MILLICOM
THE DIGITAL LIFESTYLE

Q1 2013 Results

for the three month period ended March 31, 2013

Like-for-like revenue rises 8.3% as Millicom builds foundations for expansion

We believe in better. We believe in tigo

Contents

First quarter revenue up 8% as Millicom builds for the future

- **Revenue up 8.3% like-for-like to $1,246m**
- **Record mobile data customers up by 788,000 in the quarter**
- **Financial services transfers exceed $500m in March**
- **EBITDA of $494m and margin within guidance**

There was encouraging progress in new product areas identified for their potential when Millicom unveiled its five-year strategy for doubling growth last month, including:

- **The fastest-ever growth in new mobile data customers with 788,000 new customers using mobile data services in the quarter, an 18% increase versus the strong level of net additions achieved in the fourth quarter of 2012.**
- **Recurring mobile data revenue grew by 30% year-on-year in local currency in Latin America and close to 35% for the company overall and**
- **The transfer of over $500 million in March through our mobile money services network. In our most advanced market, the volume transferred was equivalent to around 15% of the local GDP in the month.**

Commenting on the performance, Hans-Holger Albrecht, President and CEO of Millicom said:

“Last month, we outlined our mid-term strategy and ambition to double revenues by the end of 2017 whilst maintaining strong profitability and enhancing cash flow generation.

Our business is performing in line with our expectations with an 8.3% like-for-like increase in revenue in the first quarter. This growth represents a slight acceleration versus the previous quarter, despite the quieter Easter period falling in Q1 this year.

In MFS, we reached an important milestone as in our most advanced market of Tanzania, we shipped through our network the equivalent of around 15% of the country’s GDP in the month of March. Synergies abound: now in Ghana, food can be purchased from one of our online businesses and paid for with Tigo Cash. Such developments illustrate the opportunities ahead.

I am also delighted that during the quarter we strengthened our Corporate Responsibility activity. This is integral to our work and a vital expression of our values.”

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Results Summary

Q1 2013 Financial Highlights

- Revenue of $1,246 million, growing 8.3% on a like-for-like* basis.
- EBITDA before corporate costs of $494 million and EBITDA margin of 39.7%, 40.5% excluding Online, in line with full-year guidance.
- Capex of $193 million including spectrum investments in South America.

**Like for like: underlying organic growth excluding regulatory and one off impacts, restated for the number of days*

Significant events

- Mobile revenue grew 5% on a like-for-like basis as new customers' additions in mobile data were stronger than ever.
- In Cable & Digital Media, Millicom entered into exclusive negotiations with EPM to create an integrated leader in Colombia.
- MFS growth was strong again with over $500 million of cash transferred through Mobile Financial Services (MFS) in March.
- Online services became available in an increasing number of markets, with first synergies in Ghana where customers can pay for online services with mobile money.

2013 forward looking statements

We expect 2013 Group EBITDA margin to be above 40% (excluding Online) and to decline at a lower rate than over the past twelve months. The capex to revenue ratio will peak at around 20%, excluding spectrum acquisition.

In 2013 we expect the Online division to generate revenue in excess of $100 million and EBITDA losses to be in the range of $125-200 million. Losses will be on the higher side of the range if we see an opportunity to accelerate growth and ramp up launch of new businesses.

$m	Q1 2013	Q1 2012	YOY % change local currency	YTD 2013	YTD 2012	YOY % change local currency
Revenue	1,246	1,168	4.9%	1,246	1,168	4.9%
EBITDA(i)	494	517	(7.2%)	494	517	(7.2%)
EBITDA margin	39.7%	44.2%	(4.5 ppt)	39.7%	44.2%	(4.5 ppt)
Normalized Net Profit(ii)	143	175		143	175	
Capex(iii)	193	172		193	172	

(i) EBITDA: operating profit before interest, tax, depreciation and amortization; derived by deducting cost of sales, sales and marketing costs and general and administrative expenses from revenue and adding other operating income.

(ii) Net profit adjusted for items such as foreign exchange movements, movements in valuation of the Honduras put option, Colombian deferred tax asset, and revaluation of previously held interests.

(iii) Excluding towers sold to, and leased back from tower companies, spectrum and assets acquired with Cablevision Paraguay.

President's Statement

Maintaining momentum-Building foundations

"Last month, we outlined our mid-term strategy and ambition to double revenues by the end of 2017 whilst maintaining strong profitability and enhancing cash flow generation.

Our stated ambition is to transform the business and successfully execute our plans to further diversify in mobile, mobile data, cable, digital media entertainment and mobile financial services. Implementation of our plan is underway.

Meanwhile, our business is performing in line with our expectations with an 8.3% increase in revenue in the first quarter on a like-for-like basis, due in part to strong growth in mobile data usage and MFS. This growth represents a slight acceleration versus the previous quarter despite the quieter Easter period falling in Q1 this year - negatively impacting our growth in Latin America.

In MFS, we reached an important milestone as over $500 million of cash was transferred using our services in the month of March. In our most advanced market, we remitted through our network the equivalent of around 15% of the country's GDP in the same month, underpinning our confidence in the category's potential. Synergies abound: today in Ghana, food can be purchased from one of our online businesses and paid for with Tigo Cash. Such developments illustrate the opportunities ahead and the importance of such products to our growing portfolio.

I am also delighted that during the quarter we strengthened our Corporate Responsibility activity with the establishment of The Millicom Foundation, which will be launched publicly next month. This is integral to our work and a vital expression of our values."

Hans-Holger Albrecht
President and CEO,
Millicom International Cellular S.A.

Significant events

On March 6, 2013, Millicom unveiled its ambitions for the next five years at its 2013 Capital Markets Day in London. The company aims to **double revenue by 2017 through growth in mobile and notably mobile data, cable and MFS**. Development of Online is expected to further strengthen Group revenue growth. Focus on cost control will remain a priority, enabling us to stabilize EBITDA margin after corporate costs at around 35% in 2014. Capex to revenues will decline from the peak of around 20% in 2013 to less than 15% by 2016 as the mix of services becomes less capital intensive.

In the first quarter, we set the foundations for future growth in new areas, while maintaining strong momentum in the mobile business.

In Mobile Financial Services, we achieved significant milestones.

MFS Penetration in countries where we had launched for over one quarter reached 12.6% of our customers' base. Cash transferred overall through our networks exceeded $500 million, and reached equivalent to 15% of country's GDP in our most advanced market.

On January 7, 2013, we launched throughout **Bolivia** enabling people to send money across the country simply using their mobile phone. Other available services include merchant payments, bill payments and airtime reloads already.

On February 11, 2013, Tigo Ghana was recognised as the best mobile money provider in Western Africa at the 2013 Mobile Money expo (Kalahari mobile money award).

We generated in Q1, the first synergies between Online and MFS.
In Ghana, it became possible in Q1 to pay for goods and services ordered online through Tigo Cash (MFS product).

On March 5, 2013, Millicom strengthened its commitment to grow online. The company announced that it will exercise its first option to increase its stakes in Rocket Internet's subsidiaries Latin America Internet Holdings (LIH) and Africa Internet Holdings (AIH) from 20% to 35% during 2013.

Solid mobile performance

In the first quarter, we recorded our strongest ever growth in new mobile data customers. 788,000 new customers used mobile data services in the first quarter of 2013, an 18% increase versus the level of net additions achieved in the fourth quarter of 2012. This enabled us to sustain a like-for-like growth in mobile at 5% despite the Easter impact on our growth in Q1.

Negotiations progressing well in Colombia
On February 5, 2013, Millicom and EPM Colombia entered into exclusive negotiations to discuss a possible combination of their respective telecom businesses in Colombia. The discussions are expected to conclude in the first half of 2013.

Operating review

Total revenue for the three months ended March 31, 2013 was $1,246 million. On a like-for-like basis, revenue growth reached 8.3%, versus 7.6% in Q4 2012. Reported growth was led by South America this quarter. We generated around half of Group growth from Mobile, 19% from Online, 16% from MFS and the rest from our Cable and Digital Media division.

Reported EBITDA for the quarter was $494 million, down 4.4% versus Q1 2012. EBITDA losses from Online amounted to $6.2 million in the quarter. Consolidated EBITDA margin at 39.7% was 4.5 percentage points lower than Q1 2012. Excluding Online, EBITDA in Q1 reached $500 million, or a margin of 40.5%, in line with our expectations and guidance for the full year.

The decline in EBITDA margin this quarter was predominantly driven by investments for growth with an increase in sales and marketing costs of $35 million to support growth in mobile data and MFS and $33 million incremental G&A costs to build category skills and network coverage.

Focus on cost management continues to be high. We have identified opportunities to reduce annualized costs by $100 million per year by 2016. Measures are currently being implemented to realize these savings mainly in the commercial and technical areas.

