



Visa Inc. Fiscal Third Quarter Financial Results

July 27, 2011

Forward-Looking Information



This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by the terms “expect,” “will,” “continue” and similar references to the future. Examples of such forward-looking statements include, but are not limited to, statements we make about gross and net revenue, incentive payments, expenses, operating margin, tax rate, earnings per share, capital expenditures, free cash flow and the growth of those items.

By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are neither statements of historical fact nor guarantees of future performance and (iii) are subject to risks, uncertainties, assumptions and changes in circumstances that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements because of a variety of factors, including the following:

- the impact of timing and new laws, regulations and marketplace barriers, particularly the rules promulgated under the Wall Street Reform and Consumer Protection Act, including those affecting:
 - rules expanding issuers’ and retailers’ choice among debit payment networks;
 - rules capping debit interchange rates;
 - the spread of regulation of debit payments to credit and other product categories;
 - the spread of U.S. regulations to other countries;
 - rules about consumer privacy and data use and security; and
 - designation as a systemically important payment system;
- developments in current or future disputes and our ability to absorb their impact, including interchange, currency conversion, and tax;
- macroeconomic factors such as:
 - global economic, political, health, environmental and other conditions;
 - cross-border activity and currency exchange rates; and
 - material changes in our clients’ performance compared to our estimates;
- industry and systemic developments, such as:
 - competitive pressure on client pricing and in the payments industry generally;
 - bank and merchant consolidation and their increased focus on payment card costs;
 - disintermediation from the payments value stream through government actions or bilateral agreements;
 - adverse changes in our relationships and reputation;
 - our clients’ failure to fund settlement obligations we have guaranteed;
 - disruption of our transaction processing systems or the inability to process transactions efficiently;
 - rapid technological developments;
 - account data breaches and increased fraudulent and other illegal activity involving our cards; and
 - issues arising at Visa Europe, including failure to maintain interoperability between our systems;
- costs arising if Visa Europe were to exercise its right to require us to acquire all of its outstanding stock;
- loss of organizational effectiveness or key employees;
- failure to integrate successfully CyberSource, PlaySpan, Fundamo or other acquisitions;
- changes in accounting principles or treatment; and

the other factors discussed in our most recent Annual Report on Form 10-K on file with the U.S. Securities and Exchange Commission. You should not place undue reliance on such statements. Unless required to do so by law, we do not intend to update or revise any forward-looking statement, because of new information or future developments or otherwise.

Solid Fiscal Third Quarter Results



- Strong operating revenues of \$2.3 billion, up 14% over prior year
- Adjusted quarterly net income of \$883 million, up 23%, and adjusted diluted earnings per share of \$1.26, up 29% over prior year
- Repurchased 13.7 million shares at an average price of \$77.36 for a total cost of \$1.1 billion.
- Continued positive secular trends and spending momentum contributed to double-digit growth year over year in key underlying business drivers for the sixth consecutive quarter

Payments Volume

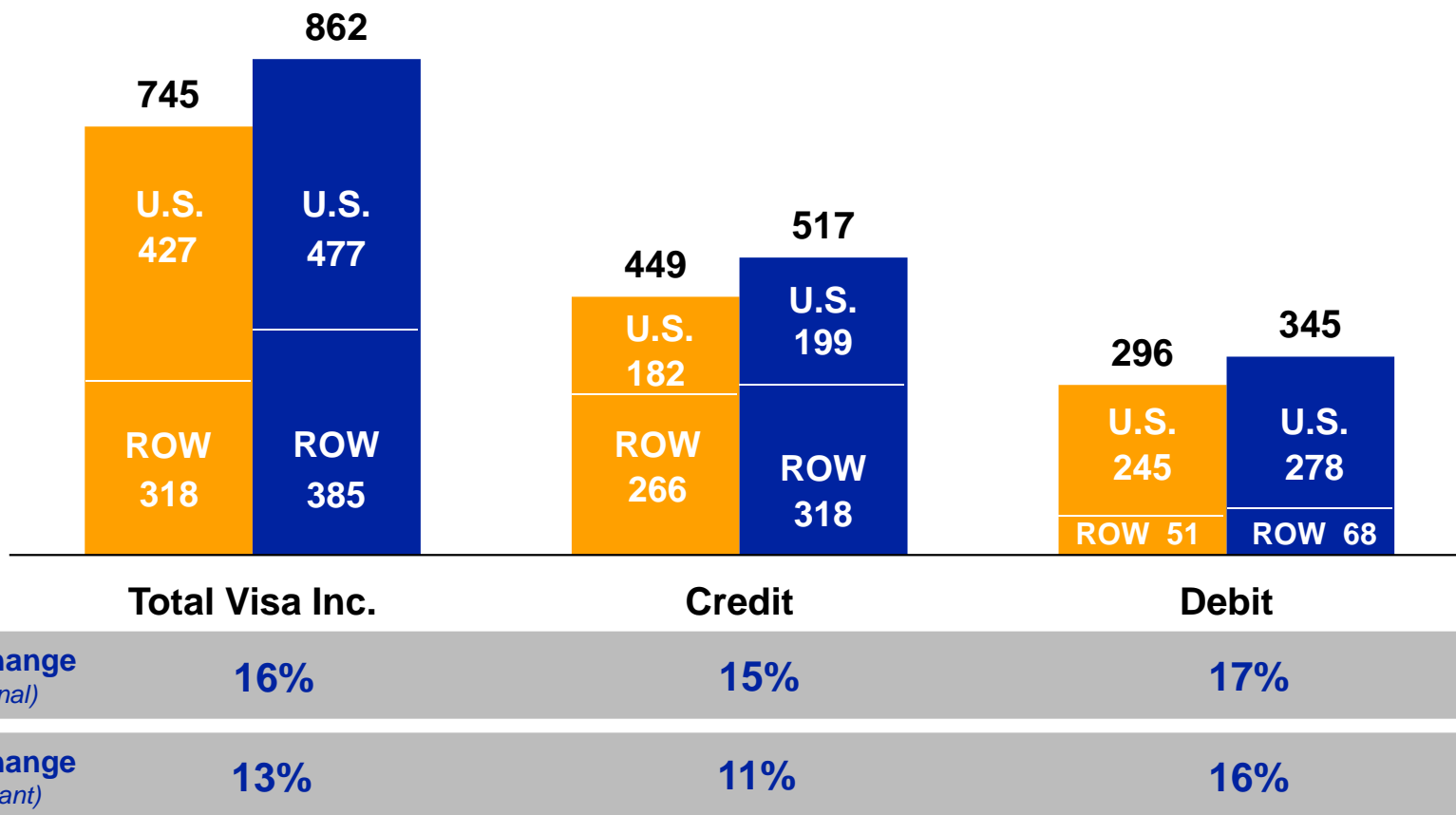
US\$ in billions, nominal, except percentages

