

China Retains Top Spot as Most Frequently Visited Destination for Business Travel in Latest MasterIndex™ of Travel Survey

Travel Market Remained Buoyant Despite Continuing Security and Safety Concerns

Hong Kong, 12 September 2006 – MasterCard Worldwide today announced the results of its MasterIndex of Travel survey report on business and personal travel trends among the urban middle class across 13 markets (Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam¹). Released twice a year, the survey report shows that intra-regional travel around the region still seems to be the most popular choice.

According to Dr. Yuwa Hedrick-Wong, economic advisor to MasterCard Worldwide in Asia/Pacific, "China's importance as a business travel destination is a simple reflection of the role it plays in being a key hub in an increasingly efficient Pan-Asia Supply Chain, as well as, its rapidly expanding domestic market. In this regard, business travel to China is a "positive sum game" that also benefits the rest of the region – a rising need to travel to China for business purposes generates an additional need to travel to the rest of the region as well."

Personal Travel in the Past 12 Months²

Respondents continued to name destinations in the Asia/Pacific (83% vs. 84% six months ago) region as their top choice for personal travel, above destinations in Europe (36% vs. 34% six months ago) and North American (18% vs. 17% six months ago).

Similar to the previous reports, Japan (23% vs. 28% six months ago) and Australia (21% vs. 24 six months ago) although saw a slight dip, continued to remain as popular travel destinations in Asia/Pacific for personal travelers.

Regionally 36% of respondents said that they have traveled internationally in the past 12 months. This is exactly the same as a period ago and a year ago. As previously, Thais (72%) followed by Hong Kongers (64%) and Singaporeans (60%) continue to top the list of personal travelers in the past 12 months, as they have for the past four surveys.

- more -

¹ Vietnam was included as the additional market in the survey component in 2004

² Percentages do not add up to 100% as respondents were able to provide multiple responses.

Other key insights included;

- The concerns of personal travelers remain relatively unchanged from six months ago and a year ago. Security and safety issues (59%) continue to represent the biggest concern about traveling, ahead of losing one's passport (36%) and language barriers/communication problems (28%).
- General sightseeing and visiting scenic spots (59%) remains the region's top priority activity for travelers in the region, followed by shopping (50%) and rest and relaxation (41%).
- Local souvenirs/antiques/arts & crafts (57%) as well as apparel and personal effects (56%) continue to be the most preferred shopping purchases, followed by food items (30%) and luxury items/jewelry/branded goods (25%).

Business Travel in the Past 12 Months²

For business travelers, 88% frequently visited more destinations in the Asia/Pacific region, above that of Europe (12%) and North America (11%) in the past 12 months. China (28%, the same as the previous two periods) and Singapore (19% vs. 20% six months ago) continue to remain key destinations for business travelers. Hong Kong (15% vs. 16% six months ago) and Japan (14% vs. 12% six months ago) follow closely behind.

The markets with the highest percentage of respondents traveling for business remain fairly consistent, with Thailand (35%, same as six months ago) heading the list followed closely by Hong Kong (34% vs. 17% six months ago) and Singapore (33% vs. 32% six months ago). Compared to the historical average and to a lesser extent, a period ago, Hong Kongers, Mainland Chinese, Vietnamese and Koreans are travelling more for business, while Indonesians and Malaysians have begun to travel less.

Other key insights included;

- Business travelers across the region continued to see that they needed to travel about the same (46% vs. 40% six months ago) compared to a period ago. Slightly more business travelers (31% vs. 32% six months ago) see the need to travel more than the previous period than those who see the need to travel less (24% vs. 27% six months ago). Of the 13 markets, business travelers in Vietnam (64%) and New Zealand (48%) saw a need to travel more compared to the previous period.
- Singapore Airlines (16%) continues to be the most preferred airline for business travelers, as it has been since the inauguration of the MasterIndex of Travel in 2003. Thai Airways (10%) and Cathay Pacific (10%) are neck to neck in second place, followed by Air China (9%).

- more -

- Regionally, business travelers prefer international four-star hotels (33%) over international five-star hotels/accommodation (22%) and three-star/medium priced hotel (21%).

Method of Booking Personal and Business Trips in the Past 12 Months²

- Similar to the previous report, travel agents (45%), the Internet (38%) and word of mouth/friends/family/associates (35%) remain key information sources that influence choice of personal travel destination. Respondents from markets that choose travel agents include, China, Hong Kong, Indonesia, Malaysia and Vietnam.
- Regionally, Company's Travel Department (43%) continues to play the most important role in making travel arrangements for business travelers. Travel Arrangement Company's (28%) or making their 'Own Arrangement' (27%) took second and third place respectively.

Personal and Business Traveler Profile

- Profiles for personal travelers remained the same as the previous surveys, with women (38%) vs. men (35%) travelling more. Travelers over the past 12 months also skewed towards the younger '46 - 55' age group compared to the '56 and above' age group that traveled more over a year ago.
- Males (24%) continue to dominate business travel compared to females (14%). Over the past 12 months the '31 - 45' age group (23%) of business travelers remained to take the lead compared to the '46 - 55' age group (22%), age 30 years and below (16%) and age 56 years and above (13%).

A total of 5,401 consumers from 13 markets participated in the survey. Fieldwork was conducted between 15 May and 1 June 2006, with a sample of 400 or more consumers in each of the markets.

The MasterIndex of Travel report also comprises a six month forecast of outbound travel for 12 markets (Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan and Thailand). The forecast was released on 28 August 2006.

NOTE TO EDITORS: To review the full report that displays the MasterIndex of Travel forecast and survey findings, please visit www.mastercard-masterindex.com

About the MasterCard MasterIndex™ Reports

The MasterIndex of Travel is one of MasterCard's MasterIndex suite of research products in Asia/Pacific. The other key MasterIndex research products include:

- The flagship MasterIndex™ of Consumer Confidence - the region's most comprehensive and longest running consumer sentiment survey. Now in its 13th year, the MasterIndex of Consumer Confidence has demonstrated its predictive precision and has proved to be an excellent barometer of the consumer pulse in this region. Today, the survey is much sought after by analysts, academics and decision-makers in financial institutions, government agencies and multinational organizations.
- The MasterIndex™ of Retail, which provides six-month outbound retail forecasts for the same 12 markets covered by the MasterIndex of Travel. This powerful predictive market intelligence is highly relevant to the retail, entertainment, food and beverage, travel and tourism sectors, as well as related sectors.
- The MasterIndex™ of Women's Advancement, an annual report which compares the socio-economic level of women to men in 13 Asia/Pacific markets using four key indicators: participation in the labor force, tertiary education, managerial positions and above median income.

MasterIndex information relates to travel and consumer economic trends only and does not constitute a projection of the business or financial performance of MasterCard Incorporated or its affiliates.

###

About MasterCard Worldwide

MasterCard Worldwide advances global commerce by providing a critical economic link between financial institutions, businesses, cardholders and merchants worldwide. As a franchisor, processor and advisor, MasterCard develops and markets payment solutions, processes close to 14 billion payments each year, and provides industry-leading analysis and consulting services to financial institution customers and merchants. Through its family of brands, including MasterCard®, Maestro® and Cirrus®, MasterCard Worldwide serves consumers and businesses in more than 210 countries and territories. For more information go to www.mastercardworldwide.com.

Contacts:

Pamela So, Weber Shandwick, 852-2533 9916 / 852-9122-6168, psso@webershandwick.com

Catherine Yuen, Weber Shandwick, 852-2533-9915, cyyuen@webershandwick.com