



MODERN TIMES GROUP MTG AB

FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2008

22 April 2008 – Modern Times Group MTG AB (publ.) (“MTG” or “the Group”) (The OMX Nordic Exchange Large Cap market: MTGA, MTGB) today announced its financial results for the three months ended 31 March 2008.

FIRST QUARTER HIGHLIGHTS

- **Group net sales up 16% year on year to SEK 3,042 million**
- **Group operating income (EBIT) up 27% year on year to SEK 596 million with increased operating margin of 20%**
- **Viasat Broadcasting net sales up 20% year on year to SEK 2,402 million and operating income up 24% to SEK 596 million, with increased operating margin of 25%**
- **Net income up 26% year on year to SEK 397 million**
- **Basic earnings per share up 29% year on year to SEK 5.85**
- **Completion of sale of DTV to CTC Media for a cash consideration of USD 395 million on a cash and debt free basis on 16 April**
- **Viasat Ukraine DTH satellite platform launched on 21 April**

Hans-Holger Albrecht, President and Chief Executive Officer, commented: “We are delighted to report another quarter of record results. The first quarter results demonstrate continued healthy levels of growth across our core broadcasting assets and increased group profitability levels, which are in line with our five year strategic goals. The sale of DTV illustrates the substantial value that has been created in our emerging market asset base, whilst our free-TV business in Scandinavia has continued to outperform the market following penetration increases, new channel launches and our overall multi-channel ‘media house’ approach.

“We are the largest digital entertainment broadcaster in Scandinavia and the Baltics, and the recent launch into Ukraine is further evidence of our desire to extend our footprint into high growth emerging markets. We have invested in adding new channels to our Nordic pay platform and launching HDTV services, in order to enhance our offering to subscribers, and the ARPU growth indicates the potential in the business.

“We have continued buying back shares, and the proposals to the AGM regarding dividends and a new buy-back mandate emphasize our ongoing commitment to optimizing our capital structure, whilst maintaining the flexibility to invest in our existing and new operations as the engine of future growth.”

FINANCIAL SUMMARY

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	3,042	2,629	11,351
Operating income (EBIT)	596	468	2,027
Net interest & other financial items	-13	-2	-12
Income before tax	583	467	2,015
Net income	397	316	1,428
Basic earnings per share (SEK)	5.85	4.55	20.35
Diluted earnings per share (SEK)	5.74	4.47	20.11
Total assets	11,177	9,799	10,958

SIGNIFICANT EVENTS

The Viasat Ukraine DTH satellite platform was launched on 21 April. Viasat Ukraine has consolidated on a 50:50 joint venture basis with effect from 1 March 2008, and is reported within the Viasat Broadcasting business area.

The Group announced on 17 April that it had completed the sale of 100% of national Russian free-TV network DTV Group to CTC Media, Inc. for a cash consideration of USD 395 million on a cash and debt free basis. The transaction is subject to the customary post-closing adjustments. The sale was completed after market close on 16 April. The Group will therefore consolidate DTV's results for the period up until 16 April 2008.

The preliminary net gain from the transaction (before the elimination of MTG's shareholding in CTC Media) of approximately SEK 1.9 billion will be reported in MTG's accounts for the second quarter and six months ended 30 June 2008. MTG will report 60.5% of the net gain, corresponding to approximately SEK 1.1 billion, in its Group accounts as a one-off operating profit, in accordance with IFRS accounting principles. The remaining part of the gain will reduce the book value of the CTC Media, Inc. shareholding on MTG's balance sheet. USD 190 million of the cash consideration is being paid to MTG in connection with the closing of the transaction, with the remaining part of the consideration (and interest thereon) to be received by MTG no later than 100 days from the closing of the transaction.

The Group announced on 23 January that CDON AB had declared the offer for Gymgrossisten Nordic AB to be unconditional. MTG controlled 99.42% of the Nordic online retailer's shares by 8 February 2008 and had initiated the mandatory tender for the remaining issued and outstanding shares. The company was subsequently de-listed from the First North market place with effect from 29 February. Gymgrossisten Nordic AB has been consolidated since 1 February 2008.

OPERATING REVIEW

Record Sales Growth

NET SALES (SEK million)	Jan-Mar 2008	Jan-Mar 2007	<i>Change</i> %	Jan-Dec 2007
<i>Free-TV Scandinavia</i>	808	713	13%	3,173
<i>Pay-TV Nordic</i>	975	877	11%	3,613
<i>Central & Eastern Europe</i>	657	478	38%	2,328
<i>Other & eliminations</i>	-39	-65	-	-272
Viasat Broadcasting	2,402	2,003	20%	8,842
Radio	187	150	25%	715
Other business areas	499	533	-6%	2,037
Parent & other companies	42	23	-	107
Eliminations	-88	-81	-	-350
TOTAL	3,042	2,629	16%	11,351

The Group generated 16% year on year net sales growth in the quarter, following strong market share gains in each of the advertising financed businesses.

Group operating costs increased by 14% year on year to SEK 2,654 (2,323) million in the quarter and reflected the 13 new Viasat channels launched since the beginning of 2007, the 31 new channels added to the Viasat satellite platforms over the same period, the launch of Viasat's high definition pay-TV offering, underlying programme cost increases, and start-up costs associated with the launch of the joint venture satellite platform in Ukraine. Group depreciation and amortisation charges totalled SEK 37 (32) million in the quarter.

