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MTG SELLS SDI MEDIA FOR US\$ 60 MILLION IN CASH

Modern Times Group MTG AB, the international media group, today announced the sale of SDI Media to private equity group Warburg Pincus for US\$ 60 million in cash. The transaction gives rise to a net gain of approximately SEK 400 million.

The disposal is in line with MTG's focus on its core broadcasting and directly related assets in Scandinavia and Central and Eastern Europe. The sale completed today and the operating results for SDI Media will be consolidated in MTG's operating results for the period ended 30 June 2004. SDI Media will continue to provide subtitling and dubbing services to MTG's Viasat Broadcasting channels in Scandinavia and Central and Eastern Europe.

SDI is the world's leading voice localization business, providing subtitling, dubbing and translation services to broadcasters and TV channels in countries across the US, Europe, Asia and the Middle East. SDI has a 60% share of the global market for the subtitling of Hollywood studio DVD feature releases. The first SDI business was acquired in Sweden in 1990 in order to provide subtitling services for Viasat Broadcasting's TV3 channel in Scandinavia. SDI subsequently expanded into 15 countries around the world and generated revenues of SEK 353.6 million and operating income of SEK 48.5 million in 2003.

Hans-Holger Albrecht, President and CEO of MTG, commented: "SDI Media has been a tremendous success story for MTG. We have successfully exported the business model and SDI has become a world market leader. However, our strategic focus is on the development of our broadcasting assets and we have therefore disposed of this non-core asset".

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MTG is an international media group with operations in more than 30 countries around the world and principal broadcasting businesses in Scandinavia, the Baltic States, Hungary and Russia. MTG is the largest Free-to-air and Pay-TV operator in the Nordic and Baltic regions and the largest commercial radio operator in Northern Europe. MTG's Viasat channels reach over 50 million people in 14 countries every day and MTG Radio's stations reach 3 million daily listeners. The Viasat Broadcasting DTH satellite TV platform offers digital multi-channel TV packages of over 50 own-produced and third party entertainment channels. MTG is a leading European direct response TV network operator, broadcasting home shopping channels into 100 million homes in 52 countries, as well as one of the world's leading originators and producers of Reality TV formats.

Modern Times Group MTG AB class A and B shares are listed on the Stockholmsbörsen O-list (symbols: MTGA and MTGB).

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