

ITV plc Q1 Trading Update for the three months to 31 March 2025

Q1 2025 Key Messages - Q1 in line with expectations, demonstrating the continued successful implementation of our strategy

- Total ITV Studios revenue was up 1% in Q1, with significant growth in external revenue
- ITVX's strong momentum continued with 15% growth in digital advertising revenue in Q1, ahead of the market
- Total advertising revenue in Q1 was in line with guidance
- On track to deliver £30 million of non-content cost savings over the full year

Carolyn McCall, ITV Chief Executive, said:

"Our Q1 performance was in line with our expectations, demonstrating the continued successful implementation of our strategic priorities.

"ITV Studios returned to growth following the impact of the US strikes and is on course to achieve good growth in total revenues over the full year, weighted towards H2 as previously guided.

"M&E's solid performance demonstrates ITV's market leading position in UK Streaming and Broadcast. ITVX continues to perform well, and we expect sustained strong growth in digital revenues. This is underpinned by the powerful reach and strong cash generation of M&E. As previously guided, the year-on-year Q2 TAR outlook reflects the benefit in 2024 of the men's Euros which drove substantial advertising revenues. Compared to the same period in 2023, Q2 and H1 2025 TAR are expected to be broadly flat year on year.

"We are continuing to make good progress in implementing our cost and efficiency programme and are on track to deliver significant non-content cost savings while optimising our content spend to best reflect viewer dynamics.

"While the macroeconomic environment is uncertain, we remain confident that our strategic initiatives, our focus on financial and cost discipline and our diversified revenue and customer base will enable us to successfully navigate an evolving market landscape and deliver long-term value to our shareholders."

Financial and operating performance for the three months to 31 March 2025

- Total external Group revenue was up 4% at £756 million (2024: £727 million), with growth in external Studios revenue more than offsetting the decline in total advertising revenue (TAR)
- Total Group revenue was down 1% at £875 million (2024: £887 million), reflecting a decline in internal ITV Studios revenues

ITV Studios

- Total ITV Studios revenue was up 1% at £386 million (2024: £382 million)
 - External revenue was up 20% reflecting strong demand from, and the timing of deliveries to, global streaming platforms
 - Internal revenue declined by 26%, impacted by the non-return of Saturday Night Takeaway and The Tower, and the year-on-year difference in phasing of production of programmes such as The Bay and Grace
- During the period, ITV Studios delivered a wide range of new and returning programmes and formats in the UK and internationally to a diversified portfolio of customers, including
 - Scripted programmes - Run Away for Netflix, The Better Sister and The Devil's Hour for Amazon Prime Video, and Malpractice for ITV

- Unscripted programmes - Squid Game: The Challenge and Sneaky Links for Netflix, and I Kissed A Boy for the BBC

Media & Entertainment (M&E)

- Total M&E revenue declined 3% to £489 million (2024: £505 million), with TAR down 2% as previously guided. Within this, digital advertising revenue (a component of digital revenue) grew strongly, up 15%
- ITVX's impressive performance continued in Q1, with total streaming hours up 12%, and monthly active users continuing to grow in line with our expectations
- Digital revenues increased by 10% (refer to Note 4)
- Non-advertising revenue decreased by 10% as expected
- In addition to the impressive digital growth, ITV maintained its strength in delivering mass reach for advertisers, with 91% of the top 1,000 commercially broadcast TV programmes and 34.0% share of commercial viewing on our linear television channels

Outlook

ITV Studios

- Our 2025 ITV Studios outlook remains unchanged:
 - We expect good revenue growth, faster than the global content market, driven by external revenue
 - Revenue, profit and margin will be weighted to H2, with the H2 margin being higher than H1, due to the timing of cost savings and high-margin deliveries
 - Full year margin will be lower than 2024 (reflecting the change in sales mix, as the market recovers following the US strikes), but still within the 13-15% target range
 - We continue to assess the possibility of trade tariffs in the US. ITV Studios only produces TV programming and therefore do not anticipate any direct impact from the imposition of tariffs on films
- We remain on track to deliver our target of total organic revenue growth of 5% on average per annum from 2021 to 2026 - ahead of the market, and at a margin of 13 to 15%

Media & Entertainment

- Compared to the same period in 2024, TAR is expected to be down around 14% in Q2 2025 and down around 8% in H1 2025 against the strong comparatives resulting from the Men's Euros in 2024. Compared to 2023, Q2 and H1 2025 TAR are expected to be broadly flat. As guided, the first four months to the end of April 2025 were flat year on year
- ITV has a strong upcoming schedule. This includes the increasingly popular *Women's Euros*, new entertainment series *Shark: Celebrity Infested Waters*, and new and returning dramas such as *Code of Silence*, *I Fought The Law* and *Ridley*
- We expect to see continued strong growth in digital advertising revenues and remain on track to deliver at least £750 million of digital revenues by 2026

Notes to editors

1. Unless otherwise stated, all financial and operating figures refer to the three months ended 31 March 2025, with growth compared to the same period in 2024.
2. Group financial performance

