

Latest MasterCard Survey Reveals Strong Consumer Confidence in Hong Kong Despite Volatility in Financial Markets

Consumers in Hong Kong Continue to be Highly Optimistic Ranked 2nd Among Asia Pacific Markets

Hong Kong, 13 December 2007 – Consumers in Asia/Pacific are optimistic that 2008 will be another rosy year, with consumer confidence outlook for the first half of the year up on the level reported six months and a year ago.

These sentiments prevailed in spite of volatility in financial markets across the world, according to the latest MasterCard Worldwide Index of Consumer Confidence findings, which tracks consumer confidence half-yearly for the six-month period ahead.

Sentiments in Hong Kong have inched up from six months ago, with consumers highly optimistic about employment (93.6), the economy (91.2), regular income (92.3) and quality of life (83.3). With the exception of outlook towards the stock market (69.3), sentiments on all the other economic factors have improved from the previous six-month period. Bullishness towards the stock market has slipped slightly, possibly attributed to the ongoing financial market volatility. Hong Kong's current MasterCard Worldwide Index of 85.9 well exceeds its Historical Average of 55.6.

Overall outlook across Asia/Pacific with regards to the economy (68.3), regular income (81.0), stock market (66.5) and quality of life (66.7) have improved from the previous survey which was done in May 2007. The view on employment (63.8) remains constant.

The volatility in financial markets across the world, announcement of heavy sub prime losses by global financial heavyweights, rising oil prices and inflation costs, seem not to have dampened confidence for the first half of 2008.

The MasterCard Index is the region's most comprehensive and longest running consumer confidence survey. The scores, ranging between 0 and 100, are based on responses on five variables: **employment, economy, regular income, stock market and quality of life**. Scores above 50 indicating extent of optimism, scores below 50 indicating the extent of pessimism, and 50 being neutral.

Ten out of the 13 Asia/Pacific markets have registered an increase in consumer confidence levels. Vietnam (94.3) continues to top the region's markets as the most buoyant in consumer sentiment for the six month period ahead, followed by Hong Kong (85.9), China (85.5) and Singapore (83.6). Korea shows the largest increases in optimism, with its index score increasing 15.6 points to 64.1.

“This latest consumer confidence reading of the region is broadly consistent with the short term outlook of economic conditions of the key regional markets. It is not surprising to see the China and Vietnam continue to be strongly optimistic, whereas at the opposite end of the spectrum is Taiwan.” Said Dr. Yuwa Hedrick-Wong, economic advisor, Asia/Pacific, MasterCard Worldwide.

He continues “Weak domestic consumption in Japan is also reflected in its confidence index slipping back into pessimistic territory. For 2008, the critical uncertainty is therefore China, which has become an increasingly important market for exports from the rest of Asia. Can its economic expansion stay

robust in spite of weakening global demand? Depending on the performance of the China market, outlook for the second half of 2008 might be very different,”

The latest MasterCard Index survey was conducted from 8 to 29 October 2007 for all markets except Indonesia (which was conducted from 18 October to 5 November 2007 because of Ramadan). It involved 5,411 consumers across 13 key Asia/Pacific markets. In its fourteenth year, the six-monthly survey analyzes prevailing consumer perceptions of economic conditions for the six-month period ahead.

Other highlights of the latest MasterCard Worldwide Index of Consumer Confidence survey are:

- **China (85.5), Hong Kong (85.9) and Singapore (83.6)** all registered high levels of consumer confidence. Consumers in China are showing record-high levels of optimism about employment. Consumers in China also continue to be bullish about the stock market, while consumers in Hong Kong and Singapore, while still positive, are reflecting a slight dip in sentiment.
- **Japan (48.6)**, which saw a massive recovery in consumer confidence levels in 2006 to its historical high and the first half of this year, has slipped back somewhat and is now just holding at around neutral levels. Its Index score dropped 18.2 points, from a clearly optimistic 66.8 in the previous survey to 48.6 for the six months ahead. Whether consumers have turned pessimistic or are adopting a wait-and-see attitude, the more than 20-point loss of confidence, manifested particularly in the regular income, economy and quality of life indicators, is worth monitoring.
- **Taiwan (29.7)** has the weakest consumer sentiment of all 13 markets. Outlook is pessimistic on most of the five economic factors, with views on employment and quality of life being the most pessimistic among consumers in the Asia/Pacific region.

