



# Fiscal Third Quarter 2022 Financial Results

July 26, 2022

# Fiscal Third Quarter 2022 Results<sup>(1)</sup>

YoY Increase / (Decrease)	Net Revenues	Client Incentives as a % of Gross Revenues	Operating Expenses	Effective Income Tax Rate	Diluted Class A Common Stock Earnings Per Share
<b>GAAP Nominal-Dollar Basis</b>	<b>19%</b>	<b>26.1%</b>	<b>51%</b>	<b>10.9%</b>	<b>36%</b>
<b>Non-GAAP Nominal-Dollar Basis<sup>(2)</sup></b>	<b>N/A</b>	<b>N/A</b>	<b>15%</b>	<b>13.3%</b>	<b>33%</b>
Foreign Currency Impact	~3%		~2%		~3.5%
Acquisition Impact	(~0.5%)	0.1%	(~3%)	(0.1%)	~1%
<b>Adjusted Constant-Dollar Basis<sup>(2)</sup></b>	<b>21%</b>	<b>26.2%</b>	<b>14%</b>	<b>13.2%</b>	<b>37%</b>
<b>Adjusted Constant-Dollar Basis excluding Russia-Related Results<sup>(2)</sup></b>	<b>26%</b>	<b>26.1%</b>	<b>16%</b>	<b>13.2%</b>	<b>44%</b>

<sup>(1)</sup> In March 2022, Visa suspended our operations in Russia. As a result, we are no longer generating revenue from domestic and cross-border activities related to Russia.

<sup>(2)</sup> Refer to Non-GAAP and Adjusted Constant-Dollar Results Footnote and GAAP to Non-GAAP Operating Expenses Results for further information.

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## Non-GAAP and Adjusted Constant-Dollar Results Footnote

We use non-GAAP and adjusted constant-dollar financial measures of our performance, which exclude certain items that we believe are not representative of our continuing operations, as they may be non-recurring or have no cash impact, and may distort our longer-term operating trends. We consider non-GAAP and adjusted constant-dollar measures useful to investors because they provide greater transparency into management's view and assessment of our ongoing operating performance. Non-GAAP and adjusted constant-dollar financial measures should not be relied upon as substitutes for, or considered in isolation from, measures calculated in accordance with GAAP.

We exclude the following to arrive at our adjusted constant-dollar financial results:

- impact of non-GAAP items (refer to the financial tables in the earnings release for further details);
- impact of foreign currency to provide currency-neutral growth rates, which management believes are a better reflection of the underlying performance of our business. Our results are denominated in U.S. dollars and are calculated each quarter by applying an established U.S. dollar/foreign currency exchange rate for each local currency. To eliminate the impact of foreign currency fluctuations against the U.S. dollar in measuring financial performance, Visa Inc. reports year-over-year growth using a fixed current year U.S. dollar/foreign currency exchange rate for the current and prior year periods; and
- impact of acquisitions, which include operating revenues and expenses of the acquired entities that were not reflected in the full quarter of the previous year and the incremental interest expense or forgone interest income as a result of funding the acquisition through debt or cash, respectively, which management believes enhances the comparability of our results. These amounts will be adjusted until we lap the quarter that the entity was acquired in, at which time there will be comparable results within each reported period.

In March 2022, we suspended our operations in Russia. As a result, we are no longer generating revenue from domestic and cross-border activities related to Russia. To eliminate the impact of Russia-related activities in our adjusted constant-dollar financial results, we have excluded relevant revenues and expenses from all periods ("excluding Russia-related results").

# Fiscal Third Quarter 2022 Results

- Payments volume, cross-border volume and processed transaction growth remained very strong
- Returned \$3.3B of capital to shareholders in the form of share repurchases and dividends

## Income Statement Summary

	Q3 2022	
	USD	% Change
<i>In billions, except percentages and per share data. % change is calculated over the comparable prior-year period.</i>		
Net Revenues	\$7.3	19%
GAAP Net Income	\$3.4	32%
GAAP Earnings Per Share	\$1.60	36%
Non-GAAP Net Income <sup>(1)</sup>	\$4.2	29%
Non-GAAP Earnings Per Share <sup>(1)</sup>	\$1.98	33%

<sup>(1)</sup> Refer to the financial tables in the earnings release for further details and a reconciliation of the GAAP to non-GAAP measures presented.

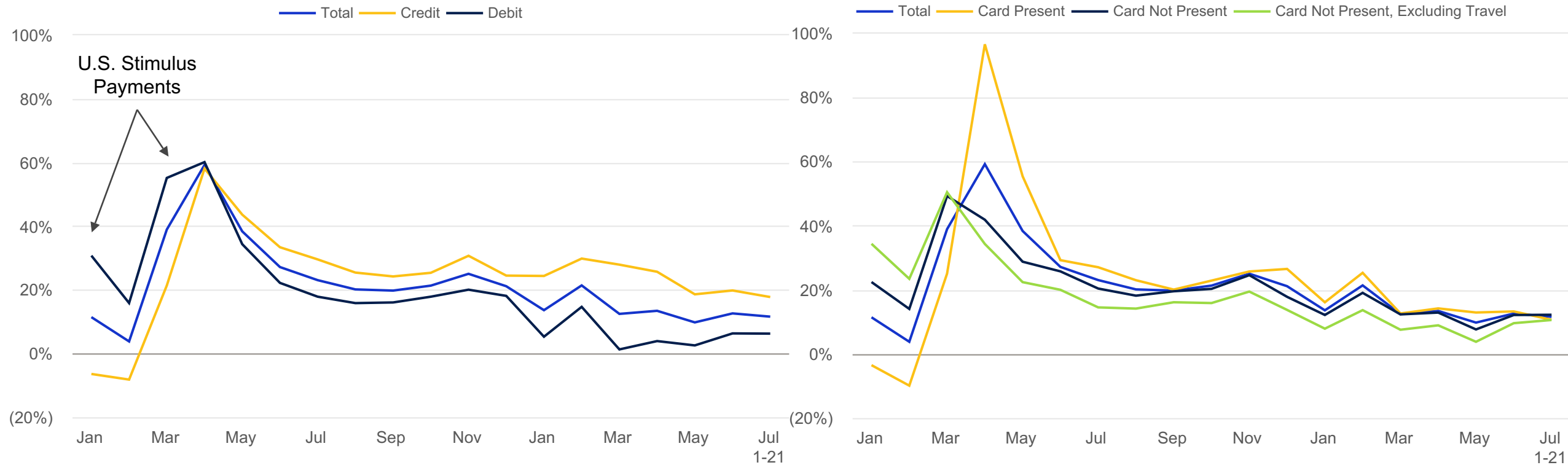
## Key Business Drivers

YoY increase / (decrease), volume in constant dollars	Q3 2022
Payments Volume	12%
Cross-Border Volume Excluding Intra-Europe <sup>(2)</sup>	48%
Cross-Border Volume Total	40%
Processed Transactions	16%

<sup>(2)</sup> Cross-border volume excluding transactions within Europe.

