
**Interim condensed combined financial statements of Tigo Guatemala Companies
for the six month period ended June 30, 2014**

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**Interim condensed combined Income Statement for the six month
period ended June 30, 2014**

US\$ '000 (unaudited)	Notes	Six month period ended June 30, 2014	Six month period ended June 30, 2013
Revenue	5	613,089	566,899
Cost of sales		(181,271)	(147,221)
Gross profit		431,818	419,678
Sales and marketing		(100,894)	(104,093)
General and administrative expenses		(109,424)	(85,775)
Operating profit	5	221,500	229,810
Interest expense		(29,298)	(15,085)
Interest income		1,177	—
Foreign exchange gain (loss), net		547	3,944
Profit before tax		193,926	218,669
Charge for taxes		(33,399)	(27,125)
Net profit for the period		160,527	191,544

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

**Interim condensed combined Statement of Comprehensive Income
for the six month period ended June 30, 2014**

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
Net profit for the period	160,527	191,544
<i>Other comprehensive income:</i>		
Exchange differences on translating foreign operations.....	6,548	5,976
Total comprehensive income for the period	167,075	197,520

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

**Interim condensed combined Statement of Financial Position
as at June 30, 2014**

US\$ '000	Notes	June 30, 2014 (unaudited)	December 31, 2013
ASSETS			
Non-Current Assets			
Intangible assets, net	7	137,613	140,919
Property, plant and equipment, net	8	636,283	636,054
Deferred taxation		6,389	3,539
Amounts due from related parties (non-current)	9	3,011	2,973
Other non-current assets.....		3,463	2,883
Total Non-Current Assets		786,759	786,368
Current Assets			
Inventories		29,264	31,637
Trade receivables, net		67,504	64,111
Amounts due from related parties	9	686,242	172,735
Prepayments and accrued income		14,470	11,508
Supplier advances for capital expenditure.....		29,595	20,310
Current income tax assets.....		606	2,203
Other current assets.....		20,061	18,238
Restricted cash.....		2,299	2,766
Cash and cash equivalents.....		70,829	50,089
Total Current Assets		920,870	373,597
TOTAL ASSETS.....		1,707,629	1,159,965

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

**Interim condensed combined Statement of Financial Position
as at June 30, 2014 (Continued)**

US\$ '000	Notes	June 30, 2014 (unaudited)	December 31, 2013
EQUITY AND LIABILITIES			
EQUITY			
Share capital		14,009	14,009
Equity contribution reserve		5,613	4,850
Other reserves		80,035	73,487
Retained earnings		235,726	444,754
TOTAL EQUITY		335,383	537,100
LIABILITIES			
Non-current Liabilities			
Debt and financing due to related parties	9	846	2,890
Other debt and financing	11	779,415	315,337
Provisions and other non-current liabilities		17,968	18,180
Deferred taxation		1,084	2,382
Total non-current liabilities		799,313	338,789
Current Liabilities			
Other debt and financing	11	—	83,711
Amounts due to related parties	9	361,179	8,282
Payables and accruals for capital expenditure		37,722	46,740
Other trade payables		37,596	57,933
Other accrued interest and accrued expenses		70,497	38,715
Current income tax liabilities		6,379	6,721
Provisions and other current liabilities		59,560	41,974
Total current liabilities		572,933	284,076
TOTAL LIABILITIES		1,372,246	622,865
TOTAL EQUITY AND LIABILITIES		1,707,629	1,159,965

