

Maximizing the Power of Entertainment

Modern Times Group MTG AB

Financial Results
Fourth Quarter And Full Year 2007

14 February 2008



Highlights

Fourth Quarter 2007

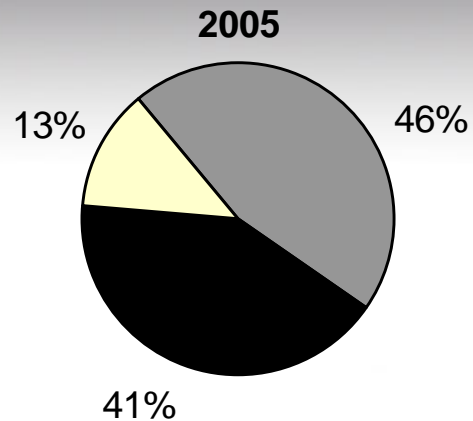
- Sales up 12% to SEK 3,268 mn
- Operating income up 40% to SEK 611 mn with increased operating margin of 19%
- Viasat Broadcasting net sales up 17% to SEK 2,571 mn with an increased operating margin of 24%
- Scandinavian Free-to-air TV sales up 14% to SEK 969 mn with 40% increase in operating profit to SEK 243 mn
- Net income up 45% to SEK 458 mn
- Tender offer for Gymgrossisten Nordic AB & acquisition of Linus-Lotta.com and Bookclub.fi
- Sale of Sonet Film business

Full Year 2007

- Sales up 12% to SEK 11,351 mn
- Operating income up 14% to SEK 2,027 mn with an operating margin of 18%
- Viasat Broadcasting net sales up 13% to SEK 8,842 mn with an operating margin of 23%
- Net income up 14% to 1,428 (excluding SEK 241 mn non recurring non cash gain from CTC IPO in 2006)
- SEK 307 million repurchase of 719,000 class B shares between 20 Sept and 31 Dec
- Board to propose an ordinary dividend of SEK 5 and an extraordinary dividend of SEK 10 per share and seek authorization for potential share buy-back mandate

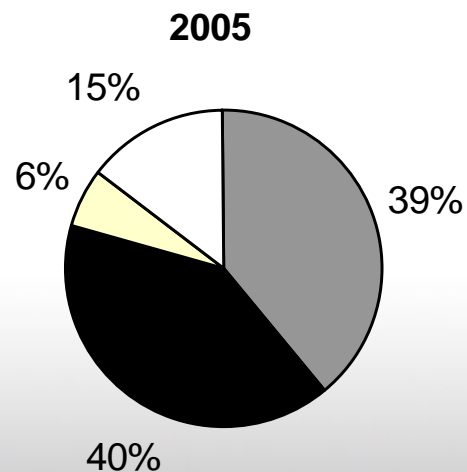
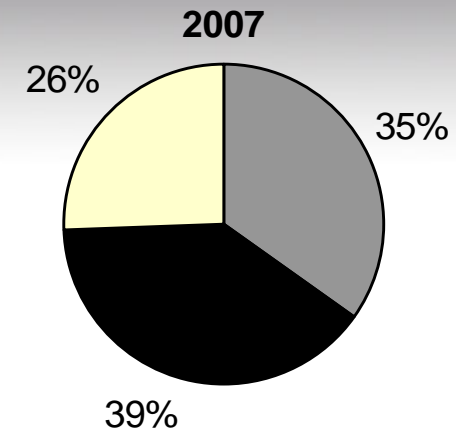
Viasat Broadcasting

Geographical Segmentation



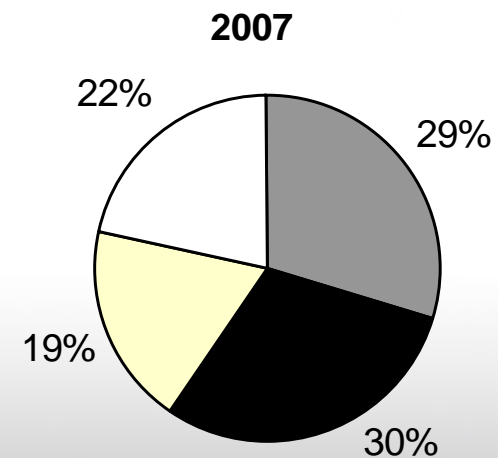
Sales

- FTA Swe/No/Dk
- Pay-TV Nordic
- Central & Eastern Europe



EBIT (Including CTC Media)

- FTA Swe/No/Dk
- Pay-TV Nordic
- Central & Eastern Europe
- CTC Media



Viasat Broadcasting

Operating Results

(SEK million) Q4 2007 Q4 2006 *Change (%)* FY 2007 FY 2006 *Change (%)*

Net Sales

Free-to-air TV Scandinavia	969	852	14	3,173	3,038	4
Pay-TV Nordic	946	849	11	3,613	3,183	14
Central & Eastern Europe	750	553	36	2,328	1,841	26
JV, Other & Eliminations	-94	-59	-	-272	-257	-

Total Net Sales	2,571	2,196	17	8,842	7,805	13
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Operating income (EBIT)

Free-to-air TV Scandinavia	243	174	39	627	562	12
<i>Operating Margin</i>	25%	20%		20%	18%	
Pay-TV Nordic	170	173	-2	631	597	6
<i>Operating Margin</i>	18%	20%		17%	19%	
Central & Eastern Europe (excl. CTC Media)	176	111	59	396	304	30
<i>Operating Margin</i>	23%	20%		17%	17%	
Associated Companies	63	39	63	461	432	7
JV, Other & Eliminations	-41	9	-	-88	19	-

