



27 February 2018

ALTICE USA REPORTS FULL YEAR AND FOURTH QUARTER 2017 RESULTS Delivers Another Year of Revenue Growth and High Cash Flow Growth Further Progress Against Key Company Initiatives Remains on Track for Anticipated Spin-Off from Altice N.V.

Altice USA (NYSE: ATUS) today reported results for the full year and quarter ended December 31, 2017¹

Dexter Goei, Altice USA Chairman and Chief Executive Officer, said: "2017 was a transformational year for Altice USA. We continued to have great momentum and delivered strong financial results by growing our customer base, revenues and margins with high free cash flow growth. We have made significant investments in our customer experience as well as strategic decisions to improve our products and services. This includes expanding the availability of ultra-fast broadband speeds, launching our new integrated entertainment platform Altice One, expanding our content line-up, commencing the rollout of a state-of-the-art fiber (FTTH) network, signing a full MVNO agreement to be able to launch mobile services for our customers and investing in a multiscreen addressable and national advertising platform. In 2018 and beyond, we will remain very focused on investing for growth in innovation, superior service and an advanced network to deliver a more robust and differentiated product portfolio to meet customers' needs."

Altice USA Key Financial Highlights

- Revenue growth of +3.2% YoY in FY 2017 (excluding Newsday); reported revenue growth of +1.9% YoY to \$9.33 billion
- In Q4, reported revenue grew +2.6% YoY to \$2.37 billion, driven by residential (B2C) revenue growth of 1.8%, business services (B2B) revenue growth of 5.1% and advertising revenue growth of 9.9%
- Adjusted EBITDA grew +19.5% YoY in FY 2017 to \$4.01 billion; Adjusted EBITDA (excluding Newsday) margin increased 5.9 percentage points YoY to 42.9% (44.1% in Q4 2017)
- Operating Free Cash Flow² grew +25.8% YoY in FY 2017 to \$3.01 billion with an OpFCF margin of 32.3% vs. 26.5% in FY 2016 (OpFCF margin of 34.5% in Q4 2017) showing very strong cash flow conversion

(\$k)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
	Actual	Actual	Actual	Actual
Revenue	2,365,378	2,305,901	9,326,570	6,017,212
Adjusted EBITDA	1,043,337	929,608	4,005,690	2,414,735
Net income (loss) ³	2,254,682	(236,049)	1,521,618	(831,479)
Capital Expenditures (cash)	228,066	247,815	991,364	625,541

¹ Financial data for twelve months ended December 31, 2016 is pro forma defined as results of Altice USA as if the Cablevision (Optimum) acquisition had occurred on January 1, 2016, unless noted otherwise. All financials shown under U.S. generally accepted accounting principles ("GAAP") reporting standard.

² Operating Free Cash Flow defined here as Adjusted EBITDA less cash capital expenditures.

³ Pursuant to the enactment of the Tax Cuts & Jobs Act ("Tax Reform") on December 22, 2017, the Company recorded a noncash deferred tax benefit of \$2,337,900 in Q4 2017 to remeasure the net deferred tax liability to adjust for the reduction in the corporate federal income tax rate from 35% to 21% which is effective on January 1, 2018.



Altice USA Operational Highlights

- Residential (B2C) revenue growth of +2.9% in FY 2017 driven by growth in total unique residential (B2C) customer relationships with net additions of +7k in FY 2017 (+6k in Q4 2017)
- Residential (B2C) ARPU increased 2.2% YoY to \$139.8 in FY 2017 (+1.5% YoY in Q4 2017 to \$140.2)
- Residential (B2C) broadband net additions of +25k, pay TV RGU net losses of -25k, and telephony net additions of +10k in Q4 2017 (vs. +36k, -21k, and -4k in Q4 2016 respectively)
- Solid Business Services (B2B) revenue growth of +5.5% in FY 2017 driven by superior SMB growth +7.5% YoY with SMB representing c.64% of total B2B revenue (Enterprise & Carrier revenue, representing c.36% of total B2B revenue, grew +2.3% in FY 2017)
- Advertising growth supported by investment in multiscreen and national targeted audience capabilities
- Continued enhancement of data services with an increased demand for higher speed tiers; 90% of B2C broadband gross additions taking download speeds of 100Mbps or higher at end of Q4
- Up to 400Mbps broadband speeds were available for 86% of Altice USA residential/business customers by the end of 2017, including 95% of the Optimum footprint, with 72% of the Suddenlink footprint now able to receive up to 1 Gigabit speeds

The complete announcement can be found on Altice USA investor relations website: <http://alticeusa.com/>

Altice N.V. (Euronext: ATC NA and ATCB NA) will release its Q4 2017 results separately on Thursday, March 15, 2018.



