

18 May 2011

2011 Annual General Meeting of shareholders

Modern Times Group MTG AB (publ.) ('MTG' or 'the Group'), the international entertainment broadcasting group, today announced that the 2011 Annual General Meeting of MTG shareholders, which was held today in Stockholm, voted to support all of the resolutions proposed to the Meeting.

The Meeting adopted the income statement and Balance Sheet as well as the consolidated financial statements and the Auditors' report on the consolidated financial statements. The Meeting also resolved that a dividend of SEK 7.50 per share be paid to shareholders. The record date for the dividend was set to 23 May 2011, and the dividend is estimated to be paid out by Euroclear Sweden on 26 May 2011.

The Meeting discharged the Board of Directors and the CEO from liability for the results for the full year 2010.

The Meeting resolved to re-elect David Chance, Simon Duffy, Alexander Izosimov, Mia Brunell Livfors, Michael Lynton, David Marcus and Cristina Stenbeck as Directors of the Board, and resolved to elect Lorenzo Grabau as a new Director of the Board. The Meeting also re-elected David Chance as Chairman of the Board of Directors.

The Meeting resolved increase the total Board remuneration from SEK 3,950,000 to SEK 4,875,000 for the period until the close of the next Annual General Meeting. The proposal states that SEK 1,200,000 be allocated to the Chairman of the Board, SEK 450,000 to each of the directors of the Board and total SEK 525,000 for the work in the committees of the Board of Directors. For work within the Audit Committee, SEK 200,000 shall be allocated to the Chairman and SEK 75,000 to each of the other three 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 Meeting approved the following procedure for the 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 2012, shall be performed by a Nomination Committee. The Nomination Committee will be formed during October 2011 in consultation with the largest shareholders of the Company as per 30 September 2011. 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 2011 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, upon request, have the right to receive personnel resources such as secretarial services from the Company, and to charge the Company with costs for recruitment consultants if deemed necessary.

The Meeting approved the Nomination Committee's proposal that the Company shall have one accounting firm as auditor. Pursuant to the proposal, the task of appointing an auditor is not scheduled to occur until 2014.

The Meeting approved the proposed guidelines for the remuneration of senior executives.

The meeting resolved to adopt the performance-based incentive programme (the 'Plan') proposed by the Board of Directors. The Plan is proposed to include a total of approximately 100 senior executives and other key employees within the Group. The Plan has the same structure as the performance based incentive programme adopted last year.

Participants in the plan are required to own shares in MTG in order to qualify. 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.

For each investment share, the participants will be granted retention rights, and in certain cases, performance rights and stock options, subject to the fulfilment of certain retention and performance based conditions during the period 1 April 2011 – 31 March 2014. The grant is also conditional upon the participant maintaining employment within the Group at the release of MTG's first quarter 2014 financial results, as well as the participant retaining the invested shares during the vesting period, which ends at the release of MTG's financial results for the first quarter 2014. Each retention right and performance right will entitle the participant to receive one Class B share free of charge 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.

To ensure the delivery of Class B shares under the Plan, the Meeting resolved to authorise the Board of Directors to resolve on a directed issue of Class C shares to Nordea Bank AB (publ), and further to authorise the Board of Directors to subsequently resolve to repurchase these shares. The Meeting also resolved that the Class C shares that MTG has repurchased will, following reclassification into Class B shares, be able to be delivered to the participants under the Plan.

The Meeting authorised the Board of Directors to pass a resolution on one or more occasions during the period up until the next Annual General Meeting, to repurchase so many Class A and/or Class B shares that the Company's holding does not at any time exceed 10 per cent of the total number of shares in the Company. The repurchase of shares shall take place on Nasdaq OMX Stockholm and may only 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. The purpose of the authorisation is to give the Board of Directors the flexibility to continuously decide on changes to the capital structure during the year, and thereby contribute to increased shareholder value.

The Meeting resolved on the following additions and alterations of Sections 7 and 9 of the Articles of Association, as a result of amendments to the Swedish Companies Act:

- An addition to Section 7, comprising that the term of office of the auditor shall last until the end of the Annual General Meeting which is held during the fourth financial year after the election with the following wording: *“The Company shall have no more than three auditors with up to three deputy auditors. The auditor’s term of office shall last until the end of the Annual General Meeting which is held during the fourth financial year after the auditor was elected”*.
- A deletion of the rules regarding the timetable for the notice convening General Meetings, in Section 9 first paragraph.

At a statutory meeting of the Board of Directors following the Meeting, the Audit and Remuneration Committees were appointed. Simon Duffy was reappointed as Chairman of the Audit Committee, while Alexander Izosimov, Michael Lynton and Lorenzo Grabau were appointed as Committee members. David Marcus was reappointed as Chairman of the Remuneration Committee, while David Chance and Mia Brunell Livfors were appointed as Committee members.

For further information, please visit www.mtg.se or contact:

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Modern Times Group is an international entertainment broadcasting group with the largest geographical broadcast footprint in Europe. MTG’s Viasat Broadcasting operates 28 free-TV channels

in 11 countries and 38 pay-tv channels in 32 countries. The pay-tv channels are distributed on Viasat's own satellite platforms in 9 countries, as well as on third party broadcast networks (including cable, satellite and IPTV) and over the open internet. These free-TV and pay-TV channels and pay-TV platforms attract a total of 125 million viewers in 33 countries. MTG is also the largest shareholder in Russia's leading independent television broadcaster (CTC Media – Nasdaq: CTCM).

Modern Times Group is a growth company and generated SEK 13.1 billion of sales and SEK 2.4 billion of operating income in 2010. MTG's Class A and B shares are listed on Nasdaq OMX Stockholm's Large Cap index under the symbols 'MTGA' and 'MTGB'.

The information in this announcement is that which Modern Times Group MTG AB is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication a 16.00 CET on 18 May 2011.