



Drivers of future returns

**Mathias
Hermansson**
Chief Financial Officer

Strong Track Record

11%

**Sales growth
10Y CAGR**

**Delivering
Growth**

Strong Track Record

10%

**EBIT growth
10Y CAGR**

**Delivering
Value**

Clear strategy - Smart investments

GROWTH

GEO
EXPANSION

0.7 bn

DIGITAL

1.1 bn

CONTENT

2.1 bn

COST FOCUS / OPERATIONAL EXCELLENCE

Total 3.8 bn (2012-2014)
14% of Acc. Revenues

Organic
2.3 bn

M&A
1.5 bn

Changing Priorities

**Increased focus
on Digital**

Key Drivers of Future Returns

1

Nordic Digital Transformation

2

Strategic Cost Transformation

3

Harvest Opportunities in Emerging Markets

4

Active Portfolio Management

5

Effective Capital Management

Nordic digital transformation

Started early

2007



2009



**Invested > 1 bn
last 3Y**

Continue to invest in digital assets and capabilities

Products



play



Content



Advanced Data Analytics

MTG IQ

People

MTG X

Growing Digital Revenues

**91%
CAGR**



viaplay
EVERYONE HAPPY

No 1 in Sports

No 1 in Kids

No 1 in Movies



Premium Content

Leading Sales House

Global Platform

Strategic cost transformation

MTG Growth strategy

Invest in growth

Value-adding opportunities

Transform cost structure

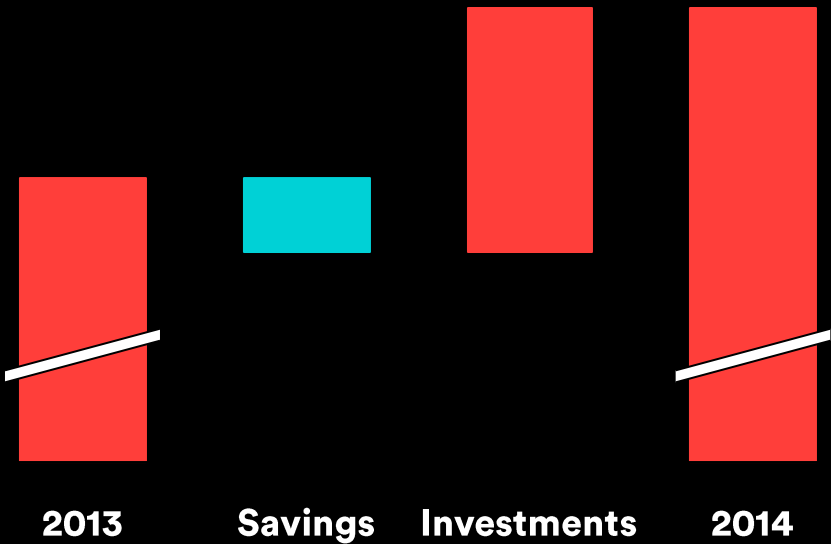
Shift costs and release funds

Reorganize for growth

Sustainable savings

Shifting Costs to Strategic Priorities

Cost Bridge 2013-2014



Harvesting Opportunities in EM



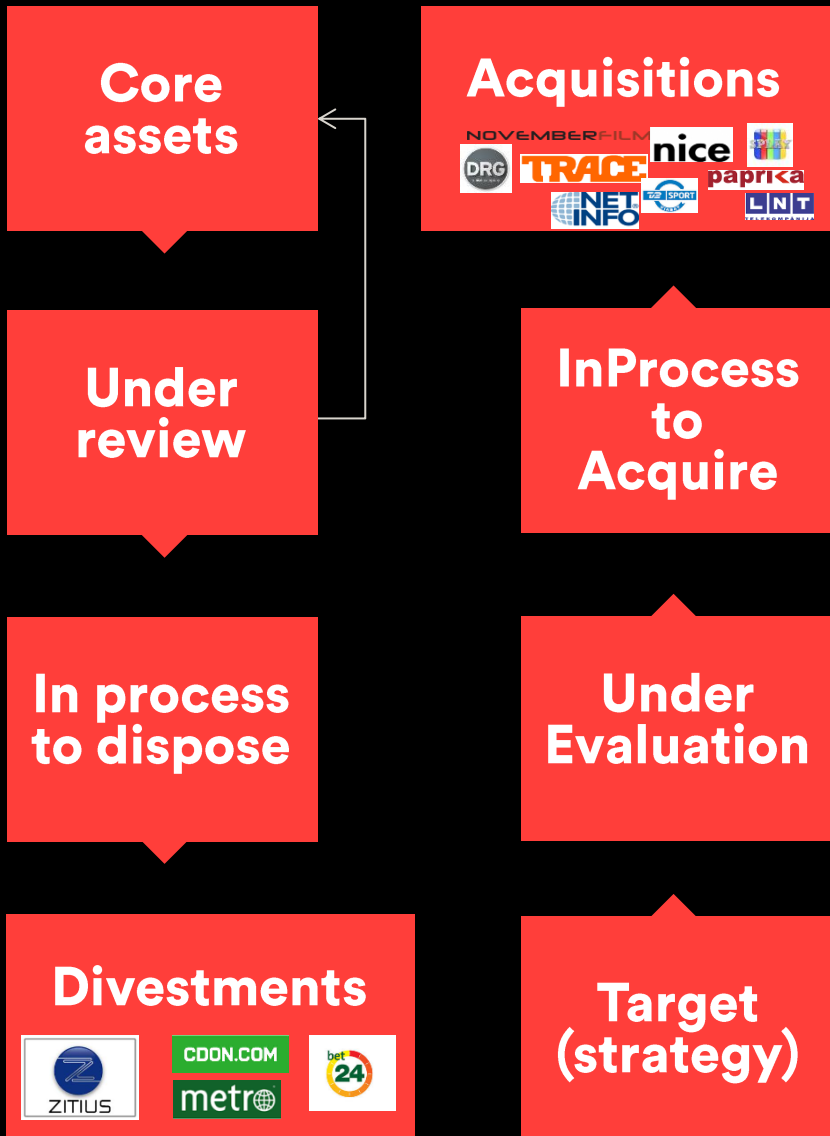
**To get back
to 2008**

Cyclical recovery opportunity

Diversification - carriage fees

Digital opportunities on VOD

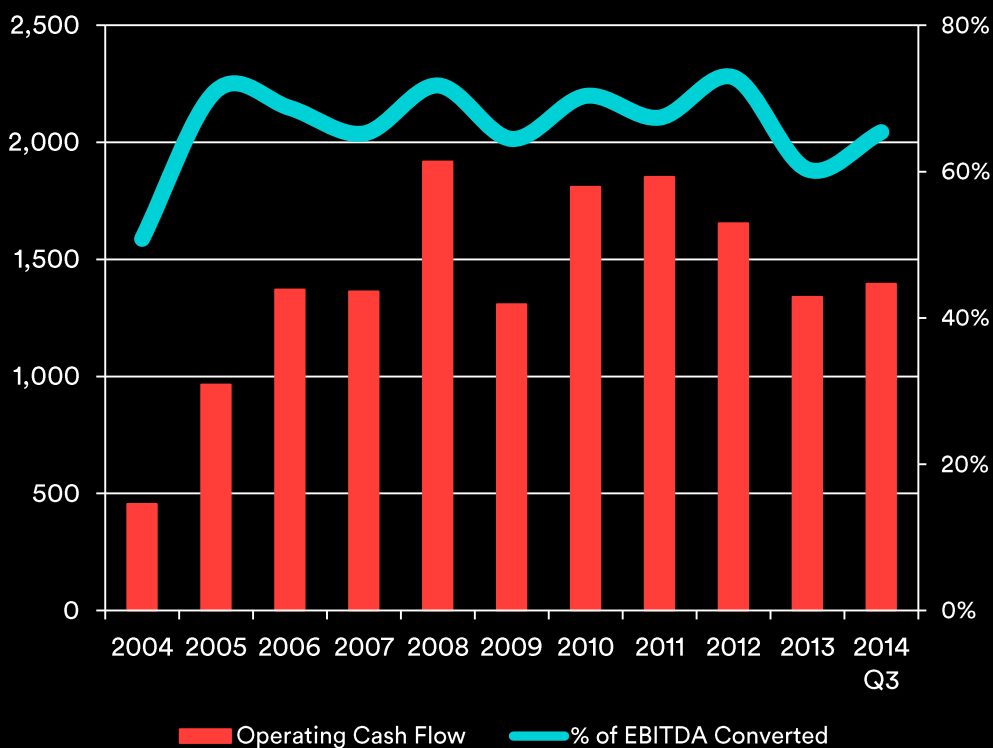
Active Portfolio Management



High Cash Conversion

68%

10Y ave.



