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NEWS CORP

FORM 10-Q
(Quarterly Report)

Filed 05/10/17 for the Period Ending 03/31/17

Address	1211 AVENUE OF THE AMERICAS
	NEW YORK, NY 10036
Telephone	212-416-3400
CIK	0001564708
Symbol	NWS
SIC Code	2711 - Newspapers: Publishing, or Publishing and Printing
Industry	Consumer Publishing
Sector	Consumer Cyclicals
Fiscal Year	06/30

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2017

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-35769

NEWS CORPORATION
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**46-2950970** **(I.R.S. Employer Identification No.)**
1211 Avenue of the Americas, New York, New York **(Address of principal executive offices)**	**10036** **(Zip Code)**

(212) 416-3400
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 5, 2017, 382,181,338 shares of Class A Common Stock and 199,630,240 shares of Class B Common Stock were outstanding.

NEWS CORPORATION

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NEWS CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; millions, except per share amounts)

	Notes	For the three months ended March 31, 2017	For the three months ended March 31, 2016	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
Revenues:					
Advertising		$ 705	$ 671	$ 2,123	$ 2,222
Circulation and subscription		618	615	1,834	1,875
Consumer		359	343	1,183	1,164
Real estate		168	145	525	450
Other		128	117	394	355
Total Revenues		1,978	1,891	6,059	6,066
Operating expenses		(1,101)	(1,084)	(3,384)	(3,476)
Selling, general and administrative		(662)	(649)	(2,005)	(1,987)
NAM Group settlement charge	10	—	(280)	—	(280)
Depreciation and amortization		(109)	(126)	(349)	(370)
Impairment and restructuring charges	4	(33)	(24)	(409)	(63)
Equity (losses) earnings of affiliates	5	(23)	2	(276)	25
Interest, net		8	11	30	34
Other, net	14	(13)	33	127	32
Income (loss) from continuing operations before income tax (expense) benefit		45	(226)	(207)	(19)
Income tax (expense) benefit	12	(45)	98	(12)	140
Income (loss) from continuing operations		—	(128)	(219)	121
(Loss) income from discontinued operations, net of tax	3	—	(2)	—	20
Net income (loss)		—	(130)	(219)	141
Less: Net income attributable to noncontrolling interests		(5)	(19)	(90)	(52)
Net (loss) income attributable to News Corporation stockholders		$ (5)	$ (149)	$ (309)	$ 89
Basic and diluted (loss) earnings per share:					
(Loss) income from continuing operations available to News Corporation stockholders per share		$ (0.01)	$ (0.26)	$ (0.53)	$ 0.12
(Loss) income from discontinued operations available to News Corporation stockholders per share		—	—	—	0.03
Net (loss) income available to News Corporation stockholders per share		$ (0.01)	$ (0.26)	$ (0.53)	$ 0.15
Cash dividends declared per share of common stock		$ 0.10	$ 0.10	$ 0.20	$ 0.20

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NEWS CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited; millions)

	For the three months ended March 31,		For the nine months ended March 31,	
	2017	2016	2017	2016
Net income (loss)	$ —	$ (130)	$ (219)	$ 141
Other comprehensive income (loss):				
Foreign currency translation adjustments	269	66	(22)	(290)
Unrealized holding (losses) gains on securities, net [(a)]	(3)	14	(22)	(2)
Benefit plan adjustments, net [(b)]	(2)	16	29	41
Share of other comprehensive (loss) income from equity affiliates, net [(c)]	(7)	(15)	4	(13)
Other comprehensive income (loss)	257	81	(11)	(264)
Comprehensive income (loss)	257	(49)	(230)	(123)
Less: Net income attributable to noncontrolling interests	(5)	(19)	(90)	(52)
Less: Other comprehensive loss (income) attributable to noncontrolling interests	(14)	(3)	(7)	1
Comprehensive income (loss) attributable to News Corporation stockholders	$ 238	$ (71)	$ (327)	$ (174)

(a) Net of income tax expense of nil and $7 million for the three months ended March 31, 2017 and 2016, respectively, and income tax benefit of $8 million and nil for the nine months ended March 31, 2017 and 2016, respectively.

(b) Net of income tax benefit (expense) of $1 million and ($4 million) for the three months ended March 31, 2017 and 2016, respectively, and income tax expense of $7 million and $10 million for the nine months ended March 31, 2017 and 2016, respectively.

(c) Net of income tax benefit of $3 million and $7 million for the three months ended March 31, 2017 and 2016, respectively, and income tax (expense) benefit of ($2 million) and $6 million for the nine months ended March 31, 2017 and 2016, respectively.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NEWS CORPORATION

CONSOLIDATED BALANCE SHEETS
(Millions, except share and per share amounts)

	Notes	As of March 31, 2017 (unaudited)	As of June 30, 2016 (audited)
Assets:			
Current assets:			
Cash and cash equivalents		$ 1,850	$ 1,832
Restricted cash		—	315
Receivables, net	14	1,326	1,229
Other current assets	14	586	513
Total current assets		3,762	3,889
Non-current assets:			
Investments	5	2,010	2,270
Property, plant and equipment, net		1,961	2,405
Intangible assets, net		2,316	2,207
Goodwill		3,859	3,714
Deferred income tax assets		536	602
Other non-current assets	14	442	396
Total assets		$ 14,886	$ 15,483
Liabilities and Equity:			
Current liabilities:			
Accounts payable		$ 229	$ 217
Accrued expenses		1,214	1,371
Deferred revenue		435	388
Other current liabilities	14	583	466
Total current liabilities		2,461	2,442
Non-current liabilities:			
Borrowings	6	273	369
Retirement benefit obligations	11	305	350
Deferred income tax liabilities		82	171
Other non-current liabilities		328	349
Commitments and contingencies	10		
Redeemable preferred stock		20	20
Class A common stock [(a)]		4	4
Class B common stock [(b)]		2	2
Additional paid-in capital		12,397	12,434
Retained earnings		(219)	150
Accumulated other comprehensive loss		(1,045)	(1,026)
Total News Corporation stockholders' equity		11,139	11,564
Noncontrolling interests		278	218
Total equity	7	11,417	11,782
Total liabilities and equity		$ 14,886	$ 15,483

(a) **Class A common stock** , $0.01 par value per share ("Class A Common Stock"), 1,500,000,000 shares authorized, 382,092,060 and 380,490,770 shares issued and outstanding, net of 27,368,413 treasury shares at par, at March 31, 2017 and June 30, 2016, respectively.

(b) **Class B common stock** , $0.01 par value per share ("Class B Common Stock"), 750,000,000 shares authorized, 199,630,240 shares issued and outstanding, net of 78,430,424 treasury shares at par, at March 31, 2017 and June 30, 2016, respectively.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NEWS CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; millions)

	Notes	For the nine months ended March 31, 2017	2016
Operating activities:			
Net (loss) income		$ (219)	$ 141
Less: Income from discontinued operations, net of tax		—	20
(Loss) income from continuing operations		(219)	121
Adjustments to reconcile (loss) income from continuing operations to cash provided by operating activities:			
Depreciation and amortization		349	370
Equity losses (earnings) of affiliates	5	276	(25)
Cash distributions received from affiliates		1	31
Impairment charges	4	321	—
Other, net	14	(127)	(32)
Deferred income taxes and taxes payable	12	(76)	(217)
Change in operating assets and liabilities, net of acquisitions:			
Receivables and other assets		(126)	(12)
Inventories, net		(8)	(37)
Accounts payable and other liabilities		89	132
NAM Group settlement		(256)	258
Net cash provided by operating activities from continuing operations		224	589
Net cash used in operating activities from discontinued operations		(5)	(66)
Net cash provided by operating activities		219	523
Investing activities:			
Capital expenditures		(168)	(180)
Changes in restricted cash for Wireless Group acquisition		315	—
Acquisitions, net of cash acquired		(345)	(486)
Investments in equity affiliates and other		(93)	(62)
Proceeds from dispositions		232	4
Other, net		10	21
Net cash used in investing activities from continuing operations		(49)	(703)
Net cash provided by investing activities from discontinued operations		—	15
Net cash used in investing activities		(49)	(688)
Financing activities:			
Borrowings		—	342
Repayment of borrowings acquired in Wireless Group acquisition		(23)	—
Repurchase of shares		—	(41)
Dividends paid		(93)	(88)
Other, net		(36)	(9)
Net cash (used in) provided by financing activities from continuing operations		(152)	204
Net cash used in financing activities from discontinued operations		—	—
Net cash (used in) provided by financing activities		(152)	204
Net increase in cash and cash equivalents		18	39
Cash and cash equivalents, beginning of period		1,832	1,951
Exchange movement on opening cash balance		—	(18)
Cash and cash equivalents, end of period		$ 1,850	$ 1,972

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NEWS CORPORATION

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

News Corporation (together with its subsidiaries, "News Corporation," "News Corp," the "Company," "we," or "us") is a global diversified media and information services company comprised of businesses across a range of media, including: news and information services, book publishing, digital real estate services, cable network programming in Australia and pay-TV distribution in Australia.

During the first quarter of fiscal 2016, management approved a plan to dispose of the Company's digital education business. As a result of the plan and the discontinuation of further significant business activities in the Digital Education segment, the assets and liabilities of this segment were classified as held for sale and the results of operations have been classified as discontinued operations for all periods presented. Unless indicated otherwise, the information in the notes to the Consolidated Financial Statements relates to the Company's continuing operations. (See Note 3—Discontinued Operations).

Basis of Presentation

The accompanying unaudited consolidated financial statements of the Company, which are referred to herein as the "Consolidated Financial Statements," have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, all adjustments consisting only of normal recurring adjustments necessary for a fair presentation have been reflected in these Consolidated Financial Statements. Operating results for the interim period presented are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2017. The preparation of the Company's Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts that are reported in the Consolidated Financial Statements and accompanying disclosures. Actual results could differ from those estimates.

Intercompany transactions and balances have been eliminated. Equity investments in which the Company exercises significant influence but does not exercise control and is not the primary beneficiary are accounted for using the equity method. Investments in which the Company is not able to exercise significant influence over the investee are designated as available-for-sale if readily determinable fair values are available. If an investment's fair value is not readily determinable, the Company accounts for its investment under the cost method.

The consolidated statements of operations are referred to herein as the "Statements of Operations." The consolidated balance sheets are referred to herein as the "Balance Sheets." The consolidated statements of cash flows are referred to herein as the "Statements of Cash Flows."

The accompanying Consolidated Financial Statements and notes thereto should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016 as filed with the Securities and Exchange Commission ("SEC") on August 12, 2016 (the "2016 Form 10-K").

Certain reclassifications have been made to the prior period consolidated financial statements to conform to the current year presentation. Specifically, the Company reclassified its listing revenues generated primarily from agents, brokers and developers from advertising revenue to real estate revenue for all periods presented to better reflect the Company's revenue mix and how management reviews the performance of the Digital Real Estate Services segment. In the third quarter of fiscal 2017, the Company also revised the Statements of Cash Flows to present cash flow activities from discontinued operations within each of the operating, investing and financing activities categories.

NEWS CORPORATION

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Company’s fiscal year ends on the Sunday closest to June 30. Fiscal 2017 and fiscal 2016 include 52 and 53 weeks, respectively. All references to the three months ended March 31, 2017 and 2016 relate to the three months ended April 2, 2017 and March 27, 2016, respectively. For convenience purposes, the Company continues to date its consolidated financial statements as of March 31.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, “Revenue from Contracts with Customers (Topic 606)” (“ASU 2014-09”). ASU 2014-09 removes inconsistencies and differences in existing revenue requirements between GAAP and International Financial Reporting Standards (“IFRS”) and requires a company to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Once effective, ASU 2014-09 can be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initial adoption recognized at the date of initial application. In March 2016, the FASB issued ASU 2016-08, “Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)” (“ASU 2016-08”). The amendments in ASU 2016-08 clarify the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10, “Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing” (“ASU 2016-10”). The amendments in ASU 2016-10 clarify aspects relating to the identification of performance obligations and improve the operability and understandability of the licensing implementation guidance. In May 2016, the FASB issued ASU 2016-12, “Update 2016-12—Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients” (“ASU 2016-12”). The amendments in ASU 2016-12 address certain issues identified on assessing collectability, presentation of sales taxes, noncash consideration, and completed contracts and contract modifications at transition. The effective date for all ASUs noted above is annual and interim reporting periods beginning July 1, 2018. The Company is currently evaluating the impact these ASUs will have on its consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, “Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities” (“ASU 2016-01”). The amendments in ASU 2016-01 address certain aspects of recognition, measurement, presentation and disclosure of financial instruments. ASU 2016-01 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. As of March 31, 2017, the Company has $100 million in available-for-sale securities with net unrealized gains of $2 million. The cumulative net unrealized gains (losses) contained within Accumulated other comprehensive loss will be reclassified through Retained earnings as of July 1, 2018. Changes in the fair value of available-for-sale securities will be recorded in the Company’s Statement of Operations beginning July 1, 2018.

In February 2016, the FASB issued ASU 2016-02, “Leases (Topic 842)” (“ASU 2016-02”). The amendments in ASU 2016-02 address certain aspects in lease accounting, with the most significant impact for lessees. The amendments in ASU 2016-02 require lessees to recognize all leases on the balance sheet by recording a right-of-use asset and a lease liability, and lessor accounting has been updated to align with the new requirements for lessees. The new standard also provides changes to the existing sale-leaseback guidance. ASU 2016-02 is effective for the Company for annual and interim reporting periods beginning July 1, 2019. The Company is currently evaluating the impact ASU 2016-02 will have on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, “Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting” (“ASU 2016-09”). The amendments in ASU

2016-09 address several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. ASU 2016-09 is effective for the Company for annual and interim reporting periods beginning July 1, 2017. The Company does not expect the adoption of ASU 2016-09 to have a significant impact on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" ("ASU 2016-13"). The amendments in ASU 2016-13 require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. ASU 2016-13 is effective for the Company for annual and interim reporting periods beginning July 1, 2020. The Company is currently evaluating the impact ASU 2016-13 will have on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force)" ("ASU 2016-15"). The amendments in ASU 2016-15 address eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows under Topic 230, Statement of Cash Flows, and other Topics. ASU 2016-15 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. The Company does not expect the adoption of ASU 2016-15 to have a significant impact on its consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16, "Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory" ("ASU 2016-16"). The amendments in ASU 2016-16 require an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments in ASU 2016-16 eliminate the exception for an intra-entity transfer of an asset other than inventory. ASU 2016-16 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. The Company is currently evaluating the impact ASU 2016-16 will have on its consolidated financial statements.

In October 2016, the FASB issued ASU 2016-17, "Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control" ("ASU 2016-17"). The amendments in ASU 2016-17 require that if a reporting entity satisfies the first condition of a primary beneficiary in a variable interest entity ("VIE"), a reporting entity should include all of its direct variable interests in a VIE and, on a proportionate basis, its indirect variable interests in a VIE held through related parties, including related parties that are under common control with the reporting entity, when assessing whether it satisfies the second characteristic of a primary beneficiary If, after performing that assessment, a reporting entity that is the single decision maker of a VIE concludes that it does not have the characteristics of a primary beneficiary, the amendments continue to require that reporting entity to evaluate whether it and one or more of its related parties under common control, as a group, have the characteristics of a primary beneficiary. If the single decision maker and its related parties that are under common control, as a group, have the characteristics of a primary beneficiary, then the party within the related party group that is most closely associated with the VIE is the primary beneficiary. ASU 2016-17 is effective for the Company for annual and interim reporting periods beginning July 1, 2017. The Company is currently evaluating the impact ASU 2016-17 will have on its consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)" ("ASU 2016-18"). The amendments in ASU 2016-18 require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. ASU 2016-18 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. The Company is currently evaluating the impact ASU 2016-18 will have on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, "Business Combinations (Topic 805): Clarifying the Definition of a Business" ("ASU 2017-01"). The amendments in ASU 2017-01 provide a screen to determine when a set of assets and activities is not a business. Under the screen, when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. ASU 2017-01 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. The Company is currently evaluating the impact ASU 2017-01 will have on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, "Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment" ("ASU 2017-04"). The amendments in ASU 2017-04 eliminate Step 2 from the goodwill impairment test and instead require an entity to perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and to recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. The loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. As permitted by ASU 2017-04, the Company early-adopted this standard and applied it prospectively to reduce the complexity and costs of evaluating goodwill for impairment.

In March 2017, the FASB issued ASU 2017-07, "Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" ("ASU 2017-07"). The amendments in ASU 2017-07 require that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost as defined in paragraphs 715-30-35-4 and 715-60-35-9 are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. If a separate line item or items are used to present the other components of net benefit cost, that line item or items must be appropriately described. If a separate line item or items are not used, the line item or items used in the income statement to present the other components of net benefit cost must be disclosed. ASU 2017-07 is effective for the Company for annual and interim reporting periods beginning July 1, 2018. The Company is currently evaluating the impact ASU 2017-07 will have on its consolidated financial statements.

NOTE 2. ACQUISITIONS, DISPOSALS AND OTHER TRANSACTIONS

Fiscal 2017

Wireless Group plc

In September 2016, the Company completed its acquisition of Wireless Group plc ("Wireless Group") for a purchase price of 315 pence per share in cash, or approximately £220 million (approximately $285 million) in the aggregate, plus $23 million of assumed debt which was repaid subsequent to closing. Wireless Group operates talkSPORT, the leading sports radio network in the U.K., and a portfolio of radio stations in the U.K. and Ireland. The acquisition broadens the Company's range of services in the U.K., Ireland and internationally, and the Company expects to closely align Wireless Group's operations with those of *The Sun* and *The Times* . The Company utilized the restricted cash which was specifically set aside at June 30, 2016 for purposes of funding the acquisition and therefore the Company had no restricted cash as of March 31, 2017.

NEWS CORPORATION

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

The total transaction value for the Wireless Group acquisition is set forth below (in millions):

Cash paid for Wireless Group equity	$285
Plus: Assumed debt	23
Total transaction value	$308

Under the acquisition method of accounting, the total consideration is allocated to net tangible and intangible assets based upon the fair value as of the date of completion of the acquisition. The excess of the total consideration over the fair value of the net tangible and intangible assets acquired was recorded as goodwill. The allocation is as follows (in millions):

Assets acquired:	
Intangible assets	$213
Goodwill	118
Net liabilities	(46)
Total net assets acquired	$285

The acquired intangible assets primarily relate to broadcast licenses, which have a fair value of approximately $178 million, tradenames, which have a fair value of approximately $27 million, and customer relationships with a fair value of approximately $8 million. The broadcast licenses and tradenames have indefinite lives and the customer relationships will be amortized over a weighted-average useful life of approximately 6 years. The values assigned to the acquired assets and liabilities are based on preliminary estimates of fair value available as of the date of this filing and may be adjusted upon completion of final valuations of certain assets and liabilities. Any changes in these fair values could potentially result in an adjustment to the goodwill recorded for this transaction. Wireless Group's results are included within the News and Information Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

Australian Regional Media

In December 2016, the Company acquired Australian Regional Media ("ARM") from APN News and Media Limited ("APN") for approximately $30 million. ARM operates a portfolio of regional print assets and websites and extends the reach of the Australian newspaper business to new customers in new geographic regions. ARM is a subsidiary of News Corp Australia, and its results are included within the News and Information Services segment.

REA Group European Business

In December 2016, REA Group Limited ("REA Group"), in which the Company holds a 61.6% interest, sold its European business for approximately $140 million (approximately €133 million) in cash, which resulted in a pre-tax gain of $120 million in the second quarter of fiscal 2017. The gain was partially offset in the third quarter of fiscal 2017 by $13 million related to the impact of foreign currency fluctuations on the receipt of the sales proceeds, which were received in February 2017, and certain other currency translation impacts. The sale allows REA Group to focus on its core businesses in Australia and Asia.

NEWS CORPORATION

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Fiscal 2016

Checkout 51 Mobile Apps ULC

In July 2015, the Company acquired Checkout 51 Mobile Apps ULC ("Checkout 51") for approximately $13 million in cash at closing and approximately $10 million in deferred cash consideration which was paid during fiscal 2016. Checkout 51 is a data-driven digital incentives company that provides News America Marketing with a leading receipt recognition mobile app which enables packaged goods companies and brands to reach consumers with highly personalized marketing campaigns. Checkout 51's results are included within the News and Information Services segment.

Unruly Holdings Limited

On September 30, 2015, the Company acquired Unruly Holdings Limited ("Unruly") for approximately £60 million (approximately $90 million) in cash and up to £56 million (approximately $86 million) in future cash consideration related to payments primarily contingent upon the achievement of certain performance objectives. As a result of the acquisition, the Company recognized a liability of approximately $40 million related to the contingent consideration. The fair value of the contingent consideration was estimated by applying a probability-weighted income approach. In accordance with Accounting Standards Codification ("ASC") 350, "Intangibles—Goodwill and Other" ("ASC 350"), $43 million of the purchase price has been allocated to acquired technology with a weighted-average useful life of 7 years, $21 million has been allocated to customer relationships and tradenames with a weighted-average useful life of 6 years and $68 million has been allocated to goodwill. Unruly is a leading global video distribution platform that is focused on delivering branded video advertising across websites and mobile devices. Unruly's results of operations are included within the News and Information Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

DIAKRIT International Limited

In February 2016, the Company acquired a 92% interest in DIAKRIT International Limited ("DIAKRIT") for approximately $40 million in cash. The Company also has the option to purchase, and the minority shareholders have the option to sell to the Company, the remaining 8% in two tranches over the next six years at fair value. DIAKRIT is a digital visualization solutions company that helps homeowners see the potential in their future living environment with digital visualization solutions that enable them to plan, furnish and decorate their dream home, while also helping agents and developers generate more buyer inquiries and accelerate their property sale processes. DIAKRIT's results are included within the Digital Real Estate Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

iProperty Group Limited

In February 2016, REA Group increased its investment in iProperty Group Limited ("iProperty") from 22.7% to approximately 86.9% for A$482 million in cash (approximately $340 million). The remaining 13.1% not currently owned will become mandatorily redeemable during fiscal 2018. As a result, the Company recognized a liability of approximately $76 million, which reflected the present value of the amount expected to be paid for the remaining interest based on the formula specified in the acquisition agreement. The acquisition was funded primarily with the proceeds from borrowings under an unsecured syndicated revolving loan facility (the "REA Facility"). (See Note 6—Borrowings). The acquisition of iProperty extends REA Group's market leading business in Australia to attractive markets throughout Southeast Asia. iProperty is a subsidiary of REA Group, and its results are included within the Digital Real Estate Services segment.

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In accordance with ASC 805 "Business Combinations," REA Group recognized a gain of $29 million resulting from the revaluation of its previously held equity interest in iProperty in Other, net in the Statement of Operations for the fiscal year ended June 30, 2016. The total fair value of iProperty at the acquisition date is set forth below (in millions):

Cash paid for iProperty equity	$340
Deferred consideration	76
Total consideration	416
Fair value of previously held iProperty investment	120
Total fair value	$536

Under the acquisition method of accounting, the total consideration is allocated to net tangible and intangible assets based upon the fair value as of the date of completion of the acquisition. The excess of the total consideration over the fair value of the net tangible and intangible assets acquired was recorded as goodwill. The allocation is as follows (in millions):

Assets acquired:	
Goodwill	$498
Intangible assets	72
Net liabilities	(34)
Total net assets acquired	$536

The acquired intangible assets primarily relate to tradenames which have an indefinite life.

Flatmates.com.au Pty Ltd

In May 2016, REA Group acquired Flatmates.com.au Pty Ltd ("Flatmates") for $19 million in cash at closing and up to $15 million in future cash consideration related to payments contingent upon the achievement of certain performance objectives. Flatmates operates the Flatmates.com.au website, which is a market leading share accommodation site in Australia. The acquisition enhances REA Group's Australian product offering by extending its reach into the quickly growing share accommodation business. Flatmates is a subsidiary of REA Group, and its results are included within the Digital Real Estate Services segment.

NOTE 3. DISCONTINUED OPERATIONS

During the first quarter of fiscal 2016, management approved a plan to dispose of the Company's digital education business. As a result of the plan and the discontinuation of further significant business activities in the Digital Education segment, the assets and liabilities of this segment were classified as held for sale and the results of operations have been classified as discontinued operations for all periods presented in accordance with ASC 205-20, "Discontinued Operations."

In the first quarter of fiscal 2016, the Company recognized a pre-tax non-cash impairment charge of $76 million reflecting a write down of the digital education business to its fair value less costs to sell. In addition, the Company recognized a tax benefit of $144 million upon reclassification of the Digital Education segment to discontinued operations. These amounts are included in Loss before income tax benefit and Income tax benefit, respectively, in the table below for the nine months ended March 31, 2016.

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On September 30, 2015, the Company sold the Amplify Insight and Amplify Learning businesses. Included within Loss before income tax benefit for the nine months ended March 31, 2016 was approximately $17 million in severance and lease termination costs which were incurred in conjunction with the sale.

The following table summarizes the results of operations from the discontinued segment:

	For the three months ended March 31,		For the nine months ended March 31,	
	2017	2016	2017	2016
	(in millions)			
Revenues	$ —	$ —	$ —	$ 27
Loss before income tax benefit	—	(3)	—	(154)
Income tax benefit	—	1	—	174
(Loss) income from discontinued operations, net of tax	$ —	$ (2)	$ —	$ 20

Liabilities held for sale related to discontinued operations as of March 31, 2017 and June 30, 2016 are included in Other current liabilities in the Balance Sheets as follows:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Current assets	$ —	$ 1
Non-current assets	—	—
Total assets	$ —	$ 1
Current liabilities	3	7
Non-current liabilities	—	—
Total liabilities	$ 3	$ 7
Net liabilities held for sale	$ (3)	$ (6)

NOTE 4. IMPAIRMENT AND RESTRUCTURING CHARGES

Fiscal 2017

During the three and nine months ended March 31, 2017, the Company recorded restructuring charges of $21 million and $88 million, respectively, of which $19 million and $85 million, respectively, related to the News and Information Services segment. The restructuring charges recorded in fiscal 2017 were for employee termination benefits.

In connection with a reorganization at Dow Jones, the Company has incurred $28 million of restructuring expense through the nine months ended March 31, 2017 which are included in the restructuring charges discussed above. The Company expects to incur approximately $5 million to $15 million in restructuring charges during the remainder of fiscal 2017. The reorganization is expected to reduce the Company’s costs by approximately $100 million on an annualized basis by the end of fiscal 2018.

During the second quarter of fiscal 2017, the Company recognized a non-cash impairment charge of approximately $310 million primarily related to the write-down of fixed assets at the Australian newspapers. The write-down was a result of the impact of adverse trends on the future expected performance of the Australian newspapers, where revenue declines from continued weakness in the print advertising market accelerated during the second quarter. The write-down was comprised of approximately $149 million related to printing presses and print related equipment, $77 million related to facilities, $66 million related to capitalized software and $18 million related to tradenames. Significant unobservable inputs utilized in the income approach valuation method were a discount rate of 11.5% and no long-term growth.

