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 December 31, 2022

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 001-38776

FOX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**83-1825597**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1211 Avenue of the Americas
New York, New York 10036
(Address of principal executive offices and Zip Code)

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

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

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, par value $0.01 per share	FOXA	The Nasdaq Global Select Market
Class B Common Stock, par value $0.01 per share	FOX	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	☒	Accelerated filer	☐
Non-accelerated filer	☐	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 February 6, 2023, 296,917,233 shares of Class A Common Stock, par value $0.01 per share, and 237,644,354 shares of Class B Common Stock, par value $0.01 per share, were outstanding.

FOX CORPORATION

FORM 10-Q

TABLE OF CONTENTS

FOX CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
Revenues	$ 4,605	$ 4,441	$ 7,797	$ 7,486
Operating expenses	(3,528)	(3,667)	(5,184)	(5,238)
Selling, general and administrative	(550)	(468)	(998)	(883)
Depreciation and amortization	(103)	(93)	(202)	(172)
Interest expense, net	(60)	(97)	(128)	(194)
Other, net	73	(211)	(3)	(142)
Income (loss) before income tax (expense) benefit	437	(95)	1,282	857
Income tax (expense) benefit	(116)	22	(348)	(222)
Net income (loss)	321	(73)	934	635
Less: Net income attributable to noncontrolling interests	(8)	(12)	(16)	(19)
Net income (loss) attributable to Fox Corporation stockholders	$ 313	$ (85)	$ 918	$ 616
EARNINGS (LOSS) PER SHARE DATA				
Weighted average shares:				
Basic	541	569	545	572
Diluted	543	573	547	575
Net income (loss) attributable to Fox Corporation stockholders per share:				
Basic	$ 0.58	$ (0.15)	$ 1.68	$ 1.08
Diluted	$ 0.58	$ (0.15)	$ 1.68	$ 1.07

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

FOX CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(IN MILLIONS)

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
Net income (loss)	$ 321	$ (73)	$ 934	$ 635
Other comprehensive income, net of tax:				
Benefit plan adjustments and other	9	8	7	14
Other comprehensive income, net of tax	9	8	7	14
Comprehensive income (loss)	330	(65)	941	649
Less: Net income attributable to noncontrolling interests[a]	(8)	(12)	(16)	(19)
Comprehensive income (loss) attributable to Fox Corporation stockholders	$ 322	$ (77)	$ 925	$ 630

(a) Net income attributable to noncontrolling interests includes $(5) million and $(3) million for the three months ended December 31, 2022 and 2021, respectively, and $(10) million and $(4) million for the six months ended December 31, 2022 and 2021, respectively, relating to redeemable noncontrolling interests.

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

FOX CORPORATION

CONSOLIDATED BALANCE SHEETS
(IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	As of December 31, 2022 (unaudited)	As of June 30, 2022 (audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,058	$ 5,200
Receivables, net	3,004	2,128
Inventories, net	1,300	791
Other	209	162
Total current assets	8,571	8,281
Non-current assets		
Property, plant and equipment, net	1,680	1,682
Intangible assets, net	3,114	3,157
Goodwill	3,556	3,554
Deferred tax assets	3,283	3,440
Other non-current assets	2,922	2,071
Total assets	$ 23,126	$ 22,185
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable, accrued expenses and other current liabilities	$ 2,543	$ 2,296
Total current liabilities	2,543	2,296
Non-current liabilities		
Borrowings	7,208	7,206
Other liabilities	1,503	1,120
Redeemable noncontrolling interests	196	188
Commitments and contingencies		
Equity		
Class A Common Stock[(a)]	3	3
Class B Common Stock[(b)]	2	3
Additional paid-in capital	8,836	9,098
Retained earnings	2,985	2,461
Accumulated other comprehensive loss	(219)	(226)
Total Fox Corporation stockholders' equity	11,607	11,339
Noncontrolling interests	69	36
Total equity	11,676	11,375
Total liabilities and equity	$ 23,126	$ 22,185

(a) **Class A Common Stock**, $0.01 par value per share, 2,000,000,000 shares authorized, 297,918,978 shares and 307,496,876 shares issued and outstanding at par as of December 31, 2022 and June 30, 2022, respectively.

(b) **Class B Common Stock**, $0.01 par value per share, 1,000,000,000 shares authorized, 238,148,374 shares and 243,122,595 shares issued and outstanding at par as of December 31, 2022 and June 30, 2022, respectively.

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

FOX CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN MILLIONS)

	For the six months ended December 31,	
	2022	2021
OPERATING ACTIVITIES		
Net income	$ 934	$ 635
Adjustments to reconcile net income to cash used in operating activities		
Depreciation and amortization	202	172
Amortization of cable distribution investments	8	9
Equity-based compensation	32	47
Other, net	3	142
Deferred income taxes	152	143
Change in operating assets and liabilities, net of acquisitions and dispositions		
Receivables and other assets	(952)	(940)
Inventories net of programming payable	(420)	(494)
Accounts payable and accrued expenses	(152)	(214)
Other changes, net	(68)	(156)
Net cash used in operating activities	(261)	(656)
INVESTING ACTIVITIES		
Property, plant and equipment	(153)	(121)
Acquisitions, net of cash acquired	—	(229)
Proceeds from dispositions, net	—	82
Purchase of investments	(50)	(28)
Other investing activities, net	(18)	—
Net cash used in investing activities	(221)	(296)
FINANCING ACTIVITIES		
Repurchase of shares	(500)	(497)
Dividends paid and distributions	(155)	(150)
Sale of subsidiary noncontrolling interest	25	—
Other financing activities, net	(30)	(32)
Net cash used in financing activities	(660)	(679)
Net decrease in cash and cash equivalents	(1,142)	(1,631)
Cash and cash equivalents, beginning of year	5,200	5,886
Cash and cash equivalents, end of period	$ 4,058	$ 4,255

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

FOX CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF EQUITY
(IN MILLIONS)

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Fox Corporation Stockholders' Equity	Noncontrolling Interests[a]	Total Equity
	Shares	Amount	Shares	Amount						
Balance, September 30, 2022	303	$ 3	241	$ 2	$ 8,949	$ 2,795	$ (228)	$ 11,521	$ 64	$ 11,585
Net income	—	—	—	—	—	313	—	313	13	326
Other comprehensive income	—	—	—	—	—	—	9	9	—	9
Shares repurchased	(6)	—	(2)	—	(137)	(113)	—	(250)	—	(250)
Other	1	—	(1)	—	24	(10)	—	14	(8)	6
Balance, December 31, 2022	298	$ 3	238	$ 2	$ 8,836	$ 2,985	$ (219)	$ 11,607	$ 69	$ 11,676
Balance, September 30, 2021	321	$ 3	250	$ 3	$ 9,327	$ 2,409	$ (312)	$ 11,430	$ —	$ 11,430
Net (loss) income	—	—	—	—	—	(85)	—	(85)	15	(70)
Other comprehensive income	—	—	—	—	—	—	8	8	—	8
Shares repurchased	(5)	—	(2)	—	(108)	(139)	—	(247)	—	(247)
Other	1	—	—	—	46	123	—	169	—	169
Balance, December 31, 2021	317	$ 3	248	$ 3	$ 9,265	$ 2,308	$ (304)	$ 11,275	$ 15	$ 11,290
Balance, June 30, 2022	308	$ 3	243	$ 3	$ 9,098	$ 2,461	$ (226)	$ 11,339	$ 36	$ 11,375
Net income	—	—	—	—	—	918	—	918	26	944
Other comprehensive income	—	—	—	—	—	—	7	7	—	7
Dividends	—	—	—	—	—	(137)	—	(137)	—	(137)
Shares repurchased	(11)	—	(5)	—	(261)	(239)	—	(500)	—	(500)
Other	1	—	—	(1)	(1)	(18)	—	(20)	7	(13)
Balance, December 31, 2022	298	$ 3	238	$ 2	$ 8,836	$ 2,985	$ (219)	$ 11,607	$ 69	$ 11,676
Balance, June 30, 2021	324	$ 3	252	$ 3	$ 9,453	$ 1,982	$ (318)	$ 11,123	$ 2	$ 11,125
Net income	—	—	—	—	—	616	—	616	23	639
Other comprehensive income	—	—	—	—	—	—	14	14	—	14
Dividends	—	—	—	—	—	(138)	—	(138)	—	(138)
Shares repurchased	(10)	—	(4)	—	(222)	(275)	—	(497)	—	(497)
Other	3	—	—	—	34	123	—	157	(10)	147
Balance, December 31, 2021	317	$ 3	248	$ 3	$ 9,265	$ 2,308	$ (304)	$ 11,275	$ 15	$ 11,290

(a) Excludes Redeemable noncontrolling interests which are reflected in temporary equity (See Note 4—Fair Value under the heading "Redeemable Noncontrolling Interests").

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

NOTE 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Fox Corporation, a Delaware corporation ("FOX" or the "Company"), is a news, sports and entertainment company, which manages and reports its businesses in the following segments: Cable Network Programming, Television and Other, Corporate and Eliminations.

On October 14, 2022, the Company announced that its Board of Directors (the "Board") had formed a special committee composed of independent members of the Board (the "Special Committee") to begin exploring a potential combination with News Corporation. On January 24, 2023, the Company announced that the Board had received a letter from K. Rupert Murdoch withdrawing the proposal to explore the potential combination and, as a result of this action, the Special Committee was dissolved.

The accompanying Unaudited Consolidated Financial Statements of FOX have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("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 Unaudited Consolidated Financial Statements. Operating results for the interim periods 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 Unaudited Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts that are reported in the Unaudited Consolidated Financial Statements and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from those estimates.

These interim Unaudited 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 on August 12, 2022 (the "2022 Form 10-K").

All significant intercompany transactions and accounts within the Company's consolidated businesses have been eliminated. Investments in and advances to entities or joint ventures in which the Company has significant influence, but less than a controlling financial interest, are accounted for using the equity method. Significant influence generally exists when the Company owns an interest between 20% and 50%. Equity securities in which the Company has no significant influence (generally less than a 20% ownership interest) with readily determinable fair values are accounted for at fair value based on quoted market prices. Equity securities without readily determinable fair values are accounted for either at fair value or using the measurement alternative method, which is at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. All gains and losses on investments in equity securities are recognized in the Unaudited Consolidated Statements of Operations.

The Company's fiscal year ends on June 30 ("fiscal") of each year. Certain fiscal 2022 amounts have been reclassified to conform to the fiscal 2023 presentation.

The unaudited and audited consolidated financial statements are referred to as the "Financial Statements" herein. The unaudited consolidated statements of operations are referred to as the "Statements of Operations" herein. The unaudited and audited consolidated balance sheets are referred to as the "Balance Sheets" herein.

Recently Adopted, Recently Issued Accounting Guidance and Other

Inflation Reduction Act

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act which, among other changes, imposes a 15% corporate alternative minimum tax ("CAMT") and a 1% excise tax on stock repurchases. Once subject to the CAMT, a taxpayer will compute both its CAMT liability and its regular federal tax liability and pay the higher of the two. To the extent that the CAMT liability exceeds the regular federal tax liability, a taxpayer will receive a credit ("CAMT credit") which can be used against its regular federal tax liability in the future when the taxpayer is no longer subject to the CAMT. The CAMT credit does not expire. The CAMT is effective for tax years beginning after December 31, 2022, which means it will be applicable to the Company starting in fiscal 2024. The excise tax on stock repurchases applies to stock repurchases occurring after December 31, 2022.

The Company continues to evaluate the impact the CAMT will have on its financial statements but expects that, when applicable, the Company will be subject to the CAMT. The CAMT would impact the timing of the cash tax benefit the Company receives from the amortization of the additional tax basis received as a result of the Transaction Tax (as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K). This change in timing would result in an increase to its annual cash tax liability which could be material. However, as noted above, if the Company pays CAMT it will receive a CAMT credit that can be carried forward indefinitely and applied against its regular federal tax liability in future years. The Company will be subject to the excise tax on stock repurchases occurring after December 31, 2022, but the impact to the financial statements is not expected to be material.

NOTE 2. ACQUISITIONS, DISPOSALS AND OTHER TRANSACTIONS

The Company's acquisitions support the Company's strategy to strengthen its core brands, grow its digital businesses and selectively enhance production capabilities for its digital and linear platforms. There were no acquisitions during the three and six months ended December 31, 2022. During the six months ended December 31, 2021, the Company made acquisitions, primarily consisting of three entertainment production companies, for total cash consideration of approximately $230 million. The revenues and Segment EBITDA (as defined in Note 10—Segment Information) included within the Company's consolidated results of operations associated with these companies were not material individually or in the aggregate.

