QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

CABLEVISION SYSTEMS CORPORATION
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CSC HOLDINGS, LLC
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PART I. FINANCIAL INFORMATION

This Quarterly Report for the period ended September 30, 2016 includes Cablevision Systems Corporation ("Cablevision") and CSC Holdings, LLC ("CSC Holdings" and collectively with Cablevision, the "Company", "we", "us" or "our").

This Quarterly Report contains statements that constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. In this Quarterly Report there are statements concerning our future operating results and future financial performance. Words such as "expects", "anticipates", "believes", "estimates", "may", "will", "should", "could", "potential", "continue", "intends", "plans" and similar words and terms used in the discussion of future operating results, future financial performance and future events identify forward looking statements. Investors are cautioned that such forward looking statements are not guarantees of future performance, results or events and involve risks and uncertainties and that actual results or developments may differ materially from the forward looking statements as a result of various factors. Factors that may cause such differences to occur include, but are not limited to:

- the level of our revenue;
- competition for subscribers from existing competitors (such as telephone companies, direct broadcast satellite ("DBS") distributors, and Internet-based providers) and new competitors entering our franchise areas;
- demand for our video, high-speed data and voice services, which is impacted by competition from other services and changes in technology and consumer expectations and behavior;
- the level of our expenses, including the cost of programming;
- the level of our capital expenditures;
- changes in the laws or regulations under which we operate;
- general economic conditions in the areas in which we operate;
- the state of the market for debt securities and bank loans;
- market demand for new services;
- demand for advertising on our cable television systems;
- industry conditions;
- the outcome of litigation and other proceedings, including the matters described in Note 15 of the combined notes to our condensed consolidated financial statements;
- future acquisitions and dispositions of assets;
- the tax-free treatment of the MSG Distribution (whereby Cablevision distributed to its stockholders all of the outstanding common stock of The Madison Square Garden Company) and the AMC Networks Distribution (whereby Cablevision distributed to its stockholders all of the outstanding common stock of AMC Networks Inc.);
- whether pending uncompleted transactions, if any, are completed on the terms and at the times set forth (if at all);
- other risks and uncertainties inherent in our cable and other telecommunications services businesses, and our other businesses;
- financial community and rating agency perceptions of our business, operations, financial condition and the industries in which we operate; and
- the factors described in our filings with the Securities and Exchange Commission and herein, including under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein and herein.

You should not place undue reliance on such forward-looking statements, which are based on the information currently available to us and speak only as of the date on which this Quarterly Report is posted on our website (www.alticeusa.com). We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, changes in our expectations or otherwise.

Item 1. Financial Statements

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(See Note 2)

	Successor	Predecessor
	September 30, 2016	December 31, 2015
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 114,436	$ 1,003,279
Restricted cash	1,377,327	1,600
Accounts receivable, trade (less allowance for doubtful accounts of $5,010 and $6,039)	256,840	266,383
Prepaid expenses and other current assets	90,022	123,242
Amounts due from affiliates	19,088	767
Deferred tax asset	—	14,596
Investment securities pledged as collateral	712,413	455,386
Derivative contracts	5,059	10,333
Total current assets	2,575,185	1,875,586
Property, plant and equipment, net of accumulated depreciation of $319,675 and $9,625,348	4,649,792	3,017,015
Investment in affiliate	4,372	—
Investment securities pledged as collateral	712,413	756,596
Derivative contracts	23,924	72,075
Other assets	33,546	32,920
Amortizable customer relationships, net of accumulated amortization of $176,449 and $27,778	4,673,551	11,636
Amortizable trade names, net of accumulated amortization of $23,380 and $0	986,620	—
Other amortizable intangibles, net of accumulated amortization of $1,317 and $32,532	21,979	25,315
Trade names and other indefinite-lived intangible assets	—	7,250
Indefinite-lived cable television franchises	8,113,575	731,848
Goodwill	5,841,053	262,345
Deferred financing costs, net of accumulated amortization of $0 and $8,150	—	7,588
	$ 27,636,010	$ 6,800,174

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Cont'd)
(In thousands, except share amounts)
(See Note 2)

	Successor	Predecessor
	September 30, 2016	December 31, 2015
	(Unaudited)	
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
Current Liabilities:		
Accounts payable	$ 531,421	$ 453,653
Accrued interest	260,259	119,005
Accrued liabilities	445,167	513,990
Amounts due to affiliates	6,221	29,729
Deferred revenue	50,492	55,545
Liabilities under derivative contracts	1,579	2,706
Credit facility debt	1,274,049	562,898
Collateralized indebtedness	614,147	416,621
Senior notes and debentures	935,136	—
Capital lease obligations	15,172	20,350
Notes payable	4,223	13,267
Total current liabilities	4,137,866	2,187,764
Deferred revenue	223	4,244
Liabilities under derivative contracts	2,482	—
Other liabilities	182,198	260,752
Deferred tax liability	6,539,026	704,835
Credit facility debt	2,756,957	1,951,556
Collateralized indebtedness	670,087	774,703
Senior guaranteed notes	2,289,613	—
Senior notes and debentures	8,551,365	5,801,011
Capital lease obligations	14,369	25,616
Notes payable	—	1,277
Total liabilities	25,144,186	11,711,758
Commitments and contingencies		
Stockholders' Equity (Deficiency):		
Preferred Stock, $.01 par value, 50,000,000 shares authorized, none issued (Predecessor)	—	—
Common Stock, $.01 par value, 1,000 shares authorized, 1,000 shares issued and outstanding (Successor)	—	—
CNYG Class A common stock, $.01 par value, 800,000,000 shares authorized, 304,196,703 shares issued and 222,572,210 shares outstanding (Predecessor)	—	3,042
CNYG Class B common stock, $.01 par value, 320,000,000 shares authorized, 54,137,673 shares issued and outstanding (Predecessor)	—	541
RMG Class A common stock, $.01 par value, 600,000,000 shares authorized, none issued (Predecessor)	—	—
RMG Class B common stock, $.01 par value, 160,000,000 shares authorized, none issued (Predecessor)	—	—
Paid-in capital	2,961,989	792,351
Accumulated deficit	(472,194)	(4,059,411)
	2,489,795	(3,263,477)
Treasury stock, at cost (81,624,493 CNYG Class A common shares) (Predecessor)	—	(1,610,167)
Accumulated other comprehensive income (loss)	2,401	(37,672)
Total stockholders' equity (deficiency)	2,492,196	(4,911,316)
Noncontrolling interest	(372)	(268)
Total equity (deficiency)	2,491,824	(4,911,584)
	$ 27,636,010	$ 6,800,174

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)
(See Note 2)

	Successor	Predecessor
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015
Revenue	$ 1,614,699	$ 1,624,828
Operating expenses:		
Technical and operating (excluding depreciation, amortization and impairments shown below)	742,463	800,879
Selling, general and administrative	305,855	424,026
Restructuring expense (credits)	42,025	(481)
Depreciation and amortization (including impairments)	481,497	217,288
	1,571,840	1,441,712
Operating income	42,859	183,116
Other income (expense):		
Interest expense, net	(292,544)	(146,699)
Share of affiliate net loss	(400)	—
Gain on sale of affiliate interest	206	—
Gain (loss) on investments, net	24,833	(66,388)
Gain on equity derivative contracts, net	773	66,143
Miscellaneous, net	2,724	1,800
	(264,408)	(145,144)
Income (loss) from continuing operations before income taxes	(221,549)	37,972
Income tax benefit (expense)	89,157	(14,541)
Income (loss) from continuing operations, net of income taxes	(132,392)	23,431
Loss from discontinued operations, net of income taxes	—	(406)
Net income (loss)	(132,392)	23,025
Net loss (income) attributable to noncontrolling interests	(256)	78
Net income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (132,648)	$ 23,103
Basic income (loss) per share attributable to Cablevision Systems Corporation stockholder(s):		
Income from continuing operations, net of income taxes		$ 0.09
Income (loss) from discontinued operations, net of income taxes		$ —
Net income		$ 0.09
Basic weighted average common shares (in thousands)		270,024
Diluted income (loss) per share attributable to Cablevision Systems Corporation stockholder(s):		
Income from continuing operations, net of income taxes		$ 0.08
Income (loss) from discontinued operations, net of income taxes		$ —
Net income		$ 0.08
Diluted weighted average common shares (in thousands)		277,266
Amounts attributable to Cablevision Systems Corporation stockholder(s):		
Income (loss) from continuing operations, net of income taxes	$ (132,648)	$ 23,509
Income (loss) from discontinued operations, net of income taxes	—	(406)
Net income (loss)	$ (132,648)	$ 23,103
Cash dividends declared per share of common stock		$ 0.15

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Revenue	$ 1,798,559	$ 3,137,604	$ 4,909,120
Operating expenses:			
Technical and operating (excluding depreciation, amortization and impairments shown below)	829,544	1,523,590	2,402,363
Selling, general and administrative	331,439	721,859	1,206,326
Restructuring expense (credits)	131,261	2,299	(1,017)
Depreciation and amortization (including impairments)	526,057	414,550	650,117
	1,818,301	2,662,298	4,257,789
Operating income (loss)	(19,742)	475,306	651,331
Other income (expense):			
Interest expense, net	(320,887)	(285,508)	(437,587)
Share of affiliate net loss	(400)	—	—
Gain on sale of affiliate interest	206	—	—
Gain (loss) on investments, net	83,467	129,990	(20,641)
Gain (loss) on equity derivative contracts, net	(26,572)	(36,283)	89,616
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	(1,735)
Miscellaneous, net	2,730	4,855	4,114
	(261,456)	(186,946)	(366,233)
Income (loss) from continuing operations before income taxes	(281,198)	288,360	285,098
Income tax benefit (expense)	113,258	(124,848)	(131,090)
Income (loss) from continuing operations, net of income taxes	(167,940)	163,512	154,008
Loss from discontinued operations, net of income taxes	—	—	(10,908)
Net income (loss)	(167,940)	163,512	143,100
Net loss attributable to noncontrolling interests	108	236	231
Net income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (167,832)	$ 163,748	$ 143,331
Basic income (loss) per share attributable to Cablevision Systems Corporation stockholder(s):			
Income from continuing operations, net of income taxes		$ 0.60	$ 0.57
Loss from discontinued operations, net of income taxes		$ —	$ (0.04)
Net income		$ 0.60	$ 0.53
Basic weighted average common shares (in thousands)		272,035	269,089
Diluted income (loss) per share attributable to Cablevision Systems Corporation stockholder(s):			
Income from continuing operations, net of income taxes		$ 0.58	$ 0.56
Loss from discontinued operations, net of income taxes		$ —	$ (0.04)
Net income		$ 0.58	$ 0.52
Diluted weighted average common shares (in thousands)		280,199	275,632
Amounts attributable to Cablevision Systems Corporation stockholder(s):			
Income (loss) from continuing operations, net of income taxes	$ (167,832)	$ 163,748	$ 154,239
Loss from discontinued operations, net of income taxes	—	—	(10,908)
Net income (loss)	$ (167,832)	$ 163,748	$ 143,331
Cash dividends declared per share of common stock		$ —	$ 0.45

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015
Net income (loss)	$ (132,392)	$ 23,025
Other comprehensive income (loss):		
Defined benefit pension plans and postretirement plans:		
Unrecognized actuarial gain (loss)	5,016	(15,120)
Applicable income taxes	(2,006)	6,198
Unrecognized income (loss) arising during period, net of income taxes	3,010	(8,922)
Amortization of actuarial losses, net included in net periodic benefit cost	—	85
Applicable income taxes	—	(36)
Amortization of actuarial losses, net included in net periodic benefit cost, net of income taxes	—	49
Settlement loss (income) included in net periodic benefit cost	(33)	797
Applicable income taxes	13	(326)
Settlement loss (income) included in net periodic benefit cost, net of income taxes	(20)	471
Other comprehensive income (loss)	2,990	(8,402)
Comprehensive income (loss)	(129,402)	14,623
Comprehensive loss (income) attributable to noncontrolling interests	(256)	78
Comprehensive income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (129,658)	$ 14,701

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Net income (loss)	$ (167,940)	$ 163,512	$ 143,100
Other comprehensive income (loss):			
Defined benefit pension plans and postretirement plans:			
Unrecognized actuarial gain	4,034	68	11,329
Applicable income taxes	(1,613)	(28)	(4,645)
Unrecognized income arising during period, net of income taxes	2,421	40	6,684
Amortization of actuarial losses, net included in net periodic benefit cost	—	929	887
Applicable income taxes	—	(388)	(363)
Amortization of actuarial losses, net included in net periodic benefit cost, net of income taxes	—	541	524
Settlement loss (income) included in net periodic benefit cost	(33)	1,655	2,506
Applicable income taxes	13	(679)	(1,027)
Settlement loss (income) included in net periodic benefit cost, net of income taxes	(20)	976	1,479
Other comprehensive income	2,401	1,557	8,687
Comprehensive income (loss)	(165,539)	165,069	151,787
Comprehensive loss attributable to noncontrolling interests	108	236	231
Comprehensive income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (165,431)	$ 165,305	$ 152,018

See accompanying combined notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIENCY)
(Unaudited)
(In thousands)
(See Note 2)

	CNYG Class A Common Stock	CNYG Class B Common Stock	Paid-in Capital	Retained Earnings (Accumulated Deficit)	Treasury Stock	Accumulated Other Comprehensive Loss	Total Stockholders' Deficiency	Noncontrolling Interest	Total Equity (Deficiency)
Predecessor:									
Balance at January 1, 2016	$ 3,042	$ 541	$ 792,351	$ (4,059,411)	$ (1,610,167)	$ (37,672)	$ (4,911,316)	$ (268)	$ (4,911,584)
Net income attributable to stockholders	—	—	—	163,748	—	—	163,748	—	163,748
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	—	(236)	(236)
Pension and postretirement plan liability adjustments, net of income taxes	—	—	—	—	—	1,557	1,557	—	1,557
Proceeds from exercise of options	15	—	14,544	—	—	—	14,559	—	14,559
Recognition of equity-based stock compensation arrangements	—	—	24,997	—	—	—	24,997	—	24,997
Treasury stock acquired from forfeiture and acquisition of restricted shares	—	—	1	—	(41,470)	—	(41,469)	—	(41,469)
Tax withholding associated with shares issued for equity-based compensation	(4)	—	(6,030)	—	—	—	(6,034)	—	(6,034)
Excess tax benefit on share-based awards	—	—	82	—	—	—	82	—	82
Contributions from noncontrolling interests	—	—	—	—	—	—	—	240	240
Balance at June 20, 2016	$ 3,053	$ 541	$ 825,945	$ (3,895,663)	$ (1,651,637)	$ (36,115)	$ (4,753,876)	$ (264)	$ (4,754,140)
Successor:									
Balance at June 21, 2016	$ —	$ —	$2,950,974	$ (304,362)	$ —	$ —	$ 2,646,612	$ (264)	$ 2,646,348
Net loss attributable to stockholder	—	—	—	(167,832)	—	—	(167,832)	—	(167,832)
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	—	(108)	(108)
Pension liability adjustments, net of income taxes	—	—	—	—	—	2,401	2,401	—	2,401
Recognition of share-based compensation arrangements	—	—	1,091	—	—	—	1,091	—	1,091
Excess tax benefit on share-based awards	—	—	(82)	—	—	—	(82)		(82)
Tax impact related to the Newsday Holdings, LLC transactions	—	—	10,006	—	—	—	10,006	—	10,006
Balance at September 30, 2016	$ —	$ —	$2,961,989	$ (472,194)	$ —	$ 2,401	$ 2,492,196	$ (372)	$ 2,491,824

See accompanying notes to condensed consolidated financial statements.

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Cash flows from operating activities:			
Net income (loss)	$ (167,940)	$ 163,512	$ 143,100
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Loss from discontinued operations, net of income taxes	—	—	10,908
Depreciation and amortization (including impairments)	526,057	414,550	650,117
Equity in net loss of affiliates	400	—	—
Gain on sale of affiliate interests	(206)	—	—
Loss (gain) on investments, net	(83,467)	(129,990)	20,641
Loss (gain) on equity derivative contracts, net	26,572	36,283	(89,616)
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	1,735
Amortization of deferred financing costs and discounts (premiums) on indebtedness	(2,943)	11,673	17,700
Share-based compensation expense	1,091	24,778	42,847
Settlement loss and amortization of actuarial losses related to pension and postretirement plans	4,001	2,584	3,393
Deferred income taxes	(113,152)	116,150	113,136
Provision for doubtful accounts	10,710	13,240	28,355
Excess tax benefit related to share-based awards	82	(82)	(5,592)
Changes in other assets and liabilities	(214,445)	(158,604)	(16,668)
Net cash provided by (used in) operating activities	(13,240)	494,094	920,056
Cash flows from investing activities:			
Capital expenditures	(150,965)	(330,131)	(603,969)
Proceeds related to sale of equipment, including costs of disposal	542	1,106	4,150
Proceeds from sale of affiliate interests	13,825	—	—
Decrease (increase) in other investments	(2,866)	610	(7,869)
Additions to other intangible assets	—	(1,709)	(7,444)
Net cash used in investing activities	(139,464)	(330,124)	(615,132)

CABLEVISION SYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Cash flows from financing activities:			
Proceeds from credit facility debt	595,000	—	—
Repayment of credit facility debt	(329,500)	(14,953)	(245,369)
Proceeds from issuance of senior notes	1,310,000	—	—
Increase in restricted cash	(1,310,000)	—	—
Proceeds from collateralized indebtedness	179,388	337,149	617,152
Repayment of collateralized indebtedness and related derivative contracts	(143,102)	(281,594)	(507,846)
Repayment of notes payable	—	(1,291)	(2,458)
Proceeds from stock option exercises	—	14,411	17,416
Tax withholding associated with shares issued for equity-based awards	—	(6,034)	—
Dividend distributions to common stockholders	—	(4,066)	(125,170)
Principal payments on capital lease obligations	(4,511)	(11,552)	(14,290)
Deemed repurchases of restricted stock	—	(41,469)	(18,265)
Additions to deferred financing costs	(180,067)	—	—
Payment for purchase of noncontrolling interest	—	—	(8,300)
Contributions from (distributions to) noncontrolling interests, net	—	240	(901)
Excess tax benefit related to share-based awards	(82)	82	5,592
Net cash provided by (used in) financing activities	117,126	(9,077)	(282,439)
Net increase (decrease) in cash and cash equivalents from continuing operations	(35,578)	154,893	22,485
Cash flows of discontinued operations:			
Net cash used in operating activities	—	(21,000)	(232)
Net cash used in investing activities	—	—	(30)
Net decrease in cash and cash equivalents from discontinued operations	—	(21,000)	(262)
Cash and cash equivalents at beginning of period	150,014	1,003,279	850,413
Cash and cash equivalents at end of period	$ 114,436	$ 1,137,172	$ 872,636

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(See Note 2)

	Successor	Predecessor
	September 30, 2016	December 31, 2015
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 113,972	$ 995,827
Restricted cash	1,377,327	1,600
Accounts receivable, trade (less allowance for doubtful accounts of $5,010 and $6,039)	256,840	266,383
Prepaid expenses and other current assets	86,019	120,576
Amounts due from affiliates	9,278	748
Investment securities pledged as collateral	712,413	455,386
Derivative contracts	5,059	10,333
Total current assets	2,560,908	1,850,853
Property, plant and equipment, net of accumulated depreciation of $319,675 and $9,625,348	4,649,792	3,017,015
Investment in affiliate	4,372	—
Investment securities pledged as collateral	712,413	756,596
Derivative contracts	23,924	72,075
Other assets	33,546	32,920
Amortizable customer relationships, net of accumulated amortization of $176,449 and $27,778	4,673,551	11,636
Amortizable trade names, net of accumulated amortization of $23,380 and $0	986,620	—
Other amortizable intangibles, net of accumulated amortization of $1,317 and $32,532	21,979	25,315
Trademarks and other indefinite-lived intangible assets	—	7,250
Indefinite-lived cable television franchises	8,113,575	731,848
Goodwill	5,841,053	262,345
Deferred financing costs, net of accumulated amortization of $0 and $8,150	—	7,588
	$ 27,621,733	$ 6,775,441

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED BALANCE SHEETS (Cont'd)
(In thousands, except membership unit amounts)
(See Note 2)

	Successor	Predecessor
	June 30, 2016	December 31, 2015
	(Unaudited)	
LIABILITIES AND MEMBER DEFICIENCY		
Current Liabilities:		
Accounts payable	$ 531,421	$ 453,653
Accrued interest	209,868	64,207
Accrued liabilities	444,097	509,724
Amounts due to affiliates	292,272	287,093
Deferred tax liability	—	60,963
Deferred revenue	50,492	55,545
Liabilities under derivative contracts	1,579	2,706
Credit facility debt	1,274,049	562,898
Collateralized indebtedness	614,147	416,621
Capital lease obligations	15,172	20,350
Notes payable	4,223	13,267
Total current liabilities	3,437,320	2,447,027
Deferred revenue	223	4,244
Liabilities under derivative contracts	2,482	—
Other liabilities	182,198	256,946
Deferred tax liability	6,673,608	733,312
Credit facility debt	2,756,957	1,951,556
Collateralized indebtedness	670,087	774,703
Senior guaranteed notes	2,289,613	—
Senior notes and debentures	6,735,762	3,032,252
Capital lease obligations	14,369	25,616
Notes payable	—	1,277
Total liabilities	22,762,619	9,226,933
Commitments and contingencies		
Member's Equity (Deficiency):		
Accumulated deficit	(441,404)	(1,817,831)
Senior notes due from Cablevision	—	(611,455)
Other member's equity (100 membership units issued and outstanding (Successor) and 17,631,479 membership units issued and outstanding (Predecessor))	5,298,489	15,734
	4,857,085	(2,413,552)
Accumulated other comprehensive income (loss)	2,401	(37,672)
Total member's equity (deficiency)	4,859,486	(2,451,224)
Noncontrolling interest	(372)	(268)
Total equity (deficiency)	4,859,114	(2,451,492)
	$ 27,621,733	$ 6,775,441

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015
Revenue	$ 1,614,699	$ 1,624,828
Operating expenses:		
Technical and operating (excluding depreciation, amortization and impairments shown below)	742,463	800,879
Selling, general and administrative	305,855	424,026
Restructuring expense (credits)	42,025	(481)
Depreciation and amortization (including impairments)	481,497	217,288
	1,571,840	1,441,712
Operating income	42,859	183,116
Other income (expense):		
Interest expense	(247,944)	(91,201)
Interest income	280	12,226
Share of affiliate net loss	(400)	—
Gain on sale of affiliate interest	206	—
Gain (loss) on investments, net	24,833	(66,388)
Gain on equity derivative contracts, net	773	66,143
Miscellaneous, net	2,724	1,800
	(219,528)	(77,420)
Income (loss) from continuing operations before income taxes	(176,669)	105,696
Income tax benefit (expense)	71,204	(43,452)
Income (loss) from continuing operations, net of income taxes	(105,465)	62,244
Loss from discontinued operations, net of income taxes	—	(406)
Net income (loss)	(105,465)	61,838
Net loss (income) attributable to noncontrolling interests	(256)	78
Net income (loss) attributable to CSC Holdings, LLC's sole member	$ (105,721)	$ 61,916
Amounts attributable to CSC Holdings, LLC's sole member:		
Income (loss) from continuing operations, net of income taxes	$ (105,721)	$ 62,322
Loss from discontinued operations, net of income taxes	—	(406)
Net income (loss)	$ (105,721)	$ 61,916