Quarter ended March



■ 2010
■ 2011

ROW = Rest of World



Note: Figures may not sum due to rounding. Growth rates calculated based on whole numbers, not rounded numbers. From time to time, previously submitted volume information may be updated. Prior year volume information presented has not been updated, as changes made are not material. Constant dollar growth rates exclude the impact of foreign currency fluctuations against the U.S. dollar in measuring performance.

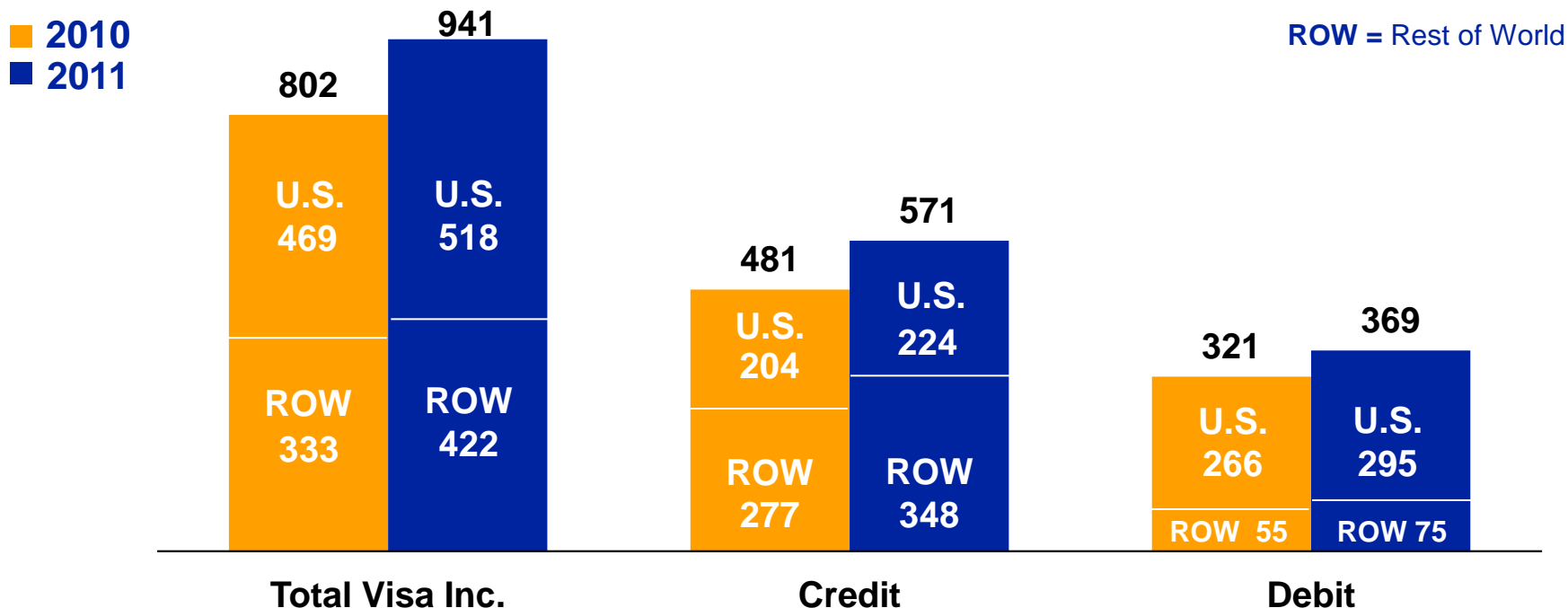
Payments Volume

US\$ in billions, nominal, except percentages

Quarter ended June



Note: Current quarter payments volume and other select metrics are provided in the operational performance data supplement to provide more recent operating data. Service revenues continue to be recognized based on payments volume in the prior quarter. From time to time, reported payments volume information may be updated to reflect revised client submissions or other adjustments. Prior year volume information presented has not been updated, as changes made are not material. Figures may not sum due to rounding.



YOY Change
(nominal)

17%

19%

15%

YOY Change
(constant)