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

**Interim condensed combined Statement of Cash Flows
for the six month period ended June 30, 2014**

US\$ '000 (unaudited)	Notes	Six months ended June 30, 2014	Six months ended June 30, 2013
Profit before tax		193,926	218,669
Adjustments for non-operating items:			
Interest expense.....		29,298	15,085
Interest and income		(1,177)	—
Foreign exchange loss / (gain), net.....		(547)	(3,944)
Adjustments for non-cash items:			
Depreciation and amortization	7,8	85,884	71,501
Loss on disposal and impairment of assets		1,937	761
Share-based compensation.....	6,10	762	616
		310,083	302,688
(Increase)/Decrease in trade receivables, prepayments and other current assets		(7,807)	(12,365)
(Increase)/Decrease in inventories.....		2,674	(8,514)
Increase/(Decrease) in trade and other payables		10,168	8,368
Changes to working capital		5,035	(12,511)
Interest paid		(7,259)	(12,330)
Interest received		963	670
Taxes paid.....		(54,416)	(47,807)
Net cash provided by operating activities		254,406	230,710
Cash flows from investing activities:			
Purchase of intangible assets and license renewals	7	(10,105)	—
Purchase of property, plant and equipment.....	8	(89,520)	(107,098)
Proceeds from sale of property, plant and equipment.....		1,631	389
Net increase in restricted cash.....		(467)	(1,831)
Net cash used in investing activities		(98,461)	(108,540)
Cash flows from financing activities:			
Proceeds from issuance of debt and other financing.....		773,942	—
Repayment of debt and financing.....		(399,735)	(57,291)
Payment of dividends and shareholders loans.....		(510,332)	(32,916)
Net cash used in financing activities		(136,125)	(90,207)
Exchange gains on cash and cash equivalents		920	604
Net increase in cash and cash equivalents		20,740	32,567
Cash and cash equivalents at the beginning of the year		50,089	33,797
Cash, cash equivalents at the end of the period		70,829	66,364

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

**Interim condensed combined Statement of changes in equity
as at June 30, 2014**

(unaudited)	Equity		Other		Retained earnings	Total equity
	Share capital	Contribution Reserve (i)	reserves (ii)	US\$ '000		
	US\$ '000	US\$ '000	US\$ '000			
Balance as of January 1, 2013	14,009	3,620	66,466	444,111	528,206	
<i>Profit for the period</i>	—	—	—	191,544	191,544	
<i>Currency translation differences</i>	—	—	5,976	—	5,976	
Total comprehensive income for the period.....	—	—	5,976	191,544	197,520	
Share based compensation	—	615	—	—	615	
Dividends (iii).....	—	—	—	(382,740)	(382,740)	
Balance as of June 30, 2013 (unaudited)	14,009	4,235	72,442	252,915	343,601	
<i>Profit for the period</i>	—	—	—	191,839	191,839	
<i>Currency translation differences</i>	—	—	1,045	—	1,045	
Total comprehensive income for the period.....	—	—	1,045	191,839	192,884	
Share based compensation	—	615	—	—	615	
Dividends (iii)	—	—	—	—	—	
Balance as of December 31, 2013	14,009	4,850	73,487	444,754	537,100	
Balance as of January 1, 2014.....	14,009	4,850	73,487	444,754	537,100	
<i>Profit for the period</i>	—	—	—	160,527	160,527	
<i>Currency translation differences</i>	—	—	6,548	—	6,548	
Total comprehensive income for the period.....	—	—	6,548	160,527	167,075	
Share based compensation	—	763	—	—	763	
Dividends (iii).....	—	—	—	(369,555)	(369,555)	
Balance as of June 30, 2014 (unaudited)	14,009	5,613	80,035	235,726	335,383	

(i) *Equity Contribution Reserve — see note 10*

(ii) *Other reserves includes legal reserves of \$ 92million and negative currency translation differences of \$ 12million at June 30, 2014, negative \$ 20million at December 31, 2013 and negative \$ 27million at December 31, 2012. Legal reserves are undistributable.*

(iii) *Dividends — see note 12.*

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

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

1. CORPORATE INFORMATION

The combined financial statements are composed of 9 companies (the “Combined Group” or “Tigo Guatemala Companies”) as detailed in the table below :

<u>Name of the company</u>	<u>Country</u>
Comunicaciones Celulares, S.A.	Guatemala
Comunicaciones Corporativas, S.A.	Guatemala
Servicios especializados en telecomunicaciones, S.A.	Guatemala
Distribuidora de comunicaciones de occidente, S.A.	Guatemala
Distribuidora central de comunicaciones, S.A.	Guatemala
Distribuidora de comunicaciones de oriente, S.A.	Guatemala
Distribuidora internacional de comunicaciones, S.A.	Guatemala
Servicios Innovadores de Comunicación y Entretenimiento, S.A.	Guatemala
Navega.com, S.A.	Guatemala

There were no changes in ownership of the Tigo Guatemala Companies in the periods presented.

