



MTG

MODERN TIMES GROUP

**Remarks to the six months results
2000
August 14, 2000**

The New MTG

- The largest free and pay TV operator in Northern Europe.
- The largest commercial radio group in Northern Europe.
- Finanstidningen fastest growing daily in Sweden.
- Largest homeshopping actor in Europe.
- SDI holds 50% of DVD translation market.
- Robinson format exported to 7 countries.

Highlights

- Continued strong organic sales growth, up 11%. TV1000 adds another 11% in turnover.
- Half year profit equals full year profit last year.
- EBIT improved 23%₃
- Overall outlook for advertising markets in the Nordic and Baltic countries remains positive.
- The important digital conversion starts during Q3.

Highlights

- Two structural transactions completed;
 - the demerger of Metro becomes effective this week
 - the acquisition of TV1000 took place in Q2.
- The MTG interim report excludes Metro from beginning of the year, 1999 figures adjusted accordingly.

Financial Summary

(excluding Metro)

SEK Million	1999	H1/ 99	H1/ 00
Net Sales	4 491	2 122	2 587
EBITDA	421	235	454
EBIT	201	142	283

Financial Summary

- Metro de-consolidated from January 1, 2000. The report adjusted for the demerger in full, except five months of trading in MTG Publishing (income from de-consolidated businesses).
- MTG holds a convertible bond in Metro, if converted gives an ownership of 20%.

Financial Summary

- August 15 is the last day for trading with MTG including Metro, Metro will commence trading on Nasdaq and SBI on August 18.
- TV1000 acquired in Q2. Consolidated in MTG from January 1, 2000. Goodwill approx. 800 MSEK, depreciated over 20 years.



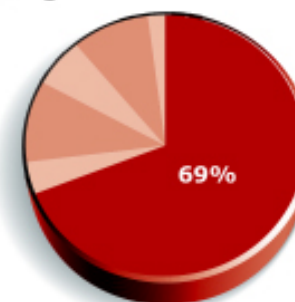
Broadcasting

Broadcasting

SEK Million	1999	H1/ 99	H1/ 00
Sales	3 114	1 489	1 878
EBITDA	451	211	465
EBIT	314	155	330

- Advertising markets were strong in Scandinavia during Q2. Sales were up 14 %.

Distribution of sales
Broadcasting



Broadcasting, cont'd

- Strong development in Sweden
- Norway adjusting program schedule, to compensate for new people meter system
- Denmark selling above last year, despite TV2 price war
- ZTV and 3+ first profitable niche channels in Scandi
- TV8 would grow faster if there were no penetration restrictions with major cable nets as Telia

Broadcasting, cont'd

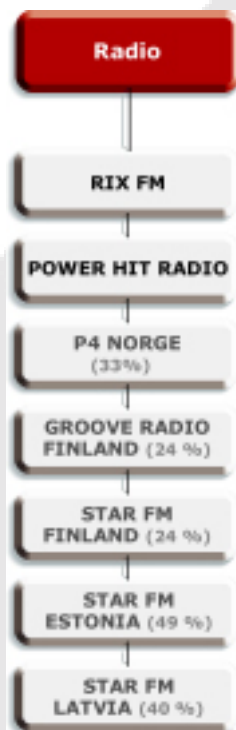
- New card sales stalled in waiting for digital launch, however not as dramatic as envisaged. Impacted Viasat profit growth.
- Basic cards up 3% year-on-year, Viasat Gold up 20%.

Broadcasting, cont'd

- Digital swap continues according to plan. Agreement signed with NSAB on satellite services, with Sagem and Nokia for delivery of digital boxes.
- The digital swap continues to be justified by cost savings.
- Everyday TV adds new interactive services
- New opportunities since 50 % will be acquired by Astra op



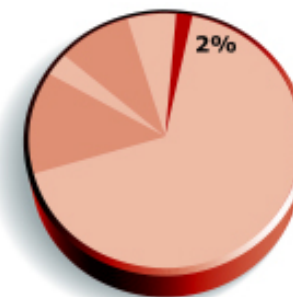
Radio



SEK Million	1999	H1/ 99	H1/ 00
Sales	110	55	68
EBITDA	19	20	4
EBIT	16	18	13

- Strong market conditions in Sweden, up 22 %
- Sales increased 24%, Rix consolidated its position as the largest commercial network together with strong sales in Power.