NOTE 3. INVENTORIES, NET

The Company's inventories were comprised of the following:

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Licensed programming, including prepaid sports rights	$ 1,534	$ 975
Owned programming	446	337
Total inventories, net	1,980	1,312
Less: current portion of inventories, net	(1,300)	(791)
Total non-current inventories, net	$ 680	$ 521
Owned programming		
Released	$ 253	$ 205
In-process and other	193	132
Total	$ 446	$ 337

The following table presents the aggregate amortization expense related to Inventories, net included in Operating expenses in the Statements of Operations:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)		(in millions)	
Amortization expense	$ 2,566	$ 2,640	$ 3,420	$ 3,441

NOTE 4. FAIR VALUE

Fair value measurements are required to be disclosed using a three-tiered fair value hierarchy which distinguishes market participant assumptions into the following categories: (i) inputs that are quoted prices in active markets ("Level 1"); (ii) inputs other than quoted prices included within Level 1 that are observable, including quoted prices for similar assets or liabilities ("Level 2"); and (iii) inputs that require the entity to use its own assumptions about market participant assumptions ("Level 3").

The following tables present information about financial assets and redeemable noncontrolling interests carried at fair value on a recurring basis:

	Fair value measurements			
	As of December 31, 2022			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Investments in equity securities	$ 625	$ 625 [(a)]	$ —	$ —
Redeemable noncontrolling interests	(196)	—	—	(196) [(b)]
Total	$ 429	$ 625	$ —	$ (196)

	Fair value measurements			
	As of June 30, 2022			
	Total	Level 1	Level 2	Level 3
	(in millions)			
Investments in equity securities	$ 435	$ 435 [(a)]	$ —	$ —
Redeemable noncontrolling interests	(188)	—	—	(188) [(b)]
Total	$ 247	$ 435	$ —	$ (188)

(a) The investments categorized as Level 1 primarily represent an investment in equity securities of Flutter Entertainment plc ("Flutter") with a readily determinable fair value (See Note 3—Acquisitions, Disposals and Other Transactions in the 2022 Form 10-K under the heading "Flutter" for additional information).

(b) The Company utilizes both the market and income approach valuation techniques for its Level 3 fair value measures. Inputs to such measures could include observable market data obtained from independent sources such as broker quotes and recent market transactions for similar assets. It is the Company's policy to maximize the use of observable inputs in the measurement of its Level 3 fair value measurements. To the extent observable inputs are not available, the Company utilizes unobservable inputs based upon the assumptions market participants would use in valuing the redeemable noncontrolling interests. Examples of utilized unobservable inputs are future cash flows and long-term growth rates.

In connection with the combination of The Stars Group Inc. and Flutter in May 2020, FOX Sports received the right to acquire an 18.6% equity interest in FanDuel Group ("FanDuel"), a majority-owned subsidiary of Flutter, at a price set forth in the relevant agreement (structured as a 10-year option), which has been the subject of arbitration proceedings. In January 2023, the U.S. District Court for the Southern District of New York confirmed and entered the arbitrator's ruling affirming FOX Sports' 10-year call option expiring in December 2030 to acquire 18.6% of FanDuel for $3.72 billion, with a 5% annual escalator. FOX has no obligation to commit capital towards this opportunity unless and until it exercises the option. In addition, Flutter cannot pursue an initial public offering for FanDuel without FOX's consent or approval from the arbitrator.

Redeemable Noncontrolling Interests

The redeemable noncontrolling interests recorded are put rights held by minority shareholders in Credible Labs Inc. ("Credible") and an entertainment production company.

The changes in redeemable noncontrolling interests classified as Level 3 measurements were as follows:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Beginning of period	$ (193)	$ (302)	$ (188)	$ (261)
Acquisitions[(a)]	—	(13)	—	(58)
Net loss	5	3	10	4
Distributions	—	—	—	3
Accretion and other[(b)]	(8)	140	(18)	140
End of period	$ (196)	$ (172)	$ (196)	$ (172)

(a) The increase for the six months ended December 31, 2021 was primarily due to the acquisition of an entertainment production company.

(b) As a result of the expiration of the sports network minority shareholder's final put right during the three months ended December 31, 2021, approximately $110 million was reclassified into equity.

The Credible minority put right will become exercisable in fiscal 2025. The put right held by the entertainment production company's minority shareholder will become exercisable in fiscal 2027.

Financial Instruments

The carrying value of the Company's financial instruments exclusive of borrowings, such as cash and cash equivalents, receivables, payables and investments, accounted for using the measurement alternative method, approximates fair value.

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Borrowings		
Fair value	$ 6,822	$ 7,084
Carrying value	$ 7,208	$ 7,206

Fair value is generally determined by reference to market values resulting from trading on a national securities exchange or in an over-the-counter market (a Level 1 measurement).

Concentrations of Credit Risk

Cash and cash equivalents are maintained with several financial institutions. The Company has deposits held with banks that exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and, therefore, bear minimal credit risk.

Generally, the Company does not require collateral to secure receivables. As of December 31, 2022 and June 30, 2022, the Company had no customers that accounted for 10% or more of the Company's receivables.

NOTE 5. BORROWINGS

Borrowings include senior notes (See Note 9—Borrowings in the 2022 Form 10-K under the heading "Public Debt – Senior Notes Issued"). In addition, the Company is party to a credit agreement providing a $1.0 billion unsecured revolving credit facility with a sub-limit of $150 million available for the issuance of letters of credit and a maturity date of March 2024 (See Note 9—Borrowings in the 2022 Form 10-K under the heading "Revolving Credit Agreement"). As of December 31, 2022, there were no borrowings outstanding under the revolving credit agreement.

NOTE 6. STOCKHOLDERS' EQUITY

Stock Repurchase Program

The Board has authorized a $4 billion stock repurchase program under which the Company can repurchase Class A Common Stock (the "Class A Common Stock") and Class B Common Stock (the "Class B Common Stock" and, together with the Class A Common Stock, the "Common Stock"). The program has no time limit and may be modified, suspended or discontinued at any time.

During the six months ended December 31, 2022, the Company repurchased approximately 16 million shares of Common Stock for approximately $500 million.

Repurchased shares are retired and reduce the number of shares issued and outstanding. The Company allocates the amount of the repurchase price over par value between additional paid-in capital and retained earnings.

As of December 31, 2022, the Company's remaining stock repurchase authorization was approximately $900 million. Subsequent to December 31, 2022, the Company repurchased approximately 1.6 million shares of Common Stock for approximately $50 million and the Company announced that the Board has authorized incremental stock repurchases of an additional $3 billion of Common Stock. With this increase, the Company's total stock repurchase authorization is now $7 billion.

Dividends

The following table summarizes the dividends declared per share on both the Company's Class A Common Stock and Class B Common Stock:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
Cash dividend per share	$ —	$ —	$ 0.25	$ 0.24

Subsequent to December 31, 2022, the Company declared a semi-annual dividend of $0.25 per share on both the Class A Common Stock and the Class B Common Stock. The dividend declared is payable on March 29, 2023 with a record date for determining dividend entitlements of March 1, 2023.

NOTE 7. EQUITY-BASED COMPENSATION

The Company has one equity plan, the Fox Corporation 2019 Shareholder Alignment Plan (See Note 12—Equity-Based Compensation in the 2022 Form 10-K).

The following table summarizes the Company’s equity-based compensation:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Equity-based compensation	$ 25	$ 32	$ 32	$ 47
Intrinsic value of all settled equity-based awards	$ —	$ 18	$ 76	$ 94
Tax benefit on settled equity-based awards	$ (1)	$ 4	$ 13	$ 21

The Company’s equity-based awards are settled in Class A Common Stock. As of December 31, 2022, the Company’s total estimated compensation cost, not yet recognized, related to non-vested equity awards held by the Company’s employees was approximately $120 million and is expected to be recognized over a weighted average period between one and two years.

As of December 31, 2022 and 2021, the Company had approximately 5 million and 6 million stock options outstanding, respectively. The computation of diluted earnings per share did not include stock options outstanding during each period presented if their inclusion would have been antidilutive.

Awards Vested and Granted

Restricted Stock Units

During the six months ended December 31, 2022 and 2021, approximately 1.5 million and 2.4 million restricted stock units (“RSUs”) vested and approximately 2.0 million and 1.7 million RSUs were granted, respectively. These RSUs generally vest in equal annual installments over a three-year period subject to participants’ continued employment with the Company.

Performance-Based Stock Options

During the six months ended December 31, 2022 and 2021, the Company granted approximately 4 million performance-based stock options, in each period, which will vest in full at the end of a three-year performance period if the market condition is met, and have a term of seven years thereafter.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Commitments

The Company has commitments under certain firm contractual arrangements (“firm commitments”) to make future payments. These firm commitments secure the future rights to various assets and services to be used in the normal course of operations. The total firm commitments and future debt payments as of December 31, 2022 and June 30, 2022 were approximately $39 billion and $42 billion, respectively. The decrease from June 30, 2022 was primarily due to sports programming rights payments.

In December 2022, the Company renewed the operating lease for its corporate headquarters at 1211 Avenue of the Americas in New York through fiscal 2042. In connection with this extension, the Company recorded additional operating lease assets and liabilities of approximately $540 million as of December 31, 2022.

Contingencies

FOX News

The Company’s FOX News business and certain of its current and former employees have been subject to allegations of sexual harassment and discrimination on the basis of sex and race. The Company has resolved many of these claims and is contesting other claims in litigation. The Company has also received regulatory and investigative inquiries relating to these matters. To date, none of the amounts paid in settlements or reserved for pending or future claims is material, individually or in the aggregate, to the Company. The amount of additional liability, if any, that may result from these or related matters cannot be estimated at this time. However, the Company does not currently anticipate that the ultimate resolution of any such pending matters will have a material adverse effect on its business, financial condition, results of operations or cash flows.

U.K. Newspaper Matters Indemnity

In connection with the separation of Twenty-First Century Fox, Inc. (“21CF”) and News Corporation in June 2013 (the “21CF News Corporation Separation”), 21CF agreed to indemnify News Corporation, on an after-tax basis, for payments made after the 21CF News Corporation Separation arising out of civil claims and investigations relating to phone hacking, illegal data access and inappropriate payments to public officials that occurred at subsidiaries of News Corporation before the 21CF News Corporation Separation, as well as legal and professional fees and expenses paid in connection with the related criminal matters, other than fees, expenses and costs relating to employees who are not (i) directors, officers or certain designated employees or (ii) with respect to civil matters, co-defendants with News Corporation (the “U.K. Newspaper Matters Indemnity”). In accordance with the Separation Agreement (as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K under the heading “The Distribution”), the Company assumed certain costs and liabilities related to the U.K. Newspaper Matters Indemnity. The liability recorded in the Balance Sheets related to the indemnity was approximately $115 million and $65 million as of December 31, 2022 and June 30, 2022, respectively. The increase in the liability recorded was attributable to an increase in the number of civil claims submitted in September 2022 in advance of the September 30, 2022 cutoff date set by the judge for this phase of the litigation.

Defamation and Disparagement Claims

From time to time, the Company and its news businesses, including FOX News Media and the FOX Television Stations, and their employees are subject to lawsuits alleging defamation or disparagement. These include lawsuits filed by Smartmatic USA Corp. and certain of its affiliates (collectively, “Smartmatic”) in February 2021 and Dominion Voting Systems, Inc. and certain of its affiliates (collectively, “Dominion”) in March 2021. The Dominion lawsuits against the Company and its subsidiary, FOX News Media, have been consolidated for trial, which is scheduled to begin in April 2023. The Company believes these lawsuits, including the Smartmatic and Dominion matters, are without merit and intends to defend against them vigorously, including through any appeals. To date, none of the amounts the Company has paid in settlements of defamation or disparagement claims or reserved for pending or future claims is material, individually or in the aggregate, to the Company. The amount of additional liability, if any, that may result from these or related matters cannot be estimated at this time. However, the Company does not currently anticipate that the ultimate resolution of any such pending matters will have a material adverse effect on its business, financial condition, results of operations or cash flows.

Other

The Company establishes an accrued liability for legal claims and indemnification claims when the Company 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. Any fees, expenses, fines, penalties, judgments or settlements which might be incurred by the Company in connection with the various proceedings could affect the Company’s results of operations and financial condition. For the contingencies disclosed above for which there is at least a reasonable possibility that a loss may be incurred, other than the accrual provided, the Company was unable to estimate the amount of loss or range of loss.

The Company’s operations are subject to tax primarily in various domestic jurisdictions and as a matter of course, the Company is regularly audited by federal and state tax authorities. The Company believes it has appropriately accrued for the expected outcome of all pending tax matters and does not currently anticipate that the ultimate resolution of pending tax matters will have a material adverse effect on its consolidated financial condition, future results of operations or liquidity. Each member of the 21CF consolidated group, which includes

21CF, the Company (prior to the Distribution (as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K under the heading “The Distribution”)) and 21CF’s other subsidiaries, is jointly and severally liable for the U.S. federal income and, in certain jurisdictions, state tax liabilities of each other member of the consolidated group. Consequently, the Company could be liable in the event any such liability is incurred, and not discharged, by any other member of the 21CF consolidated group. The tax matters agreement entered into in connection with the Separation (as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K under the heading “The Distribution”) requires 21CF and/or The Walt Disney Company to indemnify the Company for any such liability. Disputes or assessments could arise during future audits by the Internal Revenue Service in amounts that the Company cannot quantify.

