

A dark blue background with a white network diagram consisting of interconnected nodes and lines, resembling a cellular or data network. The nodes are small white dots, and the lines are thin white lines connecting them. The overall effect is a technical, digital aesthetic.

Unaudited Interim Condensed Consolidated Financial Statements of Telefónica Celular del Paraguay S.A.E.

**For the six month period
ended June 30, 2019**

August 30, 2019

Unaudited interim condensed consolidated income statement for the six-month period ended June 30, 2019

PYG millions	Notes	Six months ended June 30, 2019	Six months ended June 30, 2018 (i)
Revenue		1,440,165	1,579,145
Cost of sales		(265,919)	(329,510)
Gross profit		1,174,246	1,249,635
Operating expenses	2	(529,020)	(501,435)
Depreciation	2	(210,269)	(181,562)
Amortization	2	(94,376)	(73,130)
Other operating income (expenses), net	4	7,386	94,291
Operating profit		347,967	587,799
Interest expense		(228,422)	(136,739)
Interest and other financial income		27,881	1,632
Exchange loss, net		(45,653)	(24,553)
Profit before taxes		101,773	428,139
Charge for taxes, net		(36,326)	(60,674)
Net profit and comprehensive income for the period		65,447	367,465
Attributable to:			
Equity holders of the company		65,447	367,465

(i) Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statement of financial position as at June 30, 2019

PYG millions	Notes	30 June 2019	31 December 2018 (i)
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net	6	1,066,943	1,091,407
Property, plant and equipment, net	5	1,657,019	1,850,823
Right of use assets	2	160,604	-
Deferred tax assets		69,869	80,827
Contract costs, net		959	844
Other non-current assets		57,737	28,246
Amounts due from related parties ST		120,609	166,441
TOTAL NON-CURRENT ASSETS		3,133,740	3,218,588
CURRENT ASSETS			
Inventories, net		47,479	37,753
Trade receivables, net		353,751	397,545
Contract assets, net		74,950	78,274
Amounts due from related parties ST	9	1,570,433	1,588,852
Prepayments and accrued income	2	180,000	162,623
Supplier advances for capital expenditure		56,364	48,335
Other current assets		68,112	116,050
Cash and cash equivalents		432,218	147,771
TOTAL CURRENT ASSETS		2,783,307	2,577,203
Assets held for sale	4	20,072	12,422
TOTAL ASSETS		5,937,119	5,808,213

(i) Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statement of financial position as at June 30, 2019 (continued)

PYG millions	Notes	30 June 2019	31 December 2018 (i)
EQUITY AND LIABILITIES EQUITY			
Share capital and premium		164,008	164,008
Legal reserve		50,110	50,110
Other reserves		9,187	7,206
Retained profits		237,294	205,483
Profit for the year attributable to equity holders		65,447	601,859
Equity attributable to owners of the Company		526,046	1,028,666
TOTAL EQUITY		526,046	1,028,666
LIABILITIES			
Non-current liabilities			
Debt and financing	7	3,120,687	2,790,874
Lease liabilities	2	140,297	-
Provisions and other non-current liabilities		383,242	391,215
Total non-current liabilities		3,644,226	3,182,089
Current liabilities			
Debt and financing	7	274,051	212,884
Payables and accruals for capital expenditure		292,562	485,198
Lease liabilities	2	18,899	-
Other trade payables		190,437	172,169
Amounts due to related parties	9	427,422	171,562
Accrued interest and other expenses		281,440	239,001
Current income tax liabilities		36,777	9,379
Contract liabilities		49,505	143,516
Provisions and other current liabilities		193,744	161,316
Total current liabilities		1,764,837	1,595,025
Liabilities directly associated with assets held for sale	4	2,011	2,433
TOTAL LIABILITIES		5,411,074	4,779,547
TOTAL EQUITY AND LIABILITIES		5,937,120	5,808,213

(i) Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statement of cash flows for the six-month period ended June 30, 2019

