

American Express Company

Earnings Conference Call
Q1'17

April 19, 2017

AMERICAN EXPRESS

Q1’17 Summary Financial Performance

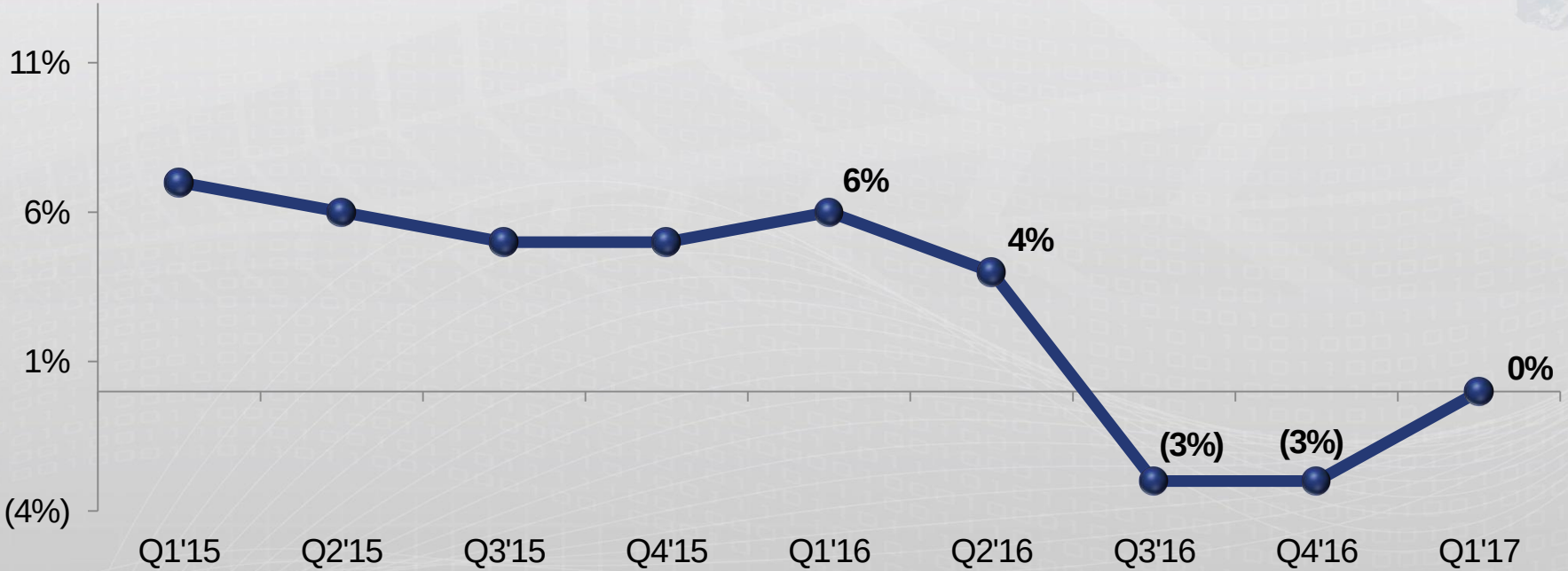
(in millions; except per share amounts)

	Q1’17	Q1’16	Q1’17 Inc/(Dec)
Total Revenues Net of Interest Expense	$7,889	$ 8,088	(2%)
*FX-Adjusted**		*$ 8,063*	*(2%)*
Net Income	$1,237	$1,426	(13%)
Diluted EPS†	$1.34	$1.45	(8%)
*2016 Restructuring (Per Share)***		*$0.05*	
Return on Average Equity	25%	24%	
Average Diluted Shares Outstanding	903	963	(6%)

**Total Revenues Net of Interest Expense adjusted for FX and the related growth rate are non-GAAP measures. 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 Q1’17 foreign exchange rates apply to Q1‘16 results). †Attributable to common shareholders. Represents net income less earnings allocated to participating share awards, dividends on preferred shares and other items. **Represents a restructuring charge of $84MM ($55MM after-tax) in Q1’16.*

AXP Worldwide FX-Adj Billed Business Growth*

% Increase/(decrease) vs. Prior year:

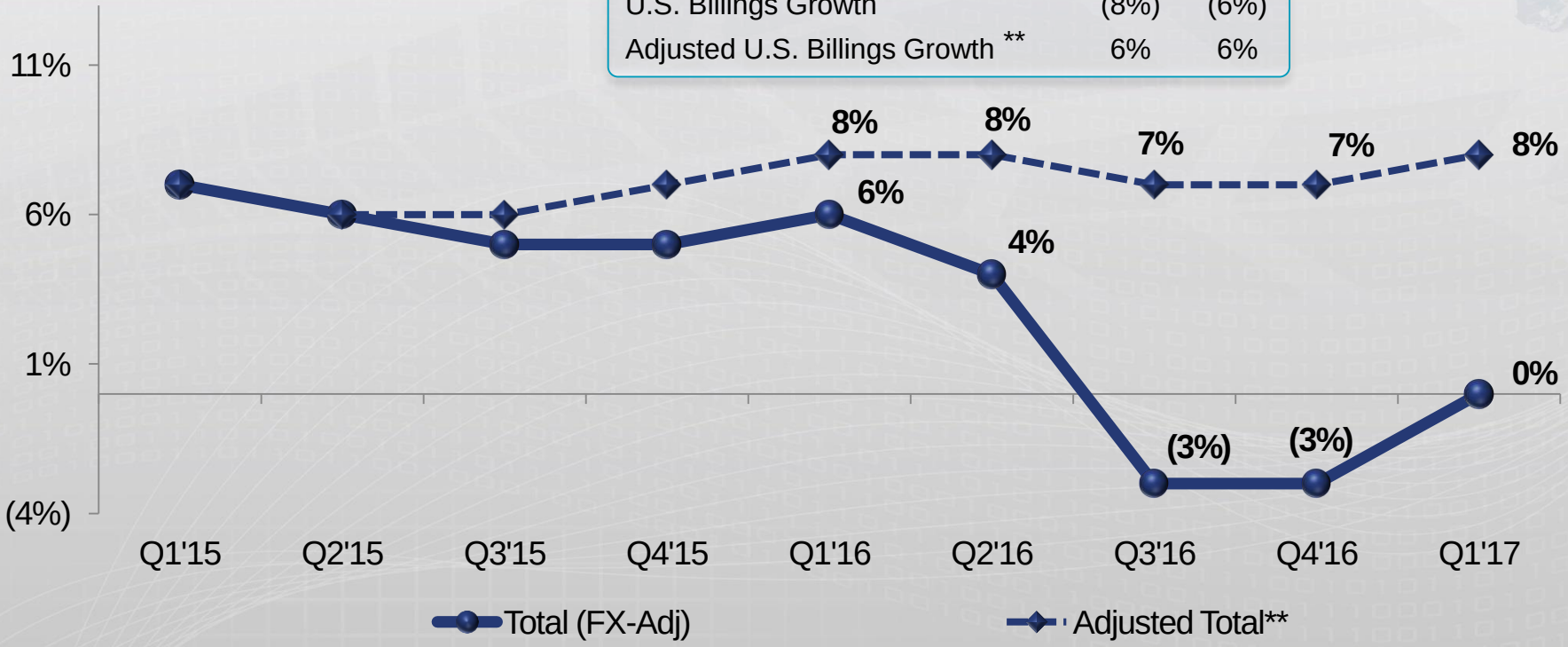


*Note: Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements (non-proprietary billed business), corporate payments and certain insurance fees charged on proprietary cards. *See Annex 1 for reported billings growth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

