

MODERN TIMES GROUP MTG AB

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2003

Stockholm, 22 October 2003 - Modern Times Group MTG AB ("MTG") (Stockholmsbörsen: MTGA, MTGB; Nasdaq: MTGNY) today announced its preliminary financial results for the third quarter and nine months ended 30 September 2003.

NINE MONTHS ENDED 30 SEPTEMBER 2003

- 1 NET SALES UP 7% TO SEK 4,580 (4,293) MILLION**
- 2 NET INCOME UP MORE THAN FOUR TIMES TO SEK 127 (27) MILLION**
- 3 EARNINGS PER SHARE OF SEK 1.91 (SEK 0.41)**

THIRD QUARTER HIGHLIGHTS

- 1 NET SALES UP 5% TO SEK 1,436 (1,371) MILLION**
- 2 EBIT UP TO SEK 54 (-23) MILLION**
- 3 TV3 SCANDINAVIA NET SALES UP 7% TO SEK 421 (394) MILLION**
- 4 NUMBER OF DIGITAL PAY-TV SUBSCRIBERS INCREASES TO 599,000**

FINANCIAL SUMMARY

<i>SEK million</i>	Q3 2003	Q3 2002	Jan-Sept 2003	Jan-Sept 2002	FY 2002
Net sales	1,436	1,371	4,580	4,293	6,023
Earnings before depreciation and amortisation	104	37	463	382	554
Operating income	54	-23	293	201	267
- of which, non-recurring items	-	-	-	163	37
Net interest and other financial items *	21	-41	-83	-151	-239
Pre tax profit	75	-64	210	50	28
Net income	44	-20	127	27	-67
Basic earnings per share (SEK)	0.67	-0.30	1.91	0.41	-1.00
Fully diluted earnings per share (SEK)	0.67	-0.30	1.91	0.41	-1.00
Total assets	5,813	6,740	5,813	6,740	6,184

* Net interest and other financial items totalled SEK 21 million in the quarter and SEK -83 million for the first nine months. In the third quarter, MTG recorded a SEK 19 million capital gain on the sale of its 4.5 million subscription rights in Metro International S.A. The translation of financial balance sheet items denominated in currencies other than Swedish krona resulted in a gain of SEK 25 million in the third quarter and a loss of SEK 51 million for the first nine months.

Hans-Holger Albrecht, President and CEO of MTG, commented: "This is first time in the Group's history that MTG has delivered profit in a third quarter. Our investments in programming have paid off with increased share of viewing and advertising market shares in most of our markets. The Fall schedules that we launched in September have proven very popular and TV3 has continued to strengthen its position, even becoming the most watched commercial channel in the cable and satellite universe in Sweden on several occasions during the quarter".

"There are signs that the recovery seen in the Scandinavian advertising market in the first half of the year has slowed in the second half. It is still our aim to further increase market shares for TV3. We also expect slightly lower year on year sales growth for TV3 in the Baltics due to the non-recurring media investments made in the second half of last year.

"New subscriber acquisition campaigns were successfully launched during the quarter in order to increase the digital subscriber base. We will continue to push our Pay-TV packages aggressively moving forward, in order to drive Pay-TV subscription revenue growth as well as to increase penetration for our Free-TV channels. This will result in a short-term decline in Pay-TV operating margins due to the lower contribution from year one subscribers. The implementation of the new VideoGuard secure encryption technology from NDS is proceeding according to plan."

OPERATING REVIEW

MTG is an international media company with principal operations in Scandinavia, the Baltics and Russia. MTG subsidiaries operate in more than 30 countries around the world. MTG is the largest Free-to-air TV and Pay-TV operator in the Nordic and Baltic regions and the largest commercial radio operator in Northern Europe. MTG is also one of the leading originators and producers of reality television formats, and a global provider of subtitling and dubbing services to the entertainment industry.

MTG applied for licenses to broadcast its Viasat television channels on the Swedish digital terrestrial broadcasting network in September 2003. The application is conditional on the result of ongoing negotiations regarding Viasat's wish to become an operator of the digital terrestrial network. The inclusion of Viasat as an additional operator would benefit viewers by providing freedom of choice in the digital terrestrial TV environment.

Storyfirst Inc. acquired the outstanding 25% of the Russian commercial Free-to-air TV channel 'CTC' during the quarter. Storyfirst now owns 100% of CTC and paid for the acquisition by issuing new shares. MTG's holding in Storyfirst after the transaction now represents a 29.1% economic and voting interest and the transaction has no impact on MTG's result.

The new share issue of Metro International S.A. ("Metro") was finalised in the third quarter. MTG received 51.1 million new Metro class A shares and 93.6 million new Metro class B shares at a price of SEK 3.75 per share in exchange for its total interest-bearing loans to Metro of SEK 542 million, including interest accrued up to 31 May 2003. The holding in Metro now amounts to 52.3 million class A shares and 96.9 million class B shares, representing 19.9% of the voting rights and 28.4% of the equity. MTG sold its 4.5 million subscription rights received in the Metro new share issue for SEK 19 million, which resulted in a one-off capital gain in the third quarter. The gain is reported in the net interest and other financial items line of the income statement.

OPERATING REVIEW BY BUSINESS AREA

Viasat Broadcasting

Viasat Broadcasting broadcasts 20 own-produced TV-channels, including the leading TV3 and TV1000 branded entertainment channels, and 25 third party channels to a total of fourteen countries. Viasat's successful Scandinavian TV channel formats have been effectively exported to the Baltic countries and subsequently introduced to new high growth markets in Russia, Hungary, Moldova, Poland, Romania, Bulgaria and Belarus. Viasat also operates teletext services for broadcasters across the Nordic region and Viasat's 'Everytext' business now manages services for broadcasters reaching nearly all TV households in Spain.

