

**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, 2023
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 Corp

NEWS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

1211 Avenue of the Americas, New York, New York
(Address of principal executive offices)

46-2950970
(I.R.S. Employer Identification No.)

10036
(Zip Code)

(212) 416-3400

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.01 per share	NWSA	The Nasdaq Global Select Market
Class B Common Stock, par value \$0.01 per share	NWS	The Nasdaq Global Select Market

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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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, 2023, 380,948,209 shares of Class A Common Stock and 192,515,393 shares of Class B Common Stock were outstanding.

NEWS CORPORATION**FORM 10-Q
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PART I

ITEM 1. FINANCIAL STATEMENTS

NEWS CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited; millions, except per share amounts)

		For the three months ended March 31,		For the nine months ended March 31,	
	Notes	2023	2022	2023	2022
Revenues:					
Circulation and subscription		\$ 1,122	\$ 1,099	\$ 3,318	\$ 3,248
Advertising		393	418	1,263	1,342
Consumer		495	497	1,474	1,615
Real estate		272	316	896	988
Other		165	162	495	518
Total Revenues	2	2,447	2,492	7,446	7,711
Operating expenses		(1,286)	(1,246)	(3,853)	(3,769)
Selling, general and administrative		(841)	(888)	(2,514)	(2,588)
Depreciation and amortization		(183)	(172)	(536)	(505)
Impairment and restructuring charges	4	(25)	(37)	(65)	(82)
Equity losses of affiliates	5	(10)	(4)	(43)	(10)
Interest expense, net		(25)	(25)	(78)	(68)
Other, net	13	14	13	(10)	143
Income before income tax expense		91	133	347	832
Income tax expense	11	(32)	(29)	(128)	(199)
Net income		59	104	219	633
Less: Net income attributable to noncontrolling interests		(9)	(22)	(62)	(120)
Net income attributable to News Corporation stockholders		<u>\$ 50</u>	<u>\$ 82</u>	<u>\$ 157</u>	<u>\$ 513</u>
Net income attributable to News Corporation stockholders per share:	9				
Basic		\$ 0.09	\$ 0.14	\$ 0.27	\$ 0.87
Diluted		\$ 0.09	\$ 0.14	\$ 0.27	\$ 0.86

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

NEWS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; millions)

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
Net income	\$ 59	\$ 104	\$ 219	\$ 633
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(33)	111	(34)	(89)
Net change in the fair value of cash flow hedges ^(a)	(8)	7	5	9
Benefit plan adjustments, net ^(b)	—	5	6	17
Other comprehensive (loss) income	(41)	123	(23)	(63)
Comprehensive income	18	227	196	570
Less: Net income attributable to noncontrolling interests	(9)	(22)	(62)	(120)
Less: Other comprehensive loss (income) attributable to noncontrolling interests ^(c)	17	(35)	14	3
Comprehensive income attributable to News Corporation stockholders	<u>\$ 26</u>	<u>\$ 170</u>	<u>\$ 148</u>	<u>\$ 453</u>

- (a) Net of income tax benefit of \$2 million and nil for the three months ended March 31, 2023 and 2022, respectively, and income tax expense of \$2 million and \$1 million for the nine months ended March 31, 2023 and 2022, respectively.
- (b) Net of income tax expense of nil and \$1 million for the three months ended March 31, 2023 and 2022, respectively, and income tax expense of \$1 million and \$5 million for the nine months ended March 31, 2023 and 2022, respectively.
- (c) Primarily consists of foreign currency translation adjustment.

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, 2023 (unaudited)	As of June 30, 2022 (audited)
Assets:			
Current assets:			
Cash and cash equivalents		\$ 1,659	\$ 1,822
Receivables, net	13	1,540	1,502
Inventory, net		356	311
Other current assets		477	458
Total current assets		<u>4,032</u>	<u>4,093</u>
Non-current assets:			
Investments	5	506	488
Property, plant and equipment, net		2,017	2,103
Operating lease right-of-use assets		1,022	891
Intangible assets, net		2,542	2,671
Goodwill		5,136	5,169
Deferred income tax assets	11	368	422
Other non-current assets	13	1,411	1,384
Total assets		<u>\$ 17,034</u>	<u>\$ 17,221</u>
Liabilities and Equity:			
Current liabilities:			
Accounts payable		\$ 407	\$ 411
Accrued expenses		1,164	1,236
Deferred revenue	2	623	604
Current borrowings	6	27	293
Other current liabilities	13	983	975
Total current liabilities		<u>3,204</u>	<u>3,519</u>
Non-current liabilities:			
Borrowings	6	2,960	2,776
Retirement benefit obligations		156	155
Deferred income tax liabilities	11	172	198
Operating lease liabilities		1,093	947
Other non-current liabilities		465	483
Commitments and contingencies	10		
Class A common stock ^(a)		4	4
Class B common stock ^(b)		2	2
Additional paid-in capital		11,486	11,779
Accumulated deficit		(2,136)	(2,293)
Accumulated other comprehensive loss		(1,279)	(1,270)
Total News Corporation stockholders' equity		<u>8,077</u>	<u>8,222</u>
Noncontrolling interests		907	921
Total equity	7	<u>8,984</u>	<u>9,143</u>
Total liabilities and equity		<u>\$ 17,034</u>	<u>\$ 17,221</u>

- (a) **Class A common stock**, \$0.01 par value per share ("Class A Common Stock"), 1,500,000,000 shares authorized, 381,691,759 and 387,561,850 shares issued and outstanding, net of 27,368,413 treasury shares at par at March 31, 2023 and June 30, 2022, respectively.
- (b) **Class B common stock**, \$0.01 par value per share ("Class B Common Stock"), 750,000,000 shares authorized, 192,882,224 and 196,808,833 shares issued and outstanding, net of 78,430,424 treasury shares at par at March 31, 2023 and June 30, 2022, respectively.

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

NEWS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; millions)

		For the nine months ended March 31,	
	Notes	2023	2022
Operating activities:			
Net income		\$ 219	\$ 633
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization		536	505
Operating lease expense		82	95
Equity losses of affiliates	5	43	10
Cash distributions received from affiliates		7	20
Impairment charges	4	—	15
Other, net	13	10	(143)
Deferred income taxes and taxes payable	11	27	69
Change in operating assets and liabilities, net of acquisitions:			
Receivables and other assets		(236)	(62)
Inventories, net		(55)	(82)
Accounts payable and other liabilities		37	(30)
Net cash provided by operating activities		670	1,030
Investing activities:			
Capital expenditures		(350)	(315)
Acquisitions, net of cash acquired		(15)	(1,167)
Investments in equity affiliates and other		(105)	(99)
Proceeds from property, plant and equipment and other asset dispositions		51	(2)
Other, net		(21)	29
Net cash used in investing activities		(440)	(1,554)
Financing activities:			
Borrowings	6	434	1,157
Repayment of borrowings	6	(506)	(662)
Repurchase of shares	7	(196)	(125)
Dividends paid		(116)	(114)
Other, net		2	(82)
Net cash (used in) provided by financing activities		(382)	174
Net change in cash and cash equivalents		(152)	(350)
Cash and cash equivalents, beginning of period		1,822	2,236
Exchange movement on opening cash balance		(11)	(21)
Cash and cash equivalents, end of period		\$ 1,659	\$ 1,865

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: digital real estate services, subscription video services in Australia, news and information services and book publishing.

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, 2023. 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 measured at fair value, if the fair value is readily determinable. If an investment’s fair value is not readily determinable, the Company will measure the investment at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer.

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, 2022 as filed with the Securities and Exchange Commission (the “SEC”) on August 12, 2022 (the “2022 Form 10-K”).

The Company’s fiscal year ends on the Sunday closest to June 30. Fiscal 2023 and fiscal 2022 include 52 and 53 weeks, respectively. All references to the three and nine months ended March 31, 2023 and 2022 relate to the three and nine months ended April 2, 2023 and March 27, 2022, respectively. For convenience purposes, the Company continues to date its Consolidated Financial Statements as of March 31.

NOTE 2. REVENUES

The following tables present the Company’s disaggregated revenues by type and segment for the three and nine months ended March 31, 2023 and 2022:

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2023

For the three months ended March 31, 2025							
	Digital Real Estate Services	Subscription Video Services	Dow Jones	Book Publishing	News Media	Other	Total Revenues
	(in millions)						
Revenues:							
Circulation and subscription	\$ 3	\$ 419	\$ 426	\$ —	\$ 274	\$ —	\$ 1,122
Advertising	35	49	88	—	221	—	393
Consumer	—	—	—	495	—	—	495
Real estate	272	—	—	—	—	—	272
Other	53	9	15	20	68	—	165
Total Revenues	\$ 363	\$ 477	\$ 529	\$ 515	\$ 563	\$ —	\$ 2,447

For the three months ended March 31, 2022

For the three months ended March 31, 2022							
	Digital Real Estate Services	Subscription Video Services	Dow Jones	Book Publishing	News Media	Other	Total Revenues
	(in millions)						
Revenues:							
Circulation and subscription	\$ 3	\$ 434	\$ 377	\$ —	\$ 285	\$ —	\$ 1,099
Advertising	33	51	102	—	232	—	418
Consumer	—	—	—	497	—	—	497
Real estate	316	—	—	—	—	—	316
Other	64	9	8	18	63	—	162
Total Revenues	\$ 416	\$ 494	\$ 487	\$ 515	\$ 580	\$ —	\$ 2,492

For the nine months ended March 31, 2023

For the nine months ended March 31, 2020							
	Digital Real Estate Services	Subscription Video Services	Dow Jones	Book Publishing	News Media	Other	Total Revenues
	(in millions)						
Revenues:							
Circulation and subscription	\$ 9	\$ 1,249	\$ 1,257	\$ —	\$ 803	\$ —	\$ 3,318
Advertising	103	160	313	—	687	—	1,263
Consumer	—	—	—	1,474	—	—	1,474
Real estate	896	—	—	—	—	—	896
Other	162	32	37	59	205	—	495
Total Revenues	\$ 1,170	\$ 1,441	\$ 1,607	\$ 1,533	\$ 1,695	\$ —	\$ 7,446

For the nine months ended March 31, 2022

For the nine months ended March 31, 2022							
	Digital Real Estate Services	Subscription Video Services	Dow Jones	Book Publishing	News Media	Other	Total Revenues
	(in millions)						
Revenues:							
Circulation and subscription	\$ 9	\$ 1,307	\$ 1,082	\$ —	\$ 850	\$ —	\$ 3,248
Advertising	99	165	333	—	745	—	1,342
Consumer	—	—	—	1,615	—	—	1,615
Real estate	988	—	—	—	—	—	988
Other	202	30	24	63	199	—	518
Total Revenues	\$ 1,298	\$ 1,502	\$ 1,439	\$ 1,678	\$ 1,794	\$ —	\$ 7,711

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Contract liabilities and assets

The Company's deferred revenue balance primarily relates to amounts received from customers for subscriptions paid in advance of the services being provided. The following table presents changes in the deferred revenue balance for the three and nine months ended March 31, 2023 and 2022:

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
	(in millions)			
Balance, beginning of period	\$ 591	\$ 462	\$ 604	\$ 473
Deferral of revenue	909	900	2,699	2,574
Recognition of deferred revenue ^(a)	(873)	(841)	(2,686)	(2,519)
Other	(4)	7	6	—
Balance, end of period	<u>\$ 623</u>	<u>\$ 528</u>	<u>\$ 623</u>	<u>\$ 528</u>

- (a) For the three and nine months ended March 31, 2023, the Company recognized \$340 million and \$540 million, respectively, of revenue which was included in the opening deferred revenue balance. For the three and nine months ended March 31, 2022, the Company recognized \$271 million and \$414 million, respectively, of revenue which was included in the opening deferred revenue balance.

Contract assets were immaterial for disclosure as of March 31, 2023 and 2022.

Other revenue disclosures

The Company typically expenses sales commissions to obtain a customer contract as incurred as the amortization period is 12 months or less. These costs are recorded within Selling, general and administrative in the Statements of Operations. The Company also does not capitalize significant financing components when the transfer of the good or service is paid within 12 months or less, or the receipt of consideration is received within 12 months or less of the transfer of the good or service.

For the three and nine months ended March 31, 2023, the Company recognized approximately \$106 million and \$292 million, respectively, in revenues related to performance obligations that were satisfied or partially satisfied in a prior reporting period. The remaining transaction price related to unsatisfied performance obligations as of March 31, 2023 was approximately \$1,130 million, of which approximately \$135 million is expected to be recognized over the remainder of fiscal 2023, approximately \$395 million is expected to be recognized in fiscal 2024 and approximately \$204 million is expected to be recognized in fiscal 2025, with the remainder to be recognized thereafter. These amounts do not include (i) contracts with an expected duration of one year or less, (ii) contracts for which variable consideration is determined based on the customer's subsequent sale or usage and (iii) variable consideration allocated to performance obligations accounted for under the series guidance that meets the allocation objective under Accounting Standards Codification ("ASC") 606, "Revenue From Contracts With Customers."

NOTE 3. ACQUISITIONS
OPIS

In February 2022, the Company acquired the Oil Price Information Service business and related assets ("OPIS") from S&P Global Inc. ("S&P") and IHS Markit Ltd. for \$1.15 billion in cash, subject to customary purchase price adjustments. OPIS is a global industry standard for benchmark and reference pricing and news and analytics for the oil, natural gas liquids and biofuels industries. The business also provides pricing and news and analytics for the coal, mining and metals end markets and insights and analytics in renewables and carbon pricing. The acquisition enables Dow Jones to become a leading provider of energy and renewables information and furthers its goal of building the leading global business news and information platform for professionals. OPIS is a subsidiary of Dow Jones, and its results are included in the Dow Jones segment.

As a result of the acquisition, the Company recorded net tangible liabilities of \$1 million primarily related to deferred revenue and accounts receivable and \$620 million of identifiable intangible assets, consisting primarily of \$528 million of customer relationships with a useful life of 20 years, \$54 million in tradenames, including \$48 million related to the OPIS tradename with an indefinite life, and \$38 million related to technology with a weighted average useful life of six years. In accordance with

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

ASC 350, “Intangibles—Goodwill and Other” (“ASC 350”), the excess of the total consideration over the fair values of the net tangible and intangible assets of \$538 million was recorded as goodwill on the transaction.

Base Chemicals

In June 2022, the Company acquired the Base Chemicals (rebranded Chemical Market Analytics, “CMA”) business from S&P for \$295 million in cash, subject to customary purchase price adjustments. CMA provides pricing data, insights, analysis and forecasting for key base chemicals through its leading Market Advisory and World Analysis services. The acquisition enables Dow Jones to become a leading provider of base chemicals information and furthers its goal of building the leading global business news and information platform for professionals. CMA is operated by Dow Jones, and its results are included in the Dow Jones segment.

The purchase price allocation has been prepared on a preliminary basis and changes to the preliminary purchase price allocations may occur as additional information concerning asset and liability valuations is finalized. As a result of the acquisition, the Company recorded net tangible liabilities of \$22 million primarily related to deferred revenue and accounts receivable and \$189 million of identifiable intangible assets, consisting primarily of \$145 million of customer relationships with a useful life of 20 years, \$31 million related to technology with a weighted average useful life of 14 years and \$13 million in tradenames with a useful life of 20 years. In accordance with ASC 350, the excess of the total consideration over the fair values of the net tangible and intangible assets of \$121 million was recorded as goodwill on the transaction.

UpNest

In June 2022, the Company acquired UpNest, Inc. (“UpNest”) for closing cash consideration of \$45 million, subject to customary purchase price adjustments, and up to \$15 million in future cash consideration based upon the achievement of certain performance objectives over the next two years. The Company recorded an \$8 million liability related to the contingent consideration, representing the estimated fair value. Included in the closing cash consideration is \$9 million that is being held back to satisfy post-closing claims. UpNest is a real estate agent marketplace that matches home sellers and buyers with top local agents who compete for their business. The UpNest acquisition helps Realtor.com® further expand its services and support for home sellers and listing agents and brokers. UpNest is a subsidiary of Move, and its results are included within the Digital Real Estate Services segment.

The purchase price allocation has been prepared on a preliminary basis and changes to the preliminary purchase price allocations may occur as additional information concerning asset and liability valuations is finalized. As a result of the acquisition, the Company recorded \$16 million of identifiable intangible assets, consisting primarily of customer relationships and technology platforms. In accordance with ASC 350, the excess of the total consideration over the fair values of the net tangible and intangible assets of \$40 million was recorded as goodwill on the transaction.

NOTE 4. IMPAIRMENT AND RESTRUCTURING CHARGES

Fiscal 2023 Restructuring

During the three and nine months ended March 31, 2023, the Company recorded restructuring charges of \$25 million and \$65 million, respectively, primarily related to employee termination benefits. The employee termination benefits recorded in the three months ended March 31, 2023 mainly resulted from actions taken by the Company’s businesses in response to the headcount reductions announced in February 2023.

Fiscal 2022 Impairment

During the three and nine months ended March 31, 2022, the Company recognized non-cash impairment charges of \$15 million related to the write-down of fixed assets associated with the shutdown and sale of certain U.S. printing facilities at the Dow Jones segment.

Fiscal 2022 Restructuring

During the three and nine months ended March 31, 2022, the Company recorded restructuring charges of \$22 million and \$67 million, respectively, of which \$5 million and \$29 million, respectively, related to the News Media segment. The restructuring charges recorded in fiscal 2022 primarily related to employee termination benefits.

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Changes in restructuring program liabilities were as follows:

	For the three months ended March 31,					
	2023			2022		
	One time employee termination benefits	Other costs	Total	One time employee termination benefits	Other costs	Total
	(in millions)					
Balance, beginning of period	\$ 25	\$ 41	\$ 66	\$ 23	\$ 36	\$ 59
Additions	24	1	25	9	13	22
Payments	(21)	(4)	(25)	(15)	(8)	(23)
Other	(1)	—	(1)	(2)	—	(2)
Balance, end of period	<u>\$ 27</u>	<u>\$ 38</u>	<u>\$ 65</u>	<u>\$ 15</u>	<u>\$ 41</u>	<u>\$ 56</u>

	For the nine months ended March 31,					
	2023			2022		
	One time employee termination benefits	Other costs	Total	One time employee termination benefits	Other costs	Total
	(in millions)					
Balance, beginning of period	\$ 25	\$ 41	\$ 66	\$ 51	\$ 35	\$ 86
Additions	60	5	65	46	21	67
Payments	(55)	(8)	(63)	(80)	(15)	(95)
Other	(3)	—	(3)	(2)	—	(2)
Balance, end of period	<u>\$ 27</u>	<u>\$ 38</u>	<u>\$ 65</u>	<u>\$ 15</u>	<u>\$ 41</u>	<u>\$ 56</u>

As of March 31, 2023, restructuring liabilities of approximately \$38 million were included in the Balance Sheet in Other current liabilities and \$27 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, 2023	As of March 31, 2023	As of June 30, 2022
		(in millions)	
Equity method investments ^(a)	various	\$ 279	\$ 276
Equity securities ^(b)	various	227	212
Total Investments		<u>\$ 506</u>	<u>\$ 488</u>

- (a) Equity method investments are primarily comprised of REA Group's ownership interest in PropertyGuru Group Ltd. ("PropertyGuru").
- (b) Equity securities are primarily comprised of Tremor, certain investments in China, the Company's investment in HT&E Limited, which operates a portfolio of Australian radio and outdoor media assets, and Dow Jones' investment in an artificial intelligence-focused data analytics company.

