

PUBLIC INTEREST STATEMENT AND DESCRIPTION OF *PRO FORMA* TRANSFER OF CONTROL

INTRODUCTION

Altice USA, Inc. (“Altice USA”)¹ seeks the consent of the Federal Communications Commission (“FCC” or “Commission”) for a *pro forma* reorganization that does not change ultimate control over Altice USA or its license subsidiaries.² As described more fully below, Altice USA is separating from Altice N.V.—its European parent company—through a distribution of Altice USA shares to Altice N.V. shareholders. The current ultimate controlling shareholder of Altice N.V. will retain control of Altice USA post-distribution. Accordingly, this corporate reorganization is *pro forma* and does not amount to a substantial transaction under Commission rules. Further, the separation will generate a number of public interest benefits by enabling Altice USA to focus on the unique aspects of the U.S. market to create compelling products and services for consumers. It is also presumptively in the public interest as a *pro forma* transaction.³

DESCRIPTION OF THE PARTIES

Next Alt S.à.r.l.

Next Alt S.à.r.l. (“Next Alt”) is a holding company organized in Luxembourg. Next Alt is controlled by Patrick Drahi and is currently the direct controlling parent of Altice N.V. As of December 31, 2017, Next Alt held 60.31% of the outstanding share capital and voting rights of

¹ Altice USA seeks this consent on behalf of itself and its subsidiaries.

² Altice USA is filing several concurrent applications with the Commission. The U.S. Securities and Exchange Commission has already concluded that no SEC review is needed.

³ See Federal Communication Bar Association’s Petition for Forbearance, Memorandum Opinion and Order, 13 FCC Rcd 6293 ¶¶ 2, 18 (1998).

Altice N.V. Following the proposed distribution, Next Alt will be the direct controlling parent of Altice USA.

Altice N.V.

Altice N.V. is a public limited liability company incorporated under the laws of the Netherlands. Altice N.V. is a multinational cable, fiber, mobile, telecommunications, content and media company operating directly or through its subsidiaries in a range of markets throughout the world, including in Western Europe (France, Portugal, and Switzerland), the United States, Israel, the Dominican Republic, and the French Overseas Territories. Through its subsidiaries, Altice N.V. serves over 50M subscribers worldwide. As of December 31, 2017, Altice N.V. indirectly owned approximately 73.5% of the total outstanding capital stock and 98.4% of the total voting power of the capital stock of Altice USA.

Altice USA, Inc.

Altice USA is a Delaware-organized corporation indirectly controlled by Altice N.V. Altice USA is one of the largest broadband communications and video service providers in the United States. Altice USA serves its customers through two business segments: Optimum, which operates in the New York metropolitan area; and Suddenlink, which principally operates in markets in the south-central United States. Through these business segments, Altice USA delivers broadband, pay television, telephony services, Wi-Fi hotspot access, proprietary content, and advertising services to approximately 4.9 million residential and business customers. Its footprint extends across 21 states through a fiber-rich broadband network with more than 8.6 million homes passed as of September 30, 2017. Altice USA's other businesses include Altice Media Solutions, Intelligis (data analytics) and News12.

DESCRIPTION OF THE PROPOSED TRANSACTION

On January 8, 2018, Altice N.V.'s Board of Directors announced a reorganization to separate Altice USA from Altice N.V. As part of this restructuring, Altice N.V. intends to distribute its controlling interest in Altice USA to Altice N.V.'s shareholders through a distribution in kind of Altice USA shares. The number of shares of Altice USA common stock to be distributed to each Altice N.V. shareholder will be based on shareholders' ownership of Altice N.V. common shares. Each shareholder will be given the right to elect the percentage of Altice USA Class A and Class B shares it receives in the distribution.⁴ By default, Altice N.V. shareholders will receive Class A shares if they do not make an election, and any Class B shares are subject to a cap.

At the direction of its controlling shareholder, Next Alt will elect to receive all of the Altice USA shares to which it is entitled as Class B shares. As a result of this election—as well as existing voting agreements and voting agreements that Next Alt will enter into with certain members of Altice N.V. and Altice USA management—Patrick Drahi, through Next Alt, will: (1) continue control of Altice USA immediately after the distribution, regardless of the elections made by other Altice N.V. shareholders; (2) have the right to nominate a majority of Altice USA's Board of Directors; and (3) serve as Chairman of Altice USA. Diagrams showing the relevant changes to the overall corporate structure are attached to this application.

