

Luxembourg, February 7th 2019

Solid 2018 underpins strong medium-term outlook

Highlights

The financial highlights discussed and summarized in the table below are presented on an IFRS basis and therefore do not include the fully consolidated results from our Guatemala and Honduras joint ventures.

- Healthy organic growth in Latam offset by currency and accounting impacts in 2018 – IFRS revenue flat
- Operating profit up 1.5% in 2018 even as one-offs affected Q4
- Completion of Cable Onda acquisition and listing on the Nasdaq Stock Market in the U.S.
- Dividend of \$2.64 per share paid in semi-annual installments to be proposed at the AGM

Financial highlights (\$ millions)	Q4 2018	Q4 2017	% change	FY 2018	FY 2017	% change
Revenue	1,010	1,056	(4.4%)	4,074	4,076	(0.0%)
Operating Profit	113	193	(41.4%)	655	645	1.5%
Net Income / (Loss)	(94)	69	NM	(10)	86	NM

Latin America segment highlights – Q4 and FY 2018

Our Latin America (“Latam”) segment includes our Guatemala and Honduras joint ventures as if they were fully consolidated. These highlights and the table that follows include non-IFRS measures. See page 18 for a description of these measures and for reconciliations to the nearest equivalent IFRS measures.

- Latam added 3.2 million 4G smartphone data customers in 2018 ending with more than 10 million
- We added 406,000 HFC customer relationships to end 2018 with 3.1 million
- Revenue declined 1.9% in Q4 and rose 0.8% in 2018 as weaker FX and IFRS 15 adoption affected results
- Organicⁱ service revenue growth improved to 4.3% in 2018 from 0.9% in 2017 - ahead of our full year outlook
- Latam EBITDAⁱ growth of 2.6% (3.5% organicⁱ) in 2018 - in line with our full year outlook

Latam segment highlights (\$ millions)	Q4 2018	Q4 2017	% change	FY 2018	FY 2017	% change
Revenue	1,381	1,407	(1.9%)	5,485	5,441	0.8%
Service Revenue	1,263	1,307	(3.3%)	5,069	5,078	(0.2%)
Organic growth ⁱ	3.7%	3.1%	0.6pt	4.3%	0.9%	3.4pt
EBITDA ⁱ	524	520	0.9%	2,077	2,024	2.6%
Organic growth ⁱ	4.0%	9.0%	(5.0pt)	3.5%	2.8%	0.7pt
EBITDA ⁱ Margin	38.0%	36.9%	1.1pt	37.9%	37.2%	0.7pt
Capex ⁱ	346	336	3.1%	954	907	5.2%
OCF ⁱ (EBITDA – Capex)	178	184	(3.1%)	1,124	1,117	0.6%

Millicom Chief Executive Officer Mauricio Ramos commented:

“I am extremely pleased by our strong performance in 2018 on many fronts. We delivered on all our operational and financial targets, and we made great strides toward increasing our focus on Latam by divesting our operations in Rwanda and Senegal and acquiring Cable Onda in Panama. We capped the year by completing our registration with the U.S. SEC, allowing our shares to begin trading on the Nasdaq Stock Market in January. As we begin this new chapter as a U.S. listed company, we are introducing our medium-term growth plans. The new year is off to an exciting start, and

ⁱ Non-IFRS measure. See page 18 for a description of these measures and for reconciliations to the nearest equivalent IFRS measures.

the Millicom management team remains laser-focused on creating shareholder value and once again delivering on its commitments in 2019 and beyond.”

2019 Outlook

As disclosed on January 9th 2019, we anticipate another solid year in 2019 marked by the continued expansion of our high-speed data networks and customer growth. For our Latam segment, we expect organic service revenue growth to range between 3% and 5%, while EBITDA growth is expected to accelerate to between 4% and 6%, on a like-for-like basis. As usual, these organic growth rates are expressed in constant currency terms and exclude the impact of changes in foreign exchange and accounting standards. Finally, Latam segment Capex should be slightly above \$1.0 billion, including about \$85 million at Cable Onda, which we expect will generate EBITDA of approximately \$184 million.

Financial targets	2019 Outlook	Medium-term plan
Latam segment		
<i>Service revenue growth (organic YoY)</i>	<i>3-5%</i>	<i>Mid-single-digit</i>
<i>EBITDA* growth (organic YoY)</i>	<i>4-6%</i>	<i>Mid-to-high single-digit</i>
<i>OCF* (EBITDA less Capex) growth (organic YoY)</i>	<i>Mid-to-high single-digit</i>	<i>Around 10%</i>
<i>Capex*</i>	<i>Slightly above \$1.0 billion</i>	

** EBITDA, Capex and OCF are non-IFRS measures. Please refer to disclosures on page 18 for a description of non-IFRS measures and reconciliations to the nearest equivalent IFRS measures.*

Medium-term plan

The company’s strong performance in 2018 and the positive outlook for 2019 are consistent with the strategic plan approved by the Board of Directors. Over the medium term, management sees scope for organic service revenue growth to continue to improve, for margins to expand, and for capital intensity to gradually trend lower over time in the Latam segment. More specifically, management’s ambition as outlined in the strategic plan is to deliver mid-single-digit organic service revenue growth, mid-to-high single-digit EBITDA growth, and around 10% OCF (EBITDA less Capex) growth, over the medium term for the Latam segment.

Underpinning our medium-term targets is our expectation that favorable socio-demographic factors will sustain strong demand and contribute to improved affordability for our services, thereby allowing penetration rates to gradually catch up to levels already seen in other markets globally and elsewhere in Latin America. From a competitive standpoint, we are investing to defend and build upon our current leadership position in all our markets and see the potential for further consolidation.

Over the medium term, we expect that approximately 60% of our mobile customers will consume 4G services, up from just over 30% currently. This will drive robust traffic growth, which we expect can produce low-single-digit organic mobile service revenue growth. Meanwhile, our residential cable business should reach 15 million homes-passed with 10 million revenue-generating units and around 5 million customer relationships. This expected customer growth, combined with steady ARPU expansion, gives us confidence that we can sustain high-single-digit organic cable service revenue growth over the medium-term.

To support execution of its strategic plan, Millicom targets financial leverage of around 2.0x proportionate net debt to EBITDAⁱ, reflecting greater subscription revenues and a higher relative proportion of our cash flow coming from Central

ⁱ Proportionate net debt to EBITDA is a non-IFRS measure. Please refer to disclosures on page 18 for a description of non-IFRS measures and reconciliations to the nearest equivalent IFRS measures.

America, where foreign exchange rates tend to be less volatile, balanced against the political and macroeconomic risks that are typical of emerging markets. With a leverage target of 2.0x, Millicom retains the flexibility needed to temporarily increase leverage above the target, as is the case following our recent acquisition of Cable Onda, which took our leverage to the current level of 2.5x.

Subsequent Events

On January 9th 2019, Millicom shares began trading on the Nasdaq Stock Exchange in the U.S. under ticker symbol TIGO.

On January 14th 2019, Millicom confirmed that it had received a preliminary highly conditional non-binding proposal from Liberty Latin America Ltd in relation to an offer for all shares of Millicom. On January 22nd 2019, Millicom announced that preliminary discussions regarding a possible offer were terminated by Liberty Latin America Ltd without an offer being made.

IFRS 15 – Contracts with customers

The implementation of IFRS 15 had a modest impact on our operating profitability in 2018. As shown in the reconciliation table on page 21, implementation of the new standard reduced 2018 revenue by \$77 million and service revenue by \$116 million, and it increased EBITDA by \$11 million for the year, as compared to what our results would have been if we had continued to follow the IAS 18 standard in the year-end 2018.

Most of the impact on service revenue relates to the change in how we present the results of wholesale international traffic. Revenue for a portion of this business are now presented on a net basis. This change in presentation had no material impact on EBITDA, but it produced a reduction in service revenue of \$16 million in Q4 2018 and of \$87 million for the full year 2018. Included in our 2017 results for this business were service revenue of \$38 million for Q4 and \$119 million for the full year. For comparison purposes, the organic growth figures discussed throughout this report exclude the impact of this accounting change implemented as of January 1st 2018.

IFRS 16 - Leases

IFRS 16 became effective on January 1st 2019 and affects primarily the accounting for operating leases, which will be brought onto our balance sheet. While the Group is still finalizing the implementation of IFRS 16, we confirm the preliminary assessment we disclosed within our Q3 2018 results, whereby we expect that application of the standard will increase our EBITDA by 6% to 8% and our underlying net debt, including Guatemala and Honduras as if they were fully consolidated, by 15% to 20%. As a result of these factors, our proportionate net debt to EBITDA ratio will increase by 0.1x to 0.3x. The application of this standard will have no impact on underlying cash flow generation.