PYG millions	Notes	June 30, 2019	June 30, 2018
Cash flows from operating activities			
Profit before taxes from continuing operations		101,773	428,139
Adjustments to reconcile to net cash:			
Interest expense (income), net		228,422	136,739
Interest and other financial income		(27,881)	(1,632)
Exchange gain/(loss) on foreign exchange		45,653	24,553
Adjustments for non-cash items:			
Depreciation and amortization		304,645	254,692
Loss/(gain) on disposal and impairment of assets, net		(7,386)	(94,291)
Shared Based Compensation		1,981	-
Changes in working capital:			
Decrease in trade receivables, prepayments and other current assets		(119,766)	(167,559)
Decrease in inventories		(9,726)	(22,344)
Increase (decrease) in trade and other payables		78,903	122,938
Changes in contract assets, liabilities and costs, net		8,839	(12,260)
Total changes in working capital		(41,750)	(79,225)
Interest paid		(153,930)	(114,573)
Interest received		467	345
Taxes paid		(12,957)	(102,360)
Net cash provided by operating activities		439,037	452,387
Cash flows from investing activities:			
Purchase of intangible assets and licenses	6	(238,977)	(265,491)
Purchase of property, plant and equipment	5	(72,062)	(94,204)
Proceeds from sale of property, plant and equipment	4, 5	7,981	219,802
Debt and other financing granted to related parties, net		(111,819)	(551,256)
Net cash used in investing activities		(414,877)	(691,149)
Cash flows from financing activities:			
Repayment of debt and financing		(1,962,941)	(42,510)
Repayment of Leases		(13,370)	-
Proceeds from issuance of debt and other financing		2,233,163	85,000
Net cash used by financing activities		256,852	42,490
Exchange impact on cash and cash equivalents, net		3,435	5,854
Net increase in cash and cash equivalents		284,447	(190,418)
Cash and cash equivalents at the beginning of the year		147,771	488,046
Cash and cash equivalents at the end of the year		432,218	297,628

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statements of changes in equity for the six-month period and years ended June 30, 2019, December 31, 2018 and December 31, 2017

PYG millions	Number of shares	Share Capital	Retained profits	Legal reserves	Other Reserves	Total equity
Balance as of December 31, 2017	10,000	164,008	827,654	50,110	5,032	1,046,804
Adjustment on adoption of IFRS 15 and IFRS 9 (net of tax)	-	-	38,440	-	-	38,440
Total comprehensive income for the year			601,859			601,859
Dividends			(660,611)	-	-	(660,611)
Share based compensation	-	-	-	-	2,174	2,174
Balance as of December 31, 2018	10,000	164,008	807,342	50,110	7,206	1,028,666
Total comprehensive income for the period	-	-	65,447	-	-	65,447
Dividends	-	-	(570,048)	-	-	(570,048)
Share based compensation	-	-	-	-	1,981	1,981
Balance as of June 30, 2019	10,000	164,008	302,741	50,110	9,187	526,046

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Notes to the unaudited interim condensed consolidated statements

1. ORGANIZATION

Telefónica Celular del Paraguay S.A. (the "Company"), a Paraguayan Company, and its subsidiaries: Teledeportes Paraguay S.A. and Lothar Systems S.A. (the "Group" or "Telecel") is a Paraguayan group providing communications, information, entertainment and solutions in Paraguay. The Company maintains multiple license contracts with Comisión Nacional de Telecomunicaciones (Conatel), the regulator of the telecommunications system in Paraguay, to operate cellular and cable telephony businesses in Paraguay. The Company was formed in 1992. The general administration of the Company is located at Zavala Cue esq. Artillería, Fernando De La Mora, Paraguay.

Telecel is a wholly owned subsidiary of Millicom International III N.V. The ultimate parent company is Millicom International Cellular S.A. a Luxembourg Société Anonyme whose shares are traded on the Nasdaq Stock Market in the U.S under ticker symbol TIGO and on Nasdaq Stockholm TIGO_SDB.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES

These interim condensed consolidated financial statements of the Group are unaudited. They are presented in Paraguayan Guaranies and have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' issued by the International Accounting Standard (IASB). In the opinion of management, these unaudited interim condensed consolidated financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods. The Company's operations are not affected by significant seasonal or cyclical patterns.

