

Altice USA

Q2 2018 Results

August 2, 2018



Disclaimer

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, 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 result or be achieved or accomplished. To the extent that statements in this presentation 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 our annual and quarterly reports.

NON-GAAP FINANCIAL MEASURES

We define Adjusted EBITDA, which is a non-GAAP financial measure, as net income (loss) excluding income taxes, income (loss) from discontinued operations, other non-operating income or expenses, loss on extinguishment of debt and write-off of deferred financing costs, gain (loss) on interest rate swap contracts, gain (loss) on derivative contracts, gain (loss) on investments, interest expense (including cash interest expense), interest income, depreciation and amortization (including impairments), share-based compensation expense or benefit, restructuring expense or credits and transaction expenses.

We believe Adjusted EBITDA is an appropriate measure for evaluating the operating performance of the Company. Adjusted EBITDA and similar measures with similar titles are common performance measures used by investors, analysts and peers to compare performance in our industry. Internally, we use revenue and Adjusted EBITDA measures as important indicators of our business performance, and evaluate management's effectiveness with specific reference to these indicators. We believe Adjusted EBITDA provides management and investors a useful measure for period-to-period comparisons of our core business and operating results by excluding items that are not comparable across reporting periods or that do not otherwise relate to the Company's ongoing operating results. Adjusted EBITDA should be viewed as a supplement to and not a substitute for operating income (loss), net income (loss), and other measures of performance presented in accordance with GAAP. Since Adjusted EBITDA is not a measure of performance calculated in accordance with GAAP, this measure may not be comparable to similar measures with similar titles used by other companies.

We also use Adjusted EBITDA less cash Capital Expenditures, or Operating Free Cash Flow ("OpFCF"), as an indicator of the Company's financial performance. We believe this measure is one of several benchmarks used by investors, analysts and peers for comparison of performance in the Company's industry, although it may not be directly comparable to similar measures reported by other companies.

For an explanation of why Altice USA uses these measures and a reconciliation of the Non-GAAP measures to net income (loss), please see the Second Quarter 2018 ("Q2-18") earnings release for Altice USA posted on the Altice USA website.

Altice USA Q2 2018 Summary Review

- 1 1.8% revenue growth, 1.5% Adjusted EBITDA growth (4.2% growth ex-i24 losses, legal accruals, other¹)
- 2 Residential data units growth and video units better than expected at both Optimum and Suddenlink
- 3 Solid 4.2% Business Services revenue growth with both SMB and enterprise trending well
- 4 Strong 12.7% growth in Advertising revenue, supported by 2017 investments in a⁴ and News12
- 5 Free Cash Flow growth +73.4%
- 6 Continued investment in key growth initiatives
- 7 Separation of Altice USA from Altice NV effective June 2018, as expected

(1) Adjusted EBITDA is a non-GAAP-measure. For a reconciliation of these non-GAAP measures to net income (loss), please see the Q2-18 Altice USA earnings release posted to the Altice USA website. +4.2% Adjusted EBITDA growth excluding approximately \$26m of costs in the current period relating to i) the impact of consolidating i24 losses and legal matter accruals which were expenses not incurred in Q2 2017, and; ii) management fees and certain Altice Technical Services US (ATS US) costs which will not be incurred in future periods.

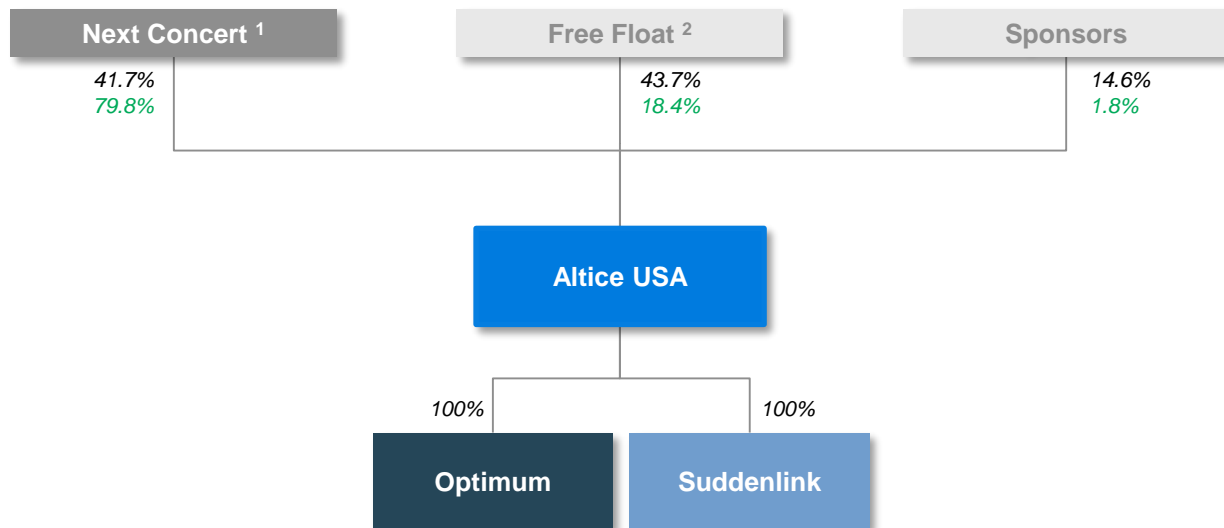
Altice USA Shareholder Structure Post Spin-Off

