

American Express Company

Earnings Conference Call
Q4'15

January 21, 2016

AMERICAN EXPRESS

Q4'15 and FY'15 Summary Financial Performance

($ in millions; except per share amounts and where otherwise noted)

	Q4'15	FY'15	Q4'15 Inc/(Dec)	FY'15 Inc/(Dec)
Billed Business ($ in B)*	$273	$ 1,040	2%	2%
*FX-Adjusted***			*5%*	*6%*
Total Revenues Net of Interest Expense	$8,391	$ 32,818	(8%)	(4%)
*Adjusted for FX, GBT & Concur****			*4%*	*4%*
Net Income†	$899	$5,163	(38%)	(12%)
Adj. Net Income††	*$1,234*	*$5,498*		
Diluted EPS	$0.89	$5.05	(36%)	(9%)
Adj. Diluted EPS††	*$1.23*	*$5.38*		
Return on Average Equity	24%	24%		
Average Diluted Shares Outstanding	981	1,003	(5%)	(5%)

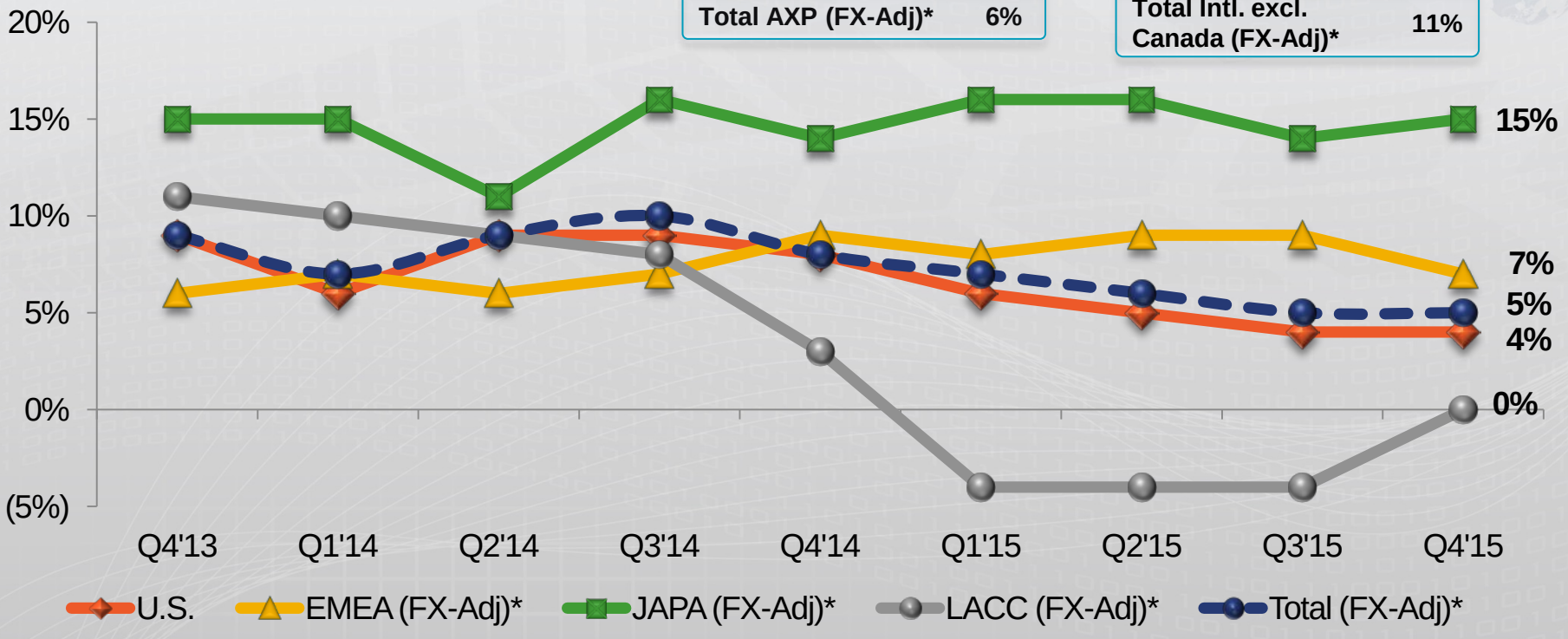
**See slide 3 for an explanation of card Billed Business. **FX-adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (i.e., assumes Q4'15 foreign exchange rates apply to Q4'14 results, and 2015 foreign exchange rates apply to 2014 results). Certain amounts included in the calculations of FX-adjusted revenues and expenses, which constitute non-GAAP measures, are subject to management allocations. ***Total revenues net of interest expense, adjusted for FX and excluding Business Travel revenues from H1'14 and the gain on the Q4'14 sale of the Concur investment and related growth rates are non-GAAP measures. See annex 4 for a reconciliation. †Attributable to common shareholders. Represents net income less earnings allocated to participating share awards, dividends on preferred shares and other items. †† Adjusted Net Income and Adjusted Diluted EPS, non-GAAP measures, exclude the Q4'15 Enterprise Growth charges. See Annex 8 for reconciliations to Net Income and Diluted EPS on a GAAP basis.*

Billed Business Growth by Region

% Increase/(decrease) vs. Prior year:

FY'15 Billings Growth	
Total AXP (FX-Adj)*	6%

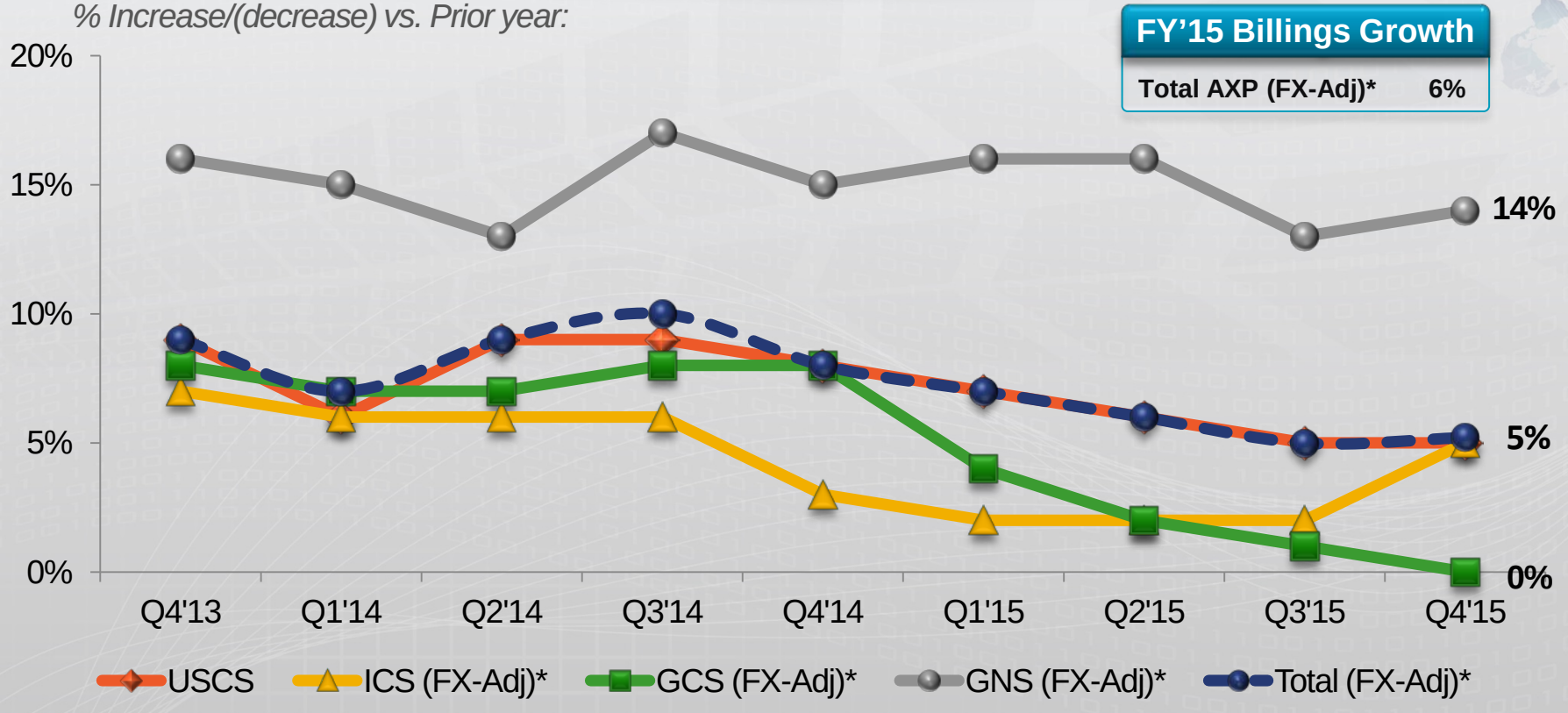
Q4'15 Billings Growth	
Total Intl. excl. Canada (FX-Adj)*	11%



*Note: Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements (non-proprietary billed business), corporate payments and certain insurance fees charged on proprietary cards. *See Annex 1 for reported billings growth rates.*

Billed Business Growth by Segment

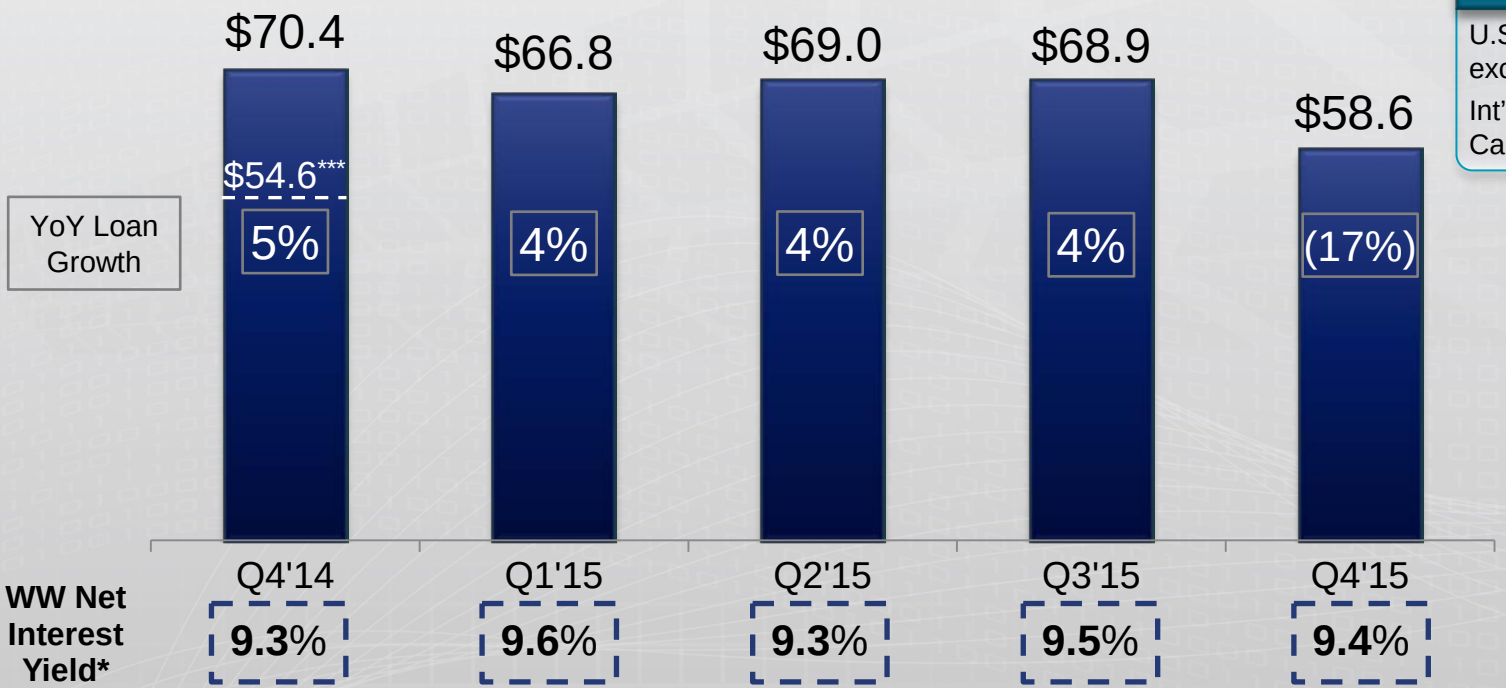
% Increase/(decrease) vs. Prior year:



*See Annex 2 for reported billings growth rates.