These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2018. These financial statements are prepared in accordance with consolidation and accounting policies consistent with the 2018 consolidated financial statements, except for the changes described below.

New and amended IFRS standards

The following changes to standards effective for annual periods starting on January 1, 2019 have been adopted by the Group:

- IFRS 16 "Leases". The Group had to change its accounting policies as a result of adopting IFRS 16 Leases.
On adoption, an additional lease liability of PYG 162,057 million has been recognized and the application of the new standard decreased operating expenses by PYG 11,690 million and 14,656 million, respectively, as compared to what our results would have been if we had continued to follow IAS 17 in the three and six months ended March 31 and June 30, 2019, respectively. The impact of the adoption of the leasing standard and the new accounting policies are further explained below. The application of this standard also affects the Group's depreciation, operating and financial expenses, debt and other financing and leverage ratios. The change in presentation of operating lease expenses results in a corresponding increase in cash flows derived from operating activities and a decline in cash flows from financing activities.
- The following new or amended standards became applicable for the current reporting period and did not have any significant impact on the Group's accounting policies or disclosures and did not require retrospective adjustments.
 - Amendments to IFRS 9 "Financial instruments" on prepayment features with negative compensation.
 - IFRIC 23 "Uncertainty over Income Tax Treatments" clarifies how the recognition and measurement requirements of IAS 12 Income taxes, are applied where there is uncertainty over income tax treatments.
 - Amendments to IAS 19 "Employee benefits" on plan amendment, curtailment or settlement.
 - Amendments to IAS 28 "Investments in associates" on long term interests in associates and joint ventures.
 - Annual improvements 2015-2017

The following changes to standards, which are not expected to materially affect the Group, will be effective from January 1, 2020:

- Amendments to the conceptual framework. The IASB has revised its conceptual framework. The Group does not expect these amendments to have a material impact on the consolidated financial statements. These amendments have not yet been endorsed by the EU.
- Amendments to IFRS 3 - definition of a business. This amendment revises the definition of a business. The Group does not expect these amendments to have a material impact on the consolidated financial statements. These amendments have not yet been endorsed by the EU.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (Continued)

- Amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors'. These amendments have not yet been endorsed by the EU.

Changes in accounting policies

This note explains the impact of the adoption of IFRS 16 "Leases" on the Group's financial statements and discloses the new accounting policies that have been applied from January 1, 2019.

The Group adopted the standard using the modified retrospective approach with the cumulative effect of applying the new Standard recognized in retained profits as of January 1, 2019. Comparatives for the 2018 financial statements were not restated.

a) Adjustments recognized on adoption of IFRS 16

On adoption of IFRS 16, the Group recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The right-of-use asset was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 8.6%. For leases previously classified as finance leases the Company recognized the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application.

The measurement principles of IFRS 16 are only applied after that date.

PYG millions	2019
Operating lease commitments disclosed as at December 31, 2018	192,002
(Plus): Non lease components obligations	29,674
(Less): Short term leases recognized on a straight line basis as expense	-
(Less): Low value leases recognized on a straight line basis as expense	(2,186)
(Plus/less): Other	6,405
Gross lease liabilities	251,434
Discounted using the lessee's incremental borrowing rate at the date of the initial application	(89,377)
Incremental lease liabilities recognized at January 1, 2019	162,057
(Plus): Finance lease liabilities recognized at December 31, 2018	162,526
Lease liabilities recognized at January 1, 2019	324,583
Of which are:	
Current lease liabilities	31,452
Non-current lease liabilities	293,131

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (Continued)

The application of IFRS 16 affected the following items in the statement of financial position on January 1, 2019

