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**SUBORDINATED CONVERTIBLE BOND OFFERING
BB+ CORPORATE CREDIT RATING**

Modern Times Group MTG AB, the international media group, today announced the launch of a €120 million subordinated convertible bond offering and that it has been awarded a long term BB+ corporate credit rating by leading credit rating agency, Standard & Poor's. Standard & Poor's also assigned a BB- rating to the bonds being offered, reflecting the subordinated status of the issue.

The MTG management is undertaking a limited investor road show in Europe to market the issue, starting today. It is expected that the bonds will be priced on or before Wednesday 23 May 2001. The bonds will mature in 5 years and be convertible into MTG class B shares. The bonds will be issued and redeemed at 100% (par value) and be listed in Luxembourg. MTG has also granted an over-allotment option of €20 million to Deutsche Bank, the sole bookrunner and sole lead manager of the offering.

The full credit rating analysis from Standard & Poor's concluded: "MTG's business strength is based on its well-established pan-Scandinavian franchise, and on its record of achieving profitable organic growth. These factors should support MTG's steady cash flow generation, allowing it to meet evolving consumer demand in existing markets, as well as to build up its presence in the growing markets of Central and Eastern Europe."

Hans-Holger Albrecht, President & CEO of MTG, commented: "The S&P rating reflects our strong position in our core Nordic and Baltic markets as well as our ability to export our business model to new territories. The fundraising will provide us with the flexibility to seize further opportunities for geographical expansion. This is in line with our stated strategy to leverage our content and distribution platforms across both existing and new markets, in order to continue to drive revenue growth and incremental income by increasing our purchasing power and exploiting operational synergies.

"We have already extended our reach into Central and Eastern Europe and successfully sold our content and services to third parties around the world. We have now completed a cost-effective migration to the digital environment and launched a number of interactive new media platforms, which are opening up a wide range of new offerings to both subscribers and advertisers."

For further information, please visit www.mtg.se, email info@mtg.se, or contact:
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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).

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