

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders of ITV Public Company Limited

I have reviewed the accompanying consolidated and company balance sheets as at 30 September 2003 and the related consolidated and company statements of income for the three-month and nine-month periods ended 30 September 2003, and the related consolidated and company statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2003, and the related company statements of income for the three-month and nine-month periods ended 30 September 2002, and the related company statements changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2002 of ITV Public Company Limited and its subsidiary and of ITV Public Company Limited, respectively. These financial statements are the responsibility of the Company's management. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform a review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the interim financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the consolidated and company financial statements for the year ended 31 December 2002 of ITV Public Company Limited and its subsidiary and of ITV Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated 21 February 2003. The consolidated and company balance sheets as at 31 December 2002, presented for comparative purposes, are part of the financial statements which I have audited and issued a report thereon as stated above, and I have not performed any other auditing procedures subsequent to the date of that report.

PRASIT YUENGSRIKUL
Certified Public Accountant
(Thailand) No. 4174
PricewaterhouseCoopers ABAS Limited

Bangkok
4 November 2003

ITV Public Company Limited

Balance Sheets

As at 30 September 2003 and 31 December 2002

		Consolidated		Company	
		30 September 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000	30 September 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000
	Notes				
ASSETS					
Current assets					
Cash and cash equivalents		139,073	313,185	138,247	312,203
Trade accounts receivable, net	5	324,947	383,495	324,771	383,495
Advance and loan to related parties	12 d)	-	1,399	36,000	2,400
Programming rights and production costs, net	6	110,458	87,364	110,458	87,364
Other current assets	12 e)	100,632	76,920	101,362	75,879
Total current assets		<u>675,110</u>	<u>862,363</u>	<u>710,838</u>	<u>861,341</u>
Non-current assets					
Investment in a subsidiary	7	-	-	13,067	984
Equipment, net	8	145,458	10,119	100,332	10,119
Concession assets, net	8	2,339,463	2,410,310	2,339,463	2,410,310
Other assets	12 f)	15,104	26,182	15,104	26,182
Total non-current assets		<u>2,500,025</u>	<u>2,446,611</u>	<u>2,467,966</u>	<u>2,447,595</u>
Total assets		<u><u>3,175,135</u></u>	<u><u>3,308,974</u></u>	<u><u>3,178,804</u></u>	<u><u>3,308,936</u></u>

Director _____ Director _____

Date _____

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Balance Sheets (continued)
As at 30 September 2003 and 31 December 2002

	Notes	Consolidated		Company	
		30 September 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000	30 September 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loan from financial institutions	9	400,684	6,993	400,684	6,993
Trade accounts payable	10	43,587	79,138	43,584	79,070
Current portion of long - term loan	9	67,707	33,843	67,707	33,843
Concession payable		225,000	400,000	225,000	400,000
Accounts payable - purchase of equipment due within one year		4,600	18,453	4,600	18,453
Accrued expenses	12 g)	127,007	128,524	127,099	128,515
Other current liabilities		32,647	29,210	36,227	29,249
Total current liabilities		901,232	696,161	904,901	696,123
Non-current liabilities					
Long - term loan, net	9	766,392	785,056	766,392	785,056
Total non - current liabilities		766,392	785,056	766,392	785,056
Total Liabilities		1,667,624	1,481,217	1,671,293	1,481,179
Shareholders' Equity					
Share capital					
Authorised share capital - ordinary shares	11	6,300,000	6,000,000	6,300,000	6,000,000
Issued and paid - up share capital - ordinary shares	11	6,000,000	5,750,000	6,000,000	5,750,000
Deficiency in share capital	11	(176,842)	(176,842)	(176,842)	(176,842)
Accumulated deficit		(4,315,647)	(3,745,401)	(4,315,647)	(3,745,401)
Total Shareholders' Equity		1,507,511	1,827,757	1,507,511	1,827,757
Total Liabilities and Shareholders' Equity		3,175,135	3,308,974	3,178,804	3,308,936

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Income (unaudited)
For the three-month periods ended 30 September 2003 and 2002

