

Edgar Filing: NEWS CORP LTD - Form 6-K

NEWS CORP LTD  
Form 6-K  
February 11, 2004

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of February 2004 (February 11, 2004)

THE NEWS CORPORATION LIMITED

-----  
(Name of Registrant)

2 Holt Street, Sydney, New South Wales, 2010, Australia

-----  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:

Form 20-F  X  
-----

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  
-----

No  X  
-----

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  
-----

No  X  
-----

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes  
-----

No  X  
-----

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not Applicable

-----

Edgar Filing: NEWS CORP LTD - Form 6-K

Annexed hereto are copies of announcements by The News Corporation Limited ("News Corporation") of its financial results for the quarter ended December 31, 2003 in Australian and U.S. dollars.

Such announcements were filed with the Australian Stock Exchange and released in New York on February 11, 2004.

SIGNATURES

Pursuant to the requirements 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.

THE NEWS CORPORATION LIMITED

Date: February 11, 2004

By: /s/ Arthur M. Siskind

-----  
Arthur M. Siskind  
Director

EXHIBIT INDEX

Exhibit -----	Page No. in Sequential ----- Numbering System -----
A. Announcement made by News Corporation of its financial results in Australian dollars for the quarter ended December 31, 2003.	5
B. Announcement made by News Corporation of its financial results in U.S. dollars for the quarter ended December 31, 2003.	23

EXHIBIT A

-----

## Edgar Filing: NEWS CORP LTD - Form 6-K

EARNINGS RELEASE FOR THE QUARTER ENDED 31 DECEMBER, 2003 IN AUSTRALIAN DOLLARS

NEWS CORPORATION REPORTS SECOND QUARTER OPERATING  
INCOME OF A\$1.1 BILLION ON REVENUES OF A\$7.9 BILLION

NET PROFIT BEFORE OTHER ITEMS OF A\$575; NET PROFIT  
INCREASES 17% TO A\$501 MILLION

### QUARTER HIGHLIGHTS

- o Strong revenue growth across all major cable channels substantially drives up Cable Network Programming operating income.
- o Television segment operating income up slightly on a US\$ basis as strong advertising demand for the broadcast network's sports schedule and STAR's growing profitability offset tough political advertising comparisons at the station group; Market share at stations group up nearly a full percentage point.
- o Filmed Entertainment operating income on a US\$ basis in line with a year ago as robust home entertainment sales of film and television titles match prior-year success of Ice Age.
- o All print businesses report higher earnings on a US\$ basis led by advertising and circulation revenue gains in U.K. and Australian newspapers, increased page volume at free-standing inserts and several leading titles at HarperCollins.
- o BSKyB's operating profit more than doubles on revenue growth of 17%, primarily from a 10% increase in the DTH subscriber base, now exceeding 7.2 million.
- o Completed acquisition of 34% interest in Hughes Electronics, including leading DTH provider DIRECTV.

SYDNEY, 12 February, 2004 - The News Corporation Limited (ASX: NCP, NCPDP) today reported second quarter consolidated revenues of A\$7.9 billion, a 6% decrease over the A\$8.4 billion in the prior year, and consolidated operating income of A\$1.1 billion, down 19% over the A\$1.3 billion a year ago. The year-on-year declines were primarily a result of the unfavourable impact of the strong Australian dollar. On a US\$ basis revenues increased 19% and operating income increased 4% driven by double-digit increases at the Cable Network Programming, Newspaper and Book Publishing segments.

Net profit for the fiscal second quarter was A\$501 million, an increase of A\$71 million over the A\$430 million reported in the second quarter a year ago. Net profit before other items was A\$575 million, in line with the A\$576 million reported in the prior year.

Commenting on the results, Chairman and Chief Executive Rupert Murdoch said:

"This past quarter saw the Company achieve significant operational and strategic gains. Operationally, we recorded our eighth consecutive quarter of operating income growth, led by double-digit gains at our cable networks, newspapers and book publishing segments, and strong performances from our filmed entertainment and television segments despite difficult

comparisons to prior year results. All of our key assets are performing well, including the television network, which after a difficult start to the broadcast season has once again reclaimed ratings momentum and is now strongly competitive in the key 18-49 demographic.

"Strategically, we have continued to expand our global distribution capabilities with the acquisition of our interest in DirecTV and the rapid

## Edgar Filing: NEWS CORP LTD - Form 6-K

growth at SKY Italia. We are looking forward to the unique opportunities these businesses provide us as we position ourselves for continued strong growth in the years to come."

### Management Review of Performance

The Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Supplemental Financial Data for the three and six months ended 31 December are attached. The following commentary is made in respect of those statements, including an analysis of certain information contained therein.

### Net Profit Attributable to Members of the Parent Entity

The reported net profit attributable to members of the parent entity consisted of the following items:

	3 Months Ended 31 December,		6 Months Ended 31 December	
	2003	2002	2003	
	A\$ Millions (except per share amounts)			
Revenue	\$ 7,899	\$ 8,420	\$ 14,980	\$
Operating income	1,069	1,313	2,164	
Associated entities before other items	68	(69)	155	
Interest expense, net	(154)	(207)	(327)	
Exchangeable securities expense	(27)	(23)	(55)	
Profit before income tax expense, outside equity interest and other items	956	1,014	1,937	
Income tax expense	(306)	(322)	(609)	
Outside equity interest	(75)	(116)	(164)	
Net profit before other items	575	576	1,164	
Other items, net of tax and outside equity interest:				
Group	(49)	(25)	6	
Associated entities	(25)	(121)	(25)	
Total other items	(74)	(146)	(19)	
Net profit attributable to members of the parent entity	\$ 501	\$ 430	\$ 1,145	\$

## Edgar Filing: NEWS CORP LTD - Form 6-K

Earnings per share (diluted) on net profit before other items, net	\$	0.107	\$	0.110	\$	0.219	\$
		=====		=====		=====	=====
Weighted average number of shares outstanding in millions (diluted)		5,354		5,146		5,300	
		=====		=====		=====	=====

The following commentary discusses the major components of these results.

	3 Months Ended 31 December,		6 Months Ended 31 December	
	2003	2002	2003	2002
	----- A\$ Millions		----- A\$ Million	
Filmed Entertainment	\$ 351	\$ 460	\$ 850	\$ 509
Television	236	296	509	468
Cable Network Programming	265	218	468	177
Direct Broadcast Satellite Television*	(149)	-	(327)	398
Magazines & Inserts	89	107	177	170
Newspapers	243	184	398	81
Book Publishing	80	86	170	-
Other	(46)	(38)	(81)	-
	-----	-----	-----	-----
Consolidated Operating Income	\$ 1,069	\$ 1,313	\$ 2,164	\$ 1,313
	=====	=====	=====	=====

\* New segment reflecting the results of SKY Italia, consolidated as of 1 May, 2003

Second quarter net earnings from associated entities before other items were A\$68 million versus losses of A\$69 million in the same period a year ago, primarily due to the absence of Stream's losses in the current year. In addition, contributions from BSKYB increased partly due to improved earnings resulting from a 10% increase in the DTH subscriber base, as well as earnings that were not reflected for a portion of the prior year's quarter. These favourable variances were partially offset by lower foreign currency gains at Sky Brasil. A detailed discussion of the components of associated entities earnings is provided later in the release.

Second quarter net profit before other items of A\$575 million (A\$0.107 per share) was in-line with the A\$576 million (A\$0.110 per share) in the prior year primarily due to lower consolidated operating income offset by the significant improvement in net earnings from associated entities.

The following commentary is discussed primarily in U.S. dollars

### REVIEW OF OPERATING RESULTS

#### FILMED ENTERTAINMENT

The Filmed Entertainment segment reported second quarter operating income of

## Edgar Filing: NEWS CORP LTD - Form 6-K

US\$253 million, in-line with the US\$255 million reported in the same period a year ago, which included the blockbuster worldwide home entertainment performances of Ice Age and Star Wars Episode II: Attack of the Clones. Current-year results primarily reflected strong contributions from several film and television home entertainment releases as well as pay-TV and free-TV contributions from catalog titles.

Very strong current-quarter film results were largely driven by the worldwide home entertainment performances of X-2: X-Men United and 28 Days Later as well as various catalog titles. Additionally, the domestic home entertainment performances of Bend it Like Beckham and League of Extraordinary Gentlemen also contributed to the strong quarterly results. These contributions were partially offset by marketing costs for several new releases including Master and Commander: The Far Side of The World which garnered ten Academy Award nominations, including Best Picture, the Farrelly Brothers comedy Stuck on You and Cheaper by the Dozen, which has brought in more than US\$130 million domestically since its Christmas release.

