MILLICOM
THE DIGITAL LIFESTYLE

Luxembourg, July 19th, 2018

Growth accelerated in Q2

Q2 2018 highlights[i]

- Latam service revenue growth accelerated to 5.5% from 3.9% in Q1
  - Now expect growth near the top end of our full year 2018 outlook range of 2-4%
  - Mobile recovery continues, with growth of 2.1%, up from 0.9% in Q1
  - Home revenue growth accelerated to 12.6% from 7.6% in Q1
- Colombia revenue growth accelerated to 5.8% from 2.2% in Q1
- Record H1 HFC homes connected – raising full year 2018 guidance to 400k from 300k net additions
- Latam EBITDA growth of 4.4%, up from 1.4% in Q1
- Robust cash flow growth with equity free cash flow up 32.6% in Q2 and 15.7% in H1
- Preparing for an additional listing on a U.S. Stock Exchange next year

Group ($m)	Q2 2018	Q2 2017	% change	H1 2018	H1 2017	% change
Revenue	1,541	1,470	4.8%	3,057	2,929	4.4%
Service Revenue	1,437	1,376	4.4%	2,859	2,751	3.9%
Organic growth [1]	*5.3%*	*(1.4%)%*		*4.5%*	*(1.6%)*	
EBITDA	551	524	5.2%	1,105	1,066	3.7%
Organic growth	*4.6%*	*(1.1%)*		*3.0%*	*(0.9%)*	
EBITDA Margin	35.8%	35.7%		36.2%	36.4%	
Capex[2]	217	230	-(5.8%)	374	378	(1.1%)
OCF (EBITDA – Capex)	335	294	13.8%	731	687	6.4%

Notes: (1) Organic growth excludes impact from changes in FX rates, consolidation perimeter, and accounting (IFRS 15). See page 19 for full impact of IFRS 15 adoption on our Income Statement. (2) Excludes spectrum as well as finance lease capitalizations from tower sale-leaseback transactions.

Millicom Chief Executive Officer Mauricio Ramos commented:

"The investments we have been making are now delivering faster and more predictable organic revenue growth. In Latam, mobile revenue growth improved to more than 2%, with Bolivia leading the way with more than 6%. Home accelerated to nearly 13%, thanks to a big improvement in Colombia, where total homes connected passed an inflection point earlier this year and are now growing at an accelerating rate.

Clearly, our strategy is working, and with growth back on track, we continue to sharpen our focus on costs, and operational efficiency improvements are driving cash flow growth in many areas. We still have work to do on this front, and we have already identified opportunities to further improve operating leverage.

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[i] *The financial information presented in this earnings release is based on Alternative Performance Measures determined by the way in which the Executive Management (Chief Operating Decision Maker) manage the performance and resource allocation of the Group. It includes Guatemala (55% owned) & Honduras (66.67% owned) as if fully consolidated. With the exception of balance sheet items, the comparative 2017 financial information in this earnings release has been adjusted for the classification of our operations in Senegal, Ghana and Rwanda as discontinued operations. Our operations in Ghana have been merged with Airtel on October 12th, 2017 and are accounted for as a joint venture since that date. Our operations in Rwanda and Senegal were disposed of on January 31st and April 27th, 2018, respectively. IFRS Revenue was $1,061 million in Q2 2018; see page 19 for reconciliation with IFRS numbers.*

Subsequent Events

On July 19th 2018, we announced that we exercised our option to redeem our SEK 2,000,000,000 Senior Unsecured Floating Rate Notes due 2019 at a price equal to 101.45% plus accrued and unpaid interest. The Redemption Date will be August 9th 2018, and the Record Date will be August 2nd 2018.

We are announcing today plans to register with the U.S. Securities and Exchange Commission and to list our common shares on a U.S. stock exchange, while also maintaining our current listing on Nasdaq Stockholm, where our shares currently trade in the form of Swedish Depository Receipts.

2018 Outlook

We are reiterating our 2018 outlook, and we now expect Latam service revenue growth near the top end of our full year 2018 outlook range of 2-4%. We also expect to add 400,000 HFC homes connected, up from 300,000 previously, including approximately 52,000 homes related to an acquisition.

2018 Outlook	Previous	Revised
Latam		
Service revenue growth (organic YoY)	*2-4%*	***Near top end of 2-4% range***
EBITDA growth (organic YoY)	*3-6%*	*3-6%*
Capex	*Approximately $1.0 billion*	*Approximately $1.0 billion*
HFC homes passed net additions	*1.0 million*	*1.0 million*
HFC homes connected net additions	*300,000*	***400,000****
4G smartphone data user net additions	*3.0 million*	*3.0 million*
Africa	Free cash flow positive	Free cash flow positive

**Includes approximately 52,000 homes added as a result of an acquisition in Guatemala.*

IFRS 15

The implementation of IFRS 15 (“Contracts with customers”) had a negligible impact on our Q2 2018 financials, similar to the effect in Q1 2018. As shown in the reconciliation table on page 19, implementation of the new standard increased total revenue by $2 million and EBITDA by $3 million, and it reduced service revenue by $19 million (-1.3%) as compared to what our results would have been if we had continued to follow the IAS 18 standard in use until year-end 2017. In order to aid comparisons with the prior year, the organic growth figures discussed throughout this report exclude the impact of this accounting change implemented as of January 1st, 2018.

Quarterly Group Financial Review

Group total revenue of $1,541 million rose 4.8% year-on-year. On an organic basis, excluding the impact of changes in accounting rules, consolidation perimeter, and foreign exchange rates, total revenue grew 4.2%, while service revenue grew 5.3% to $1,437 million. Organic service revenue growth in Latam reached 5.5%, while Africa grew 3.1%.

Cost of sales increased 12.2% ($47 million) year-on-year to $432 million. The increase is partly due to a change in cost classification under IFRS 15, which added $21 million to cost of sales. Excluding the impact of IFRS 15, cost of sales would have increased by 6.7%. This underlying rate of growth is faster than the 4.8% growth in revenue due mostly to additional charges to bad debt taken in El Salvador.

Operating expenses of $558 million declined 0.5% year on year. Excluding the impact of IFRS 15, opex increased 3.3% year-on-year, due to a 4.2% increase in selling and marketing costs to support our growth initiatives and to a 2.4% in general and administrative expenses mostly due to higher network maintenance costs associated with our ongoing network expansion in Latam. FX also explains about one-third of the increase in general and administrative costs year-on-year.

Depreciation and amortization declined 2.6% and 5.7%, respectively. The lower amortization largely reflects the effect of having fully amortized certain intangible assets during 2017, whereas the reduction in depreciation stems largely from Colombia, where some assets related to our copper network in Colombia have been fully depreciated.

Operating profit reached $256 million in Q2 2018, up 30.0% from $197 million in Q2 2017. The $59 million increase in operating profit year-on-year reflects a $27 million improvement in EBITDA, an $11 million reduction in depreciation and amortization expenses, and a $20 million improvement in other operating items, the latter reflecting a gain on the sale of towers in Paraguay and Colombia.

