



MILLICOM
THE DIGITAL LIFESTYLE

Unaudited Interim Condensed Consolidated Financial Statements

For the three and six month periods
ended 30 June 2015

21 July 2015

Unaudited interim condensed consolidated income statement for the six month period ended 30 June 2015

US\$ millions	Notes	Six months ended 30 June 2015	Six months ended 30 June 2014
Revenue	6	3,413	2,852
Cost of sales		(1,427)	(1,055)
Gross profit		1,986	1,797
Sales and marketing		(625)	(608)
General and administrative expenses		(813)	(618)
Other operating expenses		(101)	(118)
Other operating income		3	7
Operating profit	6	450	460
Interest expense		(222)	(200)
Interest and other financial income		12	8
Revaluation of previously held interest		—	2,250
Other non-operating (expenses) income, net	7	(166)	118
Gain (loss) from associates and joint ventures, net		(25)	4
Profit before taxes from continuing operations		49	2,640
Charge for taxes, net		(130)	(138)
Profit (loss) for the period from continuing operations		(81)	2,502
Profit (loss) for the period from discontinued operations, net of tax ¹	4	—	21
Net (loss) profit for the period		(81)	2,523
Attributable to:			
Owners of the Company		(145)	2,430
Non-controlling interests		64	93
Earnings per common share for profit (loss) attributable to the owners of the Company:			
Basic (US\$)	8	(1.45)	24.31
Diluted (US\$)	8	(1.45)	24.30

¹ As a result of amendments to the Online investment agreements in 2014 the loss of path to control requires these businesses to be classified as discontinued operations under IFRS (see note 4).

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

Unaudited interim condensed consolidated income statement for the three month period ended 30 June 2015

US\$ millions	Notes	Three months ended 30 June 2015	Three months ended 30 June 2014
Revenue	6	1,704	1,447
Cost of sales		(717)	(537)
Gross profit		987	910
Sales and marketing		(311)	(312)
General and administrative expenses		(406)	(310)
Other operating expenses		(48)	(66)
Other operating income		1	2
Operating profit	6	223	224
Interest expense		(97)	(96)
Interest and other financial income		8	7
Other non-operating (expenses) income, net	7	(94)	159
Gain (loss) from associates and joint ventures, net		(12)	16
Profit before taxes from continuing operations		28	310
Charge for taxes, net		(91)	(67)
Net (loss) profit for the period		(63)	243
Attributable to:			
Owners of the Company		(99)	186
Non-controlling interests		36	58
Earnings per common share for profit (loss) attributable to the owners of the Company:			
Basic (US\$)	8	(0.99)	1.86
Diluted (US\$)	8	(0.99)	1.86

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Unaudited interim condensed consolidated statement of comprehensive income for the six month period ended 30 June 2015

US\$ millions	Six months ended 30 June 2015	Six months ended 30 June 2014
Net profit (loss) for the period	(81)	2,523
Other comprehensive income (to be reclassified to the income statement in subsequent periods), net of tax:		
Exchange differences on translating foreign operations	(193)	(30)
Change in value of cash flow hedges	(3)	1
Other comprehensive income (not to be reclassified to the income statement in subsequent periods), net of tax:		
Changes in pension obligations	—	—
Total comprehensive income (loss) for the period	(277)	2,494
Attributable to:		
Owners of the Company	(294)	2,400
Non-controlling interests	17	94

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

Unaudited interim condensed consolidated statement of comprehensive income for the three month period ended 30 June 2015

US\$ millions	Three months ended 30 June 2015	Three months ended 30 June 2014
Net profit (loss) for the period	(63)	243
Other comprehensive income (to be reclassified to the income statement in subsequent periods), net of tax:		
Exchange differences on translating foreign operations	(70)	(14)
Change in value of cash flow hedges	4	(1)
Other comprehensive income (not to be reclassified to the income statement in subsequent periods), net of tax:		
Changes in pension obligations	—	—
Total comprehensive income (loss) for the period	(129)	228
Attributable to:		
Owners of the Company	(164)	171
Non-controlling interests	35	58

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

Unaudited interim condensed consolidated statement of financial position as at 30 June 2015

