

A low-angle photograph of a modern glass skyscraper. The building's facade is composed of numerous rectangular glass panels held together by a white metal frame. At the top of the building, the word "VISA" is displayed in large, bold, blue, three-dimensional letters. The sky is a clear, bright blue with a few wispy white clouds. The perspective is from a low angle, looking up at the building, which makes it appear tall and imposing.

VISA

Team Munger



Camron Colwell
Tenure:1 semester



Josue Guzman
Tenure:2 Semesters



CJ Mikhail
Tenure:2 Semesters



Jaiden Conrad
Tenure:4 Semesters



David Villareal
Tenure:2 Semesters



Gameplan

Presenters	Presentation Segments
Camron	Company Overview and IOFS
Max	Management and Capital Allocation
David	Moat and Competitor Analysis
Charles	Risk Factors, Revenue Breakdown, and Intraportfolio Analysis
Jaiden Conrad-LT	Value Bands, Growth Opportunities, Valuation and Conclusion

Company Overview



4/13/2026





What is Visa?

- Largest payment processor globally
- Operates in over 200 countries
- Processes over 160 different currencies
- Issues credit, debit, and prepaid cards





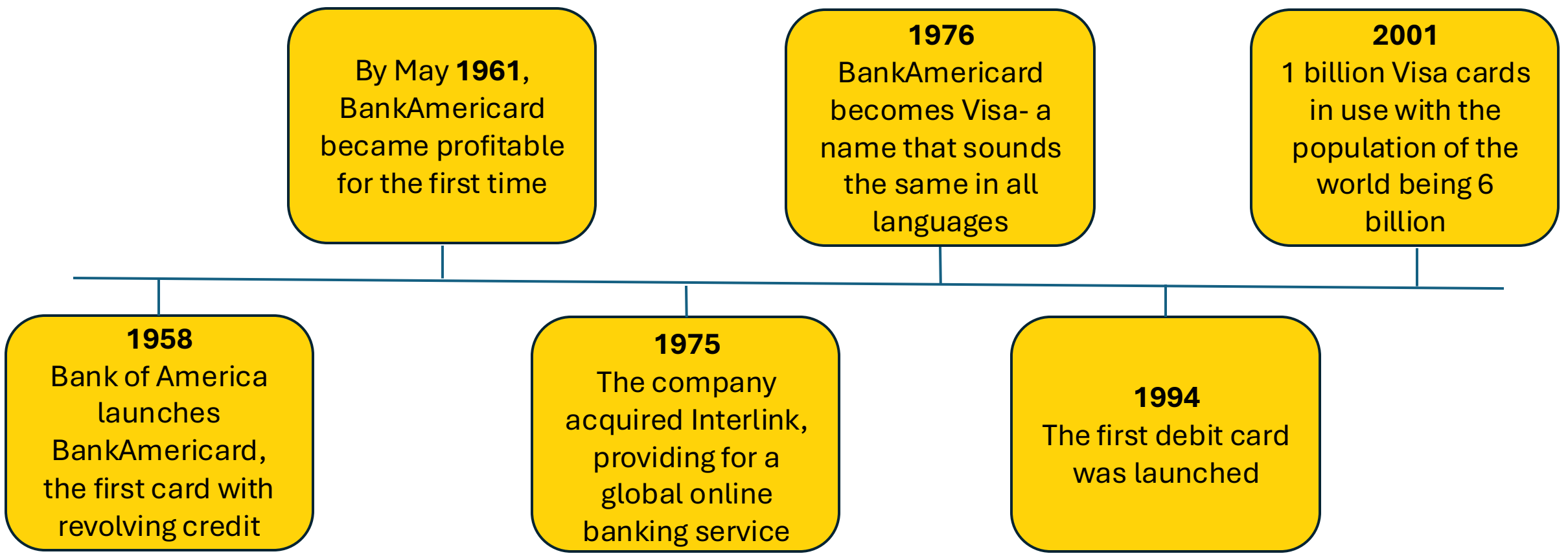
General Information

- Ticker: V (NYSE)
- Market Capitalization: \$609.70 Billion
- 2025 Revenue: \$41.39 Billion
- Founded: September 18, 1958
- IPO: \$10 Billion
- Headquarters: San Francisco, CA
- Employees: 34,100



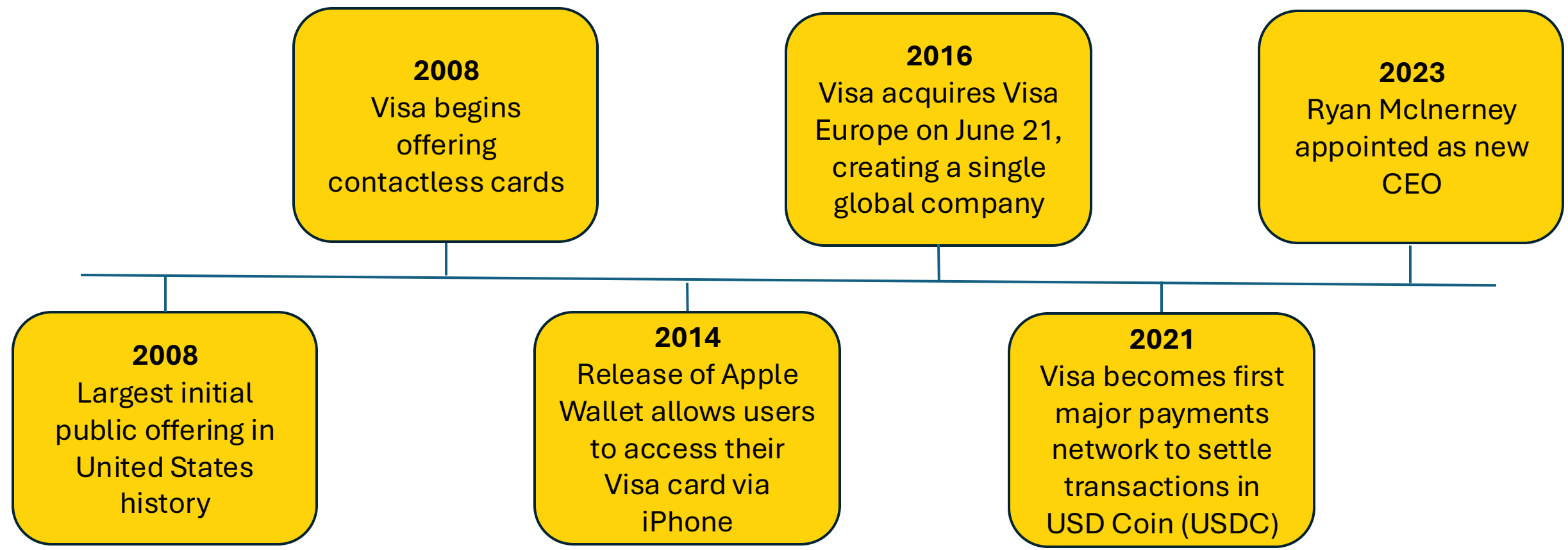


Company Timeline





Company Timeline





Recent News

- **Visa launches Enhanced Subscription Manager**

- **Visa Completes Acquisition of Prisma Medios de Pago and Newpay in Argentina**





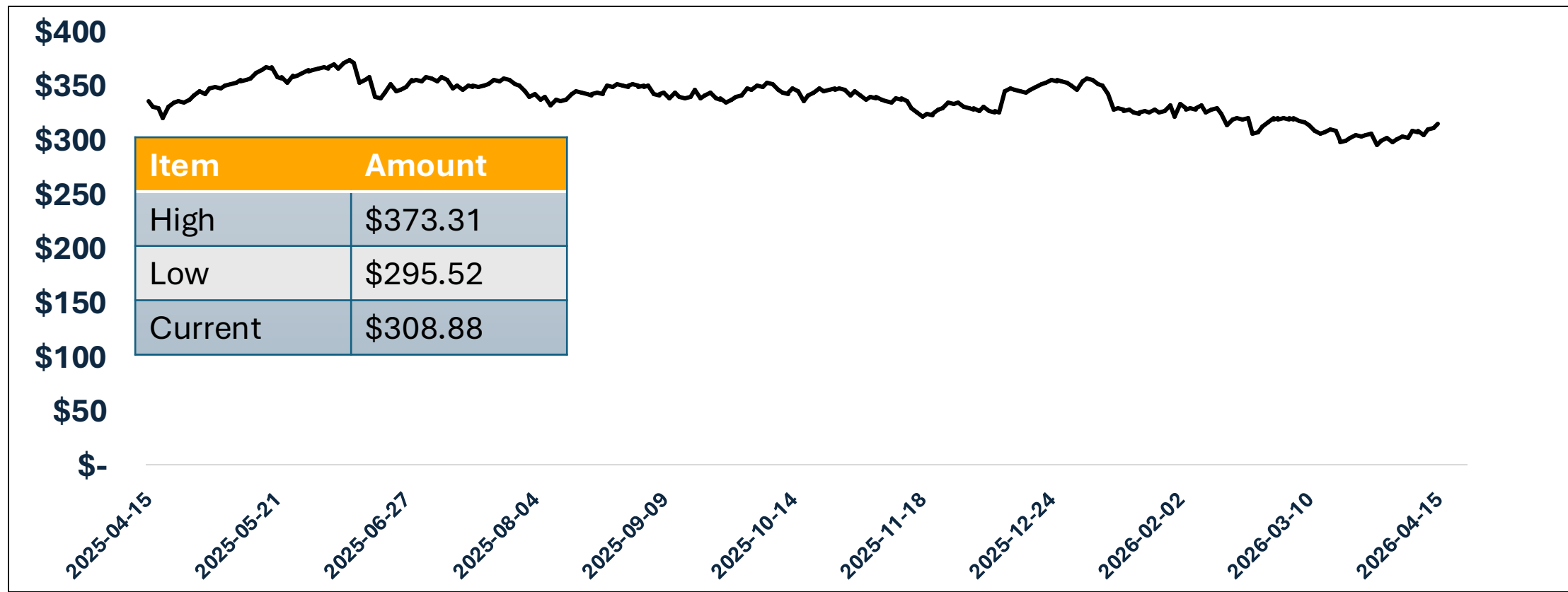
Our Position

- Current Position: 650 Shares
- Cost Basis: \$179.95
- Current Market Value: \$206,063
- Portfolio Weighing 7.0%





1 Year Price



Management



Chief Executive Officer



- Ryan McInerney
- Appointed CEO February 2023
- Tenure at Visa 13 years





Other Executive Officers

- Chris Suh
- Chief Financial Officer
- Tenure at Visa 2 years



- Rajat Taneja
- President, Technology
- Tenure at Visa 12 years



- Paul Fabara
- Chief Risk and Client Services Officer
- Tenure at Visa 6 years



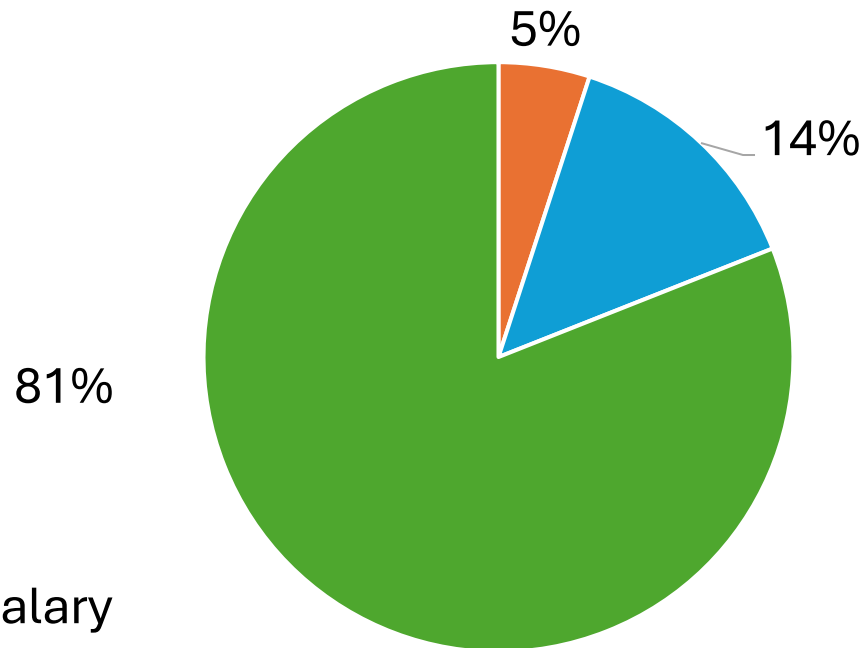
- Kelly Mahon Tullier
- Vice Chair, Chief People and Corporate Affairs Officer
- Tenure at Visa 11 years



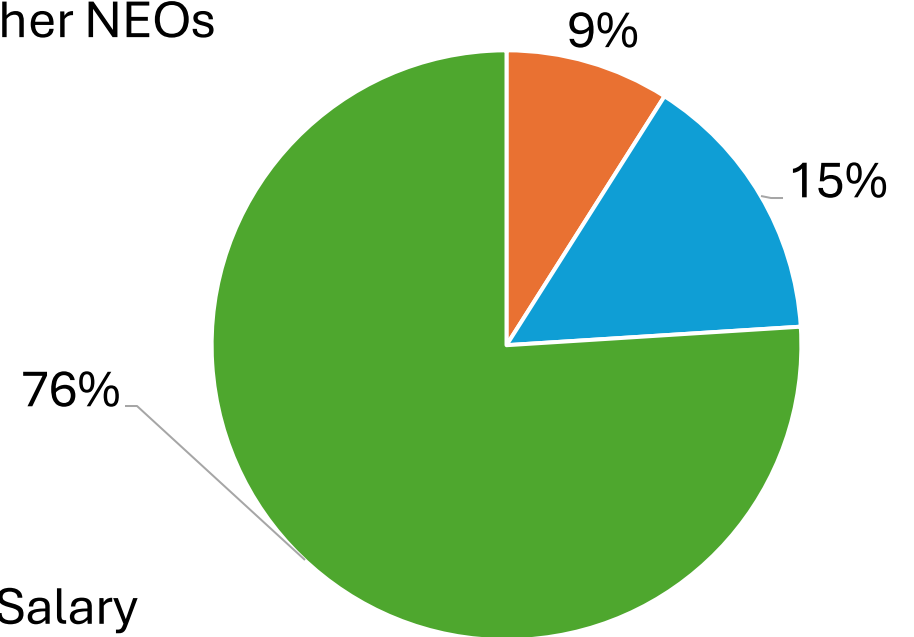


Compensation Structure

CEO



All Other NEOs



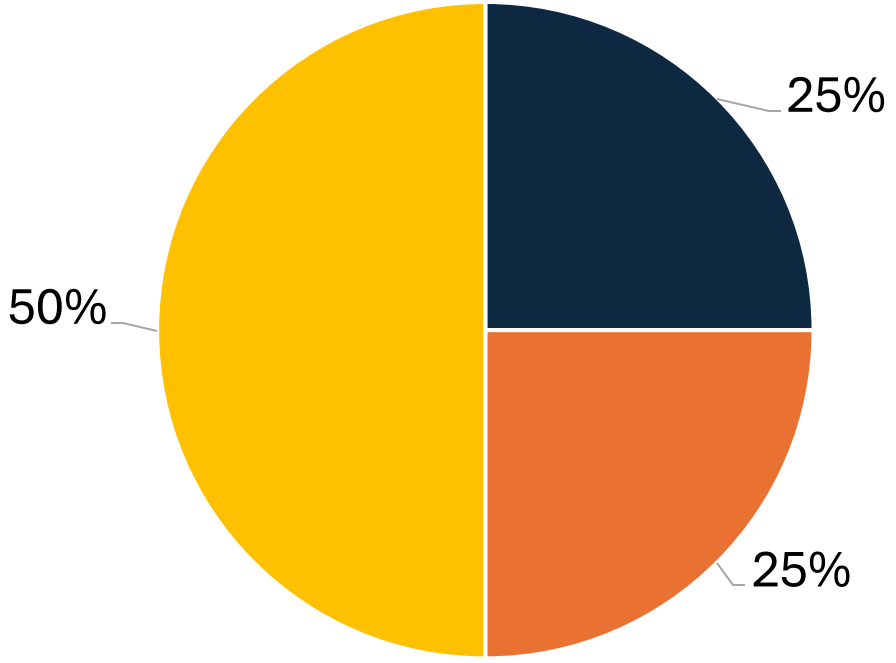
- Salary
- Target Annual Incentive
- Target Long-term Incentive

- Salary
- Target Annual Incentive
- Target Long-term Incentive



Long-Term Equity Incentive

- Restricted Stock Units
- Stock Options
- Performance Shares



Compensation Summary



- Prioritize Performance-Based Restricted Stock Units and options.
- Vesting and performance periods are typically three years.
- The CEO and other top officers must hold stock valued at multiple times their salary

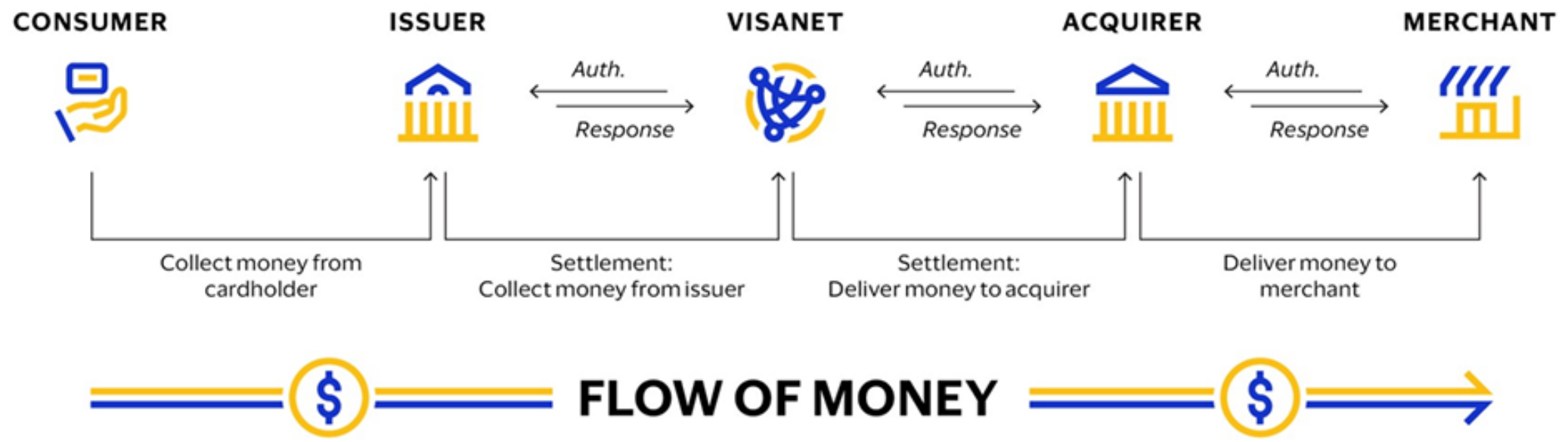


Revenue Breakdown









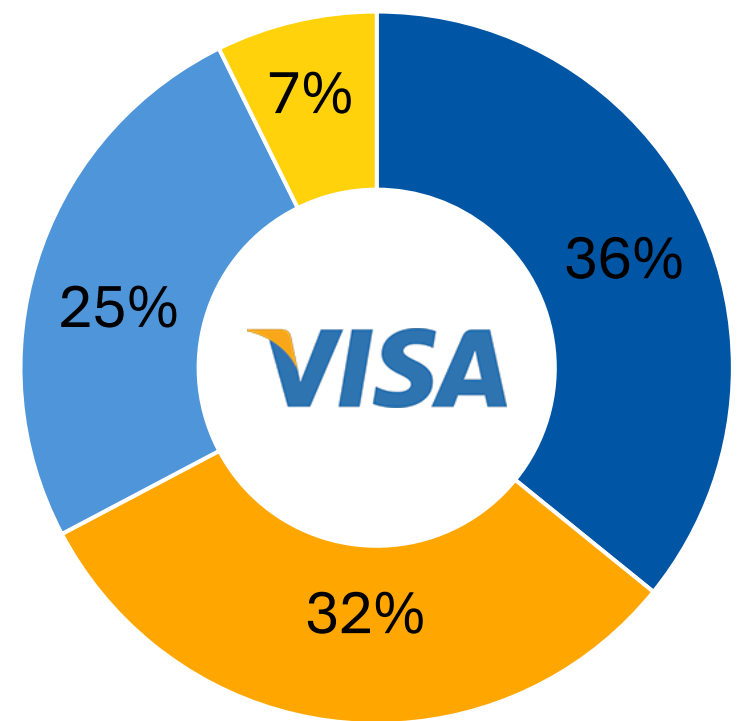
How Visa Makes Money





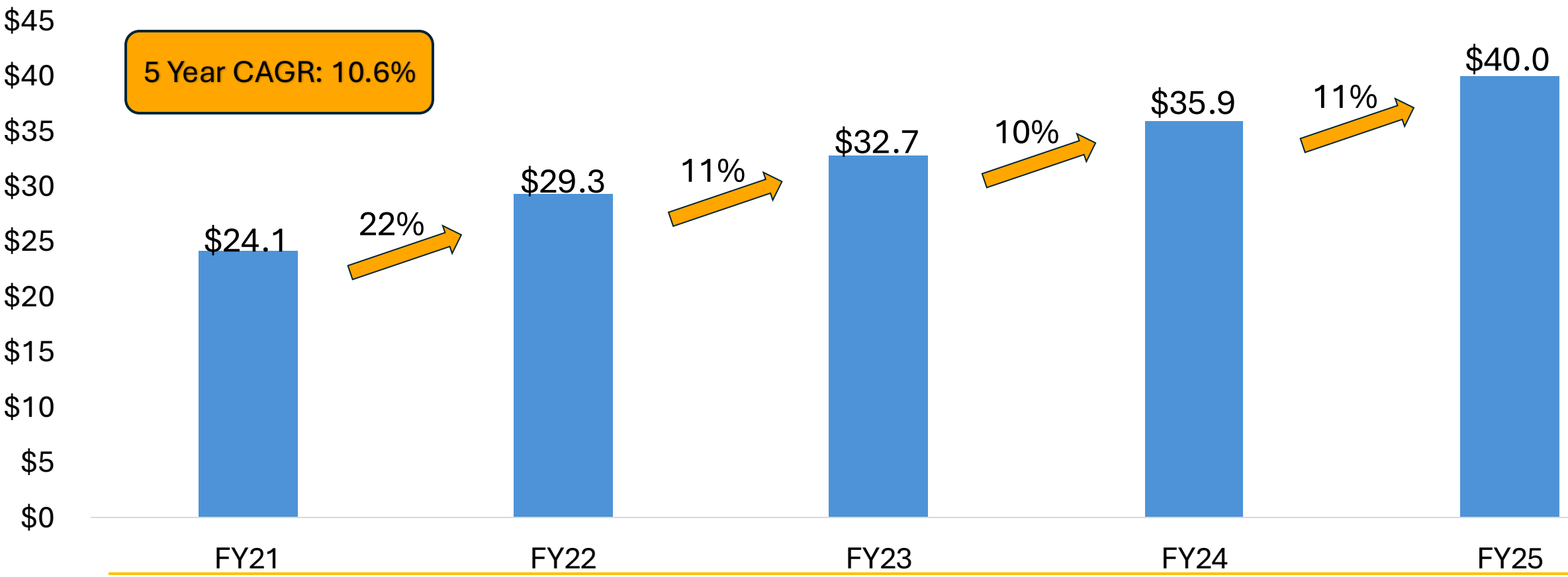
Revenue Segments

-  Data Processing Revenue - \$20 Billion
-  Service Revenue - \$17.5 Billion
-  International Transactions - \$14.2 Billion
-  Other Service Revenue - \$4.2 Billion





