

How we are doing in Latin America...

Our Latin American footprint covers eight countries and contributes 90% to Millicom's Group revenue. Our Tigo brand has often become part of the national fabric. Our strategy has paved the way for positive revenue growth as we continue to build the digital highways across the region.

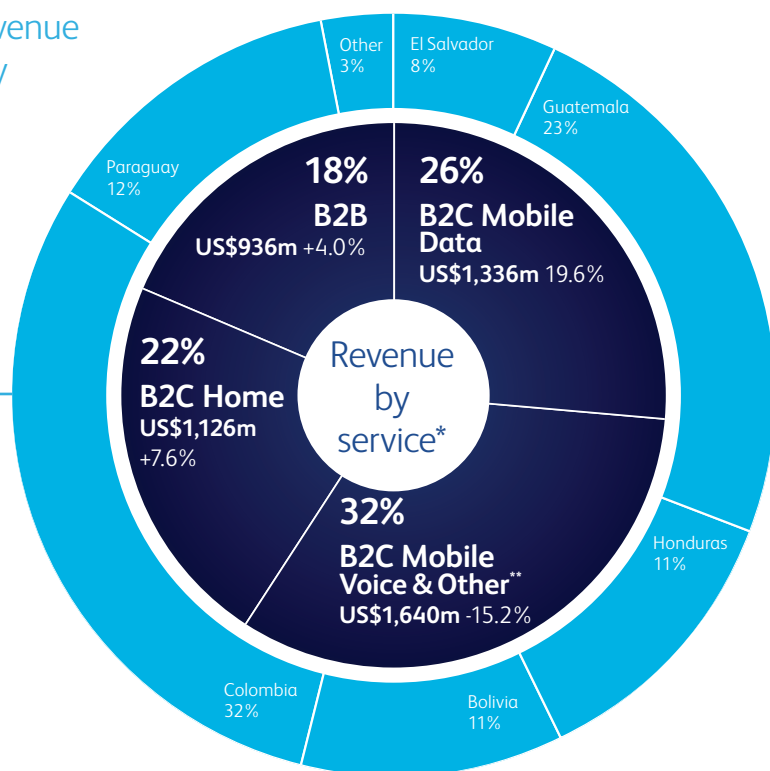
5,078

Service Revenue
Organic growth +0.9%

2,151

EBITDA
Organic growth +2.8%

Service revenue by country



The financial information is based on the Management reporting numbers, with Guatemala (55% owned) and Honduras (66.7% owned) as if fully consolidated. See Additional information on pages 157 to 160.

* Other service revenue non-allocated to the Business Units includes revenues from towers rental and contact center services.

** Other includes SMS, Mobile Financial Services (MFS), other VAS services and Visitors roaming revenue; DVNE, DVNO, MVNO network access revenue and other small atomized items



More than 60,000 people attended Tigo Music's three-day international Estereo Picnic festival in Bogota #FEP2017

We have deep roots in many of the countries where we operate. In some cases, we have been providing services for 25 years. Where we work we are committed to growing our presence and supporting their economic and social development.

Our goal

Our goal remains to become a high performing, customer-centric, high-growth fixed mobile convergent (FMC) digital operator in Latin America. We want to be the leading provider of digital services and content to promote and develop the adoption of The Digital Lifestyle by our customers.

Our markets

Millicom is well established in Latin America and has developed strong connections to the countries where we operate, helping us achieve our goals. In many of our markets we are one of the largest employers in the country, and have robust talent identification programs that help us fill our management ranks with local employees who know our markets best. Our expertise can only come from decades of working in our communities, all of which contribute to our success.

We are also one of the largest tax payers in each of the markets we operate in.

Thanks to our local commitments, we have a historically strong position in our markets with a revenue market share near or above 40%, with the exception of Colombia where we are the challenger.

Our services

We provide Mobile Voice, SMS, and Mobile Data services through our 2G, 3G, and 4G enabled wireless networks in El Salvador, Guatemala, Honduras, Bolivia, Colombia and Paraguay.

