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MTG SIGNS AGREEMENT TO SELL TV SHOP

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that MTG Homeshopping AB has signed an agreement to sell 100% of the issued shares of TV Shop Europe AB to Guthy-Renker Europe AB for a cash and debt free consideration of SEK 70.3 million in cash.

The closing of the transaction is expected to take place within two months, and TV Shop will be deconsolidated from MTG's accounts with effect from the closing. The transaction is not subject to any regulatory approval requirements. MTG has also committed to sell media time on Viasat channels to TV Shop for a period of two years from the closing of the transaction. The media time to be committed is in line with the levels provided during 2006.

TV Shop generated SEK 348 million of net sales in 2006 and an operating profit of SEK 0.3 million, and currently employs 47 people. The transaction will give rise to a preliminary net gain of approximately SEK 10 million. The net gain will be reported in MTG's results for the second quarter and six months ended 30 June 2007, at the operating income (EBIT) level for the 'Online' business area.

Guthy-Renker Europe AB is a subsidiary of Guthy-Renker Corporation. Established in 1988, Guthy-Renker Corporation is one of the world's largest direct response television companies with annual sales of US\$ 1.5 billion per year. Guthy-Renker Corporation is well known as the leading producer of high quality infomercials, with offices in Palm Desert and Santa Monica (California), London, Beijing, Tokyo, New Zealand, and Sydney. Originally launched as a direct television marketer, Guthy-Renker Corporation is a privately owned, vertically integrated company, which makes high quality products available to US and international consumers through broadcast television (cable and satellite), the internet, telemarketing, direct mail and other retail channels.

Hans-Holger Albrecht, President and CEO of MTG, commented: "TV Shop was launched by MTG back in 1989, and has grown to become one of Europe's leading direct response television channel businesses, reaching over 100 million homes in over 50 countries. The sale of the business to a leading player in the DRTV industry is in line with our focus on our core broadcasting assets and the ongoing streamlining of our operations. It will also enable the TV Shop business to benefit from increased scale in a rapidly consolidating industry. We are

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pleased to have found a new owner for TV Shop who will be able to offer the continued attention and development that the business deserves.”

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

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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-to-air and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Russia, Hungary, Slovenia and the Balkans. Viasat channels are broadcast in a total of 26 countries and reach 100 million people. MTG is also the biggest shareholder in Russia's largest independent television network (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 the Nordic Stock Exchange Large Cap market ('MTGA' and 'MTGB').