

American Express Company

Barclays Global Financial Services Conference

September 18, 2015

AMERICAN EXPRESS

The American Express Story

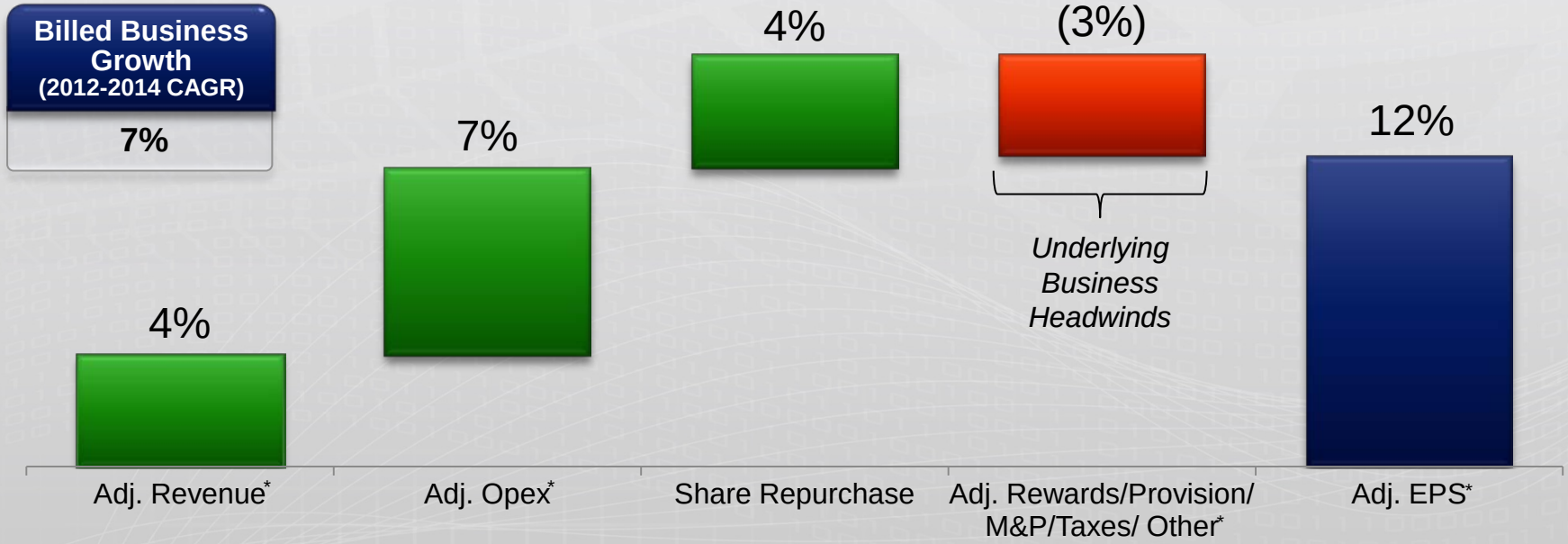
- Payments Space Remains Attractive
  - Secular trends continue to drive lower use of cash and checks
  - Digital and Big Data create new opportunities
  - Strong profitability and returns
- Diverse growth business opportunities…
  - U.S. Consumer & Small Business, International, Corporate, Network and Merchant Partners, Newer Businesses
- Powered by:
  - Brand strength providing competitive advantage
  - Closed-loop integrated payments platform for enabling commerce
- Consistent and flexible financial model
  - Growth Businesses + Operating Leverage + Capital Strength drive EPS Growth
- Experienced management team with proven track record

Financial Growth Drivers



Demonstrated track record of driving earnings growth in a modest growth environment

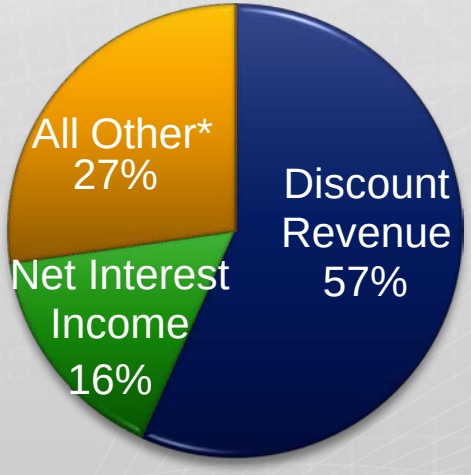
Contribution to Adjusted EPS Growth: 2012-2014 CAGR



