



December 13, 2019

**€4.63 billion equity partnership with
Morgan Stanley Infrastructure Partners in Portugal
creates the first nationwide fibre wholesaler in Europe**

**Minority equity stake sale brings
€1.57 billion of cash to Altice Europe in 2020**

**Transformational deal strengthens Altice Europe's significant
portfolio of infrastructure assets**

Altice Europe N.V. (Euronext ATC, ATCB) ("Altice Europe") announces today that its subsidiary MEO has signed an agreement with Morgan Stanley Infrastructure Partners to create a nationwide fibre wholesaler in Portugal. MEO will sell a minority equity stake of 49.99% in Altice Portugal FTTH based on an enterprise value of €4.63 billion.

Altice Portugal FTTH is by far the largest FTTH wholesaler in Portugal with c.4.0 million FTTH homes passed by year-end 2019. Altice Portugal FTTH comprises of all MEO's fibre assets in Portugal including FTTH and dark fibre.

Altice Portugal FTTH will sell wholesale services to all operators at the same financial terms. MEO will sell technical services to Altice Portugal FTTH for the construction, the subscriber connection and the maintenance of its fibre network.

Patrick Drahi, founder of Altice, said: *"I am very pleased that our partnership with Morgan Stanley Infrastructure Partners, initiated in the context of our Portuguese tower transaction in 2018, now continues with a transformational fibre project. Following this transaction, Altice Europe has obtained cash proceeds in excess of €5.7 billion through the transformational SFR FTTH transaction and the various tower sales and partnerships announced in 2018. Altice's portfolio of infrastructure assets continues to grow. On a 100% proforma basis, SFR FTTH and our towers in France in addition to our fibre and towers in Portugal, already represent more than €0.8 billion of revenues and more than €0.5 billion of EBITDA, effectively constituting one of the largest telecom infrastructure groups in Europe. We continue to focus on deleveraging Altice Europe through growing revenues and EBITDA, supplemented with the disposal proceeds from this transaction. This fantastic transaction with our long-standing partners at Morgan Stanley Infrastructure Partners will accelerate the deleveraging of the Group towards its stated leverage target. It will open the way to significant refinancing transactions in 2020 enabling us to accelerate our announced program of debt interest reduction (target of €0.7 billion annual savings)."*



Industrial Considerations

- First time in Europe that an incumbent telecom operator separates its fibre into a dedicated wholesale vehicle.
- Creation of the only truly nationwide fibre wholesaler in Europe, generating a major boost for the Portuguese telecom market and the Portuguese economy.
- Altice Portugal FTTH will cover c.4.0 million homes by year-end 2019 in Portugal and intends to further expand its network.

Financial Considerations

- The transaction values Altice Portugal FTTH at €4.63 billion on a 100% basis (no net debt at closing) representing an EBITDA multiple of 20x¹.
- Payment terms are as follows, on a 49.99% basis:
 - o €1,565 million in 2020.
 - o €375 million in December 2021 and €375 million in December 2026 subject to some performance ratchets.

The transaction is expected to close in H1 2020.

Lazard acted as sole financial adviser to Altice Europe. Uría Menéndez, Franklin and Ropes & Gray acted as legal advisers to Altice Europe.

Regulated Information

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

Contacts

Head of Investor Relations Altice Europe

Sam Wood: +41 79 538 66 82 / sam.wood@altice.net

Head of Communications Altice Europe

Arthur Dreyfuss: +41 79 946 4931 / arthur.dreyfuss@altice.net

¹ Based on a pro forma 2019 EBITDA of Altice Portugal FTTH of €237 million



About Altice Europe

Altice Europe (ATC & ATCB), listed on Euronext Amsterdam, is a convergent 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 30 million customers over fibre networks and mobile broadband. Altice is also a provider of enterprise digital solutions to millions of business customers. The company innovates with technology, research and development and enables 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 its customers to enjoy the most well-known media and entertainment.