

American Express Company

Earnings Conference Call
Q4'17

January 18, 2018

AMERICAN EXPRESS

Summary Financial Performance

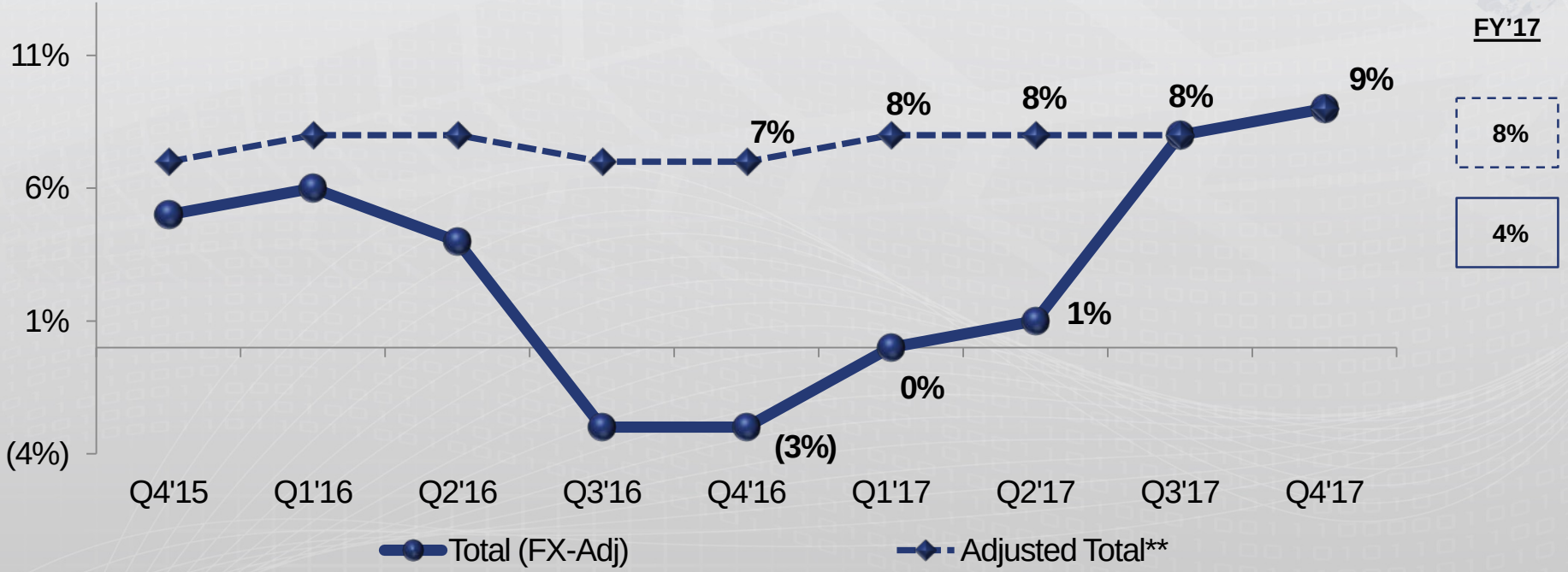
($ in millions; except per share amounts and where otherwise noted)

	Q4'17	Inc/(Dec)	FY'17	Inc/(Dec)
Total Revenues Net of Interest Expense	$8,839	10%	$33,471	4%
*FX-Adjusted**		*9%*		*4%*
Net Income (Loss) - GAAP	($1,197)	#	$2,736	(49%)
Tax Act Impacts	2,594		2,594	
Net Income excluding Tax Act Impacts**	$1,397		$5,330	
Diluted EPS - GAAP †	($1.41)	#	$2.97	(47%)
Tax Act Impacts	2.99		2.90	
Diluted EPS excluding Tax Act Impacts**	$1.58		$5.87	

**Total Revenues Net of Interest Expense adjusted for FX is a non-GAAP measure. 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 Q4'17 and FY'17 foreign exchange rates apply to Q4'16 and FY'16 results). ** Net Income and Diluted Earnings per share, excluding the impacts of the Tax Cuts and Jobs Act in Q4'17 are non-GAAP measures. †Attributable to common shareholders. Represents net income less earnings allocated to participating share awards, dividends on preferred shares and other items. The Q4 net loss was not allocated to participating shares as such shareholders do not share in losses. Additionally, no common equivalent shares related to participating shares have been included as the effect would be antidilutive. # Denotes a variance of more than 100%.*

AXP Worldwide Adjusted Billed Business Growth*

% Increase/(decrease) vs. Prior year:

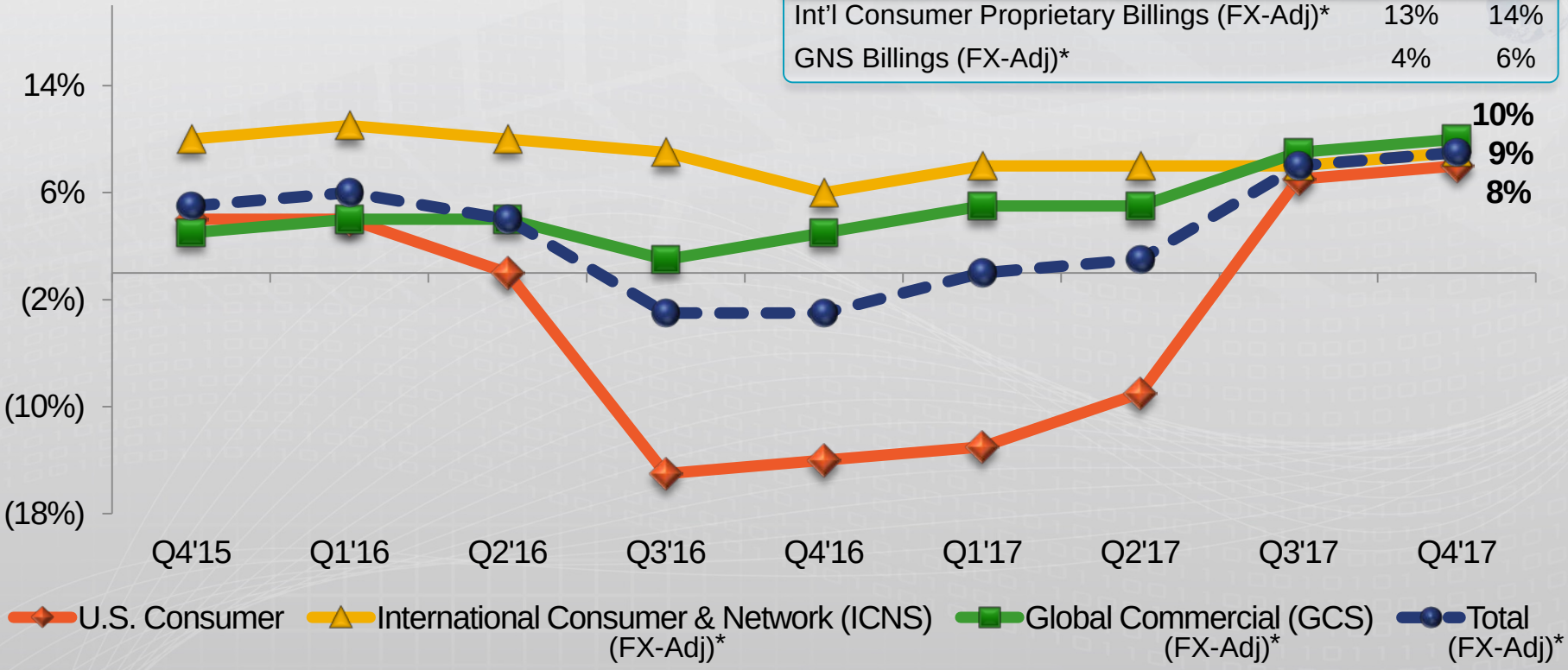


*See Annex 1 for reported billings growth rates. **Excludes Costco cobrand card billed business (in-store and out-of-store) and billed business on other (non-Costco cobrand) American Express cards at Costco in the U.S.

Billed Business Growth by Segment

% Increase/(decrease) vs. Prior year:

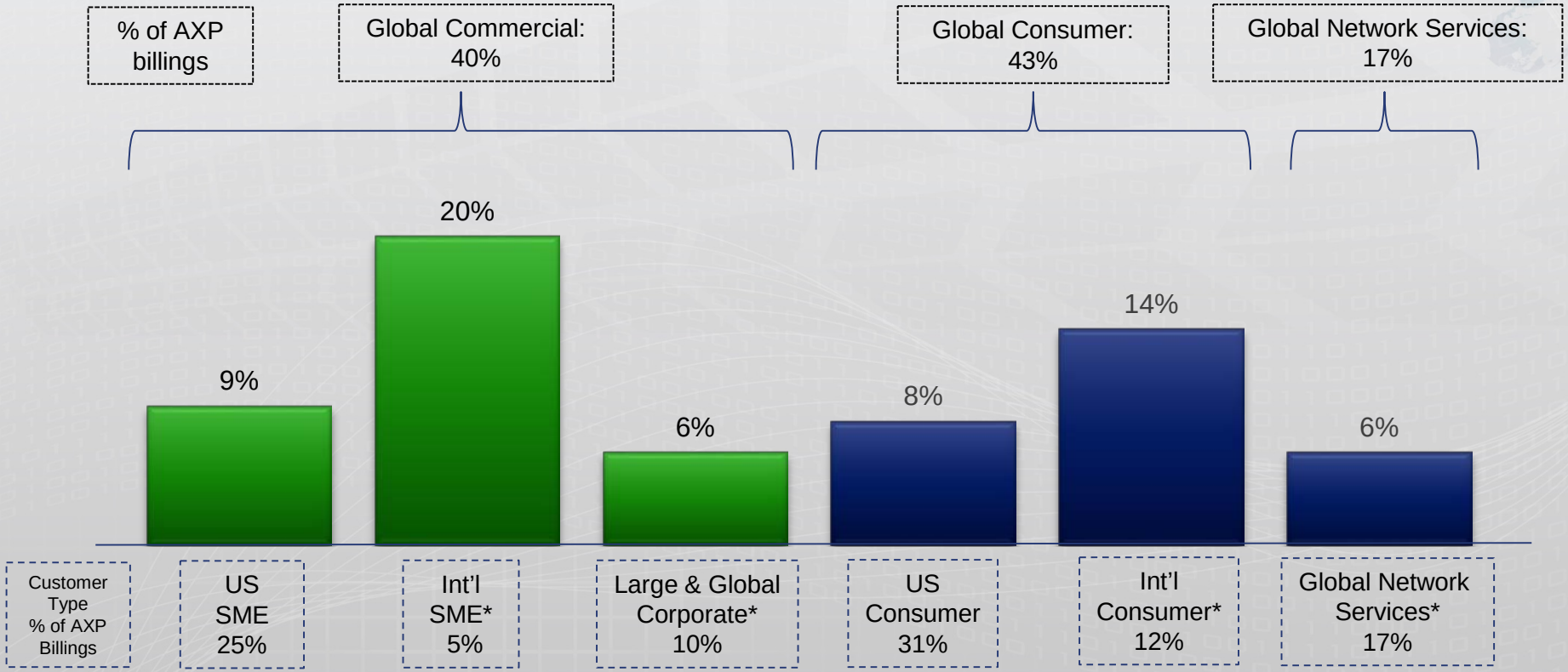
	Q3'17	Q4'17
Int'l Consumer Proprietary Billings (FX-Adj)*	13%	14%
GNS Billings (FX-Adj)*	4%	6%



*See Annex 1 for reported billings growth rates.

Q4’17 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



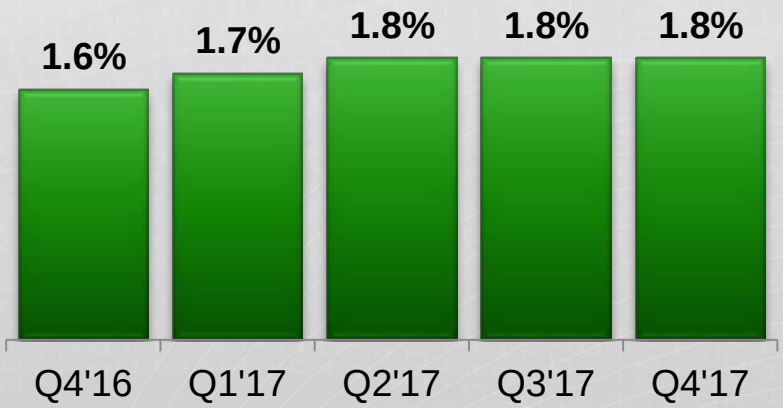
WW Net Interest Yield on CM Loans†



*Note: Total Loans reflects Card Member loans and Other loans. *Adjusted loan growth excluding the impact of foreign exchange rates is a non-GAAP measure. See slide 2 for an explanation of FX-adjusted information. † See Annex 4 for a reconciliation of net interest income divided by average loans, a GAAP measure, and net interest yield, a non-GAAP measure.*

Worldwide Credit Metrics

WW Lending Net Write-off Rate



Charge Net Write Off Rates *(excluding GCP)*



GCP Net Loss Ratio*	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
	0.10%	0.11%	0.10%	0.09%	0.11%

Note: Net write-off rates above include Principal only. See Statistical Tables for the fourth Quarter of 2017, available at ir.americanexpress.com, for net write-off rates including interest and/or fees.
** As a % of charge volume for Global Corporate Payments (GCP) receivables in Global Commercial Services.*

Provisions for Losses

($ in millions)

