American Express Company
2019 Investor Day

March 13, 2019

Agenda

CEO Update	**Steve Squeri**
Commercial and B2B Expansion	Anna Marrs
Digital	Mohammed Badi
Financial Outlook	Jeff Campbell
Q&A	

Key Themes

- We have strong momentum in our core business and a foundation for growth
- We will accelerate progress against our strategic imperatives by:
  - Focusing on our customers as a platform for growth
  - Expanding strategic partnerships
  - Focusing our international strategy
- Today, we're going to highlight progress we're making against two of our strategic imperatives
  - B2B – we are positioned to add scale and win share
  - Digital – we are a digital-first company
- Our financial growth algorithm enables us to focus on sustaining high levels of revenue growth that deliver steady and consistent double-digit EPS growth

CEO Update

- **2018 was a strong year, driven by our four strategic imperatives**
- We have a strong foundation and momentum to sustain growth
- We will accelerate progress against our strategic imperatives through three enterprise-wide initiatives

We had strong performance in 2018…

2018 Key Accomplishments

10% Fx Adjusted Revenue Growth	**24%** Adjusted EPS Growth	**34%** Return on Equity
11% Fx Adjusted Proprietary Billed Business Growth	**13%** Total Loans Growth	**19%** New Cards Acquired Growth

DON'T *live life* WITHOUT IT™ DON'T *do business* WITHOUT IT™

See Annex A for an explanation of Fx-adjusted information. Adjusted Diluted Earnings Per Share, excludes the impacts of certain discrete tax benefits in Q4'18 and the impacts of the Tax Act in Q4'17. See Annex B for a reconciliation to Diluted EPS on a GAAP basis.

...as a result of momentum across all lines of business...



Consumer

49% of new accounts are Millennials

64% of new accounts are on fee products

Scaled Pay It Plan It

#1 Best Credit Card App in Customer Satisfaction*

Enhanced premium value proposition

Expanded Consumer and Commercial Cobrands

Grew share in 7 of 8 top international countries



Commercial

Announced US SME Cobrand

23% International SME Fx Adj. billed business growth

Launched AP solution for global clients

Developed blockchain cross-border payments platform



Merchant and Network

1.6M+ US merchants signed in 2018

partnership to enable P2P

Propel Card launched through partnership with Wells Fargo

Received preparatory approval to begin building a network in China

Tested blockchain to deliver Membership Rewards

Brand refresh

** For J.D. Power 2018 award information, visit jdpower.com/awards*

...which was anchored in our four strategic imperatives:

Expand leadership in the premium consumer space

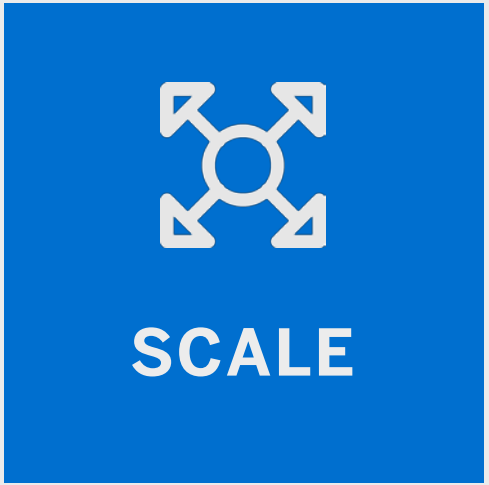
Build on our strong position in commercial payments

Strengthen our global, integrated network to provide unique value

Make American Express an essential part of our customers' digital lives

This performance is a result of our investment strategy…





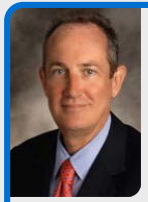


… and supported by our continued structural evolution…



- **Globalized** core lines of businesses
- Enterprise **partner management**
- **Centers of excellence** shared globally
- **Technology platforms** that service the enterprise
- Enterprise-wide **brand platform**

...led by our talented leaders, both tenured and new



Amex Tenure: **32Y**

Doug Buckminster
Group President, Global Consumer Services



Amex Tenure: **31Y**

Mike O'Neill
Chief Corporate Affairs Officer



Amex Tenure: **29Y**

Elizabeth Rutledge
Chief Marketing Officer



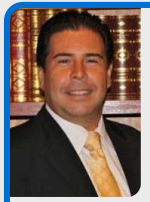
Amex Tenure: **28Y**

Anré Williams
Group President, Global Merchant & Network Services



Amex Tenure: **26Y**

Denise Pickett
President, Global Risk, Banking & Compliance



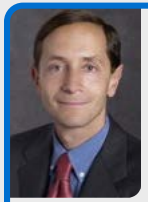
Amex Tenure: **9Y**

Eduardo Ramos
Chief Audit Executive



Amex Tenure: **8Y**

Paul Fabara
President, Global Services Group



Amex Tenure: **6Y**

Marc Gordon
Chief Information Officer



Amex Tenure: **5Y**

Jeff Campbell
Chief Financial Officer



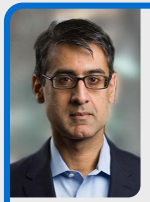
Amex Tenure: **4Y**

Laureen Seeger
Chief Legal Officer



Amex Tenure: **<1Y**

Anna Marrs
President, Global Commercial Services



Amex Tenure: **<1Y**

Mohammed Badi
Chief Strategy Officer

We are also operating differently

From...	To...
Game Plan: Repositioning	Path Forward: Growth
Business Unit-Centric Approach	Enterprise Approach
Independent Country Plans	Integrated Country Plans
Card Focused	Membership Focused
Travel Services	Lifestyle Services

CEO Update

- 2018 was a strong year, driven by our four strategic imperatives

- **We have a strong foundation and momentum to sustain growth**

- We will accelerate progress against our strategic imperatives through three enterprise-wide initiatives