Revenue by business unit (US$ m)

	Q1 2013	Q1 2012	YOY growth* (%) Local Currency
Mobile	1,031	1,017	1.3
Cable & Digital Media	107	82	10.4
MFS	16	6	147.4
Online	11	-	NA
Other	81	63	NA
Total	**1,246**	**1,168**	**4.9%**

** Growth excl. Cablevision contribution*

Mobile (52% of group revenue growth)

Mobile revenue reached $1,031 million in Q1 2013, growing 1.3% over Q1 2012 in local currency and 5% on a like-for-like basis.

In the first quarter of the year, which is seasonally the weakest for customer intake, we increased mobile customers by 175,430 with 236,994 added in Central America and 44,206 in South America, whilst we lost 105,770 customers in Africa. In Bolivia, we performed a clean-up of the customer base for inactive users, whilst in Guatemala and Colombia net additions were strong this quarter. In El Salvador, there was a reclassification of customer numbers between mobile and fixed telephony units, resulting in one-off reduction of 90,000 customers in mobile (and a corresponding increase in fixed telephony RGUs). In Chad, a new SIM card registration tax was implemented slowing down additions. In the DRC and Rwanda, negative net additions resulted from our competitors giving away free SIM cards.

Overall ARPU declined 6.8% as a result of pressures on communication revenue this quarter, exacerbated by material regulatory pressures in a number of our markets. Without regulatory impact this quarter it would have declined 3.3%.

Year-on-Year-local mobile ARPU ($)

$	Total	Central America	South America	Africa
Q1 13	**7.9**	10.0	11.7	4.0
Q4 12	**8.3**	10.6	12.0	4.2
Q3 12	**8.3**	10.4	12.0	4.3
Q2 12	**8.4**	10.6	12.0	4.4
Q1 12	**8.5**	10.8	12.1	4.5

N.B. ARPU figures are based on total mobile revenue less roaming revenue. – These numbers now exclude MFS which used to be included in Mobile ARPU.

In mobile, **Communication** category revenue declined by 4.4% in local currency, negatively impacted by regulatory pressures. Revenue Generating Units (RGUs) in mobile communication (voice/SMS users) increased by 329,000 in Q1. During the first quarter, Mobile Termination Rates (MTR) were cut ($ equivalent) by 17% to 4 cents in Colombia, by 34% to 2 cents in Honduras, by 25% to 6 cents in DRC and by 70% in Tanzania in March to 2 cents. At Group level, regulatory pressure in Q1 accounted for 2.4 percentage points of growth, versus 0.8 points in the FY2012.

Without the regulatory impact, mobile communication revenue would have been flat year-on-year in Q1, as in Q4 2012. After the recent reduction in interconnection rates, the share of revenue directly exposed to interconnection decreased to 6.5% of recurring revenue in Q1 2013, which confirms that we are less exposed to further MTR cuts in the future.

Mobile information RGUs (mobile data customers) increased by 788,000 in the first quarter, to reach 7,135,000 or 15.1% of our total mobile customers base. The first quarter of the year was our strongest quarter ever for mobile information net additions. Penetration reached 16.4% in Central America, 22.5% in South America and 8.8% in Africa.

The transition from voice to data is accelerating strongly and is developing positively in terms of data usage.

Mobile Information RGUs

‘000	RGUs	Central America	South America	Africa
Q1 13	**7,135**	2,597	2,875	1,663
Q4 12	**6,347**	2,340	2,555	1,452
Q3 12	**5,679**	2,241	2,209	1,229
Q2 12	**5,140**	2,193	1,971	976
Q1 12	**4,616**	2,004	1,784	828

ARPU from mobile information users (mobile data users) was $7.9 in Q1 2013, decreasing 2.6% versus Q1 2012 in local currency. This is largely due to the accelerated addition of new mobile data customers in all regions with 18% more new customers recruited in Q1 2013 compared to Q4 2012.

In Q1 the mobile information category contributed 12% of Group revenue in Latin America. This recurring revenue grew by 30% year-on-year in local currency in Q1 in Latin America and close to 35% for the Group overall.

Performance in mobile information in Africa was also strong with 115% year-on-year growth in local currency, essentially driven by strong performance in Tanzania, Ghana and Rwanda, the markets in which we have started to roll out 3G networks. In Ghana we grew our customer base in mobile data, which we believe holds the key for future performance and market position.

We have maintained a strong pace of commercial investment in subsidies in our Latin American markets again in Q1 2013 as we continue to see unmet demand for access to the internet, and opportunities for return on subsidies within one year. Subsidies in local currency grew by 17.1% in Q1. The growing availability of attractively priced and quality smartphones starts facilitating acceleration of mobile internet uptake. This is reflected in the strong net additions we recorded in mobile information users this quarter again.

In 2013, we will continue to support 3G in Latin America and further expand our 3G coverage in Africa in Tanzania, Ghana, Rwanda, and also in DRC and Senegal where we have recently been granted licenses.

In mobile **Entertainment and Solutions,** ARPU remained fairly stable at around $1 per month and per user. The number of users was negatively impacted by our decision to stop automatic renewal of subscriptions to services such as Ring Back Tones or SMS based alerts to ensure fair and transparent billing. In Q1, mobile revenue in solutions increased by close to 34% year-on-year.

Cable & Digital Media (13% of group revenue growth)

Cable & Digital Media revenue grew by around 10% in Q1 2013 year-on-year in local currency (excluding consolidation of Cablevision in Paraguay).

In this business unit, we incorporate both residential cable & digital media and corporate revenue.

Revenue* breakdown residential/corporate

$ million	Total	Residential	Corporate
Q1 13	**107**	76	31
Q4 12	**103**	71	32
Q3 12	**85**	55	30
Q2 12	**84**	55	29
Q1 12	**82**	54	28

**Recurring revenue*

In the first three months of 2013, we obtained 10,000 new residential cable customers, of which 6,000 took TV services and 5,000 broadband connections. The number of homes passed increased from 2,107,000 to 2,192,000 (+85,000 new homes passed).

Residential cable ARPU grew by 1.7% in Q1 to $30.2 per home connected.

Residential Cable TV RGUs

'000	RGUs	Central America	South America
Q1 13	**691**	557	134
Q4 12	**685**	558	127
Q3 12	**482**	482	-
Q2 12	**484**	484	-
Q1 12	**484**	484	-

Cablevision Paraguay was rebranded to Tigo in Q4 2012 and in Q1 2013 growth accelerated significantly. We contracted 6,000 new TV customers in the first quarter and 5,000 new fixed broadband customers. In the first quarter our cable business in Paraguay generated $16.1 million in revenue.

The penetration of fixed broadband in our pay-TV customer base increased from 34.7% in Q4 2012 to 36.0% in Q1 2013. At the end of March, we had 249,000 fixed broadband customers in Latin America, 11,000 more than at the end of December 2012.

Residential Cable broadband RGUs '000

'000	RGUs	Central America	South America
Q1 13	**249**	225	24
Q4 12	**238**	219	19
Q3 12	**211**	211	-
Q2 12	**207**	207	-
Q1 12	**200**	200	-

Negotiations with EPM (Empresas Públicas de Medellín) about the possible combination of their telecommunication and cable businesses with our mobile business in Colombia are progressing well. We are confident of a positive outcome for all parties in the course of the second quarter of 2013, according to the timetable previously communicated.

MFS (16% of group revenue growth)

MFS revenue increased again strongly in Q1 2013 in local currency (+147%). In the first quarter of the year MFS contributed 16% of Millicom's recurring revenue growth.

Overall MFS penetration reached 11.7% of Millicom's mobile customer base in the countries where the service is offered. Excluding Bolivia, which was launched in January 2013, penetration would have reached 12.6%.

Penetration of MFS in Tanzania was close to 40% of our customer base at the end of March 2013. In Paraguay 26% of our customers were using the service in Q1.

In Rwanda, growth in penetration of MFS services continued strongly in Q1. At the end of March, 26% of our customers in Rwanda were active users of MFS.

We reached close to 3% penetration respectively in Ghana and Honduras and almost 5% in El Salvador during the quarter.

We launched MFS in Bolivia in January and early developments are positive. At the end of Q1, we had made foreign remittances available to our customers in all our markets in Central America. With this service, customers in Central America and Paraguay can now receive money from abroad directly into their mobile money wallets and convert it into cash at Tigo points of sale.

Our MFS RGUs increased by 416,000 in the first quarter, with Africa again leading penetration growth.

