ALTICE N.V.

INTERIM FINANCIAL REPORT

(for the six months ended June 30, 2016)

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The Netherlands

ALTICE N.V.

INTERIM FINANCIAL REPORT FOR THE 6 MONTHS ENDED JUNE 30, 2016

INTERIM MANAGEMENT REPORT

(as at and for the 6 months ended June 30, 2016)

Introduction

The Board of Directors of Altice N.V. (the "Company" or "Altice") has the pleasure in presenting the interim management report of the Company and its subsidiaries (the "Group") as at and for the six months ended June 30, 2016, prepared in accordance with IAS 34. This report comprises regulated information within the meaning of articles 1:1 and 5:25d of the Dutch Financial Markets Supervision Act *(Wet op het Financieel Toezicht)*. This report, along with the interim condensed consolidated financial statements and the statement of responsible persons, forms the Interim Financial Report of the Company.

Principal activities of the Group

Altice is a multinational cable, fiber, telecommunications, content and media company with presence in several regions – Western Europe (comprising France, Belgium, Luxembourg, Portugal and Switzerland), the United States, Israel, the French Overseas Territories and the Dominican Republic. Altice provides very high speed fixed based services (high quality pay television, fast broadband Internet and fixed line telephony) and in certain countries, mobile telephony services to residential and corporate customers.

Altice is also active in the media industry with a portfolio of channels as well as acting as a provider of premium contents on nonlinear platforms. It also produces its own original contents (Series, Movies etc.).

1. DISCUSSION AND ANALYSIS OF THE RESULTS OF OPERATIONS OF THE GROUP

1.1 Significant events affecting historical results

A summary of the significant events since December 31, 2015, that had a material impact on the interim condensed consolidated financial statements as of June 30, 2016, are given below:

1.1.1 Acquisition of Cablevision ("CVC" or "Optimum")

On June 21, 2016, the Company, via certain indirect subsidiaries, successfully completed the acquisition of Cablevision.

As per the terms of the agreement, Altice had agreed to deliver $34.90 per share of CVC in cash, thus giving it an enterprise value of $17.7 billion. The acquisition was partially financed through the issuance of new debt (in the form of bonds and loans, for a total dollar equivalent amount of $8,600 million) and through a capital increase performed in October 2015. The remaining equity portion was drawn under the Altice corporate facility. The minority investors in Suddenlink (the 'sponsors') invested alongside Altice to retain their 30.0% stake in the combined group ($885.6 million equivalent).

For the six-month period ended June 30, 2016, Cablevision contributed €164.8 million to revenues, €56.1 million to operating loss and €114.3 million to net loss of the Group.

1.1.2 Consolidation of Groupe News Participations ("GNP")

As of December 31, 2015, the Company had determined that it exercised a significant influence over GNP by virtue of the economic rights and governance rights that it has obtained as a result of its investment and thus had accounted for the investment as an associate. Following the successful closing of the public tender offer on February 1, 2016, and the contemporaneous appointment of Mr. Weill to the management committee of Altice, the Group determined that its investment in GNP met the criteria for control as per IFRS 10.

For the six months period ended June 30, 2016, GNP contributed €117.5 million to revenues, €11.8 million to operating profit and €2.7 million to the net loss of the Group.

1.1.3 Acquisition of Altice Media Group ("AMG") by SFR Group

On May 25, 2016, SFR Group completed the acquisition of AMG through a combination of cash on balance sheet at SFR Group and vendor financing of €99 million provided by the sellers of AMG.

The acquisition of AMG was treated as an acquisition under common control (as the ultimate beneficiary owner of the Group controls the selling party) and thus was treated in accordance with the Group's accounting policies in relation to this type of transactions.

For the six months period ended June 30, 2016, AMG contributed €22.1 million to revenues, €1.2 million to operating loss and €0.7 million to the net loss of the Group.

1.1.4 Disposal of Cabovisão and ONI

On January 20, 2016, the Group announced that it had completed the sale of Cabovisão and its subsidiaries (including Winreason, which provided B2B services under the 'ONI' brand name) to Apax France. This disposal was mandated by the European Commission and the Portuguese competition authorities following the acquisition of PT Portugal in June 2015. These entities were classified as held for sale by the Group as of 31 December 2015, in accordance with IFRS 5.

Total consideration received for the disposal amounted to €140.6 million (subject to purchase price adjustments), of which €63.9 million for the shares of Cabovisão and its subsidiaries. The Group recognised a gain on disposal of €107.5 million in the interim condensed consolidated statement of income for the period ended June 30, 2016.

Cabovisão and ONI contributed €139.2 million to the Group's consolidated revenues and €(5.8) million to the Group's operating income for the year ended December 31, 2015.

1.1.5 Refinancing of certain debts

During the six months ended June 30, 2016, the Group refinanced a portion of its debentures, for an aggregate amount of $9,440 million (€8,159.7 million equivalent). The details of the newly issued debts and the refinanced debts are given below:

SFR Group

On April 7, 2016, SFR Group announced the successful placement of new 10 year Senior Secured Notes for an aggregate amount of $5.2 billion.

The proceeds from the issuance of these new notes were used to fully refinance the following debts:

- $2,400 million notes due 2019;
- €475 million drawn on the €1,125 million RCF; and
- €1,900 million term loan due 2019 (three tranches of €627 million, €399 million and $1,142 million respectively).

The debt was priced at 7.375%. The equivalent swapped coupon for the euro repayments is c. 6.2%.

At the date of the refinancing, the average maturity of SFR Group's debt was increased from 5.8 years to 7.9 years.

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €135.0 million for the six months ended June 30, 2016.

Altice Financing S.A.

On April 19, 2016, Altice Financing S.A., an indirect subsidiary of the Company, announced that it had successfully priced new 10 year Senior Secured Notes for an aggregate amount of $2.75 billion. The new debt will pay a coupon of 7.5% (c .5.8% swapped into euros). The proceeds from this issuance were used to refinance the following debts:

- $460 million senior secured notes due 2019;
- €210 million senior secured notes due 2019;
- $1,013 million of loans under the 2019 Term Loan facility; and
- €855 million of loans under the 2022 Term Loan facility ($ 500 million and € 400 million respectively).

At the date of the refinancing, the average maturity of Altice International's debt was increased from 6.0 years to 7.7 years

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €88.0 million for the six months ended June 30, 2016.

Suddenlink Communications

On April 20, 2016, Altice US Finance 1 Corporation, an indirect subsidiary of the Company, announced that it had successfully placed new 10-year Senior Secured Notes for an aggregate amount of $1.5 billion. The proceeds of this issuance were used to repay the entire $1,481 million aggregate amount of loans under Suddenlink's existing Term Loan facility that matures in 2019.

The new notes will pay a coupon of 5.5%.

At the date of the refinancing, the average maturity of Suddenlink was extended from 5.7 years to 7.3 years.

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €18.0 million for the six months ended June 30, 2016.

The impacts of the events mentioned above are explained in the notes to the interim condensed consolidated financial statements for the six months ended June 30, 2016.

1.2 Significant post balance sheet events that do not have an impact on the interim condensed consolidated accounts

1.2.1 Sale of Newsday

On July 7, 2016, the Group completed the sale of a 75% participation in Newsday Media Group to an entity led by Mr Patrick Dolan, who is an employee of the Group. The assets and liabilities associated with this business were classified as held for sale as of June 30, 2016. The Group has retained a 25% stake in the disposed asset.

1.2.2 Sports rights agreement in Portugal and acquisition of a stake in Sport TV

On July 26, 2016, NOS, Vodafone Portugal, Cabovisão, Altice Pictures, PT Portugal and MEO announced the signing of an agreement for reciprocal sharing of: (1) sports event broadcasting rights; and (2) distribution and broadcasting rights of sports and club channels, which are currently owned or come to be owned by the signatories, who will share the current and future costs of the aforementioned sports content.

In addition, on August 4, 2016, PT Portugal / MEO announced that it had signed a memorandum of understanding ("MOU") with the objective of entering the share capital of Sport TV, a sports broadcaster based in Portugal.

Both agreements mentioned above are subject to approval from antitrust authorities in Portugal.

1.2.3 Restructuring plans in France

On August 4, 2016, Management and the representative unions of the SFR Group's telecom division signed an agreement to allow the Group to adapt more quickly to the demands of the telecom market by building a more competitive and efficient organization. This agreement reaffirms the commitments to maintain jobs until July 1, 2017 that were made at the time of the SFR acquisition, and defines the internal assistance guarantees and the conditions for voluntary departures that would be implemented as of the second half of 2016. This agreement stipulates three steps:

1) the reorganization of retail, which will result in a voluntary departure plan as of the 4th quarter of 2016;

2) the preparation of a new voluntary departure plan to be launched in July 2017, preceded by the possibility for employees who would like to benefit from this plan to request suspension of their employment contract in the 4th quarter of 2016 in order to pursue their professional plans outside the company; and

3) a period between July 2017 and June 2019 during which employees could also benefit from a voluntary departure plan under conditions to be defined.

In any case, the Group has made a commitment that the SFR Group's telecom division will have no fewer than 10,000 employees during this period.

1.3 Share Performance

The evolution of the price of the Company's shares from December 31, 2015 to June 30, 2016 is presented below and is based on data available from public sources. *[Source: Euronext Amsterdam]*:

The share price of the Group increased by 4.4% over the six months ended June 30, 2016 and closed at €13.48. The performance of the share price was underpinned by overall macro-economic factors in the market and tough competitive environments in the French and Portuguese markets.

2. PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Directors has evaluated the principal risks and uncertainties faced by the Group in the first six months of 2016 and has determined that there are no significant changes in these risks and uncertainties as compared to those disclosed in the Annual Report for the year ended December 31, 2015. A summary of the principal risks and uncertainties is provided below:

The Group's risk management framework enables its risks to be identified, assessed, managed and monitored. The Group categorizes its risks into two groups:

- **Operational**, risks that may potentially affect its current business and operations; and

- **Corporate**, risks related to its corporate and financial management.

The Group's risk assessment approach consists of two parts: analysing the financial impact of operational and corporate risks on its results of operations and determining the level of control it has over those risks (risk mapping). The Group conducted its risk mapping exercise in 2015 to reflect the changes in its corporate structure and the evolving economic, business and regulatory environment. The Group also relied on similar risk mapping and assessment exercises performed by internal audit departments in its most significant subsidiaries, namely in France, Portugal, Israel and the Dominican Republic. Following its acquisition of Suddenlink and Optimum, the Group is in the process of integrating these entities in its risk mapping framework, but believes that any operational or other risks associated with the acquisition of these entities at this date are covered by the risks mentioned in the Annual Report for the financial year ended December 31, 2015.

The principal operational risks identified by the Group are:

- Evolution of economic environment and competition
- New applications and technology (OTT)
- Legislation and regulatory matters
- Legal and administrative proceedings
- Political risks
- Information technology – cyber attacks
- Business continuity management
- Human resources management
- Reliability of network and IT systems
- Supply chain performance
- Fraud
- Reliability of financial statements

The principal corporate risks identified by the Group are listed below:

- Key personnel
- Taxation
- Debt management
- Mergers and acquisitions; integration

A detailed description of these risks and uncertainties is provided in the Annual Report of the Company for the financial year ended December 31, 2015. The Board also believes that the Group's exposure to these risks will not evolve significantly over the coming six months.

3. RELATED PARTY TRANSACTIONS

The main controlling shareholder of the company is Next Alt S.à r.l. ("Next Alt"), a company that is controlled by Patrick Drahi. Next Alt holds 59.07% of the share capital of the Company as of the date of this report.

Transactions with related parties are mainly related to transactions with minority investors in Suddenlink and Optimum and associates of SFR Group (including associates of NextRadioTV). Such transactions are limited to (i) exchange of services between associates of SFR Group and SFR (see note 8 to the consolidated financial statements for the year ended December 31, 2015 for more details on associates) and between companies of the SFR Group and Altice Content, (ii) significant debt and equity transactions between the Group and certain managers and executives, (iii) consulting services invoiced by certain executives of the Company and (iv) significant debt transactions with minority interests in Suddenlink and Optimum.

Transactions with managers and executives are mainly related to equity purchases made by such executives in relation to the management investment plan that has been put in place by the Company. Such transactions have been included in note 5 to the interim condensed consolidated financial statements as of and for the six months ended June 30, 2016.

Transactions with related parties are not subject to any guarantees. All such transactions are at arm's length and settled in cash.

Compared to the year ended December 31, 2015, the Board has identified the following transactions with related parties that had a significant impact on the interim condensed consolidated accounts of the Group for the six months ended June 30, 2016:

i) an investment of €470.8 million ($525 million equivalent) by non-controlling investors in Suddenlink and Optimum, recorded in the caption, 'other financial liabilities';
ii) a vendor note of €100 million related to the acquisition of AMG by SFR Group, due in 2017, recorded as 'other current financial liabilities';
iii) an increase in finance leases of €29.6 million related to the exclusive use of a datacenter owned by an entity controlled by the controlling shareholder;
iv) a transaction with an entity controlled by the controlling shareholder to sell a €9.0 million stake ($10 million equivalent) in CVC 1 B.V. The transaction was completed on July 1, 2016 and the amount was recorded as a current receivable as of June 30, 2016. This transaction was preceded by the re-purchase of a $10 million stake in CVC 1 B.V. previously owned by JKLT Limited, which was subsequently sold as described here; and
v) an agreement with Mr. Patrick Dolan to sell a 75% stake in Newsday. The assets and liabilities related to this transaction were recorded as held for sale as of June 30, 2016. The acquisition was completed on July 7, 2016.

In addition to the movements mentioned above, transactions with GNP have been reported as intercompany transactions for the six months ended June 30, 2016 and hence eliminated (following the change in method of consolidation of GNP, see note 2 to the interim condensed consolidated financial statements as of and for the six months ended June 30, 2016).

BOARD OF DIRECTORS' STATEMENT

The Board of Directors hereby declares that, to the best of its knowledge, the consolidated condensed interim financial statements prepared in accordance with IAS 34, "Interim Financial Reporting", provide a true and fair view of the assets, liabilities, financial position and profit or loss of Altice N.V. and the undertakings included in the consolidation taken as a whole and that the Interim Management Report includes a fair review of the information required pursuant to article 5:25d(8)/(9) of the Dutch Act on Financial Supervision *(Wet op het Financieel Toezicht)*.

Amsterdam, 18 August 2016

The Board of Directors

Mr. Patrick Drahi, President and Executive Director
Mr. Michel Combes, Chief Executive Officer and Executive Director
Mr. Dexter Goei, Executive Director
Mr. Dennis Okhuijsen, Chief Financial Officer and Executive Director
A4 S.A., Vice-President and Executive Director
Mr. Jurgen Johannes Van Breukelen, Chairman and Non-Executive Director
Mr. Scott Matlock, Non-Executive Director
Mr. Jean-Luc Allavena, Non-Executive Director

ALTICE N.V.

(SUCCESSOR ENTITY OF ALTICE S.A.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2016

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ALTICE N.V.
Successor entity of Altice S.A.

