



MILLICOM
THE DIGITAL LIFESTYLE

2014 FY & Q4 Results Presentation

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3rd February 2015

We believe in better. We believe in **tigo**

This presentation may contain certain “forward-looking statements” with respect to Millicom’s expectations and plans, strategy, management’s objectives, future performance, costs, revenue, earnings and other trend information. It is important to note that Millicom’s actual results in the future could differ materially from those anticipated in the forward-looking statements depending on various important factors.

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A year filled with milestones...

UNE merger



Tigo Star launch



5 DTH launches



Four 4G launches



Bolivia



Chad



Honduras



Rwanda



Cross border \$ transfers



MFS interoperability



Operating review

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Q4 key operating highlights

1

Strongest quarter for smartphone sales

2

High level of net additions in mobile and MFS

3

Momentum in Colombia

4

Data appetite in Africa

5

Latam cable's rapid expansion

Momentum in key metrics

Revenues



10.8% organic growth
in Q4 14

5.7% service revenue
growth

5.5% reported growth in
Q4 2014

Mobile data penetration



27.1% for the Group

1.6m smartphones
sold in Q4

1.9 million new mobile
data users in Q4

MFS volume transacted



\$2.8 billion
+45% since Q4 13

1.5 million new MFS
users in Q4

EBITDA



\$507m
up 1%

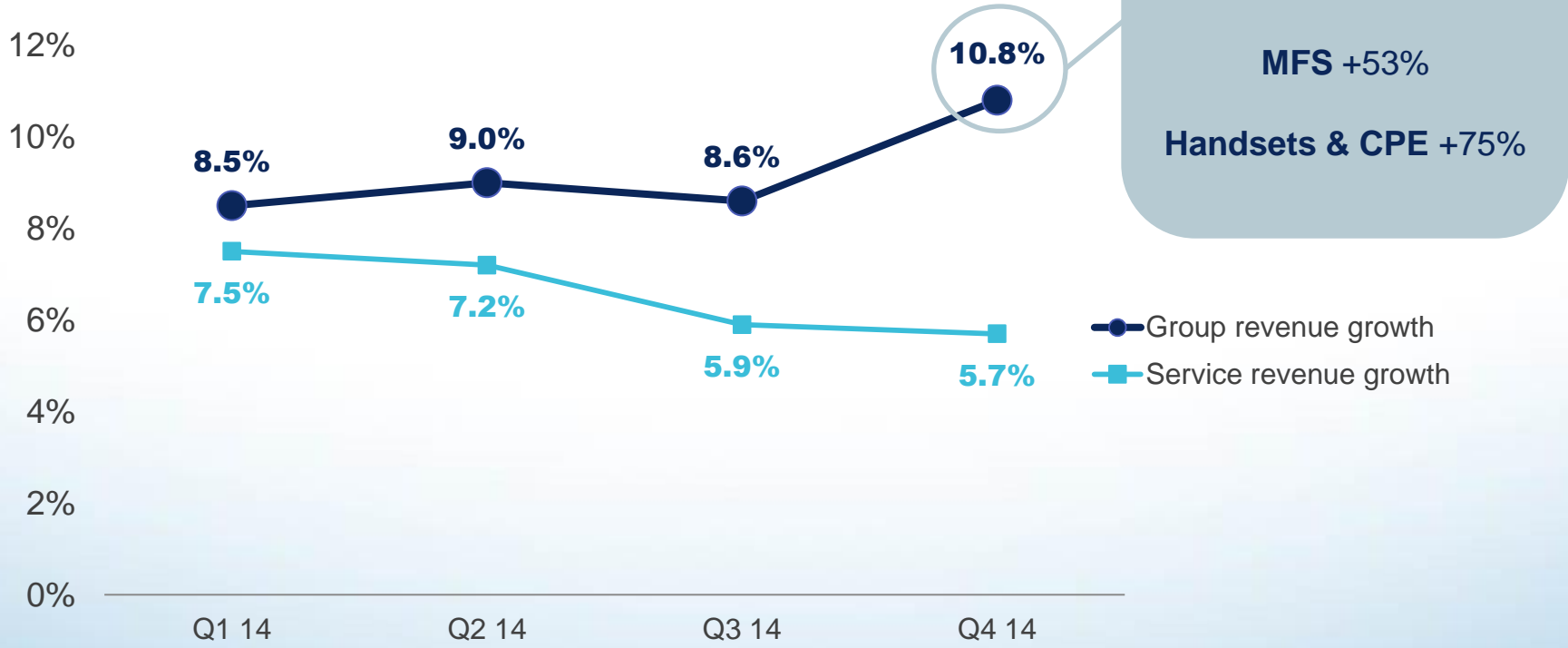
Margin **32.8%**

- Compared to :*
- **35.2%** in Q4 2013
 - **33.1%** in Q3 2014
 - **UNE 25.7%** margin in Q4

1) Excluding UNE

Q4 revenue growth accelerates to 10.8%

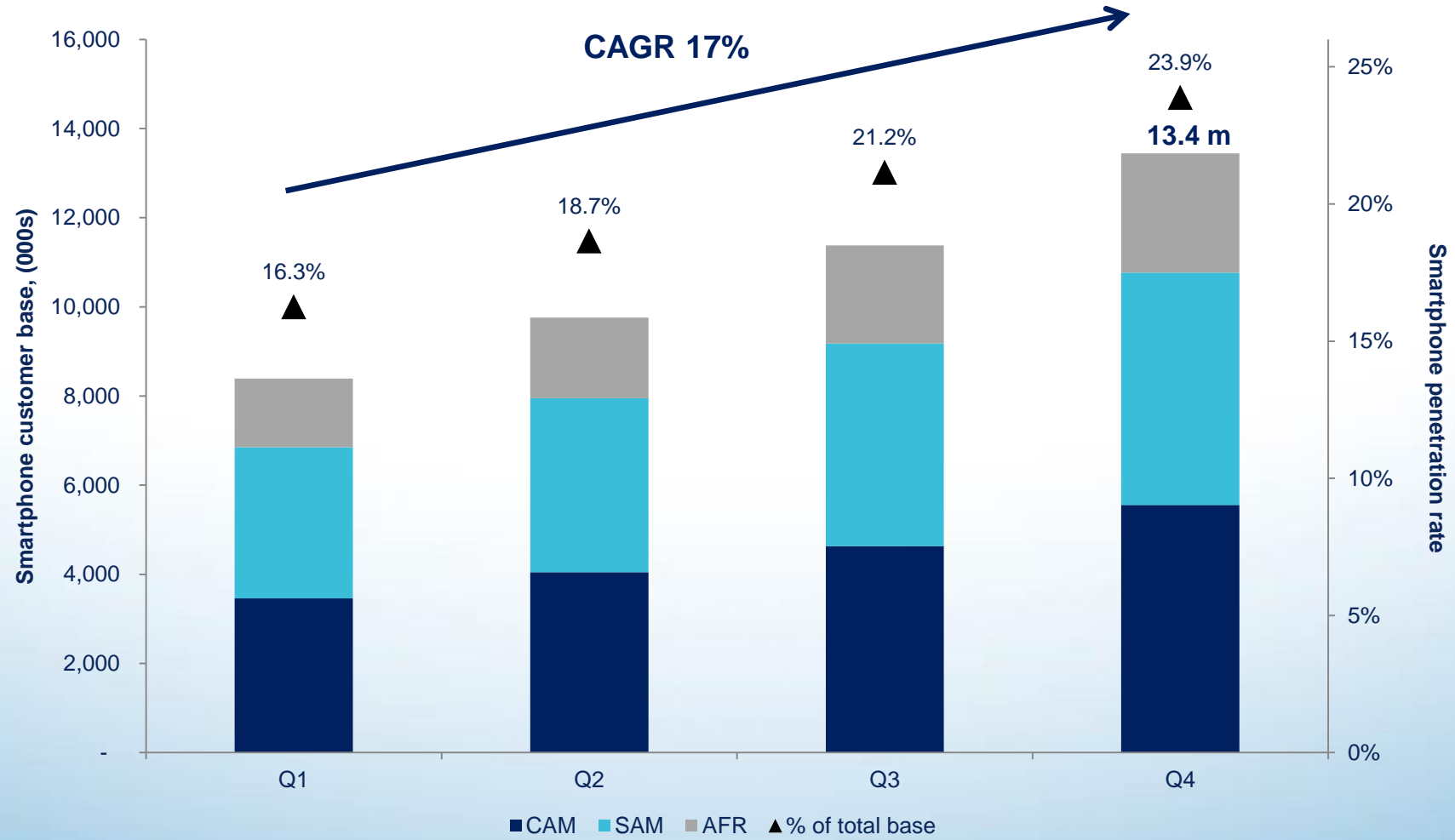
Quarterly revenue growth Q1 2014 – Q4 2014