US\$ millions	Notes	30 June 2015	31 December 2014
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net.....	10	5,291	5,503
Property, plant and equipment, net	9	4,286	4,631
Investments in associates		140	185
Investments in joint ventures		61	89
Deferred tax assets.....		271	294
Call option assets	14	—	74
Amount due from non-controlling interests, associates and joint ventures		26	24
Derivative financial instruments.....	14	24	—
Other non-current assets		134	91
TOTAL NON-CURRENT ASSETS		10,233	10,891
CURRENT ASSETS			
Inventories		186	152
Trade receivables, net		499	492
Amounts due from non-controlling interests, associates and joint ventures	13	269	325
Prepayments and accrued income.....		302	274
Current income tax assets.....		152	150
Supplier advances for capital expenditure		65	64
Call option assets	14	37	—
Other current assets		96	93
Restricted cash		118	128
Cash and cash equivalents		681	694
TOTAL CURRENT ASSETS.....		2,405	2,372
Assets held for sale	4	31	34
TOTAL ASSETS		12,669	13,297

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

Unaudited interim condensed consolidated statement of financial position at 30 June 2015 (continued)

US\$ millions	Notes	30 June 2015	31 December 2014
EQUITY AND LIABILITIES			
EQUITY			
Share capital and premium.....		639	639
Treasury shares.....		(143)	(160)
Put option reserve.....	14	(2,513)	(2,513)
Other reserves.....		(544)	(388)
Retained profits.....		4,457	2,121
Profit (loss) for the period / year attributable to equity holders.....		(145)	2,643
Equity attributable to owners of the Company.....		1,751	2,342
Non-controlling interests.....		1,279	1,405
TOTAL EQUITY.....		3,030	3,747
LIABILITIES			
Non-current liabilities			
Debt and financing.....	11	4,750	4,467
Derivative financial instruments.....	14	61	43
Amounts due to non-controlling interests, associates and joint ventures.....	13	—	30
Provisions and other non-current liabilities.....		247	260
Deferred tax liabilities.....		150	176
Total non-current liabilities.....		5,208	4,976
Current liabilities			
Debt and financing.....	11	336	362
Put option liabilities.....	14	2,260	2,260
Payables and accruals for capital expenditure.....		306	371
Other trade payables.....		323	386
Amounts due to non-controlling interests, associates and joint ventures.....	13	20	26
Accrued interest and other expenses.....		527	501
Current income tax liabilities.....		169	143
Provisions and other current liabilities.....		489	523
Total current liabilities.....		4,430	4,572
Liabilities directly associated with assets held for sale.....		1	2
TOTAL LIABILITIES.....		9,639	9,550
TOTAL EQUITY AND LIABILITIES.....		12,669	13,297

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

Unaudited interim condensed consolidated statement of cash flows for the six month period ended 30 June 2015

US\$ millions	Notes	Six months ended 30 June 2015	Six months ended 30 June 2014
Cash flows from operating activities			
Profit (loss) before taxes from continuing operations		49	2,640
Profit (loss) for the period from discontinued operations	4	—	21
Profit (loss) before taxes		49	2,661
Adjustments to reconcile to net cash:			
Interest expense		222	200
Interest and other financial income		(12)	(8)
Revaluation of previously held interest		—	(2,250)
Other non-operating expenses (income), net		166	(141)
(Gain) loss from associates and joint ventures, net		25	(4)
Adjustments for non-cash items:			
Depreciation and amortization		677	503
Other non-cash items		13	6
Changes in working capital		(181)	8
Interest received (paid), net		(177)	(148)
Taxes paid		(144)	(169)
Net cash provided by operating activities		638	658
Cash flows from investing activities:			
Purchase of intangible assets and licenses	10	(51)	(165)
Purchase of property, plant and equipment	9	(446)	(440)
Acquisition of subsidiaries, joint ventures and associates, net of cash acquired	3	(33)	(59)
Disposal of subsidiaries, joint ventures and associates	5	3	—
Dividend received from associate		6	—
Other cash from (used by) other investing activities		16	5
Net cash used by investing activities		(505)	(659)
Cash flows from financing activities:			
Proceeds from 6.875% Guatemala bond		—	779
Proceeds from 6% MIC SA bond	11	497	—
Proceeds from other debt and financing		510	302
Acquisition of non-controlling interests	3	(24)	—
Repayment of debt and financing		(720)	(956)
Advances for and dividends to non-controlling interests		(96)	(244)
Dividends paid to owners of the Company		(264)	(264)
Other cash flows from (used in) financing activities		(2)	(56)
Net cash from (used by) financing activities		(99)	(439)
Exchange gains (losses) on cash and cash equivalents, net		(47)	(5)
Net (decrease) increase in cash and cash equivalents		(13)	(445)
Cash and cash equivalents at the beginning of the year		694	941
Cash and cash equivalents at the end of the period / year		681	496