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Revenue	$ 1,798,559	$ 3,137,604	$ 4,909,120
Operating expenses:			
Technical and operating (excluding depreciation, amortization and impairments shown below)	829,544	1,523,590	2,402,363
Selling, general and administrative	331,439	721,859	1,206,326
Restructuring expense (credits)	131,261	2,299	(1,017)
Depreciation and amortization (including impairments)	526,057	414,550	650,117
	1,818,301	2,662,298	4,257,789
Operating income (loss)	(19,742)	475,306	651,331
Other income (expense):			
Interest expense	(271,260)	(181,606)	(271,092)
Interest income	1,691	24,263	36,578
Share of affiliate net loss	(400)	—	—
Gain on sale of affiliate interest, net	206	—	—
Gain (loss) on investments, net	83,467	129,990	(20,641)
Gain (loss) on equity derivative contracts, net	(26,572)	(36,283)	89,616
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	(1,735)
Miscellaneous, net	2,730	4,855	4,114
	(210,138)	(58,781)	(163,160)
Income (loss) from continuing operations before income taxes	(229,880)	416,525	488,171
Income tax benefit (expense)	92,730	(179,658)	(219,187)
Income (loss) from continuing operations, net of income taxes	(137,150)	236,867	268,984
Loss from discontinued operations, net of income taxes	—	—	(10,908)
Net income (loss)	(137,150)	236,867	258,076
Net loss attributable to noncontrolling interests	108	236	231
Net income (loss) attributable to CSC Holdings, LLC's sole member	$ (137,042)	$ 237,103	$ 258,307
Amounts attributable to CSC Holdings, LLC's sole member:			
Income (loss) from continuing operations, net of income taxes	$ (137,042)	$ 237,103	$ 269,215
Loss from discontinued operations, net of income taxes	—	—	(10,908)
Net income (loss)	$ (137,042)	$ 237,103	$ 258,307

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015
Net income (loss)	$ (105,465)	$ 61,838
Other comprehensive income (loss):		
Defined benefit pension plans and postretirement plans:		
Unrecognized actuarial gain (loss)	5,016	(15,120)
Applicable income taxes	(2,006)	6,198
Unrecognized income (loss) arising during period, net of income taxes	3,010	(8,922)
Amortization of actuarial losses, net included in net periodic benefit cost	—	85
Applicable income taxes	—	(36)
Amortization of actuarial losses, net included in net periodic benefit cost, net of income taxes	—	49
Settlement loss (income) included in net periodic benefit cost	(33)	797
Applicable income taxes	13	(326)
Settlement loss (income) included in net periodic benefit cost, net of income taxes	(20)	471
Other comprehensive income (loss)	2,990	(8,402)
Comprehensive income (loss)	(102,475)	53,436
Comprehensive loss (income) attributable to noncontrolling interests	(256)	78
Comprehensive income (loss) attributable to CSC Holdings, LLC's sole member	$ (102,731)	$ 53,514

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Net income (loss)	$ (137,150)	$ 236,867	$ 258,076
Other comprehensive income (loss):			
Defined benefit pension plans and postretirement plans:			
Unrecognized actuarial gain	4,034	68	11,329
Applicable income taxes	(1,613)	(28)	(4,645)
Unrecognized income arising during period, net of income taxes	2,421	40	6,684
Amortization of actuarial losses, net included in net periodic benefit cost	—	929	887
Applicable income taxes	—	(388)	(363)
Amortization of actuarial losses, net included in net periodic benefit cost, net of income taxes	—	541	524
Settlement loss (income) included in net periodic benefit cost	(33)	1,655	2,506
Applicable income taxes	13	(679)	(1,027)
Settlement loss (income) included in net periodic benefit cost, net of income taxes	(20)	976	1,479
Other comprehensive income	2,401	1,557	8,687
Comprehensive income (loss)	(134,749)	238,424	266,763
Comprehensive loss attributable to noncontrolling interests	108	236	231
Comprehensive income (loss) attributable to CSC Holdings, LLC's sole member	$ (134,641)	$ 238,660	$ 266,994

See accompanying combined notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN TOTAL MEMBERS' EQUITY (DEFICIENCY)
(In thousands)
(Unaudited)
(See Note 2)

	Accumulated Deficit	Senior Notes due from Cablevision	Other Member's Equity	Accumulated Other Comprehensive Income (Loss)	Total Member's Deficiency	Noncontrolling Interests	Total Deficiency
Predecessor:							
Balance at January 1, 2016	$ (1,817,831)	$ (611,455)	$ 15,734	$ (37,672)	$(2,451,224)	$ (268)	$(2,451,492)
Net income attributable to CSC Holdings' sole member	237,103	—	—	—	237,103	—	237,103
Net loss attributable to noncontrolling interests	—	—	—	—	—	(236)	(236)
Pension and postretirement plan liability adjustments, net of income taxes	—	—	—	1,557	1,557	—	1,557
Recognition of share-based compensation arrangements	—	—	24,997	—	24,997	—	24,997
Distributions to Cablevision	(82,283)	—	(62,035)	—	(144,318)	—	(144,318)
Excess tax benefit on share-based awards	—	—	50,288	—	50,288	—	50,288
Contributions from noncontrolling interests	—	—	—	—	—	240	240
Balance at June 20, 2016	$ (1,663,011)	$ (611,455)	$ 28,984	$ (36,115)	$(2,281,597)	$ (264)	$(2,281,861)
Successor:							
Balance at June 21, 2016	$ (304,362)	$ (611,455)	$ 6,026,861	$ —	$ 5,111,044	$ (264)	$ 5,110,780
Net loss attributable to CSC Holdings' sole member	(137,042)	—	—	—	(137,042)	—	(137,042)
Net loss attributable to noncontrolling interests	—	—	—	—	—	(108)	(108)
Pension and postretirement plan liability adjustments, net of income taxes	—	—	—	2,401	2,401	—	2,401
Recognition of share-based compensation arrangements	—	—	1,091	—	1,091	—	1,091
Distributions to Cablevision	—	—	(57,877)	—	(57,877)	—	(57,877)
Excess tax benefit on share-based awards	—	—	(50,288)	—	(50,288)	—	(50,288)
Distribution of notes and accrued interest to Cablevision	—	611,455	(621,600)	—	(10,145)	—	(10,145)
Tax impact related to the Newsday Holdings, LLC transactions	—	—	302	—	302	—	302
Balance at September 30, 2016	$ (441,404)	$ —	$ 5,298,489	$ 2,401	$ 4,859,486	$ (372)	$ 4,859,114

See accompanying notes to condensed consolidated financial statements.

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Cash flows from operating activities:			
Net income (loss)	$ (137,150)	$ 236,867	$ 258,076
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Loss from discontinued operations, net of income taxes	—	—	10,908
Depreciation and amortization (including impairments)	526,057	414,550	650,117
Equity in net loss of affiliates	400	—	—
Gain on sale of affiliate interests	(206)	—	—
Loss (gain) on investments, net	(83,467)	(129,990)	20,641
Loss (gain) on equity derivative contracts, net	26,572	36,283	(89,616)
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	1,735
Amortization of deferred financing costs and discounts (premiums) on indebtedness	6,486	7,189	11,070
Share-based compensation expense related to Cablevision equity classified awards	1,091	24,778	42,847
Settlement loss and amortization of actuarial losses related to pension and postretirement plans	4,001	2,584	3,393
Deferred income taxes	(88,352)	116,830	44,695
Provision for doubtful accounts	10,710	13,240	28,355
Excess tax benefit related to share-based awards	50,288	(50,288)	(13,386)
Changes in other assets and liabilities	(221,588)	(114,006)	118,027
Net cash provided by operating activities	94,842	558,037	1,086,862
Cash flows from investing activities:			
Capital expenditures	(150,965)	(330,131)	(603,969)
Proceeds related to sale of equipment, including costs of disposal	542	1,106	4,150
Proceeds from sale of affiliate interests	13,825	—	—
Decrease (increase) in other investments	(2,866)	610	(7,869)
Additions to other intangible assets	—	(1,709)	(7,444)
Net cash used in investing activities	(139,464)	(330,124)	(615,132)

CSC HOLDINGS, LLC AND SUBSIDIARIES
(a wholly-owned subsidiary of Cablevision Systems Corporation)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)
(In thousands)
(Unaudited)
(See Note 2)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Cash flows from financing activities:			
Proceeds from credit facility debt, net of discount	595,000	—	—
Repayment of credit facility debt	(329,500)	(14,953)	(245,369)
Proceeds from issuance of senior notes	1,310,000	—	—
Increase in restricted cash	(1,310,000)	—	—
Proceeds from collateralized indebtedness	179,388	337,149	617,152
Repayment of collateralized indebtedness and related derivative contracts	(143,102)	(281,594)	(507,846)
Distributions to Cablevision	(57,877)	(144,318)	(312,515)
Repayment of notes payable	—	(1,291)	(2,458)
Principal payments on capital lease obligations	(4,511)	(11,552)	(14,290)
Additions to deferred financing costs	(180,067)	—	—
Payment for purchase of noncontrolling interest	—	—	(8,300)
Distributions to noncontrolling interests, net	—	240	(901)
Excess tax benefit related to share-based awards	(50,288)	50,288	13,386
Net cash provided by (used in) financing activities	9,043	(66,031)	(461,141)
Net increase (decrease) in cash and cash equivalents from continuing operations	(35,579)	161,882	10,589
Cash flows of discontinued operations:			
Net cash used in operating activities	—	(21,000)	(232)
Net cash used in investing activities	—	—	(30)
Net decrease in cash and cash equivalents from discontinued operations	—	(21,000)	(262)
Cash and cash equivalents at beginning of period	149,551	995,827	813,396
Cash and cash equivalents at end of period	$ 113,972	$ 1,136,709	$ 823,723

See accompanying combined notes to condensed consolidated financial statements.

NOTE 1. BUSINESS

Cablevision Systems Corporation ("Cablevision"), through its wholly-owned subsidiary CSC Holdings, LLC ("CSC Holdings," and collectively with Cablevision, the "Company") owns and operates cable systems and owns companies that provide regional news, local programming and advertising sales services for the cable television industry and also provide Ethernet-based data, Internet, voice and video transport and managed services to the business market. The Company classifies its operations into three reportable segments: (1) Cable, consisting principally of its video, high-speed data, and Voice over Internet Protocol ("VoIP") operations, (2) Lightpath, which provides Ethernet-based data, Internet, voice and video transport and managed services to the business market in the New York metropolitan area; and (3) Other, consisting principally of (i) the News 12 Networks, which provide regional news programming services, (ii) Altice Media Solutions Corporation ("Altice Media Solutions") (formerly known as Cablevision Media Sales), a cable television advertising company, (iii) certain other businesses and unallocated corporate costs, and (iv) through July 7, 2016, Newsday, which includes the Newsday daily newspaper, amNew York, Star Community Publishing Group, and online websites. See Note 12 for a discussion regarding the sale of the Company's 75% interest in Newsday. Effective July 7, 2016, the Company accounts for its 25% interest in Newsday on the equity method and no longer consolidates its balance sheet or operating results.

On June 21, 2016 (the "Merger Date"), pursuant to the Agreement and Plan of Merger (the "Merger Agreement"), dated as of September 16, 2015, by and among Cablevision, Altice N.V. ("Altice"), Neptune Merger Sub Corp., a wholly-owned subsidiary of Altice ("Merger Sub"), Merger Sub merged with and into Cablevision, with Cablevision surviving the merger (the "Merger").

In connection with the Merger, each outstanding share of the Cablevision NY Group Class A common stock, par value $0.01 per share ("CNYG Class A Shares"), and Cablevision NY Group Class B common stock, par value $0.01 per share ("CNYG Class B Shares", and together with the CNYG Class A Shares, the "Shares") other than (i) Shares owned by Cablevision, Altice or any of their respective wholly-owned subsidiaries, in each case not held on behalf of third parties in a fiduciary capacity, received $34.90 in cash without interest, less applicable tax withholdings (the "Merger Consideration").

Pursuant to an agreement, dated December 21, 2015, by and among CVC 2 B.V., CIE Management IX Limited, for and on behalf of the limited partnerships BC European Capital IX-1 through 11 and Canada Pension Plan Investment Board, certain affiliates of BCP and CPPIB (the "Co-Investors") funded approximately $1,000,000 toward the payment of the aggregate Per Share Merger Consideration, and indirectly acquired approximately 30% of the Shares of Cablevision.

Also in connection with the Merger, outstanding equity-based awards granted under Cablevision’s equity plans were cancelled and converted into cash based upon the $34.90 per Share merger price in accordance with the original terms of the awards. The total consideration for the outstanding CNYG Class A Shares, the outstanding CNYG Class B Shares, and the equity-based awards amounted to $9,958,323.

See Note 4 for a further discussion of the Merger and Note 9 for a description of the financing completed in connection with the Merger.

NOTE 2. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Cablevision and CSC Holdings have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Accordingly, these financial statements do not include all the information and notes required for complete annual financial statements.

The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015.

The financial statements presented in this report are unaudited; however, in the opinion of management, such financial statements include all adjustments, consisting solely of normal recurring adjustments, necessary for a fair presentation of the results for the periods presented.

In the accompanying condensed consolidated balance sheets of Cablevision and CSC Holdings, the consideration paid by Altice and the Co- Investors in connection with the Merger has been "pushed down" to Cablevision and CSC Holdings and has been allocated to the assets acquired and liabilities assumed based on their estimated fair values in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic ("ASC") 805, *Business Combinations*. Due to the impact of push down accounting, Cablevision's and CSC Holdings' condensed financial statements for the period from January 1, 2015 through September 30, 2016 are presented in two distinct periods to indicate the application of the different bases of accounting between the periods presented: (1) the periods up to the Merger date (January 1, 2016 through June 20, 2016 and Three Months Ended September 30, 2015 and Nine Months Ended September 30, 2015, labeled "Predecessor") and (2) the period from the Merger date June 21, 2016 through September 30, 2016 and three months ended September 30, 2016 labeled "Successor". The Predecessor periods represent the condensed financial information of the Company prior to the Merger, while the Successor period represents the condensed financial information of the Company subsequent to the Merger. The accompanying condensed financial statements include a black line division to indicate the application of the bases of accounting utilized by the Predecessor and Successor reporting entities. As a result, the financial statements for the Predecessor periods and for the Successor periods are not comparable.

The accompanying condensed consolidated financial statements of Cablevision include the accounts of Cablevision and its majority-owned subsidiaries and the accompanying condensed consolidated financial statements of CSC Holdings include the accounts of CSC Holdings and its majority-owned subsidiaries. Cablevision has no business operations independent of its CSC Holdings subsidiary, whose operating results and financial position are consolidated into Cablevision. The condensed consolidated balance sheets and statements of operations of Cablevision are essentially identical to the condensed consolidated balance sheets and statements of operations of CSC Holdings, with the following significant exceptions: Cablevision has $2,750,739 of senior notes outstanding at September 30, 2016 that were issued to third party investors, cash, accrued interest related to its senior notes, and deferred taxes on its balance sheet. In addition, CSC Holdings and its subsidiaries have certain intercompany receivables from and payables to Cablevision. Differences between Cablevision's results of operations and those of CSC Holdings primarily include incremental interest expense, interest income, loss on extinguishment of debt, the write-off of deferred financing costs, and income tax expense or benefit. CSC Holdings' results of operations include incremental interest income from the Cablevision senior notes held by Newsday Holdings through July 7, 2016, which has been eliminated in Cablevision's results of operations.

The combined notes to the condensed consolidated financial statements relate to the Company, which, except as noted, are essentially identical for Cablevision and CSC Holdings. All significant intercompany transactions and balances between Cablevision and CSC Holdings and their respective consolidated subsidiaries are eliminated in both sets of condensed consolidated financial statements. Intercompany transactions between Cablevision and CSC Holdings are not eliminated in the CSC Holdings condensed consolidated financial statements, but are eliminated in the Cablevision condensed consolidated financial statements.

The results of operations for the interim periods are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2016.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncements

In November 2015, the FASB issued Accounting Standards Update ("ASU") No. 2015-17 (Topic 740), Balance Sheet Classification of Deferred Taxes. This ASU amends existing guidance to require the presentation of deferred tax liabilities and assets as noncurrent within a classified statement of financial position. ASU No. 2015-17 was adopted by the Company as of June 30, 2016 and was applied prospectively to all deferred tax liabilities and assets.

In April 2015, the FASB issued ASU No. 2015-03, Simplifying the Presentation of Debt Issuance Costs, which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. In August 2015, the FASB issued ASU No. 2015-15, Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements, which clarifies the treatment of debt issuance costs from line-of-credit arrangements after adoption of ASU No. 2015-03. ASU No. 2015-15 clarifies that the Securities and Exchange Commission staff would not object to an entity deferring and presenting debt issuance costs as an asset and subsequently amortizing the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. ASU No. 2015-03 was adopted by the Company on January 1, 2016 representing a change in accounting principle and was applied retrospectively to all periods presented. Debt issuance costs, net for Cablevision and CSC Holdings of $67,119 and $40,328, respectively, as of December 31, 2015 were reclassified from deferred financing costs and presented as a reduction to debt in the consolidated balance sheets.

Cablevision's debt on its condensed consolidated balance sheet as of September 30, 2016 is net of $189,272 of unamortized debt discounts and $161,393 of unamortized deferred financing costs. CSC Holdings' debt on its condensed consolidated balance sheet as of September 30, 2016 is net of $140,988 of unamortized debt discounts and $161,393 of unamortized deferred financing costs.

Debt issuance costs, net for Cablevision and CSC Holdings of $7,588 as of December 31, 2015 relating to the Company's revolving credit facility were not impacted by the adoption of ASU No. 2015-03 and were reflected as long-term assets at December 31, 2015.

In April 2015, the FASB issued ASU No. 2015-05, Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement. ASU No. 2015-05 provides guidance to customers about whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. ASU No. 2015-05 was adopted by the Company on January 1, 2016 and did not have a material impact on the Company's condensed consolidated financial statements.

In June 2014, the FASB issued ASU No. 2014-12, Compensation - Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period. ASU No. 2014-12 requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. Entities may apply the amendments in this ASU either: (a) prospectively to all awards granted or modified after the effective date; or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. ASU No. 2014-12 was adopted by the Company on January 1, 2016 and did not have a material impact on the Company's condensed consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16, Simplifying the Accounting for Measurement-Period Adjustments, which requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. Prior to the issuance of the standard, entities were required to retrospectively apply adjustments made to provisional amounts recognized in a business combination. ASU No. 2015-16 was adopted by the Company on January 1, 2016.

Recently Issued But Not Yet Adopted Accounting Pronouncements

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments which clarifies how entities should classify certain cash receipts and cash payments on the statement of cash flows. ASU No. 2016-15 also clarifies how the predominance principle should be applied when cash receipts and cash payments have aspects of more than one class of cash flows. The new guidance becomes effective for the Company on January 1, 2018 with early adoption permitted and will be applied retrospectively. The Company has not yet completed the evaluation of the effect that ASU No. 2016-15 will have on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, Compensation—Stock Compensation: Improvements to Employee Share-Based Payment Accounting, which provides simplification of income tax accounting for share-based payment awards. The new guidance becomes effective for the Company on January 1, 2017 with early adoption permitted. Amendments related to the timing of when excess tax benefits are recognized, minimum statutory withholding requirements, forfeitures, and intrinsic value will be applied using the modified retrospective transition method. Amendments requiring recognition of excess tax benefits and tax deficiencies in the income statement and the practical expedient for estimating expected term will be applied prospectively. The Company may elect to apply the amendments related to the presentation of excess tax benefits on the statement of cash flows using either a prospective transition method or a retrospective transition method. The Company has not yet completed the evaluation of the effect that ASU No. 2016-09 will have on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases*,* which increases transparency and comparability by recognizing a lessee's rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. The new guidance becomes effective for the Company on January 1, 2019 with early adoption permitted and will be applied using the modified retrospective method. The Company has not yet completed the evaluation of the effect that ASU No. 2016-02 will have on its consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in GAAP when it becomes effective and allows the use of either the retrospective or cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14 that approved deferring the effective date by one year so that ASU No. 2014-09 would become effective for the Company on January 1, 2018. The FASB also approved, in July 2015, permitting the early adoption of ASU No. 2014-09, but not before the original effective date for the Company of January 1, 2017. The Company has not yet completed the evaluation of the effect that ASU No. 2014-09 will have on its consolidated financial statements.

Reclassifications

Certain reclassifications have been made to revenue and selling, general and administrative expenses in the 2015 financial statements to conform to the 2016 presentation.

Income (Loss) Per Share

Net income (loss) per share for Cablevision for the Successor periods is not presented since Cablevision's common stock is no longer publicly traded.

Net income (loss) per membership unit for CSC Holdings is not presented since CSC Holdings is a limited liability company and a wholly-owned subsidiary of Cablevision.

NOTE 3. DIVIDENDS

Pursuant to the terms of the Merger Agreement, Cablevision was not permitted to declare and pay dividends or repurchase stock, in each case, without the prior written consent of Altice. In accordance with these terms, Cablevision did not declare dividends during the period January 1, 2016 through June 20, 2016 (Predecessor).

During the period January 1, 2016 through June 20, 2016 (Predecessor), Cablevision paid $4,066 related to restricted shares that vested in respect of dividends declared and accrued on the CNYG common stock in prior periods. In addition, on June 21, 2016 approximately $3,773 of accrued dividends were paid on restricted shares and performance restricted stock units that vested in connection with the Merger.

CSC Holdings made cash equity distribution payments to Cablevision aggregating $57,877 and $144,318, respectively, during the 2016 Successor period and 2016 Predecessor period, respectively. These distribution payments were funded from cash on hand. The proceeds were used to fund:

- Cablevision's interest payments on its senior notes (Predecessor and Successor);
- Cablevision's payments in respect of dividends declared and accrued in prior periods related to restricted shares that vested (Predecessor period only); and
- Cablevision's payments for the acquisition of treasury shares related to statutory minimum tax withholding obligations upon the vesting of certain restricted shares (Predecessor period only).

Cablevision's and CSC Holdings' indentures and CSC Holdings' credit agreement restrict the amount of dividends and distributions in respect of any equity interest that can be made.

NOTE 4. BUSINESS COMBINATION

As discussed in Note 1, Cablevision completed the Merger on June 21, 2016. The Merger was accounted for as a business combination in accordance with ASC Topic 805. Accordingly, the Successor financial statements reflect a new basis of accounting based on the fair value of the assets and liabilities of the Company on the Merger Date and therefore are not comparable to the financial statements of the Predecessor period.

