



MILLICOM INTERNATIONAL CELLULAR S.A.

FOR IMMEDIATE RELEASE
October 23, 2002

MILLICOM INTERNATIONAL CELLULAR S.A. ANNOUNCES RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2002

- 15% Annual Increase in EBITDA*, EBITDA Margin of 46% in Q3
- Quarterly Revenue of \$155.8 Million*
- 61% Annual Growth in Prepaid Minutes*
- 15% Increase in Quarterly Revenue in Asia from Q3 2001
- 36% Increase in Quarterly EBITDA in Asia from Q3 2001
- 28% Annual Increase in Total Subscribers*

New York, London and Luxembourg – October 23, 2002 – Millicom International Cellular SA (Nasdaq Stock Market: MICC), the global telecommunications investor, today announces results for the quarter and nine months ended September 30, 2002.

Financial summary for the quarters ended September 30, 2002 and 2001

	Sept 30 2002	Sept 30 2001	Change
Worldwide subscribers ⁽ⁱ⁾ *			
- proportional cellular	2,823,223	2,267,810	24%
- gross cellular	3,970,101	3,098,321	28%
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US\$ '000			
Revenues*	155,826	147,180	6%
Operating profit before depreciation and amortization, EBITDA ⁽ⁱⁱ⁾ *	71,089	61,623	15%
EBITDA margin*	45.6%	41.9%	-
Profit before financing, taxes and disposal of investments	21,449	16,876	27%
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Loss for the period	(72,358)	(3,172)	-
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Loss per common MIC share (US\$)	(1.48)	(0.06)	-
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Weighted average number of shares (thousands)	48,860	48,865	-
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(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 or the subscribers of Tele2 AB, in which MIC has a 9.3% interest at October 23, 2002.

(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.

* Excluding El Salvador and divested operations

N.B. Due to local issues in El Salvador, MIC has discontinued consolidating El Salvador on a proportional basis with effect from May 2001. All comparatives in this press release, other than those noted in the appendices, exclude divested operations and El Salvador in respect to subscribers and for financial results, up to and including EBITDA.

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

"Millicom has continued to see strong growth in subscribers during the quarter with an annual increase of 28%. During 2002 we have remained focused on marketing pre-paid services across our operations and as a result we have managed to grow pre-paid minutes by 61% in the first nine months. At the same time by increasing operating efficiency and cutting costs the cellular EBITDA margin has increased to a record 47%. We believe that Millicom will continue to maintain this strong growth trend in minutes and that we will be able gradually to increase margins so maintaining the high level of profitability across our operations. In Asia MIC achieved 15% growth in revenue and 36% growth in EBITDA, with Asia overtaking Latin America for the first time in terms of EBITDA. Cash upstreaming continued to be strong across the Group with \$81 million upstreamed in the first nine months. During the summer Millicom announced the proposed sale of MIC Systems and this is now in the final stage of the bidding process with more than one interested buyer and an announcement will be made when this transaction is completed."

FINANCIAL AND OPERATING SUMMARY

- Following the tragic death of Jan Hugo Stenbeck on August 19th, MIC announced the appointment of Håkan Ledin as Chairman of the Board on August 22nd 2002 and, recently, Vigo Carlund was appointed to the Board
- Subscriber growth:
 - An annual increase in worldwide gross cellular subscribers of 28% to 3,970,101 as at September 30, 2002
 - An annual increase in worldwide proportional cellular subscribers of 24% to 2,823,223 as at September 30, 2002
 - In the third quarter of 2002 MIC added 221,827 net new gross cellular subscribers
 - An annual increase in proportional prepaid subscribers of 35% to 2,458,804 as at September 30, 2002
- Financial highlights:
 - Revenue for the third quarter of 2002 was \$155.8 million, an increase of 6% from the third quarter of 2001
 - EBITDA increased by 15% in the third quarter of 2002 to \$71.1 million, from \$61.6 million for the third quarter of 2001
 - The Group EBITDA margin was 46% in the third quarter of 2002 a quarterly record, increasing from 42% in the third quarter of 2001
 - Excluding the high-speed wireless data businesses, the Group EBITDA margin is 46% year-to-date and 47% in the third quarter of 2002 (both record results)
- Total cellular minutes increased by 32% on an annual basis for the nine months ended September 30, 2002, with prepaid minutes increasing by 61% in the same period
- \$81 million has been upstreamed from operations in the first three quarters of 2002
- Net operating debt reduced by \$15.6 million in the quarter
- On August 29 and September 25, 2002 MIC sold respectively 538,000 and 1,376,039 B shares in Tele2 AB to Industriförvaltnings AB Kinnevik

