



Modern Times Group MTG AB

Financial Results for
the first quarter ended 31 March 2002

24 April 2002

“Sales, showmanship and cost control”

Sales, Showmanship and Cost Control

- Largest 'Free to air' TV operator in Nordic & Baltic region
- 3rd largest DTH Pay-TV operator in Europe
- Only profitable Pay-TV operator in Europe
- Largest number of Digital DTH TV subscribers in the Nordic region
- Largest commercial radio operator in northern Europe
- Global market leader in subtitling and dubbing
- Leading international 'Reality TV' production house

Operating Highlights

3 months ended 31 March 2002

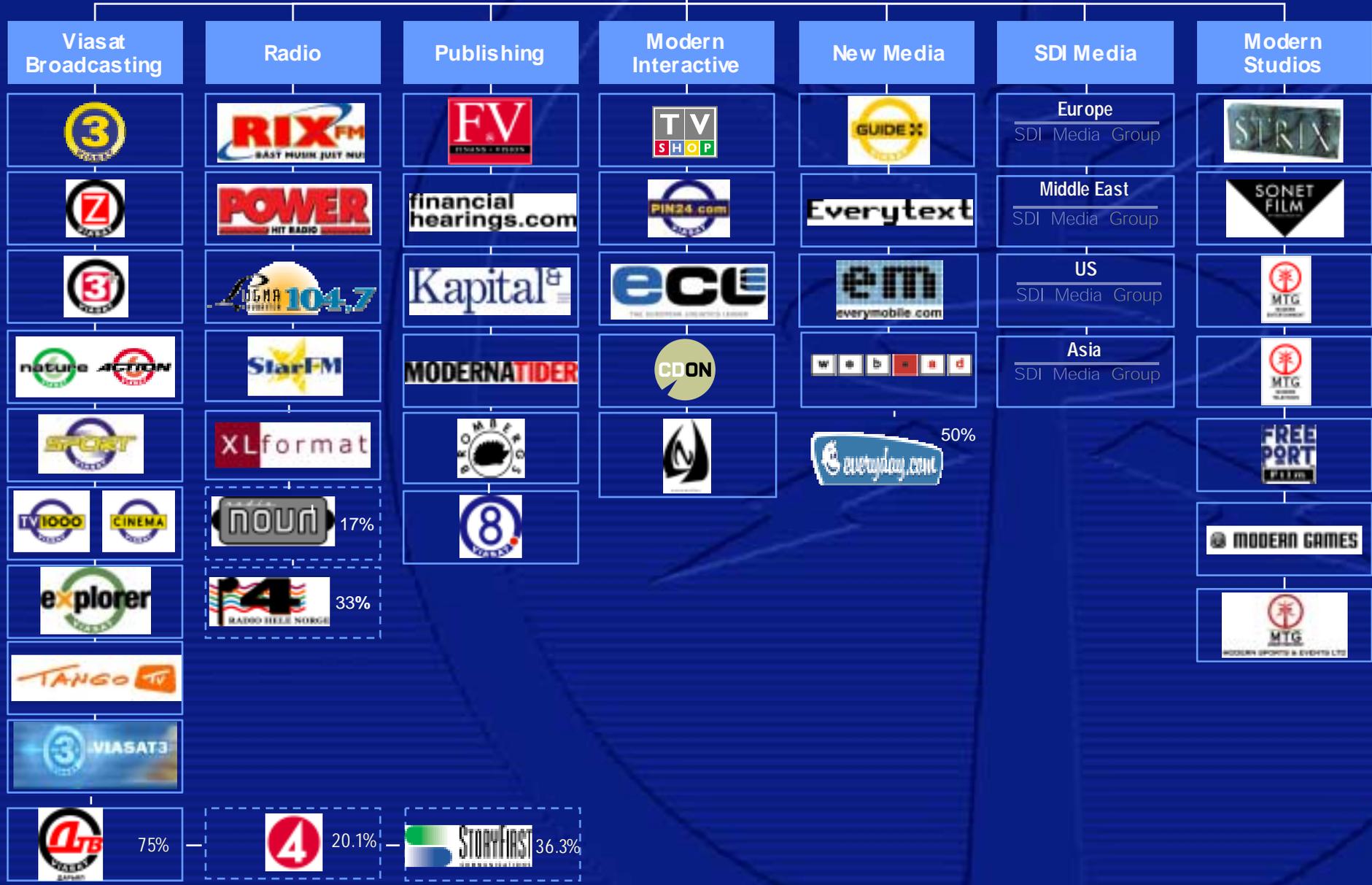
- Net sales amounted to SEK 1,417 (1,508) million
- Operating income amounted to SEK 20 (66) million, due to lower sales and investments in new operations
- Pre Tax profit up 61 % to SEK 61 (38) million and earnings per share up to SEK 0.48 (0.35)
- Pay-TV income more than doubled to SEK 61 (30) million
- TV-Shop reported profit of SEK 4 (0) million
- MTG acquired 36.3% of StoryFirst Communications Inc., which owns the 2nd largest commercial TV network in Russia

