



2ND QUARTER 2018 RESULTS

THURSDAY JULY 26, 2018

8:00 AM ET

MITCH BARNES

JAMERE JACKSON

SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

The following discussion contains forward-looking statements, including those about Nielsen's outlook and prospects, that relate to the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those which are not historical facts. These and other statements that relate to future results and events are based on Nielsen's current expectations as of July 26, 2018.

Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. The risks and uncertainties that we believe are material are outlined in our disclosure filings and materials, which you can find on <http://ir.nielsen.com>, such as our most recent 10-K, 10-Q and 8-K reports. Please consult these documents for a more complete understanding of these risks and uncertainties. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

Our outlook is provided for the purpose of providing information about current expectations for 2018. This information may not be appropriate for other purposes.



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TOTAL NIELSEN RESULTS – 2Q 2018

(\$ in millions, except per share amounts)

U.S. GAAP RESULTS	2Q 2018	2Q 2017	V% ^(a)
Revenues	\$1,647	\$1,644	0.2%
Net Income (NI)	\$72	\$131	(45.0%)
GAAP NI per share ^(c)	\$0.20	\$0.37	(45.9%)

NON-GAAP RESULTS	2Q 2018	2Q 2017	V% ^(b)
Total Revenue	\$1,647	\$1,644	(0.7%)
Core Revenue	\$1,602	\$1,579	0.5%
Adjusted EBITDA ^(d)	\$468	\$509	(8.2%)
Adjusted EBITDA margin % ^(d)	28.4%	31.0%	(232) bps
Free Cash Flow	\$124	\$162	(23.5%)

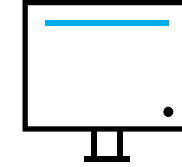
(a) Growth as reported

(b) Growth in constant currency, excluding Free Cash Flow

(c) Calculated using weighted average diluted shares outstanding of 356.4 million for 2Q 2018 and 358.1 million for 2Q 2017

(d) 2017 Adjusted EBITDA numbers are revised to reflect the adoption of ASU 2017-07 - Presentation of Net Periodic Pension Costs.

WATCH SEGMENT RESULTS



(\$ in millions, growth in constant currency)

REVENUE

	2Q'18	2Q'17	V%
Total Watch	\$858	\$821	4.0%

PROFITABILITY

Adjusted EBITDA	\$368	\$357	2.8%
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Margin	42.9%	43.5%	(50) bps
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2Q DYNAMICS

- Total revenue growth: +4.0%
 - Audience Measurement (Video/Text): +6.7%
 - Marketing Effectiveness: +6.0%
 - Audio: Flat
 - Other Watch/Corporate: (21.3%)

- Performing well despite short term pressure
 - Total Audience Measurement momentum
 - Strength in National TV
 - DAR campaigns nearly doubled
 - Robust growth with Gracenote
 - GDPR/privacy...near term pressure

BUY SEGMENT RESULTS

(\$ in millions, growth in constant currency)



REVENUE

	2Q'18	2Q'17	V%
Total Buy	\$789	\$823	(5.4%)

PROFITABILITY










Adjusted EBITDA	\$110	\$162	(32.1%)
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Margin	13.9%	19.7%	(548) bps
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2Q DYNAMICS

- Total Buy revenue: (5.4%)
 - Developed: (6.9%)
 - Emerging: +0.3%
 - Corporate: (55.6%)
- Environment weakens
 - Increased pressure from multinationals
 - Pockets of strength from local clients
 - Driving cost-out and productivity
- Continued investment in growth initiatives
 - Retailer partnerships
 - Connected System
 - Total Consumer

