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12 September 2006

MTG TO MAKE MANDATORY OFFER FOR P4 RADIO HELE NORGE ASA

Modern Times Group MTG AB (“MTG” or “the Group”), the international entertainment broadcasting group, today announced that it intends to make a mandatory offer of NOK 30.0 per share in cash (“the Offer”) for the issued and outstanding share capital of P4 Radio Hele Norge ASA (“P4 Radio” or “the Company”), the number one private national radio network in Norway, in accordance with Chapter 4 of the Norwegian Securities Trading Act.

The Offer is the result of MTG acquiring a further 9,407,730 P4 Radio shares after the close of trading on the Oslo Børs yesterday, 11 September 2006, from a number of institutional and private shareholders for NOK 30.0 per share. MTG now owns 22,206,058 P4 Radio shares, which is equivalent to 68.8% of the Company’s 32,258,080 issued and outstanding shares.

The Offer price of NOK 30.0 per P4 Radio share is equivalent to a 50% premium to the closing price of NOK 20.0 of the P4 Radio shares on the Oslo Børs yesterday, and a 39% premium to the volume weighted average trading price of NOK 21.6 of the P4 Radio share over the three months from 9 June 2006. The Offer price implies a valuation of NOK 967.7 million for the total issued and outstanding share capital of P4 Radio.

The offer document, setting out the terms and conditions of the Offer, will be presented as soon as reasonably practicable and within four weeks, as required.

HIGHLIGHTS OF THE OFFER

- Offer price of NOK 30.0 per share compared to closing price of NOK 20.0 per share yesterday, 11 September 2006
- Equivalent to 50% premium to yesterday’s closing price and 39% premium to trailing 3 month volume weighted average price
- Implied valuation of NOK 967.7 million for 100% of P4 Radio
- Earnings accretive for MTG shareholders
- Operating synergies due to ability to exploit pan-Scandinavian advertising sales initiatives, as well as cross promotional, editorial and new media opportunities
- Reflects MTG’s strategic focus on core broadcasting operations with significant operating leverage

Hans-Holger Albrecht, President and CEO of MTG, commented: “P4 Radio has been a long term strategic holding for MTG for almost ten years. The Company is cash generative with a strong management team. The proposed acquisition represents a fair value for the P4 Radio shareholders and will be earnings accretive for MTG. The acquisition will create by far the largest Scandinavian radio broadcaster, which would enable the combined group to pursue multi-country advertising deals, to benefit from operating synergies including enhanced cross promotion with MTG’s existing TV broadcasting operations, as well as to develop new media initiatives and editorial joint ventures. P4 Radio has successfully increased its listener share in a competitive environment and is well positioned in the Norwegian market place as the second largest commercial advertising medium of any kind. This acquisition is in line with our focus on core broadcasting assets and would enable us to further develop the P4 business within the context of our broader operations”.

MTG has been a shareholder in P4 Radio since 1996 and held 12,798,328 shares, representing 39.7% of the issued and outstanding share capital of P4 Radio, prior to yesterday’s transactions. MTG has accounted for its interest in the Company as an equity participation and therefore reported its share of the associated company’s income within its Radio Business Area. MTG’s shareholding in P4 Radio is currently represented by three non-executive members on the Company’s Board of Directors.

P4 Radio is Norway's leading national private radio station. P4 Radio’s share of the total Norwegian radio advertising market was estimated at approximately 55% in 2005. P4 Radio attracts approximately 1.25 million daily listeners (*source*: PPM) under a nationwide public service licence that extends until the end of 2013 and covers approximately 80% of the population. P4 Radio generated 14% year on year revenue growth to NOK 270.9 million in the twelve months ended 31 December 2005 and a 68% year on year increase in operating profit to NOK 71.2 million. Net income was up 59% year on year to NOK 52.3 million for the same period with earnings per share of NOK 1.62 (NOK 1.02). The Company was in a net cash position as at 30 June 2006. P4 Radio’s headquarters are located in the former Olympic city of Lillehammer, with regional representation and broadcasting studios in Tromsø, Bergen, Kristiansand and capital city Oslo. The Company had 83 full-time employees as at 31 December 2005. P4 Radio is listed on the Oslo Børs under the symbol ‘PFI’ and had a market capitalisation of NOK 645.2 million as at the close of trading on 11 September 2006.

MTG is the largest Nordic television and radio broadcasting company. Its primary broadcasting activities encompass market leading free-to-air TV channels, the Viasat DTH satellite pay-TV platform, over 20 premium Viasat pay-TV channels, the number one Swedish commercial radio network – RIX FM with 89% penetration and 1.4 million daily listeners (*source*: SIFO). MTG also owns and operates national and local radio stations in Latvia and Lithuania, as well as holding a 15% indirect interest in number one Finnish network Radio Nova. MTG’s international broadcasting operations comprise free-to-air channels in ten European countries and pay-TV channels in 21 European markets. Viasat channels reach more than 80 million people across these countries on a daily basis. Modern Times Group MTG AB class A and B shares are listed on the Stockholmsbörsen O-list (Attract 40) under the symbols ‘MTGA’ and ‘MTGB’ and had a market capitalisation of SEK 24.7 billion as at the close of trading on 11 September 2006.

For further information, please visit www.mtg.se, email info@mtg.se, or contact:

Hans-Holger Albrecht, President & CEO

tel: +46 (0) 8 562 000 50

Matthew Hooper, Corporate Communications

tel: +44 (0) 20 7321 5010

Modern Times Group is an international entertainment broadcasting group with operations in more than 30 countries around the world. MTG is the largest Free-to-air and Pay-TV operator in Scandinavia and the Baltics, the largest shareholder in Russia's largest independent television network, and the number one commercial radio operator in the Nordic region. The Viasat DTH satellite TV platform offers digital multi-channel TV packages of 50 own-produced and third party entertainment channels. Viasat TV channels now reach over 80 million people every day to viewers in 21 countries across Europe.

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MODERN TIMES GROUP MTG AB

Skeppsbron 18, Box 2094, SE-103 13 Stockholm, Sweden

Tel. +46 8 562 000 50 Fax. +46 8 20 50 74 (Publ) Registration No. 556309-9158

www.mtg.se