

# Maximizing the Power of Entertainment

Financial Results  
Third Quarter And Nine Months ended  
30 September 2007



# Highlights

## Q3 2007

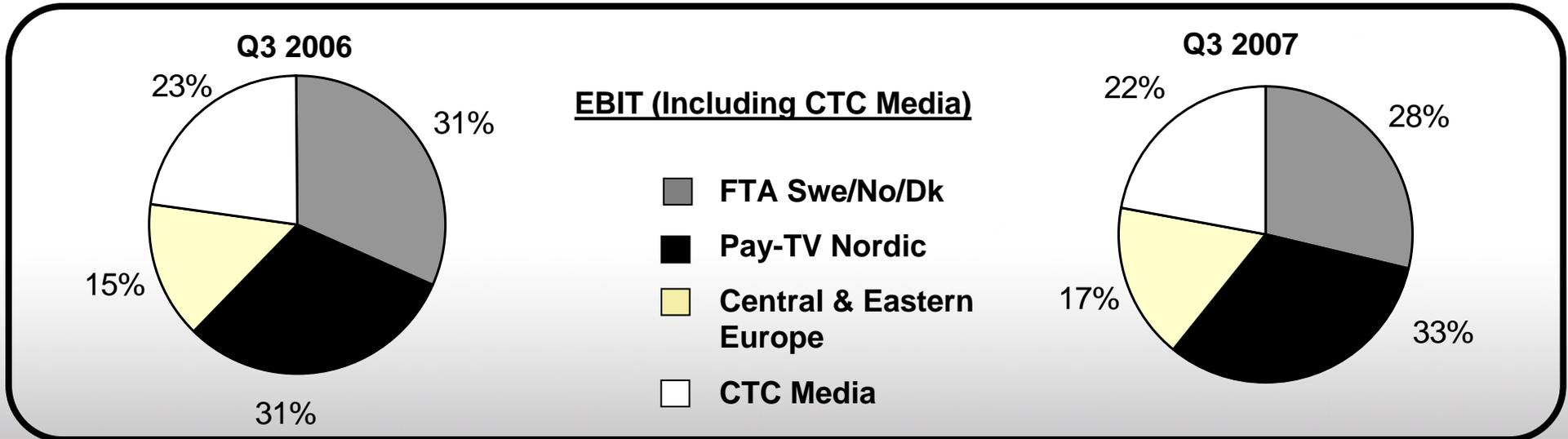
- Group net sales up 15% to SEK 2,612 mn
- Group operating income up 13% to SEK 279 mn excluding SEK 137 mn of associated company income
- Viasat Broadcasting net sales up 16% to SEK 2,022 mn and operating margin of 20%
- First full Q3 consolidation of BMGL, TV3 Slovenia & P4 Radio + >25 new channels launched, acquired or added since Q3 06
- Net income up 1% to SEK 292 mn when excluding SEK 241 mn non recurring non cash gain on CTC IPO
- Establishment of Viasat Ukraine joint venture with Strong Media Group
- Share buyback initiated

## Year to Date 2007

- Group net sales up 12% to SEK 8,083 mn
- Group operating income up 9% to SEK 1,006 mn excluding SEK 410 mn of associated company income
- Viasat Broadcasting net sales up 12% to SEK 6,272 mn & operating margin of 23%
- Net income up 123% to SEK 970 mn when excluding SEK 241 mn non recurring non cash gain on CTC IPO
- Establishment of TV2 Sport joint venture
- Acquisition of 50% of Balkan Media Group Limited for EUR 11.6 mn in February 07
- Acquisition of 90% of Playahead online community for SEK 102 mn in January 07

# Viasat Broadcasting

## Geographical Segmentation – Rolling 12 Months



# Viasat Broadcasting

## Operating Results

(SEK million)	Q3 2007	Q3 2006	Change (%)	9M 2007	9M 2006	Change (%)	FY 2006
<b>Net Sales</b>							
Free-to-air TV Scandinavia	672	653	3	2,204	2,186	1	3,038
Pay-TV Nordic	909	803	13	2,668	2,334	14	3,183
Central & Eastern Europe	494	367	35	1,578	1,288	23	1,841
JV, Other & Eliminations	-53	-76	-	-178	-198	-	-257
<b>Total Net Sales</b>	<b>2,022</b>	<b>1,748</b>	<b>16</b>	<b>6,272</b>	<b>5,610</b>	<b>12</b>	<b>7,805</b>
<b>Operating income (EBIT)</b>							
Free-to-air TV Scandinavia	105	84	25	384	387	-1	562
<i>Operating Margin</i>	<b>16%</b>	13%		<b>17%</b>	18%		18%
Pay-TV Nordic	153	159	-3	461	424	9	597
<i>Operating Margin</i>	<b>17%</b>	20%		<b>17%</b>	18%		19%
Central & Eastern Europe	32	23	36	220	193	14	304
<i>Operating Margin</i>	<b>6%</b>	6%		<b>14%</b>	15%		17%
Associated Companies	128	151	-15	398	394	1	432
JV, Other & Eliminations	-19	3	-	-47	10	-	19
<b>Total EBIT</b>	<b>400</b>	420	-5	<b>1,417</b>	1,408	1	1,913

