

Millicom International Cellular S.A.  
**Financial results Q3 10**

19<sup>th</sup> October, 2010

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# : : Disclaimer

*This presentation may contain certain “forward-looking statements” with respect to Millicom’s expectations and plans, strategy, management’s objectives, future performance, costs, revenues, earnings and other trend information. It is important to note that Millicom’s actual results in the future could differ materially from those anticipated in the forward-looking statements depending on various important factors. Please refer to the documents that Millicom has filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended, including Millicom’s most recent annual report on Form 20-F, for a discussion of certain of these factors.*

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## :: Caveat

Honduras has been restated at 100% in this presentation, including the historical data, in order to facilitate comparisons



# :: Q3 Highlights

- Group revenues exceeding \$ 1 billion, with organic local currency revenue growth at 11.7%
- More than 1.5 M 3G customers using data services in Latin America
- Strong EBITDA margin of 47.5%
- Continued strong cash flow generation
- Full consolidation of Honduras
- Restructuring of Amnet/Navega in Central America to facilitate fixed/mobile integration
- Capital Structuring driving value with corporate bond replaced by a local tax efficient bond

# :: Financial Highlights Q3 YoY

US\$m	Q3 10	Q3 09	\$ growth	Local currency
Customers ('000)	37,443	31,857	18%	
Revenues	1,018	904	13%	11.7%
EBITDA % of revenues	484 47.5%	418 46.3%	16% +1.2pt	14.6%
Capex % of revenues	196 19.2%	141 15.6%	39% 3.7 pt	
Operating Free Cash Flow * % of revenues	245 24.1%	151 19.1%	42% +5.0 pt	

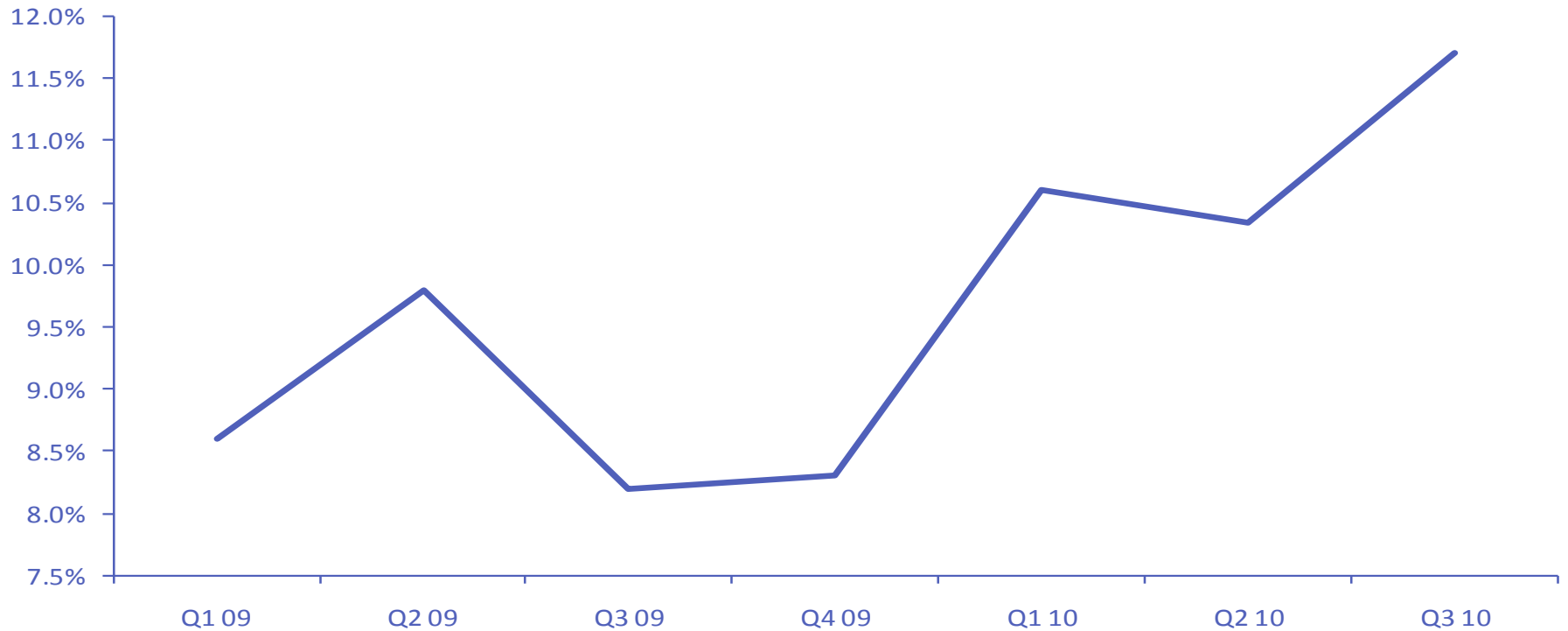
\* EBITDA - CAPEX - WC movements - Taxes