13%

13%

14%

Payments Volume

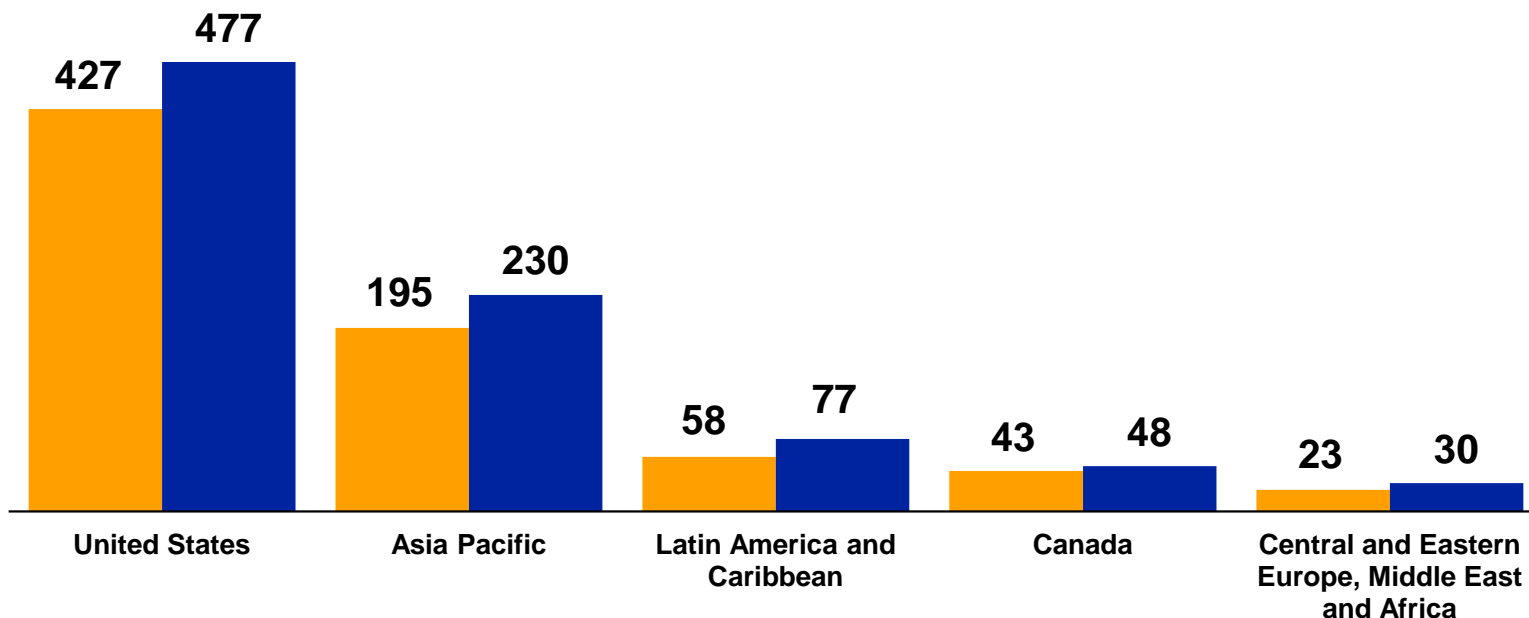
US\$ in billions, nominal, except percentages



Quarter ended March

■ 2010

■ 2011



YOY Change
(nominal)

12%

18%

32%

11%

34%

YOY Change
(constant)

12%

12%

26%

7%

31%

Note: Growth rates calculated based on whole numbers, not rounded numbers. From time to time, previously submitted volume information may be updated. Prior year volume information presented has not been updated, as changes made are not material. Constant dollar growth rates exclude the impact of foreign currency fluctuations against the U.S. dollar in measuring performance.

Payments Volume

US\$ in billions, nominal, except percentages

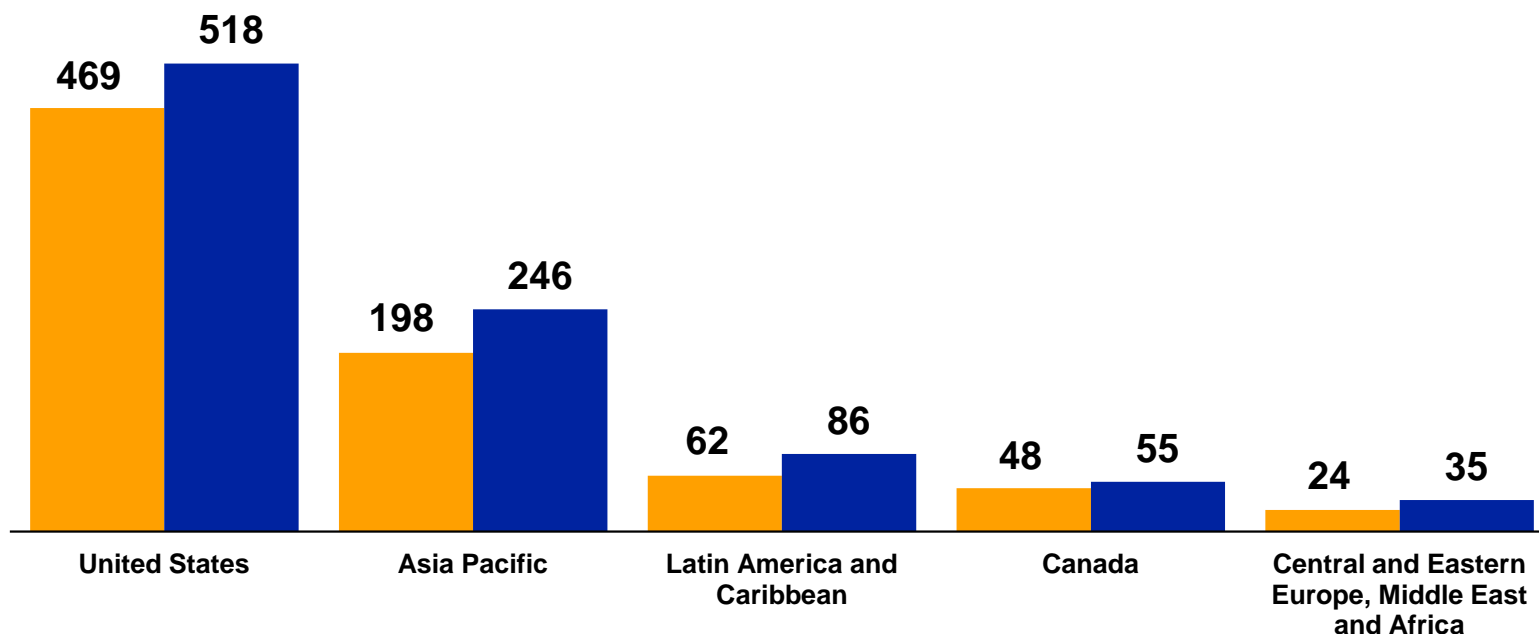


Quarter ended June

Note: Current quarter payments volume and other select metrics are provided in the operational performance data supplement to provide more recent operating data. Service revenues continue to be recognized based on payments volume in the prior quarter. From time to time, reported payments volume information may be updated to reflect revised client submissions or other adjustments. Prior year volume information presented has not been updated, as changes made are not material. Figures may not sum due to rounding.

