

MASTERCARD INCORPORATED

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
(In thousands, except per share data)				
Revenues, net	\$1,279,889	\$1,246,504	\$2,435,991	\$2,428,588
Operating Expenses				
General and administrative	506,004	521,357	953,857	982,982
Advertising and marketing	180,478	281,056	296,447	460,644
Litigation settlements	500	1,649,345	500	1,649,345
Depreciation and amortization	35,721	27,950	66,708	53,214
	-----	-----	-----	-----
Total operating expenses	722,703	2,479,708	1,317,512	3,146,185
	-----	-----	-----	-----
Operating income (loss)	557,186	(1,233,204)	1,118,479	(717,597)
Other Income (Expense)				
Investment income, net	13,630	25,685	31,031	140,455
Interest expense	(31,771)	(15,438)	(67,569)	(30,756)
Other income (expense), net	(2,599)	(225)	4,383	73,297
	-----	-----	-----	-----
Total other income (expense)	(20,740)	10,022	(32,155)	182,996
	-----	-----	-----	-----
Income (loss) before income taxes	536,446	(1,223,182)	1,086,324	(534,601)
Income tax expense (benefit)	187,567	(476,529)	370,235	(234,826)
	-----	-----	-----	-----
Net income (loss)	348,879	(746,653)	716,089	(299,775)
Loss attributable to non-controlling interests	195	-	243	-
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Net Income (Loss) Attributable to MasterCard	\$349,074	\$ (746,653)	\$716,332	\$ (299,775)
	=====	=====	=====	=====
Basic Earnings (Loss) per Share	\$2.67	\$ (5.70)	\$5.49	\$ (2.28)
	=====	=====	=====	=====
Basic Weighted Average Shares Outstanding	129,743	130,073	129,689	130,750
	=====	=====	=====	=====
Diluted Earnings (Loss) per Share	\$2.67	\$ (5.70)	\$5.47	\$ (2.28)
	=====	=====	=====	=====
Diluted Weighted Average Shares Outstanding	130,118	130,073	130,048	130,750
	=====	=====	=====	=====

MASTERCARD INCORPORATED
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 2009	December 31, 2008
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(In thousands, except share data)		
ASSETS		
Cash and cash equivalents	\$2,048,194	\$1,505,160
Investment securities, at fair value:		
Available-for-sale	605,403	588,095
Municipal bonds held-to-maturity	-	154,000
Accounts receivable	545,255	639,482
Income taxes receivable	-	198,308
Settlement due from customers	625,572	513,191
Restricted security deposits held for customers	243,330	183,245
Prepaid expenses	284,647	213,612
Deferred income taxes	262,764	283,795
Other current assets	75,037	32,619
	-----	-----
Total Current Assets	4,690,202	4,311,507

Property, plant and equipment, at cost (less accumulated depreciation of \$307,935 and \$278,269)	456,750	306,798
Deferred income taxes	502,161	567,567
Goodwill	300,364	297,993
Other intangible assets (less accumulated amortization of \$393,398 and \$377,570)	397,345	394,282
Auction rate securities available-for-sale, at fair value	187,000	191,760
Municipal bonds held-to-maturity	36,910	37,450
Prepaid expenses	306,757	302,095
Other assets	106,444	66,397
	-----	-----
Total Assets	\$6,983,933	\$6,475,849
	=====	=====