Twentieth Century Fox Television (TCFTV) contributions primarily reflected continued momentum in home entertainment sales, most notably from The Simpsons, Buffy the Vampire Slayer, Family Guy and 24, offset by lower network revenue from The Practice. Several TCFTV shows garnered Golden Globe nominations during the quarter including Bernie Mac, Arrested Development, Reba and Best Drama winner 24.

### TELEVISION

The Television segment reported second quarter operating income of US\$168 million, an increase of US\$3 million versus the same period a year ago, primarily reflecting improvement at the FOX Broadcasting Company and higher contributions from STAR, partially offset by a decline at the Fox Television Stations.

At the FOX Broadcasting Company, second quarter operating income improved by US\$21 million compared to a year ago due principally to improved sports advertising, particularly from Major League Baseball with ratings up nearly 30% for the post-season. Additionally, higher pricing for the primetime entertainment schedule more than offset a 10% decline in ratings and increased promotional costs. Following the end of the quarter, the network premiered several shows that are winning their time slots among all key demographics, including American Idol and My Big Fat Obnoxious Fiance.

Fox Television Stations (FTS) second quarter operating income declined 9% from the prior year as market share growth of nearly a full percentage point was more than offset by an overall market-wide decline, primarily from non-recurring political advertising. FTS, excluding primetime, achieved ratings growth in the quarter across all key day-parts, particularly during the morning and early evening news programming periods.

STAR, bolstered by a 20% increase in revenues, substantially increased its second quarter operating income versus prior year. Revenue gains were driven by both advertising and subscription growth primarily at STAR Plus which, on average, continues to deliver all of the top 10 cable programs in India.

### CABLE NETWORK PROGRAMMING

Cable Network Programming reported second quarter operating income of US\$187 million, an increase of US\$66 million or 55% over last year's results reflecting strong growth across all of the Company's primary cable television channels as

## Edgar Filing: NEWS CORP LTD - Form 6-K

well as the recovery of US\$15 million of Adelphia receivables which had been previously written off.

The Fox News Channel (FNC) reported operating income growth of 23% compared to the second quarter a year ago fueled by double-digit revenue growth, primarily from increased ad sales, partially offset by higher costs associated with covering the war. During the quarter, FNC once again achieved the highest viewership among all cable news channels, expanding its lead to 42% in primetime and 57% on a 24-hour basis.

Fox Cable Networks' (including the Regional Sports Networks (RSNs), the FX Channel (FX) and SPEED Channel) operating profit improved 52% during the quarter driven by double-digit revenue growth at both the RSNs and FX. The revenue increase at the RSNs was largely due to higher affiliate rates, additional DTH subscribers and increased advertising sales versus a year ago. FX achieved revenue gains from increases in both advertising and affiliate revenues fueled by ratings gains, higher advertising pricing and a 4% expansion in the subscriber base over the past year.

### DIRECT BROADCAST SATELLITE TELEVISION

On 30 April, 2003 the Company completed the acquisition of the Italian pay-TV business Telepiu and combined it with Stream. News Corporation owns 80.1% of the combined entity, SKY Italia, whose results comprise this segment. During the second quarter, SKY Italia reported an operating loss of US\$106 million on revenues of US\$421 million while increasing the subscriber base to more than 2.4 million. Over 90% of the new subscribers during the quarter opted for a premium-programming tier including movies and/or sports programming.

### MAGAZINES AND INSERTS

The Magazines and Inserts segment reported second quarter operating income of US\$63 million, an increase of US\$4 million versus a year ago. The improvement was primarily driven by higher contributions from the Free Standing Inserts division, principally as a result of increased demand for packaged goods pages, partially offset by lower contributions from the InStore division.

### NEWSPAPERS

The Newspaper segment reported second quarter operating income of US\$170 million, a 67% increase versus the same period a year ago reflecting circulation revenue increases in the U.K. combined with advertising strength in both the U.K. and Australia.

The U.K. newspaper group reported operating income growth of 61% in local currency terms for the second quarter compared to the prior year, driven by both circulation and advertising revenue gains partially offset by costs associated with the launch of the tabloid version of The Times. Circulation revenue growth was achieved across all titles, with the largest increase at The Sun, where reduced cover price initiatives during the second quarter a year ago adversely affected results. The improvement in advertising was primarily driven by growth at The Sun on the strength of higher classified and display advertisements.

The Australian newspaper group reported a 16% increase in operating income in local currency terms, primarily driven by an 11% increase in advertising revenue compared to a year ago. Both display and classified advertising showed increases across all categories, with the strongest growth in the national, retail and real estate sectors.

## Edgar Filing: NEWS CORP LTD - Form 6-K

### BOOK PUBLISHING

HarperCollins reported operating income of US\$57 million during the quarter, an increase of US\$9 million compared to the same period a year ago. The 19% growth was led by the phenomenal success of Zondervan's *The Purpose Driven Life*, the best-selling non-fiction book of calendar 2003 with more than 11 million English language copies sold in the United States. During the quarter, HarperCollins had 30 titles on The New York Times bestseller lists including three titles that reached the #1 spot.

### OTHER

At the end of the quarter, the Company completed the acquisition of 34% of the outstanding common stock of Hughes Electronics for approximately US\$3.1 billion in cash and 522.8 million preferred limited voting ordinary shares. At closing, News Corporation's ownership interest was transferred to Fox Entertainment Group, Inc. (FEG) in exchange for US\$4.5 billion in promissory notes and

approximately 74.5 million shares in FEG, increasing News Corporation's ownership interest in FEG from 80.6% to approximately 82%.

Also during the quarter, the Company announced it had reached an agreement in principle for the sale of the Los Angeles Dodgers. The sale has been approved by Major League Baseball and is expected to close shortly, subject to customary closing conditions.

An interim unfranked dividend of A\$0.015 per Ordinary share and an unfranked dividend of A\$0.0375 per Preferred Limited Voting Ordinary share has been declared and is payable on 30 April, 2004. The Company's Dividend Reinvestment Plan ("Plan") remains in operation and a discount of 10% will apply in determining the allotment price calculated in accordance with the Plan rules. The record date for determining dividend entitlements and Plan participation is 26 March, 2004. The ex-dividend date will be 22 March, 2004.

### REVIEW OF ASSOCIATED ENTITIES RESULTS

Second quarter net earnings from associated entities before other items were A\$68 million versus losses of A\$69 million in the same period a year ago, primarily due to the absence of Stream's losses in the current year. In addition, contributions from BSKyB increased partly due to improved earnings resulting from a 10% increase in the DTH subscriber base, as well as earnings that were not reflected for a portion of the prior year's quarter. These favourable variances were partially offset by lower foreign currency gains at Sky Brasil.

The Company's share of associated entities' earnings (losses) is as follows:

	3 Months Ended		6 Months Ended
	31 December,		31 December,
% Owned	2003	2002	2003



Edgar Filing: NEWS CORP LTD - Form 6-K

			US\$ Millions		US\$ Millions	
BSkyB	35.4%	(a)	\$ 42	\$ 19	\$ 95	\$
Sky Brasil	49.7%	(b)	(6)	10	(14)	
Innova - Mexico	30.0%		-	(9)	(10)	
FOXTEL - Australia	25.0%		(4)	(2)	(7)	
Stream	50.0%	(c)	-	(61)	-	
Fox Sports Cable Networks	Various		-	(3)	9	
ESPN STAR Sports	50.0%		1	-	2	
Other Associates	Various	(d)	16	7	31	
-----						
Total associated entities' earnings (losses) before other items			\$ 49	\$ (39)	\$ 106	\$
Other items			(17)	(67)	(17)	
-----						
Total associated entities' earnings (losses)			\$ 32	\$ (106)	\$ 89	\$
=====						
-----						
Total associated entities' earnings (losses)			A\$ 43	A\$ (190)	A\$ 130	A\$
=====						

Further details on the associated entities follow.

- 
- (a) The Company's investment basis in BSKyB was negative from 31 December, 2001 through 11 November, 2002. Accordingly, the Company's share of BSKyB's results was not recognised during that period.
- (b) Represents the Company's economic interest, which was 46.7% as of 31 December, 2002. The Company continues to hold a 36% equity interest in Sky Brasil.
- (c) The Company's share of Stream's losses was included as part of associated entities from 1 April, 2002 through 30 April, 2003, when it merged with Telepiu to form the consolidated entity SKY Italia.
- (d) Primarily comprising Gemstar-TV Guide International, Independent Newspapers Limited, and Queensland Press.

