



Q1 2009 Interim Report

22 April 2009 – Modern Times Group MTG AB (publ.) (“MTG” or “the Group”) (Nasdaq OMX Stockholm’s Large Cap market: MTGA, MTGB) today announced its financial results for the first quarter and three months ended 31 March 2009.

First Quarter Highlights

- Group net sales up 10% year on year to SEK 3,336 (3,042) million
- Group operating income up 15% year on year to SEK 688 (596) million with an operating margin of 21% (20%) when excluding SEK -454 million participation in non-cash intangible asset impairment by associated company CTC Media
- Total Group operating income of SEK 233 (596) million
- Total pre-tax profit of SEK 195 (583) million, and SEK 649 (583) million when excluding MTG’s SEK -454 million share in CTC Media’s asset impairment charge
- Net income of SEK 146 (397) million
- Basic earnings per share of SEK 2.19 (5.85)
- SEK 5 per share ordinary dividend proposed to AGM

Hans-Holger Albrecht, President and Chief Executive Officer, commented: “These results illustrate the benefits of operating a balanced broadcasting business, which combines content ownership and distribution, and generates an almost equal mix of subscription and advertising revenues from multiple channels in multiple territories. Despite the deterioration in the market environment, this successful model has delivered another quarter of double digit sales growth, a 15% increase in the Group’s underlying operating profitability and an operating margin of over 20%.”

“Our media house strategy and increased penetration levels in Scandinavia have enabled us to grow in declining markets, and we are selectively investing to take share in the emerging markets. We continue to adjust our operations to the challenging market conditions, but our position as the primary challenger in most of the markets where we operate provides opportunities to enhance our longer term potential and performance through the downturn. We have strong operating cash flows and our financial position is comfortable with low levels of borrowing and no debt maturities in 2009.”

Financial Summary

(SEK million)	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	3,336	3,042	13,166
Operating income before non-recurring items	688	596	2,598
Non-recurring items*	-454	-	1,074
Total operating income (EBIT)	233	596	3,671
Net interest & other financial items	-39	-13	-61
Income before tax	195	583	3,610
Net income	146	397	2,927
Basic earnings per share (SEK)	2.19	5.85	43.25
Diluted earnings per share (SEK)	2.19	5.74	42.93
Total assets	19,114	11,177	19,232

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 - SEK -454 million participation in USD 233 million (SEK 1,955 million) intangible asset impairment by associated company CTC Media in the fourth quarter of 2008, which was reported by MTG in the first quarter of 2009
 - SEK 1,150 million net gain from the sale of DTV Group in 2008, as well as SEK -76 million asset impairment charge in the Online business area

Significant Events

MTG launched a new free-TV channel – Prima COOL – in the Czech Republic on 1 April. The new channel was launched to complement the existing TV Prima channel following the award of new digital licenses as part of the ongoing digitalisation of the Czech TV market. The broad-based entertainment channel has an initial national penetration level of more than 50% and targets a male-weighted audience of 20-40 year old viewers.

MTG launched a new free-TV channel – TV3 PULS – in Denmark on 23 March. The broad-based entertainment channel was launched to complement MTG's existing TV3 and TV3+ channels, and to focus on the 15-49 year old audience of men and women. The channel is already available in more than 50% of Danish TV households.

MTG announced on 3 March that it is reorganising the ownership of its broadcasting assets in Bulgaria. MTG signed an agreement with Apace Media plc, whereby the assets within the jointly owned Balkan Media Group Limited will be transferred into MTG subsidiary Nova Televizia. The non-cash transaction will result in MTG owning 95% of the enlarged Nova Televizia group, with Apace owning the remaining 5% minority stake.

CTC Media published its results for the fourth quarter of 2008 on 26 February 2009. The results included a USD 233 million (SEK 1,955 million) non-cash charge arising from the impairment of the intangible assets of Channel 31 in Kazakhstan, DTV Group in Russia and the broadcasting group in Moldova. Please see page 11 of this report for a description of the impact of this charge on MTG's first quarter results.

Operating Review

Continued Double Digit Sales Growth

Net Sales (SEK million)	Jan-Mar 2009	Jan-Mar 2008	Change %	Jan-Dec 2008
Free-TV Scandinavia	886	828	7	3,687
Pay-TV Nordic	1,069	959	11	3,934
Free-TV Emerging Markets	464	423	10	2,150
Pay-TV Emerging Markets	220	139	58	658
<i>Other & eliminations related to Viasat Broadcasting</i>	-40	-43	-	-151
<i>Total Viasat Broadcasting business area</i>	2,599	2,307	13	10,278
Radio	159	187	-15	800
Online	520	417	25	1,831
Modern Studios	103	81	27	373
Total operating business areas	3,381	2,994	13	13,282
Parent & holding companies	46	42	-	174
Eliminations	-91	-88	-	-405
Total revenues from ongoing operations	3,336	2,947	13	13,052
DTV Group	-	95	-	114
GROUP TOTAL	3,336	3,042	10	13,166

MTG generated 10% year on year net sales growth in the first quarter following growth in each of the Group's four core television broadcasting segments and the Online business area. Favourable year on year currency exchange rate movements also contributed 8 percentage points of year on year growth in the quarter. First quarter sales from ongoing operations were up 13% year on year.

Group operating costs increased year on year in the first quarter to SEK 3,030 (2,654) million. The increase reflected the consolidation of Nova Televizia, the launch of 5 new free-TV channels during 2008 and the first quarter of 2009, and the addition of 10 channels to the Group's pay-TV offerings, as well as adverse currency exchange rate fluctuations.

