

ModernGraham Valuation

Company Name:

Company Ticker FOXA

Date of Analysis

10/15/2015

Twenty-First Century
Fox Inc



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$57,333,536,808	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.39	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	356.63%	Pass
6. Moderate PEmg Ratio	PEmg < 20	11.85	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.46	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.39	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.86	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.44
MG Growth Estimate	15.00%
MG Value	\$93.81
MG Value based on 3% Growth	\$35.33
MG Value based on 0% Growth	\$20.71
Market Implied Growth Rate	1.67%

MG Opinion

Current Price	\$28.87
% of Intrinsic Value	30.77%
Opinion	Undervalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$7.50
Graham Number	\$17.93
PEmg	11.85
Current Ratio	2.39
PB Ratio	3.46
Dividend Yield	0.95%
Number of Consecutive Years of Dividend Growth	3

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.69	Next Fiscal Year Estimate	\$2.44
Jun15	\$3.90	Jun15	\$2.57
Jun14	\$1.99	Jun14	\$1.77
Jun13	\$3.03	Jun13	\$1.39
Jun12	\$0.47	Jun12	\$0.58
Jun11	\$1.04	Jun11	\$0.66
Jun10	\$0.97	Jun10	\$0.54
Jun09	-\$1.29	Jun09	\$0.43
Jun08	\$1.81	Jun08	\$1.20
Jun07	\$1.14	Jun07	\$0.83
Jun06	\$0.76	Jun06	\$0.42
Jun05	\$0.73	Jun05	\$0.06
Jun04	\$0.58	Jun04	-\$0.30
Jun03	\$0.31	Jun03	-\$0.61
Jun02	-\$2.74	Jun02	-\$0.81
Jun01	-\$0.56	Jun01	\$0.21
Jun00	\$0.76	Jun00	\$0.55
Jun99	\$0.48	Balance Sheet Information Jun15	
Jun98	\$0.57	Total Current Assets	\$17,376,000,000
Jun97	\$0.31	Total Current Liabilities	\$7,262,000,000
Jun96	\$0.25	Long-Term Debt	\$18,795,000,000
		Total Assets	\$50,051,000,000
		Intangible Assets	\$18,833,000,000
		Total Liabilities	\$32,831,000,000
		Shares Outstanding (Diluted Average)	2,061,000,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other
ModernGraham
posts about the
company

[10 Low PE Stocks for the Enterprising Investor – August 2015](#)
[10 Most Undervalued Companies for the Enterprising Investor – August 2015](#)
[10 Companies Benjamin Graham Would Invest In Today – August 2015](#)
[The 20 Best Stocks For Value Investors This Week – 7/25/15](#)
[Twenty-First Century Fox Analysis – July 2015 Update \\$FOXA](#)

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[Graham Holdings Company Analysis – September 2015 Update \\$GHC](#)
[Scripps Networks Interactive Inc. Analysis – September 2015 Update \\$SNI](#)
[AMC Networks Inc. Analysis – Initial Coverage \\$AMCX](#)
[CBS Corporation Analysis – August 2015 Update \\$CBS](#)
[Twenty-First Century Fox Analysis – July 2015 Update \\$FOXA](#)
[Discovery Communications Analysis – 2015 Annual Update \\$DISCA](#)
[CBS Corporation Quarterly Valuation – May 2015 \\$CBS](#)
[Twenty-First Century Fox Inc. Quarterly Valuation – April 2015 \\$FOXA](#)
[Time Warner Inc. Annual Valuation – 2015 \\$TWX](#)
[Comcast Corporation Annual Valuation – 2015 \\$CMCSA](#)