- Following the exercise of an option, MIC's interest in the operation in Vietnam was reduced from 90% to 80% in August
- Liberty Broadband Ltd, the high-speed wireless data business in the UK, was sold in September
- MIC sold its GSM wireless telephony license in the Democratic Republic of Congo to a previous joint venture partner, Orton Investment Holdings Limited in September

REVIEW OF OPERATIONS

SUBSCRIBER GROWTH

At September 30, 2002, MIC's worldwide cellular subscriber base increased by 28% to 3,970,101 from 3,098,321 at September 30, 2001. Particularly significant annual percentage increases were recorded in Sri Lanka, Cambodia, Pakistan, Vietnam and Central America. MIC's proportional cellular subscriber base increased by 24% to 2,823,223 at September 30, 2002, from 2,267,809 at September 30, 2001.

Within the 2,823,223 proportional cellular subscribers reported at the end of the third quarter, 2,458,804 were prepaid customers, representing a 35% increase on the 1,823,487 proportional prepaid subscribers recorded at the end of September 2001. Prepaid subscribers currently represent 87% of gross reported proportional cellular subscribers. Asia and Central America recorded annual growth in pre-paid subscribers of 54% and 60% respectively.

FINANCIAL RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2002

Total revenues for the three months ended September 2002 were \$155.8 million. MIC's operations in Asia recorded revenue growth of 15% on an annualized basis, with Vietnam and Mauritius both producing growth of over 20% from the third quarter of 2001. Revenues for MIC Systems for the third quarter increased by 26% from the same period last year and in Africa, an increase of 25% was recorded, following the successful launch of GSM services in Ghana.

The volatile economic situation in Latin America is reflected in the 6% decrease in third quarter revenues relative to 2001. Currency weakness hides the true underlying regional performance, which approximated a 4% revenue increase. Paraguay and Bolivia saw annualized quarterly revenue reductions of 27% and 12% respectively, although, had it not been for the severe currency devaluation, Paraguay's revenues would have increased. Colombia however, reported an annualized increase in revenue of 9%. In the Central American market Guatemala and Honduras respectively produced annualized revenue increases of 11% and 9% from the third quarter of 2001.

EBITDA for the three months ended September 30, 2002 was \$71.1 million, an increase of 15% from September 30, 2001. EBITDA for Asia increased by 36% in the quarter on an annualized basis reflecting the buoyancy of this market and the impact of stringent cost cutting measures. The key market of Vietnam itself growing 31% and establishing itself as the Group's largest EBITDA contributor. MIC Africa saw growth in EBITDA of 22% relative to the quarter ended September 2001, reflecting the benefit of cost cutting measures but also the rapid development of the operations in Senegal and Sierra Leone.

The positive impact of cost cutting in Latin America was reflected in the EBITDA for the region, which increased slightly from the second quarter of 2002 despite the adverse currency movement. The main contributors to EBITDA were Colombia and Honduras, which recorded increases of 20% and 21% respectively in the quarter, relative to the third quarter of 2001.

MIC Systems recorded an annualized increase in EBITDA of 59% and continued to develop strongly its high margin Interfact business.

The EBITDA margin for MIC was a record 46% for the quarter. The main regional contributor at 54% was Asia, up from 46% at the third quarter of 2001, but at 44%, Latin America's margin is holding up strongly despite regional economic difficulties.

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2002

Total revenues for the nine months ended September 30, 2002 were \$450 million with year-to-date revenues for Africa and Asia increasing by 14% and 9% respectively. Revenues for MIC Systems also increased by 14% relative to the nine months ended September 30, 2001. Revenues for Latin America for the same period decreased by 7%, due significantly to currency devaluations. Had exchange rates held at September 2001 levels, revenue growth for Africa, Asia and Latin America would have been approximately 21%, 10% and 5% respectively.