Strong appetite for smartphones across all markets

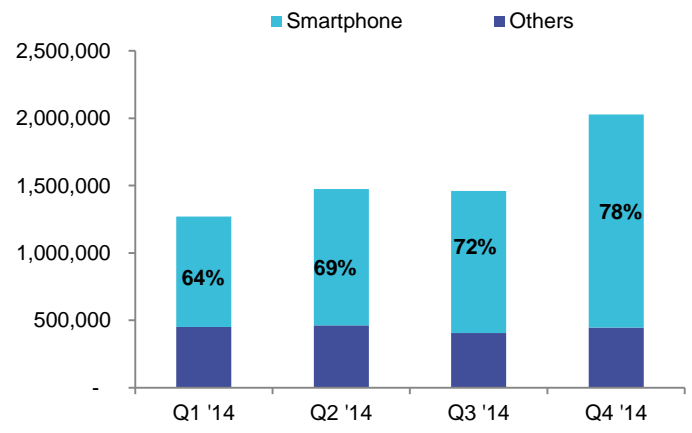
Smartphone base and penetration by Region

Thousands and %, Q1 2014 – Q4 2014

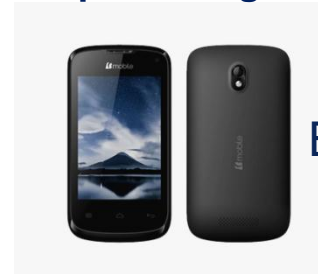


Record smartphone sales fuelled data growth

Smartphones out of total handset sales (Latam)
Units, Q1 2014 – Q4 2014



Top 5 selling smartphones (Latam)



Bmobile AX 620



Huawei ascend Y330



Bmobile AX 610

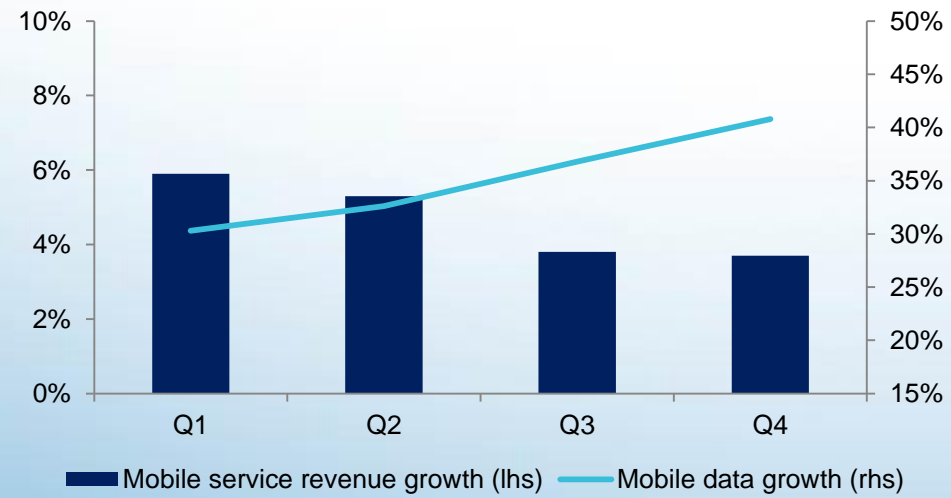


Alcatel D1



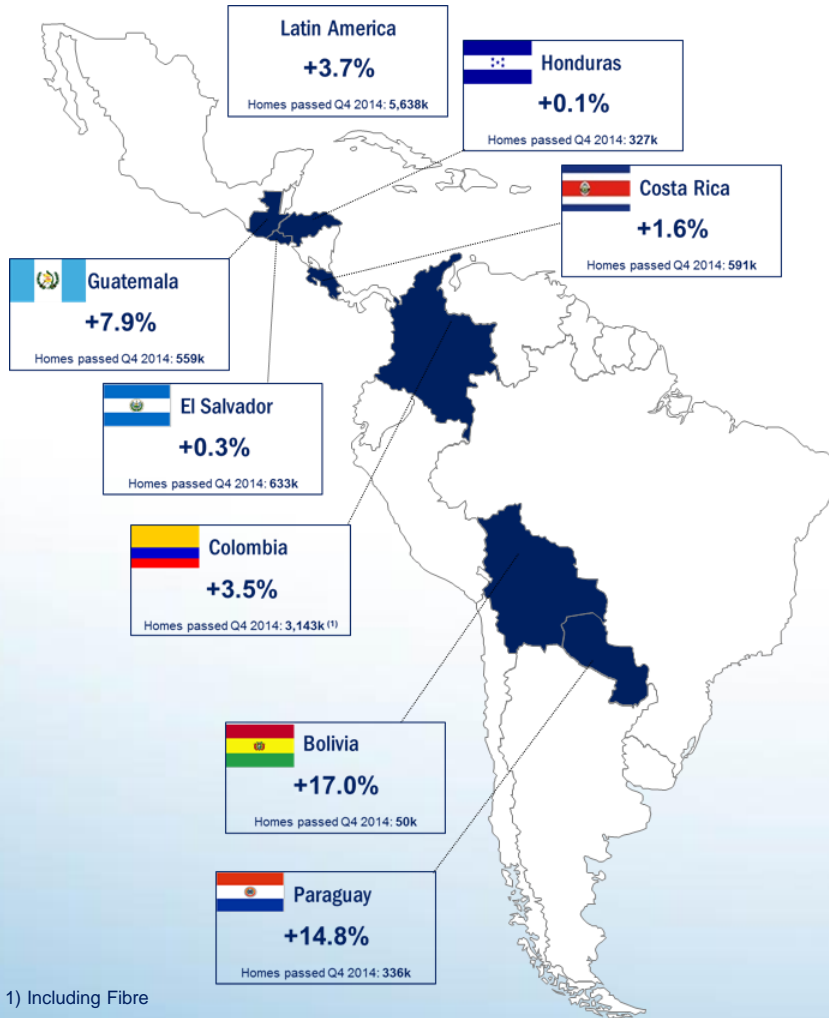
Motorola Moto G

Mobile data growth is accelerating



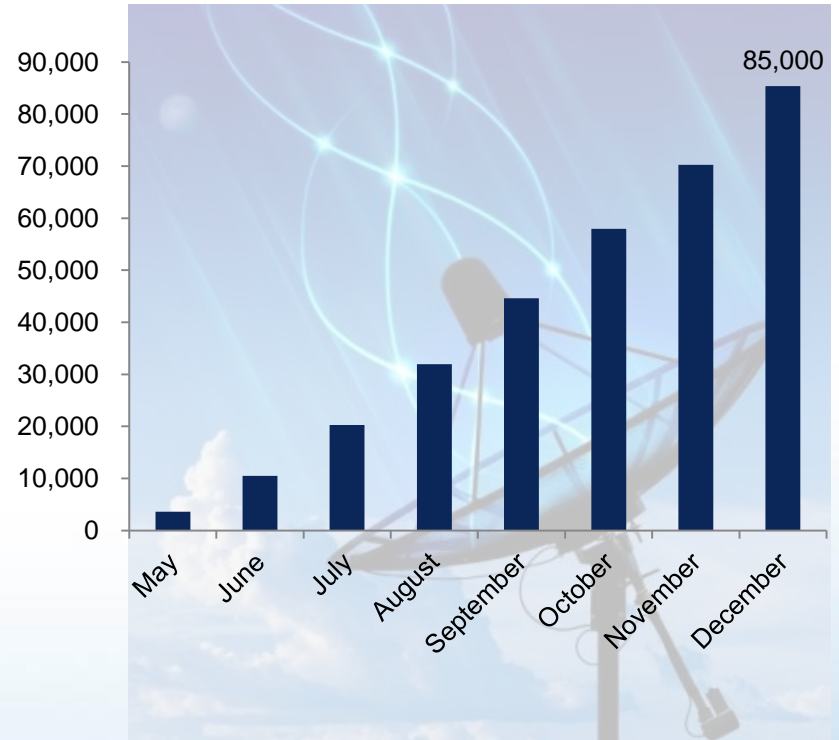
Latam cable expansion continues

Growth of homes passed (HFC) vs. Q3 14



1) Including Fibre

DTH active customer base



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Q4 key financial highlights

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Double digit organic revenue growth