Revenue Growth In Billions





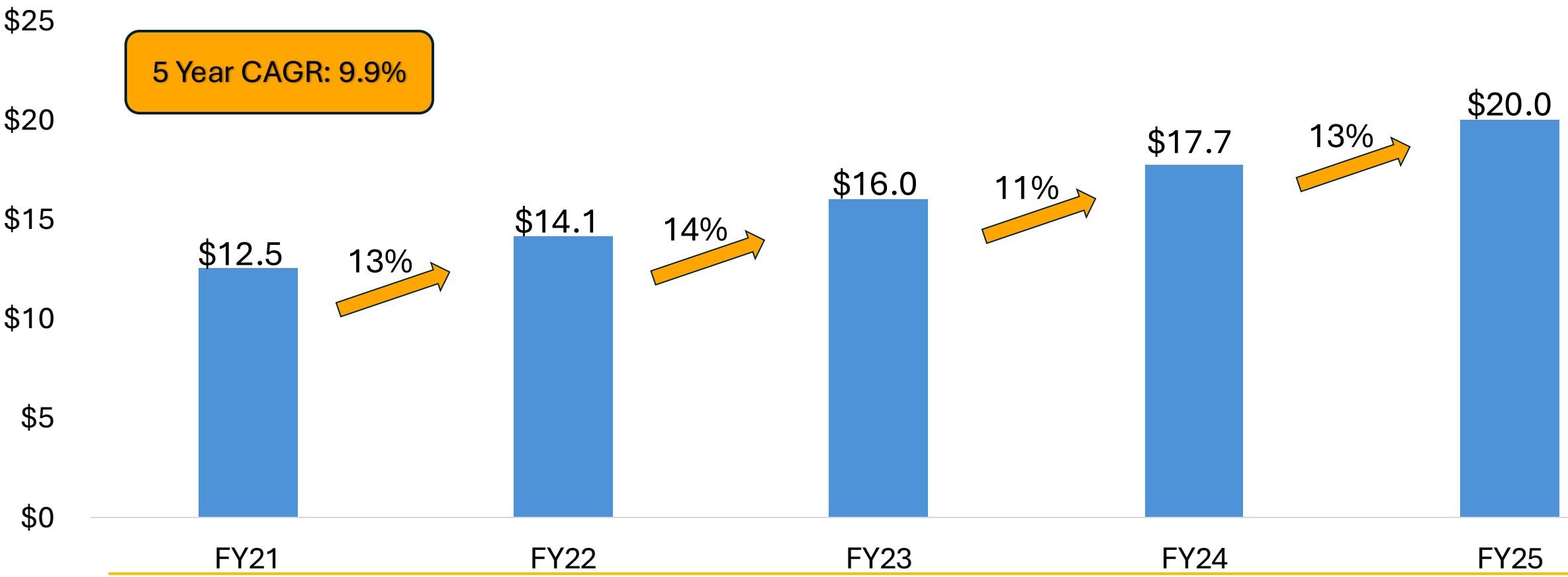
Data Processing

- Authorization
- Clearing and Settlement
- Value added services





Data Processing Growth In Billions





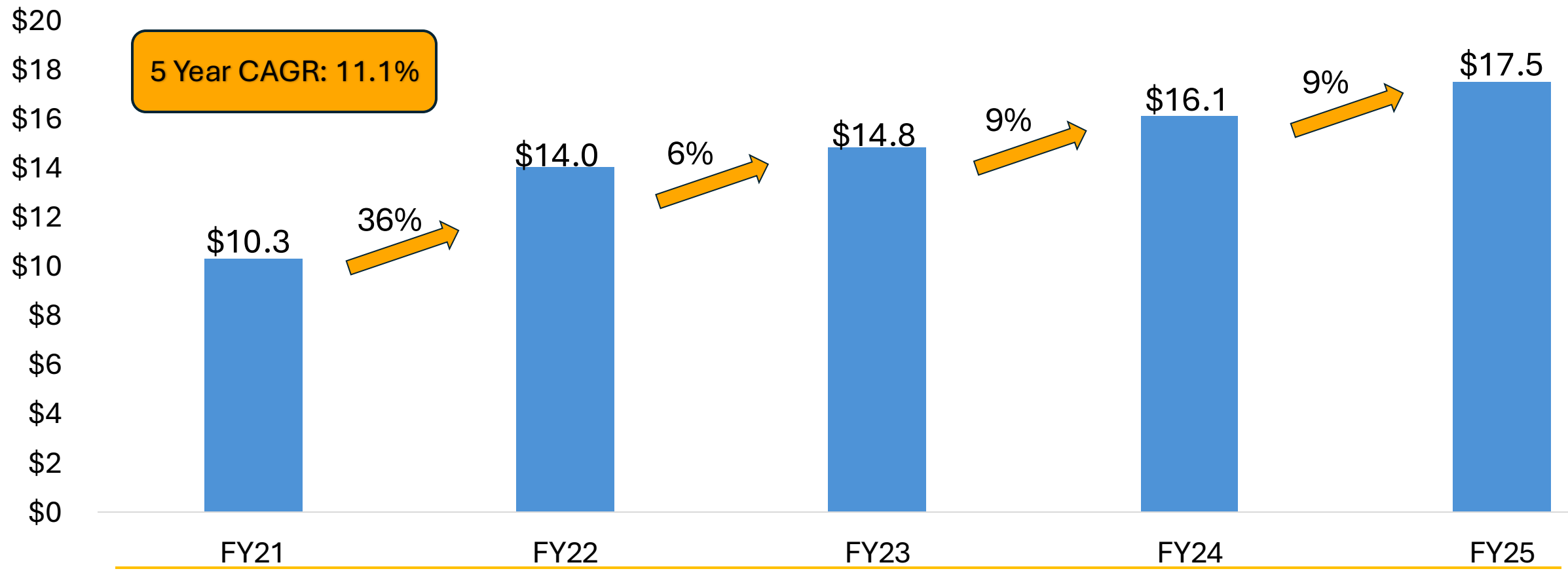
Service Revenue

- Volume Based Assessment
- Acceptance Fees
- Network Access Fees





Service Revenue Growth In Billions



International Transactions



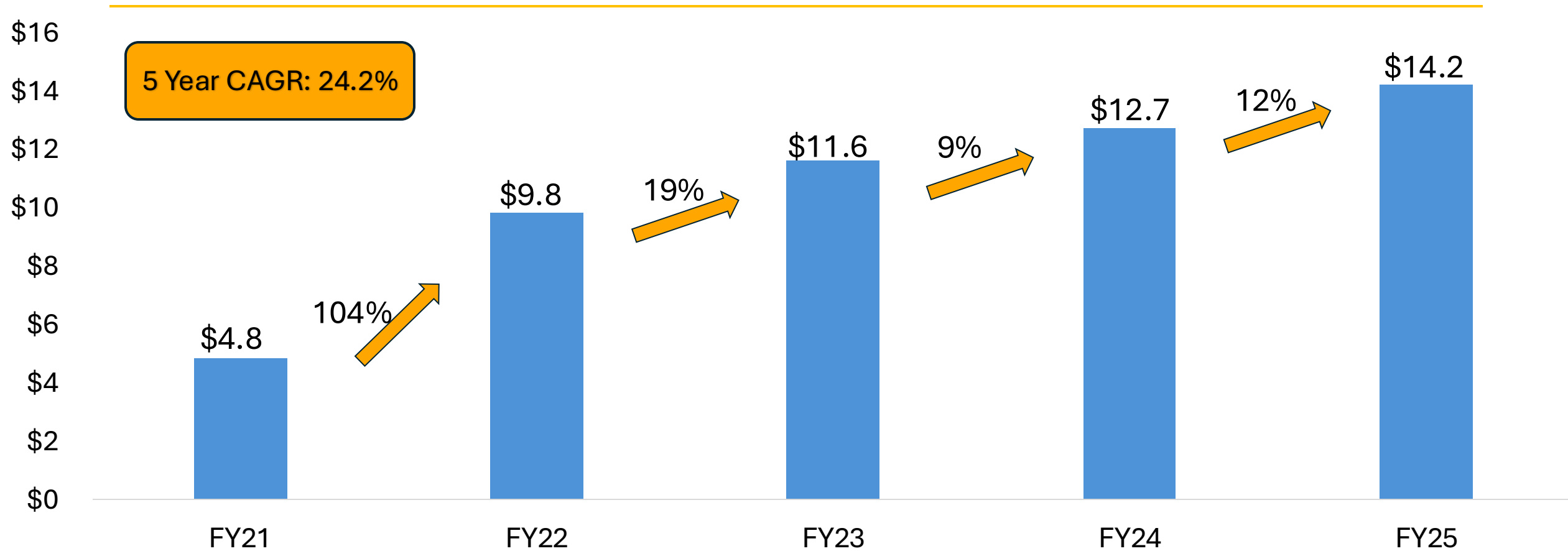
- Cross-Border Fees
- Currency Conversion Fees