The Group's depreciation and amortisation charges increased year on year to SEK 58 (37) million, which was primarily due to the consolidation of Nova Televizia in Bulgaria from 16 October 2008.

19% Increase in Underlying Operating Income for Ongoing Operations

Operating Income (EBIT) (SEK million)	Jan-Mar 2009	Jan-Mar 2008	Change %	Jan-Dec 2008
Free-TV Scandinavia	203	146	39	809
Pay-TV Nordic	174	162	7	692
Free-TV Emerging Markets	-74	46	-	292
Pay-TV Emerging Markets	40	13	200	106
Associated company income CTC Media	379	207	83	629
<i>Viasat Broadcasting central operations</i>	2	4	-	14
<i>Total Viasat Broadcasting business area</i>	725	580	25	2,542
Radio	-5	30	-	170
Online	4	28	-84	2
Modern Studios	4	-5	-	-6
Total operating business areas	729	632	15	2,707
Group central operations	-41	-53	20	-208
Total operating income from ongoing operations	688	579	19	2,499
DTV Group	-	17	-	1,173
<i>Participation in CTC Media intangible asset impairment charge</i>	-454	-	-	-
GROUP TOTAL	233	596	-61	3,671

Group operating income from ongoing operations was up 19% year on year to SEK 688 (579) million in the first quarter when excluding DTV Group's contribution in the first quarter of 2008 and MTG's SEK -454 million participation in CTC Media's non-cash intangible asset impairment charge in the first quarter of 2009. The Group therefore reported an underlying operating margin of 21% (20%) in the quarter.

The Group's combined equity participations, which primarily comprise the 39.4% interest in the earnings of CTC Media, amounted to SEK -73 (208) million in the first quarter. Total reported group operating income therefore amounted to SEK 233 (596) million.

The Group reported SEK -39 (-13) million of net interest and other financial items in the quarter, which included SEK -37 (-4) million of net interest expenses following the increase in the Group's borrowings during the fourth quarter of 2008. The Group reported a total pre-tax profit of SEK 195 (583) million in the first quarter, or an 11% underlying year on year increase to SEK 649 (583) million when excluding the share in CTC Media's asset impairment charge.

Group tax charges totalled SEK -48 (-186) million in the quarter and reflected the lower tax rates in Sweden and Russia from the beginning of 2009. Total reported Group net income for the quarter amounted to SEK 146 (397) million.

The weighted average number of shares outstanding was 65,890,375 (65,554,540) during the quarter and the Group therefore reported basic earnings per share of SEK 2.19 (5.85) for the period.

VIASAT BROADCASTING

<i>(SEK million)</i>	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	2,599	2,307	10,278
Operating income	346	373	1,913
Operating margin	13%	16%	19%
Operating income from associated companies before non-recurring items	379	207	629
Operating income before non-recurring items	725	580	2,542
Participation in non-recurring write-down by CTC Media	-454	-	-
Total operating income	271	580	2,542

Viasat Broadcasting comprises the Group's television broadcasting operations, which generated 13% year on year net sales growth in the first quarter. The results included Nova Televisia in 2009 and also reflected the positive impact of favourable year on year currency exchange rate movements.

Total operating profits were up 25% year on year to SEK 725 (580) million, when excluding non-recurring items. When excluding all associated company income from CTC Media, operating profits were down 7% year on year with an operating margin of 13% (16%).

The results for TV8 Sweden have been moved from the Pay-TV Nordic reporting segment to the Free-TV Scandinavia reporting segment with effect from 1 January 2009, in order to reflect the channel's position in Viasat's free-TV media house. Segmental results for prior reporting periods have been restated accordingly throughout this report.

Free-TV Scandinavia

7% Sales Growth & 39% Operating Profit Growth

<i>(SEK million)</i>	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	886	828	3,687
Operating income	203	146	809
Operating margin	23%	18%	22%

Viasat's Scandinavian free-TV operations generated 7% year on year net sales growth in the first quarter following a particularly strong performance and significant market share gains in Norway, as well as positive year on year currency exchange rate movements. The television advertising markets declined year on year in each country in the first quarter.

Total operating costs were stable year on year at SEK 683 (682) million and reflected the impact of deferring the introduction of some programming in Denmark and Sweden, lower SG&A costs in all three countries, increased programming investments in Norway, the launch of TV3 PULS in Denmark on 23 March and adverse currency effects.

The combined operations therefore reported a 39% year on year increase in operating profits and an increased operating margin of 23% (18%).

Commercial share of viewing (%) (15-49)	Jan-Mar 2009	Oct-Dec 2008	Jan-Mar 2008
Sweden (TV3, TV6, TV8, ZTV)	33.2	33.1	32.7
Norway (TV3, Viasat4)	26.4	25.9	20.4
Denmark (TV3, TV3+, TV3 PULS)	20.3	22.3	21.3

The combined commercial share of viewing figures for the Group's Scandinavian operations have been expanded to include the full media house of channels in each country. The historical numbers in the key performance indicator matrix at the end of this report have also been restated accordingly for comparative purposes.

The audience share performance of the Group's Swedish channels increased year on year and was stable quarter on quarter. Both TV3 and TV6's national penetration increased year on year to 86%, from 83% and 84% respectively, while TV8's penetration increased to 64% from 57%.

