



MasterCard Incorporated

Second-Quarter 2016 Financial Results Conference Call

July 28, 2016

Business Update

———— **Financial & Operational Overview**

———— **Economic Update**

———— **Business Highlights**

2nd Quarter Selected Financial Performance

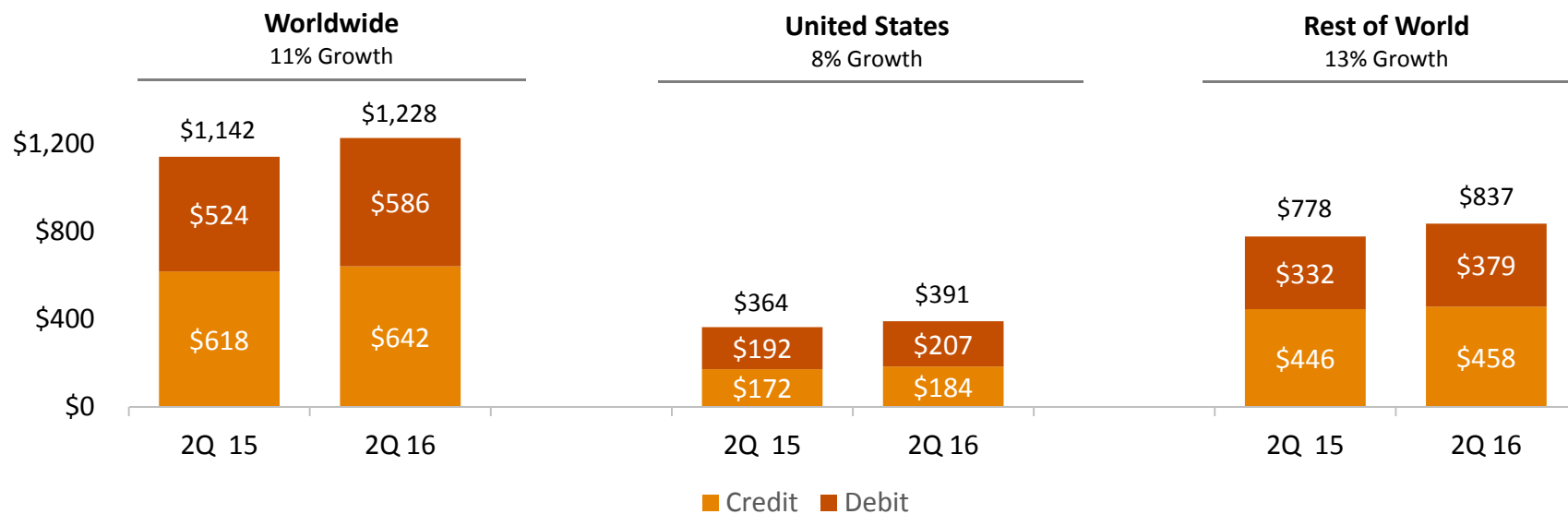
(\$ in millions, except per share data)

	2Q 16		2Q 15		YOY Growth	
	Non-GAAP excl special item*		Non-GAAP excl special item*		Non-GAAP	Currency Neutral
Net revenue	\$	2,694	\$	2,390	13%	14%
Total operating expenses		1,207		1,078	12%	13%
Operating income		1,487		1,312	13%	15%
<i>Operating margin</i>		55.2%		54.9%	0.3 pts	0.3 pts
Net income	\$	1,061	\$	965	10%	11%
Diluted EPS	\$	0.96	\$	0.85	13%	14%
Effective tax rate		27.9%		25.8%		

Note: Figures may not sum due to rounding.

* See Appendix A for Non-GAAP reconciliations of special items

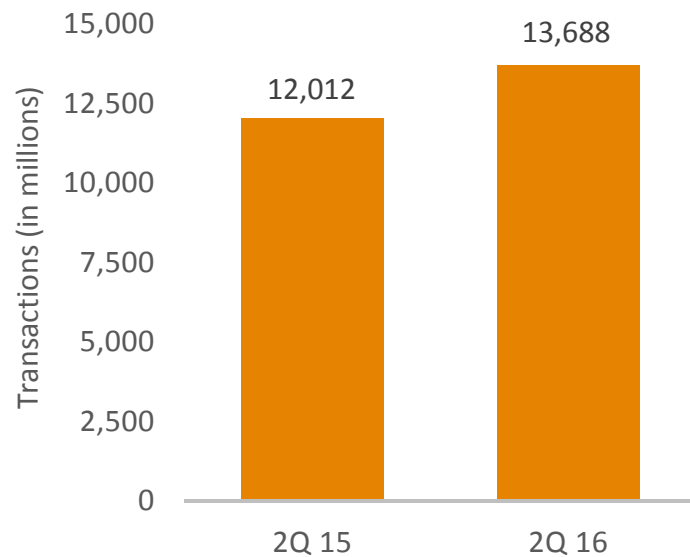
2nd Quarter Gross Dollar Volume (GDV) (\$ in billions)



