Documentation to be presented
at the Annual General Meeting of

Modern Times Group MTG AB (publ)

Wednesday 14 May 2008

Agenda

for the Annual General Meeting of Modern Times Group MTG AB (publ) Wednesday 14 May 2008 at 9.30 a.m. CET at the Hotel Rival, Mariatorget 3 in Stockholm.

Proposed agenda

1. Election of Chairman of the Meeting.

2. Preparation and approval of the voting list.

3. Approval of the agenda.

4. Election of one or two persons to check and verify the minutes.

5. Determination of whether the Meeting has been duly convened.

6. Presentation of Annual Report, Auditors' Report and the Consolidated Financial Statements, and the Auditors' Report on the Consolidated Financial Statements.

7. Resolution on the adoption of the income statement and balance sheet and of the consolidated income statement and the consolidated balance sheet.

8. Resolution on the proposed treatment of the Company's unappropriated earnings or accumulated loss as stated in the adopted balance sheet.

9. Resolution on the discharge of liability of the Directors of the Board and the Chief Executive Officer.

10. Determination of the number of Directors of the Board.

11. Determination of the remuneration to the Directors of the Board and the auditors.

12. Election of the Directors of the Board and the Chairman of the Board.

13. Approval of the procedure of the Nomination Committee.

14. Resolution on guidelines on remuneration for senior executives.

15. Resolution on reduction of the Company's equity reserves.

16. Resolution to reduce the share capital by way of redemption of repurchased shares.

17. Resolution to authorise the Board of Directors to resolve on the purchase of the Company's own shares.

18. Proposal to implement an incentive programme:

(a) proposal to adopt an incentive plan;

(b) amendment of the Articles of Association;

(c) authorisation to resolve to issue Class C shares;

(d) authorisation to resolve to repurchase own Class C shares;

(e) transfer of own Class B shares.

19. Closing of the Meeting.

The Board of Directors' proposals to be presented at the Annual General Meeting of Modern Times Group MTG AB (publ) on Wednesday 14 May 2008

The following proposals are numbered according to the proposed agenda.

DIVIDENDS (item 8)

The Board of Directors proposes a dividend of SEK 5 and an extraordinary dividend of SEK 10, in total SEK 15 per share. The record date is proposed to be Monday 19 May 2008. A motivated statement in connection with the Board of Directors' proposal for treatment of the Company's unappropriated earnings according to Chapter 18, Section 4 of the Companies Act is found in **Appendix 1**.

RESOLUTION ON GUIDELINES ON REMUNERATION FOR SENIOR EXECUTIVES (item 14)

The Board of Directors proposes the following guidelines for determining remuneration for senior executives, to be approved by the Annual General Meeting 2008. Senior executives covered by the proposed guidelines include the Executive Management (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 50 per cent of the fixed annual salary. The variable remuneration shall be based on the performance of Executives in relation to established goals and targets.

In addition, the Board of Directors has previously approved certain exceptional bonus schemes for 2007 and 2008. The variable remuneration payments under the scheme in 2007 were SEK 8 million and will be significantly less for 2008.

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

If MTG terminates the employment of an Executive, salary payments will continue to be paid during the contractual notice period for a maximum of 12 months. There is no standard severance pay in addition to the notice periods.

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.

RESOLUTION ON REDUCTION OF THE COMPANY’S EQUITY RESERVES (item 15)

The Board of Directors proposes that the Annual General Meeting decides on a reduction of the Company’s equity reserves by SEK 523 million from SEK 531 million to SEK 8 million. The reduction amount shall be transferred to the Company’s non-restricted equity. The objective of the reduction is to increase the Company’s flexibility in adjusting its capital structure moving forward.

A valid resolution requires the approval of shareholders representing at least two-thirds of the shares and number of votes represented at the Meeting.

According to the Companies Act, a resolution to reduce the equity reserves may only be executed after permission from the Swedish Companies Registration Office or, if disputed, Court.