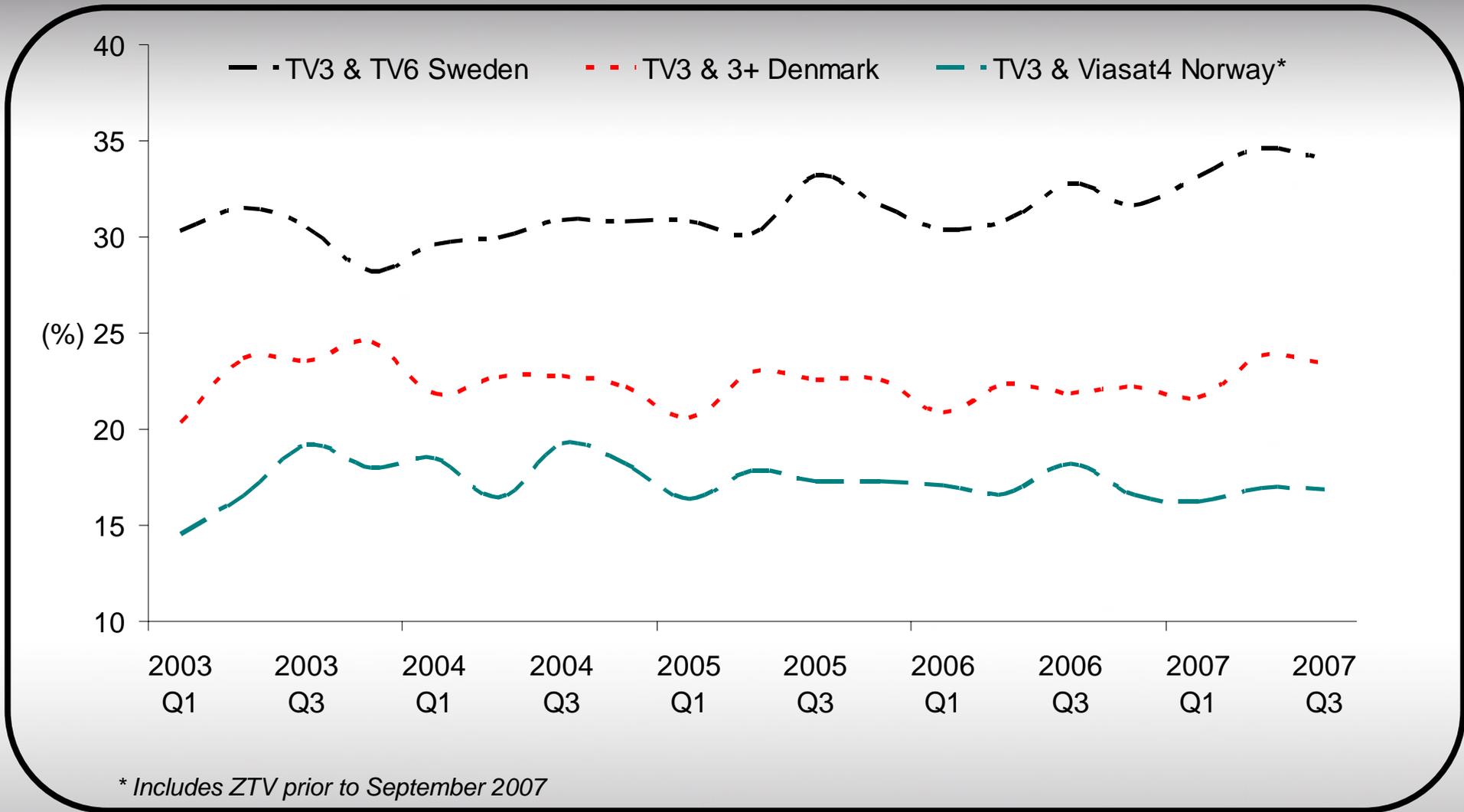
# Free-to-air TV Scandinavia

## Audience & Market Share Gains

- Continued growth with net sales up 3% to SEK 672 mn in Q3 and up 1% to SEK 2,204 mn for year to date
- Operating costs slightly down at SEK 567 mn in Q3 & up 1% to SEK 1,820 mn for year to date reflecting stable programming costs in Q3 and 2% increase for year to date - due to sharing of sports right costs with TV2 Sport joint venture & less short term spending given ratings performance  
OUTLOOK - Full year programming cost guidance revised from 'up to 7%' to 'up to 4%'
- Operating profits up 25% to SEK 105 mn in Q3 but slightly down to SEK 384 (387) mn for year to date - operating margins of 16% (13%) in Q3 and of 17% (18%) for year to date
- TV8 penetration expected to increase following inclusion basic analogue package in ComHem cable network
- Total combined channel CSOV (15-49) in Sweden increased to 35.8% (33.5%) - TV6 now over 13%
- Viasat4 channel launched in September 07 in Norway – inclusion of TV3 & Viasat4 in Riks-TV DTT offering launched in September 07 will boost penetration levels
- Agreement signed with Canal Digital opens way for potential inclusion of TV3 on rival satellite platform, which would further boost penetration in Norway

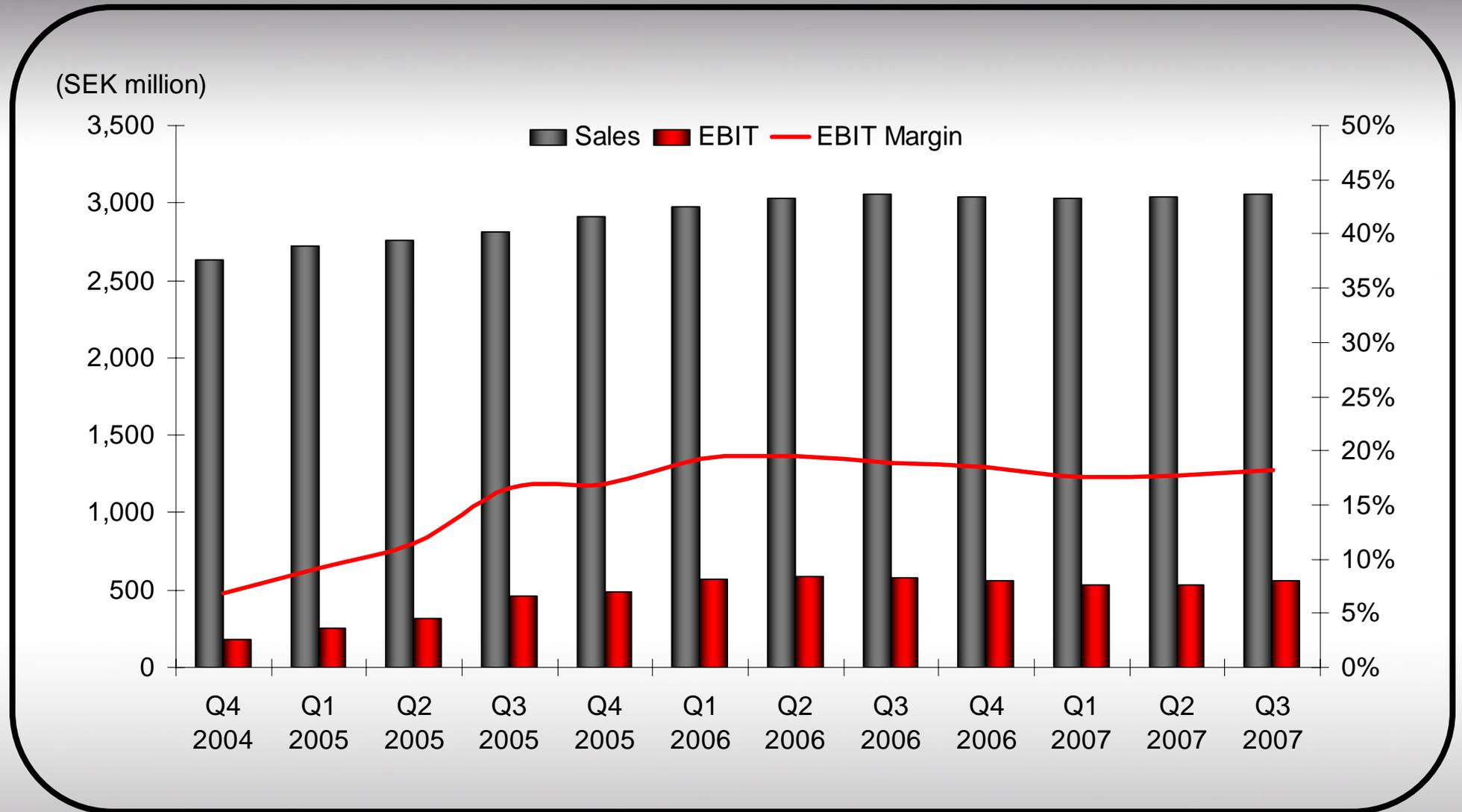
# Free-to-air-TV Scandinavia

Commercial Share of Viewing (15-49)



