

## Strengthening our Leadership in Central America

Luxembourg, October 23, 2019 – [Millicom](#) is pleased to announce its third quarter 2019 results. Please find the links below to the Q3 2019 Earnings Release and IAS 34 Interim Financial Statements [[attachments](#)].

### Millicom Chief Executive Officer Mauricio Ramos commented:

*"The third quarter of 2019 marked several important milestones for Millicom. First, we strengthened our position as the leading telecommunications operator in Panama by closing our acquisition of the largest mobile operator in the country. We are now focused on extracting the synergies we have targeted. Second, we added a record 99,000 customer relationships to our HFC network, lifting penetration rates, which is key to accelerating our cash flow growth over time.*

*Since the beginning of 2019, some of our markets have experienced a slowdown in economic activity, which has adversely affected our prepaid mobile and B2B businesses in particular, while competition in prepaid mobile has intensified in some countries. As a result, revenue and EBITDA growth was below our expectations in the quarter and year-to-date. Although I am disappointed by these headline results in Q3, our strategy remains intact, and we continued to deliver robust performance in both postpaid mobile and residential cable. Organic OCF growth was in line with our plans in the quarter, and I remain as confident as ever in our ability to continue to accelerate organic OCF growth over the medium term.*

*During the quarter, Millicom's largest shareholder, Kinnevik, announced plans to distribute its 37.2% ownership stake in Millicom to its own shareholders later this year. We look forward to welcoming many new shareholders to Tigo and expect that this distribution will increase the liquidity of our shares over time."*

- Q3 2019 Combined Earnings Release [[Attachment](#)]
- IAS 34 Interim Financial Statements [[Attachment](#)]

### Conference call details

A presentation and conference call to discuss these results will take place on October 24<sup>th</sup>, 2019 at 3:00 PM (Luxembourg/ Stockholm) / 2:00 PM (London) / 9:00 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 5069 2180  
**UK:** +44 (0) 844 571 8892

**Luxembourg:** +352 2786 0515  
**US:** +1 866 966 1396

The access code is: 9380844

A live audio stream, presentation slides, and replay information can be accessed at [millicom.com](http://millicom.com) or through the [webcast](#).

Courtesy Media [[Download](#)]

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## 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 31<sup>st</sup>, 2018, Millicom operating subsidiaries and joint ventures employed more than 21,000 people and provided mobile services to approximately 50 million customers, with a cable footprint of more than 11 million homes passed. Founded in 1992, Millicom International Cellular S.A. 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](http://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 16, 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.

## 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.

**EBITDA after leases** is EBITDA after lease depreciation and lease interest expenses related to the adoption of IFRS 16.

**Underlying** measures, such as **Service revenue**, **EBITDA** and **Net debt**, include Guatemala and Honduras as if fully consolidated.

**Proportionate EBITDA** is the sum of EBITDA after leases 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 lease liabilities less cash and pledged and term deposits.

**Net debt excluding leases** is Net debt excluding lease liabilities

**Proportionate net debt** is the sum of the Net debt excluding leases 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 excluding leases over LTM (last twelve month) EBITDA after leases, proforma for acquisitions.

**Proportionate net debt to EBITDA** is the ratio of proportionate net debt excluding leases over LTM proportionate EBITDA after leases, proforma for acquisitions.

**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.

*Please refer to our 2018 Annual Report for a complete list of non-IFRS measures and their descriptions.*