

RISK FACTORS

Risks Relating to Our Business

Substantial and increasing competition in the wireless industry could adversely affect the revenues and profitability of our business

We face substantial competition in the Mexican wireless industry, and we expect competition to intensify in the future as a result of the entry of new competitors, the development of new technologies, products and services and the auction of additional spectrum. Our subsidiary Radiomóvil Dipsa, S.A. de C.V., which operates under the trade name "Telcel," holds concessions in all nine regions in Mexico to operate both a cellular network using the 800 megahertz (Band B) radio spectrum and a personal communications services (PCS) network using the 1900 megahertz (Band D) radio spectrum. We face competition from other cellular providers using the 800 megahertz (Band A) spectrum in each of the regions in which we operate, and the Mexican government has granted PCS licenses to other carriers that are in the process of developing wireless service on the 1900 megahertz (Bands A, D and F) spectrum. Our competitors in Mexico include Grupo Iusacell, S.A. de C.V., which is controlled by Verizon Wireless and Vodafone, Movistar (a brand used by a group of companies controlled by Telefónica Móviles S.A. de C.V., an affiliate of the Telefónica Group of Spain) and Operadora Unefon, S.A. de C.V. According to the Federal Telecommunications Commission (which is known as Cofetel), an independent agency within the Mexican Communications Ministry, Telcel's share of the Mexican cellular market was approximately 77.4% at December 31, 2002. Our international wireless businesses also face substantial competition, typically from at least one other wireless provider, and increasingly from multiple providers.

We expect that competition will intensify in the future, both from new entrants and existing competitors, and that market prices for wireless services will continue to decline and customer churn will increase due to increased competition. Among other things, our competitors could provide increased handset subsidies, provide free services, such as Internet access, expand their networks faster and develop and deploy improved wireless technologies faster.

We also expect that competition will lead to increases in advertising and promotional spending, along with increased demands on access to distribution channels. All of this may lead to smaller operating margins, greater choices for customers, possible consumer confusion and increasing movement of customers between competitors, which may make it difficult for us to retain customers or add new customers. In addition, the cost of adding new customers may continue to increase, reducing profitability even if customer growth continues.

Our ability to compete successfully will depend on customer service, on marketing and on our ability to anticipate and respond to various competitive factors affecting the industry, including new services, changes in consumer preferences, demographic trends, economic conditions and discount pricing strategies by competitors. If we are unable to respond to competition and compensate for declining prices by adding new customers, increasing usage and offering new services, our revenues and profitability could decline.

We may not be able to build out and upgrade our network on a timely basis

We are in the process of building out and upgrading our wireless networks in Mexico. In order to build out our networks, we must obtain cell and switch sites; obtain rights of way, government approvals and permits for network construction; complete radio frequency design for each developing area; design and install switching systems, radio systems, interconnection facilities and operating support systems; expand and maintain customer care, network management and management and administrative systems; and obtain additional radio spectrum frequencies. Over the next several years, we intend to continue to upgrade our network to implement the next generation of wireless technology.

Our international wireless businesses need to complete the build-out of their wireless networks and to implement upgrades to their networks to access the next generation of digital technology. In addition, our subsidiary in Guatemala, Telecomunicaciones de Guatemala, S.A. (Telgua), plans to make substantial capital expenditures on its fixed-line network.

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We cannot guarantee you that we will successfully execute these tasks, many of which are not under our control, on a timely basis or at all. Our ability to develop our networks is affected by, among other factors, the availability of capital, relations with suppliers and vendors, political and regulatory factors and currency fluctuations. If we cannot satisfactorily complete the build-out and upgrade of our wireless networks, or do so in a timely manner, we could lose current and potential customers to competitors, one or more of our concessions could be terminated and our results and financial condition could suffer.

