Strong momentum across the business

Millicom's Q1 2015 Results,
22 April 2015

We believe in better. We believe in tigo

Millicom International Cellular S.A.

"Strong momentum across the business"

Key highlights of Q1 2015

- Revenue of $1.71 billion, up 22%
  - Excluding UNE, Group revenue of $1.44 billion - organic growth[a] of 9.7%,
  - Adverse currency movements impact this growth – reported growth of 2.2%
- EBITDA at $565 million – margin at 33.1%
  - Service revenue margin of 36.5%
  - Excluding UNE, EBITDA of $491 million – 34.2% margin
  - Reduction of Group corporate costs for the third consecutive quarter
- Corporate Centre alignment with operations
- Fourth country to launch "Facebook" campaign
- 1.14 million mobile net adds, mostly driven by Tanzania, Colombia, Chad and Honduras

Key financial indicators

$ million	Q1 2015	Q1 2014	% change
Revenue	1,709	1,405	21.6
Organic revenue growth[a]	*9.7%*	*8.5%*	
EBITDA	565	478	18.2
EBITDA margin	33.1%	34.0%	
Capex	190	163	16.3
Net debt	3,964	2,622	51.0
Adjusted EPS ($)[b]	0.26	0.35	

- **Latam:** Central America continues its revenue momentum following a recovery in Honduras. The growth momentum in South America slowed slightly but remained at double digit following mobile termination rate cuts in Colombia and Paraguay. Smartphone adoption continues to increase (+13% compared to Q4 14) with smartphones sales still strong this quarter reaching 1.3 million units.

- **Africa:** the momentum is accelerating with revenue growth of 16% up from 13% in the last quarter, with double digit organic revenue growth in all markets except Chad. EBITDA of $57 million with a margin improvement.

a Organic growth represents year-on year-growth in local currency (excludes the impact of exchange rate changes) and excludes UNE
b Basic EPS adjusted for non-operating items see page 16 for reconciliation

President’s Statement

Strong momentum across the business

Stockholm, 22nd April 2015

“As my first set of results since joining Millicom at the start of the month, I am pleased to present a strong performance. Underlying organic revenue growth was up 9.7%, demonstrating improvements across both our Latin American and African markets and a continuation of the momentum we saw last year.

Customers are continuing their rapid adoption of smartphones, accelerating mobile and data revenue growth for the Group. Mobile data penetration now stands at 27.6% (up 7% in one year) representing nearly 16 million customers. A further 110,000 customers became users of our mobile financial services in the first quarter with customers transacting $2.6 billion – an 33% increase since the same period last year.

In Latam, customers continue to upgrade to smartphones and headline mobile revenue growth remained robust this quarter. We have seen a slowing of mobile service revenue growth as a result of mobile termination rate cuts and some trading down in Colombia. We continue to see the impact of currency fluctuations, which had a major impact in some markets. Still, with the inclusion of UNE, revenues in Colombia doubled on the previous year despite a very significant currency devaluation This quarter we extended our partnership In Colombia and Guatemala, taking it into four markets. The initiative allows our customers to access Facebook without any initial data charges. Our experience shows that very many of these customers stay with us once the initial promotion periods end.

In Africa, we are focused on growing both volume and value. DRC and Senegal returned to growth with Tanzania’s performance also accelerating. This delivered a total organic revenue growth for the region of 16%. Rwanda launched the country’s first mobile-based free of charge savings product, promoting financial inclusion. LTE arrives in Tanzania for the first time this month as we become the largest and fastest 4G network in this market.

To further align and make our regional hubs more efficient, we have restructured Millicom’s operating model to create two regions; Millicom Latam and Millicom Africa. This restructure will enable us to continue to invest long term in these markets whilst managing costs. Corporate costs continue to reduce quarter on quarter and were reduced by 5% this quarter.

It is greatly encouraging to see the growth of the business reflected in the Q1 results. As I continue my induction into the business, I have been impressed by the talent and dedication our people. Millicom is at the intersection between mobile, social and content – the Digital Lifestyle - and we are innovating in the emerging markets where we operate. This exciting story, and the continually improving performance, gives us an excellent opportunity to build a truly outstanding company. While there are many challenges ahead, I have every confidence that we are well placed to take advantage of the opportunities to deliver customer and shareholder value. A more in-depth strategic update will be delivered with our 2015 half year results.”

Mauricio Ramos
CEO,
Millicom

2015 Guidance

Millicom guidance[1] for 2015 remains:

Revenue:	between \$7.1 and \$7.5 billion
EBITDA:	between \$2.20 and \$2.35 billion
Capex[2]:	between \$1.25 and \$1.35 billion

1) At constant foreign exchange rates and constant perimeter.

2) Capex excludes spectrum and license costs.

