

News Release
26 May 1998

MTG REINFORCES ITS POSITION IN SPAIN

- Interactive Television signs agreement with state-owned TV channel Telemadrid

Interactive Television (InTV), which has been producing teletext for Spain's most profitable TV channel, Telecinco, since 1995, has signed an exclusive contract to produce teletext services for the state-owned TV channel Telemadrid. This exclusive contract covers a three-year period starting 7 July 1998. To run this operation, a subsidiary company of InTV will be formed, to be called Interactive Media Solutions (IMS). In the light of InTV's solid profitability, the aim is for IMS to reach profitability no later than six months after its launch.

The TV channel Telemadrid has 1000 employees, and its 1997 turnover was about \$ 130 M (SEK 1000 M). The channel currently broadcasts to the whole of the Madrid region, as well as to the autonomous regions of Castilla-La-Mancha and Castilla-Leon; it reaches 8 million people, and its market share of viewers in the regions covered is about 23 per cent.

InTV was established in Spain in 1995, and since then it has established for itself an unchallenged position as the market leader in the teletext field. InTV's new subsidiary company, Interactive Media Solutions (IMS), estimates that it will have 400 000 daily users of its teletext pages. Interactive Television (Telecinco) and Interactive Media Solutions (Telemadrid) will thus between them be providing services to about 1.5 million daily users of teletext in Spain.

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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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