



FOR IMMEDIATE RELEASE

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CONVERSION PRICE ESTABLISHED FOR CDON GROUP BOND

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that the conversion price for the SEK 250 million five year convertible bond issued by CDON Group AB ('CDON Group') has been set at SEK 38 per share. MTG subscribed for 100 per cent of the issue in December 2010 and may therefore convert the bond into a maximum of 6,578,947 CDON Group shares between 15 June 2012 and the end of 1 December 2015. The bond matures on 2 December 2015.

The conversion rate corresponds to 125 per cent of the volume-weighted price of the CDON Group share over 20 trading days between the first day of trading in the share on 15 December 2010 and Friday 14 January 2011.

The conversion by MTG of the bond into a maximum of 6,578,947 CDON Group shares would increase the number of outstanding CDON Group shares from 66,342,124 at 31 December 2010 to 72,921,071, and result in a 9.0% dilution effect for CDON Group.

The CDON Group SEK 250 million five year convertible bond is unsubordinated and bears interest at 2.85 per cent per annum.

The convertible bond will initially be recognised at net present value on MTG's balance sheet, together with the market value of the option to convert the bond into CDON Group shares. The resulting effect on the Group's income statement will comprise the accrual of interest income at a level corresponding to a market interest rate (i.e. not the cash coupon rate). The option element of the bond will also be revalued at each balance sheet date with any change in value between the dates recognised as a non-cash item in the 'net interest and other financial items' line of the Group's income statement.

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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 in the Nordic region.

Modern Times Group MTG AB Class A and B shares are listed on Nasdaq OMX Stockholm's Large Cap index ('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 08.00 CET on 19 January 2011.