

Disney ups its bid for Fox to counter Comcast

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Disney's amended offer of \$38 per share for key 21st Century Fox assets comes a week after Comcast, the largest US cable provider and owner of NBCUniversal, bid \$65 billion

Disney sweetened its bid for key assets of 21st Century Fox Wednesday,

raising its offer to \$71.3 billion in cash and stock to counter a rival bid from Comcast.

Disney's amended offer of \$38 per share comes a week after Comcast, the largest US cable provider and owner of NBCUniversal, bid \$65 billion for prized Fox assets being shed by Rupert Murdoch's family empire.

Disney announced that it signed an amended acquisition agreement with Fox with the new terms, which improves upon an original Disney bid made in December of \$66.1 billion, including debt.

Shareholders who accept stock are not expected to pay taxes, Disney said. Murdoch and his sons Lachlan and James are major shareholders of Fox.

"The acquisition of 21st Century Fox will bring significant financial value to the shareholders of both companies, and after six months of integration planning we're even more enthusiastic and confident in the strategic fit of the assets and the talent at Fox," said Disney chief executive Robert Iger.

Shares of Fox shot up 7.1 percent to \$47.43 amid anticipation that Comcast may return with a still-higher bid.

Disney rose 1.1 percent to \$107.40 and Comcast gained 1.9 percent to \$33.44.



Shares of Fox shot up in early trade amid anticipation that Comcast may return with a still-higher bid

Disney said the value of the assets—which include television production companies responsible for "The Simpsons" and "Modern Family," as well as film production businesses—had increased compared to December due to tax reform and operating improvements.

Included in the sale is Fox's 39 percent stake in the British pay TV operator Sky. Murdoch has sought full control of Sky but has faced opposition from regulators in Britain.

The deal also would give Disney a controlling stake in Hulu, the online platform created by media groups to challenge Netflix and Amazon.

Comcast and Disney each own a 30 percent stake in Hulu and Time Warner holds 10 percent.

Iger said the transaction would boost Disney's ability "to create more appealing high-quality content, expand our direct-to-consumer offerings and international presence, and deliver more personalized and compelling entertainment experiences to meet growing consumer demand around the world."



Comcast, which owns NBCUniversal, offered \$65 billion for key film and television assets of the Murdoch family's 21st Century Fox

The deal became possible when Murdoch, 87, and his sons decided to slim down the media empire, leaving them with a "New Fox" that includes the Fox News Channel, the Fox broadcast network and sports cable operations.

Analysts have been gearing up for more media consolidation following last week's approval by a US judge of a massive \$85 billion takeover by telecom-broadband giant AT&T of media-entertainment conglomerate Time Warner.

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