Our businesses require substantial capital to build out their networks and for other purposes, and they may not be able to raise sufficient capital on a timely basis or at all

We require substantial capital to operate and build out our wireless networks. We also require significant amounts of capital to market and distribute our services and products, to develop new services and products, to develop and implement new wireless technologies and potentially to acquire and invest in other communications companies. To meet these requirements, we have relied, and expect to continue to rely, on borrowings and cash flow from operations, but we also expect to use a substantial portion of our available funds to finance new international investments.

Increased indebtedness may have a number of negative effects on the operations of our businesses, including increased difficulty in obtaining future financing, allocation of increasing amounts of income to debt repayments and restrictions imposed by lenders on these businesses' capital resources or operations. If available funds are insufficient to meet our budgeted capital requirements, we may not be able to raise capital to finance any shortfall on a timely basis, or at all.

Government regulation could hurt our businesses

Our businesses are subject to extensive government regulation and can be adversely affected by changes in law, regulation or regulatory policy. The licensing, construction, operation, sale, resale and interconnection arrangements of wireless telecommunications systems in Latin America and elsewhere are regulated to varying degrees by government authorities. Any of these authorities having jurisdiction over our businesses could adopt or change regulations or take other actions that could adversely affect us. In particular, the regulation of prices operators may charge for their services could have a material adverse effect on us by reducing our profit margins. In Mexico, Telcel's business is subject to extensive government regulation, principally by Cofetel, and may be adversely affected by changes in law or by actions of Mexican regulatory authorities.

Many Latin American countries are executing programs to deregulate and privatize the provision of communications services, including wireless services, and many of the laws, regulations and instruments that regulate our businesses, including in Brazil, Argentina, Colombia, Guatemala and Ecuador, were only recently adopted or became effective, and there is only a limited history that would allow us to predict the impact of these legal requirements on our future operations. These programs and laws are still developing, and we cannot guarantee that changes in political administrations will not lead to the adoption of policies concerning competition, privatization and taxation of communications services that may be detrimental to our Latin American operations. Such restrictions, which may take the form of preferences for local over foreign ownership of communications licenses and assets, or government over private ownership, may make it impossible for us to continue to develop our businesses. These restrictions could cause losses of revenues and capital investments. Some restrictions currently exist, generally in the form of percentage limits on our equity ownership in joint ventures in foreign markets.

Our businesses have concessions that are subject to termination

The terms of the licenses or concessions under which our international wireless businesses operate typically require the operator to meet specified network build-out requirements and schedules, as well as to maintain minimum quality, service and coverage standards. Failure to comply with these criteria could result in the

revocation of licenses, the imposition of fines or other government actions. We cannot assure you that our international business will be able to comply fully with the terms of their licenses.

In Mexico, Mexican Telecommunications Law and Telcel's concessions include various provisions under which the concessions may be terminated by the Mexican Communications Ministry before their scheduled expiration dates. Among other things, these concessions may be terminated if we fail to meet specified network build-out requirements and schedules or to maintain minimum quality, service and coverage standards by, for example, interrupting service without justified cause or failing to meet interconnection requirements. The loss of any one concession could have a material adverse impact on our business and results of operations.

In addition, the Communications Ministry is authorized to impose specific rate and other requirements on any wireless operator that is determined by the Federal Competition Commission to have substantial market power. While no such determination has been made with respect to the wireless market in Mexico, we can provide no assurances that the regulatory authorities will not make such a determination with respect to Telcel and impose specific rate requirements or other special regulation on us, such as additional requirements regarding disclosure of information or quality of service. Any such new regulation could have a material impact on our operations.

Telecom Americas does not own the majority of the voting stock of four of its operating companies

Due to governmental regulations in Brazil and other restrictions, Telecom Americas does not own the majority of the voting stock of any of ATL-Algar Telecom Leste S.A., Tess S.A., Americel S.A. or Telet S.A. in Brazil. The regulatory considerations that prevented it from doing so no longer apply because these companies have changed the licenses under which they operate, and Telecom Americas has begun seeking approval to acquire the majority of the voting stock of these operating companies. We have contractual arrangements that permit us to acquire the majority of the voting stock of these companies once final regulatory approvals are obtained.

