



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 9/30/19
 Tot. Debt \$16.7 bill. Due in 5 yrs. \$4.7 bill.
 LT Debt \$16.7 bill. LT Interest \$540.0 mill.
 (33% of cap'l)

Leases, Uncapitalized Annual rentals \$76 mill.
 No Defined Benefits Plan
 Pfd Stock None
 Common Stock 1980.0 million shares
 MARKET CAP: \$352 billion (Large Cap)

CURRENT POSITION (\$MILL.)	2017	2018	9/30/19
Cash Assets	9974	8162	7838
Receivables	1132	1208	1542
Other	8017	8846	11590
Current Assets	19023	18216	20970
Accts Payable	179	183	156
Debt Due	1749	--	--
Other	8066	11122	13259
Current Liab.	9994	11305	13415

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	--	17.5%	13.5%
"Cash Flow"	--	21.0%	13.0%
Earnings	--	19.0%	15.0%
Dividends	--	29.0%	15.0%
Book Value	--	7.0%	10.5%

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	3565	3626	3630	4261	15082
2017	4461	4477	4565	4855	18358
2018	4862	5073	5240	5434	20609
2019	5506	5494	5840	6137	22977
2020	6100	6100	6475	6825	25500

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	.69	.68	.69	.78	2.84
2017	.86	.86	.86	.90	3.48
2018	1.08	1.11	1.00	1.23	4.42
2019	1.30	1.31	1.37	1.47	5.44
2020	1.56	1.56	1.63	1.75	6.50

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.12	.12	.12	.14	.50
2016	.14	.14	.14	.165	.59
2017	.165	.165	.165	.195	.69
2018	.21	.21	.21	.25	.88
2019	.25	.25	.25	.30	1.05

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues per sh ^A	2.28	2.73	3.25	3.84	4.49	5.03	6.27	7.07	8.84	10.15	11.60	13.00	14.50	16.00	17.50	19.00
"Cash Flow" per sh	.80	1.09	1.39	1.67	2.05	2.33	3.13	3.45	4.28	4.72	6.43	6.85	7.50	8.20	9.00	9.75
Earnings per sh ^{ABD}	.73	.98	1.25	1.55	1.90	2.27	2.62	2.84	3.48	4.42	5.44	6.50	7.50	8.50	9.50	10.50
Div'ds Decl'd per sh ^E	.11	.13	.15	.22	.33	.42	.50	.59	.69	.88	1.05	1.25	1.50	1.75	2.00	2.25
Cap'l Spending per sh ^C	.10	.08	.12	.14	.18	.22	.19	.25	.34	.35	.38	.35	.35	.35	.35	.35
Book Value per sh ^C	7.64	8.46	9.35	10.19	10.24	10.86	13.47	12.75	13.12	16.74	17.52	20.60	21.50	22.50	23.50	24.50
Common Shs Outst'g	3036.0	2956.0	2828.0	2712.0	2624.0	2524.0	2215.0	2133.0	2076.0	2031.0	1980.0	1965.0	1950.0	1935.0	1920.0	1905.0
Avg Ann'l P/E Ratio	20.3	20.5	15.7	18.2	21.8	23.3	25.3	27.2	25.9	28.7	28.7	28.7	28.7	28.7	28.7	28.7
Relative P/E Ratio	1.35	1.30	.98	1.16	1.22	1.23	1.27	1.43	1.30	1.51	1.51	1.51	1.51	1.51	1.51	1.51
Avg Ann'l Div'd Yield	.7%	.6%	.8%	.8%	.8%	.8%	.8%	.8%	.8%	.7%	.7%	.7%	.7%	.7%	.7%	.7%

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 (12/18 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. concluded fiscal 2019 with solid operating results. (Fiscal years end on September 30th.) During the fiscal fourth quarter, the Dow-30 component registered \$6.137 billion in revenues and \$1.47 in adjusted share earnings, representing respective advances of 13% and 20% from the comparable year-earlier totals. (Our forecasts were for \$6.160 billion in revenues and \$1.42 per share in earnings.) For the full year, the top and bottom lines expanded 11% and 23%, respectively, establishing new highs of \$22.98 billion and \$5.44 per share.

share-net estimate. We expect the electronic payments processor to post another year of record-setting results, driven by its vast, geographically diverse operations. Our year-ahead targets, at \$25.50 billion in revenues and \$6.50 in adjusted share earnings, would represent annual growth of 10%-12% and 18%-20%, respectively.

Transaction data have been strong domestically and abroad. On point, total dollar volumes in Europe, Latin America, Asia/Pacific, and the segment comprised of Central Europe, the Middle East, and Africa increased 8.8%, 18.4%, 5.4%, and 24.5%, respectively, from the prior-year figures. Too, dollar volumes in North America were not too shabby, rising 8.2% and 7.6%, respectively, in the United States and Canada during the latest three-month stretch. (All figures are presented on a constant-dollar basis.)

There's a lot to like here from an investment perspective. The company is returning more capital to stockholders, including a recent 20% raise to the quarterly dividend, and \$8.6 billion of share buybacks in fiscal 2019. On the operating front, Visa's continued expansion is backed by a strong balance sheet, with debt-to-total equity at a respectable 33% in the September term. In addition, the company earns a stellar mark for Financial Strength (A++), the equity is top ranked for Safety (1, Highest), and features excellent scores for Price Stability, Price Growth Persistence, and Earnings Predictability. In sum, timely Visa shares would make a fine addition to most portfolios, and offer decent risk-adjusted total return potential to early next decade.

We've added \$0.10 to our fiscal 2020

Sharif Abdou November 8, 2019

(A) Fiscal year ends Sept. 30th. (B) Earnings based on adjusted diluted class-A shares. Excludes nonrecurring charges: '12, (\$1.03); '16, \$0.36; '19, \$0.17. Next earnings report due in late January. (C) Includes intangibles. As of 9/30/19: \$42.4 billion, \$21.05 per share. (D) May not sum due to rounding and/or change in share count. (E) Div'd historically paid in mid-Feb., mid-May, mid-Aug., and mid-Nov.

Company's Financial Strength	A++
Stock's Price Stability	95
Price Growth Persistence	100
Earnings Predictability	100

To subscribe call 1-800-VALUELINE