

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 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): **March 24, 2020**

**Mastercard Incorporated**

*(Exact name of registrant as specified in its charter)*

<b>Delaware</b> <small>(State or other jurisdiction of incorporation)</small>	<b>001-32877</b> <small>(Commission File Number)</small>	<b>13-4172551</b> <small>(IRS Employer Identification No.)</small>
<b>2000 Purchase Street</b>		
<b>Purchase, NY</b>		<b>10577</b>
<small>(Address of principal executive offices)</small>		<small>(Zip Code)</small>
	<b>(914) 249-2000</b>	
	<small>(Registrant's telephone number, including area code)</small>	

**NOT APPLICABLE**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange of which registered
Class A Common Stock	MA	New York Stock Exchange
1.100% Notes due 2022	MA22	New York Stock Exchange
2.100% Notes due 2027	MA27	New York Stock Exchange
2.500% Notes due 2030	MA30	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 7.01 Regulation FD Disclosure

On March 24, 2020, Mastercard Incorporated (the "Company") updated its first-quarter 2020 net revenue and operating expenses outlook. A copy of the press release announcing the updated guidance is attached hereto as Exhibit 99.1. All information in the press release is furnished but not filed.

## Item 8.01 Other Events

The Company is filing this Current Report on Form 8-K to supplement the risk factors described in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019. The following risk factor disclosure should be read in conjunction with the risk factors described in the Annual Report on Form 10-K.

***The extent to which the coronavirus (COVID-19) outbreak and measures taken in response thereto impact our business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted.***

Global health concerns relating to the coronavirus outbreak have been weighing on the macroeconomic environment, and the outbreak has significantly increased economic uncertainty. Risks related to consumers and businesses lowering or changing spending, which impact domestic and cross-border spend, are described in our risk factor titled "Global economic, political, financial and societal events or conditions could result in a material and adverse impact on our overall business and results of operations" under "Risk Factors-Global Economic and Political Environment" in our Annual Report on Form 10-K for the year ended December 31, 2019.

The outbreak has resulted in authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter in place orders, and business shutdowns. These measures have not only negatively impacted consumer spending and business spending habits, they have also adversely impacted and may further impact our workforce and operations and the operations of our customers, suppliers and business partners. These measures may remain in place for a significant period of time and they are likely to continue to adversely affect our business, results of operations and financial condition.

The spread of the coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers and business partners. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus or otherwise be satisfactory to government authorities.

The extent to which the coronavirus outbreak impacts our business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Even after the coronavirus outbreak has subsided, we may continue to experience materially adverse impacts to our business as a result of its global economic impact, including any recession that has occurred or may occur in the future.

There are no comparable recent events which may provide guidance as to the effect of the spread of the coronavirus and a global pandemic, and, as a result, the ultimate impact of the coronavirus outbreak or a similar health epidemic is highly uncertain and subject to change. We do not yet know the full extent of the impacts on our business, our operations or the global economy as a whole. However, the effects could have a material impact on our results of operations, and we will continue to monitor the coronavirus situation closely.

## Item 9.01 Financial Statements and Exhibits

### (d) Exhibits.

<u>Exhibit Number</u>	<u>Exhibit Description</u>
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<a href="#">99.1</a>	<a href="#">Press Release issued by Mastercard Incorporated, dated March 24, 2020.</a>
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104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
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**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: March 24, 2020

By: \_\_\_\_\_ /s/ Janet McGinness  
*Janet McGinness*  
*Corporate Secretary*



## News Release

### **Mastercard Updates First-Quarter 2020 Net Revenue and Operating Expense Outlook Based on the Impact of COVID-19**

**Purchase, N.Y. - March 24, 2020** - We have been closely monitoring the impact of COVID-19 and our thoughts are with the individuals and families whose lives have been affected by the spread of the virus. In these unprecedented times, our top priority is to ensure the health and safety of our employees and support those in need. We have taken several actions to protect our employees, including asking many employees to work from home, establishing split working schedules, restricting business travel and creating a special paid leave program for those impacted by COVID-19. We are also supporting those affected by the virus in many ways, including participating in efforts to accelerate the development of, and access to, treatment for COVID-19 and programs such as employee donation matching for relief efforts. Our operations continue to be supported by a resilient core infrastructure and comprehensive business continuity plans.

As the impact of the virus has rapidly expanded around the globe, we have seen further deterioration in our cross-border, switched volume and switched transaction metrics, although revenue related to our services lines has held up reasonably well. As a result, we are making the following updates to our first quarter year-over-year growth rates for both net revenue and operating expenses, on a non-GAAP, currency-neutral basis, excluding acquisitions.<sup>1</sup> On this basis, we now expect:

- First quarter growth in net revenue in the low-single-digits range. We have also seen some shifts in foreign exchange rates and anticipate that the currency impact will be about a 2 percentage point headwind to net revenue growth in the first quarter.
- First quarter growth in operating expenses in the low-to-mid-single-digits range. In response to the COVID-19 situation, we are taking several actions to manage our expenses prudently, including evaluating our travel & entertainment, advertising & marketing and professional fees spending starting this quarter, all while ensuring that we invest in the long-term growth of our business. We expect operating expense savings to ramp as we move forward.

