MILLICOM
THE DIGITAL LIFESTYLE

Results Q1 2014

for the three-month period ended March 31, 2014

We believe in better. We believe in tigo

Contents

Delivering growth across all regions, all business units

- Acceleration of organic growth in the 1st quarter by 8.5% year-on-year in local currency
- 1.6 million mobile net adds in Q1 taking the total customer base to 51.6 million
- Africa accelerates with revenue growth close to 12% in the quarter in local currency
- Cable grows by nearly 13% as we launched Tigo Star, our convergent offer proposition in Latin America and Tigo Sports, our first content product
- MFS now has over 7.3 million customers and penetration exceeding 18% of our customer base where the service is offered
- The transformation to a Digital Lifestyle company moves ahead, as demonstrated by DTH launching in Latin America today and our partnership with Facebook in Tanzania
- EBITDA margin before corporate costs at 38.2% in Q1. After corporate costs, the margin was 34% demonstrating our financial discipline while investing in growth opportunities

Delivering growth across four strategic pillars:

- In Q1, our mobile data business continued to display strong growth with over 700k additions, improving penetration of mobile data within our mobile customer base to 20.9%, up from 15.1% in March 2013.
- In Cable & Digital Media, the growth accelerated compared to Q4 13 at 12.8% in local currency helped by the launch of “Tigo Star” and “Tigo Sports”, our new cable and broadband service and TV channels. RGU per household increased by 3.5% to 1.40.
- MFS penetration growth accelerated in the first quarter reaching 18.2% of our customers in the markets in which we offer the service. In Q1 we added over 1 million new customers, the strongest performers were Tanzania, El Salvador and Chad.
- Our Online investments continued to expand across Africa and Latin America as we saw several ventures being launched both in new countries and Millicom mobile markets. We look forward to MTN joining this journey in Africa as we wait for final regulatory approvals. We expect the deal to be completed as planned in Q2 2014.

Results Summary

Financial Highlights

- Q1 revenue of $1,405 million, growing 8.5% proforma in local currency (4% reported proforma)*. Revenue growth would have been 9.4% on a like-for-like basis**. The impact of forex movements was -4.8%.
- Q1 EBITDA before corporate costs at $537 million (38.2% margin). After corporate costs the EBITDA reached $478 million, a 34.0% margin.
- 2014 Q1 Capex of $163 million (11.6% of revenue).

** proforma: new consolidation perimeter*

*** Like-for-like: underlying organic growth excluding regulatory and one-off impacts*

Significant events

- Starting from Q1 2014, Millicom fully consolidates Tigo Guatemala, while Mauritius and the Online businesses (in Africa and Latin America) are now equity accounted.
- On January 30, 2014, Tigo Guatemala issued a 10 year $800 million bond. The proceeds from the bond were mainly used to refinance local and Millicom corporate debt. The bond carries a coupon of 6.875%.
- In February 11, 2014, Millicom announced the appointment of Tim Pennington as Chief Financial Officer. Tim will be joining in June 2014.
- In February 2014 Millicom launched Tigo Sports in Paraguay followed by Tigo Star in March 2014.

2014 guidance reiterated

Under the new consolidation scope (i) and at constant exchange rates, we expect revenue growth to accelerate at a mid to high single digit rate (versus comparable 5.5% in 2013). On a reported basis and at constant exchange rates, we expect revenue growth to exceed 15%. EBITDA margin will stabilize around the mid-30s% mark (after corporate costs). In 2014, we expect a capex to revenue ratio of around 19%, excluding spectrum and license acquisitions.

EBITDA Margin improvement from the full consolidation of Guatemala will be offset in 2014 by accelerating investments in growth opportunities in Africa and South America.

$m	Q1 2014	Q1 2013 (iv)	% change local currency	YTD 2014	YTD 2013 (iv)	% change local currency
Revenue	1,405	1,351	8.5%	1,405	1,351	8.5%
Group EBITDA (ii)	478	517	(3.7%)	478	517	(3.7%)
EBITDA margin	34.0 %	38.3%	(4.3ppt)	34.0 %	38.3%	(4.3ppt)
Normalized Net Profit (iii)	61	136		61	136	
Capex	163	209		163	209	

(i) The new consolidation scope includes full consolidation of Guatemala and equity accounting for Mauritius and Online and excludes UNE.

(ii) EBITDA: derived by deducting cost of sales, sales and marketing costs and general and administrative expenses (including central costs) from revenue, and adding other operating income.

(iii) Net profit adjusted for items such as foreign exchange movements, movements in valuation of the put options (negative $21 million in Q1 2014), and deferred tax assets, goodwill impairment and one-off tax impacts, revaluation of previously held interests and results from associates, joint ventures and start-up ventures.

(iv) Proforma to reflect full consolidation of Guatemala, and equity accounting for Mauritius and Online

President's Statement

Delivering growth across all regions, all business units

"This quarter's results demonstrate that we are delivering on our growth strategy in all regions with revenue rising by over 8%. Our investment in this growth is having the expected impact on our margins.

The turnaround in Africa continued with double-digit growth for the first time in eight quarters and South America maintained its strong performance, led by Colombia.

We transformed our cable business further with the launch of Tigo Star, the Tigo Sports channel and the start today of our first DTH service in Latin America.

Strong mobile data take-up is highlighted by our smartphones sales tripling in Q1 compared to Q1 2013 and content partnership with Facebook in Tanzania.

We have delivered on all four growth pillars with MFS just launched in Senegal, completing the lineup for Africa, and our online partnerships continued to expand.

There are challenges ahead. Foreign exchange pressure continues, with competitive intensity not easing and the constant threat of further regulation.

As for earnings, we are in line with guidance on margins as we continue this crucial but carefully controlled investment phase. We are determined to grow our EBITDA as we diversify into a true digital lifestyle company over the long term"

Hans-Holger Albrecht
President and CEO,
Millicom International Cellular S.A.

The four pillars of our strategy: Q1 update

In 2014 we continue to focus on setting the foundations for future growth in new areas, while maintaining strong momentum in the mobile business. The impact of regulatory pressure, most notably increased taxation and rate cuts was lower than in past quarters and we more than offset its revenue impact through innovative offerings in Mobile, Cable & Digital Media and MFS. The first quarter of 2014 shows further evidence that the transformation of Millicom into a Digital Lifestyle group is well on track.

Mid-single digit growth in mobile

Overall, our Mobile business proved resilient in Q1, growing by 6.6% in local currency, versus 5.4% in Q4 2013. Removing the impact of regulatory pressure, which was still significant this quarter, our mobile growth would have reached 7.7%.

Significantly, our voice and SMS mobile business grew 2.0% in the first quarter in local currency (3.5% excluding regulatory pressures), a marked improvement versus previous quarters on the back of strong net additions again in South America and Africa.

In Q1 2014, we successfully upgraded over 700,000 customers to mobile data. This enabled us to grow by nearly 30% in mobile data revenue in local currency.

Accelerated growth in Mobile Financial Services

MFS penetration grew by 56% in Q1 2014 versus Q1 2013, exceeding 18% of our mobile customer base in the markets where the service has been launched. Penetration growth remained very solid in Tanzania, El Salvador and Chad. Both Honduras and Chad have now passed the 10% penetration mark.

Millicom launched the world's first international MFS service featuring integrated currency conversion in Rwanda and Tanzania, enabling individuals and businesses to make simple cross-border transactions from their handsets without needing to go to a bank or specialist provider. We also launched MFS in Senegal in April 2014.

New launches in Cable & Digital Media in Q1 2014

This quarter Millicom took another step forward in the execution of its strategy with the launch in Latin America of the "Tigo Star" branded cable and broadband service and the "Tigo Sports" TV channel. ""Tigo Star" offers high quality TV and broadband services and was initially launched in Paraguay followed by Costa Rica and El Salvador. "Tigo Sports" has gone live in Paraguay as a dedicated 24-hour sports channel including live football, tennis, handball, futsal and athletics. Additional markets will launch Tigo Star and Tigo Sports during the year.

Online growing steadily

As anticipated, growth in our Online division accelerated in the first quarter, while losses remained under control.

In Q1 2014, the Online division generated revenue of $31 million, up from $27 million in Q4 2013 and $11 million (LIH only) in Q1 2013.

As a result of changes in the investment agreements, the Online businesses are equity accounted from January 2014.

Operating review

Total revenue for the three months ended March 31, 2014 was $1,405 million, up 4% proforma (8.5% in local currency). On a like-for-like basis revenue growth reached 9.4%. Reported growth was led by South America again this quarter, while Africa had double digit local currency growth for the first time in more than two years.

We generated 77% of Group recurring revenue growth from Mobile, 15% from Cable & Digital Media, and 8% from MFS.

EBITDA (after corporate costs and share based compensation) for the quarter was $478 million, down 3.7% in local currency compared to Q1 2013 (-1.1% before corporate costs). Consolidated EBITDA margin, at 34.0%, was 4.3 percentage points lower than Q1 2013. In the first quarter we have not recorded any one-off items in EBITDA.

Our investments contributed to an 11% increase in sales and marketing costs (+$29 million year-on-year to support growth in mobile data and MFS), and $11 million incremental G&A costs to build category skills.

Revenue by business unit

$m	Q1 2014	Q1 2013*	YOY growth (%) Local Currency
Mobile	1,154	1,131	6.6
Cable & Digital Media	125	114	12.8
MFS	23	16	48.6
Other**	103	90	21.9
Total	**1,405**	**1,351**	**8.5**

* *Proforma to reflect the full consolidation of Guatemala, and equity accounting for Mauritius and Online*

*** Telephone and equipment sales and other revenue*

Mobile (77% of Group recurring revenue growth)

Mobile revenue growth accelerated in the first quarter and revenue reached $1,154 million, growing 6.6% over Q1 2013 in local currency and 7.7% on a like-for-like basis.

In the first quarter of the year, our mobile customer base increased by 1.6 million. Most of the growth came from Africa, while South America continued to enjoy healthy momentum, with Colombia and Bolivia driving the regional increase and partially offset by some seasonal churn in Paraguay. In Central America we had negative net adds of 200k due to a subscriber clean-up in Guatemala.

In Africa growth in net additions was stronger than the previous quarter, led this time by Senegal, Chad, and Tanzania. In DRC, following our launch in the Kivu region we continued to grow our base at a steady pace.

Mobile recurring ARPU in local currency declined by 2.3%. This quarter the decline came from high net additions, notably in Africa where the ARPU is close to half the Group average. Without regulatory impact, mobile ARPU would have decreased by 1.3%.

Year-on-Year Mobile ARPU

$	Total	Central America	South America	Africa
Q1 14	**7.6**	9.8	11.2	3.5
Q4 13	**8.1**	10.1	12.2	3.9
Q3 13	**8.0**	10.0	11.6	4.0
Q2 13	**8.0**	10.1	11.6	3.8
Q1 13	**8.1**	10.0	11.7	3.9

N.B. ARPU figures are based on total mobile recurring revenue. – these exclude MFS which used to be included in Mobile ARPU.

Revenue in the **Mobile Communication** category grew in the first quarter by 2.0% (3.5% excluding regulatory impact). This strong performance was essentially due to solid growth in Revenue Generating Units (RGUs) (voice/SMS users), which increased by over 1.5 million in Q1.

During the first quarter, Mobile Termination Rates (MTR's) were cut by 4% in Bolivia, 19% in Colombia, 11% in Ghana and Rwanda, 7% in Tanzania and 49% in Senegal. Overall, regulatory pressure in Q1 accounted for 0.9 percentage points of growth, versus 1.5 points in Q4 proforma.

The decline of the ARPU in Africa came from the dilution of new customers who tend to have a lower ARPU than the existing base, but also from the weakness of the currency in Ghana and Mobile Termination Rates cuts.

