



MTG

MODERN TIMES GROUP

Remarks to the third quarter results, 2000

November 6, 2000

Highlights

- Continued strong top line growth paralleled with tight cost control strongly improves profits.
- Still strong ad markets, no signs of weakness.
- Demerger of Metro finalized during Q3, MTG invested 500 MSEK, now a market cap of 10 BN SEK.

Highlights

- New management team on board, focus on improving profitability in existing operations as well as internationalization.
- Digital swap started - cost savings as well as important base for added revenues established.

Highlights

- Strong content development:
 - Strix formats like “Baren” being sold
 - Acquisition of Crown Library
- CDON became Scandinavia’s largest on-line retailer with only 10 MSEK investments.
- Radio remains unconsolidated.
- Modern Interactive being restructured.
- Formation of New Media and Financial Media divisions.
- Solid financial base.

Financial Summary

(excluding Metro)

SEK Million	1999	Q3/ 99	Q3/ 00	%
Net Sales	4 491	3 077	3 775	+23
EBIIDA	421	196	507	+159
EBIT	202	52	271	+277

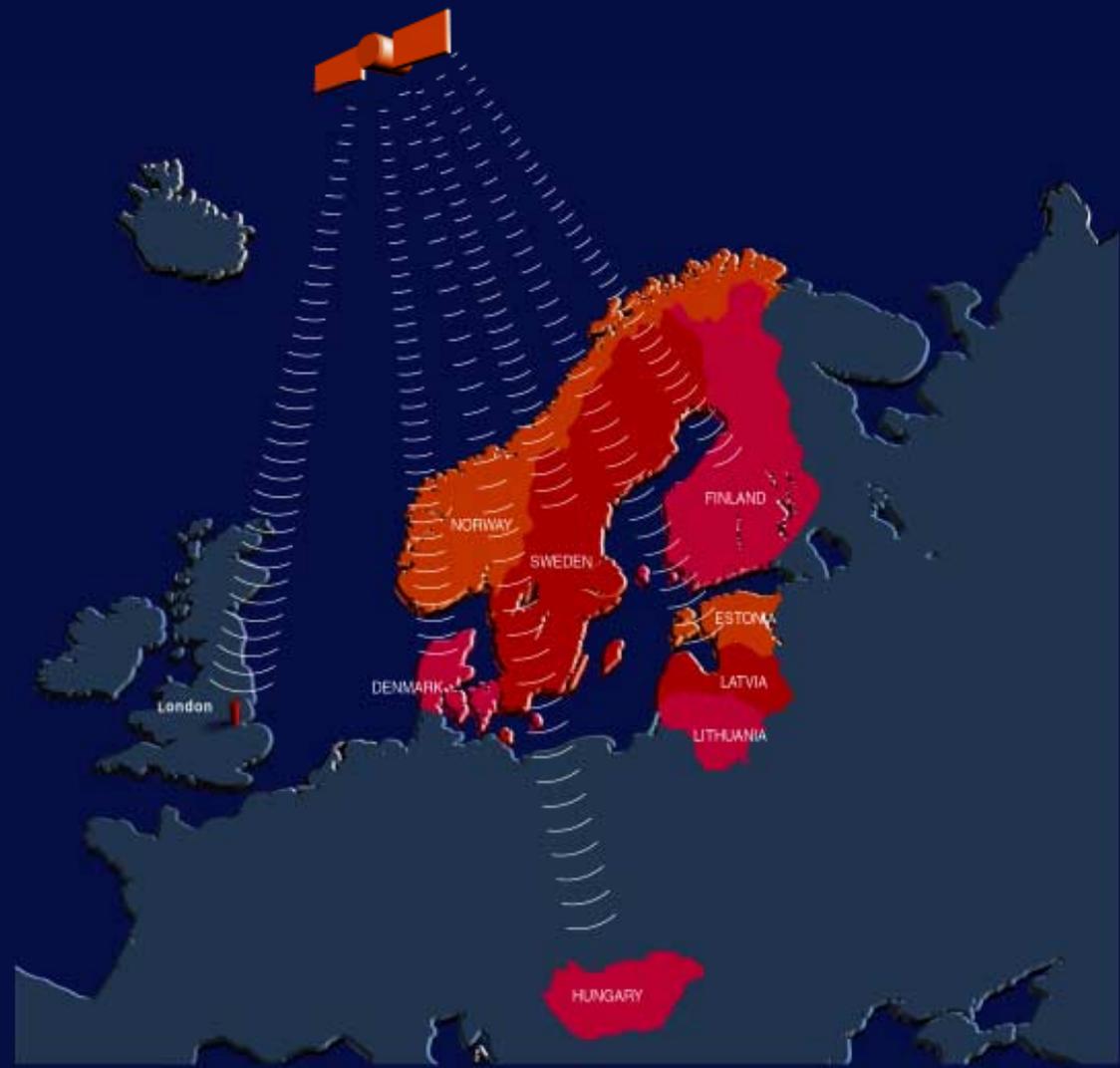
Q3/00 including capital gains of 108

Financial Summary

- Metro de-consolidated from January 1, 2000. The report adjusted for the demerger in full, except five months of trading in MTG Publishing (income from de-consolidated businesses).
- MTG holds a convertible bond in Metro, if converted gives an ownership of 20%, market value 2 BN SEK.
- TV1000 included from Jan 1, 2000.

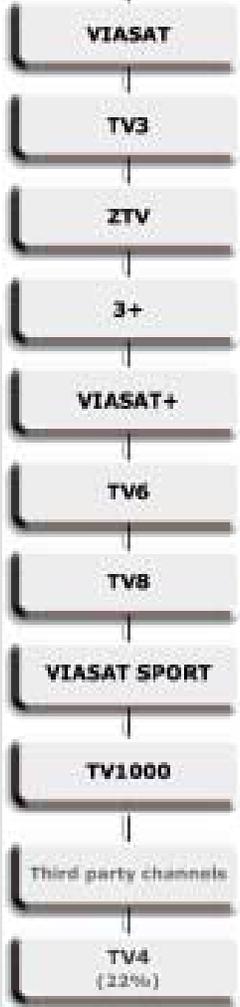
Financial Summary

- _ Top line growth up 23 %, of which 11 % from TV1000.
- _ Marginal EBITDA 60 %, excl. capital gains.
- _ Currency effect due to the strong dollar approx. 20 MSEK y-o-y.
- _ One-off items in the results
 - _ sale of TV4 108 MSEK
 - _ sale of Metro 33 MSEK



Broadcasting

Broadcasting

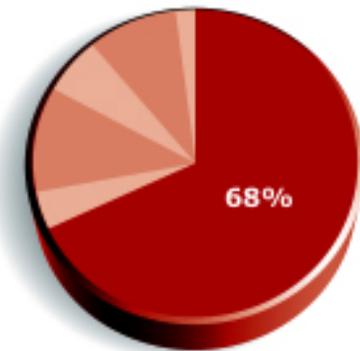


SEK Million	1999	Q3/99	Q3/00	%
Sales	3 114	2 145	2 681	+ 25
EBITDA	451	205	540	
EBIT	314	119	343	

