



NEWS RELEASE

Visa Inc. Reports Fiscal Second Quarter 2008 Earnings Results

- GAAP net income of \$314 million for the quarter
- Adjusted net income of \$401 million for the quarter
- GAAP diluted class A common earnings per share of \$0.39 for the quarter
- Adjusted diluted class A common earnings per share of \$0.52 for the quarter
- Payment volume grew 19% over the prior year to \$681 billion

SAN FRANCISCO, CA, April 28, 2008 – Visa Inc. (NYSE: V) today announced financial results for our fiscal second quarter ended March 31, 2008. GAAP net income for the quarter was \$314 million, or \$0.39 per diluted class A common share. GAAP diluted class A common shares outstanding were 778 million. On an adjusted basis (reflective of a normalized tax rate and excluding litigation, restructuring and purchase amortization), net income for the quarter was \$401 million, or \$0.52 per diluted class A common share. Adjusted diluted class A common shares outstanding were 779 million.

Net operating revenue in the fiscal second quarter 2008 was \$1.5 billion. Strong contributions were made by service fees, data processing fees, and international transaction fees as payment volumes and processed transactions rose across all regions worldwide.

“We are very pleased with our financial results for our first quarter as a public company. Despite a challenging economic environment, Visa recorded strong growth in payments volume and transactions globally and across our diverse suite of products – a trend which is continuing into the fiscal third quarter,” said Joseph Saunders, Visa’s chairman and chief executive officer. “Our performance is a testament to Visa’s business model and economic resiliency, as we continue to lead the migration from cash and checks to electronic payments.”

“Visa is focused on growing our business globally by extending our industry-leading processing services, expanding our products to new geographies, and further strengthening our valuable relationships with financial institutions and merchants who are critical to our success,” said Mr. Saunders.

Fiscal Second Quarter 2008 Financial Highlights:

Visa Inc. reports operational performance data on a trailing one quarter basis, based on information provided to the company from client financial institutions. This operational performance data, which includes payments volume for our clients, total volume, total payments transactions, and total cards carrying Visa brands, are in

part the basis for financial results in the following quarter. For the period ending December 31, 2007, which impacts the March 2008 fiscal quarter, Visa's operational performance highlights include:

- Payments volume grew 19% over the prior year to \$681 billion;
- Total volume, inclusive of cash volume was \$1.1 trillion, an increase of 21% over the prior year;
- Total cards carrying the Visa brands rose 16% worldwide to 1.6 billion over the prior year; and
- Total payment transactions increased by 16% over the prior year to 11 billion.

Total processed transactions, which are based on current fiscal second quarter results on Visa's processing system, were 8.8 billion, a 15% increase over the prior year.

For the fiscal second quarter 2008, service fees were \$792 million, up 29% over the prior year on a pro forma basis, and were recognized based on payment volume in the prior quarter. All other fee categories are recognized based on current quarter activity and are also compared on a pro forma basis. Data processing fees rose 34% over the prior year to \$494 million. International transaction fees, which are driven by cross-border payments volume, grew 35% over the prior year to \$379 million, as we continued to benefit from higher multi-currency payments volumes across all regions during the fiscal second quarter. Other revenue, which includes the Visa Europe licensing fee, was \$126 million for the fiscal second quarter. Volume and incentive payments, which are contra revenue, were \$338 million for the fiscal second quarter.

Total operating expenses were \$1.1 billion for the fiscal second quarter, up 39% over the prior year on a pro forma basis. The increase in total operating expenses over the prior year was primarily driven by a \$285 million provision for covered litigation. This amount is expected to be fully covered for Visa Inc. under the terms of the retrospective responsibility plan. Excluding this provision, operating expenses grew only 3% over the prior year on a pro forma basis.

Cash, cash equivalents, restricted cash, and available-for-sale investment securities were \$8 billion at March 31, 2008, and includes \$2.7 billion that we intend to use to redeem all of the series II and a portion of the series III class C shares in October 2008.

Other items for the second fiscal quarter ended March 31, 2008, included:

- The Company funded the U.S. litigation escrow account with \$3 billion of net proceeds from the initial public offering; and
- A \$945 million payment was made to American Express which was funded through the litigation escrow account as part of our legal settlement.