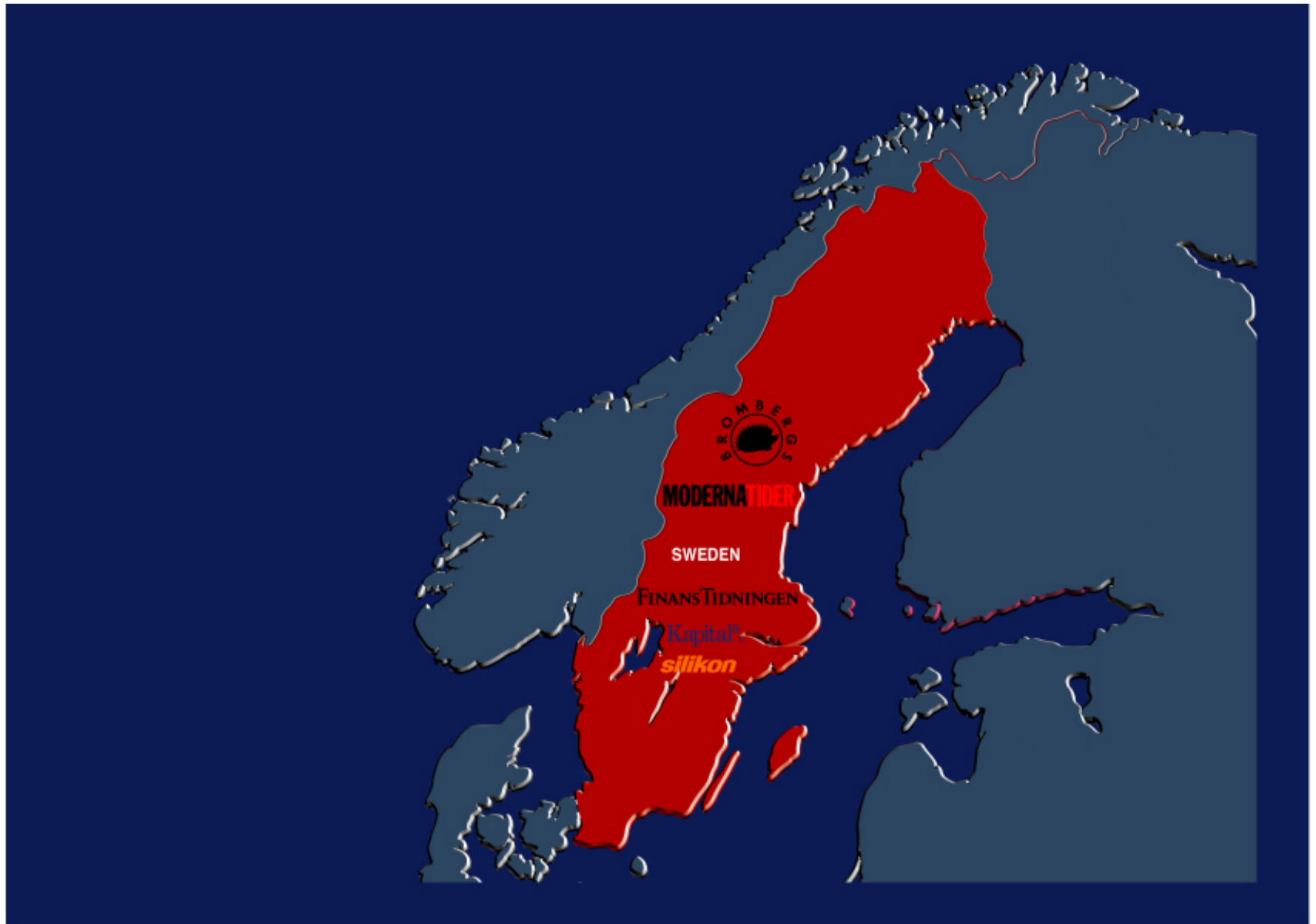
Distribution of sales
Radio



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Radio, cont'd

- Sales also strong in Sweden, considering the effects of the project to increase CPT in the market.
- Baltic stations in strong development, whilst the start in Finland is slow due to low technical reach.