BSkyB (in STG) - Europe		3 Months Ended		6 Months
		31 December, 2003	2002*	31 December, 2003
		-----		-----
		Millions (except subscribers)		Millions (except
Revenues	(pound)	916	(pound) 785	(pound) 1,766
Operating profit before exceptional items		103	48	225

Edgar Filing: NEWS CORP LTD - Form 6-K

Net income before exceptional items	(pound)	40 (pound)	36 (pound)	104 (pou
		=====	=====	=====
AGAAP adjustment (in US\$) (1)		18	13	34
		-----	-----	-----
News' 35.4% share (in US\$)	\$	42	\$ 34	\$ 95
		=====	=====	=====
Investment basis adjustment (a)		-	(15)	-
		-----	-----	-----
News' reportable share (in US\$)	\$	42	\$ 19	\$ 95
		=====	=====	=====
Net debt (excluding capitalised leases)			(pound)	751 (
Ending Subscribers				11,070,000
DTH Subscribers				7,208,000

\* Does not reflect BSkyB's adoption of accounting abstract UITF 38.

BSkyB's quarterly revenues increased 17% in local currency terms largely due to DTH subscriber growth, an increase in average revenue per subscriber and improved interactive revenues. Operating profit before exceptional items increased 115% due to increased revenues, partially offset by higher programming expenses from increased sports rights (mainly soccer and cricket) as well as higher betting and subscriber management costs. The increase in net income before exceptional items reflects the improvement in operating income largely offset by an increase in the tax provision resulting from higher earnings in the current year as well as the absence of a tax benefit that was recorded in the prior year's quarter.

Sky Brasil (in US\$)

	3 Months Ended 31 December,		6 Months 31 Decem	
	2003	2002	2003	
	Millions (except subscribers)		Millions (except	
Revenues (in local currency)	R\$ 158	R\$ 138	R\$ 320	
Revenues	55	37	110	
Operating loss	(3)	(8)	-	
Net income (loss)	\$ (11)	\$ 21	\$ (28)	
	=====	=====	=====	
News' reportable 49.7%/46.7% share (in US\$)	\$ (6)	\$ 10	\$ (14)	
	=====	=====	=====	
Net debt (excluding capitalised leases)			\$ 216	
Ending Subscribers			784,000	

Sky Brasil's revenues grew 14% in local currency terms in the quarter compared to prior year primarily driven by a higher subscriber base and increased average revenue per subscriber. The revenue growth for the quarter was partly offset by increased marketing costs due to new campaigns to grow the subscriber base. The

## Edgar Filing: NEWS CORP LTD - Form 6-K

increase in net loss in the current quarter principally reflects lower foreign currency gains versus a year ago.

### Innova (in US\$) - Mexico

	3 Months Ended 31 December, 2003		3 Months Ended 31 December, 2002		6 Months Ended 31 December, 2003	
	Millions (except subscribers)		Millions (except subscribers)		Millions (except subscribers)	
Revenues (in local currency)	Ps	1,013	Ps	805	Ps	1,922
Revenues		90		80		175
Operating income		16		6		28
Net loss	\$	(1)	\$	(30)	\$	(33)
News' reportable 30% share (in US\$)	\$	-	\$	(9)	\$	(10)
Net Debt (excluding capitalised leases)					\$	344
Ending Subscribers						857,000

Innova's revenues grew 26% in local currency terms compared to prior year primarily driven by a 15% increase in the subscriber base. The decrease in net loss during the quarter principally reflects lower interest expense resulting from the refinancing of debt and lower foreign currency losses versus a year ago.

### FOXTEL (in A\$)

	3 Months Ended 31 December, 2003		3 Months Ended 31 December, 2002		6 Months Ended 31 December, 2003	
	Millions (except subscribers)		Millions (except subscribers)		Millions (except subscribers)	
Revenues	A\$	186	A\$	150	A\$	368
Operating loss		(31)		(20)		(58)
Net loss	A\$	(22)	A\$	(13)	A\$	(40)
News' reportable 25% share (in US\$)	\$	(4)	\$	(2)	\$	(7)
Ending Subscribers (including Optus)						1,073,000

FOXTEL's revenues for the quarter increased 24% principally due to an increase of 18% in satellite subscribers compared to a year ago, higher average revenue per subscriber, and the inclusion of Optus wholesale subscribers as of 1,

Edgar Filing: NEWS CORP LTD - Form 6-K

December, 2002. Net loss for the quarter increased A\$9 million against the prior year as the increased subscriber revenues were more than offset by subscriber acquisition expenses, the development of a future digital service, higher depreciation expense and the inclusion of Optus license fee costs. Total subscribers (including Optus wholesale) have increased by 2.2% over prior year while FOXTEL managed subscribers have increased by 6.6%.

Fox Sports Cable Networks* (in US\$)	3 Months Ended 31 December,		6 Months 31 Decem	
	2003	2002	2003	2002
	-----		-----	
	Millions (except subscribers)		Millions (except	
News' reportable share*	\$	-	\$	(3)
	=====	=====	\$	9
Ending Subscribers				44,068,000

The improved results for the quarter primarily reflect the effect of cost savings at the Metro Channels and reduced programming costs at National Sports Partners.

\* Various associated interests ranging from approximately 20 percent to 60 percent, primarily comprising Regional Programming Partners (including Madison Square Garden), National Sports Partners and National Advertising Partners.

ESPN STAR Sports (in US\$) - Asia	3 Months Ended 31 December,		6 Months End 31 December	
	2003	2002	2003	2002
	-----		-----	
	Millions		Millions	
Revenues	\$	42	\$	39
Operating income (loss)		4		(1)
Net income (loss)	\$	3	\$	(1)
	=====	=====	\$	76
News' reportable 50% share	\$	1	\$	-
	=====	=====	\$	2

Operating income improved \$5 million due to higher subscription revenues from India, stronger syndication revenues from Bangladesh Cricket and lower costs associated with various cricket events.

Edgar Filing: NEWS CORP LTD - Form 6-K

1 Principally reflects adjustments for reporting under Australian Generally Accepted Accounting Principles ("AGAAP") relating to identifiable intangible amortisation.

Foreign Exchange Rates  
-----

Average foreign exchange rates used in the year-to-date profit results are as follows:

	6 Months Ended 31 December,	
	2003	2002
	-----	-----
Australian Dollar/U.S Dollar	0.68	0.55
U.K. Pounds Sterling/U.S. Dollar	1.66	1.56
Euro/U.S. Dollar	1.16	0.99

To receive a copy of this press release through the Internet, access News Corp's corporate Web site located at <http://www.newscorp.com>

Audio from News Corp's conference call with analysts on the second quarter results can be heard live on the Internet at 2:00 a.m. Eastern Summer (Australia) Time today. To listen to the call, visit <http://www.newscorp.com>

Cautionary Statement Concerning Forward-Looking Statements

This document contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially from these expectations due to changes in global economic, business, competitive market and regulatory factors. More detailed information about these and other factors that could affect future results is contained in our filings with the Securities and Exchange Commission. The "forward-looking statements" included in this document are made only as of the date of this document and we do not have any obligation to publicly update any "forward-looking statements" to reflect subsequent events or circumstances, except as required by law.

-----  
CONTACTS:

Reed Nolte, Investor Relations  
212-852-7092

Andrew Butcher, Press Inquiries  
212-852-7070

Edgar Filing: NEWS CORP LTD - Form 6-K

STATEMENT OF FINANCIAL PERFORMANCE a

	Note	3 Months Ended 31 December,	
		2003	2002
A\$ Millions (except where otherwise indicated)			
Sales revenue	1	\$ 7,899	\$ 8,420
Operating expenses		(6,830)	(7,107)
Operating income	1	1,069	1,313
Net profit (loss) from associated entities		43	(190)
Borrowing costs		(203)	(249)
Interest income		49	42
Net borrowing costs		(154)	(207)
Exchangeable securities expense		(27)	(23)
Other items before income tax, net		(99)	(47)
Profit from ordinary activities before income tax		832	846
Income tax expense on:			
Ordinary activities before other items		(306)	(322)
Other items		35	22
Net income tax expense		(271)	(300)
Net profit from ordinary activities after tax		561	546
Net profit attributable to outside equity interests		(60)	(116)
Net Profit Attributable to Members of the Parent Entity		\$ 501	\$ 430
Net exchange gains recognised directly in equity		(2,016)	(799)
Other items recognised directly in equity		-	152
Total change in equity other than those resulting from transactions with owners as owners		\$ (1,515)	\$ (217)
Diluted earnings per share on net profit attributable to members of the parent entity			
Ordinary shares		\$ 0.083	\$ 0.072
Preferred limited voting ordinary shares		\$ 0.099	\$ 0.087
Ordinary and preferred limited voting ordinary shares		\$ 0.093	\$ 0.081

Edgar Filing: NEWS CORP LTD - Form 6-K

-----  
a Following the issuance in June 2002 of the revised Australian Accounting Standard AASB 1018 "Statement of Financial Performance" this statement has been reformatted from previous presentations to be consistent with the format prescribed in the revised Australian Accounting Standard.