The Company's net income and earnings per share, excluding special items, are non-GAAP financial measures that are reconciled to their most directly comparable GAAP measure in the accompanying financial tables.

Management believes the presentation of adjusted operating income and adjusted net income provides a clearer understanding of the one-time items related to the Company's reorganization and initial public offering. These measures also adjust for expenses related to covered litigation that will be funded by the litigation escrow account through the retrospective responsibility plan. These items have a significant impact on our financial results but are either non-recurring or have no operating cash impact. Recognizing that we have a very complex equity structure incorporating multiple classes and series of common stock, the Company has also presented adjusted diluted class A earnings per share calculated based on adjusted net income and the adjusted weighted average number of shares outstanding in the periods presented. This non-GAAP financial measure has been presented to illustrate our per share results reflecting our capital structure after the redemption of all class C (series II) common stock and a portion of class C (series III) common stock, which the Company intends to redeem in October 2008. The class C (series II) common stock is classified as temporary equity and the class C (series III) common stock is classified as a liability on the Company's consolidated balance sheet at March 31, 2008. Management believes this non-GAAP presentation provides the reader with a clearer understanding of our per share results by excluding those shares to be redeemed and allocating adjusted net income only to classes and series of common stock classified as permanent equity.

Fiscal Year-to-Date 2008 Results:

For the six months ended March 31, 2008, Visa Inc. reported GAAP net income of \$738 million, or \$0.93 per diluted class A common share. GAAP diluted class A common shares outstanding were 762 million.

On an adjusted basis, (reflective of a normalized tax rate and excluding litigation, restructuring, and purchase amortization) net income for the six months ended March 31, 2008, was \$844 million, or \$1.08 per diluted class A common share. Adjusted diluted class A common shares outstanding were 779 million.

Net operating revenue for the six months ended March 31, 2008, was \$2.9 billion, up 24% over the prior year on a pro forma basis.

Total operating expenses were \$1.9 billion for the six months ended March 31, 2008, up 21% over the prior year on a pro forma basis. The increase in total operating expenses over the prior year was primarily driven by a \$285 million provision for covered litigation. This amount is expected to be fully covered for Visa Inc. under the terms of the retrospective responsibility plan. Excluding this provision, operating expenses grew only 3% over the prior year on a pro forma basis.

Financial Outlook:

Visa Inc.'s financial outlook over the next three years includes the following metrics:

- Annual net revenue growth of 11% to 15%;
- Annual adjusted operating margin (adjusted earnings before interest and taxes) in the low 40% range;

- Annual adjusted diluted class A common earnings per share growth of 20% or greater; and
- Annual free cash flow (cash flow from operations plus cash reimbursements from litigation escrow less capital spending) in excess of \$1 billion.

This outlook reflects an assumed 41% percent GAAP tax rate for fiscal year 2008. Our intent is to reduce this rate to a level around 35-36% over the next five years.

Second Quarter Results Webcast Information

Visa's executive management team will host a live audio webcast beginning at 5:00 p.m. EDT (2:00 p.m. PDT) today to discuss the financial results and business highlights.

All interested parties are invited to listen to the live webcast at <http://investor.visa.com>. A replay of the webcast will be available on the Visa Investor Relations website for 30 days.

Investor information, including supplemental financial information, is available on Visa Inc's Investor Relations website at <http://investor.visa.com>

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About Visa Inc.

Visa Inc. operates the world's largest retail electronic payments network providing processing services and payment product platforms. This includes consumer credit, debit, prepaid and commercial payments, which are offered under the Visa, Visa Electron, Interlink and PLUS brands. Visa enjoys acceptance around the world and Visa/PLUS is one of the world's largest global ATM networks, offering cash access in local currency in more than 170 countries.

Forward Looking Statements

Certain statements contained in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. These statements can be identified by the terms "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will" and similar expressions which are intended to identify forward-looking statements. In addition, any underlying assumptions are forward-looking statements. Such forward-looking statements include but are not limited to: (i) statements regarding certain of Visa's goals and expectations with respect to earnings per share, revenue, operating margin, and free cash flow, and the growth rate in those item, as well as other measures of economic performance, and (ii) statements relating to the benefits of the 2007 reorganization and the 2008 initial public offering.

