

ITV Public Co., Ltd.



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Chairman & CEO

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Disclaimer

"Some statements made in this presentation are forward-looking statements, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as "may" , "will" , "expect" , "anticipate" , "intend" , "estimate" , "continue" , "plan" or other similar words. The statements are based on our management's assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements."



Current Commercial Broadcast Operators

There are six players in the commercial broadcast TV industry; only three are private companies, but they operate under concession: BEC World (Channel 3), BBTV (Channel 7) and ITV.

Prime Minister's Office
(PMO)

Under
Concession



• Listed Co.



Mass Communication
Organization of Thailand (MCOT)

Under
Concession



• Listed Co.



Royal Thai Army

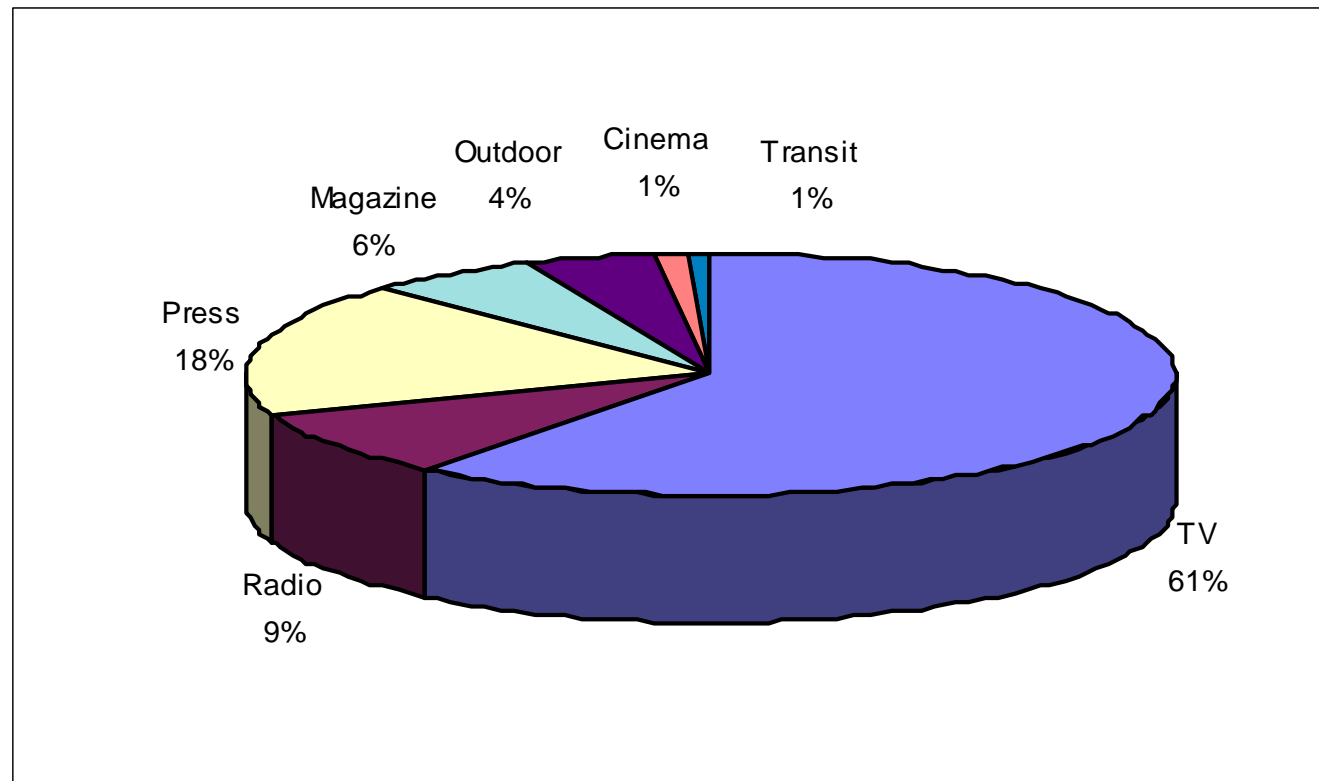
Under
Concession





8M03 Advertising Spending Breakdown

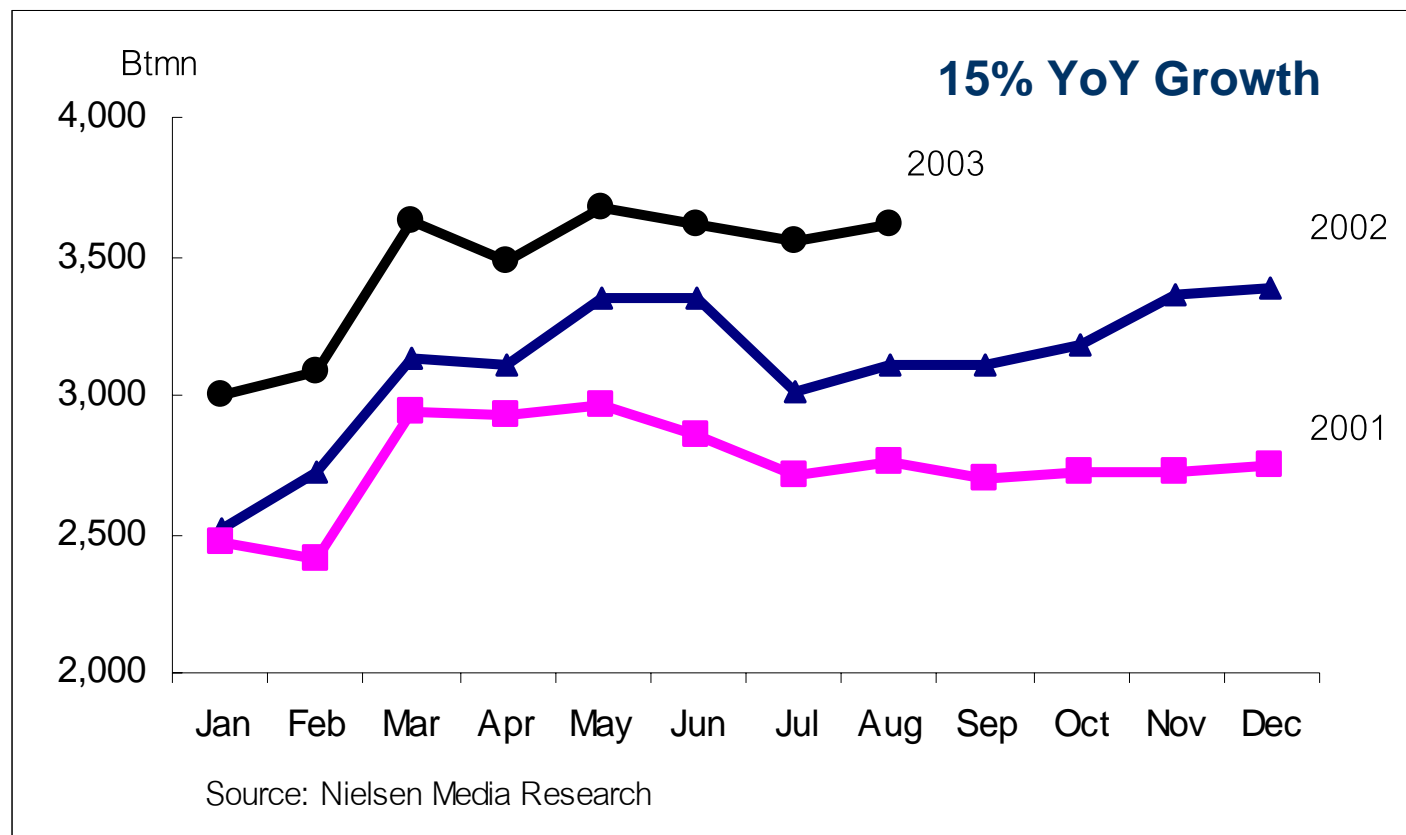
By Media



Source : Nielsen Media Research



TV Advertising Spending Trend



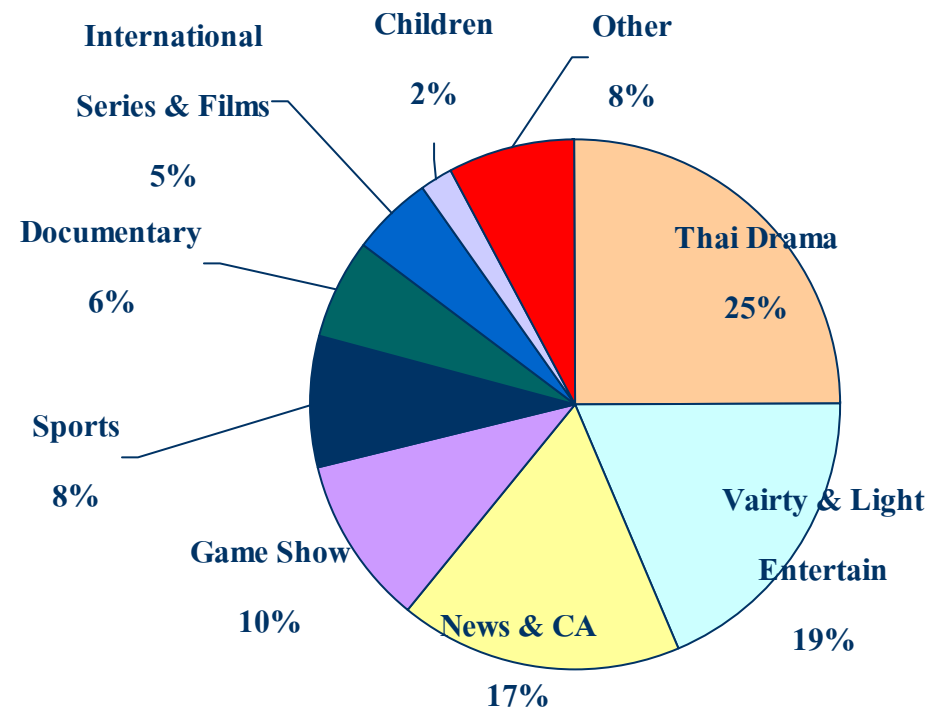
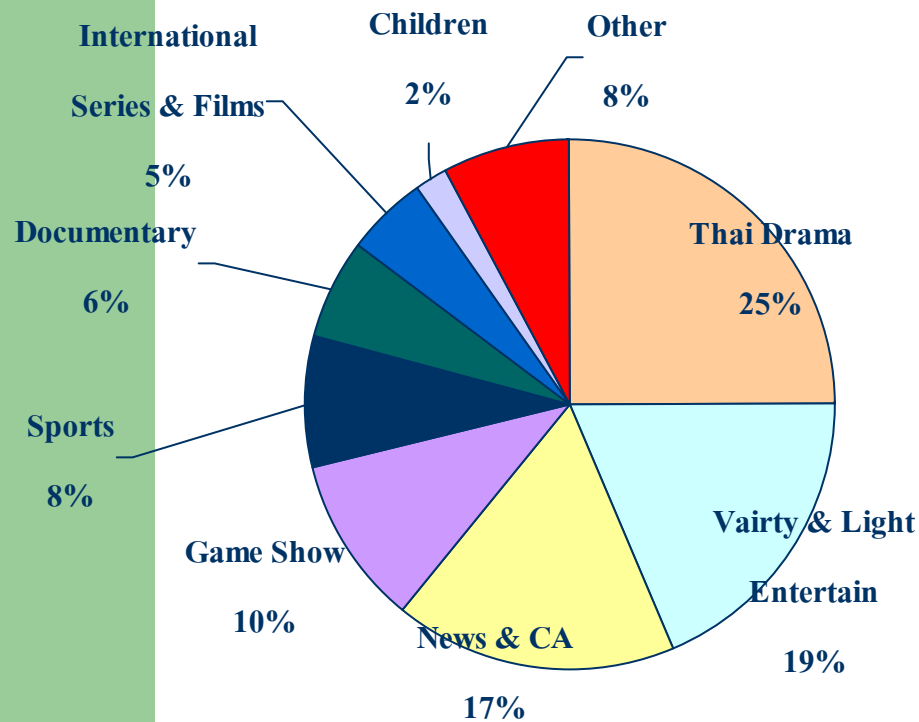