EBITDA for the nine months to September 2002 was \$199.1 million. Most notably MIC Systems recorded a 38% increase in EBITDA for the period from the same period last year. The respective increases for Asia and Africa were 23% and 13%. All regions benefited from additional cost cutting measures. The EBITDA margin for the nine months to September 30, 2002 was 44.3%.

Had exchange rates held at September 2001 levels, Group EBITDA growth would have approximated 17%, with EBITDA growth for Asia, Africa and Latin America being 25%, 19% and 4% respectively.

Total minutes for the nine month period to September 2002 relative to the same period of 2001 showed growth of 32%. Significantly both Asia and Latin America increased at similar rates, 33% and 34% respectively. Main increases came in the pre-paid area with 61% Group-wide growth, with Asia at 74% and Latin America at 64% being the key regions.

The high-speed wireless data operations in Peru and Argentina recorded year-to-date EBITDA margins of 21% and 17% respectively.

SUBSEQUENT EVENTS

Since October 1 2002 MIC has sold 1,826,087 B-shares in Tele2 AB to Industriförvaltnings AB Kinnevik.

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 18 cellular operations and licenses in 17 countries. The Group's cellular operations have a combined population under license (excluding Tele2) of approximately 444 million people. In addition, MIC operates the world's largest GSM clearing house, provides high-speed wireless data services in seven countries. MIC also has a 9.3% interest in Tele2 AB, the leading alternative pan-European telecommunications company offering fixed and mobile telephony, data network and Internet services to over 16 million customers in 21 countries. The Company's shares are traded on the Nasdaq Stock Market under the symbol MICC.

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CONFERENCE CALL DETAILS

A conference call to discuss the results will be held at 17:00 Luxembourg time / 11:00 New York time, on Wednesday, October 23, 2002. The dial-in number is: +44 20 8781 0579 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 48 hours, commencing immediately after the live call has finished, on +44 20 8288 4459, access code: 774742.

APPENDICES

- Consolidated statements of profit and loss for the three months ended September 30, 2002 and 2001
- Consolidated statements of profit and loss for the nine months ended September 30, 2002 and 2001
- Consolidated balance sheets as at September 30, 2002 and December 31, 2001
- Consolidated statements of cashflows for the nine months ended September 30, 2002 and 2001
- Consolidated statements of changes in shareholders' equity for the nine months ended September 30, 2002 and 2001
- MIC quarterly analysis by region

Millicom International Cellular S.A.
Consolidated statements of profit and loss
for the three months ended September 30, 2002 and 2001

	Quarter ended September 30 2002*	Quarter ended September 30 2001**
	(Unaudited) US\$ '000	(Unaudited) US\$ '000
Revenues	155,826	159,376
Operating expenses		
Cost of revenues (excluding depreciation and amortization)	(40,410)	(46,306)
Sales and marketing	(20,093)	(22,179)
General and administrative expenses	(24,234)	(26,474)
Corporate and license acquisition costs	(3,559)	(6,155)
Write-down of assets, net	(7,841)	(2,185)
Depreciation and amortization	(37,380)	(38,034)
Operating profit	22,309	18,043
(Loss) / Gain on exchange and disposal of investments	(59,737)	28,370
Loss from associate companies	(860)	(1,167)
(Loss) / Profit before financing and taxes	(38,288)	45,246
Interest expense	(49,709)	(52,542)
Interest income	3,188	5,122
Income (charge) for financial instruments	22,911	(12,007)
Exchange loss, net	(2,199)	(21)
Loss before taxes	(64,097)	(14,202)
Taxes	(5,844)	10,136
Loss after taxes	(69,941)	(4,066)
Minority interest	(2,417)	894
Loss for the quarter	(72,358)	(3,172)
Loss per common share (US\$)	(1.48)	(0.06)
Weighted average number of shares outstanding in the period (in thousands)	48,860	48,865

* Excluding El Salvador

** The 2001 figures have been restated to reflect the consolidation of El Salvador under the equity method from May 2001.

N.B As a consequence of IAS 39, both negative and positive changes in market value of Tele2 AB are reflected in the shareholders' equity under the caption "revaluation reserve". For the quarter ended September 30, 2001, a negative change of \$144.4 million below original acquisition cost was initially recorded in the statement of profit and loss; this has been reversed through the revaluation reserve in this restated statement of profit and loss for the quarter ended September 30, 2001.