RESOLUTION TO REDUCE THE SHARE CAPITAL BY WAY OF REDEMPTION OF REPURCHASED SHARES (item 16)

The Board of Directors proposes that the Meeting resolves to reduce the Company’s share capital by SEK 7,585,000 by redemption without repayment of 1,517,000 Class B shares which the Company has repurchased. Furthermore, the Board of Directors proposes that the redemption amount shall be transferred to non-restricted equity.

A valid resolution requires approval of shareholders representing at least two-thirds of the shares and number of votes represented at the Meeting.

According to the Companies Act, a resolution to reduce the share capital may only be executed after the Swedish Companies Registration Office has registered the resolution and after permission from the Swedish Companies Registration Office or, if disputed, Court.

RESOLUTION TO AUTHORISE THE BOARD OF DIRECTORS TO RESOLVE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES (item 17)

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 OMX Nordic Exchange Stockholm in accordance with the rules regarding purchase and sale of own shares as set out in the Company's listing agreement with the OMX Nordic Exchange Stockholm.
2. 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. Class A and/or Class B shares may be repurchased up to an amount where the Company's holding does not at any time exceed 10 per cent of the total number of shares in the Company.
4. Repurchase of Class A and/or Class B shares at the OMX Nordic Exchange 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.

The purpose of the authorisation is so that the Board of Directors obtains increased ability to continuously adapt the Company's capital structure and thereby contribute to increased shareholder value.

A motivated statement in connection with the Board of Directors' proposal to repurchase own shares according to Chapter 19, Section 22 of the Companies Act is found in Appendix 1.

A valid resolution requires the approval of shareholders representing at least two-thirds of the shares and number of votes represented at the Meeting.

PROPOSAL TO IMPLEMENT AN INCENTIVE PROGRAMME (item 18)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performancebased incentive programme for senior executives and other key employees within the Group in accordance with items 18(a) – 18(e) 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 PLAN (item 18(a))

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive plan (the "**Plan**"). The Plan is proposed to in total include approximately 50 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 directly in connection with the notification to participate in the Plan. Thereafter the participants will be granted, by the company free of charge, rights to retention shares and performance shares and 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 up to approximately 10 per cent of the employee's annual base salary.

For each share invested under the Plan, the participants will be granted retention rights, performance rights and performance options by the Company. Subject to fulfilment of certain retention and performance based conditions during the period 1 April 2008 – 31 March 2011 (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 2011, and subject to the participant maintaining the invested shares, each retention right and performance right will entitle the participant to receive one Class B share and each performance option will entitle the participant to purchase one Class B share at a price corresponding to 120 per cent of the share price at grant. Dividends paid on the underlying share will increase the number of rights being allotted in order to treat the shareholders and the participants equally.

Performance conditions

The retention rights, performance rights and performance options are divided into Series A: retention shares and Series B - Series D: performance shares and performance options

The number of shares to be received by exercising rights and options depends on the fulfilment 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 per cent as entry level (no stretch target)
Series B	MTG's average normalised return of capital employed (ROCE) exceeding 15 per cent as entry level and reach 25 per cent as stretch target
Series C	A defined strategic plan target in form of organic growth in earnings (EBIT) growth, which will be measured during the period 2008 – 2010, exceeding 12 per cent as entry level and reach 25 per cent as stretch target
Series D	MTG's total shareholder return on the Class B shares (TSR) better than a peer group including CME, ITV, M6, Mediaset, ProSieben, RTL Group, Sky, Sogecable, TF1 and TVN as the entry level and 10 percentage points better than the peer group as the stretch target

The determined levels 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 zero per cent. The entry level constitutes the minimum level which must be exceeded in order to enable exercise of part of the rights and options. Vesting of the retention rights, performance rights and performance options is initiated only if a defined entry level is exceeded. If the entry level is not exceeded all rights to retention and performance shares and performance 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 shares and performance shares