	<u>Notes</u>	<u>Consolidated</u>	<u>Company</u>	
		<u>30 September</u>	<u>30 September</u>	<u>30 September</u>
		<u>2003</u>	<u>2003</u>	<u>2002</u>
		<u>Baht'000</u>	<u>Baht'000</u>	<u>Baht'000</u>
Revenues				
Service income		390,161	389,951	328,069
Other income		442	1,230	1,275
Total revenues		<u>390,603</u>	<u>391,181</u>	<u>329,344</u>
Expenses				
Cost of services		230,798	227,947	224,371
Concession expenses		225,000	225,000	200,000
Selling and administrative expenses		96,173	96,174	109,630
Directors' remuneration		120	120	180
Share of net results of investment - equity method	7	-	3,428	-
Total expenses		<u>552,091</u>	<u>552,669</u>	<u>534,181</u>
Loss before interest		(161,488)	(161,488)	(204,837)
Interest expenses		<u>16,758</u>	<u>16,758</u>	<u>16,825</u>
Net loss for the period		<u>(178,246)</u>	<u>(178,246)</u>	<u>(221,662)</u>
Basic loss per share				
Net loss for the period (Baht)	4	(0.15)	(0.15)	(0.19)

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Income (unaudited)
For the nine-month periods ended 30 September 2003 and 2002

	<u>Notes</u>	<u>Consolidated</u>	<u>Company</u>	
		<u>30 September</u> <u>2003</u> <u>Baht'000</u>	<u>30 September</u> <u>2003</u> <u>Baht'000</u>	<u>30 September</u> <u>2002</u> <u>Baht'000</u>
Revenues				
Service income		1,210,885	1,209,410	1,047,426
Other income		2,040	3,322	7,115
Total revenues		<u>1,212,925</u>	<u>1,212,732</u>	<u>1,054,541</u>
Expenses				
Cost of services		789,223	782,093	690,756
Concession expenses		625,000	625,000	550,000
Selling and administrative expenses		324,561	324,581	285,560
Directors' remuneration		520	520	400
Share of net results of investment - equity method	7	-	6,917	-
Total expenses		<u>1,739,304</u>	<u>1,739,111</u>	<u>1,526,716</u>
Loss before interest		(526,379)	(526,379)	(472,175)
Interest expenses		<u>43,867</u>	<u>43,867</u>	<u>62,678</u>
Net loss for the period		<u>(570,246)</u>	<u>(570,246)</u>	<u>(534,853)</u>
Basic loss per share				
Net loss for the period (Baht)	4	(0.49)	(0.49)	(0.50)

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Changes in Shareholders' Equity (unaudited)
For the nine-month periods ended 30 September 2003 and 2002

Consolidated				
	Share capital	Deficiency in	Accumulated	Total
Note	Baht'000	share capital	deficit	Baht'000
	Baht'000	Baht'000	Baht'000	Baht'000
Beginning balance at 1 January 2003	5,750,000	(176,842)	(3,745,401)	1,827,757
Issue of ordinary shares	11 250,000	-	-	250,000
Net loss for the period	-	-	(570,246)	(570,246)
Ending balance at 30 September 2003	<u>6,000,000</u>	<u>(176,842)</u>	<u>(4,315,647)</u>	<u>1,507,511</u>

Company				
	Share capital	Premium	Accumulated	Total
Note	Baht'000	(Deficiency) in	deficit	Baht'000
	Baht'000	share capital	Baht'000	Baht'000
Beginning balance at 1 January 2002	4,250,000	(412,496)	(2,975,255)	862,249
Issue of ordinary shares	1,500,000	235,654	-	1,735,654
Net loss for the period	-	-	(534,853)	(534,853)
Ending balance at 30 September 2002	<u>5,750,000</u>	<u>(176,842)</u>	<u>(3,510,108)</u>	<u>2,063,050</u>
Beginning balance at 1 January 2003	5,750,000	(176,842)	(3,745,401)	1,827,757
Issue of ordinary shares	11 250,000	-	-	250,000
Net loss for the period	-	-	(570,246)	(570,246)
Ending balance at 30 September 2003	<u>6,000,000</u>	<u>(176,842)</u>	<u>(4,315,647)</u>	<u>1,507,511</u>