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

Unaudited interim condensed consolidated statements of changes in equity for the six month period ended 30 June 2015 and year ended 31 December 2014

US\$ 000s	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 31 December 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
<i>Profit for the period</i>	—	—	—	—	—	2,429,957	—	—	2,429,957	93,377	2,523,334
<i>Cash flow hedge reserve movement</i>	—	—	—	—	—	—	—	1,296	1,296	—	1,296
<i>Currency translation differences</i>	—	—	—	—	—	—	—	(30,897)	(30,897)	1,154	(29,743)
Total comprehensive income for the period.....	—	—	—	—	—	2,429,957	—	(29,601)	2,400,356	94,531	2,494,887
Purchase of treasury shares.....	—	(26)	—	—	(2,548)	—	—	—	(2,548)	—	(2,548)
Share based compensation.....	—	—	—	—	—	—	—	13,138	13,138	—	13,138
Dividends.....	—	—	—	—	—	(263,978)	—	—	(263,978)	—	(263,978)
Issuance of shares under the LTIPs.....	—	165	—	(775)	14,991	1,011	—	(15,227)	—	—	—
Change in scope of consolidation.....	—	—	—	—	—	—	—	—	—	805,748	805,748
Deconsolidation of Online.....	—	—	—	—	—	—	—	—	—	(4,386)	(4,386)
Put option.....	—	—	—	—	—	—	(1,775,078)	—	(1,775,078)	—	(1,775,078)
Dividend to non-controlling shareholders.....	—	—	—	—	—	—	—	—	—	(188,406)	(188,406)
Balance on 30 June 2014	101,739	(1,756)	152,607	486,790	(159,928)	4,550,459	(2,512,500)	(216,806)	2,300,622	859,537	3,160,159
<i>Profit for the period</i>	—	—	—	—	—	212,773	—	—	212,773	64,193	276,966
<i>Cash flow hedge reserve movement</i>	—	—	—	—	—	—	—	(80)	(80)	—	(80)
<i>Currency translation differences</i>	—	—	—	—	—	—	—	(181,636)	(181,636)	(168,393)	(350,029)
<i>Changes in pension obligations</i>	—	—	—	—	—	—	—	1,414	1,414	—	1,414
Total comprehensive income for the period.....	—	—	—	—	—	212,773	—	(180,302)	32,471	(104,200)	(71,729)
Purchase of treasury shares.....	—	—	—	—	—	—	—	—	—	—	—
Share based compensation.....	—	—	—	—	—	—	—	9,273	9,273	—	9,273
Issuance of shares under the LTIPs.....	—	—	—	15	—	—	—	—	15	—	15
Change in scope of consolidation.....	—	—	—	—	—	—	—	—	—	655,252	655,252
Dividend to non-controlling shareholders.....	—	—	—	—	—	—	—	—	—	(5,439)	(5,439)
Balance on 31 December 2014	101,739	(1,756)	152,607	486,805	(159,928)	4,763,232	(2,512,500)	(387,835)	2,342,381	1,405,150	3,747,531
<i>Profit (loss) for the period</i>	—	—	—	—	—	(145,347)	—	—	(145,347)	64,381	(80,966)
<i>Cash flow hedge reserve movement</i>	—	—	—	—	—	—	—	(3,060)	(3,060)	—	(3,060)
<i>Currency translation differences</i>	—	—	—	—	—	—	—	(146,261)	(146,261)	(47,101)	(193,362)
Total comprehensive income for the period.....	—	—	—	—	—	(145,347)	—	(149,321)	(294,668)	17,280	(277,388)
Purchase of treasury shares.....	—	(29)	—	—	(2,206)	—	—	—	(2,206)	—	(2,206)
Exercise of stock options.....	—	45	—	125	4,069	(1,829)	—	(1,350)	1,015	—	1,015
Director shares.....	—	4	—	19	375	(394)	—	—	—	—	—
Share based compensation.....	—	—	—	—	—	—	—	13,391	13,391	—	13,391
Dividends (ii).....	—	—	—	—	—	(264,429)	—	—	(264,429)	—	(264,429)
Issuance of shares under the LTIPs.....	—	154	—	(720)	14,098	2,079	—	(15,457)	—	—	—
Change in scope of consolidation (iii).....	—	—	—	—	—	(41,250)	—	(2,696)	(43,946)	23,946	(20,000)
Extension of Honduras call option (iii).....	—	—	—	—	—	—	—	—	—	3,407	3,407
Dividend to non-controlling shareholders.....	—	—	—	—	—	—	—	—	—	(170,733)	(170,733)
Balance on 30 June 2015	101,739	(1,582)	152,607	486,229	(143,592)	4,312,062	(2,512,500)	(543,268)	1,751,538	1,279,050	3,030,588

- (i) Includes profit for the period attributable to equity holders of which at 30 June 2015 \$277 million (31 December 2014: \$285 million) are undistributable to owners of the Company.
- (ii) A dividend of \$2.64 per share was approved at the Annual General Meeting in May 2015 and distributed in June 2015.
- (iii) See note 3.

