

**14 May 2015**

**ITV plc Q1 Trading Update – 3 months to 31 March 2015**

**ITV delivers strong first quarter growth across all parts of the business**

ITV has published the following trading update in advance of the Company's Annual General Meeting to be held at 11 a.m. today.

- Total external revenue up 14% to £665m (2014: £585m)
- Broadcast & Online revenue up 10% to £530m (2014: £480m) reflecting 12% growth in NAR and further strong growth in Online, Pay & Interactive, up 31%
- ITV Studios revenue up 17% to £224m (2014: £192m) with a return to organic growth of 8%
- Completed the acquisition of 100% of Talpa Media
- Non-NAR revenue up 13% to £319m (2014: £282m)
- ITV Family NAR is forecast to be up around 5% in H1

Adam Crozier, ITV plc Chief Executive, said:

"We've had a strong start to the year with further growth across all parts of the business as we continue to deliver against our strategy.

ITV Studios returned to organic growth, which contributed around half of Studios revenue growth, while our acquired businesses remain on track.

We remain focused on building a global scripted business, with a number of high profile dramas this year including Thunderbirds Are Go, The Good Witch, Texas Rising, Aquarius, Raised by Wolves and Jekyll & Hyde. Looking forward to the rest of the year we have a healthy pipeline of new drama to come.

In April we completed the acquisition of Talpa Media, the creator of entertainment formats including The Voice, The Voice Kids, Utopia and Dating in the Dark, which marked an important step forward in our strategy of building a world class production and distribution business.

Our Broadcast business has made a very strong start to the year with NAR up 12% in Q1 and growth across all the major categories. Online, Pay & Interactive continues to grow strongly, helped by growth in online advertising and by our pay channel ITV Encore, which launched last June.

ITV Family Share of Viewing was down 3% in the first four months and improving SOV remains a key focus for the year. We are encouraged by a more robust recent performance including Britain's Got Talent, Ninja Warrior, Vera and well received new drama including Safe House, Home Fires and Code of a Killer. Our digital channels are growing audience share, up 3% overall year on year, and we are firmly focused on the main channel where we expect to see improvement in the second half of the year when we will have the benefit of the exclusive rights to the Rugby World Cup.

Looking forward, ITV NAR is expected to be up around 5% in H1, and while quarterly phasing will be different to 2014, we expect to outperform the market over the full year with Online, Pay & Interactive continuing to grow strongly across the year. ITV Studios remains on track to increase revenue by around £100 million on a constant currency basis with the benefit of Talpa to come. For 2015 as a whole we anticipate further strong growth across ITV as we continue to rebalance and strengthen the business creatively, commercially and financially."

## NOTES TO EDITORS

1. Unless otherwise stated, all financial figures refer to the three month period ended 31 March 2015, with growth compared to the same period in 2014. All operating figures refer to the latest available period, with growth compared to the same period in 2014.

2.

Revenue for 3 months ended 31 March (£m)	2015	2014	%
ITV Broadcast & Online	530	480	10
ITV Studios	224	192	17
<b>Total revenue</b>	754	672	12
Internal supply	(89)	(87)	2
<b>Total external revenue</b>	665	585	14

Revenue for 3 months ended 31 March (£m)	2015	2014	%
ITV Family NAR	435	390	12
Non-NAR revenue	319	282	13
Internal supply	(89)	(87)	2
<b>Total external revenue</b>	665	585	14

3. ITV Family NAR was up 12% in Q1, up 5% in April and is forecast to be down 5% in May and down 5% to down 7% in June against a strong performance in the prior year around the World Cup. This revenue is pure NAR, excluding the benefit of sponsorship and online revenue.

Figures for ITV plc and TV market NAR are based on ITV estimates and current forecasts.

### 4. Operational summary

<b>Broadcast &amp; Online performance indicators</b>	2015	2014	%
<b>ITV Family SOV</b> – 4 months to 30 April	20.9%	21.6%	(3)
<b>ITV SOV</b> – 4 months to 30 April	14.7%	15.6%	(6)
<b>ITV Family SOCI</b> – 4 months to 30 April	35.0%	36.6%	(4)
<b>ITV SOCI</b> – 4 months to 30 April	24.0%	25.9%	(7)
<b>ITV adult impacts</b> – 4 months to 30 April	70bn	77bn	(9)
<b>Total long form video requests (all platforms)</b> – 3 months to 31 March	225m	156m	44

SOV data based on BARB/AdvantEdge data and Share of Commercial Impacts (SOCI) data based on BARB/DDS data. SOV data is for individuals and SOCI data is for adults. ITV Family includes: ITV, ITV2, ITV3, ITV4, ITV Encore, ITVBe, CITV, ITV Breakfast, CITV Breakfast and associated "HD" and "+1" channels. Total long form video requests across all platforms are based on data from ComScore Digital Analytix, Virgin, BT, iTunes, Amazon Prime Instant Video, Netflix, Sky, 3UK and Hospedia and include simulcast.

5. At constant currencies and excluding revenue from 2014 acquisitions, ITV Studios delivered 8% organic revenue growth.

6. Total ITV Studios revenue, including acquisitions, would have been £2 million lower on a constant currency basis. If rates stay broadly similar, with a stronger US dollar offset by a weakening Euro, the full year positive foreign exchange impact on Studios revenue will be around £10m with no impact expected on EBITA. Our definition of constant currency assumes exchange rates remain consistent with 2014.

7. At 31 March 2015 ITV had net cash of £127m (31 December 2014: £41m). In April, we drew down €500m (around £360m) on our Revolving Credit Facility in respect of the initial payment for Talpa which completed on 30 April 2015. The payment of the final and special dividend will take place in May.

8. The aggregate IAS19 Pension deficit at 31 March 2015 was £372m (31 December 2014: £346m). The results of the Trustee's full actuarial valuations of all three sections of the Scheme as at 1 January 2014 will be finalised in due course.

9. 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) a major deterioration in the current outlook for UK advertising and consumer demand, (ii) significant change in regulation or legislation, (iii) failure to identify and obtain, or significant loss of, optimal programme rights, and (iv) the loss or failure of transmission facilities or core systems and (v) a significant change in demand for global content.

Undue reliance should not be placed on forward looking statements which speak only as of the date of this document. The Group accepts no obligation to revise publicly or update these forward looking statements or adjust them to future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

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