



2018 Q1 results

Kicking off 2018 with accelerating momentum

Mauricio Ramos, CEO

Tim Pennington, CFO

April 25th, 2018

Millicom International Cellular S.A.

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1. CEO review

Mauricio Ramos

Kicking off 2018 with accelerating momentum

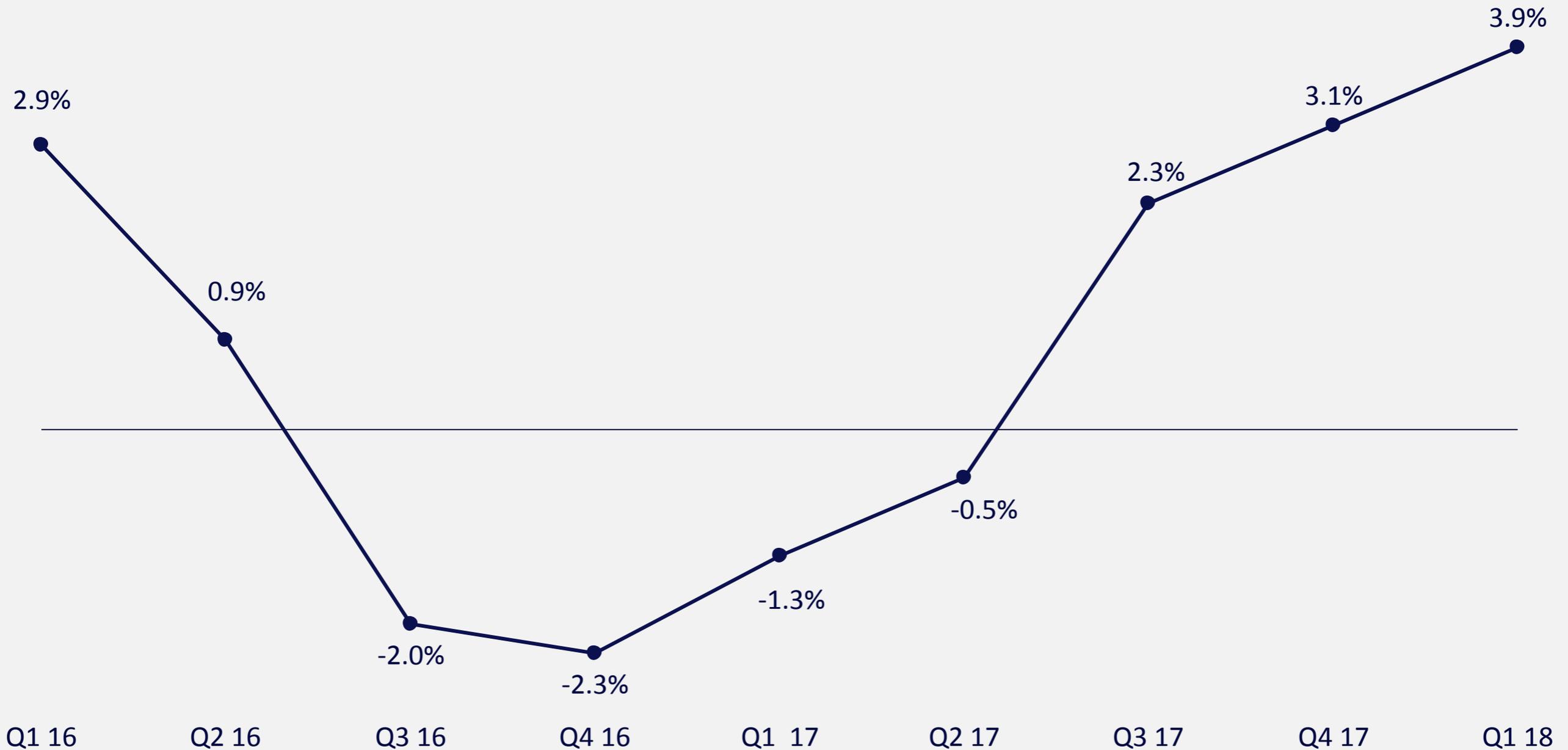
- 1** Latam service revenue growth accelerated to 3.9% in Q1
- 2** Strategic revenue grew 12% and now accounts for 69% of service revenue
- 3** Mobile data grew 18%, fueled by 643k 4G net additions (a Q1 record)
- 4** Home grew 8%, fueled by record 91k HFC homes connected added in Q1
- 5** Mobile now growing, driving growth in every Latam country
- 6** Well underway in next step of transformation journey: digitalization

1 Revenue growth accelerated to 3.9% in Q1

Fastest growth rate in more than two years

Latam service revenue growth

%YoY growth, Q1 16 – Q1 18

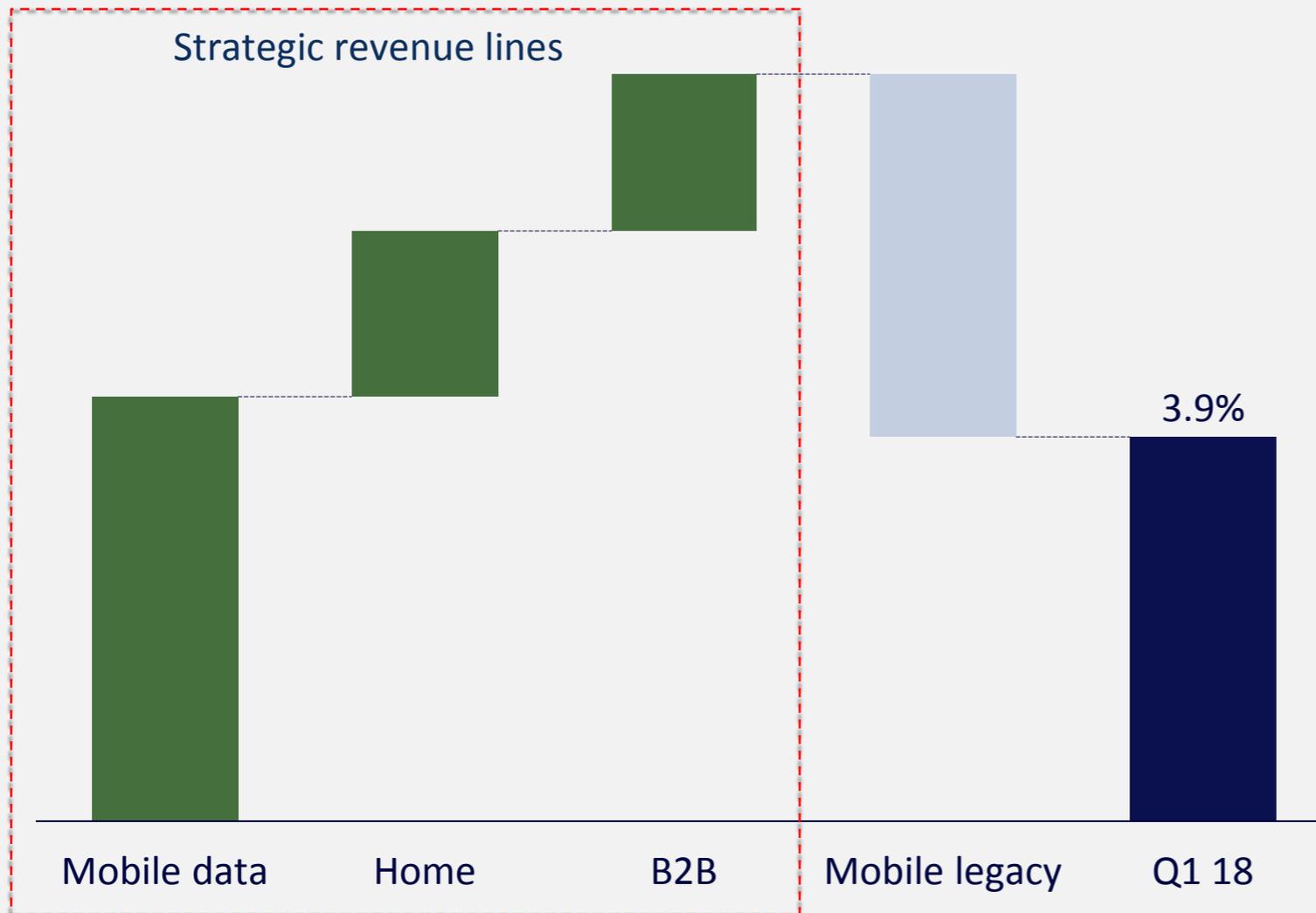


2 Strategic businesses driving growth

c.70% of our revenue is strategic and growing double-digits

Strategic revenue grew 12%...

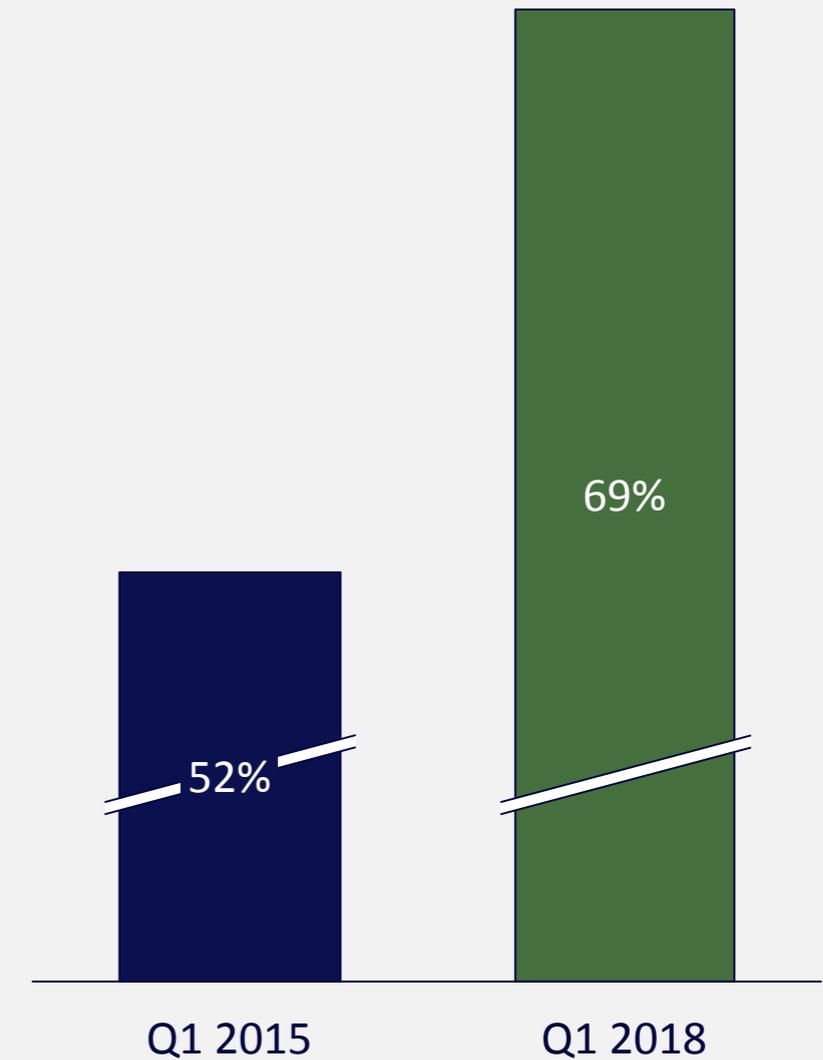
Contribution to Latam revenue growth year-on-year, Q1 2018



Growth	18%	8%	9%	-12%
Weight	27%	23%	19%	31%

... to c.70% of service revenue

Latam strategic revenue as % of service revenue Q1 15 – Q1 18



Strategic businesses grew 12% in aggregate in Q1 2018

Mobile data

Reported service revenue, \$m, Q1 17 - Q1 18



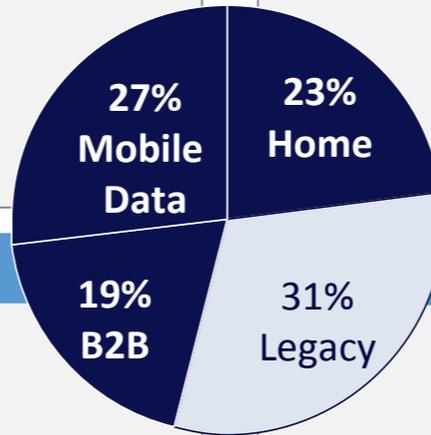
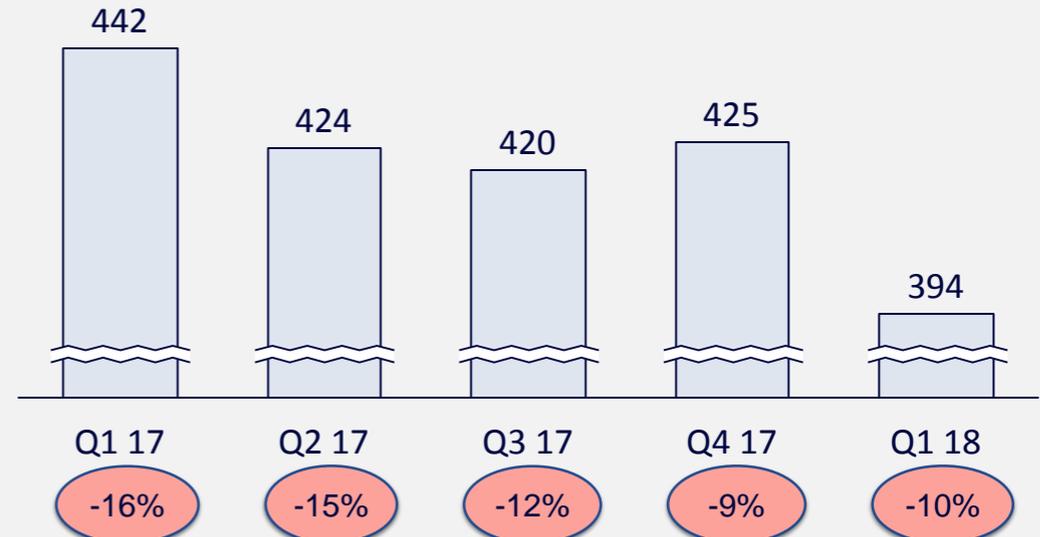
Home



