Minutes from Annual General Meeting of shareholders in Modern Times Group MTG AB (publ), company reg. no. 556309-9158 on 17 May 2010 at 4 p.m. CET in Stockholm

This is a translation from the Swedish version.

Present: As set out in the list in Appendix 1, stating the number of shares, class of shares and votes for each person entitled to vote.

The following persons were also present: The Directors of the Board David Chance, Mia Brunell Livfors, David Marcus and Cristina Stenbeck, the Managing Director Hans-Holger Albrecht, Chief Financial Officer Mathias Hermansson and the authorised public accountants Carl Lindgren and George Pettersson.

In addition, persons noted in Appendix 2 were noted as present.

§ 1

Opening of the Annual General Meeting and election of Chairman (item 1 of the agenda)

The Chairman of the Board, David Chance, opened the meeting and welcomed the shareholders.

It was resolved, in accordance with the Nomination Committee's proposal, to appoint the lawyer Wilhelm Lüning to conduct the meeting in the capacity of Chairman. It was noted that the Chairman had appointed Oskar Edqvist to keep the minutes at the meeting.

It was resolved that representatives from the media and persons noted in Appendix 2 should be permitted to attend the meeting.

The Chairman informed the meeting that the directors of the Board Simon Duffy, Alexander Izosimov and Michael Lynton were not present at the Meeting, due to i.a. unforeseen limitations in the flight traffic.

§ 2

Preparation and approval of the voting list (item 2 of the agenda)

It was resolved to approve the procedure for the preparation of the voting list, as accounted for by the Chairman, and the list of shareholders present, Appendix 1, was approved as the voting list for the Annual General Meeting of today.

§ 3

Approval of the agenda (item 3 of the agenda)

It was resolved to approve the agenda for the meeting, which had been distributed at this meeting to the participants and which previously had been included in the notice to the meeting.

§ 4

Election of one or two persons to check and verify the minutes (item 4 of the agenda)

It was resolved that the minutes should be verified by Johan Ståhl representing Lannebo Funds and Annika Andersson representing Fjärde AP-fonden, jointly with the Chairman of the meeting.

§ 5

Determination of whether the Annual General Meeting has been duly convened (item 5 of the agenda)

It was established that the notice of the meeting had been given within the period stated in the Articles of Association by way of an announcement in Post- och Inrikes Tidningar, in Metro and in Svenska Dagbladet on 19 April 2010.

It was noted that the meeting was duly convened.

§ 6

Presentation of the annual report, the auditors' report and the consolidated financial statements and the auditors' report on the consolidated financial statements (items 6 of the agenda)

The Chairman of the Board David Chance reported on the work of the Board during the financial year 2009 and thanked the resigning director of the Board Asger Aamund for his work.

The Managing Director Hans-Holger Albrecht reported on the Company's operations during the financial year 2009.

The Chairman of the Board and the Managing Director answered questions from the shareholders concerning the Company's work regarding lasting development, goodwill, currency effects on the business of the Company and the potential of development in all regions where business is conducted.

Sveriges Aktiesparares Riksförbund, represented by Günther Mårder, expressed a wish that the Board henceforth shall consider alternative methods for distribution of means to the shareholders, as an example, by way of a split with automatic redemption of shares.

The authorised public accountant Carl Lindgren reported on the audit work and the Auditor's Report in respect of the Company and the Group.

The Board of Directors' and Managing Director's Annual Report and Group Annual Report, with the incorporated income statements and balance sheets in respect of the financial year 2009, were presented.

§ 7

Resolution on the adoption of the income statement and balance sheet and of the consolidated income statement and the consolidated balance sheet (item 7 of the agenda)

It was resolved to adopt the income statements and balance sheets for the Company and the Group in respect of the financial year 2009, presented under § 6 above.

§ 8

Resolution on the proposed treatment of the Company's unappropriated earnings as stated in the adopted balance sheet (item 8 of the agenda)

The secretary presented the proposal made by the Board of Directors and the Managing Director, and supported by the Auditors, regarding allocation of profits and the Board of Directors' reasoned statement about the proposed dividend.

