

Altice USA

Q2 2021 Results

July 28, 2021



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, including the information under the heading "Financial Outlook". 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; our ability to achieve operational performance improvements; 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 "anticipate", "believe", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "project", "should", "target", 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 Report on Form 10-K and our Quarterly Report on Form 10-Q. You are cautioned to not place undue reliance on Altice USA's forward-looking statements. Any forward-looking statement speaks only as of the date on which it was made. Altice USA specifically disclaims any obligation to publicly update or revise any forward-looking statement, as of any future date.

NON-GAAP FINANCIAL MEASURES

We define Adjusted EBITDA, which is a non-GAAP financial measure, as net income (loss) excluding income taxes, 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 and sale of affiliate interests, 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"), and Free Cash Flow (defined as net cash flows from operating activities, less cash capital expenditures) as an indicator of the Company's financial performance. We believe these measures are two of several benchmarks used by investors, analysts and peers for comparison of performance in the Company's industry, although they 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 these non-GAAP measures, please see the Second Quarter 2021 earnings release for Altice USA posted on the Altice USA website.

Altice USA Q2 2021 Summary Review

Q2 Revenue growth of +1.7% YoY, driven by broadband +7.8% and News & Advertising +36.4%

Q2 broadband net adds +0k (+30k incl. Morris) and residential customer net loss -12k (+23k incl. Morris)

Q2 Net Income of \$197.7m; Adjusted EBITDA⁽¹⁾ flat (-0.1%) YoY and Adjusted EBITDA margin⁽¹⁾ of 43.9%

Q2 Free Cash Flow⁽¹⁾ of \$406m and YTD \$943m; Q2 share repurchases \$203m and YTD \$726m

Continued focus on accelerated new builds, network upgrades and fiber expansion, plus new Stream launch

FY 2021 financial outlook reiterated

(1) Adjusted EBITDA and Free Cash Flow ("FCF") are non-GAAP measures. For a reconciliation of these non-GAAP measures to net income (loss) and net cash flows from operating activities, respectively, please see the Second Quarter 2021 Altice USA earnings release posted to the Altice USA website.

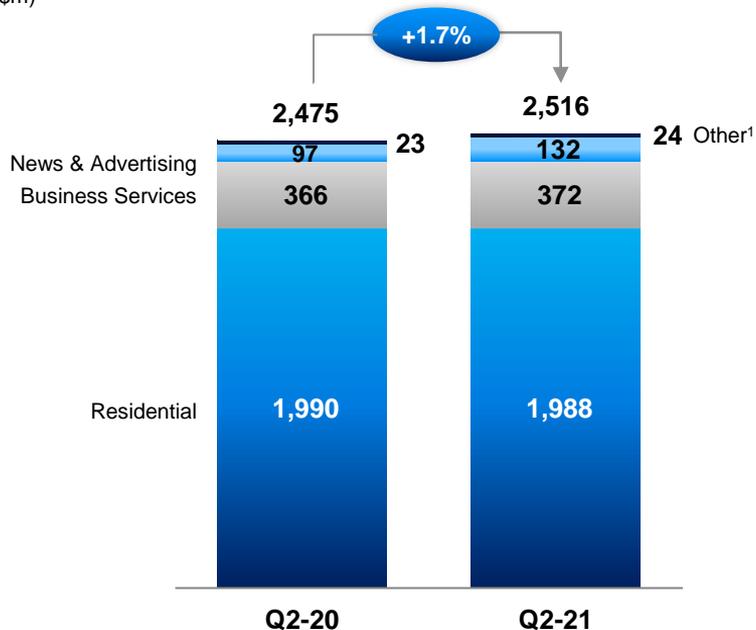
Revenue Growth

Q2 revenue growth driven by News & Advertising and Business Services

Q2-21 vs. Q2-20

Revenue growth YoY

(\$m)



YoY Growth

Q2-21

Total Revenue

+1.7%

Residential

-0.1%

Business Services

+1.8%

News & Advertising (N&A)

+36.4%

(1) Other includes mobile revenues of \$20.7 million in Q2 2021 and \$19.9 million in Q2 2020.