Worldwide Card Member Loans

($ in billions)



Q4'15 Loan Growth	
U.S. Loan Growth excl. HFS Portfolio***	10%
Int'l FX-adj. excluding Canada**	10%

**Refer to Annex 6 for the calculation of Worldwide net interest yield on Card Member loans, a non-GAAP measure, and net interest income divided by average loans, a GAAP measure. **International Card Member loans excluding the impact of foreign exchange rates and Card Member loans attributable to Canadian accounts and the related growth rate are non-GAAP measures. See Annex 3 for a reconciliation. ***Adjusted U.S. Card Member loans and related growth rates are non-GAAP measures and exclude from the prior year the Q4'14 Card Member loan balances related to co-brand partnerships with Costco in the U.S. and JetBlue, now classified as held for sale. See Annex 3 for a reconciliation to Card Member loans held for investment on a GAAP basis.*

Revenue Performance

($ in millions)

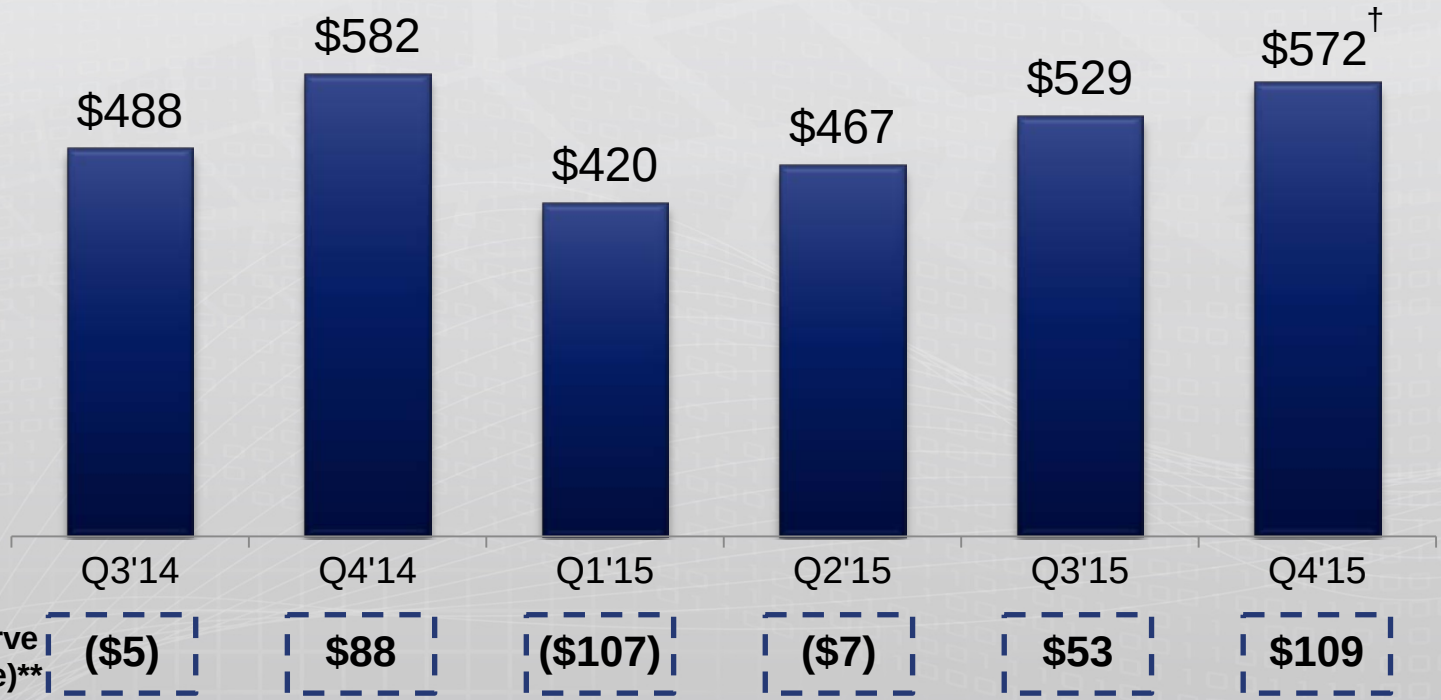
	Q4'15	FY'15	Q4'15 Inc/(Dec)	FY'15 Inc/(Dec)
Discount Revenue	$4,913	$19,297	(1%)	(0%)
Net Card Fees	687	2,700	2%	(0%)
Other Fees & Commissions***	704	2,866	(2%)	(21%)
Other Revenue**	540	2,033	(59%)	(32%)
Net Interest Income	1,547	5,922	9%	8%
Total Revenues Net of Interest Expense	$8,391	$32,818	(8%)	(4%)
*Adj. for FX, Business Travel and Concur**			*4%*	*4%*

**Total Revenues Net of Interest Expense adjusted for FX and excluding Business Travel revenues from H1'14 and the gain on the Q4'14 sale of the Concur investment, and the related growth rates are non-GAAP measures. Refer to Annex 4 for a reconciliation, and slide 2 for an explanation of FX-adjusted information. **Other revenue, adjusted to exclude the Q4'14 Concur gain, on an FX-adjusted basis, a non-GAAP measure, decreased (2%) in Q4'15, and (4%) for FY'15. Refer to Annex 8 for a reconciliation. ***FY'15 Other Fees & Commissions growth rate reflects Business Travel revenues for Q1'14 and Q2'14.*

