

ALTICE FRANCE HOLDING RESTRICTED GROUP

Q1 2021 RESULTS

Altice France Holding Restricted Group¹ today announces financial and operating results² for the quarter ended March 31, 2021.

Q1 2021 Key Highlights

- Total revenue grew by +2.9% YoY in Q1 2021 and Telecom revenue grew by +3.6% YoY in Q1 2021.
- Residential service revenue, excluding roaming, grew by +2.8% YoY in Q1 2021. Total residential revenue grew by +4.0% YoY in Q1 2021.
- Total EBITDA grew by +0.7% YoY in Q1 2021 and Telecom EBITDA grew by +0.8% YoY in Q1 2021.
- Total accrued capital expenditure was €581³ million in Q1 2021. Consequently, operating free cash flow amounted to €358 million in Q1 2021.

Guidance Reiterated

- FY 2021: revenue, EBITDA and operating free cash flow growth YoY.
- Mid-term: full-year organic free cash flow⁴ target of >€750 million, underpinned by EBITDA and operating free cash flow growth, as well as further reduction in cash interest costs (at least €150 million further savings).
- Target leverage of 4.5x net debt to EBITDA.

¹ Altice France Holding S.A. holds 100% less one share of Altice France S.A., and Altice Luxembourg S.A. holds 100% of Altice France Holding S.A. and one share of Altice France S.A. The perimeter of consolidation for this press release, the Altice France Holding Restricted Group, consists of Altice France Holding S.A., Altice France S.A. and its consolidated entities, excluding legal entities that have been declared as 'unrestricted subsidiaries', notably SportsCoTV S.A.S, the company that houses the Altice TV activity, as well as Altice Finco France S.A.S.

² Financials are shown pro forma for the Hivory transaction (Altice France announced it had entered into an exclusivity agreement to sell its 50.01% stake in Hivory to Cellnex on February 3, 2021); financials exclude the newspaper Libération (following disposal on September 3, 2020).

³ Accrued capital expenditure excludes accruals related to the acquisition of a new IRU for an amount of €183 million, the renewal of the 2G licences in March 2021 for an amount of €212 million, and 5G spectrum frequency reorganization for an amount of €7m. These amounts, in aggregate €402 million, remain unpaid as of March 31, 2021, with no cash impact in the first three months ended March 31, 2021.

⁴ Excludes spectrum and significant litigation paid and received.



Capital Structure Key Highlights – including subsequent events

- Total Altice France net debt was €22.1 billion (€22.2 billion pro forma⁵) at the end of Q1 2021.
- On May 18, 2021, Altice France announced it had signed an agreement to acquire a 100% stake in the MVNO Afone Participations, which itself holds 50% of the “Réglomobile business” (with the other 50% owned by the Leclerc group). Following this transaction, Altice France will become a partner of the Leclerc Group, reinforce its mobile customer base by 770k new consumers and benefit from Leclerc’s distribution network. This acquisition is subject to the approval of the French Competition Authority.
- On April 27, 2021, Altice France announced that it had successfully issued \$3 billion (equivalent) of new 8-year euro and dollar Senior Secured Notes maturing in July 2029, with a weighted average cost on a fully euro swapped basis of 3.7%. On May 4, 2021, the proceeds from this transaction were used by Altice France for the partial redemption of the existing \$5,190 million 2026 Senior Secured Notes. This refinancing transaction will generate annual interest savings for Altice France, through a reduction of the average cost of debt, as well as further strengthening the maturity profile.
- On April 26, 2021, XpFibre (formerly known as SFR FTTH) announced that it had entered into an exclusivity agreement with Altitude Infra for the divestiture of certain assets in Covage, conforming to the remedies previously proposed by the European Commission as part of the acquisition of Covage. These assets correspond to Covage’s local fiber loop business, comprising fiber-to-the-office (FTTO) networks, including several mixed FTTO and FTTH networks. The transaction is expected to close in the second half of 2021, subject to the required approvals.
- On February 3, 2021, Altice France announced it has entered into an exclusivity agreement to sell its 50.01% stake in Hivory to Cellnex, with net cash proceeds of €2.65 billion for Altice France. Financials within this press release are shown pro forma for the Hivory transaction.

⁵ Total Altice France Restricted Group net debt pro forma for the refinancing closed May 4, 2021: issuance at Altice France of \$3 billion (equivalent) new euro and dollar 2029 Senior Secured Notes, the partial redemption of the Altice France \$5,190 million 2026 Senior Secured Notes and the effect of call premia and transaction fees.



Q1 2021 Results Call for Debt Investors

Altice France is hosting a call today for existing and prospective debt investors, Thursday, May 20, 2021 at 2:00pm CEST (1:00pm BST, 08:00am EDT), to discuss its Q1 2021 results.