Our differentiated business model has created a strong foundation for growth…

Diverse Customer Base

End-to-End, Integrated Payments Platform

Revenue Mix

Global Footprint



Card Members







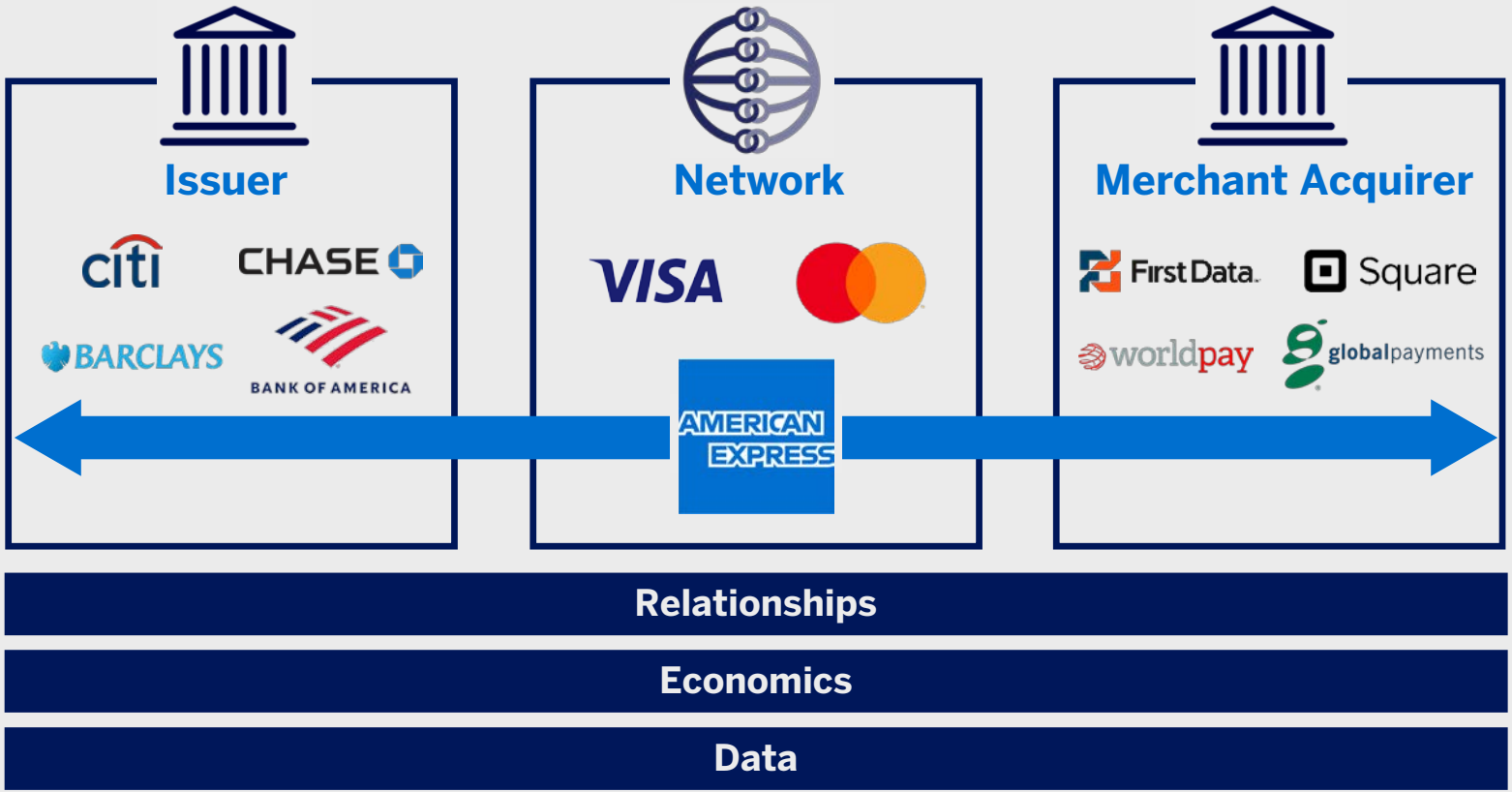


Merchants

Operating Leverage

World Class Brand & Service

… and our end-to-end, integrated payments platform creates differentiated value



The rapidly changing payments landscape features an array of attractive opportunities

Secular shift from cash & checks

Growth in e-commerce & mobile payments



Digitization



Automation



Big Data

Global Payments Industry Opportunity

17%
Projected global digital commerce growth through 2021*

10%
Projected consumer spend growth through 2022**

10%
Projected U.S. B2B e-commerce growth through 2023***

** "Global Payments 2018," McKinsey. ** Based on forecasted constant currency purchase volume CAGR over period, Bernstein, 2018, excludes China.*
**** Forrester Research: U.S. B2B E-commerce will hit $1.8T by 2023.*

Financial Growth Algorithm

We are focused on sustaining

high levels of Revenue growth

that deliver steady and consistent

double-digit EPS growth

Our results and guidance are in line with our focus on high revenue growth and double digit earnings growth

Investment Strategy	2018 Actuals	2019 Guidance
■ Share ■ Scale ■ Relevance	**10%** Revenue Growth (Fx adjusted*) **13%** Adj. EPS Growth**	**8-10%** Revenue Growth **$7.85-$8.35** EPS

*The 2019 adjusted EPS guidance, a non-GAAP measure, is subject to contingencies and legal settlements. A reconciliation to EPS guidance on a GAAP basis is not available without unreasonable efforts. * See Annex A. ** Adjusted Diluted Earnings Per Share, excluding the impacts of certain discrete tax benefits in Q4'18 and the impacts of the Tax Act in Q4'17 and estimating the EPS impact when applying the FY'18 effective tax rate to FY'17 Pre-tax Income, is a non-GAAP measure. See Annex B for a reconciliation to Diluted EPS on a GAAP basis.*

CEO Update

- 2018 was a strong year, driven by our four strategic imperatives

- We have a strong foundation and momentum to sustain growth

- **We will accelerate progress against our strategic imperatives through three enterprise-wide initiatives**

Going forward, we will accelerate progress against our strategic imperatives through three enterprise-wide initiatives

- Expand leadership in the premium consumer space
- Build on our strong position in commercial payments
- Strengthen our global, integrated network to provide unique value
- Make American Express an essential part of our customers' digital lives

1. Focusing on the customer as a platform for growth
2. Expanding strategic partnerships to drive growth
3. Focusing our international strategy

1 We have an opportunity to focus on our customers as a platform for growth

We have an attractive, high-spending customer base...

110MM+
Card Members worldwide

3x
avg. annual spend, Amex Card Members vs. competitor cards*

3x
more spend capacity for Amex's US Small Business customers, vs. competitor lines**

...and there is an opportunity to further deepen our relationships

40-45%
of Consumer Card Members' spend is on Amex***

~20%
of Consumer Card Members' card borrowing is with Amex***

<50%
of US SME customers have an Amex Consumer relationship

~70%
of SME customers only have one business product

** Nilson Report – February 2019. Average annual credit/charge spend per account, U.S. Amex Card Members vs. weighted avg. V/MA/DFS. ** November 2018 Amex US Small Business data for customers with over $1MM annual revenue and more than $500K in annual spend; Competitor lines based on Small Business Financial Exchange (SBFE) data from Dun & Bradstreet. *** Non-Amex credit & charge card spend/lend of active Amex consumer Card Members calculated from internal estimates of Card Member size of wallet capability.*

1 We've already made strides expanding our relationships with existing customers

Key Enablers

- Enhanced targeting
- Personalized offers
- Digital channel expansion

Consumer

1M+ Upgrades and cross-sells to US customers in 2018



PAY IT PLAN IT

PERSONAL LOANS

30% *Spend growth when a customer takes an upgrade offer**

40% *Spend growth when a customer takes a cross-sell offer**

Commercial

Upgrades and cross-sells driving incremental revenue

AMERICAN EXPRESS®
WORKING CAPITAL TERMS

43% *Spend growth when US SME customers adopt AP automation***

>30% *Spend growth through US SME field cross-sell offers and expansions****

** Q1'18 responders compared to baseline. **Average spend pre and post 2018 adoption, based on current base of active AP automation users across partners with sufficient spend data. *** Annual spend compared 12 months pre and post 2017 expansion signing.*

1 And we are redefining our core membership by consolidating existing services into a single platform

Customer experience evolution



Charge | Cobrand | Lend



"Card-focused"

- Membership based on features of the product or category
- Changing needs lead to new acquisition journey

"Member-focused"