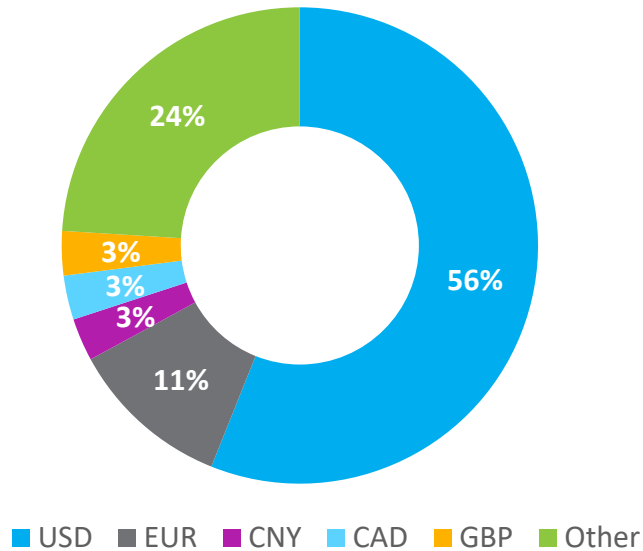
STRUCTURAL COST-OUT PLANS

Initiative		On track?
	Platforms & Super Hubs	<input checked="" type="checkbox"/>
	Automating Buy	<input checked="" type="checkbox"/>
	Tech Enabled Data Collection Platform	<input checked="" type="checkbox"/>
	Zero-Touch Validation	<input checked="" type="checkbox"/>
	Quality Control Tower	<input checked="" type="checkbox"/>
	E-Collection	<input checked="" type="checkbox"/>
	Audit to Scan	<input checked="" type="checkbox"/>
	Automating Watch	<input checked="" type="checkbox"/>
	SG&A Efficiencies	<input checked="" type="checkbox"/>

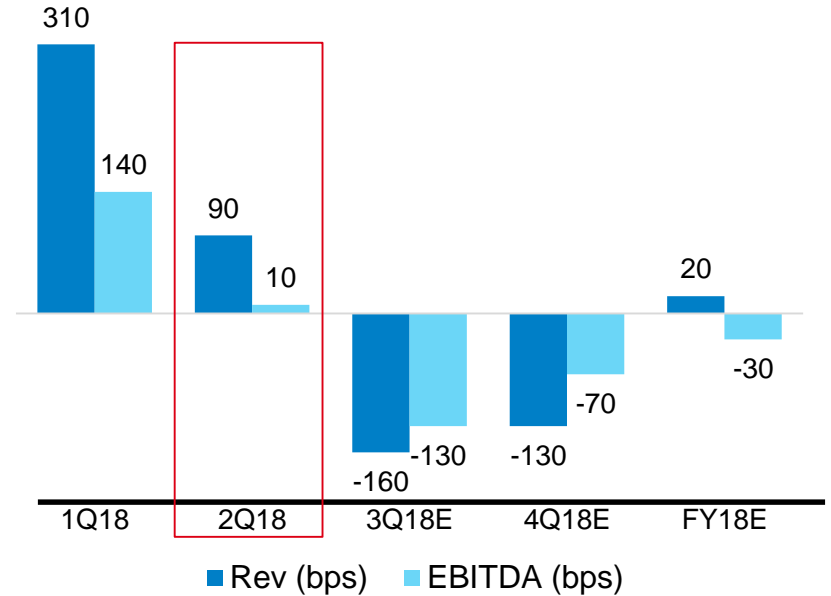
AHEAD OF SCHEDULE ... RAISING TARGET BY \$150M TO \$650M

FOREIGN CURRENCY IMPACT

CURRENCY PROFILE - REVENUE



PROJECTED FX IMPACT^(a): REPORTED VS CONSTANT CURRENCY



(a) Projected impact assumes rates in effect at 07/25/18 remain in effect for the balance of 2018.