Profits up 27%

OPERATING INCOME (EBIT) (SEK million)	Jan-Mar 2008	Jan-Mar 2007	<i>Change</i> %	Jan-Dec 2007
<i>Free-TV Scandinavia</i>	151	110	37%	627
<i>Pay-TV Nordic</i>	157	148	6%	631
<i>Central & Eastern Europe</i>	76	59	29%	396
<i>Other & eliminations</i>	4	2	-	-88
<i>Equity participation in CTC Media</i>	207	162	28%	461
Viasat Broadcasting	596	481	24%	2,027
Radio	30	6	375%	134
Other business areas	23	16	44%	61
Parent & other companies	-53	-35	-	-195
TOTAL	596	468	27%	2,027

Excluding associated company income, group operating profits were up 27% year on year to SEK 388 (305) million in the quarter, with an improved operating margin of 13% (12%), following particularly strong performances by the Scandinavian free-TV channels, the Eastern European broadcast operations and the Radio business. The Group's equity participations contributed SEK 208 (163) million of associated company income in the quarter.

Net interest and other financial items totalled SEK -13 (-2) million in the quarter, including SEK -4 (-1) million of net interest expenses.

The Group consequently reported a 25% year on year increase in pre-tax profits to SEK 583 (467) million in the quarter. Group tax charges totalled SEK 186 (151) million, which was equivalent to a tax rate of 32%. Group net income was therefore up 26% year on year to SEK 397 (316) million.

The total number of outstanding shares decreased from 66,352,540 as at 1 January 2008 to 65,554,540 as at 31 March 2008, following the repurchase of 798,000 Class B shares in March 2008. The Group's holding of MTG Class B shares was 1,517,000 as at 31 March 2008. The weighted average number of outstanding shares during the quarter was 66,213,260 (67,046,151), and the Group's basic earnings per share increased by 29% year on year to SEK 5.85 (4.55) for the quarter.

VIASAT BROADCASTING

Viasat Broadcasting comprises the Group's television broadcasting operations and includes, for the first time, full first quarter results for Balkan Media Group and the TV2 Sport joint venture.

Growth Across the Board

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	2,402	2,003	8,842
Operating income	389	319	1,566
<i>Operating margin</i>	16%	16%	18%
Associated company income	207	162	461
Total operating income	596	481	2,027

Viasat's combined broadcasting operations generated 20% year on year net sales growth in the quarter, with the Scandinavian free-TV and Nordic pay-TV businesses reporting healthy double digit sales growth, and the Central and Eastern European businesses continuing their rapid development with 38% year on year sales growth in the quarter.

Excluding the associated company income of SEK 207 million derived from the Group's equity participation in the earnings of CTC Media, the combined Viasat businesses generated a 22% year on year increase in operating profits in the first quarter with an operating margin of 16% (16%). The result was driven by the high incremental profit margins delivered by the Scandinavian free-TV channels, while the Nordic pay-TV business reported increased year on year operating profits but a lower margin due to the investment in adding new channels to the platform.

Free-TV Scandinavia

Further Advertising Market Share Gains

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	808	713	3,173
Operating income	151	110	627
<i>Operating margin</i>	19%	15%	20%

Viasat's Scandinavian free-TV operations generated 13% year on year net sales growth in the quarter, reflecting increased advertising market shares in all three Scandinavian markets. Viasat's channels are now sold on a 'fully bundled' or 'media house' basis in each Scandinavian country, which allows the Group to optimize the use of its inventory by delivering clearly differentiated target audience groups and incremental reach for advertisers.

Total operating costs for the free-TV business increased by 9% year on year to SEK 657 (603) million in the quarter, reflecting the addition of newly launched channels such as Viasat4 in Norway.

The business area therefore reported a 37% increase in operating profits in the quarter, and a significantly enhanced operating margin of 19% (15%).

Commercial share of viewing (%)	Jan-Mar 2008	Jan-Mar 2007	Oct-Dec 2007
TV3 & TV6 Sweden (15-49)	32.0	33.1	32.7
TV3 & Viasat4 Norway (15-49)	20.4	16.2	17.2
TV3 & TV3+ Denmark (15-49)	21.3	21.6	22.9

The combined commercial share of viewing amongst 15 to 49 year olds for Viasat's Swedish channels TV3, TV6 and TV8 was largely stable year on year in the quarter at 34.1% (34.4%). TV6's commercial share of viewing in the core target group increased year on year from 11.1% to 11.6%.

Following the agreement at the beginning of February, for the inclusion of TV3 on rival satellite pay-TV operator Canal Digital's platform in Sweden, the penetration level of TV3 has increased from 79% to 83%. The penetration levels of TV6 and TV8 were 84% and 57% respectively.

Viasat's Danish channels reported a slight year on year decline in combined commercial share of viewing in the quarter, but increased in advertising market share. TV3 and TV3+ are the second and third most watched commercial channels in Denmark. TV3's audience share increased year on year following a number of high rating own-productions.

TV3 Norway was included on rival satellite pay-TV operator Canal Digital's Norwegian platform from the beginning of March, following the ground-breaking agreement signed between Viasat and Canal Digital at the end of February. This change is significantly boosting TV3's penetration in Norway, which will be reflected in the independent

surveys conducted and published during the year. TV3 and Viasat's newly launched Viasat4 channel are both included in the Norwegian digital terrestrial offering, which will further contribute to higher penetration levels as a result of the ongoing switch-over to digital television.