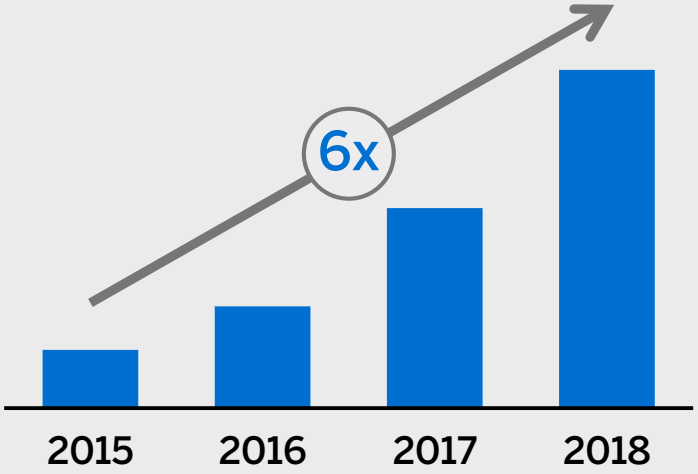
- Integrated platform of payments, lifestyle and financial services
- Shared core functionality
- Features can be activated as customer needs arise

1 We are activating existing customers as an acquisition channel

Member Get Member

Amex can mobilize a loyal member base to attract new members

Billings acquired from referral programs*



2nd *largest acquisition channel globally*

33% *of MGM referrals successfully referred another new account in 2018***

46% *lower delinquency among MGM new accounts****

** Includes billed business acquired from both Member Get Member (MGM) and Refer a Business (RAB). See Glossary for a definition of billed business acquired.*
*** Global Consumer. *** Based on comparison to cumulative delinquency rate in 6 months of non-MGM acquisitions, US Consumer, H1'18.*

1 Our integrated model enables participants in the ecosystem to drive value to one another

Connecting Merchants with Consumers and Businesses

Amex offers rich value to Card Members enabled in partnership with merchants

THE HOTEL COLLECTION

FINE HOTELS & RESORTS

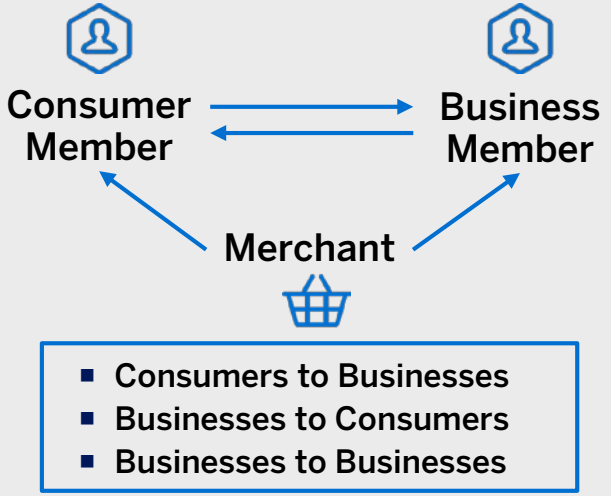
AMERICAN EXPRESS Amex Offers

Saks Fifth Avenue

2x Increase in co-funded value*

Opportunities for Expansion within the Network

Beyond existing relationships in the model, we will pursue opportunities to connect all our customers



* 2016-2018.

Key Takeaways:

1 Focusing on the customer as a platform for growth

- Our existing customer base is a highly valuable asset
- We are redefining our core membership philosophy
- Our ability to connect participants and provide value through our integrated model is an opportunity to accelerate growth

2 Our strategic partnerships drive growth, provide access to capabilities and increase coverage

Cobrand Partnerships	Digital Partnerships	Capability Partnerships	Coverage Partnerships
50+ Cobrands Globally	✓ Digital Wallets ✓ P2P ✓ Digital Benefits	✓ AP Automation ✓ Virtual Payments ✓ Lifestyle Tools	**19** OptBlue Acquirers in the U.S. **76** Bank Partners
Drive future growth opportunities with deep enterprise-wide partnerships	*Further embed ourselves in the digital lives of our customers*	*Expand capabilities to provide new benefits and facilitate supplier payments*	*Further our global reach through increased coverage*

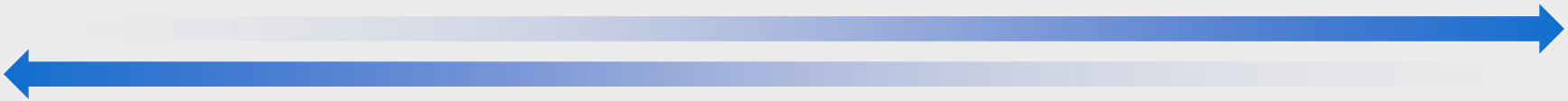
2 Our cobrand partnerships are deep, enterprise-wide and mutually beneficial

Benefits for Cobrand Partners

- **#1** Financial Services Brand*
- **#1** Global Business Travel Agency**
- Leading Consumer Travel Business
- World-renowned Customer Service
- Global Premium Consumer Base
- **#1** US Small Business Card Issuer***

Benefits for Amex

- Ability to reach customers in their preferred channels
- Access to partner rewards and experiences
- Commerce opportunities on third-party platforms



** Interbrand Best Global Brands 2018 Rankings. ** Travel Weekly 2018 Power List. Based on annual sales. Excludes online travel agencies. *** Nilson Report for non-AXP purchase volume in 2017; AXP based on internal data.*

2 Our cobrand portfolio is large and growing



- 20+ airlines globally
- 2 of the largest hotel companies in the world
- 19 Commercial cobrand partners globally

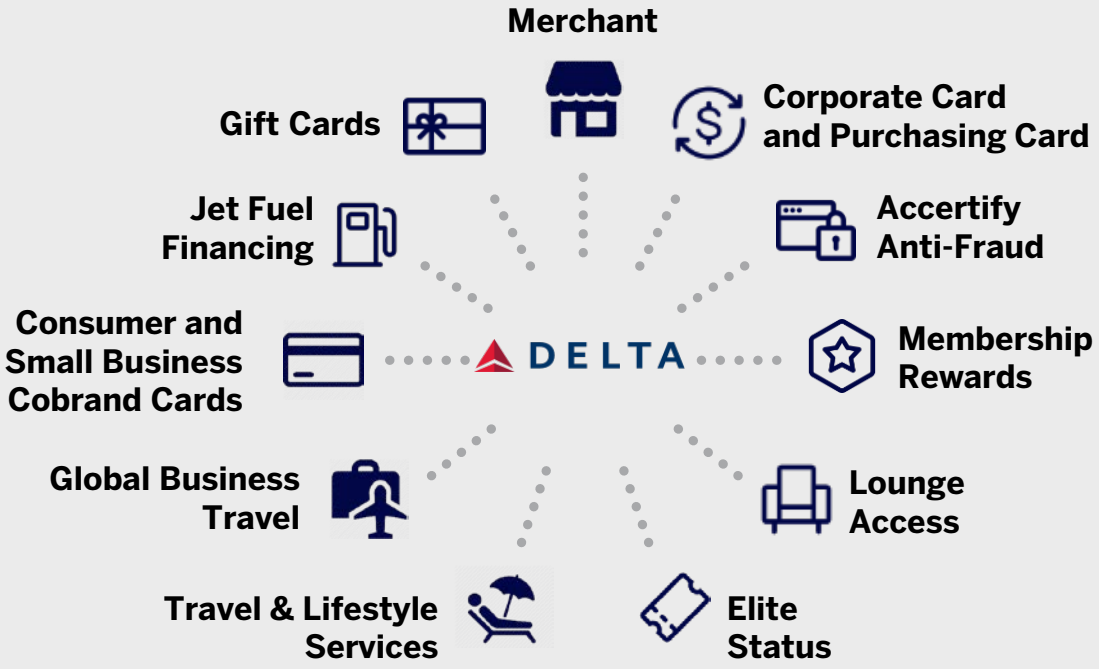
2 A few examples of new and expanded cobrand partnerships