Viasat Broadcasting has a balanced mix of revenue streams, with approximately half of revenues derived from the sale of subscriptions and interactive services and half from advertising sales.

Free-to-air TV

The Free-to-air TV operations in Scandinavia and Eastern Europe reported a combined 8% year on year increase in revenues to SEK 587 (542) million during the third quarter and operating income of SEK -74 (-75) million. The operations also reported a 10% year on year increase in net sales during the first nine months to SEK 1,969 (1,783) million and operating income of SEK -51 (-52) million.

TV3 Scandinavia's investments in programming have paid off with year-on-year growth in commercial share of viewing. TV3 Scandinavia's sales increased by 7% year-on-year to SEK 421 (394) million in the third quarter, reflecting improved advertising market conditions, increased commercial share of viewing and advertising market share gains.

TV3 Sweden's schedule included a broad range of top rating formats such as 'Fame Factory' and 'Top Models', as well as a popular line-up of documentary programming. Exciting new entertainment shows and drama series including 'God Afton Sverige' and 'Paragraf 9' will be launched during the fourth quarter.

TV3 Norway achieved significant gains in commercial share of viewing and advertising market shares as a result of successful formats like the 'Casino' game show and 'Robinson' - the local version of the Survivor format.

TV3 Denmark reported a slight decline in commercial share of viewing despite high ratings for individual shows like 'Wife Swap' and the Danish edition of 'Robinson'. TV3 and 3+ remain the most popular commercial cable and satellite TV channels. Viasat Denmark raised the prices charged to the Danish cable operators to broadcast TV3 during the quarter. The renegotiations were completed successfully with operators covering 98% of Danish cable households renewing their contracts.

TV3 also increased its commercial share of viewing in the Baltic states of Estonia and Latvia. The Baltic advertising markets have been growing at a slower rate in the third quarter than in the first half of 2003, partly due to a boost in advertising spend surrounding the presidential elections in 2002. Viasat3 set new channel viewing records during the quarter with ratings winners including coverage of Champions' League football matches, which achieved a peak share of viewing of 7.5% of all 18-49 year olds in Hungary.

Both CTC and DTV TV channels increased their viewing shares in Russia, with DTV also continuing to increase its penetration to 39% (29%) of Russian households. CTC became the largest commercial channel in Russia, in terms of number of viewers, on several days in the quarter. The Russian media community acknowledged CTC's success by nominating programmes aired on CTC for the 'TEFI' national TV awards for the first time.

Commercial Share of Viewing	Q3 2003	Q3 2002	FY 2002
TV3 and ZTV in Sweden (15-49)	31.0%	29.4%	29.3%
TV3 and ZTV in Norway (15-49)	19.2%	15.3%	15.5%
TV3 and 3+ in Denmark (15-49)	23.5%	25.3%	23.6%
TV3 Estonia (15-49)	49.1%	48.2%	41.7%
TV3 Latvia (15-49)	26.3%	26.1%	24.5%

TV3 Lithuania and Tango TV (15-49)	33.0%	34.6%	34.1%
Viasat 3 Hungary (18-49)	3.0%	2.5%	2.1%
DTV Russia (18+)	1.3%	0.6%	0.5%
CTC Russia (18+)	9.0%	6.6%	6.5%

Pay-TV

The Pay-TV operations reported a 6% year-on-year increase in revenues to SEK 556 (523) million for the quarter, mainly reflecting higher average revenue per subscriber (ARPU). Quarterly premium subscriber ARPU increased by 5% year-on-year to SEK 757. The number of digital subscribers increased by 12,000 subscribers quarter-on-quarter to 599,000 following successful subscriber acquisition campaigns to promote the digital basic package. Premium subscriber churn remained high in the quarter. Operating income increased to SEK 113 (87) million for the quarter. The Pay-TV operations reported net sales during the first nine months of SEK 1,666 (1,618) million and operating income of SEK 379 (235) million.

The implementation of the new NDS VideoGuard secure encryption system is proceeding according to plan and is expected to be finalised by the middle of 2004. This change in conditional access security is expected gradually to eliminate piracy on the platform and subsequently reduce churn. As a consequence of the shift to the NDS VideoGuard system, MTG will write off the value of the remaining smart cards with the old encryption system. The write-off of approximately SEK 35 million will be taken as a non-recurring cost in the fourth quarter and will have no cash effect. Under the terms of the new agreement with NDS, MTG will no longer invest in smart cards but will pay a fixed conditional access fee per subscriber per month to NDS. MTG will incur total capital expenditure of between SEK 75-100 million over the next few quarters as a result of non-recurring investments in technical upgrades, which will enable existing customers to view the Viasat channels after the switch to the new encryption technology.

New subscriber acquisition campaigns were launched in the third quarter in order to drive basic and premium package subscriber growth. The result of these campaigns can be seen in the increased number of basic digital subscribers at the end of the quarter. The campaigns will continue over the coming quarters in order to increase the number of Pay-TV channel package subscribers as well as to increase the penetration of Viasat's Free-TV channels. Viasat subsidises the purchasing of decoders and satellite dishes by subscribers and increased sales of new subscriptions will therefore have a short-term negative effect on operating margins and cash flow.