LIABILITIES AND EQUITY

Accounts payable	\$259,484	\$253,276
Settlement due to customers	610,028	541,303
Restricted security deposits held for customers	243,330	183,245
Obligations under litigation settlements	709,835	713,035
Accrued expenses	955,278	1,032,061
Short-term debt	-	149,380
Other current liabilities	203,657	118,151
	-----	-----
Total Current Liabilities	2,981,612	2,990,451
Deferred income taxes	73,668	74,518
Obligations under litigation settlements	772,755	1,023,263
Long-term debt	20,564	19,387
Other liabilities	461,293	436,255
	-----	-----
Total Liabilities	4,309,892	4,543,874
Commitments		
Stockholders' Equity		
Class A common stock, \$.0001 par value; authorized 3,000,000,000 shares, 109,663,493 and 105,126,588 shares issued and 116,404,083 and 98,385,998 outstanding, respectively	11	10
Class B common stock, \$.0001 par value; authorized 1,200,000,000 shares, 19,977,657 and 30,848,778 issued and outstanding, respectively	3	4
Class M common stock, \$.0001 par value; authorized 1,000,000 shares, 1,772 and 1,728 shares issued and outstanding, respectively	-	-
Additional paid-in-capital	3,346,557	3,304,604
Class A treasury stock, at cost, 6,740,590 shares, respectively	(1,250,000)	(1,250,000)
Retained earnings (accumulated deficit)	440,901	(236,100)
Accumulated other comprehensive income:		
Cumulative foreign currency translation adjustments	186,915	175,040
Defined benefit pension and other postretirement plans, net of tax	(41,320)	(43,207)
Investment securities available-for-sale, net of tax	(16,798)	(22,996)
	-----	-----
Total accumulated other comprehensive income	128,797	108,837
	-----	-----
Total Stockholders' Equity	2,666,269	1,927,355
Non-controlling interests	7,772	4,620
	-----	-----
Total Equity	2,674,041	1,931,975
	-----	-----
Total Liabilities and Equity	\$6,983,933	\$6,475,849
	=====	=====

MASTERCARD INCORPORATED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended June 30,	
	2009	2008
	-----	-----
	(In thousands)	
Operating Activities		
Net income (loss)	\$716,089	\$ (299,775)

Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	66,708	53,214
Gain on sale of Redecard S.A. available- for-sale securities	-	(85,903)
Share based payments	40,614	28,989
Stock units settled in cash for taxes	(26,506)	(66,090)
Tax benefit for share based compensation	(25,547)	(43,829)
Impairment of assets	15,266	8,900
Accretion of imputed interest on litigation settlements	49,977	16,124
Deferred income taxes	84,204	(573,927)
Other	(760)	5,208
Changes in operating assets and liabilities:		
Trading securities	-	2,561
Accounts receivable	110,383	(15,809)
Income taxes receivable	190,000	-
Settlement due from customers	(108,826)	(8,172)
Prepaid expenses	(69,897)	(75,658)
Other current assets	(56,685)	(1,723)
Obligations under litigation settlements	(303,685)	1,648,859
Accounts payable	5,230	(272)
Settlement due to customers	67,796	21,577
Accrued expenses	(58,548)	(155,076)
Net change in other assets and liabilities	82,270	83,601
	-----	-----
Net cash provided by operating activities	778,083	542,799
	-----	-----
Investing Activities		
Purchases of property, plant and equipment	(25,028)	(28,961)
Capitalized software	(37,586)	(38,784)
Purchases of investment securities available-for-sale	(64,425)	(422,739)
Proceeds from sales and maturities of investment securities, available-for-sale	59,009	737,616
Investment in affiliates	(18,084)	-
Acquisition of business, net of cash acquired	(2,913)	-
Other investing activities	1,307	709
	-----	---
Net cash provided by (used in) investing activities	(87,720)	247,841
	-----	-----
Financing Activities		
Dividends paid	(39,359)	(39,878)
Cash proceeds from exercise of stock options	2,269	4,656
Tax benefit for share based compensation	25,547	43,829
Purchase of treasury stock	-	(649,468)
Payment of debt	(149,380)	(80,000)
Redemption of non-controlling interest	(4,620)	-
	-----	---
Net cash used in financing activities	(165,543)	(720,861)
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	18,214	40,137
	-----	-----
Net increase in cash and cash equivalents	543,034	109,916
Cash and cash equivalents - beginning of period	1,505,160	1,659,295
	-----	-----
Cash and cash equivalents - end of period	\$2,048,194	\$1,769,211
	=====	=====

MASTERCARD INCORPORATED OPERATING PERFORMANCE

For the 3 Months ended June 30, 2009

All MasterCard Credit, Charge and Debit Programs	GDV (Bil.)	Growth (USD)	Growth (Local)	Purchase Volume (Bil.)
	-----	-----	-----	-----
APMEA	\$114	7.5%	17.4%	\$77
Canada	23	-16.6%	-3.4%	20
Europe	173	-15.5%	2.1%	130