The Norwegian free-TV operations reported substantial year on year audience share gains, as well as increased viewing shares when compared to the fourth quarter of 2008. This reflected high-rating acquired content and own productions, as well as significantly increased penetration levels following the distribution agreements signed at the end of the first quarter of 2008. The digitalisation process, which started in September 2007, is due to be completed by the end of November 2009. Viasat gained further advertising market share by maintaining growth in a falling market, and continued to outperform rival media house SBS ProSieben in terms of audience share.

The combined audience share for Viasat's Danish channels declined, but TV3 and TV3+ maintained their positions as Denmark's second and third largest channels, and further increased their combined advertising market shares. The Danish digitalisation process is scheduled to be completed on 1 November 2009 but the Group has chosen not to apply to be included in Denmark's digital terrestrial offering. Only one week after its launch, new TV3 PULS channel reported a 0.9% commercial share of viewing in the 15-49 target group in March.

Pay-TV Nordic

11% Sales Growth & 16% Operating Margin

(SEK million)	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	1,069	959	3,934
Operating income	174	162	692
Operating margin	16%	17%	18%

Viasat Broadcasting's pay-TV operations in the Nordic region comprise the Viasat DTH satellite broadcasting platform and 21 Viasat-branded pay-TV channels. The Nordic Pay-TV business reported 11% year on year sales growth and 5% quarter on quarter growth.

Annualised average revenue per premium subscriber (ARPU) was up 14% year on year to SEK 4,325 (3,790), and up 6% from SEK 4,097 in the fourth quarter of 2008. The growth reflected the strengthening of the Danish and Norwegian currencies against the Swedish krona reporting currency, as well as the previously introduced price increases, the overall maturing of the subscriber base into higher ARPU contract periods, and the growing proportion of multi-room and HDTV subscribers. The underlying trend of lower ARPU growth reflected the increasing weighting to IPTV subscriber acquisition and the campaign offerings to capitalise on the digitalisation of the Danish and Norwegian markets.

(000's)	Mar 2009	Dec 2008	Mar 2008
Premium subscribers	760	754	752
- of which, DTH satellite	666	676	703
- of which, IPTV	94	78	50
Basic DTH satellite subscribers	62	69	83

6,000 net new premium subscribers were added in the first quarter following the continued growth in the IPTV subscriber base. The number of subscribers with ViasatPlus recordable digital boxes increased year on year to 122,000 (82,000), and from 115,000 at the end of 2008, to represent 18% of the premium DTH subscriber base. The number of multi-room subscriptions increased year on year to 177,000 (136,000), and from 170,000 at the end of 2008, to represent 24% of the total DTH subscriber base.

Total operating costs increased by 12% year on year to SEK 895 (797) million, and from SEK 816 million in the fourth quarter of 2008. The increase reflected the addition of 7 Viasat-branded channels and 11 new third party channels to the platform since the beginning of 2008, the extension of several key sports rights agreements and the addition of localised sports channels, ongoing investments in HDTV, and the subscriber acquisition campaigns being run in Denmark and Norway. The cost base was also inflated by the appreciation of the Danish and Norwegian currencies.

Expensed subscriber acquisition costs (SAC) were up 6% year on year to SEK 142 (134) million, but down 12% from SEK 162 million in the fourth quarter of 2008. The difference reflected the increasing focus on subscriber acquisition in Denmark and Norway as the digitalisation process accelerates towards completion in 2009, as well as the maturing of the standard two year contracts signed in Sweden at the end of the digitalisation of the Swedish market in 2006.

Operating income for the Nordic pay-TV business was up 7% year on year to SEK 174 (162) million, but down from SEK 200 million in the fourth quarter of 2008, with an operating margin of 16% (17%).

Free-TV Emerging Markets

Challenging Market Environment

(SEK million)	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	464	423	2,150
Operating income	-74	46	292
Operating margin	-	11%	14%

The Free-TV Emerging Markets operations reported 10% year on year sales growth in the quarter. Sales were down 11% year on year when excluding the newly consolidated results for Nova Televizia in Bulgaria. The reported results were positively impacted by favourable year on year currency exchange rate movements.

The combined operations reported a SEK -74 (46) million operating result, which reflected the overall deterioration in the business environment and the advertising markets in particular, as well as the Group's ongoing investments in Slovenia and the recently launched Ghanaian operations.

Baltics

Sales for the Group's free-TV operations in Estonia, Latvia and Lithuania were down 26% year on year to SEK 97 (131) million in the quarter. Viasat is the market leading free-TV broadcaster in the Baltics and the sales performance therefore reflected the ongoing weakness in the Baltic economies.

Commercial share of viewing (%) (15-49)	Jan-Mar 2009	Oct-Dec 2008	Jan-Mar 2008
Estonia (TV3, 3+, TV6)	38.3	40.2	46.9
Latvia (TV3, 3+, TV6)	34.3	36.7	36.9
Lithuania (TV3, TV6)	39.6	41.0	38.9

Viasat's pan-Baltic commercial share of viewing (15-49) was 37.7% (39.7%) in the first quarter, and compared to 39.5% in the fourth quarter of 2008. The development reflected lower investments in own productions in Estonia and Latvia, and reduced overall programming spend in Lithuania.

Local currency costs were down year on year due to the measures taken to reduce costs across the board and despite the investments in the re-launch of TV6 Lithuania in September 2008 and the launch of TV6 Estonia in April 2008. The combined businesses reported a SEK -13 (23) million operating result in the quarter.

Czech Republic

TV Prima's revenues were down 7% year on year to SEK 209 (223) million in the first quarter following the weak development of the local TV advertising market, price pressure and reduced demand from advertisers. TV Prima did however increase its advertising market share in the quarter.