It was resolved, in accordance with the proposal made by the Board of Directors and the Managing Director and supported by the Auditors, that the funds at the disposal of shareholders should be distributed as follows:

Dividend in total SEK 5.50 per share	SEK	365,779,321
Carried forward	SEK	8,451,742,081
Total amount	SEK	8,817,521,402

The record date for the dividend was determined as Thursday 20 May 2010 and it was noted that the dividend is expected to be paid by Euroclear Sweden AB on Tuesday 25 May 2010.

§ 9

Resolution on the discharge of liability of the directors of the Board and the Chief Executive Officer (item 9 of the agenda)

It was noted that the Company's Auditors recommended the meeting to discharge the members of the Board of Directors and the Managing Director from liability for the financial year 2009.

It was resolved by the required majority, to discharge the members of the Board and the Managing Director from liability for their administration of the Company's affairs during financial year 2009.

It was noted that neither members of the Board who represented shares held by themselves or others, nor the Managing Director voted on this resolution.

Ulf Forsgren representing the shareholders specified in Appendix 3, representing in total 25,023 shares and votes, voted against the decision.

§ 10

Determination of the number of directors of the Board (item 10 of the agenda)

The Chairman of the Nomination Committee, Cristina Stenbeck, presented the proposals relating to the election of the Board of Directors, remuneration to the Board of Directors and Auditors and the procedure of the Nomination Committee.

It was resolved that, for the period until the close of the next Annual General Meeting, the Board of Directors shall consist of seven Directors, without deputies.

§ 11

Determination of the remuneration to the directors of the Board and the auditors (item 11 of the agenda)

It was resolved, in accordance with the Nomination Committee's proposal, that the fixed remuneration for each director of the Board for the period until the close of the next Annual General Meeting shall be unchanged. It was resolved that the total Board remuneration shall amount to SEK 3,950,000, of which SEK 1,100,000 shall be allocated to the Chairman of the Board, SEK 400,000 to each of the directors of the Board and a total of SEK 450,000 as remuneration for the work in the committees of the Board of Directors. For work within the Audit Committee it was resolved that SEK 200,000 shall be allocated to the Chairman and SEK 75,000 to each of the other two members and for work within the Remuneration Committee it was resolved that SEK 50,000 shall be allocated to the Chairman and SEK 25,000 to each of the other two members.

Further, it was resolved that the remuneration to the Auditor shall be paid in accordance with approved invoices.

§ 12

Election of the directors of the Board and the Chairman of the Board (item 12 of the agenda)

The chairman informed the meeting on which positions the proposed members of the Board of Directors hold in other companies, by referring to the presentation handed out in connection with entering the meeting and to the presentation of the Chairman of the Nomination Committee.

It was resolved to re-elect Mia Brunell Livfors, David Chance, Simon Duffy, Alexander Izosimov, Michael Lynton, David Marcus and Cristina Stenbeck as Board members for the period until the end of the next Annual General Meeting. David Chance was elected Chairman of the Board.

It was noted that Asger Aamund has declined re-election.

Ulf Forsgren and Carina Liljegren-Thärning representing the shareholders specified in Appendix 3, representing in total 43,116 shares and votes and 86,485 shares and votes respectively, voted against the decision.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 54,774 shares and votes, abstained from voting.

§ 13

Determination of the number of auditors and election of auditors (item 13 of the agenda)

It was noted that the accounting firm KPMG AB was appointed as auditor, with the Authorised Public Accountant Carl Lindgren as auditor in charge, at the Annual General Meeting in 2006, for a period of four years.

It was resolved that the Company still shall have two auditors and to re-appoint KPMG AB as auditor, with the Authorised Public Accountant George Pettersson as auditor in charge, for a period of four years.

It was noted that at the Annual General Meeting 2007, Ernst & Young Aktiebolag was appointed as auditor, with the Authorised Public Accountant Erik Åström as auditor in charge, for a period of four years, i.e. until the Annual General Meeting 2011.