The Company continually evaluates whether current factors or indicators require the performance of an interim impairment assessment of goodwill, long-lived assets and investments. The valuation of goodwill and long-lived assets requires assumptions and estimates of many factors, including revenue and market growth, operating cash flows, market multiples and discount rates. In the quarter ended December 31, 2016, the Company revised its future outlook for a reporting unit within the News and Information Services segment due to the acceleration of declines in the global print advertising markets during the first half of fiscal 2017. As a result, the Company determined that this reporting unit has goodwill and indefinite-lived intangible assets that are considered to be at risk for future impairment because the fair value of the reporting unit exceeded its carrying value by less than 5% as of December 31, 2016. Significant unobservable inputs utilized in the income approach valuation method for this reporting unit and the related indefinite-lived intangible assets were discount rates (ranging from 9.0%-10.0%), long-term growth rates (ranging from 1.6%-3.0%) and royalty rates (ranging from 1.5%-2.5%). Significant unobservable inputs utilized in the market approach valuation method were EBITDA multiples from guideline public companies operating in similar industries and a control premium of 10%. Any increase in the discount rate or decrease in the projected cash flows terminal growth rate could have resulted in this reporting unit failing step one of the goodwill impairment analysis. Including those reporting units disclosed in the 2016 Form 10-K, the News and Information Services and Cable Network Programming segments have reporting units with goodwill and indefinite-lived intangible assets of approximately $2.4 billion at March 31, 2017 that are at risk for future impairment, of which $1.9 billion related to the News and Information Services segment and $0.5 billion related to the Cable Network Programming segment.

Fiscal 2016

During the three and nine months ended March 31, 2016, the Company recorded restructuring charges of $24 million and $63 million, respectively, of which $24 million and $56 million, respectively, related to the News and Information Services segment. The restructuring charges recorded in fiscal 2016 were primarily for employee termination benefits.

Changes in restructuring program liabilities were as follows:

	For the three months ended March 31,							
	2017				2016			
	One time employee termination benefits	Facility related costs	Other costs	Total	One time employee termination benefits	Facility related costs	Other costs	Total
	(in millions)							
Balance, beginning of period	$ 41	$ 5	$ 6	$ 52	$ 27	$ 6	$ 6	$ 39
Additions	21	—	—	21	24	—	—	24
Payments	(33)	—	—	(33)	(17)	—	—	(17)
Balance, end of period	$ 29	$ 5	$ 6	$ 40	$ 34	$ 6	$ 6	$ 46

	For the nine months ended March 31,							
	2017				2016			
	One time employee termination benefits	Facility related costs	Other costs	Total	One time employee termination benefits	Facility related costs	Other costs	Total
	(in millions)							
Balance, beginning of period	$ 33	$ 5	$ 6	$ 44	$ 47	$ 5	$ 6	$ 58
Additions	88	—	—	88	62	1	—	63
Payments	(91)	—	—	(91)	(71)	—	—	(71)
Other	(1)	—	—	(1)	(4)	—	—	(4)
Balance, end of period	$ 29	$ 5	$ 6	$ 40	$ 34	$ 6	$ 6	$ 46

As of March 31, 2017, restructuring liabilities of approximately $31 million were included in the Balance Sheet in Other current liabilities and $9 million were included in Other non-current liabilities.

NOTE 5. INVESTMENTS

The Company's investments were comprised of the following:

	Ownership Percentage as of March 31, 2017	As of March 31, 2017	As of June 30, 2016
		(in millions)	
Equity method investments:			
Foxtel [(a)]	50%	$ 1,205	$ 1,437
Other equity method investments [(b)]	various	146	101
Loan receivable from Foxtel [(c)]	N/A	344	338
Available-for-sale securities [(d)]	various	100	189
Cost method investments [(e)]	various	215	205
Total Investments		$ 2,010	$ 2,270

(a) During the second quarter of fiscal 2017, the Company recognized a $227 million non-cash write-down of the carrying value of its investment in Foxtel to fair value. As a result of Foxtel's performance in the first half of fiscal 2017 and the competitive operating environment in the Australian pay-TV market, the Company revised its future outlook for the business, which resulted in a reduction in expected future cash flows. Based on the revised projections, the Company determined that the fair value of its investment in Foxtel declined below its $1.4 billion carrying value, which includes the gain recognized in connection with the acquisition of Consolidated Media Holdings Ltd. ("CMH"). Significant unobservable inputs utilized in the income approach valuation method were a discount rate of 9.0% and a long-term growth rate of 2.5%. Significant unobservable inputs utilized in the market approach valuation methods were EBITDA multiples from guideline public companies operating in similar industries and a control premium of 10%. Any significant shortfall of the expected future cash flows of Foxtel could result in additional write downs for which non-cash charges would be required.

In November 2012, the Company acquired CMH, a media investment company that operates in Australia. CMH owned a 25% interest in Foxtel through its 50% interest in FOX SPORTS Australia. The CMH acquisition was accounted for in accordance with ASC 805 "Business Combinations" which requires an acquirer to remeasure its previously held equity interest in an acquiree at its acquisition date fair value and recognize the resulting gain or loss in earnings. The carrying amount of the Company's previously held equity interest in FOX SPORTS Australia, through which the Company held its indirect 25% interest in Foxtel, was revalued to fair value as of the acquisition date, resulting in a step-up and non-cash gain of approximately $1.3 billion for the fiscal year ended June 30, 2013, of which $0.9 billion related to Foxtel.

(b) In January 2017, REA Group acquired an approximately 15% interest in Elara Technologies Pte. Ltd., a leading online real estate services provider in India ("Elara"), for $50 million. Elara operates PropTiger.com, Makaan.com and the recently acquired Housing.com, and the investment further strengthens REA Group's presence in Asia. Following the completion of the investment and certain related transactions, including Elara's acquisition of Housing.com, News Corporation's pre-existing interest in Elara decreased to approximately 23%.

(c) In May 2012, Foxtel purchased Austar United Communications Ltd. The transaction was funded by Foxtel bank debt and pro rata capital contributions made by Foxtel shareholders in the form of subordinated shareholder notes based on their respective ownership interests. The Company's share of the subordinated shareholder notes was approximately A$451 million ($344 million and $338 million as of March 31, 2017 and June 30, 2016, respectively). The subordinated shareholder notes can be repaid beginning in July 2022 provided that Foxtel's senior debt has been repaid. The subordinated shareholder notes have a maturity date of July 15, 2027, with interest payable on June 30 each year and at maturity. On June 22, 2016, Foxtel and Foxtel's shareholders agreed to modify the terms of the loan receivable to reduce the interest rate from 12% to 10.5%, to more closely align with current market rates. Upon maturity, the principal advanced will be repayable.

(d) Available-for-sale securities primarily include the Company's investment in APN. During fiscal 2016, the Company participated in an entitlement offer to maintain its 14.99% interest in APN for $20 million. During the second quarter of fiscal 2017, the Company participated in an entitlement offer for $21 million and its interest was diluted from 14.99% to 13.23%. APN operates a portfolio of Australian radio and outdoor media assets.

(e) Cost method investments primarily include the Company's investment in SEEKAsia Limited and certain investments in China.

The Company measures the fair market values of available-for-sale investments as Level 1 financial instruments under ASC 820, "Fair Value Measurement," as such investments have quoted prices in active markets. The cost basis, unrealized gains, unrealized losses and fair market value of available-for-sale investments are set forth below:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Cost basis of available-for-sale investments	$ 98	$ 155
Accumulated gross unrealized gain	3	34
Accumulated gross unrealized loss	(1)	—
Fair value of available-for-sale investments	$ 100	$ 189
Net deferred tax (asset) liability	$ —	$ 13

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Equity (Losses) Earnings of Affiliates

The Company's (losses) earnings of its equity affiliates was as follows:

	For the three months ended March 31, 2017	For the three months ended March 31, 2016	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
	(in millions)		(in millions)	
Foxtel [(a)]	$ (16)	$ 4	$ (260)	$ 26
Other equity affiliates, net	(7)	(2)	(16)	(1)
Total Equity (losses) earnings of affiliates	$ (23)	$ 2	$ (276)	$ 25

(a) During the second quarter of fiscal 2017, the Company recognized a $227 million non-cash write-down of the carrying value of its investment in Foxtel to fair value. The write-down is reflected in Equity (losses) earnings of affiliates in the Statements of Operations for the nine months ended March 31, 2017. Refer to the discussion above for further details.

Additionally, in accordance with ASC 350, the Company amortized $16 million and $53 million related to excess cost over the Company's proportionate share of its investment's underlying net assets allocated to finite-lived intangible assets during the three and nine months ended March 31, 2017, respectively, and $12 million and $37 million in the corresponding periods of fiscal 2016. Such amortization is reflected in Equity (losses) earnings of affiliates in the Statements of Operations. The increase in amortization expense recognized by the Company in the current year period resulted from a corresponding decrease in amortization expense recognized by Foxtel as certain intangible assets were fully amortized in fiscal 2016. The higher amortization expense recognized by the Company was partially offset by the impact of the $227 million non-cash write-down of the carrying value of its investment in Foxtel in the second quarter of fiscal 2017.

Summarized financial information for Foxtel, presented in accordance with U.S. GAAP, was as follows:

	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
	(in millions)	
Revenues	$ 1,811	$ 1,763
Operating income [(a)]	263	269
Net income	40	126

(a) Includes Depreciation and amortization of $155 million and $170 million for the nine months ended March 31, 2017 and 2016, respectively. Operating income before depreciation and amortization was $418 million and $439 million for the nine months ended March 31, 2017 and 2016, respectively.

For the nine months ended March 31, 2017, Foxtel's revenues increased $48 million, or 3%, as a result of the positive impact of foreign currency fluctuations as revenues decreased 2% in local currency. Operating income decreased primarily due to planned increases in programming spend and the lower revenues noted above, partially offset by lower depreciation costs and the positive impact of foreign currency fluctuations. Net income decreased mainly due to losses associated with Presto of $47 million, primarily resulting from Foxtel management's decision to cease Presto operations in January 2017, and $36 million in losses associated with the change in the fair value of Foxtel's investment in Ten Network Holdings ("Ten").

During the first quarter of fiscal 2017, Foxtel was deemed to have significant influence over its investment in Ten. As a result, Foxtel was required to treat its investment in Ten as an equity method investment. Foxtel elected the fair value option under ASC 825, Financial Instruments, ("ASC 825") and adjusts the carrying value of the Ten investment to fair value each reporting period. Although Foxtel ceased to have significant influence in Ten during the third quarter of fiscal 2017, it will continue to adjust the carrying value of the Ten investment to fair value each reporting period due to its election of the fair value option under ASC 825. This adjustment will be recorded as a component of Foxtel's net income.

NOTE 6. BORROWINGS

The Company's total borrowings consist of the following:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Facility due December 2017	$ 91	$ 90
Facility due December 2018	91	90
Facility due December 2019	183	179
Other obligations	11	13
Total debt	376	372
Less: Current portion of long-term debt [(a)]	(103)	(3)
Total long-term debt	$ 273	$ 369

(a) The current portion of long-term debt is included in Other current liabilities. (See Note 14—Additional Financial Information).

REA Group Unsecured Revolving Loan Facility

REA Group entered into an A$480 million unsecured syndicated revolving loan facility agreement in connection with the acquisition of iProperty. The REA Facility consists of three sub facilities of A$120 million, A$120 million and A$240 million which become due in December 2017, December 2018 and December 2019, respectively. In February 2016, REA Group drew down the full A$480 million (approximately $340 million as of such date) available under the REA Facility, and the proceeds, less lenders' fees of $1 million, were used to fund the iProperty acquisition. Borrowings under the REA Facility bear interest at a floating rate of the Australian BBSY plus a margin in the range of 0.85% and 1.45% depending on REA Group's net leverage ratio. As of March 31, 2017, REA Group was paying a margin of between 0.85% and 1.05%. REA Group paid approximately $3 million and $8 million in interest for the three and nine months ended March 31, 2017, respectively, at a weighted average interest rate of 2.7% and 2.8%, respectively. The REA Facility requires REA Group to maintain a net leverage ratio of not more than 3.25 to 1.0 and an interest coverage ratio of not less than 3.0 to 1.0. As of March 31, 2017, REA Group was in compliance with all of the applicable debt covenants.

Revolving Credit Facility

The Company's Credit Agreement (as amended, the "Credit Agreement") provides for an unsecured $650 million revolving credit facility (the "Facility") that can be used for general corporate purposes. The Facility has a sublimit of $100 million available for issuances of letters of credit. Under the Credit Agreement, the Company may request increases in the amount of the Facility up to a maximum amount of $900 million.

In October 2015, the Company entered into an amendment to the Credit Agreement (the "Amendment") which, among other things, extended the original term of the Facility by two years and lowered the commitment fee payable by the Company. As a result of the Amendment, the lenders' commitments now terminate on October 23, 2020, and any borrowings will be due at that time. The Company may request that the commitments be extended under certain circumstances as set forth in the Credit Agreement for up to two additional one-year periods.

The Credit Agreement contains customary affirmative and negative covenants and events of default, with customary exceptions, including limitations on the ability of the Company and its subsidiaries to engage in transactions with affiliates, incur liens, merge into or consolidate with any other entity, incur subsidiary debt or dispose of all or substantially all of its assets or all or substantially all of the stock of its subsidiaries. In addition, the Credit Agreement requires the Company to maintain an adjusted operating income leverage ratio of not more than 3.0 to 1.0 and an interest coverage ratio of not less than 3.0 to 1.0. If any of the events of default occur and are not cured within applicable grace periods or waived, any unpaid amounts under the Credit Agreement may be declared immediately due and payable. As of March 31, 2017, the Company was in compliance with all of the applicable debt covenants.

Interest on borrowings under the Facility is based on either (a) a Eurodollar Rate formula or (b) the Base Rate formula, each as set forth in the Credit Agreement. The applicable margin and the commitment fee are based on the pricing grid in the Credit Agreement, which varies based on the Company's adjusted operating income leverage ratio. As of March 31, 2017, the Company was paying a commitment fee of 0.225% on any undrawn balance and an applicable margin of 0.50% for a Base Rate borrowing and 1.50% for a Eurodollar Rate borrowing.

As of the date of this filing, the Company has not borrowed any funds under the Facility.

NOTE 7. EQUITY

The following table summarizes changes in equity:

	For the nine months ended March 31,					
	2017			2016		
	News Corporation stockholders	Noncontrolling Interests	Total Equity	News Corporation stockholders	Noncontrolling Interests	Total Equity
	(in millions)					
Balance, beginning of period	$ 11,564	$ 218	$11,782	$ 11,945	$ 171	$12,116
Net (loss) income	(309)	90	(219)	89	52	141
Other comprehensive (loss) income	(18)	7	(11)	(263)	(1)	(264)
Dividends	(118)	(33)	(151)	(118)	(28)	(146)
Stock repurchases	—	—	—	(39)	—	(39)
Other	20	(4)	16	32	5	37
Balance, end of period	$ 11,139	$ 278	$11,417	$ 11,646	$ 199	$11,845

Stock Repurchases

In May 2013, the Company's Board of Directors (the "Board of Directors") authorized the Company to repurchase up to an aggregate of $500 million of its Class A Common Stock. On May 10, 2015, the Company announced it had begun repurchasing shares of Class A Common Stock under the stock repurchase program. No stock repurchases were made during the nine months ended March 31, 2017. Through May 5, 2017, the Company repurchased approximately 5.2 million shares of Class A Common Stock for an aggregate cost of approximately $71 million. The remaining authorized amount under the stock repurchase program as of May 5, 2017 was approximately $429 million. All decisions regarding any future stock repurchases are at the sole discretion of a duly appointed committee of the Board of Directors and management. The committee's decisions regarding future stock repurchases will be evaluated from time to time in light of many factors, including the Company's financial condition, earnings, capital requirements and debt facility covenants, other contractual restrictions, as well as legal requirements, regulatory constraints, industry practice, market volatility and other factors that the committee may deem relevant. The stock repurchase authorization may be modified, extended, suspended or discontinued at any time by the Board of Directors and the Board of Directors cannot provide any assurances that any additional shares will be repurchased.

Dividends

In August 2016, the Board of Directors declared a semi-annual cash dividend of $0.10 per share for Class A Common Stock and Class B Common Stock. This dividend was paid on October 19, 2016 to stockholders of record at the close of business on September 14, 2016. In February 2017, the Board of Directors declared a semi-annual cash dividend of $0.10 per share for Class A Common Stock and Class B Common Stock. This dividend was paid on April 19, 2017 to stockholders of record as of March 15, 2017.

In August 2015, the Board of Directors declared a semi-annual cash dividend of $0.10 per share of Class A Common Stock and Class B Common Stock. This dividend was paid on October 21, 2015 to stockholders of record at the close of business on September 16, 2015. In February 2016, the Board of Directors declared a semi-annual cash dividend of $0.10 per share of Class A Common Stock and Class B Common Stock. This dividend was paid on April 13, 2016 to stockholders of record at the close of business on March 9, 2016.

The following table summarizes the dividends paid per share on both the Company's Class A Common Stock and the Class B Common Stock:

	For the nine months ended March 31,	
	2017	2016
Cash dividend paid per share	$ 0.10	$ 0.10

The timing, declaration, amount and payment of future dividends to stockholders, if any, is within the discretion of the Board of Directors. The Board of Directors' decisions regarding the payment of future dividends will depend on many factors, including the Company's financial condition, earnings, capital requirements and debt facility covenants, other contractual restrictions, as well as legal requirements, regulatory constraints, industry practice, market volatility and other factors that the Board of Directors deems relevant.

NOTE 8. EQUITY-BASED COMPENSATION

Employees of the Company participate in the News Corporation 2013 Long-Term Incentive Plan (the "2013 LTIP") under which equity-based compensation, including stock options, performance stock units ("PSUs"), restricted stock awards, restricted stock units ("RSUs") and other types of awards can be granted. The Company has the ability to award up to 30 million shares of Class A Common Stock under the terms of the 2013 LTIP. Additionally, in connection with the acquisition of Move, Inc. ("Move"), the Company assumed Move's equity incentive plans and substantially all of the awards outstanding under such plans.

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The Company recognized $8 million and $39 million of equity-based compensation expense for the three and nine months ended March 31, 2017, respectively, and $12 million and $43 million for the corresponding periods of fiscal 2016, respectively.

Performance Stock Units

Fiscal 2017

During the nine months ended March 31, 2017, the Company granted approximately 5.3 million PSUs, including dividend equivalents, at target, of which approximately 3.9 million will be settled in Class A Common Stock, assuming performance conditions are met, with the remaining, having been granted to executive directors and to employees in certain foreign locations, being settled in cash. Cash settled awards are marked-to-market each reporting period.

During the nine months ended March 31, 2017, approximately 2.8 million PSUs vested, of which approximately 1.8 million were settled in shares of Class A Common Stock before statutory tax withholdings. The remaining 1.0 million PSUs that vested during the nine months ended March 31, 2017 were settled in cash for approximately $13.1 million before statutory tax withholdings.

Fiscal 2016

During the three and nine months ended March 31, 2016, the Company granted approximately 0.2 million and 4.2 million PSUs, respectively, at target, of which approximately 0.1 million and 3.0 million, respectively, will be settled in Class A Common Stock, assuming performance conditions are met, with the remaining, having been granted to executive directors and to employees in certain foreign locations, being settled in cash. Cash settled awards are marked-to-market each reporting period.

During the nine months ended March 31, 2016, approximately 1.2 million PSUs vested, of which approximately 1.0 million were settled in shares of Class A Common Stock before statutory tax withholdings. The remaining 0.2 million PSUs that vested during the nine months ended March 31, 2016 were settled in cash for approximately $3.3 million before statutory tax withholdings.

Restricted Stock Units

Fiscal 2017

During the three and nine months ended March 31, 2017, the Company granted approximately 0.2 million RSUs, all of which will be settled in Class A Common Stock.

During the three and nine months ended March 31, 2017, approximately 0.1 million and 0.2 million RSUs vested, respectively, all of which were settled in shares of Class A Common Stock.

Fiscal 2016

During the three and nine months ended March 31, 2016, the Company granted approximately 0.1 million and 0.3 million RSUs, respectively, all of which will be settled in Class A Common Stock.

During the three and nine months ended March 31, 2016, approximately 0.2 million and 0.3 million RSUs vested, respectively, all of which were settled in shares of Class A Common Stock.

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NOTE 9. EARNINGS PER SHARE

The following tables set forth the computation of basic and diluted earnings per share under ASC 260, "Earnings per Share":

	For the three months ended March 31,		For the nine months ended March 31,	
	2017	2016	2017	2016
	(in millions, except per share amounts)			
Income (loss) from continuing operations	$ —	$ (128)	$ (219)	$ 121
Less: Net income attributable to noncontrolling interests	(5)	(19)	(90)	(52)
Less: Redeemable preferred stock dividends [(a)]	—	—	(1)	(1)
(Loss) income from continuing operations available to News Corporation stockholders	(5)	(147)	(310)	68
(Loss) income from discontinued operations, net of tax, available to News Corporation stockholders	—	(2)	—	20
Net (loss) income available to News Corporation stockholders	$ (5)	$ (149)	$ (310)	$ 88
Weighted-average number of shares of common stock outstanding—basic	581.6	580.2	581.2	580.8
Dilutive effect of equity awards [(b)]	—	—	—	1.7
Weighted-average number of shares of common stock outstanding—diluted	581.6	580.2	581.2	582.5
(Loss) income from continuing operations available to News Corporation stockholders per share—basic and diluted	$ (0.01)	$ (0.26)	$ (0.53)	$ 0.12
(Loss) income from discontinued operations available to News Corporation stockholders per share—basic and diluted	$ —	$ —	$ —	$ 0.03
Net (loss) income available to News Corporation stockholders per share—basic and diluted	$ (0.01)	$ (0.26)	$ (0.53)	$ 0.15

(a) In connection with the Separation, as defined in Note 10, Twenty-First Century Fox, Inc. ("21st Century Fox") sold 4,000 shares of cumulative redeemable preferred stock with a par value of $5,000 per share of a newly formed U.S. subsidiary of the Company. The preferred stock pays dividends at a rate of 9.5% per annum, payable quarterly. The preferred stock is callable by the Company at any time after the fifth year and is puttable at the option of the holder after 10 years.

(b) The dilutive impact of the Company's PSUs, RSUs and stock options has been excluded from the calculation of diluted (loss) earnings per share for the three and nine months ended March 31, 2017 because their inclusion would have an antidilutive effect on the net loss per share.

NOTE 10. COMMITMENTS AND CONTINGENCIES

Commitments

The Company has commitments under certain firm contractual arrangements ("firm commitments") to make future payments. These firm commitments secure the future rights to various assets and services to be used in the normal course of operations. The Company's commitments as of March 31, 2017 have not changed significantly from the disclosures included in the 2016 Form 10-K.

Contingencies

The Company routinely is involved in various legal proceedings, claims and governmental inspections or investigations, including those discussed below. The outcome of these matters and claims is subject to significant uncertainty, and the Company often cannot predict what the eventual outcome of pending matters will be or the timing of the ultimate resolution of these matters. Fees, expenses, fines, penalties, judgments or settlement costs which might be incurred by the Company in connection with the various proceedings could adversely affect its results of operations and financial condition.

The Company establishes an accrued liability for legal claims when it determines that a loss is both probable and the amount of the loss can be reasonably estimated. Once established, accruals are adjusted from time to time, as appropriate, in light of additional information. The amount of any loss ultimately incurred in relation to matters for which an accrual has been established may be higher or lower than the amounts accrued for such matters. Legal fees associated with litigation and similar proceedings are expensed as incurred. Except as otherwise provided below, for the contingencies disclosed for which there is at least a reasonable possibility that a loss may be incurred, the Company was unable to estimate the amount of loss or range of loss. The Company recognizes gain contingencies when the gain becomes realized or realizable.

News America Marketing

In-Store Marketing and FSI Purchasers

On February 29, 2016, the parties agreed to settle the litigation in the U.S. District Court for the Southern District of New York in which The Dial Corporation, Henkel Consumer Goods, Inc., H.J. Heinz Company, H.J. Heinz Company, L.P., Foster Poultry Farms, Smithfield Foods, Inc., HP Hood LLC and BEF Foods, Inc. alleged various claims under federal and state antitrust law against News Corporation, News America Incorporated (“NAI”), News America Marketing FSI L.L.C. (“NAM FSI”) and News America Marketing In-Store Services L.L.C. (“NAM In-Store Services” and, together with News Corporation, NAI and NAM FSI, the “NAM Group”). Under the terms of the settlement, the NAM Group agreed, among other things, to pay the plaintiffs and their attorneys approximately $250 million, and the parties agreed to dismiss the litigation with prejudice. As required under the settlement agreement, the NAM Group delivered the proposed settlement amount into escrow during the three months ended September 30, 2016, to be held pending District Court approval. On October 31, 2016, the District Court approved the settlement, and the settlement payment was subsequently released to the plaintiffs and their attorneys. The NAM Group also settled related claims for approximately $30 million in February 2016.

Valassis Communications, Inc.

On November 8, 2013, Valassis Communications, Inc. (“Valassis”) initiated legal proceedings against certain of the Company’s subsidiaries alleging violations of various antitrust laws. These proceedings are described in further detail below.

- Valassis previously initiated an action against NAI, NAM FSI and NAM In-Store Services (collectively, the “NAM Parties”), captioned Valassis Communications, Inc. v. News America Incorporated, et al., No. 2:06-cv-10240 (E.D. Mich.) (“Valassis I”), alleging violations of federal antitrust laws, which was settled in February 2010. On November 8, 2013, Valassis filed a motion for expedited discovery in the previously settled case based on its belief that defendants had engaged in activities prohibited under an order issued by the U.S. District Court for the Eastern District of Michigan in connection with the parties’ settlement, which motion was granted by the magistrate judge.

Valassis subsequently filed a Notice of Violation of the order issued by the District Court in Valassis I. The Notice re-asserted claims of unlawful bundling and tying which the magistrate judge had previously recommended be dismissed from Valassis II on the grounds that such claims could only be brought before a panel of antitrust experts previously appointed in Valassis I (the "Antitrust Expert Panel"), and sought treble damages, injunctive relief and attorneys' fees on those claims. On March 2, 2015, the NAM Parties filed a motion to refer the Notice to the Antitrust Expert Panel or, in the alternative, strike the Notice. The District Court granted the NAM Parties' motion in part on March 30, 2016 and ordered that the Notice be referred to the Antitrust Expert Panel. The District Court further ordered that the case be administratively closed and that it may be re-opened following proceedings before the Antitrust Expert Panel.

- On November 8, 2013, Valassis also filed a new complaint in the U.S. District Court for the Eastern District of Michigan against the NAM Group alleging violations of federal and state antitrust laws and common law business torts ("Valassis II"). The complaint sought treble damages, injunctive relief and attorneys' fees and costs. On December 19, 2013, the NAM Group filed a motion to dismiss the newly filed complaint.

