



MODERN TIMES GROUP MTG AB

FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006

Stockholm, 26 April 2006 – Modern Times Group MTG AB (“MTG” or “the Group”) (Stockholmsbörsen: MTGA, MTGB) today announced its financial results for the first quarter ended 31 March 2006. The Group’s consolidated accounts have been prepared according to International Financial Reporting Standards (IFRS) as adopted by the European Union.

FIRST QUARTER HIGHLIGHTS

- **Group net sales up 37% to SEK 2,377 (1,738) million**
- **Group operating income more than doubled to SEK 453 (212) million**
- **Double-digit sales growth in all three broadcasting segments - Free-to-air TV Scandinavia, Pay-TV Nordic and Central & Eastern Europe**
- **Viasat Broadcasting net sales up 44% to SEK 1,956 (1,357) million and operating profit up 84% to SEK 458 (249) million**
- **Net income of SEK 305 (501) million (2005 included SEK 389 million net gain from the sale of TV4 shares in 2005)**
- **Basic earnings per share of SEK 4.38 (7.55)**

Hans-Holger Albrecht, President and CEO, commented: “These operating results are MTG’s best ever for a first quarter. Sales growth of 37% and a more than doubling of operating profits again demonstrated the Group’s ability to balance high growth with increased profitability. The operating margin of 19% in the seasonally weaker first quarter of the year reflected continued growth and earnings improvements in each of our core broadcasting operations.

“Our free-to-air assets in Scandinavia delivered a doubling of profits whilst our DTH platform reported another quarter of healthy premium subscriber intake. The Central & East European operations generated continued strong momentum with increased profitability following DTV’s first quarterly profit and the inclusion of the Czech TV Prima business. We remain on track with our strategic objectives and continue to review new investment opportunities in order to deliver enhanced shareholder returns.”

FINANCIAL SUMMARY

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
Net sales	2,377	1,738	8,012
Operating income (EBIT)	453	212	1,213
Net gain from the sale of financial assets	2	389	384
Net interest & other financial items	-15	-25	-102
Pre-tax profit	440	575	1,495
Net income	305	501	1,185
Basic earnings per share (SEK)	4.38	7.55	17.78
Diluted earnings per share (SEK)	4.36	7.55	17.78
Total assets	10,223	8,917	9,795

OPERATING REVIEW

Continued Strong Sales Growth

NET SALES BY BUSINESS AREA <i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
<i>Free-to-air TV Scandinavia</i>	723	656	2,912
<i>Pay-TV Nordic</i>	749	605	2,633
<i>Central & Eastern Europe</i>	388	129	813
<i>Other & eliminations</i>	97	-34	80
Viasat Broadcasting	1,956	1,357	6,437
Radio	81	60	290
Other business areas	427	424	1,629
Parent company & other companies	28	35	128
Eliminations	-115	-138	-473
TOTAL	2,377	1,738	8,012

The Group generated 37% year on year net sales growth to SEK 2,377 (1,738) million in the first quarter, which reflected double-digit growth in each of the Group's three core broadcasting businesses – Free-to-air TV Scandinavia, Pay-TV Nordic and Central & Eastern Europe, as well as the first full first quarter consolidation of the BET24 betting and gaming business and the TV Prima Czech TV channel.

The Group's revenue mix continued to reflect the Group's diversified and balanced structure, with 41% of first quarter revenues derived from advertising sales; 37% from subscription payments; and 22% from other business-to-business and business-to-consumer sales.

Most profitable first quarter ever

OPERATING INCOME BY BUSINESS AREA (SEK million)	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
<i>Free-to-air TV Scandinavia</i>	140	58	492
<i>Pay-TV Nordic</i>	125	123	507
<i>Central & Eastern Europe</i>	51	-12	76
<i>Other & eliminations</i>	3	12	54
<i>Associated companies (CTC Media, Inc.)</i>	138	68	187
Viasat Broadcasting	458	249	1,316
Radio	8	-9	23
Other business areas	22	-1	37
Parent company & other companies	-36	-27	-163
TOTAL	453	212	1,213

The Group reported a more than doubling of operating profits year on year to SEK 453 (212) million, which is the highest first quarter operating profit in MTG's history. This record level of operating profitability reflected further margin improvements in the Free-to-air TV Scandinavia and Central & Eastern European operations, as well as continued high margins in the Nordic pay-TV business. The operating result also included the increased SEK 138 (67) million contribution from the Group's 43.1% equity participation in the results of CTC Media, Inc. in Russia.

