

Mastercard Incorporated

Second Quarter 2025 Financial Results Conference Call

July 31, 2025



Business Update

Business Highlights

Financial Overview



2nd Quarter Selected Financial Performance

(\$ in millions, except per share data)

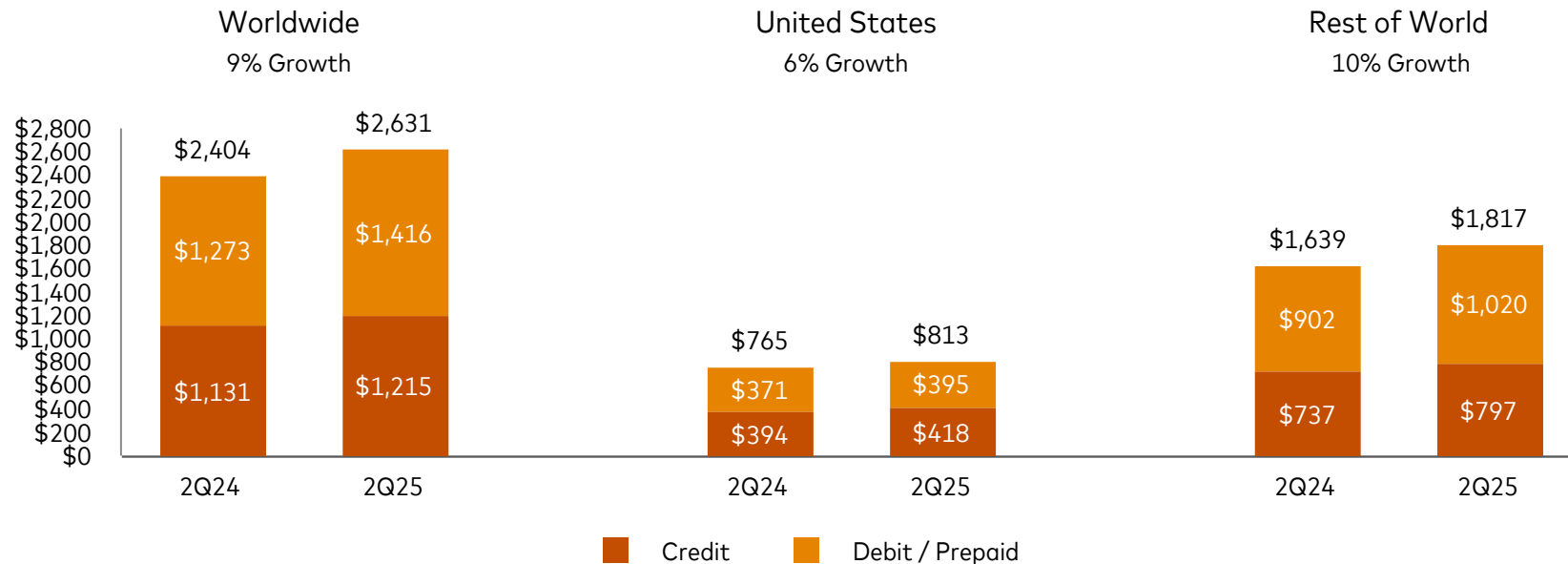
| | 2Q 25 Non-GAAP | 2Q 24 Non-GAAP | YOY Growth | |
|----------------------------------|-------------------|-------------------|-------------|------------------|
| | | | As adjusted | Currency-neutral |
| Net revenue | \$ 8,133 | \$ 6,961 | 17% | 16% |
| Adjusted operating expenses | 3,260 | 2,828 | 15% | 14% |
| Adjusted operating income | 4,873 | 4,133 | 18% | 17% |
| <i>Adjusted operating margin</i> | 59.9 % | 59.4 % | 0.5 ppt | 0.5 ppt |
| Adjusted net income | \$ 3,769 | \$ 3,341 | 13% | 12% |
| Adjusted diluted EPS | \$ 4.15 | \$ 3.59 | 16% | 14% |
| Adjusted effective tax rate | 20.9% | 17.5 % | | |

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



2nd Quarter Gross Dollar Volume (GDV)

