



Altice International €450m Term Loan Issuance Presentation to Lenders

July 2015



DISCLAIMER

The information contained in this document is not, and should not be viewed as, a description of Altice International S.a.r.l (“Altice International”), PT Portugal S.G.P.S., S.A. (“PT Portugal”) or any of their respective parent entities, subsidiaries or affiliates referred to herein (collectively, the “Companies”) or their respective businesses, and is not intended to form the basis of any investment decision with respect to the loans or securities of Altice International or any of its parent entities, subsidiaries or affiliates. This document is provided as information only and may not be taken away, reproduced or redistributed to any other person. This document does not constitute a prospectus or any other offering document, nor does it constitute or form part of any invitation or offer to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities of the Companies, Altice International, PT Portugal or any of their respective parent entities, subsidiaries or affiliates in any jurisdiction.

The information contained in this document has not been independently verified by any lead arranger (the “Lead Arrangers”). The Lead Arrangers make no representation or warranty express or implied, as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein and nothing in this presentation is, or shall be relied upon as, a promise or representation by the Lead Arrangers in connection with this financing.

No reliance may be placed, for any purposes whatsoever, on the information contained in this document or on its completeness and it should not be considered a recommendation by any of the Companies, Altice International, PT Portugal or any of their respective parent entities, subsidiaries or affiliates or anyone acting on their behalf (such as any of their directors, partners, officers, employees, advisers or any other persons) in relation to any transaction. No representation or warranty is given by or on behalf of any of the Companies, PT Portugal or any of their respective parent entities, subsidiaries or affiliates or anyone acting on their behalf (such as any of their directors, partners, officers, employees, advisers or any other persons) as to the accuracy, fairness or sufficiency of the information. No liability is accepted for any errors, omissions or inaccuracies in such information, whether material or otherwise.

Certain statements in the information contained in this document are forward-looking statements. Such forward-looking statements may include, without limitation, statements regarding the Companies’ ability to integrate the operations of PT Portugal and to achieve the anticipated enhanced economies of scale, synergy potential, cost savings and other anticipated benefits of the acquisition. By their nature, forward-looking statements involve risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward looking statements. These include, among other factors, changing business or other market conditions and anticipations etc. Forward-looking statements contained in this document regarding past or known trends or activities should not be taken as a representation that such trends or activities will continue in the future. None of Altice International, PT Portugal nor any of their respective parent entities, subsidiaries or affiliates undertake any obligation to update or revise any information set forth herein (including any forward-looking statements) whether as a result of new information, future events or otherwise.

None of Altice International, PT Portugal, the Lead Arrangers, nor any of their respective parent entities, subsidiaries or affiliates, advisers or representatives will be liable for any claim, loss or damage suffered as a result of any omission, inadequacy, incompleteness or inaccuracy, whether arising from their negligence or otherwise, and by accepting delivery of this information and material, you irrevocably and unconditionally waive any such claim you may have against them.

Where this communication constitutes a financial promotion/marketing communication, it is issued and distributed in the UK only to, and directed at, (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (b) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as “relevant persons”). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is only available to relevant persons and will be engaged in only with relevant persons. The UK compensation scheme and rules for the protection of retail clients do not apply to the services provided or products sold by non-UK regulated affiliates.

EXECUTIVE SUMMARY



- Altice International (“AI”), a wholly-owned subsidiary of Altice SA, is seeking to raise a €450m term loan to refinance drawings under its revolving credit facilities
- The leverage-neutral transaction would strengthen AI’s liquidity profile and extend the average maturity of its capital structure
- On June 2nd, 2015, AI completed its acquisition of the Portuguese assets of Portugal Telecom (“PT Portugal”) and a recent trading update is contained herein
- A conference call with lenders is scheduled on July 15th, 2015 with commitments due on July 22nd, 2015



1

TRANSACTION OVERVIEW

2

CURRENT TRADING UPDATE

TRANSACTION OVERVIEW

Sources and uses

Sources	€m	Uses	€m
New TL B	450	Repayment of drawn RCFs	436
		Cash to balance sheet	8
		Transaction fees and expenses	6
Total	450	Total	450