Accelerating revenue growth, improving margins and strong cash generation

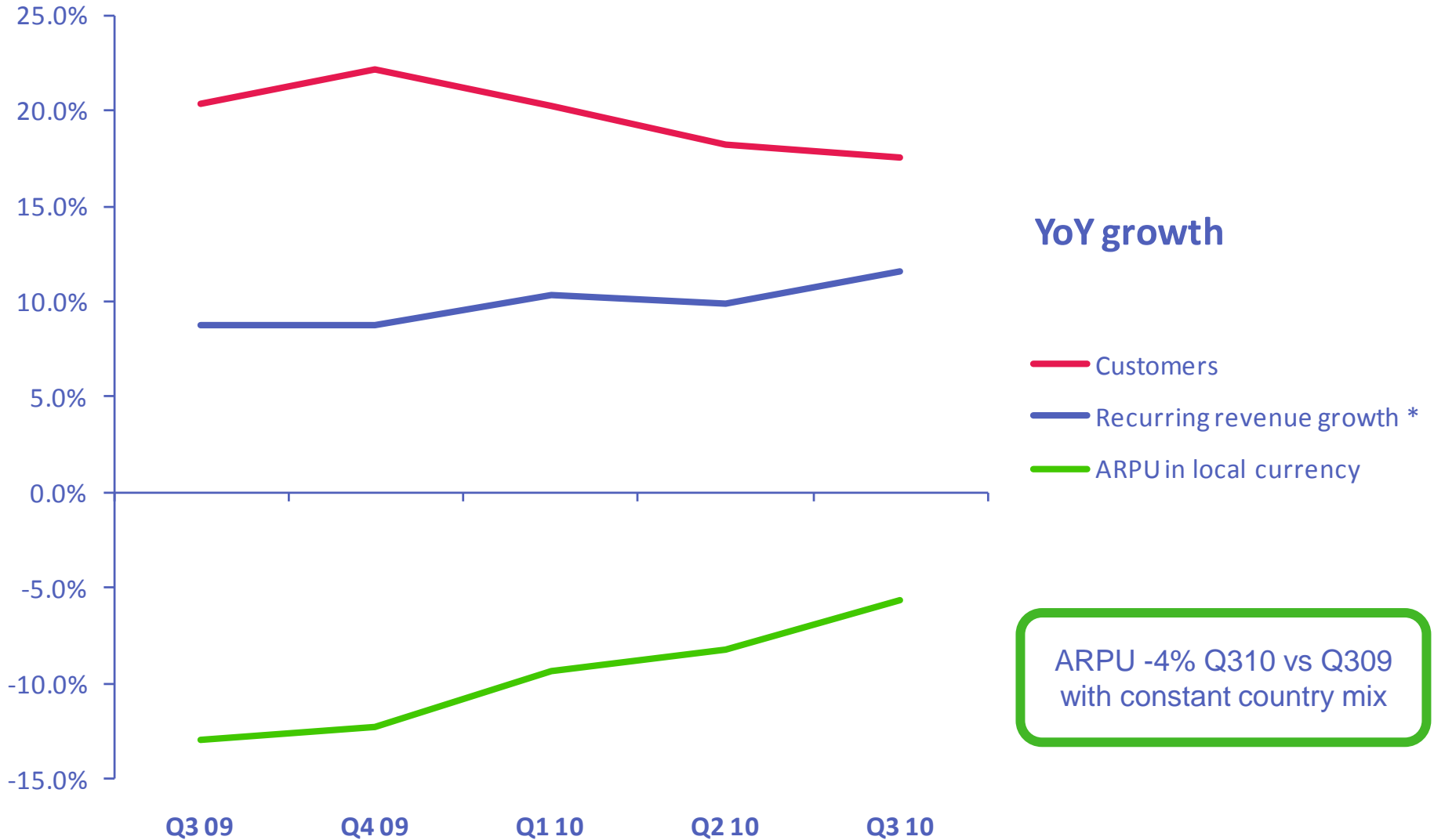


# :: Double digit revenue growth

Revenue growth YoY - local currency



# :: Revenue growth driven by value focus (Arpu)



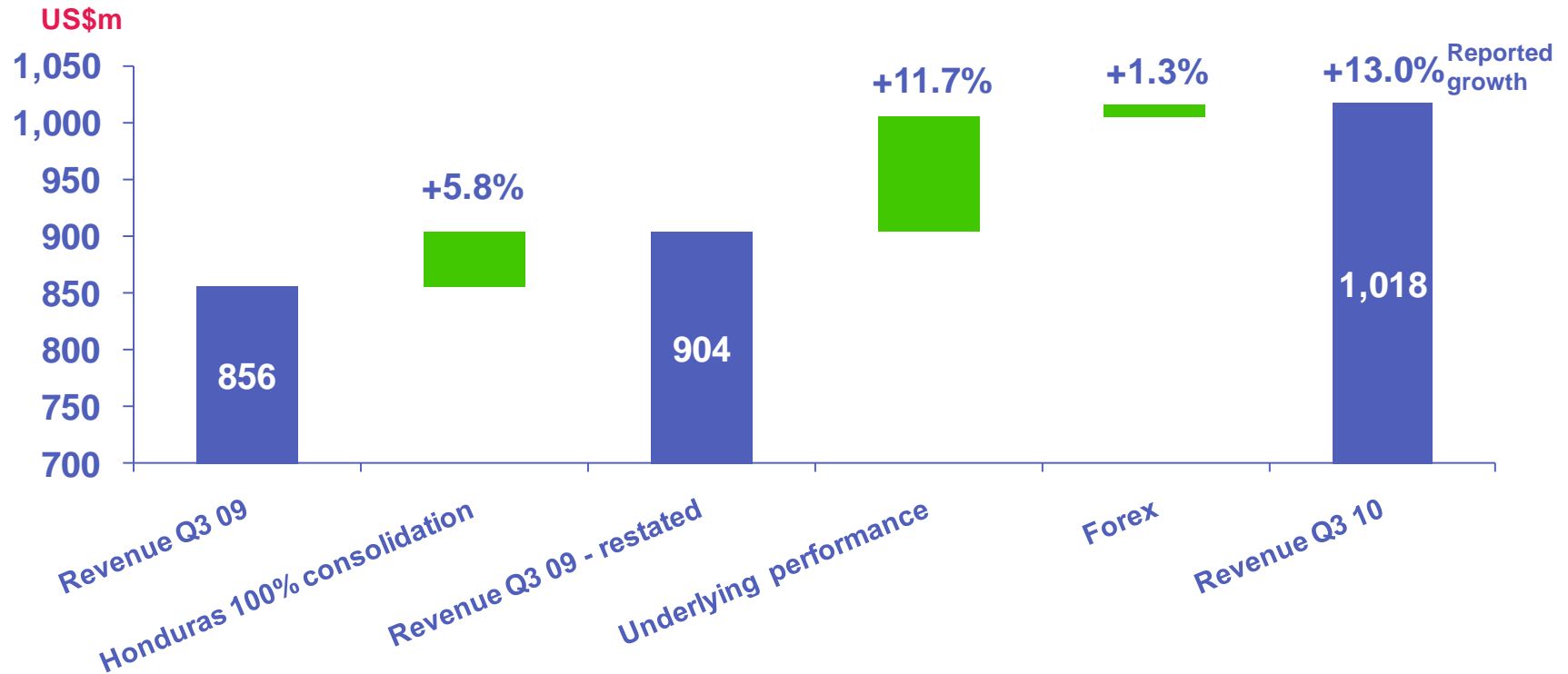
ARPU -4% Q310 vs Q309  
with constant country mix

\* Recurring revenue = customers x ARPU in local currency

Excluding Rwanda which has no comparison base in 2009



# :: Revenue growth

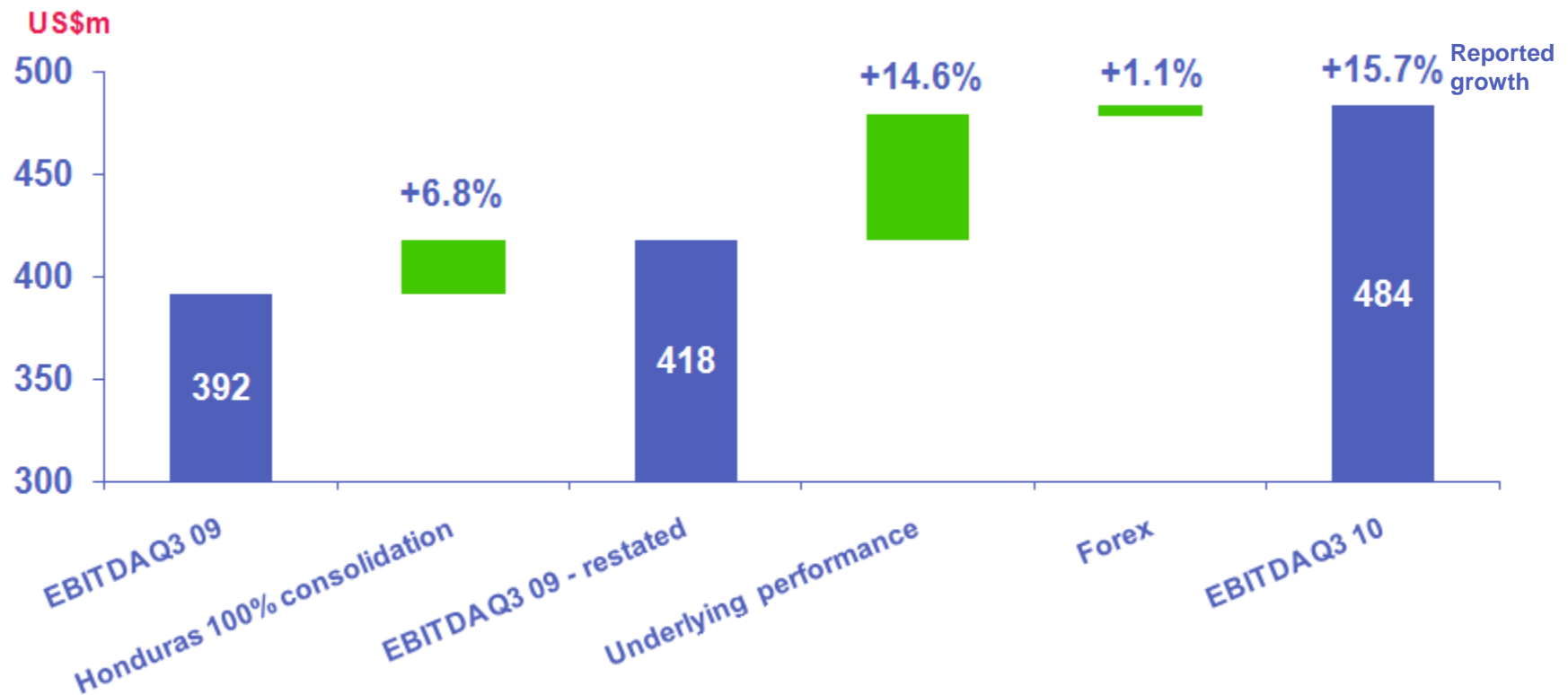


Local currency organic growth at 11.7% despite full consolidation of Honduras and full year impact of additional taxes in Central America and Africa