MFS RGUs '000

	RGUs	Central America	South America	Africa
Q1 13	**4,352**	419	996	2,937
Q4 12	**3,936**	303	902	2,731
Q3 12	**3,321**	241	773	2,307
Q2 12	**2,698**	170	667	1,861
Q1 12	**2,091**	94	582	1,415

ARPU for MFS users stood at $1.29, up 10.3% versus Q1 2012 in local currency despite dilution coming from new users added.

MFS ARPU ($)

	Total	Central America	South America	Africa
Q1 13	**1.29**	0.70	1.76	1.21
Q4 12	**1.28**	0.90	1.84	1.16
Q3 12	**1.27**	1.00	1.68	1.18
Q2 12	**1.20**	1.00	1.54	1.11
Q1 12	**1.16**	0.80	1.46	1.06

In the month of March, we transferred over $500 million through our mobile money services across the markets where it has been launched. In our most advanced market, the volume transferred was equivalent to around 15% of local GDP in the month.

Online (19% of group revenue growth)

Online / e-commerce is one of the fastest growing industries. We expect to generate sizeable synergies when we can start offering online and e-commerce in the markets where we have strong know-how and understanding of our customers.

Strong development at Kanui, Tricae and Jumia

In Q1, the Online category generated revenue of $10.7 million and EBITDA losses of $6.2 million.

Both Kanui and Tricae are continuing to perform strongly. Jumia in Nigeria has also performed very well and has early taken a strong position in the attractive Nigerian Online market.

Growth in Online is typically negatively impacted by seasonality in Q1 after the seasonally strong Q4 festive season.

New Launches and Expansion

During the end of 2012 the online food ordering site Hellofood and taxi ordering app EasyTaxi were launched in different regions in South America and the expansion continued during Q1 2013 when EasyTaxi became available in Venezuela, Chile, Argentina and Peru and Hellofood was launched in Venezuela, Brazil and Argentina.

In Africa Jumia (general merchandise) was launched in Kenya during the first quarter and now operates in four markets (Nigeria, Kenya, Egypt and Morocco). During the first quarter Kaymu (marketplace) and Vamido (real estate classifieds) were also launched in Nigeria.

Synergies

During Q1 it became possible to pay with Tigo Cash (MFS) when buying on Hellofood in Ghana. We are working on having Hellofood and EasyTaxi apps pre-installed on mobile phones that we sell in Colombia.

Online guidance 2013

In 2013 we expect the Online division to generate revenue in excess of $100 million and EBITDA losses to be in the range of $125-200 million. Losses will be on the higher side of the range if we see an opportunity to accelerate growth and ramp up launches.

We confirmed in Q1 that we will increase our investments in LIH and AIH. Cash, representing our 15% increases in shareholdings, will be transferred to the two holdings based on needs to finance growth but no later than the anniversary of the deal closing in September 2013.

Financial review

The unaudited interim consolidated financial statements of the Group for the three month period ended March 31, 2013 are included in Section 2.

Group EBITDA

Reconciliation between operating profit and group EBITDA for the periods is as follows:

US$ millions	Q1 13	Q4 12	Q3 12	Q2 12	Q1 12
Operating profit	**238**	**266**	**264**	**279**	**295**
Depreciation and amortization	209	210	206	199	196
Corporate costs	45	47	38	32	27
Gain (loss) on disposal/write down of assets, net	2	5	(1)	3	(1)
EBITDA	**494**	**528**	**507**	**513**	**517**

Depreciation and Amortization

In the first quarter, D&A was $209 million, $13 million higher than a year ago, primarily due to increased network amortization in cable in Paraguay and in Colombia.

Corporate Costs

In the first quarter corporate costs were lower than in Q4 2012, in spite of the fact that we continued to build further our global business units capabilities.

Financial expenses and income

The cost of financing before tax in Q1 2013 was higher than in the previous year and includes finance leases on towers sold and leased back. The main driver for the increase in financial expenses was the higher level of gross debt ($825 million more gross debt than in Q1 last year) as we re-leveraged the company, and financed acquisitions with debt.

We recorded non-cash non-operating income of $52 million from the change in value of the put option granted to our partner in Honduras.

Taxes

In Q1, accrued taxes decreased by $23 million year-on-year to $68 million. Our effective tax rate was 26.5% versus 26.8% one year ago.

Capex

In Q1 2013 we invested $193 million in capex, including $70 million in spectrum in South America. Cash capex amounted to $317 million as some of the significant Q4 2012 accrued capex was only paid in Q1 2013.

Movements in Working capital

Changes in working capital in Q1 were a negative $79 million, in line with usual seasonality of our investments, whilst still leading to an overall positive change in working capital over six months.

FCF generation

Free cash outflow for Q1 2013 was $57 million, as a result of higher network and spectrum investments, tax payments and more negative changes in working capital than in Q1 2012.

$253 million of cash was upstreamed during Q1 2013 through a combination of dividends, management fees and royalties.

Debt structure and maturity profile

Approximately 57% of the Group's gross debt (excluding financial leases) is denominated in local currency, limiting local foreign exchange exposure. US$ denominated debt is used in countries where long term debt in local currency is either too expensive or not available.

At the end of Q1 2013, 57% of gross debt was at fixed interest rates, reducing our exposure to interest rate volatility.

As previously indicated, we re-leveraged our balance sheet slightly to a net debt to EBITDA of 1.0x at the end of the year. Millicom has over $1.2 billion of cash on hand, with approximately two thirds in Euro and $US.

At the end of Q1 2013, 40% of Group gross debt was in bonds and 42% from bank financing representing a better balance of funding sources.

Shareholder remuneration

The Board will propose to the AGM to be convened on May 28, 2013, the payment of a 2012 ordinary dividend of $2.64 per share.

We reiterate our dividend policy for no less than $2 per share and at least 30% of normalised net income.

We have the ambition to progressive growth in ordinary dividends.

2013 Forward looking statements

Excluding Online, we expect 2013 Group EBITDA margin to be above 40% and to decline at a lower rate than over the past twelve months.

In 2013 we expect the Online division to generate revenue in excess of $100 million and EBITDA losses to be in the range of $125-200 million. Losses will be on the higher side of the range if we see an opportunity to accelerate growth and ramp up launch of new businesses.

In 2013, the capex to revenue ratio will peak at around 20%, excluding spectrum acquisition. This will be driven by continued investments in 3G in capacity and coverage, notably as we roll out further countries in Africa, and IT investments.

Subsequent events

On April 11, 2013, Millicom qualified along with eleven other participants to the last phase of the process that should see Myanmar issuing two new 15-year telecom licenses. The process is scheduled to be completed by the end of Q2 2013.

On April 17 2013, Millicom Nomination Committee announced a proposal for three new Directors to Millicom Board, in advance of the AGM on May 28, 2013: Mr. Ariel Eckstein, Mr. Lorenzo Grabau and Mr. Alejandro Santo Domingo. This follows the intention of Ms. Donna Cordner, Mr. Anders Kronborg and Mr. Dionisio Romero Paoletti to step down at the AGM. More details about the nominated new Directors can be found on www.millicom.com or in the press release published today in conjunction with the announcement.

Corporate Responsibility (CR)

In Q1 2013, Millicom took important steps forward in both increasing transparency and putting into action its new CR strategy.

Millicom appointed as CR Director, Åse Bergstedt, on the January 1, 2013 with the responsibility to implement the new CR strategy and lead the Foundation. This will ensure a clear focus on sustainable opportunities in our markets, employer branding and customer loyalty and retention. The Millicom Foundation will establish close relationships with local communities and develop new partnerships.

First CR report aligned to the GRI

Millicom reached an important milestone in March by publishing its first Corporate Responsibility Report aligned to the Global Reporting Initiative (GRI) and including for the first time several performance data indicators. Indicators include % of women, % of locally employed staff, turnover, CO2 emissions and breakdown of whistle blower investigations per category. The report also contains targets for the current year. The full report, which is independently assured against the AA1000 standard and earned a GRI Application Level C+, can be found on the Millicom website.

Creation of the Millicom Foundation

The Millicom Foundation was created in Q1 and will be submitted to the AGM for approval in May. The Foundation is one of the key pillars of Millicom's new CR strategy and plans to support the communities in which we operate through promoting and seizing business opportunities while using technology to mobilize societies and low-income families. The aim is to empower women and children through providing ICT in remote areas by enabling mobile healthcare, supporting entrepreneurship and facilitating education and training.

Collaboration with UNICEF strengthened

Continuing our collaboration with UNICEF, Millicom was invited to showcase its pioneering work on assessing business impacts on children's rights at an event celebrating the first year of Children's Rights and Business Principles in Stockholm.

Industry Dialogue hosted by GNI

In Q1, Millicom announced together with other key industry players that the work of the Telecom Industry Dialogue on Freedom of Expression and Privacy that Millicom continues to be actively involved in will be hosted by Global Network Initiative (GNI) – an organization that has established strong credibility with its inclusive and multi-stakeholder approach. At the same time Millicom also publicly endorsed the Principles of the Industry Dialogue as a guiding document for its work on the issues of privacy and freedom of expression going forward.

