

Mastercard Incorporated

Fourth Quarter and Full Year 2025 Financial Results Conference Call

January 29, 2026



Business Update

Business Highlights

Financial Overview



4th Quarter Selected Financial Performance

(\$ in millions, except per share data)

	4Q 25	4Q 24	YOY Growth	
	Non-GAAP	Non-GAAP	As adjusted	Currency-neutral
Net revenue	\$ 8,806	\$ 7,489	18%	15%
Adjusted operating expenses	<u>3,721</u>	<u>3,270</u>	14%	12%
Adjusted operating income	5,085	4,219	21%	17%
<i>Adjusted operating margin</i>	57.7 %	56.3 %	1.4 ppt	1.0 ppt
Adjusted net income	<u>\$ 4,278</u>	<u>\$ 3,513</u>	22%	17%
Adjusted diluted EPS	<u>\$ 4.76</u>	<u>\$ 3.82</u>	25%	20%
Adjusted effective tax rate	17.0%	14.9 %		

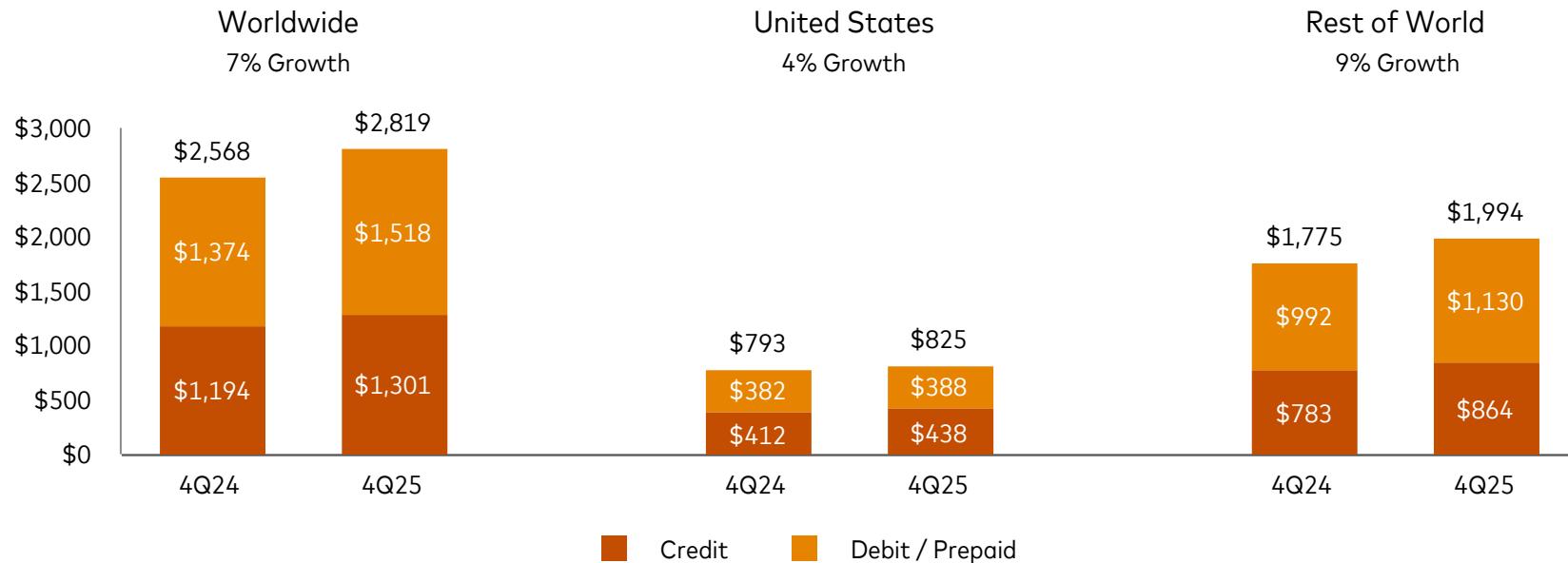
Note: See Appendix A for Non-GAAP reconciliation.

Figures may not sum due to rounding.



