

ITV PUBLIC COMPANY LIMITED

**INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

**For the nine-month periods ended
30 September 2005 and 2004**

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 of ITV Public Company Limited and its subsidiary and of ITV Public Company Limited as at 30 September 2005, and the related consolidated and company statements of income for the three-month and nine-month periods ended 30 September 2005 and 2004 and the related consolidated and company statements of changes in shareholders' equity, and cash flows for the nine-month periods ended 30 September 2005 and 2004. The Company's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these interim 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 the review to obtain moderate assurance as to whether the interim 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. I have not performed 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 consolidated and company 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 2004 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 16 February 2005. The consolidated and company balance sheets as at 31 December 2004, 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.

Without qualifying my report, I draw attention to Note 13 to the interim financial statements which discussed about the award of the arbitration panel relating to the agreement for the operation of a television station in relation to the concession fee and the appeal entered by the Prime Minister's Office in order to revoke the awards made by the arbitration panel. Currently, the appeal result is in the consideration stage at the Court.

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

Bangkok
10 November 2005

ITV Public Company Limited

Balance Sheets

As at 30 September 2005 and 31 December 2004

	Notes	Consolidated		Company	
		30 September 2005 Unaudited Baht'000	31 December 2004 Audited Baht'000	30 September 2005 Unaudited Baht'000	31 December 2004 Audited Baht'000
ASSETS					
Current assets					
Cash and cash equivalents	4	545,614	152,277	542,876	150,184
Trade accounts receivable, net	5	342,278	339,870	341,203	339,676
Loan to a related party	12 d)	-	-	24,000	33,000
Programming rights and production costs, net	6	98,798	105,204	98,798	105,204
Other current assets	12 e)	115,169	77,408	114,462	73,952
Total current assets		<u>1,101,859</u>	<u>674,759</u>	<u>1,121,339</u>	<u>702,016</u>
Non-current assets					
Investment in a subsidiary	7	-	-	6,018	5,369
Equipment, net	8	108,675	121,490	83,288	89,189
Concession assets, net	8	2,048,779	2,166,952	2,048,779	2,166,952
Other assets	12 f)	11,403	11,476	11,403	11,476
Total non-current assets		<u>2,168,857</u>	<u>2,299,918</u>	<u>2,149,488</u>	<u>2,272,986</u>
Total assets		<u><u>3,270,716</u></u>	<u><u>2,974,677</u></u>	<u><u>3,270,827</u></u>	<u><u>2,975,002</u></u>

Director _____

Director _____

Date _____

Date _____

The notes to the interim consolidated and company financial statements 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 2005 and 31 December 2004

	Notes	Consolidated		Company	
		30 September 2005 Unaudited Baht'000	31 December 2004 Audited Baht'000	30 September 2005 Unaudited Baht'000	31 December 2004 Audited Baht'000
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable	10	28,225	22,315	28,206	22,268
Current portion of long-term loan	9	76,250	72,013	76,250	72,013
Concession payable	13	392,500	450,000	392,500	450,000
Accrued expenses	12 g)	177,391	185,078	177,657	185,472
Other current liabilities		35,864	30,157	35,728	30,135
Total current liabilities		<u>710,230</u>	<u>759,563</u>	<u>710,341</u>	<u>759,888</u>
Non-current liabilities					
Long-term loan, net	9	<u>330,685</u>	<u>567,719</u>	<u>330,685</u>	<u>567,719</u>
Total non-current liabilities		<u>330,685</u>	<u>567,719</u>	<u>330,685</u>	<u>567,719</u>
Total liabilities		<u>1,040,915</u>	<u>1,327,282</u>	<u>1,041,026</u>	<u>1,327,607</u>
Shareholders' equity					
Share capital					
Authorised share capital - ordinary shares	11	<u>7,800,000</u>	<u>7,800,000</u>	<u>7,800,000</u>	<u>7,800,000</u>
Issued and paid-up share capital					
- ordinary shares	11	6,031,757	6,023,714	6,031,757	6,023,714
Deficiency in share capital	11	(174,428)	(175,040)	(174,428)	(175,040)
Deficit		(3,627,528)	(4,201,279)	(3,627,528)	(4,201,279)
Total shareholders' equity		<u>2,229,801</u>	<u>1,647,395</u>	<u>2,229,801</u>	<u>1,647,395</u>
Total liabilities and shareholders' equity		<u>3,270,716</u>	<u>2,974,677</u>	<u>3,270,827</u>	<u>2,975,002</u>