AXP Worldwide Adjusted Billed Business Growth*

% Increase/(decrease) vs. Prior year:

	Q4'16	Q1'17
U.S. Billings Growth	(8%)	(6%)
Adjusted U.S. Billings Growth **	6%	6%

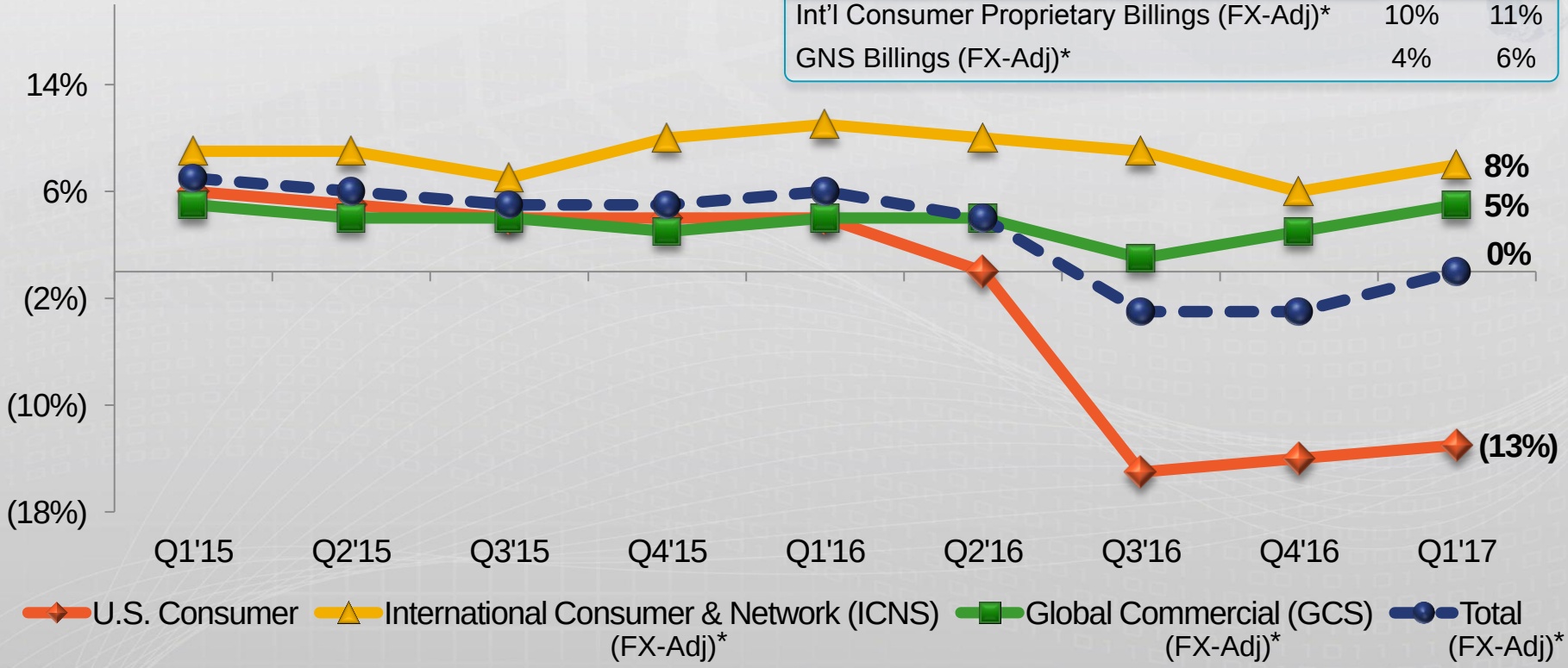


*See Annex 1 for reported billings growth rates. **Excludes Costco cobrand card billed business (in-store and out-of-store) and billed business on other (non-Costco cobrand) American Express cards at Costco in the U.S.

Billed Business Growth by Segment

% Increase/(decrease) vs. Prior year:

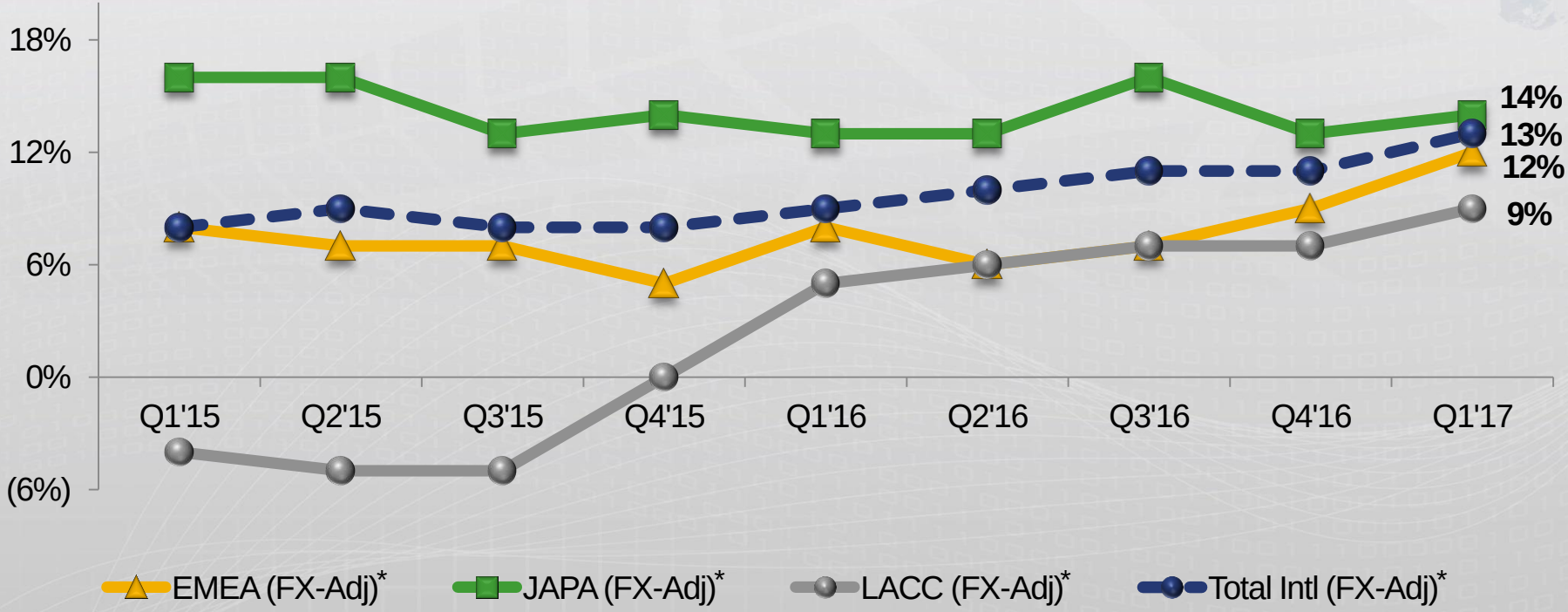
	Q4'16	Q1'17
Int'l Consumer Proprietary Billings (FX-Adj)*	10%	11%
GNS Billings (FX-Adj)*	4%	6%



*See Annex 1 for reported billings growth rates.