Provisions for Losses

($ in millions)

Q4'15 % Inc/(Dec)
(2%)*



WW CM Reserve Build/(Release)**	($5)	$88	($107)	($7)	$53	$109

†*Adjusted total provision for losses, a non-GAAP measure, was $602MM in Q4'15, and includes $30MM in credit costs related to the held for sale portfolios, now classified as a valuation allowance adjustment in operating expense.*Total provision on an FX-adjusted basis, a non-GAAP measure, increased 1% in Q4'15. See slide 2 for an explanation of FX-adjusted information.**Worldwide reserve build/(release) on Card Member charge and lending vs. the prior quarter, excluding reserves of $224MM moved to Held for Sale in Q4'15.*

Expense Performance

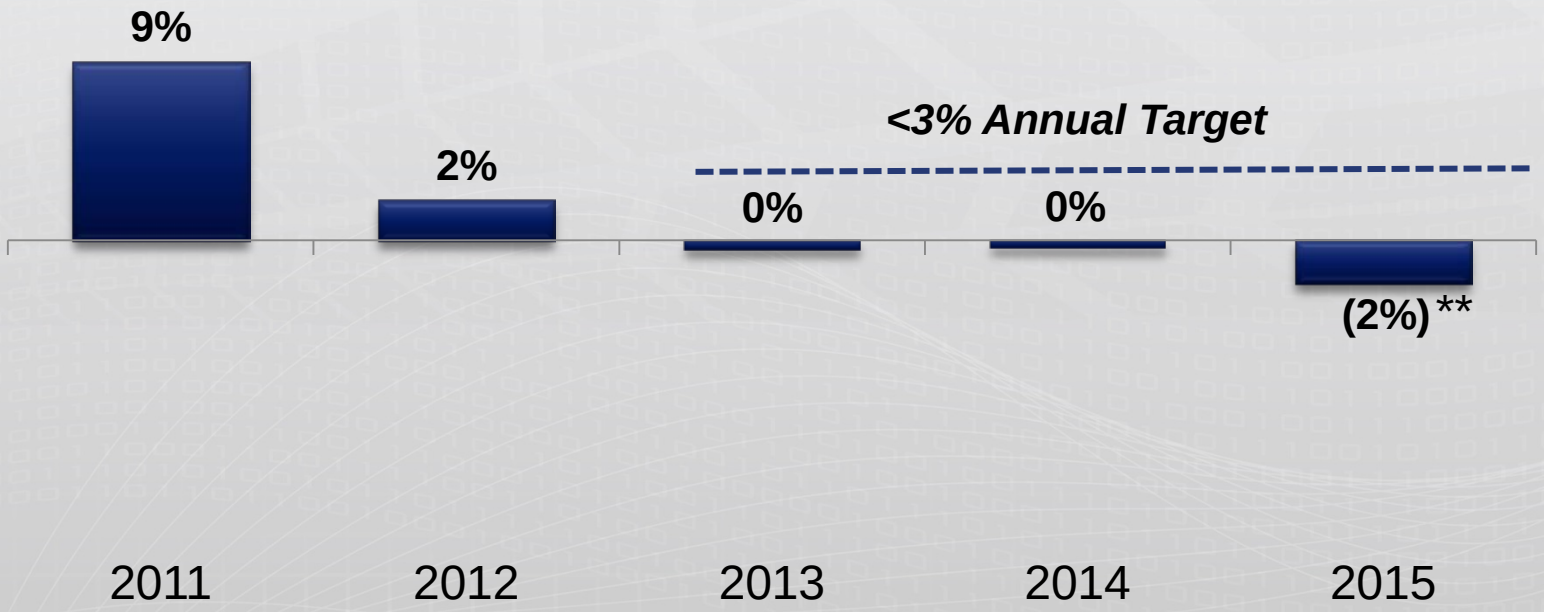
($ in millions)

	Q4'15	FY'15	Q4'15 Inc/(Dec)	FY'15 Inc/(Dec)
Marketing and Promotion	$892	$3,109	1%	(3%)
Card Member Rewards	1,794	6,996	(5%)	1%
Card Member Services and Other	246	1,018	21%	24%
Total Operating Expenses*	3,433	11,769	4%	(3%)
Total Expenses**	$6,365	$22,892	1%	(1%)
Tax Rate	38.2%	35.0%		

**Represents salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net. Adjusted Total Operating Expenses, excluding the Q4'15 Enterprise Growth charge, Q1'14 and Q2'14 Business Travel operating expenses and Q2'14 Business Travel JV gain and transaction-related costs, a non-GAAP measure, were up 1% in Q4'15, and down (2%) for FY'15. Refer to Annex 5 for reconciliation. **Total Expenses on an FX-adjusted basis, a non-GAAP measure, were up 4% in Q4'15. See slide 2 for an explanation of FX-adjusted information.*