# Operational Performance Metrics Monthly Growth

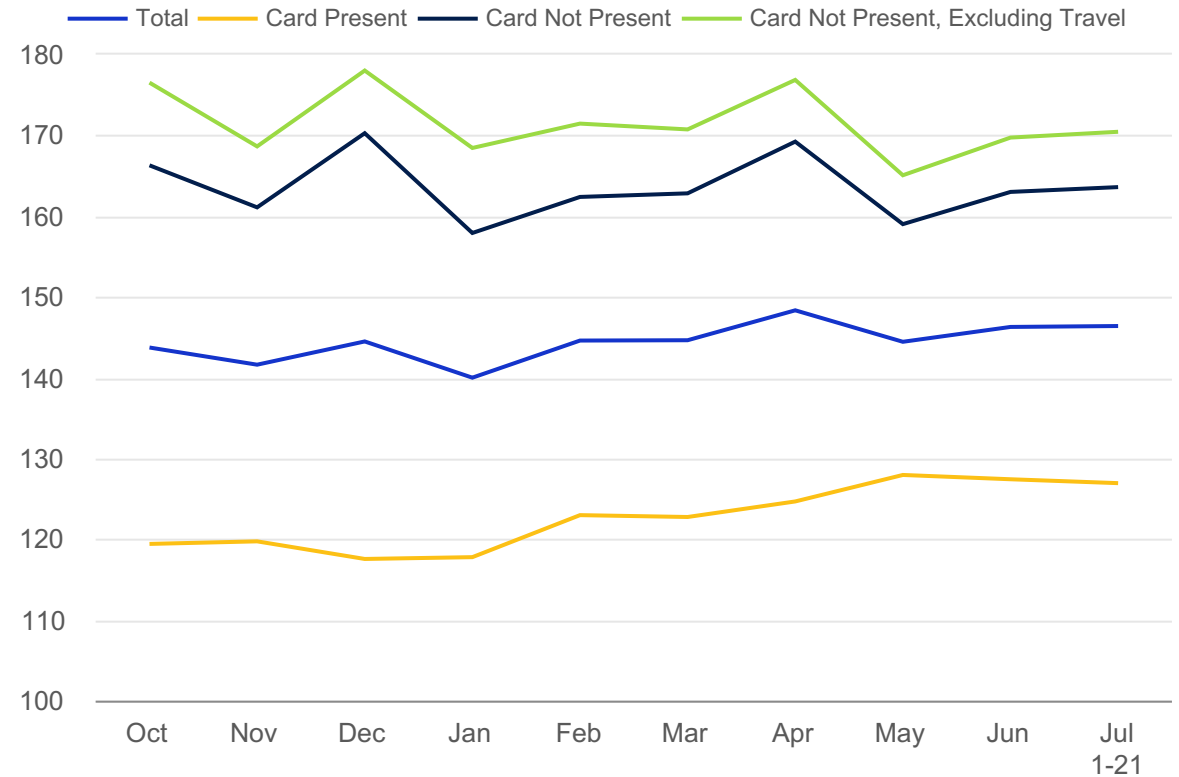
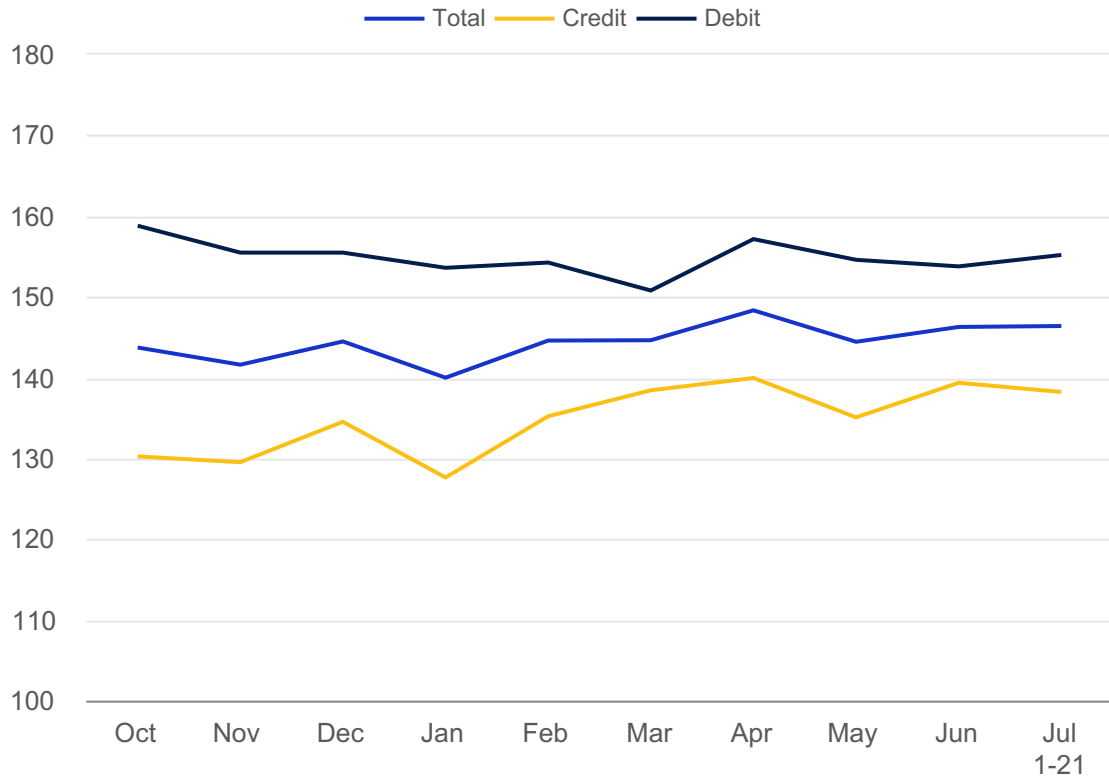
## 2021 - 2022 U.S. Payments Volume Growth



Note: February growth rate for total U.S. payments volume would have been 9% in 2021 if the impact of February 29, 2020 was excluded. Results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.