Total TV Advertising Spending

By Program Types

Year 2002 Total Bt37.3 billion

Jan-Aug 2003 Total Bt27.6 billion



Source : Nielsen Media Research



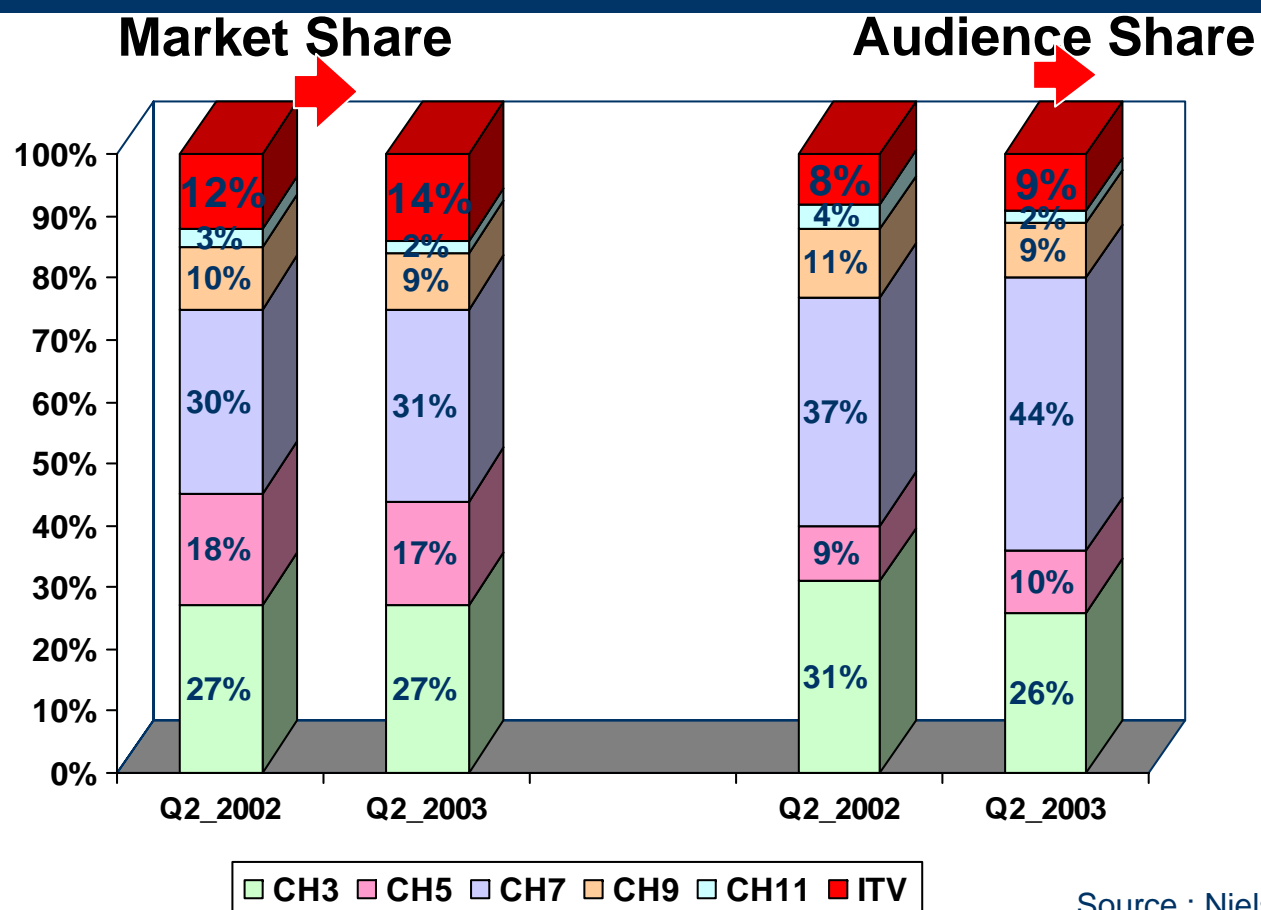
TOP 20 TV ADSPENDING: BY ADVERTISERS

Top 20 TV Adspending Advertisers: Jan-Aug 2003 (Unit: 1,000 Baht)			
Rank	Advertisers	TV Adspending	% to All
1	UNILEVER (THAI) HOLDINGS	1,950,476	7.1%
2	PROCTER & GAMBLE (THAILAND)	777,586	2.8%
3	ADVANCE INFO SERVICE PCL.	549,830	2.0%
4	GMM GRAMMY PUBLIC CO.,LTD.	524,625	1.9%
5	KAO COMMERCIAL (THAILAND) CO.,	502,742	1.8%
6	OSOTSPA (TECK HENG YOO)	491,609	1.8%
7	AJINOMOTO SALES CO.,(THAILAND)	464,083	1.7%
8	NESTLE(THAI) LTD.	435,383	1.6%
9	BEIERSDORF (THAILAND) CO.,LTD.	398,753	1.4%
10	RS PROMOTION CO.,LTD.	382,606	1.4%
11	BOONRAWD BREWERY CO.,LTD.	382,180	1.4%
12	RED BULL BEVERAGE CO.,LTD.	358,725	1.3%
13	TV DIRECT CO.,LTD.	313,890	1.1%
14	LION (THAILAND) CO.,LTD.	295,683	1.1%
15	COLGATE-PALMOLIVE(THAILAND)LTD	292,908	1.1%
16	BEER THAI (1991) CO.,LTD.	292,784	1.1%
17	COCA-COLA (THAILAND)	266,051	1.0%
18	TOTAL ACCESS COMMUNICATIONS	260,649	0.9%
19	BETTER WAY(THAILAND)CO.,LTD.	257,828	0.9%
20	CARABAO TAWANDAENG CO.,LTD.	239,293	0.9%
Total: Top 20		9,437,684	34%
Grand Total		27,638,947	100%

Source: Nielsen Media Research



Market & Audience Share



Source : Nielsen Media Research



Industry Attractiveness

- Limited players
- High growth in TV ad spending
- High entry barriers due to
 - Limited available spectrum
 - Long lead time to build nationwide network



Company Attractiveness

Higher growth opportunity than other operators due to low prime time utilization rate and advertising rate.

- Revenue during prime time accounts for approximately 70% of total revenues.
- Currently, ITV's prime time utilization rate is relatively low, therefore, revenue can be increased by improving utilization rate without increasing advertising rates.
- Utilization rate should be improved once rating measurement is reformed and quality of programs are improved.
- Other leading stations can increase their revenues only by increasing ad rates.
- More room for ITV's revenue to grow by increasing advertising rate once ITV's utilization rate is improved.

