



nielsen

1ST QUARTER 2019 EARNINGS

Tuesday, April 30, 2019 | 8:00 am ET

NYSE: NLSN

SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

The following discussion contains forward-looking statements, including those about Nielsen's outlook and prospects, as such term is defined in 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 the date of this presentation.

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 include, without limitation, our ongoing review of strategic alternatives, general economic conditions, conditions in the markets Nielsen is engaged in, behavior of customers, suppliers and competitors, technological developments, as well as legal and regulatory rules affecting Nielsen's business and other specific risk factors that 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 that have been filed with the Securities and Exchange Commission. 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 2019. This information may not be appropriate for other purposes.

DAVID KENNY

CHIEF EXECUTIVE OFFICER

DAVE ANDERSON

CHIEF FINANCIAL OFFICER

TODAY'S DISCUSSION

- **Solid 1Q 2019 Results**

- Constant Currency Revenue Growth: 0.4%
- Adjusted EBITDA Margin: 26.6%
- Adjusted EPS: \$0.35
- Free Cash Flow: \$(165) million

- **Maintaining 2019 Guidance**

- Revenue Guidance: Flat to +1.5%
- Adjusted EBITDA Margin: 28-29%
- Adjusted EPS: \$1.63 – \$1.77
- Free Cash Flow: \$525 - \$575 million

A GOOD START TO 2019

1Q 2019 TOTAL NIELSEN

(\$M, except per share amounts)

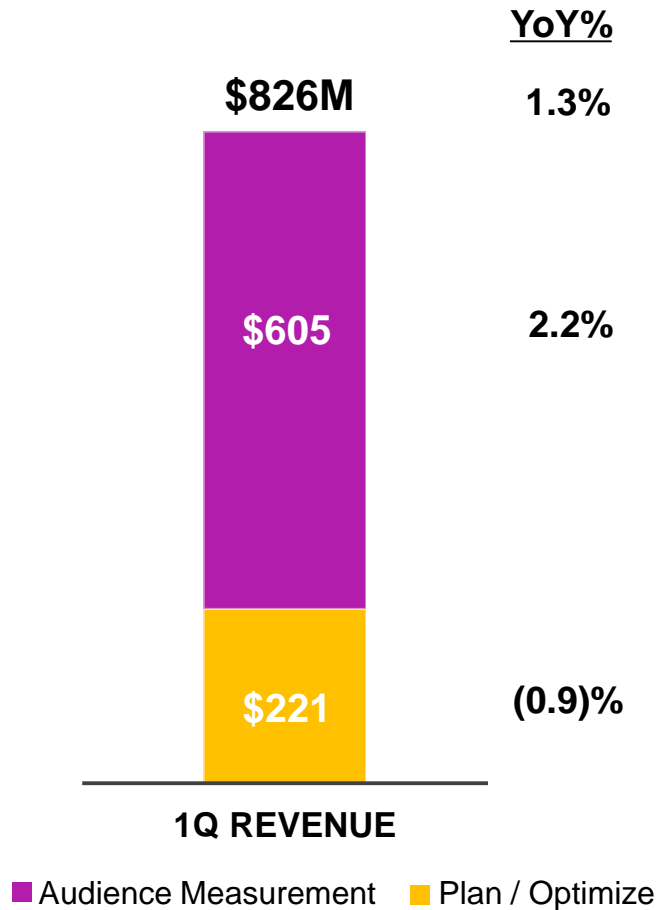
	1Q 2018	1Q 2019	Commentary
Revenue Growth ^(a)	2.4%	0.4%	• Slightly Better than Expected
Adjusted EBITDA	\$423	\$415	• Investing in Growth, Driving Productivity
Adjusted EBITDA Margin	26.3%	26.6%	• YoY Improvement
Adjusted EBITDA Margin YoY ^(a)	(83) bps	2 bps	• Revenue and Productivity
Adjusted Earnings per share	\$0.40	\$0.35	• Higher D&A and ETR, Lower EBITDA
Free Cash Flow	\$(245)	\$(165)	• Lower Retailer Investment, Incentive Pay

RESULTS REAFFIRM CONFIDENCE IN GUIDANCE

(a) Growth in Constant Currency

1Q 2019 MEDIA

(\$M, growth in constant currency)



