Anytime Anywhere

Martin Lewerth, EVP of Pay-TV & Technology

Niclas Ekdahl, CEO of Viaplay

CHAPTER NAME

MTG
MODERN TIMES GROUP

Martin Lewerth

EVP of Pay-TV and Technology

Born 1973

Joined MTG in 2001

What I love: Being prepared & planning properly

What I hate: Football

Favourite quote: “It always seems impossible until its done.”

Niclas Ekdahl

CEO of Viaplay

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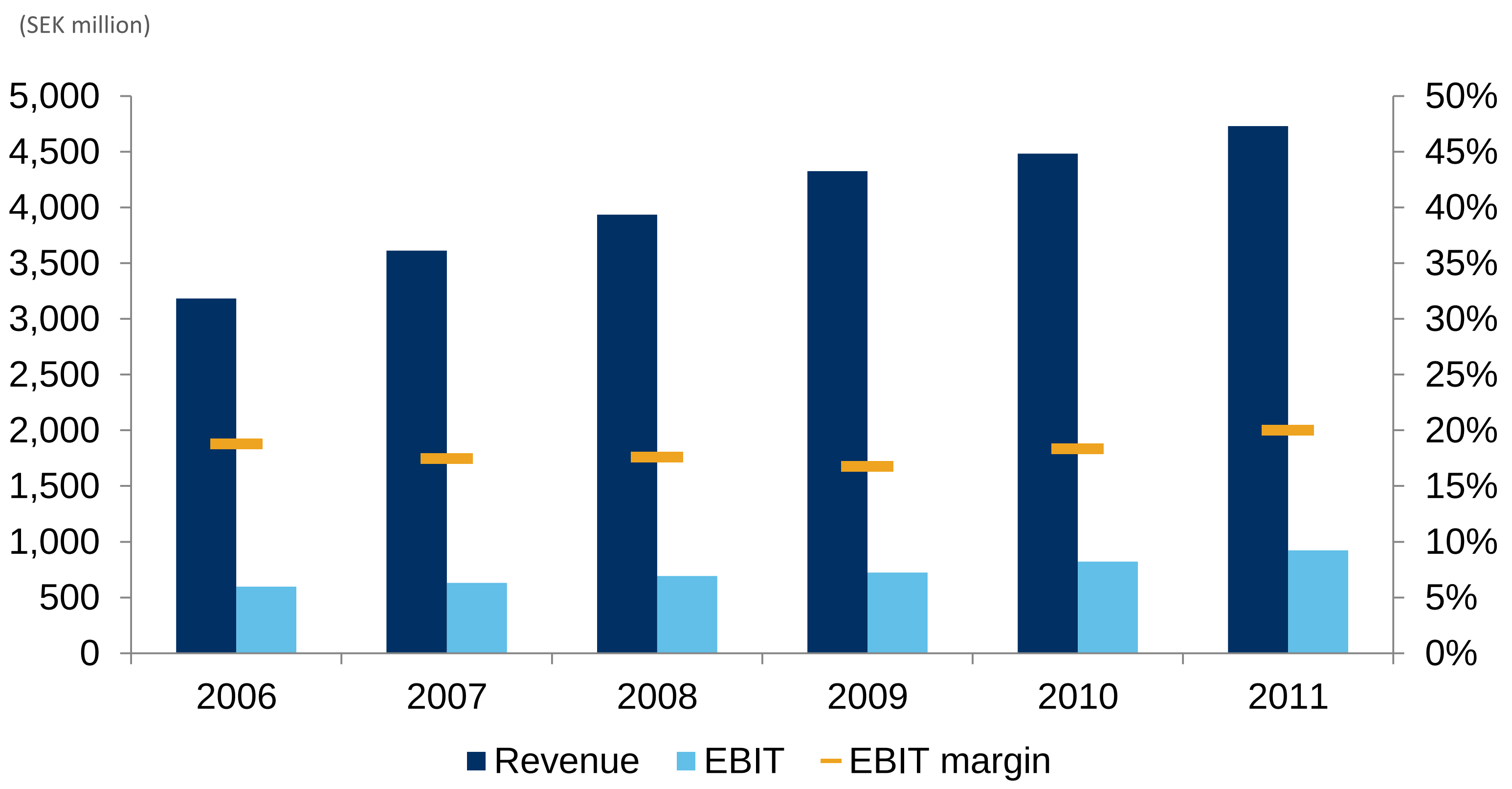
Best in class operating performance



The entertainment landscape is changing fast & fundamentally

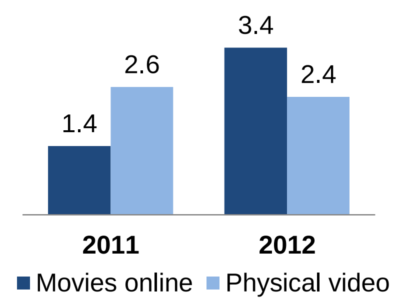
From physical… to digital… to streaming in the 'cloud'

Video

Music

Print

Movie viewership in the U.S1 (Number of views / transactions (bn))