The allotment of the retention shares and performance shares shall be governed by the following terms and conditions:

- Granted free of charge at the end of May 2008.
- May not be pledged, transferred or disposed.
- May be exercised the day following the release of the interim report for the period January – March 2011.
- Dividends paid on the underlying share during the vesting period will increase the number of retention and performance shares 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 exercise the performance options

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

- Granted free of charge at the end of May 2008.
- Each performance option entitles the holder to purchase one Class B share in the Company. The exercise price shall be 120 per cent of the share price at grant.
- May be exercised during the period from the day after the release of the interim report for the period January – March 2011 up to the day which commences 30 days before the planned day for the release of the interim report for the period January – June 2011.
- Carry no right to compensation for ordinary dividends on the underlying shares. In case of an extraordinary dividend, the Board of Directors shall have the right to decide if option holders shall be compensated.
- May not be pledged, transferred or disposed.
- 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 terms and guidelines resolved 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, targets and conditions 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 25,000 shares held by the employees entitling participants to rights of up to 12,500 retention shares, 131,000 performance shares and 262,000 performance options. The participants are divided into five different groups. 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:

- for the CEO; up to 3,400 shares and 8 rights per invested share (Series A: 0.5 rights and Series B-D: 2.5 rights per Series), and 15 options per invested share (Series B-D: 5 option rights per Series);
- for approximately eight members of the senior executives (category 1); up to 1,000 shares each and 6.5 rights per invested share (Series A: 0.5 rights and Series B-D: 2 rights per Series), and 12 options per invested share (Series B-D: 4 option rights per Series);
- for approximately nine senior executives and/or key employees (category 2); up to 550 shares each and 5 rights per invested share (Series A: 0.5 rights and Series B-D: 1.5 rights per Series), and 9 options per invested share (Series B-D: 3 option rights per Series);
- for approximately 19 senior executives and/or key employees (category 3); up to 325 shares each and 5 rights per invested share (Series A: 0.5 rights and Series B-D: 1.5 rights per Series), and 9 options per invested share (Series B-D: 3 option rights per Series); and
- for approximately 14 senior executives and/or key employees (category 4); up to 175 shares each and 3.5 rights per invested share (Series A: 0.5 rights and Series B-D: one right per Series), and 6 options per invested share (Series B-D: 2 option rights per Series).

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 425 at the time of allocation, that each participant makes the maximum personal investment, and that the annual employee turnover is 10 per cent among the participants of the programme, an average fulfilment of performance conditions of approximately 50 per cent and full award of retention share, the total cost, exclusive of social security costs, for the programme is estimated to approximately SEK 29 million before tax. The cost will be allocated over the years 2008-2011.

Social security costs will also be recorded as a personnel expense in the income statement in accordance with generally accepted accounting principles. The social security costs are estimated to be around SEK 9 million with the assumptions above and an average social security tax rate of 23 per cent and an annual share price increase of 10 per cent.

The participant's maximum profit per right and performance option in the Plan is SEK 2,005, which corresponds to five times the average closing share price of the MTG Class B shares during March 2008 (SEK 401). If the value of right and/or performance option exceeds SEK 2,005, the number of shares each right entitles the employee to receive will be reduced accordingly. A similar reduction will also apply to the performance options, however, taking into consideration the exercise price to be paid by the participants. The maximum dilution, taking into consideration the proposal of redeemed shares in item 16 and the issues of shares for the purpose of hedging social security costs, is 0.7 per cent in terms of shares outstanding, 0.2 per cent in terms of votes and 0.1 per cent 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 2,005 per right and option is achieved, all invested shares are held according to Plan and a 100 per cent fulfilment of retention and performance based conditions are met the maximum cost for the programme is approximately SEK 58 million in accordance with IFRS 2 and the maximum cost for social charges approximately SEK 190 million.