Mobile Information: we increased RGUs (mobile data customers) by over 0.7 million in the first quarter, to reach over 10.8 million or 20.9% of our total mobile customer base. Penetration reached 20.7% in Central America, 29.2% in South America and 15.5% in Africa.

Over the same period subsidies grew 14% in local currency, as we continue to see unmet demand for access to the Internet, and return on subsidies within one year. We continue to take advantage of the increasing availability of attractively priced and quality smartphones to facilitate acceleration of mobile Internet uptake.

Mobile Information RGUs

'000	RGUs	Central America	South America	Africa
Q1 14	**10,779**	3,241	4,134	3,404
Q4 13	**10,058**	3,186	3,846	3,026
Q3 13	**8,872**	2,974	3,485	2,413
Q2 13	**7,869**	2,854	3,125	1,890
Q1 13	**7,079**	2,598	2,875	1,606

ARPU from mobile information users (mobile data users) was $6.3 in Q1 2014. The decline in ARPU is largely due to the accelerated addition of new mobile data customers in all regions.

In Q1 the mobile information category amounted to 13.9% of Group revenue. Recurring revenue grew by close to 30% year-on-year in local currency in Q1.

Mobile information in Africa registered the highest number of net adds in the quarter followed by an South and Central America.

In **Mobile Solutions**, local currency growth remained strong in excess of 22%.

In **Entertainment**, our music services in South America continued to experience a strong growth in usage (notably Deezer) leading sales to grow by more than 20%.

Cable & Digital Media (15% of Group recurring revenue growth)

Cable & Digital Media revenue grew by close to 13% in Q1 2014 year-on-year in local currency. This was achieved in part due to the focus on the commercial launches of our sport channels and our "Tigo Star" launch in Paraguay, Costa Rica and El Salvador.

This business unit includes both residential and corporate revenue.

Revenue* Breakdown Residential/Corporate

$m	Total	Residential	Corporate
Q1 14	**125**	89	36
Q4 13	**121**	86	35
Q3 13	**121**	80	41
Q2 13	**114**	79	35
Q1 13	**114**	78	36

**Recurring revenue restated for new perimeter*

The number of homes passed increased to over 3.0 million. We have increased the number of homes passed with hybrid fibre coaxial cable (HFC) by 80,000 to reach 2.2 million. Total homes connected increased by 36,000 to 968,000.

In Q1 2014, Residential cable ARPU at $33.5 was broadly stable compared to the previous quarter and Q1 2013.

Residential Net New RGUs

'000	Net new RGUs	Central America	South America
Q1 14	**48**	29	19
Q4 13	**78**	16	62
Q3 13	**52**	28	24
Q2 13	**42**	24	18
Q1 13	**12**	6	6

Residential RGUs per household (HFC only)

'000	RGUs per HH	Central America	South America
Q1 14	**1.40**	1.40	1.34
Q4 13	**1.38**	1.39	1.33
Q3 13	**1.37**	1.39	1.29
Q2 13	**1.37**	1.39	1.24
Q1 13	**1.35**	1.36	1.22

MFS (8% of Group recurring revenue growth)

MFS revenue increased again strongly in Q1 2014 in local currency (+49% versus Q1 2013). In the first quarter of the year MFS comprised 8% of Millicom's recurring revenue growth.

MFS penetration reached 18.2% of our total mobile handset customer base where we offer the service. Our MFS RGUs increased by almost 1.1 million in the first quarter, with strong adds in Africa and Central America.

Penetration of MFS in Tanzania reached 54.5% of our customer base by the end of March.

Rwanda was our second most penetrated MFS market by the end of the quarter, with 38.0% of our mobile customers being active users of MFS.

In Paraguay 30.9% of our customers were using the service by the end of Q1.

El Salvador had a very strong quarter growing from 11.4% at the end of December to 16.0% by the end of March. It continues to be our most successful market in Central America so far. Chad and Honduras are encouraging and as expected have crossed the 10% penetration mark in the first quarter of 2014.

MFS RGUs

'000	RGUs	Central America	South America	Africa
Q1 14	**7,341**	1,178	1,262	4,901
Q4 13	**6,277**	892	1,292	4,093
Q3 13	**5,491**	636	1,167	3,688
Q2 13	**4,886**	535	1,057	3,294
Q1 13	**4,352**	419	996	2,937

ARPU for MFS users was $1.13, down 9.9% versus Q1 2013 in local currency mostly due to the dilutive effect of new users.

MFS ARPU

$	Total	Central America	South America	Africa
Q1 14	**1.13**	0.34	1.75	1.13
Q4 13	**1.33**	0.60	1.90	1.29
Q3 13	**1.39**	0.65	1.81	1.38
Q2 13	**1.34**	0.75	1.82	1.27
Q1 13	**1.30**	0.83	1.76	1.21

Online

As expected, growth in Online continues to accelerate in Q1 while losses remain under control. The category generated revenue of $31 million compared with $27 million in Q4 2013 and $11 million (LIH only) in Q1 2013. Millicom's equity share of Q1 2014 Online losses amounted to $4 million.

Business development

The online retail ventures in Latin America and Africa are continuing to develop strongly. Jumia in Africa showed double digit growth during the first quarter and more than doubled its revenue compared to the same period last year. Kids and Toys e-commerce site Tricae in Brazil showed its best month ever and launched its new private label during the quarter.

The mobile taxi booking service Easy Taxi also has seen a great first quarter with number of completed rides continuing to develop very strongly. During the quarter the service was launched in Bolivia, Uruguay, Panama and Ghana and now exists in 11 countries in Latin America and 3 countries in Africa (including 3 Millicom mobile markets).

Online food ordering service Hellofood is becoming more and more of a mobile service as the share of orders coming from mobile devices continued to increase significantly in the beginning of 2014. During the quarter Hellofood was launched in Tanzania, Uganda and Algeria and now exists in 6 countries in Latin America and 10 countries in Africa.

The online marketplace Kaymu expanded into Senegal, Uganda, Ivory Coast, Ethiopia and Zambia during the first quarter and is now available in 14 countries across Africa, 4 of which are Millicom mobile markets.

In the quarter we also saw the expansion of real estate classifieds Lamudi into Ethiopia, Zambia, Zimbabwe, Mozambique, Madagascar and Ivory Coast and car classifieds site Carmudi into Ghana and Cameroon. AIH also launched the new lending marketplace Lendico in South Africa.

Synergies

MFS is being pushed as a payment method in all markets where Millicom offers mobile money and was during the quarter initiated as a payment method for Easy Taxi in Bolivia. The pre-instalment of apps on Tigo smartphones is continuing in Colombia and have now also been initiated in Senegal. Best practice is used to push synergies in all Millicom mobile markets where the Online ventures are present as well as help launch the Online ventures into new Tigo markets.

MTN partnership in Africa

The agreement making Millicom, Rocket Internet and MTN equal shareholders of AIH is expected to be finalized in line with plan in Q2 2014 as we are still waiting for the final regulatory approvals.

Revised agreement in Latin America

In January 2014 Millicom and Rocket Internet revised the initially agreed investment terms to better suit the development needs of the businesses which currently remain focused on the Brazilian market. A path to control remains in place where the final call option needs to be exercised by September 2016 but no earlier than one year after the second option is exercised. As a result, Millicom equity accounts for the businesses in Latin America from January 2014.

Financial review

The unaudited consolidated financial statements of the Group for the three month periods ended March 31, 2014 are included in Section 2.

Proforma Comparatives

As a result of the following events, the indicated comparative financial information presented in the results section of this earnings release are presented on a proforma basis:

- The put/call agreement with our partner in Guatemala enabling us to control and therefore fully consolidate the Guatemalan operation from January 1, 2014;
- A change in accounting standards which requires us to equity account for the Mauritian operation from January 1, 2014;
- Changes in the Online business investment agreements which require us to deconsolidate Online from Q1 2014.

Group EBITDA

Reconciliation from operating profit to EBITDA for the periods is as follows:

$m	Q1 14	Q4 13*	Q3 13*	Q2 13*	Q1 13*
Operating profit	**236**	**222**	**263**	**264**	**294**
Depreciation and amortization	250	252	230	229	223
Loss (gain) on disposal/write down of assets, net	(6)	27	(3)	4	1
Loss (gain) from joint ventures	(2)	(3)	(2)	(2)	(1)
EBITDA	**478**	**498**	**488**	**495**	**517**

** Proforma to reflect the full consolidation of Guatemala, and equity accounting for Mauritius and Online*

Depreciation and Amortization (D&A), write down of assets

In the first quarter D&A was $250 million, $27 million higher than a year ago, mainly due to investments in spectrum, networks and IT systems acquisitions made in the previous 12 month period and accelerated depreciation related to network upgrades.

Corporate Costs

In the first quarter corporate costs were slightly higher compared with the previous quarter.

We also started to incur costs centrally for the development of our Digital Media start-up ventures (financed from Millicom and not our markets). These investments will gather pace in the coming quarters.

Financial Expenses and Income

The cost of financing in Q1 2014 was higher than the previous year and includes finance leases on towers sold and leased back. The main driver for the increase in financial expenses was the higher level of gross debt and $12 million of expenses related to early redemption of part of the El Salvador bond.

Non-operating expenses

We recorded net non-cash non-operating expenses of $21 million in the quarter from the change in value of the put options granted to our partners in Honduras and Guatemala.

Taxes

In Q1, the tax charge remained relatively stable year-on-year at $71 million. Our normalized tax expenses were up from $52 million in Q1 2013 (proforma) to $58 million in Q1 2014.

Our effective tax rate was 42.7%.

Capex

In Q1 2014 we invested $163 million in capex, with no spectrum in this quarter.

Movements in working capital

Changes in working capital in Q1 were a negative $48 million versus a negative $151 million (proforma) in Q1 2013. The change in movement in working capital between Q1 2013 and Q1 2014 is mainly explained by the full consolidation of Guatemala (proforma) and the build-up of handsets inventories in Latin America.

Free Cash Flow Generation

Free cash flow for Q1 2014 was $51 million, an increase from Q1 2013 mainly as a result of lower CAPEX and movements in working capital.

$m	Q1 14	Q4 13*	Q3 13*	Q2 13*	Q1 13*
Group EBITDA (before Corporate Costs)	537	553	539	540	562
- Corporate Costs (excl. non-cash)	(53)	(52)	(47)	(40)	(40)
- Capex**	(273)	(378)	(229)	(219)	(350)
- Taxes	(54)	(87)	(74)	(166)	(58)
- Change in Working Capital	(48)	140	(22)	(67)	(151)
OpFCF (after Corporate Costs)	**109**	**176**	**167**	**48**	**(37)**
- Net interest paid	(58)	(85)	(43)	(42)	(55)
FCF	**51**	**91**	**124**	**6**	**(92)**

** Proforma to reflect the full consolidation of Guatemala, and equity accounting for Mauritius and Online*

*** Capex reported net of disposals*

$258 million of cash (broadly flat year-on-year) was upstreamed during the first quarter 2014 through a combination of dividends, management fees and royalties.

Debt Structure and Maturity Profile

Approximately 41% of the Group's gross debt (excluding financial leases) in the operations is denominated in local currency or carries limited exposure to $US foreign exchange fluctuations. US$ denominated debt is used in countries where long term debt in local currency is either too expensive or not available. Debt at the corporate level amounted to close to $1.6 billion at the end of March 2014. All debt at corporate level was in $US or hedged to $US's.

At the end of Q1 2014, 82% of gross debt was at fixed interest rates (excluding financial leases), reducing our exposure to interest rate volatility.

At the end of Q1 2014, 77% of Group gross debt (excluding financial leases) was in bonds and 20% from bank financing. Average maturities have lengthened to 5.5 years.