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

Notes to the unaudited interim condensed consolidated statements

1. ORGANIZATION

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 investments in online businesses in Latin America and Africa.

On 20 July 2015 the Board of Directors authorized these financial statements for issuance.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES

These interim 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 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

These unaudited condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2014. These financial statements are prepared in accordance with consolidation and accounting policies consistent with the 2014 consolidated financial statements, as disclosed in note 2 of those financial statements. The following changes to standards effective for annual periods starting after 1 July 2014 did not have a significant impact on Millicom:

- IFRIC 21, ‘Levies’, which provides guidance on when to recognise a levy imposed by a government;
- Defined Benefit Plans (amendments to IAS 19);
- Annual Improvements projects impacting IFRS 2, Share based payment; IFRS 3; Business Combinations, IFRS 8, Operating Segments; IFRS 13, Fair Value Measurement; IAS 16, Property, plant and equipment; IAS 24, Related party disclosures; and IAS 38, Intangible Assets.

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

Honduras Put and Call Option Extension

On 19 June 2015 Millicom reached agreement with its local partner to extend until 31 December 2015 Millicom’s five year unconditional call option to acquire the remaining 33.3% of the Honduran business and in return extend the local partners conditional put option over the 33.3% stake for the same period. As consideration for the extension, Millicom agreed to waive its guarantee fee over local debt of the Honduran business valued at \$3.5 million (local partner’s portion), and recorded as a financial asset against non-controlling interests. All other terms and conditions of the put and call options remain unchanged (see note 27 of the consolidated financial statements of the Group at 31 December 2014). See also note 14.

Zantel Tanzania

On 4 June 2015 Millicom’s fully owned Swedish subsidiary Millicom International Ventures AB entered into an agreement to purchase 85% of Zanzibar Telecom Limited (“Zantel”). The agreed purchase consideration is \$1 and in addition Millicom will assume \$74 million of debt obligations. The final consideration will be subject to values of working capital, and net debt among other items at the date of closing, and a reverse earn-out mechanism based on EBITDA of Zantel until the end of 2019.

At 30 June 2015 the transaction remains conditional and dependent on regulatory approval and normal closing conditions.

Africa Internet Holding GmbH (AIH)

In January and March 2015 Millicom paid an aggregate of Euro 20 million to AIH and in May 2015 the last Euro 5 million. These payments were related to the increase in shareholding from 20% to 33.3% completed in June 2014. In May 2015 Millicom exercised its right not to invest a further Euro 70 million in AIH.

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

Telecable Costa Rica

On 19 December 2014 Millicom signed an agreement to acquire 100% of the shares of Telecable Economico TVE, S.A. a cable operator in Costa Rica, and related intellectual property, for cash consideration of \$82.9 million. Regulatory approval was not obtained for the transaction and Millicom has engaged with the regulator for a review of the decision.

Purchase Accounting for 2014 Acquisition of UNE

At 30 June 2015 the purchase accounting for the acquisition of UNE remained provisional. Items in which further information is expected include the impact of the regulatory requirement to return spectrum, and the impact of the tangible and intangible assets related to the spectrum. Further information is expected which will enable finalisation in the three month period to end 30 September 2015.

Other minor acquisitions

During the six month period ended 30 June 2015 Millicom raised its stake in its Rwandan subsidiary from 87.5% to 100% and made other smaller acquisitions for total consideration of \$37 million (of which \$24 million was disbursed).

4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations – Online Businesses

On January 21, 2014 as a result of an amendment to the shareholders' agreement, Millicom deconsolidated LIH. The results were classified as discontinued operations and for the three and six month periods ended 30 June 2014 were:

US\$ millions	Three and six months ended 30 June 2014
Revenue.....	4
Operating expenses.....	(6)
Operating losses	(2)
Gain on deconsolidation.....	23
Profit (loss) after tax from discontinued operations	21

Assets Held for Sale - Tower Sale and Leaseback Agreements

At 30 June 2015 Millicom had assets held for sale amounting to \$10 million relating to its operations in DRC, Colombia, Ghana and Tanzania (31 December 2014: \$12 million) representing towers sold but yet to be transferred to tower companies in those countries.