Information on other incentive programmes in the Company can be found in **Appendix 2**.

Effect on certain key ratios

The impact on basic earnings per share if the programme had been introduced in 2007 with the assumptions above would result in a dilution of 1.0 per cent or from SEK 20.35 to SEK 20.14 on a proforma basis.

The annual cost of the programme including social charges is estimated to be SEK 13 million assuming the above assumptions. This cost can be related to the Company's total personnel costs, including social charges, of SEK 1,278 million in 2007.

Delivery of shares under the Plan

To ensure the delivery of Class B shares under the Plan, the Board of Directors proposes in accordance with item 18 (b) below that a new class of shares is introduced, Class C shares. These Class C shares are redeemable and, upon the decision by the Board of Directors, may be reclassified into Class B shares. The Class C shares will not provide entitlement to dividend payment. 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 18 (c), 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 18(d). 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 OMX Nordic Exchange Stockholm. Any decision to sell shares for the purpose of hedging social security costs will be put forward at the Annual General Meeting 2010.

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 2007 and the first months of 2008.

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.

AMENDMENT OF THE ARTICLES OF ASSOCIATION (item 18 (b))

The Board of Directors proposes that the Annual General Meeting resolves to amend Section 5 in the Articles of Association meaning the introduction of a new class of shares, Class C shares, which each entitles to one vote. Not more than 238,400,000 Class C shares may be issued and will not provide entitlement to any dividend payment. The Board of Directors may reclassify the Class C shares into Class B shares. Customary provisions regarding primary and subsidiary preferential rights in connection with a cash issue shall apply to the Class C shares. The Class C shares shall be redeemable and have limited right to assets in connection with the Company's liquidation, corresponding to the nominal value of the share adjusted for an interest factor of STIBOR 30 days with the addition of 1 percentage point calculated from the day of payment of the subscription price.

The proposed new wording of Section 5 of the Articles of Association is set forth in **Appendix 3.** The proposed amendments are italicised.

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 General Meeting.

AUTHORISATION TO RESOLVE TO ISSUE CLASS C SHARES (item 18 (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 increase the Company's share capital by not more than SEK 2,400,000 by the issue of not more than 480,000 Class C shares, each with a ratio value of SEK 5. 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 18 (d))

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 affected at a purchase price corresponding to not less than SEK 5 and not more than SEK 5.10. The total price will not exceed SEK 2,448,000. 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 18 (e))

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 18 (d) 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.

The Nomination Committee's proposals to be presented at the Annual General Meeting of Modern Times Group MTG AB (publ) on Wednesday 14 May 2008

The following proposals are numbered according to the proposed agenda.

NOMINATION COMMITTEE PROPOSALS (items 1 and 10-14)

The Nomination Committee proposes that the lawyer Martin Börresen is appointed to be the Chairman of the Annual General Meeting.

The Nomination Committee proposes that the Board of Directors shall consist of eight Directors without alternate Directors. The Nomination Committee proposes, for the period until the close of the next Annual General Meeting, re-election of Asger Aamund, Mia Brunell Livfors, David Chance, David Marcus, Cristina Stenbeck and Pelle Törnberg and proposes the election for the first time of Simon Duffy and Alexander Izosimov as Directors of the Board. Nick Humby and Lars Johan Jarnheimer have declined re-election. The Nomination Committee proposes that the Meeting shall re-elect David Chance to be Chairman of the Board of Directors. Furthermore, it is proposed that the Board of Directors at the Constituent Board Meeting shall appoint members of a Remuneration Committee and an Audit Committee within the Board of Directors.

The Nomination Committee proposes that the Meeting resolves that the remuneration to the Board of Directors (including remuneration for the work in the committees of the Board of Directors) for the period until the close of the next Annual General Meeting shall be a total of SEK 4,375,000, of which SEK 1,100,000 shall be allocated to the Chairman of the Board and SEK 400,000 to each of the other Directors. The Nomination Committee proposes that for work within the Audit Committee 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 SEK 50,000 shall be allocated to the Chairman and SEK 25,000 to each of the other three members. Furthermore, remuneration to the auditors shall be paid in accordance with an approved invoice.