Including capital gains 104

- Sweden record 1 BN SEK sales in October

Distribution of sales
 Broadcasting



Broadcasting, cont'd

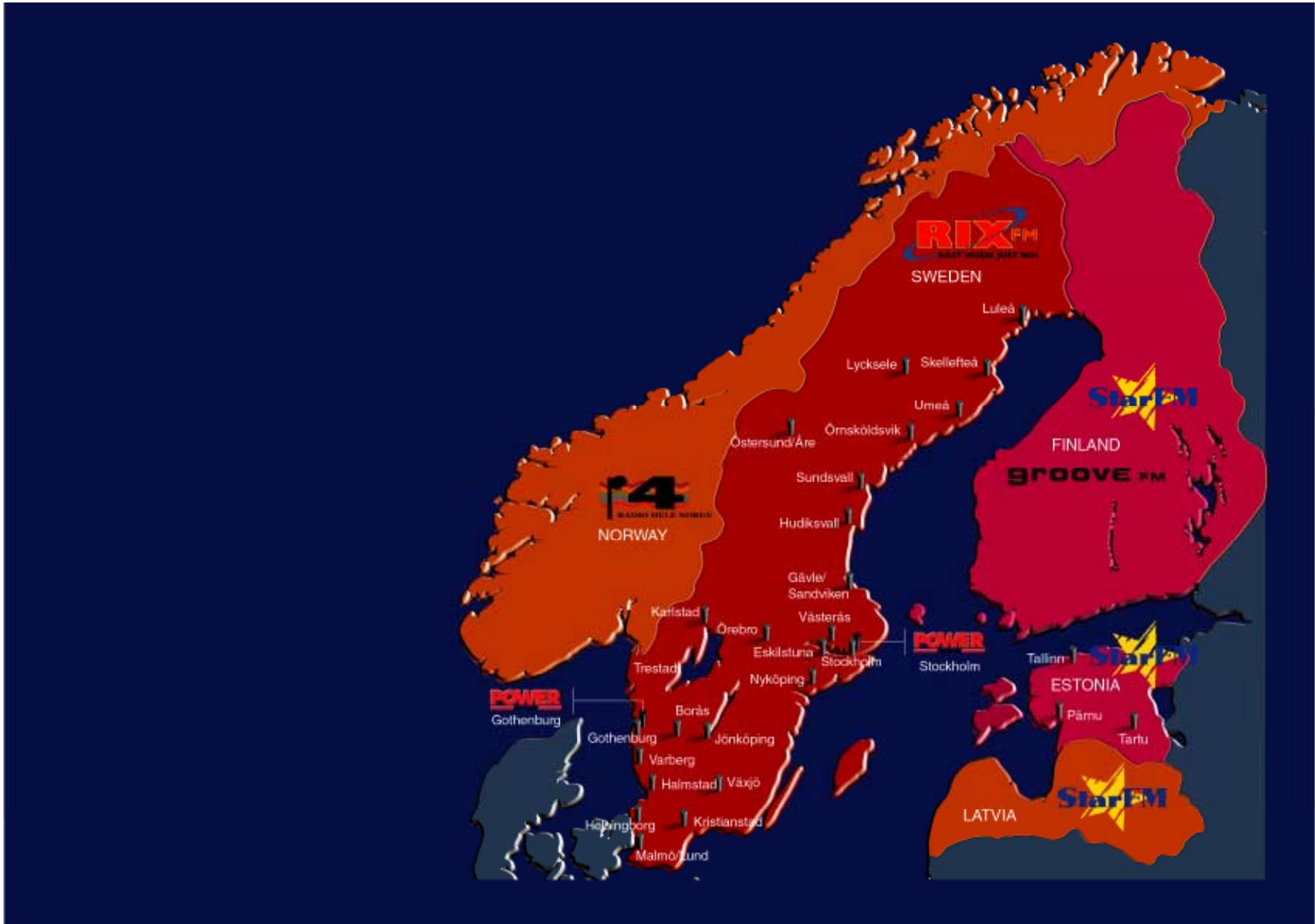
- _ Penetration of Gold cards up 20 % y-o-y.
As expected, low y-o-y growth on Basic Card.
- _ Digital swap in full swing, 350,000 decoders to be swapped prior to end of Q1/01.
- _ Investment of approx. 400 MSEK offset against annual savings in distribution of 200 MSEK, pay-back 2 years.

Broadcasting, cont'd

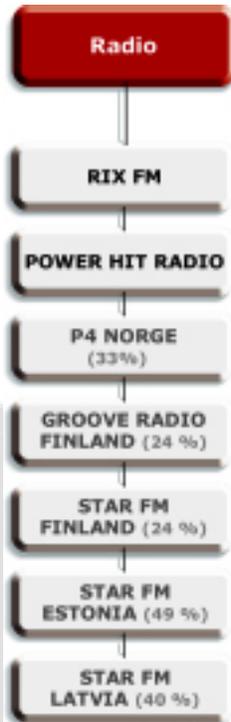
- Norway again no 2 after shift of people meter system
- Niche channels in full year profits
- TV8 still in development phase, new focus on financial media .
- Viasat3 launched in Hungary in Oct.
- First step to increase geographical markets:
 - Sizable markets, low incremental costs

Broadcasting, cont'd

- New Media division formed. Will include Everyday TV, WebAd, E veryday.co, Everytext.com.



