

Modern Times Group

Q1 2009 Financial Results

22 April 2009



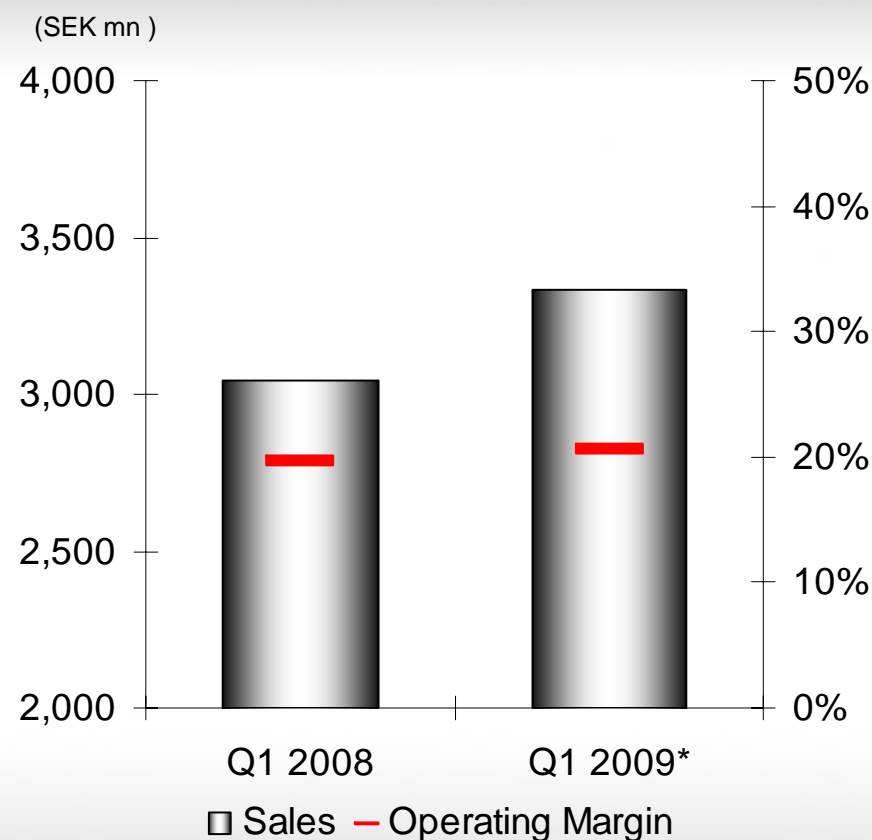
"Record Q1 Results"



Q1 2009

18th Straight Quarter of Double Digit Sales Growth

- Group net sales up 10% y/y to SEK 3,336 million
- Positive currency effects add 8% points of growth
- Group operating income up 15% y/y to SEK 688 million with an operating margin of 21% (20%) when excluding SEK -454 million participation in non-cash intangible asset impairment by associated company CTC Media
- Viasat Broadcasting net sales up 13% y/y to SEK 2,599 million
 - Operating income, excluding associated company income, of SEK 346 (373) million
 - Recurring associated company income from CTC Media up 83% y/y to SEK 379 million
- Pre-tax profit of SEK 195 (583) million & SEK 649 million when excluding MTG share in CTC Media impairment charge
- Net income of SEK 146 (397) million
- Basic earnings per share of SEK 2.19 (5.85)
- SEK 5 ordinary dividend proposed to AGM