At March 31, 2014, Millicom had $1.9 billion of cash, of which $0.8 billion held in escrow pending closing of the transaction in Colombia. Approximately $0.7 billion of Millicom's unrestricted cash of $1 billion was denominated in either $US or Euro.

Shareholder remuneration

The Board will propose to the AGM to be convened on May 27, 2014, the payment of a 2013 ordinary dividend of $2.64 per share.

We reiterate our dividend policy for no less than $2 per share and at least 30% of normalised net income.

We continue to have the ambition to progressively grow ordinary dividends. However in 2014 and as we close the transaction in Colombia, our priority is on reducing Group leverage towards the lower end of our target range of 1-2x Net Debt/EBITDA.

2014 guidance reiterated

Under the new consolidation scope and at constant exchange rates, we expect revenue growth to accelerate at a mid to high single digit rate (versus comparable 5.5% in 2013). On a reported basis and at constant exchange rates, we expect revenue growth to exceed 15%.

EBITDA margin will stabilize around the mid-30s% mark (after corporate costs).

In 2014, we expect a capex to revenue ratio of around 19%, excluding spectrum and license acquisitions.

EBITDA Margin improvement from the full consolidation of Guatemala will be offset in 2014 by accelerating investments in growth opportunities in Africa and South America.

Corporate Responsibility (CR)

In Q1 our focus was in producing the 2013 Corporate Responsibility Report, which was published on April 22, 2014, and preparing for the launch of the Millicom Foundation.

Corporate Responsibility Report 2013 highlights

Millicom published its second Corporate Responsibility report that aligns to Global Reporting Initiative (GRI) standards. The report makes use of the GRI's new G4 guidelines, which emphasise transparency on material non-financial matters which are issues that the main stakeholders have deemed as most significant and which internally have been defined as most important to the successful execution of the company strategy.

Based on this, Millicom's 2013 CR Report focuses in three areas: how we engage with customers and contribute to our communities, Millicom as an employer and how the company integrates responsible business practices in its everyday operations.

The report also includes more detail on non-financial information on our workforce, anti-corruption compliance programme, progress on existing targets and establishing new targets.

Additional disclosures also relate to how Millicom makes its products and services accessible to customers in the 'bottom of the pyramid', how we communicate with customers, as well as our tax policies and payments.

We reported advances in the quality of environmental data collection and activity such as increased site sharing and use of deep cycle batteries and equipment upgrades contributed to a reduction of 25% of CO_2 emissions per base station year-on-year.

The results also showed that Millicom has further increased local employment, with 99% of Millicom's 11,500 plus employees locally recruited in 2013. Millicom's diverse workforce includes 76 nationalities. Including donations, in-kind giving and management overheads, Millicom contributed over $12 million across its markets through its social impact projects, which now are managed under the Millicom Foundation. The full report can be downloaded on Millicom's website.

Millicom Foundation: gearing up for launch

The strategy and mission of the Millicom Foundation to empower societies with digital tools was presented to the company Board of Directors in Q1. In preparation for the launch of the Millicom Foundation, all countries are preparing to run competitions to find local digital solutions that tackle social challenges, which can be scaled further with the support of the Foundation.

Millicom has also developed its successful program with Reach for Change in Africa towards strengthening the focus of digital solutions in the selection of social entrepreneurs who work to improve children's lives.

The Tigo Foundation in Guatemala opened its 200th digital school in February, and in March the Tigo Foundation in Honduras was launched. Both foundations work closely with The Millicom Foundation.

Anti-corruption: new compliance strategy

In line with the new compliance strategy, cross-functional team has begun work on the review of the Millicom Code of Ethics. Promotion of the new helpline for reporting concerns relating to all areas of covered in the Code was also kicked off in Q1.

Subsequent events

On April 2, 2014, Millicom launched MFS services in Senegal. MFS services are now available in all of our African operations.

On April 15, 2014, – Millicom announced it completed a partial tender offer on its 2017 El Salvador bond The company successfully completed a partial cash tender offer ($139 million of aggregate principal out of a principal amount outstanding of $450 million) of the bond issued by Telemovil Finance Co Ltd in October 2010. The transaction is aimed at improving the balance sheet efficiency.

On April 16, 2014, The Colombian regulator for Industry and Commerce, the SIC, announced its conditional approval to the proposed merger with UNE and Tigo in Colombia. The proposed merger is also being considered by two other regulatory bodies concerned with television (the ANTV) and Finance (SIF).

On April 24, 2014, Millicom announced the launch of Tigo Star in Bolivia with the company's first DTH service that will be rolled out elsewhere across Latin America in the coming months

On April 24, 2014, Millicom announced that its Tigo customers in Tanzania will be the first in Africa to enjoy free access to Facebook on their mobile handsets.

Conference call details

A presentation and conference call to discuss results of the quarter will take place at 14.00 Stockholm / 13.00 London /08.00 New York, on Thursday 24 April, 2014. Dial-in numbers: + 46 (0) 850 520 204, + 44 (0) 208 515 2303, + 1 480 629 9692. Access code is: 4673601

A live audio stream of the conference call can also be accessed at www.millicom.com. Please dial in / log on 10 minutes prior to the start of the conference call to allow time for registration.

Slides to accompany the conference call are available at www.millicom.com.

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Millicom is a leading telecom and media company dedicated to emerging markets in Latin America and Africa. Millicom sets the pace when it comes to providing innovative and customer-centric digital lifestyle services to the world's emerging markets, giving access to the world, primarily through mobile devices. The Millicom Group employs more than 10,000 people and provides mobile services, access to the internet, content and financial services to over 50 million customers. Founded in 1990, Millicom International Cellular SA is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2013, Millicom generated revenue of USD 5.16 billion and EBITDA of USD 1.88 billion.

This press release 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 forward-looking statements depending on various important factors.

All forward-looking statements in this press release 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., and 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.

Section 1- Other operating and financial data

Quarterly analysis by region (unaudited)

	Q1 14	Q4 13*	Q3 13*	Q2 13*	Q1 13*	Increase Q1 13 to Q1 14
Revenue (US$ millions)						
Central America	601	619	595	600	594	1%
South America	560	589	542	532	529	6%
Africa	244	257	246	225	228	7%
Total Revenue	**1,405**	**1,465**	**1,383**	**1,357**	**1,351**	**4%**
EBITDA before Corporate Costs (US$ millions)						
Central America	283	273	286	284	295	(4%)
South America	198	222	198	189	196	1%
Africa	56	58	55	67	71	(21%)
Total EBITDA before Corporate Cost	**537**	**553**	**539**	**540**	**562**	**(5%)**

** Proforma to reflect the full consolidation of Guatemala, and equity accounting for Mauritius and Online*

	Q1 14	Q4 13*	Q3 13*	Q2 13*	Q1 13*	Increase Q1 13 to Q1 14
Total mobile customers at end of period (‘000s)						
Central America	15,629	15,830	15,584	15,571	15,834	(1%)
South America	14,152	13,829	13,239	12,873	12,760	11%
Africa	21,848	20,420	19,569	18,479	18,278	20%
Total	**51,629**	**50,079**	**48,392**	**46,923**	**46,872**	**10%**

Cellular customers and market position by country (unaudited)

Country	Equity holding	Country population (million) (i)	MIC market position (ii)	Net adds Q1 14 (000's)	Total customers ('000s) (iii)		
					Q1 14	Q1 13	YoY growth
CAM							
El Salvador	100.0%	6	1 of 5	12	**2,629**	2,849	(8%)
Guatemala	55.0%*	15	1 of 3	(287)	**8,056**	8,252	(2%)
Honduras	66.7%*	9	1 of 3	74	**4,944**	4,733	4%
SAM							
Bolivia	100.0%	11	2 of 3	257	**3,396**	2,861	19%
Colombia	50.0% +1 share	46	3 of 3	186	**6,939**	5,968	16%
Paraguay	100.0%	7	1 of 4	(120)	**3,817**	3,931	(3%)
Africa							
Chad	100.0%	11	1 of 3	245	**2,497**	1,955	28%
DRC (iv)	100.0%	77	2 of 6	157	**4,011**	2,936	37%
Ghana	100.0%	26	2/3 of 6	(9)	**3,665**	3,185	15%
Rwanda	87.5%	12	2 of 4	114	**2,051**	1,471	39%
Senegal	100.0%	14	2 of 4	646	**3,347**	2,664	26%
Tanzania	100.0%	50	2 of 7	275	**6,277**	6,067	3%
Total cellular customers excluding discontinued operations		284		1,550	**51,629**	46,872	10%

(i) *Source: CIA World Factbook*

(ii) *Source: Millicom. Market position derived from active customers based on interconnect*

(iii) *Millicom only reports customers from which revenue has been generated within a period of 60 days, or in the case of new customers, only those from which revenue has already been generated*

(iv) *DRC market position relates to the Kinshasa/Bas Congo area and the Kivu region (previously only KBC)*

* *Millicom's unconditional call options over its partner's (respectively 45% and 33.3% for Guatemala and Honduras) shareholdings enable Millicom to fully consolidate Guatemala and Honduras.*

Review by region (unaudited)

Central America	Q1 14	Q4 13	Q3 13	Q2 13	Q1 13
Mobile Customers (m)	**15.6**	15.8	15.6	15.6	15.8
YoY growth (%)	***(1.3%)***	*1.5%*	*1.9%*	*2.6%*	*5.1%*
Revenue ($m) (ii)	**601**	618	595	599	593
YoY growth (%) (reported)	***1.2%***	*1.3%*	*0.3%*	*(0.7%)*	*(1.3%)*
YoY growth (%) (local currency)	***1.9%***	*2.3%*	*(4.3%)*	*0.7%*	*0.2%*
EBITDA ($m) (ii)	**283**	273	286	284	295
YoY growth (%)	***(3.7%)***	*(13.6%)*	*(7.1%)*	*(8.1%)*	*(5.4%)*
Margin (%)	***47.0%***	*44.2%*	*48.1%*	*47.4%*	*49.7%*
Total mobile ARPU ($) (i) (ii)	**9.8**	10.1	10.0	10.1	10.0
YoY growth (%) (reported)	***(1.8%)***	*(4.6%)*	*(4.5%)*	*(5.5%)*	*(8.3%)*
Capex ($m) (ii)	**54**	119	104	85	64
Capex/Revenue (%)	***8.9%***	*19.3%*	*17.5%*	*14.2%*	*10.8%*

(i) Not adjusted for constant forex and excluding MFS
(ii) Pro forma figures to reflect the full consolidation of Guatemala

South America	Q1 14	Q4 13	Q3 13	Q2 13	Q1 13
Mobile Customers (m)	**14.2**	13.8	13.2	12.9	12.8
YoY growth (%)	***10.9%***	*8.7%*	*7.9%*	*9.6%*	*10.7%*
Revenue ($m)	**560**	589	542	532	529
YoY growth (%) (reported)	***5.7%***	*12.0%*	*12.9%*	*14.2%*	*16.3%*
YoY growth (%) (local currency)	***14.6%***	*14.7%*	*12.6%*	*10.7%*	*8.7%*
EBITDA ($m)	**198**	222	198	189	196
YoY growth (%)	***1.3%***	*8.8%*	*9.4%*	*2.2%*	*5.4%*
Margin (%)	***35.4%***	*37.7%*	*36.5%*	*35.5%*	*37.7%*
Total mobile ARPU ($) (i)	**11.2**	12.2	11.6	11.6	11.7
YoY growth (%) (reported)	***(4.6%)***	*0.9%*	*(3.3%)*	*(3.2%)*	*(3.3%)*
Capex ($m) (ii)	**70**	296	130	46	115
Capex/Revenue (%)	***12.6%***	*50.3%*	*24.0%*	*8.6%*	*21.7%*

(i) Not adjusted for constant forex and excluding MFS
(ii) Excluding sale and leaseback of previously owned towers