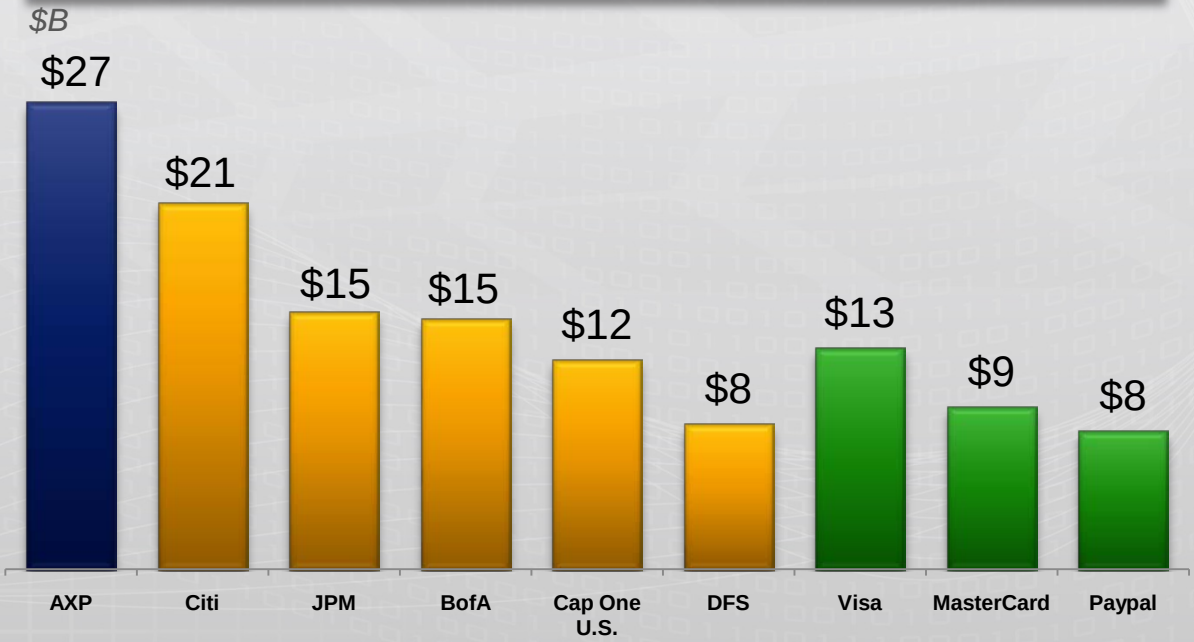
*Note: Figures rounded. *The compounded annual growth rates of adjusted revenue and adjusted diluted earnings per share, as well as the EPS contributions of adjusted operating expense and adjusted rewards/provision/M&P/taxes/other, are non-GAAP measures. Refer to Annex 1 and 2 for a breakdown of these amounts and a reconciliation to revenue, operating expense, rewards expense/provision/M&P/taxes and diluted EPS on a GAAP basis.*