Conference call details

A presentation and conference call to discuss results of the quarter will take place at 14.00 Stockholm / 13.00 London /08.00 New York, on Wednesday, April 17, 2013. Dial-in numbers: +46 (0)8 5052 0189, +44 (0) 208 515 2313, or +1 480 293 1741. Access code: 461 20 46.

A live audio stream of the conference call can also be accessed at www.millicom.com. Please dial in / log on 10 minutes prior to the start of the conference call to allow time for registration.

Slides to accompany the conference call are available at www.millicom.com.

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Millicom is a leading telecom operator 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, giving access to the world, primarily through mobile devices. The Millicom Group employs more than 10,000 people and provides mobile services, access to the internet, content and financial services to over 47 million customers. Founded in 1990, Millicom International Cellular SA is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2012, Millicom generated revenue of USD 4.81 billion and EBITDA of USD 2.07 billion.

This press release 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 forward-looking statements depending on various important factors.

All forward-looking statements in this press release are based on information available to Millicom on the date hereof. All written or oral forward-looking statements attributable to Millicom International Cellular S.A., and Millicom International Cellular S.A. employees or representatives acting on Millicom's behalf are expressly qualified in their entirety by the factors referred to above. Millicom does not intend to update these forward-looking statements.

Section 1- Other operating and financial data

Quarterly analysis by region (unaudited)

	Q1 13	Q4 12	Q3 12	Q2 12	Q1 12	Increase Q1 12 to Q1 13
Revenue (US$ millions)						
Central America	467	481	469	476	474	(2%)
South America	529	526	480	466	455	16%
Africa	239	249	247	239	239	0%
Online	11	10	3	-	-	NA
Total Revenue	**1,246**	**1,266**	**1,199**	**1,181**	**1,168**	**7%**
EBITDA (US$ millions)						
Central America	226	244	236	237	241	(6%)
South America	196	204	181	185	186	5%
Africa	78	87	92	91	90	(13%)
Online	(6)	(7)	(2)	-	-	NA
Total EBITDA	**494**	**528**	**507**	**513**	**517**	**(4%)**
Total mobile customers at end of period (‘000s)						
Central America	15,834	15,597	15,297	15,182	15,059	5%
South America	12,760	12,716	12,268	11,740	11,531	11%
Africa	18,810	18,916	18,466	17,628	17,209	9%
Total	47,404	47,229	46,031	44,550	43,799	**8%**
Attributable mobile customers at end of period (‘000s)						
Central America	12,120	12,032	11,888	11,874	11,774	3%
South America	12,760	12,716	12,268	11,740	11,531	11%
Africa	18,545	18,651	18,207	17,374	16,957	9%
Total	43,425	43,399	42,363	40,988	40,262	**8%**

Cellular customers and market position by country (unaudited)

Country	Equity holding	Country population (million) (i)	MIC market position (ii)	Net adds Q1 13 (000's)	Total customers ('000s) (iii)		
					Q1 13	Q1 12	YoY growth
CAM							
El Salvador	100.0%	6	1 of 5	(130)	**2,849**	3,047	(6%)
Guatemala	55.0%	14	1 of 3	330	**8,252**	7,300	13%
Honduras	66.7%*	8	1 of 3	37	**4,733**	4,712	0%
SAM							
Bolivia	100.0%	10	2 of 3	(180)	**2,861**	2,832	1%
Colombia	50.0% +1 share	46	3 of 3	242	**5,968**	5,002	19%
Paraguay	100.0%	7	1 of 4	(18)	**3,931**	3,697	6%
Africa							
Chad	100.0%	11	1 of 3	(75)	**1,955**	1,903	3%
DRC (iv)	100.0%	76	1 of 6	(65)	**2,936**	2,307	27%
Ghana	100.0%	25	2/3 of 6	15	**3,185**	3,334	(4%)
Mauritius	50.0%	1	2 of 3	3	**532**	503	6%
Rwanda	87.5%	12	2 of 4	(31)	**1,471**	1,180	25%
Senegal	100.0%	13	2 of 4	23	**2,664**	2,484	7%
Tanzania	100.0%	48	2 of 7	24	**6,067**	5,498	10%
Total cellular customers excluding discontinued operations		277		175	**47,404**	43,799	8%

(i) *Source: CIA World Factbook*

(ii) *Source: Millicom. Market position derived from active customers based on interconnect*

(iii) *Millicom only reports customers from which revenue has been generated within a period of 60 days, or in the case of new customers, only those from which revenue has already been generated*

(iv) *DRC market position relates to the Kinshasa/Bas Congo area only*

* *Millicom's unconditional call option over its partner's 33.3% shareholding enables Millicom to fully consolidate Honduras.*

Review by region (unaudited)

Central America	Q1 13	Q4 12	Q3 12	Q2 12	Q1 12
Mobile Customers (m)	**15.8**	15.6	15.3	15.2	15.1
YoY growth (%)	***5.1%***	*6.6%*	*7.8%*	*7.8%*	*9.0%*
Revenue ($m)	**467**	481	469	476	474
YoY growth (%) (reported)	***(1.7%)***	*0.6%*	*1.9%*	*6.0%*	*4.3%*
YoY growth (%) (local currency)	***0.2%***	*2.4%*	*3.3%*	*7.9%*	*4.7%*
EBITDA ($m)	**226**	244	236	237	241
YoY growth (%)	***(6.0%)***	*(0.3%)*	*0.6%*	*2.0%*	*(2.1%)*
Margin (%)	***48.5%***	*50.8%*	*50.3%*	*49.7%*	*50.8%*
Total mobile ARPU ($)(i)	**10.0**	10.6	10.4	10.6	10.8
YoY growth (%) (reported)	***(7.4%)***	*(6.2%)*	*(7.1%)*	*(4.5%)*	*(6.1%)*
Capex ($m)	**46**	131	41	72	51
Capex/Revenue (%)	***9.9%***	*27.3%*	*8.8%*	*15.1%*	*10.8%*

(i) Not adjusted for constant forex and excluding MFS

South America	Q1 13	Q4 12	Q3 12	Q2 12	Q1 12
Mobile Customers (m)	**12.8**	12.7	12.3	11.7	11.5
YoY growth (%)	***10.7%***	*14.0%*	*12.9%*	*10.0%*	*10.5%*
Revenue ($m)	**529**	526	480	466	455
YoY growth (%) (reported)	***16.4%***	*16.8%*	*8.2%*	*9.7%*	*17.4%*
YoY growth (%) (local currency)	***8.7%***	*11.0%*	*14.6%*	*13.1%*	*14.5%*
EBITDA ($m)	**196**	204	181	185	186
YoY growth (%)	***5.2%***	*8.0%*	*(4.6%)*	*2.0%*	*12.6%*
Margin (%)	***37.0%***	*38.7%*	*37.8%*	*39.8%*	*40.9%*
Total mobile ARPU ($)(i)	**11.7**	12.0	12.0	12.0	12.1
YoY growth (%) (reported)	***(3.3%)***	*(2.4%)*	*(4.8%)*	*(2.4%)*	*6.1%*
Capex ($m)(ii)	**115**	135	76	92	69
Capex/Revenue (%)	***21.6%***	*25.8%*	*15.8%*	*19.8%*	*15.2%*

(i) Not adjusted for constant forex and excluding MFS

(ii) Excluding sale and leaseback of previously owned towers

Review by region (continued)

Africa	Q1 13	Q4 12	Q3 12	Q2 12	Q1 12
Mobile Customers (m)	**18.8**	18.9	18.5	17.6	17.2
YoY growth (%)	***9.3%***	*9.3%*	*7.5%*	*6.5%*	*10.9%*
Revenue ($m)	**239**	249	247	239	239
YoY growth (%) (reported)	***0.0%***	*(0.2%)*	*0.1%*	*(2.9%)*	*(0.1%)*
YoY growth (%) (local currency)	***2.8%***	*1.9%*	*6.8%*	*5.7%*	*5.4%*
EBITDA ($m)	**78**	87	92	91	90
YoY growth (%)	***(12.8%)***	*(15.2%)*	*(11.4%)*	*(8.6%)*	*(8.4%)*
Margin (%)	**32.7%**	34.8%	37.3%	38.0%	37.5%
Total mobile ARPU ($)(i)	**4.0**	4.2	4.3	4.4	4.5
YoY growth (%) (reported)	***(11.1%)***	*(10.6%)*	*(10.4%)*	*(13.7%)*	*(13.5%)*
Capex ($m)(ii)	**31**	223(iv)	81	84(iii)	42
Capex/Revenue (%)	***12.9%***	*89.9%*	*32.8%*	*35.3%*	*17.4%*

(i) Not adjusted for constant forex and excluding MFS

(ii) Excluding sale and leaseback of previously owned towers

(iii) Includes spectrum in the Democratic Republic of Congo.