2018 GUIDANCE

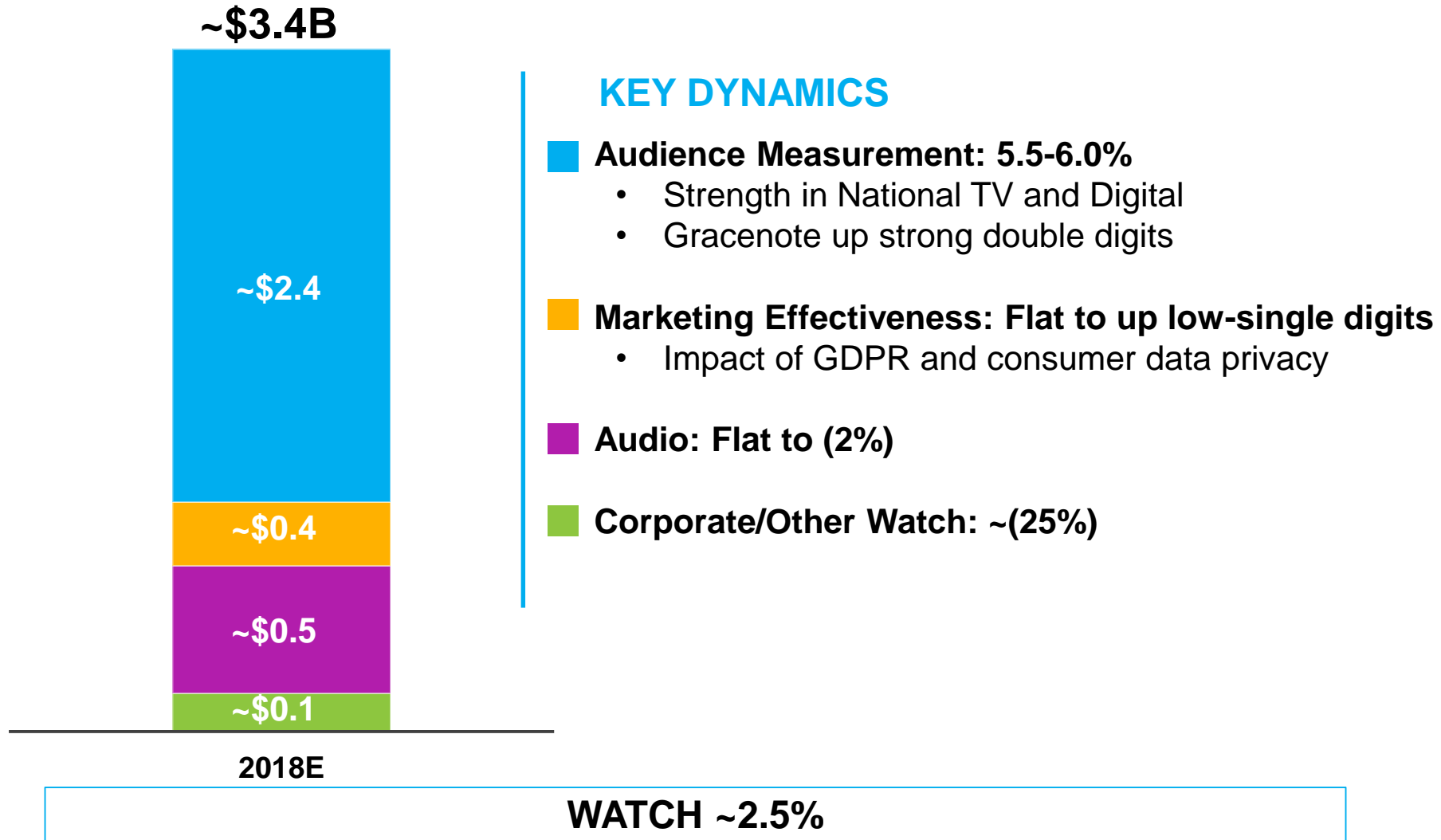
(Revenue and adj. EBITDA margin growth in constant currency)

OTHER FINANCIAL METRICS

Total Revenue	~(1%)	Net Book Interest	\$385M - \$395M
Adj. EBITDA margin growth	~(230) bps	GAAP Tax Rate	~34%
GAAP Net Income Per Share	\$0.95 - \$1.00	Restructuring	\$135M - \$145M
Net Debt Leverage Ratio	~4.3x	Cash Restructuring	\$135M - \$145M
Free Cash Flow	\$550M - \$575M	D&A	\$650M - \$670M
		Est. wtd. avg. diluted shares outstanding for FY 2018	~356M

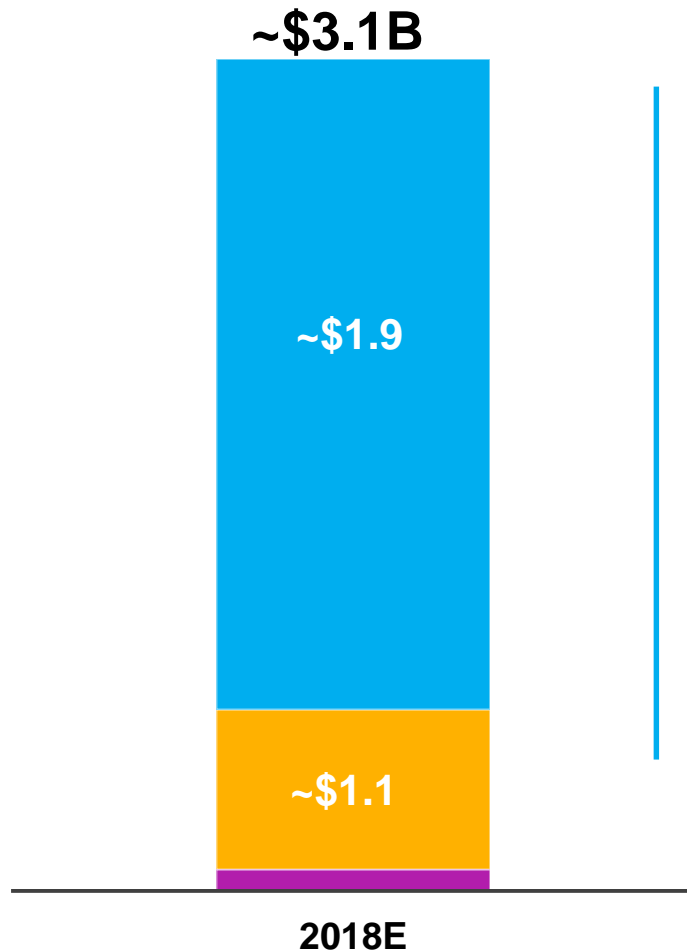
2018 WATCH REVENUE FRAMEWORK

(\$ in billions, revenue growth in constant currency)



2018 BUY REVENUE FRAMEWORK

(\$ in billions, revenue growth in constant currency)



KEY DYNAMICS

- **Developed Markets: Down mid-single digits**
 - Increased weakness from multinational clients
 - Focused on key initiatives
- **Emerging Markets: ~Flat**
 - Pullback in spending from multinationals clients
 - Long term outlook is positive
 - Coverage, granularity, and penetration
- **Corporate: ~(55%)**

BUY ~(4.5%)

Q & A

APPENDIX

CERTAIN NON-GAAP MEASURES

Overview of Non-GAAP Presentations

We use the non-GAAP financial measures discussed below to evaluate our results of operations, financial condition, liquidity and indebtedness. We believe that the presentation of these non-GAAP measures provides useful information to investors regarding financial and business trends related to our results of operations, cash flows and indebtedness and that when this non-GAAP financial information is viewed with our GAAP financial information, investors are provided with valuable supplemental information regarding our results of operations, thereby facilitating period-to-period comparisons of our business performance. These non-GAAP measures are also consistent with how management evaluates the company's operating performance and liquidity. In addition, these non-GAAP measures address questions the Company routinely receives from analysts and investors and, in order to assure that all investors have access to similar data, the Company has determined that it is appropriate to make this data available to all investors. None of the non-GAAP measures presented should be considered as an alternative to net income or loss, operating income or loss, cash flows from operating activities, total indebtedness or any other measures of operating performance and financial condition, liquidity or indebtedness derived in accordance with GAAP. These non-GAAP measures have important limitations as analytical tools and should not be considered in isolation or as substitutes for an analysis of our results as reported under GAAP. Our use of these terms may vary from the use of similarly-titled measures by others in our industry due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation.

Constant Currency Presentation

We evaluate our results of operations on both an as reported and a constant currency basis. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency information provides valuable supplemental information regarding our results of operations, thereby facilitating period-to-period comparisons of our business performance and is consistent with how management evaluates the company's performance. We calculate constant currency percentages by converting our prior-period local currency financial results using the current period exchange rates and comparing these adjusted amounts to our current period reported results. No adjustment has been made to foreign currency exchange transaction gains or losses in the calculation of constant currency net income.

Net Debt and Net Debt Leverage Ratio

The net debt leverage ratio is defined as net debt (gross debt less cash and cash equivalents) as of the balance sheet date divided by Adjusted EBITDA for the twelve months then ended. Net debt and the net debt leverage ratio are commonly used metrics to evaluate and compare leverage between companies and are not presentations made in accordance with GAAP.

CERTAIN NON-GAAP MEASURES

(continued)

Adjusted EBITDA

We define Adjusted EBITDA as net income or loss from our consolidated statements of operations before interest income and expense, income taxes, depreciation and amortization, restructuring charges, stock-based compensation expense and other non-operating items from our consolidated statements of operations as well as certain other items that arise outside the ordinary course of our continuing operations. We use Adjusted EBITDA to measure our performance from period to period both at the consolidated level as well as within our operating segments, to evaluate and fund incentive compensation programs and to compare our results to those of our competitors.

Free Cash Flow

We define free cash flow as net cash provided by operating activities, less capital expenditures, net. We believe providing free cash flow information provides valuable supplemental liquidity information regarding the cash flow that may be available for discretionary use by us in areas such as the distributions of dividends, repurchase of common stock, voluntary repayment of debt obligations or to fund our strategic initiatives, including acquisitions, if any. However, free cash flow does not represent residual cash flows entirely available for discretionary purposes; for example, the repayment of principal amounts borrowed is not deducted from free cash flow. Key limitations of the free cash flow measure include the assumptions that we will be able to refinance our existing debt when it matures and meet other cash flow obligations from financing activities, such as principal payments on debt. Free cash flow is not a presentation made in accordance with GAAP.

ADJUSTED EBITDA RECONCILIATION

(\$ in millions) (unaudited)

	Quarter Ended June 30	
	2018	2017
Net income	\$ 72	\$ 131
Interest expense, net	98	91
Provision for income taxes	44	91
Depreciation and amortization	<u>162</u>	<u>162</u>
EBITDA	376	475
Equity in net loss of affiliates	1	-
Other non-operating expense, net	13	8
Restructuring charges	65	9
Stock-based compensation expense	7	12
Other items ^(a)	6	5
Adjusted EBITDA	\$ 468	\$ 509

(a) For the three months ended June 30, 2018, other items primarily consist of transaction related costs. For the three months ended June 30, 2017, other items primarily consist of transaction related costs and business optimization costs.

ADJUSTED EBITDA RECONCILIATION

(\$ in millions) (unaudited)

QUARTER ENDED JUNE 30, 2018

	Operating Income	Restructuring Charges	Depreciation and Amortization	Stock-Based Compensation Expense	Other Items ^(a)	Adjusted EBITDA
Buy	\$(3)	\$55	\$55	\$3	-	\$110
Watch	\$256	\$5	\$105	\$2	-	\$368
Corporate	\$(25)	\$5	\$2	\$2	\$6	\$(10)
Total	\$228	\$65	\$162	\$7	\$6	\$468

QUARTER ENDED JUNE 30, 2017

	Operating Income	Restructuring Charges	Depreciation and Amortization	Stock-Based Compensation Expense	Other Items ^(a)	Adjusted EBITDA
Buy	\$99	\$7	\$53	\$3	-	\$162
Watch	\$246	-	\$108	\$3	-	\$357
Corporate	\$(24)	\$2	\$1	\$6	\$5	\$(10)
Total	\$321	\$9	\$162	\$12	\$5	\$509

(a) For the three months ended June 30, 2018, other items primarily consist of transaction related costs. For the three months ended June 30, 2017, other items primarily consist of transaction related costs and business optimization costs.