Total Provision



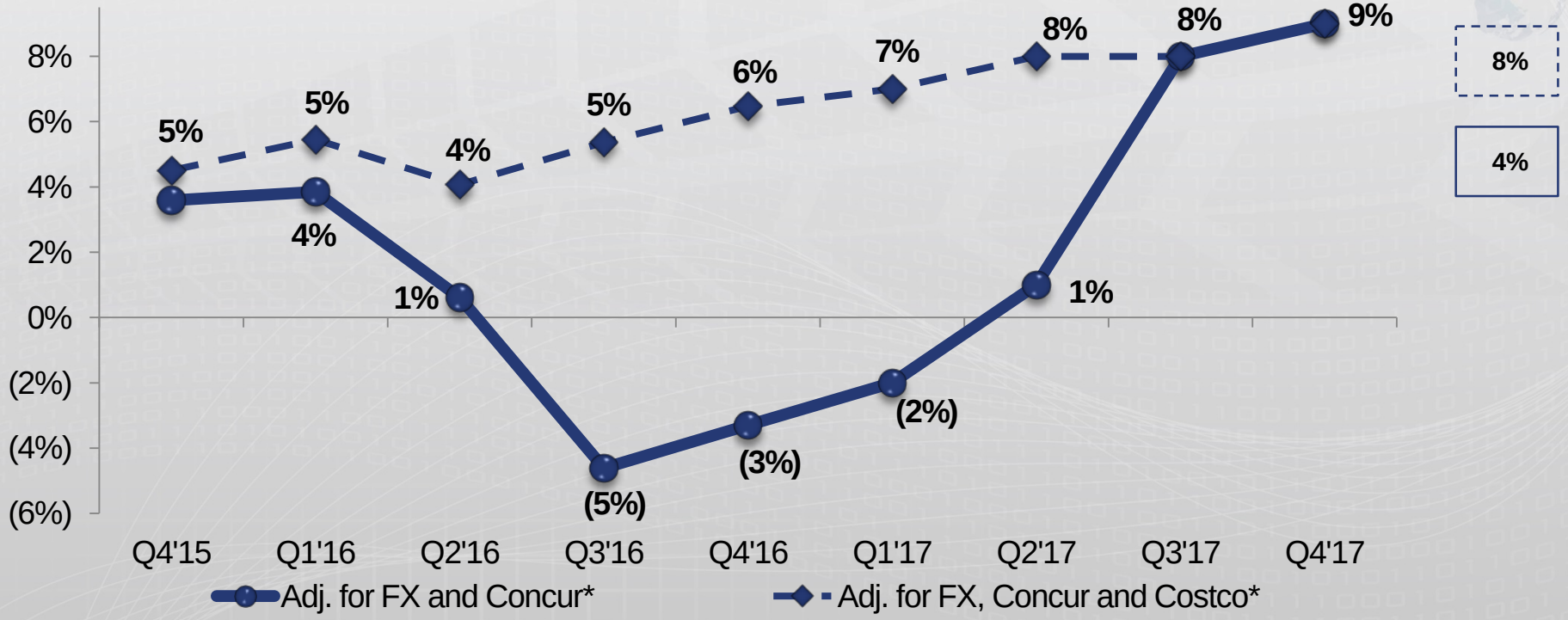
Q4'17 % Inc/(Dec) YoY

33%

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
WW CM Reserve Build/(Release)	**$139**	**$49**	**$56**	**$219**	**$213**

See Additional Commentary on Slide 17 for an explanation of the provision variance versus last year.

Adjusted Revenue Growth



*See Annex 2 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

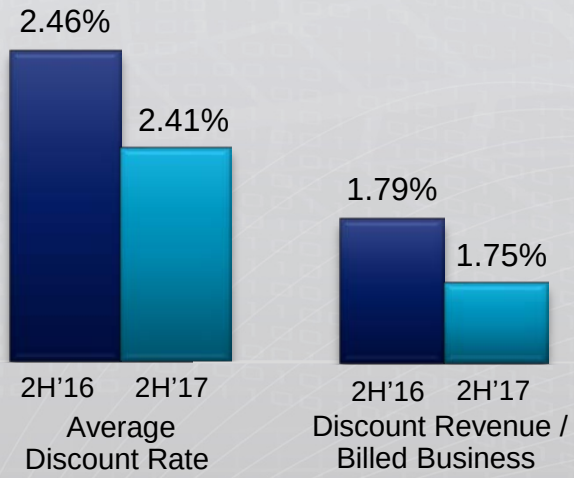
($ in millions)

	Q4'17	Q4'16	Q4'17 % Inc/(Dec)
Discount Revenue	$5,080	$4,697	8%
Net Card Fees	785	725	8%
Other Fees & Commissions	790	677	17%
Other Revenue	448	515	(13%)
Net Interest Income	1,736	1,408	23%
Total Revenues Net of Interest Expense	$8,839	$8,022	10%
*FX-Adjusted**		*$8,129*	9%