The notes to the interim consolidated and company financial statements 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 2005 and 2004

	Notes	Consolidated		Company	
		2005 Baht'000	2004 Baht'000	2005 Baht'000	2004 Baht'000
Revenues	12 a)				
Service income		576,392	449,228	574,562	448,567
Share of net result from investment - equity method		-	-	1,546	-
Interest income		1,791	-	2,145	535
Other income		510	496	598	942
Total revenues		<u>578,693</u>	<u>449,724</u>	<u>578,851</u>	<u>450,044</u>
Expenses	12 b)				
Cost of services		226,301	240,402	223,434	237,833
Concession expenses		57,500	57,500	57,500	57,500
Selling and administrative expenses		121,944	92,420	124,969	94,048
Directors' remuneration		155	235	155	235
Share of net result from investment - equity method		-	-	-	1,261
Total expenses		<u>405,900</u>	<u>390,557</u>	<u>406,058</u>	<u>390,877</u>
Profit before interest		172,793	59,167	172,793	59,167
Interest expenses		(4,331)	(9,165)	(4,331)	(9,165)
Net profit for the period		<u>168,462</u>	<u>50,002</u>	<u>168,462</u>	<u>50,002</u>
Basic earnings per share (Baht)	3				
Net profit for the period		0.14	0.04	0.14	0.04
Diluted earnings per share (Baht)	3				
Net profit for the period		0.14	0.04	0.14	0.04

The notes to the interim consolidated and company financial statements 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 2005 and 2004

	Notes	Consolidated		Company	
		2005 Baht'000	2004 Baht'000	2005 Baht'000	2004 Baht'000
Revenues	12 a)				
Service income		1,773,429	1,356,826	1,770,937	1,354,656
Share of net result from investment - equity method	7	-	-	649	-
Interest income		2,924	443	4,001	2,467
Other income		1,793	1,546	2,422	2,452
Total revenues		<u>1,778,146</u>	<u>1,358,815</u>	<u>1,778,009</u>	<u>1,359,575</u>
Expenses	12 b)				
Cost of services		670,952	729,794	662,830	722,140
Concession expenses		172,500	172,500	172,500	172,500
Selling and administrative expenses		346,170	324,742	354,155	329,597
Directors' remuneration		665	845	665	845
Share of net result from investment - equity method		-	-	-	3,559
Total expenses		<u>1,190,287</u>	<u>1,227,881</u>	<u>1,190,150</u>	<u>1,228,641</u>
Profit before interest		587,859	130,934	587,859	130,934
Interest expenses		(14,108)	(28,936)	(14,108)	(28,936)
Net profit for the period		<u>573,751</u>	<u>101,998</u>	<u>573,751</u>	<u>101,998</u>
Basic earnings per share (Baht)	3				
Net profit for the period		0.48	0.08	0.48	0.08
Diluted earnings per share (Baht)	3				
Net profit for the period		0.47	0.08	0.47	0.08

The notes to the interim consolidated and company financial statements 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 2005 and 2004

Consolidated				
Note	Share capital Baht'000	Premium/ (Deficiency) in share capital Baht'000	Deficit Baht'000	Total Baht'000
Opening balance				
	6,000,000	(176,842)	(4,405,841)	1,417,317
	23,714	1,802	-	25,516
	-	-	101,998	101,998
Closing balance				
	<u>6,023,714</u>	<u>(175,040)</u>	<u>(4,303,843)</u>	<u>1,544,831</u>
Opening balance				
	6,023,714	(175,040)	(4,201,279)	1,647,395
11	8,043	612	-	8,655
	-	-	573,751	573,751
Closing balance				
	<u>6,031,757</u>	<u>(174,428)</u>	<u>(3,627,528)</u>	<u>2,229,801</u>
Company				
Note	Share capital Baht'000	Premium/ (Deficiency) in share capital Baht'000	Deficit Baht'000	Total Baht'000
Opening balance				
	6,000,000	(176,842)	(4,405,841)	1,417,317
	23,714	1,802	-	25,516
	-	-	101,998	101,998
Closing balance				
	<u>6,023,714</u>	<u>(175,040)</u>	<u>(4,303,843)</u>	<u>1,544,831</u>
Opening balance				
	6,023,714	(175,040)	(4,201,279)	1,647,395
11	8,043	612	-	8,655
	-	-	573,751	573,751
Closing balance				
	<u>6,031,757</u>	<u>(174,428)</u>	<u>(3,627,528)</u>	<u>2,229,801</u>