§ 14

Approval of the procedure of the Nomination Committee (item 14 of the agenda)

It was resolved, in accordance with Nomination Committee's proposal, to approve the following procedure for preparation of the election of the Board of Directors and Auditor. The work of preparing a proposal on the directors of the Board and auditor, in the case that an auditor should be elected, and their remuneration as well as the proposal on the Chairman of the Annual General Meeting of 2011 shall be performed by a Nomination Committee. The Nomination Committee will be formed during October 2010 in consultation with the largest shareholders of the Company as per 30 September 2010. The Nomination Committee will consist of at least three members representing the largest shareholders of the Company. The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report in 2010 and ending when a new Nomination Committee is formed. The majority of the members of the Committee may not be directors of the Board of Directors or employed by the Company. If a member of the Committee resigns before the work is concluded, a replacement member may be appointed after consultation with the largest shareholders of the Company. However, unless there are special circumstances, there shall not be changes in the composition of the Nomination Committee if there are only marginal changes in the number of votes, or if a change occurs less than three months prior to the Annual General Meeting. Cristina Stenbeck will be a member of the Committee and will also act as its convenor. The members of the Committee will appoint the Committee Chairman at their first meeting. The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the Company, and to charge the Company with costs for recruitment consultants if deemed necessary.

Carina Liljegren-Thärning representing the shareholders specified in Appendix 3, representing in total 86,485 shares and votes, voted against the decision.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 14,331 shares and votes, abstained from voting.

§ 15

Resolution regarding Guidelines for remuneration to the senior executives (item 15 of the agenda)

The Chairman of the Remuneration Committee, David Marcus, presented the proposal on guidelines for remuneration to the senior executives.

It was resolved in accordance with the proposal from the Board of Directors, to adopt the guidelines on remuneration and other employment terms and conditions for the senior executives, as set out in Appendix 4.

Ulf forsgren representing the shareholders specified in Appendix 3, representing in total 27,923 shares and votes, voted against the decision. Sveriges Aktiesparares Riksförbund, represented by Günther Mårder, made a reservation against the resolution.

§ 16

Resolution regarding incentive programme (item 16 of the agenda)

The Chairman of the Remuneration Committee David Marcus presented the proposal on the implementation of an incentive programme.

It was resolved by the required majority, by more than nine-tenths of the shares and the number of votes represented at the meeting, in accordance with the proposal from the Board of Directors, Appendix 5.

It was noted that the incentive programme had been adopted in its entirety.

It was noted that the resolutions in this item 16 in accordance with the above also shall include an authorisation for the Managing Director to make any adjustments necessary for registration of the resolution at the Swedish Company Registration Office and Euroclear Sweden AB.

Ulf Forsgren representing the shareholders specified in Appendix 3, representing in total 27,400 shares and votes, voted against the decisions.

§ 17

Resolution to authorise the Board of Directors to resolve on repurchase and transfer of own shares (item 17 of the agenda)

It was resolved by the required majority, by more than two-thirds of the shares and the number of votes represented at the meeting, in accordance with the proposal from the Board of Directors, Appendix 6, to authorise the Board of Directors to resolve to repurchase and transfer the Company's own shares.

§ 18

Closing of the Meeting (item 18 of the agenda)

Since there were no other issues, the chairman closed the meeting.

Keeper of the minutes:

Oskar Edqvist

Verified:

Wilhelm Lüning

Johan Ståhl

Annika Andersson

Modern Times Group MTG AB (publ)

Item 9 - votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
General Board of Pension and Health Benefits of the United Methodist Church	24 923	B
Louisiana State Employees Retirement System	100	B
Total	**25 023**	

Item 12 - votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
California State Teachers Retirement System	17 795	B
California State Teachers Retirement System	22 177	B
Louisiana State Employees Retirement System	100	B
State of Wisconsin Investment Board	2 654	B
State of Wisconsin Investment Board	390	B
Total	**43 116**	

Item 12 - votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
Pioneer Funds- European Small Compagnies	73 331	B
The Ontario Public Service Employees Union P	7 124	B
The Ontario Public Service Employees Union P	6 030	B
Total	**86 485**	

Item 12 - abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Teachers Retirement System Of The State Of Illinois	12 131	B
Teachers Retirement System Of The State Of Illinois	2 048	B
Teachers Retirement System Of The State Of Illinois	152	B
Tennessee Consolidated Retirement System	12 243	B
Tennessee Consolidated Retirement System	28 200	B
Total	**54 774**	

Item 14 - votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
Pioneer Funds- European Small Compagnies	73 331	B
The Ontario Public Service Employees Union P	7 124	B
The Ontario Public Service Employees Union P	6 030	B
Total	**86 485**	