US$m	Q2 2018	Q2 2017	% change	H1 2018	H1 2017	% change
Revenue	**1,541**	**1,470**	**4.8%**	**3,057**	**2,929**	**4.4%**
Cost of sales	(432)	(385)	12.2%	(837)	(759)	10.2%
Gross profit	**1,109**	**1,085**	**2.2%**	**2,220**	**2,169**	**2.4%**
Operating expenses	(558)	(561)	(0.5%)	(1,115)	(1,104)	1.0%
EBITDA	**551**	**524**	**5.2%**	**1,105**	**1,066**	**3.7%**
Depreciation	(241)	(247)	(2.6%)	(481)	(491)	(2.0%)
Amortization	(74)	(78)	(5.7%)	(150)	(157)	(4.3%)
Other operating income (expenses), net	20	(1)	NM	20	(0)	NM
Operating profit	**256**	**197**	**30.0%**	**494**	**417**	**18.5%**
Net financial expenses	(107)	(120)	(10.5%)	(211)	(234)	(9.7%)
Other non-operating income (expenses), net	(20)	(17)	18.1%	5	7	(26.7%)
Gains (losses) from other JVs and associates, net	(48)	(25)	96.3%	(68)	(39)	75.3%
Profit (loss) before tax	**80**	**35**	**127.2%**	**221**	**152**	**45.5%**
Net tax credit (charge)	(61)	(60)	0.6%	(113)	(124)	(8.2%)
Profit (loss) for the period from continuing ops.	**20**	**(25)**	**NM**	**107**	**28**	**NM**
Non-controlling interests	(19)	(9)	NM	(56)	(40)	40.3%
Profit (loss) from discontinued operations	(2)	6	NM	(35)	9	NM
Net profit (loss) for the period	**(1)**	**(27)**	**(95.4%)**	**16**	**(3)**	**NM**
Weighted average shares outstanding (millions)	100.79	100.54	0.2%	100.76	100.38	0.4%

Loss from other non-operating items reached $20 million, a slight increase from $17 million in Q2 2017, due to higher FX losses. Loss from associates and other joint ventures of $48 million in Q2 2018 compares to a loss of $25 million in Q2 2017. The increase reflects a $29 million loss related to our 50% stake in Tigo Airtel in Ghana. Of this $29 million, $14 million relates to a purchase price depreciation adjustment, including a retroactive adjustment related to earlier periods of approximately $10 million.

Net financial expenses declined 10.5% year-on-year to $107 million, due to the impact of early redemptions charges in Q2 2017, and due to refinancing activity over the past year, which lowered our average interest rate. This was partly offset by higher finance lease expenses, which increased by 59.4% year-on-year mainly due to tower sale-leaseback transactions. The following table details the components of our net financial expenses.

US$m	Q2 2018	Q2 2017	% change	H1 2018	H1 2017	% change
Interest expense	(81)	(86)	(5.3%)	(160)	(178)	(10.1%)
Finance lease expense	(23)	(15)	59.4%	(44)	(31)	41.8%
Early redemption charges	-	(15)	(100.0%)	-	(15)	(100.0%)
Others	(10)	(12)	(13.4%)	(20)	(22)	(9.3%)
Total financial expenses	**(115)**	**(127)**	**(9.7%)**	**(224)**	**(246)**	**(9.0%)**
Interest income	7	7	3.6%	13	13	4.4%
Net financial expenses	**(107)**	**(120)**	**(10.5%)**	**(211)**	**(234)**	**(9.7%)**

Tax expense was almost flat at $61 million in Q2 2018 from $60 million in Q2 2017. Net profit from continuing operations of $20 million in the quarter compares with net loss of $25 million in Q2 2017. Non-controlling interests more than doubled to $19 million due to lower net losses in Colombia. Loss from discontinued operations of $2 million in Q2 2018 compares to a profit of $6 million in Q2 2017 and reflects the net gain on disposal of our Senegal operation, which we disposed of on April 27, 2018.

As a result, net loss of $1 million for the period compared to a loss of $27 million in Q2 2017.

The weighted average number of shares during the quarter was 100.79 million, and as of June 30th 2018, we had 101,739,217 total shares outstanding, including 925,862 held in treasury.

Reconciliation from Operating Profit to EBITDA

US$m	Q2 2018	Q2 2017	H1 2018	H1 2017
Operating Profit	**171**	**127**	**331**	**283**
Impact of full consolidation of Guatemala and Honduras on operating profit	86	70	163	134
Operating Profit per management reporting	**256**	**197**	**494**	**417**
Depreciation and amortization	315	326	631	648
Other operating (income) / expenses, net	(20)	1	(20)	0
EBITDA	**551**	**524**	**1,105**	**1,066**
EBITDA margin	*35.8%*	*35.7%*	*36.2%*	*36.4%*

EBITDA of $551 million increased 5.2% in reported dollars and 4.6% organically year-on-year. Organically, EBITDA increased 4.4% in Latam and 5.0% in Africa. Group EBITDA margin of 35.8% improved 0.1 percent point year-on-year. Further details are set out in the Group Business Review section of this earnings release.

Free Cash Flow

US$m	Q2 2018	Q2 2017	% change	H1 2018	H1 2017	% change
EBITDA from continuing ops	**551**	**524**	**5.2%**	**1,105**	**1,066**	**3.7%**
EBITDA from discontinued operations	(6)	21	NM	6	40	(84.9%)
EBITDA (including discontinued ops)	**545**	**545**	**0.1%**	**1,111**	**1,106**	**0.5%**
Cash Capex (excluding spectrum and licenses)	(210)	(209)	0.4%	(476)	(486)	(2.0%)
Changes in working capital	(6)	(41)	(86.5%)	(100)	(116)	(13.6%)
Other non-cash items (including IFRS 15 impact)	1	6	(91.1%)	9	12	(28.6%)
Cash flow from operations	**331**	**302**	**9.6%**	**544**	**516**	**5.3%**
Taxes paid	(97)	(74)	31.8%	(135)	(107)	27.0%
Operating free cash flow	**233**	**228**	**2.4%**	**408**	**410**	**(0.3%)**
Finance charges paid, net	(53)	(83)	(36.1%)	(180)	(208)	(13.9%)
Free cash flow	**180**	**145**	**24.3%**	**229**	**201**	**13.7%**
Advances for dividends to non-controlling interests	(76)	(66)	14.5%	(79)	(72)	10.2%
Equity free cash flow	**105**	**79**	**32.6%**	**149**	**129**	**15.7%**

For the first half of 2018, cash flow from operations increased 5.3% ($28 million) to $544 million, with the increase coming mainly from a combination of higher EBITDA ($5 million) and lower cash used for capex ($10 million) and for working capital ($16 million). Over the past two years, we have implemented numerous cost savings initiatives under our Project Heat, and these have helped lift margins and to contain the amount of working capital and capex required to grow our business.