B2B



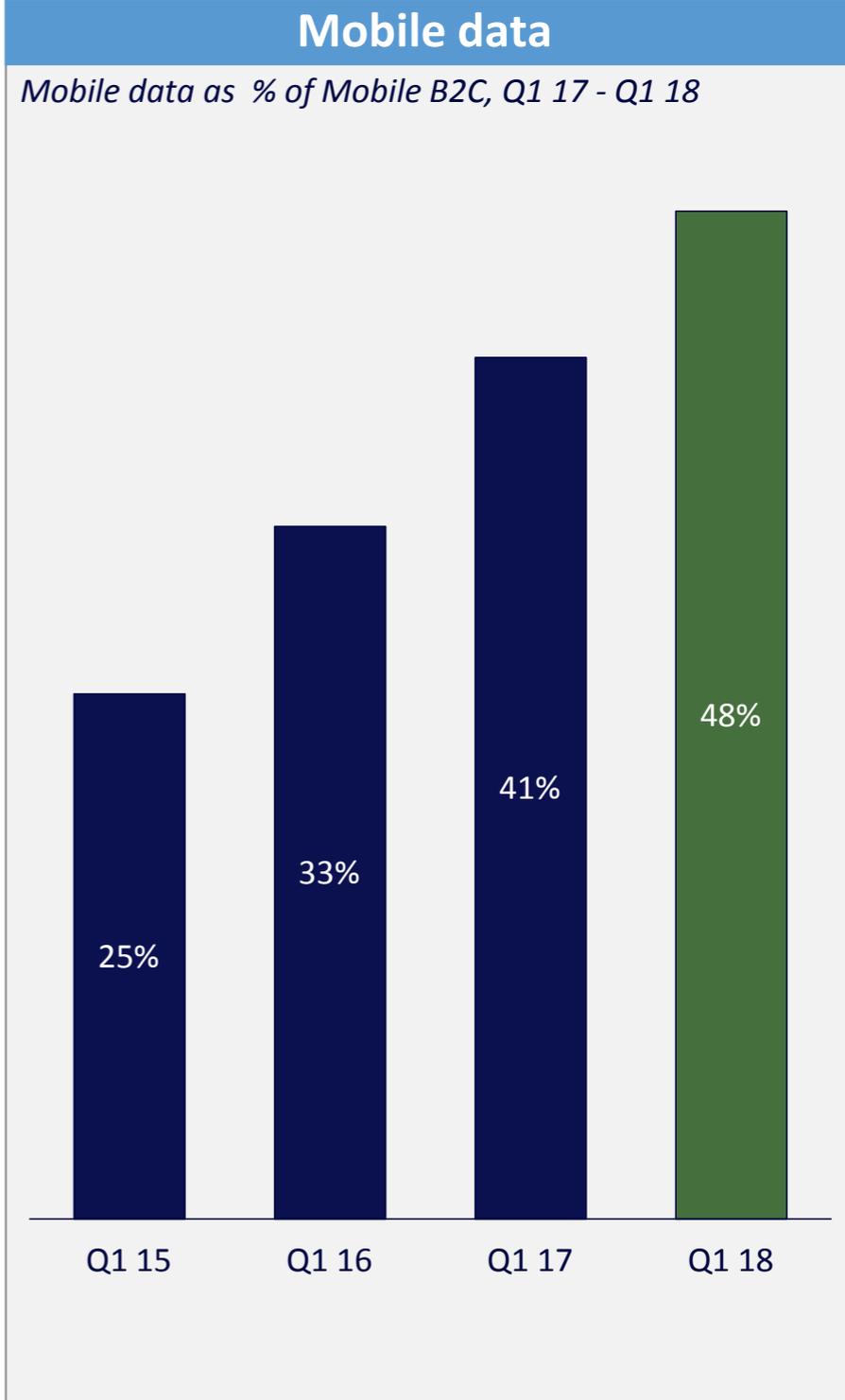
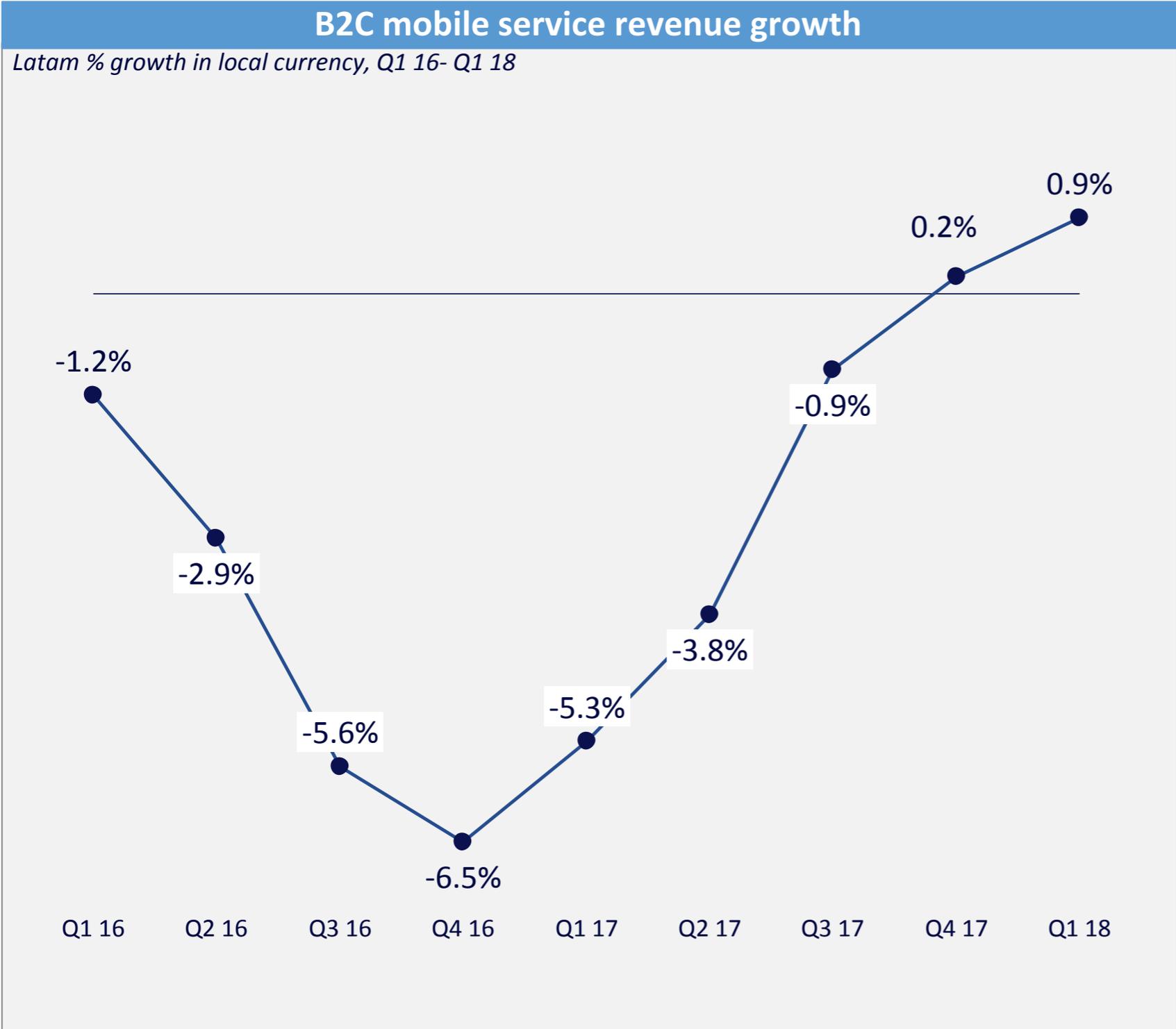
Legacy



○ Constant currency growth YoY

3 Mobile is growing again, driven by data...

Mobile revenue growing again as data growth more than offsets legacy voice decline

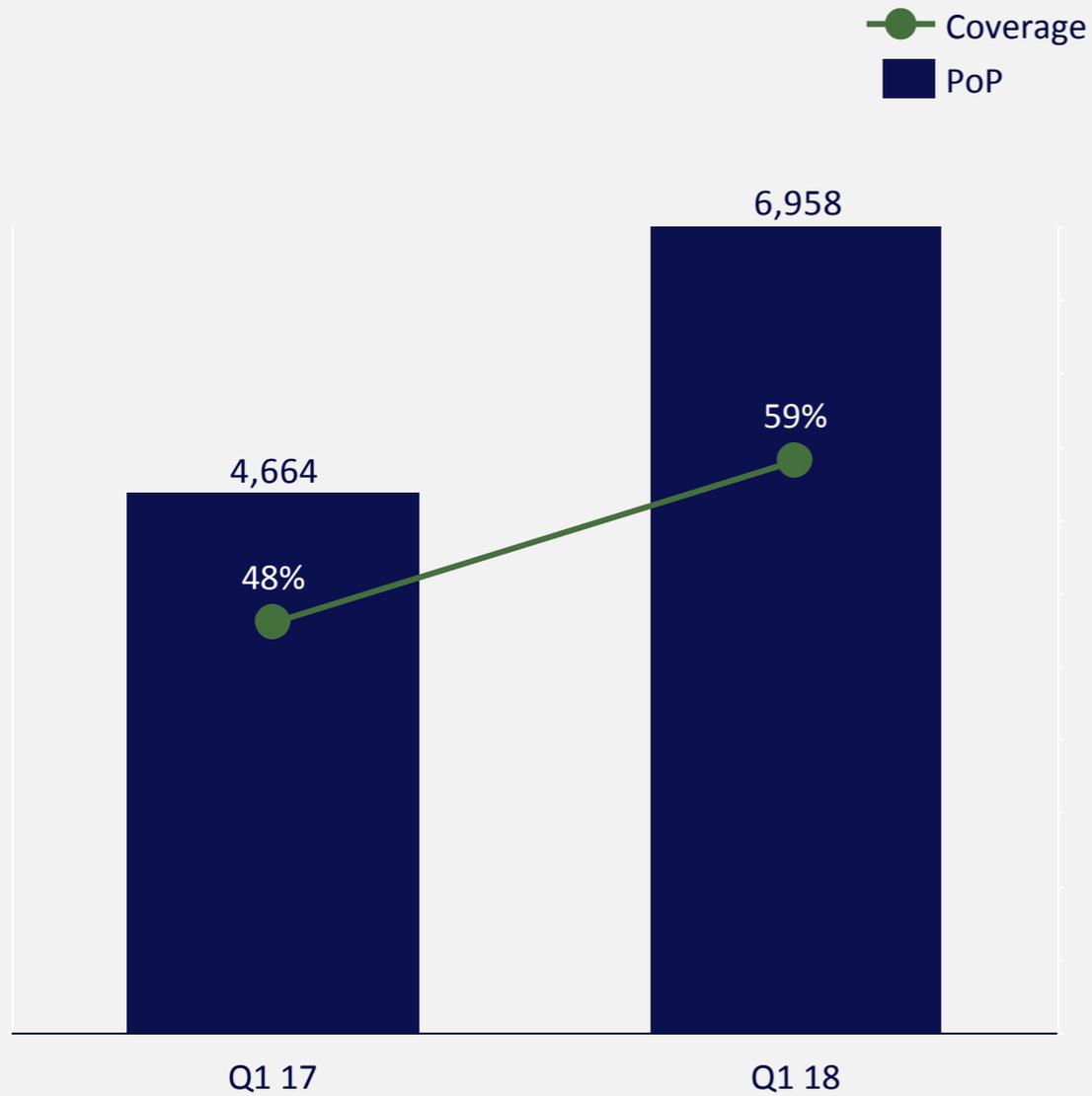


3 ...a direct result of our investments in 4G

Record 4G net additions - on track to meet FY guidance of 3m

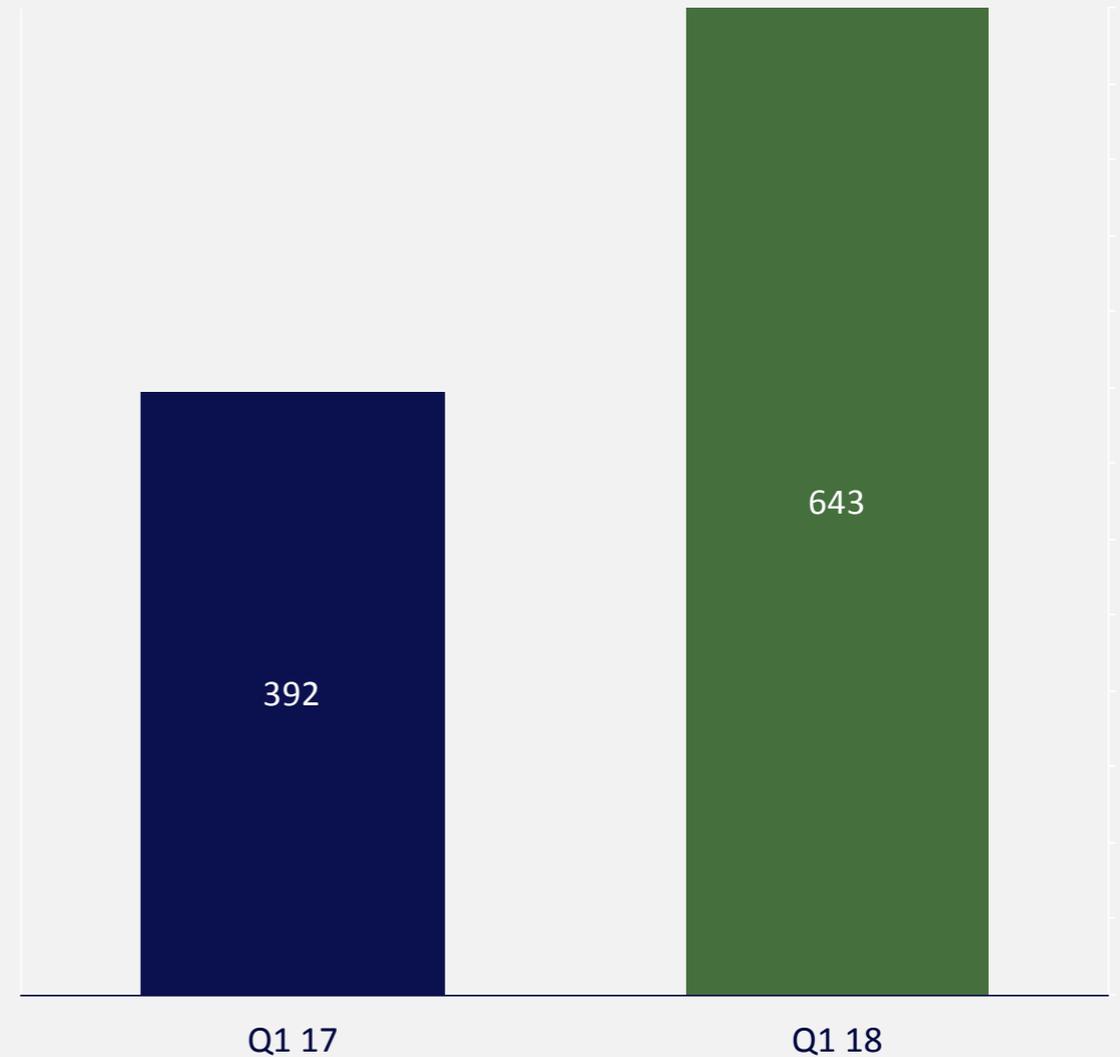
4G network coverage expansion continues

Latam 4G coverage in % of population covered
4G points of presence (PoP)



