



	2007E	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
Revenues per sh <sup>AE</sup>	--	2.03	2.28	2.73	3.25	3.84	4.49	5.03	6.27	7.05	8.84	9.95		12.35
"Cash Flow" per sh	--	.63	.80	1.09	1.39	1.67	2.05	2.33	2.82	3.07	3.75	4.30		5.40
Earnings per sh <sup>ABF</sup>	--	.56	.73	.98	1.25	1.55	1.90	2.27	2.82	2.84	3.48	4.00		5.00
Div'ds Decl'd per sh <sup>G</sup>	--	.03	.11	.13	.15	.22	.33	.42	.50	.59	.69	.81		1.15
Cap'l Spending per sh <sup>D</sup>	--	.13	.10	.08	.12	.14	.18	.22	.19	.24	.34	.35		40
Book Value per sh <sup>H</sup>	--	6.86	7.64	8.46	9.35	10.19	10.24	10.86	13.47	15.38	15.78	18.25		20.45
Common Shs Outst'g <sup>C</sup>	--	3080.0	3036.0	2956.0	2828.0	2712.0	2624.0	2524.0	2215.0	2140.0	2076.0	2030.0		2200.0
Avg Ann'l P/E Ratio	--	32.6	20.3	20.5	15.7	18.2	21.8	23.3	25.3	26.4	25.8			25.0
Relative P/E Ratio	--	1.96	1.35	1.30	.98	1.16	1.22	1.23	1.27	1.39	1.36			1.55
Avg Ann'l Div'd Yield	--	.1%	.7%	.6%	.8%	.8%	.8%	.8%	.8%	.8%	.8%			.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 9/30/17**  
 Tot. Debt \$18.4 bill. Due in 5 yrs. \$4.7 bill.  
 LT Debt \$16.6 bill. (34% of cap'l)

Leases, Uncapitalized Annual rentals \$76 mill.  
 No Defined Benefits Plan  
 Pfd Stock None  
 Common Stock 2076.0 million shares

	2007E	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
Revenues (\$mill) <sup>A</sup>	3590	6263	6911	8065	9188	10421	11778	12702	13880	15082	18358	20200		27150
Operating Margin	37.3%	46.9%	54.5%	60.2%	62.5%	63.1%	64.8%	64.0%	68.9%	55.6%	69.2%	65.0%		65.0%
Depreciation (\$mill)	137	237	226	265	288	333	397	435	494	502	556	575		900
Net Profit (\$mill) <sup>AB</sup>	739	1700	2213	2966	3650	4203	4980	5438	6328	5991	6699	8120		11000
Income Tax Rate	36.0%	23.8%	42.7%	36.1%	35.5%	33.4%	31.4%	29.6%	29.6%	25.2%	42.7%	30.0%		33.0%
Net Profit Margin	20.6%	27.1%	32.0%	36.8%	39.7%	40.3%	42.3%	42.8%	45.6%	39.7%	36.5%	40.2%		40.5%
Working Cap'l (\$mill)	d775	4009	4799	5236	5739	3832	3487	3556	4666	6267	9029	6750		7500
Long-Term Debt (\$mill)	--	--	44	32	--	--	--	--	--	15882	16618	16250		17000
Shr. Equity (\$mill)	d501	21141	23189	25011	26437	27630	26870	27413	29842	32912	32760	37000		45000
Return on Total Cap'l	--	8.0%	9.5%	11.8%	13.8%	15.2%	18.5%	19.8%	21.2%	12.7%	14.1%	15.5%		18.0%
Return on Shr. Equity	--	8.0%	9.5%	11.9%	13.8%	15.2%	18.5%	19.8%	21.2%	18.2%	20.5%	22.0%		24.5%
Retained to Com Eq	--	7.6%	8.2%	10.4%	12.2%	13.1%	15.3%	16.2%	17.3%	16.7%	17.7%	17.5%		19.0%
All Div'ds to Net Prof	--	5%	14%	12%	12%	14%	17%	18%	19%	21%	20%	20%		23%

**MARKET CAP: \$228 billion (Large Cap)**

CURRENT POSITION (\$MILL.)	2015	2016	9/30/17
Cash Assets	3518	5619	9874
Receivables	847	1041	1132
Other	5656	7653	8017
Current Assets	10021	14313	19023
Accts Payable	127	203	179
Debt Due	--	--	1749
Other	5228	7843	8066
Current Liab.	5355	8046	9994

**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: Robert W. Matschullat. CEO: Alfred F. Kelly, Jr. Inc.: DE. Address: P.O. Box 8999, San Francisco, CA 94128. Telephone: 415-932-2100. Internet: www.visa.com.

**Visa Inc. closed out fiscal 2017 with stellar results.** (Year ended September 30th.) The electronic payments processor rang up \$4.86 billion of revenues in the fourth quarter, marking a 14% advance from the year-earlier period. On the bottom line, Visa earned \$0.90 per share in the latest three-month stretch, which was a 15% improvement from last year's figure. (Our respective revenue and share-net targets were \$4.50 billion and \$0.87.) And the stage is set for a record-setting performance in fiscal 2018.

**Growth in its international business has started to pick up.** Transaction activity overseas had slowed in recent periods, but may have turned a corner in the September term. On point, total volumes in Latin America, Asia/Pacific, and the segment comprised of Central Europe, the Middle East, and Africa increased 12%, 9%, and 20%, respectively, in the most recent quarter. Too, Visa's business abroad accounts for 61% of the total. (All figures are presented on a constant-dollar basis.)

**We look for revenues and earnings to expand 9%-11% and 14%-16%, respectively, in the fiscal year ahead.** Payments volume and cross-border transactions each increased 10% in the final period of fiscal 2017, and we expect similar gains this year. In addition, Visa processed a staggering 111.2 billion transactions in fiscal 2017, marking a 13% advance from the prior year, and volumes may well reach 124 billion-126 billion in fiscal 2018. All told, we've added \$200 million and \$0.05 to our respective revenue and share-net estimates for the coming year, which now stand at \$20.2 billion and \$4.00.

**Visa's long-term prospects are bright.** It remains the leader in the electronic payments space worldwide, processing more swipes than its three closest competitors (American Express, MasterCard, and Discover Financial Services) combined. The board of directors continues to return capital to shareholders, including \$8.5 billion during fiscal 2017 in the form of stock buybacks and dividends. Total return potential over the next 3 to 5 years is muted at the recent price, but this timely stock carries our Highest (1) rank for Safety, and the company garners an excellent mark for Financial Strength (A++).

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	4565	4855	18358
2018	5000	5025	5125	5050	20200

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	.86	.90	3.48
2018	.98	.98	1.00	1.04	4.00

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	.165	.195	

(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 Jan. (C) In millions of adj., dil. class-A common shares outstanding. (D) Includes intangibles. As of 9/30/17: \$43.0 billion, \$23.63 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	95
Earnings Predictability	100

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