* Excluding SEK -454 share in CTC Media impairment

Operating Review



Operating Results

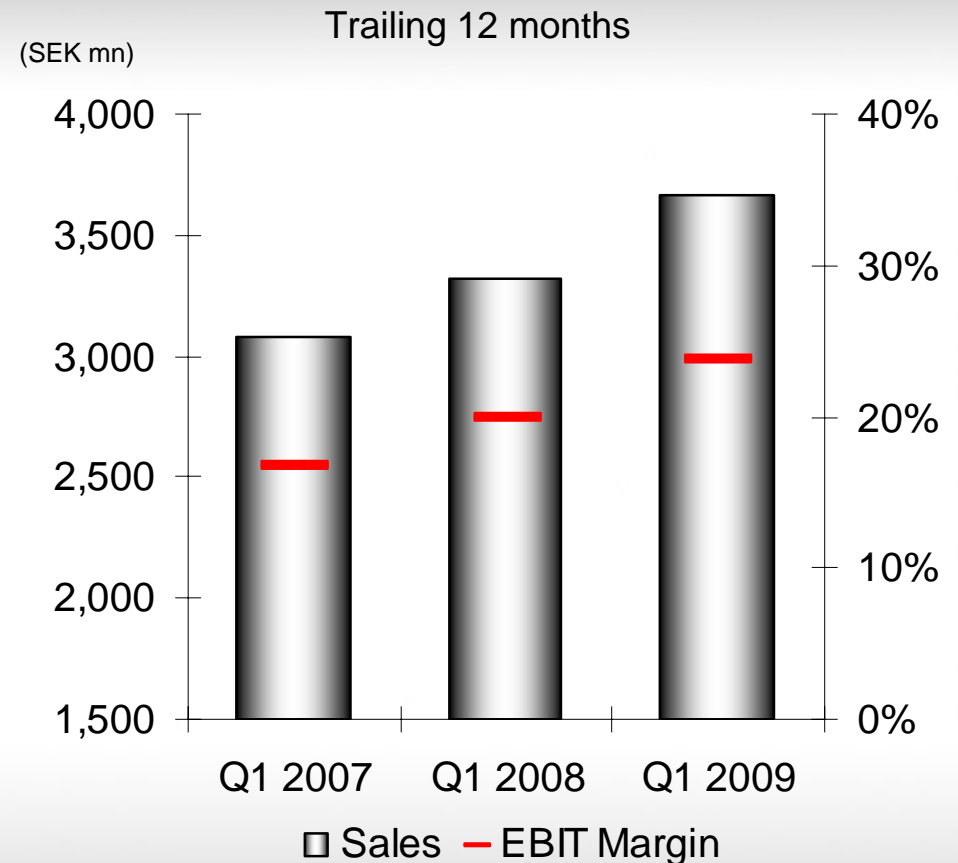
(SEK mn)	Sales			Operating Profit (EBIT)		
	Q1 2009	Q1 2008	Change (%)	Q1 2009	Q1 2008	Change (%)
Free-TV Scandinavia	886	828	7	203	146	39
Pay-TV Nordic	1,069	959	11	174	162	7
Free-TV Emerging Markets	464	423	10	-74	46	-
Pay-TV Emerging Markets	220	139	58	40	13	200
Associated CTC Media	-	-	-	379	207	83
<i>Other & eliminations</i>	-40	-43	-	2	4	-
Viasat Broadcasting business area	2,599	2,307	13	725	580	25
Other business areas	783	686	14	4	52	-93
Parent & holding companies / Group central operations	46	42	-	-41	-53	20
Eliminations	-91	-88	-	-	-	-
Total from ongoing operations	3,336	2,947	13	688	579	19
<i>Extraordinary items*</i>	-	95	-	-454	17	-
Reported Group total	3,336	3,042	10	233	596	-61

*SEK -454 mn share in CTC Media's intangible asset impairment in Q1 2009 & Q1 2008 revenues and EBIT contribution from divested DTV Group

Free-TV Scandinavia

7% Sales Growth & 39% Operating Profit Growth

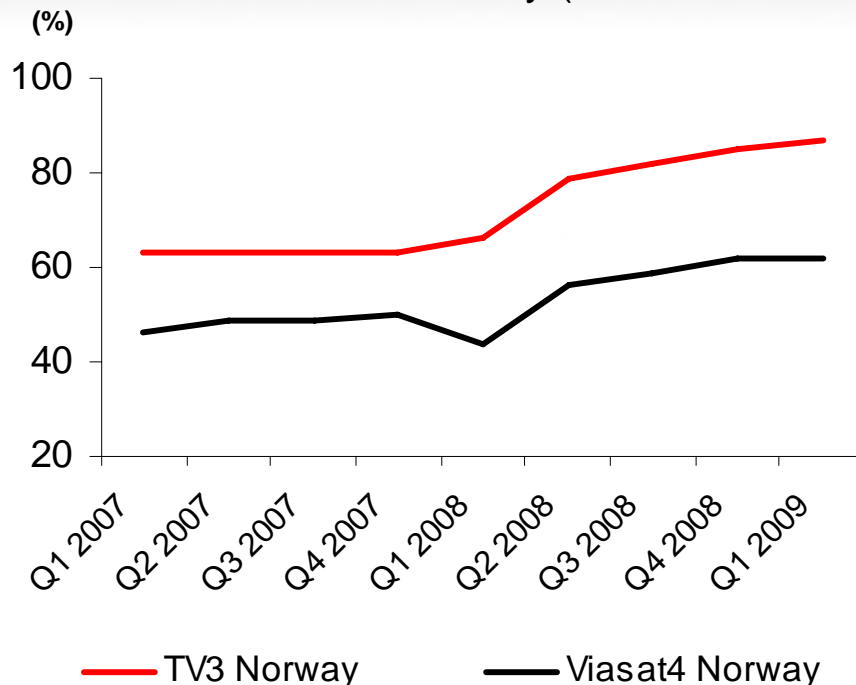
- Net sales up 7% y/y to SEK 886 million supported by positive currency effects
- Media house strategy generates momentum in downturn with TV ad market share gains in Norway and Denmark
- Viasat maintains position as 2nd largest media house in Norway following penetration gains & audience share improvement y/y & outperformed rival media house SBS in audience share for the fourth quarter in a row
- Penetration for TV3 Denmark increases following new cable deals – Viasat channels not part of the DTT
- OPEX stable y/y at SEK 683 (682) million – reflects deferred introduction of some programming in Sweden & Denmark, lower overall SG&A costs, increased programming spend in Norway & adverse currency effects
- Operating income up 39% y/y to SEK 203 million with increased operating margin of 23% (18%)



