

Luxembourg
13 April 2016

Press Release



MILlicom
THE DIGITAL LIFESTYLE

CONVENING NOTICE FOR ANNUAL GENERAL MEETING OF SHAREHOLDERS

Luxembourg, 13 April 2015 –

MILlicom INTERNATIONAL CELLULAR S.A.

société anonyme

Registered office address:

2, Rue du Fort Bourbon

L-1249 Luxembourg, Grand-Duchy of Luxembourg

- R.C.S. Luxembourg: B 40.630 –

NOTICE

IS HEREBY GIVEN that the annual general meeting (“**AGM**”) and a subsequent extraordinary general meeting (“**EGM**”) of the shareholders of MILlicom INTERNATIONAL CELLULAR S.A. (“**Millicom**” or the “**Company**”) are convened to be held at the Millicom office at 2, rue du Fort Bourbon, L-1249, Luxembourg, on Tuesday, 17 May 2016 at 10:00 a.m. Central European Time (“**CET**”), to consider and vote on the following agenda points:

AGM

1. To elect the Chairman of the AGM and to empower the Chairman of the AGM to appoint the other members of the bureau of the meeting.
2. To receive the management report(s) of the Board of Directors (*rapport de gestion*) and the report(s) of the external auditor on the annual accounts and the consolidated accounts for the financial year ended 31 December 2015.
3. To approve the annual accounts and the consolidated accounts for the year ended 31 December 2015.

4. To allocate the results of the year ended 31 December 2015. On a parent company basis, Millicom generated a loss of USD 401,394,955, which is proposed to be allocated to the profit or loss brought forward account of Millicom.
5. To approve the distribution by Millicom of a dividend in a total amount of USD 264,870,970.32 to the shareholders of Millicom pro rata to the paid-up par value of their shareholding in Millicom, corresponding to a dividend of USD 2.64 per share (other than the treasury shares) and to acknowledge and confirm that Millicom has sufficient available funds to make this dividend distribution.
6. To discharge all the current Directors of Millicom for the performance of their mandates during the financial year ended 31 December 2015.
7. To set the number of Directors at eight (8).
8. To re-elect Mr. Tomas Eliasson as a Director for a term ending on the day of the next annual general meeting to take place in 2017 (the "**2017 AGM**").
9. To re-elect Mr. Lorenzo Grabau as a Director for a term ending on the day of the 2017 AGM.
10. To re-elect Mr. Alejandro Santo Domingo as a Director for a term ending on the day of the 2017 AGM.
11. To re-elect Mr. Odilon Almeida as a Director for a term ending on the day of the 2017 AGM.
12. To elect Mr. Thomas Boardman as a new Director for a term ending on the day of the 2017 AGM.
13. To elect Ms. Janet Davidson as a new Director for a term ending on the day of the 2017 AGM.
14. To elect Mr. José Miguel Garcia Fernández as a new Director for a term ending on the day of the 2017 AGM.
15. To elect Mr. Simon Duffy as a new Director for a term ending on the day of the 2017 AGM.
16. To elect Mr. Thomas Boardman as Chairman of the Board of Directors for a term ending on the day of the 2017 AGM.
17. To approve the Directors' fee-based compensation, amounting to SEK 5,725,000 (2015: SEK 5,025,000) for the period from the AGM to the 2017 AGM and share-based compensation, amounting to SEK 3,800,000 (unchanged) for the period from the AGM to the 2017 AGM, such shares to be provided from the Company's treasury shares or alternatively to be issued within Millicom's authorised share capital to be fully paid-up out of the available reserves i.e. for nil consideration from the relevant Directors.

18. To re-elect Ernst & Young S.A., Luxembourg as the external auditor of Millicom for a term ending on the day of the 2017 AGM.
19. To approve the external auditor's compensation.
20. To approve a procedure on the appointment of the Nomination Committee and determination of the assignment of the Nomination Committee.
21. Share Repurchase Plan
 - (a) To authorise the Board of Directors, at any time between 17 May 2016 and the day of the 2017 AGM, provided the required levels of distributable reserves are met by Millicom at that time, either directly or through a subsidiary or a third party, to engage in a share repurchase plan of Millicom's shares to be carried out for all purposes allowed or which would become authorised by the laws and regulations in force, and in particular the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**1915 Law**") and in accordance with the objectives, conditions, and restrictions as provided by the European Commission Regulation No. 2273/2003 of 22 December 2003 (the "**Share Repurchase Plan**") by using its available cash reserves in an amount not exceeding the lower of (i) ten per cent (10%) of Millicom's outstanding share capital as of the date of the AGM (i.e., approximating a maximum of 10,173,921 shares corresponding to USD 15,260,881 in nominal value) or (ii) the then available amount of Millicom's distributable reserves on a parent company basis, in the open market on OTC US, Nasdaq Stockholm or any other recognised alternative trading platform, at an acquisition price which may not be less than SEK 50 per share nor exceed the higher of (x) the published bid that is the highest current independent published bid on a given date or (y) the last independent transaction price quoted or reported in the consolidated system on the same date, regardless of the market or exchange involved, provided, however, that when shares are repurchased on the Nasdaq Stockholm, the price shall be within the registered interval for the share price prevailing at any time (the so called spread), that is, the interval between the highest buying rate and the lowest selling rate.
 - (b) To approve the Board of Directors' proposal to give joint authority to Millicom's Chief Executive Officer and the Chairman of the Board of Directors (at the time any such action is taken) to (i) decide, within the limits of the authorization set out in (a) above, the timing and conditions of any Millicom Share Repurchase Plan according to market conditions and (ii) give a mandate on behalf of Millicom to one or more designated broker-dealers to implement the Share Repurchase Plan.
 - (c) To authorise Millicom, at the discretion of the Board of Directors, in the event the Share Repurchase Plan is done through a subsidiary or a third party, to purchase the bought back Millicom shares from such subsidiary or third party.