The Company has equity securities with quoted prices in active markets as well as equity securities without readily determinable fair market values. Equity securities without readily determinable fair market values are valued at cost, less any impairment, plus or minus changes in fair value resulting from observable price changes in orderly transactions for an identical

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

or similar investment of the same issuer. The components comprising total gains and losses on equity securities are set forth below:

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
	(in millions)		(in millions)	
Total (losses) gains recognized on equity securities	\$ (2)	\$ (18)	\$ (16)	\$ 1
Less: Net gains recognized on equity securities sold	—	—	2	—
Unrealized (losses) gains recognized on equity securities held at end of period	<u>\$ (2)</u>	<u>\$ (18)</u>	<u>\$ (18)</u>	<u>\$ 1</u>

Equity Losses of Affiliates

The Company's share of the losses of its equity affiliates was \$10 million and \$43 million for the three and nine months ended March 31, 2023, respectively, and \$4 million and \$10 million for the corresponding periods of fiscal 2022, respectively. The increase was primarily due to losses from an investment in an Australian sports wagering venture.

NOTE 6. BORROWINGS

The Company's total borrowings consist of the following:

	Interest rate at March 31, 2023	Maturity at March 31, 2023	As of March 31, 2023	As of June 30, 2022
			(in millions)	
News Corporation				
2022 Term loan A ^(a)	6.748 %	Mar 31, 2027	\$ 500	\$ 500
2022 Senior notes	5.125 %	Feb 15, 2032	492	492
2021 Senior notes	3.875 %	May 15, 2029	989	987
Foxtel Group^(b)				
2019 Credit facility ^(c)	6.02 %	May 31, 2024	321	68
2019 Term loan facility	6.25 %	Nov 22, 2024	167	171
2017 Working capital facility ^(c)	6.02 %	May 31, 2024	—	—
Telstra facility	11.15 %	Dec 22, 2027	110	90
2012 US private placement — USD portion — tranche 2 ^(d)	— %	Jul 25, 2022	—	198
2012 US private placement — USD portion — tranche 3 ^(d)	4.42 %	Jul 25, 2024	149	147
2012 US private placement — AUD portion	— %	Jul 25, 2022	—	68
REA Group^(b)				
2022 Credit facility — tranche 1 ^(e)	4.71 %	Sep 16, 2024	212	273
2022 Credit facility — tranche 2 ^(e)	4.86 %	Sep 16, 2025	—	8
Finance lease liability			47	67
Total borrowings			2,987	3,069
Less: current portion ^(f)			(27)	(293)
Long-term borrowings			\$ 2,960	\$ 2,776

- (a) The Company entered into an interest rate swap derivative to fix the floating rate interest component of its Term A Loans at 2.083%. For the three months ended March 31, 2023 the Company was paying interest at an effective interest rate of 3.708%. See Note 8—Financial Instruments and Fair Value Measurements.
- (b) These borrowings were incurred by certain subsidiaries of NXE Australia Pty Limited (the “Foxtel Group” and together with such subsidiaries, the “Foxtel Debt Group”) and REA Group and certain of its subsidiaries (REA Group and certain

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of its subsidiaries, the “REA Debt Group”), consolidated but non wholly-owned subsidiaries of News Corp, and are only guaranteed by the Foxtel Group and REA Group and their respective subsidiaries, as applicable, and are non-recourse to News Corp.

- (c) As of March 31, 2023, the Foxtel Debt Group had total undrawn commitments of A\$161 million available under these facilities.
- (d) The carrying values of the borrowings include any fair value adjustments related to the Company’s fair value hedges. See Note 8—Financial Instruments and Fair Value Measurements.
- (e) As of March 31, 2023, REA Group had total undrawn commitments of A\$281 million available under this facility.
- (f) The Company classifies the current portion of long term debt as non-current liabilities on the Balance Sheets when it has the intent and ability to refinance the obligation on a long-term basis, in accordance with ASC 470-50 “Debt.” \$27 million and \$27 million relates to the current portion of finance lease liabilities as of March 31, 2023 and June 30, 2022, respectively.

Foxtel Group Borrowings

During the nine months ended March 31, 2023, the Foxtel Group repaid its U.S. private placement senior unsecured notes that matured in July 2022 using capacity under the 2019 Credit Facility.

Covenants

The Company’s borrowings and those of its consolidated subsidiaries contain customary representations, covenants and events of default, including those discussed in the Company’s 2022 Form 10-K. If any of the events of default occur and are not cured within applicable grace periods or waived, any unpaid amounts under the applicable debt agreements may be declared immediately due and payable. The Company was in compliance with all such covenants at March 31, 2023.

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NOTE 7. EQUITY

The following tables summarize changes in equity for the three and nine months ended March 31, 2023 and 2022:

	For the three months ended March 31, 2023									
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total News Corp Equity	Non-controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
	(in millions)									
Balance, December 31, 2022	382	\$ 4	193	\$ 2	\$11,550	\$ (2,186)	\$ (1,255)	\$ 8,115	\$ 941	\$ 9,056
Net income	—	—	—	—	—	50	—	50	9	59
Other comprehensive loss	—	—	—	—	—	—	(24)	(24)	(17)	(41)
Dividends	—	—	—	—	(58)	—	—	(58)	(27)	(85)
Share repurchases	(1)	—	—	—	(20)	—	—	(20)	—	(20)
Other	1	—	—	—	14	—	—	14	1	15
Balance, March 31, 2023	382	\$ 4	193	\$ 2	\$11,486	\$ (2,136)	\$ (1,279)	\$ 8,077	\$ 907	\$ 8,984
	For the three months ended March 31, 2022									
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total News Corp Equity	Non-controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
	(in millions)									
Balance, December 31, 2021	392	\$ 4	199	\$ 2	\$11,948	\$ (2,482)	\$ (1,089)	\$ 8,383	\$ 964	\$ 9,347
Net income	—	—	—	—	—	82	—	82	22	104
Other comprehensive income	—	—	—	—	—	—	88	88	35	123
Dividends	—	—	—	—	(59)	—	—	(59)	(28)	(87)
Share repurchases	(3)	—	(1)	—	(78)	(3)	—	(81)	—	(81)
Other	—	—	—	—	12	—	—	12	(2)	10
Balance, March 31, 2022	389	\$ 4	198	\$ 2	\$11,823	\$ (2,403)	\$ (1,001)	\$ 8,425	\$ 991	\$ 9,416
	For the nine months ended March 31, 2023									
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total News Corp Equity	Non-controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
	(in millions)									
Balance, June 30, 2022	388	\$ 4	197	\$ 2	\$11,779	\$ (2,293)	\$ (1,270)	\$ 8,222	\$ 921	\$ 9,143
Net income	—	—	—	—	—	157	—	157	62	219
Other comprehensive loss	—	—	—	—	—	—	(9)	(9)	(14)	(23)
Dividends	—	—	—	—	(116)	—	—	(116)	(58)	(174)
Share repurchases	(8)	—	(4)	—	(194)	—	—	(194)	—	(194)
Other	2	—	—	—	17	—	—	17	(4)	13
Balance, March 31, 2023	382	\$ 4	193	\$ 2	\$11,486	\$ (2,136)	\$ (1,279)	\$ 8,077	\$ 907	\$ 8,984

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	For the nine months ended March 31, 2022										
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total News Corp Equity	Non- controlling Interests	Total Equity	
	Shares	Amount	Shares	Amount							
	(in millions)										
Balance, June 30, 2021	391	\$ 4	200	\$ 2	\$12,057	\$ (2,911)	\$ (941)	\$ 8,211	\$ 935	\$ 9,146	
Net income	—	—	—	—	—	513	—	513	120	633	
Other comprehensive loss	—	—	—	—	—	—	(60)	(60)	(3)	(63)	
Dividends	—	—	—	—	(118)	—	—	(118)	(55)	(173)	
Share repurchases	(4)	—	(2)	—	(122)	(5)	—	(127)	—	(127)	
Other	2	—	—	—	6	—	—	6	(6)	—	
Balance, March 31, 2022	389	\$ 4	198	\$ 2	\$11,823	\$ (2,403)	\$ (1,001)	\$ 8,425	\$ 991	\$ 9,416	

Stock Repurchases

On September 22, 2021, the Company announced a new stock repurchase program authorizing the Company to purchase up to \$1 billion in the aggregate of its outstanding Class A Common Stock and Class B Common Stock (the “Repurchase Program”). The Repurchase Program replaces the Company’s \$500 million Class A Common Stock repurchase program approved by the Company’s Board of Directors (the “Board of Directors”) in May 2013. The manner, timing, number and share price of any repurchases will be determined by the Company at its discretion and will depend upon such factors as the market price of the stock, general market conditions, applicable securities laws, alternative investment opportunities and other factors. The Repurchase Program has no time limit and may be modified, suspended or discontinued at any time. As of March 31, 2023, the remaining authorized amount under the Repurchase Program was approximately \$623 million.

Stock repurchases commenced on November 9, 2021. During the three and nine months ended March 31, 2023, the Company repurchased and subsequently retired 0.8 million and 7.7 million shares, respectively, of Class A Common Stock for approximately \$14 million and \$129 million, respectively, and 0.4 million and 3.9 million shares, respectively, of Class B Common Stock for approximately \$6 million and \$65 million, respectively. During the three and nine months ended March 31, 2022, the Company repurchased and subsequently retired 2.5 million and 3.9 million shares, respectively, of Class A Common Stock for approximately \$54 million and \$85 million, respectively, and 1.2 million and 1.9 million shares, respectively, of Class B Common Stock for approximately \$27 million and \$42 million, respectively.

Dividends

In February 2023, 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. The dividend was paid on April 12, 2023 to stockholders of record as of March 15, 2023. 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. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

In accordance with ASC 820, “Fair Value Measurements” (“ASC 820”) fair value measurements are required to be disclosed using a three-tiered fair value hierarchy which distinguishes market participant assumptions into the following categories:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1. The Company could value assets and liabilities included in this level using dealer and broker quotations, certain pricing models, bid prices, quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. For the Company, this primarily includes the use of forecasted financial information and other

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valuation related assumptions such as discount rates and long term growth rates in the income approach as well as the market approach which utilizes certain market and transaction multiples.

Under ASC 820, certain assets and liabilities are required to be remeasured to fair value at the end of each reporting period.

The following table summarizes those assets and liabilities measured at fair value on a recurring basis:

	As of March 31, 2023				As of June 30, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in millions)							
Assets:								
Interest rate derivatives - cash flow hedges	\$ —	\$ 33	\$ —	\$ 33	\$ —	\$ 24	\$ —	\$ 24
Foreign currency derivatives - cash flow hedges	—	1	—	1	—	1	—	1
Cross-currency interest rate derivatives - fair value hedges	—	8	—	8	—	19	—	19
Cross-currency interest rate derivatives	—	35	—	35	—	79	—	79
Equity securities ^(a)	97	—	130	227	109	—	103	212
Total assets	<u>\$ 97</u>	<u>\$ 77</u>	<u>\$ 130</u>	<u>\$ 304</u>	<u>\$ 109</u>	<u>\$ 123</u>	<u>\$ 103</u>	<u>\$ 335</u>
Total liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

(a) See Note 5—Investments.

Equity securities

The fair values of equity securities with quoted prices in active markets are determined based on the closing price at the end of each reporting period. These securities are classified as Level 1 in the fair value hierarchy outlined above. The fair values of equity securities without readily determinable fair market values are determined based on cost, less any impairment, plus or minus changes in fair value resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. These securities are classified as Level 3 in the fair value hierarchy outlined above.

A rollforward of the Company's equity securities classified as Level 3 is as follows:

	For the nine months ended March 31,	
	2023	2022
	(in millions)	
Balance - beginning of period	\$ 103	\$ 116
Additions ^(a)	31	17
Sales	(2)	—
Returns of capital	(5)	(33)
Measurement adjustments	1	23
Foreign exchange and other ^(b)	2	(18)
Balance - end of period	<u>\$ 130</u>	<u>\$ 105</u>

- (a) Primarily relates to Dow Jones' investment in an artificial intelligence-focused data analytics company during the nine months ended March 31, 2023.
- (b) During the nine months ended March 31, 2022, the Company reclassified its investment in an equity security from Level 3 to Level 1 within the fair value hierarchy as the investment became publicly traded in the first quarter of fiscal 2022.

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Derivative Instruments

The Company is directly and indirectly affected by risks associated with changes in certain market conditions. When deemed appropriate, the Company uses derivative instruments to mitigate the potential impact of these market risks. The primary market risks managed by the Company through the use of derivative instruments include:

- foreign currency exchange rate risk: arising primarily through Foxtel Debt Group borrowings denominated in United States (“U.S.”) dollars, payments for customer premise equipment and certain programming rights; and
- interest rate risk: arising from fixed and floating rate Foxtel Debt Group and News Corporation borrowings.

The Company formally designates qualifying derivatives as hedge relationships (“hedges”) and applies hedge accounting when considered appropriate. The Company does not use derivative financial instruments for trading or speculative purposes.

Derivatives are classified as current or non-current in the Balance Sheets based on their maturity dates. Refer to the table below for further details:

	Balance Sheet Location	As of March 31, 2023	As of June 30, 2022
		(in millions)	
Interest rate derivatives - cash flow hedges	Other current assets	\$ 17	\$ 4
Foreign currency derivatives - cash flow hedges	Other current assets	1	1
Cross currency interest rate derivatives - fair value hedges	Other current assets	—	11
Cross currency interest rate derivatives	Other current assets	—	46
Interest rate derivatives - cash flow hedges	Other non-current assets	16	20
Cross-currency interest rate derivatives - fair value hedges	Other non-current assets	8	8
Cross-currency interest rate derivatives	Other non-current assets	35	33

Cash flow hedges

The Company utilizes a combination of foreign currency derivatives and interest rate derivatives to mitigate currency exchange rate risk and interest rate risk in relation to future interest and principal payments and payments for customer premise equipment and certain programming rights.

The total notional value of foreign currency contract derivatives designated for hedging was \$42 million as of March 31, 2023. The maximum hedged term over which the Company is hedging exposure to foreign currency fluctuations is less than one year. As of March 31, 2023, the Company estimates that approximately nil of net derivative losses related to its foreign currency contract derivative cash flow hedges included in Accumulated other comprehensive loss will be reclassified into the Statements of Operations within the next 12 months.

The total notional value of interest rate swap derivatives designated for hedging was approximately A\$250 million and \$500 million as of March 31, 2023 for Foxtel Debt Group and News Corporation borrowings, respectively. The maximum hedged term over which the Company is hedging exposure to variability in interest payments is to March 2027. As of March 31, 2023, the Company estimates that approximately \$19 million of net derivative gains related to its interest rate swap derivative cash flow hedges included in Accumulated other comprehensive loss will be reclassified into the Statements of Operations within the next 12 months.

Cash flow derivatives

The Company utilizes cross-currency interest rate derivatives to mitigate currency exchange and interest rate risk in relation to future interest and principal payments. The Company determined that these cash flow hedges no longer qualified as highly effective as of December 31, 2020 primarily due to changes in foreign exchange and interest rates. Amounts recognized in Accumulated other comprehensive loss during the periods the hedges were considered highly effective will continue to be reclassified out of Accumulated other comprehensive loss over the remaining term of the derivatives. Changes in the fair values of these derivatives will be recognized within Other, net in the Statements of Operations on a prospective basis.

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The total notional value of cross-currency interest rate swaps for which the Company discontinued hedge accounting was approximately \$120 million as of March 31, 2023. The maximum hedged term over which the Company is hedging exposure to variability in interest and principal payments is to July 2024. As of March 31, 2023, the Company estimates that approximately \$1 million of net derivative gains related to its cross-currency interest rate swap derivative cash flow hedges included in Accumulated other comprehensive loss will be reclassified into the Statements of Operations within the next 12 months.

The following tables present the impact that changes in the fair values had on Accumulated other comprehensive loss and the Statements of Operations during the three and nine months ended March 31, 2023 and 2022 for both derivatives designated as cash flow hedges that continue to be highly effective and derivatives initially designated as cash flow hedges but for which hedge accounting was discontinued as of December 31, 2020:

	Gain (loss) recognized in Accumulated Other Comprehensive Loss for the three months ended March 31,		(Gain) loss reclassified from Accumulated Other Comprehensive Loss for the three months ended March 31,		Income statement location
	2023	2022	2023	2022	
	(in millions)				
Foreign currency derivatives - cash flow hedges	\$ —	\$ (1)	\$ 1	\$ —	Operating expenses
Cross-currency interest rate derivatives	—	—	—	(1)	Interest expense, net
Interest rate derivatives - cash flow hedges	(6)	11	(5)	(1)	Interest expense, net
Total	<u>\$ (6)</u>	<u>\$ 10</u>	<u>\$ (4)</u>	<u>\$ (2)</u>	
	(in millions)				
	Gain (loss) recognized in Accumulated Other Comprehensive Loss for the nine months ended March 31,		(Gain) loss reclassified from Accumulated Other Comprehensive Loss for the nine months ended March 31,		Income statement location
	2023	2022	2023	2022	
Foreign currency derivatives - cash flow hedges	\$ (1)	\$ —	\$ 1	\$ —	Operating expenses
Cross-currency interest rate derivatives	—	—	(1)	(3)	Interest expense, net
Interest rate derivatives - cash flow hedges	15	17	(8)	(3)	Interest expense, net
Total	<u>\$ 14</u>	<u>\$ 17</u>	<u>\$ (8)</u>	<u>\$ (6)</u>	

The amounts recognized in Other, net in the Statements of Operations resulting from the changes in fair value of cross-currency interest rate derivatives that were discontinued as cash flow hedges due to hedge ineffectiveness as of December 31, 2020 was a gain of approximately \$1 million and \$3 million for the three and nine months ended March 31, 2023, respectively, and a loss of approximately \$12 million and a gain of approximately \$5 million for the three and nine months ended March 31, 2022, respectively.