Thousands of subscribers	Sept 2003	June 2003
Total subscribers	909	929
- of which, digital subscribers	599	587
Viasat Digital Premium subscribers	413	424
Viasat Digital Basic subscribers	186	164

The number of TV1000 subscribers, including cable subscribers, declined to 441,000 at the end of the quarter, which reflected the fall in the number of Viasat premium package subscribers. TV1000 revenues totalled SEK 167 (191) million in the third quarter and the channel reported an increased operating profit of SEK 44 (19) million for the third quarter as a result of a more mature subscriber base and a lower US dollar exchange rate, which has a positive impact on programme acquisition costs.

TV1000 has been successfully launched in Russia, the Baltics and the Western CIS states of Moldova and Belarus during 2003 and the TV1000 Eastern European channel reached 850,000 homes by the end of the third quarter. The channel is distributed via national and local cable networks in each country, including major cities such as Moscow and St Petersburg. TV1000 also continues to be available in the premium tier of Viasat's Direct to Home satellite TV platform in the Baltic States.

Following the successful launch of TV1000 in Eastern Europe, the Viasat Explorer channel is now being launched in the same region. The channel will already have approximately 300,000 subscribers in Russia, the Baltic states, the Western CIS states of Moldova and Belarus, Hungary, Poland, Romania and Bulgaria when it is launched on 1 November 2003.

Radio

MTG Radio is the largest commercial radio broadcaster in Northern Europe and owns or holds stakes in the leading commercial radio networks in Sweden (RIX FM), Norway (P4 Radio Hele Norge) and Finland (Radio Nova). These networks have a combined daily reach of 2.7 million listeners. The Group owns the Star FM national radio stations in Estonia and Latvia, and the local Power Hit Radio stations in Stockholm, Tallinn (Estonia) and Vilnius (Lithuania). MTG also operates Lugna Favoriter, which is the most popular commercial radio station in Stockholm and Gothenburg, as well as Metro FM in Stockholm.

MTG Radio reported increased net sales of SEK 41 (36) million and operating income of SEK -8 (-8) million for the third quarter. Net sales grew to SEK 126 (112) million for the first nine months while operating income amounted to SEK -25 (-36) million.

Radio has been the weakest performing segment of the Swedish advertising market so far in 2003, with radio advertising having declined by 7.5% year on year in the eight months to the end of August according to IRM's monthly statistics. The year on year decline was as high as 17% in August and it is anticipated that the market has continued to decline in September.

Despite this adverse development, MTG Radio Sweden has built on its strong operational performance to increase sales and its advertising market share. Net sales increased by 9% year-on-year to SEK 37 (34) million in the third quarter while operating income improved to SEK -4 (-6) million. MTG Radio's broad range of successful channels such as RIX FM and Lugna Favoriter lie behind this market outperformance. MTG Radio achieved an impressive 42% commercial share of listening in the quarter and flagship channel RIX FM reached a new all time high listening share for a commercial radio network in Sweden, reaching 919,400 daily listeners or more than 12% of the population between the ages of 9 and 79.

Modern Studios

The Modern Studios business area comprises MTG's content production, distribution and rights management businesses. Strix Television is a leading international reality TV production house; Sonet Film is the market-leading producer and distributor of Swedish feature films; Los Angeles based Modern Entertainment owns the rights to over 500 movies; Modern Sports & Events

manages and promotes a number of leading Scandinavian boxers; and Brombergs Bokförlag is a Swedish language book publishing house. Modern Studios reported a year-on-year increase in net sales to SEK 156 (153) million and operating income of SEK 17 (25) million for the third quarter. Net sales grew by 18% to SEK 521 (440) million in the first nine months while operating income amounted to SEK 35 (37) million.

Strix produced the third season of the Farm for TV4 in Sweden and TV2 in Norway during the quarter, as well as the third season of Fame Factory in Sweden and a debut season for Backtrack in Norway. Fame Factory has also been extended to a full year programming format.

Strix sold an option in September to Endemol France for the development and production of 21 of its highly successful reality TV formats for the French television market. The deal includes popular Strix formats such as The Farm, The Bar, Villa Medusa, Harem and 24 Hours.

Strix's sales grew by 9% year-on-year to SEK 89 (82) million in the quarter and operating income for the quarter was up 29% to SEK 18 (14) million. Net sales for the first nine months amounted to SEK 305 (250) million and operating income totalled SEK 43 (44) million.

Sonet Film has for the second consecutive year been awarded a prize at the Hollywood Film Festival. This year the film "Miffo" was awarded the prize for Best Foreign Film. "Miffo" was the best selling Swedish movie during the quarter and is expected to be one of the biggest Swedish movies of the year. Sonet will commence production of its first English language movie during the fourth quarter. The production will premier in 2004.

Brombergs Bokförlag is the Swedish publisher of works by John Maxwell Coetzee, the writer who has just been awarded the 2003 Nobel Literature Prize.

TV-Shop

The TV-Shop business area comprises the Group's home shopping businesses. TV-Shop is one of Europe's largest TV home shopping channels; CDON.com and DVDON.com are leading Scandinavian internet retailers selling CDs, DVDs and electronic games. The business area reported a 9% year-on-year increase in net sales to SEK 173 (158) million in the third quarter and an operating profit of SEK 4 (-2) million. Net sales for the first nine months increased to SEK 540 (482) million and operating income increased to SEK 13 (10) million.

The TV-Shop home shopping channels reach more than 100 million homes in Europe and include the successful 24-hour a day 'PIN24' channel, which is broadcast in the UK, Germany, Austria, Switzerland and Scandinavia.

Weak wholesale revenues and low daytime TV-viewing due to the hot summer across Europe resulted in a 5% year-on-year decline in sales for the TV home shopping business to SEK 91 (96) million in the third quarter. Net sales for the first nine months increased to SEK 311 (309) million and the business generated an operating result of SEK 0 (-2) million.