International Transactions Growth

In Billions





Other Revenue

Value Added
Services

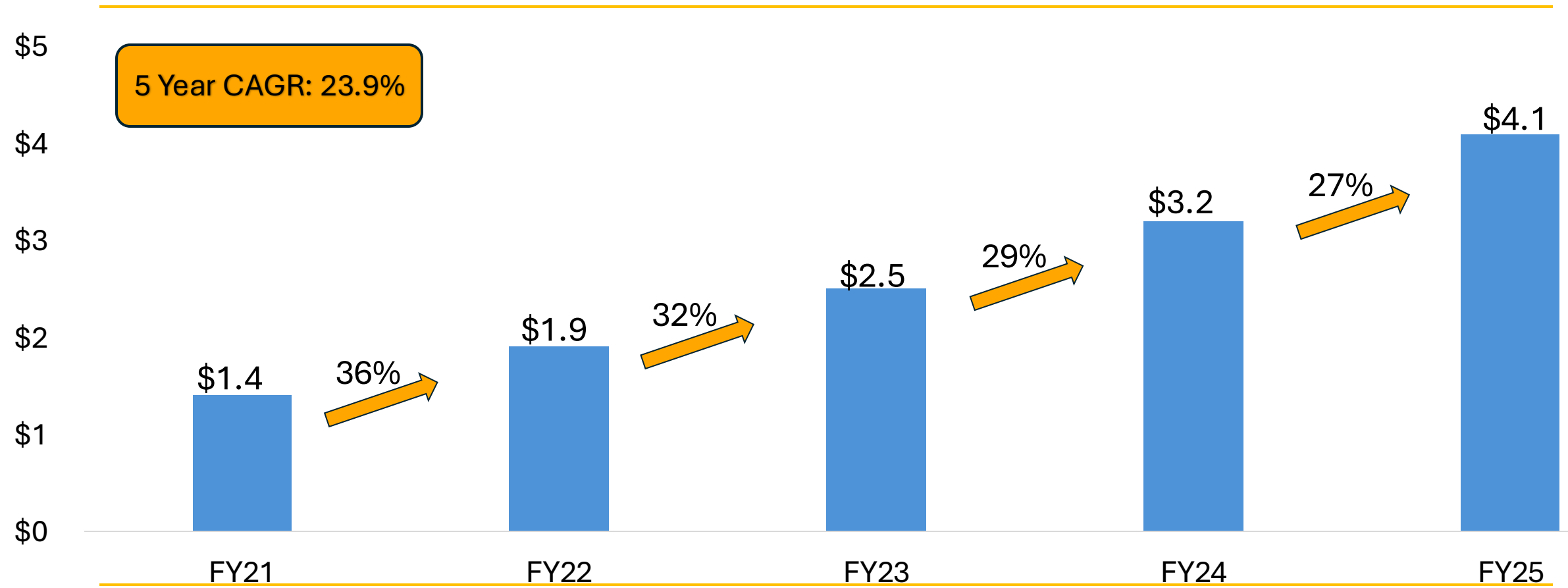
Licensing Fees

Consulting and
Advisory

Account Holder
Services



Other Revenue Growth In Billions



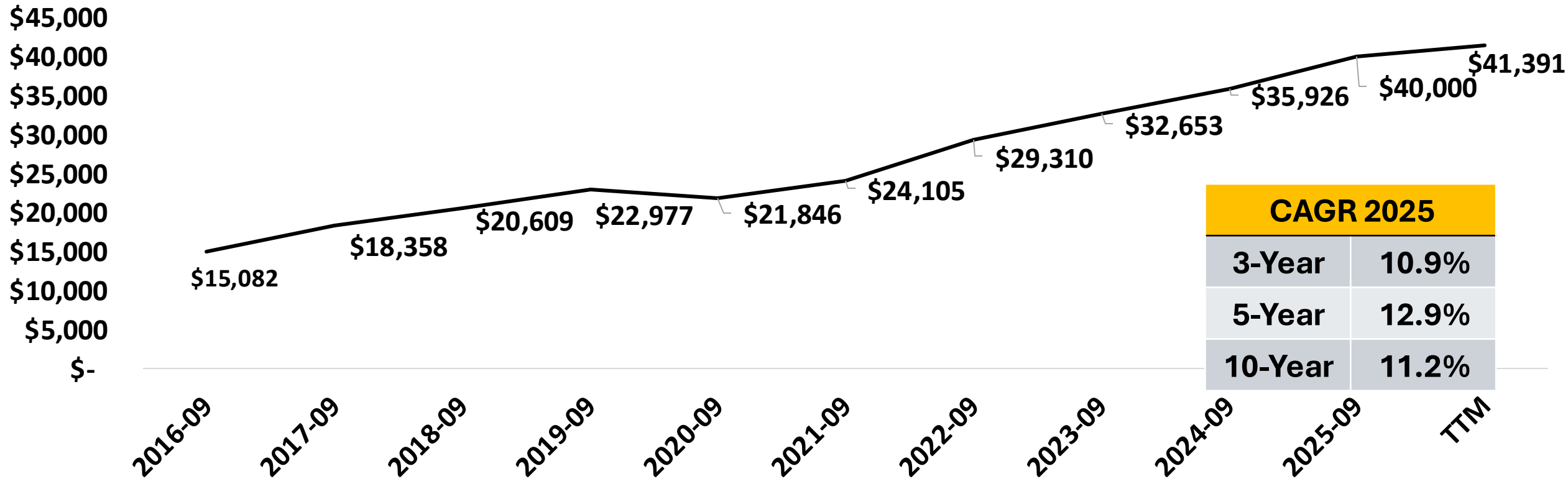
Interpretation of Financial Statements





Revenue

In Millions of Dollars

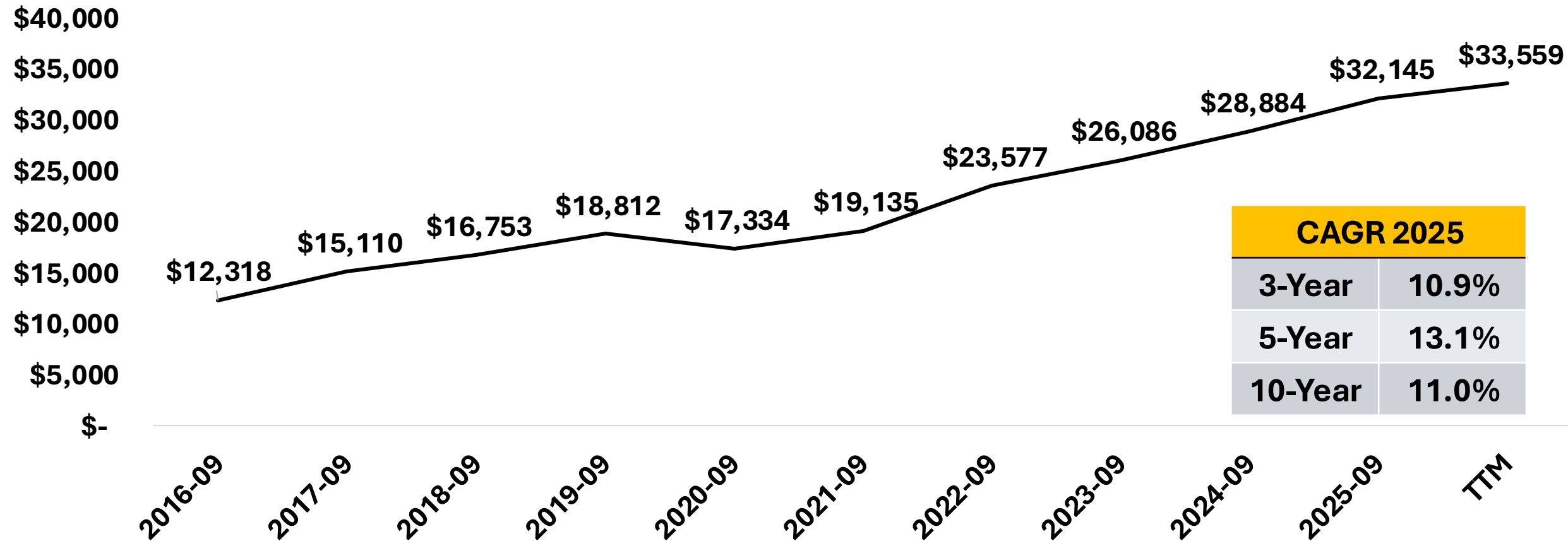


CAGR 2025	
3-Year	10.9%
5-Year	12.9%
10-Year	11.2%



Gross Profit

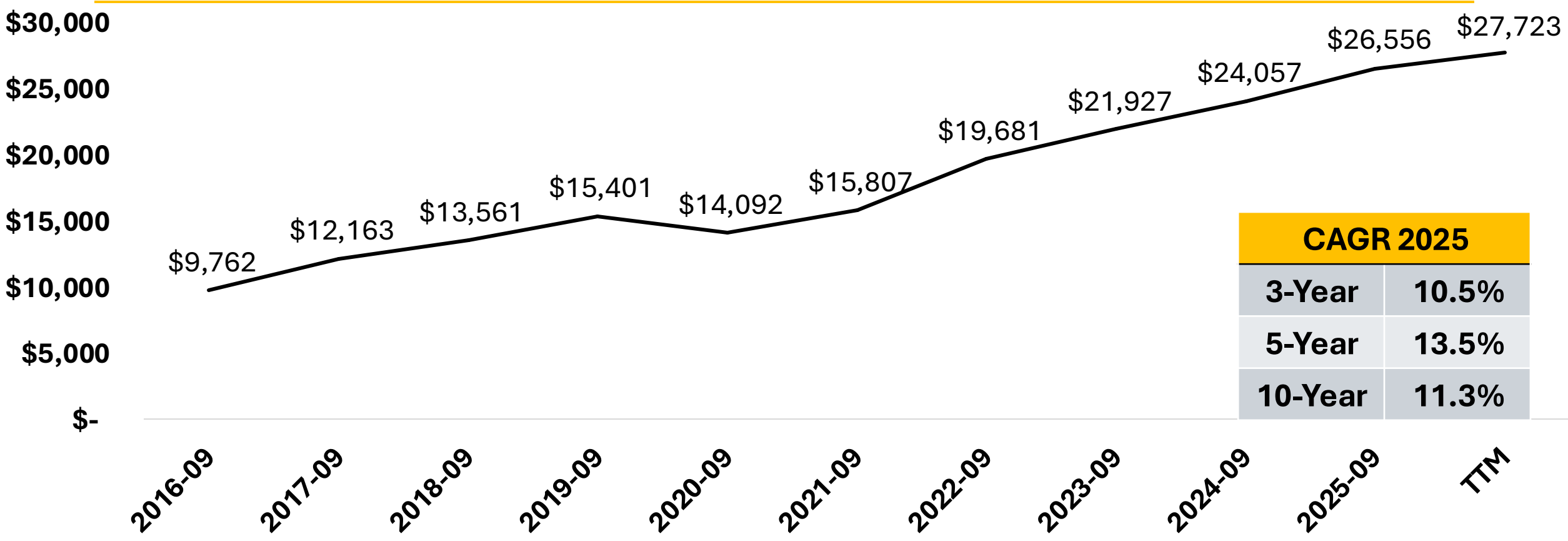
In Millions of Dollars





Operating Income

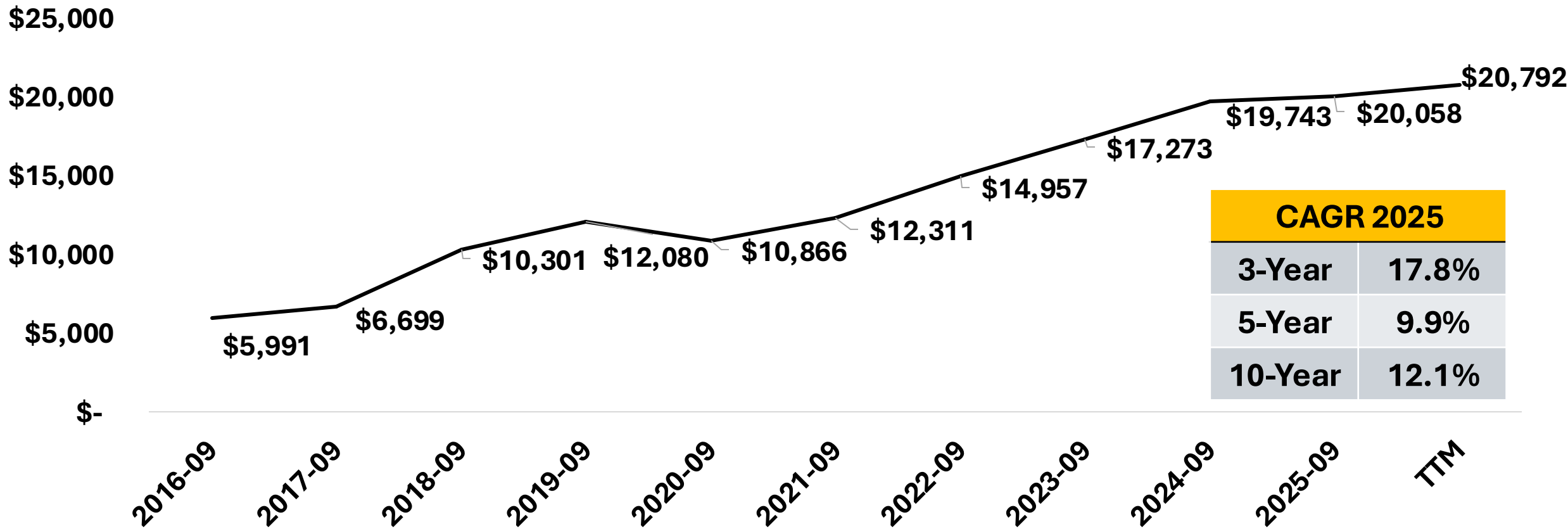
In Millions of Dollars





Net Income

In Millions of Dollars

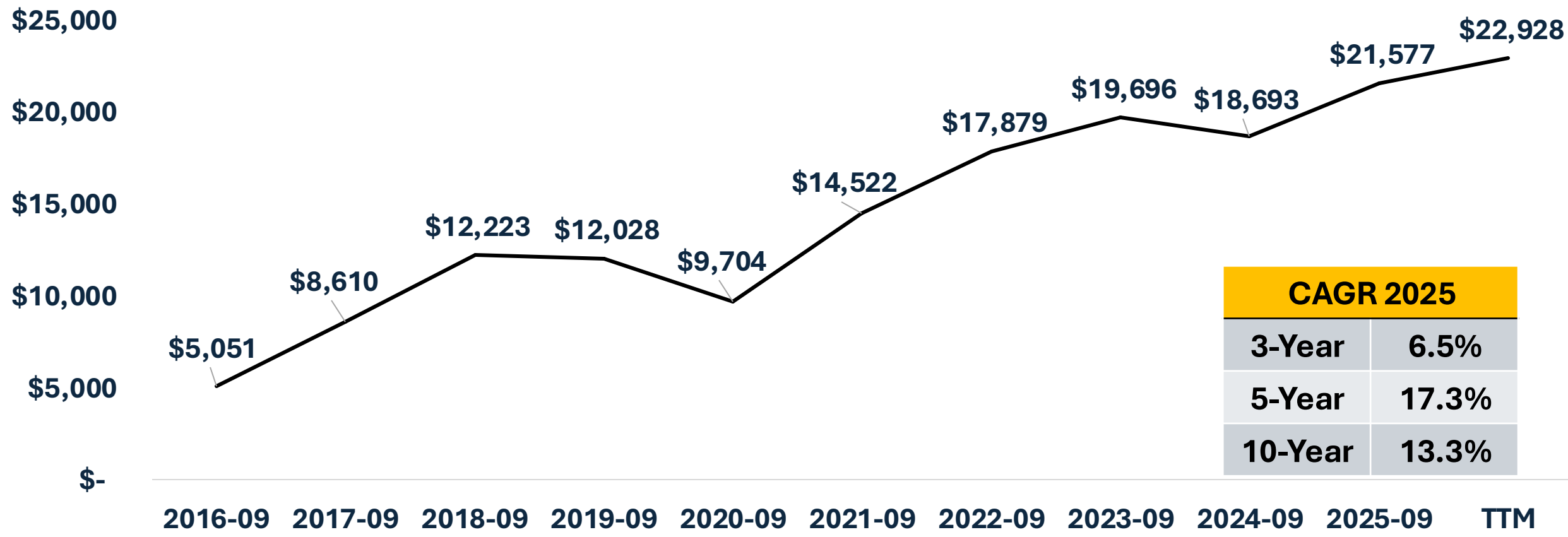


CAGR 2025	
3-Year	17.8%
5-Year	9.9%
10-Year	12.1%



Free Cash Flow (FCF)