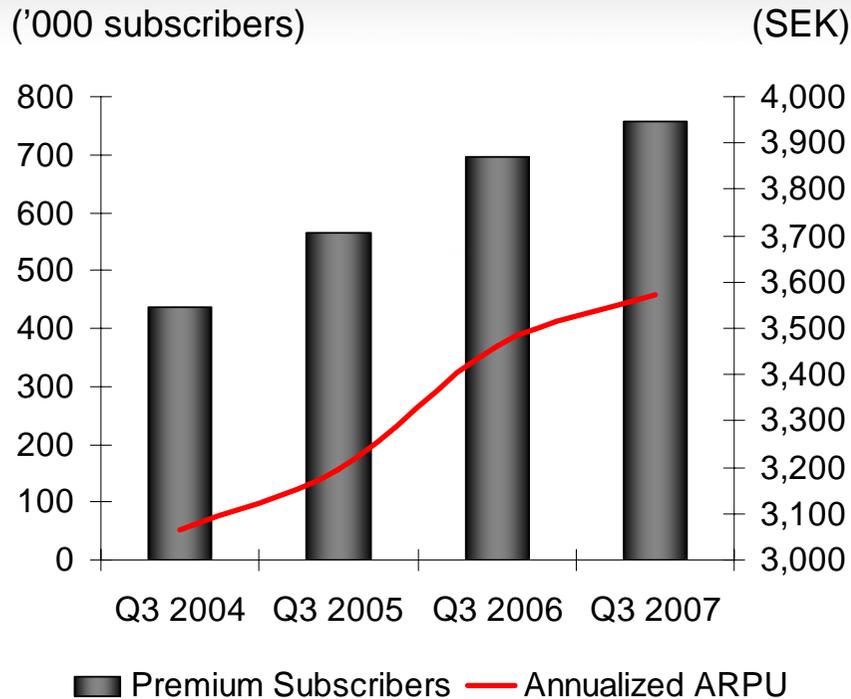
# Free-to-air TV Scandinavia

## Sales & Operating Performance – Rolling 12 Months



# Pay-TV Nordic

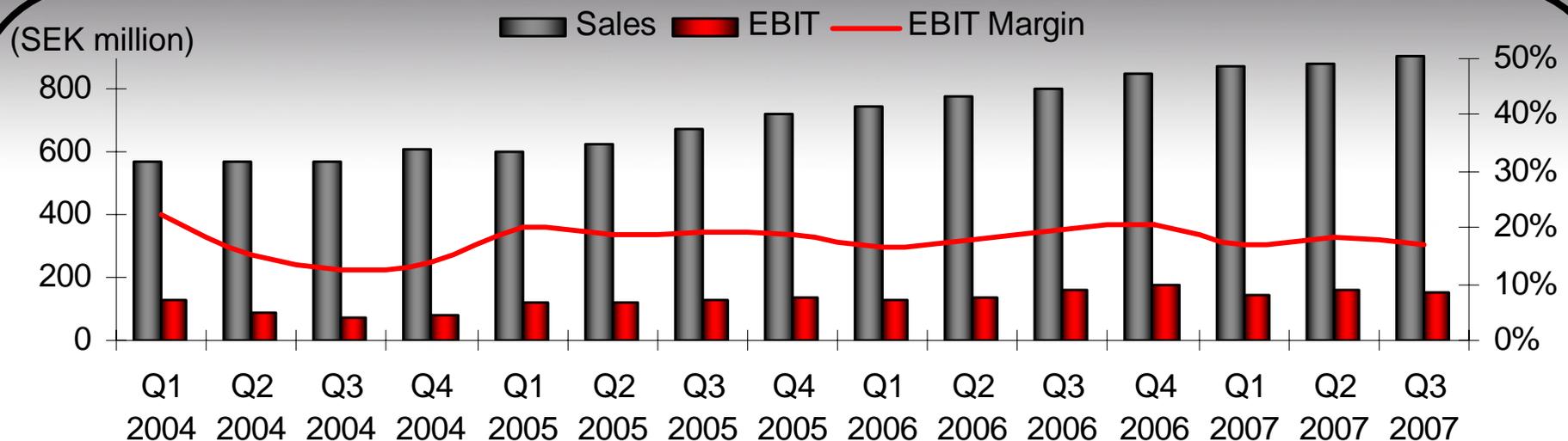
## Subscriber & ARPU Growth



- **10,000 premium subscribers added in Q3 07 & 9% year on year growth in premium base to 756,000**
- **Viasat+ PVR subscribers increased to 63,000 in Q3 & multi-room subscriptions increased to 118,000 and represented 9% and 17% of premium DTH subscriber base compared to 6% and 15% respectively in Q2 2007**
- **ARPU up 3% year on year to SEK 3,573 & New 'tiered' channel packages introduced at the end of Q3**

# Pay-TV Nordic

## Healthy Margins & Increased Investments



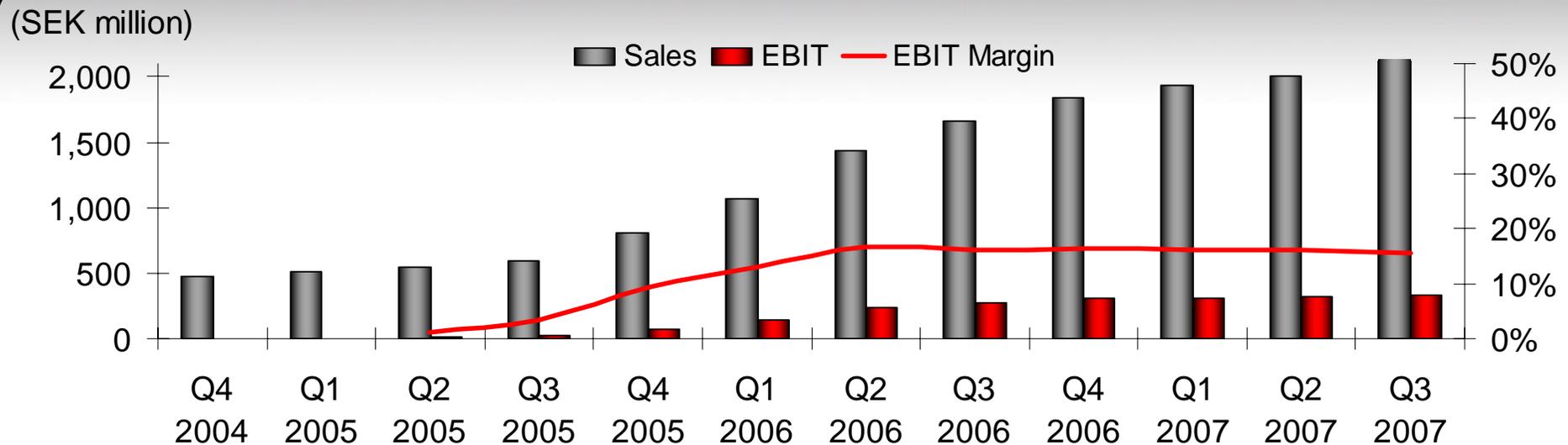
- 13% sales growth in Q3 & 14% for year to date
- OPEX up 17% year on year in Q3 & up 16% for year to date due to higher total SAC in line with subscriber intake, growing share of Viasat+ & Multiroom subscriptions, & investments in new channels & technologies
- Operating margins of 17% (20%) in Q3 and 17% (18%) for year to date