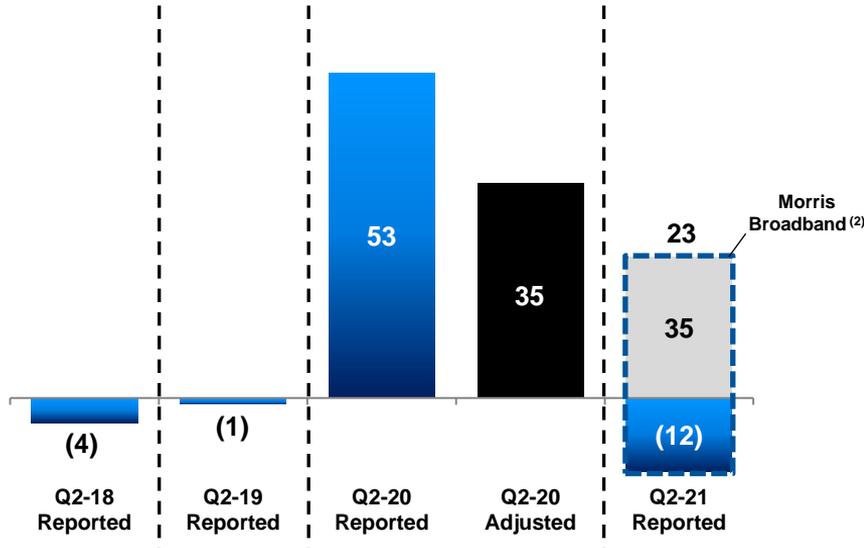
Q2 Residential Trends

Usual seasonality in Q2 with additional move churn as markets reopen

Q2-21 vs. Q2-20, Q2-19, Q2-18

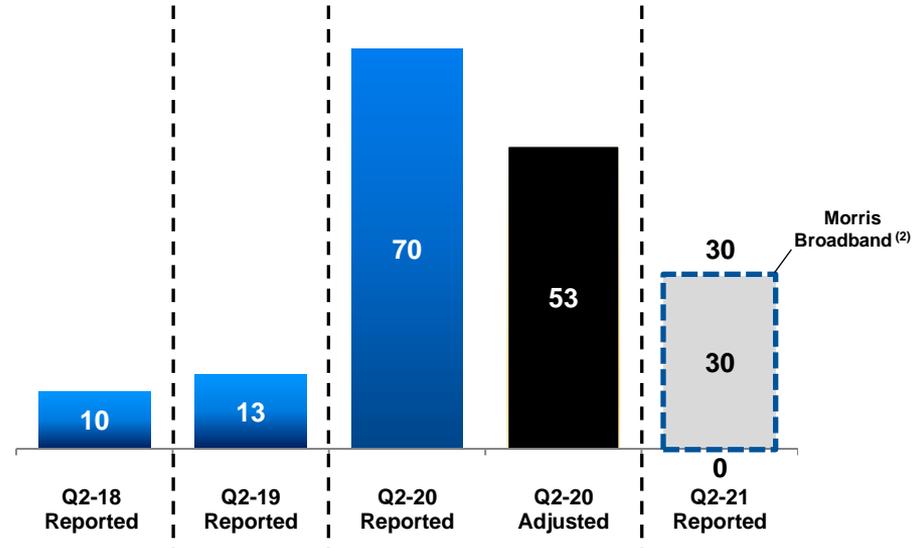
Residential customer relationship net adds⁽¹⁾⁽³⁾

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Residential broadband net adds⁽¹⁾⁽³⁾

('000)



(1) "Q2-20 Adjusted" figures shown remove 18k residential customer relationships (including 18k broadband subscribers) at the end of Q2 2020 in accordance with the Company's ordinary disconnect policies of 90 days or more non-payment for customers who either opted into the FCC Pledge or were covered by the New Jersey Executive Order.

(2) "Morris Broadband" refers to additional subscribers included in customer base from the acquisition of the assets of Morris Broadband, LLC, which closed in April 2021. The acquisition of Morris Broadband added approximately 35k residential customer relationships, 30k broadband subscribers, and 12k video subscribers.

(3) Customer metrics as of June 30, 2021 include approximately 7k residential customers that were not disconnected pursuant to the New York legislation enacted in May 2021 that required the Company to maintain broadband, video and voice services for non-paying customers and offer deferred payment plans to customers experiencing financial difficulty. The NY Order was lifted at the end of June 2021, coinciding with the end of the declared COVID-19 State of Emergency in New York, and the Company has subsequently resumed normal disconnect policies. Customer metrics as of June 30, 2021 also include approximately 3.7k residential customers impacted by hurricanes in Louisiana in 2020 that have not been disconnected pursuant to our normal disconnect policies.

