

**MILLICOM INTERNATIONAL CELLULAR S.A.**

**société anonyme**

**(“Millicom” or the “Company”)**

**Registered Address:**

**2, Rue du Fort Bourbon**

**L-1249 Luxembourg, Grand-Duchy of Luxembourg**

**- R.C.S. Luxembourg: B 40.630 –**

**SPECIAL REPORT**

**OF THE BOARD OF DIRECTORS TO THE EXTRAORDINARY GENERAL  
MEETING OF SHAREHOLDERS (“EGM”)  
IN ACCORDANCE WITH ARTICLE 420-26 (5) OF THE LAW OF 10 AUGUST  
1915 ON COMMERCIAL COMPANIES, AS AMENDED**

We, the Board of Directors of the Company,

considering the contemplated EGM of the Company to be held on or about May 4, 2018 and which is to resolve, *inter alia*, to renew the authorization granted to the Board of Directors in Article 5 of the Company's Articles of Association to issue new shares up to a share capital of USD 199,999,800.- divided into 133,333,200 shares with a par value of USD 1.50 per share for a period of five years from May 4, 2018 and, to grant the power (limited as explained hereafter) to the Board of Directors to remove or limit the preferential subscription right of the shareholders when issuing new shares against payment in cash, to a maximum of new shares representing 5% of the then outstanding shares (including shares held in treasury by the Company itself), considering the requirements of Article 420-26 (5) of the law of 10 August 1915 on commercial companies, as amended (the “**Law**”), and

acknowledging that it is our legal duty to inform the EGM of the Company of the reasons that can motivate such removal or limitation of the preferential subscription rights as well as of the considered issue price of the shares in relation to the new shares to be issued under the authorized capital, therefore present this report to the EGM pursuant to Article 420-26 (5) of the Law.

We ask the EGM to renew the existing authorized capital and to authorize us (under the limits set out hereafter) to remove or limit the preferential subscription right of the shareholders when issuing new shares under the authorized capital in order to give us the

greatest possible flexibility when considering an increase of capital and an issue of new shares.

The power of the Board of Directors to remove or limit the preferential subscription right of the shareholders when issuing new shares under the authorized capital shall be capped to a maximum of new shares representing 5% of the then outstanding shares (including shares held in treasury by the Company itself).

When issuing new shares and, as the case may be, removing or limiting the preferential subscription right of the shareholders, we will always act in good faith and consider the Company's best interest.

We may have to use the authorized capital for various purposes, notably, without limitation, to finance the Company, to offer the possibility to third parties to subscribe for shares in the Company in the context of specific transactions entered into by the Company and/or its direct or indirect subsidiaries, as well as to afford employee incentives in the form of participation in the equity of the Company through the issuance of new shares.

Depending on the context and the purpose of the share issue, the shares will be offered at a subscription price varying from the mere nominal value of the shares (irrespective of the then market price of the outstanding shares) to the market price of the outstanding shares at the date of issuance with or without a premium.

We underline, that the power that we shall receive from the EGM to renew the existing authorized capital with the authorization to remove or limit the preferential subscription right of the shareholders when issuing new shares to a maximum of new shares representing 5% of the then outstanding shares (including shares held in treasury by the Company itself), may result in a change (dilution) of the shareholding participations and of the voting rights of the shareholders.

For and on behalf of the Board of Directors of the Company,

Dated 29 March 2018