The Nomination Committee proposes that the AGM approves the following procedure to elect a new Nomination Committee:

The Nomination Committee shall be formed during September 2008 in consultation with the largest shareholders of the Company at that time. The Committee shall consist of at least three members.

The Nomination Committee shall prepare proposals for the 2009 Annual General Meeting regarding:

- Chairman of the AGM
- Number of Directors of the Board
- Chairman and Directors of the Board
- Remuneration to the Chairman, Directors and auditors
- Election of auditors (if applicable)
- Procedure to elect a new Nomination Committee.

The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report in 2008 and ending when a new Nomination Committee is formed. The majority of the members of the Committee shall 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 is to be appointed in the corresponding manner. 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.

The above proposals are supported by shareholders representing more than 50 per cent of the votes in the Company including, among others, Emesco AB, Investment AB Kinnevik, Swedbank Robur Fonder, SEB Fonder and SEB Trygg Liv.

A report on the Nomination Committee's work is available on the Company's website, www.mtg.se.

CV's of proposed Directors of Modern Times Group MTG AB (publ)

Asger Aamund, Non-Executive Director

Born: 1940

Nationality: Danish

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 1,500 Class B shares.

Asger has been a member of the Board of Directors since 2000. Asger is the majority shareholder and Chairman of the Bavarian Nordic Research Institute A/S and NeuroSearch A/S, both of which are listed on the Copenhagen Stock Exchange. Asger has many years experience in Executive Management positions and on the boards of Danish and international companies. Asger graduated from Copenhagen Business School.

Mia Brunell Livfors, Non-Executive Director

Born: 1965

Nationality: Swedish

Independence: Not independent of the Company and management and not independent of major shareholders.*

*Mia is a member of the Board of Transcom Worldwide SA, a major supplier of CRM services to MTG. As CEO of Investment AB Kinnevik, Mia represents a major shareholder who owns more than 10 per cent of MTG.

Direct or related person ownership: 13,333 warrants and 26,666 stock options.

Mia has been a member of the Board of Directors since 2007. Mia has been President and CEO of Investment AB Kinnevik since 2006. Mia is a Non-Executive Director of CTC Media, Inc., Metro International S.A., Millicom International Cellular S.A., Tele2 AB, and Transcom Worldwide S.A.

She was CFO of Modern Times Group MTG AB between 2001 and 2006. Mia has previously worked for MTG since 1992 in various managerial positions. Mia has studied Business Administration and Economics at Stockholm University.

David Chance, Chairman of the Board

Born: 1957

Nationality: British

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 1,000 Class B shares.

David has been Chairman of the Board of Directors since May 2003, and a member of the Board since 1998. David is Chairman and founder of Top Up TV. David was Deputy Managing Director of the BSkyB Group between 1993 and 1998. David graduated with a BA, BSc and MBA from the University of North Carolina.

Simon Duffy, Non-Executive Director

Born: 1949

Nationality: British

Independence: Independent of the Company and management and independent of the major shareholders.

Direct or related person ownership: 0

Simon was Executive Chairman of Tradus plc from 2007 until the company's sale in March 2008. Simon is Non-Executive Chairman of Cell C (Pty) Limited and iMedia Holdings Limited, as well as a Non-Executive Director of Oger Telecom Limited and mBlox Inc. Simon was also Executive Vice-Chairman of ntl:Telewest, until 2007 having joined ntl in 2003 as CEO. Simon has also served as CFO of Orange SA, CEO of wireless data specialist End2End AS, CEO and Deputy Chairman of WorldOnline International BV, and held senior positions at EMI Group plc and Guinness plc. Simon holds a Masters Degree from Oxford University and an MBA from Harvard Business School.