Network Usage and Higher Speed Consumption

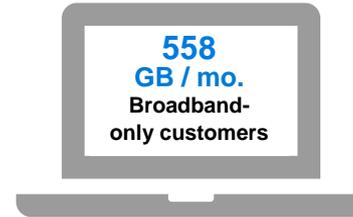
Continued demand for higher speeds and higher levels of data usage mainly driven by video streaming

Network consumption trends in Q2-21⁽¹⁾



>50%

**200 Mbps and lower
customer take rate**



**558
GB / mo.
Broadband-
only customers**

**445
GB / mo.
average data usage
per customer**



42%

1 Gig sell-in



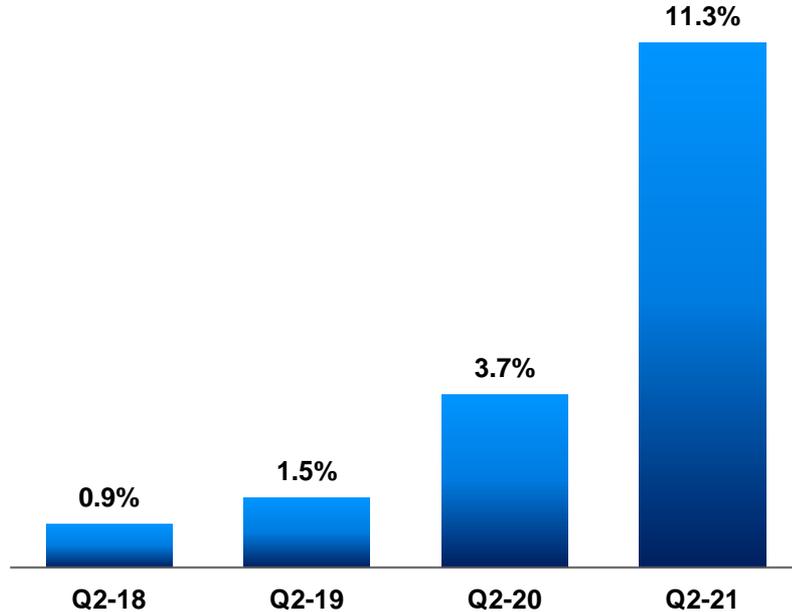
**57%
Data usage driven by
video streaming**

(1) 1 Gig sell-in refers to Q2 2021 (measured as 1 Gig broadband gross additions as a percentage of total broadband gross additions in areas where 1 Gig is available). Data usage driven by video streaming is Optimum only.

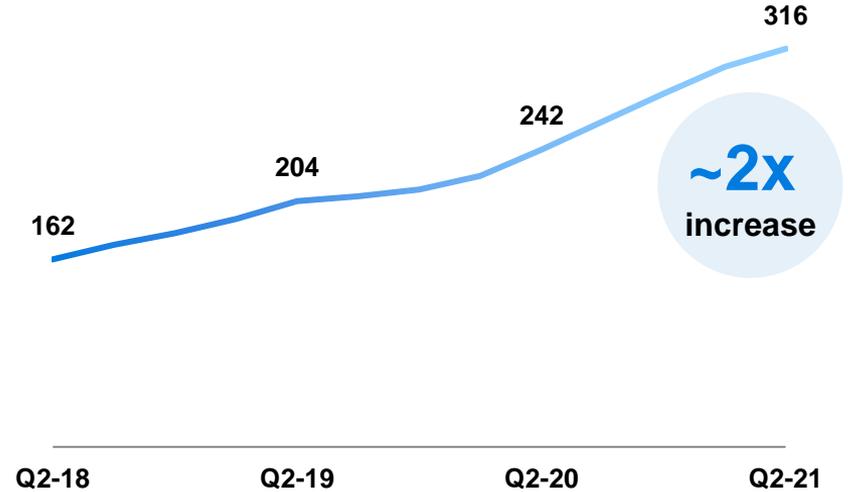
Broadband Speed Upgrades

Significant runway for continued broadband speed upgrades

1 Gig penetration of total residential broadband customer base



Average download speeds taken by customers (Mbps)

