



# *News Corp*

## **2023 Active-Passive Investor Summit**

October 2023

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# News Corp Overview

News Corporation (“News Corp” or the “Company”) is a global operator of media assets with a diverse revenue mix.

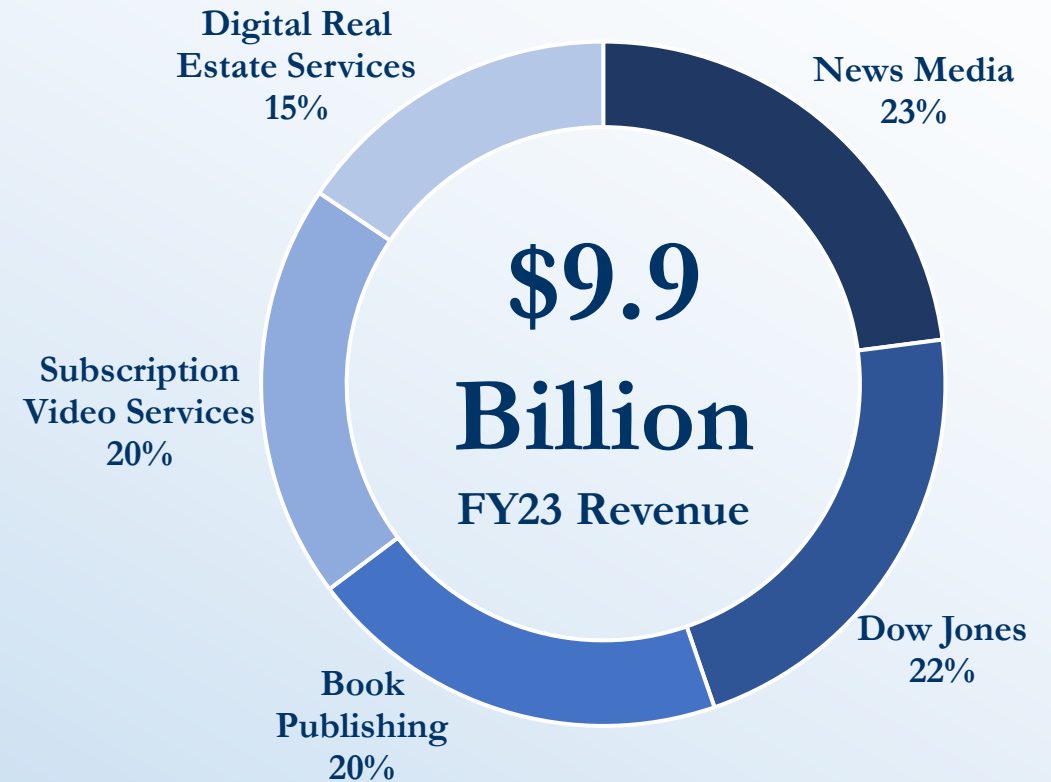
## News Corp Financial Profile

**\$12 Billion**

Enterprise Value

**7.9x**

Enterprise Value / FY24 EBITDA



News Corp owns a highly valuable collection of assets in its portfolio.

# News Corp Owns a Valuable Collection of Businesses

News Corp's portfolio is comprised of a combination of valuable media assets, including a highly-valuable controlling stake in REA Group Ltd ("REA Group"), which is publicly traded in Australia.



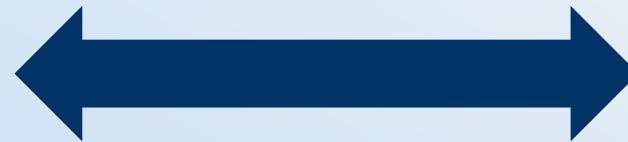
We believe News Corp owns a diverse portfolio of high-quality businesses.