FINANCIAL POSITION PYG millions	As at January 1, 2019 before application	Effect of adoption of IFRS 16	As at January 1, 2019 after application	Reason for the change
ASSETS				
Property, plant and equipment, net	1,850,823	(171,829)	1,678,994	(i)
Right-of-use NEW	-	333,886	333,886	(ii)
Prepayments	58,559	-	58,559	
LIABILITIES				
Lease liabilities (non-current) NEW	-	293,131	293,131	(iii)
Debt and other financing (non-current)	2,790,874	(147,369)	2,643,505	(iv)
Lease liabilities (current) NEW	-	31,452	31,452	(iii)
Debt and other financing (current)	212,884	(15,157)	197,727	(iv)

(i) Transfer of previously capitalized assets under finance leases to Right-of-Use assets.

(ii) Initial recognition of Right-of-Use assets, transfer of previously recognized finance leases and of lease prepayments being part of the Right-of-Use asset cost at transition.

(iii) Initial recognition of lease liabilities and transfer of previously recognized finance lease liabilities.

(iv) Transfer of previously recognized finance lease liabilities to new Lease liabilities accounts.

The application of IFRS 16 also impacts classifications within the statement of cash flows, segment information and EPS for the period starting from January 1, 2019. Its application had nevertheless no significant impact on the Group's retained profits. In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- o the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- o reliance on previous assessments on whether leases are onerous
- o the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
- o the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- o the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made when applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

b) Leases accounting policy applied from January 1, 2019 are as follows:

The Group leases various lands, sites, towers (including those related to towers sold and leased back), offices, warehouses, retail stores, equipment and cars. Rental contracts are typically made for fixed periods but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Through December 31, 2018, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to the statement of income on a straight-line basis over the period of the lease.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (Continued)

From January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The incremental borrowing rate applied can have a significant impact on the net present value of the lease liability recognized under IFRS 16.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the statement of income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Furthermore, the Group has taken the additional following decisions in adopting the standard:

- Non-lease components are capitalized (IFRS16.15)
- Intangible assets are out of IFRS 16 scope (IFRS16.4)

According to the new Standard, lease term is defined as the non-cancellable period for which a lessee has the right to use an underlying asset, together with both: (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate if the lessee is reasonably certain not to exercise that option. The assessment of such options is performed at the commencement of a lease. As part of the assessment, the Group introduced the 'time horizon concept': the reasonable term under which the company expects to use a leased asset considering economic incentives, management decisions, business plans and the fast-paced industry the Group operates in. The assessment must be focused on the economic incentives for the Group to exercise (or not) an option to early terminate/extend a contract. The Group has decided to work on the basis the lessor will generally accept a renewal/not early terminate a contract, as there is an economic incentive to maintain the contractual relationship.

The Group considered the specialized nature of most of its assets under lease, the low likelihood the lessor can find a third party to substitute the Group as a lessee and past practice to conclude that, pending clarification from IFRIC, the lease term can go beyond the notice period when there is more than an insignificant penalty for the lessor not to renew the lease. This analysis requires judgment by the management of The Group and has a significant impact on the lease liability recognized under IFRS 16.

Under the IFRS 16, the accounting of sale and leaseback transactions has changed as the underlying sale transaction needs to be firstly analyzed using the guidance of IFRS 16. The seller/lessee recognizes a right-of-use asset in the amount of the proportional original carrying amount that relates to the right of use retained. Accordingly, only the proportional amount of gain or loss from the sale must be recognized. The impact from sale and leaseback transactions was not material for the Group as of the date of initial application.

3. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER NON-CONTROLLING INTERESTS

Acquisitions

During the six month period ended June 30, 2019, the Group did not complete any significant acquisitions.