Condensed consolidated statement of income
For the six months ended June 30, 2016

	Notes	Six months ended June 30, 2016	Six months ended June 30, 2015 (revised *)	Three months ended June 30, 2016 *unreviewed*	Three months ended June 30, 2015 (revised *) *unreviewed*
		(In millions €)		*(In millions €)*	
Revenues	3	8,780.9	6,779.7	4,521.2	3,516.6
Purchasing and subcontracting costs		(2,614.8)	(2,168.7)	(1,316.6)	(1,091.7)
Other operating expenses		(1,859.5)	(1,522.2)	(916.6)	(754.9)
Staff costs and employee benefit expenses		(844.4)	(546.1)	(435.1)	(282.6)
Depreciation and amortization		(2,342.7)	(1,760.6)	(1,169.3)	(911.3)
Impairment losses	3	(1.1)	(19.8)	(0.4)	0.3
Other expenses and income	3	(184.9)	(112.9)	(121.2)	(91.9)
Operating profit		933.4	649.4	561.9	384.6
Interest relative to gross financial debt		(1,631.9)	(823.8)	(767.0)	(466.1)
Other financial expenses		(102.6)	(39.9)	(53.8)	(196.3)
Finance income		84.0	116.9	26.7	-
Net result recognized on extinguishment of a financial liability	7.2, 10	(241.2)	643.5	(241.2)	-
Finance costs, net		**(1,891.7)**	**(103.4)**	**(1,035.3)**	**(662.5)**
Net result on disposal of businesses	3	107.5	-	-	-
Share of profit of associates		1.1	2.8	1.4	1.8
(Loss)/profit before income tax		**(849.8)**	**548.8**	**(472.0)**	**(276.0)**
Income tax income/(expenses)	11	77.5	(91.2)	34.2	(28.3)
(Loss)/profit for the period		**(772.3)**	**457.7**	**(437.8)**	**(304.2)**
Attributable to equity holders of the parent		*(641.1)*	*261.9*	*(376.6)*	*(332.0)*
Attributable to non-controlling interests		*(131.2)*	*195.8*	*(61.2)*	*27.8*
Earnings per share (Basic)		*(0.59)*	*0.26*	*(0.35)*	*(0.33)*
Earnings per share (Diluted)		*(0.57)*	*0.25*	*(0.33)*	*(0.32)*

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*)Revised information presents previously published information adjusted to take into account, the impact of the purchase price allocations of different Group entities acquired during the Financial Year 2014 and 2015. For the details of the revision see note 15

ALTICE N.V.
Successor entity of Altice S.A.

Condensed consolidated statement of other comprehensive income
For the six months ended June 30, 2016

	Notes	Six months ended June 30, 2016	Six months ended June 30, 2015 (revised *)	Three months ended June 30, 2016 *unreviewed*	Three months ended June 30, 2015 (revised *) *unreviewed*
			(In million €)		
(Loss)/profit for the period		**(772.3)**	**457.7**	**(437.8)**	**(304.2)**
Other comprehensive income/(loss)				-	
Exchange differences on translating foreign operations		20.8	(0.1)	70.3	0.6
Revaluation of available for sale financial assets, net of taxes		0.2	(2.3)	(0.3)	(0.3)
Gain on cash flow hedge, net of taxes	5.3,7.6	45.2	(132.8)	75.4	(196.5)
Actuarial (losses) and gains, net of taxes		(31.9)	31.8	(20.7)	31.8
Total other comprehensive income/(loss)		**34.4**	**(103.4)**	**124.8**	**(164.4)**
Total comprehensive profit/(loss) for the period		**(737.9)**	**354.3**	**(313.0)**	**(468.6)**
Attributable to equity holders of the parent		*(630.3)*	*154.7*	*(301.9)*	*(466.2)*
Attributable to non-controlling interests		*(107.6)*	*199.6*	*(11.1)*	*(2.4)*

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ALTICE N.V.
Successor entity of Altice S.A.

Condensed consolidated statement of financial position
June 30, 2016

	Notes	June 30, 2016	December 31, 2015 (revised *)
ASSETS		*(In millions €)*	
Non-current assets			
Goodwill	4	22,765.9	17,233.1
Intangible assets		28,979.9	16,541.4
Property, plant & equipment		16,217.6	12,199.3
Investment in associates	2	67.3	417.7
Financial assets	7.7	3,130.9	2,807.2
Deferred tax assets		601.3	497.9
Other non-current assets		215.4	97.7
Total non-current assets		**71,978.3**	49,794.3
Current assets			
Inventories		335.8	370.1
Trade and other receivables		4,838.1	3,853.3
Current tax assets		106.2	304.5
Financial assets	7.7	648.2	-
Cash and cash equivalents	8	1,304.7	2,527.0
Restricted cash	8	206.3	7,737.0
Total Current assets		**7,439.3**	14,791.8
Assets classified as held for sale	*2*	*44.1*	122.1
Total assets		**79,461.7**	**64,708.1**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*)Revised information presents previously published information adjusted to take into account, the impact of the purchase price allocations of different Group entities acquired during the Financial Year ended December 31, 2015. For the details of the revision see note 15.

ALTICE N.V.
Successor entity of Altice S.A.

Condensed consolidated statement of financial position
June 30, 2016

EQUITY AND LIABILITIES	Notes	June 30, 2016	December 31, 2015 (revised*)
Equity			
Issued capital	5.1.1	76.5	76.5
Additional paid in capital	5.2	1,944.2	2,398.8
Other reserves	5.3	(205.1)	(216.0)
Accumulated losses		(1,919.8)	(1,288.4)
Equity attributable to owners of the Company		**(104.2)**	**971.0**
Non-controlling interests	5.4	772.2	925.2
Total equity		**668.0**	**1,896.3**
Non-current liabilities			
Long term borrowings, financial liabilities and related hedging instruments	7	51,808.4	45,681.9
Other non-current financial liabilities and related hedging instruments	7	3,246.3	1,565.9
Non-current provisions		1,816.9	1,733.4
Deferred tax liabilities		8,763.5	2,919.6
Other non-current liabilities		783.0	814.7
Total non-current liabilities m		**66,418.1**	**52,715.6**
Current liabilities			
Short-term borrowings, financial liabilities	7	121.7	380.6
Other financial liabilities	7	3,009.3	1,484.4
Trade and other payables		7,209.1	6,424.3
Current tax liabilities		118.8	289.0
Current provisions		479.7	378.1
Other current liabilities		1,410.1	1,055.7
Total current liabilities		**12,348.8**	**10,012.0**
Liabilities directly associated with assets classified as held for sale	*2*	*26.7*	*84.6*
Total Liabilities		**78,793.4**	**62,812.1**
Total equity and liabilities		**79,461.7**	**64,708.6**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*)Revised information presents previously published information adjusted to take into account, the impact of the purchase price allocations of different Group entities acquired during the Financial Year ended December 31, 2015. For the details of the revision see note 15

ALTICE N.V.
Successor entity of Altice S.A.

Condensed consolidated statement of changes in equity
For the six months ended June 30, 2016

	Number of issued shares (in shares)			Share capital	Treasury shares	Additional paid in capital	Accumulated losses	Reserves				Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	Ordinary Shares	*Class A*	*Class B*					Currency reserve	Cash Flow hedge reserve	Available for sale	Employee Benefits			
									(In millions €)					
Equity at January 1, 2016 (revised *)	**-**	**841,244,925**	**272,280,241**	**76.5**	**-**	**2,398.8**	**(1,288.4)**	**3.3**	**(217.6)**	**2.4**	**(4.0)**	**971.0**	**925.2**	**1,896.3**
Loss for the period	-	-	-	-	-	-	(641.1)					(641.1)	(131.2)	(772.3)
Other comprehensive profit/(loss)	-	-	-	-	-	-		5.7	36.6	0.2	(31.7)	10.8	23.6	34.4
Comprehensive profit/(loss)	-	-	-	-	-	-	**(641.1)**	**5.7**	**36.6**	**0.2**	**(31.7)**	**(630.3)**	**(107.6)**	**(737.9)**
Conversion of class B shares in class A shares (**)	-	27,600	(1,104)	-	-	-	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	9.7	-	-	-	-	**9.7**	**0.4**	**10.1**
Transaction with non-controlling interests (***)	-	-	-	-	-	(363.6)	-	-	-	-	-	**(363.6)**	**(1.3)**	**(364.9)**
Others (****)	-	-	-	-	-	(91.0)	-	-	-	-	-	**(91.0)**	**(44.5)**	**(135.5)**
Equity at June 30, 2016	-	**841,272,525**	**272,279,137**	**76.5**	**-**	**1,944.2**	**(1,919.8)**	**9.0**	**(181.0)**	**2.6**	**(35.7)**	**(104.2)**	**772.2**	**668.0**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*)Revised information presents previously published information adjusted to take into account, the impact of the purchase price allocations of different Group entities acquired during the Financial Year ended December 31, 2015. For the details of the revision see note 15.

(**) Refer to note 5.1.1 and 5.1.2

(***) Mainly related to the put agreement with Sponsors in Optimum and Suddenlink. See note 7.5.

(****) Includes an impact of €132.4 million related to the acquisition under common control of AMG. See note 2.

Condensed consolidated statement of changes in equity
For the six months ended June 30, 2015

	Number of issued shares	Share capital	Additional paid in capital	Accumulated losses	Currency reserve (Reserves)	Cash Flow hedge reserve (Reserves)	Available for sale (Reserves)	Employee Benefits (Reserves)	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
						(In millions €)					
Equity at January 1, 2015 (revised *)	**247,950,186**	**2.5**	**2,971.1**	**(934.4)**	**(7.0)**	**(85.4)**	**1.9**	**(2.8)**	**1,945.9**	3,278.2	**5,224.1**
Profit for the period..............................	-	-	-	261.9	-	-	-	-	**261.9**	195.8	**457.7**
Other comprehensive income...............	-	-	-	-	(.1)	(136.6)	(2.3)	31.8	**(107.1)**	3.8	**(103.4)**
Comprehensive income......................	**-**	**-**	**-**	**261.9**	**(.1)**	**(136.6)**	**(2.3)**	**31.8**	**154.7**	199.6	**354.3**
Share based payment	-	-	-	10.5	-	-	-	-	**10.5**	1.8	**12.3**
Transaction with non-controlling interests	-	-	(1,996.0)	-	-	-	-	-	**(1,996.0)**	(1,914.6)	**(3,910.6)**
Other items	-	-	1.0	17.8	-	-	-	-	**18.8**	12.0	**30.8**
Equity at June 30, 2015 (revised *)	**247,950,186**	**2.5**	**976.1**	**(644.2)**	**(7.1)**	**(222.0)**	**(.4)**	**29.0**	**133.8**	**1,576.9**	**1,710.8**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*) Revised information presents previously published information adjusted to take into account, the impact of the purchase price allocations of different Group entities acquired during the Financial Year ended December 31, 2014 and December 31, 2015. For the details of the revision see note 15.

Following the corporate restructuring as described in Note 2.1 to the Consolidated Financial Statements as of December 31, 2015, Altice N.V is the successor entity of Altice S.A. and all the changes in equity presented in the table above corresponds to the movements of Altice S.A. .

Condensed consolidated statement of cash flows
For the six months ended June 30, 2016

	Notes	Six months ended June 30, 2016	Six months ended June 30, 2015 (revised)*
		(In millions €)	
Net (loss)/profit, including non-controlling interests		**(772.3)**	**457.7**
Adjustments for:			
Depreciation, amortization and impairments		2,343.8	1,780.5
Share in income of associates		(1.1)	(2.8)
Gains and losses on disposals		(107.5)	18.7
Gain recognized on extinguishment of a financial liability	10	-	(643.5)
Expenses related to share based payment		10.1	12.3
Other non-cash operating gains, net		50.2	(1.1)
Finance costs recognized in the statement of income		1,891.7	746.9
Income tax expense recognized in the statement of income		(77.5)	91.2
Pension liability payments		(58.7)	-
Income tax paid		(38.1)	(150.1)
Changes in working capital		(504.6)	(57.9)
Net cash provided by operating activities		**2,736.1**	**2,251.8**
Payments to acquire tangible and intangible assets		(1,854.2)	(1,099.2)
Payments to acquire financial assets		(14.6)	(14.4)
Consideration received on disposal of businesses	2	140.6	-
Proceeds from disposal of tangible, intangible and financial assets		27.0	22.6
Use of restricted cash to acquire subsidiaries		7,558.8	-
Investment in associates		(359.8)	(114.5)
Payment to acquire subsidiaries, net	2	(8,107.4)	(1,831.3)
Net cash used in investing activities		**(2,609.7)**	**(3,036.8)**
Proceeds from issuance of debts	7	12,141.4	8,237.8
Transaction with non-controlling interests		799.7	-
Payments to redeem debt instruments	7	(11,326.7)	(624.9)
Payments to redeem Optimum outstanding debt on acquisition		(2,224.2)	(5,593.9)
Transfers to restricted cash		(202.9)	(1,533.0)
Interest paid	7	(985.2)	(578.5)
Other cash provided by financing activities		443.4	20.0
Net cash used in financing activities		**(1,354.5)**	**(72.5)**
Effects of exchange rate changes on the balance of cash held in foreign currencies		5.9	6.7
Net decrease in cash and cash equivalents		**(1,222.2)**	**(850.7)**
Cash and cash equivalents at beginning of period	8	2,527.0	1,563.6
Cash and cash equivalents at end of the period	8	**1,304.7**	**712.9**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(*)Revised information presents previously published information adjusted to take into account, amongst other items, the impact of the final purchase price allocations of different Group entities acquired during FY 2014 and 2015. For the details of the revision see note 15.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 - Basis of preparation

The condensed interim consolidated financial statements of Altice N.V. (the "Company", the "Group", the "Successor Entity", "Altice" or "Altice Group"), the Successor Entity of Altice S.A. (the "Predecessor Entity") as of June 30, 2016 and for the six months period then ended were approved by the Board of Directors and authorized for issue on August 18, 2016.

The Company is a public limited liability company ("*Naamloze vennootschap*") incorporated in the Netherlands. The controlling shareholder of the Company is Next Alt S.à r.l., which holds 57.87% of the share capital, and is controlled by Mr. Patrick Drahi. The Company is headquartered at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

Altice is a multinational cable, fiber, telecommunications, content and media company with presence in several regions – Western Europe (comprising France, Belgium, Luxembourg, Portugal and Switzerland), the United States, Israel, the French Overseas Territories and the Dominican Republic. Altice provides very high speed fixed based services (high quality pay television, fast broadband Internet and fixed line telephony) and in certain countries, mobile telephony services to residential and corporate customers.

Altice is also active in the media industry with a portfolio of channels as well as acting as a provider of premium contents on nonlinear platforms. It also produces its own original contents (Series, Movies etc.).

The condensed interim consolidated financial statements of the Group as of June 30, 2016 and for the six months period then ended, are presented in Euros, except as otherwise stated, and have been prepared in accordance with International Accounting Standard (IAS) 34 " Interim Financial Reporting". They should be read in conjunction with the annual consolidated financial statements of Altice N.V. and the notes thereto as of and for the year ended December 31, 2015 which have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("IFRS") ("Consolidated Financial Statements").

Accounting policies

Following the acquisition of Cablevision Systems Corporation ("CVC"), the group has adopted the following accounting policies:

Revenue Recognition : Advertising revenues are recognized when commercials are aired.

Gross Versus Net Revenue Recognition : In the normal course of business, the Company is assessed on 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 revenues.

Investments (Comcast Corporation): Investment securities and investment securities pledged as collateral are classified as trading securities and are stated at fair value with realized and unrealized holding gains and losses included in net income.

In addition, as described in note 2.21 to the consolidated financial statements as of and for the year ended December 31, 2015, (*liabilities related to put options granted to non-controlling interests*), at each closing date, the Group in the absence of specific IFRS guidance has elected to recognise future changes of the fair value of put option in equity, as an increase to (a deduction from) other reserves attributable to equity holders of the parent. The Group is closely monitoring the work of the IASB and the IFRIC, which could lead to a revision of the treatment of put options granted to non-controlling interests.

Standards applicable for the reporting period

The following standards are mandatorily applicable for periods beginning on or after January 1, 2016 as described in note 1 to the consolidated financial statements as of and for the year ended December 31, 2015:

(i) Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation. The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. Currently, the Group uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively,

(ii) Amendments to IFRS 11 Accounting for Acquisitions in Joint Operations. The amendments to IFRS 11 provide guidance on how to account for the acquisition of an interest in a joint operation in which the activities constitute a business as defined in IFRS 3 Business Combinations,

(iii) Amendments to IAS 1 Disclosure initiative,

(iv) Annual improvements cycle 2012-2014.

The application of these amendments has had no impact on the amounts recognised in the Group's consolidated financial statements or has had no impact on the disclosures in the Group's condensed interim consolidated financial statements.