The combined commercial share of viewing for Viasat's Norwegian channels increased substantially during the quarter, with both TV3 and Viasat4 increasing their audience shares. The Norwegian channels outperformed rival operator SBS Prosieben's channels on a 'media house' basis for the first time, reporting a higher commercial share of viewing (15-49) in the national universe in March. Viasat's Norwegian business also increased its advertising market share during the quarter.

Pay-TV Nordic

ARPU Growth & Investments in New Channels

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	975	877	3,613
Operating income	157	148	631
<i>Operating margin</i>	16%	17%	17%

Viasat Broadcasting's pay-TV operations in the Nordic regions comprise the Viasat DTH satellite broadcasting platform and 19 Viasat pay-TV channels. The business reported 11% year on year sales growth in the quarter, which continued to reflect rising ARPU levels.

Viasat signed agreements in February with rival satellite pay-TV platform operator Canal Digital to make Swedish channel Kanal 5 available on Viasat's Swedish DTH platform and to make Norwegian channel TV Norge available on Viasat's Norwegian platform. Viasat also signed an agreement in February with TV2 Norway to make TV2, which is the leading commercial TV channel in Norway, and two other TV2 thematic channels, available on Viasat's Norwegian platform. Following these agreements, Viasat has a complete basic channel offering in all three Scandinavian countries. Viasat also launched its high definition service on the Nordic pay-TV platform in January, with an initial channel line-up including TV1000 HD, Viasat Sport HD/ TV2 Sport HD, and the National Geographic HD channels. These additions to the Viasat platform are intended to drive ongoing ARPU increases.

Total operating costs for the Nordic pay-TV businesses consequently increased by 12% year on year, and reflected the increased content cost for the platform and the channels. However, expensed subscriber acquisition costs declined slightly in the quarter to SEK 134 (139) million, and from SEK 139 million in the fourth quarter of 2007.

Operating profits therefore increased by 6% year on year in the quarter but were down slightly compared to the fourth quarter of 2007. This reflected an improved operating performance in Sweden and Denmark year on year, and the impact of the investments being made to capitalise on the recently commenced digital transition in Norway.

<i>(000's)</i>	March 2008	December 2007	March 2007
Premium subscribers	752	760	741
- of which, DTH satellite	703	714	708
- of which, broadband	50	46	33
 Basic DTH satellite subscribers	 83	 88	 106

Viasat's net premium subscriber base increased by 11,000 year on year in the quarter, but decreased by 8,000 subscribers quarter on quarter. This latter effect followed a period of uncertainty in the Norwegian market as carriage negotiations were ongoing between the key industry players, as well as the end of the digitalisation of the terrestrial network in the Swedish market.

The number of subscribers with ViasatPlus Personal Video Recorders increased from 73,000 at the end of 2007 to 82,000 at the end of the first quarter, and represented 12% of the premium DTH subscriber base, whilst the number of multi-room subscriptions increased from 130,000 to 136,000 during the first quarter to represent 19% of the premium subscriber base.

Annualised average revenue per premium subscriber (ARPU) increased by 9% year on year in the first quarter, from SEK 3,468 to SEK 3,790, and by 4% quarter on quarter from SEK 3,633 in the fourth quarter of 2007. The increase continued to reflect the package price increases being introduced since the Fall, the growing proportion of multi-room subscribers, the maturing of new subscribers into higher ARPU contract periods, and the strengthening of the Danish and Norwegian krona.

TV2 Sport

The TV2 Sport joint venture was established with state-owned TV2 Denmark in April 2007 to launch the TV2 Sport channel, which is carried on satellite, cable and IPTV networks. The operation's revenues, costs and balance sheet items are proportionately accounted for on a 50:50 basis, and are reported in Other & eliminations in Viasat Broadcasting. MTG's share of the joint venture's sales was SEK 46 million in the first quarter, compared to SEK 16 million in the fourth quarter of 2007. MTG's share of the operating profit was SEK 2 million in the quarter.

Central & Eastern Europe

38% Sales Growth

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	657	478	2,328
Operating income	76	59	396
<i>Operating margin</i>	12%	12%	17%
Associated company income (CTC Media)	207	162	461
Total operating income	283	221	857

Viasat's free-TV and pay-TV operations in Central and Eastern Europe reported continued momentum with 38% year on year net sales growth. Balkan Media Group has been consolidated from April 2007 and therefore impacted the Group's first quarter results for the first time. Operating profits, excluding the Group's equity participation in CTC Media, increased by 30% year on year in the quarter. The combined operating margin for the business, again excluding associated company income, was stable year on year at 12% (12%).

The Baltics

The Group's free-TV operations in Estonia, Latvia and Lithuania generated 18% combined year on year net sales growth to SEK 131 (111) million in the first quarter.

Commercial share of viewing (%)	Jan-Mar 2008	Jan-Mar 2007	Oct-Dec 2007
TV3 and 3+ in Estonia (15-49)	48.2	44.7	43.5
TV3, 3+ and TV6 in Latvia (15-49)	36.9	38.9	41.7
TV3 and Tango TV in Lithuania (15-49)	38.9	40.3	38.2

Viasat's pan-Baltic commercial share of viewing (15-49) decreased slightly year on year to 39.9% (40.6%) in the quarter. The lower share of viewing in Latvia and Lithuania was however counterbalanced by the strong ratings performance in Estonia. TV6 Latvia, which was launched in the second quarter of 2007, reported a 2.4% commercial share of viewing in the quarter.