The notes to the interim consolidated and company financial statements 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 2005 and 2004

	Notes	Consolidated		Company	
		2005 Baht'000	2004 Baht'000	2005 Baht'000	2004 Baht'000
Cash flows from operating activities					
Net profit for the period		573,751	101,998	573,751	101,998
Adjustments for:					
Amortisation of concession assets	8	165,848	166,077	165,848	166,077
Gain on foreign exchange rate		(33)	(105)	(33)	(105)
Depreciation	8	16,643	16,633	8,845	8,873
Amortisation and allowance for impairment of programming rights and production costs	6	119,104	197,705	119,104	197,705
Reversal of allowance for doubtful accounts		(18,538)	(4,955)	(18,538)	(4,955)
(Gain) loss on devaluation of barter assets		2	(530)	2	(530)
Amortisation of front end fee	9	1,091	1,091	1,091	1,091
Share of net result from investment in a subsidiary	7	-	-	(649)	3,559
Changes in operating assets and liabilities					
Trade accounts receivable		16,130	48,208	17,011	48,035
Other current assets		(37,763)	653	(40,512)	2,158
Other assets		73	2,175	73	2,175
Trade accounts payable		5,943	4,437	5,971	4,499
Concession payable		(57,500)	(57,500)	(57,500)	(57,500)
Accrued expenses		(2,737)	36,919	(2,865)	37,191
Other current liabilities		5,707	(15,198)	5,593	(18,329)
Cash generated from operating activities		787,721	497,608	777,192	491,942
Cash flows from investing activities					
Purchases of programming rights and production costs	6	(117,648)	(219,662)	(117,648)	(219,662)
Purchases of concession assets	8	(47,675)	(54,390)	(47,675)	(54,390)
Purchases of equipment	8	(3,828)	(3,490)	(2,944)	(3,490)
Receipt of loan to a subsidiary	12 d)	-	-	9,000	-
Net cash used in investing activities		(169,151)	(277,542)	(159,267)	(277,542)

The notes to the interim consolidated and company financial statements 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 2005 and 2004

	Notes	Consolidated		Company	
		2005 Baht'000	2004 Baht'000	2005 Baht'000	2004 Baht'000
Cash flows from financing activities					
Proceeds from short-term loan from banks	9	-	400,000	-	400,000
Repayment of short-term loan from banks	9	-	(500,000)	-	(500,000)
Repayment of long-term loan from a bank	9	(233,888)	(33,888)	(233,888)	(33,888)
Proceeds from increase in share capital from exercising warrants	11	8,655	25,516	8,655	25,516
Net cash used in financing activities		<u>(225,233)</u>	<u>(108,372)</u>	<u>(225,233)</u>	<u>(108,372)</u>
Net increase in cash and cash equivalents		393,337	111,694	392,692	106,028
Opening balance		152,277	159,072	150,184	158,318
Closing balance		<u>545,614</u>	<u>270,766</u>	<u>542,876</u>	<u>264,346</u>
Cash and cash equivalents as at 30 September comprise:					
Cash on hand		525	765	525	765
Cash at banks		545,089	270,001	542,351	263,581
Total cash and cash equivalents		<u>545,614</u>	<u>270,766</u>	<u>542,876</u>	<u>264,346</u>
Supplementary information for cash flows					
Interest paid		14,038	28,124	14,038	28,124
Non-cash transactions					
Increasing in programming rights and production costs by liabilities		3,125	2,725	3,125	2,725

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

1 Basis of preparation

The interim consolidated and company financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, 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 a full format, as required by the Securities and Exchange Commission. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 41, 'Interim Financial Reporting', and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act., B.E. 2535.

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 2004.

Costs that are incurred unevenly during the financial year are recognised as an expense or deferred in the interim report only if it would also be 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 2004 annual financial statements.

As a result of the Federation of Accounting Profession (FAP) approval of three new accounting standards on 12 May 2005, the Company has adopted TAS 52, 'Events After Balance Sheet Date', TAS 53, 'Provisions, Contingent Liabilities, and Contingent Assets' and TAS 54, 'Discontinuing Operations' in the second quarter of 2005 which have not effected to these financial statements.