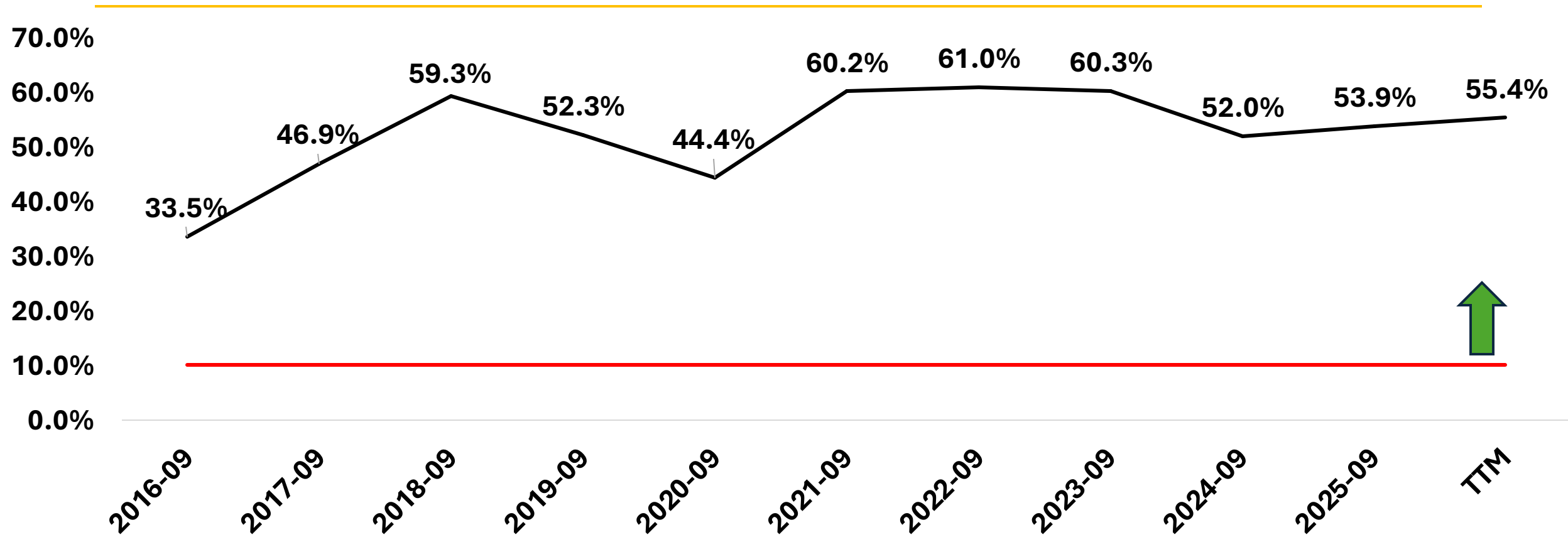
In Millions of Dollars



CAGR 2025	
3-Year	6.5%
5-Year	17.3%
10-Year	13.3%

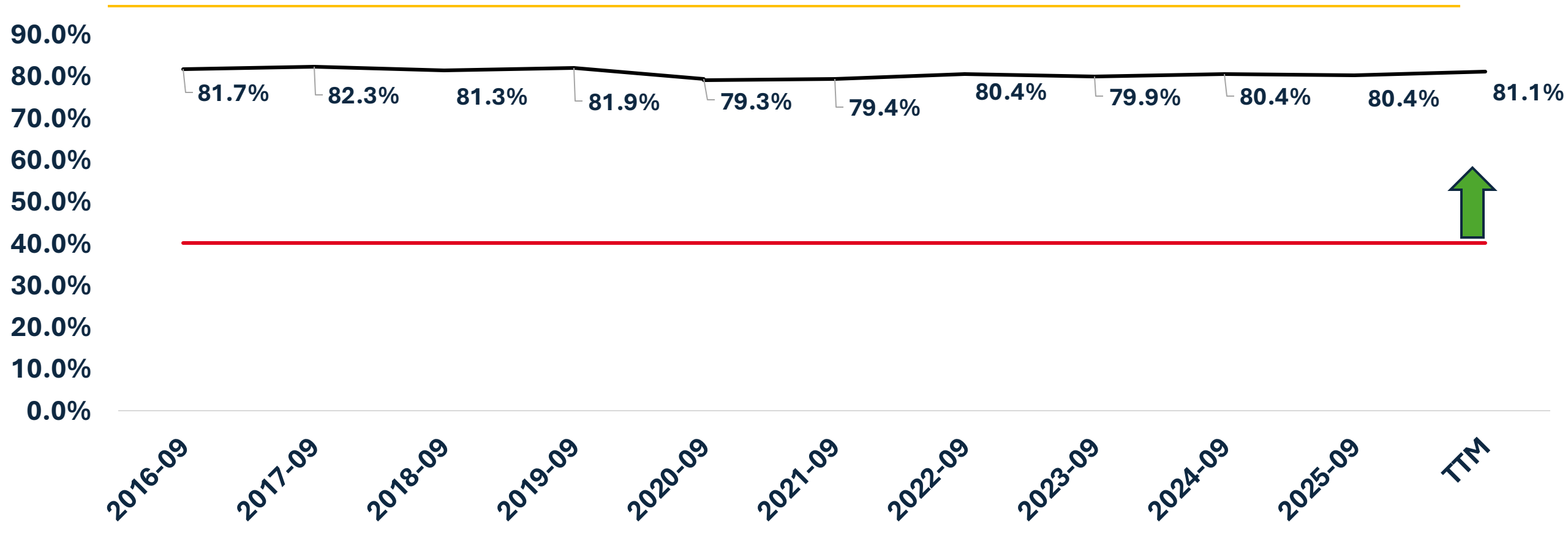


FCF Margin



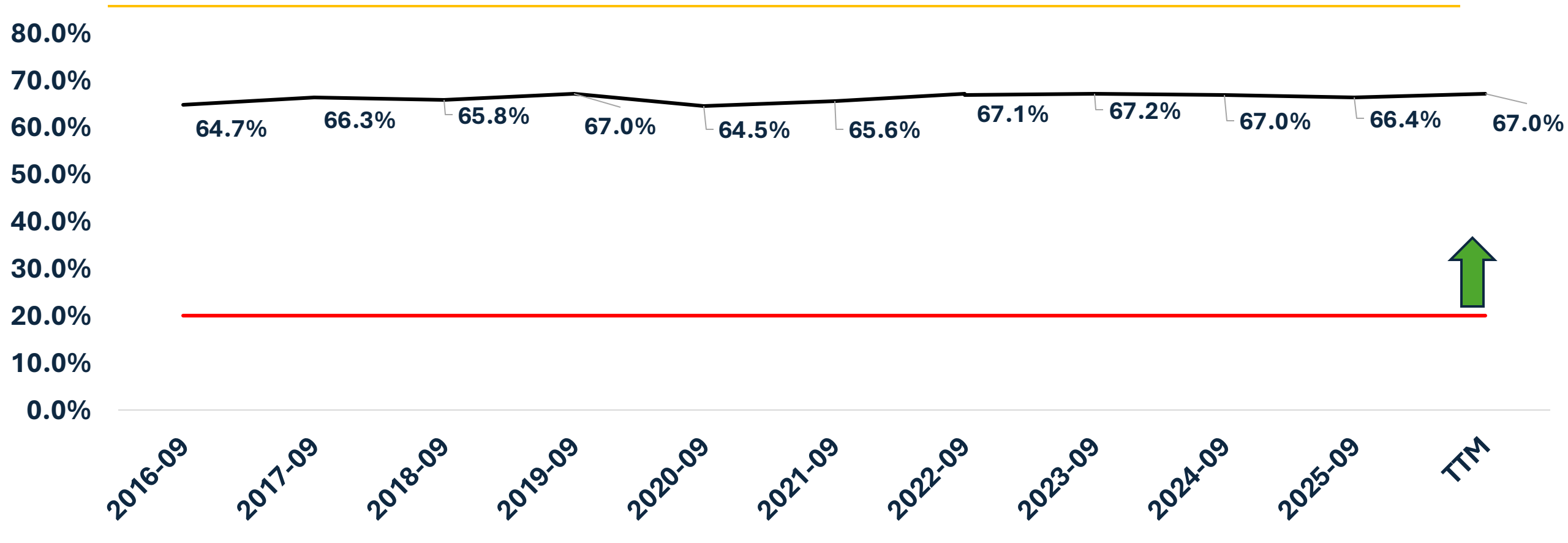


Gross Margin



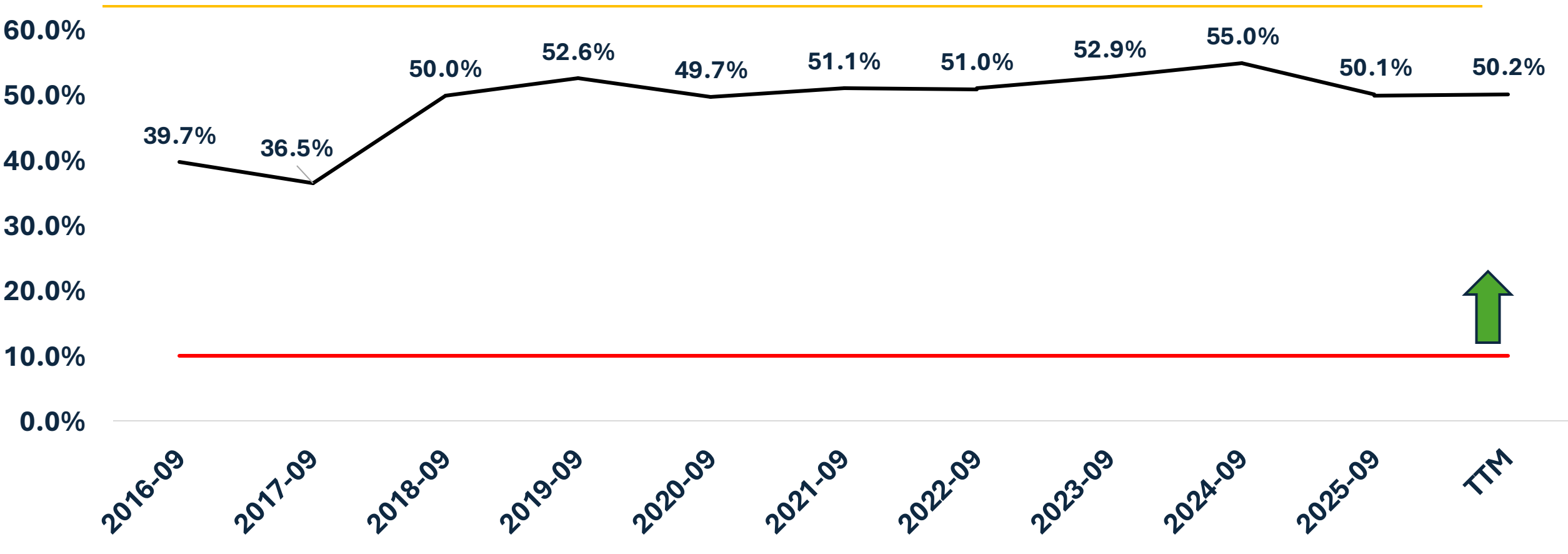


Operating Margin



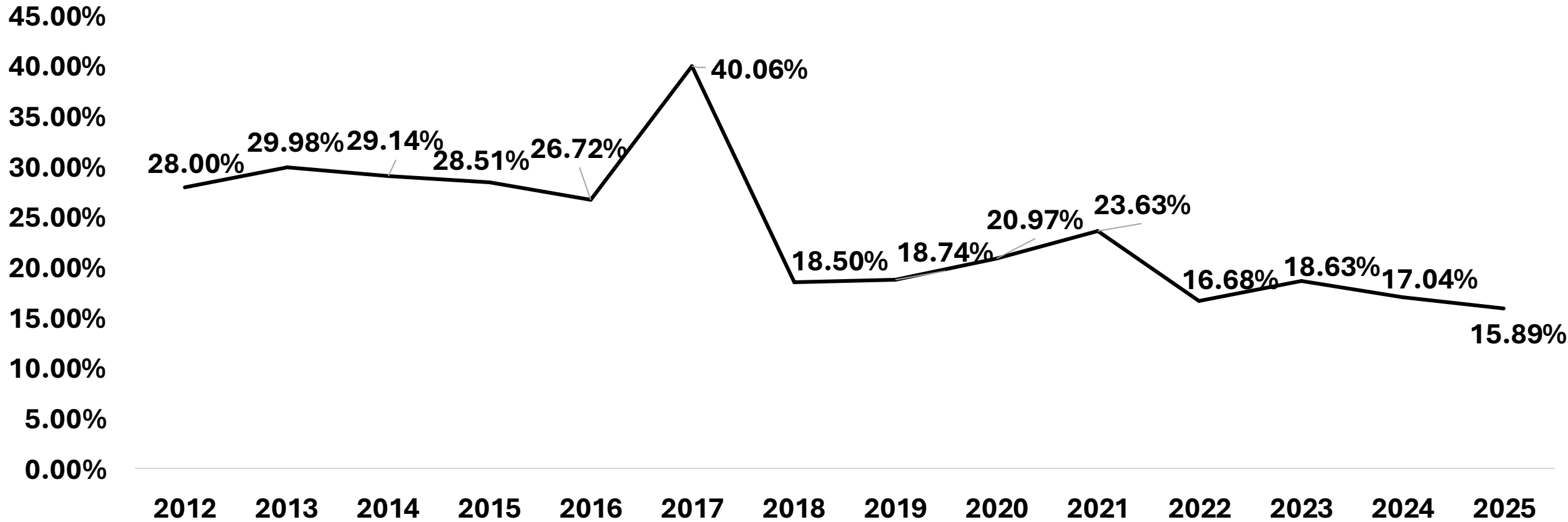


Net Margin

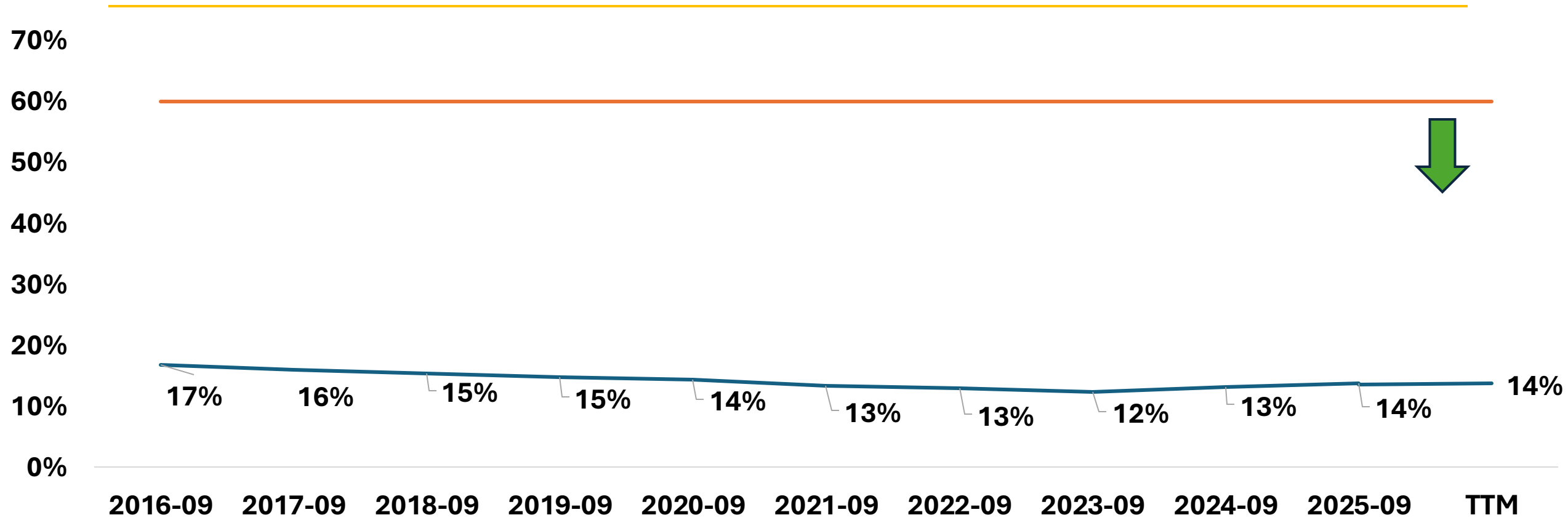




Tax Rate

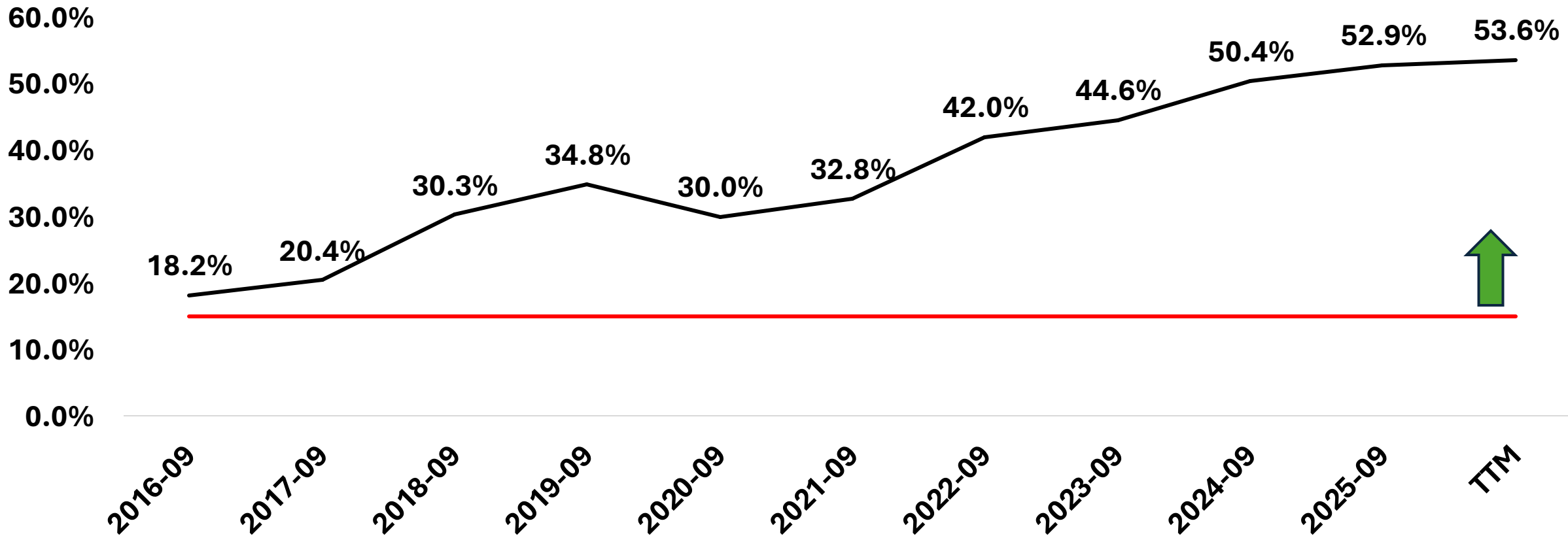


Selling General & Admin. (SG&A)/Gross Profit



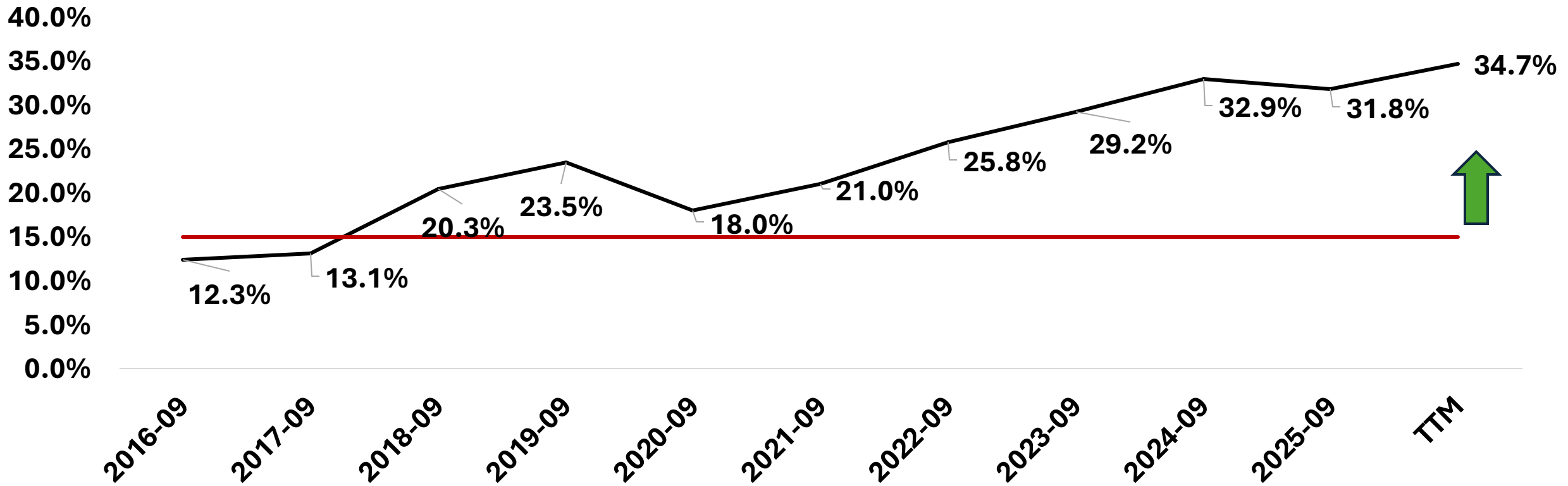


Return on Equity





Return on Invested Capital



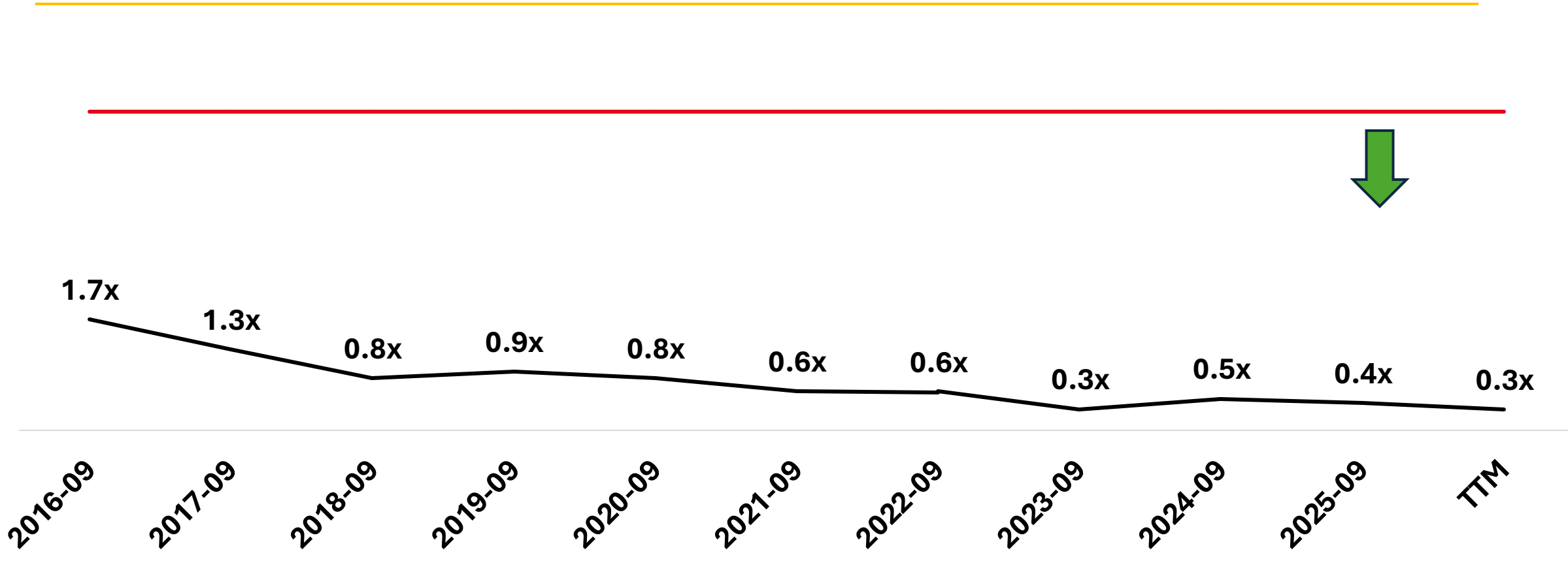


Obligation Ratio Current

In Millions of Dollars

Item	Amount
(+) Long-Term Debt	\$19,602
(+) Short-Term Debt	\$5,569
(+) Preferred Stock	\$745
(+) Pension Funding Shortfall	\$0
(+) Annualized Leases * 7	\$0
(-) Cash & Equivalents	\$17,164
(-) Marketable Securities	\$1,833
(/) Net Income	\$20,058
Obligation Ratio	0.3x

Obligation Ratio 10Y





Economic Moat

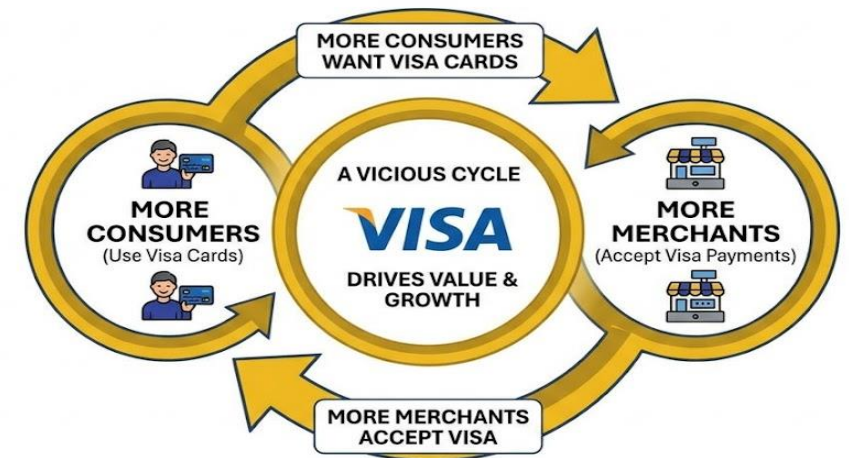


Network Effect



Visa Network Effect

- More Users attracts more Merchants
- More merchants allow Visa to expand
- Merchants will not invest in hardware for cards nobody has
- Consumers will not switch to cards that nobody accepts





Switching Costs

Banks

- Reissuing of millions of cards
- Renegotiating Contracts
- Disrupting consumer relationships

Merchants

- No longer accept the largest card network
- Commercial Suicide
- Lose access to 4.7B Cards

Consumers

- Forfeiting built rewards
- Inconvenient hassle to replace cards

ISO-8583



- Visa and Mastercard worked with the ISO technical committee to create an interoperable language
- Adopted in 1987 and has been used ever since
- Almost every entity in the payment chain uses ISO-8583



Capital Allocation



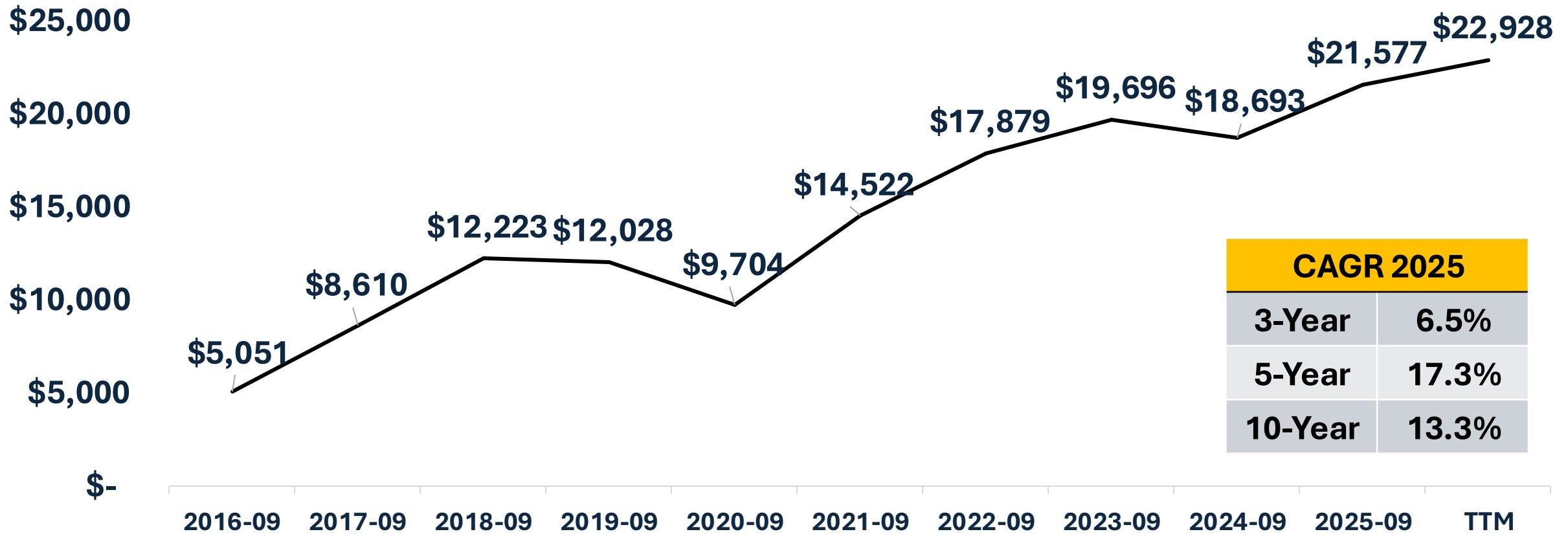
4/13/2026





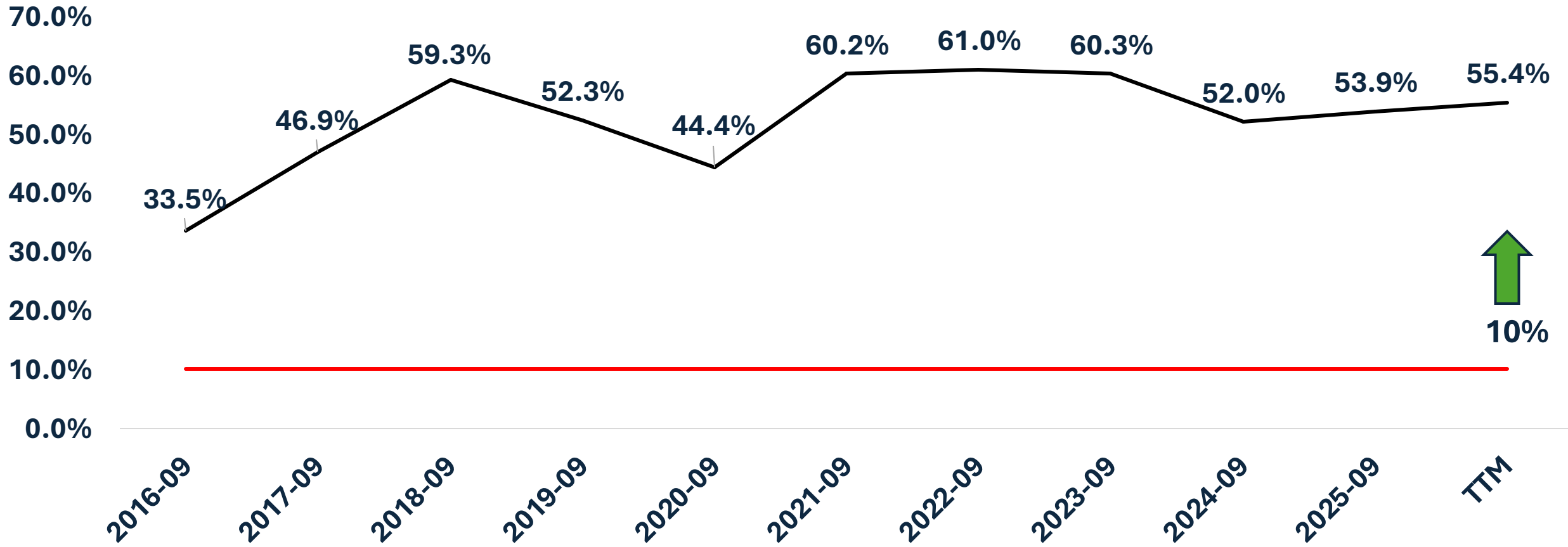
Free Cash Flow

(Millions of USD)



