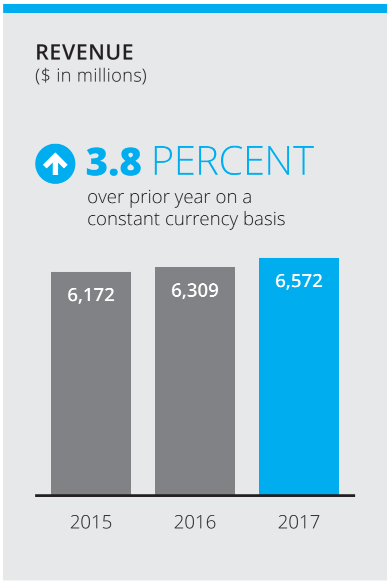
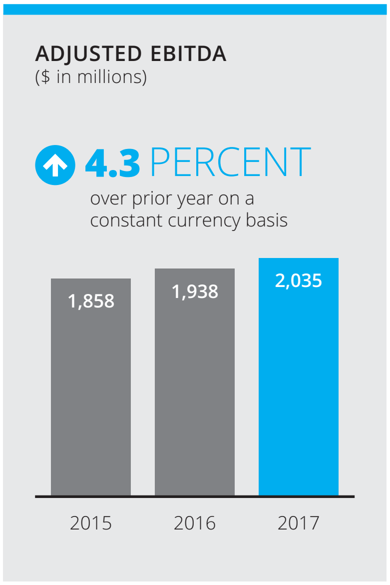
## Business Performance

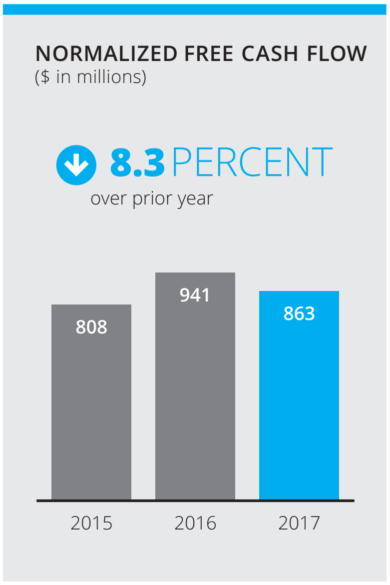
Nielsen is dedicated to driving shareholder value by posting solid operating performance. The Company's long-term business performance and progress against strategic initiatives form the context in which pay decisions are made. We have delivered resilient business performance over the last three years.

For 2017:

- Revenues up 4.2% over prior year (3.8% on a constant currency[1] basis)
- Net income down 14.5% over prior year (16.2% on a constant currency basis)
- Adjusted EBITDA[1] up 5.0% over prior year (4.3% on a constant currency basis)
- Normalized free cash flow[1] down 8.3% over prior year



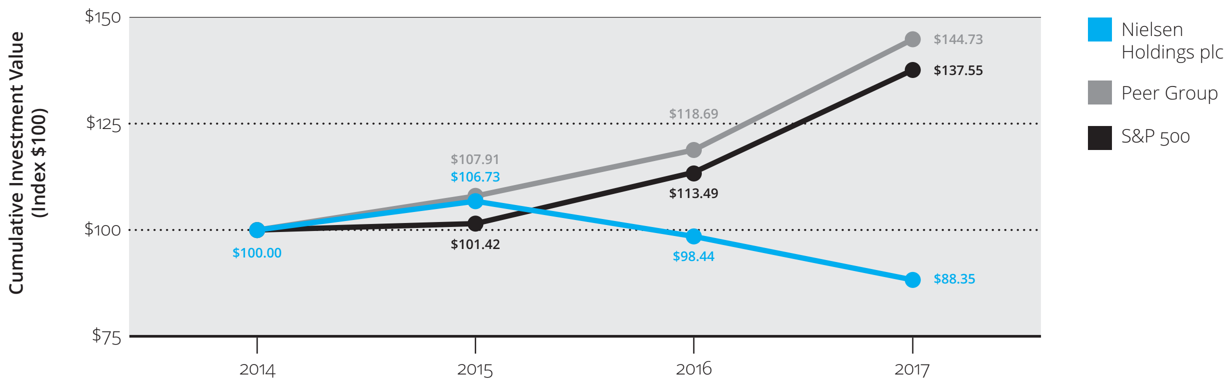




1 Please see Annex C for additional information and a reconciliation of Adjusted EBITDA, free cash flow, normalized free cash flow and measures on a constant currency basis to financial measures derived in accordance with United States generally accepted accounting principles ("GAAP").