Depreciation and amortization charges totalled SEK 27 (45) million in the quarter. Operating costs increased by 29% year on year, which primarily reflected the consolidation of BET24 and TV Prima from April and November 2005 respectively, continued high net subscriber intake, the first full first quarter impact of more than ten new channels that have been added to the Viasat platform, and increased investments in the Group's broadcasting operations in Central and Eastern Europe. The Group operating margin however increased to 13% (8%), excluding the Group's equity participation in the results of associated companies.

Net interest and other financial items totalled SEK -13 (363) million in the quarter, with the 2005 result including the non-recurring SEK 389 million net gain from the sale of MTG's remaining shareholding in TV4 AB. Net interest costs amounted to SEK -12 (-10) million and principally comprised the SEK -15 million of interest on the Euros 120 million convertible loan notes. Other financial items of SEK -1 (-15) million included an unrealised currency exchange rate gain of SEK 4 (-16) million arising from the translation of the Euro-denominated debentures.

Group pre-tax profits totalled SEK 440 (575) million and Group tax charges amounted to SEK -135 (-74) million. The Group consequently reported a net income of SEK 305 (501) million for the period. The number of issued and outstanding shares increased from 66,375,156 to 66,382,410 shares during the first quarter, following the exercise of 7,254 class 'B' share options granted as part the 2001 stock option programme. Basic earnings per share amounted to SEK 4.38 (7.55).

VIASAT BROADCASTING

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
Net Sales	1,956	1,357	6,437
Operating Income	319	180	1,129
Operating Margin (%)	16	13	18
Associated Company Income	138	68	187
Total Operating Income	458	249	1,316

Viasat Broadcasting, which includes the Group's Television broadcasting businesses, generated 44% year on year net sales growth to SEK 1,956 (1,357) million in the quarter. Viasat reported healthy growth across each of its broadcasting segments - Free-to-air TV Scandinavia, Pay-TV Nordic, and Central & Eastern Europe – and included the first full first quarter consolidation of the results of Czech TV channel TV Prima and betting and gaming company BET24.

Viasat's total number of digital subscribers ended at 837,000 (695,000) at the end of the quarter, compared with 811,000 at the end of last year. The total premium subscriber base in the Nordic and Baltic countries continued to grow during the quarter and reached at 690,000 (517,000) compared to 653,000 in the beginning of the year.

Viasat Broadcasting delivered improved operating margins of 16% (13%) in the quarter, excluding MTG's participation in the earnings of CTC Media, Inc.

BET24's rapid top line growth continued in the quarter, supported by significantly increased marketing activities in both existing and new territories, as well as the introduction of new products. Net sales more than doubled year on year to SEK 124 (47) million. The number of active sports betting customers (active within the last three months) increased to 41,000 from 22,000 at the end of 2005. This followed a more than quadrupling of marketing and promotional expenditure year on year in the quarter, which was reflected in an operating result of SEK -13 (2) million in the first quarter. MTG has fully consolidated BET24's results with effect from 1 April 2005 and therefore reported associated company income of SEK 1 million for the first quarter of 2005 and a fully consolidated result of SEK -13 million for the first three months of the current year.

Free-to-air TV Scandinavia

Further Margin Improvement

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
Net Sales	723	656	2,912
Operating Income	140	58	492
Operating Margin (%)	19	9	17

Viasat's free-to-air television operations in Scandinavia generated 10% year on year sales growth to SEK 723 (656) million in the first quarter.

Operating costs for the free-to-air TV business were down 3% year on year, which reflected the impact of year on year analogue distribution cost savings in Sweden and Denmark, as well as lower levels of programming spending due to the later launch of the Spring schedule in 2006. As previously stated, full year 2006 programming costs are currently expected to increase at a slightly higher rate than the 5% level reported for 2005, but the level will vary between quarters.

The Scandinavian free-to-air TV operations reported a more than doubling of operating profits year on year to SEK 140 (58) million, and an increased operating margin of 19% (9%).

Commercial Share of Viewing (%)	Jan-Mar 2006	Jan-Mar 2005	Jan-Dec 2005
TV3 & ZTV Sweden (15-49)	30.4	30.8	31.4
TV3 & ZTV Norway (15-49)	17.1	16.3	17.2
TV3 & TV3+ Denmark (15-49)	20.9	20.5	22.0

TV3 and ZTV's national penetration rates in Sweden increased further year on year to 75% (68%) and 67% (60%) respectively by the end of the first quarter, and the channels benefited from continued growth in the Swedish advertising market. The commercial share of viewing was impacted by a later launch of the Spring schedule due to the Winter Olympics, as well as generally strong competition in the quarter. Viasat was also awarded a new license by the Swedish Government in February to broadcast a fourth channel in the Swedish digital terrestrial network. The new channel - TV6 - will be a broad-based entertainment channel and will be made available free of charge on an unencrypted basis, to digital terrestrial viewers with effect from 9 May 2006, as well as to subscribers to the Viasat satellite- and IPTV platforms and third party cable networks.

