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## MasterCard Incorporated Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Andrew Jeffrey – SunTrust Robinson Humphrey.

#### Andrew Jeffrey – SunTrust Robinson Humphrey

Can you talk a little bit about the trends you are seeing in assessments? I know you mentioned they were a little bit higher this quarter; the rebates were a little bit higher than you would have anticipated. Is there new business that you won that contributes to volume as the year goes on or are we going to see a little bit of a lag by which those rebates start to moderate with the decline in volume that you have seen?

#### Martina Hund-Mejean

I think I have talked a number of times about it. That is probably one of the line items that is more difficult to really forecast. Obviously with where the volume trend is you typically would see some moderating on a one-for-one basis on the rebates and incentives line. But we happen to have actually a very good trajectory from a business point of view and we are, as you heard this morning, signing new deals and we are also obviously renewing some business and that will be a counter effect because you obviously have to take what we are doing there on rebates and on incentives into account in our financials.

So, net/net I think it is probably one of the more difficult lines to call.

#### Andrew Jeffrey – SunTrust Robinson Humphrey

But it sounds like you feel pretty good about your share position as a consequence to some new business signings?

#### Martina Hund-Mejean

That is really not how we are looking at it. Share is just one input but really what is important to us is to sign profitable business and that is what we are more interested in.

#### Andrew Jeffrey – SunTrust Robinson Humphrey

Just to clarify on pricing it sounds like the 4% gain from pricing this year is a little bit better than what you had been contemplating around your 2% long-term goals. Is that a little bit of a step up in your expectations?

**Martina Hund-Mejean**

That is true. As we got our hands around some of the pricing actions that we are putting into the market we feel more comfortable that this will be a good zip code for the rest of the year, the at least 400 basis points. Albeit, I just want to remind everybody I would not be expecting that kind of number going forward. I think in general we would be pulling back to on a normal steady state basis we should be seeing about 200 basis point contribution to our net revenues.

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