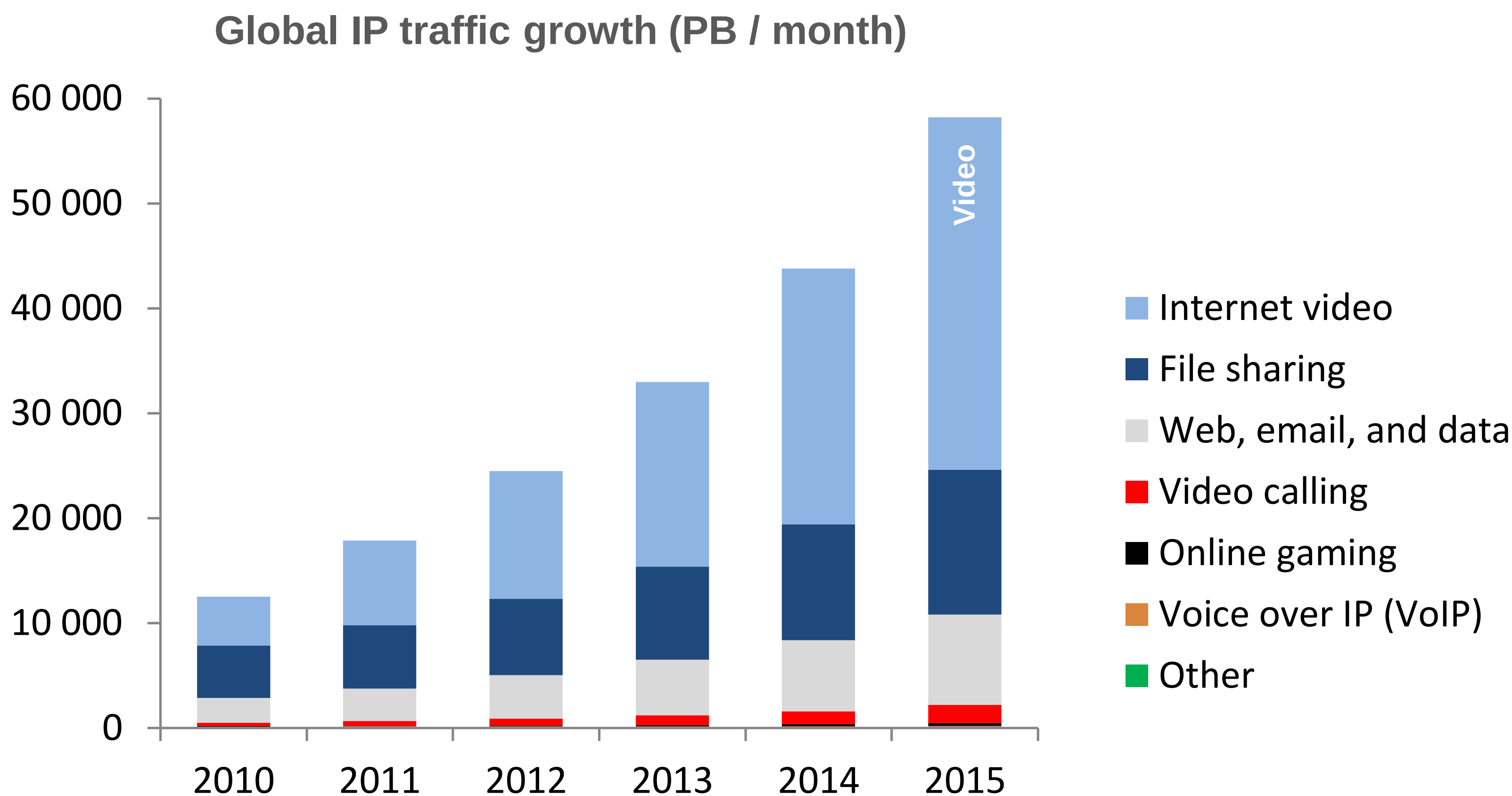


Digital music sales accounted for >50% of total worldwide music sales in 2011

Amazon sold more Kindle books than paperback books in 2011

Source: 1) Screendigest

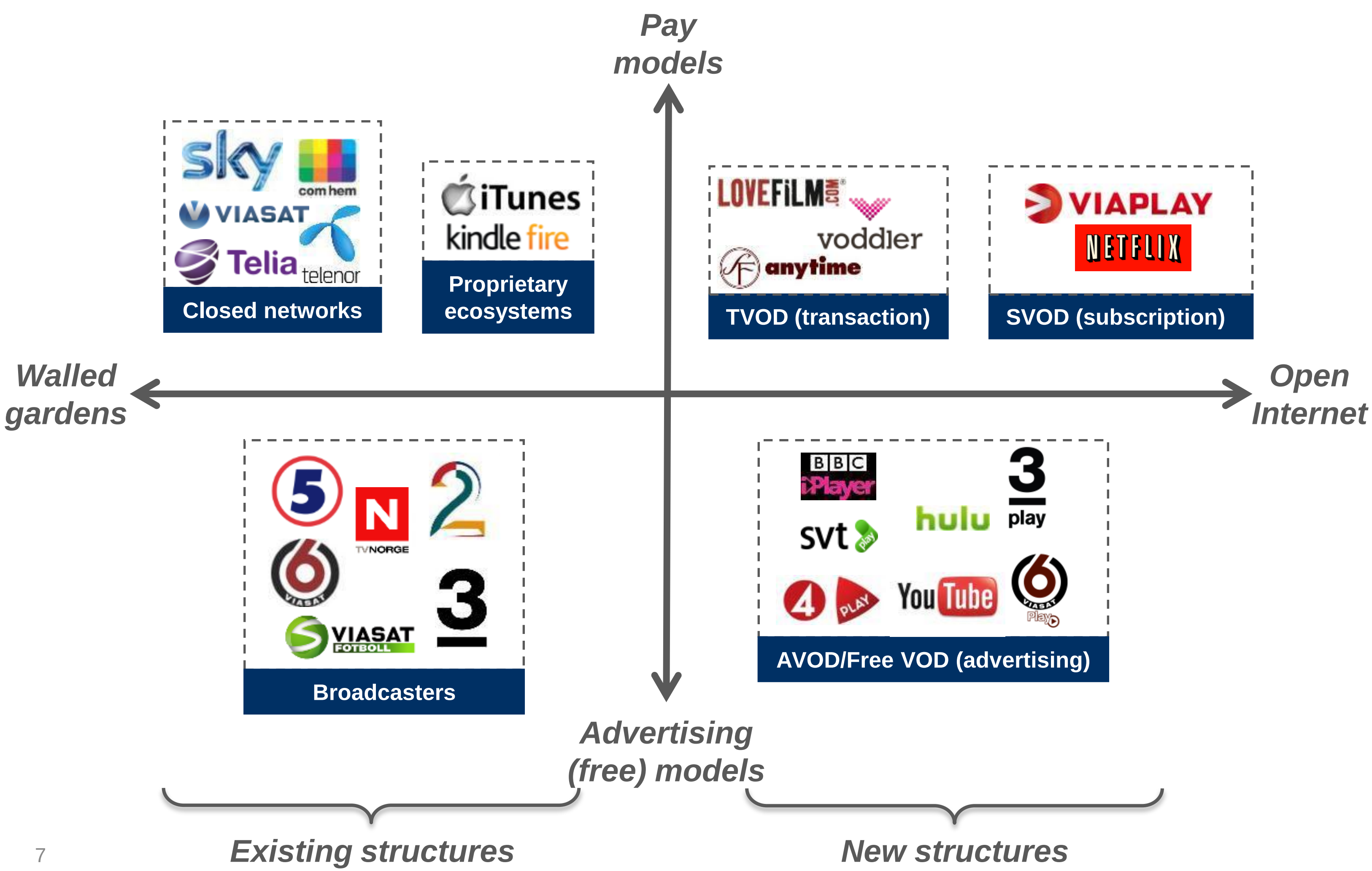
Video is driving IP traffic growth



Source: Cisco VNI, 2011

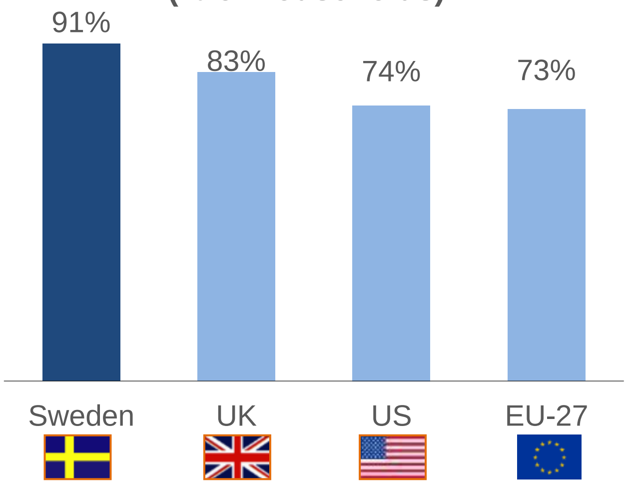
And the media landscape is evolving rapidly

Creating order out of chaos