NOTE 9. PENSION AND OTHER POSTRETIREMENT BENEFITS

The Company participates in and/or sponsors various pension, savings and postretirement benefit plans. Pension plans and postretirement benefit plans are closed to new participants with the exception of a small group covered by collective bargaining agreements. The net periodic benefit cost was $16 million and $13 million for the three months ended December 31, 2022 and 2021, respectively, and $32 million and $27 million for the six months ended December 31, 2022 and 2021, respectively.

NOTE 10. SEGMENT INFORMATION

The Company is a news, sports and entertainment company, which manages and reports its businesses in the following segments:

- **Cable Network Programming**, which produces and licenses news and sports content distributed through traditional cable television systems, direct broadcast satellite operators and telecommunication companies (“traditional MVPDs”), virtual multi-channel video programming distributors (“virtual MVPDs”) and other digital platforms, primarily in the U.S.
- **Television**, which produces, acquires, markets and distributes programming through the FOX broadcast network, advertising supported video-on-demand (“AVOD”) service TUBI, 29 full power broadcast television stations, including 11 duopolies, and other digital platforms, primarily in the U.S. Eighteen of the broadcast television stations are affiliated with the FOX Network, 10 are affiliated with MyNetworkTV and one is an independent station.
- **Other, Corporate and Eliminations**, which principally consists of the FOX Studio Lot, Credible, corporate overhead costs and intracompany eliminations. The FOX Studio Lot, located in Los Angeles, California, provides television and film production services along with office space, studio operation services and includes all operations of the facility. Credible is a U.S. consumer finance marketplace.

The Company’s operating segments have been determined in accordance with the Company’s internal management structure, which is organized based on operating activities. The Company evaluates performance based upon several factors, of which the primary financial measure is segment operating income before depreciation and amortization, or Segment EBITDA. Due to the integrated nature of these operating segments, estimates and judgments are made in allocating certain assets, revenues and expenses.

Segment EBITDA is defined as Revenues less Operating expenses and Selling, general and administrative expenses. Segment EBITDA does not include: Amortization of cable distribution investments, Depreciation and amortization, Impairment and restructuring charges, Interest expense, net, Other, net and Income tax expense. Management believes that Segment EBITDA is an appropriate measure for evaluating the operating performance of the Company’s business segments because it is the primary measure used by the Company’s chief operating decision maker to evaluate the performance of and allocate resources to the Company’s businesses.

The following tables set forth the Company's Revenues and Segment EBITDA for the three and six months ended December 31, 2022 and 2021:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Revenues				
Cable Network Programming	$ 1,632	$ 1,638	$ 3,063	$ 3,054
Television	2,934	2,759	4,648	4,340
Other, Corporate and Eliminations	39	44	86	92
Total revenues	$ 4,605	$ 4,441	$ 7,797	$ 7,486
Segment EBITDA				
Cable Network Programming	$ 353	$ 668	$ 1,095	$ 1,442
Television	256	(273)	665	86
Other, Corporate and Eliminations	(78)	(85)	(137)	(154)
Amortization of cable distribution investments	(4)	(4)	(8)	(9)
Depreciation and amortization	(103)	(93)	(202)	(172)
Interest expense, net	(60)	(97)	(128)	(194)
Other, net	73	(211)	(3)	(142)
Income (loss) before income tax (expense) benefit	437	(95)	1,282	857
Income tax (expense) benefit	(116)	22	(348)	(222)
Net income (loss)	321	(73)	934	635
Less: Net income attributable to noncontrolling interests	(8)	(12)	(16)	(19)
Net income (loss) attributable to Fox Corporation stockholders	$ 313	$ (85)	$ 918	$ 616

Revenues by Segment by Component

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Cable Network Programming				
Affiliate fee	$ 1,026	$ 1,039	$ 2,055	$ 2,065
Advertising	451	454	767	765
Other	155	145	241	224
Total Cable Network Programming revenues	1,632	1,638	3,063	3,054
Television				
Advertising	2,052	1,954	2,957	2,773
Affiliate fee	686	649	1,368	1,290
Other	196	156	323	277
Total Television revenues	2,934	2,759	4,648	4,340
Other, Corporate and Eliminations	39	44	86	92
Total revenues	$ 4,605	$ 4,441	$ 7,797	$ 7,486

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Depreciation and amortization				
Cable Network Programming	$ 17	$ 17	$ 34	$ 27
Television	30	28	59	54
Other, Corporate and Eliminations	56	48	109	91
Total depreciation and amortization	$ 103	$ 93	$ 202	$ 172

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Assets		
Cable Network Programming	$ 2,753	$ 2,682
Television	9,493	7,915
Other, Corporate and Eliminations	10,108	11,010
Investments	772	578
Total assets	$ 23,126	$ 22,185

NOTE 11. ADDITIONAL FINANCIAL INFORMATION

Interest Expense, net

The following table sets forth the components of Interest expense, net included in the Statements of Operations:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Interest expense	$ (89)	$ (98)	$ (176)	$ (195)
Interest income	29	1	48	1
Total interest expense, net	$ (60)	$ (97)	$ (128)	$ (194)

Other, net

The following table sets forth the components of Other, net included in the Statements of Operations:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Net gains (losses) on investments in equity securities[a]	$ 114	$ (165)	$ 135	$ (102)
U.K. Newspaper Matters Indemnity[b]	(21)	(32)	(82)	(49)
Transaction costs	(12)	(11)	(28)	(24)
Other	(8)	(3)	(28)	33
Total other, net	$ 73	$ (211)	$ (3)	$ (142)

(a) Net gains (losses) on investments in equity securities for the three and six months ended December 31, 2022 and 2021 include the gains (losses) related to the change in fair value of the Company's investment in Flutter (See Note 4—Fair Value).

(b) See Note 8—Commitments and Contingencies under the heading "U.K. Newspaper Matters Indemnity."

Other Non-Current Assets

The following table sets forth the components of Other non-current assets included in the Balance Sheets:

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Operating lease assets[a]	$ 969	$ 477
Investments[b]	772	578
Inventories, net	680	521
Grantor Trust	264	270
Other	237	225
Total other non-current assets	$ 2,922	$ 2,071

(a) See Note 8—Commitments and Contingencies under the heading "Commitments."

(b) Includes investments accounted for at fair value on a recurring basis of $625 million and $435 million as of December 31, 2022 and June 30, 2022, respectively (See Note 4—Fair Value).

Accounts Payable, Accrued Expenses and Other Current Liabilities

The following table sets forth the components of Accounts payable, accrued expenses and other current liabilities included in the Balance Sheets:

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Programming payable	$ 962	$ 686
Accrued expenses	939	992
Deferred revenue	148	209
Operating lease liabilities	109	107
Other current liabilities	385	302
Total accounts payable, accrued expenses and other current liabilities	$ 2,543	$ 2,296

Other Liabilities

The following table sets forth the components of Other liabilities included in the Balance Sheets:

	As of December 31, 2022	As of June 30, 2022
	(in millions)	
Non-current operating lease liabilities[a]	$ 900	$ 405
Accrued non-current pension/postretirement liabilities	427	447
Other non-current liabilities	176	268
Total other liabilities	$ 1,503	$ 1,120

(a) See Note 8—Commitments and Contingencies under the heading “Commitments.”

Future Performance Obligations

As of December 31, 2022, approximately $4.5 billion of revenues are expected to be recognized primarily over the next one to three years. The Company’s most significant remaining performance obligations relate to affiliate contracts, sports advertising contracts and content licensing contracts with fixed fees. The amount disclosed does not include (i) revenues related to performance obligations that are part of a contract whose original expected duration is one year or less, (ii) revenues that are in the form of sales- or usage-based royalties and (iii) revenues related to performance obligations for which the Company elects to recognize revenue in the amount it has a right to invoice.

Supplemental Information

	For the six months ended December 31,	
	2022	2021
	(in millions)	
Supplemental cash flows information		
Cash paid for interest	$ (174)	$ (200)
Cash paid for income taxes	$ (179)	$ (155)
Supplemental information on acquisitions		
Fair value of assets acquired, excluding cash	$ —	$ 335
Cash acquired	—	10
Liabilities assumed	—	(48)
Redeemable noncontrolling interests issued	—	(5)
Cash paid	—	(239)
Fair value of equity instruments issued as consideration to third parties[(a)]	—	53
Issuance of subsidiary common units	—	(53)
Fair value of equity instruments consideration	$ —	$ —

(a) Includes Redeemable noncontrolling interests.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Readers should carefully review this document and the other documents filed by Fox Corporation ("FOX" or the "Company") with the Securities and Exchange Commission (the "SEC"). This section should be read together with the unaudited interim consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and the Annual Report on Form 10-K for the fiscal year ended June 30, ("fiscal") 2022 as filed with the SEC on August 12, 2022 (the "2022 Form 10-K"). The unaudited consolidated financial statements are referred to as the "Financial Statements" herein.

INTRODUCTION

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 Business***—This section provides a general description of the Company's businesses, as well as developments that occurred during the three and six months ended December 31, 2022 and 2021 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 six months ended December 31, 2022 and 2021. This analysis is presented on both a consolidated and a segment basis. 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 six months ended December 31, 2022 and 2021, as well as a discussion of the Company's outstanding debt and commitments, both firm and contingent, that existed as of December 31, 2022. Included in the discussion of outstanding debt is a discussion of the amount of financial capacity available to fund the Company's future commitments and obligations, as well as a discussion of other financing arrangements.
- ***Caution Concerning Forward-Looking Statements***—This section provides a description of the use of forward-looking information appearing in this Quarterly Report on Form 10-Q, including in Management's Discussion and Analysis of Financial Condition and Results of Operations. Such information is based on management's current expectations about future events which are subject to change and to inherent risks and uncertainties. Refer to Part I., Item 1A. "Risk Factors" in the 2022 Form 10-K for a discussion of the risk factors applicable to the Company.

OVERVIEW OF THE COMPANY'S BUSINESS

The Company is a news, sports and entertainment company, which manages and reports its businesses in the following segments:

- **Cable Network Programming**, which produces and licenses news and sports content distributed through traditional cable television systems, direct broadcast satellite operators and telecommunication companies ("traditional MVPDs"), virtual multi-channel video programming distributors ("virtual MVPDs") and other digital platforms, primarily in the U.S.
- **Television**, which produces, acquires, markets and distributes programming through the FOX broadcast network, advertising-supported video-on-demand ("AVOD") service TUBI, 29 full power broadcast television stations, including 11 duopolies, and other digital platforms, primarily in the U.S. Eighteen of the broadcast television stations are affiliated with the FOX Network, 10 are affiliated with MyNetworkTV and one is an independent station.
- **Other, Corporate and Eliminations**, which principally consists of the FOX Studio Lot, Credible Labs Inc. ("Credible"), corporate overhead costs and intracompany eliminations. The FOX Studio Lot, located in Los Angeles, California, provides television and film production services along with office space, studio operation services and includes all operations of the facility. Credible is a U.S. consumer finance marketplace.

Other Business Developments

On October 14, 2022, the Company announced that its Board of Directors (the “Board”) had formed a special committee composed of independent members of the Board (the “Special Committee”) to begin exploring a potential combination with News Corporation. On January 24, 2023, the Company announced that the Board had received a letter from K. Rupert Murdoch withdrawing the proposal to explore the potential combination and, as a result of this action, the Special Committee was dissolved.

RESULTS OF OPERATIONS

Results of Operations—For the three and six months ended December 31, 2022 versus the three and six months ended December 31, 2021.