Significant increase in free float of Altice USA post-separation from Altice NV

Altice USA shareholder structure as of July 31, 2018

% Economic Ownership

% Voting Rights



(1) Including shares owned directly and indirectly by Patrick Drahi through Next, entities controlled directly or indirectly by Patrick Drahi or Patrick Drahi's family (A4 and Uppernext), shares owned by Altice NV (ANV) shareholders subject to shareholders' agreements with Next (the Next ANV Concert as per section 3.7.6 of Altice N.V. 2016 Annual Report), certain top managers at Altice USA and Holding LP which holds shares of Altice USA Class A common stock as part of Altice USA's Carry Unit Plan for certain of its employees; total number of shares of the Altice USA Next Concert will be subject to future vesting under the options plan for Altice USA management organized through Holding LP.

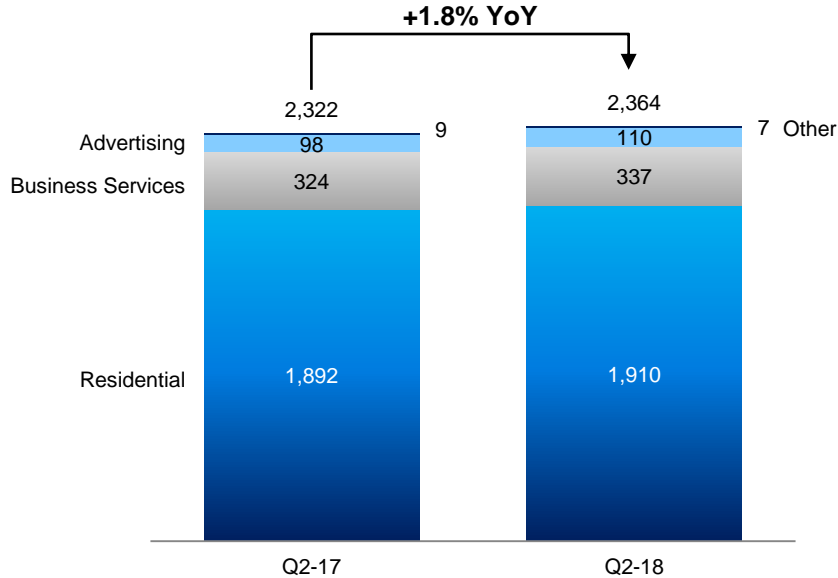
(2) Free float based on public minorities economic ownership of Altice USA A- and B-shares, excluding sponsors and the Altice USA Next Concert.

Revenue Growth

Revenue growth across Residential, Business Services, and Advertising

Q2-18 vs. Q2-17

(\$m)



Components of Q2 2018 revenue growth

- Altice USA: +1.8% YoY
 - Optimum +1.6% YoY
 - Suddenlink +3.0% YoY
- Residential: +1.0% YoY
 - Optimum +0.2% YoY
 - Suddenlink +2.9% YoY
- Business Services: +4.2% YoY
- Advertising: +12.7% YoY