Effective Capital Management

(2012- 2014 Q3)

Source of Capital (Bn)

• OpCF	+3.2
• CTC	+0.8
• Divestments	+0.3
• Net Debt	+0.1

4.4

Effective Capital Management

(2012- 2014 Q3)

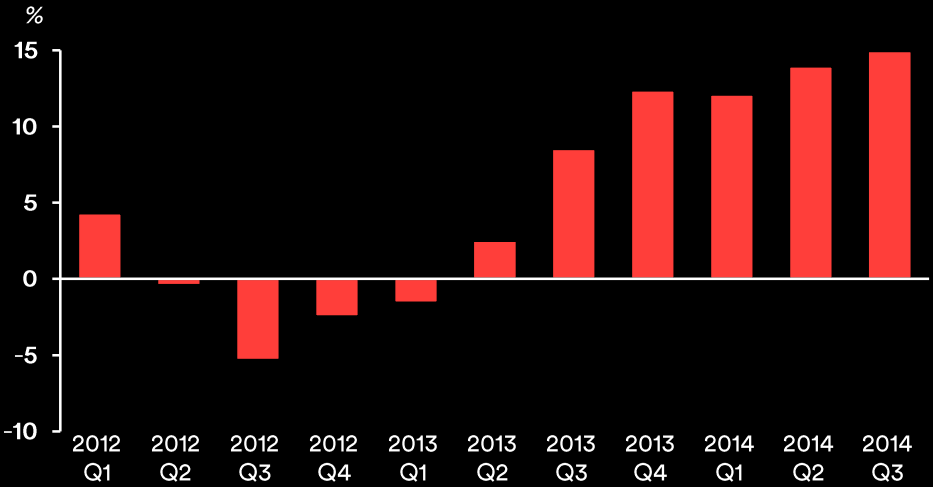
4.4

Use of Capital (Bn)

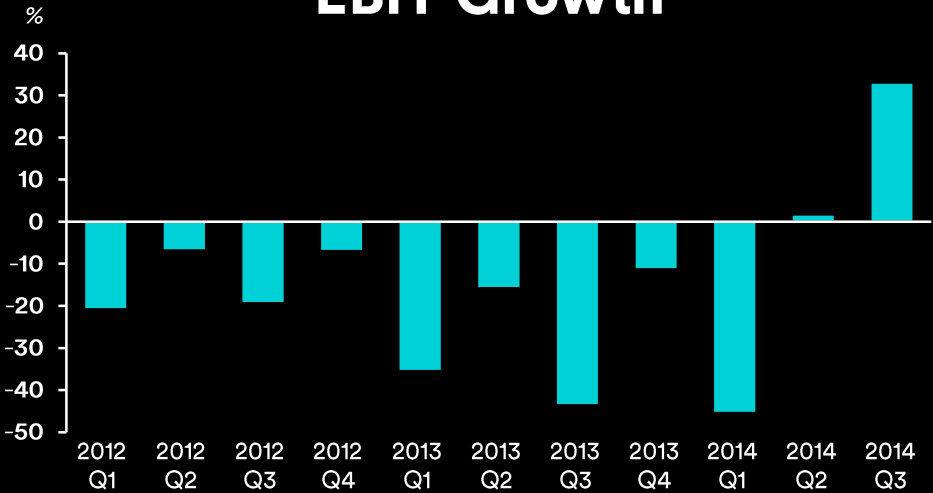
• Dividends	-2.0
• Acquisitions	-1.4
• Capex / WC	-0.7
• Other	-0.3

Returned to Profitable Growth

Sales Growth



EBIT Growth





Continue Profitable Growth Journey

1. Nordic Digital Transformation
2. Strategic Cost Transformation
3. Harvest Opportunities in EM
4. Active Portfolio Management
5. Efficient Capital Management

Increased Profits