AI PF capital structure – PF for €450m TL B issuance

	Current EURm ¹	Adj.	PF EURm	xEBITDA ²	Coupon / Margin	Maturity
Cash	(160)	(8)	(169)			
HOT Unsecured Notes	267	-	267		3.90% - 6.90%	2018
Green Data Debt	45	-	45		L+170bps	2022
Senior Secured Notes - HOT	411	-	411		7.875%	2019
Senior Secured Notes - HOT	210	-	210		8.000%	2019
Term Loan - Cabo/Oni/OMT	913	-	913		L+4.500%	2019
Senior Secured Notes - DR	804	-	804		6.500%	2022
Senior Secured Notes - DR	300	-	300		6.500%	2022
Term Loan - PT	400	-	400		E+4.250%	2022
Term Loan - PT	442	-	442		L+4.250%	2022
Senior Secured Notes - PT	500	-	500		5.250%	2023
Senior Secured Notes - PT	1,821	-	1,821		6.625%	2023
New TL B	-	450	450		E+3.50-3.75%	2022
RCFs Drawn	436	(436)	-		-	-
PT Leases	44	-	44			
Altice International Senior Secured Debt	6,592		6,606	3.3x		
Senior Notes - HOT	380		380		9.875%	2020
Senior Notes - Cabo/Oni/OMT	250		250		9.000%	2023
Senior Notes - DR	357		357		8.125%	2024
Senior Notes - PT	340		340		7.625%	2025
Swap MtM Adjustment	(30)		(30)			
Altice International Total Debt	7,890		7,904	4.0x		
Altice International Net Total Debt	7,729		7,735	3.9x		

¹ Using Q2-15 FX; EUR/CHF = 1.041, EUR/USD = 1.119, ILS/EUR = 4.221 as of June 30th, 2015; Swapped Rate AI/PT transaction = 1.131

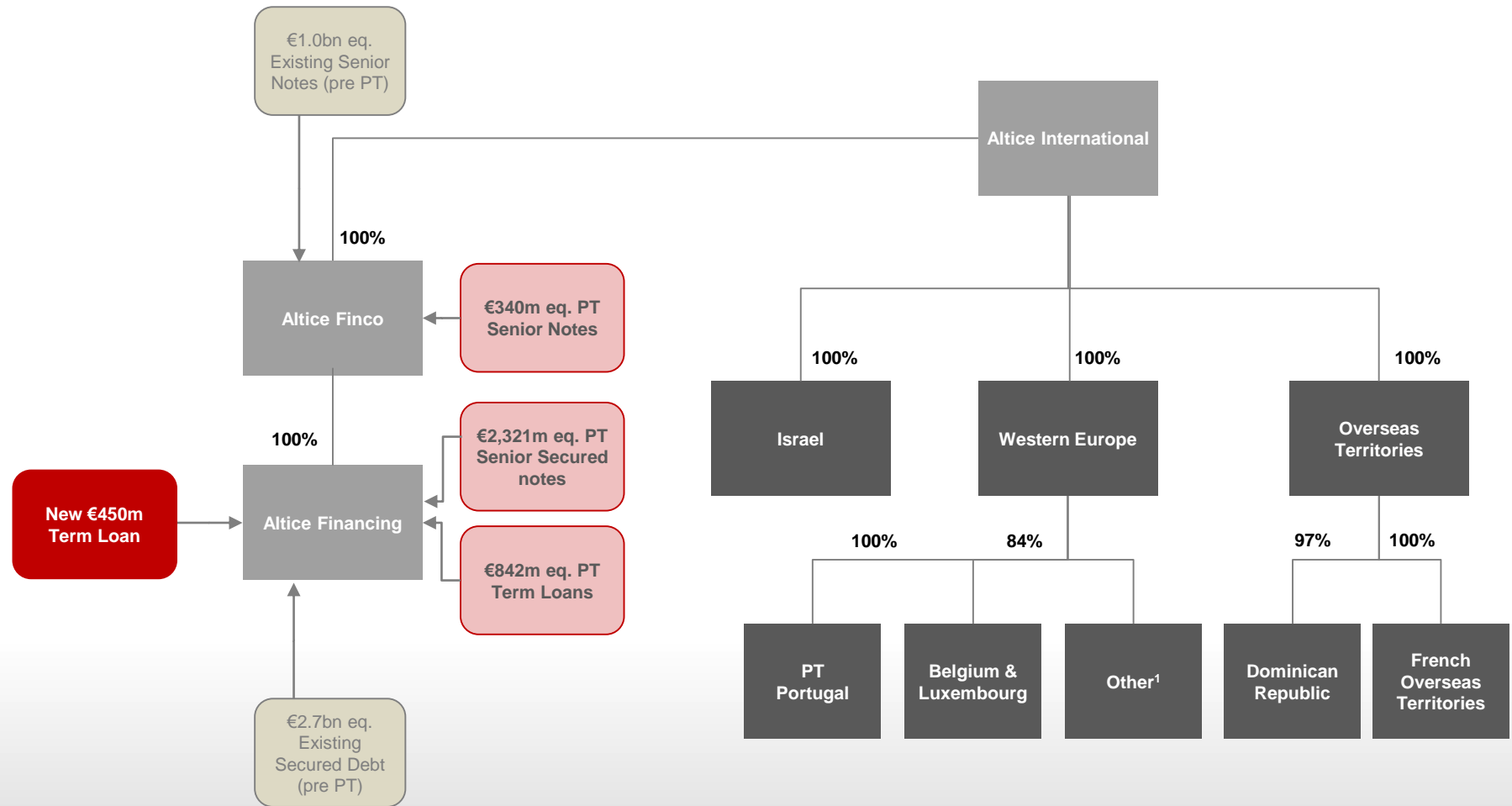
² Q1-15A consolidated AI LTM EBITDA of €1,991m. PT Portugal EBITDA was adjusted for change in accounting policy to harmonise with Altice format (mainly post-retirement benefits costs related to service cost and social charges now included in EBITDA, resulting in €28m LTM decrease)

