MasterCard Incorporated
1st Quarter 2008
Financial Results Conference Call

April 29, 2008

1st Quarter Financial Results

- Net income of $398 million, or $3.01 per share, on a diluted basis
  - Excluding a special item* of $49 million, or $0.37 per share
  - Including gains from sales of Redecard shares of $56 million, or $0.42 per share
- Net income of $447 million, or $3.38 per share, on a diluted basis, including the special item* and gains from sales of Redecard shares
- Net revenue of $1.2 billion, representing growth of 29.2% due to:
  - Gross dollar volume growth (14.1%** to $611 billion)
  - Increase in processed transactions (15.7% to 4.9 billion)
  - Increase in cross-border volumes (23.6%)
  - Pricing changes (6 percentage points)
  - Currency fluctuations (5.1 percentage points)
- Improved operating margin by 9.3 ppts., to 43.6%, from 34.3%, in Q1 2007

* See Appendix A for a GAAP reconciliation of special items for the three months ended March 31, 2008

** On a local currency basis

Business Update

- Economic Overview
- IPS Debit Processing
- Legal and Regulatory Update
- Redecard Sales
- Share Repurchase and Conversion Programs

1st Quarter Selected Financial Performance

($ in millions, except percentages and per share data)

	1Q 2008 Actual	1Q 2008 adjusted for special items*	1Q 2007 Actual	YOY Adjusted Growth %
Net revenue	$ 1,182	$ 1,182	$ 915	29.2
Total operating expenses	666	666	601	10.9
Operating income	516	516	314	64.2
Operating margin	*43.6%*	*43.6%*	*34.3%*	*9.3 ppts*
Net income	$ 447	$ 398	$ 215	85.3
Diluted EPS	$ 3.38	$ 3.01	$ 1.57	91.7

Note: Figures may not sum due to rounding

*See Appendix A for a GAAP reconciliation of special items for the three months ended March 31, 2008

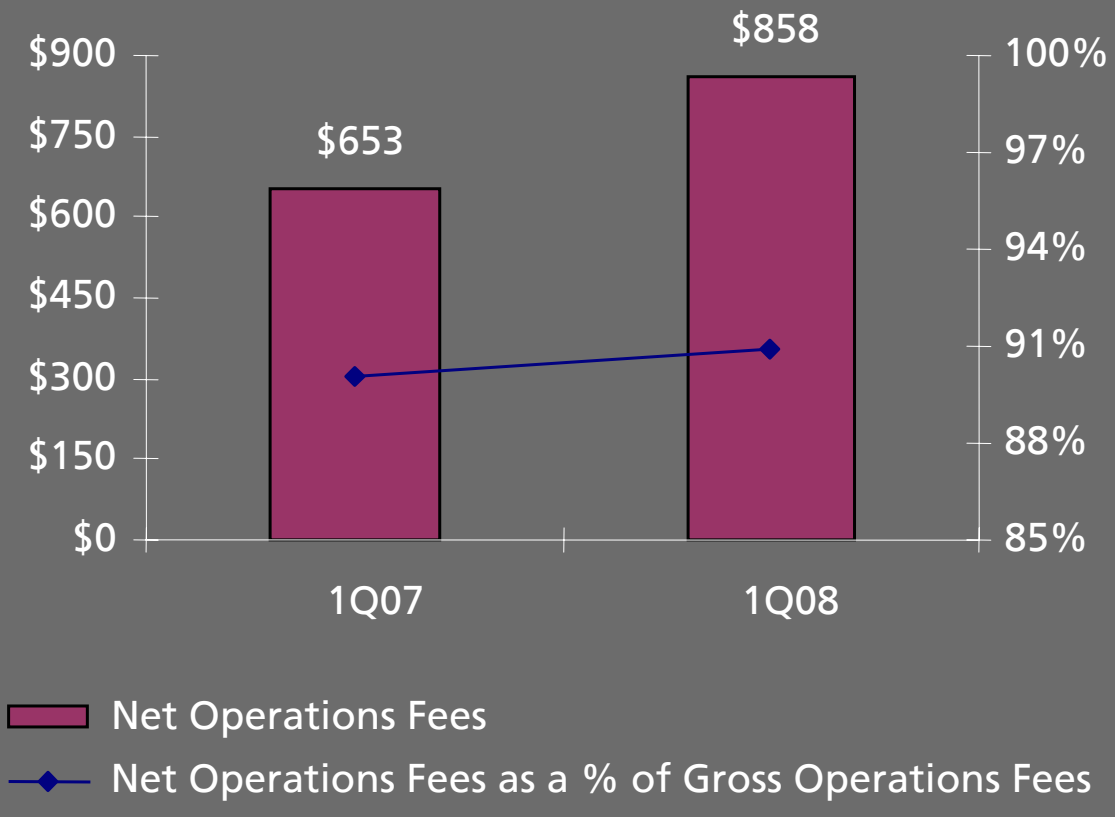
MasterCard Branded Volume (GDV)
1st Quarter 2008

