



MILLICOM INTERNATIONAL CELLULAR S.A.

FOR IMMEDIATE RELEASE
October 22, 2003

MILLICOM INTERNATIONAL CELLULAR S.A. ANNOUNCES RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2003

- 34% increase in EBITDA to \$82.9m (Q3 02: \$61.7m)*
- 18% increase in revenue to \$156.7m (Q3 02: \$132.8m)*
- 23% increase in Asian revenue from Q3 2002
- 29% underlying increase in proportional subscribers excluding El Salvador
- EBITDA Margin of 52.9% for Q3*

New York, London and Luxembourg – October 22, 2003 – Millicom International Cellular SA (Nasdaq Stock Market: MICC), the global telecommunications investor, today announces results for the quarter and nine months ended September 30, 2003.

Financial summary for the quarters ended September 30, 2003 and 2002*

	Sept 30, 2003	Sept 30, 2002	Change
Worldwide subscribers ⁽ⁱ⁾			
- proportional cellular	3,806,646	2,601,769	46%
- gross cellular	5,303,841	3,715,731	43%
<hr/>			
US\$ '000			
Revenues	156,668	132,823	18%
Operating profit before depreciation and amortization, EBITDA ⁽ⁱⁱ⁾	82,862	61,651	34%
EBITDA margin	53%	46%	-
Profit before financing, taxes and other income	24,037	(38,288)	-
<hr/>			
Loss for the quarter	(24,003)	(72,358)	-
<hr/>			
Basic and diluted loss per common share (US\$)	(1.47)	(4.44)	-
<hr/>			
Weighted average number of shares and diluted potential shares (thousands)	16,325	16,287	-
<hr/>			

(i) Subscriber figures represent the worldwide total number of subscribers of cellular systems in which MIC has an ownership interest.

Subscriber figures do not include divested operations.

(ii) EBITDA; operating profit before interest, taxation, depreciation and amortization, is derived by deducting cost of revenues, sales and marketing costs, and general and administrative costs from revenues.

* Due to local issues in El Salvador, MIC discontinued consolidating El Salvador on a proportional basis from May 2001 to September 2003. Figures for September 2002 and comparatives in this press release therefore exclude divested operations and El Salvador in respect to subscribers and for financial results, up to and including EBITDA. Figures for the current quarter include El Salvador from September 15, 2003.

Marc Beuls, MIC's President and Chief Executive Officer stated:

"MIC has continued to grow strongly in the third quarter with a 34% increase in EBITDA from the third quarter of 2002. Revenue growth remains strong, in particular there was an 23% increase in Asia and an 27% increase in African revenues, as these two regions have seen the benefit of increased investment in recent months. Business conditions in Latin America have stabilised, and although there continues to be a general weakness in local currencies in South America, the Group still managed to deliver overall revenue growth across the regions of an impressive 18%. Matching this growth has been MIC's success in further increasing its margins to 52.9%, despite adding 832,006 subscribers in the third quarter, with underlying growth in proportional subscribers excluding El Salvador at a very healthy 29%. On a trading basis MIC had a profitable third quarter, but the results were affected by a couple of one-off items, firstly, the final valuation movement of \$20.8 million on the Tele2 shares which now form part of the Mandatory Exchangeable Bond Offering and secondly, some fees relating to the Toronto Dominion facility.

We continue to believe that there is an opportunity to increase MIC's rate of growth in all its key markets as penetration levels are still extremely low and our recent successes suggest that there is now a growing momentum building behind MIC's low cost brand offering. Further we continue to migrate our networks to GSM and this will add impetus to our marketing, as it is now the preferred technology. The falling prices in GSM hardware mean that this conversion can be made at a lower cost than had been originally anticipated. Therefore we believe that it should be possible to increase our profitability going forwards."

FINANCIAL AND OPERATING SUMMARY

- Subscriber growth:
 - An annual increase in worldwide gross cellular subscribers of 43% to 5,303,841 as at September 30, 2003*
 - 30% underlying annual growth in gross subscribers excluding El Salvador
 - An annual increase in worldwide proportional cellular subscribers of 46% to 3,806,646 as at September 30, 2003*
 - 29% underlying annual growth in proportional subscribers excluding El Salvador
 - In the third quarter of 2003 MIC added 832,006 net new gross cellular subscribers including some 460,000 for Telemovil, MIC's operation in El Salvador which was re-consolidated in September 2003. Underlying subscriber additions for the quarter excluding El Salvador were the highest on record.
 - Proportional prepaid subscribers increased to 3,341,001 from 2,263,975 as at September 30, 2002*
 - Excluding El Salvador, proportional prepaid subscribers increased by 33% from September 2002
- Financial highlights*:
 - Revenue for the third quarter of 2003 was \$156.7 million, an increase of 18% from the third quarter of 2002
 - EBITDA increased by 34% in the third quarter of 2003 to \$82.9 million, from \$61.7 million for the third quarter of 2002
 - The Group EBITDA margin was 53% in the third quarter of 2003 increasing from 46% in the third quarter of 2002

