



FOR IMMEDIATE RELEASE

21 October 2010

MTG EGM APPROVES DISTRIBUTION AND LISTING OF CDON GROUP SHARES

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that the Extraordinary General Meeting of MTG shareholders ('EGM'), which was held today in Stockholm, voted to approve the proposed distribution of all of the shares in MTG's wholly-owned subsidiary CDON Group AB ("CDON Group") to MTG shareholders.

MTG shareholders will receive one share in CDON Group for each MTG class A and/or class B share that they hold. MTG class C shareholders are not entitled to dividend. The dividend will be equivalent to a maximum of SEK 4.89064 per class A and class B share and the dividend will reduce MTG's non-restricted equity by a maximum of SEK 323,637,004, based on the maximum potential number of shares outstanding as the record date.

MTG's Board of Directors was authorised by the EGM to set the record date for the dividend.

There are a total of 67,110,122 outstanding MTG shares, of which 6,636,813 are Class A shares, 59,408,309 are Class B shares and 1,065,000 are Class C shares. The shares together correspond to a total of 126,841,439 votes, with each class A share entitling the holder to 10 votes and each class B share entitling the holder to one vote. MTG holds all of the 1,065,000 Class C shares in issue, which were not represented or voted at the EGM.

An Extraordinary General Meeting in CDON Group, held on 24 September 2010, resolved to carry out a set-off share issue, by which MTG has subscribed to a total of 65,545,122 shares in CDON Group, at a price of SEK 3.646 per share (the "Share Issue"). Payment for the shares has been made through a SEK 239,000,000 set-off of MTG's receivable on CDON Group. The share capital of CDON Group has increased to SEK 132,090,244 through the Share Issue, and CDON Group now has a total of 66,045,122 issued shares.

The dividend of CDON Group shares is conditional upon the registration of the Share Issue in CDON Group with the Swedish Companies Registration Office; the approval for listing of the company's shares by Nasdaq OMX Stockholm; and the review and approval of the related prospectus by the Swedish Financial Supervisory Authority not later than 28 February 2011. The intention is that the CDON Group shares be listed and commence trading on Nasdaq OMX Stockholm after the dividend has been made.

ABOUT CDON GROUP

CDON Group comprises all of MTG's internet retailing operations and is expected to be spun-off from MTG by means of a demerger and distribution of CDON Group shares to MTG shareholders in the fourth quarter of 2010.

MTG's internet retailing business was launched in February 1999 with the introduction of CDON.COM, which initially sold music CDs via internet sites in Sweden, Norway and Denmark. CDON.COM is now the number one online retailer of entertainment products in the Nordic region, with a broad offering of DVDs, computer games, CDs books and electronic products, as well as music downloads and on-demand film streaming services. Finnish internet book retailer BookPlus.fi was acquired in 2007 and Swedish online toy retailer Lekmer.se was acquired in April 2010.

CDON Group's Fashion business was established in 2007 with the acquisition of fashion retailer Nelly.com and children's clothing retailer LinusLotta.com, whilst shoe retailer Heppo.com was launched on 31 August 2010. The Sports & Health business was established in 2008 with the acquisition of nutritional supplement retailer Gymgrossisten.com and dietary and health supplement retailer Bodystore.com.

CDON Group reported a 27% year on year sales growth to SEK 1.441 (1,131) million in the first nine months of 2010. Operating income increased by 31% year on year to SEK 97 (75) million in the first nine months of 2010, with a stable operating margin of 7% (7%).

Mikael Olander has been President and Chief Executive Officer of CDON since 2000, and of CDON Group (previously MTG Internet Retailing) since it was established in 2007.

Please visit www.mtg.se or www.cdongroup.com for further information about CDON Group and its businesses.

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Modern Times Group MTG AB

Modern Times Group is a leading international entertainment broadcasting group with the largest geographical broadcast footprint in Europe. MTG's Viasat Broadcasting is the leading free-TV and pay-TV operator in Scandinavia and the Baltics, and has broadcasting operations in Bulgaria, Czech Republic, Hungary, Slovenia, Russia, Ukraine and Ghana. Viasat's free-TV and pay-TV channels and pay-TV platforms attract a total of 125 million viewers in 31 countries. MTG is also the major shareholder in Russia's largest independent television broadcaster (CTC Media – Nasdaq: CTCM), and the number one commercial radio operator and internet retailer of entertainment products in the Nordic region.

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 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 17.00 CET on 21 October 2010.