



MILlicom
THE DIGITAL LIFESTYLE

2014 Q2 Results Presentation

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We believe in better. We believe in **tigo**

This presentation may contain certain “forward-looking statements” with respect to Millicom’s expectations and plans, strategy, management’s objectives, future performance, costs, revenue, earnings and other trend information. It is important to note that Millicom’s actual results in the future could differ materially from those anticipated in the forward-looking statements depending on various important factors.

All forward-looking statements in this presentation are based on information available to Millicom on the date hereof. All written or oral forward-looking statements attributable to Millicom International Cellular S.A., any Millicom International Cellular S.A. employees or representatives acting on Millicom’s behalf are expressly qualified in their entirety by the factors referred to above. Millicom does not intend to update these forward-looking statements.



Time for action

Second quarter results 2014

Operating Review

Delivering key performance drivers

Revenues



9.0% growth¹ in local
currency Q2 14

*6.6% reported growth¹ in Q2
2014*

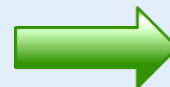
Mobile data penetration



22.7% for the group

*Above 1.0 million new
mobile data users in Q2*

MFS penetration



18.1% reached in MFS
footprint³

114,000 new users in Q2

EBITDA margin²

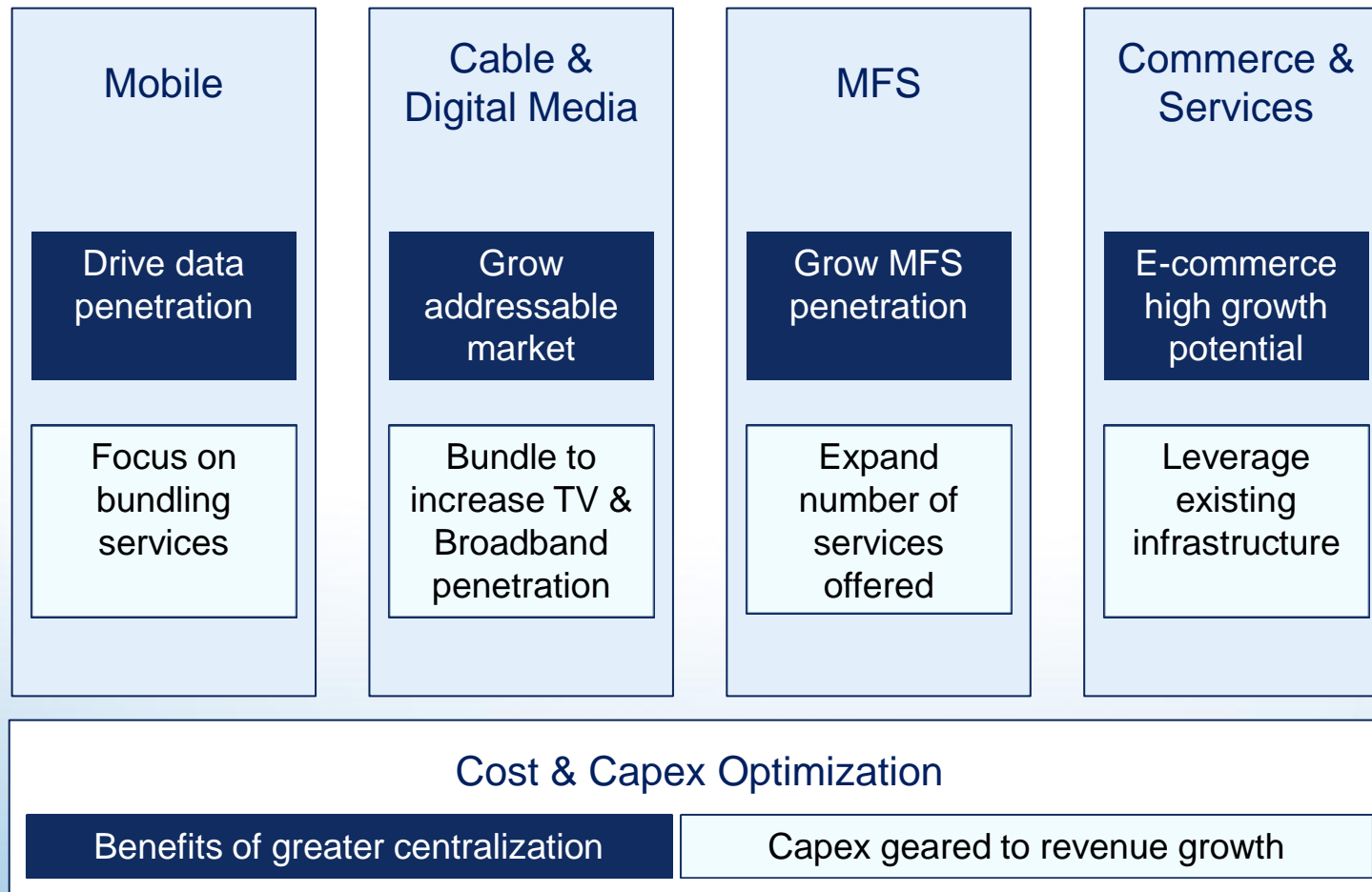


33.1%, down 3.5 points
(in line with guidance)

*Compared to 36.6% in Q2
2013*

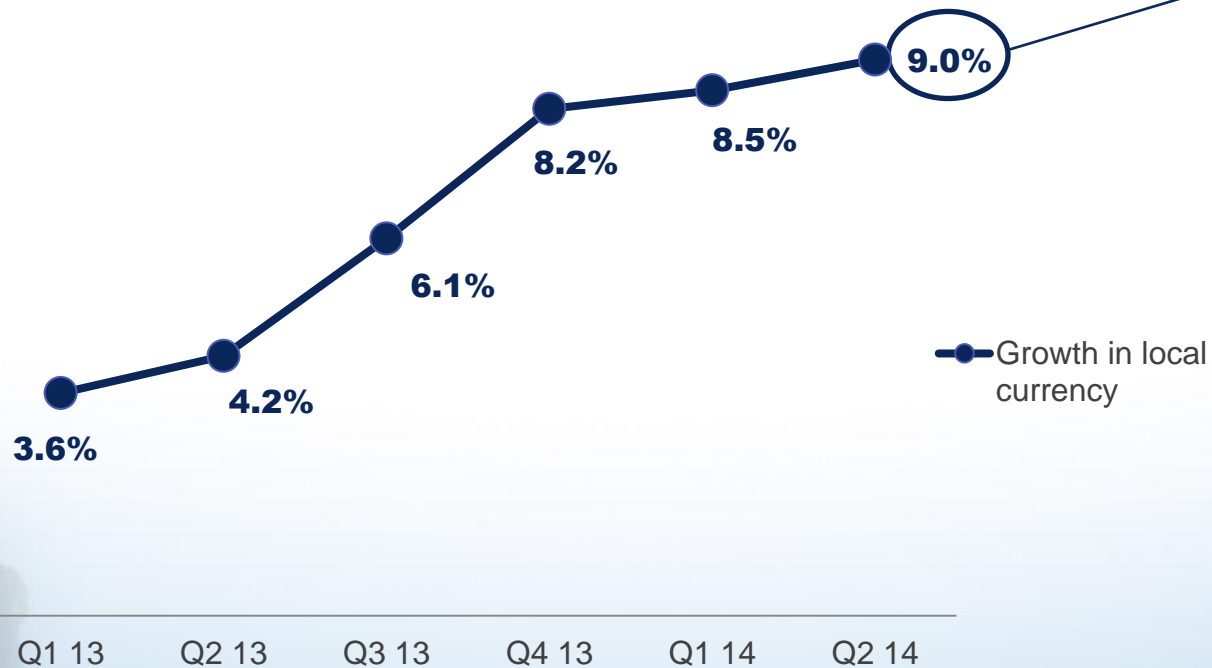
1) Numbers based on the new consolidation perimeter
2) EBITDA includes corporate costs
3) Excluding Senegal. Including Senegal, penetration rate is 16.8%