- Total cellular minutes increased by 30% for the three months ended September 30, 2003 from the same quarter in 2002, with prepaid minutes increasing by 54% in the same period.
- The offering by MIC's subsidiary, Millicom Telecommunications S.A. of approximately SEK 2,556 million (US\$310 million) of secured Notes mandatorily exchangeable into Series B shares of Tele2 AB, closed in August 2003. The Notes, which will mature in August 2006, carry a coupon of 5% per annum, which is secured by the acquisition of securities, and the exchange premium has been set at 30% with a reference price of SEK 285.
- MIC used part of the proceeds of the Mandatory Exchangeable Bond offering to retire \$167 million of its 11% Senior Notes due 2006, following the repayment of its \$60.4 million debt facility with Toronto Dominion Bank and the prepayment of interest for the Exchangeable Bond. The results for the third quarter 2003, include a final charge of \$20.8 million reflecting the adjustment of the Tele2 share price to the reference price of SEK 285 of the Mandatory Exchangeable Bond.
- MIC has announced it is to host a meeting of holders of the Mandatory Exchangeable Notes on November 11, 2002, in order to seek their approval of certain changes to the terms of the Exchangeable Notes and Deutsche Bank AG London Branch, to make certain technical amendments to the documentation relating to the Exchangeable Notes.
- From September 15, 2003 MIC recommenced consolidating Telemovil, its operation in El Salvador, following the successful resolution of the shareholder disputes with its local partners.
- As at September 30, 2003, MIC reports total net debt, after cash and time deposits, excluding the 5% Mandatory Exchangeable Bond and the 2% PIK Notes, of \$612.4 million, a reduction of 46% compared with total net debt of \$1,141.9 million as at December 31, 2002, and a reduction of 54% compared with total net debt of \$1,337.7 million as at September 30, 2002.
- In August 2003, 2% PIK Notes with a value of \$937,000 were converted by their holders into 87,161 new MIC shares.

REVIEW OF OPERATIONS

SUBSCRIBER GROWTH*

At September 30, 2003, MIC's worldwide cellular subscriber base increased to 5,303,841 cellular subscriber from 3,715,731 as at September 30, 2002. Excluding El Salvador, which MIC recommenced consolidating in September 2003, total subscribers increased by 30% in the year to September 30, 2003. Particularly significant percentage increases were recorded in Ghana, Senegal, Pakistan, Cambodia and Vietnam.

MIC's proportional cellular subscriber base increased to 3,806,646 from 2,601,769 at September 30, 2002. Excluding El Salvador, total proportional subscribers increased by 29% in the year to September 30, 2003.

Within the 3,806,646 proportional cellular subscribers reported at the end of the third quarter 2003, 3,341,001 were pre-paid customers. Pre-paid subscribers currently represent 88% of gross reported proportional cellular subscribers.

FINANCIAL RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2003*

Total revenues for the three months ended September 30, 2003 were \$156.7 million, an increase of 18% from the third quarter of 2002. This increase, following three successive quarters with growth of over 10%, reflects the increasing trend of growth in MIC's operations. MIC recorded revenue growth in Asia of 23% in the third quarter of 2003 compared with the same period in 2002, with Pakcom in Pakistan producing growth of 36%, and revenues for Africa for the third quarter of 2003, increased by 27% to \$21.2 million from the same period last year.

Third quarter revenues for Latin America increased by 12% from the third quarter of 2002 or by 2% if El Salvador is stripped out, demonstrating the increased stabilization of the region. The Central American market continued to perform strongly with Guatemala producing a revenue increase of 17% from the third quarter of 2002.

EBITDA for the three months ended September 30, 2003 was \$82.9 million, an increase of 34% from the quarter ended September 30, 2002. EBITDA for Asia increased by 34% from the third quarter of 2002 to \$42.9 million, with a particularly strong increase produced by Pakcom in Pakistan, which recorded growth from the third quarter of 2002 of 61%. The EBITDA margin in Asia increased from 56% in the third quarter of 2002 to 62% in 2003. MIC Africa produced impressive EBITDA growth of 107% from the third quarter of 2002 to \$8.9 million, a record for the region.

