

TWENTY-FIRST CENTURY FOX, INC.
Form 10-Q
May 10, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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, 2018
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 001-32352

TWENTY-FIRST CENTURY FOX, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	26-0075658
(State or Other Jurisdiction	(I.R.S. Employer
of Incorporation or Organization)	Identification No.)
1211 Avenue of the Americas, New York, New York	10036
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code (212) 852-7000

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

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

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

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

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

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

As of May 4, 2018, 1,054,032,541 shares of Class A Common Stock, par value \$0.01 per share, and 798,520,953 shares of Class B Common Stock, par value \$0.01 per share, were outstanding.

TWENTY-FIRST CENTURY FOX, INC.

FORM 10-Q

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TWENTY-FIRST CENTURY FOX, INC.

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	For the three months ended		For the nine months ended	
	March 31,	March 31,	March 31,	March 31,
	2018	2017	2018	2017
Revenues	\$ 7,420	\$ 7,564	\$ 22,459	\$ 21,752
Operating expenses	(4,581)	(4,824)	(14,722)	(13,651)
Selling, general and administrative	(959)	(817)	(2,671)	(2,424)
Depreciation and amortization	(145)	(140)	(429)	(410)
Impairment and restructuring charges	(34)	(37)	(58)	(213)
Equity losses of affiliates	(86)	(51)	(59)	(57)
Interest expense, net	(311)	(310)	(936)	(909)
Interest income	10	9	29	27
Other, net	17	(142)	(284)	(241)
Income from continuing operations before income tax (expense) benefit	1,331	1,252	3,329	3,874
Income tax (expense) benefit	(370)	(370)	457	(1,161)
Income from continuing operations	961	882	3,786	2,713
Loss from discontinued operations, net of tax	(18)	(12)	(7)	(19)
Net income	943	870	3,779	2,694
Less: Net income attributable to noncontrolling interests	(85)	(71)	(235)	(218)
Net income attributable to Twenty-First Century Fox, Inc. stockholders	\$ 858	\$ 799	\$ 3,544	\$ 2,476
EARNINGS PER SHARE DATA				
Income from continuing operations attributable to Twenty-First Century Fox, Inc. stockholders - basic and diluted	\$ 876	\$ 811	\$ 3,551	\$ 2,495
Weighted average shares				
Basic	1,853	1,851	1,852	1,855
Diluted	1,858	1,853	1,855	1,857
Income from continuing operations attributable to Twenty-First Century Fox, Inc. stockholders per share:				
Basic	\$ 0.47	\$ 0.44	\$ 1.92	\$ 1.35
Diluted	\$ 0.47	\$ 0.44	\$ 1.91	\$ 1.34
	\$ 0.46	\$ 0.43	\$ 1.91	\$ 1.33

Net income attributable to Twenty-First Century Fox, Inc.
stockholders per share - basic and diluted

The accompanying notes are an integral part of these Unaudited Consolidated Financial Statements.

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TWENTY-FIRST CENTURY FOX, INC.

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(IN MILLIONS)

	For the three months ended		For the nine months ended	
	March 31, 2018	2017	March 31, 2018	2017
Net income	\$ 943	\$ 870	\$ 3,779	\$ 2,694
Other comprehensive (loss) income, net of tax				
Foreign currency translation adjustments	21	111	100	(40)
Cash flow hedges	3	6	2	19
Unrealized holding (losses) gains on securities	(94)	-	85	-
Benefit plan adjustments	4	74	71	117
Equity method investments	25	-	83	(163)
Other comprehensive (loss) income, net of tax	(41)	191	341	(67)
Comprehensive income	902	1,061	4,120	2,627
Less: Net income attributable to noncontrolling interests ^(a)	(85)	(71)	(235)	(218)
Less: Other comprehensive (income) loss attributable to noncontrolling interests	(9)	(4)	(22)	16
Comprehensive income attributable to Twenty-First Century Fox, Inc. stockholders	\$ 808	\$ 986	\$ 3,863	\$ 2,425

^(a)Net income attributable to noncontrolling interests includes \$51 million and \$43 million for the three months ended March 31, 2018 and 2017, respectively, and \$128 million and \$113 million for the nine months ended March 31, 2018 and 2017, respectively, relating to redeemable noncontrolling interests.

The accompanying notes are an integral part of these Unaudited Consolidated Financial Statements.

TWENTY-FIRST CENTURY FOX, INC.

CONSOLIDATED BALANCE SHEETS

(IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	As of	As of
	March 31,	June 30,
	2018	2017
	(unaudited)	(audited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 7,372	