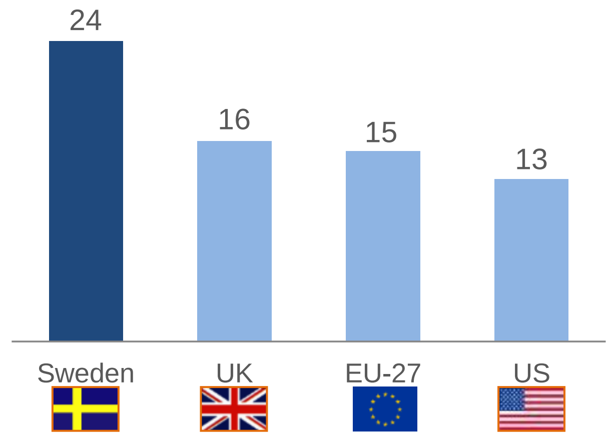


Scandinavia is the cradle of broadband

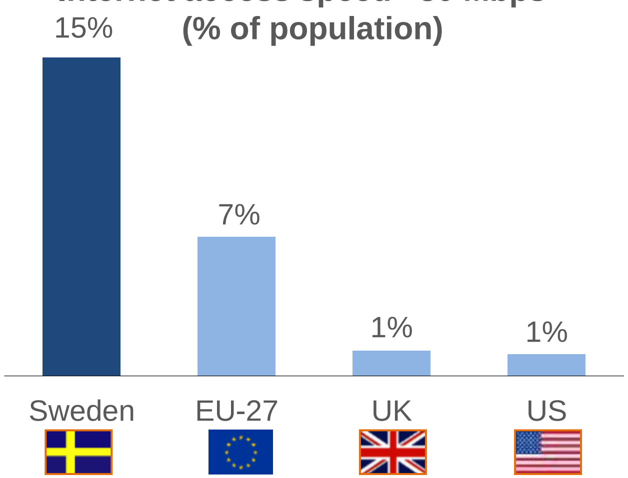
Internet penetration (% of households)[1]



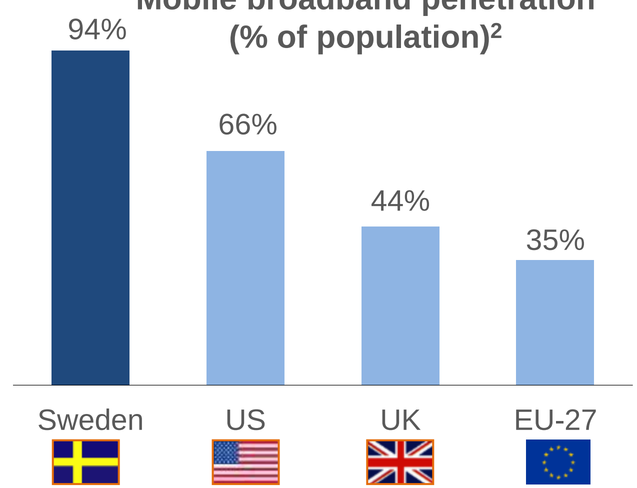
Average actual download speeds (Mbps)[4]



Internet access speed >30 Mbps [3] (% of population)



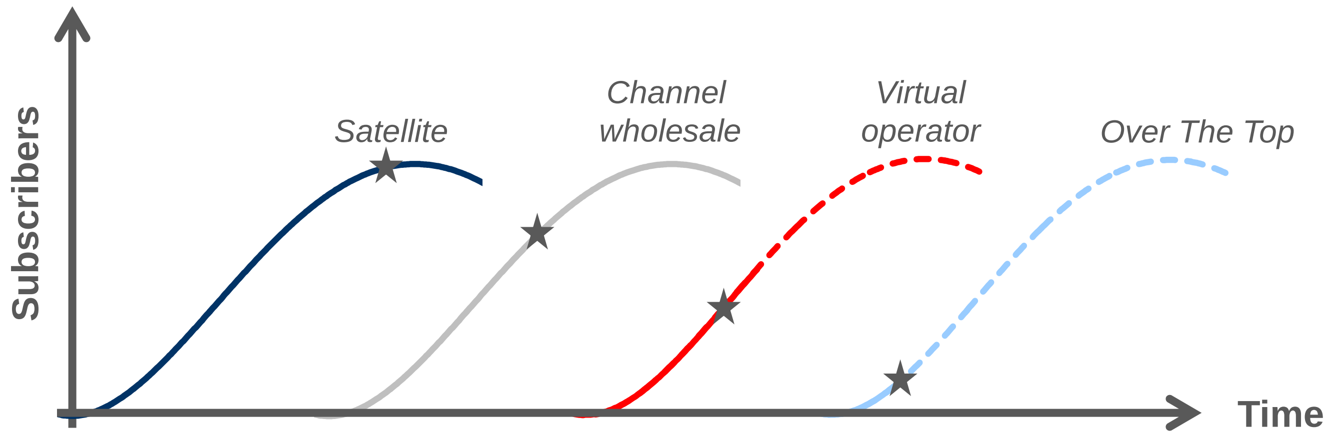
Mobile broadband penetration (% of population)[2]