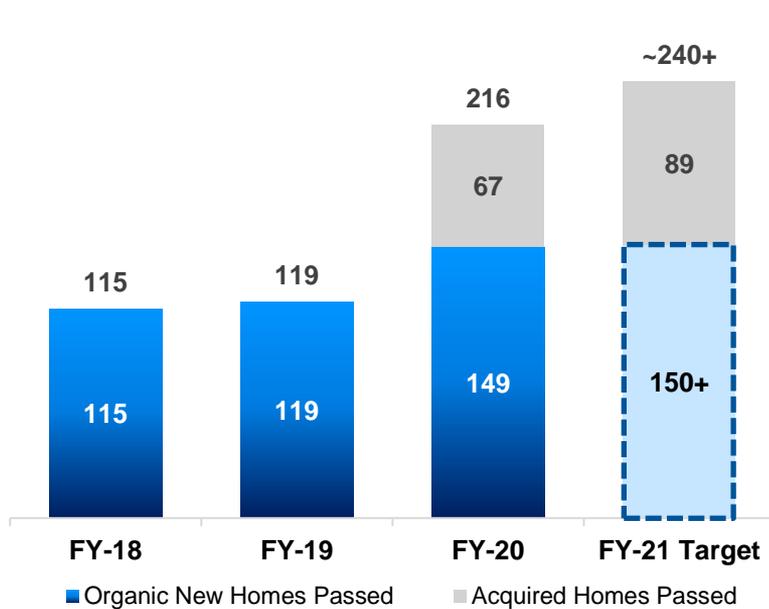


Accelerated New Builds, Network Upgrades, and Fiber Rollout

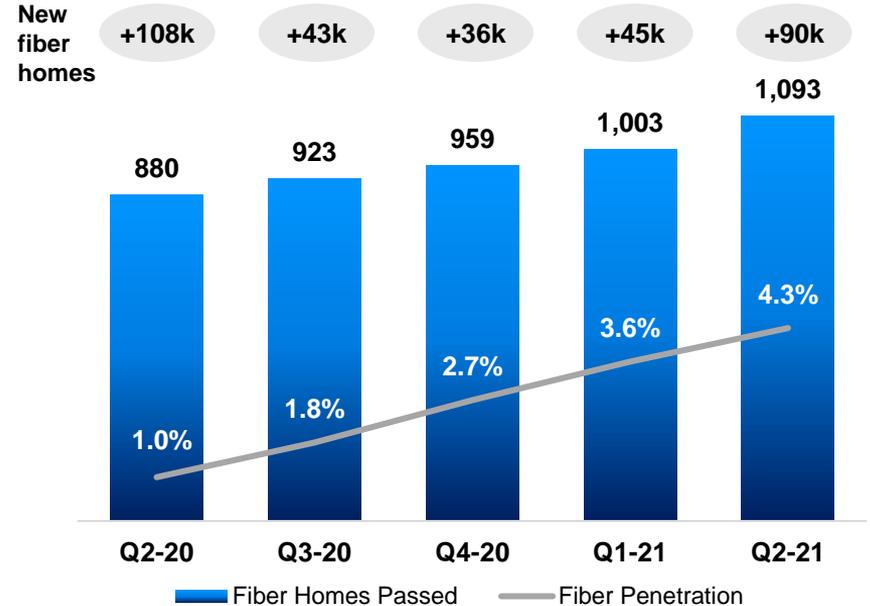
Network edge-outs and upgrades, including bolt-on M&A and FTTH investment, to drive customer growth

New homes passed and acquired homes

('000)



Fiber (FTTH) homes passed and penetration



(1) Acquired homes passed refer to Service Electric Cable T.V. of New Jersey and Morris Broadband in FY-20 and FY-21 respectively.

New Stream Product and Optimum Mobile Rebrand

New Stream device and mobile rebrand position us well for long-term streaming and convergence trends