Review by region (continued)

Africa	Q1 14	Q4 13	Q3 13	Q2 13	Q1 13
Mobile Customers (m)	**21.8**	20.4	19.6	18.5	18.3
YoY growth (%)	***19.5%***	*7.2%*	*6.3%*	*6.5%*	*8.3%*
Revenue ($m)(iii)	**244**	257	246	225	228
YoY growth (%) (reported)	***7.2%***	*8.0%*	*3.8%*	*(1.7%)*	*(0.0%)*
YoY growth (%) (local currency)	***11.6%***	*9.5%*	*4.5%*	*0.1%*	*2.5%*
EBITDA ($m)(iii)	**56**	58	55	67	71
YoY growth (%)	***(21.0%)***	*(26.6%)*	*(36.8%)*	*(22.1%)*	*(14.5%)*
Margin (%)	***22.8%***	*22.6%*	*22.4%*	*29.8%*	31.1%
Total mobile ARPU ($)(i)(iii)	**3.5**	3.9	4.0	3.8	3.9
YoY growth (%) (reported)	***(10.0%)***	*(4.9%)*	*(6.3%)*	*(11.9%)*	*(11.8%)*
Capex ($m)(ii)(iii)	**38**	153	101	42	29
Capex/Revenue (%)	***15.4%***	*59.5%*	*41.1%*	*18.7%*	*12.7%*

(i) Not adjusted for constant forex and excluding MFS
(ii) Excluding sale and leaseback of previously owned towers
(iii) Proforma excluding Mauritius

Revenue growth - Forex effect by region

$m	Revenue Q1 13*	Constant currency growth	Forex	Acquisition**	Revenue Q1 14	LC growth %
CAM	594	11	(5)	1	601	1.9%
SAM	529	77	(50)	4	560	14.6%
Africa	228	26	(10)	-	244	11.6%
Total	1,351	114	(65)	5	1,405	8.5%

* *Proforma to reflect the full consolidation of Guatemala, and equity accounting for Mauritius and Online*

** *Acquisition of cable and TV businesses*

Customers

Net additional mobile customers

'000	Total	CAM	SAM	Africa
Q1 14	1,550	(201)	323	1,428
Q4 13	1,694	246	590	858
Q3 13	1,466	14	366	1,086
Q2 13	50	(263)	113	200
Q1 13	175	237	44	(106)

Source: Company data. Q1 and Q2 2013 market share for DRC in Africa reflects KBC only. From Q3 2013, market share includes the Kivu region of DRC.

Customer market share

Market share

%	Total	CAM	SAM	Africa
Q1 14	30.3%	52.9%	21.6%	29.2%
Q4 13	29.8%	53.1%	21.0%	28.4%
Q3 13	29.5%	53.8%	20.4%	28.2%
Q2 13	29.5%	53.7%	20.1%	28.3%
Q1 13	29.8%	53.6%	19.9%	28.9%

Year-on-Year-local currency Mobile ARPU growth (excl. MFS)

%	Total	CAM	SAM	Africa
Q1 14	**(2%)**	(1%)	4%	(7%)
Q4 13	**(2%)**	(3%)	4%	(4%)
Q3 13	**(3%)**	(3%)	(1%)	(6%)
Q2 13	**(5%)**	(4%)	(3%)	(11%)
Q1 13	**(7%)**	(7%)	(7%)	(10%)

N.B. ARPU figures are based on total mobile revenue less roaming revenue.

Section 2- Unaudited Interim Condensed Consolidated Financial Statements

Unaudited condensed consolidated income statement for the three month period ended March 31, 2014

US$ millions (unaudited)	Notes	Three months ended March 31, 2014	Three months ended March 31, 2013[1]	Three months ended March 31, 2013 (restated)[2]
Revenue	7	1,405	1,235	1,069
Cost of sales		(518)	(451)	(408)
Gross profit		**887**	**784**	**661**
Sales and marketing		(296)	(246)	(216)
General and administrative expenses		(308)	(257)	(230)
Other operating expenses		(52)	(40)	(40)
Other operating income		5	3	3
Operating profit	7	**236**	**244**	**178**
Interest expense		(104)	(66)	(63)
Interest and other financial income		1	3	3
Revaluation of previously held interests	3	2,250	—	—
Other non-operating (expenses) income, net	8	(41)	43	42
Loss from associates and joint ventures, net		(12)	(5)	49
Profit before taxes from continuing operations		**2,330**	**219**	**209**
Charge for taxes, net		(71)	(68)	(58)
Profit for the period from continuing operations		**2,259**	**151**	**151**
Profit (loss) for the period from discontinued operations, net of tax[1]	5	21	(8)	(8)
Net profit for the period		**2,280**	**143**	**143**

Attributable to:				
Owners of the Company		2,244	145	145
Non-controlling interests		36	(2)	(2)

Earnings per common share for profit attributable to the owners of the Company:				
Basic (US$)	9	22.45	1.45	1.45
Diluted (US$)	9	22.44	1.45	1.45

[1] As a result of amendments to the investment agreements, the loss of path to control requires the Online businesses to be classified as discontinued operations under IFRS (see notes 3 and 4).

[2] As a result of adopting IFRS 10, 11 and 12 on January 1, 2014 with retrospective application of equity accounting for the joint ventures in Guatemala and Mauritius (see note 2)

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

Unaudited condensed consolidated statement of comprehensive income for the three month period ended March 31, 2014

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013[1]	Three months ended March 31, 2013 (restated)[1]
Net profit for the period	2,280	143	143
Other comprehensive income (to be reclassified to profit and loss in subsequent periods):			
Exchange differences on translating foreign operations	(16)	(1)	(1)
Cash flow hedge reserve movement	3	6	6
Total comprehensive income for the period	**2,267**	**148**	**148**

Attributable to:			
Owners of the Company	2,229	156	156
Non-controlling interests	38	(8)	(8)

[1] As a result of adopting IFRS 10, 11 and 12 on January 1, 2014 with retrospective application of equity accounting for the joint ventures in Guatemala and Mauritius (see note 2)

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

Unaudited condensed consolidated statement of financial position as at March 31, 2014

US$ millions	Notes	March 31, 2014 (unaudited)	December 31, 2013 (audited)	December 31, 2013 (unaudited and restated)[1]
ASSETS				
NON-CURRENT ASSETS				
Intangible assets, net	11	5,235	2,543	2,458
Property, plant and equipment, net	10	3,344	3,162	2,771
Investments in associates	12	265	122	122
Investments in joint ventures	12	28	—	327
Pledged deposits		3	2	—
Deferred tax assets		307	313	312
Other non-current assets		109	83	83
TOTAL NON-CURRENT ASSETS		**9,291**	**6,225**	**6,073**
CURRENT ASSETS				
Inventories		141	140	122
Trade receivables, net		339	320	282
Amounts due from non-controlling interests, associates and joint venture partners		353	303	136
Prepayments and accrued income		218	163	156
Current income tax assets		57	58	56
Supplier advances for capital expenditure		82	63	51
Pledged deposits		822	817	817
Other current assets		85	22	77
Restricted cash		97	81	80
Cash and cash equivalents		977	941	909
TOTAL CURRENT ASSETS		**3,171**	**2,908**	**2,686**
Assets held for sale	5	13	14	14
TOTAL ASSETS		**12,475**	**9,147**	**8,773**

[1] *As a result of adopting IFRS 10, 11 and 12 on January 1, 2014 with retrospective application of equity accounting for the joint ventures in Guatemala and Mauritius (see note 2)*

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

Unaudited condensed consolidated statement of financial position as at March 31, 2014 (continued)

US$ millions	Notes	March 31, 2014 (unaudited)	December 31, 2013 (audited)	December 31, 2013 (unaudited and restated)[1]
EQUITY AND LIABILITIES				
EQUITY				
Share capital and premium		640	640	640
Treasury shares		(160)	(172)	(172)
Put option reserve	15	(2,512)	(737)	(737)
Other reserves		(209)	(185)	(185)
Retained profits		2,384	2,154	2,154
Profit for the period / year attributable to equity holders		2,244	229	229
Equity attributable to owners of the Company		**2,387**	**1,929**	**1,929**
Non-controlling interests		934	152	152
TOTAL EQUITY		**3,321**	**2,081**	**2,081**
LIABILITIES				
Non-current liabilities				
Debt and financing	14	4,166	3,687	3,505
Derivative financial instruments		24	23	23
Provisions and other non-current liabilities		168	162	150
Deferred tax liabilities		179	188	183
Total non-current liabilities		**4,537**	**4,060**	**3,861**
Current liabilities				
Debt and financing	14	355	471	423
Put option liabilities	15	2,589	792	792
Payables and accruals for capital expenditure		348	453	424
Other trade payables		231	277	239
Amounts due to associates and joint venture partners		58	87	84
Accrued interest and other expenses		431	393	369
Current income tax liabilities		161	153	147
Provisions and other current liabilities		442	378	351
Total current liabilities		**4,615**	**3,004**	**2,829**
Liabilities directly associated with assets held for sale	5	2	2	2
TOTAL LIABILITIES		**9,154**	**7,066**	**6,692**
TOTAL EQUITY AND LIABILITIES		**12,475**	**9,147**	**8,773**

[1] *As a result of adopting IFRS 10, 11 and 12 on January 1, 2014 with retrospective application of equity accounting for the joint ventures in Guatemala and Mauritius (see note 2)*

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

Unaudited condensed consolidated statement of cash flows for the three month period ended March 31, 2014

US$ millions (unaudited)	Notes	Three months ended March 31, 2014[1]	Three months ended March 31, 2013	Three months ended March 31, 2013 (restated)[2]
Cash flows from operating activities				
Profit before taxes from continuing operations		**2,330**	**219**	**209**
Profit (loss) for the period from discontinued operations	4	21	(8)	(8)
Profit before taxes		**2,351**	**211**	**201**
Adjustments to reconcile to net cash:				
Interest expense		104	66	63
Interest and other financial income		(1)	(3)	(3)
Gain on deconsolidation of LIH	4	(23)	—	—
Revaluation of previously held interests		(2,250)	—	—
(Gain) loss from associates, net		12	5	(49)
Other non-operating expenses (income), net		41	(43)	(42)
Adjustments for non-cash items:				
Depreciation and amortization		250	209	188
(Gain) loss on disposal and impairment of assets, net		(6)	2	2
Loss from associates and joint ventures		(2)	—	—
Share-based compensation	13	6	5	5
Other non-cash items		—	—	—
Changes in working capital:				
Decrease (increase) in trade receivables, prepayments and other current assets		5	(60)	25
(Increase) in inventories		(3)	(22)	(24)
Increase in trade and other payables		(50)	5	(3)
Changes in working capital		**(48)**	**(77)**	**(2)**
Interest paid		(58)	(55)	(51)
Interest and other financial income received		—	2	2
Taxes paid		(54)	(52)	(44)
Net cash provided by operating activities		**322**	**270**	**270**
Cash flows from investing activities:				
Acquisition of subsidiaries, and non-controlling interests, net of cash acquired	3	(27)	—	—
Cash disposed as part of discontinued operation	4	(19)	—	—
Purchase of intangible assets and licenses	11	(42)	(134)	(134)
Proceeds from the sale of intangible assets	11	—	4	4
Purchase of property, plant and equipment	10	(241)	(197)	(157)
Proceeds from the sale of property, plant and equipment	10	10	—	—
Net increase in restricted cash		(16)	(5)	(5)
Net disposal (purchase) of pledged and time deposits	14	—	(12)	(12)
Issuance of loans to associates		(3)	—	—
Proceeds from repayment of loan from associate		34	—	—
Cash from (used by) other investing activities		(137)	(52)	(128)
Net cash used by investing activities		**(441)**	**(396)**	**(432)**
Cash flows from financing activities:				
Proceeds from other debt and financing		907	190	189
Repayment of debt and financing		(716)	(102)	(92)
Other financing activities		(34)	—	—
Net cash from (used by) financing activities		**157**	**88**	**97**
Exchange gains (losses) on cash and cash equivalents, net		(2)	1	1
Net (decrease) increase in cash and cash equivalents		**36**	**(37)**	**(64)**
Cash and cash equivalents at the beginning of the year		941	1,174	1,154
Cash and cash equivalents at the end of the period		**977**	**1,137**	**1,090**

