

Consolidated statements of cash flows	Millicom International		
for the years ended December 31, 2008, 2007 and 2006	Cellular S.A.		

	<u>Notes</u>	<u>2008</u> US \$'000	<u>2007(i)</u> US \$'000	<u>2006(i)</u> US\$ '000
Cash flows from operating activities				
Profit before taxes from continuing operations		704,207	552,284	364,169
Adjustments				
Interest expense.....		149,111	190,410	120,510
Interest and other financial income.....		(32,922)	(56,378)	(36,383)
Other non operating expenses (income), net.....	12	55,593	(10,213)	1,145
Profit from associates.....	17	(8,706)	(4,400)	(1,483)
Operating profit		867,283	671,703	447,958
Adjustments for non-cash items:				
Depreciation and amortization.....	9,10,15,16	515,908	351,500	227,236
Loss on disposal and impairment of property, plant and equipment.....	10	9,384	3,737	1,861
Reduction of goodwill.....	10, 15	–	23,358	–
Gain from sale of subsidiaries and joint ventures, net.....	5, 10	–	–	(8,099)
Share-based compensation.....	22	13,619	19,228	12,850
Other non cash items.....		–	1,000	–
		1,406,194	1,070,526	681,806
Increase in trade receivables, prepayments and other current assets.....		(10,935)	(24,046)	(34,887)
Decrease (increase) in inventories.....		24,648	(25,126)	(22,284)
Increase in trade and other payables.....		47,905	94,003	73,019
Changes to working capital		61,618	44,831	15,848
Interest expense paid.....		(150,523)	(156,628)	(112,527)
Interest received.....		33,852	55,830	29,075
Taxes paid.....		(204,605)	(164,881)	(99,601)
Net cash provided by operating activities		1,146,536	849,678	514,601
Cash flows from investing activities				
Acquisition of subsidiaries and JV, net of cash acquired.....	4	(532,181)	–	(34,768)
Proceeds from disposal of subsidiaries and JV, net of cash disposed.....	5	–	–	(958)
Purchase of intangible assets and license renewals.....	15	(114,216)	(25,816)	(40,469)
Purchase of property, plant and equipment.....	16	(1,292,486)	(850,600)	(439,462)
Proceeds from sale of property, plant and equipment.....		19,842	3,853	–
Cash provided by other investing activities.....		19,694	36,777	12,327
Net cash used by investing activities		(1,899,347)	(835,786)	(503,330)
Cash flows from financing activities:				
Proceeds from issuance of shares.....		3,179	33,626	14,227
Proceeds from issuance of debt and other financing.....		1,206,607	545,351	308,785
Repayment of debt and financing.....		(664,294)	(315,955)	(191,430)
Payment of dividends.....		(259,704)	(18,286)	(4,873)
Net cash provided by financing activities		285,788	244,736	126,709
Transfer of cash to assets held for sale.....		(521)	–	(7,135)
Cash (used) provided by discontinued operations.....	6	(23,776)	251,209	(73,289)
Exchange (losses) gains on cash and cash equivalents.....		(9,082)	8,068	2,569
Net (decrease) increase in cash and cash equivalents		(500,402)	517,905	60,125
Cash and cash equivalents at the beginning of the year.....		1,174,597	656,692	596,567
Cash and cash equivalents at the end of the year		674,195	1,174,597	656,692

(i) Comparative information reclassified as a result of the classification of Millicom's operation in Sierra Leone as discontinued operation (see note 6) and to improve the presentation of the consolidated cash flow statements

The accompanying notes are an integral part of these consolidated financial statements.