4th Quarter Gross Dollar Volume (GDV)

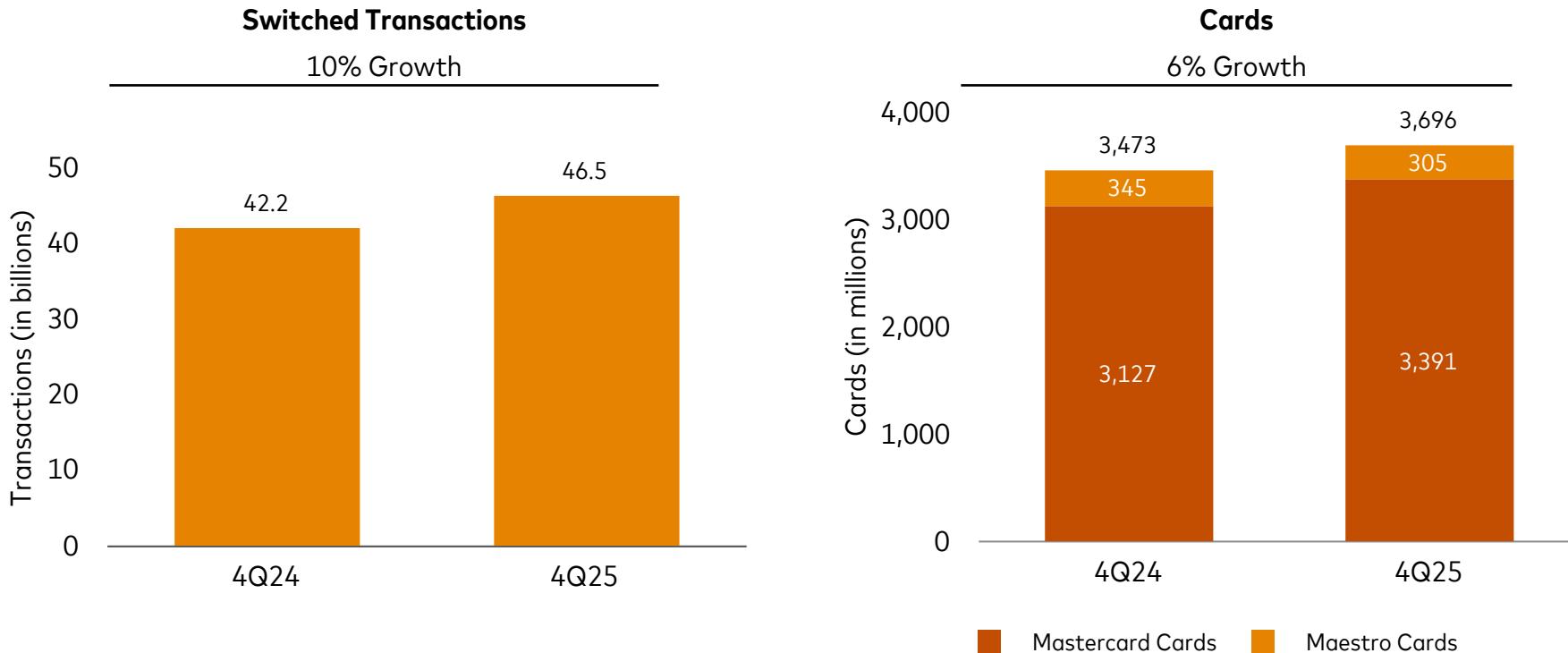
(\$ in billions)