Assets Held for Sale - UNE 4G Spectrum

In accordance with a merger regulatory approval condition related to the acquisition of UNE (see note 3), spectrum to be returned to the Colombian government with carrying value of \$21 million is classified as assets held for sale (31 December 2014: \$22 million).

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

MKC Brilliant Services GmbH (LIH)

During March 2015 LIH disposed of its interest in HelloFood and HelloFood declared a Euro 8 million dividend to Millicom, of which \$6 million had been received by 30 June 2015.

Other disposals

During the six month period ended 30 June 2015 Millicom disposed of a minor subsidiary for cash consideration of \$3 million.

6. SEGMENT INFORMATION

Millicom presents segment information by geographical region (Central America, South America and Africa). Segment information for the six month periods ended 30 June 2015 and 2014 was as follows:

Six months ended 30 June 2015 (US\$ millions)	Central America	South America	Africa	Unallocated item	Total continuing operations	Inter- company elimination	Total
Revenue.....	1,262	1,663	488	—	3,413	—	3,413
Operating profit (loss).....	350	233	(12)	(121)	450	—	450
Add back:							
Depreciation and amortization.....	236	316	121	4	677	—	677
Loss (gain) on disposal and impairment of property, plant and equipment.....	—	(2)	—	1	(1)	—	(1)
Other non-cash items.....	—	—	—	13	13	—	13
Capital expenditure.....	(147)	(249)	(82)	(2)	(480)	—	(480)
Changes in working capital.....	(3)	(86)	(6)	(86)	(181)	—	(181)
Other movements.....	(75)	(25)	(21)	(32)	(153)	—	(153)
Operating free cash flow (i).....	361	187	—	(223)	325	—	325
Total Assets.....	6,790	4,171	1,611	1,889	14,461	(1,792)	12,669
Total Liabilities.....	2,144	2,606	2,040	4,641	11,431	(1,792)	9,639

Six months ended 30 June 2014 (US\$ millions)	Central America	South America	Africa	Unallocated item	Total continuing operations	Discontinued operations (ii)	Inter- company elimination	Total
Revenue.....	1,211	1,153	488	—	2,852	4	—	2,856
Operating profit (loss).....	346	241	(2)	(125)	460	(3)	—	457
Add back:								
Depreciation and amortization.....	222	155	125	1	503	—	—	503
Loss (gain) on disposal and impairment of property, plant and equipment.....	3	—	(3)	(2)	(2)	—	—	(2)
Loss (gain) from joint venture.....	—	—	(4)	—	(4)	—	—	(4)
Other non-cash items.....	—	—	—	13	13	—	—	13
Capital expenditure.....	(179)	(176)	(164)	(11)	(530)	—	—	(530)
Changes in working capital.....	(16)	111	(7)	(80)	8	—	—	8
Other movements.....	(6)	13	(45)	(26)	(64)	—	—	(64)
Operating free cash flow (i).....	370	344	(100)	(230)	384	—	—	384
Total Assets.....	7,161	2,622	1,774	2,907	14,464	—	(2,093)	12,371
Total Liabilities.....	2,559	2,045	2,294	4,389	11,287	—	(2,076)	9,211

(i) Only for calculating segments' operating free cash flows, vendor financing of equipment is treated as a cash transaction.

(ii) See note 4.

Segment information for the three month periods ended 30 June 2015 and 2014 was as follows:

Three months ended 30 June 2015 (US\$ millions)	Central America	South America	Africa	Unallocated item	Total continuing operations	Inter- company elimination	Total
Revenue.....	633	831	240	—	1,704	—	1,704
Operating profit (loss).....	174	115	(7)	(59)	223	—	223
Add back:							
Depreciation and amortization.....	119	158	59	1	337	—	337
Other non-cash items.....	—	—	—	7	7	—	7
Capital expenditure.....	(84)	(152)	(54)	—	(290)	—	(290)
Changes in working capital.....	(3)	9	4	(47)	(37)	—	(37)
Other movements.....	(37)	(4)	10	(21)	(52)	—	(52)
Operating free cash flow (i).....	169	126	12	(119)	188	—	188
Total Assets.....	6,790	4,171	1,611	1,889	14,461	(1,792)	12,669
Total Liabilities.....	2,144	2,606	2,040	4,641	11,431	(1,792)	9,639