Dial-in Details:

UK: +44 2030598128

USA: +1 6313026547

France: +33 170918701

Conference ID: 20213178377

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

<https://event.on24.com/wcc/r/3178377/30652815EC3D02988449606EB370080F>

Contacts

Head of Investor Relations

Sam Wood
sam.wood@altice.net

Head of Communications

Arthur Dreyfuss
arthur.dreyfuss@altice.net



About Altice France – [alticefrance.com](https://www.alticefrance.com)

Altice France is the second largest telecom provider in France, serving more than 25 million customers. The company has a fiber optic network (FTTH/ FTTB) with over 20 million homes passed across France. SFR covers 99.7% of the population with 4G access and more than 350 municipalities with 5G. Altice France is also a leading media group, with iconic brands BFM and RMC.

Financial Presentation

Altice France Holding S.A. holds 100% less one share of Altice France S.A., and Altice Luxembourg S.A. holds 100% of Altice France Holding S.A. and one share of Altice France S.A. The perimeter of consolidation for this press release, the Altice France Holding Restricted Group, consists of Altice France Holding S.A., Altice France S.A. and its consolidated entities, excluding legal entities that have been declared as 'unrestricted subsidiaries', notably SportsCoTV S.A.S, the company that houses the Altice TV activity, as well as Altice Finco France S.A.S.

Altice France Holding S.A. 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. Therefore, in order to facilitate an understanding of Altice France Holding S.A.'s results of operations, we have presented and discussed the pro-forma consolidated financial information of Altice France Holding Restricted Group. Therefore, financials for the quarters ended March 31, 2021 and March 31, 2020 are shown pro forma for the Hivory transaction (Altice France announced it had entered into an exclusivity agreement to sell its 50.01% stake in Hivory to Cellnex on February 3, 2021) and financials exclude the newspaper Libération (following disposal on September 3, 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 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 (straight-line recognition of the rent expense over the lease term as performed under IAS 17 *Leases* for operating leases). 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 Altice France Holdings S.A. or Altice France S.A., as the case may be, annual and quarterly 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, management believes it is an important indicator 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 Adjusted EBITDA" for purposes of any of the indebtedness of Altice France Holding Restricted 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.

Financial and Statistical Information and Comparisons

Financial and statistical information is for the quarter ended March 31, 2021, unless otherwise stated, and any year over year comparisons are for the quarter ended March 31, 2020.

Summary Financial Information

Quarter ended March 31, 2021 and March 31, 2020			
<i>In EUR million</i>	Q1-20	Q1-21	Q1-21 Growth YoY
<i>Fixed</i>	641	684	+6.8%
<i>Mobile</i>	900	888	-1.3%
Residential service	1,541	1,573	+2.1%
Equipment	135	169	+25.6%
Total residential	1,675	1,742	+4.0%
Business services	861	886	+2.9%
Telecom	2,537	2,628	+3.6%
Media	89	74	-16.4%
Total revenue	2,625	2,702	+2.9%
Telecom	913	920	+0.8%
Media	20	19	-5.2%
Total EBITDA	933	939	+0.7%
<i>Margin (%)</i>	35.5%	34.8%	
Telecom	502	571	+13.8%
Media	13	10	-28.9%
Total accrued Capex	515	581	+12.7%
Telecom	411	349	-15.1%
Media	6	9	+45.4%
EBITDA - accrued Capex	417	358	-14.2%

Key Performance Indicators

Quarter ended March 31, 2021	
<i>000's unless stated otherwise</i>	Q1-21
Fibre homes passed	21,823
Total fibre customers	3,555
Total fixed customers	6,707
Total mobile subscribers	18,054



Notes to Summary Financial Information table

- (1) Financials for Altice France Holding Restricted Group are shown pro forma for the Hivory transaction (Altice France announced it had entered into an exclusivity agreement to sell its 50.01% stake in Hivory to Cellnex on February 3, 2021; financials exclude the newspaper Libération (following disposal on September 3, 2020).

Notes to Key Performance Indicators table

- (1) Fibre unique customers represents the number of 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. Fibre customer base for France includes FTTH, FTTB and 4G Box customers and excludes white-label wholesale customers.
- (2) Mobile subscribers are equal to the net number of lines or SIM cards that have been activated on the mobile network and excludes M2M.



