

Regulatory Announcement

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Company	Apace Media PLC
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Apace Media plc ("Apace")

3 March 2009

MERGER OF EASTERN EUROPEAN BROADCASTING INTERESTS

On 2 March 2009, Apace and Modern Times Group MTG AB (MTG) signed an agreement to merge Balkan Media Group Limited (BMGL) with Nova Televizia (Nova), the number two terrestrial broadcaster in Bulgaria. Until completion, Apace and MTG each own 50% of BMGL and MTG owns 100% of Nova. After completion, Apace will own 5% of the merged business.

The Apace share of BMGL earnings for the six months ended 30 June 2008 (unaudited) was £385,000 (audited 2007 loss for the 9 month period in which BMGL was treated as an associate £760,000). The unaudited carrying value of BMGL in Apace's balance sheet at 30 June 2008 was £5.04m (31 December 2007 audited £4.59m). On a proforma basis (calculated by MTG and unaudited) the turnover of the merged business for the year

ended 31 December 2008 would have been €60m and EBIT €13.7m.

Completion will occur if and when the contractual conditions are satisfied, including the obtaining of all necessary regulatory consents and approvals. At completion, debt owed by BMGL companies will be repaid and any surplus cash in BMGL will be distributed, generating cash for Apace of between €1 m and €1.7m.

Apace and MTG have entered into a new shareholder agreement with the customary minority provisions.

Robert Burke, Chairman of Apace said:

"This agreement marks a major milestone in Apace's Eastern European television strategy. The combination of BMGL with Nova Televizia forms a strong, multichannel broadcaster and media house operation, and continues our successful partnership with Modern Times Group."

INFORMATION ABOUT NOVA EAD

Nova Televizia was established in 1994 and owns 100% of commercial TV channel Nova, the second most watched TV channel in Bulgaria, as well as 80% of leading Bulgarian women's magazine EVA. Further information on Nova is available in the press release on the MTG website: www.mtg.se.

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