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Cash flows (unaudited)
For the nine-month periods ended 30 September 2003 and 2002

	Notes	Consolidated	Company	
		30 September 2003 Baht'000	30 September 2003 Baht'000	30 September 2002 Baht'000
Cash flows from operating activities				
Net loss		(570,246)	(570,246)	(534,853)
Adjustments for :				
Amortisation of concession assets	8	169,495	169,495	167,087
Realised/unrealised gain on foreign exchange rate		(185)	(185)	(882)
Depreciation	8	17,221	10,666	2,871
Amortisation and allowance for impairment of programming rights and production costs	6	307,133	307,133	259,533
Allowance for doubtful debt accounts		9,943	9,943	11,203
Loss (Gain) from sales of barter assets		6,600	6,600	(173)
Amortisation of front end fee	9	1,091	1,091	1,091
Amortisation of deferred interest	9	715	715	-
Share of net result from investment in a subsidiary	7	-	6,917	-
Loss on sale/adjust of equipment and concession assets		-	-	793
Changes in operating assets and liabilities				
Trade accounts receivable		50,582	50,758	(170,182)
Advance to related parties		1,399	1,400	-
Other current assets		(32,288)	(34,059)	(31,498)
Other assets		11,078	11,078	(13,676)
Trade accounts payable		(35,111)	(35,046)	(2,510)
Concession payable		(175,000)	(175,000)	(150,000)
Accrued expenses		(11,495)	(11,394)	29,257
Other current liabilities		3,437	6,978	9,859
Cash generated from operations		(245,631)	(243,156)	(422,080)
Cash flows from investing activities				
Purchases of programming rights and production costs		(320,249)	(320,249)	(281,642)
Purchases of concession assets	8	(99,058)	(99,058)	(58,147)
Purchases of equipment	8	(152,150)	(100,469)	(68)
Investment in a subsidiary	7	-	(19,000)	-
Loan to a subsidiary	12 d)	-	(35,000)	-
Net cash used in investing activities		(571,457)	(573,776)	(339,857)

The notes on pages 9 to 21 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Cash flows (unaudited) (continued)
For the nine-month periods ended 30 September 2003 and 2002

	Notes	Consolidated	Company	
		30 September 2003 Baht'000	30 September 2003 Baht'000	30 September 2002 Baht'000
Cash flows from financing activities				
Proceeds from bank overdrafts and short-term loan from financial institutions		699,969	699,969	119,831
Repayment of bank overdrafts and short-term loan from financial institutions		(306,993)	(306,993)	(887,262)
Proceeds from increase in share capital		-	-	1,800,000
Share issued costs		-	-	(64,346)
Proceeds from increase in share capital from exercising warrants	11	250,000	250,000	-
Net cash receipts from financing activities		642,976	642,976	968,223
Net increase (decrease) in cash and cash equivalents		(174,112)	(173,956)	206,286
Beginning balance		313,185	312,203	36,592
Ending balance		139,073	138,247	242,878
Cash and cash equivalents as at 30 June comprise :				
Cash in hand		635	635	649
Cash at banks		138,438	137,612	62,229
Short-term investment in financial institutes		-	-	180,000
Total cash and cash equivalents		139,073	138,247	242,878
Supplementary information for cash flows :				
Interest paid		42,261	42,261	68,553
Tax paid		-	-	-
Non-cash transactions				
Convert accounts payable - purchase of equipment to long - term loan		14,109	14,109	102,987
Increasing in programming rights and production costs by liabilities	6	14,551	14,551	2,707

The notes on pages 9 to 21 are an integral part of these interim financial statements.

1 General information

The Company has been listed on the Stock Exchange of Thailand since 13 March 2002.

The concession expenses increased because of the annual percentage adjustment following the term in the concession agreement.

2 Accounting policies

These interim consolidated and company financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued by the Institute of Certified Accountants and Auditors of Thailand and approved under law by the Board of Supervision of Auditing Practice appointed by the Minister of Commerce under the Auditor Act B.E. 2505, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. balance sheets, statements of income, changes in shareholders' equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission.

