



Russian Mass Media law amended

The proposed amendments to the Russian Mass Media law have now become law following their signature by the Russian President. The amendments reduce the permitted level of aggregate foreign ownership of Russian mass media from 50% direct ownership to 20% direct or indirect ownership, and apply to both existing and future ownership structures. The legislation will come into force from 1 January 2016, with Russian owners holding through off-shore holding structures having until January 2017 to comply.

This change affects Russia's leading independent media company, CTC Media Inc., of which MTG owns 37.9%, because it is a US registered and listed corporation that directly or indirectly owns 100% of the shares of a series of Russian legal entities that operate primarily broadcast media entertainment businesses in Russia. The change also affects MTG's ownership of its own entertainment channels that are available on a wide range of Russian cable and satellite TV networks, and its shareholding in the Raduga TV satellite platform.

Please see today's announcement from CTC Media (www.ctcmedia.ru/) regarding the change in legislation and the actions being taken by CTC Media. MTG is also working independently with its own financial and legal advisers to decide on what actions will be taken regarding its Russian holdings and operations, and is consulting with other international media owners and investors that are affected by this legislation.

“This is obviously a complex situation and we are working closely with local management and our advisers to review the various options available to us moving forward. It is too early to come with a solution for each of the affected businesses, but we are looking at a range of potential outcomes. We have built up these entertainment businesses over 20 years and the channels are some of the most watched in Russia, so we will do all that we can to preserve the interests of all of our stakeholders.”

Jørgen Madsen Lindemann, MTG President and CEO

Any questions?

www.mtg.com

Facebook: [facebook.com/MTGAB](https://www.facebook.com/MTGAB)

Twitter: @mtgab

press@mtg.com (or Per Lorentz +46 73 699 27)

investors@mtg.com (or Stefan Lycke +46 73 699 27 14)

MTG (Modern Times Group MTG AB (publ.)) is an international entertainment group. Our operations span six continents and include TV channels and platforms, online services, content production businesses and radio stations. We are also the largest shareholder in CTC Media, which is Russia's leading independent media company. Our shares are listed on Nasdaq OMX Stockholm ('MTGA' and 'MTGB').

The information in this announcement is that which MTG is required to disclose according to the Securities Market Act and/or the Financial Instruments Trading Act, and was released at 17.15 CET on 15 October 2014.