

Introduction – Michael Grade

Britain's Got Talent



Interim Results

Introduction

- Core business stabilising
 - UK TV advertising market
 - Flat in H1
 - Up 6% in Q3
 - ITV1
 - YTD impact volume +0.6%
 - YTD Adult SOCI down 4.8%

Interim Results

Introduction

- Focus on
 - Making ITV fit for purpose
 - Strategy Update – 12th September
 - Confidence in 2008 ITV1 Schedule
 - Additions to executive team
 - Strengthening the Board
 - Regulation update
 - CRR
 - PSB
 - CC review of Sky shareholding
 - HD on Freeview

Trinny and Susannah

Business Review John Cresswell



Business Review

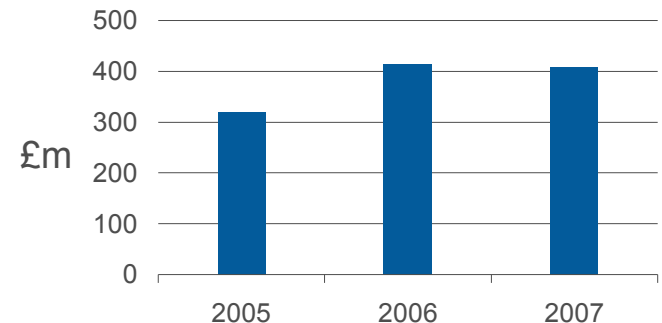
Agenda

- Interim Results
 - Disposals
 - Cashflow and debt position
 - Pensions
 - Operating efficiencies
- Business Review

- Total revenue of £1,004m
- Operating EBITA £151m[#]
- Adjusted EPS 2.3p^{*}
- Cash generated from operations 80% of EBITDA[#]
- Disposals £76 million in H1
- Improving advertising market
- Hold interim dividend at 1.35p

£151m

Operating EBITA[#]



ITV plc revenues outside ITV1 NAR
41% of revenue in 2007

6 months to 30th June - £m

	2007	2006	Change
	Published	Published	%
Revenue	1,004	1,077	-7%
Operating EBITA	151 [#]	202 [#]	-25%
Amortisation			
Normal	(28)	(28)	
CSA write down	(28)	-	
Exceptional items inc gains on sales	34	10	
Associates, JVs and investment income	3	6	
Profit before interest and tax	132	190	-31%
Interest	(27)	(17)	
Profit before tax	105	173	-39%

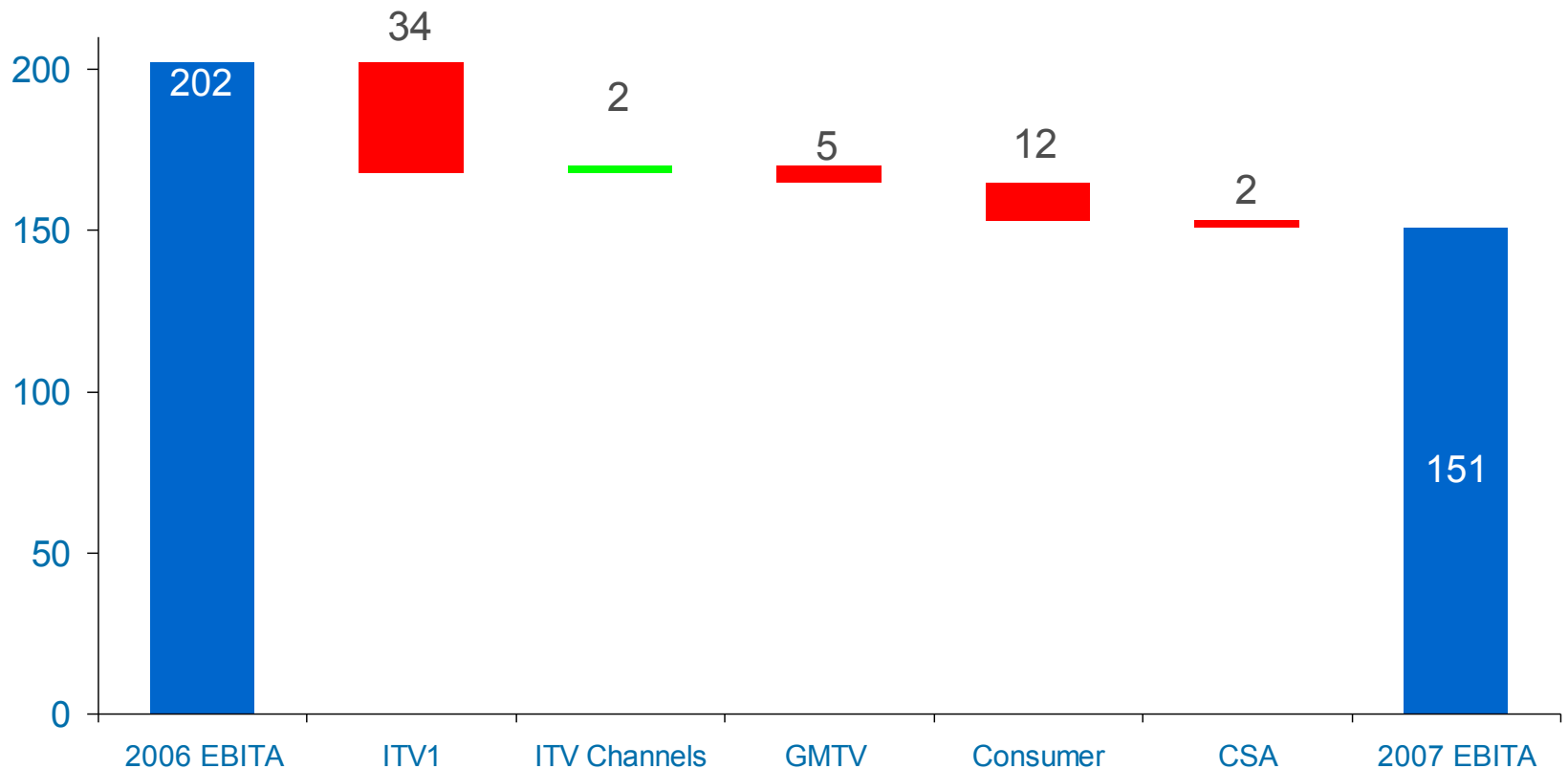
6 months to 30th June - £m

	2007	2006	Change
	Published	Published	%
Profit before tax	105	173	-39%
Tax	(21)	(52)	
Profit after tax	84	121	-31%
Minority interests	(1)	(1)	
Profit for the period	83	120	-31%
Earnings per share (p) (basic)	2.1p	2.9p	-28%
Dividend per share	1.35p	1.35p	-

