

NEWS CORP
Form PRE 14A
August 24, 2005
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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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| <input checked="" type="checkbox"/> Preliminary Proxy Statement | <input type="checkbox"/> Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)) |
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News Corporation

(Name of Registrant as Specified In Its Charter)

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3) Filing Party:

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NEWS CORPORATION

1211 Avenue of the Americas

New York, New York, 10036

(212) 852-7000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on October 21, 2005

Dear Stockholder:

The Annual Meeting of Stockholders (the Annual Meeting) of News Corporation (the Company) will be held on October 21, 2005 at 10:00 a.m. (Eastern Standard Time) at the Hudson Theatre, 145 W. 44th Street, New York, NY 10012.

At the Annual Meeting, stockholders will be asked to:

elect Messrs. Chase Carey, Peter Chernin, Roderick I. Eddington and Andrew S.B. Knight each to a three-year term;

ratify the selection of Ernst & Young LLP as the Company s independent registered public accounting firm for the fiscal year ending June 30, 2006;

consider and vote upon a proposal to issue shares of the Company s Class A Common Stock to the A.E. Harris Trust, in lieu of cash, pursuant to an amendment to an agreement relating to the Company s reincorporation to the United States in November 2004;

consider and vote upon a proposal to increase the aggregate annual limit on the amount of fees paid to Non-Executive Directors of the Company; and

consider any other business properly brought before the Annual Meeting and any adjournment thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this Notice. **Only stockholders of record of the Company s Class B Common Stock at the close of business on , 2005 are entitled to notice of, and to vote at, the Annual Meeting and any adjournment thereof. Holders of Class A Common Stock are not entitled to vote on the matters to be presented at the Annual Meeting.**

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It is important that your shares be represented and voted at the Annual Meeting. If you are the registered holder of the Company's Class B Common Stock, you can vote your shares by completing and returning the enclosed proxy card, even if you plan to attend the Annual Meeting. Please review the instructions on the proxy card or the information forwarded by your broker, bank or other nominee regarding the voting instructions. You may vote your shares of Class B Common Stock in person even if you previously returned a proxy card. Please note, however, that if your shares of Class B Common Stock are held of record by a broker, bank or other nominee and you wish to vote in person at the Annual Meeting, you must obtain a proxy issued in your name from such broker, bank or other nominee.

If you are planning to attend the Annual Meeting in person, you will be asked to register before entering the Annual Meeting. **All attendees will be required to present government-issued photo identification** (e.g., driver's license or passport) to enter the Annual Meeting. **If you are a stockholder of record, you must also present a properly executed proxy card** and your ownership of the Company's common stock will be verified against the list of stockholders of record as of _____, 2005 prior to being admitted to the Annual Meeting. **If you are not a stockholder of record and hold your shares of Common Stock in street name, i.e., your shares of Common Stock are held in a brokerage account or by a bank or other nominee, you must also provide proof of beneficial ownership as of _____, 2005, such as your most recent account statement prior to _____, 2005, and a copy of the voting instruction card provided by your broker, bank or nominee, or similar evidence of ownership.**

Prior to entering the Annual Meeting, all bags will be subject to search and all persons may be subject to a metal detector and/or hand wand search. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. The security procedures may require additional time, so please plan accordingly. **If you do not provide government-issued photo identification or do not comply with the other registration and security procedures described above, you will not be admitted to the Annual Meeting.**

If you would like to register to receive materials relating to the annual meeting of stockholders electronically next year instead of by mail, please go to www.icsdelivery.com/newscorp and follow the instructions to enroll. We highly recommend that you consider electronic delivery of these documents as it helps to lower the Company's costs and reduce the amount of paper mailed to your home.

Laura A. O'Leary
Corporate Secretary
New York, New York
September _____, 2005

YOUR VOTE IS IMPORTANT

REGARDLESS OF HOW MANY SHARES OF CLASS B COMMON STOCK YOU OWN AS OF THE RECORD DATE, PLEASE INDICATE YOUR VOTING INSTRUCTIONS ON THE ENCLOSED PROXY CARD AND DATE, SIGN AND RETURN IT IN THE ENVELOPE PROVIDED, WHICH IS ADDRESSED FOR YOUR CONVENIENCE AND NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES. IN ORDER TO AVOID THE ADDITIONAL EXPENSE TO THE COMPANY OF FURTHER SOLICITATION, THE COMPANY ASKS YOUR COOPERATION IN PROMPTLY MAILING IN YOUR PROXY CARD.

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NEWS CORPORATION

1211 Avenue of the Americas

New York, New York, 10036

PROXY STATEMENT

Annual Meeting of Stockholders October 21, 2005

GENERAL

Persons Making the Solicitation

This proxy statement is furnished in connection with the solicitation by the Board of Directors (the Board) of News Corporation (the Company) of proxies for use at an Annual Meeting of Stockholders (the Annual Meeting) to be held on October 21, 2005 at 10:00 a.m. (Eastern Standard Time) at the Hudson Theatre, 145 W. 44th Street, New York, NY and at any adjournment thereof. This proxy statement is first being mailed to stockholders on or about September 1, 2005. You are requested to sign, date and return the enclosed proxy card in order to ensure that your shares are represented at the Annual Meeting.

On November 12, 2004, the Company completed a reincorporation whereby News Corporation became the parent company of News Holdings Limited (formerly known as The News Corporation Limited), a South Australian corporation (TNCL), and its subsidiaries. All references in this proxy statement to the Company means TNCL and its subsidiaries prior to November 12, 2004, and News Corporation and its subsidiaries from November 12, 2004 forward.

