



FOR IMMEDIATE RELEASE

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MTG COMPLETES ACQUISITION OF TV NOVA BULGARIA

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that it has received all necessary approvals from relevant Bulgarian authorities and completed the acquisition of 100% of Nova Televizia. MTG will now assume full operational control of the business, and will consolidate the results in its accounts within the Viasat Broadcasting business area with effect from today.

The Group announced on 31 July 2008 that it had signed an agreement to acquire 100% of Nova Televizia for EUR 620 million in cash, on a cash and debt free basis, from Antenna Bulgaria.

Nova Televizia was established in 1994 and owns 100% of commercial TV channel Nova, the second most watched TV channel in Bulgaria, as well as 80% of leading Bulgarian women's magazine EVA. Nova Televizia generated a 54% year on year increase in net sales to EUR 42.0 (27.3) million in 2007 and a 32.4% share of the EUR 125 million Bulgarian net TV advertising market. The Bulgarian TV advertising market grew by 35% in local currency terms in 2007 and is expected to continue to demonstrate high levels of growth in the coming years. Nova Televizia's EBITDA more than doubled year on year to EUR 20.5 (8.9) million in 2007 with an increased EBITDA margin of 49% (33%), and Nova's EBIT more than doubled to EUR 19.1 (8.1) million.

Nova Televizia's net sales were up 21% year on year to EUR 24.1 (20.0) million for the six months to 30 June 2008, and EBITDA was up 22% to EUR 11.8 (9.7) million with an EBITDA margin of 49% (48%). Nova's EBIT was up 10% year on year to EUR 10.1 (9.2) million for the period.

The Nova TV channel has an urban-focused, young, predominantly female audience profile, and broadcasts a broad mix of local content and successful international TV formats. Nova is broadcast under a national terrestrial free-TV license, as well as on cable and satellite networks, and is available to 99% of people meter panel households in Bulgaria. The channel had an 18.2% commercial share of viewing amongst the target audience group of 18-49 year olds in the first half of 2008 and a 17.7% viewing share in the third quarter. Nova's

commercial share of viewing increased in September to 20.1% following the successful launch of the Fall schedule, which includes the fourth series of the hugely popular ‘Big Brother’ reality format, as well as hit local own production ‘Forbidden Love’. Nova’s commercial share of viewing has increased further to 22.9% in the first two weeks of October.

MTG already operates the family of Diema channels in Bulgaria through its 50% controlling interest in Balkan Media Group Limited. The four channels reported a combined commercial share of viewing (18-49) of 10.0% in the first half of 2008 and an 8.1% viewing share in the third quarter following the peaks seen during the EURO 2008 Football Championships, which were shown exclusively on the Diema channels in the second quarter.

The Diema channels reported a 26% year on year increase in net sales to EUR 5.8 (4.6) million in 2007. Advertising revenues accounted for approximately 25% of total channel revenues in 2007 and the Diema channels had a combined 1.1% share of the EUR 125 million Bulgarian net TV advertising market. The channels also reported EBITDA and EBIT losses of EUR -2.0 (1.0) million and EUR -2.4 (0.7) million in 2007, respectively.

Diema’s net sales more than tripled year on year to EUR 7.4 (2.2) million for the six months to 30 June 2008, and the channels reported a significantly improved EBITDA result of EUR 1.1 (-0.8) million. Diema also reported an EBIT profit of EUR 0.9 (-1.0) million for the period.

The Group had a net cash position of SEK 1,675 million and available liquid funds of SEK 4,394 million as at the latest reported balance sheet date of 30 June 2008. MTG announced on 27 August 2008 that it had secured a new SEK 3.0 billion credit facility in order to fully finance the acquisition, as well as to provide the Group with continued financial flexibility. MTG generated SEK 2.0 billion of EBIT in 2007 and SEK 2.4 billion in the first six months of 2008 (including a SEK 1.2 billion gain from the sale of DTV Group Russia).

Hans-Holger Albrecht, President and CEO of MTG, commented: “Bulgaria is one of Europe’s fastest growing advertising markets, and we have now established a clear scale position as the number two broadcaster in the market by uniting our existing Diema channels with Nova. This will enable us to realise significant operational synergies and focus on taking increased viewing and market shares. The Nova and Diema channels have well differentiated programming and audience profiles, which provide the basis for the development of the media house strategy that we have successfully deployed in our other markets. We look forward to further accelerating the development of the unified business and capitalizing on its potential.

“The acquisition is our largest to date and demonstrates our commitment to expand our operations into high growth emerging markets, and to extend our successful multi-channel multi-country business model. We have further strengthened our balance sheet through the securing of additional debt financing to fully finance the acquisition, and still retain significant financial flexibility moving forward.”

For further information, please visit www.mtg.se or contact:

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Modern Times Group is a leading international entertainment broadcasting group with the second largest geographical broadcast footprint in Europe. MTG's Viasat Broadcasting is the largest free-TV and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Hungary, Slovenia and the Balkans. MTG's TV assets are broadcast in a total of 24 countries and reach over 100 million people. MTG is also the major shareholder in Russia's largest independent television broadcaster (CTC Media - Nasdaq: CTCM), and the number one commercial radio operator in the Nordic and Baltic regions.

Modern Times Group MTG AB class A and B shares are listed on the OMX Nordic Exchange Large Cap market ('MTGA' and 'MTGB').

The information in this announcement is that which Modern Times Group MTG AB is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 08.00 CET on 16 October 2008.