Item 14 - abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Teachers Retirement System Of The State Of Illinois	12 131	**B**
Teachers Retirement System Of The State Of Illinois	2 048	**B**
Teachers Retirement System Of The State Of Illinois	152	**B**
Total	**14 331**	

Item 15 - votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
General Board of Pension and Health Benefits of the United Methodist Church	24 923	B
Total	**24 923**	

Item 16 - votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Stichting Pensioenfonds voor Huisartsen	7 800	B
Stichting Pensioenfonds voor Medisch Specialisten	19 600	B
Total	**27 400**	

GUIDELINES FOR REMUNERATION TO THE SENIOR EXECUTIVES

The Annual General Meeting 2010 is asked to decide on the following guidelines, proposed by the Board of Directors, for determining remuneration for MTG's senior executives (below the "**Executives**").

Remuneration guidelines

The objective of the guidelines is to ensure that MTG can attract, motivate and retain senior executives, within the context of MTG's international peer group, which consists of Northern and Eastern European media companies. The remuneration shall be based on conditions that are market competitive and at the same time aligned with shareholders' interests. Remuneration to the Executives shall consist of a fixed and variable salary, as well as the possibility of participation in a long-term incentive programme and pension schemes. These components shall create a well balanced remuneration reflecting individual performance and responsibility, both short-term and long-term, as well as MTG's overall performance.

Fixed salary

The Executives' fixed salary shall be competitive and based on the individual Executive's responsibilities and performance.

Variable salary

The Executives may receive variable remuneration in addition to fixed salaries. The contracted variable remuneration will generally not exceed a maximum of 75 percent of the fixed annual salary. The variable remuneration shall be based on the performance of Executives in relation to established goals and targets.

Other benefits

MTG provides other benefits to the Executives in accordance with local practice. Other benefits can include, for example, a company car and company health care. Occasionally, housing allowance could be granted for a defined period.

Pension

The Executives shall be entitled to pension commitments based on those that are customary in the country in which they are employed. Pension commitments will be secured through premiums paid to insurance companies.

Notice of termination and severance pay

The maximum notice period in any Executive's contract is twelve months during which time salary payment will continue. The Company does not generally allow any additional contractual severance payments to be agreed although there can be occasional cases where this takes place.

Deviations from the guidelines

In special circumstances, the Board of Directors may deviate from the above guidelines, for example additional variable remuneration in the case of exceptional performance. In such a case the Board of Directors is obliged to explain the reason for the deviation at the following Annual General Meeting.

PROPOSAL TO IMPLEMENT AN INCENTIVE PROGRAMME (item 16)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive programme for senior executives and other key employees within the group in accordance with items 16 (a) – 16 (d) below. All resolutions are proposed to be conditional upon each other and are therefore proposed to be adopted in connection with each other.

PROPOSAL TO ADOPT AN INCENTIVE PROGRAMME (item 16 (a))

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive programme (the "**Plan**"). The Plan is proposed to in total include approximately 100 senior executives and other key employees within the group. The participants in the Plan are required to own shares in MTG. These investment shares can either be shares already held or shares purchased on the market in connection with the notification to participate in the Plan. Thereafter the participants will be granted, free of charge, retention rights, and in certain cases, performance rights and stock options on the terms stipulated below.

The personal investment

In order to participate in the Plan, the employees have to own MTG shares. The maximum number of shares which the employee may invest under the Plan will correspond to a value of approximately 4 percent of the employee's annual base salary.

For each share invested under the Plan, the participants will be granted retention rights, performance rights and options by the Company. Subject to fulfillment of certain retention and performance based conditions during the period 1 April 2010 – 31 March 2013 (the "**Measure Period**"), the participant maintaining employment within the group at the date of the release of MTG's interim report for the period January – March 2013, and subject to the participant maintaining the invested shares, each right will entitle the participant to receive respectively one Class B share free of charge and each option entitle the participant to purchase one Class B share at a price corresponding to 120 percent of the share price at grant. Dividends paid on the underlying share will increase the number of shares being allotted in respect of the rights in order to treat the shareholders and the participants equally.

Performance conditions

The retention rights and performance rights and options are divided into Series A: retention rights and Series B - C: performance rights and options.