# Today, News Corp's Portfolio Is Valued at \$12 Billion

News Corp Today

**\$12  
Billion**

Current Enterprise Value



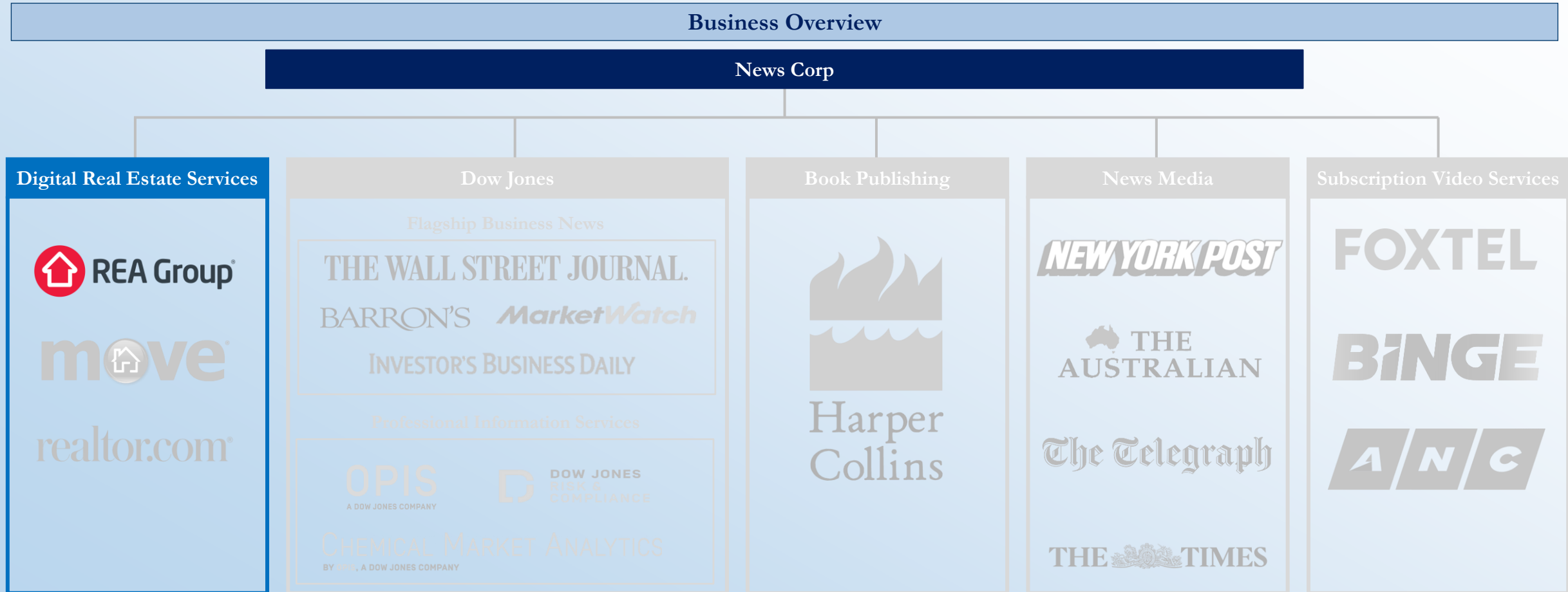
**7.9x**

FY24E EBITDA<sup>(1)</sup> Multiple

We believe News Corp trades at an attractive valuation.

# News Corp Owns a Highly Valuable Stake in REA Group

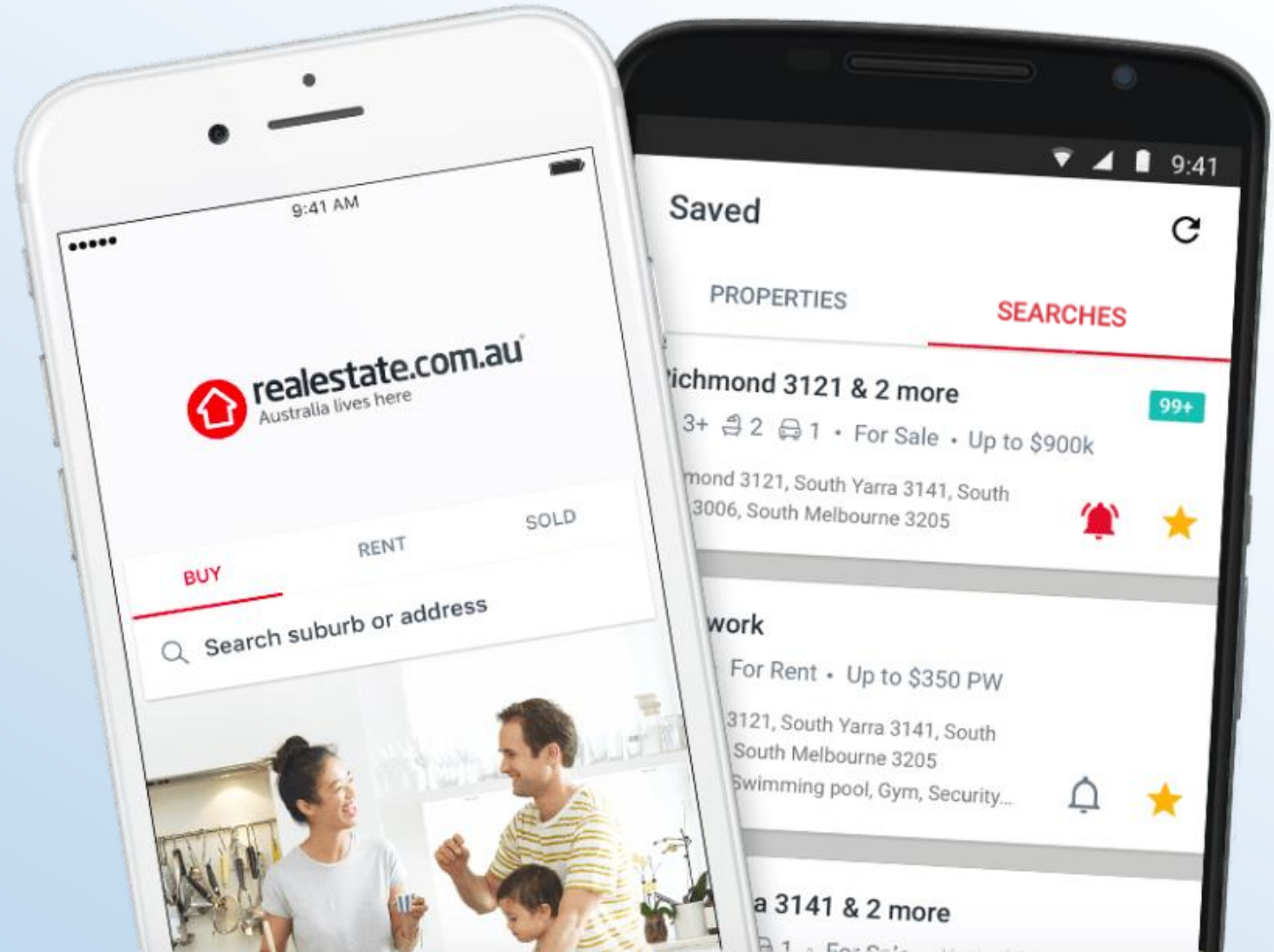
News Corp owns a controlling stake in REA Group, a leading digital real estate business in Australia.