Standards not applicable as of reporting date

In addition to the note 1.3 ii) to the Consolidated Financial statements as of December 31, 2015, the group has not anticipated the following standards and interpretations, for which application is not mandatory for period started from January 1st 2016 and that may impact the amounts reported.

(i) IFRS 15 Revenue from Contracts with Customers: The Board of Directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the consolidated financial statements. The new standard will mainly impact revenue recognition for Mobile activities as some arrangements include a handset component with a discounted price and a communication service component: the total revenue will not change but its allocation between the handset sold and the communication service will change (more equipment revenue and less service revenue) and the timing of the revenue recognition will change. In addition, other topics (incremental costs to acquire contracts such as commissions, non-refundable upfront fees…) may impact the amounts reported. The standard is effective for annual periods beginning on or after January 1, 2018,

(ii) IFRS 9 Financial instruments is effective for annual periods beginning on or after January 1, 2018,

(iii) IFRS 16 Lease is effective for annual periods beginning on or after January 1, 2019,

(iv) Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions (issued on 20 June 2016) is effective for annual periods beginning on or after January 1, 2018.

The effects are analysed as part of a Group-wide projects for implementing these new standards. It is not practicable to provide a reasonable estimate of the quantitative effects until the projects have been completed.

Significant accounting judgments and estimates used in the preparation of the condensed interim consolidated financial statements

In the application of the Group's accounting policies, the Board of Directors of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These judgments and estimates relate principally to the provisions for legal claim, the post-employments benefits, revenue recognition, fair value of financial instruments, deferred taxes, impairment of goodwill, useful lives of intangible assets and property, plant and equipment and trade receivables and other receivables. These estimates and assumptions are described in the note 2.26 to the consolidated financial statements for the year end December 31, 2015.

Revised information

The comparative information as of June 30, 2015 has been revised to reflect the impact of the finalization of the purchase price of SFR S.A., Virgin Mobile S.A. acquired during the course of the year ended December 31, 2014 and Portugal Telecom acquired in June 2015; while the comparative information as of December 31, 2015 has been revised to reflect the impact of the finalization of the purchase price of Portugal Telecom acquired during the course of the year ended December 31, 2015 and refinement of the purchase price allocation of Cequel Corp, acquired in December 2015.

2 – Main changes in the scope of consolidation

Changes in consolidation scope as of June 30, 2016

Acquisition of Cablevision

In September 2015, the Group and Cablevision Systems Corporation ("CVC", "Optimum") entered into a definitive agreement to acquire Cablevision. A combination between Cablevision and Suddenlink represents the 4th largest cable operation in the US market.

As per the terms of the agreement, Altice had agreed to deliver $34.90 per share of CVC in cash, thus giving it an enterprise value of $17.7 billion.

The Company issued new shares in October 2015 to finance the acquisition (see note 8). The remaining equity portion was drawn under the Altice corporate facility (see note 7.4). The debt was issued in October 2015 and the facility was committed at the same time.

On June 21, 2016, the Company, via certain indirect subsidiaries, successfully completed the acquisition. The non-controlling interests who had previously invested in Suddenlink also re-invested along with the Company to retain a 30.0% stake in the combined Suddenlink and Cablevision group.

The transaction was closed on June 21, 2016 and the acquisition was recorded in the consolidated financial statements of the Company in accordance with IFRS 3, *Business Combinations*. A preliminary purchase price allocation was performed and recorded in the consolidated statement of financial position as of June 30, 2016. For more information, see note 4.1.

The profit and loss statement for Optimum for the period not consolidated in the Group is presented in note *4.2 Business Combinations.*

For the six months period ended June 30, 2016, Cablevision contributed €164.8 million to revenues, €56.1 million to operating loss and €114.3 million to net loss (representing 9 days of activity).

Consolidation of Next Radio TV

On July 27, 2015, Alain Weill, the Chairman, CEO, Founder and main shareholder of NextRadioTV and Patrick Drahi, the Chairman and Founder of Altice S.A. announced the signing of a strategic partnership of their groups to invest in and to accelerate the development of multimedia projects in both France and other international markets.

The Company, through its indirect subsidiary, Altice Content Luxembourg, is a co-investor in Groupe News Participation S.A.S. ('GNP'), of which it owned 49% of the economic and voting rights as of December 31, 2015. Mr. Alain Weill owns the remaining 51% through his holding, News Participations ('NP'). On December 17, 2015, GNP notified the *Autorité de marchés financiers* (the "AMF") of its intention to file a public tender for the outstanding shares of Next Radio TV. The public tender offer was successfully closed on February 1, 2016, with 95.47% of the holders of common shares opting to accept the offer price (GNP needed to acquire at least 95% to complete the tender offer and squeeze out the remaining shareholders). The stock was delisted from Euronext Paris on February 8, 2016.

As of December 31, 2015, the Company had determined that it exercised a significant influence over GNP by virtue of the economic rights and governance rights that it has obtained as a result of its investment and thus had accounted for the investment as an associate. Following the successful closing of the public tender offer on February 1, 2016, and the appointment of Mr. Weill to the executive committee of Altice, the Group determined that its investment in GNP met the criteria for control as per IFRS 10.

Groupe News Participation contributed €117.5 million to revenues, €11.8 million to operating profit and € 2.7 to the net loss of the Group for the six months ended June 30, 2016.

Acquisition of Altice Media Group by NSFR

On April 27, 2016, SFR announced that it had entered into exclusive negotiations to acquire Altice Media Group France, a leading diversified and profitable media group in France, which publishes more than 20 major national titles, including iconic and well-known brands such as Libération, L'Express, L'Expansion, L'Etudiant and Stratégies. Altice Media Group France operates an international news channel - i24 News - and is has positioned itself as the second largest operator in the French digital press sector. In addition, Altice Media Group France is a leading event organizer: its “Salon de l'Etudiant” trade fair, in particular, has attracted 2 million visitors annually for more than 30 years.

The transaction valued Altice Media Group France at an enterprise value of €241 million or 4.5x Adjusted EBITDA pro forma for synergies and tax losses carried forward.

This transaction represents a unique opportunity to develop SFR into a true cross-media content publisher, capitalizing on a highly diversified portfolio of premium brands. The acquisitions support SFR's business strategy by accelerating the deployment of the global convergence of telecoms + media/content + advertising.

The acquisition of AMG was successfully completed on May 25, 2016, using a combination of cash on balance sheet at SFR and vendor financing of €100 million provided by the sellers of AMG.

Altice Media Group contributed €22.1 million to revenues, €1.2 million to operating loss and € 0.7 million to the net loss of the Group for the six months ended June 30, 2016.

Disposal of Cabovisao and ONI

On January 20, 2016, the Group announced that it had completed the sale of Cabovisão and its subsidiaries (including Winreason, which provided B2B services under the ‘ONI’ brand name) to Apax France. This disposal was mandated by the European Commission and the Portuguese competition authorities following the acquisition of PT Portugal in June 2015. These entities were classified as held for sale by the Group as of 31 December 2015, in accordance with IFRS 5.

Total consideration received for the disposal amounted to €140.6 million (subject to purchase price adjustments), of which €63.9 million for the shares of Cabovisao and its subsidiaries. The Group recognised a gain on disposal of €107.5 million in the condensed consolidated statement of income for the period ended June 30, 2016.

3 – Segment reporting

3.1 Definition of segments

Given the geographical spread of the various Group entities, it follows that an analysis and control by geographical areas is inalienable to the Group strategy of managing its different businesses. It has thus been decided by the senior management to analyse the business across geographies and then by activity. Other activities such as content, data-centers and holding company operations are classified as others. Such presentation is consistent with the reporting used internally by the executive management of the Group to track operational and financial performance.

The following geographies have been identified:

- France,
- United States,
- Portugal,
- Israel,
- Dominican Republic, and
- Others (French Overseas Territories / Belgium and Luxembourg / Switzerland / Content / Corporate entities).

Additional information on the revenue split is presented as follows:

- Fixed in the business to consumer market (B2C),
- Fixed in the business to business market (B2B),
- Wholesale market,
- Mobile in the business to consumer market (B2C),
- Mobile in the business to business market (B2B), and
- Other.

We operate high-speed cable, fiber or DSL based fixed line networks in all our operating segments. Consistent with our strategy to invest in convergent networks, we also operate 4G/LTE and 3G networks in our France, Portugal, Israel, Dominican Republic and French Overseas Territories segments.

The segments presented are consistent with the ones presented in the consolidated financial statements as at December 31, 2015. The businesses that the Group owns and operates do not show significant seasonality, with the exception of the mobile B2C and B2B segments, which can show significant changes in sales at the year end and at the end of the summer season (the "*back to school*" period), in addition the US segment can show significant seasonality at the end of the school period (May-June). The B2B business (for both fixed and mobile) is also impacted by the timing of preparation of the annual budgets of public and private sector companies.

Intersegment transactions between different segments mainly relate to the exchange of services (mobile roaming, interconnect, content) between our France segment and businesses that are a part of the Altice International sub-group (Portugal, Israel, Dominican Republic and Others segments). Such transactions accounted for 1.3% of total Group consolidated revenues for the six months ended June 30, 2016.

The accounting policies of the reportable segments are the same as the Group's accounting policies.

3.2 Segment information

3.2.1 Operating income per geographical segment

	Six months ended, June 30, 2016						
(in € millions)	**France (**)**	**United States (***)**	**Portugal**	**Israel**	**Dominican Republic**	**Others (****)**	**Total**
Standalone revenues	**5,295.9**	**1,300.4**	**1,147.1**	**466.1**	**351.6**	**331.5**	**8,892.7**
Intersegment eliminations	(13.6)	-	(11.8)	-	(0.4)	(85.9)	(111.8)
Group consolidated revenues	**5,282.1**	**1,300.4**	**1,135.3**	**466.1**	**351.3**	**245.7**	**8,780.9**
Purchasing and subcontracting costs	(1,744.1)	(388.9)	(231.3)	(110.7)	(68.4)	(71.4)	(2,614.8)
Other operating expenses	(1,218.8)	(190.3)	(204.4)	(106.0)	(83.3)	(56.7)	(1,859.5)
Staff costs and employee benefit expenses	(421.5)	(157.1)	(147.1)	(33.2)	(15.2)	(70.4)	(844.4)
Total	**1,897.7**	**564.2**	**552.6**	**216.2**	**184.3**	**47.1**	**3,462.1**
Non-recurring items and other adjustments in EBITDA	2.0	-	-	-	-	8.1	10.1
Adjusted EBITDA	**1,899.7**	**564.2**	**552.6**	**216.2**	**184.3**	**55.2**	**3,472.2**
Depreciation and amortisation	(1,235.8)	(375.2)	(421.6)	(162.9)	(78.1)	(69.2)	(2,342.7)
Impairment losses	-	-	-	-	-	(1.1)	(1.1)
Non-recurring items and other adjustments in EBITDA	(2.0)	-	-	-	-	(8.1)	(10.1)
Other expenses and income	(90.5)	(92.1)	(22.9)	(11.1)	(1.6)	33.2	(184.9)
Operating profit	**571.4**	**96.9**	**108.1**	**42.3**	**104.7**	**10.1**	**933.4**

	Three months ended, June 30, 2016 *(unreviewed)*						
(in € millions)	**France (**)**	**United States (***)**	**Portugal**	**Israel**	**Dominican Republic**	**Others (****)**	**Total**
Standalone revenues	**2,722.7**	**730.9**	**575.1**	**234.8**	**174.0**	**172.9**	**4,611.5**
Intersegment eliminations	(10.2)	-	(8.1)	-	-	(70.9)	(89.3)
Group consolidated revenues	**2,712.5**	**730.9**	**567.0**	**234.8**	**174.0**	**102.0**	**4,521.2**
Purchasing and subcontracting costs	(853.0)	(219.3)	(116.0)	(52.2)	(36.0)	(40.3)	(1,316.6)
Other operating expenses	(599.9)	(104.5)	(101.3)	(56.4)	(41.4)	(13.2)	(916.6)
Staff costs and employee benefit expenses	(228.3)	(85.0)	(72.3)	(15.5)	(7.7)	(26.4)	(435.1)
Total	1,031.3	322.2	277.4	110.8	89.0	22.2	1,852.8
Non-recurring items and other adjustments in EBITDA	0.3	-	-	-	-	4.2	4.4
Adjusted EBITDA	**1,031.5**	**322.2**	**277.4**	**110.8**	**89.0**	**26.4**	**1,857.3**
Depreciation and amortisation	(625.1)	(191.2)	(202.7)	(80.6)	(38.9)	(30.9)	(1,169.3)
Impairment losses	-	-	-	-	-	(0.4)	(0.4)
Non-recurring items and other adjustments in EBITDA	(0.3)	-	-	-	-	(4.2)	(4.4)
Other expenses and income	(55.8)	(82.8)	(13.9)	(3.9)	0.1	35.1	(121.2)
Operating profit	**350.4**	**48.2**	**60.9**	**26.3**	**50.2**	**26.0**	**561.9**

	Six months ended, June 30, 2015 (Revised)*						
(in € millions)	**France (**)**	**United States (***)**	**Portugal**	**Israel**	**Dominican Republic**	**Others (****)**	**Total**
Revenue	**5,521.8**	**-**	**277.8**	**457.6**	**341.9**	**206.3**	**6,805.5**
Intersegment eliminations	(9.8)	-	(1.7)	-	-	(14.2)	(25.8)
Group consolidated revenues	**5,512.0**	**-**	**276.1**	**457.6**	**341.9**	**192.1**	**6,779.7**
Purchasing and subcontracting costs	(1,887.3)	-	(64.8)	(107.9)	(69.4)	(39.3)	(2,168.7)
Other operating expenses	(1,227.8)	-	(66.0)	(101.6)	(78.7)	(48.2)	(1,522.2)
Staff costs and employee benefit expenses	(435.4)	-	(36.7)	(32.7)	(14.0)	(27.3)	(546.1)
Total	1,961.5	-	108.7	215.4	179.8	77.3	2,542.8
Non-recurring items and other adjustments in EBITDA	40.5		-	-	-	7.9	48.4
Adjusted EBITDA	**2,002.0**	**-**	**108.7**	**215.4**	**179.8**	**85.2**	**2,591.2**
Depreciation and amortisation	(1,332.7)	-	(117.0)	(152.7)	(83.4)	(74.9)	(1,760.6)
Impairment losses (1)	-	-	-	-	-	(19.8)	(19.8)
Non-recurring items and other adjustments in EBITDA	(40.5)	-	-	-	-	(7.9)	(48.4)
Other expenses and income	(77.3)	-	(3.6)	(13.4)	(6.1)	(12.5)	(112.9)
Operating profit/(loss)	**551.6**	**-**	**(11.9)**	**49.3**	**90.3**	**(30.0)**	**649.4**

	Three months ended June 30, 2015 (Revised)*						
(in € millions)	**France (**)**	**United States (***)**	**Portugal**	**Israel**	**Dominican Republic**	**Others (****)**	**Total**
Revenue	**2,781.9**	**-**	**237.1**	**232.9**	**172.8**	**110.3**	**3,534.9**
Intersegment eliminations	(6.4)	-	-	-	-	(11.9)	(18.3)
Group consolidated revenues	**2,775.5**	**-**	**237.1**	**232.9**	**172.8**	**98.4**	**3,516.6**
Purchasing and subcontracting	(931.6)	-	(49.9)	(56.9)	(35.0)	(18.2)	(1,091.6)
Other operating expenses	(581.9)	-	(58.8)	(48.5)	(39.8)	(25.9)	(754.9)
Staff costs and employee benefit expenses	(213.1)	-	(32.9)	(16.4)	(7.1)	(13.0)	(282.6)
Total	**1,048.8**	**-**	**95.5**	**111.1**	**90.8**	**41.2**	**1,387.4**
Non-recurring items and other adjustments in EBITDA	17.7					4.7	22.4
Adjusted EBITDA	**1,066.5**	**-**	**95.5**	**111.1**	**90.8**	**45.1**	**1,409.0**
Depreciation and amortisation	(690.3)	-	(76.1)	(76.4)	(44.3)	(24.2)	(911.3)
Impairment losses (1)	-	-	-	-	-	0.3	0.3
Non-recurring items and other adjustments in EBITDA	(17.7)	-	-	-	-	(4.7)	(22.4)
Other expenses and income	(63.6)	-	(2.3)	(8.7)	(2.0)	(15.2)	(91.9)
Operating profit	**295.0**	**-**	**17.0**	**26.0**	**44.5**	**2.2**	**384.6**

(*) For the revision impact please see note 15

(**) The France segment includes the results of SRR, a direct subsidiary of SFR, which operates in the French Overseas Territories of La Reunion and Mayotte. Management has decided to leave SRR in the France segment given it reports separately from the rest of the FOT business (reported in Others) and it is fully integrated in the France business, operationally and in terms of reporting.

