

ModernGraham Valuation

Company Name:

News Corp Class A

Company Ticker NWSA

Date of Analysis

3/21/2019



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	\$7,586,004,395	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.19	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	46.47%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	-15.97	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.73	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	1.19	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.31	Fail
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		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.81
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$11.76
MG Value based on 0% Growth	-\$6.90
Market Implied Growth Rate	-12.24%

MG Opinion

Current Price	\$12.96
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

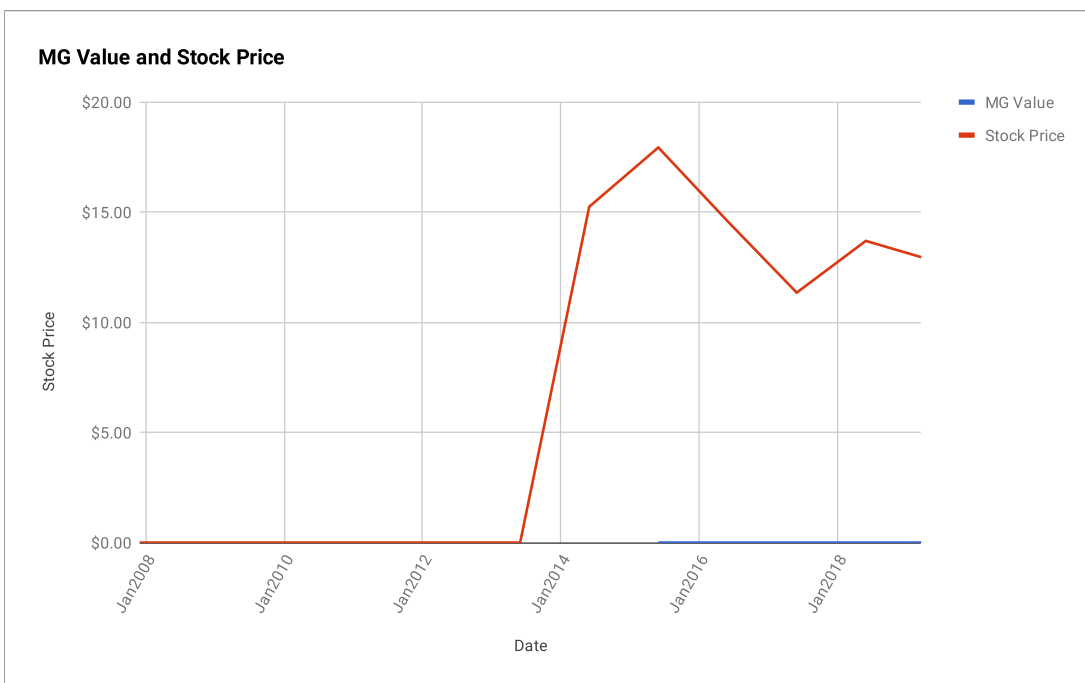
Stage 3: Information for Further Research

