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MFS GOVERNMENT MARKETS INCOME TRUST
Form DEF 14A
August 18, 2003

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934

FILED BY THE REGISTRANT

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THAN THE REGISTRANT

CHECK THE APPROPRIATE BOX:

- Preliminary Proxy Statement
 Confidential for Use of the Commission Only (as permitted by
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 Definitive Proxy Statement
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 Soliciting Material Pursuant to sec. 240.14a-11(c) or sec. 240.14a-12

MFS Government Markets Income Trust
MFS Multimarket Income Trust
MFS Municipal Income Trust
MFS Special Value Trust

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

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 Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount previously paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed:

MFS(R) GOVERNMENT MARKETS INCOME TRUST
MFS(R) MULTIMARKET INCOME TRUST
MFS(R) MUNICIPAL INCOME TRUST
MFS(R) SPECIAL VALUE TRUST
500 Boylston Street, Boston, Massachusetts 02116

Notice of the 2003 Annual Meetings of Shareholders
To be held on October 7, 2003

The 2003 Annual Meeting of Shareholders of each of the above referenced trusts (each a "Trust" and collectively the "Trusts") will be held at 500 Boylston Street, Boston, Massachusetts, at 9:30 a.m. on Tuesday, October 7, 2003, for the following purposes:

- ITEM 1. To elect John W. Ballen, William J. Poorvu, J. Dale Sherratt and Ward Smith as Trustees of each Trust;
- ITEM 2. To ratify the selection of each Trust's auditor as the independent public accountants to be employed by the Trust for the current fiscal year; and
- ITEM 3. To transact such other business as may properly come before the Meeting and any adjournments thereof.

Each Trust will hold a separate meeting. Shareholders of each Trust will vote separately on each item.

THE TRUSTEES OF YOUR TRUST RECOMMEND THAT YOU VOTE IN FAVOR OF ALL ITEMS.

Only a Trust's shareholders of record on August 1, 2003 will be entitled to vote at that Trust's Annual Meeting of Shareholders.

STEPHEN E. CAVAN, Secretary and Clerk

August 18, 2003

YOUR VOTE IS IMPORTANT. WE WOULD APPRECIATE YOUR PROMPTLY VOTING, SIGNING AND RETURNING THE ENCLOSED PROXY, WHICH WILL HELP IN AVOIDING THE ADDITIONAL EXPENSE OF A SECOND SOLICITATION FOR YOUR TRUST. THE ENCLOSED ADDRESSED ENVELOPE REQUIRES NO POSTAGE AND IS PROVIDED FOR YOUR CONVENIENCE.

MFS(R) GOVERNMENT MARKETS INCOME TRUST
MFS(R) MULTIMARKET INCOME TRUST
MFS(R) MUNICIPAL INCOME TRUST
MFS(R) SPECIAL VALUE TRUST

Proxy Statement

This Proxy Statement is furnished in connection with the solicitation of proxies by and on behalf of the Board of Trustees of MFS Government Markets Income Trust, MFS Multimarket Income Trust, MFS Municipal Income Trust, and MFS Special Value Trust (each a "Trust" and collectively the "Trusts") to be used at the 2003 Annual Meeting of Shareholders of each Trust (each a "Meeting") to be held at 9:30 a.m. on October 7, 2003, at 500 Boylston Street, Boston, Massachusetts, for the purposes set forth in the accompanying Notice. If the enclosed form of proxy is executed and returned, it may nevertheless be

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revoked prior to its exercise by a signed writing filed with the proxy tabulation agent, Management Information Services Corporation ("MIS"), 60 Research Road, Hingham, Massachusetts 02043, or delivered at a Meeting. On August 1, 2003, the following number of shares were outstanding for each Trust:

| TRUST | # OF COMMON SHARES OUTSTANDING | # OF PREFERRED SHARES OUTSTANDING |
|-------------------------------------|-----------------------------------|--------------------------------------|
| MFS Government Markets Income Trust | 63,046,686.08 | N/A |
| MFS Multimarket Income Trust | 90,140,460.04 | N/A |
| MFS Municipal Income Trust | 39,767,687.51 | 5,600.00 |
| MFS Special Value Trust | 6,896,035.20 | N/A |

Shareholders of record at the close of business on August 1, 2003, will be entitled to one vote for each share held. Each Trust will vote separately on each item; votes of multiple Trusts will not be aggregated.