Conference call details

A presentation and conference call to discuss results of the quarter will take place at 14.00 Stockholm / 14.00 Luxembourg / 13.00 London / 08.00 New York, on Wednesday 22nd April 2015. Dial-in numbers: + 46 (0) 853 526 408, + 352 342 080 8570, + 44 203 427 1912, +1 646 254 3360. Access code: 1502585

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.

Risks and uncertainty factors

Millicom operates in a dynamic industry characterized by rapid evolution in technology, consumer demand, and business opportunities. Combine with a focus on emerging markets in various geographic locations, the Group has a proactive approach to identifying, understanding, assessing, monitoring and acting on balancing risks and opportunities. For a description of risks and Millicom's approach to risk management, refer to the 2013 Annual Report (http://www.millicom.com/media/2379621/Millicom-Annual-Report-2014.pdf).

Significant events of the quarter

Corporate news

10th Feb 2015:	Acquisition of minority interests in Tigo Rwanda
3rd Mar 2015:	Mauricio Ramos appointed Millicom's Chief Executive Officer

Business news

15th Jan 2015:	Partnership with Facebook's internet.org in Colombia
21st Jan 2015:	Tigo Music launches in Tanzania
25th Feb 2015:	Tanzanians to enjoy Africa's first universal mobile money service
27th Feb 2015:	Millicom joins GSMA's mobile health partnership in Africa
26th Mar 2015:	Tigo launches partnership with Facebook's Internet.org in Guatemala
31st Mar 2015:	Millicom launches Rwanda's first mobile-saving product with Tigo Cash

Financial news

9th Jan 2015:	Fitch affirmed Millicom's rating at BB+ with a stable Outlook
3rd Feb 2015:	Publication of FY 2014 results
10th Mar 2015:	Outlook revised up by Moody's from Negative to Stable
11th Mar 2015:	Issuance of a 10-year corporate bond (US$500 million)

Subsequent events

2nd Apr 2015:	Publication of our 2014 Corporate Responsibility Report
13th Apr 2015:	Nomination Committee proposal for the Board
13th Apr 2015:	Convening notice for Annual General Meeting of Shareholders
20th Apr 2015:	El Salvador 8% Senior Notes Buy Back

Agenda

15th May 2015:	2014 AGM
21st July 2015:	Q2 2015 results
22nd Oct 2015:	Q3 2015 results

Contacts

Press Enquiries

Tabitha Aldrich-Smith, Interim Communications Director

Tel: +352 277 59084 (Luxembourg) / +44 7795 385 415 / press@millicom.com

Investor Relations

Nicolas Didio, Director, Head of Investor Relations

Tel: +352 277 59125 (Luxembourg) / +44 203 249 2220 / investors@millicom.com

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. The Millicom Group employs more than 16,000 people and provides mobile services to over 56 million customers. Founded in 1990, Millicom International Cellular SA is headquartered in Luxembourg and listed on NASDAQ OMX Stockholm under the symbol MIC. In 2014, Millicom generated revenue of USD 6.4 billion and EBITDA of USD 2.1 billion.

Financial review

Q1 2015 Summary Income Statement

$ million	Q1 15	Q1 14	% Change
Revenue	**1,709**	**1,405**	**+22**
Cost of sales	(462)	(349)	+32
Gross profit	**1,247**	**1,056**	**+18**
Operating expenses	(682)	(578)	+18
EBITDA	**565**	**478**	**+18**
EBITDA margin	**33.1%**	**34.0%**	
Depreciation & amortization	(340)	(250)	+36
Other operating income (expenses), net	2	8	(75)
Operating profit	**227**	**236**	**(4)**
Net financial expenses	(121)	(103)	+17
Other non-operating income (expenses), net	(72)	2,209	Ns
Gains (losses) from associates & joint ventures	(13)	(12)	+8
Profit before tax	**21**	**2,330**	**Ns**
Net tax credit (charge)	(39)	(71)	(45)
Profit (loss) for the quarter	**(18)**	**2,259**	**Ns**
Profit from discontinued operations	-	21	-
Non-controlling interests	(28)	(36)	(22)
Net profit (loss) for the quarter	**(46)**	**2,244**	**Ns**
Adjusted net profit (loss) for the quarter [a]	**26**	**35**	**(26)**

Group revenue was $1.7 billion, with EBITDA of $565 million and an EBITDA margin of 33.1%. Net loss for the period was $77 million. Adjusted EPS was $0.26 compared to $0.35 in Q1 2014.

After a strong end to 2014, trends for 2015 are encouraging. Organic revenue growth (excluding UNE) continued to be strong at 9.7%. This was partially offset by currency factors which reduced revenue by $107 million (-7.6%) to a growth rate of 2.2% (excluding UNE). The gross margin at 73.0% was lower than in Q1 2014 (75.2%) due to the mix effect of our revenue, especially higher handset sales which are typically lower margin.

Operating expenses increased by 18%, largely due by the inclusion of UNE which was not consolidated in Q1 2014. Excluding this effect, Group operating expenses declined by $7 million and the operating cost to revenue ratio fell 1.2 percentage points to 39.9%. This was driven by a good control over marketing spend and Corporate Costs which fell to $59 million, $4 million lower than the previous quarter and declining for the third consecutive quarter.