### OUTLOOK

- Canal Digital agreement enables potential strengthening of Norwegian platform position
- Expected operating margin of >17% for 2007 unchanged

# Central & Eastern Europe

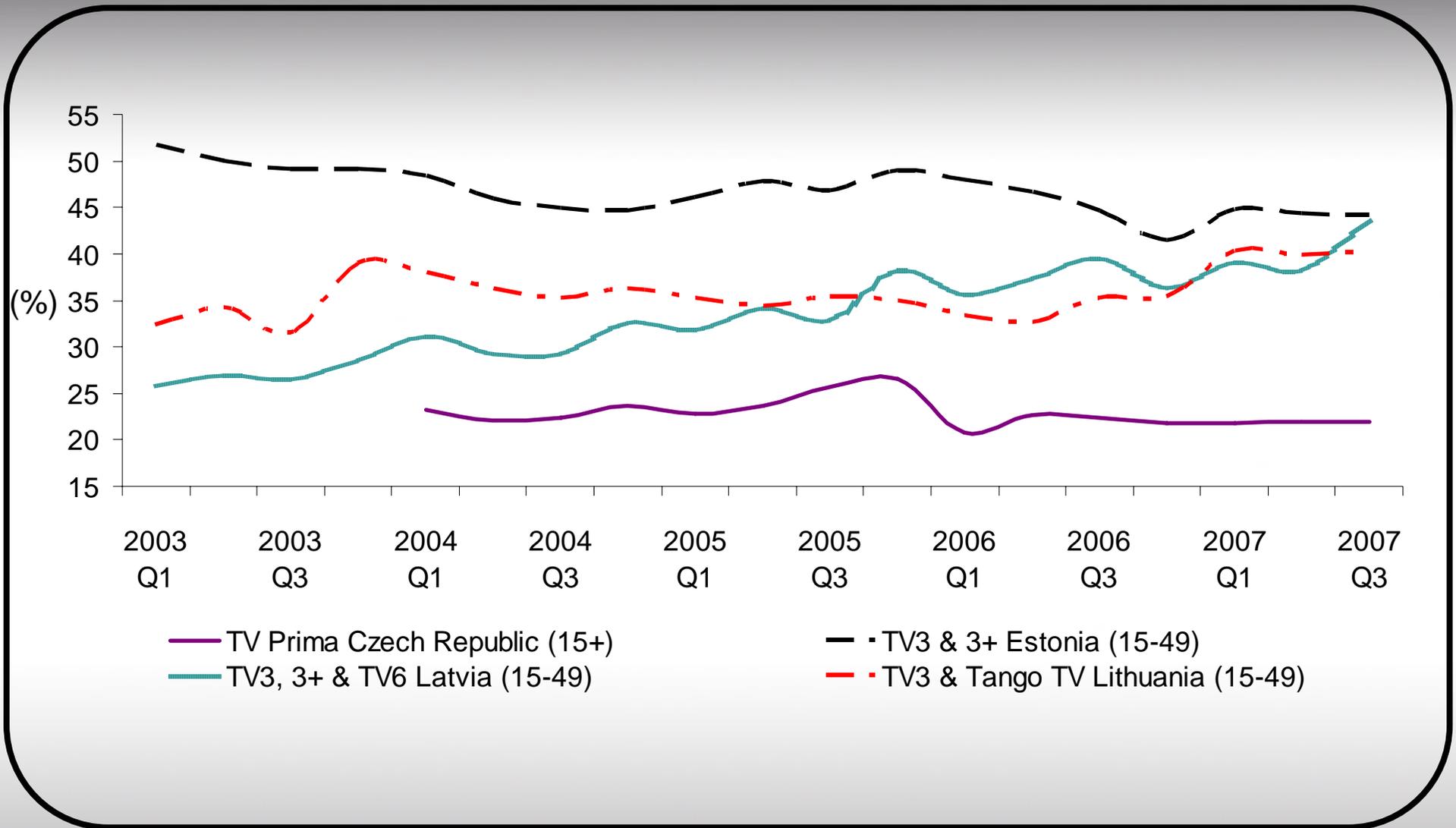
Operating Performance – Rolling 12 Months (Excl. CTC media)



- Net sales up 35% to SEK 494 mn in Q3 & up 23% to SEK 1,578 mn for year to date
- Baltic channels, DTV, Viasat3 Hungary & Pay-TV operations all report strong growth & enhanced margins – TV Prima sales stabilise
- 6% (6%) operating margin in Q3 (excl. CTC Media) & 14% (15%) for year to date
- Establishment of joint venture satellite pay-TV business in Ukraine – 17 mn h'hold market