Stream device launched for broadband-only customers

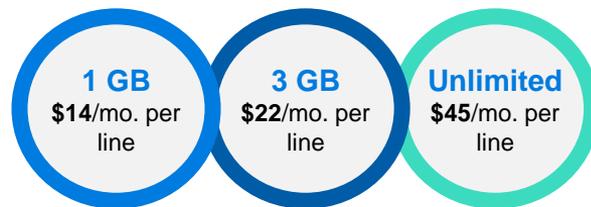
- Android TV device: 4K, Dolby HDR, Google Assistant voice control
- Self-installation and free device for 1 Gig broadband customers

optimum  stream™
suddenlink  stream™



Optimum Mobile rebrand and performance update

optimum  mobile™

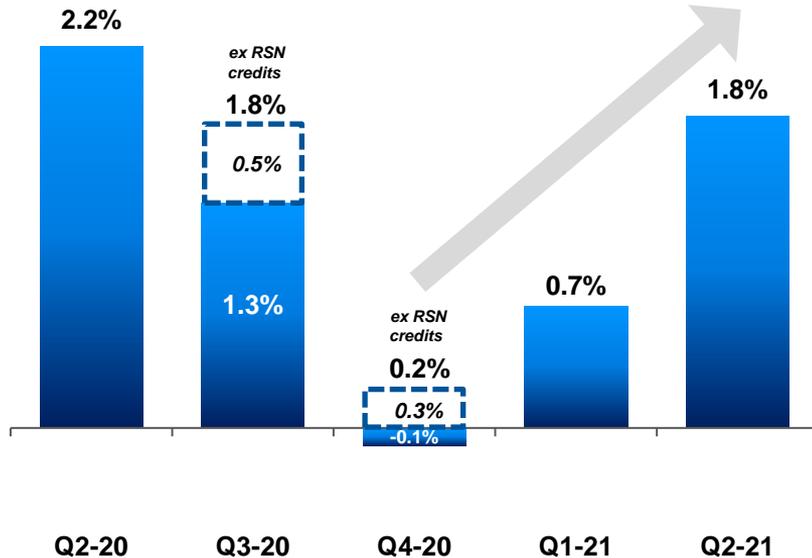


Lines Q2-21 ended	~180k
Net adds Q2-21	+5k
Penetration as % unique Residential customers	3.8%
Revenue Q2-21	\$20.7m
Tiered data 1 GB & 3 GB take rate, Q2-21	70%

Business Services

Revenue recovery with business reopening activity and Lightpath new market expansions

Business Services revenue growth YoY



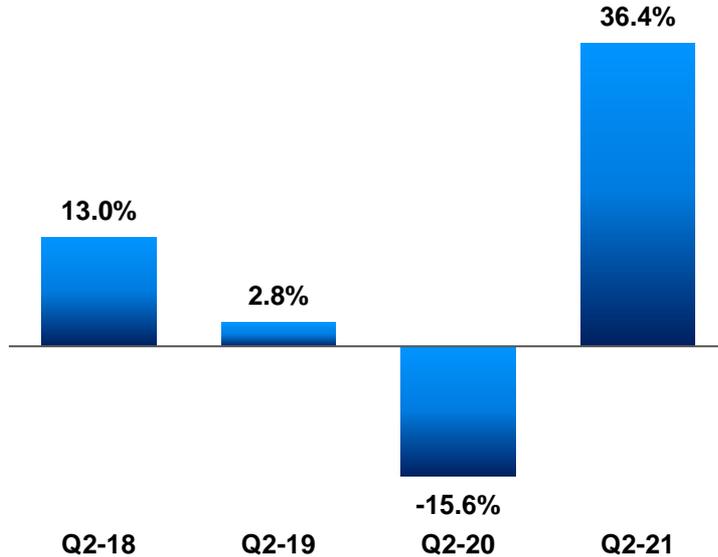
Business Services update

- Q2-21 Business Services revenue growth of +1.8% YoY
 - **Lightpath** revenue growth of +2.7% YoY
 - **SMB / Other** revenue growth of +1.4% YoY
- Lightpath network expansion into Boston and Queens
 - **Boston, MA:** 3 acquisitions, acquiring over 80 route miles of in-place, high-count fiber network, serving over 100 locations, including 12 area data centers
 - **Queens, NY:** Building over 100 miles of new, high-count fiber

News & Advertising

Strong recovery in Local, Regional, and National with additional Political revenue

