

ModernGraham Valuation

Company Name:

Nielsen Holdings PLC

Company Ticker NLSN

Date of Analysis

6/26/2018



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	\$11,032,301,400	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.23	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	-471.82%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	22.12	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.43	Pass

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	1.23	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	19.50	Fail
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		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.37
MG Growth Estimate	4.35%
MG Value	\$23.56
MG Value based on 3% Growth	\$19.87
MG Value based on 0% Growth	\$11.65
Market Implied Growth Rate	6.81%

MG Opinion

Current Price	\$30.31
% of Intrinsic Value	128.62%
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$28.55
Graham Number	\$20.06
PEmg	22.12
Current Ratio	1.23
PB Ratio	2.43
Current Dividend	\$1.33
Dividend Yield	4.39%
Number of Consecutive Years of Dividend Growth	5

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.50	Next Fiscal Year Estimate	\$1.37
Dec2017	\$1.20	Dec2017	\$1.34
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	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Total Current Assets	\$2,264,000,000
Dec1999	\$0.00	Total Current Liabilities	\$1,839,000,000
Dec1998	\$0.00	Long-Term Debt	\$8,286,000,000
		Total Assets	\$16,923,000,000
		Intangible Assets	\$13,606,000,000
		Total Liabilities	\$12,465,000,000
		Shares Outstanding (Diluted Average)	357,274,000





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

- [10 Best Stocks for Value Investors This Week – 7/22/17](#)
- [Nielsen N.V. Ordinary Shares Valuation – July 2017 \\$NLSN](#)
- [Nielsen NV Valuation – August 2016 \\$NLSN](#)
- [Nielsen NV Analysis – July 2015 Update \\$NLSN](#)
- [17 Companies in the Spotlight This Week – 7/19/14](#)

Other ModernGraham posts about related companies

- [Interpublic Group of Companies Inc Valuation – April 2018 \\$IPG](#)
- [Omnicom Group Inc Valuation – April 2018 \\$OMC](#)
- [Nielsen N.V. Ordinary Shares Valuation – July 2017 \\$NLSN](#)
- [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](#)
- [Omnicom Group Inc Valuation – July 2016 \\$OMC](#)
- [Nielsen NV Analysis – July 2015 Update \\$NLSN](#)
- [Interpublic Group of Companies Inc. Annual Valuation – 2015 \\$IPG](#)