■ 2010

■ 2011



YOY Change
(nominal)

10%

24%

38%

14%

43%

YOY Change
(constant)

10%

14%

29%

8%

37%

Transactions

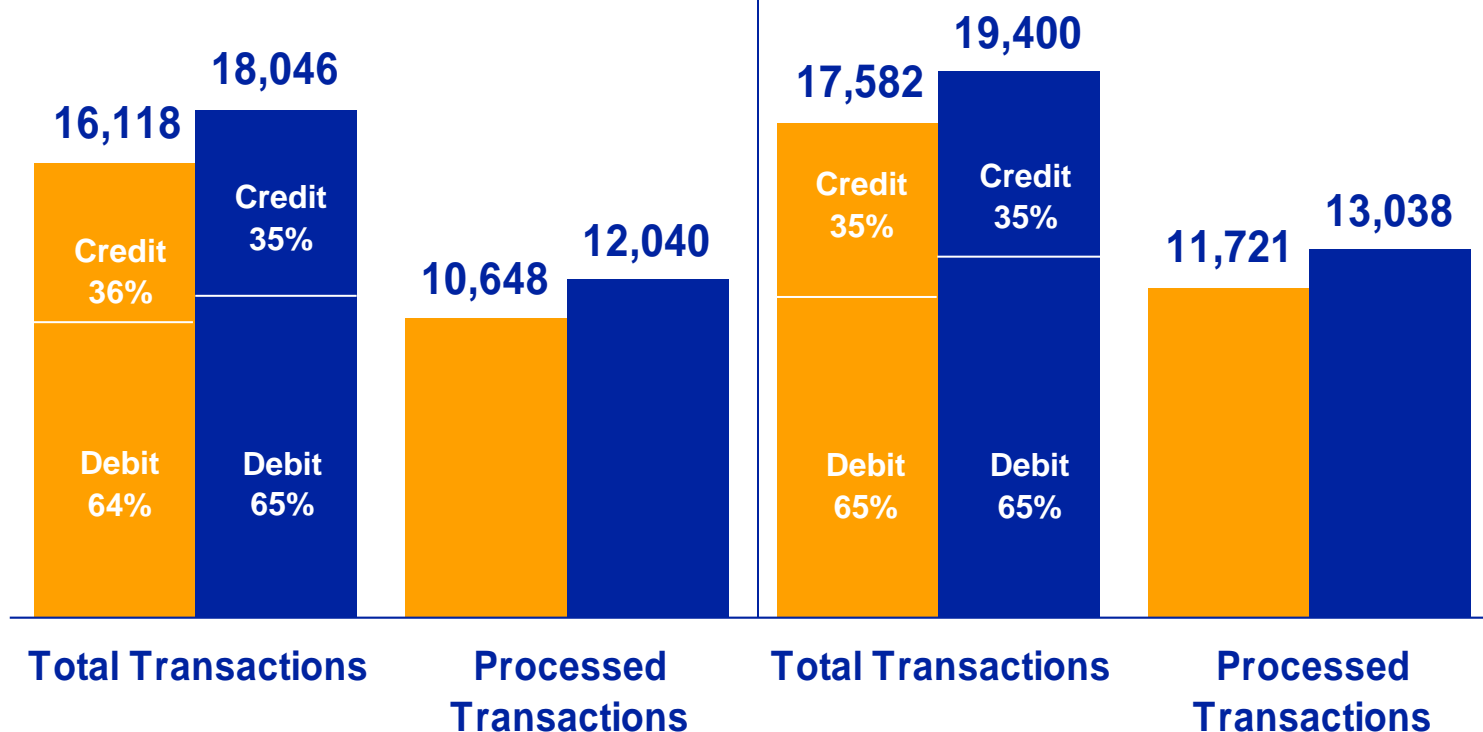
in millions, except percentages



Quarter ended March

Quarter ended June

■ 2010
■ 2011



**YOY
Change**

12%

13%

10%

11%

Note: Processed transactions represent transactions involving Visa, Visa Electron, Interlink and Plus cards processed on Visa's networks. Total transactions represent payments and cash transactions as reported by Visa clients on their operating certificates. From time to time, previously submitted transaction information may be updated. Prior year transaction information presented has not been updated, as changes made are not material.