Quarterly Financial Review – Q4 2018

Revenue declined 4.4% (\$47 million) year-on-year to \$1,010 million in Q4 2018. The decline largely reflects the impact of weaker currencies in a majority of our markets, as well as the adoption of IFRS 15, which reduced revenue by \$16 million.

Cost of sales declined 12.5% (\$40 million) year-on-year to \$282 million. The decline largely reflects lower handset costs, as well as the impact of the adoption of IFRS 15, which reduced cost of sales by \$8 million. Excluding the impact of IFRS 15, cost of sales would have decreased by 10.2%.

Operating expenses increased 14.1% (\$57 million) year-on-year to \$460 million. The increase is largely due to approximately \$50 million of one-off charges related mostly to the Cable Onda acquisition, as well as to our U.S. listing, and the restructuring of our regional Africa operations.

EARNINGS RELEASE

Q4 2018



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TIGO
Nasdaq Listed

Income statement data (IFRS) (\$ millions, except EPS in \$)	Q4 2018	Q4 2017	% change	FY 2018	FY 2017	% change
Revenue	1,010	1,056	(4.4%)	4,074	4,076	(0.0%)
Cost of sales	(282)	(322)	(12.5%)	(1,146)	(1,205)	(4.9%)
Gross profit	728	734	(0.9%)	2,928	2,871	2.0%
Operating expenses	(460)	(403)	14.1%	(1,674)	(1,593)	5.1%
Depreciation	(169)	(177)	(4.1%)	(685)	(695)	(1.3%)
Amortization	(41)	(31)	32.3%	(144)	(146)	(1.3%)
Share of net profit in Guatemala and Honduras	45	25	77.7%	154	140	9.8%
Other operating income (expenses), net	10	44	(76.7%)	76	68	12.5%
Operating profit	113	193	(41.4%)	655	645	1.5%
Net financial expenses	(92)	(81)	13.3%	(350)	(380)	(7.8%)
Other non-operating income (expenses), net	(46)	1	NM	(40)	(4)	NM
Gains (losses) from other JVs and associates, net	(35)	(32)	12.4%	(136)	(85)	59.1%
Profit (loss) before tax	(61)	81	(175.5%)	129	176	(26.5%)
Net tax credit (charge)	(46)	(33)	39.1%	(116)	(158)	(26.1%)
Profit (loss) for the period from continuing ops.	(107)	48	NM	13	18	(29.6%)
Non-controlling interests	17	(12)	NM	16	17	(9.1%)
Profit (loss) from discontinued operations	(4)	33	NM	(39)	51	NM
Net profit (loss) for the period	(94)	69	NM	(10)	86	NM
Weighted average shares outstanding (millions)	100.82	100.55	0.3%	100.79	100.38	0.4%
EPS	(0.94)	0.69	NM	(0.10)	0.86	NM

Depreciation declined 4.1% year-on-year to \$169 million, and the decline largely stems from Colombia, where a portion of the assets of our copper network have been fully depreciated. Amortization expense increased \$10 million, or 32.3% year-on-year, to \$41 million due mostly to our December 13th acquisition of Cable Onda in Panama, which added \$9 million to our Amortization expense in Q4. Based on our preliminary fair value adjustments, we expect Cable Onda to add \$90 million to our depreciation and \$120 million to our amortization charges in 2019.

Our share of profits in Guatemala and Honduras reached \$45 million in Q4 2018, an increase of \$20 million year-on-year due to steady growth in Guatemala and to improved performance and some one-off items in Honduras. Other operating income of \$10 million declined \$34 million year-on-year due primarily to lower gains on the sale of tower assets. As a result of the above, operating profit was \$113 million in Q4 2018, down 41.4% from \$193 million in Q4 2017. For the year, operating profit grew 1.5% year-on-year to \$655 million.

Net financial expenses increased \$11 million or 13.3% year-on-year to \$92 million, due mostly to higher gross debt following the Cable Onda financing. Net expenses from other non-operating items were \$46 million, compared to net income from non-operating items of \$1 million in Q4 2017, due mostly to higher foreign exchange losses. The net loss from associates and other joint ventures of \$35 million in Q4 2018 compares to a net loss of \$32 million in Q4 2017. The performance in 2018 largely reflects a non-cash purchase price adjustment related to our 50% stake in AirtelTigo in Ghana, partly offset by lower losses from our 22.8% stake in Helios Towers Africa.

Tax expense was \$46 million in Q4 2018, an increase from \$33 million due to a higher net deferred tax expense than in Q4 2017. As a result of the above factors, net loss from continuing operations was \$107 million in the quarter, and this compares with a net profit of \$48 million in Q4 2017.

Non-controlling interests reflected a gain for Millicom of \$17 million in Q4 2018 compared to a loss of \$12 million in Q4 2017, with the year-on-year variation largely explained by lower net income in Colombia, due to foreign exchange losses stemming from depreciation of the Colombian Peso during Q4 2018. A net loss from discontinued operations of \$4 million in Q4 2018 compares to a net profit of \$33 million in Q4 2017, with the profit in the latter period stemming from a non-cash gain related to the revaluation to fair value of our investment in the joint venture in Ghana.

Net loss of \$94 million or \$0.94 per share for Q4 2018 compared to a net profit of \$69 million or \$0.69 per share in Q4 2017. The weighted average number of shares during the quarter was 100.82 million, an increase of 0.3% year-on-year related to vesting of shares under our employee share-based compensation plans. As of December 31st 2018, we had 101,739,217 total shares outstanding, including 913,583 held in treasury.

Cash Flow

Cash flow data (\$ millions)	Q4 2018	Q4 2017	% change	FY 2018	FY 2017	% change
Operating free cash flow*	123	168	(27.0%)	383	459	(16.6%)
Finance charges paid, net	(69)	(90)	(23.0%)	(298)	(356)	(16.3%)
Free cash flow*	53	78	(31.6%)	85	103	(17.9%)
Dividends from Guatemala and Honduras	62	55	13.2%	243	203	20.2%
Dividends and advances to non-controlling interests	(1)	-	NM	(2)	-	NM
Equity free cash flow*	115	133	(13.7%)	326	306	6.6%

** Non-IFRS measures. See page 18 for a description of these measures. Please refer to Note 5 of our Unaudited Interim Condensed Consolidated Financial Statements for the reconciliation of Operating free cash flow to the nearest IFRS measures. In prior periods, equity free cash flow was calculated by including the results of Guatemala and Honduras as if fully consolidated. On that same comparable basis, equity free cash flow reached \$375 million in 2018, up 5.1% from \$356 million in 2017.*

Given some seasonality and volatility in cash flow items from quarter to quarter, we review our cash flow performance on a full year basis, rather than quarterly. For the full year 2018, Operating free cash flow, defined as EBITDA, less Capex, working capital, other non-cash items and taxes paid, declined 16.6% (\$76 million) to \$383 million during 2018. The reduction is explained mostly from higher EBITDA from discontinued operations in the prior period.

Cash used for the purchase of property, plant and equipment and working capital both declined and were largely offset by an increase in taxes paid due to timing differences and tax audit settlements. Net finance charges paid declined \$58 million to \$298 million due to lower average debt levels and lower one-off fees paid in relation to refinancing activities in 2018 compared to 2017.

Dividends received from Guatemala and Honduras increased \$40 million year-on-year to \$243 million in 2018, with the increase coming from Guatemala, where revenue and cash flow growth were healthy. Meanwhile, dividends paid to non-controlling interests (Colombia, Zantel, Panama) were minimal in both periods. As a result, equity free cash flow increased 6.6% to \$326 million in 2018.

Debt

Debt information (\$ millions)	Gross Debt	Of which Finance Leases	Cash	Net Debt*
Latin America	2,545	238	342	2,203
<i>Of which local currency</i>	1,857	238	281	1,576
Africa	265	115	42	223
<i>Of which local currency</i>	174	115	36	138
Corporate	1,770	0	145	1,625
<i>Of which local currency</i>	43	0	8	35
Millicom Group (IFRS)	4,580	353	529	4,052
<i>Of which local currency</i>	2,075	353	325	1,749
Guatemala and Honduras JVs	1,310	1	246	1,064
<i>Of which local currency</i>	262	1	101	161
Underlying (non-IFRS)	5,890	353	774	5,116
<i>Of which local currency</i>	2,337	353	426	1,911
Total - Proportionate basis (non-IFRS)	4,772	263	575	4,197

* Net debt is a non-IFRS measure defined as gross debt including finance leases, less cash and pledged and term deposits of \$6 million. See page 18 for a description of non-IFRS measures and for reconciliations to the nearest equivalent IFRS measures.