Financial and Operational Review

For the quarter ended March 31, 2021 compared to the quarter ended March 31, 2020

At the end of Q1 2021, Altice France had 21.8 addressable million homes passed (FTTH/FTTB), an increase of 1.2 million homes passed compared to Q4 2020. SFR had 9,291 fibre municipalities at the end of Q1 2021 (vs. 8,280 in Q4 2020, 6,481 in Q3 2020, 5,515 in Q2 2020 and 4,918 in Q1 2020). Altice France continues to invest in its 4G network, with 51,518 4G systems activated (1,465 new units in Q1 2021). The current 4G coverage of the SFR Mobile network reaches more than 99.7% of the national population. Altice France continues to deploy 4G and new radio sites in white areas. 4G+ is offered in the top 32 French cities, and 3,400 municipalities, reaching 86% of the national population.

On October 1, 2020, SFR announced it had obtained 80MHz as part of the allocation of 5G frequencies, for which the amount due by SFR totals €728 million (€350 million paid over a 15-year period, €378 million paid over 4 years, in equal amounts). The first payment of €118 million took place in January 2021.

SFR was the first operator in France to commercially launch 5G in November 2020 and continues to deploy 5G on the 3.5GHz band and also on the 2100MHz band for additional coverage. In Q1 2021, SFR launched its 5G services in Paris on March 19, 2020, with close to 80 authorized sites. This coverage will continue to expand in the coming weeks. The launch of 5G in Paris complements the nearly 370 French municipalities already opened with 5G by SFR, including Nice, Marseille, Montpellier, Lyon and Bordeaux.

- Altice France total revenue grew by +2.9% YoY in Q1 2021 to €2,702 million. Altice France reported residential service revenue growth again in Q1 2021, supported by a sustained focus on operations and significant and ongoing investment in proprietary infrastructure. Total residential revenue grew by +4.0% YoY in Q1 2021 and residential service revenue, excluding roaming, grew by +2.8% YoY. This segment was still affected by the COVID-19 pandemic related impacts, as roaming revenue remained depressed year over year.
- Business services revenue grew by +2.9% YoY in Q1 2021. In Q1 2021, 213k FTTH homes were constructed by XpFibre (vs. 359k in Q4 2020 and 192k in Q1 2020).
- Media revenue declined by -16.4% YoY in Q1 2021, mainly driven by the slowdown of the global advertising market as a result of the pandemic and reduction in production services charged by the Media division of Altice France to Altice TV.
- Telecom EBITDA grew by +0.8% YoY in Q1 2021 and total EBITDA of €939 million grew by +0.7% YoY.
- Total accrued capital expenditure was €581⁶ million in Q1 2021 and consequently, operating free cash flow amounted to €358 million in Q1 2021.

⁶ Accrued capital expenditure excludes accruals related to the acquisition of a new IRU for an amount of €183 million, the renewal of the 2G licences in March 2021 for an amount of €212 million, and 5G spectrum frequency reorganization for an amount of €7m. These amounts, in aggregate €402 million, remain unpaid as of March 31, 2021, with no cash impact in the first three months ended March 31, 2021.

Consolidated Net Debt as of March 31, 2021

- The Altice France Restricted Group has a robust, diversified and long-term capital structure:
 - Weighted average debt maturity of 5.9 years;
 - Reduced WACD to 4.4%⁷ (vs. 4.7% at year-end 2020);
 - 90% fixed interest rate;
 - No major maturities until 2025;
 - Available liquidity of €1.5 billion⁸.
- Total consolidated Altice France restricted group net debt was €22.1 billion (€22.2 billion pro forma⁹) at the end of Q1 2021.

	Amount in millions (local currency)	Actual	Pro Forma	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	4,417	1,964	7.375%	2026
Senior Secured Notes	USD 1,750	1,489	1,489	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	936	936	5.500%	2028
Senior Secured Notes	EUR 500	500	500	4.125%	2029
Senior Secured Notes	USD 475	404	404	5.125%	2029
Senior Secured Notes	USD 2,500	-	2,128	5.125%	2029
Senior Secured Notes	EUR 400	-	400	4.000%	2029
Term Loan	EUR 1,102	1,102	1,102	E+3.00%	2025
Term Loan	USD 1,367	1,163	1,163	L+2.75%	2025
Term Loan	USD 2,080	1,770	1,770	L+3.6875%	2026
Term Loan	EUR 968	968	968	E+3.00%	2026
Term Loan	USD 2,444	2,080	2,080	L+4.00%	2026
RCF	EUR 200	200	200	E+3.25%	2026
Commercial Paper	-	91	91	0.61%	2021
Other debt & leases	-	72	72	-	-
Swap Adjustment	-	34	33	-	-
Secured Debt		18,277	18,351		
Exchange Altice Lux Senior Notes	EUR 1,317	1,317	1,317	8.000%	2027
Exchange Altice Lux Senior Notes	USD 1,562	1,329	1,329	10.500%	2027
Senior Notes	EUR 500	500	500	4.000%	2028
Senior Notes	USD 1,225	1,043	1,043	6.000%	2028
Swap adjustment	-	101	101	-	-
Gross Debt		22,568	22,641		
Total cash		-465	-436		
Net Debt		22,103	22,205		
Undrawn RCF			1,101		
WACD			4.4%		

⁷ WACD is calculated as a blended WACD between Altice France and Altice France Holding.