Operating profits for the Baltic free-TV channels increased by 31% year on year to SEK 23 (18) million in the quarter, and the business reported an increased operating margin of 18% (16%).

The Czech Republic

TV Prima generated 21% sales growth to SEK 223 (184) million in the first quarter, following the implementation of price increases in the annual upfront negotiations with advertisers and the strengthening of the Czech koruna.

Commercial share of viewing (%)	Jan-Mar 2008	Jan-Mar 2007	Oct-Dec 2007
TV Prima (15+)	20.5	21.8	21.0

TV Prima continued to invest in its programming schedules and the promotion of the channel brand during the quarter. A number of successful new programme formats have been introduced, which have resulted in a positive audience share development in the key 15-54 audience group. However, overall audience share was down and has yet to meet management expectations. The work to reposition Prima and focus on a younger target group is ongoing. The UEFA EURO 2008 Football Championships will be broadcast on Prima during the second quarter, in order to support the further development of the business.

TV Prima reported a 30% increase in operating profits to SEK 38 (29) million in the first quarter, and an operating margin of 17% (16%).

Other Free-TV operations

Commercial share of viewing (%)	Jan-Mar 2008	Jan-Mar 2007	Oct-Dec 2007
DTV Russia (6-54)	2.4	2.6	2.3
Viasat3 Hungary (18-49)	6.6	8.2	6.6
TV3 Slovenia (15-49)	7.8	6.1	7.8

DTV generated 53% year on year sales growth to SEK 95 (61) million in the first quarter of 2008. DTV reported almost a tripling of operating profits year on year to SEK 17 (6) million, with the operating margin almost doubling to 18% (10%).

Viasat3 Hungary generated 23% year on year sales growth to SEK 42 (33) million in the first quarter, which reflected price increases introduced for 2008. Viasat3's commercial share of viewing declined in the quarter but the channel is investing in additional acquired programming and live sports rights, in order to boost ratings. These additional investments and the launch of the TV6 channel were reflected in an operating profit of SEK 0 (4) million for the period.

TV3 Slovenia reported 28% year on year sales growth to SEK 7 (5) million in the first quarter, following higher audience shares and improved sales efficiency levels. The business remains in an investment phase and reported an operating loss of SEK -11 (-9) million for the quarter.

Pay-TV

Viasat's pay-TV operations in Central and Eastern Europe comprise the DTH satellite platform in the Baltics, the eight Viasat channels that are distributed through third party cable and satellite networks to subscribers in twenty countries across the region, Balkan Media Group, and the Viasat Ukraine joint venture business.

Sales for the combined pay-TV businesses almost doubled year on year to SEK 160 (83) million in the first quarter.

<i>(000's)</i>	March 2008	December 2007	March 2007
DTH premium Baltic subscribers	175	164	96
Mini-pay-TV subscriptions	27,638	26,426	20,859

Viasat's Baltic DTH satellite pay-TV platform added a total of 11,000 premium subscribers in the first quarter of 2008. The wholesale mini-pay business added another 1.21 million subscriptions during the quarter, with the number of subscriptions increasing by 32% year on year.

Balkan Media Group has been consolidated since April 2007 and reported first quarter revenues of SEK 20 million and an operating result of SEK 0 million. The four Bulgarian channels doubled their combined commercial share of viewing (15-49) in the first quarter to 10.2%.

The Viasat Ukraine DTH satellite platform was launched on 21 April and is the first licensed digital premium satellite pay-TV operator in Ukraine. The offering comprises three pay-TV packages of up to 60 Ukrainian, Russian and international channels, which range in price from UAH 48 (approximately SEK 60) to UAH 135 (approximately SEK 160) per month. MTG has consolidated the Viasat Ukraine satellite pay-TV platform business on a 50:50 joint venture basis with effect from 1 March 2008, and incurred approximately SEK 4 million of pre-launch costs in the first quarter.

The combined pay-TV businesses reported operating profits of SEK 9 (10) million for the first quarter of 2008.

CTC Media

The Group reports its 39.5% share in the earnings of CTC Media, Inc. with a one quarter time lag, due to the fact that CTC Media reports its consolidated financial results after MTG. The US dollar results of MTG's equity participation in the Company are translated into the Swedish krona reporting currency at the average currency exchange rates for the MTG year to date reporting period. MTG reported 28% higher year on year associated company income of SEK 207 (162) million in the first quarter.

CTC Media generated 37% year on year net sales growth to USD 162 (118) million in the fourth quarter of 2007, with operating profits up 45% to USD 85 (58) million and an operating margin of 52% (49%). CTC Media also reported a 42% increase in pre-tax profits to USD 86 (61) million for the fourth quarter of 2007. CTC Media will announce its financial results for the first quarter and three months ended 31 March 2008 on 29 April 2008.

RADIO

The Group's radio operations comprise the leading national networks in Sweden and Norway, as well as local stations in Sweden and the Baltics.

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	187	150	715
Operating income	31	6	123
<i>Operating margin</i>	16%	4%	17%
Associated company income	0	0	11
Total operating income	30	6	134

The Group's combined Radio operations reported 25% year on year net sales growth in the first quarter, which reflected strong sales growth and market share gains in both Sweden and Norway. The performance in Norway reflected strong advertising market growth and increased market share for radio advertising, combined with a bundling of P4 Radio's channels.

