



FOR IMMEDIATE RELEASE

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**MTG SELLS RUSSIAN DTV GROUP TO CTC MEDIA  
FOR USD 395 MILLION**

**Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that it has signed an agreement to sell national Russian free-to-air television network 'DTV Group' to CTC Media, Inc. for a cash consideration of approximately USD 395 million on a cash and debt free basis. MTG owns 39.5% of CTC Media, which is Russia's largest independent television broadcaster and is listed on the NASDAQ stock exchange (ticker: CTCM). The transaction is subject to approval by the relevant regulatory authorities, and is expected to be closed during the second quarter of 2008.**

The transaction will give rise to a preliminary net gain of approximately SEK 1.9 billion for MTG.

MTG acquired 75% of DTV in April 2001 and increased its shareholding to 100% in August 2004, for a total consideration of USD 9 million. MTG has since invested in DTV's programming schedule and in boosting the channel's penetration in Moscow and across Russia. DTV's commercial share of viewing in the 6-54 year old target audience group has steadily increased to an average level of 2.5% in 2007. The channel's penetration has also steadily increased. By the end of February, DTV reached 71% of the homes in Moscow and 60% of the TNS Gallup measured 52.7 million homes nationwide. The channel is distributed through 28 owned and operated local TV stations, as well as a number of network affiliate partners. DTV reported 49% net sales growth to SEK 269.4 million for the twelve months ended 31 December 2007, and an operating profit of SEK 26.4 million. DTV is headquartered in Moscow and employs 103 people.

CTC Media was established in 1989 and is Russia's number one independently owned television broadcasting group. CTC Media owns and operates the 'CTC' and 'Domashny' national television networks in Russia, which reach approximately 87% and 65% of the TNS Gallup measured Russian population. CTC achieved an average audience share of 11.3% in its target demographic (6-54 year olds) in 2007, whilst Domashny had an average audience share of 2.4% in its core demographic (women aged 25-60). Please visit [www.ctcmedia.ru](http://www.ctcmedia.ru) for further information about CTC Media.

Hans-Holger Albrecht, President and CEO of MTG, commented: "We were one of the first international companies to enter the Russian broadcasting market, and the development of DTV has demonstrated our commitment to investing in high growth emerging markets, as well as our successful track record of managing media assets in these markets. This transaction is intended to enable us to benefit from the synergies that exist in owning multiple broadcast channels across Russia and the CIS, in terms of content production and acquisition, distribution and sales. The Russian television industry is consolidating and CTC Media is the largest independent entertainment media house in Russia today. The business has also begun to expand into a number of CIS countries. DTV's demographic reach complements that of the CTC and Domashny channels, and the integrated structure provides the ideal platform for the further development of both businesses."

"Our investments in both DTV and CTC Media have proved highly successful and generated substantial returns on the capital employed. We continue to benefit from our strategic long term commitment to CTC Media, as well as to review opportunities to acquire and develop businesses in attractive high growth emerging markets in Europe and elsewhere."

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**For further information, please visit [www.mtg.se](http://www.mtg.se), email [investor.relations@mtg.se](mailto:investor.relations@mtg.se), or contact:**

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*Modern Times Group is a leading international entertainment broadcasting group with the second largest geographical broadcast footprint in Europe. MTG's Viasat Broadcasting is the largest free-to-air and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Russia, Hungary, Slovenia and the Balkans. Viasat channels are broadcast in a total of 24 countries and reach 100 million people. MTG is also the biggest shareholder in Russia's largest independent television network (CTC Media - NASDAQ: CTCM), and the number one commercial radio operator in the Nordic and Baltic regions.*

*Modern Times Group MTG AB class A and B shares are listed on the OMX Nordic Exchange Large Cap market ('MTGA' and 'MTGB').*

The information in this announcement is that which Modern Times Group MTG AB is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 08.00 CET on 11 March 2008.