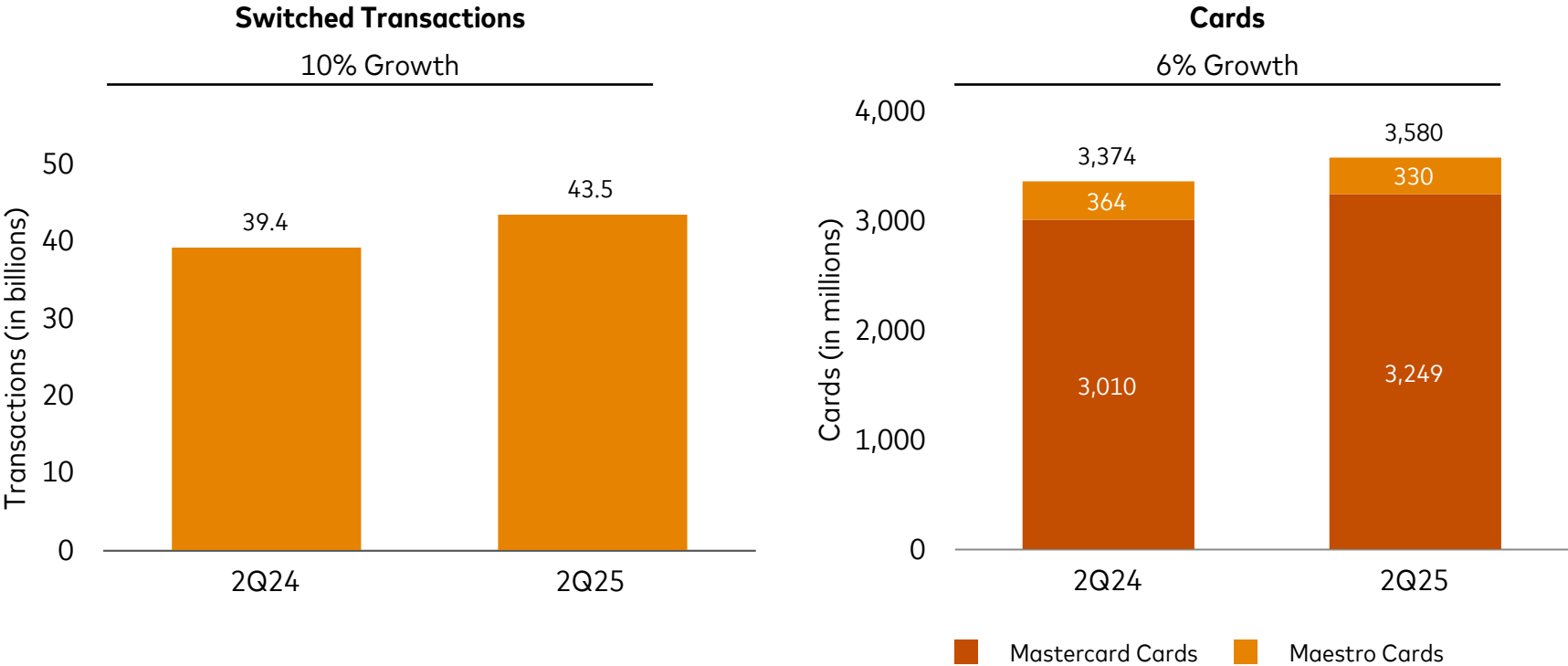
(\$ in billions)