Approval to publicise the financial statement

These interim consolidated and company financial statements have been approved for issue by the Board of Directors on 10 November 2005.

2 Segment information

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

3 Earnings per share

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

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume the conversion of all potential dilutive ordinary shares, which is the weighted average number of ordinary shares which would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The assumed proceeds from the exercise of ESOP would be considered to have been received from the issue of shares at fair value. These represent share options where the exercise price is less than the average market price of the Company's shares during the nine-month period ended 30 September 2005.

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

3 Earnings per share (continued)

The basic earnings per share and the diluted earnings per share are as follows:

	For the three-month periods ended 30 September (Consolidated and Company)					
	Net profit		Weighted number of shares		Earnings per share	
	Baht'000		Shares'000		Baht	
	2005	2004	2005	2004	2005	2004
Basic earnings per share	168,462	50,002	1,206,325	1,204,001	0.14	0.04
The effect of dilutive potential shares	-	-	5,538	7,508	-	-
Diluted earnings per share	168,462	50,002	1,211,863	1,211,509	0.14	0.04

	For the nine-month periods ended 30 September (Consolidated and Company)					
	Net profit		Weighted number of shares		Earnings per share	
	Baht'000		Shares'000		Baht	
	2005	2004	2005	2004	2005	2004
Basic earnings per share	573,751	101,998	1,205,436	1,201,637	0.48	0.08
The effect of dilutive potential shares	-	-	5,987	8,300	(0.01)	-
Diluted earnings per share	573,751	101,998	1,211,423	1,209,937	0.47	0.08

Diluted earnings per share for the nine-month periods ended 30 September 2005 and 2004 include the effect of 10.42 million warrants and 12.03 million warrants - ordinary shares, respectively.

As at 30 September 2005 and 2004, there were no other dilutive potential common shares in issue.

4 Cash and cash equivalents

	Consolidated		Company	
	30 September 2005	31 December 2004	30 September 2005	31 December 2004
	Baht'000	Baht'000	Baht'000	Baht'000
Cash on hand	525	605	525	605
Savings deposits	185,089	91,651	182,351	89,558
Bill of exchange	-	60,021	-	60,021
Time deposits	360,000	-	360,000	-
Total cash and cash equivalents	545,614	152,277	542,876	150,184

The weighted average effective interest rate of time deposits was 2.74% per annum (2004: The weighted average effective interest rate of bill of exchange was 0.25% per annum). The time deposits have an original maturity of between 1 - 3 months.

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

5 Trade accounts receivable, net

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Trade accounts receivable				
- Third parties	323,008	329,255	320,698	328,055
- Related parties (Note 12 c)	32,465	41,530	33,700	42,536
Total trade accounts receivable	355,473	370,785	354,398	370,591
<u>Less</u> Allowance for doubtful accounts	(13,195)	(30,915)	(13,195)	(30,915)
Trade accounts receivable, net	<u>342,278</u>	<u>339,870</u>	<u>341,203</u>	<u>339,676</u>

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

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Current - 3 months	301,526	289,217	299,216	288,017
3 - 6 months	6,473	9,150	6,473	9,150
6 - 12 months	1,814	2,342	1,814	2,342
Over 12 months	13,195	28,546	13,195	28,546
Total	323,008	329,255	320,698	328,055
<u>Less</u> Allowance for doubtful accounts	(13,195)	(30,915)	(13,195)	(30,915)
Trade accounts receivable, net	<u>309,813</u>	<u>298,340</u>	<u>307,503</u>	<u>297,140</u>

6 Programming rights and production costs, net

	Consolidated and Company Baht'000
For the nine-month period ended 30 September 2005	
Opening net book value	105,204
Additions	112,698
<u>Less</u> Amortisation	(112,399)
Allowance for impairment	(6,705)
Closing net book value	<u>98,798</u>
Cost, net	125,103
<u>Less</u> Allowance for impairment	(26,305)
Closing net book value	<u>98,798</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

7 Investment in a subsidiary

- a) Movements in investment in a subsidiary for the nine-month period ended 30 September 2005 are as follows:

	Company Baht'000
Opening net book value	5,369
Share of net result from investment in a subsidiary	649
Closing net book value	<u>6,018</u>