Operating profits increased fivefold year on year in the quarter, and the Group's wholly owned radio operations reported a significantly increased operating margin of 16% (4%).

ONLINE

<i>(SEK million)</i>	Jan-Mar 2008	Jan-Mar 2007	Jan-Dec 2007
Net sales	417	413	1,558
Operating income	28	14	99
<i>Operating margin</i>	7%	3%	6%

The Online business segment comprises MTG Internet Retailing, BET24 and MTG New Media businesses Playahead and ZTV. MTG Internet Retailing includes all of the Group's online retailing businesses - CDON.COM, Gymgrossisten.com, Nelly.com, Linus-Lotta.com and Bookplus.fi. The stable sales performance for the business segment in the first quarter reflected the divestment and deconsolidation of the TV-Shop business during the second quarter of 2007. The results for the first quarter of 2007 included a SEK 89 million sales contribution and SEK 1 million operating profit contribution from TV-Shop. Excluding TV-Shop's results in 2007, segment sales were up 29% year on year in the quarter and operating profits more than doubled, with an increased operating margin of 7% (4%).

MTG Internet Retailing generated 36% year on year sales growth to SEK 291 (214) million in the quarter, following growing DVD sales at CDON, which also introduced online book sales in Norway, and digital book and games sales. The first quarter result also included Gymgrossisten.com, Nelly.com, Linus-Lotta.com and Bookplus.fi for the first time for the period. MTG Internet Retailing reported a 37% year on year increase in operating profits to SEK 24 (17) million in the first quarter, and a stable operating margin of 8% (8%).

BET24 generated 23% year on year sales growth to SEK 105 (85) million in the first quarter and gross profits were up 30% to SEK 36 (28) million. BET24 also reported its

fourth consecutive quarter of increased profits with an operating result of SEK 10 (0) million. The sales and gross profit growth reflected enhanced cross selling within the current product portfolio as well as an increase in non-sports revenues.

FINANCIAL REVIEW

Cash Flow

The Group generated an 11% increase in cash flow from operations to SEK 311 (279) million in the first quarter. Changes in working capital amounted to SEK -268 (-339) million in the quarter, which reflected a reduction of accounts payable, as well as increased investments in programming rights in Scandinavia and Eastern Europe. The Group therefore reported improved net cash flow from operations of SEK 43 (-60) million in the quarter.

The Group's investment in shares totaled SEK 210 (178) million in the quarter. These investments principally comprised the payment for the acquisition of the Gymgrossisten Nordic AB online retailing business. Group capital expenditure on tangible and intangible assets totaled SEK 30 (72) million for the period.

SEK 750 million of the Group's SEK 3.5 billion multi-currency credit facility had been utilised as at 31 March 2008, with a net SEK 350 million drawn down during the quarter.

The Group repurchased 798,000 Class B shares during the first quarter at a weighted average price of SEK 396 per share and for a total cash consideration of SEK 316 million.

The net change in cash and cash equivalents therefore totaled SEK -119 (-206) million in the quarter.

Liquid funds

The Group's available liquid funds, including unutilised credit facilities, amounted to SEK 3.3 (3.6) billion at 31 March 2008, compared to SEK 3.7 billion at 31 December 2007, and primarily comprised the SEK 2.9 billion of undrawn monies on the Group's total credit facilities. The Group's cash and cash equivalents totaled SEK 399 (448) million at the end of the period, compared to SEK 521 million at 31 December 2007.

Net debt

The Group's net debt position amounted to SEK 435 million at the end of the quarter. This compares with a net cash position of SEK 69 million at 31 December 2007 and SEK 75 million at 31 March 2007. Net debt is defined as interest-bearing liabilities less cash and cash equivalents and interest-bearing assets.

Holdings in listed companies

The book value of the Group's 39.5% shareholding in associated company CTC Media, Inc. was SEK 1,943 million at the end of the quarter, which compared with a public equity market value of SEK 9,908 million as at the close of trading on the last business day of March 2008.

Equity to assets ratio

The Group's equity to assets ratio was 53% (56%) at 31 March 2008, and compared to 54% at the end of December 2007. The ratio is defined as consolidated equity as a percentage of total assets.

PARENT COMPANY

Modern Times Group MTG AB (publ) is the Group's parent company and is responsible for Group-wide management, administrative and finance functions, and also holds shares in the parent companies of the various operating business areas. MTG's financial policy includes the provision of a central cash pool to support its operating companies.

The MTG parent company reported net sales of SEK 19 (17) million in the quarter. Net interest and other financial items totaled SEK 87 (68) million for the quarter, and parent company income before tax amounted to SEK 46 (45) million in the quarter. Investments in non-current assets totaled SEK 0 (0) million in the first quarter, whilst cash and cash equivalents amounted to SEK 4 million at the end of the period, compared with SEK 3 million at the end of the first quarter of 2007.

OTHER INFORMATION

This report has been prepared according to the IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Group's consolidated accounts have been prepared according to the same accounting policies that were applied in the preparation of the 2007 accounts. The report has not been subject to review by the Company's auditors.

Second Quarter and Six Month Financial Results 2008

MTG's financial results for the second quarter and six months ended 30 June 2008 will be published on 22 July 2008.

22 April 2008.

Hans-Holger Albrecht
President & Chief Executive Officer

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The company will host a conference call today at 15.00 Stockholm local time, 14.00 London local time and 09.00 New York local time.

