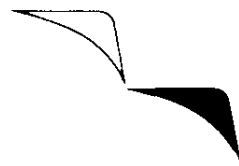


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VISA



**VISA EUROPE SERVICES INC.
2007 FINANCIAL STATEMENTS**

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Profit and loss account
for the year ended 30 September 2007

€ thousand	<i>Note</i>	2007	2006
Turnover		465,448	422,862
Administrative expenses		(425,003)	(375,678)
Operating profit		40,445	47,184
Loss on disposal and write off of fixed assets		(2,205)	(326)
Other interest receivable and similar income	4	1,500	743
Interest payable and similar charges	5	(58)	(156)
Other finance costs	6	379	11
Profit on ordinary activities before taxation	2	40,061	47,456
Tax on profit on ordinary activities	7	(18,241)	(18,722)
Retained profit on ordinary activities after taxation		21,820	28,734

The notes on pages 5 to 21 form part of the financial statements.

Balance sheet
at 30 September 2007

€ thousand	Note	2007	2006
Fixed assets			
Goodwill	8	22,606	17,822
Tangible assets	9	185,078	155,800
Investments	10	1,258	1,258
		<u>208,942</u>	<u>174,880</u>
Current assets			
Debtors (including €3,000 due after more than one year[2006: €137,000])	11	30,941	31,687
Investments	12	7,148	7,054
Cash at bank and in hand		62,020	28,129
		<u>100,109</u>	<u>66,870</u>
Creditors: amounts falling due within one year	13	(193,866)	(142,454)
Net current liabilities		<u>(93,757)</u>	<u>(75,584)</u>
Total assets less current liabilities		<u>115,185</u>	<u>99,296</u>
Creditors: amounts falling due after more than one year	14	(965)	(396)
Provisions for liabilities and charges	15	(4,384)	(4,100)
Net assets excluding pension surplus/(liabilities)		<u>109,836</u>	<u>94,800</u>
Pension surplus/(liabilities): total of defined benefit pension schemes	20	7,492	(14,838)
Net assets including pension liabilities		<u>117,328</u>	<u>79,962</u>
Capital and reserves			
Called up share capital	16	-	-
Other reserves	17	2,045	2,045
Profit and loss account	17	115,283	77,917
Equity shareholders' funds		<u>117,328</u>	<u>79,962</u>

P. G. Ayliffe

P Ayliffe

President and Chief Executive Officer, Visa Europe

The notes on pages 5 to 21 form part of the financial statements.

Statement of total recognised gains and losses
For the year ended 30 September 2007

€ thousand	2007	2006
Profit for the financial period	21,820	28,734
Actuarial gain/(loss) recognised in the pension schemes	23,917	(3,476)
Deferred tax arising on gains/losses in the pension schemes	(8,371)	1,217
Total recognised gains and losses relating to the financial period	37,366	26,475

The notes on pages 5 to 21 form part of the financial statements.

Notes to the financial statements for the year ended 30 September 2007

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements except as noted below.

Basis of preparation

These financial statements have been prepared under the historical cost convention in accordance with the Companies Act 1985 and UK Accounting Standards, UK Generally Accepted Accounting Practice (UK GAAP).

Goodwill and intangible assets

On the acquisition of a business, fair values are attributed to the net assets acquired. Goodwill arises where the fair value of the consideration given for a business exceeds the fair value of such net assets. Goodwill is capitalised and amortised on a straight-line basis through the profit and loss account over its estimated useful life of 20 years. Goodwill is reviewed for impairment when there are indications that the carrying value may not be recoverable.

Intangible assets are recorded at cost and are recognised on the basis that future economic benefits will flow to the Company. Intangible assets are capitalised and amortised over their estimated useful lives unless they are considered to have an indefinite useful life in which case they are not amortised.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date and any exchange differences arising are taken to the profit and loss account.

Tangible fixed assets

Tangible fixed assets are capitalised at cost. Depreciation is provided on a straight-line basis to write off the cost of tangible fixed assets over their estimated useful economic lives to any estimated residual value, using the following rates, adjusted where necessary for assets acquired when already in use:

Buildings	40 years
Leasehold improvements (or lease term if shorter)	40 years
Furniture and fittings	3 - 10 years
Computer equipment	3 - 5 years
Computer software	3 - 5 years

All tangible fixed assets are reviewed for impairment when there are indications that the carrying value may not be recoverable.

