



July 28, 2021

ALTICE FRANCE HOLDING RESTRICTED GROUP

Q2 2021 RESULTS

Altice France Holding Restricted Group¹ today announces financial and operating results² for the quarter ended June 30, 2021.

Q2 2021 Key Highlights

- Total revenue grew by +5.2% YoY in Q2 2021 and Telecom revenue grew by +4.1% YoY in Q2 2021.
- Residential service revenue grew by +4.6% YoY in Q2 2021. Total residential revenue grew by +5.5% YoY in Q2 2021.
- Total EBITDA grew by +5.7% YoY in Q2 2021 and Telecom EBITDA grew by +2.5% YoY in Q2 2021.
- Total accrued capital expenditure was €523³ million in Q2 2021. Consequently, operating free cash flow amounted to €559 million in Q2 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 in Q2 2021 excludes accruals related to the acquisition of a new IRU for an amount of €38 million and a reversal relating to the renewal of the 2G licenses in March 2021 for an amount of -€4 million. These amounts, in aggregate €34 million, remain unpaid as of June 30, 2021, with no cash capex impact in the three months ended June 30, 2021.

⁴ Excludes spectrum and significant litigation paid and received.



Capital Structure Key Highlights – including subsequent events

- Total Altice France net debt was €22.4 billion at the end of Q2 2021.
- On July 1, 2021, Alain Weill stepped down from his duties as CEO of Altice Europe and all his duties from Altice Europe Group’s subsidiaries. Grégory Rabuel, CEO of the Telecom Division prior to July 1, 2021, has become Chairman and CEO of Altice France and Chairman and CEO of the Telecom Division. Arthur Dreyfuss, CEO of the Media Division and General Secretary of Altice France prior to July 1, 2021, has become Chairman and CEO of the Media Division and General Secretary of Altice France.
- 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 expected to close in the third quarter of 2021.
- 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.



Q2 2021 Results Call for Debt Investors

A call for existing and prospective debt investors of the Altice France Holding Restricted Group will be held today, Wednesday, July 28, 2021 at 2:00pm CEST (1:00pm BST, 08:00am EDT), to discuss its Q2 2021 results.

Dial-in Details:

UK: +44 2030595870

USA: +1 6313026547

France: +33 170918701

Conference ID: 20210507

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

<https://event.on24.com/wcc/r/3321443/EDF42B9C59018B69CC636FECF01A59CF>

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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 22.8 million homes passed across France. SFR covers 99.7% of the population with 4G access and approximately 600 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 June 30, 2021 and June 30, 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 profit before depreciation, amortization and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs), share-based expenses and after operating lease expenses (i.e., 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 June 30, 2021, unless otherwise stated, and any year over year comparisons are for the quarter ended June 30, 2020.

Summary Financial Information

Quarter ended June 30, 2021 and June 30, 2020			
In EUR million	Q2-20	Q2-21	Q2-21 Growth YoY
<i>Fixed</i>	634	675	+6.5%
<i>Mobile</i>	867	895	+3.2%
Residential service	1,500	1,569	+4.6%
Equipment	131	151	+15.1%
Total residential	1,631	1,720	+5.5%
Business services	899	913	+1.6%
Telecom	2,530	2,633	+4.1%
Media	56	88	+56.7%
Total revenue	2,586	2,721	+5.2%
Telecom	1,027	1,053	+2.5%
Media	-4	29	++
Total EBITDA	1,024	1,082	+5.7%
<i>Margin (%)</i>	39.6%	39.8%	
Telecom	447	513	+14.9%
Media	6	10	++
Total accrued Capex	453	523	+15.5%
Telecom	581	539	-7.1%
Media	-10	19	++
EBITDA - accrued Capex	571	559	-2.1%

Key Performance Indicators

Quarter ended June 30, 2021	
<i>000's unless stated otherwise</i>	Q2-21
Fibre homes passed	23,083
Total fibre customers	3,685
Total fixed customers	6,704
Total mobile subscribers	18,159

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 June 30, 2021 compared to the quarter ended June 30, 2020

At the end of Q2 2021, Altice France had 23.1 addressable million homes passed (FTTH/FTTB), an increase of 1.3 million homes passed compared to Q1 2021. SFR had 10,442 fibre municipalities at the end of Q2 2021 (vs. 9,291 in Q1 2021, 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 53,086 4G systems activated (1,568 new units in Q2 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 3,800 municipalities.

