

American Express Company

Earnings Conference Call
Q3'17

October 18, 2017

AMERICAN EXPRESS

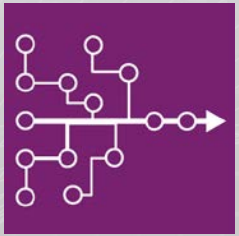
2016-2017 Priorities & Financial Growth Drivers



Accelerate Revenue Growth



Optimize Investments



Reset Cost Base

Growth Businesses

+

OpEx Leverage

+

Capital Strength

EPS Growth

Q3’17 Summary Financial Performance

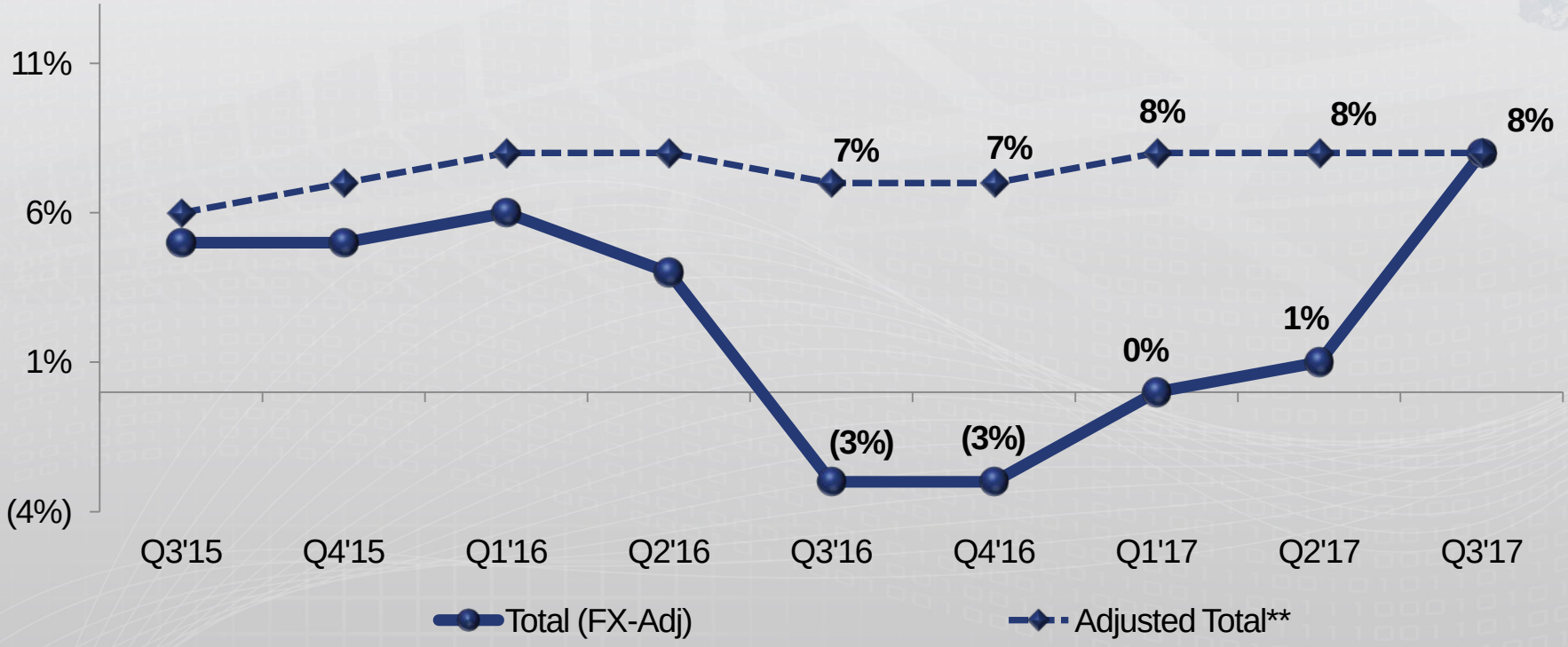
(in millions; except per share amounts)

	Q3’17	Q3’16	Q3’17 Inc/(Dec)
Total Revenues Net of Interest Expense	$8,436	$ 7,774	9%
*FX-Adjusted**		*$ 7,810*	*8%*
Net Income	$1,356	$1,142	19%
Diluted EPS†	$1.50	$1.20	25%
*2016 Restructuring (Per Share)***		*$0.04*	
Return on Average Equity	23%	26%	
Average Diluted Shares Outstanding	881	923	(5%)

**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 Q3’17 foreign exchange rates apply to Q3‘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 $44MM ($28MM after-tax) in Q3’16.*

AXP Worldwide Adjusted Billed Business Growth*

% Increase/(decrease) vs. Prior year:

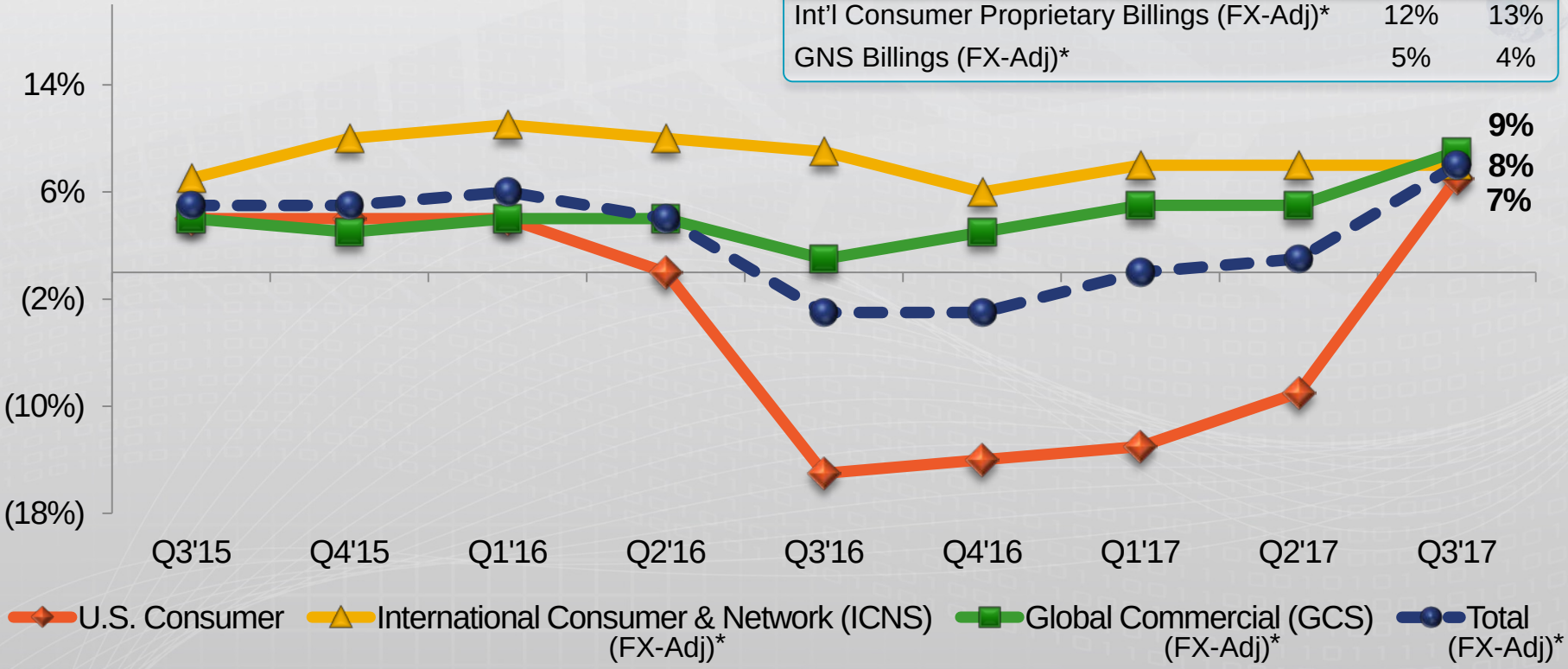


*See Annex 1 for reported billings growth rates. **Excludes Costco cobrand card billed business (in-store and out-of-store) and billed business on other (non-Costco cobrand) American Express cards at Costco in the U.S.

Billed Business Growth by Segment

% Increase/(decrease) vs. Prior year:

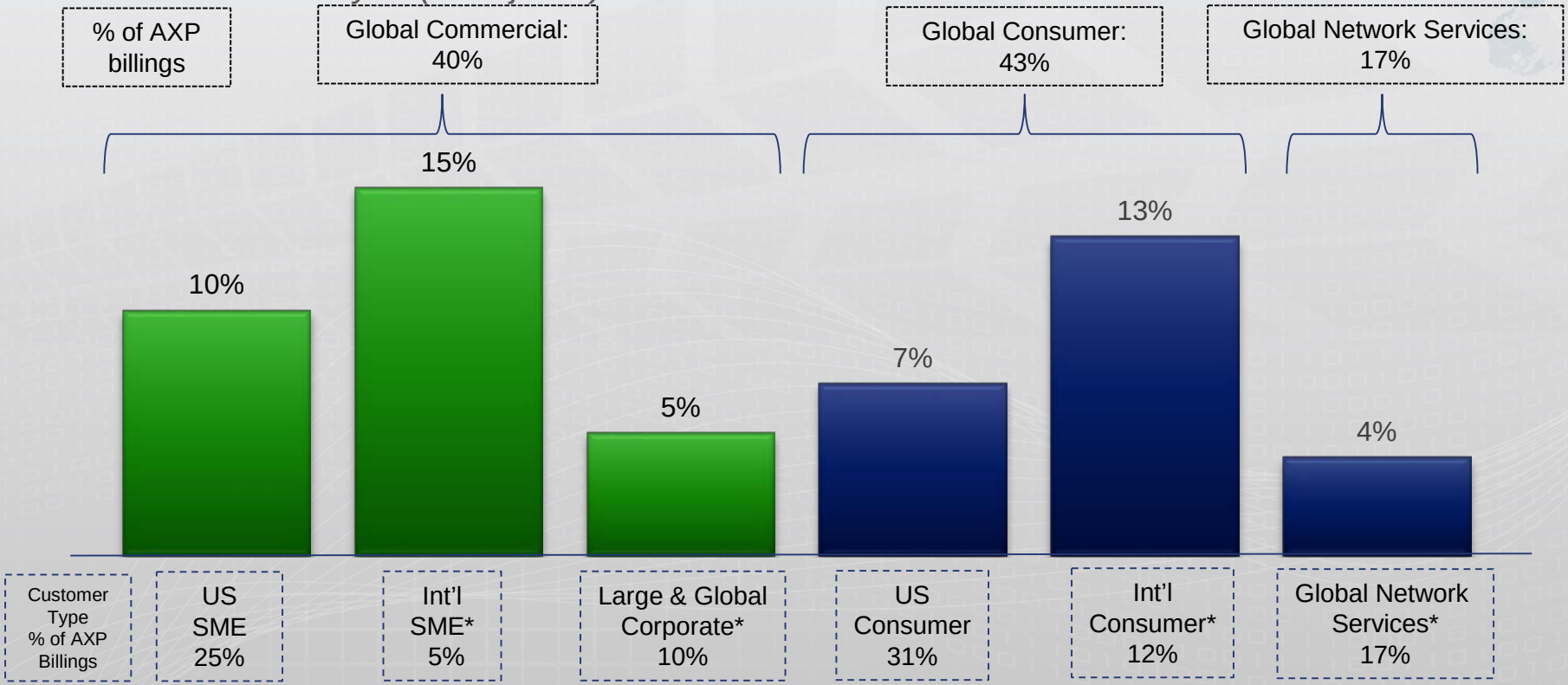
	Q2'17	Q3'17
Int'l Consumer Proprietary Billings (FX-Adj)*	12%	13%
GNS Billings (FX-Adj)*	5%	4%



*See Annex 1 for reported billings growth rates.

Q3’17 Billed Business Growth by Customer Type

% Increase vs. Prior year (FX-adjusted):



*Note: SME refers to small and mid-sized businesses with less than $300MM in annual revenues. * See Annex 1 for reported billings growth rates.*

Total Worldwide Lending Performance

($ in billions)

Total Loans



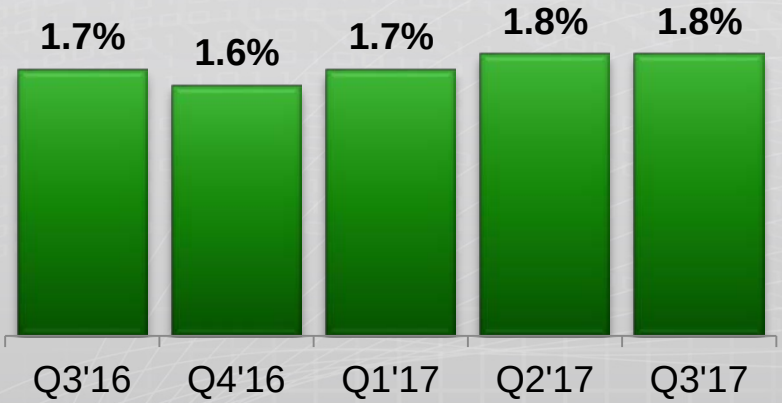
WW Net Interest Yield on CM Loans†



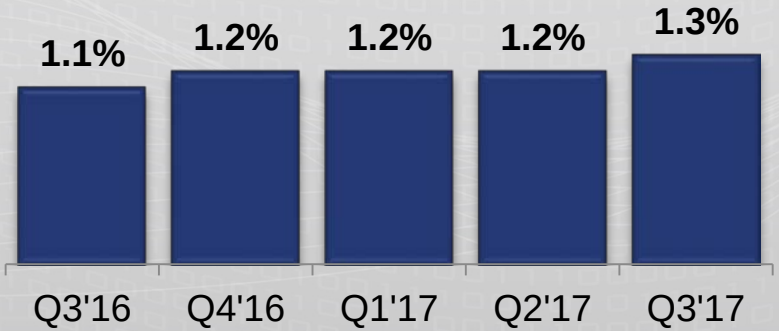
*Note: Total Loans reflects Card Member loans and Other loans. *Adjusted loan growth excluding the impact of foreign exchange rates, and further adjusted to exclude from Q2'15-Q3'15 Card Member balances related to cobrand partnerships with Costco in the U.S. and JetBlue, which were moved to Held for Sale as of December 2015, is a non-GAAP measure. See Annex 2 for a reconciliation.† See Annex 6 for a reconciliation of net interest income divided by average loans, a GAAP measure, and net interest yield, a non-GAAP measure.*

Total Worldwide Card Member Loans Performance

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 Third Quarter of 2017, available at ir.americanexpress.com, for net write-off rates including interest and/or fees.