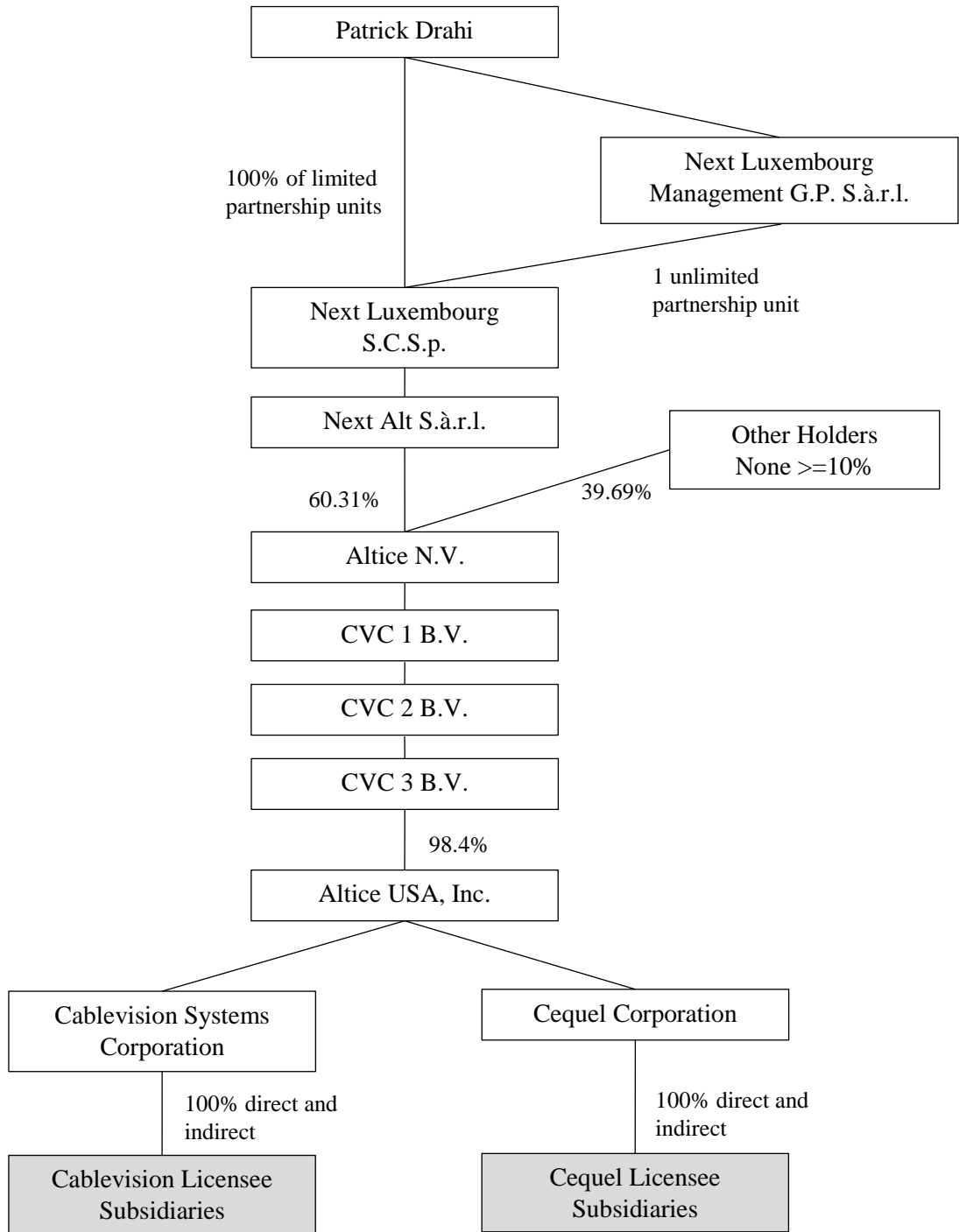
This proposed distribution, and the resulting separation of Altice USA from Altice N.V., will unlock the full value of Altice USA and serve the public interest. Post-distribution, Altice USA will retain its ultimate ownership and management—its executive officers will remain the same and its board will be unchanged aside from the addition of Patrick Drahi as Chairman.

⁴ Class B shares carry 25 votes compared to one vote for Class A shares, but Class B shares are not listed on a public exchange. Shareholders may elect to convert Class B shares to Class A shares at any time.