Total EBIT	611	505	21	2,027	1,913	6
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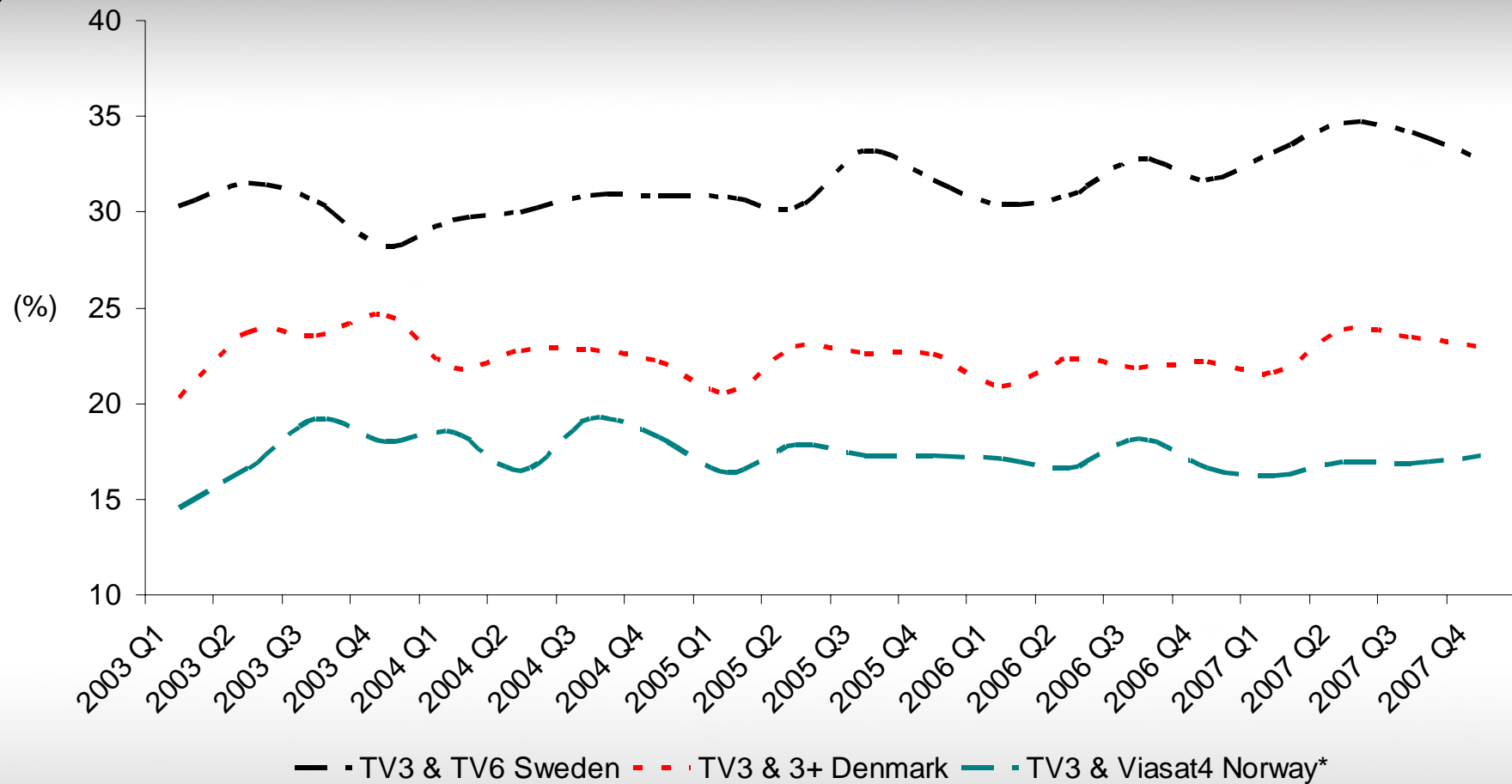
Free-to-air TV Scandinavia

Ratings Growth Drives Market Share Gains

- Net sales up 14% to SEK 969 mn in Q4 & 4% to SEK 3,173 mn in 07
- Combined 'Media House' CSOV (15-49) for Swedish channels up from 32.7% in Q4 06 to 34.3% in Q4 07
 - TV6 audience share up to >11% in Q4
- Inclusion of TV3 Sweden in Canal Digital satellite pay-TV package from February 08 ' to gradually increase penetration by 3-5%
- Norwegian channel Viasat4 launched in September 07 - already achieved 4.1% CSOV (15-49) & increased penetration of 50% in Q4
- Ongoing discussions with Canal Digital Norway re inclusion of TV3 on Canal Digital platform - Viasat4 included in January 08
- Operating costs up 7% to SEK 726 mn in Q4 & 3% to SEK 2,546 mn in 07
- Programming costs up 11% in Q4 & 4.5% in 07 following increased investment in Danish own productions
- Operating income up 40% to SEK 243 mn in Q4 & 12% to SEK 627 mn in 07
- Increased operating margins of 25% (20%) in Q4 & 20% (18%) in 07