Alexander Izosimov, Non-Executive Director

Born: 1964

Nationality: Russian

Independence: Independent of the Company and management and independent of the major shareholders.

Direct or related person ownership: 0

Alexander has been CEO of VimpelCom Group since October 2003. Alexander is a Board Director of Baltika Breweries Plc, Dynasty Foundation and the GSMA (the governing body for the global mobile telecommunications industry) as well as a member of the Russian Prime Minister's Council for Competitiveness and Entrepreneurship. Alexander previously held several senior positions at

Mars, Inc. over a period of seven years, including as a member of the Global Executive Management Board and as Regional President for Russia, the CIS, Eastern Europe and the Nordics. Alexander worked as a consultant for McKinsey & Co in Stockholm and London for five years. Alexander graduated from the Moscow Aviation Institute with a Masters Degree in Science and from INSEAD with an MBA.

David Marcus, Non-Executive Director

Born: 1965

Nationality: American

Independence: Independent of the Company and management and independent of the major shareholders.

Direct or related person ownership: 6,100 Class B shares.

David has been a member of the Board of Directors since 2004. He is the founder and CEO of MarCap Investors, L.P, a special situations hedge fund focused on European investments. David is also Chairman of Scribona AB and Modern Holdings, Inc. and Board Director of Carl Lamm AB. David graduated from Northeastern University in Boston.

Cristina Stenbeck, Non-Executive Director

Born: 1977

Nationality: American

Independence: Not independent of the Company and management and not independent of major shareholders.

*Cristina is a member of the Board of Transcom Worldwide SA, a major supplier of CRM services to MTG. As Chairman of Investment AB Kinnevik and Emesco AB, Cristina represents major shareholders who own more than 10 per cent of MTG.

Direct or related person ownership: 800 Class B shares.

Cristina has been a member of the Board of Directors since 2003. She is Chairman of the Board of Directors of Investment AB Kinnevik since 2007 and Emesco AB since 2003. She serves as a Board Director of Metro International S.A., Millicom International Cellular S.A., Tele2 AB, Transcom WorldWide S.A and Korsnäs AB. Cristina graduated with a BSc from Georgetown University in Washington DC.

Pelle Törnberg, Non-Executive Director

Born: 1956

Nationality: Swedish

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 12,200 Class B shares.

Pelle has been a member of the Board of Directors since 2000. Pelle is a Board Director of RNB Retail and Brands AB, Tele2 AB and the Swedish-American Chamber of Commerce. Pelle was CEO of Metro International S.A. until 2007. From 1997 to 2000, Pelle was CEO of Modern Times Group MTG AB. Pelle studied at the University of Gothenburg.

Appendix 1

The Board of Directors' statement in accordance with Chapter 18, Section 4, and Chapter 19, Section 22 of the Companies Act (2005:551)

The Board of Directors hereby presents the following statement in accordance with Chapter 18, Section 4 and Chapter 19, Section 22 of the Companies Act.

The Board of Directors' reasons for the proposed dividend and the authorisation to repurchase the Company's own shares being in accordance with the provisions of Chapter 17, Section 3, paragraph 2 and 3 of the Companies Act are as follows:

The Company's objects, scope, and risks

The Company's objects and scope of business are set out in the articles of association and the submitted annual reports. The business run by the Company does not entail any risks in excess of those that exist or may be deemed to exist in the industry or those risks which are generally associated with operating a business.

The financial position of the Company and the Group

The financial position of the Company and the Group as at 31 December 2007 is stated in the latest annual report. The annual report also states which accounting principles are applied in the valuation of assets, allocations and liabilities.

