MILLICOM
THE DIGITAL LIFESTYLE

Major milestones - Mobile reaches 60 million whilst Cable passes 7.5 million homes

Millicom's Q3 2015 Results,
22 October 2015

We believe in better. We believe in tigo

Millicom International Cellular S.A.

“Major milestones - Mobile reaches 60 million whilst Cable passes 7.5 million homes”

Key highlights of Q3 2015

- Emerging market currency volatility intensified
- Revenue of $1.64 billion, down 2.0%
  - Impact from Colombia FX
  - Organic growth[(a)] of 7.2%
  - Service revenue growth of 5.8%
- EBITDA at $560 million, up 2.1% – margin of 34.1%
  - Organic EBITDA up 7.9%[(a)]
  - Ex-UNE, margin up 0.6% year-on-year, the third consecutive quarter of improvement
- Mobile customer base exceeds 60 million
- Cable footprint increases by 243,000 to 7.5 million

Key financial indicators

$m	Q3 2015	Q3 2014	% change	9M 2015	9M 2014	% change
Revenue	1,641	1,675	(2.0)	5,054	4,527	11.6
Organic revenue growth [(a)]	*7.2%*	*8.6%*		*8.6%*	*8.7%*	
EBITDA	560	549	2.1	1,687	1,506	12.0
EBITDA margin	34.1%	32.8%	1.3 ppt	33.4%	33.3%	0.1 ppt
Capex	351	311	12.8	831	841	(1.3)
Net debt	4,268	4,187	1.9	4,268	4,187	1.9
Adjusted EPS ($)[(b)]	0.17	0.79	(78.0)	0.38	1.41	(72.8)

- **Latam:** Reported revenue declined 1.4% to $1,400 million mainly due to currency movements and lower growth from mobile handset sales in Colombia. Organic revenue grew 6.2%. EBITDA was $561 million, 0.6% higher than Q3 2014. Excluding currency movements, EBITDA grew 3.8% year-on-year. Mobile data and Cable were again the main growth drivers with revenue growth of 38% and 25% respectively. Smartphone adoption increased 3.3 percentage points in the quarter to 46.2% and demand for fixed broadband and DTH both grew at a healthy pace.
- **Africa:** Currency also affected Africa where reported revenue fell 5.3% to $241 million. Adjusting for currency movements, organic revenue grew by 11.9% which was 3.8% higher than Q2 2015. EBITDA was $48 million, a year-on-year fall of 12.0% largely due to stronger currency movements in Tanzania and Ghana plus continued difficult trading conditions in Chad. Excluding currency movements EBITDA grew by 9.6%
- **Corporate Costs:** Reduction in corporate costs to $50 million compared to $55 million in Q2 and $59 million in Q1.

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a Organic growth represents year-on year-growth in local currency (includes regulatory changes, excludes the impact of exchange rate changes and excludes UNE)
b Basic EPS adjusted for non-operating items see page 14 for reconciliation

CEO's Statement

Major milestones - Mobile reaches 60 million whilst Cable passes 7.5 million homes

Stockholm, 22 October 2015

"The third quarter saw increased currency volatility across many emerging markets. We experienced significant currency devaluations in some of our key markets such as Colombia, Paraguay and Tanzania. However we made some solid progress in converting our potential into profitable growth. Whilst reported revenue was down 2.0% in US dollars the underlying organic growth was 7.2%. EBITDA grew 2.1% in US dollars and 7.9% on an organic basis.

A major milestone was reached in Q3 when we passed the 60 million mobile customers. Furthermore our brand tracker confirms our brand's increasing strength and affinity: Tigo is going from strength to strength, bringing the internet to new customers, driving smartphone penetration and increasing data consumption. Since the start of the year, we have added nearly 4 million new mobile customers.

I am also pleased with the progress we are making in Home, our pay-TV, fixed broadband and telephony business. We are bringing the digital lifestyle into customers' homes. Our target is to reach 10 million homes in the medium term. This quarter, we delivered an accelerated cable build-out with 304,000 new homes passed in HFC, nearly tripling that of the second quarter. We continued to add new customers at a strong rate across our DTH and cable footprint with pay-TV contributing most to the growth. One of our core strengths continues to be our ability to provide relevant local content for customers. In Colombia we now offer the local football league ("*DIMAYOR*") on our fixed network and exclusively on mobile via the Tigo Sports app.

This quarter, we saw mixed results from Colombia. On the one hand, the UNE cable business accelerated its revenue growth based on higher average revenue per line whilst good results from the integration plan were achieved. The Tigo mobile business on the other hand continued to see a more challenging environment and organic revenue growth slowed to 9% on changing consumer behaviour and price competition.

In Africa, we have strengthened the management team with the appointment of Cynthia Gordon, as Africa Division CEO. We have begun the roll out of a new brand awareness programme across all our African markets to attract more digitally active customers, increase smartphone sales and drive data penetration. Tanzania is on the verge of a major milestone as it reaches 10 million customers and the World Bank recently recognized the country as the global leader in mobile financial services, recognizing Tigo's contribution to this achievement.

As we grow, we have also continued to develop our social responsibility strategy. In September we led the industry in creating a joint declaration to champion Child Online Protection, hosting events in El Salvador and Costa Rica in collaboration with UNICEF.

Looking towards the end of the year, we expect external market conditions to become more challenging. Whilst we have not seen any significant slowdown in the demand for our products and services as a result of currency volatility we saw over the summer, GDP growth forecasts were dampened across many of the countries we operate in. We therefore remain focussed on protecting margins and improving cashflow generation. In this respect I am pleased to note that corporate costs have declined for the fifth consecutive quarter. Further as a result of our actions, whilst we don't have full visibility on the revenue growth because of currency volatility, we are comfortable with the EBITDA guidance range we provided in July and now expect capital expenditure to be at the lower end of the guidance range.

