



Press Release

Contacts:

Jessica Antle, 1-914-249-5632, jessica_antle@mastercard.com

MasterCard Incorporated Reports Record Net Income for the Quarter Ended March 31, 2006

- ***Net Income of \$127 Million or \$1.27 Per Share***
- ***Double-Digit Net Revenue Growth, Up 12.3% to \$739 Million***
- ***772 Million MasterCard Cards Issued Globally, Up 10.9%***
- ***Gross Dollar Volume up 13.4% and Purchase Volume Up 15.0%***

Purchase, NY, May 2, 2006 – MasterCard Incorporated today reported strong performance in its first quarter of 2006. Net income for the quarter was \$127 million, or \$1.27 per share on a basic and diluted basis, compared to \$93 million, or \$.93 per share on a basic and diluted basis in 2005. For the three months ended March 31, 2006, net revenue was \$739 million, a 12.3% increase versus 2005. Currency fluctuations negatively impacted this growth by approximately 2%.

The increase in revenue was due primarily to higher gross dollar volume (GDV) on MasterCard branded cards, up 13.4% to \$425.9 billion, and growth in the number of transactions processed by MasterCard in the first quarter. GDV growth was fueled by cardholders using the 772.4 million MasterCard cards issued by the company's global customer base at more than 24 million acceptance locations around the world. MasterCard achieved strong international growth, driven primarily by an increase in cross-border travel. Certain pricing changes that went into effect on April 1, 2005 also fueled the increase in revenue.

"MasterCard's performance demonstrates our true force as a global payments company," said Robert W. Selander, MasterCard president and chief executive officer. "By leveraging our strengths, we are delivering on our commitment to bring our customers innovative products and value-added services to help them build, manage and enhance the profitability of their payments businesses."

Total operating expenses increased 9.7% in the first quarter of 2006, primarily driven by personnel costs which include the hiring of additional staff to support the company's strategic initiatives. Approximately 2% of this growth was due to currency fluctuations. Advertising and market development expenses to promote the company's brands and assist its customers in raising consumer awareness and card usage grew 6.4% versus the same time period in 2005.

Other income and expense improved \$17 million in the first quarter of 2006. Contributing to this improvement was an increase in interest income from higher cash and investment balances and interest rates earned on those balances, and a refund of interest assessed on previously settled tax audits and reassessment of the company's tax reserves.

The effective tax rate in the first quarter of 2006 was 34.3% versus 35.3% in 2005, due principally to favorable developments with respect to foreign tax audits in the first quarter of 2006.

Commenting on the company's financial performance, Chris A. McWilton, chief financial officer, said, "MasterCard's strong financial performance in the first quarter of 2006 reflects the global strength of our franchising, processing and payments expertise."

Results of Operations for the Quarter Ended March 31, 2006

	For the three months ended March 31,		Percent Increase (Decrease)
	<u>2006</u>	<u>2005</u>	<u>2006 vs.</u> <u>2005</u>
(In millions, except per share and percent amounts)			
Net revenue	\$ 739	\$ 658	12.3%
General and administrative	348	307	13.4%
Advertising and market development	183	172	6.4%
Depreciation and amortization	<u>25</u>	<u>28</u>	(10.7)%
Total operating expenses	<u>556</u>	<u>507</u>	9.7%
Operating income	183	151	21.2%
Total other income (expense)	<u>10</u>	<u>(7)</u>	242.9%
Income before income tax expense	193	144	34.0%
Income tax expense	<u>66</u>	<u>51</u>	29.4%
Net income	<u>\$ 127</u>	<u>\$ 93</u>	36.6%
Net income per share (basic and diluted) ¹	\$ 1.27	\$.93	36.6%
Effective income tax rate	34.3%	35.3%	**

** Not meaningful

¹ As more fully described in Note 2 to the Consolidated Financial Statements in our Form 10-Q for the quarter ended March 31, 2006, in connection with the ownership and governance transactions we will reclassify all of our approximately 100 outstanding shares of existing Class A redeemable common stock so that our existing stockholders will receive 1.35 shares of our Class B common stock for each share of Class A redeemable common stock that they held prior to the reclassification and a single share of our Class M common stock. Accordingly, shares and per share data will be retroactively restated in the financial statements subsequent to the reclassification to reflect the reclassification as if it were effective at the start of the first period being presented in the financial statements.

