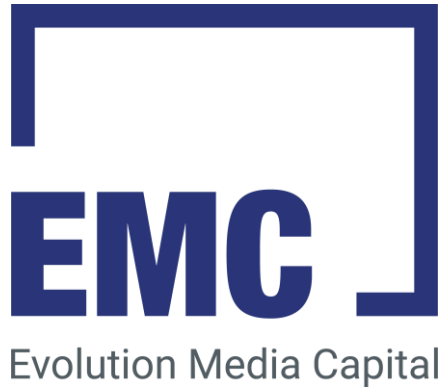


FOX Corp. (FOXA) 2019 Q2 Earnings Summary

August 2019

Sign Up For Additional Research From Evolution Media Capital



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August 2019

FOX Has Been Quick To Acquire New Assets To Expand Their Reach Beyond The Linear TV Ecosystem

ADVERTISING

- **In a strong advertising market, due in part to an especially renewed interest by marketers in prime time and sports content**
 - This is the strongest advertising upfront in 17 years and they have had extraordinarily robust results both in pricing and in volume
 - Even at this early date, they are very encouraged by both the volume and pricing they are seeing for the Super Bowl
- **Built out their digital sites and the content more aggressively and faster than they built out the monetization of those views**
 - Can aggressively push it even further and the tip of the spear in terms of growth will continue to be FOX News

CONTENT

- **Pursuing a strategy to expand their portfolio of owned content to generate long-term asset value**
 - Program co-production model gives them an equity interest in nearly all new shows aired on the network
 - Enhancing internal content-creation capabilities through the launch of SideCar, which is already providing third-party platforms with content
- **Acquisition of Bento Box gives them access to the next generation of animators and the ability to originate owned**
 - Animation has been their most stable programming, creating leverage, loyalty and youthful audiences across linear and digital properties

DIGITAL

- **Credible Labs marketplace is comfortably adjacent to and enhances their core digital properties, specifically at FOX News**
 - Giving Credible Labs access to their highly engaged digital audience will accelerate the company's growth
 - News audience skews older and towards homeowners, which correlates highly with Credible's target audience for their financial marketplaces
- **Key resource is the deep engagement that they have in news, sports and entertainment with their audiences**
 - Extending from an analog environment, to a digital environment, which affords them the ability to monetize that engagement in new models

SPORTS GAMBLING

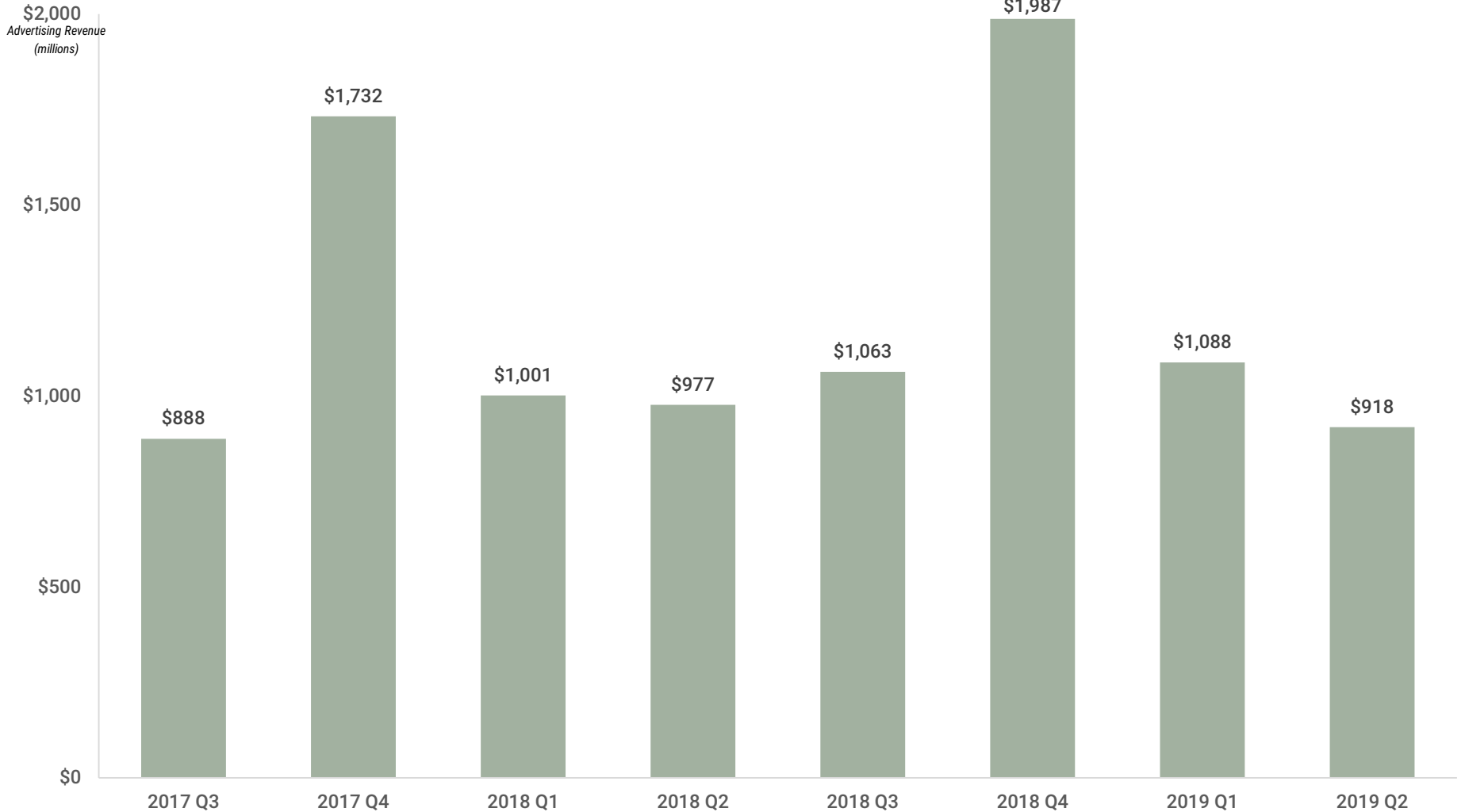
- **On track to launch Fox Bet before the football season and see the opportunity in sports wagering as a long-term value contributor**
 - National free-to-play game is legal in every state and will put the brand out there and begin to establish the business
- **The ramp of the business is really dependent on the state-by-state legislation and having that open up across the country**
 - In a couple of their local stations, they are seeing some of this gaming ad revenue begin to appear in a fairly significant way
 - As more states legalize online gambling, they have a tremendous revenue stream outside the TSG partnership from a local advertising point of view