We believe News Corp owns a diverse portfolio of high-quality businesses.



# REA Group



# REA Group Is a Leading Digital Real Estate Business

REA Group is an Australian digital real estate business that is publicly-traded on the Australian Stock Exchange.

## REA Overview

### Market Positioning



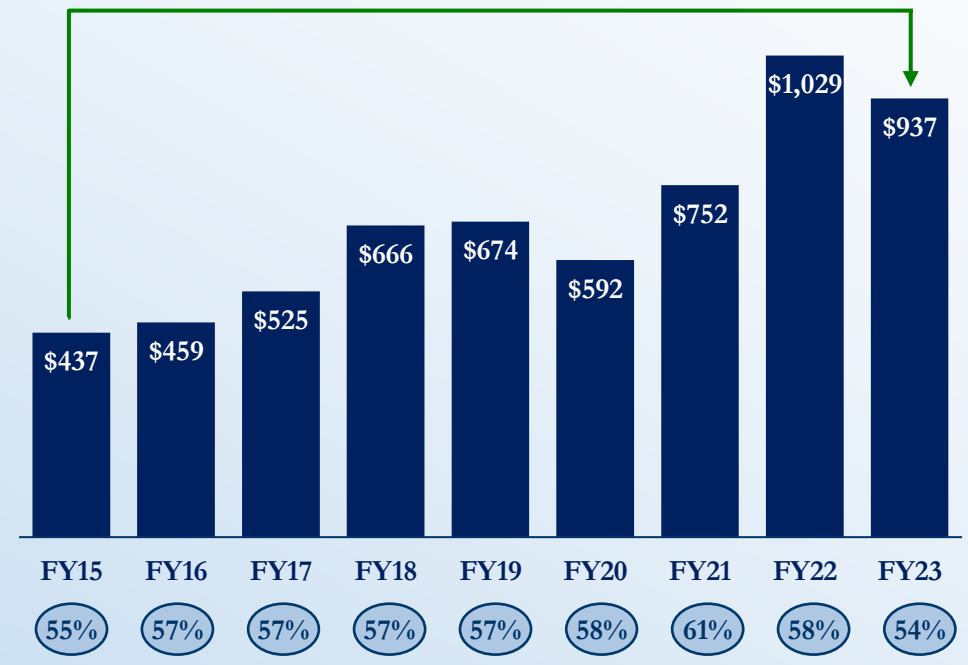
#1 in  
Australia

3.3x audience of the nearest competitor

### Financial Performance

(\$ in millions)

Revenue<sup>(1)</sup>  
10% CAGR



News Corp owns 61% of REA Group, a market leading business with an attractive financial profile.



# REA Group Has Been an Incredible Investment for News Corp

News Corp initially acquired a 44% stake in REA in the early 2000s and has grown its ownership to 61% over time. REA Group shares not held by News Corp trade freely on the Australian Stock Exchange.

REA Group Share Price Performance<sup>(1)</sup> and Valuation



REA Market Cap: \$13 Billion<sup>(2)</sup>



News Corp's 61% Ownership



Market Value of  
News Corp's Stake:  
~\$8 Billion

We applaud News Corp for making the investment in REA Group but believe it is not receiving full credit for the value of its REA Group stake.