2

Corporate costs sequentially flat

3

EBITDA growth

4

UNE EBITDA margin of 25.7%

5

Net debt / EBITDA at 1.9x

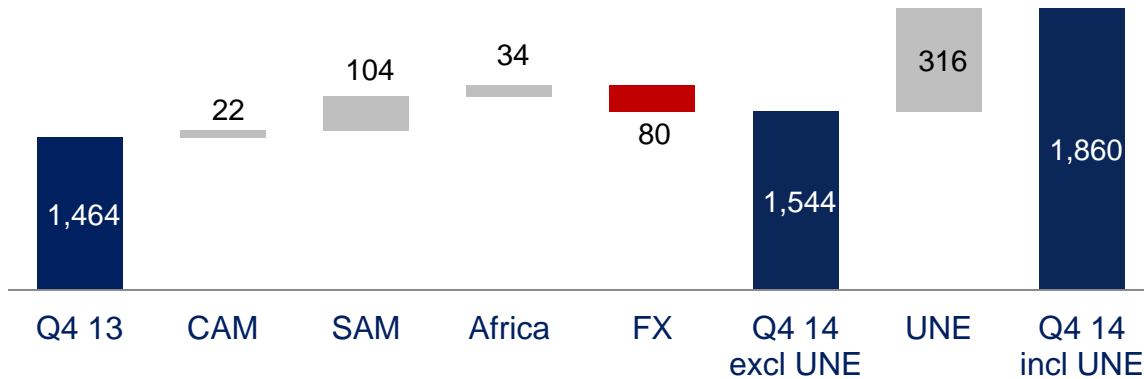


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Revenue growth across all businesses

Revenue evolution by Region

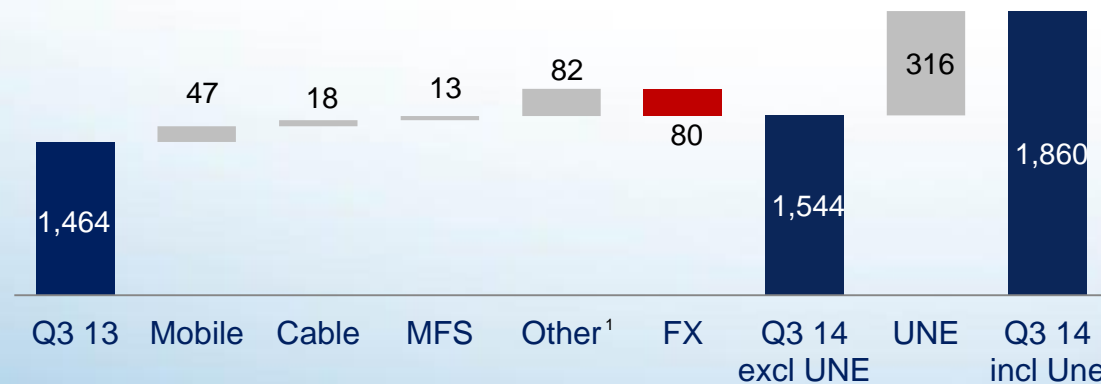
USD Million, Q4 2013 – Q4 2014



- South America remains the main contributor to revenue growth
- F/X impact 4x bigger than in Q3
- UNE 17% of group sales

Revenue evolution by Business Unit

USD Million, Q4 2013 – Q4 2014



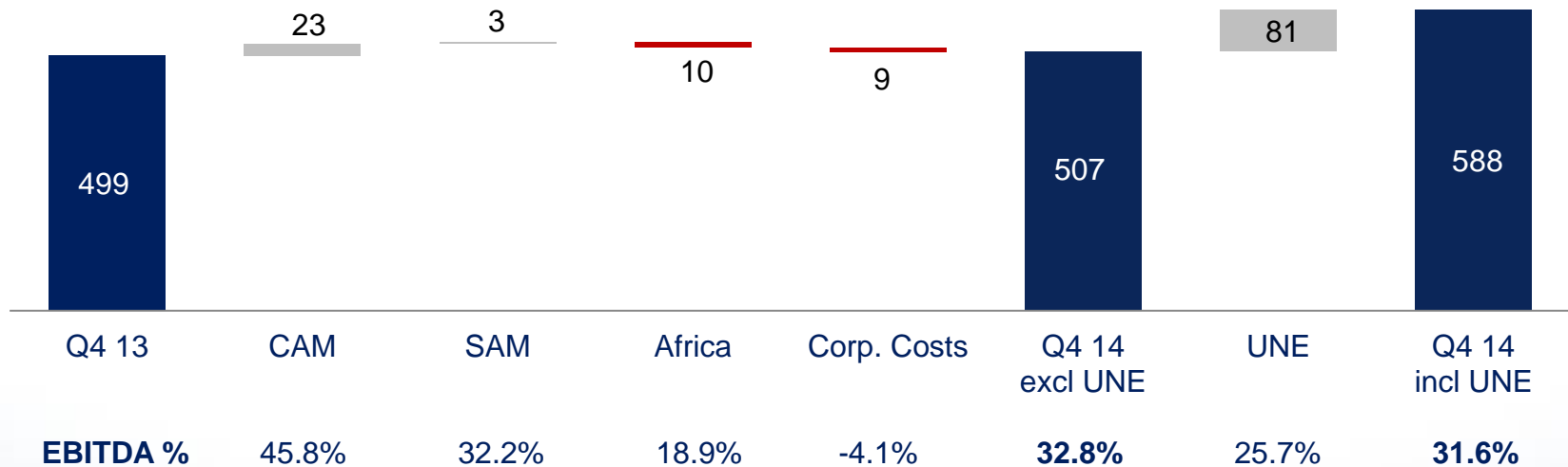
- 60% of recurring revenues growth came from Mobile
- Other revenues were driven by handset sales, especially smartphones