The expense of soliciting proxies will be borne by the Company. Proxies will be solicited principally through the use of the mail, but Directors, officers and regular employees of the Company may solicit proxies personally, by telephone or special letter without any additional compensation. The Company has retained the services of Georgeson Shareholder Communications Inc. to aid in the solicitation process for a fee of approximately \$12,500, plus reimbursement for certain out-of-pocket expenses. Also, the Company will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for any reasonable expenses in forwarding proxy materials to beneficial owners.

Outstanding Shares

The Company has two classes of common stock, Class A Common Stock, par value \$0.01 per share (Class A Common Stock), and Class B Common Stock, par value \$0.01 per share (Class B Common Stock, and together with the Class A Common Stock, the Common Stock). Holders of Class B Common Stock are entitled to one vote per share on all matters to be presented at the Annual Meeting. Holders of Class A Common Stock are not entitled to vote on the matters to be presented at the Annual Meeting. All references to you, your, yours or other words of similar

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import in this proxy statement refers to holders of Class B Common Stock.

The Company's shares are also traded on the Australian Stock Exchange (ASX) in the form of CHESS Depository Instruments (CDIs). CDIs are exchangeable, at the option of the holder, into shares of either Class A Common Stock or Class B Common Stock, whichever is applicable, at the rate of one CDI per share of such Common Stock.

Record Date

Only holders of record of shares of Class B Common Stock at the close of business on _____, 2005 (the Record Date) are entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were _____ shares of Class B Common Stock outstanding. Each share of Class B Common Stock is entitled to one vote per share on all matters to be presented at the Annual Meeting. A list of the stockholders of record as of the Record Date will be available at the Annual Meeting and during the ten (10) days prior to the Annual Meeting at the Company's principal executive offices.

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If your shares of Class B Common Stock are registered directly in your name with our transfer agent, Computershare Investor Services LLC, you are a stockholder of record, and these proxy materials are being sent directly to you from the Company. As the stockholder of record, you have the right to grant your voting proxy directly to the Company or to vote in person at the Annual Meeting.

If your shares of Class B Common Stock are held in street name, meaning your shares of Class B Common Stock are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of these shares and these proxy materials are being forwarded to you by your broker, bank or nominee, who is considered the stockholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker, bank or nominee on how to vote. However, since you are not the stockholder of record, you may not vote these shares of Class B Common Stock in person at the Annual Meeting, unless you obtain a signed proxy from the stockholder of record giving you the right to vote these shares. You will receive instructions from your broker, bank or other nominee describing how to vote your shares of Class B Common Stock.

Holders of CDIs exchangeable for Class B Common Stock (Class B CDIs) have a right to direct CHESS Depository Nominees Pty Ltd., the legal holder of the CDIs (CHESS), on how it should vote with respect to the proposals described in this proxy statement. Holders of Class B CDIs must provide their duly executed directions, via an enclosed voting instructions card, to CHESS by 5:00 p.m. (Australian Eastern Standard Time) on October 18, 2005.

Voting and Revocation

If you complete and properly sign the accompanying proxy card and return it to the Company, it will be voted as you direct. Properly executed proxies that do not contain voting instructions will be voted FOR the proposals.

If your shares of Class B Common Stock are held in street name, please check your proxy card or contact your broker, bank or nominee to determine whether you will be able to vote by telephone or electronically. A number of brokers and banks are participating in a program provided through ADP Investor Communication Services that offers Internet and telephone voting options.

A proxy may be revoked by a stockholder at any time prior to the voting at the Annual Meeting by giving notice of revocation in writing to the Corporate Secretary, by duly executing and delivering to the Corporate Secretary a proxy bearing a later date or by voting in person at the Annual Meeting. Attending the Annual Meeting in and of itself will not constitute a revocation of a proxy.

Attending the Annual Meeting in Person

Only holders of record of Common Stock, or their duly appointed proxies, may attend the Annual Meeting, however, only holders of Class B Common Stock are entitled to vote at the Annual Meeting. As discussed above, if your shares of Class B Common Stock are registered directly in your name with the Company's transfer agent, you are considered the stockholder of record with respect to such shares of Class B Common Stock and you have the right to attend the Annual Meeting and vote in person, subject to compliance with the procedures described below. If your shares of Class B Common Stock are held in a brokerage account, or by a bank or other nominee, you are the beneficial owner of such shares. As such, in order to attend the Annual Meeting or vote in person, you must obtain and present at the time of admission a properly executed proxy from the stockholder of record giving you the right to vote the shares of Class B Common Stock.

If you are planning to attend the Annual Meeting in person, you will be asked to registered prior to entering the Annual Meeting. **All attendees will be required to present government-issued photo identification** (e.g., driver's license or passport) to enter the Annual Meeting. **If you are a stockholder of record, you must present a properly executed proxy card** and your ownership of Common Stock will be verified against the list of

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stockholders of record as of the Record Date prior to being admitted to the Annual Meeting. **If you are not a stockholder of record and hold your shares of Common Stock in street name, i.e., your shares of Common Stock are held in a brokerage account or by a bank or other nominee, you must provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to the Record Date, and a copy of the voting instruction card provided by your broker, bank or nominee, or similar evidence of ownership.**

Prior to entering the Annual Meeting, all bags will be subject to search and all persons may be subject to a metal detector and/or hand wand search. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. The security procedures may require additional time, so please plan accordingly. The Company will be unable to admit anyone who does not comply with these security procedures. **If you do not provide government-issued photo identification or do not comply with the other registration and security procedures described above, you will not be admitted to the Annual Meeting.**

If you require any special accommodations at the Annual Meeting due to a disability, please contact the Corporate Secretary at (212) 852-7000 or send an email to corporatesecretary@newsCorp.com and identify your specific need no later than October 18, 2005.