Sports will be a key component of the broadcast network, but they are not going to turn it into a pure-play sports channel

Advertising



Programming Strategy Based Around Live Events, Such As News And Sports, Will Appeal To Advertisers

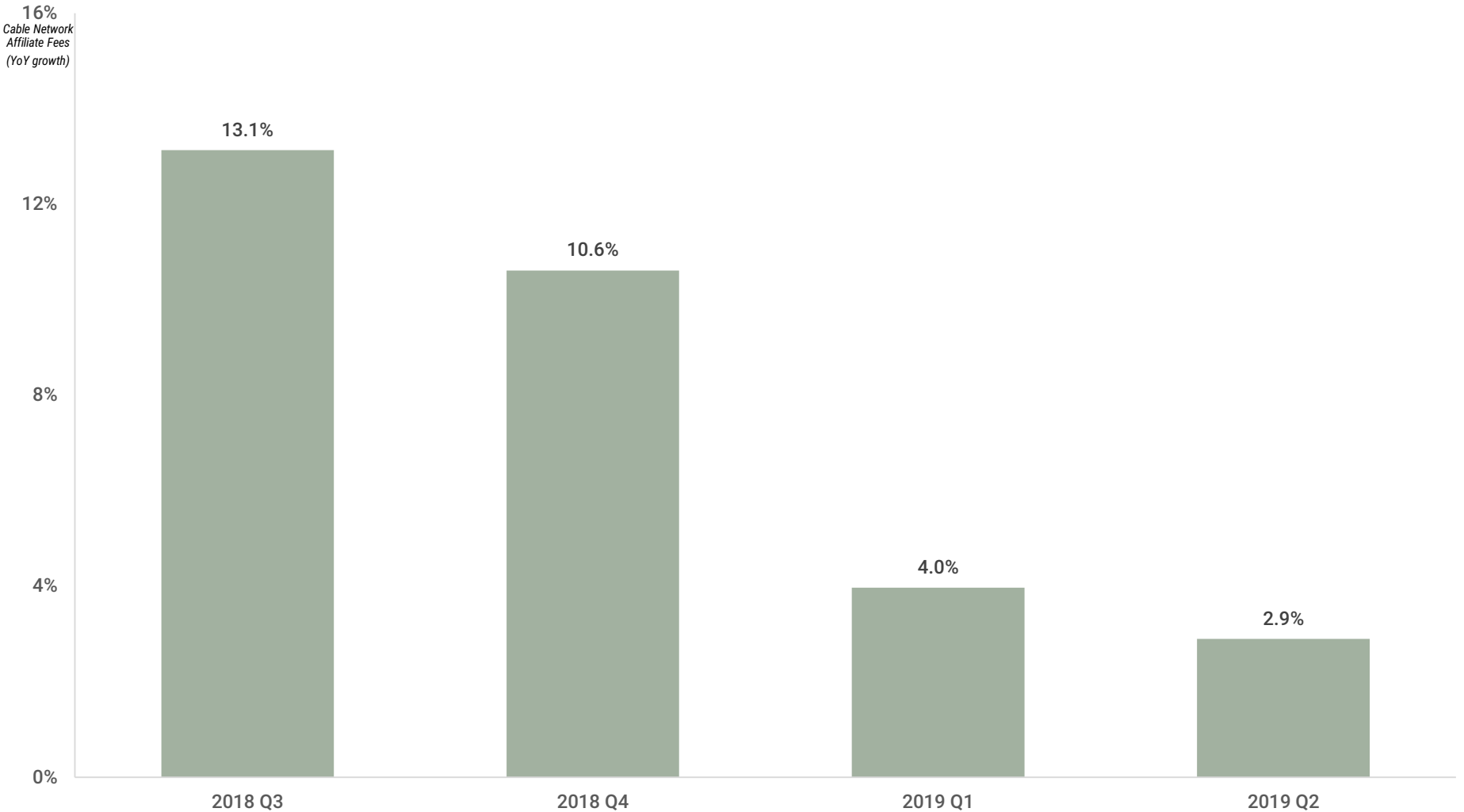


Advertising revenue could accelerate dramatically once sports betting becomes legalized nationwide