Adjusted Total Operating Expense Growth*

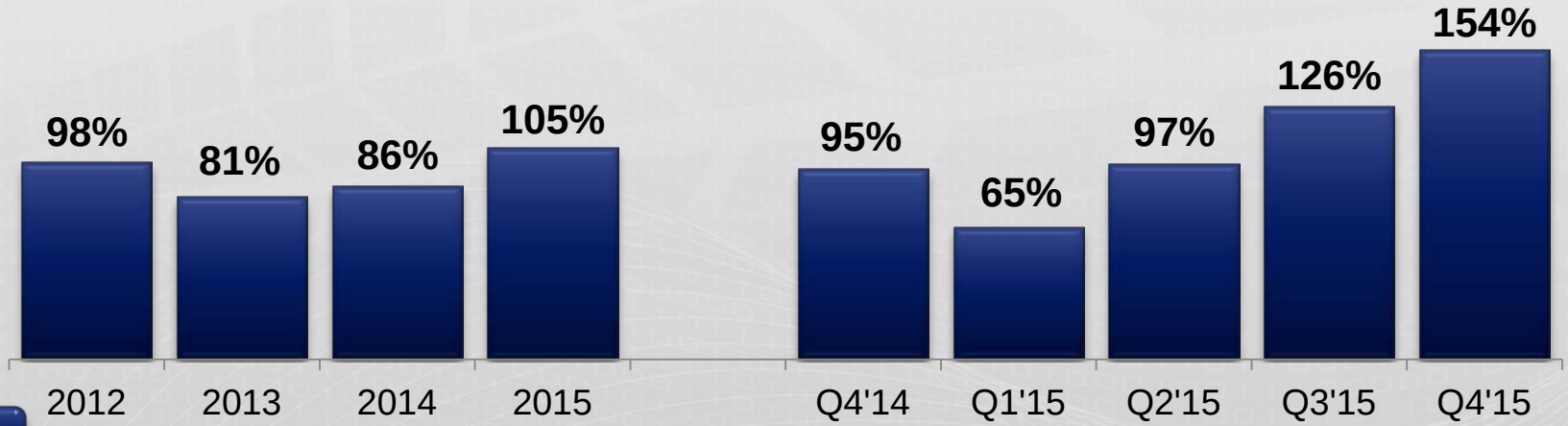
% Increase/(decrease) vs. Prior year:



*Note: See slide 8 for definition of operating expenses. *The growth rate of adjusted total operating expenses, a non-GAAP measure, excludes Visa/MasterCard litigation settlement proceeds from 2011-2012, restructuring charges in Q4'12, Q2'14 and Q4'14, Q3'13-Q4'13 Business Travel operating expenses (with respect to the 2014 and 2015 growth rates only), Q1'14 and Q2'14 Business Travel operating expenses (with respect to the 2015 growth rate only), Q2'14 Business Travel JV gain and transaction-related costs, Q2'14 AXP Foundation contribution and Q4'15 Enterprise Growth charge from total operating expenses . Reported operating expense growth rates were 12%, 10%, (3%), (6%) and (3%) for 2011, 2012, 2013, 2014 and 2015, respectively. Refer to Annex 5 for a reconciliation of adjusted growth rates and their components. **FY'15 Adjusted Total Operating Expense Growth, on an FX-Adjusted basis, a non-GAAP measure, increased 2%. See slide 2 for an explanation of FX-adjusted information.*

Capital and Payout Ratios

Percentage of Capital Generated Returned to Shareholders



Risk-Based Capital Ratios*	2012	2013	2014	2015	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15
Tier 1 Common	11.9%	12.5%	13.1%	12.4%	13.1%	13.8%	13.5%	13.2%	12.4%
Tier 1 Capital	11.9%	12.5%	13.6%	13.5%	13.6%	14.9%	14.7%	14.3%	13.5%

*Note: Payout Ratio is calculated by dividing the total amount returned to shareholders through dividends and share repurchases during the respective period by the total capital generated through net income attributable to common shareholders and employee plans during the respective period. *The Risk-Based Capital Ratios for Q4'15 represent a preliminary estimate as of the date of these earnings slides and may be revised in the Company's Form 10-K for the year ended December 31, 2015. Tier 1 Common is Tier 1 Common under Basel I for the periods ending 2012 and 2013, and Common Equity Tier 1 under Basel III, inclusive of transition provisions, for the periods ending 2014, 2015 and Q4'14 through Q4'15. The Tier 1 Common Risk-Based Capital Ratio is calculated as Tier 1 Common Equity, a non-GAAP measure, divided by Risk-Weighted Assets. See Annex 7 for a reconciliation between Tier 1 Common Equity and Total Shareholders' Equity.*


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Appendix

Annex 1 (1 of 2)

Regional Billed Business – Reported & FX-Adjusted*

% Increase/(decrease) vs. prior year

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15
EMEA									
Reported	9%	11%	12%	7%	1%	(7%)	(7%)	(4%)	(3%)
FX-Adjusted	6%	7%	6%	7%	9%	8%	9%	9%	7%
JAPA									
Reported	6%	7%	10%	16%	7%	6%	4%	(1%)	6%
FX-Adjusted	15%	15%	11%	16%	14%	16%	16%	14%	15%
LACC									
Reported	5%	(1%)	2%	1%	(7%)	(14%)	(17%)	(23%)	(19%)
FX-Adjusted	11%	10%	9%	8%	3%	(4%)	(4%)	(4%)	0%
Worldwide									
Reported	8%	6%	9%	9%	6%	3%	2%	0%	2%
FX-Adjusted	9%	7%	9%	10%	8%	7%	6%	5%	5%

**See slide 2 for an explanation of FX-adjusted information.*

Annex 1 (2 of 2)

➲ *Regional Billed Business – Reported & FX-Adjusted**

% Increase/(decrease) vs. prior year

	Q4'15	FY'15
International		
Reported	(3%)	(5%)
FX-Adjusted	8%	9%
Int'l Excl. Canada BB		
Reported	(0%)	(1%)
FX-Adjusted	11%	12%

**See slide 2 for an explanation of FX-adjusted information.*

Annex 2

Segment Billed Business – Reported & FX-Adjusted*

% Increase/(decrease) vs. prior year

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15
ICS									
Reported	2%	2%	6%	4%	(4%)	(10%)	(12%)	(13%)	(6%)
FX-Adjusted	7%	6%	6%	6%	3%	2%	2%	2%	5%
GCS									
Reported	7%	6%	7%	8%	5%	(1%)	(3%)	(3%)	(3%)
FX-Adjusted	8%	7%	7%	8%	8%	4%	2%	1%	0%
GNS									
Reported	12%	10%	12%	16%	8%	7%	5%	(1%)	3%
FX-Adjusted	16%	15%	13%	17%	15%	16%	16%	13%	14%
Worldwide									
Reported	8%	6%	9%	9%	6%	3%	2%	0%	2%
FX-Adjusted	9%	7%	9%	10%	8%	7%	6%	5%	5%