Commercial share of viewing (%) (15+)	Jan-Mar 2009	Oct-Dec 2008	Jan-Mar 2008
TV Prima	19.5	21.1	20.5

The lower share of viewing reflected lower levels of programming spending during the seasonally weaker first quarter sales period. The audience share increased to 21.0% in the first two weeks of April as the Spring schedule was strengthened with additional programming.

New channel Prima COOL was launched after the end of the quarter on 1 April and will boost Prima's overall viewing and market shares moving forward. The new male-targeted entertainment channel is distributed in the digital terrestrial network and through third party cable, satellite and IPTV networks. Local currency operating costs increased slightly year on year due to the costs associated with the new channel launch and despite a reduction in costs for the Prima channel and overall general and administration costs. TV Prima therefore reported SEK 2 (38) million of operating income in the first quarter.

Bulgaria

The Group's free-TV operations in Bulgaria comprise Nova Televizia, which has been consolidated since 16 October 2008, and the Diema family of channels. The operations reported first quarter sales of SEK 105 (20) million. Pro forma combined results for the two businesses for all four quarters of 2007 and 2008 are available from MTG's corporate website at www.mtg.se. Pro forma combined sales declined year on year to EUR 9.6 (12.9) million in the first quarter due to the deterioration in the Bulgarian advertising market.

Commercial share of viewing (%) (18-49)	Jan-Mar 2009	Oct-Dec 2008	Jan-Mar 2008
Nova TV, Diema, Diema 2, Diema Family, MM*	32.6	29.2	29.0

* Pro forma combined audience share to include Nova Televizia prior to consolidation

The combined target audience share increased significantly year on year and quarter on quarter following the success of formats including the 'VIP Big Brother' own production. MTG's Bulgarian channels achieved a peak 24 hour combined commercial share of viewing of 42.1% in the quarter.

Pro forma local currency operating costs were up 29% year on year and reflected increased programming investments to drive audience share, the addition of new sports rights, and the re-launch of Diema 2 during the second half of 2008. The Group's Bulgarian operations therefore reported an operating result of SEK -14 (4) million in the first quarter and a pro forma combined operating result of EUR -1.2 (3.9) million.

Other Operations & Items

Viasat's other Emerging Market free-TV operations comprise Viasat Hungary, TV3 Slovenia and Viasat1 in Ghana in West Africa. The combined businesses reported 9% year on year sales growth to SEK 53 (49) million in the quarter following market share gains in all three territories. Viasat Hungary generated 6% sales growth following an increase in the carriage fees received from cable operators and the revenue contribution of the TV6 channel, which was launched in the first quarter of 2008. TV3 Slovenia sales were up 19% year on year, whilst Viasat1 in Ghana, which was launched in December

2008, is still in the early stages of development and generated less than SEK 1 million of sales in the quarter.

Commercial share of viewing (%)	Jan-Mar 2009	Oct-Dec 2008	Jan-Mar 2008
Hungary (Viasat3 and TV6) (18-49)	8.5	7.7	6.7
Slovenia (TV3) (15-49)	9.7	10.0	7.8

The combined operations reported an operating result of SEK -50 (-19) million in the quarter, which reflected the launch of the new channel in Hungary, programming and marketing investments to drive audience shares in Slovenia and Ghana, and the currency-driven inflation in the Hungarian cost base. The result also included the recurring charge arising from the amortisation relating to Nova Televizia's intangible assets.

Pay-TV Emerging Markets

58% Sales Growth & 18% Operating Margin

(SEK million)	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	220	139	658
Operating income	40	13	106
Operating margin	18%	10%	16%

Viasat's Emerging Markets pay-TV operations comprise the DTH satellite platforms in the Baltics and Ukraine, as well as the 11 Viasat channels that are distributed through third party cable and satellite networks to subscribers in 23 countries across Central and Eastern Europe and the United States.

Sales for the combined pay-TV businesses were up 58% year on year in the first quarter, and up 8% from SEK 203 million in the fourth quarter of 2008.

(000's)	Mar 2009	Dec 2008	Mar 2008
Premium DTH subscribers	214	218	175
Basic DTH subscribers	15	11	5
Mini-pay TV subscriptions	37,740	36,469	27,638

Viasat's Baltic and Ukrainian DTH satellite pay-TV platforms added 39,000 net new premium subscribers year on year, but the combined premium subscriber base declined slightly compared to the fourth quarter of 2008 following increased churn levels on the Baltic platform due to the weak economic environment in the Baltic countries. The wholesale mini-pay business added a further 1.3 million subscriptions during the quarter and more than 10 million subscriptions year on year. The Viasat Sport Baltic channel was launched at the beginning of January, and the Viasat Golf channel is now also available across the Baltic region.

Operating costs increased in line with the scaling of the business and the ongoing investments in the joint venture Ukrainian platform, which was launched in April 2008. Operating profits for the combined operations tripled year on year to SEK 40 (13) million despite the SEK -6 (-) million share in the losses of the Ukrainian platform.

CTC Media

The Group reports its 39.4% share in the earnings of CTC Media with a one quarter time lag, due to the fact that CTC Media reports its consolidated financial results after MTG. The US dollar results of MTG's equity participation in the Company are translated into the Swedish krona reporting currency at the average currency exchange rates for the MTG reporting period.

CTC Media generated 16% year on year net sales growth to USD 187 (162) million in the fourth quarter of 2008, and recurring operating income of USD 93 (85) million with a recurring operating margin of 49% (52%). As indicated above, CTC Media's fourth quarter results were also negatively impacted by a USD 233 million non-recurring non-cash charge arising from the impairment of the intangible assets of Channel 31 in Kazakhstan, DTV Group in Russia, and the broadcasting group in Moldova. CTC Media therefore reported a pre-tax loss of USD -158 (86) million for the fourth quarter of 2008.