The proposal on dividend states that the Board of Directors proposes a total dividend of SEK 15 per share, which corresponds to an amount of approximately SEK 983 million. The proposed dividend constitutes 10 per cent of the parent Company's equity and 17 per cent of the Group's equity. The non-restricted equity in the parent Company and the Group's retained profits amounted to SEK 8,791 million and SEK 4,804 million respectively at the end of 2007. In addition, the investment in CTC Media is carried at book value, SEK 1,796 million, whereas the market value at the end of 2007 was SEK 11,721 million.

The Board of Directors proposes that the record day for the dividend is Monday 19 May 2008.

The equity to assets ratio is 54 per cent. The proposed dividend and authorisation to repurchase the Company's own shares does not limit the Company's possibilities to make ongoing and value-creating investments.

The Company's financial position does not give rise to any other conclusion than that the Company can continue its business and that the Company can be expected to fulfil its obligations on both a short and long-term basis.

Justification for dividend and repurchase

With reference to the above and to what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that after a comprehensive review of the financial position of the Company and of the Group it follows that the proposed dividend and the authorisation to repurchase the Company's own shares and the authorisation to resolve to repurchase own shares to secure the delivery of the shares under the proposed incentive programme to create flexibility in the work with the Company's capital structure is justified according to the provisions of Chapter 17, Section 3, paragraph 2 and 3 of the Companies Act, i.e. with reference to the requirements that the objects of the business, its scope and risks place on the size of the Company's and Group's equity and the Company's and the Group's consolidating requirements, liquidity and financing needs in general.

Stockholm, April 2008

Modern Times Group MTG AB (publ)

The Board of Directors

Appendix 2

1 Other Outstanding Share Related Incentive Programmes

At the Annual General Meetings on 11 May 2005 and 10 May 2006 it was resolved to adopt an incentive programme for senior executives and other key employees employed in the Group, meaning that employees were offered a combination of warrants and stock options, which entitled them to acquire Class B shares in the Company. The participants in the incentive programme have purchased warrants on market terms. For each warrant purchased, the participants have been offered a maximum of two stock options, each carrying the right to acquire one Class B share. The subscription price of the warrants and the acquisition price of the stock options equal 115 per cent of the average last trading price of the Company's Class B share during the ten trading days immediately following the day of the Annual General Meeting.

At the Annual General Meeting on 9 May 2007 it was resolved to adopt an incentive programme for senior executives and key employees, meaning the employees were offered a combination of warrants and stock options, which entitled them to acquire Class B shares in the Company. The participants in the incentive programme have purchased warrants on market terms. For each warrant purchased, the participants have been offered a maximum of six stock options, each carrying the right to acquire one Class B share. The subscription price of the warrants and the acquisition price of the stock options equal 110 per cent of the average last trading price of the Company's Class B share during the ten trading days immediately following the day of the Annual General Meeting.

The warrants are run for approximately three years and the stock options run for approximately five years. The stock options are not transferable and the right to exercise the stock options normally requires that the holder is still employed within the Group at the time of exercise. The terms, the strike price and the number of outstanding warrants/stock options are set forth in the summary below. No warrants/stock options have been exercised for acquisition of shares. The earliest possible exercise date is 15 May 2008 in the 2005 programme.

	Warrants	Stock options	Warrants	Stock options	Warrants	Stock options
Year of grant	2005	2005	2006	2006	2007	2007
Number of granted options	133,333	266,666	109,123	218,246	50,989	305,934
Subscription price per share (SEK)	239.30	235.80	417.70	413.30	432.50	432.50
Outstanding shares that can be acquired	133,333	263,666	109,123	215,246	50,989	305,934

Appendix 3

The Board of Directors' proposed amendments to the Articles of Association

<table>
<tr><th colspan="2">§ 5</th></tr>
<tr><th>Current wording</th><th>Proposed wording</th></tr>
<tr><td>Shares may be issued in two Classes, Class A and Class B. Class A shares may be issued to a maximum number of 238,400,000 and Class B shares to a maximum number of SEK 2,238,400,000. Each Class A share carry ten votes and each Class B share carry one vote.