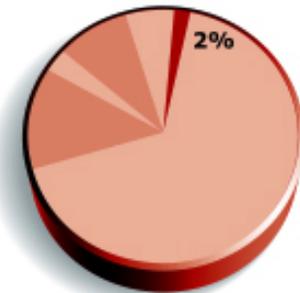
Radio



SEK Million	1999	Q3/99	Q3/00	%
Sales	110	79	98	+24
EBITDA	19	14	3	
EBIT	16	11	2	

- Strong market conditions in Sweden
- Sales increased 24%
- CPT levels too low to create strong profitability. Need for further consolidation of Swedish market.¹⁴

Distribution of sales Radio



Radio, cont'd

- Finnish venture still unsatisfactory, dilutes strong performance from P4 Hele Norge in the income from associates.
- New revenue stream opened through digital radio channels on Viasat platform.

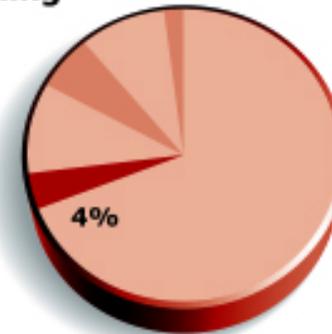


Publishing

Publishing	SEK Million	1999	Q3/99	Q3/00	%
FINANSTIDNINGEN	Sales	127	72	144	+ 100
KAPITAL	EBITDA	-7	-5	4	
MODERNA TIDER	EBIT	-16	-11	-4	

- Strong improvement in both ad and subscription sales for Finanstidningen

Distribution of sales
 Publishing



Publishing, cont'd

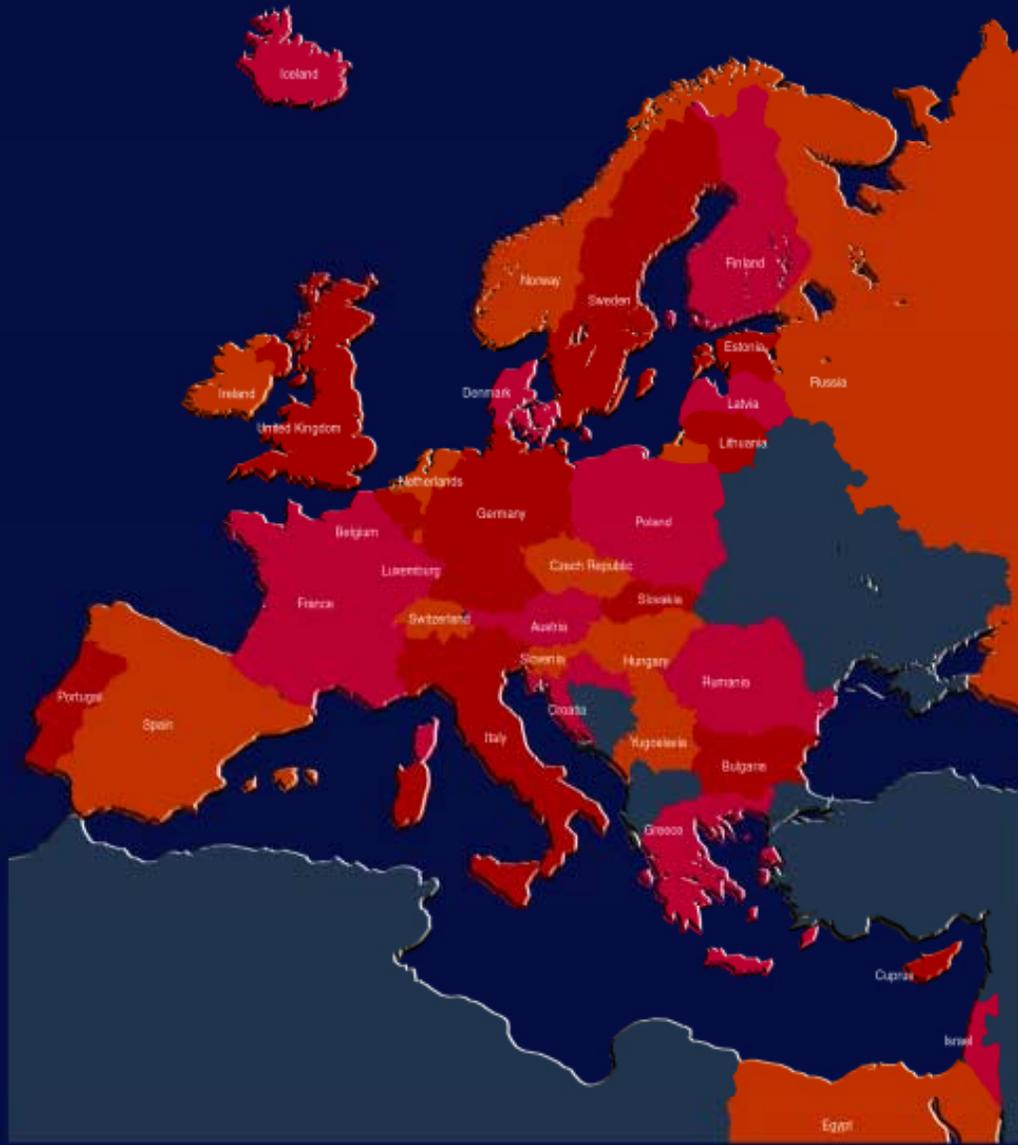
- _ Focus on financial media; TV8 to be moved in 2001, synergies with Finanstidningen and financial hearings.
- _ Magazines under review due to new focus.


