



**FOR IMMEDIATE RELEASE**



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## **MTG acquires leading Bulgarian online business**

**Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that it has signed an agreement to acquire 70% of the merged assets of Darik News and Net Info ('the Operations') in Bulgaria from Darik Radio, the Bulgarian commercial radio operator, for an undisclosed cash consideration on a cash and debt free basis. The combined Operations have a broad range of services across 33 advertising funded sites, and comprise the market leading digital conglomerate in Bulgaria in terms of monthly online reach. MTG has the option to acquire the remaining 30% of the Company from Darik Radio within a five year period.**

Darik News operates a wide range of websites including news site *dariknews.bg*; sports news site *gong.bg*; and weather site *vremeto.bg*. Net Info operates the email platform *abv.bg* with approximately 3.5 million users; video clip site *vbox7.com*; sports news site *sportni.bg*; weather site *sinoptik.bg*; and entertainment news site *edna.bg*. The combined Darik News and Net Info websites generated over 750 million monthly page views during the second quarter of 2013, and had almost 3 million individual monthly users. The combined company generated pro forma total revenues of EUR 4.2 million (approximately SEK 36 million) and was profitable for the full year 2012.

The transaction is subject to regulatory approval and certain other terms and conditions. The Group would consolidate the assets within its Bulgarian free-TV operations, which are part of the Group's Free-TV Emerging Markets business, upon completion of the transaction.

The acquisition complements MTG's current Bulgarian operations, which consist of five linear TV channels, the Nova Play advertising funded video on demand website and the Nova News and Nova Sports news sites. The Operations are expected to generate both operational and financial synergies for the Group. The acquisition will also enable MTG to offer new and innovative entertainment solutions to Bulgarian customers, across multiple platforms. The Group's Bulgarian media house is the second largest in Bulgaria, and had a combined commercial audience share of 32.5% in the 18-49 target audience in the second quarter.

The acquisition is part of MTG's digital MTGx strategy, which aims to accelerate digital expansion and innovation. It does not only enable MTG to accelerate the growth of its broadcasting and online entertainment businesses in Bulgaria, but also provides a broad platform for continued digital expansion in the region.

Jørgen Madsen Lindemann, President and CEO of MTG, commented: "The acquisition of the Darik News and Net Info operations is a key milestone in the development of our Bulgarian presence. It significantly expands our overall customer proposition in Bulgaria, and will enable us to leverage our content in new and innovative ways across a number of popular platforms, to reach more people than ever before with the entertainment of their choice. We

will also be able to extend our advertising proposition and reach, and to offer advertisers more extensive and finely tuned products than ever before.”

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

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*Modern Times Group (MTG) is an international entertainment broadcasting group with operations that span four continents and include free-TV, pay-TV, radio and content production businesses. MTG's Viasat Broadcasting operates free-TV and pay-TV channels, which are available on Viasat's own satellite platforms and third party networks, and also distributes TV content over the internet. MTG is also the largest shareholder in CTC Media, which is Russia's leading independent television broadcaster.*

*Modern Times Group is a growth company and generated net sales of SEK 13.3 billion in 2012. MTG's Class A and B shares are listed on Nasdaq OMX Stockholm's Large Cap index under the symbols '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 6 August 2013.*