Cash taxes paid increased by $28 million to $135 million in H1 2018, and the increase largely reflects timing differences, namely taxes paid in 2018 related to higher levels of profitability in fiscal year 2017, and to tax audit settlements. Net finance charges paid declined $28 million to $180 million due to lower average debt levels and a lower average interest rate on our debt resulting from our debt refinancing activity over the past year. Advances for dividends to non-controlling interests increased $7 million to $79 million in H1 2018.

As a result, equity free cash flow increased 15.7% to $149 million in H1 2018.

Capital Expenditures

During the quarter, balance sheet capital expenditures (excluding spectrum, license costs and finance lease capitalizations) reached $217 million, down 5.8% ($13 million) year-on-year. Capex in Latam was $209 million, flat year-on-year. Spectrum and license purchases totaled only $1 million in Q2 2018, down from $5 million in Q2 2017.

Net Debt

US$m	Gross Debt	Of which Finance Leases	Cash	Of which Restricted Cash	Net Debt[1]
Latin America	**3,738**	**246**	**823**	**44**	**2,915**
Of which local currency	*1,972*	246	*428*	44	1,544
Africa	**285**	**130**	**161**	**114**	**124**
Of which local currency	*175*	130	*157*	114	19
Corporate	**1,205**	**0**	**264**	**0**	**942**
Group	**5,228**	**376**	**1,247**	**158**	**3,981**
Group - Proportionate basis	*4,076*	263	*992*	153	3,084
Guatemala and Honduras	*1,382*	1	*362*	10	1,020
Group, excluding GT & HN	**3,846**	**376**	**885**	**147**	**2,960**

Note: (1) Net debt is gross debt including finance leases less: cash, restricted cash, and pledged and term deposits of $9 million.

Group net debt, including Guatemala and Honduras, was $3,981 million as of June 30, 2018, a reduction of $119 million compared to $4,100 million as of the end of March 2018. The reduction in net debt stems from cash flow generation, proceeds from the disposal of the Senegal operation and of some additional towers, partly offset by payment of the first installment of the dividend approved at the May AGM, as well as the unwinding of a maturing SEK/USD cross-currency swap which resulted in cash outflow of $63 million.

Net debt-to-EBITDA, based on the last twelve-month EBITDA, improved to 1.80x as of June 30, 2018 from 1.87x as of March 31st 2018. Proportionate net debt as of June 30th 2018, excluding 45% of Guatemala, 33.3% of Honduras, 50% of Colombia, and 15% of Zantel, was $3,086 million, implying a net debt-to-EBITDA ratio of 1.95x, down from 2.03x as of March 31st 2018.

Gross debt including finance leases, increased marginally by $20 million in the second quarter of 2018 to $5,228 million. Approximately 72% of group gross debt at June 30th 2018 was in Latam, 5% in Africa, and the remaining 23% at corporate level. Finance lease liabilities increased slightly to $376 million and represented 7% of group gross debt. As of June 30th 2018, 70% of group gross debt was at fixed rates or swapped for fixed rates, and 41% was in local currency, thereby mitigating our exposure to currencies and rates volatility. Our cost of debt excluding finance leases increased marginally to 6.3% whilst the average maturity of our debt remained stable at 5.1 years.

Our cash position, excluding restricted cash but including pledged and term deposits, increased to $1,097 million from $957 million in the first quarter of 2018. The restricted cash balance, principally comprising MFS customer account balances, was $150 million.

In the second quarter, we obtained consent from our 2025 and 2028 bondholders to designate restricted and unrestricted subsidiaries; a construct that would give the group additional flexibility to structure external growth transactions.

Group Business Review

The information contained herein can also be accessed electronically in the Financial & Operating Data Excel file published at www.millicom.com/investors alongside this earnings release. We manage our operations and report our results under two segments, Latam and Africa, and we provide additional information on each of the largest countries within our Latam segment.

Latin America

Business Units

We present our Latam results under three principal business units:

1. B2C Mobile, comprised of mobile services for individuals, including mobile data, mobile voice, and mobile financial services (MFS);
2. B2C Home, comprised of broadband, Pay TV, content, and fixed voice services for residential customers; and,
3. B2B, comprised of both mobile and fixed services to government, corporate, and SME customers.

Market environment

The macroeconomic environment in our Latam markets was stable in Q2 2018, in contrast with the sharp increase in volatility experienced elsewhere in the region, namely in Argentina, Brazil, and Mexico. In Colombia, presidential elections had no visible impact on market volatility, and the country's consumer confidence index turned positive in April and continued to improve in May, reaching levels not seen since December 2015. In our other Latam markets, economic activity remained healthy in Paraguay and Bolivia, and stable in Guatemala, Honduras, and in El Salvador.

The currencies in the Latam countries where we operate have proven relatively resilient in the context of the increased volatility which in recent months has impacted other Latam currencies. The average FX rate of the currencies where we operate fluctuated within a narrow range of -1% and +1% during the quarter, and four of the six Latam currencies have appreciated year-on-year.

Competitive intensity remains elevated but stable in the majority of our markets. In Paraguay, competitive pressure has increased over the past year, as the relatively healthy macro backdrop may be attracting increased levels of competitor investment.

Financial & operating data

KPI ('000)	Q2 2018	Q2 2017	YOY change
B2C Mobile customers	31,790	31,699	0.3%
Of which B2C mobile data customers	15,140	13,427	12.8%
Of which 4G customers	7,979	4,734	68.5%
Of which Postpaid subscribers	3,053	2,897	5.4%
B2C Mobile ARPU ($)[i]	7.6	7.6	1.0%
Total homes passed	9,639	8,595	12.1%
Of which HFC homes passed	9,076	7,850	15.6%
Of which HFC homes connected	2,560	2,207	16.0%
Home – HFC revenue generating units	4,843	3,983	21.6%
Home ARPU ($)[i]	29.6	28.4	2.2%

Financial ($m, unless otherwise stated)	Q2 2018	Q2 2017	Organic YOY [i]
Total Revenue	1,412	1,345	4.3%
Service revenue	1,308	1,251	5.5%
Mobile B2C	738	735	2.1%
Of which B2C mobile data	366	320	16.2%
Home	319	279	12.6%
B2B	239	228	7.1%
EBITDA[ii]	514	491	4.4%
EBITDA margin %	36.4%	36.5%	(0.1pt)
Capex[iii]	209	210	(0.0%)

i) Organic growth rates exclude the impact of changes in FX and changes related to the new segment cost presentation.
ii) EBITDA and EBITDA margin reflect new corporate cost allocation and segment reporting presentation, as disclosed in Q1 2018.
iii) Excludes spectrum, license costs and finance lease capitalizations.

Key Performance Indicators

In B2C Mobile, we added 434,000 4G smartphone data users in Latin America during Q2 2018. Strong organic performance was partly offset by a customer base clean-up. We ended Q2 2018 with 31.8 million total mobile subscribers, down 0.3% quarter-on-quarter and up 0.3% year-on-year. We closed Q2 2018 with 3.1 million postpaid customers, an increase of 37,000 in Q2 and of 5.4% year-on-year.