Results for period ended 31 March 2002



SEK million		Q1 2002	Q1 2001	± %	FY 2001
<i>Total</i>					
Net Sales		1,417	1,508	-6	6,402
EBIT	Established Operations	62	88	-30	514
	New Investments	-42	-22	-	-139
	TOTAL	20	66	-70	375

- Pay-TV operating income doubled
- Strong earnings development within Modern Interactive, SDI and Strix
- EBIT includes restructuring costs in Radio and Publishing
- Viasat3 (Hungary) and Darial TV (Russia) increase commercial shares of viewing



Viasat Broadcasting



SEK million		Q1 2002	Q1 2001	± %
Net Sales	Free-TV	547	614	-11
	Pay-TV	545	481	13
EBIT	Established Operations	100	110	-9
	New Investments	-34	-21	-
	TOTAL	66	89	-26

Viasat Broadcasting Free-TV



SEK million	Q1 2002	Q1 2001	± %
Net Sales	547	614	-11

Geographical presence	Highlights
<p>Russia</p>	<ul style="list-style-type: none"> ■ TV3 Scandinavia revenues down in weak advertising markets. Increased investment in programming to prepare for upturn following cost savings in 2001 - CSOV improving since March ■ TV3 Lithuania sales up 45%; TV3 Baltics profitable ■ TV3 Latvia & Estonia fully consolidated in 2002 ■ Successful re-launch of Daria as DTV – CSOV doubles to 1.2% in Moscow ■ TV3 Hungary established as #3 commercial channel in Hungary with 2.6% CSOV ■ ZTV Norway and Tango TV in Vilnius (Lithuania) prove success of exporting youth channel format

Viasat Broadcasting Pay-TV



SEK million	Q1 2002	Q1 2001	± %
Net Sales	545	481	13

Geographical presence	Highlights
	<ul style="list-style-type: none"> Pay-TV EBIT doubles to SEK 61 million Premium ARPU of SEK 696 for Q1 Total ARPU of SEK 362 for Q1 'Perfect Spring' marketing campaign achieves instant impact in April Direct sales up to over 50% and new installation service to be extended nationally Successful launch of Viasat Sport in Denmark (710,000 subscribers) and Viasat Explorer Viasat passed 4 million paying cable subscribers TV1000 profitable for second consecutive quarter

Viasat Broadcasting Subscriber development



Subscribers (000' s)	Card Holders	Gold Subs	Other Prem. Subs
Balance as at 31 Mar 2001	1,096	367	39
Balance as at 31 Dec 2001	1,125	460	40
Balance as at 31 Mar 2002	1,078	425	34
TV1000			
Balance as at 31 Mar 2001		453	
Balance as at 31 Dec 2001		530	
TV 1000 31 Mar 2002		492	

New Media



SEK million		Q1 2002	Q1 2001	± %
Net Sales		29	21	38
EBIT	Established Operations	3	-15	-
	New Investments	-7	-1	-
TOTAL		-4	-15	-



Everytext



- MTG Spain Teletext operations reported 38% increase in sales following launch of services on 8 additional local Spanish TV stations. 50% increase in EBIT and operating margin increased to 46% (42%)
- X-box and Betting domain launched on the Viasat Digital platform in Denmark; interactive campaign with return path launched for Apollo travel agency
- High level of consumer acceptance of digital TV services - 40% of all viewers prepared to buy products on Viasat digital TV platform
- Division profitable excluding SEK 7 (16) million in losses arising from Everyday.com – wound down during quarter

MTG Radio



SEK million	Q1 2002	Q1 2001	± %
Net Sales	32	30	7
EBITDA	-11	3	-
EBIT	-12	3	-

Geographical presence	Highlights
	<ul style="list-style-type: none"> Record ratings for Swedish radio stations - Radio Rix FM confirmed its #1 national position with 781,000 daily listeners Clear #1 and #2 positions in Stockholm with 'Lugna Favoriter' and 'Power Hit Radio' - 153,000 and 124,000 daily listeners respectively Star FM Estonia & Latvia consolidated and close to break-even Continued adverse impact of weak advertising markets - strongly positioned for upturn Restructuring costs included in Q1

MTG Publishing



SEK million	Q1 2002	Q1 2001	± %
Net Sales	39	53	-26
EBITDA	-24	-10	-
EBIT	-28	-14	-

Geographical presence



Highlights

- Finans Vision well received by readers and advertisers. 'Paid for' circulation up 29% to 34,500 in March vs. February
- New agreement for distribution of Finans Vision and Kapital in Scandic Hilton hotels
- Restructuring costs included in Q1
- TV8 cost base lowered & strong programming - close to 1 million subscribers
- Continued adverse impact of weak advertising markets - strongly positioned for upturn

Modern Studios



SEK million		Q1 2002	Q1 2001	± %
Net Sales		137	172	-20
EBIT	Established Operations	10	19	-47
	New Investments	-1	0	-
	TOTAL	9	20	-55