Required Vote

Quorum. In order for the Company to conduct the Annual Meeting, a majority of the holders of Class B Common Stock outstanding as of the Record Date must be present in person or represented by proxy at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of establishing a quorum at the meeting. A broker non-vote occurs when you do not give your broker or nominee instructions on how to vote your shares of Class B Common Stock. You are urged to vote by proxy even if you plan to attend the Annual Meeting so that the Company will know as soon as possible that enough votes will be present for the Annual Meeting to be held.

Election of Directors. The four Director nominees receiving the greatest numbers of votes cast will be elected as Directors. A properly executed proxy marked WITHHOLD AUTHORITY with respect to the election of one or more Directors will not be voted with respect to the Director or Directors indicated, although it will be counted for purposes of determining whether there is a quorum present.

Other Items. Under the Company's Amended and Restated By-laws and the rules of the New York Stock Exchange (NYSE) and ASX, approval of each other proposal to be voted upon at the Annual Meeting requires a majority of the votes cast at the Annual Meeting to be voted FOR the proposal. A properly executed proxy marked ABSTAIN with respect to any proposal will not be counted as a vote cast FOR or AGAINST that proposal.

All shares of Class B Common Stock represented by properly executed proxies, which are returned and not revoked, will be voted in accordance with your instructions. If no instructions are provided in a proxy, the number of shares of Class B Common Stock represented by such proxy will be voted:

FOR the election of Messrs. Chase Carey, Peter Chernin, Roderick I. Eddington and Andrew S.B. Knight each to a three-year term;

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FOR the ratification of the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2006;

FOR the issuance of shares of Class A Common Stock to A.E. Harris Trust (the Harris Trust), in lieu of cash, pursuant to an amendment to an agreement relating to the Company's reincorporation to the United States in November 2004;

FOR the increase in the aggregate annual limit on the amount of fees paid to Non-Executive Directors; and

in accordance with the holder of the proxy's discretion as to any other matters raised at the Annual Meeting.

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If you hold your shares of Class B Common Stock in street name through a broker, bank or other nominee, your broker, bank or nominee may not vote on certain Annual Meeting proposals without your specific instructions because the proposals are not considered to be routine matters. Your broker, bank or nominee is permitted to vote your shares of Class B Common Stock on the election of Directors and the approval of Ernst & Young LLP as the Company's independent registered public accounting firm even if the broker, bank or nominee does not receive voting instructions from you. However, under NYSE rules, your broker, bank or nominee may not vote your shares of Class B Common Stock on the other proposals to be voted on at the Annual Meeting absent instructions from you. Without your voting instructions on these items, a broker non-vote will occur. The Company counts broker non-votes for quorum purposes, but does not count broker non-votes (or abstentions) as votes FOR or AGAINST any proposal.

Required Disclosure for the Purpose of the ASX Listing Rules

Voting Exclusion Statement

In accordance with the ASX listing rules the following voting exclusions will be observed:

The Company will disregard any votes cast in respect to Proposal 3 by the Harris Trust or an associate of the Harris Trust, including Messrs. K. Rupert Murdoch and the directors of the Harris Trust corporate trustee; provided, however, that the Company will not disregard votes cast by any such person as proxy for a stockholder of the Company, in accordance with the directions on the proxy form to vote as the proxy decides.

The Company will disregard any votes cast in respect to Proposal 4 by any Director of the Company or an associate of such Director; provided, however, that the Company will not disregard votes cast by any such person as proxy for a stockholder of the Company, in accordance with the directions on the proxy form to vote as the proxy decides.

A representative of Computershare Investment Services, LLC has been appointed to act as inspector of election for the Annual Meeting and will tabulate the votes.

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Messrs. Chase Carey, Peter Chernin, Roderick I. Eddington and Andrew S.B. Knight are all nominees for election as Class III Directors to the Board. If the stockholders approve their election, these Directors will hold office until the Company's annual meeting of stockholders to be held in 2008 or until their successors are elected and qualified.

The following table lists the nominees for election as Class III Directors. The information with respect to principal occupation or employment, other affiliations and business experience was furnished to the Company by the respective nominee. The ages shown are as of August 15, 2005.

<u>Name and Age</u>	<u>Business Experience and Directorships</u>	<u>Director Since</u>	<u>Year Term Expires</u>
Chase Carey (51)	<i>Chase Carey</i> has been a Director of the Company since 1996. Mr. Carey has served as Chief Executive Officer of The DIRECTV Group, Inc. (DIRECTV) since 2003. Mr. Carey served as Co-Chief Operating Officer of the Company from 1996 until 2002 and as a consultant to the Company from 2002 to 2003. Mr. Carey served as a Director and as President and Chief Executive Officer of Sky Global Networks, Inc. from 2001 until 2002. Mr. Carey served as a Director of Fox Entertainment Group, Inc. (FEG) from 1992 until 2002 and served as its Co-Chief Operating Officer from 1998 until 2002. Mr. Carey was Chairman and Chief Executive Officer of Fox Television Stations from 1994 until 2000. Mr. Carey was a Director of News America Incorporated, News Corporation's principal subsidiary in the United States (NAI), from 1996 until 2002, its President and Chief Operating Officer from 1998 until 2002 and its Executive Vice President from 1996 to 1998. Mr. Carey served as a Director of STAR Group Limited (STAR) from 1993 until 2002, a Director of NDS Group plc (NDS) from 1996 until 2002, and a Director of Gemstar TV Guide International, Inc. (Gemstar TV Guide) from 2000 until 2002. Mr. Carey has served as a Director of British Sky Broadcasting Group plc (BSkyB) since 2003. Mr. Carey has served on the Boards of Gateway, Inc. and Colgate University since 1996.	1996	2005
Peter Chernin (54)	<i>Peter Chernin</i> has been a Director and the President and Chief Operating Officer of the Company since 1996. Mr. Chernin has been a Director and the President and Chief Operating Officer of FEG since 1998. Mr. Chernin has been Chairman and Chief Executive Officer of NAI since 1996. Mr. Chernin served as Chairman and Chief Executive Officer of Fox Filmed Entertainment from 1994 to 1996 and in various executive capacities at various FEG subsidiaries since 1989. Mr. Chernin has served as a Director of Gemstar TV Guide since 2002 and was a Director of TV Guide, Inc. from 1999 to 2000. Mr. Chernin has served as a Director of DIRECTV since 2003.	1996	2005

