



PRESS RELEASE
JULY 14, 1999

MTG AND NETCOM INVEST IN JOINT PORTAL: EVERYDAY.COM

Modern Times Group MTG AB and NetCom AB will invest in a jointly owned company to build a portal on the Internet.

The new company, Everyday.com, will offer unique opportunities for generating revenue through advertising on the World Wide Web and through Internet shopping (e-commerce).

The goal is to make the most of the strengths of each group:

MTG publishes content on the World Wide Web and commands skills and capacity in the mass media and in marketing, through the Group's TV channels, radio stations, and newspapers. These include TV3, RIX FM, Power Hit Radio, and the newspapers *Metro* and *FinansTidningen*.

In addition, MTG has a special company for selling banner advertising on the Internet, called Webad, and multiple web sites for Internet shopping, such as WebShoppers Club, CDON, comeIN.net, and the on-line auction system TeleAuktion.

NetCom is the leading Internet service provider (ISP) in the Nordic region, with 718,000 Internet customers at March 31, 1999, through its subsidiary Tele2. These subscribers will be offered Everyday.com as their starting page.

Tele2 further bolstered its position on July 1 this year by beginning to offer Internet access with no subscription fee.

"Taken altogether, this gives Everyday.com access to the entire value chain for transactions over the Internet. We can earn money by offering everything: free Internet access, portals, advertising sales, content, e-commerce, payments services, and logistics on a pan-European basis. Few companies are as well-positioned for Internet business as we are," says Niklas Zennström, acting president of Everyday.com.

The business concept of the new portal, Everyday.com, is to simplify everyday life. The goal is to build the portal for the Scandinavian countries to start with. The next country will be the Netherlands, where MTG recently began publishing *Metro* and where Tele2 Europe, part of the SEC group, is established as one of the leading telecom operators and even serves as an ISP.

MTG, through its subsidiary InTV, has produced Tele2's home page since October 1997.

"That collaboration has worked out superbly. That home page has the second highest number of hits of all Internet sites in Sweden. So it is natural that we go further. For us, MTG is the perfect partner, with all its know-how in advertising sales. MTG also has broad content on the World Wide Web and powerful capacity in marketing," says Lars-Johan Jarnheimer, CEO of NetCom.

"For us, it is important to cooperate with NetCom which, besides technical know-how and massive capacity as an Internet service provider, has all those subscribers, for whom we can add value," says Pelle Törnberg, CEO of MTG.

With MTG's and NetCom's joint investment in the portal company Everyday.com, functionality will be enhanced, allowing personalized portals and local variations.

TV-Shop Europe, owned by MTG, provides solutions for taking and delivering orders throughout Europe for e-commerce. These will be combined with the payments system GiSMo. Payments for purchases made over the Internet are easy using authentication via mobile telephones.

"The entire Internet market is in a transitional phase in which the portal is becoming central to any truly integrated Internet strategy. The winners will be those who can offer cheap and easy-to-use access to a portal, whose content is simple and helps each user simplify his or her everyday life.

Tele2's position as the leading Nordic ISP, along with its broad base of Nordic telephony customers, ensures the new venture will have a leading position in the market. In the long run, Tele2 Europe's rapidly growing customer base—now more than 1.66 million telephony customers in six countries—also represents a natural customer base for Everyday.com," Zennström points out.

MTG and NetCom will each own 50% of the new company.

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Modern Times Group MTG AB is listed on the Stockholm Stock Exchange's O list (symbol: MTG) and on the Nasdaq National Market in New York (symbol: MTGNY).

NetCom AB is also listed on the Stockholm Stock Exchange's O list (symbol: NCOM) and Nasdaq National Market (symbol: NECS).