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2002.

Costs that incur unevenly during the financial year are recognised as an expense or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

These interim financial statements should be read in conjunction with the 2002 annual financial statements.

3 Segment information

Based on the risks and rewards associated with the Company's business, its organizational structure has determined that the Company operates in one business and geographical reportable segment.

ITV Public Company Limited

Unaudited condensed notes to the interim consolidated and company financial statements (continued)

For the interim period ended 30 September 2003 and 2002

4 Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of common shares in issue during the period

	Consolidated		Company	
	30 September 2003	30 September 2003	30 September 2003	30 September 2002
For the three-month period ended				
Net loss attributable to shareholders (Baht'000)	(178,246)	(178,246)	(178,246)	(221,662)
Weighted average number of ordinary shares				
Issued during the period (thousand shares)	1,165,761	1,165,761	1,165,761	1,150,000
Basic and diluted loss per share (Baht)	(0.15)	(0.15)	(0.15)	(0.19)

	Consolidated		Company	
	30 September 2003	30 September 2003	30 September 2003	30 September 2002
For the nine-month period ended				
Net loss attributable to shareholders (Baht'000)	(570,246)	(570,246)	(570,246)	(534,853)
Weighted average number of ordinary shares				
Issued during the period (thousand shares)	1,155,311	1,155,311	1,155,311	1,078,571
Basic and diluted loss per share (Baht)	(0.49)	(0.49)	(0.49)	(0.50)

Diluted loss per share for the nine-month periods ended 30 September 2003 and 2002 do not include the effect of 16.769 million warrants - ordinary share and 50 million warrants - ordinary share, respectively, on an as-if-converted method as the effect of its inclusion is anti-dilutive.

As at 30 September 2003 and 2002, there were no other dilutive potential common shares in the issue.

5 Trade accounts receivable, net

	Consolidated		Company	
	30 September 2003	31 December 2002	30 September 2003	31 December 2002
	Baht'000	Baht'000	Baht'000	Baht'000
Trade accounts receivable				
- Third parties	346,837	343,388	346,137	343,388
- Related parties (Note 12c)	24,367	77,898	24,891	77,898
Accrued income - Related parties (Note 12c)	-	500	-	500
Total trade accounts receivable	371,204	421,786	371,028	421,786
<u>Less</u> provision for doubtful accounts	(46,257)	(38,291)	(46,257)	(38,291)
Trade accounts receivable, net	324,947	383,495	324,771	383,495

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 September 2003 and 2002

5 Trade accounts receivable, net (continued)

Outstanding trade accounts receivable - third parties can be analysed as follows:

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Current - 3 months	297,639	294,773	296,939	294,773
3 - 6 months	10,372	13,823	10,372	13,823
6 - 12 months	17,647	15,122	17,647	15,122
Over 12 months	21,179	19,670	21,179	19,670
Total	346,837	343,388	346,137	343,388
<u>Less</u> provision for doubtful accounts	(46,257)	(38,291)	(46,257)	(38,291)
Trade accounts receivable, net	<u>300,580</u>	<u>305,097</u>	<u>299,880</u>	<u>305,097</u>

6 Programming rights and production costs, net

	Consolidated Baht'000	Company Baht'000
For the nine-month period ended 30 September 2003		
Opening net book amount	87,364	87,364
Additions	330,227	330,227
<u>Less</u> Amortisation	(302,578)	(302,578)
Allowance for impairment	(4,555)	(4,555)
Closing net book amount	<u>110,458</u>	<u>110,458</u>

7 Investment in a subsidiary

a) Movements in investment in a subsidiary for the nine-month period ended 30 September 2003 comprise:

	Company Baht'000
Opening net book value	984
Purchase investment	19,000
Share of the result from investment in a subsidiary	(6,917)
Closing net book value	<u>13,067</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 September 2003 and 2002

7 Investment in a subsidiary (continued)

b) Carrying value of investment in a subsidiary

	Company - 30 September 2003 (Baht'000)				
	Paid-up capital	Investment portion	Cost	Share of net Results of investment	Equity
Artware Media Company Limited	20,000	99.99	20,000	(6,933)	13,067
	Company - 31 Decemer 2002 (Baht'000)				
	Paid-up capital	Investment portion	Cost	Share of net Results of investment	Equity
Artware Media Company Limited	1,000	99.93	1,000	(16)	984

The Company has invested in additional registered share capital in Artware Media Company Limited at the full amount of Baht 19 million in February 2003.

