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PRESS RELEASE

14 December 2007

Recommended Cash Offer for Gymgrossisten Nordic AB (publ)

Modern Times Group MTG AB (publ) ("MTG"), the international entertainment broadcasting group, today announced, through the wholly-owned subsidiary CDON AB ("CDON"), a recommended offer for the entire outstanding share capital of Gymgrossisten Nordic AB (publ) ("Gymgrossisten" or the "Company"). CDON is offering SEK 33.10 per Gymgrossisten share in cash (the "Offer"). Gymgrossisten's shares are traded on First North under the symbol "GYM".

The Board of Directors of Gymgrossisten unanimously recommends that Gymgrossisten's shareholders accept the Offer. Shareholders representing 77.7 per cent of Gymgrossisten's total outstanding share capital and voting rights have entered into irrevocable undertakings with CDON to sell their shares under the Offer.

The Offer in Brief - *This summary should be read in conjunction with the full text of this press release*

- The Offer price is SEK 33.10 in cash per Gymgrossisten share
- The Offer represents a premium of 37.6 per cent to the volume weighted average price of SEK 24 for the Gymgrossisten share during ten trading days prior to the announcement of the Offer
- The total value of the Offer amounts to approximately SEK 195.6 million
- The Gymgrossisten Board of Directors unanimously recommends the Company's shareholders to accept the Offer, supported by a Fairness Opinion issued by Swedbank
- Shareholders representing 77.7 per cent of the Company's share capital and voting rights have entered into irrevocable undertakings with CDON to sell their shares under the Offer
- The acceptance period for the Offer is expected to commence on 21 December 2007 and to end on 18 January 2008, with settlement taking place as soon thereafter as possible



Background and Rationale

CDON.COM is an e-commerce business, which was launched in 1999 and has grown consistently over the past eight years. CDON reported revenue of SEK 740 million, and SEK 55 million of operating income (earnings before interest and taxes), for the twelve months ended 31 December 2006. The CDON.COM Internet site currently attracts a total of approximately four million monthly visitors, of which two million are unique visitors. CDON is active across the Nordic markets and sells entertainment products such as CDs, DVDs, games, consumer electronics, and digitally downloadable products such as on demand video and music.

Gymgrossisten was established in 1996 and has built a leading position in the Swedish market for dietary supplement products, primarily via the Internet but also via franchise stores. Gymgrossisten reported a 24% growth in revenues to SEK 81.9 (66.1) million for the first nine months of 2007. Operating profit for the period increased by 21% to SEK 13.5 (11.2) million. The Company reported revenues of SEK 86.9 million and an operating profit of SEK 13.3 million for the full year 2006.

The number of customers is approximately 115,000. The Company has built up its "Star Nutrition" branded product range, and acquired Bodystore, which is the Swedish market leader for the sale of nutritional products over the Internet, in July 2007.

CDON has a stated strategy to expand into additional product segments. As part of this strategy, it acquired online fashion retailer Nelly.se in September 2007. Nelly.se is a Swedish fashion site with a current focus on a younger female target group. The acquisition of Gymgrossisten will enable CDON to enter the large and fast growing online health and sports product market in Sweden. Gymgrossisten and Bodystore are two companies, which CDON intends to rapidly develop through the expansion of the product range and geographic market presence. CDON has a pan-Nordic logistics and marketing organisation, which will facilitate a rapid and cost efficient pan-Nordic expansion of Gymgrossisten and Bodystore. CDON's customer base of over 1.5 million active customers is also expected to further leverage the combined entity's sales.

"An acquisition of Gymgrossisten is a natural next step in our strategy to expand our business into new high growth market segments. Gymgrossisten targets similar demographic groups as CDON and other MTG companies, which will create additional benefits of scale and synergy. CDON's experience from strong growth will be very beneficial to Gymgrossisten and Bodystore in their own future growth on the Nordic markets" commented Mikael Olander, CEO of CDON AB.

"As the CEO of Gymgrossisten, I am proud of what we have achieved and that this has been noticed by MTG, one of the largest media companies in the Nordic region. I see significant potential in the combination of the Gymgrossisten and CDON businesses to create exciting opportunities for our customers, employees and business partners" said David Frykman, CEO of Gymgrossisten Nordic AB.

CDON attributes great value to the work performed by the Gymgrossisten management team and employees, and intends to continue to maintain the high standard of employee relations within Gymgrossisten. The management and employees of Gymgrossisten will continue to play an instrumental role in the future success of the combined business.



The Offer

CDON offers SEK 33.10 in cash for each share in Gymgrossisten.¹ No commission will be charged. Gymgrossisten's shares are traded on First North under the symbol "GYM".