[1] *Reclassification for FX effects in operating, investing and financing activities*

[2] *As a result of adopting IFRS 10, 11 and 12 on January 1, 2014 with retrospective application of equity accounting for the joint ventures in Guatemala and Mauritius (see note 2)*

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

Unaudited condensed consolidated statements of changes in equity for the periods ended March 31, 2014, December 31, 2013, and March 31, 2013

US$ 000s (unaudited)	Number of shares (000's)	Number of shares held by the Group (000's)	Share capital (000's)	Share premium (000's)	Treasury shares (000's)	Retained profits (i) (000's)	Put option reserve (000's)	Other reserves (000's)	Total (000's)	Non-controlling interests (000's)	Total equity (000's)
Balance on December 31, 2012	**101,739**	**(2,176)**	**152,607**	**489,014**	**(198,148)**	**2,450,458**	**(737,422)**	**(132,811)**	**2,023,698**	**312,189**	**2,335,887**
Profit for the period	—	—	—	—	—	*144,754*	—	—	*144,754*	*(2,063)*	*142,691*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*6,506*	*6,506*	*(6)*	*6,500*
Currency translation differences	—	—	—	—	—	—	—	*4,549*	*4,549*	*(5,737)*	*(1,188)*
Total comprehensive income for the period	—	—	—	—	—	144,754	—	11,055	155,809	(7,806)	148,003
Share based compensation	—	—	—	—	—	—	—	5,271	5,271	—	5,271
Issuance of shares under the LTIPs	—	128	—	(765)	11,894	(809)	—	(13,255)	(2,935)	—	(2,935)
Non-controlling interests in AIH and LIH	—	—	—	—	—	16,894	—	—	16,894	(16,894)	—
Dividend to non-controlling shareholders	—	—	—	—	—	—	—	—	—	(24,872)	(24,872)
Balance on March 31, 2013	**101,739**	**(2,048)**	**152,607**	**488,249**	**(186,254)**	**2,611,297**	**(737,422)**	**(129,740)**	**2,198,737**	**262,617**	**2,461,354**
Profit for the period	—	—	—	—	—	*84,393*	—	—	*84,393*	*(22,484)*	*61,909*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*351*	*351*	*188*	*539*
Currency translation differences	—	—	—	—	—	—	—	*(58,452)*	*(58,452)*	*(13,331)*	*(71,783)*
Total comprehensive income for the period	—	—	—	—	—	84,393	—	(58,101)	26,292	(35,627)	(9,335)
Dividends (ii)	—	—	—	—	—	(263,627)	—	—	(263,627)	—	(263,627)
Purchase of treasury shares	—	(44)	—	—	(3,702)	—	—	—	(3,702)	—	(3,702)
Shares issued via the exercise of stock options	—	90	—	(343)	8,166	(4,796)	—	(3,027)	—	—	—
Share based compensation	—	—	—	—	—	—	—	11,600	11,600	—	11,600
Issuance of shares under the LTIPs	—	107	—	(341)	9,419	(295)	—	(5,848)	2,935	—	2,935
Change in scope of consolidation (iii)	—	—	—	—	—	(15,503)	—	—	(15,503)	(74,940)	(90,443)
Change in deferred tax liabilities	—	—	—	—	—	(28,000)	—	—	(28,000)	—	(28,000)
Balance on December 31, 2013	**101,739**	**(1,895)**	**152,607**	**487,565**	**(172,371)**	**2,383,469**	**(737,422)**	**(185,116)**	**1,928,732**	**152,050**	**2,080,782**
Profit for the period	—	—	—	—	—	*2,244,317*	—	—	*2,244,317*	*35,694*	*2,280,011*
Cash flow hedge reserve movement	—	—	—	—	—	—	—	*3,522*	*3,522*	—	*3,522*
Currency translation differences	—	—	—	—	—	—	—	*(18,565)*	*(18,565)*	*2,081*	*(16,484)*
Total comprehensive income for the period	—	—	—	—	—	2,244,317	—	(15,043)	2,229,274	37,775	2,267,049
Purchase of treasury shares	—	(26)	—	—	(2,548)	—	—	—	(2,548)	—	(2,548)
Share based compensation	—	—	—	—	—	—	—	6,460	6,460	—	6,460
Issuance of shares under the LTIPs	—	165	—	(775)	14,947	1,004	—	(15,176)	—	—	—
Dividend to non-controlling shareholders	—	—	—	—	—	—	—	—	—	(17,634)	(17,634)
Change in scope of consolidation (iii)	—	—	—	—	—	—	—	—	—	766,353	766,353
Deconsolidation of Online (iv)	—	—	—	—	—	—	—	—	—	(4,386)	(4,386)
Put option	—	—	—	—	—	—	(1,775,078)	—	(1,775,078)	—	(1,775,078)
Balance on March 31, 2014	**101,739**	**(1,756)**	**152,607**	**486,790**	**(159,972)**	**4,628,790**	**(2,512,500)**	**(208,875)**	**2,386,840**	**934,158**	**3,320,998**

(i) Includes profit for the period attributable to equity holders of which at March 31, 2014, $150 million (December 31, 2013: $140 million) are undistributable to owners of the Company.

(ii) A dividend of $2.64 per share was approved at the 2013 Annual General Meeting in May 2013 and distributed in June 2013.

(iii) See note 3.

(iv) See note 4.

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

Notes to the unaudited condensed interim consolidated financial statements as at March 31, 2014 and for the three month period then ended

1. ORGANIZATION

Millicom International Cellular S.A. *(*the “Company”*)*, a Luxembourg Société Anonyme, and its subsidiaries, joint ventures and associates (the “Group” or “Millicom”) is an international telecommunications and media company providing digital lifestyle services in emerging markets, through mobile and fixed telephony, cable, broadband and online businesses in Latin America and Africa.

Millicom operates its mobile businesses in El Salvador, Guatemala and Honduras in Central America; in Bolivia, Colombia and Paraguay in South America; and in Chad, the Democratic Republic of Congo, Ghana, Mauritius, Rwanda, Senegal and Tanzania in Africa. In addition, Millicom operates cable businesses in El Salvador, Guatemala, Honduras, Costa Rica and Paraguay and has investments (see note 3) in online / e-commerce businesses in several countries in Latin America (including Brazil) and Africa (including Nigeria and South Africa).

The Company’s shares are traded as Swedish Depositary Receipts on the Stockholm stock exchange under the symbol MIC SDB and over the counter in the US under the symbol MIICF. The Company has its registered office at 2, Rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Register of Commerce under the number RCS B 40 630.

On April 23, 2014 the Board of Directors authorized these condensed interim consolidated financial statements for issuance.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES

These condensed consolidated financial statements of the Group are unaudited. They are presented in US dollars and have been prepared in accordance with International Accounting Standard (“IAS”) 34 ‘Interim Financial Reporting’, as published by the International Accounting Standards Board (“IASB”) and as adopted by the European Union. In the opinion of management, these unaudited condensed interim consolidated financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods. Millicom’s operations are not affected by significant seasonal or cyclical patterns apart from a slight increase in revenue over the festive season in December.

These unaudited condensed consolidated financial statements are prepared in accordance with consolidation and accounting policies consistent with Millicom’s consolidated financial statements as at and for the year ended December 31, 2013, as disclosed in note 2 of those financial statements, except for the following changes and amendment to standards adopted by the Group for the first time on January 1, 2014.

These unaudited condensed consolidated financial statements should be read in conjunction with the annual report for the year ended December 31, 2013.

The preparation of financial statements in accordance with International Financial Reporting Standards (“IFRS”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Notes to the unaudited condensed interim consolidated financial statements as at March 31, 2014 and for the three month period then ended

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (Continued)

Amendment to IAS 32, 'Financial Instruments: Presentation', which updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify certain requirements for offsetting financial assets and financial liabilities on the statement of financial position. The Group adopted the amendment on its effective date for the accounting period beginning on January 1, 2014. There was no significant impact on the Group as a result of adoption.

Amendment to IAS 36, 'Impairment of Assets', which amends certain disclosure requirements regarding disclosure of recoverable amounts and measurement of fair value less costs to sell when an impairment loss has been recognized or reversed There was no significant impact on the Group as a result of adoption.

Amendment to IAS 39, 'Financial Instruments: Recognition and Measurement', which covers novation of hedging instruments to central counterparties. There was no impact on the Group as a result of adoption.

Scope of the reporting entity, a group of standards comprising ***IFRS 10, 'Consolidated financial statements'*** (which replaces all of the guidance on control and consolidation in IAS 27, 'Consolidated and separate financial statements', and SIC-12, 'Consolidation − special purpose entities'), ***IFRS 11 'Joint Arrangements'; IFRS 12, 'Disclosure of interests in other entities';*** and consequential ***amendments to IAS 28, 'Investments in associates'***. As a result of adoption of the standards and amendments on their effective date of January 1, 2014, and the retrospective application of IFRS 11, Millicom's joint venture operation in Mauritius is no longer proportionately consolidated and has been equity accounted from January 1, 2013.

With respect to our operations in Guatemala, the agreement reached with Miffin provided Millicom with control of the Guatemalan operations from January 1, 2014 (see note 3). As a result of adoption of the standards and amendments on their effective date of January 1, 2014, and the retrospective application of IFRS 11, Millicom's operation in Guatemala has been equity accounted for the restated comparative period from January 1, 2013.

As the change from proportionate consolidation to equity method did not impact our internal reporting for management purposes and therefore has not been reflected in our Segment information (see note 7).

The following standards and amendments are not effective for the financial year beginning January 1, 2014, and have not been endorsed by the EU:

Amendment to IAS 19, 'Employee Benefits' covering employee or third party contributions to the cost of benefits.

Amendment to IFRS 2, 'Share based payment' which defines vesting conditions separately from performance conditions and service conditions.

Amendment to IFRS 3, 'Business Combinations' which clarifies certain aspects of contingent consideration.

Amendment to IFRS 8, 'Operating Segments' which requires disclosures regarding judgment applied in aggregating operating segments.

Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' which clarifies treatment of gross carrying amounts and accumulated depreciation under the revaluation model.

Amendment to IAS 24, 'Related party disclosures' which defines entities that provide key management services to the reporting entity as related parties.

Amendment to IFRS 13, 'Fair Value measurement' which clarifies that discounting of short-term receivables and payables is not required where immaterial.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

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

Put and Call Agreement related to Guatemalan Operations

Effective January 1, 2014 Millicom and its local partner in Guatemala, Miffin Associates Corp (“Miffin”) reached an agreement that gives Millicom control of the Guatemalan operations (“Comcel”). Miffin has granted Millicom, for a minimum term of two years, an unconditional call option for its 45% stake in Comcel. In return, Millicom has granted Miffin a put option for the same duration, exercisable in the event Millicom sells its 55% interest in Comcel or undergoes a change of control.

Prior to the agreement, Millicom was dependent on the consent of its local partner for strategic decisions related to Comcel, as the shareholders agreement required a vote of 80% of the shares to authorize and approve significant financial and operating policies of Comcel. The call option allows Millicom, unconditionally at any time during the two year period from January 1, 2014 to exercise its right to acquire the 45% stake (and voting rights) of our local partner at a price which Millicom believes represents the strategic value of Comcel. The call option, for which Millicom paid $15 million, conferred to Millicom control over Comcel through its ability to develop the relevant activities and future business.