# Excluding the Value of Its Stake in REA Group, the Implied Value for News Corp's Other Businesses Is Only \$4 Billion

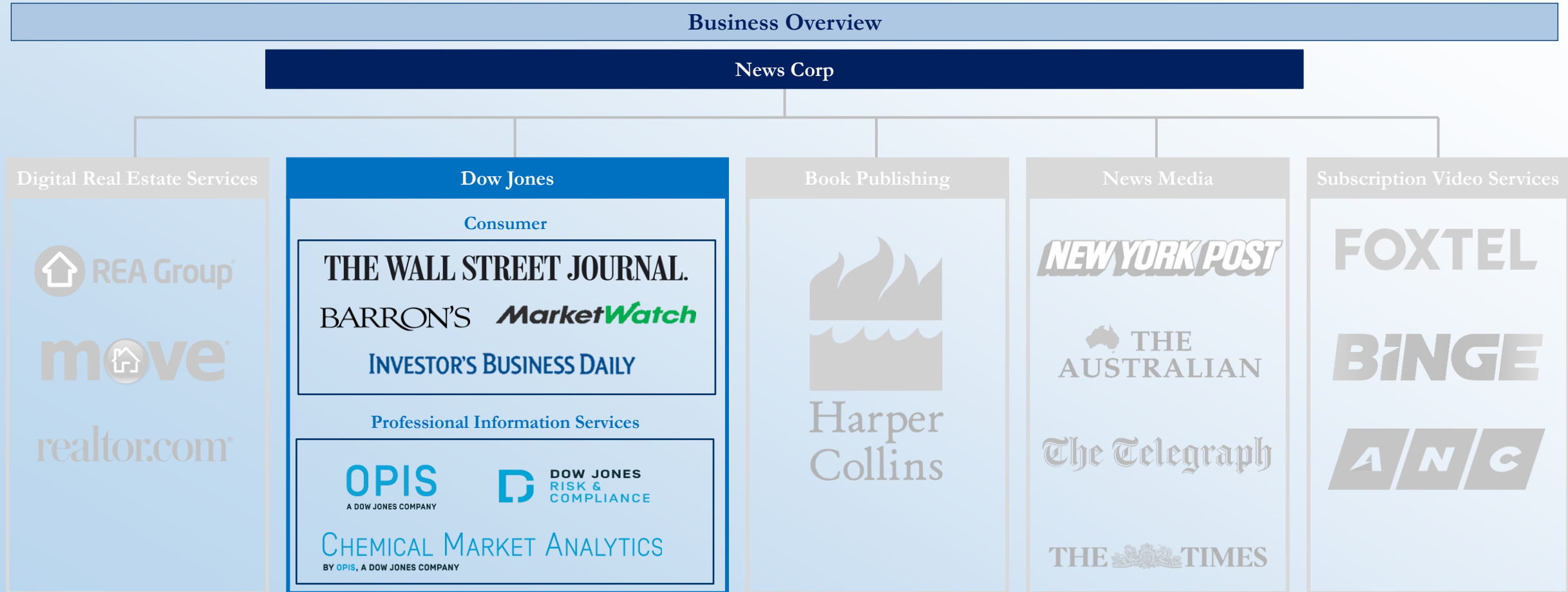
News Corp Today



We believe that News Corp's other businesses are significantly undervalued in the market today.

# Dow Jones Is the Key Business Within News Corp's Portfolio

Dow Jones is a global provider of news and business information for both consumer and professional use cases.



We believe News Corp owns a diverse portfolio of high-quality businesses.

# Dow Jones





# Dow Jones Has Delivered Strong Revenue Growth and Margin Expansion

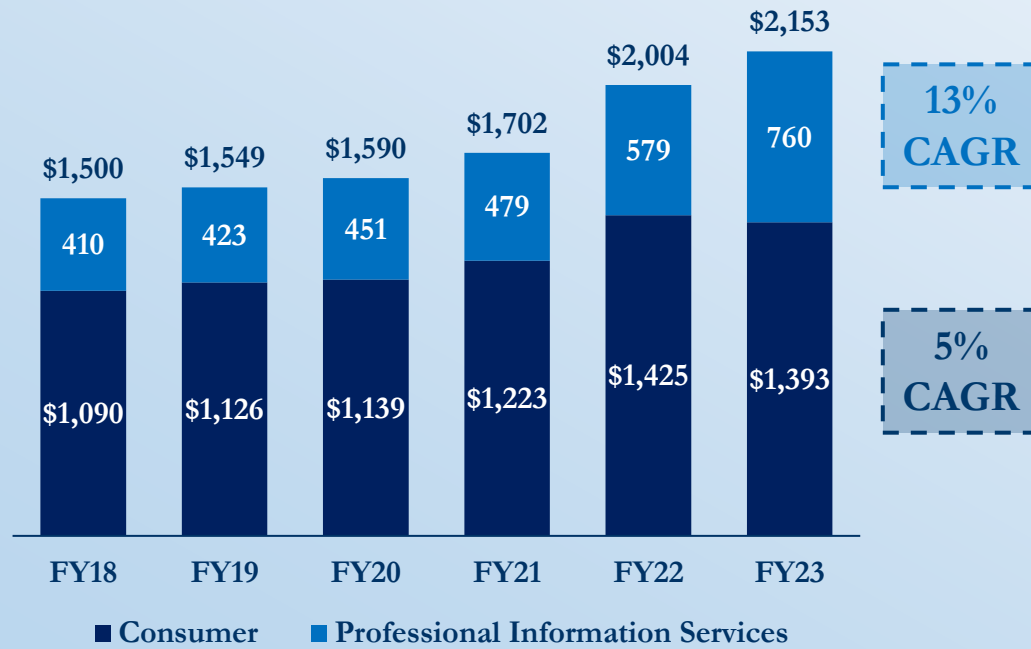
Dow Jones has an attractive financial profile, with an increasing mix of professional information services revenue.

## Dow Jones Financial Overview

### Revenue

(\$ in millions)

Professional Information Services now represents 35% of revenue



### EBITDA & EBITDA Margin<sup>(1)</sup>

(\$ in millions)

22% CAGR



We believe Dow Jones is well-positioned to continue delivering healthy growth and margins.