Fair value hedges

Borrowings in Australia issued at fixed rates and in U.S. dollars expose the Company to fair value interest rate risk and currency exchange rate risk. The Company manages fair value interest rate risk and currency exchange rate risk through the use of cross-currency interest rate swaps under which the Company exchanges fixed interest payments equivalent to the interest payments on the U.S. dollar denominated debt for floating rate Australian dollar denominated interest payments. The changes in fair value of derivatives designated as fair value hedges and the offsetting changes in fair value of the hedged items are recognized in Other, net. For the nine months ended March 31, 2023, such adjustments decreased the carrying value of borrowings by nil.

The total notional value of the fair value hedges was approximately \$30 million as of March 31, 2023. The maximum hedged term over which the Company is hedging exposure to variability in interest payments is to July 2024.

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During the three and nine months ended March 31, 2023 and 2022, the amount recognized in the Statements of Operations on derivative instruments designated as fair value hedges related to the ineffective portion was nil and the Company excluded the currency basis from the changes in fair value of the derivative instruments from the assessment of hedge effectiveness.

The following sets forth the effect of fair value hedging relationships on hedged items in the Balance Sheets as of March 31, 2023 and June 30, 2022:

	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Borrowings:		
Carrying amount of hedged item	\$ 28	\$ 68
Cumulative hedging adjustments included in the carrying amount	—	2

Other Fair Value Measurements

As of March 31, 2023, the carrying value of the Company's outstanding borrowings approximates the fair value. The 2022 Senior Notes, 2021 Senior Notes and U.S. private placement borrowings are classified as Level 2 and the remaining borrowings are classified as Level 3 in the fair value hierarchy.

NOTE 9. EARNINGS (LOSS) PER SHARE

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

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
	(in millions, except per share amounts)			
Net income	\$ 59	\$ 104	\$ 219	\$ 633
Less: Net income attributable to noncontrolling interests	(9)	(22)	(62)	(120)
Net income attributable to News Corporation stockholders	<u>\$ 50</u>	<u>\$ 82</u>	<u>\$ 157</u>	<u>\$ 513</u>
Weighted-average number of shares of common stock outstanding - basic	575.4	588.8	577.6	590.9
Dilutive effect of equity awards	2.5	3.3	2.0	2.8
Weighted-average number of shares of common stock outstanding - diluted	<u>577.9</u>	<u>592.1</u>	<u>579.6</u>	<u>593.7</u>
Net income attributable to News Corporation stockholders per share - basic	\$ 0.09	\$ 0.14	\$ 0.27	\$ 0.87
Net income attributable to News Corporation stockholders per share - diluted	\$ 0.09	\$ 0.14	\$ 0.27	\$ 0.86

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 current and future rights to various assets and services to be used in the normal course of operations. During March 2023, the Company amended and extended certain programming rights agreements. As a result, the Company has presented its commitments associated with its programming rights in the table below. The Company's remaining commitments as of March 31, 2023 have not changed significantly from the disclosures included in the 2022 Form 10-K and the Company's Form 10-Q for the quarter ended December 31, 2022.

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	As of March 31, 2023				
	Payments Due by Period				
	Total	Less than 1	1-3 years	3-5 years	More than 5
		year	(in millions)		years
Programming costs	\$ 1,461	\$ 377	\$ 539	\$ 396	\$ 149

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 May 2020, the Company sold its News America Marketing business. In the transaction, the Company retained certain liabilities, including those arising from the legal proceedings with Insignia Systems, Inc. (“Insignia”) and Valassis Communications, Inc. (“Valassis”) described below.

Insignia Systems, Inc.

In July 2019, Insignia filed a complaint in the U.S. District Court for the District of Minnesota against News America Marketing FSI L.L.C. (“NAM FSI”), News America Marketing In-Store Services L.L.C. (“NAM In-Store”) and News Corporation (together, the “NAM Parties”) alleging violations of federal and state antitrust laws and common law business torts. The complaint sought treble damages, injunctive relief and attorneys’ fees and costs. In July 2022, the parties agreed to settle the litigation and Insignia’s claims were dismissed with prejudice.

Valassis Communications, Inc.

In November 2013, Valassis filed a complaint in the U.S. District Court for the Eastern District of Michigan against the NAM Parties and News America Incorporated, which was subsequently transferred to the U.S. District Court for the Southern District of New York (the “N.Y. District Court”). The complaint alleged violations of federal and state antitrust laws and common law business torts and sought treble damages, injunctive relief and attorneys’ fees and costs. The trial began on June 29, 2021, and in July 2021, the parties agreed to settle the litigation and Valassis’s claims were dismissed with prejudice.

HarperCollins

Beginning in February 2021, a number of purported class action complaints have been filed in the N.Y. District Court against Amazon.com, Inc. (“Amazon”) and certain publishers, including the Company’s subsidiary, HarperCollins Publishers, L.L.C. (“HarperCollins” and together with the other publishers, the “Publishers”), alleging violations of antitrust and competition laws. The complaints seek treble damages, injunctive relief and attorneys’ fees and costs. In September 2022, the N.Y. District Court granted Amazon and the Publishers’ motions to dismiss the complaints but gave the plaintiffs leave to amend. The plaintiffs filed amended complaints in both cases in November 2022, and in January 2023, Amazon and the Publishers filed motions to dismiss the amended complaints. While it is not possible at this time to predict with any degree of certainty the ultimate outcome of these actions, HarperCollins believes it has been compliant with applicable laws and intends to defend itself vigorously.

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U.K. Newspaper Matters

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 separation of the Company from Twenty-First Century Fox, Inc. ("21st Century Fox") on June 28, 2013, 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 such 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 are settled on an after-tax basis. In March 2019, as part of the separation of FOX Corporation ("FOX") from 21st Century Fox, the Company, News Corp Holdings UK & Ireland, 21st Century Fox and FOX entered into a Partial Assignment and Assumption Agreement, pursuant to which, among other things, 21st Century Fox assigned, conveyed and transferred to FOX all of its indemnification obligations with respect to the U.K. Newspaper Matters.

The net expense related to the U.K. Newspaper Matters in Selling, general and administrative was \$4 million and \$3 million for the three months ended March 31, 2023 and 2022, respectively, and \$13 million and \$9 million for the nine months ended March 31, 2023 and 2022, respectively. As of March 31, 2023, 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 \$123 million. The amount to be indemnified by FOX of approximately \$122 million was recorded as a receivable in Other current assets on the Balance Sheet as of March 31, 2023. 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, or as settlements or litigations occur.

NOTE 11. INCOME TAXES

At the end of each interim period, the Company estimates its annual effective tax rate and applies that rate to 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 are individually computed and 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, 2023, the Company recorded income tax expense of \$32 million on pre-tax income of \$91 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

foreign operations which are subject to higher tax rates and by valuation allowances recorded against tax benefits in certain businesses.

For the nine months ended March 31, 2023, the Company recorded income tax expense of \$128 million on pre-tax income of \$347 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates and by valuation allowances recorded against tax benefits in certain businesses.

For the three months ended March 31, 2022, the Company recorded income tax expense of \$29 million on pre-tax income of \$133 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates, offset by the reversal of valuation allowances related to certain deferred tax assets.

For the nine months ended March 31, 2022, the Company recorded income tax expense of \$199 million on pre-tax income of \$832 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates, offset by the reversal of valuation allowances related to certain deferred tax assets and the lower tax impact related to the sale of REA Group's Malaysia and Thailand businesses.

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.

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 is currently undergoing an audit with the Internal Revenue Service for the fiscal year ended June 30, 2018, as well as audits with certain U.S. states and foreign jurisdictions. 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, the Company may need to accrue additional income tax expense and its liability may need to be adjusted as new information becomes known and as these tax examinations continue to progress, or as settlements or litigations occur.

The Inflation Reduction Act ("IRA") was signed into law on August 16, 2022. The IRA implements a 15% corporate minimum tax on corporations with over \$1 billion of financial statement income, a 1% excise tax on stock repurchases and several tax incentives to promote clean energy. On December 27, 2022, the U.S. Treasury Department provided additional guidance on the corporate minimum tax and the excise tax on stock repurchases. The Company is not expected to be subject to the corporate minimum tax and it will be subject to the 1% excise tax on stock repurchases. The 1% stock repurchase excise tax is not expected to have a material impact on the Company's results of operations.

The OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting has agreed on a two-pillar approach to address tax challenges arising from the digitalization of the global economy by (1) allocating profits to market jurisdictions ("Pillar One") and (2) ensuring multinational enterprises pay a minimum level of tax regardless of where the headquarters are located or the jurisdictions in which the company operates ("Pillar Two"). Pillar One targets multinational groups with global revenue exceeding 20 billion Euros and a profit-to-revenue ratio of more than 10%. Companies subject to Pillar One will be required to allocate profits and pay taxes to market jurisdictions. Based on the current proposed revenue and profit thresholds, the Company does not expect to be subject to tax changes associated with Pillar One. Pillar Two establishes a global minimum effective tax rate of 15% for multinational groups with annual global revenue exceeding 750 million Euros. On December 15, 2022, EU Member States unanimously adopted a directive implementing the global minimum tax rules of Pillar Two requiring members to enact the directive into their national laws by the end of 2023. We are currently evaluating the potential impact of the Pillar Two global minimum tax proposals on our consolidated financial statements and related disclosures.

The Company paid gross income taxes of \$114 million and \$132 million during the nine months ended March 31, 2023 and 2022, respectively, and received tax refunds of \$13 million and \$3 million, respectively.

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NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12. SEGMENT INFORMATION

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

- **Digital Real Estate Services**—The Digital Real Estate Services segment consists of the Company’s 61.4% interest in REA Group and 80% interest in Move. The remaining 20% interest in Move is held by REA Group. REA Group is a market-leading digital media business specializing in property and is listed on the Australian Securities Exchange (“ASX”) (ASX: REA). REA Group advertises property and property-related services on its websites and mobile apps, including Australia’s leading residential, commercial and share property websites, realestate.com.au, realcommercial.com.au and Flatmates.com.au, property.com.au and property portals in India. In addition, REA Group provides property-related data to the financial sector and financial services through an end-to-end digital property search and financing experience and a mortgage broking offering.

Move is a leading provider of digital real estate services in the U.S. and primarily operates Realtor.com®, a premier real estate information, advertising and services platform. Move offers real estate advertising solutions to agents and brokers, including its ConnectionsSM Plus, Market VIPSM and AdvantageSM Pro products as well as its referral-based service, ReadyConnect ConciergeSM. Move also offers online tools and services to do-it-yourself landlords and tenants.

- **Subscription Video Services**—The Company’s Subscription Video Services segment provides sports, entertainment and news services to pay-TV and streaming subscribers and other commercial licensees, primarily via cable, satellite and internet distribution, and consists of (i) the Company’s 65% interest in the Foxtel Group (with the remaining 35% interest held by Telstra, an ASX-listed telecommunications company) and (ii) Australian News Channel (“ANC”). The Foxtel Group is the largest Australian-based subscription television provider. Its Foxtel pay-TV service provides approximately 200 live channels and video on demand covering sports, general entertainment, movies, documentaries, music, children’s programming and news. Foxtel and the Group’s Kayo Sports streaming service offer the leading sports programming content in Australia, with broadcast rights to live sporting events including: National Rugby League, Australian Football League, Cricket Australia and various motorsports programming. The Foxtel Group’s other streaming services include *BINGE*, its entertainment streaming service, and Foxtel Now, a streaming service that provides access across Foxtel’s live and on-demand content.

ANC operates the SKY NEWS network, Australia’s 24-hour multi-channel, multi-platform news service. ANC channels are distributed throughout Australia and New Zealand and available on Foxtel and Sky Network Television NZ. ANC also owns and operates the international Australia Channel IPTV service and offers content across a variety of digital media platforms, including web, mobile and third party providers.

- **Dow Jones**—The Dow Jones segment consists of Dow Jones, a global provider of news and business information, which distributes its content and data through a variety of media channels including newspapers, newswires, websites, mobile apps, newsletters, magazines, proprietary databases, live journalism, video and podcasts. The Dow Jones segment’s products, which target individual consumers and enterprise customers, include *The Wall Street Journal*, *Barron’s*, *MarketWatch*, *Investor’s Business Daily*, *Factiva*, *Dow Jones Risk & Compliance*, *Dow Jones Newswires* and *OPIS*.
- **Book Publishing**—The Book Publishing segment consists of HarperCollins, the second largest consumer book publisher in the world, with operations in 17 countries and particular strengths in general fiction, nonfiction, children’s and religious publishing. HarperCollins owns more than 120 branded publishing imprints, including Harper, William Morrow, Mariner, HarperCollins Children’s Books, Avon, Harlequin and Christian publishers Zondervan and Thomas Nelson, and publishes works by well-known authors such as Harper Lee, George Orwell, Agatha Christie and Zora Neale Hurston, as well as global author brands including J.R.R. Tolkien, C.S. Lewis, Daniel Silva, Karin Slaughter and Dr. Martin Luther King, Jr. It is also home to many beloved children’s books and authors and a significant Christian publishing business.
- **News Media**—The News Media segment consists primarily of News Corp Australia, News UK and the *New York Post* and includes, among other publications, *The Australian*, *The Daily Telegraph*, *Herald Sun*, *The Courier Mail* and *The Advertiser* in Australia and *The Times*, *The Sunday Times*, *The Sun* and *The Sun on Sunday* in the U.K. This segment also includes Wireless Group, operator of talkSPORT, the leading sports radio network in the U.K., the Company’s recently launched TalkTV in the U.K. and Storyful, a social media content agency.

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

- **Other**—The Other segment consists primarily of general corporate overhead expenses, costs related to the U.K. Newspaper Matters and expenses associated with the Company’s cost reduction initiatives.

Segment EBITDA is defined as revenues less operating expenses and selling, general and administrative expenses. Segment EBITDA does not include: depreciation and amortization, impairment and restructuring charges, equity losses of affiliates, interest (expense) income, net, other, net and income tax (expense) benefit. 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).

Segment information is summarized as follows:

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
	(in millions)			
Revenues:				
Digital Real Estate Services	\$ 363	\$ 416	\$ 1,170	\$ 1,298
Subscription Video Services	477	494	1,441	1,502
Dow Jones	529	487	1,607	1,439
Book Publishing	515	515	1,533	1,678
News Media	563	580	1,695	1,794
Other	—	—	—	—
Total revenues	\$ 2,447	\$ 2,492	\$ 7,446	\$ 7,711
Segment EBITDA:				
Digital Real Estate Services	\$ 102	\$ 137	\$ 349	\$ 453
Subscription Video Services	68	79	269	279
Dow Jones	109	88	361	327
Book Publishing	61	67	151	259
News Media	34	39	111	184
Other	(54)	(52)	(162)	(148)
Depreciation and amortization	(183)	(172)	(536)	(505)
Impairment and restructuring charges	(25)	(37)	(65)	(82)
Equity losses of affiliates	(10)	(4)	(43)	(10)
Interest expense, net	(25)	(25)	(78)	(68)
Other, net	14	13	(10)	143
Income before income tax expense	91	133	347	832
Income tax expense	(32)	(29)	(128)	(199)
Net income	\$ 59	\$ 104	\$ 219	\$ 633

NEWS CORPORATION
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	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Total assets:		
Digital Real Estate Services	\$ 2,887	\$ 2,989
Subscription Video Services	2,871	3,082
Dow Jones	4,275	4,368
Book Publishing	2,720	2,651
News Media	2,182	2,115
Other ^(a)	1,593	1,528
Investments	506	488
Total assets	<u>\$ 17,034</u>	<u>\$ 17,221</u>

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

	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Goodwill and intangible assets, net:		
Digital Real Estate Services	\$ 1,785	\$ 1,823
Subscription Video Services	1,328	1,394
Dow Jones	3,310	3,346
Book Publishing	952	973
News Media	303	304
Total Goodwill and intangible assets, net	<u>\$ 7,678</u>	<u>\$ 7,840</u>

NOTE 13. ADDITIONAL FINANCIAL INFORMATION

Receivables, net

Receivables are presented net of allowances, which reflect the Company's expected credit losses based on historical experience as well as current and expected economic conditions.

Receivables, net consist of:

	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Receivables	\$ 1,601	\$ 1,569
Less: allowances	(61)	(67)
Receivables, net	<u>\$ 1,540</u>	<u>\$ 1,502</u>

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Other Non-Current Assets

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

	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Royalty advances to authors	\$ 391	\$ 403
Retirement benefit assets	150	133
Inventory ^(a)	273	268
News America Marketing deferred consideration	153	142
Other	444	438
Total Other non-current assets	<u>\$ 1,411</u>	<u>\$ 1,384</u>

(a) Primarily consists of the non-current portion of programming rights.

Other Current Liabilities

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

	As of March 31, 2023	As of June 30, 2022
	(in millions)	
Royalties and commissions payable	\$ 255	\$ 215
Current operating lease liabilities	113	139
Allowance for sales returns	154	173
Current tax payable	14	18
Other	447	430
Total Other current liabilities	<u>\$ 983</u>	<u>\$ 975</u>

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,	
	2023	2022	2023	2022
	(in millions)			
Remeasurement of equity securities	\$ (2)	\$ (19)	\$ (16)	\$ —
Dividends received from equity security investments	2	8	6	18
Gain on sale of businesses ^(a)	—	—	—	98
Gain on remeasurement of previously-held interest	—	—	—	3
Gain on dilution of PropertyGuru investment ^(b)	—	15	—	15
Other	14	9	—	9
Total Other, net	<u>\$ 14</u>	<u>\$ 13</u>	<u>\$ (10)</u>	<u>\$ 143</u>

- (a) During the nine months ended March 31, 2022, REA Group acquired an 18% interest in PropertyGuru in exchange for all shares of REA Group's entities in Malaysia and Thailand. The Company recognized a gain of \$107 million on the disposition of such entities.
- (b) During the three months ended March 31, 2022, PropertyGuru completed its merger with Bridgetown 2 Holdings Limited. REA Group recognized a gain of approximately \$15 million resulting from its ownership dilution in the transaction. At March 31, 2022, REA Group held an ownership interest of 17.5% in PropertyGuru.