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



2nd Quarter Switched Transactions and Cards

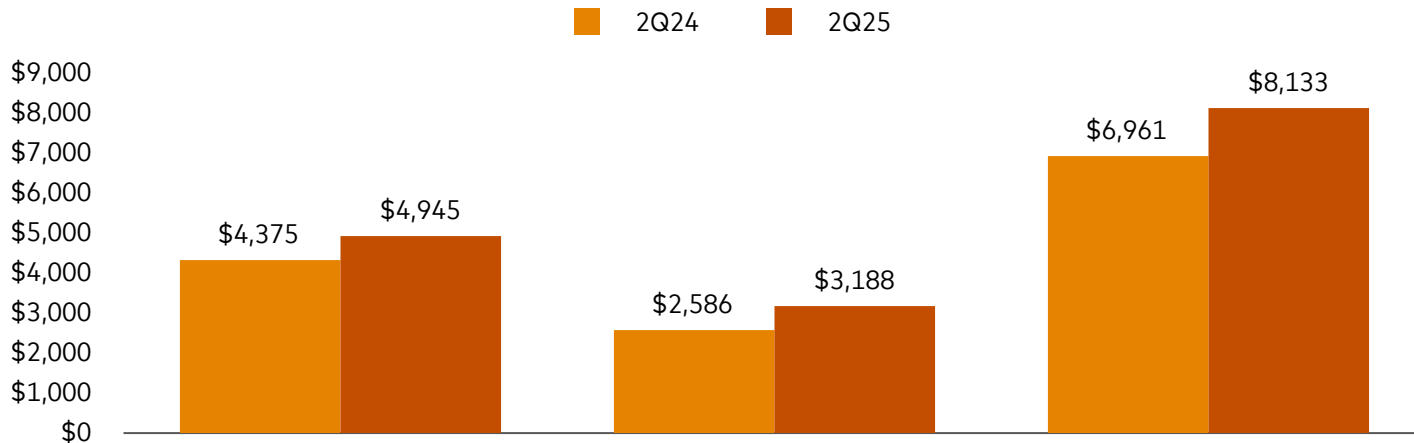


Note: Figures may not sum due to rounding.



2nd Quarter Net Revenue

(\$ in millions)



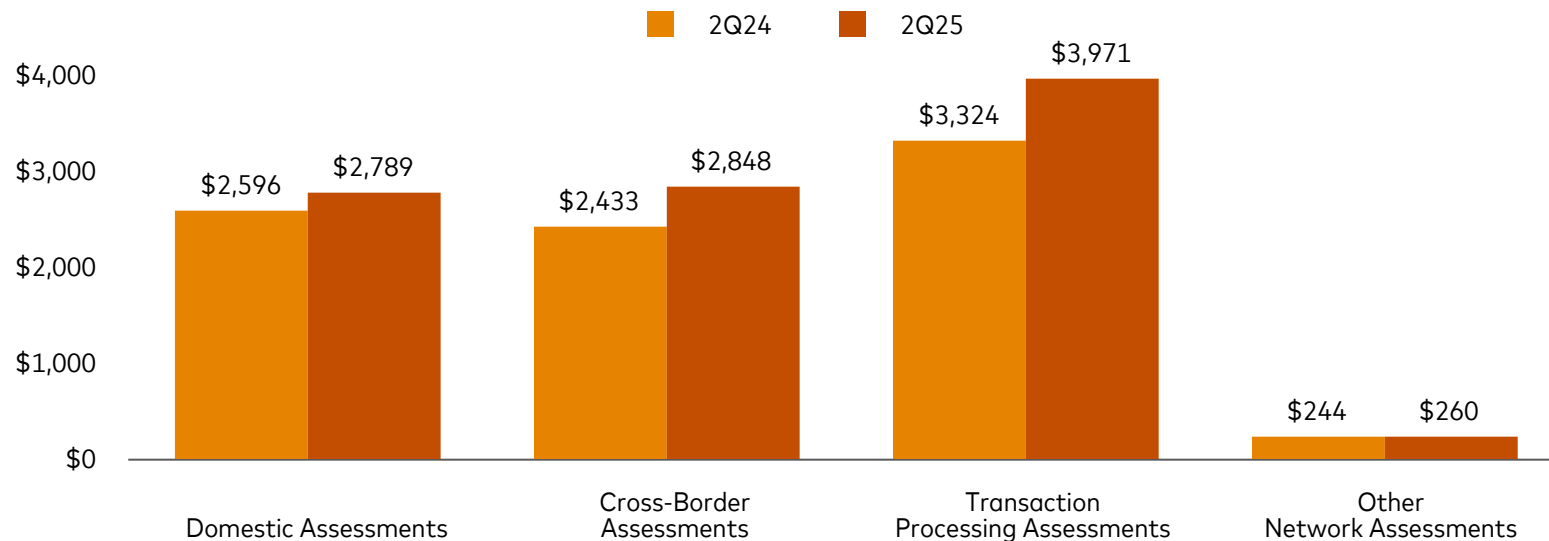
| Growth | Payment Network ¹ | Value-added Services and Solutions | Total Net Revenue |
|-------------------------|------------------------------|------------------------------------|-------------------|
| GAAP | 13% | 23% | 17% |
| Currency-neutral | 13% | 22% | 16% |

¹ Payment Network is presented net of rebates and incentives of \$4,923 million and \$4,222 million for Q2'25 and Q2'24, respectively, which grew year-over-year by 17%, or 16% on a currency-neutral basis.