The logistics operations of the subsidiary ECL were sold to Tradimus AB after the end of the third quarter. Tradimus will continue to provide distribution and fulfilment services for MTG's CDON and TV-Shop companies. The sale will have no significant impact on MTG's results

moving forward.

MTG's Internet retailing businesses reported their third consecutive quarter of doubling sales, partly driven by strong DVD sales. Revenues doubled year-on-year to SEK 75 (37) million in the third quarter and operating income also doubled to SEK 6 (3) million. Year to date sales have more than doubled to SEK 202 (97) million and operating income tripled to SEK 15 (5) million.

SDI Media

SDI Media operates in 19 countries around the world and provides translation, subtitling and dubbing services for TV, Video, Film and DVD. SDI Media is the global market leader with a 60% share of the worldwide market for the subtitling of DVD features. SDI Media has contracts with all but one of the major Hollywood Studios as well as with international TV channels such as The Discovery Channel and The Disney Channel.

SDI reported sales in the third quarter of SEK 93 (94) million. Given the increasing share of revenues from the US dominated DVD markets, the weakening of the US dollar against the Swedish krona has had an adverse effect on reported revenues. At constant 2002 exchange rates, SDI reported 5% sales growth for the first nine months of 2003. Enhanced cost efficiency resulted in an increased operating margin of 18% and operating income of SEK 17 (16) million in the third quarter. Net sales declined in the first nine months to SEK 264 (286) million but operating income increased to SEK 42 (40) million.

SDI Media won a contract from the Travel Channel during the quarter to subtitle its channel in Sweden, Norway, Denmark, Holland and Portugal. SDI has also started working with AOL in the US to subtitle streaming video clips on the AOL Internet platform, although volumes from this business are small at this stage.

FINANCIAL REVIEW

The Group reported a 5% year-on-year increase in net sales to SEK 1,436 (1,371) million in the third quarter and a 7% increase to SEK 4,580 (4,293) million in the first nine months.

Group earnings before interest, tax, depreciation and amortization and excluding non-recurring items, almost tripled to SEK 104 (37) million for the third quarter and more than doubled to SEK 463 (219) million for the nine-month period. Group depreciation and amortisation totalled SEK 50 (60) million for the third quarter and SEK 171 (181) million for the first nine months. The Group therefore reported earnings before interest and tax and non-recurring items of SEK 54 (-23) million for the quarter and SEK 293 (38) million for the first nine months. Non-recurring items for the second quarter last year included a capital gain of SEK 163 million arising from the sale of shares in TV4 AB.

Storyfirst Inc. acquired the outstanding 25% of the 'CTC' Russian commercial Free-to-air TV channel during the quarter. Storyfirst now owns 100% of CTC and paid for the acquisition by issuing new shares. After the transaction, MTG's holding in Storyfirst represents a 29.1% economic and voting interest and the transaction has no impact on MTG's result.

The positive development in operating income principally reflects the increased margins in a number of the business units. A combination of sales focus and tight cost control improved performance across the group. The improvement in the Pay-TV operations results from a maturing subscriber base and a positive currency translation effect due to the weakening dollar that makes US dollar denominated programme acquisitions cheaper.

Net interest and other financial items totalled SEK 21 (-41) million in the quarter and SEK -83 (-151) million for the first nine months. Net interest including interest on the convertible bond amounted to SEK -18 million for the quarter and SEK -52 million for the first nine months. MTG sold its 4.5 million subscription rights received in the Metro International SA's new share issue, which resulted in a one-off financial capital gain of SEK 19 million in the quarter. The translation of financial balance sheet items denominated in other currencies than SEK are included with SEK 25 million in the third quarter and SEK -51 million for the first nine months. In the second quarter, dividends of SEK 15 million from TV4 AB were recorded.

Pre-tax profit increased to SEK 75 (-64) million in the quarter and SEK 210 (50) million for the first nine months. The Group reported tax charges of SEK -32 (45) million in the third quarter and SEK -90 (-27) million in the first nine months, resulting in a net income after tax and minority interests of SEK 44 (-20) million in the quarter and SEK 127 (27) million in the first nine months.

Earnings per share for the third quarter increased to SEK 0.67 (-0.30) and SEK 1.91 (0.41) for the first nine months.

The Group's consolidated accounts have been prepared based on the same accounting principles as were applied in the preparation of the 2002 accounts, and are compiled according to the Swedish Annual Report & Accounts Act and the recommendations issued by the Swedish Financial Accounting Standards Council.

Cash Flow

The Group's capital expenditure totalled SEK 38 (25) million for the third quarter and SEK 90 (69) million for the first nine months. Changes in working capital totalled SEK 103 (164) million for the third quarter and SEK 148 (-89) million in the first nine months. Net cash flow from operations therefore amounted to SEK 174 (112) million in the quarter and SEK 419 (124) million for the first nine months.

Equity to assets ratio

The Group's equity to assets ratio was 53% (45%) at 30 September 2003. The ratio is defined as the sum of consolidated equity and minority interests, including the €120 million of subordinated convertible debentures, as a percentage of total assets.

The Group holds minority interests in TV4 AB, P4 Radio Hele Norge ASA and Metro International S.A. These holdings are treated as financial assets and have a combined book value of SEK 800 (649) million. The aggregate market value of these securities amounted to SEK 1,647 (958) million at 30 September 2003, giving rise to a net surplus value of SEK 847 (309) million. The TV4 shares, the P4 shares and the Metro shares account for a surplus to book value of SEK 344 million, SEK 10 million and SEK 494 million respectively. Adjusted for this net surplus value the equity to assets ratio at 30 September 2003 was 57% (47%).