Free-to-air-TV Scandinavia

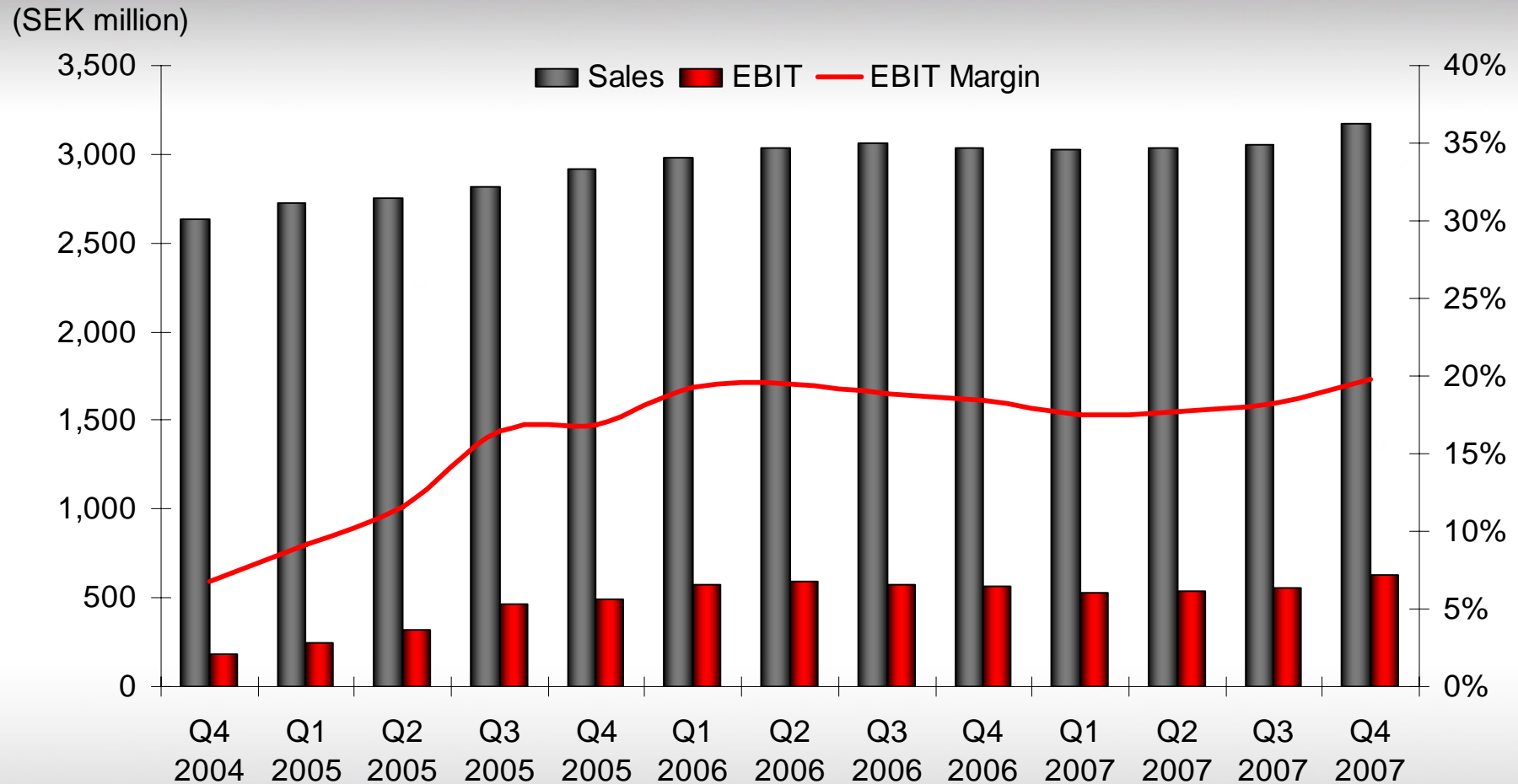
Commercial Share of Viewing (15-49)