(iv) Includes US$ 103 million for spectrum in Senegal.

Revenue growth - Forex effect by region

US$ m	Revenue Q1 12	Constant currency growth	Forex	Acquisition*	Revenue Q1 13	LC growth %
CAM	474	1	(8)	-	467	0.2%
SAM	455	39	19	16	529	8.7%
Africa	239	7	(7)	-	239	2.8%
Online	0	11	-	-	11	NA
Total	1,168	58	4	16	1,246	4.9%

* *Acquisition of Cablevision in Paraguay and other smaller cable businesses*

Customers

Net additional mobile customers ('000)

	Total	CAM	SAM	Africa
Q1 13	175	237	44	(106)
Q4 12	1,198	300	448	450
Q3 12	1,480	115	528	837
Q2 12	753	124	209	420
Q1 12*	713	432	376	(95)

Source: Company data. Historical market share for Africa restated to reflect KBC market only in DRC

** Restated for industry corrections in Q1 12*

Customer market share

Market share (%)

	Total	CAM	SAM	Africa
Q1 13	29.8%	53.6%	19.9%	28.9%
Q4 12	30.2%	54.4%	19.7%	29.8%
Q3 12	29.9%	54.6%	19.2%	29.7%
Q2 12	29.8%	54.8%	18.8%	29.7%
Q1 12*	29.9%	55.1%	18.8%	29.8%

Year-on-Year-local currency mobile ARPU growth % (excl. MFS)

	Total	Central America	South America	Africa
Q1 13	**(7%)**	(5%)	(7%)	(9%)
Q4 12	**(5%)**	(5%)	(4%)	(9%)
Q3 12	**(2%)**	(6%)	1%	(4%)
Q2 12	**(2%)**	(2%)	1%	(6%)
Q1 12	**(3%)**	(6%)	4%	(8%)

N.B. ARPU figures are based on total mobile revenue less roaming revenue.

Section 2- Condensed Consolidated Financial Statements (IAS 34)

Condensed consolidated income statement for the three month period ended March 31, 2013

US$ millions (unaudited)	Notes	Three month period ended March 31, 2013	Three month period ended March 31, 2012
Revenue	7	1,246	1,168
Cost of sales		(468)	(421)
Gross profit		**778**	**747**
Sales and marketing		(246)	(211)
General and administrative expenses		(257)	(224)
Other operating expenses		(40)	(22)
Other operating income		3	5
Operating profit	7	**238**	**295**
Interest expense		(66)	(47)
Interest income		3	4
Other non-operating (expenses) income, net	8	42	(52)
Gain (loss) from associates, net		(6)	—
Profit before taxes from continuing operations		**211**	**200**
(Charge) credit for taxes, net		(68)	(91)
Net profit for the period		**143**	**109**

Attributable to:			
Owners of the Company		145	95
Non-controlling interests		(2)	14

Earnings per common share for profit attributable to the owners of the Company:			
Basic (US$)	9	1.45	0.93
Diluted (US$)	9	1.45	0.93

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

Condensed consolidated statement of comprehensive income for the three month period ended March 31, 2013

US$ millions (unaudited)	Three months ended March 31, 2013	Three months ended March 31, 2012
Net profit for the period	143	109
Other comprehensive income (to be reclassified to profit and loss in subsequent periods):		
Exchange differences on translating foreign operations	(1)	10
Cash flow hedge reserve movement	6	—
Total comprehensive income for the period	**148**	**119**

Attributable to:		
Owners of the Company	156	105
Non-controlling interests	(8)	14

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

Condensed consolidated statement of financial position as at March 31, 2013

US$ millions	Notes	March 31, 2013 (unaudited)	December 31, 2012 (audited)
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net		2,459	2,419
Property, plant and equipment, net	10	3,020	3,108
Investments in associates	11	178	193
Pledged deposits		45	47
Deferred tax assets		254	259
Other non-current assets		84	86
TOTAL NON-CURRENT ASSETS		**6,040**	**6,112**
CURRENT ASSETS			
Inventories		114	93
Trade receivables, net		343	322
Amounts due from non-controlling interests and joint venture partners		72	81
Prepayments and accrued income		198	140
Current income tax assets		45	39
Supplier advances for capital expenditure		52	44
Advances to non-controlling interest		39	56
Other current assets		109	86
Restricted cash		48	43
Cash and cash equivalents		1,137	1,174
TOTAL CURRENT ASSETS		**2,157**	**2,078**
Assets held for sale	5	19	21
TOTAL ASSETS		**8,216**	**8,211**

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

Condensed consolidated statement of financial position as at March 31, 2013 (continued)

US$ millions	Notes	March 31, 2013 (unaudited)	December 31, 2012 (audited)
EQUITY AND LIABILITIES			
EQUITY			
Share capital and premium		641	642
Treasury shares		(186)	(198)
Put option reserve		(737)	(737)
Other reserves		(130)	(133)
Retained profits		2,466	1,942
Profit for the period / year attributable to equity holders		145	508
Equity attributable to owners of the Company		**2,199**	**2,024**
Non-controlling interests		263	312
TOTAL EQUITY		**2,462**	**2,336**
LIABILITIES			
Non-current liabilities			
Debt and financing	13	2,535	2,566
Derivative financial instruments		4	4
Provisions and other non-current liabilities		125	127
Deferred tax liabilities		167	180
Total non-current liabilities		**2,831**	**2,877**
Current liabilities			
Debt and financing	13	760	693
Put option liability	14	678	730
Payables and accruals for capital expenditure		278	411
Other trade payables		273	259
Amounts due to joint ventures partners		19	19
Accrued interest and other expenses		357	341
Current income tax liabilities		207	161
Provisions and other current liabilities		347	379
Total current liabilities		**2,919**	**2,993**
Liabilities directly associated with assets held for sale	5	4	5
TOTAL LIABILITIES		**5,754**	**5,875**
TOTAL EQUITY AND LIABILITIES		**8,216**	**8,211**

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

Condensed consolidated statement of cash flows for the three month period ended March 31, 2013

US$ millions (unaudited)	Notes	Three month period ended March 31, 2013	Three month period ended March 31, 2012
Cash flows from operating activities			
Profit before taxes from continuing operations		**211**	**200**
Adjustments for non-operating items:			
Interest expense		66	47
Interest and other financial income		(3)	(4)
(Gain) loss from associates, net		6	—
Other non-operating expenses (income), net		(42)	52
Adjustments for non-cash items:			
Depreciation and amortization		209	196
Gain (loss) on disposal and impairment of assets, net		2	(1)
Share-based compensation	12	5	5
Changes in working capital:			
Increase in trade receivables, prepayments and other current assets		(62)	(39)
(Increase) decrease in inventories		(22)	2
Increase (decrease) in trade and other payables		5	(1)
Changes in working capital		**(79)**	**(38)**
Interest paid		(55)	(48)
Interest received		2	4
Taxes paid		(52)	(38)
Net cash provided by operating activities		**270**	**375**
Cash flows from investing activities:			
Acquisition of subsidiaries, and non-controlling interests, net of cash acquired	3	—	(13)
Purchase of intangible assets and licenses		(134)	(20)
Proceeds from the sale of intangible assets		4	1
Purchase of property, plant and equipment	10	(197)	(182)
Proceeds from the sale of property, plant and equipment	10	—	70
Net disposal (purchase) of pledge and time deposits		(12)	(2)
Net increase in restricted cash		(5)	(7)
Cash used by other investing activities		(52)	23
Net cash used by investing activities		**(396)**	**(130)**
Cash flows from financing activities:			
Proceeds from debt and other financing		190	165
Repayment of debt and financing		(102)	(187)
Net cash used by financing activities		**88**	**(22)**
Exchange gains (losses) on cash and cash equivalents		1	6
Net (decrease) increase in cash and cash equivalents		**(37)**	**229**
Cash and cash equivalents at the beginning of the period		1,174	861
Cash and cash equivalents at the end of the period		**1,137**	**1,090**

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

Condensed consolidated statements of changes in equity for the periods ended March 31, 2013, December 31, 2012, and March 31, 2012

