

# ModernGraham Valuation

Company Name:

News Corp

Company Ticker NWS

Date of Analysis

3/6/2017



## 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	\$7,528,249,798	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.54	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-1730.00%	Fail
5. Earnings Growth	PEmg < 20	-369.53	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	0.70	Fail
7. Moderate Price to Assets			

*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	1.54	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.21	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.04
MG Growth Estimate	13.76%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$0.52
MG Value based on 0% Growth	-\$0.30
Market Implied Growth Rate	-189.02%

### MG Opinion

Current Price	\$13.18
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

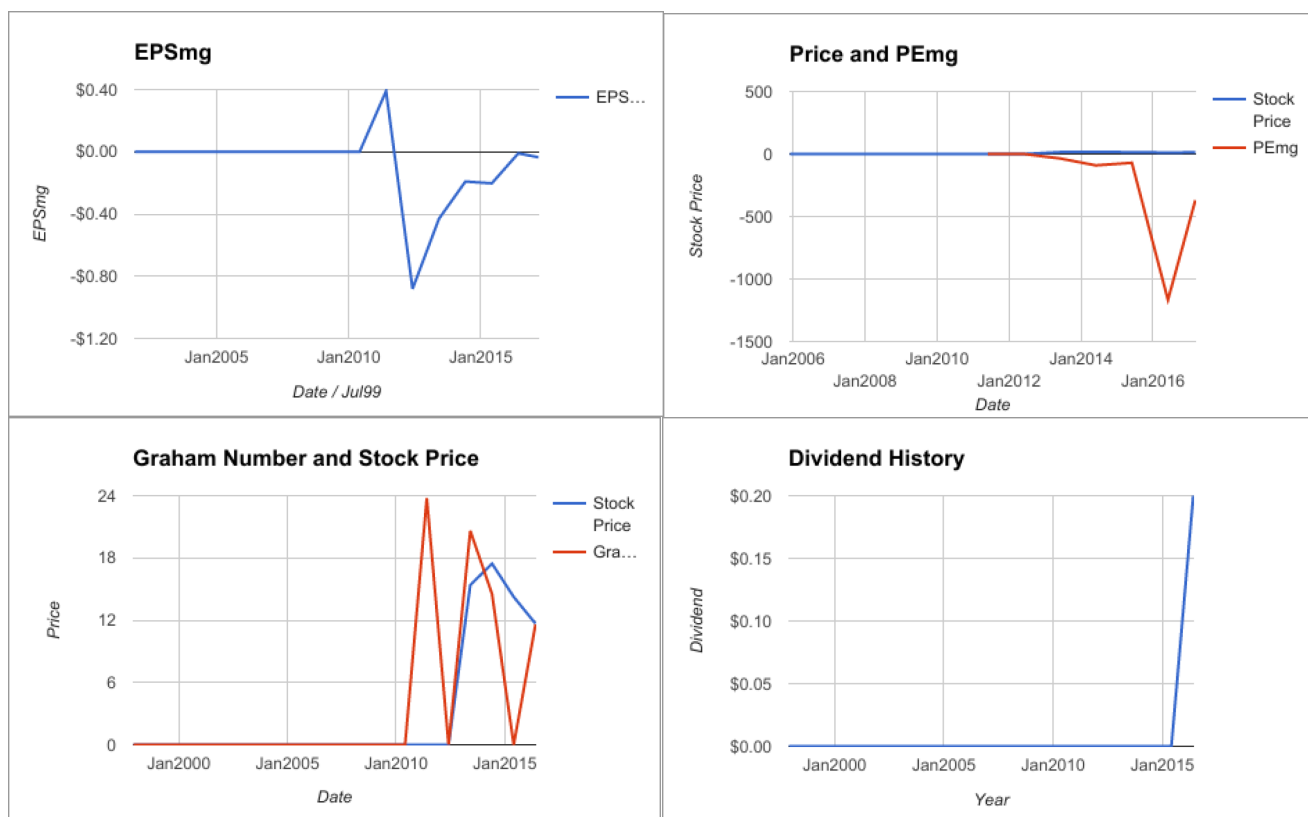
Net Current Asset Value (NCAV)	\$0.03
Graham Number	\$0.00
PEmg	-369.53
Current Ratio	1.54
PB Ratio	0.70
Current Dividend	\$0.20
Dividend Yield	1.52%
Number of Consecutive Years of Dividend Growth	2

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Jun2016	-\$0.53	Jun2016	-\$0.04
Jun2015	\$0.30	Jun2015	-\$0.01
Jun2014	-\$0.26	Jun2014	-\$0.20
Jun2013	\$0.41	Jun2013	-\$0.19
Jun2012	\$0.87	Jun2012	-\$0.43
Jun2011	-\$3.58	Jun2011	-\$0.88
Jun2010	\$1.17	Jun2010	\$0.39
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	<b>Balance Sheet Information 12/1/2016</b>	
Dec1999	\$0.00	Total Current Assets	\$3,591,000,000
Dec1998	\$0.00	Total Current Liabilities	\$2,325,000,000
Dec1997	\$0.00	Long-Term Debt	\$268,000,000
		Total Assets	\$14,527,000,000
		Intangible Assets	\$6,089,000,000
		Total Liabilities	\$3,572,000,000
		Shares Outstanding (Diluted Average)	581,400,000





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

#N/A

Other  
ModernGraham  
posts about related  
companies

[Scholastic Corp Valuation – Initial Coverage \\$SCHL](#)  
[Tegna Inc. Valuation – November 2015 Update \\$TGNA](#)  
[Tegna Inc. Analysis – August 2015 Update \\$TGNA](#)  
[Gannett Company Inc. Annual Valuation – 2014 \\$GCI](#)  
[Gannett Co. Inc. \(GCI\) Quarterly Valuation – May 2014](#)