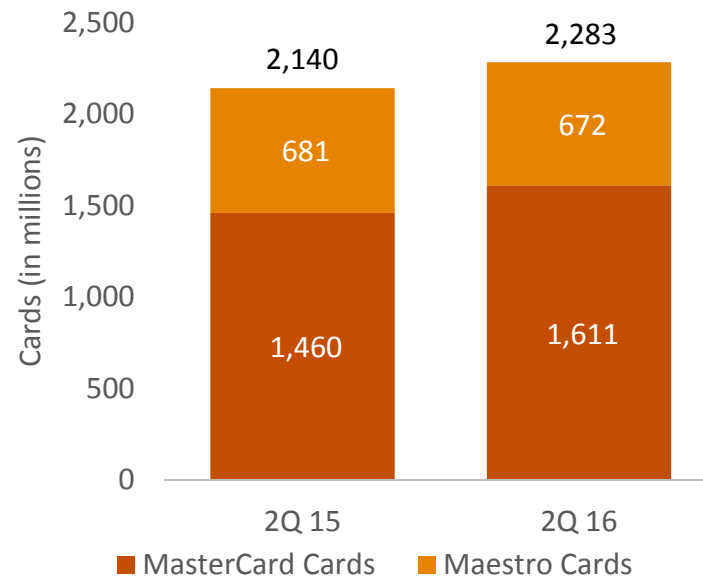
Notes: 1. Growth rates are shown in local currency
2. Figures may not sum due to rounding