**See slide 2 for an explanation of FX-adjusted information.*

Annex 3

➲ *Adjusted Loan Growth*

($ in billions)

	Q4'14	Q4'15
International Loans	$7.8	$7.1
Canada Loans	$1.9	$1.2
International Loans excluding Canada	$5.9	$5.9
International Loans Excluding Canada, FX-Adj*	$5.3	
YoY International Loans Growth on a GAAP basis		(9%)
YoY International Loans Growth Excluding Canada		1%
YoY International Loans Growth excluding Canada, FX-Adj*		10%

	Q4'14	Q4'15
U.S. Loans	$62.6	$51.4
Q4'14 Card Member loan balances related to co-brand partnerships with Costco in the U.S. and JetBlue	($15.8)	
U.S. Loans excluding Costco U.S. and JetBlue Portfolios	$46.8	$51.4
YoY U.S. Loans Growth on a GAAP basis		(18%)
YoY Adjusted U.S. Loans Growth excluding Costco U.S. and JetBlue Portfolios		10%

**See slide 2 for an explanation of FX-adjusted information.*

Annex 4

Revenue Net of Interest Adjusted for FX, Global Business Travel and Concur

($ in millions)

	2014	2015	Q4'14	Q4'15
GAAP Revenue Net of Interest Expense	$34,188	$32,818	$9,081	$8,391
Global Business Travel Revenue Net of Interest*	($741)			
Q4'14 Gain on Sale of Concur Investment	($719)		($719)	
Revenue Net of Interest Excluding GBT and Concur	$32,728	$32,818	$8,362	$8,391
FX** - Adjusted Revenue Net of Interest Excluding GBT and Concur	$31,539		$8,100	
YoY% Increase/Decrease in GAAP Revenue Net of Interest		**(4%)**		**(8%)**
YoY% Increase/Decrease in Adjusted Revenue Net of Interest Excluding GBT and Concur		**0%**		**0%**
YoY% Increase/Decrease in FX-Adjusted Revenue Net of Interest Excluding GBT and Concur		**4%**		**4%**

*Note: In Q1'15, the Company reclassified amounts related to certain payments to co-brand partners reducing both marketing and promotion expense and discount revenue. Prior periods have been revised to conform to the current period presentation. * Represents operating performance of Global Business Travel as reported in H1'14. Does not include other Global Business Travel-related items, including equity earnings from the joint venture and impacts related to a transition services agreement that will phase out over time. **See Slide 2 for an explanation of FX-adjusted information.*

Annex 5

Adjusted Total Operating Expense Growth

($ in millions)

	2007	2008	2009	2010	2011	2012	2013	2013	2014	2014	2015	Q4'14	Q4'15
GAAP Total Operating Expenses	$9,945	$11,625	$9,902	$10,916	$12,243	$13,447	$12,987	$12,987	$12,184	$12,184	$11,769	$3,303	$3,433
Visa/MasterCard Settlement Payments	$1,130	$580	$880	$880	$580								
Restructuring Charges*						($400)			($446)	($446)		($313)	
EGG Impairment & Other Charges*											($419)		($419)
Q2'14 Global Business Travel Transaction													
Q2'14 GBT Transaction Gain									$626	$626			
Q2'14 GBT Trans-related Costs									($79)	($79)			
AXP Foundation Contribution*									($40)	($40)			
GBT Operating Expenses**								($696)		($668)			
Adjusted Total Operating Expenses	$11,075	$12,205	$10,782	$11,796	$12,823	$13,047	$12,987	$12,291	$12,245	$11,577	$11,350	$2,990	$3,014
FX- and Adj. Total Operating Expenses										$11,150		$2,899	
YoY% Increase/Decrease in GAAP Total Operating Expenses					**12%**	**10%**	**(3%)**		**(6%)**		**(3%)**		**4%**
YoY% Increase/Decrease in Adjusted Total Operating Expenses					**9%**	**2%**	**0%**		**0%**		**(2%)**		**1%**
YoY% Increase/Decrease in FX-and Adjusted Total Operating Expenses* **											**2%**		**4%**
2007-2014 CAGR GAAP Total Operating Expenses											**2%**		
2007-2014 CAGR Adjusted Total Operating Expenses											**0%**		

**To the extent comparable categories of charges were recognized in periods other than the periods indicated above, they have not been excluded. **Represents operating performance of Global Business Travel as reported in Q3'13-Q4'13 and H1'14. Does not include other Global Business Travel-related items in the periods indicated above, including transaction-related costs and impacts related to a transition services agreement that will phase out over time. ***See slide 2 for an explanation of FX-adjusted information.*

Annex 6

WW Net Interest Yield on Card Loans

($ in millions)

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15
Net Interest Income	$1,319	$1,337	$1,316	$1,395	$1,424	$1,447	$1,423	$1,505	$1,547
Excludes:									
Interest expense not attributable to the Company's Card Member loan portfolio	$279	$263	$259	$247	$250	$249	$249	$234	$229
Interest income not attributable to the Company's Card Member loan portfolio	($91)	($88)	($89)	($90)	($92)	($95)	($97)	($96)	($99)
Adjusted net interest income (A)	**$1,507**	**$1,512**	**$1,486**	**$1,552**	**$1,582**	**$1,601**	**$1,575**	**$1,643**	**$1,677**
Average loans (billions)	$64.4	$64.5	$65.2	$66.4	$67.7	$67.6	$68.0	$69.0	$70.9
Excludes:									
Certain non-traditional Card Member loans and other fees (billions)	($0.2)	($0.2)	($0.2)	($0.2)	($0.2)	($0.2)	($0.2)	($0.2)	($0.2)
Adjusted average loans (billions) (A)	**$64.2**	**$64.3**	**$65.0**	**$66.2**	**$67.5**	**$67.4**	**$67.8**	**$68.8**	**$70.7**
Net interest income divided by average loans (B)	8.1%	8.4%	8.1%	8.5%	8.4%	8.6%	8.4%	8.7%	8.7%
Net interest yield on Card Member loans (C)	9.3%	9.5%	9.2%	9.3%	9.3%	9.6%	9.3%	9.5%	9.4%