Larger revenue base than peers driven by non-interest revenue

2014 Revenue Net of Interest

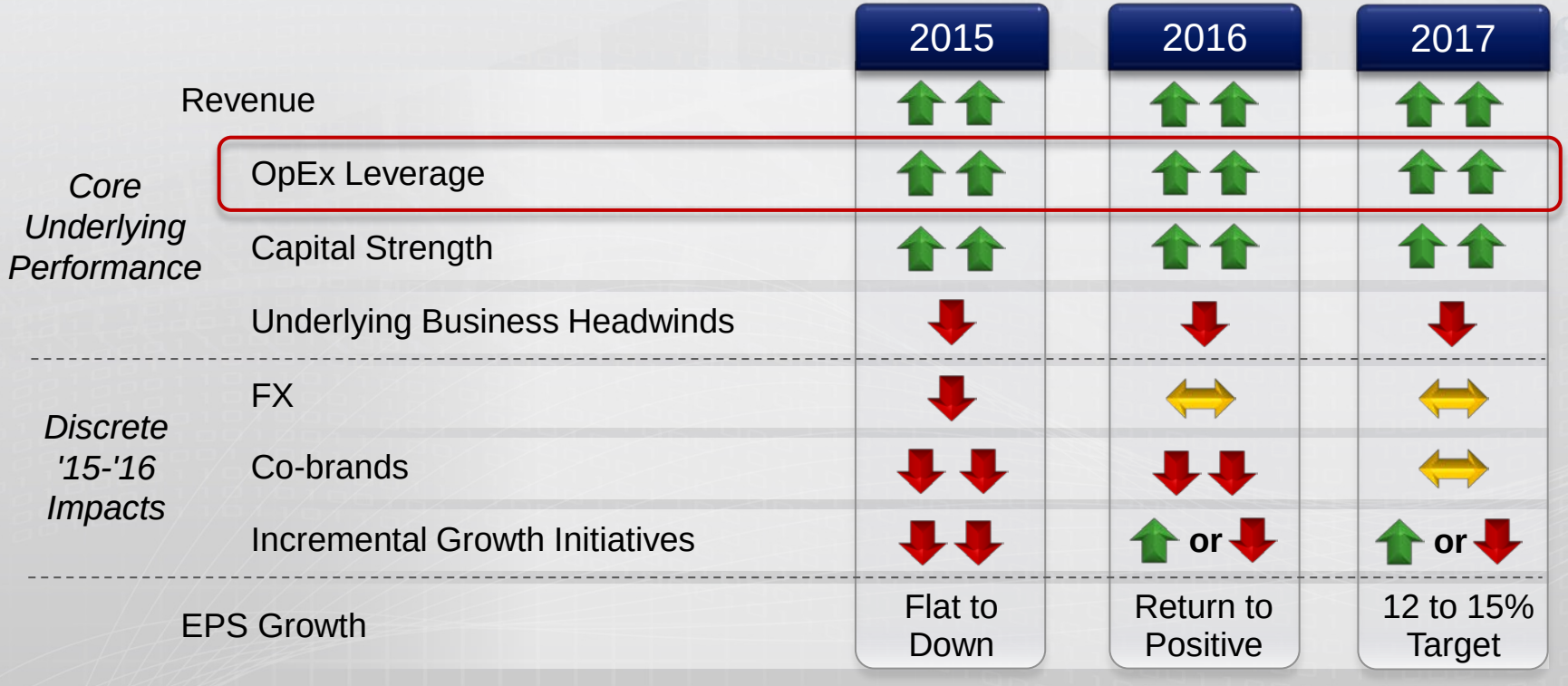


2014 Revenue Net of Rewards**



*Represents net card fees, travel commissions and fees, other commissions and fees, and other revenue. **Issuing competitors reflect rewards costs as a contra revenue item whereas the majority of AXP rewards costs are reported as an expense. Total revenues net of interest expense excluding Card Member rewards expense for AXP is a non-GAAP measure. 2014 total revenue net of interest expense on a GAAP basis was $34.2 billion and 2014 Card Member rewards expense on a GAAP basis was $6.9 billion. Source: Company reports. Note: Total company results for Discover, Visa, MasterCard and Paypal , consumer lending segment for BofA and Card Segment results for other issuing competitors.