Liquid funds

The Group's liquid funds, including unutilised credit facilities, amounted to SEK 1,576 (441) million at 30 September 2003. The increase is mainly due to the unutilised credit facility of SEK 800 million, that was arranged during the second quarter of 2003, as well as strong operational cash flow over the last year.

Net debt

Group net debt is defined as interest-bearing liabilities, including the convertible debentures, less interest-bearing assets, and totalled SEK 952 (1,084) million at the close of the reporting period. The Group's net debt to equity ratio was 48% (55%) at 30 September 2003. The ratio is defined as the Group's net debt as a percentage of consolidated equity and minority interests. The strong cash flow over the last twelve months has been partly used to amortise SEK 375 million on the long-term credit facility. The interest bearing receivables from Metro of SEK 542 million has been converted to shares.

Parent company

The parent company reported net sales of SEK 26 (52) million for the third quarter and SEK 61 (85) million for the first nine months. Net interest and other financial items totalled SEK 107 (271) million for the third quarter and SEK 222 (287) million for the first nine months. Profit before tax amounted to SEK 98 (229) million for the quarter and SEK 142 (190) million for the first nine months. MTG's financial policy includes the provision of a central cash pool to support operating companies.

OTHER INFORMATION

This interim report has not been subject to review by the Company's auditors. MTG's financial results for the fourth quarter and twelve months ended 31 December 2003 will be released 11 February 2004.

Stockholm, 22 October 2003.

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Modern Times Group is a leading vertically integrated media group with broadcasting, production, publishing and media services businesses, operating in more than 30 countries around the world. MTG is the largest Free-TV operator in the Nordic & Baltic region, the 3rd largest DTH Pay-TV operator in Europe, and has Free-TV operations in Russia and Hungary. MTG is the largest commercial radio broadcaster in Northern Europe, the global market leader in DVD subtitling and dubbing, and a leading international Reality-TV production house.

MTG's 'A' and 'B' shares are traded on the Stockholmsbörsen 'O-list' (symbols MTGA and MTGB) and ADRs are listed on Nasdaq (symbol MTGNY).

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CONSOLIDATED INCOME STATEMENT (MSEK)

	2003 July-Sep	2002 July-Sep	2003 Jan-Sep	2002 Jan-Sep	2002 Full year
Net sales	1,436	1,371	4,580	4,293	6,023
Cost of goods and services	-939	-878	-2,886	-2,862	-3,939
Gross income	497	493	1,694	1,431	2,084
Selling, administrative, research and development expenses	-408	-456	-1,279	-1,229	-1,711
Other operating revenues	1	3	5	12	15

Other operating expenses	-48	-60	-141	-143	-154
Share of earnings in TV4	-	-	-	-18	-18
Share of earnings in associated companies	12	-3	13	-15	14
<i>Non-recurring Items</i>					
Other non-recurring Items	-	-	-	163	37
Operating income (EBIT)	54	-23	293	201	267
Dividends from shares	-	-	15	-	-
Net other financial revenue and expense	6	-21	-86	-142	-207
Income after financial revenue and expense excluding interest on convertible debentures	60	-44	222	59	60
Unrealised exchange rate difference on convertible debentures	30	-5	33	35	28
Interest on convertible debentures	-15	-15	-45	-44	-60
Income before tax	75	-64	210	50	28
Taxes	-32	45	-90	-27	-92
Minority interests	2	-1	7	4	-3
Net income for the period	44	-20	127	27	-67
Shares outstanding at quarter-end, excl convertible and option	66,375,156	66,375,156	66,375,156	66,375,156	66,375,156
Shares outstanding at quarter-end, incl convertible and option	66,375,156	66,375,156	66,375,156	66,375,156	66,375,156
Basic average number of shares outstanding	66,375,156	66,375,156	66,375,156	66,375,156	66,375,156
Fully diluted average number of shares outstanding	66,375,156	66,375,156	66,375,156	66,375,156	66,375,156
Basic earnings per share	0.67	-0.30	1.91	0.41	-1.00
Diluted earnings per share	0.67	-0.30	1.91	0.41	-1.00

REVIEW OF THE GROUP (MSEK)

	2003	2002	2003	2002	2002
	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Full year
Net sales by business area					
Viasat Broadcasting	1,053	981	3,380	3,175	4,451
Radio	41	36	126	112	157
TV Shop	173	158	540	482	671
SDI Media	93	94	264	286	379
Modern Studios	156	153	521	440	639
Parent company and other companies	32	51	81	87	112
Eliminations	-112	-123	-344	-378	-496
	1,436	1,350	4,568	4,204	5,913
Discontinued businesses	0	21	12	89	110
	1,436	1,371	4,580	4,293	6,023
Operating income/loss by business area					
Viasat Broadcasting	58	20	371	222	449
Sale of shares in TV4	-	-	-	163	163
Share of earnings TV4	-	-	-	-18	-18
Radio	-8	-8	-25	-36	-31
TV Shop	4	-2	13	10	12
SDI Media	17	16	42	40	54
Modern Studios	17	25	35	37	63
Parent company and other companies	-26	-47	-115	-123	-161
Eliminations	-2	-2	-7	-7	-10
	59	2	314	287	521
Other non-recurring items/discontinued businesses	-5	-26	-21	-86	-254
	54	-23	293	201	267