Billed Business Growth by International Region

FX-Adj % Increase/(decrease) vs. Prior year:



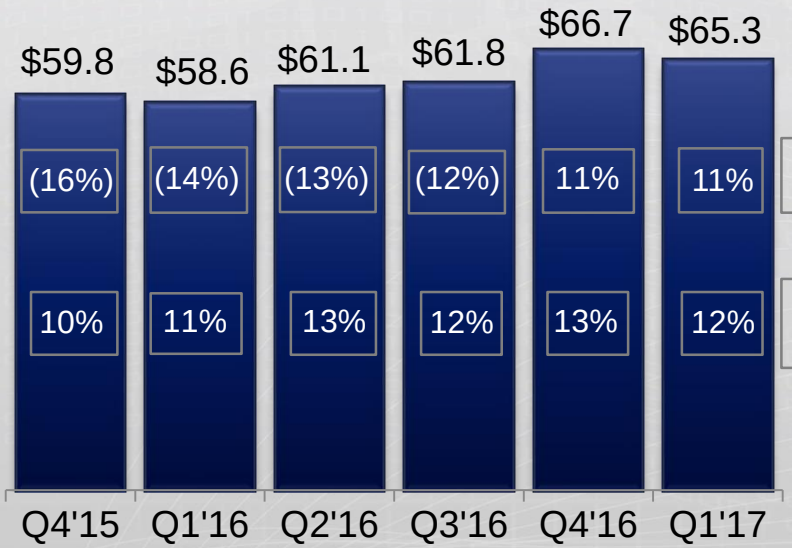
% of Total AXP	11%	17%	6%	34%

**See Annex 2 for reported billings growth rates.*

Total Worldwide Lending Performance

($ in billions)

Total Loans



WW Net Interest Yield on CM Loans†

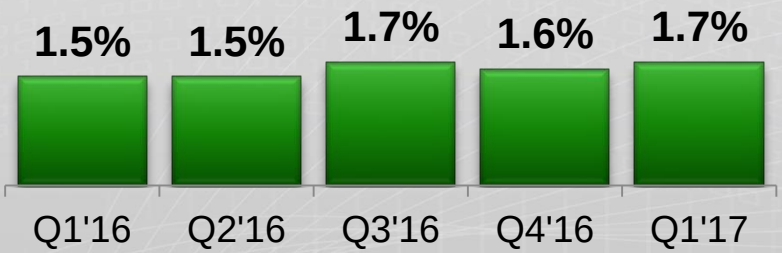


*Note: Total Loans reflects Card Member loans held for investment and Other loans. *Adjusted loan growth excluding the impact of foreign exchange rates, and further adjusted to exclude from Q4'14-Q3'15 Card Member balances related to cobrand partnerships with Costco in the U.S. and JetBlue, which were moved to Held for Sale as of December 2015 (the sold cobrand portfolios), is a non-GAAP measure. See Annex 3 for a reconciliation.† See Annex 7 for a reconciliation of net interest income divided by average loans, a GAAP measure, and net interest yield, a non-GAAP measure.*

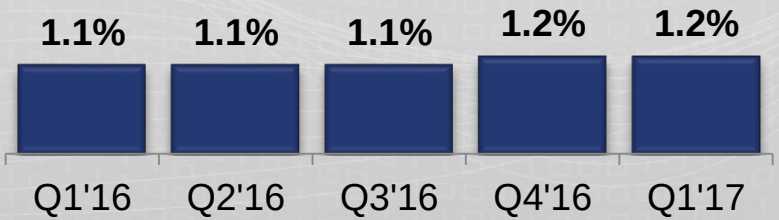
Total Worldwide Lending Performance

($ in billions)

WW Lending Net Write-off Rate



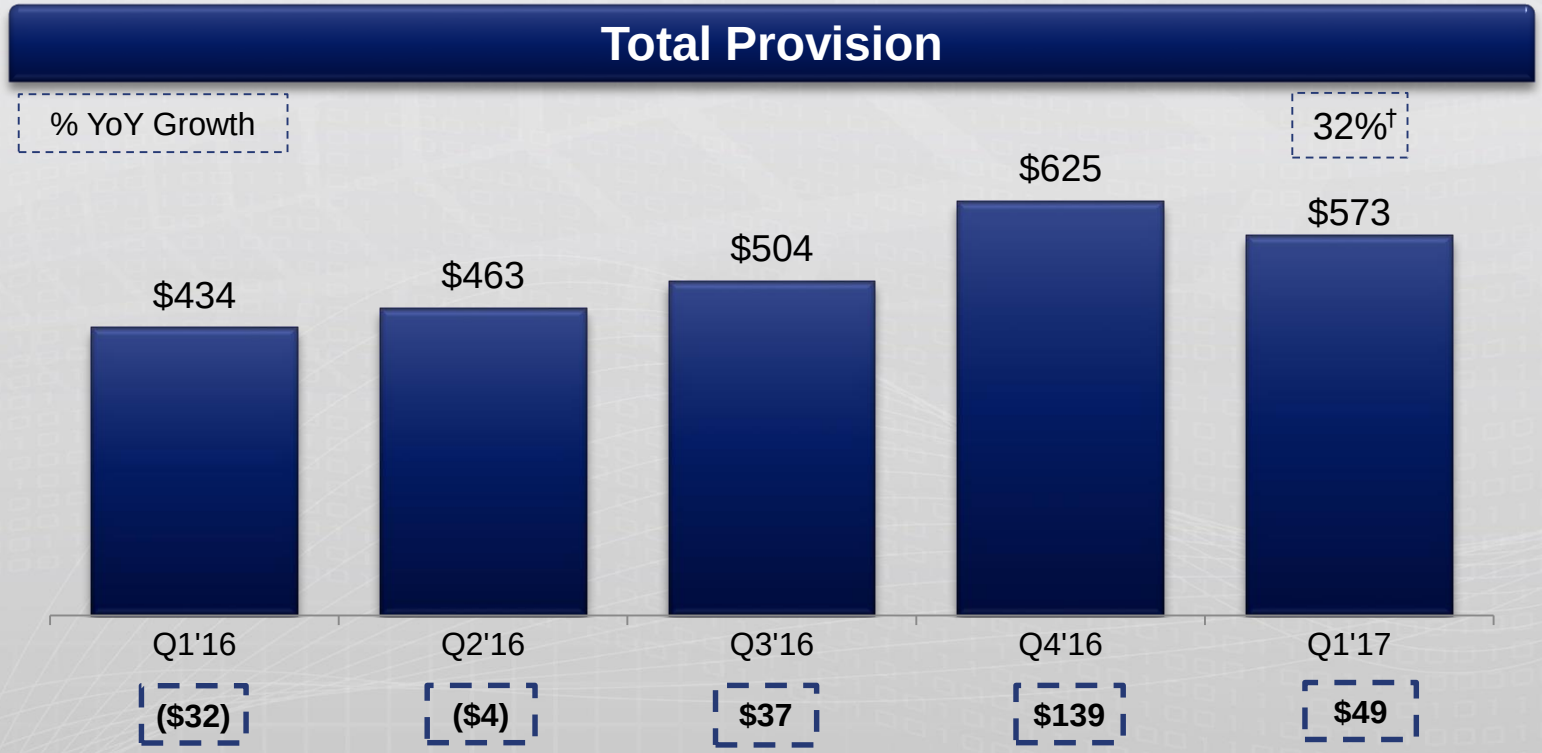
30+ Days Past Due Rate



Note: Net write-off rates above include Principal only. See Statistical Tables for the First Quarter of 2017, available at ir.americanexpress.com, for net write-off rates including interest and/or fees.