Financial outlook – expected drivers of EPS growth



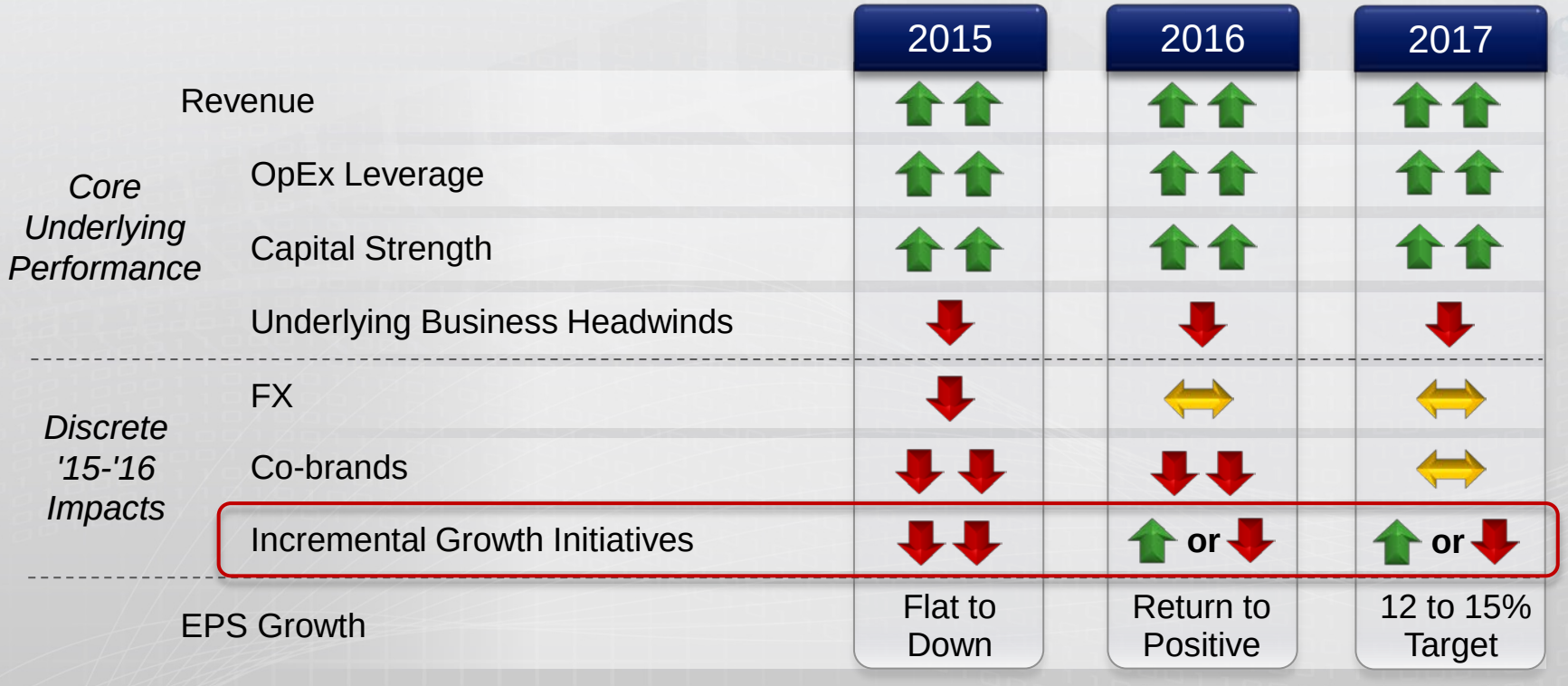
Operating expenses are well controlled

Adjusted Total Operating Expenses*



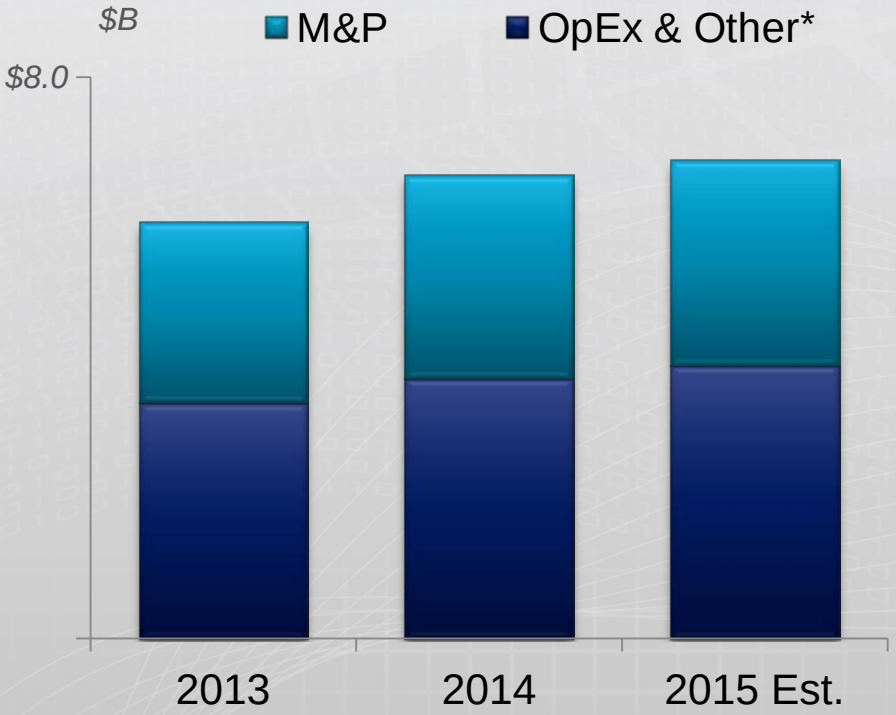
Adjusted total operating expenses, a non-GAAP measure, excludes Visa/MasterCard litigation settlement proceeds from 2007-2012, Q4'12, Q2'14 and Q4'14 restructuring charges, Q2'14 Business Travel JV gain and transaction-related costs and Q2'14 AXP Foundation contribution from total operating expenses. Refer to Annex 3 for a reconciliation of adjusted operating expenses. Full year 2014 operating expenses only include GBT opex for H1 prior to Business Travel JV transaction. The 2007-2014 adjusted CAGR including annualized GBT operating expenses for full year 2014, a non-GAAP measure, was 2%.

Financial outlook – expected drivers of EPS growth



Spending on growth initiatives now to position for the long-term

Spending on Growth & Efficiency Initiatives



Areas of Focus

Card Member Acquisition (~30%)

- U.S. Consumer and Small Business, International, Corporate Middle Market

Share of Wallet (~30%)

- Card Member engagement
- Expansion of merchant coverage (e.g. OptBlue)
- Lending on Charge, Amex EveryDay, international lending, new lending constructs

Key New Initiatives (~10%)

- Loyalty coalition business, Prepaid

Other Initiatives (~30%)

- Brand, service, technology, control and compliance, and other business initiatives

**Other includes spending on growth and efficiency initiatives that are reported as contra revenue.*

Q3 Update

- Outlook for FY'15-FY'17 remains unchanged
- Recent Trends and Announcements
- Q3 Outlook
  - Continued discrete impacts
    - FX impact
    - Co-brand
    - Growth initiatives
  - Billed business growth flat to modestly down sequentially (FX-adj.)
  - Slower revenue growth sequentially (Adjusted for FX and Business Travel)

The American Express Story

- Payments Space Remains Attractive
  - Secular trends continue to drive lower use of cash and checks
  - Digital and Big Data create new opportunities
  - Strong profitability and returns
- Diverse growth business opportunities…
  - U.S. Consumer & Small Business, International, Corporate, Network and Merchant Partners, Newer Businesses
- Powered by:
  - Brand strength providing competitive advantage
  - Closed-loop integrated payments platform for enabling commerce
- Consistent and flexible financial model
  - Growth Businesses + Operating Leverage + Capital Strength drive EPS Growth
- Experienced management team with proven track record