Leases

Assets obtained under finance leases are included in tangible fixed assets at cost and are depreciated over their useful economic lives, or the term of their lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included, as appropriate, under creditors due within, or creditors due after, one year. Rental payments are apportioned between the finance element, which is charged as interest to the profit and loss account, and the capital element, which reduces the outstanding obligation for future instalments, so as to give a constant rate of charge on the outstanding obligation.

Rental payments under operating leases are charged to the profit and loss account as incurred.

Current asset investments

The Company maintains short-term money market investments and other marketable securities related to executive compensation plans. These investments are recorded at cost. A corresponding offset is recorded in current liabilities.

**Notes to the financial statements
for the year ended 30 September 2007
(continued)**

Turnover

Turnover consists of fees earned under a subcontractor agreement between the Company and Visa Europe Limited, the Company's ultimate parent company. Certain subcontracted services are provided under this agreement, primarily authorising, clearing and settlement services and processing payment transactions within the EU Region including operating the processing centre, and certain ancillary services such as developing new Visa products to be used in the EU Region.

Advertising and promotion costs

Advertising and promotion costs, including production costs, are expensed as incurred. The costs of media advertising are expensed as used.

Deferred tax

Full provision is made for deferred tax assets and liabilities arising from timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable. The deferred tax balances are not discounted.

Financial instruments

In order to hedge its exposure to foreign exchange risk, the Company enters into forward foreign exchange contracts. Any gains or losses on these contracts are recognised in the profit and loss account when the underlying transaction is settled. Gains or losses arising on hedging instruments that are cancelled due to the termination of the underlying exposure are taken to the profit and loss account immediately.

Pensions and other post-retirement benefits

Funded pension schemes are in place for the Company's employees. The assets of these pension schemes are managed by

third-party investment managers and are held separately in trust.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the schemes and allow for the periodic increase of pensions in payment. The regular service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service is charged to operating profit in the year.

A credit representing the expected return on the assets of the retirement benefit pension schemes during the year is included within other finance income/expense. This is based on the market value of the assets of the schemes at the start of the financial year.

A charge within other finance income/expense representing the expected increase in the liabilities of the retirement benefit pension schemes during the year. This arises from the liabilities of the schemes being one year closer to payment.

The difference between the market value of the assets and the present value of the accrued pension liabilities is shown as an asset or liability in the balance sheet net of deferred tax. Payments made to the schemes reduce the liability or increase the surplus.

Differences between actual and expected returns on assets during the year are recognised in the statement of total recognised gains and losses in the year, together with differences arising from changes in assumptions.

For defined contribution schemes the amount charged to operating profit in respect of pension costs is the Company's contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Notes to the financial statements
for the year ended 30 September 2007 (continued)

2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2007	2006
	€'000	€'000
Auditors' remuneration:		
Audit	364	312
Fees paid to the auditors and its associates for other services:		
Other services pursuant to legislation	473	253
Tax services	117	247
Depreciation of tangible fixed assets:		
Owned	29,991	17,687
Leased	1,011	1,423
Amortisation of goodwill	1,004	1,004
Operating lease rentals:		
Plant and machinery	9,912	2,641
Other assets	12,029	12,144

3. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows:

	2007	2006
	Number of employees	Number of employees
Marketing	105	97
Relationship management and member services	146	132
Technology and processing services	392	335
Other	255	247
	898	811

The aggregate payroll costs of these persons were as follows:

	2007	2006
	€'000	€'000
Wages and salaries	99,919	80,034
Social security costs	9,637	9,158
Other pension costs	13,625	13,997
	123,181	103,189

Notes to the financial statements
for the year ended 30 September 2007 (continued)

4. Other interest receivable and similar income

	2007	2006
	€'000	€'000
Other interest receivable	1,500	743

5. Interest payable and similar charges

	2007	2006
	€'000	€'000
On bank loans and overdrafts	(10)	(81)
Finance charges payable in respect of finance leases	(48)	(75)
	(58)	(156)