(***) Our US segment combines the results of our two recently acquired businesses in the United States of America, namely Suddenlink Communications and Cablevision Systems Corporation (Optimum).

(****) Includes the results of GNP from February 8 (date of control) to date of disposal to SFR. Following the sale of GNP to SFR in May 2016, these results are under the France segment. GNP contributed €71.6 million to revenues and €13.3 million to adjusted EBITDA for the six months ended June 30, 2016.

(1) Includes an expense of €20.1 million relating to the discontinued use of the ONLY brand in the Antilles-Guyane region of the French Overseas Territories segment, following the replacement of the ONLY brand with the SFR brand.

3.2.2 Non-recurring items and other adjustments

Restructuring, deal fees and related expenses incurred during the six months periods ended June 30, 2016 and 2015 pertain mainly to severance package, transaction costs and one-off payment made to parties involved in the acquisitions or other similar operations. Details are given below:

	Six months ended June 30, 2016	**Six months ended June 30, 2015**	**Three months ended June 30, 2016** *unreviewed*	**Three months ended June 30, 2015** *unreviewed*
		(In € millions)		
Non-recurring items and other adjustments in EBITDA				
Stock option expenses	10.1	12.3	4.4	6.1
Other adjustments (1)	-	36.1	-	16.3
Total non-recurring items and other adjustments in EBITDA	**10.1**	**48.4**	**4.4**	**22.4**
Non-recurring items and other adjustments below EBITDA				
Restructuring costs (2)	139.4	47.1	106.6	43.8
Deal fees (3)	24.5	52.1	16.6	47.9
Other expenses/(income) net (4)	15.2	(5.5)	(3.8)	(16.2)
Loss on disposals of assets	5.9	19.2	1.8	16.4
Non-recurring items and other adjustments below EBITDA	**184.9**	**112.9**	**121.2**	**91.9**
Total non-recurring items and other adjustments	**195.1**	**161.3**	**125.7**	**114.2**

(1) Other adjustments relate to costs of renegotiated contracts with suppliers in France which were recorded under new contract terms in the consolidated statement of income.

(2) Restructuring costs mainly include costs related to provisions for employee redundancies and contract termination fees:
   a. €80.0 million at Optimum related to severance costs due to former executives
   b. €31.2 million at SFR related to certain insourcing projects and executive severance payments
   c. €21.4 million at PT related to; 1) €12.4 million related to insourcing projects, 2) €9.0 million to a restructuring plan.
   d. €7.0 million related to employee severance payments at Suddenlink.

(3) Deal fees do not include any financing costs, as these are capitalised and amortised as per the requirements of IAS 39, financial instruments. Thus the deal fees shown above only include discretionary fees paid to legal counsel, M&A counsel and any other consultants whose services the Group might have employed in order to facilitate various acquisitions performed during the course of the year.

(4) Includes mainly a penalty of €15.0 million imposed by the Autorite de la concurrence for the six months ended June 30, 2016.

3.2.3 Revenue split by activities

	Six months ended, June 30, 2016						
(in € millions)	**France (*) (**)**	**US**	**Portugal**	**Israel**	**DR**	**Others (***)**	**Total**
Fixed - B2C	1,390.5	1,019.4	344.9	316.3	54.5	70.3	3,195.8
Fixed - B2B	690.0	180.7	216.0	38.8	19.5	13.7	1,158.8
Wholesale	627.9	28.7	143.0	-	36.5	6.3	842.4
Mobile - B2C	2,185.1	-	282.8	85.7	204.8	41.0	2,799.5
Mobile - B2B	334.4	-	102.1	25.2	24.8	2.3	488.8
Other	68.1	71.6	58.3	-	11.5	197.9	407.4
Total standalone	**5,295.9**	**1,300.4**	**1,147.1**	**466.1**	**351.6**	**331.5**	**8,892.6**
Intersegment adjustment	(13.6)	-	(11.8)	-	(0.4)	(85.9)	(111.8)
Total	**5,282.1**	**1,300.4**	**1,135.3**	**466.1**	**351.3**	**245.7**	**8,780.9**

Revenues split by activity are presented below:

	Three months ended, June 30, 2016 *Unreviewed*						
(in € millions)	**France (*) (**)**	**US**	**Portugal**	**Israel**	**DR**	**Others (***)**	**Total**
Fixed - B2C	710.0	567.9	170.6	158.7	27.0	34.4	**1,668.7**
Fixed - B2B	341.2	106.3	107.9	19.3	9.6	7.1	**591.4**
Wholesale	332.5	14.9	74.5	-	18.2	2.9	**443.0**
Mobile - B2C	1,103.2	-	140.9	44.2	100.3	18.7	**1,407.3**
Mobile - B2B	167.8	-	50.2	12.5	12.6	1.2	**244.3**
Other	68.1	41.7	31.1	-	6.2	108.5	**255.7**
Total standalone	**2,722.7**	**730.9**	**575.1**	**234.8**	**174.0**	**172.9**	**4,610.4**
Intersegment adjustment	(10.2)	-	(8.1)	-	-	(70.9)	(89.3)
Total	**2,712.5**	**730.9**	**567.0**	**234.8**	**174.0**	**102.0**	**4,521.2**

(in € millions)	**Six months ended, June 30, 2015**						
	France (*)	**US**	**Portugal**	**Israel**	**DR**	**Others**	**Total**
Fixed - B2C	1,441.9	-	101.7	321.7	53.6	70.3	**1,989.1**
Fixed - B2B	709.5	-	65.0	35.7	18.3	14.7	**843.3**
Wholesale	664.6	-	30.1	-	30.4	6.9	**731.9**
Mobile - B2C	2,324.6	-	48.1	73.5	204.6	69.2	**2,720.0**
Mobile - B2B	381.3	-	17.8	26.7	24.8	2.9	**453.5**
Other	-	-	15.1	-	10.1	42.2	67.4
Total standalone	**5,521.8**	**-**	**277.8**	**457.6**	**341.9**	**206.3**	**6,805.5**
Intersegment adjustment	(9.8)	-	(1.7)	-	-	(14.2)	**(25.8)**
Total	**5,512.0**	**-**	**276.1**	**457.6**	**341.9**	**192.1**	**6,779.7**

(in € millions)	**Three months ended, June 30, 2015** *Unreviewed*						
	France (*)	**US**	**Portugal**	**Israel**	**DR**	**Others**	**Total**
Fixed - B2C	724.3	-	78.7	164.8	27.2	34.7	**1,029.7**
Fixed - B2B	349.8	-	52.6	17.3	9.1	7.4	**436.2**
Wholesale	336.6	-	25.7	-	16.1	5.2	**383.6**
Mobile - B2C	1,188.0	-	48.0	37.5	102.8	36.6	**1,412.9**
Mobile - B2B	183.1	-	17.8	13.3	12.7	1.5	**228.4**
Other	-	-	14.4	-	5.0	24.8	**44.2**
Total standalone	**2,781.9**	**-**	**237.1**	**232.9**	**172.8**	**110.3**	**3,534.9**
Intersegment adjustment	(6.4)	-	-	-	-	(11.9)	**(18.3)**
Total	**2,775.5**	**-**	**237.1**	**232.9**	**172.8**	**98.4**	**3,516.6**

(*) *The France segment includes the results of SRR, a direct subsidiary of SFR, which operates in the French Overseas Territories of La Reunion and Mayotte. Management has decided to leave SRR in the France segment given it reports separately from the rest of the FOT business and it is fully integrated in the France business, operationally and in terms of reporting.*

(**) Also includes respectively the two month and one-month contribution for GNP and AMG for the six and three month period ended June 30, 2016 for a total amount of €68.8 million, reported under the 'others' revenue segment.

(***) Includes respectively the four-month and one-month contribution of GNP for the six and three months ended June 30, 2016, prior to its acquisition by SFR. The total contribution amounted to €71.3 million and €18.1 million respectively, reported un the "other" revenue segment.

3.2.4 Capital expenditure

Capital expenditure is a key performance indicator tracked by the Group. The schedule below lists the capital expenditure by segment.

	June 30, 2016						
(in € millions)	**France**	**US**	**Portugal**	**Israel**	**DR**	**Others**	**Total**
Capital expenditure	1,001.1	140.3	217.2(*)	174.4	59.2	102.8(**)	1,695.0

	June 30, 2015						
(in € millions)	**France**	**US**	**Portugal**	**Israel**	**DR**	**Others**	**Total**
Capital expenditure	806.3	-	32.0	155.8	50.7	42.8	1,087.7

(*) Includes a one-off capital expenditure related to the multi-year Porto canal contract amounting to €44.4 million.
(**) Includes a one-off capex related to an IRU on the use of a datacenter at Green datacenter in our Swiss business, for a total amount of €29.6 million.

4 - Goodwill

Goodwill recorded in the statement of financial position of the Group was allocated to the different groups of cash generating units ("GCGU") (except for Green.ch which is a CGU on its own) as defined by the Group. Summary of goodwill recognized on the different acquisitions is provided below:

	December 31, 2015 (revised)*	Recognized on business combinations	Variations	Impairment losses	Changes in foreign currency translation	Held for sale	Reclassifications	June 30, 2016
				(In million €)				
France (**)	**11,565.5**	764.8	-	-	-	-	-	**12,330.3**
US	**1,958.4**	4,920.3	-	-	(133.2)	-	-	**6,745.5**
Portugal	**1,706.2**	-	-	-	-	-	-	**1,706.2**
Israel	**697.8**	-	-	-	(4.6)	-	-	**693.2**
Dominican Republic	**858.9**	-	-	-	(15.4)	-	-	**843.5**
French Overseas Territories	**281.1**	-	-	-	-	-		**281.1**
Belgium and Luxembourg	**295.5**	-	-	-	-	-		**295.5**
Green.ch	**18.2**	-	-	-	-	-	-	**18.2**
Total Gross Value	**17,381.7**	5,685.0	-	-	(153.2)	-	-	**22,913.6**
France	**-**	-	-	-	-	-	-	**-**
US	-	-	-	-	-	-	-	-
Portugal	-	-	-	-	-	-	-	-
Israel	**(144.2)**	-	-	-	1.0	-	-	**(143.0)**
Dominican Republic	**-**	-	-	-	-	-	-	**-**
French Overseas Territories	**(4.6)**	-	-	-	-	-	-	**(4.6)**
Belgium and Luxembourg	**-**	-	-	-	-	-	-	**-**
Green.ch	**-**	-	-	-	-	-	-	**-**
Total Cumulative impairment	**(148.6)**	-	-	-	1.0	-	-	**(147.6)**
France	**11,565.5**	764.8	-	-	-	-	-	**12,330.3**
US	**1,958.4**	4,920.3	-	-	(133.2)	-	-	**6,745.5**
Portugal	**1,706.2**	-	-	-	-	-	-	**1,706.2**
Israel	**553.6**	-	-	-	(3.6)	-	-	**550.2**
Dominican Republic	**858.9**	-	-	-	(15.4)	-	-	**843.5**
French Overseas Territories	**276.5**	-	-	-	-	-	-	**276.5**
Belgium and Luxembourg	**295.5**	-	-	-	-	-	-	**295.5**
Green.ch	**18.2**	-	-	-	0.1	-	-	**18.2**
Total Net book value	**17,233.1**	5,685.0	-	-	(152.3)	-	-	**22,765.9**

(*) For the revision impact please see note 15

(**) Including existing goodwill acquired as a result of the integration of AMG. For more details, see note 4.2.3

	December 31, 2014 (revised)*	Recognized on business combinations	Variations	Impairment losses	Changes in foreign currency translation	Held for sale	Disposals	December 31, 2015 (revised)*
				(In million €)				
France	**11,565.3**	-	-	-	-	-	-	**11,565.3**
US	-	1,962.3	-	-	(3.8)	-	-	**1,958.4**
Portugal	**1.3**	1,706.2	-	-	-	(1.3)	-	**1,706.2**
Israel	**627.2**	-	-	-	70.6	-	-	**697.8**
Dominican Republic	**767.3**	-	-	-	91.6	-	-	**858.9**
French Overseas Territories	**281.1**	-	-	-	-	-		**281.1**
Belgium and Luxembourg	**295.5**	-	-	-	-	-		**295.5**
Green.ch	**18.2**	-	-	-	0.1	-	-	**18.2**
Total Gross Value	**13,555.9**	**3,668.5**	**-**	**-**	**158.5**	**(1.3)**	**-**	**17,381.7**
France	-	-	-	-	-	-	-	-
US	-	-	-	-	-	-	-	-
Portugal	-	-	-	-	-	-	-	-
Israel	**(129.4)**	-	-	-	**(14.7)**	-	-	**(144.2)**
Dominican Republic	-	-	-	-	-	-	-	-
French Overseas Territories	**(4.6)**	-	-	-	-	-	-	**(4.6)**
Belgium and Luxembourg	-	-	-	-	-	-	-	-
Green.ch	-	-	-	-	-	-	-	-
Total Cumulative impairment	**(134.0)**	**-**	**-**	**-**	**(14.7)**	**-**	**-**	**(148.6)**
France	**11,565.3**	-	-	-	-	-	-	**11,565.5**
US	-	1,962.3	-	-	(3.8)	-	-	**1,958.4**
Portugal	**1.3**	1,706.2	-	-	-	(1.3)	-	**1,706.2**
Israel	**497.8**	-	-	-	55.8	-	-	**553.6**
Dominican Republic	**767.3**	-	-	-	91.6	-	-	**858.9**
French Overseas Territories	**276.5**	-	-	-	-	-	-	**276.5**
Belgium and Luxembourg	**295.5**	-	-	-	-	-	-	**295.5**
Green.ch	**18.2**	-	-	-	0.1	-	-	**18.2**
Total Net book value	**13,422.1**	**3,668.5**	**-**	**-**	**143.9**	**(1.3)**	**-**	**17,233.1**

(*) For the revision impact please see note 15

4.1 Impairment of goodwill

Goodwill is reviewed at the level of each GCGU or CGU annually for impairment and whenever changes in circumstances indicate that its carrying amount may not be recoverable. For 2015, goodwill was tested at the GCGU level for impairment as of December 31, 2015. The GCGU is at the country level where the subsidiaries operate. The recoverable amounts of the GCGUs are determined based on their value in use. The Group determined to calculate value in use for purposes of its impairment testing and, accordingly, did not determine the fair value of the GCGUs. The key assumptions for the value in use calculations are primarily the pre-tax discount rates, the terminal growth rate and the EBIT margin during the period, except for the France GCGU, for which the fair value is determined on the basis of the observable price of its publicly traded shares.

The Board of Directors has determined that there have not been any changes in circumstances indicating that the carrying amount of goodwill may not be recoverable and therefore no updated impairment model analysis has been carried out nor any impairment recorded for the six months ended June 30, 2016.

4.2 Business combinations

4.2.1 United States

4.2.1.1 Optimum (Cablevision Systems Corporation)

On June 21, 2016, the Company completed the acquisition of a controlling stake in Cablevision Systems Corporation, a leading cable operator in the New York area. Following the acquisition, the combined Optimum and Suddenlink represents the fourth largest cable operator in the United States (see note 2).

