

ITV plc INTERIM MANAGEMENT STATEMENT
ITV maintains its share of UK television advertising revenues
for the first time in over 25 years

5th November 2008

Group highlights for nine months to 30 September 2008

- Group revenues £1,471m (2007: £1,484m).
- ITV Family outperforms market with net advertising revenue ("NAR") down 2.5% at £1,041m, ahead of total TV market down 3.2%.
- ITV Family delivering 5% more impacts, with ITV digital channel impacts up 27% and ITV1 impacts held year on year.
- ITV Family share of commercial impacts ("SOCl") held at 40.9% (2007: 41.3%), with ITV1 SOCl down 5.7%.
- Continuing strong growth in Global Content with external revenues up 35% at £206m.
- 82 million video views delivered across ITV sites with itv.com unique users reaching 8 million in October.

Revenues for 9 months to 30 September 2008 (£m)	2008	2007	%
Broadcasting	1,202	1,259	-5
Global Content (external revenues)	206	153	+35
Online	25	24	+6
Other	38	48	-21
Total revenues	1,471	1,484	-1

Financial position

- As announced in July 2008, ITV has strengthened its liquidity position with the issue of a £110m bond repayable in March 2013 and £200m of five year bi-lateral financing secured, none of which includes financial covenants.
- The 2008 interest charge will include £16m of final closure costs of a financial instrument integral to a £125m finance facility and its associated interest rate. The facility remains in place until May 2013.
- The 2009 interest charge will include £8m costs from coupon step-ups following downgrades of ITV debt since the interim results. ITV's debt is currently rated Ba1 by Moody's and BB+ by Standard & Poor's and Fitch.
- In August 2008 ITV agreed with the Pension Trustees that it will contribute £30m a year to the pension scheme as deficit funding for 5 years from 2009.
- There has been no other material change in ITV's financial position since the interim results.

Outlook

- Over the full year, ITV expects to hold its share of UK TV NAR year on year for the first time in over 25 years. ITV Family share of NAR for 2008 estimated to be 43.8% (2007: 43.6%).
- For Q4, ITV Family NAR estimated to be down 9.0% ahead of the total TV market down 9.4%.
- Online revenues for the full year and into 2009 impacted by the advertising slowdown, with profitability further impacted by investment in Kangaroo.
- With Ofcom's phase 2 PSB report, ITV is on course to deliver £40m in regional savings from 2009, as well as a further £35m in savings by the end of 2010.
- SDN revenues in 2009 will reflect the beneficial impact of a recently concluded carriage deal and launch of a 10th video stream, as announced in October 2009.

- ITV's broadcast channels and online assets to be incorporated in ITV's channels business reporting to Peter Fincham, Director of Television, Channels and Online.
- Given the uncertain economic outlook, trading conditions across ITV are likely to remain challenging in 2009.

Michael Grade, Executive Chairman of ITV, said:

"In tough economic conditions, operationally we continue to perform strongly and we expect to hold our share of UK television advertising year on year for the first time in over 25 years.

"With our sustained investment in programming, this year we are delivering more viewers and impacts to our advertisers than we did in 2007. The top 500 programme episodes on UK commercial television over the first nine months of this year were all on ITV.

"Global Content continues to grow rapidly its business beyond ITV. External revenues are up by 35%, driven by production for international and increased commissions from the BBC, Channel 4 and five.

"Online video viewing has increased spectacularly in 2008. With over 80 million views on ITV sites, we've demonstrated our ability to meet that growing demand. Now is the time to integrate our online video sites editorially with our broadcast business as mass-market channels in their own right and drive the advertising opportunity from that proven consumer demand.

"We remain focused on delivering our Turnaround Strategy, whilst driving efficiency savings across the business, supported by our strong financial liquidity. We continue to seek accelerated action to relieve our regulatory burden."

NOTES TO EDITORS

1.

Key performance indicators for 9 months to 30 September 2008			
	2008	2007	%
ITV1 adult impacts (bln)	172.8	173.0	-
ITV family adult SOCI (%)	40.9	41.3	-1
Content revenues, including internal, (£m)	405	396	+2
itv.com unique users – av. monthly (mln)	5.9	4.8	+23
Total online video views (mln)	82	14	+472

- ITV's business segments – Broadcasting, Global Content and Online – remain unchanged for financial reporting purposes.
- Unless otherwise stated, revenues, share of viewing and commercial impact data are for the nine month period to 30 September 2008, compared to equivalent period in 2007. Forecasts for Q4 and the calendar year for ITV and the total UK advertising market are based on current ITV estimates.
- Figures for commercial impacts and viewing are based on BARB / Infosys data for adult impacts and individuals viewing. ITV family includes: ITV1, ITV2,

ITV3, ITV4, CITV, GMTV1, GMTV2, Men&Motors and associated “+1” channels. ITV digital channels include: ITV2, ITV3, ITV4, CITV, GMTV2, Men&Motors and associated “+1” channels.

5. Average monthly unique users compare average for the first nine months of 2008 and the equivalent period in 2007. Total video views include total video views across all ITV sites for the first nine months of 2008 and 2007. Video views are based on internal Company data for itv.com and itvlocal. Unique users are based on Omniture data. Video views on itv.com began in August 2007.
6. Figures presented in this interim management statement are not audited. This announcement contains certain statements that are or may be forward-looking with respect to the financial condition, results or operations and business of ITV. 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. 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) adverse changes to the current outlook for the UK television advertising market, (ii) adverse changes in tax laws and regulations, (iii) the risks associated with the introduction of new products and services, (iv) pricing, product and programme initiatives of competitors, including increased competition for programmes, (v) changes in technology or consumer demand, (vi) the termination or delay of key contracts, (vii) fluctuations in exchange rates and (viii) volatility in financial markets.

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