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. On March 19, 2021 SFR launched its 5G services in Paris, with close to 80 authorized sites. This coverage has continued to expand, with approximately 600 French municipalities already opened with 5G by SFR as of Q2 2021, including areas such as Rennes and Nantes.

- Altice France total revenue grew by +5.2% YoY in Q2 2021 to €2,721 million. Altice France reported residential service revenue growth again in Q2 2021, supported by a sustained focus on operations and significant and ongoing investment in proprietary infrastructure. Total residential revenue grew by +5.5% YoY in Q2 2021 and residential service revenue grew by +4.6% YoY.
- Business services revenue grew by +1.6% YoY in Q2 2021. In Q2 2021, 184k FTTH homes were constructed by XpFibre (vs. 213k in Q1 2021, 268k in Q2 2020), of which a greater proportion were built in more rural areas compared to Q2 2020.
- Media revenue grew by +57% YoY in Q2 2021, mainly driven by an uptake of the global advertising market related to easing pandemic measures.
- Telecom EBITDA grew by +2.5% YoY in Q2 2021 and total EBITDA of €1,082 million grew by +5.7% YoY.
- Total accrued capital expenditure was €523⁵ million in Q2 2021 and consequently, operating free cash flow amounted to €559 million in Q2 2021.

⁵ Accrued capital expenditure in Q2 2021 excludes accruals related to the acquisition of a new IRU for an amount of €38 million and a reversal relating to the renewal of the 2G licenses in March 2021 for an amount of -€4 million. These amounts, in aggregate €34 million, remain unpaid as of June 30, 2021, with no cash impact in the three months ended June 30, 2021.

Consolidated Net Debt as of June 30, 2021

- The Altice France Restricted Group has a robust, diversified and long-term capital structure:
 - Weighted average debt maturity of 5.6 years;
 - Reduced WACD to 4.5%⁶ (vs. 4.7% at year-end 2020);
 - 91% fixed interest rate;
 - No major maturities until 2025;
 - Available liquidity of €1.3 billion⁷.
- Total consolidated Altice France restricted group net debt was €22.4 billion at the end of Q2 2021.

	Amount in millions (local currency)	Actual	Coupon / Margin	Maturity
Senior Secured Notes	EUR 500	500	2.125%	2025
Senior Secured Notes	EUR 550	550	2.500%	2025
Senior Secured Notes	USD 2,308	1,948	7.375%	2026
Senior Secured Notes	USD 1,750	1,477	8.125%	2027
Senior Secured Notes	EUR 1,000	1,000	5.875%	2027
Senior Secured Notes	EUR 1,000	1,000	3.375%	2028
Senior Secured Notes	USD 1,100	928	5.500%	2028
Senior Secured Notes	EUR 500	500	4.125%	2029
Senior Secured Notes	USD 475	401	5.125%	2029
Senior Secured Notes	USD 2,500	2,110	5.125%	2029
Senior Secured Notes	EUR 400	400	4.000%	2029
Term Loan	EUR 1,099	1,099	E+3.00%	2025
Term Loan	USD 1,363	1,150	L+2.75%	2025
Term Loan	USD 2,075	1,751	L+3.6875%	2026
Term Loan	EUR 965	965	E+3.00%	2026
Term Loan	USD 2,438	2,057	L+4.00%	2026
Drawn RCF	EUR 337	337	E+3.25%	2026
Commercial Paper	-	108	0.59%	2021
Other debt & leases	-	62	-	-
Swap adjustment	-	143	-	-
Secured debt		18,486		
Exchange Altice Lux Senior Notes	EUR 1,317	1,317	8.000%	2027
Exchange Altice Lux Senior Notes	USD 1,562	1,318	10.500%	2027
Senior Notes	EUR 500	500	4.000%	2028
Senior Notes	USD 1,225	1,034	6.000%	2028
Swap adjustment	-	121	-	-
Gross debt		22,776		
Total cash		-365		
Net debt		22,411		
Undrawn RCF		964		
WACD		4.5%		