* Includes ZTV prior to September 2007

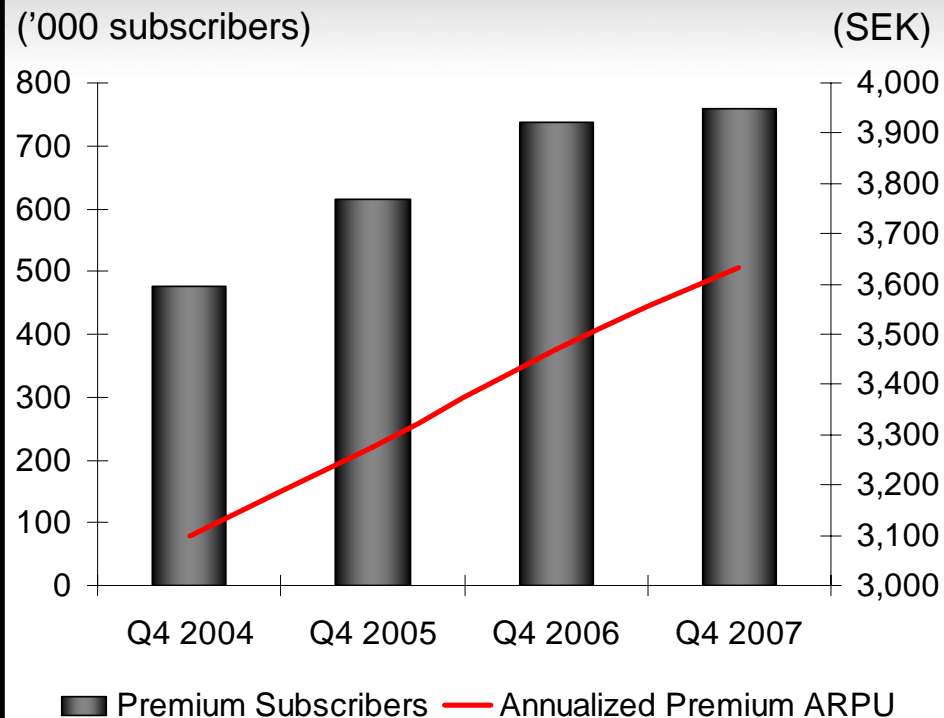
Free-to-air TV Scandinavia

Sales & Operating Performance – Rolling 12 Months



Pay-TV Nordic

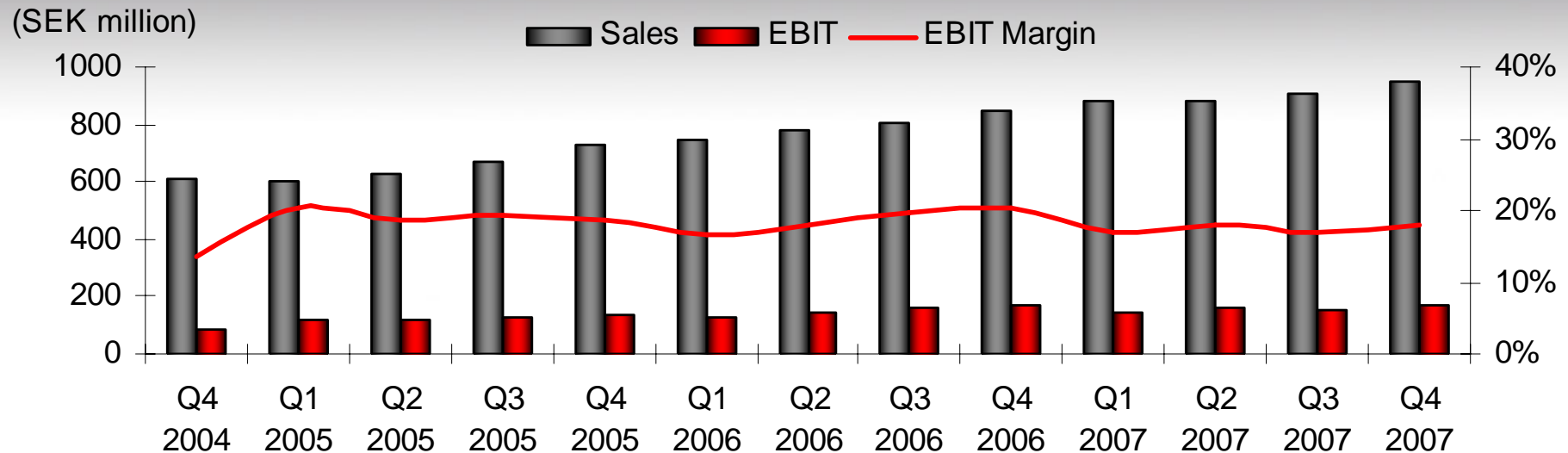
Subscriber & ARPU Growth



- ARPU up 5% year on year to SEK 3,633 following introduction of new 'tiered' channel packages
- Net addition of 23,000 premium subscribers in 07 & 4,000 in Q4 - total subscriber base of 848,000 at year end
- Viasat+ PVR subscriber base up 2.6x to 73,000 (10% of premium DTH base) & multi-room subscriber base up 1.3x to 130,000 (18% of premium DTH base)
- Initial 3 channel 'Hi-Def' offering launched in January 08
- 12 new channels added to Viasat platform since beginning of 07, including SBS's Kanal 5 in February 08
- Ongoing negotiations in Norway regarding inclusion of TV2 & TVN channels on Viasat platform

Pay-TV Nordic

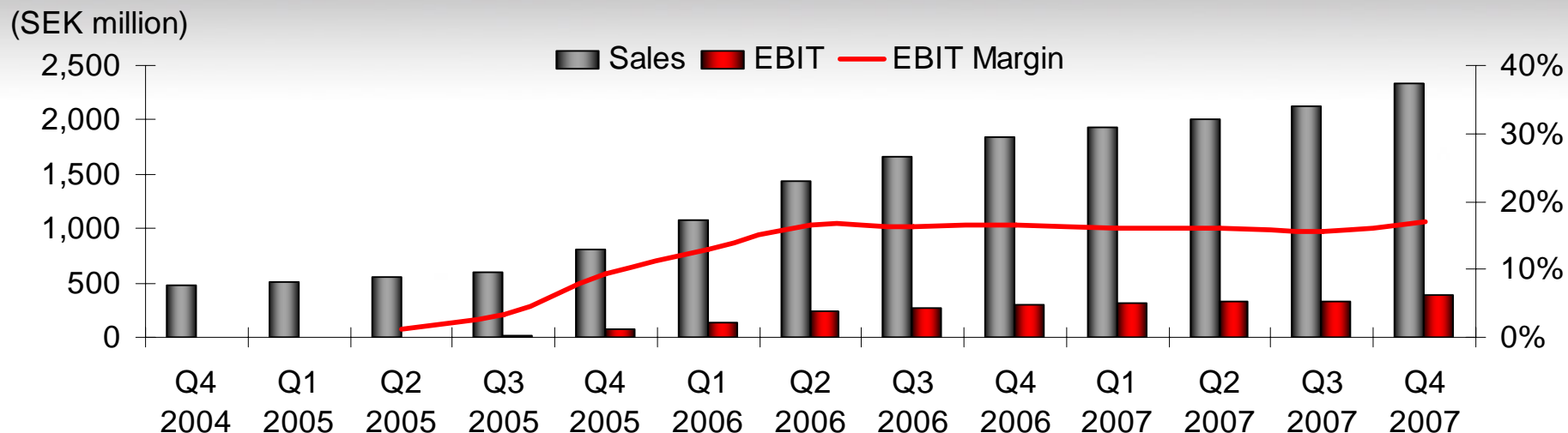
Investing in Growth



- Net sales up 11% to SEK 946 mn in Q4 & 14% to SEK 3,613 mn in 07
- Operating expenditure up 15% in Q4 & 07 to SEK 776 mn and SEK 2,982 mn, respectively
- investments in channels & technologies BUT stable SAC
- Stable operating income at SEK 170mn in Q4 & 6% increase to SEK 631 mn in 07
- Lower operating margins of 18% (20%) in Q4 & 17% (19%) in 07 reflect 'investment' year

Central & Eastern Europe

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

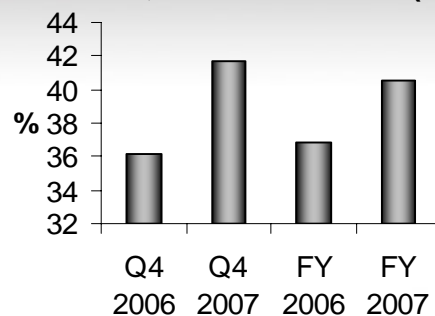


- Net sales up 36% to SEK 750 mn in Q4 & 26% to SEK 2,328 mn in 07
- TV Prima returns to growth in Q4 + increasing market shares in other fast growing markets
- Operating profits (excl. CTC Media contribution) up 59% to SEK 176 mn in Q4 & 30% to SEK 396 mn in 07 despite ongoing investments in Slovenia & Balkans
- Improved operating margin of 23% (20%) in Q4 & stable margin of 17% (17%) in 07 (excl. CTC Media)

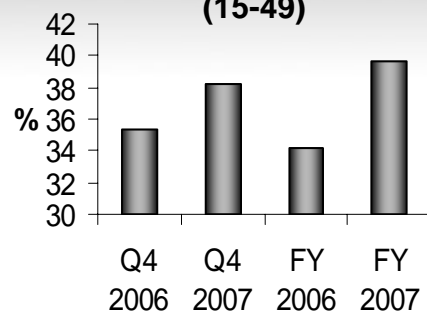
Free-to-air TV Eastern Europe

Commercial Share of Viewing Development

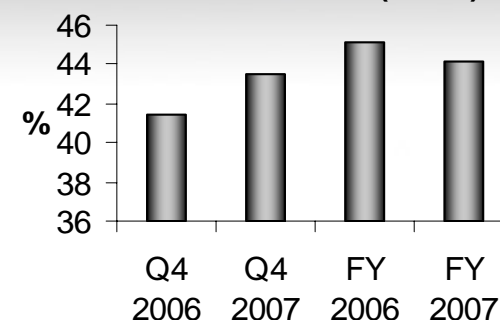
TV3, 3+ & TV6 Latvia (15-49)