The following table provides the preliminary allocation of the total purchase price of $9,958,323 to the identifiable tangible and intangible assets and liabilities of Cablevision based on preliminary fair value information currently available, which is subject to change within the measurement period (up to one year from the acquisition date).

		Estimates of Fair Values (Reported as of June 30, 2016		Estimates of Fair Values (As of September 30, 2016)	Estimated Useful Lives
Current assets	$	1,930,577	$	1,923,071	
Accounts receivable		271,305		271,305	
Property, plant and equipment		5,027,978		4,850,478	2-18 years
Goodwill		5,665,972		5,841,053	
Indefinite-lived cable television franchises		8,353,575		8,113,575	Indefinite-lived
Customer relationships		4,710,000		4,850,000	8 to 18 years
Trade names		1,010,000		1,010,000	12 years
Amortizable intangible assets		23,296		23,296	1-15 years
Other non-current assets		748,998		748,998	
Current liabilities		(2,297,389)		(2,304,241)	
Long-term debt		(8,355,386)		(8,355,386)	
Deferred income taxes.		(6,941,248)		(6,824,471)	
Other non-current liabilities		(189,355)		(189,355)	
Total	$	9,958,323	$	9,958,323	

In connection with the Merger, the Company expensed $19,924 of transaction related costs in the Predecessor period. Transaction costs that were contingent upon the consummation of the Merger aggregating $34,227 were recorded on the black line and therefore are not reflected in either the Predecessor or Successor periods.

The fair value of the identified intangible assets was estimated by performing a discounted cash flow ("DCF") analysis using the "income" approach. The basis for the DCF analysis was the Company's projections. These projections were based on management's assumptions including among others, penetration rates for video, high speed data, and voice; revenue growth rates; operating margins; and capital expenditures. The assumptions are derived based on the Company's and its peers' historical operating performance adjusted for current and expected competitive and economic factors surrounding the cable industry. The discount rates used in the DCF analysis are intended to reflect the risk inherent in the projected future cash flows generated by the respective intangible assets. The value is highly dependent on the achievement of the future financial results contemplated in the projections. The estimates and assumptions made in the valuation are inherently subject to significant uncertainties, many of which are beyond the Company's control, and there is no assurance that these results can be achieved. The primary assumptions for which there is a reasonable possibility of the occurrence of a variation that would have significantly affected the value include the assumptions regarding revenue growth, programming expense growth rates, the amount and timing of capital expenditures and the discount rate utilized.

In establishing fair value for the vast majority of the Company's property, plant and equipment, the cost approach was utilized. The cost approach considers the amount required to replace an asset by constructing or purchasing a new asset with similar utility, then adjusts the value in consideration of physical depreciation, and functional and economic obsolescence as of the appraisal date. The cost approach relies on management's assumptions regarding current material and labor costs required to rebuild and repurchase significant components of our property, plant and equipment along with assumptions regarding the age and estimated useful lives of our property, plant and equipment.

The estimates of expected useful lives take into consideration the effects of contractual relationships, customer attrition, eventual development of new technologies and market competition.

As a result of applying business combination accounting, the Company recorded goodwill, which represented the excess of organization value over amounts assigned to the other identifiable tangible and intangible assets arising from expectations of future operational performance and cash generation.

The unaudited pro forma revenue, income (loss) from continuing operations and net income (loss) for the three and nine months ended September 30, 2015 and the nine months ended September 30, 2016, as if the Merger had occurred on January 1, 2015, are as follows:

	Three Months Ended September 30,	Nine Months Ended September 30,	
	2015	2016	2015
Cablevision:			
Revenue	$ 1,612,601	$ 4,936,163	$ 4,880,765
Loss from continuing operations	$ (211,613)	$ (427,035)	$ (544,109)
Net loss	$ (212,019)	$ (427,035)	$ (555,017)
CSC Holdings:			
Revenue	$ 1,612,601	$ 4,936,163	$ 4,880,765
Loss from continuing operations	$ (179,270)	$ (344,467)	$ (453,862)
Net loss	$ (179,676)	$ (344,467)	$ (464,770)

The pro forma results presented above include the impact of additional interest expense related to the debt issued to finance the Merger. The pro forma results also reflect additional amortization expense related to the identifiable intangible assets recorded in connection with the Merger and additional depreciation expense related to the fair value adjustment to property, plant and equipment.

NOTE 5. RESTRUCTURING

During the Successor period June 21, 2016 through September 30, 2016, the Company commenced its restructuring initiatives (the "2016 Restructuring Plan") that are intended to simplify the Company's organizational structure. During the Successor period June 21, 2016 through September 30, 2016, the 2016 Restructuring Plan resulted in charges of $131,280 related to severance and other employee related costs resulting from headcount reductions.

The following table summarizes the activity for the 2016 Restructuring Plan by segment:

	Cable Segment	Lightpath Segment	Other Segment	Total
Restructuring charges relating to severance	$ 55,894	$ 2,073	$ 73,313	$ 131,280
Payments and other	(31,206)	(1,582)	(13,152)	(45,940)
Accrual balance at September 30, 2016	$ 24,688	$ 491	$ 60,161	$ 85,340

The costs in the table above have been classified as restructuring expense in the condensed consolidated statements of operations. Cash of approximately $49,600 has been placed in a Rabbi Trust for the benefit of certain former employees and is reflected in restricted cash on the condensed consolidated balance sheets as of September 30, 2016. These amounts are expected to be paid within the twelve months ending September 30, 2017.

NOTE 6. INTANGIBLE ASSETS

The following table summarizes information relating to the Company's acquired amortizable intangible assets at September 30, 2016 (Successor) and December 31, 2015 (Predecessor):

	Amortizable Intangible Assets							
	Successor				Predecessor			
	September 30, 2016				December 31, 2015			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Estimated Useful Lives
Customer relationships	$ 4,850,000	$ (176,449)	$ 4,673,551	8 to 18 years	$ 39,414	$ (27,778)	$ 11,636	10 to 18 years
Trade names	1,010,000	(23,380)	986,620	12 years	—	—	—	
Other amortizable intangibles	23,296	(1,317)	21,979	1 to 15 years	57,847	(32,532)	25,315	3 to 28 years
	$ 5,883,296	$ (201,146)	$ 5,682,150		$ 97,261	$ (60,310)	$ 36,951	

Amortization expense for the period June 21, 2016 through September 30, 2016 (Successor), January 1, 2016 through June 20, 2016 (Predecessor), and the nine months ended September 30, 2015 amounted to $201,146, $10,316 and $5,983, respectively.

The following table sets forth the estimated amortization expense on intangible assets for the years ending December 31:

Estimated amortization expense	
Period from October 1, 2016 through December 31, 2016	$ 180,863
Year Ending December 31, 2017............	701,897
Year Ending December 31, 2018............	655,398
Year Ending December 31, 2019............	609,235
Year Ending December 31, 2020............	562,603

The following table summarizes information relating to the Company's acquired indefinite-lived intangible assets at September 30, 2016 (Successor) and December 31, 2015 (Predecessor):

	Indefinite-Lived Intangible Assets	
	Successor	Predecessor
	September 30, 2016	December 31, 2015
Cable television franchises............	$ 8,113,575	$ 731,848
Trademarks and other assets............	—	7,250
Goodwill............	5,841,053	262,345
Total............	$ 13,954,628	$ 1,001,443

The carrying amount of goodwill as of September 30, 2016 (Successor) and December 31, 2015 (Predecessor) is as follows:

	Cable	Lightpath	Other	Total
Gross goodwill as of December 31, 2015 (Predecessor)	$ 234,290	$ 21,487	$ 340,626	$ 596,403
Accumulated impairment losses	—	—	(334,058)	(334,058)
Net goodwill as of June 20, 2016	$ 234,290	$ 21,487	$ 6,568	$ 262,345
Goodwill recorded in connection with Merger	$5,841,053	$ —	$ —	$5,841,053
Accumulated impairment losses	—	—	—	—
Net goodwill as of September 30, 2016 (Successor)	$5,841,053	$ —	$ —	$5,841,053

NOTE 7. GROSS VERSUS NET REVENUE RECOGNITION

In the normal course of business, the Company is assessed non-income related taxes by governmental authorities, including franchising authorities (generally under multi-year agreements), and collects such taxes from its customers. The Company's policy is that, in instances where the tax is being assessed directly on the Company, amounts paid to the governmental authorities and amounts received from the customers are recorded on a gross basis. That is, amounts paid to the governmental authorities are recorded as technical and operating expenses and amounts received from the customer are recorded as revenue. For the three months ended September 30, 2016 (Successor), June 21, 2016 through September 30, 2016 (Successor), and January 1, 2016 through June 20, 2016 (Predecessor), the amount of franchise fees and certain other taxes and fees included as a component of revenue aggregated $50,135, $55,760 and $95,432, respectively.

For the three and nine months ended September 30, 2015 (Predecessor), the amount of franchise fees and certain other taxes and fees included as a component of net revenue aggregated $49,910 and $150,596, respectively.

NOTE 8. SUPPLEMENTAL CASH FLOW INFORMATION

The Company considers the balance of its investment in funds that substantially hold securities that mature within three months or less from the date the fund purchases these securities to be cash equivalents. The carrying amount of cash and cash equivalents either approximates fair value due to the short-term maturity of these instruments or are at fair value.

The Company's non-cash investing and financing activities and other supplemental data were as follows:

(Dollars in thousands, except per share amounts)

	Successor	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Non-Cash Investing and Financing Activities of Cablevision and CSC Holdings:			
Continuing Operations:			
Property and equipment accrued but unpaid	$ 61,816	$ 68,356	$ 51,094
Notes payable to vendor	—	—	8,318
Capital lease obligations	—	—	19,987
Intangible asset obligations	—	290	760
Deferred financing costs accrued but unpaid	1,570	—	—
Non-Cash Investing and Financing Activities of Cablevision:			
Dividends payable on unvested restricted share awards	—	—	3,635
Supplemental Data:			
Continuing Operations - Cablevision:			
Cash interest paid	539,563	258,940	423,273
Income taxes paid, net	10	7,082	711
Continuing Operations - CSC Holdings:			
Cash interest paid	481,685	151,991	258,439
Income taxes paid, net	10	7,082	711

The net cash used in connection with the consummation of the Merger aggregating $987,158 was recorded on the black line and therefore is not reflected in either the Predecessor or Successor periods.

NOTE 9. DEBT

In connection with the Merger, in October 2015, Neptune Finco Corp. ("Finco"), an indirect wholly-owned subsidiary of Altice formed to complete the financing described herein and the merger with CSC Holdings, borrowed an aggregate principal amount of $3,800,000 under a term loan facility (the "Term Credit Facility") and entered into revolving loan commitments in an aggregate principal amount of $2,000,000 (the "Revolving Credit Facility" and, together with the Term Credit Facility, the "Credit Facilities"). The Term Credit Facility was to mature on October 9, 2022 and the Revolving Credit Facility will mature on October 9, 2020 (see discussion below regarding the extension amendment). In addition, on June 21, 2016 and July 21, 2016, the Company entered into incremental loan assumption agreements whereby the Revolving Credit Facility was increased by $70,000 and $35,000, respectively, to $2,105,000.

Finco also issued $1,800,000 aggregate principal amount of 10.125% senior notes due 2023 (the "2023 Notes"), $2,000,000 aggregate principal amount of 10.875% senior notes due 2025 (the "2025 Notes"), and $1,000,000 aggregate principal amount of 6.625% senior guaranteed notes due 2025 (the "2025 Guaranteed Notes") (collectively the "Merger Notes").

On June 21, 2016, immediately following the Merger, Finco merged with and into CSC Holdings, with CSC Holdings surviving the merger (the "CSC Holdings Merger"), and the Merger Notes and the Credit Facilities became obligations of CSC Holdings. The 2025 Guaranteed Notes are guaranteed on a senior basis by each restricted subsidiary of CSC Holdings (other than CSC TKR, LLC and its subsidiaries, which own and operate the New Jersey cable television systems, Cablevision Lightpath, Inc. and any subsidiaries of CSC Holdings that are "Excluded Subsidiaries" under the indenture governing the 2025 Guaranteed Notes) (such subsidiaries, the "Initial Guarantors") and the obligations under the Credit Facilities are (i) guaranteed on a senior basis by each Initial Guarantor and (ii) secured on a first priority basis by capital stock held by CSC Holdings and the guarantors in certain subsidiaries of CSC Holdings, subject to certain exclusions and limitations.

Altice used the proceeds from the Term Credit Facility and the Merger Notes, together with an equity contribution from Altice and its Co-Investors and existing cash at Cablevision, to (a) finance the Merger, (b) refinance (i) the credit agreement, dated as of April 17, 2013 (the "Previous Credit Facility"), among CSC Holdings, certain subsidiaries of CSC Holdings and the lenders party thereto and (ii) the senior secured credit agreement, dated as of October 12, 2012, among Newsday LLC, CSC Holdings, and the lenders party thereto (the "Previous Newsday Credit Facility"), and (c) pay related fees and expenses.

The Credit Facilities permit CSC Holdings to request revolving loans, swing line loans or letters of credit from the revolving lenders, swingline lenders or issuing banks, as applicable, thereunder, from time to time prior to October 9, 2020, unless the commitments under the Revolving Credit Facility have been previously terminated.

Loans comprising each Eurodollar Borrowing or ABR Borrowing, as applicable, bear interest at a rate per annum equal to the Adjusted LIBO Rate or the Alternate Base Rate, as applicable, plus the Applicable Margin, where the Applicable Margin means: in respect of term loans (i) with respect to any ABR Loan, 3.00% per annum and (ii) with respect to any Eurodollar Loan, 4.00% per annum, and in respect of revolving credit loans (i) with respect to any ABR Loan, 2.25% per annum and (ii) with respect to any Eurodollar Loan, 3.25% per annum. If the Adjusted LIBO Rate for the Term Credit Facility is under 1% for any given period, the interest rate is fixed at 5% per annum.

On September 9, 2016, CSC Holdings entered into an amendment (the "Extension Amendment") to the Credit Facilities and the incremental loan assumption agreements dated June 21, 2016 and July 21, 2016 between Holdings and certain lenders party thereto (the "Extending Lenders") pursuant to which each Extending Lender agreed to extend the maturity of its Term Credit Facility under the Credit Facilities to October 11, 2024 and to certain other amendments to the Credit Facilities. In October 2016, CSC Holdings used the net proceeds from the sale of $1,310,000 aggregate principal amount of 5.5% senior guaranteed notes due 2027 (the "2027 Guaranteed Notes") (after the deduction of fees and expenses) to prepay outstanding loans under the Term Credit Facility that were not extended pursuant to the Extension Amendment. The total aggregate principal amount of the Term Credit Facility, after giving effect to the use of proceeds of the 2027 Guaranteed Notes, is $2,500,000 (the "Extended Term Loan"). The Extended Term Loan was effective on October 11, 2016. The accompanying balance sheets as of September 30, 2016 reflect a reclassification of $1,290,500 term loans to current liabilities, net of associated discount and deferred financing costs.

The Credit Facilities require CSC Holdings to prepay outstanding term loans, subject to certain exceptions and deductions, with (i) 100% of the net cash proceeds of certain asset sales, subject to reinvestment rights and certain other exceptions, and (ii) commencing with the first full fiscal year after the consummation of the Merger, a ratable share (based on the outstanding principal amount of the Extended Term Loan divided by the sum of the outstanding principal amount of all pari passu indebtedness and the Extended Term Loan) of 50% of the annual excess cash flow of CSC Holdings and its restricted subsidiaries, which will be reduced to 0% if the Consolidated Net Senior Secured Leverage Ratio of CSC Holdings is less than or equal to 4.5 to 1.

Under the Term Credit Facility, CSC Holdings was required to make and made scheduled quarterly payment of $9,500 beginning with the fiscal quarter ending September 30, 2016. Under the Extended Term Loan, CSC Holdings is required to make scheduled quarterly payments equal to 0.25% of the principal amount of the Extended Term Loan, with the remaining balance scheduled to be paid on October 11, 2024, beginning with the fiscal quarter ending March 31, 2017. Interest will be calculated under the Extended Term Loan subject to a "floor" applicable to the Adjusted LIBO Rate of 0.75% per annum, and the Applicable Margin is (1) with respect to any ABR Loan, 2.00% per annum and (2) with respect to any Eurodollar Loan, 3.00% per annum. If the Adjusted LIBO Rate for the Extended Term Loan is less than 0.75% for any given period, the interest rate is fixed at 3.75% per annum.

The Credit Facilities include negative covenants that are substantially similar to the negative covenants contained in the indentures under which the Merger Notes were issued (see discussion below). The Credit Facilities include one financial maintenance covenant (solely for the benefit of the Revolving Credit Facility), consisting of a maximum Consolidated Net Senior Secured Leverage Ratio of 5.0 to 1, which will be tested on the last day of any fiscal quarter but only if on such day there are outstanding borrowings under the Revolving Credit Facility (including swingline loans but excluding any cash collateralized letters of credit and undrawn letters of credit not to exceed $15,000). The Credit Facilities also contain certain customary representations and warranties, affirmative covenants and events of default (including, among others, an event of default upon a change of control). If an event of default occurs, the obligations under the Credit Facilities may be accelerated.

The deferred financing costs of $99,533 and discount of $57,000 related to the Term Credit Facility and Revolving Credit Facility are being amortized to interest expense over the terms of the respective facilities.

CSC Holdings was in compliance with all of its financial covenants under the Credit Facilities as of September 30, 2016.

On June 21, 2016, in connection with the Merger, CSC Holdings repaid all of its outstanding indebtedness under the Previous Credit Facility amounting to $2,030,699 and Newsday LLC repaid all of its outstanding indebtedness under the Previous Newsday Credit Facility amounting to $480,000. The write-off of the related unamortized deferred financing costs and discounts aggregating $15,573 were recorded on the black line and therefore are not reflected in either the Predecessor or Successor periods.

(Dollars in thousands, except per share amounts)

The following table provides details of outstanding credit facility debt as of September 30, 2016:

	Maturity Date	Interest Rate	Principal	Carrying Value (a)
Restricted Group:				
Revolving Credit Facility (b)	October 9, 2020	3.93%	$ 375,256	$ 343,400
Term Credit Facility (c)	October 9, 2022	5.00%	3,790,500	3,687,606
				$ 4,031,006

(a) The unamortized discount and deferred financing costs amounted to $134,750 at September 30, 2016.

(b) Includes $100,256 of credit facility debt assumed by CSC Holdings in connection with the Merger.

(c) Represents $3,800,000 principal amount assumed by CSC Holdings in connection with the Merger, net of principal payment made. See discussion above regarding the Extension Amendment entered into in September 2016 which extended the maturity date and amended the interest rate.

During the twelve months ending September 30, 2017, the Company is required to make principal payments aggregating $1,309,250 under the Term Credit Facility.

Senior Guaranteed Notes and Senior Notes and Debentures

The following table summarizes the Company's senior guaranteed notes and senior notes and debentures:

					Carrying Amount (f)	
Issuer	Date Issued	Maturity Date	Interest Rate	Principal Amount	Successor September 30, 2016	Predecessor December 31, 2015
CSC Holdings (a)(d)	February 6, 1998	February 15, 2018	7.875%	$ 300,000	$ 312,573	$ 299,091
CSC Holdings (a)(d)	July 21, 1998	July 15, 2018	7.625%	500,000	525,059	498,942
CSC Holdings (b)(d)	February 12, 2009	February 15, 2019	8.625%	526,000	556,873	511,079
CSC Holdings (b)(d)	November 15, 2011	November 15, 2021	6.750%	1,000,000	949,677	985,640
CSC Holdings (b)(d)	May 23, 2014	June 1, 2024	5.250%	750,000	647,692	737,500
CSC Holdings (c)	October 9, 2015	January 15, 2023	10.125%	1,800,000	1,774,003	—
CSC Holdings (c)	October 9, 2015	October 15, 2025	10.875%	2,000,000	1,969,885	—
CSC Holdings (c)	October 9, 2015	October 15, 2025	6.625%	1,000,000	985,167	—
CSC Holdings (e)	September 23, 2016	April 15, 2027	5.500%	1,310,000	1,304,446	—
					9,025,375	3,032,252
Cablevision (b)(d)	September 23, 2009	September 15, 2017	8.625%	900,000	935,136	891,238
Cablevision (b)(d)	April 15, 2010	April 15, 2018	7.750%	750,000	770,826	744,402
Cablevision (b)(d)	April 15, 2010	April 15, 2020	8.000%	500,000	488,272	494,410
Cablevision (b)(d)	September 27, 2012	September 15, 2022	5.875%	649,024	556,505	638,709
					$ 11,776,114	$ 5,801,011

(a) The debentures are not redeemable by the Company prior to maturity.

(b) The Company may redeem some or all of the notes at any time at a specified "make-whole" price plus accrued and unpaid interest to the redemption date.

(c) The Company may redeem some or all of the 2023 Notes at any time on or after January 15, 2019, and some or all of the 2025 Notes and 2025 Guaranteed Notes at any time on or after October 15, 2020, at the redemption prices set forth in the relevant indenture, plus accrued and unpaid interest, if any. The Company may also redeem up to 40% of each series of the Merger Notes using the proceeds of certain equity offerings before October 15, 2018, at a redemption price equal to 110.125% for the 2023 Notes, 110.875% for the 2025 Notes and 106.625% for the 2025 Guaranteed Notes, in each case plus accrued and unpaid interest. In addition, at any time prior to January 15, 2019, CSC Holdings may redeem some or all of the 2023 Notes, and at any time prior to October 15, 2020, the Company may redeem some or all of the 2025 Notes and the 2025 Guaranteed Notes, at a price equal to 100% of the principal amount thereof, plus a “make whole” premium specified in the relevant indenture plus accrued and unpaid interest.

(d) The carrying value of the notes was adjusted to reflect their fair value on the Merger Date (aggregate reduction of $52,788).

(e) The Company may redeem some or all of the 2027 Guaranteed Notes at any time on or after April 15, 2022 at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any. The Company may also redeem up to 40% of each series of the 2027 Guaranteed Notes using the proceeds of certain equity offerings before October 15, 2019, at a redemption price equal to 105.500%, plus accrued and unpaid interest.

(f) The carrying amount of the notes is net of unamortized deferred financing costs and/or discounts/premiums.

The table above excludes (i) the principal amount of Cablevision 7.75% senior notes due 2018 of $345,238 and the principal amount of Cablevision 8.00% senior notes due 2020 of $266,217 held by Newsday at December 30, 2015 which are eliminated in the condensed consolidated balance sheets of Cablevision. In July 2016, CSC Holdings contributed to Cablevision the outstanding senior notes held by Newsday Holdings, LLC and Cablevision cancelled the notes. The contribution of these notes to Cablevision had no impact to the financial position of Cablevision or CSC Holdings.

During the twelve months ending September 30, 2017, the Company is required to make principal payments on its senior notes aggregating $900,000.