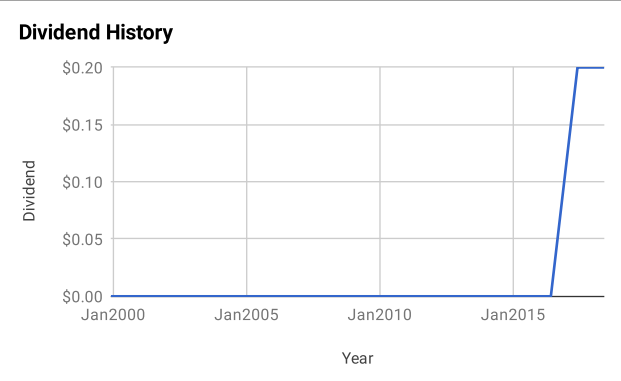
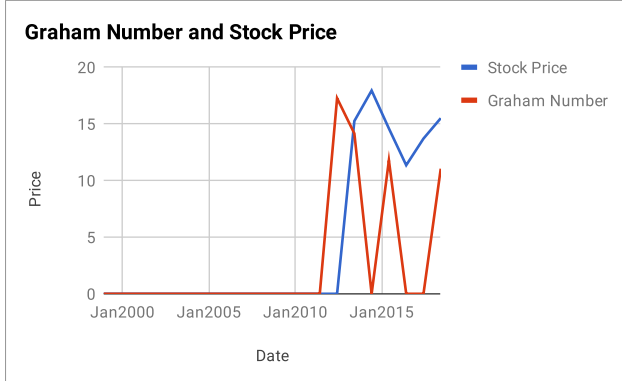
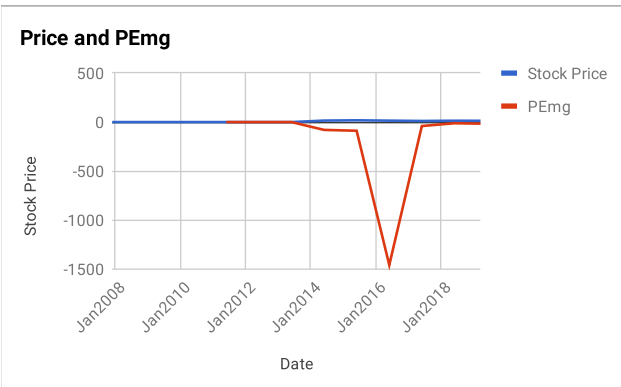
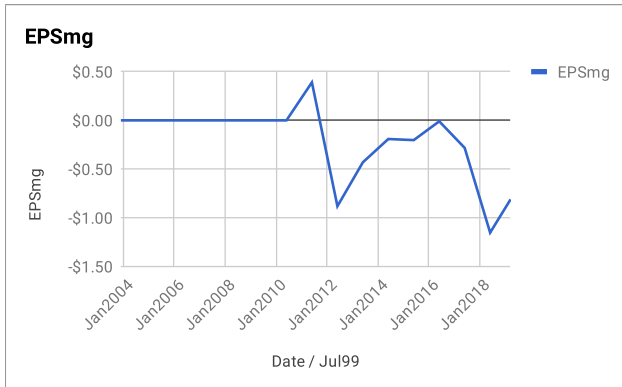
Net Current Asset Value (NCAV)	-\$2.32
Graham Number	\$11.04
PEmg	-15.97
Current Ratio	1.19
PB Ratio	0.73
Current Dividend	\$0.20
Dividend Yield	1.54%
Number of Consecutive Years of Dividend Growth	0

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	\$0.34	Next Fiscal Year Estimate	-\$0.81
Jun2018	-\$2.60	Jun2018	-\$1.15
Jun2017	-\$1.27	Jun2017	-\$0.28
Jun2016	\$0.30	Jun2016	-\$0.01
Jun2015	-\$0.26	Jun2015	-\$0.20
Jun2014	\$0.41	Jun2014	-\$0.19
Jun2013	\$0.87	Jun2013	-\$0.43
Jun2012	-\$3.58	Jun2012	-\$0.88
Jun2011	\$1.17	Jun2011	\$0.39
Jun2010	\$0.00	Jun2010	\$0.00
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	Balance Sheet Information 12/1/2018	
Dec2001	\$0.00	Total Current Assets	\$4,429,000,000
Dec2000	\$0.00	Total Current Liabilities	\$3,712,000,000
Dec1999	\$0.00	Long-Term Debt	\$936,000,000
		Total Assets	\$16,227,000,000
		Intangible Assets	\$7,796,000,000
		Total Liabilities	\$5,793,000,000
		Shares Outstanding (Diluted Average)	587,100,000





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**
- [News Corp Valuation – February 2017 \\$NWSA](#)
 - [5 Speculative and Overvalued Companies to Avoid – November 2015](#)
 - [News Corporation Valuation – November 2015 Update \\$NWSA](#)
 - [27 Companies in the Spotlight This Week – 11/8/14](#)
 - [News Corp Annual Valuation – 2014 \\$NWSA](#)

- Other ModernGraham posts about related companies**
- [CBS Corp Valuation – February 2019 \\$CBS](#)
 - [Discovery Inc Valuation – February 2019 \\$DISCA](#)
 - [Comcast Corp Valuation – January 2019 \\$CMCSA](#)
 - [Viacom Inc Valuation – January 2019 \\$VIAB](#)
 - [Twenty-First Century Fox Inc Valuation – January 2019 \\$FOX](#)
 - [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](#)