To participate in the conference call, please dial the following numbers:

International: +44 (0)20 8609 0205

Sweden: +46 (0)85 059 6312

US: +1 703 621 9126

The access pin code for the conference is: 667608#

To listen to the conference call online, please go to www.mtg.se.

A replay facility will be made available for 7 days after the conference call. To access the replay, please dial:

International: +44 (0)20 8609 0289

Sweden: +46 (0)20 0896 363

US: +1 866 676 5865

The access pin code for the replay facility is: 211828#

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The information in this Interim Report is that which Modern Times Group MTG AB is required to disclose under the Securities Markets Act. This information was released for publication at 13.00 CET on 22 April 2008.

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-TV and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Hungary, Slovenia and the Balkans. MTG's TV assets are broadcast in a total of 24 countries and reach over 100 million people. MTG is also the major 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 OMX Nordic Exchange Large Cap market ('MTGA' and 'MTGB').

CONDENSED CONSOLIDATED INCOME STATEMENT (MSEK)	2008 Jan-Mar	2007 Jan-Mar	2007 Jan-Dec
Net sales	3,042	2,629	11,351
Cost of goods and services	-1,810	-1,623	-6,887
Gross income	1,231	1,006	4,464
Selling and administrative expenses	-832	-695	-2,941
Other operating revenues and expenses, net	-11	-5	24
Share of earnings in associated companies	208	163	480
Operating income (EBIT)	596	468	2,027
Net interest and other financial items	-13	-2	-12
Income before tax	583	467	2,015
Tax	-186	-151	-588
Net income for the period	397	316	1,428
<i>Attributable to:</i>			
Equity holders of the parent	387	305	1,362
Minority interests	10	11	65
Net income for the period	397	316	1,428
Shares outstanding at the end of the period	65,554,540	67,053,405	66,352,540
Basic average number of shares outstanding	66,213,260	67,046,151	66,945,776
Diluted average number of shares outstanding	66,380,913	67,120,144	67,157,781
Basic earnings per share (SEK)	5.85	4.55	20.35
Diluted earnings per share (SEK)	5.74	4.47	20.11

CONDENSED CONSOLIDATED BALANCE SHEET (MSEK)	2008 31 Mar	2007 31 Mar	2007 31 Dec
Non-current assets			
Goodwill	2,654	2,459	2,491
Other intangible assets	1,123	988	1,109
Machinery and equipment	206	163	202
Shares and participations	2,023	1,641	1,877
Other financial receivables	56	98	78
	6,062	5,349	5,756
Current assets			
Inventory	1,751	1,532	1,559
Current receivables	2,964	2,471	3,124
Cash, cash equivalents and short-term investments	399	448	521
	5,115	4,450	5,203
Total assets	11,177	9,799	10,958
Shareholders' equity			
Shareholders' equity	5,737	5,352	5,678
Minority interests in equity	207	140	197
	5,944	5,492	5,875
Long-term liabilities			
Interest-bearing liabilities	6	6	37
Provisions	417	336	391
Non-interest-bearing liabilities	2	1	2
	425	343	430
Current liabilities			
Other interest-bearing liabilities	873	412	478
Non-interest-bearing liabilities	3,935	3,553	4,176
	4,808	3,965	4,654
Total shareholders' equity and liabilities	11,177	9,799	10,958

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (MSEK)	2008 Jan-Mar	2007 Jan-Mar	2007 Jan-Dec
Cash flow from operations	311	279	1,363
Changes in working capital	-268	-339	-433
Net cash flow from operations	43	-60	930
Proceeds from sales of shares in subsidiaries	-	-	70
Investments in shares in subsidiaries and associates	-210	-178	-219
Investments in other non-current assets	-30	-72	-327
Other cash flow from investing activities	1	-10	-
Cash flow to/from investing activities	-239	-261	-475
Net change in loans	339	150	217
Dividends to shareholders including share buy-back	-316	0	-810
Other cash flow from/to financing activities	54	-35	-1
Net change in cash and cash equivalents for the period	-119	-206	-139
Cash and cash equivalents at the beginning of the period	521	646	646
Translation differences in cash and cash equivalents	-2	7	14
Cash and cash equivalents at end of the period	399	448	521

CONDENSED RECONCILIATION OF SHAREHOLDERS' EQUITY (MSEK)	2008 31 Mar	2007 31 Mar	2007 31 Dec
Opening balance equity	5,875	5,105	5,105
Currency translation differences	12	39	73
Change in minority interests	-	3	11
Revaluation of shares at market value	-1	3	22
Cash flow hedge	-18	22	21
Net income recognised directly in equity	-8	67	127
Net income for the period	397	316	1,428
Total recognised income and expense for the period	389	383	1,555
Effect of employee share option programmes	-4	2	17
Employee options exercised	-	3	8
Dividends to shareholders	-	-	-503
Share buy-back	-316	-	-307
Closing balance equity	5,944	5,492	5,875
<i>Attributable to:</i>			
Equity holders of the parent	5,737	5,353	5,678
Minority interests	207	140	197
Total equity	5,944	5,492	5,875

CONDENSED INCOME STATEMENT (MSEK)	2008	2007	2007
PARENT COMPANY	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	19	17	81
Gross income	19	17	81
Selling and administrative expenses	-60	-40	-229
Operating income (EBIT)	-41	-23	-148
Net interest and other financial items	87	68	6,418
Income before tax	46	45	6,270
Tax	0	0	-45
Net income for the period	46	45	6,225

