



November 25, 2019

Acquisition of 100% of Covage by SFR FTTH

Expansion of the largest FTTH infrastructure wholesaler in France

Altice Europe N.V. (Euronext ATC, ATCB) (“Altice Europe”) announces today that SFR FTTH, alongside its consortium of financial investors (led by OMERS Infrastructure and including Allianz Capital Partners and AXA Investment Managers - Real Assets, acting on behalf of its clients), has entered into an exclusivity agreement with Cube Infrastructure Fund and Partners Group (acting on behalf of its clients) regarding the acquisition of 100% of Covage for a total cash consideration of €1.0 billion.

Covage is the 4th largest fibre wholesale operator in France with 2.4 million¹ homes to be passed (including 0.8 million homes already built) which will be added to SFR FTTH footprint of more than 5.4 million secured homes to be passed (including 1.7 million homes built). Covage will become part of SFR FTTH, resulting in a total of around 8 million secured homes to be passed (including 2.5 million homes already built). With this acquisition SFR FTTH continues to execute on its strategy to meaningfully expand its footprint, with more households still yet to be awarded as well as selective opportunities for consolidation.

Patrick Drahi, founder of Altice, said: *“I am very pleased that we are further expanding the leading FTTH wholesaler in Europe. We are extremely proud to integrate Covage, a great company, with a portfolio of areas in France complementary to ours. With this transaction we also bring onboard excellent local relationships. We continue to be focused on deleveraging Altice Europe notably thanks to growing revenues and EBITDA which will be supplemented with disposal proceeds. As I have explained previously, we are in advanced discussions with several parties in relation to our Portuguese fibre asset. This process is supported by the significant appetite for fibre in Europe clearly demonstrated by the present transaction which has been strongly supported by our financial partners in SFR FTTH.”*

Industrial Considerations

- The combination of SFR FTTH and Covage further expands one of the largest FTTH wholesalers in Europe, the only nationwide infrastructure challenger to the incumbent, with an even stronger competitive position within its footprint.
- SFR FTTH and Covage together will massively deploy fibre over the next 3 to 4 years. This will predominantly be built in exclusive areas, where no fibre infrastructure has been built to date.

¹ Of which 0.3 million in very dense areas



- SFR FTTH and Covage together will reinforce the strong and important partnerships with the French local authorities. The calendar of FTTH deployment expected by local territories will be honoured entirely.

Financial Considerations

- Acquisition to be completed by SFR FTTH for 100% of Covage for €1.0 billion in cash¹.
- Acquisition financed with new €70 million non-recourse debt raised at Opco level, €465 million cash equity to be contributed by Altice and €465 million cash equity to be contributed by SFR FTTH financial investors (OMERS Infrastructure, Allianz Capital Partners and AXA Investment Managers - Real Assets, acting on behalf of its clients). The roll-out of additional homes is fully financed by a committed capex facility.

The transaction is expected to close in H1 2020.

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Regulated Information

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

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.

¹ Including a deferred payment of an amount up to €0.2 billion paid 6 months after closing