The mailing address of each Trust is 500 Boylston Street, Boston, Massachusetts 02116. Solicitation of proxies is being made by the mailing of this Notice and Proxy Statement with its enclosures on or about August 18, 2003. A copy of each Trust's most recent annual report and semi-annual report may be obtained without charge by contacting MFS Service Center, Inc., each Trust's transfer and shareholder servicing agent (the "Shareholder Servicing Agent"), P.O. Box 2281, Boston, MA 02107-9906, or by telephone toll-free at (800) 637-2304.

ITEM 1 -- ELECTION OF TRUSTEES

The Board of Trustees which oversees each Trust provides broad supervision over the affairs of each Trust. Massachusetts Financial Services Company ("MFS" or the "Adviser"), each Trust's investment adviser and administrator, is responsible for the investment management of each Trust's assets and for providing a variety of other administrative services to each Trust. The officers of each Trust are responsible for its operations.

Under the provisions of each Trust's Declaration of Trust, the Trustees are divided into three classes, each having a term of three years. It is intended that proxies not limited to the contrary will be voted in favor of electing John W. Ballen, William J. Poorvu, J. Dale Sherratt and Ward Smith as Trustees of the class whose term will expire at the 2006 Annual Meeting of Shareholders (or special meeting in lieu thereof) of each Trust. Under the terms of each Trust's retirement policy, the Trustees have a mandatory retirement age. Mr. Smith will retire in accordance with this policy on December 31, 2005. Messrs. Ballen, Poorvu, Sherratt and Smith presently are Trustees of each Trust. If, before the election, any nominee refuses or is unable to serve, proxies will be voted for a replacement nominee designated by each Trust's current Trustees.

In the case of MFS Municipal Income Trust, only holders of the Trust's preferred shares are entitled to vote for Mr. Ives and Ms. Smith in routine Trustee elections. Holders of the Trust's common and preferred shares, voting together as a single class, are entitled to vote for all of the remaining nominees. Neither Mr. Ives nor Ms. Smith is standing for election this year.

The following table presents certain information regarding the Trustees of each Trust, including their principal occupations, which, unless specific dates are shown, are of more than five years duration, although the titles may not have been the same throughout. An asterisk beside a Trustee's name indicates that he or she is an "interested person", as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), of MFS and has been affiliated with MFS for more than five years, unless otherwise indicated.

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| NAME, DATE OF BIRTH | POSITION(S) HELD WITH TRUST | TRUSTEE SINCE (1) | TERM EXPIRING | PREVIOUS DIRECTORSHIP |
|---|-----------------------------|-------------------|---------------|---|
| INTERESTED TRUSTEES | | | | |
| Jeffrey L. Shames* (born 06/02/55) | Chairman | October 1993 | 2005 | Massachusetts Chairman |
| John W. Ballen* (born 09/12/59) | Trustee | August 2001 | 2003 | Massachusetts Chief Executive |
| Kevin R. Parke* (born 12/14/59) | Trustee | January 2002 | 2004 | Massachusetts Chief Investment Director |
| INDEPENDENT TRUSTEES | | | | |
| Lawrence H. Cohn, M.D. (born 03/11/37) | Trustee | August 1993 | 2004 | Brigham and Cardiac Surgeon Professor |
| William R. Gutow (born 09/27/41) | Trustee | July 1994 | 2005 | Private in Capitol En (video fra |
| J. Atwood Ives (born 05/01/36) | Trustee | February 1992 | 2005 | Private in (energy re Enterprise Chairman, Officer (u |
| Abby M. O'Neill (born 04/27/28) | Trustee | October 1992 | 2005 (3) | Private in Services, Chairman a |
| Lawrence T. Perera (born 06/23/35) | Trustee | July 1981 | 2004 | Hemenway & |
| William J. Poorvu (born 04/10/35) | Trustee | August 1982 | 2003 | Private In Graduate S Class of 1 Entreprene Properties trust), Di |
| J. Dale Sherratt (born 09/23/38) | Trustee | August 1993 | 2003 | Insight Re planning s Investment companies) 1993); Cam (professio Executive |
| Elaine R. Smith (born 04/25/46) | Trustee | February 1992 | 2004 | Independent |

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| | | | | |
|-------------------------------|---------|--------------|------|------------|
| Ward Smith (born 09/13/30) | Trustee | October 1992 | 2003 | Private in |
|-------------------------------|---------|--------------|------|------------|

- (1) Date first appointed to serve as Trustee of an MFS fund. Each Trustee has served continuously
- (2) Directorships or trusteeships of companies required to report to the Securities and Exchange Commission ("public companies").
- (3) Ms. O'Neill will retire in accordance with each Trust's retirement policy on December 31, 2003.
* "Interested person" of MFS within the meaning of the 1940 Act.