Underlying net debt, which includes net debt in Guatemala and Honduras, was \$5,116 million as of December 31st 2018, an increase of \$1,170 million compared to \$3,946 million previously reported as of September 30th 2018. The increase in underlying net debt reflects the acquisition of Cable Onda for \$956 million plus the assumption of its \$259 million net debt, as well as the payment of \$133 million in dividends during Q4. Underlying net debt to EBITDAⁱ, which includes net debt and EBITDA from Guatemala and Honduras, increased to 2.18x as of December 31st 2018 from 1.70x as of September 30th 2018. Proportionate net debt to EBITDAⁱ as of December 31st 2018 was 2.52x, up from 1.82x as of September 30th 2018.

Underlying gross debt increased by \$857 million during Q4, and we ended 2018 with \$5,890 million, including \$1,310 million held in Guatemala and Honduras. Approximately 65% of underlying gross debt at December 31st 2018 was in Latam, 5% in Africa, and the remaining 30% at the corporate level. Finance lease liabilities of \$353 million represented 6% of underlying gross debt. As of December 31st 2018, 70% of underlying gross debt was at fixed rates or swapped for fixed rates, and 40% was in local currency or swapped for local currency. The average cost of our underlying gross debt excluding finance leases remained stable at 6.2%, whilst the average maturity of our debt was 5.2 years. Our underlying cash position, a non-IFRS metric, declined \$313 million during the quarter to end 2018 at \$774 million, including \$246 million in Guatemala and Honduras.

ⁱ Underlying net debt to EBITDA and proportionate net debt to EBITDA are non-IFRS measures. See page 18 for a description of non-IFRS measures and for reconciliations to the nearest equivalent IFRS measures.



Operating segment performance

Our management determines operating and reportable segments based on the reports that are used by the chief operating decision maker to make strategic and operational decisions from both a business and geographic perspective. The Millicom Group's risks and rates of return for its operations are predominantly affected by operating in different geographical regions. The Millicom Group has businesses in two main regions, Latin America and Africa, which constitute our two segments.

Our Latin America segment includes the results of Guatemala and Honduras as if they were fully consolidated, as this reflects the way our management reviews and uses internally reported information to make decisions about operating matters and to provide increased transparency to investors on those operations. Our Africa segment does not include our joint venture in Ghana because our management does not consider it to be a strategic part of the group.

Please refer to Note 5 of our Unaudited Interim Condensed Consolidated Financial Statements for more details on our segments.

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.

Latin America segment

Business units

We discuss 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. 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 remained broadly stable in Q4 2018, although currencies continued to weaken gradually, as they have for most of 2018. Of note, the Colombian Peso declined 8.5% during the quarter and 8.2% for the year, while the Costa Rican Colon depreciated 4.2% in Q4 and 5.8% for the full year 2018. Other currencies weakened approximately 1% during Q4 but ended down 3-6% for the year.

Competitive intensity remains elevated but stable in the majority of our markets. In Paraguay, the heightened competitive pressure we have witnessed throughout the year had a more visible impact on our revenue growth in Q4, but we are confident that we can protect our market leadership and continue to generate attractive revenue and free cash flow growth in Paraguay, buoyed by a stable political and macroeconomic backdrop. Elsewhere, we estimate that our market share is either stable or increasing modestly.

Latam segment - Key Performance Indicators

In Q4, we added 1.5 million 4G smartphone data users in Latin America, and we added 3.2 million for the full year 2018, surpassing our goal of adding 3.0 million. We ended 2018 with 32.4 million B2C Mobile customers and of these, approximately 52% used data services, and 31% used 4G data services, up from 22% a year ago.



Our focus on the postpaid segment of the mobile market produced strong results in Q4 and throughout 2018, and we added 93,000 postpaid customers in Q4 and 228,000 for the full year, ending the year with 3.2 million, an increase of 7.7% year-on-year.

Monthly ARPU for B2C Mobile declined 5.2% in US dollar terms mainly due to the weaker currencies in our markets, as ARPU was broadly stable in local currency terms. ARPU growth was positive in three of our six Latam markets.

In our Home unit, we ended the quarter with 11.0 million homes-passed, including 10.6 million on our HFC networks, including our newly-acquired operations in Panama. During the quarter, we added 93,000 HFC customer relationships on an organic basis to end 2018 with 3.1 million, including 368,000 in Panama. We closed 2018 with 7.9 million revenue-generating units (RGUs), including 6.2 million on our HFC networks.

Home ARPU declined 7.3% to \$26.2, as weaker currencies more than offset modest organic growth of 0.8% year-on-year in Q4 2018. Organic Home ARPU growth was positive in a majority of our markets.

Key Performance Indicators ('000)	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q4 '18 vs. Q4 '17
B2C Mobile customers	32,419	31,625	31,790	31,873	31,911	1.6%
<i>Of which B2C Mobile data customers</i>	16,731	15,196	15,140	15,243	15,093	10.9%
<i>Of which 4G customers</i>	10,081	8,570	7,979	7,545	6,902	46.1%
<i>Of which Postpaid subscribers</i>	3,205	3,112	3,053	3,015	2,977	7.7%
B2C Mobile ARPU (\$)	7.4	7.5	7.6	7.6	7.8	(5.2%)
Total homes passed	11,008	9,908	9,639	9,284	9,076	21.3%
<i>Of which HFC homes passed</i>	10,562	9,387	9,076	8,687	8,446	25.1%
HFC customer relationships ⁱ	3,103	2,642	2,560	2,420	2,329	33.2%
HFC revenue generating units	6,203	5,046	4,843	4,578	4,367	42.0%
Home ARPU (\$)	26.2	28.9	29.6	29.0	28.3	(7.3%)

Latam segment financial results

In Q4 2018, revenue in our Latam segment declined 1.9% year-on-year to reach \$1.38 billion in Q4. Service revenue declined 3.3% due to the impact of weaker foreign exchange rates and the adoption of IFRS 15. Excluding these effects as well as a \$17 million revenue contribution from Panama, Latam organic service revenue growth was 3.7% in Q4 and 4.3% for the full year 2018.

By country, organic service revenue growth reached 8.7% in Bolivia, 3.0% in Colombia, 2.6% in Paraguay, and declined 8.9% in El Salvador, where we continue to take steps to improve the quality of our customer base and credit profile. Organic service revenue growth remained stable at 6.4% in Guatemala and continued to improve in Honduras, reaching 4.4% in Q4, our best performance in more than two years.

By business unit, organic service revenue growth in B2C Mobile was stable at 1.3% year-on-year, while Home grew 11.5% organically, marking a third consecutive quarter of double-digit growth. Organic service revenue growth was flat in B2B, largely due to slower growth in Colombia, where timing differences related to large government contracts impacted the year-on-year comparison in Q4 2018.

Revenue from Telephone and equipment increased 17.1% year-on-year to \$118 million, and the increase is due mostly to the adoption of IFRS 15, which required us to recognize more revenue on handsets and equipment.

ⁱ Previously described as HFC homes connected

EARNINGS RELEASE

Q4 2018

Latam Financial Highlights (\$m, unless otherwise stated)	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
Revenue	1,381	1,407	(1.9%)	5,485	5,441	0.8%
<i>Organicⁱ growth</i>	3.5%	2.1%	1.4pt	3.5%	0.2%	3.3pt
Service revenue	1,263	1,307	(3.3%)	5,069	5,078	(0.2%)
<i>Organicⁱ growth</i>	3.7%	3.1%	0.6pt	4.3%	0.9%	3.4pt
Mobile B2C	730	760	(3.9%)	2,933	2,975	(1.4%)
<i>Of which B2C Mobile data</i>	368	346	6.3%	1,453	1,305	11.4%
Home	316	289	9.4%	1,257	1,126	11.7%
B2B	203	247	(17.7%)	831	936	(11.2%)
EBITDA ⁱ	524	520	0.9%	2,077	2,024	2.6%
<i>Organicⁱ growth</i>	4.0%	9.0%	(5.0pt)	3.5%	2.8%	0.7pt
EBITDA margin %	38.0%	36.9%	1.1pt	37.9%	37.2%	0.7pt
Capex ⁱ	346	336	3.1%	954	907	5.2%

i) Non-IFRS measures. Capex is defined as capital expenditures excluding spectrum, license costs and finance lease capitalizations. See page 18 for a description of non-IFRS measures and for reconciliations to the nearest equivalent IFRS measures.

