



MTG invests in world's largest esports company ESL

MTG has signed an agreement to acquire 74% of Turtle Entertainment, the world's largest esports company that operates under the well-known ESL brand (www.eslgaming.com) with revenues growing at 50% per year. Esports is one of the largest and fastest growing online video entertainment categories; a key driver of the growth of the gaming industry; and set to attract a global audience of 260 million unique online viewers in 2015. ESL creates some of the most popular and high quality esports properties, and this content attracts large audiences of young players and fans with unparalleled engagement levels.

This investment is in line with MTG's strategy to complement its linear and on-demand video entertainment services by investing in fast growing digital companies with relevant and scalable communities and content. It also reflects MTG's long and successful track record of building TV and online audiences for leading international sports brands. Furthermore, MTG is already present in the esports market with its Viagame.com platform and has broadcast coverage of esports on its TV channels.

The 74% stake is being acquired from financial investors and the company's founders for EUR 78 million in cash. The founders and management will retain the remaining 26% and continue in their current positions. Closing of the transaction is subject to local regulatory approvals, and MTG will report approximately SEK 20 million of costs related to this transaction in its second quarter results.

ESL's online leagues and tournaments, such as ESL One and Intel® Extreme Masters, are among the biggest in the world, and have attracted more than 70 million unique online viewers over the past 12 months. They feature top international teams and star players competing in the most popular games. ESL's 16,000 hours of live content are made available on Twitch (the biggest online games streaming platform), YouTube and other platforms. See [here](#) and [here](#) for video links. Two thirds of esports viewers are between 10 and 35 years old, and 58% of Twitch users already watch more than 20 hours of esports every week. With almost 50% of monthly views, video gaming is also the most watched YouTube category in MTG's territories.

Working closely with all the major games publishers and developers, the majority of Turtle's revenues come from advertising and sponsorship for its events, online league operations and broadcast media rights. Turtle also sells merchandise, event tickets and subscriptions. Turtle is expected to grow its revenues by 50% to approximately EUR 50 million in 2015, and report an EBIT profit. Established in 2000 and based in Cologne (Germany), Turtle employs over 300 people in 9 offices around the world.

“ At MTG, we love sports and we love sports fans. Our TV channels and platforms are home to the world's leading sports brands, and are watched by typically young audiences. Esports is fast becoming one of the most

watched and passionately followed global sports categories amongst younger audiences. There are now almost as many gamers in the world as traditional sports fans, and esports was almost as big as ice hockey in 2014 in terms of number of enthusiasts. However, the average revenue generated per esports enthusiast in 2014 was just over USD 2, compared to USD 56 for traditional sports fans, so this global phenomenon has tremendous potential.

This investment is a key milestone in our digital development. We look forward to working with the talented Turtle team to grow the global esports community, and to make this exciting content even more broadly available online and on TV.”

Jørgen Madsen Lindemann, MTG President and CEO

“When we founded ESL 15 years ago, our goal was to bring esports to fans all around the world and establish it as a global sport. Today, esports enjoys worldwide recognition and now, together with MTG, it is time to take esports to the next level.

We are excited to partner with MTG, who share our enthusiasm for the sport and bring an entrepreneurial commitment to help make this dream come true. MTG’s extensive operational network in over 100 countries and broadcast sports experience will help us bring ESL and esports to many more places around the world, while allowing us to continue expanding on strong, strategic local partnerships. The ESL leadership team could not be more excited about accelerating the development of the entire esports industry together with MTG for years to come.”

Ralf Reichert, Managing Director of Turtle Entertainment

Presentation materials and photos will be available from www.mtg.com and MTG will host an open conference call today at 09.00 CET. To join the call, please dial:

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Any questions?

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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 08.00 CET on 1 July 2015.