2 American Express and Delta have a strong, strategic relationship built on our unique assets



Benefits of Partnership

- 1M+ accounts acquired per year in 2017 and 2018
- Integration of Membership Rewards and Delta SkyMiles
- Links travel-focused premium customer base with leading airline

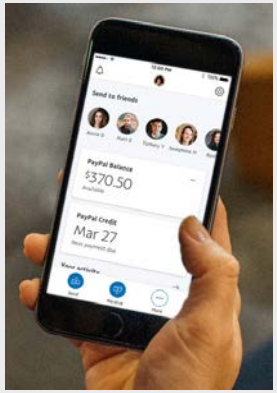
2 Digital partnerships expand how we embed ourselves into our customers' digital lives

Apple



Seamless access to global Card Member base

PayPal



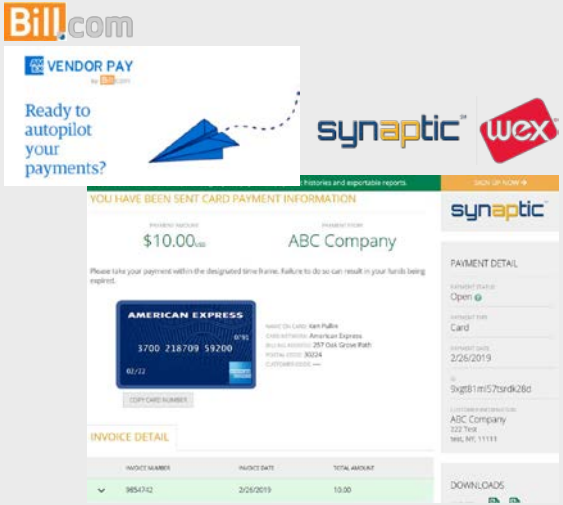
Unlock $8B MR points bank to millions of merchants



Access the SME customer base and automate capabilities

2 Capability partnerships further accelerate new B2B products and services, and embed lifestyle tools

B2B Products & Services

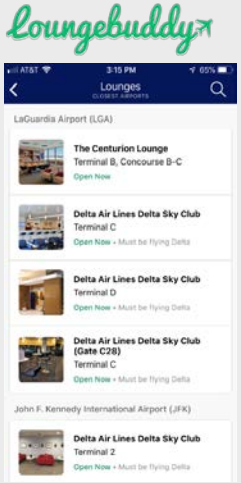


Automate accounts payable and streamline business supplier payments



Provide merchants the ability to offer POS lending

Lifestyle Tools



Embed lifestyle tools and capabilities into Amex's digital ecosystem

2 Coverage partnerships scale our worldwide footprint to drive further growth

Merchant Coverage Partnerships

Square

First Data

stripe

globalpayments

adyen

vantiv

Bank Partnerships

76 Banks acquire for AXP globally

JCB

BANK OF AMERICA

WELLS FARGO

NEDBANK

Key Takeaways:

2 Expanding strategic partnerships to drive growth

- Mutually beneficial strategic partnerships are core to our business and we are expanding their use to drive growth
- We are utilizing our unique assets to further deepen and expand our partner network
- Our partnerships span across every aspect of our integrated model and support our strategic imperatives

3 We have strong momentum internationally, which positions us well for future growth

2018 Annual Growth

17%

International Consumer FX Adj. Billed Business

23%

International SME FX Adj. Billed Business



170+ Countries and Territories with Merchant Acceptance

100+ Countries and Territories with Issuing Presence

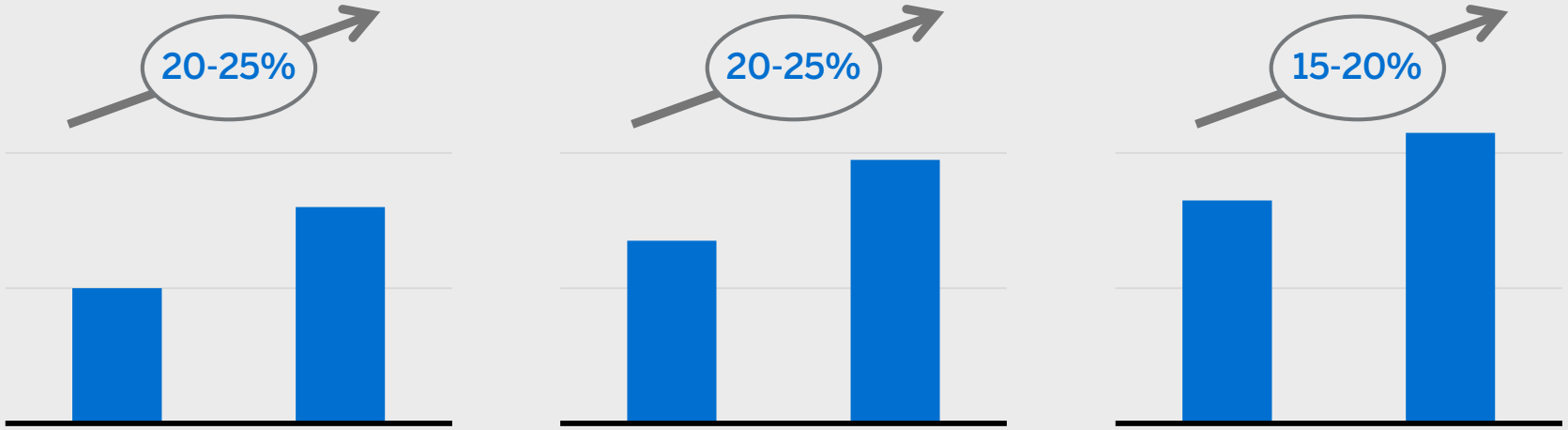
Issuing and acquiring presence includes both proprietary and GNS.