# :: EBITDA growth



Strong local currency organic growth at 14.6%

# :: Revenue split by category

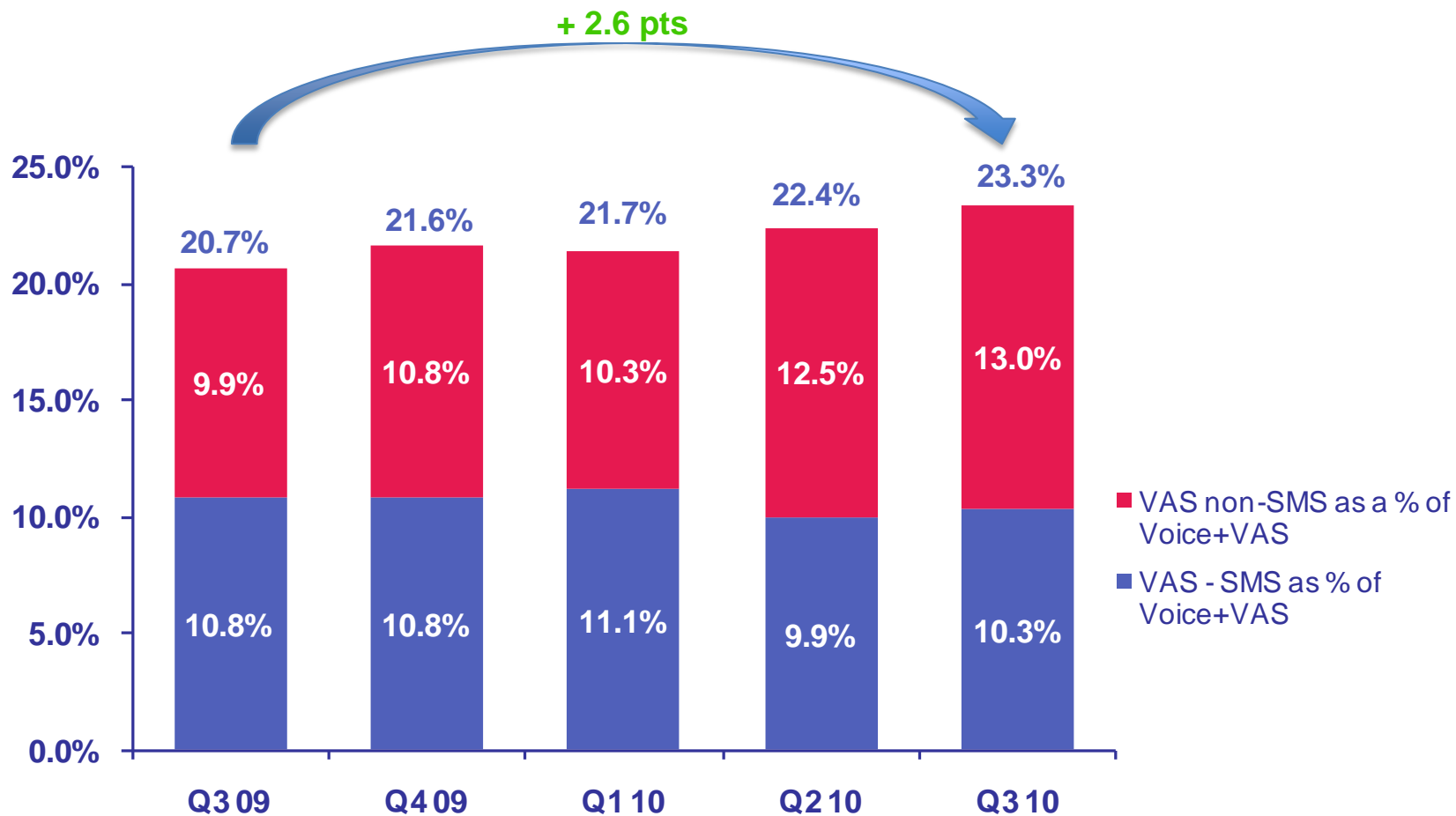
US\$m	Q3 10	Q3 09	\$ growth	Local currency
Voice % of Voice+VAS revenues	680 76.7%	618 79.3%	10%	10%
VAS - SMS % of Voice+VAS revenues	91 10.3%	84 10.8%	8% -0.5 pt	6%
VAS non-SMS % of Voice+VAS revenues	116 13.0%	77 9.9%	51% +3.1 pt	46%
Other *	131	125	5%	1%
<b>Total Revenues</b>	<b>1,018</b>	<b>904</b>	<b>13%</b>	<b>12%</b>

} + 25.7% VAS growth

\* Telephone & Equipment + Cable business

Voice growth up to 10% from 7% in Q2 and 5% in Q1.  
Strong momentum for non-SMS VAS at +46%

# :: Strong momentum on non – SMS VAS revenue



Note: Other VAS includes Ringback tones / Data (web browsing) / Content (Premium SMS, daily services like horoscopes)

VAS revenue 23.3% of mobile revenues (Voice + VAS)

: : Strong growth of 3G data revenue in Latin America driven by strong customer recruitment and stable prices

**Latin America**

**Q3 10**

**Q2 10**

**QoQ  
growth**

**3G Handsets**

Customer base

1,342

1,170

15%

% of total customers

5.8%

5.2%

0.6pt

3G data users \*

808

727

11%

3G data users/customer base

60%

62%

-1.9

**Datacards**

Customer base

720

564

28%

Total 3G data users (handsets+datacards)

1,528

1,291

18%

% of total customers

6.6%

5.7%

0.8pt

3G data revenues as % of recurring revenue

5.1%

4.5%

0.6pt

ARPU Total Data (users)

9.1

9.3

-2%

ARPU Handset

3.5

3.4

3%

ARPU Datacard

15.8

16.7

-5%

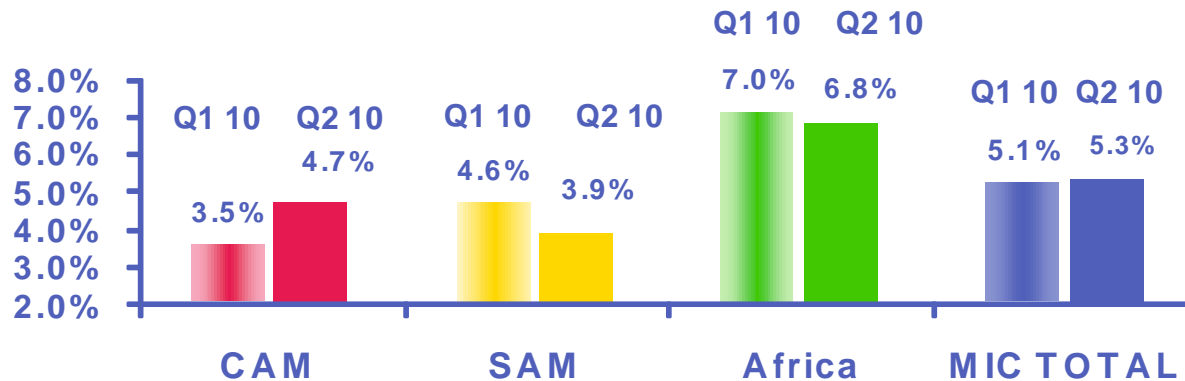
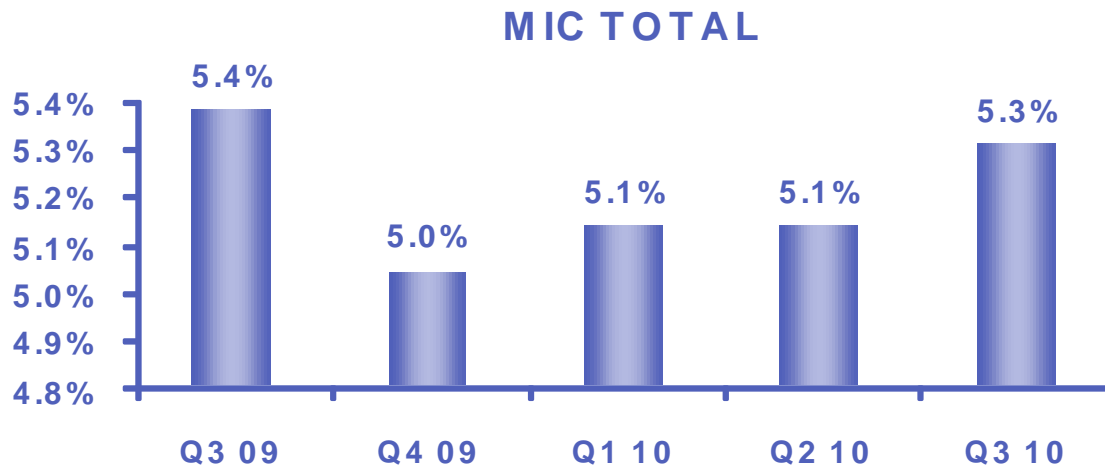
# : : Market share evolution