1) Includes visitor roaming, MVNO/DVNO, and Telephone and Equipment

EBITDA growth driven by Latam

EBITDA evolution by Region

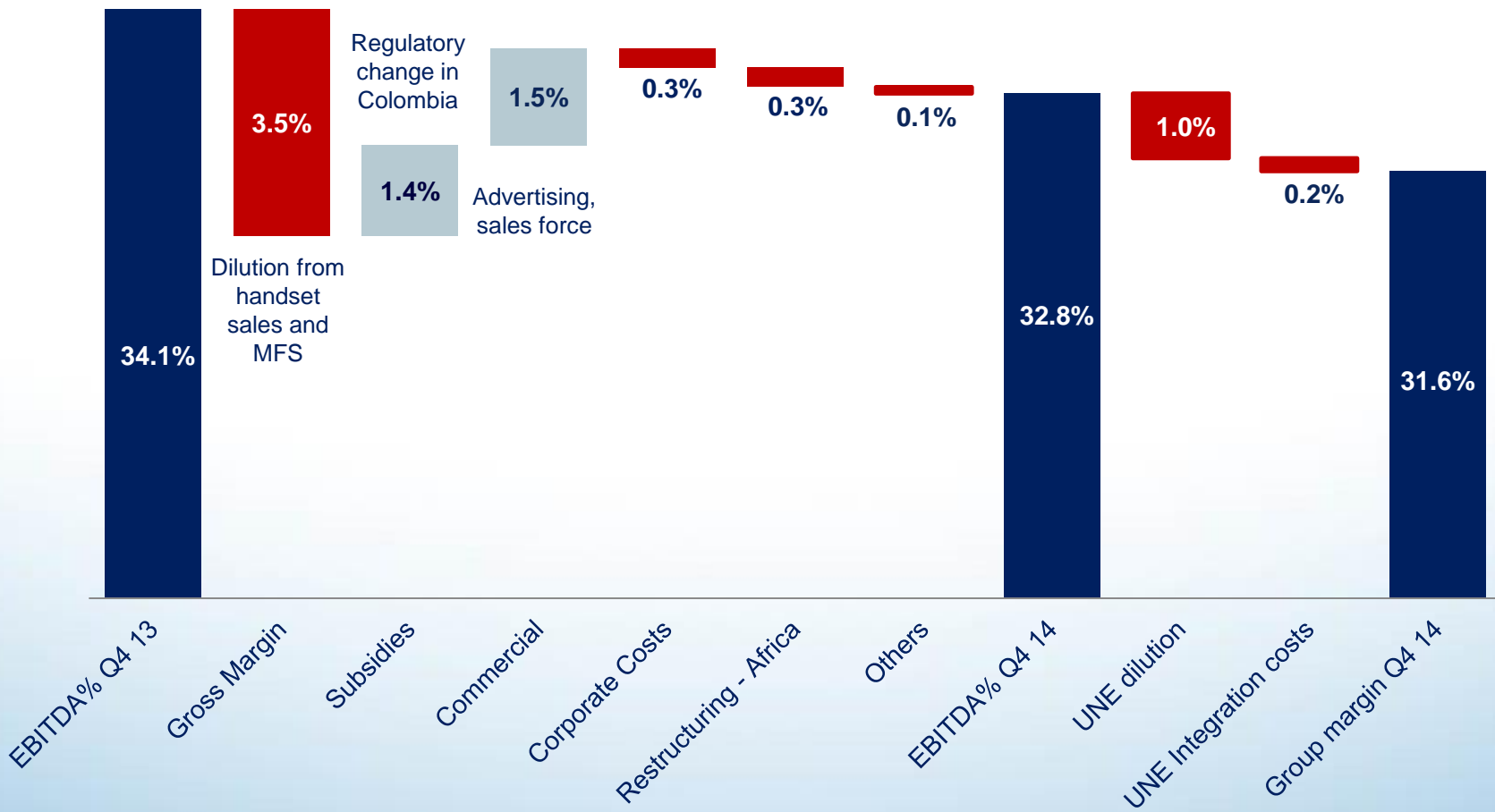
USD Million, Q4 2013 – Q4 2014



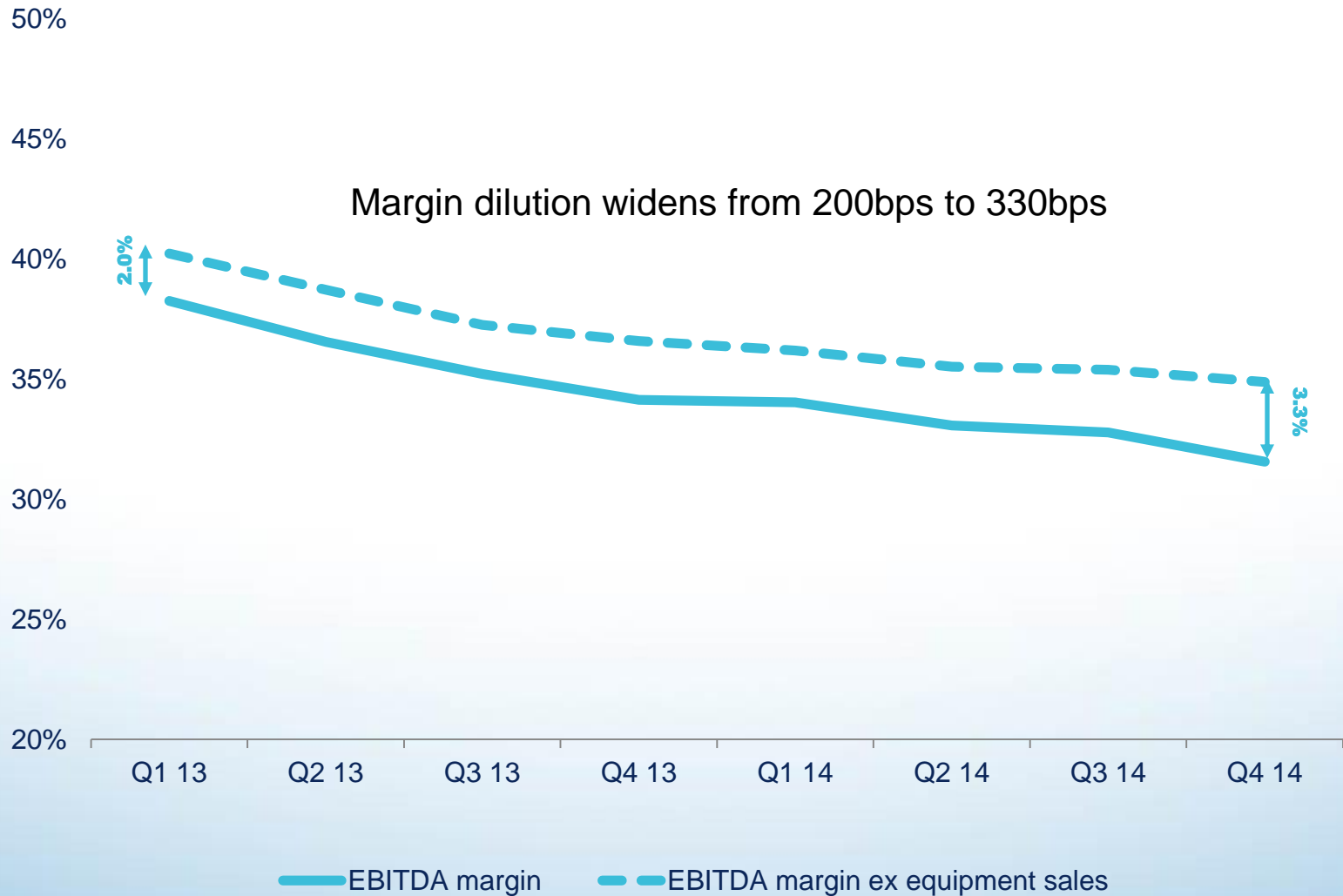
- EBITDA margin on recurring revenue 36.5%
 - Colombia EBITDA (ex UNE) 26.7% but on recurring revenue at 34.4%
- Africa hit by currency and restructuring
- Corporate costs at \$63m broadly in line with Q3