Messrs. Shames, Ballen and Parke hold comparable positions with certain other funds of which MFS or a subsidiary is the investment adviser or distributor. Each Trustee serves as a board member of 112 MFS funds within the MFS Family of Funds. The address of each Trustee is c/o MFS, 500 Boylston Street, Boston, Massachusetts 02116.

Information about the executive officers of each Trust, share ownership, the identity of certain persons holding 5% or more of each Trust's outstanding shares, Trustee compensation, and Board and Committee meetings appears under "Trust Information" beginning on page 6.

REQUIRED VOTE. For MFS Government Markets Income Trust, MFS Multimarket Income Trust and MFS Special Value Trust, approval of this matter as to any nominee will require the affirmative vote of a plurality of a Trust's outstanding shares voting at the Meeting in person or by proxy.

For MFS Municipal Income Trust, approval of this proposal as to any nominee will require the affirmative vote of a plurality of the outstanding preferred and common shares of the Trust, voting together as a single class, at the Meeting in person or by proxy.

ITEM 2 -- RATIFICATION OF SELECTION OF ACCOUNTANTS

It is intended that proxies not limited to the contrary will be voted in favor of ratifying the selection, by a majority of the Trustees who are not "interested persons" (as that term is defined in the 1940 Act) of each Trust, of the following auditors (each an "Auditor") under section 32(a) of the 1940 Act as independent public accountants of a Trust for the current fiscal year.

| TRUST | AUDITOR | FISCAL YEAR END |
|-------------------------------------|--|-----------------|
| MFS Government Markets Income Trust | Deloitte & Touche LLP ("Deloitte") | November 30 |
| MFS Multimarket Income Trust | Ernst & Young LLP ("Ernst & Young") | October 31 |
| MFS Municipal Income Trust | Deloitte | October 31 |
| MFS Special Value Trust | Ernst & Young | October 31 |

No Auditor has a direct or material indirect interest in a Trust.

Representatives of the applicable Auditor are expected to be present at each Meeting and will have an opportunity to make a statement if they desire to do so. Such representatives also are expected to be available to respond to appropriate questions.

The Audit Committee of the Board of Trustees of each Trust issued the following report concerning the financial statements for each Trust's most recent fiscal year.

The Audit Committee reviewed and discussed the audited financial

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statements with Trust management. The Audit Committee also discussed with the Auditor the matters required to be discussed by SAS 61 (Codification of Statements on Auditing Standards). The Audit Committee received the written disclosures and the letter from the Auditor required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and discussed with the Auditor its independence.

Based on this review and these discussions, the Audit Committee recommended to the Board of Trustees that the audited financial statements be included in the Trust's annual report to shareholders for the Trust's 2002 fiscal year for filing with the Securities and Exchange Commission.

William R. Gutow
J. Atwood Ives
William J. Poorvu
J. Dale Sherratt
Ward Smith

The following table sets forth the aggregate fees paid to each Auditor (or certain of its affiliates) for each Trust's 2002 fiscal year, for professional services rendered for: (i) the audit of the Trust's financial statements for that fiscal year; (ii) the audits of the annual financial statements for all funds in the MFS fund complex audited by the Auditor; (iii) financial information systems design and implementation services to the Trust, MFS and any entity controlling, controlled by or under common control with MFS that provides services to the Trust (including MFS Service Center, Inc.); and (iv) all other services (other than the foregoing services) to the Trust, MFS, and any entity controlling, controlled by or under common control with MFS that provides services to the Trust. The Audit Committee of each Trust considered whether the provision of information technology services and of non-audit services by the Auditor is compatible with the maintenance of that firm's independence.