NEWS CORPORATION
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Supplemental Cash Flow Information

The following table sets forth the Company's cash paid for taxes and interest:

	For the nine months ended March 31,	
	2023	2022
	(in millions)	
Cash paid for interest	\$ 69	\$ 63
Cash paid for taxes	\$ 114	\$ 132

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,” “will,” “estimate,” “anticipate,” “predict,” “believe,” “should” 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 business, financial condition or results of operations, the Company’s strategy and strategic initiatives, including potential acquisitions, investments and dispositions, the Company’s cost savings initiatives, including announced headcount reductions, 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 and 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, 2022, as filed with the Securities and Exchange Commission (the “SEC”) on August 12, 2022 (the “2022 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 2022 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: digital real estate services, subscription video services in Australia, news and information services and book publishing.

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 Businesses**—This section provides a general description of the Company’s businesses, as well as developments that occurred to date during fiscal 2023 that the Company believes are important in understanding its results of operations and financial condition 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, 2023 and 2022. This analysis is presented on both a consolidated basis and a segment basis. Supplemental revenue information is also included for reporting units within certain segments and is presented on a gross basis, before eliminations in consolidation. In addition, a brief description is provided of significant transactions and events that impact 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, 2023 and 2022, as well as a discussion of the Company’s financial arrangements and outstanding commitments, both firm and contingent, that existed as of March 31, 2023.

OVERVIEW OF THE COMPANY’S BUSINESSES

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

- **Digital Real Estate Services**—The Digital Real Estate Services segment consists of the Company’s 61.4% interest in REA Group and 80% interest in Move. The remaining 20% interest in Move is held by REA Group. REA

Group is a market-leading digital media business specializing in property and is listed on the Australian Securities Exchange (“ASX”) (ASX: REA). REA Group advertises property and property-related services on its websites and mobile apps, including Australia’s leading residential, commercial and share property websites, realestate.com.au, realcommercial.com.au and Flatmates.com.au, property.com.au and property portals in India. In addition, REA Group provides property-related data to the financial sector and financial services through an end-to-end digital property search and financing experience and a mortgage broking offering.

Move is a leading provider of digital real estate services in the U.S. and primarily operates Realtor.com®, a premier real estate information, advertising and services platform. Move offers real estate advertising solutions to agents and brokers, including its ConnectionsSM Plus, Market VIPSM and AdvantageSM Pro products as well as its referral-based service, ReadyConnect ConciergeSM. Move also offers online tools and services to do-it-yourself landlords and tenants.

- **Subscription Video Services**—The Company’s Subscription Video Services segment provides sports, entertainment and news services to pay-TV and streaming subscribers and other commercial licensees, primarily via cable, satellite and internet distribution, and consists of (i) the Company’s 65% interest in the Foxtel Group (with the remaining 35% interest held by Telstra, an ASX-listed telecommunications company) and (ii) Australian News Channel (“ANC”). The Foxtel Group is the largest Australian-based subscription television provider. Its Foxtel pay-TV service provides approximately 200 live channels and video on demand covering sports, general entertainment, movies, documentaries, music, children’s programming and news. Foxtel and the Group’s Kayo Sports streaming service offer the leading sports programming content in Australia, with broadcast rights to live sporting events including: National Rugby League, Australian Football League, Cricket Australia and various motorsports programming. The Foxtel Group’s other streaming services include *BINGE*, its entertainment streaming service, and Foxtel Now, a streaming service that provides access across Foxtel’s live and on-demand content.

ANC operates the SKY NEWS network, Australia’s 24-hour multi-channel, multi-platform news service. ANC channels are distributed throughout Australia and New Zealand and available on Foxtel and Sky Network Television NZ. ANC also owns and operates the international Australia Channel IPTV service and offers content across a variety of digital media platforms, including web, mobile and third party providers.

- **Dow Jones**—The Dow Jones segment consists of Dow Jones, a global provider of news and business information, which distributes its content and data through a variety of media channels including newspapers, newswires, websites, mobile apps, newsletters, magazines, proprietary databases, live journalism, video and podcasts. The Dow Jones segment’s products, which target individual consumers and enterprise customers, include *The Wall Street Journal*, *Barron’s*, *MarketWatch*, *Investor’s Business Daily*, *Factiva*, *Dow Jones Risk & Compliance*, *Dow Jones Newswires* and *OPIS*.
- **Book Publishing**—The Book Publishing segment consists of HarperCollins, the second largest consumer book publisher in the world, with operations in 17 countries and particular strengths in general fiction, nonfiction, children’s and religious publishing. HarperCollins owns more than 120 branded publishing imprints, including Harper, William Morrow, Mariner, HarperCollins Children’s Books, Avon, Harlequin and Christian publishers Zondervan and Thomas Nelson, and publishes works by well-known authors such as Harper Lee, George Orwell, Agatha Christie and Zora Neale Hurston, as well as global author brands including J.R.R. Tolkien, C.S. Lewis, Daniel Silva, Karin Slaughter and Dr. Martin Luther King, Jr. It is also home to many beloved children’s books and authors and a significant Christian publishing business.
- **News Media**—The News Media segment consists primarily of News Corp Australia, News UK and the *New York Post* and includes, among other publications, *The Australian*, *The Daily Telegraph*, *Herald Sun*, *The Courier Mail* and *The Advertiser* in Australia and *The Times*, *The Sunday Times*, *The Sun* and *The Sun on Sunday* in the U.K. This segment also includes Wireless Group, operator of talkSPORT, the leading sports radio network in the U.K., the Company’s recently launched TalkTV in the U.K. and Storyful, a social media content agency.
- **Other**—The Other segment consists primarily of general corporate overhead expenses, costs related to the U.K. Newspaper Matters (as defined in Note 10—Commitments and Contingencies to the Consolidated Financial Statements) and expenses associated with the Company’s cost reduction initiatives.

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Other Business Developments

Acquisition of OPIS

In February 2022, the Company acquired the Oil Price Information Service business and related assets (“OPIS”) from S&P Global Inc. (“S&P”) and IHS Markit Ltd. for \$1.15 billion in cash, subject to customary purchase price adjustments. OPIS is a global industry standard for benchmark and reference pricing and news and analytics for the oil, natural gas liquids and biofuels industries. The business also provides pricing and news and analytics for the coal, mining and metals end markets and insights and analytics in renewables and carbon pricing. The acquisition enables Dow Jones to become a leading provider of energy and renewables information and furthers its goal of building the leading global business news and information platform for professionals. OPIS is a subsidiary of Dow Jones, and its results are included in the Dow Jones segment.

Acquisition of Base Chemicals

In June 2022, the Company acquired the Base Chemicals (rebranded Chemical Market Analytics, “CMA”) business from S&P for \$295 million in cash, subject to customary purchase price adjustments. CMA provides pricing data, insights, analysis and forecasting for key base chemicals through its leading Market Advisory and World Analysis services. The acquisition enables Dow Jones to become a leading provider of base chemicals information and furthers its goal of building the leading global business news and information platform for professionals. CMA is operated by Dow Jones, and its results are included in the Dow Jones segment.

Acquisition of UpNest

In June 2022, the Company acquired UpNest, Inc. (“UpNest”) for closing cash consideration of \$45 million, subject to customary purchase price adjustments, and up to \$15 million in future cash consideration based upon the achievement of certain performance objectives over the next two years. UpNest is a real estate agent marketplace that matches home sellers and buyers with top local agents who compete for their business. The UpNest acquisition helps Realtor.com® further expand its services and support for home sellers and listing agents and brokers. UpNest is a subsidiary of Move, and its results are included within the Digital Real Estate Services segment.

Exploration of Potential Combination with FOX Corporation (“FOX”)

In October 2022, the Company announced that its Board of Directors (the “Board of Directors”), following the receipt of letters from K. Rupert Murdoch and the Murdoch Family Trust, had formed a special committee of independent and disinterested members of the Board of Directors (the “Special Committee”) to begin exploring a potential combination with FOX (the “Potential Transaction”). In January 2023, the Board of Directors received a letter from Mr. Murdoch withdrawing the proposal to explore the Potential Transaction. As a result of the letter, the Special Committee has been dissolved.

Potential Disposition of Move

In January 2023, the Company announced that it was engaged in discussions with CoStar Group, Inc. (“CoStar”) regarding a potential sale of its subsidiary, Move. In February 2023, the Company confirmed that it is no longer engaged in these discussions with CoStar.

Russian and Ukrainian conflict

The Company takes extensive steps to ensure the safety of its journalists and other personnel in Ukraine and Russia. Despite these measures, a reporter for *The Wall Street Journal* was recently detained by Russian authorities while on assignment in the country. The Company has engaged legal counsel for the reporter and is working to secure his release. The Company will continue to closely monitor the situation in the region. While the Company has extremely limited business operations in, or direct exposure to, Russia or Ukraine and the conflict has not had a material impact on its business, financial condition, or results of operations to date, the Company prioritizes the health, safety and well-being of its employees and will continue to support affected employees in the region. In addition to impacts on its personnel, the conflict has broadened inflationary pressures and a further escalation or expansion of its scope or the related economic disruption could impact the Company's supply chain, further exacerbate inflation and other macroeconomic trends and have an adverse effect on its results of operations.

Announced Headcount Reduction

In response to the macroeconomic challenges facing many of the Company's businesses, the Company continues to implement cost savings initiatives, including an expected 5% headcount reduction, or around 1,250 positions, this calendar year. Decisions regarding the elimination of positions are ongoing and assessed based on the needs of the respective businesses. The Company

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expects the majority of affected employees to be notified, and associated cash restructuring charges of approximately \$90 million to \$100 million to be recognized, in the second half of fiscal 2023. While it is still evaluating the estimated cost savings from these actions, the Company currently expects this to generate annualized gross cost savings of at least \$160 million once completed, the majority of which will be reflected in fiscal 2024. See Note 4—Impairment and Restructuring Charges in the accompanying Consolidated Financial Statements.

See Note 3—Acquisitions in the accompanying Consolidated Financial Statements for further discussion of the acquisitions discussed above.

RESULTS OF OPERATIONS

Results of Operations—For the three and nine months ended March 31, 2023 versus the three and nine months ended March 31, 2022

The following table sets forth the Company's operating results for the three and nine months ended March 31, 2023 as compared to the three and nine months ended March 31, 2022.

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues:								
Circulation and subscription	\$ 1,122	\$ 1,099	\$ 23	2 %	\$ 3,318	\$ 3,248	\$ 70	2 %
Advertising	393	418	(25)	(6) %	1,263	1,342	(79)	(6) %
Consumer	495	497	(2)	— %	1,474	1,615	(141)	(9) %
Real estate	272	316	(44)	(14) %	896	988	(92)	(9) %
Other	165	162	3	2 %	495	518	(23)	(4) %
Total Revenues	2,447	2,492	(45)	(2) %	7,446	7,711	(265)	(3) %
Operating expenses	(1,286)	(1,246)	(40)	(3) %	(3,853)	(3,769)	(84)	(2) %
Selling, general and administrative	(841)	(888)	47	5 %	(2,514)	(2,588)	74	3 %
Depreciation and amortization	(183)	(172)	(11)	(6) %	(536)	(505)	(31)	(6) %
Impairment and restructuring charges	(25)	(37)	12	32 %	(65)	(82)	17	21 %
Equity losses of affiliates	(10)	(4)	(6)	**	(43)	(10)	(33)	**
Interest expense, net	(25)	(25)	—	— %	(78)	(68)	(10)	(15) %
Other, net	14	13	1	8 %	(10)	143	(153)	**
Income before income tax expense	91	133	(42)	(32) %	347	832	(485)	(58) %
Income tax expense	(32)	(29)	(3)	(10) %	(128)	(199)	71	36 %
Net income	59	104	(45)	(43) %	219	633	(414)	(65) %
Less: Net income attributable to noncontrolling interests	(9)	(22)	13	59 %	(62)	(120)	58	48 %
Net income attributable to News Corporation stockholders	\$ 50	\$ 82	\$ (32)	(39) %	\$ 157	\$ 513	\$ (356)	(69) %

** not meaningful

Revenues— Revenues decreased \$45 million, or 2%, and \$265 million, or 3%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022.

The revenue decrease for the three months ended March 31, 2023 was primarily driven by decreases at the Digital Real Estate Services segment due to lower real estate revenues, the negative impact of foreign currency fluctuations and lower financial services revenue at REA Group and at the News Media and Subscription Video Services segments primarily due to the negative impacts of foreign currency fluctuations. The decreases were partially offset by higher revenues at the Dow Jones segment primarily due to the acquisitions of OPIS and CMA. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$98 million, or 4%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

The revenue decrease for the nine months ended March 31, 2023 was driven in part by the decrease at the Book Publishing segment primarily due to lower print and digital book sales in the U.S. market, difficult frontlist comparisons, the impact of

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Amazon's reset of its inventory levels and rightsizing of its warehouse footprint and the negative impact of foreign currency fluctuations. The decrease was also attributable to the negative impact of foreign currency fluctuations at the News Media and Subscription Video Services segments and lower revenues at the Digital Real Estate Services segment driven by lower real estate revenues at Move, the negative impact of foreign currency fluctuations and lower financial services revenue at REA Group. These decreases were partially offset by higher revenues at the Dow Jones segment primarily due to the acquisitions of OPIS and CMA. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$422 million, or 5%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

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.

Operating expenses— Operating expenses increased \$40 million, or 3%, and \$84 million, or 2%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022.

The increase in operating expenses for the three months ended March 31, 2023 was primarily driven by higher expenses at the Dow Jones segment due to the impact from recent acquisitions and at the Subscription Video Services segment due to higher sports programming rights costs. The increase was also driven by the Book Publishing segment due to higher manufacturing, freight and distribution costs and the News Media segment due to the \$14 million impact of higher pricing on newsprint costs and approximately \$13 million of higher costs for TalkTV and other digital investments, primarily at News Corp Australia. These increases were partially offset by the positive impact of foreign currency fluctuations at the News Media, Subscription Video Services and Book Publishing segments and cost savings initiatives at the News Media segment. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in an Operating expense decrease of \$50 million, or 4%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

The increase in operating expenses for the nine months ended March 31, 2023 was primarily driven by higher expenses at the Dow Jones segment due to the impact from recent acquisitions and higher employee costs and at the News Media segment primarily due to approximately \$57 million of higher costs for TalkTV and other digital investments, primarily at News Corp Australia, and the \$55 million impact of higher pricing on newsprint costs, partially offset by the positive impact of foreign currency fluctuations and cost savings initiatives. The increases were partially offset by lower operating expenses at the Subscription Video Services segment driven by the positive impact of foreign currency fluctuations, partially offset by higher sports and entertainment programming rights costs, and at the Book Publishing segment driven by the positive impact of foreign currency fluctuations and the impact of lower sales volumes, partially offset by higher manufacturing, freight and distribution costs. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in an Operating expense decrease of \$208 million, or 6%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Selling, general and administrative— Selling, general and administrative decreased \$47 million, or 5%, and \$74 million, or 3%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022.

The decrease in selling, general and administrative for the three months ended March 31, 2023 was driven by the positive impact of foreign currency fluctuations across segments, lower expenses at the Digital Real Estate Services and Subscription Video Services segments due to lower discretionary costs at Move and Foxtel, respectively, and lower expenses at the Dow Jones segment due to the absence of \$15 million in OPIS-related transaction costs incurred in the corresponding period of fiscal 2022, partially offset by higher expenses driven by recent acquisitions. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Selling, general and administrative decrease of \$35 million, or 4%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

The decrease in selling, general and administrative for the nine months ended March 31, 2023 was primarily driven by the positive impact of foreign currency fluctuations across segments and lower employee costs at the Book Publishing segment. This impact was partially offset by higher expenses at the Dow Jones segment due to the impact of recent acquisitions, partially offset by the absence of \$19 million in OPIS-related transaction costs incurred in the corresponding period of fiscal 2022, at the News Media segment driven by higher employee and marketing costs, partially offset by cost savings initiatives, and at the Other segment due to higher equity-based compensation costs largely related to stock price performance and \$10 million of one-time costs related to the professional fees incurred by the Special Committee and the Company in connection with

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evaluating the proposal from the Murdoch Family Trust. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a Selling, general and administrative decrease of \$148 million, or 6%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Depreciation and amortization— Depreciation and amortization expense increased \$11 million, or 6%, and \$31 million, or 6%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022, primarily driven by higher amortization expense resulting from the Company's recent acquisitions. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a depreciation and amortization expense decrease of \$7 million, or 4%, and \$28 million, or 6%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022.

Impairment and restructuring charges— During the three and nine months ended March 31, 2023, the Company recorded restructuring charges of \$25 million and \$65 million, respectively. During the three and nine months ended March 31, 2022, the Company recorded restructuring charges of \$22 million and \$67 million, respectively.

During the three and nine months ended March 31, 2022, the Company recognized non-cash impairment charges of \$15 million related to the write-down of fixed assets associated with the shutdown and sale of certain U.S. printing facilities at the Dow Jones segment.

See Note 4—Impairment and Restructuring Charges in the accompanying Consolidated Financial Statements.

Equity losses of affiliates— Equity losses of affiliates increased by \$6 million and \$33 million for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022, primarily due to losses from an investment in an Australian sports wagering venture. See Note 5—Investments in the accompanying Consolidated Financial Statements.

Interest expense, net— Interest expense, net was flat and increased by \$10 million for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022. The increase in the nine months ended March 31, 2023 was primarily driven by the issuance of \$500 million of senior notes due 2032 in the third quarter of fiscal 2022 (the "2022 Senior Notes") and the incurrence of \$500 million in loans under a new unsecured term loan A credit facility (the "Term A Facility" and the loans under the Term A Facility are collectively referred to as "Term A Loans") in March 2022. See Note 6—Borrowings in the accompanying Consolidated Financial Statements.

Other, net— Other, net increased by \$1 million, or 8%, and decreased by \$153 million for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022. The decrease in the nine month period was primarily due to the absence of REA Group's gain on disposition of its entities in Malaysia and Thailand recognized in the first quarter of fiscal 2022. See Note 13—Additional Financial Information in the accompanying Consolidated Financial Statements.

Income tax expense— For the three months ended March 31, 2023, the Company recorded income tax expense of \$32 million on pre-tax income of \$91 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates and by valuation allowances recorded against tax benefits in certain businesses.

For the nine months ended March 31, 2023, the Company recorded income tax expense of \$128 million on pre-tax income of \$347 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates and by valuation allowances recorded against tax benefits in certain businesses.