⁸ €1.5 billion liquidity includes €1.1 billion of undrawn revolvers and €0.4 billion of cash. The €0.4 billion of cash reflects the April/May 2021 refinancing transaction, including the effect of call premia and transaction fees where applicable.

⁹ Total Altice France Restricted Group net debt pro forma for the refinancing closed May 4, 2021: issuance at Altice France of \$3 billion (equivalent) new euro and dollar 2029 Senior Secured Notes, the partial redemption of the Altice France \$5,190 million 2026 Senior Secured Notes and the effect of call premia and transaction fees.



Pro Forma Net Leverage¹⁰ Reconciliation as of March 31, 2021

In EUR million

Altice France Restricted Group Reconciliation to Swap Adjusted Debt	Actual	Pro Forma
Total Debenture and Loans from Financial Institutions	22,072	22,072
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at closing FX Rate	-31,904	-31,340
Value of Debenture and Loans from Financial Institutions in Foreign Currency converted at hedged Rate	32,039	31,474
Transaction Costs	197	197
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	22,404	22,403
Commercial Paper	91	91
Overdraft	7	7
Other debt and leases	65	65
Pro Forma refinancing adjustment	-	75
Gross Debt Consolidated	22,568	22,641
Cash	-465	-436
Net Debt Consolidated	22,103	22,205

Net Debt Reconciliation as of March 31, 2021

In EUR million

Altice France Restricted Group	Pro Forma
Gross Debt Consolidated	22,641
Cash	-436
Net Debt Consolidated	22,205
LTM standalone	4,282
Eliminations	-
LTM EBITDA Consolidated	4,282
Pro Forma Libération	3
Pro Forma Hivory	-172
LTM EBITDA Consolidated Pro Forma	4,113
Gross Leverage (LTM EBITDA)	5.5x
Net Leverage (LTM EBITDA)	5.4x
L2QA EBITDA Consolidated	4,090
Gross Leverage (L2QA EBITDA)	5.5x
Net Leverage (L2QA EBITDA)	5.4x

¹⁰ Leverage shown pro forma for the refinancing closed May 4, 2021: issuance at Altice France of \$3 billion (equivalent) new euro and dollar 2029 Senior Secured Notes, the partial redemption of the Altice France \$5,190 million 2026 Senior Secured Notes and the effect of call premia and transaction fees.

Non-GAAP Reconciliation to Unaudited Consolidated Interim Financial Statements GAAP Measures^{11 12}

<i>In EUR million</i>	Three months ended March 31, 2021 (unaudited)
Revenue	2,704
Purchasing and subcontracting costs	-721
Other operating expenses	-527
Staff costs and employee benefits	-271
Total	1,184
Share-based expense	3
Rental expense operating lease	-208
Adjusted EBITDA - Unaudited Consolidated Interim Financial Statements	979
Depreciation, amortisation and impairment	-829
Share-based expense	-3
Other expenses and income	339
Rental expense operating lease	208
Operating profit	694
Adjusted EBITDA - Unaudited Consolidated Interim Financial Statements	979
Pro forma adjustment for Hivory	-40
Adjusted EBITDA - Investor Press Release	939
Capital expenditure (accrued) - Unaudited Consolidated Interim Financial Statements	999
New IRU	-183
Renewal of 2G licences	-212
5G spectrum frequency reorganization	-7
Pro forma adjustment for Hivory	-17
Capital expenditure (accrued) - Investor Press Release	581

¹¹ The difference in consolidated revenue as reported for the Altice France Holding Restricted Group in the Non-GAAP Reconciliation to GAAP measures as of March 31, 2021 year to date and the Pro Forma Financial Information for as disclosed in this press release is due to the fact financials are shown pro forma for the Hivory transaction (Altice France announced it had entered into an exclusivity agreement to sell its 50.01% stake in Hivory to Cellnex on February 3, 2021).

¹² Accrued capital expenditure excludes accruals related to the acquisition of a new IRU for an amount of €183 million, the renewal of the 2G licences in March 2021 for an amount of €212 million, and 5G spectrum frequency reorganization for an amount of €7m. These amounts, in aggregate €402 million, remain unpaid as of March 31, 2021, with no cash impact in the first three months ended March 31, 2021.



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 the Altice France Holdings S.A. or Altice France S.A., as the case may be, annual and quarterly financial statements.