| TRUST | AUDITOR | FISCAL YEAR END | AUDIT FEES PAID BY THE TRUST FOR ITS MOST RECENT FISCAL YEAR | AGGREGATE AUDIT FEES PAID BY ALL FUNDS IN THE MFS COMPLEX AUDITED BY THE AUDITOR |
|---|---------------|-----------------|---|--|
| MFS Government Markets Income Trust | Deloitte | November 30 | \$34,700 | \$3,010,490 |
| MFS Multimarket Income Trust | Ernst & Young | October 31 | \$38,000 | \$1,373,300 |
| MFS Municipal Income Trust | Deloitte | October 31 | \$29,700 | \$3,039,065 |
| MFS Special Value Trust | Ernst & Young | October 31 | \$34,000 | \$1,373,300 |

REQUIRED VOTE. For MFS Government Markets Income Trust, MFS Multimarket Income Trust and MFS Special Value Trust, ratification of this matter will require the affirmative vote of a majority of a Trust's outstanding shares voting at the Meeting on this matter in person or by proxy.

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For MFS Municipal Income Trust, ratification of this matter will require the affirmative vote of a majority of the Trust's outstanding preferred and common shares, voting together as a single class, which are voted at the Meeting on this matter in person or by proxy.

TRUST INFORMATION

This section provides certain information about each Trust, including information about executive officers, share ownership, the identity of certain persons holding 5% or more of the outstanding shares of each Trust, Trustee compensation, and Board and Committee meetings.

EXECUTIVE OFFICERS

The following table provides information about the executive officers of each Trust including their principal occupations, which, unless specific dates are shown, are of more than five years duration, although the titles may not have been the same throughout. Each officer will hold office until his or her successor is chosen and qualified, or until he or she retires, resigns or is removed from office.

| NAME, DATE OF BIRTH | POSITION(S) HELD WITH THE TRUST | OFFICER SINCE(1) | PRINCIPAL OCCUPATIONS DIRECTORSHIPS(2) DURING YEARS |
|--|--|---------------------|--|
| OFFICERS | | | |
| John W. Ballen (born 09/01/59) | President | August 2001 | Massachusetts Financial Services Chief Executive Officer |
| James R. Bordewick, Jr. (born 03/06/59) | Assistant Secretary and Assistant Clerk | September 1990 | Massachusetts Financial Services Senior Vice President General Counsel |
| Stephen E. Cavan (born 11/06/53) | Secretary and Clerk | December 1989 | Massachusetts Financial Services Senior Vice President Secretary |
| Stephanie A. DeSisto (born 10/01/53) | Assistant Treasurer | April 2003 | Massachusetts Financial Services Vice President (since 2003) Brothers Harriman & Co. President (November 2002 to present) ING Groep N.V./Aeltus Management, Senior Vice President (November 2002 to November 2002) |
| Robert R. Flaherty (born 09/18/63) | Assistant Treasurer | August 2000 | Massachusetts Financial Services Vice President (since 2000) Fund Services, Senior Vice President (prior to August 2000) |
| Richard M. Hisey (born 08/29/58) | Treasurer | July 2002 | Massachusetts Financial Services Senior Vice President The Bank of New York, President (September 2002 to present) Lexington Global Assets Executive Vice President Financial Officer (prior to 2002) |

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2000); Lexington Fund
to September 2000)

| | | | |
|-----------------------------------|---------------------|----------------|--|
| Ellen Moynihan (born 11/13/57) | Assistant Treasurer | April 1997 | Massachusetts Financial Vice President |
| James O. Yost (born 06/12/60) | Assistant Treasurer | September 1990 | Massachusetts Financial Senior Vice President |

-
- (1) Date first appointed to serve as officer of an MFS fund. Each officer has served continuously
(2) Directorships or trusteeships of companies required to report to the Securities and Exchange
"public companies").

Each of a Trust's officers holds comparable positions with certain other funds of which MFS or a subsidiary is the investment adviser or distributor, and with certain affiliates of MFS. The address of each officer is c/o MFS, 500 Boylston Street, Boston, Massachusetts 02116.

SHARE OWNERSHIP

The following table shows as of August 1, 2003 (i) the dollar range of equity securities beneficially owned by each Trustee (a) of each Trust and (b), on an aggregate basis, in all MFS funds overseen by the Trustee and (ii) the number and percentage of shares of each Trust owned by each Trustee and by the Trustees and executive officers as a group.