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<u>Name and Age</u>	<u>Business Experience and Directorships</u>	<u>Director Since</u>	<u>Year Term Expires</u>
Roderick I. Eddington (55)	<i>Roderick I. Eddington</i> has been a Director of the Company since 1999. Mr. Eddington has been Chief Executive of British Airways Plc since 2000 and will be retiring from this position on September 30, 2005. Mr. Eddington served as a Director of News Limited, News Corporation's principal subsidiary in Australia (News Limited), from 1998 until 2000. Mr. Eddington served as Chairman of Ansett Holdings Limited (AHL) and as a Director of each of Ansett Australia Limited and Ansett Australia Holdings Limited from 1997 until 2000. Mr. Eddington served as Managing Director of Cathay Pacific Airways from 1992 until 1996. Mr. Eddington has been a Director of John Swire & Sons Pty Ltd since 1997. Mr. Eddington is the Chairman of the Audit Committee and a member of the Compensation Committee of the Board.	1999	2005
Andrew S.B. Knight (66)	<i>Andrew S. B. Knight</i> has been a Director of the Company since 1991. Mr. Knight served as Chairman of News International Limited, the Company's principal subsidiary in the United Kingdom (News International) from 1990 to 1994, and as a Director of BSkyB from 1990 to 1994. Mr. Knight was Editor of <i>The Economist</i> from 1974 to 1986, and Chief Executive and Editor-in-Chief of the <i>Daily Telegraph</i> plc from 1986 to 1989. Mr. Knight has been a Director of Templeton Emerging Markets Investments Trust since 2003 and a Director of Rothschild Investment Trust Capital Partners plc since 1997. Mr. Knight is Chairman of the Compensation Committee and a member of the Audit Committee of the Board.	1991	2005

If any nominee should become unavailable for election prior to the Annual Meeting, an event that currently is not anticipated by the Board, the proxies will be voted for the election of a substitute nominee or nominees proposed by the Board. Each person nominated for election has agreed to serve if elected and management has no reason to believe that any nominee will be unable to serve.

THE BOARD RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE NOMINEES LISTED ABOVE TO A THREE-YEAR TERM.

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The following table provides information regarding the Directors of the Company continuing in office. The information with respect to principal occupation or employment, other affiliations and business experience was furnished to the Company by the respective Director. The ages shown are as of August 15, 2005.

<u>Name and Age</u>	<u>Business Experience and Directorships</u>	<u>Director Since</u>	<u>Year Term Expires</u>
K. Rupert Murdoch AC (74)	<i>K. Rupert Murdoch AC</i> has been Chairman and Chief Executive Officer of the Company since 1979. He has been a Director of News Limited since 1953, a Director of News International since 1969 and a Director of NAI since 1973. Mr. K.R. Murdoch has been a Director of STAR since 1993 and has served as Chairman of STAR from 1993 to 1998. Mr. K.R. Murdoch has been a Director of FEG since 1985, its Chairman since 1992 and its Chief Executive Officer since 1995. Mr. K.R. Murdoch has served as a Director of BSKyB since 1990 and as its Chairman since 1999. Mr. K.R. Murdoch has served as a Director of Gemstar TV Guide since 2001, as Chairman of DIRECTV since 2003 and a Director of China Netcom Group Corporation (Hong Kong) Limited since 2001.	1979	2007
Peter L. Barnes (62)	<i>Peter Barnes</i> has been a Director of the Company since 2004. Mr. Barnes has been a Director of Ansell Ltd since 2001 and its Chairman since August 2005. Mr. Barnes has been a Director of Metcash Trading Ltd. since 1999. Mr. Barnes has been a Director of Samuel Smith & Sons Pty Ltd. since 1999 and has served as its Chairman since 2002. Mr. Barnes served as the President of Phillip Morris Asia Inc. from 1993 until 1998. Mr. Barnes was the President of the Winemakers Federation of Australia from 2001 until 2004. Mr. Barnes is a member of the Audit Committee of the Board.	2004	2007
Kenneth E. Cowley AO (69)	<i>Kenneth E. Cowley AO</i> has been a Director of the Company since 1997. Mr. Cowley has been the Chairman of RM Williams Holdings Limited since 1994. Mr. Cowley was a Director of Independent Newspapers Limited from 1990 to June 2005 and its Chairman from 2001 to June 2005. Mr. Cowley served as a Director of News Limited from 1978 to 1997 and as its Chairman from 1992 to 1997. Mr. Cowley was the Managing Director of the Company's Australian operations from 1980 to 1996. Mr. Cowley was a Director and Executive Vice President of NAI from 1992 until 1997. Mr. Cowley served as an Executive Director of AHL from 1988 to 2000 and as its Chairman from 1992 to 1996. Mr. Cowley served as a Director of Commonwealth Bank of Australia from 1997 until 2001 and as Chairman of PMP Communications Limited from 1991 until 2001. Mr. Cowley is a member of the Nominating and Corporate Governance Committee of the Board.	1997	2007

