

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): March 5, 2018

News Corp

NEWS CORPORATION
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware
(STATE OR OTHER JURISDICTION
OF INCORPORATION)

001-35769
(COMMISSION FILE NO.)

46-2950970
(IRS EMPLOYER
IDENTIFICATION NO.)

1211 Avenue of the Americas, New York, New York 10036
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(212) 416-3400
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Item 2.06 Material Impairments.

On March 5, 2018, News Corporation (the "Company" or "News Corp") and Telstra Corporation Limited ("Telstra") announced they had entered into definitive agreements to combine Foxtel and FOX SPORTS Australia into a new company in which News Corp will have a 65% interest, with Telstra owning the remaining 35% (the "Transaction").

As a result of the approval of the Transaction and its entry into the related agreements, the Company concluded that it expects to record pre-tax non-cash impairment charges and write-downs in the quarter ending March 31, 2018 in the range of \$700 million to \$1.1 billion for its investment in Foxtel and long-lived assets at FOX SPORTS Australia. This range reflects its best estimate of the charges at this time; however, the Company continues to evaluate the amount of the write-downs and impairments. Until the evaluation has been finalized, the Company can make no assurances that this range will not change. The Company does not expect that any amount of the write-downs or impairments will result in current or future cash expenditures. Additional information regarding the write-downs and impairments is set forth below.

Foxtel and FOX SPORTS Australia

The Company is required to periodically review the carrying amounts of its long-lived assets and its equity investments to determine whether a significant event or change in circumstances has occurred that may impact the fair value of such assets or investments. If the fair value of its long-lived assets or investments drops below their carrying values, an impairment or write-down is recognized. During the third quarter of fiscal 2018, as part of the long range planning process in preparation for the Transaction, the Company assessed the long-term prospects for Foxtel and FOX SPORTS Australia, on both a stand-alone and combined basis. As a result of lower-than-expected sales of certain new products and broadcast sales at Foxtel, the Company revised its outlook for Foxtel and FOX SPORTS Australia, which resulted in a reduction in expected future cash flows. Based on the revised projections approved in connection with the Transaction, the Company concluded that it expects to recognize a write-down of its Foxtel investment and an impairment of long-lived assets at FOX SPORTS Australia in the range noted above.

Item 8.01 Other Events.

On March 5, 2018, the Company issued a press release announcing the Transaction, a copy of which is attached as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

Forward-Looking Statements

This document contains forward-looking statements based on current expectations or beliefs, as well as a number of assumptions about future events, and these statements are subject to factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. The reader is cautioned not to place undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to a number of uncertainties, risks, assumptions and other factors, many of which are outside the control of the Company. Numerous risks, uncertainties and other factors could cause actual results to differ materially from those described in these forward-looking statements, including the preliminary nature of the estimated charges, the completion of the Company's closing procedures, final adjustments and any other developments or information arising before the Company's financial and operating results for the reporting period are finalized. In addition, actual results are subject to other risks and uncertainties that relate more broadly to the Company's overall business, including those more fully described in the Company's filings with the Securities and Exchange Commission including its annual report on Form 10-K for the fiscal year ended June 30, 2017, and its quarterly reports filed on Form 10-Q for the current fiscal year. The forward-looking statements in this document speak only as of this date. Except as required by law, the Company expressly disclaims any current intention to update or revise any forward-looking statements contained in this document to reflect any change of expectations with regard thereto or to reflect any change in events, conditions, or circumstances on which any such forward-looking statement is based, in whole or in part.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

Exhibit No.	Description
99.1	<u>Press release issued by News Corporation, dated March 5, 2018, announcing the signing of definitive agreements to combine Foxtel and FOX SPORTS Australia.</u>

SIGNATURES

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 hereunto duly authorized.

NEWS CORPORATION
(REGISTRANT)

By: /s/ Michael L. Bunder
Michael L. Bunder
Senior Vice President, Deputy General Counsel and
Corporate Secretary

Dated: March 5, 2018

News Corp and Telstra sign definitive agreements to combine Foxtel and FOX SPORTS Australia

5 March 2018 – News Corp and Telstra today announced they have signed definitive agreements to combine Foxtel and FOX SPORTS Australia, which will deliver premium and innovative content to Australians with ever greater quality, variety and efficiency.