The following dollar ranges apply:

- N. None
- A. \$1 - \$10,000
- B. \$10,001 - \$50,000
- C. \$50,001 - \$100,000
- D. Over \$100,000

| NAME OF TRUSTEE | INDIVIDUAL TRUST NAME | AGGREGATE DOLLAR RANGE OF EQUITY SECURITIES IN ALL MFS FUNDS OVERSEEN BY THE TRUSTEE | DOLLAR OF EQ OF EQ SECURIT THE T |
|---------------------|-------------------------------------|--|----------------------------------|
| INTERESTED TRUSTEES | | | |
| Jeffrey L. Shames | MFS Government Markets Income Trust | D | N |
| | MFS Multimarket Income Trust | | N |
| | MFS Municipal Income Trust | | N |
| | MFS Special Value Trust | | N |
| John W. Ballen | MFS Government Markets Income Trust | D | N |
| | MFS Multimarket Income Trust | | N |
| | MFS Municipal Income Trust | | N |
| | MFS Special Value Trust | | N |
| Kevin R. Parke | MFS Government Markets Income Trust | D | N |
| | MFS Multimarket Income Trust | | N |
| | MFS Municipal Income Trust | | N |
| | MFS Special Value Trust | | N |

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NON-INTERESTED TRUSTEES

| | | | |
|--|---|--------------------------|----------------------------|
| Lawrence H. Cohn, M.D. | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust MFS Special Value Trust | D | N N N C |
| William R. Gutow | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust MFS Special Value Trust | D | N N N N |
| J. Atwood Ives | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust (Common Shares) MFS Municipal Income Trust (Preferred Shares) MFS Special Value Trust | D | N A A D N |
| Abby M. O'Neill | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust MFS Special Value Trust | D | N N N N |
| Lawrence T. Perera | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust (Common Shares) MFS Special Value Trust | D | A B A N |
| William J. Poorvu | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust (Common Shares) MFS Special Value Trust | D | N B B N |
| J. Dale Sherratt | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust MFS Special Value Trust | D | A N N D |
| Elaine R. Smith | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust (Common Shares) MFS Municipal Income Trust (Preferred Shares) MFS Special Value Trust | D | N A A B N |
| Ward Smith | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust MFS Special Value Trust | D | N N N N |
| TOTAL HOLDINGS OF TRUSTEES AND EXECUTIVE OFFICERS AS A GROUP | MFS Government Markets Income Trust MFS Multimarket Income Trust MFS Municipal Income Trust (Common Shares) MFS Municipal Income Trust (Preferred Shares) | N/A N/A N/A N/A | N/ N/ N/ N/ N/ |

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MFS Special Value Trust

 (1) All shares are held with sole voting and investment power except to the extent that such power is held by a family member or a trustee of a family trust.

INTERESTS OF CERTAIN PERSONS

As of August 1, 2003, to the best knowledge of each Trust, the following shareholders beneficially own all or part of the outstanding shares of the Trusts.

| TRUST NAME | NAME AND ADDRESS OF SHAREHOLDER | CLASS OF SHARES |
|-------------------------------------|---|-----------------|
| MFS Government Markets Income Trust | Cede & Co. Fast PO Box 20 Bowling Green Station New York, NY 10274-0020 | Common |
| MFS Multimarket Income Trust | Cede & Co. Fast PO Box 20 Bowling Green Station New York, NY 10274-0020 | Common |
| MFS Municipal Income Trust | Cede & Co. Fast PO Box 20 Bowling Green Station New York, NY 10274-0020 | Common |
| | Morgan Stanley & Co., Inc. One Pierrepont Plaza 7th Floor Brooklyn, NY 11201 | Preferred |
| | Citigroup Global Markets, Inc. 333 W. 34th Street New York, NY 10001 | Preferred |
| | UBS PaineWebber, Inc. 1000 Harbor Blvd. Weehawken, NJ 07087 | Preferred |
| MFS Special Value Trust | Cede & Co. Fast PO Box 20 Bowling Green Station New York, NY 10274-0020 | Common |

TRUSTEE COMPENSATION TABLE

The table below shows the cash compensation paid to the Trustees by each Trust for the fiscal year ended December 31, 2002. Interested Trustees do not receive any compensation from a Trust for their services as Trustees. Mr. Gibbons who retired at the end of 2002 in accordance with the mandatory retirement policy of

| NAME OF TRUSTEE | INDIVIDUAL TRUST NAME | TRUST COMPENSATION FROM TRUST |
|------------------------|---|-------------------------------|
| Lawrence W. Cohn, M.D. | MFS Government Markets Income Trust MFS Multimarket Income Trust | \$ \$ |

