

VISA INC. NYSE-V

RECENT PRICE **240.74** P/E RATIO **27.3** (Trailing: 31.1 Median: 28.0) RELATIVE P/E RATIO **1.52** DIV'D YLD **0.8%** VALUE LINE

TIMELINESS 3 Lowered 7/28/23
SAFETY 1 Raised 5/16/14
TECHNICAL 3 Lowered 7/21/23
BETA 1.05 (1.00 = Market)

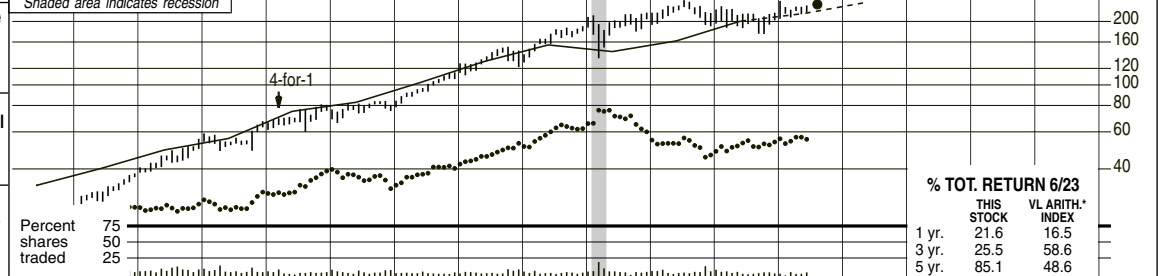
High: 38.1 55.7 67.3 81.0 84.0 114.9 151.6 189.9 220.4 252.7 235.9 250.6
 Low: 24.6 38.5 48.7 60.0 66.1 78.5 111.0 127.9 133.9 190.1 174.6 206.2

LEGENDS
 — 24.0 x "Cash Flow" p sh
 ... Relative Price Strength
 4-for-1 split 3/15
 Options: Yes
 Shaded area indicates recession

18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$193-\$342 \$268 (10%)

2026-28 PROJECTIONS
 Price Gain Ann'l Total Return
 High Low 380 310 (+60%) 13%
 Low 310 (+30%) 8%

Institutional Decisions
 3Q2022 4Q2022 1Q2023
 to Buy 1412 1603 1498
 to Sell 1447 1424 1538
 Hld's(000)155524015757131608985
 Percent shares traded 75 50 25



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.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	© VALUE LINE PUB. LLC	26-28
Revenues per sh ^A	4.49	5.03	6.27	7.07	8.84	10.18	11.64	11.27	12.48	15.51	17.50	19.75	Revenues per sh ^A	25.30
"Cash Flow" per sh	2.05	2.33	3.13	3.45	4.28	5.39	6.45	6.00	6.75	8.37	9.10	10.30	"Cash Flow" per sh	13.10
Earnings per sh ^{ABD}	1.90	2.27	2.62	2.84	3.48	4.42	5.32	5.04	5.91	7.50	8.60	9.75	Earnings per sh ^{ABD}	12.40
Div'ds Decl'd per sh ^E	.33	.42	.50	.59	.69	.88	1.05	1.22	1.34	1.58	1.80	2.10	Div'ds Decl'd per sh ^E	2.80
Cap'l Spending per sh ^C	.18	.22	.19	.25	.34	.35	.38	.38	.37	.51	.40	.45	Cap'l Spending per sh ^C	.60
Book Value per sh ^H	10.24	10.86	13.47	12.75	13.12	14.09	14.80	16.05	17.86	17.60	20.55	23.60	Book Value per sh ^H	32.25
Common Shs Outst'g	2624.0	2524.0	2215.0	2133.0	2076.0	2025.0	1974.0	1939.0	1932.0	1890.0	1860.0	1830.0	Common Shs Outst'g	1800.0
Avg Ann'l P/E Ratio	21.8	23.3	25.3	27.2	25.9	28.4	29.2	38.3	39.0	30.0	28.0	28.0	Avg Ann'l P/E Ratio	28.0
Relative P/E Ratio	1.22	1.23	1.27	1.43	1.30	1.53	1.56	1.97	2.11	1.74	1.55	1.55	Relative P/E Ratio	1.55
Avg Ann'l Div'd Yield	.8%	.8%	.8%	.8%	.8%	.7%	.7%	.7%	.7%	.7%	.8%	.8%	Avg Ann'l Div'd Yield	.8%

CAPITAL STRUCTURE as of 6/30/23
 Tot. Debt \$20.6 bill. Due in 5 yrs. \$9.1 bill.
 LT Debt \$20.6 bill. LT Interest \$570.0 mill.
 (35% of Cap'l)

Leases, Uncapitalized Annual rentals \$102 mill.
No Defined Benefits Plan

Pfd. Stock \$1.8 bill. Pfd. Div'd Nil

Common Stock 1862.0 million shares
 (Includes 1607.0 mill. class-A shares; 245.0 mill. class-B shares; 10.0 mill. class-C shares)

MARKET CAP: \$448 billion (Large Cap)

CURRENT POSITION (\$MILL.)	2021	2022	6/30/23
Cash Assets	16487	15689	15590
Receivables	1968	2020	2282
Other	9152	12496	13798
Current Assets	27607	30205	31670
Accts Payable	266	340	281
Debt Due	999	2250	--
Other	14474	18263	20949
Current Liab.	15739	20853	21230

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '20-'22
Revenues	15.0%	12.0%	11.5%
"Cash Flow"	17.5%	14.0%	11.0%
Earnings	16.5%	14.5%	13.5%
Dividends	23.5%	18.0%	13.0%
Book Value	6.5%	5.5%	11.0%

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^{AD}	Full Fiscal Year
	Dec.31 Mar.31 Jun.30 Sep.30	
2020	6054 5854 4837 5101	21846
2021	5687 5729 6130 6559	24105
2022	7059 7189 7275 7787	29310
2023	7936 7985 8123 8506	32550
2024	8875 8750 8950 9525	36100

Fiscal Year Ends	EARNINGS PER SHARE ^{ABD}	Full Fiscal Year
	Dec.31 Mar.31 Jun.30 Sep.30	
2020	1.46 1.38 1.07 1.12	5.04
2021	1.42 1.38 1.49 1.62	5.91
2022	1.81 1.79 1.98 1.93	7.50
2023	2.18 2.09 2.16 2.17	8.60
2024	2.40 2.35 2.40 2.60	9.75

Cal-endar	QUARTERLY DIVIDENDS PAID ^E	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	
2019	.25 .25 .25 .30	1.05
2020	.30 .30 .30 .32	1.22
2021	.32 .32 .32 .375	1.34
2022	.375 .375 .375 .45	1.58
2023	.45 .45	

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. Visa's global network, VisaNet, delivers value-added processing, including fraud and risk management. Has about 26,500 employees. Officers and directors own less than 1.0% of common stock; The Vanguard Group, 8.6%; BlackRock Inc., 7.7% (12/22 proxy). Chairman: Alfred F. Kelly, Jr. Chief Executive Officer: Ryan McInerney, Inc.: DE. Address: P.O. Box 8999, San Francisco, CA 94128. Telephone: 415-932-2100. Internet: www.visa.com.

At the three-quarter pole of fiscal 2023, Visa remained on pace for good operating results. (Fiscal years conclude on September 30th.) During the nine-month period ended June 30th, revenues increased 12% from the like-fiscal 2022 stretch, to an aggregate \$24.04 billion, and non-GAAP earnings advanced 15%, to a combined \$6.43 per share. We've added \$150 million and \$0.15 to our full-year top-and bottom-line targets, to \$32.55 billion and \$8.60 per share, respectively; the former and latter would represent annual gains of roughly 11% and 15%.

Transaction activity has been healthy. During the fiscal third quarter, total volumes expanded 11.2% in Europe, 6.2% in Asia/Pacific, 13.1% in Latin America, and 18.3% in the segment comprised of Central Europe, the Middle East, and Africa. (Visa suspended operations in Russia in March of 2022 due to the war with Ukraine.) Business was also decent in North America, with volumes up 4.9% and 6.0%, respectively, in the United States and Canada. Cross-border volumes increased 17% in the June interim, from the year-earlier period. (All figures are presented

on a constant-dollar basis.) **The balance sheet is in great shape.** Total debt declined 13% in the fiscal third quarter, from the same point in fiscal 2022, to \$20.56 billion, and the debt-to-total capital ratio improved from 37% to 35%. Visa finished the June period with substantial cash reserves, at \$15.59 billion, and has ample liquidity to continue building out its payments network.

We expect fiscal 2024 to be another record-setting year for the electronic payments processor. We've nudged our revenue and earnings projections for next year higher, to \$36.1 billion (previously \$36 billion) and \$9.75 per share (previously \$9.70), respectively. Our updated forecasts would mark year-over-year growth of about 11% and 13%. Note that some of the progress we anticipate will depend on the state of the global economy.

Visa stock should appeal to a wide range of investors. The equity and the company earn our top marks for Safety (1) and Financial Strength (A++), respectively. Risk-adjusted upside in the 18-month and 3- to 5-year time frames is decent.

(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; '20, \$0.14; '21, \$0.28; '22, \$0.50; '23 Q1-Q2, \$0.22. Next earnings report due late Oct. (C) Includes intangibles. Fiscal 2022: \$42.9 billion, \$22.67 per share. (D) May not sum due to rounding and/or change in share count. (E) Div'd historically paid in early March, June, September, and December.

© 2023 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

Company's Financial Strength	A++
Stock's Price Stability	90
Price Growth Persistence	95
Earnings Predictability	90

To subscribe call 1-800-VALUELINE