4G data user net additions in Q1 18

Latam B2C Smartphone net new data users (000s) by quarter, Q1 16 – Q1 18

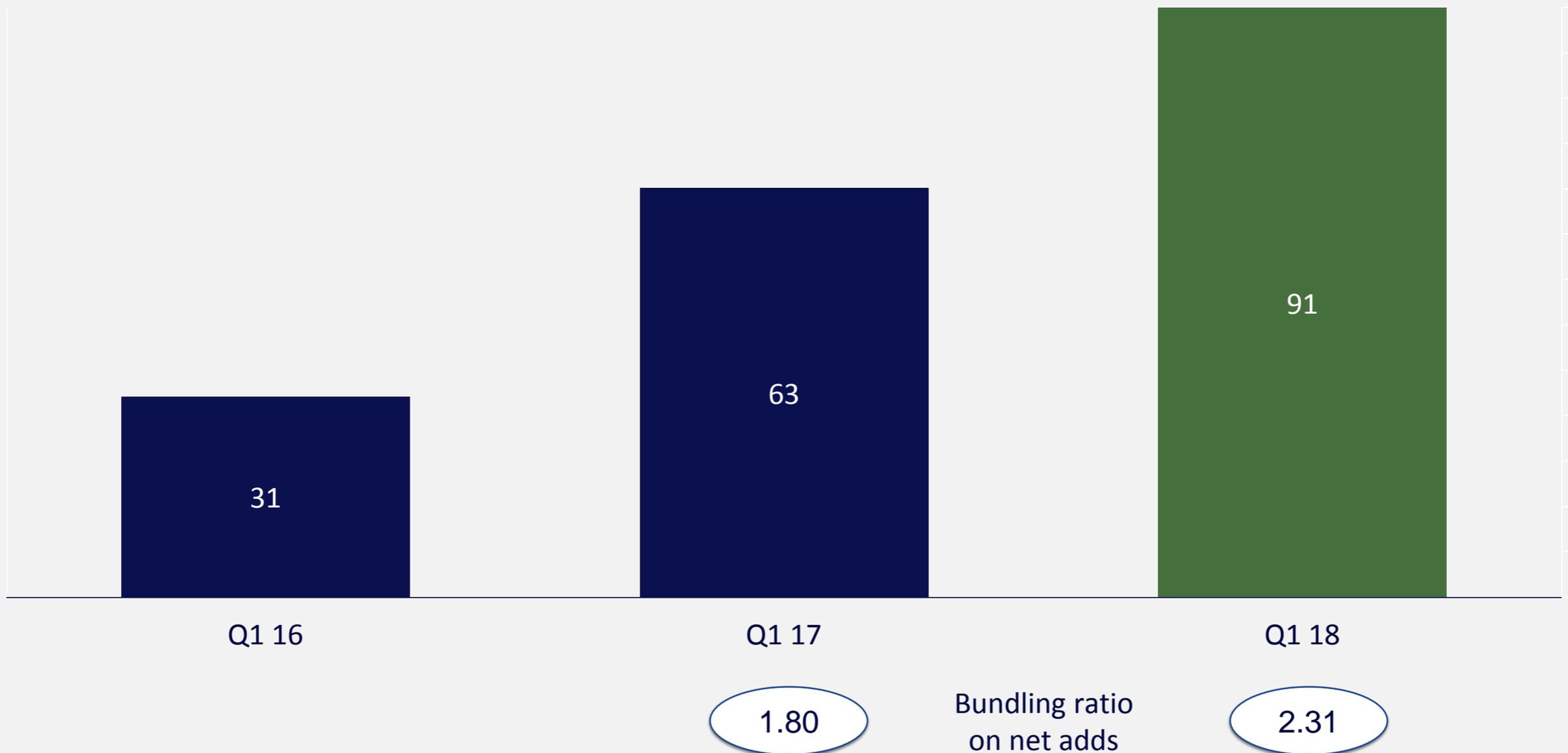


4 Home net add intake accelerating strongly

91k new homes connected in Q1 2018 – on track to deliver FY guidance of 300k

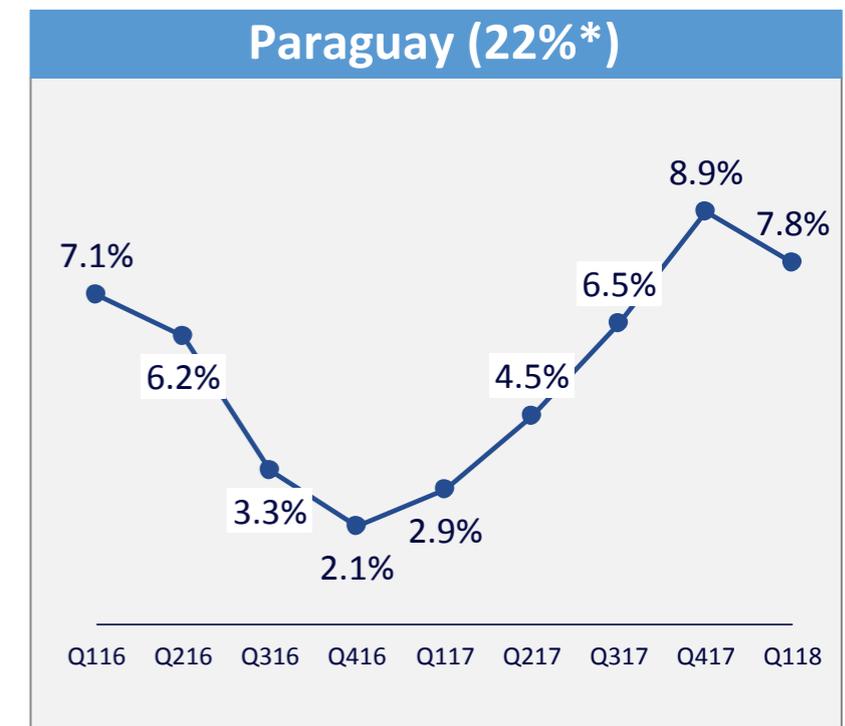
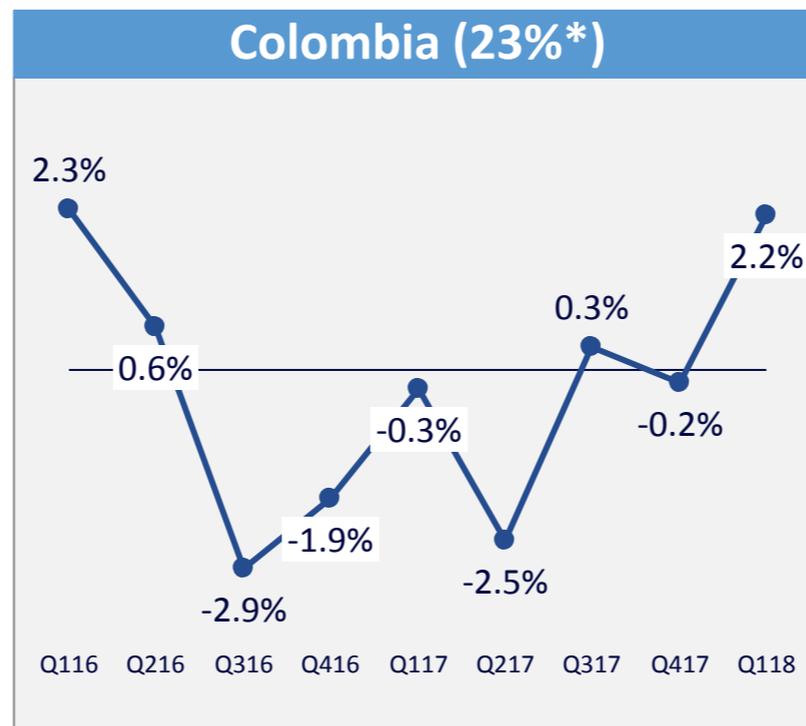
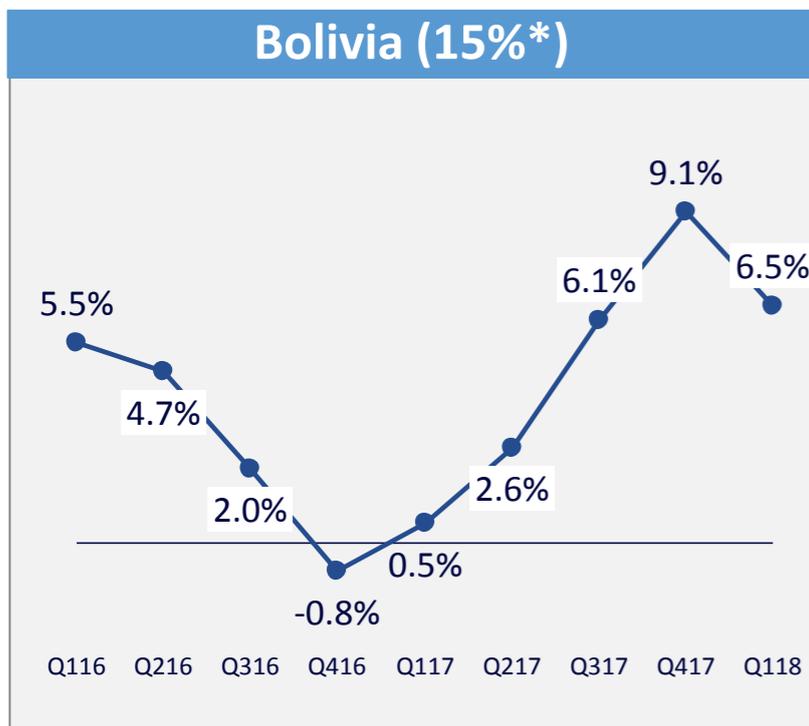
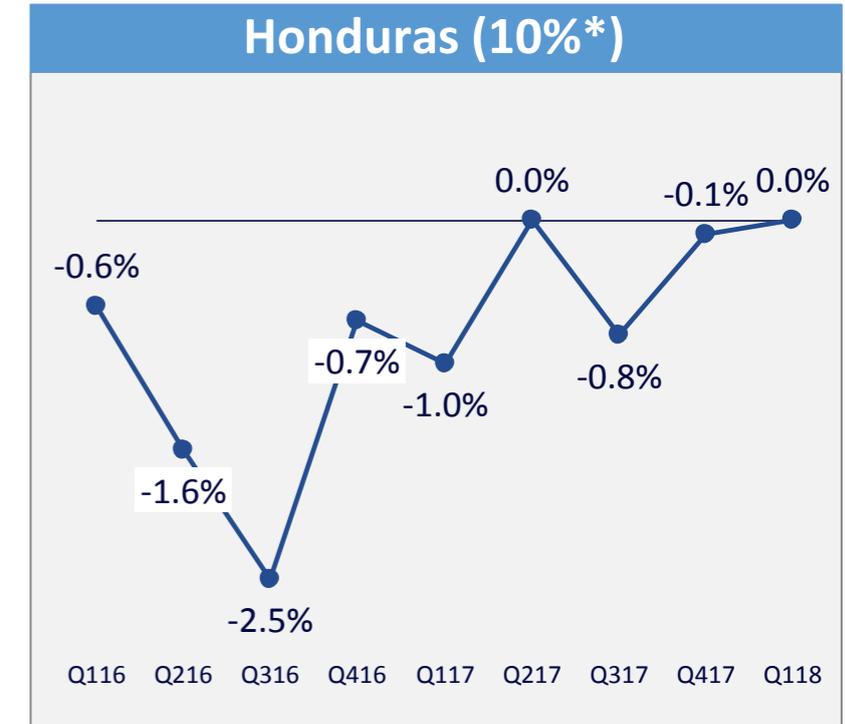
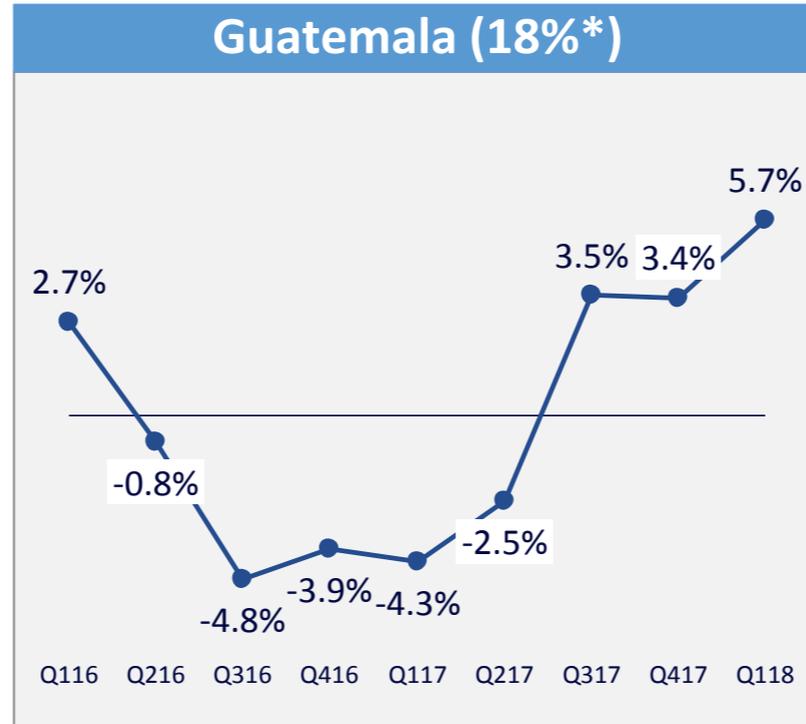
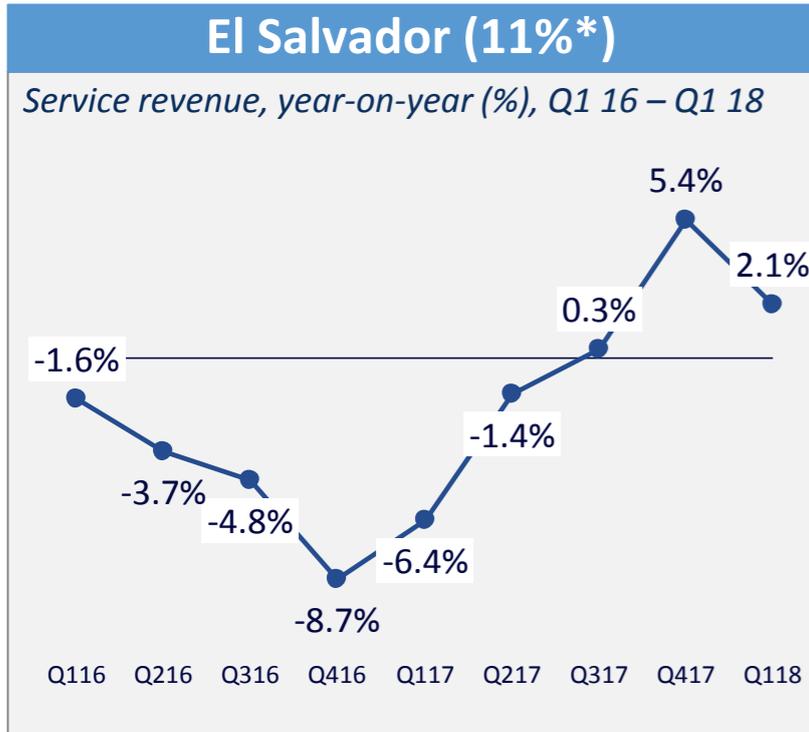
New HFC homes connected

Latam HFC homes connected, net adds by quarter, Q1 16 – Q1 18 (000s)



5 Every Latam country now growing

Continued momentum in all of our largest Latam markets



* Contribution to Latam proportionate service revenue in Q1 2018

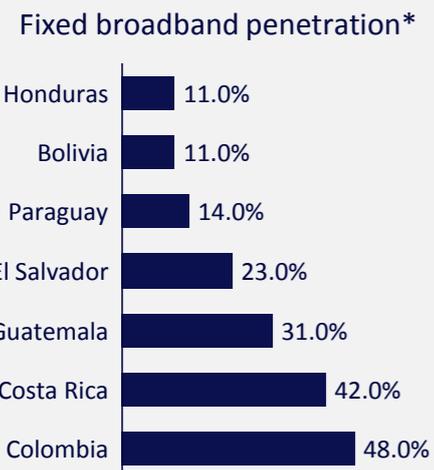
6 Next steps in our journey

Digital transformation will help drive sustainable EBITDA growth and FCF generation

Turning opportunity into Free Cash Flow and shareholder value



Leveraging our market leadership to meet pent-up demand for fixed and mobile data



Building high speed data networks

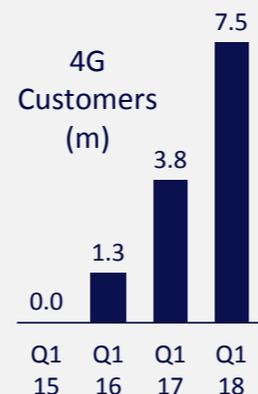
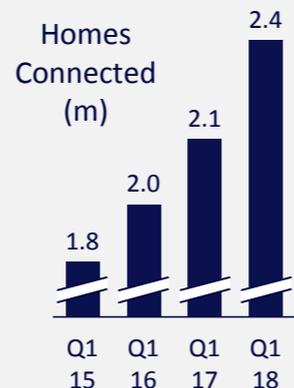