Targeting growth through four pillars

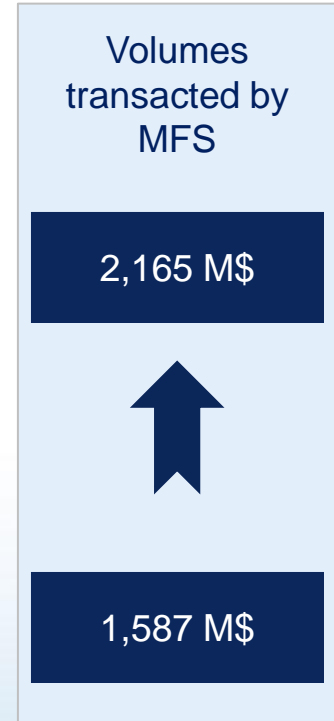
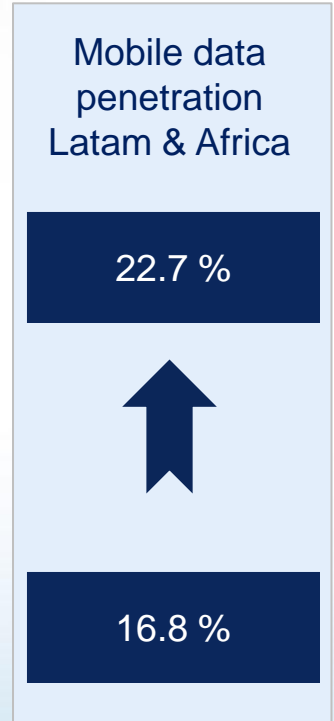


Pursuing growth across our strategic pillars

Quarterly revenue growth Q1 2013 – Q2 2014



Seizing multiple market opportunities

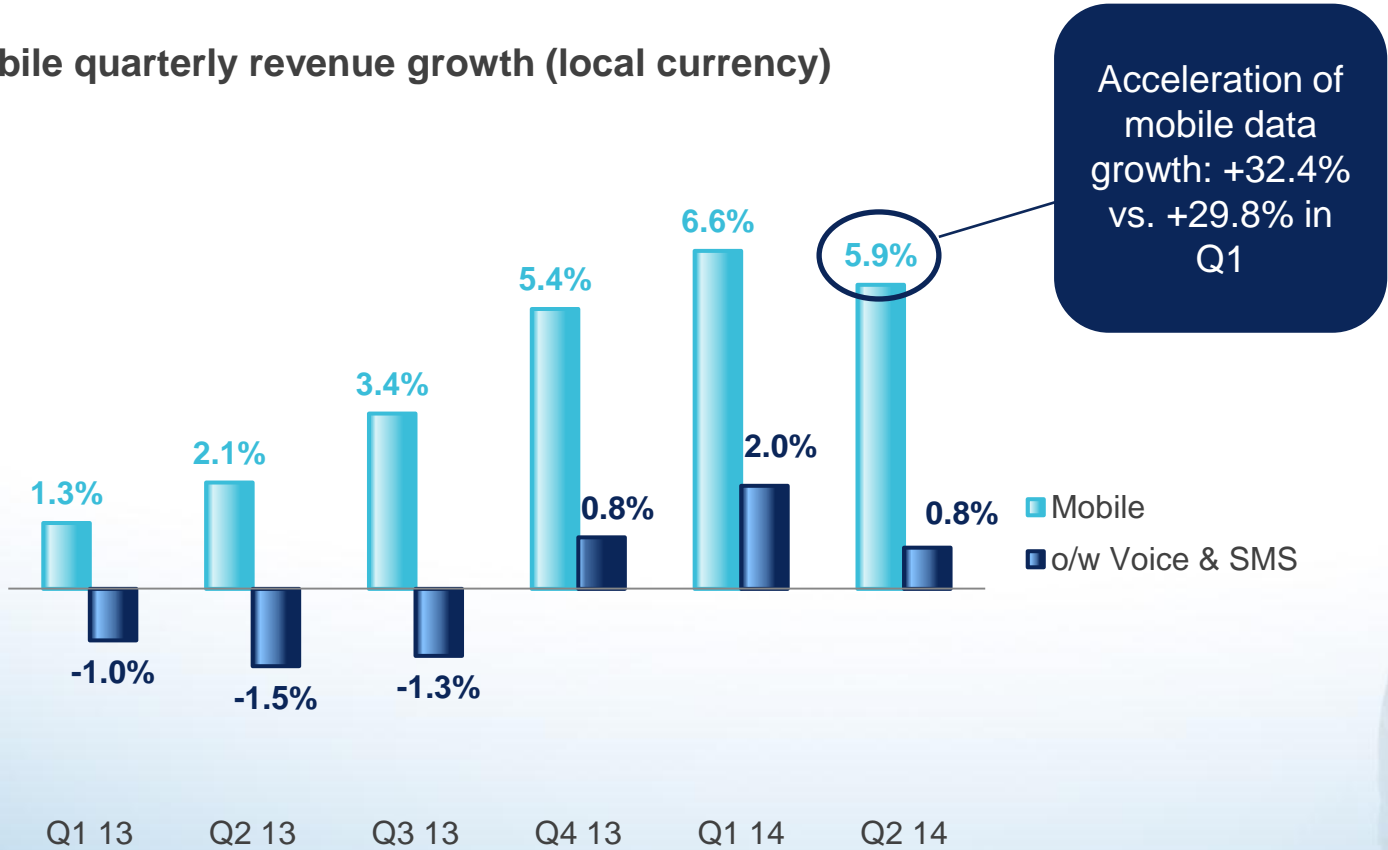


Q2 14 vs. Q2 13

1) Excluding Mauritius in 2013.