Three months ended 30 June 2014 (US\$ millions)	Central America	South America	Africa	Unallocated item	Total continuing operations	Inter- company elimination	Total
Revenue.....	610	593	244	—	1,447	—	1,447
Operating profit (loss).....	179	120	—	(75)	224	—	224
Add back:							
Depreciation and amortization.....	111	78	63	1	253	—	253
Other non-cash items.....	—	—	(2)	7	5	—	5
Capital expenditure.....	(124)	(105)	(127)	(11)	(367)	—	(367)
Changes in working capital.....	(46)	113	(32)	21	56	—	56
Other movements.....	42	29	4	(29)	46	—	46
Operating free cash flow (i).....	160	235	(95)	(79)	221	—	221
Total Assets.....	7,161	2,622	1,774	2,907	14,464	(2,093)	12,371
Total Liabilities.....	2,559	2,045	2,294	4,389	11,287	(2,076)	9,211

(i) Only for calculating segments' operating free cash flows, vendor financing of equipment is treated as a cash transaction.

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

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

US\$ millions	Six months ended 30 June 2015	Six months ended 30 June 2014
Change in redemption price of put options (see note 14)	—	103
Change in fair value of call options (see note 14)	(40)	26
Change in fair value of derivatives (see note 14)	27	(4)
Exchange losses, net	(142)	(16)
Other non-operating income, net	(11)	9
Total	(166)	118

US\$ millions	Three months ended 30 June 2015	Three months ended 30 June 2014
Change in redemption price of put options (see note 14)	1	125
Change in fair value of call options (see note 14)	(40)	26
Change in fair value of derivatives (see note 14)	(9)	—
Exchange losses, net	(45)	8
Other non-operating income, net	(1)	—
Total	(94)	159

8. EARNINGS PER COMMON SHARE

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

US\$ millions	Six months ended 30 June 2015	Six months ended 30 June 2014
Basic and Diluted		
Net profit (loss) attributable to owners of the Company from continuing operations	(145)	2,409
Net profit attributable to owners of the Company from discontinued operations	—	21
Net profit (loss) attributable to owners of the Company used to determine the earnings per share	(145)	2,430
in thousands		
Weighted average number of ordinary shares for basic earnings per share	100,127	99,982
Potential incremental shares as a result of share options	21	35
Weighted average number of ordinary shares adjusted for the effect of dilution	100,148	100,017
US\$		
Basic		
- EPS from continuing operations attributable to owners of the Company	(1.45)	24.10
- EPS from discontinued operations attributable to owners of the Company	—	0.21
- EPS for the period attributable to owners of the Company	(1.45)	24.31
Diluted		
- EPS from continuing operations attributable to owners of the Company	(1.45)	24.09
- EPS from discontinued operations attributable to owners of the Company	—	0.21
- EPS for the period attributable to owners of the Company	(1.45)	24.30

US\$ millions	Three months ended 30 June 2015	Three months ended 30 June 2014
Basic and Diluted		
Net profit (loss) attributable to owners of the Company from continuing operations used to determine the earnings per share	(99)	186
in thousands		
Weighted average number of ordinary shares for basic earnings per share	100,142	99,983
Potential incremental shares as a result of share options	12	35
Weighted average number of ordinary shares adjusted for the effect of dilution	100,154	100,018
US\$		
Basic		
- EPS from continuing operations attributable to owners of the Company	(0.99)	1.86
Diluted		
- EPS from continuing operations attributable to owners of the Company	(0.99)	1.86

9. PROPERTY, PLANT AND EQUIPMENT

During the six month period ended 30 June 2015, Millicom added property, plant and equipment for \$427 million (30 June 2014: \$384 million), and received \$7 million in cash (30 June 2014: \$11 million) from disposals.

10. INTANGIBLE ASSETS

During the six month period ended 30 June 2015, Millicom added intangible assets of \$53 million (30 June 2014: \$2,950 million), and received \$1 million in cash (30 June 2014: nil) from disposals.

11. DEBT AND FINANCING

MIC SA 6% Bond

On 11 March 2015 Millicom issued a \$500 million 6% fixed interest bond repayable in 10 years, to repay the El Salvador 8% Senior Notes and for general purposes. The bond was issued at 100% of principal with an effective interest rate of 6.132%. \$7.2 million of withheld and upfront costs are amortized over the term of the bond.