Provisions for Losses

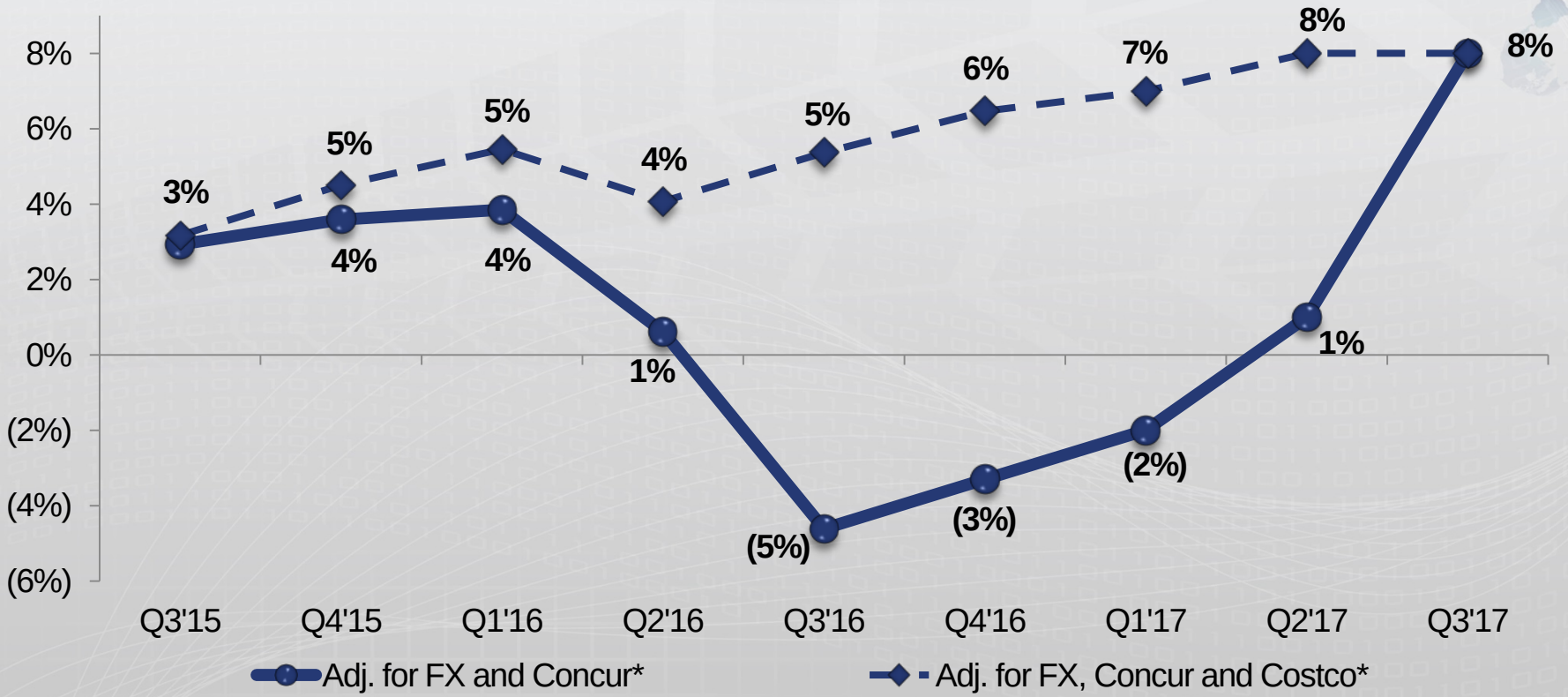
($ in millions)

Total Provision



See Additional Commentary on Slide 18 for an explanation of the provision variance versus last year.

Adjusted Revenue Growth



*See Annex 3 for reconciliation to total Revenue Net of Interest Expense on a GAAP basis. *Total Revenue Net of Interest Expense adjusted for FX and excluding the gain on the Q4'14 sale of the Concur investment and 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

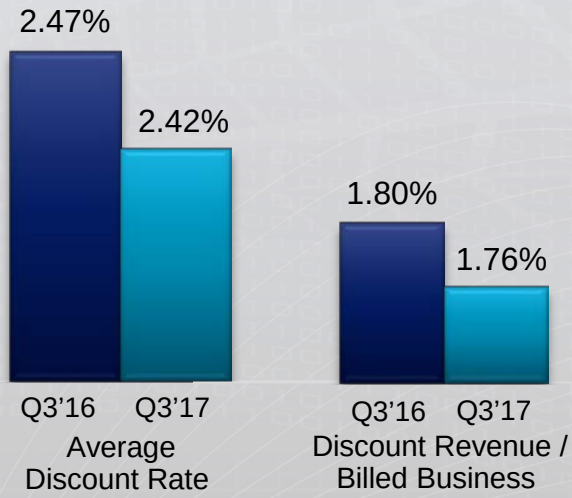
($ in millions)

	Q3'17	Q3'16	Q3'17 % Inc/(Dec)
Discount Revenue	$4,772	$4,516	6%
Net Card Fees	786	747	5%
Other Fees & Commissions	767	694	11%
Other Revenue	436	483	(10%)
Net Interest Income	1,675	1,334	26%
Total Revenues Net of Interest Expense	$8,436	$7,774	9%
*FX-Adjusted**		*$7,810*	8%