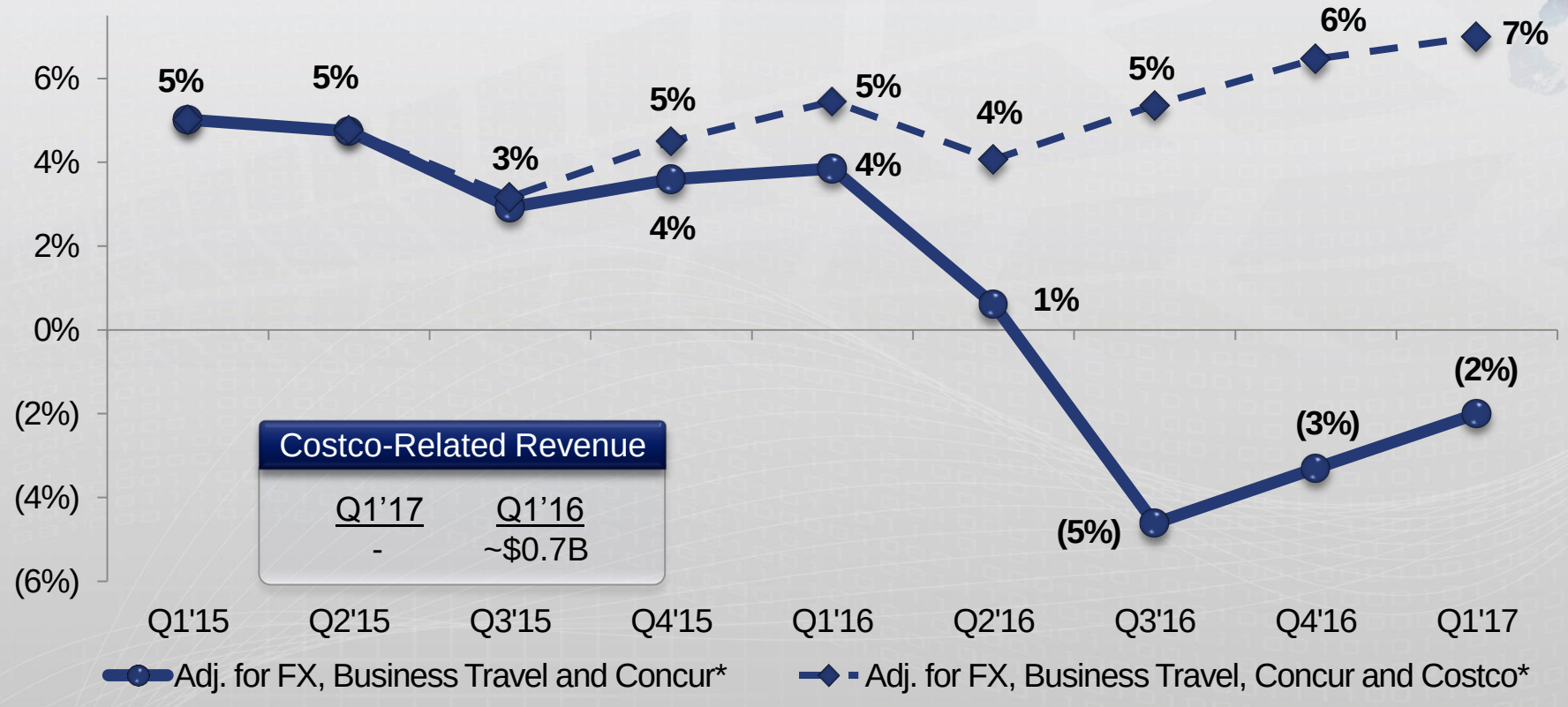
Provisions for Losses

($ in millions)



*See Additional Commentary on Slide 18 for an explanation of the provision variance versus last year. †Total provision on an FX-adjusted basis, a non-GAAP measure, was up 33% in Q1'17. See Slide 2 for an explanation of FX-adjusted information.*Worldwide reserve build/(release) on Card Member charge and lending vs. the prior quarter; does not reflect the transfer of $60MM of reserves related to loan balances reclassified as held for investment in Q2'16 following the sale of one of the sold cobrand portfolios.*

Adjusted Revenue Growth



*See Annex 4 for reconciliation to total Revenue Net of Interest Expense on a GAAP basis. *Total Revenue 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 as further adjusted to exclude estimated revenues from Costco in the U.S., Costco U.S. cobrand Card Members and other merchants for out-of-store spend on the Costco cobrand card, and the related growth rates are non-GAAP measures.*

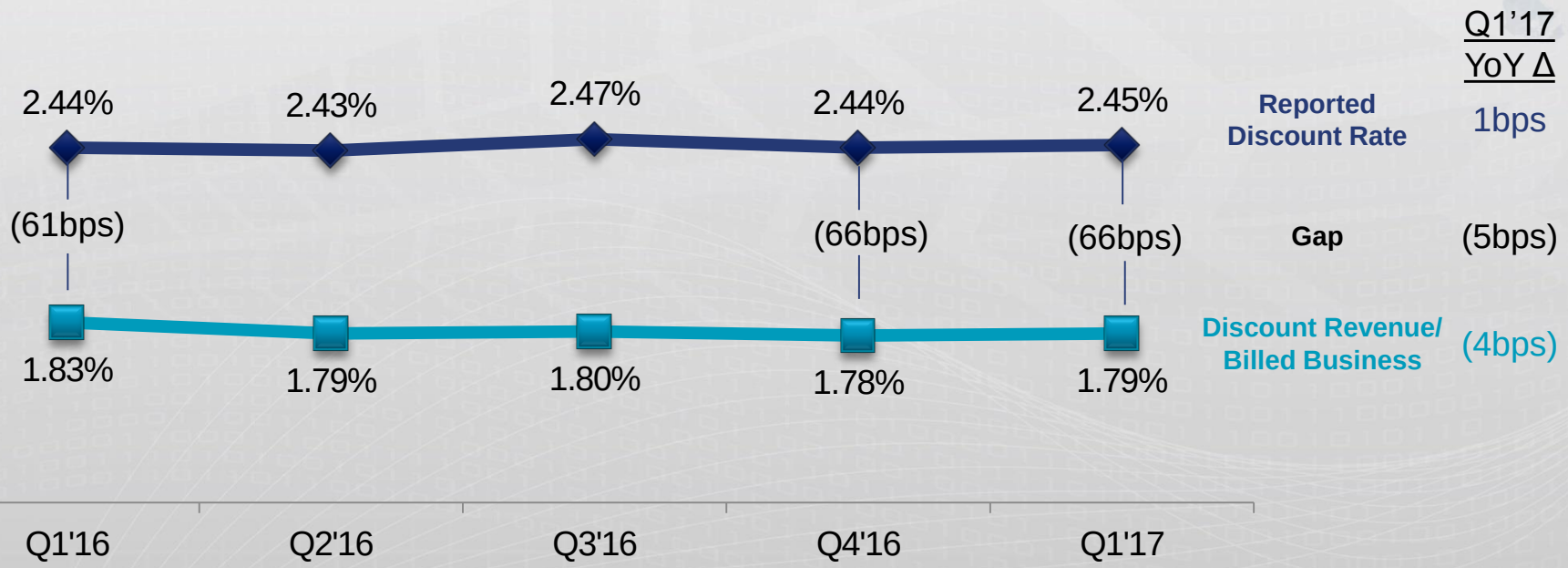
Revenue Performance

($ in millions)

	Q1'17	Q1'16	Q1'17 % Inc/(Dec)	Q1'17 Adj* % Inc/(Dec)
Discount Revenue	$4,519	$4,643	(3%)	6%
Net Card Fees	748	699	7%	
Other Fees & Commissions	713	680	5%	
Other Revenue	409	486	(16%)	
Net Interest Income	1,500	1,580	(5%)	15%
Total Revenues Net of Interest Expense	$7,889	$8,088	(2%)	7%

