

MODERN TIMES GROUP CAPITAL MARKETS DAY 2013

MTG STUDIOS

Jens Eriksson
PRESIDENT & COO



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JENS ERIKSSON JOINED MTG IN 2013

Born 1977

Joined MTG and appointed as President & COO of MTG Studios in January 2013

Previously COO of Zodiak Media Group Nordic; Strategy Consultant at Bain & Company; and Business Development Manager at Universal Music and Stockholm Records.

Favourite APP: NME on Spotify

Best LAP: First Lap of the 2013 Stockholm Marathon



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WE ARE IMPLEMENTING OUR STRATEGY: DRG – THE IPR MACHINE

THE LEADING UK, INDEPENDENT DISTRIBUTOR WITH STRONG REPUTATION AMONG PRODUCTION COMPANIES

WHAT IS DRG?

Revenue: +20 MGBP
 HQ: London
 Employees: 30+ FTE
 Producer network includes: Renegade Pictures, Buffalo Pictures, Gurin company, Nine and STV
 Typical customers: Viacom, ITV, ABC, Discovery, Netflix, MTG

WHAT DRG ADDS TO MTG STUDIOS:

Strong finished product portfolio
 3rd party formats to MTG Studios production companies
 Ownership of IP in the Anglo markets via IP investments
 Exploitation engine for MTG Studios' production companies

Strong reputation amongst the UK independent TV production companies

Most respected indie amongst peers		Most used indie amongst peers	
1	BBC WW	1	BBC WW
2	ITV	2	Zodiak Rights
3	DRG	3	ITV
3	Zodiak Rights	4	DRG
5	Passion Distribution	5	Passion Distribution
6	TVF International	6	TVF International
7	Sony International	7	Electric Sky
8	Electric Sky	8	A3Media
8	A3Media	8	Cinefix
8	Cinefix	8	Fremantle

Source: *Television Top 100 Index, Distributor Poll, September 2012*

With DRG in the group MTG Studios:

Increase IPR sourcing from a handful of owned companies to 50+ creatively driven 3rd parties
 Increase # of IPR takers from predominantly home broadcasters to the entire world of IP buyers
 Becomes a global player in the content market



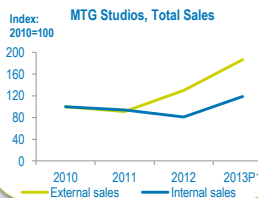
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MTG STUDIOS IS CURRENTLY A MID-SIZED HIT CONTENT CREATOR/EXPLOITER

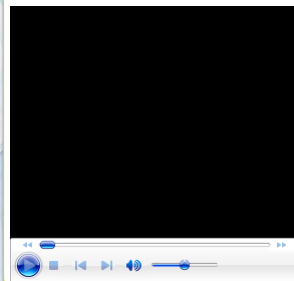
We run companies in most countries where MTG is a broadcaster



We develop and produce hit shows for the biggest broadcasters in our territories



When we have a hit, our international rights team takes over to exploit the IPR



Our foundation and starting point!



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COMING 5 YEARS WE EXPAND OUR BUSINESS ALONG A FEW KEY AREAS...

MACRO TRENDS

Increased value of IPR

SVOD demand / longtail

Corporations go on-line

Increasing production costs

EXPANSION LINE

Increased IP exploitation

Scripted/Drama

Branded entertainment

CEE hub productions

THE LEVERS WE APPLY

We increase scale of distribution

We invest in scripted to produce 2-3 high end drama series/year

We will get our team to add 4-6 additional projects/year

We will produce Nordic content with top talent from lower cost markets

Our organic expansion will ensure a healthy business in itself



... WHILE SCALING UP OUR OPERATIONS SIGNIFICANTLY

Our dedicated M&A team will turbo fuel growth

WHY M&A IN THE CONTENT BUSINESS

WHAT ASSETS ARE WE LOOKING FOR?

WHAT HAVE WE FOUND?

Strategy enablers/
line expansion

Branded/Scripted/
Low cost

paprika Baltics

Local scale drive
cost efficiency

Strengthening existing
businesses

Norway:
NOVEMBERFILM

Global scale drives topline

High growth
emerging markets

Creative territories

IPR controlling companies

paprika

Next steps: Scandi, Netherlands, Anglo

UK: **DRG**

WE WILL BECOME A MARKET LEADING CONTENT CREATOR/EXPLOITER



THANK YOU