	Market share (%)			
	Total	Central Am.	South Am.	Africa
Q3 10	29.3%	53.8%	17.4%	30.4%
Q2 10	29.4%	53.7%	17.3%	30.3%
Q1 10	29.2%	53.4%	16.8%	31.0%
Q4 09	28.7%	53.0%	16.3%	30.8%
Q3 09	28.7%	53.5%	16.3%	30.4%

Market share increases in all 3 regions but marginal decrease overall as a consequence of the country mix (higher gain in Colombia/Africa)



# :: Churn



Decline in churn in South America and Africa  
Increase in Central America with focus on high value customers

The Tigo logo is a blue circle containing the word "tigo" in white lowercase letters with a white smile-like curve under the 'o'.

tigo

The text "Regional review" is written in white inside a green circle. The background of the slide features a large blue circle with a thin blue line and several smaller colored circles (yellow, red, blue) and icons (a white asterisk on a blue circle, a white circle on a blue circle) scattered around.

Regional  
review



# :: Quarterly Highlights – Central America YoY

US\$m	Q3 10	Q3 09	Reported growth	Local currency growth
Customers ('000)	13,120	12,366	6%	
Revenues	376	374	0%	-1%
EBITDA % of revenues	210 55.9%	206 55.2%	2% +0.8 pt	1%
Capex % of revenues	40 10.6%	26 6.9%	56% +3.7 pt	
Operating Free Cash Flow % of revenues	131 34.9%	105 28.0%	25% +6.8 pt	

Stabilization of Central American operations.  
Honduras back into positive growth





## :: Quarterly Highlights – South America YoY

US\$m	Q3 10	Q3 09	Reported growth	Local currency growth
Customers ('000)	9,678	8,414	15%	
Revenues	356	277	28%	21%
EBITDA % of revenues	151 42.4%	113 40.7%	34% +1.7pt	28%
Capex % of revenues	68 19.1%	29 10.5%	132% +8.5pt	
Operating Free Cash Flow % of revenues	103 29.0%	83 29.9%	24% -1.0pt	

Strong growth, margin improvement,  
strong cash flow generation



# :: Quarterly Highlights – Africa YoY

US\$m	Q3 10	Q3 09	Reported growth	Local currency growth
Customers ('000)	14,646	11,077	32%	
Revenues	230	200	15%	22%
EBITDA % of revenues	94 40.7%	75 37.3%	25% +3.4 pt	34%
Capex * % of revenues	73 31.7%	82 41.1%	-12% -9.4 pt	
Operating Free Cash Flow % of revenues	1 0.2%	-21 -10.5%	+10.7pt	

\* Q3 2010 including \$ 26 M of capitalization of leasing costs for towers in Ghana (IFRS, non cash)

Strong profitable growth  
EBITDA margin above 40%



# :: Quarterly Highlights – Cable YoY

US\$m	Q3 10	Q3 09	Reported growth	Local currency growth*
Revenues	57	52	8%	4%
- Amnet	50	45		
- Navega	7	7		
EBITDA	28	24	17%	6%
- Amnet	18	17		
- Navega	10	7		
% of revenues	49.7%	46.0%	+3.7pt	
Capex	15	6	157%	
% of revenues	27.0%	11.0%	16.0pt	
Operating Free Cash Flow	17	12	41%	
% of revenues	16.2%	23.0%	-6.8pt	

\* Excluding change in ownership of Amnet/Navega

Growth and Cash Flow generation  
in a weak economic environment

# Financial review



tigo



# :: Taxes

US\$m	Q3 10	Q3 09	Change
PBT *	205	199	3%
Taxes	60	57	6%
Effective tax rate	29.1%	28.4%	+0.7pt

\* Q3 2010 excluding gain on revaluation of Honduras

Lower tax rate than Q2 10 with less withholding taxes

# :: EPS growth impacted by exceptional items

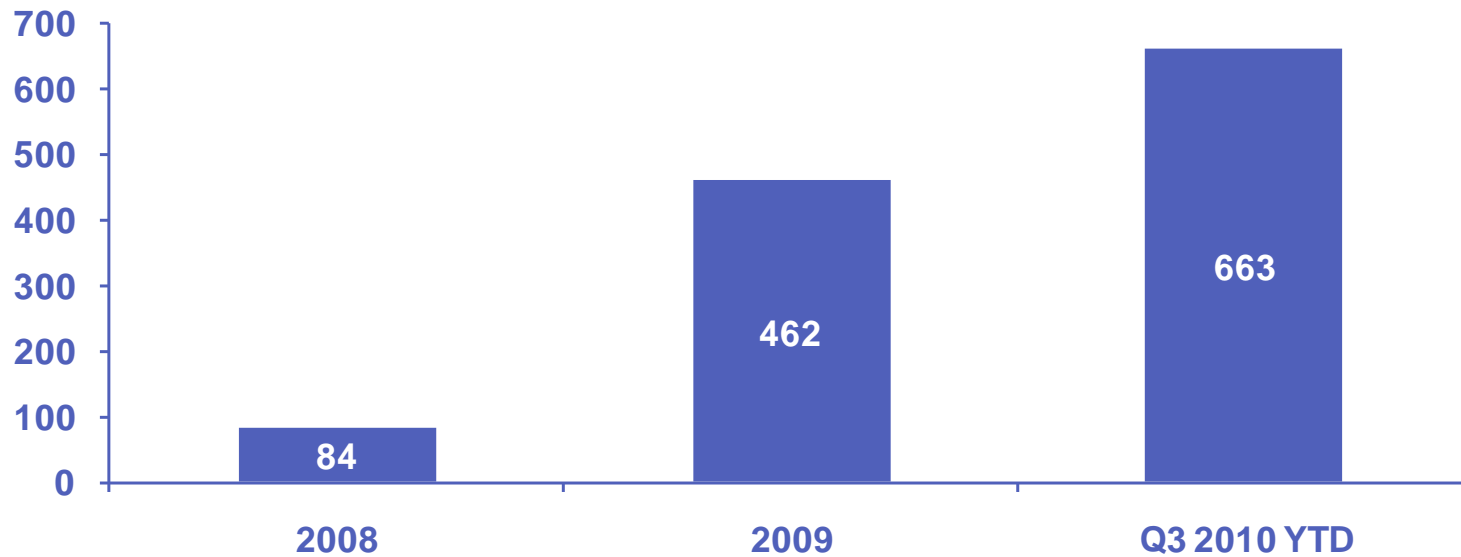
US\$m	Q3 10	Q3 09	\$ growth	
EBITDA	484	418	16%	
Depreciation % of revenues	-184 18.0%	-162 17.9%	13% +0.1pt	Honduras revaluation
Net Finance Costs % of revenues	-58 5.7%	-43 4.7%	36% +1.0pt	HY bond redemption
Taxes % of revenues	-60 5.9%	-57 6.3%	6% -0.4pt	
Revaluation of previously held interest	1,060			
Others	-37	-17		Stock compensation
Net Profit	1,205	139	764%	
Adjusted Net Profit * % of revenues	145 14.3%	143 15.8%	2% -1.5pt	
No. of shares **	108.5	108.5		
Adjusted EPS	1.34	1.31	2%	