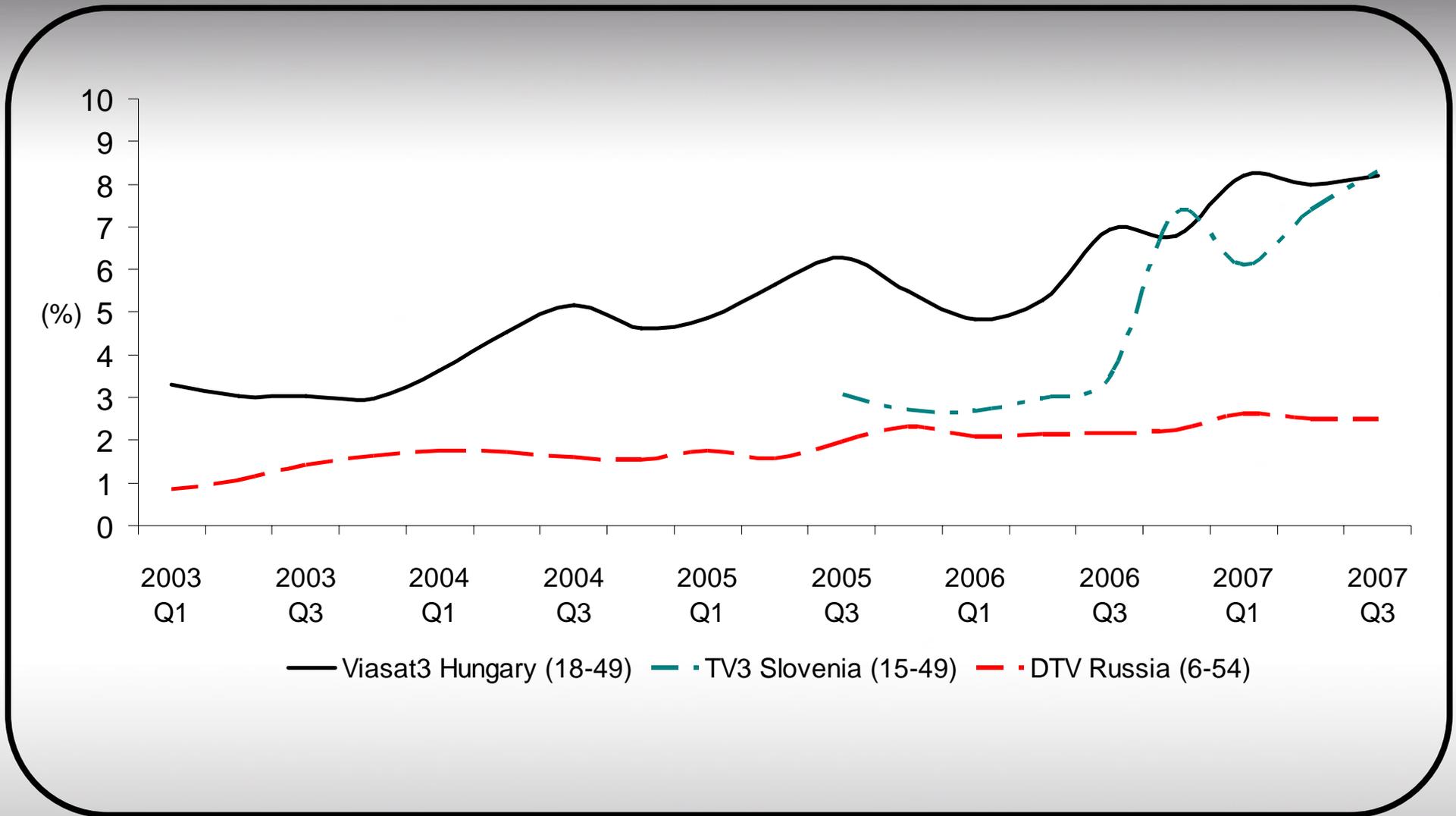
# Free-to-air TV Eastern Europe

## Commercial Share of Viewing



# Free-to-air TV Eastern Europe

## Commercial Share of Viewing



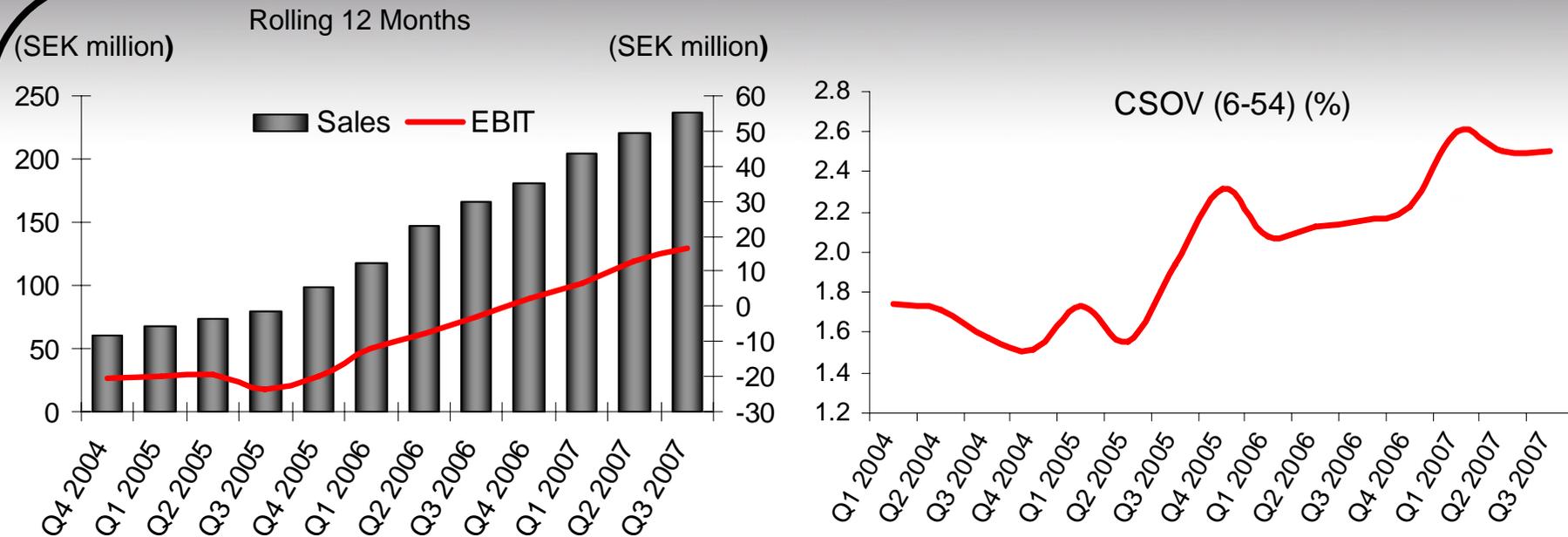
# TV Prima

## Czech Republic

- Sales stabilized year on year at SEK 159 mn in Q3; down to SEK 565 (605) mn for year to date reflecting exceptional performance in 2006
- Operating margin of 9% (11%) in Q3 and 18% (20%) for year to date
- Signed new agreement with regional broadcasting license partner and began utilizing broadcast time slots from September
- CSOV (15+) of 21.9% in Q3 & for year to date - ratings trending up towards end of quarter with focus on news programming & English Premier League football
- Management continues to work on improving programming schedules
- Likely award of new digital terrestrial channel licenses