Free-TV Scandinavia

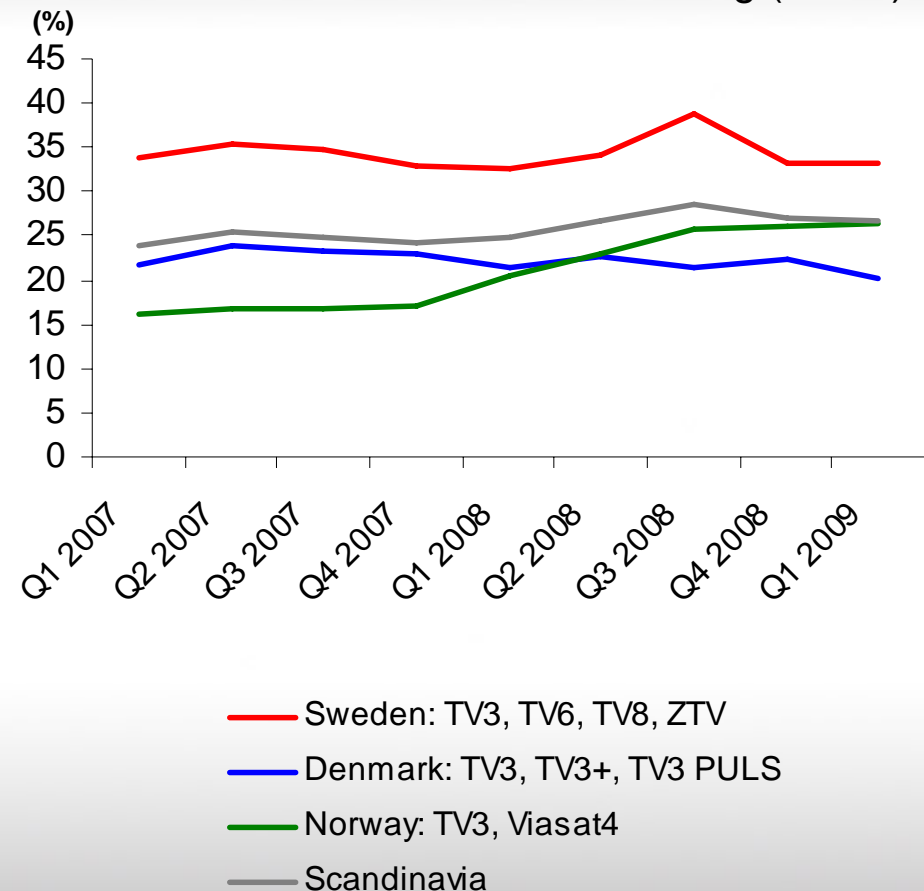
Increasing Penetration & Audience Shares

Penetration in Norway (National Reach)



- TV3 and TV6 Sweden already at 86% following digitalisation, with TV8 now at 64%

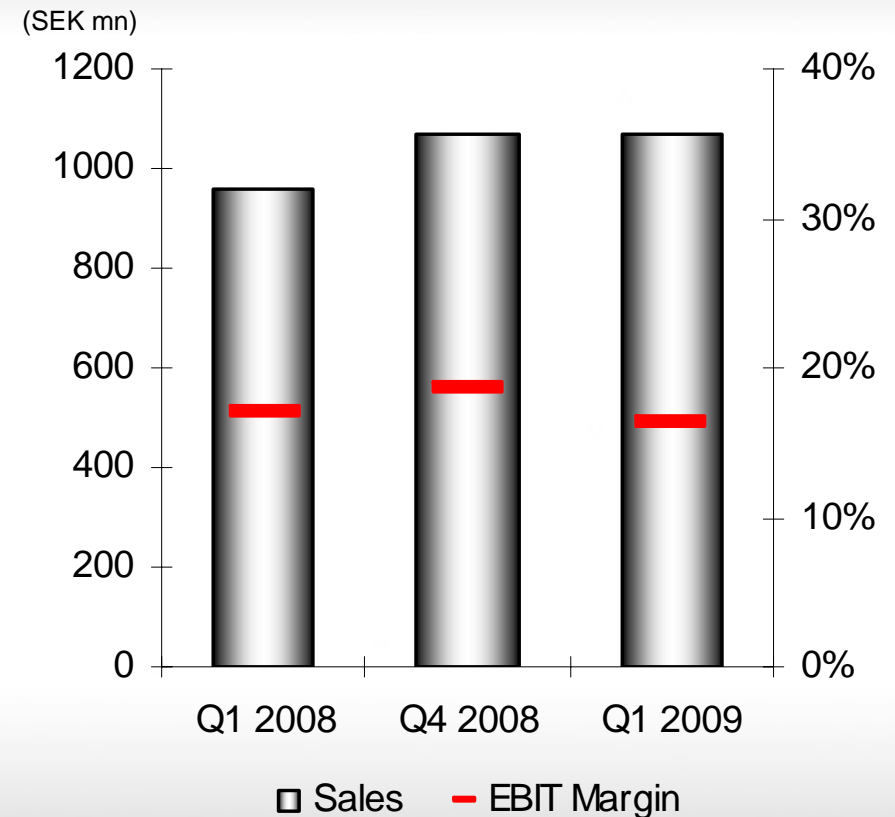
Commercial Share of Viewing (15-49)