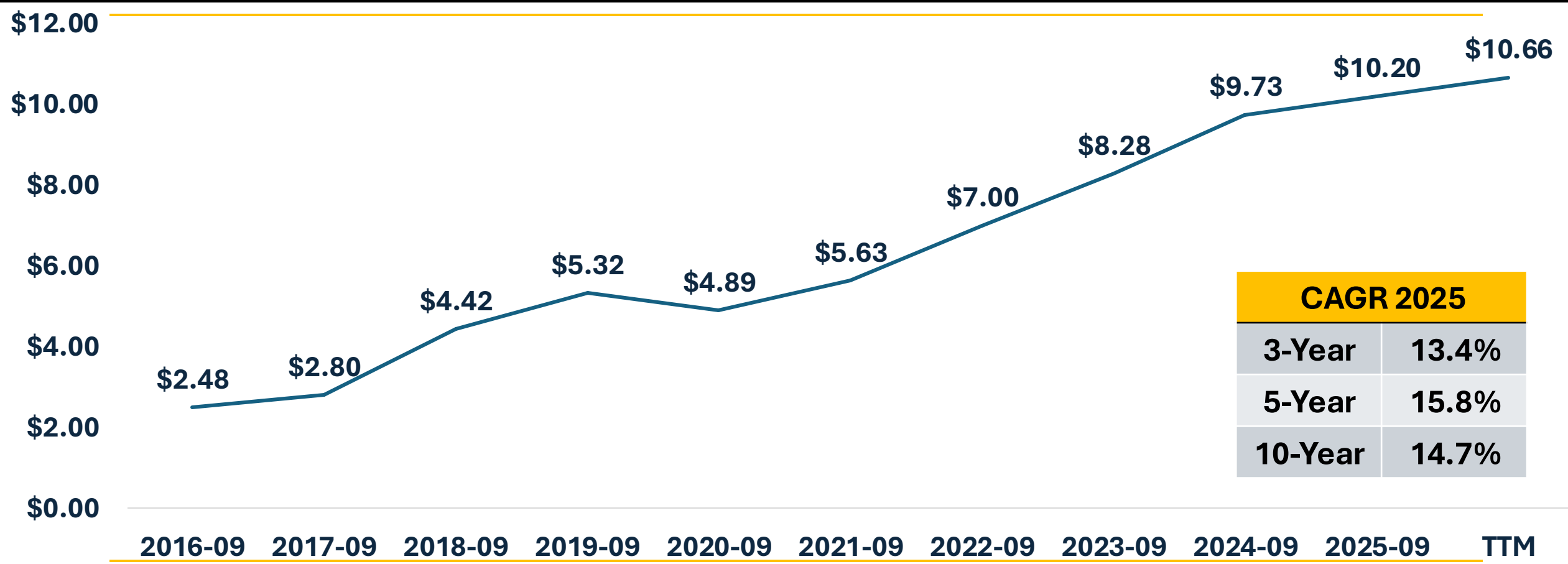


Free Cash Flow Margin %





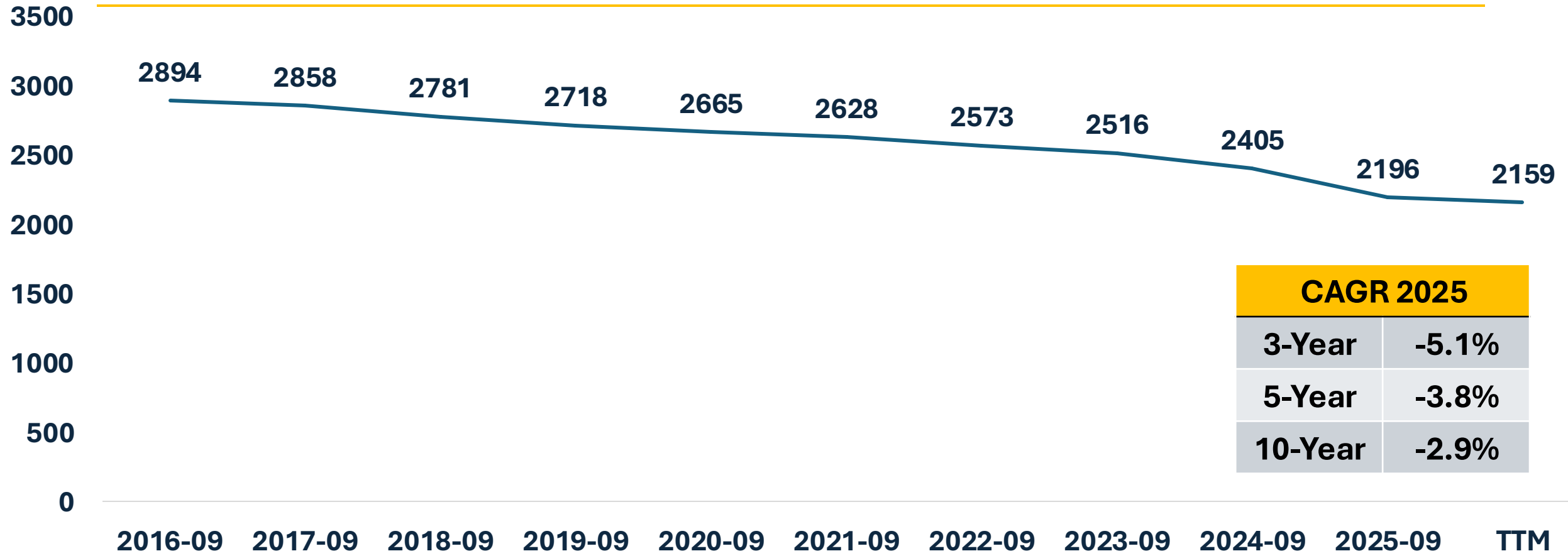
Earnings Per Share





Shares Outstanding

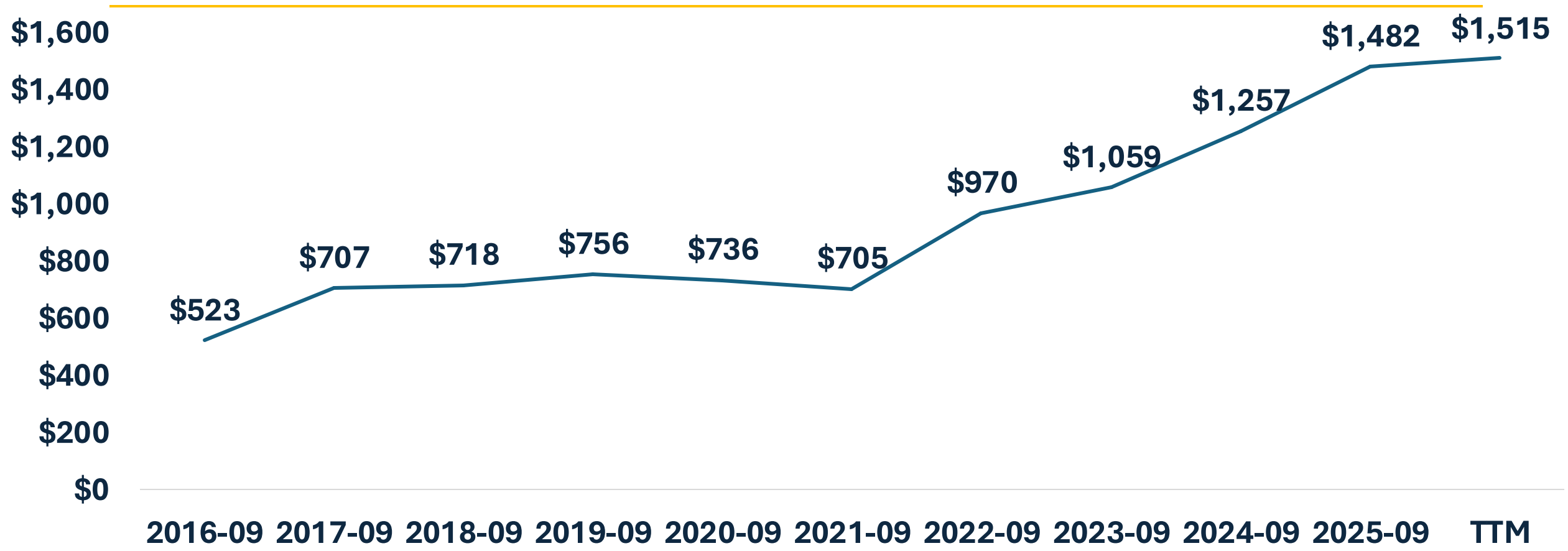
(In Millions)





Capital Expenditures

(Millions of USD)