Earnings Release

Altice USA Financials: US GAAP / IFRS and Pro Forma Reconciliations

Altice USA Pro Forma (PF) Adjustments and US GAAP / IFRS and Management Fee Reconciliation

<i>In millions</i>	FY-15	Q1-16	Q2-16	Q3-16	Q4-16	FY-16	Q1-17	Q2-17	Q3-17	Q4-17	FY-17
Pay TV	4,260.6	1,054.1	1,062.2	1,052.0	1,058.9	4,227.2	1,071.4	1,059.9	1,054.4	1,029.1	4,214.7
Broadband	2,005.0	547.7	565.8	578.6	598.0	2,290.0	611.8	629.4	646.1	676.5	2,563.8
Telephony	912.0	221.0	220.1	216.2	214.8	872.1	210.9	208.5	204.8	199.9	824.0
Residential	7,177.6	1,822.8	1,848.1	1,846.8	1,871.7	7,389.4	1,894.0	1,897.7	1,905.2	1,905.5	7,602.5
Business Services	1,158.8	300.9	305.8	309.4	314.6	1,230.6	319.6	323.9	324.8	330.5	1,298.8
Advertising	351.5	82.9	93.2	90.6	110.8	377.5	83.4	97.5	89.3	121.7	391.9
Other	277.9	66.9	68.0	13.5	8.8	157.3	8.7	9.2	7.9	7.6	33.4
Reported Revenue (USD)	8,965.9	2,273.5	2,315.2	2,260.2	2,305.9	9,154.8	2,305.7	2,328.3	2,327.2	2,365.4	9,326.6
Less Newsday	237.2	52.0	58.4	5.0	-	115.4	-	-	-	-	-
PF Revenue GAAP & IFRS (USD)	8,728.6	2,221.5	2,256.8	2,255.2	2,305.9	9,039.4	2,305.7	2,328.3	2,327.2	2,365.4	9,326.6
PF Revenue IFRS (EUR)	7,867.2	2,015.9	1,997.3	2,019.7	2,133.1	8,166.4	2,166.0	2,112.1	1,970.2	2,004.6	8,252.9
Adjusted EBITDA (USD)	2,772.5	743.6	815.7	863.2	929.6	3,352.0	941.7	994.0	1,026.6	1,043.3	4,005.7
Add back: Altice management fee	.3	2.5	2.5	8.1	7.5	20.6	7.5	7.5	7.5	7.5	30.0
IFRS SAC adjustment	16.7	3.7	3.7	4.1	3.1	14.7	3.6	4.1	4.8	4.8	17.3
IFRS Pension expense adjustment	12.0	3.0	1.0	.5	(1.6)	2.9	1.2	(.3)	2.7	2.0	5.5
Adjusted EBITDA IFRS (USD)	2,801.5	752.8	822.9	875.9	938.6	3,390.2	954.0	1,005.3	1,041.5	1,057.6	4,058.5
Adjusted EBITDA IFRS (EUR)	2,525.0	683.1	728.3	784.4	868.3	3,062.8	896.2	912.6	884.7	897.7	3,591.3
Capex GAAP (USD, Cash)	1,264.3	214.9	244.8	248.2	247.8	955.7	257.4	202.2	303.6	228.1	991.4
Capex GAAP (USD, Accrued)	1,323.1	226.2	272.7	216.7	319.9	1,035.5	162.9	228.1	290.3	363.0	1,044.3
IFRS SAC adjustment	24.7	4.0	4.7	4.1	3.2	16.1	3.6	4.2	5.8	4.8	18.5
Capex IFRS (USD, Accrued)	1,347.8	230.2	277.4	220.9	323.2	1,051.6	166.6	232.3	296.1	367.8	1,062.8
Capex IFRS (EUR, Accrued)	1,214.8	208.9	245.5	197.8	298.9	950.0	156.5	211.7	255.6	316.6	940.4

Optimum (Cablevision Systems Corp.) Pro Forma (PF) Adjustments and US GAAP / IFRS and Management Fee Reconciliation