For the three months ended March 31, 2022, the Company recorded income tax expense of \$29 million on pre-tax income of \$133 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates offset by the reversal of valuation allowances related to certain deferred tax assets.

For the nine months ended March 31, 2022, the Company recorded income tax expense of \$199 million on pre-tax income of \$832 million, resulting in an effective tax rate that was higher than the U.S. statutory tax rate. The tax rate was impacted by foreign operations which are subject to higher tax rates offset by the reversal of valuation allowances related to certain deferred tax assets and the lower tax impact related to the sale of REA Group's Malaysia and Thailand businesses.

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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. See Note 11—Income Taxes in the accompanying Consolidated Financial Statements.

Net income—Net income for the three and nine months ended March 31, 2023 was \$59 million and \$219 million, respectively, compared to net income of \$104 million and \$633 million for the corresponding periods of fiscal 2022.

Net income for the three months ended March 31, 2023 decreased by \$45 million, or 43%, as compared to the corresponding period of fiscal 2022, primarily driven by lower Total Segment EBITDA, higher depreciation and amortization and higher losses from equity affiliates, partially offset by lower impairment and restructuring charges.

Net income for the nine months ended March 31, 2023 decreased by \$414 million, or 65%, as compared to the corresponding period of fiscal 2022, primarily driven by lower Total Segment EBITDA and Other, net, higher losses from equity affiliates and higher depreciation and amortization, partially offset by lower income tax expense.

Net income attributable to noncontrolling interests—Net income attributable to noncontrolling interests decreased by \$13 million, or 59%, and \$58 million, or 48%, for the three and nine months ended March 31, 2023, respectively, as compared to the corresponding periods of fiscal 2022. The decrease in both the three and nine month periods was primarily driven by lower earnings at REA Group, with the nine month period being impacted by the absence of the \$107 million gain from the disposition of its entities in Malaysia and Thailand recognized in the first quarter of fiscal 2022.

Segment Analysis

Segment EBITDA is defined as revenues less operating expenses and selling, general and administrative expenses. Segment EBITDA does not include: depreciation and amortization, impairment and restructuring charges, equity losses of affiliates, interest (expense) income, net, other, net and income tax (expense) benefit. 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.

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The following table reconciles Net income to Total Segment EBITDA for the three and nine months ended March 31, 2023 and 2022:

	For the three months ended March 31,		For the nine months ended March 31,	
	2023	2022	2023	2022
(in millions)				
Net income	\$ 59	\$ 104	\$ 219	\$ 633
Add:				
Income tax expense	32	29	128	199
Other, net	(14)	(13)	10	(143)
Interest expense, net	25	25	78	68
Equity losses of affiliates	10	4	43	10
Impairment and restructuring charges	25	37	65	82
Depreciation and amortization	183	172	536	505
Total Segment EBITDA	<u>\$ 320</u>	<u>\$ 358</u>	<u>\$ 1,079</u>	<u>\$ 1,354</u>

The following tables set forth the Company's Revenues and Segment EBITDA by reportable segment for the three and nine months ended March 31, 2023 and 2022:

	For the three months ended March 31,			
	2023		2022	
	Revenues	Segment EBITDA	Revenues	Segment EBITDA
(in millions)				
Digital Real Estate Services	\$ 363	\$ 102	\$ 416	\$ 137
Subscription Video Services	477	68	494	79
Dow Jones	529	109	487	88
Book Publishing	515	61	515	67
News Media	563	34	580	39
Other	—	(54)	—	(52)
Total	<u>\$ 2,447</u>	<u>\$ 320</u>	<u>\$ 2,492</u>	<u>\$ 358</u>

	For the nine months ended March 31,			
	2023		2022	
	Revenues	Segment EBITDA	Revenues	Segment EBITDA
(in millions)				
Digital Real Estate Services	\$ 1,170	\$ 349	\$ 1,298	\$ 453
Subscription Video Services	1,441	269	1,502	279
Dow Jones	1,607	361	1,439	327
Book Publishing	1,533	151	1,678	259
News Media	1,695	111	1,794	184
Other	—	(162)	—	(148)
Total	<u>\$ 7,446</u>	<u>\$ 1,079</u>	<u>\$ 7,711</u>	<u>\$ 1,354</u>

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Digital Real Estate Services (16% and 17% of the Company's consolidated revenues in the nine months ended March 31, 2023 and 2022, respectively)

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)	Better/(Worse)				Better/(Worse)			
Revenues:								
Circulation and subscription	\$ 3	\$ 3	\$ —	— %	\$ 9	\$ 9	\$ —	— %
Advertising	35	33	2	6 %	103	99	4	4 %
Real estate	272	316	(44)	(14) %	896	988	(92)	(9) %
Other	53	64	(11)	(17) %	162	202	(40)	(20) %
Total Revenues	363	416	(53)	(13) %	1,170	1,298	(128)	(10) %
Operating expenses	(48)	(48)	—	— %	(156)	(155)	(1)	(1) %
Selling, general and administrative	(213)	(231)	18	8 %	(665)	(690)	25	4 %
Segment EBITDA	\$ 102	\$ 137	\$ (35)	(26) %	\$ 349	\$ 453	\$ (104)	(23) %

For the three months ended March 31, 2023, revenues at the Digital Real Estate Services segment decreased \$53 million, or 13%, as compared to the corresponding period of fiscal 2022. Revenues at Move decreased \$29 million, or 17%, to \$141 million for the three months ended March 31, 2023 from \$170 million in the corresponding period of fiscal 2022, primarily driven by the continued impact of the macroeconomic environment on the housing market, including higher interest rates. The market downturn resulted in lower lead volumes, which decreased 30%, and lower transaction volumes. Revenues from the referral model, which includes the ReadyConnect ConciergeSM product, and the traditional lead generation product decreased due to these factors, partially offset by improved lead optimization. Revenues from the referral model generated approximately 23% of total Move revenues for the three months ended March 31, 2023 as compared to approximately 28% for the corresponding period of fiscal 2022. At REA Group, revenues decreased \$24 million, or 10%, to \$222 million for the three months ended March 31, 2023 from \$246 million in the corresponding period of fiscal 2022, primarily due to the \$13 million negative impact of foreign currency fluctuations, lower Australian residential revenues due to a decrease in national listings and lower financial services revenue driven by lower settlements. The decreases were partially offset by price increases, increased penetration of Premiere Plus, increased depth penetration for Australian residential products and higher revenues at REA India.

For the three months ended March 31, 2023, Segment EBITDA at the Digital Real Estate Services segment decreased \$35 million, or 26%, as compared to the corresponding period of fiscal 2022, mainly driven by the lower revenues discussed above, the \$5 million, or 4%, negative impact of foreign currency fluctuations and higher costs at REA India, partially offset by lower discretionary costs at Move.

For the nine months ended March 31, 2023, revenues at the Digital Real Estate Services segment decreased \$128 million, or 10%, as compared to the corresponding period of fiscal 2022. Revenues at REA Group decreased \$65 million, or 8%, to \$714 million for the nine months ended March 31, 2023 from \$779 million in the corresponding period of fiscal 2022, primarily driven by the \$59 million negative impact of foreign currency fluctuations. The impact of lower national listings on residential products and lower financial services revenue driven by lower settlements were largely offset by price increases, increased depth penetration for Australian residential and commercial products, increased penetration of Premiere Plus and higher revenues at REA India. Revenues at Move decreased \$63 million, or 12%, to \$456 million for the nine months ended March 31, 2023 from \$519 million in the corresponding period of fiscal 2022, primarily driven by the continued impact of the macroeconomic environment on the housing market, including higher interest rates. The market downturn resulted in lower lead volumes, which decreased 33%, and lower transaction volumes. Revenues from the referral model, which includes the ReadyConnect ConciergeSM product, and the traditional lead generation product decreased due to these factors, partially offset by improved lead optimization. Revenues from the referral model generated approximately 27% of total Move revenues for the nine months ended March 31, 2023 as compared to approximately 30% in the corresponding period of fiscal 2022.

For the nine months ended March 31, 2023, Segment EBITDA at the Digital Real Estate Services segment decreased \$104 million, or 23%, as compared to the corresponding period of fiscal 2022, primarily due to the lower revenues discussed above, the \$27 million, or 6%, negative impact of foreign currency fluctuations and higher costs at REA India, partially offset by lower broker commissions at REA Group.

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Subscription Video Services (19% of the Company's consolidated revenues in both the nine months ended March 31, 2023 and 2022)

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)	Better/(Worse)				Better/(Worse)			
Revenues:								
Circulation and subscription	\$ 419	\$ 434	\$ (15)	(3) %	\$ 1,249	\$ 1,307	\$ (58)	(4) %
Advertising	49	51	(2)	(4) %	160	165	(5)	(3) %
Other	9	9	—	— %	32	30	2	7 %
Total Revenues	477	494	(17)	(3) %	1,441	1,502	(61)	(4) %
Operating expenses	(323)	(316)	(7)	(2) %	(921)	(937)	16	2 %
Selling, general and administrative	(86)	(99)	13	13 %	(251)	(286)	35	12 %
Segment EBITDA	\$ 68	\$ 79	\$ (11)	(14) %	\$ 269	\$ 279	\$ (10)	(4) %

For the three months ended March 31, 2023, revenues at the Subscription Video Services segment decreased \$17 million, or 3%, as compared to the corresponding period of fiscal 2022 due to the negative impact of foreign currency fluctuations. The \$26 million increase in streaming revenues, primarily due to increased volume and pricing at Kayo and *BINGE*, more than offset lower residential subscription revenues resulting from fewer residential broadcast subscribers. Foxtel Group streaming subscription revenues represented approximately 26% of total circulation and subscription revenues for the three months ended March 31, 2023 as compared to 20% in the corresponding period of fiscal 2022. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$28 million, or 5%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

For the three months ended March 31, 2023, Segment EBITDA decreased \$11 million, or 14%, as compared to the corresponding period of fiscal 2022, including the \$4 million, or 5%, negative impact of foreign currency fluctuations. Higher sports programming rights costs due to contractual increases and enhanced digital rights were partially offset by the revenue drivers discussed above and lower marketing and transmission costs.

For the nine months ended March 31, 2023, revenues at the Subscription Video Services segment decreased \$61 million, or 4%, as compared to the corresponding period of fiscal 2022 due to the negative impact of foreign currency fluctuations. The \$89 million increase in streaming revenues, primarily due to increased volume and pricing at Kayo and *BINGE*, and the \$24 million increase in commercial subscription revenues due to the absence of COVID-19 related restrictions imposed in fiscal 2022 more than offset lower residential subscription revenues resulting from fewer residential broadcast subscribers. Foxtel Group streaming subscription revenues represented approximately 26% of total circulation and subscription revenues for the nine months ended March 31, 2023 as compared to 19% in the corresponding period of fiscal 2022. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$120 million, or 8%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

For the nine months ended March 31, 2023, Segment EBITDA decreased \$10 million, or 4%, as compared to the corresponding period of fiscal 2022 due to the \$23 million, or 9%, negative impact of foreign currency fluctuations. Higher sports programming rights and production costs due to contractual increases, enhanced digital rights and the timing of sporting events, primarily motorsports, and higher entertainment programming rights costs due to the availability of content were more than offset by the revenue drivers discussed above and lower transmission costs.

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The following tables provide information regarding certain key performance indicators for the Foxtel Group, the primary reporting unit within the Subscription Video Services segment, as of and for the three and nine months ended March 31, 2023 and 2022 (see the Company's 2022 Form 10-K for further detail regarding these performance indicators):

	As of March 31,	
	2023	2022
	(in 000's)	
Broadcast Subscribers		
Residential ^(a)	1,369	1,522
Commercial ^(b)	233	240
Streaming Subscribers (Total (Paid)) ^(c)		
Kayo	1,332 (1,309 paid)	1,209 (1,151 paid)
<i>BINGE</i>	1,529 (1,484 paid)	1,305 (1,212 paid)
Foxtel Now	178 (171 paid)	215 (206 paid)
Total Subscribers (Total (Paid)) ^(d)	4,662 (4,585 paid)	4,509 (4,338 paid)
	For the three months ended March 31,	
	2023	2022
	For the nine months ended March 31,	
	2023	2022
Broadcast ARPU ^(e)	A\$84 (US\$57)	A\$82 (US\$59)
Broadcast Subscriber Churn ^(f)	12.3%	14.3%
	13.2%	13.8%

- (a) Subscribing households throughout Australia as of March 31, 2023 and 2022.
- (b) Commercial subscribers throughout Australia as of March 31, 2023 and 2022. Commercial subscribers are calculated as residential equivalent business units and are derived by dividing total recurring revenue from these subscribers by an estimated average Broadcast ARPU which is held constant through the year.
- (c) Total and Paid subscribers for the applicable streaming service as of March 31, 2023 and 2022. Paid subscribers excludes customers receiving service for no charge under certain new subscriber promotions.
- (d) Total subscribers consists of Foxtel Group's broadcast and streaming services listed above and its news aggregation streaming service.
- (e) Average monthly broadcast residential subscription revenue per user (excluding Optus) (Broadcast ARPU) for the three and nine months ended March 31, 2023 and 2022.
- (f) Broadcast residential subscriber churn rate (excluding Optus) (Broadcast Subscriber Churn) for the three and nine months ended March 31, 2023 and 2022. Broadcast subscriber churn represents the number of residential subscribers whose service is disconnected, expressed as a percentage of the average total number of residential subscribers, presented on an annual basis.

Dow Jones (21% and 19% of the Company's consolidated revenues in the nine months ended March 31, 2023 and 2022, respectively)

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues:								
Circulation and subscription	\$ 426	\$ 377	\$ 49	13 %	\$ 1,257	\$ 1,082	\$ 175	16 %
Advertising	88	102	(14)	(14) %	313	333	(20)	(6) %
Other	15	8	7	88 %	37	24	13	54 %
Total Revenues	529	487	42	9 %	1,607	1,439	168	12 %
Operating expenses	(234)	(208)	(26)	(13) %	(704)	(600)	(104)	(17) %
Selling, general and administrative	(186)	(191)	5	3 %	(542)	(512)	(30)	(6) %
Segment EBITDA	\$ 109	\$ 88	\$ 21	24 %	\$ 361	\$ 327	\$ 34	10 %

For the three months ended March 31, 2023, revenues at the Dow Jones segment increased \$42 million, or 9%, as compared to the corresponding period of fiscal 2022, primarily due to higher circulation and subscription revenues driven by the \$27 million and \$19 million impacts from the acquisitions of OPIS and CMA in the third and fourth quarters of fiscal 2022, respectively,

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partially offset by the decrease in advertising revenues. Digital revenues at the Dow Jones segment represented 79% of total revenues for the three months ended March 31, 2023, as compared to 76% in the corresponding period of fiscal 2022. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$4 million for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

For the nine months ended March 31, 2023, revenues at the Dow Jones segment increased \$168 million, or 12%, as compared to the corresponding period of fiscal 2022, primarily due to higher circulation and subscription revenues driven by the \$97 million and \$55 million impacts from the acquisitions of OPIS and CMA in the third and fourth quarters of fiscal 2022, respectively, partially offset by the decrease in advertising revenues. Digital revenues at the Dow Jones segment represented 78% of total revenues for the nine months ended March 31, 2023, as compared to 74% in the corresponding period of fiscal 2022. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$19 million, or 1%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Circulation and subscription revenues

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)	Better/(Worse)				Better/(Worse)			
Circulation and subscription revenues:								
Circulation and other	\$ 231	\$ 236	\$ (5)	(2) %	\$ 697	\$ 685	\$ 12	2 %
Professional information business	195	141	54	38 %	560	397	163	41 %
Total circulation and subscription revenues	\$ 426	\$ 377	\$ 49	13 %	\$1,257	\$1,082	\$ 175	16 %

Circulation and subscription revenues increased \$49 million, or 13%, during the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022. Professional information business revenues increased \$54 million, or 38%, primarily driven by the acquisitions of OPIS and CMA and the \$9 million increase in Risk & Compliance revenues. Circulation and other revenues decreased \$5 million, or 2%, driven by print circulation declines and lower revenues from IBD, partially offset by growth in digital-only subscriptions, primarily at *The Wall Street Journal*. Digital revenues represented 69% of circulation revenue for the three months ended March 31, 2023, as compared to 68% in the corresponding period of fiscal 2022.

Circulation and subscription revenues increased \$175 million, or 16%, during the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022. Professional information business revenues increased \$163 million, or 41%, primarily driven by the acquisitions of OPIS and CMA and the \$19 million increase in Risk & Compliance revenues. Circulation and other revenues increased \$12 million, or 2%, driven by growth in digital-only subscriptions, primarily at *The Wall Street Journal*, partially offset by print circulation declines. Digital revenues represented 69% of circulation revenue for the nine months ended March 31, 2023, as compared to 67% in the corresponding period of fiscal 2022.

The following table summarizes average daily consumer subscriptions during the three months ended March 31, 2023 and 2022 for select publications and for all consumer subscription products.^(a)

(in thousands, except %)	For the three months ended March 31 ^(b) ,			
	2023	2022	Change	% Change
	Better/(Worse)			
<i>The Wall Street Journal</i>				
Digital-only subscriptions ^(c)	3,299	3,036	263	9 %
Total subscriptions	3,888	3,718	170	5 %
Barron's Group ^(d)				
Digital-only subscriptions ^(c)	969	810	159	20 %
Total subscriptions	1,128	1,008	120	12 %
Total Consumer ^(e)				
Digital-only subscriptions ^(c)	4,347	3,941	406	10 %
Total subscriptions	5,117	4,848	269	6 %

- (a) Based on internal data for the periods from January 2, 2023 through April 2, 2023 and December 27, 2021 through March 27, 2022, respectively, with independent verification procedures performed by PricewaterhouseCoopers LLP UK.

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- (b) Subscriptions include individual consumer subscriptions, as well as subscriptions purchased by companies, schools, businesses and associations for use by their respective employees, students, customers or members. Subscriptions exclude single-copy sales and copies purchased by hotels, airlines and other businesses for limited distribution or access to customers.
- (c) For some publications, including *The Wall Street Journal* and *Barron's*, Dow Jones sells bundled print and digital products. For bundles that provide access to both print and digital products every day of the week, only one unit is reported each day and is designated as a print subscription. For bundled products that provide access to the print product only on specified days and full digital access, one print subscription is reported for each day that a print copy is served and one digital subscription is reported for each remaining day of the week.
- (d) Barron's Group consists of *Barron's*, *MarketWatch*, *Financial News* and *Private Equity News*.
- (e) Total Consumer consists of *The Wall Street Journal*, Barron's Group and Investor's Business Daily.

