Combined financial statements of Tigo Guatemala Companies
For the year ended December 31, 2014

INDEX TO FINANCIAL STATEMENTS

Audited Combined Financial Statements of Tigo Guatemala Companies for the Year Ended December 31, 2014

Building a better
working world

Ernst & Young
Société anonyme

7, rue Gabriel Lippmann

L-5365 Munsbach

Tel : +352 42 124 1

www.ey.com/luxembourg

B.P. 780
L-2017 Luxembourg

R.C.S. Luxembourg B 47 771
TVA LU 16063074

To the Board of Directors of Comunicaciones Celulares, S.A

Report on the combined financial statements

We have audited the accompanying combined financial statements of the entities under the control of Millicom International II

Combined Income Statement for the year ended December 31, 2014

	Notes	2014	2013
		US$ '000	US$ '000
Revenue	5	1,245,597	1,164,239
Cost of sales		(372,349)	(324,650)
Gross profit		**873,248**	**839,589**
Sales and marketing		(202,475)	(201,377)
General and administrative expenses		(215,709)	(184,257)
Operating profit	5	**455,064**	**453,955**
Interest expense	16	(57,473)	(16,114)
Interest income		1,808	
Foreign exchange gain (loss), net		11,784	2,599
Profit before tax		**411,183**	**440,440**
Charge for taxes	7	(67,004)	(57,057)
Net profit for the year		**344,179**	**383,383**

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

Combined Statement of Comprehensive Income
for the year ended December 31, 2014

	2014 US$ '000	2013 US$ '000
Net profit for the year	344,179	383,383
Other comprehensive income:		
Exchange differences on translation of operations to the US dollar reporting currency	17,168	7,021
Total comprehensive income for the year	**361,347**	**390,404**

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

Combined Statement of Financial Position
as at December 31, 2014

	Notes	2014	2013
		US$ '000	US$ '000
ASSETS			
Non-Current Assets			
Intangible assets, net	8	135,637	140,919
Property, plant and equipment, net	9	702,740	636,054
Deferred tax assets	7	7,067	3,539
Amounts due from related parties	24	9,062	2,973
Other non-current assets		686	2,883
Total Non-Current Assets		**855,192**	**786,368**
Current Assets			
Inventories	10	31,336	31,637
Trade receivables, net	11	38,637	64,111
Amounts due from related parties	24	458,171	172,735
Prepayments and accrued income	12	33,284	11,508
Supplier advances for capital expenditure		17,298	20,310
Current tax assets		17,230	2,203
Other current assets		21,085	18,238
Restricted cash	13	2,339	2,766
Cash and cash equivalents	13	89,867	50,089
Total Current Assets		**709,247**	**373,597**
TOTAL ASSETS		**1,564,439**	**1,159,965**

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

Combined Statement of Financial Position
as at December 31, 2014

	Notes	2014	2013
		US$ '000	US$ '000
EQUITY AND LIABILITIES			
EQUITY			
Equity contribution	14	14,009	14,009
Equity contribution reserve		6,314	4,850
Other reserves		90,655	73,487
Retained earnings		419,378	444,754
TOTAL EQUITY		**530,356**	**537,100**
LIABILITIES			
Non-current Liabilities			
Debt and financing from related parties	24	9,813	2,890
Other debt and financing	16	780,491	315,337
Provisions and other non-current liabilities	20	22,869	18,180
Deferred tax liabilities	7	716	2,382
Total non-current liabilities		**813,889**	**338,789**
Current Liabilities			
Other debt and financing	16		83,711
Amounts due to related parties	24	8,111	8,282
Payables and accruals for capital expenditure	17	50,503	46,740
Trade payables	18	41,969	57,933
Accrued interest and accrued expenses	19	74,797	38,715
Current income tax liabilities		7,429	6,721
Provisions and other current liabilities	20	37,385	41,974
Total current liabilities		**220,194**	**284,076**
TOTAL LIABILITIES		**1,034,083**	**622,865**
TOTAL EQUITY AND LIABILITIES		**1,564,439**	**1,159,965**

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

Combined Statement of Cash Flows
for the year ended December 31, 2014

	Notes	2014	2013
		US$ '000	US$ '000
Profit before tax		**411,183**	**440,440**
Adjustments to reconcile to net cash:			
Interest expense		57,473	16,114
Interest and other financial income		(1,808)	
Foreign exchange loss / (gain)		(11,784)	(2,598)
Adjustments for non-cash items:			
Depreciation and amortization	8,9	175,372	148,368
Loss / (gain) on disposal and impairment of assets		2,388	(277)
Share-based compensation	6	1,464	1,230
		634,288	**603,277**
(Increase)/decrease in trade receivables, prepayments and other current assets		3,761	(28,571)
(Increase)/decrease in inventories		1,170	4,682
Increase/(decrease) in trade and other payables		(1,376)	19,602
Changes in working capital		**3,555**	**(4,287)**
Interest paid		(35,343)	(23,362)
Interest received		1,389	1,014
Taxes paid		(73,581)	(80,070)
Net cash provided by operating activities		**530,308**	**496,572**
Cash flows from investing activities:			
Acquisition of subsidiaries, net of cash acquired	4	(12,759)	(8,504)
Purchase of property, plant and equipment	9	(198,018)	(214,911)
Proceeds from sale of property, plant and equipment		2,299	483
Proceeds from sale of intangibles		5,268	
Net (increase)/decrease in restricted cash		427	(165)
Cash (used) provided by other investing activities			(529)
Net cash used in investing activities		**(202,783)**	**(223,626)**
Cash flows from financing activities:			
Proceeds from issuance of debt and other financing	16	778,584	13,329
Repayment of debt and financing	16	(399,727)	(97,180)
Advances for, payment of dividends and shareholders loans	24	(668,386)	(172,717)
Net cash used in financing activities		**(289,529)**	**(256,568)**
Exchange gains on cash and cash equivalents		1,782	1,237
Net (decrease) increase in cash and cash equivalents		**39,778**	**17,615**
Cash and cash equivalents at the beginning of the year		50,089	32,474
Cash, cash equivalents at the end of the year		**89,867**	**50,089**

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

Combined Statement of Changes in Equity
for the year ended December 31, 2014

	Equity Contribution	Equity Contribution Reserve	Other Reserves (iii)	Retained earnings	Total equity
	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Balance as of December 31, 2012	**14,009**	**3,620**	**66,466**	**444,111**	**528,206**
For the year ended December 31, 2013					
Net profit for the year			—	*383,383*	*383,383*
Currency translation differences			*7,021*		*7,021*
Total comprehensive income for the year			7,021	383,383	390,404
Share-based compensation (i)		1,230			1,230
Dividends (ii)				(382,740)	(382,740)
Balance as of December 31, 2013	**14,009**	**4,850**	**73,487**	**444,754**	**537,100**
For the year ended December 31, 2014					
Net profit for the year			—	*344,179*	*344,179*
Currency translation differences			*17,168*		*17,168*
Total comprehensive income for the year			17,168	344,179	361,347
Share-based compensation (i)		1,464			1,464
Dividends (ii)				(369,555)	(369,555)
Balance as of December 31, 2014	**14,009**	**6,314**	**90,655**	**419,378**	**530,356**

(i) Share-based compensation — see note 15.
(ii) Dividends — see note 21.
(iii) Other reserves include legal reserves for \$ 92mn and Currency translation differences for \$ -2mn in 2014, (2013 \$ -20mn, 2012 \$ -27mn). Legal reserves are undistributable.