We may not be able to obtain or maintain favorable roaming arrangements

To the extent competitors have, or are perceived to have, better roaming features than our businesses, those businesses may lose customers to their competitors. Our customers can access another provider's wireless system only if our customers' handsets are compatible with the other provider's system and the other provider allows them to roam on its network. We rely on agreements to provide roaming capability to customers in Latin America, the United States and elsewhere in areas that our networks do not serve. Some competitors may have more extensive coverage through their own networks and be less dependent on roaming arrangements. Also, competitors may be able to obtain roaming rates that are lower than rates obtained by our Latin American companies, giving these competitors a pricing advantage. In addition, the quality of service that another wireless provider delivers during a roaming call may be inferior to the quality of service our companies provide.

Our companies are also dependent upon roaming agreements with other providers as a source of revenues when the other providers' customers roam in the companies' territories. If these roaming agreements were to terminate, or if the other providers deploy incompatible technologies, revenues would decrease.

We have invested in businesses and countries in which we have limited experience, and we may be unsuccessful in addressing the new challenges and risks they present

We have invested in a growing number of businesses outside our core activity of providing wireless telecommunications services in Mexico, and we plan to continue doing so, especially in the rest of Latin America and in businesses related to wireless and broadband telecommunications. These investments involve risks to which we have not previously been exposed and countries in which we have no previous experience. Some of the investments are in countries that, like Guatemala, Ecuador, Brazil, Colombia, Argentina and Nicaragua, may

present different or greater country risk than Mexico. Many of them are start-up or development-stage companies that will require substantial investments. There can be no assurance that these investments will ultimately be successful.

We are subject to significant litigation

Some of our subsidiaries are subject to significant litigation, which if determined adversely to our interests may have a material adverse affect on our results, financial condition and prospects. In Mexico, Telcel is subject to a number of proceedings for alleged monopolistic practices. It is difficult to predict how these proceedings will be resolved and, if resolved contrary to our interests, what fines or restrictions may be imposed on our business. These restrictions, which could be imposed by means of a special regulation, may include significant limitations on our ability to conduct business as currently conducted. Other outstanding litigation includes challenges to the acquisition of our Guatemalan subsidiary, tax and anticompetitive behavior claims in Colombia and disputes regarding the calculation of inflation-related adjustment payments under two of our concessions in Brazil.

Risks Relating to the Wireless Industry Generally

Changes in the wireless industry could affect us in ways we cannot predict

The wireless communications industry is experiencing significant change. This includes the increasing pace of digital upgrades in existing analog wireless systems, evolving industry standards, ongoing improvements in the capacity and quality of digital technology, shorter development cycles for new products, and changes in end-user needs and preferences. In Mexico and in the other countries in which we conduct business, there is uncertainty as to the pace and extent of growth in customer demand, and as to the extent to which prices for airtime and line rental may continue to decline. As a result, our future prospects remain uncertain.

There are three existing digital technologies for wireless communications, none of which is compatible with the others. In the past, Telcel and certain of our international businesses used time division multiple access (TDMA) technology for their digital networks, while certain of our other international businesses used code division multiple access (CDMA) as their digital wireless technology. We are introducing global system for mobile communications (GSM) technology in our largest markets. Telcel launched GSM service in October 2002. We plan to launch GSM service in Colombia, Ecuador and Brazil in the second half of 2003. If future wireless technologies that gains widespread acceptance are not compatible with the technologies we use, we may be required to make capital expenditures in excess of our current forecasts in order to upgrade and replace our technology and infrastructure.

We may have difficulty collecting amounts due from other communications carriers

In most of the markets in which we operate, including Mexico, the calling party pays for the airtime on a call to a wireless number. If a subscriber of another cellular service provider places a call to one of our Telcel customers in Mexico, Telcel charges the service provider from whose network the call originates an interconnection charge for every minute Telcel's network is in use in connection with the call. In addition, under our roaming agreements, when a call is made from within one of Telcel's concession regions by a subscriber of another cellular service provider, that service provider pays Telcel for the call at the applicable rate. In the year ended December 31, 2002, 23% of América Móvil's operating revenues and 25% of Telcel's operating revenues were attributable to interconnection charges and roaming charges.