TV3 and ZTV Norway continued to outperform the market and take advertising market shares in a growing market. TV3 and ZTV can now be seen by 63% and 39% of Norwegian households respectively.

TV3 and TV3+ Denmark reported increased combined commercial share of viewing in the quarter and also benefited from a growing advertising market. The analogue DTH distribution of TV3 and TV3+ in Denmark will be completely switched off during the first half of 2006 and yield further cost savings.

Pay-TV Nordic

Continued High Net Subscriber Intake & Margins

<i>(SEK million)</i>	Jan-Mar 2006	Jan-Mar 2005	Jan-Dec 2005
Net Sales	749	605	2,633
Operating Income	125	123	507
Operating Margin (%)	17	20	19

Viasat Broadcasting's pay-TV operations in the Nordic region generated 24% year on year net sales growth to SEK 749 (605) million in the first quarter, and up from SEK 726 million

for the fourth quarter of 2005. The business comprises Viasat's DTH satellite broadcasting platform and 17 Viasat pay-TV channels.

<i>(000's)</i>	March 2006	December 2005	March 2005
Premium Subscribers	646	614	496
- of which, DTH satellite	632	602	494
- of which, Broadband	14	12	2
Basic DTH Satellite Subscribers	147	158	178

32,000 net new premium subscribers were added to the Nordic platform in the first quarter. A total of 150,000 net new premium subscribers have now been added to the platform since the end of the first quarter of 2005, which is equivalent to a year on year growth rate of 30%. The growth continued to reflect a combination of a high level of gross additions and gradually reducing premium subscriber churn levels. In addition, an increasing number of existing and new premium subscribers are now choosing multi-room subscriptions and/or the premium Viasat+ Personal Video Recorder (PVR) service. The number of Viasat+ or multi-room subscribers increased from 14,000 at the end of 2005 to 48,000 by the end of the first quarter, which represented a 7% penetration of Viasat's total premium subscriber base.

Viasat's 'Basic' pay-TV package had 147,000 (178,000) subscribers at the end of the quarter, compared with 158,000 at the end of the year 2005. This reflected the ongoing strong competition in the entry level segment of the market, as well as the continued successful up-selling of entry level subscribers into Viasat's premium tier packages.

Annualized average revenue per premium subscriber (ARPU) increased by more than 5% year on year to SEK 3,341 (3,175) in the first quarter, and from SEK 3,277 in the fourth quarter of 2005. This increase principally reflected price rises, introductory offer subscribers maturing into the higher ARPU second year of their contracts, and the growing proportion of higher ARPU Viasat+ and multi-room subscribers.

Operating costs for the Nordic pay-TV business increased by 30% year on year and primarily reflected the higher level of expensed SAC (Subscriber Acquisition Cost) during the quarter, which amounted to SEK 125 (82) million and compared to SEK 116 million for the fourth quarter of 2005. This latter increase reflected the high level of net subscriber intake throughout the last 12 months. The overall operating cost increase also reflected the first full first quarter impact of the addition of the Viasat Sport 24, SportN and more than ten third party channels to the Viasat platform, and continued marketing campaigns to support the Viasat+ PVR roll-out. The combined operating margin for the Nordic pay-TV businesses consequently declined year on year to 17% (20%), and from 19% in the fourth quarter of 2005. Operating profits of SEK 125 (123) million in the quarter compared to SEK 136 million for the fourth quarter of 2005.

Central & Eastern Europe

Rapid Growth & Profitable

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
Net Sales	388	129	813
Operating Income	51	-12	77
Operating Margin (%)	13	-	9
Associated Company Income (CTC Media, Inc.)	138	67	186
Total Operating Income	190	55	263

Viasats's free-to-air and pay-TV operations in Central and Eastern Europe reported a year on year tripling of net sales to SEK 388 (129) million in the quarter, which included the first full quarter impact of the consolidation of Czech TV station TV Prima. When excluding TV Prima, net sales were up 60% year on year.

The 2005 first quarter operating loss of SEK -12 million, excluding associated company income, was transformed into a profit of SEK 51 million for the first three months of the current year and included an operating profit of SEK 34 million for TV Prima.