\* Adjusted EPS excludes gain resulting from Honduras revaluation

# : : Increased cash repatriation

## Net cash upstream

US\$m



# : : Strong Cash Flow generation

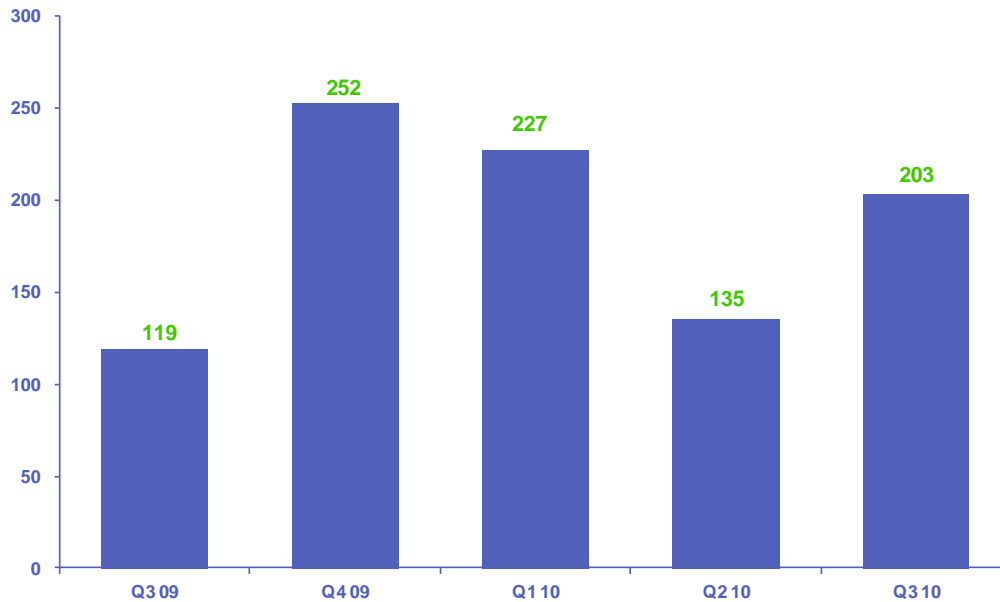
<b>OFCF US\$m</b>	<b>Q3 10</b>	<b>Q3 09</b>	<b>Change</b>
Central America	131	105	25%
South America	103	83	24%
Africa	1	-21	
Cable	17	12	41%
Other (incl. Corporate)	-8	-28	
<b>OFCF</b>	<b>245</b>	<b>151</b>	<b>63%</b>
% of revenues	24.1%	19.1%	5.0pt





# :: Free Cash Flow\*

US\$m



\* EBITDA - Capex +/- WC- Interests - Taxes - Corporate costs

US\$m	Q3 10	Q3 09	Change
OFCF	245	151	63%
Net Interest Paid	-26	-43	-40%
Corporate Costs **	-16	-22	-24%
FCF	203	119	71%

\*\* Excluding share based compensation

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10
FCF as % of revenue	13.1%	26.0%	23.8%	13.8%	19.9%

Sustainable Free Cash Flow



# :: Redemption of 2013 Notes

- Redemption on December 1, 2010 with a \$490.3 M payment:

Principal	\$ 459.6 M
Interest (10%)	\$ 23.0 M
Early redemption premium	\$ 7.7M
<hr/>	
Total	\$ 490.3 M

- EPS accretive in 2011



## :: Share buy back

- \$ 300 M program in progress
- Status as of September 30, 2010:
  - 1,126,349 shares acquired, i.e. 35% of program
  - \$ 104.7 M spent
- Balance to be completed by year end

# :: Leverage: stable Net Debt/EBITDA

US\$m	Q3 10	Q2 10	Change
Gross Debt	2,988	2,516	472
Cash *	1,712	1,276	436
Net Debt	1,276	1,240	36
<b>Net Debt/EBITDA **</b>	<b>0.7</b>	<b>0.7</b>	

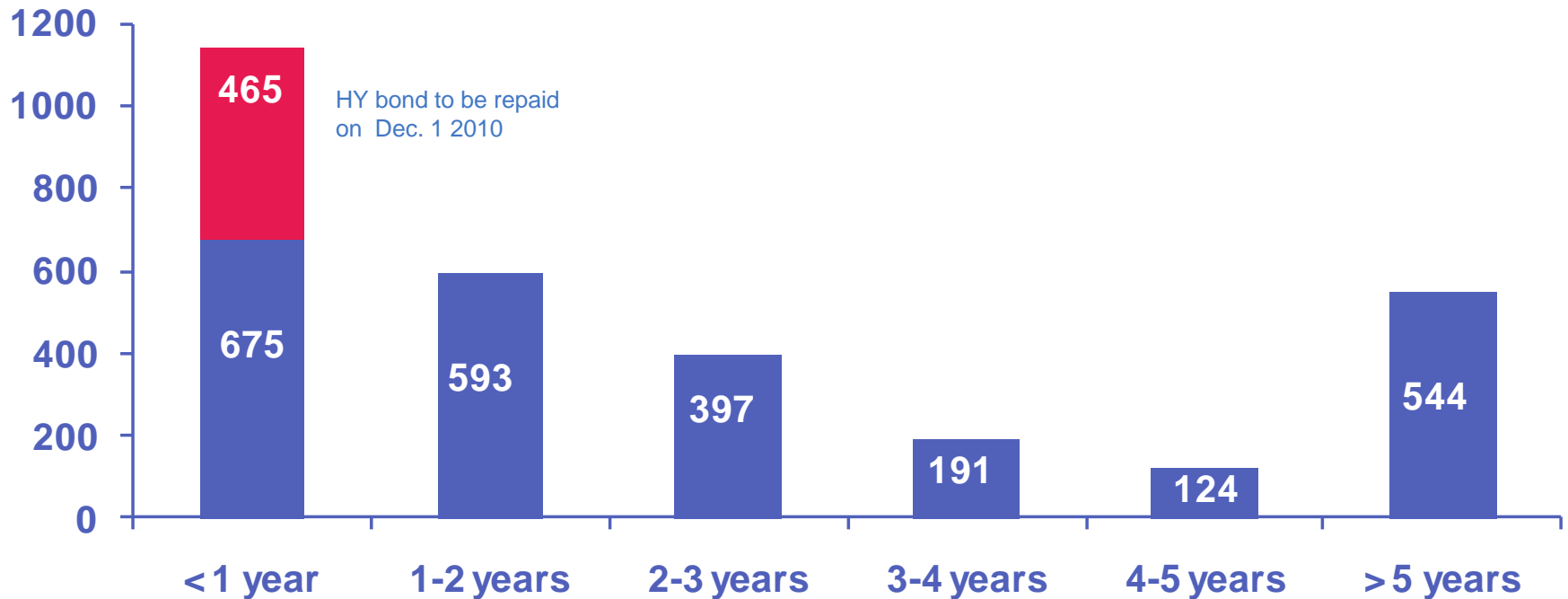
\* including pledged deposits and time deposits