STATEMENT OF FINANCIAL POSITION

31 December,  
2003

ASSETS

Current Assets

Cash	\$	3,377
Cash on deposit		396
Receivables		6,188
Inventories		2,341
Other		659
Total Current Assets		12,961

Non-Current Assets

Cash on deposit		-
Receivables		1,125
Investments in associated entities		14,318
Other investments		869
Inventories		3,772
Property, plant and equipment		5,666
Publishing rights, titles and television licenses		29,994
Goodwill		328
Other		737
Total Non-Current Assets		56,809

Total Assets

\$ 69,770

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities

Interest bearing liabilities	\$	414
Payables		8,104
Tax liabilities		762
Provisions		252
Total Current Liabilities		9,532

Non-Current Liabilities

Interest bearing liabilities		11,702
Payables		3,093
Tax liabilities		711
Provisions		1,074
Total Non-Current Liabilities Excluding Exchangeable Preferred Securities		16,580

Edgar Filing: NEWS CORP LTD - Form 6-K

Exchangeable preferred securities	1,903
Total Liabilities	28,015
Shareholders' Equity	
Contributed equity	34,303
Reserves	528
Retained profits	1,768
Shareholders' equity attributable to members of the parent entity	36,599
Outside equity interests in controlled entities	5,156
Total Shareholders' Equity	41,755
Total Liabilities and Shareholders' Equity	\$ 69,770

STATEMENT OF CASH FLOWS

6 Months Ende  
2003

Operating Activity	A\$
Net profit attributable to members of the parent entity	\$ 1,145
Adjustment for non-cash and non-operating activities:	
Equity earnings, net	(140)
Outside equity interest	164
Depreciation and amortisation	437
Other items, net	19
Change in assets and liabilities:	
Receivables	(1,496)
Inventories	(570)
Payables	789
Other liabilities	449
Cash provided by operating activity	797
Investing and other activity	
Property, plant and equipment	(184)
Acquisitions, net of cash acquired	(199)
Investments and acquisitions of interests in associated entities	(4,297)
Other investments	(66)
Repayment of loans by associate	-
Proceeds from sale of non-current assets	523
Cash used in investing activity	(4,223)
Financing activity	
Issuance of debt	485
Repayment of debt and exchangeable securities	(647)
Decrease in cash on deposit	212



Edgar Filing: NEWS CORP LTD - Form 6-K

Issuance of shares	759
Dividends paid	(131)
Leasing and other finance costs	-
	-----
Cash provided by financing activity	678
	-----
Net decrease in cash	(2,748)
Opening cash balance	6,746
Exchange movement on opening balance	(621)
	-----
Closing cash balance	\$ 3,377
	=====

Note 1 - SEGMENT DATA

BY GEOGRAPHIC AREAS

3 Months Ended  
31 December,  
2003                      2002

	-----	
	A\$ Millions	
Revenues		
United States	\$ 5,564	\$ 6,605
Europe	1,635	1,151
Australasia	700	664
	-----	-----
	\$ 7,899	\$ 8,420
	=====	=====

Operating Income

United States	\$ 888	\$ 1,052
Europe	28	149
Australasia	153	112
	-----	-----
	\$ 1,069	\$ 1,313
	=====	=====

BY INDUSTRY SEGMENT

Revenues

Filmed Entertainment	\$ 1,940	\$ 2,403
Television	2,215	2,598
Cable Network Programming	836	901
Direct Broadcast Satellite Television*	600	-
Magazines and Inserts	321	387
Newspapers	1,212	1,208
Book Publishing	479	587
Other	296	336
	-----	-----
	\$ 7,899	\$ 8,420
	=====	=====

Edgar Filing: NEWS CORP LTD - Form 6-K

Operating Income

Filmed Entertainment	\$ 351	\$ 460
Television	236	296
Cable Network Programming	265	218
Direct Broadcast Satellite Television*	(149)	-
Magazines and Inserts	89	107
Newspapers	243	184
Book Publishing	80	86
Other	(46)	(38)
	-----	-----
	\$ 1,069	\$ 1,313
	=====	=====

\* New segment reflecting the results of SKY Italia, consolidated as of 1 May, 2003.

Note 2 - SUPPLEMENTAL FINANCIAL DATA

The Company considers net profit before other items to be an important indicator of the Company's operating performance on a consolidated basis. Net profit before other items, defined as net profit attributable to members of the parent entity before other items related to the Company and associated entities, net of applicable income tax expenses and outside equity interests, eliminates the effect of transactions that are considered significant by reason of their size, nature or effect on the Company's financial performance for the year. Net profit before other items should be considered in addition to, not as a substitute for the Company's operating income, net profit attributable to members of the parent entity, cash flows and other measures of financial performance prepared in accordance with generally accepted accounting principles in Australia. Net profit before other items does not reflect cash available to fund requirements, and the items excluded from net profit before other items, such as other revenues and expenses, are significant components in assessing the Company's financial performance.

The following table reconciles certain components of net profit attributable to members of the parent entity as presented on page 3 of this release to the presentation required under Australian GAAP as required by Australian Accounting Standard AASB 1018 "Statement of Financial Performance" on page 13 of this release.

	3 Months Ended		6
	31 December,		3
	2003	2002	2003
	-----		-----
	A\$ Millions		A
Total other items (page 3)	\$ (74)	\$ (146)	(
Reclassification of other items - associated entities	25	121	
Reclassification of income tax and net profit attributable to outside equity interest	(50)	(22)	(
	-----	-----	-----

Edgar Filing: NEWS CORP LTD - Form 6-K

Other items before income tax, net (page 13)	\$ (99)	\$ (47)	\$
Associated entities before other items (page 3)	\$ 68	\$ (69)	\$ 1
Reclassification of other items - associated entities	(25)	(121)	(
Net profit (loss) from associated entities (page 13)	\$ 43	\$ (190)	\$ 1
Income tax expense (page 3)	\$ (306)	\$ (322)	\$ (6
Reclassification of income tax expense on other items	35	22	
Net income tax expense (page 13)	\$ (271)	\$ (300)	\$ (6
Outside equity interest (page 3)	\$ (75)	\$ (116)	\$ (1
Reclassification of outside equity interest on other items, net	15	-	
Net profit attributable to outside equity interest (page 13)	\$ (60)	\$ (116)	\$ (1

SUPPLEMENTAL FINANCIAL DATA (continued)

	3 Months Ended 31 December,		6 3
	2003	2002	2003
	A\$ Millions		A
Net profit before other items (page 3)	\$ 575	\$ 576	\$ 1,1
Other items before income tax, net	(99)	(47)	
Reclassification of income tax and net profit attributable to outside equity interest	50	22	
Reclassification of other items - associated entities	(25)	(121)	(
Net profit attributable to members of the parent entity (page 13)	\$ 501	\$ 430	\$ 1,1
Earnings per share on net profit before other items, net (page 3)	\$ 0.107	\$ 0.110	\$ 0.
Earnings per share on other items before income tax, net	(0.018)	(0.009)	(0.
Earnings per share on reclassification of income tax and net profit attributable to outside equity interest	0.009	0.004	0.
Earnings per share on reclassification of other			

Edgar Filing: NEWS CORP LTD - Form 6-K

items - associated entities	(0.005)	(0.024)	(0.
	-----	-----	-----
Diluted earnings per share on net profit attributable to members of the parent entity (page 13)	\$ 0.093	\$ 0.081	\$ 0.
	=====	=====	=====

EXHIBIT B

-----

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2003 IN U.S. DOLLARS  
PREPARED FOR THE U.S. MARKET. AUSTRALIAN READERS SHOULD  
REFER TO THE AUSTRALIAN DOLLAR EARNINGS RELEASE

News Corporation Reports Second Quarter Operating Income of \$760  
Million; Eighth Consecutive Quarter of Year-on-Year Growth

Revenues Increase 19% to \$5.6 Billion

Net Profit before Other Items Increases 28% to \$410 Million;  
Net Profit Increases 51% to \$361 Million

-- QUARTER HIGHLIGHTS

- Strong revenue growth across all major cable channels substantially drives up Cable Network Programming operating income.
- Television segment operating income up slightly as strong advertising demand for the broadcast network's sports schedule and STAR's growing profitability offset tough political advertising comparisons at the station group; Market share at stations group up nearly a full percentage point.
- Filmed Entertainment operating income in line with a year ago as robust home entertainment sales of film and television titles match prior-year success of Ice Age.