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



4th Quarter Switched Transactions and Cards

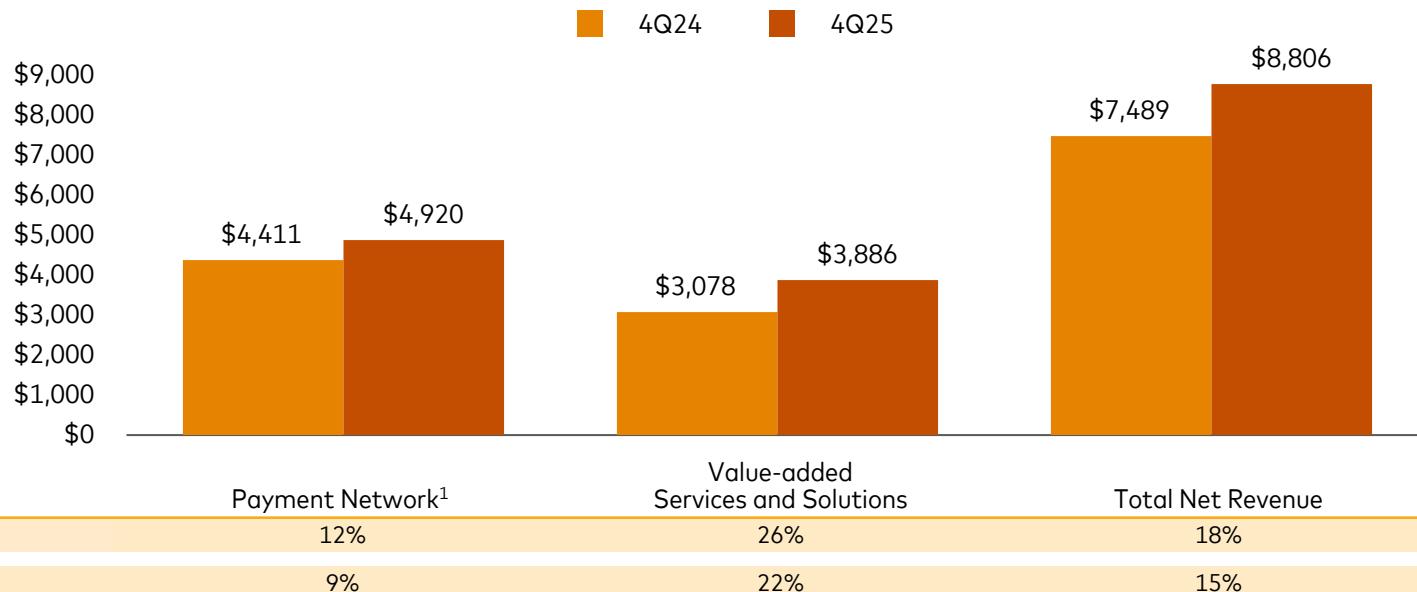


Note: Figures may not sum due to rounding.



4th Quarter Net Revenue

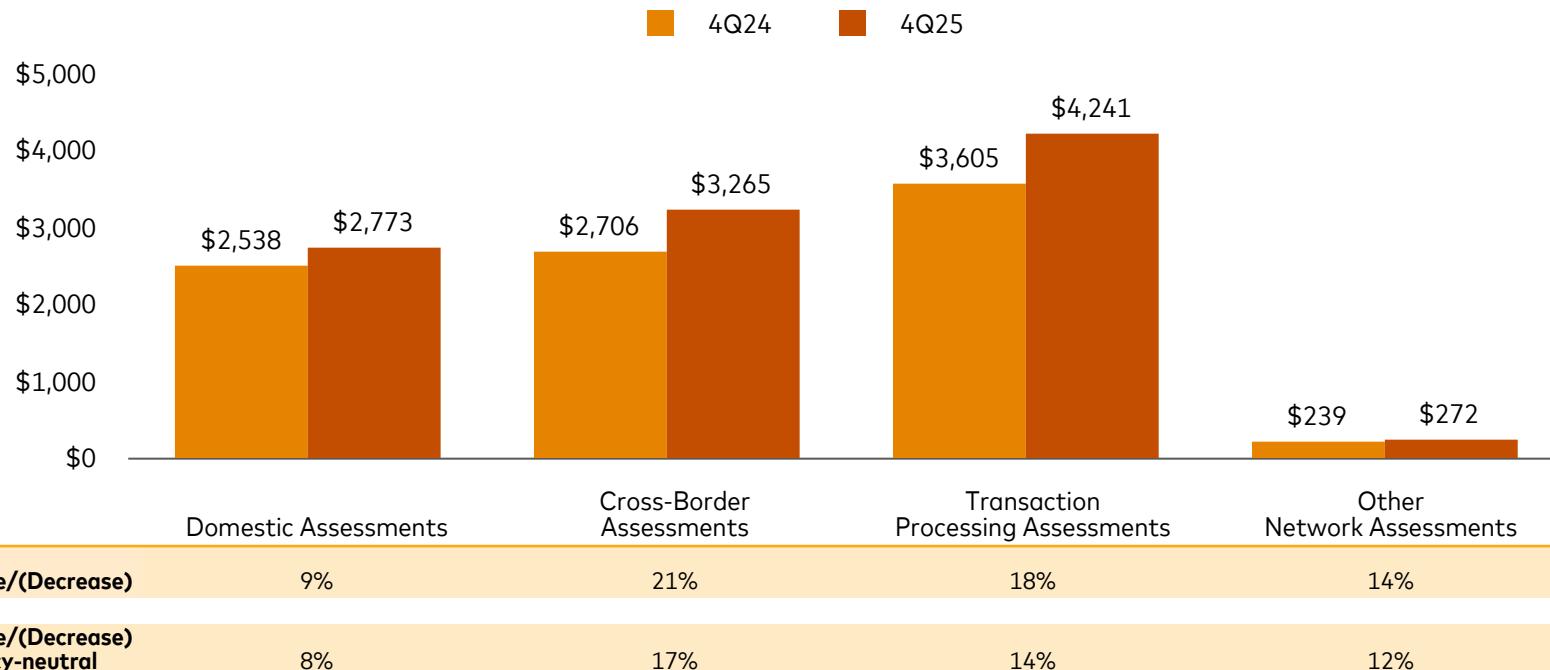
(\$ in millions)



