



MasterCard Incorporated

Third-Quarter 2015 Financial Results Conference Call

October 29, 2015

Business Update

— **Financial & Operational Overview**

— **Economic Update**

— **Business Highlights**

3rd Quarter Selected Financial Performance

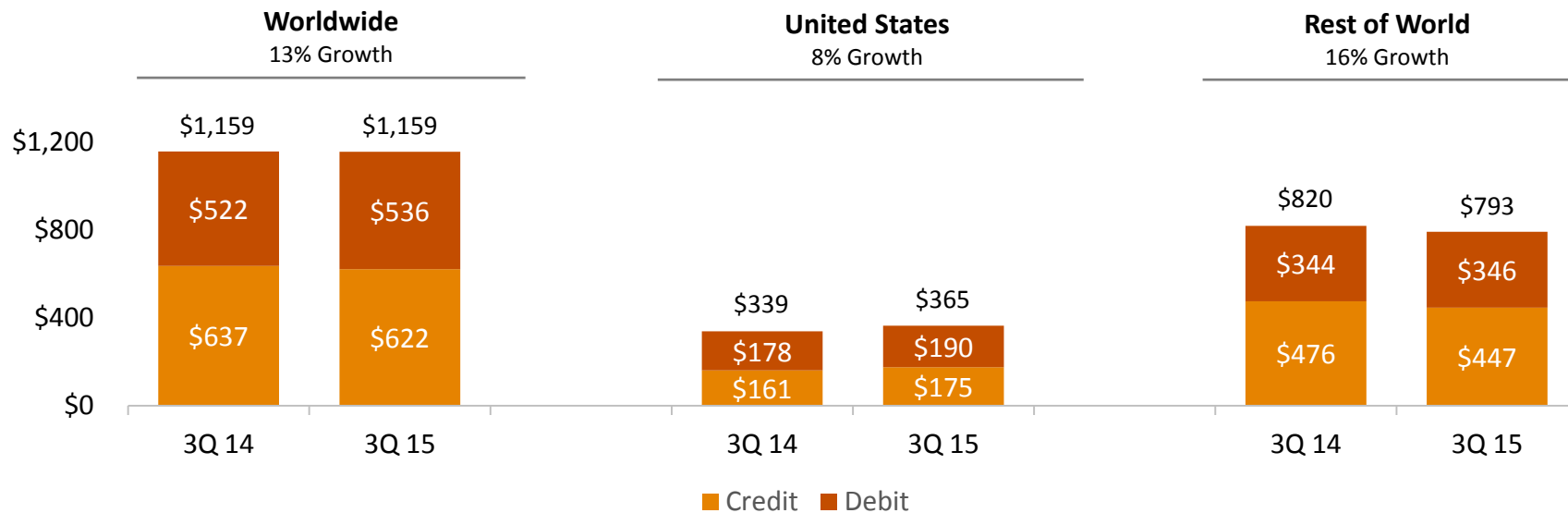
(\$ in millions, except per share data)

	3Q 15		3Q 14		YOY Growth	
	Non-GAAP excl. special item*				Non-GAAP	FX Adjusted
Net revenue	\$ 2,530	\$	2,490		2%	8%
Total operating expenses	1,082		1,070		1%	5%
Operating income	1,448		1,420		2%	10%
<i>Operating margin</i>	57.2%		57.0%		0.1 ppts	1.1 ppts
Net income	\$ 1,027	\$	1,015		1%	9%
Diluted EPS	\$ 0.91	\$	0.87		5%	11%
Effective tax rate	28.2%		28.5%			

Note: Figures may not sum due to rounding.

* See Appendix A for Non-GAAP reconciliations of this special item for the 3 months ended September 30, 2015

3rd Quarter Gross Dollar Volume (GDV) (\$ in billions)

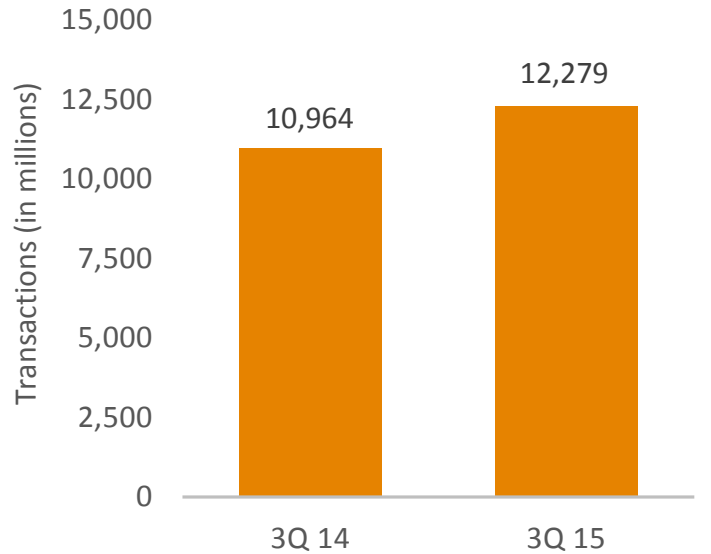


- Notes: 1. Growth rates are shown in local currency
2. Figures may not sum due to rounding