## Total Shareholder Return[1]

The chart below shows the value of a $100 investment in Nielsen stock over a three-year period beginning December 31, 2014 and ending December 31, 2017. We have compared our performance to the S&P 500 and to a market cap-weighted composite of the peer group we use to measure relative total shareholder return under our Long-Term Performance Plan ("LTPP") as described under "– How Pay Decisions are Made – Long-Term Incentives (LTI) – Performance Restricted Stock Units Awarded Under the Long-Term Performance Plan (LTPP)."

**NIELSEN HOLDINGS plc—THREE-YEAR CUMULATIVE TOTAL SHAREHOLDER RETURN**




1 We define total shareholder return as the change in stock price over the three-year period ended December 31, 2017, assuming monthly reinvestment of dividends.

**Business Performance Highlights for 2017:**

- Strong progress on Nielsen **Total Audience Measurement** continued to drive growth in our Watch business. We continued to enhance our local TV measurement offering. As a part of this, Comcast joined existing partners DISH, Charter, and AT&T in sharing their set-top-box data for use in our local TV measurement platform. We launched out-of-home measurement, which is now in use by 23 networks, leagues and agencies, and syndicated our subscription video on demand measurement service to provide insight into viewing on Netflix. Our Marketing Effectiveness offerings continued to be a growth area for our business, with revenue growth up more than 20% during 2017.
- **Nielsen continues to work towards becoming the currency for digital viewing.** We expanded DAR to 32 global markets. We reached consensus within the media marketplace to evolve the C3 / C7 standards to incorporate viewing captured by DAR, and we are currently testing that approach. Adoption of our service continues to grow among key digital players such as Vevo, one of YouTube's biggest content partners, which is now using DAR to guarantee digital reach. Our Digital Content Ratings have seen great momentum among both TV and digital publishers, and our ability to include video viewing from Hulu, Facebook, and YouTube has been positively received by the industry.
- **Nielsen continues to invest - be it in new products, partnerships, or acquisitions - to drive incremental growth opportunities.** Through our internal R&D, acquisitions, and our incubator in Israel, we continue to invest in new growth opportunities. Our acquisition of Gracenote is fueling growth and exceeding expectations, with Gracenote assets being leveraged across almost all aspects of our Watch business. Additionally, recent **acquisitions** including Rhiza, vBrand and Visual IQ – all of which are important to our strategy – have positioned us well for continued growth.
- We remain focused on **Total Consumer Measurement**, building our coverage globally in all channels including e-commerce, now in 17 countries. We've also expanded relationships with current clients and partners such as Walmart, who selected Nielsen as the sole data provider for their new supplier collaboration program in November 2017.
- We continued to make strong progress on our **Connected System initiative** which enables our fast moving consumer goods clients to seamlessly connect vast amounts of data and analytics to help them understand what happened, why it happened, and what to do about it – faster than ever. We delivered on our commitment to have 25 clients engaged with the end-to-end Connected System by year end 2017. We had strong momentum with the Connected Partner Program, ending the year with 43 partners, up from 18 last year.
- We are positive on the growth outlook for our **Emerging Markets** business. Nielsen remains well positioned with our balanced portfolio of local and multinational clients, our investments in coverage, and our global footprint
- The lowered market expectations for our Developed Buy revenue in 2018 contributed to a decline in our share price toward the end of the year versus the beginning of the year.

## Executive Compensation Overview

Nielsen's executive compensation program is designed to incent and reward our leadership team to deliver sustainable growth and financial performance while delivering long-term shareholder value.

Key considerations in 2017 were:

### 2017 Advisory Vote on Executive Compensation

In 2017, our shareholders overwhelmingly supported Nielsen's executive compensation program with more than 98% of the votes cast at our annual general meeting of shareholders affirming our executive compensation program on an advisory basis.

ANNEX C

# INFORMATION REGARDING NON-GAAP FINANCIAL MEASURES

## 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 financial measure, excludes the impact of period-over-period 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. This calculation may differ from similarly-titled measures used by others and, accordingly, the constant currency presentation is not meant to be a substitution for recorded amounts presented in conformity with GAAP nor should such amounts be considered in isolation.