*See Additional Commentary on Slide 18 for an explanation of the revenue variances versus last year *Adjusted Discount Revenue, Adjusted Net Interest Income, and Adjusted Revenues Net of Interest Expense which exclude estimated revenues from Costco in the U.S., Costco U.S. cobrand Card Members and other merchants for out-of-store spend on the Costco cobrand card, as well as the impact of FX, and the related growth rates are non-GAAP measures. See Annex 4 for a reconciliation to Total Revenues Net of Interest Expense on a GAAP basis and Annex 5 for a reconciliation to Discount Revenue and Net Interest Income on a GAAP basis.*

Discount Revenue Analysis



See Additional Commentary on slide 18 for an explanation of the discount rate variance versus last year. Note: Reported Discount Rate is the average discount rate that is generally designed to reflect pricing at merchants accepting general purpose American Express cards and represents the percentage of billed business (generated from both proprietary and GNS Card Member spending) retained by AXP from merchants we acquire, or for merchants acquired by a third party on our behalf, net of amounts retained by such third party.

Expense Performance

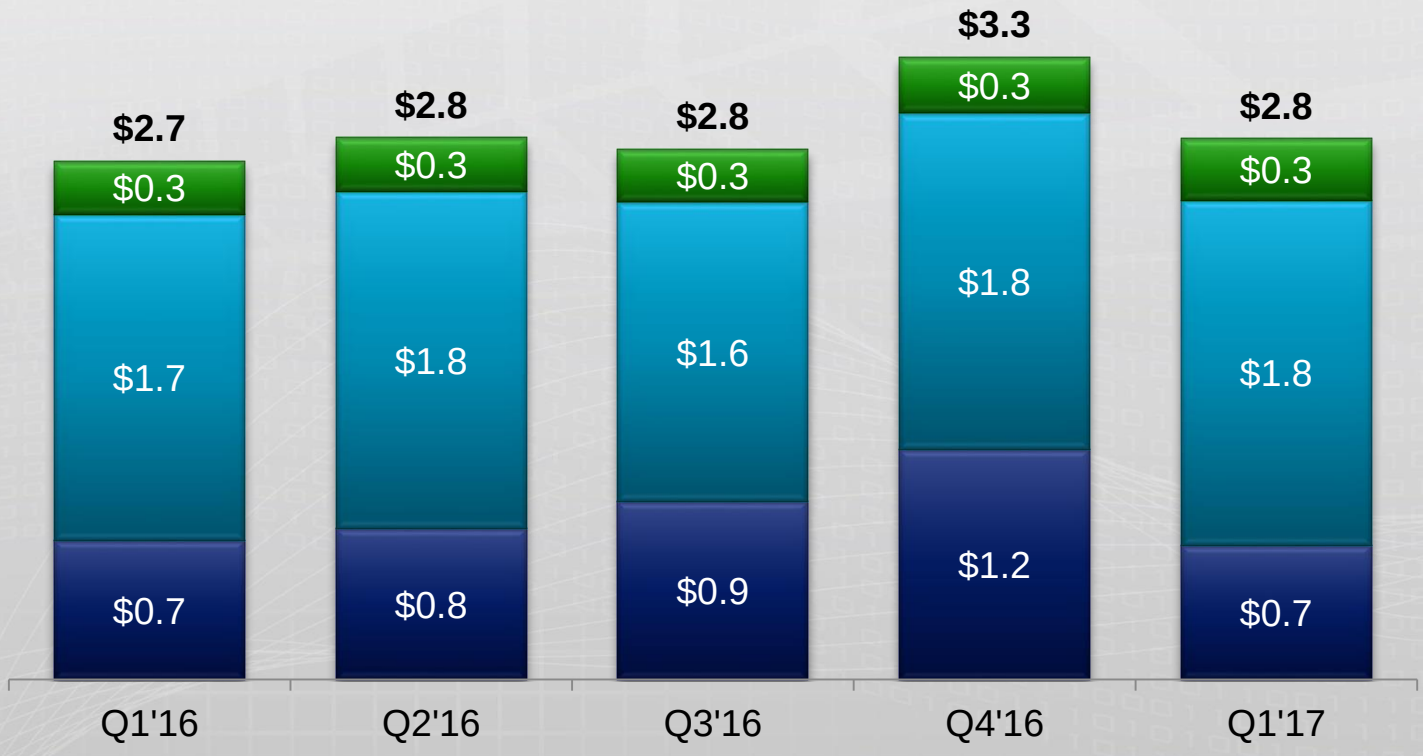
($ in millions)

	Q1'17	Q1'16	% Inc/(Dec)
Marketing and Promotion	$700	$727	(4%)
Card Member Rewards	1,807	1,703	6%
Card Member Services and Other	321	282	14%
Total Operating Expenses*	2,671	2,758	(3%)
Total Expenses**	$5,499	$5,470	1%
Tax Rate	31.9%	34.7%	

*See Additional Commentary on slide 18 for an explanation of the expense variances versus last year. * Represents salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net.**Total Operating Expenses and Total Expenses, each on an FX-adjusted basis, which are non-GAAP measures, were down 2% and up 1%, respectively, in Q1'17. See slide 2 for an explanation of FX-adjusted information.*

Card Member Engagement

$ in billions



% Inc/(Dec) YoY

4%

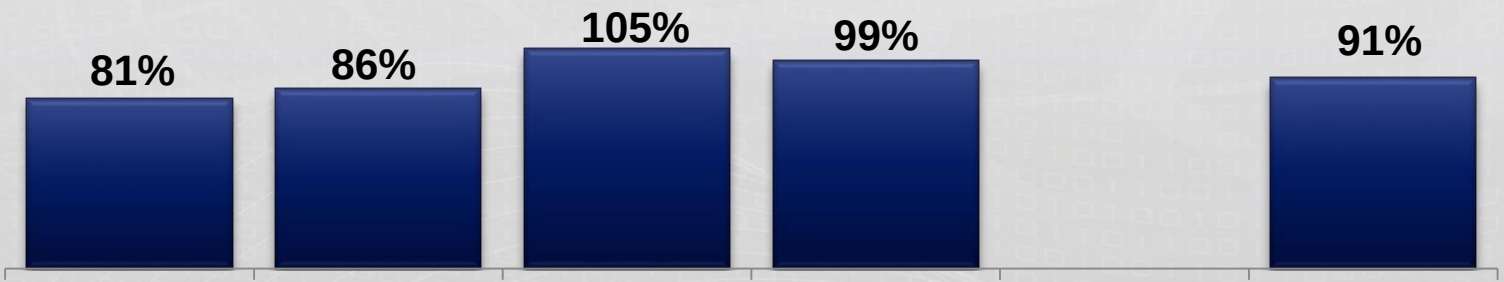
CM Services 14%

Rewards 6%

M&P (4%)

Capital and Payout Ratios

Percentage of Capital Generated Returned to Shareholders



Risk-Based Capital Ratios*	2013	2014	2015	2016	Q1'17
Common Equity Tier 1	12.5%	13.1%	12.4%	12.3%	12.7%
Tier 1 Capital	12.5%	13.6%	13.5%	13.5%	13.9%