EBITDA margin impact from record smartphone sales

EBITDA margin
%, Q4 2013 – Q4 2014



... EBITDA margin impact widening through 2014



FY 2014 P&L



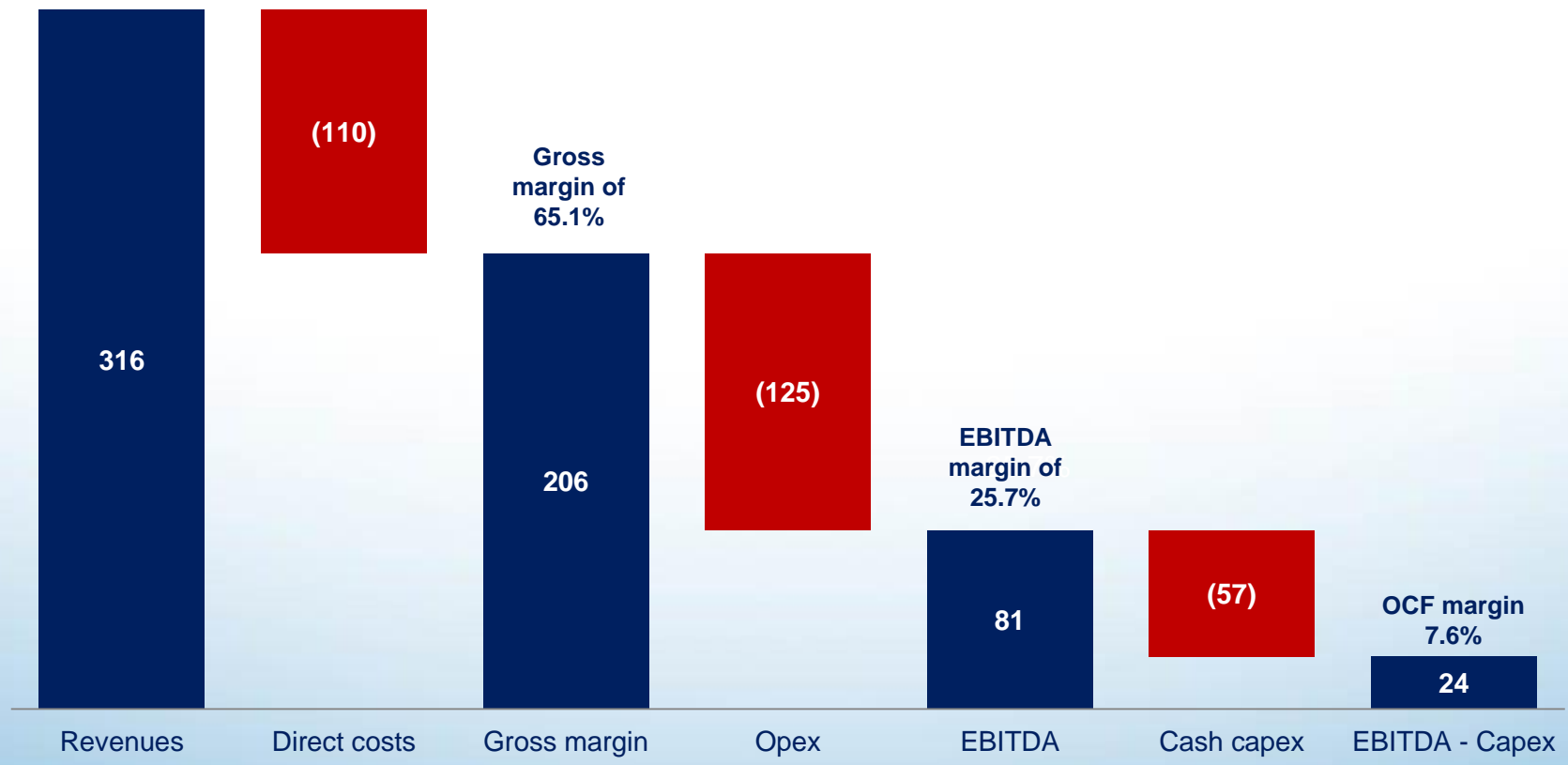
\$ million	FY 14			FY 13
	Group	UNE	Excl. UNE	Group
Revenue	6,386	498	5,888	5,553
EBITDA	2,093	133	1,960	1,999
Operating profit	924	(6)	930	1,044
Profit before tax	3,036	(22)	3,058	648
Net income	2,643	(17)	2,660	229
Adjusted EPS (\$)	1.82			3.61

- D&A \$88 million higher due to investment and Guatemala.
- Net finance expenses at \$390 million – higher on increased debt.
- Other non operating income includes \$2.25 billion revaluation on Guatemala.
- Net tax charge \$256 million – higher due to change in mix.
- NCI at \$158 million – offset by UNE credit

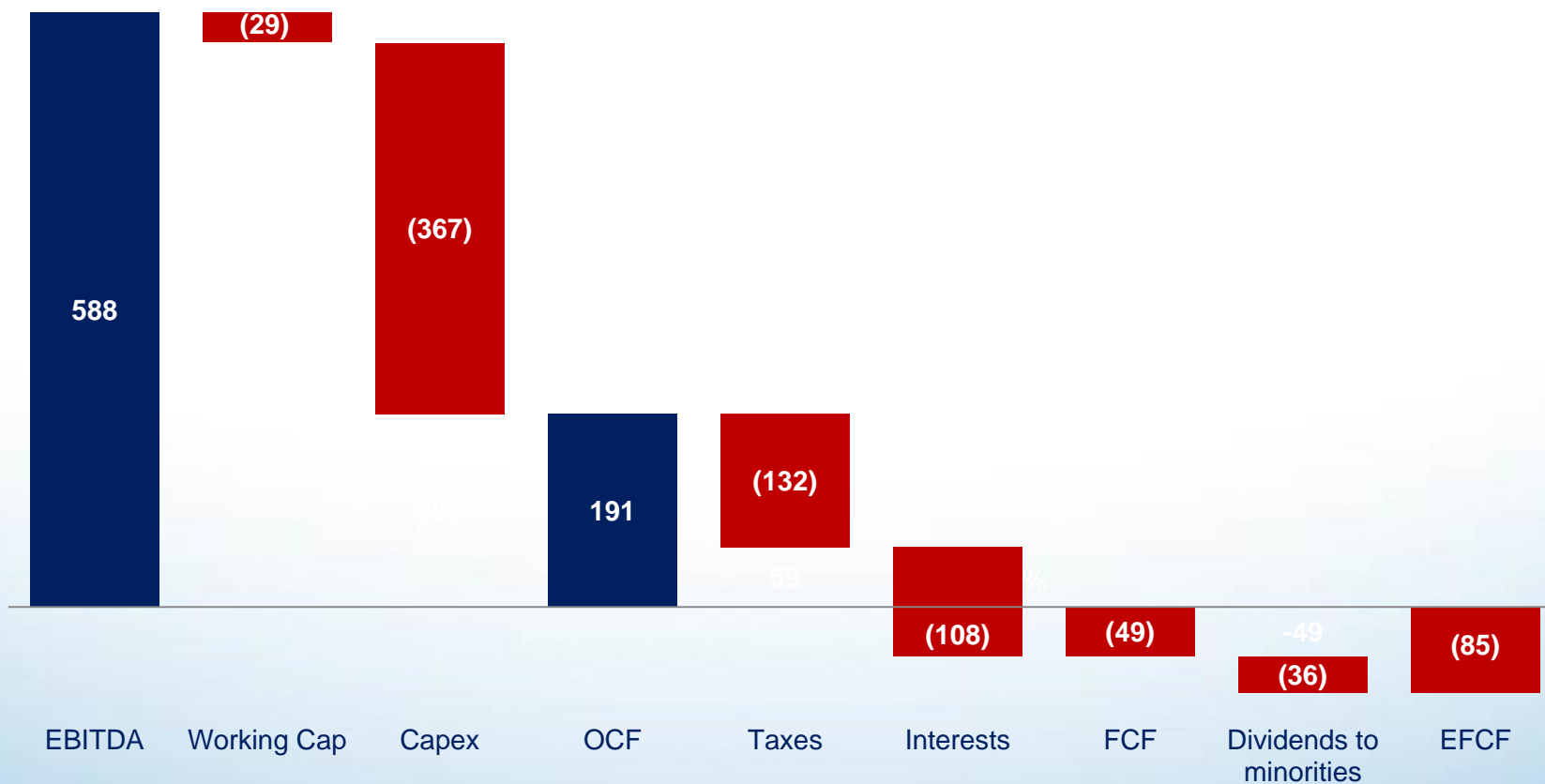
UNE Operating Cash Flow better than expected

UNE numbers are including \$9 million of revenue eliminations with Tigo Colombia (\$13 million for FY 2014), and \$3 million of integration costs.