¹Payment Network is presented net of rebates and incentives of \$5,631 million and \$4,677 million for Q4 '25 and Q4 '24, respectively, which grew year-over-year by 20%, or 17% on a currency-neutral basis.

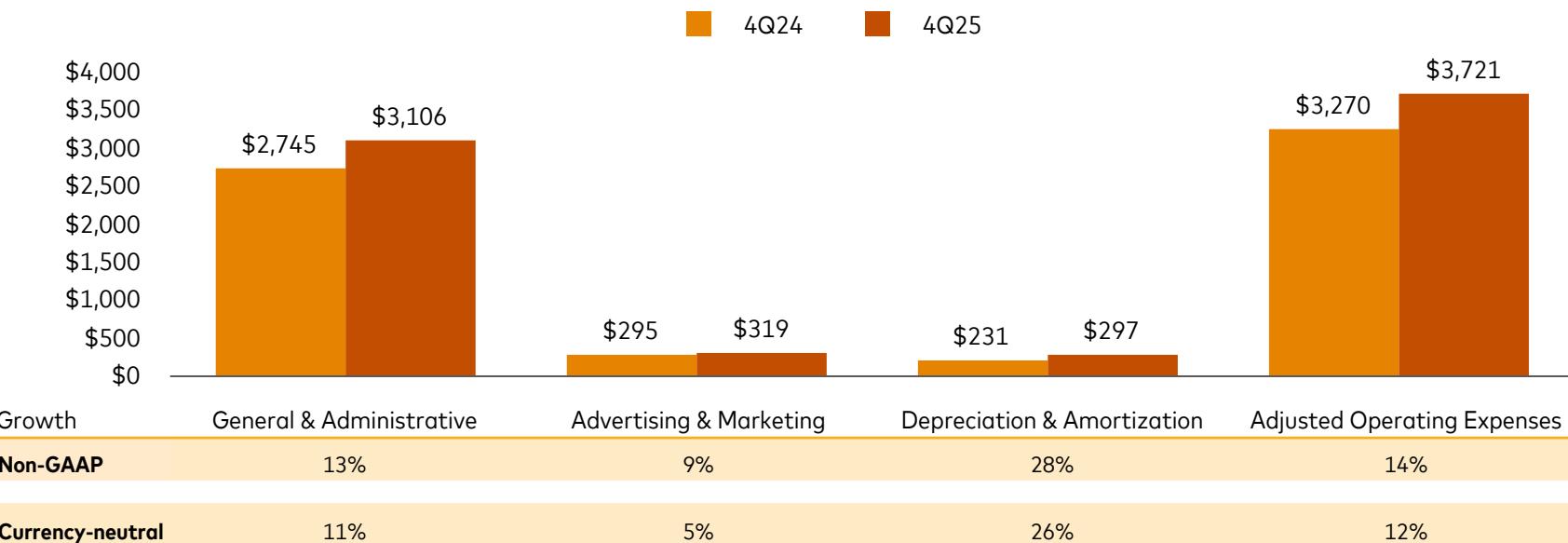


4th Quarter Key Metrics related to the Payment Network (\$ in millions)