Publishing

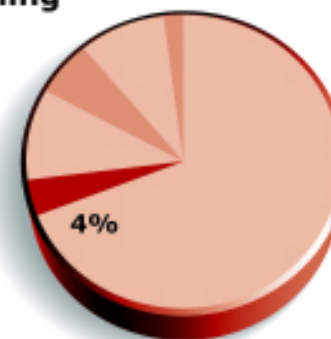
Publishing	SEK Million	1999	H1/ 99	H1/ 00
FINANSTIDNINGEN	Sales	127	44	105
KAPITAL	EBITDA	-7	-2	6
MODERNA TIDER	EBIT	-16	-6	1

BROMBERGS
BOKFÖRLAG

SILIKON

- Consists of Finanstidningen and magazines
- Finanstidningen in profits for the first time

Distribution of sales
Publishing

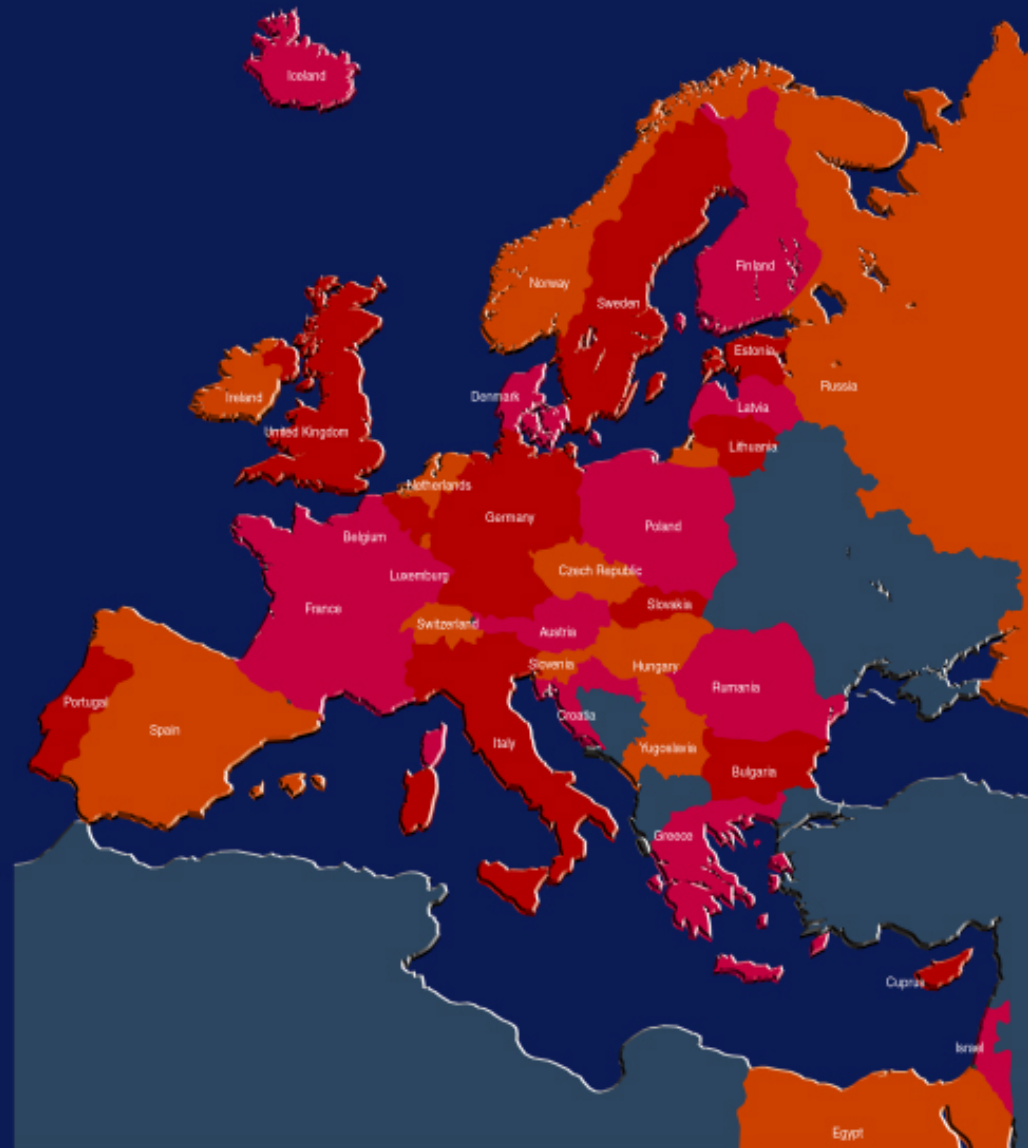


Publishing, cont'd

- Finanstidningen almost doubled sales, fuelled by aggressive marketing campaign and strong growth in financial advertising segment.
- Financial Hearings, investor meetings hosted by Finanstidningen, successful, starts to add important profits to Finanstidningen.