3rd Quarter Processed Transactions and Cards

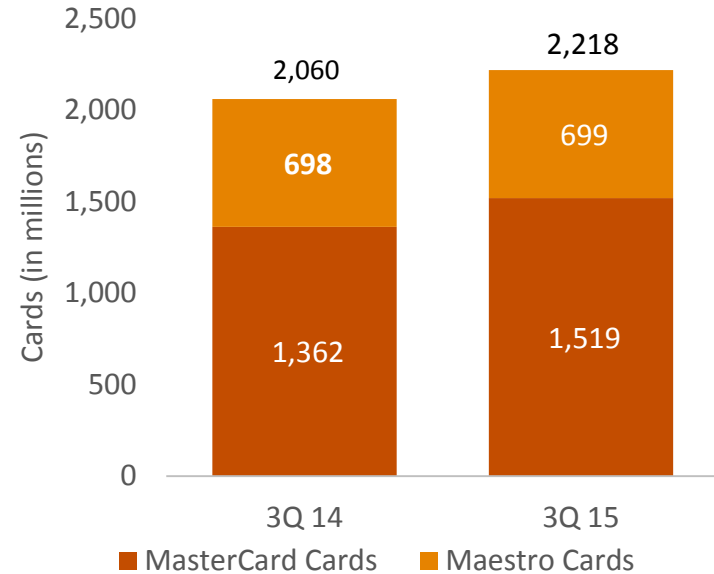
Processed Transactions

12% Growth



Cards

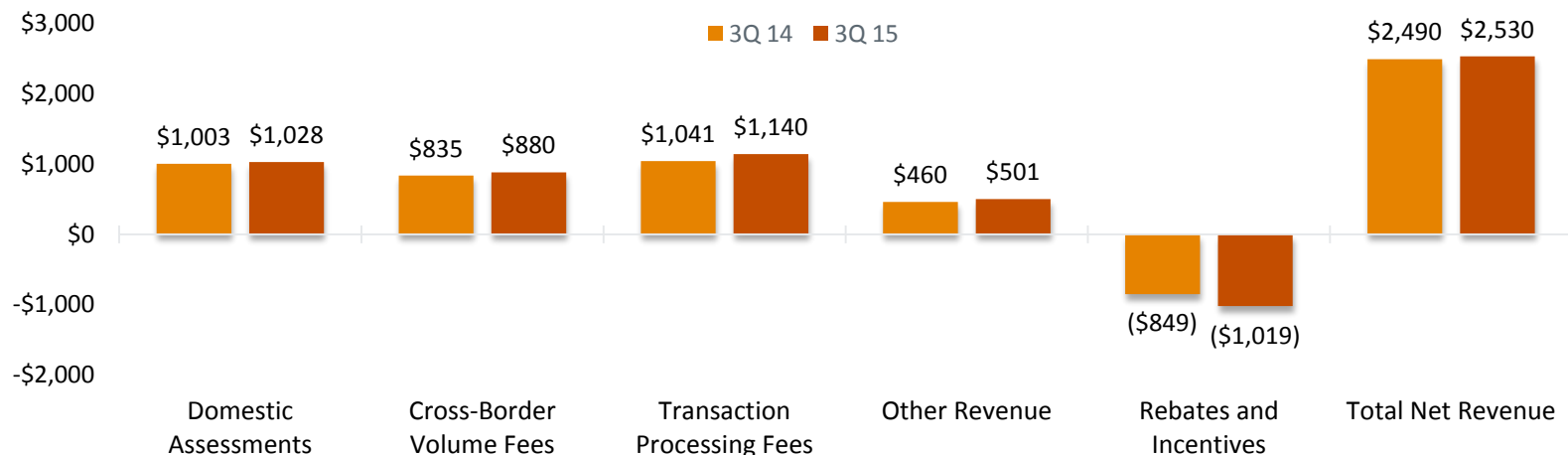
8% Growth



Note: Figures may not sum due to rounding

3rd Quarter Revenue

(\$ in millions)