CONDENSED BALANCE SHEET (MSEK)	2008	2007	2007
PARENT COMPANY	31 Mar	31 Mar	31 Dec
Non-current assets			
Other intangible assets	1	2	1
Machinery and equipment	-	0	-
Shares and participations	437	467	436
Other financial receivables	1,843	1,833	1,837
	2,281	2,302	2,275
Current assets			
Current receivables	8,648	3,094	8,874
Cash, cash equivalents and short-term investments	4	3	3
	8,652	3,097	8,876
Total assets	10,933	5,399	11,151
Shareholders' equity			
Shareholders' equity	9,387	4,183	9,657
Long-term liabilities			
Provisions	22	11	22
Current liabilities			
Other interest-bearing liabilities	750	400	400
Non-interest-bearing liabilities	774	805	1,071
	1,524	1,205	1,471
Total shareholders' equity and liabilities	10,933	5,399	11,151

NET SALES (MSEK)	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FULL YEAR 2007	Q1 2008
Viasat Broadcasting						
Free-TV Scandinavia	713.4	818.8	671.8	968.6	3,172.7	808.0
Pay-TV Nordic	877.2	882.1	908.6	945.6	3,613.5	975.3
- <i>DTH platform</i>	797.7	807.4	830.2	857.2	3,292.5	885.8
- <i>Channels</i>	362.2	355.1	360.2	375.9	1,453.4	374.3
- <i>Eliminations</i>	-282.7	-280.4	-281.9	-287.4	-1,132.4	-284.8
Central & Eastern Europe	477.6	605.9	494.4	750.3	2,328.1	657.3
- <i>Free-TV Baltics</i>	110.6	152.5	109.7	191.2	564.1	131.0
- <i>Viasat3 Hungary</i>	32.9	49.2	34.2	55.1	171.4	41.9
- <i>DTV Russia</i>	61.4	67.4	57.5	83.0	269.4	94.5
- <i>TV Prima Czech Rep.</i>	184.0	221.9	158.7	272.7	837.3	223.4
- <i>TV3 Slovenia</i>	5.3	6.8	4.8	8.0	24.9	6.8
- <i>Pay-TV DTH platform & channels</i>	83.3	108.1	129.4	140.3	461.2	159.6
Other & eliminations	-64.8	-60.5	-52.6	-94.0	-271.9	-38.9
Total	2,003.4	2,246.3	2,022.1	2,570.5	8,842.4	2,401.7
Radio	150.1	199.6	182.1	183.2	715.0	187.5
Online						
Internet Retailing	213.6	172.3	213.7	311.4	911.1	290.9
BET24	85.3	89.2	95.4	115.9	385.7	105.2
Other and eliminations	113.9	104.8	22.1	20.9	261.7	21.4
Total	412.7	366.3	331.2	448.2	1,558.5	417.5
Modern Studios	120.1	70.2	143.2	144.8	478.3	81.4
Parent company & other companies	23.4	26.9	25.5	31.5	107.3	41.8
Eliminations	-81.1	-66.5	-92.6	-110.2	-350.4	-88.1
GROUP TOTAL	2,628.6	2,842.8	2,611.6	3,268.0	11,351.1	3,041.8

OPERATING INCOME (EBIT) (MSEK)	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FULL YEAR 2007	Q1 2008
Viasat Broadcasting						
Free-TV Scandinavia	110.1	168.8	105.2	242.8	626.9	151.4
Pay-TV Nordic	148.2	159.6	153.5	169.7	631.0	157.2
- <i>DTH platform</i>	93.1	90.6	68.7	79.1	331.6	100.7
- <i>Channels</i>	55.1	69.0	84.8	90.5	299.4	56.5
Central & Eastern Europe	59.0	129.3	31.9	176.0	396.2	76.4
- <i>Free-TV Baltics</i>	17.8	53.7	13.3	78.4	163.2	23.4
- <i>Viasat3 Hungary</i>	4.1	12.2	2.9	15.2	34.3	-0.1
- <i>DTV Russia</i>	6.2	5.9	0.9	13.5	26.4	17.2
- <i>TV Prima Czech Rep.</i>	29.2	59.1	14.6	81.7	184.6	37.9
- <i>TV3 Slovenia</i>	-8.9	-9.5	-9.6	-12.8	-40.8	-11.2
- <i>Pay-TV DTH platform & channels</i>	10.5	8.1	9.9	0.0	28.4	9.2
Other	1.9	-30.7	-18.6	-40.6	-88.0	4.5
Associated companies (CTC Media, Inc.)	162.1	108.0	128.2	62.9	461.2	206.9
Total	481.3	535.0	400.3	610.7	2,027.3	596.4
Radio	6.4	41.4	38.4	37.4	123.5	30.5
Associated companies	0.0	1.1	8.0	1.5	10.6	-0.2
Total	6.4	42.5	46.4	38.9	134.1	30.3
Online						
Internet Retailing	17.3	12.8	18.2	32.3	80.6	23.6
BET24	-0.1	0.4	1.9	7.6	9.7	9.6
Other and eliminations	-2.9	13.9	0.6	-2.5	9.1	-5.7
Total	14.3	27.1	20.7	37.4	99.4	27.6
Modern Studios	1.7	-14.7	-3.2	-22.4	-38.6	-5.4
Parent company & other companies	-35.2	-57.5	-48.4	-54.1	-195.2	-53.0
GROUP TOTAL	468.4	532.3	415.7	610.5	2,027.0	595.8