** Total Revenues Net of Interest Expense adjusted for FX and the related growth rate are non-GAAP measures. See slide 2 for an explanation of FX-adjusted information. See Additional Commentary on Slide 17 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

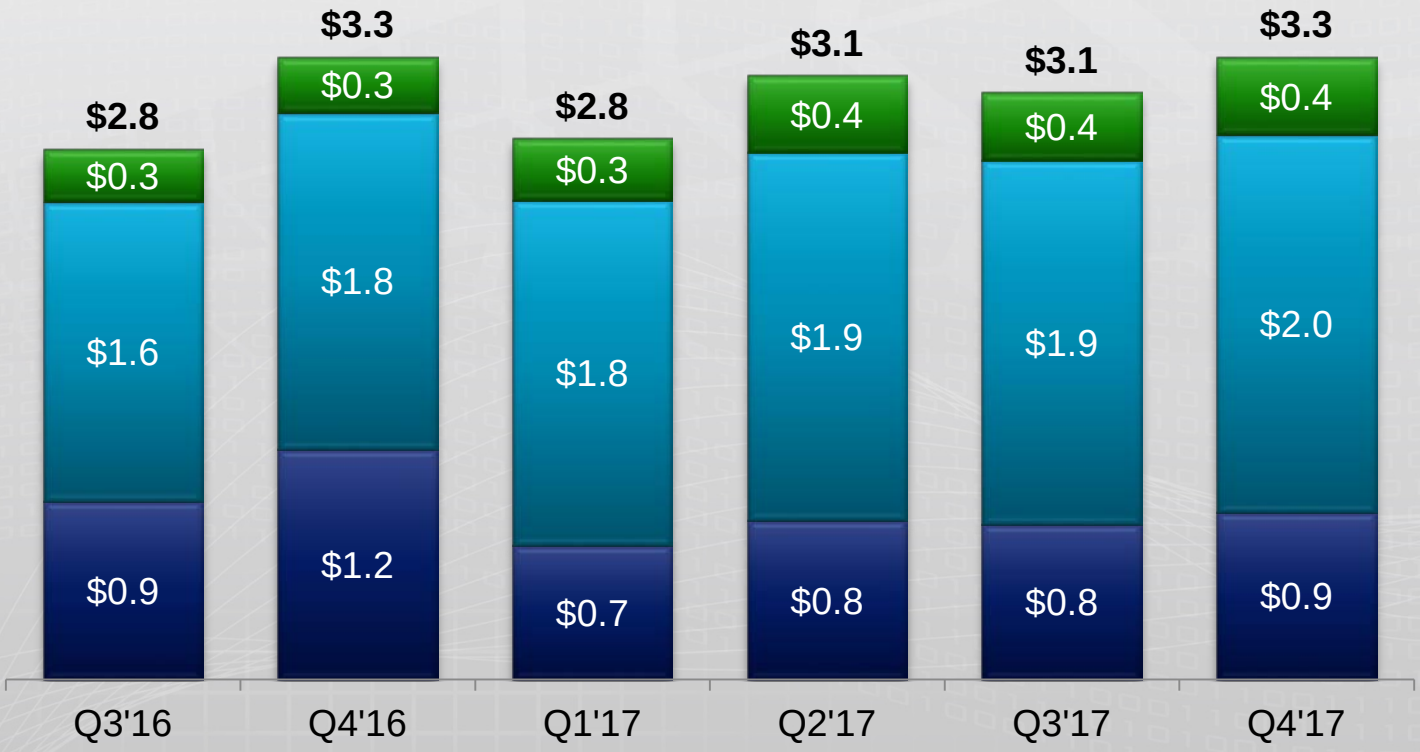
($ in millions)

	Q4'17	Q4'16	Q4'17 % Inc/(Dec)
Marketing and Promotion	$873	$1,205	(28%)
Card Member Rewards	1,975	1,758	12%
Card Member Services and Other	406	292	39%
Operating Expenses*	2,931	2,981	(2%)
Total Expenses**	$6,185	$6,236	(1%)

*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, and other, net. **Operating Expenses and Total Expenses, each on an FX-adjusted basis, which are non-GAAP measures, were down 4% and 2%, respectively, in Q4'17. See Slide 2 for an explanation of FX-adjusted information.*

Card Member Engagement

($ in billions)