Interim Results

Movements in EBITA in the half year

- Movements in EBITA* in the year



Interim Results

Interactive and Call TV effects

Interactive and Call TV revenues and profits from across the group

6 months to 30 th June £m	2007	2006	% Change
ITV (PRTS, SMS, Red button)	19	20	-5%
GMTV	5	8	-38%
ITV Play (Call TV)	9	26	-65%
Revenues	33	54	-39%
Operating profit			
ITV (PRTS, SMS, Red button)	4	7	-43%
GMTV	(1)	6	-
ITV Play (Call TV)	-	9	-
Operating Profit	3	22	-86%

Interim Results

Disposals

£m	Cash	Date
Liverpool (9.99% stake)	17	6 th Feb 07
Arsenal (9.99% stake + option)	50	5 th April 07
Property and transmission assets	9	
Total	76	

Non-core assets remaining: Screenvision, property, CSA.

Interim Results

Net debt reduced

6 months to 30th June - £m

	2007	2006
EBITDA	166	217
Working capital	(33)	(35)
Cash generated from operations	133	182
Exceptional items	(16)	(13)
Taxation and interest	(32)	(60)
Capital expenditure	(23)	(55)
Sale/purchase of businesses, investments and assets	73 [#]	114 [*]
Equity dividends	(55)	(61)
Other movements	(14)	(30)
Movement in net debt	66	77

[#]Includes Disposal of Liverpool, Arsenal, various properties and purchase of Jaffe Braunstein

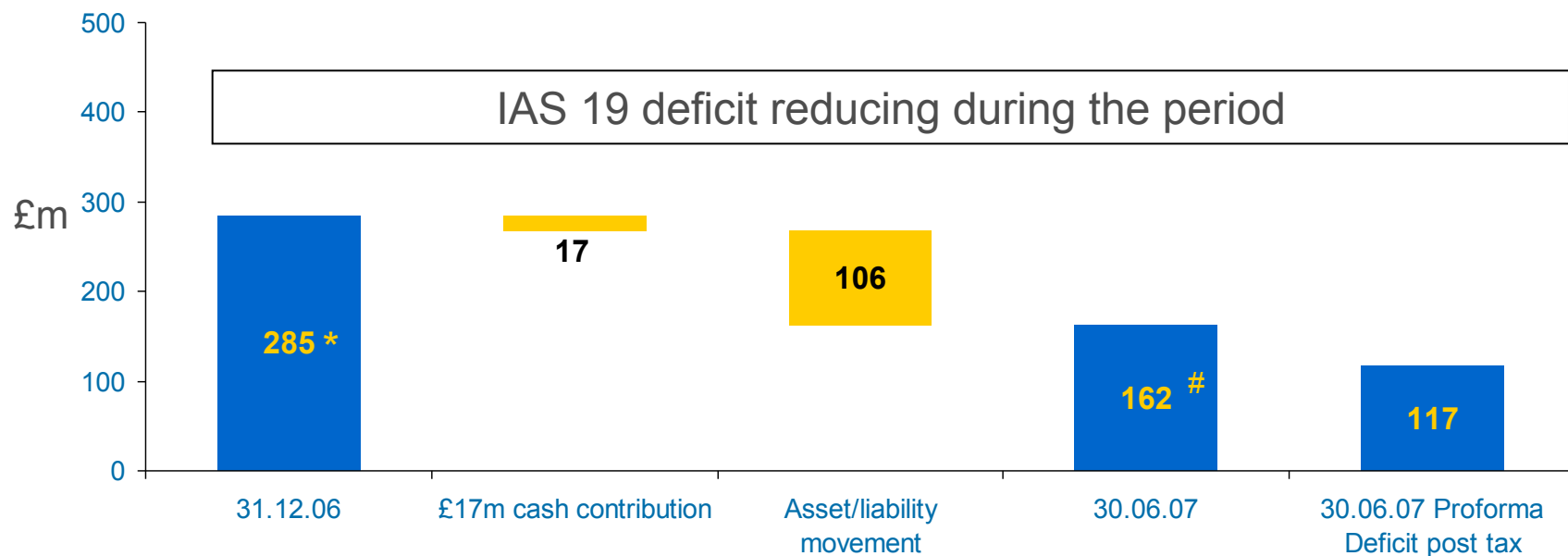
^{*}Includes disposal of Seven Network, Education and O21

Interim Results

Net debt and Pension deficit

H1 2007	£m
Movement in net debt	66
Opening net debt	(734)
Closing net debt	(668)

H1 2007	£m
Current service cost	(9)
Net interest credit	9
Total income statement	-



* Value of liabilities £2,657m, bid value of assets £2,372m

value of liabilities £2,553m, bid value of assets £2,391m

Interim Results

Operating efficiencies

Operating efficiencies on track

Operating cost savings	2006	2007	2008
Back Office	2	9	14
Property	0	2	4
Systems and Technology	0	4	7
Transmission	0	6	7
Staff Related	0	4	6
Procurement	0	1	2
Cumulative total	2	26*	40
Cumulative cost of change	7	15	24

* £24m incremental savings – H1 £11m and H2 £13m

Kingdom



ITV Performance

Broadcasting revenue

6 months to 30th June - £m	2007	2006	Change %
ITV1 NAR	595	654	-9%
ITV2, 3, 4, News, CITV, M&M NAR	95	70	36%
GMTV NAR	27	28	-4%
ITV plc NAR	717	752	-5%
Sponsorship	25	23	9%
Media sales/other income	52	57	-9%
Total	794	832	-5%