Advertising revenues

Advertising revenues decreased \$14 million, or 14%, during the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022, mainly driven by the \$11 million decrease in digital advertising revenues primarily due to lower advertising spend within the technology sector and the \$3 million decrease in print advertising revenues primarily at *The Wall Street Journal* due to lower advertising spend within the technology and finance sectors. Digital advertising represented 59% of advertising revenue for the three months ended March 31, 2023, as compared to 62% in the corresponding period of fiscal 2022.

Advertising revenues decreased \$20 million, or 6%, during the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022, driven by the \$13 million decrease in print advertising revenues primarily at *The Wall Street Journal* due to lower advertising spend within the finance and technology sectors and the \$7 million decrease in digital advertising revenues primarily due to lower advertising spend within the technology sector. Digital advertising represented 61% of advertising revenue for the nine months ended March 31, 2023, as compared to 59% in the corresponding period of fiscal 2022.

Segment EBITDA

For the three months ended March 31, 2023, Segment EBITDA at the Dow Jones segment increased \$21 million, or 24%, as compared to the corresponding period of fiscal 2022, including the \$9 million and \$8 million contributions from the acquisitions of OPIS and CMA, respectively, primarily due to the increase in revenues discussed above and the absence of \$15 million of OPIS-related transaction costs incurred in the corresponding period of fiscal 2022, partially offset by \$21 million of higher employee costs due to recent acquisitions and \$6 million of higher marketing costs, partly due to the increase in the number of in-person conferences and events.

For the nine months ended March 31, 2023, Segment EBITDA at the Dow Jones segment increased \$34 million, or 10%, as compared to the corresponding period of fiscal 2022, including the \$33 million and \$21 million contributions from the acquisitions of OPIS and CMA, respectively, primarily due to the increase in revenues discussed above and the absence of \$19 million of OPIS-related transaction costs incurred in the corresponding period of fiscal 2022, partially offset by \$99 million of higher employee costs primarily due to recent acquisitions and \$19 million of higher marketing costs.

Book Publishing (21% and 22% of the Company's consolidated revenues in the nine months ended March 31, 2023 and 2022, respectively)

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues:								
Consumer	\$ 495	\$ 497	\$ (2)	— %	\$ 1,474	\$ 1,615	\$ (141)	(9) %
Other	20	18	2	11 %	59	63	(4)	(6) %
Total Revenues	515	515	—	— %	1,533	1,678	(145)	(9) %
Operating expenses	(365)	(359)	(6)	(2) %	(1,123)	(1,137)	14	1 %
Selling, general and administrative	(89)	(89)	—	— %	(259)	(282)	23	8 %
Segment EBITDA	\$ 61	\$ 67	\$ (6)	(9) %	\$ 151	\$ 259	\$ (108)	(42) %

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For the three months ended March 31, 2023, revenues at the Book Publishing segment were flat as compared to the corresponding period of fiscal 2022, as higher sales of Christian Publishing titles were offset by the negative impact of foreign currency fluctuations. Digital sales decreased by 3% as compared to the corresponding period of fiscal 2022 driven by lower e-book sales. Digital sales represented approximately 23% of consumer revenues, which was in line with the corresponding period of fiscal 2022, and backlist sales represented approximately 60% of total revenues during the three months ended March 31, 2023. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$11 million, or 2%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

For the three months ended March 31, 2023, Segment EBITDA at the Book Publishing segment decreased \$6 million, or 9%, as compared to the corresponding period of fiscal 2022, primarily due to higher manufacturing, freight and distribution costs related to ongoing supply chain, inventory and inflationary pressures, partially offset by lower employee costs. These supply chain, inventory and inflationary pressures are expected to continue to impact the business in the near term. To mitigate these pressures, the Company has implemented price increases, begun to reduce headcount and continues to evaluate its cost base.

For the nine months ended March 31, 2023, revenues at the Book Publishing segment decreased \$145 million, or 9%, as compared to the corresponding period of fiscal 2022, primarily driven by lower print and digital book sales primarily in the U.S. market, difficult frontlist comparisons, Amazon's reset of its inventory levels and rightsizing of its warehouse footprint, which negatively impacted print book sales, and the negative impact of foreign currency fluctuations. Digital sales decreased by 2% as compared to the corresponding period of fiscal 2022 due to lower e-book sales, partially offset by growth in downloadable audiobooks. Digital sales represented approximately 22% of consumer revenues, as compared to 20% in the corresponding period of fiscal 2022, and backlist sales represented approximately 60% of total revenues during the nine months ended March 31, 2023. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$55 million, or 4%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

For the nine months ended March 31, 2023, Segment EBITDA at the Book Publishing segment decreased \$108 million, or 42%, as compared to the corresponding period of fiscal 2022, primarily due to the lower revenues discussed above and higher manufacturing, freight and distribution costs related to ongoing supply chain, inventory and inflationary pressures, partially offset by lower costs due to lower sales volumes and lower employee costs.

News Media (23% of the Company's consolidated revenues in both the nine months ended March 31, 2023 and 2022)

	For the three months ended March 31,				For the nine months ended March 31,			
	2023	2022	Change	% Change	2023	2022	Change	% Change
(in millions, except %)	Better/(Worse)				Better/(Worse)			
Revenues:								
Circulation and subscription	\$ 274	\$ 285	\$ (11)	(4) %	\$ 803	\$ 850	\$ (47)	(6) %
Advertising	221	232	(11)	(5) %	687	745	(58)	(8) %
Other	68	63	5	8 %	205	199	6	3 %
Total Revenues	563	580	(17)	(3) %	1,695	1,794	(99)	(6) %
Operating expenses	(316)	(315)	(1)	— %	(949)	(940)	(9)	(1) %
Selling, general and administrative	(213)	(226)	13	6 %	(635)	(670)	35	5 %
Segment EBITDA	\$ 34	\$ 39	\$ (5)	(13) %	\$ 111	\$ 184	\$ (73)	(40) %

Revenues at the News Media segment decreased \$17 million, or 3%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022. Advertising revenues decreased \$11 million as compared to the corresponding period of fiscal 2022, driven by the \$15 million negative impact of foreign currency fluctuations, partially offset by digital advertising growth at News UK and print advertising growth at News Corp Australia. Circulation and subscription revenues decreased \$11 million as compared to the corresponding period of fiscal 2022, driven by the \$21 million negative impact of foreign currency fluctuations, as the decline in print volumes was more than offset by cover price increases and digital subscriber growth across key mastheads. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$42 million, or 7%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Segment EBITDA at the News Media segment decreased by \$5 million, or 13%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022, including the \$4 million, or 10%, negative impact of foreign currency fluctuations, primarily due to the lower revenues discussed above, the \$14 million impact of higher pricing on newsprint costs

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and approximately \$13 million of higher costs related to TalkTV and other digital investments, primarily at News Corp Australia, partially offset by cost savings initiatives. Newsprint, production and distribution costs are expected to be higher in fiscal 2023 than the prior year due to supply chain and inflationary pressures, partially offset by the Company's continued transition to digital products.

Revenues at the News Media segment decreased \$99 million, or 6%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022. Advertising revenues decreased \$58 million as compared to the corresponding period of fiscal 2022, driven by the \$64 million negative impact of foreign currency fluctuations. Digital advertising growth at News UK and print advertising growth at News Corp Australia were partially offset by the decline in print advertising at News UK. Circulation and subscription revenues decreased \$47 million as compared to the corresponding period of fiscal 2022, driven by the \$84 million negative impact of foreign currency fluctuations, as cover price increases, digital subscriber growth across key mastheads and higher content licensing revenues, primarily at News Corp Australia, were partially offset by print volume declines. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$169 million, or 10%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Segment EBITDA at the News Media segment decreased by \$73 million, or 40%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022, including the \$11 million, or 6%, negative impact of foreign currency fluctuations, primarily due to the lower revenues discussed above, approximately \$57 million of higher costs related to TalkTV and other digital investments, primarily at News Corp Australia, the \$55 million impact of higher pricing on newsprint costs and higher employee and marketing costs, partially offset by cost savings initiatives.

News Corp Australia

Revenues were \$242 million for the three months ended March 31, 2023, a decrease of \$13 million, or 5%, compared to revenues of \$255 million in the corresponding period of fiscal 2022. Circulation and subscription revenues decreased \$7 million due to the \$7 million negative impact of foreign currency fluctuations, as print volume declines were offset by cover price increases and digital subscriber growth. Advertising revenues decreased \$6 million due to the \$6 million negative impact of foreign currency fluctuations, as lower digital advertising revenues were offset by higher print advertising revenues. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$15 million, or 6%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Revenues were \$749 million for the nine months ended March 31, 2023, a decrease of \$47 million, or 6%, compared to revenues of \$796 million in the corresponding period of fiscal 2022. Circulation and subscription revenues decreased \$23 million due to the \$27 million negative impact of foreign currency fluctuations and print volume declines, partially offset by cover price increases, digital subscriber growth and higher content licensing revenues. Advertising revenues decreased \$21 million due to the \$26 million negative impact of foreign currency fluctuations and lower digital advertising revenues, partially offset by higher print advertising revenues, as the first quarter of fiscal 2022 was impacted by COVID-19 related restrictions within certain states. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$61 million, or 8%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

News UK

Revenues were \$235 million for the three months ended March 31, 2023, a decrease of \$9 million, or 4%, as compared to revenues of \$244 million in the corresponding period of fiscal 2022. Circulation and subscription revenues decreased \$9 million due to the \$14 million negative impact of foreign currency fluctuations and print volume declines, partially offset by cover price increases and digital subscriber growth. Advertising revenues were flat due to the \$6 million negative impact of foreign currency fluctuations and lower print advertising revenues offset by higher digital advertising revenues. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$23 million, or 10%, for the three months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

Revenues were \$694 million for the nine months ended March 31, 2023, a decrease of \$57 million, or 8%, as compared to revenues of \$751 million in the corresponding period of fiscal 2022. Circulation and subscription revenues decreased \$30 million due to the \$57 million negative impact of foreign currency fluctuations and print volume declines, partially offset by cover price increases and digital subscriber growth. Advertising revenues decreased \$19 million due to the \$25 million negative impact of foreign currency fluctuations and lower print advertising revenues, partially offset by higher digital advertising revenues, mainly at *The Sun*. The impact of foreign currency fluctuations of the U.S. dollar against local currencies resulted in a revenue decrease of \$93 million, or 13%, for the nine months ended March 31, 2023 as compared to the corresponding period of fiscal 2022.

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, 2023, the Company's cash and cash equivalents were \$1.7 billion. The Company also has available borrowing capacity under its new revolving credit facility (the "Revolving Facility") and certain other facilities, as described below, and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired. The Company currently expects these elements of liquidity will enable it to meet its liquidity needs for at least the next 12 months, including repayment of indebtedness. Although the Company believes that its cash on hand and future cash from operations, together with its access to the credit and capital markets, will provide adequate resources to fund its operating and financing needs for at least the next 12 months, its access to, and the availability of, financing on acceptable terms in the future will be affected by many factors, including: (i) the financial and operational performance of the Company and/or its operating subsidiaries, as applicable, (ii) the Company's credit ratings and/or the credit rating of its operating subsidiaries, as applicable, (iii) the provisions of any relevant debt instruments, credit agreements, indentures and similar or associated documents, (iv) the liquidity of the overall credit and capital markets and (v) the state of the economy. There can be no assurances that the Company will continue to have access to the credit and capital markets on acceptable terms.

As of March 31, 2023, the Company's consolidated assets included \$858 million in cash and cash equivalents that were held by its foreign subsidiaries. Of this amount, \$89 million 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 principal uses of cash that affect the Company's liquidity position include the following: operational expenditures including employee costs, paper purchases and programming costs; capital expenditures; income tax payments; investments in associated entities; acquisitions; the repurchase of shares; dividends; and the repayment of debt and related interest. 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

On September 22, 2021, the Company announced a new stock repurchase program authorizing the Company to purchase up to \$1 billion in the aggregate of its outstanding Class A Common Stock and Class B Common Stock (the "Repurchase Program"). The Repurchase Program replaces the Company's \$500 million Class A Common Stock repurchase program approved by the Board of Directors in May 2013. The manner, timing, number and share price of any repurchases will be determined by the Company at its discretion and will depend upon such factors as the market price of the stock, general market conditions, applicable securities laws, alternative investment opportunities and other factors. The Repurchase Program has no time limit and may be modified, suspended or discontinued at any time. As of March 31, 2023, the remaining authorized amount under the Repurchase Program was approximately \$623 million.

Stock repurchases commenced on November 9, 2021. During the three and nine months ended March 31, 2023, the Company repurchased and subsequently retired 0.8 million and 7.7 million shares, respectively, of Class A Common Stock for approximately \$14 million and \$129 million, respectively, and 0.4 million and 3.9 million shares, respectively, of Class B Common Stock for approximately \$6 million and \$65 million, respectively. During the three and nine months ended March 31, 2022, the Company repurchased and subsequently retired 2.5 million and 3.9 million shares, respectively, of Class A Common Stock for approximately \$54 million and \$85 million, respectively, and 1.2 million and 1.9 million shares, respectively, of Class B Common Stock for approximately \$27 million and \$42 million, respectively. See Note 7—Equity in the accompanying Consolidated Financial Statements.

Dividends

In February 2023, 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. The dividend was paid on April 12, 2023 to stockholders of record as of March 15, 2023. 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

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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, 2023 versus the nine months ended March 31, 2022

Net cash provided by operating activities for the nine months ended March 31, 2023 and 2022 was as follows (in millions):

For the nine months ended March 31,	2023	2022
Net cash provided by operating activities	\$ 670	\$ 1,030

Net cash provided by operating activities decreased by \$360 million for the nine months ended March 31, 2023 as compared to the nine months ended March 31, 2022. The decrease was primarily due to lower Total Segment EBITDA and higher working capital, partially offset by lower restructuring and tax payments.

Net cash used in investing activities for the nine months ended March 31, 2023 and 2022 was as follows (in millions):

For the nine months ended March 31,	2023	2022
Net cash used in investing activities	\$ (440)	\$ (1,554)

Net cash used in investing activities decreased by \$1,114 million for the nine months ended March 31, 2023, as compared to the nine months ended March 31, 2022. During the nine months ended March 31, 2023, the Company used \$350 million of cash for capital expenditures, of which \$118 million related to Foxtel, and \$120 million for investments and acquisitions. During the nine months ended March 31, 2022, the Company used \$1,266 million of cash for investments and acquisitions, of which \$1,146 million related to the acquisition of OPIS on February 28, 2022, and \$315 million of cash for capital expenditures, of which \$125 million related to Foxtel.

Net cash (used in) provided by financing activities for the nine months ended March 31, 2023 and 2022 was as follows (in millions):

For the nine months ended March 31,	2023	2022
Net cash (used in) provided by financing activities	\$ (382)	\$ 174

Net cash used in financing activities was \$382 million for the nine months ended March 31, 2023, as compared to net cash provided by financing activities of \$174 million for the nine months ended March 31, 2022. During the nine months ended March 31, 2023, the Company had \$506 million of borrowing repayments, primarily related to Foxtel's U.S. private placement senior unsecured notes that matured in July 2022, \$196 million of stock repurchases of outstanding Class A and Class B Common Stock under the Repurchase Program and dividend payments of \$116 million to News Corporation stockholders and REA Group minority stockholders. The net cash used in financing activities was partially offset by new borrowings of \$434 million related to Foxtel.

During the nine months ended March 31, 2022, the Company had new borrowings of \$1,157 million primarily related to the 2022 Senior Notes, REA Group and Foxtel. The net cash provided by financing activities was partially offset by \$662 million of borrowing repayments, primarily related to Foxtel's 2019 Credit Facility and REA Group's refinancing of its bridge facility, \$125 million of stock repurchases of outstanding Class A and Class B Common Stock under the Repurchase Program and dividend payments of \$114 million to News Corporation stockholders and REA Group minority stockholders.

Reconciliation of Free Cash Flow and Free Cash Flow Available to News Corporation

Free cash flow and free cash flow available to News Corporation are non-GAAP financial measures. Free cash flow is defined as net cash provided by operating activities, less capital expenditures, and free cash flow available to News Corporation is defined as free cash flow, less REA Group free cash flow, plus cash dividends received from REA Group. Free cash flow and free cash flow available to News Corporation should be considered in addition to, not as a substitute for, cash flows from operations and other measures of financial performance reported in accordance with GAAP. Free cash flow and 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 believes free cash flow provides useful information to management and investors about the Company's liquidity and cash flow trends. The Company believes free cash flow available to News Corporation, which adjusts free cash flow to

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exclude REA Group's free cash flow and include dividends received from REA Group, provides management and investors with a measure of the amount of cash flow that is readily available to the Company, as REA Group is a separately listed public company in Australia and must declare a dividend in order for the Company to have access to its share of REA Group's cash balance. The Company believes free cash flow available to News Corporation provides a more conservative view of the Company's free cash flow because this presentation includes only that amount of cash the Company actually receives from REA Group, which has generally been lower than the Company's unadjusted free cash flow.

A limitation of both free cash flow and free cash flow available to News Corporation is that they do not represent the total increase or decrease in the cash balance for the period. Management compensates for the limitation of free cash flow and 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 operating activities to free cash flow and free cash flow available to News Corporation:

	For the nine months ended March 31,	
	2023	2022
	(in millions)	
Net cash provided by operating activities	\$ 670	\$ 1,030
Less: Capital expenditures	(350)	(315)
Free cash flow	320	715
Less: REA Group free cash flow	(153)	(184)
Plus: Cash dividends received from REA Group	91	87
Free cash flow available to News Corporation	\$ 258	\$ 618

Free cash flow in the nine months ended March 31, 2023 was \$320 million compared to \$715 million in the prior year. The decrease was primarily due to lower cash provided by operating activities and higher capital expenditures, as discussed above.

Free cash flow available to News Corporation in the nine months ended March 31, 2023 was \$258 million compared to \$618 million in the prior year. The decline was primarily due to lower free cash flow as discussed above.

Borrowings

As of March 31, 2023, the Company, certain subsidiaries of NXE Australia Pty Limited (the "Foxtel Group" and together with such subsidiaries, the "Foxtel Debt Group") and REA Group and certain of its subsidiaries (REA Group and certain of its subsidiaries, the "REA Debt Group") had total borrowings of \$3.0 billion, including the current portion. Both the Foxtel Group and REA Group are consolidated but non wholly-owned subsidiaries of News Corp, and their indebtedness is only guaranteed by members of the Foxtel Debt Group and REA Debt Group, respectively, and is non-recourse to News Corp.