The following table sets forth the Company’s operating results for the three and six months ended December 31, 2022*,* as compared to the three and six months ended December 31, 2021:

	For the three months ended December 31,				For the six months ended December 31,			
	2022	2021	Change	% Change	2022	2021	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues								
Affiliate fee	$ 1,712	$ 1,688	$ 24	1 %	$ 3,423	$ 3,355	$ 68	2 %
Advertising	2,503	2,408	95	4 %	3,723	3,538	185	5 %
Other	390	345	45	13 %	651	593	58	10 %
Total revenues	4,605	4,441	164	4 %	7,797	7,486	311	4 %
Operating expenses	(3,528)	(3,667)	139	4 %	(5,184)	(5,238)	54	1 %
Selling, general and administrative	(550)	(468)	(82)	(18)%	(998)	(883)	(115)	(13)%
Depreciation and amortization	(103)	(93)	(10)	(11)%	(202)	(172)	(30)	(17)%
Interest expense, net	(60)	(97)	37	38 %	(128)	(194)	66	34 %
Other, net	73	(211)	284	**	(3)	(142)	139	98 %
Income (loss) before income tax (expense) benefit	437	(95)	532	**	1,282	857	425	50 %
Income tax (expense) benefit	(116)	22	(138)	**	(348)	(222)	(126)	(57)%
Net income (loss)	321	(73)	394	**	934	635	299	47 %
Less: Net income attributable to noncontrolling interests	(8)	(12)	4	33 %	(16)	(19)	3	16 %
Net income (loss) attributable to Fox Corporation stockholders	$ 313	$ (85)	$ 398	**	$ 918	$ 616	$ 302	49 %

** not meaningful

Overview

For the three months ended December 31, 2022 and 2021

The Company’s revenues increased 4% for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to higher affiliate fee, advertising and other revenues. The increase in affiliate fee revenue was primarily due to higher average rates per subscriber and higher fees received from television stations that are affiliated with the FOX Network, led by contractual rate increases on existing affiliate agreements and from affiliate agreement renewals, partially offset by a lower average number of subscribers. The increase in advertising revenue was primarily attributable to the broadcast of the Fédération International de Football Association ("FIFA") Men's *World Cup,* higher political advertising revenue at FOX Television Stations principally due to the November 2022 U.S. midterm elections, additional National Football League ("NFL") regular season games, higher NFL ratings and continued growth at TUBI. Partially offsetting this increase was the absence of NFL *Thursday Night Football* ("*TNF*") and lower direct response advertising revenue at FOX News Media. The increase in other revenues was primarily due to the impact of acquisitions of entertainment production companies in fiscal 2022 and higher FOX Nation subscription revenues.

Operating expenses decreased 4% for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, primarily due to the absence of *TNF*, partially offset by higher sports programming rights amortization and production costs driven by the broadcast of the FIFA Men's *World Cup* and NFL and Major League Baseball ("MLB") content and higher costs associated with increased digital investment at FOX News Media and TUBI.

Selling, general and administrative expenses increased 18% for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, primarily due to higher legal and employee related costs.

For the six months ended December 31, 2022 and 2021

The Company's revenues increased 4% for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to higher affiliate fee, advertising and other revenues. The increase in affiliate fee revenue was primarily due to higher average rates per subscriber and higher fees received from television stations that are affiliated with the FOX Network, led by contractual rate increases on existing affiliate agreements and from affiliate agreement renewals, partially offset by a lower average number of subscribers. The increase in advertising revenue was primarily attributable to the broadcast of the FIFA Men's *World Cup,* higher political advertising revenue at FOX Television Stations principally due to the November 2022 U.S. midterm elections, additional NFL regular season games, higher NFL pricing and continued growth at TUBI. Partially offsetting this increase was the absence of *TNF* and lower ratings at FOX Entertainment. The increase in other revenues was primarily due to the impact of acquisitions of entertainment production companies in fiscal 2022 and higher FOX Nation subscription revenues.

Operating expenses decreased 1% for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, primarily due to the absence of *TNF*, partially offset by higher sports programming rights amortization and production costs due to the broadcast of the FIFA Men's *World Cup* and NFL and MLB content, and increased digital investment at TUBI and FOX News Media.

Selling, general and administrative expenses increased 13% for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, primarily due to higher legal and employee related costs.

Depreciation and amortization—Depreciation and amortization expense increased 11% and 17% for the three and six months ended December 31, 2022, respectively, as compared to the corresponding periods of fiscal 2022, primarily due to increased spending as a result of digital initiatives and the impact of the fiscal 2022 acquisitions of entertainment production companies.

Other, net—See Note 11—Additional Financial Information to the accompanying Financial Statements under the heading "Other, net."

Income tax (expense) benefit—The Company's tax provision and related effective tax rate of 27% for the three and six months ended December 31, 2022 was higher than the statutory rate of 21% primarily due to state taxes and other permanent items.

The Company's tax provision and related effective tax rate for the three and six months ended December 31, 2021 was higher than the statutory rate primarily due to state taxes, offset by other permanent items.

Net income (loss)—The Company recorded net income of $321 million and $934 million for the three and six months ended December 31, 2022, respectively, as compared to a net loss of $73 million and net income of $635 million for the three and six months ended December 31, 2021, respectively. The increases were primarily due to higher Segment EBITDA (as defined below) at the Television segment and a higher gain recognized on the change in fair value of the Company's investment in Flutter Entertainment plc, partially offset by lower Segment EBITDA at the Cable segment.

Segment Analysis

The Company’s operating segments have been determined in accordance with the Company’s internal management structure, which is organized based on operating activities. The Company evaluates performance based upon several factors, of which the primary financial measure is segment operating income before depreciation and amortization, or Segment EBITDA. Due to the integrated nature of these operating segments, estimates and judgments are made in allocating certain assets, revenues and expenses.

Segment EBITDA is defined as Revenues less Operating expenses and Selling, general and administrative expenses. Segment EBITDA does not include: Amortization of cable distribution investments, Depreciation and amortization, Impairment and restructuring charges, Interest expense, net, Other, net and Income tax expense. Management believes that Segment EBITDA is an appropriate measure for evaluating the operating performance of the Company’s business segments because it is the primary measure used by the Company’s chief operating decision maker to evaluate the performance of and allocate resources to the Company’s businesses.

The following tables set forth the Company’s Revenues and Segment EBITDA for the three and six months ended December 31, 2022, as compared to the three and six months ended December 31, 2021:

	For the three months ended December 31,				For the six months ended December 31,			
	2022	2021	Change	% Change	2022	2021	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues								
Cable Network Programming	$ 1,632	$ 1,638	$ (6)	— %	$ 3,063	$ 3,054	$ 9	— %
Television	2,934	2,759	175	6 %	4,648	4,340	308	7 %
Other, Corporate and Eliminations	39	44	(5)	(11)%	86	92	(6)	(7)%
Total revenues	$ 4,605	$ 4,441	$ 164	4 %	$ 7,797	$ 7,486	$ 311	4 %

	For the three months ended December 31,				For the six months ended December 31,			
	2022	2021	Change	% Change	2022	2021	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Segment EBITDA								
Cable Network Programming	$ 353	$ 668	$ (315)	(47)%	$ 1,095	$ 1,442	$ (347)	(24)%
Television	256	(273)	529	**	665	86	579	**
Other, Corporate and Eliminations	(78)	(85)	7	8 %	(137)	(154)	17	11 %
Adjusted EBITDA[(a)]	$ 531	$ 310	$ 221	71 %	$ 1,623	$ 1,374	$ 249	18 %

** not meaningful

(a) For a discussion of Adjusted EBITDA and a reconciliation of Net income to Adjusted EBITDA, see “Non-GAAP Financial Measures” below.

Cable Network Programming (39% and 41% of the Company's revenues for the first six months of fiscal 2023 and 2022, respectively)

(in millions, except %)	For the three months ended December 31, 2022	2021	Change	% Change Better/(Worse)	For the six months ended December 31, 2022	2021	Change	% Change Better/(Worse)
Revenues								
Affiliate fee	$ 1,026	$ 1,039	$ (13)	(1)%	$ 2,055	$ 2,065	$ (10)	— %
Advertising	451	454	(3)	(1)%	767	765	2	— %
Other	155	145	10	7 %	241	224	17	8 %
Total revenues	1,632	1,638	(6)	— %	3,063	3,054	9	— %
Operating expenses	(1,097)	(837)	(260)	(31)%	(1,661)	(1,360)	(301)	(22)%
Selling, general and administrative	(186)	(137)	(49)	(36)%	(315)	(261)	(54)	(21)%
Amortization of cable distribution investments	4	4	—	— %	8	9	(1)	(11)%
Segment EBITDA	$ 353	$ 668	$ (315)	(47)%	$ 1,095	$ 1,442	$ (347)	(24)%

For the three months ended December 31, 2022 and 2021

Revenues at the Cable Network Programming segment remained relatively flat for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, as the decreases in affiliate fee and advertising revenues were offset by higher other revenues. The decrease in affiliate fee revenue was primarily due to a lower average number of subscribers, partially offset by higher average rates per subscriber, led by contractual rate increases on existing affiliate agreements and from affiliate agreement renewals. The decrease in the average number of subscribers was due to a reduction in traditional MVPD subscribers, partially offset by an increase in virtual MVPD subscribers. The decrease in advertising revenue was primarily due to lower direct response advertising revenue at FOX News Media, partially offset by the broadcast of the FIFA Men's *World Cup* at the national sports networks in the current year quarter. The increase in other revenues was primarily due to higher FOX Nation subscription revenues.

Cable Network Programming Segment EBITDA decreased 47% for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to higher expenses. Operating expenses increased primarily due to higher sports programming rights amortization, led by the broadcast of the FIFA Men's *World Cup,* the renewed MLB contract, and additional college football games at the national sports networks, and increased digital investment at FOX News Media. Selling, general and administrative expenses increased principally due to higher legal costs at FOX News Media.

For the six months ended December 31, 2022 and 2021

Revenues at the Cable Network Programming segment remained relatively flat for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, as the decrease in affiliate fee revenue was offset by higher advertising and other revenues. Affiliate fee revenue remained relatively consistent as the decrease in the average number of subscribers was offset by higher average rates per subscriber, led by contractual rate increases on existing affiliate agreements and from affiliate agreement renewals. The decrease in the average number of subscribers was due to a reduction in traditional MVPD subscribers, partially offset by an increase in virtual MVPD subscribers. Advertising revenue remained relatively consistent as the broadcast of the FIFA Men's *World Cup* at the national sports networks was offset by lower digital advertising revenue at FOX News Media. The increase in other revenues was primarily due to higher FOX Nation subscription revenues.

Cable Network Programming Segment EBITDA decreased 24% for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, primarily due to higher expenses. Operating expenses increased primarily due to higher sports programming rights amortization led by the broadcast of the FIFA Men's *World Cup,* the renewed MLB contract and additional college football games at the national sports networks, and increased digital investment at FOX News Media. Selling, general and administrative expenses increased principally due to higher legal costs at FOX News Media.

Television (60% and 58% of the Company's revenues for the first six months of fiscal 2023 and 2022, respectively)

	For the three months ended December 31,				For the six months ended December 31,			
	2022	2021	Change	% Change	2022	2021	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues								
Advertising	$ 2,052	$ 1,954	$ 98	5 %	$ 2,957	$ 2,773	$ 184	7 %
Affiliate fee	686	649	37	6 %	1,368	1,290	78	6 %
Other	196	156	40	26 %	323	277	46	17 %
Total revenues	2,934	2,759	175	6 %	4,648	4,340	308	7 %
Operating expenses	(2,415)	(2,809)	394	14 %	(3,486)	(3,835)	349	9 %
Selling, general and administrative	(263)	(223)	(40)	(18)%	(497)	(419)	(78)	(19)%
Segment EBITDA	$ 256	$ (273)	$ 529	**	$ 665	$ 86	$ 579	**

** not meaningful

For the three months ended December 31, 2022 and 2021

Revenues at the Television segment increased 6% for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to higher advertising, affiliate fee and other revenues. The increase in advertising revenue was primarily due to the broadcast of the FIFA Men's *World Cup*, additional regular season NFL games, higher NFL ratings, higher political advertising revenue at FOX Television Stations principally due to the November 2022 U.S. midterm elections, and continued growth at TUBI. Partially offsetting this increase was the absence of *TNF* on the FOX Network in the current year. The increase in affiliate fee revenue was primarily due to higher fees received from television stations that are affiliated with the FOX Network and higher average rates per subscriber partially offset by a lower average number of subscribers at the Company's owned and operated television stations. The increase in other revenues was primarily due to the impact of acquisitions of entertainment production companies in fiscal 2022.

Television Segment EBITDA increased $529 million for the three months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to the revenue increases noted above and lower expenses. Operating expenses decreased primarily due to the absence of *TNF*, partially offset by higher sports programming rights amortization and production costs driven by the broadcast of the FIFA Men's *World Cup* and NFL content including additional regular season games, as well as increased digital investment in TUBI. Selling, general and administrative expenses increased primarily due to higher employee related costs.

For the six months ended December 31, 2022 and 2021

Revenues at the Television segment increased 7% for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to higher advertising, affiliate fee and other revenues. The increase in advertising revenue was primarily due to the broadcast of the FIFA Men's *World Cup*, additional regular season NFL games, higher NFL ratings, higher political advertising revenue at FOX Television Stations principally due to the November 2022 U.S. midterm elections, and continued growth at TUBI. Partially offsetting this increase was the absence of *TNF* and lower ratings at FOX Entertainment. The increase in affiliate fee revenue was primarily due to higher fees received from television stations that are affiliated with the FOX Network and higher average rates per subscriber partially offset by a lower average number of subscribers at the Company’s owned and operated television stations. The increase in other revenues was primarily due to the impact of acquisitions of entertainment production companies in fiscal 2022.