Pay-TV Nordic

11% Sales Growth & 16% Operating Margin

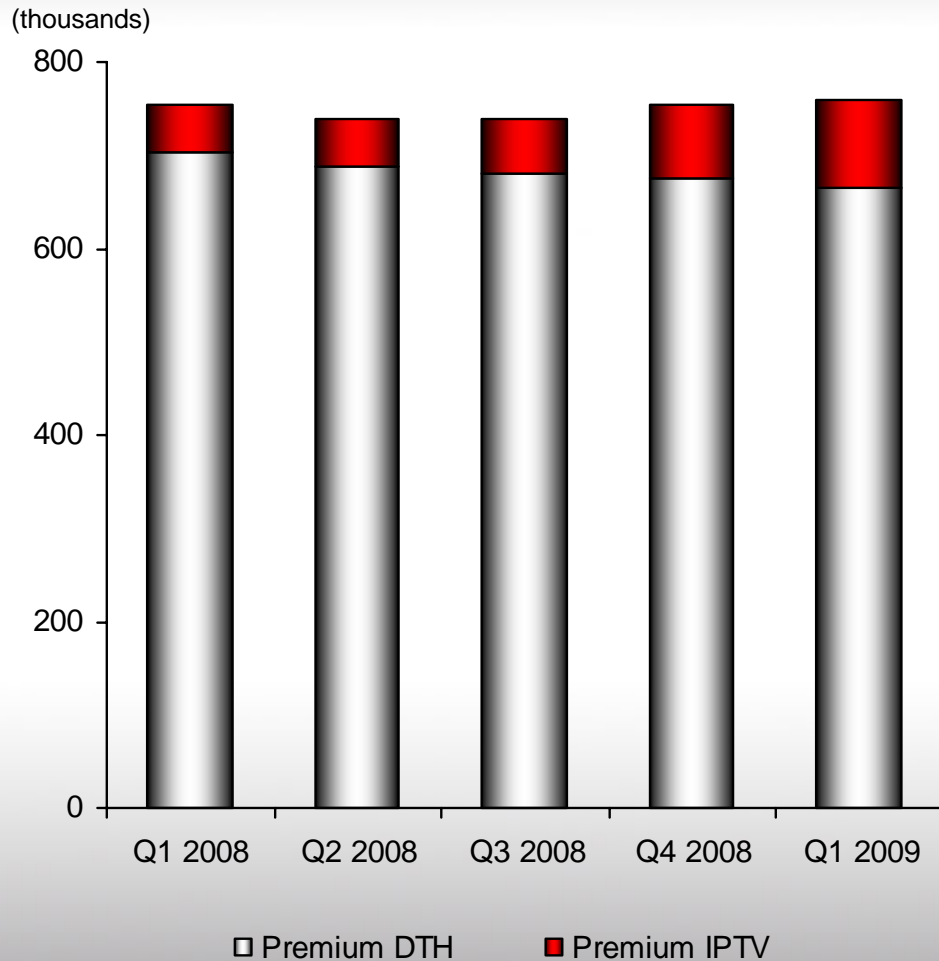
- Sales up 11% y/y to SEK 1,069 million
- ARPU up 14% y/y to SEK 4,325
 - Positive currency effects, previous price rises, maturing subscriber base & growing proportion of multi-room & HD subscribers
- Total premium subscribers up 6,000 q/q
 - IPTV sales drive subscriber growth
- SAC up 6% y/y but down 12% q/q
 - increased focus on subscriber acquisition in Denmark and Norway to benefit from digitalisation & maturing of subscribers signed up in Swedish digitalisation process in 2006
- Total OPEX up 12% y/y to SEK 895 million
 - Addition of new channels to the platform
 - Renewal of several key sports rights & addition of localised sports channels
 - Ongoing investments in HDTV + subscriber campaigns in Denmark and Norway
 - Adverse currency effects
- Operating income up 7% y/y to SEK 174 million with operating margin of 16% (17%)