- (d) To authorise Millicom, at the discretion of the Board of Directors, to pay for the bought back Millicom shares using the then available reserves.
 - (e) To authorise Millicom, at the discretion of the Board of Directors, to (i) transfer all or part of the purchased Millicom shares to employees of the Millicom Group in connection with any existing or future Millicom long-term incentive plan, and/or (ii) use the purchased shares as consideration for merger and acquisition purposes, including joint ventures and the buy-out of minority interests in Millicom's subsidiaries, as the case may be, in accordance with the limits set out in Articles 49-2, 49-3, 49-4, 49-5 and 49-6 of the 1915 Law.
 - (f) To further grant all powers to the Board of Directors with the option of sub-delegation to implement the above authorization, conclude all agreements, carry out all formalities and make all declarations with regard to all authorities and, generally, do all that is necessary for the execution of any decisions made in connection with this authorization.
22. To approve the guidelines for remuneration of senior management.

EGM

1. To elect the Chairman of the EGM and to empower the Chairman of the EGM to appoint the other members of the Bureau.
2. To change the date on which the Company's annual general meeting shall be held to the first Thursday of May each year and to amend article 19 of the Company's articles of association (the "**Articles**") accordingly.
3. To change the signing powers in relation to copies or extracts of resolutions of the Board of Directors so as to empower the Chairman, any chairman of the relevant meeting of the Board of Directors and any two members of the Board of Directors in this respect and to amend article 9 paragraph 2 of the Articles accordingly.

NOTES REGARDING THE NOTICE FOR THE AGM

CHAIRMAN OF THE MEETING (AGM – item 1)

Millicom's Nomination Committee proposes Mr. Alexander Koch, attorney at law (*Rechtsanwalt*), with professional address in Luxembourg, the duty to preside over the AGM.

In case of absence of Mr. Alexander Koch, the Chairman of the Board of Directors of Millicom or in the absence of the Chairman of the Board of Directors, any member of the Board of Directors, shall be empowered to appoint the person to preside over the AGM amongst the persons present at the meeting.

The Chairman of the AGM shall be empowered to appoint the other members of the bureau of the meeting (i.e., the Secretary and the Scrutineer) amongst the persons present at the meeting.

PARTICIPATION AND PAYMENT INFORMATION FOR PROPOSED DIVIDEND (AGM – item 5)

On a parent company basis, Millicom generated a loss of USD 401,394,955 for the year ended 31 December 2015, which is proposed to be carried forward. At 31 December 2015 Millicom had, after allocation of such loss, unappropriated net profits of USD 1,450,439,347. The Board of Directors of Millicom proposes that the meeting approves the distribution of a dividend from unappropriated net profits of USD 2.64 per share to Millicom shareholders, in accordance with article 21 and article 23 of the Articles.

The annual accounts of Millicom for the year ended on 31 December 2015 drawn up by Millicom's Board of Directors show that Millicom has, upon allocation of the loss of USD 401,394,955 for the year ended 31 December 2015 against the unappropriated net profits indicated in the said annual accounts, sufficient funds available, in accordance with applicable law, to distribute the considered USD 2.64 dividend per share which represents an aggregate dividend of USD 264,870,970.32. The Board of Directors confirms that, in the absence of losses incurred by Millicom as from 1 January 2016 reducing the said unappropriated net profits below an amount of USD 264,870,970.32, the proposed dividend can be paid out of the unappropriated net profits available at the date of the AGM.

In accordance with Luxembourg income tax law, the payment of the dividend will be subject to a 15% withholding tax. Millicom will withhold the 15% withholding tax and pay this amount to the Luxembourg tax administration. The dividend will be paid net of withholding tax. However, a reduced withholding tax rate may be foreseen in a double tax treaty concluded between Luxembourg and the country of residence of the shareholder or an exemption may be available in cases where the Luxembourg withholding tax exemption regime conditions are fulfilled (e.g., for shareholdings representing at least 10% of the share capital or an acquisition cost of at least Euro 1.2 million for an uninterrupted period of at least 12 months). These shareholders should contact their advisors regarding the procedure and the deadline for a potential refund of the withholding tax from the Luxembourg tax administration.

The U.S. Federal Income Tax Considerations for U.S. holders of Millicom shares and Swedish Depository Receipts ("**SDR**") can be found on Millicom's website (<http://www.millicom.com/investors/agm-egm-notices/>).

Eligible Millicom shareholders will receive their dividends in USD (United States Dollars) whereas holders of SDRs will be paid exclusively in SEK (Swedish crowns). Millicom shall arrange for a conversion of the dividend from USD to SEK. Such conversion shall be effected at a market rate of exchange, no earlier than eight (8) and no later than three (3) banking days

before the payment date, or the day when the funds are made available to Euroclear Sweden AB. The applicable rate of exchange shall be the rate of exchange obtained through the combination of all foreign exchange conversions.