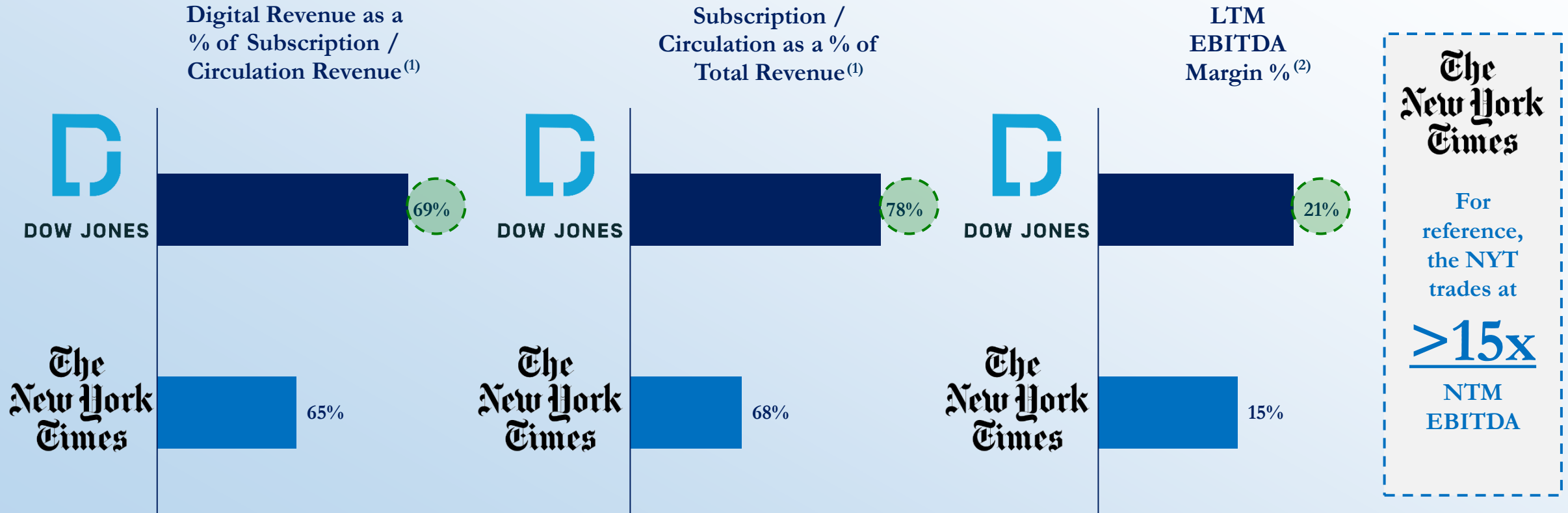
Source: Public company filings. (1) EBITDA fully burdened for unallocated corporate costs. Corporate cost allocation calculated on a percentage of total revenue basis.



# Dow Jones Compares Favorably to The New York Times Company

When compared with The New York Times Company (NYT), Dow Jones is more profitable, has more digital exposure, and has a greater subscription mix.

## Side-by-Side Comparison of Dow Jones and The New York Times Company



**We believe Dow Jones is a high-quality business and should garner a premium valuation.**

Source: Public company filings, Capital IQ, Wall Street consensus estimates. Market data as of October 13, 2023. (1) Dow Jones revenue is based on circulation and subscription revenue, per company disclosures, and The New York Times revenue is based on subscription revenue, per company disclosures. (2) EBITDA margin fully burdened for unallocated corporate costs. Corporate cost allocation calculated on a percentage of total revenue basis. Note: All metrics included in the “Side-by-Side Comparison of Dow Jones and The New York Times Company” are based on LTM figures.

# News Corp Is Significantly Undervalued

Excluding the value of its stake in REA Group, News Corp is valued at just 4x EBITDA, compared to The New York Times Company at greater than 15x EBITDA.

News Corp Today

News Corp  
Today  
  
8x  
EBITDA

REA Group  
Stake

RemainCo  
4x  
EBITDA<sup>(1)</sup>



The New  
York Times  
Company  
  
>15x  
NTM  
EBITDA

We believe the valuation discrepancy between News Corp and The New York Times Company represents a huge value creation opportunity.

Source: Public company filings, Capital IQ, Wall Street consensus estimates. Market data as of October 13, 2023. (1) Calculated as consensus News Corp FY24 EBITDA minus consensus REA FY24 EBITDA converted to USD at an exchange rate of 0.63.

# We Believe Dow Jones Is A Highly Valuable Business

We believe Dow Jones should garner a premium valuation, but even at the same multiple as The New York Times Company, Dow Jones would be worth more than \$7 billion.

## Dow Jones Valuation

~\$475

Million

Consensus FY24 EBITDA<sup>(1)</sup>

×

15x

NTM EBITDA



\$7+ Billion

Dow Jones  
Estimated Value

We believe Dow Jones is meaningfully undervalued inside of News Corp's portfolio today.

Source: Public company filings, Capital IQ, Wall Street consensus estimates. Market data as of October 13, 2023. (1) EBITDA fully burdened for unallocated corporate costs. Corporate cost allocation calculated on a percentage of total revenue basis. Note: All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for the "Dow Jones Valuation" chart are based on several data points.