Mobile - solid growth driven by mobile data

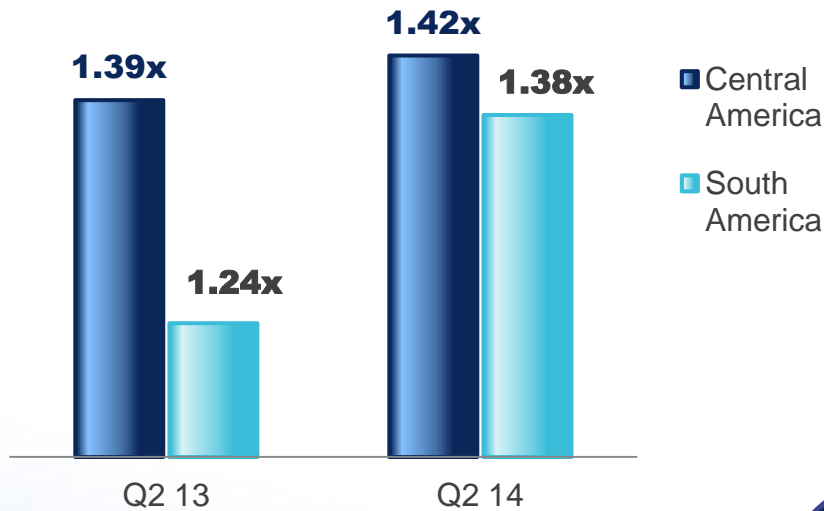
Mobile quarterly revenue growth (local currency)



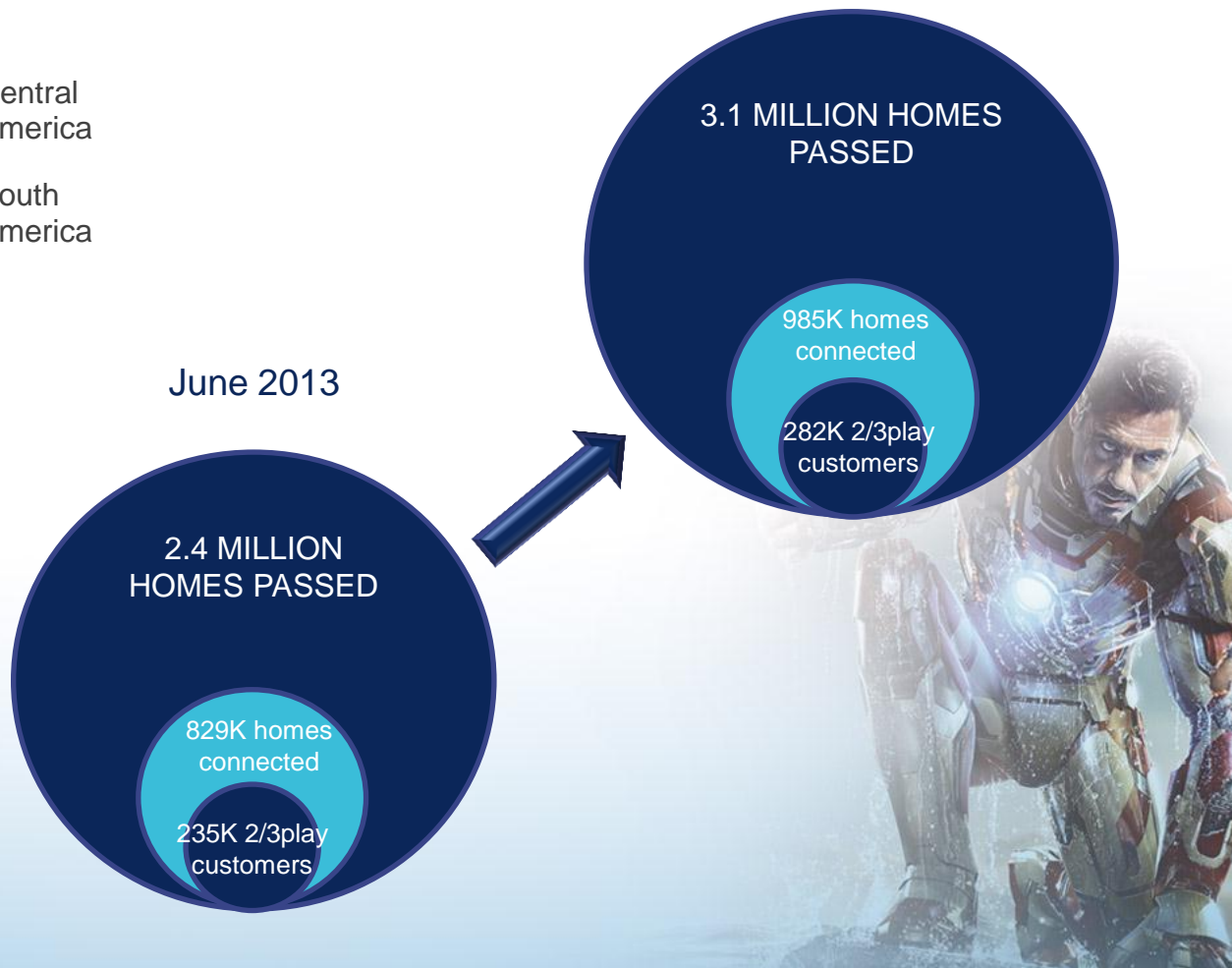
Cable & Digital Media - building momentum