With the separation from Altice N.V., Altice USA will have greater freedom to focus on its core business interests including continued investment in networks and video products, simplification across its business operations, and improved customer service, ultimately benefitting the customers of Suddenlink and Optimum. The reorganization will also rationalize investment by allowing investors to invest specifically in the global geographic regions in which they are interested, allowing for better geographic alignment between investors and securities analysts and the companies. Moreover, because the transaction is *pro forma*, it is presumptively in the public interest.⁵

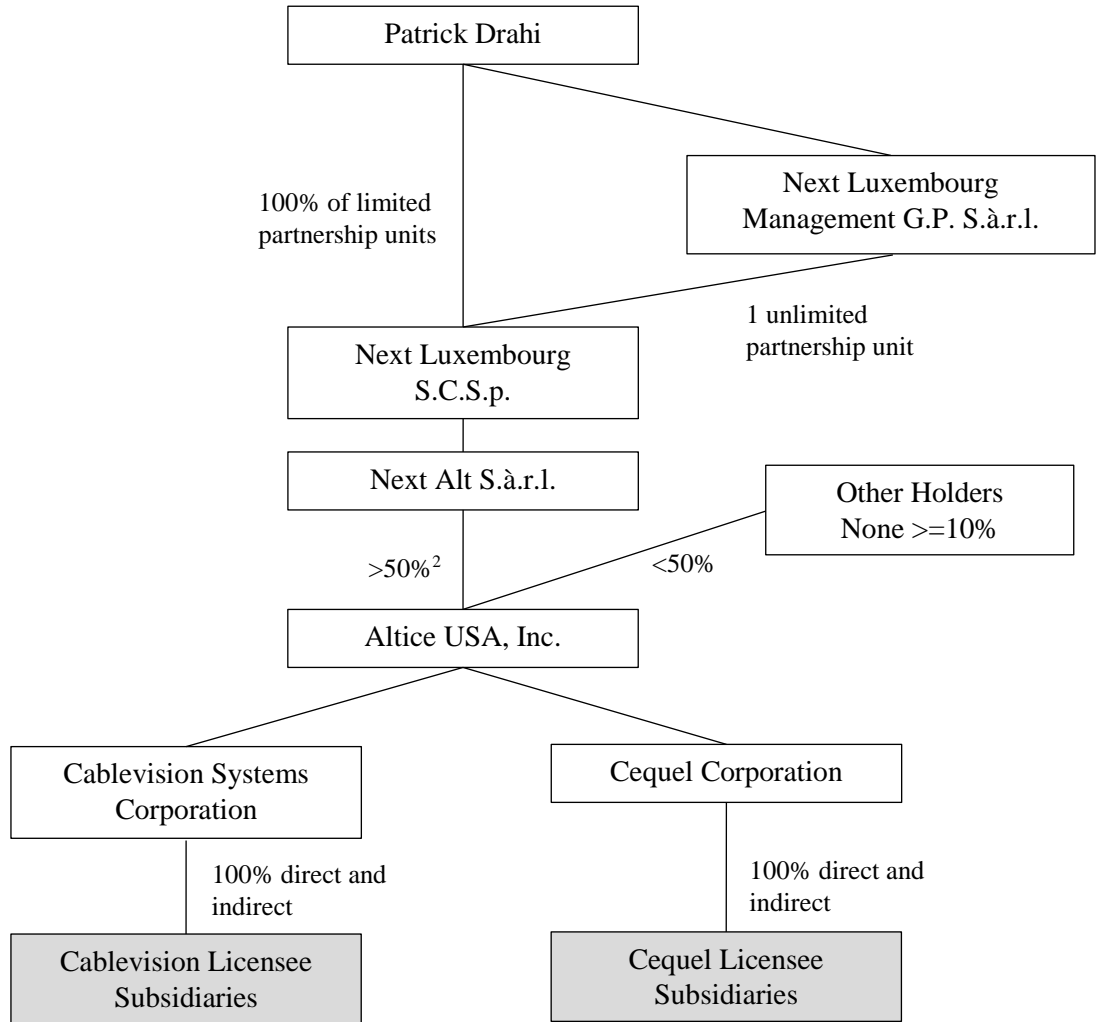
⁵ See *Federal Communication Bar Association's Petition for Forbearance*, Memorandum Opinion and Order, 13 FCC Rcd 6293 ¶¶ 2, 18 (1998).

Pre-Closing Organizational Chart¹



¹ All ownership and control is 100% unless otherwise noted. Identified percentages are voting interests as of Dec. 31, 2017.

Post-Closing Organizational Chart¹



¹ All ownership and control is 100% unless otherwise noted. Identified percentages are voting interests.

² Regardless of shareholder elections, Next Alt will hold a controlling interest. Actual voting interest will depend on the number of shares of Altice USA Class B common stock Altice N.V. shareholders elect to receive. See *Public Interest Statement and Description of Pro Forma Transfer of Control* p.3 for details.