Television Segment EBITDA increased $579 million for the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, due to the revenue increases noted above and lower expenses. Operating expenses decreased primarily due to the absence of *TNF* partially offset by higher sports programming rights amortization and production costs driven by the broadcast of the FIFA Men’s *World Cup,* NFL content including additional regular season games, the renewed MLB contract and increased digital investment in TUBI. Selling, general and administrative expenses increased primarily due to the impact of the fiscal 2022 acquisitions of entertainment production companies and higher employee related costs.

Other, Corporate and Eliminations (1% of the Company’s revenues for the first six months of fiscal 2023 and 2022)

	For the three months ended December 31,				For the six months ended December 31,			
	2022	2021	Change	% Change	2022	2021	Change	% Change
(in millions, except %)			Better/(Worse)				Better/(Worse)	
Revenues	$ 39	$ 44	$ (5)	(11)%	$ 86	$ 92	$ (6)	(7)%
Operating expenses	(16)	(21)	5	24 %	(37)	(43)	6	14 %
Selling, general and administrative	(101)	(108)	7	6 %	(186)	(203)	17	8 %
Segment EBITDA	$ (78)	$ (85)	$ 7	8 %	$ (137)	$ (154)	$ 17	11 %

For the three and six months ended December 31, 2022 and 2021

Revenues at the Other, Corporate and Eliminations segment for the three and six months ended December 31, 2022 and 2021 include revenues generated by Credible and the operation of the FOX Studio Lot for third parties. Operating expenses for the three and six months ended December 31, 2022 and 2021 include advertising and promotional expenses at Credible. Selling, general and administrative expenses for the three and six months ended December 31, 2022 and 2021 primarily relate to employee costs, professional fees and the costs of operating the FOX Studio Lot.

Non-GAAP Financial Measures

Adjusted EBITDA is defined as Revenues less Operating expenses and Selling, general and administrative expenses. Adjusted EBITDA does not include: Amortization of cable distribution investments, Depreciation and amortization, Impairment and restructuring charges, Interest expense, net, Other, net and Income tax expense.

Management believes that information about Adjusted EBITDA assists all users of the Company’s Financial Statements by allowing them to evaluate changes in the operating results of the Company’s portfolio of businesses separate from non-operational factors that affect Net income, thus providing insight into both operations and the other factors that affect reported results. Adjusted EBITDA provides management, investors and equity analysts a measure to analyze the operating performance of the Company’s business and its enterprise value against historical data and competitors’ data, although historical results, including Adjusted EBITDA, may not be indicative of future results (as operating performance is highly contingent on many factors, including customer tastes and preferences).

Adjusted EBITDA is considered a non-GAAP financial measure and should be considered in addition to, not as a substitute for, net income, cash flow and other measures of financial performance reported in accordance with U.S. generally accepted accounting principles (“GAAP”). In addition, this measure does not reflect cash available to fund requirements and excludes items, such as depreciation and amortization and impairment charges, which are significant components in assessing the Company’s financial performance. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

The following table reconciles Net income to Adjusted EBITDA for the three and six months ended December 31, 2022, as compared to the three and six months ended December 31, 2021:

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Net income (loss)	$ 321	$ (73)	$ 934	$ 635
Add				
Amortization of cable distribution investments	4	4	8	9
Depreciation and amortization	103	93	202	172
Interest expense, net	60	97	128	194
Other, net	(73)	211	3	142
Income tax expense (benefit)	116	(22)	348	222
Adjusted EBITDA	$ 531	$ 310	$ 1,623	$ 1,374

The following table sets forth the computation of Adjusted EBITDA for the three and six months ended December 31, 2022, as compared to the three and six months ended December 31, 2021.

	For the three months ended December 31,		For the six months ended December 31,	
	2022	2021	2022	2021
	(in millions)			
Revenues	$ 4,605	$ 4,441	$ 7,797	$ 7,486
Operating expenses	(3,528)	(3,667)	(5,184)	(5,238)
Selling, general and administrative	(550)	(468)	(998)	(883)
Amortization of cable distribution investments	4	4	8	9
Adjusted EBITDA	$ 531	$ 310	$ 1,623	$ 1,374

LIQUIDITY AND CAPITAL RESOURCES

Current Financial Condition

The Company has approximately $4.1 billion of cash and cash equivalents as of December 31, 2022 and an unused five-year $1.0 billion unsecured revolving credit facility (See Note 5—Borrowings to the accompanying Financial Statements). The Company also has access to the worldwide capital markets, subject to market conditions. As of December 31, 2022, the Company was in compliance with all of the covenants under the revolving credit facility, and it does not anticipate any noncompliance with such covenants.

The principal uses of cash that affect the Company's liquidity position include the following: the acquisition of rights and related payments for entertainment and sports programming; operational expenditures including production costs; marketing and promotional expenses; expenses related to broadcasting the Company's programming; employee and facility costs; capital expenditures; acquisitions; interest and dividend payments; debt repayments; and stock repurchases.

The Company has evaluated, and expects to continue to evaluate, possible acquisitions and dispositions of certain businesses and assets. Such transactions may be material and may involve cash, the Company's securities or the assumption of additional indebtedness.

Sources and Uses of Cash

Net cash used in operating activities for the six months ended December 31, 2022 and 2021 was as follows (in millions):

For the six months ended December 31,	2022	2021
Net cash used in operating activities	$ (261)	$ (656)

The decrease in net cash used in operating activities during the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, was primarily due to higher Segment EBITDA and lower sports rights payments due to the absence of *Thursday Night Football*.

Net cash used in investing activities for the six months ended December 31, 2022 and 2021 was as follows (in millions):

For the six months ended December 31,	2022	2021
Net cash used in investing activities	$ (221)	$ (296)

The decrease in net cash used in investing activities during the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, was primarily due to the absence of acquisitions and dispositions, partially offset by an increase in capital expenditures and higher investments in equity securities.

Net cash used in financing activities for six months ended December 31, 2022 and 2022 was as follows (in millions):

For the six months ended December 31,	2022	2021
Net cash used in financing activities	$ (660)	$ (679)

The decrease in net cash used in financing activities during the six months ended December 31, 2022, as compared to the corresponding period of fiscal 2022, was primarily due to the sale of a subsidiary non-controlling interest.

Stock Repurchase Program

See Note 6—Stockholders' Equity to the accompanying Financial Statements under the heading "Stock Repurchase Program." As of December 31, 2022, the Company's remaining stock repurchase authorization was approximately $0.9 billion. Subsequent to December 31, 2022, the Company repurchased approximately 1.6 million shares of Class A Common Stock and Class B Common Stock (collectively, the "Common Stock") for approximately $50 million and the Company announced that the Board has authorized incremental stock repurchases of an additional $3 billion of Common Stock. With this increase, the Company's total stock repurchase authorization is now $7 billion. Subject to market conditions and other factors, the Company intends to repurchase in the open market or otherwise a combination of Class A Common Stock and Class B Common Stock. The program has no time limit and may be modified, suspended or discontinued at any time. The Company also announced that it intends to enter into an accelerated share repurchase transaction to repurchase $1 billion of Class A Common Stock under the stock repurchase program and to repurchase an additional $450 million of Common Stock during the remainder of fiscal 2023.

Dividends

Subsequent to December 31, 2022, the Company declared a semi-annual dividend of $0.25 per share on both the Class A Common Stock and the Class B Common Stock. The dividend declared is payable on March 29, 2023 with a record date for determining dividend entitlements of March 1, 2023.

Debt Instruments

Borrowings include senior notes (See Note 9—Borrowings in the 2022 Form 10-K under the heading "Public Debt – Senior Notes Issued").

Ratings of the Senior Notes

The following table summarizes the Company's credit ratings as of December 31, 2022:

Rating Agency	Senior Debt	Outlook
Moody's	Baa2	Stable
Standard & Poor's	BBB	Stable

Revolving Credit Agreement

The Company has an unused five-year $1.0 billion unsecured revolving credit facility with a maturity date of March 2024 (See Note 5—Borrowings to the accompanying Financial Statements).

Commitments and Contingencies

See Note 8—Commitments and Contingencies to the accompanying Financial Statements.

Recent Accounting Pronouncements

See Note 1—Description of Business and Basis of Presentation to the accompanying Financial Statements under the heading "Recently Adopted, Recently Issued Accounting Guidance and Other."

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical or current fact are "forward-looking statements" for purposes of federal and state securities laws, including any statements regarding (i) future earnings, revenues or other measures of the Company's financial performance; (ii) the Company's plans, strategies and objectives for future operations; (iii) proposed new programming or other offerings; (iv) future economic conditions or performance; (v) future share repurchases; and (vi) assumptions underlying any of the foregoing. Forward-looking statements may include, among others, the words "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates," "outlook" or any other similar words.

Although the Company's management believes that the expectations reflected in any of the Company's forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any forward-looking statements. The Company's future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the SEC. Important factors that could cause the Company's actual results, performance and achievements to differ materially from those estimates or projections contained in the Company's forward-looking statements include, but are not limited to, government regulation, economic, strategic, political and social conditions and the following factors:

- evolving technologies and distribution platforms and changes in consumer behavior as consumers seek more control over when, where and how they consume content, and related impacts on advertisers and MVPDs;
- declines in advertising expenditures due to various factors such as the economic prospects of advertisers or the economy, major sports events and election cycles, evolving technologies and distribution platforms and related changes in consumer behavior and shifts in advertisers' expenditures, the evolving market for AVOD advertising campaigns, and audience measurement methodologies' ability to accurately reflect actual viewership levels;
- further declines in the number of subscribers to MVPD services;
- the failure to enter into or renew on favorable terms, or at all, affiliation or carriage agreements or arrangements through which the Company makes its content available for viewing through online video platforms;
- the impact of COVID-19 and other widespread health emergencies or pandemics and measures to contain their spread;

- the highly competitive nature of the industry in which the Company's businesses operate;
- the popularity of the Company's content, including special sports events; and the continued popularity of the sports franchises, leagues and teams for which the Company has acquired programming rights;
- the Company's ability to renew programming rights, particularly sports programming rights, on sufficiently favorable terms, or at all;
- damage to the Company's brands or reputation;
- the inability to realize the anticipated benefits of the Company's strategic investments and acquisitions, and the effects of any combination or significant acquisition, disposition or other similar transaction involving the Company;
- the loss of key personnel;
- labor disputes, including labor disputes involving professional sports leagues whose games or events the Company has the right to broadcast;
- lower than expected valuations associated with the Company's reporting units, indefinite-lived intangible assets, investments or long-lived assets;
- a degradation, failure or misuse of the Company's network and information systems and other technology relied on by the Company that causes a disruption of services or improper disclosure of personal data or other confidential information;
- content piracy and signal theft and the Company's ability to protect its intellectual property rights;
- the failure to comply with laws, regulations, rules, industry standards or contractual obligations relating to privacy and personal data protection;
- changes in tax, federal communications or other laws, regulations, practices or the interpretations thereof (including changes in legislation currently being considered);
- the impact of any investigations or fines from governmental authorities, including Federal Communications Commission ("FCC") rules and policies and FCC decisions regarding revocation, renewal or grant of station licenses, waivers and other matters;
- the failure or destruction of satellites or transmitter facilities the Company depends on to distribute its programming;
- unfavorable litigation outcomes or investigation results that require the Company to pay significant amounts or lead to onerous operating procedures;
- changes in GAAP or other applicable accounting standards and policies;
- the Company's ability to secure additional capital on acceptable terms;
- the impact of any payments the Company is required to make or liabilities it is required to assume under the Separation Agreement (as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K) and the indemnification arrangements entered into in connection with the Separation and the Distribution (each as defined in Note 1—Description of Business and Basis of Presentation in the 2022 Form 10-K); and
- the other risks and uncertainties detailed in Part I., Item 1A. 'Risk Factors' in the 2022 Form 10-K.

Forward-looking statements in this Quarterly Report on Form 10-Q speak only as of the date hereof, and forward-looking statements in documents that are incorporated by reference hereto speak only as of the date of those documents. The Company does not undertake any obligation to update or release any revisions to any forward-looking statement made herein or to report any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or to conform such statements to actual results or changes in our expectations, except as required by law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the market risks reported in the 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 15d-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 that 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) Changes in Internal Control over Financial Reporting

There were no changes in the Company’s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the Company’s second quarter of fiscal 2023 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

See Note 8—Commitments and Contingencies to the accompanying Unaudited Consolidated Financial Statements of FOX under the heading "Contingencies" for a discussion of the Company's legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors described in the section titled "Risk Factors" 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 on August 12, 2022.