MTG's share of the underlying operating results was SEK 379 million, whilst the Group's share in the impairment charge was SEK -454 million. The share in the impairment charge reflected the fact that USD 95.6 million out of the total impairment charge of USD 233 million related to the intangible assets arising from CTC Media's acquisition of DTV Group from MTG in April 2008. MTG's share in these intangible assets has always been eliminated in the Group's consolidated accounts, so the writing-down of these assets by CTC Media has no effect on MTG's results. MTG's total associated company income from CTC Media therefore amounted to SEK -75 (207) million in the first quarter of 2009.

RADIO

<i>(SEK million)</i>	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	159	187	800
Operating income	-4	31	165
Operating margin	-	16%	21%
Associated company income	0	0	5
Total operating income	-5	30	170

The Group's radio operations comprise the leading national commercial networks in Sweden and Norway, as well as local stations in Sweden and the Baltics. Combined sales were down 15% year on year in the first quarter due to the decline in the advertising markets, and the business area reported an operating loss of -5 (30) million.

ONLINE

<i>(SEK million)</i>	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net sales	520	417	1,831
Operating income	4	28	78
Operating margin	1%	7%	4%
Asset impairment charge	-	-	-76
Total operating income	4	28	2

The Online business area comprises MTG Internet Retailing, Bet24 and Playahead. MTG Internet Retailing comprises the CDON.COM, Gymgrossisten.com, Nelly.com, Linus-Lotta.com and Bookplus.fi businesses.

Sales were up 25% year on year in the first quarter. CDON.COM reported 17% sales growth following successful advertising campaigns, which resulted in a continued increase in direct web traffic and particularly strong sales of electronic games. Gymgrossisten.com, which was acquired in the first quarter of 2008, reported 44% year on year sales growth, while Nelly.se tripled its net sales.

The Online business area reported SEK 4 (28) million of operating income, which included SEK 23 million of development and closure costs related to the Viaplay online TV services. Part of the technical investments has been moved to Pay-TV Nordic, in order to enhance the existing online streaming service within Viasat OnDemand.

MODERN STUDIOS

The Modern Studios business area comprises the Group's content production businesses and primarily includes the Strix Television production company. Sales were up 27% year on year to SEK 103 (81) million in the quarter and the business reported a SEK 4 (-5) million operating profit. The results reflected a number of international licensing deals and the reduction of the cost base in line with the ongoing restructuring of the business.

FINANCIAL REVIEW

Cash Flow

The Group's cash flow from operations before changes in working capital amounted to SEK 168 (311) million in the quarter and the Group reported a SEK -297 (-268) million change in working capital for the period, which reflected the usual seasonal fluctuations. The Group therefore reported net cash flow from operations of SEK -129 (43) million in the quarter.

The Group invested SEK 141 (210) million in shares during the first quarter, which primarily comprised the USD 15 million (SEK 122 million) acquisition of the remaining shares in MTG Russia AB and the SEK 16 million acquisition of part of the remaining minorities in Playahead. Group capital expenditure on tangible and intangible assets amounted to SEK 18 (30) million in the quarter, and represented less than 1% of Group revenues for the period.

Cash flow from financing activities totalled SEK 25 (76) million in the first quarter. As at 31 March 2009, SEK 1,629 million of the Group's SEK 3.5 billion multi-currency credit facility and all of the SEK 3.0 billion facility arranged in 2008 had been drawn down, and the Group's total borrowings amounted to SEK 4.7 billion.

The net change in cash and cash equivalents during the period therefore amounted to SEK -264 (-119) million, and the Group's cash and cash equivalents amounted to SEK 697 (399) million at the end of the first quarter, compared to SEK 975 million at the end of 2008.

Net debt position

The Group's net debt position, which is defined as cash and cash equivalents and interest bearing assets less interest bearing liabilities, stood at SEK 3,925 (435) million at the end of the reporting period. This compared to a net debt position of SEK 3,637 million as at 31 December 2008.

Liquid funds

The Group's available liquid funds, including unutilised credit facilities, totalled SEK 2,668 (3,254) million as at 31 March 2009, compared to SEK 2,935 million as at 31 December 2008, and primarily comprised the SEK 1,871 million of undrawn monies on the Group's existing credit facilities.

Holdings in listed companies

The book value of the Group's 39.4% shareholding in associated company CTC Media was SEK 1,756 million at the end of the period, which compared with a public equity market value of SEK 2,267 million as at the close of trading on the last business day of March 2009.

Equity to assets ratio

The Group's equity to assets ratio, which is defined as consolidated equity as a percentage of total assets, was 46% (53%) as at 31 March 2009, compared to 47% as at the end of December 2008.

PARENT COMPANY

Modern Times Group MTG AB is the Group's parent company and is responsible for Group-wide management, administration and finance functions, and also holds shares in the parent companies of the various operating business areas. MTG's financial policy includes the provision of a central cash pool to support its operating companies.

The MTG parent company reported net sales of SEK 15 (19) million in the quarter. Net interest and other financial items totalled SEK -20 (87) million for the period and income before tax amounted to SEK -46 (46) million in the quarter. Cash and cash equivalents at the end of the quarter stood at SEK 135 (4) million, compared to SEK 59 million as at 31 December 2008. SEK 1,971 million of the total available credit facilities of SEK 6,600 million was unutilised as at the end of March 2009.

