

News Corp. posts flat third quarter

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News Corp. posted earnings per share of 1.04 dollars for the third quarter of its fiscal year, up from 0.91 dollars in the same quarter a year ago.

Its results for the quarter were boosted by the 1.2 billion dollars reaped from the partial sale of its holdings in NDS Group and another 1.2 billion dollars from a favorable tax settlement.

News Corp. also benefited from an extraordinary profit in the same quarter last year on a 1.7 billion dollar asset and stock exchange with Liberty Media Corp.

Excluding the one-time gains, News Corp.'s operating income fell by 47 percent in the first three months of this year to 755 million dollars from 1.4 billion dollars in the same quarter last year.

Revenue fell 16 percent to 7.4 billion dollars as the decline in [advertising revenue](#) which has hit newspapers across the United States was also felt at News Corp.

"Our third quarter results directly reflect the continuing weakness of the global economic climate," News Corp. chairman [Rupert Murdoch](#) said in a statement.

"Despite this tough environment, we have proven resilient in several key areas this quarter," he said. "We continued to make necessary operational adjustments to ensure our businesses are performing at optimum levels.

"We are working daily to increase market share and strengthen our core businesses, even in this very challenging environment," he said.

In a conference call with analysts following the release of the results, Murdoch said it is "increasingly clear that the worst is over" and News Corp. well positioned to benefit from a rebound.

Weak advertising led to a 99-percent drop in operating income in the quarter in the television division to four million dollars and a 97-percent fall in operating income in the newspapers segment to seven million dollars.

The book publishing unit lost 38 million dollars compared with a slight profit in the same quarter a year ago.

The filmed entertainment unit saw operating income rise by eight percent to 282 million dollars due in part to the continued strong box office performance of multiple Oscar winner "Slumdog Millionaire."

Cable network television, which includes the Fox News Channel, was a strong performer with operating income increasing by 30 percent to 429 million dollars.

The magazines segment saw a four percent rise in operating income to 97 million dollars.

Besides Dow Jones, the Wall Street Journal and Fox, News Corp. owns the 20th Century Fox movie

studio, the STAR and SKY television networks, social network MySpace, book publisher HarperCollins and newspapers in Australia, Britain and the United States.

In after-hours electronic trading after the release of its results, [News Corp.](#)'s share price was up 1.41 percent to 10.80 dollars.

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