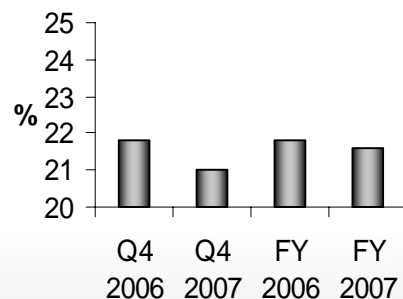
TV3 & Tango TV Lithuania (15-49)



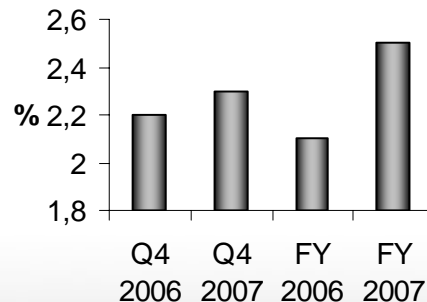
TV3 & 3+ Estonia (15-49)



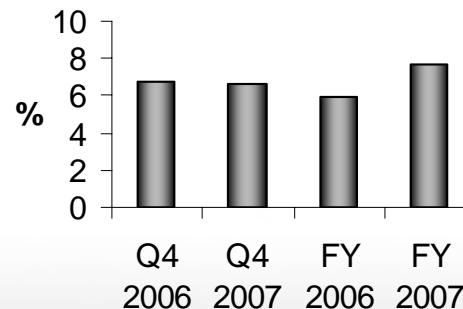
TV Prima Czech Rep (15 +)



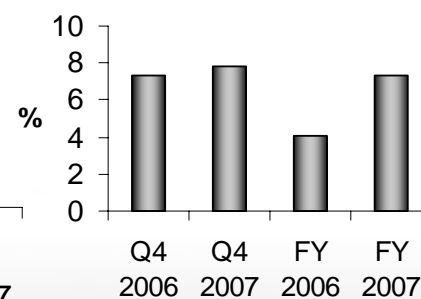
DTV Russia (6-54)



Viasat3 Hungary (18-49)



TV3 Slovenia (15-49)



TV Prima

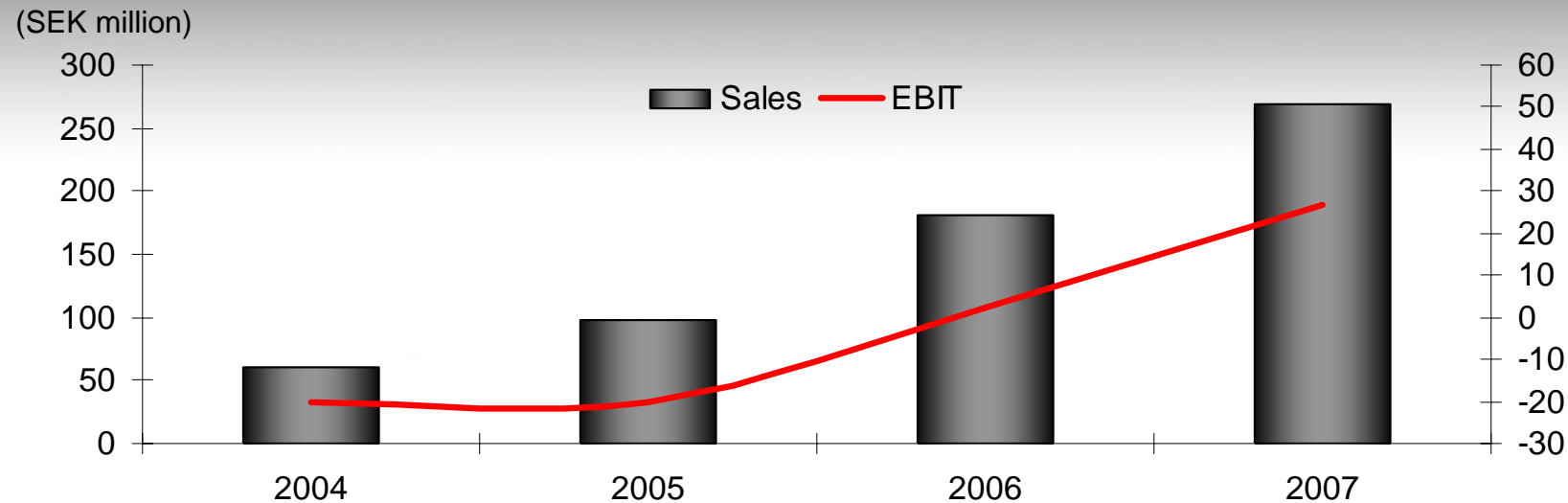
Czech Republic

- Net sales up 12% to SEK 273 mn in Q4 & 07 sales slightly down at SEK 837 mn following exceptional performance in 06
 - Local currency sales up 7% in Q4
- Audience share yet to reflect rebranding, programming investments & schedule changes during 07
- Operating profits up 56% to SEK 82 mn in Q4 & 8% to SEK 185 mn in 07
- Increased operating margins of 30% (22%) in Q4 & 22% (20%) for full year
- New management introduced at beginning of 08 following completion of organizational changes