MASTERINDEX COUNTRY FINDINGS

CHINA (85.5)

Chinese consumers continue to be highly optimistic, with a bullish outlook for the first half of 2008. Consumers are highly positive on all fronts, with Index scores for employment, regular income, stock market and quality of life improving from the previous six months.

In the respective Chinese cities, consumers in Beijing (85.8 vs. 85.7 six months ago vs. 81.9 a year ago), Shanghai (92.1 vs. 90.4 six months ago vs. 82.4 a year ago) and Guangzhou (78.3 vs. 74.5 six months ago vs. 79.2 a year ago) continue to be highly optimistic.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	79.6	75.3	72.3
Economy	90.7	92.0	92.7
Regular Income	91.6	90.2	88.5
Stock Market	72.9	72.5	61.0
Quality of Life	92.8	90.1	91.5
MasterCard Worldwide Index of Consumer Confidence Score	85.5	84.0	81.2

HONG KONG (85.9)

Sentiments in Hong Kong have inched up from six months ago, with consumers highly optimistic about employment, the economy, regular income and quality of life. With the exception of outlook towards the stock market, sentiments on all the other economic factors have improved from the previous six-month period. Bullishness towards the stock market has slipped slightly, possibly attributed to the ongoing financial market volatility.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	93.6	89.1	93.5
Economy	91.2	91.1	93.9
Regular Income	92.3	90.5	94.4
Stock Market	69.3	70.6	76.7
Quality of Life	83.3	82.3	85.4
MasterCard Worldwide Index of Consumer Confidence Score	85.9	84.7	88.8

AUSTRALIA (64.9)

Consumer sentiment in Australia is down slightly from six months ago. This is a result of the less optimistic outlook on employment, the economy and the stock market. While less bullish on the economy, employment, and stock market, consumers have however become more optimistic about their regular income and quality of life, with the Index score for regular income increasing 9.2 points.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	55.5	63.7	36.1
Economy	61.4	68.8	36.0
Regular Income	83.7	74.5	71.7
Stock Market	62.8	75.8	57.1
Quality of Life	60.8	58.7	25.5
MasterCard Worldwide Index of Consumer Confidence Score	64.9	68.3	45.3

INDONESIA (57.8)

While consumer sentiments in Indonesia have improved from six months ago, they are still less optimistic compared to a year ago. Though consumers are less optimistic towards employment and the economy compared to six months ago, they are expecting improvements in regular income, the stock market and quality of life. In particular, the Index score for quality of life has increased significantly, by 19.2 points.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	39.1	41.4	49.8
Economy	51.4	53.5	60.2
Regular Income	88.0	82.8	86.3
Stock Market	58.4	56.9	71.1
Quality of Life	52.0	32.8	45.0
MasterCard Worldwide Index of Consumer Confidence Score	57.8	53.5	62.5

JAPAN (48.6)

Japanese consumers have been mostly very pessimistic for the first twelve years of the survey until the historic turnaround in 4Q 2005 when sentiments turned positive for the time. Outlook for the first six months of 2008 is however turning cautious, as consumer confidence drops 18.2 points to 48.6.

Currently, outlook on all five economic factors are less optimistic than both six months and a year ago, with a more than 20-point loss of confidence in the regular income, economy and quality of life indicators.

That said, the current Index score of 48.6 is still much stronger than the market Historical Average of 30.9 (which had largely been deflated by years of pessimistic consumer expectations arising from the deflation and stagnation of the Japanese economy since the bursting of its last real estate bubble).

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	60.4	81.5	79.7
Economy	50.4	73.1	78.5
Regular Income	41.1	55.4	48.3
Stock Market	58.5	70.1	77.1
Quality of Life	32.4	54.1	57.8
MasterCard Worldwide Index of Consumer Confidence Score	48.6	66.8	68.3

KOREA (64.1)

Consumer confidence in Korea is seeing a turnaround, with the market seeing a large jump in optimism - the largest increase in Index score among all the Asia/Pacific markets. The current Index score of 64.1 is the highest since 4Q 2002.

Korean consumers are feeling a lot more optimistic towards the economy, with the Index score jumping 23.7 points. Sentiments towards employment, regular income and quality of life have also vastly improved from both six months and a year ago, with consumers most optimistic about regular income.