AMERICAN
EXPRESS
®

Annex 1

Adjusted Revenue Net of Interest and Diluted EPS

($ in millions)	2012	2014	2014 vs. 2012 CAGR
GAAP Revenue Net of Interest	$31,461	$34,189	
Global Business Travel Revenue Net of Interest*	($780)		
Gain on Sale of Concur Investment		($719)	
Q2'14 and Q4'14 Incremental Investments and Global Business Travel Transaction Costs		~$30	
Adjusted Revenue Net of Interest	$30,681	$33,500	
Increase/(Decrease) in GAAP Revenue Net of Interest (CAGR)			4%
Increase/(Decrease) in Adjusted Revenue Net of Interest (CAGR)			4%
GAAP EPS	$3.89	$5.56	
Q4'12 restructuring charge, Membership Rewards expense, and card member reimbursements	$0.53		
Adjusted EPS	$4.42	$5.56	
Increase/(Decrease) in GAAP EPS (CAGR)			20%
Increase/(Decrease) in Adjusted EPS (CAGR)			12%

*Note: Operating expenses represent salaries and employee benefits, professional services, occupancy and equipment, communications and other expenses. *Represents operating performance of Global Business Travel as reported in Q3'12 and Q4'12. 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. Note: In Q1'15, the Company reclassified amounts related to certain payments to co-brand partners reducing both marketing and promotion expense and discount revenue. Prior periods have been revised to conform to the current period presentation.*

Annex 2

Adjusted Operating Expenses and Rewards/Provision/M&P/Taxes/Other

	2014 vs. 2012 CAGR
GAAP Total Operating Expenses Contribution to GAAP Diluted EPS Growth	17%
Adjusted Total Operating Expenses* Contribution to Adjusted Diluted EPS** Growth	7%
GAAP Rewards/Provision/M&P/Taxes/Other Contribution to GAAP Diluted EPS Growth	(6%)
Adjusted Rewards/Provision/M&P/Taxes/Other Contribution to Adjusted Diluted EPS** Growth	(3%)

**Adjusted for operating performance of Global Business Travel as reported in Q3'12 and Q4'12, Q2'14 GBT JV gain net of transaction costs, incremental investments, restructuring, and foundation contribution, and Q4'14 restructuring and incremental investments. Does not adjust for 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. GBT Gain net of transaction costs and incremental investments, and Q4'14 Concur Gain net of incremental investments. **Refer to Annex 1 for a reconciliation to GAAP Diluted EPS .*

Annex 3

Adjusted Total Operating Expense Growth

($ in millions)

	2007	2008	2009	2010	2011	2012	2013	2014	Q2'14 YTD	Q2'15 YTD
GAAP Total Operating Expenses	$9,945	$11,625	$9,902	$10,916	$12,243	$13,447	$12,987	$12,184	$5,995	$5,489
Visa/MasterCard Settlement Payments	$1,130	$580	$880	$880	$580					
Restructuring Charges*						($400)		($446)	($133)	
Q2'14 Global Business Travel Transaction										
Q2'14 GBT Transaction Gain								$626	$626	
Q2'14 GBT Trans-related Costs								($79)	($79)	
AXP Foundation Contribution*								($40)	($40)	
GBT Operating Expenses**									($671)	
Adjusted Total Operating Expenses	$11,075	$12,205	$10,782	$11,796	$12,823	$13,047	$12,987	$12,245	$5,698	$5,489
YoY% Increase/Decrease in GAAP Total Operating Expenses										**(8%)**
YoY% Increase/Decrease in GBT-Adjusted Total Operating Expenses										**(4%)**
2007-2014 CAGR GAAP Total Operating Expenses								**2.9%**		
2007-2014 CAGR Adjusted Total Operating Expenses								**1.4%**		

**To the extent comparable categories of charges were recognized in periods other than Q4'12, Q2'14 or Q4'14, they have not been excluded. **Represents operating performance of Global Business Travel as reported in 2H'14. Does not include other Global Business Travel-related items, including transaction-related costs and impacts related to a transition services agreement that will phase out over time.*

Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance and which include management's outlook for 2015-2017, among other matters, contain words such as "believe," "expect," "estimate," "anticipate," "optimistic," "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 flat to modestly down EPS growth for the full year 2015 and positive earnings per share growth in 2016, as well as the Company's earnings expectations for the third quarter of 2015, which will depend in part on discount rate, loan growth, credit and other trends continuing, the Company's tax rate remaining in line with recent performance, the impact of new regulations in the European Union and the court's order in the DOJ case in the marketplace, the impact of any potential restructuring charges or other contingencies, the ability to realize benefits from the Company's 2014 restructuring actions, the behavior of Card Members and their actual spending patterns, the trajectory of volume decline and card acquisition related to the Costco U.S. relationship, currency and interest rate fluctuations, the timing and size of the Company's investments to attract Card Members and in other growth initiatives, as well as the Company's success in implementing its strategies and business initiatives including growing profitable spending through proprietary, co-brand and network products, increasing penetration among corporate clients, expanding its international footprint, growing reloadable prepaid, loyalty coalitions and marketing services, increasing merchant acceptance, controlling expenses and executing the Company's share repurchase program;the ability of the Company to meet its on-average and over-time growth targets for revenues net of interest expense, earnings per share and return on average equity over the longer term, which will depend on factors such as the Company's success in implementing its strategies and business initiatives discussed in this presentation, the effectiveness of marketing and loyalty programs, and on factors outside management's control including the willingness and ability of Card Members to sustain spending, regulatory and market pressures on pricing, credit trends, currency and interest rate fluctuations, and changes in general economic conditions, such as GDP growth, consumer confidence, unemployment and the housing market;*

Forward-Looking Statements

- *the possibility that the FX-adjusted billed business and revenue growth rates for the third quarter of 2015 will be different than estimated, which will depend in part on factors such as changes in the economic and business environment, competition, regulatory and market pressures on pricing, interest rate fluctuations, the effectiveness of the Company's marketing and loyalty programs, and the willingness and ability of Card Members to sustain their spending at current levels;*

- *the actual amount to be spent by the Company on growth and efficiency initiatives, including on marketing and promotion, operating expenses and other at levels relatively similar to the elevated amounts in 2014, as well as the timing of any such investments, which will be based in part on management's assessment of competitive opportunities, contractual obligations with business partners, management's ability to identify attractive investment opportunities and make such investments, which could be impacted by business, regulatory or legal complexities and the Company's performance, and the Company's ability to realize efficiencies and control expenses to fund such investments;*

- *uncertainty related to the Company's ability to drive revenue from spending on growth and efficiency initiatives, including its ability to attract new customers and capture a higher share of our Card Members' spend and borrowings, which will depend in part on the Company's ability to develop and market value propositions that appeal to Card Members and new customers and on the Company's ability to offer attractive services and rewards programs, as well as increasing competition, brand perceptions and reputation, the behavior of the Company's Card Members and their actual spending patterns, and ineffective or insufficient levels of investments, including on marketing and promotion expenses, new product development, acquisition efforts, including through digital channels, and attractive services and rewards programs;*

- *the ability to further drive operating leverage, which will be impacted in part by unanticipated increases in significant categories of operating expenses, such as consulting or professional fees, compliance or regulatory-related costs and technology costs, any potential restructuring charges, the payment of civil money penalties, disgorgement and restitution, the Company's decision to increase or decrease discretionary operating expenses such as in technology development depending on overall business performance, the Company's ability to achieve the expected benefits of the Company's reengineering plans, the Company's ability to balance expense control and investments in the business, the impact of changes in foreign currency exchange rates on costs and results, the impact of accounting changes and reclassifications, and the level of acquisition activity and related expenses;*

Forward-Looking Statements

- *the ability of the Company to meet its on-average and over-time EPS growth target in 2017, which will depend on factors such as the Company's success in implementing its strategies and business initiatives including growing the Company's share of overall spending, addressing the loss of the Costco U.S. relationship, retaining and growing the Company's other cobrand and other partner relationships, increasing merchant coverage, enhancing its loyalty coalition offerings, expanding the GNS business and controlling expenses, the willingness and ability of Card Members to sustain spending, the effectiveness of marketing and loyalty programs, and on factors outside management's control including regulatory and competitive pressures on pricing, credit trends, changes in foreign currency exchange and interest rates, and changes in general economic conditions, such as GDP growth, consumer confidence, unemployment and the housing market; and*

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

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