<i>In millions</i>	FY-15	Q1-16	Q2-16	Q3-16	Q4-16	FY-16	Q1-17	Q2-17	Q3-17	Q4-17	FY-17
Pay TV	3,143.0	774.3	780.7	772.9	778.8	3,106.7	789.4	784.6	782.2	757.0	3,113.2
Broadband	1,303.9	351.0	361.9	366.2	376.6	1,455.6	382.0	391.6	404.2	425.3	1,603.0
Telephony	748.2	181.3	181.1	178.0	177.8	718.2	176.4	175.4	172.9	168.8	693.5
Residential	5,195.1	1,306.6	1,323.8	1,317.1	1,333.1	5,280.5	1,347.8	1,351.6	1,359.3	1,351.1	5,409.7
Business Services	834.2	216.5	219.0	220.4	223.9	879.7	228.7	231.2	230.3	233.0	923.2
Advertising	263.8	62.0	71.6	69.6	85.9	289.1	65.1	78.8	72.3	104.9	321.1
Other	252.5	60.8	61.2	7.7	2.6	132.3	3.2	2.8	2.5	2.3	10.7
Reported Revenue (USD)	6,545.5	1,645.9	1,675.6	1,614.7	1,645.5	6,581.7	1,644.8	1,664.4	1,664.3	1,691.2	6,664.8
Less Newsday	237.2	52.0	58.4	5.0	-	115.4	-	-	-	-	-
PF Revenue GAAP & IFRS (USD)	6,308.3	1,593.9	1,617.2	1,609.7	1,645.5	6,466.3	1,644.8	1,664.4	1,664.3	1,691.2	6,664.8
PF Revenue IFRS (EUR)	5,685.7	1,446.4	1,431.2	1,441.6	1,522.2	5,841.8	1,545.1	1,509.9	1,409.1	1,433.3	5,897.5
Adjusted EBITDA (USD)	1,795.2	480.9	527.6	567.7	620.9	2,197.2	627.1	678.6	714.2	731.2	2,751.1
Add back: Altice management fee	-	-	-	5.6	5.0	10.6	5.0	5.0	5.0	5.0	20.0
IFRS SAC adjustment	8.4	2.4	2.4	2.5	1.7	9.0	2.0	2.2	2.4	2.5	9.1
IFRS Pension expense adjustment	12.0	3.0	1.0	.5	(1.6)	2.9	1.2	(.3)	2.7	2.0	5.5
Adjusted EBITDA IFRS (USD)	1,815.6	486.3	531.1	576.2	626.0	2,219.6	635.3	685.5	724.3	740.7	2,785.7
Adjusted EBITDA IFRS (EUR)	1,636.4	441.3	470.0	516.0	579.1	2,005.2	596.8	622.5	616.3	629.4	2,465.0
Capex GAAP (USD, Cash)	816.4	148.7	181.6	150.8	147.4	628.5	184.4	137.2	228.6	161.2	711.4
Capex GAAP (USD, Accrued)	853.1	152.3	192.8	134.2	204.4	683.7	115.6	154.8	199.7	254.0	724.1
IFRS SAC adjustment	16.4	2.7	3.4	2.5	1.8	10.3	2.1	2.2	3.4	2.5	10.3
Capex IFRS (USD, Accrued)	869.5	155.0	196.2	136.6	206.2	694.0	117.7	157.1	203.1	256.6	734.4
Capex IFRS (EUR, Accrued)	783.7	140.6	173.6	122.4	190.8	627.0	110.6	143.1	175.3	220.9	649.9



Earnings Release

Suddenlink (Cequel Communications Holdings I, LLC) US GAAP / IFRS and Management Fee Reconciliation