Latin America	41	-13.2%	7.0%	22
United States	245	-9.7%	-9.7%	202
Worldwide	595	-9.3%	-0.6%	450

MasterCard Credit
and Charge Programs

United States	133	-18.7%	-18.7%	120
Worldwide less				
United States	266	-12.3%	2.8%	218
Worldwide	399	-14.5%	-5.5%	338

MasterCard Debit
Programs

United States	112	4.1%	4.1%	82
Worldwide less				
United States	84	3.3%	21.9%	31
Worldwide	196	3.8%	11.1%	113

For the 3 Months ended June 30, 2009

All MasterCard
Credit,
Charge and
Debit Programs

	Growth (Local)	Purchase Trans. (Mil.)	Cash Volume (Bil.)	Growth (Local)
APMEA	16.3%	1,010	\$37	19.8%
Canada	-2.2%	254	3	-11.3%
Europe	3.0%	1,679	43	-0.6%
Latin America	11.2%	463	19	2.2%
United States	-8.8%	3,611	43	-13.4%
Worldwide	-0.7%	7,017	145	-0.5%

MasterCard Credit
and Charge Programs

United States	-15.6%	1,497	13	-39.4%
Worldwide less				
United States	5.3%	2,852	49	-7.2%
Worldwide	-3.2%	4,350	61	-16.6%

MasterCard Debit
Programs

United States	3.4%	2,114	30	6.3%
Worldwide less				
United States	21.4%	553	53	22.2%
Worldwide	7.7%	2,667	83	16.0%

For the 3 Months ended June 30, 2009

All MasterCard
Credit,
Charge and
Debit Programs

	Cash Trans. (Mil.)	Accounts (Mil.)	Cards (Mil.)	Acceptance Locations (Mil.)
APMEA	279	233	256	8.9
Canada	5	35	43	0.8
Europe	284	181	196	8.6
Latin America	140	96	118	3.0
United States	261	300	347	8.1
Worldwide	968	846	959	29.4

MasterCard Credit
and Charge Programs

United States	10	184	220
Worldwide less			
United States	251	438	496
Worldwide	261	622	716

MasterCard Debit
Programs

United States	252	116	127
Worldwide less			
United States	456	108	116
Worldwide	707	224	242

APMEA = Asia Pacific / Middle East / Africa

For the 6 Months ended June 30, 2009

All MasterCard Credit, Charge and Debit Programs	GDV (Bil.)	Growth (USD)	Growth (Local)	Purchase Volume (Bil.)
APMEA	\$216	4.9%	16.7%	\$145
Canada	42	-18.1%	-2.0%	36
Europe	326	-15.8%	2.9%	243
Latin America	78	-14.5%	7.0%	42
United States	483	-8.8%	-8.8%	394
Worldwide	1,145	-9.5%	-0.2%	861
MasterCard Credit and Charge Programs				
United States	261	-18.0%	-18.0%	233
Worldwide less United States	507	-13.1%	3.6%	412
Worldwide	767	-14.8%	-4.9%	645
MasterCard Debit Programs				
United States	222	4.9%	4.9%	160
Worldwide less United States	155	1.6%	20.9%	56
Worldwide	377	3.5%	10.9%	216

For the 6 Months ended June 30, 2009

All MasterCard Credit, Charge and Debit Programs	Growth (Local)	Purchase Trans. (Mil.)	Cash Volume (Bil.)	Growth (Local)
APMEA	15.6%	1,941	\$71	18.9%
Canada	-0.3%	477	6	-11.7%
Europe	3.5%	3,220	82	0.9%
Latin America	10.8%	908	36	2.8%
United States	-8.0%	6,945	89	-12.5%
Worldwide	-0.2%	13,491	283	-0.2%
MasterCard Credit and Charge Programs				
United States	-14.8%	2,885	28	-37.7%
Worldwide less United States	6.1%	5,516	95	-6.1%
Worldwide	-2.5%	8,401	123	-15.7%
MasterCard Debit Programs				
United States	4.1%	4,060	62	6.9%
Worldwide less United States	17.7%	1,030	99	22.7%
Worldwide	7.3%	5,090	161	16.1%