*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 Q1'17 represent a preliminary estimate as of the date of these earnings slides and may be revised in the Company's Form 10-Q for the quarter ended March 31, 2017. Common Equity Tier 1 is Tier 1 Common under Basel I for 2013, and Common Equity Tier 1 under Basel III, inclusive of transition provisions, for 2014-2016 and Q1'17. 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 6 for a reconciliation between Tier 1 Common Equity and Total Shareholders' Equity.*

2017 EPS Growth Outlook

2017
$5.60-$5.80



Appendix

Additional Commentary – Variance Analysis

- Discount Revenue: Decreased 3% versus Q1'16 due to relatively flat billings, a shift in our billings mix towards GNS, and higher contra-revenues. After excluding Costco-related revenues and the impact of FX rates, adjusted discount revenue increased 6%.* The increase on an adjusted basis was primarily driven by 8% growth in adjusted billed business.
    - The average discount rate of 2.45% in Q1'16 increased by 1 bp compared to 2.44% in Q1'16. The increase reflects lower discount rate volume coming off the network which more than offset rate pressure from merchant negotiations, including those tied to new regulations in Europe, changes in industry and regional mix, and the continued growth of Opt Blue.
- Net Card Fees: Increased 7% versus Q1'16, driven by strong performance in the Platinum, Gold and Delta portfolios, as well as growth in key international markets such as Japan and Australia.
- Other Fees & Commissions: Increased 5% versus Q1'16, driven by an increase in delinquency fees due to a change in the U.S. Consumer charge portfolio's late fee assessment date, partially offset by Costco-related fees in the prior year.
- Other Revenues: Decreased 16% versus Q1'16, driven in part by prior year revenues related to our Loyalty Edge business, which was sold in Q4'16.
- Net Interest Income: Decreased 5% versus Q1'16 due to the sale of the Costco cobrand loan portfolio. After excluding Costco-related revenues, adjusted net interest income increased 15%.* The increase on an adjusted basis was primarily driven by higher average Card Member loans Held for Investment and higher net interest yield.
- Charge Card Provision for Losses: Increased 26%, due to growth in Card Member receivables and higher write-offs, primarily in the GCS segment.
- Card Member Loan Provision for Losses: Increased 48% versus Q1'16, driven by strong loan growth and, as expected, higher net write-off and delinquency rates versus the prior year.
- Other Provision for Losses: Decreased $15MM from Q1'16, primarily due to improved credit performance in the commercial financing portfolio.

** Adjusted discount revenue and adjusted net interest income are non-GAAP measures and exclude estimated revenues from Costco in the U.S., Costco U.S. cobrand Card Members and other merchants for out-of-store spend on the Costco cobrand card and adjust for the impact of FX rates. See Annex 5 for a reconciliation to discount revenue and net interest income, as applicable, on a GAAP basis.*

Additional Commentary – Variance Analysis

- Marketing and Promotion Expense: Decreased 4% versus Q1'16.
- Card Member Rewards Expense: Increased 6%, primarily driven by recent enhancements to U.S. Consumer and Small Business Platinum rewards and growth in spending on Membership Rewards products, largely offset by Costco cobrand-related rewards costs in the prior year.
    - The Company's Membership Rewards ultimate redemption rate for program participants was 95% in Q1'17, in-line with Q1'16.
- Card Member Services and Other Expense: Increased 14%, primarily due to increased usage of the Delta cobrand and other travel-related benefits.
- Salaries and Employee Benefits Expense: Decreased 6% versus Q1'16, reflecting the benefits from cost reduction initiatives and a restructuring charge in the prior year.
- Professional Services Expense: Decreased 15%, driven primarily by lower technology related spending in the current year.
- Occupancy and Equipment Expense: Increased 2%.
- Other, Net Expense: Increased by 33%, primarily driven by a gain on sale of the JetBlue portfolio in the prior year, partially offset by prior year expenses related to our Loyalty Edge business, which was sold in Q4'16, and credit costs associated with the Held For Sale portfolios in the prior year, which was recorded as a valuation adjustment.

Corporate & Other Net Expense:

- Lower net expense compared to Q1'16, primarily driven by a restructuring charge in the prior year.

Q1’17 Adjustments

($ in millions)

	Q1’17	
*Adjusted excludes Costco U.S. & impact of FX**	% Inc/(Dec)	Adj % Inc/(Dec)
Revenue Net of Interest Expense	(2%)	7%
Discount Revenue	(3%)	6%
Net Interest Income	(5%)	15%
*Adjusted excludes Costco U.S. Cobrand***		
Card Member Rewards Expense	6%	20%
Proprietary Billings	(2%)	6%

**See slide 11 for an explanation of the adjustments to Revenue Net of Interest Expense, Discount Revenue and Net Interest Income, Annex 4 for a reconciliation to Total Revenue Net of Interest Expense on a GAAP basis and Annex 5 for a reconciliation to Discount Revenue and Net Interest Income on a GAAP basis. **Adjusted Card Member Rewards Expense, a non-GAAP measure, and Adjusted Proprietary Billings excludes rewards costs or billed business, as the case may be, associated with Costco U.S. cobrand cards. See Annex 8 for a reconciliation.*

Annex 1(1 of 2)

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

% Increase/(decrease) vs. prior year

	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
ICNS									
Reported	(1%)	(3%)	(7%)	(1%)	3%	5%	8%	3%	7%
FX-Adjusted	9%	9%	7%	10%	11%	10%	9%	6%	8%
Int'l Consumer Proprietary									
Reported	(12%)	(14%)	(15%)	(8%)	1%	4%	6%	4%	8%
FX-Adjusted	-	(1%)	(1%)	3%	8%	8%	8%	10%	11%
GNS									
Reported	7%	5%	(1%)	3%	5%	5%	10%	3%	7%
FX-Adjusted	16%	16%	13%	14%	13%	11%	10%	4%	6%
GCS									
Reported	2%	1%	1%	1%	3%	4%	1%	2%	4%
FX-Adjusted	5%	4%	4%	3%	4%	4%	1%	3%	5%

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

Annex 1(2 of 2)

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

% Increase/(decrease) vs. prior year

	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Worldwide									
Reported	3%	2%	0%	2%	3%	3%	(3%)	(4%)	(1%)
FX-Adjusted	7%	6%	5%	5%	6%	4%	(3%)	(3%)	0%
Worldwide Excl. Costco**									
Reported	3%	2%	1%	3%	5%	6%	7%	6%	8%
FX-Adjusted	7%	6%	6%	7%	8%	8%	7%	7%	8%

**See Slide 2 for an explanation of FX-adjusted information. **Excludes Costco cobrand billed business (in-store and out-of-store) and billed business on other (non-Costco cobrand) American Express Cards at Costco in the U.S.*

Annex 2

Regional Billed Business – Reported & FX-Adjusted*

% Increase/(decrease) vs. prior year

	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
EMEA									
Reported	(9%)	(9%)	(5%)	(4%)	3%	3%	2%	1%	7%
FX-Adjusted	6%	7%	7%	5%	8%	6%	7%	9%	12%
JAPA									
Reported	6%	4%	(2%)	5%	8%	12%	22%	14%	16%
FX-Adjusted	15%	16%	13%	14%	13%	13%	16%	13%	14%
LACC									
Reported	(14%)	(18%)	(24%)	(19%)	(14%)	(9%)	(0%)	1%	10%
FX-Adjusted	(4%)	(5%)	(5%)	0%	5%	6%	7%	7%	9%
Total Intl.									
Reported	(3%)	(5%)	(8%)	(3%)	2%	5%	10%	7%	12%
FX-Adjusted	8%	8%	7%	8%	9%	10%	11%	11%	13%