ADOPTION OF ASU 2017-07 – IMPACT ON ADJUSTED EBITDA

(\$ in millions) (unaudited)

FOR THE THREE MONTHS ENDED

Original – as reported	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	Full Year
Watch	\$ 323	\$ 357	\$ 390	\$ 415	\$ 1,485
Buy	108	163	145	171	587
Corporate	(9)	(8)	(13)	(7)	(37)
Adjusted EBITDA - original	\$ 422	\$ 512	\$ 522	\$ 579	\$ 2,035
Other income/(expense), net	\$ -	\$ (2)	\$ (1)	\$ (14)	\$ (17)
Net income attributable to Nielsen stockholders	\$ 71	\$ 131	\$ 146	\$ 81	\$ 429

FOR THE THREE MONTHS ENDED

Revised in accordance with ASU 2017-07	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	Full Year
Watch	\$ 323	\$ 357	\$ 390	\$ 416	\$ 1,486
Buy	108	162	144	170	584
Corporate	(11)	(10)	(15)	(10)	(46)
Adjusted EBITDA - revised	\$ 420	\$ 509	\$ 519	\$ 576	\$ 2,024
Other income/(expense), net	\$ 2	\$ 1	\$ 2	\$ (11)	\$ (6)
Net income attributable to Nielsen stockholders	\$ 71	\$ 131	\$ 146	\$ 81	\$ 429

REVENUE RECONCILIATION

(\$ in millions) (unaudited)

QUARTER ENDED JUNE 30,

	2018 Reported	2017 Reported	% V Reported	2017 Constant Currency	% V Constant Currency
Developed Markets	\$488	\$510	(4.3%)	\$524	(6.9%)
Emerging Markets	293	296	(1.0%)	292	0.3%
Core Buy	\$781	\$806	(3.1%)	\$816	(4.3%)
Corporate	8	17	(52.9%)	18	(55.6%)
Buy	\$789	\$823	(4.1%)	\$834	(5.4%)
Video and Text	\$609	\$567	7.4%	\$571	6.7%
Audio	123	123	0.0%	123	0.0%
Marketing Effectiveness	89	83	7.2%	84	6.0%
Core Watch	\$821	\$773	6.2%	\$778	5.5%
Corporate/Other Watch	37	48	(22.9%)	47	(21.3%)
Watch	\$858	\$821	4.5%	\$825	4.0%
Total Core Buy and Watch	\$1,602	\$1,579	1.5%	\$1,594	0.5%
Total	\$1,647	\$1,644	0.2%	\$1,659	(0.7%)

FREE CASH FLOW RECONCILIATION

(\$ in millions) (unaudited)

	Quarter Ended June 30,	
	<u>2018</u>	<u>2017</u>
Net cash provided by operating activities	\$242	\$226
Less: Capital expenditures, net	<u>(118)</u>	<u>(64)</u>
Free cash flow	\$124	\$162

2018 GUIDANCE NON-GAAP RECONCILIATIONS

(\$ in millions)

ADJUSTED EBITDA RECONCILIATION

2018 Guidance Range

	Revised	April
Net income	\$340 - \$360	\$535 - \$560
Interest expense, net	\$385 - \$395	\$385 - \$395
Provision for income taxes	\$170 - \$195	\$275 - \$295
Depreciation and amortization	\$650 - \$670	\$640 - \$660
Restructuring charges	\$135 - \$145	\$85 - \$95
Stock-based compensation and other ^(a)	\$110 - \$130	\$80 - \$100
Adjusted EBITDA	\$1,835 - \$1,855	\$2,040 - \$2,070

FREE CASH FLOW

Net cash provided by operating activities	\$1,075 – \$1,100
Less: Capital expenditures, net	~ \$(525)
Free cash flow	\$550 – \$575

NET DEBT LEVERAGE RATIO

Gross Debt	~\$ 8,400
Cash	~\$ 500
Net Debt	~\$ 7,900
Adjusted EBITDA	\$1,835 - \$1,855
Net Debt Leverage Ratio	~4.3x

(a) Other represents certain expenses that arise outside the ordinary course of our continuing operations. Such costs primarily include legal settlements, acquisition related expenses, business optimization costs and other transaction costs.

