MASTERCARD INC
Form 8-K
February 03, 2003

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 3, 2003

MASTERCARD INCORPORATED
(Exact name of registrant as specified in its charter)

DELAWARE	-	13-4172551
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2000 PURCHASE STREET PURCHASE, NEW YORK	10577
(Address of principal executive offices)	(Zip Code)

(914) 249-2000
(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name or former address, if changed since last report)

ITEM 9. REGULATION FD DISCLOSURE.

Set forth below are tables that provide information regarding the performance results for the three months and year ended December 31, 2002 for the payment programs of MasterCard International Incorporated and MasterCard Europe sprl (collectively, "MasterCard"), the principal operating subsidiaries of MasterCard Incorporated. In addition, set forth below are tables that provide information regarding MasterCard's payment programs for the years ended December 31, 2000 and 2001, in each case restated to present the information on the same basis as the information in the tables for the three months and year ended December 31, 2002.

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

	FOR THE 3 MONTHS ENDED DECEMBER 31, 2002				
	GDV (Billions)	GROWTH (Local)	PURCHASE VOLUME (Billions)	GROWTH (Local)	PU TRAN (Mi
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS					
South Asia / Middle East Africa	$ 2.3	22.8%	$ 1.7	24.7%	
Asia / Pacific	57.4	5.2%	32.2	6.0%	
Europe	68.8	16.2%	52.4	17.0%	
Latin America	8.9	25.9%	5.6	16.6%	
Canada	8.9	13.4%	7.6	16.0%	
United States	162.7	12.2%	122.6	14.2%	1
Worldwide	308.9	12.2%	222.0	13.7%	3
CREDIT PROGRAMS					
United States	131.5	12.0%	103.3	13.4%	1
Worldwide	255.3	11.5%	191.0	13.2%	2
OFF-LINE DEBIT PROGRAMS					
United States	31.1	13.3%	19.4	18.4%	
Worldwide	53.7	15.5%	31.1	17.4%	

	FOR THE 3 MONTHS ENDED DECEMBER 31, 2002				
	CASH VOLUME (Billions)	GROWTH (Local)	CASH TRANSACTIONS (Millions)	ACCOUNTS (Millions)	C (Mi
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS					
South Asia / Middle East Africa	$ .7	18.4%	6.8	6.7	
Asia / Pacific	25.1	4.1%	51.7	102.4	
Europe	16.4	13.9%	177.3	77.2	
Latin America	3.3	45.3%	35.2	35.3	
Canada	1.3	0.5%	4.2	18.5	
United States	40.0	6.6%	161.2	250.7	
Worldwide	86.9	8.3%	436.4	490.8	
CREDIT PROGRAMS					
United States	28.2	6.9%	22.8	210.0	
Worldwide	64.3	6.7%	171.3	426.7	
OFF-LINE DEBIT PROGRAMS					
United States	11.8	5.8%	138.4	40.7	
Worldwide	22.6	12.9%	265.0	64.1	

	FOR THE YEAR ENDED DECEMBER 31, 2002			
	GDV (Billions)	GROWTH (Local)	PURCHASE VOLUME (Billions)	GROWTH (Local)
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS				
South Asia / Middle East Africa	$ 8.0	23.0%	$ 5.6	23.6%
Asia / Pacific	223.2	10.6%	121.2	6.9%
Europe	242.6	15.0%	184.1	15.1%
Latin America	33.3	26.2%	21.6	16.8%
Canada	32.3	18.0%	26.8	18.2%
United States	602.2	16.2%	443.7	15.9%
Worldwide	1,141.5	15.2%	803.0	14.4%
CREDIT PROGRAMS				
United States	485.8	15.3%	374.1	15.2%
Worldwide	946.4	14.2%	692.5	13.7%
OFF-LINE DEBIT PROGRAMS				
United States	116.4	19.9%	69.6	19.6%
Worldwide	195.1	20.1%	110.4	19.0%

	FOR THE YEAR ENDED DECEMBER 31, 2002			
	CASH VOLUME (Billions)	GROWTH (Local)	CASH TRANSACTIONS (Millions)	ACCOUNTS (Millions)
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS				
South Asia / Middle East Africa	$ 2.4	21.7%	26.0	6.7
Asia / Pacific	101.9	15.5%	213.1	102.4
Europe	58.5	14.9%	673.4	77.2
Latin America	11.7	48.0%	123.8	35.3
Canada	5.5	16.9%	16.8	18.5
United States	158.5	17.0%	637.5	250.7
Worldwide	338.6	17.1%	1,690.6	490.8
CREDIT PROGRAMS				
United States	111.8	15.7%	93.1	210.0
Worldwide	253.9	15.6%	676.1	426.7
OFF-LINE DEBIT PROGRAMS				
United States	46.7	20.3%	544.4	40.7
Worldwide	84.7	21.5%	1,014.5	64.1

