



FOR IMMEDIATE RELEASE

7 April 2006

**CHANGED ACCOUNTING OF SHARE OF EARNINGS FROM ASSOCIATED
COMPANY CTC MEDIA, INC.**

Modern Times Group MTG AB, the international entertainment-broadcasting group, today announced that with effect from 1 January 2006, MTG will be reporting the associated company income from its equity participation in CTC Media Inc. with one quarter time-lag. The financial information from CTC Media Inc. will not be available to MTG before publication of its quarterly results going forward. This accounting treatment is in line with how MTG already reports its earnings from its associated company P4 Radio Hele Norge ASA.

Therefore, MTG will in its financial report for the first quarter of 2006 report its 43.1% share of CTC's fourth quarter 2005 earnings. As previously reported, MTG's share of CTC's earnings for the fourth quarter of 2005 was SEK 138 million. MTG will report CTC's first quarter results 2006 in MTG's second quarter results statement 2006.

As a result of this, MTG has restated its quarterly accounts for 2005, in order to provide comparable year on year numbers. This change has no impact on the Group's cash flow for 2005.

MTG will report its first quarter financial results on 26 April 2006.

CONSOLIDATED INCOME STATEMENT (MSEK)

	2005	2005	2005	2005	2005
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec
Net sales	1,738	1,975	1,836	2,463	8,012
Cost of goods and services	-1,109	-1,148	-1,115	-1,425	-4,797
Gross income	629	827	721	1,038	3,215
Selling and administrative expenses	-475	-548	-537	-634	-2,194
Other operating revenues	1	1	10	7	19
Other operating expenses	-17	-11	-4	-21	-54
Share of earnings in associated companies	74	39	77	37	227
Operating income (EBIT)	212	308	267	427	1,213
Gain/loss from financial assets	389	-	-	-5	384
Net interest and other financial items	-25	-51	-4	-21	-102
Income before tax	575	257	262	401	1,495
Tax	-74	-63	-60	-114	-310
Net income for the period	501	193	202	288	1,185
<i>Attributable to:</i>					
Equity holders of the parent	501	191	203	285	1,180
Minority interests	0	2	0	3	5
Net income for the period	501	193	202	288	1,185
Shares outstanding at quarter-end/year-end	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	66,383,010	66,438,433	66,375,156
Basic earnings per share (SEK)	7.55	2.88	3.05	4.29	17.78
Diluted earnings per share (SEK)	7.55	2.88	3.05	4.29	17.78

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Net sales (SEK million)	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Full year 2005
Viasat Broadcasting					
Free-to-air TV Scandinavia - TV3/ZTV/TV3+	656.0	755.6	625.9	874.7	2,912.3
Pay-TV Nordic	605.0	629.8	672.2	725.9	2,632.8
- Pay-TV DTH platform	570.8	592.9	627.1	675.6	2,466.4
- Pay-TV channels	240.3	255.7	271.7	303.4	1,071.1
- Elimination Pay-TV channels	-206.1	-218.8	-226.7	-253.1	-904.7
C & E Europe	129.3	172.9	140.0	370.5	812.7
- Free-to-air Baltics - TV3/3+/Tango TV	78.0	105.0	72.1	134.6	389.7
- Viasat3 Hungary	14.6	24.1	18.3	33.0	90.0
- DTV Russia	18.1	21.5	21.5	37.0	98.1
- TV Prima, Czech Republic	-	-	-	136.4	136.4
- Pay-TV DTH platform & channels	18.6	22.3	28.1	29.5	98.5
BET24	-	55.5	58.9	90.4	204.8
Other and eliminations	-33.6	-30.6	-22.6	-38.4	-125.2
	1,356.7	1,583.2	1,474.4	2,023.0	6,437.4
Radio	60.3	84.6	68.2	77.1	290.2
Home Shopping	245.2	222.0	225.4	299.0	991.5
Modern Studios	178.5	151.5	147.9	159.7	637.6
Parent company and other companies	34.9	39.5	23.4	30.4	128.2
Eliminations	-138.0	-105.3	-103.3	-126.3	-473.0
Group total	1,737.5	1,975.5	1,836.1	2,462.8	8,011.9

Operating income, EBIT (SEK million)	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Full year 2005
Viasat Broadcasting					
Free-to-air TV Scandinavia - TV3/ZTV/TV3+	58.2	144.9	100.6	188.4	492.0
Pay-TV Nordic	122.8	118.0	130.4	135.8	506.9
- Pay-TV DTH platform	76.0	59.6	74.9	85.8	296.3
- Pay-TV channels	46.7	58.4	55.5	50.0	210.5
C & E Europe	-12.3	20.4	-7.5	75.9	76.5
- Free-to-air Baltics - TV3/3+/Tango TV	8.5	29.2	2.8	46.2	86.7
- Viasat3 Hungary	-9.8	-2.4	-4.1	0.7	-15.6
- DTV Russia	-5.9	-5.2	-7.1	-2.0	-20.2
- TV Prima, Czech Republic	-	-	-	32.7	32.7
- Pay-TV DTH platform & channels	-5.2	-1.2	0.9	-1.7	-7.2
BET24	-	2.1	3.1	-6.2	-1.0
Other and eliminations	11.9	14.4	14.9	13.7	54.9
Associated companies	68.4	32.7	62.6	22.9	186.7
	248.8	332.5	304.1	430.5	1,316.0
Radio	-15.0	6.0	-2.1	0.3	-10.7
Associated companies	5.8	5.0	13.5	9.3	33.6
	-9.1	11.0	11.4	9.6	22.9
Home Shopping	16.9	10.1	14.9	20.5	62.5
Modern Studios	-18.2	1.3	-18.5	9.7	-25.6
Parent company and other companies					
Parent company and other companies	-26.8	-47.2	-45.4	-43.3	-162.7
Associated companies	-	-	-	-	-
	-26.8	-47.2	-45.4	-43.3	-162.7
Group total	211.6	307.8	266.5	427.1	1,212.9

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Modern Times Group is an international entertainment-broadcasting group with operations in more than 30 countries around the world. MTG is the largest Free-to-air and Pay-TV operator in Scandinavia and the Baltics, the largest shareholder in Russia's fourth largest television network, and the number one commercial radio operator in the Nordic region. The Viasat DTH satellite TV platform offers digital multi-channel TV packages of 50 own-produced and third party entertainment channels. Viasat TV channels now reach over 80 million people every day to viewers in 21 countries across Europe.

Modern Times Group MTG AB class A and B shares are listed on the Stockholmsbörsen O-list under the symbols 'MTGA' and 'MTGB'.