6. Other finance costs

	<i>Note</i>	2007	2006
		€'000	€'000
Expected return on pension scheme assets	<i>20</i>	8,563	6,972
Interest on pension scheme liabilities	<i>20</i>	(7,918)	(6,714)
		645	258
Discounted provisions – unwinding of discount	<i>15</i>	(266)	(247)
		379	11

Notes to the financial statements
for the year ended 30 September 2007 (continued)

7. Taxation

Analysis of charge in period:

	2007 €'000	2006 €'000
Current tax on income for the period		
UK corporation tax	14,817	11,376
Prior year adjustment in respect of UK corporation tax	(1,795)	-
Foreign tax	6,684	12,105
Prior year adjustment in respect of foreign tax	(2,150)	(404)
Total current tax	17,556	23,077
Deferred tax		
(Reversal) / origination of timing differences	627	(2,376)
Prior year adjustment	58	(1,979)
Tax on profit on ordinary activities	18,241	18,722

Deferred tax

The elements of deferred taxation are as follows:

	2007 €'000	2006 €'000
Pension liabilities	3,358	8,964
Other timing differences	4,009	7,672
Deferred tax asset	7,367	16,636

The movements on deferred taxation in the period are as follows:

	€'000 Pension liabilities	€'000 Debtors	€'000 Total
Provision at 1 October 2006	8,964	7,672	16,636
Utilised during the period	(1,056)	(656)	(1,712)
Charged to profit for the period	434	651	1,085
Credited to the statement of total recognised gains and losses for the period	(8,371)	-	(8,371)
Prior year adjustment	3,600	(3,658)	(58)
Exchange movement	(213)	-	(213)
At 30 September 2007	3,358	4,009	7,367

Notes to the financial statements
for the year ended 30 September 2007 (continued)

8. Goodwill and intangible assets

	Goodwill	Other	Total
	€'000	intangibles	€'000
	€'000	€'000	€'000
Cost			
At 1 October 2006	20,081	-	20,081
Additions	-	5,788	5,788
At 30 September 2007	20,081	5,788	25,869
Amortisation			
At 1 October 2006	(2,259)	-	(2,259)
Charge for the year	(1,004)	-	(1,004)
At 30 September 2007	(3,263)	-	(3,263)
Net book value			
At 30 September 2006	17,822	-	17,822
At 30 September 2007	16,818	5,788	22,606

The directors consider each acquisition separately for the purpose of determining the amortisation period of any goodwill that arises.

The addition above relates to consideration for the transfer of the operating rights of Bulgaria and Romania from Visa International to Visa Europe Services Inc. Both Bulgaria and Romania acceded to the European Union on 1 January 2007 and transferred to Visa Europe Services Inc. on 1 April 2007.

The operating rights are not being amortised because they have been assessed as having an indefinite useful life. The Company has signed an exclusive, irrevocable licensing arrangement in perpetuity with Visa Inc. to use the Visa marks and technology and as such Bulgaria and Romania are expected to generate net cash inflows for the Company indefinitely.

Notes to the financial statements
for the year ended 30 September 2007 (continued)

9. Tangible fixed assets

	€'000	€'000	€'000	€'000	€'000
	Land and buildings	Computer equipment and software	Fixtures, fittings, tools and equipment	Assets in course of construction	Total
Cost					
At 1 October 2006	31,981	113,771	9,473	41,716	196,941
Additions	1,097	15,228	2,923	43,228	62,476
Disposals	-	(38)	-	-	(38)
Write off	-	-	-	(2,196)	(2,196)
Transfers between items	7,738	192	-	(7,930)	-
At 30 September 2007	40,816	129,153	12,396	74,818	257,183
Depreciation					
At 1 October 2006	(6,877)	(29,572)	(4,692)	-	(41,141)
Charge for year	(3,012)	(26,099)	(1,891)	-	(31,002)
On disposals	-	38	-	-	38
At 30 September 2007	(9,889)	(55,633)	(6,583)	-	(72,105)
Net book value					
At 30 September 2006	25,104	84,199	4,781	41,716	155,800
At 30 September 2007	30,927	73,520	5,813	74,818	185,078

Included in the total net book value is €1,132,000 in respect of assets held under finance leases (2006: €942,000). Depreciation for the period on these assets was €1,011,000 (2006: €1,423,000).