The long-term fundamentals of our business remain strong. However, due to the speed with which the COVID-19 situation is developing and the unknown duration and severity of the event, we are suspending our annual 2020 outlook for both net revenue and operating expense growth at this time. We anticipate giving further updates on our first-quarter earnings call.

#### **Forward-Looking Statements**

This press release contains forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts may be forward-looking statements. When used in this press release, the words “believe”, “expect”, “could”, “may”, “would”, “will”, “trend” and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements that relate to Mastercard’s future prospects, developments and business strategies. We caution you to not place undue reliance on these forward-looking statements, as they speak only as of the date they are made. Except for the company’s ongoing obligations under the U.S. federal securities laws, the company does not intend to update or otherwise revise

<sup>1</sup> See page 4 for a Non-GAAP reconciliation of first quarter 2020 financial outlook.

the forward-looking information to reflect actual results of operations, changes in financial condition, changes in estimates, expectations or assumptions, changes in general economic or industry conditions or other circumstances arising and/or existing since the preparation of this press release or to reflect the occurrence of any unanticipated events.

Many factors and uncertainties relating to our operations and business environment, all of which are difficult to predict and many of which are outside of our control, influence whether any forward-looking statements can or will be achieved. Any one of those factors could cause our actual results to differ materially from those expressed or implied in writing in any forward-looking statements made by Mastercard or on its behalf, including, but not limited to, the following factors:

- regulation directly related to the payments industry (including regulatory, legislative and litigation activity with respect to interchange rates and surcharging)
- the impact of preferential or protective government actions
- regulation of privacy, data, security and the digital economy
- regulation that directly or indirectly applies to us based on our participation in the global payments industry (including anti-money laundering, counter terrorist financing, economic sanctions and anti-corruption; account-based payment systems; and issuer practice regulation)
- the impact of changes in tax laws, as well as regulations and interpretations of such laws or challenges to our tax positions
- potential or incurred liability and limitations on business related to any litigation or litigation settlements
- the impact of competition in the global payments industry (including disintermediation and pricing pressure)
- the challenges relating to rapid technological developments and changes
- the challenges relating to operating a real-time account-based payment system and to working with new customers and end users
- the impact of information security incidents, account data breaches or service disruptions
- issues related to our relationships with our financial institution customers (including loss of substantial business from significant customers, competitor relationships with our customers and banking industry consolidation), merchants and governments
- exposure to loss or illiquidity due to our role as guarantor and other contractual obligations
- the impact of global economic, political, financial and societal events and conditions
- reputational impact, including impact related to brand perception and lack of visibility of our brands in products and services
- the inability to attract, hire and retain a highly qualified and diverse workforce, or maintain our corporate culture
- issues related to acquisition integration, strategic investments and entry into new businesses
- issues related to our Class A common stock and corporate governance structure

For additional information on these and other factors that could cause the company's actual results to differ materially from expected results, please see the company's filings with the Securities and Exchange Commission, including the company's Annual Report on Form 10-K for the year ended December 31, 2019 and any subsequent reports on Forms 10-Q and 8-K.

**About Mastercard Incorporated (NYSE: MA), [www.mastercard.com](http://www.mastercard.com)**

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help individuals, financial institutions, governments and businesses realize their greatest potential. Our decency quotient, or DQ, drives our culture and everything we do inside and outside of our company. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

**Contacts:**

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## Non-GAAP Reconciliation

	Q1'20 vs. Q1'19 Increase/(Decrease)			
	Net Revenue		Operating Expenses	
	Prior 1	Revised	Prior 2	Revised
Forecasted Growth - GAAP <sup>3</sup>	High-end of high-single-digits	Low-single-digits	Mid-teens	Low-double-digits
Litigation provisions	**	**	**	**
Non-GAAP Growth	High-end of high-single-digits	Low-single-digits	Mid-teens	Low-double-digits
Currency impact <sup>4</sup>	~ 1%	~ 2%	- %	1%
Acquisitions <sup>5</sup>	~ (1)%	~ (1)%	(7-9)%	(7-9)%
Non-GAAP Growth, currency neutral, excluding acquisitions	9-10%	Low-single-digits	High-end of high-single-digits	Low-to-mid-single-digits <sup>6</sup>

\*\* Not applicable

<sup>1</sup> Prior estimate as of February 24, 2020.

<sup>2</sup> Prior estimate as of January 29, 2020.

<sup>3</sup> GAAP - Q1'20 forecast versus Q1'19 reported results.

<sup>4</sup> Impact of currency calculated by remeasuring the future period's results using the current period's exchange rates for both the translational and transactional impacts on operating results.

<sup>5</sup> Acquisitions closed after the beginning of 2019.

<sup>6</sup> The wider than normal range reflects variability related to exchange rates and their impact on hedging gains and losses and balance sheet remeasurement.