For the 6 Months ended June 30, 2009

All MasterCard Credit, Charge and Debit Programs	Cash Trans. (Mil.)	Accounts (Mil.)	Cards (Mil.)
APMEA	534	233	256
Canada	10	35	43
Europe	541	181	196
Latin America	277	96	118
United States	518	300	347
Worldwide	1,880	846	959
MasterCard Credit and Charge Programs			
United States	20	184	220
Worldwide less United States	489	438	496
Worldwide	509	622	716

MasterCard Debit Programs			
United States	498	116	127
Worldwide less			
United States	872	108	116
Worldwide	1,371	224	242

For the 3 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	GDV (Bil.)	Growth (USD)	Growth (Local)	Purchase Volume (Bil.)
	-----	-----	-----	-----
APMEA	\$106	28.1%	21.5%	\$72
Canada	27	22.2%	12.4%	24
Europe	205	30.8%	17.9%	151
Latin America	47	26.4%	17.3%	24
United States	271	6.2%	6.2%	221
Worldwide	656	18.4%	13.0%	493

MasterCard Credit and Charge Programs				
United States	163	0.7%	0.7%	142
Worldwide less				
United States	303	27.2%	17.3%	242
Worldwide	467	16.5%	10.9%	384

MasterCard Debit Programs				
United States	107	15.9%	15.9%	79
Worldwide less				
United States	81	35.1%	22.5%	30
Worldwide	189	23.5%	18.7%	109

For the 3 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	Growth (Local)	Purchase Trans. (Mil.)	Cash Volume (Bil.)	Growth (Local)
	-----	-----	-----	-----
APMEA	23.6%	843	\$33	17.3%
Canada	13.5%	244	4	5.9%
Europe	18.4%	1,567	53	16.4%
Latin America	19.9%	435	23	14.6%
United States	8.0%	3,489	50	-0.9%
Worldwide	14.0%	6,578	163	10.2%

MasterCard Credit and Charge Programs				
United States	2.8%	1,590	21	-11.3%
Worldwide less				
United States	19.8%	2,644	62	8.4%
Worldwide	12.9%	4,234	83	2.5%

MasterCard Debit Programs				
United States	18.7%	1,899	28	8.8%
Worldwide less				
United States	16.4%	446	52	26.4%
Worldwide	18.1%	2,345	80	19.5%

For the 3 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	Cash Trans. (Mil.)	Accounts (Mil.)	Cards (Mil.)
	-----	-----	-----
APMEA	215	204	223
Canada	5	31	38
Europe	272	175	189
Latin America	141	86	106
United States	258	334	391
Worldwide	891	830	947

MasterCard Credit and
Charge Programs

United States	15	224	274
Worldwide less			
United States	253	421	475
Worldwide	268	644	749

MasterCard Debit Programs			
United States	243	110	117
Worldwide less			
United States	380	75	81
Worldwide	623	185	198

For the 6 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	GDV (Bil.)	Growth (USD)	Growth (Local)	Purchase Volume (Bil.)
	-----	-----	-----	-----
APMEA	\$206	28.2%	20.8%	\$141
Canada	51	26.4%	12.7%	44
Europe	387	30.6%	17.7%	287
Latin America	91	27.5%	19.0%	47
United States	530	7.5%	7.5%	428
Worldwide	1,265	19.2%	13.6%	946

MasterCard Credit and Charge Programs				
United States	318	2.5%	2.5%	274
Worldwide less				
United States	583	28.2%	17.5%	462
Worldwide	901	17.8%	11.7%	736

MasterCard Debit Programs				
United States	212	16.1%	16.1%	154
Worldwide less				
United States	153	33.3%	21.6%	56
Worldwide	365	22.8%	18.4%	210