# Excluding the Value of Its Stake in REA Group, the Implied Value for News Corp's Other Businesses Is Only \$4 Billion

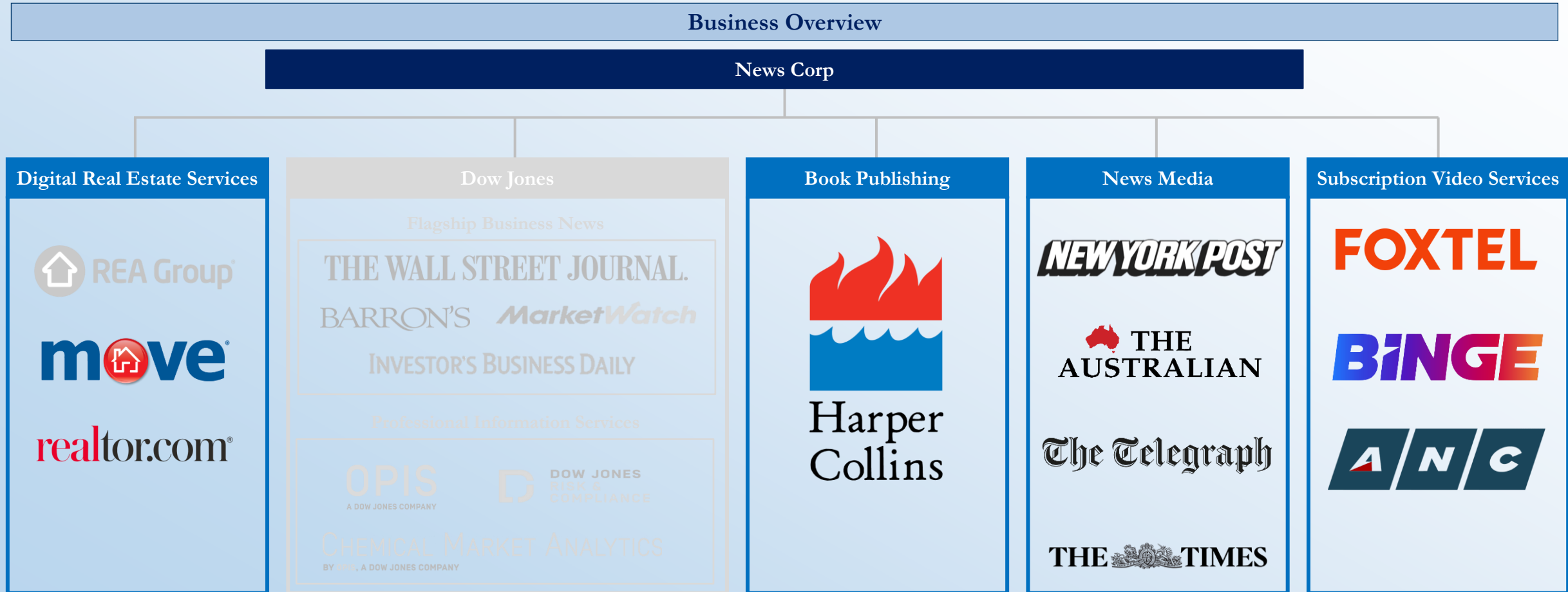
News Corp Today



We believe that News Corp's other businesses are significantly undervalued in the market today.

# News Corp Also Owns a Collection of High-Quality Businesses

News Corp's other segments contain a collection of valuable, market-leading businesses in a variety of media verticals.



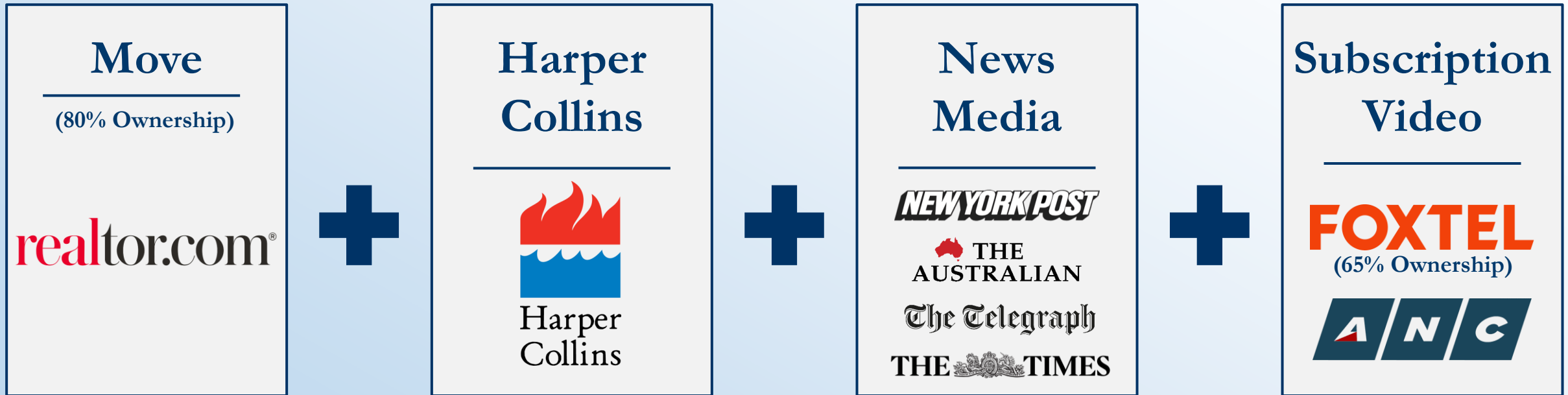
We believe News Corp owns a diverse portfolio of high-quality businesses.