Operating Performance for the Quarter-Ended March 31, 2006

For the 3 Months ended March 31, 2006											
All Programs except	GDV	Growth	Purchase Volume	Growth	Purchase Transactions	Cash Volume	Growth	Cash Transactions	Accounts	Cards	Acceptance Locations
On-Line Debit Programs	(Billions)	(Local)	(Billions)	(Local)	(Millions)	(Billions)	(Local)	(Millions)	(Millions)	(Millions)	(Millions)
South Asia / Middle East Africa	\$6.7	53.3%	\$4.1	33.5%	63.8	\$2.5	102.1%	21.9	18.0	21.1	.7
Asia / Pacific	67.0	6.2%	36.9	14.2%	464.4	30.0	-2.3%	131.2	133.3	145.8	7.6
Europe	112.3	15.3%	83.0	15.1%	1,131.0	29.3	16.0%	199.4	120.8	133.7	7.8
Latin America	28.1	27.4%	12.9	30.2%	294.9	15.2	25.1%	106.1	64.6	77.4	2.0
Canada	16.2	17.4%	13.7	18.3%	167.5	2.6	12.3%	4.7	26.1	31.6	.7
United States	195.6	11.9%	148.9	13.2%	2,131.3	46.7	8.0%	204.1	306.8	362.9	6.1
Worldwide	425.9	13.4%	299.6	15.0%	4,252.9	126.4	9.9%	667.4	669.5	772.4	24.9
Credit Programs											
United States	141.5	7.5%	115.0	9.3%	1,330.3	26.5	0.4%	15.6	228.9	278.8	
Worldwide	331.2	11.1%	249.4	13.5%	3,145.3	81.8	4.4%	273.0	550.5	641.0	
Off-Line Debit Programs											
United States	54.1	25.2%	33.9	28.7%	801.0	20.2	19.9%	188.5	77.8	84.1	
Worldwide	94.7	22.3%	50.2	22.7%	1,107.6	44.6	21.8%	394.5	119.1	131.4	

Note: Figures in the table above may not sum due to rounding

Forward-Looking Statements

This press release contains forward-looking information. Although MasterCard believes that its expectations are based on reasonable assumptions, it can give no assurance that its objectives will be achieved. Important factors that could cause actual results to differ materially from forward-looking information contained in this press release include: global political and economic conditions; MasterCard's ability to achieve its strategic objectives; the performance of MasterCard's member financial institutions and the nature of MasterCard's business relationships with these institutions; substantial and increasingly intense competition in the global payments industry; the success of MasterCard's global advertising, sponsorship, promotion and merchant acceptance initiatives; the functionality and security of MasterCard's transaction processing systems; MasterCard's ability to adapt to industry trends with technological and payment program innovations; the resolution of certain legal proceedings and regulatory actions; changing market dynamics and the other risk factors disclosed in MasterCard Incorporated's most recent Annual Report on Form 10-K. MasterCard disclaims any obligation to publicly update or revise any forward-looking information.

Note to Editors:

Online debit activity, which includes MasterCard's online debit program, Maestro, and MasterCard's ATM-only brand, Cirrus, will be available at a later date.

The data in this press release is provided by the member financial institutions of MasterCard International Incorporated and its affiliates ("MasterCard") and is subject to revision and amendment by such members subsequent to the date of its release which revisions and amendments may be material. A portion of the data relating to accounts and cards reflects the impact of routine portfolio changes among members and other practices that may lead to over counting of the underlying data in certain circumstances. Information with respect to gross dollar volumes ("GDV") includes the impact of balance transfers and convenience checks. The number of cards includes virtual cards, which are MasterCard-branded payment accounts in connection with which functional cards are not generally issued.

Information denominated in U.S. dollars is calculated by applying an established U.S. dollar/local currency exchange rate for each local currency in which MasterCard volumes are reported.

Period-over-period rates of change in volume-based information are provided on a local-currency basis. Accordingly, the period over period rates of change in this press release cannot be extrapolated directly by reference to the U.S. dollar volume information presented for the current and historical periods.

MasterCard-branded data regarding GDV, purchase volume, purchase transactions, cash volume and cash transactions is derived from information provided by MasterCard members that is subject to verification by MasterCard and partial cross checking against information provided by MasterCard's transaction processing systems. MasterCard-branded data concerning accounts, cards and acceptance locations is derived from information provided by MasterCard members that is subject to certain limited verification by MasterCard. Certain information with respect to acceptance locations is provided by third parties and has not been independently verified by MasterCard.

The data in this press release includes information with respect to MasterCard-branded transactions that are not processed by MasterCard and transactions for which MasterCard does not earn significant revenues. Accordingly, the data in this press release cannot be taken as a direct indication of the financial performance of MasterCard International or its parent company, MasterCard Incorporated.

About MasterCard Incorporated

MasterCard Incorporated is a leading global payments solutions company that provides a broad variety of innovative services in support of our global members' credit, deposit access, electronic cash, business-to-business and related payment programs. MasterCard, through its principal operating subsidiary, MasterCard International Incorporated, manages a family of well-known, widely accepted payment card brands including MasterCard®, Maestro® and Cirrus® and serves financial institutions, consumers and businesses in over 210 countries and territories. The MasterCard award-winning Priceless® advertising campaign is now seen in 106 countries and in 50 languages, giving the MasterCard brand a truly global reach and scope. For more information go to www.mastercardinternational.com or refer to the filings of MasterCard Incorporated with the U.S. Securities and Exchange Commission.

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