	GDV ($ billions)	YOY Growth Rate % U.S. Dollar	YOY Growth Rate % Local Currency
Asia Pacific	89	27.8	18.7
Canada	24	31.6	13.0
Europe	183	30.2	17.4
Latin America	44	28.7	20.7
South Asia/Middle East/Africa (SAMEA)	12	33.5	31.3
United States	259	8.9	8.9
Worldwide	$611	20.0	14.1%

Note: Figures may not sum due to rounding

1st Quarter Revenue - Operations Fees

($ in millions)

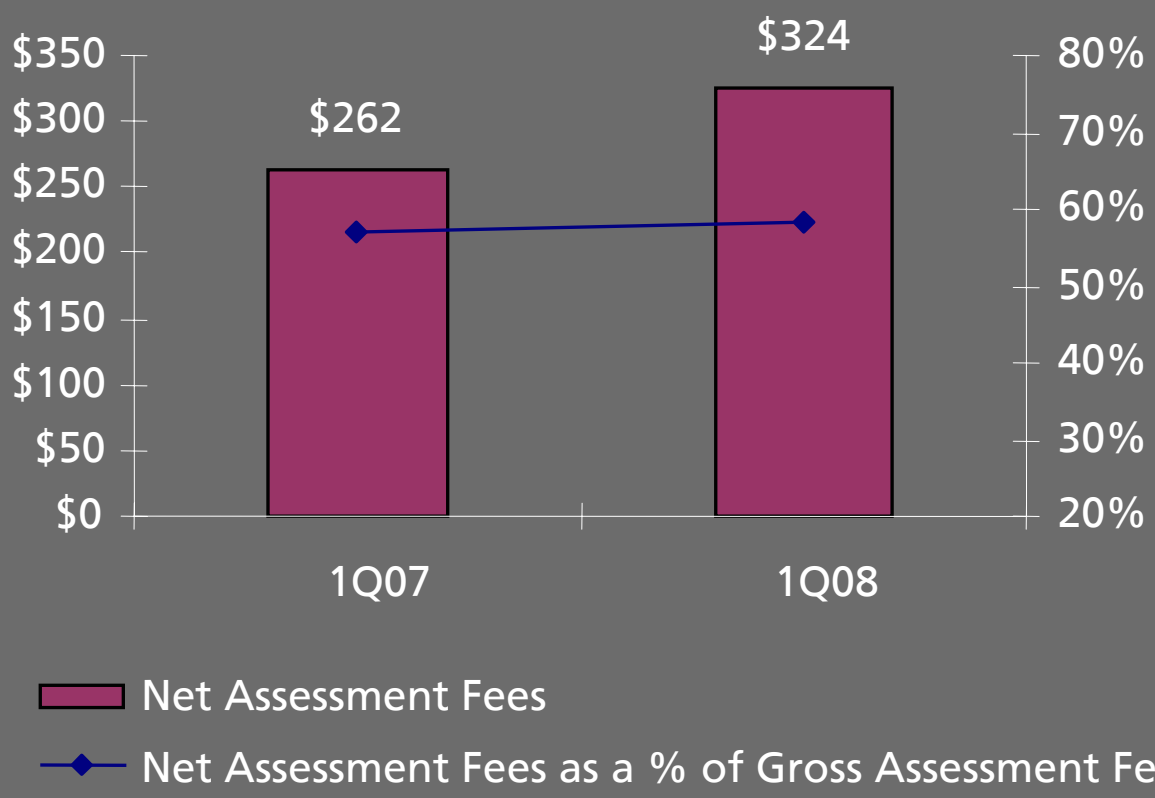


- Net operations fees increased 31.4%, or $205 to $858
- Gross operations fees increased 30.2%, or $219 to $944. Key drivers included:
  - Processed transactions growth: 15.7%
  - Cross-border volume growth of 23.6%
  - GDV growth: 14.1%*
  - Pricing changes
- Net operations fees as a % of gross improved slightly:
  - Rebates tempered by adjustment

* On a local currency basis

1st Quarter Revenue - Assessments

($ in millions)

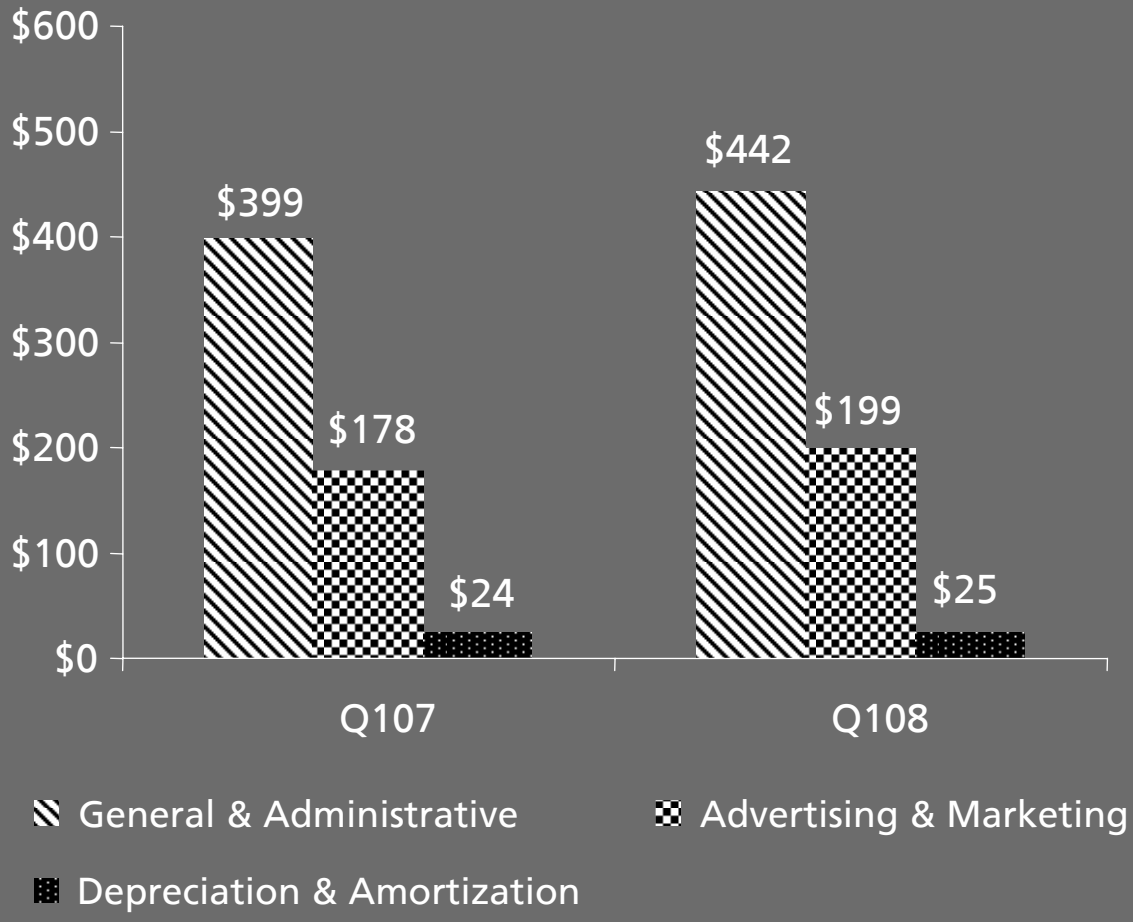


- Net assessments increased 23.7%, or $62, to $324
- Gross assessments increased 20.4%, or $94 to $554 due to strong GDV growth of 14.1%*
- Net assessments as a % of gross assessments improved slightly:
  - Rebates tempered by adjustment