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

Annex 3

Adjusted Loan Growth

($ in billions)

	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Total Loans Held for Investment*	$67.8	$70.0	$70.0	$59.8	$58.6	$61.1	$61.8	$66.7	$65.3
Loans Held for Investment related to Costco in the U.S. and JetBlue	$14.6	$15.0	$14.5						
Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**	$53.2	$55.0	$55.5	$59.8	$58.6	$61.1	$61.8	$66.7	$65.3
FX-Adj Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue***	$52.7	$54.2	$55.1	$59.3	$58.3				
YoY Total Loans Growth on a GAAP basis			**5%**	**(16%)**	**(14%)**	**(13%)**	**(12%)**	**11%**	**11%**
YoY Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and Jetblue*			**5%**	**8%**	**10%**	**11%**	**11%**	**11%**	**11%**
YoY FX Adj Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**			**8%**	**10%**	**11%**	**13%**	**12%**	**13%**	**12%**

** Total Loans include Card Member loans and Other Loans. **Costco and JetBlue loans reclassified as Held For Sale as of December 2015. ***See Slide 2 for an explanation of FX-adjusted information.*

Annex 4

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

($ in billions)

	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
GAAP Revenue Net of Interest	**$8.2**	**$8.6**	**$8.3**	**$9.1**	**$8.0**	**$8.3**	**$8.2**	**$8.4**	**$8.1**	**$8.2**	**$7.8**	**$8.0**	**$7.9**
Global Business Travel Revenue Net of Interest*	($0.3)	($0.4)											
Gain on Sale of Concur Investment				($0.7)									
Revenue Net of Interest Excluding GBT and Concur	$7.8	$8.2	$8.3	$8.4	$8.0	$8.3	$8.2	$8.4	$8.1	$8.2	$7.8	$8.0	$7.9
Est. Costco-Related Revenue**	(~$0.7)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.7)	(~$0.5)	-	-	-
Revenue Net of Interest Excluding GBT, Concur and Costco	$7.1	$7.5	$7.5	$7.6	$7.2	$7.5	$7.4	$7.6	$7.4	$7.7	$7.8	$8.0	$7.9
FX- Adjusted Revenue Net of Interest Excl. GBT and Concur	$7.6	$7.9	$8.0	$8.1	$7.8	$8.2	$8.2	$8.3					
FX-Adjusted Revenue Net of Interest Excl. GBT, Concur and Costco	6.9	$7.1	$7.2	$7.3	$7.0	$7.4	$7.4	$7.5					
YoY% Inc/(Dec) in GAAP Revenue Net of Interest					**(3%)**	**(4%)**	**(1%)**	**(8%)**	**2%**	**(1%)**	**(5%)**	**(4%)**	**(2%)**
YoY% Inc/(Dec) in Adjusted Revenue Net of Interest Excl. GBT and Concur					**1%**	**1%**	**(1%)**	**0%**	**2%**	**(1%)**	**(5%)**	**(4%)**	**(2%)**
YoY% Inc/(Dec) in Adjusted Revenue Net of Interest Excl. GBT, Concur and Costco					**1%**	**0%**	**(2%)**	**1%**	**3%**	**3%**	**5%**	**5%**	**6%**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. GBT and Concur* **					**5%**	**5%**	**3%**	**4%**	**4%**	**1%**	**(5%)**	**(3%)**	**(2%)**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. GBT, Concur and Costco* **					**5%**	**5%**	**3%**	**5%**	**5%**	**4%**	**5%**	**6%**	**7%**

*Note: In Q1'15, the Company reclassified amounts related to certain payments to cobrand 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. **Represents estimated Other Revenue and Net Interest Income from Costco cobrand Card Members, Discount Revenue from Costco and other merchants for out-of-store spend on Costco cobrand cards. ***See Slide 2 for an explanation of FX-adjusted information.*

Annex 5

Discount Revenue & Net Interest Income Adjusted for FX and Costco

($ in billions)

	Q1'16	Q1'17
Discount Revenue	**$4.6**	**$4.5**
Est. Costco-Related Discount Revenue*	(~$0.4)	-
Discount Revenue Excl. Costco	$4.3	$4.5
FX-Adjusted Discount Revenue Excl. Costco	$4.3	
YoY% Inc/(Dec) in GAAP Discount Revenue		**(3%)**
YoY% Inc/(Dec) in Adjusted Discount Revenue Excl. Costco		**5%**
YoY% Inc/(Dec) in FX- Adjusted Discount Revenue Excl. Costco* **		**6%**

	Q1'16	Q1'17
Net Interest Income	**$1.6**	**$1.5**
Est. Costco-Related Net Interest Income**	(~$0.3)	-
Net Interest Income Excl. Costco	$1.3	$1.5
FX-Adjusted Net Interest Income Excl. Costco	$1.3	
YoY% Inc/(Dec) in GAAP Net Interest Income		**(5%)**
YoY% Inc/(Dec) in Adjusted Net Interest Income Excl. Costco		**15%**
YoY% Inc/(Dec) in FX- Adjusted Net Interest Income Excl. Costco* **		**15%**

**Represents estimated Discount Revenue from Costco and other merchants for out-of-store spend on Costco cobrand cards. **Represents estimated Net Interest Income from Costco cobrand Card Members. ***See Slide 2 for an explanation of FX-adjusted information.*

Annex 6

- ***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:***

	12/31/2013
Total Shareholders' Equity	$19,496
Effect of certain items in accumulated other comprehensive loss excluded from Tier 1 common equity	$336
Less	
Ineligible goodwill and intangible assets	($3,474)
Ineligible deferred tax assets	($192)
Other Basel III deductions	
Tier 1 Common Equity	**$16,166**

Annex 7

Consolidated Net Interest Yield on Card Member Loans

(Millions, except percentages and where indicated)

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Net interest income	**$1,580**	**$1,449**	**$1,334**	**$1,408**	**$1,500**
Exclude:					
Interest expense not attributable to the Company's Card Member loan portfolio	$238	$247	$261	$238	$256
Interest income not attributable to the Company's Card Member loan portfolio	($103)	($102)	($104)	($94)	($134)
Adjusted net interest income*	**$1,715**	**$1,594**	**$1,491**	**$1,552**	**$1,622**
Average loans including Held for Sale (billions)	**$70.8**	**$67.6**	**$60.3**	**$62.6**	**$63.9**
Net interest income divided by average loans**	**8.9%**	**8.6%**	**8.8%**	**9.0%**	**9.4%**
Net interest yield on Card Member loans***	**9.7%**	**9.5%**	**9.8%**	**9.9%**	**10.3%**

**Adjusted net interest income, a non-GAAP measure that represents net interest income attributable to our Card Member loans and loans Held for Sale (which includes, on a GAAP basis, interest that is deemed uncollectible), excluding the impact of interest expense and interest income not attributable to our Card Member loans. The Company believes adjusted net interest income is useful to investors because it is a component of net interest yield on Card Member loans.*

***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.*

****Net interest yield on Card Member loans, a non-GAAP measure that is computed by dividing adjusted net interest income by average loans, computed on an annualized basis. Reserves and net write-offs related to uncollectible interest are recorded through provisions for losses and are thus 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 8

($ in billions)

Adjusted Rewards Expense & Proprietary Billings

	Q1'16	Q1'17
Card Member Rewards	**$1.7**	**$1.8**
Costco U.S. Cobrand Card Rewards Expense	($0.2)	-
Card Member Rewards excluding Costco	**$1.5**	**$1.8**
YoY% Inc/(Dec) in GAAP Card Member Rewards		**6%**
YoY% Inc/(Dec) in Card Member Rewards excl. Costco		**20%**