Our fixed business provides television and Internet in El Salvador, Guatemala, Honduras, Costa Rica, Bolivia, Colombia, Paraguay and Nicaragua, and wireline voice in El Salvador, Guatemala, Honduras, Costa Rica, and Colombia. We provide these services through a mix of technologies, but are increasingly focused on expanding our Hybrid Fiber-Coaxial (HFC) network which offers the best customer experience and highest quality service in our markets.

Revenue reconfiguration

As our customers' expectations change and the appetite for Mobile data and fixed Internet grows while use of legacy services such as Voice and SMS decline across the world, we have been adapting our business to the new reality by focusing on bringing high quality Internet access to more customers and providing more services to the corporate segment. This focus is paying off and in the second half of 2017 revenue grew 19.6% year-over-year for mobile data and 11.8% in fixed, more than compensating for the decline in legacy revenue.

To drive this reconfiguration we have been investing heavily in our mobile and fixed networks and expanding our service offering for businesses.

For Mobile, over the past year we have expanded our 4G Points of Presence (PoP) by 53%, and increased our 4G network coverage

to more than half of the population in our markets. This has allowed us to more than double our 4G smartphone users to 6.9 million in the region.

In addition, we have grown the size of our Fixed HFC network by 18.1%, adding almost 1.3 million Homes Passed, reaching 56.3% of our 15 million opportunity. We have also been filling this network with subscribers, adding more than 250,000 HFC Homes Connected in 2017 and 673,000 HFC Revenue Generating Units (RGUs) in our Home business.

Over the past six years we have created a near billion-dollar Tigo Business revenue stream, and seen the segment grow rapidly as we continue to expand our infrastructure and service portfolio to become the first-choice partner for the diverse range of private and public clients in the markets where we operate.

One example of this expansion is in Colombia where we inaugurated a Tier-3 datacenter in Q4 to expand our portfolio of Cloud services. This way we now include Infrastructure as a Service (IaaS) and Platform as a Service (PaaS) to support our clients by backing up and managing their critical information.

In addition, we continued presenting relevant new technologies to business leaders and current and potential clients through hosting Tigo Business Forums, to show how we can support our clients' growth and their transition to a digital environment.

This approach of building, educating, and partnering helped us grow our client base by 16.4% in 2017.

Latin America performance review – continued

Our results

Our strategy is starting to pay off as service revenue has grown by 0.9% year-over-year in 2017 but year-over-year by 2.3% in Q3 and by 3.1% in Q4. This growth has been driven by our 12.9% year-over-year growth in strategic service revenue (Mobile Data + Home) and 6.4% growth in subscription revenue (B2C Postpaid + B2C Home + B2B). This reconfiguration, along with a series of efficiency initiatives whose effects will be felt even more in the future, has helped us drive EBITDA growth by 2.8% year-over-year.

Within each business unit our results were also very positive.

B2C Mobile service revenue declined by 2.4% year-over-year due to the drop in legacy revenue, but growth improved to 0.2% in Q4 as Mobile data fully compensated for the decline in legacy Voice and SMS revenue.

This compensation in mobile revenue is the result of our strategy to connect more users with 4G through smartphones. With this strategy, B2C Mobile data revenue grew 19.6%, driven by our addition of almost 3.5 million new 4G smartphone data users bringing our total close to seven million. These customers are particularly important and are proving our strategy as they use over 50% more data per month when they migrate from 3G to 4G.

In our Home business, our investments in building new fixed HFC infrastructure are paying off. This year we passed 1.3 million new homes with HFC and connected more than 250,000 new homes with 673,000 new HFC RGUs. This strategy, combined with renewed focus on bundling, has driven Home service revenue up by 7.6% this year. At the same time, we have increased our differentiation in the market with the launch of our next generation TV service, Tigo ONEtv, in Colombia, which we plan to deploy across the rest of our markets in 2018.

Customers first

As our markets become more competitive, we are responding by retooling our operations, touch points, and processes to align with our customers' needs and wants. This focus on our customers is central to our continued success, and it touches everything we do.

Digital innovation

We operate in fast-moving and competitive markets and sell our products through some of the largest commercial distribution networks in the region and interact with millions of customers every day through our stores, call centers, and online portals. With our need to respond quickly to market changes and customer needs, we continuously develop and implement solutions across our business to improve efficiency and serve our customers better.