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

1. CORPORATE INFORMATION

The combined financial statements are composed of 10 companies Combined Group Companies) as detailed in the table below :

Name of the company	Country	December 31, 2014	December 31, 2013
		% of ownership interest	% of ownership interest
Comunicaciones Celulares, S.A.	Guatemala	100	100
Comunicaciones Corporativas, S.A.	Guatemala	100	100
Servicios especializados en telecomunicaciones, S.A....................	Guatemala	100	100
Distribuidora de comunicaciones de occidente, S.A.	Guatemala	100	100
Distribuidora central de comunicaciones, S.A.	Guatemala	100	100
Distribuidora de comunicaciones de oriente, S.A.	Guatemala	100	100
Distribuidora internacional de comunicaciones, S.A.	Guatemala	100	100
Servicios Innovadores de Comunicación y Entretenimiento, S.A...	Guatemala	100	100
Navega.com, S.A..	Guatemala	100	100
Intertrust SPV (Cayman) Limited..	Cayman	100	-

The only change in ownership of the Tigo Guatemala Companies in the periods presented relates to Intertrust SPV (Cayman) Limited, acting as trustee of the Comcel Trust, a trust established and consolidated by Communicaciones Celulares, S.A. for the purposes of the bond issued (refer to note 16).

Our Combined Financial Statements only include subsidiaries of the Tigo Guatemala Companies located in Guatemala and therefore do not consolidate other subsidiaries outside Guatemala that are not material over which the Combined Group has control as of, and for, the periods presented. These subsidiaries 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 the Combined Group and the other Note Guarantors as of, and for the twelve month period ended December 31, 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 Tigo Guatemala Companies.

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.

All Tigo Guatemala Companies have their registered office at Km 9.5 Carretera a El Salvador, Plaza Tigo Sta. Catarina

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

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. For periods prior to January 16, 2014, the Tigo Guatemala Companies were under the joint control of Millicom and Miffing and this agreement has therefore no impact on the combined financial statements.

The representatives to the Comunicaciones Celulares, S.A. and the other Tigo Guatemala companies have approved these combined financial statements on April 15, 2015.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

The companies composing the Combined Group are all companies in the telecommunication sector which are all owned 55% by Millicom International II, N.V. and 45% by Miffin Associates Corp. Entities are fully combined from the date on which they are transferred to the Combined Group. They are de-combined from the date that relation ceases.

The combined financial statements of the Combined Group have been prepared on the basis of accounting policies, and presented in accordance with presentation and disclosure requirements of International Financial Reporting Standards as adopted by the European Union IFRS

The combined financial statements are presented in US dollars and all values are rounded to the nearest thousand (US$
basis except for certain financial assets and liabilities that have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires management to exercise its judgment in the process of applying IFRS. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are est knowledge of current events and actions, actual results may ultimately differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the combined financial statements are disclosed in note 3.

2.2 Combination

The combined entities and the combined financial statements have the same calendar year closing and use consistent accounting policies for each year presented. All intra-group balances, transactions, income and expenses, and profits and losses resulting from intra-group transactions are eliminated. Companies linked to one another by combination are integrated through the aggregation of accounts, in accordance with rules identical to those for full consolidation.

The acquisition method of accounting is used to account for acquisitions where there is a change in control (i.e. when the Combined Group owners obtain control over another entity or business). The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Combined Group
recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the business acquired, the difference is recognized directly in the income statement (see accounting policy for Goodwill). All acquisition related costs are expensed. Figures from entities entering into the combination are added to the figures of the existing combination at the time of the entry into the Combined Group.

2.3 Foreign currency translation

Functional and presentation currencies

Items included in the financial statements of each of the Combined Group

reflects the economic substance of the underlying events and circumstances of these entities. Given the purposes of the Combined Group hose are presented in U.S. dollar
the functional currency of all entities is the Guatemalan Quetzal.

The following table presents relevant currency translation rates to the U.S. dollar as of December 31, 2014 and 2013 and average rates for 2014 and 2013.

Country	Currency	2014 Average rate	2014 Year-end rate	2013 Average rate	2013 Year-end rate
Guatemala	Quetzal	7.73	7.60	7.86	7.84

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.3 Foreign currency translation (Continued)

Transactions and balances

Transactions denominated in a currency other than the functional currency are translated into the functional currency using exchange rates prevailing on transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions, and on translation of monetary assets and liabilities denominated in currencies other than the functional currency at year-end exchange rates, are recognized in the combined income statement, except when deferred in equity as qualifying cash flow hedges.

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flows in order to reconcile cash and cash equivalents at the beginning and end of the year.

Translation into presentation currency

The results and financial position of all Combined Group entities are translated into US dollar as follows:

i) Assets and liabilities are translated at the closing rate at the date of the statement of financial position;

ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii) Other reserves

When a combined entity is sold, exchange differences that were recorded in equity are recognized in the combined income statement as part of gain or loss on sale.

Goodwill and fair value adjustments arising on acquisition of a combined entity are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 Property, plant and equipment

Items of property, plant and equipment are stated at either historical cost or the lower of fair value and present value of the future minimum lease payments for items under finance leases, less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of items. The carrying amount of replaced parts is derecognized.

Depreciation is calculated using the straight-line method over the shorter of the estimated useful life of the asset and the remaining life of the license associated with the assets, unless the renewal of the license is contractually possible.

Estimated useful lives are:

Buildings	40 years or lease period, if shorter
Networks (including civil works)	5 to 15 years
Other	2 to 7 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate

down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Construction in progress consists of the cost of assets, labor and other direct costs associated with property, plant and equipment being constructed by the Combined Group. Once the assets become operational, the related costs are transferred from construction in progress to the appropriate asset category and depreciation commenced.

ppropriate, when it is probable that future economic benefits associated with the item will flow to the Combined Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the income statement in the financial period in which they are incurred. Costs of major inspections and overhauls are added to the carrying value of property, plant and equipment and the carrying amount of previous major inspections and overhauls is derecognized.

A liability for the present value of the cost to remove an asset on both owned and leased sites is recognized when a present obligation for the removal exists . The corresponding cost of the obligation is included in the cost of the asset and depreciated over the useful life of the asset.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.4 Property, plant and equipment (Continued)

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset when it is probable that such costs will result in future economic benefits for the Combined Group and the costs can be measured reliably.

2.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is charged to the combined income statement in the year in which expenditure is incurred.

Intangible assets with finite useful lives are amortized over their estimated useful economic lives using the straight-line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for intangible assets with finite useful lives are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the combined income statement in the expense category consistent with the function of the intangible assets.

Goodwill

Goodwill represents the excess of cost of an acquisition, over the Combined Group share in the fair value of identifiable assets less liabilities and contingent liabilities of the acquired business at the date of the acquisition. If the fair value of identifiable assets, liabilities or contingent liabilities or the cost of the acquisition can only be determined provisionally, then the Combined Group initially accounts for goodwill using provisional values. Within twelve months of the acquisition date, the Combined Group then recognizes any adjustments to the provisional values once the fair value of the identifiable assets, liabilities and contingent liabilities and the cost of the acquisition have been finally determined. Adjustments to provisional fair values are made as if the adjusted fair values had been recognized from the

recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment losses on goodwill are not reversed.

For the purpose of impairment testing, goodwill acquired in a business combination is, from acquisition date, allocated to each of the Combined Group -generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Combined Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated:

Represents the lowest level within the Combined Group at which the goodwill is monitored for internal management purposes; and

Is not larger than an operating segment.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed and the portion of the cash-generating unit retained.

Licenses

Licenses are recorded at either historical cost or, if acquired in a business combination, at fair value at the date of acquisition. Licenses have a finite useful life and are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is calculated using the straight-line method to allocate the cost of the licenses over their estimated useful lives.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.5 Intangible assets (Continued)

The terms of licenses, which have been awarded for various periods, are subject to periodic review for, amongst other things, rate setting, frequency allocation and technical standards. Licenses are initially measured at cost and are amortized from the date the network is available for use on a straight-line basis over the license period. Licenses held, subject to certain conditions, are usually renewable and generally non-exclusive. When estimating useful lives of licenses, renewal periods are not included. Licenses were all renewed for 20 years on December 2012 and January 2013.