The net book value of land and buildings comprises:

	2007 €'000	2006 €'000
Freehold	15,797	9,594
Long leasehold	15,130	15,510
	30,927	25,104

Notes to the financial statements
for the year ended 30 September 2007 (continued)

10. Fixed asset investments

	Other investments €'000
Cost	
At 1 October 2006 and 30 September 2007	1,258

The undertakings in which the Company's interest at the period end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage Of shares held	
			Class	Percentage
Subsidiary undertakings				
Visa Management Limited	UK	Dormant	Ordinary	100%
European Resource Management Limited	Jersey	Provision of staff	Ordinary	100%
Visa EU Limited	UK	Dormant	Ordinary	100%

The net aggregate losses for the year of the Company's subsidiaries were €20,000 (2006: €7,000). This is not included in the Company's profit and loss account.

11. Debtors

	2007 €'000	2006 €'000
Trade debtors	161	765
Other debtors	2,474	2,256
Prepayments and accrued income	24,297	19,994
Net deferred tax asset (see Note 8)	4,009	8,672
	30,941	31,687

Total debtors include other debtors of €3,000 due after more than one year, relating to a lease agreement for premises (2006: €137,000).

Notes to the financial statements
for the year ended 30 September 2007 (continued)

12. Investments (held as current assets)

	2007 €'000	2006 €'000
Listed investments	7,148	7,054

At 30 September 2007 the market value of the listed investments was €7,603,000 (2006: €7,194,000). The potential tax liability if the investments were sold at this value would be minimal.

13. Creditors: amounts falling due within one year

	2007 €'000	2006 €'000
Bank loans and overdrafts	2,109	1,994
Trade creditors	21,205	20,203
Amounts owed to related parties (see note 21)	76,272	47,158
Other creditors including taxation and social security	13,579	14,468
Accruals and deferred income	80,205	57,814
Obligations under finance leases (see note 15)	496	817
	<u>193,866</u>	<u>142,454</u>

14. Creditors: amounts falling due after more than one year

	2007 €'000	2006 €'000
Obligations under finance leases	749	174
Other creditors	216	222
	<u>965</u>	<u>396</u>

The maturity of obligations under finance leases is as follows:

	2007 €'000	2006 €'000
Within one year	528	845
In the second to fifth years	789	178
	<u>1,317</u>	<u>1,023</u>
Less future finance charges	(72)	(32)
	<u>1,245</u>	<u>991</u>

Notes to the financial statements
for the year ended 30 September 2007(continued)

15. Provisions for liabilities and charges

	2007	2006
	€'000	€'000
	Asset	Asset
	retirement	Retirement
	obligation	Obligation
	€'000	€'000
Balance at 1 October	4,100	3,823
Additional amounts provided	144	-
Charge to the profit and loss for the period:		
Unwinding of discounted amount	266	247
Exchange movement	(126)	30
At 30 September	<u>4,384</u>	<u>4,100</u>

16. Called up share capital

	2007		2006	
	Number	€	Number	€
Authorised				
Equity: Ordinary shares of US\$1 each	100	82	100	82
Called up, allotted and paid: Ordinary shares of \$1 each				
Equity: Ordinary shares of US\$1 each	100	82	100	82

17. Reserves

	Other	Profit
	reserves	and loss
	€'000	account
	€'000	€'000
At 1 October 2006	2,045	77,917
Retained profit for the year	-	21,820
Actuarial gain recognised in the pension schemes	-	23,917
Deferred tax arising on gains in the pension schemes	-	(8,371)
At 30 September 2007	<u>2,045</u>	<u>115,283</u>
Profit and loss reserve excluding pension surplus		103,662
Pension surplus		11,621
Profit and loss reserve including pension surplus		<u>115,283</u>

Notes to the financial statements
for the year ended 30 September 2007 (continued)

18. Contingent liabilities and contingent assets

The Company and its subsidiaries are, from time to time, parties to or affected by legal proceedings and claims and they enter into guarantees, financing arrangements and commitments which are in the ordinary course of business. The directors do not anticipate that the outcome of these proceedings, claims, guarantees, financing arrangements and commitments, either individually or in aggregate, will have a material adverse effect upon the Company's financial position.

Member financial safeguards

Under its corporate By-Laws, the Company indemnifies a member for any loss suffered due to failure of any other member to honour drafts or other instruments processed in accordance with the Company's operating regulations. The term of the indemnification covers the period until both sides of the transaction are settled.