Millicom International Cellular S.A.
Consolidated statements of profit and loss
for the nine months ended September 30, 2002 and 2001

	Total 2002*	Total 2001**
	(Unaudited) US\$ '000	(Unaudited) US\$ '000
Revenues	449,907	493,772
Operating expenses		
Cost of revenues (excluding depreciation and amortization)	(123,898)	(143,251)
Sales and marketing	(59,995)	(73,473)
General and administrative expenses	(66,918)	(79,232)
Corporate and license acquisition costs	(16,822)	(20,668)
Write-down of assets, net	(9,449)	(2,230)
Depreciation and amortization	(105,915)	(113,205)
Operating profit	66,910	61,713
(Loss) / Gain on exchange and disposal of investments	(33,039)	29,339
Loss from associate companies	(2,540)	(1,945)
Profit before financing and taxes	31,331	89,107
Interest expense	(143,849)	(156,246)
Interest income	9,126	17,531
Other income	15,211	8,075
Income (charge) for financial instruments	18,922	(9,321)
Exchange loss, net	(18,408)	(17,990)
Loss before taxes	(87,667)	(68,844)
Taxes	(19,549)	(1,354)
Loss after taxes	(107,216)	(70,198)
Minority interest	(5,520)	3,528
Loss for the nine months	(112,736)	(66,670)
Loss per common share (US\$)	(2.30)	(1.36)
Weighted average number of shares outstanding in the period (in thousands)	48,977	48,865

* Excluding El Salvador

** The 2001 figures have been restated to reflect the consolidation of El Salvador under the equity method from May 2001.

N.B As a consequence of IAS 39, both negative and positive changes in market value of Tele2 AB are reflected in the shareholders' equity under the caption "revaluation reserve". For the nine months ended September 30, 2001, a negative change of \$287.6 million below original acquisition cost was initially recorded in the statement of profit and loss; this has been reversed through the revaluation reserve in this restated statement of profit and loss for the nine months September 30, 2001.

Millicom International Cellular S.A.
Consolidated balance sheets
as at September 30, 2002 and December 31, 2001

	September 30, 2002 (Unaudited) US\$ '000	Dec 31, 2001 (Audited) US\$ '000
<u>Assets</u>		
Fixed assets		
Intangible assets		
Goodwill, net	51,084	52,575
Licenses, net	136,738	164,541
Deferred costs and other non-current assets, net	17,978	20,712
Tangible assets, net	472,377	512,236
Financial assets		
Investment in securities	241,524	671,802
Investment in associate company	51,255	52,858
Pledged deposits	62,109	47,404
Deferred taxation	1,175	3,785
Total fixed assets	1,034,240	1,525,913
Current assets		
Inventories	10,717	12,932
Debtors		
Trade debtors, net	128,389	136,078
Amounts due from joint ventures	50,748	46,001
Amounts due from affiliates	9,013	9,258
Prepaid and accrued income	26,362	27,228
Other current assets	38,413	35,800
Time deposits	10,974	21,444
Cash and cash equivalents	48,358	56,276
Total current assets	322,974	345,017
Total assets	1,357,214	1,870,930

Millicom International Cellular S.A.
Consolidated balance sheets
as at September 30, 2002 and December 31, 2001

	September 30, 2002 (Unaudited) US\$ '000	Dec 31, 2001 (Audited) US\$ '000
<u>Shareholders' equity and liabilities</u>		
Shareholders' equity		
Share capital and premium	281,989	281,989
Treasury stock	(54,521)	(52,033)
Legal reserve	4,256	4,256
Retained (loss) profit brought forward	(57,719)	80,334
Loss for the period	(112,736)	(138,053)
Revaluation reserve	(366,796)	(61,325)
Currency translation reserve	(80,298)	(46,274)
Total shareholders' equity	(385,825)	68,894
Minority interest	25,562	10,262
Liabilities		
Liabilities due after more than one year		
Deferred taxation	17,790	20,507
Corporate subordinated debt	955,858	954,601
Other debt and financing	239,442	347,475
	1,213,090	1,322,583
Liabilities due within one year		
Other debt and financing	201,726	153,898
Trade creditors	106,101	109,739
Amounts due to shareholders	7,656	7,158
Amounts due to affiliated companies	11,714	18,800
Financial liability	15,803	36,365
Accrued interest and other expenses	82,004	57,981
Other current liabilities	79,383	85,250
	504,387	469,191
Total liabilities	1,717,477	1,791,774
Total shareholders' equity and liabilities	1,357,214	1,870,930