News & Advertising quarterly revenue growth YoY



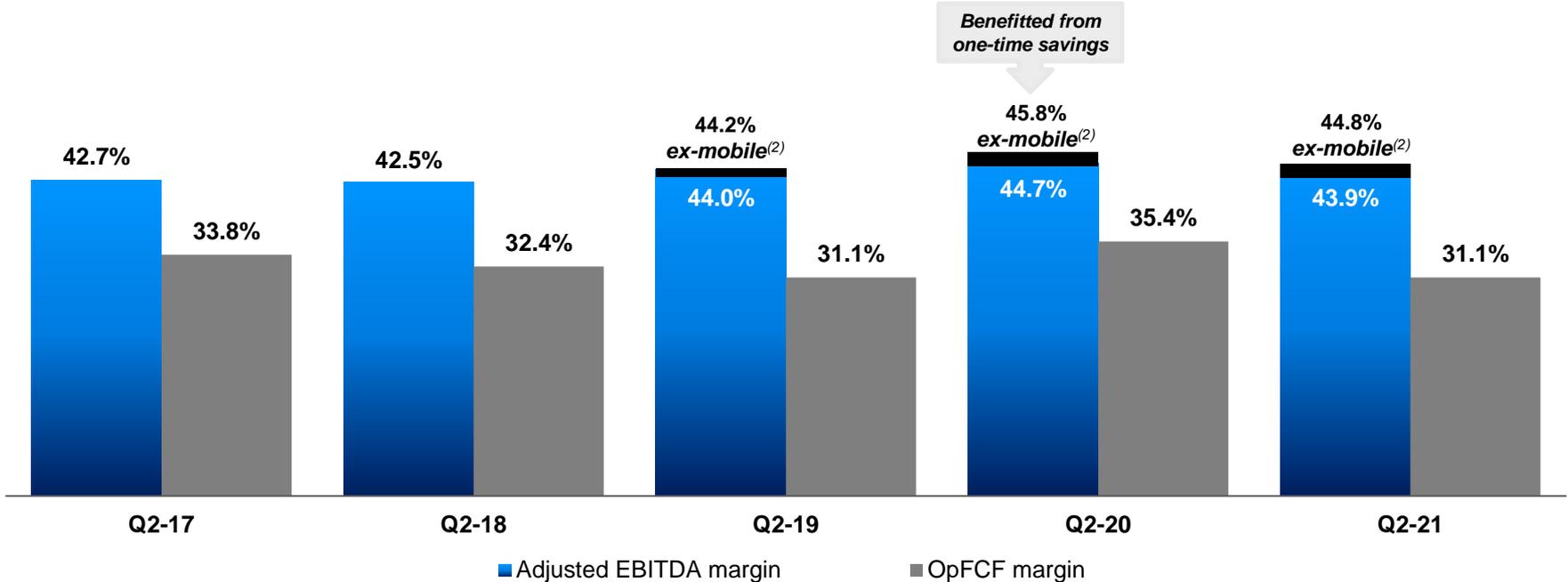
News & Advertising trends

- News & Advertising Q2 revenue grew 36.4% YoY
- Local, regional, national and branded advertising showed strong recovery compared to pandemic-related trough in Q2-20
- Strong political revenue trends in Q2 driven by NY mayoral and NJ gubernatorial races

Margin Trends

Q2 2021 margins in line with 2019 levels

Adjusted EBITDA and Operating Free Cash Flow (OpFCF) margins⁽¹⁾



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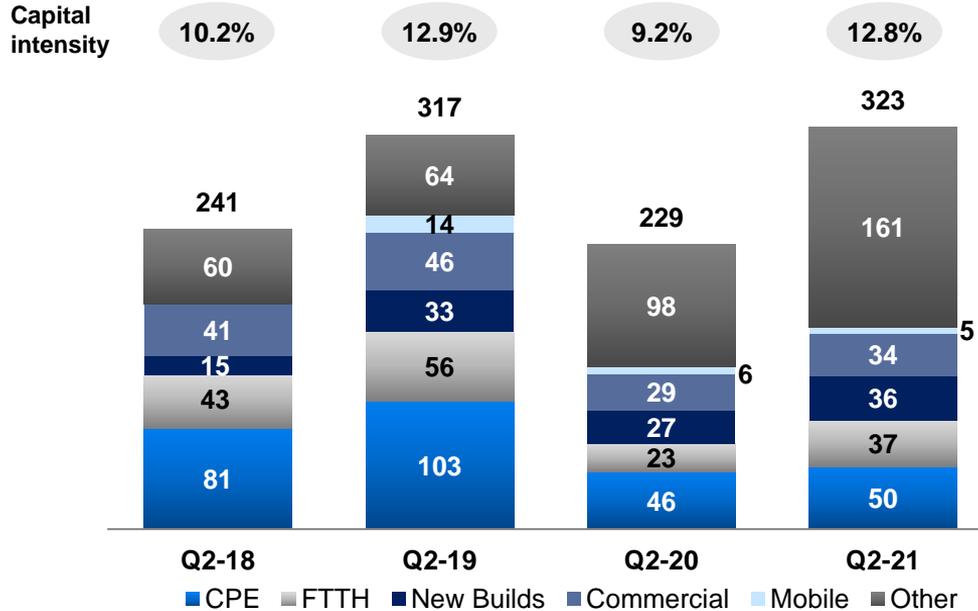
(2) Adjusted EBITDA includes approximately \$13.3m of losses related to Altice USA's mobile business in the current period and \$18.8m in the year-ago period (\$5.3m of losses in Q2-19).