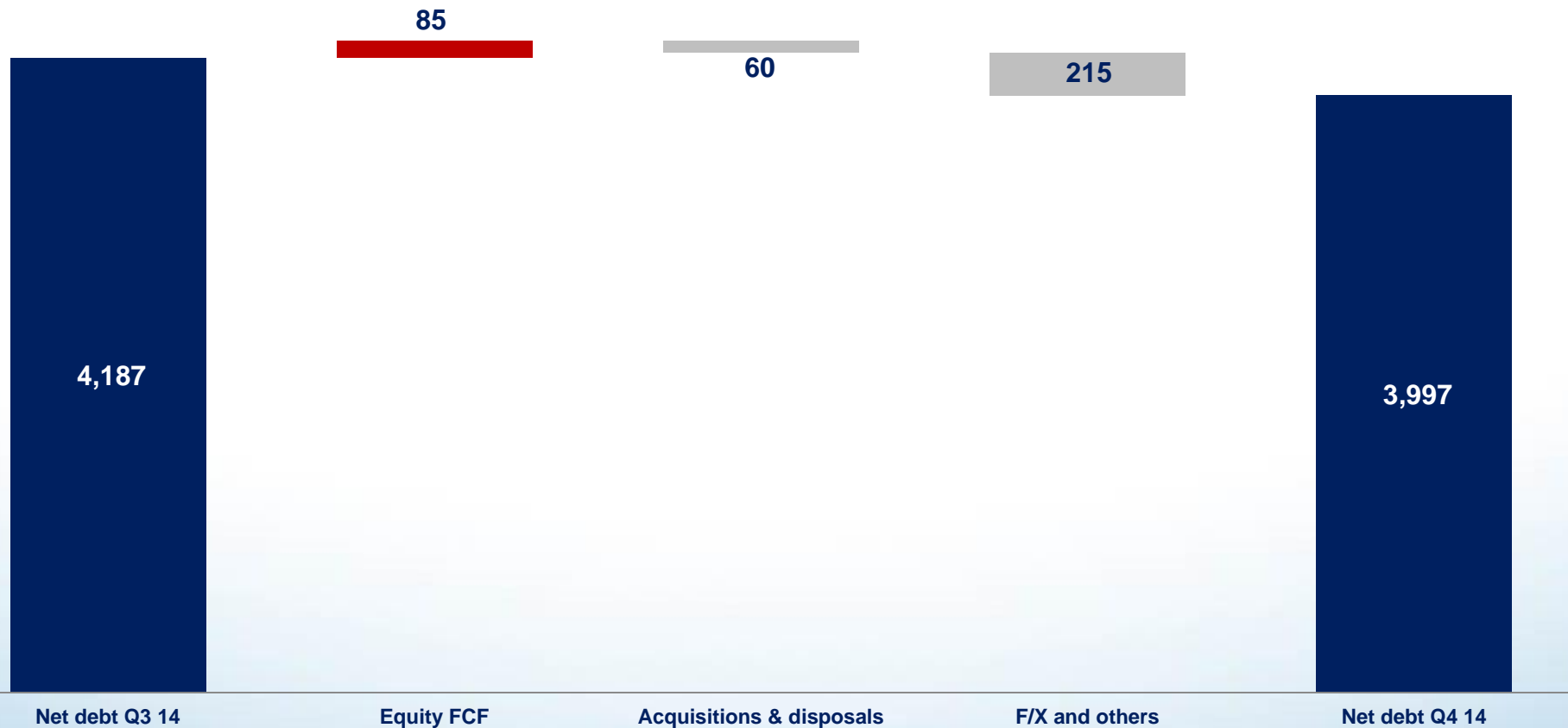
UNE
USD Million, Q4 2014



Q4 14 Equity Free Cash Flow



Net debt reduces below \$4 billion



- 1 Commercial momentum
- 2 EBITDA underlying growth
- 3 Operating cashflow better than expected
- 4 Focus on cash flow generation and deleverage

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- Group reported revenue between \$7.1 and \$7.5 billion
- Group EBITDA between \$2.2 and \$2.35 billion
- Group CAPEX between \$1.25 and \$1.35 billion

Based on current exchange rates and no perimeter change.
Capex excludes spectrum and license costs



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Q&A



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Movements of currencies vs USD YoY

Average FX rates	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014
Central America					
Guatemala	7.78	7.75	7.77	7.63	7.73
Honduras	20.74	20.88	21.14	21.44	21.06
Nicaragua	25.47	25.69	26.11	26.51	25.96
Costa Rica	533.68	555.19	545.40	543.91	543.53
12m variation					
Guatemala	-0.7%	-0.9%	-1%	-3.5%	-1.6%
Honduras	3.0%	3.1%	4%	3.9%	3.2%
Nicaragua	4.9%	5.2%	5%	5.7%	5.2%
Costa Rica	5.0%	9.6%	8%	7.5%	7.4%
South America					
Bolivia	6.91	6.91	6.91	6.91	6.91
Colombia	1,988.83	1,942.29	1,915.29	2,155.73	2,010.84
Paraguay	4,535.50	4,425.13	4,329.67	4,601.50	4,484.23
12m variation					
Bolivia	0.0%	0.0%	0%	0.0%	0.0%
Colombia	10.6%	5.9%	0%	12.8%	7.5%
Paraguay	11.0%	6.0%	-3%	3.3%	4.1%
Africa					
Ghana	2.44	2.78	3.09	3.20	2.88
Senegal/Chad	480.19	478.68	497.70	529.18	497.83
Rwanda	680.14	684.53	687.40	690.41	685.90
Tanzania	1,618.31	1,648.35	1,687.88	1,712.18	1,663.11
12m variation					
Ghana	27.9%	43.6%	55%	55.0%	44.9%
Senegal/Chad	-3.7%	-4.3%	1%	9.5%	0.7%
Rwanda	7.4%	7.5%	5%	2.8%	5.7%
Tanzania	0.6%	1.9%	4%	6.6%	3.0%

For El Salvador and DRC, the functional currency is USD

Market overview – by region for Q4 2014



Millicom Regions	Central America	South America	Africa	Group
Market Overview				
Population (m)	30	64	190	284
Mobile Penetration	95.7%	98.0%	61.8%	76.5%
Operational Data				
Total Mobile Customers (m)	15,787	15,140	25,351	56,277
Capex (\$m -excl Corporate)	147	193	116	456
Capex as % of revenues	22.9%	19.4%	45.2%	23.8%
Cellsites	8,354	7,804	5,950	22,108
Outlets (000s)	133	193	404	730
Key Financials				
Revenue (\$m)	643	960	256	1,860
EBITDA (\$m)	295	307	48	588
EBITDA Margin	45.9%	32.2%	18.7%	31.6%

Market overview – LATAM

Latin America	Central America			South America		
	El Salvador	Guatemala	Honduras	Bolivia	Colombia	Paraguay
Shareholding	100%	55%	66.70%	100%	50% - 1 share	100%
License	20y from 1998	20y from 2012	25y from 1996	20y from 1995	10Y from 2013	5y renewal
Date of Expiry	2018	2032	2021	2015	2023	2016
Market Overview						
Population (m)	6	15	9	11	46	7
GDP per Pop (PPP) \$	7,500	5,300	4,800	5,500	11,100	6,800
Mobile Penetration	119.2%	95.4%	79.5%	72.1%	104.4%	98.8%
Market Position	1 of 5	1 of 3	1 of 3	2 of 3	3 of 3	1 of 4
Market Share	38%	53%	65%	37%	16%	57%
Operational Data						
Total Customers (000s)	2,855	8,350	4,582	3,233	8,012	3,894
Cell Sites	1,413	4,931	2,010	1,238	4,943	1,623
Other Operators	America Movil Telefonica Digicel Red	America Movil Telefonica	America Movil Honducel	Entel Viva	America Movil Telefonica	Personal Vox America Movil
Main products exported	Coffee Sugar	Coffee Sugar	Coffee Bananas	Lithium Natural Gas	Coffee Oil	Soy Cassava



Market overview – Africa

Africa	Chad	DRC	Ghana	Rwanda	Senegal	Tanzania
Shareholding	100%	100%	100%	87.50%	100%	100%
License	10 y from 2014	12y from 2012	15y from 2004	15y from 2008	16y from 2012	25y from 2007
Date of Expiry	2024	2024	2019	2023	2028	2032
Market Overview						
Population (m)	11	77	26	12	14	50
GDP per Pop (PPP) \$	2,500	400	3,500	1,500	2,100	1,700
Mobile Penetration	42.1%	56.7%	82.3%	52.8%	72.8%	57.7%
Market Position	1 of 3	2 of 6 ²	3 of 6	2 of 4	2 of 4	2 of 7
Market Share	53%	31%	18%	43%	30%	30%
Operational Data						
Total Customers (000s)	2,745	5,067	3,829	2,499	3,017	8,193
Cell Sites ¹	566	949	997	455	901	2,082
Other Operators	Bharti Salam	Vodacom Bharti CCT Standard Africell	MTN Vodafone Bharti Glo Kasapa	MTN Bharti Rwandatel	Orange Expresso Kirene	Vodacom Bharti Zantel TTLIC Mobile Bol Sasatel
Main products exported	Petroleum Cotton	Coffee Diamonds	Bauxite Cocoa	Coffee Natural Gas	Fish Cotton	Coffee Cashew Nuts