As a consequence, and in accordance with IFRS 10 ‘Consolidated Financial Statements’ effective January 1, 2014, Millicom fully consolidated Comcel from January 1, 2014. Previously, the results of the Guatemalan operations were proportionately consolidated.

Millicom revalued to fair value its 55% interest in Comcel, and recognized a gain of $2,250 million. The fair value of Comcel was determined based on a discounted cash flow calculation. The assets and liabilities recognized as a result of the revaluation were as follows:

US$ millions (unaudited)	Fair Value 100%	Historical carrying value of 55% interest
Intangible assets, net	1,401	84
Property, plant and equipment, net	653	349
Other non-current assets	7	4
Inventory	29	17
Trade receivables	75	35
Current loans and other receivables	185	101
Other current assets	43	31
Cash and cash equivalents	54	30
Total assets	**2,447**	**651**
Non-current financial liabilities	324	187
Other long-term liabilities	22	2
Trade accounts payable	91	59
Current financial liabilities	88	46
Other current liabilities	111	55
Total liabilities	**636**	**349**

Fair value of non-controlling interests (45%)	815
Fair value of Millicom’s 55% interest	**1,024**
Goodwill arising on change of control	1,528
Historical carrying value of Millicom’s 55% interest in Comcel	(302)
Revaluation of previously held interest	**2,250**

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

3. ACQUISITION OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS (Continued)

The revaluation and corresponding purchase price allocation was finalised in the three month period ended March 31, 2014. The goodwill is not expected to be deductible for tax purposes.

A change of control event may occur at Millicom level which is beyond the control of Millicom. Such an event would trigger the ability of our local partner to exercise his put option at his discretion. Therefore, the put option is a financial liability as defined in IAS 32 and in 2014 Millicom recorded a current liability for the present value of the redemption price of the put option of $1,775 million at January 1, 2014 (see note 15).

Agreement to Merge Colombia Móvil and UNE

On October 1, 2013 Millicom signed an agreement with Empresas Públicas de Medellín E.S.P. (“EPM”), the largest public service company in Colombia, whereby, subject to regulatory approval and closing conditions, the parties will combine and merge their mutual interests in Millicom’s Colombian operations (“Colombia Móvil”), with UNE EPM Telecomunicaciones S.A. (“UNE”).

Millicom will contribute its shares in its Colombian subsidiary (“Colombia Movil”) and $860 million in cash to the merged entity.

As a result of the merger agreement, and related shareholders’ agreement, and subject to regulatory approvals, Millicom will control the merged entity by virtue of a 1 share majority in voting shares, and having the ability to direct the relevant activities of the business through its right to appoint 4 out of the 7 board members. Super majority clauses in the shareholders’ agreement provide Millicom with blocking rights to maintain the board appointments / decision making power. Accordingly, it is expected that the combined business will be fully consolidated after regulatory approval.

By March 31, 2014 regulatory approvals had not yet been obtained (see note 19).

Online Businesses

On August 29, 2012 Millicom acquired, for Euro 85 million, and by way of issuance of new shares, 20% interests in Latin America Internet Holding (“LIH”) and Africa Internet Holding (“AIH”) and unconditional options to acquire the remaining shares in each (LIH and AIH own several operating entities in Latin America and Africa respectively). The First options enabled Millicom to increase its stake from 20% to 35%, the Second from 35% to 50% and the Third to 100% and all could initially be exercised at any time between the August 29, 2012 acquisition date and September 2016.

The acquired 20% interests, combined with unconditional rights to exercise the options, as well as a number of protective governance mechanisms in the LIH and AIH shareholders agreements provided Millicom with the ability to govern the operating and financial policies of AIH and LIH. While Millicom controlled AIH, certain minority shareholder rights per shareholder agreements, including blocking rights, resulted in Millicom initially having significant influence in, but not controlling Africa e-commerce Holding (“AEH”) the holding company of many of the operating entities in the AIH Group.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

3. ACQUISITION OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS (Continued)

As a result of the acquisition and option agreements Millicom obtained the right to control LIH and AIH and fully consolidated these subsidiaries from September 1, 2012. Millicom's initial investment in AEH was included in investments in associates from September 1, 2012. AEH was subsequently consolidated from April 1, 2013 as a result of an agreement with a minority shareholder (see later in this note for details). The AIH Group (including AEH) was subsequently deconsolidated as a result of an agreement signed with MTN that ended Millicom's right to exercise its options to obtain control (see later in this note for details).

LIH

On March 27, 2013 Millicom exercised its First call option increasing its ownership in LIH from 20% to 35%. In December 2013 consideration for exercise of the First LIH option of EUR 50 million ($68.5 million) was agreed to be provided at the earlier of when the cash balances of LIH fall below Euro 15 million or September 2014. As the consideration was not provided in 2013 Millicom was no longer entitled to participate in the returns of LIH related to this incremental 15% in 2013. Accordingly Millicom's ownership in LIH reverted to 20% and remained at 20% at December 31, 2013.

On January 20, 2014 Millicom amended its investment agreement with Rocket regarding its share purchase options for LIH. As a result of the amendment, Millicom can only exercise its Third option to acquire the final 50% of LIH after one year has passed from raising its stake from 35% to 50% by exercising its Second option. Accordingly, from January 20, 2014 Millicom no longer has the ability to exercise its options to acquire a controlling stake in LIH, and has deconsolidated the LIH Group, treated its investment as an investment in an associate at fair value of $70 million realizing a $15 million gain in profit (loss) from discontinued operations see note 6).

In February 2014 Millicom exercised its First option and raised its stake from 20% to 35% in LIH by transferring to LIH an initial amount of Euro 10 million of the Euro 50 million option price. An additional Euro 10 million was transferred on April 9, 2014 (see note 19).

The Second option remains exercisable at March 31, 2014. The exercise price of the Second option of Euro 100 million is based on the original equity value of LIH. At March 31, 2014 the value of the Second option is not considered to be significant.

The exercise price of the Third option is based on the fair market value of the shares at the time of exercise (subject to a minimum value of Euro 300 million), and as such the option itself does not have any standalone value.

AIH

On March 27, 2013 Millicom exercised its first call option increasing its ownership in AIH from 20% to 35%. In October 2013 consideration for exercise of the first AIH option of EUR 35 million ($48 million) was agreed to be provided when the cash balances of AIH fall below Euro 10 million.

On December 13, 2013 Millicom, Rocket and Mobile Telephone Networks Holdings (Pty) Limited ("MTN") signed an agreement whereby MTN will invest in the AIH Group such that, following anti-trust and other requisite clearances and closing conditions, each of the three parties will own a 33.33% interest in AIH. MTN's 33.3% stake will be acquired by cash investment (increase in share capital) at a price equivalent to 20% more than the investment made by Millicom. Millicom has committed to invest an additional Euro 35 million.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

3. ACQUISITION OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS (Continued)

As a result of this agreement Millicom no longer has the ability to exercise its options related to AIH, and has deconsolidated the AIH Group on December 12, 2013. In addition, the agreement also reduced Millicom's participation in AIH from 35% to 20% and its rights to participate in the results of AIH from 35% to 20%. Accordingly, Millicom's 20% equity stake at December 13, 2013 has been accounted for as an investment in associates at December 12, 2013 at its fair value of $57 million, resulting in a gain on deconsolidation of $14 million, and its results from operations as discontinued operations (see note 5). The fair value was derived from the price agreed by MTN for its 33.3% stake.

At March 31, 2014 the transaction had not yet closed as anti-trust and requisite clearances had yet to be obtained.

AEH

Effective April 1, 2013 Millicom entered into an agreement with a non-related minority investor in Africa e-Commerce Holding (AEH), a 51.47% subsidiary of AIH providing Millicom the ability to purchase a further 20% interest in AEH upon exercise of the option to reach 100% ownership in AIH and the minority shareholder to sell its 20% stake in AEH upon the same conditions. This agreement provided Millicom with the ability to control the AEH Group, which was therefore fully consolidated from April 1, 2013 until December 12, 2013 when the agreement with MTN was signed.

Other minor acquisitions

During the three month period ended March 31, 2014 Millicom also made other smaller acquisitions for total consideration of $7 million (2013: $13 million).

4. DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND NON-CONTROLLING INTERESTS

As described in note 3, during 2013 as a result of the investment agreement with MTN, Millicom deconsolidated AIH, and during the three month period ended March 31, 2014 as a result of the amended shareholders' agreement, Millicom deconsolidated LIH. The results of the online businesses for the three month period ended March 31, 2014 were as follows:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Revenue	4	11
Operating expenses	(6)	(18)
Operating losses	**(2)**	**(7)**
Loss from associate (AEH)	—	(1)
Gain on deconsolidation	23	—
Profit (loss) after tax from discontinued operations	**21**	**(8)**

There were no disposals of subsidiaries, joint ventures or non-controlling interests during the three month period ended March 31, 2013.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

5. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations – Online Businesses

As described in notes 3 and 4, from January 2014 and as a result of the changes to the shareholder investment agreements, Millicom deconsolidated, and classifies the Online businesses as discontinued operations.

Assets held for sale – Tower Sale and Leaseback Agreements

Between 2009 and 2011, Millicom signed various sale and leaseback agreements with tower companies in Africa and South America whereby Millicom agreed the sale of tower assets and to lease back a dedicated portion of each tower to locate its network equipment. At March 31, 2014 16 towers were held for sale in Ghana, 17 in Tanzania, 33 in DRC and 564 in Colombia.

At March 31, 2014, Millicom had assets held for sale amounting to $13 million relating to its operations in DRC, Colombia, Ghana and Tanzania (December 31, 2013: $14 million) representing towers sold but yet to be transferred to tower companies in those countries.

The portions of these assets that will not be leased back are classified as assets held for sale, as completion of sale is highly probable. Asset retirement obligations related to the tower assets at March 31, 2014 of $2 million (December 31, 2013: $2 million) are classified as liabilities directly associated with assets held for sale. The portion of towers leased back are capitalized as finance leases and classified under the caption “Property, plant & equipment, net” in the consolidated statement of financial position.

6. JOINT VENTURES

The following amounts were proportionally consolidated into the Group’s financial statements representing the Group’s share of revenue, operating expenses and operating profit in the Group’s joint ventures in Guatemala (55%) and Mauritius (50%) for the three month period ended March 31, 2013.

US$ millions (unaudited)	Three months ended March 31, 2013
Revenue	166
Operating expenses	(100)
Operating profit	**66**

As described in note 3, from January 1, 2014 Millicom controls the operation in Guatemala and fully consolidates this business.

As described in note 2, from January 1, 2014 Millicom’s operation in Mauritius is accounted for using the equity method (see note 12).

As described in note 2, the operations in Guatemala and Mauritius have been equity accounted for in the restated 2013 comparative data for retrospective application of IFRS 11.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

7. SEGMENT INFORMATION

Management determines operating and reportable segments based on reports that are used by the Chief Operating Decision Maker ("CODM") to make strategic and operational decisions from both a business and a geographic perspective. The Group's risks and rates of return for its operations are predominantly affected by the fact that it operates in different geographical regions. The businesses are predominantly organized and managed according to selected geographical regions. These regions (Central America, South America and Africa) represent the basis for evaluation of past performance and for future allocation of resources.

With respect to the first time application of IFRS 11 (see note 2), the change from proportionate consolidation to equity accounting did not impact our internal reporting for management purposes and therefore has not been reflected in our segment information.