# Operational Performance Metrics Monthly Index vs. 3 years ago

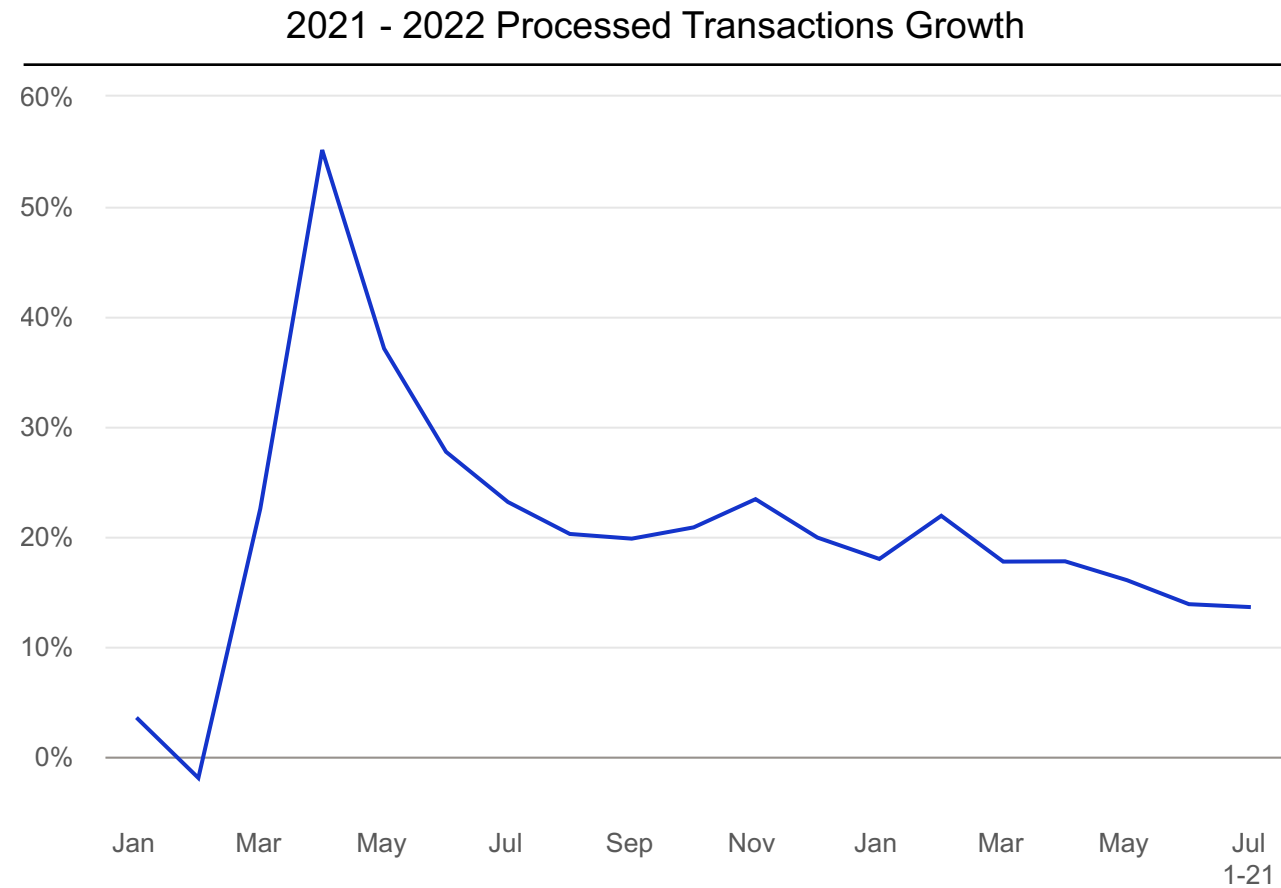
## 2021 - 2022 U.S. Payments Volume Index vs. 3 years ago



Note: The charts reflect a comparison of volume and transactions indexed to three years ago, with October - December 2021 indexed to 2018 and January - July 2022 indexed to 2019. Refer to Operational Performance Data footnote for further information on these metrics.



# Operational Performance Metrics Monthly Growth

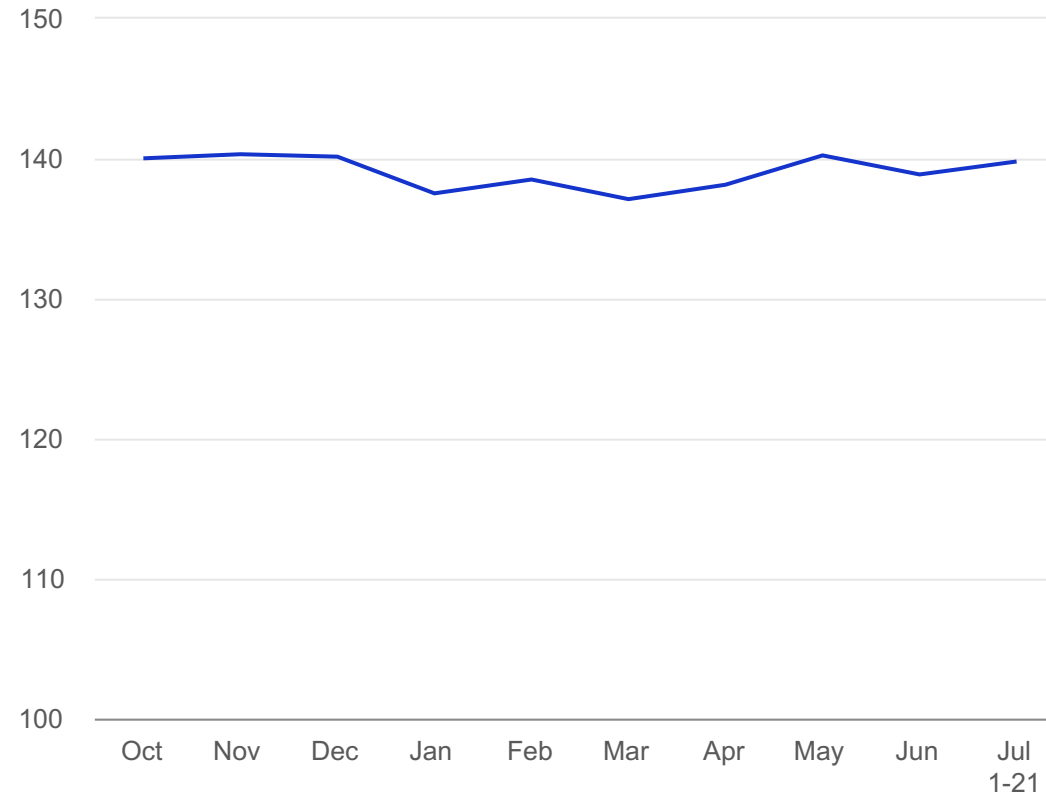


Note: February growth rate would have been 2% in 2021 if the impact of February 29, 2020 was excluded. Results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.



# Operational Performance Metrics Monthly Index vs. 3 years ago

2021 - 2022 Processed Transactions Index vs. 3 years ago



Note: The charts reflect a comparison of volume and transactions indexed to three years ago, with October - December 2021 indexed to 2018 and January - July 2022 indexed to 2019. Refer to Operational Performance Data footnote for further information on these metrics.