- b) Carrying value of investment in a subsidiary

	Company - 30 September 2005 (Baht'000)					
	Paid-up capital	Investment portion (%)	Cost	Share of net results of investment	Equity	Dividend
Artware Media Company Limited	20,000	99.99	20,000	(13,982)	6,018	-

	Company - 31 December 2004 (Baht'000)					
	Paid-up capital	Investment portion (%)	Cost	Share of net results of investment	Equity	Dividend
Artware Media Company Limited	20,000	99.99	20,000	(14,631)	5,369	-

Artware Media Company Limited is incorporated under Thai law. Its principal business is the lease of equipment for television programs and movies and arranging related marketing events.

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 2005				
Opening net book value	121,490	2,166,952	89,189	2,166,952
Additions	3,828	47,675	2,944	47,675
Depreciation/amortisation charge	(16,643)	(165,848)	(8,845)	(165,848)
Closing net book value	<u>108,675</u>	<u>2,048,779</u>	<u>83,288</u>	<u>2,048,779</u>
As at 30 September 2005				
Cost	170,883	3,622,581	118,168	3,622,581
<u>Less</u> Accumulated depreciation/amortisation	(62,208)	(1,573,802)	(34,880)	(1,573,802)
Net book value	<u>108,675</u>	<u>2,048,779</u>	<u>83,288</u>	<u>2,048,779</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

9 Borrowings

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Short-term borrowings				
Current portion of long-term loan from a bank	76,250	72,013	76,250	72,013
Total	76,250	72,013	76,250	72,013
Long-term borrowings				
Long-term loan from a bank	335,414	573,539	335,414	573,539
<u>Less</u> Deferred front end fee	(4,729)	(5,820)	(4,729)	(5,820)
Total	330,685	567,719	330,685	567,719
Total borrowings	406,935	639,732	406,935	639,732

The movements in the borrowings can be analysed as follows:

	Consolidated and Company Baht'000
For the nine-month period ended 30 September 2005	
Opening balance, net	639,732
Repayments	(233,888)
Amortisation of deferred front end fee	1,091
Closing balance, net	<u>406,935</u>

10 Trade accounts payable

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Trade accounts payable				
- Third parties	22,704	20,849	22,569	20,856
- Related parties (Note 12 c)	5,521	1,466	5,637	1,412
Total trade accounts payable	28,225	22,315	28,206	22,268

11 Share capital and premium/(deficiency) on share capital

	Number of registered share capital Shares'000	Issue and paid-up shares Shares'000	Ordinary shares Baht'000	Premium/ (Deficiency) in share capital Baht'000	Total Baht'000
For the nine-month period ended 30 September 2005					
Opening balance	1,560,000	1,204,743	6,023,714	(175,040)	5,848,674
Issue of shares	-	1,609	8,043	612	8,655
Closing balance	<u>1,560,000</u>	<u>1,206,352</u>	<u>6,031,757</u>	<u>(174,428)</u>	<u>5,857,329</u>

As at 30 September 2005, the total authorised number of ordinary shares was 1,560 million shares (31 December 2004: 1,560 million shares) with a par value of Baht 5 per share (31 December 2004: Baht 5 per share).

11 Share capital and premium/(deficiency) on share capital (continued)

Warrants

The movements of warrants are as follows:

	For the nine-month period ended 30 September 2005 ('000 units)									
	ESOP - Grant 1			ESOP - Grant 2			ESOP - Grant 3			Total
	Directors	Employees	Total	Directors	Employees	Total	Directors	Employees	Total	
Opening balance	5,538	6,488	12,026	1,983	7,191	9,174	-	-	-	21,200
Issue of shares	-	-	-	-	-	-	4,043	5,611	9,654	9,654
Exercised	(100)	(1,509)	(1,609)	-	-	-	-	-	-	(1,609)
Closing balance	5,438	4,979	10,417	1,983	7,191	9,174	4,043	5,611	9,654	29,245

On 31 May 2005, the Company issued and offered 9.65 million warrants (ESOP - Grant 3) equivalent to 0.80% of the Company's total paid-up share capital (before dilution) to directors and employees who 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 rights may be exercised after the first year of the date on which the rights were granted. The exercise price was set at Baht 13.79 per unit.