By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are not guarantees of future performance or results and (iii) are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements as a result of a variety of factors, including all the risks discussed under the heading "Risk Factors" in our Prospectus dated March 18, 2008, filed with the U.S. Securities and Exchange Commission pursuant to Rule 424(b)(4) on March 19, 2008. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this press release. Unless required to do so under U.S. federal securities laws or other applicable laws, we do not intend to update or revise any forward-looking statements.

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VISA INC.
Consolidated Statements of Operations
(unaudited)

	For the three months ended March 31,		For the six months ended March 31,	
	2008 Actual	2007 Pro forma	2008 Actual	2007 Pro forma
	(in millions)		(in millions)	
Operating Revenues				
Service fees	\$ 792	\$ 614	\$ 1,524	\$ 1,191
Data processing fees	494	370	986	747
Volume and support incentives	(338)	(187)	(588)	(323)
International transaction fees	379	281	760	529
Other revenues	126	113	259	221
Total operating revenues	<u>1,453</u>	<u>1,191</u>	<u>2,941</u>	<u>2,365</u>
Operating Expenses				
Personnel	289	269	572	542
Network, EDP, and communications	78	69	161	137
Advertising, marketing, and promotion	215	182	425	387
Professional and consulting fees	96	136	194	237
Depreciation and amortization	59	54	121	109
Administrative and other	75	74	149	150
Litigation provision	292	13	292	15
Total operating expenses	<u>1,104</u>	<u>797</u>	<u>1,914</u>	<u>1,577</u>
Operating income	<u>349</u>	<u>394</u>	<u>1,027</u>	<u>788</u>
Other Income (Expense)				
Equity in earnings of unconsolidated affiliates	—	—	1	—
Interest expense	(41)	(24)	(86)	(48)
Investment income, net	34	36	75	76
Other	28	—	36	—
Total other income (expense)	<u>21</u>	<u>12</u>	<u>26</u>	<u>28</u>
Income before income taxes and minority interest	370	406	1,053	816
Income tax expense	56	160	315	321
Net income	<u>\$ 314</u>	<u>\$ 246</u>	<u>\$ 738</u>	<u>\$ 495</u>
Basic net income per share ⁽¹⁾				
Class A common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Class B common stock	<u>\$ 0.37</u>		<u>\$ 0.92</u>	
Class C (series I) common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Class C (series II) common stock	<u>\$ 0.30</u>		<u>\$ 0.81</u>	
Class C (series III and IV) common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Basic weighted average shares outstanding ⁽¹⁾ (in thousands)				
Class A common stock	<u>63,800</u>		<u>31,726</u>	
Class B common stock	<u>415,280</u>		<u>420,866</u>	
Class C (series I) common stock	<u>255,313</u>		<u>256,675</u>	
Class C (series II) common stock	<u>35,311</u>		<u>31,587</u>	
Class C (series III and IV) common stock	<u>57,725</u>		<u>60,258</u>	
Diluted net income per share ⁽¹⁾				
Class A common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Class B common stock	<u>\$ 0.37</u>		<u>\$ 0.92</u>	
Class C (series I) common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Class C (series II) common stock	<u>\$ 0.30</u>		<u>\$ 0.81</u>	
Class C (series III and IV) common stock	<u>\$ 0.39</u>		<u>\$ 0.93</u>	
Diluted weighted average shares outstanding ⁽¹⁾ (in thousands)				
Class A common stock	<u>777,738</u>		<u>762,374</u>	
Class B common stock	<u>415,280</u>		<u>420,866</u>	
Class C (series I) common stock	<u>255,313</u>		<u>256,675</u>	
Class C (series II) common stock	<u>35,311</u>		<u>31,587</u>	
Class C (series III and IV) common stock	<u>57,725</u>		<u>60,258</u>	

(1) Note: There is no comparable earnings per share measure for 2007 as we were a non-stock company.