(a) Adjusted net interest income and adjusted average loans are non-GAAP measures. The Company believes adjusted net interest income and adjusted average loans are useful to investors because they are components of net interest yield on Card Member loans.(b) This calculation includes elements of total interest income and total interest expense that are not attributable to the Card Member loan portfolio, and thus is not representative of net interest yield on Card Member loans. The calculation includes interest income and interest expense attributable to investment securities and other interest-bearing deposits as well as to Card Member loans, and interest expense attributable to other activities, including Card Member receivables.(c) Net interest yield on Card Member loans, a non-GAAP measure, is computed by dividing adjusted net interest income by adjusted average loans, computed on an annualized basis. The calculation of net interest yield on Card Member loans includes interest that is deemed uncollectible. For all presentations of net interest yield on Card Member loans, reserves and net write-offs related to uncollectible interest are recorded through provisions for losses — Card Member loans; therefore, such reserves and net write-offs are not included in the net interest yield calculation. The Company believes net interest yield on Card Member loans is useful to investors because it provides a measure of profitability of the Company's Card Member loan portfolio.

Annex 7

- ***The Tier 1 Common Risk-Based Capital Ratio is calculated as Tier 1 Common Equity, a non-GAAP measure, divided by Risk-weighted assets. Tier 1 Common Equity is calculated by reference to Total Shareholders' Equity as shown below:***

	12/31/2011	12/31/2012	12/31/2013
Total Shareholders' Equity	$18,794	$18,886	$19,496
Effect of certain items in accumulated other comprehensive loss excluded from Tier 1 common equity	$194	$173	$336
Less			
Ineligible goodwill and intangible assets	($4,051)	($3,921)	($3,474)
Ineligible deferred tax assets	($58)	($228)	($192)
Other Basel III deductions			
Tier 1 Common Equity	**$14,879**	**$14,910**	**$16,166**

Annex 8

Other Revenue Adjusted for FX and Concur

($ in millions)

	Q4'14	Q4'15	FY'14	FY'15
Other Revenue	$1,311	$540	$2,989	$2,033
Q4'14 Concur Gain	($719)		($719)	
Adjusted Other Revenue	**$592**	**$540**	**$2,270**	**$2,033**
Reported Other Revenue Growth		**(59%)**		**(32%)**
Adjusted Other Revenue Growth		**(9%)**		**(10%)**
Adjusted Other Revenue Growth, FX-Adj**		**(2%)**		**(4%)**

Adjusted Net Income & Diluted EPS

($ in millions)

	Q4'15	FY'15
Net Income	$899	$5,163
Q4'15 Enterprise Growth Impairment Charge, After-tax*	$335	$335
Adjusted Net Income	$1,234	$5,498
Adjusted Net Income Attributable to Common Shareholders	$1,208	$5,398
Diluted EPS Attributable to Common Shareholders	**$0.89**	**$5.05**
Adjusted Diluted EPS Attributable to Common Shareholders	**$1.23**	**$5.38**

**The Q4'14 Enterprise Growth charge was driven primarily by the impairment of goodwill and technology, plus some restructuring costs. **See slide 2 for an explanation of FX-adjusted information.*

Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance and which include management's outlook for 2015-2017, among other matters, contain words such as "believe," "expect," "estimate," "anticipate," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," and similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The Company undertakes no obligation to update or revise any forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements, include, but are not limited to, the following:

- the Company's ability to achieve earnings per common share ("EPS") growth between $5.40 and $5.70 for 2016 and at least $5.60 for 2017, which will depend in part on the following: an acceleration of billed business and revenue growth, which could be impacted by, among other things, weakening economic conditions in the U.S. or internationally, a decline in consumer confidence impacting the willingness and ability of Card Members to sustain spending, a further decline in gas prices, a further strengthening of the U.S. dollar, a greater erosion of the average discount rate than expected and lower spending on new cards acquired than estimated; the Company's success in addressing competitive pressures and implementing its strategies and business initiatives, including growing profitable spending through proprietary, co-brand and network products, increasing penetration among corporate, middle market and small business clients, expanding its international footprint, growing loyalty coalitions and increasing merchant acceptance; the timing and impact of any potential sale of the Costco U.S. Card Member loan portfolio; realizing incremental economics associated with the Costco U.S. contract extension, which could be impacted by, among other things, Card Member behavior, including the desire of Costco U.S. Card Members to continue to use their Costco U.S. cobrand cards and the availability to those Card Members of other payment forms; the impact of any potential restructuring charges or other contingencies, including, but not limited to, litigation-related expenses, impairments, the imposition of fines or civil money penalties, an increase in Card Member reimbursements and changes in reserves; credit performance remaining in line with current expectations; continued growth of Card Member loans held for investment; the ability to continue to realize benefits from restructuring actions and operating leverage at levels consistent with current expectations; the amount the Company spends on growth initiatives; changes in interest rates beyond current expectations; the impact of regulation and litigation, which could affect the profitability of the Company's business activities, limit the Company's ability to pursue business opportunities, require changes to business practices or alter the Company's relationships with partners, merchants and Card Members; the Company's tax rate being in the 34-35% range, which could be impacted by, among other things, the Company's geographic mix of income being weighted more to higher tax jurisdictions than expected and unfavorable tax audits and other unanticipated tax items; the impact of accounting changes and reclassifications; and the Company's ability to continue executing its share repurchase program;

Forward Looking Statements

• the actual amount to be spent on growth initiatives, including on marketing and promotion, as well as the timing of any such spending, which will be based in part on management's assessment of competitive opportunities, overall business performance, the amount of any potential gain arising from a sale of the Costco U.S. Card Member loan portfolio management decides to spend on growth initiatives, contractual obligations with business partners, management's ability to identify attractive investment opportunities and make such investments, which could be impacted by business, regulatory or legal complexities and the Company's performance, and the Company's ability to realize efficiencies and control expenses to fund such spending;