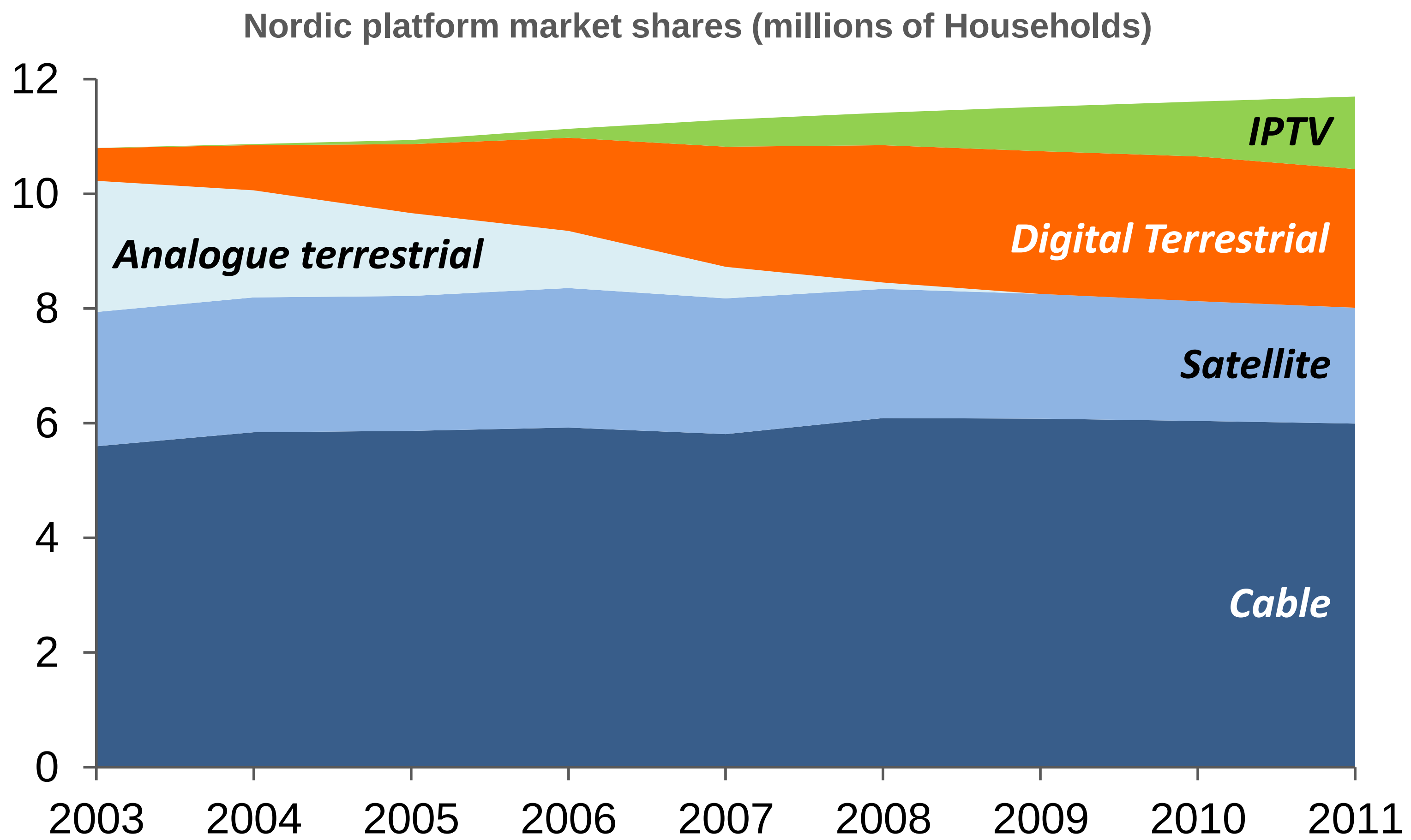
Sources:1) Eurostat, OECD (for US, as of June 2011) 2) OECD, June 2011, European Commission (for EU-27); 3) Eurostat, FCC (for US, as of Dec 2010, Tier: <10Mbps, 10-25Mbps, >25Mbps); 4) netindex.com, test data between 29 Apr - 28 May 2012, Solon

And our strategy is evolving accordingly

Pay-TV Life Cycle



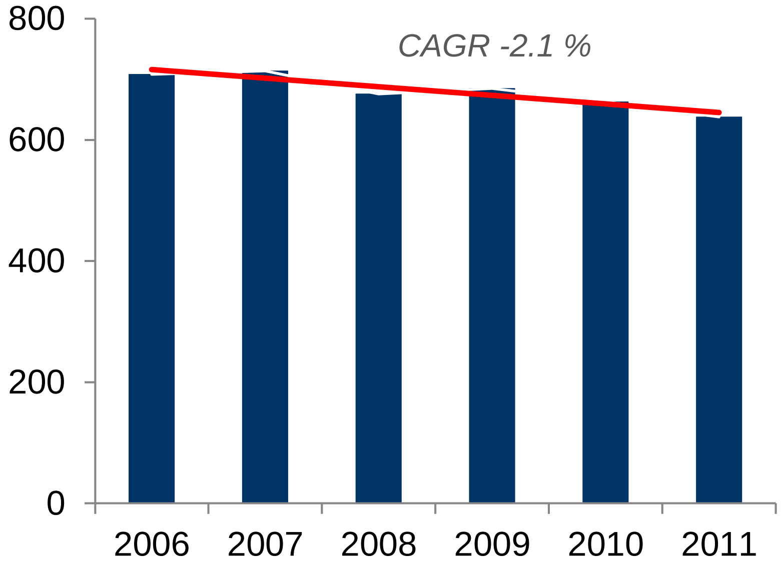
But traditional platforms still dominate