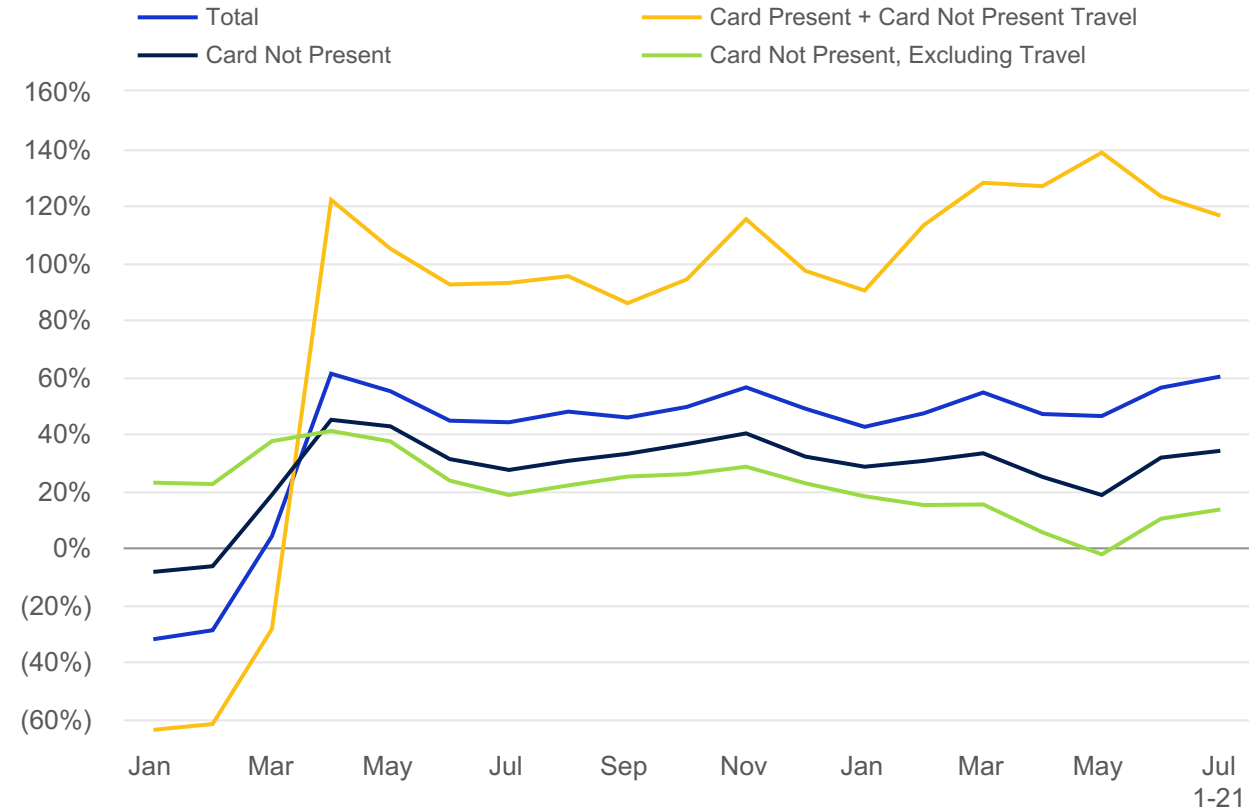
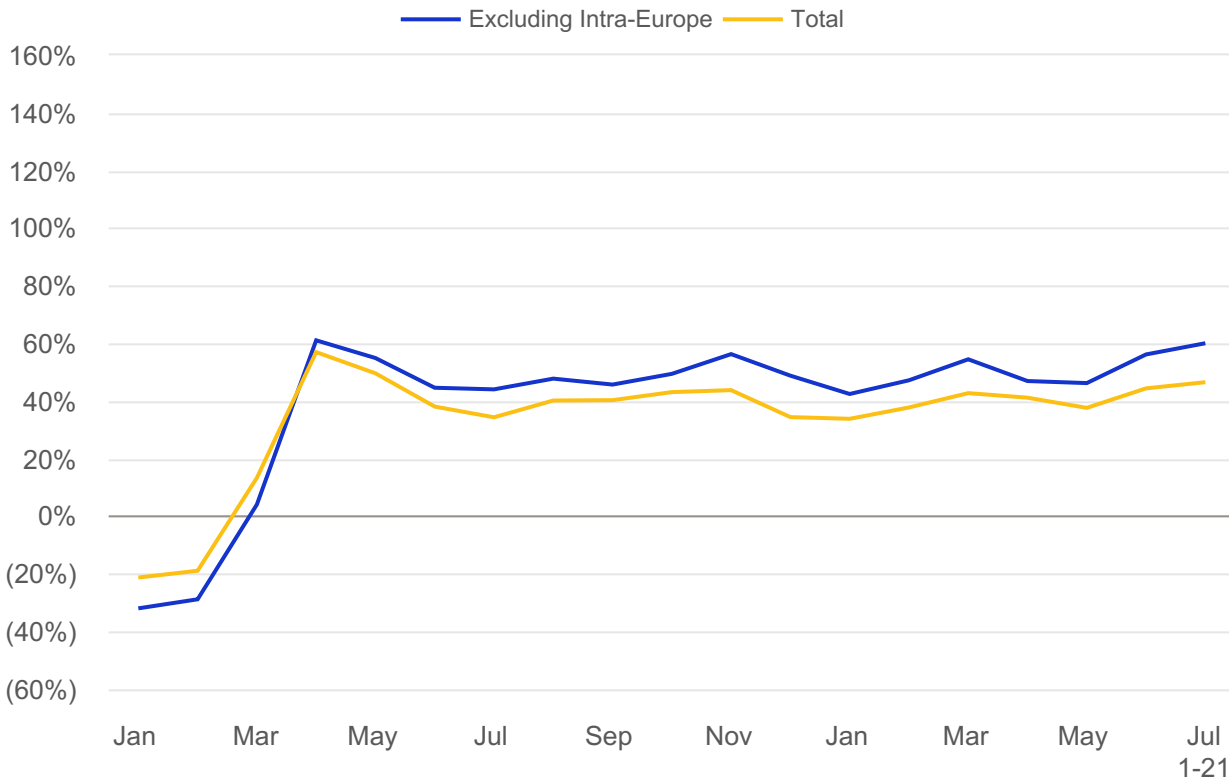




