

## Corporate Overview

MasterCard Worldwide, a leading global payments solutions company, is a driving force at the heart of commerce - enabling global transactions and bringing insight into the payments process to make commerce faster, more secure, and more valuable to everyone involved. As a critical link among financial institutions and millions of businesses, cardholders and merchants worldwide, MasterCard provides services in more than 210 countries and territories. MasterCard advances commerce worldwide by developing more secure, convenient and rewarding payment solutions, processing billions of payments seamlessly across the globe, and building economic connections that accelerate business.

Behind MasterCard's well-known payment card brands is a unique, three-tiered business model:

- **Franchisor:** Through the thousands of financial institutions that are MasterCard customers, the company markets a strong portfolio of brands and products worldwide, including MasterCard®, Maestro®, Cirrus®, and MasterCard® *PayPass*™. MasterCard seeks to maintain unsurpassed acceptance and continues to invest in its brands. With these brand and products, MasterCard opens the doors to commerce with more than 25 million acceptance locations around the world. (MasterCard does not, however, issue cards, set annual fees, determine annual percentage rates on cards, or solicit merchants to accept cards. MasterCard's customers, a myriad of financial institutions worldwide, directly manage the relationships with their cardholders and with merchants accepting the cards.)
- **Processor:** MasterCard helps banks and merchants grow by enabling rapid adoption of new ways to pay and offering customized solutions that deliver value through technology. Our network provides an intelligent system architecture that combines both centralized and peer-to-peer distributed transaction processing. This infrastructure is designed to automatically adapt to the individual needs of each transaction, blending the speed and redundancy of peer-to-peer networking with the real-time availability of value-added services provided from a central site. We believe our system is unique, providing distinct advantages over networks deployed by our competitors and enabling us to provide our customers around the world with quality scalable processing that is consistently reliable, secure and available.
- **Advisor:** MasterCard provides industry-leading insight and solutions that advance commerce by making the payment process faster, more seamless, more secure and more valuable to everyone involved. Using sophisticated processing and data-mining capabilities, for example, MasterCard tracks consumer behavior and buying trends around the globe and provides that insight to its customers. Through MasterCard Advisors, the largest and only global consultancy focused on the payments industry, the company provides strategic and operational solutions covering the payments process from end to end.

At the core of the company's business strategy is a unique and laser-sharp focus on its customers. The company's customer teams provide a single point of contact for activities across the globe and a truly unified partnership for mutual success that sets MasterCard apart from the competition. MasterCard is an advocate for its customers' businesses, committed to driving value for their enterprises.

As it looks to the future, MasterCard is committed not only to continuing to deliver value to its customers and other stakeholders, but also to promoting the advantages of electronic payments, accelerating the displacement of cash and checks, and advancing commerce across the globe.

### **Key Facts**

#### *History:*

- 1966 - Founded as the Interbank Card Association (ICA)
- 1969 - "Master Charge," purchased by the California Bank Association
- 1979 - Renamed MasterCard to reflect a commitment to international growth
- 1985 - Acquired an interest in EuroCard (predecessor to Europay International)
- 1988 - Acquired the Cirrus® ATM Network
- 1991 - Launched Maestro®, the world's first online point-of-sale debit network
- 1997 - Launched the "Priceless" advertising campaign
- 2001 - Launched MasterCard Advisors, the largest global consultancy focused on customer growth
- 2002 - Merged with Europay International
- 2002 - Converted from a membership association to a private share corporation
- 2006 - Transitioned to a new corporate governance and ownership structure
  - MasterCard begins trading on the New York Stock Exchange under ticker symbol MA
  - Introduced new corporate name, MasterCard Worldwide, and adopted a new corporate signature and tagline, The Heart of Commerce™

### **Management Team**

- Robert W. Selander, President & Chief Executive Officer
- Alan J. Heuer, Vice Chairman
- Martina Hund-Mejean, Chief Financial Officer
- Rob Reeg, Chief Technology Officer, Operations
- Noah J. Hanft, General Counsel and Corporate Secretary
- Michael W. Michl, Chief Administrative Officer
- Walt Macnee, President Global Markets
- Chris McWilton, President Global Accounts
- Gary Flood, President Product and Services

## **Global Headquarters**

Purchase, New York

## **Employees**

Approximately 5000 (located in offices around the world)

## **Global Regions**

MasterCard is organized geographically into the following regions: Asia Pacific; Canada; Europe; Latin America, South Asia / Middle East and Africa, and the United States.

## **Key Operational Statistics**

The gross dollar volume of purchases on MasterCard-branded cards showed strong growth worldwide in 2007, rising 14.4% percent, on a local currency basis, to \$2.3 trillion. Processed transactions grew 16.2% to 18.7 billion. Worldwide purchase volume rose 15.7%, on a local currency basis, to \$1.7 billion, driven by increased cardholder spending on a growing number of MasterCard cards. As of December 31, 2007, the company's customers had issued 916 million MasterCard cards, an increase of 12.6% percent over the cards issued at December 31, 2006. MasterCard cardholders can use their cards at more than 25 million acceptance locations around the world.

## **Key Financial Statistics**

Revenues for 2007 grew 22.3%, from \$3.3 billion to \$4.1 billion. The company also generated net income of \$1.03 billion for the year, or \$7.58 per share, adjusted for special items, compared with \$457 million or \$3.37 per share in 2006, adjusted for special items.<sup>1</sup>

## **MasterCard Worldwide Brands**

*MasterCard* is one of the most widely recognized credit and debit card brands in the world, representing instant buying power, immediate deposit access convenience, security worldwide, and flexible payment options.

*Maestro* is one of the most widely recognized global deposit access brands. It is the only online, PIN-based debit brand that can be used to make purchases and get cash at ATMs worldwide.

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<sup>1</sup> For the full-years 2006 and 2007, total net income and earnings per share, each of which excludes special items, are non-U.S. GAAP financial measures that are reconciled to their most directly comparable U.S. GAAP measures in the table above. If net income or earnings per share are used, the GAAP reconciliation table above must accompany these figures.

*Cirrus* is the brand name that stands for the global MasterCard/Cirrus ATM Network, among the largest ATM networks in the world. The Cirrus brand represents immediate deposit account access convenience at more than one million cash machine locations worldwide.