DTV Russia

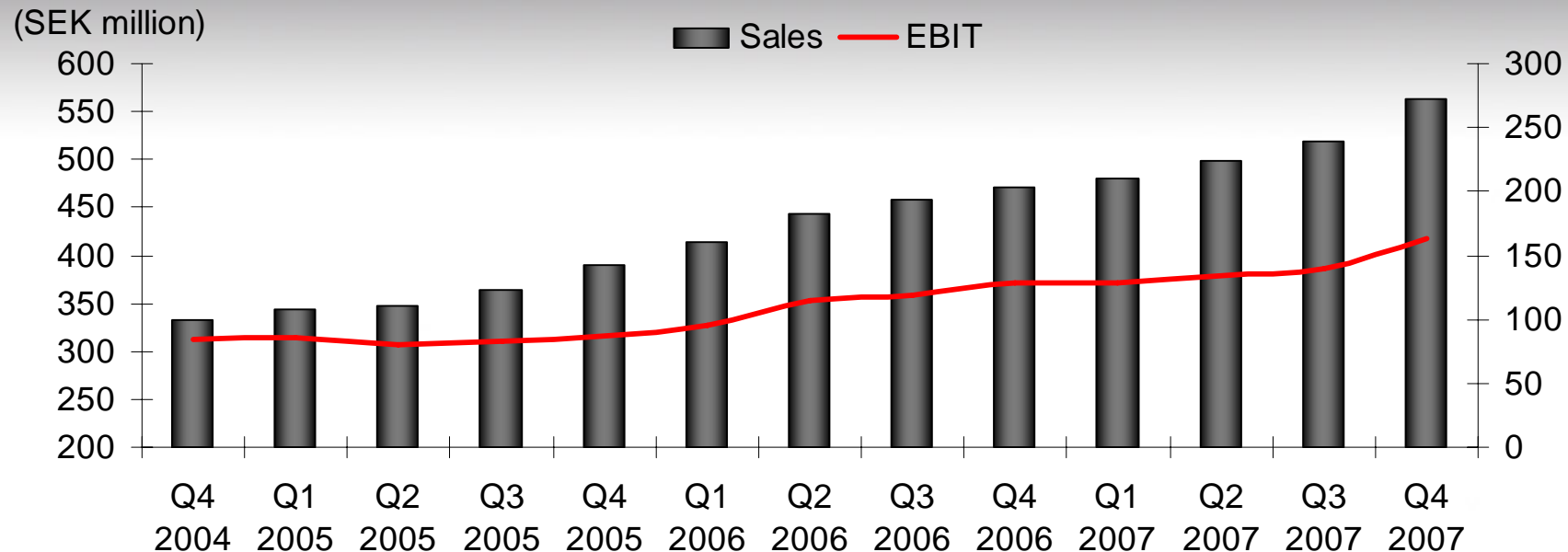
Full Year



- Net sales up 62% to SEK 83 mn in Q4 & 49% to SEK 269 mn in 07
- Continued audience share gains with channel ratings in target group peaking at 2.8% in July
- ~ 1.45 mn households connected under 06 agreement with Mostelecom, increasing penetration in Moscow to 55%
 - 07 agreement to add further 1.3 mn households & lift City penetration to ~ 98%
- New affiliates signed up – DTV broadcast for first time in Miass, Novomoskovsk and Novosibirsk
- Operating profits up >3x to SEK 13 mn in Q4 & 9x to SEK 26 mn in 07
 - Increased operating margins of 16% (7%) in Q4 & 10% (1%) in 07

Free-to-air TV Baltics

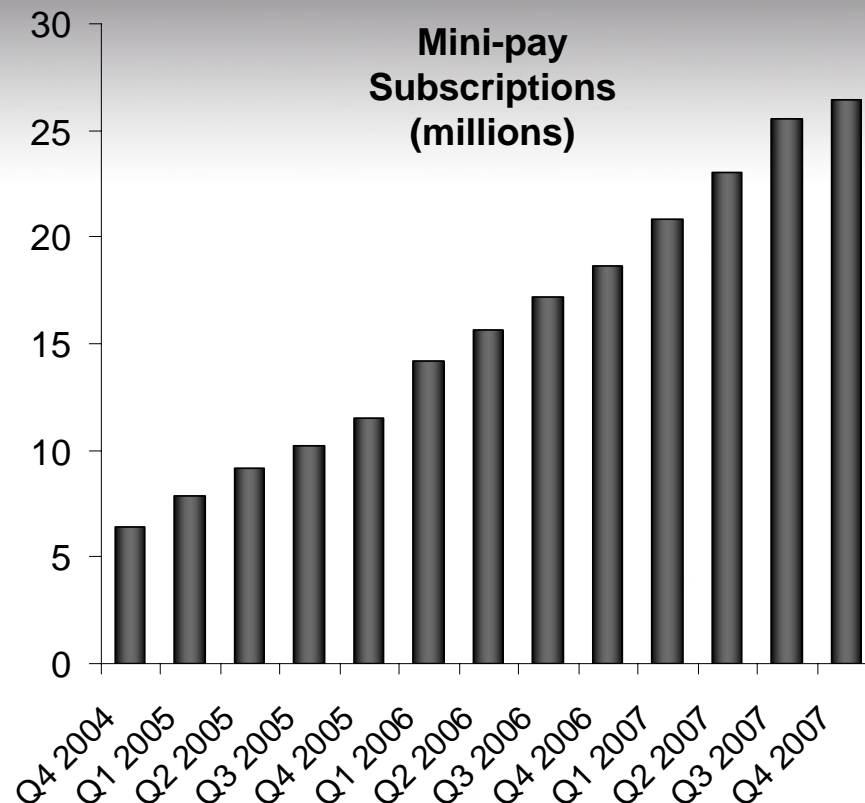
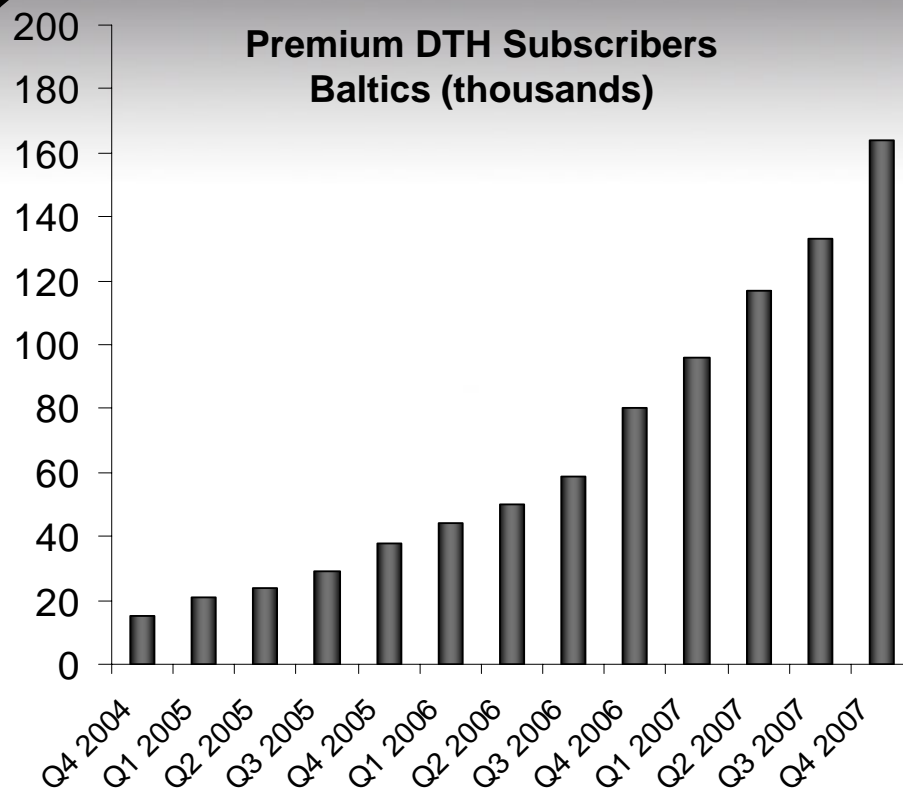
Rolling 12 Months