# Operational Performance Metrics Monthly Growth

## 2021 - 2022 Cross-Border Volume Growth (Constant Dollar)

## 2021 - 2022 Cross-Border Volume Growth Excluding Intra-Europe (Constant Dollar)

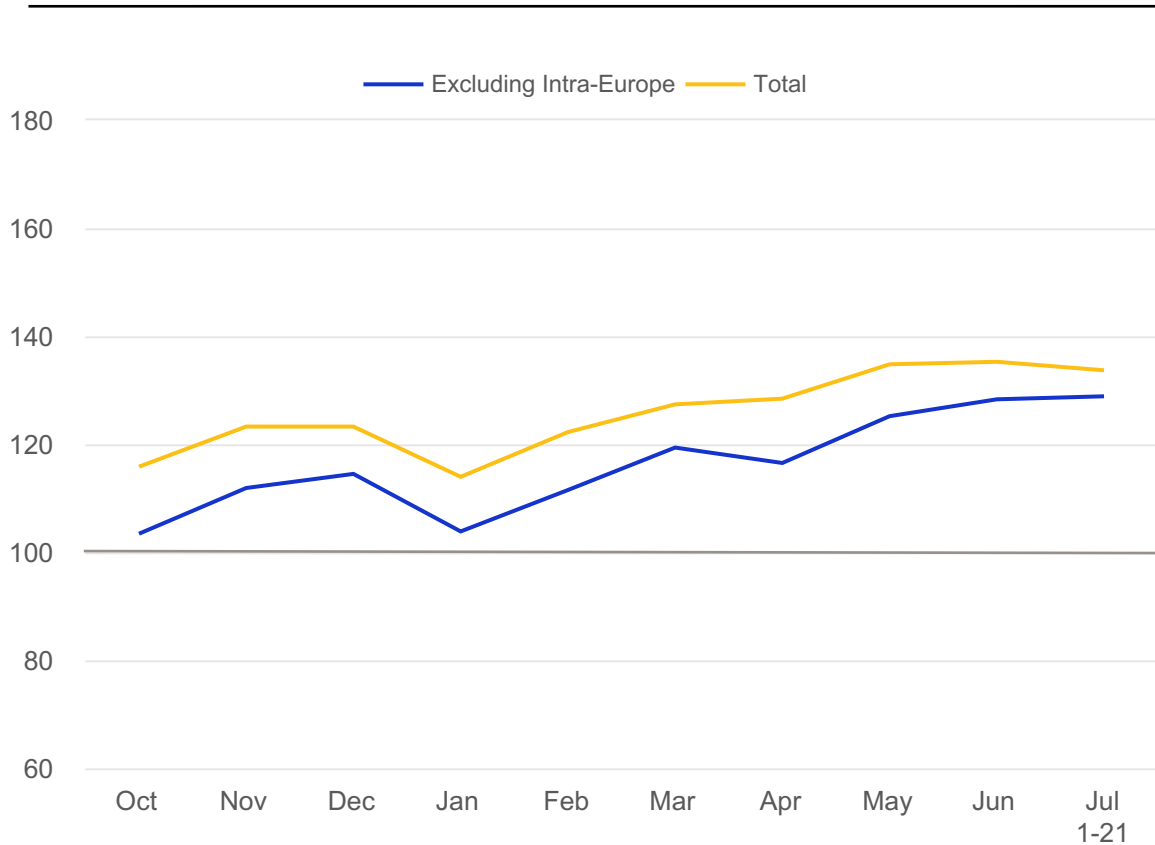


Note: February growth rates for cross-border volume excluding intra-Europe and total cross-border volume would have been (26%) and (16%) in 2021, respectively, if the impact of February 29, 2020 was excluded. Results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.

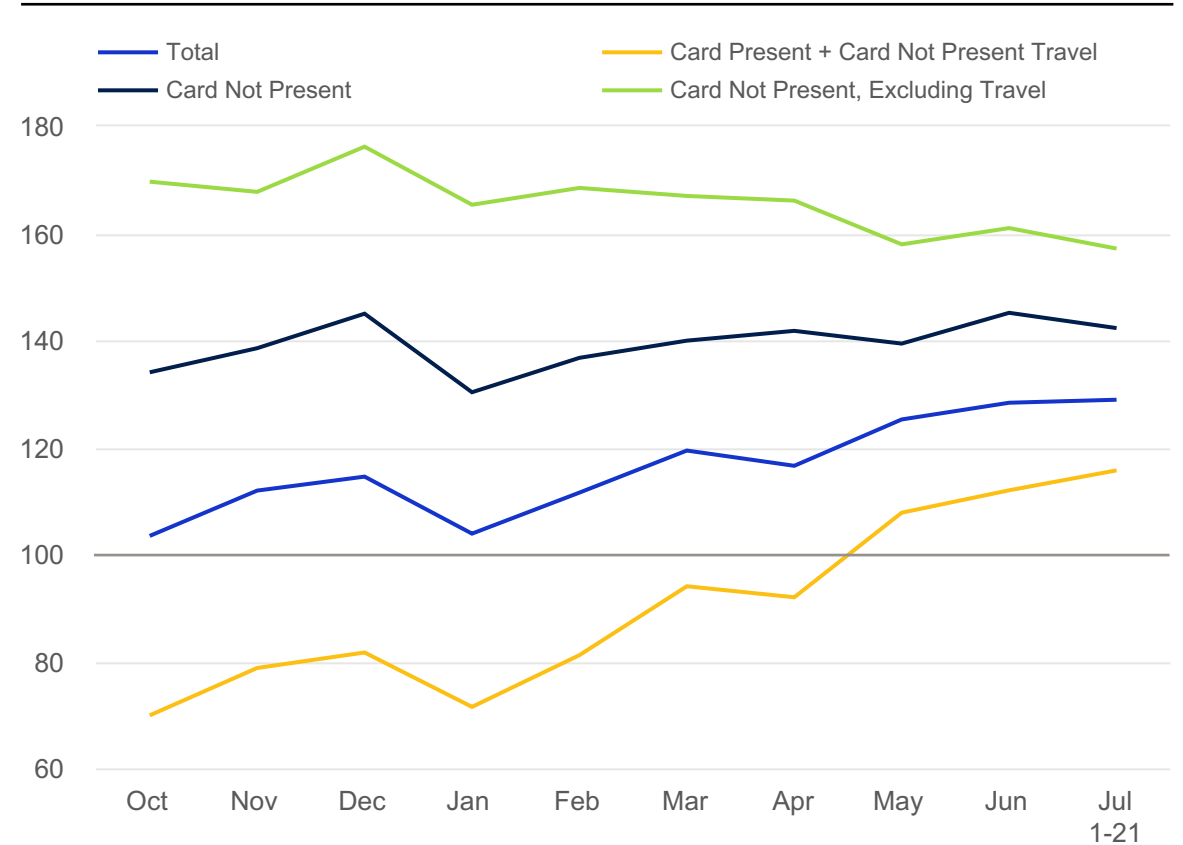


# Operational Performance Metrics Monthly Index vs. 3 years ago

2021 - 2022 Cross-Border Volume Index vs. 3 years ago  
(Constant Dollar)



2021 - 2022 Cross-Border Volume Index vs. 3 years ago  
Excluding Intra-Europe (Constant Dollar)