# We Believe News Corp's Other Assets Are Also Extremely Valuable

News Corp's businesses highlighted below are critical sources of news, entertainment, and real estate information for customers worldwide.

## News Corp Business Segment Valuation

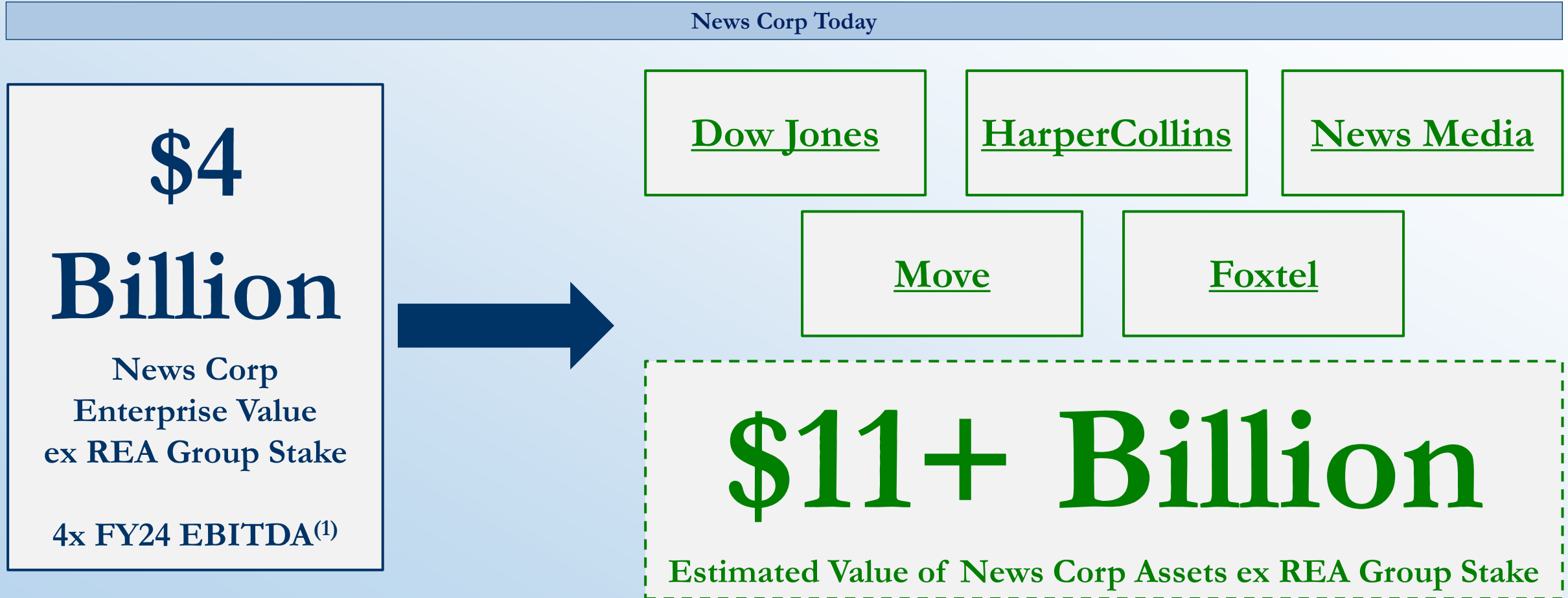


**\$4+ Billion**

We believe there is significant value in these assets within News Corp's portfolio.

# We Believe News Corp's Assets Are Trading at a Significant Discount

We believe News Corp trades at a meaningful discount to the value of the sum of its parts.



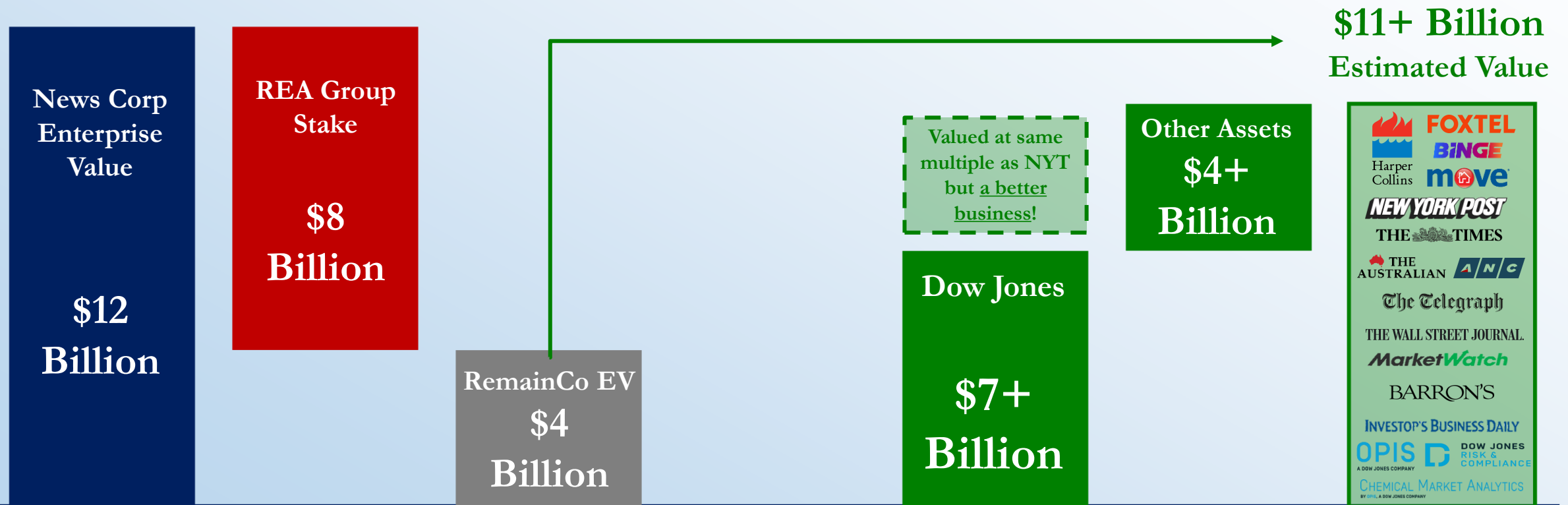
We believe Dow Jones is meaningfully undervalued at News Corp's current valuation.