## Edgar Filing: NEWS CORP LTD - Form 6-K

- All print businesses report higher earnings led by advertising and circulation revenue gains in U.K. and Australian newspapers, increased page volume at free-standing inserts and several leading titles at HarperCollins.
- B SkyB's operating profit more than doubles on revenue growth of 17%, primarily from a 10% increase in the DTH subscriber base, now exceeding 7.2 million.
- Completed acquisition of 34% interest in Hughes Electronics, including leading DTH provider DIRECTV.

NEW YORK--Feb. 11, 2004--The News Corporation Limited (NYSE: NWS, NWSA) today reported second quarter consolidated revenues of \$5.6 billion, a 19% increase over the \$4.7 billion in the prior year, and consolidated operating income of \$760 million, up 4% over the \$729 million a year ago, despite the inclusion of \$106 million in losses from SKY Italia in the quarter. The year-on-year growth was driven by double-digit increases at the Cable Network Programming, Newspaper and Book Publishing segments.

Net profit for the fiscal second quarter was \$361 million, an increase of \$122 million over the \$239 million reported in the second quarter a year ago. Net profit before other items was \$410 million, an increase of \$90 million over the \$320 million reported in the prior year.

Commenting on the results, Chairman and Chief Executive Rupert Murdoch said:

"This past quarter saw the Company achieve significant operational and strategic gains. Operationally, we recorded our eighth consecutive quarter of operating income growth, led by double-digit gains at our cable networks, newspapers and book publishing segments, and strong performances from our filmed entertainment and television segments despite difficult comparisons to prior year results. All of our key assets are performing well, including the television network, which after a difficult start to the broadcast season has once again reclaimed ratings momentum and is now strongly competitive in the key 18-49 demographic.

"Strategically, we have continued to expand our global distribution capabilities with the acquisition of our interest in DirecTV and the rapid growth at SKY Italia. We are looking forward to the unique opportunities these businesses provide us as we position ourselves for continued strong growth in the years to come."

### MANAGEMENT REVIEW OF PERFORMANCE

The Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Supplemental Financial Data for the three and six months ended December 31st are attached. The following commentary is made in respect of those statements, including an analysis of certain information contained therein.

### NET PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY

The reported net profit attributable to members of the parent entity consisted of the following items:

Edgar Filing: NEWS CORP LTD - Form 6-K

	3 Months Ended December 31, 2003		6 Months Ended December 31, 2003	
	2002	2003	2002	2003
	-----			
	US \$ Millions (except per ADR amounts)			
Revenue	\$5,588	\$4,681	\$10,237	\$8,494
	-----			
Operating income	760	729	1,479	1,277
Associated entities before other items	49	(39)	106	(135)
Interest expense, net	(110)	(115)	(224)	(239)
Exchangeable securities expense	(19)	(12)	(37)	(25)
	-----			
Profit before income tax expense, outside equity interest and other items	680	563	1,324	878
Income tax expense	(217)	(178)	(416)	(276)
Outside equity interest	(53)	(65)	(112)	(120)
	-----			
Net profit before other items	410	320	796	482
	-----			
Other items, net of tax and outside equity interest:				
Group	(32)	(14)	4	(14)
Associated entities	(17)	(67)	(17)	(67)
	-----			
Total other items	(49)	(81)	(13)	(81)
	-----			
Net profit attributable to members of the parent entity	\$ 361	\$ 239	\$ 783	\$ 401
	=====			
Earnings per ADR (diluted) on net profit before other items, net	\$ 0.30	\$ 0.24	\$ 0.60	\$ 0.36
	=====			
Weighted average number of ADRs outstanding in millions (diluted)	1,339	1,286	1,325	1,284
	=====			

The following commentary discusses the major components of these results.

Consolidated Operating Income

	3 Months Ended December 31, 2003		6 Months Ended December 31, 2003	
	2002	2003	2002	2003
	-----		-----	
	US \$ Millions		US \$ Millions	
Filmed Entertainment	\$ 253	\$255	\$ 581	\$ 355
Television	168	165	347	353
Cable Network Programming	187	121	320	239
Direct Broadcast Satellite Television*	(106)	-	(223)	-

Edgar Filing: NEWS CORP LTD - Form 6-K

Magazines & Inserts	63	59	121	110
Newspapers	170	102	272	159
Book Publishing	57	48	116	106
Other	(32)	(21)	(55)	(45)
	-----	-----	-----	-----
Consolidated Operating Income	\$ 760	\$729	\$1,479	\$1,277
	=====	=====	=====	=====

\* New segment reflecting the results of SKY Italia, consolidated as of May 1, 2003

Second quarter net earnings from associated entities before other items were \$49 million versus losses of \$39 million in the same period a year ago, primarily due to the absence of Stream's losses in the current year. In addition, contributions from BSKyB increased partly due to improved earnings resulting from a 10% increase in the DTH subscriber base, as well as earnings that were not reflected for a portion of the prior year's quarter. These favorable variances were partially offset by lower foreign currency gains at Sky Brasil. A detailed discussion of the components of associated entities earnings is provided later in the release.

Second quarter net profit before other items increased to \$410 million (\$0.30 per ADR) versus \$320 million (\$0.24 per ADR) in the prior year primarily due to higher consolidated operating income and the significant improvement in net earnings from associated entities.

REVIEW OF OPERATING RESULTS

FILMED ENTERTAINMENT

The Filmed Entertainment segment reported second quarter operating income of \$253 million, in-line with the \$255 million reported in the same period a year ago, which included the blockbuster worldwide home entertainment performances of Ice Age and Star Wars Episode II: Attack of the Clones. Current-year results primarily reflected strong contributions from several film and television home entertainment releases as well as pay-TV and free-TV contributions from catalog titles.

Very strong current-quarter film results were largely driven by the worldwide home entertainment performances of X-2: X-Men United and 28 Days Later as well as various catalog titles. Additionally, the domestic home entertainment performances of Bend it Like Beckham and League of Extraordinary Gentlemen also contributed to the strong quarterly results. These contributions were partially offset by marketing costs for several new releases including Master and Commander: The Far Side of The World which garnered ten Academy Award nominations, including Best Picture, the Farrelly Brothers comedy Stuck on You and Cheaper by the Dozen, which has brought in more than \$130 million domestically since its Christmas release.

Twentieth Century Fox Television (TCFTV) contributions primarily reflected continued momentum in home entertainment sales, most notably from The Simpsons, Buffy the Vampire Slayer, Family Guy and 24, offset by lower network revenue from The Practice. Several TCFTV shows garnered Golden Globe nominations during the quarter including Bernie Mac, Arrested Development, Reba and Best Drama winner 24.

TELEVISION

The Television segment reported second quarter operating income of \$168 million, an increase of \$3 million versus the same period a year ago, primarily reflecting improvement at the FOX Broadcasting Company

## Edgar Filing: NEWS CORP LTD - Form 6-K

and higher contributions from STAR, partially offset by a decline at the Fox Television Stations.

At the FOX Broadcasting Company, second quarter operating income improved by \$21 million compared to a year ago due principally to improved sports advertising, particularly from Major League Baseball with ratings up nearly 30% for the post-season. Additionally, higher pricing for the primetime entertainment schedule more than offset a 10% decline in ratings and increased promotional costs. Following the end of the quarter, the network premiered several shows that are winning their time slots among all key demographics, including American Idol and My Big Fat Obnoxious Fiance.

Fox Television Stations (FTS) second quarter operating income declined 9% from the prior year as market share growth of nearly a full percentage point was more than offset by an overall market-wide decline, primarily from non-recurring political advertising. FTS, excluding primetime, achieved ratings growth in the quarter across all key day-parts, particularly during the morning and early evening news programming periods.

STAR, bolstered by a 20% increase in revenues, substantially increased its second quarter operating income versus prior year. Revenue gains were driven by both advertising and subscription growth primarily at STAR Plus which, on average, continues to deliver all of the top 10 cable programs in India.

### CABLE NETWORK PROGRAMMING

Cable Network Programming reported second quarter operating income of \$187 million, an increase of \$66 million or 55% over last year's results reflecting strong growth across all of the Company's primary cable television channels as well as the recovery of \$15 million of Adelphia receivables which had been previously written off.

The Fox News Channel (FNC) reported operating income growth of 23% compared to the second quarter a year ago fueled by double-digit revenue growth, primarily from increased ad sales, partially offset by higher costs associated with covering the war. During the quarter, FNC once again achieved the highest viewership among all cable news channels, expanding its lead to 42% in primetime and 57% on a 24-hour basis.