The dividend will be paid to shareholders who are registered in the shareholders register kept by Millicom or American Stock Transfer & Trust Company ("**AST**") as well as to the holders of SDRs who are registered in the records maintained by Euroclear Sweden AB as of 19 May 2016 (the "**Dividend Record Date**").

The **ex-dividend** date is estimated to be 18 May 2016.

Payment of dividends is planned for around 25 May 2016. Holders of SDRs will be paid by electronic transfer to bank accounts linked to their securities accounts whereas a dividend check will be sent to all other eligible shareholders.

ELECTION OF THE DIRECTORS (AGM – items 7-15)

The Nomination Committee proposes that the Board shall consist of eight (8) directors.

Millicom's Nomination Committee proposes that, until the 2017 AGM, Mr. Tomas Eliasson, Mr. Lorenzo Grabau, Mr. Alejandro Santo Domingo, and Mr. Odilon Almeida, be re-elected as Directors of Millicom and that Mr. Thomas Boardman, Ms. Janet Davidson, Mr. Simon Duffy, and Mr. José Miguel Garcia Fernández be elected as new Directors of Millicom.

Ms. Cristina Stenbeck, Mr. Anders Borg, Dame Amelia Fawcett and Mr. Paul Donovan have declined re-election as Directors of Millicom.

The Nomination Committee's motivated statement regarding the Board composition includes additional information about the proposed Directors and is available on Millicom's website at <http://www.millicom.com/investors/agm-egm-notices/>

ELECTION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS (AGM – item 16)

Millicom's Nomination Committee, supported by the Board of Directors, proposes that Mr. Thomas Boardman be elected as Chairman of the Board of Directors for a term ending at the 2017 AGM.

DIRECTORS' FEES (AGM – item 17)

Millicom's Nomination Committee proposes a total of SEK 5,725,000 (2015: SEK 5,025,000) as fee-based compensation for the eight (8) Directors expected to serve from the AGM to the 2017 AGM.

The Nomination Committee proposes the following split of the fee-based compensation:

- the annual remuneration to ordinary Board members not employed by Millicom shall be SEK 425,000 per Member (unchanged); SEK 500,000 to the Deputy Chairman (unchanged); and SEK 750,000 to the Chairman (unchanged);
- the annual remuneration for work on Board Committees shall be SEK 400,000 (unchanged) to the Chairman of the Audit Committee, SEK 200,000 (unchanged) to each of the other three members of the Audit Committee, SEK 225,000 (unchanged) to the Chairman of the Compensation Committee and SEK 100,000 (unchanged) to each of the other two members of the Compensation Committee; SEK 200,000 (2015: no remuneration resolved) to the Chairman of the Compliance and Business Conduct Committee, and SEK 100,000 (2015: no remuneration resolved) to the three other members of the Compliance and Business Conduct Committee.

The Nomination Committee also proposes a total of SEK 3,800,000 (unchanged) as share-based compensation for the period from the AGM to the 2017 AGM in the form of fully paid-up shares of Millicom common stock. Such shares will be provided from the Company's treasury shares or alternatively issued within Millicom's authorized share capital exclusively in exchange for the allocation from the premium reserve (i.e., for nil consideration from the relevant Directors). The Nomination Committee proposes that:

- the number of shares to be provided or issued to the Chairman of the Board of Directors shall be SEK 750,000 (unchanged);
- the number of shares to be provided or issued to the Deputy Chairman of the Board of Directors shall be SEK 500,000 (unchanged);
- the number of shares to be provided or issued to each of the six (6) other Directors to be SEK 425,000 (unchanged);

in each case divided by the Millicom share closing price on Nasdaq Stockholm on the AGM date provided that shares shall not be issued below the par value.

In respect of Directors who did not serve an entire term, the fee- and the share-based compensation will be pro-rated *pro rata temporis*.

ELECTION OF THE AUDITOR (AGM – item 18)

Millicom's Nomination Committee, supported by the Board of Directors, proposes that Ernst & Young S.A., Luxembourg be re-elected as external auditor for a term ending at the 2017 AGM.

The proposal from the Nomination Committee is based on a periodic evaluation of external audit firms last conducted in 2012 with annual follow-up reviews.

FEES PAYABLE TO THE AUDITOR (AGM – item 19)

The Nomination Committee proposes that the auditor fees be paid against approved account.

PROCEDURE ON APPOINTMENT OF THE NOMINATION COMMITTEE AND DETERMINATION OF THE ASSIGNMENT OF THE COMMITTEE (AGM – item 20)

The Nomination Committee proposes that the work of preparing proposals to the 2017 AGM regarding the Board and auditor, in the case that an auditor should be elected, and their remuneration, Chairman of the annual general meeting and the procedure for the Nomination Committee shall be performed by a Nomination Committee.

The Nomination Committee will be formed during September 2016 in consultation with the largest shareholders of Millicom as of 31 August 2016. The Nomination Committee will consist of at least three members appointed by the largest shareholders of Millicom who have wished to appoint a member. The Chairman of the Board will also be a member of the Committee and will act as its convenor. The members of the Committee will appoint the Committee's Chairman at their first meeting.