The consideration transferred amounted to €8,025.4 million on a cash free, debt free basis.

The Group has identified the following assets and liabilities which were recorded at their fair value at the acquisition date. The fair value was determined by an independent external appraiser based on a business plan prepared as of the date of the acquisition:

a) Customer relationships: The fair value of customer relationships was preliminary measured using the excess earnings method and the useful life reflects the economic life of the asset. The total value was evaluated at €4,163.0 million.

b) Brand: The Optimum and Lightpath brands were preliminary measured at fair value for an amount of €893.0 million.

c) Franchise: Optimum has recorded its franchise rights at a preliminary fair value of €7,383.4 million. Franchise rights are concessions awarded by local municipalities for Optimum to conduct its business in its areas of operation.

d) Property, plant and equipment: The property, plant and equipment of Optimum was preliminary reevaluated to €4,162.0 million.

Following the purchase price allocation, the preliminary allocation between the different classes of assets and liabilities is given below. The difference has been recorded as goodwill in the consolidated condensed interim financial statements for the period ended June 30, 2016.

Total consideration transferred	€8,025.4 million
Fair value of identifiable assets, liabilities and contingent liabilities	€3,105.1 million
Goodwill	€4,920.3 million

The Group is continuously evaluating the fair value of acquired assets and liabilities and expects to complete the final purchase price allocation within the measurement period as defined by IFRS 3.

4.2.1.2 Suddenlink Communications

For the period ended June 30, 2016, the Group updated the valuation of certain assets and liabilities identified as part of the acquisition of Suddenlink Communications, based on its continuing evaluation of the fair value of such identifiable assets and liabilities. The new fair values of identifiable assets and liabilities are presented below:

a) Customer relationships: The fair value of customer relationships was preliminary measured using the excess earnings method and the useful life reflects the economic life of the asset. The total value was re-evaluated at €989.8 million (vs. €981.9 million)

b) Brand: The Suddenlink brand was preliminary measured at fair value for an amount of €52.2 million (vs.€34.8 million previously recorded)

c) Franchise: Suddenlink has revaluated its franchise rights at a preliminary fair value of €4,516.9 million (vs. €4,585.6 million previously recorded). Franchise rights are concessions awarded by local municipalities for Suddenlink to conduct its business in its areas of operation

d) Property, plant and equipment: The property, plant and equipment of Suddenlink was preliminary revaluated to €1,938.5 million (vs. €2,023.9 million previously recorded).

The Group is continuously evaluating the fair value of acquired assets and liabilities and expects to complete the final purchase price allocation within the measurement period as defined by IFRS 3.

Total consideration transferred	€2,019.1 million
Fair value of identifiable assets, liabilities and contingent liabilities	€57.8 million
Goodwill	€1,962.3 million

4.2.1 Portugal Telecom

During the six-month period ended June 30, 2016, the Group has finalized the purchase price allocation regarding the acquisition of Portugal Telecom.

Total consideration transferred to the vendors amounted to €195.1 million (excluding purchase price adjustments) on a cash free debt free basis.

The Group has identified the following assets and liabilities to which the purchase price will be allocated as described above. The fair value was determined by an independent external appraiser based on a business plan prepared as of the date of the acquisition:

a) Customer relationships: Customer relationships were determined for each operating segment of Portugal Telecom, namely B2C, B2B and Wholesale customers (for both the fixed and mobile businesses). They were evaluated using the excess earnings method and the useful life reflects the economic life of the asset. The total value of customer relationships was €1,211.0 million (€878.0 million net of taxes).

b) Brand: The Meo brand was preliminary measured at its fair value using the relief from royalty method, and a useful life of 15 years. The fair value amounted to €227.0 million (€164.6 million net of taxes)

c) Frequencies: PT has invested in spectrum in order to provide mobile services. The mobile licenses were revalued for an amount of €56 million (€40.6 million net of taxes).

d) Property, Plant and Equipment: Property plant and equipment was re-measured at its fair value. The PPE was revalued for an amount of €177 million (128.3 million net of taxes).

Following the purchase price allocation, the final allocation between the different classes of assets and liabilities is given below. The difference has been recorded as goodwill in the consolidated condensed interim financial statements for the period ended June 30, 2016:

Total consideration transferred	€195.1 million
Fair value of identifiable assets, liabilities and contingent liabilities	€ (1,511.1) million
Goodwill	€1,706.2 million

4.2.2 Groupe News Participations

The Group obtained control over Groupe News Participation (GNP) during the period ended March 31, 2016 (refer to note 2.1).

This transaction qualified as a step acquisition as per IFRS 3, *Business Combinations*, and goodwill was calculated as follows and allocated to France GCGU:

Carrying amount of equity investment	€0.3 million
Gain on step acquisition	€0.0 million
Fair value of identifiable assets, liabilities and contingent liabilities	€ (630.1) million
Goodwill	€630.4 million

The Group has identified the following assets and liabilities as part of the transaction, for which it is in the process of determining the fair value with the help of an independent external appraiser:

a) Brands; main brands identified would be BFM TV, BFM Business, RMC, RMC Sport, RMC Découverte and 01Net/telecharger.com;

b) Exclusive distribution agreements/broadcast licenses (for radio and TV);

c) Exclusive content agreements and libraries.

The useful lives for the identified assets and liabilities will be determined as per the economic condition of the assets and the accounting policies and standards of the Group.

The Group is continuously evaluating the fair value of acquired assets and liabilities and expects to complete the final purchase price allocation within the measurement period as defined by IFRS 3.

4.2.3 Other variations in goodwill (France)

On May 27, 2016, Altice Media Group ("AMG") was transferred to the Group by Altice IV S.A.. Altice IV S.A. is considered as a related party as it shares the same controlling shareholder as the Group. In the absence of specific guidance in IFRS concerning the accounting for common control transactions and in line with similar transaction carried out by the Group, no purchase price allocation was performed. This transaction allows the Group to pursue its strategy of convergence between communication and media.

However, as part of the acquisition of Altice Media Group, the Group acquired existing goodwill recorded at AMG resulting from past acquisitions made by AMG. This goodwill arise on acquisition of Libération, NewsCo and i24, and amount to €129.0 million. AMG identified and evaluated preliminary the brands at a fair value of €54.0 million (€35 million net of taxes).

The final allocation of the preliminary goodwill at AMG is expected to be finalised by the end of 2016.

Profit and loss before acquisition by the Group

The profit and loss of those new subsidiaries not consolidated from January 1, 2016, for the period from January 1, 2016 to the date of their entry into the Group's accounts is given below:

	Optimum
	In € millions
Revenues	**2,811.4**
Purchases and subcontracting services	(975.1)
Other operating expenses	(383.9)
Staff costs and employee benefits	(615.4)
Depreciation and amortisation	(373.3)
Other expenses and income	(20.3)
Operating profit	**443.3**
Profit for the period	**152.6**

5 - Shareholders' equity (including non-controlling interests)

5.1.1 Issued capital

As of June 30, 2016, the authorised share capital is split as follows:

	Total shares authorised	Total capital authorised (€)	Number of shares issued
Common A shares	8,168,062,450	81,680,624.5	841,272,525
Common B shares	299,128,060	74,782,015	272, 279,137
Preference A shares	4,700,000,000	188,000,000	-
Preference B shares	150,000,000	1,500,000	-
Total		**345,962,640**	

As of June 30, 2016, no preference A or B shares have been issued.

For the period ended June 30, 2016, the Company had received and executed conversion orders amounting to a total of 1,104 common B shares.

Taking into account the impact of the conversions listed above, as of June 30, 2016, total issued capital of the Company amounted to €76.5 million, and was composed of 841,272,525 common A shares and 272,279,137 common B outstanding shares, with a nominal value of €0.01 and €0.25 each.

5.1.2 Treasury shares

As of June 30, 2016, the Company held a total of 25,426,560 treasury A shares with a nominal value of €0.01 each.

The consideration paid for the acquisition of the treasury shares was nil.

5.2 Additional paid in capital

As of June 30, 2016, total additional paid in capital of the Group amounted to €1,944.2 million.

5.3 Other reserves

The components of the Group's reserves with their respective tax effects is provided below:

(in € millions)	June 30, 2016			December 31, 2015 (revised)*		
	Pre-tax amount	**Tax effect**	**Net amount**	**Pre-tax amount**	**Tax effect**	**Net amount**
Actuarial gains and losses	(47.4)	11.7	(35.7)	(3.5)	(0.5)	(4.0)
Items not potentially reclassified to profit and loss	**(47.4)**	**11.7**	**(35.7)**	**(3.5)**	**(0.5)**	**(4.0)**
Available for sale	2.6	-	2.6	2.4	-	2.4
Currency reserve	9.0	-	9.0	3.3	-	3.3
Cash flow hedge	(263.0)	82.0	(181.0)	(317.9)	100.3	(217.6)
Items potentially reclassified to profit and loss	**(251.4)**	**82.0**	**(169.4)**	**(311.7)**	**100.3**	**(211.9)**
Total other reserves	**(298.7)**	**93.5**	**(205.1)**	**(315.2)**	**99.8**	**(216.0)**

5.4 Variations in non-controlling interests

The variations of non-controlling interests based on the nature of the transaction is given below:

	June 30, 2016	**December 31, 2015 (revised)***
	(In millions €)	
Balance at beginning of the period/year	**925.2**	**3,278.2**
Share of (loss)/profit for the period/year	(131.2)	98.8
Other comprehensive income	23.6	7.3
Transactions with non-controlling interests in SFR Group S.A.	15.9	(2,492.2)
Transactions with non-controlling interests in CVC 2 B.V.	(15.5)	(17.1)
Transactions with non-controlling interests in Altice Content Luxembourg S.A.	(49.3)	50.0
Other variations	3.5	0.3
Balance at end of the period/year	**772.2**	**925.2**

(*) For the revision impact please see note 15

The details of the main non-controlling interests in the Company's subsidiaries is given below.

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interests held by non-controlling interests		Loss allocated to non-controlling interests		Accumulated non-controlling interests	
		June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
SFR Group S.A.	France	22.23%	21.9%	(23.1)	150.4	946.2	944.6
Altice Bahamas S.à r.l.	Luxembourg	2.8%	2.8%	0.4	(1.2)	2.5	1.8
Altice Blue Two S.A.S.	France	0.15%	0.15%	-	0.1	0.7	0.7
Deficom Telecom S.à r.l.	Luxembourg	26.0%	26.0%	(2.4)	(3.1)	(20.6)	(18.4)
Green.ch	Switzerland	0.43%	0.43%	-	(0.1)	0.1	0.1
Green Datacenter AG	Switzerland	1.37%	1.37%	-	0.1	0.2	0.2
Cool Holding Ltd	Israel	-	-	-	-	9.3	9.3
CVC 2 B.V. (**)	The Netherlands	30.0%	30.2%	(102.2)	(47.0)	(166.9)	(63.7)
Altice Content Luxembourg S.à r.l.	Luxembourg	-	24.0%	(0.2)	(0.4)	-	49.7
Winreason S.A.	Portugal	-	-	-	-	-	0.9
PT-Portugal	Portugal	-	-	-	-	0.5	-
Groupe News Participations	France	-	-	(3.7)	-	-	-
Total				**(131.1)**	**98.8**	**772.2**	**925.2**

(*) For the revision impact please see note 15

(**) Represents sponsors' participation in Optimum and Suddenlink

6 - Earnings per share

	Six months ended June 30, 2016	Three months ended June 30, 2016 *unreviewed*	Six months ended June 30, 2015 (Revised)* (***)	Three months ended June 30, 2015 (Revised)* (***) *unreviewed*
Earnings				
Profit/(loss) for the period	(641.1)	(376.6)	261.9	(332.0)
Basic earnings per ordinary share (**) (in €)	*(0.59)*	*(0.35)*	*0.26*	*(0.33)*
Number of shares (in millions)				
Weighted average number of ordinary shares for basic EPS	1,088.1	1,088.1	991.8	991.8
Effect of dilutive potential ordinary shares:				
Stock options and management investment plan	42.0	42.7	40.3	40.3
Shares to be provided to other shareholders	-	-	0.5	0.5
Weighted average number of ordinary shares for the purposes of diluted EPS	**1,130.1**	**1,130.8**	**1,032.6**	**1,032.6**
Diluted earnings per ordinary share (**) (in €)	*(0.57)*	*(0.33)*	*0.25*	*(0.32)*

(*) Historical figures have been restated to take into account the four-for one split of the shares decided by the EGM on August 10, 2015

(**) As both class A and class B shares have the same economic rights, the earning per share is calculated based on the aggregate number of class A and B shares in circulation.

(***) For the revision impact please see note 15

7 - Borrowings and other financial liabilities

Total borrowings and other financial liabilities are broken down as follows:

	June 30, 2016	December 31, 2015
	(In millions €)	
Long term borrowings. Financial liabilities and related hedging instruments	**51,808.4**	**45,681.9**
- Debentures	40,375.0	29,893.7
- Loans from financial institutions	11,092.8	15,688.5
- Derivative financial instruments	340.7	99.7
Other non-current financial liabilities:	**3,246.3**	**1,566.1**
- Finance leases	119.1	100.4
- Other financial liabilities	3,127.2	1,465.6
Non-current liabilities	**55,054.7**	**47,248.8**
Short term borrowing, financial liabilities	**121.7**	**380.6**
- Debentures	29.5	29.7
- Loans from financial institutions	92.0	350.9
- Derivative financial instruments	0.2	-
Other financial liabilities:	**3,009.3**	**1,484.4**
- Other financial liabilities	1,784.2	526.1
- Bank overdraft	42.8	126.6
- Accrued interests	1,107.4	764.2
- Finance leases	75.0	67.5
Current liabilities	**3,130.8**	**1,864.9**
Total	**58,185.8**	**49,113.7**

7.1 Debentures and loans from financial institutions

As at June 30, 2016, the details of the loans from financial institutions and debentures are given in the sections that follow.

	June 30, 2016	December 31, 2015
Debentures	40,404.5	29,923.3
Loans from financial institutions	11,184.8	16,039.4
Total	**51,589.3**	**45,962.8**

7.2 Debentures

A summary of the debentures issued by different entities of the Group is provided below:

	June 30, 2016	< 1 year	One year or more	December 31, 2015
		(In millions €)		
SFR	11,684.2	-	11,684.2	9,305.0
Optimum	9,444.6	-	9,444.6	-
Suddenlink	5,169.8	-	5,169.8	3,583.6
Altice Luxembourg	6,664.6	-	6,664.6	6,735.5
Altice Financing	5,878.3	-	5,878.3	4,069.1
Altice Finco	1,324.9	-	1,324.9	1,345.7
Hot telecom	238.1	29.5	208.6	254.7
Neptune Finco Corp. (*)	-	-	-	4,346.5
Altice US Finance (**)	-	-	-	283.3
Total	**40,404.5**	**29.5**	**40,375.0**	**29,923.3**

(*) Neptune Finco Corp was merged with Optimum prior to the closing of the transaction
(**) Debt assumed by Suddenlink in April 2016 as part of an automatic exchange transaction

Compared to the year ended December 31, 2015, the following significant changes occurred to the debentures:

As part of the business combination with Optimum, the Group acquired the following debentures that were not refinanced at closing:

- $ 300 million Senior Notes (€270.2 million equivalent) due 2018 bearing a coupon of 7.875%
- $ 500 million Senior Notes (€450.4 million equivalent) due 2018 bearing a coupon of 7.625%
- $ 526 million Senior Notes (€473.8 million equivalent) due 2019 bearing a coupon of 8.625%
- $ 1,000 million Senior Notes (€900.7 million equivalent) due 2021 bearing a coupon of 6.750%
- $ 750 million Senior Notes (€675.6 million equivalent) due 2024 bearing a coupon of 5.250%
- $ 900 million Senior Notes (€810.7 million equivalent) due 2017 bearing a coupon of 8.625%
- $ 750 million Senior Notes (€675.6 million equivalent) due 2018 bearing a coupon of 7.750%
- $ 500 million Senior Notes (€450.4 million equivalent) due 2020 bearing a coupon of 8.00%
- $ 649 million Senior Notes (€584.6 million equivalent) due 2022 bearing a coupon of 5.875%

Additionally, during the six months ended June 30, 2016, the Group refinanced a portion of its debentures, for an aggregate amount of $ 9,440 million (€8,159.7 million equivalent). The details of the newly issued debentures and the refinanced debentures are given below:

SFR

On April 7, 2016, SFR announced the successful placement of a new 10 year Senior Secured Note for an aggregate amount of $5.2 billion.