Commercial Share of Viewing (%)	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
TV3 and 3+ in Estonia (15-49)	47.9	46.1	47.4
TV3 and 3+ in Latvia (15-49)	35.4	31.7	34.2
TV3 and Tango TV in Lithuania (15-49)	33.4	35.3	35.0

The Group's free-to-air TV operations in Estonia (TV3 and 3+), Latvia (TV3 and 3+) and Lithuania (TV3 and Tango TV) reported 31% combined year on year net sales growth to SEK 102 (78) million in the quarter, as the channels continued to capitalise on growing advertising markets. Viasat's pan-Baltic commercial share of viewing (15-49) increased to 36.2% (35.8%) year on year and TV3 remains the most watched channel in each of the three countries. The 3+ Russian language channel has repeated its success in Latvia by achieving a commercial share of viewing (15-49) of over 7% in Estonia only one year after launch. Operating profits for the Baltic free-to-air channels doubled year on year to SEK 17 (8) million and the channels therefore reported an increased combined operating margin of 17% (11%).

Commercial Share of Viewing (%)	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
TV Prima (15+)	20.7	22.8	24.6
Viasat3 (18-49)	4.8	4.9	5.5
DTV (6-54)	2.1	1.7	1.9

Operating results for Czech TV network TV Prima have been consolidated since 1 November 2005 and no comparative quarterly figures are available for prior interim reporting periods. TV Prima reported sales of SEK 180 million for the first quarter. The channel's ratings were

impacted by the coverage of the Winter Olympics on the rival channels during the first quarter but the channel benefited from a rising pricing environment and the momentum of its viewing share gains during 2005. The programming schedule is also being continuously strengthened as demonstrated by the output agreement signed with Hollywood studio Warner Bros. at the end of 2005. TV Prima reported an operating profit of SEK 34 million for the first three months of the year and therefore generated a 19% operating margin for the period.

DTV in Russia reported its first quarterly operating profit as the network's sales more than doubled to SEK 38 (18) million. This result reflects the positive impact of the newly implemented sales agreement with the Video International media sales house. DTV generated a SEK 8 million year on year swing in profitability from a loss of SEK -6 million in the first quarter of 2005 to an operating profit of SEK 2 million for the first three months of 2006.

Having reported its first ever quarterly operating profit in the final quarter of 2005, Viasat3 continued to outperform the growing Hungarian advertising market and more than halved its operating loss year on year from SEK -10 million to SEK -3 million in the first quarter. Net sales were up 65% year on year to SEK 24 (15) million on a stable commercial share of viewing.

MTG announced after the end of the quarter that the Group would report the associated company result from its 43.1% equity participation in CTC Media, Inc. with a one quarter time-lag with effect from 1 January 2006. This reflects the fact that CTC Media's consolidated financial results are not available to MTG before the publication of the Group's own quarterly results. MTG has therefore reported its SEK 138 (67) million share of CTC Media's fourth quarter earnings in the first quarter. As a result of this, MTG has restated its quarterly results for 2005, in order to provide comparable year on year numbers. The combined share of viewing (4+) for CTC and The Home Channel increased to 12.8% (10.0%) in the fourth quarter of 2005.

Viasat's pay-TV operations in Central and Eastern Europe comprise the DTH satellite platform in the Baltic region, as well as the five Viasat channels (TV1000 East, TV1000 Russian Kino, Viasat History, Viasat Explorer, Viasat Sport) that are included in Viasat's premium pay-TV packages in the Baltics and also sold through third party television network operators across the region.

<i>(000's)</i>	March 2006	December 2005	March 2005
DTH Premium Baltic subscribers	44	38	21
C & E Europe mini-pay-TV subscriptions	14,194	11,541	7,898

Viasat's Baltic pay-TV platform reported a net intake of 6,000 premium subscribers during the quarter and the premium subscriber base has therefore more than doubled year on year.

The wholesale mini-pay business continued its strong growth with the addition of 2.6 million new subscriptions in the quarter and an 80% year on year increase to a total of nearly 14.2 million subscriptions. Viasat's five channels are now sold as part of third party cable and satellite operator packages in 17 Central and East European countries.

Sales for Viasat's pay-TV business in Central and Eastern Europe more than doubled year on year to SEK 43 (19) million. The combined operations were profitable on a quarterly basis for the second time in their short history, reporting an operating profit of SEK 1 (-5) million.

RADIO

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
Net Sales	81	60	290
Operating Income	0	-15	-11
Associated Company Income	8	6	34
Total Operating Income	8	-9	23

MTG Radio operates 53 out of the 86 commercial radio stations in Sweden, including the RIX FM national network, which together have an unrivalled national penetration of 89%. According to the first 2006 listener survey from SIFO Research International, MTG Radio stations now attract more than 2 million daily listeners. Combined net sales for the Group's Swedish and Baltic radio operations were up 34% year on year to SEK 81 (60) million in the quarter.