Of our total B2C mobile subscribers, approximately 50% used data services in Q2 2018, up from 45% in Q2 2017, and 25% used 4G data services, up from 15% a year ago. Data users consumed an average of 2.3 GB per month in Q2 2018, up from 1.8 GB in Q2 2017. Average consumption varies meaningfully from country to country and ranged from less than 2 GB in one country to more than 3 GB in another.

Monthly ARPU for B2C mobile continues to show signs of stabilization, averaging $7.60 in Q2, flat quarter-on-quarter but up 1.0% year-on-year, and ARPU growth was positive in three of our six Latam markets.

In our Home unit, we ended the quarter with 9.6 million total homes-passed, including 9.1 million on our HFC networks. During the quarter, we added 140,000 HFC homes connected, including approximately 52,000 related to an acquisition in Guatemala, implying organic net additions of about 88,000 during the quarter, similar to the record level achieved in Q1 2018. Over the past year, we have increased HFC homes connected by 16.0%, and the number of HFC revenue generating units (RGUs) has grown by 21.6%, driven by broadband internet, where growth had been accelerating over the past two years and reached more than 25% in Q2 2018.

The number of Pay TV subscribers on our HFC network also continues to grow, and growth has accelerated from 5% in 2016 to 10% in 2017 and almost 15% in Q2 2018, although the recent spike may reflect a temporary boost related to the soccer World Cup. Our DTH platform is also growing rapidly, and we now have more than 450,000 DTH customers, an increase of 35% year-on-year, with strong growth in Guatemala, Bolivia and Paraguay.

Home ARPU continues to grow modestly in most of our markets, gaining 2.2% year-on-year on average organically and reaching $29.60 in the quarter.

Financials

Total revenue in Latam in Q2 increased by 4.3% year-on-year on an organic basis, to $1,412 million, and service revenue grew by 5.5%, marking a sixth consecutive quarterly improvement. A large electoral system contract in Colombia contributed approximately 0.9 percentage point to Latam service revenue growth in the quarter.

By country, organic service revenue growth reached 15.7% in Bolivia, 6.4% in Guatemala, 6.2% in Paraguay, and 5.8% in Colombia. Growth continues to improve gradually in Honduras, reaching 0.3% in Q2, our best performance in more than two years. In contrast, Q2 performance in El Salvador was disappointing, with service revenue declining 3.6% year-on-year.

By revenue category, service revenue growth in B2C Mobile improved to 2.1% year-on-year in Q2, up from 0.9% in Q1, driven by continued strong growth in data consumption, along with a moderating rate of decline in legacy voice and SMS revenue. In Q2 2018, mobile data revenue increased 16.2% year-on-year and generated 50% of our B2C mobile service revenue, up from 44% in Q2 2017.

Home service revenue rose to $319 million, as growth accelerated to 12.6% in Q2 2018 from 7.6% in Q1. We continue to generate robust double-digit growth in Bolivia, Guatemala, Paraguay and Honduras, but the acceleration stems mostly from Colombia, where Home grew at its fastest rate since Q4 2016. The acquisition of Cable DX in Guatemala added approximately 0.6 percentage point to Latam Home growth in Q2 2018.

B2B service revenue grew by 7.1% organically to $239 million, a slight deceleration from 8.9% growth in Q1 2018 but within the range of growth rates seen over the past year. Growth remained particularly robust in Colombia, where we completed work on a contract related to electoral systems.

The proportion of our Latam service revenues stemming from subscriptions increased to 59.0% in Q2, up from 58.5% in Q1 2018 and 57.5% in Q2 2017.

Telephone and equipment sales decreased 11.1% organically in the quarter to $104 million, as we continue to rely increasingly on third party vendors.

EBITDA in Latam reached $514 million, implying organic growth of 4.4%, an improvement from 1.3% growth in Q1 driven largely by improved growth and profitability in Colombia, as well as robust growth in Bolivia, partially offset by weakness in El Salvador. The EBITDA margin was stable at 36.4%, down 0.1% year-on-year.

Capex in Latin America totaled $209 million in Q2 2018 and was flat year-on-year. Investment in our networks accounted for 88% of Latam capex, while the remaining 12% went towards IT and Other. Network investment was split approximately 71% fixed and 29% mobile. Customer premise equipment deployed to support the growth of our fixed customer base increased 23% year-on-year and accounted for more than 32% of our total capex in the region. Within mobile, the bulk of our capital investment remains focused on adding coverage and capacity to our 4G networks, which covered approximately 60% of the population with an addition of 786 points of presence in our markets as of the end of the quarter. Our fixed fiber network has now reached 110,000 kilometers in Latin America.

SECOND QUARTER 2018 REVIEW BY COUNTRY

Guatemala

	Q2 2018	Q2 2017	*YOY change ($ Organic growth)*
B2C Mobile customers ('000)	10,424	9,720	7.2%
Total Homes connected ('000)	459	341	34.5%
Total revenue (US$m)	339	325	5.6%
Service revenue (US$m)	298	291	6.4%
EBITDA (US$m)	172	165	5.7%
EBITDA margin %	50.6%	50.6%	0.0pt

We added 122,000 total B2C mobile subscribers in Q2 2018, including 154,000 new 4G smartphone data users. In Home, we added 75,000 homes connected, including approximately 52,000 related to Cable DX, which we acquired in Q2.

Once again, our Guatemala operations delivered robust results in Q2 2018, with local currency service revenue growth reaching 6.4%, up from 5.7% growth reported in Q1 2018 and a significant improvement compared to a decline of 2.5% in Q2 2017. Cable DX contributed approximately $1.2 million in revenue and 0.4 percentage points of growth in Q2.

For a second consecutive quarter, we sustained growth of more than 4% in B2C mobile, while B2B grew mid-single-digits, and Home grew more than 25% year-on-year. EBITDA rose 5.7%, and the margin was stable at 50.6%.

Paraguay

	Q2 2018	Q2 2017	*YOY change ($ amounts in local FX)*
B2C Mobile customers ('000)	3,016	3,217	(6.2%)
Total Homes connected ('000)	397	331	20.2%
Total revenue (US$m)	172	165	4.4%
Service revenue (US$m)	159	153	6.2%
EBITDA (US$m)	83	77	8.1%
EBITDA margin %	48.4%	46.5%	1.9pt

Competition in the Paraguay mobile market has intensified over the past year, and we have been focusing primarily on the high-value customer segment and on migrating our subscriber base to 4G. As a result, our mobile subscriber base has been declining over the past year, but this is being offset by mid-to-high single-digit ARPU growth.

In Home, we continue to upgrade our networks and cross-sell broadband to our large pay TV customer base. We are also in the process of migrating our UHF subscribers onto our DTH platform, as we prepare to discontinue the UHF service and return the spectrum to the government.

Service revenue growth remained strong at 6.2% in Q2 2018, although a slight deceleration from the 7.8% growth rate reported in Q1 2018, due to moderating ARPU growth in B2C mobile and to slower growth in B2B, where growth rates sometimes vary meaningfully from quarter to quarter. Home growth remained robust at more than 20%. EBITDA increased 8.1% year-on-year in Q2 2018, and the margin expanded by 1.9 percentage points to 48.4% on continued cost control and operating leverage.