The number of shares to be received by exercising rights and options depends on the fulfillment of the following retention and performance based conditions during the Measure Period:

Series A MTG's total shareholder return on the Class B shares (TSR) exceeding 0 percent as entry level (no stretch target)

Series B MTG's average normalised return of capital employed (ROCE) of 15 percent as entry level and 25 percent as stretch target

Series C MTG's total shareholder return on the Class B shares (TSR) equal to a peer group including CME, ITV, M6, Mediaset, ProSieben, RTL Group, Sky, TF1 and TVN as the entry level and 10 percentage points better than the peer group as the stretch target. When calculating the TSR, March 2010 shall be compared to March 2013. Furthermore, the companies in the peer group which have the highest respectively the lowest TSR shall be excluded from the calculation.

The determined levels in the performance based conditions are "entry level" and "stretch target" with a linear interpolation applied between those levels. If entry level is reached the number of rights and options exercisable is proposed to be twenty percent. The entry level constitutes the minimum level which must be exceeded in order to enable exercise of part of the rights or options. Vesting of the retention rights, performance rights and options is initiated only if a defined entry level is exceeded. If the entry level is not exceeded all rights to retention rights, performance rights and options in that series will lapse. If a stretch target is met, all retention rights, performance rights and options remain exercisable in that series.

The right to retention rights and performance rights

The rights to retention rights and performance rights shall be governed by the following terms and conditions:

- Granted free of charge on or around 1 June 2010. The Board of Directors shall be authorise to make allotments within the scope of the incentive programme in connection with recruitments that have been carried out after the first allotment, however no later than on 31 December 2010.
- May not be transferred or pledged.
- May be exercised the day following the release of the interim report for the period January – March 2013.
- Dividends paid on the underlying share during the vesting period will increase the number of rights being allotted in order to treat the shareholders and the participants equally.

- May only be exercised provided that the holder is still employed by the group and has maintained the personal investment during the vesting period.

The right to performance options

The rights to performance options shall be governed by the following terms and conditions:

- Granted free of charge on or around 1 June 2010. The Board of Directors shall be authorise to make allotments within the scope of the incentive programme in connection with recruitments that have been carried out after the first allotment, however no later than on 31 December 2010.
- Each performance option entitles the participant to acquire one Class B share in the Company. The exercise price shall be 120 percent of the market value on the date of the allocation of the option.
- May not be transferred or pledged.
- May be exercised the day following the release of the interim report for the period January – March 2013 and up and until 30 days before the date of the release of MTG's interim report for the period January – June 2013.
- No entitlement to compensation for dividend on the underlying shares under the term of the option.
- May only be exercised provided that the holder is still employed by the group and has maintained the personal investment during the vesting period.

Preparation and administration

The Board of Directors, or a committee established by the Board for these purposes, shall be responsible for preparing the detailed terms and conditions of the Plan, in accordance with the mentioned terms and guidelines adopted by the Annual General Meeting. To this end, the Board of Directors shall be entitled to make adjustments in the Plan to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the group, or its circumstances, result in a situation where the decided terms and targets for investing, vesting and for the possibility to exercise the rights and options under the incentive programme, become unsuitable to use.

Allocation

In total, the Plan is estimated to comprise up to 12,500 shares held by the employees entitling participants to rights of up to 12,500 retention shares, 53,000 performance rights and 106,000 performance options. The participants are divided into different categories and the Plan will comprise the following number of invested shares and the maximum number of rights and options in accordance with the above mentioned principles and assumptions:

- the CEO: can acquire up to 1,000 shares within the Plan and will be granted one (1) Series A right per invested share, four (4) Series B and four (4) Series C rights per invested share and eight (8) Series B and eight (8) Series C options per invested share;
- category 1 (approximately 10 persons): can acquire up to 325 shares within the Plan and will be granted one (1) Series A right per invested share, four (4) Series B and four (4) Series C rights per invested share and eight (8) Series B and eight (8) Series C options per invested share;
- category 2 (approximately 10 persons): can acquire up to 200 shares within the Plan and will be granted one (1) Series A right per invested share, three (3) Series B and three (3) Series C rights per invested share and six (6) Series B and six (6) Series C options per invested share;
- category 3 (approximately 20 persons): can acquire up to 125 shares within the Plan and will be granted one (1) Series A right per invested share, two (2) Series B and two (2) Series C rights per invested share and four (4) Series B and four (4) Series C options per invested share;
- category 4 (approximately 10 persons): can acquire up to 75 shares within the Plan and will be granted one (1) Series A right per invested share, two (2) Series B and two (2) Series C rights per invested share and four (4) Series B and four (4) Series C options per invested share; and
- category 5 (approximately 50 persons): can acquire up to 75 shares within the Plan and will be granted one (1) Series A right per invested share.