3 We are focusing our approach internationally to continue our momentum and sustain growth

			Examples
Tier 1 *Enterprise-wide Focus*	**66%** Of International Billings	Strategic investments in top 10 countries to accelerate growth across all lines of business	 UK
Tier 2 *Business-specific Focus*	**9%** Of International Billings	Targeted investments in countries that support scale and deliver results on at least 1-2 strategic imperatives	 Nordics
Tier 3 *Coverage Focus*	**90%** Of International Countries	Focused on expanding our merchant footprint to increase relevance for our Card Members	 South Africa  Indonesia

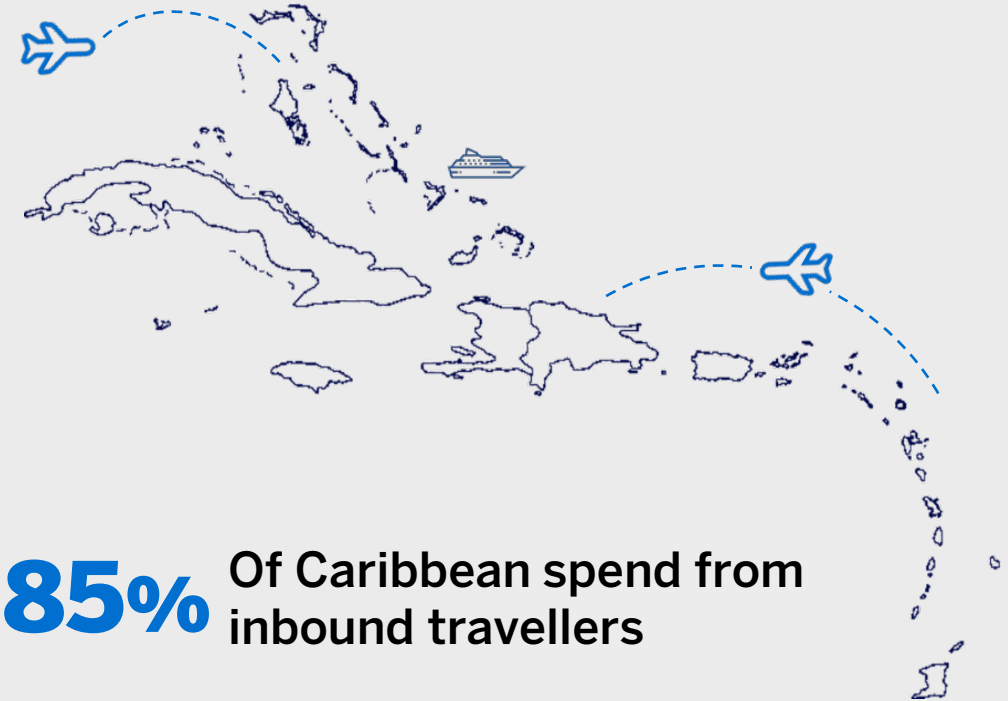
3 Coverage is key and we are applying learnings from the U.S. to expand internationally

Tier 1 Countries	Top Cities	Targeted Industries
20-25%	20-25%	15-20%



We plan to increase international coverage by approximately 20% over the next three years

3 The Caribbean is an example of refocusing on enterprise needs versus local needs



85% Of Caribbean spend from inbound travellers

5x

Increase in merchants acquired in 2018 (vs. 2016)

46%

Increase in locations-in-force

3 Entering China as a network will enable us to expand our footprint to one of the largest markets



Apr 2018
Apply for network license in JV with LianLian

Nov 2018
First foreign network granted preparatory approval by People's Bank of China

#1 World's largest payments market and growing rapidly

$14T *2018 payments volume**

35% *growth, 2017-2018**

Large growth potential over the long-term

** Forecast based on Q1-Q3 2018 data, Payment and Clearing Association of China; 6.7 RMB/USD exchange rate for volume calculation.*

Key Takeaways:

3 Focusing our international strategy

- Amex has demonstrated strong momentum and growth in international – outpacing the company's performance
- Our focused investment approach supported by our integrated model can power continued share-taking growth levels
- Increases in coverage internationally will help sustain and accelerate growth for the entire enterprise

Closing Thoughts

- **2018 was a strong year, driven by our four strategic imperatives**
- **We have a strong foundation and momentum to sustain growth**
- **We will accelerate progress against our strategic imperatives through three enterprise-wide initiatives**

Agenda

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Commercial and B2B Overview

1. American Express is **a leader in commercial payments** today, delivering strong financial results on our spend-centric model

2. Multiple industry trends will enable us to **leverage our existing assets** to both grow with the market and gain share

3. **We are investing to grow profitably** through:
   - Differentiating and growing our core card business
   - Scaling working capital and supplier payment solutions
   - Digitizing the customer experience

4. **Successful execution** will enable us to become an **invaluable partner** to our customers' businesses growth and to **capture a greater share** of the B2B payments and working capital opportunity

Commercial and B2B Agenda

- **Commercial and B2B Today**
- Opportunity and Growth Potential
- Growth Priorities
- Conclusion

We are the leader in Commercial Payments and serve customers across the globe



Small & Medium Enterprises



Global & Large Accounts

Key Needs

- Easy-to-use services & tools
- Cash flow management
- Access to working capital
- Consistent global solutions
- Integrated payment tools
- Value-added insights

#1 Small Business Issuer in the US*

#1 Commercial Card Issuer Globally**

63% Relationships with FORTUNE Global 500®***

**The Nilson Report for non-AXP purchase volume in 2017; AXP based on internal data. **Source: Euromonitor International Limited; Consumer Finance 2019ed, by commercial credit and charge card payment value. ***As determined by an analysis conducted by American Express Global Commercial Services. FORTUNE® and FORTUNE Global 500® are trademarks of FORTUNE Media IP Limited and are used under license. FORTUNE® and FORTUNE Media IP Limited are not affiliated with, and do not endorse the products or services of, American Express.*

We deliver a suite of card, payment and working capital solutions to meet our customer's needs



Small & Medium Enterprises



Global & Large Accounts

Card Products

- Small Business Cards
- Lending Cards
- Corporate Card and T&E Solutions
- Purchasing Solutions
- Global Currency Solutions

Working Capital & Supplier Payment Solutions

- Working Capital Terms
- Merchant Financing
- Business Loans
- Cross-Border Payments
- AP Automation
- Buyer Initiated Payments
- Virtual Payments
- Early Pay
- Commercial Insights
- B2B Networks

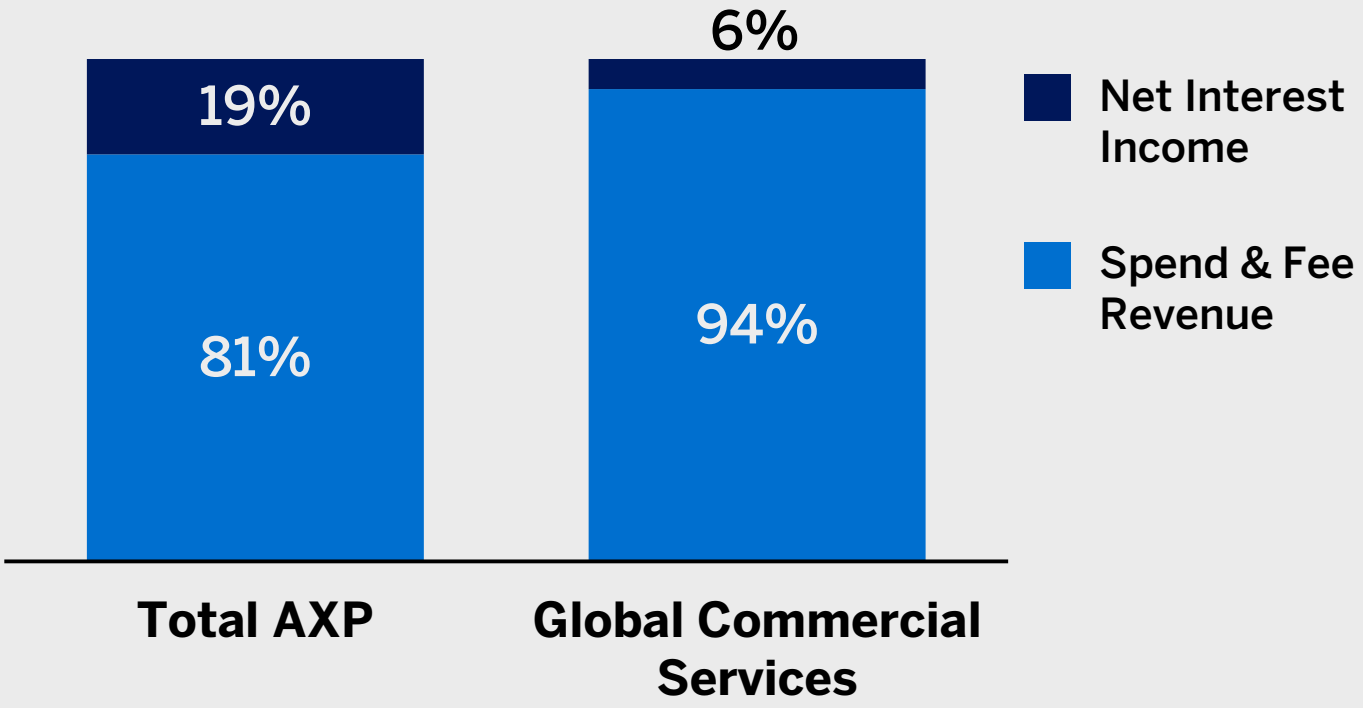
We have demonstrated continued growth in billed business and revenue

