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SEK 79 MILLION NON-CASH WRITE DOWN

Modern Times Group MTG AB ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that its fourth quarter results for the three month period ended 31 December 2006 will include SEK 79.1 million of exceptional non-cash intangible asset write-downs. The write downs, which have been implemented at companies in the Group's 'Modern Studios' business area following the Group's regular impairment tests, will be included in the Group's consolidated income statement above the operating profit (EBIT) line, as well as an adjustment to the intangible assets on the Group's consolidated balance sheet.

The 'Sonet' feature film production and distribution house has written down SEK 40.6 million of beneficial rights relating to library titles that have been released but not generated the anticipated Box Office receipts, or future projects that are yet to be produced. MTG has also written down SEK 38.5 million of intangible assets in the 'Engine' business, which primarily comprised the goodwill arising from the Group's acquisition of 60% of the company in June 2005. Engine develops music and video products for leading brands and characters, but has not performed according to the Group's expectations and is being reorganized accordingly.

MTG's financial results for the fourth quarter and twelve months ended 31 December 2006 will be published on 16 February 2007.

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

Mathias Hermansson, Chief Financial Officer

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 in 22 countries across Europe.

Modern Times Group MTG AB class A and B shares are listed on the Nordic Stock Exchange Large Cap list under the symbols MTGA' and MTGB'.

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