  The District Court referred the NAM Group's motion to dismiss to the magistrate judge for determination, and on July 16, 2014, the magistrate judge recommended that the District Court grant the NAM Group's motion in part with respect to certain claims regarding alleged bundling and tying conduct and stay the remainder of the action. On March 30, 2016, the District Court adopted in part the magistrate judge's recommendation. The District Court ordered that Valassis's bundling and tying claims be dismissed without prejudice to Valassis's rights to pursue relief for those claims in Valassis I. The District Court sustained Valassis's objection to the stay of Valassis II, but further ordered that all remaining claims in the NAM Group's motion to dismiss be referred to the Antitrust Expert Panel. The District Court further ordered that the case be administratively closed and that it may be re-opened following proceedings before the Antitrust Expert Panel.

The Antitrust Expert Panel was convened and, on February 8, 2017, it recommended that the Notice of Violation in Valassis I be dismissed and the NAM Group's counterclaims in Valassis II be dismissed with leave to replead three of the four counterclaims. The NAM Group filed an amended counterclaim on February 27, 2017. Valassis did not object to the Antitrust Expert Panel's recommendation to dismiss Valassis I, and the parties are awaiting the District Court's order of dismissal. However, Valassis filed a motion with the District Court asserting that the referral of Valassis II to the Antitrust Expert Panel is no longer valid and seeking either to re-open Valassis II in the District Court or to transfer the case to the United States District Court for the Southern District of New York. The NAM Group opposed the motion, and the District Court heard arguments on April 13, 2017. While it is not possible at this time to predict with any degree of certainty the ultimate outcome of these actions, the NAM Group believes it has been compliant with applicable laws and intends to defend itself vigorously in both actions.

U.K. Newspaper Matters and Related Investigations and Litigation

Civil claims have been brought against the Company with respect to, among other things, voicemail interception and inappropriate payments to public officials at the Company's former publication, *The News of the World* , and at *The Sun* , and related matters (the "U.K. Newspaper Matters"). The Company has admitted liability in many civil cases and has settled a number of cases. The Company also settled a number of claims through a private compensation scheme which was closed to new claims after April 8, 2013.

In connection with the Company's separation of its businesses (the "Separation") from 21st Century Fox on June 28, 2013 (the "Distribution Date"), the Company and 21st Century Fox agreed in the Separation and

Distribution Agreement that 21st Century Fox would indemnify the Company for payments made after the Distribution Date arising out of civil claims and investigations relating to the U.K. Newspaper Matters as well as legal and professional fees and expenses paid in connection with the previously concluded criminal matters, other than fees, expenses and costs relating to employees (i) who are not directors, officers or certain designated employees or (ii) with respect to civil matters, who are not co-defendants with the Company or 21st Century Fox. 21st Century Fox's indemnification obligations with respect to these matters will be settled on an after-tax basis.

The net expense related to the U.K. Newspaper Matters in Selling, general and administrative expenses was $2 million and $3 million for the three months ended March 31, 2017 and 2016, respectively, and $6 million and $15 million for the nine months ended March 31, 2017 and 2016, respectively. As of March 31, 2017, the Company has provided for its best estimate of the liability for the claims that have been filed and costs incurred, including liabilities associated with employment taxes, and has accrued approximately $105 million, of which approximately $60 million will be indemnified by 21st Century Fox, and a corresponding receivable was recorded in Other current assets on the Balance Sheet as of March 31, 2017. It is not possible to estimate the liability or corresponding receivable for any additional claims that may be filed given the information that is currently available to the Company. If more claims are filed and additional information becomes available, the Company will update the liability provision and corresponding receivable for such matters.

The Company is not able to predict the ultimate outcome or cost of the civil claims. It is possible that these proceedings and any adverse resolution thereof could damage its reputation, impair its ability to conduct its business and adversely affect its results of operations and financial condition.

Other

The Company's tax returns are subject to on-going review and examination by various tax authorities. Tax authorities may not agree with the treatment of items reported in the Company's tax returns, and therefore the outcome of tax reviews and examinations can be unpredictable. The Company believes it has appropriately accrued for the expected outcome of uncertain tax matters and believes such liabilities represent a reasonable provision for taxes ultimately expected to be paid; however, these liabilities may need to be adjusted as new information becomes known and as tax examinations continue to progress. As subsidiaries of 21st Century Fox prior to the Separation, the Company and each of its domestic subsidiaries have joint and several liability with 21st Century Fox for the consolidated U.S. federal income taxes of the 21st Century Fox consolidated group relating to any taxable periods during which the Company or any of the Company's domestic subsidiaries were a member of the 21st Century Fox consolidated group. Consequently, the Company could be liable in the event any such liability is incurred, and not discharged, by any other member of the 21st Century Fox consolidated group. In conjunction with the Separation, the Company entered into the Tax Sharing and Indemnification Agreement with 21st Century Fox, which requires 21st Century Fox to indemnify the Company for any such liability. Disputes or assessments could arise during future audits by the IRS or other taxing authorities in amounts that the Company cannot quantify.

NOTE 11. PENSION AND OTHER POSTRETIREMENT BENEFITS

The Company provides pension, postretirement health care, defined contribution and medical benefits primarily in the U.S., U.K. and Australia to the Company's eligible employees and retirees. The Company funds amounts, at a minimum, in accordance with statutory requirements for all plans. Plan assets consist principally of common stocks, marketable bonds and government securities.

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The amortization of amounts related to unrecognized prior service (credits) and deferred losses were reclassified out of other comprehensive (loss) income as a component of net periodic benefit costs. The components of net periodic benefits costs were as follows:

	Pension benefits				Postretirement benefits	
	Domestic		Foreign			
	For the three months ended March 31,					
	2017	2016	2017	2016	2017	2016
	(in millions)					
Service cost benefits earned during the period	$ —	$ —	$ 2	$ 2	$ —	$ —
Interest costs on projected benefit obligations	3	4	7	10	1	2
Expected return on plan assets	(5)	(4)	(14)	(15)	—	—
Amortization of deferred losses	2	1	4	4	—	—
Amortization of prior service (credits)	—	—	—	—	(1)	(2)
Net periodic benefit costs	$ —	$ 1	$ (1)	$ 1	$ —	$ —

	Pension benefits				Postretirement benefits	
	Domestic		Foreign			
	For the nine months ended March 31,					
	2017	2016	2017	2016	2017	2016
	(in millions)					
Service cost benefits earned during the period	$ —	$ —	$ 6	$ 7	$ —	$ —
Interest costs on projected benefit obligations	9	12	22	33	3	4
Expected return on plan assets	(14)	(14)	(42)	(47)	—	—
Amortization of deferred losses	4	3	12	11	—	—
Amortization of prior service (credits)	—	—	—	—	(3)	(5)
Settlements, curtailments and other	—	—	—	(1)	—	—
Net periodic benefits costs	$ (1)	$ 1	$ (2)	$ 3	$ —	$ (1)

During each of the nine months ended March 31, 2017 and 2016, the Company contributed approximately $27 million to its various pension and postretirement plans, of which $8 million and $9 million, respectively, was contributed in the three months ended March 31, 2017 and 2016.

NOTE 12. INCOME TAXES

At the end of each interim period, the Company estimates the annual effective tax rate and applies that rate to its ordinary quarterly earnings. The tax expense or benefit related to significant, unusual or extraordinary items that will be separately reported or reported net of their related tax effect and are individually computed are recognized in the interim period in which those items occur. In addition, the effects of changes in enacted tax laws or rates or tax status are recognized in the interim period in which the change occurs.

For the three months ended March 31, 2017, the Company recorded a tax charge of $45 million on pre-tax income of $45 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The higher tax rate was primarily due to valuation allowances being recorded against tax benefits in certain foreign jurisdictions with operating losses.

For the nine months ended March 31, 2017, the Company recorded a tax charge of $12 million on a pre-tax loss of $207 million resulting in an effective tax rate that was lower than the U.S. statutory tax rate. The lower tax rate was primarily due to a lower net tax benefit of $121 million on the non-cash write-down of assets and investments in Australia and valuation allowances being recorded against tax benefits in certain foreign jurisdictions with operating losses, offset by lower taxes on the sale of REA Group's European business.

Management assesses available evidence to determine whether sufficient future taxable income will be generated to permit the use of existing deferred tax assets. Based on management's assessment of available evidence, it has been determined that it is more likely than not that deferred tax assets in certain foreign jurisdictions may not be realized and therefore, a valuation allowance has been established against those tax assets.

For the three months ended March 31, 2016 the Company recorded a tax benefit of $98 million on a pre-tax loss of $226 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The higher tax rate was primarily due to the $29 million non-taxable gain resulting from the revaluation of REA Group's previously held equity interest in iProperty (See Note 2—Acquisitions, Disposals and Other Transactions), as well as a tax benefit of $107 million in connection with the settlement of certain litigation and related claims at News America Marketing. (See Note 10—Commitments and Contingencies).

For the nine months ended March 31, 2016 the Company recorded a tax benefit of $140 million on a pre-tax loss of $19 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. In addition to the third quarter impacts discussed above, the higher tax rate was primarily due to a tax benefit of approximately $106 million related to the release of previously established valuation allowances related to certain U.S. federal net operating losses and state deferred tax assets. This benefit was recognized in conjunction with management's plan to dispose of the Company's digital education business in the first quarter of fiscal 2016, as the Company now expects to generate sufficient U.S. taxable income to utilize these deferred tax assets prior to expiration.

In addition, the Company recognized a tax benefit of approximately $144 million upon reclassification of the Digital Education segment to discontinued operations in (Loss) income from discontinued operations, net of tax, in the Statement of Operations for the nine months ended March 31, 2016. In addition, a tax benefit of $30 million related to operations for the period of the Digital Education segment was reclassified to discontinued operations in (Loss) income from discontinued operations, net of tax, in the Statement of Operations for the nine months ended March 31, 2016.

The Company's tax returns are subject to on-going review and examination by various tax authorities. Tax authorities may not agree with the treatment of items reported in the Company's tax returns, and therefore the outcome of tax reviews and examinations can be unpredictable. The Company believes it has appropriately accrued for the expected outcome of uncertain tax matters and believes such liabilities represent a reasonable provision for taxes ultimately expected to be paid, however, these liabilities may need to be adjusted as new information becomes known and as tax examinations continue to progress.

The Company paid gross income taxes of $89 million and $78 million during the nine months ended March 31, 2017 and 2016, respectively, and received income tax refunds of $1 million and $1 million, respectively.

NOTE 13. SEGMENT INFORMATION

The Company manages and reports its businesses in the following five segments:

- ***News and Information Services*** —The News and Information Services segment includes the Company's global print, digital and broadcast radio media platforms. These product offerings include the global print and digital versions of *The Wall Street Journal* and the Dow Jones Media Group, which includes *Barron's* and MarketWatch, as well as the Company's suite of professional information products, including Factiva, Dow Jones Risk & Compliance, Dow Jones Newswires, Dow Jones PEVC and DJX. The Company also owns, among other publications, *The Australian, The Daily Telegraph, Herald Sun* and *The Courier-Mail* in Australia *, The Times, The Sunday Times, The Sun* and *The Sun on Sunday* in the U.K. and the *New York Post* in the U.S. This segment also includes News America Marketing, a leading provider of home-delivered shopper media, in-store marketing products and services and digital marketing solutions, including Checkout 51's mobile application, as well as Unruly, a leading global video advertising distribution platform, Wireless Group, operator of talkSPORT, the leading sports radio network in the U.K., and Storyful, a social media news agency.

- ***Book Publishing*** —The Book Publishing segment consists of HarperCollins, the second largest consumer book publisher in the world, with operations in 18 countries and particular strengths in general fiction, nonfiction, children's and religious publishing. HarperCollins owns more than 120 branded publishing imprints, including Avon, Harper, HarperCollins Children's Books, William Morrow, Harlequin and Christian publishers Zondervan and Thomas Nelson, and publishes works by well-known authors such as Harper Lee, Patricia Cornwell, Veronica Roth, Rick Warren, Sarah Young and Agatha Christie and popular titles such as *The Hobbit* , *Goodnight Moon* , *To Kill a Mockingbird, Jesus Calling* and the *Divergent* series.
- ***Digital Real Estate Services*** —The Digital Real Estate Services segment consists of the Company's interests in REA Group, Move and DIAKRIT. REA Group is a publicly traded company listed on the Australian Securities Exchange (ASX: REA) that advertises property and property-related services on websites and mobile applications across Australia and Asia, including iProperty.com. REA Group operates Australia's leading residential and commercial property websites, realestate.com.au and realcommercial.com.au. The Company holds a 61.6% interest in REA Group.

  Move is a leading provider of online real estate services in the U.S. and primarily operates realtor.com ®, a premier real estate information and services marketplace. Move offers real estate advertising solutions to agents and brokers, including its Connections SM for Buyers and Advantage products. Move also offers a number of professional software and services products, including Top Producer ® and ListHub ™. The Company owns an 80% interest in Move, with the remaining 20% being held by REA Group.
- ***Cable Network Programming*** —The Cable Network Programming segment primarily consists of FOX SPORTS Australia and a number of news channels operated by Australian News Channel Pty Ltd ("SKY NEWS"). FOX SPORTS Australia is the leading sports programming provider in Australia, with seven high definition television channels distributed via cable, satellite and IP, several interactive viewing applications and broadcast rights to live sporting events in Australia including: National Rugby League, the domestic football league, international cricket, Australian Rugby Union and various motorsports programming.

  Australian News Channel Pty Ltd, acquired in December 2016, operates the SKY NEWS network, Australia's 24-hour multi-channel, multi-platform news service. SKY NEWS channels broadcast throughout Australia and New Zealand and are available on Foxtel and Sky Television. SKY NEWS owns and operates the international Australia Channel IPTV service and also offers content across a variety of digital media platforms, including mobile, podcasts and social media websites.
- ***Other*** —The Other segment consists primarily of general corporate overhead expenses, the corporate Strategy and Creative Group and costs related to the U.K. Newspaper Matters. The Company's corporate Strategy and Creative Group was formed to identify new products and services across its businesses to increase revenues and profitability and to target and assess potential acquisitions, investments and dispositions.

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Segment EBITDA is defined as revenues less operating expenses, selling, general and administrative expenses and the NAM Group settlement charge. Segment EBITDA does not include: depreciation and amortization, impairment and restructuring charges, equity (losses) earnings of affiliates, interest, net, other, net, income tax (expense) benefit and net income attributable to noncontrolling interests. Segment EBITDA may not be comparable to similarly titled measures reported by other companies, since companies and investors may differ as to what items should be included in the calculation of Segment EBITDA.

Segment EBITDA is the primary measure used by the Company's chief operating decision maker to evaluate the performance of and allocate resources within the Company's businesses. Segment EBITDA provides management, investors and equity analysts with a measure to analyze the operating performance of each of the Company's business segments and its enterprise value against historical data and competitors' data, although historical results may not be indicative of future results (as operating performance is highly contingent on many factors, including customer tastes and preferences).

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Total Segment EBITDA is a non-GAAP measure and should be considered in addition to, not as a substitute for, net income (loss), cash flow and other measures of financial performance reported in accordance with GAAP. In addition, this measure does not reflect cash available to fund requirements and excludes items, such as depreciation and amortization and impairment and restructuring charges, which are significant components in assessing the Company's financial performance. The Company believes that the presentation of Total Segment EBITDA provides useful information regarding the Company's operations and other factors that affect the Company's reported results. Specifically, the Company believes that by excluding certain one-time or non-cash items such as impairment and restructuring charges and depreciation and amortization, as well as potential distortions between periods caused by factors such as financing and capital structures and changes in tax positions or regimes, the Company provides users of its consolidated financial statements with insight into both its core operations as well as the factors that affect reported results between periods but which the Company believes are not representative of its core business. As a result, users of the Company's consolidated financial statements are better able to evaluate changes in the core operating results of the Company across different periods. The following table reconciles Total Segment EBITDA to Income (loss) from continuing operations.

	For the three months ended March 31,		For the nine months ended March 31,	
	2017	2016	2017	2016
	(in millions)			
Revenues:				
News and Information Services	$ 1,263	$ 1,231	$ 3,788	$ 3,921
Book Publishing	374	358	1,229	1,213
Digital Real Estate Services	219	194	687	593
Cable Network Programming	122	107	354	337
Other	—	1	1	2
Total Revenues	1,978	1,891	6,059	6,066
Segment EBITDA:				
News and Information Services	$ 123	$ (187)	$ 311	$ 54
Book Publishing	37	36	160	135
Digital Real Estate Services	75	39	237	169
Cable Network Programming	34	34	99	101
Other	(54)	(44)	(137)	(136)
Total Segment EBITDA	215	(122)	670	323
Depreciation and amortization	(109)	(126)	(349)	(370)
Impairment and restructuring charges	(33)	(24)	(409)	(63)
Equity (losses) earnings of affiliates	(23)	2	(276)	25
Interest, net	8	11	30	34
Other, net	(13)	33	127	32
Income (loss) from continuing operations before income tax (expense) benefit	45	(226)	(207)	(19)
Income tax (expense) benefit	(45)	98	(12)	140
Income (loss) from continuing operations	$ —	$ (128)	$ (219)	$ 121

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	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Total assets:		
News and Information Services	$ 6,641	$ 6,728
Book Publishing	1,824	1,855
Digital Real Estate Services	2,271	2,158
Cable Network Programming	1,174	1,101
Other [(a)]	966	1,371
Investments	2,010	2,270
Total assets	$ 14,886	$ 15,483

(a) The Other segment primarily includes Cash and cash equivalents.

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Goodwill and intangible assets, net:		
News and Information Services	$ 2,955	$ 2,651
Book Publishing	825	869
Digital Real Estate Services	1,481	1,499
Cable Network Programming	910	898
Other	4	4
Total goodwill and intangible assets, net	$ 6,175	$ 5,921

NOTE 14. ADDITIONAL FINANCIAL INFORMATION

Receivables, net

Receivables are presented net of an allowance for returns and doubtful accounts, which is an estimate of amounts that may not be collectible. In determining the allowance for returns, management analyzes historical returns, current economic trends and changes in customer demand and acceptance of the Company's products. Based on this information, management reserves a certain portion of revenues that provide the customer with the right of return. The allowance for doubtful accounts is estimated based on historical experience, receivable aging, current economic trends and specific identification of certain receivables that are at risk of not being collected.

Receivables, net consist of:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Receivables	$ 1,540	$ 1,442
Allowance for sales returns	(173)	(170)
Allowances for doubtful accounts	(41)	(43)
Receivables, net	$ 1,326	$ 1,229

The Company's receivables did not contain significant concentrations of credit risk as of March 31, 2017 or June 30, 2016 due to the wide variety of customers, markets and geographic areas to which the Company's products and services are sold.

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Other Current Assets

The following table sets forth the components of Other current assets:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Inventory [(a)]	$ 228	$ 218
Amounts due from 21st Century Fox [(b)]	60	55
Prepayments and other current assets	298	240
Total Other current assets	$ 586	$ 513

(a) Inventory at March 31, 2017 and June 30, 2016 was primarily comprised of books, newsprint and programming rights.

(b) Relates to costs incurred in connection with the U.K. Newspaper Matters which will be indemnified by 21st Century Fox.

Other Non-Current Assets

The following table sets forth the components of Other non-current assets:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Royalty advances to authors	$ 308	$ 311
Other	134	85
Total Other non-current assets	$ 442	$ 396

Other Current Liabilities

The following table sets forth the components of Other current liabilities:

	As of March 31, 2017	As of June 30, 2016
	(in millions)	
Current tax payable	$ 41	$ 33
Royalties and commissions payable	180	179
Current portion of long-term debt	103	3
Other	259	251
Total Other current liabilities	$ 583	$ 466

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Other, net

The following table sets forth the components of Other, net:

	For the three months ended March 31, 2017	For the three months ended March 31, 2016	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
	(in millions)			
Gain on sale of REA Group's European business [(a)]	$ (13)	$ —	$ 107	$ —
Gain on iProperty transaction [(b)]	—	29	—	29
Write-down of marketable securities	—	—	(21)	—
Gain on sale of other businesses	—	—	11	—
Gain on sale of equity method investments	—	1	17	1
Other, net	—	3	13	2
Total Other, net	$ (13)	$ 33	$ 127	$ 32

(a) In December 2016, REA Group sold its European business for approximately $140 million (approximately €133 million) in cash, which resulted in a pre-tax gain of $120 million in the second quarter of fiscal 2017. The gain was partially offset in the third quarter of fiscal 2017 by $13 million related to the impact of foreign currency fluctuations on the receipt of the sales proceeds, which were received in February 2017, and certain other currency translation impacts. The sale allows REA Group to focus on its core businesses in Australia and Asia.

(b) The Company recorded a $29 million gain resulting from the revaluation of REA Group's previously held equity interest in iProperty. (See Note 2—Acquisitions, Disposals and Other Transactions).

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This document, including the following discussion and analysis, contains statements that constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the Securities Act of 1933, as amended. All statements that are not statements of historical fact are forward-looking statements. The words "expect," "estimate," "anticipate," "predict," "believe" and similar expressions and variations thereof are intended to identify forward-looking statements. These statements appear in a number of places in this discussion and analysis and include statements regarding the intent, belief or current expectations of the Company, its directors or its officers with respect to, among other things, trends affecting the Company's financial condition or results of operations and the outcome of contingencies such as litigation and investigations. Readers are cautioned that any forward-looking statements are not guarantees of future performance and involve risks and uncertainties. More information regarding these risks, uncertainties and other important factors that could cause actual results to differ materially from those in the forward-looking statements is set forth under the heading "Risk Factors" in Part I, Item 1A in News Corporation's Annual Report on Form 10-K for the fiscal year ended June 30, 2016 as filed with the Securities and Exchange Commission (the "SEC") on August 12, 2016 (the "2016 Form 10-K"), and as may be updated in this and other subsequent Quarterly Reports on Form 10-Q. The Company does not ordinarily make projections of its future operating results and undertakes no obligation (and expressly disclaims any obligation) to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Readers should carefully review this document and the other documents filed by the Company with the SEC. This section should be read together with the unaudited consolidated financial statements of News Corporation and related notes set forth elsewhere herein and the audited consolidated financial statements of News Corporation and related notes set forth in the 2016 Form 10-K.

INTRODUCTION

News Corporation (together with its subsidiaries, "News Corporation," "News Corp," the "Company," "we," or "us") is a global diversified media and information services company comprised of businesses across a range of media, including: news and information services, book publishing, digital real estate services, cable network programming in Australia and pay-TV distribution in Australia.

During the first quarter of fiscal 2016, management approved a plan to dispose of the Company's digital education business. As a result of the plan and the discontinuation of further significant business activities in the Digital Education segment, the assets and liabilities of this segment were classified as held for sale and the results of operations have been classified as discontinued operations for all periods presented. Unless indicated otherwise, the information in the notes to the Consolidated Financial Statements relates to the Company's continuing operations. (See Note 3—Discontinued Operations in the accompanying Consolidated Financial Statements).

For the three and nine months ended March 31, 2017 and 2016, the Company reclassified its listing revenues generated primarily from agents, brokers and developers from advertising revenue to real estate revenue to better reflect the Company's revenue mix and how management reviews the performance of the Digital Real Estate Services segment.

The unaudited consolidated financial statements are referred to herein as the "Consolidated Financial Statements." The consolidated statements of operations are referred to herein as the "Statements of Operations." The consolidated balance sheets are referred to herein as the "Balance Sheets." The consolidated statements of cash flows are referred to herein as the "Statements of Cash Flows." The Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP").

Management's discussion and analysis of financial condition and results of operations is intended to help provide an understanding of the Company's financial condition, changes in financial condition and results of operations. This discussion is organized as follows:

- ***Overview of the Company's Business*** —This section provides a general description of the Company's businesses, as well as developments that occurred to date during fiscal 2017 and in the nine months ended March 31, 2016 that the Company believes are important in understanding its financial condition and results of operations or to disclose known trends.
- ***Results of Operations*** —This section provides an analysis of the Company's results of operations for the three and nine months ended March 31, 2017 and 2016. This analysis is presented on both a consolidated basis and a segment basis. In addition, a brief description is provided of significant transactions and events that have an impact on the comparability of the results being analyzed.
- ***Liquidity and Capital Resources*** — This section provides an analysis of the Company's cash flows for the nine months ended March 31, 2017 and 2016 as well as a discussion of the Company's financial arrangements and outstanding commitments, both firm and contingent, that existed during fiscal 2017.

OVERVIEW OF THE COMPANY'S BUSINESSES

The Company manages and reports its businesses in the following five segments:

- ***News and Information Services*** —The News and Information Services segment includes the Company's global print, digital and broadcast radio media platforms. These product offerings include the global print and digital versions of *The Wall Street Journal* and the Dow Jones Media Group, which includes *Barron's* and MarketWatch, as well as the Company's suite of professional information products, including Factiva, Dow Jones Risk & Compliance, Dow Jones Newswires, Dow Jones PEVC and DJX. The Company also owns, among other publications, *The Australian, The Daily Telegraph, Herald Sun* and *The Courier-Mail* in Australia *, The Times, The Sunday Times, The Sun* and *The Sun on Sunday* in the U.K. and the *New York Post* in the U.S. This segment also includes News America Marketing, a leading provider of home-delivered shopper media, in-store marketing products and services and digital marketing solutions, including Checkout 51's mobile application, as well as Unruly, a leading global video advertising distribution platform, Wireless Group, operator of talkSPORT, the leading sports radio network in the U.K., and Storyful, a social media news agency.
- ***Book Publishing*** —The Book Publishing segment consists of HarperCollins, the second largest consumer book publisher in the world, with operations in 18 countries and particular strengths in general fiction, nonfiction, children's and religious publishing. HarperCollins owns more than 120 branded publishing imprints, including Avon, Harper, HarperCollins Children's Books, William Morrow, Harlequin and Christian publishers Zondervan and Thomas Nelson, and publishes works by well-known authors such as Harper Lee, Patricia Cornwell, Veronica Roth, Rick Warren, Sarah Young and Agatha Christie and popular titles such as *The Hobbit* , *Goodnight Moon* , *To Kill a Mockingbird, Jesus Calling* and the *Divergent* series.
- ***Digital Real Estate Services*** —The Digital Real Estate Services segment consists of the Company's interests in REA Group Limited ("REA Group"), Move, Inc. ("Move") and DIAKRIT International Limited ("DIAKRIT"). REA Group is a publicly traded company listed on the Australian Securities Exchange (ASX: REA) that advertises property and property-related services on websites and mobile applications across Australia and Asia, including iProperty.com. REA Group operates Australia's leading residential and commercial property websites, realestate.com.au and realcommercial.com.au. The Company holds a 61.6% interest in REA Group.

  Move is a leading provider of online real estate services in the U.S. and primarily operates realtor.com ®, a premier real estate information and services marketplace. Move offers real estate advertising solutions to agents and brokers, including its Connections SM for Buyers and Advantage products. Move also offers a number of professional software and services products, including Top Producer ® and ListHub ™ . The Company owns an 80% interest in Move, with the remaining 20% being held by REA Group.

- ***Cable Network Programming*** —The Cable Network Programming segment consists of FOX SPORTS Australia and a number of news channels operated by Australian News Channel Pty Ltd ("SKY NEWS"). FOX SPORTS Australia is the leading sports programming provider in Australia, with seven high definition television channels distributed via cable, satellite and IP, several interactive viewing applications and broadcast rights to live sporting events in Australia including: National Rugby League, the domestic football league, international cricket, Australian Rugby Union and various motorsports programming.