In 2017, for our B2C Mobile customers we developed the Tigo Shop and Mi Tigo apps that allow customers themselves to answer the most common questions and permit us to know our customers better and communicate with them more effectively. Internally we have put in place high performance data platforms to speed up transaction times. These also give us the ability to perform just-in-time marketing campaigns to support our fast-moving commercial business. For our front-line staff we provide state-of-the-art digital care tools that allow for greater customer understanding and more personalized care.

In 2018 we will continue improving our internal processes and procedures to help us be more lean and better able to serve our customers.

A member of our communities

Corporate responsibility is an integral part of our business success and strategy. The very nature of our relationships with many of our countries means that our growth is intrinsically linked to theirs. When they grow, we grow.

Therefore, supporting local development is not simply a side effect, but a shared goal, inextricably linked with our business.

We work with key stakeholders in understanding where we can make a difference in the communities where we operate, where we can have greater positive impacts in people's lives and how we can work together to bring them the benefits of the online world through an understanding of a productive and responsible use of online tools.

We understand the significance of incorporating corporate responsibility principles throughout our organization and throughout our value chain. That's why for example we work closely with suppliers, promoting sustainable practices that will make them more competitive while managing our own risks.



Building, educating, and partnering has helped us grow our client base.”



Tigo Bolivia's customer service network features more than 2,800 agents nationwide in addition to customer care centers, flagship stores and Tigo branches

Tigo ONEtv: Bringing the next generation of TV to Latin America



2017 marked an important milestone in the way Millicom offers TV content to customers. In collaboration with TiVo Corporation, we launched Tigo ONEtv in Colombia, with plans for expansion across the rest of our Latin American markets. This cutting-edge service, a first in the region, combines a high-quality entertainment experience with advanced personalization and recommendations, seamless integration of content, and robust multiscreen capabilities.

As pay-TV, fixed line broadband and mobile continue to grow at a fast pace in Latin America, Tigo ONEtv caters to a very real need in our customers' lives providing them with content that they value.

Millicom has therefore integrated content from cable television and video streaming websites under one roof. With an offer that includes content from Sony's Crackle, FOX, YouTube and HBO, customers can now watch a full range of content, integrated through one set-top box, using one remote control.

Tigo ONEtv is enabling Millicom to effectively address its diverse customer segments and take advantage of the opportunities offered demand for content.

Since its launch in mid-September 2017, more than ten thousand homes have accessed the service across Colombia. We will roll it out to the rest of our Latin American markets during 2018. With the increasing rollout, and by expanding the possibility of streaming lineal channels out of the set-top box, Millicom positions itself as the provider of choice for content among customers looking for a personalized and integrated experience.

Latin America performance review – continued



“Millicom creates value by being proactive to change.”

Marc Beuls,
CEO, 1997



During the 1990s Millicom reported simultaneous interests in more than 20 countries worldwide, as rapid economic development created significant demand



1991

President Jaime Paz Zamora places Bolivia's first mobile call

1992

Paraguay and El Salvador launch their first mobile network services

Telecel (later Tigo) becomes first mobile operator in Paraguay

1997

Pre-paid SIM cards launched in ten markets, first in Latin America, no contract needed

CPP (Calling Party Pays) products launched

70 million Internet users worldwide, according to the International Data Corporation (IDC)

1999

Wireless Personal Communication Service (PCS) phone systems introduced, providing faster mobile Internet access

2000

Tigo Paraguay launches Internet Service Provider brand Telesurf, for faster wireless Internet access

2004

Millicom's commercial Tigo brand is launched; inspired by an abbreviation of the Spanish word "contigo" ("with you")

2005

Enhanced Data GSM Environment technology launched to speed up data services

Tigo revolutionizes mobile service affordability with charge-per-second and mini-charge products