Telcel and our other wireless businesses may encounter difficulties collecting such amounts from some communications companies. Some of these companies face financial difficulties and may also be our competitors. If our businesses cannot collect amounts due from other communications providers on a timely basis, or at all, they could incur material losses. Difficulties in collecting amounts due could also increase administrative costs, interest expenses and risks from foreign exchange fluctuations.

We are dependent upon a small number of suppliers and vendors, and if they fail to provide us with services or equipment on a timely and cost-effective basis, our business could be adversely affected

Each of our wireless businesses relies primarily on a single vendor for its switch and cell site equipment and on a single supplier or small group of suppliers for its handsets and other customer equipment. If we had to replace a primary supplier of switch and cell site equipment, for example because it ceased to provide timely or cost-effective equipment or service, the transition to another supplier could entail delays and additional costs. Supplies of customer equipment may be subject to periodic shortages, and our ability to grow will be limited if we cannot rely on our suppliers to ensure sufficient quantities and quality of equipment.

Telcel relies primarily on Ericsson for the supply of its switch and cell site equipment. Telcel purchases handsets and other customer equipment primarily from the major vendors, including Nokia, Sony-Ericsson, Motorola, Siemens and Samsung.

We may incur significant costs from wireless fraud

Our wireless businesses incur costs associated with the unauthorized use of their wireless networks, particularly their analog cellular networks. These costs include administrative and capital costs associated with detecting, monitoring and reducing the incidence of fraud. Fraud also affects interconnection costs, capacity costs, administrative costs and payments to other carriers for unbillable fraudulent roaming. In the year ended December 31, 2002, Telcel refunded its customers approximately Ps. 2 million due to wireless fraud. Although we try to combat this problem through the deployment of anti-fraud technologies and other measures, we cannot guarantee that these efforts will be effective or that fraud will not result in material costs for us in the future.

Cloning, which is one form of wireless fraud, involves the use of scanners and other electronic devices to obtain illegally telephone numbers and electronic serial numbers during cellular transmission. These stolen telephone and serial number combinations can be programmed into a cellular phone and used to obtain improper access to cellular networks. Roaming fraud occurs when a phone programmed with a number stolen from one of our customers is used to place fraudulent calls from another carrier's market, resulting in a roaming fee charged to us that cannot be collected from the customer.

Concerns about health risks relating to the use of wireless handsets may adversely affect our prospects

Media and other reports have linked radio frequency emissions from wireless handsets to various health concerns, including cancer, and to interference with various electronic medical devices, including hearing aids and pacemakers. Although we do not know of any definitive studies showing that radio frequency emissions raise health concerns, concerns over radio frequency emissions may discourage the use of wireless handsets in Mexico or the other countries in which we conduct business, which could have a material adverse effect on our results of operations. In addition, lawsuits have been filed in the United States against certain participants in the wireless industry alleging various adverse health consequences as a result of wireless phone usage, and Telcel and our international businesses may be subject to similar litigation in the future. Research and studies are ongoing, and there can be no assurance that further research and studies will not demonstrate a link between radio frequency emissions and health concerns.

Risks Relating to Our Controlling Shareholders, Capital Structure and Transactions with Affiliates

We are controlled by one shareholder

As of December 31, 2002, 64.7% of the voting shares of América Móvil was directly or indirectly owned by América Telecom, S.A. de C.V., which was established in November 2001 in a spin-off from Carso Global Telecom, S.A. de C.V. América Telecom has the effective power to designate a majority of the members of our Board of Directors and to determine the outcome of other actions requiring a vote of the shareholders, except in very limited cases that require a vote of the holders of L Shares.