The Nomination Committee is appointed for a term of office commencing at the time of its formation and ending when a new Nomination Committee is formed. If a member resigns during the Committee term, the Nomination Committee can choose to appoint a new member. The shareholder that appointed the resigning member shall in such case be asked to appoint a new member, provided that the shareholder still is one of the largest shareholders in Millicom. If that shareholder declines participation on the Nomination Committee, the Nomination Committee may choose to ask the next largest qualified shareholder to participate. In the event of changes to the ownership structure of the Company, the Committee may choose to change its composition in order to ensure the Nomination Committee reflects the ownership of the Company. However, unless there are special circumstances, the composition of the Nomination Committee may remain unchanged following changes in the ownership structure of the Company that are either minor or occur less than three months prior to the 2017 AGM.

The Nomination Committee shall have the right to receive, upon request, personnel resources, such as secretarial services, from Millicom and to charge Millicom with costs for recruitment consultants and related travel if deemed necessary.

SHARE REPURCHASE PLAN (AGM – item 21)

The Board of Directors of Millicom proposes that the meeting approve a Share Repurchase Plan and authorises the Board of Directors of Millicom, with the option to delegate, to acquire and dispose of Millicom's shares under the abovementioned Share Repurchase Plan as further detailed below.

a) Objectives:

The Share Repurchase Plan will be carried out for all purposes allowed or which would become authorised by the laws and regulations in force, and in particular the 1915 Law and in accordance with the objectives, conditions and restrictions as provided by the European Commission Regulation No. 2273/2003 of 22 December 2003.

The purpose of the Share Repurchase Plan will be in particular to reduce Millicom's share capital (in value or in the number of shares) or to meet obligations arising from any of the following:

- (a) debt financial instruments exchangeable into equity instruments;
- (b) employee share option programs or other allocations of shares to employees of Millicom or of an associate company;
- (c) consideration for merger and acquisition purposes.

The transactions over the shares under the Share Repurchase Plan may be carried out by any means, on or off the market or by the use of derivative financial instruments, listed on a regulated stock exchange or transacted by mutual agreement subject to all applicable laws and stock exchange regulations.

b) Maximum proportion of the share capital that may be repurchased

- The maximum aggregate number of shares authorised to be purchased is an amount not exceeding the lower of (i) ten per cent (10%) of Millicom's outstanding share capital as of the date of the AGM (i.e., approximating a maximum of 10,173,921 shares corresponding to USD 15,260,881 in nominal value) or (ii) the then available amount of Millicom's distributable reserves on a parent company basis in the open market on OTC US, Nasdaq Stockholm or any other recognised alternative trading platform. The nominal value or, in the absence thereof, the accountable par value of the acquired shares, including shares previously acquired by Millicom and held by it (including the stakes held by other group companies referred to in Article 49bis of the 1915 Law), and shares acquired by a person acting in his own name but on Millicom's behalf, may not exceed ten per cent (10%) of the issued share capital, it being specified that (x) such limit applies to a number of shares that shall be, as necessary, adjusted in order to take into account transactions affecting the share capital following the AGM as further detailed under c) below, (y) that the acquisitions carried out by Millicom may in no event cause it to hold, directly or indirectly, more than ten per cent (10%) of the share capital, and (z) the aggregate amount that Millicom may assign to the buyback of its own shares shall be set in accordance with the provisions of the 1915 Law.

- The acquisitions may not have the effect of reducing Millicom's net assets below the amount of the subscribed share capital plus those reserves, which may not be distributed under the law or the Articles.
- Only fully paid-up shares may be included in the transactions.

c) Price and volume considerations

The minimum and maximum purchase prices at which Millicom may repurchase its shares shall be set at:

- Minimum repurchase price: SEK 50
- Maximum repurchase price not to exceed the higher of: (i) the published bid that is the highest current independent published bid on a given date or (ii) the last independent transaction price quoted or reported in the consolidated system on the same date, regardless of the market or exchange involved.

The AGM shall grant all powers to the Board of Directors to proceed with unit price adjustments and the maximum number of securities to be acquired in proportion to the variation in the number of shares or their nominal value resulting from possible financial operations by Millicom, such as but not limited to, capital increase by incorporation of reserves and free allocation of shares or in case of splitting or regrouping of shares et seq.

Any transaction undertaken by Millicom under the Share Repurchase Plan as to price and volume will be undertaken in accordance with all legal and stock exchange requirements, including those of the European Commission Regulation No. 2273/2003 of 22 December 2003 or any accepted market practices as defined under the Directive 2003/6/EC dated 28 January 2003 on insider dealing and market manipulation and as from 3 July 2016 EU Regulation No. 596/2014 dated 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC. ~~The aforementioned includes that,~~ when shares are repurchased on the Nasdaq Stockholm, the price shall be within the registered interval for the share price prevailing at any time (the so called spread), that is, the interval between the highest buying rate and the lowest selling rate.

d) Duration

Such a Share Repurchase Plan will start no earlier than 17 May 2016 and end no later than at the earliest of (i) the 2017 AGM, (ii) the moment when the aggregate value of shares repurchased by Millicom since the start of this Share Repurchase Plan reaches the limits indicated under (b) above, (iii) the moment when Millicom's shareholding (including the stakes held by other group companies referred to in Article 49bis of the 1915 Law and shares acquired by a person acting in his own name but on Millicom's behalf) reaches 10 per cent of the

subscribed share capital in accordance with Article 49-2 (1) of the 1915 Law or (iv) within eighteen months as of the date of the AGM.