US$ 000s	Number of shares (000's)	Number of shares held by the Group (000's)	Share capital (000's)	Share premium (000's)	Treasury shares (000's)	Retained profits (i) (000's)	Put option reserve (000's)	Other reserves (000's)	Total (000's)	Non-controlling interests (000's)	Total equity (000's)
Balance as at December 31, 2011	**104,939**	**(3,507)**	**157,407**	**505,120**	**(378,359)**	**2,811,130**	**(737,422)**	**(103,492)**	**2,254,384**	**191,170**	**2,445,554**
Profit for the period	—	—	—	—	—	*94,606*	—	—	*94,606*	*14,236*	*108,842*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*159*	*159*	(215)	*(56)*
Currency translation differences	—	—	—	—	—	—	—	*9,858*	*9,858*	*466*	*10,324*
Total comprehensive income for the period	—	—	—	—	—	94,606	—	10,017	104,623	14,487	119,110
Share based compensation	—	—	—	—	—	—	—	5,105	5,105	—	5,105
Issuance of shares under the LTIPs	—	237	—	(1,104)	25,452	(11,930)	—	(12,418)	—	—	—
Dividend to non-controlling shareholders	—	—	—	—	—	—	—	—	—	(1,937)	(1,937)
Change in scope of consolidation	—	—	—	—	—	6,895	—	—	6,895	—	6,895
Balance as at March 31, 2012 (unaudited)	**104,939**	**(3,270)**	**157,407**	**504,016**	**(352,907)**	**2,900,701**	**(737,422)**	**(100,788)**	**2,371,007**	**203,720**	**2,674,727**
Profit for the period	—	—	—	—	—	*413,700*	—	—	*413,700*	*(18,954)*	*394,746*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*(1,277)*	*(1,277)*	130	*(1,147))*
Currency translation differences	—	—	—	—	—	—	—	*(47,567)*	*(47,567)*	*(17,996)*	*(65,563)*
Total comprehensive income for the year	—	—	—	—	—	413,700	—	(48,844)	364,856	(36,820)	328,036
Dividends	—	—	—	—	—	(541,133)	—	—	(541,133)	—	(541,133)
Purchase of treasury shares	—	(2,106)	—	—	(189,619)	—	—	—	(189,619)	—	(189,619)
Cancellation of treasury shares	(3,200)	3,200	(4,800)	(15,000)	344,377	(324,577)	—	—	—	—	—
Share based compensation	—	—	—	—	—	—	—	16,824	16,824	—	16,824
Non-controlling interests in Rocket Internet (ii)	—	—	—	—	—	—	—	—	—	160,321	160,321
Dividend to non-controlling shareholders	—	—	—	—	—	—	—	—	—	(15,032)	(15,032)
Balance as at December 31, 2012	**101,739**	**(2,176)**	**152,607**	**489,014**	**(198,148)**	**2,450,458**	**(737,422)**	**(132,811)**	**2,023,698**	**312,189**	**2,335,887**
Profit for the period	—	—	—	—	—	*144,754*	—	—	*144,754*	*(2,063)*	*142,691*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*6,506*	*6,506*	(6)	*6,500*
Currency translation differences	—	—	—	—	—	—	—	*4,549*	*4,549*	*(5,737)*	*(1,188)*
Total comprehensive income for the period	—	—	—	—	—	144,754	—	11,055	155,809	(7,806)	148,003
Share based compensation	—	—	—	—	—	—	—	5,271	5,271	—	5,271
Issuance of shares under the LTIPs	—	128	—	(765)	11,894	(809)	—	(13,255)	(2,935)	—	(2,935)
Non-controlling interests in Rocket Internet (ii)	—	—	—	—	—	16,894	—	—	16,894	(16,894)	—
Dividend to non-controlling shareholders	—	—	—	—	—	—	—	—	—	(24,872)	(24,872)
Balance as at March 31, 2013 (unaudited)	**101,739**	**(2,048)**	**152,607**	**488,249**	**(186,254)**	**2,611,297**	**(737,422)**	**(129,740)**	**2,198,737**	**262,617**	**2,461,354**

(i) Includes profit for the period attributable to equity holders of which at March 31, 2013, $139 million (December 31, 2012: $126 million) are undistributable to owners of the Company.

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended

1. ORGANIZATION

Millicom International Cellular S.A. *(the "Company")*, a Luxembourg Société Anonyme, and its subsidiaries, joint ventures and associates (the "Group" or "Millicom") is an international company providing communications, information, entertainment, solutions, financial, online and e-commerce services in emerging markets, using various combinations of mobile and fixed telephony, cable, broadband and internet businesses in Central America, South America and Africa.

Millicom operates its mobile businesses in El Salvador, Guatemala and Honduras in Central America; in Bolivia, Colombia and Paraguay in South America; in Chad, the Democratic Republic of Congo, Ghana, Mauritius, Rwanda, Senegal and Tanzania in Africa. In addition, Millicom operates cable businesses in El Salvador, Guatemala, Honduras, Costa Rica and Paraguay and online/e-commerce businesses in several countries in Latin America and Africa.

The Company's shares are traded as Swedish Depositary Receipts on the Stockholm stock exchange under the symbol MIC SDB and over the counter in the US under the symbol MIICF. The Company has its registered office at 2, Rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Register of Commerce under the number RCS B 40 630.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Group are unaudited. They are presented in US dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', as published by the International Accounting Standards Board ("IASB") and as adopted by the European Union. In the opinion of management, the interim condensed consolidated financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods. Millicom's operations are not affected by significant seasonal or cyclical patterns apart from a slight increase in revenues over the festive season in December.

The interim condensed consolidated financial statements should be read in conjunction with the annual report for the year ended December 31, 2012.

The preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The interim condensed consolidated financial statements are prepared in accordance with consolidation and accounting policies consistent with Millicom's consolidated financial statements as at and for the year ended December 31, 2012, as disclosed in Note 2 of those financial statements.

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (Continued)

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning January 1, 2013 that have a material impact on the Group.

The nature and the impact of each new standard/amendment are described below:

IAS 1 *Presentation of Items of Other Comprehensive Income – Amendments to IAS 1*
The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Group's financial position or performance.

IAS 32 *Tax effects of distributions to holders of equity instruments* (Amendment)
The amendment to IAS 32 *Financial Instruments: Presentation* clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 *Income Taxes*. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders.

IAS 34 *Interim financial reporting and segment information for total assets and liabilities* (Amendment)
The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 *Operating Segments*. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment. The Group provides this disclosure as total segment assets were reported to the chief operating decision maker (CODM). See Note 7.
The following standards, amendments and interpretations issued are not effective for the financial year beginning January 1, 2013, have not been early adopted and are not expected to have a material impact on the Group.

- Amendment to IAS 32, 'Financial Instruments: Presentation', which updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify certain requirements for offsetting financial assets and financial liabilities on the statement of financial position. The Group is yet to assess the amendments full impact and intends to adopt the amendment no later than its effective date for the accounting period beginning on January 1, 2014.

The following standards, amendments and interpretations issued are not effective for the financial year beginning January 1, 2013, have not been early adopted and are currently being evaluated for impact on the Group.

- IFRS 9, 'Financial Instruments', which has yet to be adopted by the European Union, addresses the classification, measurement and recognition of financial assets and financial liabilities.

- Scope of the reporting entity, a group of standards comprising IFRS 10, 'Consolidated financial statements' (which replaces all of the guidance on control and consolidation in IAS 27, 'Consolidated and separate financial statements', and SIC-12, 'Consolidation − special purpose entities'), IFRS 11 'Joint Arrangements'; IFRS 12, 'Disclosure of interests in other entities'; and consequential amendments to IAS 28, 'Investments in associates'.

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

3. ACQUISITION OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS

2013

At the end of March 2013 Millicom exercised its first call options increasing its ownership in LIH and AIH from 20% to 35%. Consideration for exercise of the options of Euro 50 million (USD 64 million) for LIH and EUR 35 million (USD 45 million) for AIH will be provided based on cash requirements of each of the businesses, and no later than September 14, 2013.

Effective April 1, 2013 Millicom entered into an agreement with a minority partner of Africa e-Commerce Holding (AEH), a 51.47% subsidiary of AIH (Millicom's subsidiary in Rocket Africa) providing Millicom the ability to purchase a further 20% interest in AEH upon exercise of the option to reach 100% ownership in AIH and the minority shareholder to sell its 20% stake in AEH upon the same conditions.

2012

During the three month period ended March 31, 2012 Millicom acquired minor investments in businesses for consideration of $13 million and its increase in ownership in Navega El Salvador from 55% to 100% was completed.

4. DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS

There were no disposals of subsidiaries, joint ventures or non-controlling interests during the three month periods ended March 31, 2013 or March 31, 2012.

5. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

There were no discontinued operations during the three month periods ended March 31, 2013 or March 31, 2012.

Assets held for sale – Tower Sale and Leaseback Agreements

Between 2009 and 2011, Millicom signed various sale and leaseback agreements with tower companies in Africa and South America whereby Millicom agreed the sale of tower assets and to lease back a dedicated portion of each tower to locate its network equipment.

At March 31, 2013, Millicom had assets held for sale amounting to $19 million relating to its operations in DRC, Colombia, Ghana and Tanzania (December 31, 2012: $21 million relating to its operations in DRC, Colombia, and Tanzania) representing towers sold but yet to be transferred to tower companies in those countries.

The portions of these assets that will not be leased back are classified as assets held for sale, as completion of sale is highly probable. Asset retirement obligations related to the tower assets at March 31, 2013 of $4 million (December 31, 2012: $5 million) are classified as liabilities directly associated with assets held for sale. The portion of towers leased back are capitalized as finance leases and classified under the caption "Property, plant & equipment, net" in the consolidated statement of financial position.

At March 31, 2013 approximately 26 towers are held for sale in Ghana, 47 in Tanzania, 58 in DRC and 584 in Colombia.

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

6. JOINT VENTURES

The following amounts have been proportionally consolidated into the Group's financial statements representing the Group's share of revenue, operating expenses and operating profit in the Group's joint ventures.

US$ millions (unaudited)	Three month period ended March 31, 2013	Three month period ended March 31, 2012
Revenue	166	167
Operating expenses	(100)	(99)
Operating profit	**66**	**68**

7. SEGMENT INFORMATION

Management determines operating and reportable segments based on reports that are used by the Chief Operating Decision Maker ("CODM") to make strategic and operational decisions from both a business and a geographic perspective. The Group's risks and rates of return for its operations are predominantly affected by the fact that it operates in different geographical regions. The businesses are predominantly organized and managed according to selected geographical regions. These regions (Central America, South America and Africa) represent the basis for evaluation of past performance and for future allocation of resources.

Revenue, operating profit (loss) and other segment information for the three month periods ended March 31, 2013 and 2012 was as follows:

Three month period ended March 31, 2013 (US$ millions) (Unaudited)	Central America	South America (ii)(iii)	Africa (ii)	Unallocated item	Total continuing operations	Inter-company elimination	Total
Revenue	**467**	**540**	**239**	**—**	**1,246**	**—**	**1,246**
Operating profit (loss)	**148**	**119**	**16**	**(45)**	**238**	**—**	**238**
Add back:							
Depreciation and amortization	77	70	62	—	209	—	209
Loss (gain) on disposal and impairment of property, plant and equipment	1	1	—	—	2	—	2
Corporate costs	—	—	—	45	45	—	45
Adjusted operating profit	**226**	**190**	**78**	**—**	**494**	**—**	**494**
Less additions to:							
Property, plant and equipment	(44)	(42)	(8)	1	(93)	—	(93)
Intangible assets	(2)	(73)	(23)	(2)	(100)	—	(100)
Capital expenditure	**(46)**	**(115)**	**(31)**	**(1)**	**(193)**	**—**	**(193)**
Tax paid	(33)	(4)	(3)	(12)	(52)		
Changes in working capital	(11)	(68)	(1)	1	(79)		
Other movements	(37)	(52)	(49)	4	(134)		
Operating free cash flow (i)	**99**	**(49)**	**(6)**	**(8)**	**36**		
Total Assets	**3,507**	**2,520**	**1,983**	**1,420**	**9,430**	**(1,214)**	**8,216**
Total Liabilities	**1,857**	**1,975**	**2,044**	**1,082**	**6,958**	**(1,204)**	**5,754**

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

7. SEGMENT INFORMATION (continued)

Three month period ended March 31, 2012 (US$ millions) (Unaudited)	Central America	South America	Africa	Unallocated item	Total continuing operations	Inter-company elimination	Total
Revenue	**474**	**455**	**239**	—	**1,168**	**—**	**1,168**
Operating profit (loss)	**160**	**127**	**35**	**(27)**	**295**	**—**	**295**
Add back:							
Depreciation and amortization	79	59	58	—	196	—	196
Loss (gain) on disposal and impairment of property, plant and equipment	2	—	(3)	—	(1)	—	(1)
Corporate costs	—	—	—	27	27	—	27
Adjusted operating profit	**241**	**186**	**90**	—	**517**	**—**	**517**
Less additions to:							
Property, plant and equipment	(51)	(59)	(40)	(1)	(151)	—	(151)
Intangible assets	—	(10)	(2)	(9)	(21)	—	(21)
Capital expenditure	**(51)**	**(69)**	**(42)**	**(10)**	**(172)**	**—**	**(172)**
Tax paid	(23)	(12)	(3)	—	(38)		
Changes in working capital	(17)	(25)	1	3	(38)		
Other movements	(29)	51	19	—	41		
Operating free cash flow (i)	**121**	**131**	**65**	**(7)**	**310**		
Total Assets	**3,882**	**2,073**	**1,657**	**1,274**	**8,886**	**(1,397)**	**7,489**
Total Liabilities	**1,692**	**1,575**	**1,744**	**897**	**5,908**	**(994)**	**4,914**

(i) *Only for calculating segments' operating free cash flows, vendor financing of capital equipment is treated as a cash transaction,*
(ii) *Inclusion of Rocket from September 1, 2012*
(iii) *Inclusion of Cablevision Paraguay from October 1, 2012*

8. OTHER NON-OPERATING (EXPENSES) INCOME, NET

The Group's other non-operating (expenses) income, net comprised the following:

US$ millions (unaudited)	Three months ended March 31, 2013	Three months ended March 31, 2012
Change in carrying value of put option (see note 14)	52	(64)
Change in fair value of derivatives (see note 15)	1	(3)
Exchange (losses) gains, net	(11)	6
Other non-operating income (expenses), net	—	9
Total	**42**	**(52)**

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

9. EARNINGS PER COMMON SHARE

Earnings per common share (EPS) attributable to owners of the Company are comprised as follows:

US$ millions (unaudited)	Three months ended March 31, 2013	Three months ended March 31, 2012
Basic and Diluted		
Net profit attributable to owners of the Company from continuing operations	145	95
Net profit attributable to owners of the Company used to determine the earnings per share	145	95
in thousands		
Weighted average number of ordinary shares for basic earnings per share	**99,690**	**101,669**
Potential incremental shares as a result of share options	88	98
Weighted average number of ordinary shares adjusted for the effect of dilution	**99,778**	**101,767**
US$		
Basic		
- EPS for the period attributable to owners of the Company	1.45	0.93
Diluted		
- EPS for the period attributable to owners of the Company	1.45	0.93

10. PROPERTY, PLANT AND EQUIPMENT

The Group used cash for the purchase of property, plant and equipment as follows:

US$ millions (unaudited)	Three months ended March 31, 2013	Three months ended March 31, 2012
Additions	93	151
Increase in suppliers advances	8	5
Decrease in payables for property, plant and equipment	99	31
Increase in vendor financing and finance leases	(1)	(5)
Sale and lease back agreements (see notes 5 and 11)	(2)	—
Cash used for the purchase of property, plant and equipment	**197**	**182**

The charge for depreciation on property, plant and equipment for the three month period ended March 31, 2013 was $172 million (March 31, 2012: $159 million).

During the three month period ended March 31, 2013, Millicom did not dispose any property, plant and equipment (March 31, 2012: $70 million).

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

11. INVESTMENTS IN ASSOCIATES

As at March 31, 2013 investments in associates comprised:

US$ millions	As at March 31, 2013 (unaudited)	As at December 31, 2012 (audited)
Helios Towers Tanzania (see note 5)	18	26
Helios Towers DRC (see note 5)	30	29
Helios Towers Ghana (see note 5)	12	17
ATC Colombia BV	18	20
Africa e-Commerce Holding	99	100
Others	1	1
Total	**178**	**193**

Options related to Colombia Tower Sale and Leaseback Agreements

In December 2011, Millicom exercised an option to acquire a 40% stake in the holding company (ATC Colombia BV), of the tower company in Colombia (ATC Infraco) in which it is selling and leasing back a portion of its tower assets. By March 2013 Millicom did not invest any cash in ATC Colombia BV. The amount of the investment is derived from the value of the tower assets transferred to ATC Infraco.

Millicom has provided Colombia Móvil’s other shareholders with separate unconditional options to acquire up to half of Millicom’s interest in ATC Colombia BV (“ATC Colombia Option”). As at March 31, 2013 the options have not been exercised. The option expires on July 18, 2013. At March 31, 2013 the fair value of the options was not significant.

12. SHARE-BASED COMPENSATION

(a) Long-Term Incentive Plans

Long term incentive awards consist of three-year deferred share awards and performance share awards plans. Shares granted under the deferred plans are based on past performance and vest 16.5% at the end of each of the first and second years of the plans and 67% at the end of the final year. Shares granted under the performance plans are based on future performance, subject to various non-market conditions and vest at the end of three-year periods.