EBITDA at $565 million was 18% higher than Q1 2014 and 3% higher excluding UNE. The EBITDA margin was 33.1%, a dilution of 0.9 percentage points largely due to the lower margins of UNE. Excluding UNE, the EBITDA margin improved by 0.2 of a percentage point.

Depreciation and amortization was $340 million, $90 million higher than last year, mainly due to the impact of consolidation of UNE. As a result of lower Other Operating Income, Operating Profit fell by $9 million to $227 million.

Net financial expenses at $121 million were $18 million higher than last year of which $17 million of one-off expenses related on the early redemption of the El Salvador bond. Other net non-operating expenses of $72 million largely represent foreign exchange losses of $97 million.

Net losses from associates and joint ventures of $13 million are from Millicom's share of the results of tower companies and Online businesses. Taxes booked were $39 million and non-controlling interests declined slightly from $36 million to $28 million mostly due to increased losses in Colombia.

The net loss for the quarter was $46 million, which adjusted for non-recurring items left adjusted EPS at 26 cents.

a Reported net profit adjusted for non-operating items see page 15 for reconciliation

Free Cash Flow

$m	Q1 15	Q1 14	*% Change*
EBITDA	**565**	**478**	***+18***
Net Capex (including spectrum and licenses)	(241)	(273)	*(12)*
Change in working capital and others	(137)	(42)	*NA*
Operating Cash Flow	**187**	**163**	***+15***
Taxes paid	(50)	(54)	*(7)*
Operating Free Cash Flow	**137**	**109**	***+26***
Interest paid, net	(78)	(58)	*+34*
Free Cash Flow	**59**	**51**	***+16***
Advances for dividends to non-controlling interests	(25)	(188)	*(87)*
Equity Free Cash Flow	**34**	**(137)**	***NA***

Operating cash flow was $187 million, a 15% increase from Q1 2014 with higher EBITDA (+$87 million) partially offset by outflow in working capital. The negative working capital of $137 million is due to three main factors: build-up in handset inventories (Bolivia, Colombia), regulatory prepayments in Latam and unwind in trade payables.

The first quarter cash capital expenditure was $241 million, a 12% reduction despite the addition of UNE.

Taxes paid were down 7% to $50 million. Net interest paid was up 34% in Q1, on the higher debt level and the cost of early redemption and new issuance fees.

Free Cash Flow was $59 million compared to $51 million last year. Dividends paid to non-controlling interests were $25 million. In Q1 2014, a special dividend was paid from Guatemala.

Capital expenditure

Balance sheet capital expenditure for the quarter was $190 million, of which $28 million from UNE. This compares to cash capital expenditure of $241 million, which reflects payments on capital expenditure booked in earlier quarters. Spending focused on mobile network infrastructure and fixed infrastructure in Latin America, with Colombia leading in fixed investments. Africa execution focused on 2G, 3G and transmission investments with emphasis on Tanzania and Chad. There was no Spectrum acquisition or renewals during Q1 15.

Net Debt

$m	Gross Debt	Cash	Net Debt *
Central America	**1,550**	**185**	**1,365**
Of which local currency	*463*	*119*	345
South America	**1,241**	**249**	**992**
Of which local currency	*901*	*168*	733
Latin America	**2,791**	**434**	**2,357**
Of which local currency	*1,364*	*287*	*1,077*
Africa	**429**	**180**	**250**
Of which local currency	*233*	*162*	*72*
Corporate	2,006	650	1,357
Total	**5,227**	**1,264**	**3,964**
Proportionate basis	*4,403*	*1,169*	*3,234*

** Net debt: Gross debt (including finance leases) less cash, restricted cash and pledged deposits*

At March 31, 2015, group gross debt amounted to $5.2 billion. Debt at corporate level amounted to $2.0 billion at 31 March 2015, following the issuance of a $500 million bond with a 6.0% coupon and a 10-year maturity in March. Proceeds from this bond are predominantly being used to early redeem an existing bond in El Salvador carrying an 8.25% yield ($321 million outstanding as of March 31, 2015 redeemed on April 20, 2015). Pro forma for the redemption of the El Salvador bond, Q1 refinancing activities have enabled us to extend further our maturity profile to 5.7 years and reduce slightly our average recurring cost of funding. In the first quarter, our interest expense charge was inflated by one offs related to the early redemption of the El Salvador bond (in total $17 million impact).

At March 31, 2015, debt in the operations amounted to $3.2 billion, including $0.3 billion in finance leases. Approximately 51% of the gross debt in the operations was denominated in local currency or with no exposure to USD foreign exchange fluctuations. The remainder is exposed to local currency fluctuations against the USD reporting currency. In particular our debt in Colombia is wholly in local currency. The Group continuously evaluates opportunities to align the currency of its assets and liabilities in the operational entities.