GUIDELINES FOR REMUNERATION TO SENIOR MANAGEMENT (AGM – item 22)

The Board of Directors proposes that the meeting resolves on the following guidelines for remuneration and other employment terms for the senior management for the period up to the 2017 AGM.

Compensation guidelines

The objective of the guidelines is to ensure that Millicom can attract, motivate and retain executives, within the context of Millicom's international talent pool, which consists of Telecom, Media & FMCG companies, and to create incentives for Executives to execute strategic plans and deliver excellent operating results and to align their incentives with the interests of shareholders, including requiring substantial share ownership by all Executives.

Compensation shall be based on conditions that are market competitive in Europe/US and shall consist of a fixed salary and variable compensation, including the possibility of participation in the equity based long-term incentive programs and pension schemes. These components shall create a well-balanced compensation reflecting individual performance and responsibility, both short-term and long-term, as well as Millicom's overall performance.

(i) Base salary

The Executives' base salary shall be competitive and based on the individual Executive's responsibilities and performance.

(ii) Variable remuneration

The Executives may receive variable remuneration in addition to base salary. The variable remuneration consists of (a) a short-term Incentive Plan and (b) a long-term Incentive Plan.

The amounts and percentages for variable remuneration are based on pre-established goals and targets relating to the performance of both Millicom and individual employees and are intended to be competitive as part of a total compensation package. In 2015, based on actual company performance, the maximum variable short-term compensation award in the corporate entities was 136% of Target, and the highest award achieved by any member of the Executive team was 121% of Target. The Target ranges from 40% of salary to 100% of salary, depending on seniority. The maximum award for 2015 was awarded to employees working in the financially highest performing entity in 2015 who then additionally achieved highest possible personal performance scores.

(a) Short-term Incentive Plan ("STI")

The STI consists of two components:

- Cash Bonus
- Deferred Share Plan (“DSP”)

The existing DSP has been moved from the Long-term Incentive Plan (as it is based purely on annual performance) and from 2016 will form part of the annual STI; it will be delivered, together with the Cash Bonus, based on personal and company / operation / division / group performance. STI performance objectives, unlike the performance objectives of the LTIP (see description below), are based on the performance of the relevant operation or division in which each participating employee works, in order to more closely link the associated incentive with employees’ respective performances.

The payment of any Cash Bonus is made after the announcement of full-year results in Q1 of the following year, while shares issued under the DSP vest over a three-year period. For example, the performance of the Executives during 2016 will be rewarded in Q1 2017; therefore, their respective Deferred Shares will vest 16.5% on each of 1 January 2017 and 1 January 2018, and 67% on 1 January 2019.

Both cash and share components are earned through achievement against the following targets and component weighting:

- 70% Financial Targets (Revenue, EBITDA and operating free cash flow); and
- 30% Personal Performance.

The respective award achievements for the Cash Bonus and Deferred Shares are added together and delivered half in the form of cash payments and half in the form of Deferred Shares with the above-mentioned vesting schedule. Thus, Executives will receive their short-term incentive compensation 50% in cash and 50% in shares. This change provides a larger proportion of variable compensation being delivered through shares than in previous years. By contrast, in 2015, the cash/share proportion for all short-term incentives was approximately 70%/30%.

Calculation of the Cash Bonus awards under the STI is based on the 2016 Cash Bonus rules. Each target has a 90% threshold achievement (i.e., there is no payout for less than 90% achievement of the relevant target) and a cap at 120%. For the Executive Team these achievement values would translate into an incentive reward based on a 10:1 linear interpolation for performance below 100% of target (90% achievement results in zero payout, 100% achievement results in 100% payout) and a 5:1 incentive reward for performance above target, capped at a 120% achievement, which triggers a 200% award.

As with the Cash Bonus, the Deferred Share component of the STI does not pay out below 90% achievement of target. The achievement of share awards under the 2016 DSP will be calculated against the same targets as the Cash Bonus but rewarded with a different scale: achieving the threshold performance of 90% will trigger a 90% award of the Deferred Share award target, with linear interpolation up to 100% performance triggering an award of 100% of the Deferred Share award. The maximum Deferred Share award is 50% of base salary.

As noted above, once the award values for the Cash Bonus and the Deferred Share award are calculated, they will be added together and then divided equally, so that 50% of the total award is paid in cash, and 50% is awarded in shares that vest over three years.

The DSP will be accounted for in accordance with IFRS 2, which requires the cost of share awards to be recorded as employee costs in the income statement over the vesting period, based on the number of shares expected to vest and the fair value of those shares.

No expense is recognised for awards that do not ultimately vest.

The cost of the deferred shares, vesting of which is not dependent on market conditions, is allocated over the years 2016 – 2018 and is calculated using the share price of Millicom on the date the shares are granted multiplied by the number of shares that ultimately vest.

The maximum number of Millicom shares that may vest under the 2016 DSP is 570,000. This is the theoretical level of payout if the entire Group achieved 120% performance against all 2016 budget targets and if all participating employees achieved the highest possible personal performance score. Using the same assumptions as above, this payout would represent a maximum 0.56% of the issued capital with a cumulative cost over the three-year period of approximately SEK 254 million (approximately USD 31.4 million), based on the closing share price on 12 April 2016.