CSC Holdings 5.5% Senior Guaranteed Notes due 2027 (Successor)

In September 2016, CSC Holdings issued $1,310,000 aggregate principal amount of 5.50% senior guaranteed notes due April 15, 2027. The 2027 Guaranteed Notes are senior unsecured obligations and rank pari passu in right of payment with all of the existing and future senior indebtedness, including the existing senior notes and the Credit Facilities and rank senior in right of payment to all of existing and future subordinated indebtedness.

As discussed above, in October 2016, CSC Holdings used the proceeds from the issuance of the 2027 Guaranteed Notes (after the deduction of fees and expenses) to prepay the outstanding loans under the Term Credit Facility that were not extended pursuant to the Extension Amendment. In connection with the issuance of the 2027 Guaranteed Notes, the Company incurred deferred financing costs of approximately $5,575, which are being amortized to interest expense over the term of the 2027 Guaranteed Notes.

CSC Holdings Merger Notes (Successor)

The $1,000,000 principal amount of the 2025 Guaranteed Notes bear interest at a rate of 6.625% per annum and were issued at a price of 100.00%. Interest on the 2025 Guaranteed Notes is payable semi-annually on January 15 and July 15, commencing on July 15, 2016. These 2025 Guaranteed Notes are guaranteed on a senior basis by the Initial Guarantors.

The $1,800,000 principal amount of the 2023 Notes and $2,000,000 principal amount of the 2025 Notes, bear interest at a rate of 10.125% and 10.875%, respectively, per annum and were issued at prices of 100.00%. Interest on the 2023 Notes and 2025 Notes is payable semi-annually on January 15 and July 15, commencing on July 15, 2016.

Deferred financing costs of approximately $76,579 incurred in connection with the issuance of the Merger Notes are being amortized to interest expense over the term of the Merger Notes.

The indentures under which the Merger Notes were issued contain certain covenants and agreements, including limitations on the ability of CSC Holdings and its restricted subsidiaries to (i) incur or guarantee additional indebtedness, (ii) make investments or other restricted payments, (iii) create liens, (iv) sell assets and subsidiary stock, (v) pay dividends or make other distributions or repurchase or redeem our capital stock or subordinated debt, (vi) engage in certain transactions with affiliates, (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances, and (viii) engage in mergers or consolidations, in each case subject to certain exceptions. The indentures also contain certain customary events of default. If an event of default occurs, the obligations under the Merger Notes may be accelerated.

(Dollars in thousands, except per share amounts)

As of September 30, 2016, the Company was in compliance with all of its financial covenants under the indentures under which the senior notes and debentures and guaranteed notes were issued.

Summary of Debt Maturities

Total amounts payable by the Company under its various debt obligations outstanding as of September 30, 2016 (giving effect to the Extension Amendment discussed above), including notes payable, collateralized indebtedness, and capital leases, during the next five years and thereafter, are as follows:

Years Ending December 31,	Cablevision	CSC Holdings
2016	$ 1,297,645	$ 1,297,645
2017	1,715,030	815,030
2018	2,099,291	1,349,291
2019	553,199	553,199
2020	901,596	401,596
Thereafter	10,909,024	10,260,000

NOTE 10. DERIVATIVE CONTRACTS AND COLLATERALIZED INDEBTEDNESS

The Company has entered into various transactions to limit the exposure against equity price risk on its shares of Comcast Corporation ("Comcast") common stock. The Company has monetized all of its stock holdings in Comcast through the execution of prepaid forward contracts, collateralized by an equivalent amount of the respective underlying stock. At maturity, the contracts provide for the option to deliver cash or shares of Comcast stock with a value determined by reference to the applicable stock price at maturity. These contracts, at maturity, are expected to offset declines in the fair value of these securities below the hedge price per share while allowing the Company to retain upside appreciation from the hedge price per share to the relevant cap price.

The following represents the location of the assets and liabilities associated with the Company's derivative instruments within the condensed consolidated balance sheets at September 30, 2016 (Successor) and December 31, 2015 (Predecessor):

		Asset Derivatives		Liability Derivatives	
		Successor	Predecessor	Successor	Predecessor
Derivatives Not Designated as Hedging Instruments	Balance Sheet Location	Fair Value at September 30, 2016	Fair Value at December 31, 2015	Fair Value at September 30, 2016	Fair Value at December 31, 2015
Prepaid forward contracts	Current derivative contracts	$ 5,059	$ 10,333	$ 1,579	$ 2,706
Prepaid forward contracts	Long-term derivative contracts	23,924	72,075	2,482	—
Total derivative contracts		$ 28,983	$ 82,408	$ 4,061	$ 2,706

These prepaid forward contracts are not designated as hedging instruments for accounting purposes and the related gain (loss) for all periods presented has been reflected in gain (loss) on equity derivative contracts, net in the accompanying condensed consolidated statements of operations.

Settlements of Collateralized Indebtedness

The following table summarizes the settlement of the Company's collateralized indebtedness relating to Comcast shares that were settled by delivering cash equal to the collateralized loan value, net of the value of the related equity derivative contracts.

(Dollars in thousands, except per share amounts)

	January 1, to June 20, 2016 (Predecessor)	June 21 to September 30, 2016 (Successor)
Number of shares	5,401,059	2,668,875
Collateralized indebtedness settled	$ (273,519)	$ (143,102)
Derivative contracts settled	(8,075)	—
	(281,594)	(143,102)
Proceeds from new monetization contracts	337,149	179,388
Net cash receipt	$ 55,555	$ 36,286

The cash was obtained from the proceeds of new monetization contracts covering an equivalent number of Comcast shares. The terms of the new contracts allow the Company to retain upside participation in Comcast shares up to each respective contract's upside appreciation limit with downside exposure limited to the respective hedge price.

NOTE 11. FAIR VALUE MEASUREMENT

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions. The fair value hierarchy consists of the following three levels:

- Level I - Quoted prices for identical instruments in active markets.
- Level II - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level III - Instruments whose significant value drivers are unobservable.

The following table presents for each of these hierarchy levels, the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

	Successor			
	At September 30, 2016			
	Level I	Level II	Level III	Total
Assets:				
Money market funds	$ 1,375,999	$ —	$ —	$ 1,375,999
Investment securities pledged as collateral	1,424,826	—	—	1,424,826
Prepaid forward contracts	—	28,983	—	28,983
Liabilities:				
Prepaid forward contracts	—	4,061	—	4,061

(Dollars in thousands, except per share amounts)

	Predecessor			
	At December 31, 2015			
	Level I	Level II	Level III	Total
Assets:				
Money market funds	$ 922,765	$ —	$ —	$ 922,765
Investment securities	130	—	—	130
Investment securities pledged as collateral	1,211,982	—	—	1,211,982
Prepaid forward contracts	—	82,408	—	82,408
Liabilities:				
Prepaid forward contracts	—	2,706	—	2,706

The Company's cash equivalents, investment securities and investment securities pledged as collateral are classified within Level I of the fair value hierarchy because they are valued using quoted market prices.

The Company's prepaid forward contracts reflected as derivative contracts and liabilities under derivative contracts on the Company's balance sheets are valued using market-based inputs to valuation models. These valuation models require a variety of inputs, including contractual terms, market prices, yield curves, and measures of volatility. When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit risk considerations. Such adjustments are generally based on available market evidence. Since model inputs can generally be verified and do not involve significant management judgment, the Company has concluded that these instruments should be classified within Level II of the fair value hierarchy.

The Company considers the impact of credit risk when measuring the fair value of its derivative asset and/or liability positions, as applicable.

The Company's assets measured at fair value on a nonrecurring basis include long-lived assets, indefinite-lived cable television franchises, trademarks, other indefinite-lived intangible assets and goodwill. During the quarter ended March 31, 2016, the Company performed its annual impairment test of goodwill, indefinite-lived cable television franchises, trademarks and other indefinite-lived intangible assets and there were no impairment charges recorded.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is practicable to estimate:

Credit Facility Debt, Collateralized Indebtedness, Senior Notes and Debentures, Senior Guaranteed Notes and Notes Payable

The fair values of each of the Company's debt instruments are based on quoted market prices for the same or similar issues or on the current rates offered to the Company for instruments of the same remaining maturities. The fair value of notes payable is based primarily on the present value of the remaining payments discounted at the borrowing cost.

The carrying values, estimated fair values, and classification under the fair value hierarchy of the Company's financial instruments, excluding those that are carried at fair value in the accompanying condensed consolidated balance sheets, are summarized as follows:

(Dollars in thousands, except per share amounts)

		Successor	
		September 30, 2016	
	Fair Value Hierarchy	Carrying Amount (a)	Estimated Fair Value
Debt instruments:			
Credit facility debt (c)	Level II	$ 4,031,006	$ 4,170,684
Collateralized indebtedness (d)	Level II	1,284,234	1,280,146
Senior guaranteed notes	Level II	2,289,613	2,424,475
Senior notes and debentures (e)	Level II	6,735,762	7,651,005
Notes payable	Level II	4,223	4,209
CSC Holdings total debt instruments		14,344,838	15,530,519
Cablevision senior notes (f)	Level II	2,750,739	2,862,277
Cablevision total debt instruments		$ 17,095,577	$ 18,392,796

		Predecessor	
		December 31, 2015	
	Fair Value Hierarchy	Carrying Amount (a)	Estimated Fair Value
CSC Holdings notes receivable:			
Cablevision senior notes held by Newsday Holdings LLC (b)	Level II	$ 611,455	$ 616,020
Debt instruments:			
Credit facility debt	Level II	$ 2,514,454	$ 2,525,654
Collateralized indebtedness	Level II	1,191,324	1,176,396
Senior notes and debentures	Level II	3,032,252	2,996,440
Notes payable	Level II	14,544	14,483
CSC Holdings total debt instruments		6,752,574	6,712,973
Cablevision senior notes	Level II	2,768,759	2,760,168
Cablevision total debt instruments		$ 9,521,333	$ 9,473,141

(a) Amounts are net of unamortized deferred financing costs and discounts.

(b) These notes are eliminated at the consolidated Cablevision level at December 31, 2015.

(c) As discussed in Note 9, amounts borrowed under the Term Credit Facility bear interest at a rate per annum equal to the Adjusted LIBO Rate or Alternative Base Rate, as applicable, plus Applicable Margin. If the Adjusted LIBO Rate is under 1% for any given period, the interest rate is fixed at 5% per annum.

(d) The total carrying value of the collateralized debt was reduced by $9,142 to reflect its fair value on the Merger Date.

(e) The total carrying value of the senior notes and debentures outstanding prior to the Merger was reduced by $39,713 to reflect the fair value of the notes on the Merger Date.

(f) The total carrying value of the senior notes outstanding prior to the Merger was reduced by $13,075 to reflect the fair value of the notes on the Merger Date.

The fair value estimates related to the Company's debt instruments and senior notes receivable presented above are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgments and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

NOTE 12. DISCONTINUED OPERATIONS AND SALE OF AFFILIATE INTEREST

For the nine months ended September 30, 2015 (Predecessor), the Company recorded an expense of $9,400 plus statutory interest of $8,823 (an aggregate of $10,754, net of income taxes) with respect to the decision in a case relating to Rainbow Media Holdings LLC, a business whose operations were previously discontinued.

In July 2016, the Company completed the sale of a 75% interest in Newsday LLC. The Company retained the remaining 25% ownership interest. Effective July 7, 2016, the operating results of Newsday are no longer consolidated with those of the Company and the Company's 25% interest in the operating results of Newsday is recorded on the equity basis.

NOTE 13. INCOME TAXES

Cablevision

In connection with the Merger, Cablevision joined the federal consolidated and certain state combined income tax returns filed by Neptune Holding US Corporation ("Neptune Holding"), a wholly-owned subsidiary of Altice. For all post-Merger periods the income tax provision for Cablevision is determined on a stand-alone basis as if Cablevision filed separate income tax returns. Presently, there is no tax sharing agreement between Neptune Holding and Cablevision.

Cablevision recorded income tax benefit of $89,157 and $113,258 for the three months ended September 30, 2016 and the period from June 21 through September 30, 2016, respectively, reflecting an effective tax rate of 40% in both periods.

Cablevision recorded income tax expense of $124,848 for the period from January 1 through June 20, 2016. In connection with the Merger, certain merger-related costs were determined to be nondeductible, resulting in additional deferred tax expense of $9,392. Absent this item, the effective tax rate would have been 40%.

Cablevision recorded income tax expense of $14,541 and $131,090 for the three and nine months ended September 30, 2015, respectively, reflecting an effective tax rate of 38% and 46%, respectively. In April 2015, corporate income tax changes were enacted for both New York State and the City of New York. Such changes included a provision whereby investment income will be subject to higher taxes. Accordingly, in the second quarter of 2015, Cablevision recorded deferred tax expense of $16,334 to remeasure the deferred tax liability for the investment in Comcast common stock and associated derivative securities. In the third quarter of 2015, Cablevision recorded tax benefit of $862 relating to an increase in the research credit and a reduction of nondeductible expenses in the prior year. Absent these items, the effective tax rate for the three and nine months ended September 30, 2015 would have been 41% in both periods.

The Merger resulted in an ownership change under the Internal Revenue Code and certain state taxing authorities whereby Cablevision’s net operating losses ("NOLs") immediately prior to the Merger of approximately $874,000 will be subject to certain limitations. Cablevision does not expect the limitations to impact the ability to utilize the NOLs prior to their expiration.

As described in Note 9, in October 2015, Finco incurred aggregate debt of $8,600,000. From October 2015 through June 20, 2016, the NOL with regard to the accrued interest and amortization of deferred financing costs on such debt was $468,249. In connection with the merger of Finco with and into CSC Holdings on June 21, 2016 a deferred tax asset of $163,887 for the Finco NOL was recorded at CSC Holdings as an adjustment to accumulated deficit.

As of September 30, 2016, on a stand alone basis, Cablevision's NOLs were approximately $1,298,000, including the Finco NOL of $468,249, and tax credit carry forwards were approximately $63,000.

CSC Holdings

CSC Holdings recorded income tax benefit of $71,204 and $92,730 for the three months ended September 30, 2016 and the period from June 21 through September 30, 2016, respectively, reflecting an effective tax rate of 40% in both periods.

CSC Holdings recorded income tax expense of $179,658 for the period from January 1 through June 20, 2016. In connection with the Merger, certain merger-related costs were determined to be nondeductible, resulting in additional deferred tax expense of $9,392. Absent this item, the effective tax rate would have been 41%.

CSC Holdings recorded income tax expense of $43,452 and $219,187 for the three and nine months ended September 30, 2015, reflecting an effective tax rate of 41% and 45%, respectively. In April 2015, corporate income tax changes were enacted for both New York State and the City of New York. Such changes included a provision whereby investment income will be subject to higher taxes. Accordingly, in the second quarter of 2015, CSC Holdings recorded deferred tax expense of $16,334 to remeasure the deferred tax liability for the investment in Comcast common stock and associated derivative securities. Absent this item, the effective tax rate for the nine months ended September 30, 2015 would have been 42%.

NOTE 14. EQUITY AND LONG-TERM INCENTIVE PLANS

Cablevision's Equity Plans

In connection with the Merger, outstanding equity-based awards granted under Cablevision's equity plans were cancelled and converted into a right to receive cash based upon the $34.90 per Share merger price in accordance with the original terms of the awards. On the Merger Date, the Company had 11,880,700 stock options, 3,769,485 restricted shares, 1,724,940 restricted stock units issued to employees and 466,283 restricted stock units issued to non-employee directors outstanding. The aggregate payment was $439,167 and represents a portion of the merger consideration. Approximately $63,484 of compensation costs related to the acceleration of the vesting of these awards in connection with the Merger and the related employer payroll taxes of $7,929 were recorded on the black line and therefore are not reflected in either the Predecessor or Successor periods.

In July 2016, certain employees of the Company and its affiliates received awards of units in a Carry Unit Plan of an entity which has an ownership interest in the Company's parent, Neptune Holdings US Corp. The awards generally will vest as follows: 50% on the second anniversary of June 21, 2016 ("Base Date"), 25% on the third anniversary of the Base Date, and 25% on the fourth anniversary of the Base Date. Prior to the fourth anniversary, the Company has the right to repurchase vested awards held by employees upon their termination. Beginning with the fourth anniversary, employees have the right to sell their vested units to the Company.

The Company measures the cost of employee services received in exchange for carry units based on the fair value of the award at each reporting period. An option pricing model is used which requires subjective assumptions for which changes in these assumptions could materially affect the fair value of the carry units outstanding. The time to liquidity event assumption is based on management's judgment. The equity volatility assumption of 60% is estimated using the historical weekly volatility of publicly traded comparable companies. The risk-free rate of 0.8% assumed in valuing the units is based on the U.S. Constant Maturity Treasury Rates for a period matching the expected time to liquidity event. The discount for lack of marketability of 20% is based on Finnerty's (2012) average-strike put option model. For the three months ended September 30, 2016 (Successor), the Company recognized an expense of $1,091 related to the push down of share-based compensation related to the Carry Unit Plan.

Long-Term Incentive Plan Awards

In connection with the Merger, each long-term incentive award outstanding vested at the target level of performance as provided in the applicable award agreements. Long-term incentive awards with a performance period ending on December 31, 2017 were paid based on the actual performance in accordance with their terms (which was 100.0% of the target level). Long-term incentive awards with a performance period ending on December 31, 2016 were paid based on the actual performance level through June 30, 2015 (which was 136.2% of the target level). On the Merger Date, the Company paid approximately $45,938 related to the long-term incentive awards, less applicable tax withholdings. Approximately $40,459 of the aggregate award payment was accrued for prior to the Merger date and the remaining $6,300 was recorded on the black line and therefore is not reflected in either the Predecessor or Successor periods.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Legal Matters

<u>Cable Operations Litigation</u>

Marchese, et al. v. Cablevision Systems Corporation and CSC Holdings, LLC: The Company is a defendant in a lawsuit filed in the U.S. District Court for the District of New Jersey by several present and former Cablevision subscribers, purportedly on behalf of a class of iO video subscribers in New Jersey, Connecticut and New York. After three versions of the complaint were dismissed without prejudice by the District Court, plaintiffs filed their third amended complaint on August 22, 2011, alleging that the Company violated Section 1 of the Sherman Antitrust Act by allegedly tying the sale of interactive services offered as part of iO television packages to the rental and use of set-top boxes distributed by Cablevision, and violated Section 2 of the Sherman Antitrust Act by allegedly seeking to monopolize the distribution of Cablevision compatible set-top boxes. Plaintiffs seek unspecified treble monetary damages, attorney's fees, as well as injunctive and declaratory relief. On September 23, 2011, the Company filed a motion to dismiss the third amended complaint. On January 10, 2012, the District Court issued a decision dismissing with prejudice the Section 2 monopolization claim, but allowing the Section 1 tying claim and related state common law claims to proceed. Cablevision's answer to the third amended complaint was filed on February 13, 2012. On December 7, 2015, the parties entered into a settlement agreement, which is subject to approval by the Court. On December 11, 2015, plaintiffs filed a motion for preliminary approval of the settlement, conditional certification of the settlement class, and approval of a class notice distribution plan. On March 10, 2016 the Court granted preliminary approval of the settlement and approved the class notice distribution plan. Class notice distribution and the claims submission process have now concluded. The Court granted final approval of the settlement on September 12, 2016, and the effective date of the settlement was October 24, 2016. As of September 30, 2016, the Company has an estimated liability associated with the settlement totaling $15,600, of which $9,500 represents attorneys' fees for plaintiffs' counsel, and $6,100 represents the cost of benefits to class members that are reasonably expected to be provided. It is possible that the amount ultimately paid in connection with the settlement could exceed the amount recorded.

In re Cablevision Consumer Litigation: Following expiration of the affiliation agreements for carriage of certain Fox broadcast stations and cable networks on October 16, 2010, News Corporation terminated delivery of the programming feeds to the Company, and as a result, those stations and networks were unavailable on the Company's cable television systems. On October 30, 2010, the Company and Fox reached an agreement on new affiliation agreements for these stations and networks, and carriage was restored. Several purported class action lawsuits were subsequently filed on behalf of the Company's customers seeking recovery for the lack of Fox programming. Those lawsuits were consolidated in an action before the U. S. District Court for the Eastern District of New York, and a consolidated complaint was filed in that court on February 22, 2011. Plaintiffs asserted claims for breach of contract, unjust enrichment, and consumer fraud, seeking unspecified compensatory damages, punitive damages and attorneys' fees. On March 28, 2012, the Court ruled on the Company's motion to dismiss, denying the motion with regard to plaintiffs' breach of contract claim, but granting it with regard to the remaining claims, which were dismissed. On April 16, 2012, plaintiffs filed a second consolidated amended complaint, which asserts a claim only for breach of contract. The Company's answer was filed on May 2, 2012. On October 10, 2012, plaintiffs filed a motion for class certification and on December 13, 2012, a motion for partial summary judgment. On March 31, 2014, the Court granted plaintiffs' motion for class certification, and denied without prejudice plaintiffs' motion for summary judgment. On May 30, 2014, the Court approved the form of class notice, and on October 7, 2014, approved the class notice distribution plan. The class notice distribution has been completed, and the opt-out period expired on February 27, 2015. Expert discovery commenced on May 5, 2014, and concluded on December 8 and 28, 2015, when the Court ruled on the pending expert discovery motions. On January 26, 2016, the Court approved a schedule for filing of summary judgment motions. Plaintiffs filed a motion for summary judgment on March 31, 2016. The Company filed its own summary judgment motion on June 13, 2016. The parties have entered into settlement discussions. The motions for summary judgment have been denied with leave to re-file in the event the discussions between the parties are not successful. In the quarter ended September 30, 2016, the Company recorded an estimated liability associated with a potential settlement totaling $4,000 as an adjustment to purchase accounting. The amount ultimately paid in connection with a possible settlement could exceed the amount recorded.

Patent Litigation

Cablevision is named as a defendant in certain lawsuits claiming infringement of various patents relating to various aspects of the Company's businesses. In certain of these cases other industry participants are also defendants. In certain of these cases the Company expects that any potential liability would be the responsibility of the Company's equipment vendors pursuant to applicable contractual indemnification provisions. The Company believes that the claims are without merit and intends to defend the actions vigorously, but is unable to predict the outcome of these lawsuits or reasonably estimate a range of possible loss.

In addition to the matters discussed above, the Company is party to various lawsuits, some involving claims for substantial damages. Although the outcome of these other matters cannot be predicted and the impact of the final resolution of these other matters on the Company's results of operations in a particular subsequent reporting period is not known, management does not believe that the resolution of these other lawsuits will have a material adverse effect on the financial position of the Company or the ability of the Company to meet its financial obligations as they become due.

(Dollars in thousands, except per share amounts)

NOTE 16. SEGMENT INFORMATION

The Company classifies its operations into three reportable segments: (1) Cable, (2) Lightpath, and (3) Other, consisting principally of Altice Media Sales and certain other businesses and unallocated corporate costs. Newsday was included in the Other segment through July 7, 2016 (See Note 12).