Trademarks and customer bases

Trademarks and customer bases are recognized as intangible assets only when acquired or gained in a business combination. Their cost represents fair value at the date of acquisition. Trademarks and customer bases have finite useful lives and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of the trademarks and customer bases over their estimated useful lives. The estimated useful lives for trademarks and customer bases are based on specific characteristics of the market in which they exist. Trademarks and

Estimated useful lives are:

Trademarks	1 to 15 years
Customer bases	4 to 9 years

Indefeasible Rights of Use

Indefeasible rights

purchase and / or sale of lit fibre capacity and exchange of network infrastructure or lit fibre capacity. These arrangements are either accounted for as leases, service contracts, or partly as leases and partly as service contracts. Determination of the appropriate classification depends on an assessment of the characteristics of the arrangements.

A network capacity contract is accounted for as a lease if, and when:

- The purchaser has an exclusive right to the capacity for a specified period and has the ability to resell (or sub-let) the capacity; and
- The capacity is physically limited and defined; and
- The purchaser bears all costs related to the capacity (directly or not) including costs of operation, administration and maintenance; and
- The purchaser bears the risk of obsolescence during the contract term.

If all of these criteria are not met, the IRU is treated as a service contract.

If the arrangement is, or contains a lease, the lease is accounted for as either an operating lease or a financial lease (see policy note Leases 2.15). A financial lease of an IRU of network infrastructure is accounted for as a tangible asset. A financial lease of an IRU on capacity is accounted for as an intangible asset.

useful life of the underlying cable is shorter.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.6 Impairment of non-financial assets

At each reporting date the Combined Group assesses whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Combined Group makes an Combined Group determines the recoverable amount based on the higher of its fair value less cost to sell, and its value in use, for individual assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Where no comparable market information is available, the fair value less cost to sell is determined based on the estimated future cash flows discounted to their present value using a discount rate that reflects current market conditions for the time value of money and risks specific to the asset. The foregoing analysis also evaluates the appropriateness of the expected useful lives of the assets. Impairment losses of continuing operations are recognized in the combined income statement in expense categories consistent with the function of the impaired asset.

At each reporting date an assessment is made as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. Other than for goodwill, a previously recognized impairment loss is reversed if there has been a change in the estimate used to , the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the

2.7 Loans and receivables

Loans and receivables (from related parties or from third parties) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified within non-current assets. Loans and receivables are carried at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the loans and receivables are derecognized or impaired, as well as through the amortization process.

2.8 Inventories

Inventories (which mainly consist of mobile telephone handsets and related accessories) are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.9 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment is recorded when there is objective evidence that the Combined Group will not be able to collect amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are indicators of impairment. The amount of the provision is the

effective interest rate. The provision is recognized in the combined

2.10 Deposits

Time deposits

Cash deposits with banks with maturities of more than three months that generally earn interest at market rates are classified as time deposits.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.10 Deposits (Continued)

Pledged deposits

Pledged deposits represent contracted cash deposits with banks that are held as security for debts at corporate or operational entity level. The Combined Group is unable to access these funds until either the relevant debt is repaid or alternative security is arranged with the lender.

2.11 Cash, cash equivalents and restricted cash

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash held with banks related to mobile financial services which is restricted in use due to local regulations is denoted as restricted cash.

2.12 Impairment of financial assets

The Combined Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. Impairment losses are recognized in the combined income statement.

2.13 Equity contribution

Common shares are classified as equity. Equity contribution presented in the combined financial statements is the sum of the equity contribution from the parents of the combined entities as presented and described under Note 1.

2.14 Third party borrowings

Third party borrowings are initially recognized at fair value, net of directly attributable transaction costs. After initial recognition borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the effective interest rate. Any difference between the initial amount and the maturity amount is recognized in the combined income statement over the period of the borrowing.

Borrowings (including accrued or capitalized interest) are classified as current liabilities unless the Combined Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

2.15 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and involves an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and whether or not the arrangement conveys a right to use the asset.

Finance leases

Finance leases, which transfer substantially all risks and benefits incidental to ownership of the leased item to the lessee, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Where a finance lease results from a sale and leaseback transaction, any excess of sales proceeds over the carrying amount of the assets is deferred and amortized over the lease term.

Capitalized leased assets are depreciated over the shorter of the estimated useful lives of the assets, or the lease term if there is no reasonable certainty that the Combined Group will obtain ownership by the end of the lease term.

Operating leases

Operating leases are all other leases that are not finance leases. Operating lease payments are recognized as expenses in the combined income statement on a straight-line basis over the lease term.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.16 Provisions

Provisions are recognized when the Combined Group has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Combined Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, risks specific to the liability. Where discounting is used, increases in the provision due to the passage of time are recognized as interest expenses.

2.17 Trade payables

Trade payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method where the effect of the passage of time is material.

2.18 Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and services, net of value added tax, rebates and discounts and after eliminating intra-group sales.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Combined Group and the revenue can be reliably measured. The Combined Group operates the following revenue streams :

- Recurring revenue from telecom services consist of monthly subscription fees, airtime usage fees, interconnection fees, roaming fees, mobile finance service commissions and fees from other telecommunications services such as data services, short message services and other value added services. Recurring revenues are recognized on an accrual basis, i.e. as the related services are rendered.
- Unbilled revenue for airtime usage and subscription fees resulting from services provided from the billing cycle date to the end of each month are estimated and recorded.
- Subscription products and services are deferred and amortized over the estimated life of the customer relationship. Related costs are also deferred, to the extent of the revenues deferred, and amortized over the estimated life of the customer relationship. The estimated life of the customer relationship is calculated based on historical disconnection percentage for the same type of customer.
- Where customers purchase a specified amount of airtime in advance, revenue is recognized as airtime credit is used.

- Revenue from content services such as video messaging, ringtones, games etc., are recognized net of payments to the providers under certain conditions including if the providers are responsible for the content and determining the price paid by the customer. For such services the Combined Group is considered to be acting in substance as an agent. Other revenue is recognized gross.
- Revenue from the sale of handsets and accessories are recognized when the significant risks and rewards of ownership of handsets and accessories have been passed to the buyer.
-) such as various services sold together are divided into separate units of accounting if the deliverables in the arrangement meet certain criteria. The arrangement consideration is then allocated among the separate units of accounting based on their relative fair values or on the residual method. Revenue is then recognized separately for each unit of accounting.
- Revenue from sale of capacity is recognized when the capacity has been delivered to the customers, based on the amount expected to be received from customers.
- Revenue from provision of mobile financial services is recognized once the primary service has been provided to the customer.
- Revenue from cable subscription, which do not vary according to usage, are recognized straight line evenly over the service period. Revenue from separate fees paid by cable subscribers for individual movies or special programs is recognized when the service is rendered. Revenue generated from sale of advertising carried on the transmission facilities is recognized in the period in which commercials or programs are broadcast. If the advertising arrangement is completed in phases, then revenue is recognized as each phase is completed.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.19 Cost of sales

The primary cost of sales incurred by the Combined Group in relation to the provision of telecommunication services relate to interconnection costs, roaming costs, rental of leased lines, costs of handsets and other accessories sold, and royalties. Cost of sales is recorded on an accrual basis.

Cost of sales also includes depreciation and any impairment of network equipment and trade receivables.

All services provided by Millicom and Miffin group companies are charged back to the Combined Group on a length basis.

2.20 Customer acquisition costs

Specific customer acquisition costs, including dealer commissions and handset subsidies, are recorded as sales and marketing expenses when the customer is activated.

2.21 Employee benefits

Share based compensation

Share awards are granted to management and key employees of the Combined Group. Awards are settled in shares of MIC.

