NEWS CORPORATION REPORTS FOURTH QUARTER AND FULL YEAR RESULTS FOR FISCAL 2018

FISCAL 2018 FOURTH QUARTER KEY FINANCIAL HIGHLIGHTS

- **Revenues of $2.69 billion, a 29% increase compared to $2.08 billion in the prior year, reflecting the consolidation of Foxtel and robust performance across the Company**
- **Net loss of ($355) million, which includes the non-cash impact resulting from the combination of Foxtel and FOX SPORTS Australia of ($337) million, compared to a net loss of ($424) million in the prior year**
- **Total Segment EBITDA was $312 million including the results of Foxtel, compared to $215 million in the prior year**
- **Reported EPS were ($0.64) compared to ($0.74) in the prior year – Adjusted EPS were $0.08 compared to $0.11 in the prior year**
- **Digital revenues represented 30% of News and Information Services segment revenues, compared to 26% in the prior year, reflecting strong paid digital subscriber growth at mastheads**
- **Book Publishing segment posted a record quarter in revenues**
- **Digital Real Estate Services segment revenues grew 19%, reflecting continued yield improvements at both REA Group and realtor.com®**

NEW YORK, NY – August 9, 2018 – News Corporation ("News Corp" or the "Company") (Nasdaq: NWS, NWSA; ASX: NWS, NWSLV) today reported financial results for the three months and fiscal year ended June 30, 2018.

Commenting on the results, Chief Executive Robert Thomson saiR36 0.005 Tw 3.904 0 Td [(f)-4.1 (lo)-15.2 (w)-6 (s)-11 (,)]TJ

lower than the Company's unadjusted free cash flow. 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 Company's consolidated statements of cash flows prepared in accordance with GAAP which incorporates all cash movements during the period.

OTHER ITEMS

The Company today declared a semi-annual cash dividend of $0.10 per share for Class A Common Stock and Class B Common Stock. This dividend is payable on October 17, 2018 to stockholders of record as of September 12, 2018.

COMPARISON OF ADJUSTED INFORMATION TO U.S. GAAP INFORMATION

Adjusted Revenues, Total Segment EBITDA, Adjusted Total Segment EBITDA, Adjusted Segment EBITDA, adjusted net income available to News Corporation stockholders, Adjusted EPS and free cash flow available to News Corporation are non-GAAP financial measures contained in this earnings release. The Company believes these measures are important tools for investors and aa

Conference call

News Corporation's earnings conference call can be heard live at 5:00 p.m. EDT on August 9, 2018. To listen to the call, please visit http://investors.newscorp.com.

Cautionary Statement Concerning Forward-Looking Statements

This document contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially f289 0 Td5 -0Tw4.289 87w 4.012 0 Td ( )Tj -0.002 Tc 0.002 Tw 0.277 0 Td [(t)-1.1 (es)-8.1 (e)]TJ 0 Tc 0 2w 3.4

NEWS CORPORATION

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

NEWS CORPORATION

CONSOLIDAT

	Revenues		Total Segment EBITDA
	For the fiscal years ended June 30,		For the fiscal years ended June 30,
	2018	2017	

The following tables reconcile reported revenues and Segment EBITDA by segment to Adjusted Revenues and Adjusted Segment EBITDA by segment for the three months ended June 30, 2018 and 2017.

	For the three months ended June 30, 2018					
	As Reported	Impact of Acquisitions	Impact of Divestitures	Impact of Foreign Currency Fluctuations	Net Impact of U.K. Newspaper Matters	As Adjusted
	(in millions)					

The following tables reconcile reported revenues and Segment EBITDA by segment to Adjusted Revenues and Adjusted Segment EBITDA by segment for the fiscal years ended June 30, 2018 and 2017.

	For the fiscal year ended June 30, 2018					
	As Reported	Impact of Acquisitions	Impact of Divestitures	Impact of Foreign Currency Fluctuations	Net Impact of U.K. Newspaper Matters	As Adjusted
	(in millions)					
Revenues:						
News and Information Services	$ 5,119	$ (87)	$ (8)	$ (119)	$ -	$ 4,905
Book Publishing	1,758	-	-	(25)	-	1,733
Digital Real Estate Services	1,141	(57)	-	(18)	-	1,066
Subscription Video Services	1,004	(480)	-	(10)	-	514
Other	2	-	-	-	-	2
Total Revenues	$ 9,024	$ (624)	$ (8)	$ (172)	$ -	$ 8,220
Segment EBITDA:						
News and Information Services	$ 392	$ (6)	$ 1	$ (4)	$ -	$ 383
Book Publishing	244	-	-	(1)	-	243
Digital Real Estate Services	401	(6)	-	(9)	-	386
Subscription Video Services	173	(54)	-	(2)	-	117
Other	(138)	-	-	-	(35)	(173)
Total Segment EBITDA	$ 1,072	$ (66)	$ 1	$ (16)	$ (35)	$ 956

	For the fiscal year ended June 30, 2017				
	As Reported	Impact of Acquisitions	Impact of Divestitures	Net Impact of U.K. Newspaper Matters	As Adjusted
			(in millions)		
Revenues:					
News and Information Services	$ 5,069	$ -	$ (33)	$ -	$ 5,036
Book Publishing	1,636	-	-	-	1,636

NOTE 3 – ADJUSTED NET INCOME AVAILABLE TO NEWS CORPORATION STOCKHOLDERS AND ADJUSTED EPS

The Company uses net income (loss) available to News Corporation stockholders and diluted earnings per share ("EPS") excluding expenses related to U.K. Newspaper Matters, impairment and restructuring charges and "Other, net", net of tax, recognized by the Company or its equity method investees, as well as the settlement of certain pre-Separation tax matters and the impact of the Tax Act ("adjusted net income (loss) available to News Corporation stockholders" and "adjusted EPS," respectively), to evaluate the performance of the Company's operations exclusive of certain items that impact the comparability of results from period to period. The calculation of adjusted net income (loss) available to News Corporation stockholders and adjusted EPS may not be comparable to similarly titled measures reported by other companies, since companies and investors may differ as to what type of events warrant adjustment. Adjusted net income (loss) available to News Corporation stockholders and adjusted EPS are not measures of performance under generally accepted accounting principles and should not be construed as substitutes for consolidated net income (loss) available to News Corporation stockholders and net income (loss) per share as determined under GAAP as a measure of performance.

However, management uses these measures in comparing the Company's historical performance and believes that they provide meaningful and comparable information to investors to assist in their analysis of our performance relative to prior periods and our competitors.

	For the fiscal year ended June 30, 2018	For the fiscal year ended June 30, 2017
Net (loss) income available to stockholders		

NOTE 4 – PRO FORMA

The following supplemental unaudited pro forma information

Pro Forma (unaudited) For the fiscal years ended June 30,			
2018	2017	Change	% Change
(in millions)		Better/(Worse)	