Revenue for three months to 31 March (£m)	2025	2024	Change £m	Change %
Media and Entertainment	489	505	(16)	(3)

ITV Studios	386	382	4	1
Total revenue	875	887	(12)	(1)
Internal supply	(119)	(160)	41	26
Total external revenue	756	727	29	4

Revenue for three months to 31 March (£m)	2025	2024	Change £m	Change %
Total advertising revenue	423	432	(9)	(2)
Non-advertising revenue	452	455	(3)	(1)
Internal supply	(119)	(160)	41	26
Total external revenue	756	727	29	4

3. Total advertising revenue (TAR), which includes ITV Family NAR, digital advertising and sponsorship, was down 2% in Q1 and flat over 4 months to end April 2025 as guided. TAR is expected to be down around 14% in Q2 and down around 8% for the first half of 2025 against the comparatives that benefited from the 2024 men's Euros. We expect to see continued strong growth in digital advertising revenues. Figures for ITV plc are based on ITV estimates and current forecasts.

4. Key performance indicators

Three months to 31 March	2025	2024	Change
ITV Studios total organic revenue growth	(1%)	(15%)	14% pts
Total digital revenue	£133m	£121m	10%
Total streaming hours (hrs)	507m	451m	12%
Share of commercial viewing	34.0%	33.7%	0.3% pts
Share of top 1,000 commercial broadcast TV programmes	91%	91%	-

- Our definition of total organic revenue excludes the impact of any acquisitions made during the current or prior period and the year-on-year movement in foreign exchange. In the first quarter of 2025, the unfavourable translation impact of foreign exchange on total revenue was £4 million, with an £11 million impact from acquisitions.
- Total digital revenue includes digital advertising revenue and subscription revenue, as well as linear addressable revenue, digital sponsorship and partnership revenue, ITV Win and any other revenues from digital business ventures. In addition, digital advertising revenue now includes previously omitted revenue streams such as commission from STV for ITV selling their video-on-demand inventory and social media advertising revenue, which qualify under the definition. The prior year has been restated to reflect the change in categorisation. Given the nature of digital revenue, it will evolve over time. 2024 was previously reported as £118 million.
- Total streaming hours measure the total number of hours viewers spend watching ITV across all streaming platforms. This figure includes both ad-funded and subscription streaming. For Q1 2024, total streaming hours were reported as 449 million hours, which included some estimates of total streaming viewing from third-party data providers. This has since been updated to reflect the final data.

- The share of top 1,000 commercial broadcast TV programmes KPI includes TV viewing from transmission and seven days post-transmission on catch up, as well as six weeks prior to the transmission window. It excludes programmes with a duration of less than ten minutes. This metric is calculated as a 12-month rolling average to normalise seasonal scheduling.
 - ITV Family share of commercial viewing is the total viewing of audiences over the period achieved by ITV's family of channels as a proportion of all commercial broadcast TV viewing in the UK, from transmission and seven days post transmission on catch up. ITV Family includes ITV1, ITV2, ITV3, ITV4, ITVBe, and associated "HD" and "+1" channels.
 - % change for performance indicators is calculated on rounded numbers.
5. ITV continues to have good access to liquidity, with total liquidity of £1,431 million, comprising total cash of £406 million and committed undrawn facilities of £1,025 million at 31 March 2025. Net debt was £455 million (31 December 2024: £431 million) at 31 March 2025.
 6. On 1 April, we announced that ITV Studios acquired a majority stake in Moonage Pictures, one of the UK's fastest growing independent producers of high-end drama, including global hit The Gentlemen.
 7. ITV's £235 million share buyback was completed on 4 April 2025 with 322,719,975 shares bought back, of which 193,740,698 have been cancelled and 128,979,277 have been held in Treasury.
 8. The changes to National Insurance contributions from April 2025, will increase staff costs by around £6 million in 2025.
 9. Figures presented in this Trading Statement are not audited. This announcement contains certain statements that are or may be forward looking statements. Words such as "targets", "expects", "aim", "anticipate", "intend", or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting ITV. Although ITV believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. By their nature forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. They are not historical facts, nor are they guarantees of future performance; actual results may differ materially from those expressed or implied by these forward-looking statements. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward looking statements. These factors include, but are not limited to (i) the general economic, business, political, regulatory and social conditions in the key markets in which the Group operates, (ii) a significant event impacting ITV's liquidity or ability to operate and deliver effectively in any area of our business, (iii) a major change in the UK advertising market or consumer demand, (iv) significant change in regulation or legislation, (v) a significant change in demand for global content, and (vi) a material change in the Group strategy to respond to these and other factors. Certain of these factors are discussed in more detail elsewhere in this announcement and in ITV's 2024 Annual Report and Accounts, including, without limitation, in ITV's approach to risk management.

Forward-looking statements speak only as of the date they are made and, except as required by applicable law or regulation, ITV undertakes no obligation to update any forward-looking statements, whether written or oral, that may be made from time to

time, whether as a result of new information, future events or otherwise. Nothing in this statement should be construed as a profit forecast.

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