In Q4 2018, EBITDA for our Latam segment rose 0.9% year-on-year to \$524 million, as weaker currencies largely offset organic growth of 4.0%, in line with organic growth of 4.2% reported in Q3. Honduras, Colombia, and Bolivia contributed positively to organic EBITDA growth, while El Salvador continued to weigh on the performance of our Latam segment. Panama, which we acquired on December 13th, contributed only \$4 million to EBITDA in the quarter, as a result of approximately \$3 million of one-time charges incurred in relation to the acquisition. The EBITDA margin for our Latam segment increased 1.1 percentage points to 38.0% in Q4, up from 36.9% in Q4 2017.

For the full year, EBITDA grew 3.5% organically year-on-year. EBITDA in 2018 was affected by one-off charges in Bolivia (\$6 million) and El Salvador (\$10 million), which were mostly offset by gains in Honduras (\$13 million). EBITDA in 2017 benefited from one-time items in Paraguay (\$7 million) and Honduras (\$11 million). Adjusting for these one-offs in both years, organic EBITDA growth would have been approximately 4.5% for the Latam segment in 2018.

Capex in Latin America totaled \$346 million in Q4 2018 and \$954 million for the full year. Although we spent almost \$50 million less than the \$1.0 billion we had planned for 2018, we exceeded our network expansion plans in both Mobile and Cable, as we remained focused on expanding both coverage and capacity to enhance customer experience and reduce churn. During 2018, we expanded our HFC network to reach an additional 1.3 million homes across our footprint, exceeding our guidance of approximately 1.0 million. On the mobile front, we increased the size of our 4G network by 41%, adding over 2,600 points of presence to end the year with more than 9,000. At year-end 2018, our 4G networks covered approximately 65% of the population in our markets, up from 56% at the end of 2017.

For the year, investment in our networks accounted for 84% of Latam Capex, while the remaining 16% went towards IT and Other. Network investment was split approximately 68% fixed and 32% mobile. Customer premise equipment deployed to support the growth of our fixed customer base increased 18% year-on-year and accounted for more than 30% of our total Capex in the region.

EARNINGS RELEASE

Q4 2018



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Nasdaq Listed

Latam segment performance by country - Q4 and FY 2018

\$ millions	Q4 2018				FY 2018			
	Revenue	Service Revenue	EBITDA	EBITDA Margin	Revenue	Service Revenue	EBITDA	EBITDA Margin
Bolivia	160	156	62	39.0%	614	597	232	37.8%
Colombia	394	362	118	30.1%	1,661	1,553	494	29.7%
El Salvador	101	91	35	34.9%	405	371	133	32.9%
Guatemala	358	306	172	48.0%	1,373	1,200	689	50.2%
Honduras	151	142	76	50.3%	586	555	268	45.8%
Paraguay	163	154	77	47.1%	679	632	332	48.8%
Others*	54	52	(17)	NM	167	162	(71)	NM
LATAM SEGMENT	1,381	1,263	524	38.0%	5,485	5,069	2,077	37.9%

* 'Others' includes Costa Rica, Nicaragua, Panama, inter-company eliminations and other items.

SOUTH AMERICA

Colombia

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	8,291	7,851	5.6%	8,291	7,851	5.6%
Of which, 4G customers ('000)	2,688	2,016	33.4%	2,688	2,016	33.4%
Home Customer relationships ('000)	1,674	1,633	2.5%	1,674	1,633	2.5%
HFC Customer relationships ('000)	1,233	1,108	11.2%	1,233	1,108	11.2%
Revenue (\$ millions)	394	447	(11.9%)	1,661	1,739	(4.5%)
Organic growth	2.4%	(3.3%)	5.7pt	2.2%	(1.5%)	3.7pt
Service revenue (\$ millions)	362	411	(12.0%)	1,553	1,614	(3.8%)
Organic growth	3.0%	(0.2%)	3.2pt	3.5%	(0.7%)	4.1pt
EBITDA (\$ millions)	118	117	1.4%	494	469	5.2%
Organic growth	7.3%	16.1%	(8.8pt)	4.4%	(1.3%)	5.7pt
EBITDA margin %	30.1%	26.1%	4.0pt	29.7%	27.0%	2.7pt

In Home, we added a record 34,000 HFC customer relationships during the quarter, once again offsetting churn on our copper network, such that total Customer relationships rose for a fourth consecutive quarter and increased 2.5% year-on-year in Q4 2018. The improving customer trend is also visible in revenue-generating-units (RGUs), which expanded by more than 5% year-on-year in Q4 2018, while our RGUs on our HFC network grew by more than 17%.

In B2C Mobile, we added 539,000 subscribers, including 482,000 4G customers, as we experienced strong commercial momentum throughout the quarter, buoyed by the well-received launch of new postpaid plans in mid-September.

Service revenue declined 12.0% year-on-year in Q4 2018. The decline is due to the implementation of IFRS 15, which affected how we present the results of our wholesale international traffic, and due to a weaker average FX rate for the Colombian Peso, which depreciated 6.1% year-on-year in Q4 2018. Excluding these factors, organic service revenue grew 3.0% in the quarter, buoyed by mid-single-digit growth in Home and B2C Mobile, partly offset by negative growth in B2B in the quarter due to timing differences related to large government contracts which impacted the year-on-year comparison in Q4 2018.

EBITDA rose 1.4% year-on-year in USD terms and 7.3% organically to \$118 million in Q4 2018. The EBITDA margin reached 30.1%, an increase of 4.0 percentage points compared to the 26.1% reported in Q4 2017. The increase in organic EBITDA reflects operating leverage on the higher organic revenue generation, as well as the benefit of cost reduction initiatives implemented throughout 2018.

Paraguay

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	2,958	3,167	(6.6%)	2,958	3,167	(6.6%)
Home Customer relationships	406	368	10.3%	406	368	10.3%
Revenue (\$ millions)	163	171	(4.2%)	679	662	2.5%
<i>Organic growth</i>	1.0%	14.9%	(14.0pt)	3.9%	5.3%	(1.4pt)
Service revenue (\$ millions)	154	162	(4.8%)	632	622	1.5%
<i>Organic growth</i>	2.6%	8.9%	(6.3pt)	5.5%	5.7%	(0.3pt)
EBITDA (\$ millions)	77	81	(4.4%)	332	318	4.3%
<i>Organic growth</i>	1.0%	18.3%	(17.3pt)	5.1%	9.1%	(4.0pt)
EBITDA margin %	47.1%	47.2%	(0.1pt)	48.8%	48.0%	0.8pt

Competition in Paraguay remained very intense in Q4 2018 in both the mobile and fixed markets. In B2C Mobile, our total customer base remained stable during the quarter but declined 6.6% year-on-year reflecting subscriber losses in the first nine months of the year.

Service revenue declined 4.8%, impacted by the 5.5% depreciation of the Paraguayan Guarani year-on-year. On an organic basis, service revenue growth slowed to 2.6% in Q4 from 5.4% in Q3 due to intense price competition in the mobile market. Home growth also slowed but remained healthy in the teens.

EBITDA declined 4.4% in USD terms and increased 1.0% organically in the quarter, as we took measures to protect our mobile market share and defend our margins, which remained stable at 47.1%.

Bolivia

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	3,465	3,303	4.9%	3,465	3,303	4.9%
Home Customer relationships	389	231	68.7%	389	231	68.7%
Revenue (\$ millions)	160	148	8.0%	614	555	10.5%
<i>Organic growth</i>	8.3%	7.2%	1.1pt	10.5%	2.5%	8.0pt
Service revenue (\$ millions)	156	147	6.4%	597	549	8.6%
<i>Organic growth</i>	8.7%	9.1%	(0.4pt)	11.1%	4.6%	6.5pt
EBITDA (\$ millions)	62	59	5.1%	232	217	6.7%
<i>Organic growth</i>	6.3%	1.1%	5.2pt	7.3%	1.3%	6.0pt
EBITDA margin %	39.0%	40.1%	(1.1pt)	37.8%	39.1%	(1.3pt)

Our Bolivia operation continued to produce the fastest growth of the group in Q4 2018, as we continue to expand our cable and 4G broadband networks to meet strong pent-up demand.

In Q4 2018, customer relationships increased by 36,000, consistent with the pace seen in recent quarters, and we ended 2018 with 389,000, up almost 70% year-on-year.

In B2C Mobile, subscriber growth remained solid especially in postpaid, which grew almost 25% year-on-year, and we added a record number of 4G smartphone data customers during Q4, to end the year with 50% of our B2C Mobile customer base now consuming 4G services. B2C Mobile ARPU in Bolivia is among the highest in the group.