The Company's reportable segments are strategic business units that are managed separately. The Company evaluates segment performance based on several factors, of which the primary financial measure is business segment Adjusted EBITDA (defined as operating income (loss) excluding depreciation and amortization (including impairments), share-based compensation expense or benefit, restructuring expense or credits and transaction costs), a non-GAAP measure. The Company has presented the components that reconcile Adjusted EBITDA to operating income (loss), an accepted GAAP measure.

	Successor		Predecessor		
	Three Months Ended September 30, 2016	June 21, 2016 to September 30, 2016	Three Months Ended September 30, 2015	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Revenue from continuing operations					
Cable	$ 1,497,503	$ 1,665,109	$ 1,458,985	$ 2,822,638	$ 4,406,951
Lightpath	93,165	103,378	91,237	173,719	273,997
Other	32,677	39,750	84,299	159,006	257,638
Inter-segment eliminations (a)	(8,646)	(9,678)	(9,693)	(17,759)	(29,466)
	$ 1,614,699	$ 1,798,559	$ 1,624,828	$ 3,137,604	$ 4,909,120
Inter-segment revenue					
Cable	$ (144)	$ (231)	$ (565)	$ (642)	$ (1,681)
Lightpath	(4,193)	(4,641)	(4,525)	(8,395)	(13,916)
Other	(4,309)	(4,806)	(4,603)	(8,722)	(13,869)
	$ (8,646)	$ (9,678)	$ (9,693)	$ (17,759)	$ (29,466)
Adjusted EBITDA from continuing operations					
Cable	$ 532,902	$ 592,787	$ 423,759	$ 912,931	$ 1,333,011
Lightpath	46,887	52,044	41,921	83,795	129,078
Other	(6,522)	(369)	(38,626)	(59,416)	(106,677)
	$ 573,267	$ 644,462	$ 427,054	$ 937,310	$ 1,355,412
Share-based compensation expense included in continuing operations					
Cable	$ (791)	$ (791)	$ (11,862)	$ (17,310)	$ (30,791)
Lightpath	(142)	(142)	(2,003)	(2,801)	(5,311)
Other	(158)	(158)	(3,557)	(5,120)	(9,170)
	$ (1,091)	$ (1,091)	$ (17,422)	$ (25,231)	$ (45,272)

(Dollars in thousands, except per share amounts)

	Successor		Predecessor		
	Three Months Ended September 30, 2016	June 21, 2016 to September 30, 2016	Three Months Ended September 30, 2015	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Restructuring credits (expense) included in continuing operations					
Cable	$ (30,198)	$ (55,894)	$ 4	$ —	$ 4
Lightpath	(469)	(2,073)	—	—	—
Other	(11,358)	(73,294)	477	(2,299)	1,013
	$ (42,025)	$ (131,261)	$ 481	$ (2,299)	$ 1,017
Depreciation and amortization (including impairments) included in continuing operations					
Cable (b)	$ (428,154)	$ (467,132)	$ (185,000)	$ (346,504)	$ (554,615)
Lightpath (b)	(41,367)	(45,295)	(22,053)	(41,636)	(66,294)
Other	(11,976)	(13,630)	(10,235)	(26,410)	(29,208)
	$ (481,497)	$ (526,057)	$ (217,288)	$ (414,550)	$ (650,117)
Transaction Costs					
Cable	$ —	$ —	$ —	$ (4,111)	$ —
Lightpath	—	—	—	(153)	—
Other	(5,795)	(5,795)	(9,709)	(15,660)	(9,709)
	$ (5,795)	$ (5,795)	$ (9,709)	$ (19,924)	$ (9,709)
Operating income (loss) from continuing operations					
Cable	$ 73,759	$ 68,970	$ 226,901	$ 545,006	$ 747,609
Lightpath	4,909	4,534	17,865	39,205	57,473
Other	(35,809)	(93,246)	(61,650)	(108,905)	(153,751)
	$ 42,859	$ (19,742)	$ 183,116	$ 475,306	$ 651,331

(a) Inter-segment eliminations relate primarily to revenue recognized from the sale of local programming and voice services to our Cable segment.

(b) The Cable and Lightpath segments share portions of each other's network infrastructure. Depreciation charges are recorded by the segment that acquired the respective asset.

(Dollars in thousands, except per share amounts)

The following table summarizes the Cable segment revenue:

	Successor		Predecessor		
	Three Months Ended September 30, 2016	June 21, 2016 to September 30, 2016	Three Months Ended September 30, 2015	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Video (including equipment rental, DVR, franchise fees, video-on-demand and pay-per-view)	$ 785,693	$ 873,618	$ 792,012	$ 1,493,969	$ 2,414,974
High-speed data	418,692	465,038	373,831	771,236	1,110,357
Voice	220,212	245,129	229,442	423,586	695,441
Advertising	36,779	40,858	32,080	62,052	99,258
Other (including installation, advertising sales commissions, home shopping, and other products)	36,127	40,466	31,620	71,795	86,921
	$ 1,497,503	$ 1,665,109	$ 1,458,985	$ 2,822,638	$ 4,406,951

A reconciliation of reportable segment operating income to Cablevision's and CSC Holdings' condensed consolidated income from continuing operations before income taxes is as follows:

	Successor		Predecessor		
	Three Months Ended September 30, 2016	June 21, 2016 to September 30, 2016	Three Months Ended September 30, 2015	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Operating income (loss) for reportable segments	$ 42,859	$ (19,742)	$ 183,116	$ 475,306	$ 651,331
Items excluded from operating income (loss):					
CSC Holdings interest expense	(247,944)	(271,260)	(91,201)	(181,606)	(271,092)
CSC Holdings interest income	280	356	213	1,571	538
CSC Holdings intercompany interest income	—	1,335	12,013	22,692	36,040
Share of affiliate net loss	(400)	(400)	—	—	—
Gain on sale of affiliate interest	206	206	—	—	—
Gain (loss) on investments, net	24,833	83,467	(66,388)	129,990	(20,641)
Gain (loss) on equity derivative contracts, net	773	(26,572)	66,143	(36,283)	89,616
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	—	—	(1,735)
Miscellaneous, net	2,724	2,730	1,800	4,855	4,114
CSC Holdings income (loss) from continuing operations before income taxes	(176,669)	(229,880)	105,696	416,525	488,171
Cablevision interest expense	(44,880)	(49,984)	(55,723)	(105,492)	(167,057)
Intercompany interest expense	—	(1,335)	(12,013)	(22,692)	(36,040)
Cablevision interest income	—	1	12	19	24
Cablevision income (loss) from continuing operations before income taxes	$ (221,549)	$ (281,198)	$ 37,972	$ 288,360	$ 285,098

(Dollars in thousands, except per share amounts)

The following table summarizes the Company's capital expenditures by reportable segment:

	Successor		Predecessor		
	Three Months Ended September 30, 2016	June 21, 2016 to September 30, 2016	Three Months Ended September 30, 2015	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2015
Capital expenditures					
Cable	$ 120,805	$ 120,949	$ 191,617	$ 267,880	$ 511,185
Lightpath	21,554	21,560	24,083	44,137	70,877
Other	8,456	8,456	6,964	18,114	21,907
	$ 150,815	$ 150,965	$ 222,664	$ 330,131	$ 603,969

All revenue and assets of the Company's reportable segments are attributed to or located in the United States primarily concentrated in the New York metropolitan area.

NOTE 17. RELATED PARTY TRANSACTIONS

Prior to the Merger, Cablevision was controlled by Charles F. Dolan, certain members of his immediate family and certain family related entities (collectively the "Dolan Family"). Members of the Dolan Family are also the controlling stockholders of AMC Networks, The Madison Square Garden Company and MSG Networks Inc. ("MSG Networks").

The following table summarizes the revenue and charges related to services provided to or received from AMC Networks, The Madison Square Garden Company and MSG Networks not discussed elsewhere in the accompanying combined notes to the condensed consolidated financial statements for the Predecessor periods:

	Predecessor		
	January 1, 2016 to June 20, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2015
Revenue	$ 2,088	$ 1,097	$ 3,893
Operating expenses:			
Technical expenses, net of credits (a)	$ 84,636	$ 43,943	$ 133,306
Selling, general and administrative expenses, net of credits	2,182	479	3,909
Operating expenses, net	86,818	44,422	137,215
Net charges	$ 84,730	$ 43,325	$ 133,322

(a) Technical expenses include primarily costs incurred by the Company for the carriage of the MSG networks, as well as for AMC, WE tv, IFC, Sundance Channel and BBC America on the Company's cable systems. The Company also purchases certain programming signal transmission and production services from AMC Networks.

Subsequent to the Merger, the Company continues to receive or provide services to these entities, but these entities are no longer related parties.

(Dollars in thousands, except per share amounts)

The following table summarizes the revenue and charges (credits) related to services provided to or received from other subsidiaries of Altice and Newsday for the three months ended September 30, 2016 and for the period June 21, 2016 through September 30, 2016:

Revenue	$	720
Operating expenses:		
Technical expenses, net of credits	$	1,116
Selling, general and administrative credits, net of expenses		(474)
Operating expenses, net		642
Net credits	$	(78)

In addition, pursuant to the Stockholders Agreement of CVC 2 B.V., a subsidiary of Altice and indirect owner of the Company, Altice provides certain executive services, including CEO, CFO and COO services, to the Company. Compensation under the terms of the agreement is an annual fee of $20,000 to be paid by the Company. Fees associated with this agreement recorded by the Company amounted to approximately $5,556 for the period June 21, 2016 through September 30, 2016.

NOTE 18. SUBSEQUENT EVENTS

The Company evaluated all events that occurred after September 30, 2016 up through November 10, 2016, the date on which the financial statements were available to be issued. No subsequent events or disclosures were identified other than the events discussed in Note 9 above.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

All dollar amounts, except per customer and per share data, included in the following discussion under this Item 2, are presented in thousands.

Summary

Our future performance is dependent, to a large extent, on the impact of direct competition, general economic conditions (including capital and credit market conditions), our ability to manage our businesses effectively, and our relative strength and leverage in the marketplace, both with suppliers and customers. See "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") for the year ended December 31, 2015.

The Altice Merger

On June 21, 2016 (the "Merger Date"), pursuant to the Agreement and Plan of Merger (the "Merger Agreement"), dated as of September 16, 2015, by and among Cablevision, Altice N.V. ("Altice"), Neptune Merger Sub Corp., a wholly-owned subsidiary of Altice ("Merger Sub"), Merger Sub merged with and into Cablevision, with Cablevision surviving the merger (the "Merger").

In connection with the Merger, each outstanding share of the Cablevision NY Group Class A common stock, par value $0.01 per share ("CNYG Class A Shares"), and Cablevision NY Group Class B common stock, par value $0.01 per share ("CNYG Class B Shares", and together with the CNYG Class A Shares, the "Shares") other than (i) Shares owned by Cablevision, Altice or any of their respective wholly-owned subsidiaries, in each case not held on behalf of third parties in a fiduciary capacity, received $34.90 in cash without interest, less applicable tax withholdings (the "Merger Consideration").

Pursuant to an agreement, dated December 21, 2015, by and among CVC 2 B.V., CIE Management IX Limited, for and on behalf of the limited partnerships BC European Capital IX-1 through 11 and Canada Pension Plan Investment Board, certain affiliates of BCP and CPPIB (the "Co-Investors") funded approximately $1,000,000 toward the payment of the aggregate Per Share Merger Consideration, and indirectly acquired approximately 30% of the Shares of Cablevision.

Also in connection with the Merger, outstanding equity-based awards granted under Cablevision's equity plans were cancelled and converted into cash based upon the $34.90 per Share merger price in accordance with the original terms of the awards. The total consideration for the outstanding CNYG Class A Shares, the outstanding CNYG Class B Shares, and the equity-based awards amounted to $9,958,323.

In October 2015, Neptune Finco Corp. ("Finco"), an indirect wholly-owned subsidiary of Altice formed to complete the financing described herein and the merger with CSC Holdings, borrowed an aggregate principal amount of $3,800,000 under a term loan facility (the "Term Credit Facility") and entered into revolving loan commitments in an aggregate principal amount of $2,000,000 (the "Revolving Credit Facility" and, together with the Term Credit Facility, the "Credit Facilities"). The Term Credit Facility was to mature on October 9, 2022 and the Revolving Credit Facility will mature on October 9, 2020 (see discussion below regarding the extension amendment). In addition, on June 21, 2016 and July 21, 2016, the Company entered into incremental loan assumption agreements whereby the Revolving Credit Facility was increased by $70,000 and $35,000, respectively, to $2,105,000.

Finco also issued $1,800,000 aggregate principal amount of 10.125% senior notes due 2023 (the "2023 Notes"), $2,000,000 aggregate principal amount of 10.875% senior notes due 2025 (the "2025 Notes"), and $1,000,000 aggregate principal amount of 6.625% senior guaranteed notes due 2025 (the "2025 Guaranteed Notes") (collectively the "Merger Notes").

On June 21, 2016, immediately following the Merger, Finco merged with and into CSC Holdings, with CSC Holdings surviving the merger (the "CSC Holdings Merger"), and the Merger Notes and the Credit Facilities became obligations of CSC Holdings. The 2025 Guaranteed Notes are guaranteed on a senior basis by each restricted subsidiary of CSC Holdings (other than CSC TKR, LLC and its subsidiaries, which own and operate the New Jersey cable television systems, Cablevision Lightpath, Inc. and any subsidiaries of CSC Holdings that are "Excluded Subsidiaries" under the indenture governing the 2025 Guaranteed Notes) (such subsidiaries, the "Initial Guarantors") and the obligations under the Credit Facilities are (i) guaranteed on a senior basis by each Initial Guarantor and (ii) secured on a first priority basis by capital stock held by CSC Holdings and the guarantors in certain subsidiaries of CSC Holdings, subject to certain exclusions and limitations.

Altice used the proceeds from the Term Credit Facility and the Merger Notes, together with an equity contribution from Altice and its Co-Investors and existing cash at Cablevision, to (a) finance the Merger, (b) refinance (i) the credit agreement, dated as of April 17, 2013 (the "Previous Credit Facility"), among CSC Holdings, certain subsidiaries of CSC Holdings and the lenders party thereto and (ii) the senior secured credit agreement, dated as of October 12, 2012, among Newsday LLC, CSC Holdings, and the lenders party thereto (the "Previous Newsday Credit Facility"), and (c) pay related fees and expenses.

Cable

Our Cable segment, which accounted for 91% of our consolidated revenue, net of inter-segment eliminations, for the Successor period from June 21, 2016 through September 30, 2016 and the Predecessor period from January 1, 2016 through June 20, 2016 in the aggregate, derives revenue principally through monthly charges to subscribers of our video, high-speed data and Voice over Internet Protocol ("VoIP") services. These monthly charges include fees for video programming, high-speed data and VoIP services, as well as equipment rental, digital video recorder ("DVR"), video-on-demand, pay-per-view, installation and home shopping commissions. We also derive revenue from the sale of advertising time available on the programming carried on our cable television systems. Our video, high-speed data and Voice over Internet Protocol ("VoIP") services (including advertising and other revenue) accounted for 52%, 25%, and 14%, respectively, of our consolidated revenue, net of inter-segment eliminations. See further details of our Cable segment revenue in "Business Segment Results- Cable" below.

Revenue increases are derived from rate increases, increases in the number of subscribers to our services, including additional services sold to our existing subscribers, programming package upgrades by our video customers, speed tier upgrades by our high-speed data customers, and acquisition transactions that result in the addition of new subscribers.

Our ability to increase the number of subscribers to our services is significantly related to our penetration rates (the number of subscribers to our services as a percentage of serviceable passings, which represent the estimated number of single residence homes, apartment and condominium units passed by the cable distribution network in areas serviceable without further extending the transmission lines, including commercial establishments that have connected to our cable distribution network). Due to the high penetration of our video, high-speed data and VoIP services (49.9%, 55.9%, and 42.2%, respectively, of serviceable passings at September 30, 2016), our ability to maintain or increase our existing customers and revenue in the future will continue to be negatively impacted.

We face competition from telephone companies, DBS service providers, and others, including the delivery of video content over the Internet directly to subscribers. We face intense competition from Verizon Communications Inc. ("Verizon") and Frontier Communications Corporation ("Frontier"). Verizon has constructed a fiber to the home network plant that passes a significant number of households in our service area. Verizon does not publicly report the extent of their build-out or penetration by area. Our estimate of Verizon's build-out and sales activity in our service area is difficult to assess because it is based upon visual inspections and other limited estimating techniques, and therefore serves only as an approximation. We estimate that Verizon is currently able to sell a fiber-based video service, as well as high-speed data and VoIP services, to at least half of the households in our service area. In certain other portions of our service area, Verizon has also built its fiber network where we believe it is not currently able to sell its fiber-based video service, but is able to sell its high-speed data and VoIP services. In these areas (as well as other parts of our service area) Verizon markets DBS services along with its high-speed data and VoIP services. Verizon's fiber network also passes areas where we believe it is not currently able to sell its video, high-speed data or VoIP services. Accordingly, Verizon may increase the number of customers in our service area to whom it is able to sell video, high-speed data and VoIP services in the future.

Frontier offers video service, as well as high-speed data and VoIP services, in competition with us in most of our Connecticut service area. Frontier also markets DBS services in this service area. Verizon and Frontier have made and may continue to make promotional offers at prices lower than ours. This competition affects our ability to add or retain customers and creates pressure upon the pricing of our services. Competition, particularly from Verizon has negatively impacted our revenue and caused subscriber declines in our service areas. To the extent Verizon and Frontier continue to offer competitive and promotional packages, our ability to maintain or increase our existing customers and revenue will continue to be negatively impacted.

The two major DBS services, DISH Network Corporation and DIRECTV, are available to the vast majority of our customers. These companies each offer video programming that is substantially similar to the video service that we offer, at competitive prices.

Our revenue has also been negatively impacted by the prolonged weak economic conditions as customers with less disposable income may have been more willing to obtain services from our competitors or other sources. Our revenue may continue to be negatively impacted by the prolonged weak economic conditions in certain portions of our service area. In addition, new and existing customers are able to obtain video content from a wide variety of sources, including Internet-delivered content. Also, new and existing customers may choose to use a mobile device as their sole source of voice services. Consumers' selection of an alternate source of service, whether due to economic constraints, technological advances or preference, negatively impacts the demand for our services.

Historically, we have made substantial investments in our network and the development of new and innovative products and other service offerings for our customers as a way of differentiating ourselves from our competitors and we may continue to do so in the future. For example, we have deployed WiFi access points throughout our footprint and in October 2016 we unveiled faster high-quality broadband service across the whole Optimum footprint in New York, New Jersey, and Connecticut, with speeds of up to 300Mbps downstream for residential customers and up to 350Mbps downstream for business customers.

Our programming costs, which are the most significant component of our Cable segment's operating expenses, have increased and are expected to continue to increase primarily as a result of contractual rate increases and new channel launches. See "Business Segments Results - Cable" below for a further discussion of revenue and operating expenses.

Lightpath

Lightpath accounted for 5% of our consolidated revenue, net of inter-segment eliminations, for the Successor period from June 21, 2016 through September 30, 2016 and the Predecessor period from January 1, 2016 through June 20, 2016, in the aggregate. Lightpath derives revenue from the sale of fiber-based telecommunications services to the business market. Lightpath operates in a highly competitive business telecommunications market and competes against the very largest telecommunications companies, including incumbent local exchange carriers and competitive local exchange carriers, and long distance voice service companies. More specifically, Lightpath faces substantial competition from Verizon and Frontier which are the dominant providers of local telephone and broadband services in their respective service areas. To the extent our competitors reduce their prices, future success of our Lightpath business may be negatively impacted.

Other

Our Other segment, which accounted for 4% of our consolidated revenue, net of inter-segment eliminations, for the Successor period from June 21, 2016 through September 30, 2016 and the Predecessor period from January 1, 2016 through June 20, 2016, in the aggregate, includes the operations of (i) the News 12 Networks, our regional news programming services, (ii) Altice Media Solutions Corporation ("Altice Media Solutions", formerly Cablevision Media Sales), a cable television advertising company, (iii) certain other businesses and unallocated corporate costs and (iv) through July 7, 2016, Newsday, which includes the Newsday daily newspaper, amNew York, Star Community Publishing Group, and online websites. See discussion below regarding the sale of the Company's 75% interest in Newsday.

News 12 Networks

Our News 12 Networks, which include seven 24-hour local news channels and five traffic and weather services dedicated to covering areas within the New York metropolitan area, derive their revenue from the sale of advertising on their networks and affiliation fees paid by cable operators, principally Cablevision.

Altice Media Solutions

Altice Media Solutions is a cable television advertising company that derives its revenue primarily from the sale of local and regional commercial advertising time on cable television networks in the New York metropolitan area, which offers advertisers the opportunity to target specific geographic and demographic audiences.

Newsday

In July 2016, we completed the sale of a 75% interest in Newsday LLC. We retained the remaining 25% ownership interest. Effective July 7, 2016, the operating results of Newsday are no longer consolidated with those of the Company and our 25% interest in the operating results of Newsday is recorded on the equity basis.

Newsday's revenue are derived primarily from the sale of advertising and the sale of the Newsday daily newspaper, including home delivery, digital subscriptions, and single copy sales through local retail outlets ("circulation revenue"). For the Successor period from June 21, 2016 through July 6, 2016 and the Predecessor period from January 1, 2016 through June 20, 2016, Newsday's revenue accounted for 2% of our consolidated revenue, net of inter-segment eliminations.

Non-GAAP Financial Measures

We define Adjusted EBITDA, which is a non-GAAP financial measure, as operating income (loss) before depreciation and amortization (including impairments), excluding share-based compensation expense or benefit, restructuring expense or credits and transaction expenses. Adjusted EBITDA also excludes interest expense (including cash interest expense) and other non-operating income and expense items. We present Adjusted EBITDA as a measure of our ability to service our debt and make continuing investments, including in our capital infrastructure. We believe Adjusted EBITDA is an appropriate measure for evaluating the operating performance of our business segments and the Company on a consolidated basis. 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 the most important indicators of our business performance, and evaluate management's effectiveness with specific reference to these indicators. Adjusted EBITDA should be viewed as a supplement to and not a substitute for operating income (loss), net income (loss), cash flows from operating activities, and other measures of performance and/or liquidity presented in accordance with U.S. generally accepted accounting principles ("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. Each presentation of Adjusted EBITDA in this Quarterly Report includes a reconciliation of Adjusted EBITDA to operating income (loss).