2nd Quarter Processed Transactions and Cards

Processed Transactions
14% Growth

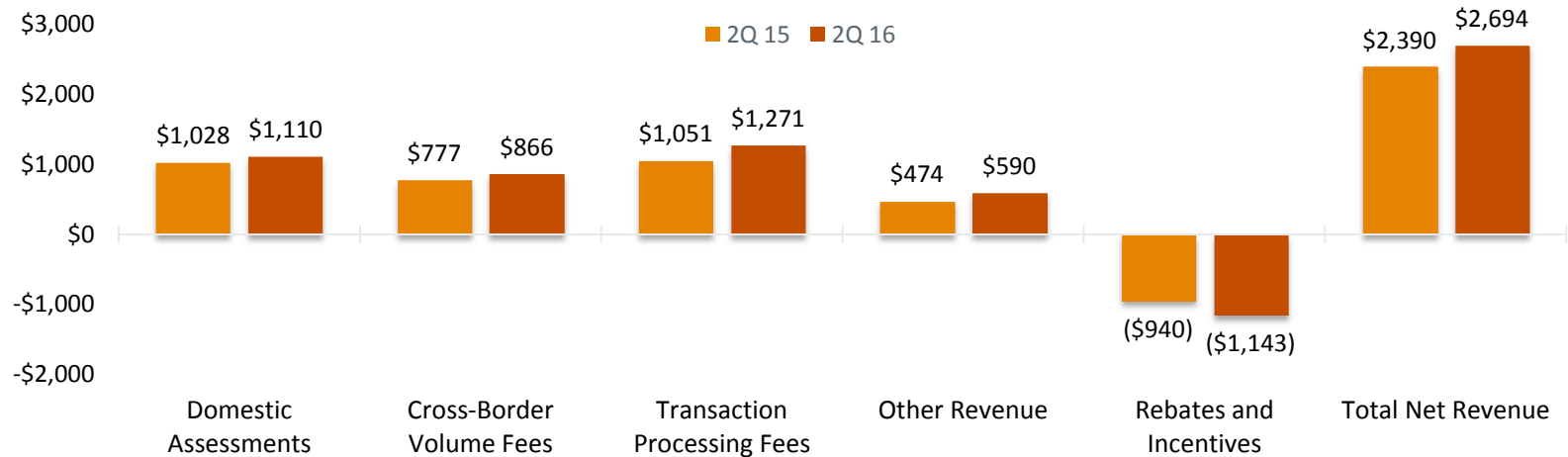


Cards
7% Growth



Note: Figures may not sum due to rounding

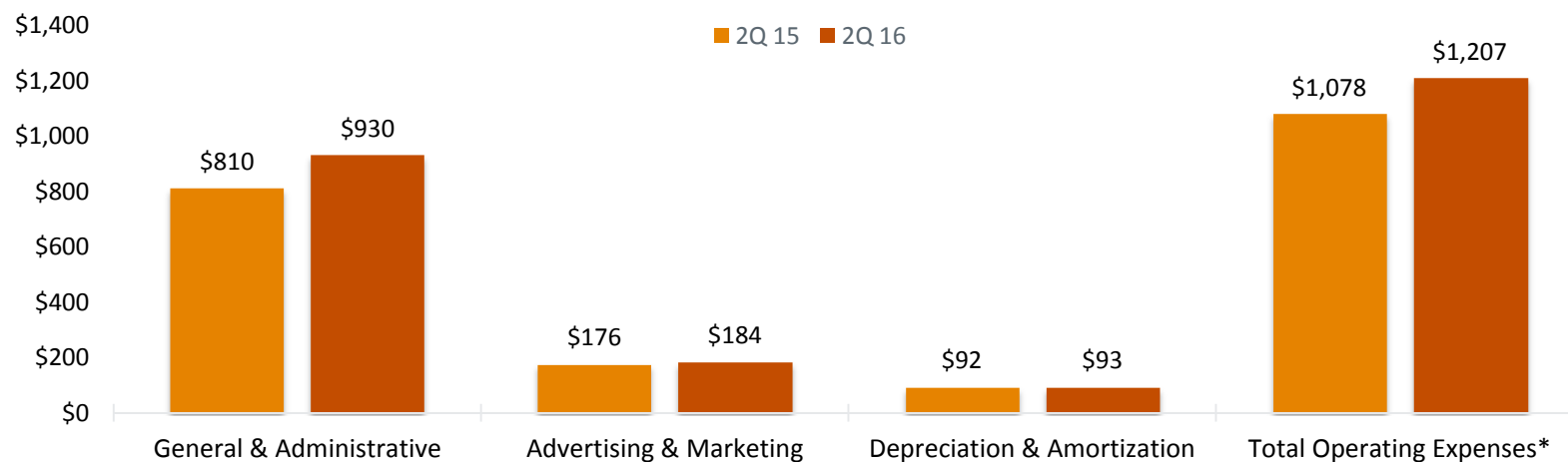
2nd Quarter Revenue (\$ in millions)



Growth						
As-reported	8%	12%	21%	25%	21%	13%
Currency-Neutral	10%	14%	21%	25%	23%	14%

Note: Figures may not sum due to rounding.

2nd Quarter Operating Expenses (\$ in millions)



Growth				
As-reported	15%	5%	2%	12% *
Currency-Neutral	16%	7%	3%	13% *

Note: Figures may not sum due to rounding

* See Appendix A for Non-GAAP reconciliations of special items

Looking Ahead

———— **Business update through July 21st**

———— **Long-Term Performance Objectives**

———— **Thoughts for 2016**



Appendices

Non-GAAP Reconciliation

2nd Quarter 2016 and 2015 Results (\$ in millions, except per share data)

	Three Months Ended June 30,						Percent Increase/(Decrease)		
	2016			2015			Actual	Special Items	Non-GAAP ¹
	Actual	Special Item	Non-GAAP ¹	Actual	Special Item	Non-GAAP ¹			
Total operating expenses	\$ 1,314	\$ (107)	\$ 1,207	\$ 1,139	\$ (61)	\$ 1,078	15%	3%	12%
Operating income	\$ 1,380	\$ 107	\$ 1,487	\$ 1,251	\$ 61	\$ 1,312	10%	(3)%	13%
<i>Operating Margin</i>	51.2%		55.2%	52.4%		54.9%			
Income tax expense	\$ 382	\$ 29	\$ 411	\$ 320	\$ 17	\$ 337	20%	(2)%	22%
Effective Tax Rate	28.0%		27.9%	25.7%		25.8%			
Net Income	\$ 983	\$ 78	\$ 1,061	\$ 921	\$ 44	\$ 965	7%	(3)%	10%
Diluted Earnings per Share	\$ 0.89	\$ 0.07	\$ 0.96	\$ 0.81	\$ 0.04	\$ 0.85	10%	(3)%	13%

¹ Represents the effect of U.K. merchant litigation provisions

Note: Figures may not sum due to rounding

Non-GAAP Reconciliation

2016 Full Year Forecast Operating Expense Growth

	2016 vs 2015
Non-GAAP Forecast Growth	High-Single Digits
U.K. Merchant Litigation Provisions ¹	1%
U.S. Employee Pension Plan Settlement Charge ²	(2%)
As-Reported Forecast Growth	High-Single Digits

¹ Impact of U.K. merchant litigation provisions (2016: \$107 million; 2015: \$61 million)

² Impact of U.S. employee pension plan termination in 2015 of \$79 million