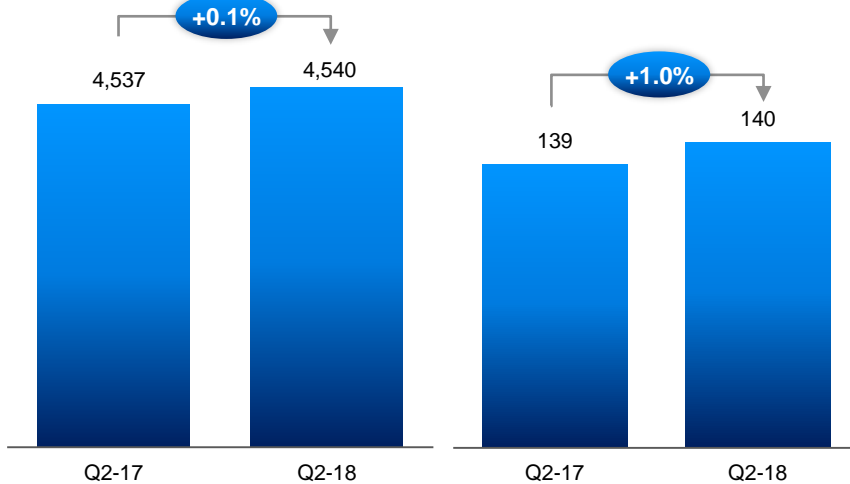
Residential Trends

Continued positive ARPU trends and improved customer trends

Q2-18 vs. Q2-17

Residential customer relationships

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Residential revenue growth: +1.0% YoY

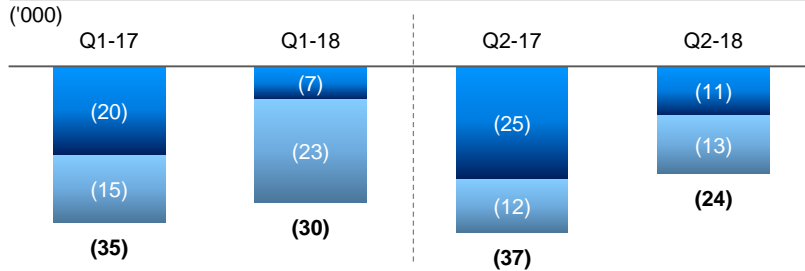
Components of Q2 2018 customer and ARPU trends

- Altice USA unique residential customer relationships stable YoY. Quarterly net losses of -4k in Q2-18 (vs. -12k in Q2-17)
 - Optimum customer growth improved following resolution of Starz dispute and without storms impact (+2k in Q2-18, in line with Q2-17)
 - Suddenlink performance reflecting normal seasonality but better than prior year (-5k in Q2-18 vs. -14k in Q2-17)
- Altice USA ARPU \$140.2 (+1.0% YoY with delay in rate event to end-June)
 - Optimum ARPU \$155.7 (+0.1% YoY)
 - Suddenlink ARPU \$113.1 (+3.0% YoY)

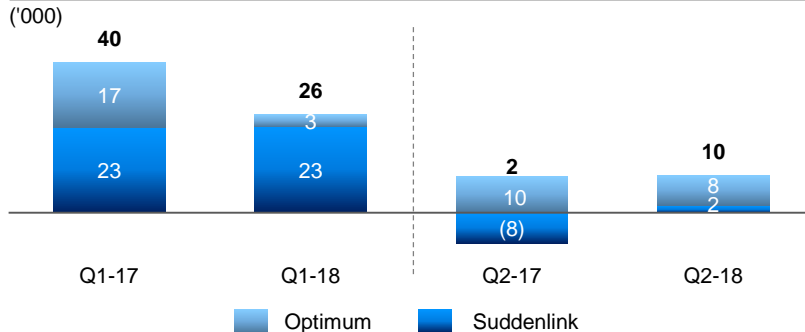
Residential Trends

Suddenlink driving improved customer trends YoY; Optimum trends normalized after Q1 impacts

Residential pay TV net adds



Residential broadband net adds



Key points

- Suddenlink sustained improved performance ahead of full expansion Altice One rollout
- Optimum trends normalized in Q2-18 as expected after Starz dispute and storms in Q1-18

Key Growth Initiatives

Expanding Altice One across Altice USA footprint; Altice Mobile on track for 2019

Expanding rollout of Altice One

- Available throughout Optimum footprint since January 2018
- Suddenlink completing expansion of rollout during Q3-18
- Upcoming updated Altice One OS with new features

Accelerating network preparation for full MVNO services

- Infrastructure-based MVNO with attractive economics
- Dedicated and experienced Altice Mobile management
- Commercial launch on track for 2019

