Documentation to be presented
at the Annual General Meeting of

Modern Times Group MTG AB (publ)

Monday 17 May 2010

Agenda

for the Annual General Meeting of Modern Times Group MTG AB (publ) Monday 17 May 2010 at 4 p.m. CET at Hotel Rival, Mariatorget 3 in Stockholm.

PROPOSED AGENDA

1. Election of Chairman of the Annual General 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 Annual General Meeting has been 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.
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. Determination of the number of auditors and election of auditors.
14. Approval of the procedure of the Nomination Committee.
15. Resolution regarding Guidelines for remuneration to the senior executives.
16. Resolution regarding incentive programme comprising the following resolutions:
    - (a) adoption of an incentive programme;
    - (b) authorisation to resolve to issue Class C shares;
    - (c) authorisation to resolve to repurchase own Class C shares;
    - (d) transfer of own Class B shares.
17. Resolution to authorise the Board of Directors to resolve on repurchase and transfer of own shares.

18. 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 Monday 17 May 2010

The following proposals are numbered according to the proposed agenda.

DIVIDENDS (Item 8)

The Board of Directors proposes a dividend of SEK 5.50 per share. The record date is proposed to be Thursday 20 May 2010. The dividend is estimated to be paid out by Euroclear Sweden on 25 May 2010. 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**.

GUIDELINES FOR REMUNERATION TO THE SENIOR EXECUTIVES (Item 15)

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.

The auditor's statement according to Chapter 8, Section 54 of the Companies Act regarding whether there has been compliance with the guidelines on remuneration for senior executives which have applied since the previous Annual General Meeting is found in **Appendix 2**.

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 (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 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.

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

A valid resolution requires approval of shareholders representing at least two-thirds of both the shares and number of votes 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 Monday 17 May 2010

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 Wilhelm Lüning is appointed to be the Chairman of the Annual General Meeting.

The Nomination Committee proposes that the Board of Directors shall consist of seven directors and no deputy directors. The Nomination Committee proposes, for the period until the close of the next Annual General Meeting, the re-election of Mia Brunell Livfors, David Chance, Simon Duffy, Alexander Izosimov, Michael Lynton, David Marcus and Cristina Stenbeck. Asger Aamund has informed the Nomination Committee that he declines re-election at the Annual General Meeting. The Nomination Committee proposes that the Annual General Meeting shall re-elect David Chance as Chairman of the Board of Directors. Furthermore, it is proposed that the Board of Directors at the Constituent Board Meeting appoints an Audit Committee and a Remuneration Committee within the Board of Directors. The Nomination Committee's motivated opinion regarding proposal of the Board of Directors is available at the Company's website, www.mtg.se.

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. The Nomination Committee proposes that the Company shall have two auditors and that KPMG AB is re-appointed as auditor, with the Authorised Public Accountant George Pettersson as auditor in charge, for a period of four years. 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.

The Nomination Committee proposes that the Annual General Meeting resolves 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. The proposed Board remuneration shall amount to a total of 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. 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. For work within the Remuneration Committee SEK 50,000 shall be allocated to the Chairman and SEK 25,000 to each of the other two members. Furthermore, remuneration to the auditor shall be paid in accordance with approved invoices.

The Nomination Committee proposes that the Annual General Meeting approves 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.

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

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 not independent of the Company and its management due to her appointment to Board of Directors of Transcom Worldwide S.A., a significant supplier of call centre services (CRM) to MTG. As CEO of Investment AB Kinnevik, Mia represents major shareholders who owns more than 10 percent of MTG.

Direct or related person ownership: 26,666 stock options.

Committee work: Member of the Remuneration Committee.

Mia was elected at the AGM 2007. Mia has been Chief Executive Officer of Investment AB Kinnevik since 2006. Mia has previously worked for MTG since 1992, in various managerial positions. She was appointed as Chief Financial Officer of Modern Times Group MTG AB in 2001. Mia is Chairman of the Board of Directors of Metro International S.A. since 2008. She serves as a Non-Executive Director of Millicom International Cellular S.A., Tele2 AB and Transcom Worldwide S.A., and is also a member of the board of H & M Hennes & Mauritz AB since 2008. Mia studied Business Administration 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

Committee work: Member of the Remuneration Committee.

David has been Chairman of the Board of Directors since May 2003, and a member of the Board since 1998. David was Deputy Managing Director of the BSkyB Group between

1993 and 1998 and is now Chairman of Top Up TV. He also served as a Non-Executive Director of ITV plc and O2 plc. 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: 1,750 Class B shares

Committee work: Chairman of the Audit Committee.

Simon was elected at the AGM 2008. 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, Cadogan Petroleum plc and Symbiotic Technologies Pty 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 Master's 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: 2,634 Class B shares.

Committee work: Member of the Audit Committee.