4th Quarter Adjusted Operating Expenses

(\$ in millions)



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



Business Update Through January 21st

Year-over-year growth %

	2025				2026	
	Q3	Oct	Nov	Dec	Q4	Jan 21 MTD
Switched volume¹	11%	9%	9%	9%	9%	9%
United States	8%	5%	4%	5%	5%	5%
Worldwide less U.S.	13%	12%	12%	12%	12%	12%
Switched transactions	10%	10%	10%	10%	10%	10%
Cross-border volume¹	15%	14%	15%	14%	14%	13%
Intra-Europe	16%	16%	16%	14%	15%	13%
Other Cross-border	13%	13%	13%	14%	13%	13%
XB CNP ex travel	21%	20%	18%	18%	19%	18%
XB Travel (CP + CNP travel)	11%	10%	11%	11%	11%	9%

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



Looking Ahead

Thoughts on 2026



Appendices



Appendix A

Non-GAAP Reconciliation

(\$ in millions, except per share data)

	Three Months Ended December 31, 2025						
	Operating expenses	Operating income	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	\$ 3,896	\$ 4,910	55.8 %	\$ (34)	16.7 %	\$ 4,060	\$ 4.52
(Gains) losses on equity investments ¹	**	**	**	104	(0.3)%	101	0.11
Litigation provisions ²	(174)	174	2.0 %	**	0.6 %	117	0.13
Adjusted - Non-GAAP	<u>\$ 3,721</u>	<u>\$ 5,085</u>	<u>57.7 %</u>	<u>\$ 69</u>	<u>17.0 %</u>	<u>\$ 4,278</u>	<u>\$ 4.76</u>

	Three Months Ended December 31, 2024						
	Operating expenses	Operating income	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	\$ 3,551	\$ 3,938	52.6 %	\$ (47)	14.1 %	\$ 3,342	\$ 3.64
(Gains) losses on equity investments ¹	**	**	**	(40)	0.2 %	(42)	(0.05)
Litigation provisions ³	(280)	280	3.7 %	**	0.6 %	214	0.23
Adjusted - Non-GAAP	<u>\$ 3,270</u>	<u>\$ 4,219</u>	<u>56.3 %</u>	<u>\$ (88)</u>	<u>14.9 %</u>	<u>\$ 3,513</u>	<u>\$ 3.82</u>

Note: Figures may not sum due to rounding.

** Not applicable.

¹ Represents Q4'25 net pre-tax losses of \$104 million and Q4'24 net pre-tax gains of \$40 million primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

² Represents Q4'25 pre-tax charges of \$174 million primarily as a result of a change in estimate related to the claims of merchants who opted out of the U.S. merchant class litigation.

³ Represents Q4'24 pre-tax charges of \$280 million primarily as a result of a legal provision associated with the U.K. consumer class action settlement and settlements with a number of U.K. merchants.



Appendix A (continued)

Non-GAAP Reconciliation

Three Months Ended December 31, 2025 as compared to the Three Months Ended December 31, 2024

	Increase/(Decrease)					
	Operating expenses	Operating income	Operating margin	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	10 %	25 %	3.2 ppt	2.6 ppt	22 %	24 %
(Gains) losses on equity investments ¹	**	**	**	(0.5) ppt	5 %	5 %
Litigation provisions ^{2,3}	4 %	(4)%	(1.8) ppt	(0.1) ppt	(4)%	(4)%
Adjusted - Non-GAAP	14 %	21 %	1.4 ppt	2.1 ppt	22 %	25 %
Currency impact ⁴	(2)%	(4)%	(0.4) ppt	0.3 ppt	(4)%	(5)%
Adjusted - Non-GAAP - currency-neutral	12 %	17 %	1.0 ppt	2.4 ppt	17 %	20 %

Note: Figures may not sum due to rounding.

** Not applicable.

¹ Represents Q4'25 net pre-tax losses of \$104 million and Q4'24 net pre-tax gains of \$40 million primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

² Represents Q4'25 pre-tax charges of \$174 million primarily as a result of a change in estimate related to the claims of merchants who opted out of the U.S. merchant class litigation.