12 Related party transactions

The Company is controlled by Shin Corporation Public Co., Ltd. ("Shin"), incorporated in Thailand, which owns 52.94% of the Company's shares (31 December 2004: 53.01%). The remaining 47.06% of the shares (31 December 2004: 46.99%) 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 recognised as related party transactions to the Company.

During the period, the Company 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 based on a percentage of the transaction amount.

12 Related party transactions (continued)

The following transactions were carried out with related parties:

a) Sales of goods and services

For the three-month periods ended	Consolidated		Company	
	30 September	30 September	30 September	30 September
	2005	2004	2005	2004
	Baht'000	Baht'000	Baht'000	Baht'000
Advertising income				
Parent company - Shin	-	667	-	667
Subsidiary	-	-	1,800	1,207
Other related parties - Shin Group	37,314	44,799	37,314	44,799
	<u>37,314</u>	<u>45,466</u>	<u>39,114</u>	<u>46,673</u>
Other income				
Subsidiary - Interest income	-	-	353	666
Subsidiary - Other income	-	-	300	300
Other related parties - Shin Group	4,538	-	4,489	-
	<u>4,538</u>	<u>-</u>	<u>5,142</u>	<u>966</u>
Total sales of goods and services	<u>42,852</u>	<u>45,466</u>	<u>44,256</u>	<u>47,639</u>

For the nine-month periods ended	Consolidated		Company	
	30 September	30 September	30 September	30 September
	2005	2004	2005	2004
	Baht'000	Baht'000	Baht'000	Baht'000
Advertising income				
Parent company - Shin	-	667	-	667
Subsidiary	-	-	2,820	3,803
Other related parties - Shin Group	146,106	133,497	146,106	133,497
	<u>146,106</u>	<u>134,164</u>	<u>148,926</u>	<u>137,967</u>
Other income				
Subsidiary - Interest income	-	-	1,079	2,012
Subsidiary - Other income	-	-	900	905
Other related parties - Shin Group	14,021	-	13,972	-
	<u>14,021</u>	<u>-</u>	<u>15,951</u>	<u>2,917</u>
Total sales of goods and services	<u>160,127</u>	<u>134,164</u>	<u>164,877</u>	<u>140,884</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

12 Related party transactions (continued)

b) Purchases of goods and services

For the three-month periods ended	Consolidated		Company	
	30 September 2005 Baht'000	30 September 2004 Baht'000	30 September 2005 Baht'000	30 September 2004 Baht'000
Parent company - Shin				
Consulting and management fee	3,396	4,251	3,396	4,251
Other expenses	67	-	67	-
	<u>3,463</u>	<u>4,251</u>	<u>3,463</u>	<u>4,251</u>
Subsidiary				
Expenses				
Advertising expenses	-	-	2,376	1,536
Equipment rental	-	-	594	360
Commission expenses	-	-	795	60
Medical expenses	-	-	423	-
	<u>-</u>	<u>-</u>	<u>4,188</u>	<u>1,956</u>
Other related parties - Shin group				
Expenses				
Building rental and service charge	16,864	16,629	16,584	16,340
Transponder rental	9,783	9,783	9,783	9,783
Commission expenses	1,819	2,594	1,819	2,594
Advertising expenses	1,308	1,234	1,308	1,234
Telephone expenses	2,152	3,932	2,152	3,932
Other expenses	3,163	3,200	3,129	3,166
	<u>35,089</u>	<u>37,372</u>	<u>34,775</u>	<u>37,049</u>
Total purchases of goods and services	<u>38,552</u>	<u>41,623</u>	<u>42,426</u>	<u>43,256</u>
Purchase of assets	<u>2,896</u>	<u>-</u>	<u>2,896</u>	<u>-</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (Continued)
For the nine-month periods ended 30 September 2005 and 2004

12 Related party transactions (continued)

b) Purchases of goods and services (continued)