Publishing, cont'd

- New projects launched together with TV8 and various Internet sites.
- Moderna Tider continues to add losses. A parallell project to Finanstidningen will be launched during Q3.
- Very successful Brombergs operates with 40% EBIT margin.



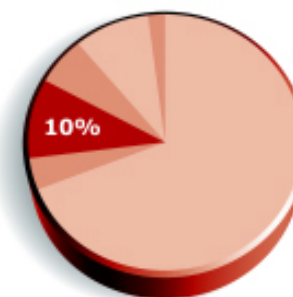
Modern Interactive



SEK Million	1999	H1/ 99	H1/ 00
Sales	582	321	278
EBITDA	-2	21	-2
EBIT	-27	12	-14

- World wide trend with complicated homeshopping business.
- But good growth for new activities; logistics, Internet and digital TV

Distribution of sales
Modern Interactive



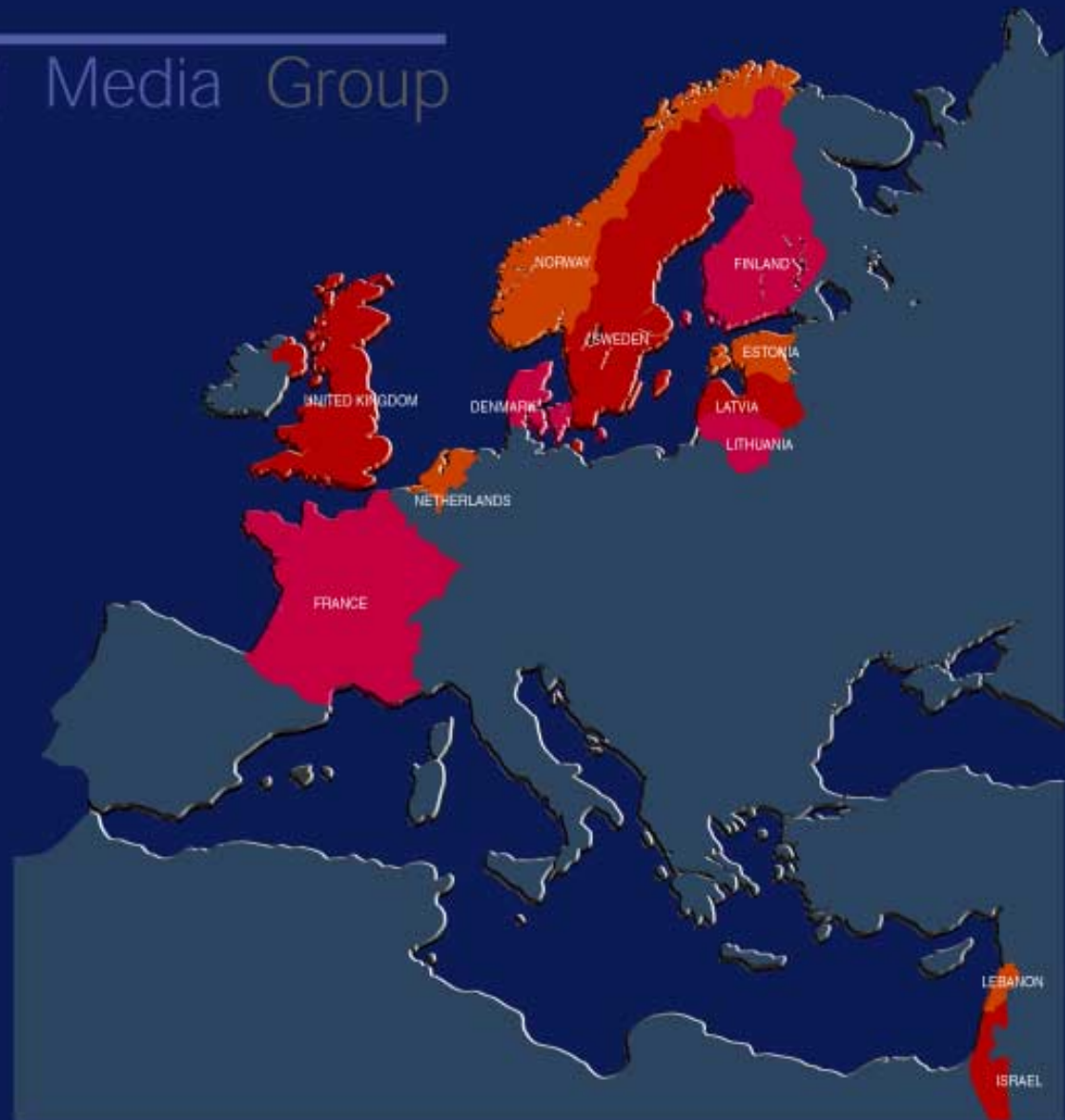
Modern Interactive, cont'd

- However old business crucial to give critical mass for development of new business.
- Positive signs; Eurosport contract renegotiated, consolidation of the market, the UK digital homeshopping channels shows strong sales.
- The new management team in place.

Modern Interactive, cont'd

- Internet retailing focuses on established brand, marginal new development.
- Everyday now established in 11 countries. Enhanced and new serviced will be launched during the fall. Number of members over 800.000 in less than a year.
- Teletext in Spain at record levels. New major contract signed.

SDI Media Group



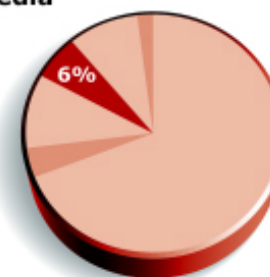
SDI Media



SEK Million	1999	H1/ 99	H1/ 00
Sales	256	103	154
EBITDA	28	10	11
EBIT	15	4	5

- Sales grew 50 %, including strong development in existing markets as well as with the entity in the US