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| | | |
|------------------------------------|-------------------------------------|----|
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| The Hon. Sir J. David Gibbons, KBE | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| William R. Gutow | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| J. Atwood Ives | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| Abby M. O'Neill | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| Lawrence T. Perera | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| William J. Poorvu | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| J. Dale Sherratt | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| Elaine R. Smith | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |
| Ward Smith | MFS Government Markets Income Trust | \$ |
| | MFS Multimarket Income Trust | \$ |
| | MFS Municipal Income Trust | \$ |
| | MFS Special Value Trust | \$ |

 (1) Information provided for the MFS Government Markets Income Trust is for the fiscal year ended provided for the MFS Multimarket Income Trust, MFS Municipal Income Trust, and MFS Special Value Trust ended October 31, 2002.

(2) For calendar year 2002. Trustees receiving compensation from each Trust served as Trustee of the complex (having aggregate net assets at December 31, 2002 of approximately \$74.3 billion).

Prior to December 31, 2001, each Trust had a retirement plan for non-interested Trustees and Trust. Effective December 31, 2001, each Trust's retirement plan terminated, except with respect to those Trustees who were terminated on or before that date. The remaining Trustees who were previously covered under the retirement plan were "rolled-over" into a deferred compensation arrangement along with other compensation that they would have received under the retirement plan if it had continued for such Trustees.

COMMITTEES

Each Trust's Board of Trustees meets regularly throughout the year to discuss matters and take decisions.

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Trust. Each Trust's Board has several standing committees, which are described below.

| NAME OF COMMITTEE | NUMBER OF MEETINGS IN LAST FISCAL YEAR | FUNCTIONS |
|--|--|---|
| AUDIT COMMITTEE | 7 | Provides oversight with respect to the accounting and auditing procedures of the Trust and, among other things, considers the selection of the independent accountants for the Trust and the scope of the audit, and considers the effect on the independence of those accountants of any audit services such accountants provide to the Trust and any audit or non-audit services such accountants provide to other MFS Funds, MFS or certain affiliates. |
| NOMINATING COMMITTEE | 0 | Recommends qualified candidates to the Board in the event that a position is vacated or created. The Nominating Committee would consider recommendations by shareholders if a vacancy is to exist. Shareholders wishing to recommend Trustee candidates for consideration by the Nominating Committee may do so by writing the Trust's Secretary. Such suggestions must be accompanied by complete biographical and occupational data on the prospective nominee, along with a written consent of the prospective nominee to consideration of his or her name by the Committee. |
| COMPENSATION COMMITTEE | 0 | Administers and approves all elements of compensation for the Trustees who are not "interested persons" of the Trust as defined in the 1940 Act or affiliated with the Trust's investment adviser. |
| CONTRACTS REVIEW COMMITTEE | 1 | Requests, reviews and considers the information deemed reasonably necessary to evaluate the terms of the investment advisory agreement that the Trust proposes to renew or continue, and makes its recommendations to the full Board of Trustees on these matters. |
| GOVERNANCE COMMITTEE | 0 | Reviews and articulates the governance structure of the Board of Trustees. The Committee advises and makes recommendations to the Board on matters concerning directorship practices and the functions and duties of the committees of the Board. |
| PORTFOLIO TRADING AND MARKETING REVIEW COMMITTEE | 6 | Reviews process and procedures, internal controls and compliance monitoring relating to (i) portfolio trading, best execution and broker costs and trade allocations, (ii) the production and use of sales and marketing materials in various forms of media and (iii) the Trust's investment policies and practices. |
| PRICING COMMITTEE | 0 | Reviews procedures for the valuation of securities and periodically reviews information from MFS regarding fair value and liquidity |

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determinations made pursuant to the board-approved procedures, and makes related recommendations to the full Board and, if requested by MFS, assists MFS's internal valuation committee and/or the full Board in resolving particular valuation matters.

(1) Information about each committee member is set forth above on pages 3 and 4.

* "Interested person" of MFS within the meaning of the 1940 Act.

Each Trust held 10 Board meetings during the Trust's 2002 fiscal year. Each Trustee attended at least 75% of the Board and applicable committee meetings noted for each Trust.

Each Trust's Board has adopted a written charter for the Audit Committee that was previously included as an appendix to each Trust's proxy statement as required by applicable rules. The charter most recently was included in each Trust's 2001 proxy statement.

