

Latest MasterCard Worldwide Index™ of Travel Forecasts 21.6 Million Outbound Chinese Travelers in 1H 2008

China expected to have highest rate of year on year growth in outbound travel in Asia/Pacific fueled by expanding middle class population

Hong Kong, 23 January 2008 – MasterCard Worldwide today announced the results of its latest MasterCard Worldwide Index™ of Travel report, predicting steady growth in outbound travel across Asia/Pacific in the first half of 2008, despite the economic uncertainty clouding world financial markets. Markets in which healthy year-on-year growth in outbound travel is anticipated include China (12.4%), Australia (12%), Korea (10.8%), Malaysia (6.8%), New Zealand (6.5%) and the Philippines (5.9%).

“Despite volatility in world financial markets, growth in travel remains steady because growth of income and employment is expected to continue during the first half of the year” said Dr. Yuwa Hedrick-Wong, economic advisor to MasterCard Worldwide in Asia/Pacific.

Outbound travelers from Asia/Pacific are expected to make over 79.5 million resident departures over the next six months, more than a quarter of which will be made by travelers from China. More Chinese are expected to venture overseas for personal and business travel, with 21.6 million resident departures projected in the first half of 2008, compared with the 17.2 million projected in the same period a year ago.

“A huge driver behind the growth of Chinese outbound travel is the expanding middle class. Their numbers are growing exponentially in urban cities such as Beijing, Shanghai and Guangzhou, from an estimated 35 million middle class households in 2006 to a projected 100 million households in 2016. This, combined with the availability of low cost travel options means Chinese travelers form a very influential group which is expected to continue to significantly shape trends in the travel industry in 2008 and in years to come”, said Dr. Hedrick-Wong.

Released twice a year, the MasterCard Worldwide Index of Travel consists of a forecast on outbound travel for the six month period ahead for 12 Asia/Pacific markets, and a survey of business and personal travel trends among the urban middle class across 13 Asia/Pacific markets (Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam¹).

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

The Environment and Travel

In spite of global warming and its negative effects on climatic conditions being high on the global agenda, the majority of the respondents (72.6%) are not letting this affect their personal and business travel plans. A fifth (20.3%) said they would make less personal and business trips because of environmental concerns and 7% said they would make more.

Environmental concerns are also not affecting the travel plans of respondents in China and Hong Kong. 64.4% of respondents in China and 88.7% of respondents in Hong Kong are not letting this affect their personal and business travel plans.

“We could interpret these results in several ways. In terms of the impact of travel on the environment, it could be that travelers have not made the connection between travel and its negative impact on the environment. They simply do not care, or they just do not let it affect them since there is no alternative mode of transport”, said Dr. Hedrick-Wong.

Personal Travel in the Past 12 Months²

Respondents continued to name destinations in the Asia/Pacific region (79.9%) as their top choice for personal travel, above destinations in Europe (32.7%) and North America (25%).

Similar to previous reports, Japan (24.3%) and Australia (22.3%) remained as popular travel destinations in Asia/Pacific for personal travelers.

Regionally, 36.5% of respondents said that they have traveled internationally in the past 12 months. This is almost the same as a period ago and a year ago. Singapore (72.4%), Hong Kong (64.5%) and Thai (55.3%) residents continued to top the list of personal travelers in the past 12 months, as they have for the past seven surveys.

Other key insights:

- The concerns of personal travelers remain relatively unchanged from six months ago and a year ago. Security and safety issues (58.5%) continue to represent the biggest concern, ahead of losing one's passport (32.1%) and language barriers/communication problems (26.5%).
- General sightseeing and visiting scenic spots (57.1%) remains the region's top priority activity for personal travelers in the region, followed by shopping (49.6%) and entertainment (42.1%).

² Percentages do not add up to 100% in each category as respondents were able to provide multiple responses for the same questions.

- Apparel and personal effects (55.2%) as well as local souvenirs/antiques/arts & crafts (54.6%) continue to be the most preferred shopping purchases, followed by food items (32.9%) and luxury items/jewelry/branded goods (24.8%).

Business Travel in the Past 12 Months²

Business travelers said they most frequently traveled to destinations in the Asia/Pacific region (87.9%), followed by destinations in North America (15.1%) and Europe (9.1%) over the past 12 months.

China (31.6%), Hong Kong (17.1%), Singapore (15.5%) and Japan (15.5%) continue to remain the top four key destinations for business travelers, as they have been for the last 5 surveys.

More Thai residents appear to be traveling internationally for business. Almost half of the respondents (49.5%) said they traveled internationally for business over the past 12 months, compared with 33.8% in the last survey six months ago, and 32% a year ago. Respondents in Singapore (39% vs.42.5% a period ago and 40% a year ago) and Korea (26% vs. 26.8% a period ago and 25% a year ago) rank as the next most frequent business travelers.

Taiwan business travelers appear to have cut down on overseas trips, with only 7.3% of respondents saying they traveled internationally over the past year, compared to 14% a period ago.