⁶ WACD is calculated as a blended WACD between Altice France and Altice France Holding.

⁷ €1.3 billion liquidity includes €0.96 billion of undrawn revolvers and €0.37 billion of cash.



Net Leverage Reconciliation as of June 30, 2021

In EUR million

Altice France Restricted Group Reconciliation to Swap Adjusted Debt	Actual
Total debenture and loans from financial institutions	22,151
Value of debenture and loans from financial institutions in foreign currency converted at closing FX Rate	-30,280
Value of debenture and loans from financial institutions in foreign currency converted at hedged Rate	30,543
Transaction costs	192
Total swap adjusted value of debenture and loans from financial institutions	22,606
Commercial paper	108
Overdraft	2
Other debt and leases	60
Gross debt consolidated	22,776
Cash	-365
Net debt consolidated	22,411

Net Debt Reconciliation as of June 30, 2021

In EUR million

Altice France Restricted Group	Actual
Gross debt consolidated	22,776
Cash	-365
Net debt consolidated	22,411
LTM standalone	4,346
Eliminations	-
LTM EBITDA consolidated	4,346
Pro forma Libération	-
Pro forma Hivory	-174
LTM EBITDA consolidated pro forma	4,171
Gross leverage (LTM EBITDA)	5.5x
Net leverage (LTM EBITDA)	5.4x
L2QA EBITDA consolidated	4,042
Gross leverage (L2QA EBITDA)	5.6x
Net leverage (L2QA EBITDA)	5.5x

Non-GAAP Reconciliation to Unaudited Consolidated Interim Financial Statements GAAP Measures ^{8 9}

<i>In EUR million</i>	Three months ended March 31, 2021	Three months ended June 30, 2021
Revenue	2,704	2,725
Purchasing and subcontracting costs	-721	-677
Other operating expenses	-527	-453
Staff costs and employee benefits	-271	-259
Total	1,184	1,337
Share-based expense	3	-0
Rental expense operating lease	-208	-209
Adjusted EBITDA - Unaudited Consolidated Interim Financial Statements	979	1,128
Depreciation, amortisation and impairment	-829	-823
Share-based expense	-3	0
Other expenses and income	339	-329
Rental expense operating lease	208	209
Operating profit	694	184
Adjusted EBITDA - Unaudited Consolidated Interim Financial Statements	979	1,128
Pro forma adjustment for Hivory	-40	-46
Adjusted EBITDA - Investor Press Release	939	1,082
Capital expenditure (accrued) - Unaudited Consolidated Interim Financial Statements	999	573
New IRU	-183	-38
Renewal of 2G licences	-212	4
5G spectrum frequency reorganization	-7	-
Pro forma adjustment for Hivory	-17	-15
Capital expenditure (accrued) - Investor Press Release	581	523

⁸ The difference in consolidated revenue as reported for the Altice France Holding Restricted Group in the Non-GAAP Reconciliation to GAAP measures as of June 30, 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).

⁹ Accrued capital expenditure in Q2 2021 excludes accruals related to the acquisition of a new IRU for an amount of €38 million and a reversal relating to the renewal of the 2G licenses in March 2021 for an amount of -€4 million. These amounts, in aggregate €34 million, remain unpaid as of June 30, 2021, with no cash impact in the three months ended June 30, 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.