



THE SHAREHOLDERS OF MODERN TIMES GROUP MTG AB (publ) are hereby invited to the Annual General Meeting on Wednesday 14 May 2008 at 9.30 a.m. CET at Hotel Rival, Mariatorget 3 in Stockholm.

NOTIFICATION

Shareholders who wish to participate at the Annual General Meeting shall:

- have their names entered in the register of shareholders maintained by VPC AB (the Swedish Central Securities Depository) on Thursday 8 May 2008, and
- notify the Company of their intention to participate by no later than 3.00 p.m. on Thursday 8 May 2008. The notification can be made on the Company's website, www.mtg.se, by telephone +46-433-747 56 or in writing to the Company at:

Modern Times Group MTG AB
"AGM"
P.O. Box 2094
SE-103 13 Stockholm, Sweden

When giving notice of participation, the shareholders should state their name, personal identification number (or Company registration number), address, telephone number, shareholdings and any advisors attending. If participation is by way of proxy, such document should be submitted in connection with the notice of participation of the Meeting. If the proxy is issued by a legal entity, a certified copy of the registration certificate or an equivalent certificate of authority, shall be attached to the proxy. The proxy and the document evidencing proof of authority may not be issued earlier than one year prior to the Meeting. Written notifications made by post should be marked "AGM".

Proxy forms are available at the Company's website (www.mtg.se). For ordering the proxy forms the same address and telephone number can be used as for the notification, see above.

Shareholders whose shares are registered in the names of nominees must temporarily re-register the shares in their own name in order to be entitled to participate in the Meeting. Shareholders wishing to re-register must inform the nominee well in advance of Thursday 8 May 2008.

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.

NOMINATION COMMITTEE PROPOSALS (items 1 and 10-13)

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

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 AGM, 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 AGM 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.

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.

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.

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.

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 PURCHASE OF THE COMPANY'S OWN SHARES (item 17)

The Board of Directors proposes that the Meeting authorises the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on repurchasing 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 the OMX Nordic Exchange 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 so that the Board of Directors obtains increased ability to continuously adapt the Company's capital structure and thereby contribute to increased shareholder value.

PROPOSAL TO IMPLEMENT AN INCENTIVE PROGRAMME (item 18)

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 MTG in accordance with items 18(a) – 18(e) below. All resolutions are proposed to be conditional upon each other and 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 MTG. The participants of 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.

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 MTG at the date of the release of the interim report for the period January – March 2011 and 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.

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:

<i>Series A</i>	MTG's total shareholder return on the Class B shares (TSR) exceeding 0 per cent as entry level (no stretch target)
<i>Series B</i>	MTG's average normalised return of capital employed (ROCE) exceeding 15 per cent as entry level and reach 25 per cent as stretch target
<i>Series C</i>	A defined strategic plan target in form of organic 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
<i>Series D</i>	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. 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 the defined entry level is reached. 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. If entry level is reached the number of rights and options exercisable is proposed to be zero per cent.

In total, the Plan is estimated to comprise up to 25,000 shares held by the employees entitling participants to rights up to 12,500 retention shares, 131,000 performance shares and 262,000 performance options. The participants are divided into five different groups, decided by the Remuneration Committee. In accordance with the above principles and assumptions, the Plan will permit between 175 - 3,400 invested shares by the different categories of participants.

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 the right and/or performance option at exercise exceeds five times the share price at grant, the number of shares each right and performance option 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 estimated programme cost as defined in IFRS 2 divided by the Company's market capitalisation.

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 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 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.

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 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.

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.

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 5.00 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.

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.

SHARES AND VOTES

There are a total number of 67,071,540 shares in the Company, whereof 15,203,379 Class A shares and 51,868,161 Class B, corresponding to a total of 203,901,951 votes. At present the Company holds 1,517,000 of its own Class B shares corresponding to 1,517,000 votes, which can not be represented at the Annual General Meeting.

OTHER INFORMATION

Valid resolutions under items 15, 16, 17, 18(b), 18(c) and 18(d) above require approval of shareholders representing at least two-thirds of the shares and the numbers of votes represented at the Meeting. A valid resolution under item 18(a) and 18(e) above requires approval of shareholders representing at least nine-tenths of the shares and the numbers of votes represented at the Meeting. From 18 April 2008 at the latest, the complete text of the proposals of the Board of Directors will be made available on the Company's website at www.mtg.se and at the Company's premises at Skeppsbron 18 in Stockholm. Shareholders who wish to receive those documents may notify the Company, whereupon the documents will be sent by post or by e-mail.

Stockholm, April 2008

Modern Times Group MTG AB (publ)

The Board of Directors