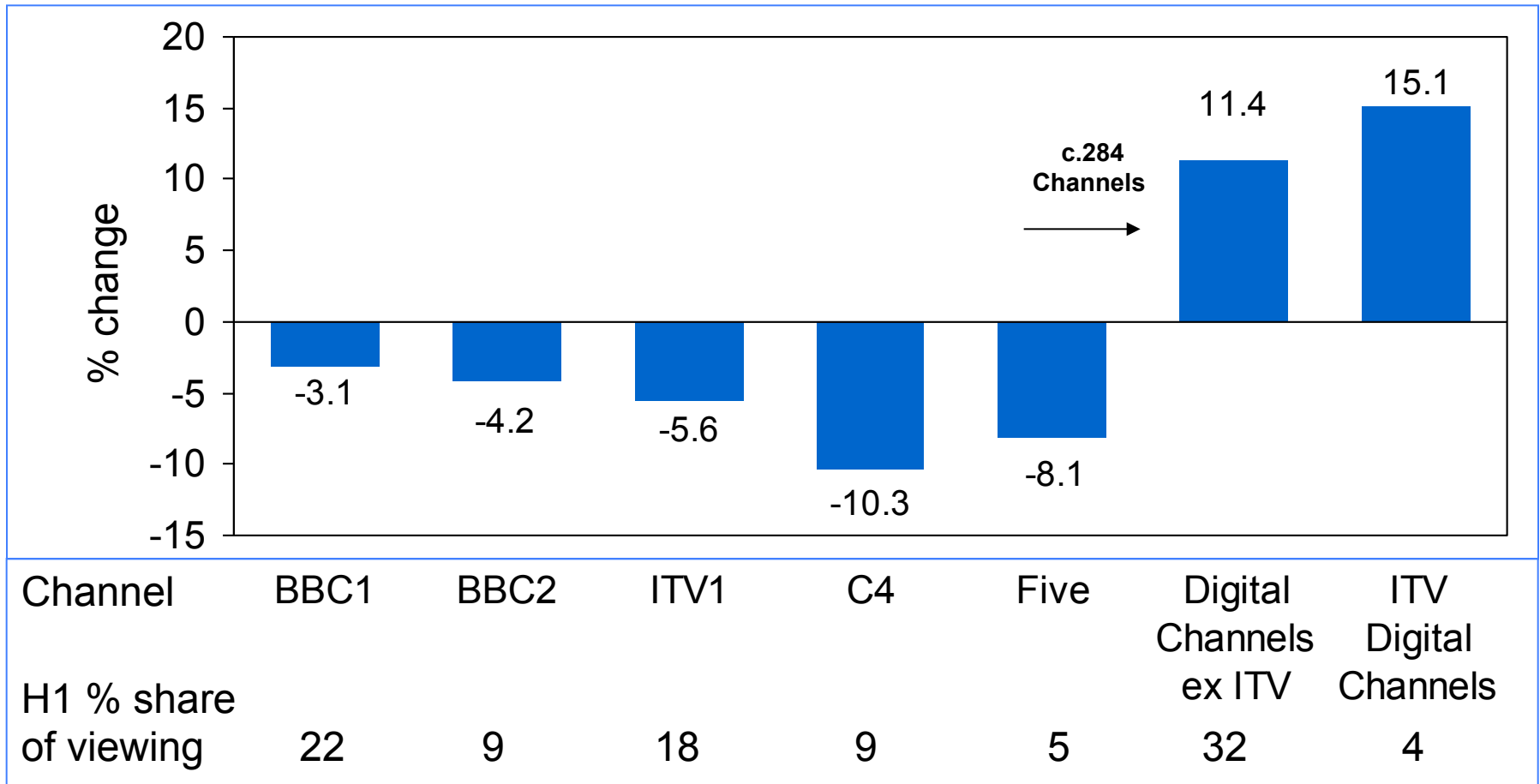
ITV Performance

Programming costs

6 months to 30 th June - £m	2007	2006	Change %
Commissions	291	257	13%
Sport	48	103	-53%
Acquired	15	24	-38%
ITN news & weather	17	19	-11%
ITV plc share of ITV1	371	403	-8%
Regional news & non news	55	58	-5%
ITV plc share of ITV1 inc regional	426	461	-8%
ITV2, 3, 4, CITV, M&M	51	30	70%
GMTV	17	18	-6%
Total ITV plc Schedule Costs	494	509	-3%

Year on year percentage change in share of viewing

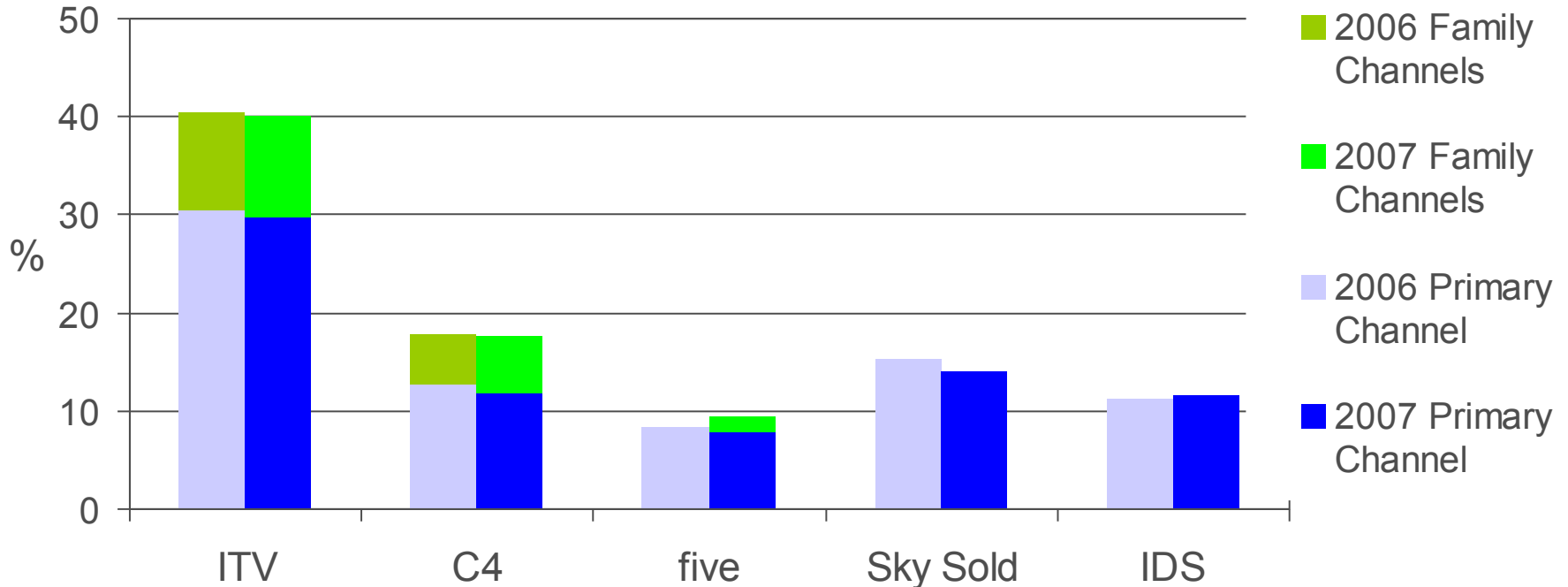
Individuals



Source: BARB ITV digital channels = ITV2, ITV2+1, ITV3, ITV3+1, ITV4, GMTV2, GMTV2+1, M+M, and CITV, Individuals All Time, Jan-Jun 2007 vs Jan-Jun 2006.