• the ability of the Company to reduce its overall cost base by $1 billion by the end of 2017 and to realize the full benefit of the Company's actions by the beginning of 2018, which will depend in part on the timing and financial impact of the Company's future reengineering plans (including whether the Company will recognize restructuring charges in future periods), which could be impacted by factors such as the Company's inability to mitigate the operational and other risks posed by potential staff reductions, the Company's inability to develop and implement technology resources to realize cost savings, underestimating hiring needs related to some of the job positions being eliminated and other employee needs not currently anticipated, lower than expected attrition rates and higher than expected redeployment rates; the ability of the Company to reduce annual operating expenses, which could be impacted by, among other things, the factors identified below; and the ability of the Company to optimize and lower marketing and promotion expenses, which could be impacted by higher advertising and mailing costs, competitive pressures that may require additional expenditures or limit the Company's ability to reduce costs, contractual obligations with business partners, the availability of opportunities to invest at a higher level due to favorable business results and changes in macroeconomic conditions;

• the ability to reduce annual operating expenses, which could be impacted by increases in significant categories of operating expenses, such as consulting or professional fees, including as a result of increased litigation, compliance or regulatory-related costs, technology costs or fraud costs; the ability of the Company to develop, implement and achieve substantial benefits from reengineering plans; higher than expected employee levels; the impact of changes in foreign currency exchange rates on costs; the payment of civil money penalties, disgorgement, restitution, non-income tax assessments and litigation-related settlements; impairments of goodwill or other assets; the Company's decision to increase or decrease spending in such areas as technology, business and product development and sales forces depending on overall business performance; greater than expected inflation or merit increases; the Company's ability to balance expense control and investments in the business; the impact of accounting changes and reclassifications; and the level of acquisition activity and related expenses;

Forward Looking Statements

• the Company's lending write-off rates increasing more quickly than current expectations and the Company's provision expense being higher than current expectations, which will depend in part on changes in the level of loan balances, delinquency rates of Card Members, unemployment rates, the volume of bankruptcies and recoveries of previously written-off loans;

• the Company's ability to execute against its lending strategy and grow Card Member loans held for investment, including by targeting new lending prospects and deepening relationships with current customers, which may be affected by increasing competition, brand perceptions and reputation, the Company's ability to manage risk in a growing Card Member loan portfolio, and the behavior of the Company's Card Members and their actual spending and borrowing patterns, which in turn may be driven by the Company's ability to issue new and enhanced card products, offer attractive services and rewards programs, attract new Card Members, reduce Card Member attrition and capture a greater share of existing Card Members' spending and borrowing;

• uncertainties associated with the timing and impact of any potential sale of the Costco U.S. Card Member loan portfolio and the extension of the merchant acceptance agreement, such as the negotiation and execution of definitive documentation, operational issues related to the transfer of Card Member loans and accounts, the parties' ability to satisfy the closing conditions and the amount of any gain recognized by the Company as a result of a sale, which could be impacted by the credit quality and performance of the portfolio, the amount of any volume decline experienced by the cobrand portfolio and the timing of the potential sale as the gain will be determined by the amount of the aggregate outstanding loans transferred at closing;

• the possibility that the Company will not fully execute on its plans for OptBlue to significantly increase merchant coverage and move toward parity coverage with other card networks in the U.S., which will depend in part on the success of OptBlue merchant acquirers in signing merchants to accept American Express, which could be impacted by the pricing set by the merchant acquirers, the value proposition offered to small merchants and the priority given to the Company by OptBlue merchant acquirers, as well as the willingness of Card Members to use American Express cards at small merchants and of those merchants to actively accept American Express cards;

•the erosion of the average discount rate by a greater amount than anticipated during 2016 and beyond, including as a result of changes in the mix of spending by location and industry, volume-related pricing discounts, strategic investments, certain pricing initiatives, competition, pricing regulation (including regulation of competitors' interchange rates) and other factors;

Forward Looking Statements

• uncertainty relating to the ultimate outcome of the antitrust lawsuit filed against the Company by the U.S. Department of Justice and certain state attorneys general, including the success or failure of our appeal and the impact on existing private merchant cases and potentially additional litigation and/or arbitrations;

• the ability of the Company to return capital to shareholders through dividends and share repurchases, including the opportunity for incremental capital returns related to the Costco U.S. portfolio sale, which will depend on factors such as approval of the Company's capital plans by its primary regulators, the amount the Company spends on acquisitions and the Company's results of operations and capital needs in any given period;

•the ability of the Company to drive growth by developing and marketing value propositions that appeal to Card Members and new customers and by offering attractive services and rewards programs, which will depend in part on the Company's ongoing investment in product innovation, marketing and promotion and acquisition efforts, including through digital channels; the ability of the Company to update its systems and platforms to support new products, services and benefits; the degree of interest of Card Members in the value proposition offered by the Company; the Company's ability to tailor new products and services to make them attractive to Card Members; competition; and brand perceptions and reputation;

• the ability of the Company to meet its long-term earnings per share growth target, which will depend on factors such as the Company's success in implementing its strategies and business initiatives and on factors outside management's control including the willingness and ability of Card Members to sustain spending, regulatory and competitive pressures, credit trends, currency and interest rate fluctuations, and changes in general economic conditions, such as GDP growth, consumer confidence, unemployment and the housing market; and

• factors beyond the Company's control such as changes in global economic and business conditions, including consumer and business spending, the availability and cost of capital, unemployment and political conditions, foreign currency rates, fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, health pandemics, terrorism, cyber attacks or fraud, which could significantly affect spending on American Express cards, delinquency rates, loan balances and travel-related spending or disrupt the Company's global network systems and ability to process transactions.

A further description of these uncertainties and other risks can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2015 and the Company's other reports filed with the Securities and Exchange Commission.

Forward Looking Statements

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