2nd Quarter Key Metrics related to the Payment Network

(\$ in millions)

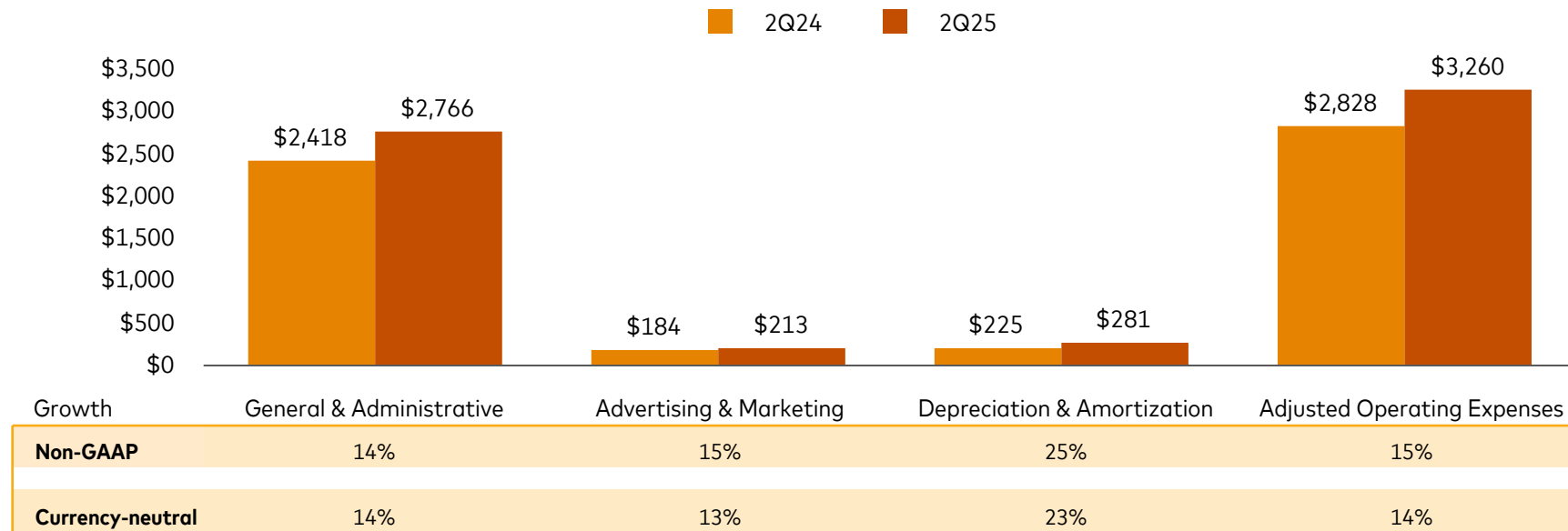


| | | | | |
|---|----|-----|-----|----|
| Increase/(Decrease) | 7% | 17% | 19% | 7% |
| Increase/(Decrease) Currency-neutral | 9% | 15% | 18% | 7% |



2nd Quarter Adjusted Operating Expenses

(\$ in millions)



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



Business Update Through July 28th

| | Year-over-year growth % | | | | | |
|--|-------------------------|------------|------------|------------|------------|------------|
| | 2025 | | | | | |
| | Q1 | Apr | May | Jun | Q2 | Jul 28 MTD |
| Switched volume¹ | 11% | 12% | 12% | 9% | 11% | 11% |
| United States | 7% | 9% | 8% | 4% | 7% | 8% |
| Worldwide less U.S. | 14% | 15% | 14% | 12% | 14% | 13% |
| Switched transactions | 9% | 11% | 11% | 9% | 10% | 10% |
| Cross-border volume¹ | 15% | 16% | 15% | 14% | 15% | 14% |
| Intra-Europe | 15% | 18% | 17% | 17% | 17% | 16% |
| Other Cross-border | 16% | 15% | 12% | 11% | 13% | 12% |
| XB CNP ex travel | 19% | 20% | 21% | 19% | 20% | 21% |
| XB Travel (CP + CNP travel) | 12% | 14% | 10% | 12% | 12% | 10% |

1. Mastercard-branded programs only; on a local currency basis.

July 31, 2025



Looking Ahead

———— Further thoughts on 2025



Appendices



Appendix A

Non-GAAP Reconciliation

(\$ in millions, except per share data)

| Three Months Ended June 30, 2025 | | | | | | | |
|---|--------------------|------------------|------------------|------------------------|---------------------------|-----------------|----------------------------|
| | Operating expenses | Operating income | Operating margin | Other income (expense) | Effective income tax rate | Net income | Diluted earnings per share |
| Reported - GAAP | \$ 3,356 | \$ 4,777 | 58.7 % | \$ (105) | 20.8 % | \$ 3,701 | \$ 4.07 |
| (Gains) losses on equity investments ¹ | ** | ** | ** | (4) | 0.1 % | (5) | (0.01) |
| Litigation provisions ² | (96) | 96 | 1.2 % | ** | 0.1 % | 73 | 0.08 |
| Adjusted - Non-GAAP | <u>\$ 3,260</u> | <u>\$ 4,873</u> | <u>59.9 %</u> | <u>\$ (109)</u> | <u>20.9 %</u> | <u>\$ 3,769</u> | <u>\$ 4.15</u> |