(b) Long-term Incentive Plan (LTIP”)

Summary of the 2016 LTIP

The LTIP seeks to complement and support Millicom’s long-term business view and strategy by:

- Focusing senior management decision-making on medium-term shareholder value;
- Attracting and retaining key executives and senior managers; and
- Encouraging significant personal ownership of Company shares by senior management.

The Compensation Committee determines when an offer for the grant of share awards shall be made, the eligible employees to whom such offer shall be made and the terms governing the offer for the grant of such awards in rules related to the plan ("Plan Rules"). Eligibility for participation in the 2016 LTI is limited to members of Millicom's Global Senior Management group, which is defined by Millicom's internal role grading structure and consists of all Country Manager and corporate Vice President roles up to and including all members of Millicom's Executive Team. Currently, 51 individuals are included in this group.

Key Changes in 2016 LTIP:

The following is a summary of key developments in the 2016 LTIP, as compared with the 2015 LTIP:

- The DSP is moving out of the LTIP and under the STI umbrella, where award achievements are more closely linked to personal performance.
- The 2015 Executive Share Plan (see below) is not repeated in 2016, and both CEO and CFO are participating under the same LTIP rules as the rest of the Executive team. All members of the Executive team and senior management remain subject to very significant share ownership requirements.
- For the remaining LTI Plan (see below), a relative TSR target has been added to the absolute TSR growth target to reflect the high unpredictability of the macro-economic environment, giving senior management better line of sight for incentive achievement.

Performance Share Plan ("PSP")

The proposal for 2016 LTIP is a PSP.

Share awards granted under the PSP are based on limits set by the Plan Rules, as described below. Shares granted will vest 100% at the end of a three-year period, subject to the following performance conditions over that three-year period:

- 25% of the award vests based on attaining an Absolute Total Shareholder Return ("TSR") target, where Absolute TSR must be greater than 0,
- 25% vests based on achieving a target vis-à-vis Relative Total Shareholder Return, where 40% of the target pays out at median performance of a predetermined peer group and 100% of the target pays out at a performance of five percentage points above such median, and
- 50% vests based on actual vs. budgeted EBITDA less CAPEX less Change in Working Capital ("Free Cash Flow"), where 20% of the target pays out at an average

achievement of 90% of annual Free Cash Flow performance targets, and 100% of target pays out at achieving an average of 100% of annual Free Cash Flow targets.

The participants in LTIP are subject to Millicom's Share Ownership Policy. Under this policy, Millicom's CEO is required to own 400% of annual base salary in Millicom shares before being able to trade any vested shares, the CFO is required to hold 200%, other Executives are required to hold 100% and other members of the global senior management team are required to hold 50%.

The 2016 LTIP will be accounted for in accordance with IFRS 2, which requires the cost of share awards to be recorded as employee costs in the income statement over the vesting period, based on the number of shares expected to vest and the fair value of those shares.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. These are treated as vested regardless of whether or not the market conditions are satisfied, provided that all other performance conditions are satisfied.

The cost of the 2016 LTIP is allocated over the years 2016 – 2018 and is calculated in two distinct components as follows:

- 1) As the TSR measures are market conditions, the fair value of the shares in the performance share plan requires adjustment for future market-based conditions. For this, a specific valuation will be performed at grant date based on the probability of the TSR conditions being met (and to which extent) and the expected payout based upon leaving conditions.
- 2) The free cash flow ("FCF") condition is a non-market measure which is considered together with the leaving estimate and based initially on a 100% fulfilment expectation.

The reference share price for the PSP is the same share price as the share price for the Share element of the STI. The maximum number of Millicom shares that may vest under the 2016 LTIP will be limited to 235,000; this represents a maximum of 0.23% per cent of the issued capital.

Information about the outcome of the 2016 LTIP will be presented in Millicom's 2019 Annual Report.

Executive Share Plan

As of 2016, the Executive Share Plan has been discontinued. The basis for this decision is the fact that all participants in the PSP are already subject to significant personal ownership requirements of Company shares through Millicom's Share Ownership Policy (see above). In light of these substantial ownership requirements, which effectively perform the same function

as the previous Executive Share Plan in terms of increasing share ownership of Executives, the Executive Share Plan has been discontinued. Accordingly, Millicom's CEO and CFO, who were participants in the Executive Share Plan during 2015, will receive share awards in the same manner as other Executives in 2016: a PSP award under the LTIP and a Deferred Share Award under the STI plan.

Preparation and administration

The Board or the Compensation Committee is responsible for preparing the detailed terms and conditions of the LTIP, in accordance with the terms and guidelines set out above. In connection therewith, the Board shall be entitled to make adjustments to meet foreign regulations or market conditions, and, in connection with delivery of shares to participants, offer share settlement in order to cover the participant's tax costs upon vesting.

Delivery of shares to the participants under the LTIP

Delivery of Millicom shares, subject to the terms of conditions of the LTIP, will be made by transfer, free of charge, of Millicom ordinary shares held by the Company to participants over the vesting period of the plans.

