Fox Corp. (FOXA)

Updated August 25th, 2026 by Felix Martinez

Key Metrics

Current Price:	$69	**5 Year Annual Expected Total Return:**	8.2%	**Market Cap:**	$27.4B
Fair Value Price:	$78	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	09/02/26
% Fair Value:	89%	**5 Year Valuation Multiple Estimate:**	2.4%	**Dividend Payment Date:**	09/23/26
Dividend Yield:	0.8%	**5 Year Price Target**	$99	**Years Of Dividend Growth:**	6
Dividend Risk Score:	C	**Sector:**	Communication Services	**Rating:**	Hold

Overview & Current Events

Fox Corp. is a television broadcasting company with a $27.4 billion market cap. The company, known among insiders as "New Fox", was spun off from the former 21st Century Fox when The Walt Disney Co. (DIS) acquired most of its assets in 2019, including its cinema entertainment business. Since the spinoff, Fox Corp. has been a much more focused company, with its operations centered on Cable Networks & Television. For Fiscal Year 2026, the company generated $17.1 billion in revenue.

On August 6th, 2026, Fox Corp. reported fourth quarter results for Fiscal Year 2026. The company's fiscal year ends at the end of July. The company reported fourth-quarter fiscal 2026 revenue of $4.21 billion, a 28% increase from the prior-year period, driven primarily by the broadcast of the FIFA Men's World Cup and continued growth in digital advertising, especially at streaming service Tubi. Net income attributable to Fox stockholders was $691 million, or $1.61 per share, while adjusted net income rose to $765 million, or $1.79 per share. Adjusted EBITDA increased 27% to $1.20 billion, as higher sports programming and FOX One launch costs partially offset the strong revenue gains.

For the full fiscal year, total revenue reached a record $17.13 billion, up 5%, with distribution revenue growing 4% and advertising revenue rising 7%. Full-year net income attributable to Fox stockholders was $1.69 billion, or $3.84 per share; adjusted net income increased to $2.38 billion, or $5.42 per share. Adjusted EBITDA grew 8% to a record $3.91 billion. The Television segment delivered particularly strong results, with full-year EBITDA rising 52% to $1.44 billion.

Management highlighted the successful launch of the FOX One streaming service, Tubi's continued expansion, and the announced acquisition of Roku as key strategic milestones. The Board increased the semi-annual dividend to $0.29 per share and authorized continued share repurchases, with $3.4 billion remaining under the current program. Fox enters fiscal 2027 with strong momentum across its portfolio and is positioned for sustained growth and long-term shareholder value.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	---	---	$2.63	$2.48	$2.88	$2.79	$3.51	$3.43	$4.78	$5.42	***$5.99***	***$7.64***
DPS	---	---	$0.23	$0.46	$0.46	$0.48	$0.50	$0.52	$0.54	$0.56	***$0.58***	***$0.67***
Shares[1]	---	---	621.0	621.0	621.0	621.0	531.0	480.0	480.0	439.0	***437.0***	***480.0***

Fox Corp. is a more focused company following the asset sale. Fox News, Fox Business, Fox Sports, Fox Broadcasting, and other TV assets will remain highly relevant. It helps that Fox News has no mainstream competition in the conservative news arena. The assets that Fox retained are not very cyclical or vulnerable to recessions, compared to, for example, the more cyclical filmed entertainment business. However, we expect a positive, but slower earnings growth of 5% for the next five years. Because of the recent dividend increase of 3.6% on August 7th 2026, we are now anticipating a 3% annual dividend increase for the next five years.

[1] Share count is in millions.

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Currently, Fox's most significant growth prospects are with FOX Bet. Analysts expect the sports betting industry to generate $9 billion in gambling revenue over the next few years. Fox Corp. is in an excellent position to grab a chunk of that. In the immediate term, Fox should see growth as more and more events and businesses start to be fully operational, bringing improved ratings for its news network.

Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Avg. P/E	---	---	14.4	16.4	12.9	11.8	9.7	10	11.7	9.3	***11.6***	***13.00***
Avg. Yld.	---	---	0.6%	1.7%	1.3%	1.5%	1.5%	1.5%	11.0%	1.1%	***0.8%***	***0.7%***

We think that a 13x valuation is fair for this company. Currently, the company is trading at a PE multiple of 11.6x. This PE provides a moderate valuation multiple tailwind of 2.4%. Also, the company's current stock price is lower than our fair price of $78. The company dividend yield is fairly mediocre, considering that the S&P 500 current dividend yield is 1.2%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	---	---	9%	19%	16%	17%	14%	15%	11%	10%	***10%***	***9%***