For the 6 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	Growth (Local)	Purchase Trans. (Mil.)	Cash Volume (Bil.)	Growth (Local)
	-----	-----	-----	-----
APMEA	23.2%	1,641	\$65	15.9%
Canada	13.3%	456	8	9.3%
Europe	18.2%	3,015	100	16.4%
Latin America	21.3%	851	44	16.6%
United States	9.1%	6,742	102	1.5%
Worldwide	14.5%	12,705	320	10.9%

MasterCard Credit and Charge Programs				
United States	4.3%	3,079	44	-7.7%
Worldwide less				
United States	19.8%	5,111	120	9.5%
Worldwide	13.5%	8,190	165	4.3%

MasterCard Debit Programs				
United States	18.7%	3,663	58	9.8%
Worldwide less				
United States	15.8%	852	97	25.2%
Worldwide	17.9%	4,515	155	19.0%

For the 6 Months ended June 30, 2008

All MasterCard Credit, Charge and Debit Programs	Cash Trans. (Mil.)	Accounts (Mil.)	Cards (Mil.)
	-----	-----	-----
APMEA	411	204	223
Canada	10	31	38
Europe	518	175	189

Latin America	276	86	106
United States	511	334	391
Worldwide	1,727	830	947

MasterCard Credit and Charge Programs

United States	30	224	274
Worldwide less			
United States	497	421	475
Worldwide	527	644	749

MasterCard Debit Programs

United States	481	110	117
Worldwide less			
United States	719	75	81
Worldwide	1,200	185	198

Note that columns in the tables above may not add due to rounding; growth represents change from the comparable year-ago period.

Footnote

The tables set forth the gross dollar volume ("GDV"), purchase volume, cash volume and the number of purchase transactions, cash transactions, accounts, cards and acceptance locations on a regional and global basis for MasterCard®-branded and MasterCard Electronic(TM)-branded cards. Growth rates over prior periods are provided for volume-based data.

Debit transactions on Maestro® and Cirrus®-branded cards, Mondex® transactions and transactions involving brands other than MasterCard are not included in the preceding tables.

For purposes of the table: GDV represents purchase volume plus cash volume and includes the impact of balance transfers and convenience checks; "purchase volume" means the aggregate dollar amount of purchases made with MasterCard-branded cards for the relevant period; and "cash volume" means the aggregate dollar amount of cash disbursements obtained with MasterCard-branded cards for the relevant period. The number of cards includes virtual cards, which are MasterCard-branded payment accounts in connection with which functional cards are not generally issued. Acceptance locations include merchant locations, ATMs and other locations where cash may be obtained.

The MasterCard payment product is comprised of credit, charge and debit programs, and data relating to each type of program is included in the tables. Debit programs include MasterCard-branded debit programs where the primary means of cardholder validation at the point of sale is for cardholders either to sign a sales receipt or enter a PIN. The tables include information with respect to transactions involving MasterCard-branded cards that are not processed by MasterCard and transactions for which MasterCard does not earn significant revenues.

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. These exchange rates are calculated on a quarterly basis using the average exchange rate for each quarter. MasterCard reports period-over-period rates of change in purchase volume and cash volume on the basis of local currency information, in order to eliminate the impact of changes in the value of foreign currencies against the U.S. dollar in calculating such rates of change.

The data set forth in the GDV, purchase volume, purchase transactions, cash volume and cash transactions columns is provided by MasterCard customers and is subject to verification by MasterCard and partial cross-checking against information provided by MasterCard's transaction processing systems. The data set forth in the accounts and cards columns is provided by MasterCard customers and is subject to certain limited verification by MasterCard. A portion of the data set forth in the accounts and cards columns reflects the impact of routine portfolio changes among customers and other practices that may lead to over counting of the underlying data in certain circumstances. In order to provide a true indication of how broadly our cards can be used, MasterCard seeks to provide the most accurate acceptance figures possible and to maintain that MasterCard acceptance is unsurpassed worldwide by periodically validating our results with third parties. The data set forth in the acceptance locations column is derived through a proprietary methodology designed to minimize the impact of multiple acquiring in certain markets. This data is based on information provided by our customers and other third parties and is subject to certain limited verification by MasterCard and partial cross-checking against information provided by MasterCard's transaction processing systems. All data is subject to revision and amendment by MasterCard's customers subsequent to the date of its release.

