

News Release
07 August 1997

MODERN TIMES GROUP'S INTERIM REPORT FOR THE FIRST HALF YEAR OF 1997

In accordance with the decision made at Kinnevik's Annual General Meeting on May 23, 1997, all shares in Modern Times Group MTG AB ("MTG") will be distributed on a pro-rata basis to existing Kinnevik shareholders as at September 15, 1997.

In order to increase visibility, MTG's financial results will be reported separately during 1997. Modern Times Group MTG AB has today presented its Interim Report for the first half year 1997. The Interim Report is enclosed in this press release.

At a Industriförvaltnings AB Kinnevik board meeting today, it was proposed to recapitalize MTG prior to demerger.

The recapitalization will involve the conversion of MSEK 750 of Kinnevik's net claim on MTG into equity of MSEK 326 and a convertible loan of MSEK 424. The loan will mature on 30 December 2000 and pay interest of 3 per cent per annum. In addition, Kinnevik will grant MTG an option to acquire 1,550,000 shares in Millicom International Cellular SA ("MIC") for a total exercise price of MSEK 100, which corresponds to a surplus value today of approximately MSEK 600.

Stig Nordin, President of Kinnevik, stated: "It is of great importance to Kinnevik's shareholders, that the demerger of MTG will be successful and that MTG is positioned as a strong player in the media industry. The recapitalization, excluding the option element, secures a solidity level of 51 % for MTG. The option granted equates to 9 % of Kinnevik's current holding in MIC. Kinnevik's holding in MIC has increased significantly since the start of the year from 3,6 billion SEK to 7,5 billion SEK. The choice of an option is tax efficient."

For further information, please visit www.mtg.se, or email info@mtg.se or contact:

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Modern Times Group MTG AB has seven business areas: Viasat Broadcasting (free-to-air and pay TV channels in nine countries), Radio (seven networks in five countries), New Media (the Everyday interactive TV portal, Internet portal, Mobile portal, and teletext services), Publishing (financial news and information services), Modern Interactive (home shopping, e-commerce, and logistics), SDI Media (subtitling and dubbing services), and Modern Studios (content production and library).

Modern Times Group MTG AB's class A and B shares are listed on the Stockholmsbörsen O-list (symbols: MTGA and MTGB) and on the Nasdaq National Market in New York (symbol: MTGNY).

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