Other key insights include;

- 39.5% of business travelers across the region said they had to travel more over the past 12 months compared to the year before. A quarter (24.9%) said they had to travel less and 45.7% said their travel time was the same.
- Singapore Airlines (16.7%) continues to be the most preferred airline for business travelers, as it has been since the Index was launched in 2003. Thai Airways (15.5%) is the next most popular airline, followed by Air China (8%) and Cathay Pacific (7.7%).
- Regionally, business travelers prefer to stay in international four-star hotels (32.7%) when abroad, followed by three-star medium priced hotels (25%) and international five-star hotels (21.9%).

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

- Similar to the previous report six months ago, travel agents (43.6%), the Internet (38.7%) and word of mouth/friends/family/associates (37.2%) remain key information sources that influence choice of personal travel destination. Respondents from markets that favor travel agents include: China, Hong Kong, Indonesia, Malaysia and Vietnam.

- Regionally, business travelers favor using their company's travel department (42.5%) to make their travel arrangements. Just over a quarter (25.8%), prefer to use a travel agent, while 31.6% prefer to make their own arrangements, in particular business travelers from Australia, Japan and New Zealand.

Personal and Business Traveler Profile

- Profiles for personal travelers were similar to previous surveys, with an almost equal percentage of women and men traveling for personal reasons. Some 37% of all female respondents who traveled internationally over the past 12 months did so for personal reasons, compared to 36% of male travelers. Of those respondents in the 30 and below age group, 37% of them said they traveled internationally for personal reasons over the past 12 months. In the 31-45 age group 38% made personal trips; as did 34% in the 46-55 age group and 35% in the 56 and above age group.
- Males continue to dominate business travel compared to females, with 22% of all male respondents who traveled internationally over the past 12 months doing so for business purposes, compared to 14% of female travelers. Of those respondents in the 30 and below age group, 17.0% of them said they traveled internationally for business reasons over the past 12 months. In the 31-45 age group 21% made business trips; as did 21 % in the 46-55 age group and 12% in the 56 and above age group.

A total of 5,411 consumers from 13 markets participated in the survey. Fieldwork was conducted between 8 October and 5 November 2007, with a sample of 400 or more consumers in each market, except China where 600 consumers were interviewed. The participants were males and females aged 18 years and above, from the middle and upper income groups.

NOTE TO EDITORS: This news release is distributed with the table (below) that shows the MasterCard Worldwide Index of Travel forecast by market.

The full report, which details the individual market forecasts, can be found at the website www.masterintelligence.com

The following chart shows the MasterCard Worldwide Index of Travel forecast for outbound travel for the first half of 2008.

	Outbound Travelers: Forecast for the 1st Half of 2008	Year-on-year Growth
Australia	2.8 million	12.0%
China	21.6 million	12.4%
Hong Kong	3.1 million	5.6%
Indonesia	2.2 million	4.8%

Japan	8.5 million	1.8%
Korea	6.6 million	10.8%
Malaysia	23.1 million	6.8%
New Zealand	1.0 million	6.5%
Philippines	1.3 million	5.9%
Singapore	2.9 million	4.5%
Taiwan	4.5 million	1.2%
Thailand	1.9 million	3.6%

About the MasterCard Worldwide Index™ Reports

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

- The flagship MasterCard Worldwide Index of Consumer Confidence - the region's most comprehensive and longest running consumer sentiment survey. Now in its 15th year, the MasterCard Worldwide Index 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 MasterCard Worldwide Index of Retail, which provides six-month outbound retail forecasts for the same 12 markets covered by the MasterCard Worldwide Index of Travel. This powerful predictive market intelligence is highly relevant to the retail, entertainment, food and beverage, travel and tourism, and related sectors.
- The MasterCard Worldwide Index 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.

MasterCard Worldwide Index 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.

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Forward-Looking Statements

Statements in this press release which are not historical facts, including any statements about MasterCard's plans, strategies, beliefs and expectations, are forward-looking and subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements speak only as of the date they are made. Accordingly, 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 press release or to

reflect the occurrence of any unanticipated events. Actual results may differ materially from such forward-looking statements for a number of reasons, including those set forth in the company's filings with the Securities and Exchange Commission (SEC), including the company's Annual Report on Form 10-K for the year ended December 31, 2006 and Current Reports on Form 8-K that it has filed with the SEC during 2007, as well as reasons including difficulties, delays or the inability of the company to achieve its strategic initiatives. Factors other than those listed above could also cause the company's results to differ materially from expected results.

About MasterCard Worldwide

MasterCard Worldwide advances global commerce by providing a critical economic link among financial institutions, businesses, cardholders and merchants worldwide. As a franchisor, processor and advisor, MasterCard develops and markets payment solutions, processes over 16 billion transactions 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 serves consumers and businesses in more than 210 countries and territories. For more information go to <http://www.mastercard.com>.

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