Acquisitions

Visa Europe for \$23 Billion in 2016

Verifi in 2019

Tink for \$2.1 Billion in 2022

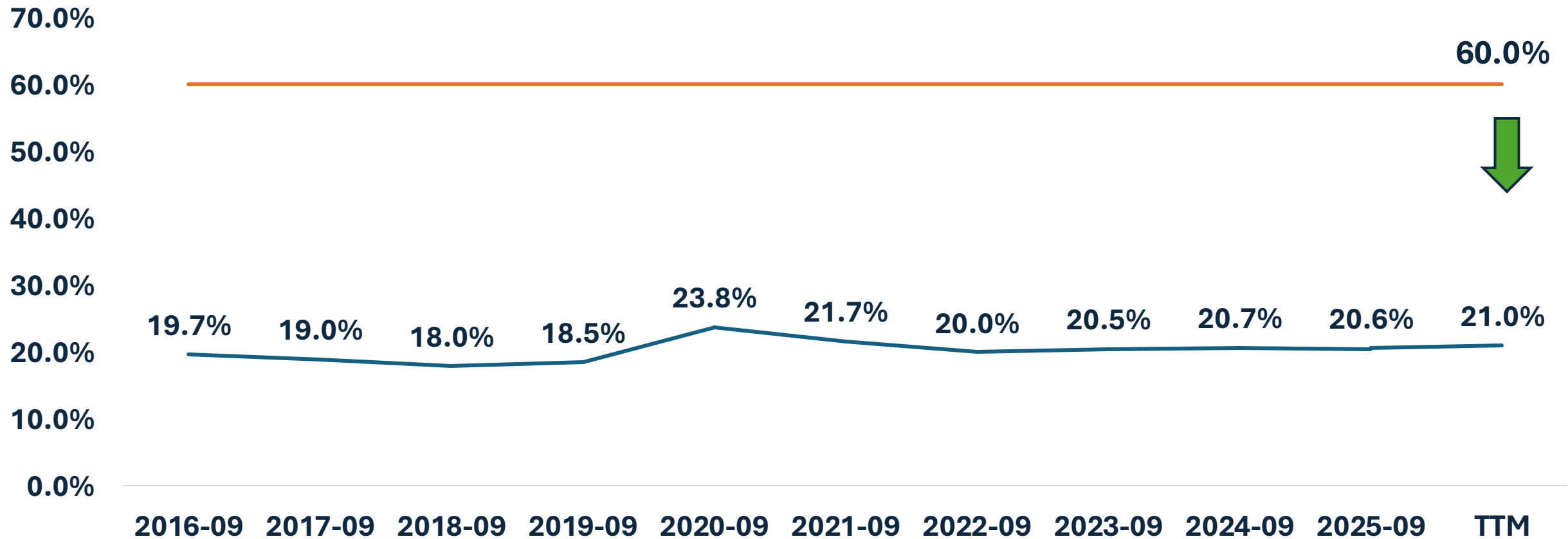
Pismo for \$1 Billion in 2024

Prisma and Newpay for in 2026

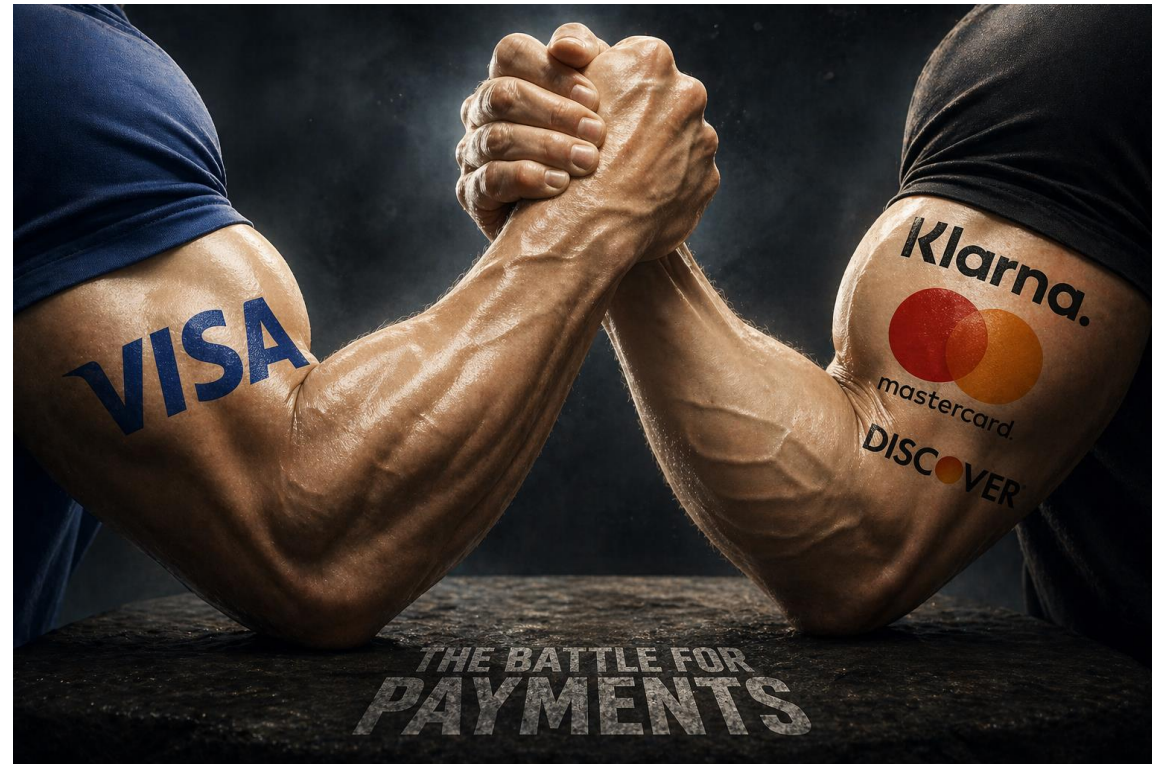




Dividend Payout Ratio



Competitor Analysis



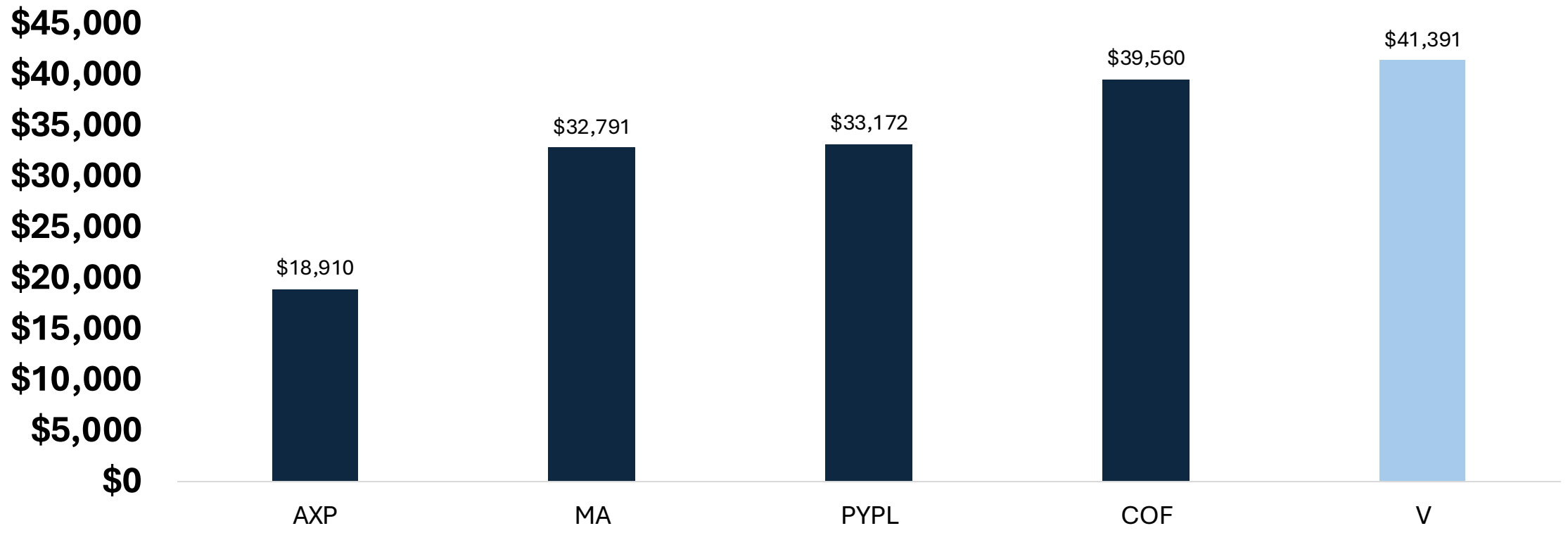


Competitor Analysis



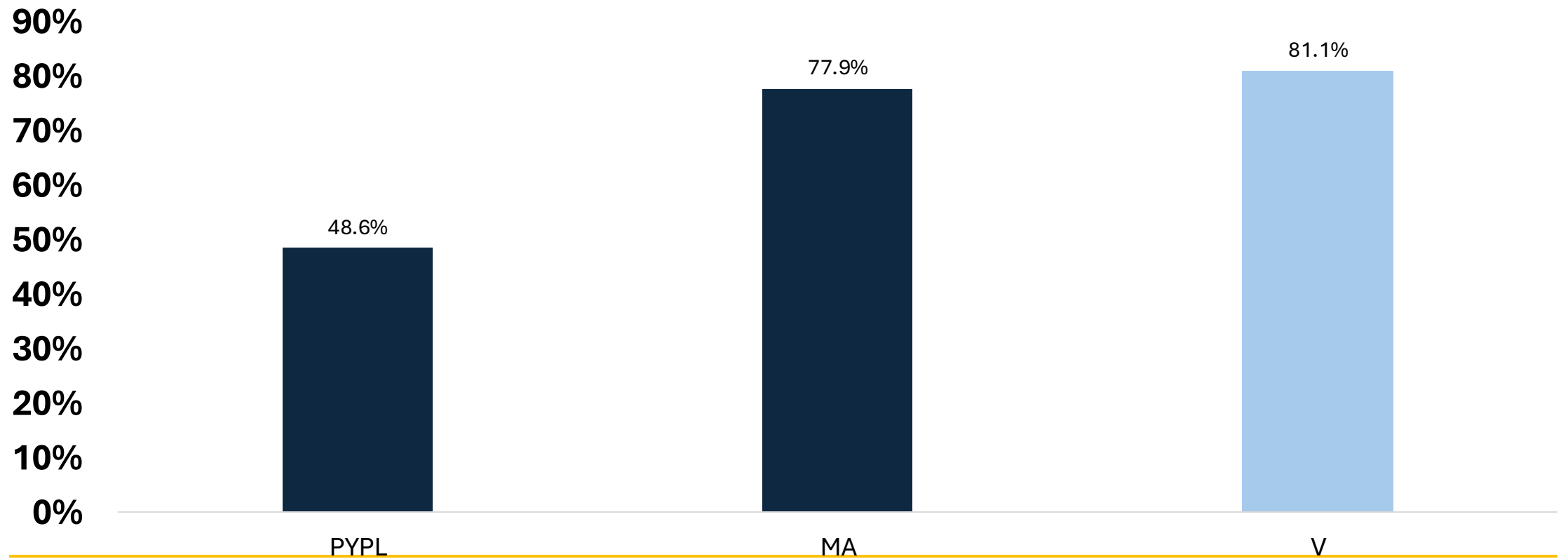


Revenue *In Millions*



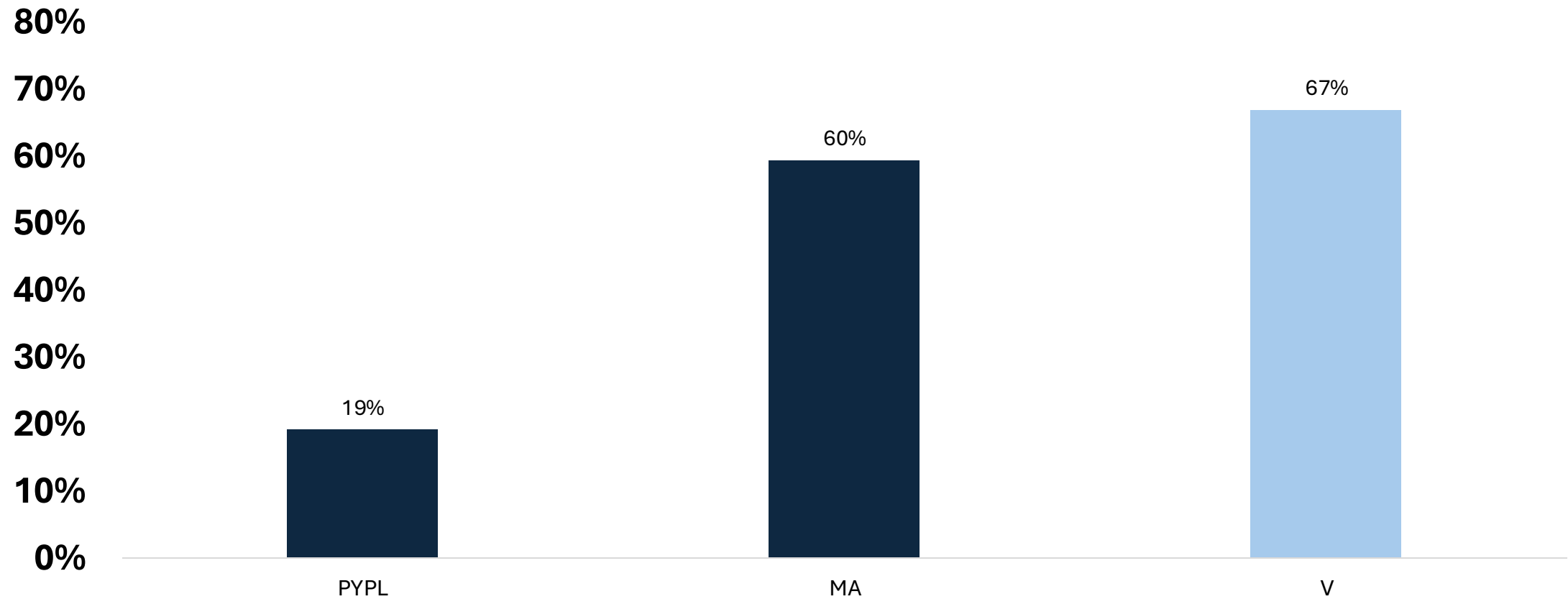


Gross Margin%



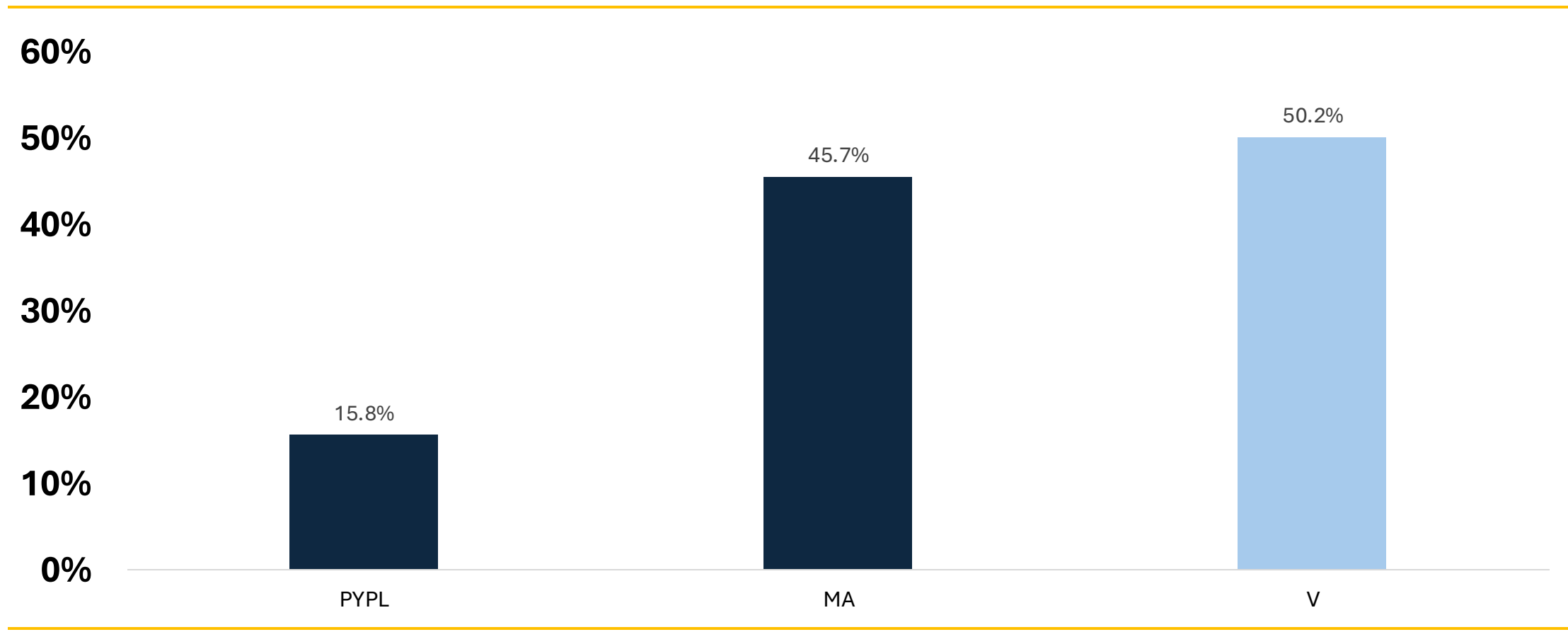


Operating Margin %



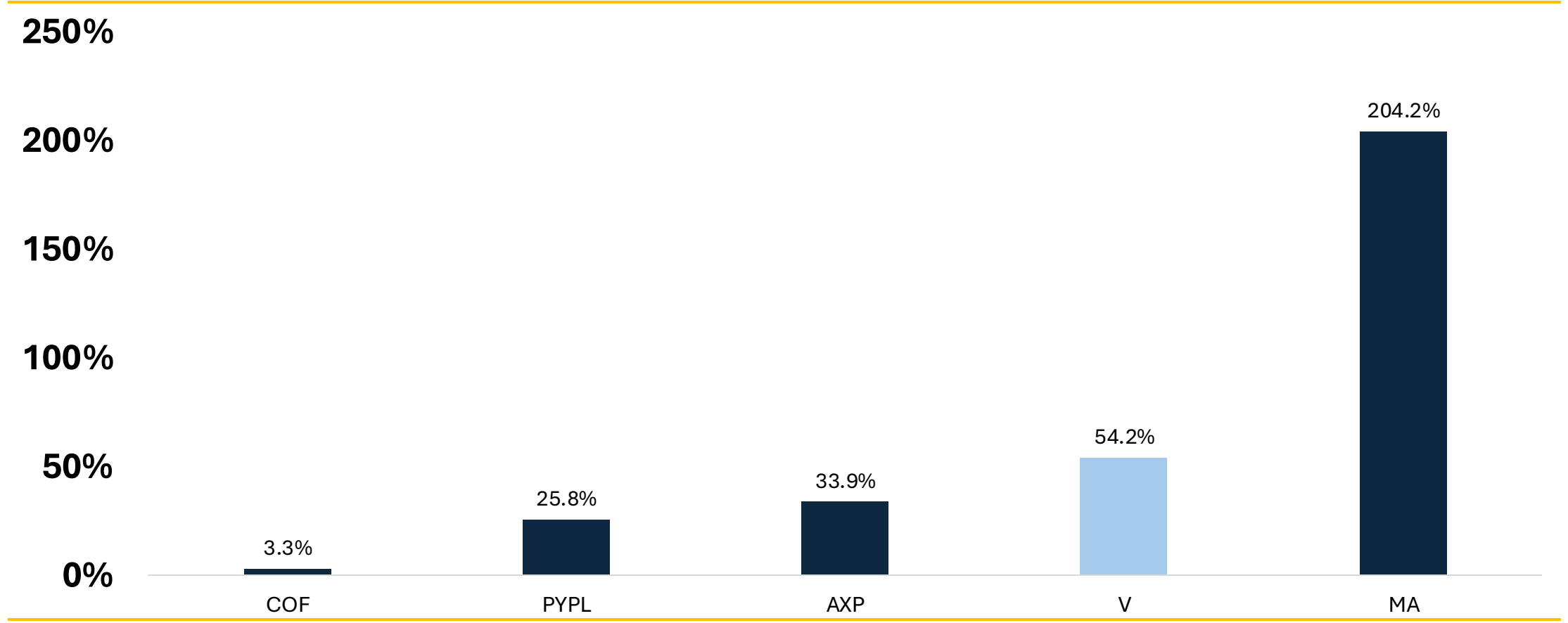


Net Margin%



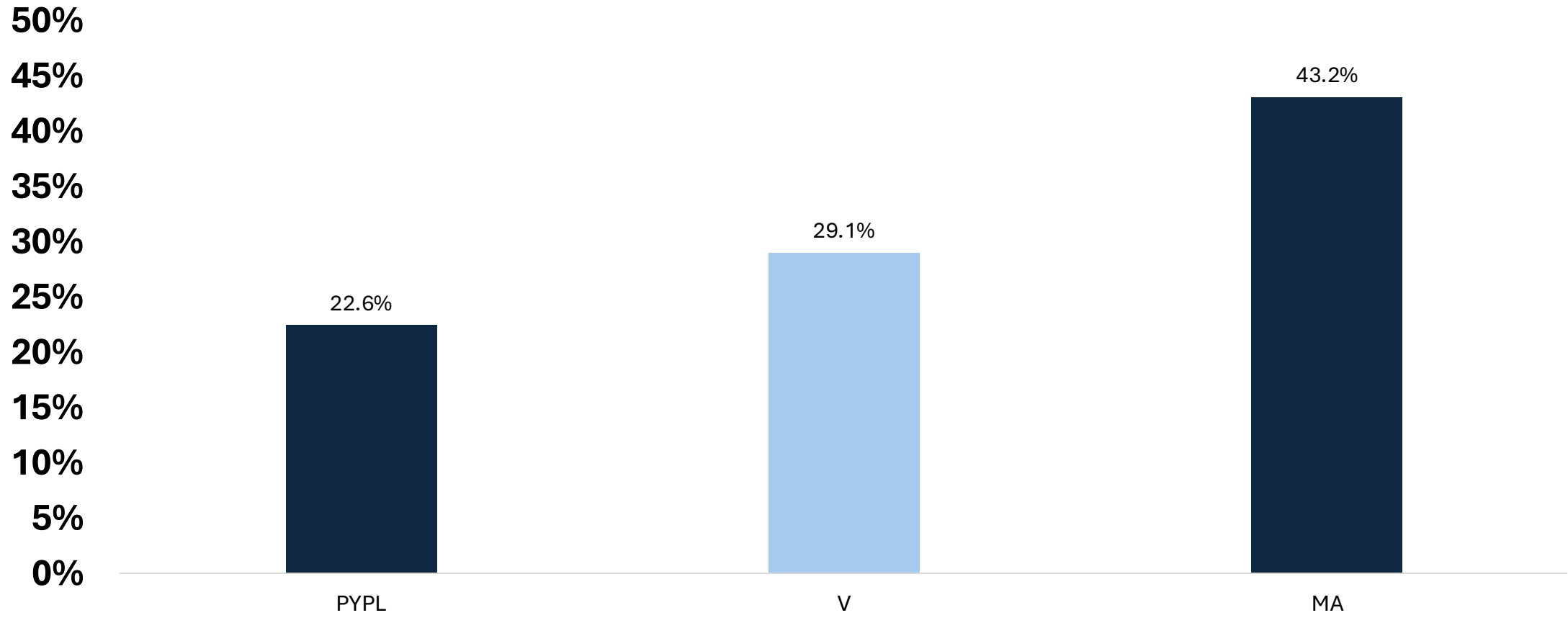


ROE%



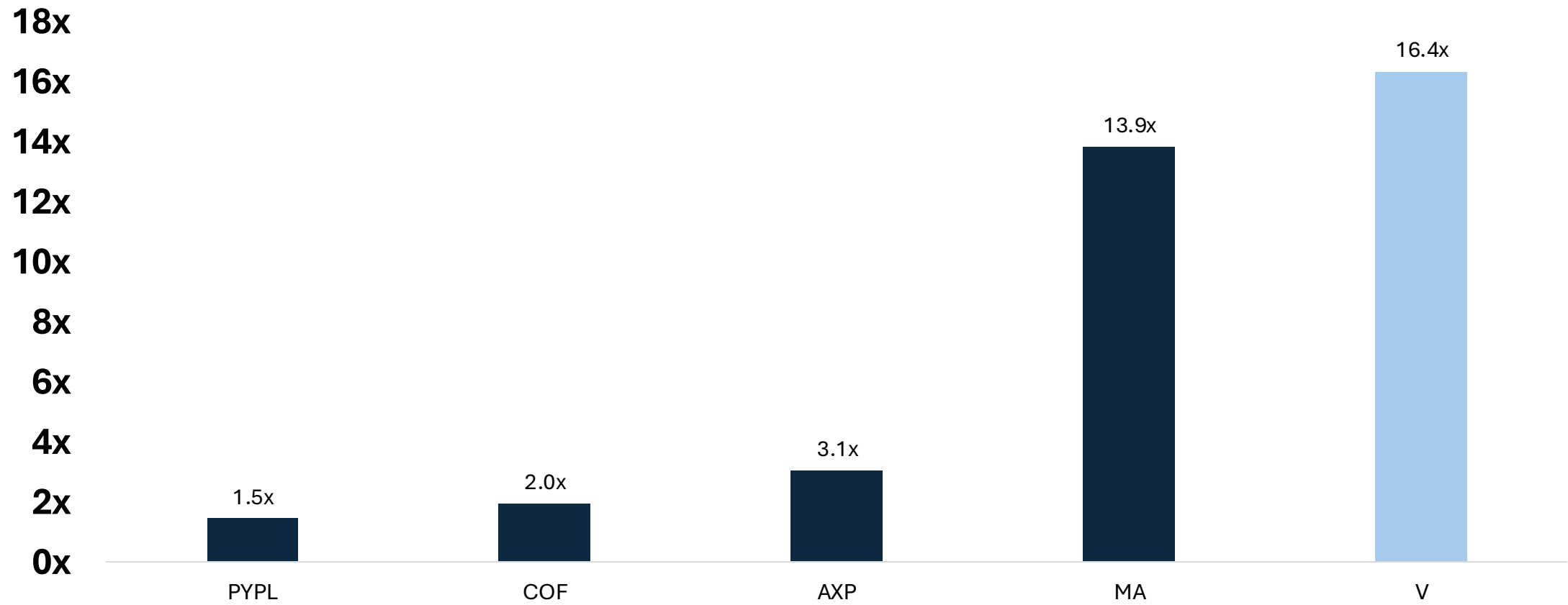


ROIC%





Price to Sales





Emerging Competitors

- Fintech Apps- Stripe and Ayden
- Apple Pay & Google Pay
- Buy Now-Pay Later (Klarna & Affirm)



Risk Factors





Antitrust Lawsuits

- Illegal Monopoly Power In Debit
- Exclusionary Agreements
- Paying Off Potential Competitors





Effects of the Antitrust Lawsuits

Forced Fee Compression on Debit

Structural Breakup of Network Agreements

Unleashing Funded Competitors



Economic Fluctuation

- Transaction Volume
- Travel Revenue



Discover



- Capital One Migrates off Visa Debit Network
- New Credible Competitor
- Visa Loses Pricing Leverage





Loss of Brand Power

- Apple Pay
- Google Pay
- Logo Free cards





Account to Account

- Zelle - USA
- UPI – India
- Pix – Brazil
- Sepa – Europe
- Alipay - China



Global Interchange Fee Litigation



Massive Retrospective Liability and Damages

Erosion of High-Margin Fee Structures

Structural Disruption of Market Dominance

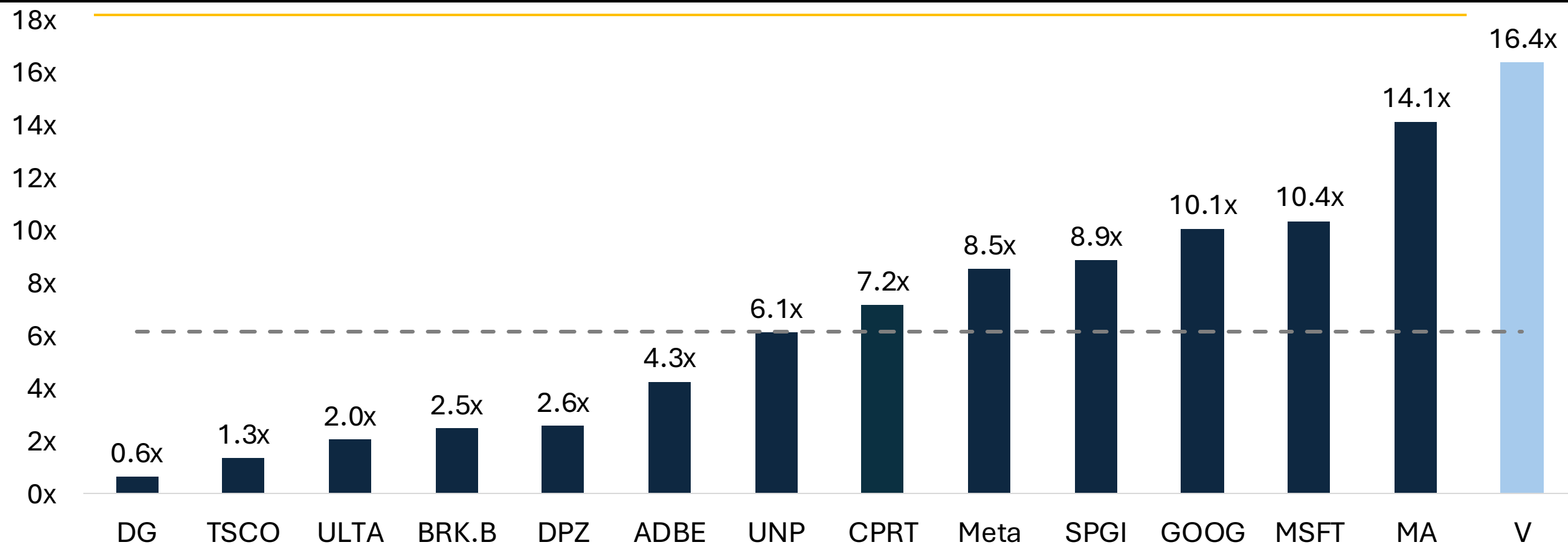
Intraportfolio Analysis





Price-to-Sales Ratio

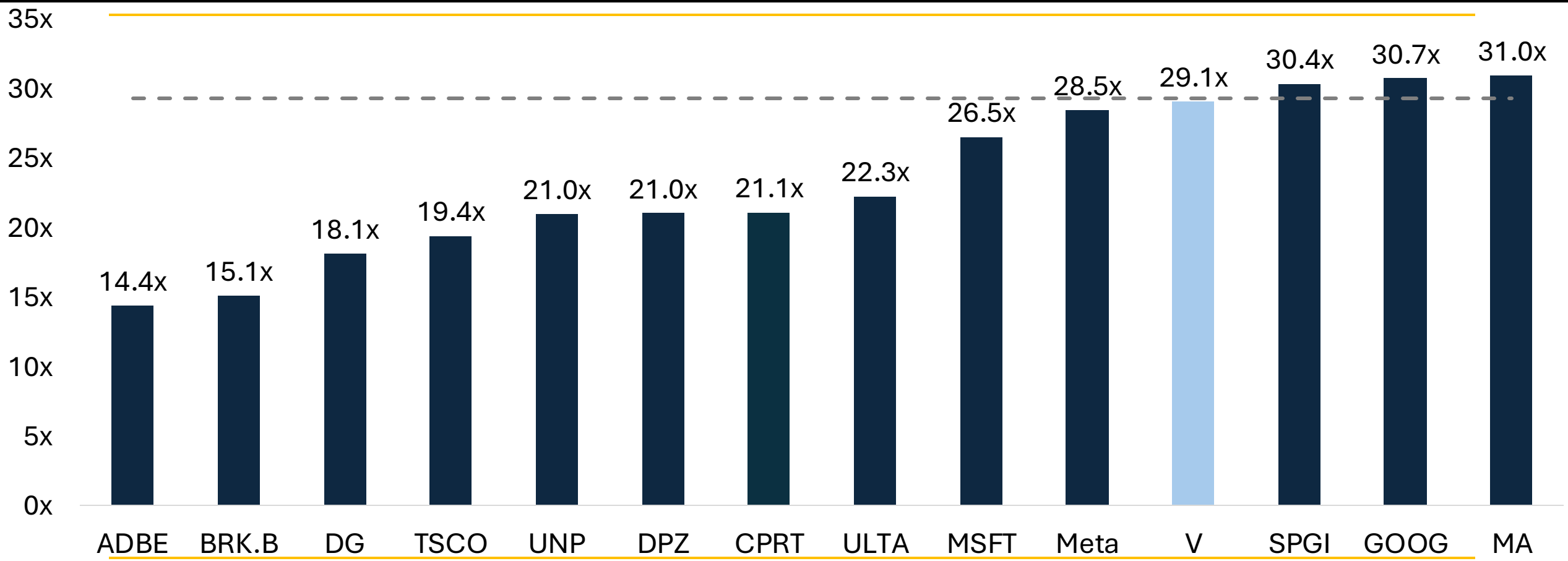
Price-to-Sales = Market Cap ÷ Total Revenue





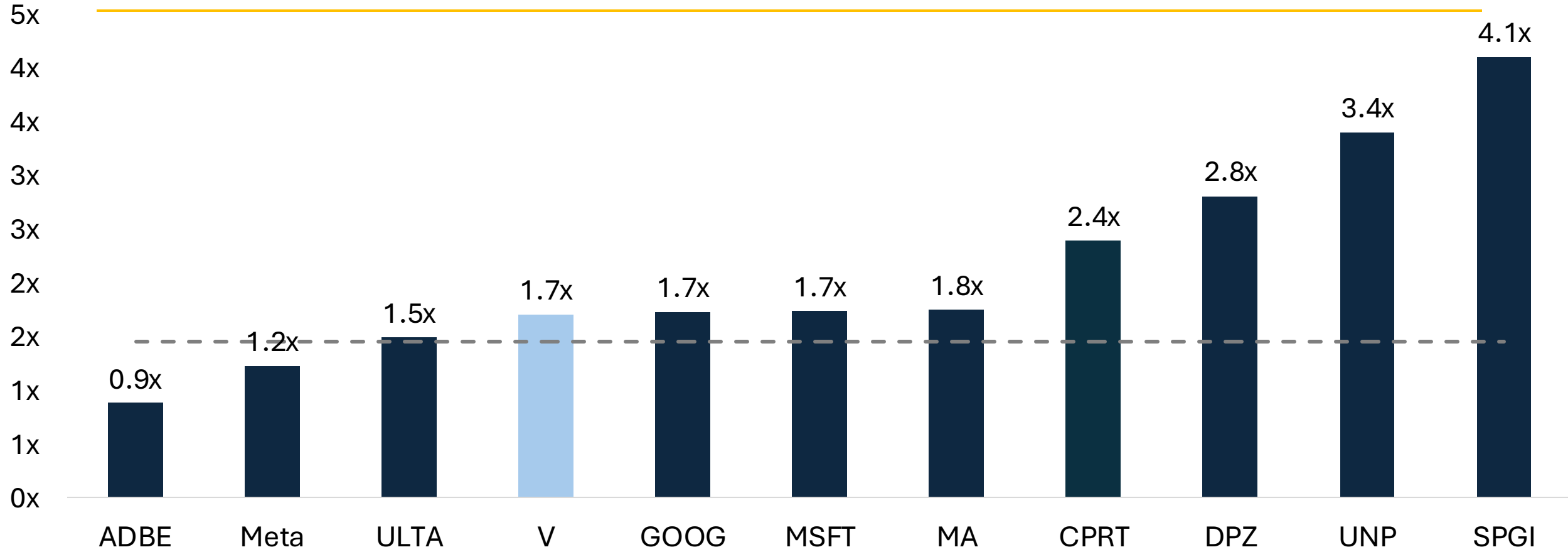
Price-to-Earnings Ratio

Price-to-Earnings = Stock Price ÷ Earnings per Share (EPS)



Price to Earnings Growth Ratio(PEG)