• Revenue Dynamics

- Up 1.4% Adjusting for M&A / Other Items
- Continued Strength of Total Audience Measurement
- Double Digit Growth in Digital
- Pressure in Local TV
- Healthy Growth in ROI / Attribution Analytics

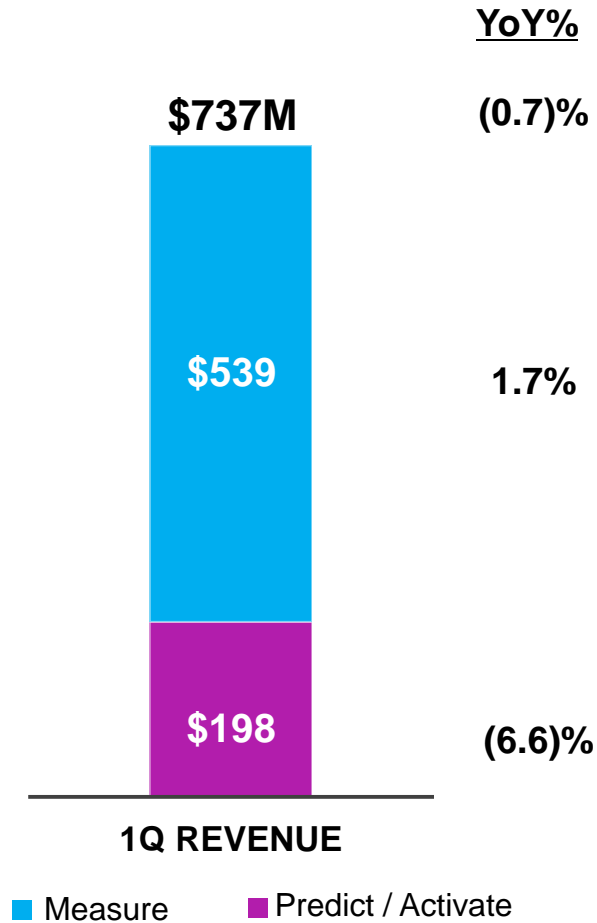
• Adjusted EBITDA Margin 42.0%

- Margins Down 32 bps YoY CC
- Driven by Investments in Strategic Initiatives and Product Mix

UNDERLYING TOTAL AUDIENCE MEASUREMENT STRENGTH

1Q 2019 CONNECT

(\$M, growth in constant currency)



• Revenue Dynamics

- Continued FMCG Pressures, but US Improving
- Strength in Retail Measurement Services
- Innovation and CI Pressures Continue
- China Headwind Expected to Reverse

• Adjusted EBITDA Margin 10.7%

- Margins Up 7 bps YoY CC
- Driven by Productivity Initiatives

RELATIVE STRENGTH IN MEASUREMENT ACROSS GEOGRAPHIES

REITERATING 2019 GUIDANCE

METRIC	GUIDANCE	COMMENTARY
Total Revenue Growth ^(a)	Flat to +1.5%	<ul style="list-style-type: none"> • Media: +2-3% • Connect: -2% to Flat
Adjusted EBITDA (\$M) Adjusted EBITDA Margin	\$1,800 - \$1,900 28 - 29%	<ul style="list-style-type: none"> • Significant Productivity, Reinvestment
Adjusted Earnings per Share	\$1.63 - \$1.77	<ul style="list-style-type: none"> • Higher D&A • Interest Expense
Free Cash Flow (\$M)	\$525 - \$575	<ul style="list-style-type: none"> • Big Organizational Focus

(a) Revenue Growth in Constant Currency

2019 SEGMENT OUTLOOK

	2018 Revenue	Guidance	Commentary
Nielsen Global Media			
Audience Measurement	\$2.4B	2 to 3%	<ul style="list-style-type: none"> • Strength in National and Digital • Pressure In Local
Plan / Optimize	\$1.0B	1 to 2%	<ul style="list-style-type: none"> • Continued Privacy Headwind
Total	\$3.4B	2 to 3%	

Nielsen Global Connect			
Measure	\$2.2B	-1% to +1%	<ul style="list-style-type: none"> • International Growth Increases • Reduced Decline in US
Predict / Activate	\$0.9B	-4% to -2%	<ul style="list-style-type: none"> • Analytics Improving • Less Drag From Innovation / CI
Total	\$3.1B	-2% to Flat	