In addition, as noted in the press release we issued yesterday, we have self-reported to relevant authorities potential improper payments made on behalf of our joint-venture operations in Guatemala. We will cooperate fully with the authorities and are dedicated to ensuring that we resolve this matter as swiftly as possible and in the most appropriate manner. While we cannot speculate as to the possible outcome or the potential impact on our business, we are currently thoroughly reviewing and assessing strategic options and have initiated a thorough external review of our compliance program, supported by the Executive Committee and our Compliance and Business Ethics team, to further strengthen the practices we already have in place." "

Mauricio Ramos
CEO, Millicom International Cellular S.A.

2015 guidance

In July, we rebased the guidance[1] provided in February 2015 to reflect the impact of devaluation in the currency basket. No further changes to guidance have been made despite further significant currency volatility. With the exception of currency impact, the group's guidance remains unchanged:

	Guidance with FX rates prevailing in July 2015
Revenue	Between $6.8 and $7.2 billion
EBITDA	Between $2.12 and $2.26 billion
Capex[2]	Between $1.25 and $1.35 billion

1) At constant foreign exchange rates and constant perimeter. July guidance rebased revenue from $7.1 billion to $7.5 billion and EBITDA from $2.20 billion to $2.35 billion. Capex remains unchanged as most capex is in US dollars

2) Capex excludes spectrum and license cost.

Honduras & Guatemala call and put options

No agreements have been made with our partners in Honduras and Guatemala to extend the call and put options. It is now the Board's view that both these options will expire on 31 December 2015 unexercised. One consequence of the lapse and non-renewal is that under IFRS 10 and 11 we will be required to account for the group's operations in Honduras and Guatemala as joint ventures from 31 December 2015.

This would require Millicom's 66.7% investment in Honduras and 55% investment in Guatemala to be revalued to fair value.

The deconsolidation of Honduras and Guatemala would have minimal impact on the Group's net income, dividends, and covenant compliance. See additional information on page 16 and in the IAS 34 statements.

UNE purchase price allocation ("PPA") adjustment

During the three month period ended 30 September 2015, the purchase accounting for the acquisition of UNE was finalised. Compared to the provisional values recorded on date of acquisition, the property, plant and equipment was revalued to $1,571 million (from $1,417 million), mainly as a result of the reassessment of economic lives of the network and recognition of assets under finance leases. At acquisition date, finance lease liabilities of $118 million were recorded ($71 million at 30 September 2015), provisions of $18 million related to onerous contracts of the 4G business, and deferred tax liabilities of $9 million related to the fair value adjustments. Goodwill increased by $10 million. The effects of the above mentioned adjustments and related to the first and second quarter of 2015 were an $8 million increase in the EBITDA of this quarter.

Conference call details

A presentation and conference call to discuss results of the quarter will take place at 14.00 Stockholm / 14.00 Luxembourg / 13.00 London / 08.00 New York, on Thursday 22 October 2015. Dial-in numbers: + 46 (0) 858 536965, + 352 342 080 8654, + 44 203 427 1904, +1 718 971 5738. Access code: 3892654

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.

Significant events of the quarter

Corporate news

19 Aug 2015: Tigo and WorldRemit enable easy international money transfers for the Tanzanian diaspora
26 Aug 2015: Millicom appoints Cynthia Gordon as EVP, CEO Africa Division

Business news

30 Jul 2015: Tigo El Salvador awarded “Best Mobile Service for Financial Inclusion 2015”
11 Sep 2015: Tigo DRC launched free Facebook campaign
21 Sep 2015: Agreement on the deployment of TiVo products on our pay-TV platform in Latam
22 Sep 2015: Tigo Business forum in Guatemala with 1,300 business leaders
23 Sep 2015: UNE and Tigo ranked respectively 8th and 10th most valued brand in Colombia
28 Sep 2015: TigoSports app launched in Colombia

Financial news

21 Jul 2015: Q2 15 results
31 Jul 2015: Successful completion of consent solicitation on 2020 and 2021 US$ bonds

Subsequent events

6 Oct 2015: New Nomination Committee is announced
6 Oct 2015: Millicom receives a 24% stake in leading African towers company (HTA)
19 Oct 2015: Tigo launches online remittance service in UK, European Union and Canada
20 Oct 2015: Tigo Rwanda is first to offer customers 4G internet accessible on all enabled smartphones
20 Oct 2015: Mobile licence renewed in Bolivia for 15 years
21 Oct 2015: Millicom reports to authorities potential improper payments on behalf of its Guatemalan joint venture

Agenda

10 Feb 2016: FY 2015 results

26 Apr 2016: Q1 2016 results

13 May 2016: 2015 AGM

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Risks and uncertainty factors

Millicom operates in a dynamic industry characterized by rapid evolution in technology, consumer demand, and business opportunities. Combine with a focus on emerging markets in various geographic locations, the Group has a proactive approach to identifying, understanding, assessing, monitoring and acting on balancing risks and opportunities. For a description of risks and Millicom’s approach to risk management, refer to the 2014 Annual Report (http://www.millicom.com/media/2379621/Millicom-Annual-Report-2014.pdf). In addition to the information in the 2014 Annual Report and the information provided in this release, please refer to Millicom’s press release, dated October 21, 2015, entitled “Millicom reports to authorities potential improper payments on behalf of its Guatemalan joint venture.” At this time, Millicom’s investigation remains on-going, and Millicom cannot predict the outcome or consequences of this matter.

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 60 million customers. Founded in 1990, Millicom International Cellular SA is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2014, Millicom generated revenue of USD 6.4 billion and EBITDA of USD 2.1 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, including those included in this release.

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.