These wholly owned operations were profitable for the second consecutive quarter, which compared with an operating loss of SEK -15 million for the first quarter of 2005. The results for the Radio business area also include MTG's share of earnings in associated companies, which principal comprise the Group's 39.7% equity participation in number one Norwegian national radio network P4 Radio Hele Norge ASA. MTG reports its share of P4's pre-tax earnings with a time lag of one quarter, due to the fact that listed company P4 publishes its results after MTG. MTG's share of earnings in associated companies amounted to SEK 8 (6) million in the first quarter.

OTHER BUSINESSES

<i>(SEK million)</i>	Jan–Mar 2006	Jan–Mar 2005	Jan–Dec 2005
<i>Modern Studios</i>			
Net Sales	159	179	638
Operating Income	2	-18	-26
<i>Home Shopping</i>			
Net Sales	269	245	992
Operating Income	20	17	63

Net sales for the Modern Studios business area, which primarily comprises the Strix TV production company and the Sonet feature film production and distribution business, amounted to SEK 159 (179) million in the first quarter. The top line reflected a lower level of new movie releases by Sonet and lower TV format license and option sales by Strix during the period. However, the business area reported an improved operating result of SEK 2 (-18) million primarily due to the costs associated with Sonet's 'Rancid' movie project in the first quarter of 2005.

The Home Shopping business area comprises CDON.com – the largest Internet entertainment retailer in the Nordic region – and the TV-Shop direct response TV business that operates channels reaching 100 million homes in more than 50 countries in Eurpoe. The business area

generated 10% year on year sales growth to SEK 269 (245) million and stable operating profits of SEK 20 (17) million. The broadcasting of the TV-Shop PIN analogue channel in Germany was discontinued in February 2006 due to distribution costs increasing to unacceptable levels. The channel contributed approximately SEK 50 million of revenues in 2005.

GROUP STRUCTURAL CHANGES

The Group announced in March that it had increased its equity interest in Nordic Betting Limited, which operates the BET24 online betting and gaming businesses, from 51% to 90% by exercising the option agreement that was signed and accounted for in December 2005. The transaction has been effected by means of the acquisition of all of the remaining shares in Nordic Betting Limited by Modern Betting Limited, in exchange for a cash consideration of Euros 8 million and a 10% shareholding in Modern Betting Limited. MTG now owns 90% of Modern Betting Limited, which in turn owns 100% of Nordic Betting Limited. The acquisition gave rise to provisionally determined goodwill and identifiable intangible assets with an indefinite life of SEK 73 million and SEK 4 million of identifiable intangible assets with a definite lifetime.

FINANCIAL POSITION

Cash Flow

The Group generated cash flow from operations of SEK 238 (131) million in the quarter. Changes in working capital amounted to SEK -94 (66) million and reflected the increase in programming inventory and accounts receivables related to the increase in sales. The Group therefore reported net cash flow from operations of SEK 144 (197) million for the period. The first quarter 2005 result included the SEK 513 million of cash proceeds from the sale of the Group's remaining shares in TV4 AB in January 2005. Group investments in shares totalled SEK 83 (17) million in the quarter and comprised the Euros 8 million paid to increase the Group's shareholding in BET24, as well as additional payments in respect of the previous acquisition of shares in the Engine AS business. Group capital expenditure on fixed assets totalled SEK 30 (17) million in the quarter. The net change in cash and cash equivalents for the period therefore totalled SEK 50 (701) million.

Liquid funds

The Group's available liquid funds, including unutilised credit facilities, amounted to SEK 4,860 (2,055) million at 31 March 2006, compared to SEK 2,046 million at the end of 2005. The Group announced the arrangement of a new five year SEK 3,500 million revolving multi-currency credit facility in February 2006, which has replaced the previous SEK 800 million credit facility. The Group's cash and cash equivalents totalled SEK 1,260 (1,280) million at the end of the period, compared to SEK 1,207 million as at 31 December 2005.

Net cash position

The Group's net cash position, defined as cash and cash equivalents and interest-bearing assets minus interest-bearing liabilities, including the Euros 120 million convertible loan notes, amounted to SEK 70 million at the end of the reporting period. This compares to a net cash position of SEK 15 million as at 31 December 2005. The convertible debentures are included within current liabilities as they are due for repayment in June 2006. The debentures

are convertible into MTG class 'B' shares at any time up to the close of business on 8 June 2006, with a conversion price of SEK 385.97 per share. Conversion of the total amount of loan notes would result in the issue of 2,790,994 new MTG class 'B' shares.

Holdings in listed companies

The Group's 27.9% shareholding in Metro International S.A. had a stock market value of SEK 1,866 million as at the close of business on the last trading day of March 2006, which compared with a stock market value of SEK 1,940 million as at the close of business on the last trading day of December 2005. The difference in these market values has been charged directly to the Group's equity. The Board of Directors will propose to the MTG Annual General Meeting of shareholders that the majority of MTG's shareholding in Metro International S.A. be distributed to MTG shareholders by means of a share split and mandatory share redemption programme, with payment to be made in Metro International S.A. shares. The Group's 39.7% shareholding in associated company P4 Radio Hele Norge ASA is accounted for at its book value of SEK 76 million and had a stock market value of SEK 405 million at the close of business on the last trading day of March 2006.