Cable Affiliate Revenue



With A Smaller Portfolio Of Channels, Carriage Negotiations Now Comprise All Their Networks At One Rate

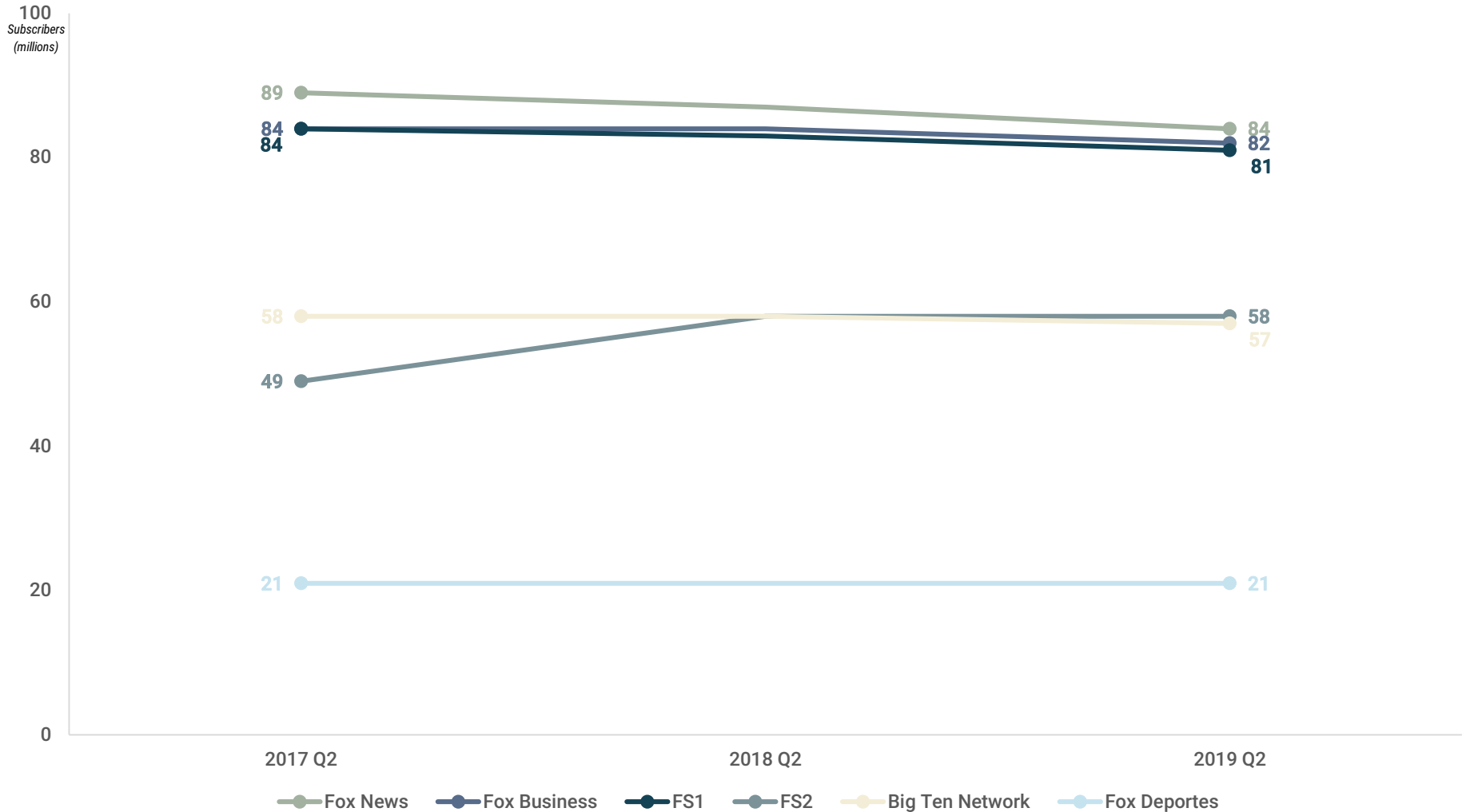


Investments into original entertainment programming can help the broadcast network drive further increases on retrans

Network Subscribers



There Has Been A Slight Dip In Subscribers, But Key Channels Have Generally Outperformed The Market



Fox Nation will grow as they put more marketing behind it, but it is still considered a complement to the linear network