- Net sales up 30% to SEK 191 mn in Q4 & 20% to SEK 564 mn in 07
- Pan-Baltic CSOV (15-49) up to 40.1% (36.7%) in Q4
- TV6 Latvia launched in Q2 07 & already achieved 1.8% CSOV in Q4
- Operating profits up 44% to SEK 78 mn & 28% to SEK 163 mn in 07
 - Increased operating margins of 41% (37%) in Q4 & 29% (27%) in 07

Pay-TV East

Continued Subscriber Intake

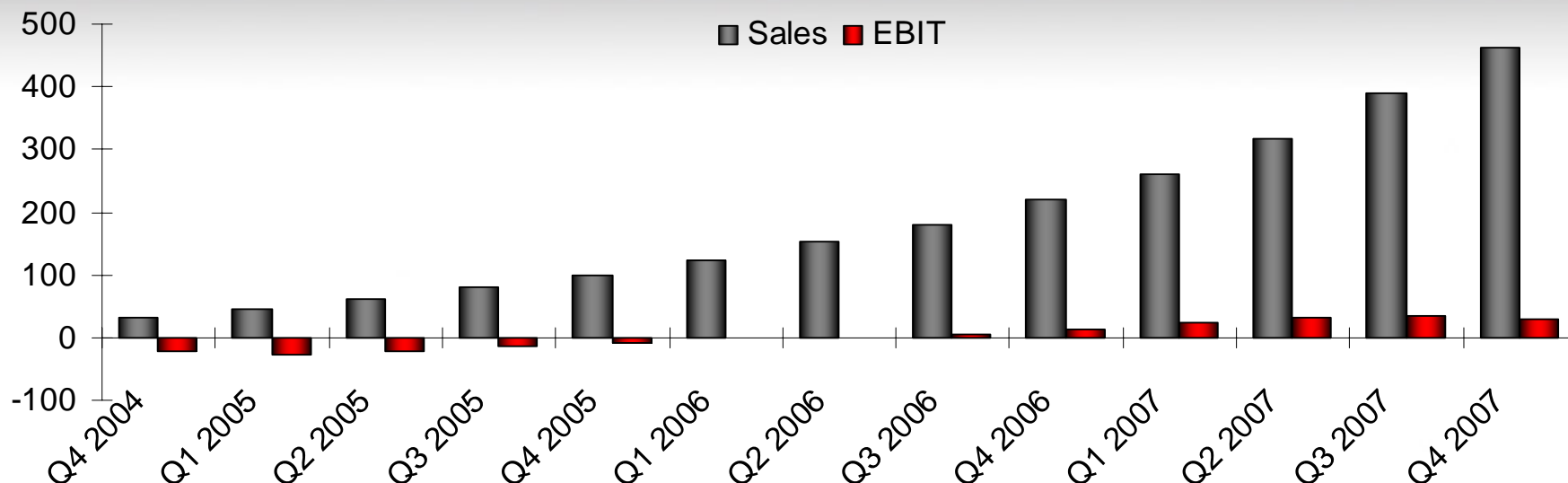


- Baltic satellite platform adds 33,000 premium subscribers in Q4 & more than doubles in size to 164,000 by year end
- Wholesale mini-Pay business adds 875,000 subscriptions in Q4 & almost 8 mn new subscriptions in 07
 - Total number of subscriptions up 42% to 26.4 mn for the full year

Pay-TV East

Rolling 12 Months

(SEK million)

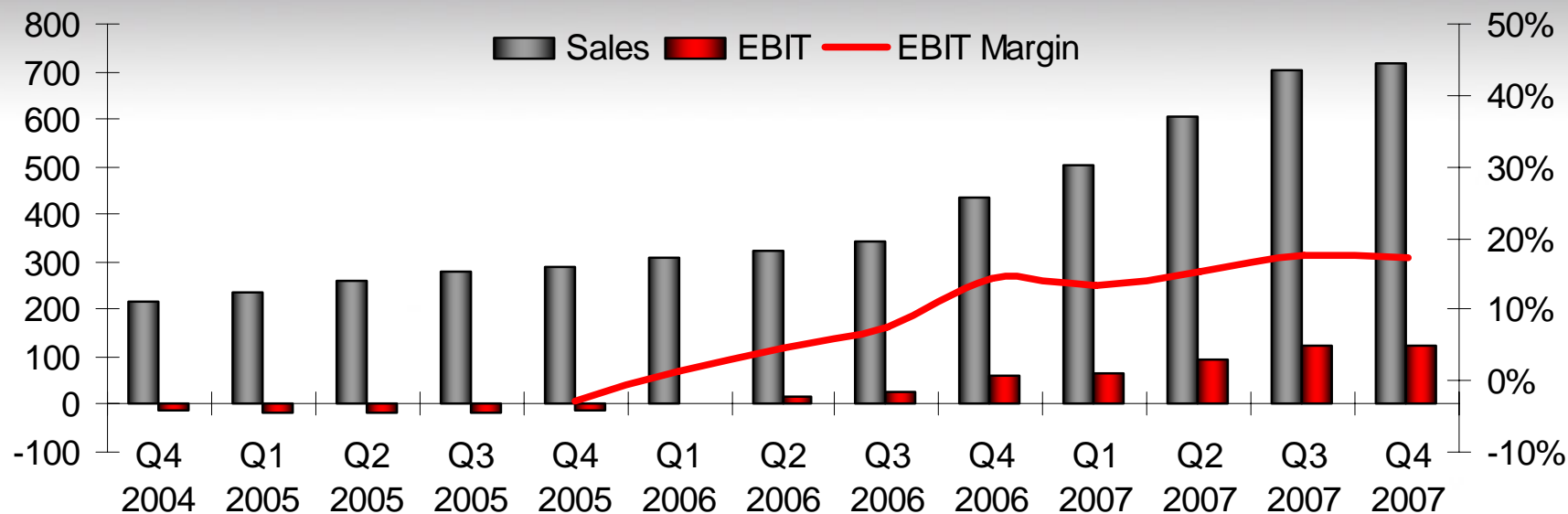


- Net sales doubled to SEK 140 mn in Q4 & SEK 461 mn in 07
- Healthy underlying development in operating profitability up from SEK 13 mn to SEK 28 mn
- Continued investment in Balkan Media Group relaunch, 8.7% CSOV (18-49) in December
- Preparation for launch of DTH satellite platform in Ukraine – on track