4. ASSETS HELD FOR SALE

Assets held for sale and liabilities directly associated with assets held for sale

The following table summarises the nature of the assets and liabilities reported under assets held for sale and liabilities directly associated with assets held for sale as at June 30, 2019:

Assets and liabilities reclassified as held for sale (PYG millions)	As at June 30, 2019	As at December 31,2018
Towers	20,072	12,422
Total assets of held for sale	20,072	12,422
Towers	2,011	2,433
Total liabilities directly associated with assets held for sale.....	2,011	2,433
Net assets held for sale / book value	18,061	9,989

Tower Sale and Leasebacks

In 2017, the Group announced an agreement to sell and leaseback wireless communications towers to a subsidiary of American Tower Corporation (“ATC”) whereby we agreed the cash sale of tower assets and to lease back a dedicated portion of each tower where our network equipment is installed. The portions of the assets that will be transferred and that have not yet been leased back by our operations are classified as assets held for sale as completion of their sale is highly probable.

The table below summarises the main aspects of these deals and impacts on the Group financial statements:

	Paraguay
Signature date.....	April 26, 2017
Total number of towers expected to be sold.....	1,410
Total number of towers transferred so far	1,286
Expected total cash proceeds (PYG millions)	718,394
Cash proceeds received in 2017 (PYG millions)	425,941
Cash proceeds received in 2018 (PYG millions)	223,670
Cash proceeds received in 2019 (PYG millions) - as of June 30.....	16,859
Upfront gain on sale recognized in 2017 (PYG millions)	147,341
Upfront gain on sale recognized in 2018 (PYG millions)	110,136
Upfront gain on sale recognized in 2019 (PYG millions) – as of June 30.....	-

5. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended June 30, 2019, the Group added property, plant and equipment for PYG 11,648 million (June 30, 2018: PYG 79,792 million) and received PYG 7,981 million in cash from disposal of property, plant and equipment (June, 2018: PYG 219,802).

6. INTANGIBLE ASSETS

During the six-month period ended June 30, 2019, the Group added intangible assets of PYG 75,852 million (June 30, 2018: PYG 336,933 million) and did not received proceeds from disposal of intangible assets (June 30, 2018: PYG nil).

7. DEBT AND FINANCING

In January 2019, Telecel obtained a seven-year loan from BBVA Bank for PYG 177,000 million (approximately \$20 million), denominated in Paraguayan guaranies (“PYG”) which bears a fixed annual interest rate of 8.94%.

In April 2019, Telecel early redeemed its \$300 million (PYG 1,857,000 million) 6.75% Senior Notes due 2022 (the “Telecel 2022 Notes”). As a result, Telecel made cash payments of \$307 million (PYG 1,900,300 million), including an early redemption premium of \$7 million (PYG 43,300 million). As the amount of the repurchase was able to be estimated at March 31, 2019, the \$7 million (PYG 43,300 million) premium and \$3 million (PYG 18,570 million) of related unamortized costs were included as financial expenses in the statement of income in the three month period ended March 31, 2019 and the Notes were disclosed in current liabilities as at March 31, 2019.

On April 8, 2019, Telecel issued \$300 million (PYG 1,857,000 million) 5.875% senior notes due 2027 (the “Telecel 2027 Notes”). The Telecel 2027 Notes bear interest at 5.875% p.a., payable semi-annually in arrears on April 15 and October 15 of each year, starting on October 15, 2019. The net proceeds of the Telecel 2027 Notes were used to finance the purchase of the Telecel 2022 Notes (see above).

On June 3, 2019, Telecel issued a bond in the local Paraguayan stock market. Telecel registered to issue up to PYG 300.000.000.000 (approximately \$50 million with the closing rate as of June 2019) in different series from 1 year to 10 years. On June 5, 2019, 3 initial series for up to PYG 230.000.000.000 (approximately \$37 million) were registered and issued as follows: (i) PYG 115.000.000.000 (approximately \$19 million), at 8.75%, due June 3, 2024, (ii) PYG 50.000.000.000 (approximately \$ 8 million), at 9.25%, due May 29, 2026 and (iii) PYG 65.000.000.000 (approximately \$ 10 million), at 10%, due May 31, 2029.

The outstanding amount of Bonds financing as at June 30, 2019 was PYG 2,058,515 million (December 2018: PYG 1,769,553 million).

The carrying amounts of borrowings do not significantly differ from their fair value at the balance sheet dates.