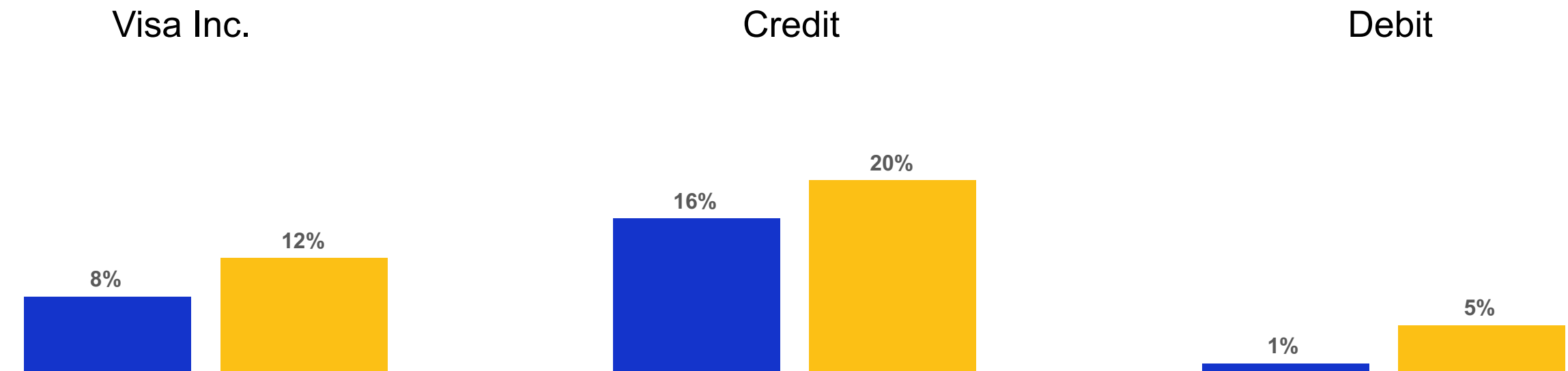
Note: The charts reflect a comparison of volume and transactions indexed to three years ago, with October - December 2021 indexed to 2018 and January - July 2022 indexed to 2019. Refer to Operational Performance Data footnote for further information on these metrics.



# Payments Volume Results

Q3 FY2022

■ Nominal  
■ Constant



## Nominal USD (in billions)

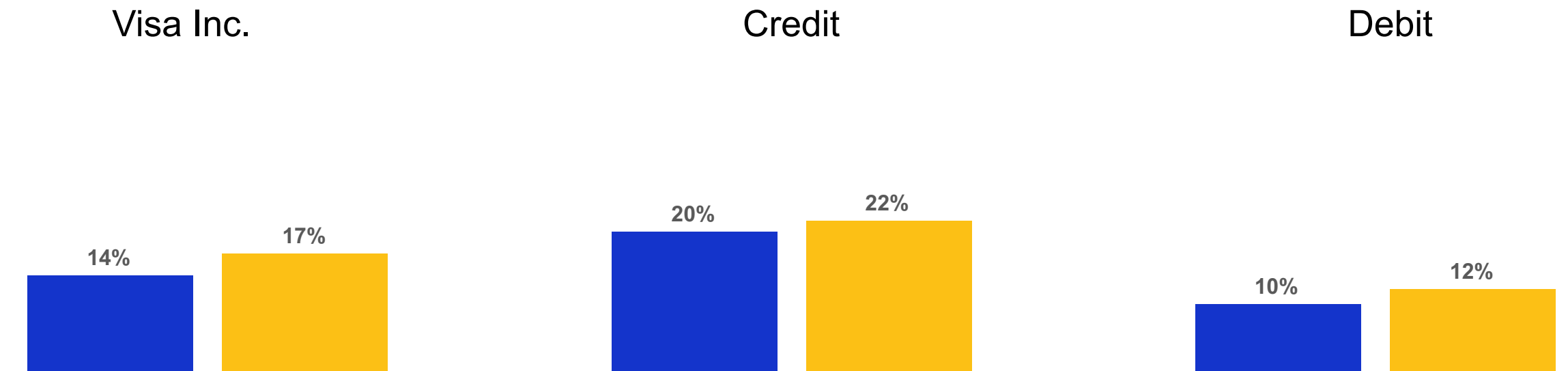
U.S.	\$1,489	\$728	\$760
International	\$1,450	\$762	\$688
Total	\$2,939	\$1,490	\$1,449

Note: The chart results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.

# Payments Volume Results

Q2 FY2022

■ Nominal  
■ Constant



## Nominal USD (in billions)

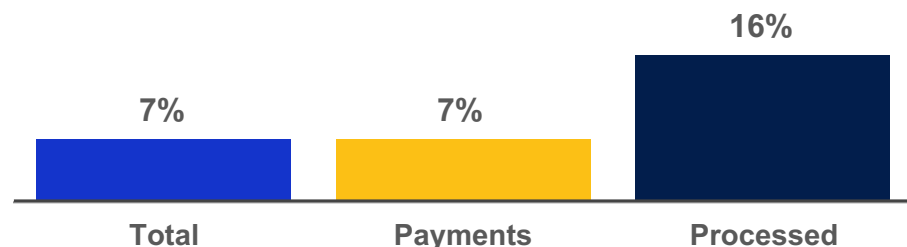
U.S.	\$1,337	\$638	\$699
International	\$1,438	\$732	\$706
Total	\$2,775	\$1,370	\$1,405

Note: The chart results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.

# Transactions and Cross-Border Volume Results

Q3 FY2022

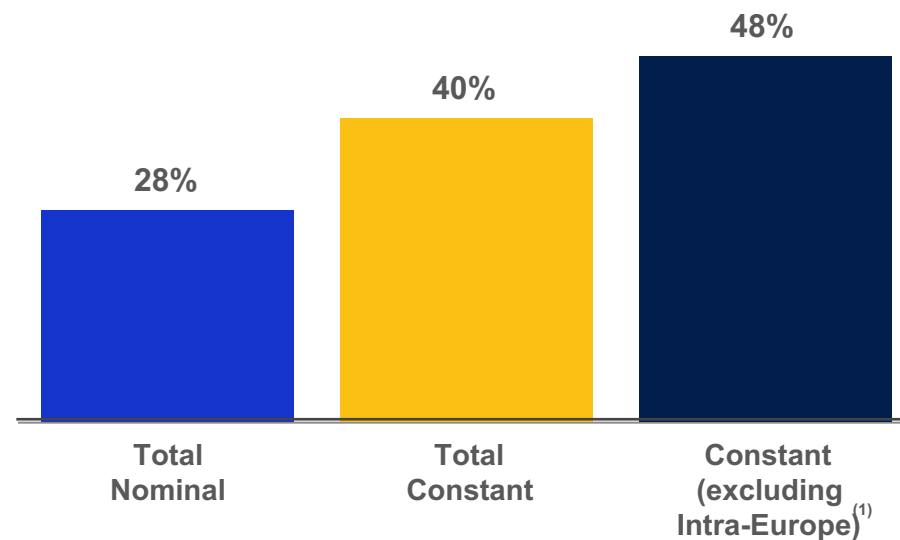
## Transactions



### Transaction Count (in millions)

Credit	21,860	21,672	
Debit	42,067	37,939	
<b>Total</b>	<b>63,927</b>	<b>59,611</b>	<b>49,279</b>

## Cross-Border



<sup>(1)</sup> Cross-border volume excluding transactions within Europe.