The proceeds from the issuance of this new debt were used to fully refinance the following debts:

- $2,400 million notes due 2019;
- €475 million drawn on the €1,125 million RCF; and
- €1,900 million term loan due 2019 (three tranches of €627 million, €399 million and $1,142 million respectively).

The debt was priced at 7.375%. The equivalent swapped coupon for the euro repayments is c. 6.2%.

At the date of the refinancing, the average maturity of SFR's debt was increased from 5.8 years to 7.9 years.

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €135.0 million for the six months ended June 30, 2016.

Altice Financing S.A.

On April 19, 2016, Altice Financing S.A., an indirect subsidiary of the Company, announced that it had successfully priced a new 10 year Senior Secured Note for an aggregate amount of $2.75 billion. The new debt will pay a coupon of 7.5% (c .5.8% swapped into euros). The proceeds from this issuance were used to refinance the following debts:

- $460 million senior secured notes due 2019;
- €210 million senior secured notes due 2019;
- $1,013 million of loans under the 2019 Term Loan facility; and
- €855 million of loans under the 2022 Term Loan facility ($ 500 million and € 400 million respectively).

At the date of the refinancing, the average maturity of Altice International's debt was increased from 6.0 years to 7.7 years

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €88.0 million for the six months ended June 30, 2016.

Suddenlink Communications

On April 20, 2016, Altice US Finance 1 Corporation, an indirect subsidiary of the Company, announced that it had successfully placed a new 10-year Senior Secured Bond for an aggregate amount of $1.5 billion. The proceeds of this issuance were used to repay the entire $1,481 million aggregate amount of loans under Suddenlink's existing Term Loan facility that matures in 2019.

The new notes will pay a coupon of 5.5%.

At the date of the refinancing, the average maturity of Suddenlink was extended from 5.7 years to 7.3 years.

As a result of the refinancing described above, the Group recognised a loss on extinguishment of a financial liability for an amount of €18.0 million for the six months ended June 30, 2016.

7.3 Covenants

There was no change regarding the covenants impacting the Group and its subsidiaries during the period ended June 30, 2016 compared to December 31, 2015, expect for the following covenants on the debts at Optimum acquired by the Group as part of the business combination described in notes 2 and 4.

The outstanding notes issued by Optimum are subject to a cash flow test as described below:

- Cash Flow Ratio through Issuer must not exceed a ratio of 9:1.

  Cash Flow Ratio is the ratio of (a) the aggregate amount of outstanding Indebtedness (excluding certain interest rate swaps) plus the aggregate undrawn face amount of all outstanding letters of credit to (b) Annualized Operating Cash Flow (i.e., Operating Cash Flow for three complete consecutive calendar months for which financial information is available multiplied by four)

We were in compliance with all our covenants as of June 30, 2016.

7.4 Loans from financial institutions

As of June 30, 2016, loans from financial institutions are composed of the following:

	June 30, 2016	**< 1 year**	**One year or more**	**December 31, 2015**
		(In millions €)		
SFR Term Loans	4,572.9	41.9	4,531.1	6,632.3
Optimum Term Loans (*)	3,301.4	34.2	3,267.2	-
Suddenlink Term Loans	743.6	7.3	736.2	2,089.1
Altice Financing Term Loans	440.4	4.5	435.9	2,194.6
Altice Corporate Financing Term Loan	1,403.0	-	1,403.0	1,088.0
Altice Financing RCF	-	-	-	160.0
Optimum RCF	288.5	-	288.5	-
Numericable-SFR RCF	400.0	-	400.0	450.0
Others	35.0	4.1	30.9	38.4
Neptune Finco Corp. (*)	-	-	-	3,390.8
Total	**11,184.8**	**92.0**	**11,092.8**	**16,039.4**

(*) Neptune Finco Corp was merged with Optimum prior to the closing of the transaction

The decrease in the loans from financial institutions was mainly due to the prepayment of different term loan facilities by the Group during the period. The term loans were repaid prior to their maturity through the issuance of new debentures, as explained in note 7.2.

The following term loans were repaid as part of the refinancing:

- €1,900 million of SFR Term Loans due 2019 (three tranches of €627 million, €399 million and $1,142 million respectively);
- $1,013 million of Altice Financing Term Loans under the 2019 Term Loan facility; and
- €855 million of Altice Financing Term Loans under the 2022 Term Loan facility ($500 million and €400 million respectively)
- $1,481 million Term Loan issued by Suddenlink under the 2019 Term Loan facility

In addition to the repayments mentioned above, the Group also extended the maturities of the following term loans aggregating a total of $2,600 million.

- A tranche in the aggregate amount of $ 1,425 million and a euro denominated tranche of €850 million. The new tranches have the following characteristics:
  - $1,425 million due in 2024 (with principal repayments of 1% per annum), paying an interest of Libor 3m+4.25% (with a 0.75% floor)
  - €850 million due in 2023 (with principal repayments of 1% per annum), paying an interest of Libor 3m+3.75% (with a 0.75% floor)

In February 2016, the Group also extended the maturity of the existing corporate facility at Altice Corporate Financing from May 2017 to March 2019 for an aggregate amount representing half of the original principal amount (€500 million). The group drew an additional € 315 million on the corporate facility in June 2016, in order to finance a portion of the acquisition of Optimum. As the entire amount of the outstanding tranche (€500 million) was not drawn down, the maturity of the total amount of the corporate facility was subsequently extended to 2019 in June.

Available credit facilities:

As of June 30, 2016, the Group had access to the following revolving credit and guarantee facilities, for a total euro equivalent amount of €4,424.8 million:

- Revolving credit facilities:
  (i) Altice Luxembourg S.A. (entered into by Altice S.A. prior to the merger): €200 million;

  (ii) Altice Financing S.A.: €983.1 million ;

  (iii) Suddenlink: €315.3 million ($350 million equivalent).

  (iv) Numericable-SFR S.A.: €1,125 million; and

  (v) Optimum: After the closing of the transaction, the Group had access to an additional $2,000.0 million facility (€1,801.5 million equivalent).

- Guarantee facilities:

  Altice Financing S.A.: €15 million.

As of June 30, 2016, compared to December 31, 2015, the following facilities had remained drawn:

- SFR had drawn €400 million to finance the acquisition of Altice Content Luxembourg.
- €288.5 million drawn at Optimum to finance the payment of certain fees following the closing of the Optimum acquisition in June 2016.

7.5 Other financial liabilities

Significant variations in other financial liabilities compared to the year ended December 31, 2015 are summarised below:

Non-current portion (increase from €1,566.1 million to €3,246.3 million):

1.) The re-measurement of the put option held by non-controlling interests in CVC2 BV, leading to an increase of €648.6 million. This increase is mainly explained by an increase in the underlying strike price for the put option, given the completion of the Optimum acquisition and an additional investment by the minority investors in Suddenlink into CVC-2 BV to retain a 30.0% stake in the combined Suddenlink and Optimum.

2.) The non-current portion of a collateralised debt issued by Optimum, amounting to €574.7 million. This debt is guaranteed by an investment in the common stock of Comcast Corporation held by Optimum and recorded as a financial asset for the period ended June 30, 2016. Optimum holds 21,477,618 shares of Comcast common stock that were acquired in connection with the sale of certain cable systems in prior years. The carrying amount of this investment was €1,259.4 million as of June 30, 2016. The lenders have no recourse to any other asset owned by Optimum in connection with this collateralised instrument.
3.) Loans provided by the minority investors in the combined Suddenlink and Optimum group for an aggregate amount of €470.4 million.
4.) As part of the acquisition of GNP and the subsequent minority investment in Altice Content Luxembourg, the Group has entered into a put agreement with the non-controlling interests. As per the requirements of IAS 39, the put was measured and recorded at its fair value in the caption, 'other financial liabilities' for an amount of €59.2 million.

Current portion (increase from €1,484.4 to €3,009.3 million):

1.) The current portion of the collateralised debt mentioned in (3) above for an aggregate amount of €564.9 million.
2.) Decrease in bank overdrafts by €83.8 million from €126.6 million to €42.8 million
3.) Increase in other financial liabilities, mainly related to increase in debts related to securitisation and reverse factoring at NSFR for a total amount of €216.0 million.
4.) The issuance of commercial paper by SFR for an aggregate amount of €170.0 million
5.) A vendor note amounting to €100.0 million related to SFR's acquisition of AMG.

7.6 Derivatives and hedge accounting

7.6.1 Cross currency swaps

As part of the refinancing transactions mentioned in note 7.1 and 7.2, the Group entered into new swaps and modified the conditions of existing swaps on the refinanced debt to maintain its hedging strategy.

The following table provides a summary of the modified and new swap contracts:

Issuing company	Nominal USD *(In millions)*	Nominal EUR *(In millions)*	USD/EUR exchange rate	Effective date	Termination date (*)	USD coupon	EUR coupon	Modified/ New
Fixed/Fixed cross currency swap								
SFR	2,400.0	1,736	1.3827	08/05/2014	15/07/2024	7.375%	6.783%	Modified
SFR	2,790.0	2,458	1.1350	11/04/2016	15/04/2024	7.375%	5.747%	New
Altice Financing S.A.	779.2	686.4	1.1352	03/05/2016	15/07/2024	7.5%	5.573% to 5.816%	New
Altice Financing S.A.	540.5	415.5	1.3010	03/05/2016	15/07/2024	7.5%	5.91% to 6.4%	Modified

Altice Financing S.A.	500.0	442.1	1.1320	03/05/2016	15/07/2024	7.5%	5.95% to 6.06%	Modified
LIBOR/EURIBOR Interest rate swap								
SFR	1,425	1,030	1.3834	08/05/2014	15/01/2024	L+4.25%	E+4.570%	Modified

1. The new fixed to fixed cross currency have been designated as hedged instruments and have been accounted for as cash flow hedges as per IAS 39.

2. The modified fixed/fixed cross currency swap at SFR was previously designated as a hedged instrument and accounted for as a cash flow hedge since its inception.

3. The modified fixed/fixed cross currency swaps at Altice Financing were previously designated as held for trading and designated as fair value through profit and loss (FVTPL) instruments. Following the modifications, these instruments were designated as cash flow hedge instruments.

Thus, the fair value change of all derivative instruments designated as cash flow hedges was recorded in other comprehensive income for the six-month period ended June 30, 2016. Before the impact of taxes, an income of €68.2 million was recorded as other comprehensive income (€45.2 million net of taxes).

7.6.2 Interest rate swaps

Compared to the year ended December 31, 2015, the Group entered into new interest rate swaps at Altice Financing and SFR with the following characteristics:

On February 16, 2016, NSFR signed an interest rate swap agreement with the following features:
- Nominal: €4.0 billion
- Variable rate paid by the bank: 3-month EURIBOR
- Rate paid by the Group: -0.121%
- Maturity: 7 years, but cancellable by the counterparty after 5 years.

The Group also entered into a similar swap at Altice Financing S.A. with the following features:

- Nominal: €0.75 billion
- Variable rate paid by the bank: 3-month EURIBOR
- Rate paid by the Group: -0.13%
- Maturity: 7 years, but cancellable by the counterparty after 5 years.

In addition to the cash flow hedge instruments listed above, the Group entered into two new fixed to floating interest rate swaps at Altice Financing and Suddenlink. The objective of these swaps is to cover the exposure of the refinanced debt to changes in the market interest rate (as the refinanced term loans were replaced with fixed rate debentures).

In line with its hedging policy, the Group has designated these swaps as fair value hedges. As per the provisions of IAS 39, 'Financial instruments', the variations in fair value of the hedged instrument is recorded through the statement of income as are the variations in the fair value of the hedged item. In case of effective hedged instrument, the variations in the fair value of the hedged instrument and the hedged item compensate for each other.

The details of the fixed to floating interest rate swaps are given below:

- Hedged items:
    - $1,500 million bonds bearing interest at a coupon of 5.5%
    - $720 million tranche of a $2,750 million bond bearing a coupon of 7.5%
- Hedging instruments:
    - Fixed to floating swap changing $750 million from a fixed rate of 1.6655% to Libor 6m and a second tranche of $750 million from a fixed rate of 1.68% to Libor 6m.
    - Fixed to floating swap changing $720 million from a fixed rate of 1.81% to Libor 6m.

For the six-month period ended June 30, 2016, the group recorded a net financial expense of €0.1 million related to the fair value hedges mentioned above.

7.6.3 Reconciliation to swap adjusted debt

As mentioned in the note above, the Group has entered into various hedge transactions in order to mitigate interest rate and FX risks on the different debt instruments issued by the Group.

Such instruments cover both the principal and the interests due on different debts (both debentures and loans from financial institutions).

A reconciliation between the carrying amount of the Group's financial debt and the due amount of the debts after taking into account the effect of the hedge operations (the, "Swap adjusted debt") are given below:

	June 30, 2016			
In million €	Nominal amount as recorded in statement of financial position	Transaction Costs	Adjustment for debts recorded at fair value at closing	Nominal Amount Excl. impact of transaction costs
Total debenture and loans from financial institutions	51,589.3	615.3	280.5	52,485.0
Value of debenture and loans from financial institutions in foreign currency converted at closing spot rate	-	-	-	(21,263.5)
Value of debenture and loans from financial institutions in foreign currency converted at hedged rates	-	-	-	18,917.9
Total swap adjusted value of debentures and loans from financial institutions	**51,589.3**	**615.3**	**280.5**	**50,139.5**

7.7 Fair value of financial assets and liabilities

Fair value of financial assets and liabilities is presented below:

	June 30, 2016		December 31, 2015	
	Carrying value	Fair value	Carrying value	Fair value
		(In millions €)		
Current assets	**2,159.2**	**2,159.2**	**10,264.0**	**10,264.0**
Financial assets (1)	648.2	648.2		
Cash and cash equivalents	1,304.7	1,304.7	2,527.0	2,527.0
Restricted cash	206.3	206.3	7,737.0	7,737.0
Non-current assets	**3,130.8**	**3,130.8**	**2,812.0**	**2,812.0**
Restricted cash	-	-	0.6	0.6
Available for Sale financial assets	11.2	11.2	6.5	6.5
Derivative instruments	2,190.1	2,190.1	2,548.7	2,548.7
Other financial assets (1)	929.5	929.5	256.2	256.2
Financial assets	**5,290.0**	**5,290.0**	**13,076.0**	**13,076.0**

	June 30, 2016		December 31, 2015	
	Carrying value	Fair value	Carrying value	Fair value
		(In millions €)		
Current liabilities	**3.130,8**	**3.130,8**	**1.865,0**	**1.865,0**
Short term borrowings, financial liabilities and related hedging instruments	121.5	121.5	380.6	380.6
Other financial liabilities	3,009.3	3,009.3	1,484.4	1,484.4
Non-current liabilities	**55.054,7**	**55.981,4**	**47,248.9**	**47,013.9**
Long term borrowings, financial liabilities and related hedging instruments	51,808.4	52,735.1	45,682.8	45,447.8
Other financial liabilities	3,246.3	3,246.3	1,566.1	1,566.1

(1) Includes the current and non-current portion of an investment in the common shares of Comcast Corporation and acquired as part of the Optimum business combination described in note 2.1. This investment is classified as held for trading and is stated at fair value with realized and unrealized holding gains and losses included in net income. A net loss of €24.5 million was recorded in the consolidated statement of income as other finance expenses for the period ended June 30, 2016.