ITV the largest commercial family of channels

All time adult SOCI in multi-channel homes



ITV family SOCI in multi-channel homes H1 2007:

- All time share 40%
- Peak time share 50%

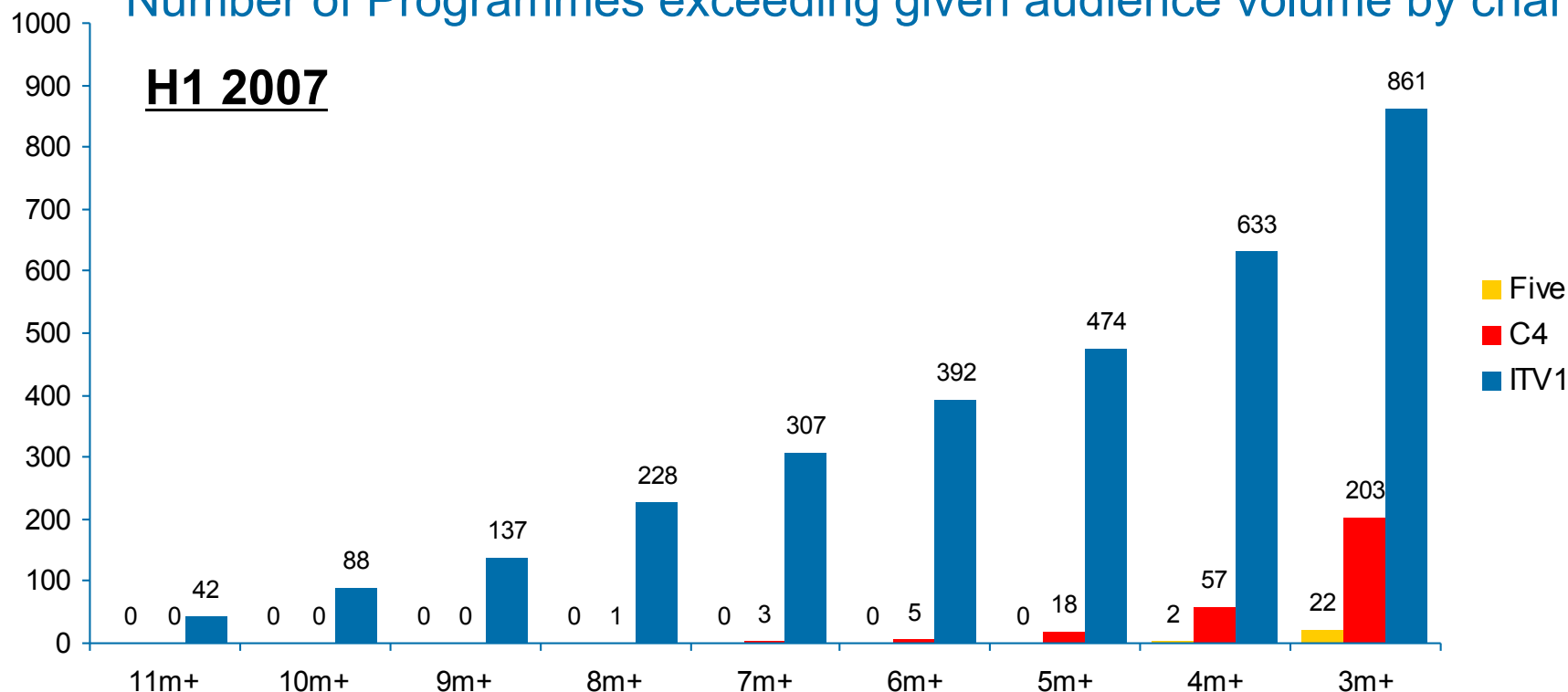
Source: BARB/Infosys, Adult SOCI, ITV Family = ITV1/ 2/2+1/3/3+1/4/CITV/M&M/ GMTV1/2/2+1, Jan-Jun 07 vs. Jan-Jun 06