  Australian News Channel Pty Ltd, acquired in December 2016, operates the SKY NEWS network, Australia's 24-hour multi-channel, multi-platform news service. SKY NEWS channels broadcast throughout Australia and New Zealand and are available on Foxtel and Sky Television. SKY NEWS owns and operates the international Australia Channel IPTV service and also offers content across a variety of digital media platforms, including mobile, podcasts and social media websites.

- ***Other*** —The Other segment consists primarily of general corporate overhead expenses, the corporate Strategy and Creative Group and costs related to the U.K. Newspaper Matters (as defined in Note 10 to the Consolidated Financial Statements). The Company's corporate Strategy and Creative Group was formed to identify new products and services across its businesses to increase revenues and profitability and to target and assess potential acquisitions, investments and dispositions.

News and Information Services

Revenue at the News and Information Services segment is derived from the sale of advertising, circulation and subscriptions, as well as licensing. Adverse changes in general market conditions for advertising continue to affect revenues. Advertising revenues at the News and Information Services segment are also subject to seasonality, with revenues typically being highest in the Company's second fiscal quarter due to the end-of-year holiday season in its main operating geographies. Circulation and subscription revenues can be greatly affected by changes in the prices of the Company's and/or competitors' products, as well as by promotional activities.

Operating expenses include costs related to paper, production, distribution, third party printing, editorial, commissions and radio sports rights. Selling, general and administrative expenses include promotional expenses, salaries, employee benefits, rent and other routine overhead.

The News and Information Services segment's advertising volume and rates, circulation and the price of paper are the key variables whose fluctuations can have a material effect on the Company's operating results and cash flow. The Company has to anticipate the level of advertising volume and rates, circulation and paper prices in managing its businesses to maximize operating profit during expanding and contracting economic cycles. The Company continues to be exposed to risks associated with paper used for printing. Paper is a basic commodity and its price is sensitive to the balance of supply and demand. The Company's expenses are affected by the cyclical increases and decreases in the price of paper. The News and Information Services segment's products compete for readership and advertising with local and national competitors and also compete with other media alternatives in their respective markets. Competition for circulation and subscriptions is based on the content of the products provided, pricing and, from time to time, various promotions. The success of these products also depends upon advertisers' judgments as to the most effective use of their advertising budgets. Competition for advertising is based upon the reach of the products, advertising rates and advertiser results. Such judgments are based on factors such as cost, availability of alternative media, distribution and quality of readership demographics.

The Company's traditional print business faces challenges from alternative media formats and shifting consumer preferences. The Company is also exposed to the impact of long-term structural movements in advertising spending, in particular, the move in advertising from print to digital. These alternative media formats could impact the Company's overall performance, positively or negatively. In addition, technologies have been and will continue to be developed that allow users to block advertising on websites and mobile devices, which may impact advertising rates or revenues.

As a multi-platform news provider, the Company recognizes the importance of maximizing revenues from a variety of media formats and platforms, both in terms of paid-for content and in new advertising models, and continues to invest in its digital products. Technologies such as smartphones, tablets and similar devices and their related applications provide continued opportunities for the Company to make its journalism available to a new audience of readers, introduce new or different pricing schemes, and develop its products to continue to attract advertisers and/or affect the relationship between publisher and consumer. The Company continues to develop and implement strategies to exploit its content across a variety of media channels and platforms.

Book Publishing

The Book Publishing segment derives revenues from the sale of general fiction, nonfiction, children's and religious books in the U.S. and internationally. The revenues and operating results of the Book Publishing segment are significantly affected by the timing of releases and the number of its books in the marketplace. The book publishing marketplace is subject to increased periods of demand during the end-of-year holiday season in its main operating geographies. This marketplace is highly competitive and continues to change due to technological developments and other factors. Each book is a separate and distinct product, and its financial success depends upon many factors, including public acceptance.

Major new title releases represent a significant portion of the Book Publishing segment's sales throughout the fiscal year. Print-based consumer books are generally sold on a fully returnable basis, resulting in the return of unsold books. In the domestic and international markets, the Book Publishing segment is subject to global trends and local economic conditions. Operating expenses for the Book Publishing segment include costs related to paper, printing, authors' royalties, editorial, promotional, art and design expenses. Selling, general and administrative expenses include salaries, employee benefits, rent and other routine overhead.

Digital Real Estate Services

The Digital Real Estate Services segment generates revenue through the sale of real estate listing products to agents, brokers and developers and display advertising on its residential real estate and commercial property sites and also licenses certain professional software products on a subscription basis. Significant expenses associated with these sites and software solutions include development costs, advertising and promotional expenses, hosting and support services, salaries, employee benefits and other routine overhead expenses.

Consumers are increasingly turning to the Internet and mobile devices for real estate information. The Digital Real Estate Services segment's success depends on its continued innovation to provide products and services that make its websites and mobile applications useful for consumers and real estate and mortgage professionals and attractive to its advertisers.

Cable Network Programming

The Cable Network Programming segment primarily consists of FOX SPORTS Australia and SKY NEWS. FOX SPORTS Australia offers the following seven channels in high definition: FOX SPORTS 501, FOX SPORTS 503, FOX SPORTS 505, FOX SPORTS 506, FOX LEAGUE, FOX FOOTY and FOX SPORTS NEWS. Revenue is primarily derived from monthly affiliate fees received from pay-tv providers (mainly Foxtel) based on the number of subscribers.

FOX SPORTS Australia competes primarily with ESPN, beIN SPORTS, the Free-To-Air ("FTA") channels and certain telecommunications companies in Australia.

SKY NEWS' services include the following channels: SKY NEWS LIVE, SKY NEWS BUSINESS, SKY NEWS WEATHER, SKY NEWS Multiview, A-PAC Australia's Public Affairs Channel, SKY NEWS New Zealand and Australia Channel for international markets. Revenue is primarily derived from monthly affiliate fees received from pay-tv providers based on the number of subscribers and advertising.

The most significant operating expenses of the Cable Network Programming segment are the acquisition and production expenses related to programming and the expenses related to operating the technical facilities of the broadcast operations. The expenses associated with licensing programming rights are recognized during the applicable season or event, which can cause results at the Cable Network Programming segment to fluctuate based on the timing and mix of the Company's local and international sports programming. Other expenses include marketing and promotional expenses related to improving the market visibility and awareness of the channels and their programming. Additional expenses include salaries, employee benefits, rent and other routine overhead expenses.

Other

The Other segment primarily consists of general corporate overhead expenses, the corporate Strategy and Creative Group and costs related to the U.K. Newspaper Matters. The Company's corporate Strategy and Creative Group was formed to identify new products and services across the Company's businesses to increase revenues and profitability and to target and assess potential acquisitions, investments and dispositions.

OTHER BUSINESS DEVELOPMENTS

In January 2017, REA Group acquired an approximately 15% interest in Elara Technologies Pte. Ltd., a leading online real estate services provider in India ("Elara"), for $50 million. Elara operates PropTiger.com, Makaan.com and the recently acquired Housing.com, and the investment further strengthens REA Group's presence in Asia. Following the completion of the investment and certain related transactions, including Elara's acquisition of Housing.com, News Corporation's pre-existing interest in Elara decreased to approximately 23%.

In December 2016, REA Group sold its European business for approximately $140 million (approximately €133 million) in cash, which resulted in a pre-tax gain of $120 million in the second quarter of fiscal 2017. The gain was partially offset in the third quarter of fiscal 2017 by $13 million related to the impact of foreign currency fluctuations on the receipt of the sales proceeds, which were received in February 2017, and certain other currency translation impacts. The sale allows REA Group to focus on its core businesses in Australia and Asia.

In December 2016, the Company acquired Australian Regional Media ("ARM") from APN News and Media Limited ("APN") for approximately $30 million. ARM operates a portfolio of regional print assets and websites and extends the reach of the Australian newspaper business to new customers in new geographic regions. ARM is a subsidiary of News Corp Australia, and its results are included within the News and Information Services segment.

In September 2016, the Company completed its acquisition of Wireless Group plc ("Wireless Group") for a purchase price of 315 pence per share in cash, or approximately £220 million (approximately $285 million) in the aggregate, plus $23 million of assumed debt which was repaid subsequent to closing. Wireless Group operates talkSPORT, the leading sports radio network in the U.K., and a portfolio of radio stations in the U.K. and Ireland. The acquisition broadens the Company's range of services in the U.K., Ireland and internationally and the Company expects to closely align Wireless Group's operations with those of *The Sun* and *The Times* . Wireless Group's results are included within the News and Information Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

In May 2016, REA Group acquired Flatmates.com.au Pty Ltd ("Flatmates") for $19 million in cash at closing and up to $15 million in future cash consideration related to payments contingent upon the achievement of certain performance objectives. Flatmates operates the Flatmates.com.au website, which is a market leading share accommodation site in Australia. The acquisition enhances REA Group's Australian product offering by extending its reach into the quickly growing share accommodation business. Flatmates is a subsidiary of REA Group, and its results are included within the Digital Real Estate Services segment.

In February 2016, the Company acquired a 92% interest in DIAKRIT for approximately $40 million in cash. The Company has the option to purchase, and the minority shareholders also have the option to sell to the Company, the remaining 8% in two tranches over the next six years at fair value. DIAKRIT is a digital visualization solutions company that helps homeowners see the potential in their future living environment with digital visualization solutions that enable them to plan, furnish and decorate their dream home, while also helping agents and developers generate more buyer inquiries and accelerate their property sale processes. DIAKRIT's results are included within the Digital Real Estate Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

In February 2016, REA Group increased its investment in iProperty Group Limited ("iProperty") from 22.7% to approximately 86.9% for A$482 million in cash (approximately $340 million). The remaining 13.1% not currently owned will become mandatorily redeemable during fiscal 2018, and as a result, the Company recognized a liability of approximately $76 million. The acquisition was funded primarily with the proceeds from borrowings under an unsecured syndicated revolving loan facility (the "REA Facility"). (See Note 6—Borrowings in the accompanying Consolidated Financial Statements). The acquisition of iProperty extends REA Group's market leading business in Australia to attractive markets throughout Southeast Asia. iProperty is a subsidiary of REA Group, and its results are included within the Digital Real Estate Services segment. During the fiscal year ended June 30, 2016, REA Group recognized a gain of $29 million related to the revaluation of its previously held equity interest in iProperty in Other, net in the Statements of Operations.

The total fair value of iProperty at the acquisition date is set forth below (in millions):

Cash paid for iProperty equity	$340
Deferred consideration	76
Total consideration	416
Fair value of previously held iProperty investment	120
Total fair value	$536

On September 30, 2015, the Company acquired Unruly Holdings Limited ("Unruly") for approximately £60 million (approximately $90 million) in cash and up to £56 million (approximately $86 million) in future cash consideration related to payments primarily contingent upon the achievement of certain performance objectives. Unruly is a leading global video distribution platform that is focused on delivering branded video advertising across websites and mobile devices. Unruly's results of operations are included within the News and Information Services segment, and it is considered a separate reporting unit for purposes of the Company's annual goodwill impairment review.

In July 2015, the Company acquired Checkout 51 Mobile Apps ULC ("Checkout 51") for approximately $13 million in cash at closing and approximately $10 million in deferred cash consideration which was paid during fiscal 2016. Checkout 51 is a data-driven digital incentives company that provides News America Marketing with a leading receipt recognition mobile app which enables packaged goods companies and brands to reach consumers with highly personalized marketing campaigns. Checkout 51's results are included within the News and Information Services segment.

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RESULTS OF OPERATIONS

Results of Operations—For the three and nine months ended March 31, 2017 versus the three and nine months ended March 31, 2016

The following table sets forth the Company's operating results for the three and nine months ended March 31, 2017 as compared to the three and nine months ended March 31, 2016.

	For the three months ended March 31,				For the nine months ended March 31,			
(in millions, except %)	2017	2016	Change	% Change Better/(Worse)	2017	2016	Change	% Change Better/(Worse)
Revenues:								
Advertising	$ 705	$ 671	$ 34	5 %	$ 2,123	$ 2,222	$ (99)	(4)%
Circulation and subscription	618	615	3	— %	1,834	1,875	(41)	(2)%
Consumer	359	343	16	5 %	1,183	1,164	19	2 %
Real estate	168	145	23	16 %	525	450	75	17 %
Other	128	117	11	9 %	394	355	39	11 %
Total Revenues	1,978	1,891	87	5 %	6,059	6,066	(7)	— %
Operating expenses	(1,101)	(1,084)	(17)	(2)%	(3,384)	(3,476)	92	3 %
Selling, general and administrative	(662)	(649)	(13)	(2)%	(2,005)	(1,987)	(18)	(1)%
NAM Group settlement charge	—	(280)	280	**	—	(280)	280	**
Depreciation and amortization	(109)	(126)	17	13 %	(349)	(370)	21	6 %
Impairment and restructuring charges	(33)	(24)	(9)	(38)%	(409)	(63)	(346)	**
Equity (losses) earnings of affiliates	(23)	2	(25)	**	(276)	25	(301)	**
Interest, net	8	11	(3)	(27)%	30	34	(4)	(12)%
Other, net	(13)	33	(46)	**	127	32	95	**
Income (loss) from continuing operations before income tax (expense) benefit	**45**	**(226)**	**271**	**	**(207)**	**(19)**	**(188)**	**
Income tax (expense) benefit	(45)	98	(143)	**	(12)	140	(152)	**
Income (loss) from continuing operations	**—**	**(128)**	**128**	**	**(219)**	**121**	**(340)**	**
(Loss) income from discontinued operations, net of tax	—	(2)	2	**	—	20	(20)	**
Net income (loss)	—	(130)	130	**	(219)	141	(360)	**
Less: Net income attributable to noncontrolling interests	(5)	(19)	14	74 %	(90)	(52)	(38)	(73)%
Net (loss) income attributable to News Corporation	**$ (5)**	**$ (149)**	**$ 144**	**97 %**	**$ (309)**	**$ 89**	**$ (398)**	**

** not meaningful

Revenues —Revenues increased $87 million, or 5%, and decreased $7 million for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016.

The revenue increase for the three months ended March 31, 2017 was in large part due to an increase in revenues at the News and Information Services segment of $32 million, primarily due to higher revenues at News America Marketing of $32 million and the acquisitions of ARM and Wireless Group which contributed $30 million and $24 million in revenues, respectively, partially offset by lower print advertising revenues and the negative impact of foreign currency fluctuations. The increase was also attributable to higher revenues of $25 million at the Digital Real Estate Services segment due to growth at both REA Group and Move and the positive impact of foreign currency fluctuations and $16 million at the Book Publishing segment due to strong frontlist and backlist sales. In addition, the Cable Network Programming segment contributed $15 million to the increase in revenues, primarily due to the acquisition of SKY NEWS and the positive impact of foreign currency fluctuations. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Revenue decrease of $21 million for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The Company calculates the impact of foreign currency fluctuations for businesses reporting in currencies other than the U.S. dollar by multiplying the results for each quarter in the current period by the difference between the average exchange rate for that quarter and the average exchange rate in effect during the corresponding quarter of the prior year and totaling the impact for all quarters in the current period.

The revenue decrease for the nine months ended March 31, 2017 was primarily due to a decrease in revenues at the News and Information Services segment of $133 million, primarily resulting from weakness in the print advertising market across mastheads and the negative impact of foreign currency fluctuations, partially offset by higher revenues at News America Marketing of $38 million, the acquisitions of Wireless Group and ARM which contributed $51 million and $30 million in revenues, respectively, and higher Other revenues. The revenue decrease was also partially offset by revenue increases of $94 million at the Digital Real Estate Services segment, primarily as a result of growth at both REA Group and Move, $17 million at the Cable Network Programming segment, primarily due to the positive impact of foreign currency fluctuations and the acquisition of SKY NEWS, and $16 million at the Book Publishing segment, primarily due to strong sales across the business. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Revenue decrease of $110 million for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

Operating Expenses —Operating expenses increased $17 million, or 2%, and decreased $92 million, or 3%, for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016.

The increase in Operating expenses for the three months ended March 31, 2017 was mainly due to operating expense increases of $16 million at the Book Publishing segment, primarily related to higher sales in the period, and $12 million at the Cable Network Programming segment, primarily resulting from the acquisition of SKY NEWS and the negative impact of foreign currency fluctuations. These increases were partially offset by a decrease at the News and Information Services segment of $13 million, primarily as a result of lower newsprint, production, editorial and distribution costs, the impact of cost savings initiatives and the positive impact of foreign currency fluctuations, partially offset by higher costs of $30 million associated with the acquisitions of ARM and Wireless Group. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in an Operating expense decrease of $8 million for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

The decrease in Operating expenses for the nine months ended March 31, 2017 was mainly due to a decrease in operating expenses at the News and Information Services segment of $114 million, primarily as a result of a $58 million positive impact from foreign currency fluctuations, lower newsprint, production, editorial and distribution costs and the impact of cost savings initiatives, partially offset by higher costs of $46 million associated with the acquisitions of ARM and Wireless Group. The decrease was also offset by higher operating expenses of $14 million at the Cable Network Programming segment, primarily due to the negative impact of foreign currency fluctuations and the acquisition of SKY NEWS, and $13 million at the Digital Real Estate Services segment. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in an Operating expense decrease of $44 million for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

Selling, general and administrative expenses —Selling, general and administrative expenses increased $13 million, or 2%, and $18 million, or 1%, for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016.

The increase in Selling, general and administrative expenses for the three months ended March 31, 2017 was due primarily to an increase at the News and Information Services segment of $15 million, resulting in large part from higher costs of $21 million associated with the acquisitions of ARM and Wireless Group, partially offset by an adjustment to the deferred consideration accrual related to the acquisition of Unruly of $12 million and the positive impact of foreign currency fluctuations. The increase in Selling, general and administrative expenses was also attributable to a one-time corporate charge of $11 million associated with a change in the Company's executive management in February 2017. These increases were partially offset by lower costs at the Digital Real Estate Services segment, mainly due to lower legal costs at Move of $13 million. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Selling, general and administrative expense decrease of $13 million for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

The increase in Selling, general and administrative expenses for the nine months ended March 31, 2017 was mainly due to an increase at the Digital Real Estate Services segment of $13 million, primarily related to higher costs at REA Group and Move associated with revenue growth, higher marketing costs and the acquisition of iProperty, partially offset by lower legal costs at Move of $21 million. The increase was also attributable to a one-time corporate charge of $11 million associated with a change in the Company's executive management in February 2017. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Selling, general and administrative expense decrease of $64 million for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

NAM Group settlement charge —During the three and nine months ended March 31, 2016, the Company recognized one-time costs of approximately $280 million in connection with the settlement of certain litigation and related claims at News America Marketing (the "NAM Group settlement charge). (See Note 10—Commitments and Contingencies in the accompanying Consolidated Financial Statements).

Depreciation and amortization —Depreciation and amortization expense decreased $17 million, or 13% and $21 million, or 6% for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016 due primarily to the write down of fixed assets at the Australian newspapers in the second quarter of fiscal 2017 and the positive impact of foreign currency fluctuations. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Depreciation and amortization expense decrease of $2 million and $7 million for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016.

Impairment and restructuring charges —During the three and nine months ended March 31, 2017, the Company recorded restructuring charges of $21 million and $88 million, respectively, of which $19 million and $85 million, respectively, related to the News and Information Services segment. The restructuring charges recorded in the three and nine months ended March 31, 2017 were for employee termination benefits.

In connection with a reorganization at Dow Jones, the Company has incurred $28 million of restructuring expense through the nine months ended March 31, 2017 which are included in the restructuring charges discussed above. The Company expects to incur approximately $5 million to $15 million in restructuring charges during the remainder of fiscal 2017. The reorganization is expected to reduce the Company's costs by approximately $100 million on an annualized basis by the end of fiscal 2018.

During the three and nine months ended March 31, 2016, the Company recorded restructuring charges of $24 million and $63 million, respectively, of which $24 million and $56 million, respectively, related to the News and Information Services segment. The restructuring charges recorded in the three and nine months ended March 31, 2016 were primarily for employee termination benefits.

During the second quarter of fiscal 2017, the Company recognized a non-cash impairment charge of approximately $310 million primarily related to the write-down of fixed assets at the Australian newspapers. The write-down was a result of the impact of adverse trends on the future expected performance of the Australian newspapers, where revenue declines from continued weakness in the print advertising market accelerated during the second quarter. The write-down was comprised of approximately $149 million related to printing presses and print related equipment, $77 million related to facilities, $66 million related to capitalized software and $18 million related to tradenames. Significant unobservable inputs utilized in the income approach valuation method were a discount rate of 11.5% and no long-term growth.

The Company continually evaluates whether current factors or indicators require the performance of an interim impairment assessment of goodwill, long-lived assets and investments. The valuation of goodwill and long-lived assets requires assumptions and estimates of many factors, including revenue and market growth, operating cash flows, market multiples and discount rates. In the quarter ended December 31, 2016, the Company revised its future outlook for a reporting unit within the News and Information Services segment due to the acceleration of declines in the global print advertising markets during the first half of fiscal 2017. As a result, the Company determined that this reporting unit has goodwill and indefinite-lived intangible assets that are considered to be at risk for future impairment because the fair value of the reporting unit exceeded its carrying value by less than 5% as of December 31, 2016. Significant unobservable inputs utilized in the income approach valuation method for this reporting unit and the related indefinite-lived intangible assets were discount rates (ranging from 9.0%-10.0%), long-term growth rates (ranging from 1.6%-3.0%) and royalty rates (ranging from 1.5%-2.5%). Significant unobservable inputs utilized in the market approach valuation method were EBITDA multiples from guideline public companies operating in similar industries and a control premium of 10%. Any increase in the discount rate or decrease in the projected cash flows terminal growth rate could have resulted in this reporting unit failing step one of the goodwill impairment analysis. Including those reporting units disclosed in the 2016 Form 10-K, the News and Information Services and Cable Network Programming segments have reporting units with goodwill and indefinite-lived intangible assets of approximately $2.4 billion at March 31, 2017 that are at risk for future impairment, of which $1.9 billion related to the News and Information Services segment and $0.5 billion related to the Cable Network Programming segment.

Equity (losses) earnings of affiliates —Equity earnings of affiliates decreased $25 million and $301 million for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016.

The decrease for the three months ended March 31, 2017 was primarily a result of lower net income at Foxtel due to losses of $21 million, primarily resulting from Foxtel management's decision to cease Presto operations in January 2017, and losses of $14 million associated with the change in the fair value of Foxtel's investment in Ten Network Holdings ("Ten"). (See Note 5—Investments in the accompanying Consolidated Financial Statements).

The decrease for the nine months ended March 31, 2017 was primarily a result of the $227 million non-cash write-down of the carrying value of the Company's investment in Foxtel to fair value and lower net income at Foxtel due to losses of $47 million, primarily resulting from Foxtel management's decision to cease Presto operations in January 2017, and losses of $36 million associated with the change in the fair value of Foxtel's investment in Ten. (See Note 5—Investments in the accompanying Consolidated Financial Statements).

During the first quarter of fiscal 2017, Foxtel was deemed to have significant influence over its investment in Ten. As a result, Foxtel was required to treat its investment in Ten as an equity method investment. Foxtel elected the fair value option under ASC 825, Financial Instruments, ("ASC 825") and adjusts the carrying value of the Ten investment to fair value each reporting period. Although Foxtel ceased to have significant influence in Ten during the third quarter of fiscal 2017, it will continue to adjust the carrying value of the Ten investment to fair value each reporting period due to its election of the fair value option under ASC 825. This adjustment will be recorded as a component of Foxtel's net income.

	For the three months ended March 31,				For the nine months ended March 31,			
	2017	2016	Change	% Change	2017	2016	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Foxtel [(a)]	$(16)	$ 4	$ (20)	**	$(260)	$26	$ (286)	**
Other equity affiliates, net	(7)	(2)	(5)	**	(16)	(1)	(15)	**
Total Equity (losses) earnings of affiliates	$(23)	$ 2	$ (25)	**	$(276)	$25	$ (301)	**

** not meaningful

(a) During the second quarter of fiscal 2017, the Company recognized a $227 million non-cash write-down of the carrying value of its investment in Foxtel to fair value. The write-down is reflected in Equity (losses) earnings of affiliates in the Statements of Operations for the nine months ended March 31, 2017. (See Note 5—Investments in the accompanying Consolidated Financial Statements).

Additionally, in accordance with ASC 350, the Company amortized $16 million and $53 million related to excess cost over the Company's proportionate share of its investment's underlying net assets allocated to finite-lived intangible assets during the three and nine months ended March 31, 2017, respectively, as compared to $12 million and $37 million in the three and nine months ended March 31, 2016, respectively. Such amortization is reflected in Equity (losses) earnings of affiliates in the Statements of Operations. The increase in amortization expense recognized by the Company in the current year period resulted from a corresponding decrease in amortization expense recognized by Foxtel as certain intangible assets were fully amortized in fiscal 2016. The higher amortization expense recognized by the Company was partially offset by the impact of the $227 million non-cash write-down of the carrying value of its investment in Foxtel in the second quarter of fiscal 2017.

Interest, net —Interest, net decreased $3 million and $4 million for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016, primarily due to higher interest expense associated with the REA Facility. The change in the nine months ended March 31, 2017 relative to the prior year period was also impacted by an adjustment to the deferred consideration related to REA Group's acquisition of iProperty in the second fiscal quarter of 2017.

Other, net

The following table sets forth the components of Other, net:

	For the three months ended March 31,		For the nine months ended March 31,	
(in millions)	2017	2016	2017	2016
Gain on sale of REA Group's European business [(a)]	$ (13)	$ —	$ 107	$ —
Gain on iProperty transaction [(b)]	—	29	—	29
Write-down of marketable securities	—	—	(21)	—
Gain on sale of other businesses	—	—	11	—
Gain on sale of equity method investments	—	1	17	1
Other, net	—	3	13	2
Total Other, net	$ (13)	$ 33	$ 127	$ 32

(a) In December 2016, REA Group sold its European business for approximately $140 million (approximately €133 million) in cash, which resulted in a pre-tax gain of $120 million in the second quarter of fiscal 2017. The gain was partially offset in the third quarter of fiscal 2017 by $13 million related to the impact of foreign currency fluctuations on the receipt of the sales proceeds, which were received in February 2017, and certain other currency translation impacts. The sale allows REA Group to focus on its core businesses in Australia and Asia.

(b) The Company recorded a $29 million gain resulting from the revaluation of REA Group's previously held equity interest in iProperty. (See Note 2—Acquisitions, Disposals and Other Transactions in the accompanying Consolidated Financial Statements).

Income tax (expense) benefit —For the three months ended March 31, 2017, the Company recorded a tax charge of $45 million on pre-tax income of $45 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The higher tax rate was primarily due to valuation allowances being recorded against tax benefits in certain foreign jurisdictions with operating losses.

For the nine months ended March 31, 2017, the Company recorded a tax charge of $12 million on a pre-tax loss of $207 million resulting in an effective tax rate that was lower than the U.S. statutory tax rate. The lower tax rate was primarily due to a lower net tax benefit of $121 million on the non-cash write-down of assets and investments in Australia and valuation allowances being recorded against tax benefits in certain foreign jurisdictions with operating losses, offset by lower taxes on the sale of REA Group's European business.

