

10-Q 1 y60513e10-q.txt MASTERCARD INCORPORATED -----
 ----- SECURITIES AND EXCHANGE COMMISSION WASHINGTON,
 D.C. 20549 ----- FORM 10-Q [X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
 EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2002 OR [] TRANSITION REPORT PURSUANT TO
 SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO COMMISSION
 FILE NUMBER: MASTERCARD INCORPORATED (Exact name of registrant as specified in its charter) DELAWARE 13-4172551 (State or
 other jurisdiction of (IRS Employer Incorporation or organization) Identification Number)
 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, former address and former fiscal year, if
 changed since last report) Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the
 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and
 (2) has been subject to such filing requirements for the past 90 days. [X] Yes [] No Indicate the number of shares outstanding of each of the issuer's
 classes of common stock, as of the latest practicable date.

CLASS
 OUTSTANDING
 AT MAY 10,
 2002 -----

-- Common
 stock, par value
 \$0.01 per share
 100 shares

----- PART I -- FINANCIAL INFORMATION ITEM 1. -- FINANCIAL STATEMENTS MASTERCARD INCORPORATED BALANCE
 SHEET

MARCH 31, DECEMBER 31, 2002
 2001 ----- ASSETS

Cash and cash
 equivalents.....
 \$1,000 \$1,000 ----- Total
 Assets.....
 \$1,000 \$1,000 -----

LIABILITIES AND
 STOCKHOLDER'S EQUITY
 STOCKHOLDER'S EQUITY
 Common Stock, \$.01 par value, 100
 shares authorized, issued and
 outstanding.....
 \$ 1 \$ 1 Paid-in-

Capital.....
 999 999 ----- Total
 Stockholder's
 Equity..... 1,000
 1,000 ----- TOTAL

LIABILITIES AND
 STOCKHOLDER'S
 EQUITY..... \$1,000 \$1,000

The accompanying note is an integral part of this balance sheet. NOTE TO BALANCE SHEET FORMATION AND BASIS OF PRESENTATION
 MasterCard Incorporated (the "Company") was organized to become the new stock-based holding company of MasterCard International
 Incorporated ("MCI") and Europay International S.A. ("Europay"). The Company will control MCI and Europay at the closing of the conversion and
 integration transaction as described in (i) the Agreement and Plan of Merger dated as of February 13, 2002 by and among MCI, the Company and
 MasterCard Merger Sub, Inc., including the documents referenced therein, and (ii) the Share Exchange and Integration Agreement dated as of
 February 13, 2002 by and among the Company, MCI and Europay, including the documents referenced therein. Each of these documents is included
 as an exhibit to this Quarterly Report on Form 10-Q. The conversion and integration transaction is expected to close as soon as is practicable following
 the satisfaction or waiver of the conditions set forth in the Share Exchange and Integration Agreement. MCI's historical financial statements will become
 the historical financial statements of the Company upon the closing of the conversion and integration transaction. The Company was incorporated in
 Delaware on May 9, 2001 and has issued 100 shares of common stock, par value \$.01 per share, to its sole incorporator. The Company has not yet
 commenced operations and therefore has no operating results or cash flows for the period ended March 31, 2002. There were no material changes in
 the financial condition of the Company during the quarter ended March 31, 2002. 1 ITEM 2. -- MANAGEMENT'S DISCUSSION AND
 ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS Refer to the Note to Balance Sheet herein. ITEM 3. --

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK Refer to the Note to Balance Sheet herein. PART II ---
OTHER INFORMATION ITEM 6. --- EXHIBITS AND REPORTS ON FORM 8-K (a) Exhibits The following exhibits are filed as part of this
Quarterly Report on Form 10-Q: 3.1 Certificate of Incorporation of MasterCard Incorporated. 3.2 Bylaws of MasterCard Incorporated. 10.1
Agreement and Plan of Merger dated as of February 13, 2002 by and among MasterCard International Incorporated, MasterCard Incorporated and
MasterCard Merger Sub, Inc. 10.2 Share Exchange and Integration Agreement dated as of February 13, 2002 by and among MasterCard
Incorporated, MasterCard International Incorporated and Europay International, S.A. 10.3 Form of Share Exchange Agreement to be entered into
among MasterCard Incorporated, MasterCard International Incorporated and each shareholder of Europay International S.A. other than
MasterCard/Europay U.K. Limited and MasterCard International Incorporated. 10.4 Form of Share Exchange Agreement to be entered into among
MasterCard Incorporated, MasterCard International Incorporated and each shareholder of MasterCard/Europay U.K. Limited.
(b) Reports on Form 8-K None. 2 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, thereunto duly authorized. MASTERCARD INCORPORATED Registrant /s/ ROBERT W.
SELANDER ----- Robert W. Selander President and Chief Executive Officer Date: May 14, 2002 /s/ DENISE K.
FLETCHER ----- Denise K. Fletcher Executive Vice President, Chief Financial Officer and Treasurer (Principal
Financial Officer) Date: May 14, 2002 /s/ SPENCER SCHWARTZ ----- Spencer Schwartz Senior Vice President
and Controller (Principal Accounting Officer) Date: May 14, 2002 3