



FOR IMMEDIATE RELEASE

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MTG ACQUIRES 50% OF RUSSIAN DTH SATELLITE PAY-TV PLATFORM

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that it has acquired 50% of Raduga Holdings S.A. ('Raduga') from Continental Media S.A. for an undisclosed consideration in cash. Raduga is the sole owner of LCC DaoGeoCom, which operates Russian nationwide DTH satellite pay-TV platform Raduga TV.

Raduga TV was launched in February 2009 and had 70,000 active subscribers as at 31 December 2009. The platform offers a package of more than 50 TV channels, including a wide range of Russian channels, as well as the localised versions of leading international channel brands such as *Discovery Channel Russia*, *Eurosport Russia*, *National Geographic* and *Jetix*. The package also includes Viasat Broadcasting's *Viasat History*, *Viasat Explorer*, *TV1000 Russian Kino*, *TV1000 East* and *TV1000 Action East* channels. Russian networks *CTC*, *Domashny* and *DTV*, which are operated by CTC Media, Inc., are also available on a free-to-air basis on the platform together with a number of other Russian free-TV channels. MTG owns 39.4% of CTC Media, Inc.

The Raduga TV channel package is priced at RUB 300 (approximately USD 10) per month on a three or six month pre-paid contract basis. The channels are encrypted with the Irdeto conditional access system and made available through the Asian Broadcasting Satellite ABS-1 (75° East) Northern Beam, which covers more than 90% of the Russian Federation and is managed by Russian satellite operator GeoTelecommunications (GT). Subscriptions can be purchased from retailers across Russia.

The remaining 50% interest in Raduga has been retained by Continental Media S.A. The two owners will share management control of Raduga, which will be proportionately consolidated by MTG and reported in the Group's 'Pay-TV Emerging Markets' business segment within the Viasat Broadcasting business area.

Viasat Broadcasting will now provide DTH satellite TV services in a total of nine countries – Sweden, Norway, Denmark, Finland, Estonia, Latvia, Lithuania, Ukraine and Russia – and distribute its Viasat branded channels via third party operators in 25 countries across Central and Eastern Europe and in the US. The nine platforms have over one million subscribers. The pay-TV channels had attracted over 39 million subscriptions as at 31 September 2009.

Hans-Holger Albrecht, President and CEO of MTG, commented: "We are delighted to have forged this strong partnership to develop a competitive pay-TV distribution platform in Europe's largest market by number of TV households. Our Viasat channels are already well known by subscribers across Russia. We are an integrated TV broadcaster, operating free and pay-TV businesses across multiple markets, and Russia is one of the most attractive pay-TV markets in the world".

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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-TV and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates free-TV channels in the Czech Republic, Hungary, Slovenia Bulgaria, Macedonia and Ghana. MTG's TV assets are broadcast in a total of 30 countries and have 125 million viewers. MTG is also the major shareholder in Russia's largest independent television broadcaster (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 Nasdaq OMX Stockholm's 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 08.15 CET on 08 February 2010.