We have significant transactions with affiliates, particularly Telmex, that create potential conflicts of interest

We engage in transactions with Telmex, which is controlled by Carso Global Telecom, as well as with certain other subsidiaries of Grupo Carso, S.A. de C.V. and Grupo Financiero Inbursa, S.A. de C.V., all of which may be viewed as affiliates of América Móvil. Many of these transactions occur in the ordinary course of business and are subject to telecommunications regulations. Transactions with affiliates may create the potential for conflicts of interest.

The protections afforded to minority shareholders in Mexico are different from those in the United States

Under Mexican law, the protections afforded to minority shareholders are different from those in the United States. In particular, the law concerning fiduciary duties of directors is not as fully developed as in other jurisdictions, there is no procedure for class actions or shareholder derivative actions, and there are different procedural requirements for bringing shareholder lawsuits. As a result, in practice it may be more difficult for minority shareholders of América Móvil to enforce their rights against us or our directors or controlling shareholder than it would be for shareholders of a company incorporated in another jurisdiction, such as the United States.

Holders of L Shares and L Share ADSs have limited voting rights, and holders of ADSs may vote only through the depositary

Our bylaws provide that holders of L Shares are not permitted to vote except on such limited matters as the transformation or merger of América Móvil or the cancellation of registration of the L Shares with the Mexican National Banking and Securities Commission or any stock exchange on which they are listed. If you hold L Shares or L Share ADSs, you will not be able to vote on most matters, including the declaration of dividends, that are subject to a shareholder vote in accordance with our bylaws.

Holders of ADSs are not entitled to attend shareholders' meetings, and they may only vote through the depositary

Under Mexican law, a shareholder is required to deposit its shares with a Mexican custodian in order to attend a shareholders' meeting. A holder of ADSs will not be able to meet this requirement, and accordingly is not entitled to attend shareholders' meetings. A holder of ADSs is entitled to instruct the depositary as to how to vote the shares represented by ADSs, in accordance with procedures provided for in the deposit agreements, but a holder of ADSs will not be able to vote its shares directly at a shareholders' meeting or to appoint a proxy to do so.

You may not be entitled to participate in future preemptive rights offerings

Under Mexican law, if we issue new shares for cash as part of a capital increase, we generally must grant our shareholders the right to purchase a sufficient number of shares to maintain their existing ownership percentage in América Móvil. Rights to purchase shares in these circumstances are known as preemptive rights. We may not legally be permitted to allow holders of ADSs or holders of L Shares or A Shares in the United States to exercise any preemptive rights in any future capital increase unless we file a registration statement with the U.S. Securities and Exchange Commission, or SEC, with respect to that future issuance of shares. At the time of any future capital increase, we will evaluate the costs and potential liabilities associated with filing a registration statement with the SEC and any other factors that we consider important to determine whether we will file such a registration statement.

We cannot assure you that we will file a registration statement with the SEC to allow holders of ADSs or U.S. holders of L Shares or A Shares to participate in a preemptive rights offering. As a result, the equity interest

of such holders in América Móvil be diluted proportionately. In addition, under current Mexican law, it is not practicable for the depositary to sell preemptive rights and distribute the proceeds from such sales to ADS holders.

Our bylaws restrict transfers of shares in some circumstances

Our bylaws provide that any acquisition or transfer of more than 10% of our capital stock by any person or group of persons acting together requires the approval of our Board of Directors. If you acquire or transfer more than 10% of our capital stock, you will not be able to do so without the approval of the Board of Directors.

Mexican law and our bylaws restrict the ability of non-Mexican shareholders to invoke the protection of their governments with respect to their rights as shareholders

As required by Mexican law, our bylaws provide that non-Mexican shareholders shall be considered as Mexicans in respect of their ownership interests in América Móvil and shall be deemed to have agreed not to invoke the protection of their governments in certain circumstances. Under this provision, a non-Mexican shareholder is deemed to have agreed not to invoke the protection of his own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the shareholder's rights as a shareholder, but is not deemed to have waived any other rights it may have, including any rights under the U.S. securities laws, with respect to its investment in América Móvil. If you invoke such governmental protection in violation of this agreement, your shares could be forfeited to the Mexican government.