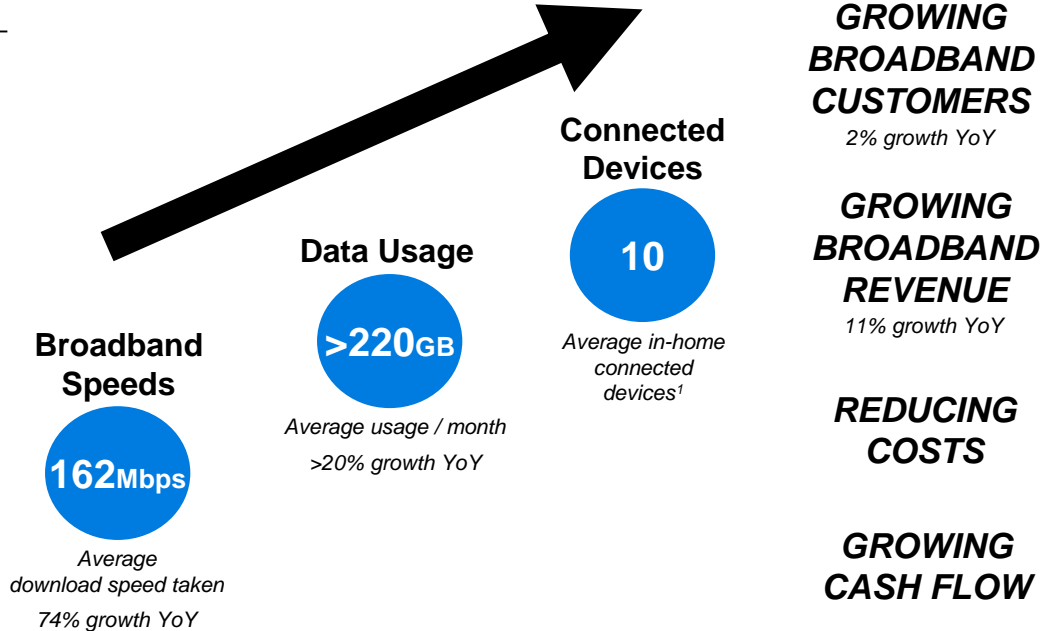


Investments Improving Customer Experience & Cash Flow

Focus on quality of broadband WiFi / video services and cost efficiencies as well as boosting speeds

Network Upgrades

- Expansion of 1Gig broadband service
 - DOCSIS QAM to IP migration
 - New fiber FTTH (>10Gig possible)
 - Networks optimal for multi-device
 - Smart WiFi
- New full MVNO for converged fixed / wireless services



Video streaming / OTT services the biggest driver of data usage and demand for great WiFi service

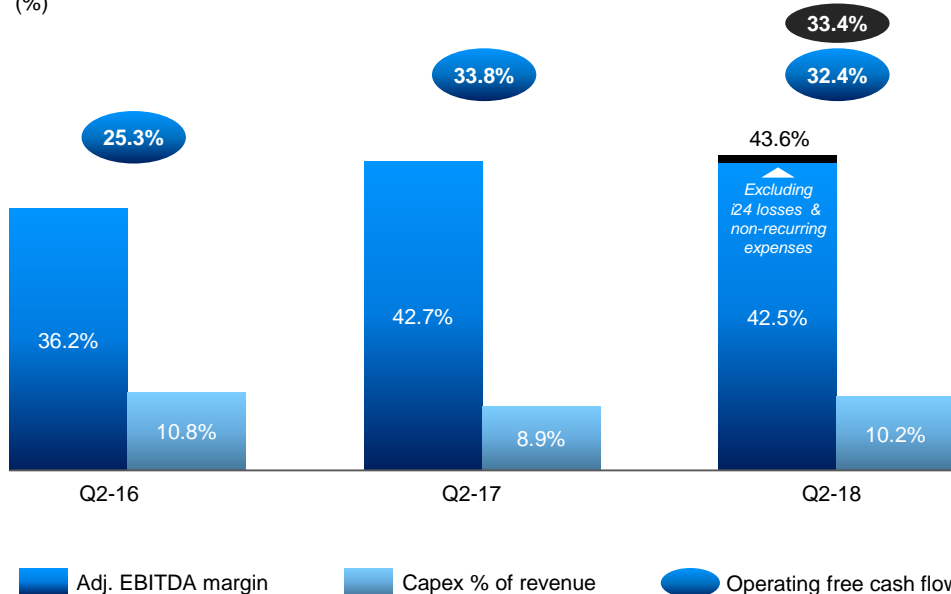
(1) Average number of connected devices for Optimum customers.