| Three Months Ended June 30, 2024 | | | | | | | |
|---|--------------------|------------------|------------------|------------------------|---------------------------|-----------------|----------------------------|
| | Operating expenses | Operating income | Operating margin | Other income (expense) | Effective income tax rate | Net income | Diluted earnings per share |
| Reported - GAAP | \$ 2,925 | \$ 4,036 | 58.0 % | \$ (97) | 17.3 % | \$ 3,258 | \$ 3.50 |
| (Gains) losses on equity investments ¹ | ** | ** | ** | 13 | — % | 10 | 0.01 |
| Litigation provisions ³ | (98) | 98 | 1.4 % | ** | 0.2 % | 73 | 0.08 |
| Adjusted - Non-GAAP | <u>\$ 2,828</u> | <u>\$ 4,133</u> | <u>59.4 %</u> | <u>\$ (84)</u> | <u>17.5 %</u> | <u>\$ 3,341</u> | <u>\$ 3.59</u> |

Note: Figures may not sum due to rounding.

** Not applicable.

¹ Represents Q2'25 net pre-tax gains of \$4 million and Q2'24 net pre-tax losses of \$13 million primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

² Represents Q2'25 pre-tax charges of \$96 million primarily due to a legal provision associated with the ATM non-discrimination rule surcharge complaints.

³ Represents Q2'24 pre-tax charges of \$98 million primarily as a result of settlements with a number of U.K. merchants.



Appendix A (continued)

Non-GAAP Reconciliation

| Three Months Ended June 30, 2025 as compared to the Three Months Ended June 30, 2024 | | | | | | |
|--|--------------------|------------------|------------------|---------------------------|------------|----------------------------|
| Increase/(Decrease) | | | | | | |
| | Operating expenses | Operating income | Operating margin | Effective income tax rate | Net income | Diluted earnings per share |
| Reported - GAAP | 15 % | 18 % | 0.8 ppt | 3.5 ppt | 14 % | 16 % |
| (Gains) losses on equity investments ¹ | ** | ** | ** | — ppt | (1)% | (1)% |
| Litigation provisions ^{2,3} | 1 % | — % | (0.2) ppt | (0.1) ppt | — % | — % |
| Adjusted - Non-GAAP | 15 % | 18 % | 0.5 ppt | 3.4 ppt | 13 % | 16 % |
| Currency impact ⁴ | (1)% | (1)% | — ppt | — ppt | (1)% | (1)% |
| Adjusted - Non-GAAP - currency-neutral | 14 % | 17 % | 0.5 ppt | 3.4 ppt | 12 % | 14 % |

Note: Figures may not sum due to rounding.

** Not applicable.

¹ Represents Q2'25 net pre-tax gains of \$4 million and Q2'24 net pre-tax losses of \$13 million primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

² Represents Q2'25 pre-tax charges of \$96 million primarily due to a legal provision associated with the ATM non-discrimination rule surcharge complaints.

³ Represents Q2'24 pre-tax charges of \$98 million primarily as a result of settlements with a number of U.K. merchants.

⁴ 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 (specifically those that manage the impact of foreign currency variability on anticipated revenues and expenses).



Appendix B

Non-GAAP Reconciliation

2025 financial outlook

| | Prior 2025 vs. 2024 Increase/(Decrease) | | Updated 2025 vs. 2024 Increase/(Decrease) | |
|--|--|------------------------------|--|------------------------------|
| | Net Revenue | Operating Expenses | Net Revenue | Operating Expenses |
| Forecasted Growth - GAAP¹ | Low teens | High single digits | High end of mid-teens | High single digits |
| Litigation provisions² | ** | 5% | ** | 4% |
| Restructuring charge³ | ** | 2% | ** | 2% |
| Non-GAAP Growth | Low teens | Mid-teens | High end of mid-teens | High end of mid-teens |
| Currency impact⁴ | ~0% | ~0% | (1-2)% | (0-1)% |
| Acquisitions⁵ | (1-1.5)% | ~(5)% | (1-1.5)% | (4-5)% |
| Non-GAAP Growth, currency-neutral, excl. acq. | High end of low double digits to low teens | Low end of low double digits | Low teens | Low end of low double digits |

** Not applicable.

¹ GAAP - FY2025 forecast versus FY2024 reported results.