Service revenue grew 6.4% year-on-year on a reported basis and 8.7% organically, with the difference due to the adoption of IFRS 15. Organic service revenue growth in Home remained very strong, in line with the robust growth in customer relationships and RGUs. Organic service revenue growth in B2C Mobile slowed, due to more intense year-end promotional activity in Q4 2018 compared to Q4 2017 and due to a more difficult comparison against a robust performance in Q4 2017.

EBITDA grew 5.1% year-on-year on a reported basis and 6.3% organically in Q4 2018, and the margin compressed by 1.1 percentage point to 39.0%, as we remained focus primarily on driving faster growth in this market throughout 2018.

CENTRAL AMERICA

Guatemala

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	10,708	10,169	5.3%	10,708	10,169	5.3%
Home Customer relationships	485	361	34.4%	485	361	34.4%
Revenue (\$ millions)	358	349	2.8%	1,373	1,328	3.4%
<i>Organic growth</i>	6.8%	3.2%	3.6pt	5.5%	(0.1%)	5.5pt
Service revenue (\$ millions)	306	307	(0.4%)	1,200	1,182	1.5%
<i>Organic growth</i>	6.4%	3.4%	3.0pt	6.2%	0.0%	6.3pt
EBITDA (\$ millions)	172	171	0.8%	689	665	3.7%
<i>Organic growth</i>	3.8%	2.5%	1.2pt	5.6%	1.7%	3.9pt
EBITDA margin %	48.0%	49.0%	(0.9pt)	50.2%	50.1%	0.1pt

Guatemala continues to perform exceptionally well, and it also leads the group with respect to its operational excellence and its progress against business transformation initiatives and objectives.

During Q4, Guatemala added 134,000 total B2C Mobile subscribers, including more than 390,000 new 4G smartphone data users, to end the year with 10.7 million customers. We estimate that our share of the mobile market has been steadily rising in recent years thanks to the superior quality and coverage of our network, our more extensive distribution, and our well-regarding brand. Our Net Promoter Score (NPS) for Guatemala is among the highest within our Latam segment, underscoring the strength of our brand in that country. In Home, we added 9,000 customer relationships to end 2018 with 485,000, an increase of 34.4% year-on-year, buoyed by the Q2 acquisition of Cable DX.

Service revenue declined 0.4% in USD terms impacted by the weaker Guatemalan Quetzal, which depreciated 5.1% year-on-year in Q4. Year-on-year organic service revenue growth was 6.4%, stable as compared to Q3. For a fourth consecutive quarter, we sustained growth of around 4% in B2C Mobile, while B2B grew mid-single-digits, and Home sustained growth of more than 30% year-on-year.

EBITDA rose 0.8% in USD and 3.8% organically, and the margin declined 0.9 percentage point to 48.0%. For the full year, organic EBITDA growth of 5.6%, slightly below to service revenue growth of 6.2%, and the margin reached 50.2%, almost unchanged from 50.1% in 2017.

Honduras

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	4,497	4,625	(2.8%)	4,497	4,625	(2.8%)
Home Customer relationships	165	150	9.5%	165	150	9.5%
Revenue (\$ millions)	151	147	2.5%	586	585	0.1%
<i>Organic growth</i>	4.8%	(0.5%)	5.3pt	2.0%	(1.1%)	3.1pt
Service revenue (\$ millions)	142	143	(0.2%)	555	566	(1.9%)
<i>Organic growth</i>	4.4%	(0.1%)	4.6pt	1.8%	(0.5%)	2.3pt
EBITDA (\$ millions)	76	64	19.3%	268	265	1.4%
<i>Organic growth</i>	21.8%	(1.4%)	23.2pt	3.4%	6.2%	(2.8pt)
EBITDA margin %	50.3%	43.2%	7.1pt	45.8%	45.3%	0.6pt

Honduras strengthened throughout 2018 and had a very strong Q4. In B2C Mobile, we added 43,000 net total subscribers and continued to grow rapidly in postpaid and in 4G. The mix shift toward higher-value customers is having a positive effect on ARPU, which continued to grow year-on-year in Q4 2018. In Home, we continue to focus on improving the penetration of our network and on cross-selling to our existing customers. In Q4, customer relationships increased 9.5% year-on-year, and total RGUs increase almost 15%.

Service revenue was flat year-on-year in USD terms. The 2.9% depreciation of the Honduran Lempira combined with the effect of IFRS 15 offset organic growth of 4.4%, our strongest quarter in more than three years. Organic service revenue growth in B2C Mobile turned positive, buoyed by improved performance in prepaid, while growth in Home remained steady near 20%.

EBITDA increased 19.3% in USD terms and 21.8% on an organic basis, and the margin expanded 7.1 percentage points. A number of small one-off items contributed positively in the quarter, and added approximately \$6 million to EBITDA in aggregate.

El Salvador

	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
B2C Mobile customers ('000)	2,500	2,796	(10.6%)	2,500	2,796	(10.6%)
Home Customer relationships	273	312	(12.4%)	273	312	(12.4%)
Revenue (\$ millions)	101	110	(8.1%)	405	422	(4.1%)
<i>Organic growth</i>	(8.4%)	3.5%	(11.9pt)	(4.3%)	(0.8%)	(3.5pt)
Service revenue (\$ millions)	91	103	(10.8%)	371	398	(6.7%)
<i>Organic growth</i>	(8.9%)	5.4%	(14.3pt)	(4.6%)	(0.6%)	(4.0pt)
EBITDA (\$ millions)	35	45	(21.3%)	133	155	(13.6%)
<i>Organic growth</i>	(22.2%)	41.2%	(63.4pt)	(14.2%)	4.5%	(18.6pt)
EBITDA margin %	34.9%	40.8%	(5.9pt)	32.9%	36.6%	(3.6pt)

In El Salvador, we remained focused in Q4 2018 on addressing the operational challenges that began in 2017 and that have been impacting our performance for most of 2018. During the fourth quarter, service revenue declined 10.8% and EBITDA declined 21.3% year-on-year during the period, capping a very disappointing year. While the market environment remains more challenging than in other Latam markets, we are confident that the measures we have

taken throughout 2018 will lead to increased stability and a gradual improvement in our operational and financial performance in 2019.

Africa segment - Key Performance Indicators

Key Performance Indicators ('000)	Q4 2018	Q4 2017	Change
B2C Mobile customers	15,911	14,631	8.8%
MFS customers	7,064	6,756	4.6%
B2C Mobile ARPU (\$)	2.6	3.0	(11.7%)

Our Africa segment operations comprise Tanzania, including Zantel, and Chad. In aggregate, these represented 8.8% of Group revenue and 6.9% of EBITDA in Q4 2018. During the quarter, we added 327,000 B2C Mobile subscribers in Africa, with both countries reporting healthy growth. ARPU declined 11.7% in USD terms and 9.7% organically, with both countries seeing ARPU being diluted by the addition of new customers that generally have a lower ARPU profile. Meanwhile, the number of customers that use mobile financial services (MFS) increased 4.6% year-on-year to reach 7.1 million, representing 45% of our B2C Mobile customer base.

Africa segment financial results

Please refer to Note 5 of our Unaudited Interim Condensed Consolidated Financial Statements for more details on our segments.

Africa Financial Highlights (\$m, unless otherwise stated)	Q4 2018	Q4 2017	Change	FY 2018	FY 2017	Change
Revenue	133	138	(3.6%)	526	526	0.1%
Organic ⁱ growth	(1.3%)	(7.2%)	5.9pt	0.6%	(6.1%)	6.8pt
Service revenue	132	137	(3.4%)	526	524	0.3%
Organic ⁱ growth	(1.0%)	(7.2%)	6.2pt	0.9%	(6.0%)	6.9pt
EBITDA ⁱⁱ	37	39	(6.9%)	143	140	2.4%
Organic ⁱ growth	(2.5%)	(19.8%)	17.3pt	4.0%	(14.5%)	18.5pt
EBITDA ⁱⁱ margin %	27.6%	28.6%	(1.0pt)	27.2%	26.6%	0.6pt
Capex ⁱⁱ	21	21	0.8%	40	69	(41.6%)

i) Organic YoY in local currency and constant perimeter to exclude Senegal, Ghana, and Rwanda

ii) Organic growth, EBITDA and Capex are non-IFRS measures. See page 18 for a description of non-IFRS measures and for reconciliations to the nearest equivalent IFRS measures.

Revenue declined 3.6% in USD terms and 1.3% organically during Q4 2018. Service revenue declined 3.4% in USD and 1.0% organically, similar to a decline of 0.2% reported in Q3 2018. In Tanzania, organic service revenue growth slowed slightly during the quarter as compared to Q3 2018, in part due to a more challenging comparison against a relatively stronger performance in Q4 2017.

