ACQUISITION OF LINUS & LOTTA POSTORDER AB AND HELSINGIN DATACLUB OY AND RECOMMENDED OFFER FOR GYMGROSSISTEN NORDIC AB

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that its CDON AB subsidiary has signed agreements to acquire 100% of Finnish online book retailer 'Helsingin Dataclub Oy' and 90.1% of Swedish online childrens' clothes retailer Linus & Lotta Postorder AB for a total cash consideration of approximately SEK 40 million. The announcement follows the recommended offer for the entire outstanding share capital of Gymgrossisten Nordic AB (publ) ("Gymgrossisten"), made Friday 14 December 2007. The offer values Gymgrossisten at approximately SEK 195.6 million.

Linus & Lotta Postorder AB (www.linus-lotta.se) is the leading online retailer of childrens' clothing in the Nordic region, with 30,000 unique visitors per month. The company generated sales of approximately SEK 36.1 million for the twelve months ended 31 August 2007, with an operating loss of SEK 2.5 million.

Helsingin Dataclub Oy operates the www.bookplus.fi online bookstore, which is one of Finland's leading online book retailers. Bookplus has 89,000 registered customers and generated sales of approximately SEK 26.7 million and an operating profit of SEK 0.9 million for the nine months ended 30 September 2007.

On Friday 14 December, MTG announced that it, through it's CDON subsidiary, had made recommended offer for the entire outstanding share capital of Gymgrossisten Nordic AB. Gymgrossisten was established in 1996 and has a leading position in the Swedish market for dietary supplement products, primarily via the Internet, but also through franchise stores. Gymgrossisten reported revenue growth of 24% to SEK 81.9 (66.1) million for the first nine months of 2007, with a 21% increase in operating profit to SEK 13.5 (11.2) million.

The Board of Directors of Gymgrossisten unanimously recommended that Gymgrossisten's shareholders accept the Offer and shareholders representing 77.7% of Gymgrossisten's total outstanding issued and outstanding shares and voting rights have entered into irrevocable undertakings with CDON to sell their shares under the Offer.

CDON is the leading online retailer of entertainment products in the Nordic region, with a broad offering including CDs, DVDs, computer games, books, electronic products, and services such as rental DVDs, music downloads and ‘on-demand’ film streaming. CDON is part of MTG’s ‘Online’ Business Area, and reported 24% year on year sales growth to SEK 600 million for the first nine months of 2007, with 38% increased operating profits of SEK 48 million. In September 2007 CDON entered into the fast-growing Scandinavian online fashion retail market through the acquisition of 90% of leading player NLY Scandinavia AB (www.nelly.se).

Hans-Holger Albrecht, President and CEO of MTG, commented: “The new acquisitions will further bolster our dynamic internet retailing business, and demonstrate our commitment to become the leading online provider of products and services with a high potential for profitability, in the Nordic Region. The new businesses will provide MTG with exposure to exciting high growth market segments. Besides entertainment products through CDON, MTG will now also access the health & sports, books, childrens’ clothes and fashion segments, and we intend to use CDON’s Internet solution and enterprise systems for all of these segments. We continue to develop CDON’s integrated customer database and have access to MTG’s media networks for marketing and sales.”

***

For further information, please visit www.mtg.se, email investor.relations@mtg.se, or contact:

Hans-Holger Albrecht, President & CEO   tel: +46 (0) 8 562 000 50
Matthew Hooper, Investor & Analyst Enquiries tel: +44 (0) 20 7321 5010
Bert Willborg, Press Enquiries   tel +44 (0) 791 2280 850

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-to-air and satellite premium pay-TV operator in Scandinavia and the Baltics, and also operates channels in the Czech Republic, Russia, Hungary, Slovenia and the Balkans. Viasat channels are broadcast in a total of 24 countries and reach 100 million people. MTG is also the biggest 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’).

The information in this announcement is that which Modern Times Group MTG AB is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 13.00 CET on 17 December, 2007.