Colombia

	Q2 2018	Q2 2017	*YOY change ($ amounts in local FX)*
B2C Mobile customers (‘000)	7,781	7,764	0.2%
Of which, 4G customers (‘000)	2,116	1,408	50.2%
Total Homes connected (‘000)	1,646	1,623	1.5%
HFC Homes connected (‘000)	1,166	1,071	8.9%
Total revenue (US$m)	461	430	3.4%
Service revenue (US$m)	433	396	5.8%
EBITDA (US$m)	127	114	6.9%
EBITDA margin %	27.5%	26.6%	0.9pt

In Home, we added a record 31,000 households to our HFC network during the quarter, more than offsetting churn on our copper network, such that total homes connected rose for a second consecutive quarter. Year-on year growth in total homes connected has been improving steadily in recent years, turning positive 0.8% in Q1 2018 and reaching 1.5% in Q2, a meaningful improvement from a decline of 1.9% in Q2 2017.

The improving customer trend is also visible in revenue-generating-units (RGUs), which expanded by more than 5% year-on-year in Q2 2018, compared to a decline of almost 1% in Q2 2017. RGUs on our HFC network are growing almost 20%, driven mostly by robust growth in broadband internet, but growth in Pay TV customers on our HFC network is also solid, having accelerated from 1% in 2016 to 4% in 2017 and 7% in Q2 2018.

In B2C mobile, our subscriber base declined by 55,000 during the quarter due almost entirely to net disconnections in prepaid. During the quarter, we added approximately 111,000 4G subscribers on an organic basis, but this was more than offset by a clean-up of our 4G customer base.

Service revenue grew 5.8% in Q2 2018, an improvement of 3.6 percentage points compared to 2.2% growth in Q1. Revenue in B2C mobile grew low single-digits, the strongest growth rate in more than two years, as the impact of regulated tariff reductions implemented during H1 2017 continues to diminish. Home performed well, achieving positive mid-single-digit growth in Q2 compared to negative growth posted in Q1, with the sequential improvement driven mostly by ARPU, as modest price increases have been sticking, aided by improving consumer confidence in the country. Finally, B2B sustained double-digit growth for a second consecutive quarter, driven in part by a government contract related to the recently concluded presidential elections. This contract added approximately 2.6 percentage points to Colombia service revenue growth in Q2 and 1.8 percentage points in Q1.

EBITDA rose 6.9% year-on-year to $127 million in Q2 2018, and the EBITDA margin reached 27.5%, up 0.9 percentage points compared to the 26.6% reported in Q2 2017. The increase in EBITDA reflects operating leverage on the higher revenue generation.

Bolivia

	Q2 2018	Q2 2017	*YOY change ($ amounts in local FX)*
B2C Mobile customers ('000)	3,408	3,029	12.5%
Total Homes connected ('000)	329	166	98.3%
Total revenue (US$m)	153	133	14.9%
Service revenue (US$m)	149	131	15.7%
EBITDA (US$m)	59	51	17.5%
EBITDA margin %	38.6%	38.0%	0.6pt

Our Bolivia operation continued to lead with the fastest growth in the group, a direct result of our significant commitment and investments in the country. Over the past year, we have almost doubled the number of homes that we pass with our HFC network, and this investment is now bearing fruit. In Q2 2018, homes connected increased by 61,000, up from 38,000 in Q1 2018 and more than double the Q2 2017 level. The soccer World Cup likely explains a portion of the sequential surge in customer net additions, as DTH customer net additions were particularly strong in the quarter. HFC household net additions were also very strong, almost doubling year-on-year, driven primarily by broadband internet.

In mobile, subscriber growth moderated somewhat due to flat performance in prepaid and continued growth in postpaid. The mix shift is driving improved performance in ARPU, which remains down year-on-year but increased 5% quarter-on-quarter.

Service revenue grew 15.7%, up from 6.5% reported (10.8% underlying) in Q1. Growth in Home, which is entirely organic, accelerated yet again to almost 90%, and B2C mobile growth accelerated to more than 6% year-on-year. The robust growth in B2C mobile is particularly noteworthy, as Bolivia leads our markets in 4G, with penetration now reaching 47% of our customer base, driving ARPU levels that are among the highest in the group.

EBITDA grew 17.5% year-on-year in Q2 2018, and margin expanded by 0.6 percentage point to 38.6%, due to operating leverage.

Honduras

	Q2 2018	Q2 2017	*YOY change ($ amounts in local FX)*
B2C Mobile customers ('000)	4,614	4,702	(1.9%)
Total Homes connected ('000)	163	136	19.8%
Total revenue (US$m)	146	148	0.3%
Service revenue (US$m)	138	142	0.3%
EBITDA (US$m)	60	63	(3.4%)
EBITDA margin %	41.2%	42.8%	(1.6pt)

In B2C mobile, we continue to grow in postpaid, and we added a record 182,000 4G smartphone data users in Q2 2018, but we disconnected 41,000 total subscribers, as we focus on the higher value segment of the market. The mix shift toward higher-value customers is having a positive effect on ARPU, which grew year-on-year in the quarter.

In Home, we continue to steadily expand our network and our customer relationships, with homes passed and homes connected both up almost 20% year-on-year, with Home ARPU up low single-digits.

Service revenue growth continues to show signs of improvement, reaching 0.3% in Q2 2018. Revenue in B2C mobile continues to decline at a low single-digit rate, while growth in Home accelerated to almost 20% in Q2, up from mid-teen growth in Q1.

EBITDA declined 3.4% in Q2 2018, and the margin contracted 1.6 percentage point to 41.2%. The margin erosion in Honduras largely reflects the decline in our legacy mobile voice business as well as the impact of investments we are making to accelerate growth in mobile data and Home.

El Salvador

	Q2 2018	Q2 2017	*YOY change ($ amounts in local FX)*
B2C Mobile customers ('000)	2,548	3,267	(22.0%)
Total Homes connected ('000)	282	323	(12.5%)
Total revenue (US$m)	103	106	(3.0%)
Service revenue (US$m)	94	100	(3.6%)
EBITDA (US$m)	32	38	(16.8%)
EBITDA margin %	30.7%	35.6%	(4.8pt)

Our performance in El Salvador was very disappointing in Q2. A competitive market and operational challenges led to a fall in revenues. In the quarter, we also increased our bad debt provisions by $6 million to reflect historic challenges with customer acquisition, and we took steps to improve the quality of our customer base, which created involuntary churn and a decline in revenue in every revenue category. As a result, service revenue declined 3.6% year-on-year in Q2 2018, deteriorating from positive growth of 2.1% in Q1, and EBITDA declined 16.8% year-on-year during the period.