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Name and Age	Business Experience and Directorships	Director Since	Year Term Expires
David F. DeVoe (58)	<i>David F. DeVoe</i> has been a Director of the Company and its Chief Financial Officer since 1990. Mr. DeVoe has served as Senior Executive Vice President of the Company since 1996 and was Executive Vice President from 1990 to 1996. Mr. DeVoe has been a Director of NAI since 1991, its Senior Executive Vice President since 1998 and served as its Executive Vice President from 1991 to 1998. Mr. DeVoe has been a Director of FEG since 1991 and its Senior Executive Vice President and Chief Financial Officer since 1998. Mr. DeVoe has been a Director of STAR since 1993, a Director of BSKyB since 1994, a Director of NDS since 1996, a Director of Gemstar TV Guide since 2001 and a Director of DIRECTV since 2003.	1990	2007
Viet Dinh (37)	<i>Viet Dinh</i> has been a Director of the Company since 2004. Mr. Dinh has been a Professor of Law at Georgetown University since 1996. Mr. Dinh served as an Assistant Attorney General for Legal Policy in the U.S. Department of Justice from 2001 until 2003. Mr. Dinh is the Chairman of the Nominating and Corporate Governance Committee of the Board.	2004	2007
Lachlan K. Murdoch (33)	<i>Lachlan K. Murdoch</i> has been a Director of the Company since 1996. He served as Deputy Chief Operating Officer of the Company from 2000 to August 2005 and as a Senior Executive Vice President from 1999 to 2000. He served as a Director of News Limited from 1995 to August 2005 and as its Chairman from 1997 to August 2005. Mr. L. K. Murdoch was News Limited's Chief Executive from 1997 to 2000, its Managing Director from 1996 to 1997 and its Deputy Chief Executive from 1995 to 1996. Mr. L.K. Murdoch was a Director of Queensland Press Limited (QPL) from 1994 to August 2005, and its Chairman from 1996 to August 2005. He has served as a Director of NDS from 2002 to August 2005. He served as Deputy Chairman of STAR from 1995 to August 2005, a Director of FOXTEL Management from 1998 to August 2005 and a Director of Gemstar TV Guide from 2001 until 2004. Mr. L.K. Murdoch resigned from all of his executive positions with the Company and its subsidiaries as of August 31, 2005, but will continue to serve as an advisor to the Company.	1996	2006
Thomas J. Perkins (73)	<i>Thomas J. Perkins</i> has been a Director of the Company since 1996. Mr. Perkins has been partner of Kleiner Perkins Caufield & Byers, a venture capital company, since 1972. Mr. Perkins has been a Director of Hewlett Packard since 2004. Mr. Perkins is a member of the Audit and Compensation Committees of the Board.	1996	2006

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Name and Age	Business Experience and Directorships	Director Since	Year Term Expires
Stanley S. Shuman (70)	<i>Stanley S. Shuman</i> has been a Director of the Company since 1982. Mr. Shuman has been a Managing Director of Allen & Company LLC, an investment banking firm, since 1961. Mr. Shuman has been a Director of NAI since 1985 and a Director of Six Flags, Inc. since 2000.	1982	2006
Arthur M. Siskind (66)	<i>Arthur M. Siskind</i> has been a Director of the Company since 1991 and the Senior Advisor to the Chairman of the Company since January 2005. Mr. Siskind served as the Company's Group General Counsel from 1991 to January 2005, as Senior Executive Vice President from 1996 to January 2005, and as Executive Vice President from 1991 to 1996. Mr. Siskind was Senior Executive Vice President and General Counsel of FEG from 1998 to January 2005 and a Director from 1998 to March 2005. Mr. Siskind has served as a Director of BSKyB since 1992. Mr. Siskind was a Director of NAI from 1991 to January 2005 and a Director of STAR from 1993 to January 2005. Mr. Siskind has been a Director of NDS since 1996. Mr. Siskind has been a Member of the Bar of the State of New York since 1962.	1991	2006
John L. Thornton (51)	<i>John L. Thornton</i> has been a Director of the Company since 2004. Mr. Thornton has been a Professor and Director of Global Leadership at Tsinghua University in Beijing since 2003. Mr. Thornton served as President and Co-Chief Operating Officer of The Goldman Sachs Group, Inc. from 1999 until 2003. Mr. Thornton served as a Senior Advisor to The Goldman Sachs Group, Inc. and Trustee of The Goldman Sachs Foundation from 1999 to 2004. Mr. Thornton has been a Director of the Ford Motor Company since 1996, a Director of Intel Corporation since 2003. Mr. Thornton has been a Director of China Netcom Group Corporation (Hong Kong) Limited since 2004 and was a Director of Laura Ashley from 1995 to 2004. Mr. Thornton was a Director of DIRECTV from 2003 to 2004 and was a Director of BSKyB from 1994 to 2004. Mr. Thornton is a member of the Compensation and Nominating and Corporate Governance Committees of the Board.	2004	2006

Compensation of Directors

Directors' fees are not paid to Directors who are executives or employees of the Company (the Executive Directors).

The basic fees payable to the Directors who are not executives of the Company which consists of Messrs. Barnes, Cowley, Dinh, Eddington, Knight, Perkins, Shuman and Thornton (collectively, the Non-Executive Directors) are reviewed and recommended by the Compensation Committee of the Board (the Compensation Committee) and set by the Board. The Compensation Committee periodically reviews director compensation against the Company's peers and considers the appropriateness of the form and amount of director compensation and makes recommendations to the Board concerning director compensation with a view toward attracting and retaining qualified directors.