VISA INC.
Consolidated Balance Sheets
(unaudited)

	March 31, 2008	October 1, 2007
	(in millions)	
Assets		
Cash and cash equivalents	\$ 5,041	\$ 1,278
Restricted cash - litigation escrow	1,285	—
Restricted cash - tax escrow	116	—
Investment securities, available-for-sale	598	842
Settlement receivable	1,157	587
Accounts receivable	321	318
Customer collateral	500	389
Current portion of volume and support incentives	227	135
Current portion of deferred tax assets	541	771
Prepaid and other current assets	300	381
Total current assets	<u>10,086</u>	<u>4,701</u>
Restricted cash - litigation escrow	770	—
Investment securities, available-for-sale	194	743
Volume and support incentives	79	72
Property, equipment, and technology, net	1,018	906
Other assets	623	625
Intangible assets	10,883	10,883
Goodwill	10,216	9,139
Total assets	<u>\$ 33,869</u>	<u>\$ 27,069</u>
Liabilities		
Accounts payable	\$ 111	\$ 164
Settlement payable	916	644
Customer collateral	500	389
Accrued compensation and benefits	317	479
Volume and support incentives	305	294
Accrued liabilities	540	496
Current portion of long-term debt	72	84
Current portion of accrued litigation	1,572	2,236
Redeemable class C (series III) common stock, 35,263,585 shares outstanding	1,508	—
Total current liabilities	<u>5,841</u>	<u>4,786</u>
Long-term debt	40	40
Accrued litigation	1,349	1,446
Deferred tax liabilities	3,563	3,758
Other liabilities	761	754
Total liabilities	<u>11,554</u>	<u>10,784</u>
Temporary Equity		
Class C (series II) common stock, 79,748,857 shares issued and outstanding	1,127	—
Total temporary equity	<u>1,127</u>	<u>—</u>
Commitments and contingencies	—	—
Stockholders' Equity		
Preferred stock none issued	—	—
Class A common stock, 447,889,803 issued and outstanding	—	—
Class B common stock, 245,513,385 issued and outstanding	—	—
Class C (series I) common stock, 124,503,084 issued and outstanding	—	—
Class C (series III) common stock, 26,949,616 issued and outstanding	—	—
Class C (series IV) common stock, 549,587 issued and outstanding	—	—
Additional paid-in capital	20,970	16,785
Accumulated income (deficit)	223	(500)
Accumulated other comprehensive loss	(5)	—
Total equity	<u>21,188</u>	<u>16,285</u>
Total liabilities, temporary equity and stockholders' equity	<u>\$ 33,869</u>	<u>\$ 27,069</u>

VISA INC.
Consolidated Statements of Cash Flows

	For the Six Months Ended March 31,	
	2008	2007(1)
	(in millions)	
Operating Activities		
Net income	\$ 738	\$ 385
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of facilities, equipment, and software	121	57
Amortization of intangibles, investments, debt issuance cost, accretion of member deposits, and asset retirement obligation	—	6
Share-based compensation	19	
Fair value adjustment for liability under the framework agreement	(36)	—
Net recognized loss (gain) on investment securities, including other-than-temporary impairment	8	(2)
(Gain) loss on sale of assets	—	1
Minority interest	—	1
Amortization of volume and support incentives	588	225
Accrued litigation and accretion	370	51
Equity in earnings of unconsolidated affiliates	(1)	(25)
Deferred income taxes	124	—
Change in operating assets and liabilities:		
Accounts receivable	(3)	(1)
Settlement receivable	(569)	5
Volume and support incentives	(676)	(234)
Other assets	(61)	21
Accounts payable	(54)	(55)
Settlement payable	273	(4)
Accrued compensation and benefits	(154)	(34)
Accrued and other liabilities	195	61
Accrued litigation	(1,131)	(1)
Member deposits	(3)	(71)
Net cash provided by (used in) operating activities	<u>(252)</u>	<u>386</u>
Investing Activities		
Investment securities, available-for-sale:		
Purchases	(1,500)	(1,427)
Proceeds from sales and maturities	2,279	1,222
Cash acquired through reorganization	1,002	—
Contributions to joint ventures	—	(1)
Distribution from partnership investment	1	—
Purchases of property, equipment, and technology	(237)	(45)
Proceeds from sale of property, equipment, and technology	4	—
Net cash provided by (used in) investing activities	<u>1,549</u>	<u>(251)</u>
Financing Activities		
Proceeds from short-term borrowing	2	—
Payments on short-term borrowing	(2)	—
Proceeds from sale of common stock, net of issuance costs of \$550	19,100	—
Payment to litigation escrow account - Retrospective Responsibility Plan	(3,000)	—
Funding from litigation escrow account - Retrospective Responsibility Plan	945	—
Payment to tax escrow account - Income tax withheld on proceeds	(116)	—
Payment for redemption of common stock	(13,446)	—
Principal payments on debt	(12)	(17)
Principal payments on capital lease obligations	(2)	(2)
Net cash used in financing activities	<u>3,469</u>	<u>(19)</u>
Increase in cash and cash equivalents	4,766	116
Cash and cash equivalents at beginning of year	275	270
Cash and cash equivalents at end of year	<u>\$ 5,041</u>	<u>\$ 386</u>
Supplemental Disclosure of Cash Flow Information		
Income taxes paid, net of refunds	\$ 250	\$ 177
(Decrease) increase in accounts payable and accrued and other liabilities related to purchases of property, equipment, and technology, net	\$ (10)	\$ (15)
Interest payments on debt	\$ 4	\$ 2
Common stock issued in acquisition	<u>\$ 17,935</u>	<u>\$</u>