15 million homes to pass

- +1m homes build per year

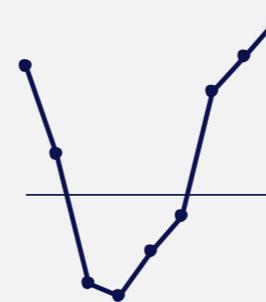
- ~60% of population covered with 4G

Driving adoption and stimulating usage

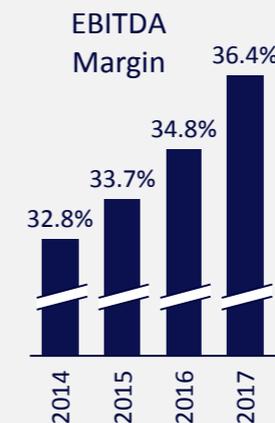


Subscription-based and data-centric

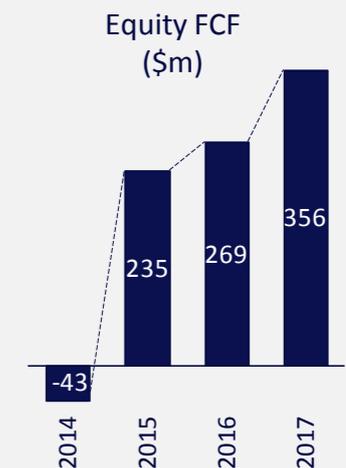
Latam service revenue YoY



Digital transformation to help drive operating leverage



Superior FCF growth

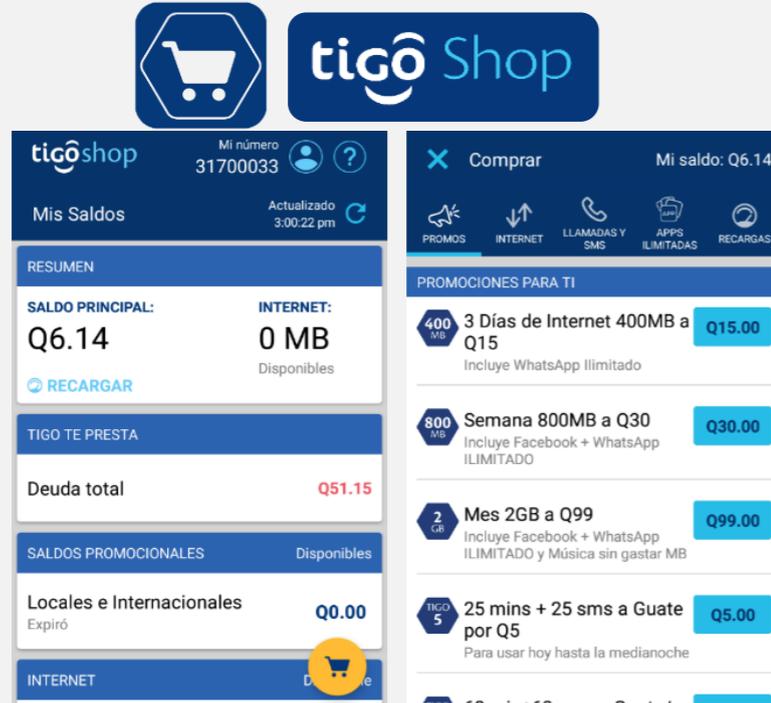


* Source: Dataxis

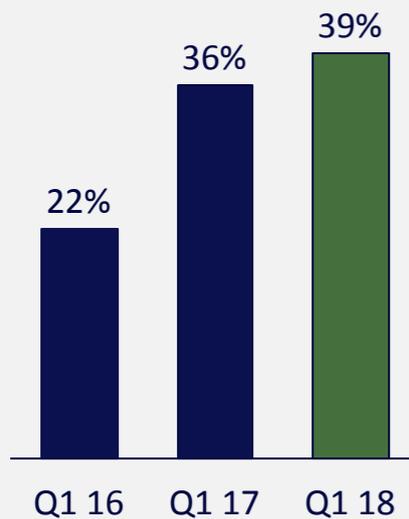
6 Digitalization is changing how we do business

Digitalization drives customer engagement

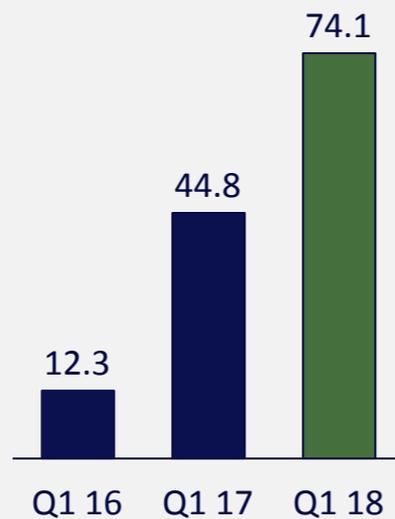
Prepaid - engagement driving transaction growth



Unique Monthly Active Users
(Percent of Core Prepaid Customers)



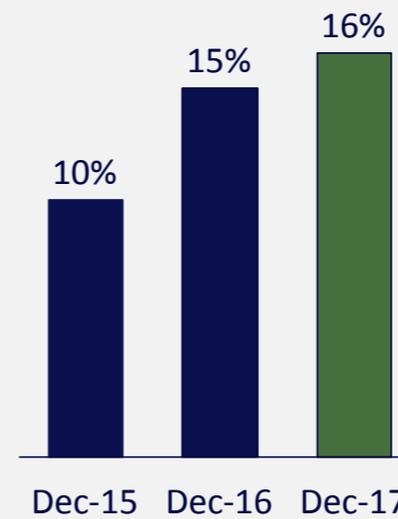
Transactions (millions)



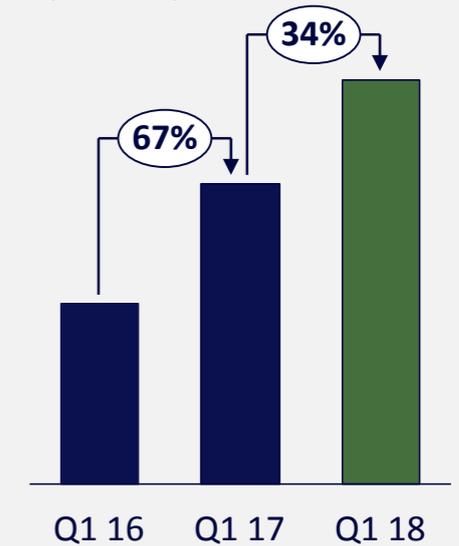
Postpaid – engagement with 16% of subs 4x per month



Unique Monthly Active Users
(Percent of Postpaid Subs)



Unique Monthly Active Users
(Growth)