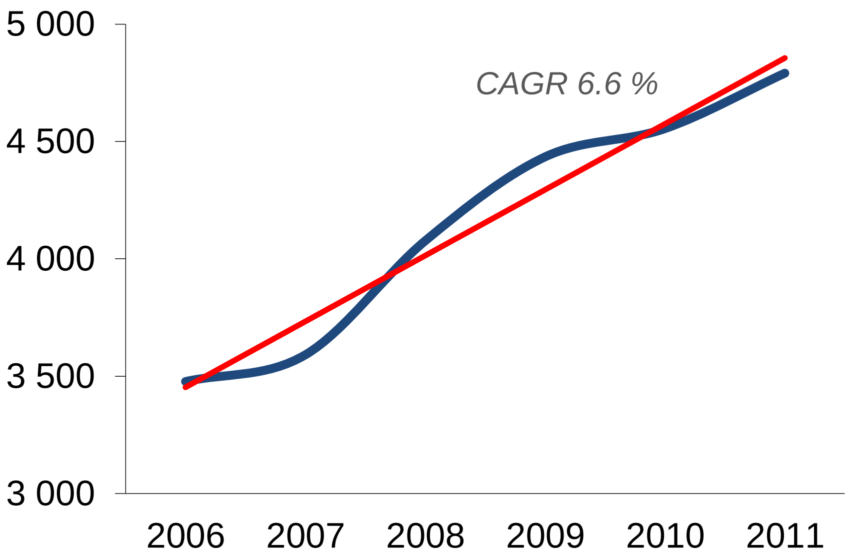
Sources: Screendigest, Solon

Satellite is about value growth not volume growth

Nordic satellite premium subscribers (000's)

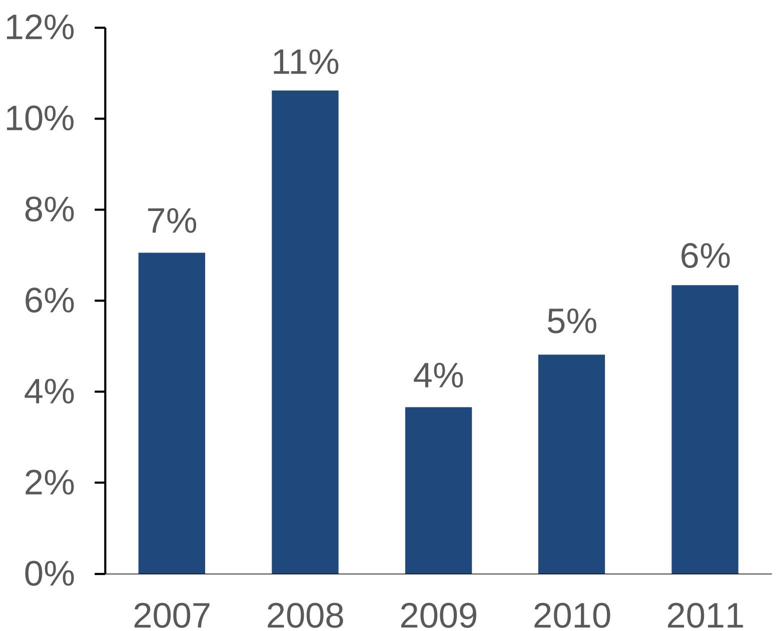


Nordic satellite premium ARPU (SEK)

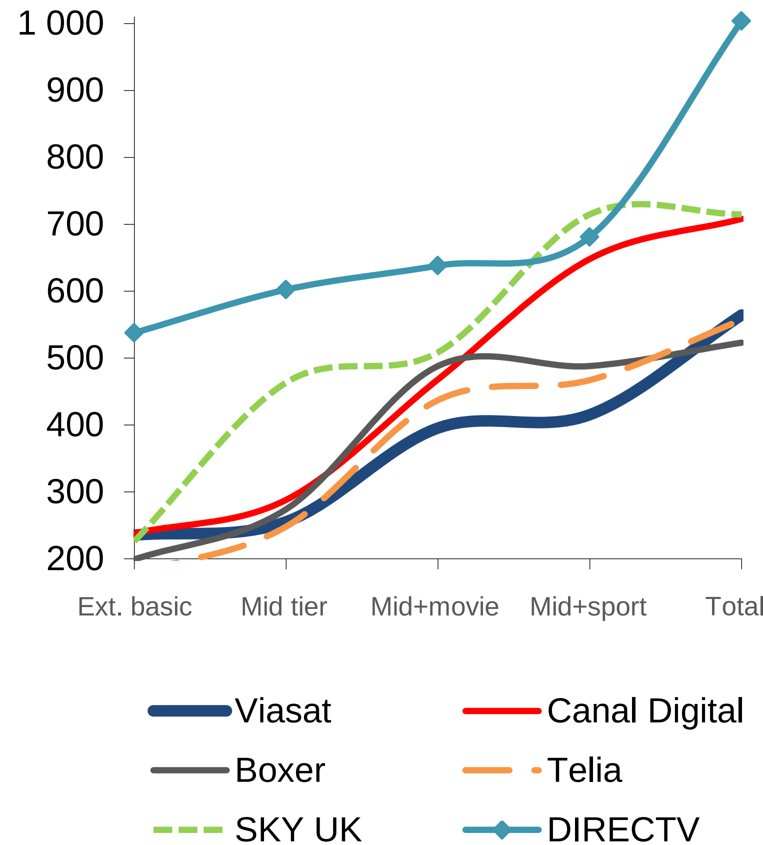


With consistent price increases & room for more

Annual satellite subscription price increases (Nordic)



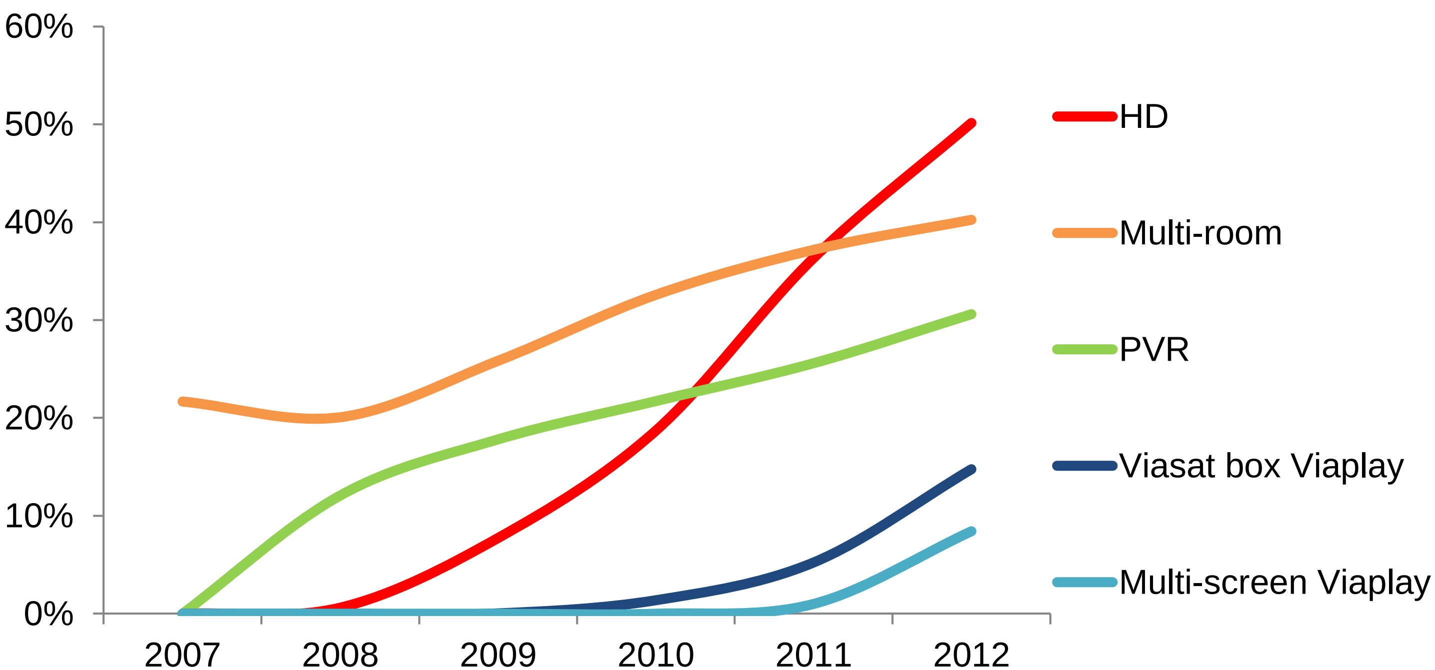
Sweden price benchmark (SEK)

