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## Highlights

- MasterCard has announced first-quarter earnings results. Highlights are below.
- More information can be found on the [MasterCard Newsroom](#).

## Q1 2014 Earnings - Email From Ajay Banga

Story contact: [Warner, Susan](#) on: 5/1/2014

Today we announced our first-quarter earnings results. We kicked off the new year with a strong quarter, which was driven by our continued ability to execute on our strategy and navigate our way through a mixed global economy. Below are highlights of our results.

For the first quarter, we reported net income of \$870 million, up 14%, and earnings per diluted share of \$0.73, up 18% in each case versus the year-ago period. Net revenue was \$2.2 billion, a 14% increase versus the same period in 2013, both as-reported and adjusted for currency. Net revenue growth was driven by the impact of the following:

- a 14% increase in gross dollar volume, on a local currency basis, to \$1.0 trillion;
- an increase in processed transactions of 14%, to 9.8 billion; and
- an increase in cross-border volumes of 17%.

These factors were partially offset by an increase in rebates and incentives. Worldwide purchase volume grew 13% on a local currency basis versus the first quarter of 2013, to \$759 billion. As of March 31, our customers issued just over two billion MasterCard and Maestro-branded cards.

During the quarter we expanded our merchant and issuer relationships, including new deals with Sweden's Handelsbanken, Kenya Commercial Bank and co-brand programs with Wal-Mart and Sam's Club across several countries. Target also shifted its co-brand program to us and will use our chip and PIN technology across all of its card products as part of a commitment to provide its customers with the most secure payment product. We continue to invest in technology and acquisitions that will speed our development of mobile and online solutions. And MasterPass momentum continues with launches now in seven countries – US, UK, Canada, Australia, Italy, China and the latest, New Zealand – with more than 40,000 merchants accepting the wallet.

While Russia continues to be a fluid situation, there's not an immediate financial impact to our business. We will assess the implications of the recently passed domestic payments law and continue to provide updates.

We're off to a strong start. These results underscore our commitment to win new business, expand relationships and invest in new technology – all with the goal to increase our share, create opportunities for new business and drive the conversion of cash. Thanks to all of you, we're on our way.

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Strong earnings results from Q1 will go a long way to reduce the perceptions created by the "miss" during Q4 2013. Double-digit earnings growth over the same quarter last year is exceptional, and proves that our strategy is working and gaining ground on the competition.

[Whitlock, Leslie](#) 5/1/2014 12:50 PM

This is excellent earnings news! Additionally, I am really thrilled to learn that we are expanding our merchant relationships with mega flagships like Walmart and Target who are recognizing and leveraging our Chip and Pin technology to rebuild consumers confidence that their payments are secure.