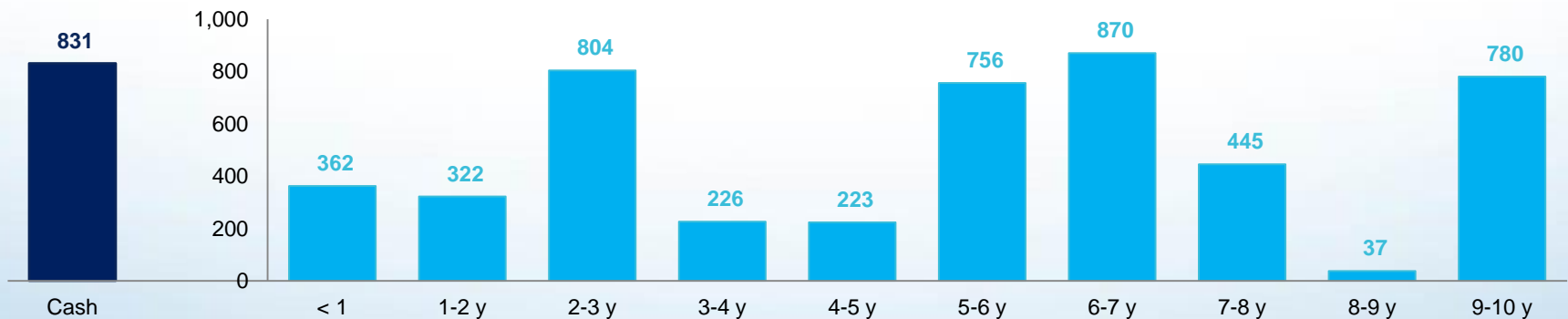
1) for DRC active sites; 2) Only Kinshasa/ Bas Congo and Kivu area;
Source: Millicom, CIA World Factbook

Moderate leverage and well spread maturities

USD m	Q4 14	Q3 14
Gross Debt ¹	4,829	5,000
Cash ²	831	813
Net Debt	3,997	4,187
Net Debt / EBITDA after corporate costs ³	1.9x	1.9x