CONSOLIDATED BALANCE SHEET (MSEK)	2003-09-30	2002-09-30	2002-12-31
Non-current assets			
Capitalised development expenses	30	44	39
Beneficial rights	295	297	297
Goodwill	877	1,017	950
Machinery and equipment	167	226	213
Shares and participations	1,073	608	525
Long-term receivables	395	1,031	1,045
	2,836	3,223	3,069
Current assets			
Inventory	1,182	1,537	1,384
Current receivables	1,265	1,673	1,430
Cash, cash equivalents and short-term investments	530	307	301
	2,977	3,517	3,115
Total assets	5,813	6,740	6,184
Shareholders' equity			
Restricted equity	1,834	1,808	1,834
Non-restricted equity	170	159	51
	2,004	1,967	1,885
Minority interests in equity	-6	7	16
Provisions	146	140	173
Long-term liabilities			
Convertible debenture loan 2001/2006	1,070	1,095	1,103
Other interest-bearing liabilities	35	600	432
Non-interest-bearing liabilities	16	22	30
	1,120	1,717	1,565
Current liabilities			
Other interest-bearing liabilities	450	377	227
Non-interest-bearing liabilities	2,099	2,532	2,318
	2,549	2,909	2,545
Total shareholders' equity and liabilities	5,813	6,740	6,184

CONSOLIDATED STATEMENT OF CASH FLOWS (MSEK)	2003 July-Sep	2002 July-Sep	2003 Jan-Sep	2002 Jan-Sep	2002 Full year
Net income for the period	44	-20	127	27	-67
Adjustments to reconcile net income to net cash provided by operations	27	-32	144	186	319
Changes in working capital	103	164	148	-89	93
Net cash flow from operations	174	112	419	124	345
Proceeds from sales of subscription right certificates Metro Intl	19	-	19	-	-
Proceeds from sales of shares in subsidiaries and associates	-	-	1	204	204
Investments in shares in subsidiaries and associates	-8	-	-19	-281	-277
Other investments in shares Metro Intl	-542	-	-542	-204	-204
Change in long-term receivable from Metro Intl	542	-	542	-	-
Investments in other fixed assets	-38	-25	-90	-69	-98
Other cash flow from investing activities	5	0	10	33	35
Cash flow to investing activities	-22	-25	-79	-317	-340
Cash flow from/to financing activities	55	-87	-111	245	40
Net change in cash and cash equivalents for the period	207	0	229	52	45

RECONCILIATION OF SHAREHOLDERS EQUITY (MSEK)	Share capital	Restricted reserves	Non- restricted reserves	Total
Closing balance December 31, 2002	332	1,502	51	1,885
Net result January-September 2003	-	-	127	127
Currency translation differences	-	-	-8	-8
Closing balance September 30, 2003	332	1,502	170	2,004

Modern Times Group MTG AB	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	YTD
Net sales (SEK million)	2002	2002	2002	2002	2002	2003	2003	2003	2003	2003
Viasat Broadcasting*										
TV3 Scandinavia	422.2	492.4	393.5	584.5	1,892.6	441.6	561.4	420.5		1,423.5
TV3 Baltics	43.3	61.1	41.9	79.6	225.9	55.5	72.0	42.5		170.0
ZTV	22.1	26.4	20.5	32.1	101.1	22.2	28.9	21.9		73.0
ZTV Norway	1.7	3.0	2.9	3.9	11.5	3.9	3.4	3.1		10.4
3+	54.7	62.5	59.9	68.5	245.6	61.2	67.1	60.3		188.6
Viasat3 Hungary	1.9	3.4	1.8	4.7	11.7	5.5	10.2	6.0		21.7
Darial TV	0.7	5.0	5.2	6.8	17.8	6.9	8.2	10.3		25.4
Viasat	515.3	514.6	489.8	521.0	2,040.8	524.4	527.4	523.6		1,575.3
TV1000	191.1	190.5	191.2	195.4	768.2	186.5	179.3	167.0		532.8
TV6	14.0	11.8	12.8	12.2	50.8	12.8	11.7	11.5		36.1
Viasat Sport	12.0	14.3	14.5	11.3	52.2	14.4	14.4	15.7		44.4
Viasat Explorer	1.7	1.7	1.7	1.7	6.8	1.7	1.7	1.6		5.0
TV8	6.0	5.1	4.8	4.1	20.0	4.9	4.6	4.7		14.2
Text *	26.7	26.1	24.8	23.2	100.8	22.8	19.5	18.3		60.6
Other and eliminations	-282.8	-254.4	-284.2	-273.5	-1,094.9	-271.9	-275.8	-253.6		-801.3
	1,030.7	1,163.5	981.1	1,275.6	4,450.9	1,092.4	1,234.0	1,053.3		3,379.7
Radio										
Rix/Power/Lugna Favoriter	30.2	40.7	33.5	42.1	146.5	32.8	46.7	37.4		116.9
Baltics	1.8	3.3	2.7	2.9	10.7	2.3	3.2	3.5		9.1
	32.0	44.0	36.3	45.0	157.3	35.2	49.9	41.0		126.0
TV Shop										
TV-Shop	114.8	98.4	96.0	114.0	423.2	125.2	95.7	90.6		311.4
Internet Retailing	29.7	29.9	37.2	59.7	156.4	64.7	62.4	74.6		201.7
e-Commerce Logistics	45.8	41.8	41.2	42.2	171.0	42.5	38.1	36.2		116.8
Other and eliminations	-19.7	-17.2	-16.3	-26.7	-79.9	-31.3	-29.8	-28.8		-89.9
	170.6	152.9	158.1	189.1	670.7	201.0	166.3	172.6		539.9
SDI Media	90.1	102.2	93.7	92.9	378.9	86.9	84.3	92.7		263.9
Modern Studios **										
Strix Television	75.0	92.6	82.0	109.9	359.6	108.2	108.1	88.9		305.3
Sonet Film	19.6	6.3	31.9	40.9	98.7	30.0	27.0	27.9		84.9
Modern Entertainment	17.7	12.6	21.0	17.6	68.9	16.3	15.1	15.6		47.1
Other and eliminations	29.2	33.7	18.1	31.3	112.2	35.5	24.6	24.0		84.1
	141.5	145.2	153.0	199.7	639.4	190.1	174.9	156.4		521.4
Parent company and other companies	24.3	11.4	51.5	24.5	111.7	21.6	27.1	32.2		80.8
Discontinued businesses	34.0	34.3	21.0	20.9	110.2	11.3	0.7	0.0		12.0
Eliminations	-106.4	-147.9	-123.4	-118.1	-495.8	-125.5	-106.1	-112.0		-343.6
Group total	1,416.7	1,505.6	1,371.2	1,729.8	6,023.2	1,512.9	1,630.9	1,436.2		4,580.1