³ Represents Q4'24 pre-tax charges of \$280 million primarily as a result of a legal provision associated with the U.K. consumer class action settlement and 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

2026 financial outlook

	2026 vs. 2025 Increase/(Decrease)	
	Net Revenue	Operating Expenses
Forecasted Growth - GAAP ¹	High end of low double digits	High end of high single digits
Litigation provisions ²	**	~4%
Restructuring charge ³	**	~(1)%
Non-GAAP Growth	High end of low double digits	Low double digits
Currency impact ⁴	(1-1.5)%	(0.5-1)%
Acquisitions and Dispositions ⁵	~0%	~0%
Non-GAAP Growth, currency-neutral, excluding acquisitions and dispositions	High end of low double digits	Low end of low double digits

** Not applicable.

¹ GAAP - FY2026 forecast versus FY2025 reported results.

Full Year Special Items

² Impact of FY2025 litigation provisions (\$504M).

³ Impact of forecasted Q1'26 restructuring charge of approximately \$200M, the anticipated savings of which are primarily intended to enable reinvestment to support the realization of our long-term growth opportunities.

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 and Dispositions completed after the beginning of 2025.



Appendix C

Non-GAAP Reconciliation

First quarter 2026 financial outlook

	Q1'26 vs. Q1'25 Increase/(Decrease)	
	Net Revenue	Operating Expenses
Forecasted Growth - GAAP ¹	Low teens	High end of low double digits
Litigation provisions ²	**	~5%
Restructuring charge ³	**	~(7)%
Non-GAAP Growth	Low teens	Low double digits
Currency impact ⁴	(3.5-4)%	~(2.5)%
Acquisitions and Dispositions ⁵	~0%	~0%
Non-GAAP Growth, currency-neutral, excluding acquisitions and dispositions	Low end of low double digits	High end of high single digits

** Not applicable.

¹ GAAP - Q1'26 forecast versus Q1'25 reported results.

First Quarter Special Items

² Impact of Q1'25 litigation provisions (\$151M).

³ Impact of forecasted Q1'26 restructuring charge of approximately \$200M, the anticipated savings of which are primarily intended to enable reinvestment to support the realization of our long-term growth opportunities.

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 and Dispositions completed after the beginning of 2025.



Appendix D

Revenue Growth Drivers

**Three Months Ended December 31, 2025 as compared to
the Three Months Ended December 31, 2024**

	Operational	Acquisitions	Currency Impact ^{1,2}	Total
Payment network	9 %	**	2 %	12 %
Value-added services and solutions	19 %	3 %	4 %	26 %
Net revenue	13 %	1 %	3 %	18 %

Note: Figures may not sum due to rounding.

** Not applicable

¹ 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).

² See Appendix A for Non-GAAP reconciliation.



Appendix E

Operating Expense Growth Drivers (Non-GAAP)¹

**Three Months Ended December 31, 2025 as compared to
the Three Months Ended December 31, 2024**

	Operational	Acquisitions	Currency Impact²	Total
General and administrative	8 %	4 %	2 %	13 %
Advertising and marketing	(4)%	10 %	3 %	9 %
Depreciation and amortization	13 %	13 %	2 %	28 %
Total operating expenses	7 %	5 %	2 %	14 %

Note: Figures may not sum due to rounding.

** Not applicable

¹ See Appendix A for Non-GAAP reconciliation.

² 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 F

4th Quarter G&A Detail

(\$ in millions)

	4Q 25	4Q 24	Increase/(Decrease)	
			\$	%
Personnel	\$ 1,818	\$ 1,653	\$ 165	10 %
Professional fees	189	191	(2)	(1)%
Data processing and telecommunications	342	299	43	14 %
Foreign exchange activity ¹	45	16	29	**
Other	712	586	126	21 %
Total general and administrative expenses	\$ 3,106	\$ 2,745	\$ 361	13 %

Note: Figures may not sum due to rounding.

¹ Foreign exchange activity includes the impact of remeasurement of assets and liabilities denominated in foreign currencies net of the impact of gains and losses on foreign exchange derivative contracts.



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.

