



FOR IMMEDIATE RELEASE

17 May 2001

## MTG COMPLETES SWITCH TO DIGITAL TV

**Modern Times Group MTG AB, the international media group, today announced that it has now closed down the analogue satellite broadcasting signal for its 'Pay' TV channels. MTG's Viasat Broadcasting business is the first satellite TV operator to close down its analogue signal and is now the largest digital TV operator in the Nordic territories with over 400,000 subscribers.**

The switch from analogue to digital TV is expected to produce SEK 200 million in annual cost savings for the Group. Viasat has now closed down 7 analogue transponders, which have been replaced by digital transmission. This saving will enable MTG to pay back the cost of providing free TV set-top decoders to Viasat's premium customers within 2 years.

MTG commenced the transition to digital TV in October 2000 and, in addition to the conversion of Viasat premium subscribers, over 125,000 new subscribers had signed up for digital TV services by the end of March 2001. 85% of these new subscribers have opted for the premium 'Viasat Gold' package. New subscribers are offered a package of a TV set-top decoder, a satellite dish and a 12 or 24-month subscription at a fixed price.

Viasat had a total 'Pay' TV subscriber base of 1,096,000 cardholders at the end of the first quarter of 2001 in the Nordic countries. The majority of the non-premium package subscribers received the basic package of two channels, which are also provided free-to-air. Analogue transmission of these channels will continue as before. MTG also provides its own-produced TV channels to cable and SMATV subscribers through 3<sup>rd</sup> party networks.

Hans Holger Albrecht, President and CEO, commented: "We were the last of the broadcasters to begin the digital transition and yet we are the first to be able to switch off analogue for our 'Pay' TV customers. This is because we waited for the demand for digital services from our customers to rise, and for the technology costs associated with the switch to fall. This delay has been rewarded by rapid customer take-up and a pay back time on our investment of 2 years."

"As a vertically integrated media company, we have the ability to deliver a rich mix of own-produced and 3<sup>rd</sup> party content through a range of digital media including TV, wireless telephony, and the internet. We have pioneered a number of interactive services that are being rolled out to our subscribers. These new services will both drive revenue growth as well as providing new opportunities for advertisers."

Viasat's interactive TV platform is called Everyday.TV and will enable subscribers to access email services, an electronic programme guide, information services, chat functions, 31 TV entertainment

channels including multiplexed movies and sports coverage, 'pay-per-view' events such as Swedish premier league football matches, and 13 radio channels.

Viasat broadcasting accounted for 64.3% of MTG's net sales of SEK 1,508 million in the first quarter of 2001.

For further information, please visit [www.mtg.se](http://www.mtg.se), send an email to [info@mtg.se](mailto:info@mtg.se), or contact:

**Hans-Holger Albrecht, President & CEO**  
**Communications Director**

**tel: +46 (0) 8 562 000 50**  
**tel: +44 (0) 20 7321 5010**

*Modern Times Group MTG AB has seven business areas: Viasat Broadcasting (free-to-air and pay TV channels in nine countries), Radio (seven networks in five countries), New Media (the Everyday interactive TV portal, Internet portal, Mobile portal, and teletext services), Publishing (financial news and information services), Modern Interactive (home shopping, e-commerce, and logistics), SDI Media (subtitling and dubbing services), and Modern Studios (content production and library).*

*Modern Times Group MTG AB's class A and B shares are listed on the Stockholmsbörsen O list (symbols: MTGA and MTGB) and on the Nasdaq National Market in New York (symbol: MTGNY).*

MODERN TIMES GROUP MTG AB  
Skeppsbron 18, Box 2094, SE-103 13 Stockholm, Sweden  
Tel. +46 8 562 000 50 Fax. +46 8 20 50 74 (Publ) Registration No. 556309-9158  
[www.mtg.se](http://www.mtg.se)