Alexander was elected at the AGM 2008. Alexander is Chief Executive Officer of the enlarged VimpelCom Ltd. He was CEO of former VimpelCom Group from October 2003 until April 2009. Alexander is Chairman of the Board of Director's of 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, and Director of Teleopti AB and East Capital AB. 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 Master's degree in Science and from INSEAD with an MBA.

Michael Lynton, Non-Executive Director

Born: 1960

Nationality: American and British.

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

Direct or related person ownership:-

Committee work: Member of the Audit Committee

Michael was elected at the AGM 2009. Michael became Chairman and Chief Executive Officer of Sony Pictures Entertainment in January 2004. Prior to joining Sony Pictures, Michael worked for Time Warner and served as CEO of AOL Europe, President of AOL International and President of Time Warner International. From 1996 to 2000, he was Chairman and CEO of Pearson plc's Penguin Group. Michael joined The Walt Disney Company in 1987, was responsible for starting Disney Publishing and served as President of Disney's division Hollywood Pictures from 1992 to 1996. Michael is a graduate of Harvard College and Harvard Business School.

David Marcus, Non-Executive Director

Born: 1965

Nationality: American

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

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

Committee work: Chairman of the Remuneration Committee.

David has been a member of the Board of Directors since 2004 and is the co-founder and Chief Executive Officer of Evermore Global Advisors, LLC. David is also the Non-Executive Chairman of Modern Holdings, Inc.. David graduated from Northeastern University in Boston.

Cristina Stenbeck, Non-Executive Director

Born: 1977

Nationality: American and Swedish

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

** As Chairman of Investment AB Kinnevik, Cristina represents major shareholders who owns more than 10 percent of MTG.

Direct or related person ownership: 800 Class B shares.

Committee work: -

Cristina has been a member of the Board of Directors since 2003. Cristina is Chairman of the Board of Directors of Investment AB Kinnevik since 2007. She serves as a Non-Executive Director of Metro International S.A. and Tele2 AB. Cristina graduated from Georgetown University in Washington DC.

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 Parent Company and the Group

The financial position of the Parent Company and the Group as per 31 December 2009 is stated in the annual report for 2009. 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 5.50 per share, which corresponds to an amount of approximately SEK 366 million. The proposed dividend constitutes approximately 4 percent of the Parent Company's equity and approximately 6 percent of the Group's equity. The non-restricted equity in the Parent Company and the Group's retained profits as of 31 December 2009 amounted to SEK 8,818 million and SEK 2,772 million respectively.

The Board of Directors proposes that the record day for the dividend is Thursday 20 May 2010.

As of 31 December 2009 the Group's equity/assets ratio amounted to 39 percent. The proposed dividend and authorisation to repurchase and transfer the Company's own shares does not limit the Company's possibilities to complete ongoing, and further make 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 Parent Company and of the Group it follows that the proposed dividend and the authorisation to repurchase and transfer the Company's own shares to create flexibility in the work with the Company's capital structure and to secure the delivery of the shares under the proposed incentive programme 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 Parent Company's and Group's equity and the Parent Company's and the Group's consolidating requirements, liquidity and financing needs in general.

Stockholm, April 2010

Modern Times Group MTG AB (publ)

The Board of Directors

KPMG

Appendix 2

Translation of Swedish original

Auditors' report in accordance with Chapter 8, § 54 of the Swedish Companies Act (2005:551)

To the annual meeting of the shareholders in Modern Times Group MTG AB (publ.), Corporate identity number 556309-9158

Introduction

We have audited whether the Board of Directors and the Chief Executive Officer of Modern Times Group MTG AB (publ.) have complied with the guidelines for remuneration to Group Executive Management during the financial year 2009 which were approved by the Annual Meeting of the Shareholders held on May 14, 2008 respectively by the Annual Meeting of the Shareholders held on May 11, 2009. The Board of Directors and the Chief Executive Officer are responsible for compliance with these guidelines. Based on our audit, our responsibility is to express an opinion to the annual meeting of the shareholders as to whether the guidelines have been complied with.

The focus and scope of our audit

We conducted our audit in accordance with standard RevR 8 Audit of Remuneration to Officers in Listed Companies issued by FAR SRS, (the institute for the accountancy profession in Sweden). In following this standard, we have planned and performed the audit to obtain reasonable assurance whether the guidelines have, in all material aspects, been complied with. Our audit has included a review of the organization for and the documentation supporting the remuneration to Group Executive Management as well as new decisions related to compliance with the guidelines. Our procedures have also included testing a sample of payments during the year to Group Executive Management. We believe that our audit procedures provide a reasonable basis for our opinion as set out below.

Opinion

In our opinion, the Board of Directors and the Chief Executive Officer of Modern Times Group MTG AB (publ.) have during the financial year 2009 complied with the guidelines for remuneration to Group Executive Management which were approved by the Annual Meeting of the Shareholders held on May 14, 2008 respectively by the Annual Meeting of the Shareholders held on May 11, 2009.

Stockholm, April 6, 2010

KPMG AB

Signature on Swedish original

Carl Lindgren
Authorized Public Accountant