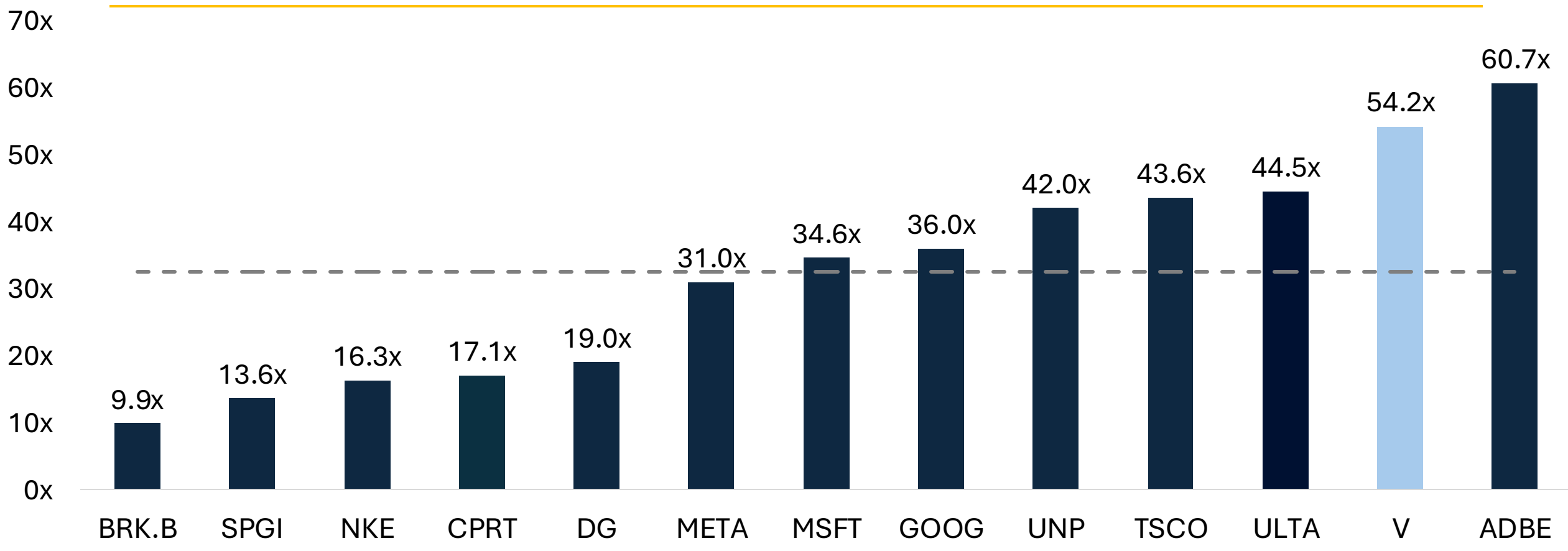
Price-to-Earnings Growth = $P/E \div \text{Earnings Growth Rate}$





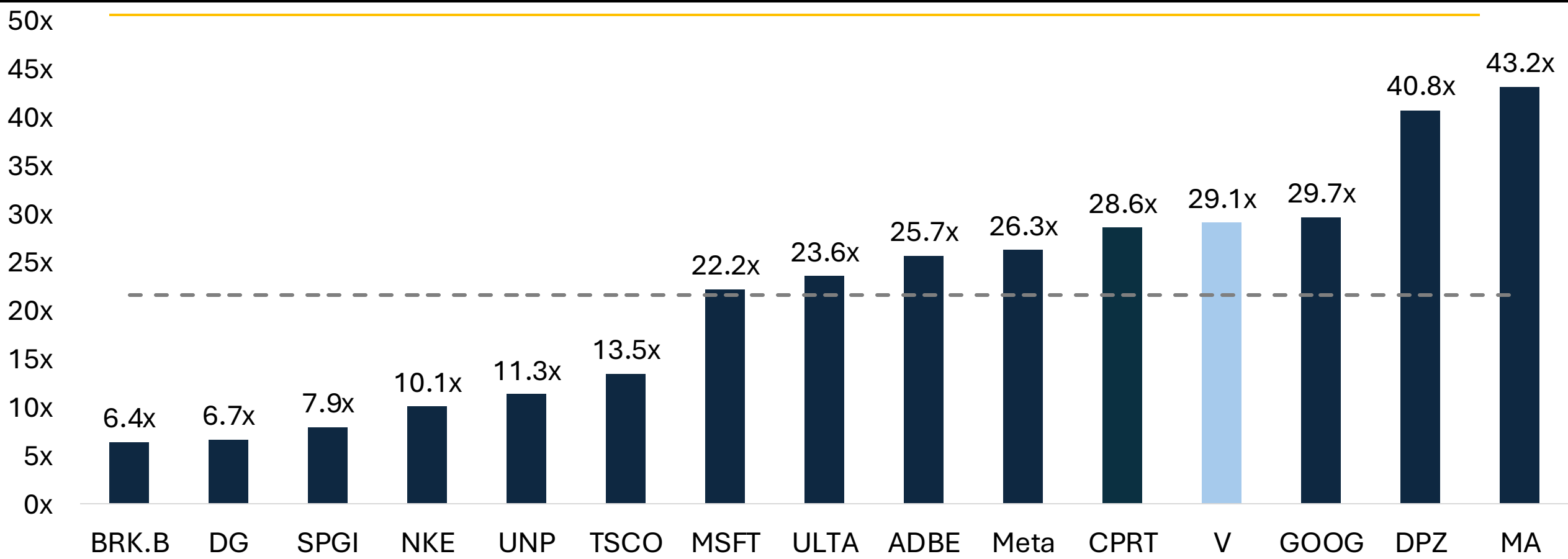
Return on Equity (ROE)

Return on Equity = Net Income ÷ Shareholders' Equity



Return on Invested Capital (ROIC)

$$\text{ROIC} = \text{Net Income} \div \text{Shareholders' Equity} + \text{Debt}$$





Growth Opportunities



Digital Payments in Emerging Markets



- **Cash-to-Digital Conversion:** Significant opportunity remains in regions like Latin America, Southeast Asia, and Africa where cash still dominates daily transactions.
- **Infrastructure Investment:** Partnering with local governments to build out acceptance infrastructure for small and medium enterprises
- **Mobile-First Solutions:** Developing and scaling QR code payments and mobile wallet integrations to reach unbanked or underbanked populations.



Visa Direct and New Payment Flows



- **Real-Time Payments:** Leveraging Visa Direct to allow for instant Peer-to-Peer Business-to-Consumer , and Government-to-Consumer payments.
- **Cross-Border Transfer :** Simplifying and lowering the cost of international money transfers by bypassing traditional banking complexities.
- **Gig Economy Integration:** Providing instant wage payouts for freelance and gig workers, increasing cardholder stickiness and transaction volume



Business to Business Innovation



- **Automated Accounts Payable:** Moving beyond the plastic card to integrated software solutions that automate supplier payments.
- **Virtual Cards:** Increasing the use of virtual card numbers for Reduce fraud and Faster Payments
- **Small Business Empowerment:** Providing analytical tools and credit access platforms for SMEs to manage cash flow and digital storefronts.





Value Added Services

- Security and Fraud Management:** Expanding revenue through AI-driven fraud detection services like Advanced Authorization to secure the digital ecosystem.
- Consulting and Analytics:** Uses Visa's large data set to provide merchant partners with consumer behavior insights and loyalty program optimization.
- Open Banking:** Enabling secure data sharing between financial institutions and third-party providers to create personalized financial management tools.

**10.9B in
FY2025, up
24% YoY**

**20%+
CAGR
since 2021**



Future Proofing

- **Tokenization Everywhere:** Replacing sensitive card data with digital tokens across all devices
- **Cryptocurrency and CBDCs:** Acting as a bridge between traditional currency and digital assets by supporting stablecoin settlements and Central Bank Digital Currencies
- **Biometric Authentication:** Integrating palm, face, and fingerprint recognition to ease the checkout process and to enhance security.