2006

Millicom is the second best performing stock on the NASDAQ

2007

Growth in data services for Blackberry and WiMAX

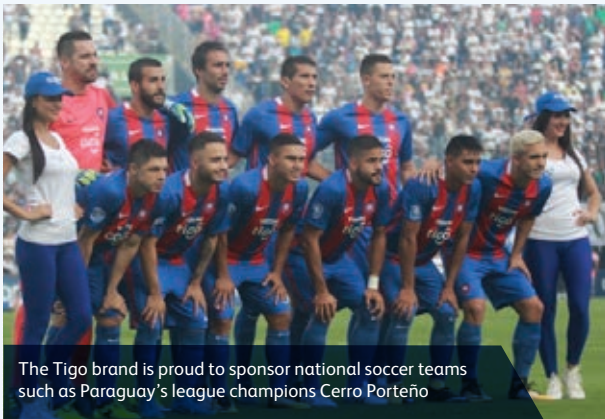
iPhone launched thanks to ARM 11 chip

Paraguay's fiber optic network goes nationwide

Micro recargas (micro recharges) from \$500 pesos

Millicom shares listed on Nasdaq Global Select Market

"Triple A" strategy in place: Affordability, Accessibility and Availability



The Tigo brand is proud to sponsor national soccer teams such as Paraguay's league champions Cerro Porteño



Millicom has been on a transformational journey.”

Tom Boardman,
Chairman, 2018

25 years of innovation

2008

3G and 3.5G networks launch in key Tigo markets

Acquisition of Amnet in Central America adds residential cable network services to Tigo portfolio

Mobile money platform Tigo Cash launches in Paraguay

2009

Open-band phones launched to market

Devolvato campaign rewards customers with minutes to the value of their purchased phone

Broadband penetration in Latin America at 4.9%

Paraguay has access to international Internet backbone

2010

USSD communications protocol for more responsive messaging services

First Tigo Fest (multi-artist concert)

2011

HSPA+ (3G tech known as Evolved High Speed Packet Access) in Colombia

Smartphone purchase prices fall below US\$100
"Paquetigos" voice and SMS customized packages

High Definition tv channels on-air in Costa Rica

New fibre optic cable connects Bolivia to international networks

Tigo Mobile Financial Services (MFS) launch in El Salvador

Navega acquisition expands fixed line B2B services

2012

Unlimited music streaming service (Tigo Music)

Colombia concession contract renewed for ten years

International remittance services in Guatemala

Tigo launches Mobile Financial Services (MFS) in Guatemala and Honduras

Tigo TV soccer coverage in HD

2013

4G LTE network in Colombia / shared spectrum with Empresa de Telecomunicaciones de Bogota



Tigo Money launched in Bolivia

B2B services unveiled via new Tigo Online platform

2014

TigoUne merger completed in Colombia

Tigo Star broadband and cable network launched

First Tigo Business Forum hosted in Guatemala

FIFA World Cup App launched

Direct to Home satellite technology launched in Bolivia

4G LTE launched in Honduras and Bolivia

Tigo Sports Paraguay launched

LatAm's first Child Online Protection workshop, hosted in Paraguay

2015

Exclusive social media partnerships announced

Tigo Guatemala introduces 4G

Tigo Sports App launches in key markets

Tigo Shop App launch

Tigo passes 60 million mobile customers, operating in 15 markets

2016

506k Homes Passed added to fixed-line network (4 new cities)

Tigo Play launch in Guatemala

NETFLIX partnership and residential services bundles

All you can App launch in El Salvador

First Tigo Business Forum exclusive for SMBs

First state-of-the-art Tier 3 data center

Tigo Paraguay launches Telemedicina

Tigo El Salvador's "connecting schools" program wins LatAm region CEMEFI award for best practice in public / private sector alliance

Millicom's 25th anniversary film The Digital Torch wins global PR award for Best Employee Communications

2017

Tigo launches fully convergent, next-generation TV service ONETv

Titanium Tier 3 datacentre opens in Colombia

Tigo HFC cable network in LatAm adds 1.3 million homes passed. New record!



Tigo Sports unveils new central broadcasting center and recording studios in Asuncion, Paraguay

Tigo Guatemala launches App by App

Millicom operations sign GSMA's Connected Women Commitment initiative

Tigo LatAm operations partner with Crianza Tecnologica as part of Child Online Protection program

Tigo ranks for the first time among top 20 multinational companies across all industries to work for in Latin America, in Great Place to Work (GPTW) awards

Tigo Paraguay (3.6 million customers) celebrates 25 years of service

Business Impact on Child Rights assessment tool co-developed by Millicom / UNICEF for wider use within the mobile network industry