The cost of share-based compensation is based on the fair value (market value) of the shares on grant date and, is recognized, together with a corresponding increase in equity contribution reserve, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employee becomes fully entitled to the award (the vesting date). The cumulative expense recognized for share-based compensation at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Combined Group best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market conditions are satisfied, provided that all other performance conditions are satisfied. Where the terms of a share-based compensation are modified, as a minimum an expense is recognized as if the terms had not been modified. In addition, an expense is recognized for any modification that increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

2.22 Taxation

Current tax

Current tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred income tax is provided using the liability method and calculated from temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting, nor taxable, profit or loss.

Deferred income tax assets are recognized for all deductible temporary differences and carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and the carry-forward of unused tax credits and unused tax losses can be utilized, except where the deferred tax assets relate to deductible temporary differences from initial recognition of an asset or liability in a transaction that is not a business combination, and, at the time of the transaction, affects neither accounting, nor taxable, profit or loss.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilize the deferred income tax asset. Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent it is probable that future taxable profit will enable the deferred tax asset to be recovered.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.22 Taxation (Continued)

Deferred income tax assets and liabilities are measured at the tax rate expected to apply in the year when the assets are realized or liabilities settled, based on tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date.

Income tax relating to items recognized directly in equity is recognized in equity and not in the combined income statement. Deferred tax assets and deferred tax liabilities are offset where legally enforceable set off rights exist and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.23 Segment reporting

The operations of Tigo Guatemala Companies are managed as part of the integrated management structure of the ultimate holding companies of the shareholders such that no dedicated management reporting information is presented for Tigo Guatemala Companies to a chief decision maker at this group level. Internal reporting to Shareholders CODM are based on the Combined Group taken as a whole (as defined in Note 1).

Accordingly, the Combined Group has only one segment and no other segment reporting is applicable.

2.24 Changes in accounting policies

In 2014 the Combined Group has changed the determination of the cost of inventories from the first-in, first-out (FIFO) method to the weighted average method. The impact of this change is not significant for the Combined Group.

New and amended standards adopted by the Combined Group

The following standards have been adopted by the Combined Group for the first time for the financial year beginning on January 1, 2014 but have not had a material impact on the Combined Group:

- Scope of the reporting entity, a group of standards com

  and SIC-

  The Combined Group adopted the new and amended standards on their effective date for the accounting period beginning on January 1, 2014.

- liabilities on the statement of financial position. The Combined Group adopted the amendment on its effective date for the accounting period beginning on January 1, 2014.

- g disclosure of recoverable amounts and measurement of fair value less costs to sell when an impairment loss has been recognized or reversed.

- instruments to central counterparties.

- both for levies that are accounted for in accordance with IAS 37 , Contingent Liabilities and Contingent

- value and requires additional disclosures about fair value measurements.

New standards and interpretations not yet adopted by the Combined Group

The following standards, amendments and interpretations issued are not effective for the financial year beginning January 1, 2014 and have not been early adopted.

- financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value, and those measured at amortized cost. The determination is made at initial recognition.

2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (Continued)

2.24Changes in accounting policies (Continued)

New standards and interpretations not yet adopted by the Combined Group (Continued)

The classification de its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part comprehensive income rather than the income statement, unless this creates an accounting mismatch. A final standard on hedging (excluding macro-hedging) has been issued in November 2013 which aligns hedge accounting more closely with risk management. The Combined sory adoption date of January 1, 2018 (subject to endorsement by the EU).

- customers. Under IFRS 15 revenue is recognized at amounts that reflect the consideration that an entity expects to be entitled in exchange for transferring products or services to a customer. The Combined Group is yet to assess IFRS nuary 1, 2017 (subject to endorsement by the EU).

on the Combined Group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgments

Management judgment is applied in application of IFRS accounting policies and accounting treatment in preparation of these consolidated financial statements. In particular a significant level of judgment is applied regarding the following items :

- Contingent liabilities the determination of whether or not a provision should be recorded for any potential liabilities.
- Leases determination of whether the substance of leases meets the IFRS criteria for recognition as finance or operating leases or services contracts, or elements of each.
- Acquisition allocation of excess of purchase price between newly identified assets and goodwill, measurement of property, plant and equipment and intangible assets and assessment of useful lives.
- Scope of entities combined the combined financial statements only include subsidiaries of the Tigo Guatemala Companies located in Guatemala and therefore do not consolidate other subsidiaries outside Guatemala that are not material over which the Combined Group that are not material over which the Combined Group has control as of, and for, the periods presented.

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. These estimates are subject to change as new information becomes available and may significantly affect future operating results.

Significant estimates have been applied in respect of the following items:

- Accounting for property, plant and equipment, and intangible assets in determining fair values at acquisition dates, particularly in the case of sales and leaseback transactions, and assets acquired in business combinations.
- Estimating useful lives of property, plant and equipment and intangible assets.
- Estimation of provisions, particularly related to legal, tax risks and asset retirement obligations.
- Impairment testing.
- Accounting for share based payments.
- Fair value of financial assets and liabilities.

For our critical accounting estimates reference is made to the relevant individual notes to these combined financial statements, more specifically note 7 Taxes, note 8 Intangible assets, note 9 Property, plant and equipment, note 11 Trade receivables, note 23 Commitments and contingencies.

4. ACQUISITIONS AND DISPOSALS

In 2014 and 2013, the combined entities made small acquisitions of cable businesses for a total consideration of respectively $ 13 million (Aria, Atenas, Beta and Eos) and $ 9 million (Aura, Delta, Kappa, and Lambda) while the purchase price allocations of acquired businesses in 2013 were finalized in 2014 resulting in $ 6 million reclassification of goodwill into customer lists (see notes 8 & 9).

5. ANALYSIS OF OPERATING PROFIT

The Combined Group

	2014	2013
	US$ '000	US$ '000
Revenue	1,245,597	1,164,239
Cost of rendering telecommunication services	(235,973)	(208,262)
Depreciation and amortization (see notes 8 and 9)	(175,372)	(148,368)
Dealer commissions	(90,301)	(87,404)
Employee related costs (see note 6)	(47,723)	(46,337)
Sites and network maintenance	(66,689)	(55,947)
Advertising and promotion	(24,930)	(25,344)
Phone subsidies	(46,220)	(51,409)
External services	(34,459)	(27,273)
Operating lease expense (see note 23)	(37,257)	(32,863)
Other fees and costs	(5,256)	(5,120)
(Loss) / gain on disposal and impairment of assets, net	(2,388)	277
Other expenses	(23,965)	(22,234)
Operating profit	**455,064**	**453,955**

6. EMPLOYEE RELATED COSTS

Employee related costs are comprised of the following:

	2014	2013
	US$ '000	US$ '000
Wages and salaries	(42,461)	(41,429)
Social security	(2,723)	(3,224)
Share based compensation (see note 15)	(1,464)	(1,230)
Other employee related costs	(1,075)	(454)
Total (see note 5)	**(47,723)**	**(46,337)**

The average number of permanent employees during the years ended December 31, 2014 and 2013 was as follows:

	2014	2013
Total average number of permanent employees	**1,695**	**1,609**

7. TAXES

Guatemalan companies are subject to all taxes applicable to Guatemalan limited liability companies. The effective tax rate is 16% (2013: 13%).

The reconciliation between the weighted average statutory tax rate and the effective average tax rate is as follows:

	2014	2013
	%	%
Statutory tax rate (based on income)	28	31
Tax based on revenue	(12)	(18)
Effective tax rate	**16**	**13**

The tax on revenue has raised from 6% in 2013 to 7% in 2014.