\*\* (Net Debt/4)/EBITDA

Excess cash will be reduced in Q4 with bond redemption (\$490 M)  
and Share Buy Back (\$195 M)

# :: Gross Debt maturity

US\$m



Average maturity at 2 years and 6 months  
Expected average maturity around 3 years in December 2010

# :: Revised OFCF guidance for 2010

(including impact of full consolidation of Honduras in H2 that has a limited impact)

	<b>2010 Guidance as at Q2</b>	<b>2010 Guidance as at Q3</b>
<b>EBITDA margin</b>	Around 47%	Around 47%
<b>Capex</b>	\$700m	\$700m
<b>OCF* margin</b>	High teens	Around 20%

\* OCF= Operating Free Cash Flow:  
EBITDA - CAPEX - WC movements - Taxes



# Appendix

# :: Overview

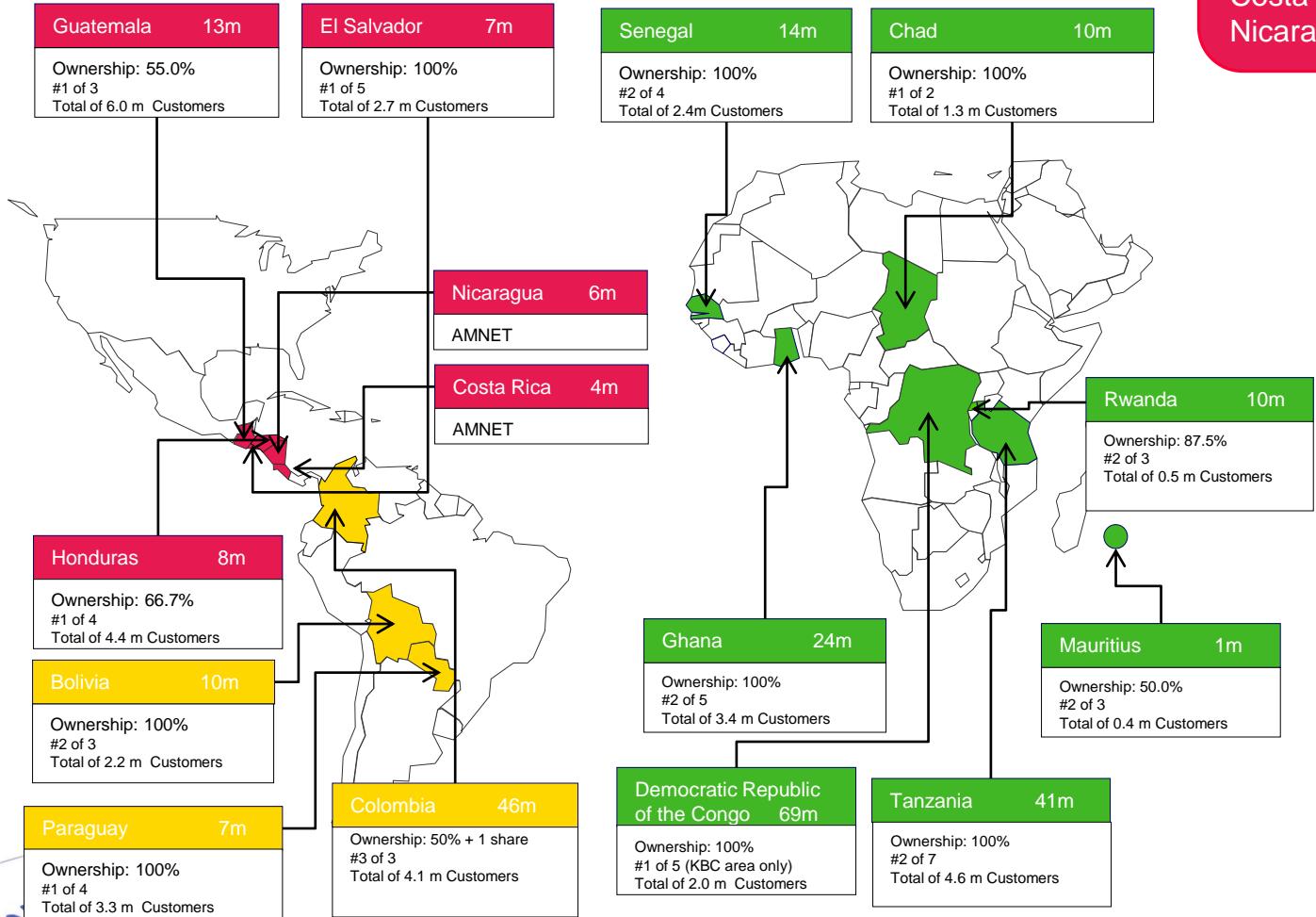
Central America:  
28 m

South America:  
63 m

Africa\*:  
169 m

Mobile operations' pops under license\*†:  
260m

Amnet:	38m
Guatemala	13m
El Salvador	7m
Honduras	8m
Costa Rica	4m
Nicaragua	6m



\*Total excludes Laos, the sale of which is subject to completion





# :: ARPU in Local currency

	Q3 10	Q2 10	Q1 10	Q4 09	Q3 09
<b>Central America</b>					
El Salvador	11	11	11	12	12
Guatemala	101	102	104	104	113
Honduras	197	191	190	197	194
<b>South America</b>					
Bolivia	80	77	76	82	77
Colombia	22,631	22,159	22,159	22,632	21,541
Paraguay	51,809	48,473	49,557	53,699	51,464
<b>Africa</b>					
Chad	3,494	3,818	4,176	4,787	4,342
DRC	6	6	6	7	7
Ghana	8	7	7	8	8
Mauritius	354	344	375	394	415
Rwanda	1,804	2,265	1,991	2,200	n/a
Senegal	2,555	2,509	2,829	2,991	2,707
Tanzania	7,292	6,836	6,689	7,425	7,339

# :: YoY Local currency ARPU growth

Year-on-Year local currency ARPU growth (%)				
	Total	Central Am.	South Am.	Africa
Q3 10	(6%)	(6%)	3%	(7%)
Q2 10	(8%)	(11%)	2%	(7%)
Q1 10	(9%)	(13%)	0%	(3%)
Q4 09	(10%)	(20%)	(4%)	(9%)
Q3 09	(12%)	(19%)	(3%)	(15%)

# :: Mobile revenues in local currency

LC million	Q3 10	Q3 09	Growth %
<b>Central America</b>			
El Salvador	95	106	-10.6%
Guatemala	1,986	1,875	5.9%
Honduras	2,759	2,705	2.0%
<b>South America</b>			
Bolivia	535	444	20.5%
Colombia	295,967	237,884	24.4%
Paraguay	566,871	486,469	16.5%
<b>Africa</b>			
Chad	11,374	10,842	4.9%
DRC	35	28	25.0%
Ghana	79	71	10.9%
Mauritius	550	548	0.2%
Senegal	19,227	16,774	14.6%
Tanzania	99,019	72,950	35.7%
Rwanda	2,954		

# :: SIM card registration

Market	Starting date for registration	Registration deadline	% of customer base registered at September 30, 2010	% of revenues from customer base registered at September 30, 2010
Tanzania	June 1, 2009	July 15, 2010 MOAT* agreement grants extension to October 15, 2010.	78%	88%
DRC	Dec 12, 2009	Full registration mandatory for <b>all</b> customers since December 12, 2009. No formal deadline for registration.	79%	80%
Ghana	Feb, 2010	Full registration for <b>new</b> customers since July 1, 2010. <b>Existing</b> customers must be registered by June 30, 2011.	42%	70%
Bolivia**	Dec 4, 2009	March 3, 2010 extended to May 30, 2010	98%	100%

\* Mobile Operators Association Tanzania

\*\* the unregistered 2% is related to one-way barred customers (i.e. no outgoing calls), 99% of whom have ARPU lower than \$ 0.5; revenue generated by unregistered customers is around 0.1% of total revenues