Strong Margins and Cash Flow Conversion

Substantially improved margins and cash flow

Altice USA margins ¹

(%)



- ~\$26m of additional costs in Q2-18:

- i24 losses, and legal matter accruals (not incurred in Q2-17)
- Management fee and certain other ATS US expenses in Q2-18 (will not be incurred in future periods)

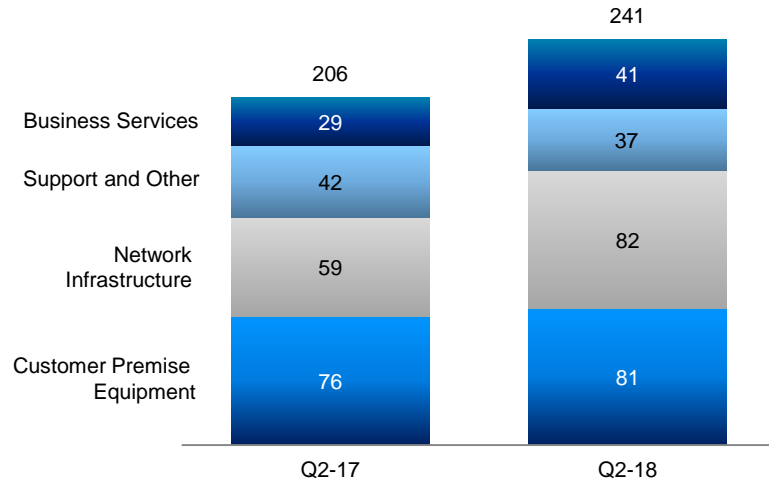
(1) Based on cash capex. Adjusted EBITDA and Adjusted EBITDA less cash capex (Operating free cash flow) are non GAAP-measures. For a reconciliation of these non-GAAP measures to net income (loss), please see the Q2-18 Altice USA earnings release posted to the Altice USA website. 2016 financials shown pro forma for disposal of Newsday.

Capex Profile

Significant investment in infrastructure and new customer premise equipment

Altice USA cash capex

(\$m)



Major capital projects continuing in 2018

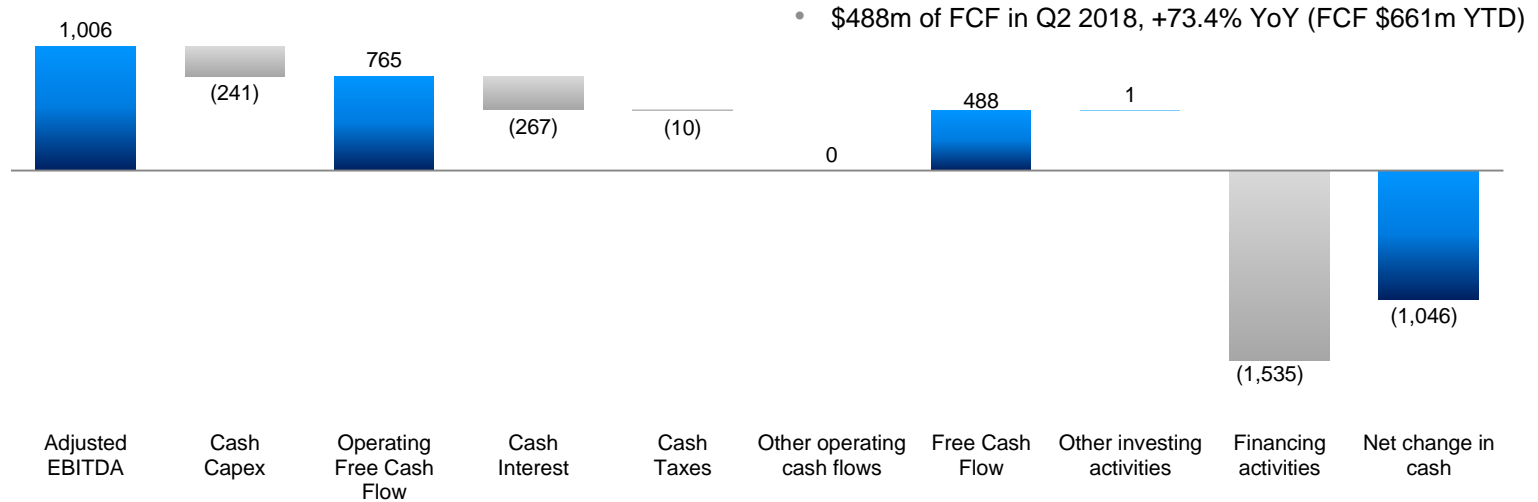
- Network capex increasing with FTTH and mobile rollouts
- CPE capex increasing related to expansion of Altice One
- Suddenlink increasing new home builds