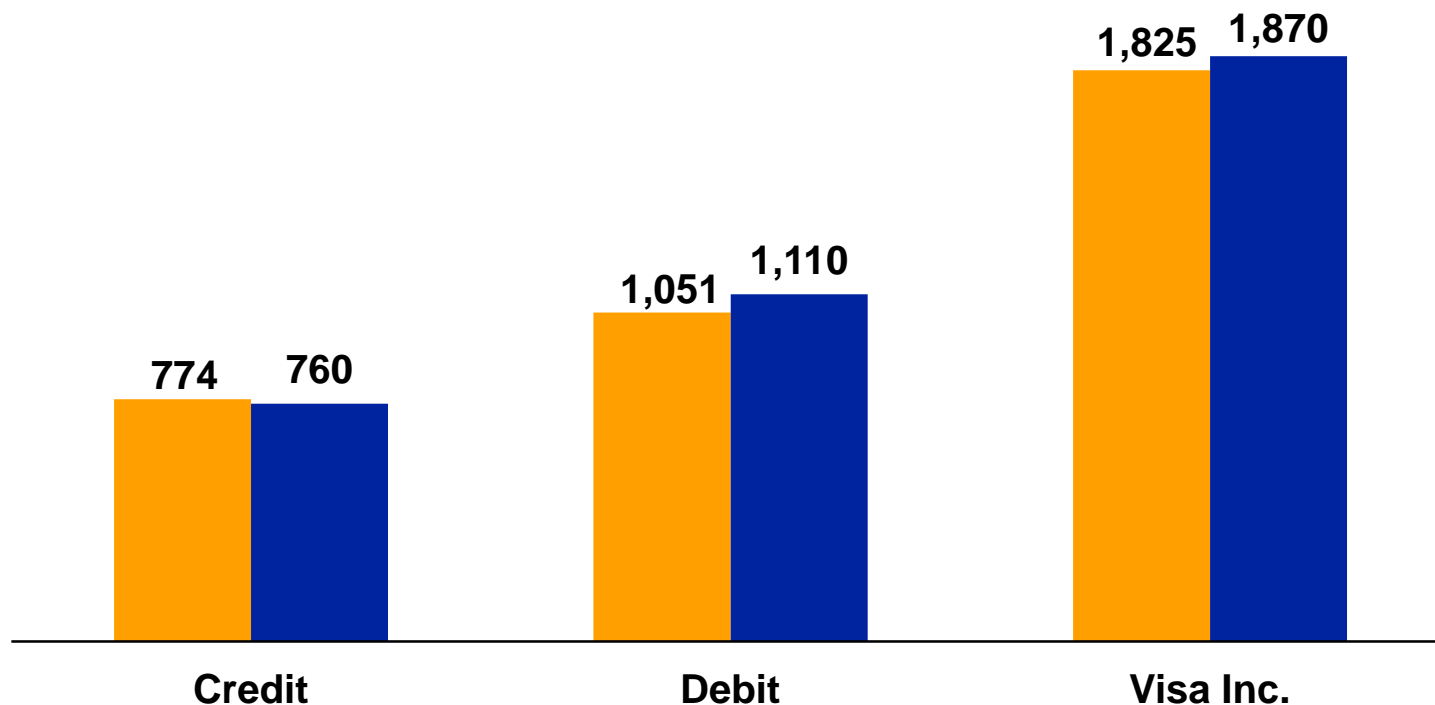
Total Cards

in millions, except percentages



Quarter ended March

■ 2010
■ 2011



**YOY
Change**

(2)%

6%

2%

Note: From time to time, previously submitted card information may be updated. Prior year card information presented has not been updated, as changes made are not material.