Overall Net Debt / EBITDA, based on the last twelve months EBITDA, was 1.8x as of 31 March 2015.

Operating review

All numbers are in US dollars and growth rates are stated in local currency unless stated otherwise. Further details are provided in the Financial & Operational Data excel file on our website (www.millicom.com/investors)

Revenue by business unit and by region

$m	Total		Central America		South America		Africa	
	Q1 15	*YOY growth*	Q1 15	*YOY growth*	Q1 15	*YOY growth*	Q1 15	*YOY growth*
Mobile	1,120	*3.6*	467	*1.4*	435	*1.1*	218	*13.3*
Cable	397	*18.0*	102	*13.3*	295	*30.4*	-	-
MFS	31	*42.9*	2	*73.4*	8	*30.8*	21	*46.1*
Other*	160	*64.6*	58	*25.0*	94	*112.4*	9	*34.6*
Total	**1,709**	***9.7***	**629**	***5.2***	**832**	***11.9***	**248**	***16.1***

** Telephone and equipment ("T&E") sales and other revenue*

Mobile

Mobile service revenue grew by 3.6% in local currency with the mobile customer base increasing by 11% (1.14 million net adds in Q1). The growth has largely come from Tanzania, Chad, Colombia and Honduras. During Q1 we sold over 1.3 million smartphones and added 594,000 new mobile data users, with 338,000 net additions in Africa and 233,000 from Central America.

Momentum in voice has slowed down and was flat overall compared to Q1 last year with Africa up 11% and Latam declining by 4% on MTR cuts, lower volume and price competition. Voice and SMS revenue combined declined by 3.3% in Q1 at group level.

Data penetration increased to 27.6% of our mobile customer base, an increase of 0.5 percentage points compared to the previous quarter and 6.7 percentage points year-on-year. The growth has been achieved through a combination of affordable smartphones, targeted data products and packages like Tigo Music in Latin America and Africa (now in 2 countries: Ghana and Tanzania), and strategic alliances with Facebook in Colombia and Guatemala (after our success in Tanzania and Paraguay).

Cable

Cable and Digital Media revenue grew by 18.0% in local currency with total revenue generating units ("RGUs") up from 1.3 million one year ago following the UNE merger, to 5.2 million in Q1.

ARPU in Q1 declined slightly to $28.1 (-1% in local currency) caused by the strong addition of DTH subscribers which have lower ARPU as they take one service only. The number of homes passed increased by 121,000 to 5.7 million. We continue to see positive trends on adoption of multiple services per household, at 1.86 RGU per household in Q1. Over 55% of our households are now double or triple play, up 1.2 percentage point compared to Q4 2014.

Mobile Financial Services (MFS)

MFS added 110,000 new users in Q1 and the customer base reached 9.6 million, up 31% in one year. The main contributors to the growth in Q1 were DRC, Honduras, Senegal and Guatemala. Year-on-year, we added almost 1.3 million new users in Africa, reflecting the national interoperability announced in Tanzania and the new savings product recently launched in Rwanda. Overall MFS revenue was up 43% with an average ARPU at $1.06, up 1% in local currency.

B2B

We have maintained the good momentum observed in Q4 with revenue up 10%. In the fixed business we grew by 18% in local currency, and experienced an acceleration in mobile which grew by 7% compared to 2% in Q4.

South America

		Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	% change[a]
KPIs ('000)	Mobile customers	15,356	15,140	14,555	14,406	14,152	8.5
	MFS customers	1,376	1,451	1,327	1,309	1,262	9.1
	Cable RGUs (b)	3,977	3,966	3,917	334	315	Ns
ARPU ($)	Mobile	9.5	11.1	11.6	11.3	11.2	(5.6)
	MFS	2.0	2.1	2.0	1.9	1.8	17.3
	Residential Cable	28.5	32.4	34.0	34.3	33.6	(7.9)
Financials ($m)	Revenue	832	960	814	593	560	48.6
	EBITDA	274	307	276	198	198	38.4
	Capex	96	193	132	105	71	37.1

During Q1 revenue grew by 11.9% organically (48.6% on a reported basis) to $832 million. Foreign exchange movements have particularly affected South America with the Colombian Peso and Paraguayan Guarani depreciating by 25% and 5% respectively.

Mobile revenue grew by 1.1% with strong mobile data growth (+32%) offset by voice and SMS which declined by close to 9%. Meanwhile the data penetration rate continues to trend positively, up by 10 percentage points over the last 12 months to 39.0%, due in part to strong growth in smartphones users (+902,000 in Q1). Mobile ARPU fell 5.6% to $9.5 due to the combination of MTR cuts in the three countries.

Cable continues to accelerate, growing over 30% (excluding UNE). The number of homes passed increased by 91,000 compared to December 2014 and the ratio of RGUs / Homes Connected (b) reached 1.99x. The MFS penetration rate reached 20%, up 2 percentage points in 12 months.