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For the fiscal year ended June 30, 2005, each of the Non-Executive Directors received an annual retainer of \$125,000, with each Director investing \$40,000 of this retainer in Class A Common Stock through a deferred stock unit account. The value of each deferred stock unit will be paid to the respective Non-Executive Director in cash on the fifth anniversary date of when it was credited to that Director's account, unless that Director leaves the Board before that date. Upon a Non-Executive Director's end of service on the Board, that Director will be paid the value of the shares of Class A Common Stock credited to his or her account at the market value of those shares as of the date of the Director's end of service.

For the fiscal year ended June 30, 2005, in addition to the annual retainer, members of the Board's Audit Committee (the Audit Committee) received \$15,000 per year, members of the Compensation Committee received \$6,000 per year and members of the Board's Nominating and Corporate Governance Committee (the Nominating and Corporate Governance Committee) received \$6,000 per year, with the Audit Committee Chairman receiving an additional \$10,000 per year and the Compensation and Nominating and Corporate Governance Committee Chairmen receiving an additional \$5,000 per year.

As described in Proposal 4, stockholders are being asked to approve an increase in the aggregate annual limit of Directors' fees payable by the Company to its Non-Executive Directors. Stockholder approval of this proposal is required by ASX listing rules. If approved by stockholders, the Company will (i) increase the annual retainer for service as a Non-Executive Director by increasing the portion of the annual retainer invested in Class A Common Stock through a deferred stock unit account from \$40,000 to \$85,000, (ii) increase the retainer paid to members of the Compensation and Nominating and Corporate Governance Committees from \$6,000 to \$10,000, (iii) increase the retainer paid to the Chairman of the Audit Committee from \$10,000 to \$25,000, (iv) increase the retainer paid to the Chairmen of the Compensation and Nominating and Corporate Governance Committees from \$5,000 to \$15,000 and (v) pay a one-time fee to members of the Special Committee's service in connection with the reincorporation of Company to the United States in November 2004. If stockholders approve Proposal 4, the aggregate annual limit of Directors' fees payable by the Company to Non-Executive Directors will increase from the current \$1.4 million to \$3.5 million.

Corporate Governance Matters

Classified Board of Directors. The Company's Amended and Restated Certificate of Incorporation currently provides that the total number of Directors constituting the entire Board shall not be less than three, with the then-authorized number of Directors being fixed from time to time exclusively by the Board. The Board has designated the Board size at 15 members, and currently there are 14 members on the Board. The Board is divided into three classes: Class I, Class II and Class III. Currently the Class I Directors consist of Messrs. K.R. Murdoch, Barnes, Cowley, DeVoe and Dinh.; Class II Directors consist of Messrs. L.K. Murdoch, Perkins, Shuman, Siskind and Thornton; and Class III Directors consist of Messrs. Carey, Chernin, Eddington and Knight. In October 2004, Mr. Bible retired from service on the Board. The Company expects to appoint one additional independent Director as a Class III Director. The terms of office of Directors in Class I, Class II and Class III end upon the later of the annual meeting of stockholders in 2007, 2006 and 2005, respectively, or the election and qualification of such Directors' respective successors. Each Director elected at an annual meeting of stockholders will generally serve for a term ending at the third annual meeting following the annual meeting at which that Director was last elected, or until that Director's successor is elected and qualified. The Nominating and Corporate Governance Committee continues to evaluate the classified board structure and may consider recommending to the Board the elimination of the classified board structure following any elimination of the Company's stockholder rights plan (the Stockholder Rights Plan). However, the Nominating and Corporate Governance Committee has not yet made any determination on this matter at this time. See the description of the Stockholder Rights Plan on page 13.

Board Independence. The Nominating and Corporate Governance Committee adopted the NYSE listing standards' definition of independent to assist the Board in its determination of whether a Director shall be deemed to be independent of the Company. In addition, the NYSE listing standards provide that a Director is not

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independent unless the Board affirmatively determines that the Director has no material relationship with the Company. The Board applies the following categorical standards to assist the Board in determining what constitutes a material relationship with the Company. Generally under these categorical standards, the following relationships are deemed to be material:

A relationship where the Director has been, within the last three years, an employee of the Company (or subsidiary or parent of the Company), or an immediate family member is or has been, within the last three years, an executive officer of the Company;

A relationship where the Director has received or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$100,000 in direct compensation from the Company (or subsidiary or parent of the Company), other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

A relationship where (i) the Director or an immediate family member is a current partner of a firm that is the Company's internal or external auditor; (ii) the Director is a current employee of such a firm; (iii) the Director has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (iv) the Director or an immediate family member was, within the last three years (but is no longer), a partner or employee of such a firm and personally worked on the Company's audit within that time;

A relationship where the Director or an immediate family member is or has been, within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or

A relationship where the Director is a current employee or an immediate family member is a current executive officer of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of the other company's consolidated gross revenues.

For relationships that do not exceed the thresholds set forth above, the determination of whether the relationship is material or not, and, therefore, whether the Director would be independent or not, is made by the Directors who are independent. Generally, the types of relationships not addressed above will not cause an otherwise independent Director to be considered not independent. However, the Board may determine that a Director is not independent for any reason it deems appropriate.