RISKS AND UNCERTAINTIES

Significant risks and uncertainties exist for the Group and the Parent company, which include the commercial risks related to the expansion into new territories, legislative risks in the various countries in which the Group operates and technology risks. No additional risks are believed to have developed over and above those described in the 2008 Annual Report.

OTHER INFORMATION

This report has been prepared according to the IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Group's consolidated accounts have been prepared according to the same accounting policies that were applied in the preparation of the 2008 Annual Report. In addition, and with effect from 1 January 2009, the Group has applied the amendments to IAS 1 on the Presentation of Financial Statements, with additional information regarding comprehensive income specified as a separate section in the consolidated income statement and changes in equity. Other new or revised IFRS principles and IFRIC interpretations have not had any material effect on the financial position or results of the Group or the Parent company. This report has not been subject to review by the company's auditors.

MTG's financial results for the second quarter and six months ended 30 June 2009 will be published on 22 July 2009.

22 April 2009

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The company will host a conference call today at 15.00 Stockholm local time, 14.00 London local time and 09.00 New York local time.

To participate in the conference call, please dial:

International: +44 (0) 20 7138 0825

Sweden: +46 (0) 8 5352 6439

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The access pin code for the conference is 6332254

To listen to the conference call online, please go to www.mtg.se.

A replay facility will be made available for 7 days after the conference call.

To access the replay, please dial:

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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 free-TV channels in the Czech Republic, Hungary, Slovenia, Bulgaria, Macedonia and Ghana. MTG's TV assets are broadcast in a total of 29 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 Nasdaq OMX Stockholm's Large Cap market ('MTGA' and 'MTGB').

The information in this Interim Report is that which Modern Times Group MTG AB is required to disclose under the Securities Markets Act. This information was released for publication at 13.00 CET on 22 April 2009.

CONDENSED CONSOLIDATED INCOME STATEMENT (MSEK)	2009 Jan-Mar	2008 Jan-Mar	2008 Jan-Dec
Net sales	3,336	3,042	13,166
Cost of goods and services	-2,137	-1,810	-7,802
Gross income	1,199	1,231	5,364
Selling and administrative expenses	-874	-832	-3,361
Other operating revenues and expenses, net	-19	-11	-132
Gain from sale of DTV Group	-	-	1,150
Share of earnings in associated companies	-73	208	651
Operating income (EBIT)	233	596	3,671
Net interest and other financial items	-39	-13	-61
Income before tax	195	583	3,610
Tax	-48	-186	-683
Net income for the period	146	397	2,927
<i>Attributable to:</i>			
Equity holders of the parent	145	387	2,851
Non-controlling interests	2	10	77
Net income for the period	146	397	2,927
Shares outstanding at the end of the period	65,890,375	65,554,540	65,890,375
Basic average number of shares outstanding	65,890,375	66,213,260	65,908,373
Diluted average number of shares outstanding	65,890,375	66,380,913	65,955,478
Basic earnings per share (SEK)	2.19	5.85	43.25
Diluted earnings per share (SEK)	2.19	5.74	42.93
CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE GROUP			
Net income for the period	146	397	2,927
Other comprehensive income			
Currency translation differences	-167	12	1,534
Cash flow hedge	-7	-18	31
Change in minority interests	-	-	6
Revaluation of shares at market value	-	-1	-5
Other	-	-	5
Other comprehensive income for the period, net of tax	-174	-8	1,571
Total comprehensive income for the period	-28	389	4,498
<i>Total comprehensive income attributable to:</i>			
Equity holders of the parent	-21	380	4,422
Non-controlling interests	-7	10	77
Total comprehensive income for the period	-28	389	4,498

CONDENSED STATEMENT OF FINANCIAL POSITION (MSEK)	2009 31 Mar	2008 31 Mar	2008 31 Dec
Non-current assets			
Goodwill	8,809	2,654	8,798
Other intangible assets	1,581	1,123	1,583
Machinery and equipment	342	206	357
Shares and participations	1,803	2,023	1,929
Other financial receivables	250	56	214
	12,786	6,062	12,881
Current assets			
Inventory	2,219	1,751	1,797
Current receivables	3,413	2,964	3,579
Cash, cash equivalents and short-term investments	697	399	975
	6,328	5,115	6,351
Total assets	19,114	11,177	19,232
Shareholders' equity			
Shareholders' equity	8,523	5,737	8,662
Non-controlling interests	312	207	318
	8,835	5,944	8,980
Long-term liabilities			
Interest-bearing liabilities	4,706	6	4,649
Provisions	651	417	612
Non-interest-bearing liabilities	6	2	2
	5,362	425	5,263
Current liabilities			
Interest-bearing liabilities	13	873	56
Non-interest-bearing liabilities	4,903	3,935	4,933
	4,916	4,808	4,989
Total shareholders' equity and liabilities	19,114	11,177	19,232

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (MSEK)	2009 Jan-Mar	2008 Jan-Mar	2008 Jan-Dec
Cash flow from operations	168	311	1,918
Changes in working capital	-297	-268	67
Net cash flow from operations	-129	43	1,985
Proceeds from sales of shares in subsidiaries	-	-	1,948
Investments in shares in subsidiaries and associates	-141	-210	-6,466
Investments in other non-current assets	-18	-30	-156
Other cash flow from investing activities	-	1	0
Cash flow to/from investing activities	-159	-239	-4,674
Net change in loans	29	339	4,201
Dividends to shareholders and share buy-backs	-	-316	-1,300
Other cash flow from/to financing activities	-4	54	205
Net change in cash and cash equivalents for the period	-264	-119	417
Cash and cash equivalents at the beginning of the period	975	521	521
Translation differences in cash and cash equivalents	-14	-2	37
Cash and cash equivalents at end of the period	697	399	975