* Text TV has been transferred from New Media to Viasat Broadcasting from 2003. The 2002 figures have been recalculated accordingly.

** The remaining operating units of the closed-down Publishing Business Area has been transferred to Modern Studios from 2003. The 2002 figures have been recalculated accordingly

EBITDA (SEK million)	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Total 2002	Q1 2003	Q2 2003	Q3 2003	Q4 2003	YTD 2003
Viasat Broadcasting										
TV3 Scandinavia	57.1	19.7	-32.3	71.8	116.3	12.3	50.1	-30.4		32.0
TV3 Baltics	1.4	18.3	0.7	33.3	53.7	7.9	22.2	-4.3		25.8
ZTV	0.1	3.5	-1.7	7.3	9.1	1.1	4.2	-1.8		3.5
ZTV Norway	-8.3	-7.0	-7.2	-6.2	-28.7	-6.8	-6.9	-7.5		-21.2
3+	5.0	14.6	3.4	16.3	39.2	0.0	1.6	-2.6		-1.0
Viasat3 Hungary	-14.8	-11.5	-12.7	-14.8	-53.8	-9.5	-6.1	-13.1		-28.7
Darial TV	-9.4	-7.9	-8.0	-6.1	-31.4	-8.1	-5.4	-4.1		-17.7
Viasat	55.3	60.6	65.3	60.2	241.3	82.3	61.7	68.3		212.3
TV1000	14.9	35.3	29.7	68.4	148.3	67.0	77.6	54.7		199.4
TV6	6.6	10.2	7.5	11.1	35.4	7.4	6.1	6.0		19.5
Viasat Sport	-0.5	-1.1	1.8	-1.3	-1.1	-1.0	-0.8	-0.2		-1.9
Viasat Explorer	0.0	-0.1	-0.1	0.0	-0.2	-0.3	-0.6	-0.6		-1.5
TV8	-1.1	-2.3	-2.0	-3.1	-8.5	-2.3	-2.8	-1.4		-6.5
Text	10.4	10.7	10.8	11.0	42.9	9.9	8.0	7.8		25.7
Other and eliminations	-1.4	-1.3	-1.9	4.4	-0.2	-0.4	-0.2	-1.3		-1.9
Associated companies	-	13.5	-0.7	13.5	26.3	-0.6	11.1	11.8		22.3
	115.3	155.0	52.6	265.8	588.7	159.1	219.6	81.3		460.0
TV4										
Sale of TV4 shares	-	162.9	-	-	162.9	-	-	-		0.0
Share of earnings TV4	-5.1	-13.0	-	-	-18.1	-	-	-		0.0
	-5.1	149.9	-	-	144.8	-	-	-		0.0
Radio										
Rix/Power/Lugna Favoriter	-4.5	-4.0	-6.0	-1.5	-16.0	-10.1	1.0	-3.3		-12.5
Baltics	-0.2	0.2	0.2	0.6	0.8	-0.1	0.0	-0.1		-0.2
Associated companies	-6.6	-11.5	-0.8	7.3	-11.6	-9.7	5.1	-3.8		-8.4
	-11.4	-15.3	-6.5	6.5	-26.8	-19.9	6.1	-7.3		-21.1
TV Shop										
TV-Shop	4.2	0.4	-5.7	-2.3	-3.5	4.8	-1.5	-2.8		0.6
Internet Retailing	0.8	0.7	3.1	5.7	10.3	4.5	4.4	6.3		15.3
e-Commerce Logistics	5.9	6.7	5.2	3.3	21.1	2.4	2.3	1.5		6.3
Other and eliminations	1.2	0.8	-0.5	-1.5	-0.1	0.1	0.6	0.7		1.4
	12.0	8.6	2.1	5.1	27.9	11.9	5.9	5.8		23.6
SDI Media	12.1	18.1	19.7	17.4	67.2	14.0	15.4	19.1		48.5
Modern Studios										
Strix Television	13.2	16.6	14.5	16.9	61.2	11.6	13.9	18.2		43.7
Sonet Film	-1.5	-5.6	9.4	10.3	12.6	9.2	1.0	6.0		16.2
Modern Entertainment	7.4	1.4	10.0	7.0	25.7	4.9	3.8	5.9		14.7
Other and eliminations	0.0	0.8	3.1	4.5	8.4	3.0	0.6	2.4		6.0
	19.1	13.2	37.0	38.7	108.0	28.7	19.4	32.5		80.6
Parent company and other companies										
Parent company and other companies	-27.7	-33.1	-42.9	-22.9	-126.6	-40.8	-39.8	-24.3		-104.9
Associated companies	-6.6	-4.3	-1.5	-14.8	-27.2	-5.2	0.6	1.5		-3.1
	-34.3	-37.4	-44.4	-37.7	-153.8	-46.0	-39.3	-22.8		-108.1
Non-recurring items and discontinued businesses	-24.7	-30.3	-23.3	-124.0	-202.3	-5.0	-10.6	-4.8		-20.4
Eliminations	0.0	0.0	0.0	0.0	0.0	-0.4	0.4	0.0		0.0
Group total	83.1	261.7	37.1	171.8	553.8	142.4	216.9	103.9		463.2