For the nine-month periods ended	Consolidated		Company	
	30 September 2005 Baht'000	30 September 2004 Baht'000	30 September 2005 Baht'000	30 September 2004 Baht'000
Parent company - Shin				
Consulting and management fee	10,040	11,107	10,040	11,107
Other expenses	672	-	672	-
	<u>10,712</u>	<u>11,107</u>	<u>10,712</u>	<u>11,107</u>
Subsidiary				
Expenses				
Advertising expenses	-	-	7,128	4,680
Equipment rental	-	-	1,314	1,080
Commission expenses	-	-	897	190
Medical expenses	-	-	545	-
	<u>-</u>	<u>-</u>	<u>9,884</u>	<u>5,950</u>
Other related parties - Shin group				
Expenses				
Building rental and service charge	50,431	50,886	49,576	50,036
Transponder rental	26,287	29,349	26,287	29,349
Commission expenses	7,867	12,103	7,867	12,103
Advertising expenses	1,387	7,480	1,387	7,480
Program production cost	-	410	-	410
Telephone expenses	6,786	12,223	6,786	12,223
Other expenses	7,986	4,535	7,885	4,434
	<u>100,744</u>	<u>116,986</u>	<u>99,788</u>	<u>116,035</u>
Total purchases of goods and services	<u>111,456</u>	<u>128,093</u>	<u>120,384</u>	<u>133,092</u>
Purchase of assets	<u>3,144</u>	<u>-</u>	<u>3,144</u>	<u>-</u>

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

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Receivables from related parties:				
Subsidiary	-	-	1,311	1,006
Other related parties - Shin group	32,465	41,530	32,389	41,530
Total receivables from related parties	<u>32,465</u>	<u>41,530</u>	<u>33,700</u>	<u>42,536</u>
Payables to related parties:				
Parent company - Shin	76	208	76	207
Subsidiary	-	-	149	-
Other related parties - Shin group	5,445	1,258	5,412	1,205
Total payables to related parties	<u>5,521</u>	<u>1,466</u>	<u>5,637</u>	<u>1,412</u>

12 Related party transactions (continued)

d) Loan to a related party

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Loan to a related party:				
Subsidiary	-	-	24,000	33,000
Total loan to a related party	<u>-</u>	<u>-</u>	<u>24,000</u>	<u>33,000</u>

Loan to a subsidiary bears interest at 6% per annum (31 December 2004: 5% per annum). The term of repayment is at call.

e) Other current assets

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Prepaid expense				
Other related parties - Shin Group	175	506	142	507
Interest receivable				
Subsidiary	-	-	13	149
Total other current assets	<u>175</u>	<u>506</u>	<u>155</u>	<u>656</u>

f) Other assets

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Deposit				
Other related parties - Shin Group	9,461	9,443	9,461	9,443
Total other assets	<u>9,461</u>	<u>9,443</u>	<u>6,461</u>	<u>9,443</u>

g) Accrued expenses to related parties

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Accrued expenses to related parties:				
Parent company - Shin	26	29	26	29
Subsidiary	-	-	282	411
Other related companies - Shin Group	16,411	14,539	16,411	14,539
Total accrued expenses to related parties	<u>16,437</u>	<u>14,568</u>	<u>16,719</u>	<u>14,979</u>

12 Related party transactions (continued)

h) Warrants issued and offered to directors

Shin, the parent company, granted warrants to directors of the Company according to the Employee Stock Option Plan (ESOP) Grant 1 on 27 March 2002, Grant 2 on 30 May 2003, Grant 3 on 31 May 2004 and Grant 4 on 31 May 2005 amounting to 24,647,700 units, 14,649,500 units, 10,563,300 units and 10,048,400 units, respectively, at Baht nil per unit. Shin did not charge the Company for these ESOP programs. The warrants are in registered form and are non-transferable. The term of the warrants 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 was Shin's closing share price as at 26 March 2002. The exercise prices of ESOP Grant 2, Grant 3 and Grant 4 are set at Baht 13.67 per unit, Baht 36.41 per unit and Baht 41.76 per unit, respectively, which are the weighted average closing prices of Shin's shares traded on the Stock Exchange of Thailand during the period of 30 days prior to the Shareholders' Meeting.

During the year 2003-2004, the Company's directors exercised 13,775,200 warrants under the Employee Stock Option Plan (ESOP). For the nine-month period ended 30 September 2005, the Company's directors exercised 3,337,600 warrants. As at 30 September 2005, the outstanding rights of warrants of directors of the Company under the Employee Stock Option Plan (ESOP) stand at 42,796,100 units.

i) Special reward program

Shin has granted rights to receive a special reward ("Special Reward Program") to eligible directors and employees of the Company. The rights will be granted once a year for 5 consecutive years (commencing from 2002). The rights may be exercised after the first year of the grant date but not in excess of 3 years. The calculation of the Special Reward Program benefit is based on the improvement in the operational performance of Shin between the date the rights were granted and the date the rights are exercised. The total Special Reward Program to directors of the Company is 7,092 units.