Management assesses available evidence to determine whether sufficient future taxable income will be generated to permit the use of existing deferred tax assets. Based on management's assessment of available evidence, it has been determined that it is more likely than not that deferred tax assets in certain foreign jurisdictions may not be realized and therefore, a valuation allowance has been established against those tax assets.

For the three months ended March 31, 2016 the Company recorded a tax benefit of $98 million on a pre-tax loss of $226 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The higher tax rate was primarily due to the $29 million non-taxable gain resulting from the revaluation of REA Group's previously held equity interest in iProperty (See Note 2—Acquisitions, Disposals and Other Transactions in the accompanying Consolidated Financial Statements), as well as a tax benefit of $107 million in connection with the settlement of certain litigation and related claims at News America Marketing. (See Note 10—Commitments and Contingencies in the accompanying Consolidated Financial Statements).

For the nine months ended March 31, 2016 the Company recorded a tax benefit of $140 million on a pre-tax loss of $19 million resulting in an effective tax rate that was higher than the U.S. statutory tax rate. In addition to the third quarter impacts discussed above, the higher tax rate was primarily due to a tax benefit of approximately $106 million related to the release of previously established valuation allowances related to certain U.S. federal net operating losses and state deferred tax assets. This benefit was recognized in conjunction with management's plan to dispose of the Company's digital education business in the first quarter of fiscal 2016, as the Company now expects to generate sufficient U.S. taxable income to utilize these deferred tax assets prior to expiration.

(Loss) income from discontinued operations, net of tax —For the three and nine months ended March 31, 2017, the Company did not recognize any income from discontinued operations as the operations of the digital education business were discontinued during fiscal 2016.

For the three months ended March 31, 2016, the Company recorded a loss from discontinued operations, net of tax, of $2 million reflecting the continued operations of the Digital Education segment subsequent to the sale of Amplify Insight and Amplify Learning. For the nine months ended March 31, 2016, the Company recorded income from discontinued operations, net of tax, of $20 million, primarily due to the impact of a $144 million tax benefit recognized upon reclassification of the Digital Education segment to discontinued operations, a tax benefit of $30 million related to the operations for the period and lower operating losses as a result of the sale of Amplify Insight and Amplify Learning, which more than offset the pre-tax non-cash impairment charge recognized in the first quarter of fiscal 2016 of $76 million and $17 million in severance and lease termination charges recognized in the second quarter of fiscal 2016. (See Note 3—Discontinued Operations in the accompanying Consolidated Financial Statements).

Net income (loss) —Net income (loss) increased $130 million for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016 due to the absence of the $280 million NAM Group settlement charge in the prior year and higher Segment EBITDA, partially offset by higher tax expense, lower contribution from Other, net and lower equity earnings from Foxtel.

Net income (loss) for the nine months ended March 31, 2017 decreased $360 million as compared to the corresponding period of fiscal 2016 due to the non-cash impairment charge of approximately $310 million primarily related to the write-down of fixed assets at the Australian newspapers and lower equity earnings of affiliates, primarily due to the $227 million non-cash write-down of the carrying value of the Company's investment in Foxtel to fair value and the tax benefit and income from discontinued operations recognized in fiscal 2016 which did not recur in fiscal 2017, partially offset by the absence of the $280 million NAM Group settlement charge in the prior year and higher Other, net.

Net income attributable to noncontrolling interests —Net income attributable to noncontrolling interests decreased by $14 million and increased by $38 million for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016 primarily due to the gain, and subsequent true-up, on the sale of REA Group's European business.

Segment Analysis

Segment EBITDA is defined as revenues less operating expenses, selling, general and administrative expenses and the NAM Group settlement charge. Segment EBITDA does not include: depreciation and amortization, impairment and restructuring charges, equity (losses) earnings of affiliates, interest, net, other, net, income tax (expense) benefit and net income attributable to noncontrolling interests. Segment EBITDA may not be comparable to similarly titled measures reported by other companies, since companies and investors may differ as to what items should be included in the calculation of Segment EBITDA.

Segment EBITDA is the primary measure used by the Company's chief operating decision maker to evaluate the performance of and allocate resources within the Company's businesses. Segment EBITDA provides management, investors and equity analysts with a measure to analyze the operating performance of each of the Company's business segments and its enterprise value against historical data and competitors' data, although historical results may not be indicative of future results (as operating performance is highly contingent on many factors, including customer tastes and preferences).

Total Segment EBITDA is a non-GAAP measure and should be considered in addition to, not as a substitute for, net income (loss), cash flow and other measures of financial performance reported in accordance with GAAP. In addition, this measure does not reflect cash available to fund requirements and excludes items, such as depreciation and amortization and impairment and restructuring charges, which are significant components in assessing the Company's financial performance. The Company believes that the presentation of Total Segment EBITDA provides useful information regarding the Company's operations and other factors that affect the Company's reported results. Specifically, the Company believes that by excluding certain one-time or non-cash items such as impairment and restructuring charges and depreciation and amortization, as well as potential distortions between periods caused by factors such as financing and capital structures and changes in tax positions or regimes, the Company provides users of its consolidated financial statements with insight into both its core operations as well as the factors that affect reported results between periods but which the Company believes are not representative of its core business. As a result, users of the Company's consolidated financial statements are better able to evaluate changes in the core operating results of the Company across different periods. The following table reconciles Total Segment EBITDA to Income (loss) from continuing operations:

	For the three months ended March 31,				For the nine months ended March 31,			
	2017	2016	Change	% Change	2017	2016	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues	$ 1,978	$ 1,891	$ 87	5 %	$ 6,059	$ 6,066	$ (7)	– %
Operating expenses	(1,101)	(1,084)	(17)	(2)%	(3,384)	(3,476)	92	3 %
Selling, general and administrative	(662)	(649)	(13)	(2)%	(2,005)	(1,987)	(18)	(1)%
NAM Group settlement charge	—	(280)	280	**	—	(280)	280	**
Total Segment EBITDA	215	(122)	337	**	670	323	347	**
Depreciation and amortization	(109)	(126)	17	13 %	(349)	(370)	21	6 %
Impairment and restructuring charges	(33)	(24)	(9)	(38)%	(409)	(63)	(346)	**
Equity (losses) earnings of affiliates	(23)	2	(25)	**	(276)	25	(301)	**
Interest, net	8	11	(3)	(27)%	30	34	(4)	(12)%
Other, net	(13)	33	(46)	**	127	32	95	**
Income (loss) from continuing operations before income tax (expense) benefit	45	(226)	271	**	(207)	(19)	(188)	**
Income tax (expense) benefit	(45)	98	(143)	**	(12)	140	(152)	**
Income (loss) income from continuing operations	$ —	$ (128)	$ 128	**	$ (219)	$ 121	$ (340)	**

** not meaningful

(in millions)	For the three months ended March 31, 2017 Revenues	2017 Segment EBITDA	2016 Revenues	2016 Segment EBITDA
News and Information Services	$ 1,263	$ 123	$ 1,231	$ (187)
Book Publishing	374	37	358	36
Digital Real Estate Services	219	75	194	39
Cable Network Programming	122	34	107	34
Other	—	(54)	1	(44)
Total	$ 1,978	$ 215	$ 1,891	$ (122)

(in millions)	For the nine months ended March 31, 2017 Revenues	2017 Segment EBITDA	2016 Revenues	2016 Segment EBITDA
News and Information Services	$ 3,788	$ 311	$ 3,921	$ 54
Book Publishing	1,229	160	1,213	135
Digital Real Estate Services	687	237	593	169
Cable Network Programming	354	99	337	101
Other	1	(137)	2	(136)
Total	$ 6,059	$ 670	$ 6,066	$ 323

News and Information Services (63% and 65% of the Company's consolidated revenues in the nine months ended March 31, 2017 and 2016, respectively)

	For the three months ended March 31,				For the nine months ended March 31,			
(in millions, except %)	2017	2016	Change Better/(Worse)	% Change Better/(Worse)	2017	2016	Change Better/(Worse)	% Change Better/(Worse)
Revenues:								
Advertising	$ 652	$ 624	$ 28	4 %	$ 1,958	$ 2,074	$ (116)	(6)%
Circulation and subscription	503	507	(4)	(1)%	1,499	1,546	(47)	(3)%
Other	108	100	8	8 %	331	301	30	10 %
Total Revenues	**1,263**	**1,231**	**32**	**3 %**	**3,788**	**3,921**	**(133)**	**(3)%**
Operating expenses	(726)	(739)	13	2 %	(2,219)	(2,333)	114	5 %
Selling, general and administrative	(414)	(399)	(15)	(4)%	(1,258)	(1,254)	(4)	— %
NAM Group settlement charge	—	(280)	280	**	—	(280)	280	**
Segment EBITDA	**$ 123**	**$ (187)**	**$ 310**	**	**$ 311**	**$ 54**	**$ 257**	**

** not meaningful

Revenues at the News and Information Services segment increased $32 million, or 3%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The revenue increase was mainly due to higher advertising revenues of $28 million as compared to the corresponding period of fiscal 2016, primarily resulting from higher advertising revenues at News America Marketing of $29 million and the acquisitions of Wireless Group and ARM, which contributed $21 million and $20 million of advertising revenue in the quarter, respectively, partially offset by a $42 million decline primarily related to weakness in the print advertising market across territories. Circulation and subscription revenues for the three months ended March 31, 2017 decreased $4 million as compared to the corresponding period of fiscal 2016 as a result of an $18 million negative impact from foreign currency fluctuations, which more than offset an increase in circulation revenues at Dow Jones and the U.K newspapers.

Segment EBITDA at the News and Information Services segment increased $310 million for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The increase was primarily due to the absence of the $280 million NAM Group settlement charge in the prior year quarter, a $15 million impact from the higher revenues for News America Marketing discussed above and the $12 million impact of an adjustment to the deferred consideration accrual related to the acquisition of Unruly. The lower print advertising revenues discussed above were partially offset by lower newsprint, production, editorial and distribution costs and the impact of cost savings initiatives.

Revenues at the News and Information Services segment decreased $133 million, or 3%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The revenue decrease was mainly due to lower advertising revenues of $116 million as compared to the corresponding period of fiscal 2016, primarily resulting from weakness in the print advertising market across territories, a $20 million negative impact from foreign currency fluctuations and lower advertising revenues of $10 million from the *Perth Sunday Times* which was sold in November 2016. These decreases were partially offset by the acquisitions of Wireless Group and ARM, which contributed $43 million and $20 million of advertising revenues, respectively, and $32 million of higher advertising revenues at News America Marketing. Circulation and subscription revenues for the nine months ended March 31, 2017 decreased $47 million as compared to the corresponding period of fiscal 2016, primarily as a result of the $70 million negative impact of foreign currency fluctuations, which more than offset higher circulation and subscription revenues at Dow Jones. Other revenues for the nine months ended March 31, 2017 increased $30 million, primarily due to higher brand partnership revenues in the U.K. of $13 million, $12 million in Australia primarily due to higher third-party printing revenues and the acquisitions of Unruly and Wireless Group, which contributed $11 million and $8 million, respectively, to the increase. These increases were offset by the $22 million negative impact of foreign currency fluctuations.

Segment EBITDA at the News and Information Services segment increased $257 million for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The increase was primarily due to the absence of the $280 million NAM Group settlement charge in the prior year quarter, a $20 million impact of higher revenues for News America Marketing discussed above and the $12 million impact of an adjustment to the deferred consideration accrual related to the acquisition of Unruly. These factors were partially offset by higher investment spending at Checkout 51 of $20 million and lower contributions from News Corp Australia, Dow Jones and News UK of $33 million, $17 million and $6 million, respectively, due to the impact of lower advertising revenues as discussed above, partially offset by lower newsprint, production, editorial and distribution costs and the impact of cost savings initiatives.

News Corp Australia

Revenues at the Australian newspapers for the three months ended March 31, 2017 increased $21 million, or 7%, as compared to the corresponding period of fiscal 2016. The impact of foreign currency fluctuations of the U.S. dollar against the Australian dollar resulted in a revenue increase of $16 million, or 5%. Advertising revenues increased $8 million, primarily due to the acquisition of ARM, which contributed $20 million, and the $9 million positive impact of foreign currency fluctuations, partially offset by the $18 million impact of weakness in the print advertising market in Australia and the absence of $5 million of advertising revenues from the *Perth Sunday Times* , which was sold in November 2016. Circulation and subscription revenues increased $7 million, primarily due to the acquisition of ARM, which contributed $6 million, and the $5 million positive impact of foreign currency fluctuations, as price increases and digital subscriber growth largely offset print volume declines.

Revenues at the Australian newspapers for the nine months ended March 31, 2017 were relatively flat as compared to the corresponding period of fiscal 2016, with the impact of foreign currency fluctuations of the U.S. dollar against the Australian dollar resulting in a revenue increase of $41 million, or 4%. Advertising revenues declined $30 million, primarily as a result of the $72 million impact of weakness in the print advertising market and lower advertising revenues of $10 million from the *Perth Sunday Times* , which was sold in November 2016, partially offset by the $24 million positive impact of foreign currency fluctuations and the acquisition of ARM, which contributed $20 million to advertising revenues. Circulation and subscription revenues increased $13 million due to the positive impact of foreign currency fluctuations, as price increases and digital subscriber growth were offset by print volume declines. Other revenues increased $16 million, primarily due to higher third-party printing revenues.

News UK

For the three months ended March 31, 2017 revenues at the U.K. newspapers decreased $33 million, or 12%, as compared to the corresponding period of fiscal 2016. The impact of foreign currency fluctuations of the U.S. dollar against the British pound resulted in a revenue decrease of $40 million, or 14%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Circulation and subscription revenues decreased $16 million, primarily due to the $22 million negative impact of foreign currency fluctuations, as the $5 million impact of single-copy volume declines at *The Sun* was offset by the $7 million impact of cover price increases. Advertising revenues decreased $15 million, primarily due to the $11 million negative impact of foreign currency fluctuations and weakness in the print advertising market.

For the nine months ended March 31, 2017, revenues at the U.K. newspapers decreased $167 million, or 18%, as compared to the corresponding period of fiscal 2016. The impact of foreign currency fluctuations of the U.S. dollar against the British pound resulted in a revenue decrease of $147 million, or 16%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Advertising revenues decreased $80 million, primarily due to the $44 million negative impact of foreign currency fluctuations and weakness in the print advertising market, partially offset by $6 million in digital advertising growth. Circulation and subscription revenues decreased $75 million due to the $79 million negative impact of foreign currency fluctuations, as the $24 million impact of single-copy volume declines, primarily at *The Sun,* was offset by the $28 million impact of cover price increases. Other revenues decreased $12 million due to the $24 million negative impact of foreign currency fluctuations, partially offset by higher brand partnership revenues.

Dow Jones

Revenues at Dow Jones decreased $7 million, or 2%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Advertising revenues decreased $14 million, primarily due to weakness in the print advertising market. Circulation and subscription revenues increased $6 million, primarily as a result of a $10 million increase in circulation revenues at *The Wall Street Journal* due to price increases and higher subscription volume. Professional information business revenues were relatively flat as compared to the corresponding period of fiscal 2016.

Revenues at Dow Jones decreased $61 million, or 5%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Advertising revenues decreased $78 million, primarily due to weakness in the print advertising market. Circulation and subscription revenues increased $15 million, primarily due to the $25 million impact of price increases and volume growth at *The Wall Street Journal* , as professional information business revenues were relatively flat.

News America Marketing

Revenues at News America Marketing increased $32 million, or 13%, and $38 million, or 5%, for the three and nine months ended March 31, 2017, respectively, as compared to the corresponding periods of fiscal 2016. The increase was primarily due to an increase in domestic in-store product revenues of $34 million and $55 million, respectively, primarily due to higher customer spend and to a lesser extent timing which accounted for approximately $15 million of the increase in both periods, partially offset by lower revenues for domestic free-standing insert products of $11 million and $46 million, respectively.

Book Publishing (20% of the Company’s consolidated revenues in the nine months ended March 31, 2017 and 2016)

(in millions, except %)	For the three months ended March 31, 2017	2016	Change Better/(Worse)	% Change Better/(Worse)	For the nine months ended March 31, 2017	2016	Change Better/(Worse)	% Change Better/(Worse)
Revenues:								
Consumer	$ 359	$ 343	$ 16	5 %	$1,183	$1,164	$ 19	2 %
Other	15	15	—	— %	46	49	(3)	(6)%
Total Revenues	**374**	**358**	**16**	**4 %**	**1,229**	**1,213**	**16**	**1 %**
Operating expenses	(267)	(251)	(16)	(6)%	(845)	(848)	3	— %
Selling, general and administrative	(70)	(71)	1	1 %	(224)	(230)	6	3 %
Segment EBITDA	**$ 37**	**$ 36**	**$ 1**	**3 %**	**$ 160**	**$ 135**	**$ 25**	**19 %**

Revenues at the Book Publishing segment increased $16 million, or 4%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The increase was mainly due to strong sales in the general books category, primarily *Hidden Figures* by Margot Lee Shetterly and the continued success of *Hillbilly Elegy* by J.D. Vance, sales of *Carve the Mark* by Veronica Roth in the Children’s category and the continued expansion of HarperCollins’ global footprint. These increases were partially offset by the negative impact of foreign currency fluctuations, which resulted in a revenue decrease of $6 million, or 2%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Digital sales, which consist of revenues generated through the sale of e-books and digital audio books, represented 22% of Consumer revenues during the three months ended March 31, 2017. Digital sales increased 7% as compared to the corresponding period of fiscal 2016 due to increased audio sales compared to the prior year quarter.

Segment EBITDA at the Book Publishing segment increased $1 million, or 3%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016.

Revenues at the Book Publishing segment increased $16 million, or 1%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The increase was mainly due to strong frontlist and backlist sales in the Christian publishing category, primarily *The Magnolia Story* by Chip and Joanna Gaines and the continued success of *Jesus Calling* and *Jesus Always* by Sarah Young, as well as sales of *Hillbilly Elegy* by J.D. Vance and the continued expansion of HarperCollins’ global footprint, partially offset by the negative impact of foreign currency fluctuations, which resulted in a revenue decrease of $26 million, or 2%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. Digital sales represented 19% of Consumer revenues during the nine months ended March 31, 2017. Digital sales increased 1% as compared to the corresponding period of fiscal 2016.

Segment EBITDA at the Book Publishing segment increased $25 million, or 19%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. The increase was primarily due to the mix of titles as compared to the prior year quarter.

Digital Real Estate Services (11% and 10% of the Company's consolidated revenues in the nine months ended March 31, 2017 and 2016, respectively)

(in millions, except %)	For the three months ended March 31, 2017	2016	Change Better/(Worse)	% Change Better/(Worse)	For the nine months ended March 31, 2017	2016	Change Better/(Worse)	% Change Better/(Worse)
Revenues:								
Advertising	$ 36	$ 32	$ 4	13 %	$ 107	$ 95	$ 12	13 %
Circulation and subscription	13	16	(3)	(19)%	44	47	(3)	(6)%
Real estate	168	145	23	16 %	525	450	75	17 %
Other	2	1	1	**	11	1	10	**
Total Revenues	**219**	**194**	**25**	**13 %**	**687**	**593**	**94**	**16 %**
Operating expenses	(27)	(25)	(2)	(8)%	(85)	(72)	(13)	(18)%
Selling, general and administrative	(117)	(130)	13	10 %	(365)	(352)	(13)	(4)%
Segment EBITDA	**$ 75**	**$ 39**	**$ 36**	**92 %**	**$ 237**	**$ 169**	**$ 68**	**40 %**

** not meaningful

Revenues at the Digital Real Estate Services segment increased $25 million, or 13%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. At REA Group, revenues increased $11 million, or 10%, primarily due to a $12 million increase in Australian residential depth revenue resulting from a favorable product mix and pricing increases, as well as the $6 million positive impact of foreign currency fluctuations, partially offset by the absence of $9 million of revenues from the European business, which was sold in December 2016. Revenues at Move increased $13 million, or 15%, primarily due to a $12 million increase in Connections SM for Buyers product revenues and a $5 million increase in non-listing media revenues, partially offset by the absence of $4 million of revenues from TigerLead ®, which was sold in November 2016.

Segment EBITDA at the Digital Real Estate Services segment increased $36 million, or 92%, for the three months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. REA Group and Move contributed $15 million and $22 million to the increase in Segment EBITDA, respectively, primarily due to the higher revenues noted above, $13 million of lower legal costs at Move, the absence of $7 million in one-time transaction costs which did not recur in the current year period associated with the acquisition of iProperty and the $3 million positive impact of foreign currency fluctuations at REA Group, partially offset by $7 million of increased costs at REA Group and Move associated with higher revenues and $6 million related to increased marketing costs.

Revenues at the Digital Real Estate Services segment increased $94 million, or 16%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. At REA Group, revenues increased $57 million, or 17%, primarily due to a $30 million increase in Australian residential depth revenue and the $17 million positive impact of foreign currency fluctuations. Revenues at Move increased $27 million, or 10%, primarily due to a $23 million increase in Connections SM for Buyers product revenues and an $11 million increase in non-listing media revenues, partially offset by the $8 million impact of lower revenues from TigerLead ®, which was sold in November 2016. The acquisition of DIAKRIT also contributed $10 million to the revenue increase for the nine months ended March 31, 2017.

Segment EBITDA at the Digital Real Estate Services segment increased $68 million, or 40%, for the nine months ended March 31, 2017 as compared to the corresponding period of fiscal 2016. REA Group and Move contributed $34 million and $36 million to the increase in Segment EBITDA, respectively, primarily due to the higher revenues noted above, $21 million of lower legal costs at Move, the $10 million positive impact of foreign currency fluctuations at REA Group and the absence of $7 million in one-time transaction costs which did not recur in the current year period associated with the acquisition of iProperty, partially offset by $19 million of increased costs at REA Group and Move associated with higher revenues, $17 million of increased marketing costs to drive traffic growth and brand awareness and $14 million in higher costs related to the acquisition of iProperty.

Cable Network Programming (6% and 5% of the Company's consolidated revenues in the nine months ended March 31, 2017 and 2016, respectively)

	For the three months ended March 31,				For the nine months ended March 31,			
(in millions, except %)	2017	2016	Change	% Change Better/(Worse)	2017	2016	Change	% Change Better/(Worse)
Revenues:								
Advertising	$ 17	$ 14	$ 3	21 %	$ 58	$ 52	$ 6	12 %
Circulation and subscription	102	92	10	11 %	291	282	9	3 %
Other	3	1	2	**	5	3	2	67 %
Total Revenues	**122**	**107**	**15**	**14 %**	**354**	**337**	**17**	**5 %**
Operating expenses	(80)	(68)	(12)	(18)%	(234)	(220)	(14)	(6)%
Selling, general and administrative	(8)	(5)	(3)	(60)%	(21)	(16)	(5)	(31)%
Segment EBITDA	**$ 34**	**$ 34**	**$ —**	**— %**	**$ 99**	**$ 101**	**$ (2)**	**(2)%**

** not meaningful

For the three months ended March 31, 2017, revenues at the Cable Network Programming segment increased $15 million, or 14%, and Segment EBITDA was flat compared to the corresponding period of fiscal 2016. The revenue increase was primarily due to the acquisition of SKY NEWS, which contributed $9 million of revenue in the period, and the $5 million positive impact of foreign currency fluctuations.

For the nine months ended March 31, 2017, revenues at the Cable Network Programming segment increased $17 million, or 5%, and Segment EBITDA decreased $2 million, or 2%, as compared to the corresponding period of fiscal 2016. The revenue increase was primarily due to the $11 million positive impact of foreign currency fluctuations and the acquisition of SKY NEWS, which contributed $9 million of revenue in the period. The decrease in Segment EBITDA was due to the $3 million negative impact of foreign currency fluctuations.

LIQUIDITY AND CAPITAL RESOURCES

Current Financial Condition

The Company's principal source of liquidity is internally generated funds and cash and cash equivalents on hand. As of March 31, 2017, the Company's cash and cash equivalents were $1,850 million. The Company expects these elements of liquidity will enable it to meet its liquidity needs in the foreseeable future. As described in greater detail below, in October 2013, the Company established a revolving credit facility of $650 million, which terminates on October 23, 2020. The Company may request that the commitments be extended under certain circumstances as set forth in the credit agreement and may also request increases in the amount of the facility up to a maximum amount of $900 million. In addition, the Company expects to have access to the worldwide capital markets, subject to market conditions, in order to issue debt if needed or desired. Although the Company believes that its cash on hand and future cash from operations, together with its access to the capital markets, will provide adequate resources to fund its operating and financing needs, its access to, and the availability of, financing on acceptable terms in the future will be affected by many factors, including: (i) the Company's performance, (ii) its credit rating or absence of a credit rating, (iii) the liquidity of the overall capital markets and (iv) the current state of the economy. There can be no assurances that the Company will continue to have access to the capital markets on acceptable terms. See Part II, "Item 1A. Risk Factors" for further discussion.

As of March 31, 2017, the Company's consolidated assets included $918 million in cash and cash equivalents that was held by its foreign subsidiaries. $224 million of this amount is cash not readily accessible by the Company as it is held by REA Group, a majority owned but separately listed public company. REA Group must declare a dividend in order for the Company to have access to its share of REA Group's cash balance. The

Company earns income outside the U.S., which is deemed to be permanently reinvested in certain foreign jurisdictions. The Company does not currently intend to repatriate these earnings. Should the Company require more capital in the U.S. than is generated by and/or available to its domestic operations, the Company could elect to transfer funds held in foreign jurisdictions. The transfer of funds from foreign jurisdictions may be cumbersome due to local regulations, foreign exchange controls and taxes. Additionally, the transfer of funds from foreign jurisdictions may result in higher effective tax rates and higher cash paid for income taxes for the Company.

The principal uses of cash that affect the Company's liquidity position include the following: operational expenditures including employee costs and paper purchases; capital expenditures; income tax payments; investments in associated entities and acquisitions. In addition to the acquisitions and dispositions disclosed elsewhere, the Company has evaluated, and expects to continue to evaluate, possible future acquisitions and dispositions of certain businesses. Such transactions may be material and may involve cash, the issuance of the Company's securities or the assumption of indebtedness.

Issuer Purchases of Equity Securities

In May 2013, the Company's Board of Directors (the "Board of Directors") authorized the Company to repurchase up to an aggregate of $500 million of its Class A Common Stock. On May 10, 2015, the Company announced it had begun repurchasing shares of Class A Common Stock under the stock repurchase program. No stock repurchases were made during the nine months ended March 31, 2017. Through May 5, 2017, the Company repurchased approximately 5.2 million shares of Class A Common Stock for an aggregate cost of approximately $71 million. The remaining authorized amount under the stock repurchase program as of May 5, 2017 was approximately $429 million. All decisions regarding any future stock repurchases are at the sole discretion of a duly appointed committee of the Board of Directors and management. The committee's decisions regarding future stock repurchases will be evaluated from time to time in light of many factors, including the Company's financial condition, earnings, capital requirements and debt facility covenants, other contractual restrictions, as well as legal requirements, regulatory constraints, industry practice, market volatility and other factors that the committee may deem relevant. The stock repurchase authorization may be modified, extended, suspended or discontinued at any time by the Board of Directors and the Board of Directors cannot provide any assurances that any additional shares will be repurchased.