Source: Public company filings, Capital IQ, Wall Street consensus estimates. Market data as of October 13, 2023. (1) Calculated as consensus News Corp FY24 EBITDA minus consensus REA FY24 EBITDA converted to USD at an exchange rate of 0.63.  
Note: All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for the "News Corp Today" chart are based on several data points.

# A Separation of Digital Real Estate Assets Could Help Unlock \$7+ Billion of Value

We believe that separating News Corp's Digital Real Estate businesses would help unlock significant shareholder value.

## News Corp Value Creation Opportunity



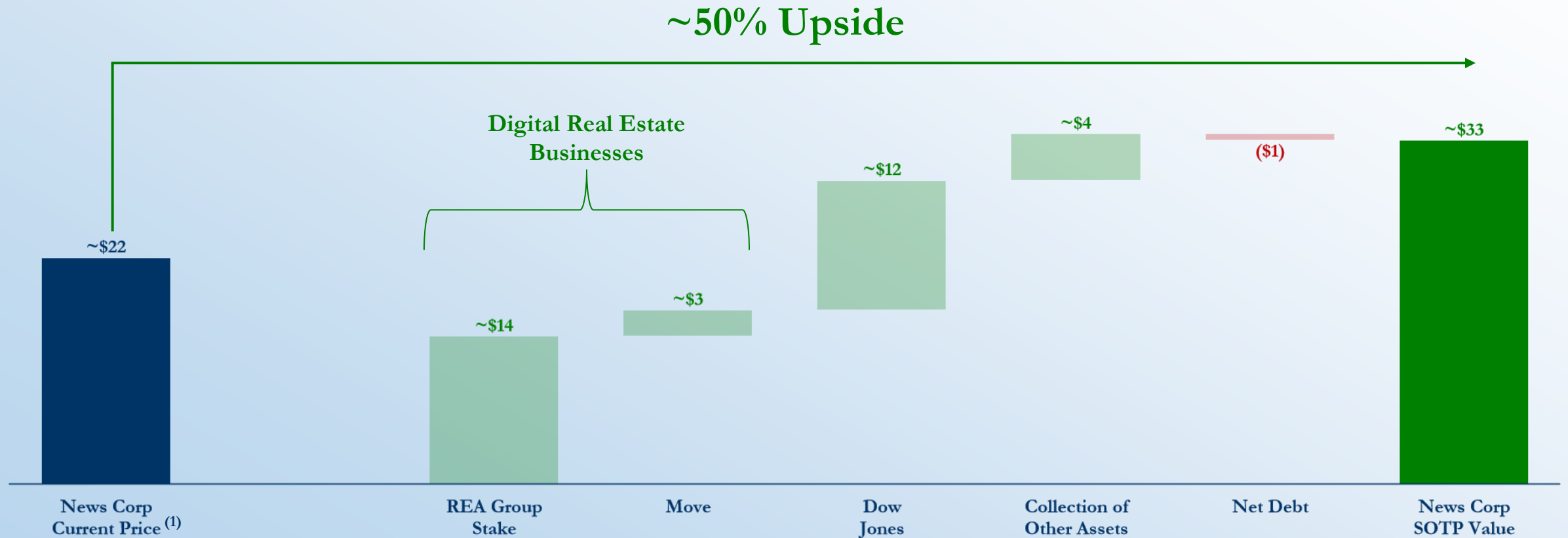
We believe the market is significantly undervaluing News Corp's valuable collection of businesses.

Source: Public company filings, Capital IQ. Market data as of October 13, 2023. Note: All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for the "News Corp Value Creation Opportunity" chart are based on several data points.

# We Believe News Corp's Collection of Assets Is Worth Over \$33 Per Share

Even when using conservative assumptions, News Corp has an opportunity to create significant shareholder value through a separation of certain assets.

## News Corp Sum-of-the-Parts Valuation



We believe separating the Digital Real Estate Assets will unlock substantial value at News Corp.

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The logo consists of three overlapping circles in shades of blue. The central circle is the darkest blue and contains a white letter 'V'. The other two circles are lighter shades of blue and overlap the central one.

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