Our bylaws may only be enforced in Mexico

Our bylaws provide that legal actions relating to the execution, interpretation or performance of the bylaws may be brought only in Mexican courts. As a result, it may be difficult for non-Mexican shareholders to enforce their shareholder rights pursuant to the bylaws.

It may be difficult to enforce civil liabilities against us or our directors, officers and controlling persons

América Móvil is organized under the laws of Mexico, and most of our directors, officers and controlling persons reside outside the United States. In addition, all or a substantial portion of our assets and their assets are located outside of the United States. As a result, it may be difficult for investors to effect service of process within the United States on such persons or to enforce judgments against them, including in any action based on civil liabilities under the U.S. federal securities laws. There is doubt as to the enforceability against such persons in Mexico, whether in original actions or in actions to enforce judgments of U.S. courts, of liabilities based solely on the U.S. federal securities laws.

Risks Relating to Developments in Mexico and Other Countries

Economic and political developments may adversely affect our business

Our business may be significantly affected by the general condition of the economy in the countries where we operate and especially in Mexico, by devaluation of the local currency in those countries, by inflation and high interest rates in those countries, or by political developments or changes in law in those countries. Exchange rate variations between the currencies in which our subsidiaries operate and the currencies in which their debt is denominated, especially the U.S. dollar, result in exchange gain or loss. Exchange rate variations between the Mexican peso and the currencies of our non-Mexican subsidiaries also affect our results as reported in Mexican pesos.

Mexico has experienced adverse economic conditions

Mexico has experienced a prolonged period of slow growth since 2001 primarily as a result of the downturn in the U.S. economy. In recent years, economic crises in Asia, Russia, Brazil and Argentina and other emerging

markets have also adversely affected the Mexican economy and could do so again. In 2002, Mexico's gross domestic product, or GDP, grew by 0.9% and inflation rose to 5.7%. In 2001, GDP declined by 0.3% while inflation decreased to 4.4%. For 2003, the Mexican government has estimated that GDP growth will be 3.0% and inflation is expected to be 3.0%, though these estimates may not prove to be accurate.

If the Mexican economy falls into a recession or if inflation and interest rates increase significantly, our business, financial condition and results of operations could suffer material adverse consequences because, among other things, demand for wireless communications services may decrease and consumers may find it difficult to pay for the services we offer.

Political events in Mexico could affect Mexican economic policy and our operations

The Mexican national elections held in July 2000 ended 71 years of rule by the *Partido Revolucionario Institucional* (Institutional Revolutionary Party or PRI) with the election of president Vicente Fox, a member of the *Partido Acción Nacional* (National Action Party or PAN). The elections resulted in increased representation by opposition parties in mayoral, gubernatorial, and legislative positions throughout Mexico. Neither the PRI nor the PAN currently has a majority in the Congress or Senate.

Multiparty rule is still relatively new in Mexico and could result in economic or political conditions that could have a material adverse effect on our operations. In addition, the lack of a majority party in the legislature and the lack of political alignment between the legislature and the presidency has resulted in deadlock that could prevent the timely implementation of economic policy, which in turn could have a material adverse effect on the Mexican economy and on our business. New legislative elections will be held in July 2003, and the effects on the political situation in Mexico are uncertain.

Additional Mexican taxes on services we offer could affect our results of operations

Taxes applicable to certain telecommunications services have been imposed in the recent past in Mexico. Additional taxes of this nature could adversely affect our business and our results of operations.

Developments in other emerging market countries may adversely affect our business or the market price of our securities

Many of our investments and joint ventures and a substantial portion of our total assets are located in other emerging market countries, including Guatemala, Ecuador, Brazil, Colombia, Nicaragua and Argentina. As a result, economic and political developments in these countries, including future economic crises and political instability, could have a material adverse effect on our business and results of operations.