Our Combined Financial Statements do not consolidate the subsidiaries over which Comcel and the other Note Guarantors exerted control as of, and for, the periods presented. The only such subsidiary is Newcom Ltd. Bermuda, which represented less than 1% of the combined total revenue, less than 1% of the combined Adjusted EBITDA, less than 1% of the combined total assets and less than 1% of the combined total liabilities of Comcel and the other Note Guarantors as of, and for the six month period ended June 30, 2014. We do not intend to consolidate these or any other subsidiaries that may exist from time to time in future combined financial statements of Comcel and the other Note Guarantors, including those prepared for purposes of “Description of the Notes—Covenants of the Note Guarantors—Provision of Financial Information.”

The Combined Group provides mobile and data telephony services, corporate solutions, fixed-line broadband, fixed-line telephone, cable TV and mobile financial services to retail and business customers in Guatemala. Two entities (Millicom Cable 206 N.V. and Newcom Bermuda) not material to the Combined Group have been excluded from this combination.

All Tigo Guatemala Companies have registered offices located at Km 9.5 Carretera a El Salvador, Plaza Tigo Sta. Catarina Pinula, Guatemala. They are owned jointly by Millicom Group (“MIC Group”), whose ultimate holding company is Millicom International Cellular S.A. (“MIC”) and by Miffin Associates Corp together the “Combined Group owners”.

The Combined Group shareholders are Millicom Group and Miffin which own respectively 55% and 45% interests in each of the Tigo Guatemala Companies. Those entities form one single business in substance as all of the entities have one single common management. The Combined Group is governed by a shareholders’ agreement.

On January 16, 2014 Millicom and its local partner in Guatemala, Miffin, reached an agreement that gives Millicom control of the Tigo Guatemala Companies. Miffin has granted Millicom, for consideration of \$ 15 million and a minimum term of two years, an unconditional call option for its 45% stake in Tigo Guatemala Companies. In return, Millicom has granted Miffin a put option for the same duration, exercisable in the event Millicom sells its 55% interest in Tigo Guatemala Companies or undergoes a change of control. This agreement has no impact on these combined financial statements. Following this event Millicom control is exclusive.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES

These interim condensed combined financial statements of the Combined Group are unaudited. The interim condensed combined financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’, as published by the International Accounting Standards Board (“IASB”) and as adopted by the European Union (“EU”). In the opinion of the management, these unaudited condensed interim consolidated financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods.

As of June 30, 2014, International Financial Reporting Standards as adopted by the EU are similar to those published by the IASB, except for IAS 39, ‘Financial Instruments’ that has been partially adopted by the EU and for new standards and interpretations not yet endorsed but effective in future periods. Since the provisions that have not been adopted by the EU are not applicable to the Combined Group, the combined financial statements comply with both IFRS as issued by the IASB and as adopted by the EU.

These interim condensed combined financial statements should be read in conjunction with the annual combined financial statements for the year ended December 31, 2013.

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

There are no IFRS's or IFRIC interpretations that are effective for the first time for the financial year beginning January 1, 2014 that have a material impact on the Combined 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 adopted the amendment on its effective date for the accounting period beginning on January 1, 2014. There was no significant impact on the Combined Group as a result of adoption.

Amendment to IAS 36, 'Impairment of Assets', which amends certain disclosure requirements regarding disclosure of recoverable amounts and measurement of fair value less costs to sell when an impairment loss has been recognized or reversed. There was no significant impact on the Combined Group as a result of adoption.

Amendment to IAS 39, 'Financial Instruments: Recognition and Measurement', which covers novation of hedging instruments to central counterparties. There was no impact on the Combined Group as a result of adoption.

The following standards and amendments are not effective for the financial year beginning January 1, 2014, and have not been endorsed by the EU:

Amendment to IAS 19, 'Employee Benefits' covering employee or third party contributions to the cost of benefits.

Amendment to IFRS 2, 'Share based payment' which defines vesting conditions separately from performance conditions and service conditions.