EBITDA declined 6.9% in USD and 2.5% organically during the quarter, and EBITDA margins contracted 1.0 percentage point year-on-year to 27.6%. EBITDA declined in Tanzania due mostly to a value-added tax settlement relating to prior periods. Meanwhile, EBITDA in Chad rose double-digits year-on-year organically, and the EBITDA margin expanded year-on-year and remained well above the average for the Africa segment. Chad EBITDA in Q4 2018 benefited from lower costs and lower provisions for bad debt. Capital expenditures in Africa totaled \$40 million for the full year 2018.

**Corporate Responsibility highlights – Q4 2018****Embedding Corporate Responsibility across our supply chain**

We closed the second year of our supplier training program in Latam with the participation of 109 suppliers from the region. Suppliers were provided with one-on-one sessions with subject matter experts to develop Corrective Action Plans where needed. Findings from our look-back evaluations demonstrated that Ecoefficiency, Health and Safety and Labor Practices are the most recurring areas for Corrective Action Plans. We will analyze the maturity levels of our suppliers' CR performance during Q1 of 2019 to optimize this year's roll out.

Millicom's Child Rights program continues to gain momentum and gather recognition

Paraguay launched a new social media campaign called "You have the power over what you share", focused on the danger of sexting and sharing intimate or inappropriate imagery for children and adolescents. The campaign will be followed up by another one focused on online bullying.

Continuing the momentum from the Colombia research study focused on the uses and effect of technology on children, plans were set to conduct similar research in our other Latam operations and to create a region-wide baseline of understanding of the use of technologies by children and adolescents.

Our partnership with UNICEF moves forward with the allocation of funds for 2019 projects in Paraguay and Colombia. Both projects will focus on the reduction of violence among children and adolescents through technology. These projects will start during Q1 2019, with the active participation of our local CR teams.

Health, safety, security and environment

Q4 2018 was a period of analysis, reviewing group and operational objectives, and setting new targets for 2019. The Integrated Services teams continued their work with the transition from the 18001 OHSAS system to the new ISO 45001 management system with the goal of launching the new system in Q1 of 2019. All our operations are in line with OHSAS 18001 and 91% certified on its standards. Transition to ISO 45001 implies compliance with OHSAS requirements, enhanced stakeholder engagement, higher focus on communication and performance evaluation, and leadership and management commitment, among others.

There were no fatalities or serious events to report during the final quarter of 2018. We decided to remove the travel ban on Nicaragua as a result of decreased reported political and civil unrest across the country.

Compliance and anti-corruption programme

During the fourth quarter of 2018, we continued building on our comprehensive compliance communication campaign, "Integrity Starts with You". We used the campaign through the year to reinforce the importance of building a culture of compliance, where each employee acts with Integrity. The campaign reminded employees that everyone signed and thus adopted the Company's Code of Conduct having understood the important legal and ethical issues that affect our business.

2018's Compliance Week celebration in Q4 built on driving a culture of compliance by accountability with the theme: "Do Business the Right Way". During Compliance Week, we also introduced the living theme "I am Compliance" and raised the key question #Howdoyoucomply—allowing employees to speak toward how they personally contribute to a culture of compliance at Millicom with videos and photos. Special attention was given to strengthening everyone's compliance duties and embracing the understanding that Compliance is part of our Culture, and not just a policy.

Conference call details

A presentation and conference call to discuss these results will take place on February 8th 2019 at 2:00 PM (Luxembourg/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:

Luxembourg:	+352 2786 1336	US:	+1 323 794-2551
Sweden:	+46 (0)8 5033 6574	UK:	+44 (0) 330 336 9105

The access code is: 5373804

A live audio stream, presentation slides, and replay information can be accessed at www.millicom.com.

Financial calendar

2019

April 10	Last day for shareholders to add items to the AGM agenda
April 23	Q1 results
April 24	Q1 results conference call
May 2	AGM
July 18	Q2 results
July 19	Q2 results conference call
October 23	Q3 results
October 24	Q3 results conference call

For further information, please contact

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About Millicom

Millicom (NASDAQ U.S.: TIGO, Nasdaq Stockholm: TIGO_SDB) 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 2018, Millicom operating subsidiaries and joint ventures employed more than 21,000 people and provided mobile services to approximately 48 million customers, with a cable footprint of more than 11 million homes passed. Founded in 1992, Millicom International Cellular SA is headquartered in Luxembourg.



Forward-Looking Statements

Statements included herein that are not historical facts, including without limitation statements concerning future strategy, plans, objectives, expectations and intentions, projected financial results, liquidity, growth and prospects, are forward-looking statements. Such forward-looking statements involve a number of risks and uncertainties and are subject to change at any time. This includes, but is not limited to, Millicom's expectation and ability to pay semi-annual cash dividends on its common stock in the future, subject to the determination by the Board of Directors, and based on an evaluation of company earnings, financial condition and requirements, business conditions, capital allocation determinations and other factors, risks and uncertainties. In the event such risks or uncertainties materialize, Millicom's results could be materially adversely affected. The risks and uncertainties include, but are not limited to, the following:

- Global economic conditions and foreign exchange rate fluctuations as well as local economic conditions in the markets we serve;
- Telecommunications usage levels, including traffic and customer growth;
- Competitive forces, including pricing pressures, the ability to connect to other operators' networks and our ability to retain market share in the face of competition from existing and new market entrants as well as industry consolidation;
- Legal or regulatory developments and changes, or changes in governmental policy, including with respect to the availability of spectrum and licenses, the level of tariffs, tax matters, the terms of interconnection, customer access and international settlement arrangements;
- Adverse legal or regulatory disputes or proceedings;
- The success of our business, operating and financing initiatives and strategies, including partnerships and capital expenditure plans;
- The level and timing of the growth and profitability of new initiatives, start-up costs associated with entering new markets, the successful deployment of new systems and applications to support new initiatives;
- Relationships with key suppliers and costs of handsets and other equipment;
- Our ability to successfully pursue acquisitions, investments or merger opportunities, integrate any acquired businesses in a timely and cost-effective manner and achieve the expected benefits of such transactions;
- The availability, terms and use of capital, the impact of regulatory and competitive developments on capital outlays, the ability to achieve cost savings and realize productivity improvements;
- Technological development and evolving industry standards, including challenges in meeting customer demand for new technology and the cost of upgrading existing infrastructure;
- The capacity to upstream cash generated in operations through dividends, royalties, management fees and repayment of shareholder loans; and
- Other factors or trends affecting our financial condition or results of operations.

A further list and description of risks, uncertainties and other matters can be found in Millicom's Registration Statement on Form 20-F, including those risks outlined in "Item 3. Key Information—D. Risk Factors," and in Millicom's subsequent U.S. Securities and Exchange Commission filings, all of which are available at www.sec.gov.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. Except to the extent otherwise required by applicable law, we do not undertake any obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

Non IFRS Measures

This press release contains financial measures not prepared in accordance with IFRS. These measures are referred to as “non-IFRS” measures and include: non-IFRS service revenue, non-IFRS EBITDA, and non-IFRS Capex, among others defined below. Annual growth rates for these non-IFRS measures are often expressed in organic constant currency terms to exclude the effect of changes in foreign exchange rates, the adoption of new accounting standards such as IFRS 15, and are proforma for material changes in perimeter due to acquisitions and divestitures.

The non-IFRS financial measures are presented in this press release as Millicom’s management believes they provide investors with an additional information for the analysis of Millicom’s results of operations, particularly in evaluating performance from one period to another. Millicom’s management uses non-IFRS financial measures to make operating decisions, as they facilitate additional internal comparisons of Millicom’s performance to historical results and to competitors’ results, and provides them to investors as a supplement to Millicom’s reported results to provide additional insight into Millicom’s operating performance. Millicom’s Remuneration Committee uses certain non-IFRS measures when assessing the performance and compensation of employees, including Millicom’s executive directors.

The non-IFRS financial measures used by Millicom may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies - refer to the section “Non-IFRS Financial Measure Descriptions” for additional information. In addition, these non-IFRS measures should not be considered in isolation as a substitute for, or as superior to, financial measures calculated in accordance with IFRS, and Millicom’s financial results calculated in accordance with IFRS and reconciliations to those financial statements should be carefully evaluated.

Non-IFRS Financial Measure Descriptions

Service revenue is 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.

EBITDA is operating profit excluding impairment losses, depreciation and amortization, and gains/losses on fixed asset disposals.

Underlying measures, such as **Underlying service revenue**, **Underlying EBITDA**, **Underlying equity free cash flow**, and **Underlying net debt**, include Guatemala and Honduras, as if fully consolidated.