SUMMARY PROPOSED TERM SHEET

NEW €450M TERM LOAN B

Borrower	Altice Financing S.A.
Facility:	Term Loan B
Tenor:	7 years (2022)
Use of proceeds:	Refinance RCF borrowings and general corporate purposes
Currency:	EUR
Size:	€450m
Margin:	3.50-3.75%
Base rate:	Euribor (100bps floor)
Issue price:	99.5
Corporate ratings	B1 (Moody's) / B+ (S&P)
Instrument rating:	B1 (Moody's) / BB- (S&P)
Guarantors:	Same as existing €400m TLB
Security:	Same as existing €400m TLB
Call protection:	101 soft call for 6 months
Incurrence leverage test:	Gross debt incurrence test of 4.0x (senior secured 3.0x)
Maintenance covenants:	None
Governing law:	New York

CORPORATE STRUCTURE



PROPOSED TRANSACTION TIMETABLE

July 2015						
M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Indicative timeline of events

Date	Action / Highlight
July 14 th	Transaction launch
July 15 th	Lenders' presentation call
July 22 nd	Commitments due
July 23 rd	Allocations
July 28 th	Settlement



1

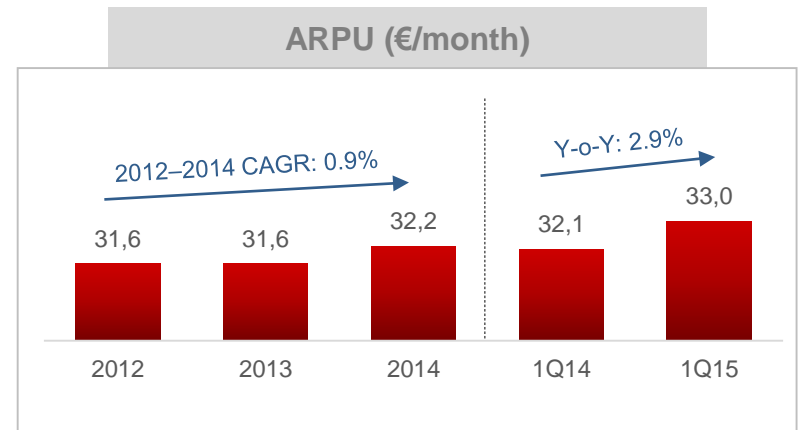
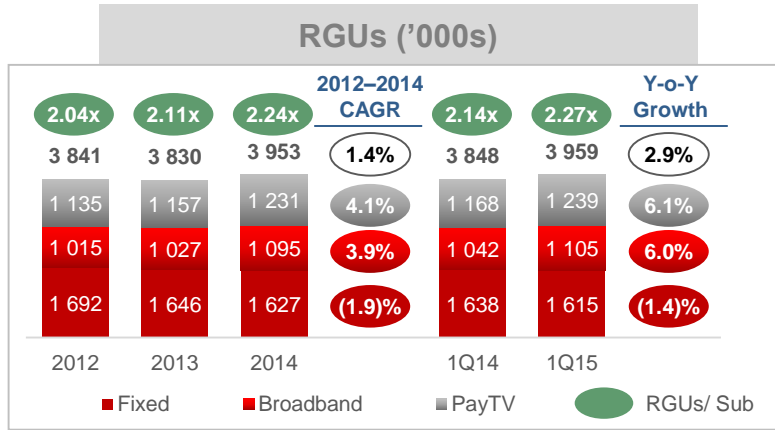
TRANSACTION OVERVIEW