The charge for income taxes is shown in the following table and recognizes that revenue and expense items may affect the financial statements and tax returns in different periods (temporary differences):

	2014	2013
	US$ '000	US$ '000
Current income tax charge	(72,099)	(61,204)
Net deferred income tax benefit (expense)	5,095	4,147
Charge for taxes	**(67,004)**	**(57,057)**

The tax effects of significant items excluding the exchange movements and comprising the Combined Group deferred income tax asset and liability as of December 31, 2014 and 2013 are as follows:

	Combined Balance Sheet		Combined Income Statement	
	2014	2013	2014	2013
	US$ '000	US$ '000	US$ '000	US$ '000
Temporary differences between book and tax basis of intangible assets and property, plant and equipment	6,351	1,157	5,095	4,147
Deferred tax benefit (expense)			**5,095**	**4,147**
Deferred tax assets, net	**6,351**	**1,157**		
Reflected in the statements of financial position as:				
Deferred tax assets	7,067	3,539		
Deferred tax liabilities	(716)	(2,382)		

Deferred income tax assets and liabilities reflect temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The majority of deferred tax balances represent long term items. There are no carried forward tax losses within the combined entities.

8. INTANGIBLE ASSETS

Movements in intangible assets in 2014 were as follows:

	Goodwill	Licenses	Customer lists	Other (ii)	Total
	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Opening balance, net	**50,130**	**22,375**	**48,117**	**20,297**	**140,919**
Acquisition of business (see note 4)	7,201		2,317		9,518
Final allocation of goodwill (iii)	(6,061)		6,061		
Amortization charge (i)		(1,226)	(10,873)	(2,494)	(14,593)
Disposals				(5,268)	(5,268)
Exchange rate movements	2,277	698	1,124	962	5,061
Closing balance, net	**53,547**	**21,847**	**46,746**	**13,497**	**135,637**
As at December 31, 2014					
Cost	53,547	55,153	100,716	25,440	234,856
Accumulated amortization		(33,306)	(53,970)	(11,943)	(99,219)
Net	**53,547**	**21,847**	**46,746**	**13,497**	**135,637**

(i) The amortization charge for Licenses and Other is recorded under the caption "General and administrative expenses".
(ii) Other caption mainly relates to IRUs.
(iii) Final PPA allocation of goodwill from Beta and Lambda into customer lists.

Movements in intangible assets in 2013 were as follows:

	Goodwill	Licenses	Customer lists	Other (ii)	Total
	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Opening balance, net	**53,813**	**23,622**	**45,505**	**24,057**	**146,997**
Acquisition of business (see note 4)	7,030		1,701		8,731
Final allocation of goodwill (iii)	(11,225)		11,225		
Amortization charge (i)		(1,498)	(10,651)	(2,577)	(14,726)
Transfers		69		(931)	(862)
Exchange rate movements	512	182	337	(252)	779
Closing balance, net	**50,130**	**22,375**	**48,117**	**20,297**	**140,919**
As at December 31, 2013					
Cost	50,130	53,204	89,408	32,998	225,740
Accumulated amortization		(30,829)	(41,291)	(12,701)	(84,821)
Net	**50,130**	**22,375**	**48,117**	**20,297**	**140,919**

(i) The amortization charge for Licenses and Other is recorded under the caption "General and administrative expenses".
(ii) Other caption mainly relates to IRUs.
(iii) Final PPA allocation of goodwill from Delta, Kappa, and Aura into customer lists.

8. INTANGIBLE ASSETS (Continued)

Impairment test of goodwill

As at December 31, 2014 and 2013, management tested goodwill for impairment. The Combined Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill is allocated.

The recoverable amount of a cash-
flows. The cash flow projections used (adjusted operating profit margins, income tax, working capital, capital expenditure and license renewal cost) are extracted from financial budgets approved by management and the Board of MIC Group covering a period of three years apart. The planning horizon reflects industry practice in the countries where the Combined Group operates. Cash flows beyond this period are extrapolated using a perpetual growth rate of 2% (2013: 2%). The Combined Group has determined that the decision-making process as well as the level of detail of available information require that the Group is the only CGU. No impairment losses were recorded on goodwill for the years ended December 31, 2014 and 2013.

The recoverable amounts have been determined for the cash generating units based on discount rate of 10.8% for the year ended December 31, 2014 (2013: 11.2%)

The goodwill, net of exchange rate movements, is shown below:

	2014	2013
	US$ ’000	US$ ’000
Total Guatemala’s operations	**53,547**	**50,130**

Sensitivity analysis was performed on key assumptions within the impairment tests, including long-term growth rates, discount rates and operating profits. The sensitivity analysis determined that sufficient margin exists from realistic changes to the assumptions that would not impact the overall results of the testing.

9. PROPERTY, PLANT AND EQUIPMENT

Movements in tangible assets in 2014 were as follows:

	Network equipment US$ ’000	Land and Buildings US$ ’000	Construction in Progress US$ ’000	Other (i) US$ ’000	Total US$ ’000
Opening balance, net	**545,434**	**12,658**	**48,110**	**29,852**	**636,054**
Acquisition of business (see note 4)			3,240		3,240
Additions	93,092	2,965	97,606	10,290	203,953
Net disposals...	(3,703)		(707)	(154)	(4,564)
Depreciation charge (ii)	(134,125)	(3,620)		(23,	)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in tangible assets in 2013 were as follows:

	Network equipment US$ '000	Land and Buildings US$ '000	Construction in Progress US$ '000	Other (i) US$ '000	Total US$ '000
Opening balance, net	**463,936**	**10,724**	**71,636**	**20,566**	**566,862**
Additions	79,664	3,462	110,340	4,649	198,115
Net disposals	(785)	(165)	(522)	(85)	(1,557)
Depreciation charge (ii)	(117,000)	(2,467)		(14,194)	(133,661)
Asset retirement obligations	6,392				6,392
Transfers	109,385	1,022	(128,217)	18,672	862
Exchange rate movements	3,842	82	(5,127)	244	(959)
Closing balance December 31, 2013	**545,434**	**12,658**	**48,110**	**29,852**	**636,054**
Cost or valuation	1,134,172	20,137	48,110	74,123	1,276,542
Accumulated depreciation	(588,738)	(7,479)		(44,271)	(640,488)
Net	**545,434**	**12,658**	**48,110**	**29,852**	**636,054**

(i) The caption "Other" mainly includes office equipment and motor vehicles.
(ii) The depreciation charge for network equipment is recorded under the caption "Cost of sales" and the depreciation charge for Land and Buildings and Other tangible assets is recorded under the caption "General and administrative expenses".

The following table provides details of cash used for the purchase of property, plant and equipment:

	2014 US$ '000	2013 US$ '000
Additions	203,953	198,115
Change in suppliers advances	(3,854)	1,885
Change in capex accruals and payables	(2,081)	14,911
Cash used for purchase of property, plant and equipment	**198,018**	**214,911**

Borrowing costs capitalized during the years ended December 31, 2014 and 2013 were not significant.

10. INVENTORIES

Inventories (net of impairment for obsolescence amounting to $ 2 million at December 31, 2014 and $ 1 million at December 31, 2013) at 31 December of each year comprise:

	2014 US$ '000	2013 US$ '000
Telephones and equipment	26,220	28,559
Sim cards	216	358
Other	4,900	2,720
Total	**31,336**	**31,637**

11. TRADE RECEIVABLES, NET

	2014 US$ '000	2013 US$ '000
Gross trade receivables	48,650	72,094
Less: provisions for impairment of receivables	(10,013)	(7,983)
Trade receivables, net	**38,637**	**64,111**

11. TRADE RECEIVABLES, NET (Continued)

The nominal value less impairment of trade receivables approximates their fair values (see note 25). As at December 31, 2014, and 2013, the ageing analysis of trade receivables is as follows:

	Neither past due nor impaired	Past due (net of impairments)			Total
		<30 days	30–90 days	>90 days	Total
	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
2014					
Telecom operators	4,861				4,861
Own customers	13,008	2,471	1,866		17,345
Others	16,431				16,431
Total	**34,300**	**2,471**	**1,866**	**—**	**38,637**
2013					
Telecom operators	7,205				7,205
Own customers	13,513	2,655	1,953		18,121
Others	38,785				38,785
Total	**59,503**	**2,655**	**1,953**	**—**	**64,111**

12. PREPAYMENTS AND ACCRUED INCOME

Prepayments and accrued income at 31 December of each year comprise:

	2014	2013
	US$ '000	US$ '000
Prepayments	5,451	4,790
Accrued income	27,833	6,718
Total	**33,284**	**11,508**

The increase in accrued income mainly relates to interconnect, Tigo Media and roaming income.

13. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Cash and cash equivalents comprised:

	2014	2013
	US$ '000	US$ '000
Cash and cash equivalents in U.S. dollars	50,855	13,928
Cash and cash equivalents in other currencies	39,012	36,161
Total cash and cash equivalents	**89,867**	**50,089**

Cash balances are diversified among domestic banks in Guatemala.

Restricted cash comprised:

	2014	2013
	US$ '000	US$ '000
Restricted cash in GTQ	2,339	2,766
Total restricted cash	**2,339**	**2,766**

Restricted cash mainly refers to cash within the mobile financial services business, which is restricted in accordance with local regulations.

14. EQUITY CONTRIBUTION

As at years ended December 31, 2014 and 2013 the issued share capital of the combined entities consists of:

Name of the companies	2014		2013	
	Shares	Par value (GTQ)	Shares	Par value (GTQ)
Comunicaciones Celulares, S.A.	500	50,000	500	50,000
Comunicaciones Corporativas, S.A.	20	500	20	500
Servicios especializados en telecomunicaciones, S.A.	100	100	100	100
Distribuidora de comunicaciones de occidente, S.A.	20	500	20	500
Distribuidora central de comunicaciones, S.A.	20	500	20	500
Distribuidora de comunicaciones de oriente, S.A.	20,020	500	20,020	500
Distribuidora internacional de comunicaciones, S.A.	20	500	20	500
Servicios Innovadores de Comunicación y Entretenimiento, S.A.	20	500	20	500
Navega.com, S.A.	200,017	100	200,017	100

15. 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 ultimate 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 shared based compensation for the management and key employees of the companies included in the Millicom Group.

A summary of the shares vested under the relevant plans at December 31, 2014 and 2013 is as follows:

Plans	Shares vested as of December 2014	Shares vested as of December 2013
2009 Deferred Plan		15,120
2009 Performance Plan		2,508
2010 Deferred Plan		8,736
2011 Deferred Plan	10,116	10,116
2011 Performance Plan	2,771	
2012 Deferred Plan	3,503	3,503
2013 Deferred Plan	4,105	3,603
Total	**20,495**	**43,586**

(b) Total share-based compensation expense

The number of share awards ultimately expected to vest under the current long term incentive plans is as follows:

	Performance shares 2014	Deferred share awards 2014	Performance shares 2013	Deferred share awards 2013	Performance shares 2012	Deferred share awards 2012
Shares granted	4,522	17,980	4,914	22,612	3,945	14,619
Revision for actual and expected forfeitures	(226)	(899)		(606)	(2,937)	(4,123)
Shares vested				(4,105)		(3,503)
Share awards expected to vest	**4,296**	**17,081**	**4,914**	**17,901**	**1,008**	**6,993**

15. SHARE BASED COMPENSATION (Continued)

Total share-based compensation expense for the years ended December 31, 2014 and 2013 was as follows:

	2014	2013
	US$ '000	US$ '000
2011 LTIPs		132
2012 LTIPs	208	282
2013 LTIPs	466	816
2014 LTIPs	790	
Total	**1,464**	**1,230**

16. OTHER DEBT AND FINANCING

Borrowings due after more than one year:

	2014	2013
	US$ '000	US$ '000
Other debt and financing:		
Bank financing		399,048
Bond financing	780,491	
Total non-current other debt and financing	**780,491**	**399,048**
Less: portion payable within one year		(83,711)
Total other debt and financing due after more than one year	**780,491**	**315,337**

Borrowings due within one year:

	2014	2013
	US$ '000	US$ '000
Other debt and financing:		
Bank financing		
Total current other debt and financing	**—**	**—**
Portion of non-current debt payable within one year		83,711
Total other debt and financing due within one year	**—**	**83,711**

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

	2014	2013
	US$ '000	US$ '000
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	780,491	2,551
Total debt	**780,491**	**399,048**

16. OTHER DEBT AND FINANCING (Continued)

Significant individual financing facilities are described below:

Comunicaciones Celulares, S.A.

Description	Maturity	Currency	Interest rate	Amount outstanding 2014	Amount outstanding 2013
Citibank Europe PLC - Tramo A	2015	USD	(floating) 0.9% + LIBOR 3M		4,292
Citibank Europe PLC - Tramo B	2016	USD	(floating) 0.9% + LIBOR 3M		3,452
Citibank, N.A. - Sindicado	2018	USD	(floating) 3.5% + LIBOR 3M		195,879
Citibank Opic - Tramo A	2018	USD	(fixed) 5.35%		25,000
Citibank Opic - Tramo B	2018	USD	(floating) 3.5% + LIBOR 3M		25,000
Bancolombia Panama, S.A.	2017	USD	(floating) 4% + LIBOR 3M		61,000
Senior Notes	2024	USD	(fixed) 6.875%	780,491	

Navega.com, S.A.

Description	Maturity	Currency	Interest rate	Amount outstanding 2014	Amount outstanding 2013
Banco de Desarrollo Rural , S.A.	2017	GTQ	(fixed) 6%		45,910
Banco G&T Continental S.A. - B	2016	GTQ	(fixed) 6%		11,478
Banco Industrial, S.A.	2017	GTQ	(fixed) 6.50%		14,283

Servicios Especializados en Telecomunicaciones, S.A.

Description	Maturity	Currency	Interest rate	Amount outstanding 2014	Amount outstanding 2013
Banco G&T Continental S.A.	2019	GTQ	(fixed) 6%		12,754

Total	**780,491**	**399,048**

The loans above-listed are all unsecured.

In January 2014, Intertrust SPV (Cayman) Limited, acting as trustee of the Comcel Trust, a trust established and consolidated by Comcel for the purposes of the transaction, issued a bond (proceeds of $779 million after deduction of the various costs paid up front and relating to this issuance) to refinance existing local and MIC S.A. corporate debt. The bond was issued at 98.233% of the principal and has an effective interest rate of 7.168%. The bond is guaranteed by Comcel and listed on the Luxembourg Stock Exchange. Simultaneously with, and using the proceeds from, the bond, Comcel entered into an $800 million senior unsecured loan with Credit Suisse AG, Cayman Islands Branch. The proceeds of the bond were used by Intertrust SPV to purchase a 100% participation interest in the loan pursuant to a credit and guarantee.

The loan agreements between Intertrust, Credit Suisse and Comcel remove any risk to Credit Suisse connected to the loan, and as such the Combined Group have derecognized both its asset and liability towards Credit Suisse from the date of the agreement.

Financing from local and international facilities were paid in full on February 2014 ($400 million). This early repayment combined with the $800 million senior unsecured loan generating $55 million of interests on an annual basis do explain the increase in the interest expense in 2014 ($ 57mn) compared to prior year ($ 16mn).

16. OTHER DEBT AND FINANCING (Continued)

Fair value of financial liabilities

Borrowings are recorded at amortized cost. The fair value of borrowings as at December 31, 2014 and 2013 is as follows:

	2014	2013
	US$ '000	US$ '000
Other debt and financing	664,983	368,573

The fair value of the borrowings is calculated by discounting the expected future cash flows at market interest rates. The carrying value of the other financial liabilities is assumed to approximate their fair values (see note 25).

Guarantees

As at December 31, 2014 and 2013, there was no guarantee in place.

