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# Press Release



**MILlicom**  
THE DIGITAL LIFESTYLE

## Millicom confirms ambitious \$9bn revenue target and reveals new services

**Miami, 24 September, 2014 - Millicom (Stockholmsbörsen: MIC), the international telecommunications and media company, confirms today its ambitious target of reaching over \$9bn revenue in 2017 as its rapid transformation into a diversified digital lifestyle company continues.**

The company also gave an update on its performance since the 2013 Capital Markets Day and announced new services to reinforce the shift to consuming mobile data.

### Delivery and Transformation

The company highlighted the overall 9% revenue yearly growth rate (in local currency) with its mobile business advancing 6%, cable rising by 16% and mobile financial services up 41%.

In mobile, Millicom's shift to data continued with 23% of its users now using data services compared to 17% a year ago.

Over the past year rapid progress was made in executing the strategy to become a digital lifestyle company offering a growing range of services. Initiatives during this period have included:

- Bundling, data and smartphones: entry-level smartphones now widely affordable, fixed and mobile bundling of services, free Facebook data including in two indigenous local languages, FIFA World Cup application amongst the top five downloads in Tigo countries, Tigo Music the number one music distributor in Colombia;
- Digital and Home: DTH satellite pay-TV launched in five countries, two new Tigo Sports TV channels in Paraguay and Bolivia;
- MFS: mobile money now available in eleven markets, a return being earned on mobile money accounts in Tanzania.

### Two new initiatives in Digital Music in Africa

The company has announced today the launch of Tigo Music in Africa in the next quarter as well as a partnership with Africori to fund, acquire and manage music rights through a new venture called "Africa Music Rights".

We believe in better. We believe in **tigô**

#### The merger with UNE: the potential

Millicom completed the merger between its local Tigo operation with the fixed-line company UNE in Colombia last month.

The highly complementary nature of the services and footprint of each organisation will create a strong and competitive integrated digital company. We believe the combination of the two businesses will enable Millicom to become the leading telecoms digital lifestyle player in Colombia.

Today's update, subject to review, highlights UNE's solid revenue growth rate, its high quality infrastructure backed by a strong investment phase.

In 2014 Millicom expects the contribution from UNE to the consolidated numbers to reach \$550m of revenues, an EBITDA in the region of \$120m (before integration costs) and a capex approximating \$120m.

Millicom confirms its initial stance on synergies which should exceed a net present value of \$600m (including integration costs) over time. More details on synergies will be announced early next year following the completion of the integration planning phase.

#### The challenges and opportunities ahead

The company outlined challenges to the execution of its strategy. These include managing competitive pricing, foreign exchange and regulatory pressure; guaranteeing the monetization of data services; offering a mobile money service tailored to local conditions; developing relevant data services and successful implementation of cost efficiency measures.

The update centred on the major opportunity ahead to advance rapidly to the projected \$9bn revenue target as the company's profile changes with the execution of the UNE merger, the take-up of Tigo Star and driving increased revenue per user with compelling digital services and customer retention.

Speaking at the Capital Markets Day event in Miami today, Hans-Holger Albrecht, Millicom's CEO and President, said "The goals we set out are clear and ambitious. We began to convert the company into a digital lifestyle provider last year and now, with talented global and local teams, we are committed to the rapid implementation of this plan. So Millicom's growth and transformation is well on track and we look forward with confidence to continued progress in the coming years".

Tim Pennington, Millicom's CFO, highlighted today the company's financial priorities, commenting "Our digital lifestyle strategy provides us with a significant revenue growth opportunity and, by reaffirming our ambitions for EBITDA and capex margins, we are committing to deliver profit and cashflow growth as well. Our business is evolving so we are taking action to ensure we remain efficient and increase return on capital. Having completed the UNE deal, we will also have a period of focusing on debt deleveraging."

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For more please visit: [www.millicom.com](http://www.millicom.com) or contact

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**About Millicom**

Millicom is a leading international telecommunications and media company dedicated to emerging markets in Latin America and Africa. Millicom sets the pace when it comes to providing digital lifestyle services to the world's emerging markets, giving access to the world, primarily through mobile devices. Operating in fourteen countries, primarily using the *Tigo* brand, Millicom offers innovative and customer-centric products. Millicom employs more than 10,000 people and provides mobile, cable, broadband, TV content, online and financial services to over 50 million customers. Founded in 1990, Millicom is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2013 Millicom generated revenue of \$5.16 billion and EBITDA of \$1.9 billion.