Results of Operations - Cablevision Systems Corporation

The following table sets forth on a historical basis certain items related to operations as a percentage of revenue for the periods indicated:

STATEMENT OF OPERATIONS DATA

	Successor		Predecessor		
	Three Months Ended September 30,		Three Months Ended September 30,		
	2016		2015		
	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 1,614,699	100 %	$ 1,624,828	100%	$ (10,129)
Operating expenses:					
Technical and operating (excluding depreciation, amortization and impairments shown below)	742,463	46	800,879	49	58,416
Selling, general and administrative	305,855	19	424,026	26	118,171
Restructuring expense (credits)	42,025	3	(481)	—	(42,506)
Depreciation and amortization (including impairments)	481,497	30	217,288	13	(264,209)
Operating income	42,859	3	183,116	11	(140,257)
Other income (expense):					
Interest expense, net	(292,544)	(18)	(146,699)	(9)	(145,845)
Share of affiliate net loss	(400)	—	—	—	(400)
Gain on sale of affiliate interest, net	206	—	—	—	206
Gain (loss) on investments, net	24,833	2	(66,388)	(4)	91,221
Gain on equity derivative contracts, net	773	—	66,143	4	(65,370)
Miscellaneous, net	2,724	—	1,800	—	924
Income (loss) from continuing operations before income taxes	(221,549)	(14)	37,972	2	(259,521)
Income tax benefit (expense)	89,157	6	(14,541)	(1)	103,698
Income (loss) from continuing operations, net of income taxes	(132,392)	(8)	23,431	1	(155,823)
Loss from discontinued operations, net of income taxes	—	—	(406)	—	406
Net income (loss)	(132,392)	(8)	23,025	1	(155,417)
Net loss (income) attributable to noncontrolling interests	(256)	—	78	—	(334)
Net income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (132,648)	(8)%	$ 23,103	1%	$ (155,751)

	Successor	Predecessor	Combined		Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016		Nine Months Ended September 30, 2015		
	Amount	Amount	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 1,798,559	$ 3,137,604	$ 4,936,163	100 %	$ 4,909,120	100%	$ 27,043
Operating expenses:							
Technical and operating (excluding depreciation, amortization and impairments shown below)	829,544	1,523,590	2,353,134	48	2,402,363	49	49,229
Selling, general and administrative	331,439	721,859	1,053,298	21	1,206,326	25	153,028
Restructuring expense (credits)	131,261	2,299	133,560	3	(1,017)	—	(134,577)
Depreciation and amortization (including impairments)	526,057	414,550	940,607	19	650,117	13	(290,490)
Operating income (loss)	(19,742)	475,306	455,564	9	651,331	13	(195,767)
Other income (expense):							
Interest expense, net	(320,887)	(285,508)	(606,395)	(12)	(437,587)	(9)	(168,808)
Share of affiliate net loss	(400)	—	(400)	—	—	—	(400)
Gain on sale of affiliate interest, net	206	—	206	—	—	—	206
Gain (loss) on investments, net	83,467	129,990	213,457	4	(20,641)	—	234,098
Gain (loss) on equity derivative contracts, net	(26,572)	(36,283)	(62,855)	(1)	89,616	2	(152,471)
Loss on extinguishment of debt and write-off of deferred financing costs	—	—	—	—	(1,735)	—	1,735
Miscellaneous, net	2,730	4,855	7,585	—	4,114	—	3,471
Income (loss) from continuing operations before income taxes	(281,198)	288,360	7,162	—	285,098	6	(277,936)
Income tax benefit (expense)	113,258	(124,848)	(11,590)	—	(131,090)	(3)	119,500
Income (loss) from continuing operations, net of income taxes	(167,940)	163,512	(4,428)	—	154,008	3	(158,436)
Loss from discontinued operations, net of income taxes	—	—	—	—	(10,908)	—	10,908
Net income (loss)	(167,940)	163,512	(4,428)	—	143,100	3	(147,528)
Net loss attributable to noncontrolling interests	108	236	344	—	231	—	113
Net income (loss) attributable to Cablevision Systems Corporation stockholder(s)	$ (167,832)	$ 163,748	$ (4,084)	— %	$ 143,331	3%	$ (147,415)

The following is a reconciliation of operating income to Adjusted EBITDA:

	Successor	Predecessor	
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Favorable (Unfavorable)
Operating income (loss)	$ 42,859	$ 183,116	$ (140,257)
Share-based compensation	1,091	17,422	(16,331)
Restructuring expense (credits)	42,025	(481)	42,506
Transaction costs	5,795	9,709	(3,914)
Depreciation and amortization (including impairments)	481,497	217,288	264,209
Adjusted EBITDA	$ 573,267	$ 427,054	$ 146,213

	Successor	Predecessor	Combined	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Favorable (Unfavorable)
Operating income (loss)	$ (19,742)	$ 475,306	$ 455,564	$ 651,331	$ (195,767)
Share-based compensation	1,091	25,231	26,322	45,272	(18,950)
Restructuring expense (credits)	131,261	2,299	133,560	(1,017)	134,577
Transaction costs	5,795	19,924	25,719	9,709	16,010
Depreciation and amortization (including impairments)	526,057	414,550	940,607	650,117	290,490
Adjusted EBITDA	$ 644,462	$ 937,310	$ 1,581,772	$ 1,355,412	$ 226,360

Comparison of Three and Combined Nine Months Ended September 30, 2016 Versus Three and Nine Months Ended September 30, 2015

Consolidated Results - Cablevision Systems Corporation

We classify our operations into three reportable segments:

- Cable, consisting principally of our video, high-speed data, and VoIP services;
- Lightpath, which provides Ethernet-based data, Internet, voice and video transport and managed services to the business market in the New York metropolitan area; and
- Other, consisting principally of (i) the News 12 Networks, (ii) Altice Media Solutions, (iii) certain other businesses and unallocated corporate costs and (iv) Newsday (which effective July 7, 2016 was no longer consolidated - See Note 12 to the consolidated financial statements).

We allocate certain amounts of our corporate overhead to each segment based upon their proportionate estimated usage of services.

The segment financial information set forth below, including the discussion related to individual line items, does not reflect inter-segment eliminations unless specifically indicated.

See "Business Segments Results" for a discussion relating to the operating results of our segments. In those sections, we provide detailed analysis of the reasons for increases or decreases in the various line items at the segment level.

Revenue decreased $10,129 (1%) for the three months ended September 30, 2016 and increased $27,043 (1%) for the combined nine months ended September 30, 2016, as compared to revenue for the same periods in 2015. The net increases (decreases) are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Increase in revenue of the Cable segment	$ 38,518	$ 80,796
Increase in revenue of the Lightpath segment	1,928	3,100
Decrease in revenue of the Other segment (including a decrease of $52,562 and $60,829, respectively, due the Company no longer consolidating Newsday effective July 7, 2016)	(51,622)	(58,882)
Inter-segment eliminations	1,047	2,029
	$ (10,129)	$ 27,043

Technical and operating expenses (excluding depreciation, amortization and impairments) include primarily:

- cable programming costs which are costs paid to programmers (net of amortization of any incentives received from programmers for carriage) for cable content and are generally paid on a per-subscriber basis;
- network management and field service costs, which represent costs associated with the maintenance of our broadband network, including costs of certain customer connections;
- interconnection, call completion, circuit and transport fees paid to other telecommunication companies for the transport and termination of voice and data services; and
- content, production and distribution costs of our Newsday business.

Technical and operating expenses (excluding depreciation, amortization and impairments) decreased $58,416 (7%) and $49,229 (2%), respectively, for the three and combined nine months ended September 30, 2016 as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Decrease in expenses of the Cable segment	$ (22,102)	$ (8,530)
Increase (decrease) in expenses of the Lightpath segment	(307)	476
Decrease in expenses of the Other segment (including a decrease of $34,864 and $40,564, respectively, due the Company no longer consolidating Newsday effective July 7, 2016)	(36,301)	(42,307)
Inter-segment eliminations	294	1,132
	$ (58,416)	$ (49,229)

Selling, general and administrative expenses include primarily sales, marketing and advertising expenses, administrative costs, and costs of customer call centers. Selling, general and administrative expenses decreased $118,171 (28%) and $153,028 (13%), respectively, for the three and combined nine months ended September 30, 2016 as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Decrease in expenses of the Cable segment	$ (59,594)	$ (91,960)
Decrease in expenses of the Lightpath segment	(4,592)	(6,352)
Decrease in expenses of the Other segment (including a decrease of $22,455 and $21,580, respectively, due the Company no longer consolidating Newsday effective July 7, 2016)	(54,738)	(55,613)
Inter-segment eliminations	753	897
	$ (118,171)	$ (153,028)

Restructuring expense of $42,025 and $133,560 for the three and combined nine months ended September 30, 2016, respectively, is primarily related to severance and other employee related costs resulting from headcount reductions related to initiatives which commenced in the Successor period that are intended to simplify the Company's organizational structure and related facilities. It is currently anticipated that additional restructuring expenses will be recognized in the next twelve months as the Company continues to analyze the organizational structure.

Depreciation and amortization (including impairments) increased $264,209 (122%) and $290,490 (45%), respectively, for the three and combined nine months ended September 30, 2016 as compared to the same periods in 2015. The net increases are attributable to the following:

	Three Months	Combined Nine Months
	September 30, 2016	
Increase in expenses of the Cable segment	$ 243,154	$ 259,021
Increase in expenses of the Lightpath segment	19,314	20,637
Increase in expenses of the Other segment	1,741	10,832
	$ 264,209	$ 290,490

Adjusted EBITDA increased $146,213 (34%) and $226,360 (17%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The increases are attributable to the following:

	Three Months	Combined Nine Months
	September 30, 2016	
Increase in Adjusted EBITDA of the Cable segment	$ 109,143	$ 172,707
Increase in Adjusted EBITDA of the Lightpath segment	4,966	6,761
Increase in Adjusted EBITDA of the Other segment	32,104	46,892
	$ 146,213	$ 226,360

Interest expense, net increased $145,845 (99%) and $168,808 (39%), respectively, for the three and combined nine months ended September 30, 2016 as compared to the three and nine months ended September 30, 2015. The net increases are attributable to the following:

	Three Months	Combined Nine Months
	September 30, 2016	
Increase due to change in average debt balances	$ 119,808	$ 124,523
Increase due to change in average interest rates on indebtedness	24,522	43,723
Higher interest income	(55)	(1,385)
Other net increases, primarily amortization of deferred financing costs	1,570	1,947
	$ 145,845	$ 168,808

See "Liquidity and Capital Resources" discussion below for a description of our borrower groups and further details.

Gain (loss) on investments, net of $24,833 and $213,457 for the three and combined nine months ended September 30, 2016, respectively, and $(66,388) and $(20,641) for the three and nine months ended September 30, 2015, respectively, consists primarily of the increase in the fair value of Comcast Corporation ("Comcast") common stock owned by the Company. The effects of these gains (losses) are partially offset by the (losses) gains on the related equity derivative contracts, net described below.

Gain (loss) on equity derivative contracts, net of $773 and $(62,855) for the three and combined nine months ended September 30, 2016, respectively, and $66,143 and $89,616 for the three and nine months ended September 30, 2015, respectively, consists of unrealized and realized gains (losses) due to the change in fair value of the Company's equity derivative contracts relating to the Comcast common stock owned by the Company. The effects of these gains (losses) are offset by the (losses) gains on investment securities pledged as collateral, which are included in gain on investments, net discussed above.

Loss on extinguishment of debt and write-off of deferred financing costs amounted to $1,735 for the nine months ended September 30, 2015 and includes the write-off of unamortized deferred financing costs and the unamortized discount of $1,004 and $731, respectively, related to the $200,000 repayment on CSC Holdings Term B loan facility with cash on hand.

Income tax benefit amounted to $89,157 and $113,258 for the three months ended September 30, 2016 and the period from June 21 through September 30, 2016, respectively, reflecting an effective tax rate of 40% in both periods.

Income tax expense amounted to $124,848 for the period from January 1 through June 20, 2016. In connection with the Merger, certain merger-related costs were determined to be nondeductible, resulting in additional deferred tax expense of $9,392. Absent this item, the effective tax rate would have been 40%.

Cablevision recorded income tax expense of $14,541 and $131,090 for the three and nine months ended September 30, 2015, respectively, reflecting an effective tax rate of 38% and 46%, respectively. In April 2015, corporate income tax changes were enacted for both New York State and the City of New York. Such changes included a provision whereby investment income will be subject to higher taxes. Accordingly, in the second quarter of 2015, Cablevision recorded deferred tax expense of $16,334 to remeasure the deferred tax liability for the investment in Comcast common stock and associated derivative securities. In the third quarter of 2015, Cablevision recorded tax benefit of $862 relating to an increase in the research credit and a reduction of nondeductible expenses in the prior year. Absent these items, the effective tax rate for the three and nine months ended September 30, 2015 would have been 41% in both periods.

As of September 30, 2016, on a stand alone basis, Cablevision's NOLs were approximately $1,298,000, including Neptune Finco Corp.'s NOL of $468,249, and tax credit carry forwards were approximately $63,000.

Business Segments Results

Cable

The table below sets forth, for the periods presented, certain historical financial information and the percentage that those items bear to revenue for our Cable segment.

	Successor		Predecessor		
	Three Months Ended September 30,				
	2016		2015		
	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 1,497,503	100%	$ 1,458,985	100%	$ 38,518
Operating expenses:					
Technical and operating (excluding depreciation, amortization and impairments shown below)	704,254	47	726,356	50	22,102
Selling, general and administrative	261,138	17	320,732	22	59,594
Restructuring expense (credits)	30,198	2	(4)	—	(30,202)
Depreciation and amortization (including impairments)	428,154	29	185,000	13	(243,154)
Operating income	$ 73,759	5%	$ 226,901	16%	$ (153,142)

	Successor	Predecessor	Combined		Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016		Nine Months Ended September 30, 2015		
	Amount	Amount	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 1,665,109	$ 2,822,638	$ 4,487,747	100%	$ 4,406,951	100%	$ 80,796
Operating expenses:							
Technical and operating (excluding depreciation, amortization and impairments shown below)	784,508	1,384,728	2,169,236	48	2,177,766	49	8,530
Selling, general and administrative	288,605	546,400	835,005	19	926,965	21	91,960
Restructuring expense (credits)	55,894	—	55,894	1	(4)	—	(55,898)
Depreciation and amortization (including impairments)	467,132	346,504	813,636	18	554,615	13	(259,021)
Operating income	$ 68,970	$ 545,006	$ 613,976	14%	$ 747,609	17%	$ (133,633)

The following is a reconciliation of operating income to Adjusted EBITDA:

	Successor	Predecessor	
	Three Months Ended September 30,		Favorable (Unfavorable)
	2016	2015	
Operating income	$ 73,759	$ 226,901	$ (153,142)
Share-based compensation	791	11,862	(11,071)
Restructuring expense (credits)	30,198	(4)	30,202
Depreciation and amortization (including impairments)	428,154	185,000	243,154
Adjusted EBITDA	$ 532,902	$ 423,759	$ 109,143

	Successor	Predecessor	Combined	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Favorable (Unfavorable)
Operating income	$ 68,970	$ 545,006	$ 613,976	$ 747,609	$ (133,633)
Share-based compensation	791	17,310	18,101	30,791	(12,690)
Restructuring expense (credits)	55,894	—	55,894	(4)	55,898
Transaction costs	—	4,111	4,111	—	4,111
Depreciation and amortization (including impairments)	467,132	346,504	813,636	554,615	259,021
Adjusted EBITDA	$ 592,787	$ 912,931	$ 1,505,718	$ 1,333,011	$ 172,707

Revenue for the three and combined nine months ended September 30, 2016 increased $38,518 (3%) and $80,796 (2%), respectively, as compared to revenue for the same periods in 2015. The net increases are attributable to the following:

	Successor	Predecessor		
	Three Months Ended September 30,			
	2016	2015	Increase (Decrease)	Percent Increase (Decrease)
Video (including equipment rental, DVR, franchise fees, video-on-demand and pay-per-view)	$ 785,693	$ 792,012	$ (6,319)	(1)%
High-speed data	418,692	373,831	44,861	12
Voice	220,212	229,442	(9,230)	(4)
Advertising	36,779	32,080	4,699	15
Other (including installation, advertising sales commissions, home shopping, and other products)	36,127	31,620	4,507	14
	$ 1,497,503	$ 1,458,985	$ 38,518	3 %

	Successor	Predecessor	Combined	Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Increase (Decrease)	Percent Increase (Decrease)
Video (including equipment rental, DVR, franchise fees, video-on-demand and pay-per-view)	$ 873,618	$ 1,493,969	$ 2,367,587	$ 2,414,974	$ (47,387)	(2)%
High-speed data	465,038	771,236	1,236,274	1,110,357	125,917	11
Voice	245,129	423,586	668,715	695,441	(26,726)	(4)
Advertising	40,858	62,052	102,910	99,258	3,652	4
Other (including installation, advertising sales commissions, home shopping, and other products)	40,466	71,795	112,261	86,921	25,340	29
	$ 1,665,109	$ 2,822,638	$ 4,487,747	$ 4,406,951	$ 80,796	2 %

The revenue increases for the three and combined nine months ended September 30, 2016 as compared to the same periods in the prior year was due primarily to (i) rate increases for certain video and high-speed data services implemented during the first quarter of 2016, (ii) an increase in high-speed data customers, and (iii) an increase in other revenue primarily due to an increase in fees charged to restore suspended services. Partially offsetting these increases was a decrease in revenue due primarily to a decline in video and voice customers for the three and combined nine months ended September 30, 2016 as compared to the same periods in 2015. In addition, revenue decreased during the three months ended September 30, 2016 due to lower voice revenue due to a decline in international calling. For the nine months ended September 30, 2016, revenue also decreased due to a pay-per-view boxing event that took place in the second quarter of 2015 and lower voice revenue due to a decline in international calling.

The following table presents certain statistical information as of the dates indicated:

	September 30, 2016	June 30, 2016	September 30, 2015
		(in thousands)	
Total customers	3,139	3,148	3,107
Video customers	2,549	2,577	2,604
High-speed data customers	2,854	2,854	2,784
Voice customers	2,155	2,181	2,188
Serviceable passings	5,110	5,098	5,075
Average monthly revenue per customer ("RPC") (a)	$ 158.80	$ 159.88	$ 156.27 (b)

(a) RPC is calculated by dividing the average monthly GAAP revenue for the Cable segment for the quarter presented by the average number of total customers served by our cable systems for the respective period.

(b) RPC reflects certain reclassifications made to revenue and selling, general and administrative expenses to conform to the 2016 presentation.

The following table reflects our net customer increases (decreases) for the three and combined nine months ended September 30, 2016 and 2015:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
	(in thousands)			
Total customers	(8.5)	(9.9)	19.1	(10.4)
Video customers	(28.2)	(32.6)	(45.0)	(77.6)
High-speed data customers	0.5	2.7	45.0	24.3
Voice customers	(25.6)	(19.3)	(37.6)	(40.4)

Technical and operating expenses (excluding depreciation and amortization) for the three and combined nine months ended September 30, 2016 decreased $22,102 (3%) and $8,530, respectively, as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Decrease primarily in employee related costs related to the elimination of certain positions, lower net benefits and an increase in capitalizable activity, partially offset by merit increases	$ (21,405)	$ (20,489)
Decrease in call completion and transport costs primarily due to lower level of activity	(6,101)	(14,024)
Decrease in contractor costs due primarily to lower truck rolls	(2,437)	(8,706)
Decrease in cost of sales (which includes a lower cost or market valuation adjustment of ($11,302) related to wireless handset inventory from 2015, partially offset by the bulk sale of handset inventory of $5,445 during the first quarter of 2016)	(11,982)	(8,401)
Reduction in overall repairs and maintenance	(4,064)	(7,966)
Increase in programming costs due to an increase in contractual programming rates, partially offset by a decrease in video customers and a boxing event in the second quarter of 2015	20,679	51,726
Other net changes	3,208	(670)
	$ (22,102)	$ (8,530)

Technical and operating expenses consist primarily of (i) programming costs (including costs of video-on-demand and pay-per-view) which typically rise due to increases in contractual rates and new channel launches and are also impacted by changes in the number of customers receiving certain programming services, (ii) interconnection, call completion, circuit and transport fees paid to other telecommunication companies for the transport and termination of voice and data services, which typically vary based on rate changes and the level of usage by our customers, (iii) the cost of sale of equipment, and (iv) other direct costs associated with providing and maintaining services to our customers which are impacted by general cost increases for employees, contractors, insurance and other various expenses.

Our programming costs increased 3.8% for the combined nine months ended September 30, 2016 as compared to the same period in 2015 due primarily to an increase in contractual programming rates, partially offset by a decrease in video customers. Our programming costs in 2016 will continue to be impacted by changes in programming rates, which we expect to increase by high single digits, and by changes in the number of video customers.

Technical and operating expenses also include franchise fees, which are payable to the state governments and local municipalities where we operate and are primarily based on a percentage of certain categories of revenue derived from the provision of cable television service over our cable systems, which vary by state and municipality. These costs change in relation to changes in such categories of revenue or rate changes.

Costs of field operations, which consist primarily of employee related, customer installation and repair and maintenance costs, may fluctuate as a result of changes in level of activities and the utilization of contractors as compared to employees. Also, employee related and customer installation costs fluctuate as the portion of our expenses that we are able to capitalize changes due to changes in activity levels. Network related costs, which consist primarily of employee related, repair and maintenance, and utility costs, also fluctuate as capitalizable network upgrade and enhancement activity changes.

We expect that our technical and operating expenses will continue to increase in the future.

Selling, general and administrative expenses decreased $59,594 (19%) and $91,960 (10%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Decrease in employee related costs due primarily to the elimination of certain positions and lower net benefits, including the reversal of management bonuses, partially offset by merit increases	$ (24,186)	$ (37,300)
Decrease in legal costs	(9,294)	(23,580)
Decrease in advertising, marketing media placement and production costs	(2,147)	(17,275)
Decrease in share-based compensation	(11,070)	(12,689)
Decrease in expenses related to long-term incentive plan awards due to the elimination of the cash portion of these awards offset by an increase in the payout of an outstanding award	(4,040)	(7,945)
Decrease in product development costs and product consulting fees	(8,871)	(516)
Transaction costs, primarily employee transaction bonuses	—	4,111
Other net increases	14	3,234
	$ (59,594)	$ (91,960)

Selling, general and administrative expenses include customer related costs, principally from the operation and maintenance of our call center facilities that handle customer inquiries and billing and collection activities. These costs vary as a result of general cost increases for employees, changes to overall headcount and various other expenses. Selling, general and administrative expenses also include sales and marketing costs, which primarily consist of employee costs and advertising production and placement costs associated with acquiring and retaining customers. These costs vary period to period and may increase with intense competition. Additionally, selling, general and administrative expenses include various other administrative costs, including legal fees, long-term incentive and share-based payment awards, transaction costs, and product development costs.

Restructuring expense of $55,894 for the combined nine months ended September 30, 2016 is primarily related to severance and other employee related costs resulting from headcount reductions related to initiatives which commenced in the Successor period that are intended to simplify the Company's organizational structure.

Depreciation and amortization increased $243,154 (131%) and $259,021 (47%), respectively, for the three and combined nine months ended September 30, 2016 as compared to the same periods in 2015. The net increases are primarily due to depreciation and amortization expense recorded during the Successor period related to the step-up in the carrying value of property, plant and equipment and amortizable intangible assets recorded in connection with the Merger, partially offset by certain assets being retired or becoming fully depreciated.

