

ModernGraham Valuation

Company Name:

Visa Inc

Company Ticker V

Date of Analysis

11/27/2015



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$193,288,800,008	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.03	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	714.13%	Pass
5. Earnings Growth	PEmg < 20	34.07	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	6.53	Fail
7. Moderate Price to Assets			

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.03	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.34
MG Growth Estimate	15.00%
MG Value	\$90.18
MG Value based on 3% Growth	\$33.96
MG Value based on 0% Growth	\$19.91
Market Implied Growth Rate	12.78%

MG Opinion

Current Price	\$79.80
% of Intrinsic Value	88.49%
Opinion	Fairly Valued

Stage 3: Information for Further Research

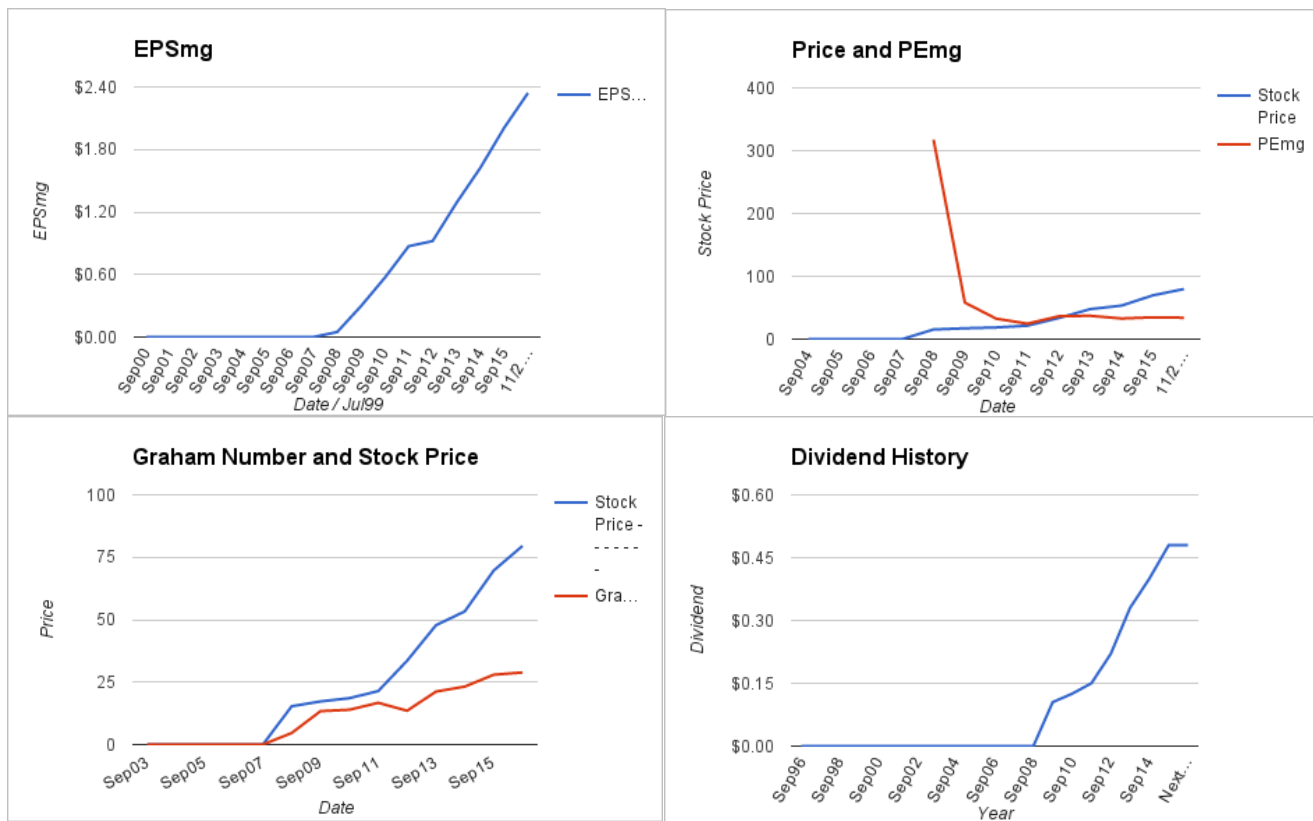
Net Current Asset Value (NCAV)	\$0.20
Graham Number	\$28.87
PEmg	34.07
Current Ratio	2.03
PB Ratio	6.53
Dividend Yield	0.60%
Number of Consecutive Years of Dividend Growth	8

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.75	Next Fiscal Year Estimate	\$2.34
Sep15	\$2.58	Sep15	\$2.01
Sep14	\$2.16	Sep14	\$1.62
Sep13	\$1.90	Sep13	\$1.29
Sep12	\$0.79	Sep12	\$0.92
Sep11	\$1.29	Sep11	\$0.87
Sep10	\$1.00	Sep10	\$0.57
Sep09	\$0.78	Sep09	\$0.30
Sep08	\$0.15	Sep08	\$0.05
Sep07	\$0.00	Sep07	\$0.00
Sep06	\$0.00	Sep06	\$0.00
Sep05	\$0.00	Sep05	\$0.00
Sep04	\$0.00	Sep04	\$0.00
Sep03	\$0.00	Sep03	\$0.00
Sep02	\$0.00	Sep02	\$0.00
Sep01	\$0.00	Sep01	\$0.00
Sep00	\$0.00	Sep00	\$0.00
Sep99	\$0.00	Balance Sheet Information Sep15	
Sep98	\$0.00	Total Current Assets	\$10,892,000,000
Sep97	\$0.00	Total Current Liabilities	\$5,374,000,000
Sep96	\$0.00	Long-Term Debt	\$0
		Total Assets	\$40,236,000,000
		Intangible Assets	\$23,186,000,000
		Total Liabilities	\$10,394,000,000
		Shares Outstanding (Diluted Average)	2,442,000,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

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company

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[19 Best Stocks For Value Investors This Week – 8/29/15](#)
[Visa Inc. Analysis – August 2015 Update \\$V](#)
[Visa Inc. Analysis – August 2015 Update \\$V](#)
[Visa Inc. Quarterly Valuation – May 2015 \\$V](#)

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[American Express Company Valuation – October 2015 Update \\$AXP](#)
[KKR & Co. LP Valuation – October 2015 Update \\$KKR](#)
[Invesco Limited Analysis – October 2015 Update \\$IVZ](#)
[CME Group Inc. Analysis – October 2015 Update \\$CME](#)
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