Improve ITV1 on-screen performance

ITV1's USP is delivering mass commercial audiences

- ITV1 is the only channel which regularly attracts big audiences

Number of Programmes exceeding given audience volume by channel

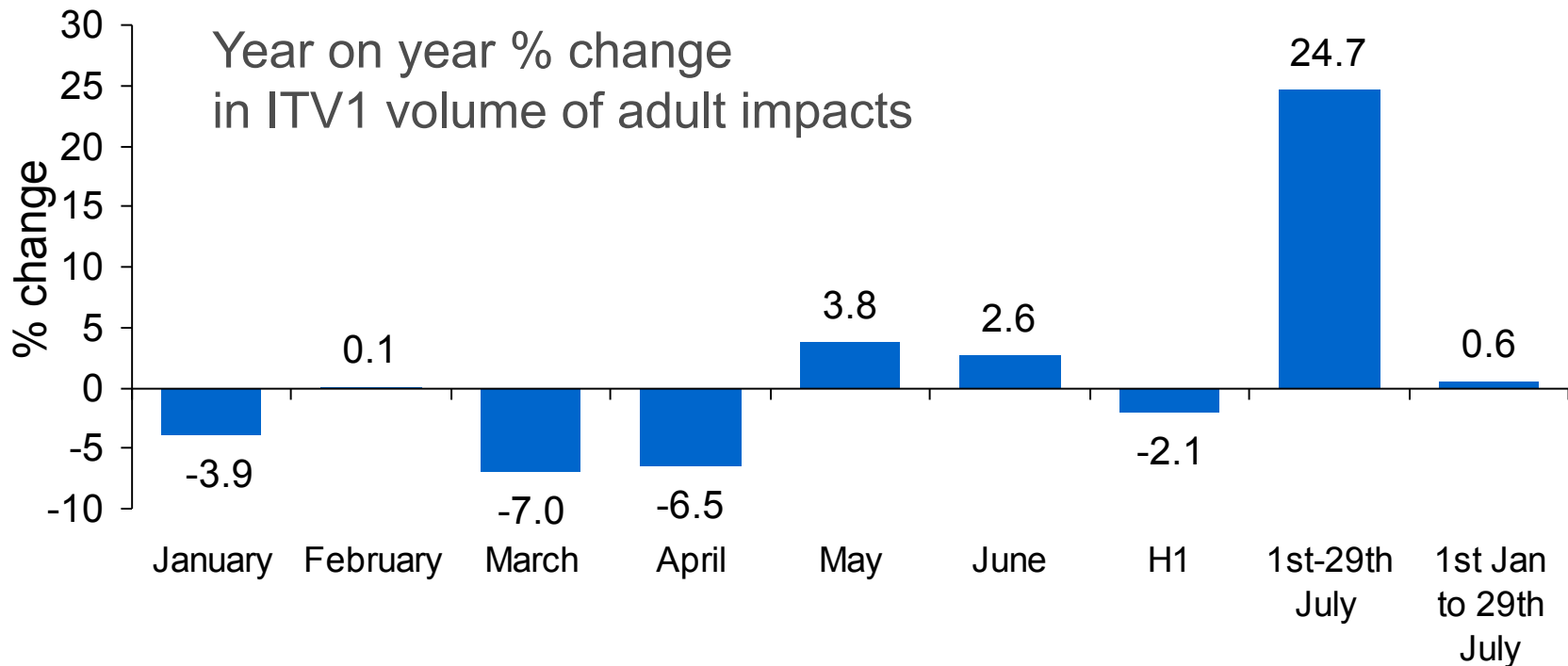


Source: BARB/Infosys, Individuals, All Time, programmes > 10 minutes duration, Jan-Jun 07

Improve ITV1 on-screen performance

ITV1 is delivering impact volumes

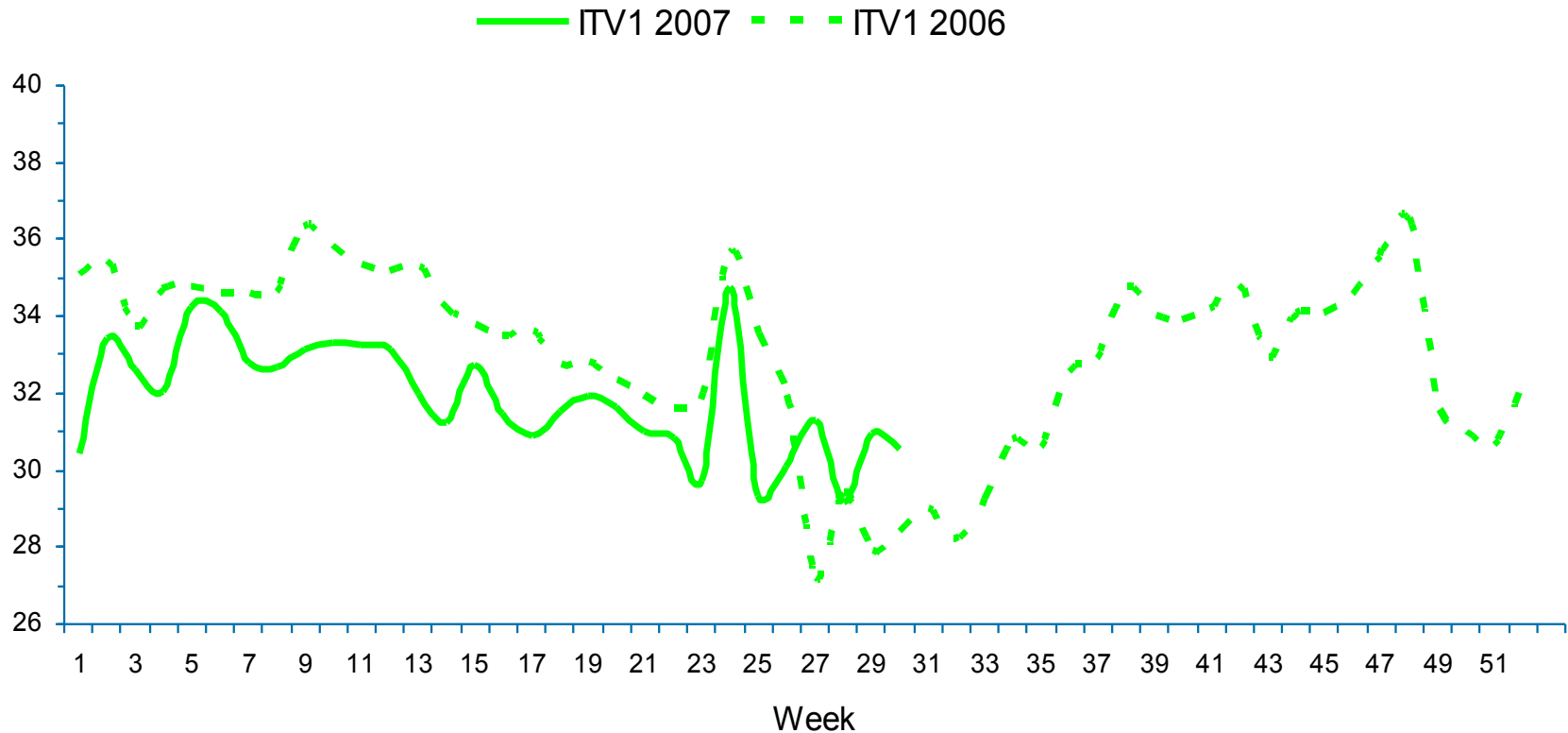
- YTD – ITV1 volume of adult impacts up +0.6% year on year
- ITV1 achieving the same level of audience as last year
- UK TV market grew total impacts by 4.0% in H1