8 Capital expenditure

	Consolidated		Company	
	Equipment Baht'000	Concession Assets Baht'000	Equipment Baht'000	Concession assets Baht'000
For the nine-month period ended 30 September 2003				
Opening net book amount	10,119	2,410,310	10,119	2,410,310
Additions	152,150	99,058	100,469	99,058
Transferral	410	(410)	410	(410)
Depreciation/Amortisation charge	(17,221)	(169,495)	(10,666)	(169,495)
Closing net book amount	<u>145,458</u>	<u>2,339,463</u>	<u>100,332</u>	<u>2,339,463</u>
As at 30 September 2003				
Cost	164,733	3,438,055	113,052	3,438,055
<u>Less</u> Accumulated depreciation/Amortization	(19,275)	(1,098,592)	(12,720)	(1,098,592)
Net book amount	<u>145,458</u>	<u>2,339,463</u>	<u>100,332</u>	<u>2,339,463</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 September 2003 and 2002

9 Borrowing

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Short-term borrowings				
Bank overdrafts	-	6,993	-	6,993
Short-term loan from financial institutions	400,700	-	400,700	-
<u>Less</u> Deferred interest	(16)	-	(16)	-
Current portion of long-term loan from financial institutions	67,707	33,843	67,707	33,843
Total	468,391	40,836	468,391	40,836
Long-term borrowings				
Long-term loan from financial institutions	774,031	793,786	774,031	793,786
<u>Less</u> Deferred front end fee	(7,639)	(8,730)	(7,639)	(8,730)
Total	766,392	785,056	766,392	785,056
Total borrowings	1,234,783	825,892	1,234,783	825,892

The movements in the borrowings can be analysed as follows:

	Consolidated Baht'000	Company Baht'000
For the nine-month period ended 30 September 2003		
Opening net book amount	825,892	825,892
Borrowings	714,078	714,078
Repayments	(306,993)	(306,993)
Amortisation of front end fee	1,091	1,091
Amortisation of deferred interest	715	715
Closing net book amount	1,234,783	1,234,783

10 Trade accounts payable

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Trade accounts payable				
- Third parties	34,934	67,680	34,971	67,612
- Related parties (Note 12c)	8,653	11,458	8,613	11,458
Total trade accounts payable	43,587	79,138	43,584	79,070

11 Share capital and deficiency in share capital

	Number of registered share capital Thousand shares	Issue and paid-up shares Thousand shares	Ordinary shares Baht'000	Deficiency in share capital Baht'000	Total Baht'000
For the nine - month period ended 30 September 2003					
Opening balance	1,200,000	1,150,000	5,750,000	(176,842)	5,573,158
Issue of shares	60,000	50,000	250,000	-	250,000
Closing balance	<u>1,260,000</u>	<u>1,200,000</u>	<u>6,000,000</u>	<u>(176,842)</u>	<u>5,823,158</u>

As at 30 September 2003, the total authorised number of ordinary shares was 1,260 million shares (31 December 2002 : 1,200 million shares) with a par value of Baht 5 per share (31 December 2002 : Baht 5 per share). The outstanding warrants issued as at 30 September 2003 were 16.769 million units (31 December 2002 : 25 million units).

On 28 April 2003, an Ordinary General Meeting of Shareholders approved an increase of authorised share capital 60 million ordinary shares with a par value of Baht 5 per share, and are to be reserved for the exercise of rights pursuant to the warrants under an Employee Shares Option Program ("ESOP"). The Company registered the increase of share capital with the Ministry of Commerce on 28 May 2003.