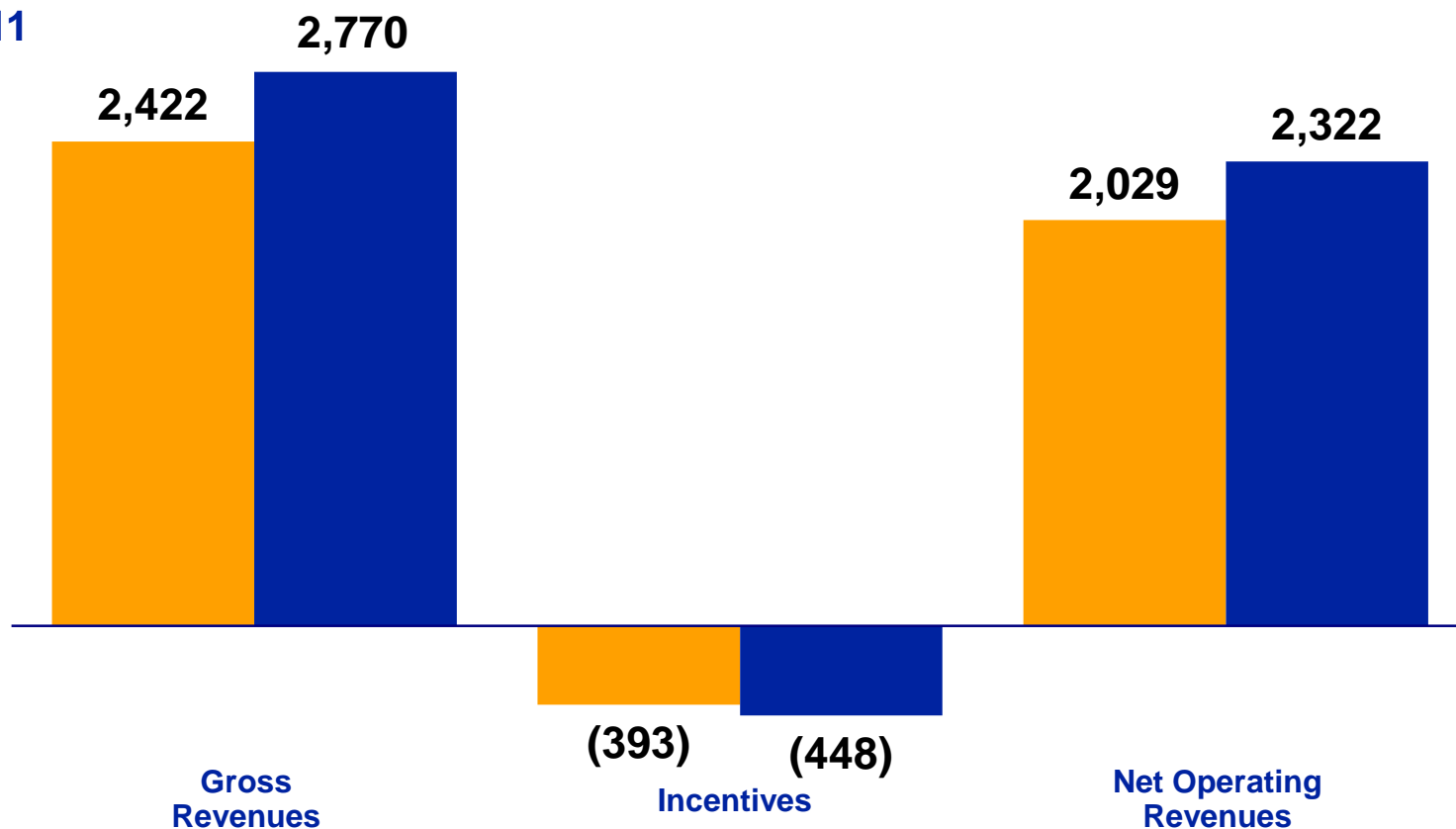
Revenue – Q3 2011

US\$ in millions, except percentages



■ Fiscal 2010

■ Fiscal 2011



**YOY
Change**

14%

14%

14%

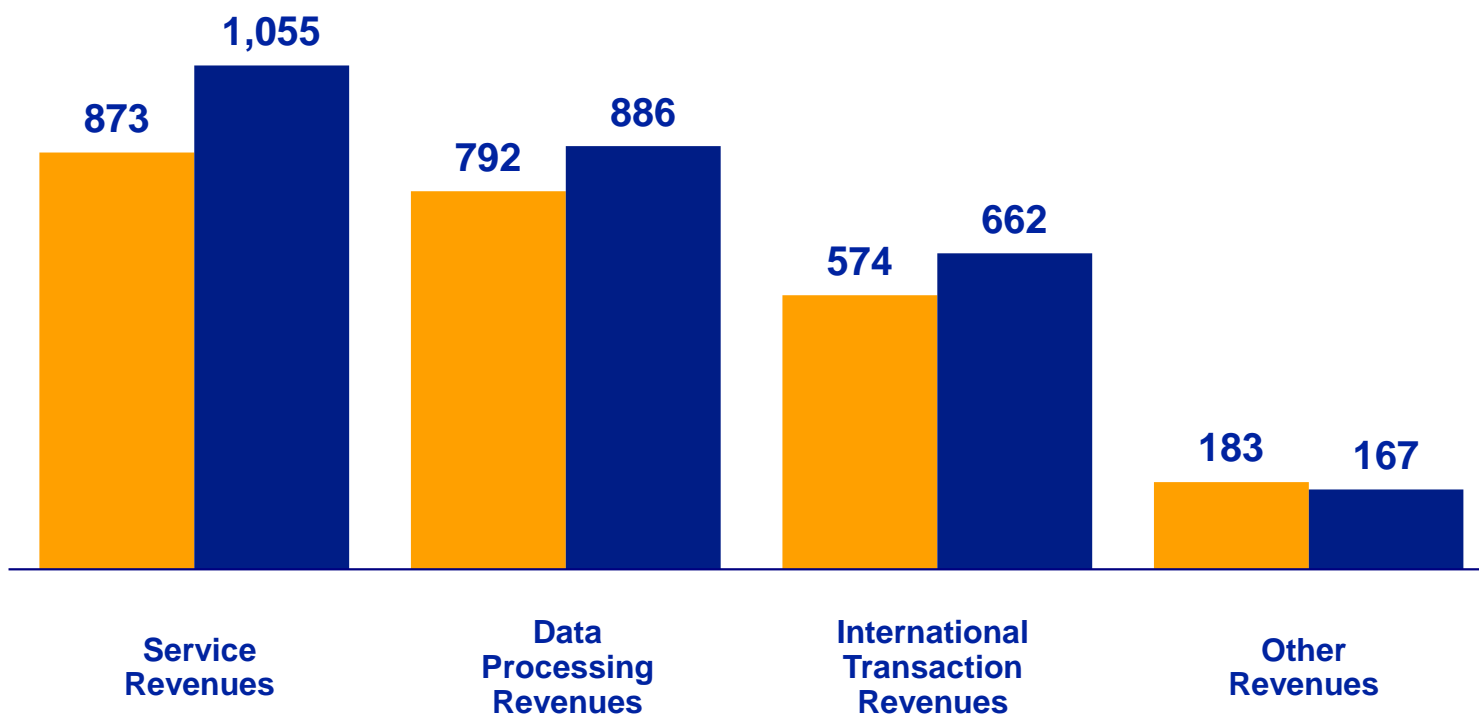
Note: Growth rates calculated based on whole numbers, not rounded numbers.

Revenue Detail – Q3 2011

US\$ in millions, except percentages



■ Fiscal 2010
■ Fiscal 2011



**YOY
Change**

21%

12%

15%

(10)%

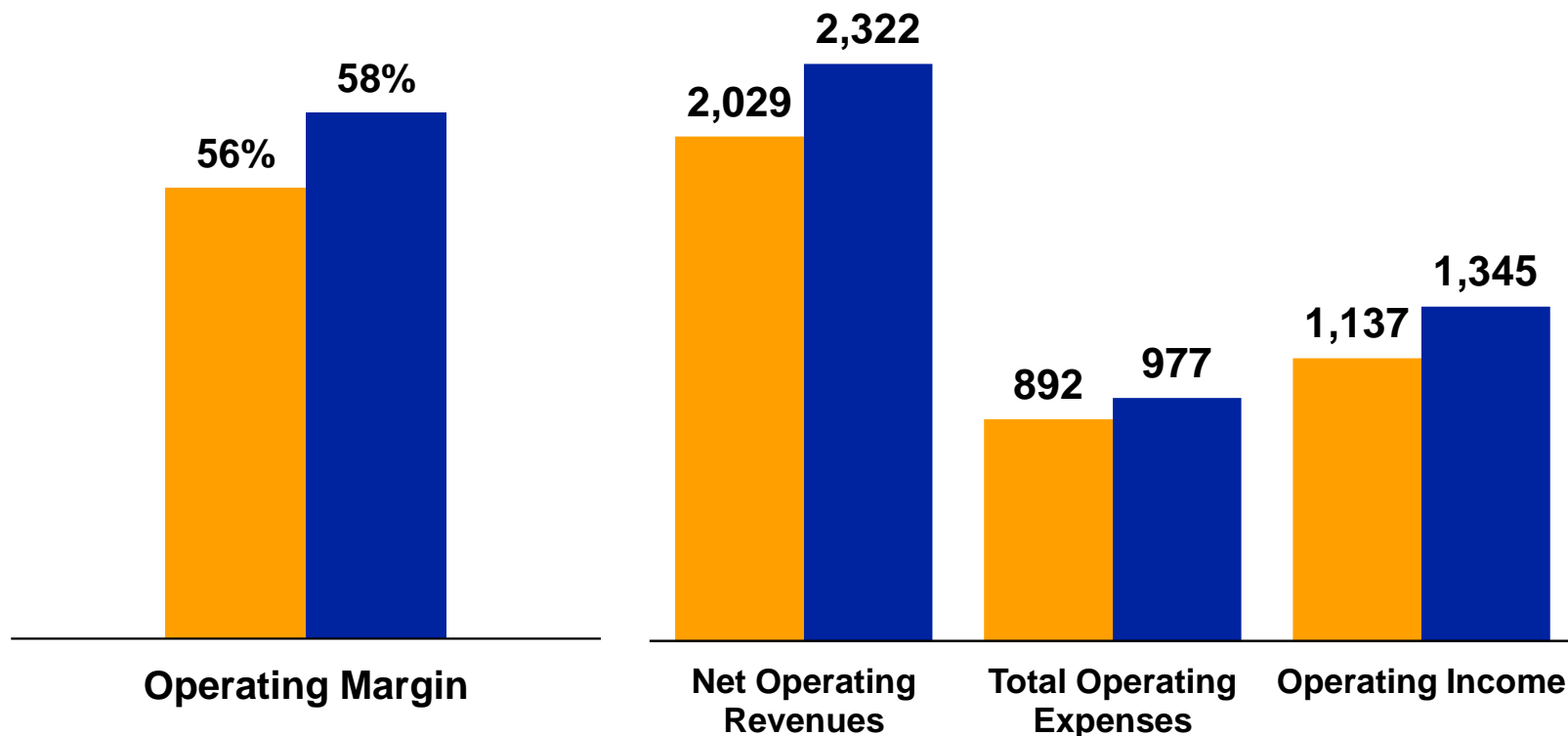
Note: Growth rates calculated based on whole numbers, not rounded numbers.