Adjusted EBITDA increased $109,143 (26%) and $172,707 (13%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. These increases were due primarily to an increase in revenue and a decrease in overall operating expenses (excluding depreciation and amortization expense, restructuring expense, transaction costs and share-based compensation) as discussed above.

Lightpath

The table below sets forth, for the periods presented, certain historical financial information and the percentage that those items bear to revenue for our Lightpath segment:

	Successor		Predecessor		
	Three Months Ended September 30,				
	2016		2015		
	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 93,165	100%	$ 91,237	100%	$ 1,928
Operating expenses:					
Technical and operating (excluding depreciation, amortization and impairments shown below)	28,574	31	28,881	32	307
Selling, general and administrative	17,846	19	22,438	25	4,592
Restructuring expense	469	1	—	—	(469)
Depreciation and amortization (including impairments)	41,367	44	22,053	24	(19,314)
Operating income	$ 4,909	5%	$ 17,865	20%	$ (12,956)

	Successor	Predecessor	Combined		Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016		Nine Months Ended September 30, 2015		
	Amount	Amount	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 103,378	$ 173,719	$ 277,097	100%	$ 273,997	100%	$ 3,100
Operating expenses:							
Technical and operating (excluding depreciation, amortization and impairments shown below)	31,771	54,382	86,153	31	85,677	31	(476)
Selling, general and administrative	19,705	38,496	58,201	21	64,553	24	6,352
Restructuring expense	2,073	—	2,073	1	—	—	(2,073)
Depreciation and amortization (including impairments)	45,295	41,636	86,931	31	66,294	24	(20,637)
Operating income	$ 4,534	$ 39,205	$ 43,739	16%	$ 57,473	21%	$ (13,734)

The following is a reconciliation of operating income Adjusted EBITDA:

	Successor	Predecessor	
	Three Months Ended September 30,		Favorable
	2016	2015	(Unfavorable)
Operating income	$ 4,909	$ 17,865	$ (12,956)
Share-based compensation	142	2,003	(1,861)
Restructuring expense	469	—	469
Depreciation and amortization (including impairments)	41,367	22,053	19,314
Adjusted EBITDA	$ 46,887	$ 41,921	$ 4,966

	Successor	Predecessor	Combined	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Favorable (Unfavorable)
Operating income	$ 4,534	$ 39,205	$ 43,739	$ 57,473	$ (13,734)
Share-based compensation	142	2,801	2,943	5,311	(2,368)
Restructuring expense	2,073	—	2,073	—	2,073
Transaction costs	—	153	153	—	153
Depreciation and amortization (including impairments)	45,295	41,636	86,931	66,294	20,637
Adjusted EBITDA	$ 52,044	$ 83,795	$ 135,839	$ 129,078	$ 6,761

Revenue for the three and combined nine months ended September 30, 2016 increased $1,928 (2%) and $3,100 (1%), respectively, as compared to revenue for the same periods in 2015. The revenue increases were derived primarily from an increase in Ethernet revenue due to an increase in services installed, partially offset by reduced traditional voice and data services.

Technical and operating expenses (excluding depreciation and amortization) decreased $307 (1%) and increased $476 (1%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. Technical and operating expenses consist primarily of the direct costs associated with providing and maintaining services.

Selling, general and administrative expenses decreased $4,592 (20%) and $6,352 (10%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. Selling, general and administrative expenses include sales and marketing costs which consist primarily of employee costs and advertising production and placement costs associated with acquiring and retaining customers.

Restructuring expense of $2,073 for the combined nine months ended September 30, 2016 is primarily related to severance and other employee related costs resulting from headcount reductions related to initiatives which commenced in the Successor period that are intended to simplify the Company's organizational structure.

Depreciation and amortization increased $19,314 (88%) and $20,637 (31%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The net increases are primarily due to depreciation and amortization expense recorded during the Successor period related to the step-up in the carrying value of property, plant and equipment and amortizable intangible assets recorded in connection with the Merger, partially offset by certain assets being retired or becoming fully depreciated.

Adjusted EBITDA increased $4,966 (12%) and $6,761 (5%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The increases were due primarily to an increase in revenue and a decrease in operating expenses (excluding depreciation and amortization, restructuring expense (credit), transaction costs and share-based compensation), as discussed above.

Other

The table below sets forth, for the periods presented, certain historical financial information and the percentage that those items bear to revenue for our Other segment.

	Successor		Predecessor		
	Three Months Ended September 30, 2016		Three Months Ended September 30, 2015		
	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 32,677	100 %	$ 84,299	100 %	$ (51,622)
Operating expenses:					
Technical and operating (excluding depreciation, amortization and impairments shown below)	16,988	52	53,289	63	36,301
Selling, general and administrative	28,164	86	82,902	98	54,738
Restructuring expense (credits)	11,358	35	(477)	(1)	(11,835)
Depreciation and amortization (including impairments)	11,976	37	10,235	12	(1,741)
Operating loss	$ (35,809)	(110)%	$ (61,650)	(73)%	$ 25,841

	Successor	Predecessor	Combined		Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016		Nine Months Ended September 30, 2015		
	Amount	Amount	Amount	% of Revenue	Amount	% of Revenue	Favorable (Unfavorable)
Revenue	$ 39,750	$ 159,006	$ 198,756	100 %	$ 257,638	100 %	$ (58,882)
Operating expenses:							
Technical and operating (excluding depreciation, amortization and impairments shown below)	21,414	98,738	120,152	60	162,459	63	42,307
Selling, general and administrative	24,658	140,464	165,122	83	220,735	86	55,613
Restructuring expense (credits)	73,294	2,299	75,593	38	(1,013)	—	(76,606)
Depreciation and amortization (including impairments)	13,630	26,410	40,040	20	29,208	11	(10,832)
Operating loss	$ (93,246)	$ (108,905)	$ (202,151)	(102)%	$ (153,751)	(60)%	$ (48,400)

The following is a reconciliation of operating loss to Adjusted EBITDA:

	Successor	Predecessor	
	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Favorable (Unfavorable)
Operating loss	$ (35,809)	$ (61,650)	$ 25,841
Share-based compensation	158	3,557	(3,399)
Restructuring expense (credits)	11,358	(477)	11,835
Transaction costs	5,795	9,709	(3,914)
Depreciation and amortization (including impairments)	11,976	10,235	1,741
Adjusted EBITDA	$ (6,522)	$ (38,626)	$ 32,104

	Successor	Predecessor	Combined	Predecessor	
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Favorable (Unfavorable)
Operating loss	$ (93,246)	$ (108,905)	$ (202,151)	$ (153,751)	$ (48,400)
Share-based compensation	158	5,120	5,278	9,170	(3,892)
Restructuring expense (credits)	73,294	2,299	75,593	(1,013)	76,606
Transaction costs	5,795	15,660	21,455	9,709	11,746
Depreciation and amortization (including impairments)	13,630	26,410	40,040	29,208	10,832
Adjusted EBITDA	$ (369)	$ (59,416)	$ (59,785)	$ (106,677)	$ 46,892

Revenue decreased $51,622 (61%) and $58,882 (23%) for the three and combined nine months ended September 30, 2016, respectively, as compared to revenue for the same periods in 2015. The net decreases are attributable to the following:

	Three Months	Combined Nine Months
	Ended September 30, 2016	
Decrease in revenue at Newsday primarily due the Company no longer consolidating Newsday effective July 7, 2016	$ (52,562)	$ (60,829)
Net increase in revenue, primarily advertising revenue at News 12 Networks, partially offset by decreases in other businesses	1,000	2,053
Intra-segment eliminations	(60)	(106)
	$ (51,622)	$ (58,882)

Technical and operating expenses (excluding depreciation, amortization and impairments) decreased $36,301 (68%) and $42,307 (26%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months		Combined Nine Months	
	Ended September 30, 2016			
Decrease in costs primarily due the Company no longer consolidating Newsday effective July 7, 2016	$	(34,864)	$	(40,564)
Other net decreases		(1,437)		(1,743)
	$	(36,301)	$	(42,307)

Selling, general and administrative expenses decreased $54,738 (66%) and $55,613 (25%), respectively, for the three and combined nine months ended September 30, 2016, as compared to the same periods in 2015. The net decreases are attributable to the following:

	Three Months		Combined Nine Months	
	Ended September 30, 2016			
Increase (decrease) in transaction costs	$	(3,914)	$	11,746
Decrease in corporate costs, including the reversal of management bonuses of $8,342, net of allocations to business units		(25,264)		(41,696)
Decrease in expenses at certain other businesses		(3,045)		(3,977)
Decrease in expenses at Newsday		(22,455)		(21,580)
Intra-segment eliminations		(60)		(106)
	$	(54,738)	$	(55,613)

Restructuring expense of $11,358 and $75,593 for the three and combined nine months ended September 30, 2016, respectively, is primarily related to severance and other employee related costs resulting from headcount reductions related to initiatives which commenced in the Successor period that are intended to simplify the Company's organizational structure.

Depreciation and amortization increased $1,741 (17%) and $10,832 (37%) for the three and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The net increases during the Successor period relate to the step-up in the carrying value of property, plant and equipment and amortizable intangible assets recorded in connection with the Merger, partially offset by certain assets being retired or becoming fully depreciated. Additionally, the nine month period ended September 30, 2016 includes an impairment loss of $7,000 related to trademarks at Newsday.

Adjusted EBITDA deficit decreased $32,104 (83%) and $46,892 (44%) for the three months and combined nine months ended September 30, 2016, respectively, as compared to the same periods in 2015. The decrease in the Adjusted EBITDA deficit for the three and combined nine month periods was due primarily to a decrease in operating expenses (excluding depreciation and amortization, restructuring expense, transaction expenses and share-based compensation), partially offset by a decrease in revenue as discussed above.

CSC HOLDINGS, LLC

The condensed consolidated statements of operations of CSC Holdings are essentially identical to the condensed consolidated statements of operations of Cablevision, except for the following:

	Successor	Predecessor
	Three Months Ended September 30,	
	2016	2015
Net income (loss) attributable to Cablevision Systems Corporation stockholders	$ (132,648)	$ 23,103
Interest expense relating to Cablevision senior notes included in Cablevision's condensed consolidated statements of operations	44,880	55,723
Interest income related to cash held at Cablevision	—	(12)
Interest income included in CSC Holdings' consolidated statements of operations related to interest on Cablevision's senior notes held by Newsday Holdings through the date of sale in July 2016 (this interest income is eliminated in the condensed consolidated statements of operations of Cablevision)	—	12,013
Income tax benefit included in Cablevision's consolidated statements of operations	(17,953)	(28,911)
Net income (loss) attributable to CSC Holdings, LLC's sole member	$ (105,721)	$ 61,916

	Successor	Predecessor	Combined	Predecessor
	June 21, 2016 through September 30, 2016	January 1, 2016 through June 20, 2016	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Net income (loss) attributable to Cablevision Systems Corporation stockholders	$ (167,832)	$ 163,748	$ (4,084)	$ 143,331
Interest expense relating to Cablevision senior notes included in Cablevision's condensed consolidated statements of operations	49,984	105,492	155,476	167,057
Interest income related to cash held at Cablevision	(1)	(19)	(20)	(24)
Interest income included in CSC Holdings' consolidated statements of operations related to interest on Cablevision's senior notes held by Newsday Holdings through the date of sale in July 2016 (this interest income is eliminated in the condensed consolidated statements of operations of Cablevision)	1,335	22,692	24,027	36,040
Income tax benefit included in Cablevision's consolidated statements of operations	(20,528)	(54,810)	(75,338)	(88,097)
Net income (loss) attributable to CSC Holdings, LLC's sole member	$ (137,042)	$ 237,103	$ 100,061	$ 258,307

Refer to Cablevision's "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein.

CASH FLOW DISCUSSION

Continuing Operations - Cablevision Systems Corporation

Operating Activities

Net cash provided by operating activities amounted to $480,854 for the combined nine months ended September 30, 2016 compared to $920,056 for the nine months ended September 30, 2015. The decrease in cash provided by operating activities of $439,202 resulted from a decrease of $356,381 from changes in working capital, including the timing of payments and collections of accounts receivable, among other items and a decrease in income from continuing operations before depreciation and amortization and other non-cash items of $82,821.

Investing Activities

Net cash used in investing activities for the combined nine months ended September 30, 2016 was $469,588 compared to $615,132 for the nine months ended September 30, 2015. The 2016 investing activities consisted primarily of $481,096 of capital expenditures ($388,829 of which relates to our Cable segment), payments for certain investments of $2,256 and additions to other intangible assets of $1,709, partially offset by other net cash receipts of $15,473, including $13,825 from the sale of an affiliate interest.

The 2015 investing activities consisted primarily of $603,969 of capital expenditures ($511,185 of which relates to our Cable segment), net payments for other investments of $7,869, and additions to other intangible assets of $7,444, partially offset by other net cash receipts of $4,150.

Financing Activities

Net cash provided by financing activities amounted to $108,049 for the combined nine months ended September 30, 2016 compared to net cash used in financing activities of $282,439 for the nine months ended September 30, 2015. In 2016, the Company's financing activities consisted of proceeds of $1,310,000 from the issuance of notes, net proceeds from credit facility debt of $250,547, net proceeds from collateralized indebtedness of $91,841, net proceeds from stock option exercises of $14,411 and contributions from noncontrolling interests of $240, partially offset by an increase in restricted cash of $1,310,000, payments of deferred financing costs of $180,067, payments related to the net share settlement of restricted stock awards of $41,469, principal payments on capital lease obligations of $16,063, tax withholding associated with shares issued for equity-based compensation of $6,034, payment of accrued dividends of $4,066, and repayments of notes payable of $1,291.

In 2015, the Company's financing activities consisted primarily of repayments of credit facility debt of $245,369, dividend distributions to common stockholders of $125,170, payments of $18,265 related to the net share settlement of restricted stock awards, principal payments on capital lease obligations of $14,290, payment for the acquisition of the noncontrolling interest in Newsday of $8,300, repayments of notes payable of $2,458, and distributions to noncontrolling interests of $901, partially offset by net proceeds from collateralized indebtedness of $109,306, proceeds from stock option exercises of $17,416 and an excess tax benefit related to share-based awards of $5,592.

Continuing Operations - CSC Holdings, LLC

Operating Activities

Net cash provided by operating activities amounted to $652,879 for the combined nine months ended September 30, 2016 compared to $1,086,862 for the nine months ended September 30, 2015. The decrease in cash provided by operating activities of $433,983 resulted from a decrease of $453,621 from changes in working capital, including the timing of payments and collections of accounts receivable, among other items, partially offset by an increase in cash resulting from an increase in income from continuing operations before depreciation and amortization and other non-cash items of $19,638.

Investing Activities

Net cash used in investing activities for the combined nine months ended September 30, 2016 was $469,588 compared to $615,132 for the nine months ended September 30, 2015. The 2016 investing activities consisted primarily of $481,096 of capital expenditures ($388,829 of which relates to our Cable segment), payments for certain investments of $2,256 and additions to other intangible assets of $1,709, partially offset by other net cash receipts of $15,473, including $13,825 from the sale of an affiliate interest.

The 2015 investing activities consisted primarily of $603,969 of capital expenditures ($511,185 of which relates to our Cable segment), net payments for other investments of $7,869, and additions to other intangible assets of $7,444, partially offset by other net cash receipts of $4,150.

Financing Activities

Net cash used in financing activities amounted to $56,988 for the combined nine months ended September 30, 2016 compared to $461,141 for the nine months ended September 30, 2015. In 2016 the Company's financing activities consisted of an increase in restricted cash of $1,310,000, distributions to Cablevision of $202,195, payments of deferred financing costs of $180,067, principal payments on capital lease obligations of $16,063 and repayments of notes payable of $1,291, partially offset by proceeds of $1,310,000 from the issuance of notes, net proceeds from credit facility debt of $250,547, net proceeds from collateralized indebtedness of $91,841, and contributions from noncontrolling interests of $240.

In 2015, the Company's financing activities consisted primarily of repayments of credit facility debt of $245,369, distributions to Cablevision of $312,515, principal payments on capital lease obligations of $14,290, payment for the acquisition of the noncontrolling interest in Newsday of $8,300, repayments of notes payable of $2,458, and distributions to noncontrolling interests of $901, partially offset by net proceeds from collateralized indebtedness of $109,306 and an excess tax benefit related to share-based awards of $13,386.

LIQUIDITY AND CAPITAL RESOURCES

Cablevision

Cablevision has no operations independent of its subsidiaries. Cablevision's outstanding debt securities consist of $2,799,024 face value of senior notes and debentures, which are held by third party investors.

Funding for Our Debt Service Requirements

Funding for the debt service requirements of our debt securities has been provided by our subsidiaries' operations, principally CSC Holdings, as permitted by the covenants governing CSC Holdings' credit agreements and indentures. Funding for our subsidiaries has generally been provided by cash flow from operations, cash on hand, borrowings under the Restricted Group (as later defined) revolving credit facility, and the proceeds from the issuance of securities in the capital markets. Our decision as to the use of cash generated from operating activities, cash on hand and borrowings under the Restricted Group revolving credit facility has been based upon an ongoing review of the funding needs of the business, the optimal allocation of cash resources, the timing of cash flow generation and the cost of borrowing under the revolving credit facility. We have accessed the debt markets for significant amounts of capital in the past (including in connection with the Merger) and expect to do so in the future.

We have assessed our ability to repay our scheduled debt maturities over the next 12 months and we currently believe that a combination of cash on hand, cash generated from operating activities and availability under the Restricted Group revolving credit facility, should provide us with sufficient liquidity to repay such scheduled current debt maturities in the next 12 months totaling $2,228,645 under our credit facilities (including the reclassification of $1,290,500 term loans to current liabilities as described below), senior notes, capital leases, and notes payable as of September 30, 2016. Our collateralized debt maturing in the next 12 months will be settled either by delivering shares of Comcast common stock or by delivering cash from the net proceeds of new monetization transactions. However, competition, market disruptions or a deterioration in economic conditions could lead to lower demand for our products, as well as lower levels of advertising, and increased incidence of customers' inability to pay for the services we provide. These events would adversely impact our results of operations, cash flows and financial position. Although we currently believe that amounts available under the Restricted Group revolving credit facility will be available when, and if needed, we can provide no assurance that access to such funds will not be impacted by adverse conditions in the financial markets or other conditions. The obligations of the financial institutions under the Restricted Group revolving credit facility are several and not joint and, as a result, a funding default by one or more institutions does not need to be made up by the others.

In the longer term, we do not expect to be able to generate sufficient cash from operations to fund anticipated capital expenditures, meet all existing future contractual payment obligations and repay our debt at maturity. As a result, we will be dependent upon our ability to access the capital and credit markets. We will need to raise significant amounts of funding over the next several years to fund capital expenditures, repay existing obligations and meet other obligations, and the failure to do so successfully could adversely affect our business. If we are unable to do so, we will need to take other actions including deferring capital expenditures, selling assets, seeking strategic investments from third parties or reducing or eliminating discretionary uses of cash.

Debt Outstanding

The following table summarizes the carrying value of our outstanding debt, net of deferred financing costs, discounts and premiums (excluding accrued interest), as well as interest expense and capital expenditures. The following table includes debt assumed in connection with the CSC Holdings Merger discussed above.

	As of September 30, 2016						
	Restricted Group	Newsday LLC	Other Entities	Total CSC Holdings	Cablevision	Eliminations	Total Cablevision
Credit facility debt (a)	$ 4,031,006	$ —	$ —	$ 4,031,006	$ —	$ —	$ 4,031,006
Senior Guaranteed Notes (b)	2,289,613	—	—	2,289,613	—	—	2,289,613
Senior notes and debentures (c)(d)	6,735,762	—	—	6,735,762	2,750,739	—	9,486,501
Collateralized indebtedness relating to stock monetizations (e)	—	—	1,284,234	1,284,234	—	—	1,284,234
Capital lease obligations	29,541	—	—	29,541	—	—	29,541
Notes payable	4,223	—	—	4,223	—	—	4,223
Total debt	$ 13,090,145	$ —	$ 1,284,234	$ 14,374,379	$ 2,750,739	$ —	$ 17,125,118
Period from January 1, 2016 through June 20, 2016 (Predecessor)							
Interest expense	$ 143,977	$ 9,836	$ 27,793	$ 181,606	$ 128,184	$ (22,692)	$ 287,098
Capital expenditures	$ 322,592	$ 2,136	$ 5,403	$ 330,131	$ —	$ —	$ 330,131
Period from June 21, 2016 through September 30, 2016 (Successor)							
Interest expense	$ 245,824	$ (30)	$ 25,466	$ 271,260	$ 51,319	$ (1,335)	$ 321,244
Capital expenditures	$ 147,866	$ —	$ 3,099	$ 150,965	$ —	$ —	$ 150,965

(a) Includes $100,256 of credit facility debt assumed by CSC Holdings in connection with the Merger.

(b) Represents $985,167 ($1,000,000 principal amount) of senior guaranteed notes assumed by CSC Holdings in connection with the Merger and $1,304,446 ($1,310,000 principal amount) of senior guaranteed notes issued in September 2016.

(c) The total carrying value of the senior notes and debentures outstanding prior to the Merger was reduced by $52,788 to reflect the fair value of the notes on the Merger Date.

(d) Includes $3,743,888 ($3,800,000 principal amount) of senior notes assumed by CSC Holdings in connection with the Merger.

(e) The total carrying value of the collateralized debt was reduced by $9,142 to reflect its fair value on the Merger Date.

The following table provides details of outstanding credit facility debt as of September 30, 2016:

	Maturity Date	Interest Rate	Principal	Carrying Value (a)
Restricted Group:				
Revolving Credit Facility (b)	October 9, 2020	3.93%	$ 375,256	$ 343,400
Term Credit Facility (c)	October 9, 2022	5.00%	3,790,500	3,687,606
				$ 4,031,006

(a) The unamortized discount and deferred financing costs amounted to $134,750 at September 30, 2016.

(b) Includes $100,256 of credit facility debt assumed by CSC Holdings in connection with the Merger.

(c) Represents $3,800,000 principal amount assumed by CSC Holdings in connection with the Merger, net of principal payment made. See discussion above regarding the Extension Amendment entered into in September 2016 which extended the maturity date and amended the interest rate.

During the twelve months ending September 30, 2017, the Company is required to make principal payments aggregating $1,309,250 under the Term Credit Facility.

Payment Obligations Related to Debt

Total amounts payable by us in connection with our outstanding obligations during the five years subsequent to December 31, 2015 and thereafter, including related interest, as well as capital lease obligations and the value deliverable at maturity under monetization contracts (giving effect to the Extension Amendment discussed above) are as follows:

	Cablevision	Restricted Group	Other Entities (a)	Total
2016	$ 49,063	$ 1,389,738	$ 18,020	$ 1,456,821
2017	1,113,880	908,158	828,759	2,850,797
2018	857,193	1,681,532	532,492	3,071,217
2019	78,130	1,328,600	—	1,406,730
2020	558,130	1,153,358	—	1,711,488
Thereafter	725,284	13,127,783	—	13,853,067
Total	$ 3,381,680	$ 19,589,169	$ 1,379,271	$ 24,350,120

(a) Represents the Company's obligations in connection with monetization contracts it has entered into. The Company has the option, at maturity, to deliver the shares of common stock underlying the monetization contracts in full satisfaction of the maturing collateralized indebtedness and the related derivative contracts or obtain the required cash equivalent of the common stock through new monetization and derivative contracts.