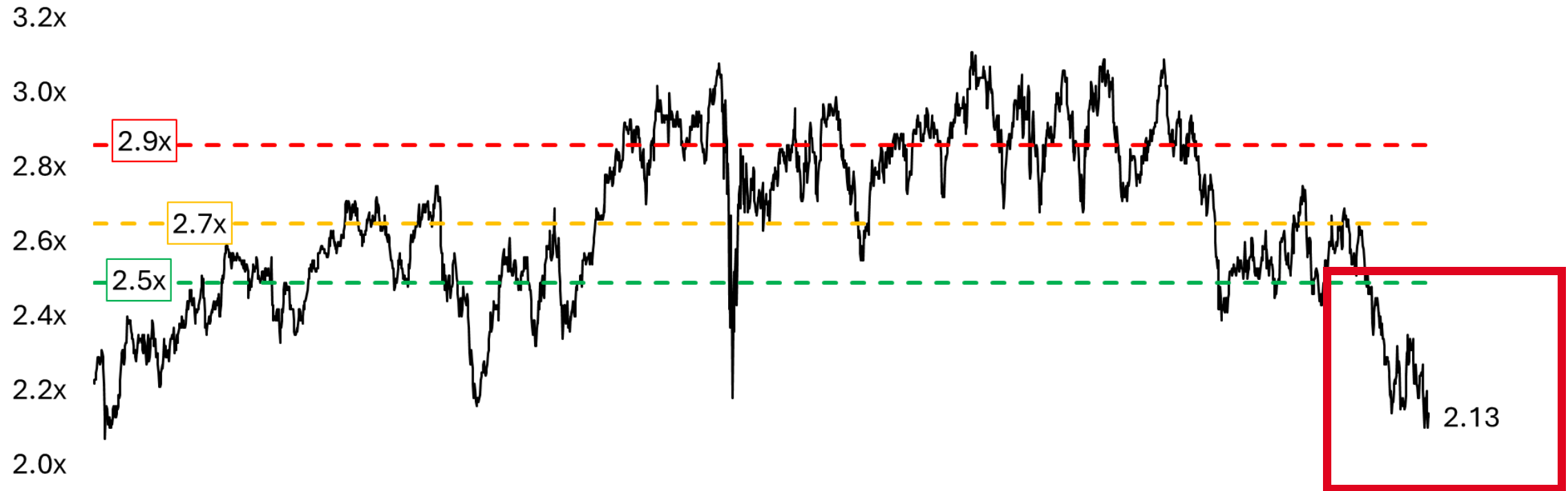


Value Bands



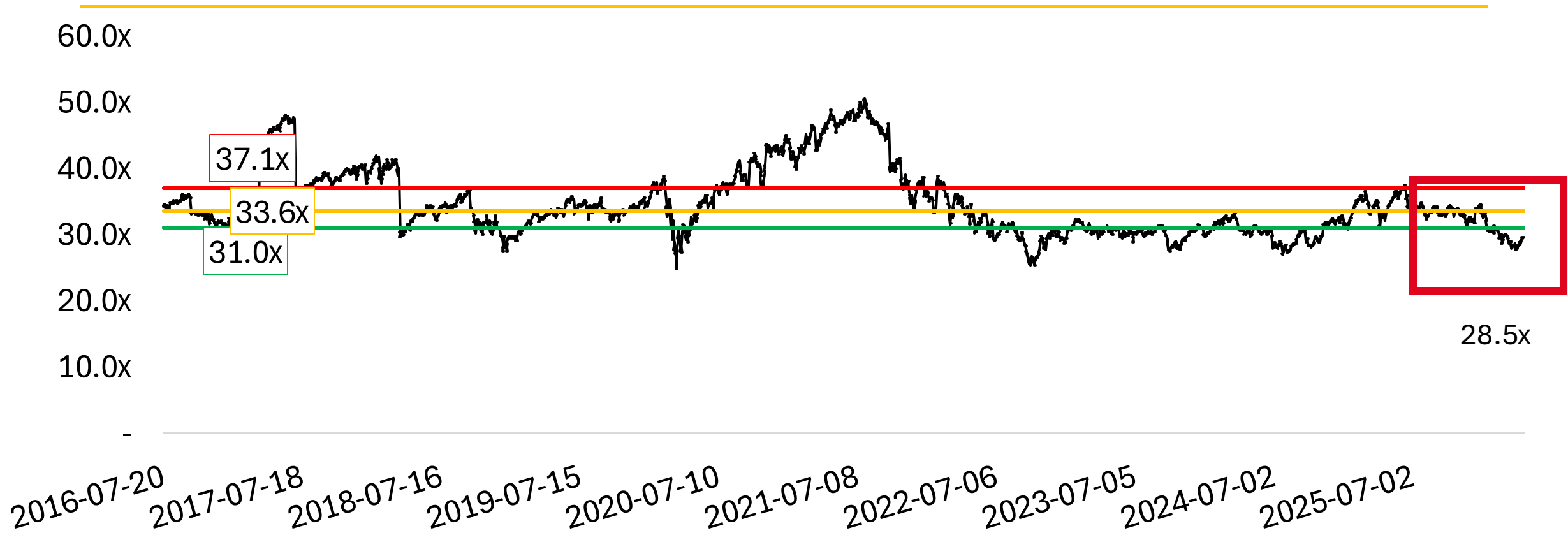


Value Bands Example



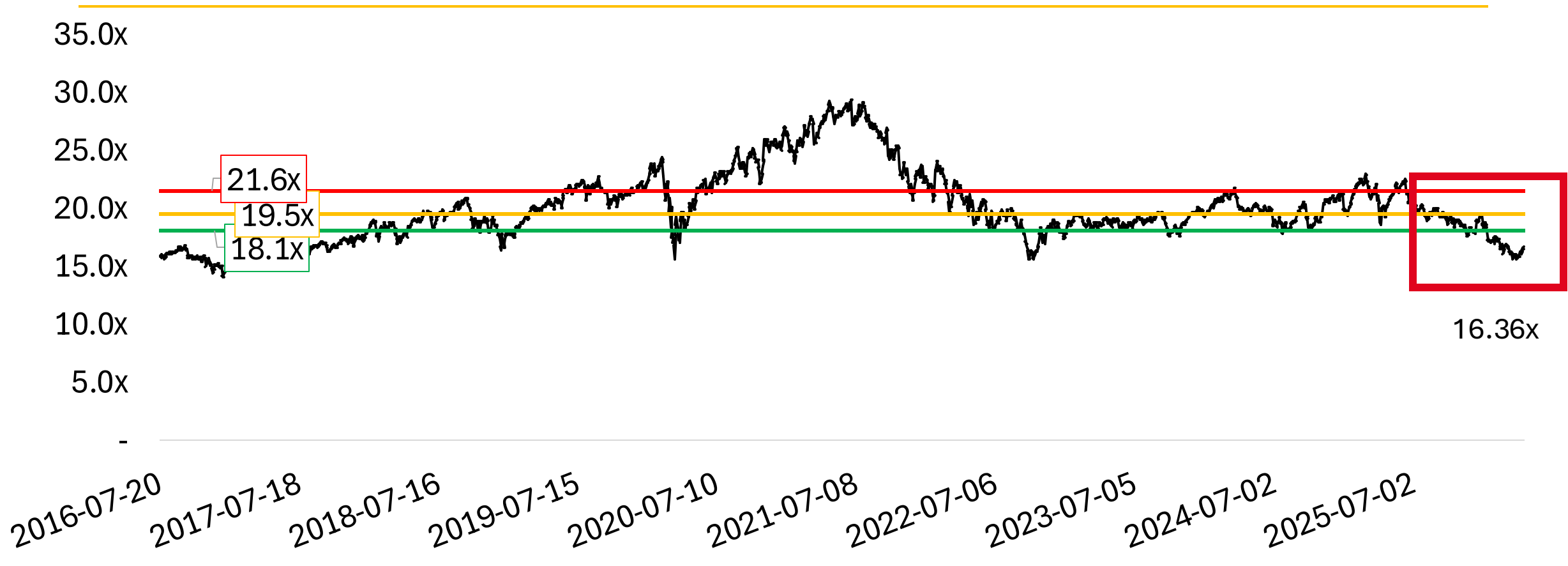


P/E



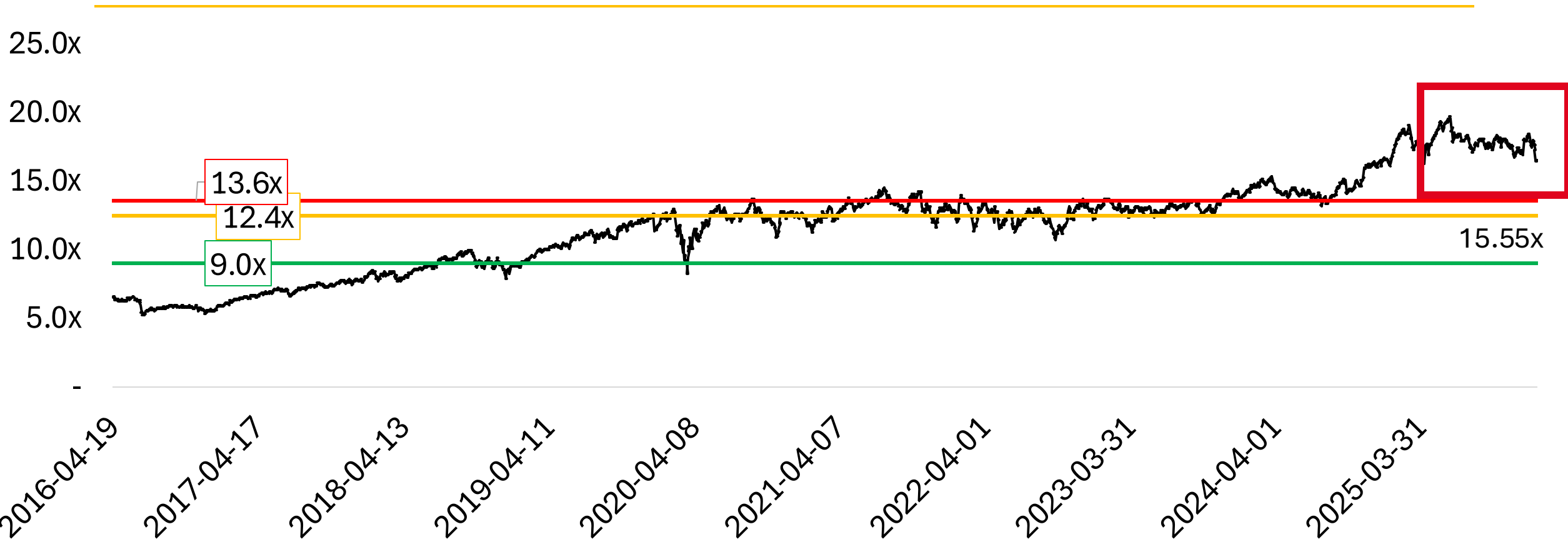


Price To Sales



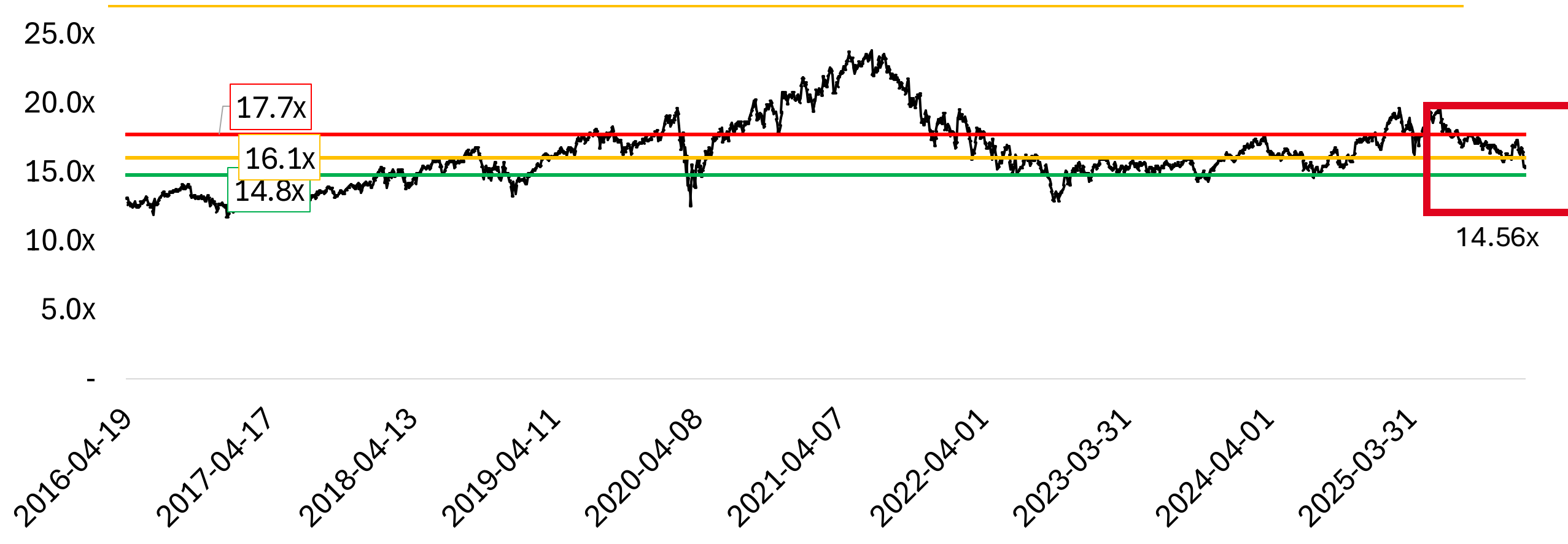


Price To Book Value



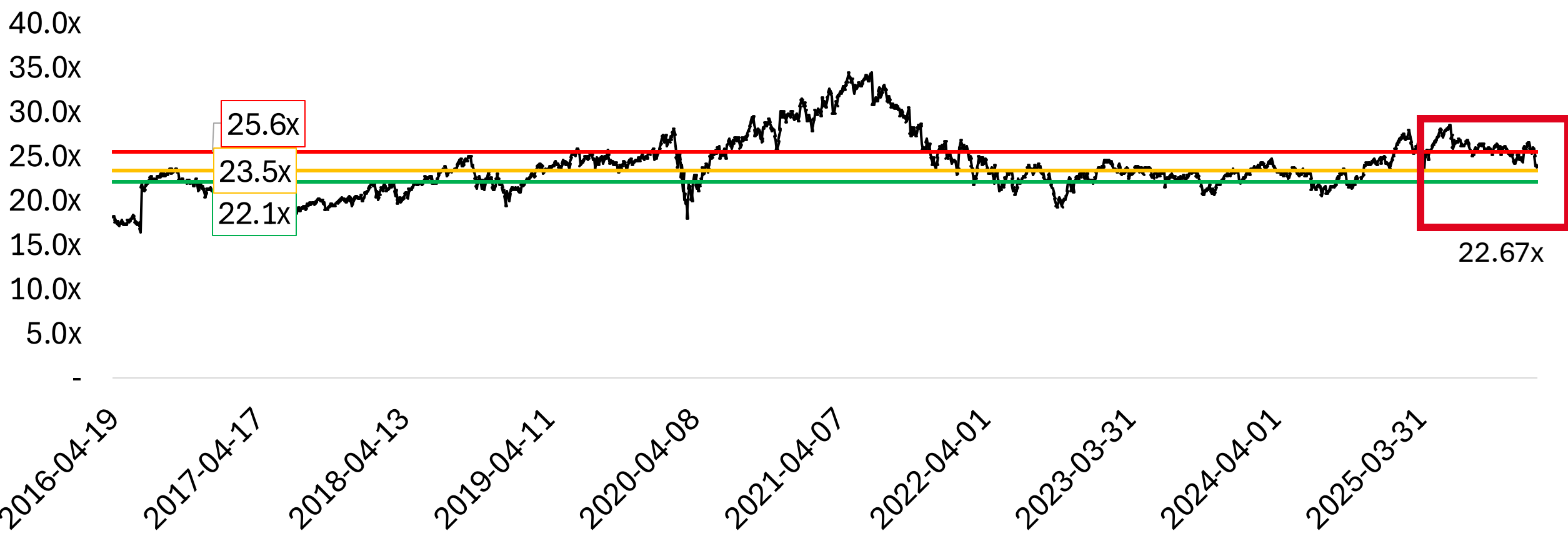


Enterprise Value To Revenue

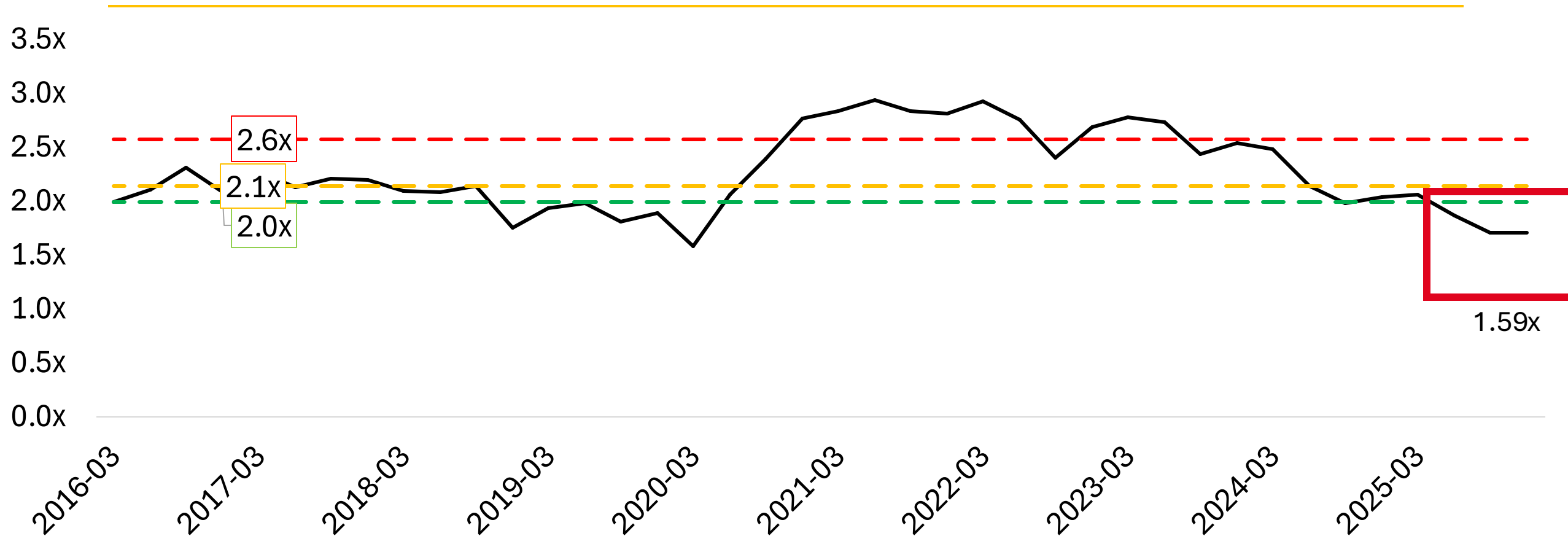




Enterprise Value To EBITDA

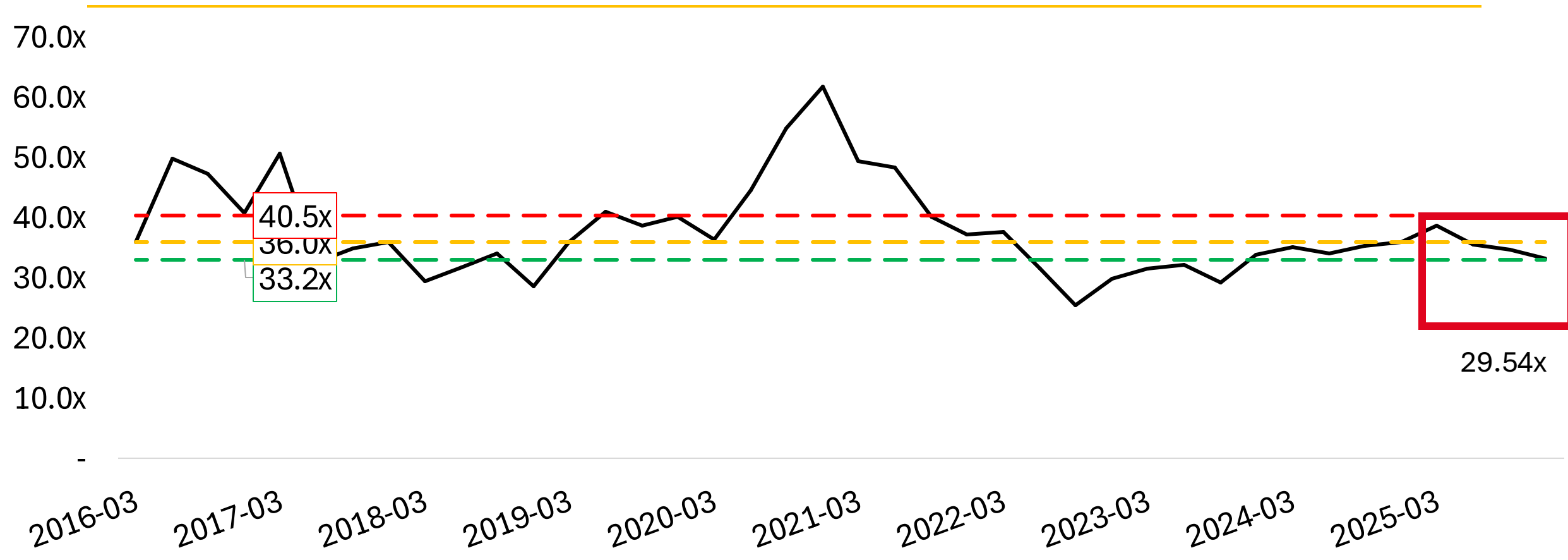


PEG



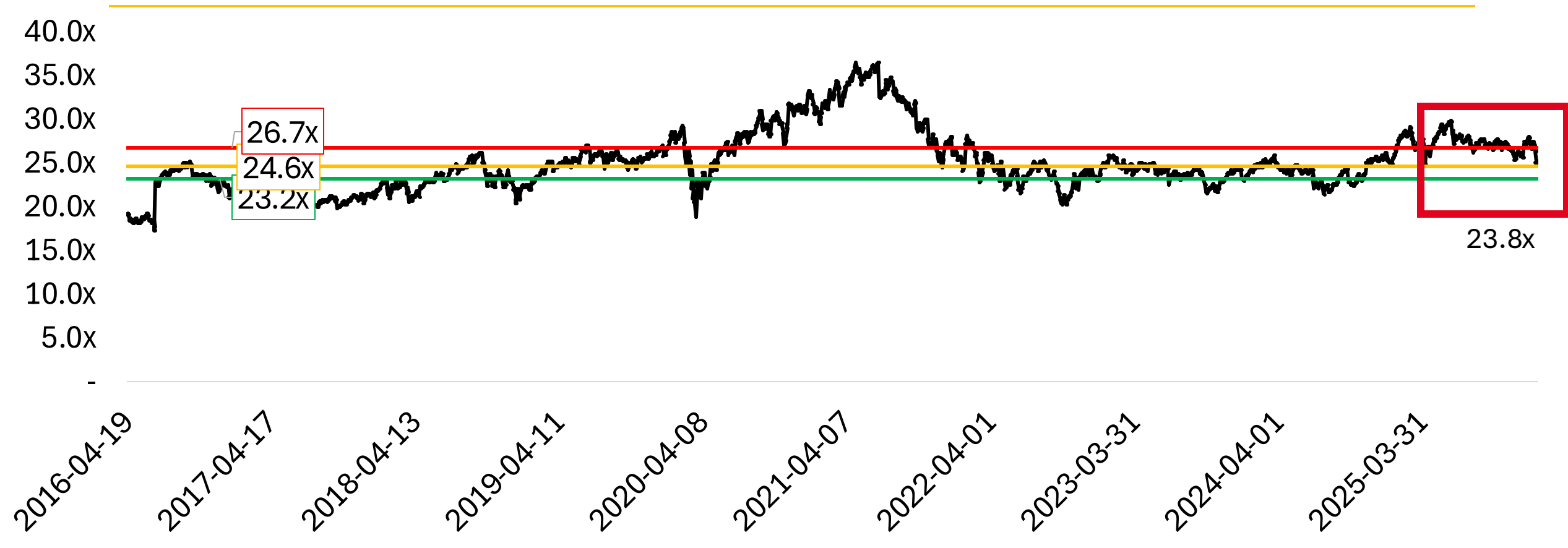


Price To Free Cash Flow





Enterprise Value To EBIT

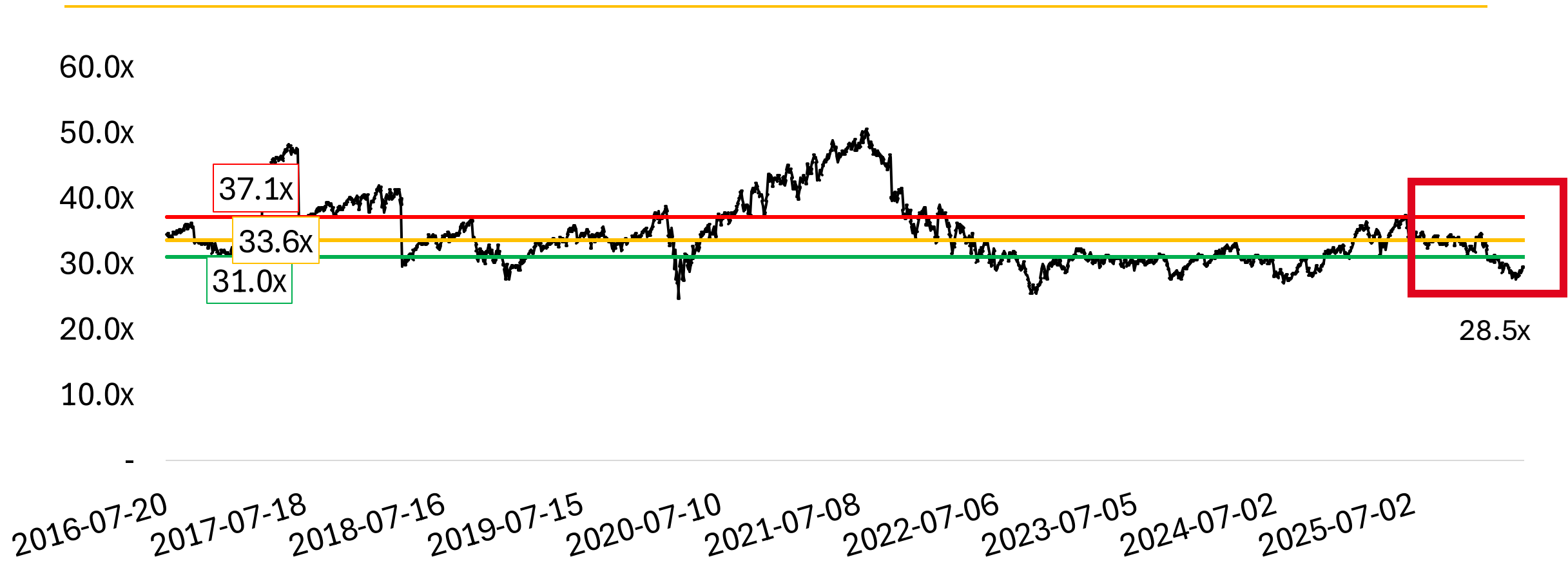


Valuation and Conclusion





P/E



DCF



Ticker: V Price: \$308.50 Discount Rate: 10.0% Method: FCF Per Share Dividend Payout Ratio: 22.0%		5 Year Discounted Cash Flow						P/FCF	Price	Present Value	5 YR Return	Annual Return	Return + Dividends
		2026	2027	2028	2029	2030	2031						
Bear	FCF Per Share	\$12.35	\$13.46	\$14.40	\$15.41	\$16.34	\$17.32	22.0x	\$380.97	\$236.55	23.5%	4.3%	5.2%
			9.00%	7.00%	7.00%	6.00%	6.00% #	24.0x	\$415.61	\$258.06	34.7%	6.1%	7.0%
								25.0x	\$432.93	\$268.81	40.3%	7.0%	7.8%
Base	FCF Per Share	\$12.35	\$13.59	\$15.08	\$16.74	\$18.41	\$20.25	26.0x	\$526.58	\$326.96	70.7%	11.3%	12.1%
			10.00%	11.00%	11.00%	10.00%	10.00%	28.0x	\$567.09	\$352.12	83.8%	12.9%	13.7%
								30.0x	\$607.59	\$377.27	97.0%	14.5%	15.2%
Bull	FCF Per Share	\$12.35	\$13.83	\$15.77	\$17.98	\$20.13	\$22.55	31.0x	\$699.02	\$434.04	126.6%	17.8%	18.4%
			12.00%	14.00%	14.00%	12.00%	12.00%	32.0x	\$721.57	\$448.04	133.9%	18.5%	19.2%
								33.0x	\$744.12	\$462.04	141.2%	19.3%	19.9%

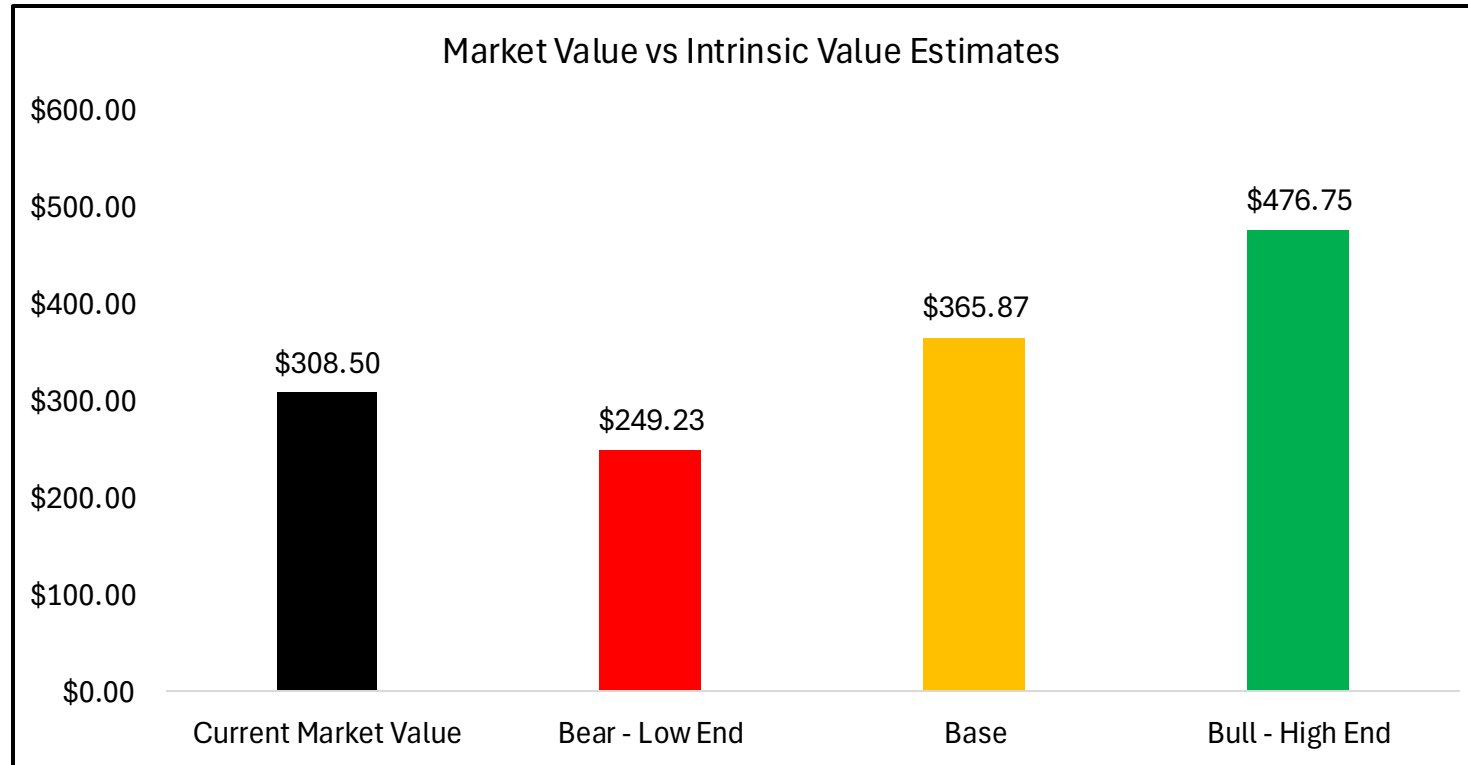


Total Rate of Return Sensitivity

Total RoR Sensitivity				
		Est. FCF/Share growth rate		
		7.0%	10.4%	12.8%
P / E	22.0x	4.3%	11.3%	17.8%
	28.0x	6.1%	12.9%	18.5%
	33.0x	7.0%	14.5%	19.3%



Intrinsic Value Estimates



Recap



- **Perfect Financials**
- **Great Margins**
- **Great Cash Flow**
- **Competent Management**
- **Wide Moat**
- **Strong Long Term Compounder**

Conclusion



- **Visa Inc. is a global leader with a highly scalable, high-margin business model**
- **Very rarely trades below what it is right now, so why buy a good company when you can buy a great one**
- **Well positioned for sustained growth as digital payments continue to expand**



Recommendation

- **Buy 150 shares at a limit order at 300\$**
 - **This would add 150 shares to our current holding of 650 shares of Visa**
 - **This will drive long term stronger consistent growth in our portfolio**
-

Thank
you!

QUESTIONS?



VISA





Appendix

Adaptability



- Talk about how Visa does not try and create software to rival top competitors, but rather integrates themselves into the systems
- They recognize that customers are using their bank to transfer money and they are adapting
- Infrastructure layer
- Not trying to compete, they are imbedding themselves in the transfers in order to make them as easy and safe as a credit card
- 1. Dispute resolution- Getting your money back
- 2. Fraud protection- Applies massive AI driven securities(Visa A2A Protect)
- 3. Sets rules that all banks involved must follow
- Unified API makes it so that Merchants do not have to connect to each banks distinct API



Visa's Transition

- Card Company ---> Network of Networks
- \$200 Trillion dollar business of non-card payments (Business to Business & Government to Consumer)
- This transition is vital to the expansion of Visa's Moat. With Visa Direct, they can now set up Business to Business & Government to Consumer transactions. This allows Visa to reach a \$200 Trillion market of non-card payments. This ensures domination across all transaction types