Operating income, EBIT (SEK million)	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Total 2002	Q1 2003	Q2 2003	Q3 2003	Q4 2003	YTD 2003
Viasat Broadcasting										
TV3 Scandinavia	45.9	16.3	-37.6	63.7	88.3	6.0	44.3	-36.8		13.5
TV3 Baltics	0.9	11.3	-2.8	29.8	39.2	4.7	20.9	-5.9		19.7
ZTV	0.1	3.5	-1.7	7.3	9.1	1.1	4.2	-1.8		3.5
ZTV Norway	-8.3	-7.0	-7.2	-6.2	-28.7	-6.8	-6.9	-7.5		-21.2
3+	5.0	14.6	3.4	16.3	39.2	0.0	1.6	-2.6		-1.0
Viasat3 Hungary	-16.4	-11.4	-13.2	-15.4	-56.4	-9.9	-6.5	-13.5		-30.0
Darial TV	-10.0	-8.7	-8.7	-6.6	-34.0	-8.9	-6.6	-5.3		-20.9
Viasat	50.7	56.2	61.0	52.8	220.6	78.6	57.8	64.9		201.2
TV1000	4.6	25.0	19.3	58.1	107.0	56.7	67.3	44.4		168.5
TV6	6.6	10.2	7.5	11.1	35.4	7.4	6.1	6.0		19.5
Viasat Sport	-0.5	-1.1	1.8	-1.3	-1.1	-1.0	-0.8	-0.2		-1.9
Viasat Explorer	0.0	-0.1	-0.1	0.0	-0.2	-0.3	-0.6	-0.6		-1.5
TV8	-1.9	-2.5	-2.1	-3.3	-9.8	-2.5	-2.9	-1.5		-6.9
Text	10.1	10.4	10.2	10.1	40.8	7.3	6.5	7.5		21.4
Other and eliminations	-7.7	-7.7	-8.8	-2.8	-27.0	-6.9	-7.3	-1.2		-15.5
Associated companies	-	13.5	-0.7	13.5	26.3	-0.6	11.1	11.8		22.3
	79.0	122.5	20.3	227.1	448.9	125.0	188.0	57.7		370.7
TV4										
Sale of TV4 shares	-	162.9	-	-	162.9	-	-	-		0.0
Share of earnings TV4	-5.1	-13.0	-	-	-18.1	-	-	-		0.0
	-5.1	149.9	-	-	144.8	-	-	-		0.0
Radio										
Rix/Power/Lugna Favoriter	-4.8	-4.4	-6.3	-2.0	-17.4	-10.6	0.5	-3.8		-13.8
Baltics	-0.4	0.0	0.1	0.5	0.2	-0.2	-0.1	-0.3		-0.5
Eliminations	-0.5	-0.6	-0.6	-0.6	-2.2	-0.6	-0.6	-0.6		-1.7
Associated companies	-6.6	-11.5	-0.8	7.3	-11.6	-9.7	5.1	-3.8		-8.4
	-12.2	-16.5	-7.6	5.3	-31.0	-21.1	5.0	-8.4		-24.5
TV Shop										
TV-Shop	3.9	0.1	-6.1	-2.7	-4.8	4.5	-1.8	-3.1		-0.4
Internet Retailing	0.8	0.7	3.1	5.7	10.2	4.5	4.4	6.3		15.3
e-Commerce Logistics	3.6	4.4	2.8	2.1	12.9	0.3	0.1	1.6		2.0
Other and eliminations	-0.5	-0.9	-2.2	-3.2	-6.7	-1.7	-1.1	-1.0		-3.7
	7.7	4.3	-2.3	1.9	11.6	7.6	1.7	3.8		13.1
SDI Media	8.5	14.6	16.4	14.2	53.7	11.7	13.3	17.2		42.2
Modern Studios										
Strix Television	13.0	16.5	14.4	16.8	60.6	11.5	13.8	18.1		43.4
Sonet Film	-1.5	-5.7	9.4	10.2	12.4	4.3	-3.1	1.4		2.6
Modern Entertainment	1.0	-3.2	2.6	-1.3	-1.0	-1.7	-2.0	-1.5		-5.2
Other and eliminations	-4.4	-3.5	-1.3	-0.2	-9.4	-1.1	-3.7	-1.5		-6.3
	8.1	4.1	25.0	25.6	62.7	13.0	5.0	16.5		34.6
Parent company and other companies										
Parent company and other companies	-30.0	-35.2	-45.4	-34.9	-145.5	-43.3	-41.6	-27.3		-112.3
Associated companies	-6.6	-4.3	-1.5	-2.5	-14.8	-5.2	0.6	1.5		-3.1
	-36.6	-39.5	-46.9	-37.3	-160.3	-48.6	-41.1	-25.8		-115.4
Non-recurring items and discontinued businesses	-27.2	-32.7	-25.7	-168.4	-254.0	-5.1	-10.7	-4.9		-20.7
Eliminations	-2.4	-2.4	-2.4	-2.4	-9.6	-2.4	-2.4	-2.4		-7.2
Group total	19.9	204.2	-23.3	65.9	266.7	80.2	158.8	53.7		292.7