CONDENSED STATEMENT OF CHANGES IN EQUITY (MSEK)	2009 Jan-Mar	2008 Jan-Mar	2008 Jan-Dec
Opening balance	8,980	5,875	5,875
Other comprehensive income for the period, net of tax	-28	389	4,498
Effect of employee share option programmes	4	-4	-21
Employee options exercised	-	-	82
Change in minority interests	-122	-	-155
Dividends to shareholders	-	-	-983
Share buy-backs	-	-316	-316
Closing balance	8,835	5,944	8,980

CONDENSED INCOME STATEMENT (MSEK)			
PARENT COMPANY	2009	2008	2008
	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	15	19	68
Gross income	15	19	68
Selling and administrative expenses	-41	-60	-219
Operating income (EBIT)	-26	-41	-150
Net interest and other financial items	-20	87	178
Income before tax	-46	46	27
Tax	12	0	-36
Net income for the period	-34	46	-8

CONDENSED STATEMENT OF FINANCIAL POSITION			
PARENT COMPANY (MSEK)	2009	2008	2008
	Jan-Mar	Jan-Mar	Jan-Dec
Non-current assets			
Other intangible assets	0	1	0
Shares and participations	3,707	437	3,708
Other financial receivables	12,539	1,843	12,475
	16,246	2,281	16,183
Current assets			
Current receivables	104	8,648	371
Cash, cash equivalents and short-term investments	135	4	59
	240	8,652	430
Total assets	16,486	10,933	16,613
Shareholders' equity			
Shareholders' equity	7,962	9,387	8,093
Long-term liabilities			
Interest-bearing liabilities	4,613	-	7,183
Provisions	8	22	8
	4,620	22	7,190
Current liabilities			
Other interest-bearing liabilities	3,100	750	-
Non-interest-bearing liabilities	804	774	1,330
	3,904	1,524	1,330
Total shareholders' equity and liabilities	16,486	10,933	16,613

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NET SALES (MSEK)	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FULL YEAR 2008	Q1 2009
Free-TV Scandinavia	828.2	971.3	804.5	1,082.9	3,686.9	886.0
Pay-TV Nordic	958.9	972.7	987.1	1,015.7	3,934.4	1,068.9
Free-TV Emerging Markets	423.3	585.5	386.6	754.3	2,149.8	464.1
- <i>Baltics</i>	131.0	176.2	115.2	191.0	613.4	96.8
- <i>Czech Republic</i>	223.4	284.4	195.1	342.6	1,045.5	208.9
- <i>Bulgaria</i>	20.1	49.3	20.9	144.2	234.5	105.3
- <i>Other operations & items</i>	48.7	75.7	55.4	76.6	256.4	53.1
Pay-TV Emerging Markets	139.5	148.1	167.5	202.8	657.9	220.1
<i>Other & eliminations related to Viasat Broadcasting</i>	-42.7	-32.6	-38.2	-37.4	-150.9	-40.4
Total Viasat Broadcasting business area	2,307.2	2,645.1	2,307.5	3,018.4	10,278.1	2,598.6
Radio	187.5	221.0	195.9	195.9	800.3	159.4
Online	417.5	411.5	420.2	582.0	1,831.2	519.9
Modern Studios	81.4	70.1	96.2	125.1	372.8	103.4
Total operating business areas	2,993.5	3,347.6	3,019.8	3,921.4	13,282.3	3,381.3
Parent company & holding companies	41.8	44.9	42.6	44.9	174.2	45.6
Eliminations	-88.1	-92.7	-102.8	-121.0	-404.6	-90.6
TOTAL ONGOING OPERATIONS	2,947.3	3,299.8	2,959.5	3,845.4	13,052.0	3,336.3
DTV Group	94.5	18.6	0.6	0.0	113.7	-
GROUP TOTAL	3,041.8	3,318.4	2,960.1	3,845.4	13,165.7	3,336.3

OPERATING INCOME (EBIT) (MSEK)	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FULL YEAR 2008	Q1 2009
Free-TV Scandinavia	146.4	245.0	172.9	244.4	808.6	202.8
Pay-TV Nordic	162.2	158.0	172.2	199.8	692.2	174.4
Free-TV Emerging Markets	46.2	85.0	25.0	135.7	291.8	-74.4
- <i>Baltics</i>	23.4	55.6	12.1	60.4	151.5	-12.8
- <i>Czech Republic</i>	37.9	24.8	13.5	83.5	159.7	2.2
- <i>Bulgaria</i>	3.5	8.0	-1.0	11.8	22.3	-13.5
- <i>Other operations & items</i>	-18.7	-3.3	0.5	-20.1	-41.7	-50.2
Pay-TV Emerging Markets	13.5	24.8	17.2	50.3	105.7	40.4
Associated company CTC Media	206.9	131.6	173.3	117.3	629.0	379.3
Asset impairment charge	-	-	-	-	-	-454.0
Total	206.9	131.6	173.3	117.3	629.0	-74.7
<i>Viasat Broadcasting central operations</i>	4.5	12.8	8.5	-11.6	14.2	2.5
Total Viasat Broadcasting business area	579.6	657.1	569.1	735.8	2,541.6	271.0
Radio	30.5	52.0	44.5	37.7	164.8	-4.2
Associated companies	-0.2	6.3	0.1	-1.2	4.9	-0.4
Total	30.3	58.3	44.6	36.5	169.7	-4.6
Online	27.6	16.5	14.6	19.8	78.5	4.4
Asset impairment charge	-	-76.4	-	-	-76.4	-
Total	27.6	-60.0	14.6	19.8	2.0	4.4
Modern Studios	-5.4	-7.4	-5.8	12.4	-6.3	3.8
Total operating business areas	632.1	648.0	622.6	804.5	2,707.1	274.6
Group central operations	-53.0	-56.7	-40.2	-58.3	-208.2	-41.1
TOTAL ONGOING OPERATIONS	579.1	591.3	582.4	746.2	2,498.9	233.4
DTV Group	16.8	1,164.3	-8.5	0.0	1,172.5	-
GROUP TOTAL	595.8	1,755.6	573.9	746.2	3,671.4	233.4