	2018 ($B)	2018 Fx-adj. Growth
Billed Business	**$486**	**11%**
▪ **US SME**	**$304**	**10%**
▪ **Int'l SME**	**$58**	**23%**
▪ **Global & Large**	**$124**	**8%**
Total Loans*	**$14**	**14%**
Revenue*	**$13**	**8%**

** Revenues net of interest expense and Total loans each adjusted for Fx are non-GAAP measures. Revenues net of interest expense and Total loans each on a GAAP basis increased 8% and 14%, respectively, FY'18 compared to FY'17. See Glossary for an explanation of Fx-adjusted information.*

Our revenue economics are spend-centric relative to overall AXP

2018 Revenue Mix



Commercial and B2B Agenda

- Commercial and B2B Today
- **Opportunity and Growth Potential**
- Growth Priorities
- Conclusion

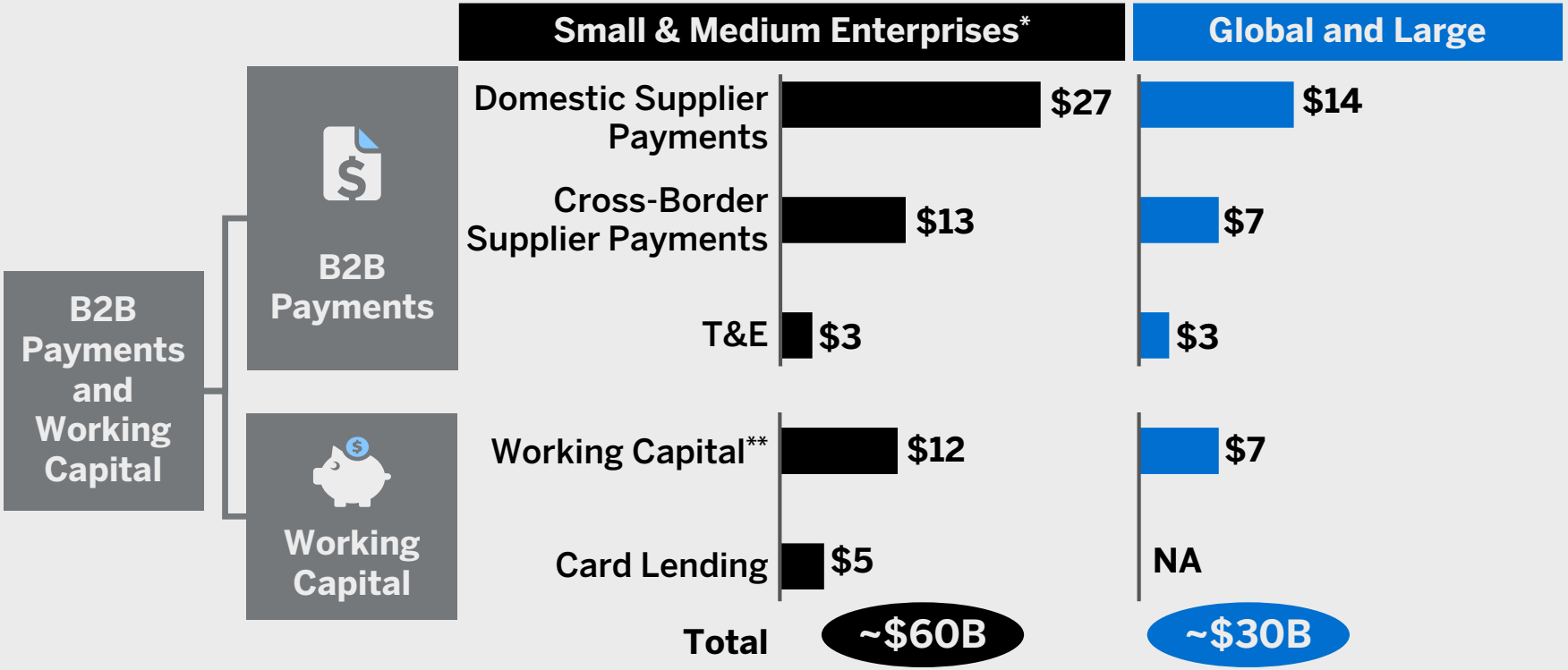
The B2B Payments and Working Capital opportunity

B2B Payments and Working Capital

	Definition	Categories included
B2B Payments	▪ Any payment by a business to another business	▪ Domestic Supplier Payments ▪ Cross-Border Supplier Payments ▪ T&E
Working Capital	▪ Short-term borrowing to meet day to day working capital needs	▪ All forms of Working Capital (e.g., supply chain, trade and invoice finance, business loans <2 years) ▪ For SMEs this includes borrowing on card

The B2B Payments and Working Capital opportunity makes up an estimated $90B profit pool

$B Profit pool



Source: McKinsey Global Banking Pools, McKinsey Proprietary Tools (Finalta Small Business Data, GCI, GFIC) (2017)
** McKinsey segment definitions: US SME is <$500m in annual revenue; Intl SME is <$250m in annual revenue in Australia, Japan, Mexico, Canada, UK.*
*** Working Capital includes trade, supply chain financing, short term commodity finance, does not include reverse factoring. All less than 2 years.*

Evolving landscape and shifting customer preferences create new opportunities

Industry Trends		Future Environment
Technology & Data	Digital & Automation	**Streamlined payments** & reconciliation via AP software
	Data & AI	**Insights** to drive compliance and savings
Customer Preferences	Personalization	**Consumer-like** experiences, **fast decisions**
	Mobile-first	Growing importance of **UX/UI** and **simplicity**
Macro	Cash & paper displacement	Growth of **electronic payments**
	E-Commerce growth	

We have a strong foundation across customer segments with untapped growth opportunity

