAT law change

2. Including approximately €80 million of operating taxes (notably IFR tax) which are recognized fully in January and not over the twelve months of the year

Recent Refinancing Strengthening Balance Sheet

Increased weighted average life, no major maturity before 2023, annual cash savings in excess of €110m

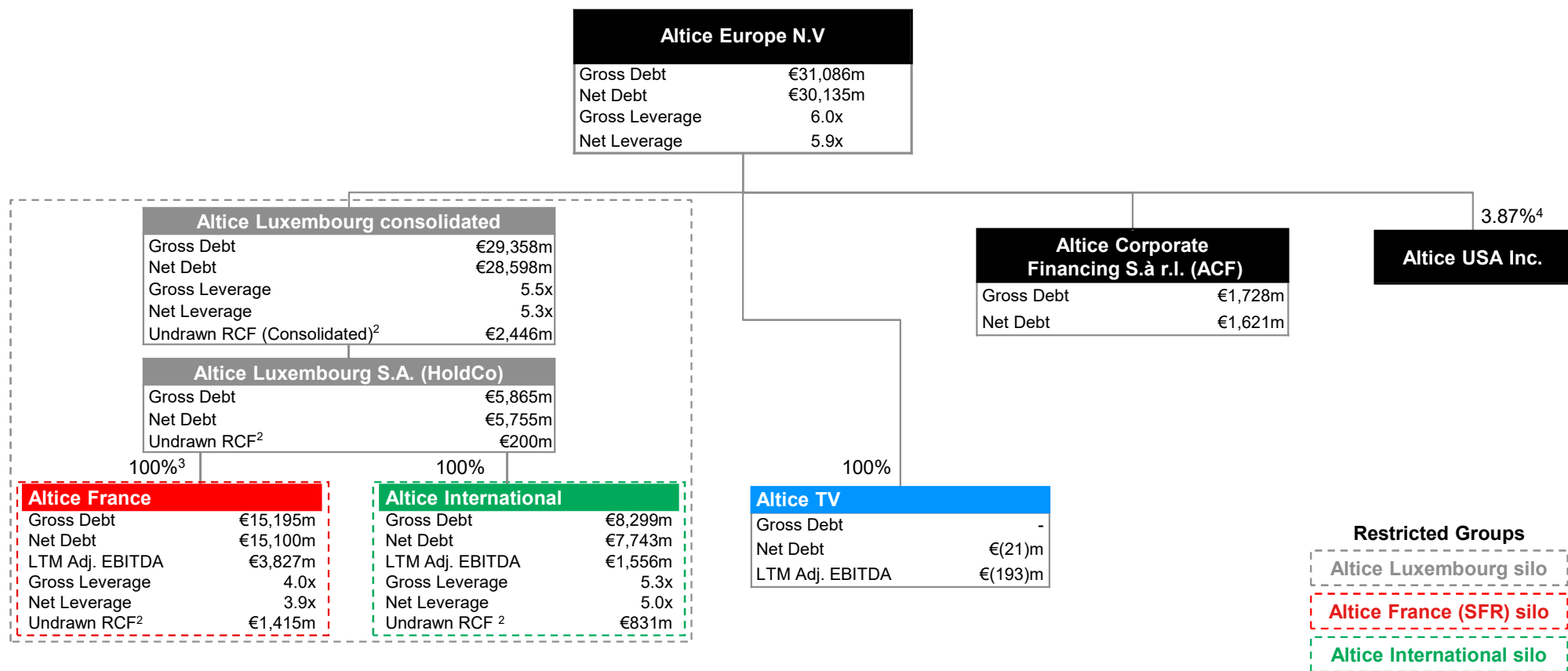
Altice maturity profile¹ (€bn)



1. Maturity profile excluding leases/other debt (c.€231m)

Altice Europe Pro Forma Debt Capital Structure¹

Diversified silos



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

2. Altice France Ivory opco RCF is drawn for €10m; Altice France, Altice International and Altice Luxembourg RCF's undrawn

3. Owned 91% by Altice Luxembourg and 9% by Altice Europe N.V.

4. Shares owned directly (c.1.46%) and through Neptune Holding US LP with c.1.64% of underlying Altice USA shares attributable to Altice USA management and 2.41% attributable to Altice Europe N.V. (assuming reference share price of \$21.48 as of 31-03-2019 for Altice USA)