Each Trust's Audit Committee consists only of Trustees who are not "interested persons" of the Trust as defined in the 1940 Act and who are independent of the Trust as defined by New York Stock Exchange Listing Standards. Each Trust's Audit Committee's report on the Trust's most recent audited financials is included in Item 2 above.

Each Trust's Declaration of Trust currently provides that the Trust will indemnify its Trustees and officers against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the Trust, unless it is finally adjudicated or, in case of a settlement, it has been determined by Trustees not involved in the matter or independent legal counsel, that they have not acted in good faith in the reasonable belief that their actions were in the best interests of the Trust or that they engaged in willful misfeasance or acted with bad faith, gross negligence or reckless disregard of the duties involved in the conduct of their offices.

INVESTMENT ADVISER AND ADMINISTRATOR

Each Trust engages as its investment adviser and administrator MFS, a Delaware corporation with offices at 500 Boylston Street, Boston, Massachusetts 02116. MFS is a majority-owned subsidiary of Sun Life of Canada (U.S.) Financial Services Holdings, Inc., 500 Boylston Street, Boston Massachusetts 02116, which is in turn a majority-owned subsidiary of Sun Life Assurance Company of Canada-U.S. Operations Holdings, Inc., One SunLife Executive Park, Wellesley Hills, Massachusetts 02481. Sun Life Assurance Company of Canada-U.S. Operations Holdings, Inc., is a wholly-owned subsidiary of Sun Life Assurance Company of Canada, 150 King Street West, 14th Floor, Toronto, Canada MSH 1J9, which in turn is a wholly-owned subsidiary of Sun Life Financial Services of Canada, Inc., at the same address.

MANNER OF VOTING PROXIES

All proxies received by the management will be voted on all matters presented at the Meeting, and if not limited to the contrary, will be voted FOR the election of Messrs. Ballen, Poorvu, Sherratt and Smith as Trustees of the Trust (if still available for election) and ratification FOR the selection of the applicable Auditor as independent public accountants.

All proxies voted, including proxies that reflect (i) broker non-votes (if a broker has voted on any item before the meeting), (ii) abstentions or (iii) the withholding of authority to vote for a nominee for election as Trustee, will be counted toward establishing a quorum. A majority of a Trust's

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outstanding shares entitled to be cast on a particular matter, present in person or represented by proxy, constitutes a quorum as to such matter. Passage of any proposal being considered at the Meeting will occur only if a sufficient number of votes are cast FOR the proposal. With respect to the election of Trustees and the ratification of public accountants, neither withholding authority to vote nor abstentions nor broker non-votes have any effect on the outcome of the voting on either item.

Each Trust will reimburse the record holders of its shares for their expenses incurred in sending proxy material to and obtaining voting instructions from beneficial owners.

Each Trust knows of no other matters to be brought before the Meeting. If, however, because of any unexpected occurrence, any nominee is not available for election or if any other matters properly come before the Meeting, it is each Trust's intention that proxies not limited to the contrary will be voted in accordance with the judgment of the persons named in the enclosed form of proxy.

SUBMISSION OF PROPOSALS

Proposals of shareholders which are intended to be presented at the 2004 Annual Meeting of Shareholders must be received by the Trust on or prior to April 20, 2004.

SECTION 16(a) -- BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires Trustees, directors and certain officers of each Trust and MFS, and persons who own more than ten percent of a Trust's shares, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("SEC") and the New York Stock Exchange. Such persons are required by SEC regulation to furnish each Trust with copies of all Section 16(a) forms they file in relation to that Trust.

Based solely on a review of the copies of Forms 3, 4 and 5 and amendments thereto furnished to each Trust with respect to its most recent fiscal year, or written representations that no Forms 5 were required, each Trust believes that during its 2002 fiscal year, all Section 16(a) filing requirements applicable to Trustees, directors and certain officers of the Trust and MFS and greater than ten percent beneficial owners were complied with except as follows. Each Trust believes that MFS personnel failed to make Form 3 (Initial Statement of Beneficial Ownership) filings for the following persons on a timely basis: James C. Baillie (MFS Director); James R. Bordewick, Jr. (Assistant Secretary of the Trusts); Ellen Moynihan (Assistant Treasurer of the Trusts); Donald M. Mykrantz (Senior Vice President of MFS); C. James Prieur (MFS Director); Richard D. Schmalensee (MFS Director); Robin A. Stelmach (Senior Vice President of MFS); William W. Stinson (MFS Director); and James O. Yost (Assistant Treasurer of the Trusts). In addition, MFS Special Value Trust believes that John F. Addeo (Vice President of MFS) did not file Form 3 (Initial Statement of Beneficial Ownership) on a timely basis; MFS Government Markets Income Trust believes that Matthew W. Ryan (Vice President of MFS) did not file Form 3 (Initial Statement of Beneficial Ownership) on a timely basis. In no case did any of these persons own shares of any Trust, and none of the late filings noted involved a failure to report current trading in any Trust's shares.