Operating Margin – Q3 2011

US\$ in millions, except percentages



■ Fiscal 2010
■ Fiscal 2011



YOY
Change

2 ppt

14%

10%

18%

Note: Growth rates calculated based on whole numbers, not rounded numbers.

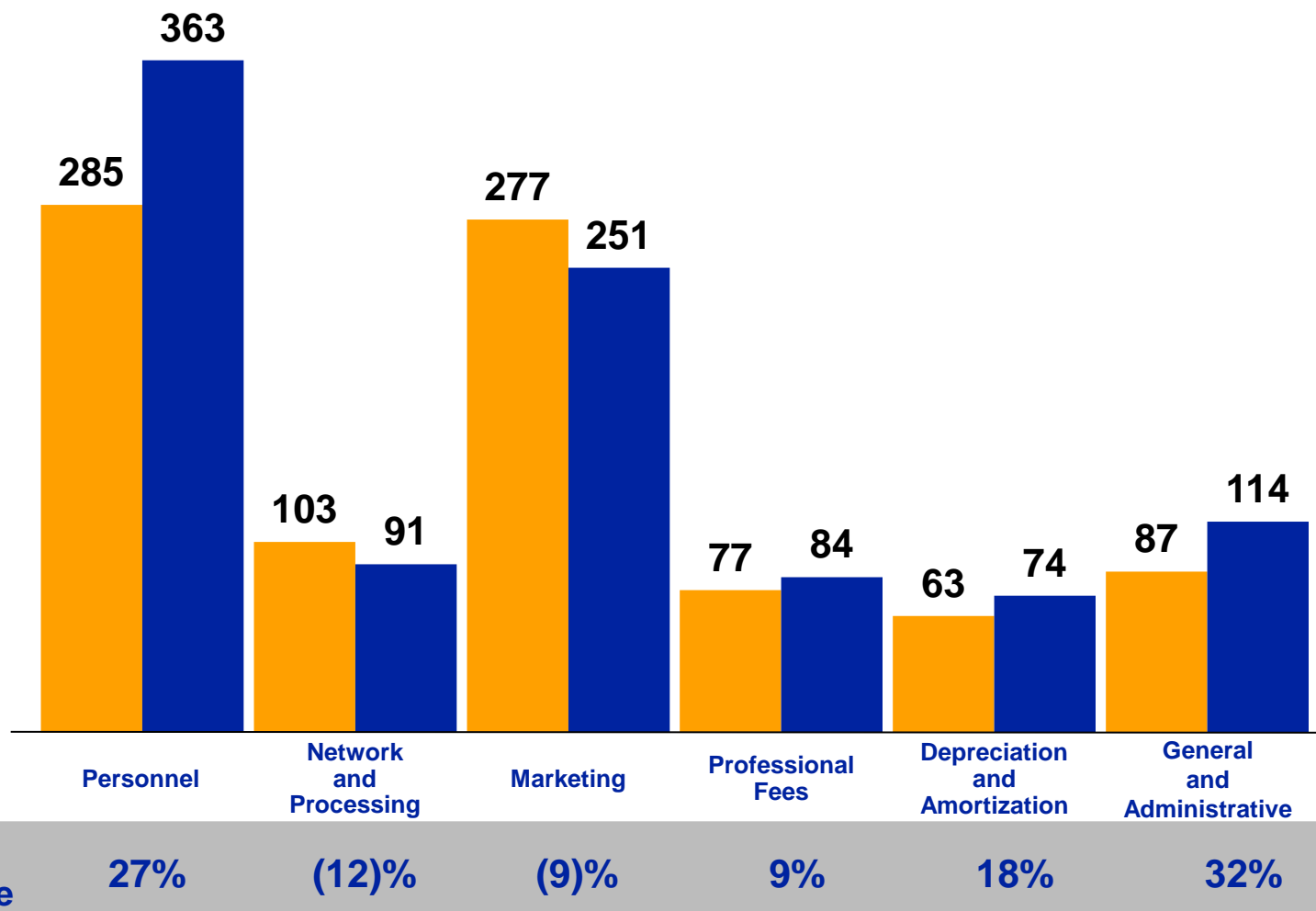
Operating Expenses – Q3 2011



US\$ in millions, except percentages

■ Fiscal 2010

■ Fiscal 2011



Note: Growth rates calculated based on whole numbers, not rounded numbers.

Other Income (Expense)

US\$ in millions



The following table presents components of our other income (expense).

	Three Months Ended June 30, 2011	
Gain on sale of investment in CBSS	\$	85
Revaluation of Visa Europe put option		122
Other ⁽¹⁾		(9)
Total other income	\$	198

⁽¹⁾ Amount primarily represents interest expense, other investment income and the accretion associated with litigation settlements to be paid over periods longer than one year.

Other Financial Results



- Cash, cash equivalents, restricted cash and available-for-sale investment securities of \$6.7 billion at the end of the fiscal third quarter which includes \$2.9 billion of restricted cash in the litigation escrow account
- Total free cash flow of \$1.4 billion for the fiscal third quarter and adjusted free cash flow of \$1.3 billion after the Fundamo acquisition
- Capital expenditures of \$89 million during the fiscal third quarter

Note: See appendix for reconciliation of adjusted non-GAAP measures to the closest comparable GAAP measures.