To reduce losses from settlement, the Company requires certain members to post collateral to ensure performance of settlement obligations arising from card and other product clearings. The types of member financial safeguards are based on Board-approved guidelines and generally include cash equivalents, letters of credit, guarantees and securities. At 30 September 2007, the Company held member financial safeguards as follows:

	2007	2006
	€'000	€'000
Cash equivalents	71,666	59,788
Letters of credit	67,960	41,846
Guarantees	166,300	100,377
Total collateral	305,926	202,011

As the collateral does not meet the definition of an asset of the Company, no amounts are included on the balance sheet.

Notes to the financial statements
for the year ended 30 September 2007 (continued)

19. Commitments

- (a) Capital commitments at the end of the financial period, for which no provision has been made, are as follows:

	2007 €'000	2006 €'000
Contracted purchase of software and computer equipment	9,967	4,393
Contracted expenditure on buildings improvements	268	2,823
	<u>10,235</u>	<u>7,216</u>

- (b) Annual commitments under non-cancellable operating leases are as follows:

	2007 €'000	2007 €'000	2006 €'000	2006 €'000
	Land and buildings	Other	Land and Buildings	Other
Operating leases which expire:				
Within one year	347	-	-	292
In the second to fifth years inclusive	1,861	3,220	-	2,747
Over five years	12,186	-	12,119	-
	<u>14,394</u>	<u>3,220</u>	<u>12,119</u>	<u>3,039</u>

Leases of land and buildings are typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

20. Retirement benefit schemes

The Company operates four pension schemes, of which two are defined benefit schemes, and two are defined contribution schemes.

Defined contribution pension schemes

The pension charge for the period represents contributions payable by the Company to the schemes and amounted to €3,020,000 (2006: €2,436,000). The assets of the defined contribution schemes are held separately in independently administered funds. The charge in respect of these schemes is calculated on the basis of contributions payable by the Company in the financial period.

There were no outstanding or prepaid contributions at either the beginning or end of the financial period.

Notes to the financial statements
for the year ended 30 September 2007 (continued)

20. Retirement benefit schemes (continued)

Defined benefit schemes

The Company provides benefits through two defined benefit pension plans which provide benefits based on final pensionable pay for the majority of its employees. The main defined benefit pension scheme is funded. The latest full actuarial valuations were carried out at 1 October 2006 and were updated for Financial Reporting Standard 17, *Retirement Benefits*, purposes to 30 September 2007 by a qualified independent actuary. As the main defined benefit pension scheme is closed to new members, it is expected that the cost of the scheme as a percentage of pensionable salaries will increase as the members age. The benefit obligation in respect of the unfunded scheme at 30 September 2007 was €5,376,000 (2006: €5,822,000), excluding the impact of deferred tax.

It has been agreed with the Trustees that Company contributions for the main defined benefit scheme will be 22.9% of pensionable salaries following the results of the last formal actuarial valuation.

The major assumptions used in the valuations were (shown as weighted averages):

	2007	2006
Rate of increase in salaries	4.50%	4.25%
Rate of increase in pensions in payment	3.10%	3.00%
Rate of revaluation of pensions in deferment	3.25%	3.00%
Discount rate applied to scheme liabilities	6.00%	5.00%
Inflation assumption	3.25%	3.00%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

Scheme assets

The fair value of the schemes' assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the schemes' liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	2007 €'000	2006 €'000
Equities	84,597	68,233
Property	6,768	6,796
Index linked gilts	24,963	20,363
Corporate bonds	23,070	20,174
Cash	719	11,459
Total market value of assets	140,117	127,025
Present value of pension scheme liabilities	(135,983)	(149,828)
Deficit in the pension schemes	4,134	(22,803)
Related deferred tax asset (see Note 8)	3,358	7,965
Net pension surplus	7,492	(14,838)

Notes to the financial statements
for the year ended 30 September 2007 (continued)

20. Retirement benefit schemes (continued)

	Long term rate of return 2007	Long term rate of return 2006
Equities	7.83%	7.74%
Property	7.83%	7.74%
Index linked gilts	4.96%	4.44%
Corporate bonds	6.00%	5.00%
Cash	5.75%	4.75%

Movement in deficit during the period:

	2007 €'000	2006 €'000
At 1 October	(22,803)	(22,402)
Current service cost	(9,434)	(8,879)
Past service cost	(10)	-
Contributions paid	11,260	11,762
Other finance income/(cost)	645	258
Actuarial gain/(loss)	23,917	(3,476)
Exchange movement	559	(66)
Surplus/(deficit) in the pension schemes at 30 September	<u>4,134</u>	<u>(22,803)</u>

Analysis of other pension costs charged in arriving at operating profit/loss:

	2007 €'000	2006 €'000
Current service cost	<u>(9,434)</u>	<u>(8,879)</u>

Analysis of other amounts included in other finance income/costs:

	2007 €'000	2006 €'000
Expected return on pension scheme assets	8,563	6,972
Interest on pension scheme liabilities	(7,918)	(6,714)
	<u>645</u>	<u>258</u>

Notes to the financial statements
for the year ended 30 September 2007 (continued)

20. Retirement benefit schemes (continued)

Analysis of amount recognised in statement of total recognised gains and losses:

	2007	2006
	€'000	€'000
Actual return less expected return on scheme assets	51	5,512
Experience gains and losses arising on scheme liabilities	23,866	(8,988)
Actuarial gain/(loss) recognised in statement of total recognised gains and losses	23,917	(3,476)

History of experience gains and losses:

	2007	2006
	€'000	€'000
Difference between the memorandum expected and actual return on scheme assets:		
Amount	51	5,512
Percentage of scheme assets at 30 September	0.0%	4.3%
Total memorandum actuarial gains and losses:		
Amount	23,866	(3,476)
Percentage of present value of scheme liabilities at 30 September	17.6%	2.3%

Notes to the financial statements
for the year ended 30 September 2007 (continued)

21. Related party disclosure

The Company earns an intercompany management fee through the provision of various services for Visa Europe Limited, the Company's parent company. These services include the employment of all Visa Europe employees, and the provision of marketing and information technology related services, among others. The total intercompany management fee for the period was €460,046,000 (2006: €416,898,000).

At 30 September 2007, debtors and creditors falling due within one year include the following amounts due to Visa Europe Limited, the Company's parent company, and the Company's subsidiaries and certain other Visa affiliates:

	2007 €'000	2006 €'000
Visa Europe Limited	(74,395)	(48,484)
Visa U.S.A.	(78)	38
Visa Land Development	-	-
Visa International	(2,040)	(317)
Visa CEMEA	165	1,507
Inovant LLC	-	-
Visa Canada	-	20
European Resource Management Limited	76	78
Total amounts owed to related parties	<u>(76,272)</u>	<u>(47,158)</u>

22. Post balance sheet events

On 3 October 2007 (the merger date), Visa Inc. was formed from the reorganisation of Visa International (VI) in preparation for an initial public offering. In exchange for its interest in Inovant, Visa Europe Services Inc. received a shareholding of 549,587 Class EU Series III shares in Visa Inc.

The Class III EU shares have been valued at \$18.4 million, but this is subject to the following caveats:

- first the valuation is specific to the minority holding of Visa Europe Services Inc and does not indicate the value that might be realised by any other person holding shares in Visa Inc.;
- secondly, Visa Europe Services Inc. (and the other shareholders of Visa Inc.) are not currently permitted to transfer the shares in Visa Inc. (other than in very restricted circumstances) and there is no market in the shares, so no value could currently be realised; and
- thirdly, there can be no certainty that the IPO will occur in the timetable envisaged or at all and if the IPO does not proceed, the limitations on transfer of the shares apply indefinitely, subject to the resolution of the Board of Visa Inc., so that no value may ever be realised.

Notes to the financial statements
for the year ended 30 September 2007 (continued)

22. Post balance sheet events (continued)

In order to calculate the valuation above the approach taken was as follows:

- a) Estimate the value of the entire equity of Visa Inc. This was established primarily based upon a comparison of Visa Inc. with comparable publicly traded companies. This was supported with a Discounted Cash Flow analysis.
- b) Estimate the value of the minority interest holding. This was established by taking the appropriate proportion of the value of 100 per cent of Visa Inc. and adjusting for Visa Europe Services Inc.'s uninfluential minority share, as well as for the illiquidity of the holding.