Mastercard Incorporated

First Quarter 2022 Financial Results Conference Call

April 28, 2022

Business Update

- Key Trends
- Business Highlights
- Financial Overview

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1st Quarter Selected Financial Performance

($ in millions, except per share data)

	1Q 22 Non-GAAP	1Q 21 Non-GAAP	YOY Growth As adjusted	YOY Growth Currency-neutral
Adjusted net revenue	$ 5,136	$ 4,155	24%	27%
Adjusted operating expenses	2,182	1,958	11%	13%
Adjusted operating income	2,954	2,197	34%	40%
Adjusted operating margin	57.5 %	52.9 %	4.6 ppt	5.2 ppt
Adjusted net income	$ 2,702	$ 1,741	55%	61%
Adjusted diluted EPS	$ 2.76	$ 1.74	59%	65%
Adjusted effective tax rate	5.3% [1]	16.9 %		

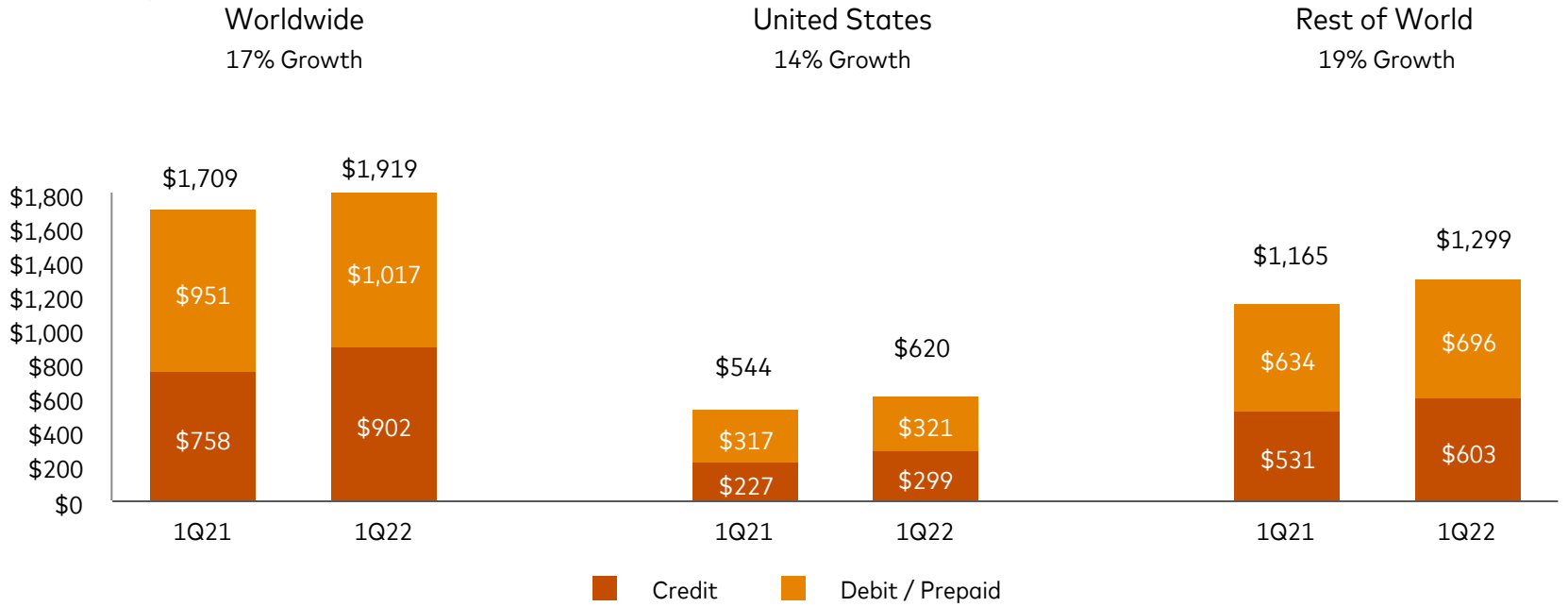
[1] Includes an 11.7 percentage point discrete tax benefit due to final U.S. tax regulations published in the current period resulting in a valuation allowance release of $333 million associated with the U.S. foreign tax credit carryforward deferred tax asset.

Note: See Appendix A for Non-GAAP reconciliation.