Free Cash Flow Generation

Strong FCF growth to drive deleveraging

Q2 2018 Free Cash Flow (FCF) and net change in cash bridge

(\$m)



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Altice USA Leverage, Maturity and Liquidity Analysis ¹

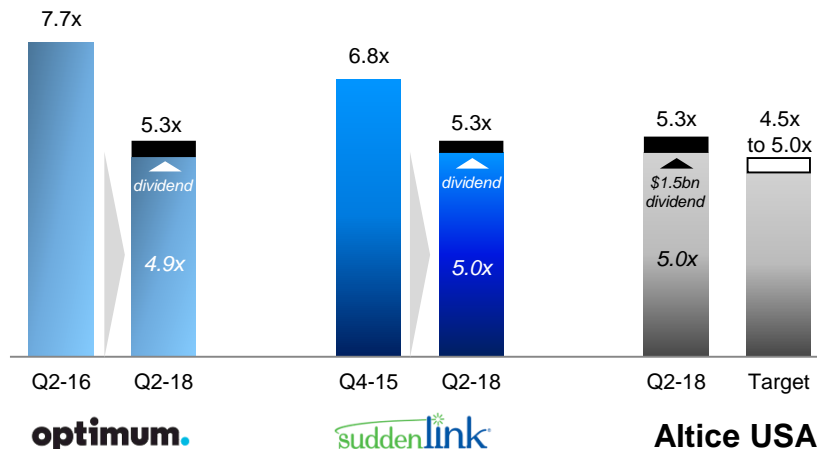
Rapid deleveraging with strong liquidity position

Long-dated maturity profile & strong liquidity position

- Reported net debt \$21.7bn end-June 2018 (including \$1.5bn cash dividend paid in June); WACD of 6.4%
- Altice USA leverage 5.3x LTM (5.4x L2QA)
- Leverage target remains 4.5-5.0x
- Available liquidity of \$2.3bn
- Share buyback program authorization of \$2.0bn

Rapid de-leveraging supporting shareholder returns

Net Debt / LTM EBITDA



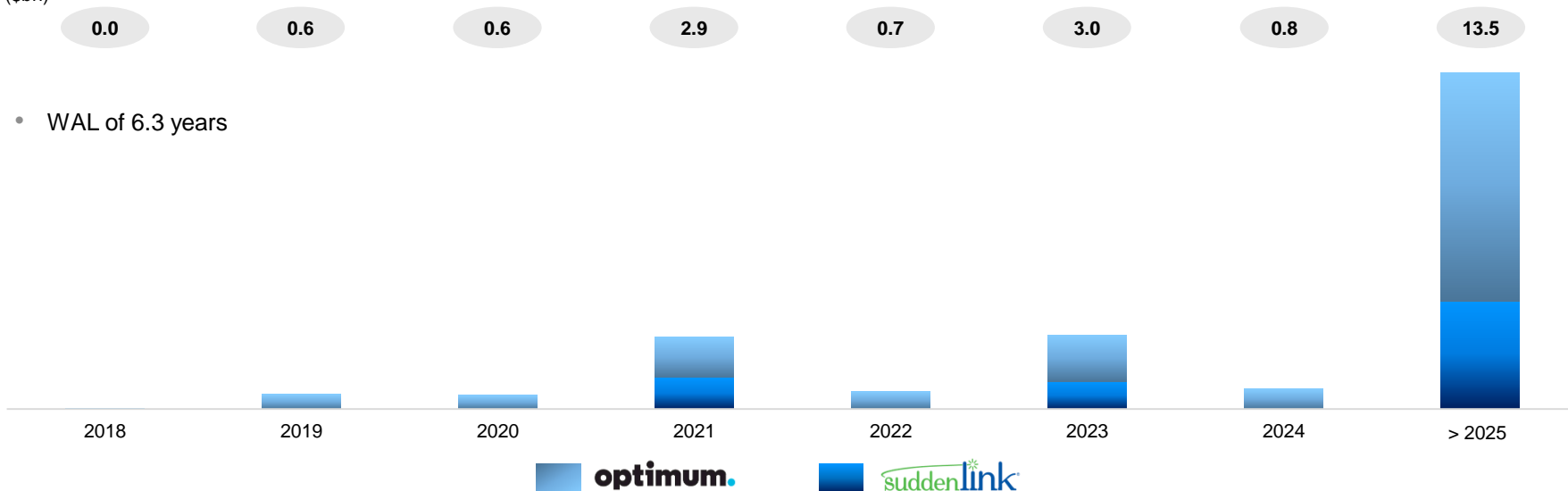
(1) Pro-forma for refinancing of \$500m 7.625% Senior Notes due July 2018 at Optimum with revolver borrowing.