Restricted Group

CSC Holdings and those of its subsidiaries which conduct our video, high-speed data, and VoIP services operations, as well as Lightpath, which provides Ethernet-based data, Internet, voice and video transport and managed services to the business market, comprise the "Restricted Group" as they are subject to the covenants and restrictions of the credit facility and indentures governing the notes and debentures issued by CSC Holdings. In addition, the Restricted Group is also subject to the covenants of the debt issued by Cablevision.

Sources of cash for the Restricted Group include primarily cash flow from the operations of the businesses in the Restricted Group, borrowings under its credit facility and issuance of securities in the capital markets and, from time to time, distributions or loans from its subsidiaries. The Restricted Group's principal uses of cash include: capital spending, in particular, the capital requirements associated with the upgrade of its digital video, high-speed data and VoIP services (including enhancements to its service offerings such as a broadband wireless network (WiFi)); debt service, including distributions made to Cablevision to service interest expense and principal repayments on its debt securities; other corporate expenses and changes in working capital; and investments that it may fund from time to time. Prior to the Merger, the Restricted Group also made distributions to Cablevision to fund dividends paid to its stockholders, share repurchases and senior note repurchases.

Credit Facilities

As of September 30, 2016, CSC Holdings had $3,790,500 outstanding under the Term Credit Facility and $375,256 outstanding under the Revolving Credit Facility and $1,639,623 was undrawn and available under the Revolving Credit Facility, subject to covenant limitations, to be drawn to meet the net funding and investment requirements of the Restricted Group.

The Credit Facilities permit CSC Holdings to request revolving loans, swing line loans or letters of credit from the revolving lenders, swingline lenders or issuing banks, as applicable, thereunder, from time to time prior to October 9, 2020, unless the commitments under the Revolving Credit Facility have been previously terminated.

Loans comprising each Eurodollar Borrowing or ABR Borrowing, as applicable, bear interest at a rate per annum equal to the Adjusted LIBO Rate or the Alternate Base Rate, as applicable, plus the Applicable Margin, where the Applicable Margin means: in respect of term loans (i) with respect to any ABR Loan, 3.00% per annum and (ii) with respect to any Eurodollar

Loan, 4.00% per annum, and in respect of revolving credit loans (i) with respect to any ABR Loan, 2.25% per annum and (ii) with respect to any Eurodollar Loan, 3.25% per annum. If the Adjusted LIBO Rate for the Term Credit Facility is under 1% for any given period, the interest rate is fixed at 5% per annum.

On September 9, 2016, CSC Holdings entered into an amendment (the "Extension Amendment") to the Credit Facilities and the incremental loan assumption agreements dated June 21, 2016 and July 21, 2016 between Holdings and certain lenders party thereto (the "Extending Lenders") pursuant to which each Extending Lender agreed to extend the maturity of its Term Credit Facility under the Credit Facilities to October 11, 2024 and to certain other amendments to the Credit Facilities. In October 2016, CSC Holdings used the net proceeds from the sale of $1,310,000 aggregate principal amount of 5.5% senior guaranteed notes due 2027 (the "2027 Guaranteed Notes") (after the deduction of fees and expenses) to prepay outstanding loans under the Term Credit Facility that were not extended pursuant to the Extension Amendment. The total aggregate principal amount of the Term Credit Facility, after giving effect to the use of proceeds of the 2027 Guaranteed Notes, is $2,500,000 (the "Extended Term Loan"). The Extended Term Loan was effective on October 11, 2016. The accompanying balance sheets as of September 30, 2016 reflect a reclassification of $1,290,500 term loans to current liabilities, net of associated discount and deferred financing costs.

The Credit Facilities require CSC Holdings to prepay outstanding term loans, subject to certain exceptions and deductions, with (i) 100% of the net cash proceeds of certain asset sales, subject to reinvestment rights and certain other exceptions, and (ii) commencing with the first full fiscal year after the consummation of the Merger, a ratable share (based on the outstanding principal amount of the Extended Term Loan divided by the sum of the outstanding principal amount of all pari passu indebtedness and the Extended Term Loan) of 50% of the annual excess cash flow of CSC Holdings and its restricted subsidiaries, which will be reduced to 0% if the Consolidated Net Senior Secured Leverage Ratio of CSC Holdings is less than or equal to 4.5 to 1.

Under the Term Credit Facility, CSC Holdings was required to make and made scheduled quarterly payment of $9,500 beginning with the fiscal quarter ending September 30, 2016. Under the Extended Term Loan, CSC Holdings is required to make scheduled quarterly payments equal to 0.25% of the principal amount of the Extended Term Loan, with the remaining balance scheduled to be paid on October 11, 2024, beginning with the fiscal quarter ending March 31, 2017. Interest will be calculated under the Extended Term Loan subject to a "floor" applicable to the Adjusted LIBO Rate of 0.75% per annum, and the Applicable Margin is (1) with respect to any ABR Loan, 2.00% per annum and (2) with respect to any Eurodollar Loan, 3.00% per annum. If the Adjusted LIBO Rate for the Extended Term Loan is less than 0.75% for any given period, the interest rate is fixed at 3.75% per annum.

The obligations under the Credit Facilities are guaranteed by each restricted subsidiary of CSC Holdings (other than CSC TKR, LLC and its subsidiaries and certain excluded subsidiaries) (the “Initial Guarantors”) and, subject to certain limitations, will be guaranteed by each future material wholly-owned restricted subsidiary of CSC Holdings. The obligations under the Credit Facilities (including any guarantees thereof) are secured on a first priority basis, subject to any liens permitted by the Credit Facilities, by capital stock held by CSC Holdings or any guarantor in certain subsidiaries of CSC Holdings, subject to certain exclusions and limitations.

The Credit Facilities include negative covenants that are substantially similar to the negative covenants contained in the indentures under which the Merger Notes were issued (see discussion below). The Credit Facilities include one financial maintenance covenant (solely for the benefit of the Revolving Credit Facility), consisting of a maximum Consolidated Net Senior Secured Leverage Ratio of 5.0 to 1, which will be tested on the last day of any fiscal quarter but only if on such day there are outstanding borrowings under the Revolving Credit Facility (including swingline loans but excluding any cash collateralized letters of credit and undrawn letters of credit not to exceed $15,000). The Credit Facilities also contain certain customary representations and warranties, affirmative covenants and events of default (including, among others, an event of default upon a change of control). If an event of default occurs, the obligations under the Credit Facilities may be accelerated.

The deferred financing costs of $99,533 and discount of $57,000 related to the Credit Facilities are being amortized to interest expense over the terms of the respective loans.

CSC Holdings was in compliance with all of its financial covenants under the Credit Facilities as of September 30, 2016.

Repayment of Previous Credit Facility

On June 21, 2016, in connection with the Merger, CSC Holdings repaid all of its outstanding indebtedness under the Previous Credit Agreement amounting to $2,030,699.

CSC Holdings Merger Notes

The $1,000,000 principal amount of the 2025 Guaranteed Notes bear interest at a rate of 6.625% per annum and were issued at a price of 100.00%. Interest on the 2025 Guaranteed Notes is payable semi-annually on January 15 and July 15, commencing on July 15, 2016. These 2025 Guaranteed Notes are guaranteed on a senior basis by the Initial Guarantors.

The $1,800,000 principal amount of the 2023 Notes and $2,000,000 principal amount of the 2025 Notes, bear interest at a rate of 10.125% and 10.875%, respectively, per annum and were issued at prices of 100.00%. Interest on the 2023 Notes and 2025 Notes is payable semi-annually on January 15 and July 15, which began on July 15, 2016.

Deferred financing costs of approximately $76,579 incurred in connection with the issuance of the Merger Notes are being amortized to interest expense over the term of the Merger Notes.

CSC Holdings may redeem some or all of the 2023 Notes at any time on or after January 15, 2019, and some or all of the 2025 Notes and 2025 Guaranteed Notes at any time on or after October 15, 2020, at the redemption prices set forth in the relevant indenture, plus accrued and unpaid interest, if any. CSC Holdings may also redeem up to 40% of each series of the Merger Notes using the proceeds of certain equity offerings before October 15, 2018, at a redemption price equal to 110.125% for the 2023 Notes, 110.875% for the 2025 Notes and 106.625% for the 2025 Guaranteed Notes, in each case plus accrued and unpaid interest. In addition, at any time prior to January 15, 2019, CSC Holdings may redeem some or all of the 2023 Notes, and at any time prior to October 15, 2020, CSC Holdings may redeem some or all of the 2025 Notes and the 2025 Guaranteed Notes, at a price equal to 100% of the principal amount thereof, plus a “make whole” premium specified in the relevant indenture plus accrued and unpaid interest.

The indentures under which the Merger Notes were issued contain certain covenants and agreements, including limitations on the ability of CSC Holdings and its restricted subsidiaries to (i) incur or guarantee additional indebtedness, (ii) make investments or other restricted payments, (iii) create liens, (iv) sell assets and subsidiary stock, (v) pay dividends or make other distributions or repurchase or redeem our capital stock or subordinated debt, (vi) engage in certain transactions with affiliates, (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances, and (viii) engage in mergers or consolidations, in each case subject to certain exceptions. The indentures also contain certain customary events of default. If an event of default occurs, the obligations under the Merger Notes may be accelerated.

As of September 30, 2016, the Company was in compliance with all of its financial covenants under the indentures under which the senior notes and debentures and guaranteed notes were issued.

CSC Holdings 5.5% Senior Guaranteed Notes due 2027 (Successor)

In September 2016, CSC Holdings issued $1,310,000 aggregate principal amount of 5.50% senior guaranteed notes due April 15, 2027. The 2027 Guaranteed Notes are senior unsecured obligations and rank pari passu in right of payment with all of the existing and future senior indebtedness, including the existing senior notes and the Credit Facilities and rank senior in right of payment to all of existing and future subordinated indebtedness.

As discussed above, in October 2016, CSC Holdings used the proceeds from the issuance of the 2027 Guaranteed Notes (after the deduction of fees and expenses) to prepay the outstanding loans under the Term Credit Facility that were not extended pursuant to the Extension Amendment. In connection with the issuance of the 2027 Guaranteed Notes, the Company incurred deferred financing costs of approximately $5,575, which are being amortized to interest expense over the term of the 2027 Guaranteed Notes.

The Company may redeem some or all of the 2027 Guaranteed Notes at any time on or after April 15, 2022 at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any. The Company may also redeem up to 40% of each series of the 2027 Guaranteed Notes using the proceeds of certain equity offerings before October 15, 2019, at a redemption price equal to 105.500%, plus accrued and unpaid interest.

Newsday LLC Credit Facility

On June 21, 2016, in connection with the Merger, Newsday LLC repaid all of its outstanding indebtedness under the Previous Newsday Credit Agreement amounting to $480,000.

Cablevision Mirror Notes

In July 2016, CSC Holdings contributed to Cablevision the outstanding Cablevision 7.75% senior notes due 2018 of $345,238 and the Cablevision 8.00% senior notes due 2020 of $266,217 held by Newsday Holdings, LLC and Cablevision cancelled the notes. The contribution of these notes to Cablevision had no impact to the financial position of Cablevision or CSC Holdings.

Capital Expenditures

The following table provides details of the Company's capital expenditures by reportable segment for the three months and nine months ended September 30, 2016 and 2015:

	Successor	Predecessor
	Three Months Ended September 30,	Three Months Ended September 30,
	2016	2015
Capital Expenditures		
Customer premise equipment	$ 38,236	$ 74,401
Scalable infrastructure	34,120	58,535
Line extensions	8,274	7,052
Upgrade/rebuild	9,374	12,162
Support	30,801	39,467
Total Cable	120,805	191,617
Lightpath	21,554	24,083
Other	8,456	6,964
Total Cablevision	$ 150,815	$ 222,664

	Successor	Predecessor		
	June 21, 2016 to September 30, 2016	January 1, 2016 to June 20, 2016	Combined Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Capital Expenditures				
Customer premise equipment	$ 38,276	$ 68,418	$ 106,694	$ 177,209
Scalable infrastructure	34,139	110,127	144,266	160,099
Line extensions	8,353	14,713	23,066	19,777
Upgrade/rebuild	9,380	24,412	33,792	43,162
Support	30,801	50,210	81,011	110,938
Total Cable	120,949	267,880	388,829	511,185
Lightpath	21,560	44,137	65,697	70,877
Other	8,456	18,114	26,570	21,907
Total Cablevision	$ 150,965	$ 330,131	$ 481,096	$ 603,969

Capital expenditures for the three and combined nine months ended September 30, 2016 decreased $71,849 and $122,873, respectively, as compared to the same periods in 2015. These decreases were primarily related to lower spending on customer premise equipment, construction parts and electronics, and facility upgrades. These decreases were partially offset by spending to upgrade network infrastructure.

Monetization Contract Maturities

As of September 30, 2016, monetization contracts covering 10,738,809 shares of Comcast common stock held by us will mature within 12 months. We intend to settle such transactions by either delivering shares of the Comcast common stock and the related equity derivative contracts or by delivering cash from the net proceeds of new monetization transactions.

Other Events

Pursuant to the terms of the Merger Agreement, Cablevision was not permitted to declare and pay dividends or repurchase stock, in each case, without the prior written consent of Altice. In accordance with these terms, Cablevision did not declare dividends during the period January 1, 2016 through June 20, 2016 (Predecessor).

During the period January 1, 2016 through June 20, 2016 (Predecessor), Cablevision paid $4,066 related to restricted shares that vested in respect of dividends declared and accrued on the CNYG common stock in prior periods. In addition, on June 21, 2016, approximately $3,773 of accrued dividends were paid on restricted shares and performance restricted stock units that vested in connection with the Merger.

CSC Holdings made cash equity distribution payments to Cablevision aggregating $57,877 and $144,318, respectively, during the 2016 Successor period and 2016 Predecessor period, respectively. These distribution payments were funded from cash on hand. The proceeds were used to fund:

- Cablevision's interest payments on its senior notes (Predecessor and Successor);
- Cablevision's payments in respect of dividends declared and accrued in prior periods related to restricted shares that vested (Predecessor period only); and
- Cablevision's payments for the acquisition of treasury shares related to statutory minimum tax withholding obligations upon the vesting of certain restricted shares (Predecessor period only).

Newsday Transactions

In July 2016, the Company completed the sale of a 75% interest in Newsday LLC. The Company retained the remaining 25% ownership interest. Effective July 7, 2016, the operating results of Newsday are no longer consolidated with those of the Company and the Company's 25% interest in the operating results of Newsday is recorded on the equity basis.

Commitments and Contingencies

As of September 30, 2016, the Company's commitments and contingencies for continuing operations not reflected in the Company's condensed consolidated balance sheet decreased to approximately $4,081,000 as compared to approximately $5,738,000 at December 31, 2015. This decrease relates primarily to payments made pursuant to programming commitments during the nine months ended September 30, 2016.

Managing our Interest Rate and Equity Price Risk

Interest Rate Risk

Interest rate risk is primarily a result of exposures to changes in the level, slope and curvature of the yield curve, the volatility of interest rates and credit spreads. Our exposure to interest rate risk results from changes in short-term interest rates. Interest rate risk exists primarily with respect to our credit facility debt, which bears interest at variable rates. The carrying value of our outstanding credit facility debt at September 30, 2016 amounted to $4,031,006. To manage interest rate risk, we have from time to time entered into various interest rate swap contracts to adjust the proportion of total debt that is subject to variable interest rates. Such contracts effectively fixed the borrowing rates on our floating rate debt to limit the exposure against the risk of rising rates. We did not have any interest swap contracts in place at September 30, 2016. We do not enter into interest rate swap contracts for speculative or trading purposes. See discussion above for further details of our credit facility debt and Item 3. "Quantitative and Qualitative Disclosures About Market Risk" below for a discussion regarding the fair value of our debt.

Equity Price Risk

We have entered into derivative contracts to hedge our equity price risk and monetize the value of our shares of common stock of Comcast. These contracts, at maturity, are expected to offset declines in the fair value of these securities below the hedge price per share while allowing us to retain upside appreciation from the hedge price per share to the relevant cap price. If any one of these contracts is terminated prior to its scheduled maturity date due to the occurrence of an event specified in the contract, we would be obligated to repay the fair value of the collateralized indebtedness less the sum of the fair values of the underlying stock and equity collar, calculated at the termination date. As of September 30, 2016, we did not have an early termination shortfall relating to any of these contracts. The underlying stock and the equity collars are carried at fair value on our condensed consolidated balance sheets and the collateralized indebtedness is carried at its principal value, net of the unamortized fair value adjustment. The fair value adjustment is being amortized over the term of the related indebtedness. See "Quantitative and Qualitative Disclosures About Market Risk" for information on how we participate in changes in the market price of the stocks underlying these derivative contracts.

All of our monetization transactions are obligations of our wholly-owned subsidiaries that are not part of the Restricted Group; however, CSC Holdings provides guarantees of the subsidiaries' ongoing contract payment expense obligations and potential payments that could be due as a result of an early termination event (as defined in the agreements). The guarantee exposure approximates the net sum of the fair value of the collateralized indebtedness less the sum of the fair values of the underlying stock and the equity collar. All of our equity derivative contracts are carried at their current fair value in our condensed consolidated balance sheets with changes in value reflected in our condensed consolidated statements of income, and all of the counterparties to such transactions currently carry investment grade credit ratings.

Recently Issued But Not Yet Adopted Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-01, Financial Instruments - Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities. ASU No. 2016-01 modifies how entities measure certain equity investments and also modifies the recognition of changes in the fair value of financial liabilities measured under the fair value option. Entities will be required to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income. For financial liabilities measured using the fair value option, entities will be required to record changes in fair value caused by a change in instrument-specific credit risk (own credit risk) separately in other comprehensive income. ASU No. 2016-01 becomes effective for us on January 1, 2018. We have not yet completed the evaluation of the effect that ASU No. 2016-01 will have on our consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, Simplifying the Measurement of Inventory. Inventory under ASU No. 2015-11 is to be measured at the "lower of cost and net realizable value" which would eliminate the other two options that currently exist for "market": (1) replacement cost and (2) net realizable value less an approximately normal profit margin. ASU No. 2015-11 defines net realizable value as the "estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation." ASU No. 2015-11 is to be applied prospectively and becomes effective for us on January 1, 2017 although early adoption is permitted. Inventory held for sale is included in prepaid expenses and other current assets in our consolidated balance sheets. We have not yet completed the evaluation of the effect that ASU No. 2015-11 will have on our consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

All dollar amounts, except per share data, included in the following discussion under this Item 3 are presented in thousands.

Equity Price Risk

We are exposed to market risks from changes in certain equity security prices. Our exposure to changes in equity security prices stems primarily from the shares of Comcast common stock we hold. We have entered into equity derivative contracts consisting of a collateralized loan and an equity collar to hedge our equity price risk and to monetize the value of these securities. These contracts, at maturity, are expected to offset declines in the fair value of these securities below the hedge price per share while allowing us to retain upside appreciation from the hedge price per share to the relevant cap price. The contracts' actual hedge prices per share vary depending on average stock prices in effect at the time the contracts were executed. The contracts' actual cap prices vary depending on the maturity and terms of each contract, among other factors. If any one of these contracts is terminated prior to its scheduled maturity date due to the occurrence of an event specified in the contract, we would be obligated to repay the fair value of the collateralized indebtedness less the sum of the fair values of the underlying stock and equity collar, calculated at the termination date. As of September 30, 2016, we did not have an early termination shortfall relating to any of these contracts.

The underlying stock and the equity collars are carried at fair value on our condensed consolidated balance sheets and the collateralized indebtedness is carried at its principal value, net of the unamortized fair value adjustment. The fair value adjustment is being amortized over the term of the related indebtedness. The carrying value of our collateralized indebtedness amounted to $1,284,234 at September 30, 2016. At maturity, the contracts provide for the option to deliver cash or shares of Comcast common stock, with a value determined by reference to the applicable stock price at maturity.

As of September 30, 2016, the fair value and the carrying value of our holdings of Comcast common stock aggregated $1,424,826. Assuming a 10% change in price, the potential change in the fair value of these investments would be approximately $142,483. As of September 30, 2016, the net fair value and the carrying value of the equity collar component of the equity derivative contracts entered into to partially hedge the equity price risk of our holdings of Comcast common stock aggregated $24,922, a net asset position. For the periods June 21, 2016 through September 30, 2016 (Successor) and

January 1, 2016 through June 20, 2016 (Predecessor), we recorded a net loss of $26,572 and $36,283, respectively, related to our outstanding equity derivative contracts and recorded an unrealized gain of $83,333 and $129,510, respectively, related to the Comcast common stock that we held during the period.

Fair Value of Equity Derivative Contracts		
Fair value as of December 31, 2015, net asset position	$	79,702
Change in fair value, net		(36,283)
Additions		8,075
Fair value as of June 20, 2016, net asset position		51,494
Change in fair value, net		(26,572)
Fair value as of September 30, 2016, net asset position	$	24,922

The maturity, number of shares deliverable at the relevant maturity, hedge price per share, and the lowest and highest cap prices received for the Comcast common stock monetized via an equity derivative prepaid forward contract are summarized in the following table:

# of Shares Deliverable	Maturity	Hedge Price per Share (a)	Cap Price (b) Low		Cap Price (b) High	
13,407,684	2017	$55.96 - $59.11	$	70.84	$	76.85
8,069,934	2018	$61.67 - $67.22	$	74.01	$	80.66

(a) Represents the price below which we are provided with downside protection and above which we retain upside appreciation. Also represents the price used in determining the cash proceeds payable to us at inception of the contracts.
(b) Represents the price up to which we receive the benefit of stock price appreciation.

Fair Value of Debt: At September 30, 2016, the fair value of our fixed rate debt of $18,017,540 was higher than its carrying value of $16,752,178 by $1,265,362. The fair value of these financial instruments is estimated based on reference to quoted market prices for these or comparable securities. Our floating rate borrowings bear interest in reference to current LIBOR-based market rates and thus their principal values approximate fair value. The effect of a hypothetical 100 basis point decrease in interest rates prevailing at September 30, 2016 would increase the estimated fair value of our fixed rate debt by $1,341,840 to $19,359,380. This estimate is based on the assumption of an immediate and parallel shift in interest rates across all maturities.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Refer to Note 15 to our condensed consolidated financial statements included in this Quarterly Report for a discussion of our legal proceedings.

SIGNATURES

Cablevision and CSC Holdings have duly caused this Quarterly Report to be signed on its behalf by the undersigned, thereunto duly authorized.

CABLEVISION SYSTEMS CORPORATION

CSC HOLDINGS, LLC

Date: November 10, 2016

/s/ Charles Stewart

By: Charles Stewart as Vice President, Treasurer and Chief Financial Officer of Cablevision Systems Corporation and CSC Holdings, LLC