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

Below is a summary of the Company's repurchases of its Class A Common Stock, par value $0.01 per share (the "Class A Common Stock"), and Class B Common Stock, par value $0.01 per share (the "Class B Common Stock" and, together with the Class A Common Stock, the "Common Stock"), during the three months ended December 31, 2022:

	Total number of shares purchased[a]	Average price paid per share[b]	Approximate dollar value of shares that may yet be purchased under the program[b][c]
			(in millions)
October 1, 2022 – October 31, 2022			
Class A Common Stock	1,149,612	$ 30.45	
Class B Common Stock	528,016	28.41	
November 1, 2022 – November 30, 2022			
Class A Common Stock	2,411,627	30.38	
Class B Common Stock	1,100,294	28.60	
December 1, 2022 – December 31, 2022			
Class A Common Stock	2,146,959	31.09	
Class B Common Stock	970,295	29.22	
Total			
Class A Common Stock	5,708,198	30.66	
Class B Common Stock	2,598,605	28.79	
	8,306,803		$ 900

(a) The Company has not made any purchases of Common Stock other than in connection with the publicly announced stock repurchase program described below.

(b) These amounts exclude any fees, commissions or other costs associated with the share repurchases.

(c) The Company's Board of Directors ("the Board") has authorized a $4 billion stock repurchase program, under which the Company can repurchase Common Stock. The program has no time limit and may be modified, suspended or discontinued at any time. Subsequent to December 31, 2022, the Company announced that the Board has authorized incremental stock repurchases of an additional $3 billion of Common Stock (See Note 6—Stockholders' Equity to the accompanying Unaudited Consolidated Financial Statements of FOX under the heading "Stock Repurchase Program").

In total, the Company repurchased approximately 16 million shares of Common Stock for approximately $500 million during the six months ended December 31, 2022.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

ITEM 5. OTHER INFORMATION

Not applicable

ITEM 6. EXHIBITS

(a) Exhibits.

3.1	Amended and Restated Certificate of Incorporation of Fox Corporation. *
10.1	Fox Corporation 2019 Shareholder Alignment Plan Australian Sub-Plan. *+
31.1	Chief Executive Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended. *
31.2	Chief Financial Officer Certification required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended. *
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes Oxley Act of 2002.
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2022 formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Unaudited Consolidated Statements of Operations for the three and six months ended December 31, 2022 and 2021; (ii) Unaudited Consolidated Statements of Comprehensive Income for the three and six months ended December 31, 2022 and 2021; (iii) Consolidated Balance Sheets as of December 31, 2022 (unaudited) and June 30, 2022 (audited); (iv) Unaudited Consolidated Statements of Cash Flows for the six months ended December 31, 2022 and 2021; (v) Unaudited Consolidated Statements of Equity for the three and six months ended December 31, 2022 and 2021; and (vi) Notes to the Unaudited Consolidated Financial Statements.*
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

---

* Filed herewith.

\+ This exhibit is a management contract or compensatory plan or arrangement

** Furnished herewith.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) 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.

Fox Corporation
(Registrant)

By: /s/ Steven Tomsic
Steven Tomsic
Chief Financial Officer

Date: February 8, 2023

Exhibit 3.1

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
FOX CORPORATION
(a Delaware Corporation)

FOX CORPORATION, organized and existing under the laws of the State of Delaware, DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the corporation is FOX CORPORATION.

2. The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on May 3, 2018, under the name "**New Fox**, **Inc**." The original Certificate of Incorporation was amended, integrated and restated on December 5, 2018 to reflect the name change to "**Fox Corporation**" and was further amended, integrated and restated on March 18, 2019, in each case in accordance with Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware (collectively, the "**Certificate of Incorporation**").

3. This Amended and Restated Certificate of Incorporation (the "**Restated Certificate of Incorporation**") restates, integrates and amends the Certificate of Incorporation in its entirety. This Restated Certificate of Incorporation has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware. The text of the Certificate of Incorporation is hereby amended, integrated and restated to read in its entirety as follows:

ARTICLE I

The name of the corporation (hereinafter called the "**Corporation**") is Fox Corporation.

ARTICLE II

The purpose or purposes of the Corporation shall be to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "**DGCL**").

ARTICLE III

The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE IV

SECTION 1. Authorized Stock; No Pre-Emptive Rights

(a) The total number of shares of capital stock which the Corporation shall have authority to issue is 3,070,000,000 shares, consisting of 2,000,000,000 shares of Class A Common Stock, par value $0.01 per share ("**Class A Common Stock**"), 1,000,000,000 shares of Class B Common Stock, par value $0.01 per share ("**Class B Common Stock**"), 35,000,000 shares of Series Common Stock, par value $0.01 per share ("**Series Common Stock**") and 35,000,000 shares of Preferred Stock, par value $0.01 per share ("**Preferred Stock**"). The Class A Common Stock and Class B Common Stock are hereinafter referred to as the "**Common Stock**." Subject to the provisions of this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock), the number of authorized shares of any of the Class A Common Stock, the Class B Common Stock, the Series Common Stock or the Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Class A Common Stock, the Class B Common Stock, the Series Common Stock or the Preferred Stock voting separately as a class shall be required therefor.

(b) The holders of shares of capital stock of the Corporation, as such, shall have no pre-emptive right to purchase or have offered to them for purchase any shares of Preferred Stock, Common Stock, Series Common Stock or other equity securities issued or to be issued by the Corporation. The powers, preferences and rights and the limitations, qualifications and restrictions in respect of the shares of each class are set forth in the following sections.

(c) Upon this Restated Certificate of Incorporation becoming effective pursuant to the DGCL (the "**Effective Time**"), each share of the Corporation's common stock, par value $0.001 per share (the "**Old Common Stock**"), issued and outstanding immediately prior to the Effective Time, will be automatically reclassified as and become 1/100th of a share of Class B Common Stock. Any stock certificate that, immediately prior to the Effective Time, represented shares of the Old Common Stock will, from and after the Effective Time, automatically be cancelled without the necessity of presenting the same for exchange, and the shares of Class B Common Stock into which such shares of Old Common Stock shall have been reclassified shall be uncertificated.

SECTION 2. Preferred Stock

Subject to the limitations prescribed by law and set forth in this Restated Certificate of Incorporation (including Section 4 of this Article IV), the Board of Directors of the Corporation (the "**Board of Directors**") is hereby expressly authorized, by resolution or resolutions and by causing the filing of a Certificate of Designation, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series of Preferred Stock at any time outstanding.

SECTION 3. Series Common Stock

Subject to the limitations prescribed by law and set forth in this Restated Certificate of Incorporation (including Section 4 of this Article IV), the Board of Directors is hereby expressly authorized, by resolution or resolutions and by causing the filing of a Certificate of Designation, to provide, out of the unissued shares of Series Common Stock, for series of Series Common Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Series Common Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series of Series Common Stock at any time outstanding.

SECTION 4. Rights of Holders of Common Stock and Preferred Stock

(a) Voting Rights

(i) Class A Common Stock

(1) Subject to applicable law and the voting rights of any outstanding series of Preferred Stock and Series Common Stock, each of the shares of Class A Common Stock shall entitle the record holders thereof, voting together with the holders of Class B Common Stock as a single class, to one (1) vote per share only in the following circumstances and not otherwise:

(A) on a proposal to dissolve the Corporation or to adopt a plan of liquidation of the Corporation, and with respect to any matter to be voted on by the stockholders of the Corporation following adoption of a proposal to dissolve the Corporation or to adopt a plan of liquidation of the Corporation;

(B) on a proposal to sell, lease or exchange all or substantially all of the property and assets of the Corporation;

(C) on a proposal to adopt an agreement of merger or consolidation in which the Corporation is a constituent corporation, as a result of which the stockholders of the Corporation prior to the merger or consolidation would own less than sixty percent (60%) of the voting power or capital stock of the surviving corporation or consolidated entity (or the direct or indirect parent of the surviving corporation or consolidated entity) following the merger or consolidation; and

(D) with respect to any matter to be voted on by the stockholders of the Corporation during a period during which a dividend (or part of a dividend) in respect of the Class A Common Stock has been declared and remains unpaid following the payment date with respect to such dividend (or part thereof);

provided, however, that, with respect to any matter set forth in subclause (A), (B), (C), or (D) above, as to which the holders of the Class A Common Stock are entitled by law to vote as a separate class, such holders shall not be entitled to vote together thereon with the holders of the Class B Common Stock as a single class.

(2) Notwithstanding the foregoing provisions of this clause (i), except as otherwise required by law, the holders of the Class A Common Stock, as such, shall not be entitled to vote on any amendment to this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock or Series Common Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock) or pursuant to the DGCL.

(3) As used in this clause (i), the phrase “on a proposal” shall refer to a proposal that is required by law, this Restated Certificate of Incorporation, the By-laws of the Corporation or pursuant to a determination by the Board of Directors, to be submitted to a vote of the stockholders of the Corporation. This clause (i) shall not limit or restrict in any way the right or ability of the Board of Directors to approve or adopt any resolutions or to take any action without a vote of the stockholders pursuant to applicable law, this Restated Certificate of Incorporation, or the By-laws of the Corporation.

(4) Except as required by law, or expressly provided for in the foregoing provisions of this clause (i), the holders of the Class A Common Stock shall have no voting rights whatsoever.

(ii) Class B Common Stock

Subject to applicable law, the rights of any outstanding series of Preferred Stock and Series Common Stock to vote as a separate class or series, and the rights of the Class A Common Stock set forth in clause (i) above, each of the shares of Class B Common Stock shall entitle the record holders thereof to one (1) vote per share on all matters on which stockholders shall have the right to vote; provided, however, that, except as otherwise required by law, the holders of the Class B Common Stock, as such, shall not be entitled to vote on any amendment to this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock or Series Common Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock) or pursuant to the DGCL.

(iii) Preferred Stock and Series Common Stock

Except as otherwise required by law, holders of a series of Preferred Stock or Series Common Stock, as such, shall be entitled only to such voting rights, if any, as shall expressly be granted to such holders by this Restated Certificate of Incorporation (including any Certificate of Designation relating to such series).

(iv) Issuance of Certain Stock

The Corporation shall not, without the affirmative vote of the holders of a majority of the combined voting power of the then outstanding shares of Voting Stock (as defined in Article V), issue any shares of Series Common Stock or Preferred Stock which entitle the holders thereof to more than one vote per share.

(b) Dividends

(i) Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or Series Common Stock, holders of Class A Common Stock and holders of Class B Common Stock shall be entitled to such dividends, if any, as may be declared thereon by the Board of Directors from time to time in its sole discretion out of assets or funds of the Corporation legally available therefor; provided, however, that the holders of Class A Common Stock and Class B Common Stock shall have such dividend rights set forth in clause (ii) below; and provided, further, however, that if dividends are declared on the Class A Common Stock or the Class B Common Stock that are payable in shares of Common Stock, or securities convertible into, or exercisable or exchangeable for Common Stock, the dividends payable to the holders of Class A Common Stock shall be paid only in shares of Class A Common Stock (or securities convertible into, or exercisable or exchangeable for Class A Common Stock), the dividends payable to the holders of Class B Common Stock shall be paid only in shares of Class B Common Stock (or securities convertible into, or exercisable or exchangeable for Class B Common Stock), and such dividends shall be paid in the same number of shares (or fraction thereof) on a per share basis of the Class A Common Stock and Class B Common Stock, respectively (or securities convertible into, or exercisable or exchangeable for the same number of shares (or fraction thereof) on a per share basis of the Class A Common Stock and Class B Common Stock, respectively); and provided still further, however, that, in the case of any dividend or other distribution (including, without limitation, any distribution pursuant to a stock dividend or a “spinoff,” “split-off” or “split-up” reorganization or similar transaction) payable in shares or other equity interests of any corporation or other entity which immediately prior to the time of the dividend or distribution is a subsidiary of the Corporation and which possesses authority to issue more than one class of common equity securities (or securities convertible into, or exercisable or exchangeable for, such shares or equity interests) with voting characteristics identical or comparable to those of the Class A Common Stock and the Class B Common Stock, respectively (such stock or equity interest being “**Comparable Securities**”), the dividends or distributions payable to the holders of Class A Common Stock shall be paid only in shares or equity interests of such subsidiary with voting characteristics identical or comparable to those of the Class A Common Stock (or securities convertible into, or exercisable or exchangeable for such shares or equity interests), and the dividends or distributions payable to the holders of Class B Common Stock shall be paid only in shares or equity interests of such subsidiary with voting characteristics identical or comparable to those of the Class B Common Stock (or securities convertible into, or exercisable or exchangeable such shares or equity interests), and such dividends shall be paid in the same number of shares (or fraction thereof) on a per share basis of the Class A Common Stock and Class B Common Stock, respectively (or securities convertible into, or exercisable or exchangeable for the same number of shares (or fraction thereof) on a per share basis of the Class A Common Stock and Class B Common Stock, respectively). In no event shall the shares of either Class A Common Stock or Class B Common Stock be split, divided, or combined unless the outstanding shares of the other class shall be proportionately split, divided or combined.