US SME



#1

US Small Business Card Issuer[1]

33%

actively using more than 1 product[4]

Int'l SME



25%

Average YoY Fx-adj. billings growth in top 5 countries[2]

<5%

aggregate SME account penetration in top 5 countries[5]

Global & Large



63%

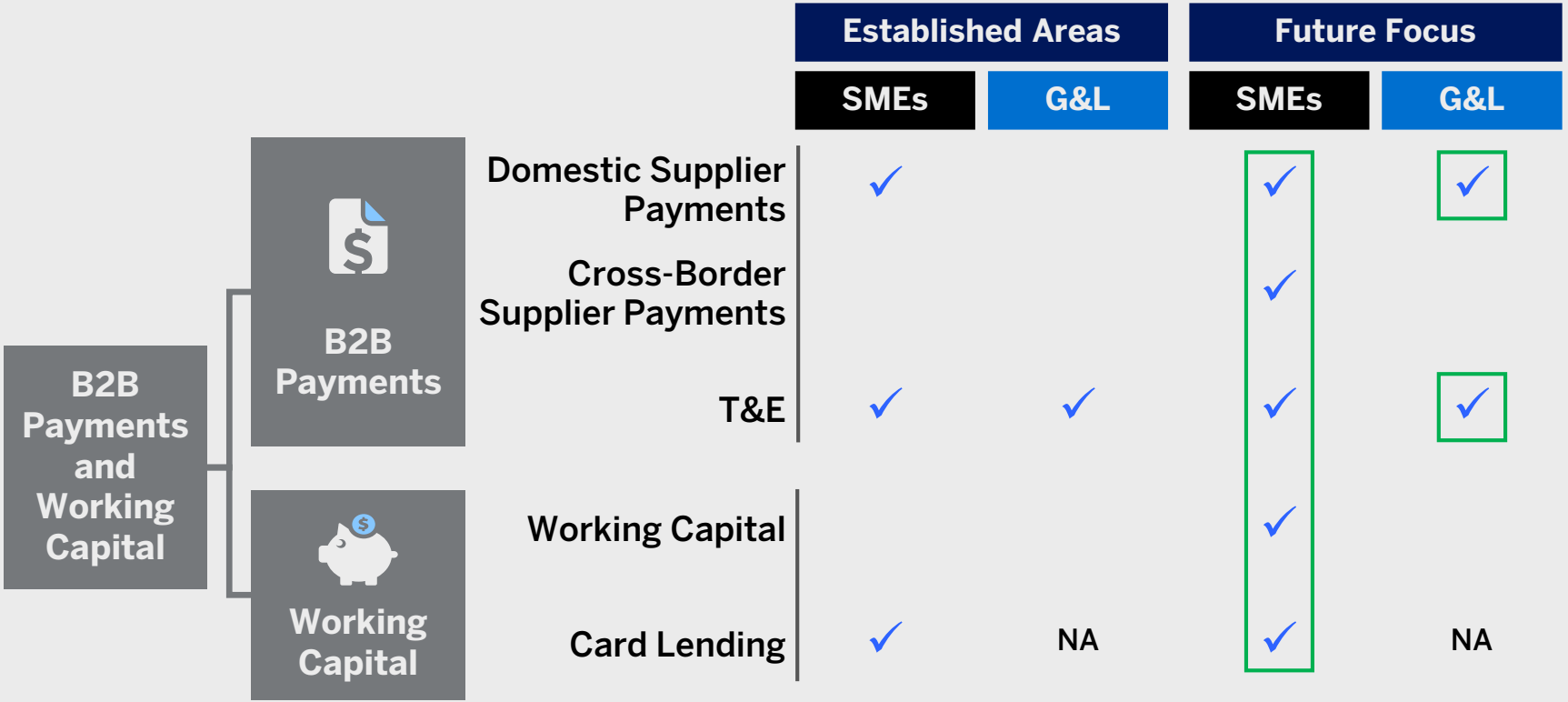
of 2018 FORTUNE Global 500® Companies are AXP customers[3]

~2%

penetration of total client Accounts Payable volume

(1) The Nilson Report for non-AXP purchase volume in 2017; AXP based on internal data. (2) See Annex F for reported billed business growth rates. (3) As determined by an analysis conducted by American Express Global Commercial Services. FORTUNE® and FORTUNE Global 500® are trademarks of FORTUNE Media IP Limited and are used under license. FORTUNE® and FORTUNE Media IP Limited are not affiliated with, and do not endorse the products or services of, American Express. (4) SME Small Business Card members with annual revenue <$500m, tenure >12 months, and actively engaged with AXP Commercial products. (5) Customer penetration calculated as AXP SME customers as a percentage of small businesses in the country as reported by Dun & Bradstreet. UK market penetration based on AXP prospect risk database.

Capitalizing on industry growth, external trends & AXP assets, we can drive growth in more profit pools



The assets that make us successful also position us for future growth

Distribution & Client Management

... global distribution and servicing reach across digital, tele and face-to-face channels

Product Breadth



Vendor Pay

Bill.com

Merchant Financing

Early Pay

... card leader, with growing B2B payment and working capital capabilities

Integrated Model



... pricing flexibility and data

Spending Power

... supported by industry-leading underwriting capabilities

World-Class Brand

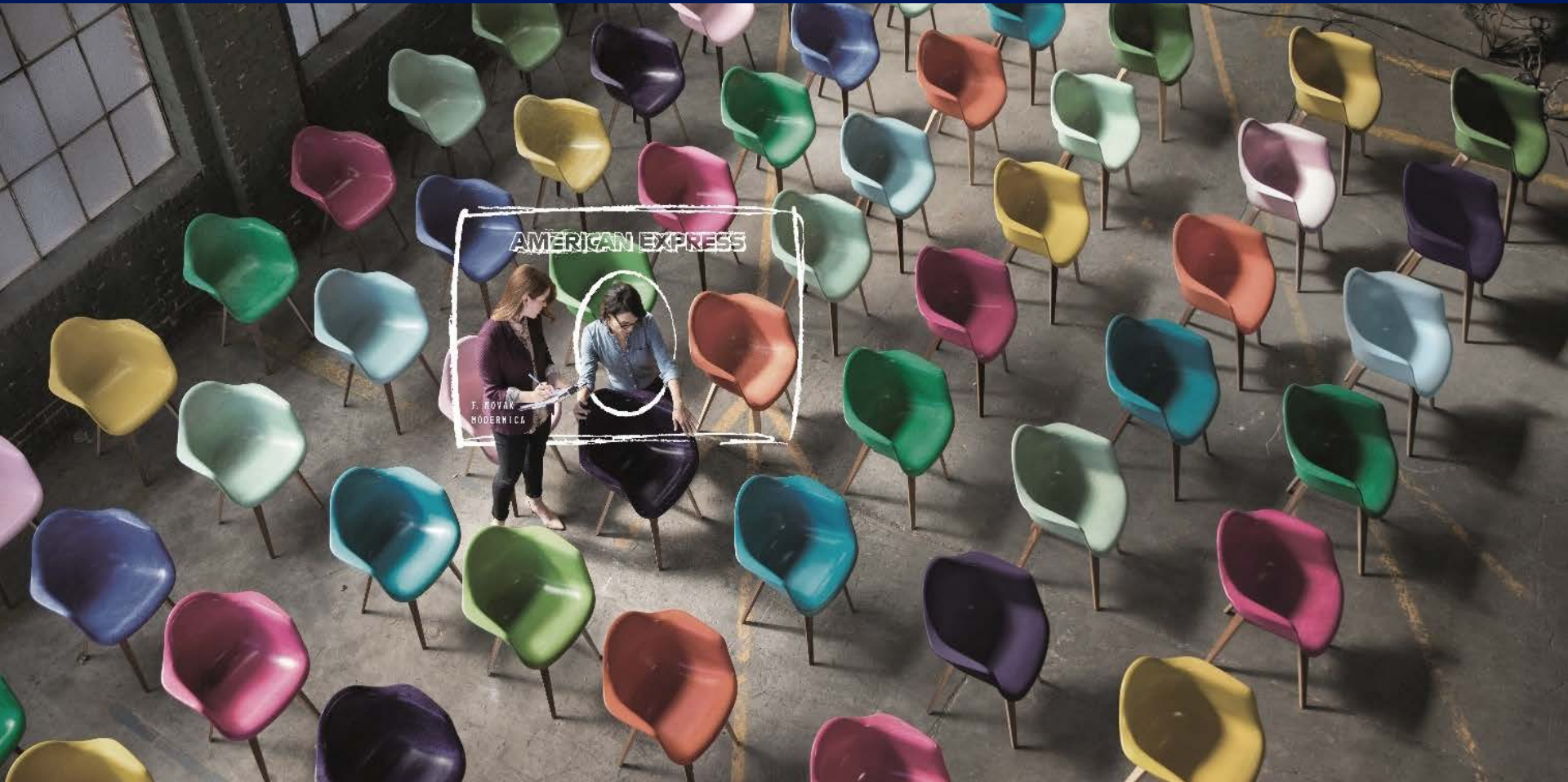
*... recognized as the world's most valuable Financial Services brand**