The Board undertook its annual review of Director independence during the first quarter of fiscal year 2006. During this review, the Board considered transactions and relationships between each Director or any member of his immediate family and the Company and its subsidiaries and affiliates. The Board also examined transactions and relationships between the Directors or their affiliates and members of the Company's senior management or their affiliates. The purpose of this review was to determine whether any such relationships or transactions were inconsistent with a determination that the Director is independent.

As a result of this review, the Board affirmatively determined that Messrs. Barnes, Cowley, Dinh, Eddington, Knight, Perkins and Thornton are independent of the Company and its management under the standards set forth by the listing standards of the NYSE.

Statement of Corporate Governance. The Board has adopted a Statement of Corporate Governance which sets forth the Company's corporate governance guidelines and practices. The full text of the Statement of Corporate Governance may be found on the Company's website at www.newscorp.com/corp_gov/socg.html and is available in print to any stockholder requesting a paper copy of the document by contacting the Corporate Secretary.

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Standards of Business Conduct and Code of Ethics. The Board has adopted Standards of Business Conduct (the Standards). The Standards confirm the Company's policy to conduct its affairs in compliance with all applicable laws and regulations and observe the highest standards of business ethics. The Standards also apply to ensure compliance with stock exchange requirements and to ensure accountability at a senior management level for that compliance. The Company intends that the spirit as well as the letter of the Standards is followed by all Directors, officers and employees of the Company, its subsidiaries and divisions. This is communicated to each new Director, officer and employee and has already been communicated to those in positions at the time the Standards were adopted.

To further promote ethical and responsible decisionmaking, the Board has established a Code of Ethics for the Chief Executive Officer and senior financial officers that is included in the Standards.

The full text of the Standards and the Code of Ethics may be found on the Company's website at www.newscorp.com/corp-gov/sobc.html and are available in print to any stockholder requesting a paper copy of the documents by contacting the Corporate Secretary.

Director Nomination Process. The Nominating and Corporate Governance Committee develops criteria for filling vacant Board positions, taking into consideration such factors as it deems appropriate, including the candidate's education and background; his or her general business experience and familiarity with the Company's businesses; and whether he or she possesses unique expertise which will be of value to the Company. Candidates should not have any interests that would materially impair his or her ability to exercise independent judgment or otherwise discharge the fiduciary duties owed as a Director to the Company and its stockholders. All candidates must be individuals of personal integrity and ethical character, and who value and appreciate these qualities in others. It is expected that each Director will devote the necessary time to the fulfillment of his or her duties as a Director. In this regard, the Nominating and Corporate Governance Committee will consider the number and nature of each Director's other commitments, including other directorships. The Nominating and Corporate Governance Committee will seek to promote through the nomination process an appropriate diversity on the Board of professional background, experience, expertise, perspective, age, gender, ethnicity and country of citizenship.

After completing this evaluation, the Nominating and Corporate Governance Committee will make a recommendation to the full Board which makes the final determination whether to nominate or appoint the new Director after considering the Nominating and Corporate Governance Committee's recommendation.

Stockholder Nomination Procedure. The Company's Amended and Restated By-laws provide procedures for stockholders to nominate persons for election as Directors.

Stockholders must provide timely notice of a Director nomination and such nomination must be submitted in writing to the attention of the Corporate Secretary at 1211 Avenue of the Americas, New York, New York 10036. To be timely for the 2006 annual meeting of stockholders, the notice must be delivered to the Corporate Secretary between June 1, 2006 and July 1, 2006. Stockholder nominations must contain, for each person nominated as Director, all information relating to the stockholder nominee as would be required in proxy solicitations pursuant to Rule 14a-8 of Regulation 14A under the Securities Exchange Act of 1934, as amended (the Exchange Act), and the stockholder nominee's written consent to serve as Director if elected. Stockholder nominations must also state the stockholder's name and address as they appear on the Company's books, the class and number of shares of the Company owned by the stockholder, a representation that the stockholder is a holder of record of Class B Common Stock and intends to appear in person or by proxy at such meeting to propose the nomination, and whether such stockholder intends to deliver a proxy statement and form of proxy to a sufficient number of holders of Class B Common Stock to elect such nominee or nominees.

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Director candidates recommended by stockholders should meet the director qualifications set forth under the heading *Director Nomination Process*. Director candidates recommended by stockholders who meet these director qualifications will be considered by the Chairman of the Nominating and Corporate Governance

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Committee, who will present the information on the candidate to the entire Nominating and Corporate Governance Committee. All director candidates recommended by stockholders will be considered by the Nominating and Corporate Governance Committee in the same manner as any other candidate.

Stockholder Communication with the Board. Stockholders play an integral part in corporate governance and the Board ensures that stockholders are kept fully informed through:

information provided on the Company's website www.newscorp.com, including the Company's Annual Report which is distributed to all stockholders in connection with distribution of the Company's proxy statement for its annual meeting of stockholders and which is available to all stockholders on request;

reports and other disclosures made to the Securities and Exchange Commission (the "SEC"), and the stock exchanges in New York, Australia and London; and

notices and proxy statements of special and annual meetings of stockholders.

It is the policy of the Company to facilitate communications of stockholders with the Board and its various committees. Stockholders may raise matters of concern at the annual meetings of stockholders. Communications to any Director, or to any committee of the Board, or to the Board as a whole, should be submitted in writing and sent by regular mail to the attention of Mr. Roderick I. Eddington at News Corporation, 1211 Avenue of the Americas, New York, New York 10036. This information is also posted on the Company's website at www.newscorp.com.

Director Evaluation Policy. The Nominating and Corporate Governance Committee is responsible for conducting an annual review and evaluation of the Board's conduct and performance based upon completion by all Directors of a self-evaluation form that includes an assessment, among other things, of the Board's maintenance and implementation of the Company's standards of conduct and corporate governance policies. The review seeks to identify specific areas, if any, in need of improvement or strengthening and culminates in a discussion by the full Board of the results and any actions to be taken.