EBITDA for Latin America increased by 21% from the third quarter of 2002 to \$30.7 million. If El Salvador is stripped out, the increase is 12%, demonstrating the positive impact of cost cutting in Latin America. The EBITDA margin in the region increased from 45% for the third quarter of 2002 to 48%. The main contributor to EBITDA increase was Guatemala, which recorded an increase of 61% from the third quarter of 2002.

MIC recorded a charge of \$20.8 million in the three months ended September 30, 2003, reflecting the adjustment of the Tele2 share price to the reference price of SEK 285 of the Mandatory Exchangeable Bond.

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003*

Total revenues for the nine months to September 2003 were \$439.2 million with revenues for Asia and Africa increasing by 24% and 28% to \$201.4 million and \$57.6 million respectively, relative to the nine months ended September 2002. Revenues for Latin America for the period increased by 1% to \$171.3 million.

EBITDA for the period was \$225.2 million, an increase of 28% over the nine months ended September 2002. Most notably Africa recorded a 80% increase in EBITDA for the period. The respective increases for Asia and Latin America were 36% and 10%. The EBITDA margin for the nine months to September 30, 2003 was 51%, an increase over the 46% recorded for the same period in 2002, with a notable increase from 30% to 42% in Africa.

Total cellular minutes increased by 32% for the nine months to September 2003 compared with the same period in 2002.

CORPORATE LIQUIDITY AND DEBT INDICATORS

At September 30, 2003

Cash at the corporate level	\$54.3 m
Cash upstreamed from operations	\$76.4 m
13.5% Subordinated debt	\$136.4m
11% Notes	\$395.2m
Total corporate debt	\$531.6m
Subsidiary debt	\$231.5m
	\$763.1m
Cash and time deposits	\$150.7m
Net Debt	\$612.4m

The above table excludes both the 2% PIK Notes that are convertible into MIC common shares and the 5% Mandatory Notes that are fully and mandatorily exchangeable into MIC's holding of Tele2 AB shares.

Millicom International Cellular S.A. is a global telecommunications investor with cellular operations in Asia, Latin America and Africa. It currently has a total of 16 cellular operations and licenses in 15 countries. The Group's cellular operations have a combined population under license of approximately 382 million people. In addition, MIC provides high-speed wireless data services in five countries.

This press release may contain certain "forward-looking statements" with respect to Millicom's expectations and plans, strategy, management's objectives, future performance, costs, revenues, earnings and other trend information. It is important to note that Millicom's actual results in the future could differ materially from those anticipated in forward-looking statements depending on various important factors. Please refer to the documents that Millicom has filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended, including Millicom's most recent annual report on Form 20-F, for a discussion of certain of these factors.

All forward-looking statements in this press release are based on information available to Millicom on the date hereof. All written or oral forward-looking statements attributable to Millicom International Cellular S.A., any Millicom International Cellular S.A. members or persons acting on Millicom's behalf are expressly qualified in their entirety by the factors referred to above. Millicom does not intend to update these forward-looking statements.

CONTACTS:

Marc Beuls
President and Chief Executive Officer
Millicom International Cellular S.A., Luxembourg

Telephone: +352 27 759 101

Andrew Best
Investor Relations
Shared Value Ltd, London

Telephone: +44 20 7321 5022

Visit our web site at <http://www.millicom.com>

CONFERENCE CALL DETAILS

A conference call to discuss the results will be held at 16:00 Luxembourg time / 10:00 New York time, on Wednesday, October 22, 2003. The dial-in numbers are: +44 (0) 1452 542300 or US: 1866 2201452 and participants should quote Millicom International Cellular. A live audio stream of the conference call can also be accessed at www.millicom.com. Please dial in / log on 5 minutes prior to the start of the conference call to allow time for registration. A recording of the conference call will be available for 7 days, commencing shortly after the live call has finished, on +44 (0) 1452 550000 or US: 1866 2761167, access code: 616431#.

APPENDICES

- **Consolidated statements of profit and loss for the three months ended September 30, 2003 and 2002**
- **Consolidated statements of profit and loss for the nine months ended September 30, 2003 and 2002**
- **Consolidated balance sheets as at September 30, 2003 and December 31, 2002**
- **Consolidated statements of cashflows for the nine months ended September 30, 2003 and 2002**
- **Consolidated statements of shareholders' equity for the nine months ended September 30, 2003 and the year ended December 31, 2002**
- **MIC quarterly analysis by region**

Millicom International Cellular S.A.
Consolidated statements of profit and loss
for the three months ended September 30, 2003 and 2002