	FOR THE YEAR ENDED DECEMBER 31, 2000				
	GDV (Billions)	GROWTH (Local)	PURCHASE VOLUME (Billions)	GROWTH (Local)	PUR TRANS (Mil
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS					
South Asia / Middle East Africa	$ 7.0	14.7%	$ 4.9	14.4%	
Asia / Pacific	181.5	32.3%	109.8	18.6%	
Europe	191.4	14.4%	147.4	14.3%	2
Latin America	27.5	24.4%	22.6	18.9%	
Canada	25.0	16.7%	20.8	13.4%	
United States	432.1	21.4%	328.0	18.0%	4
Worldwide	864.5	21.7%	633.4	17.1%	8
CREDIT PROGRAMS					
United States	360.3	18.7%	281.4	16.0%	3
Worldwide	738.5	20.5%	556.7	16.1%	7
OFF-LINE DEBIT PROGRAMS					
United States	71.8	37.0%	46.6	31.7%	1
Worldwide	126.1	29.3%	76.7	24.6%	1

	FOR THE YEAR ENDED DECEMBER 31, 2000				
	CASH VOLUME (Billions)	GROWTH (Local)	CASH TRANSACTIONS (Millions)	ACCOUNTS (Millions)	CA (Mil
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS					
South Asia / Middle East Africa	$ 2.2	15.2%	18.9	4.6	
Asia / Pacific	71.7	60.7%	162.8	73.0	
Europe	44.0	14.9%	546.4	60.9	
Latin America	4.9	57.1%	57.7	24.5	
Canada	4.2	36.5%	16.4	12.7	
United States	104.1	33.4%	365.8	187.2	
Worldwide	231.1	36.7%	1,167.9	362.8	
CREDIT PROGRAMS					
United States	78.9	29.3%	85.8	158.5	
Worldwide	181.8	36.5%	547.2	319.9	
OFF-LINE DEBIT PROGRAMS					
United States	25.2	47.9%	280.0	28.7	
Worldwide	49.4	37.4%	620.7	42.9	

	FOR THE YEAR ENDED DECEMBER 31, 2001				
	GDV (Billions)	GROWTH (Local)	PURCHASE VOLUME (Billions)	GROWTH (Local)	T
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS					
South Asia / Middle East Africa	$ 7.3	20.7%	$ 5.1	21.2%	
Asia / Pacific	198.9	18.1%	112.5	8.6%	
Europe	201.7	10.7%	153.6	9.6%	
Latin America	31.9	26.3%	23.3	14.2%	
Canada	27.7	15.3%	22.9	14.8%	
United States	518.4	20.0%	382.9	16.8%	
Worldwide	985.9	17.6%	700.3	13.6%	
CREDIT PROGRAMS					
United States	421.3	16.9%	324.7	15.4%	
Worldwide	826.4	15.8%	609.3	12.7%	
OFF-LINE DEBIT PROGRAMS					
United States	97.1	35.2%	58.2	25.0%	
Worldwide	159.5	28.3%	91.0	20.3%	

	FOR THE YEAR ENDED DECEMBER 31, 2001			
	CASH VOLUME (Billions)	GROWTH (Local)	CASH TRANSACTIONS (Millions)	ACCOUNTS (Millions)
ALL PROGRAMS EXCEPT ON-LINE DEBIT PROGRAMS				
South Asia / Middle East Africa	$ 2.2	19.4%	22.7	5.6
Asia / Pacific	86.5	33.2%	194.8	92.5
Europe	48.2	14.5%	604.9	69.8
Latin America	8.5	78.0%	96.9	33.2
Canada	4.7	17.9%	16.0	15.3
United States	135.5	30.1%	518.1	219.4
Worldwide	285.6	28.8%	1,453.3	435.7
CREDIT PROGRAMS				
United States	96.6	22.4%	92.6	184.8
Worldwide	217.1	25.4%	615.6	379.9
OFF-LINE DEBIT PROGRAMS				
United States	38.9	54.2%	425.4	34.6
Worldwide	68.5	40.8%	837.7	55.8

Maestro(R) and Cirrus(R) on-line debit transactions, Mondex(R) transactions and other branded transactions are not included in the preceding tables.

For purposes of the tables: 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.

The MasterCard payment product is comprised of both credit programs and off-line debit programs, and certain data relating to each type of program is included in the tables. Credit programs include MasterCard-branded credit and charge programs. Off-line debit programs include MasterCard-branded debit programs where the primary means of cardholder validation at the point of sale is for cardholders to sign a sales receipt.

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. However, MasterCard reports period-over-period rates of change in GDV, purchase volume and cash volume solely 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. Accordingly, the period-over-period rates of change set forth in the tables cannot be extrapolated directly by reference to dollar volume information presented by MasterCard for the current and historical periods.

The data set forth in the GDV, purchase volume, purchase transactions, cash volume and cash transactions columns are derived from information provided by MasterCard members that is subject to logical and statistical 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 are derived from information provided by MasterCard members and certain limited logical and statistical verification by MasterCard. A portion of the data set forth in the tables is estimated. In addition, a portion of the data set forth in the accounts and cards columns 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.

The tables include information with respect to MasterCard-branded transactions that are not processed by MasterCard and transactions for which MasterCard does not earn revenues.

Certain information in the preceding tables has been the subject of prior public release by MasterCard. The information in the preceding tables for the years ended December 31, 2000 and 2001 has been restated to conform to the presentation of information in the tables for the three months and year ended December 31, 2002 and to reflect revisions to certain historical statistical information provided by MasterCard's members subsequent to the previous release of this information by MasterCard.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the

undersigned hereunto duly authorized.

MASTERCARD INCORPORATED

Date: February 3, 2003 By /s/ ROBERT W. SELANDER

Robert W. Selander
President and Chief Executive Officer