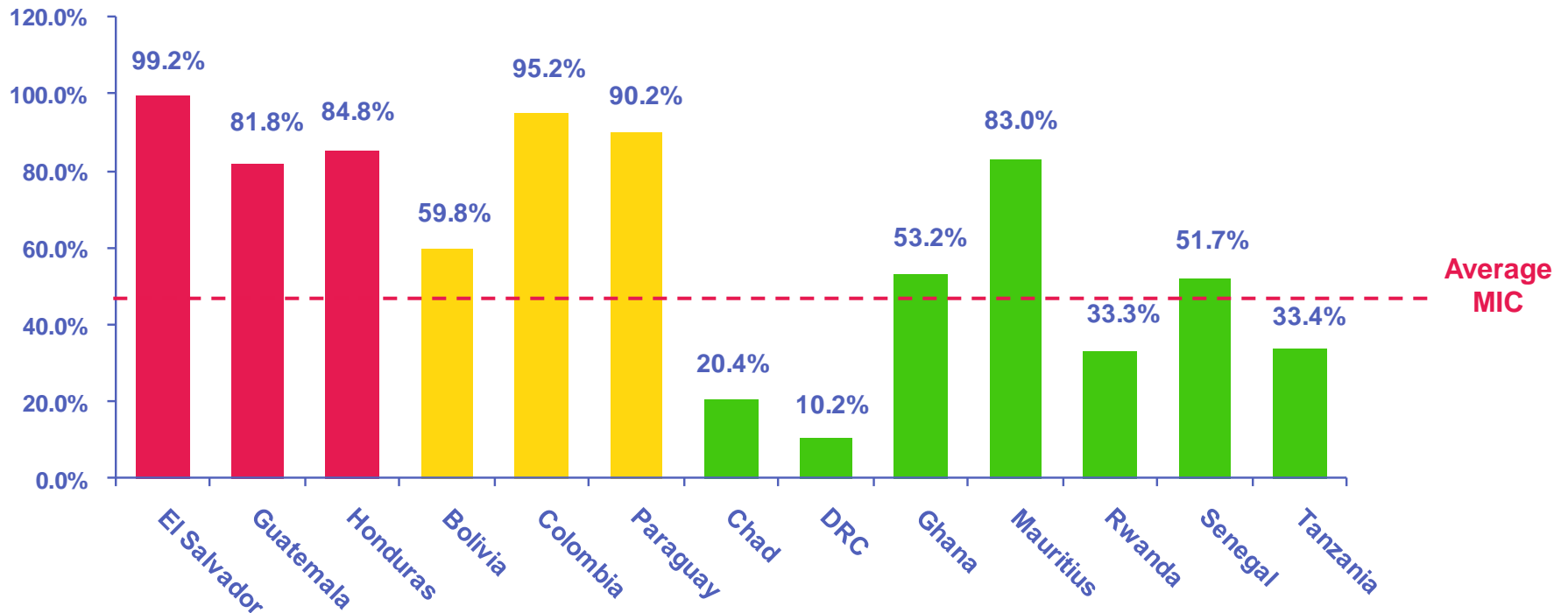
# :: Penetration rates

CAM  
Avg penetration  
86.4%

SAM  
Avg penetration  
88.8%

Africa  
Avg penetration  
27.7%

MIC  
Avg penetration  
48.4%



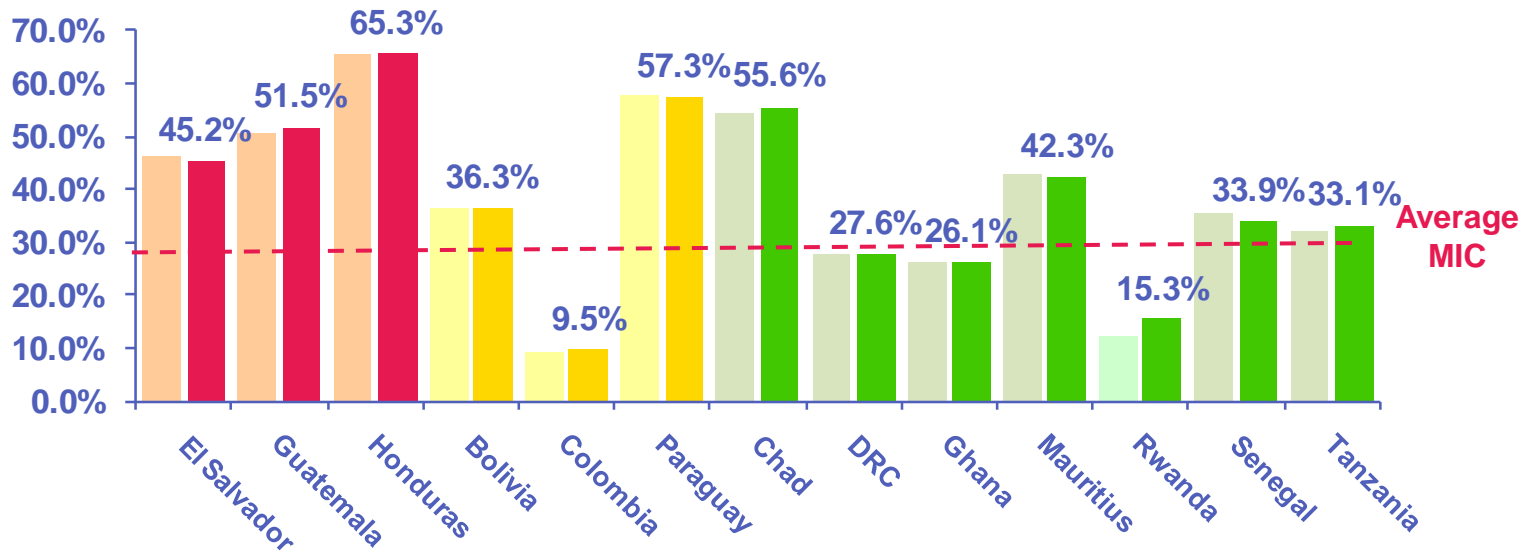
# :: Market Share evolution QoQ

CAM  
Avg Market Share  
53.8%

SAM  
Avg Market Share  
17.4%

Africa  
Avg Market Share  
30.4%

MIC  
Avg Market Share  
29.3%



Increase

Colombia  
Rwanda  
Tanzania  
Guatemala  
Chad

Stable

Bolivia

Decrease

Senegal  
El Salvador  
Mauritius  
Ghana  
DRC  
Paraguay  
Honduras



# :: Movements of currencies vs USD YoY

			Closing rate Q3 10	Closing rate Q3 09	Change	Average rate Q3 10	Average rate Q3 09	Change
Central America	Guatemala	GTQ	8.14	8.34	2%	8.06	8.25	2%
	Honduras	HNL	18.90	18.90	0%	18.90	18.90	0%
	Nicaragua	NIO	21.62	20.59	-5%	21.49	20.45	-5%
	Costa Rica	CRC	507.75	587.11	14%	517.36	584.88	12%
South America	Bolivia	BOB	7.02	7.02	0%	7.02	7.02	0%
	Colombia	COP	1,801.18	1,921.43	6%	1,840.89	2,042.36	10%
	Paraguay	PYG	4,820.00	4,910.00	2%	4,784.27	4,979.00	4%
Africa	Ghana	GHS	1.43	1.45	2%	1.43	1.48	3%
	Mauritius	MUR	30.31	30.50	1%	30.94	31.78	3%
	Chad/Senegal	XAF	482.68	448.00	-8%	509.24	458.49	-11%
	Rwanda	RWF	589.86	568.67	-4%	588.37	568.39	-4%
	Tanzania	TZS	1,505.00	1,310.50	-15%	1,508.33	1,318.04	-14%