During the six months ended June 30, 2016, there have been no transfers of assets or liabilities between levels of the fair value hierarchy. There are no non-recurring fair value measurements.

The Group's trade and other receivables and trade and other payables are not shown in the table above. The carrying amounts of both categories approximate their fair values.

8 - Cash and cash equivalents and current restricted cash

	June 30, 2016	December 31, 2015
	(In millions €)	
Term deposits	223.4	222.2
Bank balances[1]	1,081.3	2,304.8
Cash and cash equivalents	**1,304.7**	**2,527.0**
Restricted cash [2]	206.3	7,737.0
Restricted cash	**206.3**	**7,737.0**

(1) The decrease in the cash position is due to the use of cash to finance part of the acquisition of Optimum.
(2) Decrease is due to the use of cash held in escrow to finance part of the acquisition of Optimum, refer to note 2.

9 – Contractual obligations and commercial commitments

During the six months ended June 30, 2016, the Group acquired significant contractual obligations and commercial commitments as part of the business combination of Optimum as compared to the year ended December 31, 2015. The details of the commitments acquired are provided below:

	June 30, 2016				
Unrecognised contractual commitments *(in million €)*	**< 1 year**	**Between 1 and 2 years**	**Between 2 and 3 years**	**Five years or more**	**Total**
Good and service purchase commitments	833.2	2,166.6	651.9	39.9	3,691.6
Guarantees given to financial institutions	-	44.6	109.4	-	154.0
Guarantees given to government agencies	5.9	30.7	10.3	-	46.9
Other commitments	60.1	23.4	7.5	1.0	91.9
Total	899.2	2,265.2	779.0	40.9	**3,984.3**

Commitment to purchase goods and services

a) These commitments primarily include contractual commitments with various programming vendors to provide video service to Optimum's customers. Amounts reflected relate to programming agreements and are based on the number of subscribers receiving the programming as of June 30, 2016 multiplied by the per subscriber rates or the stated annual fee, as applicable, contained in executed agreements in effect as of June 30,2016

Guarantees given to financial institutions

b) Mainly represents letters of commitments issued to insurance/financial companies

Other commitments

c) Includes purchase obligations for future services that will be recorded to other operating expenses.

In addition to the commitments mentioned above, Optimum also has operating lease obligations representing the future minimum payment commitments on various long-term, non-cancellable leases, at rates now in force, for office, production and storage space, and rental space on utility poles for their fixed operations. Optimum's future minimum lease payments are summarised below:

	Minimum lease payments June 30, 2016 *(In € millions)*
	Operating leases
Less than one year	29.3
Between one and two years	110.7
Between two and three years	82.0
Five years and beyond	155.7
Total minimum payments	**377.7**

10- Net result on extinguishment of financial liability

The caption is explained by a one-off financial income recorded on the cancellation of the earn-out due to Vivendi as part of the acquisition of SFR by Numericable. The earn-out was carried at its fair value, which amounted to €643.5 million as of the extinguishment date. As per the provisions of IAS 39 and IFRS 3, this amount was fully recognized as a financial income following the cancellation of the earn-out, as this cancellation was a result of an event separate from the original contract.

As a result of the refinancing operations performed during the period ended June 30, 2016 (see note 7.2), the Group recognized a net loss on extinguishment of financial liabilities amounting to €241.0 million.

11- Income tax

	June 30, 2016	**June 30, 2015**
Current tax.........................	(98.7)	(86.4)
Deferred tax.......................	176.2	(4.8)
Total..................................	**77.5**	**(91.2)**

For the six-month period ended June 30, 2016, the Group recorded an income tax credit of €77.5 million compared to an income tax expense of €91.2 million for the six months ended June 30, 2015. The variation in the income tax recorded resulted mainly from a current income tax expense of €98.7 million for the six months ended June 2016 (compared to an expense of €86.4 million in 2015), owing to the first consolidation of Portugal Telecom (included in the consolidation scope starting June 2015).

The Group also recorded a deferred tax income of €176.2 million for the six months ended June 30, 2016 (compared to an expense of €4.8 million in 2015) mainly linked to the variation in deferred tax of SFR and the recognition of deferred tax assets for U.S tax loss carry forwards with regard to accrued interest expense of Neptune Finco Corp pursuant to its merger with and into CVC on June 21, 2016. This deferred tax income was partially offset by a non-cash deferred tax charge resulting from an increase in the applicable tax rate used to measure the deferred taxes of Suddenlink pursuant to it joining CVC in its consolidated tax group in the U.S.

Income tax litigation

This note describes the new proceedings and developments in existing tax litigations that have occurred since the publication of the consolidated financial statements for the year ended December 31, 2015 and that have had or that may have a significant effect on the financial position of the Group.

NC Numericable

The French tax authorities have conducted audits of various Group companies since 2005 with respect to the VAT rates applicable to our multi-play offerings. Under the French General Tax Code, television services are subject to a reduced VAT rate of 5.5%, which was increased to 7% as of January 1, 2012 and to 10% from January 1, 2014, while Internet and telephony services are subject to the normal VAT rate of 19.6%, increased to 20% from January 1, 2014. When marketing multi-play offerings, the Group applies a price reduction on the price the Group would charge for these services on a stand-alone basis. This discount is primarily applied to the portion of its multi-play offers corresponding to its Internet and telephony services; the television service is the principal offer of the audited companies. As a result, the VAT charged to the Group's multi-play subscribers is lower than if the discount applied to the television portion of its packages or if it were prorated on all services.

The French tax authorities assert that these discounts should have been calculated pro rata of the stand-alone prices of each of the services (television, broadband Internet, fixed-line and/or mobile telephony) included in the multi-play packages of the Group and proposed adjustments for fiscal years 2006 to 2010.

The Group has also received proposed adjustments for fiscal years 2011 and 2012 for NC Numericable, Numericable and Est Vidéocommunication primarily affecting the application of the VAT on the multi-play offers, despite the change in rules on January 1, 2011 that supports the Group's practice in this area.

On February 1, 2016, the Company received notice of a tax audit from the French tax authorities for fiscal years 2013 and 2014 with a preliminary audit set for February 22, 2016.

The Group is disputing all of the proposed reassessments planned and has initiated appeals and dispute proceedings, which are at different stages, depending on the fiscal year in question for each of the fiscal years subject to reassessments.

The proposed assessments have been provisioned in the financial statements as of June 30, 2016 for an amount of €40.5 million.

12 – Litigation

Provisions for litigation are mainly relating to litigations that have been brought against the Group for which the Board of Directors believes that a significant risk of cash out is probable.

This note describes the new proceedings and developments in existing litigations that have occurred since the publication of the consolidated financial statements for the year ended December 31, 2015 and that have had or that may have a significant effect on the financial position of the Group.

12.1 France

Civil and commercial disputes in France

12.1.1 Wholesale disputes

Complaint by Bouygues Telecom against SFR and Orange regarding the wholesale market in mobile call termination and the retail market in mobile telephony

The French Competition Council received a complaint from Bouygues Telecom against SFR and Orange claiming that the latter were engaged in anticompetitive practices in the mobile call termination and mobile telephony markets. On May 15, 2009, the French Competition Authority decided to postpone its decision and remanded the case for further investigation. On August 18, 2011 SFR received a complaint claiming unfair pricing. On December 13, 2012 the Competition Authority fined SFR €66 million for abuse of dominant position, which SFR has paid.

SFR appealed the decision. The case was heard by the Paris Court of Appeal on February 20, 2014. The Paris Court of Appeal rendered its judgment on June 19, 2014, dismissing SFR's appeal (the judgment was appealed to the Court of Cassation by SFR on July 9, 2014; on October 6, 2015, the Court of Cassation rejected SFR's appeal) and asked the European Commission to provide an Amicus Curiae to shed light on the economic and legal issues raised by the case. The Court of Appeal postponed ruling on the merits of the case pending the Commission's opinion. The Commission rendered its opinion on December 1, 2014, which went against SFR. The hearing on the merits of the case was held on December 10, 2015. The Court of Appeal issued its ruling on May 19, 2016; it granted a 20% fine rebate to SFR due to the new nature of the infraction. The French treasury (Trésor Public) returned €13.144 million to SFR. SFR appealed on a point of law on June 20, 2016.

As a result of the French Competition Authority's decision of December 13, 2012, Bouygues Telecom, OMEA and EI Telecom (NRJ Mobile) brought suit against SFR in the Commercial Court for damages. In accordance with the transaction between SFR and Bouygues Telecom in June 2014, the closing hearing of the conciliation proceedings was held on December 5, 2014. The motion for discontinuance granted on September 11, 2014 ended the legal action between the two companies. With respect to the claim by OMEA (€67.9 million) and EI Telecom (€28.6 million), SFR applied for stay on a ruling pending the decision of the Paris Court of Appeal, and obtained it. OMEA withdrew its claim on May 24, 2016.

SFR's lawsuit and complaint against Orange in the Paris Commercial Court (call termination - call origination)

On February 22, 2010, SFR sued Orange demanding that it cancel the price for Orange call origination for the period 2006-2007 and replace it with a 2% lower rate for 2006 and a15% lower rate for 2007. On June 25, 2013 SFR had all its requests dismissed. On July 25, 2013, SFR appealed the Commercial Court ruling. On December 4, 2015, the Court of Appeal dismissed SFR's claim. SFR filed an appeal before the Court of Cassation, the French Supreme Court, on March 14, 2016.

Complaint by Orange Réunion, Orange Mayotte and Outremer Telecom against SRR and SFR

Compensation disputes

Following the Competition Authority's decision of September 15, 2009 (provisional measures) and pending the Authority's decision on the merits, on June 17, 2013 Outremer Telecom filed suit against SRR and SFR in the Commercial Court seeking remedy for the loss it believes it suffered as a result of SRR's practices.

Outremer Telecom is claiming €23.5 million in damages subject to adjustment for unfair practices by SRR in the consumer mobile phone market on Réunion and Mayotte, and €1 million as damages subject to adjustment for unfair practices by SRR in the business market in mobile telephony on Réunion and Mayotte.

Outremer Telecom withdrew its petition.

In a ruling on November 13, 2013 the Court awarded SRR and SFR a postponement until the Competition Authority makes a decision, or until the Senior Justice of the Court of Appeal orders the postponement of the execution of the Competition Authority's decision. The proceedings have not resumed to date even though the decision of the Senior Justice of the Court of Appeal was handed down on June 13, 2014.

Outremer Telecom withdrew from the proceedings against SRR and SFR on May 10, 2015.

On October 8, 2014 Orange Reunion sued SRR and SFR jointly and severally to pay €135.3 million for the loss suffered because of the practices sanctioned by the Competition Authority. To date, the merits of the case have not yet been heard and various procedural issues have been raised, on which a judgment is pending. The Court Ruling on June 20, 2016 concluded that the petitions of Orange Réunion cannot relate to the period preceding October 8, 2009 and refused to exonerate SFR.

Complaint against Orange to the Competition Authority regarding the market in mobile telephony services for businesses

On August 9, 2010, SFR filed a complaint against Orange with the Competition Authority for anticompetitive practices in the business mobile telephony services market.

On March 5, 2015, the Competition Authority sent a notice of complaints to Orange. Four complaints were filed against Orange. On December 17, 2015, the Authority ordered Orange to pay a fine of €350 million.

At the same time, SFR sued Orange in the Commercial Court and is seeking €2.4 billion in damages subject to adjustments as remedy for the loss suffered because of the practices in question in the proceedings with the Competition Authority. On June 21, 2016, Orange filed an injunction to disclose several pieces of confidential data in SFR's report for July 21, 2016. The hearing for the proceedings has been set for October 11, 2016.

SFR v. Orange: abuse of dominant position in the second homes market

On April 24, 2012 SFR filed a complaint against Orange with the Paris Commercial Court for practices abusing its dominant position in the retail mobile telephony services market for non-residential customers.

On February 12, 2014, the Paris Commercial Court ordered Orange to pay to SFR €51 million for abuse of dominant position in the second homes market.

On April 2, 2014 Orange filed an emergency motion against SFR with the Senior Justice of the Paris Court of Appeal to suspend the provisional enforcement. This motion was denied by the Senior Justice on July 4, 2014.

On April 2, 2014, Orange appealed the decision of the Commercial Court on the merits. On October 8, 2014 the Paris Court of Appeal overturned the Paris Commercial Court's ruling of February 12, 2014 and dismissed SFR's requests. The Court of Appeal ruled that it had not been proven that a pertinent market limited to second homes actually exists. In the absence of such a market, there was no exclusion claim to answer, due to the small number of homes concerned. On October 13, 2014 SFR received notification of the judgment of the Paris Court of Appeal of October 8, 2014 and repaid the €51 million to Orange in November 2014. On November 19, 2014 SFR appealed the ruling.

On April 12, 2016, the French Supreme Court overturned the Court of Appeal's decision and referred the case back to the Paris Court of Appeal.

Orange returned €52.7 million to SFR on May 31, 2016.

Orange v. SFR and Bouygues Telecom (Sharing Agreement)

On April 29, 2014, Orange applied to the French Competition Authority to disallow the agreement signed on January 31, 2014 by SFR and Bouygues Telecom to share their mobile access networks, based on Article L. 420-1 of the French Commercial Code and Article 101 of the Treaty on the Functioning of the European Union (TFEU). In addition to this referral, Orange asked the Competition Authority for a certain number of injunctions, as a provisional measure, against the companies involved.

In a decision dated September 25, 2014, the Competition Authority dismissed all of Orange's requested injunctions to stop SFR and Bouygues Telecom from implementing the agreement that they had signed to share part of their mobile networks.

The Competition Authority ruled that "*no serious and immediate harm to the general economy, the sector, consumers or the plaintiff, can be described based on the section of the agreement relating to network sharing or from the 4G roaming capability associated with it*."

Orange appealed the Competition Authority's decision to dismiss its request for provisional measures.

The Court of Appeal upheld this decision on January 29, 2015. Orange is now appealing the matter to the French Supreme Court. The investigation on the merits is ongoing.

eBizcuss.com against Virgin

eBizcuss.com filed a complaint against Virgin on April 11, 2012 before the French Competition Authority regarding an anticompetitive vertical agreement between Apple and its wholesale distributors (including Virgin).

Complaint by Numericable to the French Competition Authority

On May 20, 2015, Numericable filed a complaint against Groupe Canal Plus before the French Competition Authority based upon an abuse of dominant position of Groupe Canal Plus regarding its self-distribution.

12.1.2 Consumer Disputes

CLCV's summons and complaint against SFR

On January 7, 2013, the consumer association CLCV filed a complaint against SFR in the Paris Commercial Court. CLCV claimed that some of the clauses in SFR's general terms of subscription, and those of some other telephone operators, were unfair. It also asked for compensation for the collective loss suffered. The Paris District Court ruled that the clauses were unfair. SFR has appealed this ruling.

Free v. SFR: unfair practices for non-compliance with consumer credit provisions in a subsidized offer

On May 21, 2012, Free filed a complaint against SFR in the Paris Commercial Court. Free challenged the subsidy used in SFR's "Carrés" offers sold over the web between June 2011 and December 2012, claiming that it constituted a form of consumer credit and, as such, SFR was guilty of unfair practices by not complying with the consumer credit provisions, in particular in terms of prior information to customers. Free asked the Paris Commercial Court to require SFR to inform its customers and to order it to pay €29 million in damages. On January 15, 2013, the Commercial Court dismissed all of Free's requests and granted SFR €0.3 million in damages. On January 31, 2013, Free appealed the decision.

On March 9, 2016, the Paris Court of Appeal confirmed the Paris Commercial Court's ruling and denied all claims filed by Free. The amount of damages payable by Free to SFR was increased to €0.5 million from €0.3 million.

ARVATO v. SFR

On June 29, 2016, Arvato filed a motion against SFR before the Paris commercial court for summary proceedings and petitioned the court to order SFR, pursuant to a call center service level agreement expiring on September 30, 2016, to maintain an activity volume similar to the March 2016 volume under penalty of a fine until the decision on the merits (subject of the short notice proceeding) is rendered.