Millicom International Cellular S.A.
Consolidated statements of cash flows
for the nine months ended September 30, 2002 and 2001

	September 30 2002* (Unaudited) US\$ '000	September 30 2001** (Unaudited) US\$ '000
Net cash provided by operating activities	54,693	50,872
Cash flow from investing activities	17,206	(27,129)
Cash flow from financing activities	(79,516)	(38,679)
Cash effect of exchange rate changes	(301)	(1,644)
Net decrease in cash and cash equivalents	(7,918)	(16,580)
Cash and cash equivalents, beginning	56,276	94,921
Cash and cash equivalents, ending	48,358	78,341

Millicom International Cellular S.A.
Consolidated statements of changes in shareholders' equity
for the nine months ended September 30, 2002 and 2001

	September 30 2002* (Unaudited) US\$ '000	September 30 2001** (Unaudited) US\$ '000
Shareholders' equity at January 1, as previously reported		341,191
Effect of adopting IAS 39, financial instruments		(45,264)
Shareholders' equity at January 1, as restated	68,894	295,927
Shares issued / sold via exercise of share options	-	8
Purchase of treasury stock	(2,488)	-
Loss in period	(112,736)	(66,670)
Movement in revaluation reserve	(305,471)	(305,291)
Movement in currency translation reserve	(34,024)	(19,240)
Shareholders' equity	(385,825)	(95,266)

* Excluding El Salvador

** The 2001 figures have been restated to reflect the consolidation of El Salvador under the equity method from May 2001.

Millicom International Cellular S.A.
Quarterly analysis by region

	02 Q3	02 Q2	02 Q1	01 Q4	01 Q3
Gross cellular subs					
Sanbao Telecom	1,789,428	1,659,039	1,561,298	1,399,656	1,248,900
MIC Latin America*	1,885,830	1,810,840	1,738,434	1,702,368	1,605,703
MIC Africa	294,843	278,395	282,178	264,527	243,718
Sub-total	3,970,101	3,748,274	3,581,910	3,366,551	3,098,321
<i>El Salvador</i>	0	0	0	374,585	379,205
Divested	0	0	0	0	231,532
Total	3,970,101	3,748,274	3,581,910	3,741,136	3,709,058

Prop cellular subs

Sanbao Telecom	1,118,302	1,063,509	994,119	878,779	787,964
MIC Latin America*	1,499,487	1,454,282	1,404,008	1,385,599	1,318,766
MIC Africa	205,434	178,585	182,665	172,031	161,080
Sub-total	2,823,223	2,696,376	2,580,792	2,436,409	2,267,810
<i>El Salvador</i>	0	0	0	262,210	265,442
Divested	0	0	0	0	123,695
Total	2,823,223	2,696,376	2,580,792	2,698,619	2,656,947

Revenue (US\$ '000)

Sanbao Telecom	59,294	56,925	54,160	49,068	51,728
MIC Latin America*	68,979	68,530	69,557	74,555	73,088
MIC Africa	14,315	11,964	11,962	11,719	11,467
MIC Systems	9,380	7,141	6,261	5,921	7,464
Other	3,858	4,455	3,126	2,369	3,433
Sub-total	155,826	149,015	145,066	143,632	147,180
Divested	0	0	0	7,168	12,196
Total	155,826	149,015	145,066	150,800	159,376

EBITDA (US\$ '000)

Sanbao Telecom	32,239	27,771	27,476	24,456	23,799
MIC Latin America*	30,207	30,040	29,926	30,099	32,655
MIC Africa	3,699	3,766	4,272	3,280	3,042
MIC Systems	5,559	3,457	2,795	2,732	3,499
Other	(615)	(694)	(802)	(1,286)	(1,372)
Sub-total	71,089	64,340	63,667	59,281	61,623
Divested	0	0	0	2,194	2,794
Total	71,089	64,340	63,667	61,475	64,417

N.B MIC has discontinued proportional consolidation for El Salvador since May 2001
* Excluding El Salvador