Improve ITV1 on-screen performance

Current performance encouraging

ITV1 Weekly SOCI Performance YTD



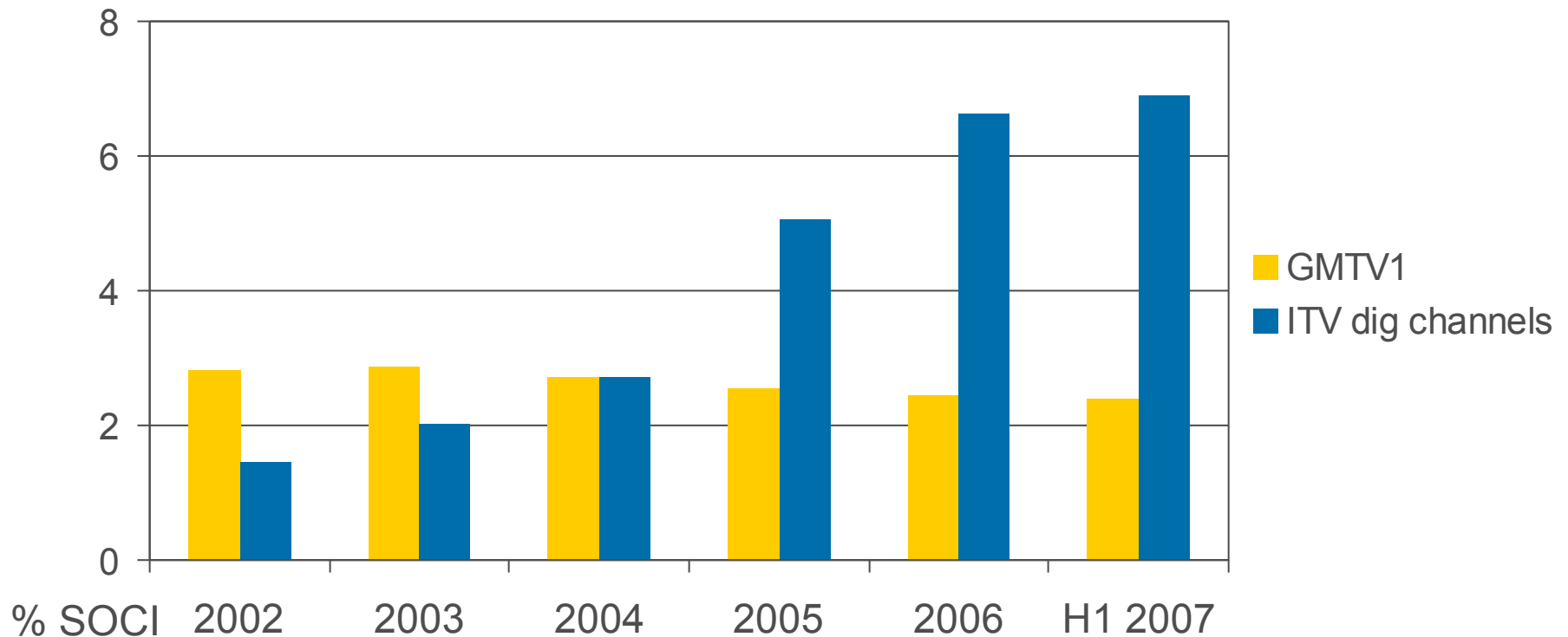
Source: BARB DDS, Adults, Wks 1-52 2006, wks 1-30 2007.

Grow channel revenues

ITV2/3/4 increasing revenue and impacts

- 42% of all multichannel revenue growth
- 18% of yoy multichannel impact volume growth

ITV Channels (excl ITV1) yoy all time adult SOCI growth in all Homes



Housewife 49



Content business

Production/Worldwide revenue

6 months to 30th June - £m	2007	2006	Change %
Production			
UK production (excl ITV supply)	19	32	-41%
Resources	11	10	10%
Worldwide			
International production	34	31	10%
Distribution and exploitation	53	54	-2%
Total (excl ITV supply)	117	127	-8%
ITV supply	164	180	-9%
Total	281	307	-8%

These numbers do not include any contributions from O21 or Granada Learning

Content revenues will be H2 weighted

- UK Production
 - Children's production terminated
 - Drama commissions
 - Personnel changes temporarily affect commissions
 - New head of drama appointed
 - H1 profits maintained
 - Dawn Airey appointed Head of Global Content
 - Two new joint venture arrangements
 - Jaffe Braunstein and Mammoth investments



Consumer Consumer revenues

6 months to 30th June - £m

2007

2006

Change %

Interactive and Call TV businesses

Interactive (PRTS/SMS/Red Button)
20

19

-5%

ITV Play (Call TV)
26

9

-65%

Internet businesses

ITV.com/ITV Local
100%

4

2

Friends Reunited
38%

11

8

Other consumer businesses

SDN

13

12

8%

Significant on-line development

ITV.com – the most comprehensive TV site on the web

ITV.com - Launched on 31st July

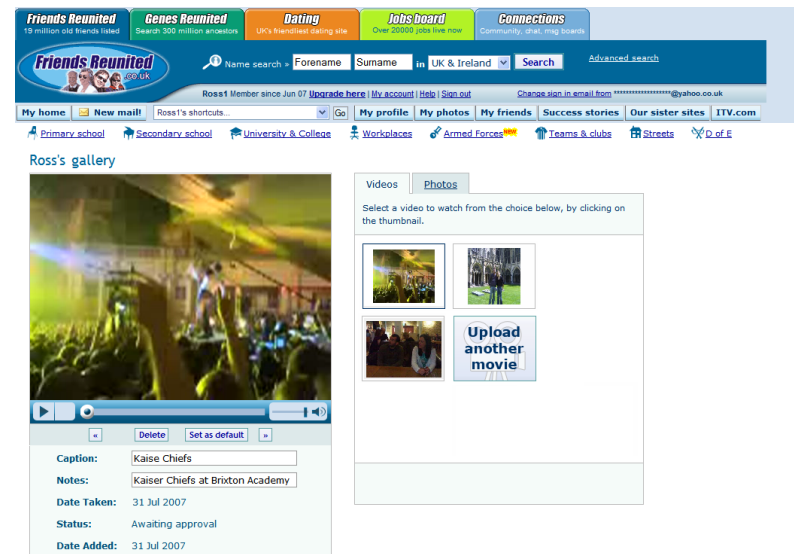
- New offers simulcast, catch-up, clips & archive
- Original 'made for broadband' content
- Marketing campaign in September
- Positive launch response
- Simple navigation and 'click and watch'
- ITV Local
 - National roll-out on target for completion Oct'07
 - Site integrated with itv.com later this year



Friends Reunited Strong growth

2007 HY results – strong growth

- Total revenues up 38%
- EBITA margin increased to 55%
- Upgrade site functionality
 - Upload video profiles
 - Photo tagging
 - Genes Reunited - new interactive family tree lifelines