** Total Revenues Net of Interest Expense adjusted for FX and the related growth rate are non-GAAP measures. See slide 3 for an explanation of FX-adjusted information. See Additional Commentary on Slide 18 for an explanation of the revenue variances versus last year.*

Discount Rate Analysis

Discount Rate



Discount Rate Trend*

	Second Half - 2017
Discount Rate Erosion (bps)	~(4.0) – (5.0)
Merchant Specific Negotiations (excl. Internationally Regulated Markets)	↓
Merchant Specific Negotiations (Internationally Regulated Markets)	↓↓
Volume-Driven Rate Charges	
Costco	
Mix (excluding Costco U.S.)	
OptBlue	↓

** As presented at Investor Day on March 8, 2017.*

Expense Performance

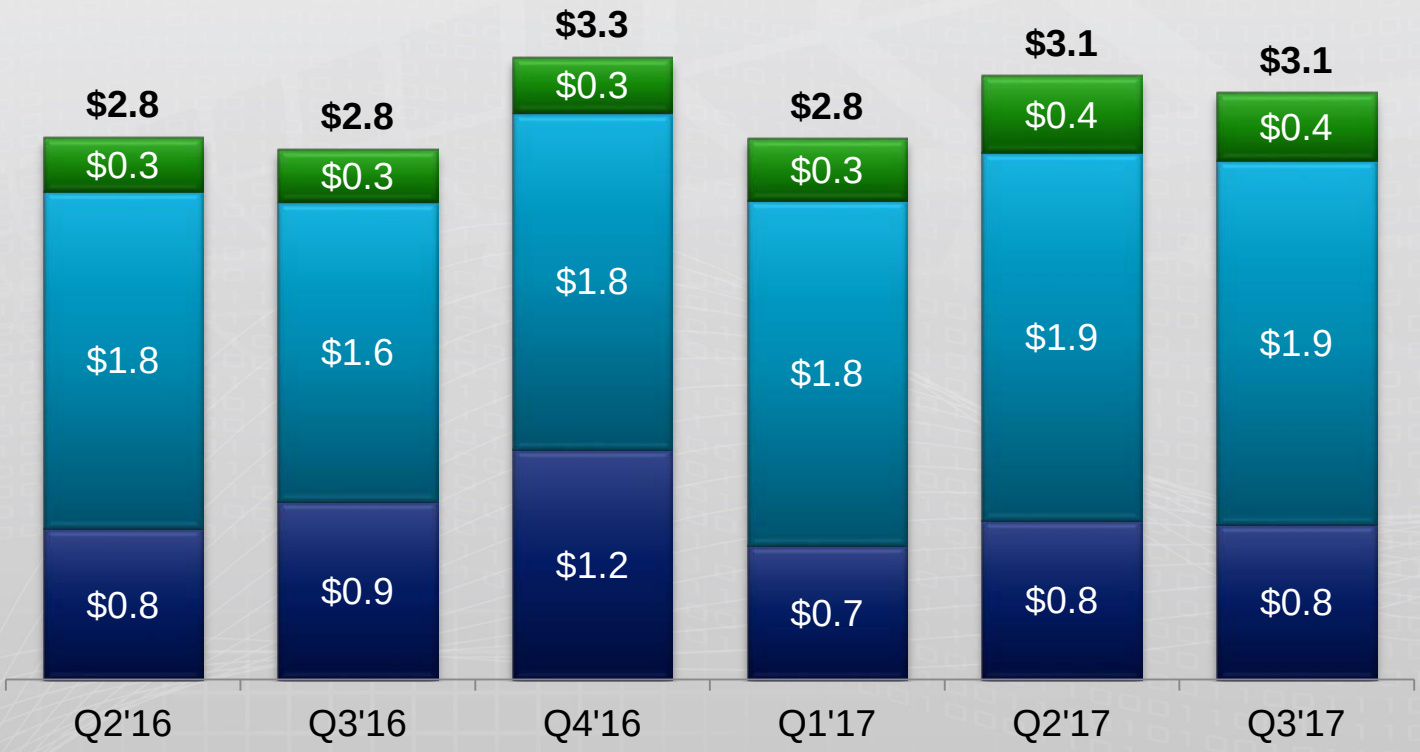
($ in millions)

	Q3'17	Q3'16	Q3'17 % Inc/(Dec)	Q3'17 Adj** % Inc/(Dec)
Marketing and Promotion	$814	$930	(12%)	
Card Member Rewards	1,900	1,566	21%	
Card Member Services and Other	363	278	31%	
Total Operating Expenses*	2,763	2,761	0%	(4%)
Total Expenses	$5,840	$5,535	6%	
Tax Rate	25.8%	34.2%		

*See Additional Commentary on slide 19 for an explanation of the expense variances versus last year. * Represents salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net.**Adjusted operating expenses, which exclude assets impairments, restructuring and other charges, and the related growth rates, are non-GAAP measures. See Annex 4 for a reconciliation to Operating Expenses on a GAAP basis.*

Card Member Engagement

($ in billions)