Dividends

In August 2016, the Board of Directors declared a semi-annual cash dividend of $0.10 per share for Class A Common Stock and Class B Common Stock. This dividend was paid on October 19, 2016 to stockholders of record at the close of business on September 14, 2016. In February 2017, the Board of Directors declared a semi-annual cash dividend of $0.10 per share for Class A Common Stock and Class B Common Stock. This dividend was paid on April 19, 2017 to stockholders of record as of March 15, 2017. The timing, declaration, amount and payment of future dividends to stockholders, if any, is within the discretion of the Board of Directors. The Board of Directors' decisions regarding the payment of future dividends will depend on many factors, including the Company's financial condition, earnings, capital requirements and debt facility covenants, other contractual restrictions, as well as legal requirements, regulatory constraints, industry practice, market volatility and other factors that the Board of Directors deems relevant.

Sources and Uses of Cash—For the nine months ended March 31, 2017 versus the nine months ended March 31, 2016

Net cash provided by operating activities from continuing operations for the nine months ended March 31, 2017 and 2016 was as follows (in millions):

For the nine months ended March 31,	2017	2016
Net cash provided by operating activities from continuing operations	$224	$589

Net cash provided by operating activities from continuing operations decreased by $365 million for the nine months ended March 31, 2017 as compared to the nine months ended March 31, 2016. The decrease was primarily due to higher NAM Group settlement payments of $234 million during the nine months ended March 31, 2017, lower dividends received of $30 million as well as higher working capital due to timing, partially offset by higher Total Segment EBITDA.

Net cash used in investing activities from continuing operations for the nine months ended March 31, 2017 and 2016 was as follows (in millions):

For the nine months ended March 31,	2017	2016
Net cash used in investing activities from continuing operations	$(49)	$(703)

The Company had net cash used in investing activities from continuing operations of $49 million for the nine months ended March 31, 2017 as compared to net cash used in investing activities from continuing operations of $703 million for the corresponding period of fiscal 2016. During the nine months ended March 31, 2017, the Company used $345 million of cash for acquisitions, primarily for the acquisitions of Wireless Group and ARM. The Company also had capital expenditures of $168 million. The net cash used in investing activities from continuing operations for the nine months ended March 31, 2017 was partially offset by the utilization of restricted cash for the Wireless Group acquisition of $315 million and proceeds from the sale of REA Group's European business of approximately $140 million.

During the nine months ended March 31, 2016, the Company used $486 million of cash for acquisitions, primarily for the acquisition of iProperty, Unruly, DIAKRIT and Checkout 51. The Company also had capital expenditures of $180 million.

Net cash (used in) provided by financing activities from continuing operations for the nine months ended March 31, 2017 and 2016 was as follows (in millions):

For the nine months ended March 31,	2017	2016
Net cash (used in) provided by financing activities from continuing operations	$(152)	$204

The Company had net cash used in financing activities from continuing operations of $152 million for the nine months ended March 31, 2017 as compared to net cash provided by financing activities from continuing operations of $204 million for the corresponding period of fiscal 2016. During the nine months ended March 31, 2017, the Company paid dividends of $93 million, primarily to News Corporation stockholders and REA Group minority stockholders, and repaid the debt assumed in the acquisition of Wireless Group of $23 million.

During the nine months ended March 31, 2016, the Company had proceeds from borrowings under an unsecured syndicated revolving loan facility of approximately $340 million at REA Group. The net cash provided by financing activities from continuing operations for the nine months ended March 31, 2016 was partially offset by dividend payments of $88 million, primarily to News Corporation stockholders and REA Group minority stockholders, and repurchases of News Corporation shares for $41 million.

Reconciliation of Free Cash Flow Available to News Corporation

Free cash flow available to News Corporation is a non-GAAP financial measure defined as net cash provided by operating activities from continuing operations, less capital expenditures ("free cash flow") less REA Group free cash flow, plus cash dividends received from REA Group. Free cash flow available to News Corporation excludes cash flows from discontinued operations. Free cash flow available to News Corporation should be considered in addition to, not as a substitute for, cash flows from continuing operations and other measures of financial performance reported in accordance with GAAP. Free cash flow available to News Corporation may not be comparable to similarly titled measures reported by other companies, since companies and investors may differ as to what items should be included in the calculation of free cash flow.

The Company considers free cash flow available to News Corporation to provide useful information to management and investors about the amount of cash that is available to be used to strengthen the Company's balance sheet and for strategic opportunities including, among others, investing in the Company's business, strategic acquisitions, dividend payouts and repurchasing stock. A limitation of free cash flow available to News Corporation is that it does not represent the total increase or decrease in the cash balance for the period. Management compensates for the limitation of free cash flow available to News Corporation by also relying on the net change in cash and cash equivalents as presented in the Statements of Cash Flows prepared in accordance with GAAP which incorporate all cash movements during the period.

The following table presents a reconciliation of net cash provided by continuing operating activities to free cash flow available to News Corporation:

	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
	(in millions)	
Net cash provided by continuing operating activities	$ 224	$ 589
Less: Capital expenditures	(168)	(180)
	56	409
Less: REA Group free cash flow	(128)	(92)
Plus: Cash dividends received from REA Group	53	45
Free cash flow available to News Corporation	$ (19)	$ 362

Free cash flow available to News Corporation decreased $381 million in the nine months ended March 31, 2017 to ($19) million from $362 million in the corresponding period of fiscal 2016, primarily due to lower cash provided by operating activities as discussed above and higher REA Group free cash flow, partially offset by lower capital expenditures.

Revolving Credit Agreement

The Company's Credit Agreement (as amended, the "Credit Agreement") provides for an unsecured $650 million revolving credit facility (the "Facility") that can be used for general corporate purposes. The Facility has a sublimit of $100 million available for issuances of letters of credit. Under the Credit Agreement, the Company may request increases in the amount of the Facility up to a maximum amount of $900 million.

In October 2015, the Company entered into an amendment to the Credit Agreement (the "Amendment") which, among other things, extended the original term of the Facility by two years and lowered the commitment fee payable by the Company. As a result of the Amendment, the lenders' commitments now terminate on October 23, 2020, and any borrowings will be due at that time. The Company may request that the commitments be extended under certain circumstances as set forth in the Credit Agreement for up to two additional one-year periods.

The Credit Agreement contains customary affirmative and negative covenants and events of default, with customary exceptions, including limitations on the ability of the Company and its subsidiaries to engage in transactions with affiliates, incur liens, merge into or consolidate with any other entity, incur subsidiary debt or dispose of all or substantially all of its assets or all or substantially all of the stock of its subsidiaries. In addition, the Credit Agreement requires the Company to maintain an adjusted operating income leverage ratio of not more than 3.0 to 1.0 and an interest coverage ratio of not less than 3.0 to 1.0. If any of the events of default occur and are not cured within applicable grace periods or waived, any unpaid amounts under the Credit Agreement may be declared immediately due and payable. As of March 31, 2017, the Company was in compliance with all of the applicable debt covenants.

Interest on borrowings under the Facility is based on either (a) a Eurodollar Rate formula or (b) the Base Rate formula, each as set forth in the Credit Agreement. The applicable margin and the commitment fee are based on the pricing grid in the Credit Agreement, which varies based on the Company's adjusted operating income leverage ratio. As of March 31, 2017, the Company was paying a commitment fee of 0.225% on any undrawn balance and an applicable margin of 0.50% for a Base Rate borrowing and 1.50% for a Eurodollar Rate borrowing.

As of the date of this filing, the Company has not borrowed any funds under the Facility.

REA Group Unsecured Revolving Loan Facility

REA Group entered into an A$480 million unsecured syndicated revolving loan facility agreement in connection with the acquisition of iProperty (the "REA Facility"). The REA Facility consists of three sub facilities of A$120 million, A$120 million and A$240 million which become due in December 2017, December 2018 and December 2019, respectively. In February 2016, REA Group drew down the full A$480 million (approximately $340 million as of such date) available under the REA Facility, and the proceeds, less lenders' fees of $1 million, were used to fund the iProperty acquisition. Borrowings under the REA Facility bear interest at a floating rate of the Australian BBSY plus a margin in the range of 0.85% and 1.45% depending on REA Group's net leverage ratio. As of March 31, 2017, REA Group was paying a margin of between 0.85% and 1.05%. REA Group paid approximately $3 million and $8 million in interest for the three and nine months ended March 31, 2017, respectively, at a weighted average interest rate of 2.7% and 2.8%, respectively. The REA Facility requires REA Group to maintain a net leverage ratio of not more than 3.25 to 1.0 and an interest coverage ratio of not less than 3.0 to 1.0. As of March 31, 2017, REA Group was in compliance with all of the applicable debt covenants.

Commitments

The Company has commitments under certain firm contractual arrangements ("firm commitments") to make future payments. These firm commitments secure the future rights to various assets and services to be used in the normal course of operations. The Company's commitments as of March 31, 2017 have not changed significantly from the disclosures included in the 2016 Form 10-K.

Contingencies

The Company routinely is involved in various legal proceedings, claims and governmental inspections or investigations, including those discussed in Note 10 to the Consolidated Financial Statements. The outcome of these matters and claims is subject to significant uncertainty, and the Company often cannot predict what the eventual outcome of pending matters will be or the timing of the ultimate resolution of these matters. Fees, expenses, fines, penalties, judgments or settlement costs which might be incurred by the Company in connection with the various proceedings could adversely affect its results of operations and financial condition.

The Company establishes an accrued liability for legal claims when it determines that a loss is both probable and the amount of the loss can be reasonably estimated. Once established, accruals are adjusted from time to time, as appropriate, in light of additional information. The amount of any loss ultimately incurred in relation to matters for which an accrual has been established may be higher or lower than the amounts accrued for such matters. Legal fees associated with litigation and similar proceedings are expensed as incurred. The Company recognizes gain contingencies when the gain becomes realized or realizable. (See Note 10—Commitments and Contingencies in the accompanying Consolidated Financial Statements).

The Company's tax returns are subject to on-going review and examination by various tax authorities. Tax authorities may not agree with the treatment of items reported in the Company's tax returns, and therefore the outcome of tax reviews and examinations can be unpredictable. The Company believes it has appropriately accrued for the expected outcome of uncertain tax matters and believes such liabilities represent a reasonable provision for taxes ultimately expected to be paid; however, these liabilities may need to be adjusted as new information becomes known and as tax examinations continue to progress. As subsidiaries of 21st Century Fox prior to the Separation, the Company and each of its domestic subsidiaries have joint and several liability with 21st Century Fox for the consolidated U.S. federal income taxes of the 21st Century Fox consolidated group relating to any taxable periods during which the Company or any of the Company's domestic subsidiaries were a member of the 21st Century Fox consolidated group. Consequently, the Company could be liable in the event any such liability is incurred, and not discharged, by any other member of the 21st Century Fox consolidated group. In conjunction with the Separation, the Company entered into the Tax Sharing and Indemnification Agreement with 21st Century Fox, which requires 21st Century Fox to indemnify the Company for any such liability. Disputes or assessments could arise during future audits by the Internal Revenue Service or other taxing authorities in amounts that the Company cannot quantify.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company has exposure to different types of market risk including changes in foreign currency rates and stock prices. The Company neither holds nor issues financial instruments for trading purposes.

The following sections provide quantitative information on the Company's exposure to foreign currency rate risk and stock price risk. The Company makes use of sensitivity analyses that are inherently limited in estimating actual losses in fair value that can occur from changes in market conditions.

Foreign Currency Rates

The Company conducts operations in three principal currencies: the U.S. dollar; the Australian dollar; and the British pound sterling. These currencies operate primarily as the functional currency for the Company's U.S., Australian and U.K. operations, respectively. Cash is managed centrally within each of the three regions with net earnings reinvested locally and working capital requirements met from existing liquid funds. To the extent such funds are not sufficient to meet working capital requirements, funding in the appropriate local currencies is made available from intercompany capital. The Company does not hedge its investments in the net assets of its Australian and U.K. operations.

Because of fluctuations in exchange rates, the Company is subject to currency translation exposure on the results of its operations. Foreign currency translation risk is the risk that exchange rate gains or losses arise from translating foreign entities' statements of earnings and balance sheets from functional currency to the Company's reporting currency (the U.S. dollar) for consolidation purposes. The Company does not hedge translation risk because it generally generates positive cash flows from its international operations that are typically reinvested locally. Exchange rates with the most significant impact to its translation include the Australian dollar and British pound sterling. As exchange rates fluctuate, translation of its Statements of Operations into U.S. dollars affects the comparability of revenues and expenses between years.

The table below details the percentage of revenues and expenses by the three principal currencies for the fiscal year ended June 30, 2016:

	U.S. Dollars	Australian Dollars	British Pound Sterling
Fiscal year ended June 30, 2016			
Revenues	47%	28%	20%
Operating and Selling, general, and administrative expenses	48%	24%	21%

Based on the year ended June 30, 2016, a one cent change in each of the U.S. dollar/Australian dollar and the U.S. dollar/British pound sterling exchange rates would have impacted revenues by approximately $32 million and $11 million, respectively, for each currency on an annual basis, and would have impacted Total Segment EBITDA by approximately $7 million and $0.4 million, respectively, on an annual basis.

Stock Prices

The Company has common stock investments in publicly traded companies that are subject to market price volatility. These investments had an aggregate fair value of approximately $100 million as of March 31, 2017. A hypothetical decrease in the market price of these investments of 10% would result in a decrease in comprehensive income (loss) of approximately $10 million before tax. Any changes in fair value of the Company's common stock investments are not recognized unless deemed other-than-temporary.

Credit Risk

Cash and cash equivalents are maintained with multiple financial institutions. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and, therefore, bear minimal credit risk.

The Company’s receivables did not represent significant concentrations of credit risk as of March 31, 2017 or June 30, 2016 due to the wide variety of customers, markets and geographic areas to which the Company’s products and services are sold.

The Company monitors its positions with, and the credit quality of, the financial institutions which are counterparties to its financial instruments. The Company is exposed to credit loss in the event of nonperformance by the counterparties to the agreements. As of March 31, 2017 and June 30, 2016, the Company did not anticipate nonperformance by any of the counterparties.

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15(d)-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this quarterly report. Based on such evaluation, the Company’s Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company’s disclosure controls and procedures were effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act and were effective in ensuring that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

(b) Internal Control Over Financial Reporting

There has been no change in the Company’s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act) during the Company’s third quarter of fiscal 2017 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

The following information supplements the discussion set forth under “Legal Proceedings” in the Company’s 2016 Form 10-K.

Valassis Communications, Inc.

As reported in the 2016 Form 10-K, Valassis Communications, Inc. (“Valassis”) initiated two separate legal proceedings against certain of the Company’s subsidiaries on November 8, 2013. In the first proceeding (“Valassis I”), Valassis filed a motion for expedited discovery in a previously settled case involving NAI, NAM FSI and NAM In-Store Services based on its belief that defendants had engaged in activities prohibited under an order issued by the U.S. District Court for the Eastern District of Michigan (the “Order”) in connection with the parties’ settlement. Valassis subsequently filed a Notice of Violation of the Order (the “Notice”) in Valassis I alleging violations of federal and state antitrust laws and common law business torts and seeking treble damages, injunctive relief and attorneys’ fees. In the second proceeding (“Valassis II”), Valassis filed a new complaint against the NAM Group in the District Court, which also alleged violations of federal and state antitrust laws and common law business torts and sought treble damages, injunctive relief and attorneys’ fees and costs. On March 30, 2016, the District Court ordered that the Notice in Valassis I and the remaining claims in the NAM Group’s motion to dismiss in Valassis II (the bundling and tying claims in Valassis II were dismissed without prejudice to Valassis’s rights to pursue relief for the claims in Valassis I) be referred to a panel of antitrust experts previously appointed in Valassis I (the “Antitrust Expert Panel”). The Antitrust Expert Panel was convened and, on February 8, 2017, it recommended that the Notice in Valassis I be dismissed and the NAM Group’s counterclaims in Valassis II be dismissed with leave to replead three of the four counterclaims. The NAM Group filed an amended counterclaim on February 27, 2017. Valassis did not object to the Antitrust Expert Panel’s recommendation to dismiss Valassis I, and the parties are awaiting the District Court’s order of dismissal. However, Valassis filed a motion with the District Court asserting that the referral of Valassis II to the Antitrust Expert Panel is no longer valid and seeking either to re-open Valassis II in the District Court or to transfer the case to the United States District Court for the Southern District of New York. The NAM Group opposed the motion, and the District Court heard arguments on April 13, 2017. While it is not possible at this time to predict with any degree of certainty the ultimate outcome of these actions, the NAM Group believes it has been compliant with applicable laws and intends to defend itself vigorously in both actions.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2016.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In May 2013, the Company’s Board of Directors (the “Board of Directors”) authorized the Company to repurchase up to an aggregate of $500 million of its Class A Common Stock. On May 10, 2015, the Company announced it had begun repurchasing shares of Class A Common Stock under the stock repurchase program. No stock repurchases were made during the nine months ended March 31, 2017. Through May 5, 2017, the Company repurchased approximately 5.2 million shares of Class A Common Stock for an aggregate cost of approximately $71 million. The remaining authorized amount under the stock repurchase program as of May 5, 2017 was approximately $429 million. All decisions regarding any future stock repurchases are at the sole discretion of a duly appointed committee of the Board of Directors and management. The committee’s decisions regarding future stock repurchases will be evaluated from time to time in light of many factors, including the Company’s financial condition, earnings, capital requirements and debt facility covenants, other contractual restrictions, as well as legal requirements, regulatory constraints, industry practice, market volatility and other factors that the committee may deem relevant. The stock repurchase authorization may be modified, extended, suspended or discontinued at any time by the Board of Directors and the Board of Directors cannot provide any assurances that any additional shares will be repurchased.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

(a) Exhibits.

10.1	Separation Agreement and General Release, dated February 24, 2017, by and between Bedi Ajay Singh and News Corporation.*
10.2	Consulting Agreement, dated February 24, 2017, by and between Bedi Ajay Singh and News Corporation.*
10.3	Employment Agreement, dated February 23, 2017, between News Corporation and Susan Panuccio.*
31.1	Chief Executive Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended.*
31.2	Chief Financial Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended.*
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes Oxley Act of 2002.**
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 formatted in eXtensible Business Reporting Language: (i) Consolidated Statements of Operations for the three and nine months ended March 31, 2017 and 2016 (unaudited); (ii) Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended March 31, 2017 and 2016 (unaudited); (iii) Consolidated Balance Sheets at March 31, 2017 (unaudited) and June 30, 2016 (audited); (iv) Consolidated Statements of Cash Flows for the nine months ended March 31, 2017 and 2016 (unaudited); and (v) Notes to the Unaudited Consolidated Financial Statements.*

* Filed herewith.
** Furnished herewith.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NEWS CORPORATION
(Registrant)

By: /s/ Susan Panuccio
Susan Panuccio
Chief Financial Officer

Date: May 10, 2017

News Corp

SEPARATION AGREEMENT AND GENERAL RELEASE

SEPARATION AGREEMENT AND GENERAL RELEASE (the "Agreement") made as of February 24, 2017 by and between Bedi Ajay Singh ("Employee," "you" or "your") and News Corporation (the "Company") .

In consideration of the promises and conditions set forth below, and intending to be legally bound, you and the Company agree as follows:

1. Separation from Employment : You acknowledge that your employment with the Company will end effective as of the close of business on March 1, 2017 (the "Last Day"). You understand and agree that, as of your Last Day, you are no longer eligible for or entitled to any of the benefits that the Company provides its employees, other than as expressly provided for herein. You further acknowledge and agree that as of your Last Day, you shall have no authority to bind the Company or any of the Company's affiliates in any capacity, and you will not represent to anyone that you have such authority, unless you receive express, prior written authority from an authorized Company representative to do so. As of your Last Day, you further agree to submit resignations from all Company and Company affiliate committees and boards on which you sit. Effective as of the Last Day, the Employment Agreement among you, the Company and NC Transaction, Inc., dated March 9, 2016 (the "Employment Agreement") is terminated and neither you nor the Company shall have any obligations thereunder except as specifically provided therein.

2. Special Severance Benefits : If you sign this Agreement, do not timely revoke it, and comply with its terms, the Company will provide you (or, in the event of your death, your estate) with the following special severance benefits:

(a) Through June 30, 2019, the Company will continue to pay you your gross base salary (annual rate of $1,300,000) in bi-weekly installments, less tax withholding and other deductions required by law, in accordance with the Company's regular payroll practices;

(b) No earlier than September 15, 2017 and no later than September 30, 2017, the Company will pay to you a lump-sum payment in the gross amount $2,000,000 less tax withholding and other deductions required by law, in accordance with the Company's regular payroll practices, representing your fiscal year 2017 annual bonus;

(c) No earlier than September 15, 2018 and no later than September 30, 2018, the Company will pay to you a lump-sum payment in the gross amount of $2,000,000 less tax withholding and other deductions required by law, in accordance with the Company's regular payroll practices, representing your fiscal year 2018 annual bonus;

(d) No earlier than September 15, 2019 and no later than September 30, 2019, the Company will pay to you a lump-sum payment in the gross amount of $2,000,000 less tax withholding and other deductions required by law, in accordance with the Company's regular payroll practices, representing your fiscal year 2019 annual bonus;

(e) The grants of the Fiscal 2015-2017 Performance Stock Unit Award, the Fiscal 2016-2018 Performance Stock Unit Award and the Fiscal 2017-2019 Performance Stock Unit Award granted under the News Corporation 2013 Long Term Incentive Plan (the "Plan") will continue to vest subject to the terms and conditions of the Plan and the applicable grant agreement. No earlier than September 15, 2017 or no later than September 30, 2017, on or about August 15, 2018 and on or about

August 15, 2019, respectively, the Company will pay to you in the normal manner, the payout earned from these awards, if any. All grants and/or awards (other than the FY2015-2017 Performance Stock Award, the FY2016-2018 Performance Stock Award and the Fiscal 2017-2019 Performance Stock Award) will be cancelled with no further payment to be made by the Company. Any vesting of awards and/or payments under this Section 2(e) will continue to be subject to the News Corporation Claw Back policies. You will not receive any additional grants of equity including Performance Stock Units;

(f) The Company will continue to provide you with medical, dental and vision coverage through June 30, 2019 and the Company will pay premiums for such coverage (less your employee contributions), through such date. The value of such premiums shall be imputed to you for tax purposes, and such coverage shall be “alternative coverage” for purposes of “COBRA”;

(g) The Company-sponsored basic life insurance, accidental death and dismemberment, and long-term disability policies covering you may be converted into personal policies. The Company will work with the insurance carriers to have these policies assigned to you and will pay the premiums thereon through June 30, 2019.

(h) You also have elected to purchase a supplemental life insurance policy with a current premium of $7,109 per year. If you elect to continue this coverage, the Company will work with the insurance carrier to have this policy assigned to you and will pay the premiums thereon in excess of $7,109 per year through June 30, 2019.

(i) In light of the fact that you will no longer be eligible to actively participate in Company-sponsored retirement plans after your Last Day, the Company will pay you $132,000 no earlier than September 30, 2017 and $181,500 on or about each of September 30, 2018 and September 30, 2019, in each case, less tax withholding and other deductions required by law.

(j) You will continue to receive a monthly car allowance of $1,200 through June 30, 2019, less tax withholding and other deductions required by law;

(k) Promptly following your Last Day, the Company will pay you for 6 weeks of unused vacation time;

(l) The Company will directly pay the reasonable costs of packing and shipping your household goods from your current residence to the Los Angeles, California metropolitan area that you incur within twelve (12) months following your Last Day. The payments under this Section 2(l) shall be made no later than March 15, 2018 and are subject to tax withholdings and other deductions required by law.

(m) The Company will reimburse you for the reasonable attorneys’ and tax advisory fees you incur in connection with the negotiation and execution of this Agreement, subject to a maximum reimbursement of $15,000.

(n) The Company will provide reasonable outplacement services through the Company’s Human Resources team.

(o) The Company will not contest any claim you may make for unemployment insurance benefits arising out of your employment and the separation from that employment with the Company, though the Company will provide information concerning your receipt of severance if such information is requested by the applicable government agency.

(p) You acknowledge that the special severance benefits stated above include compensation and benefits in addition to what you would otherwise be entitled to receive. The special severance benefits will not become due until on or after Effective Date. You further acknowledge and warrant that, except as explicitly provided in this Agreement, you are entitled to no additional payments of any type, including but not limited to wages, overtime, vacation, commission, bonus, severance, or sick days.

For the avoidance of doubt, in no event shall you be obligated to seek other employment or take any other action by way of mitigation of the payments and benefits payable to you hereunder, and such payments and benefits shall not be reduced by future compensation if you obtain other employment. For the avoidance of doubt, nothing herein shall be deemed to restrict your right to seek or accept employment with any other person or company.

3. Waiver and Release :

(a) Except as set forth in Sections 3(c) and 11 hereof, in exchange for the special enhanced severance benefits promised to you in this Agreement, and as a material inducement for that promise, you hereby WAIVE, RELEASE and FOREVER DISCHARGE the Company and/or related persons from any and all claims, rights and liabilities of every kind, whether or not you now know them to exist, which you ever had or may have arising out of your employment with the Company or termination of that employment. This WAIVER and RELEASE includes, but is not limited to, any claim for unlawful discrimination and/or retaliation under the Age Discrimination in Employment Act of 1967, as amended ("ADEA "), Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act of 1990, 42 U.S.C. § 1981, the New York State Executive Law, the New York City Administrative Code, any California state or local law, and any violation of any other federal, state or local constitution, statute, rule, regulation or ordinance, or for breach of contract, wrongful discharge, tort or other civil wrong. To the fullest extent permitted by law, you PROMISE NOT TO SUE or bring any charges, complaints or lawsuits related to the claims you are waiving by this Agreement against the Company and/or related persons in the future, individually or as a member of a class, and you will immediately withdraw with prejudice any such charges, complaints and lawsuits that you began before signing this Agreement. **Nothing in this Agreement shall limit or restrict your right under the ADEA to challenge the validity of this Agreement in a court of law or enforce its terms.**

(b) You fully understand and agree that, other than the Excepted Claims set forth in Section 3(c), this general release covers all claims of every nature and kind, known or unknown, suspected and unsuspected, vested or contingent, arising out of, or in any way connected with your employment with the Company. You fully understand that the purpose and effect of this Section 3(b) is so that, by this Agreement, you release any and all unknown and unsuspected claims. You expressly accept and assume the risk of the possibility of newly discovered additional or different facts or claims and agree that this Agreement shall be and remain effective notwithstanding such discovery.