Debt maturity

USDm, Q4 2014



- Average maturity of 5.3 years

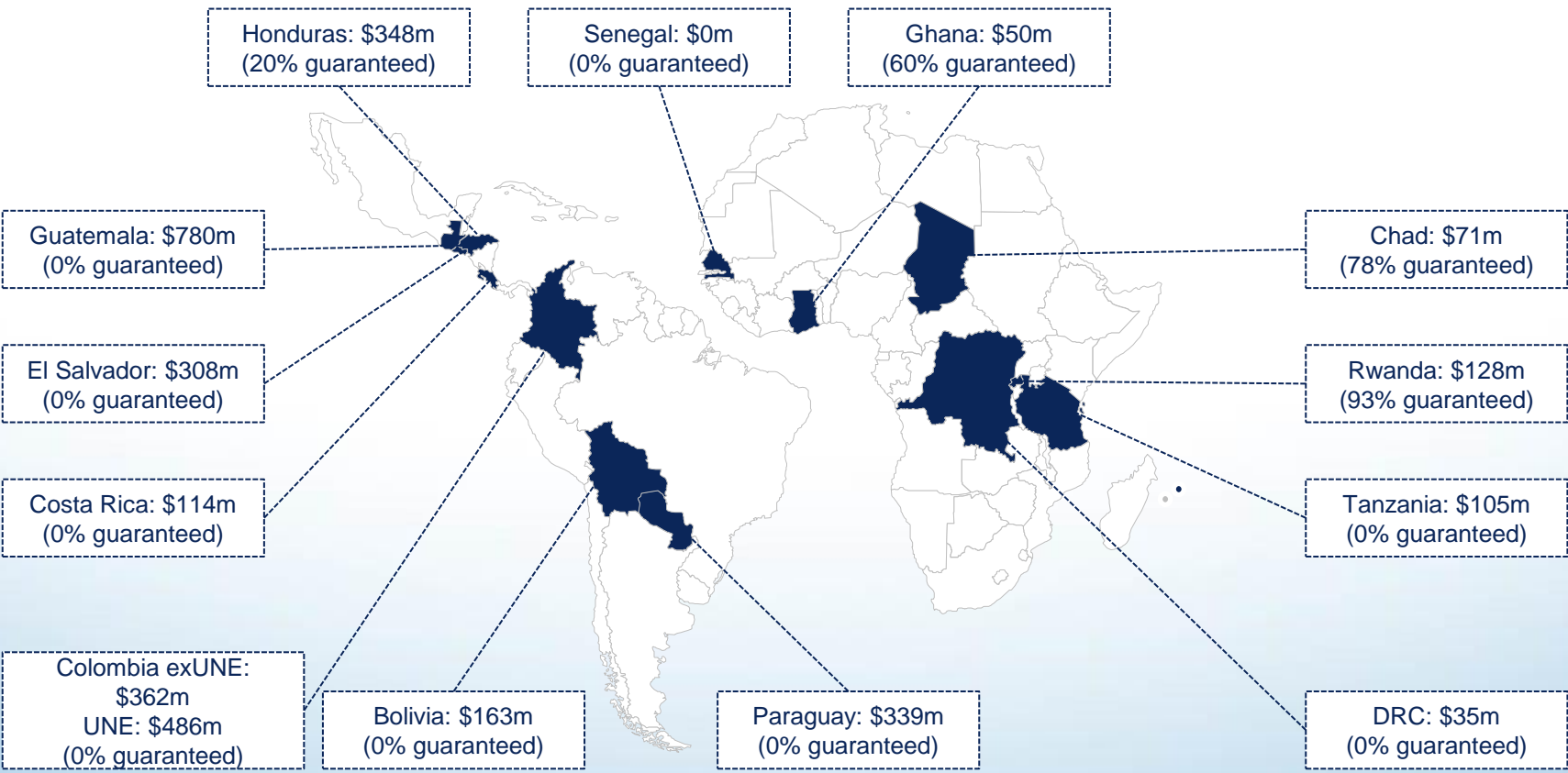
1) Including mark to market of bonds

2) Including pledged deposits, time deposits and restricted cash

3) Net Debt / LTM EBITDA including UNE proforma for 2014

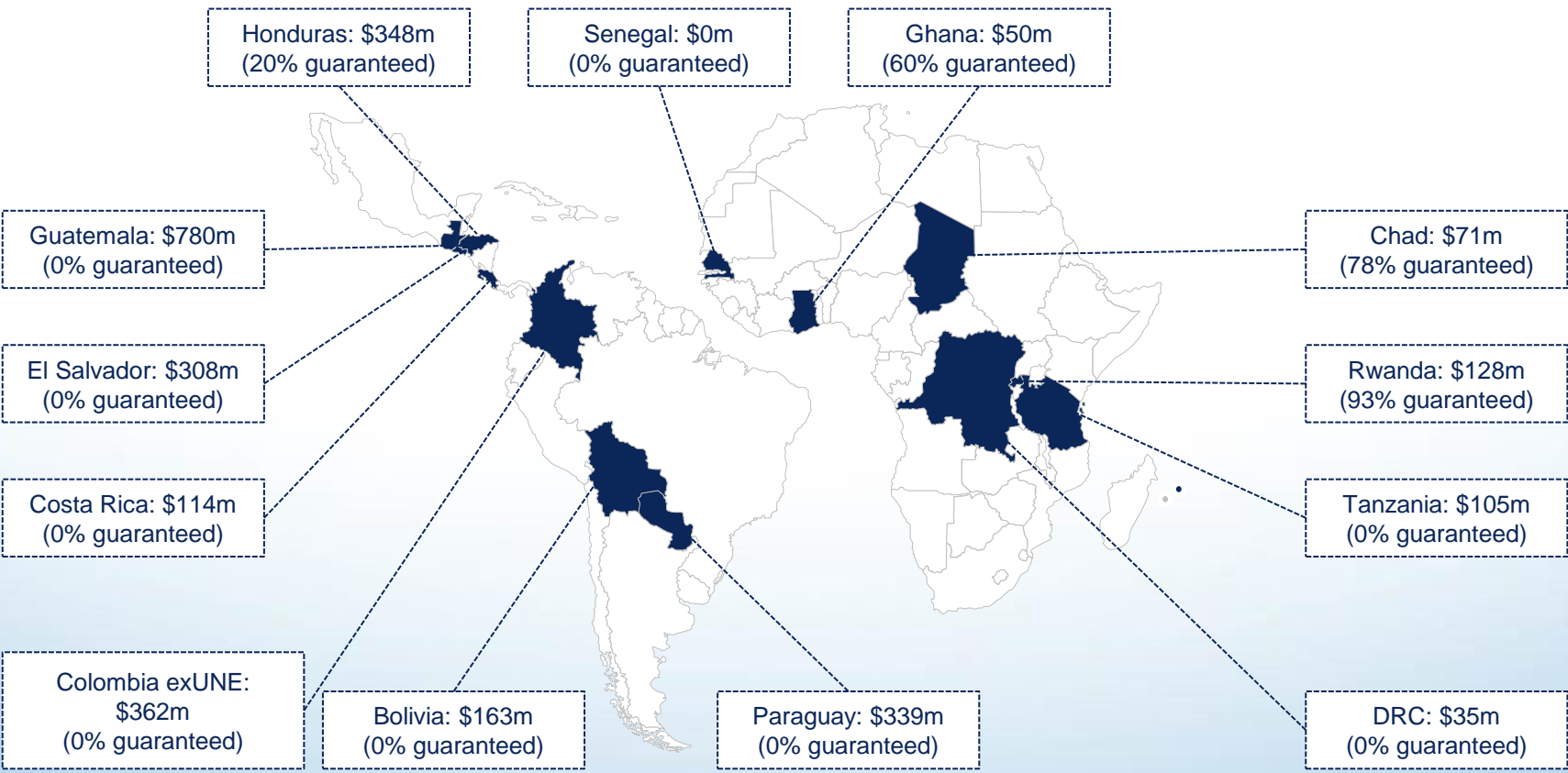
Debt by region including UNE

Central America: Total debt: \$1,550m 5% guaranteed	South America: Total debt: \$1,350m 0% guaranteed	Africa: Total debt: \$390m 52% guaranteed	Corporate: Total debt: \$1,538m 100% guaranteed	TOTAL MIC DEBT: \$4,829m 38% guaranteed
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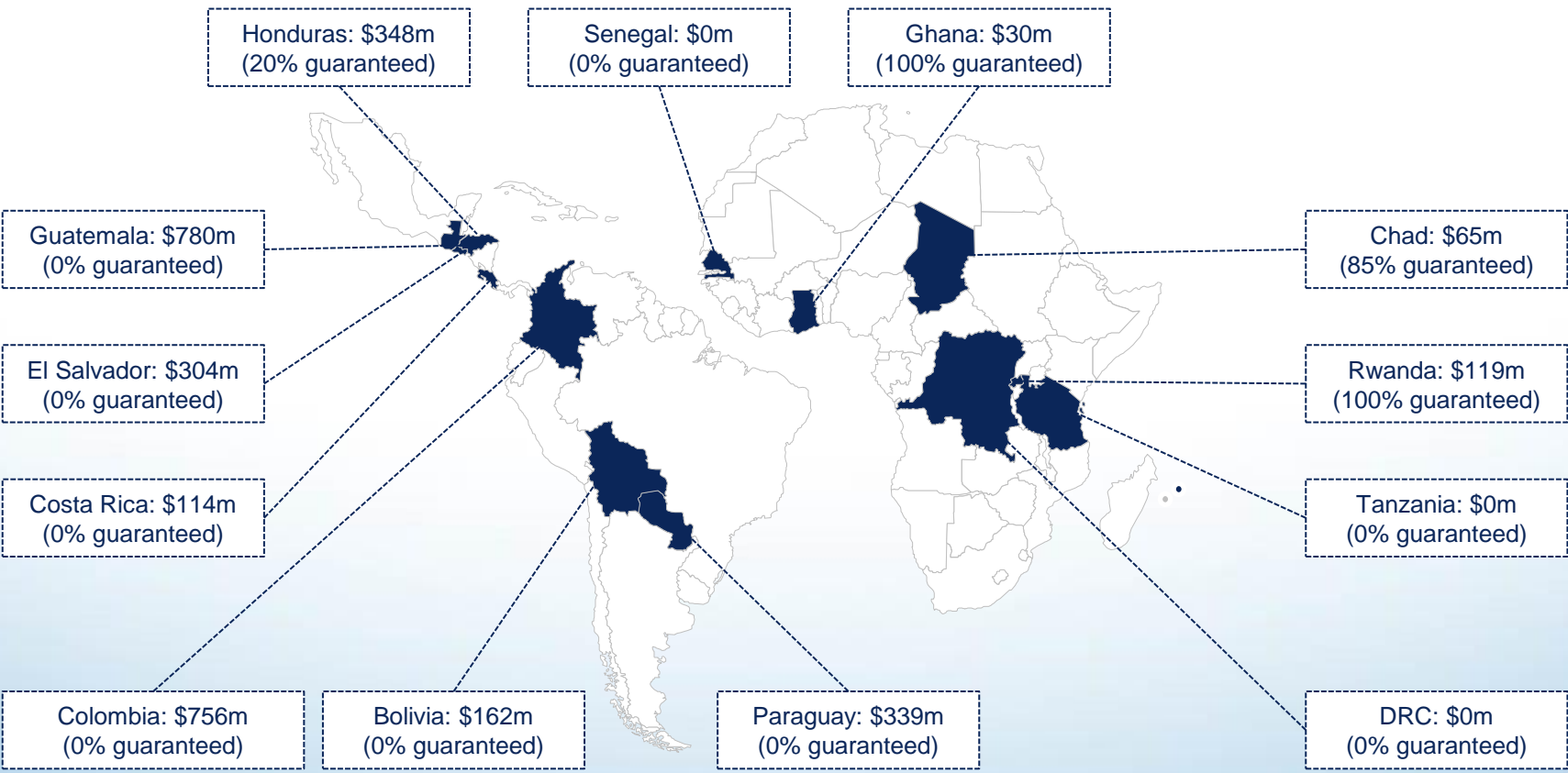
Debt by region excluding UNE

Central America: Total debt: \$1,550m 5% guaranteed	South America: Total debt: \$864m 0% guaranteed	Africa: Total debt: \$390m 52% guaranteed	Corporate: Total debt: \$1,538m 100% guaranteed	TOTAL MIC DEBT: \$4,343m 42% guaranteed
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Debt by region including UNE excluding finance leases

Central America: Total debt: \$1,546m 5% guaranteed	South America: Total debt: \$1,258m 0% guaranteed	Africa: Total debt: \$214m 95% guaranteed	Corporate: Total debt: \$1,537m 100% guaranteed	TOTAL MIC DEBT: \$4,556m 40% guaranteed
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Cash pool in hard currencies to limit local currency exposure

Dec-14	Debt including finance leases			Cash Total	Net debt		
	USD	Local	Total		USD	Local	Total
CAM	1,097 71%	453 29%	1,550 100%	181	1,037 76%	335 24%	1,369 100%
SAM	342 25%	1,008 75%	1,350 100%	332	258 25%	761 75%	1,018 100%
AFR	217 56%	173 44%	390 100%	189	198 98%	4 2%	201 100%
CORP	1,538 100%	- 0%	1,538 100%	129	1,460 104%	(48) -3%	1,409 100%
MIC	3,194 66%	1,635 34%	4,829 100%	831	2,954 74%	1,052 26%	3,997 100%

EI Salvador and DRC have USD as functional currency (treated as local in both cases.)

Debt profile excluding finance leases

Dec-14	Debt excluding finance leases		
	USD	Local	Total
CAM	1,097 71%	449 29%	1,546 100%
SAM	341 27%	917 73%	1,258 100%
AFR	160 75%	54 25%	214 100%
CORP	1,538 100%	0% 0%	1,538 100%
MIC	3,136 69%	1,420 31%	4,556 100%