	Quarter ended Sept 30, 2003	Quarter ended Sept 30, 2002
	(Unaudited) US\$ '000	(Unaudited) US\$ '000
Revenues	156,668	155,826
Operating expenses		
Cost of sales (excluding depreciation and amortization)	(36,900)	(40,410)
Sales and marketing	(20,558)	(20,093)
General and administrative expenses	(16,348)	(24,234)
Corporate and license acquisition costs	(5,829)	(3,559)
Write-down of assets, net	-	(7,841)
Depreciation and amortization	(32,266)	(37,380)
Operating profit	44,767	22,309
Loss on exchange and disposal of investments	-	(59,737)
Valuation movement on securities	(20,821)	-
Profit/ (loss) from associated companies	91	(860)
Profit (loss) before financing and taxes	24,037	(38,288)
Interest expense	(34,929)	(49,709)
Interest income	3,396	3,188
Income for financial instruments	-	22,911
Exchange loss, net	(1,796)	(2,199)
Loss before taxes	(9,292)	(64,097)
Taxes	(10,749)	(5,844)
Loss after taxes	(20,041)	(69,941)
Minority interest	(3,962)	(2,417)
Loss for the quarter	(24,003)	(72,358)
Basic and diluted loss per common share (US\$)	(1.47)	(4.44)
Weighted average number of shares and diluted potential shares in the period (in thousands)	16,325	16,287

Millicom International Cellular S.A.
Consolidated statements of profit and loss
for the nine months ended September 30, 2003 and 2002

	9 months ended Sept 30, 2003	9 months ended Sept 30, 2002
	(Unaudited) US\$ '000	(Unaudited) US\$ '000
Revenues	445,249	449,907
Operating expenses		
Cost of sales (excluding depreciation and amortization)	(107,571)	(123,898)
Sales and marketing	(57,286)	(59,995)
General and administrative expenses	(52,557)	(66,918)
Corporate and license acquisition costs	(17,100)	(16,822)
Write-down of assets, net	(310)	(9,449)
Depreciation and amortization	(90,654)	(105,915)
Operating profit	119,771	66,910
Gain (loss) on exchange and disposal of investments	2,965	(33,039)
Valuation movement on securities	79,052	-
Profit/ (loss) from associated companies	217	(2,540)
Profit before financing and taxes	202,005	31,331
Interest expense	(90,649)	(143,849)
Interest income	4,976	9,126
Gain realized on debt exchange	97,052	-
Other income	-	13,571
Income for financial instruments	-	20,562
Exchange gain/ (loss), net	6,313	(18,408)
Profit (loss) before taxes	219,697	(87,667)
Taxes	(29,101)	(19,549)
Profit (loss) after taxes	190,596	(107,216)
Minority interest	(12,338)	(5,520)
Profit (loss) for the period	178,258	(112,736)
Profit (loss) on a diluted basis	180,390	(112,736)
Basic earnings (loss) per common share (US\$)	10.94	(6.91)
Diluted earnings (loss) per common shares (US\$)	9.25	(6.91)
Weighted average number of shares in the period (in thousands)	16,298	16,326
Weighted average number of shared and diluted potential shares in the period (in thousands)	19,510	16,326

Millicom International Cellular S.A.
Consolidated balance sheets
as at September 30, 2003 and December 31, 2002

	Sept 30, 2003 (Unaudited) US\$ '000	Dec 31, 2002 (Audited) US\$ '000
<u>Assets</u>		
Non-current assets		
Intangible assets		
Goodwill, net	54,813	10,172
Licenses, net	34,139	84,471
Deferred costs and other non-current assets, net	5,624	4,919
Tangible assets, net	481,691	458,933
Financial assets		
Investment in securities	359,355	220,386
Investment in associated company	1,013	1,013
Pledged deposits	20,507	32,921
Deferred taxation	6,179	8,470
Total non-current assets	963,321	821,285
Current assets		
Investment in securities	-	101,540
Inventories	10,403	6,962
Debtors		
Trade debtors, net	106,932	113,221
Amounts due from joint ventures	12,385	14,053
Amounts due from other related parties	4,416	6,806
Prepaid and accrued income	26,456	14,148
Other current assets	32,319	38,453
Time deposits	16,034	16,200
Cash and cash equivalents	134,631	70,451
Total current assets	343,576	381,834
Total assets	1,306,897	1,203,119

Millicom International Cellular S.A.
Consolidated balance sheets
as at September 30, 2003 and December 31, 2002