Q4'17
% Inc/(Dec) YoY
0%

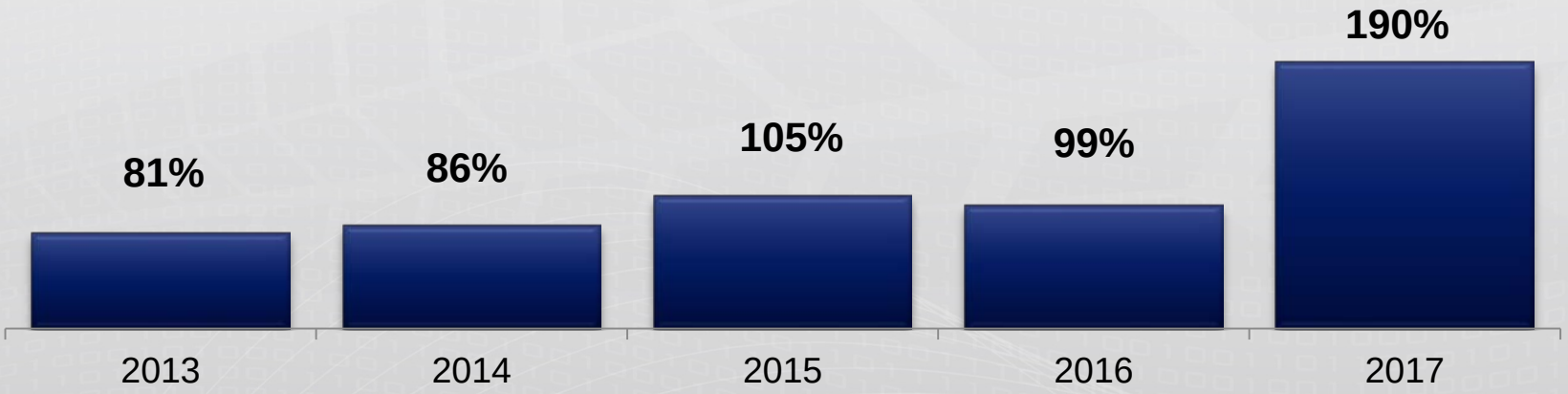
CM Services 39%

Rewards 12%

M&P (28%)

Capital and Payout Ratios

Percentage of Capital Generated Returned to Shareholders



Risk-Based Capital Ratios*	2013	2014	2015	2016	2017
Common Equity Tier 1	12.5%	13.1%	12.4%	12.3%	9.0%
Tier 1 Capital	12.5%	13.6%	13.5%	13.5%	10.1%

*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 Q4'17 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 quarter ended December 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 2014-2017. 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 3 for a reconciliation between Tier 1 Common Equity and Total Shareholders' Equity.*

2018 EPS Growth Outlook

2018

$6.90 - $7.30

- Billings & Loans: Continued Momentum
- Revenue Growth: 7% - 8%
- Investments into cobrand agreements
- Provision growth in line with 2017 growth
- Tax Act Impact:
  - Effective tax rate ~22% before discrete tax items
  - Incremental investments
  - Share buyback suspension in Q1-Q2 while dividends continue



Appendix

Additional Commentary – Variance Analysis

- Discount Revenue: Increased 8% versus Q4'16 primarily driven by growth in billed business of 11%, partially offset by a decrease in the average discount rate.
    - The average discount rate of 2.40% in Q4'17 decreased by 4 bps compared to 2.44% in Q4'16. 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 8% versus Q4'16, driven primarily by strong performance in the Platinum and Delta portfolios and growth in key international markets.
- Other Fees & Commissions: Increased 17% versus Q4'16 and 12% excluding the impact of FX rates, driven by an increase in delinquency fees due to a change in the late fee assessment date for certain U.S charge cards and an increase in foreign exchange conversion revenue.
- Other Revenues: Decreased 13% versus Q4'16, primarily driven by revenues in the prior year related to our Loyalty Edge business, which was sold in Q4'16.
- Net Interest Income: Increased 23% versus Q4'16. The increase was primarily driven by higher average loans and yields.
- Charge Card Provision for Losses: Increased 3% versus Q4'16.
- Card Member Loans Provision for Losses: Increased 48% versus Q4'16, in-line with company expectations. The increase primarily reflects continued strong growth in loans and increases in the lending write-off and delinquency rates, due in part to the mix-shift over time to Amex-branded products and the seasoning of new accounts.
- Other Provision for Losses: Increased $11MM from Q4'16, primarily due to growth in the non-card lending portfolio.