(iii) Other benefits

Other benefits can include, for example, a car allowance, medical coverage and, in limited cases, housing allowance, school fees, home leave and other travel expenses.

(iv) Pension

The Executives are entitled to participate in a global pension plan, covering also death and disability insurance, in accordance with European standards. The global pension plan is secured through premiums paid to insurance companies.

Notice of termination and severance pay

If the employment of Millicom's senior executives is terminated, a notice period of up to 12 months potentially applies.

Deviations from the guidelines

In special circumstances, the Board of Directors may deviate from the above guidelines, for example additional variable remuneration in the case of exceptional performance. In such a case the Board of Directors will explain the reason for the deviation at the following Annual General Meeting.

NOTES REGARDING THE NOTICE FOR THE EGM

CHAIRMAN OF THE EGM (EGM – item 1)

Millicom's Nomination Committee proposes Mr. Alexander Koch, attorney at law (Rechtsanwalt), with professional address in Luxembourg, to preside over the EGM.

In case of absence of Mr. Alexander Koch, the Chairman of the Board of Directors of Millicom or, in the absence of the Chairman of the Board of Directors, any member of the Board of Directors, shall be empowered to appoint the person to preside over the EGM amongst the persons present at the meeting.

The Chairman of the EGM shall be empowered to appoint the other members of the Bureau (i.e., the Secretary and the Scrutineer) amongst the persons present at the meeting.

CHANGE OF THE DATE OF THE AGM (EGM – item 2)

It is proposed that the date at which the AGM shall be held each year is changed to the first Thursday of May. Currently, the AGM is held on the 15th of May of each year (or the next following business day if the 15th of May is not a business day in Luxembourg). The time of the AGM shall remain unchanged, i.e. 10 am CET. Article 19 of the Articles shall be amended to reflect the new date of the AGM.

The amended article 19 of the Articles shall read as follows: "*The annual general meeting will be held in the Grand Duchy of Luxembourg, at the registered office of the Company or at such other place as may be specified in the notice convening the meeting, on the first Thursday of May each year at 10 am. If such day is a public holiday in Luxembourg, the meeting will be held on the next following business day in Luxembourg.*"

CHANGE OF THE SIGNING POWERS IN RELATION TO COPIES OR EXTRACTS OF BOARD RESOLUTIONS (EGM – item 3)

It is proposed that the wording of article 9 paragraph 2 of the Articles in relation to the signing powers in relation to copies or extracts of resolutions of the Board of Directors be clarified and the English and French version thereof be aligned.

The amended article 9 paragraph 2 of the Articles shall read as follows: "*Copies or extracts of such minutes or of resolutions of the board of directors passed in writing which may be produced in judicial proceedings or otherwise will be signed by the Chairman or the chairman of the relevant meeting of the board of directors or by any two members of the board of directors.*"

QUORUM AND MAJORITY RELATING TO THE AGM AND THE EGM

There is no quorum of presence requirement for the AGM. The AGM agenda items are adopted by a simple majority of the shares present or represented. Millicom holds certain own shares in treasury. Voting rights attached to shares held in treasury are suspended by law.

The EGM will validly deliberate on the resolutions on its agenda only if at least 50% of the issued share capital is present or represented (the "**Quorum**") at the first meeting and will validly be adopted only if approved by at least 2/3 of the votes cast at the EGM. If the Quorum is not reached at the first meeting, the Board of Directors may convene a second extraordinary general meeting of the shareholders of Millicom with an identical agenda as for the EGM at which no quorum will be required, and at which the resolutions will validly be adopted only if approved by at least 2/3 of the votes cast at the EGM. Each share is entitled to one vote.

OTHER INFORMATION RELATING TO THE AGM AND THE EGM

Millicom has 101,739,217 outstanding shares with a nominal value of USD 1.50 and with one vote attached to each such share. Millicom holds 1,409,304 shares in treasury. Voting rights attached to shares held in treasury are suspended by law.

1. Right to propose new items to the agenda and to file draft resolutions

One or several shareholders or holders of SDRs representing, individually or collectively, at least 5 % of the share capital of Millicom may require that some additional items be put on the agenda of the AGM and/or the EGM and propose draft resolutions with regard to items included or to be included in the agenda of the AGM and/or the EGM.

These rights shall be exercised in writing and shall be submitted to Millicom by mail at the following address: Millicom International Cellular S.A., 2 rue du Fort Bourbon, L-1249 Luxembourg, attention: Company Secretary, by telephone: + 352 27 759 477, by fax: + 352 27 759 996 or by e-mail at the following address: information@millicom.com, no later than 25 April 2016 and the revised agenda will be published by Millicom, at the latest on 2 May 2016.

The shareholders or holders of SDRs who send a request to Millicom to add an item to the agenda must send together with their request a justification thereof or a draft of the resolution to be adopted at the AGM and/or the EGM. They must indicate the mail or e-mail address to which the acknowledgment of receipt of their request may be sent to by Millicom within forty-eight (48) hours upon receipt of their request.

