

News Release  
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#### ESTABLISHED TV3 IN LATVIA - NOW ESTABLISHED IN SIX COUNTRIES

Today, Modern Times Group MTG AB and Karl Mikael Cakste jointly acquired 51% of the Latvian TV station Channel 31. The seller is Parex Bank, the biggest bank in Latvia, which will retain a 49% holding. MTG will assume responsibility for managing operations for the channel. The parties have agreed that the channel will soon be renamed TV3 Latvia.

TV3 Latvia will be integrated in the broader TV3 organization and thus gain from the know-how and economies of scale possible in purchasing, technical development, and advertising sales.

The acquisition means that MTG and TV3 are now firmly established in all three Baltic countries. During the past year, TV3 Estonia and TV3 Lithuania have made outstanding progress and are now the biggest commercial TV channels in their respective markets.

The Baltic TV market is expected to expand some 60% in 1998, as it did in 1997. In Latvia as well as Lithuania, TV advertising represents more than 40% of total media advertising.

The TV3 channels in the Baltic states are all terrestrial stations. TV3 in Estonia and Lithuania reach more than 90% of the population. TV3 Latvia currently reaches more than 50%.

Jens Torpe, president of MTG Broadcasting, notes, "Our entry into Latvia was the last, important piece we had left to complete our Baltic strategy. It bolsters our position as the leading commercial TV company in northern Europe and will reinforce our partnerships with international and local advertisers."

Pelle Törnberg, president and CEO of MTG, says, "We regard the Nordic countries and Baltic states as MTG's home market. Now that the establishment of TV3 throughout the region is complete, we will focus on launching our other brands and businesses in the expansive markets of the Baltic region.

"MTG is extremely pleased to have the opportunity to collaborate with the biggest bank in Latvia - Parex Bank - which as a professional investor has successfully acquired and restructured numerous businesses in the Baltic states," Törnberg notes.

Mr. Krasovitski, chairman of the board of Parex Bank, comments, "We are very satisfied to be able to work with MTG, which has so expertly restructured its TV channels in Estonia and Lithuania into successful and profitable channels."

A press conference will be held in Riga on June 9 at 1:30 PM.

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