W a r r a n t s

Movement of warrants is as follows:

	For the nine-month period ended 30 September 2003 ('000 units)				Total
	ITV-W1	ESOP		Total	
		Directors	Employees		
At beginning of period	25,000	-	-	-	25,000
Granted	-	6,856	9,913	16,769	16,769
Exercised	(25,000)	-	-	-	(25,000)
At end of period	<u>-</u>	<u>6,856</u>	<u>9,913</u>	<u>16,769</u>	<u>16,769</u>

11 Share capital and deficiency in share capital (continued)

a) Warrants issued and offered to the public (ITV-W1)

Warrants, 25 million units, were offered free of charge to shareholder who held ordinary shares on 31 December 1999. One warrant entitles the holder to subscribe to 2 ordinary shares at 80% of the price of the ordinary share issued to third parties. The warrant, however, can purchase the ordinary share at not less than par value (Baht 5 per share) within 5 years from the date the Company sold its shares to the public, and they are exercisable on the last working day of March and September, commencing 30 September 2002. The exercise ratio is 1 unit of warrant to 1 ordinary share.

On 31 July 2003, the Executive Committee Meeting approved the Company to set the last exercise date of 25 million units of warrants issued and offered to the public as the weighted average price of the Company's shares traded on the Stock Exchange of Thailand during the period of 30 working days consecutively (17 June 2003 to 30 July 2003) was 20 percent higher than the initial public offering share price, or Baht 6 per share. This complied with the condition of exercising the warrants before their maturity date. The Company had informed warrant holders that the last date of exercising their warrant rights is 29 August 2003.

According to the last exercised date, all 25 millions units of warrants were exercised which made the increase of 50 millions issued and paid-up shares with total amount of Baht 250 millions. The company registered the increase of issue and paid-up share capital with the Minister of Commerce on 2 September 2003.

b) Warrants issued and offered to directors and employees ("ESOP")

On 26 February 2003, the Board of Directors Meeting approved the issuance and offer of warrants to directors, employees and advisors of the Company under an Employee Shares Option Program ("ESOP"). The total number of warrants to be issued and offered during the 5 year period is 57.5 million units and 60 million ordinary shares (at par value of Baht 5 each), or approximately 5% of total paid-up capital (before dilution), and are to be reserved for the exercise of rights pursuant to the warrants. Each annual issuance and offer is subject to approval by the Shareholders Meeting.

On 28 April 2003, an Ordinary General Meeting of Shareholders approved the issuance and offering of 16.769 million warrants equivalent to 1.46% of the Company's total paid-up share capital (before dilution) to directors, employees and advisors whose are eligible for such allocation. The warrants are in registered form and non-transferable. The term of the warrant is not exceeding 5 years and there is no offering price. The exercise ratio is 1 unit of warrant to 1 ordinary share. The first exercise date is 30 May 2004 and the last exercise date is 29 May 2008. The Security and Exchange Commission of Thailand approved this offer on 21 May 2003.

Warrants were granted to directors and employees on 30 May 2003 at Baht nil per unit. The exercise price is set at Baht 5.38 per unit, which is the weighted average closing price of the Company's shares traded on the Stock Exchange of Thailand during the period of 30 days prior to the day of Shareholders' Meeting.

12 Related party transactions

The company is controlled by Shin Corporation Public Co., Ltd. ("Shin") incorporated in Thailand which owns 53.22% (At 31 December 2002 : 55.53%) of the Company's shares. The remaining 46.78% (At 31 December 2002 : 45.57%) of the shares are widely held.

Transactions related to companies within the Shin Group such as subsidiaries, associates, management and related parties including transactions related to companies of which Shinawatra family members are the principal shareholders or directors are recognized as related party transactions to the Company.

During the period, the Company has entered into a number of transactions with its parent company and related companies, the terms of which are negotiated on an arm's length basis in the ordinary course of business and according to normal trade conditions.

Consulting and management service fees are charged by its parent company on a mutually agreed basis as a percentage of assets, but not less than the agreed amount. Treasury fees which are included in consulting and management service fees are charged on a percentage of the transaction amount.