On June 29, 2016, Arvato filed a motion against SFR before the Paris Commercial Court, at short notice, and petitioned the court to order SFR to comply with a reasonable notice period supposed to end on September 30, 2018 without the possibility of reducing the volumes, and to do so under penalty of a fine.

On July 13, 2016, the presiding judge of the commercial court issued an order compelling SFR to maintain the activity volumes entrusted to Arvato at a level similar to the levels of March 2016, under penalty of a fine, until September 30, 2017.

SFR has appealed this ordinance.

BOUYGUES TELECOM v. SFR

On July 24, 2015, Bouygues Telecom sued NC Numericable and Completel in the context of disagreements about the contract of May 14, 2009 relating to the supply of the High-Speed Broadband double and triple play offers. Bouygues Telecom is contesting certain contractual stipulations and considers that it has been the victim of a margin squeeze, pre-contractual fraud, and other breaches, and is claiming the sum of €180 million from NC Numericable and Completel, a portion of which will correspond to cancelled invoices.

12.1.3 Other disputes

Operations, inspections and seizures

By Order of March 25, 2015, the Nanterre District Court authorized the rapporteur-general of the Competition Authority to conduct inspections and seizures in order to find proof of actions prohibited by Article L 430-8-II of the Commercial Code and any evidence of such actions before the authorization of the concentration of SFR Group, Omea Telecom and Numericable. On April 9, 2015, SFR Group appealed the authorization of the District Court of Nanterre and filed an appeal against the inspection and seizure operations with the Senior Justice of the Court of Appeal of Versailles. The hearing date was scheduled for May 26, 2016. The case was adjourned to November 24, 2016. It is understood that the opening of such an inquiry by the Competition Authority does not in any way prejudice the results that may be issued by the Authority.

12.2 United States

12.2.1 Cable Operations Litigation

Marchese, et al. v. Cablevision Systems Corporation and CSC Holdings, LLC

CVC 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 CVC 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, CVC 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 has concluded; the claims submission process is ongoing. The final approval hearing on the settlement is scheduled for September 12, 2016. In 2015, CVC recorded estimated charges associated with the settlement totaling $12.8 million. 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 CVC, and as a result, those stations and networks were unavailable on CVC's cable television systems. On October 30, 2010, CVC 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 CVC'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 CVC'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. CVC'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. CVC filed its own summary judgment motion on June 13, 2016. Decisions are pending. CVC believes that this claim is without merit and intends to defend these lawsuits vigorously, but is unable to predict the outcome of these lawsuits or reasonably estimate a range of possible loss.

12.2.2 Patent Litigation

Cablevision is named as a defendant in certain lawsuits claiming infringement of various patents relating to various aspects of CVC's businesses. In certain of these cases other industry participants are also defendants. In certain of these cases CVC expects that any potential liability would be the responsibility of CVC's equipment vendors pursuant to applicable contractual indemnification provisions. CVC 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.

13 – Related party disclosure

Compared to the year ended December 31, 2015, the Board has identified the following transactions with related parties that had a significant impact on the condensed consolidated accounts of the Group for the six months ended June 30, 2016:

i) An investment of €470.8 million ($525 million equivalent) by non-controlling interests in Suddenlink and Optimum, recorded in the caption, ‘other financial liabilities’;

ii) A vendor note of €100 million related to the acquisition of AMG by SFR, due in 2017, recorded as other current financial liabilities;

iii) An increase in finance leases of €29.6 million related to the exclusive use of a datacenter owned by an entity controlled by the controlling shareholder;

iv) Transaction with an entity controlled by the controlling shareholder to sell a €9.0 million stake ($10 million equivalent) in CVC-1 B.V. The transaction was completed on July 1, 2016 and the amount was recorded as a current receivable as of June 30, 2016. This transaction was preceded by the re-purchase of a $10 million stake previously owned by JKLT limited, which was subsequently sold as described here;

v) An agreement with Mr. Patrick Dolan to sell a 75% stake in Newsday. The assets and liabilities related to this transaction were recorded as held for sale as of June 30, 2016. The acquisition was completed on July 07, 2016.

In addition to the movements mentioned above, transactions with GNP, have been reported as intercompany transactions for the six months ended June 30, 2016 and hence eliminated (following the change in method of consolidation of GNP, see note 2.1).

14 - Going concern

As of June 30, 2016, the Group had net current liability position of €4,909.3 million (mainly due to trade payables amounting to €7,209.1 million) and a negative working capital of €2,035.3 million. During the 6 month period ended June 30, 2016, the Group registered a net loss of €772.3 million (compared to an income of €457.7 million for the 6 month period ended June 30, 2016 (which was mainly due to a one-off non-recurring gain on step acquisition as explained in note 10) and generated cash flows from operations of €2,736.1 million. The positive cash flow from operations balance was mainly due to strong earnings growth and EBITDA generation. The loss generated as of June 30, 2016 was mainly due to one off costs incurred on the extinguishment of certain financial liabilities (€241.4 million) and restructuring costs incurred following the acquisition of Optimum. The negative working capital position is structural and follows industry norms. Customers generally pay subscription revenues early or mid-month, with short DSOs (Days of Sales Outstanding) and suppliers are paid under standard commercial terms, thus generating a negative working capital, as evidenced by the difference in the level of receivables and payables (€7,209.1 million vs. €4,838.1 million). Payables due the following month are covered by revenues and cash flows from operations (if needed).

As of June 30, 2016, the Group's short term borrowings mainly comprised of accrued interests for €1,107.4 million on the debenture and loans from financial institutions which are repaid on a semi-annual basis, and the amortization of some bonds and term loans. Those short term obligations are expected to be covered by the cash flows from operations of the operating subsidiaries. As of June 30, 2016, the revolving credit facilities at SFR and Optimum remained drawn in an aggregate amount of €400 million and €288.5 million respectively. The RCFs previously drawn at Altice Financing S.A. were fully repaid in May.

As mentioned in note 16, the Group has pushed back its most significant debt reimbursements to 2022 though some refinancing that were completed in April 2016.

In determining the appropriateness of the use of the going concern assumption, the Board of Directors has considered the following elements:

- The Group has a strong track record of generating positive EBITDA and generated strong positive operating cash flows for the six-month period ended June 30, 2016 (€2,736.1 million). EBITDA amounted to €3,462.1 million, an increase of 36.2% compared to June 30, 2015. This increase in EBITDA is mainly due to the integration of newly acquired entities (see note 3) which contributed to this increase compared to prior year. The Board of Directors is of the view that such EBITDA and the consequent cash flows are sufficient to service the working capital of the Group.
- The Group had healthy unrestricted cash reserves as of June 30, 2016 (€1,304.7 million vs. €2,527.0 million as of December 31, 2015), which would allow it to cover any urgent cash needs. Additionally, as of June 30, 2016, the Group had access to Revolving Credit Facilities ("RCF") and guarantee facilities of up to €4,424.8 million (of which €688.5 million drawn as of June 30, 2016).
- As of June 30, 2016, the Group had a positive equity position of €667.8 million. The Group has access to an equity market where it can issue additional equity to sponsor new projects.

The Board of Directors tracks operational key performance indicators (KPIs) on a weekly basis, thus closely tracking top line trends very closely. This allows the Board of Directors and local CEOs to ensure proper alignment with budget targets and respond with speed and flexibility to counter any unexpected events and ensure that the budgeted targets are met.

On the basis of the above, the Board of Directors is of the view that the Group will continue to act as a going concern for 12 months from the date of approval of these condensed interim consolidated financial statements and has hence deemed it appropriate to prepare these condensed interim consolidated financial statements using the going concern assumption.

15 – Revised information

As per the provisions of IFRS 3 Business Combination, the impact of the recognition of the identifiable tangible and intangible assets of SFR, Virgin Mobile and PT at their fair value was revised for the six and three months ended June 30, 2015 and for the year ended December 31, 2015.

The December 31, 2015 revision also contains the refinement of valuation of Cequel Corp Assets.

The total impact for the statement of financial position and income statement as of December 31, 2015 is:

	December 31, 2015 (previously reported)	Revision	December 31, 2015 (revised)
		(In millions €)	
Goodwill	17,319.8	(86.7)	17,233.1
Intangible asset	16,519.0	22.3	16,541.4
Property plant and equipment	12,262.6	(63.2)	12,199.3
Other non-current assets	3,338.2	(15.6)	3,322.6
Deferred tax assets	444.3	53.5	497.9
Non-current assets	**49,883.9**	**(89.7)**	**49,794.3**
Current assets	***14,791.3***	**0.5**	**14,791.8**
Assets classified as held for sale	*122.1*	-	*122.1*
Total assets	**64,797.3**	**(89.2)**	**64,708.1**
Equity	1,977.9	(81.6)	1,896.3
Other non-current liabilities	**49,825.0**	**(29.1)**	**49,795.9**
Deferred tax liabilities	**2,914.5**	**5.1**	**2,919.6**
Non-current liabilities	**52,739.5**	**(24.0)**	**52,715.6**
Current liabilities	9,995.1	16.8	10,012.0
Liabilities directly associated with assets classified as held for sale	*84.6*	-	*84.6*
Total liability and equity	**64,797.3**	**(89.2)**	**64,708.6**

	December 31, 2015 (previously reported)	Revision	December 31, 2015 (revised)
		(In millions €)	
Revenue	14,550.3	*0.6*	14,550.3
Other expenses	(9,129.4)	-	(9,129.4)
Depreciation and amortisation	(3,773.7)	*(112.6)*	(3,886.3)
Other expenses and income	(426.0)	-	(426.0)
Operating profit	**1,221.3**	***(112.6)***	**1,108.6**
Net finance costs	*(1,858.5)*	-	*(1,858.5)*
Gain recognized on extinguishment of a financial liability	643.5	-	643.5
Gain on disposal of businesses	27.5	-	27.5
Share of profit in associates	8.1	-	8.1
Loss before taxes	**41.8**	***(112.6)***	**(70.8)**
Income tax expense	(261.7)	*31.0*	(230.7)
Loss for the period	**(219.9)**	***(81.6)***	**(301.5)**
Comprehensive income	**(335.3)**	***(81.6)***	**(416.9)**

The total impact for the condensed statement of financial position and income statement as of June 30, 2015 is:

	June 30, 2015 (previously reported)	Revision	June 30, 2015 (revised)
		(In millions €)	
Goodwill	18,678.5	*(3,268.8)*	15,409.7
Intangible asset	6,031.3	*5,137.2*	11,168.5
Property plant and equipment	10,365.7	*(4.9)*	10,360.8
Other non-current assets	2,548.4	*(124.0)*	2,424.4
Deferred tax assets	857.3	*407.4*	1,264.7
Non-current assets	**38,481.3**	***2,146.9***	**40,628.2**
Current assets	**6,365.4**	***60.1***	**6,425.5**
Assets classified as held for sale	*199.2*	-	*199.2*
Total assets	***45,046.8***	***2,206.1***	**47,252.9**
Equity	1,809.4	*(99.1)*	1,710.7
Other non-current liabilities	31,799.8	*236.7*	32,036.4
Deferred tax liabilities	564.5	*1,991.7*	2,556.2
Non-current liabilities	**32,364.2**	***2,228.5***	**34,592.8**
Current liabilities	**10,753.5**	***76.4***	**10,829.9**
Liabilities directly associated with assets classified as held for sale	*120.0*	-	*120.0*
Total liability and equity	**45,046.8**	***2,206.1***	**47,252.9**

	Six months ended June 30, 2015 (previously reported)	Revision	Six months ended June 30, 2015 June 30, 2015 (revised)
		(In millions €)	
Revenue	**6,779.7**	**-**	**6,779.7**
Other expenses	(4,288.4)	51.5	(4,236.9)
Depreciation and amortisation and impairment	(1,629.7)	(150.8)	(1,780.5)
Other expenses and income	(120.4)	7.5	(112.8)
Operating profit	**741.2**	**(91.8)**	**649.4**
Net finance costs	(746.0)	(0.9)	(746.9)
Gain on extinguishment of a financial liability	643.5	-	643.5
Share of profit in associates	2.8	-	2.8
Profit before taxes	**641.5**	**(92.7)**	**548.8**
Income tax expense	(97.8)	6.6	(91.2)
Profit for the period	**543.7**	**(86.0)**	**457.7**
Comprehensive income	**440.3**	**(86.0)**	**354.3**

	Three months ended June 30, 2015 (previously reported)	Revision	Three months ended June 30, 2015 (revised)
		(In millions €)	
Revenue	**3,516.6**	**-**	**3,516.6**
Other expenses	(2,141.6)	12.5	(2,129.2)
Depreciation and amortisation	(891.7)	(23.0)	(914.7)
Other expenses and income	(103.8)	15.7	(88.1)
Operating profit	**379.3**	**5.3**	**384.5**
Net finance costs	(659.6)	(2.9)	(662.5)
Gain on extinguishment of a financial liability	-	-	-
Share of profit in associates	1.9	0.0	1.8
Profit before taxes	**(278.4)**	**2.4**	**(276.0)**
Income tax expense	(12.2)	(16.1)	(28.3)
Profit for the period	**(290.6)**	**(13.6)**	**(304.2)**
Comprehensive income	**(455.0)**	**(13.6)**	**(468.6)**

16- Events after the reporting period

Sale of Newsday

On July 7, 2016, the Group completed the sale of a 75% participation in Newsday Media Group to and entity led by Mr Patrick Dolan, who is an employee of the Group. The assets and liabilities associated with this business were classified as held for sale as of June 30, 2016. The Group has retained a 25% stake in the disposed asset.

Sports rights agreement in Portugal and acquisition of a stake in Sport TV

On July 26, 2016, NOS, Vodafone Portugal, Cabovisão, Altice Pictures, PT Portugal and MEO announced the signing of an agreement for reciprocal sharing of: (1) sports event broadcasting rights, and; (2) distribution and broadcasting rights of sports and club channels, which are currently owned or come to be owned by the signatories, who will share the current and future costs of the aforementioned sports content. This agreement is subject to approval from anti-trust authorities in Portugal.

In addition, on August 4,2016, PT Portugal / MEO announced that it had signed a memorandum of understanding ("MOU") with the objective of entering the share capital of Sport TV, a sports broadcaster based in Portugal.

These agreements are subject to approval from anti-trust authorities in Portugal.

Restructuring plans in France

On August 4, 2016, Management and the representative unions of the SFR Group telecom division signed an agreement to allow the Group to adapt more quickly to the demands of the telecom market by building a more competitive and efficient organization. This agreement reaffirms the commitments to maintain jobs until July 1, 2017 that were made at the time of the SFR acquisition, and defines the internal assistance guarantees and the conditions for voluntary departures that would be implemented as of the second half of 2016. This agreement stipulates three steps:

1) the reorganization of retail, which will result in a voluntary departure plan as of the 4th quarter of 2016;

2) the preparation of a new voluntary departure plan to be launched in July 2017, preceded by the possibility for employees who would like to benefit from this plan to request suspension of their employment contract in the 4th quarter of 2016 in order to pursue their professional plans outside the company; and

3) a period between July 2017 and June 2019 during which employees could also benefit from a voluntary departure plan under conditions to be defined.

In any case, the Group has made a commitment that the SFR Telecom division will have no fewer than 10,000 employees during this period.

To the Board of Directors of
Altice N.V.
Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands

Report on Review of Condensed Interim Consolidated Financial Statements

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Altice N.V. as of June 30, 2016, the related condensed consolidated statements of income, other comprehensive income, changes in equity and cash flows for the six months period then ended and the other explanatory notes (collectively, the "Interim Financial Statements"). The Board of Directors is responsible for the preparation and fair presentation of the Interim Financial Statements in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as adopted in the European Union. Our responsibility is to express a conclusion on these Interim Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Interim Financial Statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as adopted in the European Union.

Amsterdam, August 18, 2016

Deloitte Accountants B.V.

Originally signed by E.R. Termaten