The key commercial arrangements include:

- News Corp will have 65 per cent shareholding in the combined entity and Telstra will have 35 per cent.
- News Corp will appoint four directors (including the Chairman) to the combined entity's board and the senior executives, and Telstra will appoint two directors.
- News Corp will consolidate the combined entity into its financial statements

The combined company will provide Australian viewers with the best possible experiences by:

- Putting greater emphasis on live streaming products and an expanded library, including Australian written, produced and directed programming;
- Delivering new and creative products and packages across devices and platforms, with investment in exclusive content and technology, including a focus on high quality FOX SPORTS Australia productions;
- Expanding distribution channels for Foxtel and FOX SPORTS Australia products, along with developing greater operating efficiencies across the combined businesses; and
- Levering the benefits of the assets and experience of News Corp in Australia and around the world.

News Corp Chief Executive Robert Thomson said: "The launch of the combined company will mark the dawn of a new era for our Australian business, and Foxtel and FOX SPORTS Australia will together be a formidable force. We will be able to use our powerful media platforms to promote the unique sports and entertainment assets in the two companies, and improve services for consumers and advertisers. Patrick Delany and his talented team will be absolutely focused on serving viewers compelling, contemporary Australian content and superlative sports coverage on personalized platforms." Mr Delany will be Chief Executive Officer of the combined company.

Telstra CEO Andy Penn said the combination of Foxtel and FOX SPORTS Australia with their content assets would position the company to strongly compete in the dynamic media market, and it would continue to be an important part of Telstra's media strategy.

"Our customers are streaming more and more sport and entertainment on their TV at home and on their mobile devices while on the move. Telstra will be the exclusive telco sales agent for the combined entity on mobile and IP products and we will continue with our broadcast reseller arrangements," Mr Penn said.

News Corp Australasia Executive Chairman Michael Miller said: "Under the leadership of Patrick Delany, this company will provide the exclusive and quality content that Australian consumers demand and expect. It will broadcast and stream in the most exciting, innovative and engaging ways across all platforms."

The transaction is expected to close during the fourth quarter of Fiscal Year 2018.

###

Forward-Looking Statements

This document contains forward-looking statements based on current expectations or beliefs, as well as a number of assumptions about future events, and these statements are subject to factors and uncertainties that could cause actual results to differ materially from those described in the 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 document and include statements with respect to, among other things, the expected terms of the transaction, the expected closing date of the transaction, the potential benefits of the proposed transaction and the expected accounting treatment. Readers are cautioned that any forward-looking statements are not guarantees of future performance and involve risks and uncertainties. The following factors, among others, could cause actual results to differ materially from those described in these forward-looking statements: the negotiation and execution of mutually acceptable definitive documents, matters arising in connection with the parties' efforts to comply with and satisfy applicable regulatory approvals and closing conditions relating to the transaction; and other events that could adversely impact the completion of the transaction, including industry or economic conditions outside of the parties' control. The forward-looking statements in this document speak only as of this date and the parties undertake no obligation (and expressly disclaim 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.

Contacts

Telstra

Media contact: Michael Zappone +61 438 004 959

Email: media@team.telstra.com

Investor contact: Nathan Burley +61 457 529 334

Email: investor.relations@team.telstra.com

News Corp

Media contact: Jim Kennedy +1 212 416 4064

Email: jkennedy@newscorp.com

Investor contact: Mike Florin +1 212 416 3363

Email: mflorin@newscorp.com

About News Corp

News Corp (NASDAQ: NWS, NWSA; ASX: NWS, NWSLV) is a global, diversified media and information services company focused on creating and distributing authoritative and engaging content to consumers throughout the world. The company comprises businesses across a range of media, including: news and information services, book publishing, digital real estate services, and cable network programming and pay-TV distribution in Australia. Headquartered in New York, the activities of News Corp are conducted primarily in the United States, Australia, and the United Kingdom. More information: <http://www.newscorp.com>.