Costa Rica

Service revenue rose 1.0% year-on-year in Q2 2018, a deceleration compared to 3.4% growth in Q1 but in line with trends seen in recent periods. We continue to experience healthy growth in B2B, but growth in Home was slightly negative in Q2, impacted somewhat by mandated changes to our channel lineup. EBITDA declined 2.5% year-on-year, and EBITDA margin declined 2.1 percentage points due in part to the timing of certain cost items that shifted to Q2 from Q1 as compared to 2017 associated with the launch of our next generation TV service (OneTV).

Africa

Financial & operating data

KPI ('000)	Q2 2018	Q2 2017	*YOY change*
B2C Mobile customers	15,429	14,587	5.8%
MFS customers	6,640	6,049	9.8%
B2C Mobile ARPU (US$)[i]	2.7	2.7	(0.9%)

Financial[i]	Q2 2018	Q2 2017	*Organic YOY change[i]*
Total Revenue (US$m)	129	125	2.9%
Service revenue (US$m)	129	125	3.1%
EBITDA (US$m)	32	31	5.0%
EBITDA margin %	24.9%	24.4%	0.5pt
Capex (US$m)[ii]	7	19	(66.0%)

i) Organic YoY in local currency and constant perimeter to exclude Senegal, Ghana, and Rwanda
ii) Capex excludes spectrum and license costs

Our consolidated Africa operations comprise Tanzania, including Zantel, and Chad. In aggregate, these represented 8.4% of Group revenue and 6.7% of EBITDA in Q2 2018.

During the second quarter, we added 551,000 B2C mobile subscribers in Africa, with Tanzania reporting its strongest quarter in more than two years, mainly due to our expanded network coverage. ARPU declined 0.9% in local currency terms, and this reflects mid-single-digit ARPU growth in Tanzania, offset by a double-digit decline in Chad, where the government has been forced to raise taxes to address fiscal imbalances.

Total revenue increased 2.9% year-on-year, and service revenue growth improved to 3.1% year-on-year in Q2 2018, accelerating from 1.7% in Q1. Tanzania delivered a fourth consecutive quarter of high-single-digit service revenue growth despite the impact of lower mobile termination rates. However, solid growth in Tanzania was partially offset by a double-digit decline in service revenue in Chad caused by the increased tax burden.

EBITDA rose 5.0%, and margin expanded 0.5 percentage point year-on-year to 24.9%. Margin improved modestly in both countries.

Capital expenditures in Africa totaled $7 million in Q2 2018, and this compares to $19 million in Q2 2017. In Tanzania, we decided not to participate in the recently-completed 4G spectrum auction.

Corporate Responsibility highlights – Q2 2018

Embedding Corporate Responsibility across our supply chain

The second year of our supplier training program is set to start in August 2018. This program will include a total of 140 suppliers throughout our operations in Latam, which are chosen based on their risk categorization and scoring in the EcoVadis CSR Assessment tool. The training will include Child Rights, Environmental Stewardship, Health & Safety, Fair Labor practices, Compliance and Privacy.

Millicom's children's rights program continues to gain momentum and gather recognition

We officially launched our new 3-year agreement with leadership teams from UNICEF and Millicom on May 30th. The projects funded by this agreement for 2018, in El Salvador, Guatemala and Paraguay are underway. Our Child Rights Consultation Project – the first of its kind, globally - started in Costa Rica, El Salvador and Guatemala, with Colombia following in late July with our partner, the Paniamor Foundation. In each of these countries, we work with 40 children ranging between 15 and 18 years of age, from both public and private schools, to understand how they use technology as a way of exercising their rights. UNICEF participates as an observer throughout the process.

Health, safety, security and environment

We are happy to report zero fatalities in Q2. During the quarter, we pressed ahead with the ISO 14001 certification program for Costa Rica and Guatemala. The Corporate Security teams attended the annual regional training conferences held in Colombia and South Africa for Latin America and Africa respectively, to further align on internal controls and continue mitigating potential risks.

Significant events registered during this period: firstly, the ongoing civil unrest across Nicaragua. While travel to Nicaragua is restricted to absolute essential for the foreseeable future, there have been only minor reported losses to services, and no Tigo staff harmed.

Secondly, the explosive volcanic eruption in Guatemala, resulting in significant destruction to the local areas surrounding the volcano. Tigo Guatemala have reported no losses or harm to any of its staff or families, nor to services. The response from Tigo Guatemala has been extraordinary, with over 100 emergency-trained volunteers from Tigo staff offering support and supplies from the Business Continuity Management/Crisis management emergency resources to the relief efforts.

Compliance and anti-corruption programme

During the second quarter, our Compliance team launched the group-wide employee compliance e-learning on our updated policies: Conflict of Interest, Gifts and Hospitalities and Sponsorships and Donations. These trainings were launched as part of the 2018 Compliance education and awareness training plan. A new Hotline campaign, "Speak Up - We will act on it", was launched group-wide to promote our Millicom Ethics Line, encouraging employees to use this external, independent system to report issues of non-compliance with our policies and values. This communication is part of our larger comprehensive communication campaign "Integrity starts with you" that we are using to continue raising awareness of compliance and ethics, reinforcing the importance of establishing and maintaining a corporate culture of integrity.

Additional Information

Alternative Performance Measures ('APMs')

In the front section of this Release, APMs are used to provide readers with additional financial information that is regularly reviewed by management and used to make decisions about operating matters. These measures are usually used for internal performance reporting and in defining director and management remuneration. They are also useful to management discussions with the investment analyst community. However, this additional information presented is not uniformly defined by all companies including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, certain information presented is derived from amounts calculated in accordance with IFRS but is not itself an expressly permitted GAAP measure. Such measures should not be viewed in isolation or as an alternative to the equivalent GAAP measure. Definitions, use and reconciliations to the closest IFRS measures are presented in the table below and on the following pages.

APMs	
Management reporting	The financial information presented in the front section of this Release is with Guatemala (55% owned) and Honduras (66.7% owned) as if fully consolidated, while the Group equity accounts those operations in the IFRS consolidated financial statements. See next pages for reconciliation with IFRS numbers.
Service, mobile data and home revenue	Service revenue is Group revenue related to the provision of ongoing services such as monthly subscription fees, airtime and data usage fees, interconnection fees, roaming fees, mobile finance service commissions and fees from other telecommunications services such as data services, short message services and other value-added services excluding telephone and equipment sales; Mobile data revenue is Group revenue related to the provision of data. Mobile data revenue is included in Service revenue; Home revenue is Group revenue related to the provision of residential services such as broadband internet and TV. Home revenue is included in Service revenue.
Organic growth	Organic growth represents year-on year-growth excluding the impact of changes in FX rates, perimeter, and accounting. A reconciliation of organic and reported growth rates can be found on the next page.
Operating profit	Operating profit is profit before taxes before results from associates, other non-operating expenses (such as foreign exchange losses and changes in fair value of derivatives) and net financial expenses. Operating profit includes our share of profit from joint ventures in Guatemala and Honduras, as these two operations are relevant in size and are considered as strategic operations for the Group. However, the operating profit does not include the share of income from joint venture in Ghana, due to its smaller size and reduced strategic importance. Ghana is therefore accounted for under the caption "Gains (losses) from other joint ventures and associates, net"
EBITDA	EBITDA is operating profit excluding impairment losses, depreciation and amortization and gains/losses on the disposal of fixed assets.
Return on Invested Capital	Return on Invested Capital is used to assess the Group's efficiency at allocating the capital under its control to profitable investments.
Net debt	Net debt is Gross debt (including finance leases) less cash, restricted cash and pledged deposits
Capex measures	Capex is balance sheet capital expenditure excluding spectrum and license costs and finance lease capitalizations from tower sale and leaseback transactions. Cash Capex represents the cash spent in relation to capital expenditure, excluding spectrum and licenses costs and finance lease capitalizations from tower sale and leaseback transactions.
Cash flow measures	Operating Cash Flow (OCF) is EBITDA less capex (excluding spectrum and license costs and finance lease capitalizations from tower sale and leaseback transactions); Operating Free Cash Flow is Operating Cash Flow less change in working capital and other non-cash items and taxes paid; Equity Free Cash Flow is Operating Cash Flow less taxes paid, finance charges paid (net) and advances for dividends to non-controlling interests. These measures allow us and third parties to evaluate our liquidity and the cash generated by our operations.