El Salvador 8% Senior Notes Redemption

On 18 March 2015 Millicom tendered an offer to early redeem the outstanding \$311 million of the \$450 million bond issued by Telemovil Finance Co. Ltd in 2010 for \$323 million including an early redemption premium of \$12 million over the face value of the bonds. The repurchase was completed on 20 April 2015. The early redemption premium of \$12 million premium and \$4 million of related unamortized costs were included as financial expenses in the income statement in the six month period ended 30 June 2015.

SEK Senior Unsecured Notes Amendment

On 17 March 2015 Millicom obtained consent from its noteholders to amend certain covenant terms and conditions to align to its other credit facilities.

Extension of MIC SA Revolving Credit Facility

In May 2015 Millicom extended both facilities under its \$500 million revolving credit facility by one year. At 30 June 2015 \$50 million was drawn down on the facility.

Analysis of debt and other financing by maturity

Due within: (US\$ millions)	As at 30 June 2015	As at December 31, 2014
One year	336	362
One-two years.....	259	322
Two-three years	456	549
Three-four years	274	481
Four-five years	360	223
After five years	3,401	2,892
Total debt	5,086	4,829

At 30 June 2015 the Group's share of debt and financing secured by either pledged assets, pledged deposits issued to cover letters of credit, or guarantees issued was \$1,465 million (31 December 2014: \$1,340 million). Assets pledged by the Group amounted to \$5 million at 30 June 2015 (31 December 2014: \$9 million).

The table below describes the outstanding and maximum exposure under these guarantees and the remaining terms of the guarantees as at 30 June 2015 and 31 December 2014. Amounts issued to cover bank guarantees are recorded in the consolidated statements of financial position under the caption "Debt and other financing".

US\$ millions	Bank and financing guarantees(i)			
	As at 30 June 2015		As at 31 December 2014	
	Outstanding exposure	Theoretical maximum exposure	Outstanding exposure	Theoretical maximum exposure
Terms				
0-1 year.....	49	49	111	150
1-3 years.....	144	144	50	50
3-5 years.....	333	376	70	70
More than 5 years	—	—	56	55
Total	526	569	287	325

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

12. COMMITMENTS AND CONTINGENCIES

Litigation and legal risks

At 30 June 2015, the total amount of claims against Millicom and its operations was \$571 million (31 December 2014: \$359 million). Of the total amount of claims \$25 million (31 December 2014: \$22 million) has been assessed probable and provided for litigation risks.

In June 2015, Millicom identified that an incorrect filing related to one of its African operations had been made in the commercial register. As a result of that erroneous entry, the register incorrectly indicates that shares in Millicom's operation were transferred to a third party. Millicom has filed a legal demand to have the entry corrected to reflect the correct ownership.

Taxation

At 30 June 2015 the estimated amount of potential tax exposures amounted to \$506 million of which \$59 million have been assessed as probable and tax provisions recorded (31 December 2014: claims amounting to \$339 million and provisions of \$63 million).

Capital commitments

At 30 June 2015 the Company and its subsidiaries and joint ventures had fixed commitments to purchase network equipment and other fixed and intangible assets from a number of suppliers in total for \$417 million of which \$391 million are due within one year (31 December 2014: \$336 million of which \$308 million are due within one year).

13. RELATED PARTY TRANSACTIONS AND BALANCES

The following transactions were conducted with related parties:

US\$ millions (unaudited)	Six months ended 30 June 2015	Six months ended 30 June 2014
Expenses		
Purchases of goods and services (Miffin).....	62	60
Lease of towers and related services (Helios and ATC)	19	38
Other	2	10
Total	83	108
US\$ millions (unaudited)	Three months ended 30 June 2015	Three months ended 30 June 2014
Expenses		
Purchases of goods and services (Miffin).....	9	32
Lease of towers and related services (Helios and ATC)	4	12
Other	1	5
Total	14	49
US\$ millions (unaudited)	Six months ended 30 June 2015	Six months ended 30 June 2014
Income / gains		
Sale of goods and services (Miffin)	113	102
Other	2	18
Total	115	120
US\$ millions (unaudited)	Three months ended 30 June 2015	Three months ended 30 June 2014
Income / gains		
Sale of goods and services (Miffin)	60	43
Other	1	8
Total	61	51

13. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

As at 30 June 2015 the Company had the following balances with related parties:

US\$ millions (unaudited)	At 30 June 2015	At 31 December 2014
Liabilities		
Finance lease payables to tower companies	121	127
Payable to AIH for 13.33% increase (see note 3)	—	31
Other accounts payable	13	26
Total	134	184