2

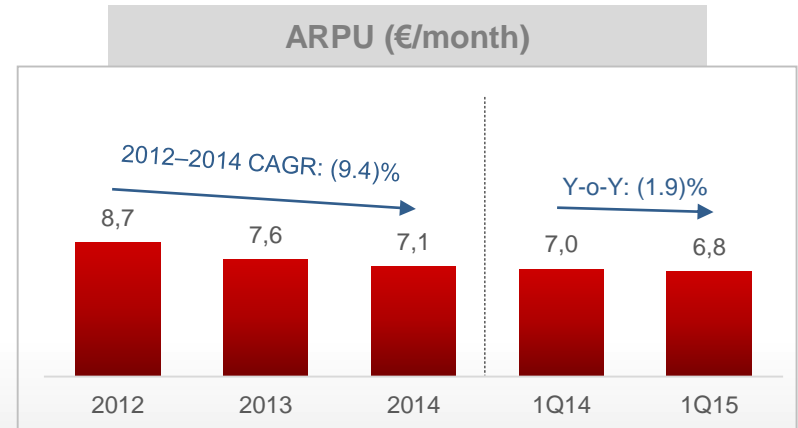
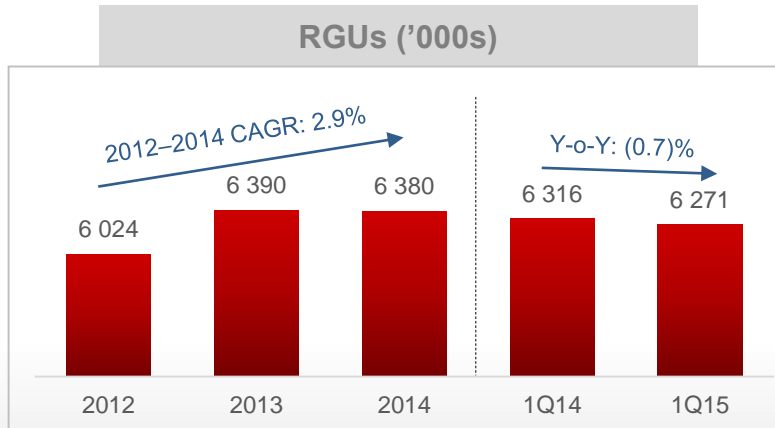
CURRENT TRADING UPDATE

PT PORTUGAL KPIs

Residential / Cable



Personal / Mobile

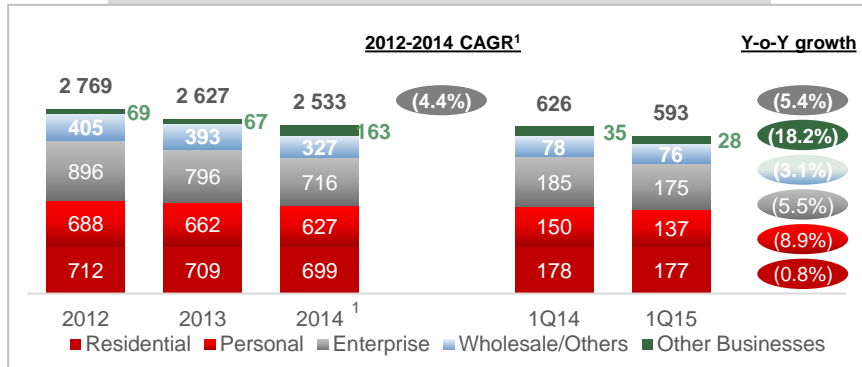


Source: Company Information

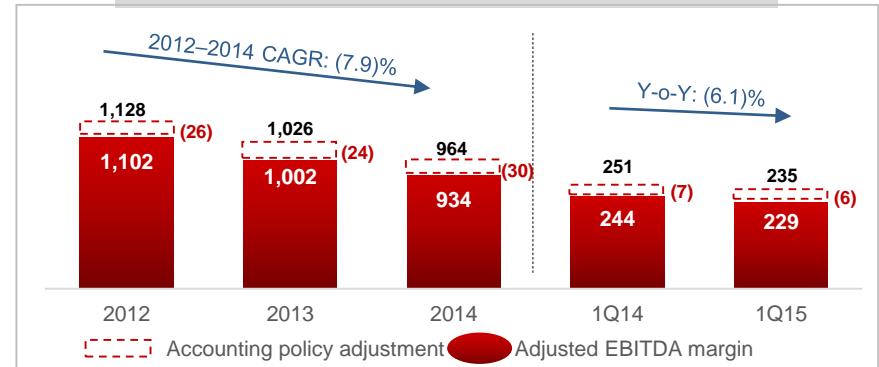
RGU growth and ARPU growth in Residential / Cable, offsetting a weaker environment in Personal / Mobile