(c) Notwithstanding the foregoing, this general release does not cover, and you have not waived or released, claims or rights that you may have against the Company by reason of, pursuant to and/or as otherwise provided by the language of documents related to: (i) indemnification under Section 12 of the Employment Agreement, under the formation documents, charters, bylaws or applicable insurance policies of the Company, or under any other law or statute affording you a right of indemnification, each in accordance with the terms of those documents and applicable law; (ii) vested benefits under the Company's Pension and Retirement Plan, the Company's 401(k) Plan, the Company's Supplemental Executive Retirement Plan or any deferred compensation benefit plan sponsored by the Company in which you participated during your employment; or (iii) enforcing the terms of this Agreement (the "Excluded Claims").

(d) If this Agreement is violated by the bringing or maintaining of any charges, claims, grievances, or lawsuits contrary to this Section 3, you will pay all costs and expenses of the Company and/or related persons in defending against such charges, claims or actions brought by you or on your behalf, including reasonable attorney's fees, and will be required to give back, at the Company's sole discretion, the value of anything paid by the Company in exchange for this Agreement. **This Section 3(d), however, will not apply to any claim you may bring to enforce your rights under the ADEA.**

(e) As referred to in this Agreement, "the Company and/or related persons" includes, individually and collectively, NC Transaction, Inc., its corporate parents, subsidiaries, affiliates and divisions, their respective successors and assigns, and all of their past and present directors, officers, representatives, shareholders, agents, employees, whether as individuals or in their official capacity, and the respective heirs and personal representatives of any of them.

(f) This WAIVER, RELEASE and PROMISE NOT TO SUE is binding on you, your heirs, legal representatives and assigns. **It does not apply to any claim that may arise under the ADEA after the date that you sign this Agreement.**

(g) The release herein extends to all disputes of every nature and kind whether known or unknown, suspected or unsuspected, past or present, and whether or not they arise out of or are attributable to the circumstances of your employment with the Company. You hereby expressly waive any and all rights under Section 1542 of the California Civil Code, which reads in full as follows:

> **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."**

4. <u>Employee Review Period</u> : You have a period of up to 21 days to review and consider this Agreement. You may choose to accept this Agreement at any point during this 21-day period. The parties mutually agree that any changes or revisions of this Agreement, even if material, will not extend the 21-day period for you to review and consider this Agreement, which is mutually acknowledged to have begun on the first date written above. You are advised to consult with an attorney before you sign this Agreement.

5. <u>Revocation; Effective Date</u> : You have the right to revoke this Agreement within 7 days of signing it. Your notice of revocation must be in writing and addressed and delivered to the attention of Keisha Smith-Jeremie, Chief Human Resources Officer, News Corporation, 1211 Avenue of the Americas, New York, New York 10036, by hand-delivery or by certified mail, return receipt requested, on or before the end of the 7-day period. This Agreement will not be effective or enforceable against the Company until 10 days after it has received your signed copy of this Agreement. That will be the " *Effective Date"* of this Agreement. If you timely revoke this Agreement, it will not become effective, and you will not receive the special severance benefits.

6. <u>Pension and 401k Benefits</u> : Your signing of this Agreement will have no effect on any rights you have or may have, if any, in the future to collect benefits under a pension plan or 401k plan you may have as a result of your employment with the Company. However, as of the "Last Day", the Company will no longer make contributions to any pension, 401k or retirement savings plan you may have participated in during your employment.

7. <u>Confidentiality; Non-Disparagement</u> :

(a) You will not disparage, denigrate or defame the Company and/or related persons, or any of their business products or services. The Company agrees not to denigrate, disparage or defame you provided that the Company for this purpose shall mean senior management of the Company. If you should need a reference in the future, you should instruct the potential employer to contact the Company's human resources department, which will provide a neutral reference in accordance with Company practice, providing only dates of employment, last position held and last salary. This requirement of confidentiality is **<u>a material inducement</u>** to both you and the Company to enter into this Agreement. This requirement will not prohibit you, the Company, or the senior management of the Company, from providing truthful testimony if required by law, and subject to your obligation to provide the Company prior notice of such legal requirement pursuant to Section 7(b) below. Notwithstanding the foregoing, this requirement will not prohibit you from reporting to any governmental agency or governmental entity information concerning possible violations of law or regulation.

(b) For ten years from the date of this Agreement, you will hold all of the Company's Confidential Information (as defined below) in strictest confidence, and will not, directly or indirectly, take, publish, use or disclose any of the Company's Confidential Information at any time after the termination of your employment, for any reason, except as may be required by law, *provided that* upon learning of any such legal requirement, you promptly provide the Company with written notice to the Company of any such legal requirement in enough time for it to try to obtain an appropriate protective order or other remedy unless you are specifically prohibited from providing notice to the Company by order of a court or government agency. For purposes of this Agreement, the phrase "Confidential Information" means personal information regarding past and present executives of the Company and its affiliates, including their family members, all trade secrets and information on costs, pricing, and materials, supplier information, customer lists and customer information, vendor lists and vendor information, employee lists and employee information, market share reports, customer contract terms and rates, account management, financial information, audit information, research, development, marketing plans, promotion plans, and/or compilations of information that was disclosed to or acquired by you during or in the course of your employment that relates to the business of the Company and is not generally available to the public or generally known in the Company's industry.

(c) Confidential Information does not include that information: (i) is, at the time of disclosure, in the public domain other than as a result of disclosure (whether by act or omission) by you or by other persons to whom you have disclosed such information; (ii) was available to you without an obligation of confidentiality prior to your employment with the Company; (iii) is independently developed by you having had no access to any Confidential Information and without the use of any such information; or (iv) becomes available to you without an obligation of confidentiality from a source, other than the Company, having the legal right to disclose such information.

(d) You agree that you will not use the Confidential Information for **personal gain** . In furtherance of this provision, you hereby **knowingly and voluntarily** assign to the Company any and all rights to publicity concerning any matter relating, directly or indirectly, to your employment by the Company, including, without limitation, any information you may have learned of or concerning the Company's executives, their families and those of its affiliates. In the event you ever receive any compensation for any publicity, story or other disclosure relating in whole or part to your employment with the Company or regarding information about its executives, their associates, or their family members, all such compensation shall be immediately given over to the Company. You understand and agree that the purpose and effect of this Section 7 is to prevent you from publicizing and/or disclosing any information about the Company, its executives and their family members, and you **voluntarily and knowingly consent** to these prohibitions and **freely assign** to the Company any and all right you ever may have to compensation derived out of a violation of any of the provisions contained in this Agreement.

(e) The restrictions and limitations contained in this Section 7 are reasonable as to scope and duration and are necessary to protect the Company's proprietary interest in its Confidential Information and to preserve for the Company, the competitive advantage derived from maintaining that Information as secret. In the event that any of the restrictions and limitations contained in this Section 7 are deemed to exceed the time or geographic limitations permitted by applicable law, then such provisions of this Section 7 shall be reformed to the maximum time and geographic limitations permitted by applicable law. You shall deal with the Confidential Information strictly in accordance with the terms of this Agreement.

(f) Nothing in this Section 7, or in any other provision of this Agreement, shall be construed to limit you from (i) complying with any valid subpoena or court order (about which you shall provide the Company with prompt notice of the subpoena or court order, a copy of the subpoena or court order, and a transcript of any testimony, all to the maximum extent permitted by applicable law or policy); (ii) cooperating with any government investigation; (iii) voluntarily communicating, without notice to or approval by the Company, with any government agency regarding a potential violation of any law or regulation; or (iv) cooperating with reasonable requests by the Company.

8. Non-Solicitation/Employer Interests . In order to protect the Company's and the Company's affiliates' goodwill with its clients, vendors and employees, and in consideration of the special severance benefits promised to you in this Agreement, you will not, until June 30, 2019, directly or indirectly, either personally or on behalf of any other entity (whether as a director, stockholder, owner, partner, consultant, principal, employee, agent or otherwise), engage in any of the following conduct: (a) solicit or recruit for employment, hire, employ, attempt to employ, engage or attempt to engage as a contractor or consultant any individual employed by the Company or its affiliates as of the date of this Agreement or during the last year of your employment, or entice or suggest to such individual to terminate his or her employment with the Company; or (b) take any action which is intended, or would reasonably be expected to, adversely affect the Company, its affiliates, their respective businesses, reputation, or relationship with their clients, business partners, or vendors.

9. Enforcement . You understand that the Company will have the right to sue you for violation of this Agreement and to collect monetary damages if a court finds that your violation of this Agreement resulted in any monetary loss to the Company and/or its affiliates. You agree that your violation of any of the terms of Sections 7 and 8 of this Agreement will result in irreparable harm and continuing damage to the Company for which monetary damages may not provide an adequate remedy. Therefore, in addition to the Company's right to sue you for money damages, you agree that the Company shall have the right to apply to a court for a temporary restraining order, and/or temporary or permanent injunction preventing you from violating the provisions of this Agreement. You hereby submit to the jurisdiction of the Supreme Court of the State of New York, and the United States District Court for the Southern District of New York, for the purpose of such enforcement and you waive, and agree not to assert, as a defense in any such action or proceeding, that you were not subject to the personal jurisdiction of any such court or that venue is improper for lack of residence, inconvenient forum or otherwise. You also agree that service of process (the method by which you may be served with any such court papers) may be made upon you by certified mail at your address last known to the Company. The Company may also have other rights and remedies it may have at any time against you, whether by law or under this Agreement. In the event of a breach of this Agreement, you agree to pay any costs and expenses, including reasonable attorneys' fees, incurred by the Company in attempting to enforce its rights and your obligations under this Agreement.

10. Cooperation . For a period of three (3) years after the termination of your employment, and during all reasonable times thereafter, you will (a) fully cooperate with the Company and its affiliates in providing truthful testimony as a witness or a declarant in connection with any present, future or threatened litigation, administrative or arbitral proceeding involving the Company and/or its affiliates

with respect to which you may have relevant information and (b) assist the Company and/or its affiliates during the investigatory and discovery phases (or prior thereto) of any judicial, administrative, internal, arbitral or grievance proceeding involving the Company and/or its affiliates and with respect to which you may have relevant information. The Company will, within thirty (30) days of your producing receipts satisfactory to the Company, reimburse you for any reasonable and necessary expenses incurred by you in connection with such cooperation. In addition, you shall reasonably cooperate with the Company's requests for information (e.g., director & officer questionnaires).

11. Indemnification . The Company will indemnify and defend you in accordance with the formation documents, charters, bylaws or applicable insurance policies of the Company, and in accordance with any other law or statute affording you a right of indemnification and defense, including but not limited to Section 145 of Title 8 of the Delaware Chancery Code, for any acts or omissions allegedly made by you in good faith in the course of your employment with the Company.

12. Return of Company Property : You represent that as of your Last Day, you will have returned to the Company any property of the Company which you may have in your possession, custody or control, no matter where located, and whether in electronic, paper or other format, including but not limited to, records, files, drawings, documents, models, disks, computers, and other equipment, and you shall not keep and copies or portions thereof, including any material contained on your personal computer which is currently located at your residence, if any, including any files you may have saved or downloaded from the Company's computer system. Notwithstanding the foregoing, you may retain your Company-issued laptop and phone provided you cooperate with the Company's IT group to delete permanently any Confidential Information resident on each device. You may also retain a copy of your contacts database and documents of a personal nature, including diaries, calendars and documents related to your compensation, employee benefits, expense reimbursements and personal taxes.

13. No Other Assurances : You acknowledge that in deciding to sign this Agreement you have not relied on any promises, statements, representations or commitments, whether spoken or in writing, made to you by any Company, including without limitation any statements made about this Agreement or the reasons for your employment termination, except for what is expressly stated in this Agreement and the Non-Disclosure Agreement you have previously executed (the "NDA"). This Agreement and your previously executed NDA constitute the entire understandings and agreements between you and the Company, and replace and cancel all previous agreements and commitments, whether spoken or written, in connection with or related to the termination of your employment, offered severance benefits and all other matters described herein.

14. No Claims Representation . You represent and warrant that you are not aware of any factual or legal basis for any legitimate claim that the Company and/or related persons is in violation of any whistleblower, corporate compliance, or other regulatory obligation under international, federal, state or local law, rule or regulation. You represent and warrant that you have not filed, caused another to file, or suggested to another that he or she file any complaint against the Company and/or related persons with any international, federal state or local government agency, including without limitation the U.S. Department of Labor, the U.S. Occupational Safety and Health Administration, any state or federal tax authority, or any other agent, agency, department or branch of any government (the "Government") asserting a claim or claims having any connection with your employment, including without limitation and claims for violations of any securities and/or tax laws, and/or retaliation and you represent and promise that you will not do so at any point in the future, either directly or indirectly. You further represent and warrant that (i) you have not contacted the Government, or caused another or suggested to another that he or she do so, and (ii) informed, or caused another or suggested to another that he or she inform the Government in any way of any alleged violation of law by the Company and/or related persons, including without limitation any alleged violation of any tax or securities law or regulation, and you represent and promise that you will not do so, or cause another, or suggest to another that he or she

do so, either directly or indirectly, at any point in the future. You represent and warrant that you have not assigned, sold or in any way transferred any rights or claims you may have against the Company to another. The Company represents and warrants that no executive officer (as defined under U.S. Securities and Exchange Exchanges rules) of the Company or member of the Board of Directors of the Company is aware of any factual or legal basis for any legitimate claim that the Executive is in violation of any whistleblower, corporate compliance, or other regulatory obligation under international, federal, state or local law, rule or regulation.

15. Governing Law; Jurisdiction : This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of New York, without regard to its conflict of laws principles. Any action arising out of or relating to this Agreement will be brought and prosecuted only in that State. Each of the Company and you hereby consent to the jurisdiction and venue of any courts of or in New York County, New York.

16. Modification in Writing : No oral agreement, statement, promise, commitment or representation shall alter or terminate the provisions of this Agreement. This Agreement cannot be modified except by written agreement signed by both you and an authorized Company representative.

17. Severability : If any term, provision, covenant or restriction contained in this Agreement, or any part thereof, is held by a court of competent jurisdiction or any foreign, federal, state, county or local government or any other governmental regulatory or administrative agency or authority or arbitration panel to be invalid, void, unenforceable or against public policy for any reason, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect.

18. No Admission of Liability : This Agreement does not constitute an admission of any unlawful discriminatory acts or liability of any kind by the Company and/or related persons, or anyone acting under their supervision or on their behalf. This Agreement may not be used or introduced as evidence in any legal proceeding, except to enforce or challenge its terms.

19. Re-Execution : On your Last Day, you must sign a copy of this Agreement and not timely revoke it in order for you to receive the special severance benefits set forth above in Section 2.

20. Change in Control . For the avoidance of doubt, the Company's obligations under this Agreement shall continue following any change in control of or other transaction involving the Company. In the event there is a change in the ownership or effective control of the Company (as determined pursuant to Section 409A of the Internal Revenue Code (the "Code")), the Company shall create a "rabbi" trust dedicated solely to paying the cash amounts then owed to you pursuant to Section 2 of this Agreement, and shall fund such rabbi trust with cash equal to such cash amounts immediately prior to the consummation of such change in ownership or effective control.

21. Section 409A .

(a) This Agreement is intended to comply with Section 409A of the Code, and will be interpreted accordingly.

(b) To the extent any reimbursements or in-kind benefits due to the Executive under this Agreement constitute "deferred compensation" under Section 409A of the Code, any such reimbursements or in-kind benefits shall be paid to the Executive in a manner consistent with Treas. Reg. Section 1.409A-3(i)(1)(iv). Additionally, to the extent that the Executive's receipt of any in-kind benefits from the Company or its affiliates must be delayed pursuant to this Section due to his status as a "specified employee", the Executive may elect to instead purchase and receive such benefits during the period in which the provision of benefits would otherwise be delayed by paying the Company (or its affiliates) for the fair market value of such benefits (as determined by the Company in good faith) during such period. Any amounts paid by the Executive pursuant to the preceding sentence shall be reimbursed to the Executive (with interest thereon) as described above on the date that is six months following his separation from service.

(c) Each payment made under this Agreement shall be designated as a “separate payment” within the meaning of Section 409A of the Code.

(d) The Company shall consult with the Executive in good faith regarding the implementation of the provisions of this Section. Without limiting the generality of the foregoing, the Executive shall notify the Company if he believes that any provision of this Agreement (or of any award of compensation, including equity compensation, or benefits) would cause the Executive to incur any additional tax under Code Section 409A and, if the Company concurs with such belief after good faith review or the Company independently makes such determination, then the Company shall, after consulting with the Executive, use reasonable best efforts to reform such provision to comply with Code Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Code Section 409A.

(e) Any amount that the Executive is entitled to be reimbursed for any business-related expenses borne by employee under this Agreement will be reimbursed to the Executive as promptly as practical and in any event not later than the last day of the calendar year after the calendar year in which the expenses are incurred. Expenses eligible for reimbursement during any calendar year will not affect the amount of expenses eligible for reimbursement in any other calendar year.

(f) Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(g) Unless this Agreement provides a specified and objectively determinable payment schedule to the contrary, to the extent that any payment of base salary or other compensation is to be paid for a specified continuing period of time beyond the Executive’s termination of employment in accordance with the Company’s payroll practices (or other similar term), the payments of such base salary or other compensation shall be made on a monthly basis.

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22. Acknowledgement: By signing this Agreement, you acknowledge and adopt the following declaration:

I, Bedi Ajay Singh, acknowledge that I have carefully read and considered this Agreement; that I have been given the opportunity to review this Agreement with legal or other advisors of my choice; that I understand that by signing this Agreement I RELEASE legal claims and WAIVE certain rights; and that I freely and voluntarily consent to all terms of this Agreement with full understanding of what they mean. I further acknowledge and agree that I am signing this Agreement based solely on the statements contained herein and not in reliance on any statements made to me that are not set forth in this Agreement.

BEDI AJAY SINGH

/s/ Bedi Ajay Singh
Signature of Employee

NEWS CORPORATION

By: /s/ Keisha Smith-Jeremie
Name: Keisha Smith-Jeremie
Title: Chief Human Resources Officer

Exhibit 10.2

CONSULTING AGREEMENT

CONSULTING AGREEMENT (this “Agreement”) made as of February 24, 2017 and effective March 1, 2017 (the “Effective Date”), by and between Bedi Ajay Singh the “Consultant”) and News Corporation (together with its subsidiaries and affiliates, the “Company”).

1. Service as Consultant .

(a) Consulting Services . The Consultant agrees to perform and provide to the Company the services set forth in Appendix A (the “Consulting Services”). The parties anticipate that the level of services the Consultant provides hereunder shall be less than 20% of the average services the Consultant provided to the Company in the 36 months preceding the Effective Date.

(b) Payment for Services . The Company shall pay the Consultant $12,500 per month (the “Compensation”) in exchange for his performance of the Consulting Services. The Compensation shall be paid in arrears on a monthly or more frequent basis in accordance with the Company’s policies and procedures. If the Consultant breaches any provision of this Agreement, he shall not be entitled to receive any further Compensation hereunder. The Company will provide Forms 1099 for tax filing purposes.

(c) Expenses; Support . The Company shall reimburse and provide continued use of a corporate credit card to the Consultant for reasonable well-documented travel and other business expenses incurred in connection with his performance of the Consulting Services. The Consultant shall comply with such reasonable limitations and reporting requirements with respect to such expenses as may be established by the Company from time to time. The Company will provide to the Consultant executive assistance support, a pass for building access, executive travel booking support, a tech kit and tech support for the duration of the Term (as defined below).

(d) Relationship of the Parties . The Consultant acknowledges that the Company has no right to direct or control his performance of Consulting Services hereunder and that he shall be treated as an independent contractor for all purposes. As such, the Consultant shall not participate in any employee benefit plan of the Company or an affiliate and no income or other taxes shall be withheld from the Consultant’s Compensation except to the extent required by applicable law. The Consultant shall obey and comply with all policies regarding conduct required by the Company including without limitation, Company’s Standards of Business Conduct and Electronic Communications Policy, copies of which Consultant acknowledges receipt.

(e) Term for Providing Consulting Services .

(i) The Consultant shall provide Consulting Services commencing on the Effective Date and continuing until August 31, 2017, unless terminated earlier in accordance with Section 1 (e)(ii) hereof (the “Initial Term “); provided, that the Initial Term (and any subsequent Renewal Terms) may be extended at any time prior to the expiration thereof upon the mutual written consent of the Company and the Consultant (each such extension, a "Renewal Term" and together with the Initial Term, the "Term").

(ii) (A) The Company may terminate this Agreement (i) with thirty (30) days' written notice upon the Consultant's breach of this Agreement and the Consultant fails to cure such breach within ten (10) calendar days after receipt of written notice of such default from the Company or (ii) immediately upon the Consultant's violation of any nonsolicitation, confidentiality or other similar covenant in any agreement between the Consultant and the Company. Upon such termination, the Consultant shall be entitled to the Compensation only for services rendered in accordance with this Section 1 prior to the date of termination.

(B) The Consultant may terminate this Agreement within thirty (30) days' written notice if the Company breaches an obligation under and fails to cure such breach within ten (10) calendar days after receipt of written notice of such default from the Consultant.

(C) The provisions of this Section 1 shall be automatically terminated upon the Consultant's death or disability, and the Consultant (or, if applicable, his estate or beneficiaries) shall not be entitled to any amount hereunder except for any unpaid Compensation accrued up to the date of his death or disability.

2. Non-Disclosure . During the Term and thereafter, the Consultant agrees that he shall not, directly or indirectly, disclose to anyone outside of the Company any Confidential Information (as hereinafter defined) or use any Confidential Information other than pursuant to my relationship with and for the benefit of the Company, except as may be required by law or legal proceeding. The term "Confidential Information" means any and all information of a proprietary or confidential nature whether prepared or developed by or for the Company or received by the Company from any outside source. All Confidential Information and copies thereof are the sole property of the Company. Notwithstanding the foregoing, the term Confidential Information shall not apply to information that the Company has voluntarily disclosed to the public without restriction, or which has otherwise lawfully entered the public domain or otherwise is or has been made available to the Consultant without restriction.

3. Return of Property . At any time upon request of the Company, Consultant agrees that he shall destroy or return all copies of all Confidential Information.

4. Cooperation . Following the expiration or termination of the Agreement, Consultant agrees to cooperate with the Company and its affiliates upon the Company's request and to be available to the Company and its affiliates with respect to matters arising out of this Agreement at reasonable times and places and upon reasonable notice.

5. Miscellaneous .

(a) This Agreement by and between the Consultant and the Company constitutes the entire agreement between the parties hereto with respect to the Consultant's performances of consulting services, and supersedes and is in full substitution for any and all prior understandings or agreements, whether oral or written, with respect to the Consultant's engagement. For the avoidance of doubt, this Agreement does not supersede any separation agreement or similar agreement between the Company and the Consultant.

(b) This Agreement may be amended only by an instrument in writing signed by the parties hereto, and any provision hereof may be waived only by an instrument in writing signed by the party against whom or which enforcement of such waiver is sought.

(c) This Agreement is binding on and is for the benefit of the parties hereto and their respective successors, heirs, executors, administrators and other legal representatives. Neither this Agreement nor any right or obligation hereunder may be assigned by the Consultant.

(d) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(e) This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The headings in this Agreement are inserted for convenience of reference only and shall not be a part of or control or affect the meaning of any provision hereof.

(f) All provisions of this Agreement are intended to be severable. In the event any provision or restriction contained herein is held to be invalid or unenforceable in any respect, in whole or in part, such finding will in no way affect the validity or enforceability of any other provision of this Agreement.

(g) The Consultant acknowledges and confirms that he has had the opportunity to seek such legal, financial and other advice and representation as he has deemed appropriate in connection with this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

NEWS CORPORATION

/s/ Keisha Smith-Jeremie

Name: Keisha Smith-Jeremie
Title: Chief Human Resources Officer

BEDI AJAY SINGH

/s/ Bedi Ajay Singh

APPENDIX A

CONSULTING SERVICES

The Consultant hereby agrees that he shall perform the following Consulting Services for the Company:

Serve as a Special Advisor to the Company on the Company's portfolio of real estate businesses in India and Move, Inc.

As requested by the Company, serve on the Advisory Board of Move, Inc.

Exhibit 10.3

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (this "Agreement"), dated as of February 23, 2017 and effective as of March 1, 2017 (the "Effective Date"), between News Corporation, a Delaware corporation (the "Company"), with offices at 1211 Avenue of the Americas, New York, NY 10036, and Susan Panuccio, residing at the address that is on file with the Company (the "Executive").

W I T N E S S E T H :

WHEREAS , the Executive is currently employed as the Chief Financial Officer of News Corp Australia pursuant to an employment agreement between News Corp Australia, a wholly owned subsidiary of the Company, and the Executive, dated as of September 4, 2013 (the "Prior Agreement"); and

WHEREAS , the Company and the Executive wish to set forth the terms and conditions of the Executive's employment.

NOW, THEREFORE, in consideration of the premises and mutual agreements hereinafter contained, the parties hereto agree as follows:

1. Duties .

(a) The Company agrees to employ the Executive and the Executive agrees to be employed by the Company for the Term (as hereinafter defined). During the Term, the Executive shall: (i) have the title and the duties of Chief Financial Officer of the Company; and (ii) report directly to the Chief Executive Officer of the Company.

(b) If the Executive is elected as a member of the board of directors or an officer of the Company or any subsidiaries or affiliates, the Executive agrees to serve in such capacity or capacities without additional compensation.

(c) During the Term the Executive shall devote substantially all of the Executive's business time and attention and give the Executive's best efforts and skill to furthering the business and interests of the Company and to the performance of executive duties consistent with the Executive's position as Chief Financial Officer of the Company and the terms of this Agreement.

2. Term . "Term" as used herein shall mean the period from the Effective Date through June 30, 2020; provided, however, if the Term is terminated earlier in accordance with this Agreement, the Term shall mean the period from the Effective Date through the effective date of such earlier termination. The Term shall be terminated earlier only in accordance with Sections 8 and 9. Not later than six (6) months prior to the end of the Term, the parties hereto shall begin discussions to determine whether they are interested in continuing the employment of the Executive after the Term, and if so, they shall enter into good faith negotiations with respect to such continuing employment

Following the completion of the Term, except to the extent set forth in this Agreement, (i) the provisions of this Agreement will automatically expire and (ii) in the absence of a new written employment contract signed by both the Executive and an authorized representative of the Company, any continued employment with the Company will be at will, of no fixed term and may be terminated (with at least ten (10) business days' prior written notice) at any time by either the Executive or the Company for any or no reason.

3. Location . The Executive shall be based and essentially render services in the New York City metropolitan area at the principal office maintained by the Company in such area. The Executive will travel as reasonably required to perform the Executive's functions hereunder.

4. Compensation .

(a) Base Salary . As compensation for the Executive's services, the Executive shall receive a base salary at an annual rate of not less than $ 1,100,000 (the "Base Salary") to be paid in the same manner as other senior executives of the Company are paid (which shall be no less frequently than monthly).

(b) Annual Bonus . Beginning with the Fiscal Year 2018 which ends June 30, 2018, the Executive will be eligible to receive an annual bonus (the "Annual Bonus") with a target (the "Annual Bonus Target") of not less than $1,100,000. The actual payout of the Annual Bonus will be calculated based upon the metrics and targets established and approved by the Compensation Committee. Any Annual Bonus granted shall be paid in cash at the same time as other senior executives of the Company are paid, and in all events no later than March 15 of the calendar year following the calendar year in which the applicable fiscal year ends.