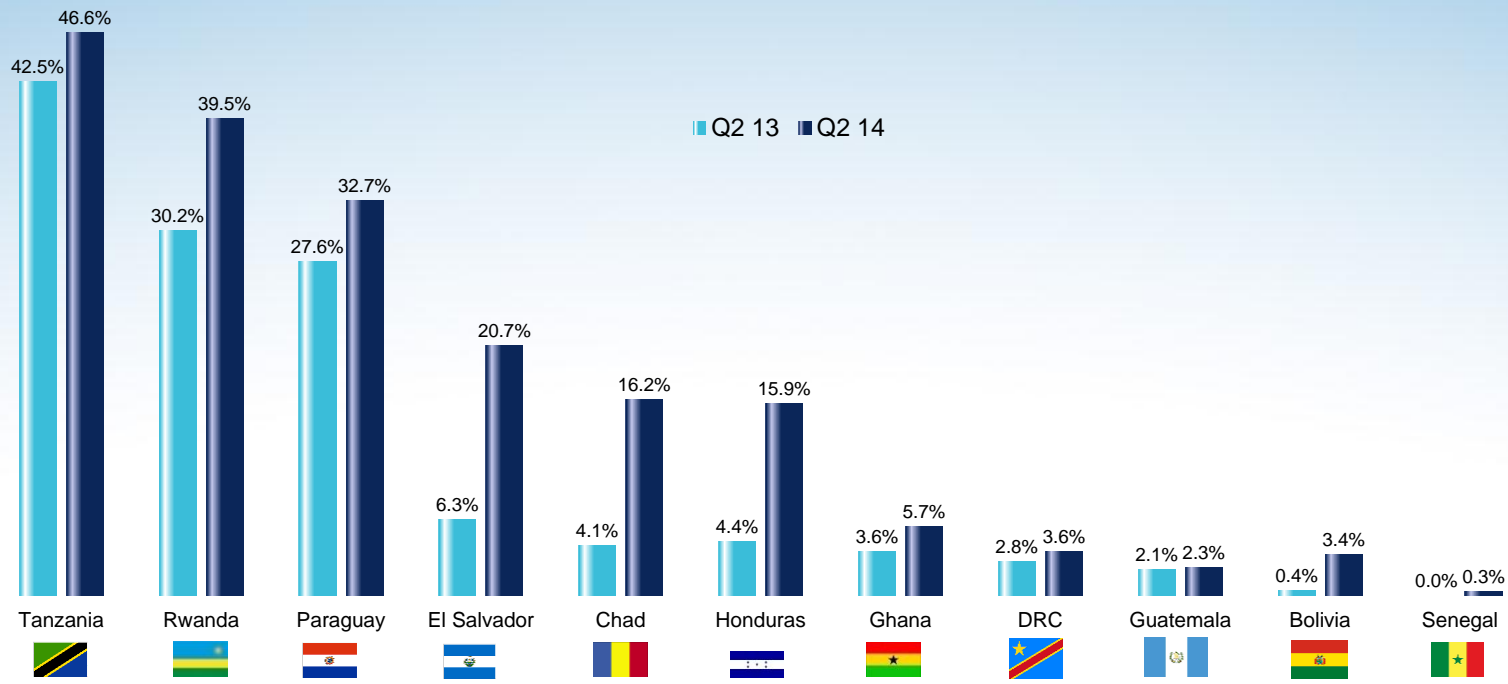
RGUs per homes connected HFC only



Our footprint (HFC & others, June 2014)



MFS - accelerating penetration in our markets



Active product portfolio



Costs & Capex optimization: leveraging the review of our Guatemala ops



Save the date!

Millicom to host a Capital Markets Day in Miami on 24 September 2014. Full details and agenda will follow in due course.





Time for action

Second quarter results 2014

Financial Review

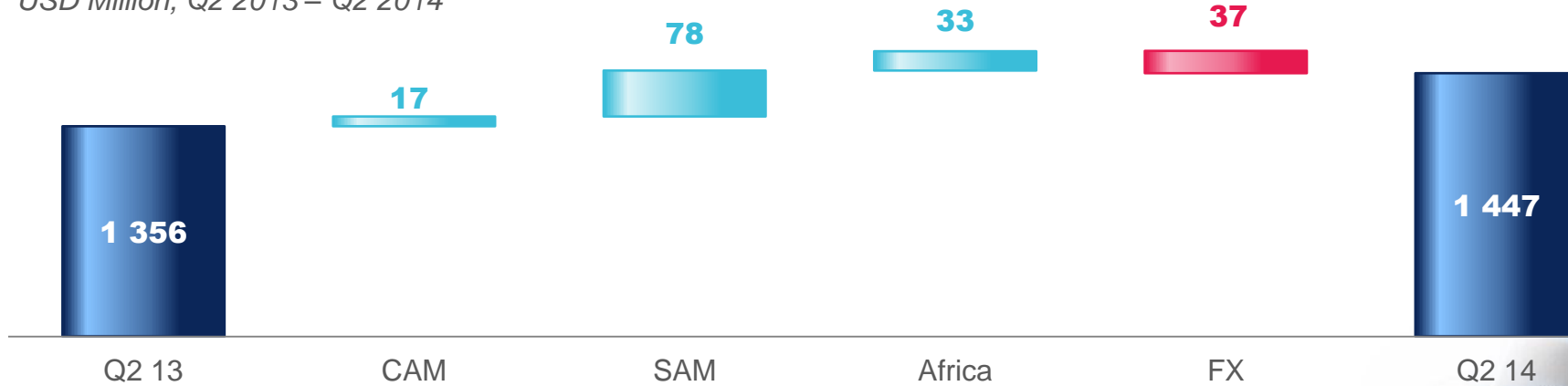
Transformation delivering strong organic growth

- Revenue growth (LC) accelerates to 9.0%
 - Strong growth in Africa (+15%)
 - Excellent momentum in Colombia (+27%)
 - Double digit growth for Cable & Digital Media (+16%)
- EBITDA \$479 million (flat vs. Q1)
 - margin of 33.1%
 - H1 margin of 33.5%
- Capex of \$367 million
 - \$80m of spectrum & licence renewal
- Operating Cash flow \$221 million (+3%)
- Adjusted EPS of USD 0.27

Regional revenue growth driven by South America and Africa in Q2

Revenue evolution by Region

USD Million, Q2 2013 – Q2 2014



Revenue evolution by Business Unit

USD Million, Q2 2013 – Q2 2014



1) Includes visitor roaming, MVNO/DVNO, and Telephone and Equipment

EBITDA progression in CAM and SAM

EBITDA evolution by Region

USD Million, Q2 2013 – Q2 2014

USDm	Q2 14	Q1 14	Q2 13	YoY % change
EBITDA (US\$ millions)				
Central America	291	283	284	2%
South America	198	198	189	5%
Africa	63	56	67	-6%
Central	-72	-59	-45	60%
Total EBITDA	479	478	496	-3%
EBITDA margin	33.1%	34.0%	36.6%	