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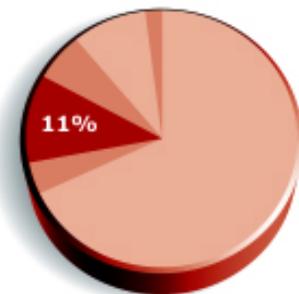
Modern Interactive



SEK Million	1999	Q3/99	Q3/00	%
Sales	582	456	457	0
EBITDA	-2	-2	-3	
EBIT	-27	-18	-22	

- No top-line improvement due to cancellation of unprofitable TVShop contracts.
- Restructuring under way - could imply write downs in Q4.

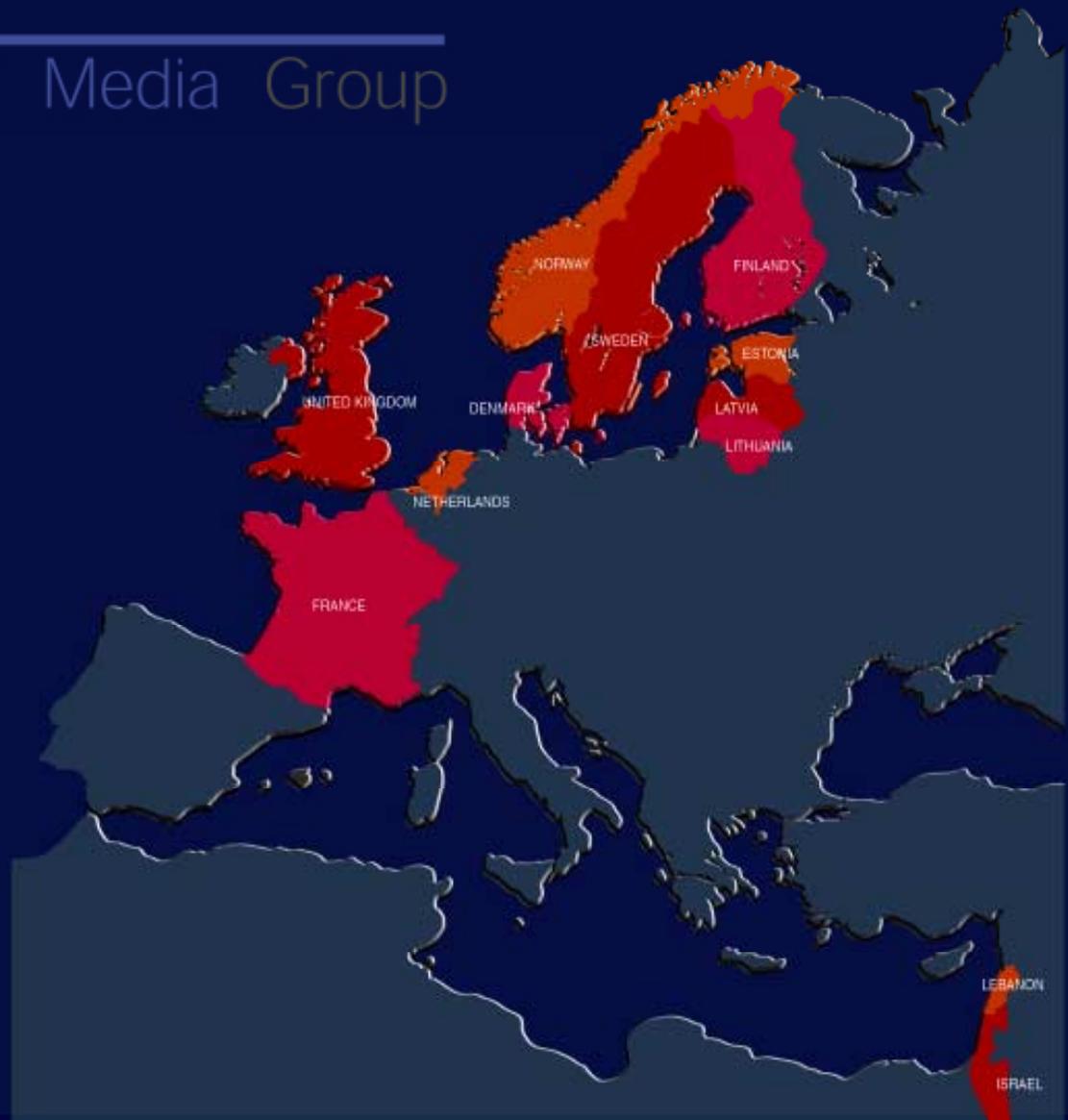
Distribution of sales Modern Interactive