Altice USA Debt Maturity Profile ¹

Long-dated maturities following pro-active refinancing activity

Altice USA maturity profile

(\$bn)



(1) Pro-forma for refinancing of \$500m 7.625% Senior Notes due July 2018 at Optimum with revolver borrowing. Maturity profile excluding leases/other debt, includes RCF drawn of \$575m for Optimum shown at maturity date.

FY 2018 and Medium-Term Outlook Reiterated

Continued revenue growth, margin expansion and cash flow growth

2018 Revenue Growth
(YOY)

- ~2.5-3.0%

2018 Annual Capex

- ~\$1.3bn

Altice USA reiterates plan to expand its EBITDA and cash flow margins over the medium- to long-term

Q&A

Appendix

Altice USA, Inc. Financials

US GAAP financials (USD) ¹

(\$m)	Q2-17	Q2-18	Growth YoY
Optimum	1,660	1,686	1.6%
Suddenlink	663	683	3.0%
Eliminations	-	(4)	
Total Revenue	2,322	2,364	1.8%
Optimum	675	695	3.0%
Suddenlink	315	310	(1.6%)
Adjusted EBITDA²	991	1,006	1.5%
<i>Margin (%)</i>	<i>42.7%</i>	<i>42.5%</i>	
Optimum	141	170	20.7%
Suddenlink	65	70	8.2%
Capital expenditures	206	241	16.7%
<i>Capex % of revenue</i>	<i>8.9%</i>	<i>10.2%</i>	
Optimum	534	525	(1.7%)
Suddenlink	250	240	(4.2%)
OpFCF²	784	765	(2.5%)
<i>Margin (%)</i>	<i>33.8%</i>	<i>32.4%</i>	

(1) Revenue and capex are prepared in accordance with U.S. GAAP. Adjusted EBITDA is a non-GAAP measure. For a reconciliation of Adjusted EBITDA to net income (loss), please see the Q2-18 Altice USA earnings release posted to the Altice USA website.

(2) Based on cash capex. Adjusted EBITDA and Adjusted EBITDA less cash capex (OpFCF) are non-GAAP-measures. For a reconciliation of these non-GAAP measures to net income (loss), please see the Q2-18 Altice USA earnings release posted to the Altice USA website.

Debt Capital Structure ¹

Altice USA (Consolidated) ¹			
	Gross Debt		\$22,036m
	Net Debt		\$21,655m
	LTM Adj. EBITDA GAAP ²		\$4,062
	Net Leverage		5.3x
	Undrawn RCF (Consolidated) ³		\$1,929m
100%		100%	
Cequel (Suddenlink)		Cablevision (Optimum) ¹	
	Gross Debt		\$6,772m
	Net Debt		\$6,644m
	LTM Adj. EBITDA GAAP ²		\$1,250m
	Net Leverage		5.3x
	Undrawn RCF ³		\$342m
	Gross Debt		\$15,264m
	Net Debt		\$15,011m
	LTM Adj. EBITDA GAAP ²		\$2,812m
	Net Leverage		5.3x
	Undrawn RCF ³		\$1,587m

(1) Pro-forma for refinancing of \$500m 7.625% Senior Notes due July 2018 at Optimum with revolver borrowing, excludes leases/other debt.

(2) Excluding management fees.

(3) Suddenlink RCF \$350m undrawn minus \$8m LOCs. Optimum RCF of \$2,300m minus \$138m LOCs and \$575m drawn.