Organic growth adjustments

	Group Revenue		Group Service Revenue		Group EBITDA	
	Q2 2018	Q2 2017	Q2 2018	Q2 2017	Q2 2018	Q2 2017
Prior year period ($million)	1,470	1,572	1,376	1,469	524	542
Current period ($million)	1,541	1,470	1,437	1,376	551	524
Organic growth	4.2%	(1.9%)	5.3%	(1.4%)	4.6%	(1.1%)
Accounting change impact	0.1%	0.0%	(1.3%)	0.0%	0.5%	0.0%
Change in Perimeter impact	0.0%	(5.2%)	0.0%	(5.5%)	0.0%	(3.3%)
FX impact	0.5%	0.6%	0.4%	0.5%	0.1%	1.1%
Reported Growth	4.8%	(6.5%)	4.4%	(6.4%)	5.2%	(3.2%)

Foreign Exchange rates

		Average FX rate (vs. USD)					End of period FX rate (vs. USD)				
		Q2 18	Q1 18	QoQ	Q2 17	YoY	Q2 18	Q1 18	QoQ	Q2 17	YoY
Guatemala	GTQ	7.45	7.37	(1%)	7.34	(1%)	7.49	7.40	(1%)	7.34	(2%)
Honduras	HNL	23.88	23.68	(1%)	23.55	(1%)	24.07	23.72	(1%)	23.53	(2%)
Costa Rica	CRC	566	569	1%	574	1%	567	566	(0%)	580	2%
Bolivia	BOB	6.91	6.91	0%	6.91	0%	6.91	6.91	0%	6.91	0%
Colombia	COP	2,849	2,866	1%	2,947	3%	2,931	2,780	(5%)	3,038	4%
Paraguay	PYG	5,635	5,578	(1%)	5,592	(1%)	5,703	5,548	(3%)	5,560	(3%)
Ghana	GHS	4.50	4.42	(2%)	4.29	(5%)	4.78	4.40	(9%)	4.36	(10%)
Chad	XAF	565	553	(2%)	596	5%	571	554	(3%)	577	1%
Tanzania	TZS	2,271	2,248	(1%)	2,235	(2%)	2,276	2,256	(1%)	2,237	(2%)

Fully consolidated P&L reconciliation for IFRS 15 implementation (unaudited)

US$m	Q2 2018	Of which IFRS 15 impact	Q2 2018 excl IFRS 15	Q2 2017	YoY change %
Revenue	**1,541**	**2**	**1,539**	**1,470**	**4.7%**
Cost of sales	(432)	(21)	(411)	(385)	6.7%
Gross profit	**1,109**	**(19)**	**1,128**	**1,085**	**4.0%**
Operating expenses	(558)	21	(579)	(561)	3.3%
EBITDA	**551**	**3**	**549**	**524**	**4.7%**
Depreciation	(241)	-	(241)	(247)	(2.6%)
Amortization	(74)	-	(74)	(78)	(5.7%)
Other operating income (expenses), net	20	-	20	(1)	NM
Operating profit	**256**	**3**	**254**	**197**	**28.6%**
Net financial expenses	(107)	-	(107)	(120)	(10.5%)
Other non-operating income (expenses), net	(20)	-	(20)	(17)	18.1%
Gains (losses) from other joint ventures and associates, net	(48)	-	(48)	(25)	96.3%
Profit (loss) before tax	**80**	**3**	**78**	**35**	**119.5%**
Net tax credit (charge)	(61)	-	(61)	(60)	0.6%
Profit (loss) for the period from continuing ops.	**20**	**3**	**17**	**(25)**	**NM**
Non-controlling interests	(19)	(1)	(18)	(9)	114.4%
Profit (loss) from discontinued operations	(2)		(2)	6	NM
Net profit (loss) for the period	**(1)**	**2**	**(3)**	**(27)**	**(87.4%)**

P&L reconciliation with Guatemala and Honduras as if fully consolidated vs. IFRS (unaudited)

As previously noted, the table reconciles the Management reporting numbers which include Guatemala and Honduras on a 100% consolidation basis with the IFRS numbers which account for these businesses as joint ventures using the equity method.

$ million	Q2 18 (i)	Guatemala and Honduras	JV	Q2 18 IFRS
Revenue	**1,541**	**(480)**		**1,061**
Cost of sales	(432)	105		(327)
Gross profit	**1,109**	**(375)**		**734**
Operating expenses	(558)	152		(406)
EBITDA	**551**	**(223)**		**328**
EBITDA margin	**35.8%**	**46.5%**		**30.9%**
Depreciation & amortization	(315)	106		(209)
Share of net profit in joint ventures			27	27
Other operating income (expenses), net	20	5		25
Operating profit	**256**	**(112)**	**27**	**171**
Net financial expenses	(107)	23		(84)
Other non-operating income (expenses), net	(20)	14		(7)
Gains (losses) from associates	(48)	-		(48)
Profit (loss) before tax	**80**	**(75)**	**27**	**32**
Net tax credit (charge)	(61)	24		(37)
Profit (loss) for the period	**20**	**(51)**	**27**	**(5)**
Profit (loss) from discontinued operations	(2)			(2)
Non-controlling interests	(19)	24		6
Net profit (loss) for the period	**(1)**	**(27)**	**27**	**(1)**

$ million	H1 18 (i)	Guatemala and Honduras	JV	H1 18 IFRS
Revenue	**3,057**	**(954)**		**2,103**
Cost of sales	(837)	204		(633)
Gross profit	**2,220**	**(750)**		**1,470**
Operating expenses	(1,115)	300		(815)
EBITDA	**1,105**	**(450)**		**655**
EBITDA margin	**36.2%**	**47.2%**		**31.1%**
Depreciation & amortization	(631)	215		(416)
Share of net profit in joint ventures			65	65
Other operating income (expenses), net	20	7		27
Operating profit	**494**	**(228)**	**65**	**331**
Net financial expenses	(211)	46		(165)
Other non-operating income (expenses), net	5	16		21
Gains (losses) from associates	(68)	-		(68)
Profit (loss) before tax	**221**	**(167)**	**65**	**119**
Net tax credit (charge)	(113)	44		(70)
Profit (loss) for the period	**107**	**(123)**	**65**	**49**
Profit (loss) from discontinued operations	(35)	-		(35)
Non-controlling interests	(56)	58		1
Net profit (loss) for the period	**16**	**(65)**	**65**	**16**

Note: i) Management reporting as if the Honduras and Guatemala businesses continue to be fully consolidated.