The below table presents a reconciliation from revenue on a reported basis to revenue on a constant currency basis for the year December 31, 2017.

| (IN MILLIONS) (UNAUDITED) | Year Ended December 31, 2017 Reported | Year Ended December 31, 2016 Reported | % Variance 2017 vs. 2016 Reported | Year Ended December 31, 2016 Constant Currency | % Variance 2017 vs. 2016 Constant Currency |
|---|---|---|---|---|---|
| **Revenues by segment** | | | | | |
| Developed Markets | $1,999 | $2,096 | (4.6)% | $2,108 | (5.2)% |
| Emerging Markets | 1,164 | 1,063 | 9.5% | 1,070 | 8.8% |
| **Core Buy** | **$3,163** | **$3,159** | **0.1%** | **$3,178** | **(0.5)%** |
| Corporate | $ 68 | $ 163 | (58.3)% | $ 163 | (58.3)% |
| **Buy** | **$3,231** | **$3,322** | **(2.7)%** | **$3,341** | **(3.3)%** |
| Audience Measurement (Video and Text) | $2,308 | $1,978 | 16.7% | $1,984 | 16.3% |
| Audio | 501 | 500 | 0.2% | 500 | 0.2% |
| Marketing Effectiveness | 350 | 287 | 22.0% | 289 | 21.1% |
| **Core Watch** | **$3,159** | **$2,765** | **14.2%** | **$2,773** | **13.9%** |
| Corporate/Other Watch | 182 | 222 | (18.0)% | 218 | (16.5)% |
| **Watch** | **$3,341** | **$2,987** | **11.9%** | **$2,991** | **11.7%** |
| **Total Core Buy and Watch** | **$6,322** | **$5,924** | **6.7%** | **$5,951** | **6.2%** |
| **Total** | **$6,572** | **$6,309** | **4.2%** | **$6,332** | **3.8%** |

## Net Income to Adjusted EBITDA Reconciliation

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 considered outside the normal course of our operations specifically described below.

Restructuring charges: We exclude restructuring expenses, which primarily include employee severance, office consolidation and contract termination charges, from our Adjusted EBITDA to allow more accurate comparisons of the financial results to historical operations and forward-looking guidance. By excluding these expenses from our non-GAAP measures, we are better able to evaluate our ability to utilize our existing assets and estimate the long-term value these assets will generate for us. Furthermore, we believe that the adjustments of these items more closely correlate with the sustainability of our operating performance.

Stock-based compensation expense: We exclude the impact of costs relating to stock-based compensation. Due to the subjective assumptions and a variety of award types, we believe that the exclusion of stock-based compensation expense, which is typically non-cash, allows for more meaningful comparisons of our operating results to peer companies. Stock-based compensation expense can vary significantly based on the timing, size and nature of awards granted.

Other non-operating (expense)/income, net: We exclude foreign currency exchange transaction gains and losses primarily related to intercompany financing arrangements as well as other non-operating income and expense items, such as gains and losses recorded on business combinations or dispositions, sales of investments, net income attributable to noncontrolling interests and early redemption payments made in connection with debt refinancing. We believe that the adjustments of these items more closely correlate with the sustainability of our operating performance.

Other items: To measure operating performance, we exclude certain expenses and gains that arise outside the ordinary course of our operations. Such costs primarily include legal settlements, acquisition related expenses, business optimization costs and other transactional costs. We believe the exclusion of such amounts allows management and the users of the financial statements to better understand our financial results.

Adjusted EBITDA is not a presentation made in accordance with GAAP, and our use of the term Adjusted EBITDA 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.

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. In addition to Adjusted EBITDA being a significant measure of performance for management purposes, we also believe that this presentation provides useful information to investors regarding financial and business trends related to our results of operations and that when non-GAAP financial information is viewed with GAAP financial information, investors are provided with a more meaningful understanding of our ongoing operating performance.

Adjusted EBITDA should not be considered as an alternative to net income or loss, operating income, cash flows from operating activities or any other performance measures derived in accordance with GAAP as measures of operating performance or cash flows as measures of liquidity. Adjusted EBITDA has important limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP.