Proportionate EBITDA is the sum of the EBITDA in every country where Millicom operates, including its Guatemala and Honduras joint ventures, pro rata for Millicom’s ownership stake in each country, less unallocated costs and inter-company eliminations.

Organic growth represents year-on-year-growth excluding the impact of changes in FX rates, perimeter, and accounting.

Net debt is Gross debt (including finance leases) less cash and pledged and term deposits.

Proportionate net debt is the sum of the net debt in every country where Millicom operates, including its Guatemala and Honduras joint ventures, pro rata for Millicom’s ownership stake in each country.

Net debt to EBITDA is the ratio of net debt over LTM (last twelve month) EBITDA.

Proportionate net debt to EBITDA is the ratio of proportionate net debt over LTM proportionate EBITDA.

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.

Operating Cash Flow (OCF) is EBITDA less Capex.

Operating Free Cash Flow is OCF less changes in working capital and other non-cash items and taxes paid.

Equity Free Cash Flow is Operating Free Cash Flow less finance charges paid (net), less advances for dividends to non-controlling interests, plus dividends received from joint ventures.

Return on Invested Capital (ROIC) is used to assess the Group’s efficiency at allocating the capital under its control to and is defined as Operating Profit After Tax, including Guatemala and Honduras as if fully consolidated, divided by the average invested Capital during the period.

Operating Profit After Tax displays the profit generated from the operations of the company after statutory taxes.

Average Invested Capital is the capital invested in the company operation throughout the year and is calculated with the average of opening and closing balances of the total assets minus current liabilities (excluding debt, joint ventures, accrued interests, deferred and current tax, cash as well as investments and non-controlling interests), minus assets and liabilities held for sale.

Non-IFRS Reconciliations

Reconciliation from Reported Growth to Organic Growth for the Latam and Africa segments

Latam Segment	Revenue		Service Revenue		EBITDA	
	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017
A- Current period (\$million)	1,381	1,407	1,263	1,307	524	520
B- Prior year period (\$million)	1,407	1,365	1,307	1,257	520	474
C- Reported growth (A/B)	(1.9%)	3.1%	(3.3%)	3.9%	0.9%	9.7%
D- Accounting change impact	(2.1%)	0.0%	(3.9%)	0.0%	0.7%	(0.1%)
E- Change in Perimeter impact	1.2%	0.0%	1.4%	0.0%	0.8%	0.0%
F- FX impact	(4.4%)	1.0%	(4.5%)	0.9%	(4.6%)	0.8%
G- Organic Growth (C-D-E-F)	3.5%	2.1%	3.7%	3.1%	4.0%	9.0%

Latam Segment	Revenue		Service Revenue		EBITDA	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
A- Current period (\$million)	5,485	5,441	5,069	5,078	2,077	2,024
B- Prior year period (\$million)	5,441	5,352	5,078	4,966	2,024	1,935
C- Reported growth (A/B)	0.8%	1.7%	(0.2%)	2.3%	2.6%	4.6%
D- Accounting change impact	(1.6%)	0.0%	(3.3%)	0.0%	1.0%	0.3%
E- Change in Perimeter impact	0.3%	0.0%	0.3%	0.0%	0.2%	0.0%
F- FX impact	(1.4%)	1.4%	(1.5%)	1.4%	(2.0%)	1.5%
G- Organic Growth (C-D-E-F)	3.5%	0.2%	4.3%	0.9%	3.5%	2.8%

Africa Segment	Revenue		Service Revenue		EBITDA	
	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017
A- Current period (\$million)	133	138	132	137	37	39
B- Prior year period (\$million)	138	147	137	147	39	50
C- Reported growth (A/B)	(3.6%)	(6.4%)	(3.4%)	(6.5%)	(6.9%)	(22.1%)
D- Accounting change impact	(0.1%)	0.0%	(0.1%)	0.0%	(2.0%)	(4.0%)
E- Change in Perimeter impact	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
F- FX impact	(2.2%)	0.7%	(2.2%)	0.7%	(2.5%)	1.7%
G- Organic Growth (C-D-E-F)	(1.3%)	(7.2%)	(1.0%)	(7.2%)	(2.5%)	(19.8%)

Africa Segment	Revenue		Service Revenue		EBITDA	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
A- Current period (\$million)	526	526	526	524	143	140
B- Prior year period (\$million)	526	564	524	562	140	158
C- Reported growth (A/B)	0.1%	(6.9%)	0.3%	(6.8%)	2.4%	(11.3%)
D- Accounting change impact	(0.1%)	0.0%	(0.1%)	0.0%	(1.7%)	3.6%
E- Change in Perimeter impact	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
F- FX impact	(0.4%)	(0.7%)	(0.4%)	(0.8%)	0.1%	(0.4%)
G- Organic Growth (C-D-E-F)	0.6%	(6.1%)	0.9%	(6.0%)	4.0%	(14.5%)



Foreign Exchange rates used to support FX impact calculations in the above Organic Growth reconciliations

		Average FX rate (vs. USD)					End of period FX rate (vs. USD)				
		Q4 18	Q3 18	QoQ	Q4 17	YoY	Q4 18	Q3 18	QoQ	Q4 17	YoY
Bolivia	BOB	6.91	6.91	0.0%	6.91	(0.0%)	6.91	6.91	0.0%	6.91	0.0%
Colombia	COP	3,166	2,952	(7.3%)	2,985	(6.1%)	3,250	2,972	(9.3%)	2,984	(8.9%)
Costa Rica	CRC	599	572	(4.7%)	572	(4.8%)	608	582	(4.4%)	573	(6.2%)
Guatemala	GTQ	7.72	7.56	(2.1%)	7.34	(5.1%)	7.74	7.70	(0.5%)	7.34	(5.3%)
Honduras	HNL	24.29	24.10	(0.8%)	23.60	(2.9%)	24.42	24.14	(1.2%)	23.67	(3.2%)
Paraguay	PYG	5,946	5,792	(2.7%)	5,638	(5.5%)	5,961	5,895	(1.1%)	5,590	(6.6%)
Chad	XAF	588	576	(2.0%)	570	(3.1%)	580	586	1.0%	558	(4.0%)
Ghana	GHS	4.85	4.79	(1.4%)	4.44	(9.3%)	4.82	4.91	1.7%	4.42	(9.2%)
Tanzania	TZS	2,294	2,281	(0.5%)	2,241	(2.4%)	2,299	2,285	(0.6%)	2,245	(2.4%)

Reconciliation Net debt to EBITDA to Proportionate net debt to EBITDA as of December 31st 2018

\$ millions				Ownership	Proportionate		
	Gross debt	Net debt	Leverage*		Gross debt	Net debt	Leverage*
Bolivia	317	269	1.16x	100.0%	317	269	1.16x
Colombia	1,015	837	1.70x	50.0%	508	419	1.70x
El Salvador	299	272	2.04x	100.0%	299	272	2.04x
Guatemala	927	706	1.03x	55.0%	510	389	1.03x
Honduras	383	358	1.33x	66.7%	255	239	1.33x
Panama	261	255	1.50x	80.0%	209	204	1.50x
Paraguay	504	447	1.35x	100.0%	504	447	1.35x
Other	148	123	NM	100.0%	148	123	NM
Latam	3,855	3,267	1.37x		2,750	2,361	1.39x
Africa	265	223	1.37x	99.0%	251	211	1.31x
Corporate	1,770	1,625	NM	100.0%	1,770	1,625	NM
Total	5,890	5,116	2.18x		4,772	4,197	2.52x

* Leverage defined as net debt to EBITDA. Underlying net debt to EBITDA as of December 31st 2018 is based on last twelve-month (LTM) Underlying EBITDA of \$2,347 million, including \$170 million proforma Adjusted EBITDA for Cable Onda in Panama. Proportionate net debt to EBITDA as of December 31st 2018 is based on LTM proportionate EBITDA of \$1,666 million, including \$136 million proforma Adjusted EBITDA for our 80% stake in Cable Onda.