The following transactions were carried out with related parties:

a) Sales of goods and services

For the three-month period ended	Consolidated	Company	
	30 September	30 September	30 September
	2003	2003	2002
	Baht'000	Baht'000	Baht'000
Advertising income			
Parent company - Shin	-	-	657
Subsidiary	-	490	-
Other related parties - Shin Group	42,526	42,526	42,483
Total sales of goods and services	42,526	43,016	43,140
Other income			
Subsidiary - Interest income	-	788	-
Total sales of goods and services	42,526	43,804	43,140

For the nine-month period ended	Consolidated	Company	
	30 September	30 September	30 September
	2003	2003	2002
	Baht'000	Baht'000	Baht'000
Advertising income			
Parent company - Shin	1,000	1,000	1,414
Subsidiary	-	3,442	-
Other related parties - Shin Group	126,909	126,909	142,349
	127,909	131,351	143,763
Other income			
Parent company - Shin	6,474	6,474	-
Subsidiary - Interest income	-	1,382	-
	6,474	7,856	-
Total sales of goods and services	134,383	139,207	143,763

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 Unaudited condensed notes to the interim consolidated and company financial statements (continued)
 For the interim period ended 30 September 2003 and 2002

12 Related party transactions (continued)

b) Purchases of goods and services

For the three-month period ended	Consolidated	Company	
	30 September 2003 Baht'000	30 September 2003 Baht'000	30 September 2002 Baht'000
Parent company - Shin			
Consulting and management fee	5,024	5,024	3,793
Other expenses	18	18	-
	<u>5,042</u>	<u>5,042</u>	<u>3,793</u>
Other related party - Shin group			
Expenses			
Building rental and service charge	17,331	17,061	-
Transponder rental	9,783	9,783	9,783
Selling expenses	1,102	1,102	4,312
Advertising expenses	2,061	2,061	-
Program production cost	33	33	-
Telephone expenses	3,958	3,958	-
Other expenses	1,041	1,041	1,147
Purchases of assets	562	562	-
	<u>35,871</u>	<u>35,601</u>	<u>15,242</u>
Subsidiary			
Selling expense	-	25	-
	<u>-</u>	<u>25</u>	<u>-</u>
Total purchases of goods and services	<u>40,913</u>	<u>40,668</u>	<u>19,035</u>

ITV Public Company Limited
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12 Related party transactions (continued)

b) Purchases of goods and services (continued)

For the nine-month period ended	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Parent company - Shin				
Consulting and management fee	11,704		11,704	13,922
Other expenses	1,122		1,122	366
	<u>12,826</u>		<u>12,826</u>	<u>14,288</u>
Other related party - Shin group				
Expenses				
Building rental and service charge	44,994		44,332	-
Transponder rental	29,349		29,349	29,349
Selling expenses	3,486		3,486	21,181
Advertising expenses	12,949		12,949	-
Program production cost	7,639		7,639	-
Telephone expenses	10,414		10,414	-
Other expenses	3,232		3,228	4,337
Purchases of assets	4,997		4,997	-
Shareholders' equity				
Share issued cost	-		-	5,061
	<u>117,060</u>		<u>116,394</u>	<u>59,928</u>
Subsidiary				
Selling expense	-		172	-
	<u>-</u>		<u>172</u>	<u>-</u>
Total purchases of goods and services	<u>129,886</u>		<u>129,392</u>	<u>74,216</u>

c) Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Receivables from related parties :				
Parent company - Shin	-	416	-	416
Subsidiary	-	-	524	-
Other related parties - Shin group	24,367	77,482	24,367	77,482
Total receivables from related parties	<u>24,367</u>	<u>77,898</u>	<u>24,891</u>	<u>77,898</u>
Accrued income from related parties :				
Other related parties - Shin group	-	500	-	500
Total accrued income from related parties	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>
Payables to related parties :				
Parent company - Shin	111	-	111	-
Other related parties - Shin group	8,542	11,458	8,502	11,458
Total payable to related parties	<u>8,653</u>	<u>11,458</u>	<u>8,613</u>	<u>11,458</u>