The Offer represents:

- a premium of 31.3 per cent compared to the closing price of SEK 25.2 for the Gymgrossisten share on 13 December 2007, being the last trading day before the announcement of the Offer;
- a premium of 37.6 per cent compared to the volume weighted average price of SEK 24 for the Gymgrossisten share during the ten trading days preceding the announcement of the Offer (30 November 2007 – 13 December 2007); and
- a premium of 35.7 per cent compared to the volume weighted average price of SEK 24.4 for the Gymgrossisten share during the 30 trading days preceding the announcement of the Offer (2 November 2007 – 13 December 2007).

The total value of the Offer amounts to approximately SEK 195.6 million.²

The Offer will be financed by existing cash funds and credit facilities available within MTG. MTG has committed to provide necessary financing to carry out the Offer.

Neither MTG nor CDON currently hold any shares in the Company.

Undertakings to Accept the Offer

Franka Industrier AB, Kramerica Industries AB, Redrio Network AB, ABE Brazil Investment Company Ltd., Tafica Ltd., Daniel Soussan AB, Nicklas Storåkers, PA Brazil Holding B.V., Peter Westberg, Ulf Bergström and Iwojima AB, in aggregate representing 77.7 per cent of the share capital and voting rights in Gymgrossisten, have irrevocably committed to accept the Offer. These irrevocable commitments are conditional upon no other party announcing an offer to acquire all the shares in Gymgrossisten to a price exceeding the price in the Offer by 20 per cent and on CDON deciding not to match the competing offer (i.e. to offer a price equal to or exceeding the price in the competing offer) within one week from the announcement of the competing offer.

Recommendation by the Board of Directors of Gymgrossisten

Pursuant to a separate press release issued today, the Board of Directors of Gymgrossisten unanimously recommends the shareholders to accept the Offer, supported by a Fairness Opinion issued by Swedbank.

¹ The offer price is subject to adjustment should Gymgrossisten pay any dividend or make any other value transfer prior to the settlement of the Offer and will accordingly be reduced by the amount per share of any such dividend or value transfer.

² Based on 5,910,000 outstanding shares in Gymgrossisten.



Conditions for Completion of the Offer

Completion of the Offer is conditional upon the fulfilment of the following conditions:

1. that the Offer is accepted to the extent that CDON becomes the owner of more than 90 per cent of the total number of shares in Gymgrossisten on a fully diluted basis;
2. that no other party announces an offer to acquire shares in Gymgrossisten on terms which are more favourable than the terms of the Offer for the holders of shares in Gymgrossisten;
3. that, with respect to the Offer and the acquisition of Gymgrossisten, all necessary regulatory, governmental or similar clearances, approvals and decisions from relevant authorities and bodies in Sweden and elsewhere have been received, in each case on terms which, in CDON's opinion, are acceptable;
4. that, save as publicly announced by Gymgrossisten prior to the date the Offer was announced, or as otherwise disclosed in writing to CDON prior to that date, CDON does not discover that any information publicly disclosed by Gymgrossisten or otherwise made available to CDON is materially inaccurate or misleading or that any material information which should have been publicly disclosed by Gymgrossisten has not been so disclosed or otherwise disclosed in writing to CDON prior to the date the Offer was announced;
5. that neither the Offer nor the acquisition of Gymgrossisten is wholly or partly prevented or materially adversely affected by any legislation or other regulation, court decision, authority decision, action by third party or similar circumstance, which is actual or could reasonably be anticipated, outside the control of CDON and which CDON could not reasonably have known or anticipated at the time of the announcement of the Offer;
6. that, save as publicly announced by Gymgrossisten prior to the date the Offer was announced or as otherwise disclosed in writing to CDON prior to that date, there is no event or circumstance and no event or circumstance occurs or becomes known on or after that date, which has or can reasonably be expected to have a material adverse effect upon Gymgrossisten's sales, results, liquidity, equity or assets; and
7. that Gymgrossisten does not take any measures that would or are meant to adversely affect the prerequisites for the Offer or the execution thereof.

CDON reserves the right to withdraw the Offer in the event that it is clear that any of the above conditions is not fulfilled or cannot be fulfilled. However, with regard to conditions 3-7, such withdrawal will only be made provided that the non-fulfilment of such condition is of material importance to CDON's acquisition of the shares in Gymgrossisten.



CDON reserves the right to waive, in whole or in part, any or all of the conditions above, including, with respect to condition 1 above, to complete the Offer at a lower level of acceptance.

Due Diligence Review

CDON with Gymgrossisten's Board of Directors' consent, conducted a limited due diligence review of certain business, financial and legal information relating to Gymgrossisten.