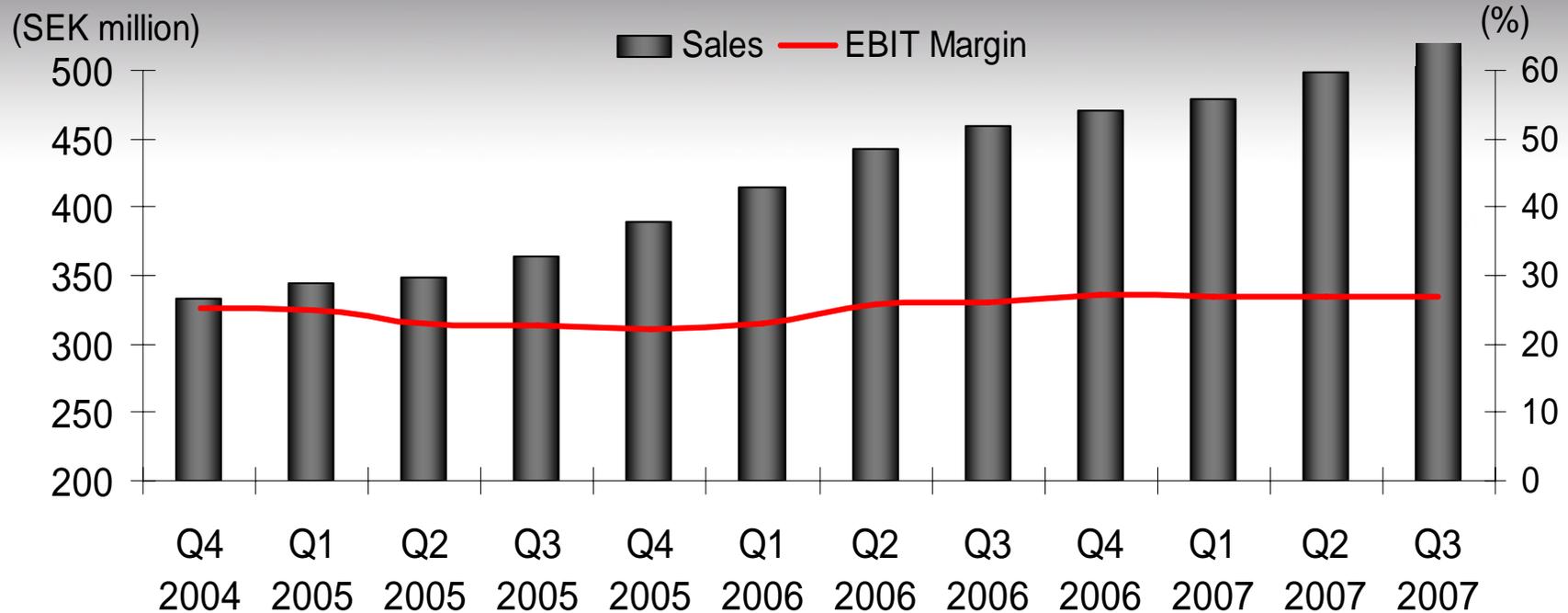
# DTV Russia



- Sales up 42% to SEK 57 mn in Q3 & 44% to SEK 186 mn for year to date following continuing audience share gains – network profitable for both periods
- New agreement signed with Mostelecom to increase Moscow reach by a further 1.3 million households to – close to 100% penetration by end of 2009
- Further investments in distribution in the city of Chelyabinsk and Tula

# Free-to-air TV Baltics

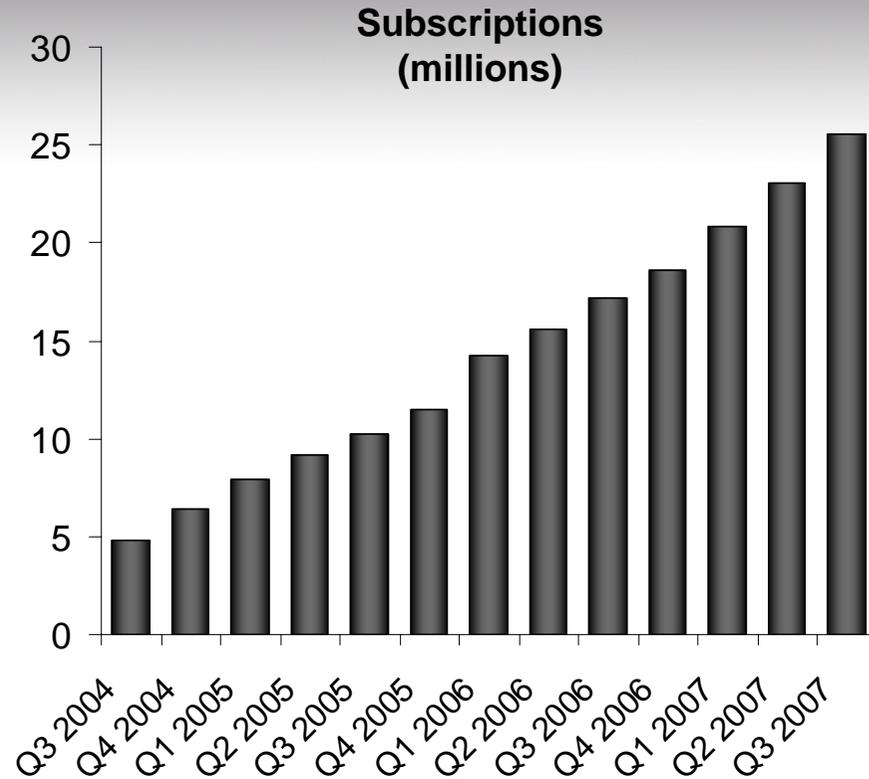
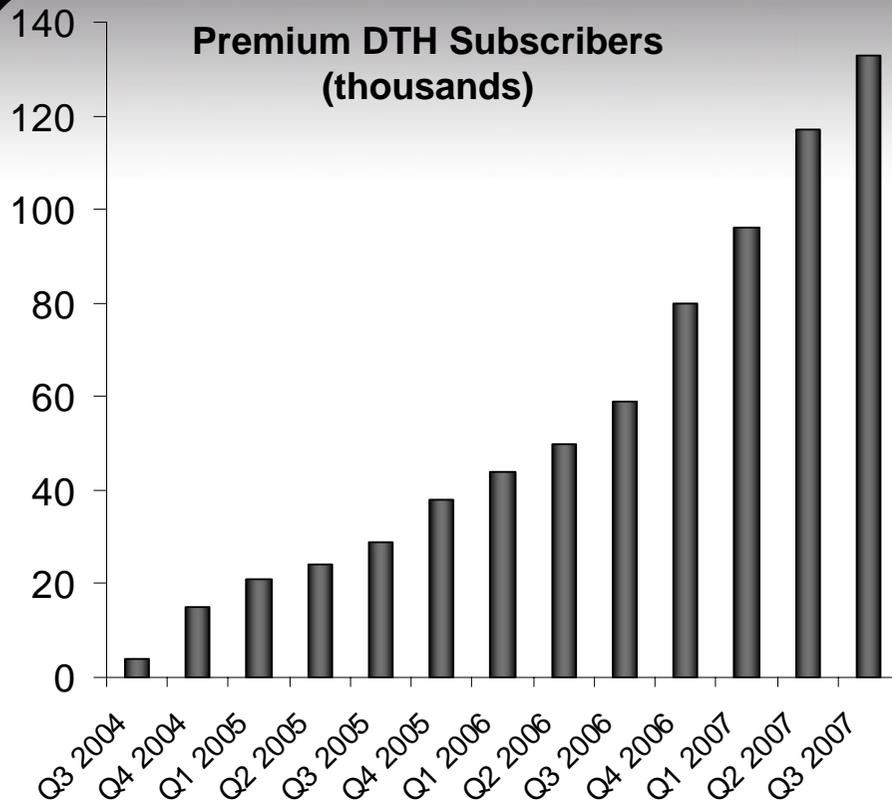
Rolling 12 Months



- 25% sales growth to SEK 110 mn in Q3 & 15% growth to SEK 373 mn for year to date with operating margins of 12% (9%) & 23% (23%), respectively
- Pan-Baltic commercial share of viewing (15-49) up to 41.9% (38.2%) with continued ratings improvement in Latvia and Lithuania & impact of new channel launches
- Niche channel TV6 launched in Latvia in Q2 reported 1.4% CSOV (15-49) after end of quarter