Equity to assets ratio

The Group's equity to assets ratio was 54% (57%) as at 31 March 2005, compared to 55% at the end of December 2005. The ratio is defined as consolidated equity as a percentage of total assets.

Parent company

The MTG parent company reported net sales of SEK 22 (30) million in the first quarter. Net interest and other financial items totalled SEK 70 (10) million and reflected an increase in interest income from subsidiaries. MTG's financial policy includes the provision of a central cash pool to support operating companies. Parent company pre-tax profit amounted to SEK 47 (-11) million for the period.

OTHER INFORMATION

The Group's consolidated accounts have been prepared according to the same accounting principles that were applied in the preparation of the 2005 accounts. The share of earnings in associated company CTC Media, Inc. has been included with a one quarter time-lag with effect from 1 January 2006. The share of CTC's fourth quarter 2005 earnings is therefore included in the Group's first 2006 results. The quarterly financial results for 2005 have therefore been restated in order to provide comparable year on year numbers.

The Modern Times Group MTG AB 2006 Annual General Meeting of shareholders will be held on 10 May 2006 at 09:30 at Drottninggatan 82 in Stockholm, Sweden. The notice to the meeting, including details of how and when to register have now been published and are available from MTG's registered office or website as indicated below.

MTG's financial results for the second quarter and six months ended 30 June 2006 will be published on 26 July 2006.

This interim report has been prepared in accordance with IAS 34 and has not been subject to review by the Company's auditors.

Stockholm, 26 April 2006.

Hans-Holger Albrecht, President & Chief Executive Officer

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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.

Modern Times Group MTG AB class A and B shares are listed on the Stockholmsbörsen O-list under the symbols 'MTGA' and 'MTGB'.

CONSOLIDATED INCOME STATEMENT (MSEK)	2006	2005	2005
	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	2,377	1,738	8,012
Cost of goods and services	-1,401	-1,109	-4,797
Gross income	976	629	3,215
Selling and administrative expenses	-678	-475	-2,194
Other operating revenues	10	1	19
Other operating expenses	-3	-17	-54
Share of earnings in associated companies	147	74	227
Operating income (EBIT)	453	212	1,213
Gain/loss from financial assets	2	389	384
Net interest and other financial items	-15	-25	-102
Income before tax	440	575	1,495
Tax	-135	-74	-310
Net income for the period	305	501	1,185
<i>Attributable to:</i>			
Equity holders of the parent	291	501	1,180
Minority interests	14	0	5
Net income for the period	305	501	1,185
Shares outstanding at end of reporting period	66,382,410	66,375,156	66,375,156
Basic average number of shares outstanding	66,377,574	66,375,156	66,375,156
Diluted average number of shares outstanding	66,690,779	66,375,156	66,375,156
Basic earnings per share (SEK)	4.38	7.55	17.78
Diluted earnings per share (SEK)	4.36	7.55	17.78

CONSOLIDATED BALANCE SHEET (MSEK)	2006	2005	2005
	31 Mar	31 Mar	31 Dec
Non-current assets			
Capitalised development expenses	34	34	36
Patents and trademarks	192	-	184
Beneficial rights	161	143	170
Goodwill	1,831	855	1,814
Machinery and equipment	137	109	134
Shares and participations	2,984	3,363	2,954
Long-term receivables	181	287	189
	<u>5,520</u>	<u>4,792</u>	<u>5,481</u>
Current assets			
Inventory	1,298	1,195	1,151
Current receivables	2,145	1,650	1,956
Cash, cash equivalents and short-term investments	1,260	1,280	1,207
	<u>4,703</u>	<u>4,125</u>	<u>4,314</u>
Total assets	<u>10,223</u>	<u>8,917</u>	<u>9,795</u>
Shareholders' equity			
Shareholders' equity	5,475	5,063	5,254
Minority interests in equity	74	2	53
	<u>5,549</u>	<u>5,065</u>	<u>5,306</u>
Long-term liabilities			
Convertible debenture loan 2001/2006	-	1,079	-
Other interest-bearing liabilities	67	5	41
Long-term provisions	211	106	177
Non-interest-bearing liabilities	19	8	30
	<u>296</u>	<u>1,198</u>	<u>249</u>
Current liabilities			
Convertible debenture loan 2001/2006	1,125	-	1,125
Other interest-bearing liabilities	37	0	68
Non-interest-bearing liabilities	3,216	2,654	3,048
	<u>4,377</u>	<u>2,654</u>	<u>4,240</u>
Total shareholders' equity and liabilities	<u>10,223</u>	<u>8,917</u>	<u>9,795</u>