In addition, the market value of securities of Mexican companies is, to varying degrees, affected by economic and market conditions in other emerging market countries. Although economic conditions in such countries may differ significantly from economic conditions in Mexico, investors' reactions to developments in any of these other countries may have an adverse effect on the market value of securities of Mexican issuers. In the second half of 1998, prices of Mexican securities were adversely affected by the economic crises in Russia and in Brazil. More recently, prices of Mexican securities have been adversely affected by the economic crisis in Argentina. If the current economic situation in Argentina deteriorates further, or if adverse economic or political events occur in other emerging market countries, there can be no assurance that the market value of our securities would not be adversely affected.

Item 4. Information on the Company

GENERAL

With over 31 million wireless subscribers in seven countries at year-end 2002, we are the largest provider of wireless communications services in Latin America and one of the ten largest in the world. Through our Mexican subsidiary Radiomóvil Dipsa, S.A. de C.V., which operates under the name "Telcel," we provide cellular telecommunications service in all nine regions in Mexico, with a network covering approximately 34% of the geographical area of Mexico, including all major cities, and approximately 90% of Mexico's population. As of December 31, 2002, Telcel had 20.1 million subscribers.

In addition, we have operations in the telecommunications sector in the following countries:

- *Brazil.* In 2002, we acquired Telecom Americas, a company formed as a joint venture in November 2000 between us, Bell Canada International Inc. (BCI) and SBC International, Inc. (SBCI). Through Telecom Americas, we have interests in five wireless operators in Brazil, and we are the second largest wireless operator in the country measured by the number of subscribers.
- *Guatemala.* Through our Guatemalan subsidiary, Telgua, and its affiliate, Sercom, we provide fixed-line, wireless, Internet, cable television, paging, data transmission and other services in Guatemala. Our Guatemalan telecommunications operations are the largest in the country measured by the number of fixed-line and wireless subscribers.
- *Colombia.* We acquired Comcel and Ocel, Colombian wireless operators, from Telecom Americas in February 2002. With Comcel's recent acquisition of Celcaribe S.A. (Celcaribe), we are the largest wireless operator in the country.
- *Ecuador.* Conecel, our subsidiary in Ecuador, provides wireless, national and international long distance, Internet, public telephony, paging and data transmission services and is the largest wireless operator in the country measured by the number of subscribers.
- *United States.* Our U.S. subsidiary, Tracfone, is engaged in the sale and distribution of prepaid wireless service and wireless phones throughout the United States, Puerto Rico, and the U.S. Virgin Islands.
- *Argentina.* Techtel, our subsidiary in Argentina, operates a local multipoint distribution services (LMDS) and fiber optic network in Argentina and provides local and long-distance fixed-line voice services.
- *Nicaragua.* Our Nicaraguan subsidiary, Sercom Nicaragua, launched wireless services in December 2002.

América Móvil, S.A. de C.V. is a *sociedad anónima de capital variable* organized under the laws of Mexico with its principal executive offices at Lago Alberto 366, Edificio Telcel I, Piso 2, Colonia Anáhuac, 11320, México D.F., México. The telephone number of América Móvil at this location is (5255) 2581-4411.

We make our annual reports on Form 20-F and our quarterly earnings releases available through our website at <http://www.americamovil.com>, as soon as reasonably practicable after we electronically file the annual reports with the SEC or distribute the releases to the press.

History

América Móvil was established in September 2000 in a spin-off from Teléfonos de México, S.A. de C.V. (Telmex), the largest provider of local and long-distance telephone services in Mexico. The spin-off was implemented using a procedure under Mexican corporate law called *escisión* or "split-up." The shares of América Móvil were delivered to Telmex shareholders on February 7, 2001.

Our wireless business in Mexico is conducted through our subsidiary Telcel, which traces its history to the establishment in 1956 of Publicidad Turística, S.A., an affiliate of Telmex that published telephone directories. In