Amendment to IFRS 3, 'Business Combinations' which clarifies certain aspects of contingent consideration.

Amendment to IFRS 8, 'Operating Segments' which requires disclosures regarding judgment applied in aggregating operating segments.

Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' which clarifies treatment of gross carrying amounts and accumulated depreciation under the revaluation model.

Amendment to IAS 24, 'Related party disclosures' which defines entities that provide key management services to the reporting entity as related parties.

Amendment to IFRS 13, 'Fair Value measurement' which clarifies that discounting of short-term receivables and payables is not required where immaterial.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Contingent liabilities

Contingent liabilities are potential liabilities that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Combined Group. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated. The determination of whether or not a provision should be recorded for any potential liabilities is based on management's judgment.

Estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Because of inherent uncertainties in this evaluation process, actual results may be different from originally estimated amounts. In addition, significant estimates are involved in the determination of impairments, provisions related to taxes and litigation risks. These estimates are subject to change as new information becomes available and may significantly affect future operating results.

Accounting for property, plant and equipment, and intangible assets involves the use of estimates for determining fair values at acquisition dates, particularly in the case of such assets acquired in a business combination. Furthermore, the expected useful lives of these assets must be estimated. The determination of fair values of assets and liabilities, as well as of useful lives of the assets is based on management judgment.

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

For our critical accounting estimates reference is made to the relevant individual notes to these combined financial statements, more specifically note 7—Intangible assets, note 8—Property, plant and equipment, note 13—Commitments and contingencies.

4. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the six month period ended June 30, 2014, there were no acquisitions or disposals of subsidiaries.

5. ANALYSIS OF OPERATING PROFIT

The Combined Group's operating income and expenses analyzed by nature of expense is as follows:

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
Revenue	613,090	566,899
Cost of rendering telecommunication services	(117,113)	(90,958)
Depreciation and amortization (see notes 7 and 8).....	(85,884)	(71,501)
Dealer commissions	(45,234)	(43,401)
Employee related costs (see note 6)	(23,989)	(22,623)
Sites and network maintenance.....	(32,433)	(27,070)
Advertising and promotion	(12,285)	(14,331)
Phone subsidies.....	(22,891)	(28,211)
External services	(16,990)	(12,894)
Operating lease expense	(18,813)	(15,697)
Other fees and costs	(2,734)	(2,338)
(Loss) gain on disposal and impairment of assets, net	(1,937)	593
Other expenses.....	(11,287)	(8,658)
Operating profit	221,500	229,810

6. EMPLOYEE RELATED COSTS

Employee related costs are comprised of the following:

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
Wages and salaries	(21,340)	(20,238)
Social security.....	(1,270)	(1,660)
Share based compensation (see note 10)	(762)	(616)
Other employee related costs (i).....	(617)	(109)
Total	(23,989)	(22,623)

(i) There are no defined benefit pension plans.

7. INTANGIBLE ASSETS

The Combined Group used cash for the purchase of intangible assets and licenses as follows:

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
Additions	7,627	—
Increase in payables for intangibles	2,478	—
Cash used for the purchase of intangible assets and licenses	10,105	—

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

7. INTANGIBLE ASSETS (Continued)

The charge for depreciation on intangible assets and license renewals for the six month period ended June 30, 2014 was \$8 million (June 30, 2013: \$8 million).

During the six month period ended June 30, 2014 and 2013, Tigo Guatemala Companies did not dispose of any intangibles.

8. PROPERTY, PLANT AND EQUIPMENT

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

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
Additions	76,582	87,673
Decrease in suppliers advances	9,119	16,063
Decrease in payables for property, plant and equipment	3,819	3,362
Cash used for the purchase of property, plant and equipment	89,520	107,098

The charge for depreciation on property, plant and equipment for the six month period ended June 30, 2014 was \$78 million (June 30, 2013: \$64 million).

During the six month period ended June 30, 2014, Tigo Guatemala Companies disposed of property, plant and equipment and received \$2 million (June 30, 2013: \$0.4 million).