PT PORTUGAL HISTORICAL FINANCIALS

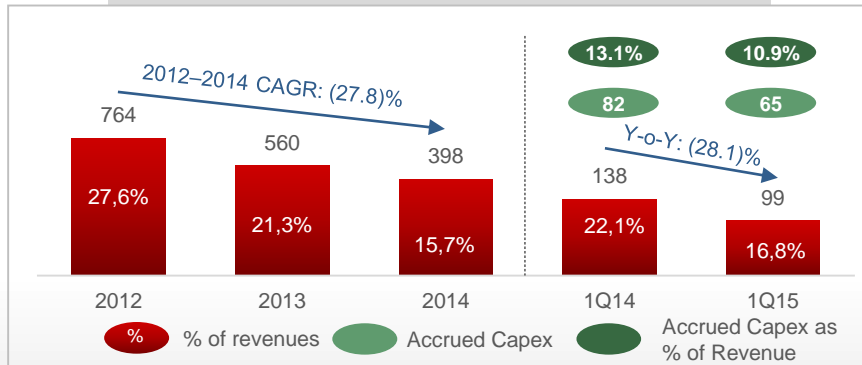
Revenue (€m)



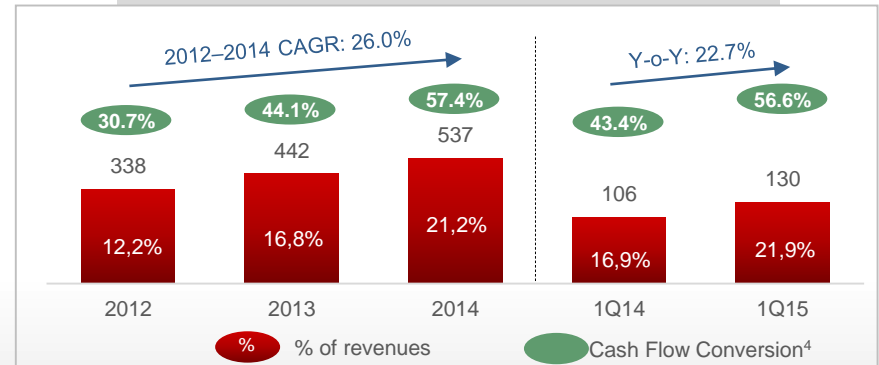
Adjusted EBITDA (€m)²



Capex (€m)³



Adj. EBITDA² - Capex (€m)



Source: Company Disclosures

¹Revenue split across segment has been reclassified from 2014 onwards to align accounting formats with Altice complex; ²PT Portugal EBITDA was adjusted for change in accounting policy to harmonise with Altice format (mainly post-retirement benefits costs related to service cost and social charges now included in EBITDA); ³Capex is Gross Cash Capex; ⁴Cash flow conversion is defined as (Adj. EBITDA-Capex)/Adj. EBITDA

Strong cash flow growth underpinned by cost-management and well-invested network

ALTICE INTERNATIONAL PRO FORMA FINANCIAL PROFILE

€m	Altice International		PT Portugal		Pro forma ¹	
	2014	Mar-15 LTM	2014	Mar-15 LTM	2014	Mar-15 LTM
Revenues	2,028	2,053	2,533	2,499	4,561	4,552
Adj. EBITDA	936	971	934	920	1,970	1,991
<i>% Margin</i>	46.2%	47.3%	36.9%	36.8%	43.2%	43.7%
Capex	424	464	398	359	782	783
<i>% Revenues</i>	20.9%	22.6%	15.7%	14.4%	17.1%	17.2%
Adj. EBITDA-capex	512	507	537	560	1,189	1,123
<i>% Margin</i>	25.2%	24.7%	21.2%	22.4%	26.1%	24.7%
<i>% Cash Conversion</i>	54.7%	52.2%	57.4%	60.9%	60.3%	56.4%

Source: Company information

¹ Includes €100m EBITDA synergies and €40m Capex synergies.

ADJUSTED EBITDA RECONCILIATION AND LEVERAGE

€m		Mar 15 LTM	Net Leverage
International	Altice International EBITDA	971	
	PT Portugal EBITDA ¹	920	
	Altice International PF EBITDA	1,891	
	PT Portugal Synergies	100	
	International Pro Forma Adjusted EBITDA	1,991	3.9x

Source: Company information

¹ PT Portugal EBITDA adjusted for change in accounting policy to harmonise with Altice policies (mainly post-retirement benefits costs related to service cost and social charges now included in EBITDA, resulting in a decrease of €28m in Q1-15 LTM)