

# ModernGraham Valuation

Twenty-First Century  
Fox Inc Class A



## Company Name:

Company Ticker FOXA

Date of Analysis

1/7/2019

## 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  | \$89,173,519,944 | Pass |
| 2. Sufficiently Strong Financial Condition | Current Ratio > 2  | 2.45             | Pass |
| 3. Earnings Stability                      | Positive EPS for 10 years prior  |                  | Pass |
| 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 | 129.44%          | Pass |
| 6. Moderate PEmg Ratio                     | PEmg < 20  | 24.41            | Fail |
| 7. Moderate Price to Assets                | PB Ratio < 2.5 OR PB*PEmg < 50   | 4.09             | Fail |

*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                  | 2.45 | Pass |
| 2. Sufficiently Strong Financial Condition | Debt to NCA < 1.1                    | 1.62 | 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 Score |      | Fail |

## Suitability

|                     |           |
|---------------------|-----------|
| <b>Defensive</b>    | <b>No</b> |
| <b>Enterprising</b> | <b>No</b> |

## Stage 2: Determination of Intrinsic Value

|                             |               |
|-----------------------------|---------------|
| EPSmg                       | \$1.97        |
| MG Growth Estimate          | -3.47%        |
| <b>MG Value</b>             | <b>\$3.07</b> |
| MG Value based on 3% Growth | \$28.62       |
| MG Value based on 0% Growth | \$16.78       |
| Market Implied Growth Rate  | 7.95%         |

## MG Opinion

|                      |                   |
|----------------------|-------------------|
| Current Price        | \$48.18           |
| % of Intrinsic Value | 1569.84%          |
| <b>Opinion</b>       | <b>Overvalued</b> |
| <b>MG Grade</b>      | <b>D</b>          |

## Stage 3: Information for Further Research

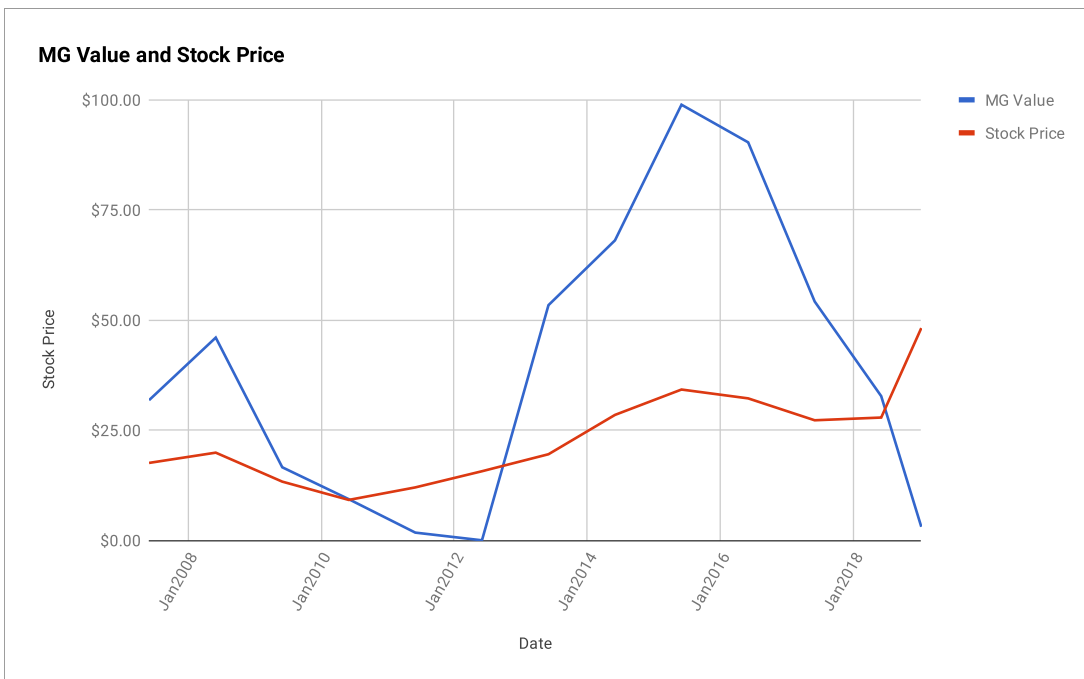
|  |         |
|--|---------|
| Net Current Asset Value (NCAV)                 | -\$7.22 |
| Graham Number                                  | \$20.10 |
| PEmg   | 24.41   |
| Current Ratio                                  | 2.45    |
| PB Ratio                                       | 4.09    |
| Current Dividend                               | \$0.36  |
| Dividend Yield                                 | 0.75%   |
| Number of Consecutive Years of Dividend Growth | 5       |