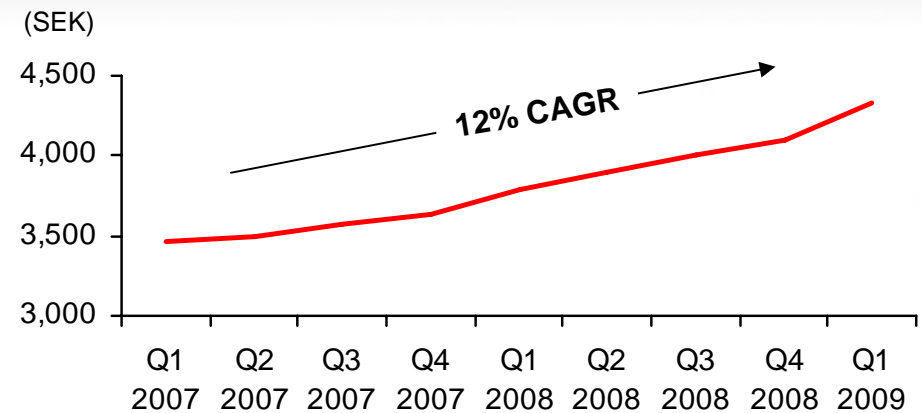
Pay-TV Nordic

Stable Subscriber Base & Growing ARPU

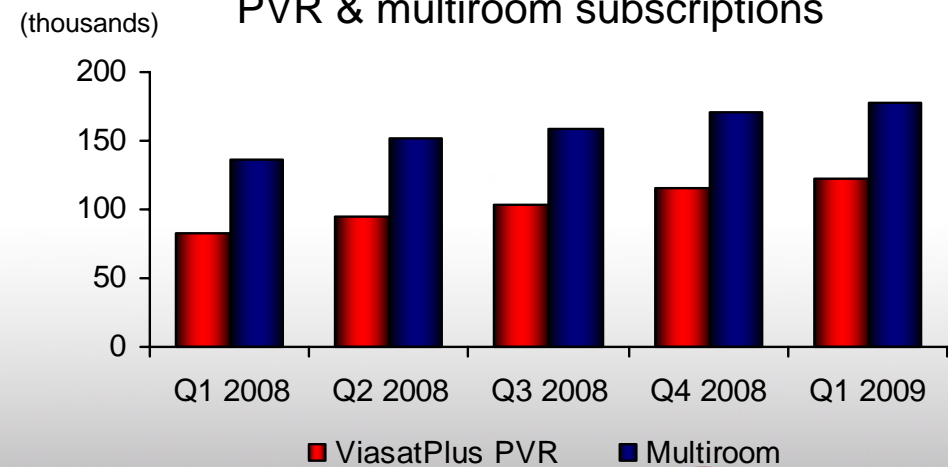
Premium subscribers



Premium ARPU



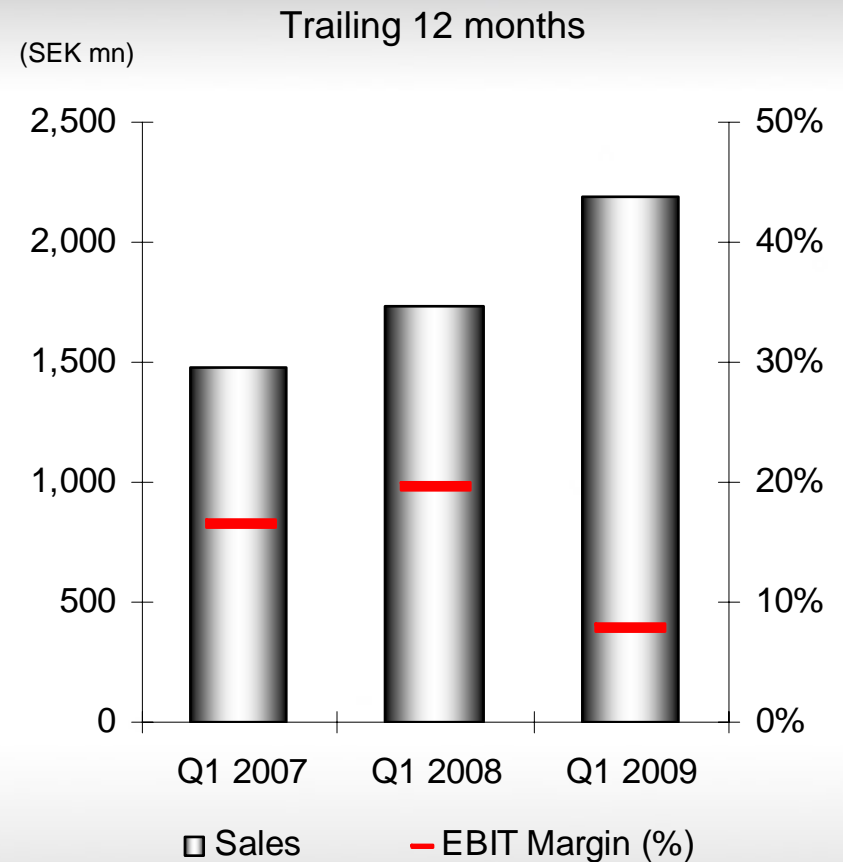
PVR & multiroom subscriptions



Free-TV Emerging Markets

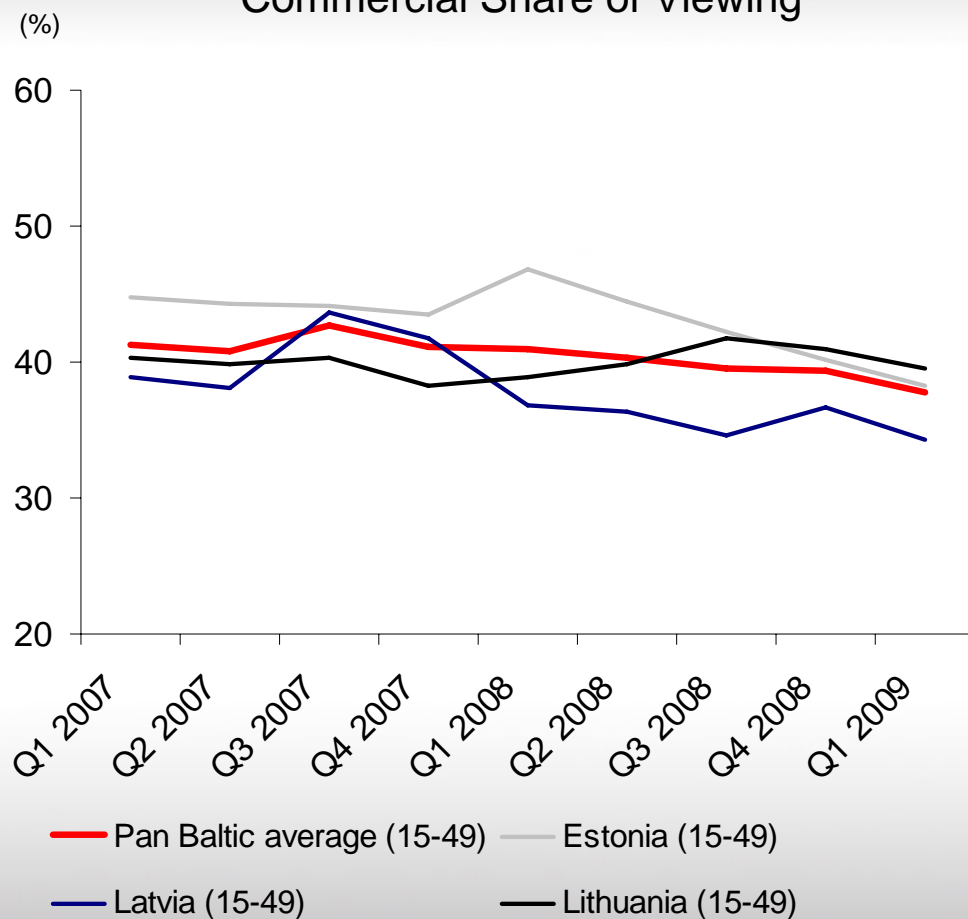
Challenging Market Environment

- Sales up 10% y/y including Nova Televizia & supported by positive currency effects
- Sales excl. Nova Televizia down 11% y/y
- Operating income of SEK -74 (46) million
- Performance reflects significant deterioration in operating and financial environment & y/y profitability impact of:
 - Investments in Slovenia and Ghana
 - Launch of new channels in the Baltics & Hungary
 - Investments in programming in Bulgaria to drive audience share
 - Deferral of investments to seasonally stronger periods
 - Ongoing cost reduction programmes