<i>In millions</i>	FY-15	Q1-16	Q2-16	Q3-16	Q4-16	FY-16	Q1-17	Q2-17	Q3-17	Q4-17	FY-17
Pay TV	1,117.6	279.7	281.5	279.1	280.2	1,120.5	282.0	275.2	272.2	272.1	1,101.5
Broadband	701.1	196.7	203.9	212.4	221.4	834.4	229.8	237.8	241.9	251.2	960.8
Telephony	163.8	39.7	38.9	38.2	37.1	153.9	34.5	33.1	31.8	31.1	130.5
Residential	1,982.6	516.2	524.3	529.7	538.7	2,108.9	546.2	546.1	546.0	554.5	2,192.8
Business Services	324.7	84.4	86.9	89.0	90.6	350.9	90.9	92.7	94.5	97.5	375.7
Advertising	87.7	20.9	21.6	20.9	24.9	88.4	18.2	18.7	17.5	19.1	73.5
Other	25.4	6.1	6.8	5.8	6.2	25.0	5.5	6.4	5.4	5.3	22.6
Revenue GAAP & IFRS (USD)	2,420.3	627.6	639.6	645.5	660.4	2,573.2	660.9	663.9	663.3	676.4	2,664.6
Revenue IFRS (EUR)	2,181.4	569.5	566.1	578.1	610.9	2,324.7	620.8	602.2	561.5	573.3	2,357.8
Adjusted EBITDA (USD)	977.3	262.7	288.0	295.5	308.7	1,154.9	314.7	315.4	312.4	312.1	1,254.6
Add back: Altice management fee	.3	2.5	2.5	2.5	2.5	10.0	2.5	2.5	2.5	2.5	10.0
IFRS SAC adjustment	8.3	1.3	1.3	1.7	1.4	5.7	1.6	2.0	2.4	2.3	8.2
Adjusted EBITDA IFRS (USD)	985.9	266.5	291.8	299.7	312.6	1,170.6	318.7	319.8	317.3	316.9	1,272.8
Adjusted EBITDA IFRS (EUR)	888.6	241.9	258.3	268.4	289.2	1,057.6	299.4	290.1	268.4	268.3	1,126.2
Capex GAAP (USD, Cash)	447.9	66.2	63.2	97.3	100.4	327.2	73.0	65.0	75.0	66.9	279.9
Capex GAAP (USD, Accrued)	470.0	73.9	79.9	82.6	115.5	351.8	47.3	73.2	90.7	108.9	320.2
IFRS SAC adjustment	8.3	1.3	1.3	1.7	1.4	5.7	1.6	2.0	2.4	2.3	8.2
Capex IFRS (USD, Accrued)	478.3	75.2	81.2	84.2	116.9	357.6	48.9	75.2	93.0	111.2	328.4
Capex IFRS (EUR, Accrued)	431.1	68.3	71.8	75.4	108.2	323.0	45.9	68.6	80.3	95.7	290.6

Note: IFRS SAC (subscriber acquisition costs) adjustment for the Adjusted EBITDA and Capex of both Suddenlink and Optimum refers to the capitalization of certain costs including some sales and distributor commissions.

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About Altice

Founded in 2001 by entrepreneur Patrick Drahi, Altice is a convergent global leader in telecoms, content, media, entertainment and advertising. Altice delivers innovative, customer-centric products and solutions that connect and unlock the limitless potential of its over 50 million customers over fiber networks and mobile broadband. The company enables millions of people to live out their passions by providing original content, high-quality and compelling TV shows, and international, national and local news channels. Altice delivers live broadcast premium sports events and enables millions of customers to enjoy the most well-known media and entertainment. Altice innovates with technology in its Altice Labs across the world. Altice links leading brands to audiences through premium advertising solutions. Altice is also a global provider of enterprise digital solutions to millions of business customers. Altice is present in 10 territories from New York to Paris, from Tel



Aviv to Lisbon, from Santo Domingo to Geneva, from Amsterdam to Dallas. Altice (ATC & ATCB) is listed on Euronext Amsterdam. For more information, visit www.altice.net

About Altice USA

Altice USA (NYSE: ATUS), the U.S. business of Altice N.V. (Euronext: ATC, ATCB), is one of the largest broadband communications and video services providers in the United States, delivering broadband, pay television, telephony services, Wi-Fi hotspot access, proprietary content and advertising services to approximately 4.9 million residential and business customers across 21 states through its Optimum and Suddenlink brands.

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation 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 including risks referred to in our annual and quarterly reports.

FINANCIAL MEASURES

This press release contains measures and ratios (the “Non-GAAP Measures”), including Adjusted EBITDA, Capital Expenditure (“Capex”) and Operating Free Cash Flow, that are not required by, or presented in accordance with, IFRS or any other generally accepted accounting standards. We present Non-GAAP measures because we believe that they are of interest to the investors and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The Non-GAAP measures may not be comparable to similarly titled measures of other companies, 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 equity based compensation 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 the indebtedness of the Altice Group. The information presented as Adjusted 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.

This press release also includes measures for Altice USA that are not prepared in accordance with U.S. generally accepted accounting principles ("Non-GAAP measures"), including Adjusted EBITDA and Adjusted EBITDA less capital expenditures ("OpFCF"). For an explanation of why Altice USA uses these measures and a reconciliation of the Non-GAAP measures to net income (loss), please see the Fourth Quarter 2017 ("Q417") earnings release for Altice USA posted on the Altice USA website.

Financial and Statistical Information and Comparisons

Financial and statistical information is for the quarter ended December 31, 2017, unless otherwise stated, and any year over year comparisons are for the quarter ended December 31, 2016. Where financial or statistical information is given for the quarter ended December 31, 2016, any year over year comparisons are to the quarter ended December 31, 2015, unless otherwise stated.

Regulated Information

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