Full Year Special Items

² Impact of FY2024 litigation provisions (\$680M) and YTD Q2'25 litigation provisions (\$247M).

³ Impact of FY2024 restructuring charge (\$190M).

Other Notes

⁴ 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 (specifically those that manage the impact of foreign currency variability on anticipated revenues and expenses).

⁵ Acquisitions completed after the beginning of 2024.



Appendix C

Non-GAAP Reconciliation

Third quarter 2025 financial outlook

Forecasted Growth - GAAP ¹

Litigation provisions ²

Restructuring charge ³

Non-GAAP Growth

Currency impact ⁴

Acquisitions ⁵

Non-GAAP Growth, currency-neutral, excluding acquisitions

Q3'25 vs. Q3'24
Increase/(Decrease)

Net Revenue

Operating Expenses

High end of
mid-teens

Low single digits

**

6%

**

6%

High end of
mid-teens

High end of
mid-teens

(1-2)%

(0-1)%

(1-1.5)%

~(5)%

High end of
low double digits

Low end of
low double digits

** Not applicable.

¹ GAAP - Q3'25 forecast versus Q3'24 reported results.

Third Quarter Special Items

² Impact of Q3'24 litigation provisions (\$176M).

³ Impact of Q3'24 restructuring charge (\$190M).

Other Notes

⁴ 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 (specifically those that manage the impact of foreign currency variability on anticipated revenues and expenses).

⁵ Acquisitions completed after the beginning of 2024.

July 31, 2025

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Forward-Looking Statements

This earnings presentation contains forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts may be forward-looking statements. When used in this earnings presentation, the words "believe", "expect", "could", "may", "would", "will", "trend" and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements that relate to the company's future prospects, developments and business strategies. We caution you to not place undue reliance on these forward-looking statements, as they speak only as of the date they are made. Except for the company's ongoing obligations under the U.S. federal securities laws, the company does not intend to update or otherwise revise the forward-looking information to reflect actual results of operations, changes in financial condition, changes in estimates, expectations or assumptions, changes in general economic or industry conditions or other circumstances arising and/or existing since the preparation of this earnings presentation or to reflect the occurrence of any unanticipated events.

Many factors and uncertainties relating to our operations and business environment, all of which are difficult to predict and many of which are outside of our control, influence whether any forward-looking statements can or will be achieved. Any one of those factors could cause our actual results to differ materially from those expressed or implied in writing in any forward-looking statements made by Mastercard or on its behalf, including, but not limited to, the following factors:

- regulation related to the payments industry (including regulatory, legislative and litigation activity with respect to interchange rates and surcharging)
- the impact of preferential or protective government actions
- regulation of privacy, data, AI, information security and the digital economy
- regulation that directly or indirectly applies to us based on our participation in the global payments industry (including anti-money laundering, countering the financing of terrorism, economic sanctions and anti-corruption, account-based payments systems, and issuer and acquirer practices regulation)
- the impact of changes in tax laws, as well as regulations and interpretations of such laws or challenges to our tax positions
- potential or incurred liability and limitations on business related to any litigation or litigation settlements
- the impact of competition in the global payments industry (including disintermediation and pricing pressure)
- the challenges relating to rapid technological developments and changes
- the challenges relating to operating a real-time account-based payments system and to working with new customers and end users
- the impact of information security incidents, account data breaches or service disruptions
- issues related to our relationships with our stakeholders (including loss of substantial business from significant customers, competitor relationships with our customers, consolidation amongst our customers, merchants' continued focus on acceptance costs and unique risks from our work with governments)
- the impact of global economic, political, financial and societal events and conditions, including adverse currency fluctuations and foreign exchange controls
- reputational impact, including impact related to brand perception and lack of visibility of our brands in products and services
- the impact of environmental, social and governance matters and related stakeholder reaction
- the inability to attract and retain a highly qualified workforce, or maintain our corporate culture
- issues related to acquisition integration, strategic investments and entry into new businesses
- exposure to loss or illiquidity due to our role as guarantor as well as other contractual obligations and discretionary actions we may take
- issues related to our Class A common stock and corporate governance structure

For additional information on these and other factors that could cause the company's actual results to differ materially from expected results, please see the company's filings with the Securities and Exchange Commission, including the company's Annual Report on Form 10-K for the year ended December 31, 2024 and any subsequent reports on Forms 10-Q and 8-K.