(1) Historical amounts represent the balances of Visa U.S.A. Inc., deemed the accounting acquirer in the reorganization.

Pro Forma Fiscal 2007 Results of Operations ⁽¹⁾
(in millions)

	For the Three Months Ended March 31, 2007	For the Six Months Ended March 31, 2007
Operating Revenues		
Service fees	\$ 614	\$ 1,191
Data processing fees	370	747
Volume and support incentives	(187)	(323)
International transaction fees	281	529
Other revenues	113	221
Total operating revenues	<u>1,191</u>	<u>2,365</u>
Operating Expenses		
Personnel	269	542
Network, EDP, and communications	69	137
Advertising, marketing, and promotion	182	387
Professional and consulting fees	136	237
Depreciation and amortization	54	109
Administrative and other	74	150
Litigation provision	13	15
Total operating expenses	<u>797</u>	<u>1,577</u>
Operating income	394	788
Other Income (Expense)		
Interest expense	(24)	(48)
Investment income, net	36	76
Total other income	<u>12</u>	<u>28</u>
Income before income taxes and minority interest	406	816
Income tax expense	160	321
Net income	<u>\$ 246</u>	<u>\$ 495</u>

- (1) Visa Inc. had no operations prior to the reorganization on October 1, 2007. In order to provide insight into our operating results, the pro forma results of operations for the prior periods have been prepared for comparative purposes assuming that the reorganization had occurred on October 1, 2006. These pro forma statements of operations data have been prepared in accordance with Statement of Financial Accounting Standards, or SFAS, No. 141, "Business Combinations."

Pro Forma Fiscal 2007 Quarterly Results of Operations
(in millions)

Unaudited Pro Forma Combined Income Statements - With California Mutual Trading Status

The quarterly pro forma statements of operations data set forth below for fiscal 2007 give effect to the reorganization as if it had occurred on October 1, 2006. These pro forma statements of operations data have been prepared in accordance with Statement of Financial Accounting Standards, or SFAS, No. 141, "Business Combinations."

(in millions)	Pro Forma Fiscal 2007 Quarter Ended				Actual Fiscal
	December 31, 2006	March 31, 2007	June 30, 2007	September 30, 2007	2008 Quarter Ended December 31, 2007
Operating Revenues					
Card Service Fees	\$ 577	\$ 614	\$ 661	\$ 730	\$ 732
Data Processing Fees	\$ 377	\$ 370	\$ 449	\$ 463	\$ 492
Volume and Support Incentives	\$ (136)	\$ (187)	\$ (175)	\$ (216)	\$ (250)
International Transaction Fees	\$ 247	\$ 281	\$ 311	\$ 353	\$ 381
Other Revenues	\$ 108	\$ 113	\$ 119	\$ 133	\$ 133
Total Operating Revenues	\$ 1,173	\$ 1,191	\$ 1,365	\$ 1,463	\$ 1,488
Operating Expenses					
Personnel	\$ 273	\$ 269	\$ 293	\$ 324	\$ 283
Network, EDP, and Communications	\$ 68	\$ 69	\$ 77	\$ 80	\$ 83
Advertising, Marketing, and Promotion	\$ 205	\$ 182	\$ 245	\$ 443	\$ 210
Professional and Consulting Fees	\$ 101	\$ 136	\$ 159	\$ 157	\$ 98
Depreciation and amortization	\$ 55	\$ 54	\$ 55	\$ 63	\$ 62
Administrative and Other	\$ 76	\$ 74	\$ 94	\$ 105	\$ 74
Litigation Obligation Provision	\$ 2	\$ 13	\$ (1)	\$ 2,638	\$ —
Total Operating Expenses	\$ 780	\$ 797	\$ 921	\$ 3,810	\$ 810
Operating Income	\$ 393	\$ 394	\$ 444	\$ (2,347)	\$ 678
Other Income (Expenses)					
Interest Income(Expense)	\$ (23)	\$ (24)	\$ (25)	\$ (24)	\$ (45)
Investment Income, net	\$ 40	\$ 36	\$ 56	\$ 65	\$ 42
Other	\$ —	\$ —	\$ 8	\$ 0	\$ 8
Total Other Income (Expense)	\$ 17	\$ 12	\$ 39	\$ 41	\$ 5
Income Before Income Taxes	\$ 410	\$ 406	\$ 483	\$ (2,306)	\$ 683
Income Tax Expense/(Benefit)	\$ 161	\$ 160	\$ 184	\$ (652)	\$ 259
Net Income	\$ 249	\$ 246	\$ 299	\$ (1,654)	\$ 424