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1st Quarter Gross Dollar Volume (GDV)

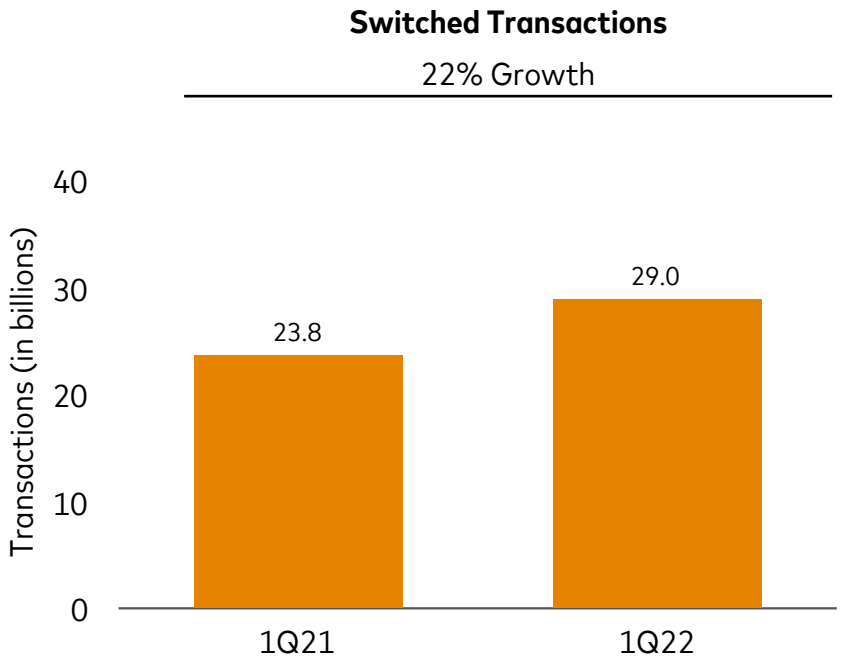
($ in billions)

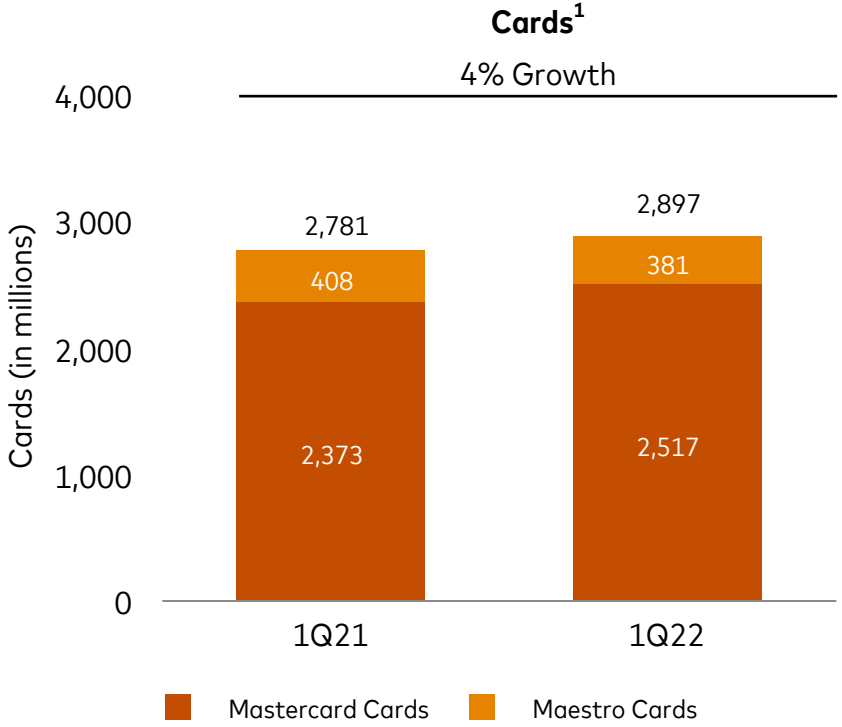


Notes: Growth rates are show in local currency.
Figures may not sum due to rounding.
In the first quarter of 2022, data related to sanctioned Russian banks was not reported to us and hence such amounts are not included.

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1st Quarter Switched Transactions and Cards