Scope and costs of the programme

The Plan will be accounted for in accordance with IFRS 2 which stipulates that the rights and options should be recorded as a personnel expense in the income statement during the vesting period. Based on the assumptions that the share price is SEK 440 (closing share price of the MTG Class B share on 6 April 2010) at the time of allocation, that each participant makes the maximum personal investment, and that the annual employee turnover is ten percent among the participants of the programme, an average fulfillment of performance conditions of approximately 50 percent and full award of retention share, the total cost, exclusive of social security costs, for the programme is estimated to approximately SEK 13 million before tax. The cost will be allocated over the years 2010-2013.

Social security costs will also be recorded as a personnel expense in the income statement. The social security costs are estimated to be around SEK 4 million with the assumptions above and an average social security tax rate of 23 percent and an annual share price increase of 10 percent.

The participant's maximum profit per right and option in the Plan is SEK 1,476 which corresponds to four times the average closing share price of the MTG Class B shares during February 2010 (SEK 369). If the value of rights and options exceeds SEK 1,476 the number of shares each right or option entitles the employee to receive will be reduced accordingly. The maximum dilution, taking into consideration delivery of shares to the participants and the issues of shares for the purpose of hedging social security costs, is 0.3 percent in terms of shares outstanding, 0.2 percent in terms of votes and 0.04 percent in terms of the estimated programme cost as defined in IFRS 2 divided by the Company's market capitalisation. Assuming that a maximum gain of SEK 1,476 per right and option is achieved, all invested shares are held according to Plan and a 100 percent fulfillment of retention and performance based conditions are met the maximum cost for the programme is approximately SEK 23 million in accordance with IFRS 2 and the maximum cost for social charges approximately SEK 58 million.

For information on MTG's other equity-related incentive programmes, reference is made to the annual report for 2009, note 25, page 104 - 106.

Effect on certain key ratios

The impact on basic earnings per share if the programme had been introduced in 2009 with the assumptions above would result in a dilution of 0.2 percent or from SEK -30.86 to SEK -30.93 on a proforma basis.

The annual cost of the programme including social charges is estimated to be approximately SEK 6 million assuming the above assumptions. This cost can be related to the Company's total personnel costs, including social charges, of SEK 1,586 million in 2009.

Delivery of shares under the Plan

To ensure the delivery of Class B shares under the Plan, the Board of Directors proposes that the Annual General Meeting authorises the Board to resolve on a directed issue of Class C shares to Nordea Bank AB (publ) in accordance with item 16 (b), and an authorisation for the Board of Directors to subsequently resolve to repurchase the Class C shares from Nordea Bank AB (publ) in accordance with item 16 (c). The Class C shares will then be held by the Company as treasury shares during the vesting period, where after the appropriate number of Class C shares will be reclassified into Class B shares and subsequently be delivered to the participants under the Plan. The Board of Directors also intends to hedge the social security costs by issuing Class C shares, which after reclassification into Class B shares will be sold on Nasdaq OMX Stockholm.

The rationale for the proposal

The objective of the proposed Plan is to create conditions to recruit and retain high performing employees in the Group. The Plan has been designed based on the view that it is desirable that senior executives and other key employees within the Group are shareholders in the Company. Participation in the Plan requires a personal investment in MTG shares by each participant. By linking the employee's reward with the development of the Company's profits and increase in value, employee loyalty is rewarded and long-term value growth of the Company is facilitated. Against this background, the Board of Directors is of the opinion that the adoption of the Plan as set out above will have a positive effect on the Group's future development and thus be beneficial for both the Company and its shareholders.

Preparation

MTG's Remuneration Committee has prepared this Plan in consultation with external advisors and major shareholders. The Plan has been reviewed at meetings of the Board of Directors during the end of 2009 and the first months of 2010.

Majority requirement

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the General Meeting.

The above proposal is supported by the Company's major shareholders.