STRIX



- Strix TV EBIT up 23% and operating margin increases to 17% (13%) - 11 licenses & options sold to 10 territories
- Strong line up for The Fall for Sonet including final part in successful action hero trilogy
- Internationalisation of Sonet commences:
 - "Livvakterna" sold to Japan
 - Production of English language movies for international market
 - International distribution of Swedish titles and productions

MTG Modern Interactive



SEK million	Q1 2002	Q1 2001	± %
Net Sales	171	212	-19
EBITDA	12	14	-14
EBIT	8	9	-11



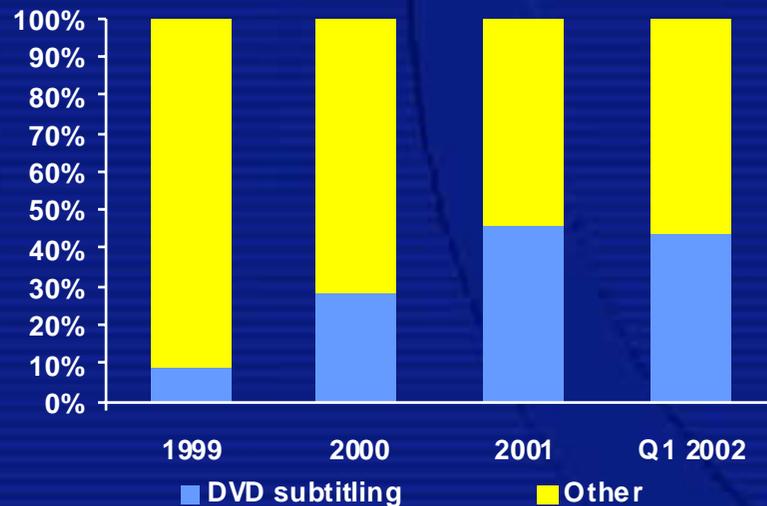
- All companies within Modern Interactive profitable
- Improved pricing, renegotiation of media contracts and increased efficiency enable turnaround in TV-Shop
- 56% sales growth and increased profitability in CDON for third consecutive quarter
- PIN24 successfully launched in Germany, Austria and Switzerland. Reach increases to 20 million homes in a combined US\$ 460 million annual home shopping market

SDI Media



SEK million	Q1 2002	Q1 2001	± %
Net Sales	90	84	7
EBITDA	12	9	33
EBIT	9	6	50

Revenue mix



Highlights

- Operating profit margin increased to 9% (7%)
- DVD subtitling revenues increased by 11% and amounted to 44% of business area total
- Operations in 19 countries – only global player in dubbing and subtitling
- 60% share of Hollywood feature film DVD subtitling market

Profit and Loss



(SEK '000s)	Q1 2002	Q1 2001	± %	FY 2001
Established Operations				
Net Sales	1,402	1,505	-7	6,348
EBITDA	123	143	-14	746
EBIT	62	88	-30	514
New Investments				
Net Sales	15	3	-	54
EBITDA	-39	-21	-	-135
EBIT	-42	-22	-	-139
Total				
Net Sales	1,417	1,508	-6	6,402
EBITDA	83	122	-32	611
EBIT	20	66	-70	375
Non recurring Items	-	-	-	-15
Financial Items	41	-28	-	-110
PBT	61	38	61	250

Cash flow



(SEK '000s)	Q1 2002	Q1 2001	FY 2001
Cash flow from operations	88	121	341
Changes in W/C	-86	-320	-419
Total cash from operations	2	-199	-78
Investments in shares in subsidiaries and associates	-61	-	-76
Other investments in shares	-	0	-84
Investments in other non-current assets	-27	-26	-106
Others	-	0	48
Total cash from investments	-88	-26	-218
Total cash from financing	299	101	259
Net cash flow	213	-124	-37

- Positive cash flow from operations
- Investment in shares of TV3 & Star FM in Estonia, Lugna Favoriter, Wow 105.5 and Vision

Balance Sheet



(SEK '000s)

31 Mar 2002

31 Mar 2001

31 Dec 2001

Liquid assets	4,055	3,353	3,109
Fixed assets	3,173	2,943	3,832
Total assets	7,228	6,296	6,941
Short-term liabilities	3,253	2,945	3,338
Long-term liabilities	1,915	1,502	1,650
Equity	2,060	1,849	1,948
Total liabilities	7,228	6,296	6,941

- Equity:assets ratio of 43% (44%)
- SEK 1,477 million surplus value of marketable assets – adjusted equity:assets ratio of 48% (51%)

Outlook

- Upward trend after January
- Winning business model remains intact
 - Lower cost base
 - High incremental margins
- Strong forward programming schedule – inventory to sell on
- Realizing substantial growth potential in the Baltics, Hungary and Russia
- Success of new Pay-TV subscriber marketing campaigns
- Restructuring during Q1 in Publishing and Radio
- Turnaround accomplished in Modern Interactive
- Focus on 3C theme:
 - Cross content
 - Cross promotion
 - Cross selling