Colombia

Revenue grew by 152% to $525 million, including $273 million from UNE. Mobile growth momentum slowed in the quarter due to the MTR cuts (42% from January 1st) and regulatory changes in term contracts which have pressured postpaid tariffs (but led to increased handset sales). Consequently, mobile service revenues grew by 6% following 15% in the last quarter. Customer demand for mobile data has reached the penetration rate of 29%, up 4 percentage points in 12 months, with 373,000 LTE customers at the end of March. EBITDA for the quarter reached $146 million, including $71 million from UNE. The EBITDA margin increased to 27.7% from 26.5% in Q4 (31.9% on service revenue). This includes $4.5 million of integration costs for UNE. Capex was $48 million ($28 million in UNE).

Paraguay

In Q1, revenue grew by 1% in local currency to $177 million with growth from Cable and MFS offsetting pressure on the Mobile business. Cable grew by 22% as the customer base keeps growing and MFS grew by 30% due to a higher adoption rate and ARPU increase (+1.8% vs Q1 2014). Mobile revenue declined by 9% despite stable market share as we continued to suffer from the effect of previous price cuts and recent termination rate cuts (-47% from November 1st). Changes in sales mix and regulatory measures affected our EBITDA margin (45.6% in Q1 vs. EBITDA margin of 49.1% in Q1 2014).

Bolivia

Q1 revenue grew by 10% to $129 million with mobile revenue up 4% (mobile data up 65%) and Cable up 75%. Data penetration continued to grow (54%, up 17 percentage points in 12 months) with 51,000 smartphones sold in the quarter. EBITDA increased to $48 million, a margin of 37.0%, up from $44 million in Q1 2014.

a % change is reported change except for ARPU numbers (local currency growth)
b HFC (includes copper lines of UNE)

Central America

		Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	% Change[a]
KPIs ('000)	Mobile customers	15,971	15,787	15,372	15,417	15,629	2.2
	MFS customers	2,032	1,922	1,498	1,439	1,178	72.5
	Cable RGUs [(b)]	1,181	1,125	1,053	1,010	1,003	17.7
ARPU ($)	Mobile	9.8	10.2	10.0	10.0	9.8	0.4
	MFS	0.3	0.3	0.3	0.3	0.3	(9.4)
	Residential Cable	27.1	27.0	27.4	27.6	27.8	(1.3)
Financials ($m)	Revenue	629	643	606	610	601	4.7
	EBITDA	291	294	282	291	286	1.7
	Capex	63	147	107	125	54	16.7

Central America continues to show improved trends with revenue up 5% to $629 million. Mobile service revenue increased slightly to $467 million whilst Cable grew by 13% over the quarter and MFS revenue was up 73%. Other revenue was strong again in Q1 (+25%) driven by smartphone sales (714,000 units sold). This contributed to a mobile data revenue growth of 37%. The mobile data penetration rate has increased by 6.3 points over the last 12 months to 28.0% due to strong growth of smartphones users (+589,000).

In Cable, the number of homes passed increased by 30,000 during the quarter and the ratio of RGUs / Homes Connected reached 1.49x, up from 1.46x the previous quarter. The MFS penetration rate reached 13.0% up 5 percentage points in the last 12 months.

Guatemala

Q1 revenue increased by 3% in local currency (5% in US$ due to currency strength) with stable mobile service revenue as pricing competition offset positive volume effects. Cable revenue was up 42%. The EBITDA margin was up 1.1 percentage point to 51.5% compared to Q1 2014 despite dilution from lower margin handset sales.

Honduras

The recovery initiated in Q4 2014 continued in Q1 with revenue growing 13% in local currency to ($165 million), or 9% excluding handset sales. The main driver of this improvement was a 7% growth in mobile with strong net additions (175,000) and also a wholesale contract. Cable also accelerated (+20%) as we continued to promote our Tigo Star brand. EBITDA margin fell to 42% following our commercial campaign as well as the low margin from our new wholesale contract.

El Salvador

Q1 has started with similar trends to those we observed in 2014 with difficult macroeconomic and social conditions with strong competition. Revenue grew by 1% to $111 million with handset sales still performing well (+32%). Mobile revenue declined by 4% due to competitive pressures and to a lesser extent to the MTR cut in November 2014. Cable revenue increased by 7% and our MFS offer continues to gain traction in the country (+30,000 users during the quarter) with revenue up 79%. Q1 EBITDA was stable at $42 million, with a margin unchanged at 38%.