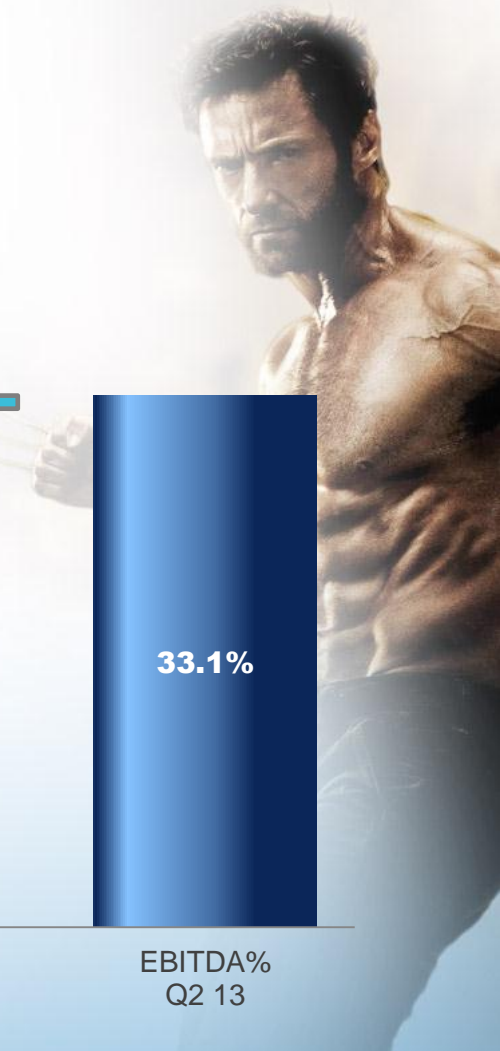
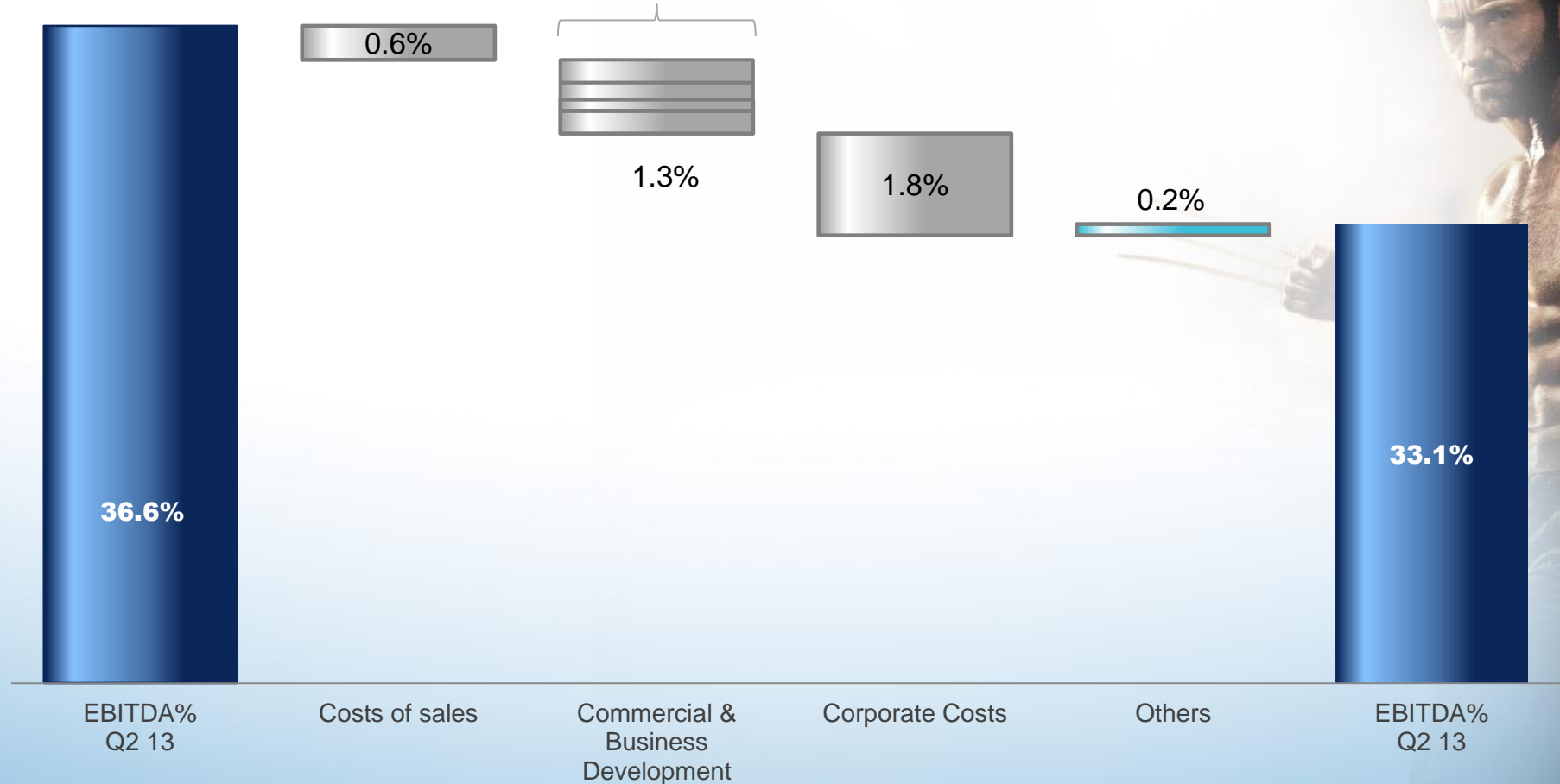


EBITDA margin driven by commercial investments



EBITDA margin
%, Q2 2013 – Q2 2014

External Services	0.4%
Employee related costs	0.3%
A&P	0.2%
Commissions & Subsidies	0.4%



Below EBITDA impacted by non-cash items

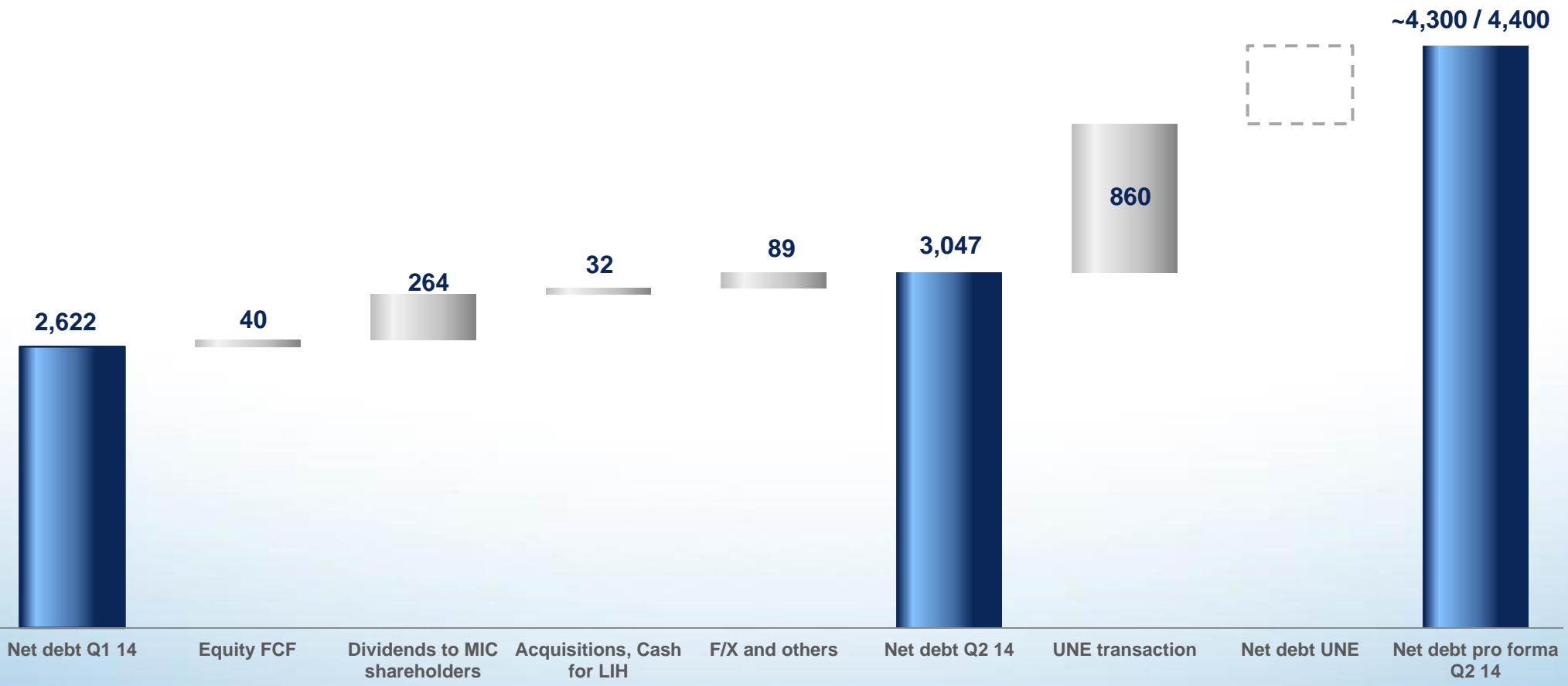
USDm	Q2 14	Q2 13	change
EBITDA	479	496	-3%
Depreciation & Amortization and other	(254)	(231)	10%
Operating profit	224	265	-15%
Net financial expense	(89)	(59)	49%
Other non-operating income (expenses)	159	(17)	Ns
Losses from associates	16	(7)	Ns
Profit before tax	310	181	71%
Taxes	(67)	(68)	-1%
Minority interests	(57)	(32)	77%
Profits from discontinued operations	-	(15)	Ns
Net profit	186	66	182%
Reported EPS	1.86	0.65	185%
Adjusted EPS	0.27	0.83	-67%