(c) Long-Term Incentive . The Executive shall also be entitled to receive an annual award under the Company's 2013 Long-Term Incentive Plan, as amended and restated, or any other Company performance-based long-term equity-based incentive program (the "Plan"), in accordance with the terms and conditions of the Plan, that has a target value of not less than $1,100,000 beginning with the fiscal 2018-2020 awards granted in the August 2017 cycle (the "Equity Bonus"). The Equity Bonus shall be in a form and subject to terms and conditions, including claw-back provisions, determined by the Company and consistent with those of equity awards to comparable senior executives of the Company.

5. Other Benefits . The Executive shall be entitled to the following benefits (collectively, the "Benefits"):

(a) The Executive shall be entitled to participate in all of the following incentive or benefit plans or arrangements presently in effect or hereafter adopted by the Company or its applicable affiliates and to such other perquisites as are applicable to other senior executives of the Company of equal rank, including, but not limited to, any profit-sharing, pension, group medical, dental, disability and life insurance or other similar benefit plans.

(b) The Executive shall be entitled to six (6) weeks of paid vacation annually, subject to the terms of the Company's vacation policy. All accrued vacation days should be used in the year in which they are earned as the Company does not allow carryover of unused vacation days or provide for a cash payout in respect of such days upon a termination of employment.

(c) The Company will provide to the Executive an Executive Relocation support package including Company-provided services to assist the Executive with relocation of the Executive and her family from Australia to New York, as well as a one-time cash payment of $50,000 for relocation support and provide temporary housing for 11 months.

6. Business Expenses . During the Term, the Company shall pay, or reimburse the Executive for, all expenses reasonably and necessarily incurred by the Executive in connection with the Executive's performance of the Executive's duties hereunder. Such business expenses shall be reimbursed as provided in Section 23(f).

7. Confidentiality; Restriction on Competition .

(a) The Executive shall hold all of the Company's Confidential Information (as hereinafter defined) in strictest confidence, and will not, directly or indirectly, take, publish, use or disclose any of the Company's Confidential Information at any time after the termination of the Executive's employment, for any reason, except as may be required by law, provided that upon learning of any such legal requirement, the Executive shall promptly provide the Company with written notice to the Company of any such legal requirement in enough time for it to try to obtain an appropriate protective order or other remedy. For purposes of this Agreement, the phrase "Confidential Information" means personal information regarding past and present executives of the Company and its affiliates, including their family members, all trade secrets and information on costs, pricing, and materials, supplier information, customer lists and customer information, vendor lists and vendor information, employee lists and employee information, market share reports, customer contract terms and rates, account management, financial information, audit information, research, development, marketing plans, promotion plans, and/or compilations of information that was disclosed to or acquired by the Executive during or in the course of the Executive's employment that relates to the business of the Company and is not generally available to the public or generally known in the Company's industry.

(b) Confidential Information does not include that information which the Executive can affirmatively prove by clear and convincing evidence: (i) is, at the time of disclosure, in the public domain other than as a result of disclosure (whether by act or omission) by the Executive or by other persons to whom the Executive has disclosed such information; (ii) was available to the Executive without an obligation of confidentiality prior to the Executive's employment with the Company; (iii) is independently developed by the Executive having had no access to any Confidential Information and without the use of any such information; or (iv) becomes available to the Executive without an obligation of confidentiality from a source, other than the Company, having the legal right to disclose such information.

(c) All papers, books, records, files, proposals or other documents, and all computer software, software applications, files, data bases, and the like relating to the business and affairs of the Company or which contain Confidential Information, whether prepared by the Executive or otherwise coming into the Executive's possession, shall remain the exclusive property of the Company and shall not be removed from its premises except as necessary for the performance of the Executive's responsibilities and in furtherance of the interests of the Company. Upon the termination of the Executive's employment for any reason, the Executive will immediately surrender and turn over to the Company any property of the Company which the Executive may have in the Executive's possession, custody or control, no matter where located, and whether in electronic, paper or other format, including but not limited to, records, files, drawings, documents, models, disks, computers and other equipment, and the Executive shall not keep any copies or portions thereof, including any material contained on the Executive's personal computer which is currently located at the Executive's residence, if any, including any files the Executive may have saved or downloaded from the Company's computer system.

(d) While the Executive is employed by the Company and after the Executive's employment terminates for whatever reason, the Executive agrees not to publicly criticize the Company, its corporate affiliates, or subsidiaries, and their respective officers, directors, shareholders or employees and agree further not to speak of the Company, its parent, affiliates, officers, shareholders or employees in an unflattering way (other than truthful testimony under oath).

(e) In order to protect the Company's goodwill with its clients, vendors and employees, during the Term and for one (1) year following termination of the Executive's employment for any reason, the Executive shall not, directly or indirectly, either personally or on behalf of any other entity (whether as a director, stockholder, owner, partner, consultant, principal, employee, agent or otherwise), engage in any of the following conduct: (a) canvass, solicit or accept any business on behalf of any of the Company's competitors from any business or organization that had interacted with the Company during the last three (3) years of the Executive's employment; (b) solicit or recruit for employment, hire, employ, attempt to employ, or engage or attempt to engage as a contractor or consultant any individual employed by the Company or its affiliates, or entice or suggest to such individual to terminate his or her employment with the Company; or (c) take any action which is intended, or would reasonably be expected to, adversely affect the Company, its subsidiaries, or their respective businesses, reputation, or relationship with their clients, business partners or vendors.

(f) During the Term, the Executive shall not engage, and shall not solicit any employees of the Company or its affiliates to engage, in any other commercial activities that may in any way interfere with the performance of the Executive's duties or responsibilities to the Company. During the Term and for one (1) year following termination of the Executive's employment for any reason, the Executive shall have no interest, directly or indirectly, in any business or prospective business (whether conducted by a natural person, partnership, corporation or other entity) whose products, services or activities materially compete or seek to compete, in whole or in part, with business conducted by the Company (a "Competing Business") and the Executive shall perform no services for any person, partnership, corporation or other entity engaged in any such business. The foregoing does not prohibit the Executive's ownership of less than one percent (1%) of the outstanding common stock of a company whose shares are publicly traded.

(g) The Executive shall at all times be subject to, comply with and carry out such rules, regulations, policies, directions and restrictions applicable to the Company's employees generally as the Company may from time to time establish, including, without limitation, News Corporation's Standards of Business Conduct, Electronic Communications

Policy and Claw-back Policies, as well as those imposed by law. The Executive acknowledges that the Executive has received copies of such policies, and has reviewed, understands and will comply with such policies.

(h) The Executive acknowledges that the relationship between the Executive and the Company is exclusively that of employer and employee and that the Company's obligations to the Executive are exclusively contractual in nature. The Company shall be the sole owner of all the fruits and proceeds of the Executive's services hereunder, including, but not limited to, all ideas, concepts, formats, suggestions, developments, arrangements, designs, packages, programs, promotions and other intellectual properties which the Executive may create in connection with and during the Term, free and clear of any claims by the Executive (or anyone claiming under the Executive) of any kind or character whatsoever (other than the Executive's right to compensation hereunder). The Executive shall, at the request of the Company, execute such assignments, certificates or other instruments as the Company may from time to time deem necessary or desirable to evidence, establish, maintain, perfect, protect, enforce or defend its right, title and interest in or to any such properties.

(i) The Company shall have the right to use the Executive's name, biography and likeness in connection with its business, including in advertising its products and services, and may grant this right to others, but not for use as a direct endorsement.

8. Termination by the Company . The Executive's employment hereunder may be terminated by the Company without any breach of this Agreement only under the following circumstances:

(a) The Executive's employment hereunder shall terminate upon the Executive's death.

(b) If, as a result of the Executive's incapacity and disability due to physical or mental illness, the Executive shall have been absent from the Executive's duties hereunder for a period of seven (7) months during the Term and is unable to provide the Company with a note from the Executive's treating physician that provides for a definite and reasonable return to work date, the Company may terminate the Executive's employment hereunder.

(c) The Company may terminate the Executive's employment hereunder for "cause" (as hereinafter defined). For purposes of this Agreement, "cause" shall mean: (i) the Executive is convicted of, or pleads guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) the Executive engages in conduct that constitutes willful neglect or willful misconduct in carrying out the Executive's duties under this Agreement, and such breach remains uncured following fifteen (15) days prior written notice given by the Company to the Executive specifying such breach, provided such breach is capable of being cured; (iii) the Executive has breached any material representation, warranty, covenant or term of this Agreement, including among other things, a breach of written Company policy, and such breach remains uncured following twenty-one (21) days' prior written notice specifying such breach given by the Company to the Executive, provided such breach is capable of being cured; (iv) the Executive's act of fraud or dishonesty in the performance of the Executive's job duties; (v) the Executive intentionally engages in conduct which impacts negatively and materially on the reputation or image of the Company, its affiliates or any of their respective products; and/or (vi) the Executive's use of or addiction to illegal drugs.

(d) The Company may terminate the Executive's employment other than for cause, death or disability, subject to Section 10(d).

(e) Any termination of the Executive's employment by the Company (other than termination pursuant to subsection (a) of this Section 8) shall be communicated by a written Notice of Termination to the Executive. For purposes of this Agreement, a "Notice of Termination" shall mean a notice that shall indicate the specific termination provision in this Agreement relied upon and shall set forth in full detail the facts and circumstances claimed to provide the basis for termination of the Executive's employment under the provision so indicated.

(f) "Date of Termination" shall mean (i) if the Executive's employment is terminated by the Executive's death, the date of this death, or (ii) if the Executive's employment is terminated pursuant to subsections (b), (c) or (d) of this Section 8, the date specified in the Notice of Termination.

9. Termination by the Executive .

(a) At the Executive's option, and provided the foregoing occurrences satisfy "Good Reason" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 1.409A-1(n)(2)(ii) of the Treasury Regulations promulgated thereunder, the Executive may terminate the Executive's employment without any breach of this Agreement only under the following circumstances:

(i) in the event of a material breach of the Agreement by the Company, which breach, if curable, is not cured within thirty (30) days after the Chief Human Resources Officer and the Chief Executive Officer of the Company each receive written notice specifying such breach;

(ii) if the Executive is required to be based and essentially render services in areas other than within 50 miles of the New York City metropolitan area; or

(iii) if there is a material diminution in the Executive's duties thereby diminishing the Executive's role.

(b) Any Good Reason termination of the Executive's employment by the Executive shall be communicated by a written Notice of Termination to the Company within ninety (90) days of the condition giving rise to such Good Reason first occurring, and the Company shall have thirty (30) days from such notice to cure the condition giving rise to such Good Reason, as set forth in Section 1.409A-1(n)(2)(C) of the Treasury Regulations.

10. Compensation upon Termination .

(a) If the employment of the Executive is terminated pursuant to Section 8(a), by reason of the Executive's death, the Company agrees to pay directly to the Executive's surviving spouse (or to another recipient designated in writing by the Executive from time to time), or if the Executive's spouse shall not survive the Executive, then to the legal representative of the Executive's estate: (i) for a period of twelve (12) months (commencing with the Date of Termination) an amount equal to and payable at the same rate as the Executive's then current Base Salary; (ii) any Annual Bonus payable but not yet paid with respect to any fiscal year ended prior to the Date of Termination (the "Unpaid Prior Year Bonus"), payable no later than the time specified in Section 4(b); (iii) a pro rata portion of the Annual Bonus Executive would have earned for the fiscal year of termination had no termination occurred (calculated based on the Annual Bonus Target and number of days the Executive was employed by the Company in the fiscal year during which the Date of Termination occurs compared to the total number of days in such fiscal year), payable no later than the time specified in Section 4(b); and (iv) with respect to Equity Bonus awards or awards under the Plan, vesting, payment and other terms as provided for herein or under the terms of the applicable Plan documents. The foregoing payments shall be in addition to what the Executive's spouse, beneficiaries or estate may be entitled to receive pursuant to any employee benefit plan or life insurance policy then provided to the Executive or maintained by the Company. The payments provided for in this Section 10(a) shall fully discharge the obligations of the Company and its affiliates hereunder and the Company and its affiliates shall be under no obligation to provide any further compensation to the Executive, the Executive's surviving spouse or the legal representative of the Executive's estate.

(b) During any period that the Executive fails to perform the Executive's duties hereunder as a result of incapacity and disability due to physical or mental illness, the Company shall (i) continue to provide to the Executive the then current Base Salary and the Benefits until the Executive returns to the Executive's duties or until the Executive's employment is terminated pursuant to Section 8(b) and (ii) with respect to Equity Bonus awards or awards under the Plan, vesting, payment and other terms as provided for herein or under the terms of the applicable Plan documents; provided, however, that should the Executive fail to perform the Executive's duties but remain employed for a period of twelve (12) months, the Company will cease paying the Base Salary. The foregoing payments shall be in addition to what the Executive may be entitled to receive pursuant to any disability benefit plan then provided to the Executive or maintained by the Company. The payments provided for in this Section 10(b) shall fully discharge the obligations of the Company and its affiliates hereunder and the Company and its affiliates shall be under no obligation to provide any further compensation to the Executive.

(c) If the Executive's employment shall be terminated for cause pursuant to Section 8(c), the Executive shall receive the then current Base Salary and the Benefits through the Date of Termination and any Unpaid Prior Year Bonus, payable no later than the time specified in Section 4(b). The payments provided for in this Section 10(c) shall fully discharge the obligations of the Company and its affiliates hereunder and the Company and its affiliates shall be under no obligation to provide any further compensation to the Executive.

(d) If the Company shall terminate the Executive's employment pursuant to Section 8(d), or if the Executive shall terminate the Executive's employment hereunder pursuant to Section 9, the Executive shall receive: (i) the greater of (A) the then current Base Salary and the Annual Bonus in the same manner as though the Executive continued to be employed hereunder through June 30, 2020, with the amount of the Annual Bonus payment(s) equal to the Annual Bonus Target, and (B) each of the then current Base Salary and the Annual Bonus paid in the same manner as though the Executive continued to be employed hereunder for the successive twenty four (24) months following the Date of Termination, with the amount of the Annual Bonus payment(s) equal to the Annual Bonus Target; (ii) any Unpaid Prior Year Bonus, payable no later than the time specified in Section 4(b)); (iii) a pro rata portion of the Annual Bonus Executive would have earned for the fiscal year of termination had no termination occurred (calculated based on the Annual Bonus Target and number of days the Executive was employed by the Company in the fiscal year during which the Date of Termination occurs compared to the total number of days in such fiscal year), payable no later than the time specified in Section 4(b); and (iv) continued vesting of any Equity Bonus awards or awards under the Plan that were granted prior to the Date of Termination in the same manner as though the Executive continued to be employed through June 30, 2020 with payments made at the same times they would have been made had the Executive continued to be employed through such date (and, for the avoidance of doubt, any Equity Bonus awards that would not have been payable but for continued employment through a date after June 30, 2020 shall be forfeited); and (v) and Company paid premiums under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), for you and your eligible dependents through June 30, 2020 which amounts shall either be paid directly or reimbursed to you by the Company. The payments provided for in this Section 10(d) shall fully discharge the obligations of the Company and its affiliates hereunder and the Company and its affiliates shall be under no obligation to provide any further compensation to the Executive.

(e) A precondition to the Company's obligation to pay compensation and provide benefits to the Executive (or the Executive's surviving spouse or the legal representative of the Executive's estate) pursuant to this Section 10 shall be the execution and non-timely revocation by the Executive, or as the case may be, the Executive's surviving spouse or the legal representative of the Executive's estate, of the Company's then standard separation agreement and general release and the continued compliance with the terms, conditions and covenants set forth therein.

(f) For the avoidance of doubt, any post-employment bonus payments or equity grants that vest or remain eligible for vesting will remain subject to the News Corporation claw-back policies and terms and conditions of the applicable Plan documents.

(g) Without duplicating any benefits set forth in this Section 10, upon any termination of employment, the Executive (or the Executive's spouse, beneficiaries or estate) will be entitled to any unreimbursed business expenses approved in accordance with the Company's policy and due the Executive through termination and to receive any benefits vested, and to make all elections and receive all payments and rights under all employee benefit, pension, insurance and other plans in which the Executive participated in accordance with the terms and conditions of the plan concerned. Such business expenses shall be reimbursed as provided in Section 23(f).

(h) The Executive shall have no duty to mitigate the Executive's damages hereunder and any income earned by the Executive following the Executive's termination without cause (as defined in Section 8(c)) or the Executive's resignation pursuant to Section 9 shall not reduce the compensation payable to the Executive hereunder.

11. Survival of Agreement . This Agreement shall inure to the benefit of the Company and any other successors and general assigns of the Company or any other corporation or entity which is a parent, subsidiary or affiliate of the Company to which this Agreement is assigned, and any other corporation or entity into which the Company may be merged or with which it may be consolidated. For purposes of clarity, the Company may assign this Agreement in the event of an asset or stock sale of all or a majority of the Company to the controlling corporation or entity surviving or resulting from such asset or stock sale. The terms, conditions, promises and covenants set forth in Sections 7 through 23 shall survive the termination of this Agreement and the Executive's employment (in accordance with their respective terms) for any reason.

12. Indemnity; Cooperation .

(a) The Company shall indemnify the Executive and hold the Executive harmless from any cost, expense or liability arising out of or relating to any acts, omissions or directions made by the Executive in the course of performing the Executive's duties in good faith under this Agreement.

(b) During the Term and for a period of three (3) years after the termination of the Executive's employment, and during all reasonable times thereafter, the Executive will (i) fully cooperate with the Company in providing truthful testimony as a witness or a declarant in connection with any present or future litigation, administrative or arbitral proceeding involving the Company or any of its affiliates with respect to which the Executive may have relevant information and (ii) assist the Company during the investigatory and discovery phases (or prior thereto) of any judicial, administrative, internal, arbitral or grievance proceeding involving the Company or any of its affiliates and with respect to which the Executive may have relevant information. The Company will, within thirty (30) days of the Executive producing receipts satisfactory to the Company, reimburse the Executive for any reasonable and necessary expenses incurred by the Executive in connection with such cooperation.

(c) Without limiting any other provision of this Agreement, this Section 12 shall survive the termination or expiration of this Agreement for any reason whatsoever.

13. Notices . All notices, requests, demands or other communications provided for hereby shall be in writing and shall be deemed to have been duly given (a) when delivered personally, (b) one (1) day after having been sent by telegram, telecopy or similar electronic means, or by overnight courier service against receipt, or (c) four (4) days after having been sent within the continental United States by first-class certified mail, return receipt requested, postage prepaid, to the other party. Any notices to the Executive shall be sent to the last known address of the Executive on record with the Company.

14. Governing Law . This Agreement shall be enforced, governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of law principles. Each party hereby submits to the exclusive jurisdiction of the Supreme Court of the State of New York, and the United States District Court for the Southern District of New York,

for the purpose of enforcement of this Agreement and waives, and agrees not to assert, as a defense in any such action or proceeding, that such party was not subject to the personal jurisdiction of any such court or that venue is improper for lack of residence, inconvenient forum or otherwise. The parties also agree that service of process (the method by which a party may be served with any such court papers) may be made by overnight mail at the applicable address set forth in Section 13. The Company may also have other rights and remedies it may have at any time against the Executive, whether by law or under this Agreement.

15. Construction . Each party acknowledges that such party has participated with, at its option, the advice of counsel, in the preparation of this Agreement. The language of all provisions of this Agreement shall in all cases be construed as a whole, extending to it its fair meaning, and not strictly for or against either of the parties. The parties agree that they have jointly prepared and approved the language of the provisions of this Agreement and that should any dispute arise concerning the interpretation of any provision hereof, neither party shall be deemed the drafter nor shall any such language be presumptively construed in favor of or against either party.

16. Severability . The conditions and provisions set forth in this Agreement shall be severable, and if any condition or provision or portion thereof shall be held invalid or unenforceable, then said condition or provision shall not in any manner affect any other condition or provision and the remainder of this Agreement and every section thereof construed without regard to said invalid condition or provision, shall continue in full force and effect.

17. Assignment . Neither party shall have the right, subject to Section 11, to assign the Executive's rights and obligations with respect to the Executive's actual employment duties without the prior consent of the other party.

18. Entire Agreement . This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof, and this Agreement supersedes and renders null and void any and all prior oral or written agreements, understandings or commitments pertaining to the subject matter hereof, including, without limitation, the Prior Agreement. No waiver or modification of the terms or provisions hereof shall be valid unless in writing signed by the party so to be charged thereby and then only to the extent therein set forth.

19. Withholding and Payroll Practices . All salary, severance payments, bonuses or benefits provided by the Company under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law and shall be paid in the ordinary course pursuant to the Company's then existing payroll practices or as otherwise specified in this Agreement.

20. Counterparts . This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

21. Headings . Headings in this Agreement are for reference only and shall not be deemed to have any substantive effect.

22. Section 280G .

(a) Notwithstanding any other provisions of this Agreement to the contrary, in the event that it shall be determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Payments"), would constitute an "excess parachute payment" within the meaning of Section 280G of the Code, the Company shall reduce (but not below zero) the aggregate present value of the Payments under the Agreement to the Reduced Amount (as hereinafter defined), if reducing the Payments under this Agreement will provide the Executive with a greater net after-tax amount than would be the case if no such reduction was made. The Payments shall be reduced as described in the preceding sentence only if (1) the net amount of the Payments, as so reduced (and after subtracting the net amount of federal, state and local income and payroll taxes on the reduced Payments), is greater than or equal to (2) the net amount of the Payments without such reduction (but after subtracting the net amount of federal, state and local income and payroll taxes on the Payments and the amount of Excise Tax (as hereinafter defined) to which the Executive would be subject with respect to the unreduced Payments). Any reduction shall be made in accordance with Section 409A of the Code.

(b) The "Reduced Amount" shall be an amount expressed in present value that maximizes the aggregate present value of Payments without causing any Payment under this Agreement to be subject to the Excise Tax, determined in accordance with Section 280G(d)(4) of the Code. The term "Excise Tax" means the excise tax imposed under Section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.

(c) All determinations to be made under this Section 22 shall be made by an independent registered public accounting firm or consulting firm selected by the Company immediately prior to a change in control, which shall provide its determinations and any supporting calculations both to the Company and the Executive within ten (10) days of the change in control. Any such determination by such firm shall be binding upon the Company and the Executive. All fees and expenses of the accounting or consulting firm in performing the determinations referred to in this Section 22 shall be borne solely by the Company.

23. Section 409A .

(a) This Agreement is intended to comply with Section 409A of the Code, and will be interpreted accordingly. References under this Agreement to the Executive's termination of employment shall be deemed to refer to the date upon which the Executive has experienced a "separation from service" within the meaning of Section 409A of the Code.

(b) Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's separation from service with the Company, the Executive is a "specified employee" as defined in Section 409A of the Code (and any related regulations or other pronouncements thereunder) and the deferral of the commencement of any payments or benefits otherwise payable hereunder or payable under any other compensatory arrangement between the Executive and the Company, or any of its affiliates as a result of such separation from service is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the

Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six (6) months following the Executive's separation from service (or the earliest date as is permitted under Section 409A of the Code), at which point all payments deferred pursuant to this Section shall be paid to the Executive in a lump sum and (ii) if any other payments of money or other benefits due to the Executive hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner that does not cause such an accelerated or additional tax. Any payments deferred pursuant to the preceding sentence shall be paid together with interest thereon at a rate equal to the applicable Federal rate for short-term instruments.

(c) To the extent any reimbursements or in-kind benefits due to the Executive under this Agreement constitute "deferred compensation" under Section 409A of the Code, any such reimbursements or in-kind benefits shall be paid to the Executive in a manner consistent with Treas. Reg. Section 1.409A-3(i)(1)(iv). Additionally, to the extent that the Executive's receipt of any in-kind benefits from the Company or its affiliates must be delayed pursuant to this Section due to the Executive's status as a "specified employee", the Executive may elect to instead purchase and receive such benefits during the period in which the provision of benefits would otherwise be delayed by paying the Company (or its affiliates) for the fair market value of such benefits (as determined by the Company in good faith) during such period. Any amounts paid by the Executive pursuant to the preceding sentence shall be reimbursed to the Executive (with interest thereon) as described above on the date that is six (6) months following the Executive's separation from service.

(d) Each payment made under this Agreement shall be designated as a "separate payment" within the meaning of Section 409A of the Code.

(e) The Company shall consult with the Executive in good faith regarding the implementation of the provisions of this Section. Without limiting the generality of the foregoing, the Executive shall notify the Company if the Executive believes that any provision of this Agreement (or of any award of compensation, including equity compensation, or benefits) would cause the Executive to incur any additional tax under Section 409A of the Code and, if the Company concurs with such belief after good faith review or the Company independently makes such determination, then the Company shall, after consulting with the Executive, use reasonable best efforts to reform such provision to comply with Section 409A of the Code through good faith modifications to the minimum extent reasonably appropriate to conform with Section 409A of the Code.

(f) Any amount that the Executive is entitled to be reimbursed for any business-related expenses borne by employee under this Agreement will be reimbursed to the Executive as promptly as practicable and in any event not later than the last day of the calendar year after the calendar year in which the expenses are incurred. Expenses eligible for reimbursement during any calendar year will not affect the amount of expenses eligible for reimbursement in any other calendar year.

(g) Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(h) Unless this Agreement provides a specified and objectively determinable payment schedule to the contrary, to the extent that any payment of base salary or other compensation is to be paid for a specified continuing period of time beyond the Executive's termination of employment in accordance with the Company's payroll practices (or other similar term), the payments of such base salary or other compensation shall be made on a monthly basis.

(i) To the extent that severance payments or benefits pursuant to this Agreement are conditioned upon the execution and delivery by the Executive of a separation agreement and general release (and the expiration of any revocation rights provided therein) which could become effective in one of two (2) taxable years of the Executive depending on when the Executive executes and delivers such separation agreement and general release, any deferred compensation payment (which is subject to Section 409A of the Code) that is conditioned on execution of the separation agreement and general release shall be made within ten (10) days after the separation agreement and general release becomes effective and such revocation rights have lapsed, but not earlier than the first business day of the later of such taxable years.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties hereto have affixed their signatures as of the day and year first above written.

NEWS CORPORATION	SUSAN PANUCCIO
By: /s/ Keisha Smith-Jeremie	/s/ Susan Panuccio
Name: Keisha Smith-Jeremie	
Title: Chief Human Resources Officer	

Exhibit 31.1

Chief Executive Officer Certification

Required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended

I, Robert J. Thomson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of News Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 10, 2017

By: /s/ Robert J. Thomson
Robert J. Thomson
Chief Executive Officer and Director

Exhibit 31.2

Chief Financial Officer Certification

Required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended

I, Susan Panuccio, certify that:

1. I have reviewed this quarterly report on Form 10-Q of News Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 10, 2017

By: /s/ Susan Panuccio
Susan Panuccio
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of News Corporation on Form 10-Q for the fiscal quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), we, the undersigned officers of News Corporation, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of News Corporation.

May 10, 2017

By: /s/ Robert J. Thomson
Robert J. Thomson
Chief Executive Officer and Director

By: /s/ Susan Panuccio
Susan Panuccio
Chief Financial Officer