

# ModernGraham Valuation

Nielsen N.V. Ordinary  
Shares



**Company Name:**

Company Ticker NLSN

Date of Analysis

7/18/2017

## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$13,938,359,400	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.29	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-248.73%	Fail
5. Earnings Growth	PEmg < 20	20.33	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.40	Fail
7. Moderate Price to Assets			

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.29	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

**Suitability**

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.92
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$73.84</b>
MG Value based on 3% Growth	\$27.81
MG Value based on 0% Growth	\$16.30
Market Implied Growth Rate	5.91%

*MG Opinion*

Current Price	\$38.99
% of Intrinsic Value	52.80%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$28.15
Graham Number	\$27.50
PEmg	20.33
Current Ratio	1.29
PB Ratio	3.40
Current Dividend	\$1.21
Dividend Yield	3.10%
Number of Consecutive Years of Dividend Growth	4

**Useful Links:**

[ModernGraham tagged articles](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.93	Next Fiscal Year Estimate	\$1.92
Dec2016	\$1.39	Dec2016	\$1.38
Dec2015	\$1.54	Dec2015	\$1.28
Dec2014	\$1.00	Dec2014	\$1.06
Dec2013	\$1.94	Dec2013	\$0.83
Dec2012	\$0.75	Dec2012	-\$0.01
Dec2011	\$0.23	Dec2011	-\$0.51
Dec2010	\$0.46	Dec2010	-\$0.85
Dec2009	-\$1.79	Dec2009	-\$1.29
Dec2008	-\$2.61	Dec2008	-\$0.87
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	<b>Balance Sheet Information</b>	
Dec1999	\$0.00	<b>3/1/2017</b>	
Dec1998	\$0.00	Total Current Assets	\$2,101,000,000
Dec1997	\$0.00	Total Current Liabilities	\$1,635,000,000
		Long-Term Debt	\$0
		Total Assets	\$16,332,000,000
		Intangible Assets	\$13,298,000,000
		Total Liabilities	\$12,209,000,000
		Shares Outstanding (Diluted Average)	359,055,000





#### Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

#### Recommended Reading:

**Other ModernGraham posts about the company**

- [Nielsen NV Analysis – July 2015 Update \\$NLSN](#)
- [17 Companies in the Spotlight This Week – 7/19/14](#)
- [Nielsen N.V. Annual Valuation – 2014 \\$NLSN](#)

**Other ModernGraham posts about related companies**

- [Lamar Advertising Company Valuation – Initial Coverage \\$LAMR](#)
- [Interpublic Group of Companies Inc Valuation – December 2016 \\$IPG](#)
- [Nielsen NV Valuation – August 2016 \\$NLSN](#)
- [Interpublic Group of Companies Inc Valuation – August 2016 \\$IPG](#)
- [Omnicon Group Inc Valuation – July 2016 \\$OMC](#)
- [Nielsen NV Analysis – July 2015 Update \\$NLSN](#)
- [Interpublic Group of Companies Inc. Annual Valuation – 2015 \\$IPG](#)
- [Nielsen N.V. Annual Valuation – 2014 \\$NLSN](#)
- [Interpublic Group of Companies \(IPG\) Annual Valuation – 2014](#)