CONSOLIDATED STATEMENT OF CASH FLOWS (MSEK)	2006 Jan-Mar	2005 Jan-Mar	2005 Jan-Dec
Cash flow from operations	238	131	966
Changes in working capital	-94	66	16
Net cash flow from operations	144	197	981
Proceeds from sales of shares	21	513	513
Investments in shares in subsidiaries and associates	-83	-17	-932
Investments in other fixed assets	-30	-17	-80
Other cash flow from investing activities	-	-	22
Cash flow from/to investing activities	-92	480	-477
Net change in loans from banks	-59	-	27
Other cash flow from/to financing activities	56	25	28
Net change in cash and cash equivalents for the period	50	701	559
Cash and cash equivalents at the beginning of the year	1,207	574	574
Translation differences in cash and cash equivalents	3	5	74
Cash and cash equivalents at end of the period	1,260	1,280	1,207

RECONCILIATION OF SHAREHOLDERS EQUITY (MSEK)	2006 31 Mar	2005 31 Dec
Opening balance equity	5,306	4,657
Change in accounting of CTC Media associated company	-	-45
Change in minority interests	10	46
Effect of employee share option programmes	3	9
Revaluation of shares at market value	-74	-244
Sale of shares in TV4 AB	-	-322
Cash flow hedge	-10	8
Currency translation differences	9	12
Net income for the period	305	1,185
Closing balance equity	5,549	5,306
<i>Attributable to:</i>		
Equity holders of the parent	5,475	5,254
Minority interests	74	53
Total equity	5,549	5,306

NET SALES (SEK million)	Q1 2005	Q2 2005	Q3 2005	Q4 2005	FULL YEAR 2005	Q1 2006
Viasat Broadcasting						
Free-to-air TV Scandinavia	656.0	755.6	625.9	874.7	2,912.3	722.5
Pay-TV Nordic	605.0	629.8	672.2	725.9	2,632.8	748.9
- DTH platform	570.8	592.9	627.1	675.6	2,466.4	704.1
- Channels	240.3	255.7	271.7	303.4	1,071.1	310.9
- Eliminations	-206.1	-218.8	-226.7	-253.1	-904.7	-266.1
Central & Eastern Europe	129.3	172.9	140.0	370.5	812.7	387.6
- Free-to-air TV Baltics	78.0	105.0	72.1	134.6	389.7	102.2
- Viasat3 Hungary	14.6	24.1	18.3	33.0	90.0	24.1
- DTV Russia	18.1	21.5	21.5	37.0	98.1	38.2
- TV Prima Czech Rep.	-	-	-	136.4	136.4	180.1
- Pay-TV DTH platform & channels	18.6	22.3	28.1	29.5	98.5	43.1
BET24	-	55.5	58.9	90.4	204.8	124.3
Other & eliminations	-33.6	-30.6	-22.6	-38.4	-125.2	-27.2
Total	1,356.7	1,583.2	1,474.4	2,023.0	6,437.4	1,956.0
Radio	60.3	84.6	68.2	77.1	290.2	80.8
Home Shopping	245.2	222.0	225.4	299.0	991.5	268.9
Modern Studios	178.5	151.5	147.9	159.7	637.6	158.5
Parent company & other companies	34.9	39.5	23.4	30.4	128.2	28.2
Eliminations	-138.0	-105.3	-103.3	-126.3	-473.0	-114.9
GROUP TOTAL	1,737.5	1,975.5	1,836.1	2,462.8	8,011.9	2,377.4