Distribution of sales
SDI Media

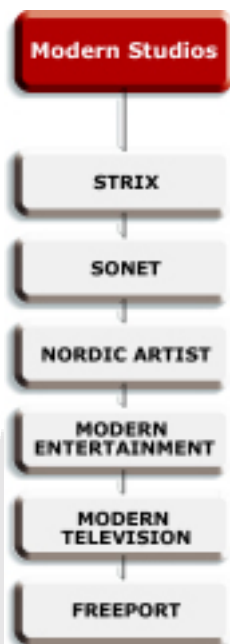


SDI Media, cont'd

- Modest growth of EBIT so far, but increased focus on operations rather than acquisition will improve performance.
- Still strong underlying trends in digital TV, DVD, Hard of Hearing as well as web translations.



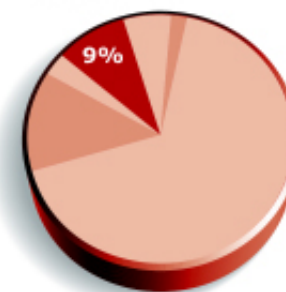
Modern Studios



SEK Million	1999	H1/ 99	H1/ 00
Sales	419	180	236
EBITDA	34	21	-2
EBIT	18	5	6

- Top line grew 32% along with good growth in EBIT.
- Strix accounts for a large portion of the sales increase, Robinson format very successful together with the Bar concept.

Distribution of sales
Modern Studios



Modern Studios, cont'd

- Nordic Artist shows weak results due to low performing events, management change made. Modern Entertainment still in restructuring phase, starts to improve performance.
- Minority shareholders in Modern Entertainment bought out at 10,7 MUSD.

Balance Sheet and Cash Flow

- Equity/assets ratio 44 %
- Adjusted for P4 and TV4 values 55 %
- W/C positive in Q2
- Depreciation 180 MSEK
- Maintenance capex 40 MSEK, plus new projects

Financial Situation

SEK Million	June 30, 2000
Equity	2 445
Minority interest	13
Convertible loan	0
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Total	2 458
Total assets	5 449
Equity/ Asset ratio	45%
Market value	
20,1% of TV4, 33,1% of P4	1 581
Bookvalue	188
Adjusted equity/ asset ratio	55%

Executive management