Key Performance Indicators

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FULL YEAR 2007	Q1 2008
GROUP						
Year on year sales growth %	11.3	10.3	14.5	12.0	12.0	15.7
Year on year change in operating costs %	13.0	10.7	14.7	8.1	11.2	14.2
Operating margin %	17.8	18.7	15.9	18.7	17.9	19.6
Return on capital employed %	30	32	32	34		35
Return on equity %	28	29	25	26		27
Equity to assets ratio	56	53	52	54		53
Liquid funds (incl unutilised credit facilities), SEK million	3,648	3,741	3,677	3,721		3,254
Net cash, SEK million	75	108	30	69		-435
Subscriber data						
Group total digital subscribers ('000s)	943	957	977	1,012		1,010
Group total premium subscribers ('000s)	837	863	887	924		927
FREE TV SCANDINAVIA						
Year on year sales growth %	-1.3	1.1	2.9	13.7	4.4	13.3
Year on year change in operating costs %	3.6	0.4	-0.4	7.1	2.8	8.8
Operating margin %	15.4	20.6	15.7	25.1	19.8	18.7
Commercial share of viewing (%)						
TV3 & TV6 Sweden (15-49)*	33.1	34.6	34.1	32.7	33.6	32.0
TV3 & Viasat4 Norway (15-49)**	16.2	16.9	16.8	17.2	16.8	20.4
TV3 & TV3+ Denmark (15-49)	21.6	23.8	23.4	22.9	22.9	21.3
* Prior to May 2006 the figures include ZTV						
**Prior to September 2007 the figures include ZTV Norway						
Penetration (%)						
TV3 Sweden	79	79	79	79		83
TV6 Sweden	78	79	79	83		84
TV8 Sweden	46	48	48	58		57
TV3 Norway*	63	63	63	63		64
Viasat4 Norway*	46	49	49	50		41
TV3 Denmark	66	65	65	66		66
TV3+ Denmark	66	64	64	65		65
* Technical penetration significantly higher following inclusion on Canal Digital and DTT						
PAY-TV NORDIC						
Year on year sales growth %	17.1	12.8	13.1	11.4	13.5	11.2
Year on year change in operating costs %	16.9	12.6	17.1	14.7	15.3	12.2
Operating margin %	16.9	18.1	16.9	17.9	17.5	16.1
Subscriber data						
Premium subscribers ('000s)	741	746	756	760		752
- of which, DTH satellite	708	709	717	714		703
- of which, broadband	33	37	39	46		50
Basic DTH subscribers	106	95	90	88		83
Premium ARPU (SEK)	3,468	3,502	3,573	3,633		3,790
CENTRAL & EASTERN EUROPE						
Year on year sales growth %	23.2	13.7	34.5	35.7	26.5	37.6
Year on year change in operating costs %	24.3	15.1	34.4	29.9	25.7	38.8
Operating margin %	12.3	21.3	6.5	23.5	17.0	11.6
Commercial share of viewing (%)						
TV3 & 3+ Estonia (15-49)	44.7	44.3	44.1	43.5	44.1	48.2
TV3,3+ & TV6 Latvia (15-49)	38.9	38.1	43.6	41.7	40.5	36.9
TV3 & Tango TV Lithuania (15-49)	40.3	39.8	40.3	38.2	39.6	38.9
Viasat3 Hungary (18-49)	8.2	8.0	8.2	6.6	7.7	6.6
DTV Russia (6-54)	2.6	2.5	2.5	2.3	2.5	2.4
TV Prima Czech Rep (15+)	21.8	21.9	21.9	21.0	21.6	20.5
TV3 Slovenia (15-49)	6.1	7.4	8.3	7.8	7.3	7.8
Diema Bulgaria (15-49)	5.2	5.1	7.2	8.6	6.5	10.2
CTC & Domashny Russia (4+)*	11.2	10.9	10.6	10.9	11.0	
*Share of viewing						
Subscriber data						
DTH Premium Baltics ('000s)	96	117	131	164		175
Mini-pay subscriptions ('000s)	20,859	23,060	25,551	26,426		27,638

APPENDIX 1

Acquisition of Gymgrossisten

The Group declared an unconditional offer for Gymgrossisten Nordic AB on 23 January 2008. MTG controlled 99.42% of the shares by 8 February 2008 and has initiated the mandatory tender for the remaining issued and outstanding shares for a total cash consideration of approximately SEK 197 million. Gymgrossisten is reported within the Online business area with effect from 1 February 2008.

The work on the purchase price allocation, which includes the identification and valuation of intangible assets is in progress, and yet to be finalized. The provisionally recorded fair values of the identifiable assets, liabilities and goodwill as at the date of acquisition are as follows:

(SEK million)

	Book values	Fair value adjustment	Recognised values
Net assets acquired:			
Property, plant & equipment	56.8		56.8
Intangible assets	-	60.4	60.4
Inventories	26.2		26.2
Trade and other receivables	6.8		6.8
Cash and cash equivalents	6.9		6.9
Deferred tax receivables	0.5		0.5
Deferred tax liability	-	-16.9	-16.9
Trade and other payables	-28.7		-28.7
Net identifiable assets and liabilities	68.5	43.5	112.0
Goodwill on acquisition			84.7
Total consideration *			196.7
Liquid funds in acquired companies			-6.9
Cash consideration			189.8

* including SEK 1 million of legal fees