Costa Rica

In Costa Rica, where we only operate a Cable business, revenue was up 2% to $35 million with RGUs growing 9% compared to Q1 2014. This was lower than expected as investment was deferred pending regulatory approval of our acquisition of Telecable. As a result the EBITDA margin was 39.1%, down from 41.5% a year earlier.

a % change is reported change except for ARPU numbers (local currency growth)
b HFC only

Africa

		Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	% Change[a]
KPIs ('000)	Mobile customers	26,086	25,350	23,849	22,491	21,848	19.4
	MFS customers	6,199	6,125	5,192	4,706	4,901	26.5
ARPU ($)	Mobile	2.8	3.1	3.3	3.3	3.5	(6.7)
	MFS	1.1	1.3	1.3	1.1	1.1	6.1
Financials ($m)	Revenue	248	256	255	244	244	1.6
	EBITDA	57	48	55	63	53	7.6
	Capex	28	116	80	127	38	(26.3)

Africa Q1 revenue increased by 16% in local currencies to $248 million with unfavourable currency movements offsetting most of this growth. Mobile service revenue was up 13% at $218 million with voice and SMS growing by 10% and data by 68%. MFS revenue at $21 million was up 46% with all countries but Chad experiencing healthy momentum.

Our customer base in Africa grew in Q1 with more than 737,000 net customers, particularly in Tanzania (+508,000) and Chad (+280,000) while DRC declined as we focused our commercial efforts on ARPU growth rather than customer intake. The data penetration rate has increased by 5.3 points over the last 12 months to 20.8%. EBITDA at $57 million increased by 8% year-on-year despite adverse currency movements (up 24% in local currency). This was a 1.5 percentage point improvement of the margin at 22.9% as we continue our cost optimization process.

Tanzania

Strong customer growth in mobile (+508,000) led to revenue growth of 18% to $92 million (8% on a reported basis). Voice and SMS revenue were up 9% but the biggest growth drivers were mobile data (+61%) and MFS (+49%). Mobile ARPU declined due to the dilution from new customers. The EBITDA margin in Q1 reached 36%, up 5 percentage points compared to Q1 14.

Chad

This was a tough quarter for Chad with a flat revenue base in local currency but a 17% decline in USD terms, despite growing the subscriber base by over 280,000. The macro-economic background, deriving from the lower oil crude price, has impacted the general population. The EBITDA margin declined by around 2 percentage points to 35%.

Rest of Africa

Our other African markets experienced excellent momentum with double-digit growth for each of them. Our revenue growth in Senegal rebounded from 5% in Q4 2014 to 17% in Q1, thanks to an improvement in our commercial momentum (63,000 net adds, first quarter of growth since Q1 last year). Similarly, Rwanda growth rate accelerated sequentially from 6% to 19% driven by net additions of 148,000, voice growing 15% and data growing over 38%. The growth pace in Ghana remained above 20% and DRC, despite social protests and a temporary ban of mobile internet, delivered a very good revenue performance up 27%. The combined EBITDA margin of these 4 countries slightly improved to 8.6%.

a % change is reported change except for ARPU numbers (local currency growth)

Corporate Costs

Corporate costs in the quarter were $59 million compared to $63 million in Q4 2014, $64 million in Q3 2014 and $73 million in Q2 2014. The overall reduction in corporate costs reflects lower operating costs and headcount reductions.

During the quarter we re-organised the central activities. Central activities are mainly focussed on shared services, new business development and regional leadership. As a result we have allocated more direct responsibility to Millicom Latam and Millicom Africa with the Executive Vice President's responsible for all aspects of the revenue and expenses including local, regional and relevant corporate costs. Future performance management will focus on the profitability, cashflow and return on capital of these regional businesses.

Corporate Responsibility (CR)

On April 2, 2015 published our 2014 Corporate Responsibility Report. The report is Millicom's third externally assured CR report in line with Global Reporting Initiative (GRI) G4 guidelines.

In addition to presenting our overall governance and management of responsible business and risk, and performance in key non-financial indicators, the report highlights progress in our five corporate responsibility focus areas. Within the CR report Millicom also published its first "Transparency Report" on how we manage different requests from government and law enforcement agencies, and engage more widely on the issues of privacy and freedom of expression.

Highlights of the report include:

- Signing a three year agreement with UNICEF on child online protection and jointly hosted the first workshop on the topic in Latin America.
- Our carbon emissions per base station were 39% lower compared to the 2008 baseline, putting us well on our way to reach our reduction target of 50% by 2020. Energy use per base station was reduced by 10% year-on-year.
- Percentage of women in top 500 senior management positions rose to 22% from 19%.
- Completion of sales of electronic waste in Tanzania and El Salvador based on new responsible waste management systems.
- Half of our African General Managers are now women.
- Diversity committees were launched in Costa Rica and Ghana to work on gender inclusivity initiatives.
- Our revised Supplier Code of Conduct is now a mandatory appendix to all agreements to be signed with new suppliers, as well as contract renewals for existing suppliers.
- We carried out 101 whistle-blower investigations, with 54 cases resulting in terminations of employment.

In Q1 2015, Millicom in collaboration with UNICEF finalised the first version of a child rights assessment tool for the telecommunications sector, and carried out two pilots projects. Diversity working groups were established in two more operations.