(ii) Any dividends declared by the Board of Directors on a share of Common Stock shall be declared in equal amounts with respect to each share of Class A Common Stock and Class B Common Stock (as determined in good faith by the Board of Directors in its sole discretion), provided, however, that in the case of dividends (x) payable in shares of Common Stock of the Corporation, or securities convertible into, or exercisable or exchangeable for, Common Stock of the Corporation, or (y) payable in Comparable Securities, such dividends shall be paid as provided for in Section 4(b)(i) hereof.

(c) Merger or Consolidation

In the event of any merger or consolidation of the Corporation with or into another entity (whether or not the Corporation is the surviving entity), the holders of the Class A Common Stock and the holders of the Class B Common Stock shall be entitled to receive substantially identical per share consideration as the per share consideration, if any, received by the holders of such other class; provided that, if such consideration shall consist in any part of voting securities (or of options, rights or warrants to purchase, or of securities convertible into or exercisable or exchangeable for, voting securities), then the Corporation may provide in the applicable merger or other agreement for the holders of shares of Class A Common Stock to receive, on a per share basis, either non-voting securities or securities with a vote comparable to the voting rights associated with the Class A Common Stock hereunder (or options, rights or warrants to purchase, or securities convertible into or exercisable or exchangeable for, non-voting securities or securities with a vote comparable to the voting rights associated with the Class A Common Stock). Any determination as to the matters described above shall be made in good faith by the Board of Directors in its sole discretion.

(d) Rights Upon Liquidation, Dissolution or Winding Up

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after distribution in full of the preferential and/or other amounts to be distributed to the holders of shares of any outstanding series of Preferred Stock or Series Common Stock, the holders of shares of Class A Common Stock, Class B Common Stock and, to the extent fixed by the Board of Directors with respect thereto, the Series Common Stock and Preferred Stock shall be entitled to receive all of the remaining assets of the Corporation available for distribution to its stockholders, ratably in proportion to the number of shares held by them (or, with respect to any series of the Series Common Stock or Preferred Stock, as so fixed by the Board of Directors).

(e) Transfer Restrictions Relating to Certain Offers

An Owner (as defined in Section 5(a) of this Article IV) of shares of Class A Common Stock or Class B Common Stock may not sell, exchange or otherwise transfer Ownership (as defined in Section 5(a) of this Article IV) of such shares of Class A Common Stock or Class B Common Stock to any person who has made an Offer (as defined herein) pursuant to such Offer unless such Offer relates to both the Class A Common Stock and the Class B Common Stock, or another Offer or Offers are contemporaneously made with such Offer by such person such that, between all the Offers, they relate to both the Class A Common Stock and the Class B Common Stock, and the terms and conditions of such Offer or Offers as they relate to each of the Class A Common Stock and the Class B Common Stock are Comparable (as defined herein). The Corporation shall, to the extent required by law, note on the certificates of its Common Stock that shares represented by such certificates are subject to the restrictions set forth in this Section 4(e).

For purposes of this Section 4(e), the following terms shall have the respective meanings specified herein:

(i) "**Offer**" shall mean an offer (or series of related offers) to acquire Ownership (as defined in Section 5(a) of this Article IV) of 15% or more of the outstanding shares of Class A Common Stock or Class B Common Stock (whether or not the offer is directed to one class or to both classes, and whether or not such offer is subject to an overall limit on the number of shares to be acquired), but shall not include (A) any purchase or offer to purchase such shares on or through a national or foreign securities exchange or regulated securities association if such purchase or offer to purchase (x) would not constitute a "tender offer" under Section 14(d) of the Securities Exchange Act of 1934, as amended, and (y) does not result from the solicitation or arrangement for the solicitation of orders to sell Class A Common Stock or Class B Common Stock in anticipation of or in connection with the transaction, (B) any merger or consolidation in which the Corporation is a constituent corporation, any sale of all or substantially all of the assets of the Corporation, or any similar transaction pursuant, in any such case, to an agreement approved by the Board of Directors, or any tender or exchange offer or similar offer conducted pursuant to any such agreement or (C) any transaction privately negotiated with any stockholder or group of stockholders that would not constitute a "tender offer" under Section 14(d) of the Securities Exchange Act of 1934, as amended. No transaction directly with the Corporation or any of its subsidiaries shall be deemed to constitute an Offer.

(ii) "**Comparable**" shall mean that (x) the percentage of outstanding shares of Class A Common Stock and Class B Common Stock sought to be acquired pursuant to the Offer or Offers shall be substantially identical, (y) the principal terms of the Offer or Offers relating, among other things, to conditions for acceptance, relevant time periods, termination, revocation rights and terms of payment shall be substantially identical, and (z) the amount of cash and the value of each other type of consideration offered for a share of each such class shall be substantially identical. Any determination as to the matters described in subclauses (x), (y) and (z) above shall be made in good faith by the Board of Directors in its sole discretion.

SECTION 5. Regulatory Restrictions on Transfer; Redemption in Certain Circumstances

(a) Definitions. For purposes of this Section 5, the following terms shall have the respective meanings specified herein:

(i) “**Beneficial Ownership**” shall have the meaning set forth in Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended, or any successor rule, and shall also include (to the extent not provided for in Rule 13d-3) (A) the possession of any direct or indirect interest in any security, including, without limitation, rights to a security deriving from the ownership of, or control over, depositary or similar receipts relating to such security, (B) the possession of any direct or indirect interest in any Encumbrance with respect to any security, and (C) the possession or exercise, directly or indirectly, of any rights of a security holder with respect to any security.

(ii) “**Closing Price**” shall mean, with respect to a share of the Corporation’s capital stock of any class or series on any day, the reported last sales price regular way or, in case no such sale takes place, the average of the reported closing bid and asked prices regular way on The Nasdaq Stock Market LLC, or, if such stock is not listed on such exchange, on the principal United States registered securities exchange on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing sales price or bid quotation for such stock on The Nasdaq Stock Market LLC or any system then in use, or if no such prices or quotations are available, the fair market value on the day in question as determined by the Board of Directors in good faith.

(iii) “**Contract**” shall mean any note, bond, mortgage, indenture, lease, order, contract, commitment, agreement, arrangement or instrument, written or otherwise.

(iv) “**Disqualified Person**” shall mean any stockholder, other Owner or Proposed Transferee as to which clause (i) or (ii) of paragraph (c) of this Section 5 is applicable.

(v) “**Encumbrance**” shall mean any security interest, pledge, mortgage, lien, charge, option, warrant, right of first refusal, license, easement, adverse claim of Ownership or use, or other encumbrance of any kind.

(vi) “**Fair Market Value**” shall mean, with respect to a share of the Corporation’s capital stock of any class or series, the average (unweighted) Closing Price for such a share for each of the 45 most recent days on which shares of stock of such class or series shall have been traded (or if the stock has not been trading for 45 trading days, the average (unweighted) Closing Price for such a share for the number of days since the stock began trading) preceding the day on which notice of redemption shall be given pursuant to paragraph (d) of this Section 5; provided, however, that if shares of stock of such class or series are not traded on any securities exchange or in the over-the-counter market, “Fair Market Value” shall be determined by the Board of Directors in good faith; and provided further, however, that “Fair Market Value” as to any Disqualified Person that has purchased its stock within 120 days of a Redemption Date need not (unless otherwise determined by the Board of Directors) exceed the purchase price paid by such Disqualified Person.

(vii) “**Governmental Body**” shall mean any government or governmental, judicial, legislative, executive, administrative or regulatory authority of the United States, or of any State, local or foreign government or any political subdivision, agency, commission, office, authority, or bureaucracy of any of the foregoing, including any court or arbitrator (public or private), whether now or hereinafter in existence.

(viii) “**Law**” shall mean any law (including common law), statute, code, ordinance, rule, regulation, standard, requirement, guideline, policy or criterion, including any interpretation thereof, of or applicable to any Governmental Body, whether now or hereinafter in existence.

(ix) “**Legal Requirement**” shall mean any Order, Law or Permit, or any binding Contract with any Governmental Body.

(x) “**Order**” shall mean any judgment, ruling, order, writ, injunction, decree, decision, determination or award of any Governmental Body.

(xi) “**Ownership**” shall mean, with respect to any shares of capital stock of the Corporation, direct or indirect record ownership or Beneficial Ownership. The term “**Owner**” shall mean any Person that has or exercises Ownership with respect to any shares of capital stock of the Corporation.

(xii) “**Permit**” shall mean any permit, authorization, consent, approval, registration, franchise, Order, waiver, variance or license issued or granted by any Governmental Body.

(xiii) “**Person**” shall mean any individual, estate, corporation, limited liability company, partnership, firm, joint venture, association, joint stock company, trust, unincorporated organization, Governmental Body or other entity.

(xiv) “**Proceeding**” shall mean any Order, action, claim, citation, complaint, inspection, litigation, notice, arbitration or other proceeding of or before any Governmental Body.

(xv) “**Proposed Transferee**” shall mean any person presenting any shares of capital stock of the Corporation for Transfer into such Person’s name or that otherwise is or purports to be a Transferee with respect to any shares of capital stock of the Corporation.

(xvi) “**Redemption Date**” shall mean the date fixed by the Board of Directors for the redemption of any shares of stock of the Corporation pursuant to this Section 5.

(xvii) “**Redemption Securities**” shall mean any debt or equity securities of the Corporation, any Subsidiary or any other corporation or other entity, or any combination thereof, having such terms and conditions as shall be approved by the Board of Directors and which, together with any cash to be paid as part of the redemption price, in the opinion of any nationally recognized investment banking firm selected by the Board of Directors (which may be a firm which provides other investment banking, brokerage or other services to the Corporation), has a value, at the time notice of redemption is given pursuant to paragraph (d) of this Section 5, at least equal to the Fair Market Value of the shares to be redeemed pursuant to this Section 5 (assuming, in the case of Redemption Securities to be publicly traded, such Redemption Securities were fully distributed and subject only to normal trading activity).

(xviii) “**Subsidiary**” shall mean any corporation, limited liability company, partnership or other entity in which a majority in voting power of the shares or equity interests entitled to vote generally in the election of directors (or equivalent management board) is owned, directly or indirectly, by the Corporation.

(xix) “**Transfer**” shall mean, with respect to any shares of capital stock of the Corporation, any direct or indirect issuance, sale, gift, assignment, devise or other transfer or disposition of Ownership of such shares, whether voluntary or involuntary, and whether by merger or other operation of law, as well as any other event or transaction (including, without limitation, the making of, or entering into, any Contract, including, without limitation, any proxy or nominee agreement) that results or would result in the Ownership of such shares by a Person that did not possess such rights prior to such event or transaction. Without limitation as to the foregoing, the term “**Transfer**” shall include any of the following that results or would result in a change in Ownership: (A) a change in the capital structure of the Corporation, (B) a change in the relationship between two or more Persons, (C) the making of, or entering into, any Contract, including, without limitation, any proxy or nominee agreement, (D) any exercise or disposition of any option or warrant, or any event that causes any option or warrant not theretofore exercisable to become exercisable, (E) any disposition of any securities or rights convertible into or exercisable or exchangeable for such shares or any exercise of any such conversion, exercise or exchange right, and (F) Transfers of interests in other entities. The term "**Transferee**" shall mean any Person that becomes an Owner of any shares of capital stock of the Corporation as a result of a Transfer.

(xx) "**Violation**" shall mean (A) any violation of, or any inconsistency with, any Legal Requirement applicable to the Corporation or any Subsidiary, (B) the loss of, or failure to secure or secure the reinstatement of, any Permit held or required by the Corporation or any Subsidiary, (C) the creation, attachment or perfection of any Encumbrance with respect to any property or assets of the Corporation or any Subsidiary, (D) the initiation of a Proceeding against the Corporation or any Subsidiary by any Governmental Body, (E) the effectiveness of any Legal Requirement that, in the judgment of the Board of Directors, is adverse to the Corporation or any Subsidiary or any portion of the business of the Corporation or any Subsidiary; or (F) any circumstance or event giving rise to the right of any Governmental Body to require the sale, transfer, assignment or other disposition of any property, assets or rights owned or held directly or indirectly by the Corporation or any Subsidiary.

(b) Requests for Information. If the Corporation has reason to believe that the Ownership, or proposed Ownership, of shares of capital stock of the Corporation by any stockholder, other Owner or Proposed Transferee could, either by itself or when taken together with the Ownership of any shares of capital stock of the Corporation by any other Person, result in any Violation, such stockholder, other Owner or Proposed Transferee, upon request of the Corporation, shall promptly furnish to the Corporation such information (including, without limitation, information with respect to citizenship, other Ownership interests and affiliations) as the Corporation may reasonably request to determine whether the Ownership of, or the exercise of any rights with respect to, shares of capital stock of the Corporation by such stockholder, other Owner or Proposed Transferee could result in any Violation.