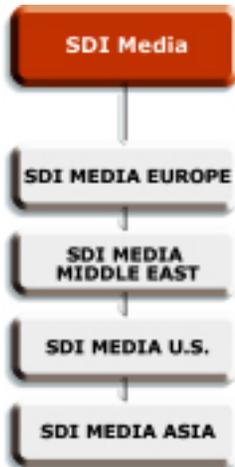
Modern Interactive, cont'd

- _ ECL add new clients, 25 % of turnover external.
- _ Focus on CDON after the collapse of Boxman.
- _ Everyday.com largest portal in Scandinavia - an important multimedia tool.

SDI Media Group



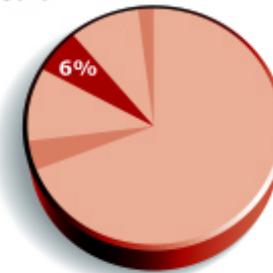
SDI Media



SEK Million	1999	Q3/99	Q3/00	%
Sales	256	163	235	+50
EBITDA	28	18	19	
EBIT	15	9	10	

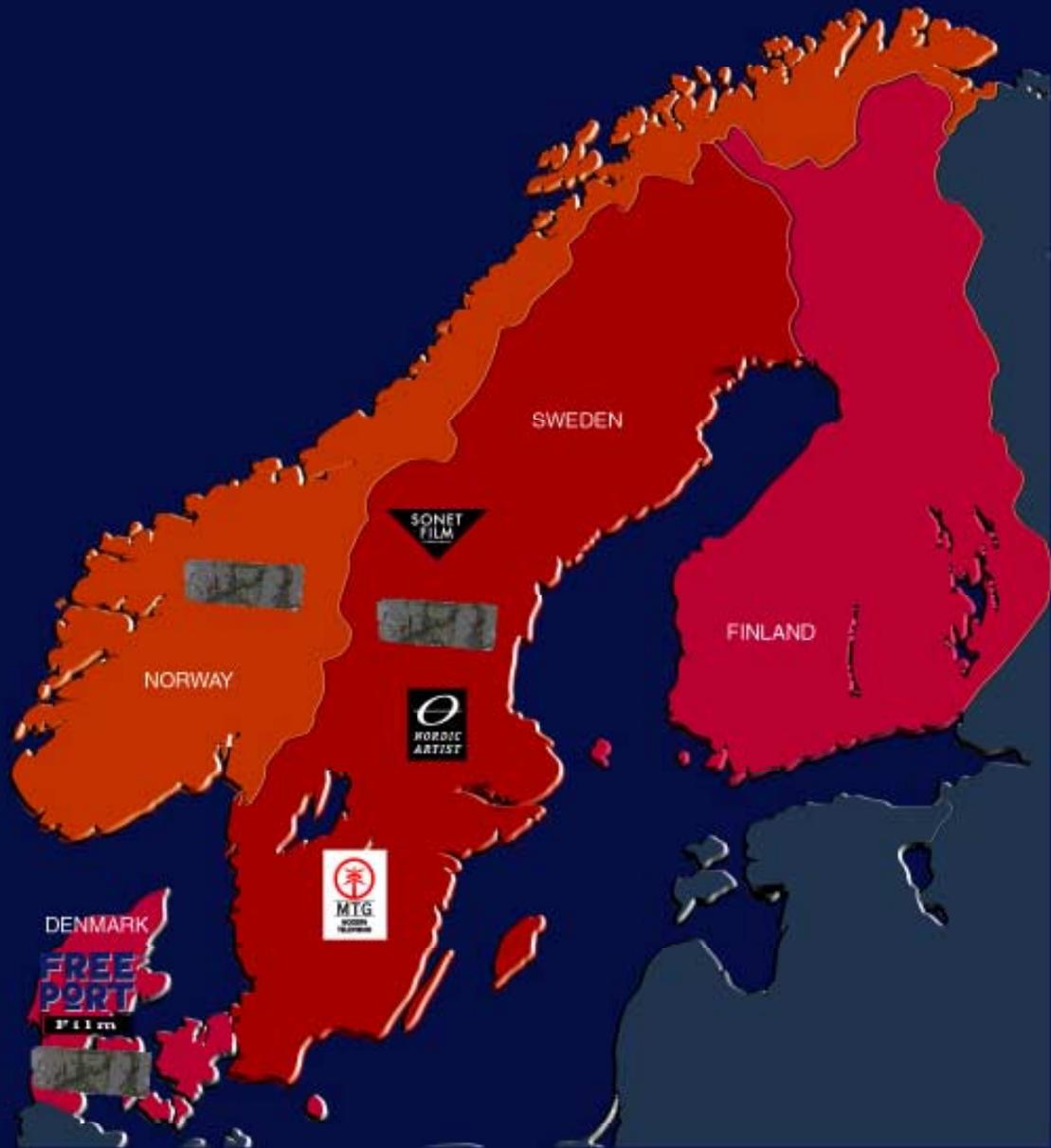
- Sales increase derived organically as well as through acquisitions.
- Asia shows signs of recovery and the US part successful.