55%

EBITA margin in 2007

Opportunities

- Advertising
 - New pre-roll inventory sold at healthy CPMs
 - New sponsorship opportunities
 - Targeted advertising
 - New clickable ads
- New business to consumer relationships
 - Online directories
 - Classified advertising
 - Subscription and transaction revenue

ITV on-line presence firmly established

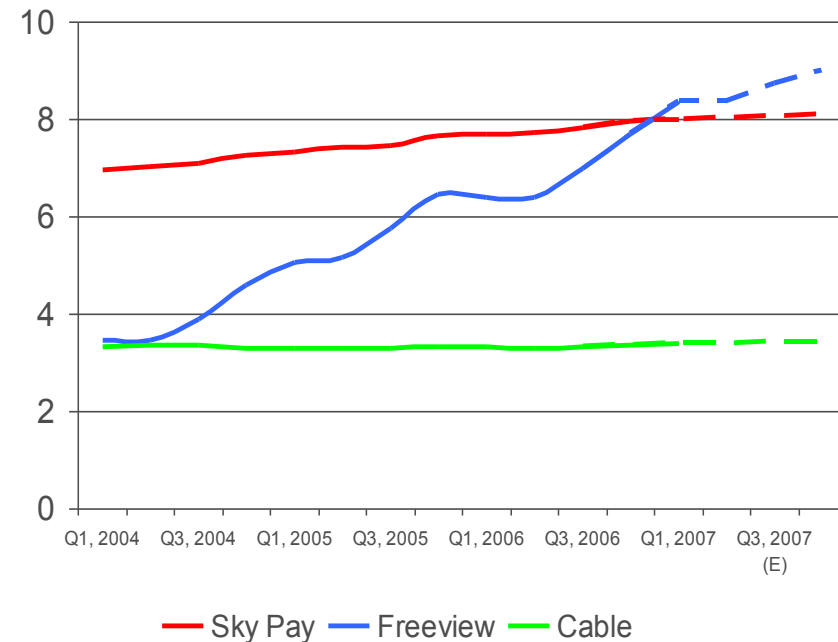
8.5 million

ITV total unique users across all sites

Platforms

SDN – Increased value

- Freeview overtook Sky in Q1 2007 and continues to grow
- Priority: secure market rate for capacity as quickly as possible
 - 2 channels freed up pre 2010
 - 4 channels in 2010
- Long term certainty over SDN cost base
 - DSO transmission contract signed with Arqiva on 27th July
 - Short term cost savings



Digital platform penetration

Current trading and summary

Robbie Coltrane: B road Britain



- Adult impacts for YTD

- ITV1

- Volume up +0.6%

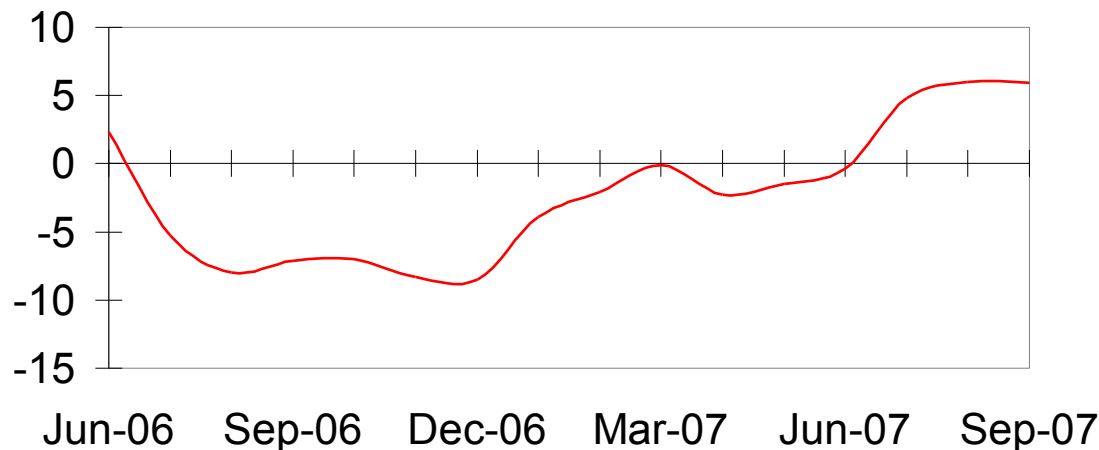
- SOCI down -4.8%

- ITV family SOCI down -2.2%

- NAR estimates for Q3

% change	Jul	Aug	Sep	Q3
ITV1	+11	-6	+2	+1
Total ITV	+14	-4	+4	+4
Total UK TV	+12	-1	+7	+6

Rolling 3 month y on y % change in UK TV NAR



Source: BARB DDS (Jan-July 29th), ITV Family = ITV1/ 2/ 2+1/ 3/ 3+1/ 4/ Men & Motors, GMTV1/ 2/ 2+1 & CITV

ITV Revenue estimates as of 06.08.07 ITV NAR excludes, Total TV includes, own spend,

- Core metrics of NAR and SOCI are stabilising
- Focus on:
 - Making ITV fit for purpose
- In the short-term
 - Continuing to improve ITV1 performance
 - Grow our production business
 - Build our on-line presence
- Update on Strategy – 12th September

Forward-looking statement

ITV is providing the following cautionary statement. This document 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 and (vii) fluctuations in exchange rates.

The man who lost his head



Revenues – published segmental reporting

6 months to 30th June - £m	2007		2006	
Broadcasting revenue		794		832
Content revenue - total	281		307	
Less internal	<u>(164)</u>	117	<u>(180)</u>	127
Consumer revenue (excl Friends)		46		61
Other *		5		6
Producer/Broadcaster Total		962		1,026
CSA, Friends and Education [#]		42		51
Total		1,004		1,077

Movement from reported to adjusted

2007

	Per Interim Report	Operating Exceptional Items	Gain on sale of subsidiaries & investments	Gain on sale of properties	Amortisation	Other Tax Adjustments	Adjusted
Revenues	1,004						1,004
Operating EBITA	141	10					151
Amortisation	(56)				56		0
JV's and Associates	2						2
Investment Income	1						1
Gain on sale of property	9			(9)			0
Gain on sale of subsid. & Investments	35		(35)				0
PBIT	132	10	(35)	(9)	56		154
Interest	(27)						(27)
Profit before tax	105						127
Tax	(21)	(3)			(11)	(3)	(38)
Profit after tax	84	7	(35)	(9)	45	(3)	89
Minority Interests	(1)						(1)
Earnings	83						88
Weighted average	3,875						3,875
EPS	2.1p						2.3p