9. RELATED PARTIES

The Tigo Guatemala Companies conduct transactions with its shareholders: Millicom Group Companies (of which the parent company MIC is partly owned by its principal shareholder : Investment AB Kinnevik (“Kinnevik”) and Miffin Associates Corp.

Millicom Group subsidiaries

In the normal course of business, the Combined Group receives business support from various Millicom Group entities including MIC the ultimate holding company and Millicom International Operations S.A. (“MIO S.A.”).

The Combined Group also recharges to other Millicom Group entities certain services performed on their behalf.

The receivable balance with MIO S.A. is mainly dividend advances. Transactions with related parties are made on an arm’s length basis.

Miffin Associates Corp

The receivable balance with Miffin Associates Corp represents dividend advances. Transactions with Miffin shareholders represent recurring commercial operations such as purchase of handsets and sale of airtime. Transactions with such parties are made on an arm’s length basis.

Kinnevik

Kinnevik is a Swedish holding company with interests in the telecommunications, media, publishing, paper industries and financial services. As of June 30, 2014, and December 31, 2013 Kinnevik owned approximately 38% of MIC. During the six month period ended June 30, 2014 and 2013 the Combined Group purchased services from Kinnevik subsidiaries including fraud detection, procurement and professional services.

Amount due from related parties (non-current portion)

US\$ '000 (unaudited)	June 30, 2014	December 31, 2013
Navega Nicaragua	2,906	2,906
Others	105	67
Total	3,011	2,973

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

9. RELATED PARTIES (Continued)

Amount due from related parties (current portion)

US\$ '000 (unaudited)	June 30, 2014	December 31, 2013
MIO S.A (i)	371,593	81,272
Miffin Associates Corp (i)	307,173	78,487
MIC S.A.	7,250	12,262
Others	226	715
Total	686,242	172,735

(i) *These amounts correspond to dividend advances (MIO S.A. and Miffin Associates Corp) or amounts incurred in the normal course of business. They are collectible on demand.*

Debt and financing to related parties (non-current portion)

US\$ '000 (unaudited)	June 30, 2014	December 31, 2013
Others	846	2,890
Total	846	2,890

Amounts due to related parties (current portion)

US\$ '000 (unaudited)	June 30, 2014	December 31, 2013
MIO S.A.	199,118	3,600
Miffin Associates Corp.....	159,449	3,080
Others	2,612	1,602
Total	361,179	8,282

10. 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 represent shares in MIC, one of the joint shareholders of the Tigo Guatemala Companies, the cost of which is recorded as equity contribution reserve. 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 market and non-market conditions and vest at the end of three-year periods. All shares issued are MIC shares and the fair value of equity-settled shares granted is estimated at the date of grant using the market price of MIC shares on that date.

The Combined Group has accounted for share based compensation for the management and key employees of the companies included in the Combined Group.

A summary of the plans at June 30, 2014 is as follows:

Plans (unaudited)	Actual/expected charge over the vesting period (US\$ '000)
2011 Deferred Plan	873
2011 Performance Plan	57
Total actual for fully vested plans	930
2012 Deferred Plan	904
2012 Performance Plan	95
2013 Deferred Plan	1,231
2013 Performance Plan	335
2014 Deferred Plan	1,531
2014 Performance Plan	375
Total expected for other plans	4,472
Total	5,402

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

10. SHARE BASED COMPENSATION (Continued)

(b) Total share-based compensation expense

Total share-based compensation for the three month periods ended June 30, 2014 and 2013 was as follows:

US\$ '000 (unaudited)	Six months ended June 30, 2014	Six months ended June 30, 2013
2011 LTIPs	—	66
2012 LTIPs	96	142
2013 LTIPs	242	408
2014 LTIPs	424	—
Total share-based compensation expense	762	616

11. BORROWINGS

Analysis of debt and other financing by maturity

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

US\$ '000	As at June 30, 2014 (unaudited)	As at December 31, 2013
Due within:		
One year	—	83,711
One-two years	—	86,261
Two-three years	—	83,425
Three-four years	—	67,908
Four-five years	—	75,192
After five years	773,411	2,551
Total debt	773,411	399,048

As at June 30, 2014 and December 31, 2013, none of the shareholders had issued any guarantees to secure the obligations of the Combined Group's operations.