Pledged assets

As at December 31, 2014 and 2013, there were no pledged assets.

17. PAYABLES AND ACCRUALS FOR CAPITAL EXPENDITURE

Payables and accruals for capital expenditure at 31 December of each year comprise:

	2014	2013
	US$ '000	US$ '000
Payables Tangible assets	13,944	16,592
Payables Intangible assets	11,202	9,357
Accrued expenses Tangible Assets	15,614	16,113
Accrued expenses Intangible Assets	9,743	4,678
Total	**50,503**	**46,740**

18. TRADE PAYABLES

Trade payables at 31 December of each year comprise:

	2014	2013
	US$ '000	US$ '000
Fixed operators		5
Mobile operators	16,896	17,595
Others	25,073	40,333
Total	**41,969**	**57,933**

suppliers of phones and equipment together with some professional services.

19. ACCRUED INTEREST AND ACCRUED EXPENSES

Accrued interest and accrued expenses at 31 December of each year comprise:

	2014	2013
	US$ ’000	**US$ ’000**
Accrued expenses	52,644	37,652
Accrued interest	22,153	1,063
Total	**74,797**	**38,715**

The relates to various accruals (including advertising costs, maintenance of network and cost of interconnection) while the increase in the results from the bond issued early 2014 (see note 16).

20. NON-CURRENT AND CURRENT PROVISIONS AND OTHER LIABILITIES

Provisions and other non-current liabilities at 31 December of each year comprise:

	2014	2013
	US$ ’000	**US$ ’000**
Non-current litigation provisions (see note 22)	7	7
Long-term portion of asset retirement obligations	22,862	18,173
Total	**22,869**	**18,180**

Provisions and other current liabilities at 31 December of each year comprise:

	2014	2013
	US$ ’000	**US$ ’000**
Deferred revenue	29,424	30,679
Customer deposits	93	90
Current litigation provisions (see note 22)	165	13
Current provisions	1,268	2,976
Customer and distributor restricted cash balances	2,684	2,788
Other	3,751	5,428
Total	**37,385**	**41,974**

21. 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. In 2014, the entities of the Combined Group declared dividends of $370 million (2013: $383 million) which are usually paid over two fiscal years: through dividend advances (note 24) the year the Combined Group makes the profit and through dividends paid for the remaining amount the following year after the final dividend has been approved.

22. NON-CASH INVESTING AND FINANCING ACTIVITIES

The following table gives details of non-cash investing and financing activities as at 31 December of each year :

	2014	2013
	US$ ’000	**US$ ’000**
Investing activities		
Change in asset retirement obligations (see note 9, 19)	(4,870)	(6,392)

23. 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 rate, license renewal and tariff arrangements, which can have a significant impact on the long-term economic viability of operations.

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 December 31, 2014 and 2013, the total amount of claims against the Combined Group operations was not significant. As at December 31, 2014 and 2013, respectively $172 thousand and $20 thousand 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 operations.

Lease commitments

Finance Leases :

commencement of the IRU contracts.

Operating Leases:

The Combined Group has the following annual operating lease commitments as of December 31:

	2014	2013
	US$ ’000	US$ ’000
Operating lease commitments		
Within: one year	38,500	32,669
Between: one to five years	168,706	146,612
After: five years	36,250	37,179
Total	**243,456**	**216,460**

Operating leases comprise mainly lease agreements relating to land and buildings. The operating lease terms and conditions reflect normal market conditions. Total operating lease expense was $37 million in 2014 (2013: $33 million - see note 5).

Capital commitments

As of December 31, 2014 the Combined Group had fixed commitments to purchase network equipment, land and buildings and other fixed assets for $40 million (2013: $70 million), from a number of suppliers.

24. RELATED PARTY TRANSACTIONS AND BALANCES

Millicom Group subsidiaries

The Combined Group conducts transactions with one of its shareholders MIC, which in turn is partly owned by its .

In the normal course of business, the Combined Group receives business support and financing 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 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, lease of buildings and towers and sale of airtime. Transactions with such parties are made on an basis.

Kinnevik

Kinnevik is a Swedish holding company with interests in the telecommunications, media, publishing, paper industries and financial services. As of December 31, 2014 and 2013, Kinnevik owned approximately 38% of MIC. During 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)

	2014	**2013**
	US$ ’000	**US$ ’000**
MIO S.A.	4,400	—
Navega Nicaragua	2,906	2,906
Others	1,756	67
Total	**9,062**	**2,973**

Amount due from and advanced to related parties (current portion)

	2014	**2013**
	US$ ’000	**US$ ’000**
MIO S.A (i)	245,177	81,272
Miffin Associates Corp (i)	209,522	78,487
MIC S.A.	254	12,262
Others	3,218	715
Total	**458,171**	**172,735**

(i) These amounts correspond to dividend advances (MIO S.A. and Miffin Associates Corp).

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

	2014	**2013**
	US$ ’000	**US$ ’000**
MIO S.A.	8,000	
Others	1,813	2,890
Total	**9,813**	**2,890**

24. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Amount due to related parties (current portion)

	2014	2013
	US$ '000	**US$ '000**
MIO S.A.	—	3,600
Miffin Associates Corp	7,375	3,080
Others	736	1,602
Total	**8,111**	**8,282**

Other trade payables :

	2014	2013
	US$ '000	**US$ '000**
Miffin subsidiaries	7,303	13,306
Total	**7,303**	**13,306**

The following significant transactions were conducted with related parties:

	2014	2013
	US$ '000	**US$ '000**
Revenue (i)	215,380	206,473
Cost of sales and operating expenses (ii)	(161,194)	(124,329)

(i) *Mainly comprising airtime revenue, corporate transmissions and other revenue with Nexcel SA, MIC operations in El Salvador and in Honduras.*

(ii) *Mainly composed by handset acquisition, network maintenance, site rental costs, transmission costs, airtime costs and other direct costs with Celution Corporation, Lark Capital Group, Industrias Masscardy SA, Laz Azaleas SA, with MIC operations in El Salvador and in Honduras and with Millicom Spain.*

25. FINANCIAL RISK MANAGEMENT

Terms, conditions and risk management policies

Exposure to interest rate, foreign currency, non-repatriation, liquidity and credit risks arise in the normal course of the Combined Group
analyzed individually on a MIC Group consolidated level as well as on an interconnected basis. The MIC Group defines and implements
is
prohibiting the use of such derivatives in the context of speculative trading as presented in its financial statements.

Interest rate risk

Interest rate risk generally arises on borrowings. Borrowings issued at floating rates expose the Combined Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Combined Group to fair value interest rate risk. Since the bond issuance (see note 16), the Combined Group fair value interest rate risk only.

Interest rate risk management is performed at MIC Group level. To manage MIC Group interest risk, MIC Group policy is to maintain a combination of fixed and floating rate debt with target for the debt to be equally distributed between fixed and variable rates to the extent possible. The target mix between fixed and floating rate debt is reviewed
hieve an optimal balance between cost of funding and volatility of financial results, while taking into account market conditions as well as our overall business strategy.

At December 31, 2014, 100% of the Combined Group are at a fixed rate of interest. (2013: 27%).