2Q, 2H 2019 COMMENTARY

METRIC	COMMENTARY
REVENUE	<ul style="list-style-type: none">• 2Q Revenue Flat to Up Slightly YoY Constant Currency• Relative Revenue Strength in 2H19
ADJUSTED EBITDA	<ul style="list-style-type: none">• 2Q Margin Roughly Flat YoY• Productivity Phased Mainly in 2Q-4Q
FREE CASH FLOW	<ul style="list-style-type: none">• 2Q Slightly Down to Flat YoY• Aggressive Improvement Plan Underway

STRONG COMMITMENT TO DELIVER ON ALL FRONTS

DAVID KENNY

CHIEF EXECUTIVE OFFICER

KEY INITIATIVES – MEDIA

Focus Area	Highlights
<ul style="list-style-type: none"> • Strong Endorsements of TAM Solutions 	<ul style="list-style-type: none"> • Leveraging Flexible Platform – NBCU, Viacom
<ul style="list-style-type: none"> • Advancing Local Enhancements 	<ul style="list-style-type: none"> • Testing and Validating Data, Univision Renewal
<ul style="list-style-type: none"> • Expanding Digital Platform 	<ul style="list-style-type: none"> • Connected TV – Hulu, Roku & NBCU
<ul style="list-style-type: none"> • Significant Global Opportunity 	<ul style="list-style-type: none"> • MRC Accreditation in Mexico
<ul style="list-style-type: none"> • Accelerating Growth in Plan / Optimize 	<ul style="list-style-type: none"> • Leveraging AI / ML to Expand Use Cases

THE ONE MEDIA TRUTH

KEY INITIATIVES – CONNECT

Focus Area	Highlights
<ul style="list-style-type: none"> Scale the Nielsen Connect Platform 	<ul style="list-style-type: none"> Pipeline of Committed Client Deployments
<ul style="list-style-type: none"> Retailer Initiatives 	<ul style="list-style-type: none"> Walmart & Sam's Traction, 900+ Clients
<ul style="list-style-type: none"> Strong Market Validation for Product Roadmap 	<ul style="list-style-type: none"> Recent Renewals – Beiersdorf, J&J
<ul style="list-style-type: none"> Accelerating Growth in Predict / Activate 	<ul style="list-style-type: none"> Client Demand – Mars, Freds
<ul style="list-style-type: none"> US Turnaround 	<ul style="list-style-type: none"> Strength in Retail Measurement Services

DIFFERENTIATING WITH KEY INITIATIVES

Q&A

APPENDIX

CERTAIN NON-GAAP MEASURES

Overview of Non-GAAP Presentations

The Company uses the non-GAAP financial measures discussed below to evaluate its results of operations, financial condition, liquidity and indebtedness. The Company believes 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

The Company evaluates its 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. The Company believes 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.

Organic Constant Currency Presentation

The Company defines organic constant currency revenue as constant currency revenue excluding the net effect of business acquisitions and divestitures over the past twelve months. Refer to the Constant Currency Presentation section above for the definition of constant currency. The Company believes that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

CERTAIN NON-GAAP MEASURES

(continued)

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.

Adjusted EBITDA

The Company defines 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, share-based compensation expense and other non-operating items from its consolidated statements of operations as well as certain other items that arise outside the ordinary course of our continuing operations. The Company uses 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. Adjusted EBITDA margin is Adjusted EBITDA for a particular period expressed as a percentage of revenues for that period.

Adjusted EPS

The Company defines Adjusted Earnings per Share as net income attributable to Nielsen shareholders per share (diluted) from continuing operations from our consolidated statements of operations, excluding depreciation and amortization associated with acquired tangible and intangible assets, restructuring charges, impairment of goodwill and other long-lived assets, share based compensation expense, other non-operating items from our consolidated statements of operations and certain other items considered unusual or non-recurring in nature, adjusted for income taxes related to these items. Management believes that this non-GAAP measure is useful in providing period-to-period comparisons of the results of the Company's ongoing operating performance.

CERTAIN NON-GAAP MEASURES

(continued)

Free Cash Flow

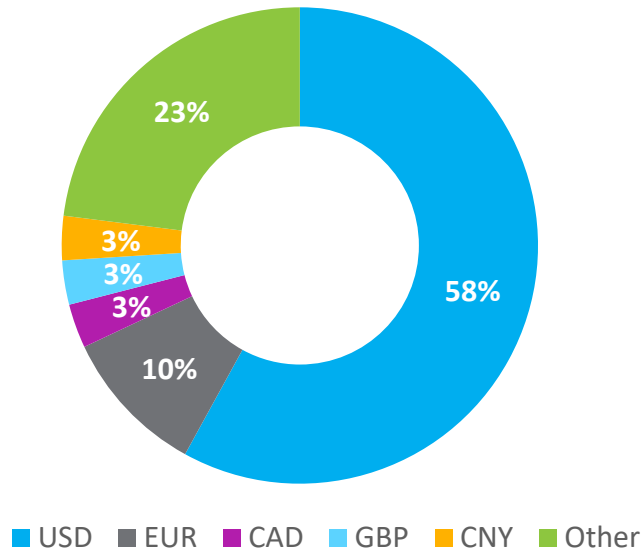
The Company defines free cash flow as net cash provided by operating activities, less capital expenditures, net. The Company believes providing free cash flow information provides valuable supplemental liquidity information regarding the cash flow that may be available for discretionary use by the Company 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 the Company 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.

2019 GUIDANCE: KEY METRICS

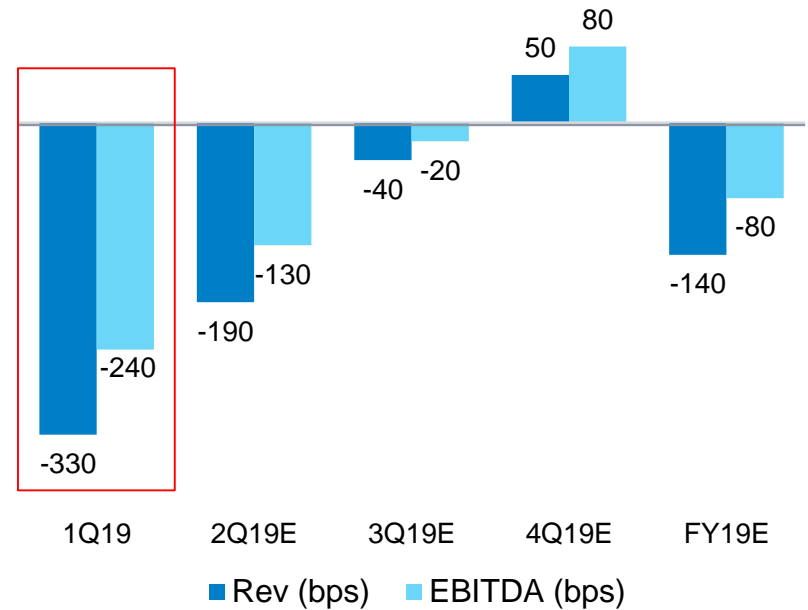
	Metrics	Commentary
Interest Expense, Net	\$405M - \$415M	- Higher Rates on Floating Rate Debt
GAAP Tax Rate	33 - 35%	- Lower US Tax Rate Offset By High Tax Jurisdictions
Restructuring Expense	\$145M - \$155M	- Significant Productivity Initiatives
D&A	\$720M - \$730M	- Increasing Investment in Technology
Average Diluted Shares	~356M	- Essentially Flat YoY
Net Debt Leverage Ratio	~4.30x	- Essentially Flat YoY

FOREIGN CURRENCY IMPACT

CURRENCY PROFILE - REVENUE



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



(a) Projected impact assumes rates in effect at 04/24/19 remain in effect for the balance of 2019.

ADJUSTED EBITDA RECONCILIATION

(\$ in millions) (unaudited)

	Quarter Ended March 31	
	2018	2019
Net income	\$ 72	\$ 43
Interest expense, net	94	97
Provision/(benefit) for income taxes	39	32
Depreciation and amortization	<u>167</u>	<u>179</u>
EBITDA	372	351
Other non-operating expense, net	2	2
Restructuring charges	24	35
Share-based compensation expense	13	15
Other items ^(a)	12	12
Adjusted EBITDA	\$ 423	\$ 415

(a) Other items primarily consist of business optimization costs, including strategic review costs, and transaction related costs for the three months ended March 31, 2019. Other items primarily consists of transaction related costs and business optimization costs for the three months ended March 31, 2018.

ADJUSTED EBITDA RECONCILIATION

(\$ in millions) (unaudited)

QUARTER ENDED MARCH 31, 2018

	Operating Income	Restructuring Charges	Depreciation and Amortization	Share-Based Compensation Expense	Other Items ^(a)	Adjusted EBITDA
Connect	\$14	\$15	\$54	\$4	\$ -	\$87
Media	223	9	112	3	-	347
HQ	(30)	-	1	6	12	(11)
Total	\$207	\$24	\$167	\$13	\$12	\$423

QUARTER ENDED MARCH 31, 2019

	Operating Income	Restructuring Charges	Depreciation and Amortization	Share-Based Compensation Expense	Other Items ^(a)	Adjusted EBITDA
Connect	\$(2)	\$22	\$55	\$4	\$ -	\$79
Media	214	7	123	3	-	347
HQ	(38)	6	1	8	12	(11)
Total	\$174	\$35	\$179	\$15	\$12	\$415

(a) Other items primarily consist of business optimization costs, including strategic review costs, and transaction related costs for the three months ended March 31, 2019. Other items primarily consists of transaction related costs and business optimization costs for the three months ended March 31, 2018.

REVENUE RECONCILIATION

(\$ in millions) (unaudited)

QUARTER ENDED MARCH 31

	2018 Reported	2019 Reported	% V 2019 vs. 2018 Reported	2018 Constant Currency	% V 2019 vs. 2018 Constant Currency	2018 Organic Constant Currency	2019 Organic Constant Currency	% V 2019 vs. 2018 Organic Constant Currency
Measure	\$563	\$539	(4.3)%	\$530	1.7%	\$530	\$538	1.6%
Predict / Activate	223	198	(11.2)%	212	(6.6)%	209	196	(6.4)%
Connect	\$786	\$737	(6.2)%	\$742	(0.7)%	\$739	\$734	(0.7)%
Audience Measurement	\$596	\$605	1.5%	\$592	2.2%	\$592	\$604	2.0%
Plan / Optimize	228	221	(3.1)%	223	(0.9)%	223	214	(4.2)%
Media	\$824	\$826	0.2%	\$815	1.3%	\$815	\$817	0.3%
Total	\$1,610	\$1,563	(2.9)%	\$1,557	0.4%	\$1,554	\$1,552	(0.2)%

FREE CASH FLOW RECONCILIATION

(\$ in millions) (unaudited)

	Quarter Ended March 31	
	<u>2018</u>	<u>2019</u>
Net cash provided by operating activities	\$(117)	\$(43)
Less: Capital expenditures, net	<u>(128)</u>	<u>(122)</u>
Free cash flow	\$(245)	\$(165)

2019 GUIDANCE NON-GAAP RECONCILIATIONS

(\$ in millions)

ADJUSTED EBITDA RECONCILIATION

2019 Guidance Range

Net income	\$240 - \$300
Interest expense, net	~\$410
Provision for income taxes	~\$140
Depreciation and amortization	~\$725
Restructuring charges	~\$150
Share-based compensation and other ^(a)	~\$150

Adjusted EBITDA **\$1,800 - \$1,900**

FREE CASH FLOW

Net cash provided by operating activities	\$1,055 – \$1,105
Less: Capital expenditures, net	<u>~ \$(530)</u>
Free cash flow	\$525 – \$575

NET DEBT LEVERAGE RATIO

Gross Debt	~\$ 8,400
Cash	<u>~\$ 400</u>
Net Debt	~\$ 8,000
Adjusted EBITDA	\$1,800 - \$1,900
Net Debt Leverage Ratio	~4.30x

(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

2019 GUIDANCE NON-GAAP RECONCILIATIONS

(\$ in millions)

REVENUE RECONCILIATION

	2018 Constant Currency	% V Constant Currency	2019 Guidance
Total	\$6,435	Flat - 1.5%	~\$6,485

ADJUSTED EARNINGS PER SHARE RECONCILIATION

2019 Guidance Range

Net income attributable to Nielsen Shareholders	\$230 - \$285
Depreciation and amortization associated with acquisition-related tangible and intangible assets	~\$200
Restructuring charges	~\$150
Share-based compensation expense and Other	~\$150
Tax effect of above items	~\$(160)
Adjusted Earnings	\$580 - \$630
Adjusted earnings per share	\$1.63 - \$1.77

DEBT CAPITAL TABLE

(\$ in millions)