**Reconciliation of Non-GAAP Adjusted Operating Income and Net Income
(in millions)**

	For the three Months Ended March 31, 2008	For the six Months Ended March 31, 2008	Pro forma for the Three Months Ended March 31, 2007	Pro forma for the Six Months Ended March 31, 2007
Net income (as reported)	\$ 314	\$ 738	\$ 246	\$ 495
Addback: Income tax expense (as reported)	56	315	160	321
Net income before taxes and minority interest (as reported)	<u>\$ 370</u>	<u>\$ 1,053</u>	<u>\$ 406</u>	<u>\$ 816</u>
Adjustments:				
Covered litigation reserve ⁽¹⁾	285	285	—	—
Restructuring ⁽²⁾	19	55	36	47
Asset step-up amortization ⁽³⁾	17	34	17	34
Adjustments to operating income	321	374	53	81
Interest accretion on American Express settlement ⁽⁴⁾	23	46	—	—
Investment income on IPO proceeds ⁽⁵⁾	(7)	(7)	—	—
Underwater contract (LIBOR Adjustment) ⁽⁶⁾	(28)	(36)	—	—
Adjustments to non-operating income	(12)	3	—	—
Total adjustments	309	377	53	81
Adjusted net income before tax	679	1,430	459	897
Adjusted income tax expense ⁽⁷⁾	(278)	(586)	(188)	(368)
Adjusted net income	<u>\$ 401</u>	<u>\$ 844</u>	<u>\$ 271</u>	<u>\$ 529</u>
Operating income (as reported)	\$ 349	\$ 1,027	\$ 394	788
Addback: Adjustments to operating income	321	374	53	81
Adjusted operating income	<u>\$ 670</u>	<u>\$ 1,401</u>	<u>\$ 447</u>	<u>\$ 869</u>
Operating revenues (as reported)	\$ 1,453	\$ 2,941	\$ 1,191	2,365
Adjusted operating margin	46%	48%	38%	37%
Total operating expenses (as reported)	\$ 1,104	\$ 1,914	\$ 797	\$ 1,577
Less: Adjustments to operating	(321)	(374)	(53)	(81)
Adjusted operating expenses	<u>\$ 783</u>	<u>\$ 1,540</u>	<u>\$ 744</u>	<u>\$ 1,496</u>

- (1) Litigation expense recorded in the period related to the covered litigation. Settlements of, or judgments in, covered litigation will be paid from the litigation escrow account.
- (2) Restructuring costs, primarily severance in fiscal 2008, associated with workforce consolidation and elimination of overlapping functions.
- (3) Non-cash amortization and depreciation of the incremental basis in technology and building assets acquired in the reorganization.
- (4) Interest expense recorded on future payments to be made under the settlement agreement with American Express. These payments will be paid from the litigation escrow account.
- (5) Investment income earned during the period on all IPO proceeds held, including amounts the Company intends to use in October 2008 to redeem all class C (series II) common stock and a portion of the class C (series III) common stock held by Visa Europe.
- (6) Other income recorded in the period as a result of a reduction in the Company's estimated liability under the Framework Agreement, which governs its relationship with Visa Europe. This reduction was a result of lower LIBOR rates in the period. This liability will not continue after the October 2008 redemptions described above.
- (7) Reflects a normalized tax rate of 41%.