Consumers are however still cautious in their outlook towards employment (48.4), which seems to suggest that some lingering doubts still remain.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	48.4	31.6	14.2
Economy	63.6	39.9	15.8
Regular Income	73.7	58.6	46.7
Stock Market	66.6	70.2	39.7
Quality of Life	68.5	42.1	30.1
MasterCard Worldwide Index of Consumer Confidence Score	64.1	48.5	29.3

MALAYSIA (72.5)

Malaysia's current Index score of 72.5 is a slight improvement from six months ago, and a huge leap from a year ago. Consumers are positive on all five economic factors, with consumers most optimistic about their regular income. Sentiments towards quality of life are also highly positive, with the indicator seeing a close to 10-point increase from six months ago.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	70.9	70.4	41.1
Economy	68.2	71.1	39.2
Regular Income	79.9	76.1	31.9
Stock Market	68.9	72.8	35.7
Quality of Life	74.3	64.8	39.8
MasterCard Worldwide Index of Consumer Confidence Score	72.5	71.0	37.5

NEW ZEALAND (56.3)

Consumer confidence in New Zealand has dipped slightly from six months and a year ago. While consumers are still optimistic about their regular income, sentiments on employment, stock market and quality of life have taken a slight beating, causing the slight decline in the overall Index score for New Zealand.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	51.9	52.7	61.0
Economy	53.4	48.3	51.0
Regular Income	80.4	80.2	84.3
Stock Market	56.5	61.3	55.2
Quality of Life	39.5	43.1	53.6
MasterCard Worldwide Index of Consumer Confidence Score	56.3	57.1	61.0

PHILIPPINES (67.7)

Sentiments in the Philippines continue to improve from six months and a year ago. The current Index score is the highest since 4Q 1997.

The current fairly optimistic sentiments in the market are supported by a highly positive outlook on regular income as well as large improvements in sentiments towards the stock market. With the exception of sentiments on quality of life, outlook for the rest of the indicators have improved from six months ago.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	57.5	55.3	45.0
Economy	58.6	57.6	46.7
Regular Income	96.0	94.5	89.0
Stock Market	74.4	61.9	62.6
Quality of Life	52.0	53.6	42.8
MasterCard Worldwide Index of Consumer Confidence Score	67.7	64.6	57.2

SINGAPORE (83.6)

Consumers in Singapore continue to be highly optimistic, with the current Index score well above the market's historical Index score. Consumers are especially bullish on the economy. While outlook for all of the five economic indicators remain highly positive, there has been a slight dip in sentiments towards regular income, the stock market and quality of life, due to financial market volatility and rising costs of living.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	86.3	83.7	86.1
Economy	88.3	81.6	83.9
Regular Income	85.2	85.6	81.1
Stock Market	75.4	78.9	76.6
Quality of Life	82.6	86.9	84.8
MasterCard Worldwide Index of Consumer Confidence Score	83.6	83.3	82.5

TAIWAN (29.7)

Consumer sentiments are currently very pessimistic. The current Index score stands at 29.7. It is well below the market's Historical Average of 47.4 and is the only market to fall below the Asian Crisis Average of 45.1.

Consumer sentiment on employment, the economy, regular income and quality of life is highly pessimistic, with consumers marginally positive in terms of outlook on the stock market.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	14.1	26.3	25.3
Economy	23.1	34.1	28.4
Regular Income	35.4	36.1	31.3
Stock Market	56.0	53.3	44.7
Quality of Life	19.6	28.1	24.1
MasterCard Worldwide Index of Consumer Confidence Score	29.7	35.6	30.8

THAILAND (44.2)

Thai consumers have regained some of the confidence they lost six months ago. However, the current Index score of 44.2 is still below the market's Historical Average of 55.7. While consumers have regained some confidence with regards to outlook on employment, the economy, stock market and quality of life, sentiments towards regular income have dropped 17.1 points.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	36.7	28.1	62.4
Economy	42.1	32.1	64.8
Regular Income	56.1	73.2	77.0
Stock Market	44.6	25.3	58.7
Quality of Life	41.7	24.6	62.5
MasterCard Worldwide Index of Consumer Confidence Score	44.2	36.7	65.1

VIETNAM (94.3)

Vietnamese consumers continue to enjoy high levels of consumer confidence. The market's high Index score is supported by very bullish sentiments on employment, the economy, regular income, quality of life and the stock market.

The market's Historical Average is an astonishing 91.7, the highest among all Asia/Pacific markets.