Additional Commentary – Variance Analysis

- Marketing and Promotion Expense: Decreased 28% versus Q4'16 primarily due to lower spending on growth initiatives.
- Card Member Rewards Expense: Increased 12% versus Q4'16, primarily driven by growth in spending across cobrand card and Membership Reward products.
    - The Company's Membership Rewards ultimate redemption rate for program participants was 95% in Q4'17, in-line with Q4'16.
- Card Member Services and Other Expense: Increased 39% versus Q4'16, primarily due to increased usage of travel-related benefits and the enhanced Platinum card benefits.
- Salaries and Employee Benefits Expense: Increased 19% versus Q4'16, primarily driven by higher performance-related compensation during 2017, as well as an incremental employee profit share contribution which is related, in part, to the new tax law.
- Professional Services Expense: Decreased 26% versus Q4'16, primarily driven by lower third party technology related spending and lower consulting fees.
- Occupancy and Equipment Expense: Decreased 3% versus Q4'16.
- Other, Net Expense: Decreased 15% versus Q4'16 primarily driven by Loyalty Edge charges in the prior year, including expenses and the loss on the sale of the business.
- Corporate & Other Net Expenses: $2.5B higher net expense, primarily due to the $2.6B of impacts related to the 2017 Tax Cuts and Jobs Act.

Tax Act Impacts

($ in millions)

Tax Act Impacts	
Deemed repatriation of certain overseas earnings	$1,966
Remeasurement of U.S. net deferred tax assets	610
Other	18
Total Tax Act Impacts*	**$2,594**

**This estimate may be revised in the future as additional guidance and interpretations become available*

2017 Adjusted Payout

($ in billions; except percentages)

	Reported	Tax Act Impacts	Adjusted
Net Income Attributable to Common Shareholders	$2.6	$2.6*	$5.2
Employee Plans	0.3		0.3
Total Capital Generation	**$2.9**	**$2.6**	**$5.5**
Share Repurchases	4.3		4.3
Dividends	1.2		1.2
Total Capital Distribution	**$5.5**		**$5.5**
Payout %	**190%**		**100%**

** Refer to slide 19 for components of the Tax Act Impacts.*

Annex 1(1 of 4)

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

% Increase/(decrease) vs. prior year

	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
ICNS									
Reported	(1%)	3%	5%	8%	3%	7%	6%	8%	14%
FX-Adjusted	10%	11%	10%	9%	6%	8%	8%	8%	9%
Int'l Consumer Proprietary									
Reported	(8%)	1%	4%	6%	4%	8%	9%	15%	20%
FX-Adjusted	3%	8%	8%	8%	10%	11%	12%	13%	14%
GNS									
Reported	3%	5%	5%	10%	3%	7%	5%	4%	9%
FX-Adjusted	14%	13%	11%	10%	4%	6%	5%	4%	6%
GCS									
Reported	1%	3%	4%	1%	2%	4%	5%	10%	11%
FX-Adjusted	3%	4%	4%	1%	3%	5%	5%	9%	10%

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

Annex 1(2 of 4)

*Billed Business – Reported & FX-Adjusted**

% Increase/(decrease) vs. prior year

	Q4'17
Large & Global Corporate	
Reported	9%
FX-Adjusted	6%
Int'l SME	
Reported	25%
FX-Adjusted	20%

*Note: SME refers to small and mid-sized businesses with less than $300MM in annual revenues. *See Slide 2 for an explanation of FX-adjusted information.*

Annex 1(3 of 4)

Billed Business – Reported & FX-Adjusted*

% Increase/(decrease) vs. prior year

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

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

Annex 1(4 of 4)

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

% Increase/(decrease) vs. prior year

	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Worldwide									
Reported	2%	3%	3%	(3%)	(4%)	(1%)	0%	8%	11%
FX-Adjusted	5%	6%	4%	(3%)	(3%)	0%	1%	8%	9%
Worldwide Excl. Costco**									
Reported	3%	5%	6%	7%	6%	8%	7%	n/a	n/a
FX-Adjusted	7%	8%	8%	7%	7%	8%	8%	n/a	n/a

**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

Revenue Net of Interest Adjusted for FX, Concur and Costco

($ in billions)

	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	FY'16	FY'17
GAAP Revenue Net of Interest	**$9.1**	**$8.0**	**$8.3**	**$8.2**	**$8.4**	**$8.1**	**$8.2**	**$7.8**	**$8.0**	**$7.9**	**$8.3**	**$8.4**	**$8.8**	**$32.1**	**$33.4**
Gain on Sale of Concur Investment	($0.7)														
Revenue Net of Interest Excluding Concur	$8.4	$8.0	$8.3	$8.2	$8.4	$8.1	$8.2	$7.8	$8.0	$7.9	$8.3	$8.4	$8.8	$32.1	$33.4
Est. Costco-Related Revenue*	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.8)	(~$0.7)	(~$0.5)	-	-	-	-	-	-	(~$1.2)	-
Revenue Net of Interest Excluding Concur and Costco	$7.6	$7.2	$7.5	$7.4	$7.6	$7.4	$7.7	$7.8	$8.0	$7.9	$8.3	$8.4	$8.8	$30.9	$33.4
FX- Adjusted Revenue Net of Interest Excl. Concur	$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	$7.3	$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%**	**10%**		**4%**
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%**	**n/a**	**n/a**		**8%**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. Concur**				**3%**	**4%**	**4%**	**1%**	**(5%)**	**(3%)**	**(2%)**	**1%**	**8%**	**9%**		**4%**
YoY% Inc/(Dec) in FX- Adjusted Revenue Net of Interest Excl. Concur and Costco**				**3%**	**5%**	**5%**	**4%**	**5%**	**6%**	**7%**	**8%**	**n/a**	**n/a**		**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 2 for an explanation of FX-adjusted information.*

