

July 28, 2020



Altice USA Announces Agreement to Sell 49.99% of Lightpath Fiber Enterprise Business to Morgan Stanley Infrastructure Partners

Strategic equity investment by Morgan Stanley Infrastructure Partners will support ongoing and new growth initiatives at Lightpath, improve operational performance and provide strategic and financial flexibility

NEW YORK--(BUSINESS WIRE)-- Altice USA (NYSE: ATUS) today announces it has agreed to sell 49.99% of its Lightpath fiber enterprise business to Morgan Stanley Infrastructure Partners (MSIP) for an implied enterprise value of \$3.2 billion. This represents a multiple of 14.6x FY 2019 Adjusted EBITDA and an Operating Free Cash Flow (Adjusted EBITDA less capex) multiple of 25.7x¹. Altice USA will receive total gross cash proceeds of approximately \$2.3 billion from the sale and related financing activity (net cash proceeds of approximately \$1.1 billion after tax and initial debt repayment as described below). Altice USA will retain a 50.01% interest in Lightpath and maintain control of the company.

The introduction of MSIP as a strategic investor will support ongoing and new growth initiatives at Lightpath, improve operational performance and provide strategic and financial flexibility, enabling Lightpath to focus on the distinct opportunities for value creation and long-term growth.

“Lightpath is an expansive and best-in-class enterprise fiber communications business with tremendous long-term potential,” said Dexter Goei, Chief Executive Officer of Altice USA. “Bringing in a strategic investor allows Altice USA to focus on operating our core businesses while infusing the capital needed to grow Lightpath and maximize shareholder value. We are pleased to partner with MSIP, a leading investor in telecommunications infrastructure with deep operational and management expertise, to propel Lightpath and unlock its future potential.”

The transaction is currently expected to close in Q4 2020 following customary regulatory approvals. Upon closing, Lightpath will be financed independently outside of the CSC Holdings, LLC debt silo. A portion of the net proceeds after tax are expected to be used by Altice USA to repay debt such that the transaction is at least leverage-neutral to CSC Holdings, LLC. Remaining proceeds may be used for additional debt paydown and/or repurchase of Altice USA shares.

Goldman Sachs & Co. LLC acted as financial advisor to Altice USA. Shearman & Sterling LLP, Mayer Brown LLP and Ropes & Gray LLP served as legal advisors to Altice USA.

Evercore acted as financial advisor and Simpson Thacher & Bartlett LLP served as legal advisor to Morgan Stanley Infrastructure Partners.

Additional details will be provided during Altice USA's Second Quarter 2020 earnings presentation on July 30, 2020 at 4:30pm EDT. For conference call details, click here: <https://investors.alticeusa.com/investors>.

Additional Information about Lightpath

Lightpath provides advanced fiber, Ethernet, data transport, IP-based virtual private networks, Internet access, Managed Services, telephony services, including session-initiated protocol ("SIP") trunking, and VoIP services to the business market in the New York metropolitan area. Lightpath's customers include companies in the health care, financial, education, legal and professional services, and other industries, as well as the public sector and communication providers, incumbent local exchange carriers ("ILEC"), and competitive local exchange carriers ("CLEC").

As of June 30, 2020, Lightpath had over 11,400 buildings connected to its fiber network. Lightpath's advanced fiber optic network extends more than 8,800 route miles, which includes approximately 600,000 miles of fiber, throughout the New York metropolitan area.

About Altice USA

Altice USA (NYSE: ATUS) is one of the largest broadband communications and video services providers in the United States, delivering broadband, video, mobile, proprietary content and advertising services to more than 4.9 million residential and business customers across 21 states through its Optimum and Suddenlink brands. The company operates a4, an advanced advertising and data business, which provides audience-based, multiscreen advertising solutions to local, regional and national businesses and advertising clients. Altice USA also offers hyper-local, national, international and business news through its News 12, Cheddar and i24NEWS networks.

About Morgan Stanley Infrastructure Partners

Morgan Stanley Infrastructure Partners ("MSIP") is a leading global infrastructure investment platform, targeting assets that provide essential services with the potential for value creation through active asset management. Founded in 2006, MSIP has made 30 investments across three global funds with more than \$13 billion of capital commitments. MSIP's investors include some of the largest pension, sovereign wealth and insurance companies across the globe.

Forward-Looking Statements

Certain statements in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this release, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things: our future financial conditions and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; and future developments in the markets in

which we participate or are seeking to participate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipate", "believe", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "project", "should" or "will" or, in each case, their negative, or other variations or comparable terminology. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. To the extent that statements in this release are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements including risks referred to in our most recently filed Annual Report on Form 10-K and in our most recently filed Quarterly Report on Form 10-Q. You are cautioned to not place undue reliance on Altice USA's forward-looking statements. Any forward-looking statement speaks only as of the date on which it was made. Altice USA specifically disclaims any obligation to publicly update or revise any forward-looking statement, as of any future date.

¹ These multiples are being provided to provide context for the purchase price for the stake being sold and are based on Adjusted EBITDA and Operating Free Cash Flow for Lightpath, which are non-GAAP measures, and which have been prepared on a pro forma basis to reflect Lightpath General and Administrative (G&A) expenses allocated in accordance with the agreement between the parties, as future G&A expenses at Lightpath are expected to be higher than historical allocations. As such, these non-GAAP measures cannot be reconciled to the nearest GAAP measure of Lightpath which are prepared on the historical basis of allocation.

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