Indicative Timetable

A Swedish language offer document describing the Offer is expected to be made public on or around 18 December 2007 and be distributed to the shareholders of Gymgrossisten in connection therewith, together with an acceptance form. An English language acceptance form will also be made available and can be ordered by calling Nordea at +46 8 21 27 67 once the acceptance period has started. The acceptance period for the Offer is expected to commence on 21 December 2007 and end on 18 January 2008. Settlement will begin as soon as possible thereafter. CDON reserves the right to extend the acceptance period as well as to defer the date of settlement.

Compulsory Acquisition and Cease of Trading of the Gymgrossisten Share

As soon as possible following CDON's acquisition of shares representing more than 90 per cent of the shares in Gymgrossisten, CDON intends to initiate compulsory acquisition of the remaining outstanding shares in Gymgrossisten. In connection herewith, CDON intends to act with the purpose so that the trading of Gymgrossisten's shares on First North ceases.

Applicable Law and Disputes etc.

The Offer, as well as the agreements entered into between CDON and the shareholders of Gymgrossisten as a result of the Offer, shall be governed by and construed in accordance with substantive Swedish law. Disputes relating to the Offer shall be subject to the exclusive jurisdiction of the Swedish courts, of which the Stockholm City Court shall be the court of first instance.

As the shares of Gymgrossisten are not formally listed on a stock exchange or an authorised market place, the Offer is not subject to the Swedish Act on Public Takeover Offers (Sw. lagen om offentliga uppköpserbjudanden på aktiemarknaden, 2006:451). Thus, the Offer does not constitute such a takeover offer that is referred to in the act. With regard to First North, where Gymgrossisten's share is traded, no rules concerning takeover offers corresponding to the rules regarding takeover offers to acquire companies listed on e.g. OMX Nordic Exchange have been stipulated. Nevertheless, it is the intention of CDON to, in all material respects, complete the Offer according to the aforementioned rules.

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The Offer is not being made, directly or indirectly, in or into the United States of America, Australia, Canada, Japan or South Africa, by use of mail or any other means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex, telephone and the Internet) of interstate or foreign commerce, or of any facility of national security exchange, of the United States of America, Australia, Canada, Japan or South Africa, and the Offer cannot be accepted by any such use, means, instrumentality or facility of, or from within, the United States of America, Australia, Canada, Japan or South Africa.

Statements in this press release relating to future status or circumstances, including statements regarding future performance, growth and other trend projections and the other benefits of the Offer, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as “anticipates”, “intends”, “expects”, “believes”, or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of CDON and Gymgrossisten, including the effect of changes in general economic conditions, the level of interest rates, fluctuations in product demand, competition, technological change, employee relations, planning and property regulations, natural disasters and the potential need for increased capital expenditure (such as that resulting from increased demand, new business opportunities and deployment of new technologies).

Advisers

CDON has retained Nordea Corporate Finance as financial adviser and Gernandt & Danielsson Advokatbyrå as legal adviser in connection with the Offer.

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CDON in Brief

CDON.COM is one of the largest and fastest growing Internet-based stores in the Nordic region. The company is the market leader within entertainment and sells movies, music, games, books, and consumer electronics to its' 1.5 million customers. In 2006, CDON.COM had revenue of SEK 740 million and the average annual growth rate has been over 70 per cent since 2000.

In August 2007, CDON.COM entered the fashion industry by acquiring the Internet store Nelly.se. Nelly.se was established in 2003 and has since then grown into one of Sweden's leading online fashion retailers. This was the first step, which is part of an expansion strategy of seeking future growth areas within e-commerce.



CDON.COM is owned by CDON AB (company reg. number: 556406-1702) and is a part of the listed media group Modern Times Group MTG AB (publ).

For further information, visit www.cdon.com.

MTG in Brief

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-to-air and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Russia, Hungary, Slovenia and the Balkans. Viasat channels are broadcast in a total of 24 countries and reach 100 million people. MTG is also the biggest shareholder in Russia's largest independent television network (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'). For further information, visit www.mtg.se.

Gymgrossisten in Brief

Gymgrossisten manufactures, distributes, markets and sells dietary supplements, helping people to achieve their goals regarding health and training. The Company has had a strong development since its' establishment in 1996 and, through the Internet stores www.gymgrossisten.com, www.bodystore.se and www.kosttraining.com, Gymgrossisten is one of the largest suppliers in the Nordic region within the this segment. The yearly growth amounts to approximately 36 per cent and Gymgrossisten has recorded a profit every financial year. During the period January – September 2007 the revenue amounted to SEK 81.9 million (66.1). The number of full time employees as of September 30, 2007 amounted to 20.

Gymgrossisten Nordic's shares have been traded on First North under the symbol "GYM" since December 7, 2006. A round lot amounts to 200 shares.

For further information, visit www.gymgrossisten.com.

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 08.50 CET on 14 December, 2007.