	Q1'16	Q1'17
Proprietary Billings	**$213**	**$209**
Costco U.S. Cobrand Card Billings*	($16)	-
Proprietary Billings excluding Costco Cobrand	**$197**	**$209**
YoY% Inc/(Dec) in Proprietary Billings		**(2%)**
YoY% Inc/(Dec) in Proprietary Billings excl. Costco Cobrand		**6%**

**Represents Costco U.S. cobrand card billed business (in-store and out-of-store).*

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 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 its 2017 earnings per common share outlook as well as the earnings trajectory for 2017, which will depend in part on the following: revenues growing consistently with current expectations, which could be impacted by, among other things, weakening economic conditions in the United States or internationally, a decline in consumer confidence impacting the willingness and ability of Card Members to sustain and grow spending, the strengthening of the U.S. dollar, a greater erosion of the average discount rate than expected, a greater impact on discount revenue from cash back and cobrand partner and client incentive payments, more cautious spending by large and global corporate Card Members 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 from new and existing Card Members, increasing penetration among middle market and small business clients, expanding the Company's international footprint and increasing merchant acceptance; the level of spend in bonus categories on rewards-based and/or cash-back cards and redemptions of Card Member rewards and offers; the impact of any future contingencies, including, but not limited to, litigation-related settlements, judgments or expenses, impairments, the imposition of fines or civil money penalties, an increase in Card Member reimbursements and changes in reserves; write-downs of deferred tax assets as a result of tax law or other changes; credit performance remaining consistent with current expectations; continued growth of Card Member loans; 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 Card Member engagement and the Company's ability to drive growth from such investments; changes in interest rates beyond current expectations (including the impact of hedge ineffectiveness and potential deposit rate increases); 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 33-34% 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, changes in tax laws and regulation 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

- changes in the substantial and increasing worldwide competition in the payments industry, including competitive pressure that may impact the prices charged to merchants that accept American Express cards, competition for cobrand relationships and the success of marketing, promotion or rewards programs;

- the actual amount to be spent 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; contractual obligations with business partners and other fixed costs and prior commitments; 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 ability to realize efficiencies, optimize investment spending and control expenses to fund such spending;

- the Company's rewards expense and cost of Card Member services growing inconsistently from expectations, which will depend in part on Card Member behavior as it relates to their spending patterns and actual usage and redemption of rewards, as well as the degree of interest of Card Members in the value proposition offered by the Company; increasing competition, which could result in greater rewards offerings; the Company's ability to enhance card products and services to make them attractive to Card Members and to continue to expand the Company's global lounge collection; and the amount the Company spends on the promotion of enhanced services and rewards categories and the success of such promotion;

- the ability of the Company to reduce its overall cost base by $1 billion on a run rate basis by the end of 2017, which will depend in part on the timing and financial impact of reengineering plans, 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 and underestimating hiring and other employee needs; the ability of the Company to reduce annual operating expenses, which could be impacted by, among other things, the factors identified below; the ability of the Company to optimize marketing and promotion expenses, which could be impacted by higher advertising and Card Member acquisition costs, competitive pressures that may require additional expenditures or limit the Company's ability to reduce costs and an inability to continue to shift Card Member acquisition to digital channels; and the availability of opportunities to invest at a higher level due to favorable business results and changes in macroeconomic conditions;

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- the ability to reduce annual operating expenses in 2017 as well as the trajectory for 2017, which could be impacted by the need to increase significant categories of operating expenses, such as consulting or professional fees, including as a result of increased litigation, compliance or regulatory-related 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; management'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; the Company's ability to balance expense control and investments in the business; the impact of accounting changes and reclassifications; and the level of M&A activity and related expenses;

- the Company's delinquency and write-off rates and growth of provision expense being higher than current expectations, which will depend in part on changes in the level of loan balances and delinquencies, mix of loan balances, loans and receivables related to new Card Members and other borrowers performing as expected, unemployment rates, the volume of bankruptcies and recoveries of previously written-off loans;

- the Company's ability to execute against its lending strategy to grow loans, 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 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 non-card lending products, capture a greater share of existing Card Members' spending and borrowings, reduce Card Member attrition and attract new customers;

- the possibility that the Company will not execute on its plans to significantly increase merchant coverage, 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 efforts of OptBlue merchant acquirers to sign merchants for American Express acceptance, as well as the awareness and willingness of Card Members to use American Express cards at small merchants and of those merchants to accept American Express cards;

- the ability of the Company to capture small business and middle market spending, which will depend in part on the willingness and ability of companies to use credit and charge cards for procurement and other business expenditures, perceived or actual difficulties and costs related to setting up card-based B2B payment platforms, the ability of the Company to offer attractive value propositions and card products to potential customers, competition, the Company's ability to enhance and expand its payment solutions, and the effectiveness of the Company's marketing and promotion of its corporate payment solutions and small business card products to potential customers;

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- the ability of the Company to grow internationally, which could be impacted by regulation and business practices, such as those favoring local competitors or prohibiting or limiting foreign ownership of certain businesses, the Company's ability to partner with additional GNS issuers and the success of GNS partners in acquiring Card Members and/or merchants, political or economic instability, which could affect lending and other commercial activities, the Company's ability to tailor products and services to make them attractive to local customers, and competitors with more scale and experience and more established relationships with relevant customers, regulators and industry participants;

- the Company's ability to attract and retain Card Members as well as capture the spending and borrowings of its customers, which will be impacted in part by competition, brand perceptions (including perceptions related to merchant coverage) and reputation and the ability of the Company to develop and market value propositions that appeal to Card Members and new customers and offer attractive services and rewards programs, which will depend in part on ongoing investment in marketing and promotion expenses, new product innovation and development, Card Member acquisition efforts and enrollment processes, including through digital channels, and infrastructure to support new products, services and benefits;

- the erosion of the average discount rate by a greater amount than anticipated, including as a result of a greater shift of existing merchants into the OptBlue program, changes in the mix of spending by location and industry, merchant negotiations (including merchant incentives, concessions and volume-related pricing discounts), competition, pricing regulation (including regulation of competitors' interchange rates in the European Union and elsewhere) and other factors;

- changes affecting the ability or desire of the Company to return capital to shareholders through dividends and share repurchases, 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 of companies and the Company's results of operations and capital needs in any given period;

- the Company's deposit rates increasing faster or slower than current expectations due to market pressures, regulatory constraints or changes in interest rates, which could affect the Company's net interest yield;

- legal and regulatory developments, including with regard to broad payment system regulatory regimes, actions by the CFPB and other regulators and the stricter regulation of financial institutions, which could require the Company to make fundamental changes to many of its business practices; exert further pressure on the average discount rate and GNS volumes; result in increased costs related to regulatory oversight, litigation-related settlements, judgments or expenses, restitution to Card Members or the imposition of fines or civil money penalties; materially affect capital or liquidity requirements, results of operations, or ability to pay dividends or repurchase of stock; or result in harm to the American Express brand; and

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- factors beyond the Company's control such as changes in global economic and business conditions, consumer and business spending, the availability and cost of capital, unemployment rates, geopolitical conditions (including potential impacts resulting from the proposed exit of the U.K. from the European Union), foreign currency rates and interest rates, as well as fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, health pandemics, terrorism, cyber attacks or fraud, all of which could significantly affect spending on American Express cards, delinquency rates, loan balances and results of operation 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, 2016 and the Company's other reports filed with the Securities and Exchange Commission.


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