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From left to right (top): Juan Rajlin, Barbara Gasper, Bart Goldstein; from left to right (bottom): Jennifer Premisler, Roger Griffith and Josh Krongold

Highlights

- MasterCard issues debt at historically low rates, increasing financial flexibility.
- Our first bond sale ever
- Issuance met with strong demand from fixed income investors.

MasterCard Completes \$1.5 Billion Inaugural Debt Offering



Story contact: [McFarlane, Jessica](#) on: 5/1/2014

On March 26, our company completed its first ever debt issuance, selling \$1.5 billion worth of bonds. This inaugural debt offering marks another important milestone for our company; in 2006, we went public through an initial offering of stock.

The rationale for doing a debt offering is to increase our company's financial flexibility by introducing MasterCard to fixed income investors and opening a whole new capital market that the company did not have access to yet. In addition, we were able to lock in historically low interest rates and reduce our cost of capital. The cash generated will support many of our important initiatives, including working capital, investments in our business for organic and inorganic growth and shareholder returns.

Demand was incredibly strong for our offering of \$500 million in 2% 5-year notes and \$1 billion in 3.375% 10-year notes.

Aside from being a very successful offering, this transaction supports the company's overall commitment to diversity and inclusion. In a typical issuance, underwriting groups might only include large banks; however we included an underwriting group consisting of 10 firms owned by, or representing, women, African-Americans, Hispanics/ Latinos and military veterans, each of which were invited to sell bonds and received fees.

This exciting news is the result of collaboration between Treasury, Investor Relations, the Office of the Corporate Secretary and several Finance teams, including Tax and Accounting.

"The strong demand from debt investors for our bonds is evidence of our best-in-class financial profile ... our bonds priced better than most blue-chip technology companies and financials, such as Apple for example," says our Corporate Treasurer Juan Rajlin. "We are also especially proud that our initial public offering of debt was one of the most diverse in history."

The issuance was very well received, pricing better than many companies with credit ratings higher than our A rating. You can learn more about issuing debt on [Investopedia.com](#). For more information on this offering, please contact [Jen Premisler](#) or [Juan Rajlin](#).



MasterCard

\$1,500,000,000

\$500,000,000 Notes due 2019

\$1,000,000,000 Notes due 2024

Pricing Date: March 2014
Issuer: MasterCard, Inc.
Ratings: A / A2
Outlook: Stable / Stable

	<u>5-year</u>	<u>10-year</u>
Price Spread:	Treasury + 40 bps	Treasury + 72 bps
Coupon:	2.000%	3.375%

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Another major milestone for the new MasterCard. Financial flexibility is always a good thing - even in good times. Heartiest congratulations to the teams of Treasury, Investor Relations, the Office of the Corporate Secretary, Finance and Tax/Accounting.