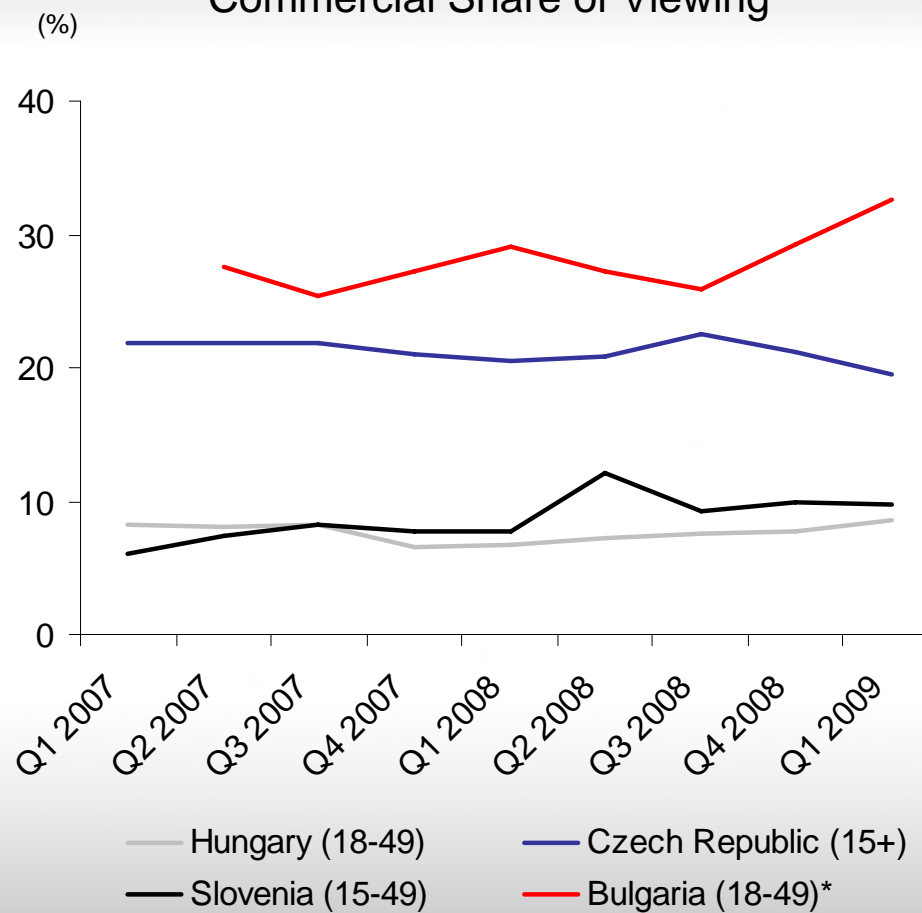


Free-TV Emerging Markets Audience Share Development

Commercial Share of Viewing



Commercial Share of Viewing

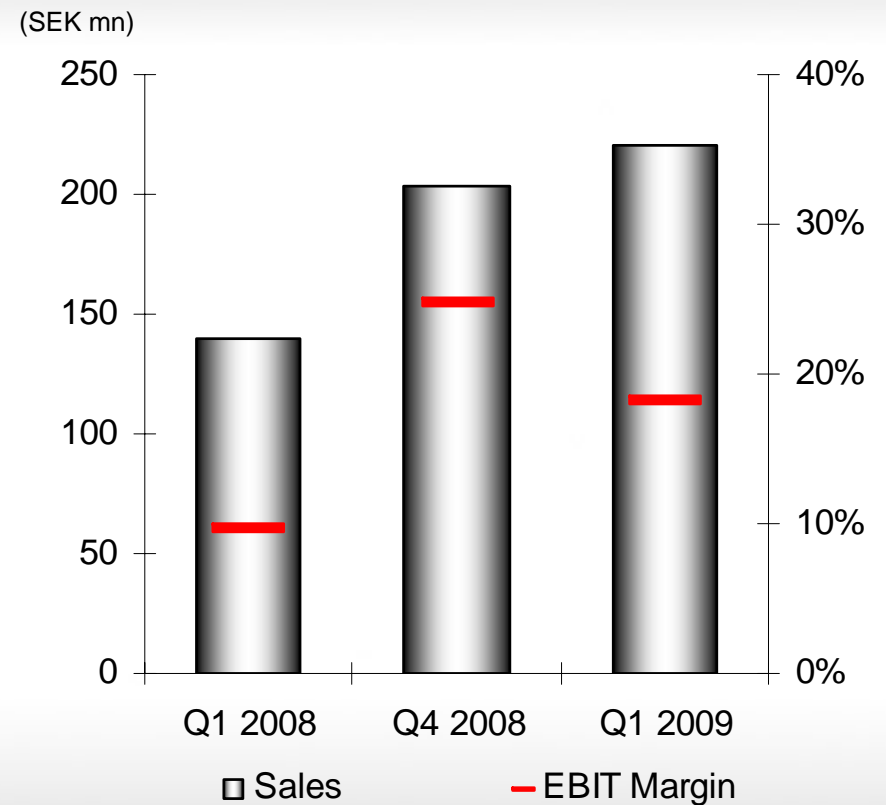


*Pro forma

Pay-TV Emerging Markets

58% Sales Growth & 18% Margin

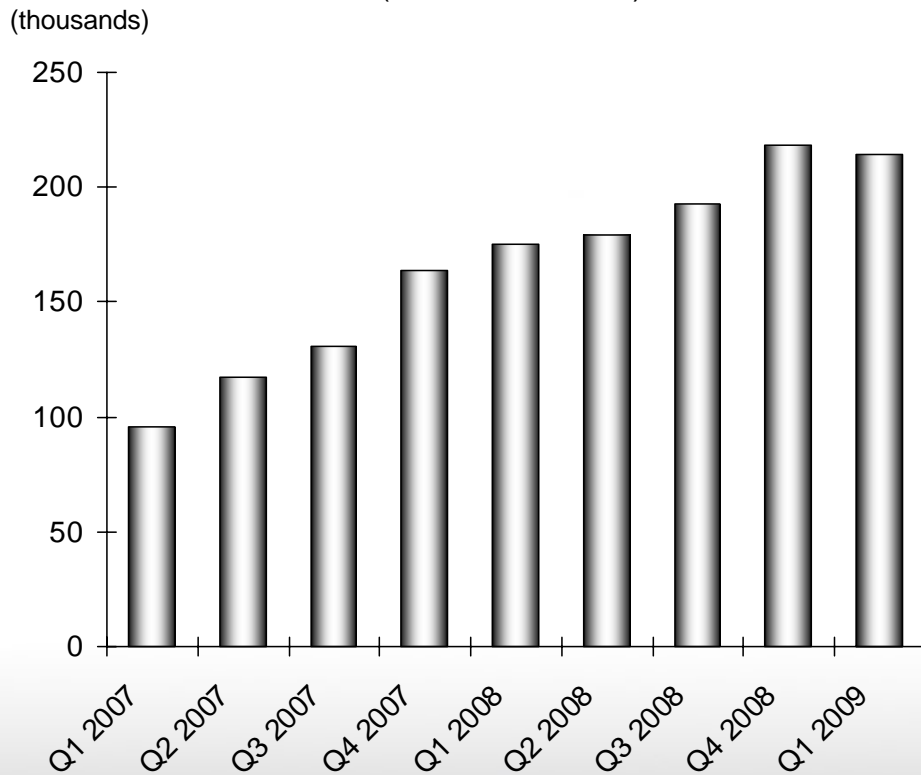
- Net sales up 58% y/y to SEK 220 million
- Baltic & Ukrainian platforms added 39,000 premium subscribers y/y but base down q/q due to higher churn in the Baltics due to economic situation
- 10 million mini-pay subscriptions added y/y & 1.3 million subscriptions q/q
- OPEX in line with scaling of business & development of early stage Ukrainian JV platform
- Operating income tripled y/y to SEK 40 million with operating margin of 18% (10%)