Fox Cable Networks' (including the Regional Sports Networks (RSNs), the FX Channel (FX) and SPEED Channel) operating profit improved 52% during the quarter driven by double-digit revenue growth at both the RSNs and FX. The revenue increase at the RSNs was largely due to higher affiliate rates, additional DTH subscribers and increased advertising sales versus a year ago. FX achieved revenue gains from increases in both advertising and affiliate revenues fueled by ratings gains, higher advertising pricing and a 4% expansion in the subscriber base over the past year.

### DIRECT BROADCAST SATELLITE TELEVISION

On April 30th, 2003 the Company completed the acquisition of the Italian pay-TV business Telepiu and combined it with Stream. News Corporation owns 80.1% of the combined entity, SKY Italia, whose results comprise this segment. During the second quarter, SKY Italia reported an operating loss of \$106 million on revenues of \$421 million while increasing the subscriber base to more than 2.4 million. Over 90% of the new subscribers during the quarter opted for a premium-programming tier including movies and/or sports programming.

### MAGAZINES AND INSERTS

The Magazines and Inserts segment reported second quarter



## Edgar Filing: NEWS CORP LTD - Form 6-K

operating income of \$63 million, an increase of \$4 million versus a year ago. The improvement was primarily driven by higher contributions from the Free Standing Inserts division, principally as a result of increased demand for packaged goods pages, partially offset by lower contributions from the InStore division.

### NEWSPAPERS

The Newspaper segment reported second quarter operating income of \$170 million, a 67% increase versus the same period a year ago reflecting circulation revenue increases in the U.K. combined with advertising strength in both the U.K. and Australia.

The U.K. newspaper group reported operating income growth of 61% in local currency terms for the second quarter compared to the prior year, driven by both circulation and advertising revenue gains partially offset by costs associated with the launch of the tabloid version of The Times. Circulation revenue growth was achieved across all titles, with the largest increase at The Sun, where reduced cover price initiatives during the second quarter a year ago adversely affected results. The improvement in advertising was primarily driven by growth at The Sun on the strength of higher classified and display advertisements.

The Australian newspaper group reported a 16% increase in operating income in local currency terms, primarily driven by an 11% increase in advertising revenue compared to a year ago. Both display and classified advertising showed increases across all categories, with the strongest growth in the national, retail and real estate sectors.

### BOOK PUBLISHING

HarperCollins reported operating income of \$57 million during the quarter, an increase of \$9 million compared to the same period a year ago. The 19% growth was led by the phenomenal success of Zondervan's *The Purpose Driven Life*, the best-selling non-fiction book of calendar 2003 with more than 11 million English language copies sold in the United States. During the quarter, HarperCollins had 30 titles on The New York Times bestseller lists including three titles that reached the #1 spot.

### OTHER

At the end of the quarter, the Company completed the acquisition of 34% of the outstanding common stock of Hughes Electronics for approximately \$3.1 billion in cash and 130.7 million preferred limited voting ordinary ADRs. At closing, News Corporation's ownership interest was transferred to Fox Entertainment Group, Inc. (FEG) in exchange for \$4.5 billion in promissory notes and approximately 74.5 million shares in FEG, increasing News Corporation's ownership interest in FEG from 80.6% to approximately 82%.

Also during the quarter, the Company announced it had reached an agreement in principle for the sale of the Los Angeles Dodgers. The sale has been approved by Major League Baseball and is expected to close shortly, subject to customary closing conditions.

An interim unfranked dividend of A\$0.06 per Ordinary ADR and an unfranked dividend of A\$0.15 per Preferred Limited Voting Ordinary ADR has been declared and is payable on May 7, 2004. The Company's Dividend Reinvestment Plan ("Plan") remains in operation and a discount of 10% will apply in determining the allotment price calculated in accordance with the Plan rules. The record date for determining dividend entitlements and Plan participation is March 25, 2004. The ex-dividend date will be March 23, 2004.

## Edgar Filing: NEWS CORP LTD - Form 6-K

### REVIEW OF ASSOCIATED ENTITIES RESULTS

Second quarter net earnings from associated entities before other items were \$49 million versus losses of \$39 million in the same period a year ago, primarily due to the absence of Stream's losses in the current year. In addition, contributions from BSKyB increased partly due to improved earnings resulting from a 10% increase in the DTH subscriber base, as well as earnings that were not reflected for a portion of the prior year's quarter. These favorable variances were partially offset by lower foreign currency gains at Sky Brasil.

The Company's share of associated entities' earnings (losses) is as follows:

	% Owned	3 Months Ended December 31,		6 Months Ended December 31,	
	-----	2003	2002	2003	2002
	-----	US \$ Millions		US \$ Millions	
BSkyB	35.4%(a)	\$ 42	\$ 19	\$ 95	\$ 19
Sky Brasil	49.7%(b)	(6)	10	(14)	(57)
Innova - Mexico	30.0%	-	(9)	(10)	(17)
FOXTEL - Australia	25.0%	(4)	(2)	(7)	(4)
Stream	50.0%(c)	-	(61)	-	(100)
Fox Sports Cable Networks	Various	-	(3)	9	9
ESPN STAR Sports	50.0%	1	-	2	1
Other Associates	Various(d)	16	7	31	14
		-----	-----	-----	-----
Total associated entities' earnings (losses) before other items		\$ 49	\$ (39)	\$106	\$(135)
Other items		(17)	(67)	(17)	(67)
		-----	-----	-----	-----
Total associated entities' earnings (losses)		\$ 32	\$ (106)	\$ 89	\$(202)
		=====	=====	=====	=====

Further details on the associated entities follow.

-----  
(a) The Company's investment basis in BSKyB was negative from December 31, 2001 through November 11, 2002. Accordingly, the Company's share of BSKyB's results was not recognized during that period.

(b) Represents the Company's economic interest, which was 46.7% as of December 31, 2002. The Company continues to hold a 36% equity interest in Sky Brasil.

(c) The Company's share of Stream's losses was included as part of associated entities from April 1, 2002 through April 30, 2003, when it merged with Telepiu to form the consolidated entity SKY Italia.

(d) Primarily comprising Gemstar-TV Guide International, Independent Newspapers Limited, and Queensland Press.

BSkyB (in STG) - Europe	3 Months Ended December 31,	6 Months Ended December 31,
-------------------------	--------------------------------	--------------------------------

Edgar Filing: NEWS CORP LTD - Form 6-K

	2003	2002*	2003	2002*
	Millions (except subscribers)		Millions (except subscribers)	
Revenues	GBP 916	GBP 785	GBP 1,766	GBP 1,511
Operating profit before exceptional items	103	48	225	94
Net income before exceptional items	GBP 40	GBP 36	GBP 104	GBP 36
AGAAP adjustment (in US\$) (1)	18	13	34	29
News' 35.4% share (in US\$)	\$ 42	\$ 34	\$ 95	\$ 50
Investment basis adjustment (a)	-	(15)	-	(31)
News' reportable share (in US\$)	\$ 42	\$ 19	\$ 95	\$ 19
Net debt (excluding capitalized leases)			GBP 751	GBP 1,378
Ending Subscribers			11,070,000	10,513,000
DTH Subscribers			7,208,000	6,562,000

\* Does not reflect BSkyB's adoption of accounting abstract UITF 38.

BSkyB's quarterly revenues increased 17% in local currency terms largely due to DTH subscriber growth, an increase in average revenue per subscriber and improved interactive revenues. Operating profit before exceptional items increased 115% due to increased revenues, partially offset by higher programming expenses from increased sports rights (mainly soccer and cricket) as well as higher betting and subscriber management costs. The increase in net income before exceptional items reflects the improvement in operating income largely offset by an increase in the tax provision resulting from higher earnings in the current year as well as the absence of a tax benefit that was recorded in the prior year's quarter.

Sky Brasil (in US\$)	3 Months Ended December 31,		6 Months Ended December 31,	
	2003	2002	2003	2002
	Millions (except subscribers)		Millions (except subscribers)	
Revenues (in local currency)	R\$ 158	R\$ 138	R\$ 320	R\$ 268
Revenues	55	37	110	79
Operating loss	(3)	(8)	-	(12)
Net income (loss)	\$(11)	\$ 21	\$ (28)	\$ (136)

## Edgar Filing: NEWS CORP LTD - Form 6-K

News' reportable 49.7%/46.7% share (in US\$)	\$ (6)	\$ 10	\$ (14)	\$ (57)
	=====	=====	=====	=====
Net debt (excluding capitalized leases)			\$ 216	\$ 213
Ending Subscribers			784,000	732,000

Sky Brasil's revenues grew 14% in local currency terms in the quarter compared to prior year primarily driven by a higher subscriber base and increased average revenue per subscriber. The revenue growth for the quarter was partly offset by increased marketing costs due to new campaigns to grow the subscriber base. The increase in net loss in the current quarter principally reflects lower foreign currency gains versus a year ago.