AUTHORISATION TO RESOLVE TO ISSUE CLASS C SHARES (item 16 (b))

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to increase the Company's share capital by not more than SEK 1,075,000 by the issue of not more than 215,000 Class C shares, each with a ratio value of SEK 5.00. With disapplication of the shareholders' preferential rights, Nordea Bank AB (publ) shall be entitled to subscribe for the new Class C shares at a subscription price corresponding to the ratio value of the shares. The purpose of the authorisation and the reason for the disapplication of the shareholders' preferential rights in connection with the issue of shares is to ensure delivery of Class B shares to participants under the Plan and to hedge any social security costs related thereto.

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than two-thirds of both the shares voted and of the shares represented at the Annual General Meeting.

AUTHORISATION TO RESOLVE TO REPURCHASE OWN CLASS C SHARES (item 16 (c))

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to repurchase its own Class C shares. The repurchase may only be effected through a public offer directed to all holders of Class C shares and shall comprise all outstanding Class C shares. The purchase may be effected at a purchase price corresponding to not less than SEK 5.00 and not more than SEK 5.10. The total price will not exceed SEK 1,096,500. Payment for the Class C shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of Class B shares under the Plan.

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than two-thirds of both the shares voted and of the shares represented at the Annual General Meeting.

TRANSFER OF OWN CLASS B SHARES (item 16 (d))

The Board of Directors proposes that the Annual General Meeting resolves that Class C shares that the Company purchases by virtue of the authorisation to repurchase its own shares in accordance with item 16 (c) above, following reclassification into Class B shares, may be transferred to participants in accordance with the terms of the Plan.

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the Annual General Meeting.

AUTHORISATION FOR THE BOARD OF DIRECTORS TO RESOLVE ON REPURCHASE AND TRANSFER OF OWN SHARES

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on repurchasing the Company's own shares in accordance with the following conditions:

1. The repurchase of Class A and/or Class B shares shall take place on the Nasdaq OMX Stockholm in accordance with the rules regarding purchase and sale of own shares as set out in the Rulebook of Nasdaq OMX Stockholm.
2. The repurchase of Class A and/or Class B shares may take place on one or more occasions for the period up until the next Annual General Meeting.
3. So many Class A and/or Class B shares may, at the most, be repurchased so that the Company's holding does not at any time exceed 10 percent of the total number of shares in the Company.
4. The repurchase of Class A and/or Class B shares at the Nasdaq OMX Stockholm may occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.
5. Payment for the shares shall be in cash.

Furthermore, the Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on transferring the Company's own shares in accordance with the following conditions:

1. Not more than so many Class A and/or Class B shares, as are repurchased according to the Meeting's authorisation to the Board of Directors to pass a resolution on purchasing the Company's own shares as set out above, may be transferred.
2. In order to hedge social security costs which arise in connection with the 2008 Long-term incentive programme, a maximum of 55,000 Class C additional shares held by the Company may be transferred after reclassification into Class B shares.
3. The transfer of Class A and/or Class B shares shall take place:

    (i) on the Nasdaq OMX Stockholm in accordance with the rules regarding purchase and sale of own shares as set out in the Rulebook of Nasdaq OMX Stockholm; or

(ii) in connection with an acquisition of companies or businesses, on market terms. However, this item (ii) does not apply to such Class B shares as referred to in item 2 above.

4. The transfer of Class A and/or Class B shares may take place on one or more occasions for the period up until the next Annual General Meeting.

5. The transfer of Class A and/or Class B shares on the Nasdaq OMX Stockholm may occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.

6. The authorisation includes the right to resolve on disapplication of the preferential rights of shareholders and that payment shall be able to be made in other forms than cash.

The purpose of the authorisations is that the Board of Directors shall obtain increased freedom to act and obtain the ability to continuously adapt the Company's capital structure and thereby contribute to increased shareholder value as well as have the ability to finance future acquisitions. In addition, the purpose of the authorisation to transfer own shares is so that the Company may hedge its social security costs in connection with the 2008 Long-term incentive programme. The Board of Directors shall be able to resolve that repurchase of own shares shall be made within a repurchase programme in accordance with the Commission's Regulation (EC) no 2273/2003, if the purpose of the authorisation and the repurchase only is to decrease the Company's equity.