Vietnamese consumers look set to continue with their euphoric optimism for sometime to come barring a significant global or internal economic downturn, or a major political upheaval.

Economic Variables	Current Index Score	2Q 2007	4Q 2006
Employment	94.4	96.8	91.6
Economy	97.7	97.8	95.9
Regular Income	96.5	96.7	94.5
Stock Market	87.0	68.5	87.8

Quality of Life	95.8	96.5	98.7
MasterCard Worldwide Index of Consumer Confidence Score	94.3	91.3	93.7

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NOTE TO EDITORS: This news release is distributed with an accompanying chart (see page 9) that shows current MasterCard Worldwide Index of Consumer Confidence scores by market compared with several significant points in the history of the survey.

More information on MasterIndex can be found at the website www.masterintelligence.com

About the MasterCard Worldwide Index of Consumer Confidence

The MasterCard Worldwide Index of Consumer Confidence survey has a 14-year track record of consumer confidence indices collected from more than 135,000 interviews, unequalled both in scope and history across Asia/Pacific.

The MasterCard Worldwide Index of Consumer Confidence is the most comprehensive and longest running survey of its kind in the region. It has demonstrated its precision at several important junctures as a barometer of consumer sentiment. In June 1997, MasterIndex revealed a decline in consumer confidence – one month prior to the devaluation of the Thai baht that triggered the regional financial crisis. More recently in June 2003, MasterIndex for employment in Hong Kong dropped to a low of 20.0. This was subsequently reflected in Hong Kong’s unemployment rate, which peaked just before Sept 2003 at 8%.

The survey began in Quarter 2 of 1993 and has been conducted twice yearly since. Thirteen markets participate in the survey: Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, Thailand and Vietnam. Vietnam made its debut in the December 2003 report, replacing India, which is now covered by the SAMEA (South Asia/Middle East/Africa) MasterIndex survey. The last Asia/Pacific MasterIndex survey was conducted from 8 to 29 October 2007 for all markets except Indonesia (which was conducted from 18 October to 5 November 2007 because of Ramadan). The survey was conducted among a sample of approximately 400 (total sample of 5,411) across the middle and upper income groups in each market, except in China where approximately 600 respondents were surveyed.

The MasterIndex is calculated based upon percentage response figures, with zero as the most pessimistic, 100 as most optimistic and 50 as neutral. Five economic factors are measured: employment, the economy, regular income, stock market and quality of life. The responses are consumers' thoughts on the six months ahead (i.e. January to June 2006). Data collection was via personal and telephone interviews with the questionnaire translated to the local language wherever appropriate and necessary. The survey has a margin of sampling error of plus or minus four percentage points at the 90% confidence level, except China, where because of the larger sample, the margin of sampling error is plus or minus three percentage points.

This chart shows the performance of each market at different key intervals and important turning points in the history of the MasterCard Worldwide Index of Consumer Confidence.

The MasterCard Worldwide Index of Consumer Confidence & the Region

MARKETS	Current 4Q 2007	Period Ago 2Q 2007	Year Ago 4Q 2006	Crisis Average 4Q 97 - 4Q 98	HISTORICAL AVERAGE MASTERCARD WORLDWIDE INDEX
Australia	64.9	68.3	45.3	43.0	56.5
China	85.5	84.0	81.2	55.6	74.8
Hong Kong	85.9	84.7	88.8	16.9	55.6
Indonesia	57.8	53.5	62.5	27.2	66.0
Japan	48.6	66.8	68.3	5.4	30.9
Korea	64.1	48.5	29.3	26.1	51.3
Malaysia	72.5	71.0	37.5	40.9	72.9
New Zealand	56.3	57.1	61.0	38.5	58.9
Philippines	67.7	64.6	57.2	47.7	50.1
Singapore	83.6	83.3	82.5	34.4	66.4
Taiwan	29.7	35.6	30.8	45.1	47.4
Thailand	44.2	36.7	65.1	25.6	55.7
Vietnam	94.3	91.3	93.7	0.0	91.7
The Region	69.3	67.9	64.3	34.7*	59.9

Note: The Crisis period in the chart above is based on the reflection of the MasterIndex™ of Consumer Confidence results, which may or may not coincide with actual chronology or the definitions of others.

Historical Average is the mean average of all MasterIndex scores up through Period Ago but not including the Current Period.

* The average excludes Vietnam as this market was not surveyed in 1997/98.

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.mastercardworldwide.com>.

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.

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