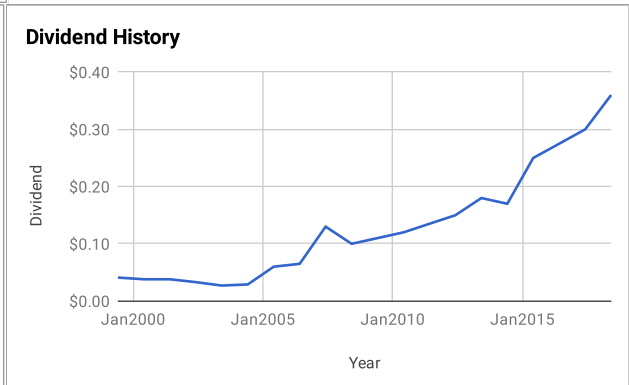
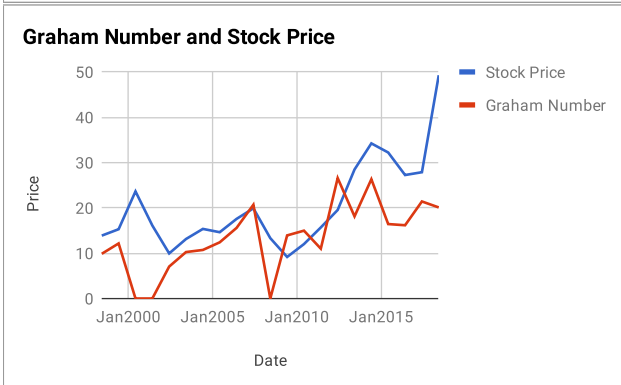
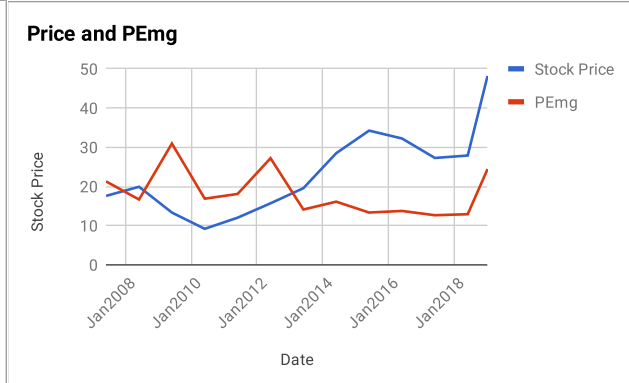
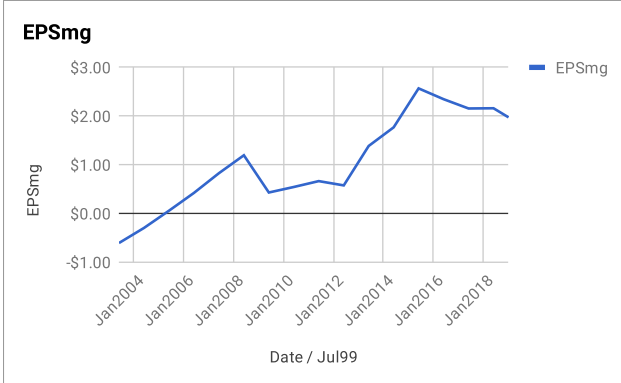
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[Google Finance](#)  
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[Morningstar](#)  
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| EPS History               |         | EPSmg History                        |                  |
|---------------------------|---------|--------------------------------------|------------------|
| Next Fiscal Year Estimate | \$1.70  | Next Fiscal Year Estimate            | \$1.97           |
| Jun2018                   | \$2.40  | Jun2018                              | \$2.16           |
| Jun2017                   | \$1.59  | Jun2017                              | \$2.16           |
| Jun2016                   | \$1.42  | Jun2016                              | \$2.35           |
| Jun2015                   | \$3.90  | Jun2015                              | \$2.57           |
| Jun2014                   | \$1.99  | Jun2014                              | \$1.77           |
| Jun2013                   | \$3.03  | Jun2013                              | \$1.39           |
| Jun2012                   | \$0.47  | Jun2012                              | \$0.58           |
| Jun2011                   | \$1.04  | Jun2011                              | \$0.66           |
| Jun2010                   | \$0.97  | Jun2010                              | \$0.54           |
| Jun2009                   | -\$1.29 | Jun2009                              | \$0.43           |
| Jun2008                   | \$1.81  | Jun2008                              | \$1.20           |
| Jun2007                   | \$1.14  | Jun2007                              | \$0.83           |
| Jun2006                   | \$0.76  | Jun2006                              | \$0.42           |
| Jun2005                   | \$0.73  | Jun2005                              | \$0.06           |
| Jun2004                   | \$0.58  | Jun2004                              | -\$0.30          |
| Jun2003                   | \$0.31  | Jun2003                              | -\$0.61          |
| Jun2002                   | -\$2.74 | <b>Balance Sheet Information</b>     |                  |
| Jun2001                   | -\$0.56 | <b>9/1/2018</b>                      |                  |
| Jun2000                   | \$0.76  | Total Current Assets                 | \$19,128,000,000 |
| Jun1999                   | \$0.48  | Total Current Liabilities            | \$7,802,000,000  |
|                           |         | Long-Term Debt                       | \$18,379,000,000 |
|                           |         | Total Assets                         | \$54,512,000,000 |
|                           |         | Intangible Assets                    | \$18,787,000,000 |
|                           |         | Total Liabilities                    | \$32,588,000,000 |
|                           |         | Shares Outstanding (Diluted Average) | 1,863,000,000    |





**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**
- [Twenty-First Century Fox Inc Valuation – March 2018 \\$FOXA](#)
  - [10 Low PE Stock Picks for the Defensive Investor – February 2017](#)
  - [10 Undervalued Companies for the Defensive Investor – February 2017](#)
  - [10 Undervalued Companies for the Defensive Investor – January 2017](#)
  - [10 Undervalued Stocks for the Defensive Investor – December 2016](#)

- Other ModernGraham posts about related companies**
- [Walt Disney Co Valuation – November 2018 \\$DIS](#)
  - [Tegna Inc Valuation – August 2018 \\$TGNA](#)
  - [E.W. Scripps Co Valuation – August 2018 \\$SSP](#)
  - [Cinemark Holdings Inc Valuation – August 2018 \\$CNK](#)
  - [Corus Entertainment Inc Valuation – July 2018 \\$TSE:CJR.B](#)
  - [AMC Networks Inc Valuation – July 2018 \\$AMCX](#)
  - [International Speedway Corp Valuation – July 2018 \\$ISCA](#)
  - [Cineplex Inc Valuation – July 2018 \\$TSE-CGX](#)
  - [Graham Holdings Co Valuation – July 2018 \\$GHC](#)
  - [News Corp Valuation – June 2018 \\$NWS](#)