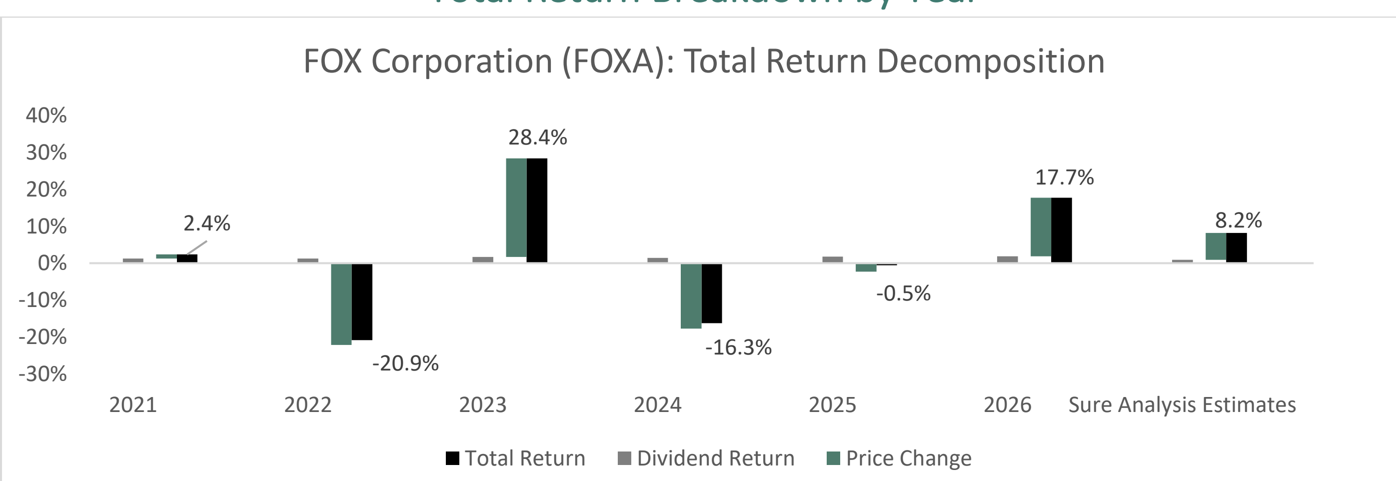
21st Century Fox paid out ~20% of its net profits in the form of dividends throughout most of the last decade. The payout ratio has been even lower during some of the previous years. Fox Corp. paid 16% of its profits in 2021, with an estimated 2029 payout conservatively around 15%. The low payout ratio means that the dividend looks very safe, although the low dividend yield is not especially attractive for income-focused investors.

According to peers, Fox Corp's most influential position has always been in its news channels and sports programming – assets The Company continues to own after the deal with Disney. The sale of some assets could improve Fox's position in the long run, as it allows The Company to focus on the businesses it is best at, Cable & TV broadcasting. The TV business is not very cyclical, so Fox Corp. will likely be less vulnerable in future recessions. The company currently has a debt-to-equity ratio of 0.7 and an Interest Coverage ratio of 7.3. Thus, the company has an excellent balance sheet.

Final Thoughts & Recommendation

Based on our estimates, shares are currently fairly valued, but we estimate the following five-year projected returns to be only 8.2%. Thus, we rate FOXA a hold at the current price because of the expected return over the next five years.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	9,921	10,153	11,389	12,303	12,909	13,974	14,910	13980	16300	17126
SG&A Exp.	1,117	1,262	1,419	1,741	1,807	1,920	2,049	2024	5397	2367
Operating Profit	169	171	212	258	300	2,574	2,764	2478	3229	3496
Op. Margin	1.7%	1.7%	1.9%	2.1%	2.3%	18.4%	18.5%	17.7%	19.8%	20.4%
Net Profit	2,535	2,215	2,431	2,497	2,765	1,205	1,239	1501	2293	1685
Net Margin	25.6%	21.8%	21.3%	20.3%	21.4%	8.6%	8.3%	10.7%	14.1%	9.8%
Free Cash Flow	1,372	2,187	1,595	999	2,150	1,577	1,443	1495	2993	1468
Income Tax	1,464	1,102	2,289	2,006	2,155		483	550	768	551

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Assets	10,348	13,121	19,509	21,750	22,926	22,185	21,870	21970	23200	22482
Cash & Equivalents	19	2,500	3,234	4,645	5,886	5,200	4,272	4319	5351	4205
Acc. Receivable	1,693	1,833	1,967	1,888	2,029	2,128	2,177	2364	2472	3455
Inventories	1,052	1,180	1,129	856	729	791	543	626	432	487
Goodwill & Int.	5,871	5,613	5,542	6,607	6,589	6,711	6,643	6582	6608	6517
Total Liabilities	4,255	3,527	9,551	11,639	11,801	10,810	11,210	10920	10840	10668
Long-Term Debt	0	0	6,751	7,946	7,951	7,206	7,210	7197	7465	7523
Total Equity	6,093	9,594	9,947	10,094	11,123	11,339	10,380	10710	11960	11814
LTD/E Ratio	0	0	0.68	0.79	0.71	0.64	0.69	0.67	0.62	0.52

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return on Assets		18.6%	9.8%	4.8%	9.6%	5.3%	5.6%	6.9%	10.2%	7.4%
Return on Equity		27.9%	16.3%	10.0%	20.3%	10.7%	11.4%	13.8%	19.6%	14.3%
ROIC		27.9%	12.1%	5.7%	11.6%	6.4%	6.8%	8.3%	11.8%	16.6%
Shares Out.			621.0	621.0	621.0	570	531	480	461	439
Revenue/Share	16.00	16.38	18.34	19.97	21.70	24.52	28.08	29.12	35.36	39.01
FCF/Share	2.36	1.78	3.69	3.26	3.62	2.77	2.72	3.12	6.49	3.34

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.