From the year 2003 until the third quarter of 2005, the Company's directors exercised their rights 5,782 units. As at 30 September 2005, the outstanding rights of the Company's directors are 1,310 units.

13 Commitments and contingencies

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

	Consolidated		Company	
	30 September 2005 Baht'000	31 December 2004 Baht'000	30 September 2005 Baht'000	31 December 2004 Baht'000
Bank guarantees for operating performance under concession agreements	25	25	25	25
Bank guarantees in respect of the normal course of business	108	56	108	56
Total	133	81	133	81

The Company is a defendant in various legal actions. In the opinion of the management, after taking appropriate legal advice, the outcome of such actions will not give rise to any significant loss.

13 Commitments and contingencies (continued)

Report on the award of the arbitration panel relating to the Agreement for the Operation of A Television Station of the Company

The Company submitted a dispute to the Arbitration Institute on 17 September 2002 demanding that the Office of the Permanent Secretary, the Prime Minister's Office pay compensation to the Company under the Agreement.

The arbitration panel issued its award dated 30 January 2004 and the Company was notified of the award, the important contents of which are summarised as follows:

- The Prime Minister's Office shall pay compensation to the Company in the amount of Baht 20 million;
- The concession fee to be paid shall be reduced and adjusted, by reducing the minimum guarantee to Baht 230 million per year and cancelling the annual increase in the minimum guarantee, and reducing the concession fee to 6.5% of gross revenue. The Company shall pay a concession fee at the rate of 6.5% of gross revenue or the minimum guarantee of Baht 230 million, whichever is higher as from 3 July 2002;
- The Prime Minister's Office shall return part of the minimum guarantee of Baht 800 million paid by the Company subject to conditions during the arbitration proceedings on 3 July 2003 to the Company. The amount to be returned to the Company is Baht 570 million; and
- The Company may broadcast its television programs during prime time (7.00 p.m. - 9.30 p.m.) without having to restrict its programs to news, documentaries and social benefit items. The Company must; however, broadcast news, documentaries and social benefit programs for not less than 50% of its total airtime, subject to the rules and regulations issued by governmental agencies applicable in general to all television stations.

The Company recorded the accrued concession fee for the nine-month period ended 30 September 2005 and changed its television program schedules as of 1 April 2004 according to the arbitration panel's ruling as mentioned above. The Company did not adjust the impact of the above ruling retrospectively in its 2003 financial statements.

The Prime Minister's Office entered into the appeals process at the Trial Court and Supreme Court level in April 2004 in order to revoke the awards made by the arbitration panel. If the Trial Court and Supreme Court judge that the awards ruled by the arbitration panel are unfair and do not comply with the law, they are not able to amend the awards judged by the arbitration panels by themselves. Courts have to submit this dispute to the formal arbitration panel to settle the causes of the dispute. However, the Legal Division of the Company is of the opinion that the judgment of the said courts shall not result in any significant damages to the Company since the arbitral tribunal has ruled either within the scope of the arbitration agreement or the settlement of the disputes presented to the arbitral tribunal, which were mutually determined and approved by the Company and the PMO. Consequently, management has not recorded the accrued concession fees in accordance with the terms and conditions of the concession agreement.

If the Company had recorded accrued concession according to the original concession agreement, its liabilities as at 30 September 2005 would have increased by Baht 1,297.5 million and the net profit for the three-month and nine-month periods then ended would have decreased by Baht 192.5 million and Baht 577.5 million, respectively. As a result, the Company's basic earnings per share and diluted earnings per share would have decreased from the reported net profit of Baht 0.14 per share to loss Baht 0.02 per share for the three-month period ended and Baht 0.48 per share and Baht 0.47 per share, respectively to Baht 0.003 per share for nine-month period ended.

14 Subsequent event

Regarding the Extraordinary General Meeting of Shareholders on 19 January 2004; which approved the allocation of the newly issued share capital as a private placement to two strategic partners, Kantana Group Public Company Limited and Mr. Tripop Limpapath amounting to 300 million shares, as at 31 October 2005, the Company and its strategic partners could not reach an agreement over the share offering. However, the two strategic partners are still TV producers for the Company.