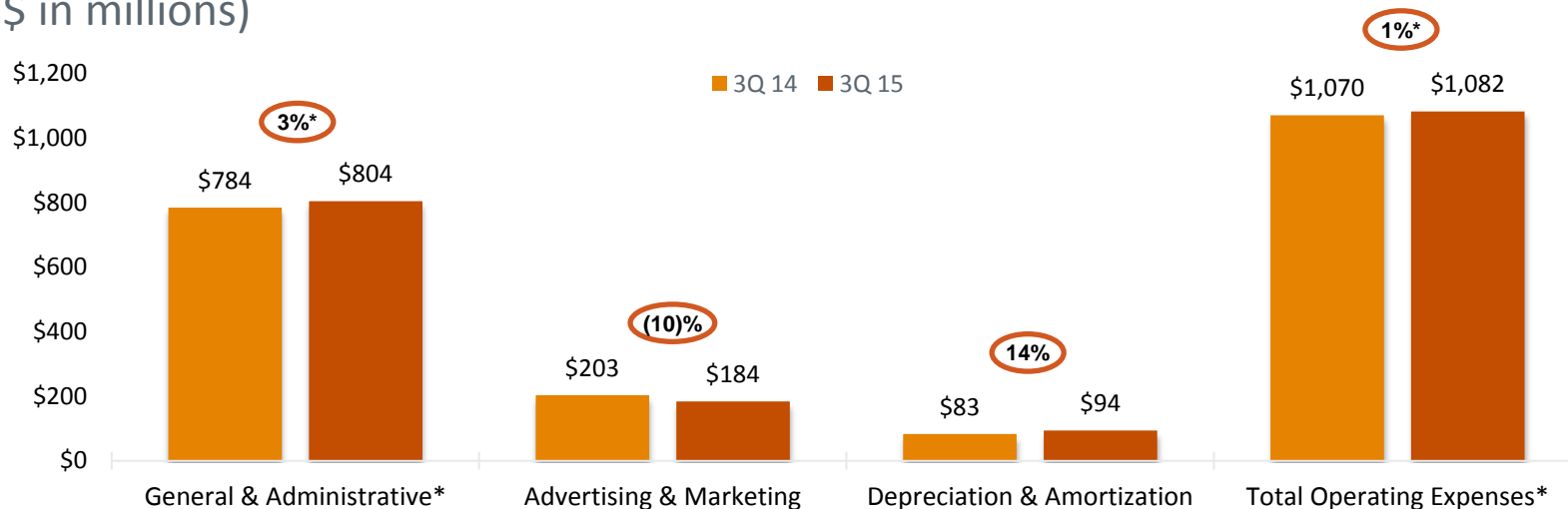


Growth						
As-reported	3%	5%	9%	9%	20%	2%
FX-adjusted	9%	11%	16%	15%	27%	8%

Note: Figures may not sum due to rounding.

3rd Quarter Operating Expenses

(\$ in millions)



FX-adjusted Growth

Including Acquisitions	6%	(3)%	14%	5%
Excluding Acquisitions*	3%	(4)%	6%	2%

Note: Figures may not sum due to rounding

* See Appendix A and B for Operating Expenses Growth Non-GAAP reconciliations

Looking Ahead

— **Business update through October 21st**

— **Thoughts for 2015**

— **Longer-Term Performance Objectives**



Appendices

Non-GAAP Reconciliation

(\$ in millions, except per share data)

	<u>Three Months Ended September 30, 2015</u>			<u>Three Months Ended September 30, 2014</u>	<u>Year-over-year % Growth</u>		
	<u>Actual</u>	<u>Special Item¹</u>	<u>Non-GAAP</u>	<u>Actual</u>	<u>Actual</u>	<u>Special Item¹</u>	<u>Non-GAAP</u>
General and administrative expenses	\$ 883	\$ (79)	\$ 804	\$ 784	13%	10%	3%
Total operating expenses	1,161	(79)	1,082	1,070	9%	7%	1%
Operating income	1,369	79	1,448	1,420	(4)%	(6)%	2%
<i>Operating Margin</i>	<i>54.1%</i>		<i>57.2%</i>	<i>57.0%</i>			
Income before income taxes	1,352	79	1,431	1,418	(5)%	(6)%	1%
Income tax expense	375	29	404	403	(7)%	(7)%	--%
Effective Tax Rate	27.7%		28.2%	28.5%			
Net Income	977	50	1,027	1,015	(4)%	(5)%	1%
Diluted Earnings per Share	\$ 0.86	\$ 0.04	\$ 0.91	\$ 0.87	(1)%	(5)%	5%

¹ Represents the effect of termination of the U.S. employee pension plan

Note: Figures may not sum due to rounding

Operating Expenses Growth Non-GAAP Reconciliation

Q3 2015 Growth Rate - Increase / (Decrease)

	<u>As-Reported</u>	<u>Special Item¹</u>	<u>Acquisitions²</u>	<u>FX³</u>	<u>Excluding All Impacts</u>
General and administrative	13%	10%	4%	(3)%	3%
Advertising and marketing	(10)%	--%	--%	(6)%	(4)%
Depreciation and amortization	14%	--%	9%	(1)%	6%
Total operating expenses	9%	7%	4%	(4)%	2%

¹ Represents the effect of termination of the U.S. employee pension plan

² Impact from our 2014 and 2015 acquisitions

³ Represents impact of foreign currency calculated by remeasuring the prior period's results using the current period's exchange rates

Note: Figures may not sum due to rounding