Reconciliation of Non-GAAP Weighted Average Class A Common Stock Outstanding Used in the Calculation of Adjusted Diluted Class A Earnings Per Share

	For the Three Months Ended March 31, 2008	For the Six Months Ended March 31, 2008
	(in millions)	
Weighted Average Shares Outstanding - GAAP	778	762
Class A Shares ⁽¹⁾	383	415
Class B Shares ⁽²⁾	(226)	(238)
Class C Shares ⁽³⁾	(161)	(165)
Class A Share Equivalents ⁽⁴⁾	<u>5</u>	<u>5</u>
<i>Share Adjustments</i>	1	17
Adjusted Weighted Average Shares Outstanding - Non GAAP	779	779

- (1) For GAAP purposes, the number of class A common shares outstanding is weighted to reflect the issuance of 446,600,000 shares at the IPO date of March 19, 2008. In the calculation of the adjusted weighted average shares outstanding, these shares are assumed to have been issued at the beginning of each period presented.
- (2) For GAAP purposes, the number of class B common shares outstanding is weighted to reflect the redemption of 154,738,487 shares on March 28, 2008 and the reduction of the conversion ratio applicable to remaining shares outstanding to 0.71 to 1. In the calculation of the adjusted weighted average shares outstanding, these shares are weighted to assume that the redemption and reduction in conversion ratio had occurred at the beginning of each period presented.
- (3) For GAAP purposes, the number of class C (series I, II, III & IV) common shares is weighted to reflect the redemption of 159,657,751 shares of class C (series I) common stock on March 28, 2008, and the reclassification of all shares of class C (series II) common stock to temporary equity and 35,263,585 shares of class C (series III) common stock to liabilities on the IPO date of March 19, 2008. Upon reclassification of the class C (series II) and class C (series III) common stock these shares are no longer convertible into shares of class A common stock. In the calculation of adjusted weighted average shares outstanding, these shares are weighted to assume that the redemption and reclassifications occurred at the beginning of each period presented.
- (4) For GAAP purposes, the number of class A common shares outstanding is weighted to reflect the assumed issuance of class A common stock underlying stock options, restricted stock and restricted stock units to employees and directors at the IPO date of March 19, 2008, applying the treasury method. In the calculation of the adjusted weighted average shares outstanding, these shares are weighted to assume the issuance of these awards at the beginning of each period presented. The assumed number of shares underlying stock options assumed issued for adjusted non-GAAP purposes assumes the repurchase of shares at the share price on March 31, 2008 of \$62.36.

Class A Common Stock Adjusted Diluted Earnings Per Share

Management believes the presentation of adjusted operating income and adjusted net income provides a clearer understanding of the one-time items related to the Company's reorganization and initial public offering. These measures also adjust for expenses related to covered litigation that will be funded by the litigation escrow account. These items have a significant impact on our financial results but are either non-recurring or have no operating cash impact.

Recognizing that we have a very complex equity structure incorporating multiple classes and series of common stock, the Company has also presented adjusted diluted class A earnings per share calculated below based on adjusted net income and the adjusted weighted average number of shares outstanding in the periods presented. This non-GAAP financial measure has been presented to illustrate our per share results reflecting our capital structure after the redemption of all class C (series II) common stock and a portion of class C (series III) common stock, which the Company intends to redeem in October 2008. The class C (series II) common stock is classified as temporary equity and the class C (series III) common stock is classified as a liability on the Company's consolidated balance sheet at March 31, 2008. Management believes this non-GAAP presentation provides the reader with a clearer understanding of our per share results by excluding these shares to be redeemed and allocating adjusted net income only to permanent equity.

	For the Three Months Ended March 31, 2008	For the Six Months Ended March 31, 2008
	(in millions, except per share data)	
Adjusted net income	\$ 401	\$ 844
Adjusted weighted average number of diluted shares outstanding	779	779
Adjusted diluted earnings per share	\$ 0.52	\$ 1.08