Consolidated balance sheet (unaudited)

US$ millions	30 Jun 2018 (i)	IFRS adjustments (ii)	30 Jun 2018 IFRS
ASSETS			
Intangible assets, net	4,248	(2,988)	1,260
Property, plant and equipment, net	3,771	(1,011)	2,759
Investments in joint ventures and associates	267	2,762	3,028
Other non-current assets	363	(22)	341
TOTAL NON-CURRENT ASSETS			
Inventories, net	79	(29)	50
Trade receivables, net	425	(92)	333
Other current assets	794	(330)	463
Restricted cash	158	(10)	147
Cash and cash equivalents	1,081	(346)	735
TOTAL CURRENT ASSETS	**2,536**	**(806)**	**1,730**
Assets held for sale	8	0	8
TOTAL ASSETS	**11,193**	**(2,066)**	**9,127**
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company	2,831	40	2,871
Non-controlling interests	730	(549)	181
TOTAL EQUITY	**3,562**	**(509)**	**3,052**
Debt and financing	4,789	(1,294)	3,495
Other non-current liabilities	556	(152)	403
TOTAL NON-CURRENT LIABILITIES	**5,345**	**(1,447)**	**3,898**
Debt and financing	439	(88)	351
Other current liabilities	1,846	(23)	1,823
TOTAL CURRENT LIABILITIES	**2,285**	**(111)**	**2,174**
Liabilities directly associated with assets held for sale	2	0	2
TOTAL LIABILITIES	**7,631**	**(1,557)**	**6,074**
TOTAL EQUITY AND LIABILITIES	**11,193**	**(2,066)**	**9,127**

Notes: (i) Management reporting as if the Honduran and Guatemalan businesses continue to be fully consolidated. (ii) IFRS adjustments result from the deconsolidation of the Guatemala and Honduras businesses and their reclassification as joint venture since December 31st, 2015.

Consolidated statement of cash flows (unaudited)

US$ millions	Q2 2018 (i)	IFRS adjustments (ii)	Q2 2018 IFRS
Profit (loss) before taxes from continuing operations	**80**	**(48)**	**32**
Profit (loss) for the period from discontinued operations	(2)	0	(2)
Profit (loss) before taxes	**78**	**(48)**	**30**
Net cash provided by operating activities (incl. discops)	**390**	**(202)**	**188**
Net cash used in investing activities (incl. discops)	**(119)**	**156**	**37**
Net cash from (used by) financing activities (incl. discops)	**(132)**	**75**	**(57)**
Exchange impact on cash and cash equivalents, net	(13)	1	(12)
Net (decrease) increase in cash and cash equivalents	**125**	**31**	**156**
Cash and cash equivalents at the beginning of the period	953	(376)	576
Effect of cash in disposal group held for Sale	3	0	3
Cash and cash equivalents at the end of the period	**1,081**	**(346)**	**735**

US$ millions	H1 2018 (i)	IFRS adjustments (ii)	H1 2018 IFRS
Profit (loss) before taxes from continuing operations	**221**	**(101)**	**119**
Profit (loss) for the period from discontinued operations	(35)	0	(35)
Profit (loss) before taxes	**186**	**(101)**	**85**
Net cash provided by operating activities (incl. discops)	**705**	**(350)**	**355**
Net cash used in investing activities (incl. discops)	**(401)**	**247**	**(154)**
Net cash from (used by) financing activities (incl. discops)	**(162)**	**74**	**(88)**
Exchange impact on cash and cash equivalents, net	(6)	2	(4)
Net (decrease) increase in cash and cash equivalents	**137**	**(27)**	**110**
Cash and cash equivalents at the beginning of the period	938	(319)	619
Effect of cash in disposal group held for Sale	6	0	6
Cash and cash equivalents at the end of the period	**1,081**	**(346)**	**735**

Notes: (i) Management reporting as if the Honduran and Guatemalan businesses continue to be fully consolidated. (ii) IFRS adjustments result from the deconsolidation of the Guatemala and Honduras businesses and their reclassification as joint ventures since December 31st, 2015.

Risks and uncertainty factors

Millicom operates in a dynamic industry characterized by rapid evolution in technology, consumer demand, and business opportunities. Combined 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, please refer to the 2017 Annual Report (http://www.millicom.com/investors/reporting-centre).

This press release may contain certain "forward-looking statements" with respect to Millicom's expectations and plans, strategy, management's objectives, future performance, costs, revenue, earnings and other trend information. It is important to note that Millicom's actual results in the future could differ materially from those anticipated in forward-looking statements depending on various important factors, including those included in this release. All forward-looking statements in this press release are based on information available to Millicom on the date hereof. All written or oral forward-looking statements attributable to Millicom International Cellular S.A., and Millicom International Cellular S.A. employees or representatives acting on Millicom's behalf are expressly qualified in their entirety by the factors referred to above. Millicom does not intend to update these forward-looking statements.

Conference call details

A presentation and conference call to discuss these results will take place on July 20th, 2018 at 2:00 PM (Stockholm) / 1:00 PM (London) / 8:00 AM (New York). Please dial in 5-10 minutes before the scheduled start time to register your attendance. Dial-in numbers for the call are as follows:

Sweden:	**+46 (0)8 5033 6574**	**UK:**	**+44 (0)330 336 9105**
US:	**+1 323 794 2423**	**Luxembourg:**	**+352 2786 1336**

The access code is: 1175831
A live audio stream, presentation slides, and replay information can be accessed at www.millicom.com.

Financial calendar

Quarterly results	Earnings release	Conference call
Q3 2018	Oct 23	Oct 24

For further information, please contact

Press:	Investors:
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About Millicom

Millicom is a leading provider of cable and mobile services dedicated to emerging markets in Latin America and Africa. Millicom sets the pace when it comes to providing high-speed broadband and innovation around The Digital Lifestyle services through its principal brand, Tigo. As of December 31st, 2017, Millicom employed approximately 19,000 people and provided mobile services to approximately 51 million customers, with a cable footprint of more than 9 million homes passed. Founded in 1992, Millicom International Cellular SA is headquartered in Luxembourg and listed on Nasdaq Stockholm under the symbol MIC_SDB. In 2017, Millicom reported revenues of $6.0 billion and EBITDA of $2.2 billion.

This information was, prior to this release, inside information and is information that Millicom is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 22:05 CET on July 19th, 2018.