Capex to Support Network Evolution

Ongoing focus on network upgrades including accelerated fiber rollout in 2021

Cash capital expenditures

Capital expenditures review



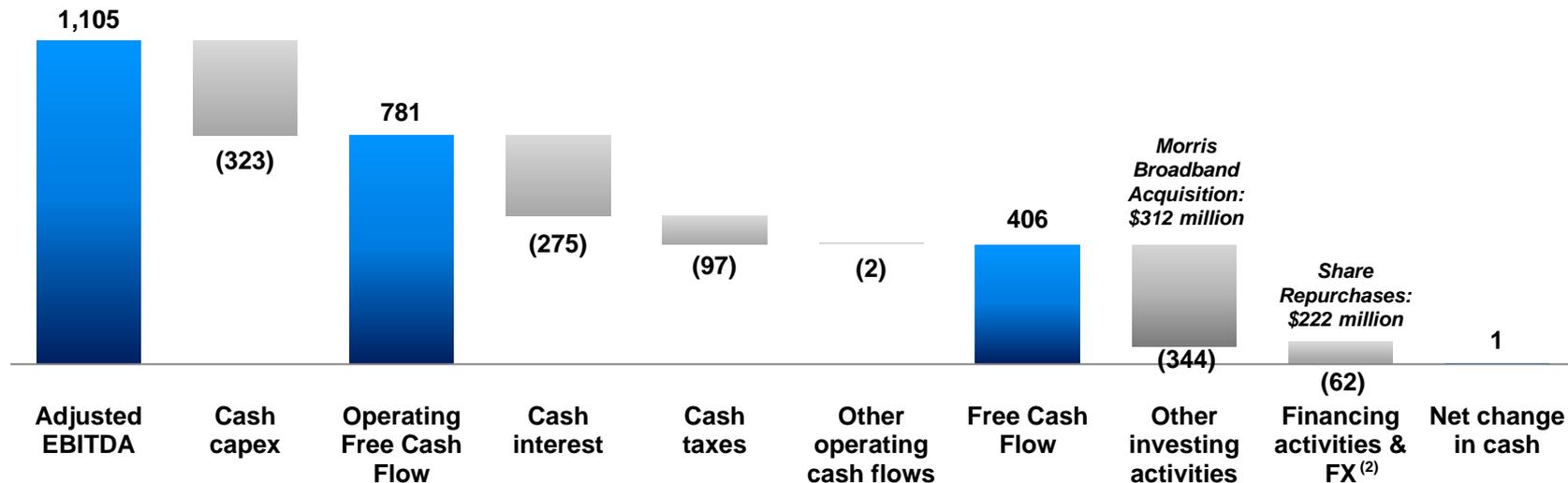
- 12.8% total capital intensity in Q2-21 (9.9% ex-FTTH / New Build)
- Higher capex associated with accelerated FTTH, new builds, and Suddenlink network upgrades

Q2 Free Cash Flow Generation

Strong Q2 and YTD Free Cash Flow

Q2-21 Free Cash Flow (FCF) and net change in cash bridge⁽¹⁾

(\$m)