Note: The chart results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.

# Total Cards *(in millions)*

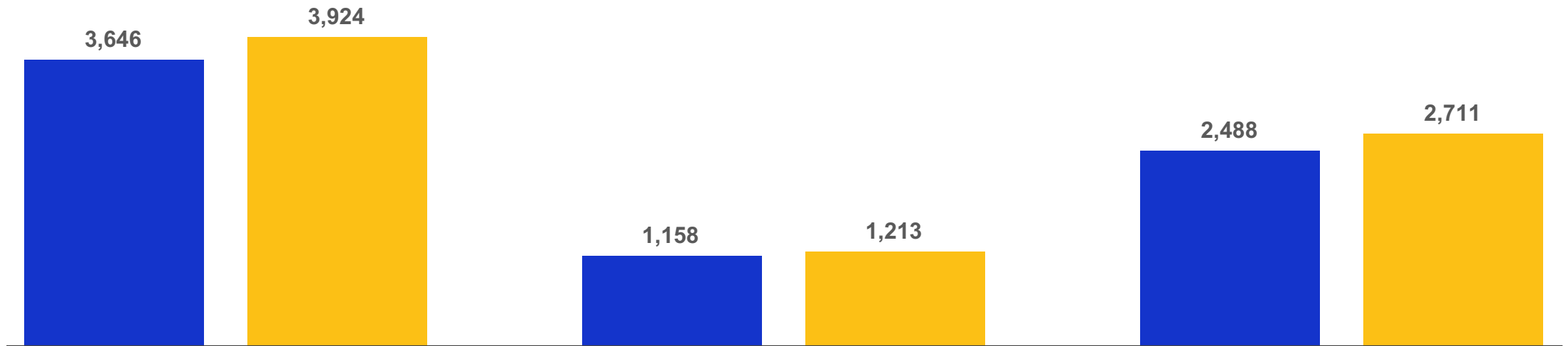
Q2 FY2022

■ 2021  
■ 2022

Total Visa Inc.  
**8%**

Credit  
**5%**

Debit  
**9%**

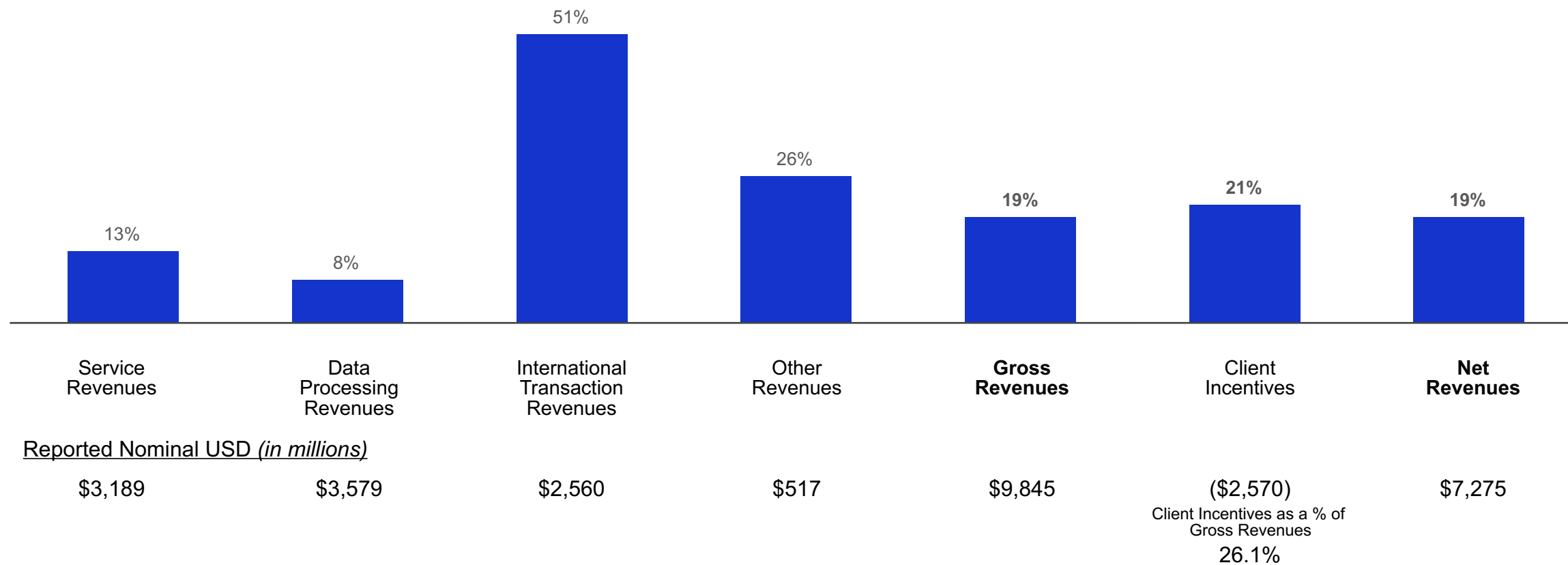


Note: The chart results are calculated over the comparable prior-year period. Refer to Operational Performance Data footnote for further information on these metrics.



# Revenue Results

Q3 FY2022

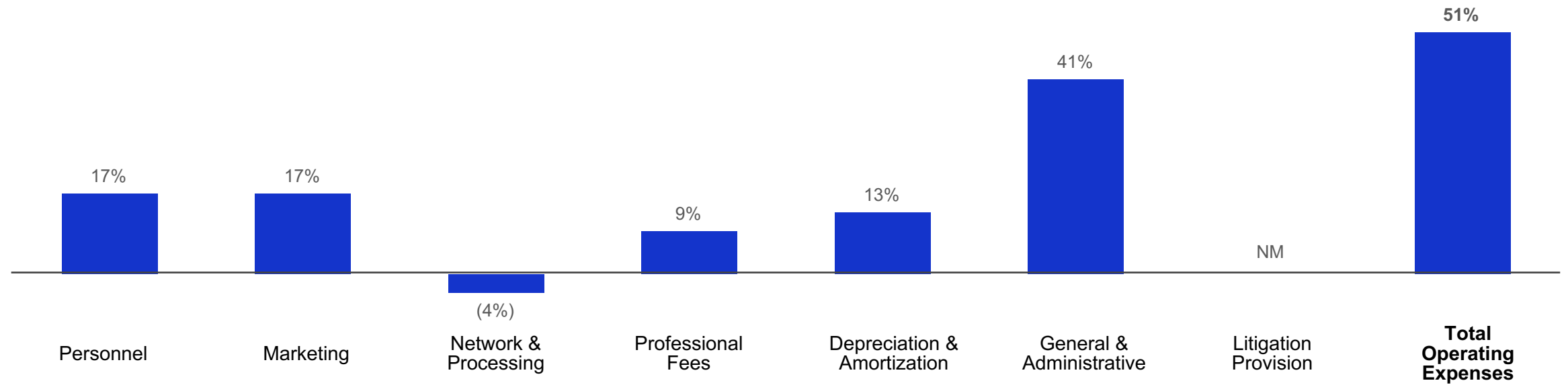


Note: The chart results are calculated over the comparable prior-year period. Percentage changes are calculated based on unrounded numbers.