Q3'17
% Inc/(Dec) YoY
11%

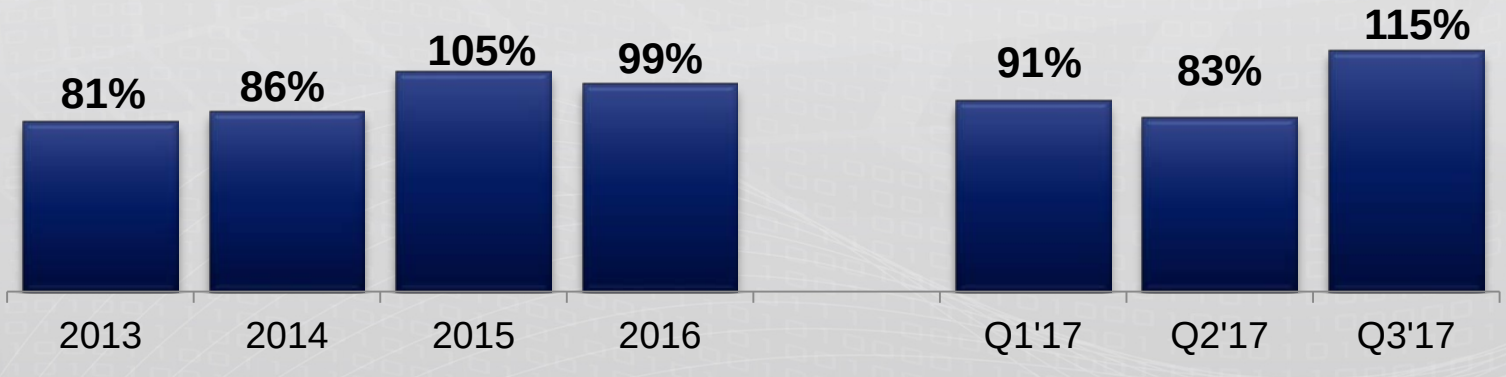
CM Services 31%

Rewards 21%

M&P (12%)

Capital and Payout Ratios

Percentage of Capital Generated Returned to Shareholders



Risk-Based Capital Ratios*	2013	2014	2015	2016	Q1'17	Q2'17	Q3'17
Common Equity Tier 1	12.5%	13.1%	12.4%	12.3%	12.7%	12.3%	11.9%
Tier 1 Capital	12.5%	13.6%	13.5%	13.5%	13.9%	13.5%	13.0%

*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 Q3'17 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 September 30, 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, Q1'17 to Q3'17. 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 5 for a reconciliation between Tier 1 Common Equity and Total Shareholders' Equity.*

2017 EPS Growth Outlook

2017
$5.80-$5.90



Appendix

Additional Commentary – Variance Analysis

- Discount Revenue: Increased 6% versus Q3'16 primarily driven by growth in billed business of 8%, partially offset by a decrease in the average discount rate.
    - The average discount rate of 2.42% in Q3'17 decreased by 5 bps compared to 2.47% in Q3'16. The decrease reflects changes in industry and geographic mix, the impact of rate pressure from merchant negotiations, including those tied to new regulations in certain international markets, and the continued growth of Opt Blue.
- Net Card Fees: Increased 5% versus Q3'16, driven by strong performance in the Platinum and Delta portfolios, as well as growth in key international markets, partially offset by a benefit in the prior year related to a refund policy change.
- Other Fees & Commissions: Increased 11% versus Q3'16, driven by an increase in delinquency fees due to a change in the late fee assessment date for certain U.S charge cards.
- Other Revenues: Decreased 10% versus Q3'16, driven by revenues in the prior year related to our Loyalty Edge business, which was sold in Q4'16.
- Net Interest Income: Increased 26% versus Q3'16. The increase was primarily driven by higher average loans and yields.
- Charge Card Provision for Losses: Increased 23% versus Q3'16, primarily driven by growth in receivables due to higher charge volume and higher net write-offs.
- Card Member Loans Provision for Losses: Increased 66% versus Q3'16. The increase primarily reflects continued strong growth in loans and an expected increase in the lending write-off and delinquency rates, due in part to the seasoning of new accounts and a shift toward non-cobrand products, which have higher loss rates but also generate greater yields. The prior year write off rate was elevated due to Costco loans that were retained as part of the portfolio sale.
- Other Provision for Losses: Increased $13MM from Q3'16, primarily due to growth in the non-card lending portfolio.