Performance information for prior periods can be found in the "Investor Relations" section of MasterCard's website at www.mastercard.com.

MasterCard Inc.
GAAP Reconciliation
(\$ millions except per share data)

Three Months ended June 30, 2009			
	Actual	Special Item	Non-GAAP
Litigation settlements	\$1	\$(1) a	\$-
Total operating expenses	723	(1)	722
Operating income (loss)	557	1	558

Operating Margin	43.5%		43.6%
Income (loss) before income taxes	536	1	537
Income taxes (benefit)	187	-	188
Net Income (Loss)	\$349	\$-	\$349
Basic Net Income (Loss) per Share	\$2.67	\$0.01	\$2.68
Diluted Net Income (Loss) per Share	\$2.67	-	\$2.67

Three Months ended June 30, 2008

	Actual	Special Item	Non-GAAP
Litigation settlements	\$1,649	\$ (1,649) a	\$-
Total operating expenses	2,480	(1,649)	830
Operating income (loss)	(1,233)	1,649	416
Operating Margin	(98.9%)		33.4%
Income (loss) before income taxes	(1,223)	1,649	426
Income taxes (benefit)	(477)	627	150
Net Income (Loss)	\$ (747)	\$1,023	\$276
Basic Net Income (Loss) per Share	(\$5.70) c	\$7.80 c	\$2.10 c
Diluted Net Income (Loss) per Share	(\$5.70) c	\$7.80 c	\$2.10 c

Six Months ended June 30, 2009

	Actual	Special Item	Non-GAAP
Litigation settlements	\$1	\$ (1) a	\$-
Total operating expenses	1,318	(1)	1,317
Operating income (loss)	1,118	1	1,119
Operating Margin	45.9%		45.9%
Other income (expense), net	4	-	4
Total other income (expense)	(32)	-	(32)
Income (loss) before income taxes	1,086	1	1,087
Income taxes (benefit)	370	-	370
Net Income (Loss)	\$716	\$-	\$717
Basic Net Income (Loss) per Share	\$5.49	-	\$5.49
Diluted Net Income (Loss) per Share	\$5.47	-	\$5.47

Six Months ended June 30, 2008

	Actual	Special Items	Non-GAAP
Litigation settlements	\$1,649	\$ (1,649) a	\$-
Total operating expenses	3,146	(1,649)	1,497
Operating income (loss)	(718)	1,649	932
Operating Margin	(29.5%)		38.4%
Other income (expense), net	73	(75) b	(2)
Total other income (expense)	183	(75)	108
Income (loss) before income taxes	(535)	1,574	1,040
Income taxes (benefit)	(235)	601	366
Net Income (Loss)	\$ (300)	\$973	\$674
Basic Net Income (Loss) per Share	\$(2.28) c	\$7.39 c	\$5.11 c
Diluted Net Income (Loss) per Share	\$(2.28) c	\$7.38 c	\$5.10 c

a - Litigation settlements

b - Gain from the termination of a customer business agreement

c - Amounts have been revised to conform with the adoption of FSP

EITF 03-06-1, please refer to our March 31, 2009 Form 10-Q filing

Note that the figures in the preceding tables may not sum due to rounding

Reconciliation to Effective Tax Rate for the American Express Litigation Settlement

(In millions, except percentages)	Actual	Actual Effective Tax Rate	Special Item	Non-GAAP	Non-GAAP Effective Tax Rate
-----	-----	-----	-----	-----	-----
Three months ended June 30, 2008:					
Income (loss) before income taxes	\$ (1,223)	39.0%	\$1,649	\$426	35.3%
Income tax expense (benefit)	(477)		627	150	
Net income (loss)	\$ (747)		\$1,023	\$276	
Six months ended June 30, 2008:					
Income (loss) before income taxes	\$ (535)	43.9%	\$1,649	\$1,114	35.2%
Income tax expense (benefit)	(235)		627	392	
Net income (loss)	\$ (300)		\$1,023	\$722	

Note that the figures in the preceding tables may not sum due to rounding