Financial review

Q3 2015 Summary Income Statement

US$m	Q3 15	Q3 14	% Change
Revenue	**1,641**	**1,675**	**(2)**
Cost of sales	(435)	(449)	(3)
Gross profit	**1,206**	**1,226**	**(2)**
Operating expenses	(645)	(677)	(5)
EBITDA	**560**	**549**	**+2**
EBITDA margin	**34.1%**	**32.8%**	**+4**
Depreciation & amortization	(323)	(308)	+5
Other operating income (expenses), net	(10)	(2)	NM
Operating profit	**227**	**239**	**(5)**
Net financial expenses	(107)	(101)	+6
Other non-operating income (expenses), net	(46)	85	NM
Gains (losses) from associates & joint ventures	(11)	22	NM
Profit before tax	**63**	**245**	**(74)**
Net tax credit (charge)	(39)	(30)	+28
Profit for the quarter	**24**	**215**	**(89)**
Non-controlling interests	(12)	(51)	(77)
Net profit for the quarter	**12**	**165**	**(93)**
Adjusted net profit for the quarter [a]	**17**	**79**	**(78)**

Group revenue was $1.64 billion, with EBITDA of $560 million and an EBITDA margin of 34.1%. Net profit for the period was $12 million. Adjusted EPS was 17 cents per share compared to 79 cents a share in Q3 2014.

Despite more challenging macro-economic conditions in emerging markets, trends in Q3 followed a similar growth pattern to Q2. Group organic revenue growth (excluding UNE) at 7.2% was 1.8 percentage points lower than the previous quarter. This was almost entirely due to a slowdown in handset sales in Colombia as the underlying revenue growth, as measured by service revenue growth[b], increased by 0.1% to 5.8%. Currency headwinds were much stronger than in Q2, reducing revenue by $201 million (13.5%), and reducing revenue by 6.3% (excluding UNE). The gross margin at 73.5% was 30 basis points below Q3 2014 but improving quarter-on-quarter by 0.9 percentage point.

Operating expenses reduced by 4.6% compared to Q3 2014, highlighting tight cost control at the operating level as well as the headquarters. Corporate costs fell to $50 million, $5 million lower than the previous quarter and declining for the fifth consecutive quarter.

EBITDA at $560 million, including a positive adjustment of $8.2 million from UNE PPA, was 2.1% higher than Q3 2014. The EBITDA margin was 34.1%, an accretion of 1.3 percentage points year-on-year and 1.2 percentage points sequentially. Excluding UNE, the EBITDA margin improved by 0.6 of a percentage point year-on-year and excluding telephone and equipment sales, the margin improved by 1.0 percentage point to 37.1%. Depreciation and amortization was $323 million, $15 million higher than Q3 2014 primarily due to UNE PPA adjustment (see page 4). Operating Profit declined by 5.1% year-on-year to $227 million after a $10 million of other operating expenses on asset disposals.

Net financial expenses at $107 million were $6 million higher than Q3 2014 including a $3 million one-off at UNE. Other net non-operating expenses of $46 million largely represent FX losses of $108 million partially offset by changes in the fair value of call and put options of $61 million. Net losses from associates and joint ventures of $11 million result from Millicom's share of the results of tower companies and Online businesses. Taxes at $39 million were up $9 million on higher withholding tax on cash repatriations. Non-controlling interests declined from $51 million to $12 million mostly due to increased losses in Colombia. The net profit for the quarter was $12 million and, excluding non-recurring items resulted in an adjusted EPS of 17 cents.

a Reported net profit adjusted for non-operating items see page 14 for reconciliation
b Group revenue growth including regulatory impacts and excluding telephone and equipment sales

Free Cash Flow

US$m	Q3 15	Q3 14	% Change	9M 15	9M 14	% Change
EBITDA	**560**	**549**	**+2**	**1,687**	**1,506**	**+12**
Net Cash Capex (including spectrum and licenses)	(334)	(331)	+1	(824)	(925)	(11)
Change in working capital and other non-cash items	66	87	(24)	(102)	109	NM
Operating cash flow	**292**	**305**	**(4)**	**761**	**690**	**+10**
Taxes paid	(46)	(79)	(42)	(190)	(248)	(23)
Operating free cash flow	**246**	**226**	**+9**	**571**	**442**	**+29**
Interest paid, net	(87)	(75)	+17	(264)	(223)	+18
Free cash flow	**159**	**151**	**+5**	**308**	**218**	**+41**
Advances for dividends to non-controlling interests	(84)	(20)	NM	(180)	(264)	(32)
Equity free cash flow	**75**	**131**	**(43)**	**127**	**(46)**	**NM**

With an EBITDA growing by 2% and cash capex broadly flat, the 4% decline of the operating cash flow to $292 million is due to lower working capital inflow compared to prior year.

Taxes paid at $46 million were significantly reduced compared to last year mostly due to timing differences. Net interest paid was up 17% on Q3 2014 on the higher level of debt, payment of consent fees and the payment of the second half coupon of the 2025 bond issued in March.

This resulted in free cash flow of $159 million, a 5% increase on the same quarter in 2014. Dividends paid to non-controlling interests were $64 million higher at $84 million mainly due to Guatemala. The equity free cash flow was $75 million for the quarter and $127 million year to date.

Capital expenditure

Balance sheet capital expenditure for the quarter was $351 million including $280 million in Latin America and $66 million in Africa.

Around 43% of the investment made in Latam was dedicated to the fixed network and around 37% to mobile networks. Customer installations represented around 50% of the fixed network capital expenditure. Around 22% of our mobile expenditure was dedicated to 3G and 4G and around 14% to transmission and core networks. In addition, Latam invested around 12% of its spending in IT on order to support the business (billing, service delivery and IT infrastructure).

Africa focused its investment mainly on mobile network: around 21% in 2G, 16% in 3G/4G and 23% in transmission and core networks.

Net Debt

US$m	Gross Debt	Cash	Net Debt *
Central America	**1,457**	**222**	**1,235**
Of which local currency	307	112	195
South America	**1,210**	**270**	**940**
Of which local currency	855	169	686
Total Latin America	**2,667**	**492**	**2,174**
Of which local currency	1,162	280	882
Africa	**442**	**212**	**230**
Of which local currency	124	187	(63)
Corporate	**2,014**	**150**	**1,864**
Total	**5,122**	**854**	**4,268**
Proportionate basis	83%	86%	82%

** Net debt: Gross debt (including finance leases) less cash, restricted cash and pledged deposits*

At 30 September 2015, group gross debt was broadly flat compared to 30 June 2015 at $5.1 billion. The average maturity on our debt is 6.2 years and we have less than $200 million of debt maturing in the next 12 months.

Q3 financing activities were mostly related to refinancing. In particular we extended the debt maturity in Colombia through refinancing the entire outstanding bank debt in local currency. We also issued debt in Paraguay and Guatemala in local currency and reduced debt maturing in US dollars. Our gross debt marginally increased as a result of finalizing the UNE PPA accounting (see above) which impact finance leases liabilities by $71 million.

Approximately 42% of the gross debt in the operations was denominated in local currency. Overall, we had 25% of Group debt in local currency up from 24% at 30 June 2015. The Group continuously evaluates opportunities to align the currency of its assets and liabilities in the operational entities.

Overall net debt / EBITDA, based on the last twelve months EBITDA, was 1.9x at 30 September 2015 stable compared to the end of June 2015. Proportionate net debt to EBITDA was 2.2x.

Operating review

All numbers are in US$ and growth rates are stated in local currency and excluding UNE unless stated otherwise. Further details are provided in the Financial & Operational Data excel file on our website (www.millicom.com/investors)

Revenue by business unit and by region

US$m	Total		Central America		South America		Africa	
	Q3 15	*YOY growth*	Q3 15	*YOY growth*	Q3 15	*YOY growth*	Q3 15	*YOY growth*
Mobile	1,075	*2.9%*	460	*0.3%*	405	*2.4%*	210	*9.2%*
Cable	388	*25.2%*	115	*23.8%*	273	*27.1%*	1	*NM*
MFS	31	*23.1%*	2	*37.5%*	7	*7.3%*	22	*28.3%*
Other*	146	*24.6%*	59	*15.4%*	79	*29.4%*	9	*39.9%*
Total	**1,641**	***7.2%***	**636**	***5.3%***	**764**	***7.1%***	**241**	***11.9%***

** Telephone and equipment ("T&E") sales and other revenue*

Mobile

Mobile service revenue grew by 2.9% with the mobile customer base increasing by 12% or 816,000 net additions, reaching 60.1 million subscribers at the end of September. Particular growth was noted in Tanzania, DRC and to a lesser extent Guatemala, Rwanda and Colombia. During Q3 we sold over 1.4 million smartphones and added 668,000 new mobile data users, with 353,000 net additions in Africa and 315,000 in Latam.

Year-on-year voice and SMS revenue declined 6.8% with Africa up 4.7% and Latam declining by 10.4% on MTR cuts (Paraguay, El Salvador, Colombia and Bolivia), lower volume and price competition.

Data penetration increased to 29% of our mobile customer base, an increase of 0.7 percentage points compared to the previous quarter and 4.3 percentage points higher year-on-year. We capitalized on smartphone demand to launch new data products and leveraged the content from our Cable business onto our mobile platform, especially in sport with our Tigo Sports app in Colombia. Our partnership with Facebook expanded to DRC following recent launches in Colombia, Guatemala, Tanzania and Paraguay.

Cable

Cable and Digital Media revenue grew strongly at 25.2%. Total revenue generating units ("RGUs"), excluding a cleansing of 72,000 passive RGUs at UNE, increased by 83,000 from Q2 2015 to 5.25 million.

Our cable footprint expanded by 243,000 to 7.5 million homes passed. The number of RGUs per household increased to 1.87x from 1.78x a year ago. Around 55% of our households were double or triple play, a ratio in line with the prior quarter. The ARPU per Homes Connected in Q3 was $26.0, 10% lower on a reported basis than Q2 2015 due to currency impact in UNE ARPU. Excluding UNE and currency impacts, the average ARPU was flat year-on-year.

Mobile Financial Services (MFS)

MFS added 546,000 new users in Q3 and the customer base reached 10.7 million, up 34% in one year. The main contributors to the growth in Q3 were Tanzania, Ghana and Rwanda. Overall MFS revenue was up 23.1% with average ARPU of $0.98, down 9% in local currency due mostly to pricing initiatives to boost adoption. Transactions this quarter were $2.8 billion up 12.2% (excluding self top-up).

Other

The vast majority of the Other revenue is composed of mobile handset sales. Whilst it continues to grow strongly (22.4%) it is substantially below Q3 2014 (55.9%) and below Q2 2015 (52.4%). This is the main reason for the slowdown in group organic growth from 9.0% in Q2 2015 to 7.2%. This slowdown comes primarily from Colombia.

B2B

Following a strong performance in Q2, momentum continued with revenue (excluding UNE) up 13% in Q3. Our fixed business grew 30% primarily due to business solutions sales to the large business segment.

South America

		Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	% change[a]
KPIs (‘000)	Mobile customers	15,674	15,606	15,356	15,140	14,555	7.7
	MFS customers	1,459	1,357	1,376	1,451	1,327	9.9
	Cable RGUs [(b)]	3,770	3,797	3,778	3,677	3,658	3.1
ARPU ($)	Mobile	8.5	9.2	9.5	11.1	11.6	(5.3)
	MFS	1.7	1.9	2.0	2.1	2.0	1.3
	Residential cable	25.8	29.4	28.5	32.4	34.0	4.2
Financials (US$m)	Revenue	764	831	832	960	814	(6.2)
	EBITDA	269	272	274	307	276	(2.7)
	Capex	187	153	96	194	131	41.4

During Q3 revenue grew by 7.1% organically (a 6.2% decline on a reported basis) to $764 million. Foreign exchange movements have particularly affected South America with the Colombian peso and Paraguayan Guarani depreciating by 52% and 23% respectively.

Mobile revenue grew by 2.8% with strong mobile data growth (up 37.7%) partly offset by voice and SMS which declined by almost 12%. The Data penetration rate continued to increase, up by 7 percentage points over the last 12 months to 42.1% due in part to strong growth in smartphones users (776,000 additions in Q3). Mobile ARPU fell 5.3% to $8.5 primarily due to MTR cuts and ongoing repricing in Colombia following the change of contract terms that occurred last year.

Cable continued to perform strongly increasing by 27.1% (excluding UNE). The number of HFC homes passed increased by 237,000 from 30 June 2015 with the ratio of RGUs / Homes Connected [(b)] at 2.01x (1.90x a year ago). The MFS penetration rate grew sequentially to 21%, up 2.3 percentage point in 12 months.

Colombia

Revenue declined by 6% to $465 million (including $243 million from UNE) on currency devaluation but increased by 9% (excluding UNE) in local currency. Revenue momentum in mobile was stable compared to the previous quarter up 3% despite intensifying pricing competition. Customer growth was weaker than the previous quarter with 81,000 net additions and the increase in handset retail prices, which followed the depreciation of the peso against the dollar, reduced handset sales growth to 37% (from 123% in Q2 15). Mobile data penetration was 32.4%, up 4.5 percentage points in 12 months, with 580,000 LTE customers at the end of September (7% of the customer base). EBITDA for the quarter was $144 million, including $85 million from UNE of which $8 million was the result of a positive adjustment linked to the final purchase accounting for the acquisition of UNE (see page 4). The EBITDA margin increased by 2.9 percentage points compared to Q2 2015 to 30.9% (34.3% on service revenue). Capex was $120 million ($87 million in UNE) of which $10 million was integration related.

Paraguay

Revenue accelerated and grew by 4% in local currency (2% in Q2 15) to $166 million although current movements offset this and reported revenue fell by 15.2%. Mobile revenue declined by only 0.6%, confirming the recovery started last year, and our market share was stable. Cable grew by 22% with ARPU and the customer base increasing whilst MFS grew by 7%. Changes in the sales mix and regulatory changes continued to affect our EBITDA margin which declined by 50 basis points year-on-year to 46% in Q3, but the sequential improvement of 1 percentage point compared to the previous quarter is encouraging.

Bolivia

Q3 revenue grew by 8% to $133 million with mobile revenue up 4% (and mobile data up 67%) and Cable up 66%. Data penetration continued to grow (60%, up 15 percentage points in 12 months) driven by the strong appetite for smartphones (64,000 sold in the quarter). EBITDA increased to $49 million, a margin of 37%, up from $43 million in Q3 2014.

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a % change is reported year-on-year change except for ARPU numbers (local currency growth). It includes a 72,000 clean-up of UNE inactive customer base in Q3 2015
b HFC (includes copper lines of UNE)

Central America

		Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	% Change[a]
KPIs ('000)	Mobile customers	16,008	16,044	15,971	15,787	15,372	4.1
	MFS customers	2,125	2,075	2,032	1,922	1,498	41.9
	Cable RGUs [(b)]	1,102	1,069	1,052	1,027	986	11.7
ARPU ($)	Mobile	9.6	9.7	9.8	10.2	10.0	(3.6)
	MFS	0.3	0.3	0.3	0.3	0.3	(3.8)
	Residential Cable	26.6	27.2	27.1	27.0	27.4	(2.7)
Financials (US$m)	Revenue	636	633	629	643	606	4.9
	EBITDA	292	291	291	295	282	3.8
	Capex	93	84	63	147	107	(13.4)

Central America continues to improve with revenue up 5.3% to $636 million. Mobile service revenue increased slightly to $460 million whilst Cable grew by 23.8% and MFS revenue was up 37.5% on last year. Other revenue was stronger in Q3 (15% year-on-year) driven by handset sales in Guatemala. This contributed to mobile data revenue growth of 38.6%. The mobile data penetration rate has increased by 5.1 percentage points over the last 12 months to 29.5% due to strong growth of smartphones users.

In Cable, the number of homes passed increased by 67,000 during the quarter and the ratio of RGUs / Homes Connected reached 1.51x, broadly flat compared to the previous quarter but an increase compared to the prior year ratio of 1.43x. The MFS penetration rate reached 13.5%, up 3.5 percentage points in the last 12 months.

Guatemala

Q3 revenue increased by 5% in local currency with mobile service revenue down 2% due to declining voice volume offset by 41% data growth. Cable revenue was up 76%, with our Tigo Star brand continuing to gain traction and with ARPU per homes connected up 22%. Year-on-year the EBITDA margin slightly declined to 51.4% mostly due to the change in sales mix and longer collection cycles in the B2B sector. In addition, please refer to Millicom's press release, dated October 21, 2015, entitled "Millicom reports to authorities potential improper payments on behalf of its Guatemalan joint venture." At this time, Millicom's investigation remains on-going, and Millicom cannot predict the outcome or consequences of this matter.

Honduras

Revenue grew 8% to $160 million in Q3 showing good momentum. Mobile revenue grew 5% with mobile data growth of 38% offsetting a 3% decline in voice and SMS. Cable grew by 17% mostly driven by footprint expansion. The EBITDA margin was flat compared to the prior quarter at 43% but down 2.3 percentage points year-on-year following our commercial effort in mobile, the dilution from a low margin wholesale contract as well as a non-recurring item of $5 million linked to the taxation regime on towers.

El Salvador

In the midst of a very difficult social context given the rise in violence and crime, we achieved revenue growth of 2% up from 1% in Q2 2015. Mobile revenue decline slowed this quarter despite competitive pressures and regulatory effects with the decline of voice and SMS slowing down. Mobile data continued to grow fast at 32%. Cable revenue increased by 11% on volume with limited ARPU growth. MFS growth remains strong with 70,000 users added during the quarter and revenue up 35%. Handset sales were 24% lower as a result of lower stores visits due to the security situation. Q3 EBITDA was up 8% at $42 million, with a margin at 38%.

Costa Rica

In Costa Rica, where we operate a Cable business, revenue was up 9% to $38 million with RGUs growing 10% compared to Q3 2014. The EBITDA margin was 35%, down from 40% a year earlier on higher programming costs resulting from a more aggressive Digital & HD TV penetration strategy.

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a % change is reported year-on-year change except for ARPU numbers (local currency growth)
b HFC only

Africa

		Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	% Change[a]
KPIs ('000)	Mobile customers	28,464	27,680	26,086	25,350	23,849	19.4
	MFS customers	7,162	6,767	6,199	6,125	5,192	37.9
ARPU ($)	Mobile	2.5	2.6	2.8	3.1	3.3	(9.9)
	MFS	1.0	1.1	1.1	1.3	1.3	(8.7)
Financials (US$m)	Revenue	241	240	248	256	255	(5.3)
	EBITDA	48	52	57	48	55	(12.0)
	Capex	66	54	28	116	80	(17.1)

The macro-economic environment, with pressure on oil prices in Chad and the global weakness of emerging market currencies (Tanzania, Rwanda, Ghana), weighed more heavily on performance this quarter. Organic revenue increased by 11.9% to $241 million however unfavourable currency movements resulted in reported revenue declined of 5.3%. Mobile service revenue was up 9.2% at $210 million; voice and SMS grew 4.7% with data up 52.3%. MFS revenue at $22 million was up 28% with good momentum in all countries except Rwanda.

Our customer base in Africa grew in Q3 by more than 780,000 net new customers, particularly in Tanzania (509,000) and DRC (443,000). The data penetration rate increased by 2.9 points in the last 12 months to 21.4%. EBITDA at $48 million was 9.6% higher in local currency but adverse currency movements reduced this to a 12% year-on-year decline in US dollars.

Tanzania

Strong growth in mobile customers led to revenue growth of 14% to $88 million however reported revenue declined 10% as the local currency depreciated by 28% compared to Q3 2014. Voice and SMS revenue slowed to 4% in Q3 after 10% growth in Q2 due to pricing competition. The main growth drivers remained mobile data and MFS. The EBITDA margin in Q3 was broadly flat at 35% quarter-on-quarter and down 1.4 percentage point compared to Q3 2014.

Chad

There was little change to the macro-economic environment which remained extremely difficult due to lower oil prices and security issues. The revenue decline softened to 1% after a 3% fall in Q2 but this translated into a 17% decline in US dollars. Our focus on costs led the EBITDA margin to only decline by 1 percentage point despite the pressure on revenue and the currency impact on our cost structure.

Rest of Africa

We maintained good momentum in our other African markets with double-digit revenue growth in DRC, Ghana and Senegal and some slow down in Rwanda due to a reduction in non-core revenue. The rebound in Senegal continued with growth of 17% and an increased focus on value as ARPU increased 12%. We saw sustained growth in Ghana with revenue up 19% and a similar focus on value with ARPU up 5%. DRC keeps growing on customer intake (revenue up 16%, 443,000 net adds). The combined EBITDA margin of these countries declined by 2.6 percentage point compared to Q2 2015 to 5.5% with some currency effects in addition to non-recurring items. Compared to the same quarter last year, the margin slightly improved.

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a % change is reported year-on-year change except for ARPU numbers (local currency growth)

Corporate Responsibility (CR)

Millicom improved score in Dow Jones Sustainability Index and joined Business for Social Responsibility

Millicom improved its score in the Dow Jones Sustainability Index by six points to 67/100 (2014: 61/100). Performance improved in all three areas; economic, environmental and social responsibility. We ranked amongst the 10% best performing companies in our industry in Antitrust Policy, Brand Management and Human Capital Development.

Millicom also joined BSR, Business for Social Responsibility, a global network for businesses to create sustainable solutions, offering training, networking and advice.

Managing supply chain risk

In Q3 Millicom continued its supply chain assessment campaign with the EcoVadis sustainability monitoring platform. Over 60 suppliers were invited to submit a self-assessment of their corporate responsibility management. The second round of self-assessments for a further 50 suppliers will be launched in October with the aim of assessing over 50% of our supplier spend by the end of 2015. Millicom is also piloting a supplier capacity building programme in Paraguay with eight key SME suppliers, who will receive in-depth training on ethical business conduct, labour conditions and environmental management as well as quality and customer management.

Industry leading Child Online Protection Initiative

Millicom organized three industry leading Child Online Protection conferences in collaboration with UNICEF this quarter in Rwanda, El Salvador and Costa Rica. All conferences had Ministerial level attendance, bringing together participants from law enforcement, regulators, government, civil society and industry. In a global first, all telecom operators in El Salvador and Costa Rica united to sign a pledge to jointly work on child online protection. The El Salvador workshop also hosted 25 children as delegates. Millicom's approach to child protection was presented as best practice at the Global Child Forum in South Africa in September, attended by 400 delegates including HRH Princess Sofia of Sweden and Graça Machel.

Social Investment

Over 10 million viewers have watched Tigo Ghana's "Shelter for Education" TV documentary since its launch. The documentary follows the implementation of a social investment project of Tigo Ghana to renovate or build schools in six underprivileged communities in Ghana. In Rwanda, nominations for the Digital Changemakers Award concluded, with 258 applications received from local social entrepreneurs looking to solve challenges in their communities – a 50% increase in applications from the previous year. The awards are Africa-wide, with Senegal to conclude in Q4, and Tanzania and Chad launching in Q4.

Health, Safety and Security

Eight fatalities in the quarter, including seven contractors. We have urgently stepped up our review of personal safety, road safety, and work at heights in each market. Three of the fatalities were in El Salvador and related to the increased violence in the country. All operations are conducting a review of engineers working at heights to ensure they have the required qualifications and road safety measures are being tightened further. Additionally, HSE officers in operations started IOSH 'managing safety' certification.

Compliance

In Q3, the Executive Committee approved the updated anti-bribery and anti-corruption policy (ABAC). The new Code of Conduct for all employees was launched and published on www.millicom.com. As part of the roll out, all employees will need to read and acknowledge the Code, and participate in an e-learning course commencing in Q4. Covington and Burling LLP is currently conducting an assessment of the Company's Compliance Program, with the support of Millicom's Executive Committee and Compliance and Business Ethics team, with a view towards further enhancing Millicom's practices.

Closing foreign exchange rate (vs. USD)	Sept-15	Jun-15	Var %	Sept-14	Var %

Additional information

Reconciliation from Operating Profit to EBITDA

US$m	Q3 15	Q2 15	Q1 15	Q4 14	Q3 14
Operating Profit	**227**	**223**	**227**	**224**	**239**
Depreciation and amortization	323	337	340	347	309
Loss (gain) on disposal/write down of assets, net	10	1	(2)	17	1
EBITDA	**560**	**561**	**565**	**588**	**549**

Reconciliation of Basic EPS to Adjusted EPS

US$m	Q3 15	Q2 15	Q1 15	Q4 14	Q3 14
Net profit attributable to owners of the company	**12**	**(99)**	**(46)**	**48**	**165**
Basic earnings per share ($)	0.12	(0.99)	(0.46)	0.48	1.65
Adjustments for non-operating items*	5	94	72	7	(86)
Adjusted net profit attributable to owners of the company	**17**	**(5)**	**26**	**41**	**79**
Adjusted basis earnings per share ($)	0.17	(0.05)	0.26	0.41	0.79

** Adjusted for non-operating items including changes in carrying value of put and call options, revaluation of previously held interests and similar items classified under 'other non-operating income (expenses)'.*

Currency Movements

Average foreign exchange rate (vs. USD)		Q3 15	Q2 15	Var %	Q3 14	Var %
Guatemala	GTQ	7.66	7.67	0.2	7.76	1.3
Honduras	HNL	22.0	22.0	(0.2)	21.1	(4.2)
Nicaragua	NIO	27.4	27.1	(1.2)	26.1	(5.0)
Costa Rica	CRC	541.1	539.5	(0.3)	545.9	0.9
Bolivia	BOB	6.91	6.91	0.0	6.91	0.0
Colombia	COP	2,919	2,521	(15.8)	1,925	(51.6)
Paraguay	PYG	5,343	5,029	(6.2)	4,357	(22.6)
Ghana	GHS	3.86	3.98	3.0	3.09	(24.9)
Senegal	XAF	591.1	597.5	1.1	498.4	(18.6)
Chad	XAF	591.1	597.5	1.1	498.4	(18.6)
Rwanda	RWF	725.0	713.2	(1.6)	690.4	(5.4)
Tanzania	TZS	2,099	1,899	(10.5)	1,670	(25.7)

Guatemala	GTQ	7.68	7.62	(0.7)	7.67	(0.1)
Honduras	HNL	22.1	22.0	(0.4)	21.3	(3.5)
Nicaragua	NIO	27.6	27.2	(1.2)	26.2	(5.1)
Costa Rica	CRC	541.0	541.0	(0.0)	545.5	0.8
Bolivia	BOB	6.91	6.91	0.0	6.91	0.0
Colombia	COP	3,122	2,585	(20.8)	2,028	(53.9)
Paraguay	PYG	5,636	5,184	(8.7)	4,492	(25.5)
Ghana	GHS	3.73	4.34	14.1	3.20	(16.5)
Senegal	XAF	587.0	591.6	0.8	520.0	(12.9)
Chad	XAF	587.0	591.6	0.8	520.0	(12.9)
Rwanda	RWF	730.5	719.5	(1.5)	686.4	(6.4)
Tanzania	TZS	2,153	1,975	(9.0)	1,676	(28.5)

Summarized Balance Sheet (unaudited)

US$m	30 Sep 2015	31 Dec 2014 (audited)
Total Fixed Assets	9,870	11,023
Total Current Assets	2,434	2,368
Assets held for sale	14	27
Total Assets	**12,317**	**13,418**
Total Current Liabilities	4,115	4,567
Total Non-Current Liabilities	5,398	5,120
Liabilities associated with assets held for sale	-	1
Total Equity	**2,804**	**3,729**
Total Equity and Liabilities	**12,317**	**13,418**

Summarized Cash flow (unaudited)

US$m	Q3 2015	Q3 2014	9M 2015	9M 2014
Operating activities	493	475	1,131	1,133
Investing activities	(364)	(308)	(869)	(947)
Financing activities	(59)	23	(159)	(437)
Exchange gains/(losses) on cash & cash equivalents	(27)	(13)	(73)	(18)
Change in cash and cash equivalents	43	177	30	(269)
Cash and cash equivalents at beginning of the period	681	496	694	941
Cash and cash equivalents at end of the period	724	672	724	672

Profit & Loss account (excluding Honduras and Guatemala, unaudited)

US$m	9M 15 Group excl. Honduras & Guatemala	Honduras	Guatemala	9M 15 Group reported
Revenue	**3,600**	**488**	**965**	**5,054**
Cost of sales	(1,069)	(120)	(175)	(1,364)
Gross profit	**2,531**	**369**	**790**	**3,690**
Operating expenses	(1,556)	(155)	(293)	(2,003)
EBITDA	**975**	**214**	**497**	**1,687**
EBITDA margin	**27.1%**	**43.8%**	**51.5%**	**33.4%**
Depreciation & amortization	(730)	(93)	(177)	(1,000)
Other operating income (expenses), net	(9)	-	-	(10)
Operating profit	**236**	**121**	**320**	**677**
Net financial expenses	(253)	(17)	(47)	(317)
Other non-operating income (expenses), net	(180)	(32)	(1)	(213)
Gains (losses) from associates & joint ventures	(35)	-	-	(35)
Profit before tax	**(232)**	**72**	**272**	**112**
Net tax credit (charge)	(89)	(28)	(52)	(169)
Profit (loss) for the quarter	**(320)**	**44**	**220**	**(57)**
Non-controlling interests	59	(19)	(116)	(76)
Net profit (loss) for the quarter	**(261)**	**24**	**104**	**(133)**

Summarized Balance Sheet (excluding Honduras and Guatemala, unaudited)

US$m	30 Sep 2015 Group excl. Honduras & Guatemala	Honduras	Guatemala	30 Sep 2015 Group reported
Total Fixed Assets	5,005	1,340	3,524	9,870
Total Current Assets	1,208	375	851	2,434
Assets held for sale	14	-	-	14
Total Assets	**6,227**	**1,716**	**4,375**	**12,317**
Total Current Liabilities	3,737	179	199	4,115
Total Non-Current Liabilities	3,979	402	1,017	5,398
Liabilities associated with assets held for sale	-	-	-	-
Total Equity	**(1,489)**	**1,134**	**3,159**	**2,804**
Total Equity and Liabilities	**6,227**	**1,716**	**4,375**	**12,317**
Net debt	**3,067**	**359**	**842**	**4,268**

Q3 15 Operating and Financial Highlights

	Total Latin America			Africa			Other [2]			Group		
	Q3 15	Q3 14	% change[1]	Q3 15	Q3 14	% change [1]	Q3 15	Q3 14	% change [1]	Q3 15	Q3 14	% change [1]
Mobile customers (000s)	31,682	29,928	5.9	28,464	23,849	(16.2)				60,146	53,777	11.8
Mobile ARPU ($)	9.1	10.8	(4.3)	2.5	3.3	(9.9)				6.0	7.5	(8.6)
Cable & Digital RGUs (000s)	5,251	4,970	5.6							5,251	4,970	5.6
Residential cable ARPU ($)	26.0	29.3	(0.0)							26.0	29.3	(0.0)
MFS customers	3,584	2,825	26.9	7,162	5,192	(27.5)				10,746	8,017	34.0
MFS ARPU ($)	0.9	1.0	(10.4)	1.0	1.3	(4.9)				1.0	1.3	(6.5)
P&L												
Mobile	866	973	(11.1)	210	226	(0.1)				1,075	1,199	(0.1)
Cable & Digital Media	387	303	28.1	1	0	2.5				388	303	0.3
MFS	9	10	(4.9)	22	21	0.0				31	31	0.0
Other revenue	137	134	2.2	9	8	0.2				146	142	0.0
Revenue	**1,400**	**1,420**	**(1.4)**	**241**	**255**	**(5.3)**	**0**	**(0)**	**NM**	**1,641**	**1,674**	**(2.0)**
EBITDA	**561**	**558**	**0.6**	**48**	**55**	**(12.0)**	**(49)**	**(64)**	**(22.9)**	**560**	**549**	**2.1**
EBITDA % of revenue	40.1%	39.3%		19.9%	21.5%					34.2%	32.8%	
Operating Profit	**288**	**317**	**(9.2)**	**(9)**	**(10)**	**(15.8)**	**(52)**	**(68)**	**(22.7)**	**227**	**239**	**(5.1)**
% of revenue	20.6%	22.3%		-3.5%	-4.0%					13.8%	14.3%	
Cash flow												
Capex (excluding spectrum)	280	237	17.8	66	80	(17.1)	5	(8)	(163.2)	351	309	13.4
% of revenue	20.0%	16.7%		27.4%	31.3%					21.4%	18.5%	
EBITDA – Capex	282	321	(12.2)	(18)	(25)	(28.2)	(54)	(56)	(3.3)	210	240	(12.6)
% of revenue	20.1%	22.6%		-7.4%	-9.8%					12.8%	14.3%	
Balance sheet												
Net debt	2,174	2,517	(13.6)	230	258	(10.9)	1,864	1,411	32.1	4,268	4,187	1.9
								Net debt / LTM EBITDA		1.9x	2.1x	

[1] *% change is reported change*

[2] *it includes costs of the corporate centre and intercompany eliminations*

Q3 15 Operating and Financial Highlights

	Central America			South America			Total Latin America [2]		
	Q3 15	**Q3 14**	**% change [1]**	**Q3 15**	**Q3 14**	**% change [1]**	**Q3 15**	**Q3 14**	**% change [1]**
Mobile customers (000s)	16,008	15,372	4.1	15,674	14,555	7.7	31,682	29,928	5.9
Mobile ARPU ($)	9.6	10.0	(3.6)	8.5	11.6	(4.4)	9.1	10.8	(4.3)
Cable & Digital RGUs (000s)	1,274	1,053	21.0	3,977	3,917	1.5	5,251	4,970	5.6
Residential cable ARPU ($)	25.8	27.4	(2.7)	25.8	34.0	4.2	26.0	29.3	(0.0)
MFS customers	2,125	1,498	41.9	1,459	1,327	9.9	3,584	2,825	26.9
MFS ARPU ($)	0.3	0.3	(3.8)	1.7	2.0	1.3	0.9	1.0	(10.4)
P&L									
Mobile	460	461	(0.1)	405	512	(20.9)	866	973	(11.1)
Cable & Digital Media	115	91	25.9	273	211	29.1	387	303	28.1
MFS	2	2	34.2	7	8	(12.1)	9	10	(4.9)
Other revenue	59	52	12.4	78	82	(4.7)	137	134	2.2
Revenue	**636**	**606**	**4.9**	**764**	**814**	**(6.2)**	**1,400**	**1,420**	**(1.4)**
EBITDA	**292**	**282**	**3.8**	**269**	**276**	**(2.7)**	**561**	**558**	**0.6**
EBITDA % of revenue	46.0%	46.5%		35.2%	34.0%		40.1%	39.3%	
Operating Profit	**180**	**167**	**7.6**	**108**	**150**	**(27.9)**	**288**	**317**	**(9.2)**
% of revenue	28.3%	27.6%		14.1%	18.4%		20.6%	22.3%	
Cash flow									
Capex (excluding spectrum)	93	107	(13.2)	187	131	43.2	280	237	17.8
% of revenue	14.6%	17.6%		24.5%	16.0%		20.0%	16.7%	
EBITDA – Capex	200	175	14.1	82	146	(43.7)	282	321	(12.2)
% of revenue	31.4%	28.9%		10.7%	17.9%		20.1%	22.6%	
Balance sheet									
Net debt	1,235	1,372	(10.0)	940	1,145	(17.9)	2,174	2,517	(13.6)

[1] *% change is reported change*

[2] *net of eliminations between the two regions*