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2. CFO review

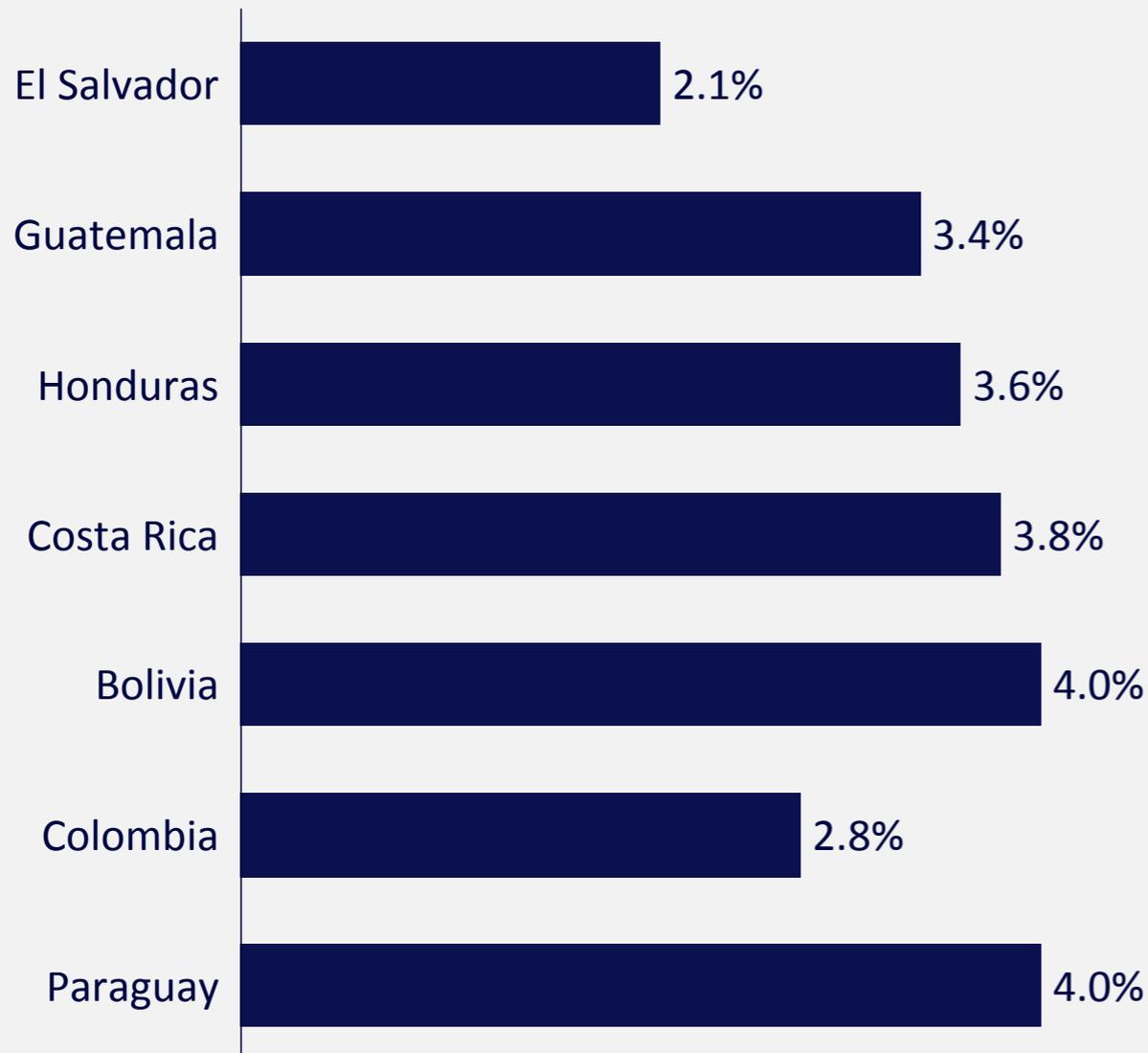
Tim Pennington

1 Macro update

Our markets continue to grow 2-4% with more stable FX

GDP growth projections – 2018

Real GDP growth
%, FY18e



IMF DataMapper: <http://www.imf.org/external/datamapper/datasets/WEO/1>

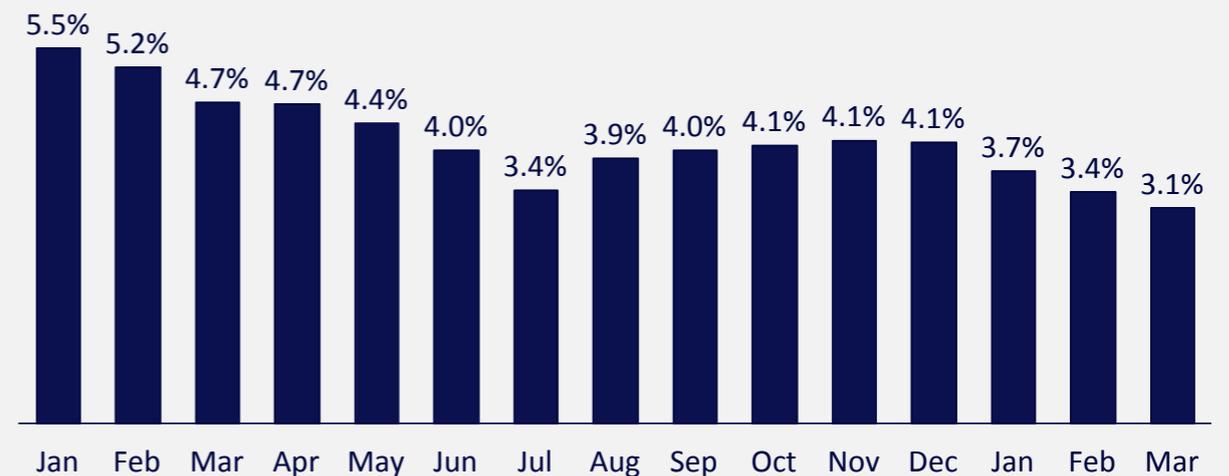
COP appreciation in early 2018

Daily closing rate Jan 17 – Apr 18



Colombia inflation still declining

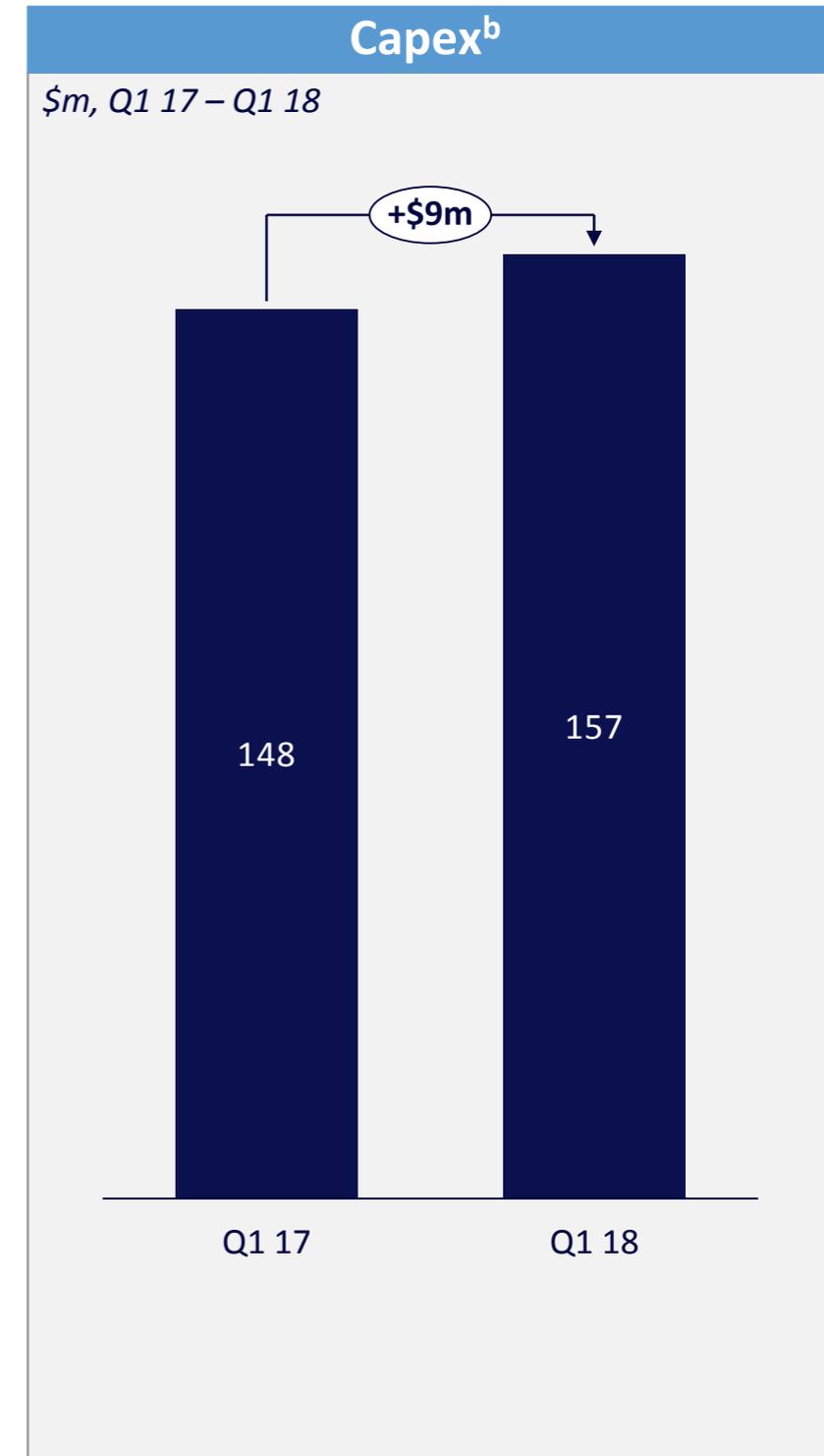
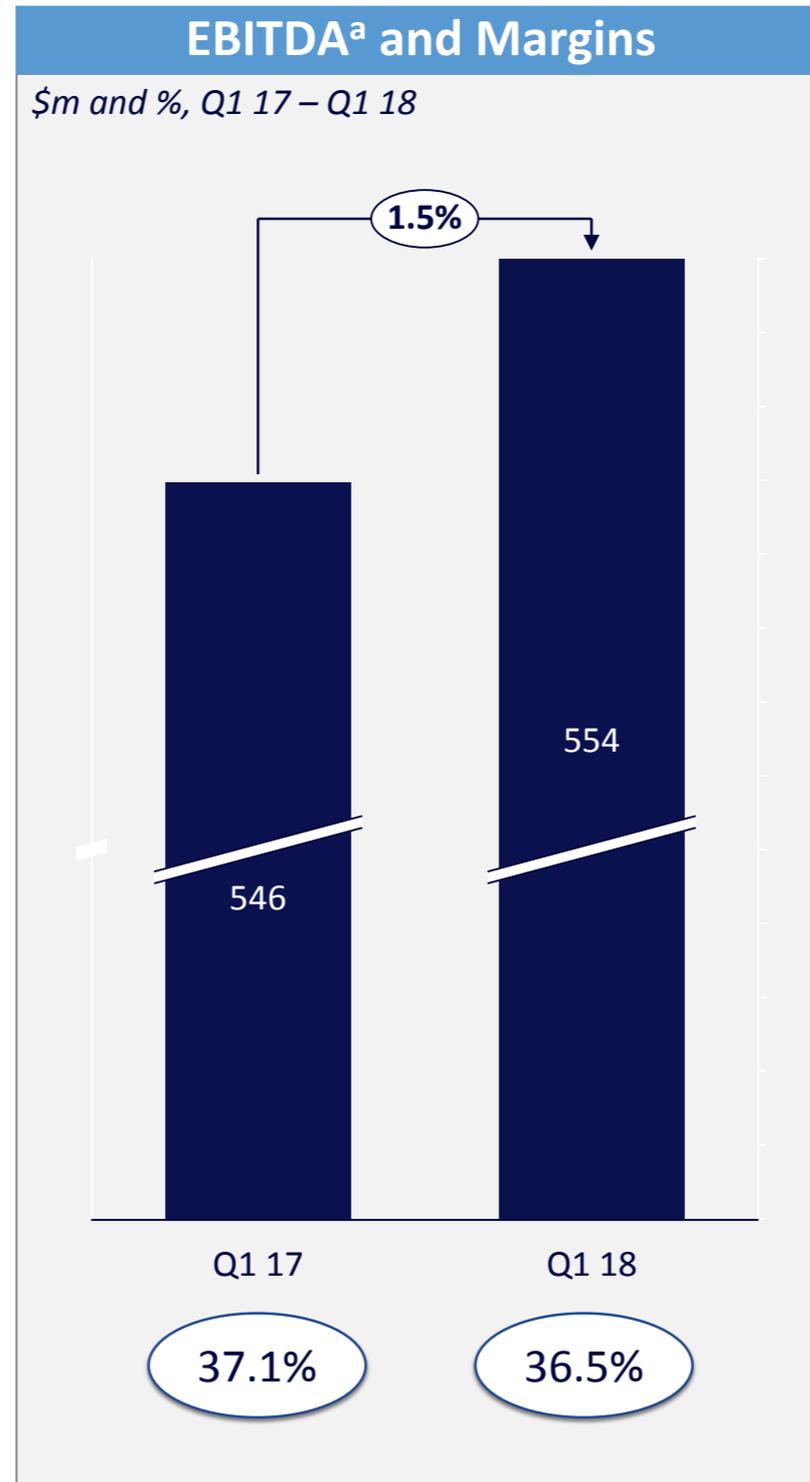
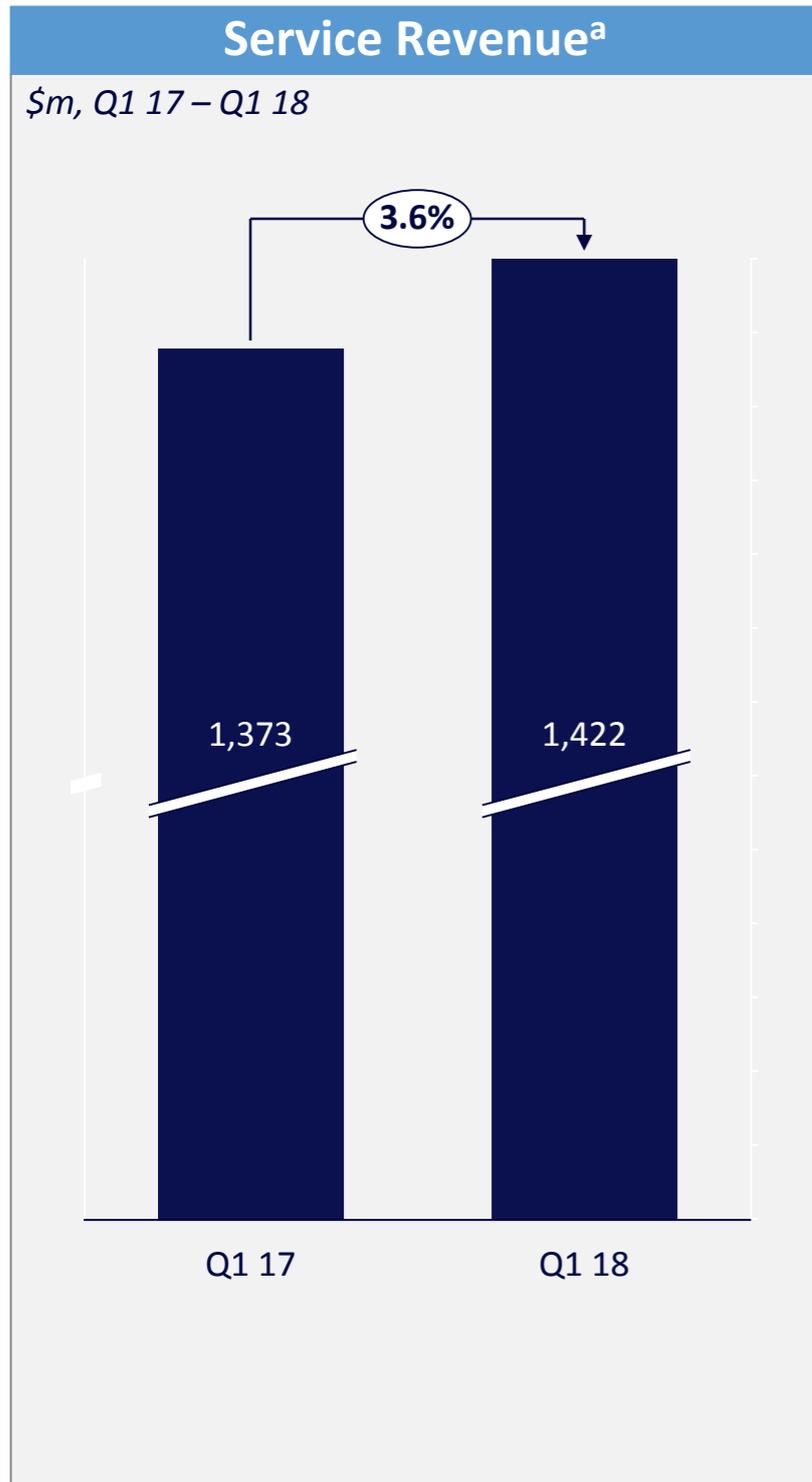
Inflation annualized %, Jan 17 – Apr 18



Source: Bloomberg

2 Key financial metrics – Q1 2018

Group service revenue up 3.6%

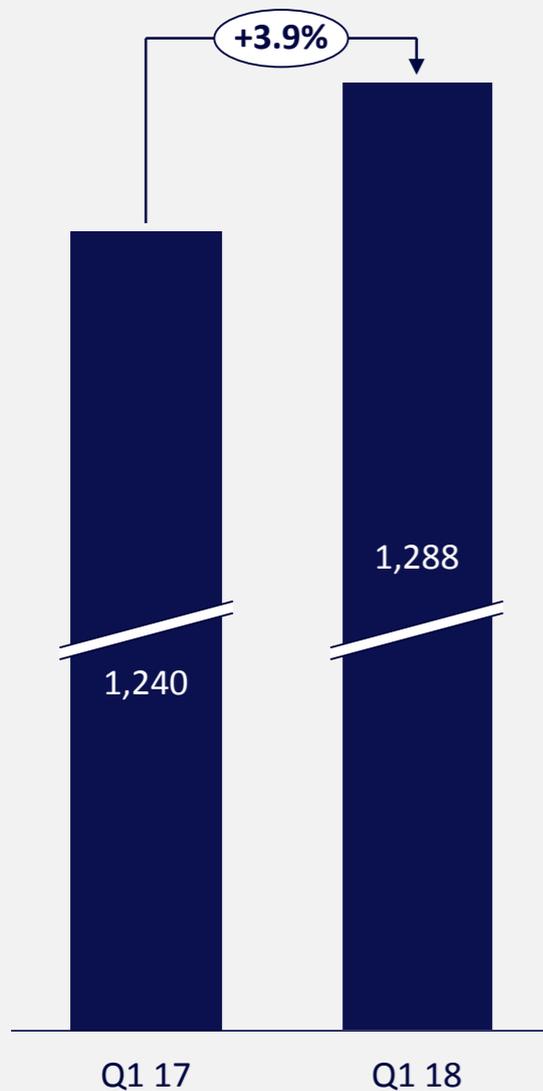


a) Q1 17 numbers are adjusted to Q1 18 FX rates and exclude Senegal, Rwanda and Ghana
 b) Excluding Senegal, Rwanda and Ghana, spectrum & license costs

Solid growth returning to Latam

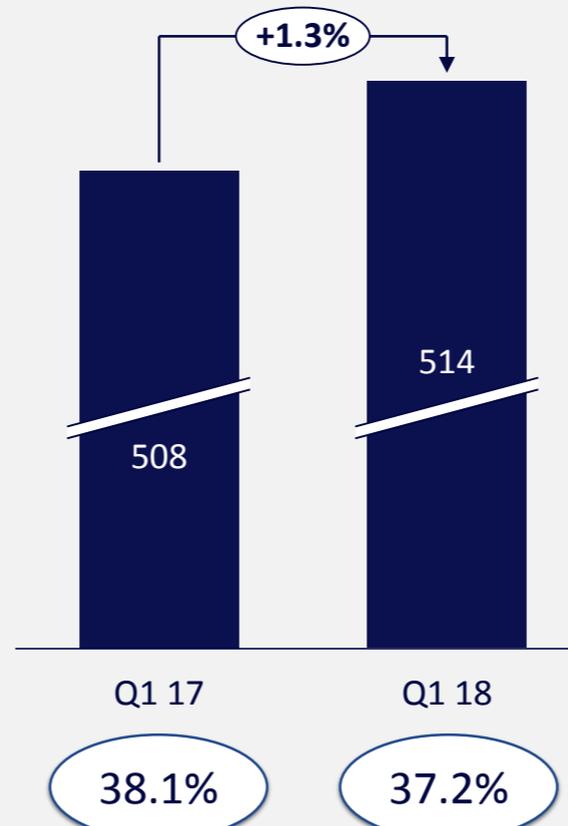
Latam service revenue

\$m, Q1 17 – Q1 18



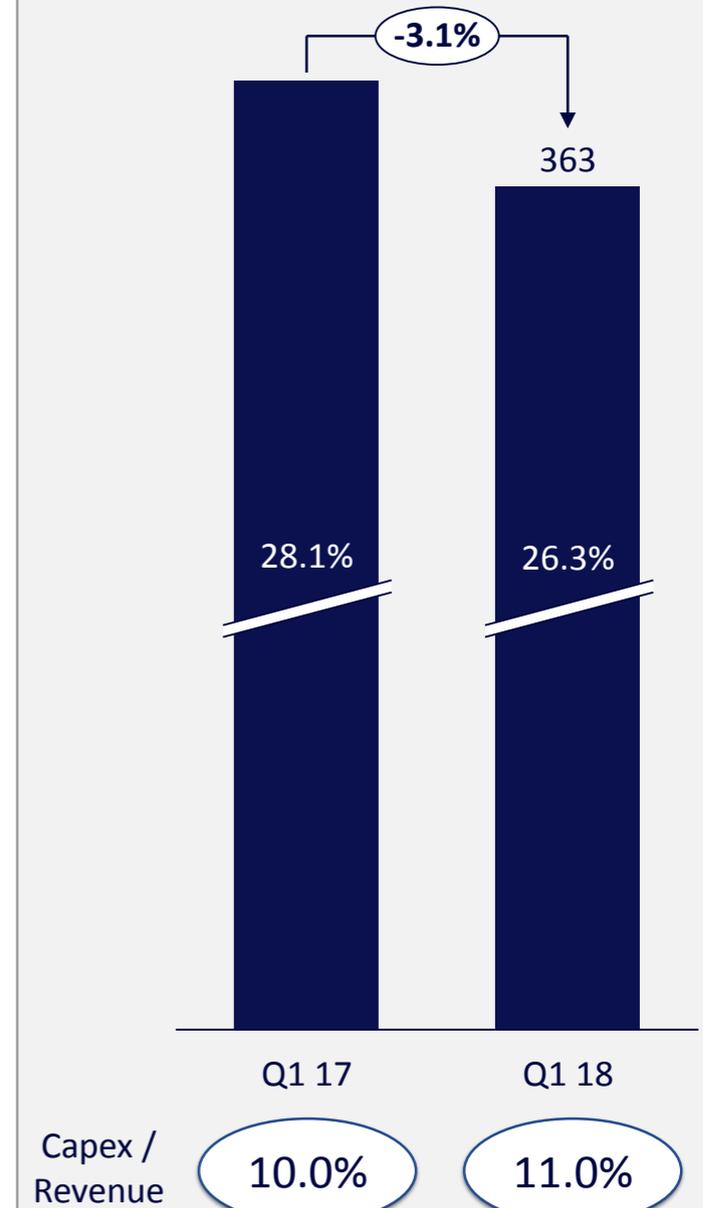
Latam EBITDA

\$m and margin, Q1 17 – Q1 18



Latam OCF (Q1)