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

\$ millions	Q4 2018	IFRS 15 Impact	Q4 2018 ex. IFRS 15	Q4 2017	YoY change %
Revenue	1,010	16	1,026	1,056	(2.9%)
Telephone and Equipment	57	(9)	48	55	(12.3%)
Service revenue	953	25	978	1,002	(2.4%)
Cost of sales	(282)	(8)	(289)	(322)	(10.2%)
Gross profit	728	8	737	734	0.3%
Operating expenses	(460)	(9)	(469)	(403)	16.3%
EBITDA	268	(1)	268	331	(19.2%)
Depreciation	(169)	-	(169)	(177)	(4.1%)
Amortization	(41)	-	(41)	(31)	32.3%
Share of profit in Guatemala and Honduras	45	(3)	42	25	67.8%
Other operating income (expenses), net	10	-	10	44	(76.7%)
Operating profit	113	(3)	110	193	(43.1%)
Net financial expenses	(92)	-	(92)	(81)	13.3%
Other non-operating income (expenses), net	(46)	-	(46)	1	NM
Gains (losses) from other JVs and associates, net	(35)	-	(35)	(32)	12.4%
Profit (loss) before tax	(61)	(3)	(64)	81	(179.4%)
Net tax credit (charge)	(46)	0	(46)	(33)	38.1%
Profit (loss) for the period from continuing ops.	(107)	(3)	(110)	48	(328.7%)
Non-controlling interests	17	2	19	(12)	NM
Profit (loss) from discontinued operations	(4)	-	(4)	33	NM
Net profit (loss) for the period	(94)	(1)	(95)	69	(237.0%)

\$ millions	FY 2018	IFRS 15 Impact	FY 2018 ex. IFRS 15	FY 2017	YoY change %
Revenue	4,074	77	4,151	4,076	1.8%
Telephone and Equipment	213	(39)	173	200	(13.4%)
Service revenue	3,861	116	3,978	3,876	2.6%
Cost of sales	(1,146)	(48)	(1,193)	(1,205)	(1.0%)
Gross profit	2,928	29	2,958	2,871	3.0%
Operating expenses	(1,674)	(40)	(1,714)	(1,593)	7.6%
EBITDA	1,254	(11)	1,244	1,278	(2.7%)
Depreciation	(685)	-	(685)	(695)	(1.3%)
Amortization	(144)	-	(144)	(146)	(1.3%)
Share of profit in Guatemala and Honduras	154	(2)	152	140	8.3%
Other operating income (expenses), net	76	-	76	68	12.5%
Operating profit	655	(13)	642	645	(0.5%)
Net financial expenses	(350)	-	(350)	(380)	(7.8%)
Other non-operating income (expenses), net	(40)	-	(40)	(4)	NM
Gains (losses) from other JVs and associates, net	(136)	-	(136)	(85)	59.1%
Profit (loss) before tax	129	(13)	117	176	(33.8%)
Net tax credit (charge)	(116)	1	(115)	(158)	(26.8%)
Profit (loss) for the period from continuing ops.	13	(12)	1	18	(93.1%)
Non-controlling interests	16	3	18	17	5.9%
Profit (loss) from discontinued operations	(39)	-	(39)	51	NM
Net profit (loss) for the period	(10)	(9)	(19)	86	(122.1%)

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Guatemala and Honduras Financial Statement data (unaudited)

Until 2015, Millicom group results included Guatemala and Honduras on a 100% consolidation basis. Since 2016, these businesses are treated as joint ventures and are consolidated using the equity method. To aid investors to better track the evolution of the company's performance over time, we provide the following indicative unaudited financial statement data for the Millicom group as if our Guatemala and Honduras joint ventures had been fully consolidated.

Profit and loss data - Q4 2018 (\$ millions)	Millicom (IFRS)	Guatemala and Honduras JVs	Eliminations	Total (non-IFRS)
Revenue	1,010	503	-	1,513
Cost of sales	(282)	(115)	-	(397)
Gross profit	728	388	-	1,116
Operating expenses	(460)	(150)	-	(610)
EBITDA	268	238	-	507
EBITDA margin	26.6%	47.3%		33.5%
Depreciation & amortization	(211)	(99)	-	(310)
Share of net profit in joint ventures	45	-	(45)	-
Other operating income (expenses), net	10	(7)	-	4
Operating profit	113	132	(45)	200
Net financial expenses	(92)	(19)	-	(111)
Other non-operating income (expenses), net	(46)	(8)	-	(54)
Gains (losses) from associates	(35)	-	-	(35)
Profit (loss) before tax	(61)	105	(45)	(1)
Net tax credit (charge)	(46)	(25)	-	(71)
Profit (loss) for the period	(107)	81	(45)	(71)
Profit (loss) from discontinued operations	(4)	-	-	(4)
Non-controlling interests	17	(36)	-	(19)
Net profit (loss) for the period	(94)	45	(45)	(94)

Profit and loss data - FY 2018 (\$ millions)	Millicom (IFRS)	Guatemala and Honduras JVs	Eliminations	Total (non-IFRS)
Revenue	4,074	1,937	-	6,011
Cost of sales	(1,146)	(424)	-	(1,569)
Gross profit	2,928	1,514	-	4,442
Operating expenses	(1,674)	(592)	-	(2,266)
EBITDA	1,254	922	-	2,176
EBITDA margin	30.8%	47.6%		36.2%
Depreciation & amortization	(830)	(415)	-	(1,245)
Share of net profit in joint ventures	154	-	(154)	-
Other operating income (expenses), net	76	(20)	-	56
Operating profit	655	487	(154)	988
Net financial expenses	(350)	(85)	-	(436)
Other non-operating income (expenses), net	(40)	(31)	-	(71)
Gains (losses) from associates	(136)	-	-	(136)
Profit (loss) before tax	129	371	(154)	346
Net tax credit (charge)	(116)	(87)	-	(204)
Profit (loss) for the period	13	283	(154)	142
Profit (loss) from discontinued operations	(39)	-	-	(39)
Non-controlling interests	16	(129)	-	(113)
Net profit (loss) for the period	(10)	154	(154)	(10)



Balance Sheet data (\$ millions)	Millicom (IFRS)	Guatemala and Honduras JVs	Total (non-IFRS)
ASSETS			
Intangible assets, net	2,374	2,928	5,303
Property, plant and equipment, net	3,041	985	4,027
Investments in joint ventures and associates	3,036	(2,835)	201
Other non-current assets	332	137	469
TOTAL NON-CURRENT ASSETS	8,784	1,216	9,999
Inventories, net	39	28	67
Trade receivables, net	343	80	423
Other current assets	461	322	783
Restricted cash	158	13	171
Cash and cash equivalents	528	241	769
TOTAL CURRENT ASSETS	1,529	683	2,212
Assets held for sale	3	-	3
TOTAL ASSETS	10,316	1,899	12,215
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company	2,542	(42)	2,500
Non-controlling interests	249	610	858
TOTAL EQUITY	2,790	568	3,358
Debt and financing	4,123	1,225	5,347
Other non-current liabilities	719	7	726
TOTAL NON-CURRENT LIABILITIES	4,841	1,232	6,074
Debt and financing	458	85	543
Other current liabilities	2,226	14	2,240
TOTAL CURRENT LIABILITIES	2,684	99	2,782
Liabilities directly associated with assets held for sale	-	-	-
TOTAL LIABILITIES	7,526	1,331	8,856
TOTAL EQUITY AND LIABILITIES	10,316	1,899	12,215

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Cash Flow data – Q4 2018 (\$ millions)	Millicom (IFRS)	Guatemala & Honduras JVs	Total (non-IFRS)
Profit (loss) before taxes from continuing operations	(61)	60	(1)
Profit (loss) for the period from discontinued operations	(4)	-	(4)
Profit (loss) before taxes	(65)	60	(5)
Net cash provided by operating activities (incl. discontinued ops)	231	142	373
Net cash used in investing activities (incl. discontinued ops)	(1,045)	(138)	(1,183)
Net cash from (used by) financing activities (incl. discontinued ops)	606	(130)	476
Exchange impact on cash and cash equivalents, net	(23)	-	(23)
Net (decrease) increase in cash and cash equivalents	(230)	(73)	(303)
Cash and cash equivalents at the beginning of the period	758	314	1,072
Effect of cash in disposal group held for Sale	-	-	-
Cash and cash equivalents at the end of the period	528	241	769

Cash Flow data – FY 2018 (\$ millions)	Millicom (IFRS)	Guatemala & Honduras JVs	Total (non-IFRS)
Profit (loss) before taxes from continuing operations	129	216	346
Profit (loss) for the period from discontinued operations	(39)	-	(39)
Profit (loss) before taxes	91	216	307
Net cash provided by operating activities (incl. discontinued ops)	792	712	1,505
Net cash used in investing activities (incl. discontinued ops)	(1,199)	(525)	(1,724)
Net cash from (used by) financing activities (incl. discontinued ops)	341	(261)	80
Exchange impact on cash and cash equivalents, net	(33)	(4)	(36)
Net (decrease) increase in cash and cash equivalents	(98)	(78)	(176)
Cash and cash equivalents at the beginning of the period	619	319	938
Effect of cash in disposal group held for Sale	6	-	6
Cash and cash equivalents at the end of the period	528	241	769

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. This information was submitted for publication, through the agency of the contact person set out above, at 22:05 CET on February 7, 2019.