Bank and Development Financial Institution financings

(PYG millions)	Issuance date	Maturity date	Fixed interest rate	As at June 30, 2019	As at December 31, 2018
Banco Continental S.A.E.C.A.	09/2015	09/2023	9.00%	233,750	247,500
Banco Itaú Paraguay S.A.	10/2015	09/2020	9.00%	154,457	205,934
Banco Continental S.A.E.C.A.	08/2016	09/2023	10.25%	50,830	53,820
Inter-American Development Bank / IPS (*)	07/2017	05/2022	10.08%	365,027	364,426
Banco Continental S.A.E.C.A.	06/2018	06/2025	9.00%	85,000	85,000
Banco Regional S.A.E.C.A.	07/2018	06/2025	8.90%	115,000	115,000
Banco BBVA S.A.	01/2019	11/2025	8.94%	176,514	-
Bank and Development Financial Institution financing				1,180,578	1,071,680

(*) This Facility is guaranteed by Millicom.

7. DEBT AND FINANCING (Continued)

Analysis of debt and other financing by maturity

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

\$ millions	As at June 30, 2019	As at December 31, 2018 (i)
Due within:		
One year	258,893	212,884
One-two years	269,193	273,823
Two-three years	262,143	1,949,685
Three-four years	159,892	167,888
Four-five years	252,289	55,325
After five years	2,036,529	344,153
Total debt	3,238,939	3,003,758

(i) As at December 31, 2018, Debt and financing included finance lease liabilities of PYG 162,526 million. As at June 30, 2019, and as a result of application of IFRS 16, these are now shown under lease liabilities in the statement of financial position and therefore excluded from the table above in 2019.

8. COMMITMENTS AND CONTINGENCIES

Litigation & claims

Telecel is operating in an emerging market, 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, Telecel faces uncertainties regarding taxation and regulation, including interconnection, license renewal and tariffs, which may have a significant impact on the long-term profitability of its operations.

The Company and its subsidiaries are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. As of June 30, 2019, the total amount of provisions related to claims against the Group's operations was PYG 8,891 million (December 31, 2018: PYG 8,845 million). 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 Group's financial position and operations.

Capital commitments

At June 30, 2019, the Company had fixed commitments to purchase network equipment, land and buildings, other fixed assets and intangible assets of PYG 157,486 million (December 31, 2018: PYG 686,857 million).

9. RELATED PARTY TRANSACTIONS

The following transactions were conducted with related parties during the six-month period ended June 30, 2019:

PYG millions (unaudited)	Six months ended June 30, 2019	Six months ended June 30, 2018
Millicom - Other Paraguayan Operations.....	59,506	71,582
Millicom - Non-Paraguayan companies.....	(27,013)	(4,624)
Total	32,493	66,958

As at June 30, 2019 the Group had the following balances with related parties:

PYG millions (unaudited)	At June 30, 2019	At December 31, 2018
Receivables Short Term		
Millicom - Other Paraguayan Operations.....	279,685	151,951
Millicom - Non-Paraguayan companies.....	1,290,748	1,436,901
Total	1,570,433	1,588,852

PYG millions (unaudited)	At June 30, 2019	At December 31, 2018
Receivables Long Term		
Millicom - Other Paraguayan Operations.....	120,609	166,441
Total	120,609	166,441

PYG millions (unaudited)	At June 30, 2019	At December 31, 2018
Payables		
Millicom - Other Paraguayan Operations.....	205,004	164,792
Millicom - Non-Paraguayan companies.....	222,418	6,770
Total	427,422	171,562

10. SUBSEQUENT EVENTS

Tower sale and lease-back agreement

In July 2019, as part of the contract signed with ATC (see note 4), the Company transferred 104 towers and collected cash for PYG 58,286 million.

Intercompany transactions

On July 2, the Company paid the Intercompany Loan with Millicom International Operations S.A., for \$10 million plus interest.

On July 3, the company collected \$4 million of interest generated from a \$100 million Intercompany Loan with Millicom International S.A.. This loan was extended for one year and bears a fixed annual interest rate of 3.8%.