Distribution of sales
SDI Media

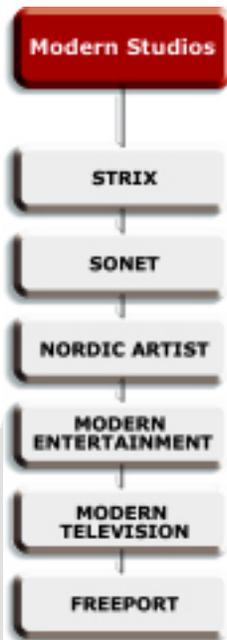


SDI Media, cont'd

- _ Implementation of new value added strategy; true one-stop-shop for major studios. Aiming at margins improving.
- _ Strong trends:
 - _ (i) digital TV
 - _ (ii) DVD
 - _ (iii) the Web



Modern Studios



SEK Million	1999	Q3/99	Q3/00	%
Sales	419	258	340	+32
EBITDA	34	17	14	
EBIT	18	4	-2	

Strong performers

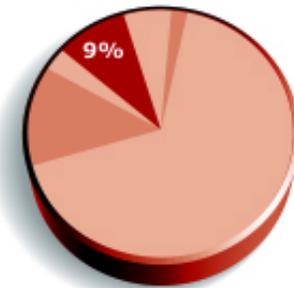
– Strix

- strong sales and profit growth on the basis of successful concepts
- Important content to secure success of MTG Channels

– Sonet

- strong line-up during the fall

Distribution of sales
 Modern Studios



Modern Studios, cont'd

- _ Weak performers
 - _ Modern Entertainment
 - _ still in losses due to clean-up of the company
 - _ acquisition of Crown Library add another 100 titles, now 500 in total
 - _ started trading again, strong back-log for next year
 - _ Nordic Artist disappointing, will be scaled down

Balance Sheet and Cash Flow

- _ Equity/assets ratio 46 %
- _ Adjusted for P4, TV4 and Metro values 60 %
- _ W/C positive
- _ Depreciation 272 MSEK
- _ Maintenance capex 128 MSEK, plus new projects

Financial Situation

SEK Million September 30, 2000

Equity	2 353
Minority interest	15
Convertible loan	0

Total	2 368
Total assets	5 560

Equity/ Asset ratio	43%
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Market value	
20,1% of TV4, 33,1% of P4, Metro convertible	3 760
Bookvalue	441
Adjusted equity/asset ratio	60%

Executive management