Innova (in US\$) - Mexico	3 Months Ended December 31,		6 Months Ended December 31,	
	2003	2002	2003	2002
	-----		-----	
	Millions (except subscribers)		Millions (except subscribers)	
Revenues (in local currency)	Ps 1,013	Ps 805	Ps 1,922	Ps 1,639
Revenues	90	80	175	164
Operating income	16	6	28	13
Net loss	\$ (1)	\$ (30)	\$ (33)	\$ (58)
	=====	=====	=====	=====
News' reportable 30% share (in US\$)	\$ -	\$ (9)	\$ (10)	\$ (17)
	=====	=====	=====	=====
Net Debt (excluding capitalized leases)			\$ 344	\$ 350
Ending Subscribers			857,000	742,000

Innova's revenues grew 26% in local currency terms compared to prior year primarily driven by a 15% increase in the subscriber base. The decrease in net loss during the quarter principally reflects lower interest expense resulting from the refinancing of debt and lower foreign currency losses versus a year ago.

FOXTEL (in A\$)	3 Months Ended December 31,		6 Months Ended December 31,	
	2003	2002	2003	2002
	-----		-----	
	Millions (except subscribers)		Millions (except subscribers)	
Revenues	A\$ 186	A \$150	A\$ 368	A\$ 288

## Edgar Filing: NEWS CORP LTD - Form 6-K

Operating loss	(31)	(20)	(58)	(44)
Net loss	A\$ (22)	A\$ (13)	A\$ (40)	A\$ (30)
	=====	=====	=====	=====
News' reportable 25% share (in US\$)	\$ (4)	\$ (2)	\$ (7)	\$ (4)
	=====	=====	=====	=====
Ending Subscribers (including Optus)			1,073,000	1,050,000

FOXTEL's revenues for the quarter increased 24% principally due to an increase of 18% in satellite subscribers compared to a year ago, higher average revenue per subscriber, and the inclusion of Optus wholesale subscribers as of December 1, 2002. Net loss for the quarter increased A\$9 million against the prior year as the increased subscriber revenues were more than offset by subscriber acquisition expenses, the development of a future digital service, higher depreciation expense and the inclusion of Optus license fee costs. Total subscribers (including Optus wholesale) have increased by 2.2% over prior year while FOXTEL managed subscribers have increased by 6.6%.

Fox Sports Cable Networks\* (in US\$)

	3 Months Ended December 31, 2003    2002		6 Months Ended December 31, 2003    2002	
	----- Millions (except subscribers)	----- Millions (except subscribers)	----- Millions (except subscribers)	----- Millions (except subscribers)
News' reportable share*	\$-	\$ (3)	\$9	\$9
	=====	=====	=====	=====
Ending Subscribers			44,068,000	44,072,000

The improved results for the quarter primarily reflect the effect of cost savings at the Metro Channels and reduced programming costs at National Sports Partners.

\* Various associated interests ranging from approximately 20 percent to 60 percent, primarily comprising Regional Programming Partners (including Madison Square Garden), National Sports Partners and National Advertising Partners.

ESPN STAR Sports (in US\$) - Asia

	3 Months Ended December 31, 2003    2002		6 Months Ended December 31, 2003    2002	
	----- Millions	----- Millions	----- Millions	----- Millions
Revenues	\$42	\$39	\$76	\$76
Operating income (loss)	4	(1)	6	4
Net income (loss)	\$ 3	\$ (1)	\$ 4	\$ 2
	=====	=====	=====	=====

## Edgar Filing: NEWS CORP LTD - Form 6-K

News' reportable 50% share \$ 1    \$ -    \$ 2    \$ 1  
=====

Operating income improved \$5 million due to higher subscription revenues from India, stronger syndication revenues from Bangladesh Cricket and lower costs associated with various cricket events.

(1) Principally reflects adjustments for reporting under Australian Generally Accepted Accounting Principles ("AGAAP") relating to identifiable intangible amortization.  
Foreign Exchange Rates

Average foreign exchange rates used in the year-to-date profit results are as follows:

	6 Months Ended December 31,	
	2003	2002
	-----	-----
Australian Dollar/U.S Dollar	0.68	0.55
U.K. Pounds Sterling/U.S. Dollar	1.66	1.56
Euro/U.S. Dollar	1.16	0.99

To receive a copy of this press release through the Internet, access News Corp's corporate Web site located at <http://www.newscorp.com>

Audio from News Corp's conference call with analysts on the second quarter results can be heard live on the Internet at 10:00 a.m. Eastern Standard Time today. To listen to the call, visit <http://www.newscorp.com>

### Cautionary Statement Concerning Forward-Looking Statements

This document contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially from these expectations due to changes in global economic, business, competitive market and regulatory factors. More detailed information about these and other factors that could affect future results is contained in our filings with the Securities and Exchange Commission. The "forward-looking statements" included in this document are made only as of the date of this document and we do not have any obligation to publicly update any "forward-looking statements" to reflect subsequent events or circumstances, except as required by law.

STATEMENT OF FINANCIAL PERFORMANCE(a)		3 Months Ended December 31,		6 Months Ended December 31,	
		2003	2002	2003	2002
	-----	-----	-----	-----	-----
	Note	US \$ Millions (except per ADR amounts)			
Sales revenue	1	\$5,588	\$4,681	\$10,237	\$8,494
Operating expenses		4,828	3,952	8,758	7,217
		-----	-----	-----	-----
Operating income	1	760	729	1,479	1,277

Edgar Filing: NEWS CORP LTD - Form 6-K

Net profit (loss) from associated entities	32	(106)	89	(202)
Borrowing costs	(145)	(139)	(293)	(291)
Interest income	35	24	69	52
Net borrowing costs	(110)	(115)	(224)	(239)
Exchangeable securities expense	(19)	(12)	(37)	(25)
Other items before income tax, net	(65)	(26)	(4)	(26)
Profit from ordinary activities before income tax	598	470	1,303	785
Income tax expense on:				
Ordinary activities before other items	(217)	(178)	(416)	(276)
Other items	23	12	1	12
Net income tax expense	(194)	(166)	(415)	(264)
Net profit from ordinary activities after tax	404	304	888	521
Net profit attributable to outside equity interests	(43)	(65)	(105)	(120)
Net Profit Attributable to Members of the Parent Entity	\$ 361	\$ 239	\$ 783	\$ 401
Net exchange gains recognized directly in equity	585	186	627	178
Other items recognized directly in equity	-	86	-	86
Total change in equity other than those resulting from transactions with owners as owners	\$ 946	\$ 511	\$ 1,410	\$ 665
Diluted earnings per ADR on net profit attributable to members of the parent entity				
Ordinary ADRs	\$ 0.24	\$ 0.16	\$ 0.52	\$ 0.27
Preferred limited voting ordinary ADRs	\$ 0.29	\$ 0.19	\$ 0.63	\$ 0.32
Ordinary and preferred limited voting ordinary ADRs	\$ 0.27	\$ 0.18	\$ 0.59	\$ 0.30

(a) Following the issuance in June 2002 of the revised Australian Accounting Standard AASB 1018 "Statement of Financial Performance" this statement has been reformatted from previous presentations to be consistent with the format prescribed in the revised Australian Accounting Standard.