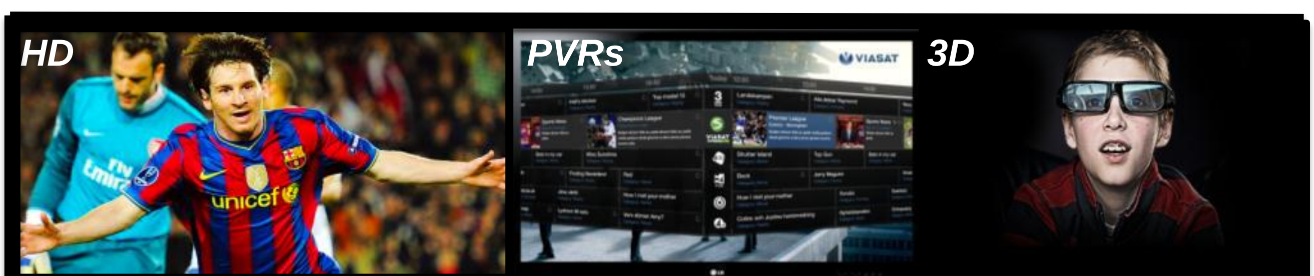


Source: Viasat Broadcasting research

And rising penetration of add-on services

Penetration of add-on services, Nordic satellite platform





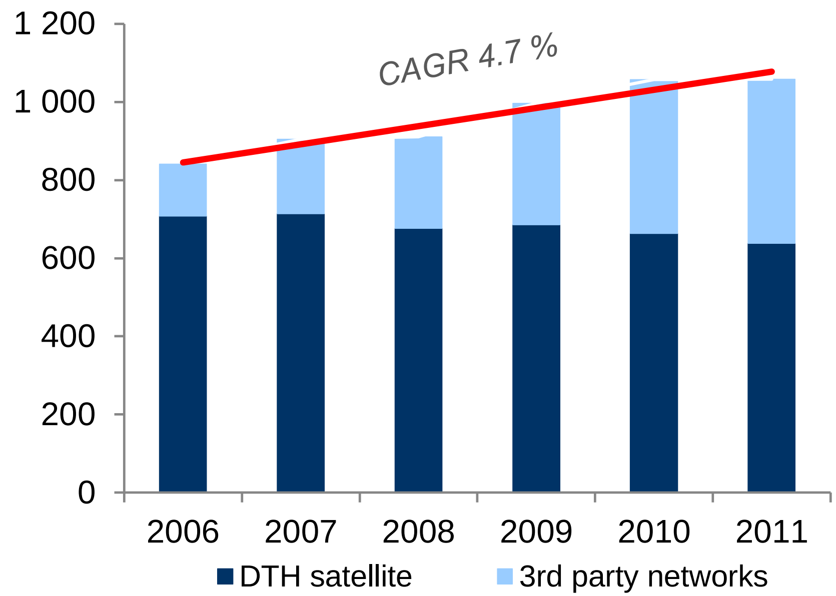
Sources: Viasat Broadcasting research

And we've now become a 'Virtual Operator' in 3rd party networks

Scandinavian satellite universe

Scandinavian satellite & Virtual Operator agreements
(IPTV, cable)