\$m and margin, Q1 17 – Q1 18



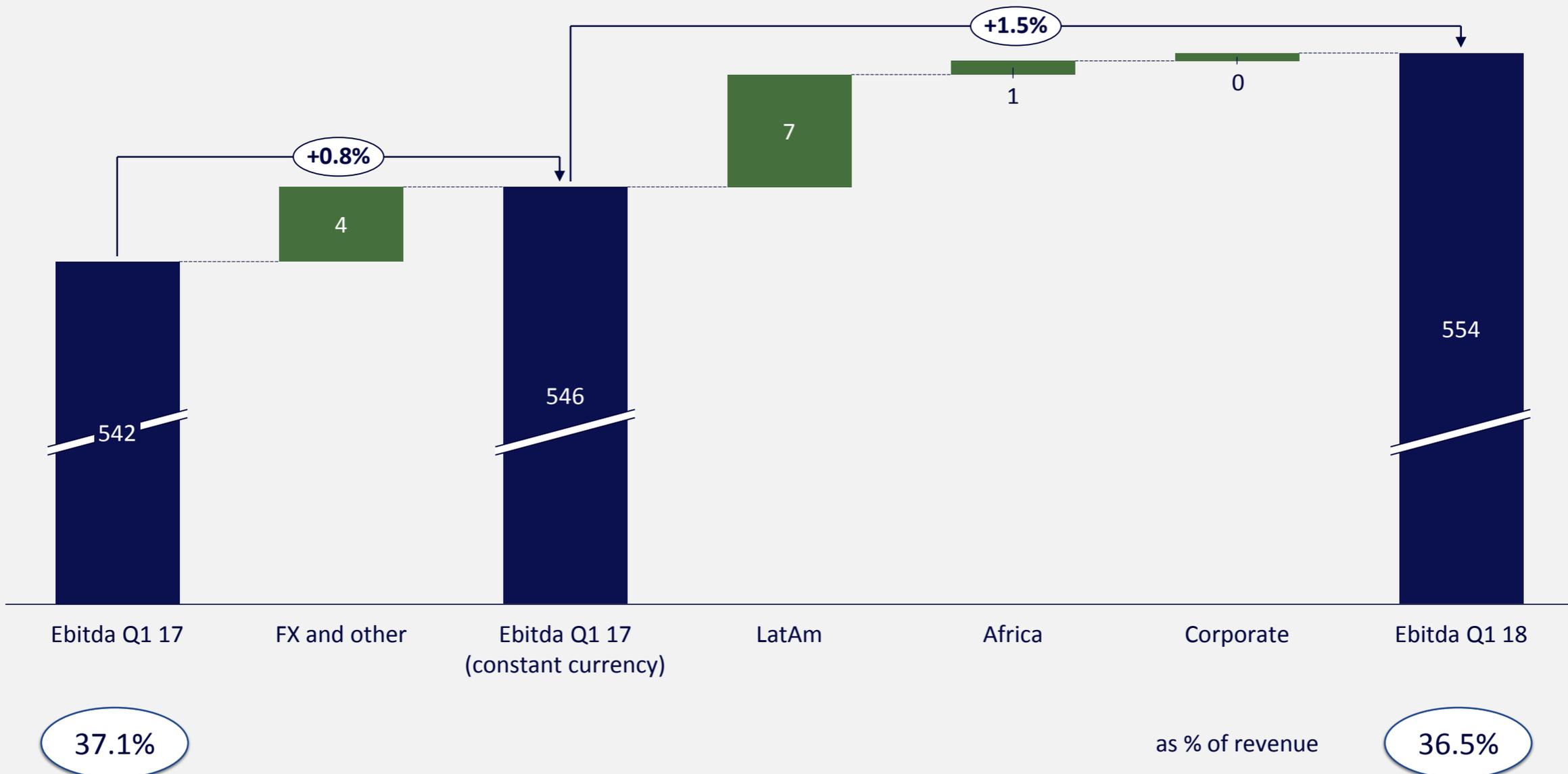
Notes: Growth rates are organic and exclude the impact of changes in FX rates, accounting, and new segmental presentation. Q1 2017 figures have been adjusted to reflect these organic growth rates. Capex/revenue excludes spectrum & license costs

3 EBITDA – Q1 2018

Latam biggest contributor to EBITDA growth

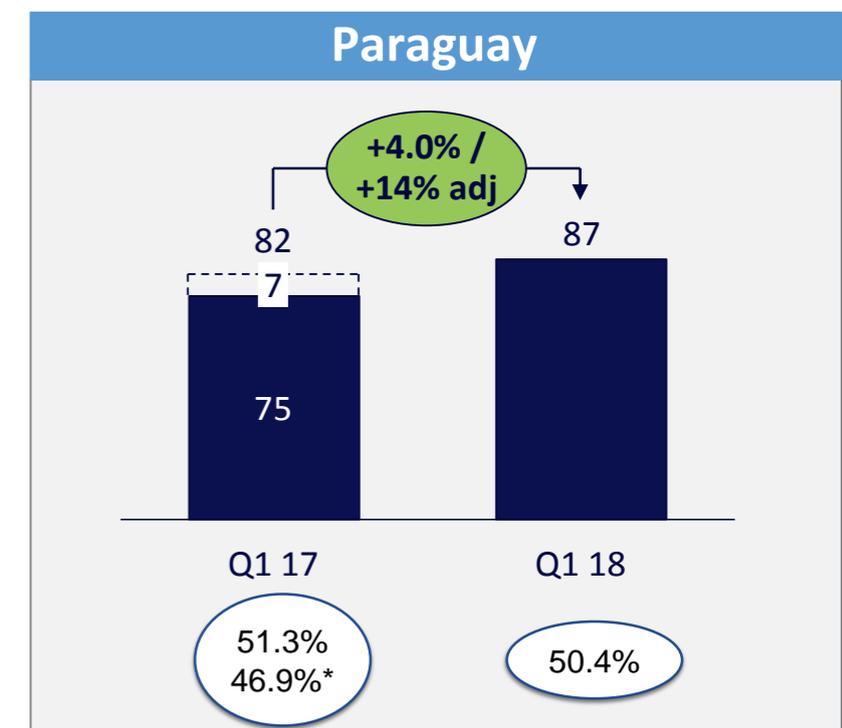
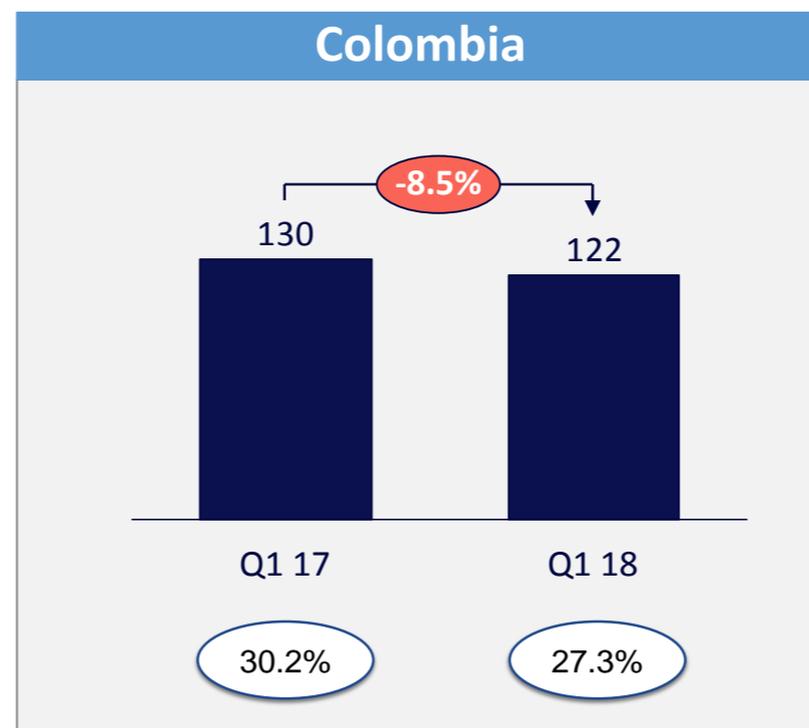
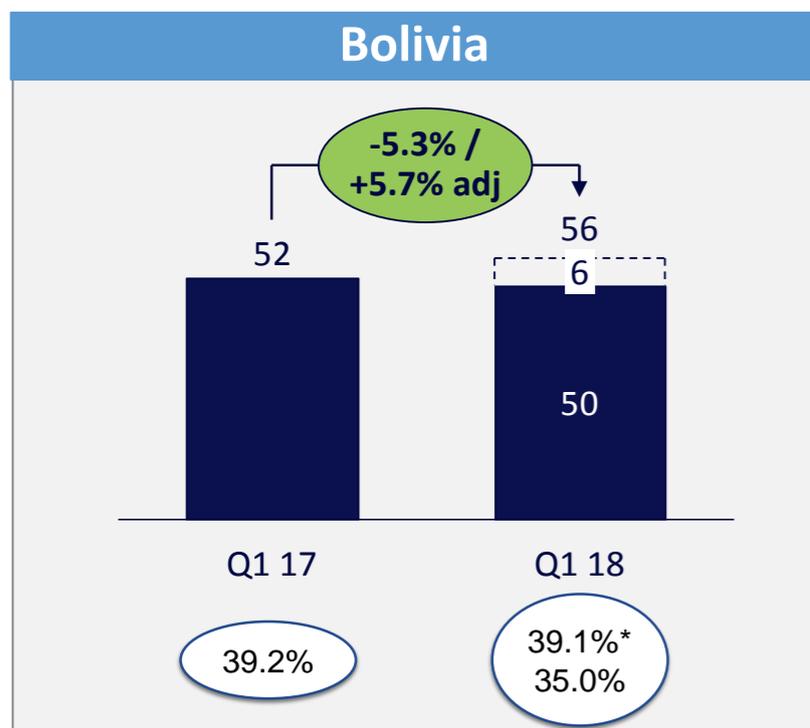
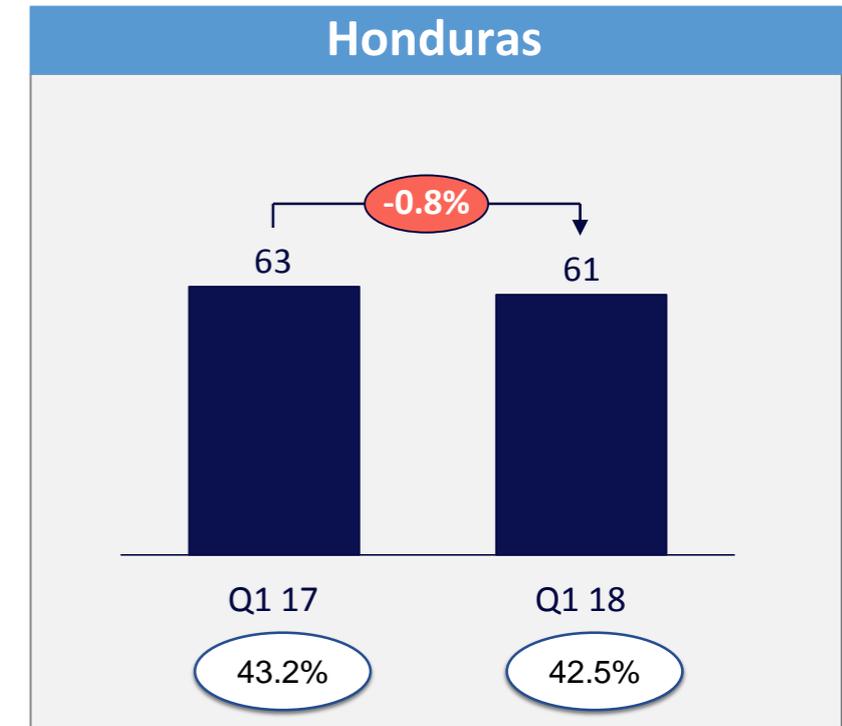
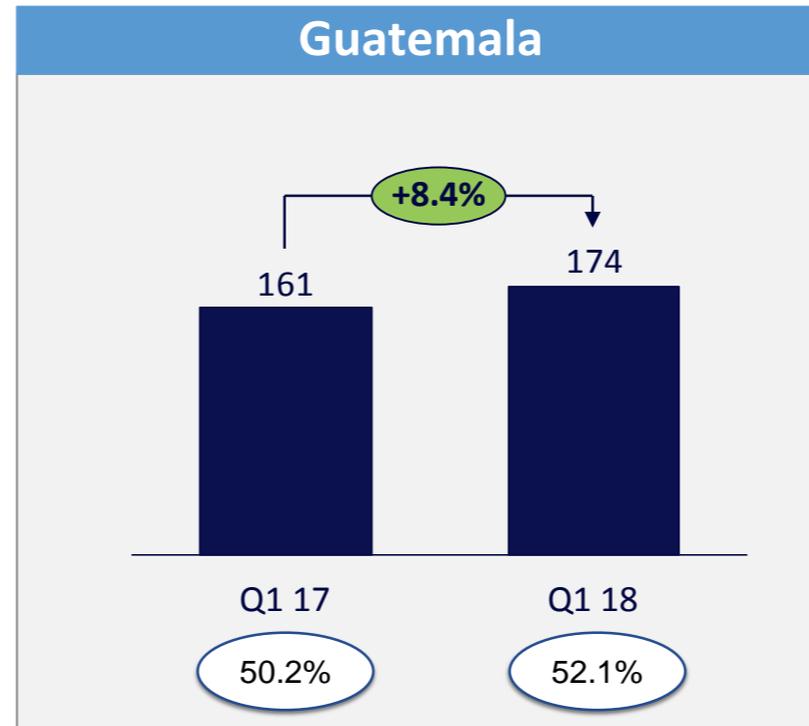
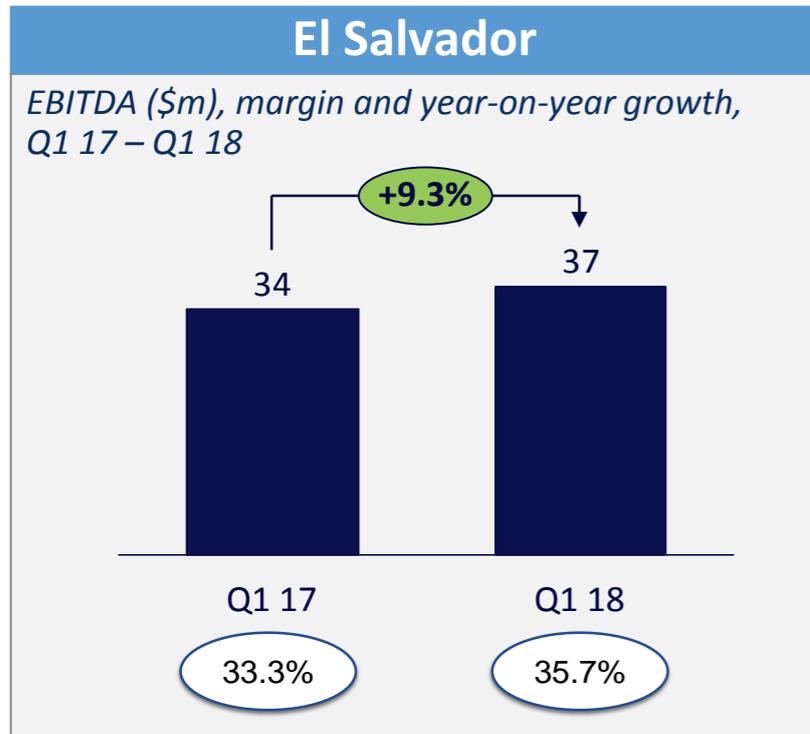
EBITDA evolution by region

\$ million, Q1 17 – Q1 18



Q1 17 numbers are adjusted to Q1 18 FX rates and exclude Senegal, Rwanda and Ghana