Some catch up in cash spend in Q2

USDm	Q2 14	Q1 14	Q2 13	YoY % change
EBITDA	479	478	496	-3.4%
Net Capex (including spectrum & license)	(321)	(273)	(219)	46.6%
Change in working capital and others	63	(42)	(62)	Ns
Operating Cash Flow	221	163	215	2.8%
Taxes paid	(115)	(54)	(166)	-30.7%
Operating Free Cash Flow	106	109	49	116.3%
Interest paid, net	(90)	(58)	(42)	114.3%
Free Cash Flow	16	51	6	Ns
Dividends paid to non-controlling interests	(56)	(188)	(34)	64.7%
Equity Free Cash Flow	(40)	(137)	(27)	48.1%

Net debt increasing due to investment and UNE





- **Organic revenue growth continues to gather pace**
- **We see significant growth potential in South America and Africa**
- **We continue to invest across the business to implement our Digital Lifestyle**
- **We look forward to optimize our cost structure via the cost optimization programme we just launched**

Operating Review

Financial Review

Q&A

Appendix



Operating Review

Financial Review

Q&A

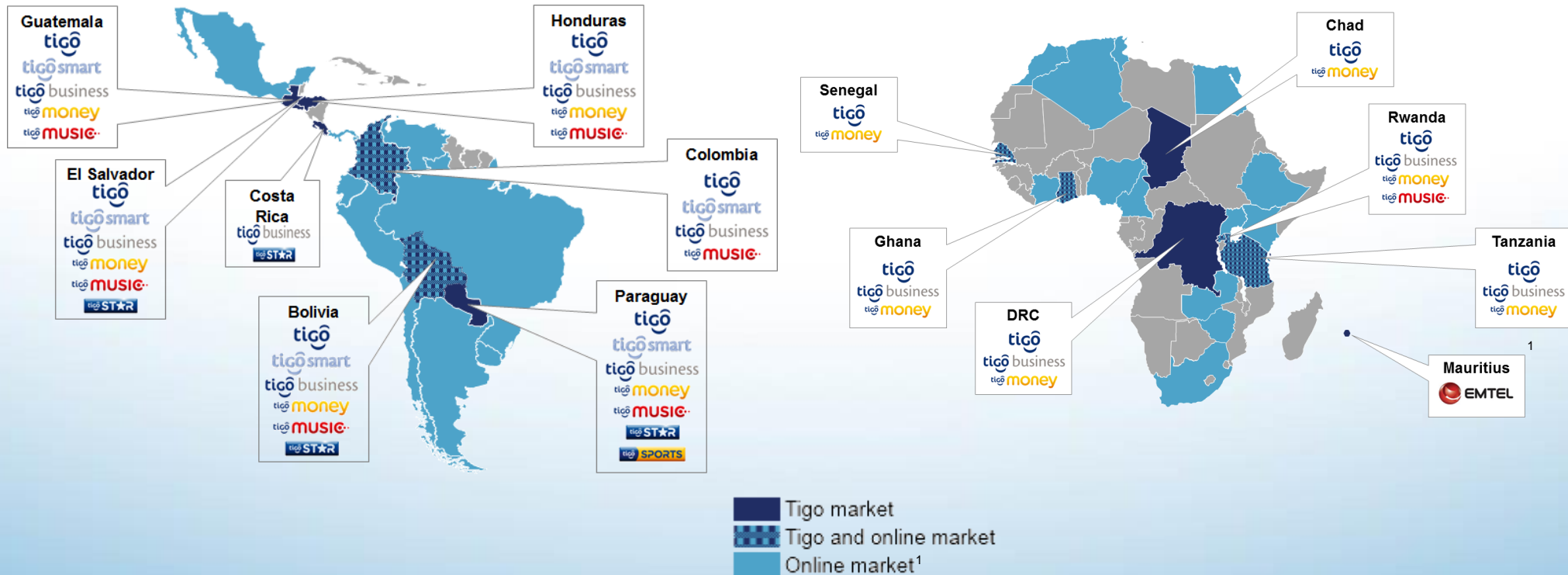
Appendix



This is Millicom

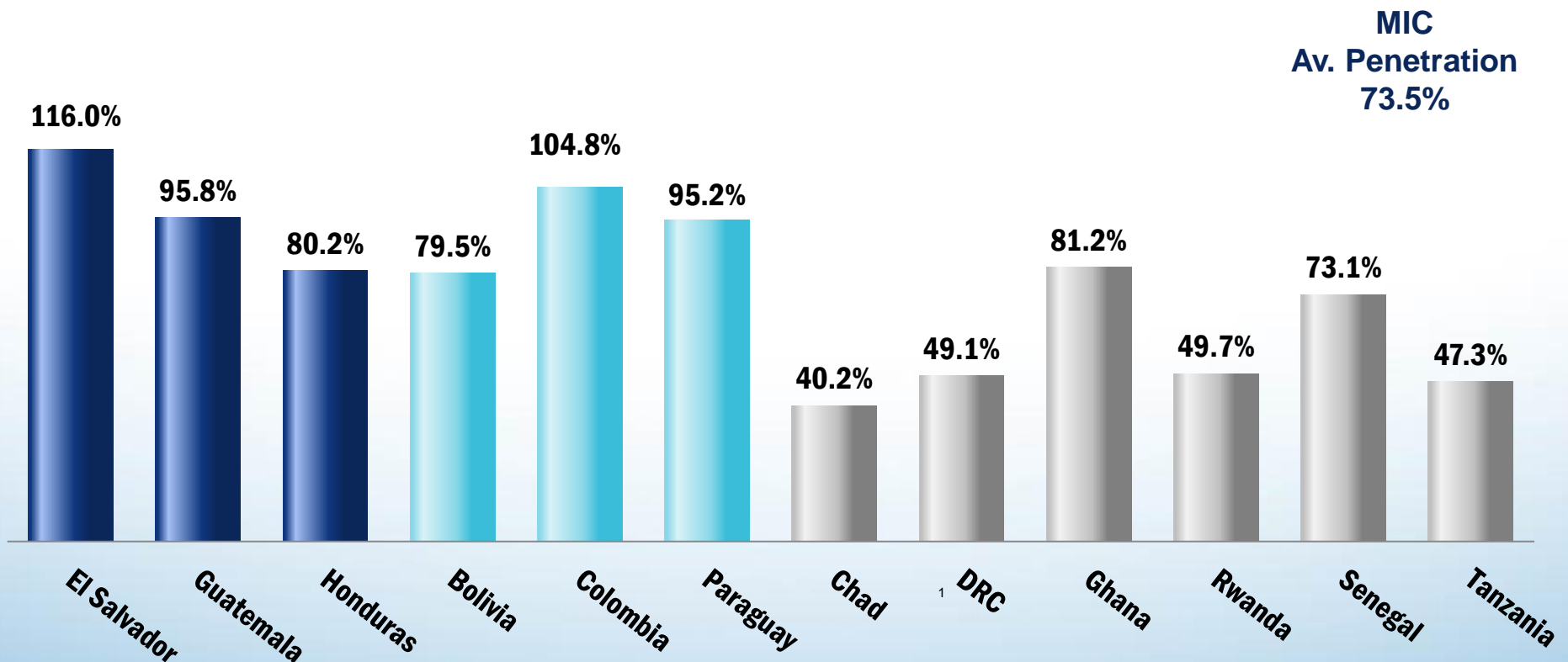


- 2013 Revenues: \$5.2bn (new perimeter: \$5.6bn), EBITDA: \$1.9bn (new perimeter: \$2.0bn)
- Market capitalization 14/07/14: SEK62bn (~\$9.2bn)
- >52.3 million mobile subscribers, >3.0 million homes passed, >7.4 million MFS customers



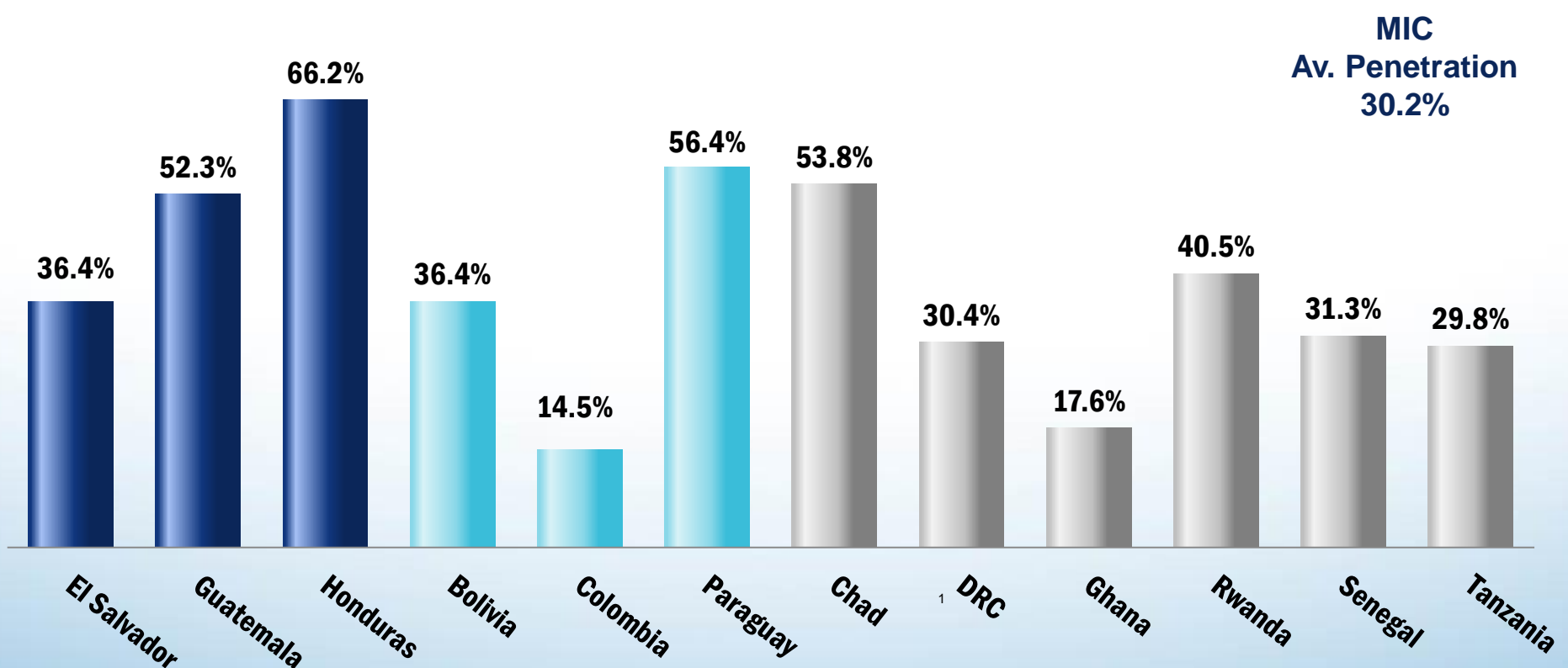
1) Mauritius, AIH & LIH are equity accounted from Jan 2014