12 Related party transactions (continued)

d) Advance and loan to related parties

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Advance to related parties :				
S u b s i d i a r y	-	-	-	1
Other related parties - Shin Group	-	1,399	-	1,399
Total advance to related parties	-	1,399	-	1,400
Loan to related parties :				
S u b s i d i a r y	-	-	36,000	1,000
Total loan to related parties	-	-	36,000	1,000
Total advance and loan to related parties	-	1,399	36,000	2,400

Loan to subsidiary amounting to Baht 36 million bears interest at MLR+1% per annum. The term of repayment is at call.

e) Other current assets

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
P r e p a i d E x p e n s e				
Other related parties - Shin Group	2,766	-	2,766	-
I n t e r e s t R e c e i v a b l e				
S u b s i d i a r y	-	-	939	-
Total other current assets	2,766	-	3,705	-

f) Other assets

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
D e p o s i t				
Other related parties - Shin Group	9,413	7,388	9,413	7,388
L e a s e h o l d r i g h t				
Other related parties - Shin Group	3,261	5,000	3,261	5,000
Total other assets	12,674	12,388	12,674	12,388

12 Related party transactions (continued)

g) Accrued expenses to related parties

	Consolidated		Company	
	30 September 2003 Baht'000	31 December 2002 Baht'000	30 September 2003 Baht'000	31 December 2002 Baht'000
Accrued expenses to related parties:				
Parent company - Shin	1,547	1,201	1,547	1,201
Subsidiary	-	-	172	-
Other related parties - Shin Group	4,586	5,832	4,586	5,832
Total accrued expenses to related parties	6,133	7,033	6,305	7,033

h) Warrants issued and offered to directors (Note 11)

Shin Corporation Public Company Limited, a major shareholder, granted its warrants to directors of the Company according to the Employee Stock Option Plan (ESOP) Grant 1 on 27 March 2002 and Grant 2 on 30 May 2003 in units of 19,462,100 and 11,528,200 respectively at Baht nil per unit. The warrants are in registered form and non-transferable. The term of warrant does not exceed 5 years and there is no offering price. The exercise price of ESOP Grant 1 is set at Baht 17.80 per unit, which is Shin's closing share price as of 26 March 2002. And the exercise price of ESOP Grant 2 is set at Baht 13.67 per unit, which is the weighted average closing price of Shin's shares traded on the Stock Exchange of Thailand during the period of 30 days prior to the day of Shareholders' Meeting.

In the third quarter of 2003, the Company's directors exercise warrants in units of 888,500 following the Employee Stock Option Plan (ESOP). As at 30 September 2003, the outstanding rights of warrants to directors of the Company according to the Employee Stock Option Plan (ESOP) are 30,101,800 units.

i) Special reward program

The Shin Group Company granted rights to receive a special reward ("Special Reward Program") to eligible directors and employees of the companies. The rights will be granted once a year for 5 consecutive years (commencing from the year 2002). The rights may be exercised after the first year of the granted date but do not exceed 3 years. The calculation of Special Reward Program is based on the improvement of operational performance of the Shin Group Company between the date the rights were exercised and the date the rights were granted. However, the reward may not exceed each person's budget. The first grant of Special Reward Program to directors of the Company is 3,315,428 units.

In the second quarter of 2003, the Company's directors exercised their rights of 1,105,142 units. Additionally, the Shin Group Company granted the second Special Reward Program at 534,107 units. As at 30 September 2003, the outstanding rights of the Company's directors are 2,744,393 units.

ITV Public Company Limited**Unaudited condensed notes to the interim consolidated and company financial statements (continued)****For the interim period ended 30 September 2003 and 2002**

13 C o n t i n e n c i e s

The bank guarantees given by the Company to third parties are as follows:

	Consolidated		Company	
	30 September 2003	31 December 2002	30 September 2003	31 December 2002
	Million Baht	Million Baht	Million Baht	Million Baht
Bank guarantees for operating performance under the concession agreements	25	25	25	25
Bank guarantees in respect of the normal course of business	72	38	72	38

The Company is a defendant in various legal actions. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions is not expected to give rise to any significant loss and no provisions or accruals in respect of such legal actions has been raised in these financial statements.

ITV PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the three-month and nine-month periods ended

30 September 2003 and 2002