Stockholder Rights Plan. On November 8, 2004, the Board adopted the Stockholder Rights Plan. The rights will become exercisable only if a person or group obtains ownership or announces a tender offer that would result in ownership of 15% or more of the Company's Class B Common Stock, at which time each right would enable the holder of such right to buy additional stock of the Company. Following the acquisition of 15% or more of the Company's Class B Common Stock, the holders of rights (other than the acquiring person or group) will be entitled to purchase from the Company shares of the Company's Class B or Class A Common Stock, as applicable, at half price, and in the event of a subsequent merger or other acquisition of the Company, to buy shares of common stock of the acquiring entity at half price. The Stockholder Rights Plan grandfathered holdings of Class B Common Stock, and disclosed contracts permitting the acquisition of Class B Common Stock, in each case that existed at the time the Stockholder Rights Plan was adopted, including the then existing holdings of the Murdoch family and affiliated entities and Liberty Media Corporation ("Liberty"), but any additional acquisitions (subject to a 1% cushion granted to all exempted holders) by the Murdoch family and its affiliated entities or by Liberty and its affiliated entities would trigger the rights.

On August 10, 2005, the Company announced that the Board determined to extend the expiration date of the Stockholder Rights Plan for an additional two-year period. One reason for the initial adoption of the Stockholder Rights Plan was Liberty's decision to enter into arrangements to acquire substantial amounts of the Company's voting stock without prior discussions with, or notice to, the Company. As Liberty continues to own approximately 18% of the Company's Class B Common Stock, and to prevent potential future acquisitions of significant amounts of the Company's voting stock by Liberty without consultation with the Board, the Board has determined to extend the expiration of the Stockholder

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Rights Plan until Liberty and the Company reach a favorable resolution with respect to Liberty's ownership stake in the Company. In that event, the Board expects to redeem the existing Stockholder Rights Plan and will also consider eliminating the Company's classified board structure.

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Committees and Meetings of the Board of Directors

During the fiscal year ended June 30, 2005, the Board held five regularly scheduled meetings and eight special meetings. During the fiscal year 2005, all of the Directors attended at least 75% of the regular and special meetings of the Board and the meetings of the committees on which they served with the exception of Messrs. Carey and Thornton, who each attended over 75% of the regularly scheduled meetings of the Board.

It is the policy of the Board to hold regular executive sessions without management present. During the fiscal year ended June 30, 2005, the Non-Executive Directors of the Board held five executive sessions. The Board has designated Mr. Eddington, as Chairman of the Audit Committee, to preside over the executive sessions. The charters of each of the Audit and Nominating and Corporate Governance Committees authorize the designation of the Chairman of the respective committee to preside over executive sessions, at the direction of the Board.

Directors are encouraged to attend and participate in the Company's annual meetings of stockholders. At the annual meeting of stockholders held by the Company in October 2004, 12 Directors who currently serve on the Board attended the annual meeting.

The Board has three standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. These committees are comprised entirely of independent Directors, as currently required under the existing rules of the Exchange Act and the NYSE. Each committee is governed by a written charter approved by the Board. These charters are available on the Company's website at www.newscorp.com/corp_gov and are available in print to any stockholder requesting a paper copy of these documents from the Corporate Secretary.

Audit Committee. The Audit Committee consists of Mr. Eddington, who serves as chairman of the Audit Committee, and Messrs. Barnes, Knight and Perkins. The Audit Committee assists the Board in its oversight of (i) the integrity of the Company's financial reporting processes and systems of internal control, (ii) the qualifications, independence and performance of the Company's independent registered public accounting firm and the performance of the Company's corporate auditors and corporate audit function and (iii) the Company's compliance with legal and regulatory requirements. The Audit Committee provides an avenue of communication among management, the independent registered public accounting firm, the corporate auditors and the Board. During fiscal year 2005, the Audit Committee held eight meetings. The Audit Committee's report required by the SEC rules appears on page 38.

The Audit Committee Charter provides that its members shall consist entirely of Directors who the Board determines are independent in accordance with the NYSE listing standards. The Board determined that each member of the Audit Committee meets the foregoing independence requirements and that each member of the Audit Committee is financially literate in accordance with the NYSE listing standards. The Board also determined that Messrs. Eddington, Perkins and Barnes are audit committee financial experts as defined under the SEC rules. A copy of the Audit Committee Charter is appended to this proxy statement as [Appendix A](#) and may also be found on the Company's website at www.newscorp.com/corp_gov/bc.html.

Compensation Committee. The Compensation Committee consists of Mr. Knight, who serves as Chairman, and Messrs. Eddington, Perkins and Thornton. The primary responsibilities of the Compensation Committee are: (i) to review and approve goals and objectives relevant to the compensation of the Chief Executive Officer, to evaluate the performance of the Chief Executive Officer in light of these goals and objectives, and to recommend to the Board the compensation of the Chief Executive Officer based on this evaluation; (ii) to consider, recommend and administer and implement the Company's incentive compensation plans and equity-based plans and recommend changes in such plans to the Board as needed; (iii) to review and approve compensation, benefits and terms of employment of senior executives who are members of the Company's Office of the Chairman and (iv) to review the Company's recruitment, retention, compensation, termination and severance policies for

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executives who are members of the Company's Executive Management Committee. These responsibilities are implemented to attract and maintain executive talent and compensate that talent while taking into account corporate performance, all of which is in the best interest of the Company. During the fiscal year ended Jun