Mobile Voice - Penetration rates



1) For DRC , only penetration in Kinshasa-BAS Congo and Kivu area is considered

Mobile Voice – Market Shares



1) For DRC , only penetration in Kinshasa-BAS Congo and Kivu area is considered

Movements of currencies vs USD QoQ

		Closing Rate					Average Rate				
		Q2 14	Q1 14	Change	Q2 13	Change	Q2 14	Q1 14	Change	Q2 13	Change
Guatemala	GTQ	7.78	7.73	(1%)	7.78	0%	7.75	7.78	0%	7.82	(1%)
Honduras	HNL	21.05	20.82	(1%)	20.25	4%	20.92	20.74	(1%)	20.26	3%
Nicaragua	NIO	25.95	25.64	(1%)	24.41	6%	25.77	25.47	(1%)	24.42	6%
Costa Rica	CRC	548.66	553.63	1%	504.7	9%	555.73	533.68	(4%)	506.6	10%
Bolivia	BOB	6.91	6.91	0%	6.91	0%	6.91	6.91	0%	6.91	0%
Colombia	COP	1,881	1,965.32	4%	1,832	3%	1,919.68	1,988.83	3%	1,834	5%
Paraguay	PYG	4,384	4,439.00	1%	4,007	9%	4,421.50	4,535.50	3%	4,175	6%
Ghana	GHS	3.00	2.68	(12%)	1.94	55%	2.84	2.44	(16%)	1.94	47%
Senegal/Chad	XAF	481.12	477.95	(1%)	511.8	(6%)	479.06	480.19	0%	500.4	(4%)
Rwanda	RWF	690.03	681.52	(1%)	635.8	9%	685.36	680.14	(1%)	636.7	8%
Tanzania	TZS	1,675	1,637.00	(2%)	1,615	4%	1,654.21	1,618.31	(2%)	1,618	2%

Market overview – by region for Q2 2014



Millicom Regions	Central America	South America	Africa	Group
Market Overview				
Population (m)	30	64	190	284
Mobile Penetration	95.5%	99.2%	56.2%	73.5%
Operational Data				
Total Mobile Customers (m)	15,417	14,406	22,491	52,315
Capex (\$m -excl Corporate)	124	105	127	356
Capex as % of revenues	20.3%	17.7%	52.0%	23.8%
Cellsites	7,927	7,393	5,476	20,796
Outlets (000s)	152	186	400	737
Key Financials				
Revenues (\$m)	610	593	244	1447
EBITDA (\$m)	291	198	63	479
EBITDA Margin	47.7%	33.4%	25.7%	33.1%

Market overview – LATAM

Latin America	Central America			Bolivia	South America	Paraguay
	El Salvador	Guatemala	Honduras		Colombia	
Shareholding	100%	55%	66.70%	100%	50% + 1 share	100%
License	20y from 1998	15y from 2003	25y from 1996	20y from 1995	10Y from 2013	5y renewal
Date of Expiry	2018	2032	2021	2015	2023	2016
Market Overview						
Population (m)	6	15	9	11	46	7
GDP per Pop (PPP) \$	7,500	5,300	4,800	5,500	11,100	6,800
Mobile Penetration	116.0%	95.8%	80.2%	79.5%	104.8%	95.2%
Market Position	1 of 5	1 of 3	1 of 3	2 of 3	3 of 3	1 of 4
Market Share	36.4%	52.3%	66.2%	36.4%	14.5%	56.4%
Operational Data						
Total Customers (000s)	2,666	8,129	4,623	3,457	7,155	3,794
Cell Sites	1,261	4,754	1,912	1,229	4,695	1,469
Other Operators	America Movil Telefonica Digicel Red	America Movil Telefonica	America Movil Honducel	Entel Viva	America Movil Telefonica	Personal Vox America Movil
Main products exported	Coffee Sugar	Coffee Sugar	Coffee Bananas	Lithium Natural Gas	Coffee Oil	Soy Cassava

Market overview – Africa

Africa	Chad	DRC	Ghana	Rwanda	Senegal	Tanzania
Shareholding	100%	100%	100%	87.50%	100%	100%
License	10 y from 2014	12y from 2012	15y from 2004	15y from 2008	16y from 2012	25y from 2007
Date of Expiry	2024	2024	2019	2022	2028	2032
Market Overview						
Population (m)	11	77	26	12	14	50
GDP per Pop (PPP) \$	2,500	400	3,500	1,500	2,100	1,700
Mobile Penetration	40.2%	49.1%	81.2%	49.7%	73.1%	47.3%
Market Position	1 of 3	2 of 6 ²	3 of 6	2 of 4	2 of 4	2 of 7
Market Share	53.8%	30.4%	17.6%	40.5%	31.3%	29.8%
Operational Data						
Total Customers (000s)	2,656	4,172	3,691	2,212	3,189	6,570
Cell Sites ¹	521	848	949	434	789	1,935
Other Operators	Bharti Salam	Vodacom Bharti CCT Standard Africell	MTN Vodacom Bharti Glo Kasapa	MTN Bharti Rwandatel	Orange Expresso Kirene	Vodacom Bharti Zantel TTLC Mobile Bol Sasatel
Main products exported	Petroleum Cotton	Coffee Diamonds	Bauxite Cocoa	Coffee Natural Gas	Fish Cotton	Coffee Cashew Nuts

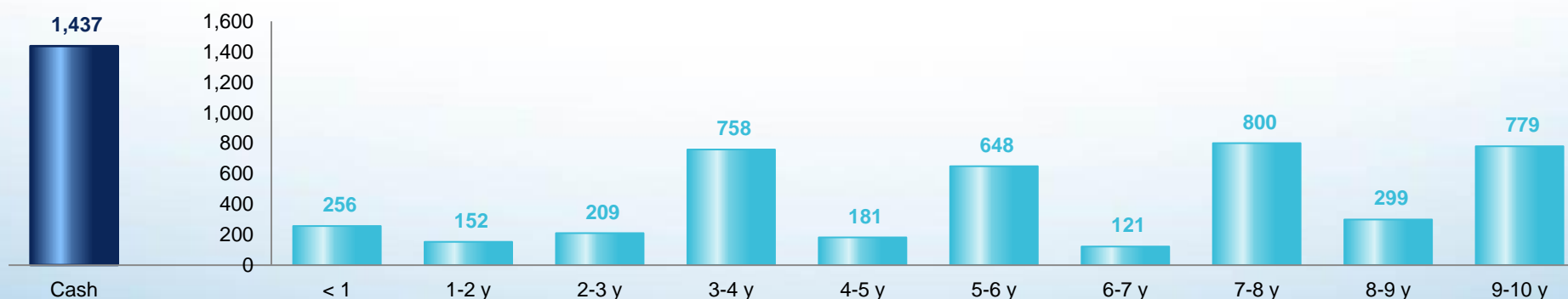
1) for DRC active sites; 2) Only Kinshasa/ Bas Congo and Kivu area;
Source: Millicom, CIA World Factbook

Moderate leverage and well spread maturities

USD m	Q2 14	Q1 14
Gross Debt ¹	4,484	4,521
Cash ²	1,437	1,899
Net Debt	3,047	2,622
Net Debt / EBITDA after corporate costs ³	1.57	1.34

Debt maturity (excluding finance leases)

USDm, Q2 2014



- Average maturity of 5.9 years

1) Including mark to market of bonds

2) Including pledged deposits, time deposits and restricted cash

3) Net Debt / LTM EBITDA