Financial Metrics for Fiscal Year 2011



Annual net revenue growth

**11% to 15%
range**

Client incentives as % of gross revenues

**Top end of the
16% to 16.5%
range**

Marketing expenses

**Less than
\$900 million**

Annual operating margin

About 60%

Financial Metrics for Fiscal Year 2011



GAAP tax rate, excluding the revaluation of the Visa Europe put option

**36.5% to 37%
range**

Annual diluted class A common stock earnings per share growth

20% +

Capital expenditures

**Moderately
above
\$300 million**

Annual free cash flow

\$3 billion +

Financial Metrics for Fiscal Year 2012



Annual net revenue growth

**High single to
low double digit
range**

Annual diluted class A common stock earnings
per share growth

**Mid to high
teens**



Appendix

Reconciliation of Non-GAAP Measures

Adjusted Net Income and Earnings



US\$ in millions, except per share data

Management believes the presentation of adjusted net income and diluted earnings per share provides a clearer understanding of our operating performance for the periods. The revaluation of the Visa Europe put option resulted in non-cash, non-operating income during the three months ended June 30, 2011. The reduction in the fair value of the put option was primarily the result of declines in our estimated long-term price-to-earnings ratio and does not reflect any change in the likelihood that Visa Europe will exercise its option. Management therefore believes that the resulting non-operating income recorded during the third quarter of fiscal 2011 is not indicative of Visa's performance in the current or future periods.

	Three Months Ended June 30, 2011	Nine Months Ended June 30, 2011
Net income attributable to Visa Inc. (as reported)	\$ 1,005	\$ 2,770
Revaluation of Visa Europe Put option ⁽¹⁾	(122)	(122)
Adjusted net income attributable to Visa Inc.	\$ 883	\$ 2,648
Weighted average number of diluted shares outstanding (as reported)	704	712
Adjusted diluted earnings per share	\$ 1.26	\$ 3.72
Diluted earnings per share (as reported)	\$ 1.43	\$ 3.89
Impact of the revaluation of Visa Europe put option	\$ 0.17	\$ 0.17

⁽¹⁾ Non-cash, non-operating income resulting from the revaluation of this financial instrument is not subject to tax.

Calculation of Free Cash Flow

US\$ in millions



Calculation of Free Cash Flow

US\$ in millions

		Additions (+) / Reductions (-) to Net income attributable to Visa Inc.	Three Months Ended June 30, 2011		Nine Months Ended June 30, 2011	
		Net income attributable to Visa Inc. (as reported)		1,005		2,770
Capital Assets	+	Depreciation and amortization	74		211	
	-	Capital expenditures	(89)	(15)	(236)	(25)
Litigation	+	Litigation provision	-		6	
	+	Accretion expense	2		9	
	-	Settlement payments	(70)		(212)	
	+	Settlement payments funded by litigation escrow	70	2	210	13
Share-based Compensation	+	Share-based compensation		32		122
Pension	+	Pension expense	8		24	
	-	Pension contribution	-	8	-	24
Taxes	+	Income tax expense	539		1,534	
	-	Income taxes paid	(236)	303	(1,251)	283
Visa Europe Put Option	-	Fair Value Adjustment		(122)		(122)
Changes in Working Capital ⁽¹⁾	+/-	Changes in other working capital accounts		206		51
		Total Free Cash Flow		1,419		3,116
Less: PlaySpan and Fundamo Acquisitions	-	Purchase consideration, net of cash received		(106)		(268)
		Adjusted Free Cash Flow		1,313		2,848

(1) Includes changes in client incentives, trade receivables, settlement receivable/payable, and personnel incentives.

Impact of PlaySpan Acquisition



US\$ in millions, except per share data

The following table presents the impact of the PlaySpan acquisition on Visa's adjusted diluted earnings per share.

	Three Months Ended June 30, 2011	
Net income attributable to Visa Inc. (as reported)	\$	1,005
Revaluation of Visa Europe put option		(122)
Adjusted net income attributable to Visa Inc.		883
Taxable PlaySpan adjustments:		
Less: Operating revenue ⁽¹⁾		(6)
Addback: Deductible operating expenses ⁽²⁾		15
Subtotal of taxable adjustments		9
Tax rate ⁽³⁾		40%
Tax impact of adjustments		(4)
Impact of taxable PlaySpan adjustments		5
Addback: Non-deductible adjustments ⁽⁴⁾		3
Impact of PlaySpan		8
Adjusted net income attributable to Visa Inc.	\$	891
Weighted average number of diluted shares outstanding (as reported)		704
Adjusted diluted earnings per share, excluding impact of PlaySpan acquisition	\$	1.27
Adjusted diluted earnings per share ⁽⁵⁾	\$	1.26
Impact of PlaySpan acquisition	\$	(0.01)

(1) Operating revenues recognized by Visa related to PlaySpan transactions. Amount primarily represents data processing revenues.

(2) Operating expenses incurred by Visa related to PlaySpan. Amounts incurred subsequent to the acquisition primarily represent personnel, amortization of intangibles and normal operating expenses.

(3) Represents tax rate applicable to PlaySpan.

(4) Amount primarily represents professional fees related to closing the transaction and some minor compensation expense, which are non-deductible for tax purposes.

(5) See slide A1 for a reconciliation of adjusted diluted earnings per share to GAAP diluted earnings per share.

Impact of Fundamo Acquisition



US\$ in millions, except per share data

The following table presents the impact of the Fundamo acquisition on Visa's adjusted diluted earnings per share.

	Three Months Ended June 30, 2011	
Net income attributable to Visa Inc. (as reported)	\$	1,005
Revaluation of Visa Europe Put option		(122)
Adjusted net income attributable to Visa Inc.		883
After tax impact of Fundamo ⁽¹⁾		4
Adjusted net income attributable to Visa Inc.	\$	887
Weighted average number of diluted shares outstanding (as reported)		704
Adjusted diluted earnings per share, excluding impact of Fundamo acquisition	\$	1.27
Adjusted diluted earnings per share ⁽²⁾	\$	1.26
Impact of Fundamo acquisition	\$	(0.01)

(1) Represents the net operating results of Fundamo recognized by Visa since the acquisition in June 2011.

(2) See slide A1 for a reconciliation of adjusted diluted earnings per share to GAAP diluted earnings per share.