(c) Rights of the Corporation. If (i) any stockholder, other Owner or Proposed Transferee from whom information is requested should fail to respond to such request pursuant to paragraph (b) of this Section 5 within the period of time (including any applicable extension thereof) determined by the Board of Directors, or (ii) whether or not any stockholder, other Owner or Proposed Transferee timely responds to any request for information pursuant to paragraph (b) of this Section 5, the Board of Directors shall conclude that effecting, permitting or honoring any Transfer or the Ownership of any shares of capital stock of the Corporation, by any such stockholder, other Owner or Proposed Transferee, could result in any Violation, or that it is in the interest of the Corporation to prevent or cure any such Violation or any situation which could result in any such Violation, or mitigate the effects of any such Violation or any situation that could result in any such Violation, then the Corporation may (A) refuse to permit any Transfer of record of shares of capital stock of the Corporation that involves a Transfer of such shares to, or Ownership of such shares by, any Disqualified Person, (B) refuse to honor any such Transfer of record effected or purported to have been effected, and in such case any such Transfer of record shall be deemed to have been void ab initio, (C) suspend those rights of stock ownership the exercise of which could result in any Violation, (D) redeem such shares in accordance with paragraph (d) of this Section 5, and/or (E) take all such other action as the Corporation may deem necessary or advisable in furtherance of the provisions of this Section 5, including, without limitation, exercising any and all appropriate remedies, at law or in equity, in any court of competent jurisdiction, against any Disqualified Person. Any such refusal of Transfer or suspension of rights pursuant to subclauses (A), (B) and (C) respectively, of the immediately preceding sentence shall remain in effect until the requested information has been received and the Board of Directors has determined that such Transfer, or the exercise of any such suspended rights, as the case may be, would not constitute a Violation.

(d) Redemption by the Corporation. Notwithstanding any other provision of this Restated Certificate of Incorporation to the contrary, but subject to the provisions of any resolution or resolutions of the Board of Directors adopted pursuant to this Article IV creating any series of Series Common Stock or any series of Preferred Stock, outstanding shares of Common Stock, Series Common Stock or Preferred Stock shall always be subject to redemption by the Corporation, by action of the Board of Directors, if in the judgment of the Board of Directors such action should be taken with respect to any shares of capital stock of the Corporation of which any Disqualified Person is the stockholder, other Owner or Proposed Transferee. The terms and conditions of such redemption shall be as follows:

(1) the redemption price of the shares to be redeemed pursuant to this paragraph (d) shall be equal to the Fair Market Value of such shares;

(2) the redemption price of such shares may be paid in cash, Redemption Securities or any combination thereof;

(3) if less than all such shares are to be redeemed, the shares to be redeemed shall be selected in such manner as shall be determined by the Board of Directors, which may include selection first of the most recently purchased shares thereof, selection by lot or selection in any other manner determined by the Board of Directors;

(4) at least 30 days' written notice of the Redemption Date shall be given to the record holders of the shares selected to be redeemed (unless waived in writing by any such holder); provided that the Redemption Date may be the date on which written notice shall be given to record holders if the cash or Redemption Securities necessary to effect the redemption shall have been deposited in trust for the benefit of such record holders and subject to immediate withdrawal by them upon surrender of the stock certificates for their shares to be redeemed;

(5) from and after the Redemption Date, any and all rights of whatever nature in respect of the shares selected for redemption (including without limitation any rights to vote or participate in dividends declared on stock of the same class or series as such shares), shall cease and terminate and the record holders of such shares shall thenceforth be entitled only to receive the cash or Redemption Securities payable upon redemption; and

(6) such other terms and conditions as the Board of Directors shall determine.

(e) Legends. The Corporation shall, to the extent required by law, note on the certificates of its capital stock that the shares represented by such certificates are subject to the restrictions set forth in this Section 5. With respect to any shares that are uncertificated, such legend shall be included in a notice given in the manner consistent with (and only to the extent required by) applicable law.

ARTICLE V

SECTION 1. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors. Except as otherwise provided for or fixed pursuant to the provisions of this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series Common Stock) relating to the rights of the holders of any series of Preferred Stock or Series Common Stock to elect additional directors, the total number of directors constituting the entire Board of Directors shall be not less than three (3), with the then-authorized number of directors being fixed from time to time exclusively by the Board of Directors.

Subject to the special rights of the holders of one or more series of Preferred Stock or Series Common Stock then outstanding to elect directors, the directors of the Corporation shall be elected annually at each annual meeting of stockholders of the Corporation. The directors will hold office for a term of one year or until their respective successors are elected and qualified, subject to such director’s earlier death, resignation, disqualification or removal.

Subject to the special rights of the holders of one or more series of Preferred Stock or Series Common Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director so chosen shall hold office until the next election of directors and until his or her successor shall be elected and qualified. No decrease in the number of directors shall shorten the term of any incumbent director.

Except for such additional directors, if any, as are elected by the holders of one or more series of Preferred Stock or Series Common Stock, any director, or the entire Board of Directors, may be removed from office at any time by the affirmative vote of at least a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (“**Voting Stock**”), voting together as a single class.

During any period when the holders of one or more series of Preferred Stock or Series Common Stock have the right to elect additional directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock or Series Common Stock, as applicable, shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until the next annual meeting of stockholders and until such director’s successor shall have been duly elected and qualified, unless such director’s right to hold such office terminates earlier pursuant to said provisions, subject in all such cases to his or her earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock or Series Common Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate (in which case each such director shall thereupon cease to be qualified as, and shall cease to be, a director) and the total authorized number of directors of the Corporation shall be reduced accordingly.

Notwithstanding the foregoing, whenever the holders of outstanding shares of one or more series of Preferred Stock or Series Common Stock issued by the Corporation shall have the right, voting separately as a series or as a separate class with one or more such other series, to elect directors at an annual or special meeting of stockholders, the election, term of office, removal, filling of vacancies, and other features of such directorship shall be governed by the terms of this Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock or Series of Common Stock) applicable thereto.

SECTION 2. The election of directors need not be by written ballot.

SECTION 3. Advance notice of nominations for the election of directors shall be given in the manner and to the extent provided in the By-laws of the Corporation.

ARTICLE VI

Subject to the rights of the holders of any series of Preferred Stock or Series Common Stock, at any time that there shall be more than three stockholders of record, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock or Series Common Stock, special meetings of stockholders of the Corporation (a) may be called by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors or as otherwise provided in the By-laws of the Corporation and (b) shall be called by the Secretary of the Corporation upon the written request of holders of record of not less than 20% of the outstanding shares of Class B Common Stock, proposing a proper matter for stockholder action under the DGCL at such special meeting, provided that (i) no such special meeting of stockholders shall be called pursuant to this clause (b) if the written request by such holders is received less than 135 days prior to the first anniversary of the date of the preceding annual meeting of stockholders of the Corporation and (ii) any special meeting called pursuant to this clause (b) shall be held not later than 100 days following receipt of the written request by such holders, on such date and at such time and place as determined by the Board of Directors.

ARTICLE VII

In furtherance and not in limitation of the powers conferred upon it by law, the Board of Directors is expressly authorized to adopt, repeal, alter or amend, or adopt any provision inconsistent with, the By-laws of the Corporation by the vote of a majority of the entire Board of Directors or such greater vote as shall be specified in the By-laws of the Corporation. In addition to any requirements of law and any other provision of this Restated Certificate of Incorporation or any resolution or resolutions of the Board of Directors adopted pursuant to Article IV of this Restated Certificate of Incorporation (and notwithstanding the fact that a lesser percentage may be specified by law, this Restated Certificate of Incorporation or any such resolution or resolutions), the affirmative vote of holders of sixty-five percent (65%) or more of the combined voting power of the then outstanding shares of Voting Stock, voting together as a single class, shall be required for stockholders to adopt, amend, alter or repeal, or adopt any provision inconsistent with, any provision of the By-laws of the Corporation.

ARTICLE VIII

In addition to any requirements of law and any other provisions of this Restated Certificate of Incorporation or any resolution or resolutions of the Board of Directors adopted pursuant to Article IV of this Restated Certificate of Incorporation (and notwithstanding the fact that a lesser percentage may specified by law, this Restated Certificate of Incorporation or any such resolution or resolutions), the affirmative vote of the holders of sixty-five percent (65%) or more of the combined voting power of the then outstanding shares of Voting Stock, voting together as a single class, shall be required to amend, alter or repeal, or adopt any provision inconsistent with, Section 5 of Article IV, Article V, Article VII, this Article VIII, or Article IX, of this Restated Certificate of Incorporation. Subject to the foregoing provisions of this Article VIII, the Corporation reserves the right to amend, alter or repeal any provision contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are subject to this reservation.

ARTICLE IX

A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right or protection of a director of the corporation hereunder in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

ARTICLE X

The Corporation hereby elects not to be governed by Section 203 of the DGCL.

ARTICLE XI

An officer of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as an officer, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right or protection of an officer of the corporation hereunder in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

This Restated Certificate of Incorporation shall become effective upon filing pursuant to the DGCL.

[Signature page to follow.]

IN WITNESS WHEREOF, I, Viet D. Dinh, Chief Legal and Policy Officer of Fox Corporation, have executed this Restated Certificate of Incorporation as of November 3, 2022 and DO HEREBY CERTIFY under the penalties of perjury that the facts stated in this Restated Certificate of Incorporation are true.

/s/ Viet D. Dinh
Viet D. Dinh
Chief Legal and Policy Officer

[Signature Page to the Amended and Restated Certificate of Incorporation]

Exhibit 10.1

FOX CORPORATION

2019 SHAREHOLDER ALIGNMENT PLAN

AUSTRALIAN SUB-PLAN

The following terms and conditions (the "**Australian Sub-Plan**") shall apply to any Awards granted to officers, employees, directors and Consultants under the 2019 Shareholder Alignment Plan (the "**Plan**") who are resident in Australia or who otherwise provide services in Australia. This Australian Sub-Plan shall be deemed a part of the Plan and may be amended or terminated in accordance with Article VIII of the Plan. In the event of a conflict, whether explicit or implied, between the provisions of the Plan and the Australian Sub-Plan, the latter shall govern and prevail.

1 GENERAL.

(a) **Eligibility.** Awards may be granted under the Plan to Residents of Australia that are officers, employees, directors and Consultants with the Company or a Qualifying Subsidiary or officers, employees, directors or Consultants of the Company who otherwise render service to or for the benefit of the Company or a Qualifying Subsidiary.

(b) **Governing rules.** Awards under the Australian Sub-Plan shall be governed by the Plan, as modified by this Australian Sub-Plan.

(c) **Inapplicable Plan conditions.** Section 7.2 of Article 8 of the Plan in so far as it relates to the transfer of any Award to a "family member" shall not apply to Awards under the Australian Sub-Plan.

(d) **Application of Subdivision 83A-C.** Subject to the requirements of the ITAA 1997, Subdivision 83A-C of the ITAA 1997 applies to Awards under the Australian Sub-Plan.

2 DEFINITIONS.

(a) Capitalized terms contained herein shall have the same meanings given to them in the Plan (or any applicable addendum) (where applicable) or as indicated in Section 2(b) below.

(b) In this Australian Sub-Plan, the following definitions will apply to the capitalized terms indicated below.

(i) **"ITAA 1936"** means the *Income Tax Assessment* Act 1936 (C'wth of Aust.).

(ii) **"ITAA 1997"** means the *Income Tax Assessment Act 1997* (C'wth of Aust.).

(iii) **"Qualifying Subsidiary"** means a Subsidiary that is a subsidiary as defined in s.995-1 of the ITAA 1997.

(iv) **"Resident of Australia"** means a person that is a resident of Australia within the meaning given in section 6 of the ITAA 1936 at the time an Award is granted.

Exhibit 31.1

Chief Executive Officer Certification
Required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended

I, Lachlan K. Murdoch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fox 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.

February 8, 2023

By: /s/ Lachlan K. Murdoch
Lachlan K. Murdoch
Chief Executive Officer

Exhibit 31.2

Chief Financial Officer Certification
Required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended

I, Steven Tomsic, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fox 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.

February 8, 2023

By: /s/ Steven Tomsic
Steven Tomsic
Chief Financial Officer

Exhibit 32.1

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 Fox Corporation on Form 10-Q for the fiscal quarter ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, the undersigned officers of Fox 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 Fox Corporation.

February 8, 2023

By: /s/ Lachlan K. Murdoch
Lachlan K. Murdoch
Chief Executive Officer

By: /s/ Steven Tomsic
Steven Tomsic
Chief Financial Officer