



2020-22 PROJECTIONS	Price	Gain	Ann'l Total Return
High	140	(+50%)	11%
Low	115	(+25%)	7%

Insider Decisions	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	0	1	1	4	4	0	2
to Sell	0	0	0	1	0	0	0	0	0

Institutional Decisions	2Q2016	3Q2016	4Q2016	Percent shares traded
to Buy	712	685	803	75
to Sell	708	762	732	50
Hld's(000)	17210001702531740385			25

2007E	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	2.03	2.28	2.73	3.25	3.84	4.49	5.03	6.27	7.05	8.45	9.60	Revenues per sh ^{AE}	12.35
--	.63	.80	1.09	1.39	1.67	2.05	2.33	2.82	3.07	3.55	4.15	"Cash Flow" per sh	5.40
--	.56	.73	.98	1.25	1.55	1.90	2.27	2.82	2.84	3.30	3.85	Earnings per sh ^{ABF}	5.00
--	.03	.11	.13	.15	.22	.33	.42	.50	.59	.69	.81	Div'ds Decl'd per sh ^G	1.15
--	.13	.10	.08	.12	.14	.18	.22	.19	.24	.25	.27	Cap'l Spending per sh	.30
--	6.86	7.64	8.46	9.35	10.19	10.24	10.86	13.47	15.38	16.95	18.25	Book Value per sh ^D	20.45
--	3080.0	3036.0	2956.0	2828.0	2712.0	2624.0	2524.0	2215.0	2140.0	2065.0	2030.0	Common Shs Outst'g ^C	2200.0
--	32.6	20.3	20.5	15.7	18.2	21.8	23.3	25.3	26.4	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	25.0
--	1.96	1.35	1.30	.98	1.16	1.22	1.23	1.27	1.39			Relative P/E Ratio	1.55
--	.1%	.7%	.6%	.8%	.8%	.8%	.8%	.8%	.8%			Avg Ann'l Div'd Yield	.9%

Visa Inc. is the result of the merger of Visa USA, Visa International, Visa Canada, and Inovant. The reorganization was completed in October 2007. In March of 2008, the company went public, offering 1.62 billion shares at an initial price of \$11 (figures adjusted for 3/15 stock split). It raised \$17.9 billion in the largest IPO in U.S. history to date. Lead underwriters were J.P. Morgan and Goldman Sachs, which led a team of other main underwriters and several small banks.

CAPITAL STRUCTURE as of 3/31/17
 Tot. Debt \$15.9 bill. Due in 5 yrs. \$4.7 bill.
 LT Debt \$14.1 bill. (31% of cap'l)

Leases, Uncapitalized Annual rentals \$76 mill.

No Defined Benefits Plan

Pfd Stock None

Common Stock 2105.4 million shares (includes 1846.3 mill. shs. of class-A common stock)

MARKET CAP: \$195 billion (Large Cap)

CURRENT POSITION (\$MILL.)	2015	2016	3/31/17
Cash Assets	3518	5619	6427
Receivables	847	1041	1081
Other	5656	7653	7997
Current Assets	10021	14313	15505
Accts Payable	127	203	120
Debt Due	--	--	1748
Other	5228	7843	8338
Current Liab.	5355	8046	10206

BUSINESS: Visa Inc. is the world's largest retail electronic payments network providing processing services and payment product platforms. This includes credit, debit, prepaid, and commercial payments, which are offered under the Visa, Visa Electron, Interlink, and PLUS brands. Visa/PLUS is one of the largest global ATM networks, offering cash access in local currency in more than 200 countries. Visa's global network, VisaNet, delivers value-added processing, including fraud and risk management. Has about 8,500 employees. Off. and dir. own less than 1.0% of common stock (12/16 proxy). Chairman: Joseph W. Saunders. CEO: Alfred F. Kelly, Jr. Inc.: DE. Address: P.O. Box 8999, San Francisco, CA 94128. Telephone: 415-932-2100. Internet: www.visa.com.

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15
Revenues	--	17.5%	13.0%
"Cash Flow"	--	24.0%	11.5%
Earnings	--	24.5%	12.0%
Dividends	--	37.5%	15.5%
Book Value	--	8.5%	8.5%

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	3155	3163	3155	3229	12702
2015	3382	3409	3518	3571	13880
2016	3565	3626	3630	4261	15082
2017	4461	4477	4237	4325	17500
2018	4850	4875	4900	4875	19500

Visa Inc. remained on a roll in the March period. (Fiscal 2017 ends on September 30th.) The electronic payments processor registered \$4.48 billion in revenues for the latest three-month period, compared with our estimate of \$4.23 billion and the year-earlier tally of \$3.63 billion. On the bottom line, adjusted earnings were \$0.86 a share, versus our target of \$0.79 and the \$0.68 logged in the prior year. (Revenues and share net set, or matched, quarterly records for Visa.)

The company's vast global network has been dialed in for some time now. Payments volume jumped 37% in the latest period, from the year before, to a staggering \$1.7 trillion. Too, cross-border transactions have picked up the pace, advancing 11% in the second quarter (if Visa Europe is included in the previous year's results), and Visa processed 26.3 billion transactions in the second quarter, marking a 12% increase (factoring in Visa Europe). (All figures are presented on a constant-dollar basis.)

Its operations outside of North America now account for 60% of its business. Volumes in Latin America, Asia/Pacific, and the segment comprised of Central Europe, the Middle East, and Africa increased 11%, 3%, and 7%, respectively. At the same time, its North America business has certainly been no slouch, with volumes up 10% year over year.

Fiscal 2017 is shaping up to be another record-setting year for Visa. Revenues ought to expand 15%-17% for the full year, the operating margin should land in the mid-60% range, the tax rate will probably be in the low-30% vicinity, and we expect earnings to improve 15%-17% from fiscal 2016's tally. We're initiating top- and bottom-line estimates for fiscal 2018 of \$19.5 billion and \$3.85 a share, respectively, representing growth of 11%-13% and 15%-17% from our 2017 projections.

Top-quality Visa shares would make a good addition to most investment portfolios. The stock carries our Highest rank for Safety (1), and the company earns stellar marks for Financial Strength (A++). The dividend should be raised 15%-20% annually over the next 3 to 5 years, and long-term total return potential is decent on a risk-adjusted basis.

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	.55	.63	.54	.55	2.27
2015	.63	.63	.69	.67	2.62
2016	.69	.68	.69	.78	2.84
2017	.86	.86	.76	.82	3.30
2018	.94	.94	.97	1.00	3.85

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.083	.083	.083	.10	.35
2014	.10	.10	.10	.12	.42
2015	.12	.12	.12	.14	.50
2016	.14	.14	.14	.165	.59
2017	.165	.165			

(A) Fiscal year ends Sept. 30th. (B) Egs. based on adj. dil. class-A shares. Excludes nonrecr. charges: '07, \$2550 mill; '08, \$0.32; '12, (\$1.03); '16, \$0.36. Next egs. rep. due in late July. (C) In millions of adj., dil. class-A common shares outstanding. (D) Includes intangibles. As of 3/31/17: \$41.2 billion, \$19.59 per share. (E) Prior to '08, results are for Visa U.S.A. only. (F) May not sum due to rounding and/or change in share count. (G) Div'd historically paid in mid-Feb., mid-May, mid-Aug., and mid-Nov.

Company's Financial Strength A++
Stock's Price Stability 90
Price Growth Persistence 90
Earnings Predictability 100

To subscribe call 1-800-VALUELINE

Sharif Abdou May 12, 2017