On January 30, 2014, Tigo Guatemala Companies issued an \$800 million 6.875% fixed interest rate bond repayable in 10 years, to refinance the Combined Group and to repay in 2014 each individual financing facility existing as at December 31, 2013. The bond was issued at 98.233% of the principal and has an effective interest rate of 7.168%.

Pledged assets

As at June 30, 2014 and December 31, 2013, the assets pledged by the Combined Group's operations for these debts and financings are nil.

12. DIVIDENDS

The ability of the Combined Group to make dividend payments is subject to, among other things, the terms of indebtedness, legal restrictions and the ability to repatriate funds from the combined entities. By June 30, 2014, the entities of the Combined Group had declared a dividend related to 2013 of \$370 million (2013: \$383 million). Dividends are typically paid over two fiscal years.

13. COMMITMENTS AND CONTINGENCIES

Operational environment

The Combined Group operates in Guatemala, where the regulatory, political, technological and economic environments are evolving. As a result, there are uncertainties that may affect future operations, the ability to conduct business, foreign exchange transactions and debt repayments and which may impact upon agreements with other parties. In the normal course of business, the Combined Group faces uncertainties regarding taxation, interconnect, license renewal and tariff arrangements, which can have a significant impact on the long-term economic viability of its operations.

**Notes to the interim condensed combined financial statements at
June 30, 2014 and for the six month period then ended**

13. COMMITMENTS AND CONTINGENCIES (Continued)

Litigation

The Tigo Guatemala Companies are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. As of June 30, 2014, and December 31, 2013, the total amount of claims against the Combined Group's operations was not significant. As at June 30, 2014, and December 31, 2013, respectively \$17 thousands and \$20 thousands have been provided for these claims in the combined 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 these claims, the ultimate outcome of these contingencies is not anticipated to have a material effect on the Combined Group's financial position and operations.

Capital commitments

As of June 30, 2014, the Combined Group had fixed commitments to purchase network equipment, land and buildings and other fixed assets for \$118 million (December 31, 2013: \$70 million), from a number of suppliers.

14. FINANCIAL INSTRUMENTS

The fair value of the Combined Group's financial instruments is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair value of all financial assets and all financial liabilities except debt and financial approximate their carrying value largely due to the short-term maturities of these instruments. The fair values of all debt and financing have been estimated by the Combined Group management based on discounted future cash flows at market interest rates.

The following tables show the carrying and fair values of financial instruments as at 30 June 2014 and 31 December 2013:

	<u>Carrying value</u>		<u>Fair value</u>	
	<u>June 30,</u>	<u>December</u>	<u>June 30,</u>	<u>December</u>
	<u>2014</u>	<u>31, 2013</u>	<u>2014</u>	<u>31, 2013</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>
FINANCIAL ASSETS				
<i>Loans and receivables</i>				
Other non-current assets	3,463	2,883	3,463	2,883
Trade receivables, net	67,504	64,111	67,504	64,111
Amounts due from related parties	689,253	175,708	689,253	175,708
Prepayments and accrued income	14,470	11,508	14,470	11,508
Other current assets	49,656	38,548	49,656	38,548
Restricted cash	2,299	2,766	2,299	2,766
Cash and cash equivalents	70,829	50,089	70,829	50,089
Total	897,474	345,613	897,474	345,613
Current.....	891,000	339,757	891,000	339,757
Non-current.....	6,474	5,856	6,474	5,856
FINANCIAL LIABILITIES				
Other debt and financing.....	773,415	399,048	364,219	368,573
Trade payables	37,596	57,933	37,596	57,933
Payables and accruals for capital expenditure.....	37,722	46,740	37,722	46,740
Amounts due to related parties.....	361,179	8,282	361,179	8,282
Accrued interest and other expenses.....	70,497	38,715	70,497	38,715
Other liabilities.....	23,099	8,306	23,099	8,306
Total	1,303,508	559,024	894,312	528,549
Current.....	530,093	243,687	530,093	243,687
Non-current.....	773,415	315,337	364,219	284,862

15. SUBSEQUENT EVENTS

There are no subsequent events affecting the Combined Group.