# :: Q3 10 Market Overview – by Segment

Millicom Segments	Central America	South America	Africa	Amnet/ Navega	Total
<b>Market Overview</b>					
Population (million)	28	63	169		260
Mobile Penetration	86.4%	88.8%	27.7%		48.4%
<b>Operational Data</b>					
Total Customers (000)	13,120	9,678	14,646		37,443
Attrib. Customers (000)	10,429	9,678	14,421		34,528
Capex (\$m- excl Corporate)	35	42	42	15	135
Capex as % of revenue	9.2%	13.1%	19.3%	27.0%	13.6%
Churn	3.5%	4.6%	7.0%		5.1%
Cell sites	4,813	4,485	2,281		11,579
Outlets 000'	173	173	317		663
<b>Key Financials</b> (Attributable)					
Revenue (\$m)	376	356	230	57	1,018
EBITDA (\$m)	210	151	94	28	484
EBITDA Margin	56.0%	42.6%	40.9%	49.7%	47.5%



# :: Market Overview LATAM - Amnet

Latin America	Central America			AMNET	South America		
	El Salvador	Guatemala	Honduras		Bolivia	Colombia	Paraguay
Shareholding	100.0%	55% (p)	66.7%	100.0%	100.0%	50% + 1 share	100.0%
License Period (yrs)	20 yrs fr 1998	15 yrs fr 2003	25 yrs fr 1996		20 yrs fr 1995	10 yrs fr 2003	5 yrs renewal
Date of Expiry	2018	2018	2021		2015	2013	2011
<b>Market Overview</b>							
Population (M)	7	13	8	38	10	46	7
GDP per Pop (PPP) \$	7,100	5,200	4,200		4,600	9,200	4,100
Mobile Penetration	99%	82%	85%		60%	95%	90%
Market Position	One of Five	One of Three	One of Four		Two of Three	Three of Three	One of Four
Market Share	45.2%	51.5%	65.3%		36.3%	9.5%	57.3%
<b>Operational Data</b>							
Total Customers / RGUs	2,692,901	5,978,432	4,448,255	652,371	2,248,815	4,129,176	3,299,866
Cell sites	927	2,462	1,424		853	2,776	856
Other Operators	Digicel America Movil Telefonica Red	America Movil Telefonica	Digicel America Movil Honducel		Entel Viva	America Movil Telefonica	Personal America Movil Vox

(p): proportionally consolidated

# :: Market Overview Africa

Africa	Chad	DRC	Ghana	Mauritius	Rwanda	Senegal	Tanzania
Shareholding	100.0%	100.0%	100.0%	50% (p)	87.5%	100.0%	100.0%
License Period (yrs)	10 yrs fr 2004	20 yrs fr 1997	15 yrs fr 2004	15 yrs fr 2000*	15 yrs fr 2008	20 yrs fr 1998	25 yrs fr 2007
Date of Expiry	2014	2017	2019	2016	2022	2018	2032
<b>Market Overview</b>							
Population (million)	10	69	24	1	10	14	41
GDP per pop (PPP) \$	1,600	300	1,500	12,400	900	1,600	1,400
Mobile Penetration	20%	10%	53%	83%	33%	52%	33%
Market Position	One of Two	One of Five ***	Two of Five	Two of Three	Three of Three	Two of Four	Two of Seven
Market Share	55.6%	27.6%	26.1%	42.3%	15.3%	33.9%	33.1%
<b>Operational Data</b>							
Total Customers	1,257,244	2,012,264	3,378,709	449,891	548,002	2,424,171	4,575,534
Cell sites **	348	749	797	256	133	579	1051
Other Operators	Zain	Zain Vodacom CCT Standard	MTN Vodafone Zain Kasapa	Orange MTML	MTN Rwandatel	Orange Expresso Kirene	Vodacom Zain Zantel TTCL Mobile BOL Sasatel

\* Amended and extended by one year in 2006

(p): proportionally consolidated

\*\* for DRC 538 sites are active

\*\*\* Only Kinshasa/ Bas Congo area

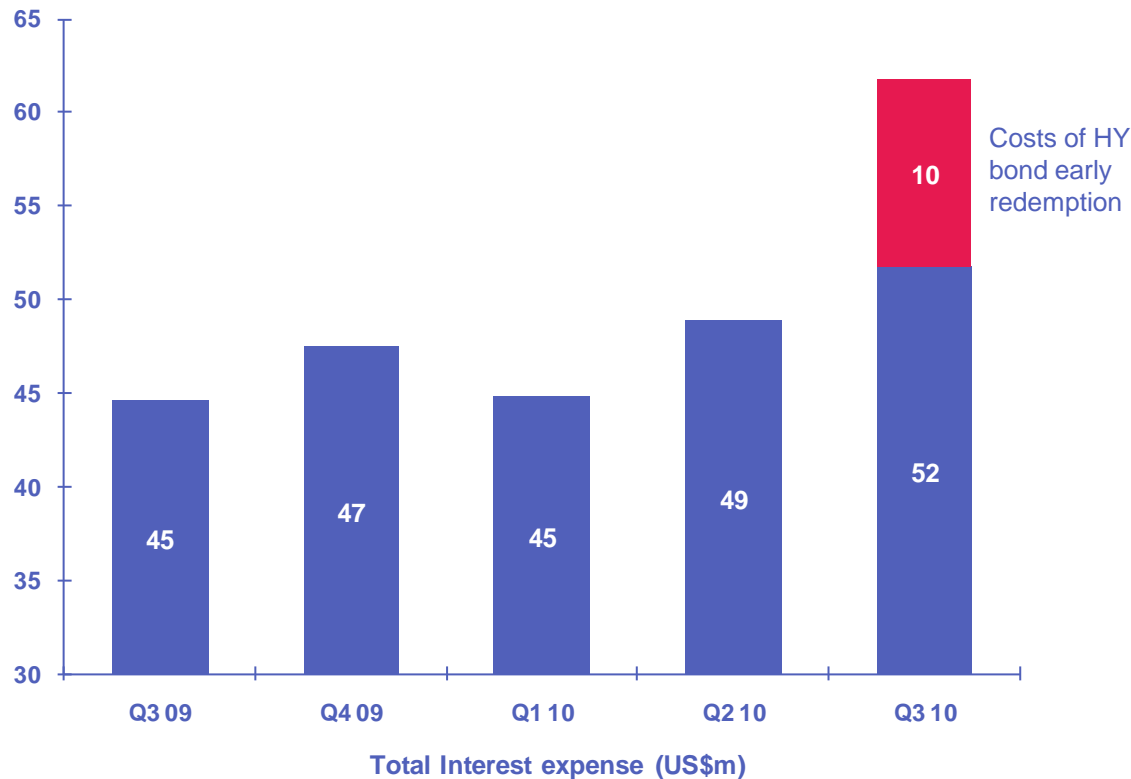
# :: Control of Honduras

- Millicom entered into an agreement with its partner in Honduras to take full control of its affiliate Celtel from 1.7.2010. Celtel will be fully consolidated from Q3 2010 as a consequence
- Millicom has an unconditional 5-year call option on its partner's stake while Millicom granted its partner a 5-year put option in case of change of control at Millicom level. Non cash transaction
- Accounting revaluation in Q3 10 of \$ 1.060 B. as a result of full consolidation of Celtel

# :: Restructuring of ownership - Cable

	<b>Former ownership</b>	<b>New ownership</b>	<b>Status</b>
<b>Amnet Guatemala</b>	100.0%	55.0%	Closed
<b>Navega El Salvador</b>	55.0%	100.0%	Pending approval
<b>Navega Honduras</b>	60.7%	66.7%	Closed
<b>Amnet Honduras</b>	100.0%	66.7%	Pending approval

# :: Quarterly Interest expense



40% fixed rate  
60% variable rate  
Target of 50% variable/ 50% fixed

Temporary increase of gross debt.  
Cost under control

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10*
Effective rate	7.5%	7.9%	7.5%	7.8%	7.4%

\* Excluding costs of HY bond early redemption





Merci

thank  
you!



Gracias