* On a local currency basis

1st Quarter Operating Expenses

($ in Millions)



- Total operating expenses increased 10.9%, or $65, to $666
- G&A increased 10.9%, or $43, to $442 primarily due to:
  - Higher personnel costs for additional staff and contractors
- A&M increased 11.6%, or $21, to $199 primarily due:
  - Timing of certain expenses for sponsorships and promotions
  - Currency fluctuations

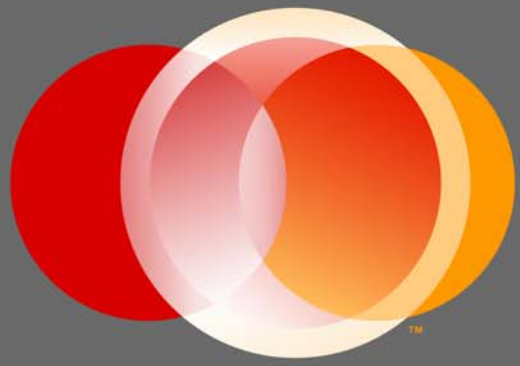
Cash Flow Statement and Balance Sheet Highlights

- Generated $224 million in cash flow from operations during the quarter
- Cash, cash equivalents and available-for-sale securities of $2.9 billion at 3/31/08
- Available-for-sale securities (short & long term) decreased $281 million primarily due to:
  - Sale of remaining shares of Redecard
  - Sale of short-term bond funds and auction rate securities
  - Investment losses
- Auction rate securities of $237 million reclassified to non-current assets
- Repurchased approximately 1.5 million Class A shares for $294 million
  - Stock repurchases resulted in a $0.02 per share increase to basic EPS for the quarter

Items for Consideration

- 2Q07 special items:
  - Litigation settlements of $3 million
  - Other income of $90 million related to the World Cup settlement agreement

- Thoughts for 2008:
  - Net revenue growth: slower than 2007, but still double-digit
  - G&A growth: slower than net revenue growth and below 2007 G&A growth rate
  - A&M growth: continued modest growth
  - Assume current F/X rates, no global recession and no event which significantly disrupts cross-border travel



MasterCard
Worldwide

The Heart of Commerce™

Appendix A: GAAP Reconciliation

Reconciliation to Net Income, Earnings Per Share and Total Operating Expenses

($ million)	For the three months ended 3/31/08			For the three months ended 3/31/07			YOY Growth
	Actual	Special Items	As Adjusted	Actual	Special Items	As Adjusted	As Adjusted
Revenues, net	$1,182	-	$1,182	$915	-	$915	29.2%
Operating Expenses							
General and administrative	442	-	442	399	-	399	10.9%
Advertising and marketing	199	-	199	178	-	178	11.6%
Litigation settlements	-	-	-	-		-	-
Depreciation and amortization	25	-	25	24	-	24	4.5%
Total operating expenses	666	-	666	601	-	601	10.9%
Operating income	516	-	516	314	-	314	64.2%
Operating Margin	*43.6%*	-	*43.6%*	*34.3%*	-	*34.3%*	*9.3 ppts.*
Other Income (Expense)							
Investment income, net	115	-	115	36	-	36	216.6%
Interest expense	(15)	-	(15)	(14)	-	(14)	6.7%
Other income, net	74	75 a	(1)	-	-	-	NM
Total other income	173	75	98	22	-	22	348.4%
Income before income taxes	689	75	614	336	-	336	82.7%
Income tax expense	242	26	216	121	-	121	78.2%
Net Income (loss)	$447	49	$398	$215	-	$215	85.3%
Basic Net Income (Loss) per Share	$3.40	$0.37	$3.03	$1.58	-	$1.58	91.8%
Diluted Net Income (Loss) per Share	$3.38	$0.37	$3.01	$1.57	-	$1.57	91.7%

a. $75 million gain from the termination of a customer business agreement

NM = Not meaningful
Figures may not sum due to rounding