The below table presents a reconciliation from net income to Adjusted EBITDA for the years ended December 31, 2017, 2016 and 2015:

| | Year Ended December 31, | | |
|---|---|---|---|
| **(IN MILLIONS)** | **2017** | **2016** | **2015** |
| **Net income attributable to Nielsen stockholders** | $ 429 | $ 502 | $ 570 |
| Interest expense, net | 370 | 329 | 307 |
| Provision for income taxes | 388 | 309 | 383 |
| Depreciation and amortization | 640 | 603 | 574 |
| EBITDA | 1,827 | 1,743 | 1,834 |
| Equity in net loss of affiliates | — | — | 3 |
| Other non-operating expense/(income), net | 38 | 3 | (170) |
| Restructuring charges | 80 | 105 | 51 |
| Stock-based compensation expense | 45 | 51 | 48 |
| Other items[(a)] | 45 | 36 | 92 |
| **Adjusted EBITDA** | $2,035 | $1,938 | $1,858 |

(a) For the year ended December 31, 2017, other items primarily consisted of transaction related costs and business optimization costs. For the year ended December 31, 2016, other items primarily consisted of business optimization costs. For the year ended December 31, 2015, other items primarily consisted of a $36 million donation to the Nielsen Foundation, a $14 million charge for the partial settlement of certain U.S. pension plan participants and business optimization costs.

# Net Income and Adjusted EBITDA on constant currency basis

The table below presents a reconciliation of Net income and Adjusted EBITDA on a reported basis to a constant currency basis for the year ended December 31, 2017.

| (IN MILLIONS) (UNAUDITED) | Year Ended December 31, 2017 Reported | Year Ended December 31, 2016 Reported | % Variance 2017 vs. 2016 Reported | Year Ended December 31, 2016 Constant Currency | % Variance 2017 vs. 2016 Constant Currency |
|---|---|---|---|---|---|
| Net Income attributable to Nielsen Stockholders | $ 429 | $ 502 | (14.5)% | $ 512 | (16.2)% |
| Adjusted EBITDA | $2,035 | $1,938 | 5.0% | $1,951 | 4.3% |

## 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.

## Normalized Cash Flow

The reconciliation of normalized free cash flow to net cash provided by operating activities in the last three years is provided below:

| Free Cash Flow[1] ($ in millions – as reported) | 2017 | 2016 | 2015 |
|---|---|---|---|
| Net cash provided by operating activities | $1,310 | $1,296 | $1,209 |
| Capital expenditures, net | (447) | (391) | (401) |
| Free Cash Flow | $ 863 | $ 905 | $ 808 |
| Non-recurring contribution to the Nielsen Foundation | — | 36 | — |
| Normalized Free Cash Flow | $ 863 | $ 941 | $ 808 |

1 We define normalized free cash flow as net cash provided by operating activities, plus contributions to the Nielsen Foundation less capital expenditures, net.

## Measures Excluding Impact of Enactment of Tax Cuts and Jobs Act ("TCJA")

During the fourth quarter of 2017, the Company recorded a provisional non-cash tax charge of $104 million, or $0.29 per share related to the enactment of the TCJA. The provisional tax charge was incurred as a result of the TCJA and includes a one-time repatriation tax. This provisional amount is subject to adjustment during a measurement period of one year following the enactment of TCJA, as provided by recent SEC guidance. Net income, net income per share on a diluted basis, provision for income taxes and the effective tax rate are all measures for which Nielsen provides the reported GAAP measure and an adjusted measure. The adjusted measures are not in accordance with, nor are they a substitute for, GAAP measures. The Company considered these non-GAAP measures in evaluating and managing the Company's operations and believes that discussion of results adjusted for this item is meaningful to investors as it provides useful analysis of ongoing underlying operating trends. The determination of this item may not be comparable to similarly titled measures used by other companies.

The below tables present a reconciliation of net income attributable to Nielsen stockholders, net income per share of common stock on diluted basis, provision for income taxes, and the effective tax rate to the Non-GAAP measures adjusted to exclude the impact of the enactment of the TCJA, for the year ended December 31, 2017 and 2016.

| (IN MILLIONS) (UNAUDITED) | Year Ended December 31, 2016 Reported | Year Ended December 31, 2017 Reported | Adjustment for TCJA | Adjusted Non-GAAP Measure |
|---|---|---|---|---|
| Operating incomes | $ 1,143 | $ 1,225 | $ — | $ 1,225 |
| Income from continuing operations before taxes | $ 816 | $ 828 | $ — | $ 828 |
| Provision for income taxes | $ 309 | $ 388 | $(104) | $ 284 |
| Effective tax rate | 37.9% | 46.9% | | 34.3% |
| Net income attributable to Nielsen stockholders | $ 502 | $ 429 | $ 104 | $ 533 |
| Net income per share of common stock, diluted | $ 1.39 | $ 1.20 | 0.29 | $ 1.49 |
| Net income per share of common stock, diluted percent change | | (13.7)% | $ | 7.2% |