

CDON Group announces conversion price for previously issued convertible bond

Press release, Malmö - 19 January 2011

CDON Group AB (publ.) ('CDON Group' or 'the Group') today announced that the conversion price for its SEK 250.0 million five year convertible bond has been set at SEK 38.00. CDON Group's former parent company Modern Times Group MTG subscribed to 100% of the convertible bond on 2 December 2010. MTG may therefore convert the bond into a maximum of 6,578,947 CDON Group shares between 15 June 2012 and the end of 1 December 2015. The bond matures on 2 December 2015.

The conversion rate corresponds to 125 per cent of the volume-weighted trading price of the CDON Group share between 15 December 2010 and 14 January 2011 (the first 20 days of trading in the Group's shares). The full conversion of the bond would result in an increase in the number of outstanding shares from 66,342,124 at 31 December 2010 to 72,921,071, and a 9.0% dilution effect.

The convertible bond is unsubordinated and bears a cash interest rate of 2.85 per cent per annum. The interest costs to be reported in the Group's income statement are higher because the convertible bond is a compounded financial instrument, which, in accordance with IFRS, is reported partly as a liability and partly as equity in the Group's balance sheet. The equity part is the value of the option to convert the bond into shares, which decreases over the period to maturity. This change in value between quarterly balance sheet dates is reported as a non-cash net financial item in the Group's income statements.

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About CDON Group

CDON Group is one of the largest e-commerce businesses in the Nordic region. Established in 1999, the Group has continuously expanded its product portfolio and is now a leading e-commerce player in the Entertainment (www.CDON.COM , www.BookPlus.fi, www.Lekmer.com), Fashion (www.Nelly.com, www.LinusLotta.com, www.Heppo.com), and Sports & Health (www.Gymgrossisten.com, www.Fitnesstukku.fi, www.Bodystore.com) segments. CDON Group offers a market leading product range at competitive prices with quick delivery and high-quality customer service. CDON Group's internet stores attract approximately two million customers a year across the Nordic region.

The information in this announcement is that which CDON Group AB is required to disclose under the Securities Markets Act. This information was released for publication at 08.00 CET on 19 January 2011.