



# MasterCard's Acquisition of VocaLink

Conference Call

July 21, 2016

# Forward-Looking Statements

Statements in this presentation which are not historical facts are forward-looking and subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When used in this presentation, the word “expect” and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements relating to MasterCard’s proposed acquisition and operation of VocaLink, as well as MasterCard’s future prospects, developments and business strategies. Forward-looking statements speak only as of the date they are made, and MasterCard undertakes no duty to update any forward-looking statements made in this press release or to conform such statements to actual results or changes in MasterCard’s expectations.

Actual results may differ materially from such forward-looking statements for a number of reasons, including those risks, uncertainties and other factors discussed under the “Risk Factors” heading in the company’s most recent annual report on Form 10-K and in other documents filed with or furnished to the Securities and Exchange Commission.

# Acquisition of VocaLink by MasterCard

- VocaLink operates world-class payments clearing systems and ATM switching platforms in several countries
- Acquisition price of about £700 million (approximately US\$ 920 million)
  - Financed from MasterCard's available cash
- Expected closing within 3-12 months
  - Subject to certain regulatory approvals and customary closing conditions
- In line with MasterCard's strategy to expand its role in the global payments ecosystem

# VocaLink Overview

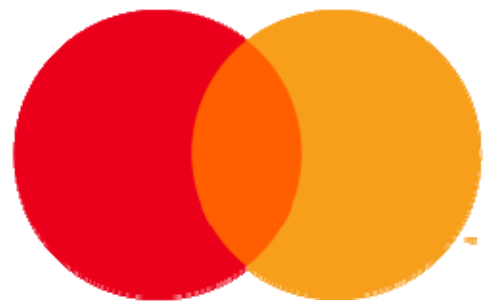
<b>Leading Service Provider</b>	<ul style="list-style-type: none"><li>• Provides the technology that drives the majority of electronic payments in the UK<ul style="list-style-type: none"><li>• BACS ACH payment system</li><li>• Real-time Faster Payments Service</li><li>• LINK ATM Network</li></ul></li><li>• Expanding foundation to develop payment solutions in other countries, such as US, Sweden and Singapore</li></ul>
<b>2015 Financial Performance</b>	<ul style="list-style-type: none"><li>• Revenue of £182 million; processed more than 11 billion transactions</li><li>• EBITDA of £77 million and EBITDA Margin of 43% on established products</li></ul>
<b>Strong Business Fit</b>	<ul style="list-style-type: none"><li>• Provides for the first true combination of cards and clearing businesses</li><li>• Significant potential to enhance payment choices globally</li></ul>
<b>Other</b>	<ul style="list-style-type: none"><li>• Headquartered in London, UK</li><li>• Currently owned by 13 banks and building societies</li></ul>

# Strategic Rationale

- Allows MasterCard to go after a wider range of payment flows, particularly in the B2B and P2P areas
  - ACH currently represents about 50% of all consumer, business and government payments in the world's top 50 countries
- Helps MasterCard to play a more valuable role in the UK payments ecosystem
- Supports and expands the products and services MasterCard offers to financial institution and merchant partners across the globe
- VocaLink is a proven asset to help MasterCard achieve the above objectives
  - Successfully launched its Fast ACH capabilities across multiple markets
  - Strong management team, well respected in the industry

# Financial Considerations

- MasterCard to acquire 92.4% of VocaLink for about £700 million (approx. US\$920 million), with existing shareholders retaining the remaining 7.6% for at least 3 years
  - Potential earn-out of up to £169 million (approx. US\$ 220 million), based on certain performance targets
- Transaction to be financed using available cash
- Expected financial impact
  - Dilutive for up to 24 months after closing
  - Assuming an early 2017 closing date, currently estimate about 5 cents dilutive to 2017 and 2018 EPS



**mastercard.**