Additional Commentary – Variance Analysis

- Marketing and Promotion Expense: Decreased 12% versus Q3'16 primarily due to lower spending on growth initiatives.
- Card Member Rewards Expense: Increased 21% versus Q3'16, primarily driven by enhancements to U.S. Consumer and Small Business Platinum rewards and growth in spending across cobrand card and Membership Reward products.
    - The Company's Membership Rewards ultimate redemption rate for program participants was 95% in Q3'17, in-line with Q3'16.
- Card Member Services and Other Expense: Increased 31% versus Q3'16, primarily due to increased usage of travel-related benefits and the enhanced Platinum card benefits.
- Salaries and Employee Benefits Expense: Flat versus Q3'16.
- Professional Services Expense: Decreased 20% versus Q3'16, driven primarily by lower third party technology related spending.
- Occupancy and Equipment Expense: Increased 32% versus Q3'16, driven primarily by asset impairments related to the U.S. Loyalty Coalition and Prepaid businesses.
- Other, Net Expense: Decreased 2% versus Q3'16. The prior year included expenses related to the Loyalty Edge business and the current year included charges related to the U.S. Loyalty Coalition business.
- Corporate & Other Net Expenses: $63MM higher net expense, partially driven by the charges related to the U.S. Prepaid business in the current period.

Annex 1(1 of 4)

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

% Increase/(decrease) vs. prior year

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

**See Slide 3 for an explanation of FX-adjusted information.*

Annex 1(2 of 4)

*Billed Business – Reported & FX-Adjusted**

% Increase/(decrease) vs. prior year

	Q3'16
Large & Global Corporate	
Reported	6%
FX-Adjusted	5%
Int'l SME	
Reported	17%
FX-Adjusted	15%

*Note: SME refers to small and mid-sized businesses with less than $300MM in annual revenues. *See Slide 3 for an explanation of FX-adjusted information.*

Annex 1(3 of 4)

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

% Increase/(decrease) vs. prior year

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

**See Slide 3 for an explanation of FX-adjusted information.*

Annex 1(4 of 4)

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

% Increase/(decrease) vs. prior year

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

**See Slide 3 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

Adjusted Loan Growth

($ in billions)

	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
Total Loans Held for Investment*	$70.0	$59.8	$58.6	$61.1	$61.8	$66.7	$65.3	$67.9	$70.2
Loans Held for Investment related to Costco in the U.S. and JetBlue	$14.5								
Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**	$55.5	$59.8	$58.6	$61.1	$61.8	$66.7	$65.3	$67.9	$70.2
FX-Adj Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue***	$55.1	$59.3	$58.3	$61.0	$62.0				
YoY Total Loans Growth on a GAAP basis					**(12%)**	**11%**	**11%**	**11%**	**14%**
YoY Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and Jetblue*					**11%**	**11%**	**11%**	**11%**	**14%**
YoY FX Adj Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**					**12%**	**13%**	**12%**	**11%**	**13%**

** Total Loans include Card Member loans and Other Loans. **Costco and JetBlue loans reclassified as Held For Sale as of December 2015. ***See Slide 3 for an explanation of FX-adjusted information.*

Annex 3

Revenue Net of Interest Adjusted for FX, Concur and Costco

($ in billions)

	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
GAAP Revenue Net of Interest	**$8.3**	**$9.1**	**$8.0**	**$8.3**	**$8.2**	**$8.4**	**$8.1**	**$8.2**	**$7.8**	**$8.0**	**$7.9**	**$8.3**	**$8.4**
Gain on Sale of Concur Investment		($0.7)											
Revenue Net of Interest Excluding Concur	$8.3	$8.4	$8.0	$8.3	$8.2	$8.4	$8.1	$8.2	$7.8	$8.0	$7.9	$8.3	$8.4
Est. Costco-Related Revenue**	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.7)	(~$0.5)	-	-	-	-	-
Revenue Net of Interest Excluding Concur and Costco	$7.5	$7.6	$7.2	$7.5	$7.4	$7.6	$7.4	$7.7	$7.8	$8.0	$7.9	$8.3	$8.4
FX- Adjusted Revenue Net of Interest Excl. Concur	$8.0	$8.1	$7.8	$8.2	$8.2	$8.3	$8.1	$8.2	$7.8				
FX-Adjusted Revenue Net of Interest Excl. Concur and Costco	$7.2	$7.3	$7.0	$7.4	$7.4	$7.5	$7.4	$7.7	$7.8				
YoY% Inc/(Dec) in GAAP Revenue Net of Interest					**(1%)**	**(8%)**	**2%**	**(1%)**	**(5%)**	**(4%)**	**(2%)**	**1%**	**9%**
YoY% Inc/(Dec) in Adjusted Revenue Net of Interest Excl. Concur					**(1%)**	**0%**							
YoY% Inc/(Dec) in Adjusted Revenue Net of Interest Excl. Concur and Costco					**(2%)**	**1%**	**3%**	**3%**	**5%**	**5%**	**6%**	**8%**	**9%**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. Concur* **					**3%**	**4%**	**4%**	**1%**	**(5%)**	**(3%)**	**(2%)**	**1%**	**8%**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. Concur and Costco* **					**3%**	**5%**	**5%**	**4%**	**5%**	**6%**	**7%**	**8%**	**8%**

***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 3 for an explanation of FX-adjusted information.*

Annex 4

Adjusted Operating Expenses

($ in millions)

	Q3'17	Q3'16
Operating Expenses†	**$2,763**	**$2,761**
U.S. Loyalty Coalition and Prepaid charges (pre-tax)*	($155)	
Q3'16 Restructuring charges (pre-tax)		($44)
Adjusted Operating Expenses	**$2,608**	**$2,717**
YoY% Inc/(Dec) in GAAP Operating Expenses	**0%**	
YoY% Inc/(Dec) in Adjusted Operating Expenses	**(4%)**	