ADDITIONAL INFORMATION

The expense of the preparation, printing and mailing of the enclosed form of proxy, this Notice and Proxy Statement, and any tabulation costs, will be borne ratably by the Trusts.

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY

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August 18, 2003

MFS (R) GOVERNMENT MARKETS INCOME TRUST
MFS (R) MULTIMARKET INCOME TRUST
MFS (R) MUNICIPAL INCOME TRUST
MFS (R) SPECIAL VALUE TRUST

MFS (R) GOVERNMENT
MARKETS INCOME TRUST

MFS (R) MULTIMARKET
INCOME TRUST

MFS (R) MUNICIPAL
INCOME TRUST

MFS (R) SPECIAL VALUE TRUST
500 Boylston Street, Boston, Massachusetts 02116

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130M

MFS (R) GOVERNMENT MARKETS INCOME TRUST

MFS (R) MULTIMARKET INCOME TRUST

MFS (R) MUNICIPAL
INCOME TRUST

MFS (R) SPECIAL VALUE TRUST
500 Boylston Street
Boston, Massachusetts 02116

Proxy Statement

For the 2003 Annual Meetings
of Shareholders to be held on
October 7, 2003

[Logo] M F S(R)
INVESTMENT MANAGEMENT
P.O. BOX 9132, HINGHAM, MA 02043-9132

THIS PROXY IS SOLICITED ON BEHALF OF THE TRUSTEES OF THE TRUST

FUND NAME PRINTS HERE

PROXY FOR A MEETING OF SHAREHOLDERS
TO BE HELD ON OCTOBER 7, 2003

The undersigned hereby appoints James R. Bordewick, Jr., Stephen E. Cavan, Richard M. Hisey, John W. Ballen, Kevin R. Parke and Jeffrey L. Shames and each of them separately, proxies, with power of substitution, and hereby authorizes them to represent, and to vote, as designated on the reverse side, at the Meeting of Shareholders of the above-referenced Trust, on Tuesday, October 7, 2003 at 9:30 a.m., Boston time, and at any adjournments thereof, all of the shares of the Trust which the undersigned would be entitled to vote if

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personally present.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR ALL PROPOSALS. IN THEIR DISCRETION, THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING. THE TRUSTEES RECOMMEND A VOTE FOR THE PROPOSALS ON THE REVERSE SIDE.

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

Date _____

Signature (PLEASE SIGN WITHIN BOX)

NOTE: Please sign exactly as name appears on this card. All joint owners should sign. When signing as executor, administrator, attorney, trustee or guardian or as custodian for a minor, please give full title as such. If a corporation, please sign in full corporate name and indicate the signers office. If a partnership, sign in the partnership name.

MFS-MGF/MFM/MMT/MFV

Please fill in box(es) as shown using black or blue ink or number 2 pencil. [X] PLEASE DO NOT USE FINE POINT PENS.

| | | |
|---------------------------------------|----------------|--------------|
| | FOR all | WITHHOLD |
| | nominees | authority to |
| | listed (except | to vote |
| | as marked to | for all |
| YOUR TRUSTEES RECOMMEND THAT YOU VOTE | the contrary | nominees |
| FOR ALL ITEMS. | at left) | |
| | [] | [] |

ITEM 1. To elect a Board of Trustees.
NOMINEES: (01) John W. Ballen,
(02) William J. Poorvu,
(03) J. Dale Sherratt, (04) Ward Smith

INSTRUCTION: To withhold authority to vote for any individual nominee, write the nominee's name in the space provided above.

| | | | |
|--|-----|---------|---------|
| | FOR | AGAINST | ABSTAIN |
| ITEM 2. To ratify the selection of independent | [] | [] | [] |
| public accountants for the current | | | |
| fiscal year. | | | |

PLEASE SIGN AND DATE ON THE REVERSE SIDE. MFS-MGF/MFM/MMT/MFV