Should the Company resolves on an issue of new Class A and Class B shares, against other payment than contribution in kind, each holder of Class A and Class B shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by lot.

Should the Company resolves on an issue of new shares solely of Class A shares or Class B shares, against other payment than contribution in kind, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible bonds, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class.</td><td>Shares may be issued in three Classes, Class A, Class B and Class C. Class A shares may be issued to a maximum number of 238,400,000, Class B shares to a maximum number of 238,400,000 and Class C shares to a maximum number of 238,400,000. Each Class A share carry ten votes and each Class B share and Class C share carry one vote.

Class C shares do not entitle to dividends. Upon the Company's liquidation, Class C shares carry an equivalent right to the Company's assets as the other classes of shares, however not to an amount exceeding up to the quota value of the share, annualised as per day of distribution with an interest rate of STIBOR 30 days with an additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 30 days is set on the first business day of each calendar month.

Should the Company resolves on an issue of new Class A, Class B and Class C shares, against other payment than contribution in kind, each holder of Class A, Class B and Class C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by lot.

Should the Company resolves on an issue of new shares solely of Class A shares, Class B shares or Class C shares, against other payment than contribution in kind, all</td></tr>
</table>

§ 5	
Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue. It shall be possible to reclassify Class A shares to Class B shares. Holders of Class A shares shall, during the calendar months January and July each year (the "Reclassification periods"), be entitled to request that all or part of the shareholder's Class A shares shall be reclassified to Class B shares. The request shall be made in writing and must have been received by the Board of Directors no later than on the last day of the specific Reclassification period. The request shall state (i) the number of Class A shares that the shareholder wants to reclassify or (ii) the maximum percentage of the total number of votes in the Company, that the shareholder wants to hold, after reclassification has been completed of all Class A shares requested to be reclassified during the specific Reclassification period. When making a request according to alternative (ii) above, the shareholder shall also state the total number of Class A and Class B shares that the shareholder holds at the time of the request. By the end of each Reclassification period, the Board of Directors shall consider the question of reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.	shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held. The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived. If the share capital is increased by a bonus issue, where new shares are issued, new shares *of Class A and Class B* shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. *Class C shares do not carry rights to participate in bonus issues*. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue. *Reduction of the share capital, however not below the minimum share capital, may on request of holders of Class C shares or as resolved by the Company's Board of Directors or General Meeting, be made by redemption of Class C shares. A request from a shareholder shall be made in writing to the Company's Board of Directors and the Board of Directors shall promptly act on the matter. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's equity reserves, if the required funds are available.* *The redemption payment per Class C share shall correspond to the quota value of the share annualised per day with an interest rate of STIBOR 30 days with additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 30 days shall be initially set on the day of payment of the subscription price.* *Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if authorisation from the Swedish Companies*

§ 5	
	Registration Office or a court is required, following notice that the final decision has been registered. *Upon decision by the Board of Directors, Class C shares shall be reclassified into Class B shares, provided that the shares are held by the Company. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the Swedish Central Securities Depository.* It shall be possible to reclassify Class A shares to Class B shares. Holders of Class A shares shall, during the calendar months January and July each year (the "**Reclassification periods**"), be entitled to request that all or part of the shareholder's Class A shares shall be reclassified to Class B shares. The request shall be made in writing and must have been received by the Board of Directors no later than on the last day of the specific Reclassification period. The request shall state (i) the number of Class A shares that the shareholder wants to reclassify or (ii) the maximum percentage of the total number of votes in the Company, that the shareholder wants to hold, after reclassification has been completed of all Class A shares requested to be reclassified during the specific Reclassification period. When making a request according to alternative (ii) above, the shareholder shall also state the total number of Class A and Class B shares that the shareholder holds at the time of the request. By the end of each Reclassification period, the Board of Directors shall consider the question of reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the *Swedish Central Securities Depository*.