Annex 3

- ***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)
Tier 1 Common Equity	**$16,166**

Annex 4

Consolidated Net Interest Yield on Average Card Member Loans

(Millions, except percentages and where indicated)

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Net interest income	**$1,408**	**$1,500**	**$1,530**	**$1,675**	**$1,736**
Exclude:					
Interest expense not attributable to the Company's Card Member loan portfolio	$238	$252	$302	$315	$301
Interest income not attributable to the Company's Card Member loan portfolio	($94)	($130)	($155)	($174)	($177)
Adjusted net interest income*	**$1,552**	**$1,622**	**$1,677**	**$1,816**	**$1,860**
Average Card Member loans (billions)	**$62.6**	**$63.9**	**$65.1**	**$67.1**	**$70.1**
Net interest income divided by average Card Member loans**	**9.0%**	**9.4%**	**9.4%**	**10.0%**	**9.9%**
Net interest yield on average Card Member loans***	**9.9%**	**10.3%**	**10.3%**	**10.7%**	**10.5%**

**Adjusted net interest income, a non-GAAP measure that represents net interest income attributable to our Card Member loans (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 represents the interest expense and interest income attributable to our Card Member loan portfolio and is a component of net interest yield on average Card Member loans, which provides a measure of profitability of our Card Member loan portfolio.*

*** Net interest income divided by average Card Member loans, computed on an annualized basis, a GAAP measure, 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 average Card Member loans.*

****Net interest yield on average 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 2018, 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 2018 earnings per common share outlook, 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 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 manage operating expense growth; 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); a greater impact from certain cobrand agreements than expected, which could be affected by volumes and Card Member engagement; 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, changes in interpretations and assumptions the Company has made and actions the Company may take as a result of the Tax Cuts and Jobs Act, the Company's geographic mix of income, further changes in tax laws and regulation, unfavorable tax audits and other unanticipated tax items; and the impact of accounting changes and reclassifications;

- the ability of the Company to grow revenues net of interest expense consistent with its expectations and maintain billings momentum, 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, more cautious spending by large and global corporate Card Members, the willingness of Card Members to pay higher card fees, lower spending on new cards acquired than estimated and the Company's inability to purchase, or realize the expected benefits of, the existing Citi/Hilton loan portfolio, which is subject to, among other things, operational issues related to the transfer of loans and accounts and the parties' ability to satisfy the closing conditions; 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;

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, competition from new and non-traditional competitors and the success of marketing, promotion or rewards programs;

- the erosion of the average discount rate by a greater amount than anticipated, including as a result of 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), a greater shift of existing merchants into the OptBlue program and other factors;

- 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 continue to grow loans faster than the industry, 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 Company's net interest yield on Card Member loans not remaining consistent with current levels, 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, changes in benchmark interest rates, competitive pressure and regulatory constraints;

- 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, including the level of spend in bonus categories, and the redemption of rewards and offers, 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;

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- the actual amount to be spent on Card Member engagement, including on customer-facing growth initiatives and differentiated benefits, 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; 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 manage operating expense growth, 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; continuing to implement and achieve benefits from reengineering plans, which could be impacted by factors such as an inability to mitigate the operational and other risks posed by potential staff reductions and underestimating hiring and other employee needs; 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 impact of accounting changes and reclassifications; and the level of M&A activity and related expenses;

- changes affecting the Company's plans regarding the return of capital to shareholders through dividends and share repurchases, which will depend on factors such as the pace at which the Company is able to rebuild its capital levels and ratios, including from earnings and a lower effective tax rate; the 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 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;

- 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, mandating network access, favoring local competitors or prohibiting or limiting foreign ownership of certain businesses; the Company's willingness or ability to partner with GNS issuers as a result of regulation or otherwise; 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;

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- legal and regulatory developments, 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, 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, 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, June 30 and September 30, 2017 and the Company's other reports filed with the Securities and Exchange Commission.


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