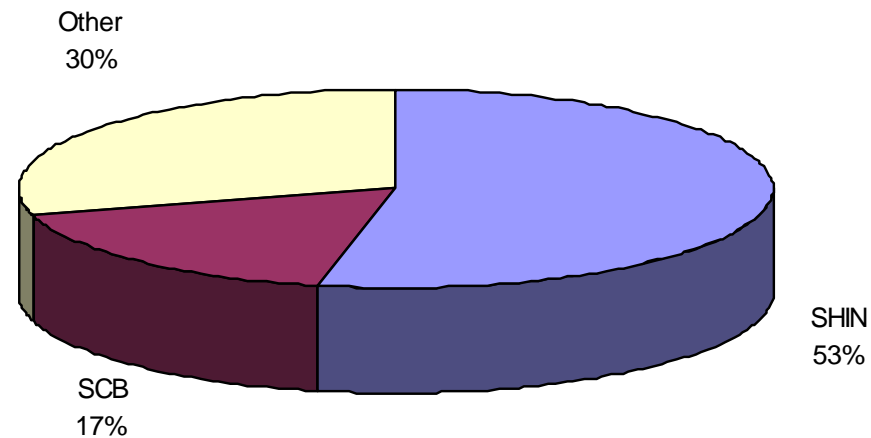


Company Attractiveness

- **Upside potential and cost savings from concession amendments**
- **Strong ITV brand recognition especially acclaimed for its news programs**
- **The only nationwide digital TV network in Thailand, eg. stereo digital NiCAM system**
- **Voted as having an excellent TV-reception quality with the best coverage area**



ITV Shareholding Structure



Registered Capital = 1,200 mn shares (par value 5 baht)

Paid up Capital = 1,200 mn shares (par value 5 baht)



Mission

Intermediate term

- To maintain No.1 rating in News and current affairs
- To be No.3 in Entertainment
- To expand business into entertainment and content provider thru joint ventures



Key Strategy

- **Programming**

- Ready to introduce competitive programs, after favorable arbitration outcome.
- Concentrate on high revenue programs i.e. Thai drama, variety talk and game shows, and news and current affairs.
- Aim at high rating program slots, especially prime-time and weekends.
- Improve our news and current affairs programming strength.



Key Strategy (Cont.)

- Partnership with capable content providers for higher rating.
- Select air-time renters with high rating programs.
- Implement product owner team concept i.e. producers, marketing, and sales.
- **Rating system**
 - Enforceable measures to the new service provider i.e. online system reliability, correct methodology, and audit ability.



Concession Highlights

- BTO 30-year concession to operate a UHF TV station, ends July 3, 2025
- 70% of program schedule consists of news and documentary programs
- Minimum concession payment of Bt25.2 billion over 30 years:

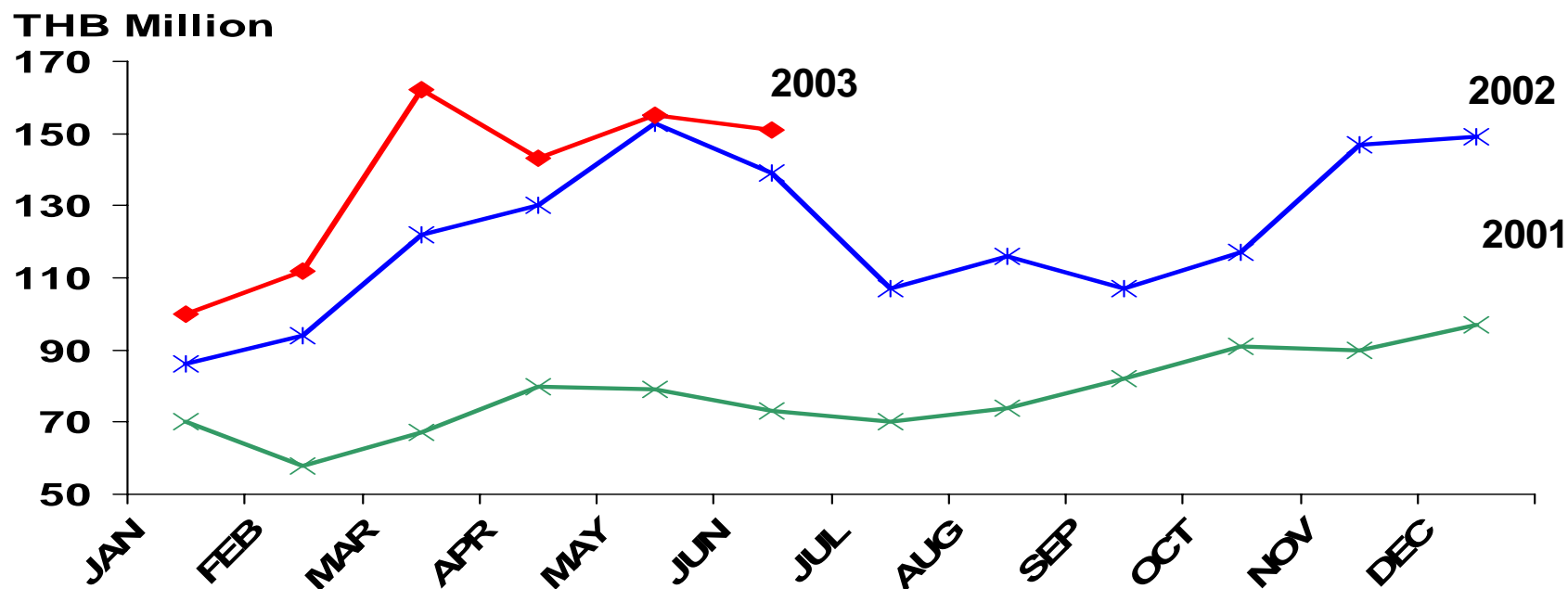
<u>Concession Year</u>	<u>Revenue Sharing</u>	<u>Min. Payment (M. Baht)</u>
3	22.5%	300
4	35.0%	400
5	35.0%	500
6	35.0%	600
7	44.0%	700
8	44.0%	800
9	44.0%	900
10	44.0%	1,000
11-30	44.0%	20,000

- Clause 5 in the concession agreement allows the company to renegotiate its concession terms whenever any government agency grants a new TV concession or allows advertising on cable TV.



Financial Highlights

ITV's Revenue 2001-2003



THB MILLION	Q1	Q2	Q3	Q4	TOTAL
Y2003	373	448			822
Y2002	302	422	330	413	1,467
Y2001	195	233	226	278	932



Financial Highlights

Income Statement

(Unit : Million Baht)

INCOME STATEMENTS	2Q/2003		1Q/2003		%QoQ	2Q/2002		%YoY
OPERATING REVENUE	448	100%	373	100%	20%	422	100%	6%
COST OF SERVICE	296	66%	258	69%	15%	247	59%	20%
GROSS MARGIN	152	34%	115	31%	32%	174	41%	-13%
SG & A	116	26%	113	30%	2%	101	24%	15%
OPERATING INCOME/(LOSS)	36	8%	2	1%	1474%	73	17%	-51%
INTEREST EXPENSES	13	3%	14	4%	-1%	19	4%	-28%
CONCESSION FEE	200	45%	200	54%	0%	175	41%	14%
LOSS FROM SUBSIDIARY	2	0%	2	0%	-12%	-	-	-
NET PROFIT (LOSS)	(179)	-40%	(213)	-57%	16%	(120)	-28%	-49%
NET PROFIT (LOSS) B/F CONCESSION	21	5%	(13)	-4%	261%	55	13%	-61%



Financial Highlights

Balance Sheet

(Unit : Million Baht)

BALANCE SHEET	June 2003		Dec 2002		%Change
Current Asset	803	24%	861	26%	-7%
Concession Assets, net	2,466	75%	2,420	73%	2%
Other non-Current Assets	35	1%	27	1%	23%
Total Asset	3,305	100%	3,309	100%	-0.1%
Concession Payable	800	24%	400	12%	50%
Other Current Liabilities	303	9%	296	9%	2%
Non-current Liabilities	766	23%	785	24%	-2%
Total Liabilities	1,869	56%	1,481	45%	21%
Equity	1,436	43%	1,828	55%	-27%
Total Liabilities & Equity	3,305	100%	3,309	100%	-0.1%