# Operating Expenses Results

Q3 FY2022



Reported Nominal USD (in millions)

\$1,283

\$313

\$178

\$117

\$230

\$289

\$717

\$3,127

NM - Not Meaningful

Note: The chart results are calculated over the comparable prior-year period. Percentage changes are calculated based on unrounded numbers.





# GAAP to Non-GAAP Operating Expenses Results

Q3 FY2022

Three Months Ended June 30, 2022										
	Personnel	Marketing	Network and processing	Professional fees	Depreciation and amortization	General and administrative	Litigation provision	Total operating expenses	YoY Change	
	(in millions, except percentages)									
<b>As reported</b>	\$ 1,283	\$ 313	\$ 178	\$ 117	\$ 230	\$ 289	\$ 717	\$ 3,127	51 %	
Amortization of acquired intangible assets	—	—	—	—	(44)	—	—	(44)		
Acquisition-related costs	(12)	—	—	(1)	(1)	—	—	(14)		
Litigation provision	—	—	—	—	—	—	(716)	(716)		
<b>Non-GAAP</b>	\$ 1,271	\$ 313	\$ 178	\$ 116	\$ 185	\$ 289	\$ 1	\$ 2,353	15 %	

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## Other Notable Items

- On June 1, 2022, Visa issued fixed-rate senior notes in an aggregate principal amount of €3.0 billion with maturities ranging between 4 and 12 years, and interest rates from 1.500% to 2.375%. The net proceeds from the offering of the notes will be used for general corporate purposes, which may include, among other things, the refinancing of existing indebtedness.
- On June 29, 2022, Visa deposited \$600 million into its litigation escrow account, which was previously established under the Company's U.S. retrospective responsibility plan to insulate the Company and class A shareholders from financial liability for certain litigation cases. This deposit has the same economic effect on earnings per share as repurchasing the Company's class A common stock as it reduces the as-converted class B common stock share count at a volume-weighted average price of \$200.25.
- At the closing of the acquisition of Visa Europe in June 2016, Visa Inc. issued convertible participating preferred stock to cover certain expenses incurred by Visa in defending and resolving multilateral interchange fee-related claims asserted in the UK and Europe. Visa is required to undertake periodic release assessments to determine if value should be released from the series B and C preferred stock. The first such release assessment occurred on June 21, 2020, the fourth anniversary of the Visa Europe acquisition. As a result, on September 24, 2020, Visa released \$7.3 billion of the as-converted value from its series B and C preferred stock and issued series A preferred stock. The second release assessment occurred on June 21, 2022, the sixth anniversary of the Visa Europe acquisition. Visa announced that it will release approximately \$3.5 billion of the as-converted value from its series B and C preferred stock and will issue series A preferred stock, effective July 29, 2022. This will not affect the fully diluted share count.

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## Operational Data Performance Footnote

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.

Total transactions represent payments and cash transactions as reported by Visa clients on their operating certificates. Processed transactions represent transactions involving cards and other form factors carrying the Visa, Visa Electron, Interlink, V PAY and PLUS cards processed on Visa's networks.

Reported volume, transaction and card information may be updated to reflect revised client submissions or other adjustments. Prior-period updates are not material. Figures may not recalculate exactly due to rounding. Percentage changes and totals are calculated based on unrounded numbers. Constant-dollar growth rates exclude the impact of foreign currency fluctuations against the U.S. dollar in measuring performance.

Due to Visa's suspension of operations in Russia in March 2022, the data no longer includes volumes and transactions for Russia clients starting the three months ended June 30, 2022 and accounts and cards starting the three months ended March 31, 2022.

## Free Cash Flow

We had cash, cash equivalents and investment securities of \$19.6 billion as of June 30, 2022.

*(USD in millions)*

<b>Calculation of Free Cash Flow</b>	<b>Q3 2022</b>	<b>Q3 2022 YTD</b>
Net cash provided by operating activities	\$5,252	\$12,973
Less: capital expenditures	(235)	(675)
Free cash flow <sup>(1)</sup>	\$5,017	\$12,298

<sup>(1)</sup> Free Cash Flow is cash provided by operating activities adjusted to reflect capital investments made in the business.

*(USD in millions)*

<b>Cash Returned to Shareholders</b>	<b>Q3 2022</b>	<b>Q3 2022 YTD</b>
Share repurchases	\$2,462	\$9,451
Dividends	\$798	\$2,409

Note: Management believes that this presentation is useful to measure Visa's generation of cash available to first re-invest in the business, and then return excess cash to shareholders through share repurchases and cash dividends.

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## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 that relate to, among other things, our future operations, prospects, developments, strategies, business growth and anticipated timing and benefits of our acquisitions. Forward-looking statements generally are identified by words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “projects,” “outlook,” “could,” “should,” “will,” “continue” and other similar expressions. All statements other than statements of historical fact could be forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond our control and are difficult to predict.

Actual results could differ materially from those expressed in, or implied by, our forward-looking statements due to a variety of factors, including, but not limited to:

- impact of global economic, political, market, health and social events or conditions, including Russia’s invasion of Ukraine and the sanctions and other measures being imposed in response, and the ongoing impacts of the COVID-19 pandemic, including the reopening of borders and resumption of international travel;
- increased oversight and regulation of the global payments industry and our business;
- impact of government-imposed obligations and/or restrictions on international payment systems;
- outcome of tax, litigation and governmental investigation matters;
- increasingly intense competition in the payments industry, including competition for our clients and merchants;
- proliferation and continuous evolution of new technologies and business models;
- our ability to maintain relationships with our clients, acquirers, processors, merchants, payments facilitators, ecommerce platforms, fintechs and other third parties;
- brand or reputational damage;
- exposure to loss or illiquidity due to settlement guarantees;
- a disruption, failure, breach or cyber-attack of our networks or systems;
- risks, uncertainties and the failure to achieve the anticipated benefits with respect to our acquisitions and other strategic investments; and
- other factors described in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended September 30, 2021, and our subsequent reports on Forms 10-Q and 8-K.

Except as required by law, we do not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise.