ModernGraham Valuation

Company Name:

Visa Inc

Company Ticker Date of Analysis 11/21/2018



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.

 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$301,247,162,015 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.61 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
Earnings Growth	beginning and end	302.21% Pass
6. Moderate PEmg Ratio	PEmg < 20	34.17 Fail
7 Moderate Price to Assets	PB Ratio < 2.5 OR PB*PFmg < 50	9 19 Fail

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	1.61	Pass
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.41	Fail
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

Score

Suitability

MG Opinion

Defensive No Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.97
MG Growth Estimate	14.65%
MG Value	\$150.00
MG Value based on 3% Growth	\$57.54
MG Value based on 0% Growth	\$33.73
Market Implied Growth Rate	12.84%
Current Price	\$135.60
% of Intrinsic Value	90.40%

Opinion Fairly Valued

MG Grade

Stage 3: Information for Further Research

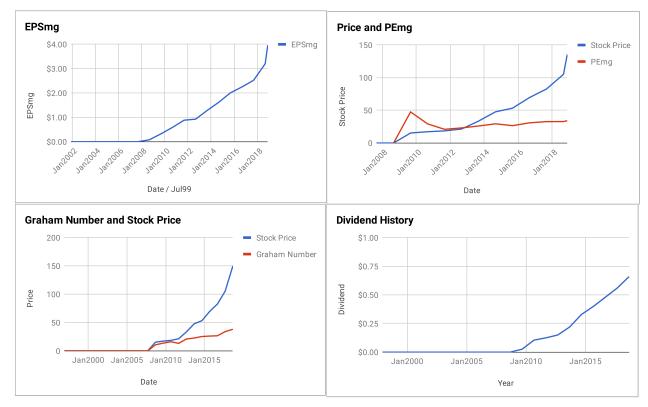
Net Current Asset Value (NCAV)	-\$7.38
Graham Number	\$38.16
PEmg	34.17
Current Ratio	1.61
PB Ratio	9.19
Current Dividend	\$0.83
Dividend Yield	0.61%
Number of Consecutive Years of Dividend	44
Growth	11

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate	• • • •	Next Fiscal Year Estimate	\$3.97
Sep2018	\$4.42	Sep2018	\$3.20
Sep2017	\$2.80	Sep2017	\$2.53
Sep2016	\$2.48	Sep2016	\$2.25
Sep2015	\$2.58	Sep2015	\$2.01
Sep2014	\$2.16	Sep2014	\$1.62
Sep2013	\$1.90	Sep2013	\$1.29
Sep2012	\$0.79	Sep2012	\$0.93
Sep2011	\$1.29	Sep2011	\$0.88
Sep2010	\$1.00	Sep2010	\$0.59
Sep2009	\$0.78	Sep2009	\$0.32
Sep2008	\$0.24	Sep2008	\$0.08
Sep2007	\$0.00	Sep2007	\$0.00
Sep2006	\$0.00	Sep2006	\$0.00
Sep2003	\$0.00	Sep2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Balance Sheet Information	9/1/2018
Dec1999	\$0.00	Total Current Assets	\$18,216,000,000
Dec1998	\$0.00	Total Current Liabilities	\$11,305,000,000
Dec1997	\$0.00	Long-Term Debt	\$16,630,000,000
		Total Assets	\$69,225,000,000
		Intangible Assets	\$42,752,000,000
		Total Liabilities	\$35,219,000,000
		Shares Outstanding (Diluted Average)	2,305,000,000





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.

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<u>Visa Inc Valuation – June 2016 \$V</u>

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Visa Inc Valuation – November 2015 Update \$V

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Mastercard Inc Valuation - March 2018 \$MA

<u>Discover Financial Services Valuation – January 2017 \$DFS</u>

Discover Financial Services Valuation – August 2016 \$DFS

Mastercard Inc Valuation – July 2016 \$MA

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<u>Mastercard Inc Valuation – January 2016 Update \$MA</u>

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