DEBT CAPITAL TABLE			
	12/31/18	03/31/19	Change
Loan Debt (secured)	\$4,020	\$4,257	\$237
4.50% Sr. Notes (10/1/20)	797	797	-
5.50% Sr. Notes (10/1/21)	621	621	-
5.00% Sr. Notes (4/15/22)	2,290	2,291	1
5.00% Sr. Notes (2/1/25)	496	496	-
Finance lease/misc. debt	163	165	2
Total Debt	\$8,387	\$8,627	\$240
Less Cash	524	402	(122)
Net Debt	\$7,863	\$8,225	\$362
Adjusted EBITDA^(a)	\$1,850	\$1,842	\$(8)
Net Debt Leverage Ratio^(b)	4.25x	4.47x	0.22x
Weighted avg. interest rate^(c)	4.67%	4.70%	3bps

(a) Adjusted EBITDA calculated based on last twelve months basis by adding reported amounts for each of the quarters contained therein

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

(c) Excludes finance leases

SELECTED FINANCIAL METRICS & BALANCE SHEET ITEMS

(\$ in millions) (unaudited)

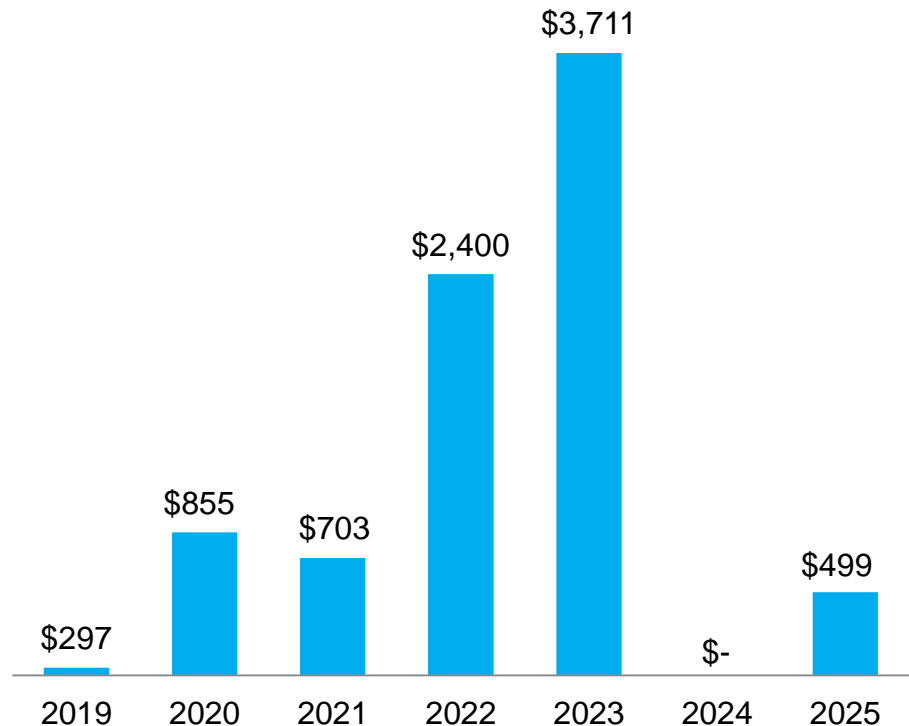
FINANCIAL METRICS

	1Q19
Free Cash Flow	\$(165)
Capital Expenditures, net	\$122
D&A ^(b)	\$179
Net Book Interest	\$97
Cash Taxes	\$42
Cash Restructuring	\$21
Wtd. avg. diluted shares	356.4

BALANCE SHEET – 03/31/19

Gross Debt	\$8,627
Cash	\$402
Net Debt	\$8,225
Net Debt Leverage Ratio ^(c)	4.47x

CURRENT DEBT MATURITY PROFILE – 03/31/19^(a)



(a) Excludes finance leases (\$163M) and bank overdrafts (\$1M)

(b) Includes \$54M of depreciation and amortization associated with tangible and intangible assets acquired in business combinations

(c) Reflects Net Debt (gross debt minus cash and cash equivalents), divided by Adjusted EBITDA calculated on last twelve months basis by adding reported amounts for each of the quarters contained therein



NIELSEN INVESTOR RELATIONS

ir@nielsen.com

+1.646.654.4602

<http://ir.nielsen.com>

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