2. Right to have access to the documents and information related to the AGM and EGM

The following documents and information related to the AGM and EGM respectively are available to the shareholders and holders of SDRs at the above mentioned address of Millicom and on Millicom's website, (www.millicom.com):

- this convening notice;
- the Notification Form to attend the AGM and EGM in person;
- the Power of Attorney Form for direct shareholders and holders of SDRs;
- the draft resolutions of the AGM and EGM;
- Millicom's annual accounts and consolidated accounts for the year ended 31 December 2015, the management report(s) of the Board of Directors and the report(s) of the external auditor on these annual accounts and consolidated accounts, the list of the Directors and the auditor of Millicom;
- U.S. general Federal Income Tax Considerations for U.S. holders of Millicom shares and SDRs;
- the Nomination Committee's motivated statement explaining its proposals regarding the Board of Directors and information on the proposed Directors of Millicom;
- the evaluation of the programmes for variable remuneration to the executive management and the current remuneration structure and levels of remuneration in Millicom.

The shareholders and holders of SDRs may also receive a copy of the above mentioned documents by sending a request by mail to Millicom International Cellular S.A., 2 rue du Fort Bourbon, L-1249, Luxembourg, attention: Company Secretary, or by e-mail to the following address: information@millicom.com.

3. Right to participate at the AGM and EGM in person or represented by power of attorney

3.1. Direct Shareholders

Participation at the AGM and EGM, in accordance with the Articles, is reserved to shareholders who are duly registered as holders of shares in the share register of Millicom and/ or American Stock Transfer & Trust Company ("AST") on 3 May 2016 (the "**Record Date**") at 23.59 CET and who notify their intention to attend the AGM and/or the EGM, respectively, to Millicom by mail, email or fax to the above-mentioned address, either by using the Notification of Attendance Form (to be duly completed, dated and signed) in case the shareholder wishes to

attend the AGM and/or the EGM in person, or by using the Power of Attorney Form (to be duly completed, dated and signed) in case the shareholder wishes to be represented at the AGM and/or EGM.

The Notification of Attendance Form and the Power of Attorney may be downloaded from Millicom's website, www.millicom.com, or may be requested from Millicom free of charge at the mail and e-mail addresses indicated above.

The Notification of Attendance Form or the Power of Attorney shall be received by Millicom no later than on the Record Date at 23:59 CET. Direct shareholders who send the Notification of Attendance Form or the Power of Attorney by email or fax must ensure that the originals will follow by mail to Millicom International Cellular S.A., 2 rue du Fort Bourbon, L-1249 Luxembourg, attention: Company Secretary, within 3 business days, so that it is received by Millicom no later than on 9 May 2016.

3.2. Holders of SDRs

Participation at the AGM and EGM, in accordance with the Articles, is reserved to holders of SDRs who are duly registered as holder of SDRs in the records maintained by Euroclear Sweden AB as of the Record Date (as defined above) at 23.59 CET and who notify their intention to attend the AGM and/or the EGM to Skandinaviska Enskilda Banken AB (publ) ("**SEB**") by mail to the following address: SEB, Issuer Agent Department, R B6, 106 40 Stockholm, Sweden, by email to issuedepartment4@seb.se or by fax to +46 8 763 6250, either by using the Notification of Attendance Form (to be duly completed, dated and signed) in case the holder of SDRs wishes to attend the AGM and/or the EGM in person, or by using the Power of Attorney Form (to be duly completed, dated and signed) in case the holder of SDRs wishes to be represented at the AGM and/or the EGM.

The Notification of Attendance Form and the Power of Attorney may be downloaded from Millicom's website, www.millicom.com, or may be requested from SEB or Millicom free of charge at the mail and e-mail addresses indicated above.

The Notification of Attendance Form or the Power of Attorney shall be received by SEB no later than on the Record Date. SDR holders who send the Notification of Attendance Form or the Power of Attorney by email or fax must ensure that the originals will follow by mail to SEB, Issuer Agent Department, R B6, 106 40 Stockholm, within 3 business days, so that it is received by SEB no later than on 9 May 2016.

Holders of SDRs having registered their SDRs in the name of a nominee must temporarily re-register the SDRs in their own name in the records maintained by Euroclear Sweden AB in order to exercise their shareholders' rights at the AGM and EGM. SDR holders wishing to re-register must inform their nominee well in advance of the Record Date so that they appear on

the records maintained by Euroclear Sweden AB at 23.59 CET on the Record Date. Please note that SDR holders who have not re-registered their SDRs with Euroclear Sweden AB by 23.59 CET on the Record Date will not be eligible to participate in the AGM and EGM.

Conversions from shares into SDRs and vice versa will not be permitted from 17 May up to and including 19 May 2016.

Only the persons who are shareholders or holders of SDRs on the Record Date and who comply with the above procedure may participate and vote at the AGM and EGM.

Notwithstanding the above, the Bureau of the AGM and EGM shall have the discretionary power exceptionally to accept the attendance and voting of a shareholder or a holder of SDRs at the AGM and/or the EGM, even if the relevant Form of the Notification of Attendance or of the Power of Attorney has been received after the above-mentioned deadlines.

13 April 2016

The Board of Directors

For more information please contact:

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About Millicom

Millicom is a leading telecom and media company dedicated to emerging markets in Latin America and Africa. Millicom sets the pace when it comes to providing innovative and customer-centric digital lifestyle services to the world's emerging markets. The Millicom Group employs more than 16,000 people and provides mobile services to over 62 million customers. Founded in 1990, Millicom International Cellular SA is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2015, Millicom generated revenue of USD 6.73 billion and Adjusted EBITDA of USD 2.27 billion.