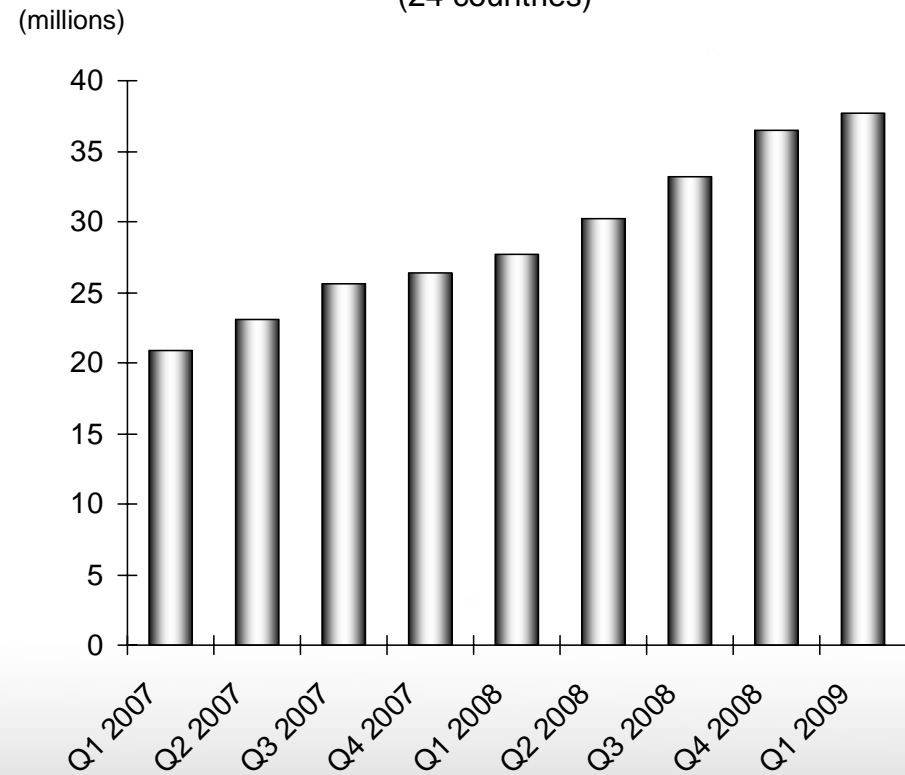
Pay-TV Emerging Markets

Continued Growth in Subscriber Base

Premium DTH Subscribers
(Baltics & Ukraine)



Mini-pay Subscriptions
(24 countries)



Other Businesses

Online

- Sales up 25% y/y to SEK 520 million
- Continued strong development for MTG Internet Retailing online assets
 - CDON.COM sales up 17% y/y following successful ad campaigns to increase traffic + increased electronic games sales
 - Gymgrossisten.com sales up 44% y/y & Nelly.se sales triple
- OPEX includes SEK 23 million of costs related to development & close down of Viaplay online TV business & move of some technology to Pay-TV Nordic
- Operating income of SEK 4 (28) million

Radio

- Sales down 15% y/y to SEK 159 million in line with ad market decline in Sweden, Norway & Baltics
- SEK -5 (30) million operating result

Modern Studios

- Sales up 27% to SEK 103 million y/y
- Operating profit of SEK 4 (-5) million following international licensing deals & reduction of underlying cost base

Financial Review



Income Statement

- SEK -454 million share in USD 233 million (SEK 1,955 million) intangible asset impairment charge reported by CTC Media in Q4 2008
- Net interest expenses of SEK -37 (-4) million in Q1 following increase in borrowings in Q4 & lower prevailing borrowing costs
- Effective tax rate of 25%
 - Lowered corporate income tax rates in Sweden & Russia from beginning of 2009

(SEK mn)	Q1 2009	Q1 2008	FY 2008
Net sales	3,336	3,042	13,166
EBIT before non-recurring items	688	596	2,598
Non-recurring items	-454	-	1,074
EBIT	233	596	3,671
Net Interest & other financial items	-39	-13	-61
PTP	195	583	3,610
Tax	-48	-186	-683
Net income	146	397	2,927
Basic average number of shares outstanding	65,890,375	66,213,260	65,908,373
Basic EPS	2.19	5.85	43.25

Cash Flow

- Changes in working capital reflect seasonal fluctuations of scheduled payments
- CAPEX of SEK 18 (30) million represented <1% of Group revenues
- SEK 5 ordinary dividend proposed to 2009 AGM

(SEK mn)	Q1 2009	Q1 2008	FY 2008
Cash flow from operations	168	311	1,918
Changes in working capital	-297	-268	67
Net cash flow from operations	-129	43	1,985
Cash flow to/from investing activities	-159	-239	-4,674
Cash flow to/from financing activities	25	76	3,106
Net change in cash and cash equivalents	-264	-119	417

Financial Position

- Total borrowings of SEK 4.7 billion
- SEK 3.9 billion of net debt at end of period = 1.4x LTM EBITDA (excluding gain from sale of DTV & share in CTC Media impairment)
- SEK 2,668 million of available liquid funds at end of period
- No loans due for repayment in 2009
- Equity to assets ratio of 46%

(SEK mn)	31 Mar 2009	31 mar 2008	31 Dec 2008
Non-current assets	12,786	6,062	12,881
Current assets	6,328	5,115	6,351
Total assets	19,114	11,177	19,232
Shareholders' equity	8,835	5,944	8,980
Long-term liabilities	5,362	425	5,263
Current liabilities	4,916	4,808	4,989
Total equity and liabilities	19,114	11,177	19,232

Summary



Summary

- Strong sales & underlying operating profit performance despite changing market conditions
- Well-positioned to take further market share as challenger in structurally changing markets
- More than half of total sales from subscription & other non-advertising revenue streams
- Integrated media house strategy is a fundamentally strong & functioning model
- Market environment presents opportunities to enhance market positions & build long term value
- Healthy financial position with low gearing & no debt maturities in 2009



MTG

MODERN TIMES GROUP