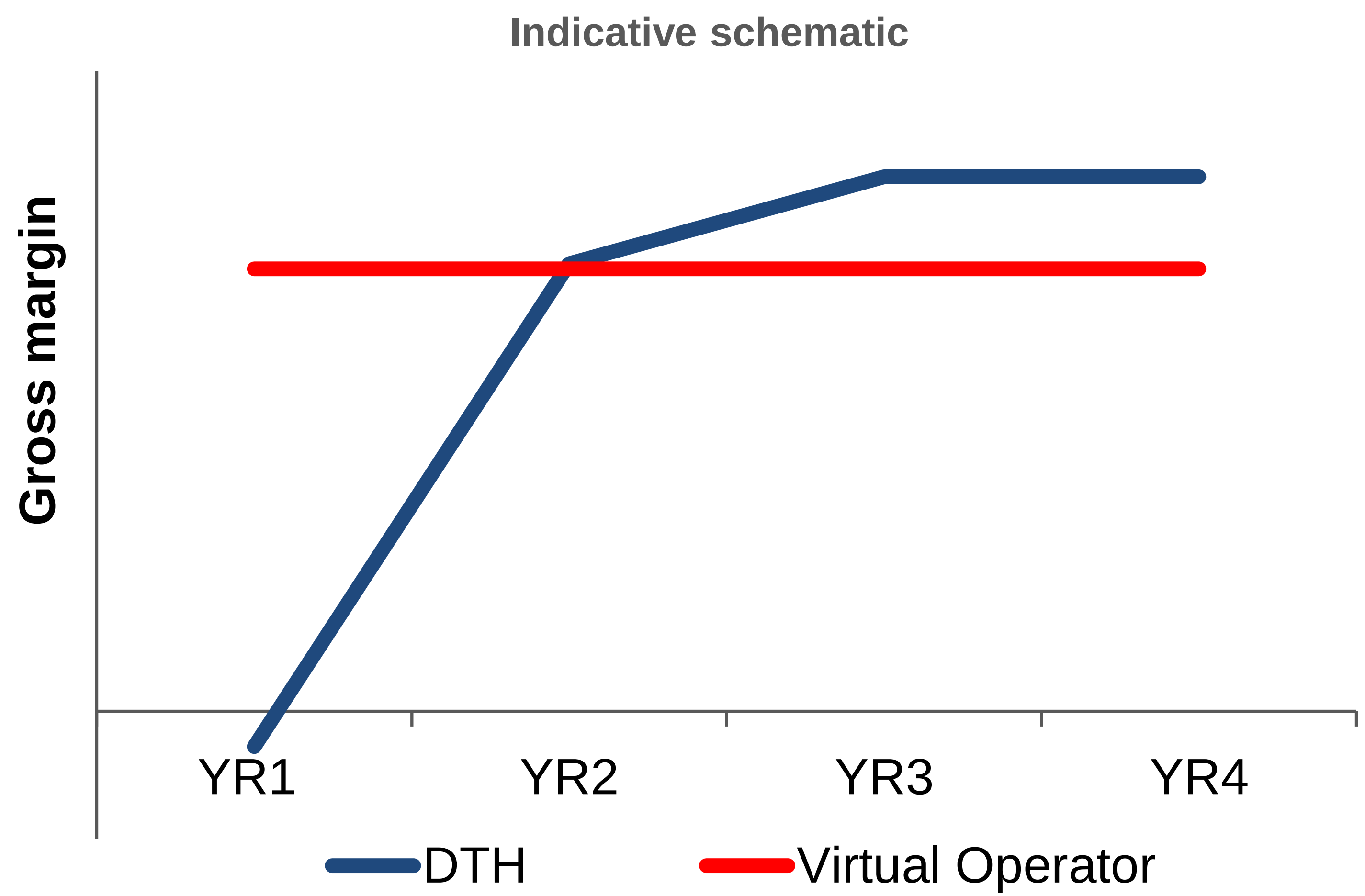
Viasat premium subscribers (Nordic)



1991	2008	2009	2010	2010
VIASAT	Telia	TELE2	telenor	com hem

Sources: Viasat Broadcasting research

So…how does this look in profitability terms?



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Viaplay opens up a whole new universe