Revenue, operating profit (loss) and other segment information for the three month periods ended March 31, 2014 and 2013 was as follows:

Three months ended March 31, 2014 (US$ millions) (Unaudited	Central America (iii)	South America	Africa (iv)	Unallocated item	Total continuing operations	Discontinued operations (ii)	Inter-company elimination	Total
Revenue	**601**	**560**	**244**	**—**	**1,405**	**4**	**—**	**1,409**
Operating profit (loss)	**167**	**121**	**(2)**	**(50)**	**236**	**(3)**	**—**	**233**
Add back:								
Depreciation and amortization	111	77	62	—	250	—	—	250
Loss (gain) on disposal and impairment of property, plant and equipment	5	—	(2)	(9)	(6)	—	—	(6)
Loss (gain) from joint venture	—	—	(2)	—	(2)	—	—	(2)
Corporate costs	—	—	—	59	59	—	—	59
Adjusted operating profit	**283**	**198**	**56**	**—**	**537**	**(3)**	**—**	**534**
Less additions to:								
Property, plant and equipment	(53)	(56)	(35)	—	(144)	—	—	(144)
Intangible assets	(2)	(15)	(2)	—	(19)	—	—	(19)
Capital expenditure	**(55)**	**(71)**	**(37)**	**—**	**(163)**	**—**	**—**	**(163)**
Tax paid	(41)	(12)	(8)	7	(54)			
Changes in working capital	30	(2)	25	(101)	(48)			
Other movements	(48)	(16)	(49)	3	(110)			
Operating free cash flow (i)	**169**	**97**	**(13)**	**(91)**	**162**			
Less corporate costs (excl. non-cash)	—	—	—	(53)	(53)			
Operating free cash flow after corporate costs	**169**	**97**	**(13)**	**(144)**	**109**			
Total Assets	**7,119**	**2,638**	**1,725**	**2,860**	**14,342**	**—**	**(1,867)**	**12,475**
Total Liabilities	**2,283**	**2,014**	**2,192**	**4,515**	**11,004**	**—**	**(1,850)**	**9,154**

Three months ended March 31, 2013 (US$ millions) (Unaudited	Central America	South America (iii)	Africa (ii)	Unallocated item	Total continuing operations	Discontinued operations (ii)	Inter-company elimination	Total
Revenue	**467**	**529**	**239**	—	**1,235**	**11**	—	**1,246**
Operating profit (loss)	**148**	**125**	**16**	**(45)**	**244**	**(6)**	—	**238**
Add back:								
Depreciation and amortization	77	70	62	**—**	209	—	—	**209**
Loss (gain) on disposal and impairment of property, plant and equipment	1	1	**—**	**—**	2	—	—	2
Corporate costs	**—**	**—**	**—**	45	45	—	—	45
Adjusted operating profit	**226**	**196**	**78**	**—**	**500**	**(6)**	**—**	**494**
Less additions to:								
Property, plant and equipment	(44)	(42)	(8)	1	(93)	—	—	(93)
Intangible assets	(2)	(73)	(23)	(2)	(100)	—	—	(100)
Capital expenditure	**(46)**	**(115)**	**(31)**	**(1)**	**(193)**	**—**	**—**	**(193)**
Tax paid	(33)	(4)	(3)	(12)	(52)			
Changes in working capital	(11)	(68)	(1)	1	(79)			
Other movements	(37)	(52)	(49)	4	(134)			
Operating free cash flow (i)	**99**	**(43)**	**(6)**	**(8)**	**42**			
Less corporate costs (excl. non-cash)	—	—	—	(40)	(40)			
Operating free cash flow after corporate costs	**99**	**(43)**	**(6)**	**(48)**	**2**			
Total Assets	**3,507**	**2,457**	**1,939**	**1,420**	**9,323**	**107**	**(1,214)**	**8,216**
Total Liabilities	**1,857**	**1,965**	**2,044**	**1,082**	**6,948**	**10**	**(1,204)**	**5,754**

(i) Only for calculating segments' operating free cash flows, vendor financing of equipment is treated as a cash transaction,
(ii) See note 4
(iii) Inclusion of Guatemala on a 100% basis from January 1, 2014 (see note 3).
(iv) Exclusion of Mauritius from January 1, 2014 (see note 2).

Notes to the unaudited condensed interim consolidated financial statements as at March 31, 2014 and for the three month period then ended

8. OTHER NON-OPERATING (EXPENSES) INCOME, NET

The Group's other non-operating (expenses) income, net comprised the following:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Change in redemption price of put options (see note 15)	(21)	52
Change in fair value of derivatives (see note 16)	(4)	1
Exchange losses, net	(24)	(10)
Other non-operating income, net	8	—
Total	**(41)**	**43**

9. EARNINGS PER COMMON SHARE

Earnings per common share (EPS) attributable to owners of the Company are comprised as follows:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Basic and Diluted		
Net profit attributable to owners of the Company from continuing operations	2,223	153
Net loss attributable to owners of the Company from discontinuing operations	21	(8)
Net profit attributable to owners of the Company used to determine the earnings per share	2,244	145
in thousands		
Weighted average number of ordinary shares for basic earnings per share	**99,981**	**99,690**
Potential incremental shares as a result of share options	35	88
Weighted average number of ordinary shares adjusted for the effect of dilution	**100,016**	**99,778**
US$		
Basic		
- EPS from continuing operations attributable to owners of the Company	22.24	1.53
- EPS from discontinuing operations attributable to owners of the Company	0.21	(0.08)
- EPS for the period attributable to owners of the Company	22.45	1.45
Diluted		
- EPS from continuing operations attributable to owners of the Company	22.23	1.53
- EPS from discontinuing operations attributable to owners of the Company	0.21	(0.08)
- EPS for the period attributable to owners of the Company	22.44	1.45

10. PROPERTY, PLANT AND EQUIPMENT

Net cash used for the purchase of property, plant and equipment:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Additions	144	93
Decrease (increase) in suppliers advances	10	8
Decrease (increase) in payables for property, plant and equipment	95	99
Decrease (increase) in vendor financing and finance leases	—	(1)
Sale and lease back agreements (see notes 5 and 12)	(8)	(2)
Cash used for the purchase of property, plant and equipment	**241**	**197**

Depreciation of property, plant and equipment for the three month period ended March 31, 2014 was $196 million (March 31, 2013: $172 million).

During the three month period ended March 31, 2014, Millicom received $10 million from disposal of property, plant and equipment and (March 31, 2013: $nil).

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

11. INTANGIBLE ASSETS

Net cash used for the purchase of intangible assets:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Additions	2,790	100
Goodwill and intangible assets related to acquiring control of Guatemala	(2,771)	—
Increase (decrease) in suppliers advances	8	—
(Increase) decrease in payables for intangibles	15	34
Cash used for the purchase of intangible assets and license renewals	**42**	**134**

Depreciation of intangible assets, licenses and license renewals for the three month period ended March 31, 2014 was $54 million (March 31, 2013: $37 million).

During the three month periods ended March 31, 2014 and 2013 no goodwill impairment was recorded.

During the three month periods ended March 31, 2014 did not receive any proceeds from disposal of intangible assets (March 31, 2013: $4 million).

12. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

As at March 31, 2014 investments in joint ventures and associates comprised:

US$ millions	As at March 31, 2014 (unaudited)	As at December 31, 2013 (audited)
Associates		
Helios Towers Tanzania (see note 5)	12	17
Helios Towers DRC (see note 5)	32	32
Helios Towers Ghana (see note 5)	12	13
ATC Colombia BV	—	3
Africa Internet Holding (AIH) (see note 3)	56	57
Latin America Internet Holding (LIH) (see note 3)	148	—
Others	5	—
Total	**265**	**122**
Joint Ventures		
Emtel Ltd (Mauritius)	28	—
Total Joint Ventures and Associates	**293**	**122**

Helios Towers Tanzania

During the three month period ended March 31, 2014 Millicom reduced its shareholding in Helios Towers Tanzania from 40% to 28% realizing a gain on sale of $5 million.

AIH

As described in note 3, on December 12, 2013 Millicom's control over AIH ceased, and from that date it has accounted for its 20% shareholding in AIH (and its subsidiary AEH) as an investment in an associate.

LIH

As described in note 3, on January 20, 2014 Millicom's control over LIH ceased, and from that date it has accounted for its shareholding in LIH as an investment in an associate.

Emtel Ltd (Mauritius)

As described in note 2, from January 1, 2014 Millicom's operation in Mauritius is accounted for using the equity method.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

13. 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 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 non-market conditions and normally vest at the end of three-year periods.

A summary of the plans at March 31, 2014:

Plans (unaudited)	Shares vested in 2014 (Shares 000's)	Actual/expected charge over the vesting period (US$ millions)
2011 Deferred Plan	66	12
2011 Performance Plan	49	6
Total actual for fully vested plans	**115**	**18**
2012 Deferred Plan	19	14
2012 Performance Plan	—	5
2013 Deferred Plan	31	14
2013 Performance Plan	—	12
2014 Deferred Plan	—	19
2014 Performance Plan	—	14
Total expected for other plans	**50**	**78**
Total	**165**	**96**

(b) Total share-based compensation expense

Total share-based compensation for the three month periods ended March 31, 2014 and 2013:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
2011 LTIPs	—	1
2012 LTIPs	1	1
2013 LTIPs	2	3
2014 LTIPs	3	—
Total share-based compensation expense	**6**	**5**

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

14. DEBT AND FINANCING

6.875% Guatemala Bond

On January 30, 2014 Millicom's operation in Guatemala issued an $800 million 6.875% fixed interest rate bond repayable in 10 years, to refinance the Guatemalan operation and for general corporate purposes. The bond was issued at 98.233% of the principal and has an effective interest rate of 7.168%.

El Salvador Bond repurchase

On April 15, 2014 $139 million of the $450 million bonds issued by Telemovil Finance Co. Ltd in 2010 were repurchased in a tender offer to bond holders, for $150 million which included a premium of $9.5 million over the face value of the bonds (see note 19) . As the amount of repurchase was estimable at the March 31, 2014 date of the tender offer, the $9 million premium and $2.5 million of related unamortized costs were included in the income statement in the three month period ended March 31, 2014.

Analysis of debt and other financing by maturity

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

US$ millions	As at March 31, 2014 (unaudited)	As at December 31, 2013 (audited)
Due within:		
One year	355	471
One-two years	154	213
Two-three years	167	226
Three-four years	813	1,010
Four-five years	186	212
After five years	2,846	2,026
Total debt	**4,521**	**4,158**

As at March 31, 2014, the Group's share of total debt and financing secured by either pledged assets, pledged deposits issued to cover letters of credit or guarantees issued was $685 million (December 31, 2013: $764 million). Assets pledged by the Group for these debts and financings amounted to $825 million at March 31, 2014 (December 31, 2013: $819 million).

Millicom has issued guarantees to banks, bondholders and suppliers as security over debt and financing of a number of its operations. The table below describes the outstanding and maximum exposure under these guarantees and the remaining terms of the guarantees as at March 31, 2014 and December 31, 2013. Amounts issued to cover bank guarantees are recorded in the consolidated statements of financial position under the caption "Debt and other financing".

	Bank and financing guarantees(i)			
US$ millions	As at March 31, 2014 (unaudited)		As at December 31, 2013 (audited)	
Terms	Outstanding exposure	Theoretical maximum exposure	Outstanding exposure	Theoretical maximum exposure
0-1 year	33	111	34	112
1-3 years	50	50	50	50
3-5 years	109	141	186	255
More than 5 years	—	—	—	—
Total	**192**	**302**	**270**	**417**

(i) If non-payment by the obligor, the guarantee ensures payment of outstanding amounts by the Group's guarantor.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

15. PUT OPTION RESERVES

Guatemala

Effective January 1, 2014 Millicom and its local partner in Guatemala, Miffin Associates Corp ("Miffin") reached an agreement that gives Millicom control of Comcel and its subsidiaries, its Guatemalan operations. Miffin has granted Millicom, for a minimum term of two years, an unconditional call option for its 45% stake in Comcel. In return, Millicom has granted Miffin a put option for the same duration, exercisable in the event Millicom sells its 55% interest in Comcel or undergoes a change of control.

