MasterCard INC (NYSE:MA)
Sector: Financial (NAICS: 522320)

<table>
<thead>
<tr>
<th>Intrinsic Value</th>
<th>Current Price</th>
<th>52 Week High</th>
<th>52 Week Low</th>
<th>Beta</th>
<th>P/E</th>
<th>Market Cap</th>
<th>Dividend Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>$99.61</td>
<td>$70.12</td>
<td>$84.748</td>
<td>$68.266</td>
<td>.9</td>
<td>24.95</td>
<td>$81.335B</td>
<td>0.63%</td>
</tr>
</tbody>
</table>

**Industry Trends**
The global payment industry is growing rapidly every year. Going forward this industry will have to integrate their systems with smartphones apps like Apply Pay. Firms will continue to expand their global reach in search of higher returns and less competition.

**Investment Thesis**
MasterCard is one of the few companies in the global payment industry, which has high barriers to entry. They have focused in cross border transactions which are more profitable and have done significantly better than Visa in this space. Going forward, revenues will increase about 12% a year and EBITDA margins will increase to 70%. This is due to the growth opportunities provided by 85% of world transactions still being made through cash and check. MasterCard is in a non capital-intensive business that produces cash and has no need to carry debt, resulting in high returns on total capital.

**Business Summary**
MasterCard Incorporated is a technology company in the global payments industry. The Company connects consumers, financial institutions, merchants, governments and businesses worldwide, enabling them to use electronic forms of payment instead of cash and checks. It facilitates the processing of payment transactions, including authorization, clearing and settlement, and deliver related products and services. The Company’s family of brands includes MasterCard, Maestro and Cirrus. It also provides offerings, such as loyalty and reward programs, information services and consulting. It provides transaction processing and a range of payment-related products and services to enable the design, packaging and implementation of its products and programs.

**Value Estimate:**
$85-$100
(2016-2018)
**Estimated Real Annual Return:**
8%-12%

**Corporate Social Responsibility:**
<table>
<thead>
<tr>
<th>ESG Disclosure Rating</th>
<th>Environmental Disclosure Score</th>
<th>Carbon Disclosure Score</th>
<th>Social Disclosure Score</th>
<th>Governance Disclosure Score</th>
<th>Equal Opportunity Policy</th>
<th>Community Spending</th>
<th>Total Energy Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.01 (Ind. Avg.: 17.51)</td>
<td>4.65 (Ind. Avg.: 10.82)</td>
<td>43.00 (Ind. Avg.: 49.17)</td>
<td>19.3 (Ind. Avg.: 18.00)</td>
<td>51.79 (Ind. Avg.: 52.62)</td>
<td>1 (Ind. Avg.: 1)</td>
<td>N/A (Ind. Avg.: 10.22M)</td>
<td>N/A (Ind. Avg.: 0.21)</td>
</tr>
</tbody>
</table>

Source: Bloomberg, Google Finance, MasterCard Incorporated

**Report Prepared By:**
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10/15/2014