US\$ millions (unaudited)	At 30 June 2015	At 31 December 2014
Assets		
Advances to non-controlling interests.....	258	300
Loan to Helios Towers Tanzania	26	18
Other accounts receivable	11	31
Total	295	349

14. FINANCIAL INSTRUMENTS

Other than the items disclosed below, the fair values of financial assets and financial liabilities approximate their carrying values as at 30 June 2015 and 31 December 2014:

US\$ millions	Carrying Value		Fair Value	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Financial liabilities				
Debt and financing.....	5,086	4,829	3,328	3,652
Put options.....	2,260	2,260	—	—

After initial recognition the call options in Guatemala and Honduras are measured with reference to level 3 of the fair value hierarchy. The corresponding put option liabilities are measured at the present value of their redemption amounts (refer to the 2014 financial statements for more information).

Guatemala Options

At 30 June 2015 the carrying value of the put option provided to our local partner in Guatemala amounted to \$1,731 million (31 December 2014: \$1,687 million). The loss on movement of the value of the put option for the six month period to 30 June 2015 was \$44 million.

At 30 June 2015 the value of the call option from our local partner was \$37 million (31 December 2014: \$74 million). The fair value of the call option has been determined by using an option pricing model.

If the call option is not exercised or extended beyond its 1 January 2016 expiry date, and in the absence of any other changes to the shareholders agreement with our local partner, the Guatemalan business will be deconsolidated and accounted for as a joint venture in 2016. Such change in accounting treatment would not impact Millicom's share of the results of the business, net income or dividends from the business.

Honduras Options

At 30 June 2015 the carrying value of the put option provided to our local partner in Honduras amounted to \$529 million (31 December 2014: \$573 million). The gain on movement of the value of the put option for the six month period to 30 June 2015 was \$44 million.

As described in note 3, during the six month period ended 30 June 2015 the call and put options were extended to 31 December 2015. At 30 June 2015 the call option from our local partner was valued at its cost of acquisition of \$3.5 million (31 December 2014: nil).

14. FINANCIAL INSTRUMENTS (Continued)

If the call option is not exercised or extended beyond its 31 December 2015 expiry date, and in the absence of any other changes to the shareholders agreement with our local partner, the Honduran business will be deconsolidated and accounted for as a joint venture in 2016. Such change in accounting treatment would not impact Millicom's share of the results of the business, net income or dividends from the business.

Currency and interest rate swap and forward contracts

Interest rate and currency swaps on SEK and EUR denominated debt, and Euro and GBP highly probable cash flows are measured with reference to Level 2 of the fair value hierarchy. Changes in values of derivatives are recorded in the caption 'other non-operating (expenses), income, net. Changes in values of effective cash flow hedges are recorded in other comprehensive income. Refer to the 2014 financial statements for more information.

No other financial instruments are measured at fair value.

Interest rate and currency swaps on SEK denominated debt

At 30 June 2015 the fair value of the swap amounts to a liability of \$61 million (31 December 2014: a liability of \$44 million). A loss on the swap of \$17 million was recorded in the six months to 30 June 2015.

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. A gain on the swap of \$24 million was recorded in the six months to 30 June 2015. At 30 June 2015 the fair value of the swap amounts to an asset of \$24 million (31 December 2014: not material).

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. In March 2015 the financing facility was repaid and the swap contracts terminated. A gain on the swap including termination of \$4 million was recorded in the six months to 30 June 2015.

Forward currency contracts

In June 2015 Millicom's Tanzanian subsidiary entered into forward contracts to buy in total \$16.5 million between 10 July and 10 October 2015 with Tanzanian shillings to manage its exposure to highly probable cash outflows in USD denominated payables falling due within this timeframe.

In June 2015 MIC SA entered into forward contracts to sell in total \$26 million between July 2015 and May 2016 and receive Euros and GBP to manage its exposure to highly probably cash outflows in Euro and GBP during this time.

These contracts are accounted for as ineffective cash flow hedges, and had no material fair value at 30 June 2015.

15. SUBSEQUENT EVENTS

Agreement for LIH to sell subsidiaries

On 1 July 2015 Millicom's 35% owned associate LIH agreed to transfer its investments in its operating subsidiaries Kanui and Tricae to Global Fashion Group in a share for share transaction. Global Fashion Group is partly owned by Rocket Internet and Kinnevik. LIH's shareholding in Global Fashion Group will be relative to the value of Kanui and Tricae and the post-merger value of Global Fashion Group.