\$406m FCF in Q2-21; \$943m FCF YTD

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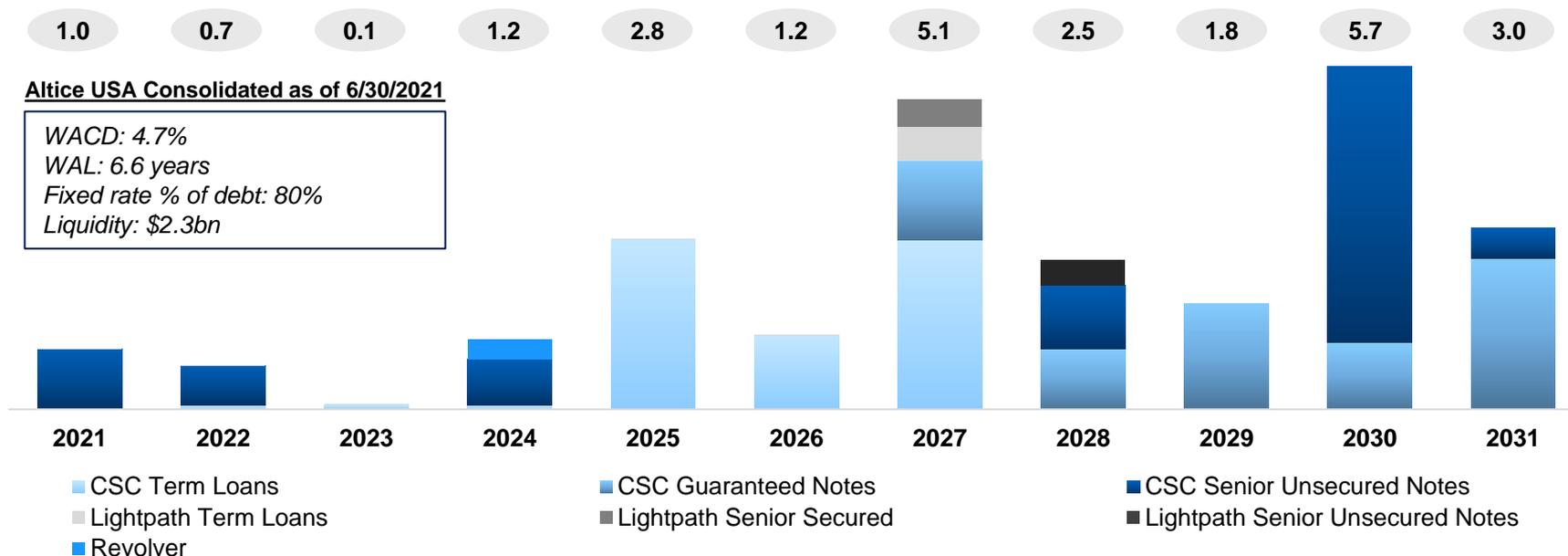
(2) Financing activities & FX includes (\$222m) of share repurchases, \$190m of net borrowing activity, and (\$30m) of other financing activities.

Altice USA Consolidated Debt Maturity Profile

Long-dated maturities following proactive refinancing activity

Altice USA maturity profile

(\$bn)



Financial Outlook Reiterated

	1H 2021 Actual	FY 2021 Outlook
Revenue Growth	1.4%	Growth
Adjusted EBITDA Growth	2.0%	Growth
Cash Capex	\$536 million	\$1.3 to \$1.4 billion
Year-End Leverage (CSC Holdings, LLC)	5.7x	< 5.3x
Share Repurchases	\$726 million	\$1.5 billion

Target
4.5x – 5.0x
over time

Q&A

Appendix

Altice USA, Inc. Financials

(\$m)	Q2-19	Q2-20	Q2-21	Growth YoY
Total Revenue	\$2,451.1	\$2,475.0	\$2,516.0	+1.7%
Adjusted EBITDA⁽¹⁾	\$1,079.2	\$1,105.8	\$1,104.6	(0.1%)
<i>Margin (%)</i>	<i>44.0%</i>	<i>44.7%</i>	<i>43.9%</i>	
Cash capital expenditures	\$316.9	\$228.7	\$323.1	+41.3%
<i>Capex % of revenue</i>	<i>12.9%</i>	<i>9.2%</i>	<i>12.8%</i>	
OpFCF⁽¹⁾	\$762.3	\$877.1	\$781.5	(10.9%)
<i>Margin (%)</i>	<i>31.1%</i>	<i>35.4%</i>	<i>31.1%</i>	

(1) Adjusted EBITDA and Adjusted EBITDA less cash capex ("OpFCF") are non-GAAP measures. For a reconciliation of Adjusted EBITDA and OpFCF to net income (loss), please see the Second Quarter 2021 Altice USA earnings release posted to the Altice USA website.