Our 'zero fatality' health and safety campaign launched by the end of 2014 is taking shape with zero fatalities so far in 2015, and road traffic accidents are reducing in number. Our businesses in Colombia have been preparing for external auditing and certification against OHSAS 18001 which will be completed during a health and safety week at the end of April.

Creating positive social impact in our communities

To increase the local relevance of our social investment projects and to align them clearly to the business objectives of each operation, it was decided in 2015 to shift towards a model with a global framework, control and guidance that strengthens and further develops local and individual initiatives. Accordingly the central Millicom Foundation is now dormant.

The Tigo Digital Changemakers Award, which was a big success with over 2,000 applications in 2014, continues. We hosted the final stage of the 2014 Award in a number of our African countries in Q1 2015, where Tigo colleagues continued to help screen the entries and select the most promising and innovative projects that use digital and mobile technology to solve social challenges.

Compliance and Business Ethics

The Code of Ethics for our employees that was revised and rebranded as Millicom Code of Conduct in 2014 was approved by the Audit Committee in Q1 2015. The Code will be formally launched in Q2 2015 and training will commence in the second half of the year using the Millicom University e-learning platform.

Additional information

Reconciliation from Operating Profit to EBITDA

$m	Q1 15	Q4 14	Q3 14	Q2 14	Q1 14
Operating Profit	**227**	**224**	**239**	**224**	**236**
Depreciation and amortization	340	347	309	253	250
Loss (gain) on disposal/write down of assets, net	(2)	16	1	4	(6)
Loss (gain) from Mauritius	-	-	-	(2)	(2)
EBITDA	**565**	**588**	**549**	**479**	**478**

Reconciliation of Basic EPS to Adjusted EPS

$m	Q1 15	Q4 14	Q3 14	Q2 14	Q1 14
Net profit attributable to owners of the company	**(46)**	**48**	**165**	**186**	**2,244**
Basic earnings per share ($)	(0.46)	0.48	1.65	1.86	22.45
Adjustments for non-operating items*					
Revaluation of previously held interests	-	-	-	-	(2,250)
Other non-operating (income) expenses	72	7	(86)	(159)	41
Adjusted net profit attributable to owners of the company	**26**	**41**	**79**	**27**	**35**
Adjusted basis earnings per share ($)	0.26	0.41	0.79	0.27	0.35

** Adjusted for non-operating items including changes in carrying value of put and call options, revaluation of previously held interests and similar items classified under 'other non-operating income (expenses)'.*

Currency Movements

Average foreign exchange rate (vs. USD)		Q1 15	Q4 14	Var %	Q1 14	Var %
Guatemala	GTQ	7.63	7.63	0%	7.78	2%
Honduras	HNL	21.81	21.44	(2%)	20.74	(5%)
Nicaragua	NIO	26.75	26.49	(1%)	25.47	(5%)
Costa Rica	CRC	542.1	544.3	0%	533.7	(2%)
Bolivia	BOB	6.91	6.91	0%	6.91	0%
Colombia	COP	2,477	2,169	(14%)	1,989	(25%)
Paraguay	PYG	4,742	4,591	(3%)	4,535	(5%)
Ghana	GHS	3.42	3.20	(7%)	2.44	(40%)
Senegal	XAF	580.5	529.9	(10%)	480.2	(21%)
Chad	XAF	580.5	529.9	(10%)	480.2	(21%)
Rwanda	RWF	701.63	690.4	(2%)	680.1	(3%)
Tanzania	TZS	1,764	1,709	(3%)	1,618	(9%)

Summarized Balance Sheet

	March 31, 2015 (unaudited)	March 31, 2014 (unaudited)	December 31, 2014 (audited)
Total Fixed Assets	10,385	9,291	10,891
Total Current Assets	2,791	3,171	2,372
Assets held for sale	31	13	34
Total Assets	**13,207**	**12,475**	**13,297**
Total Current Liabilities	4,825	4,614	4,572
Total Non-Current Liabilities	4,956	4,538	4,976
Liabilities associated with assets held for sale	1	2	2
Total Equity	**3,425**	**3,321**	**3,747**
Total Equity and Liabilities	**13,207**	**12,475**	**13,297**

Summarized Cashflow (unaudited)

	Q1 2015	Q1 2014
Operating activities	300	322
Investing activities	(218)	(253)
Financing activities	385	(31)
Exchange gains/losses on cash & cash equivalents	(30)	(2)
Change in cash & cash equivalents	437	36
Cash & cash equivalents at beginning of the year	694	941
Cash & cash equivalents at end of period	1,131	977