Movement from reported to adjusted

2006

	Per Interim Report	Operating Exceptional Items	Gain on sale of subsidiaries & investments	Gain on sale of properties	Amortisation	Adjusted
Revenues	1,077					1,077
Operating EBITA	191	11				202
Amortisation	(28)				28	0
JV's and Associates	4					4
Investment Income	2					2
Gain on sale of property	4			(4)		0
Loss on sale of subsid. & investments	17		(17)			0
PBIT	190	11	(17)	(4)	28	208
Interest	(17)					(17)
Profit before tax	173					191
Tax	(52)		5		(8)	(55)
Profit after tax	121	11	(12)	(4)	20	136
Minority Interests	(1)					(1)
Earnings	120					135
Weighted average	4,105					4,105
EPS	2.9p					3.3p

ITV1 plc Performance

Broadcasting revenue

Top 10 advertising categories

Category	H1 2007 Revenue £m*	% of NAR	% growth/ decline yoy
Retail	93	16%	-7%
Food	61	10%	-17%
Finance	60	10%	-14%
Cars & Car Dealers	52	9%	-15%
Cosmetics & Toiletries	45	7%	-8%
Entertainment & Leisure	33	6%	-22%
Household Stores	36	6%	1%
Telecommunications	35	6%	5%
Pharmaceuticals	24	4%	9%
Publishing and Broadcasting	23	4%	13%

Source: Datawarehouse, Jan-Jun 2007, * ITV1 plc

ITV Performance

Programming costs

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Sport	48	103	-53%
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ITV plc share of ITV1 inc regional	426	461	-8%
ITV2, 3, 4, CITV, M&M	51	30	70%
GMTV	17	18	-6%
Total ITV plc Schedule Costs	494	509	-3%
Minority share of ITV1 NPB	27	30	-10%
Total	521	539	-3%

ITV Broadcasting

Licence fees

6 months to 30th June - £m	2007	2006	Saving
Cash bid payment	2	2	-
PQR Levy and digital licence rebate	21	27	6
Adjustment in respect of prior years	-	(6)	(6)
Total	23	23	-

ITV – JVs, Associates & Inv income

ITV share of results – EBITA

6 months to 30th June - £m

		2007	2006
JVs	Screenvision	2	3
Associates	ITN	-	-
	TV3*	-	2
	Other	1	1
Interest and Tax		(1)	(3)
Total		2	3
Investment income	SMG/Other	0	1
	Seven Network*	1	1
Total		1	2

*Disposed of in 2006

Exceptional items

Operating exceptional items

6 months to 30th June - £m

	2007	2006
Reorganisation and integration costs	(1)	(2)
Carlton Screen Advertising contract provision	(9)	-
Receipt from liquidators	-	2
Fees in relation to takeover approaches	-	(11)
Total exceptional items	(10)	(11)

Income Statement to cash tax payment

6 months to 30th June - £m	2007	2006
Tax charge	(31)	(37)
Deferred tax	7	(15)
Prior period adjustments	3	-
Current income statement tax charge for the period	(21)	(52)
Overseas tax payments	(3)	
Cash payments relating to 2006 paid in 2007	(4)	
Cash repayments re prior periods	12	
Net cash receipts in 2007	5	

Underlying rate of tax

	£m
Profit before tax as reported	105
Exceptional items (net)	(34)
Amortisation	56
Share of profits of joint ventures and associates	(2)
Profit before tax, exceptional items, amortisation and share of profits of JV's and associates	125
Tax charge as reported	21
Net credit for exceptional items	3
Credit in respect of amortisation	11
Credit in respect of prior period items	3
Underlying tax charge	38
Underlying rate of tax	30%

Interest charge

6 months to 30th June - £m	2007	2006
€355.7m Exchangeable at 2.25% Jan 07	-	(3)
£200m at 7.625% Jun 07	(7)	(7)
£250m at 5.625% Mar 09	(7)	(7)
€500m Eurobond at 4.75% Oct 11	(8)	-
£325m at 5.375% Oct 15	(9)	(9)
£250m Eurobond at 6.125% Jan 17	(8)	-
	(39)	(26)
Swap/Bond fair value movements	(9)	(3)
Imputed interest on net pension deficit	9	8
Interest on cash and other	12	4
P&L charge	(27)	(17)
Cash - Imputed interest on net pension deficit	(9)	(8)
Swap and bond fair value and timing differences	(1)	9
Property discounting	-	1
Cash interest	(37)	(15)

Interim Results

Cash/Debt position

Medium Term financing secured

- October 2006 Eurobond issues
 - €500m 4.75% October 2011 £334m
 - £250m 6.125% January 2017 £248m
- 2007 maturities
 - Euro Exchangeable 2.25% Jan 07 £240m
 - Eurobond 7.625% June 07 £200m
- At 30th June 2007

Gross Debt £1,250m less Cash £582m

Net Debt £668m

£668m

Interim 07 Net Debt

Analysis of net debt

£m	June 2007	Dec 2006
€355.7m Exchangeable Jan 07	-	240
£250m Eurobond Jun 07	-	201
£200m Eurobond Mar 09	247	248
€500m Eurobond ⁺ Oct 11	334	334
£325m Eurobond Oct 15	322	322
£250m Eurobond ⁺ Jan 17	248	248
Other loans & loan notes	26	27
Finance leases [#]	73	75
Cash & cash equivalents	(582)	(961)
Statutory net debt	668	734

+ Issued in October 2006

Finance leases predominantly associated with sale and leasebacks of programmes and matched by equal cash deposits

- Integral part of how we do business, guided by our values.
- Sector leader in Dow Jones Sustainability Index 2006 for second year running.
- Member of FTSE4Good.
- Silver ranking in the Business in the Community's 2006 CR Index.
- Second in Guardian Giving List.



Corporate Responsibility highlights

On air:

- Climate Change – “Make a Difference”
 - Encouraging viewers to find out about climate change by visiting www.itvclimatechange.com and pledging to take up one of ten energy saving challenges
- ITV.com and Freesat proposition – increasing access for viewers
- Search for ITV Carer of the Year launched 11 July, part of the Pride of Britain Awards

Behind the Scenes:

- Reviewing environment strategy including energy efficiency, renewable electricity and climate change issues
- Launched new payroll giving scheme for employees with matched funding
- For full details on all our CR activities see www.itvplc.com/itv/responsibility/