A summary of the plans at March 31, 2013 is as follows:

Plans (unaudited)	Shares vested in 2013 (Shares 000’s)	Actual/expected charge over the vesting period (US$ millions)
2010 Deferred Plan	81	11
2010 Performance Plan	39	5
Total actual for fully vested plans	**120**	**16**
2011 Deferred Plan	19	12
2011 Performance Plan	—	7
2012 Deferred Plan	24	15
2012 Performance Plan	—	7
2013 Deferred Plan	—	15
2013 Performance Plan	—	12
Total for other plans	**43**	**68**
Total	**163**	**84**

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

12. SHARE-BASED COMPENSATION (Continued)

(b) Total share-based compensation expense

Total share-based compensation for the three month periods ended March 31, 2013 and 2012 was as follows:

US$ millions (unaudited)	Three months ended March 31, 2012	Three months ended March 31, 2012
2010 LTIPs	—	1
2011 LTIPs	1	2
2012 LTIPs	1	2
2013 LTIPs	3	—
Total share-based compensation expense	**5**	**5**

13. DEBT AND FINANCING

Analysis of debt and other financing by maturity

The total amount of debt and financing is repayable as follows:

US$ millions	As at March 31, 2013 (unaudited)	As at December 31, 2012 (audited)
Due within:		
One year	760	693
One-two years	469	473
Two-three years	365	348
Three-four years	258	289
Four-five years	882	456
After five years	569	1,000
Total debt	**3,303**	**3,259**

As at March 31, 2013, the Group's share of total debt and financing secured by either pledged assets, pledged deposits issued to cover letters of credit or guarantees issued was $1,405 million (December 31, 2012: $1,391 million). The assets pledged by the Group for these debts and financings amount to $146 million (December 31, 2012: $131 million).

Millicom has issued guarantees to banks and suppliers as security over debt and financing of a number of its operations. The table below describes the outstanding and maximum exposure under these guarantees and the remaining terms of the guarantees as at March 31, 2013 and December 31, 2012. Amounts issued to cover bank guarantees are recorded in the consolidated statements of financial position under the caption "Debt and other financing".

	Bank and financing guarantees(i)			
US$ millions	As at March 31, 2013 (unaudited)		As at December 31, 2012 (audited)	
Terms	Outstanding exposure	Maximum exposure	Outstanding exposure	Maximum exposure
0-1 year	271	418	278	470
1-3 years	192	283	196	305
3-5 years	313	355	315	355
More than 5 years	—	—	—	—
Total	**776**	**1,056**	**789**	**1,130**

(i) *If non-payment by the obligor, the guarantee ensures payment of outstanding amounts by the Group's guarantor.*

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

14. PUT OPTION RESERVE

On July 1, 2010, Millicom reached an agreement with its local partner in Honduras whereby Millicom’s local partner granted Millicom an unconditional call option for five years for his 33% stake in the Honduran operation. At the same time, and as consideration for the call option, Millicom granted a put option for the same duration to its local partner. The put option can only be exercised if a change of control occurs in either Millicom International Cellular S.A. or Millicom’s subsidiary that holds the shares in Celtel (except if the change of control is in favour of Investment AB Kinnevik, the current largest shareholder of Millicom, or management of Millicom).

A change of control event which is beyond the control of Millicom may occur. Such an event would enable our local partner to exercise his put option. Accordingly, the put option is accounted for as a financial liability and measured at the present value of its redemption price

The redemption price of the put option is a multiple of the EBITDA of the Honduran operation. The multiple is based on a change of control transaction multiple of Millicom. Management estimated the change of control transaction multiple of Millicom from a trading multiple of Millicom and adding a control premium (based upon comparable transactions from the industry). At March 31, 2013 the redemption price was $678 million (December 31, 2012: $730 million).

The call option fair value is considered immaterial at March 31, 2013 and December 31, 2012.

15. COMMITMENTS AND CONTINGENCIES

Litigation & claims

The Company and its operations are contingently liable with respect to lawsuits, tax claims and other matters that arise in the normal course of business. At March 31, 2013, the total amount of claims against Millicom and its operations was $826 million, (December 31, 2012: $955 million), of which $1 million (December 31, 2012: $1 million) relate to joint ventures.

As at March 31, 2013, $13 million (December 31, 2012: $13 million) has been provided for litigation risks in the consolidated statement of financial position. Management is of the opinion that, while it is impossible to ascertain the ultimate legal and financial liability with respect to contingencies for which a provision has not been made, the ultimate outcome is not anticipated to have a material effect on the Group's financial position and operations.

Included in the total claims is a lawsuit filed against our subsidiary in Ghana by E-Talk Limited in November 2011. The suit alleges that Millicom Ghana terminated a July 2006 contract with insufficient notice. The claim is approximately $30 million, including various general damages, loss of expected revenues and punitive damages. Management considers this claim as opportunistic and without foundation, in so far as it was filed more than four years after the events on which the plaintiff bases its claim, and takes the view that no provision should be made for this claim.

Also included in the total claims is a claim filed with the Civil Chamber of Bogota in Colombia against the entire mobile operator industry of Colombia, including our subsidiary in Colombia, by a group of approximately twenty individuals. The claimants allege damages and losses suffered from third parties through illegal use of cellular phones in extortion attempts against the claimants, and are claiming a collective total of approximately $753 million from the mobile operators. The case has largely been inactive, with the exception of a mandatory settlement conference held among the parties under the court’s supervision, which did not result in any settlement agreement. It is expected that the litigation will move towards an evidence-presentation phase. Management considers this claim to be entirely spurious and without foundation or substance, and is of the view that no provision should be made for this claim.

Notes to the condensed consolidated interim financial statements as at March 31, 2013 and for the three month period then ended (continued)

15. COMMITMENTS AND CONTINGENCIES (Continued)

Capital commitments

As at March 31, 2013, the Company and its subsidiaries and joint ventures have fixed commitments to purchase network equipment and other fixed and intangible assets from a number of suppliers of $331 million (December 31, 2012: $367 million), of which $297 million (December 31, 2012: $334 million) are due within one year and $39 million (December 31, 2012: $50 million) relate to joint ventures.

In addition, Millicom is committed to supporting Colombia Móvil S.A., its operation in Colombia, through loans and warranties. The maximum commitment is $229 million and remains until the time the total support from Millicom equals the support from the founding shareholders of Colombia Móvil S.A.

Following exercise of its first options in LIH and AIH (see note 3), the Group has commitments to downstream $109 million to LIH and AIH at the latest by September 14, 2013.

Forward and swap contracts

As at March 31, 2013, Colombia Móvil S.A. held a foreign currency forward swap contract to sell Colombian Pesos in exchange for US$ for a nominal amount of $43 million (December 31, 2012: $43 million). The contract matures in July 2013. Gain under the contract amounted to $1 million for the three month period ended March 31, 2013 (March 31, 2012: loss of $3 million).

In October 2010, Millicom entered into separate interest rate swaps to hedge the interest rate risks on floating rate debts in Honduras and Costa Rica. The interest rate swap in Honduras was issued for a nominal amount of $30 million, with maturity in 2015, and in Costa Rica for a nominal amount of $105 million with maturity in 2017. The swaps were assessed as highly effective and cash flow hedge accounting has been applied, with changes in the fair value of the swap recorded in other comprehensive income.

In January 2010, Millicom entered into a three-year $100 million interest rate swap to hedge interest rate risk of floating rate debt in DRC, Ghana and Tanzania. The swaps were initially assessed as highly effective, and thus qualified for cash flow hedge accounting. During the three month period ending September 30, 2012 the Tanzania and Ghana hedges were assessed as ineffective and, as the value of these hedges were not expected to change significantly between September 30, 2012 and their expiry in January 2013, the corresponding cash flow reserve was recycled to the income statement. At December 31, 2012 the DRC hedge was assessed as ineffective and the corresponding cash flow reserve was recycled to the income statement. The hedge contracts ended in January 2013.

In October 2012, Millicom issued senior unsecured floating rate notes of Swedish Kronor (‘SEK’) 1.75 billion and senior unsecured fixed rate notes of SEK 0.25 billion. At the same time Millicom entered into various cross currency interest swap contracts whereby Millicom will sell SEK and receive USD to hedge against exchange rate fluctuations for the notional amount of SEK 2 billion and interest payments on this principal. Millicom also hedged against interest rate fluctuations on the floating rate notes of SEK 1.75 billion by receiving variable interest at STIBOR +3.5% and paying a fixed rate of 5.125%. As the timing and amounts of the cash flows under the swap agreements match the cash flows under the bonds the swaps are assessed as highly effective. Cash flow hedge accounting has been applied and changes in the fair value of the swaps are recorded in other comprehensive income.

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