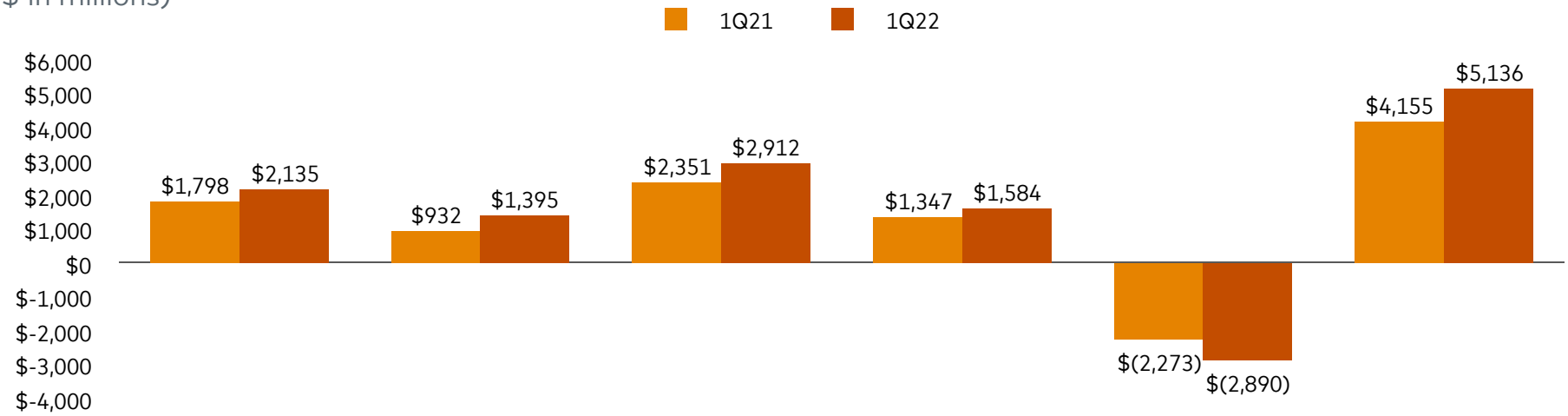
1.As a result of the suspension of our business operations during the first quarter of 2022, cards issued by Russian banks are no longer active on our network and are therefore excluded from our card counts.

Note: Figures may not sum due to rounding.

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1st Quarter Adjusted Revenue

($ in millions)



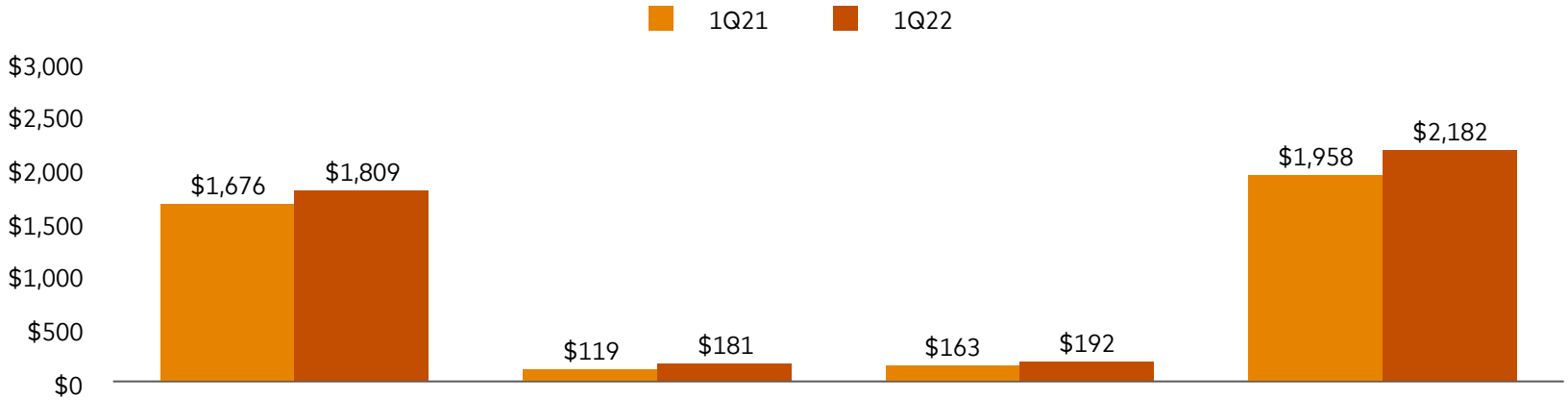
Growth	Domestic Assessments	Cross-Border Volume Fees	Transaction Processing	Other Revenues	Rebates and Incentives	Adjusted Net Revenue
Non-GAAP	19%	50%	24%	18%	27%	24%
Currency-neutral	21%	57%	27%	20%	30%	27%

Note: See Appendix A for Non-GAAP reconciliation. Figures may not sum due to rounding.

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1st Quarter Adjusted Operating Expenses

($ in millions)



Growth	General & Administrative	Advertising & Marketing	Depreciation & Amortization	Adjusted Operating Expenses
Non-GAAP	8%	52%	18%	11%
Currency-neutral	10%	56%	19%	13%

Note: See Appendix A for Non-GAAP reconciliation. Figures may not sum due to rounding.