# Pay-TV East

Growth, Growth, Growth

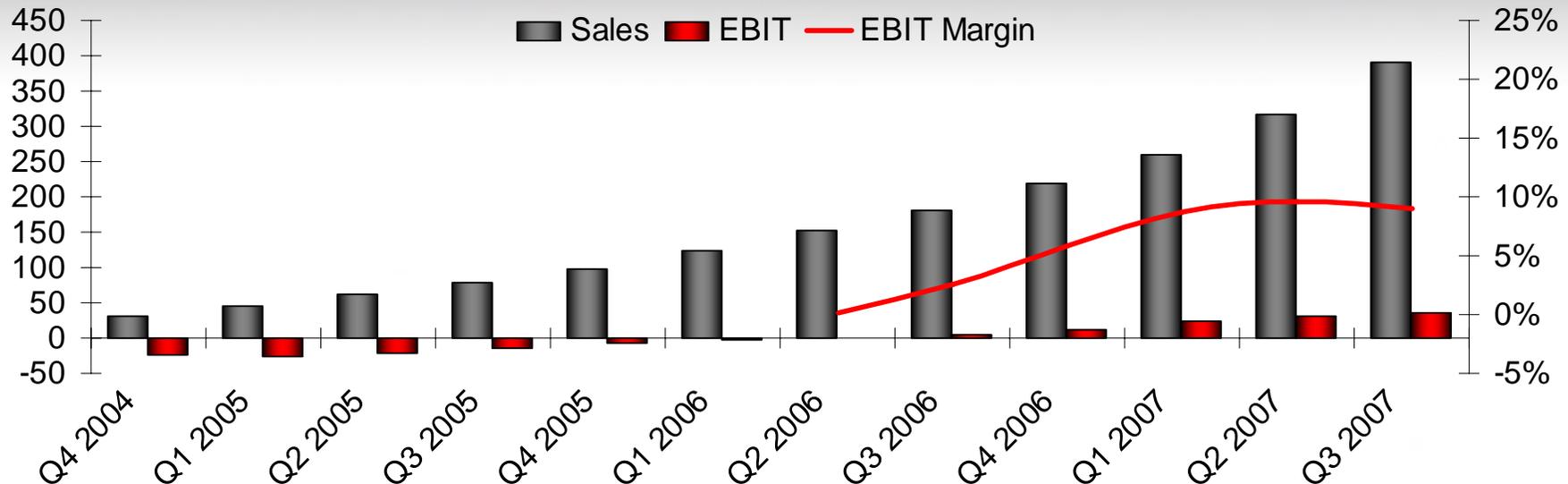


- **Baltic DTH premium subscriber base up 125% year on year to 133,000 subscribers**
- **Wholesale mini-Pay business adds almost 2.5 mn subscriptions in the quarter – 8 channels now present in more than 10 million homes in 20 countries**

# Pay-TV East

## Rolling 12 Months

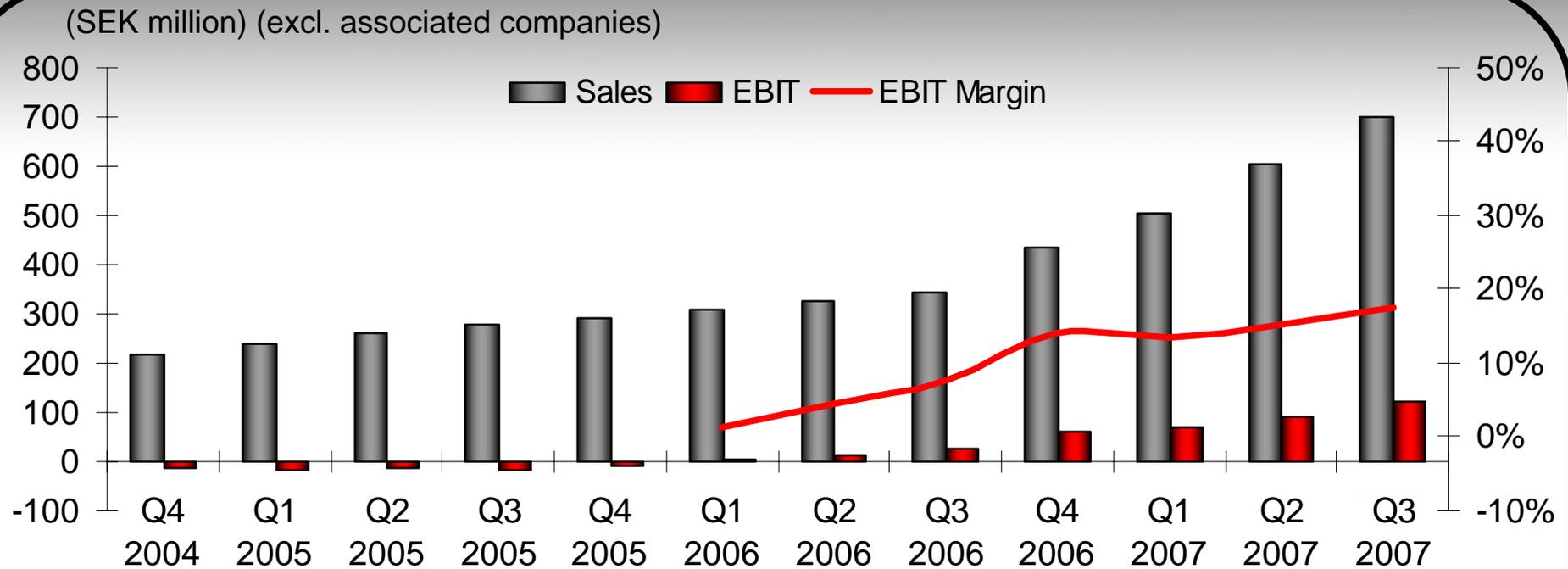
(SEK million)



- Sales > doubled to SEK 129 mn in Q3 & SEK 321 mn for year to date with increasing profits of SEK 10 (5) mn and SEK 28 (6) mn, respectively
- TV1000 Poland launched in March 2007
- Balkan Media Group consolidated since 1 April 2007 - sales of SEK 14 mn in Q3 & SEK 22 mn for year to date with operating losses of SEK 6 mn & SEK 10 mn, respectively, reflecting investment phase

# Radio

## Rolling 12 Months



- More than doubling of net sales to SEK 182 mn in Q3 & SEK 532 mn year to date
- > Doubled operating margin of 21% (10%) in Q3 & 16% (10%) for year to date
- MTG Radio Sweden sales growth of 10% in Q3 and 8% for 9 month period
- P4 local currency sales growth of 18% in Q3 and 11% for 9 month period

## Comprises CDON.COM, BET24, Playahead and MTG New Media

- Net sales of SEK 331 (370) mn in Q3 and SEK 1,110 (1,151) mn for year to date reflect sale of TV Shop & lower sales for BET24 as business refocused on core MTG markets
- Substantial improvement in operating profitability to SEK 21 (-2) mn in Q3 and SEK 62 (0) mn for year to date
- CDON.COM sales up 23% to SEK 214 mn in Q3 and 24% to SEK 600 mn for year to date
- CDON.COM acquired online fashion retailer Nelly.se in August 2007
- BET24 reported operating profit of SEK 2 for Q3 & year to date period with gross profit increases of 25% for Q3 and 21% year to date
- TV Shop sold & deconsolidated from 21 June 2007 – Q2 gain of SEK 17 mn