Satellite

1.6 million households

Satellite + Virtual operator

4.2 million households

Over The Top

9 million households

As we make TV content available anytime & anywhere

With a compelling content offering

At competitive price points

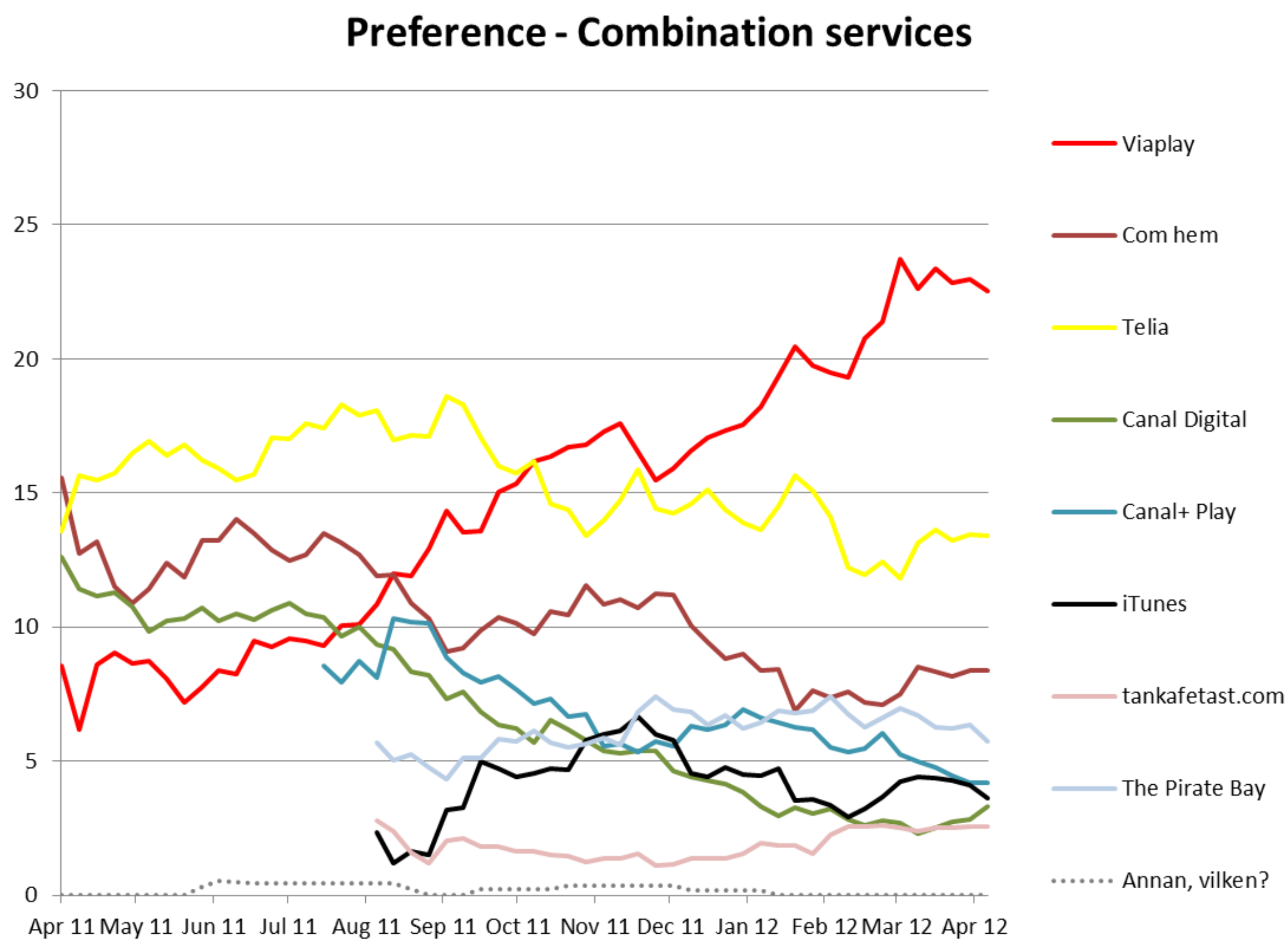
OFFERED FOR FREE OR DISCOUNTED TO VIASAT SATELLITE SUBSCRIBERS

199 SEK

99 SEK

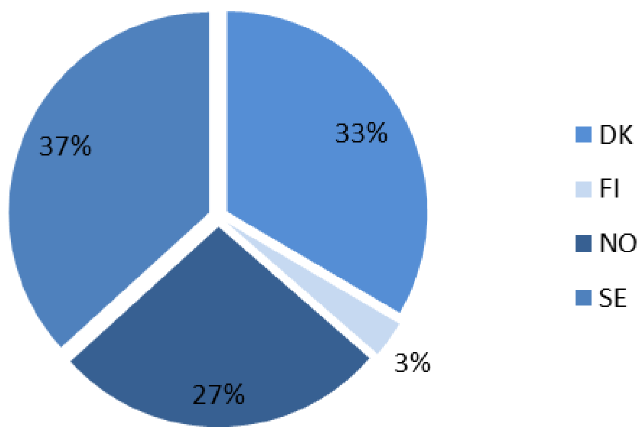
49 SEK

That has become the preferred choice of Swedish consumers

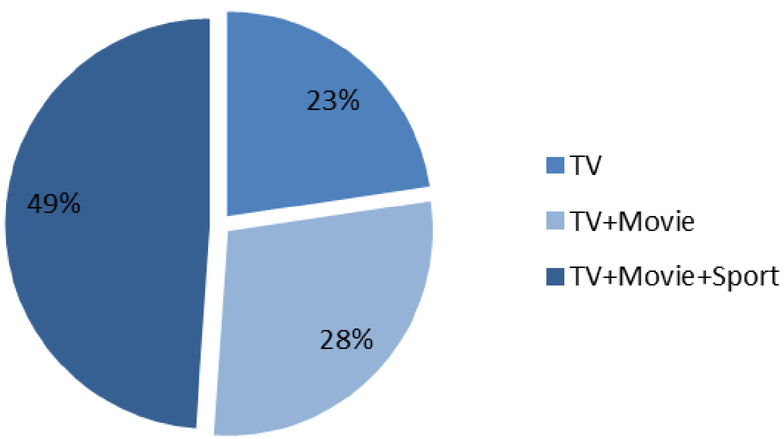


With a balanced geographical & package split

Viaplay by geography



Viaplay by package type



Available on more and more smart TVs

~40% of TV's sold are web connected

> 1 million Smart TVs to be sold in 2012

Viaplay soon available on 70% of Smart TVs

10% of Viaplay subs already use Smart TVs

And now we take it a step further

- Viaplay streaming box
- Viaplay to your TV
- 25 linear channels
- DTT connection
- Full-blown media center

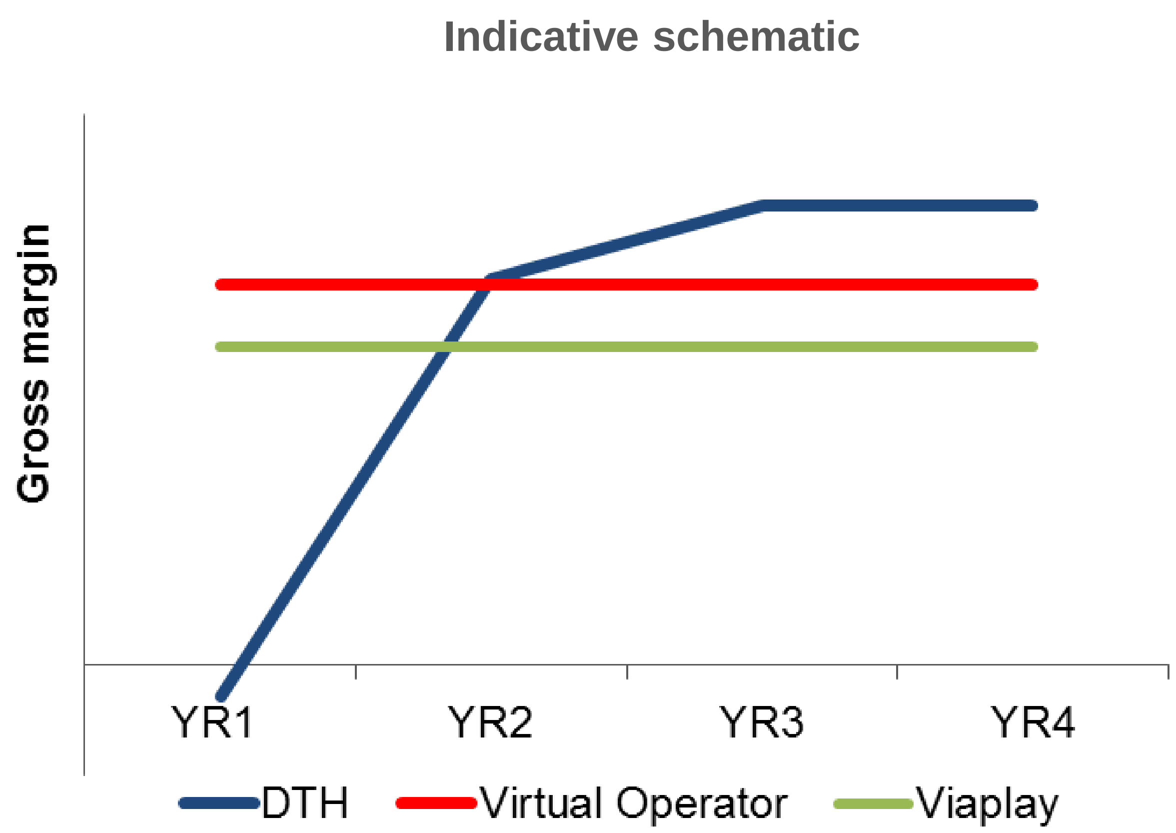
* Available via terrestrial signal

And with limited cannibalization

- **24%** **of Viaplay subscribers have not had Pay-TV subscriptions before**
- **10%** **have not had Pay-TV subscriptions for the last 6 months**

  - of which, 50% previously had a Viasat subscription
- **So…only 5% of new Viaplay subscribers are potentially cannibalizing Viasat**
- **…and 95% do not cannibalize our existing satellite business**

So… How does this look in profitability terms?



What next?

- Make available on increasing number of devices
- Maintain long term premium content leadership
- Roll out Viaplay box
- Enhance content discovery and recommendation
- Enable offline mode
- Expand into new territories

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CHAPTER NAME