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Business Update Through April 21st

	Year-over-year growth %					Current period as a percentage of 2019[1]				
	2022				2022	2022				2022
	Jan	Feb	Mar	Q1	Apr 21 MTD	Jan	Feb	Mar	Q1	Apr 21 MTD
Switched volume[2]	**27%**	**32%**	**23%**	**27%**	**23%**	**152%**	**156%**	**151%**	**153%**	**152%**
United States	16%	24%	12%	17%	11%	143%	143%	140%	142%	143%
Worldwide less U.S.	38%	39%	35%	37%	35%	160%	167%	163%	163%	160%
Switched transactions	**24%**	**27%**	**16%**	**22%**	**14%**	**154%**	**154%**	**141%**	**150%**	**139%**
Cross-border volume[2]	**47%**	**53%**	**58%**	**53%**	**60%**	**118%**	**125%**	**130%**	**124%**	**133%**
Intra-Europe	44%	52%	53%	50%	64%	130%	138%	138%	135%	147%
Other Cross-border	51%	53%	63%	56%	57%	108%	115%	123%	115%	120%
XB CNP ex travel	19%	13%	9%	13%	5%	189%	187%	178%	184%	179%
XB Travel (CP + CNP travel)	114%	142%	163%	141%	179%	79%	93%	105%	93%	110%

1. Represents volume or transactions expressed as a percentage of the comparable 2019 amounts, adjusted for currency impacts.
2. Mastercard-branded programs only; on a local currency basis.

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Looking Ahead

Further thoughts on 2022

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Appendices

Appendix A
Non-GAAP Reconciliation
($ in millions, except per share data)

	Three Months Ended March 31, 2022							
	Net revenue	Operating expenses	Operating income	Operating margin	Other Income (Expense)	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	$ 5,167	$ 2,217	$ 2,950	57.1 %	$ (177)	5.1 %	$ 2,631	$ 2.68
(Gains) losses on equity investments [1]	**	**	**	**	76	0.2 %	67	0.07
Russia-related impacts [2]	(30)	(34)	4	0.4	**	— %	3	—
Adjusted - Non-GAAP	$ 5,136	$ 2,182	$ 2,954	57.5 %	$ (101)	5.3 %	$ 2,702	$ 2.76

	Three Months Ended March 31, 2021							
	Net revenue	Operating expenses	Operating income	Operating margin	Other Income (Expense)	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	$ 4,155	$ 1,958	$ 2,197	52.9 %	$ (7)	16.5 %	$ 1,828	$ 1.83
(Gains) losses on equity investments [1]	**	**	**	**	(94)	0.4 %	(87)	(0.09)
Adjusted - Non-GAAP	$ 4,155	$ 1,958	$ 2,197	52.9 %	$ (101)	16.9 %	$ 1,741	$ 1.74

Note: Figures may not sum due to rounding.

** Not applicable.

[1] Q1'22 and Q1'21, pre-tax net losses of $76 million and net gains of $94 million, respectively, were primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

[2] Q1'22 pre-tax charges of $4 million were directly related to imposed sanctions and the suspension of our business operations in Russia. The net charge is comprised of general and administrative expenses of $34 million primarily related to reserves on uncollectible balances with certain sanctioned customers, offset by a net benefit of $30 million in rebates and incentives (contra-revenue) primarily related to a reduction in liabilities as a result of lower estimates of customer performance for certain customer business agreements due to the suspension of our business operations in Russia.

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Appendix A (continued)
Non-GAAP Reconciliation

	Three Months Ended March 31, 2022 as compared to the Three Months Ended March 31, 2021						
	Increase/(Decrease)						
	Net revenue	Operating expenses	Operating income	Operating margin	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	24 %	13 %	34 %	4.2 ppt	(11.4) ppt	44 %	46 %
(Gains) losses on equity investments [1]	**	**	**	**	(0.2) ppt	11 %	12 %
Russia-related impacts [2]	(1)%	(2)%	— %	0.4 ppt	— ppt	— %	— %
Adjusted - Non-GAAP	24 %	11 %	34 %	4.6 ppt	(11.6) ppt	55 %	59 %
Currency impact [3]	3 %	2 %	5 %	0.7 ppt	0.1 ppt	6 %	6 %
Adjusted - Non-GAAP - currency-neutral	27 %	13 %	40 %	5.2 ppt	(11.6) ppt	61 %	65 %

Note: Figures may not sum due to rounding.

** Not applicable.

[1] Q1'22 and Q1'21, pre-tax net losses of $76 million and net gains of $94 million, respectively, were primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

[2] Q1'22 pre-tax charges of $4 million were directly related to imposed sanctions and the suspension of our business operations in Russia. The net charge is comprised of general and administrative expenses of $34 million primarily related to reserves on uncollectible balances with certain sanctioned customers, offset by a net benefit of $30 million in rebates and incentives (contra-revenue) primarily related to a reduction in liabilities as a result of lower estimates of customer performance for certain customer business agreements due to the suspension of our business operations in Russia.