	Sept 30, 2003 (Unaudited) US\$ '000	Dec 31, 2002 (Audited) US\$ '000
<u>Shareholders' equity and liabilities</u>		
Shareholders' equity		
Share capital and premium	239,633	281,989
Treasury stock	(8,705)	(54,521)
2% PIK notes	16,053	-
Legal reserve	4,256	4,256
Retained loss brought forward	(453,563)	(57,719)
Profit (loss) for the period	178,258	(385,143)
Currency translation reserve	(91,312)	(84,121)
Total shareholders' equity	(115,380)	(295,259)
Minority interest	23,984	23,733
Liabilities		
Non-current liabilities		
Deferred taxation	36,574	26,874
Corporate 13.5% debt	136,443	912,539
Corporate 11% debt	395,219	-
2% PIK notes	50,022	-
5% Mandatory Exchangeable Bond	300,938	-
Other debt and financing	125,932	159,370
	1,045,128	1,098,783
Current liabilities		
Other debt and financing	105,616	156,666
Trade creditors	93,688	90,945
Amounts due to shareholders	-	4,021
Amounts due to other related parties	779	6,487
Accrued interest and other expenses	55,241	42,745
Other current liabilities	97,841	74,998
	353,165	375,862
Total liabilities	1,398,293	1,474,645
Total shareholders' equity and liabilities	1,306,897	1,203,119

Millicom International Cellular S.A.
Consolidated statements of cash flows
for the nine months ended September 30, 2003 and 2002

	Sept 30, 2003 (Unaudited) US\$ '000	Sept 30, 2002 (Unaudited) US\$ '000
Net cash provided by operating activities	128,322	54,693
Cash flow from investing activities	(14,173)	17,206
Cash flow from financing activities	(50,464)	(79,516)
Cash effect of exchange rate changes	495	(301)
Net increase (decrease) in cash and cash equivalents	64,180	(7,918)
Cash and cash equivalents, beginning	70,451	56,276
Cash and cash equivalents, ending	134,631	48,358

Millicom International Cellular S.A.
Consolidated statements of changes in shareholders' equity
for the nine months ended September 30, 2003 and the year ended December 31, 2002

	Sept 30, 2003 (Unaudited) US\$ '000	Dec 31, 2002 (Audited) US\$ '000
Shareholders' equity at January 1	(295,259)	68,894
New shares issued	937	-
Treasury shares used to offset liability to shareholders	2,523	-
Purchase of treasury stock	-	(2,488)
Profit (loss) for the period	178,258	(385,143)
Effect of consolidation of El Salvador	(10,701)	-
Prolonged decrease in market value	-	61,325
Movement in currency translation reserve	(7,191)	(37,847)
Issuance of equity instruments (2% PIK Notes)	16,053	-
Shareholders' equity	(115,380)	(295,259)

Millicom International Cellular S.A.
Quarterly analysis by region

	03 Q3	03 Q2	03 Q1	02 Q4	02 Q3
Gross cellular subs					
Sanbao Telecom	2,437,759	2,228,165	2,013,922	1,841,537	1,662,352
MIC Latin America	2,334,339	1,798,128	1,814,199	1,755,124	1,665,919
MIC Africa	531,743	445,542	420,593	406,250	387,460
Sub-total	5,303,841	4,471,835	4,248,714	4,002,911	3,715,731
Divested	-	-	-	249,126	254,370
Total	5,303,841	4,471,835	4,248,714	4,252,037	3,970,101

Prop cellular subs					
Sanbao Telecom	1,534,322	1,393,918	1,260,683	1,158,253	1,055,479
MIC Latin America	1,907,642	1,393,363	1,422,825	1,359,437	1,294,547
MIC Africa	364,682	296,674	279,095	266,497	251,743
Sub-total	3,806,646	3,083,955	2,962,603	2,784,187	2,601,769
Divested	-	-	-	237,686	221,455
Total	3,806,646	3,083,955	2,962,603	3,021,873	2,823,224

Revenue (US\$ '000)					
Sanbao Telecom	69,701	67,456	64,264	59,996	56,730
MIC Latin America	63,448	54,581	53,272	57,821	56,789
MIC Africa	21,179	18,474	17,992	16,892	16,614
Other	2,340	3,351	3,175	2,606	2,690
Sub-total	156,668	143,862	138,703	137,315	132,823
Divested	-	-	6,016	17,964	23,003
Total	156,668	143,862	144,719	155,279	155,826

EBITDA (US\$ '000)					
Sanbao Telecom	42,876	38,214	36,394	37,060	31,922
MIC Latin America	30,728	25,985	24,942	26,552	25,327
MIC Africa	8,929	8,317	6,955	1,237	4,304
Other	329	887	670	699	98
Sub-total	82,862	73,403	68,961	65,548	61,651
Divested	-	-	2,609	6,896	9,438
Total	82,862	73,403	71,570	72,444	71,089