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KEY PERFORMANCE INDICATORS	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FULL YEAR 2008	Q1 2009
GROUP						
Year on year sales growth (%)	15.7	16.7	13.3	17.7	16.0	9.7
Year on year change in operating costs (%)	14.2	17.4	7.2	17.8	15.3	14.1
Operating margin (%)	19.6	19.9	19.4	19.5	19.8	7.0
Return on capital employed (%)	35	35	36	31		22
Return on equity (%)	27	28	28	26		20
Equity to assets ratio (%)	53	59	60	47		46
Liquid funds (incl unutilised credit facilities), SEK million	3,254	4,394	5,686	2,935		2,668
Net debt (SEK million)	435	-1,675	-2,087	3,637		3,925
Subscriber data ('000s)						
Group total digital subscribers	1,015	1,006	1,017	1,052		1,051
Group total premium subscribers	927	918	933	972		974
FREE-TV SCANDINAVIA						
Year on year sales growth (%)	13.3	15.7	16.6	8.7	13.2	7.0
Year on year change in operating costs (%)	8.8	8.7	7.2	10.5	8.9	0.2
Operating margin (%)	18.7	25.4	22.4	23.8	22.8	22.9
Commercial share of viewing (15-49) (%)						
Sweden (TV3, TV6, TV8, ZTV)	32.7	34.2	38.8	33.1	34.5	33.2
Norway (TV3, Viasat4)	20.4	23.0	25.6	25.9	23.7	26.4
Denmark (TV3, TV3+, TV3 PULS)	21.3	22.7	21.4	22.3	22.0	20.3
Penetration (%)						
TV3 Sweden	83	85	85	86		86
TV6 Sweden	84	85	85	86		86
TV8 Sweden	57	57	57	63		64
TV3 Norway	66	79	82	85		87
Viasat4 Norway	44	57	59	62		62
TV3 Denmark	66	65	65	65		67
TV3+ Denmark	65	64	64	63		63
PAY-TV NORDIC						
Year on year sales growth (%)	11.2	12.6	10.7	10.2	11.2	11.5
Year on year change in operating costs (%)	12.2	15.1	10.8	9.4	11.8	12.3
Operating margin (%)	16.1	16.3	16.9	18.6	17.0	16.3
Subscriber data ('000s)						
Premium subscribers	752	739	740	754		760
- of which, DTH satellite	703	688	679	676		666
- of which, IPTV	50	51	61	78		94
Basic DTH subscribers	83	82	76	69		62
Premium ARPU (SEK)	3,790	3,900	4,003	4,097		4,325
FREE-TV EMERGING MARKETS						
Year on year sales growth (%)	27.2	33.6	20.3	37.9	31.1	9.6
Year on year change in operating costs (%)	256.2	159.6	151.6	96.8	145.5	42.8
Operating margin (%)	10.9	14.5	6.5	18.0	13.6	N.A.
Commercial share of viewing (%)						
Estonia (15-49)	46.9	44.5	42.3	40.2	43.5	38.3
Latvia (15-49)	36.9	36.4	34.6	36.7	36.2	34.3
Lithuania (15-49)	38.9	39.9	41.8	41.0	40.3	39.6
Hungary (18-49)	6.7	7.2	7.6	7.7	7.3	8.5
Czech Republic(15+)	20.5	20.8	22.6	21.1	21.2	19.5
Slovenia (15-49)	7.8	12.1	9.3	10.0	9.7	9.7
Bulgaria (18-49) ¹	29.0	27.3	25.8	29.2	28.0	32.6
PAY-TV EMERGING MARKETS						
Year on year sales growth (%)	68.2	48.4	45.6	70.3	57.8	57.8
Year on year change in operating costs (%)	75.9	42.3	53.2	29.8	47.6	42.6
Operating margin (%)	9.7	16.7	10.3	24.8	16.1	18.4
Subscriber data ('000s)						
Premium DTH subscribers ²	175	179	193	218		214
Basic DTH subscribers ²	5	7	8	11		15
Mini-pay subscriptions	27,638	30,202	33,208	36,469		37,740
ASSOCIATED COMPANY CTC MEDIA						
Share of viewing						
CTC Russia (6-54)	11.4	11.6	12.0	12.3	11.8	11.4
Domashny Russia (females 25 - 60)	2.9	2.7	2.8	2.8	2.8	2.6
DTV Russia (25-54)	2.3	1.9	2.1	2.3	2.1	2.2
Channel 31 Kazakhstan (6-54)	7.5	13.3	16.6	16.6	13.4	13.1

¹ Pro forma for the combined Diema and Nova channels

² Includes Ukraine from Q4 2008