[3] Represents the translational and transactional impact of currency and the related impact of the company's foreign exchange derivative contracts designated as cash flow hedging instruments.

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Appendix B

Non-GAAP Reconciliation

2022 financial outlook

	Prior 2022 vs. 2021 Increase/(Decrease)		Updated 2022 vs. 2021 Increase/(Decrease)	
	Net Revenue	Operating Expenses	Net Revenue	Operating Expenses
Forecasted Growth - GAAP [1]	High-teens	Low-double-digits	High-end of mid-teens	High-single-digits
Russia-related impacts [2]	**	**	-%	-%
Litigation provisions [3]	**	1%	**	1%
Indirect tax matter [4]	**	1%	**	1%
Non-GAAP Growth	High-teens	Low-teens	High-end of mid-teens	Low-end of low-double-digits
Currency impact [5]	1-2%	~1%	3-4%	2-3%
Acquisitions [6]	~(1)%	(4-5)%	~(1)%	(4-5)%
Non-GAAP Growth, currency-neutral, excl. acq.	High-end of high-teens	Low-end of low-double-digits	High-end of high-teens	High-single-digits

** Not applicable.

[1] GAAP - FY2022 forecast versus FY2021 reported results.

[2] Impact of Q1'22 Russia-related impacts ($30M) in net revenue and ($34M) in operating expenses.

[3] Impact of FY2021 provisions for litigation ($94M).

[4] Impact of FY2021 indirect tax matter ($82M).

[5] Represents the projected translational and transactional impact of currency and the related impact of the company's foreign exchange derivative contracts designated as cash flow hedging instruments.

[6] Acquisitions completed after the beginning of 2021.

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Appendix C

Non-GAAP Reconciliation

Second quarter 2022 financial outlook

	Q2'22 vs. Q2'21 Increase/(Decrease)	
	Net Revenue	**Operating Expenses**
Forecasted Growth - GAAP [1]	Mid-teens	Mid-single-digits
Litigation provisions [2]	**	3%
Non-GAAP Growth	Mid-teens	High-end of high-single digits
Currency impact [3]	5-6%	3-4%
Acquisitions [4]	~(1)%	(4-5)%
Non-GAAP Growth, currency-neutral, excluding acquisitions	High-end of high-teens	High-single-digits

** Not applicable.

[1] GAAP - Q2'22 forecast versus Q2'21 reported results.

[2] Impact of Q2'21 litigation provision ($67M).

[3] Represents the projected translational and transactional impact of currency and the related impact of the company's foreign exchange derivative contracts designated as cash flow hedging instruments.

[4] Acquisitions completed after the beginning of 2021.

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Appendix D

Business Update Through April 21st Excluding Russia[1]

	Year-over-year growth %					Current period as a percentage of 2019[2]				
	2022				2022	2022				2022
	Jan	Feb	Mar	Q1	Apr 21 MTD	Jan	Feb	Mar	Q1	Apr 21 MTD
Switched volume[3]	**27%**	**32%**	**25%**	**28%**	**27%**	**151%**	**154%**	**153%**	**153%**	**156%**
United States	16%	24%	12%	17%	11%	143%	143%	140%	142%	143%
Worldwide less U.S.	39%	39%	39%	39%	44%	159%	165%	167%	164%	168%
Switched transactions	**23%**	**27%**	**23%**	**24%**	**25%**	**151%**	**151%**	**147%**	**150%**	**149%**
Cross-border volume[3]	**46%**	**52%**	**59%**	**52%**	**65%**	**117%**	**124%**	**130%**	**123%**	**135%**
Intra-Europe	43%	52%	53%	50%	66%	129%	137%	138%	135%	148%
Other Cross-border	49%	51%	65%	56%	64%	106%	112%	122%	114%	124%
XB CNP ex travel	17%	12%	10%	13%	7%	186%	184%	178%	183%	182%
XB Travel (CP + CNP travel)	115%	142%	165%	142%	190%	78%	92%	104%	92%	112%

1. As a result of imposed sanctions and the suspension of our business operations during the first quarter of 2022, we have provided adjusted growth rates for our key operating metrics excluding activity from Russian issued cards from the current and prior periods.
2. Represents volume or transactions expressed as a percentage of the comparable 2019 amounts, adjusted for currency impacts.
3. Mastercard-branded programs only; on a local currency basis.

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