Q&A

Appendix

Altice Europe Detailed Pro Forma Financials

IFRS 15 Financials¹

€m	Q1-18	Q1-19	Growth YoY Reported	Growth YoY Constant FX
France	2,599	2,558	-1.6%	-1.6%
Portugal	507	509	+0.4%	+0.4%
Israel	242	232	-4.1%	-6.7%
Dominican Republic	133	139	+4.6%	-0.4%
Teads ²	68	88	+30.2%	+27.0%
Altice TV	20	60	-	-
Corporate and Other, Eliminations	-40	-70	-	-
Total Revenue	3,528	3,515	-0.4%	-0.7%
France	915	956	+4.5%	+4.5%
Portugal	209	206	-1.4%	-1.4%
Israel	107	85	-21.1%	-23.2%
Dominican Republic	74	71	-4.1%	-8.7%
Teads	5	6	+19.1%	+15.8%
Altice TV	-56	-22	-	-
Corporate and Other, Eliminations	-7	-5	-	-
Total Adjusted EBITDA	1,248	1,297	+4.0%	+3.5%
France	346	374	+8.2%	+8.2%
Portugal	105	106	+1.3%	+1.3%
Israel	49	27	-45.3%	-46.8%
Dominican Republic	46	43	-7.7%	-12.1%
Teads	5	6	+8.1%	+5.0%
Altice TV	-60	-25	-	-
Corporate and Other, Eliminations	-4	-4	-	-
Total OpFCF	487	527	+8.2%	+7.6%
Total OpFCF ex Altice TV	547	551	+0.9%	+0.4%

1. Financials shown in these tables are pro forma defined as results of the Altice Europe new perimeter ("Altice Europe") as if the spin-off of Altice USA had occurred on 1/1/18. 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 international wholesale voice business (following closing on September 13, 2018) and green.ch AG and Green Datacenter AG in Switzerland (following closing on February 12, 2018) from 1/1/18. Financials shown are pro forma for the tower transaction in Portugal (following closing announced on September 4, 2018) and the tower transaction in the Dominican Republic (following closing announced on October 3, 2018) from 1/1/18

2. Gross revenues before discounts (net revenues after discounts are recognised in the financial statements)



Altice Europe N.V.

Reconciliation of non-GAAP performance measures to operating profit¹

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

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

Altice Europe N.V.

Pro forma net leverage reconciliation as of March 31, 2019

€m		
Altice Europe N.V Reconciliation to Swap Adjusted Debt		
	Actual	Pro Forma
Total Debenture and Loans from Financial Institutions	33,549	33,549
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-35,960	-34,944
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	34,174	33,613
Transaction Costs	339	339
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	32,101	32,557
Commercial Paper	114	114
Overdraft	35	35
Other debt and leases	201	201
PF Refinancing	0	-1,821
Gross Debt Consolidated	32,451	31,086

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

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

Altice Europe N.V.

Pro forma net leverage reconciliation as of March 31, 2019

€m	Altice Luxembourg Consolidated					Altice TV	ACF	Altice Europe N.V	Altice Europe N.V Consolidated
Altice Europe N.V (Pro Forma)	Altice France	Altice International	Altice Luxembourg	Eliminations	Altice Lux Conso				
Gross Debt Consolidated	15,195	8,299	5,865	-	29,358	-	1,728	-	31,086
Cash	-95	-555	-109	0	-760	-21	-107	-63	-951
Net Debt Consolidated	15,100	7,743	5,755	-	28,598	-21	1,621	-63	30,135
LTM Standalone	3,826	1,586	-	-	5,412	-193	-	-48	5,172
Eliminations	1	2	-	-	3	-	-	-	3
Corporate Costs	-	-3	-2	-	-5	-	-	5	-
Pro Forma International Voice Disposal & I24 Europe	-	-7	-	-	-7	-	-	-	-7
LTM EBITDA Consolidated	3,827	1,577	-2	-	5,402	-193	-	-42	5,167
Pro Forma Tower sale and lease back	-	-21	-	-	-21	-	-	-	-21
LTM EBITDA Consolidated After Adjustments	3,827	1,556	-2	-	5,381	-193	-	-42	5,146
Gross Leverage	4.0x	5.3x	-	-	5.5x	-	-	-	6.0x
Net Leverage	3.9x	5.0x	-	-	5.3x	-	-	-	5.9x

Altice Europe N.V.

IFRS 16: Impact on KPIs

	KPI	IFRS 16 impact	Comments
Income Statement	Adjusted EBITDA (after operating leases and before financial leases)	No impact	<ul style="list-style-type: none"> • Unchanged Adjusted EBITDA definition
Cash Flow Statement	Adjusted EBITDA - Capex	No impact	<ul style="list-style-type: none"> • Unchanged Capex definition • Unchanged Adjusted EBITDA – Capex definition
Balance Sheet	Net Debt	No impact	<ul style="list-style-type: none"> • Unchanged Net Debt definition (already including financial leases)

Implementation as of Q1 2019