2018 GUIDANCE NON-GAAP RECONCILIATIONS

(\$ in millions)

REVENUE RECONCILIATION

	2018 Guidance	% V Constant Currency	2017 Constant Currency
Total Revenue	~\$6,520	~(1%)	\$6,585

DEBT CAPITAL TABLE

(\$ in millions)

DEBT CAPITAL TABLE			
	6/30/18 (unaudited)	12/31/17	Change
Loan Debt (secured)	\$4,298	\$4,074	\$224
4.50% Sr. Notes (10/1/20)	796	795	1
5.50% Sr. Notes (10/1/21)	620	620	-
5.00% Sr. Notes (4/15/22)	2,289	2,288	1
5.00% Sr. Notes (2/1/25)	496	496	-
Capital lease/misc. debt	165	168	(3)
Total Debt	\$8,664	\$8,441	\$223
Less Cash	394	656	(262)
Net Debt	\$8,270	\$7,785	\$485
Adjusted EBITDA^(a)	\$1,986	\$2,024	\$(38)
Net Debt Leverage Ratio^(b)	4.16x	3.85x	0.31x
Weighted avg. interest rate^(c)	4.50%	4.32%	18bps

(a) Adjusted EBITDA calculated based on last twelve months basis

(b) Reflects Net Debt (gross debt minus cash), divided by Adjusted EBITDA calculated on last twelve months basis

(c) Excludes capital leases

SELECTED FINANCIAL METRICS & BALANCE SHEET ITEMS

(\$ in millions) (unaudited)

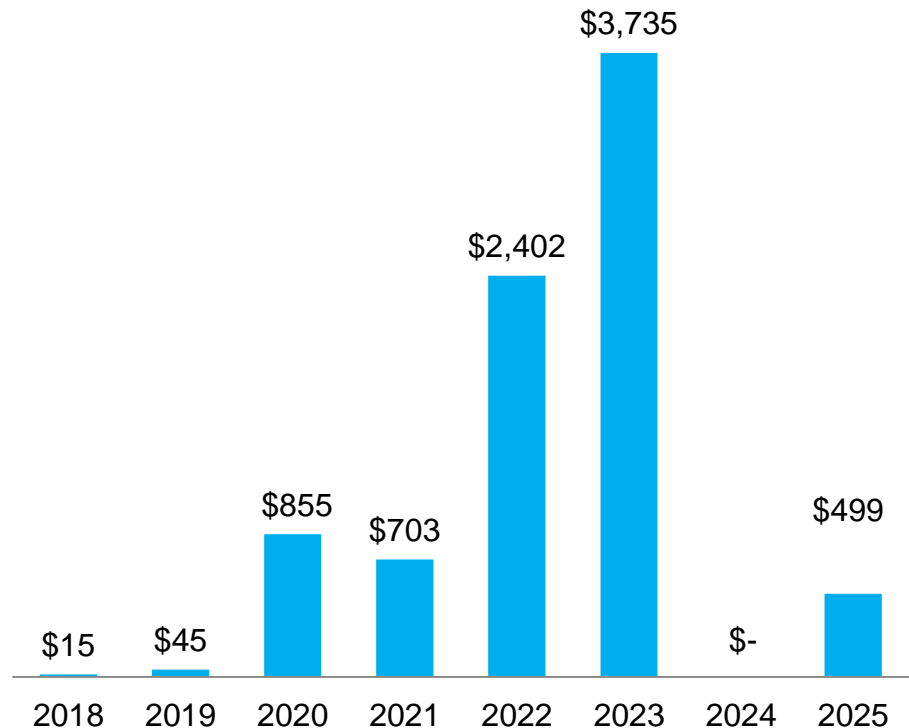
FINANCIAL METRICS

	2Q 18
Free Cash Flow	\$124
Capital Expenditures, net	\$118
D&A ^(b)	\$162
Net Book Interest	\$98
Cash Taxes	\$79
Cash Restructuring	\$30
Wtd. avg. diluted shares	356.4

BALANCE SHEET – 6/30/18

Gross Debt	\$8,664
Cash	\$394
Net Debt	\$8,270
Net Debt Leverage Ratio ^(c)	4.16x

CURRENT DEBT MATURITY PROFILE – 6/30/18^(a)



(a) Excludes revolver (\$246M) and capital leases (\$164M)

(b) Includes \$56M of depreciation and amortization associated with tangible and intangible assets acquired in business combinations

(c) Reflects Net Debt (gross debt minus cash), divided by Adjusted EBITDA calculated on last twelve months basis



NIELSEN INVESTOR RELATIONS

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