A change of control event may occur at Millicom level which is beyond the control of Millicom. Such an event would trigger the ability of our local partner to exercise his put option at his discretion. Therefore, the put option is a financial liability as defined in IAS 32 and in 2014 Millicom recorded a current liability for the present value of the redemption price of the put option of $1,775 million on January 1, 2014. At March 31, 2014 the redemption price was $1,820 million.

The redemption price of the put option is based on a multiple of the EBITDA of Comcel. The multiple is based on a change of control transaction multiple of Millicom. Management estimated the change of control transaction multiple of Millicom from a trading multiple of Millicom and adding a control premium (based upon comparable transactions from the industry).

The fair value of the call option of $28 million has been recorded in financial instruments at March 31, 2014.

Honduras

On July 1, 2010, Millicom reached an agreement with its local partner in Honduras whereby Millicom's local partner granted Millicom an unconditional call option for five years over its 33% stake in the Honduran operation. At the same time, and as consideration for the call option, Millicom granted a put option for the same duration to its local partner. The put option can only be exercised if a change of control occurs in either Millicom International Cellular S.A. or Millicom's subsidiary that holds the shares in Celtel (except if the change of control is in favour of Investment AB Kinnevik, the current largest shareholder of Millicom, or management of Millicom).

A change of control event which is beyond the control of Millicom may occur. Such an event would enable our local partner to exercise its put option. Therefore, the put option is a financial liability as defined in IAS 32 and on July 1, 2010 Millicom recorded a current liability for the present value of the redemption price of the put option of $737 million. At March 31, 2014 the redemption price was $769 million (December 31, 2013: $792 million).

The redemption price of the put option is a multiple of the EBITDA of the Honduran operation. The multiple is based on a change of control transaction multiple of Millicom. Management estimated the change of control transaction multiple of Millicom from a trading multiple of Millicom and adding a control premium (based upon comparable transactions from the industry).

The fair value of the call option is not considered to be material at March 31, 2014 or December 31, 2013.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

16. COMMITMENTS AND CONTINGENCIES

Litigation & claims

The Company and its operations are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. At March 31, 2014, the total amount of claims against Millicom and its operations was $678 million, (December 31, 2013: $668 million of which $1 million related to joint ventures).

As at March 31, 2014, $18 million (December 31, 2013: $19 million) has been provided for litigation risks in the consolidated 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 contingencies for which a provision has not been made, the ultimate outcome is not anticipated to have a material effect on the Group's financial position and operations.

Included in the total claims is a lawsuit filed against our subsidiary in Ghana by E-Talk Limited in November 2011. The suit alleges that Millicom Ghana terminated a July 2006 contract with insufficient notice. The claim is approximately $30 million, including various general damages, loss of expected revenues and punitive damages. Management considers this claim as opportunistic and without foundation, in so far as it was filed more than four years after the events on which the plaintiff bases its claim. A provision of less than $1 million has been made for legal costs related to this claim.

Also included in the total claims are various other claims, mainly related to licenses, subject to arbitration processes.

Excluded from the amount of total claims above, is a claim filed with the Civil Chamber of Bogota in Colombia against the entire mobile operator industry of Colombia, including our subsidiary in Colombia, by a group of approximately twenty individuals. The claimants allege damages and losses suffered from third parties through illegal use of cellular phones in extortion attempts against the claimants, and are claiming a collective total of approximately $753 million from the mobile operators. The case has largely been inactive, with the exception of a mandatory settlement conference held among the parties under the court's supervision in 2013, which did not result in any settlement agreement. It is expected that the litigation will move towards an evidence-presentation phase. Management considers this claim to be entirely spurious and without foundation or substance, and is of the view that no provision should be made for this claim.

Taxation

The Group faces regular tax investigations in the countries where it operates. As of March 31, 2014 the group estimates potential tax claims amounting to $169 million of which tax provisions of $64 million have been recorded (December 31, 2013: claims amounting to $169 million and provisions of $64 million). Management is of the opinion that while it is impossible to quantify the ultimate financial liability with respect to these assessments, the ultimate outcome of these contingencies is not anticipated to have a material effect on the Groups' financial position and operations.

Capital commitments

As at March 31, 2014, the Company and its subsidiaries and joint ventures have fixed commitments to purchase network equipment and other fixed and intangible assets from a number of suppliers of $380 million of which $341 million are due within one year (December 31, 2013: $324 million of which $306 million are due within one year and $41 million related to joint ventures).

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

16. COMMITMENTS AND CONTINGENCIES (Continued)

Following exercise of its option in LIH (see note 3), at March 31, 2014 the Group has commitments to downstream a further Euro 40 million to LIH at the earlier of as and when the level of cash in LIH falls lower than Euro 15 million, and September 14, 2014 (see note 19).

In addition, Millicom has committed as part of the shareholder investment agreement with Rocket and MTN a further Euro 35 million to AIH (see note 3).

Currency and interest rate swap contracts

Millicom enters into currency and interest rate swap contracts to manage its exposure to fluctuations in interest rates and currency fluctuations in accordance with its risk management policies. Details of these arrangements are provided below.

Interest rate swaps on US$ Floating Rate Debt

In October 2010, Millicom entered into separate interest rate swaps to hedge the interest rate risks on floating rate debt in Honduras and Costa Rica. The interest rate swap in Honduras was issued for a nominal amount of $30 million, with maturity in 2015, and in Costa Rica for a nominal amount of $105 million with maturity in 2017.

On March 31, 2014 the Costa Rica swap was cancelled as a result of refinancing of the underlying debt and $2 million recycled from the cash flow hedge reserve to the income statement.

Interest rate and currency swaps on SEK denominated debt

In October 2012, Millicom issued senior unsecured floating rate notes of Swedish Kronor (‘SEK’) 1.75 billion and senior unsecured fixed rate notes of SEK 0.25 billion. At the same time Millicom entered into various cross currency interest swap contracts whereby Millicom sells SEK and receives USD to hedge against exchange rate fluctuations for the notional amount of SEK 2 billion and interest payments on this principal. Millicom also hedged against interest rate fluctuations on the floating rate notes of SEK 1.75 billion, receiving variable interest at STIBOR +3.5% and paying a fixed rate of 5.125%.

Interest rate and currency swaps on Euro denominated debt

In June 2013 Millicom entered into interest rate and currency swaps whereby Millicom will sell Euro’s and receive USD to hedge against exchange rate fluctuations on a seven year Euro 134 million principal and related interest financing of its operation in Senegal.

In July 2013 Millicom entered into interest rate and currency swaps whereby Millicom will sell Euro’s and receive USD to hedge against exchange rate fluctuations on a seven year Euro 41.5 million principal and related interest financing of its operation in Chad.

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

17. RELATED PARTY TRANSACTIONS

The Group has transactions and balance with the following significant related parties:

- Investment AB Kinnevik ("Kinnevik") and subsidiaries, the Company's principal shareholder,
- Tower companies in Ghana, DRC, Tanzania and Colombia in which the Company holds a direct or indirect equity interest (see note 12), and
- With a subsidiary of a non-controlling interest in Colombia (UNE EPM Telecomunicaciones S.A.)
- With controlled entities of our joint venture partner in Guatemala (Miffin Associates Corp).

The following transactions were conducted with related parties during the three month period ended March 31, 2014:

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Expenses		
Purchase of goods and services (Kinnevik)	1	2
Purchases of goods and services (Miffin)	28	31
Purchases of goods and services (non-controlling interest in Colombia)	1	4
Lease of towers and related services (Helios and ATC)	34	29
Lease of towers and related services (UNE)	3	6
Total	**67**	**72**

US$ millions (unaudited)	Three months ended March 31, 2014	Three months ended March 31, 2013
Income / gains		
Sale of goods and services (non-controlling interest in Colombia)	2	2
Sale of goods and services (Miffin)	59	52
Gain on sale of towers and shares (Helios and ATC)	6	3
Lease of towers and related services (UNE)	5	4
Interest income (Helios Towers DRC and Tanzania loans, ATC Colombia loans)	1	1
Total	**73**	**62**

As at March 31, the Company had the following balances with related parties:

US$ millions (unaudited)	As at March 31, 2014	As at December 31, 2013
Liabilities		
Finance lease payables to tower companies	224	224
Other accounts payable	1	1
Payable to LIH for Option 1	55	—
Total	**280**	**225**

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

17. RELATED PARTY TRANSACTIONS (Continued)

US$ millions (unaudited)	As at March 31, 2014	As at December 31, 2013
Assets		
Advances to non-controlling interests	292	234
Loan to Helios Towers DRC	—	35
Loan to Helios Towers Tanzania	20	13
Loan to ATC Colombia BV	41	38
Total	**353**	**320**

18. FINANCIAL INSTRUMENTS

The fair value of Millicom's financial instruments are shown at amounts at which the instruments 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 Group based on discounted future cash flows at market interest rates.

The following table shows the carrying and fair values of financial instruments as at March 31, 2014 and December 31, 2013:

US$ millions	Carrying Value		Fair Value	
	March 31, 2014 (unaudited)	December 31, 2013 (audited)	March 31, 2014 (unaudited)	December 31, 2013 (audited)
Financial Assets				
Pledged deposits	3	2	3	2
Other non-current assets	109	83	109	83
Trade receivables, net	339	320	339	320
Amounts due from non-controlling interests and JV partners	292	234	292	234
Prepayments and accrued income	218	163	218	163
Advances to non-controlling interest	61	69	61	69
Other current assets	907	839	907	839
Restricted cash	97	81	97	81
Cash and cash equivalents	977	941	977	941
Total	**3,003**	**2,732**	**3,003**	**2,732**
Current	2,891	2,647	2,891	2,647
Non-current	112	85	112	85

Notes to the unaudited condensed consolidated financial statements as at March 31, 2014 and for the three month period then ended

18. FINANCIAL INSTRUMENTS (Continued)

US$ millions	Carrying Value		Fair Value	
	March 31, 2014 (unaudited)	December 31, 2013 (audited)	March 31, 2014 (unaudited)	December 31, 2013 (audited)
Financial liabilities				
Debt and financing	4,521	4,158	3,272	3,183
Trade payables	286	277	286	277
Payables and accruals for capital expenditure	348	453	348	453
Derivative financial instruments	24	23	24	23
Put options	2,589	792	0	0
Amounts due to non-controlling interests and JV partners	3	87	3	87
Accrued interest and other expenses	431	393	431	393
Other liabilities	213	167	213	167
Total	**8,415**	**6,350**	**4,577**	**4,583**
Current	4,183	2,596	1,594	1,804
Non-current	4,232	3,754	2,983	2,779

19. SUBSEQUENT EVENTS

Downstream of additional Euro 10 million to LIH

On April 9, 2014 Millicom downstreamed an additional Euro 10 million of its Option 1 exercise price to LIH , reducing its liability toward LIH from Euro 40 million to Euro 30 million.

Repurchase of $139 million of El Salvador 8% notes

On April 15, 2014 $139 million of the $450 million bonds issued by Telemovil Finance Co. Ltd in 2010 were repurchased in a tender offer to bond holders, for $150 million which included a premium of $9.5 million over the face value of the bonds. As the amount of repurchase was estimable at the March 31, 2014 date of the tender offer, the $9 million premium and $2.5 million of related unamortized costs were included in the income statement in the three month period ended March 31, 2014.

Anti-competition office approval for UNE merger

On April 15, 2014 Millicom and UNE received approval from Colombia's regulatory for Industry and Commerce. A further two required regulatory approvals are expected in Q2 2014.

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