# All Business Areas

## Operating Results

<b>(SEK million)</b>	<b>Q3 2007</b>	<b>Q3 2006</b>	<i>Change (%)</i>	<b>9M 2007</b>	<b>9M 2006</b>	<i>Change (%)</i>	<b>FY 2006</b>
<b>Net Sales</b>							
Viasat Broadcasting	<b>2,022</b>	1,748	16	<b>6,272</b>	5,610	12	7,805
Radio	<b>182</b>	85	114	<b>532</b>	264	101	433
Other business areas	<b>474</b>	523	-9	<b>1,444</b>	1,572	-8	2,192
Eliminations	<b>-93</b>	-103	-	<b>-240</b>	-314	-	-406
Parent company & other companies	<b>26</b>	27	-70	<b>76</b>	87	-33	111
<b>Total Net Sales</b>	<b>2,612</b>	<b>2,280</b>	<b>15</b>	<b>8,083</b>	<b>7,219</b>	<b>12</b>	<b>10,136</b>
<b>Operating income (EBIT)</b>							
Viasat Broadcasting	<b>400</b>	420	-5	<b>1,417</b>	1,408	1	1,913
Radio	<b>46</b>	15	214	<b>95</b>	45	11	78
Other Business Areas	<b>17</b>	0	-	<b>46</b>	9	-	-59
Parent company & other companies	<b>-48</b>	-31	-	<b>-141</b>	-119	-	-155
<b>Total EBIT</b>	<b>416</b>	<b>404</b>	<b>3</b>	<b>1,416</b>	<b>1,342</b>	<b>6</b>	<b>1,777</b>

# Summary Income Statement

(SEK million)	Q3 2007	Q3 2006	9M 2007	9M 2006	FY 2006
<b>Net Sales</b>	<b>2,612</b>	2,280	<b>8,083</b>	7,219	10,136
<b>Operating Income (EBIT)</b>	<b>416</b>	404	<b>1,416</b>	1,342	1,777
Gain/loss from financial assets	<b>2</b>	241	<b>1</b>	243	244
Net interest and other financial items	<b>-7</b>	2	<b>-9</b>	0	-5
<b>Income before tax</b>	<b>411</b>	647	<b>1,408</b>	1,586	2,016
Tax	-119	-118	-439	-403	-517
<b>Net income for the period</b>	<b>292</b>	529	<b>970</b>	1,183	1,499
Basic average number of shares outstanding	<b>66,971,540</b>	66,527,490	<b>66,971,540</b>	66,527,490	66,591,869
Basic earnings per share (SEK)	<b>4.39</b>	7.82	<b>13.88</b>	16.98	21.57

# Cash Flow

(SEK million)	Q3 2007	Q3 2006	9M 2007	9M 2006	FY 2006
Cash flow from operations	297	252	882	839	1,372
Changes in working capital	-112	-145	-240	-219	-78
<b>Net Cash Flow from Operations</b>	<b>185</b>	<b>107</b>	<b>642</b>	<b>620</b>	<b>1,294</b>
Proceeds from sales of shares	-	0	-	21	21
Proceeds from sales of shares of subsidiaries	-	-	70	-	-
Investments in shares in subsidiaries & associates	-8	-607	-187	-604	-645
Investments in other non-current assets	-184	-48	-279	-257	-329
Other cash flow from investing activities	-	-	-	-	2
<b>Cash flow from/to investing activities</b>	<b>-192</b>	<b>-655</b>	<b>-404</b>	<b>-840</b>	<b>-950</b>
<b>Cash flow from/to financing activities</b>	<b>-9</b>	<b>586</b>	<b>-364</b>	<b>-284</b>	<b>-877</b>
<b>Net change in cash and cash equivalents for the period</b>	<b>-16</b>	<b>38</b>	<b>-126</b>	<b>-503</b>	<b>-533</b>

- SEK 70.3 mn received from sale of TV Shop in June 2007
- SEK 179 mn invested in acquisition of Playahead & Balkan Media Group in Q1
- Capital expenditure of SEK 184 (48) mn in Q3 & SEK 287 mn for year to date primarily reflects additional investments in distribution in Central and Eastern Europe
- Changes in working capital of SEK -112 (-145) mn in Q3 & SEK -240 (-219) mn for YTD

# Balance Sheet

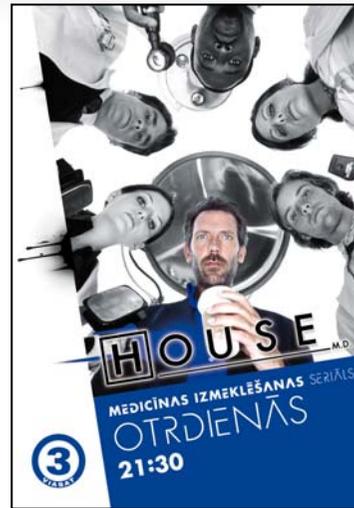
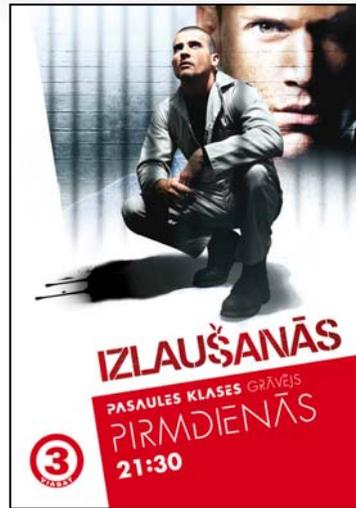
(SEK million)	30 Sep 2007	30 Sep 2006	31-Dec-06
Non-current assets	5,673	4,797	4,891
Current assets	5,119	4,474	4,314
<b>Total assets</b>	<b>10,791</b>	<b>9,271</b>	<b>9,205</b>
Shareholders' equity	5,595	4,752	5,105
Long-term liabilities	403	281	305
Current liabilities	4,793	4,238	3,796
<b>Total equity &amp; liabilities</b>	<b>10,791</b>	<b>9,271</b>	<b>9,205</b>

- Net cash position of SEK 30 (-28) mn
- SEK 3.7 billion of available liquid funds
- SEK 6.9 billion surplus to book value for 39.5% shareholding in CTC Media
- Equity to assets ratio of 52% (51%) as at 30 September 2007, compared to 53% as at 30 June 2007

# Strategic Objectives

5 Year Goals announced in June 2007

- **MTG to report Group Net Sales of SEK 20 billion in 2011 (including selected acquisitions) with >10% organic annual sales growth**  
*Sales of SEK 11 billion for 12 month period ending 30 September 2007*
- **Current Viasat Broadcasting C&E Europe operations to generate net sales of SEK 5 billion in 2011**  
*Net sales of SEK 2.131 million for 12 month period ending 30 September 2007*
- **>20% operating (EBIT) margin for Viasat Broadcasting (excl. CTC Media) by end of 2011**  
*Rolling 12 month operating (EBIT) margin of 16% in Q3 2007*
- **Current Viasat Broadcasting C&E Europe operations (incl. CTC Media) to generate higher operating profit (EBIT) than rest of Viasat Broadcasting by 2011**  
*C&E Europe = 40% of Viasat Broadcasting EBIT (incl. CTC Media) in Q3 2007 on rolling 12 month basis*
- **MTG to report 30% Return on Equity for 2007-2011 5 year period**  
*25% Return on Equity for 12 months ended 30 September 2007*



Med Viasat får du maximal underhållning!

Det **bredaste och mesta** utbudet av film, sport och dokumentärer.  
– Installerat och klart!

Underhållning på dina villkor