3 EBITDA progression by country



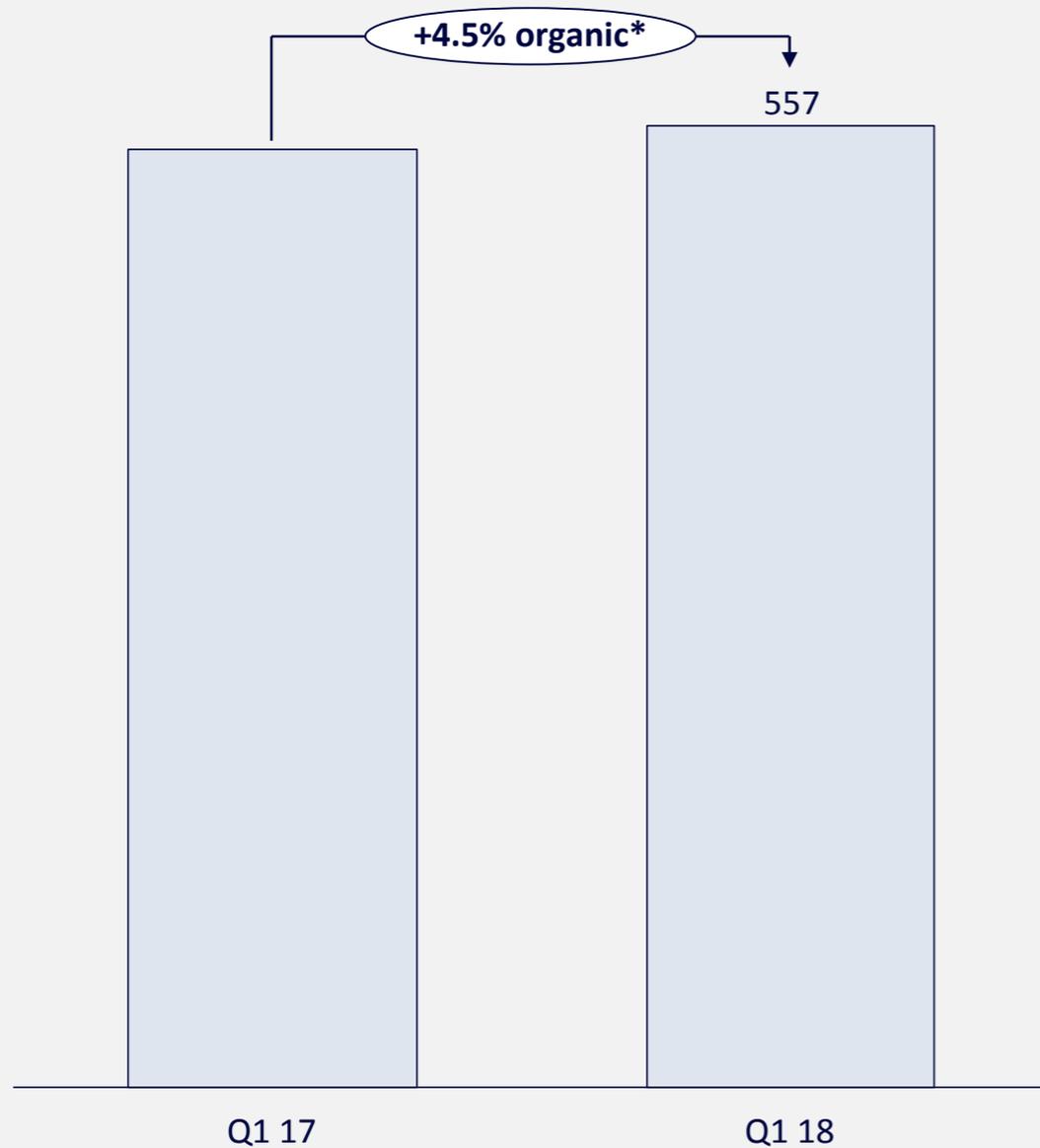
* normalized margin for one-offs

3 Cost review and margin progression

Steady upward margin trend continues

Group total OPEX base

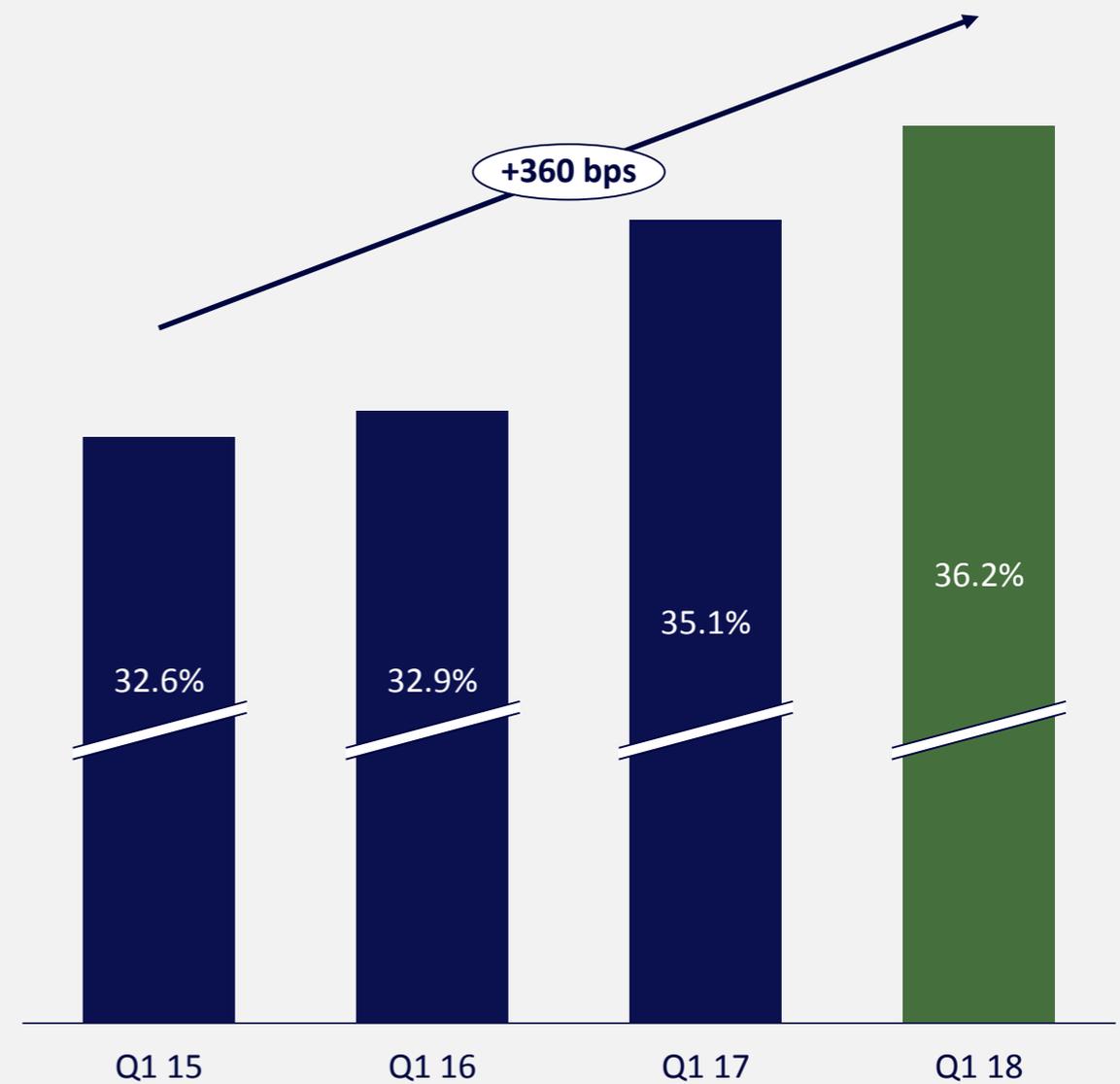
OPEX and organic growth YoY, Q1 17 – Q1 18



*Growth adjusted for IFRS 15 impact and FX

Last 12 month Group EBITDA margin

Last 12-month EBITDA margin, Q1 2015 - Q1 2018



P&L Summary

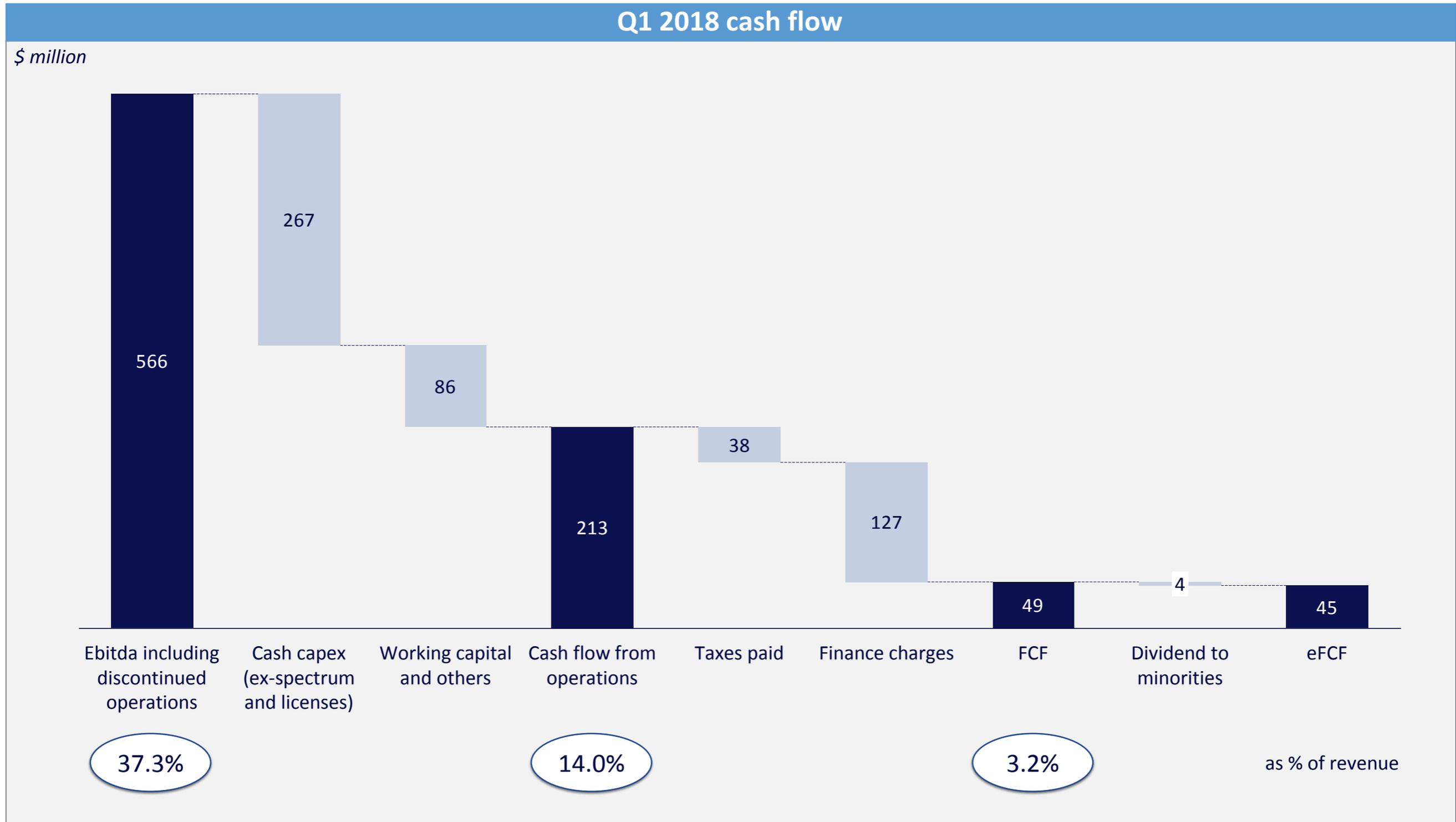
US\$ million	Q1 18	Q1 17	% Var
Revenue	1,516	1,459	3.9%
EBITDA	554	542	2.3%
Depreciation & amortization	(317)	(322)	(1.8%)
Other operating	0	1	(42.5%)
Operating profit	238	220	8.1%
Net financial expense	(103)	(113)	(8.9%)
Others non operating	25	24	5.8%
Associates	(20)	(14)	39.0%
Profit before tax	140	116	20.6%
Taxes	(53)	(63)	16.6%
Minority interests	(38)	(32)	17.9%
Discontinued operations	(32)	3	NM
Net income	17	24	(27.9%)
EPS (\$ per share)	0.17	0.24	(27.9%)

Key Observations

- A** IFRS 15 had small impact on Service Revenue (-1.3%) and EBITDA (-0.1%)
- B** Interest savings from re-financing activity, partly offset by higher financial lease expense
- C** Lower withholding taxes due to timing of dividend payments
- D** Improved profitability in Guatemala
- E** Rwanda Accumulated FX losses

5 Cash flow – Q1 2018

We generated \$45 million of equity FCF in Q1

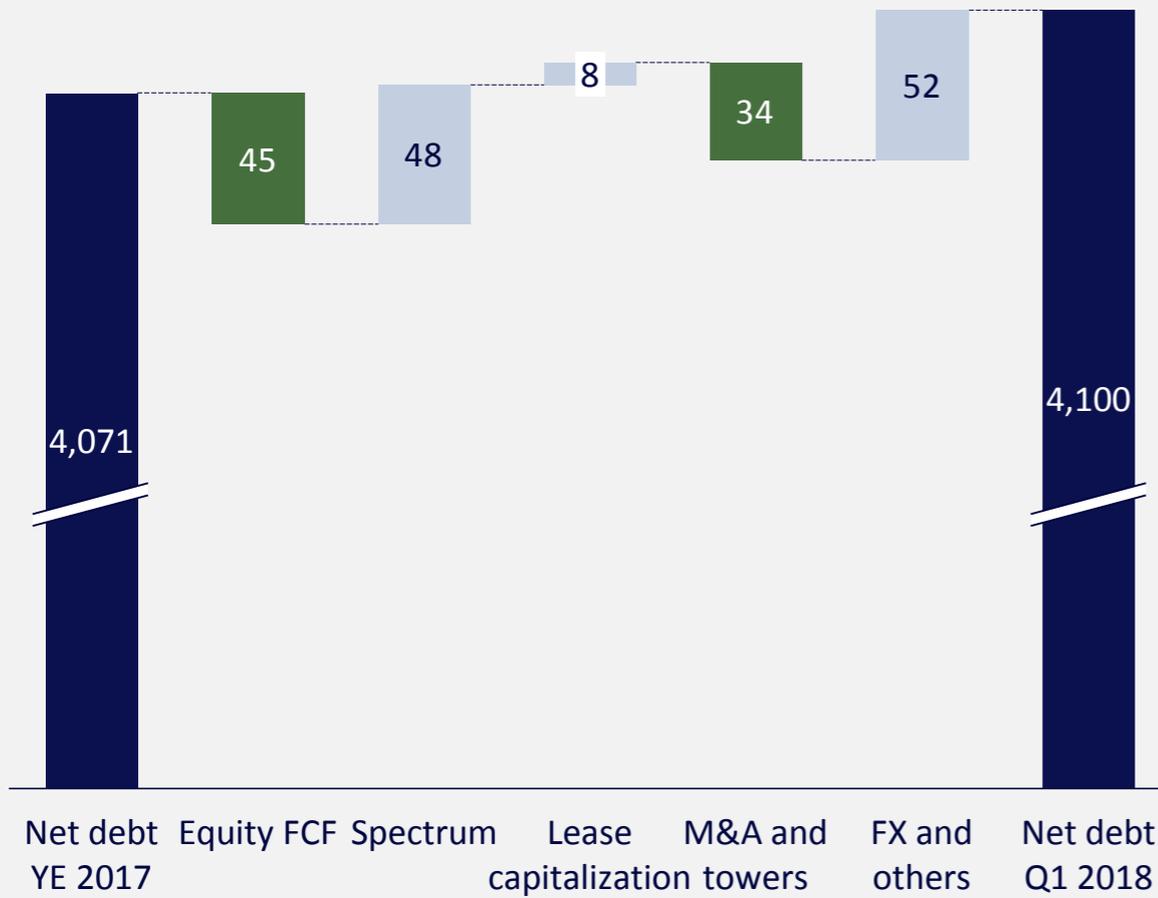


6 Capital structure

Net debt and leverage stable in Q1

Net debt evolution in 2017

\$ million, 31 December 2017 – 31 March 2018



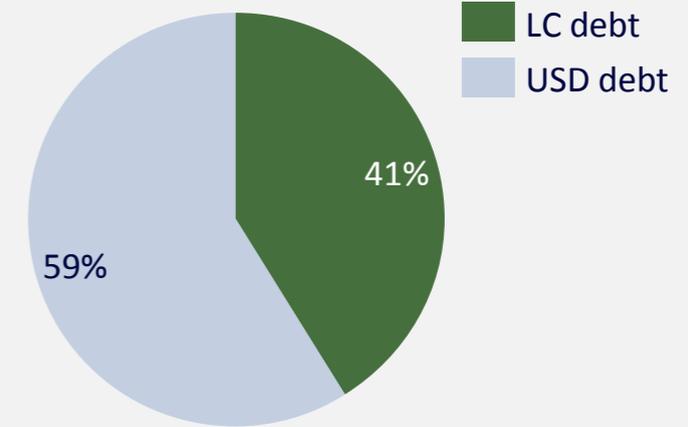
Net debt YE 2017 Equity FCF Spectrum Lease capitalization M&A and towers FX and others Net debt Q1 2018

1.86x	Net debt/LTM EBITDA	1.87x
2.02x	Proportionate Net debt/ Proportionate LTM EBITDA	2.03x

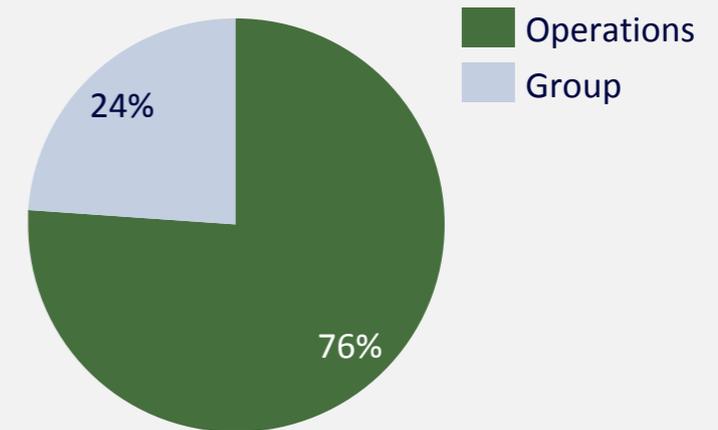
Debt profile

% of gross debt, 31 March 2018

Gross debt currency exposure



Gross debt distribution



Kicking off 2018 with accelerating momentum – on track to hit full year targets

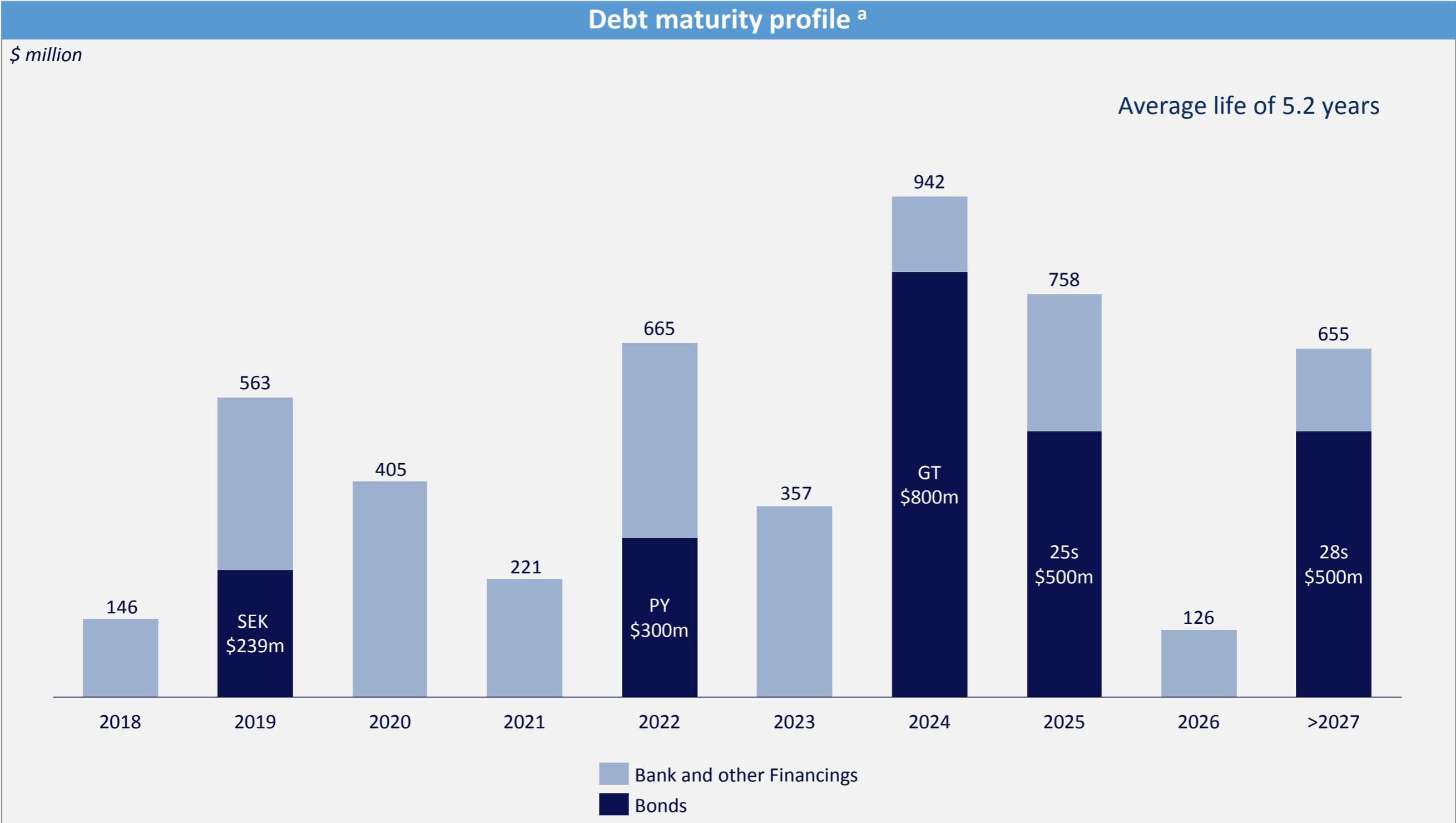
		Target	
1	+91k HFC homes connected <i>10m total homes passed by year-end</i>	+300k	✓
2	+643k 4G customer net additions <i>10m 4G customers by year-end</i>	+3m	✓
3	3.9% service revenue growth in Latam	+2-4%	✓
4	EBITDA growth on track	+3-6%	✓



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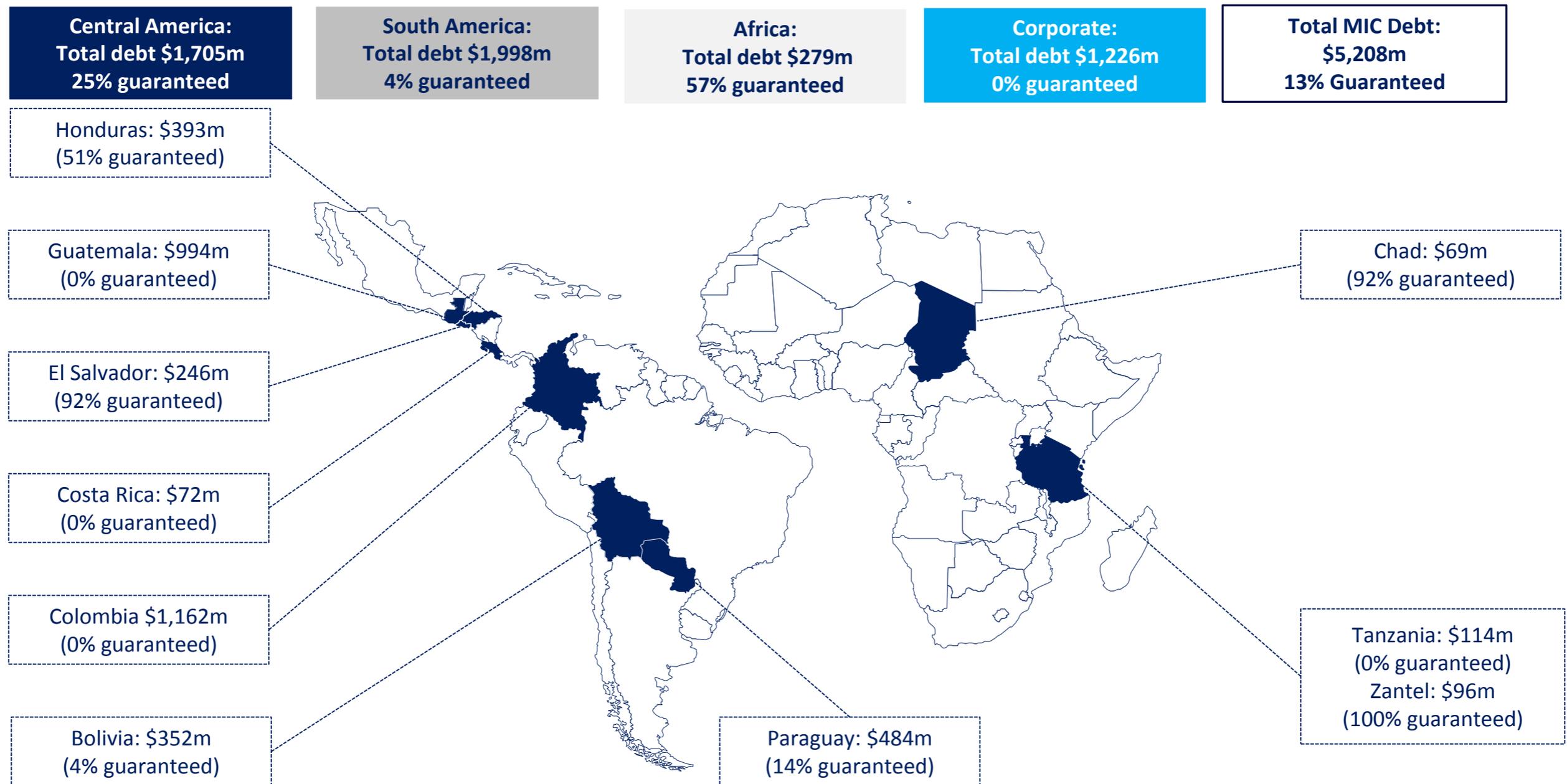
Q&A

Comfortable capital structure and liquidity with no major maturities until 2024



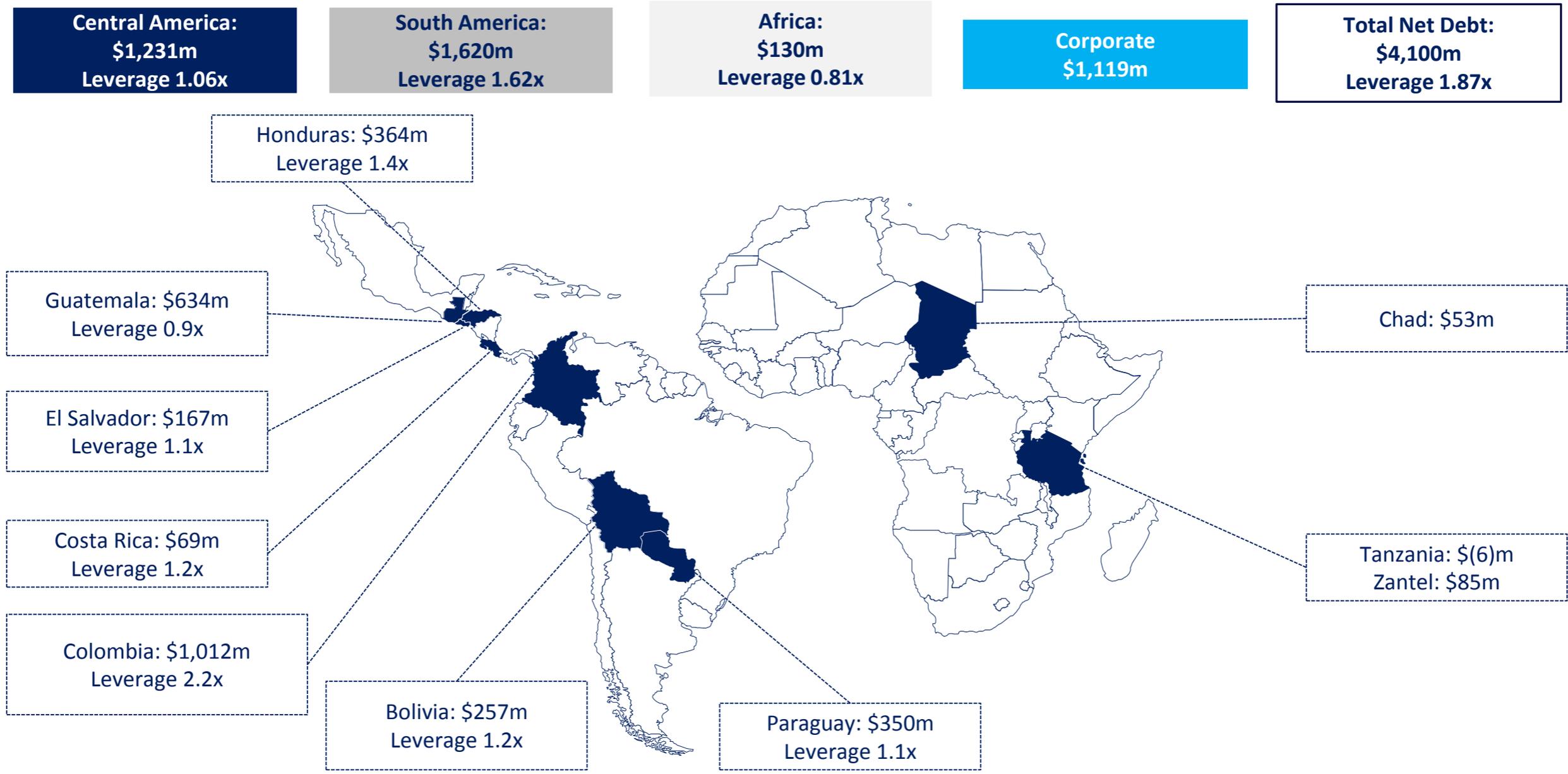
a) excluding financial leases

Gross debt by country



Including finance leases

Net debt by country



Including finance leases;
Leverage is Net debt / LTM EBITDA

Currency exposure of debt

Dec. 2017	Debt including finance leases			Cash Total	Net debt		
	US\$	Local	Total		USD	Local	Total
Latin America*	1,724	1,979	3,702	852	1,333	1,517	2,850
	47%	53%	100%		47%	53%	100%
Africa	99	180	279	149	92	39	130
	35%	65%	100%		70%	30%	100%
Corporate	1,226	0	1,226	107	1,125	-6	1,119
	100%	0%	100%		101%	-1%	100%
Millicom	3,049	2,159	5,208	1,108	2,549	1,550	4,100
	59%	41%	100%		62%	38%	100%

*El Salvador has USD as functional currency (treated as local.)



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