OPERATING INCOME (EBIT) (SEK million)	Q1 2005	Q2 2005	Q3 2005	Q4 2005	FULL YEAR 2005	Q1 2006
Viasat Broadcasting						
Free-to-air TV Scandinavia	58.2	144.9	100.6	188.4	492.0	140.0
Pay-TV Nordic	122.8	118.0	130.4	135.8	506.9	125.1
- DTH platform	76.0	59.6	74.9	85.8	296.3	79.5
- Channels	46.7	58.4	55.5	50.0	210.5	45.7
Central & Eastern Europe	-12.3	20.4	-7.5	75.9	76.5	50.8
- Free-to-air TV Baltics	8.5	29.2	2.8	46.2	86.7	17.3
- Viasat3 Hungary	-9.8	-2.4	-4.1	0.7	-15.6	-3.1
- DTV Russia	-5.9	-5.2	-7.1	-2.0	-20.2	2.4
- TV Prima Czech Rep.	-	-	-	32.7	32.7	33.6
- Pay-TV DTH platform & channels	-5.2	-1.2	0.9	-1.7	-7.2	0.6
BET24	-	2.1	3.1	-6.2	-1.0	-13.4
Other & eliminations	11.9	14.4	14.9	13.7	54.9	16.7
Associated companies (CTC Media, Inc.)	68.4	32.7	62.6	22.9	186.7	138.4
Total	248.8	332.5	304.1	430.5	1,316.0	457.8
Radio	-15.0	6.0	-2.1	0.3	-10.7	0.2
Associated companies	5.8	5.0	13.5	9.3	33.6	7.6
Total	-9.1	11.0	11.4	9.6	22.9	7.8
Home Shopping	16.9	10.1	14.9	20.5	62.5	20.1
Modern Studios	-18.2	1.3	-18.5	9.7	-25.6	2.3
Parent company & other companies	-26.8	-47.2	-45.4	-43.3	-162.7	-35.5
GROUP TOTAL	211.6	307.8	266.5	427.1	1,212.9	452.5

Key Performance Indicators

	Q1 2005	Q2 2005	Q3 2005	Q4 2005	FULLYEAR 2005	Q1 2006
GROUP						
Year on year sales growth %	11.1	11.9	19.1	27.4	17.7	36.8
Year on year change in operating costs %	8.5	7.9	9.7	19.4	11.6	29.4
Operating margin %	12.2	15.6	14.5	17.3	15.1	19.0
Return on capital employed %	19	20	21	21		23
Equity to Assets ratio	57	57	56	55		54
Liquid Funds (including unutilised credit facilities), SEK million	2,055	2,326	2,551	2,046		4,860
Net cash, SEK million	248	449	638	15		70
Group total digital subscribers	695	716	757	811		837
Group total premium subscribers	517	550	594	653		690
FREE-TO-AIR TV SCANDINAVIA						
Year on year sales growth %	16.2	4.4	10.1	12.6	10.6	10.1
Year on year change in operating costs %	3.7	-5.8	-14.5	11.4	-1.4	-2.6
Operating margin %	8.9	19.2	16.1	21.5	16.9	19.4
Commercial Share of Viewing (%)						
TV3 & ZTV Sweden (15-49)	30.8	30.2	33.2	31.6	31.4	30.4
TV3 & ZTV Norway (15-49)	16.3	17.8	17.2	17.3	17.2	17.1
TV3 & TV3+ Denmark (15-49)	20.5	22.9	22.5	22.6	22.0	20.9
Penetration (%)						
TV3 Sweden	68	68	70	73		75
ZTV Sweden	60	60	63	66		67
TV3 Norway	63	63	63	63		63
ZTV Norway	38	38	39	39		39
TV3 Denmark	67	67	67	66		66
TV3+ Denmark	65	65	65	64		64
PAY-TV NORDIC						
Year on year sales growth %	5.9	10.0	18.2	19.4	13.4	23.8
Year on year change in operating costs %	8.9	5.6	8.9	12.3	9.0	29.3
Operating margin %	20.3	18.7	19.4	18.7	19.3	16.7
Subscriber data						
Premium Subscribers ('000s)	496	526	565	614		646
- of which, DTH Satellite	494	519	556	602		632
- of which, Broadband	2	7	9	12		14
Basic DTH Subscribers	178	165	163	158		147
Premium ARPU (SEK)	3,175	3,204	3,193	3,277		3,341
CENTRAL & EASTERN EUROPE						
Year on year sales growth %	41.5	26.9	53.4	140.6	71.9	199.7
Year on year change in operating costs %	34.2	23.6	31.2	119.6	54.8	137.8
Operating margin %	-9.5	11.8	-5.4	20.5	9.4	13.1
Commercial Share of Viewing (%)						
TV3 & 3+ Estonia (15-49)	46.1	47.8	46.7	49.0	47.4	47.9
TV3 & 3+ Latvia (15-49)	31.7	34.1	32.7	38.1	34.2	35.4
TV3 & Tango TV Lithuania (15-49)	35.3	34.4	35.3	34.9	35.0	33.4
Viasat3 Hungary (18-49)	4.9	5.7	6.3	5.5	5.5	4.8
DTV Russia (6-54)	1.7	1.6	1.9	2.3	1.9	2.1
TV Prima Czech Rep (15+)	22.8	23.7	25.7	26.5	24.6	20.7
CTC Media & The Home Channel Russia (4+)*	9.6	11.5	11.7	12.8	11.3	
*Share of viewing						
Subscribers						
DTH Premium Baltics ('000s)	21	24	29	38		44
Mini-pay subscribers ('000s)	7,898	9,159	10,242	11,541		14,194