25. FINANCIAL RISK MANAGEMENT (Continued)

The table below summarizes, as at December 31, 2014, the Combined Group

	Amounts due within						
	1 year	1–2 years	2–3 years	3–4 years	4–5 years	>5 years	Total
	(in thousands of U.S. Dollars, except percentages)						
Fixed rate	—	—	—	—	—	780,491	780,491
Weighted average nominal interest rate	—	—	—	—	—	6.875%	6.875%
Floating rate	—	—	—	—	—	—	—
Weighted average nominal interest rate	—	—	—	—	—	—	—
Total	—	—	—	—	—	**780,491**	**780,491**
Weighted average nominal interest rate	—	—	—	—	—	6.875%	6.875%

The table below summarizes, as at December 31, 2013, the Combined Group

	Amounts due within						
	1 year	1–2 years	2–3 years	3–4 years	4–5 years	>5 years	Total
	(in thousands of U.S. Dollars, except percentages)						
Fixed rate	18,008	20,558	20,559	16,732	31,016	2,551	109,424
Weighted average nominal interest rate	5.93%	5.94%	5.94%	5.93%	5.90%	6.00%	5.93%
Floating rate	65,703	65,703	62,866	51,176	44,176	—	289,624
Weighted average nominal interest rate	3.79%	3.79%	3.91%	3.87%	3.80%	—	3.83%
Total	**83,711**	**86,261**	**83,425**	**67,908**	**75,192**	**2,551**	**399,048**
Weighted average nominal interest rate	4.25%	4.30%	4.41%	4.37%	4.66%	6.00%	4.41%

A one hundred basis point fall or rise in market interest rates of all third party borrowings at December 31, 2014, would increase or reduce profit before tax for the year by approximately $8 million (2013: $4 million).

Foreign currency risk

The Combined Group operates in Guatemala and is exposed to foreign exchange risk arising from the currency exposure in Guatemala Quetzal. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Foreign currency risk management is performed at MIC Group level. The MIC Group seeks to reduce its foreign currency exposure through a policy of matching, as far as possible, assets and liabilities denominated in foreign currencies. In some cases, the Combined Group may borrow in US dollars where it is either commercially more advantageous for subsidiaries to incur debt obligations in US dollars or where US dollar denominated borrowing is the only funding source available to a subsidiary. In these circumstances, the MIC Group accepts the remaining currency risk associated with financing its subsidiaries, principally because of the relatively high cost of forward cover, when available, in the currencies in which the MIC Group operates.

At December 31, 2014, if the US$ had weakened/strengthened by 10% against the Quetzal and all other variables held constant, then profit before tax would have increased/decreased by $46 million and $37 million respectively (2013: $49 million and $40 million respectively). This increase/decrease in profit before tax would have mainly been as a result of the revaluation of the debts from US dollar to Quetzal.

Credit and Counterparty risk

Financial instruments that potentially subject the Combined Group to credit risk are primarily cash and cash equivalents, letters of credit, trade receivables, amounts due from shareholders, supplier advances and other current assets and derivatives. Counterparties to agreements relating to the Combined Group ash and cash equivalents and letters of credit are with reputable financial institutions.

Combined Group management does not believe there are significant risks of non-performance by these counterparties. Combined Group management has taken steps to diversify its banking partners and is managing the allocation of deposits across banks so that the Combined Group
based on each bank credit rating to avoid any significant exposure to a specific party.

A large portion of turnover comprises prepaid airtime. For customers for whom telecom services are not prepaid, each combined entity follows risk control procedures to assess the credit quality of the customer, taking into account its financial position, past experience and other factors.

25. FINANCIAL RISK MANAGEMENT (Continued)

Accounts receivable are mainly derived from balances due from other telecom operators. Credit risk of other telecom operators is limited due to the regulatory nature of the telecom industry, in which licenses are normally only issued to credit worthy companies. The Combined Group maintains a provision for impairment of trade receivables based upon expected collectability of all trade receivables.

As the Combined Group has a number of dispersed customers, there is no significant concentration of credit risk with respect to trade receivables.

Liquidity risk

Liquidity risk management is performed at the MIC Group level. Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The MIC Group has incurred significant indebtedness but also has significant cash balances. The MIC Group evaluates its ability to meet its obligations on an ongoing basis using a recurring liquidity planning tool. This tool considers the operating net cash flows generated from its operations and the future cash needs for borrowing, interest payments, dividend payments and capital and operating expenditures required in maintaining and developing its operating businesses.

The Combined Group borrowings are concentrated to one Bond issuance (note 16). Combined Group management believes that there is sufficient liquidity available to meet ongoing liquidity needs.

The tables below summarize the maturity profile of the Combined Group 31 December:

Year ended December 31, 2014	**Less than 1 year**	**1 to 5 years**	**>5 years**	**Total**
	US$ ’000	**US$ ’000**	**US$ ’000**	**US$ ’000**
Other debt and financing (see note 16)			(780,491)	(780,491)
Cash and cash equivalents, and restricted cash	92,206			92,206
Net debt	**92,206**	**—**	**(780,491)**	**(688,285)**
Future interest commitments	(55,000)	(275,000)	(192,500)	(522,500)
Trade payables (excluding accruals)	(67,115)			(67,115)
Other financial liabilities (including accruals)	(108,265)			(108,265)
Trade receivables	38,637			38,637
Other financial assets (i)	496,554	686		497,240
Net financial asset (liability)	**397,017**	**(274,314)**	**(972,991)**	**(850,288)**

Year ended December 31, 2013	**Less than 1 year**	**1 to 5 years**	**>5 years**	**Total**
	US$ ’000	**US$ ’000**	**US$ ’000**	**US$ ’000**
Other debt and financing (see note 16)	(83,711)	(312,786)	(2,551)	(399,048)
Cash and cash equivalents, and restricted cash	52,855			52,855
Net debt	**(30,856)**	**(312,786)**	**(2,551)**	**(346,193)**
Future interest commitments	(15,800)	(27,685)	(77)	(43,562)
Trade payables (excluding accruals)	(83,882)			(83,882)
Other financial liabilities (including accruals)	(67,788)			(67,788)
Trade receivables	64,111			64,111
Other financial assets (i)	211,283	2,883		214,166
Net financial asset (liability)	**77,068**	**(337,588)**	**(2,628)**	**(263,148)**

(i) Mainly relates to amounts due from related parties (see note 23).

Capital management

Capital management is performed at the MIC Group and Miffin Associates Corp. levels. The primary objective of MIC

support its business and maximize shareholder value. The MIC Group and Miffin Associates Corp. manage their capital structure and make adjustments to it, in light of changes in economic conditions.

26. FINANCIAL INSTRUMENTS

The fair value of the Combined Group ts 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 financing 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 table shows the carrying and fair values of financial instruments as at 31 December:

	Carrying value		**Fair value**	
	2014	**2013**	**2014**	**2013**
	US$ '000	**US$ '000**	**US$ '000**	**US$ '000**
FINANCIAL ASSETS				
Loans and receivables				
Other non-current assets	686	2,883	686	2,883
Trade receivables, net	38,637	64,111	38,637	64,111
Amounts due from related parties	467,233	175,708	467,233	175,708
Prepayments and accrued income	33,284	11,508	33,284	11,508
Other current assets	38,383	38,548	38,383	38,548
Restricted cash	2,339	2,766	2,339	2,766
Cash and cash equivalents	89,867	50,089	89,867	50,089
Total	**670,429**	**345,613**	**670,429**	**345,613**
Current	660,681	339,757	660,681	339,757
Non-current	9,748	5,856	9,748	5,856
FINANCIAL LIABILITIES				
Other debt and financing (see note 16)	780,491	399,048	664,983	368,573
Trade payables	41,969	57,933	41,969	57,933
Payables and accruals for capital expenditure	50,503	46,740	50,503	46,740
Amounts due to related parties	8,111	8,282	8,111	8,282
Accrued interest and other expenses	74,797	38,715	74,797	38,715
Other liabilities	6,528	8,306	6,528	8,306
Total	**962,399**	**559,024**	**846,891**	**528,549**
Current	181,908	243,687	181,908	243,687
Non-current	780,491	315,337	664,983	284,862

Fair value measurement hierarchy

IFRS 7 requires for financial instruments that are measured in the Statement of Financial Position at fair value, the disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 31st December 2014, the Combined Group does not own any financial instruments that are measured at fair value.

27. SUBSEQUENT EVENT

There is no subsequent event since December 31, 2014 and up to the date of those financial statements.