Q1 15 Operating and Financial Highlights

	Latin America			Africa			Other [2]			Group		
	Q1 15	Q1 14	% change[1]	Q1 15	Q1 14	% change [1]	Q1 15	Q1 14	% change [1]	Q1 15	Q1 14	% change [1]
Mobile customers (000s)	31,326	29,781	5.2	26,086	21,848	19.4				57,413	51,629	11.2
Mobile ARPU ($)	9.6	10.5	(7.9)	2.8	3.5	(18.9)				6.5	7.6	(13.5)
Cable & Digital RGUs (000s)	5,178	1,318	292.9							5,178	1,318	292.9
Residential cable ARPU ($)	28.1	29.4	(4.5)							28.1	29.4	(4.5)
MFS customers	3,409	2,440	39.7	6,199	4,901	26.5				9,608	7,341	30.9
MFS ARPU ($)	1.0	1.0	3.0	1.1	1.1	(2.8)				1.1	1.1	(5.8)
P&L												
Mobile	902	932	(3.9)	218	221	(1.4)				1,120	1,160	(3.4)
Cable & Digital Media	397	125	217.5	-	-	-				397	125	217.6
MFS	10	8	31.1	21	15	36.8				31	23	34.8
Other revenue	145	96	69.1	9	8	15.5				160	97	65.0
Revenue	**1,461**	**1,161**	**25.8**	**248**	**244**	**1.6**				**1,709**	**1,405**	**21.6**
EBITDA	**565**	**481**	**17.4**	**57**	**53**	**8.1**	**(57)**	**(56)**		**565**	**478**	**18.1**
EBITDA % of revenue	38.8	41.3	(2.5)	22.9	21.5	1.4				33.1	34.0	(0.9)
Operating Profit	**294**	**289**	**1.7**	**(5)**	**(3)**	**(86.1)**	**(62)**	**(50)**		**227**	**236**	**(3.8)**
% of revenue	20.1	24.9	(4.8)	(1.8)	(1.0)	(0.8)				13.3	16.8	(3.5)
Cashflow												
Capex (including spectrum)	159	125	28.1	28	37	(25.0)	3	0		190	163	**16.9**
% of revenue	10.9	10.7	0.2	11.4	15.2	(3.8)				11.1	11.6	(0.5)
EBITDA – Capex	406	356	13.7	29	15	91.5	(60)	(56)		375	315	**18.78**
% of revenue	27.9	30.6	(2.7)	11.7	6.1	5.6				21.9	22.4	(0.5)
Balance sheet												
Net debt	2,357	1,938	21.6	250	169	98.8	1,357	515	144.6	3,964	2,622	51.2
								Net debt / LTM EBITDA		1.8X	1.3X	

[1] *% change is reported change*

[2] *it includes costs of the Corporate Centre and intercompany eliminations*

Q1 15 Operating and Financial Highlights

	Central America			South America			Latin America [2]		
	Q1 15	**Q1 14**	**% change [1]**	**Q1 15**	**Q1 14**	**% change [1]**	**Q1 15**	**Q1 14**	**% change [1]**
Mobile customers (000s)	15,971	15,629	2.2	15,356	14,152	8.5	31,326	29,781	5.2
Mobile ARPU ($)	9.8	9.8	(0.1)	2.8	3.5	(15.5)	9.6	10.5	(7.9)
Cable & Digital RGUs (000s)	1,181	1,003	17.7	3,997	236	NS	5,178	1,318	292.9
Residential cable ARPU ($)	27.1	27.8	(2.3)	2.8	3.5	(15.3)	28.1	29.4	(4.5)
MFS customers	2,032	1,178	72.5	1,376	1,262	9.1	3,409	2,440	39.7
MFS ARPU ($)	0.3	0.3	(11.7)	2.8	3.5	(12.2)	1.0	1.0	3.0
P&L									
Mobile	467	463	0.9	435	469	(8.5)	902	932	(3.9)
Cable & Digital Media	102	89	12.4	295	36	NS	397	125	217.5
MFS	2	1	68.6	8	7	25.1	10	8	31.2
Other revenue	58	48	25.1	94	48	116.4	145	96	69.1
Revenue	**629**	**601**	**4.6**	**832**	**560**	**48.6**	**1,461**	**1,161**	**25.8**
EBITDA	**291**	**286**	**1.7**	**274**	**198**	**38.3**	**565**	**481**	**17.4**
EBITDA % of revenue	46.6	46.9	(0.3)	32.9	35.4	(2.5)	38.8	41.3	(2.5)
Operating Profit	**176**	**167**	**5.3**	**117**	**121**	**(3.2)**	**294**	**289**	**1.7**
% of revenue	28.0	27.8	0.2	14.1	21.7	(7.6)	20.1	24.9	(4.8)
Cashflow									
Capex (including spectrum)	63	54	**17.3**	96	71	**38.0**	159	125	**28.1**
% of revenue	10.0	8.9	1.1	11.6	12.6	(1.0)	10.9	10.8	0.1
EBITDA – Capex	228	229	**(0.6)**	178	127	**38.5**	406	356	**13.7**
% of revenue	36.6	37.9	(0.7)	21.4	22.7	(1.3)	27.9	30.6	(2.7)
Balance sheet									
Net debt	1,365	1,252	9.0	992	686	44.6	2,357	1,938	21.6

[1] % change is reported change

[2] net of eliminations between the two regions