News Corp Borrowings

As of March 31, 2023, the Company had (i) borrowings of \$1,981 million, consisting of its outstanding 2021 Senior Notes, 2022 Senior Notes and Term A Loans and (ii) \$750 million of undrawn commitments available under the Revolving Facility.

Foxtel Group Borrowings

As of March 31, 2023, the Foxtel Debt Group had (i) borrowings of approximately \$747 million, including the full drawdown of its 2019 Term Loan Facility, amounts outstanding under the 2019 Credit Facility and 2017 Working Capital Facility, its outstanding U.S. private placement senior unsecured notes and amounts outstanding under the Telstra Facility (described below) and (ii) total undrawn commitments of A\$161 million available under the 2017 Working Capital Facility and 2019 Credit Facility.

During the three months ended September 30, 2022, the Foxtel Group repaid its U.S. private placement senior unsecured notes that matured in July 2022 using capacity under the 2019 Credit Facility.

In addition to third-party indebtedness, the Foxtel Debt Group has related party indebtedness, including A\$700 million of outstanding principal of shareholder loans and A\$200 million of available shareholder facilities from the Company. The shareholder loans bear interest at a variable rate of the Australian BBSY plus an applicable margin ranging from 6.30% to 7.75% and mature in December 2027. The shareholder revolving credit facility bears interest at a variable rate of the Australian

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BBSY plus an applicable margin ranging from 2.00% to 3.75%, depending on the Foxtel Debt Group's net leverage ratio, and matures in July 2024. Additionally, the Foxtel Debt Group has an A\$170 million subordinated shareholder loan facility with Telstra which can be used to finance cable transmission costs due to Telstra. The Telstra Facility bears interest at a variable rate of the Australian BBSY plus an applicable margin of 7.75% and matures in December 2027. The Company excludes the utilization of the Telstra Facility from the Statements of Cash Flows because it is non-cash.

REA Group Borrowings

As of March 31, 2023, REA Group had (i) borrowings of approximately \$212 million, consisting of amounts outstanding under its 2022 Credit Facility and (ii) A\$281 million of undrawn commitments available under its 2022 Credit Facility.

All of the Company's borrowings contain customary representations, covenants and events of default. The Company was in compliance with all such covenants at March 31, 2023.

See Note 6—Borrowings in the accompanying Consolidated Financial Statements for further details regarding the Company's outstanding debt, including additional information about interest rates, maturities and covenants related to such debt arrangements.

Commitments

The Company has commitments under certain firm contractual arrangements ("firm commitments") to make future payments. These firm commitments secure the current and future rights to various assets and services to be used in the normal course of operations. During March 2023, the Company amended and extended certain programming rights agreements. As a result, the Company has presented its commitments associated with its programming rights in the table below. The Company's remaining commitments as of March 31, 2023 have not changed significantly from the disclosures included in the 2022 Form 10-K and the Company's Form 10-Q for the quarter ended December 31, 2022.

	As of March 31, 2023				
	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			(in millions)		
Programming costs	\$ 1,461	\$ 377	\$ 539	\$ 396	\$ 149

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, or as settlements or litigations occur.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There has been no material change in the Company's assessment of its sensitivity to market risk since its presentation set forth in Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," in the Company's 2022 Form 10-K.

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 2023 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

See Note 10—Commitments and Contingencies in the accompanying Consolidated Financial Statements.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors described in the 2022 Form 10-K.

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

On September 22, 2021, the Company announced a new stock repurchase program authorizing the Company to purchase up to \$1 billion in the aggregate of its outstanding Class A Common Stock and Class B Common Stock (the “Repurchase Program”). The Repurchase Program replaces the Company’s \$500 million Class A Common Stock repurchase program approved by the Company’s Board of Directors in May 2013. The manner, timing, number and share price of any repurchases will be determined by the Company at its discretion and will depend upon such factors as the market price of the stock, general market conditions, applicable securities laws, alternative investment opportunities and other factors. The Repurchase Program has no time limit and may be modified, suspended or discontinued at any time.

The following table details the Company’s monthly share repurchases during the three months ended March 31, 2023:

	Total Number of Shares Purchased - Class A ^(a)	Total Number of Shares Purchased - Class B ^(a)	Average Price Paid Per Share - Class A ^(b)	Average Price Paid Per Share - Class B ^(b)	Total Number of Shares Purchased as Part of Publicly Announced Program	Dollar Value of Shares That May Yet Be Purchased Under Publicly Announced Program ^(b)
(in millions, except per share amounts)						
January 2, 2023 - January 29, 2023	—	—	\$ —	\$ —	—	\$ 643
January 30, 2023 - March 5, 2023	0.1	0.1	\$ 17.10	\$ 17.25	0.2	\$ 640
March 6, 2023 - April 2, 2023	0.7	0.3	\$ 16.32	\$ 16.44	1.0	\$ 623
Total	0.8	0.4	\$ 16.44	\$ 16.57	1.2	

- (a) The Company has not made any repurchases of Common Stock other than in connection with the publicly announced stock repurchase program described above.
- (b) Amounts exclude taxes, fees, commissions or other costs associated with the repurchases.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

On May 11, 2023, the Company and Robert Thomson, Chief Executive Officer of the Company, entered into an Amended and Restated Employment Agreement, effective as of July 1, 2023 (the “Amended and Restated Thomson Agreement”). The Amended and Restated Thomson Agreement extends Mr. Thomson’s term of employment until June 30, 2027.

The new contract provides no increase whatsoever in target compensation in fiscal 2024, which will continue unchanged fiscal 2023 target compensation granted under his expiring four-year contract, with approximately 82% “at risk.” The Amended and Restated Thomson Agreement provides for (i) an annual base salary of \$3,000,000; (ii) an annual bonus with a target of \$5,000,000; and (iii) an annual long-term equity incentive (the “Equity Bonus”) with a target of \$9,000,000 for fiscal 2024 and \$10,500,000 beginning with fiscal 2025, with approximately 84% “at risk.” At least \$1,000,000 of the Equity Bonus target shall

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be solely based on the achievement of relative total stockholder return. All bonus payments and equity grants are subject to the Company's claw-back policies.

If Mr. Thomson's employment is terminated by the Company other than for cause (as defined in the Amended and Restated Thomson Agreement), death or disability or by Mr. Thomson for Good Reason (as defined in the Amended and Restated Thomson Agreement), the Amended and Restated Thomson Agreement continues to provide that Mr. Thomson will receive (i) continued payment of his then-current base salary and annual bonus for two years after the date of termination (with the annual bonus to be based on the then-current target); (ii) a pro rata portion of the annual bonus he would have earned for the fiscal year of termination had no termination occurred (a "Pro-rated Annual Bonus"); and (iii) continued vesting of any equity incentive awards granted prior to the date of termination in the same manner as though Mr. Thomson continued to be employed for two years after the date of termination. If Mr. Thomson's employment is terminated due to his death or disability, he or his surviving spouse or estate, as applicable, would be entitled to: (i) salary continuation for 12 months; (ii) any Pro-rated Annual Bonus; and (iii) treatment of his outstanding equity incentive awards pursuant to the terms of applicable plan documents. Mr. Thomson's salary continuation is payable during any period of disability for a period not to exceed 12 months. If, following the completion of the term under the Amended and Restated Thomson Agreement on June 30, 2027, Mr. Thomson is not offered a new employment agreement by the Company on terms at least as favorable to him as the terms set forth in the Amended and Restated Thomson Agreement, and Mr. Thomson is subsequently terminated without cause, then he will be entitled to receive the payments and benefits summarized above with respect to a termination other than for cause (using the same base salary and target annual bonus as in effect immediately prior to the expiration of the term on June 30, 2027), and he will be eligible to continue to vest in any equity incentive awards granted to him during the term of his employment. Payment of any compensation or benefits upon termination is subject to Mr. Thomson's execution of the Company's then-standard separation agreement and general release and continued compliance with the terms therein. The Amended and Restated Thomson Agreement continues to have confidentiality, non-competition and other covenants to protect the Company.

In addition, the Amended and Restated Thomson Agreement provides that, if Mr. Thomson is entitled to receive any "excess parachute payments" under Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), in connection with a change in control, those payments will either be (i) reduced below the applicable threshold, or (ii) paid in full, whichever is more favorable for Mr. Thomson on a net after-tax basis. Mr. Thomson is not entitled to any golden parachute excise tax or other tax "gross-up" payments.

Also on May 11, 2023, the Company and Susan Panuccio, Chief Financial Officer of the Company, entered into an Amended and Restated Employment Agreement, effective as of July 1, 2023 (the "Amended and Restated Panuccio Agreement"). The Amended and Restated Panuccio Agreement extends Ms. Panuccio's term of employment until June 30, 2026 and provides for an annual base salary of \$1,700,000; (ii) an annual bonus with a target of \$2,700,000; and (iii) an annual Equity Bonus with a target of \$2,850,000. These amounts represent an increase over Ms. Panuccio's fiscal 2023 annual base salary, target annual bonus and target Equity Bonus of approximately 10%, 20% and 14%, respectively, with approximately 77% of Ms. Panuccio's target compensation being "at risk." All bonus payments and equity grants are subject to the Company's claw-back policies.

If Ms. Panuccio's employment is terminated by the Company other than for cause (as defined in the Amended and Restated Panuccio Agreement), death or disability, or by Ms. Panuccio for Good Reason (as defined in the Amended and Restated Panuccio Agreement), the Amended and Restated Panuccio Agreement continues to provide that Ms. Panuccio will receive (i) the greater of (A) her then-current base salary and target annual bonus paid in the same manner as though Ms. Panuccio continued to be employed through June 30, 2026 and (B) her then-current base salary and target annual bonus paid in the same manner as though she continued to be employed for the successive 24 months following the date of termination; (ii) any Pro-rated Annual Bonus; (iii) continued vesting of equity incentive awards granted prior to the date of termination in the same manner as though she continued to be employed for two years after the date of termination and (iv) Company-paid premiums under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, for the executive and her eligible dependents for the successive 18 months following the date of termination. The Amended and Restated Panuccio Agreement provides for a transition period of up to six months, in the event of termination in connection with the commencement of a Board-approved successor chief financial officer. If Ms. Panuccio's employment is terminated due to her death or disability, she or her surviving spouse or estate, as applicable, would be entitled to: (i) salary continuation for up to 12 months (and, in the case of disability, continuation of other benefits as well); (ii) any Pro-rated Annual Bonus; and (iii) (A) in the case of disability, treatment of her outstanding equity incentive awards pursuant to the terms of applicable plan documents or (B) in the case of death, continued vesting of equity incentive awards granted prior to the date of termination in the same manner as though she continued to be employed for a period of one year following the date of termination. If, following the completion of the term under the Amended and Restated Panuccio Agreement on June 30, 2026, Ms. Panuccio is not offered a new employment agreement by the Company on terms at least as favorable to her as the terms set forth in the Amended and Restated Panuccio Agreement, and Ms. Panuccio is subsequently terminated without cause, then she will be entitled to receive the payments and benefits summarized above with respect to a termination other than for cause (using the same base salary and target annual bonus as in effect immediately prior to the expiration of the term on June 30, 2026). Payment of any compensation or benefits upon

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termination is subject to Ms. Panuccio's execution of the Company's then-standard separation agreement and general release and continued compliance with the terms therein. The Amended and Restated Panuccio Agreement continues to have confidentiality, non-competition and other covenants to protect the Company.

In addition, the Amended and Restated Panuccio Agreement provides that if Ms. Panuccio is entitled to receive any "excess parachute payments" under Section 280G of the Code in connection with a change in control, those payments will either be (i) reduced below the applicable threshold, or (ii) paid in full, whichever is more favorable for Ms. Panuccio on a net after-tax basis. Ms. Panuccio is not entitled to any golden parachute excise tax or other tax "gross-up" payments.

The descriptions of the Amended and Restated Thomson Agreement and the Amended and Restated Panuccio Agreement are qualified in their entirety by the full text of the Amended and Restated Thomson Agreement and the Amended and Restated Panuccio Agreement, which are filed as Exhibits 10.2 and 10.3, respectively, to this Quarterly Report on Form 10-Q and are incorporated herein by reference.

ITEM 6. EXHIBITS

(a) Exhibits.

- | | |
|------|---|
| 10.1 | <u>Amendment No.1, dated as of March 9, 2023, to the Credit Agreement, dated as of March 29, 2022, among the Company, the lenders and other parties party thereto, and Bank of America, N.A., as administrative agent.*</u> |
| 10.2 | <u>Amended and Restated Employment Agreement, dated May 11, 2023, between News Corporation and Robert Thomson.*</u> |
| 10.3 | <u>Amended and Restated Employment Agreement, dated May 11, 2023, between News Corporation and Susan Panuccio.*</u> |
| 31.1 | <u>Chief Executive Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended.*</u> |
| 31.2 | <u>Chief Financial Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended.*</u> |
| 32.1 | <u>Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002.**</u> |
| 101 | The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 formatted in Inline XBRL: (i) Consolidated Statements of Operations for the three and nine months ended March 31, 2023 and 2022 (unaudited); (ii) Consolidated Statements of Comprehensive Income for the three and nine months ended March 31, 2023 and 2022 (unaudited); (iii) Consolidated Balance Sheets as of March 31, 2023 (unaudited) and June 30, 2022 (audited); (iv) Consolidated Statements of Cash Flows for the nine months ended March 31, 2023 and 2022 (unaudited); and (v) Notes to the Unaudited Consolidated Financial Statements.* |
| 104 | The cover page from News Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in Inline XBRL (included as Exhibit 101).* |

* Filed herewith.

** Furnished herewith

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 12, 2023

Execution Version

AMENDMENT No. 1, dated as of March 9, 2023 (this “Amendment”), to the Credit Agreement dated as of March 29, 2022, among NEWS CORPORATION, a Delaware corporation (the “Administrative Borrower”), the several banks and other financial institutions or entities from time to time parties to the Credit Agreement (the “Lenders”), BANK OF AMERICA, N.A., as Administrative Agent (the “Administrative Agent”), and the other parties thereto (as amended, restated, modified and supplemented from time to time, the “Credit Agreement”); capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, the Administrative Borrower desires to amend the Credit Agreement on the terms set forth herein;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1. **Amendment to Credit Agreement**. Effective as of the Amendment No. 1 Effective Date, clause (j) of the definition of “Permitted Liens” in the Credit Agreement shall hereby be amended to add the underlined text (indicated textually in the same manner as the following example: underlined text) as follows:

“any banker’s right of setoff or combination of accounts or pledges of accounts in connection with any such setoff, combination of accounts or otherwise in connection with cash management and treasury transactions, in each case conferred in the ordinary course of banking arrangements”

Section 2. **Representations and Warranties**. The Administrative Borrower hereby represents and warrants that, on the date hereof, before and after giving effect to this Amendment, each of the representations and warranties in the Credit Agreement and in the other Loan Documents are true and correct in all material respects (except for representations and warranties qualified as to materiality and Material Adverse Effect, which shall be true and correct in all respects) on and as of the date hereof as though made on and as of the date hereof (except to the extent any such representation or warranty specifically relates to an earlier date in which case such representation and warranty shall be accurate in all material respects as of such earlier date).

Section 3. **Effectiveness**. Section 1 of this Amendment shall become effective on the date (such date, if any, the “Amendment No. 1 Effective Date”) that the Administrative Agent shall have received from the Administrative Borrower and Lenders constituting the Required Lenders executed counterparts to this Amendment.

Section 4. **Counterparts**. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or other electronic means shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 5. **Applicable Law.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

Section 6. **Headings.** Section and Subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

Section 7. **Effect of Amendment.** Except as expressly set forth herein, (i) this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Administrative Agent under the Credit Agreement or any other Loan Document, and (ii) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of any other Loan Document. Each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Loan Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect as expressly amended hereby. This Amendment shall constitute a Loan Document for purposes of the Credit Agreement.

Section 8. **Submission To Jurisdiction; Waivers.** Each of the parties hereto hereby irrevocably and unconditionally agrees that Sections 8.11 and 8.18 of the Credit Agreement is incorporated herein *mutatis mutandis*.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

NEWS CORPORATION, as Administrative Borrower

By: /s/Andrew Cramer
Name: Andrew Cramer
Title: Deputy Chief Financial Officer

Bank of America, N.A. as Administrative Agent
and Lender

By: /s/Elizabeth Uribe
Name: Elizabeth Uribe
Title: Assistant Vice President

Bank of America, N.A., as Lender

By: /s/ Dylan Honza
Name: Dylan Honza
Title: Vice President

Australia and New Zealand Banking Group
Limited, as Lender

By: /s/Robert Grillo
Name: Robert Grillo
Title: Executive Director

Bank of China, New York Branch as Lender

By: /s/Raymond Qiao
Name: Raymond Qiao
Title: Executive Vice President

CITIBANK, N.A., as Lender

By: /s/Elizabeth Minnella
Name: Elizabeth Minnella
Title: Managing Director and Vice
President

COMMONWEALTH BANK OF AUSTRALIA, as
Lender

By: /s/Anthony Vo
Name: Anthony Vo
Title: Senior Associate

DEUTSCHE BANK AG NEW YORK BRANCH,
as Lender

By: /s/Ming K Chu
Name: Ming K Chu
Title: Director

By: /s/Marko Lukin
Name: Marko Lukin
Title: Vice President

GOLDMAN SACHS BANK USA, as Lender

By: /s/Keshia Leday
Name: Keshia Leday
Title: Authorized Signatory

HSBC Bank USA, National Association, as Lender

By: /s/Andrew Everett
Name: Andrew Everett
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A. as Lender

By: /s/Peter Thauer
Name: Peter Thauer
Title: Managing Director

Morgan Stanley Bank, N.A. as Lender

By: /s/Fru Ngwa
Name: Fru Ngwa
Title: Authorized Signatory

MUFG BANK, LTD., as Joint Lead Arranger and a
Lender

By: /s/Colin Donnarumma
Name: Colin Donnarumma
Title: Vice President

NAB as Lender

By: /s/Irene Gao
Name: Irene Gao
Title: Director, Corporate & Institute
Banking

U.S. Bank National Association as Lender

By: /s/Steven J. Correll
Name: Steven J. Correll
Title: Senior Vice President

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Agreement”), dated as of May 11, 2023 and effective as of July 1, 2023 (the “Effective Date”), between News Corporation, a Delaware corporation (the “Company”), located at 1211 Avenue of the Americas, New York, NY 10036, and Mr. Robert Thomson, residing at the address that is on file with the Company (the “Executive”).