*. † Represents salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net. *Includes asset impairments and restructuring and other charges.*

Annex 5

- ***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 6

Consolidated Net Interest Yield on Card Member Loans

(Millions, except percentages and where indicated)

	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
Net interest income	**$1,334**	**$1,408**	**$1,500**	**$1,530**	**$1,675**
Exclude:					
Interest expense not attributable to the Company's Card Member loan portfolio	$261	$238	$252	$302	$315
Interest income not attributable to the Company's Card Member loan portfolio	($104)	($94)	($130)	($155)	($174)
Adjusted net interest income*	**$1,491**	**$1,552**	**$1,622**	**$1,677**	**$1,816**
Average loans including Held for Sale (billions)	**$60.3**	**$62.6**	**$63.9**	**$65.1**	**$67.1**
Net interest income divided by average loans**	**8.8%**	**9.0%**	**9.4%**	**9.4%**	**10.0%**
Net interest yield on Card Member loans***	**9.8%**	**9.9%**	**10.3%**	**10.3%**	**10.7%**

**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.*

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 return on average equity (ROE) expectations for 2017, which will depend in part on the following: revenues growing consistently with current expectations, which could be impacted by, among other things, the factors identified in the subsequent bullet; credit performance remaining consistent with current expectations; 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, the imposition of fines or civil money penalties, an increase in Card Member reimbursements, restructurings, impairments and changes in reserves; 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 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 remaining in line with current expectations, 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; write-downs of deferred tax assets as a result of tax law or other changes; the impact of accounting changes and reclassifications; and the Company's ability to continue executing its share repurchase program;

- the ability of the Company to grow revenues net of interest expense, 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, continued growth of Card Member loans, a greater erosion of the average discount rate than expected, the strengthening of the U.S. dollar, 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, the willingness of Card Members to pay higher card fees, and lower spending on new cards acquired than estimated; and will depend on factors such as the Company's success in addressing competitive pressures and implementing its strategies and business initiatives, including growing profitable spending from existing and new Card Members, increasing penetration among middle market and small business clients, expanding the Company's international footprint and increasing merchant acceptance;

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- 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 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 the amount the Company spends on the promotion of enhanced services and rewards categories and the success of such promotion;

- the actual amount to be spent on marketing and promotion, which will be based in part on management's assessment of competitive opportunities; overall business performance and changes in macroeconomic conditions; the actual amount of advertising and Card Member acquisition costs; competitive pressures that may require additional expenditures; the Company's ability to continue to shift Card Member acquisition to digital channels; 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 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 the factors identified in the preceding bullet;

- the ability to reduce annual operating expenses, 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; 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;

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- the Company's delinquency and write-off rates and growth of provisions for losses 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, credit performance of new and enhanced lending products, 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 growth in net interest income slowing more than expected, which will be impacted by the growth and mix of Card Member and other loans, which will depend in part on the factors identified in the preceding bullet, and the Company's net interest yield on Card Member loans, which will be influenced by, among other things, interest rates, changes in consumer behavior that affect loan balances, such as paydown rates, the Company's Card Member acquisition strategy, product mix, cost of funds, credit actions, including line size and other adjustments to credit availability, potential pricing changes and deposit rates, which could be impacted by, among other things, the factors identified in the subsequent bullet;

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

- 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;

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- the ability of the Company to capture commercial 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;

- the ability of the Company to grow internationally, including the growth of international proprietary and GNS billed business, which could be impacted by regulation and business practices, such as those capping interchange or other fees, favoring local competitors or prohibiting or limiting foreign ownership of certain businesses; the Company's ability to partner with additional GNS issuers as a result of regulation or otherwise 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, including within the premium space, 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 ability of the Company to maintain and expand its presence in the digital payments space, which will depend on the Company's success in evolving its products and processes for the digital environment, offering attractive value propositions to Card Members to incentivize the use of and enhance satisfaction with the Company's digital channels and the Company's products as a means of payment through online and mobile channels, building partnerships and executing programs with other companies, and utilizing digital capabilities that can be leveraged for future growth;

- the ability of the Company to innovate and introduce new network features and offer expanded products and services to GNS partners, which will depend in part on the ability of the Company to update its systems and platforms, the amount the Company invests in the network, and technological developments relating to fraud protection support, marketing insights and digital connections;

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- 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 and economic environment in any given period;

- 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 review of the case by the U.S. Supreme Court and the impact on existing private merchant cases and potentially additional litigation and/or arbitrations;

- 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, including our ability to continue certain GNS and other partnerships; 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

- 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 U.S. Administration and 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 (including further impacts from the recent hurricanes in Texas, Florida and Puerto Rico), health pandemics, terrorism, cyber attacks or fraud, any of which could significantly affect demand for and spending on American Express cards, delinquency rates, loan balances and other aspects of the Company and its results of operations 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, the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2017 and the Company's other reports filed with the Securities and Exchange Commission.


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