Radio

Rolling 12 Months

(SEK million) (excl. associated companies)



- Net sales up 8% to SEK 183 mn in Q4 & 65% to SEK 715 mn in 07
- Full year sales growth reflects consolidation of P4 Radio from Q4 2006 & strong performance
- Operating profits up 4% to SEK 37 mn in Q4 & more than doubled to SEK 123 mn in 07 (excluding associated companies)
 - Operating margin of 20% in Q4 & 17% in 07

Online

Expansion of MTG Internet Retailing

- Net sales of SEK 448 mn in Q4 and SEK 1,558 mn in 07 (TV Shop sold in Q2 2007)
- CDON.COM sales up 22% to SEK 311 mn in Q4 & 22% to SEK 911 mn in 07
- BET24 gross winnings up 28% to SEK 38 mn in Q4 & 23% to SEK 122 mn in 07 and profitable in Q4 and full year
- Nelly.se, Linus-Lotta.com & Bookplus.fi acquired & consolidated within MTG Internet Retailing during 07
- Operating profits up 3x to SEK 37 mn in Q4 & up 7x to SEK 81 mn in 07 (excluding SEK 18 mn impact of sale of TV Shop)
- SEK 196 mn recommended cash offer made for Gymgrossisten - # 1 Nordic online retailer - in December 07



Operating Results By Business Area

(SEK million)	Q4 2007	Q4 2006	Change (%)	FY 2007	FY 2006	Change (%)
Net Sales						
Viasat Broadcasting	2,571	2,196	17	8,842	7,805	13
Radio	183	169	8	715	433	65
Online	448	459	-2	1,558	1,611	-3
Other	66	94	-	235	287	-
Total Net Sales	3,268	2,918	12	11,351	10,136	12
Operating income (EBIT)						
Viasat Broadcasting	611	505	21	2,027	1,913	6
Radio	39	33	17	134	78	71
Online	37	12	322	99	12	851
Other	-76	-115	-	-234	-225	-
Total EBIT	611	435	40	2,027	1,777	14

Summary Income Statement

(SEK million)	Q4 2007	Q4 2006	FY 2007	FY 2006
Net Sales	3,268	2,918	11,351	10,136
Operating Income (EBIT)	611	435	2,027	1,777
Net interest and other financial items	-4	-5	-12	-3
Non-cash gain from CTC Media IPO	-	-	-	-241
Income before tax	607	431	2,015	2,016
Tax	-149	-114	-588	-517
Net income for the period	458	316	1,428	1,499
<hr/>				
Basic average number of shares outstanding	66,612,141	66,983,283	66,945,776	66,591,869
Basic earnings per share (SEK)	6.48	4.60	20.35	21.57

Cash Flow

(SEK million)	Q4 2007	Q4 2006	FY 2007	FY 2006
Cash flow from operations	481	533	1,363	1,372
Changes in working capital	-193	141	-433	-78
Net Cash Flow from Operations	288	673	930	1,294
Proceeds from sales of shares	-	0	-	21
Proceeds from sales of shares of subsidiaries	-	-	70	-
Investments in shares in subsidiaries & associates	-32	-40	-219	-645
Investments in other non-current assets	-40	-72	-327	-329
Other cash flow from investing activities	-	2	-	2
Cash flow from/to investing activities	-71	-110	-475	-950
Cash flow from/to financing activities	-230	-593	-594	-877
Net change in cash and cash equivalents for the period	-14	-30	-139	-533

- Net cash from operations of SEK 288 mn in Q4 and SEK 930 mn in 07
- SEK 70 mn realized from sale of TV Shop & SEK 219 mn invested in acquisition of Playahead, Balkan Media Group, Nelly.se, Linus-Lotta.com & Bookplus.fi shares
- Capital expenditure of SEK 40 (72) mn in Q4 & SEK 327 (329) mn in 07 reflects investment in Nordic satellite platform & enhanced distribution in C&E Europe
- Distribution of SEK 503 mn dividend + SEK 307 mn committed to share repurchases in 2007
- Board to propose ordinary dividend of SEK 5 per share and extraordinary dividend of SEK 10 per share to 2008 AGM - total distribution of SEK 1 billion + seek mandate for potential share buy-back

Balance Sheet

(SEK million)	2007	2006
Non-current assets	5,756	4,891
Current assets	5,203	4,314
Total assets	10,958	9,205
Shareholders' equity	5,875	5,105
Long-term liabilities	430	305
Current liabilities	4,654	3,796
Total equity & liabilities	10,958	9,205

- Record 34% ROCE and 26% ROE
- Equity to assets ratio of 54%
- Net cash position of SEK 69 (430) mn
- SEK 3.7 billion of available liquid funds

5 Year Strategic Objectives

“On Track”

- **MTG to report Group Net Sales of SEK 20 billion in 2011 (including selected acquisitions) with >10% organic annual sales growth**
Sales of SEK 11.4 billion for FY 2007 – 12% sales growth
- **Current Viasat Broadcasting C&E Europe operations to generate net sales of SEK 5 billion in 2011**
Net sales of SEK 2.3 billion for FY 2007 – up 26% year on year
- **>20% operating (EBIT) margin for Viasat Broadcasting (excl. CTC Media) by end of 2011**
Operating (EBIT) margin of 18 % for FY 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 = 42% of Viasat Broadcasting EBIT (incl. CTC Media) in 2007
- **MTG to report 30% Return on Equity for 2007-2011 5 year period**
26% Return on Equity for FY 2007