WITNESSETH:

WHEREAS, the Executive is currently employed as the Chief Executive Officer of the Company pursuant to an amended and restated employment agreement among the Company, NC Transaction, Inc., a Delaware corporation and wholly owned subsidiary of the Company, and the Executive dated as of May 9, 2019 (the “Prior Agreement”); and

WHEREAS, the Company and the Executive desire to amend and restate the Prior Agreement.

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 continue to employ the Executive and the Executive agrees to continue to be employed by the Company for the Term of Employment (hereinafter defined). During the Term of Employment, the Executive shall (i) have the title and the duties of Chief Executive Officer of the Company; and (ii) report directly to the Board of Directors of the Company.

(b) If the Executive is elected or appointed as a member of any office or board of the Company or any of its subsidiaries or affiliates, the Executive agrees to serve in such a capacity or capacities without any additional compensation. During the Term of Employment the Executive shall devote substantially all of his business time and attention and give his best efforts and skill to furthering the business and interests of the Company and to the performance of his duties as the Chief Executive Officer of the Company.

2. **Term.** “Term of Employment” as used herein shall mean the period from the Effective Date through June 30, 2027 (the “Term End Date”); provided, however, if the Term of Employment is terminated earlier, as hereinafter set forth, the Term of Employment shall mean the period from the Effective Date through the effective date of such earlier termination. The Term of Employment shall be terminated earlier only in accordance with Sections 8 and 9 hereof.

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 his functions hereunder.

4. Compensation.

(a) Base Salary. As compensation for his services, the Executive shall receive a base salary at an annual rate of \$3,000,000 (the “Base Salary”) to be paid in the same manner as other senior executives of the Company are paid.

(b) Annual Bonus. In addition, the Executive will be eligible to receive an annual bonus (the “Annual Bonus”) with a target of \$5,000,000 (the “Annual Bonus Target”) based on the achievement of performance metrics and targets established and approved by the Compensation Committee of the Board of Directors. 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. For the avoidance of doubt, any bonus payments received by the Executive shall be subject to the Company’s claw-back policies.

(c) Long-Term Incentive. The Executive shall also be eligible to receive an annual award (the “Equity Bonus”) 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 of \$9,000,000 for fiscal 2024 and \$10,500,000 beginning with fiscal 2025; provided that at least \$1,000,000 of the Equity Bonus target shall be solely based on the achievement of relative total stockholder return. The Equity Bonus shall be in a form and subject to such other terms and conditions, including claw-back provisions, as determined by the Company and consistent with those of equity awards to the most senior executives of the Company. If the Term of Employment expires on the Term End Date and the Executive is not offered an extension or renewal on similar or better terms, the Executive shall be eligible to continue to vest in any Equity Bonus awarded during the Term of Employment.

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

(a) The Executive shall be eligible to participate in all of the 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 paid vacation annually, in such amount as provided to other senior executives of the Company.

6. Business Expenses. During the Term of Employment, the Company shall pay, or reimburse the Executive for, all expenses reasonably and necessarily incurred by him in connection with his performance of his duties hereunder, including, without limitation, up to \$15,000 of reimbursable expenses for legal fees incurred during the negotiation of his Employment Agreement. 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) Pursuant to 18 U.S.C. § 1833(b), the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to the Executive's attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except under court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

(d) All papers, books, records, files, proposals or other documents, and all computer software, software applications, files, databases 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.

(e) 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, stockholders or employees and agrees further not to cause harm to the Company by speaking of the Company, its affiliates, officers, stockholders or employees in an unflattering way. This requirement will not prohibit the Executive from providing truthful testimony if required by law, and subject to the Executive's obligation to provide the Company prior notice of such legal requirement pursuant to Section 7(a). In addition, nothing in this Agreement or in any other agreement between the Executive and the Company will prohibit the Executive from reporting to any governmental agency or governmental entity information concerning possible violations of law or regulation.

(f) In order to protect the Company's goodwill with its clients, vendors and employees, during the Term of Employment 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.

(g) During the Term of Employment, 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 of Employment, without the prior written consent of the Company, 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 and the Executive shall perform no services, directly or indirectly, for any person, partnership, corporation or other entity engaged in any such business.

(h) The Executive shall at all times be subject to, comply with and carry out such rules, regulations, policies, directions and restrictions applicable to employees of the Company generally, as the Company may from time to time implement or establish, including, without limitation, the Company's Standards of Business Conduct and claw-back policies, as well as those imposed by law. The Executive acknowledges that he has received copies of such policies, has reviewed them and understands them.

(i) 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 the Executive's services hereunder and during the Term of Employment, 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.

(j) 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 his death.

(b) If, as a result of the Executive's incapacity and disability due to physical or mental illness, the Executive fails to perform his duties hereunder for a period of 365 consecutive days during the Term of Employment, the Company may terminate the Executive's employment hereunder.

(c) The Company may terminate the Executive's employment hereunder for "cause" as defined herein. 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) hereof.

(e) Any termination of the Executive's employment by the Company (other than termination pursuant to Section 8 (a)) 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 which 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 his death, the date of this death; (ii) if the Executive's employment is terminated by the Company pursuant to Sections 8(b), (c) or (d) or by the Executive pursuant to Section 9, the date specified in the Notice of Termination.

9. Termination by the Executive.

(a) At his option, and provided the following occurrences satisfy the "Good Reason" safe harbor 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 his 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 Company's Chief Human Resources Officer and General Counsel each receive written notice specifying such breach;

(ii) If the Executive is required to be based and essentially render services in other than the New York City metropolitan area at the principal office of the Company in such area; or

(iii) A material diminution in the Executive's job description, title, authority, duties or responsibility (other than during a period of Executive's mental or physical incapacity).

(b) Any Good Reason termination of his employment by the Executive shall be communicated by a written Notice of Termination delivered to the Chief Human Resources Officer of 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)(ii)(C) of the Treasury Regulations. If the Good Reason condition remains uncured following such cure period, in order to resign for Good Reason the Executive must actually terminate employment no later than thirty (30) days following the end of such cure period.

(c) In addition, the Executive may voluntarily terminate his employment other than for Good Reason by a Notice of Termination specifying the Date of Termination at least sixty (60) days in advance.

10. Compensation Upon Termination.

(a) If the employment of the Executive is terminated pursuant to Section 8(a) hereof, by reason of his death, the Company agrees to pay directly to his surviving spouse (or to another recipient designated in writing by the Executive from time to time), or if his spouse shall not survive him, then to the legal representative of his 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 his 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, payable no later than the time specified in Section 4(b) (the "Unpaid Prior Year Bonus"), (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 the 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) (the "Pro-rated Current Year Bonus"); and (iv) with respect to Equity Bonus awards or awards under the Plan, vesting, payment and other terms as provided for 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, his surviving spouse or the legal representative of his estate, except as otherwise required in this Agreement.

(b) During any period that the Executive fails to perform his duties hereunder as a result of incapacity and disability due to physical or mental illness, the Company shall continue to pay to the Executive his full Base Salary and the Benefits until the Executive returns to his duties or until twelve (12) months after the Executive's employment is terminated pursuant to Section 8(b) hereof. In addition, if the Executive's employment is terminated pursuant to Section 8(b), the Executive shall receive: (A) any Unpaid Prior Year Bonus; (B) the Pro-rated Current Year Bonus; and (C) with respect to Equity Bonus awards or awards under the Plan, vesting, payment and other terms as provided for under the terms of the applicable Plan documents. 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) or if the Executive shall resign other than for Good Reason pursuant to Section 9(c), the Company shall pay the Executive his full Base Salary through the Date of Termination and the Unpaid Prior Year Bonus, if any. 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) hereof, or if the Executive shall terminate his employment hereunder for Good Reason pursuant to Sections 9(a)-(b) hereof, the Executive shall receive: (i) each of his Base Salary and Annual Bonus paid in the same manner as though the Executive continued to be employed hereunder for two (2) years following the Date of Termination, with each Annual Bonus payment based on the then current Annual Bonus Target; (ii) any Unpaid Prior Year Bonus; (iii) the Pro-rated Current Year Bonus; 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 hereunder for two (2) years following the Date of Termination, 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 such date shall be forfeited). 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 (other than accrued but unpaid base salary) shall be the execution and non-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 (which shall include, among other provisions, non-solicitation and non-competition restrictions for the duration of post-termination compensation and benefits) 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 Company's 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 his 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 his damages hereunder and any income earned by the Executive following his termination without cause (as defined in Section 8(c) hereof) or his resignation for Good Reason pursuant to Sections 9(a)-(b) hereof shall not reduce the compensation payable to the Executive hereunder.

(i) If, following the completion of the Term on June 30, 2027, the Executive is not offered a new employment agreement on terms at least as favorable to the Executive as the terms set forth herein and the Executive is subsequently terminated without cause, then the Executive will be entitled to receive the payments and benefits set forth in Section 10(d) above (using the same Base Salary and Annual Bonus Target as in effect immediately prior to the expiration of the Term on June 30, 2027).

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 and 25 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 will indemnify and defend the Executive 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 the Executive 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 made by the Executive in good faith in the course of the Executive's employment with the Company.

(b) During the Term of Employment 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 day after having been sent by telegram, telecopy or similar electronic means, or by overnight courier service against receipt, or (c) four 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 Company shall be sent to the principal executive offices of the Company. 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. 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 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 herein set forth 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 hereof, to assign the Executive's rights and obligations with respect to his 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 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 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.

(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 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.

(f) Any amount that the Executive is entitled to be reimbursed for any business-related expenses borne by the Executive 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, and the amount of 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 Code Section 409A) 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.

24. Representations. The Company represents that the Company's execution and delivery of this Agreement and the performance of its obligations hereunder: (a) has been authorized by all required corporate action on the part of the Company; and (b) will not conflict with, result in any breach of, or constitute a default under, any contract, agreement or arrangement to which the Company is a party. The Executive represents that the Executive's execution and delivery of this Agreement and the performance of the Executive's obligations hereunder will not conflict with, result in any breach of, or constitute a default under, any contract, agreement or arrangement to which the Executive is a party.

25. Claw-back Policy. Notwithstanding any other provisions in this Agreement, any payments made pursuant to this Agreement or otherwise shall be subject to recovery or claw-back by the Company under any applicable claw-back policy adopted by the Company, and the Executive agrees to execute appropriate acknowledgements or other documentation as may be required pursuant to such policies from time to time.

[Signature page follows]

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

NEWS CORPORATION

ROBERT THOMSON

By: /s/ Ruth Allen

/s/ Robert Thomson

Name: Ruth Allen

Title: Chief Human Resources Officer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Agreement”), dated as of May 11, 2023 and effective as of July 1, 2023 (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”).

WITNESSETH:

WHEREAS, the Executive is currently employed as the Chief Financial Officer of the Company pursuant to an employment agreement between the Company and the Executive, dated as of June 18, 2020 (the “Prior Agreement”); and

WHEREAS, the Company and the Executive desire to amend and restate the Prior Agreement.

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; provided that the Executive may serve on the board of directors or similar body of one or more other companies that are not engaged in a Competing Business if (i) such service is approved in writing by the Company’s board of directors or Chief Executive Officer and (ii) such service does not interfere with the Executive’s performance of her duties hereunder or conflict with any of her obligations hereunder.

2. Term. “Term” as used herein shall mean the period from the Effective Date through June 30, 2026; 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 \$1,700,000 (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. In addition, the Executive will be eligible to receive an annual bonus (the “Annual Bonus”) with a target (the “Annual Bonus Target”) of not less than \$2,700,000. 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 \$2,850,000 (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, subject to the terms of the applicable plans and arrangements.

(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.

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, including, without limitation, up to \$15,000 of reimbursable expenses for legal fees incurred during the negotiation of this Agreement. Such business expenses shall be reimbursed as provided in Section 23(f).

7. Confidentiality; Certain Restrictions/Covenants.

(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) Pursuant to 18 U.S.C. § 1833(b), the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to the Executive's attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except under court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

(d) All papers, books, records, files, proposals or other documents, and all computer software, software applications, files, databases, 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.

(e) 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, stockholders or employees and agrees further not to cause harm to the Company by speaking of the Company, affiliates, officers, shareholders or employees in an unflattering way. This requirement will not prohibit the Executive from providing truthful testimony if required by law, and subject to the Executive's obligation to provide the Company prior notice of such legal requirement pursuant to Section 7(a). In addition, nothing in this Agreement or in any other agreement between the Executive and the Company will prohibit the Executive from reporting to any governmental agency or governmental entity information concerning possible violations of law or regulation.

(f) 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.

(g) 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.

(h) 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, the Company'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.

(i) 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 the Executive's services hereunder 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.

(j) 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 fails to perform 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 in connection with the commencement of a Board-approved successor Chief Financial Officer ("Successor CFO"). In connection therewith, the Executive hereby agrees that the Executive shall continue to serve as a Senior Advisor to the Company for a period of up to six (6) months as determined by the Company (the "Advisor Period"), and that her termination without Cause shall be effective as of the end of the Advisor Period. During the Advisor Period, the Executive shall transition her role to the Successor CFO and perform such other duties as reasonably directed by the Chief Executive Officer. If this Section 8(d) applies, the Executive agrees that she shall not assert Good Reason for her resignation in connection with the appointment of a Successor CFO or the change in her title and duties in connection therewith.

(e) The Company may terminate the Executive's employment other than for cause, death or disability, or in connection with the appointment of a Successor CFO, subject to Section 10(d).

(f) 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.

(g) "Date of Termination" shall mean (i) if the Executive's employment is terminated by the Executive's death, the date of this death, (ii) if the Executive's employment is terminated pursuant to subsections (b), (c) or (e) of this Section 8 or by the Executive pursuant to Section 9, the date specified in the Notice of Termination, or (iii) if the Executive's employment is terminated pursuant to subsection (d) of this Section 8, at the end of the Advisor Period.

9. Termination by the Executive.

(a) At the Executive's option, and provided the following occurrences satisfy the "Good Reason" safe harbor 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;

(ii) if the Executive is required to be based and primarily 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 (other than during a period of the Executive's mental or physical incapacity), except as set forth in Section 8(d).

(b) Any Good Reason termination of the Executive's employment by the Executive shall be communicated by a written Notice of Termination delivered to the Chief Human Resources Officer and the Chief Executive Officer of 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)(ii)(C) of the Treasury Regulations. If the Good Reason condition remains uncured following such cure period, in order to resign for Good Reason the Executive must actually terminate employment no later than thirty (30) days following the end of such cure period.

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) (the "Pro-rated Current Year Bonus"), payable no later than the September 15 of the fiscal year following the fiscal year of the Date of Termination; and (iv) with respect to Equity Bonus awards or awards under the Plan, continued vesting of any Equity Bonus awards or awards under the Plan that were granted prior to the Date of Termination for a period of one (1) year following the Date of Termination, 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 such date shall be forfeited. The foregoing payments shall be in addition to what the Executive's spouse, beneficiaries or estate may be eligible 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 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); 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. In addition, if the Executive's employment is terminated pursuant to Section 8(b), the Executive shall receive: (A) any Unpaid Prior Year Bonus, payable no later than the time specified in Section 4(b); (B) the Pro-rated Current Year Bonus, payable no later

than the September 15 of the fiscal year following the fiscal year of the Date of Termination; and (C) 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 may be eligible 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) or if the Executive shall resign other than for Good Reason, 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 8(e), or if the Executive shall terminate the Executive's employment hereunder for Good Reason 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, 2026 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, in each case with the Annual Bonus payment(s) based on the then current Annual Bonus Target, provided that each Annual Bonus payment shall be made in the fiscal year following the fiscal year relating to such Annual Bonus, in no event later than September 15 of such fiscal year; (ii) any Unpaid Prior Year Bonus, payable no later than the time specified in Section 4(b)); (iii) the Pro-rated Current Year Bonus, payable no later than the September 15 of the fiscal year following the fiscal year of the Date of Termination; (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 hereunder for two (2) years following the Date of Termination, 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 such date shall be forfeited); and (v) and Company-paid premiums under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, for the Executive and the Executive's eligible dependents for up to the successive eighteen (18) months following the Date of Termination, 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 (other than accrued but unpaid Base Salary) shall be the execution and non- 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 (which shall include, among other provisions, non-solicitation and non-competition restrictions for the duration of post-termination compensation and benefits) 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 Company's 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 for Good Reason pursuant to Section 9 shall not reduce the compensation payable to the Executive hereunder.

(i) If, following the completion of the Term on June 30, 2026, the Executive is not offered a new employment agreement on terms at least as favorable to the Executive as the terms set forth herein and the Executive is subsequently terminated without cause, then the Executive will be entitled to receive the payments and benefits set forth in Section 10(d) above (using the same Base Salary and Annual Bonus Target as in effect immediately prior to the expiration of the Term on June 30, 2026).

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 and 25 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 will indemnify and defend the Executive 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 the Executive 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 made by the Executive in good faith in the course of the Executive's employment with the Company.

(b) During the Term and for a period of three (3) years after the termination of the Executive's employment for any reason, 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 Company shall be sent to the principal executive offices of the Company. 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. 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 the Executive 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. The amount of 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.

24. Representations. The Company represents that the Company’s execution and delivery of this Agreement and the performance of its obligations hereunder: (a) has been authorized by all required corporate action on the part of the Company; and (b) will not conflict with, result in any breach of, or constitute a default under, any contract, agreement or arrangement to which the Company is a party. The Executive represents that the Executive’s execution and delivery of this Agreement and the performance of the Executive’s obligations hereunder will not conflict with, result in any breach of, or constitute a default under, any contract, agreement or arrangement to which the Executive is a party.

25. Clawback Policy. Notwithstanding any other provisions in this Agreement, any payments made pursuant to this Agreement or otherwise shall be subject to recovery or clawback by the Company under any applicable clawback policy adopted by the Company, and the Executive agrees to execute appropriate acknowledgements or other documentation as may be required pursuant to such policies from time to time.

[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/ Ruth Allen

/s/ Susan Panuccio

Name: Ruth Allen

Title: Chief Human Resources Officer

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 12, 2023

By: /s/ Robert J. Thomson

Robert J. Thomson
Chief Executive Officer and Director

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 12, 2023

By: /s/ Susan Panuccio

Susan Panuccio
Chief Financial Officer

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, 2023, 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 12, 2023

By: /s/ Robert J. Thomson

Robert J. Thomson
Chief Executive Officer and Director

By: /s/ Susan Panuccio

Susan Panuccio
Chief Financial Officer