Edgar Filing: NEWS CORP LTD - Form 6-K

STATEMENT OF FINANCIAL POSITION	December 31, 2003	June 30, 2003
	-----	
ASSETS	US \$ Millions	
Current Assets		
Cash	\$ 2,498	\$ 4,477
Cash on deposit	293	-
Receivables	4,578	3,784
Inventories	1,732	1,282
Other	488	321
	-----	
Total Current Assets	9,589	9,864
	-----	
Non-Current Assets		
Cash on deposit	-	463
Receivables	832	809
Investments in associated entities	10,592	3,667
Other investments	643	793
Inventories	2,791	2,723
Property, plant and equipment	4,192	4,180
Publishing rights, titles and television licenses	22,189	21,719
Goodwill	243	250
Other	545	495
	-----	
Total Non-Current Assets	42,027	35,099
	-----	
Total Assets	\$51,616	\$44,963
	=====	
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Interest bearing liabilities	\$ 306	\$ 22
Payables	5,997	5,507
Tax liabilities	564	474
Provisions	186	171
	-----	
Total Current Liabilities	7,053	6,174
	-----	
Non-Current Liabilities		
Interest bearing liabilities	8,657	8,227
Payables	2,288	2,353
Tax liabilities	526	442
Provisions	795	685
	-----	
Total Non-Current Liabilities Excluding Exchangeable Preferred Securities	12,266	11,707
	-----	
Exchangeable preferred securities	1,408	1,383
	-----	
Total Liabilities	20,727	19,264
	-----	
Shareholders' Equity		
Contributed equity	21,608	17,262
Reserves	2,530	1,685
Retained profits	2,937	2,506



Edgar Filing: NEWS CORP LTD - Form 6-K

Shareholders' equity attributable to members of the parent entity	27,075	21,453
Outside equity interests in controlled entities	3,814	4,246
	-----	-----
Total Shareholders' Equity	30,889	25,699
	-----	-----
Total Liabilities and Shareholders' Equity	\$51,616	\$44,963
	=====	=====

STATEMENT OF CASH FLOWS

	6 Months Ended	
	December 31,	
	2003	2002
	-----	-----
Operating Activity	US \$ Millions	
Net profit attributable to members of the parent entity	\$ 783	\$ 401
Adjustment for non-cash and non-operating activities:		
Equity earnings, net	(96)	145
Outside equity interest	112	120
Depreciation and amortization	299	204
Other items, net	13	81
Change in assets and liabilities:		
Receivables	(1,107)	(1,236)
Inventories	(422)	(344)
Payables	711	748
Other liabilities	332	178
	-----	-----
Cash provided by operating activity	625	297
Investing and other activity		
Property, plant and equipment	(136)	(184)
Acquisitions, net of cash acquired	(147)	(432)
Investments and acquisitions of interests in associated entities	(3,179)	(357)
Other investments	(49)	(48)
Repayment of loans by associate	-	96
Proceeds from sale of non-current assets	387	54
	-----	-----
Cash used in investing activity	(3,124)	(871)
Financing activity		
Issuance of debt	359	-
Repayment of debt and exchangeable securities	(479)	(1,100)
Decrease in cash on deposit	157	-
Issuance of shares	529	1,220
Dividends paid	(97)	(75)
Leasing and other finance costs	-	(1)
	-----	-----
Cash provided by financing activity	469	44
	-----	-----

Edgar Filing: NEWS CORP LTD - Form 6-K

Net decrease in cash	(2,030)	(530)
Opening cash balance	4,477	3,574
Exchange movement on opening balance	51	32
	-----	-----
Closing cash balance	\$ 2,498	\$ 3,076
	=====	=====

Note 1 - SEGMENT DATA	3 Months Ended		6 Months Ended	
	December 31,		December 31,	
BY GEOGRAPHIC AREAS	2003	2002	2003	2002
	-----		-----	
	US \$ Millions		US \$ Millions	
Revenues				
United States	\$3,937	\$3,670	\$ 7,248	\$6,559
Europe	1,155	641	2,083	1,231
Australasia	496	370	906	704
	-----	-----	-----	-----
	\$5,588	\$4,681	\$10,237	\$8,494
	=====	=====	=====	=====

Operating Income				
United States	\$ 635	\$ 584	\$ 1,325	\$1,052
Europe	18	83	(7)	139
Australasia	107	62	161	86
	-----	-----	-----	-----
	\$ 760	\$ 729	\$ 1,479	\$1,277
	=====	=====	=====	=====

BY INDUSTRY SEGMENT

Revenues				
Filmed Entertainment	\$1,377	\$1,335	\$ 2,625	\$2,217
Television	1,555	1,443	2,566	2,467
Cable Network Programming	597	502	1,224	1,056
Direct Broadcast Satellite				
Television*	421	-	685	-
Magazines and Inserts	229	215	451	409
Newspapers	858	672	1,597	1,279
Book Publishing	341	326	688	673
Other	210	188	401	393
	-----	-----	-----	-----
	\$5,588	\$4,681	\$10,237	\$8,494
	=====	=====	=====	=====

Operating Income				
Filmed Entertainment	\$ 253	\$ 255	\$ 581	\$ 355
Television	168	165	347	353
Cable Network Programming	187	121	320	239
Direct Broadcast Satellite				
Television*	(106)	-	(223)	-
Magazines and Inserts	63	59	121	110
Newspapers	170	102	272	159
Book Publishing	57	48	116	106
Other	(32)	(21)	(55)	(45)
	-----	-----	-----	-----
	\$ 760	\$ 729	\$ 1,479	\$1,277

Edgar Filing: NEWS CORP LTD - Form 6-K

=====

\* New segment reflecting the results of SKY Italia, consolidated as of May 1, 2003.

Note 2 - SUPPLEMENTAL FINANCIAL DATA

The Company considers net profit before other items to be an important indicator of the Company's operating performance on a consolidated basis. Net profit before other items, defined as net profit attributable to members of the parent entity before other items related to the Company and associated entities, net of applicable income tax expenses and outside equity interests, eliminates the effect of transactions that are considered significant by reason of their size, nature or effect on the Company's financial performance for the year. Net profit before other items should be considered in addition to, not as a substitute for the Company's operating income, net profit attributable to members of the parent entity, cash flows and other measures of financial performance prepared in accordance with generally accepted accounting principles in Australia. Net profit before other items does not reflect cash available to fund requirements, and the items excluded from net profit before other items, such as other revenues and expenses, are significant components in assessing the Company's financial performance.

The following table reconciles certain components of net profit attributable to members of the parent entity as presented earlier in this release to the presentation required under Australian GAAP as required by Australian Accounting Standard AASB 1018 "Statement of Financial Performance."

	3 Months Ended December 31,		6 Months Ended December 31,	
	2003	2002	2003	2002
	-----		-----	
	US \$ Millions	US \$ Millions	US \$ Millions	US \$ Millions
Total other items	\$ (49)	\$ (81)	\$ (13)	\$ (81)
Reclassification of other items - associated entities	17	67	17	67
Reclassification of income tax and net profit attributable to outside equity interest	(33)	(12)	(8)	(12)
Other items before income tax, net	----- \$ (65)	----- \$ (26)	----- \$ (4)	----- \$ (26)
	=====	=====	=====	=====
Associated entities before other items	\$ 49	\$ (39)	\$ 106	\$ (135)
Reclassification of other items - associated entities	(17)	(67)	(17)	(67)
Net profit (loss) from associated entities	----- \$ 32	----- \$ (106)	----- \$ 89	----- \$ (202)
	=====	=====	=====	=====
Income tax expense	\$ (217)	\$ (178)	\$ (416)	\$ (276)

Edgar Filing: NEWS CORP LTD - Form 6-K

Reclassification of income tax expense on other items	23	12	1	12
	-----	-----	-----	-----
Net income tax expense	\$ (194)	\$ (166)	\$ (415)	\$ (264)
	=====	=====	=====	=====
Outside equity interest	\$ (53)	\$ (65)	\$ (112)	\$ (120)
Reclassification of outside equity interest on other items, net	10	-	7	-
	-----	-----	-----	-----
Net profit attributable to outside equity interest	\$ (43)	\$ (65)	\$ (105)	\$ (120)
	=====	=====	=====	=====

SUPPLEMENTAL FINANCIAL DATA (continued)

	3 Months Ended		6 Months Ended	
	December 31,		December 31,	
	2003	2002	2003	2002
	-----	-----	-----	-----
	US \$ Millions		US \$ Millions	
Net profit before other items	\$ 410	\$ 320	\$ 796	\$ 482
Other items before income tax, net	(65)	(26)	(4)	(26)
Reclassification of income tax and net profit attributable to outside equity interest	33	12	8	12
Reclassification of other items - associated entities	(17)	(67)	(17)	(67)
	-----	-----	-----	-----
Net profit attributable to members of the parent entity	\$ 361	\$ 239	\$ 783	\$ 401
	=====	=====	=====	=====
Earnings per ADR on net profit before other items, net	\$ 0.30	\$ 0.24	\$ 0.60	\$ 0.36
Earnings per ADR on other items before income tax, net	(0.05)	(0.02)	-	(0.02)
Earnings per ADR on reclassification of income tax and net profit attributable to outside equity interest	0.03	0.01	-	0.01
Earnings per ADR on reclassification of other items - associated entities	(0.01)	(0.05)	(0.01)	(0.05)
	-----	-----	-----	-----
Diluted earnings per ADR on net profit attributable to members of the parent entity	\$ 0.27	\$ 0.18	\$ 0.59	\$ 0.30
	=====	=====	=====	=====