*2018 Interbrand Best Global Brands study.

Commercial and B2B Agenda

- Commercial and B2B Today
- Opportunity and Growth Potential
- **Growth Priorities**
- Conclusion

Mission: Be essential to our customer's business every day



We are focused on three strategic priorities across our customer segments

US SME	Int'l SME	Global & Large
		

Differentiate and grow core card business

Scale working capital and supplier payment solutions

Digitize the customer experience

US Small & Medium Enterprises

US SME



Int'l SME

Global & Large

Differentiate and grow core card business

Scale working capital and supplier payment solutions

Digitize the customer experience

Our proprietary business cards provide differentiated value

NEW Business Gold



- Dynamic 4X reward structure
- Integrated lending feature

Business Platinum

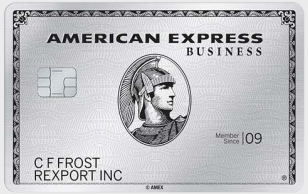


- Premium travel benefits
- B2B spend accelerators

- Spend capacity
- Rewards reload
- Priced for higher value

We continue to strike innovative partnerships to further our leading position

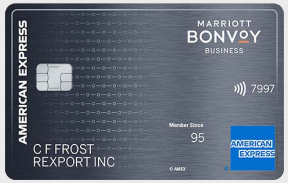
Workplace



DELL

wework

Travel







Commerce



We continue to strike innovative partnerships to further our leading position



Please click on the link titled
AMAZON PARTNERSHIP VIDEO on the IR website:
https://ir.americanexpress.com/Earnings-and-Events

US Small & Medium Enterprises

US SME



Int'l SME

Global & Large

Differentiate and grow core card business

Scale working capital and supplier payment solutions

Digitize the customer experience

Our expanded product suite meets a greater set of US SME customers' working capital needs

Term Loans

Merchant Financing

BUSINESS LOANS

Access to capital supports customer growth

Card Relationship







Invoice Financing

Working Capital Terms

Deeper penetration of customers' payables

The AXP relationship combined with new tech delivers a differentiated AP Automation experience

AXP Solutions



Partner Solutions to Automate Workflow

mineraltree®

sage Intacct

Bill.com

synaptic

43%

average lift in AXP spend after adopting AP Automation*

** Based on current base of active AP Automation users across partners with sufficient spend data*

The AXP relationship combined with new tech delivers a differentiated AP Automation experience



Please click on the link titled
AP AUTOMATION VIDEO on the IR website:
https://ir.americanexpress.com/Earnings-and-Events

US Small & Medium Enterprises

US SME



Int'l SME

Global & Large

Differentiate and grow core card business

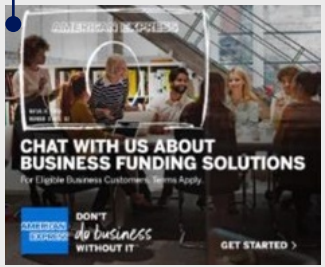
Scale working capital and supplier payment solutions

Digitize the customer experience

Enhanced digital capabilities are improving our process end-to-end, complementing other channels

Above-the-Line Brand Campaign

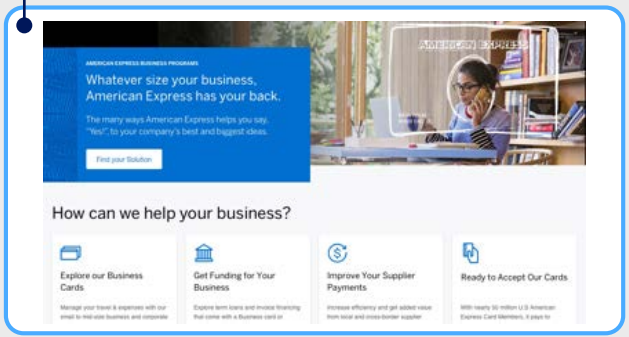
DON'T do business WITHOUT IT™



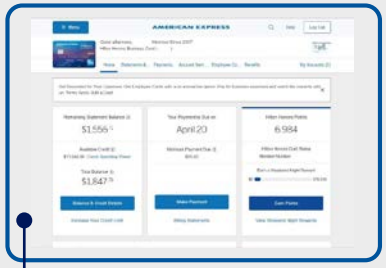
Performance Marketing

Google fundera the POINTS GUY

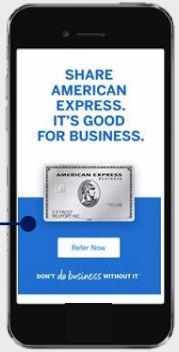
Shopping & Conversion



Customer Marketing



Loyalty



These digital capabilities are driving both growth and distribution efficiencies



53%

of US accounts acquired digitally, 18% YoY growth



+83%

YOY growth in accounts acquired through digital referral



10x

higher billed business among digitally engaged customers*

** U.S. Small Business Card Customers who are enrolled and active in their Card's digital servicing portal*

International Small & Medium Enterprises

US SME

Int'l SME



Global & Large

Differentiate and grow core card business

Scale working capital and supplier payment solutions

We are driving rapid growth across our largest international countries, with significant runway



	UK	JPN	CAN	MEX	AUS
2018 SME Fx-adj. Billings Growth*	45%	27%	15%	23%	25%
Estimated AXP Penetration**	2%	5%	7%	5%	4%

** See Annex F for reported billed business growth rates. ** Customer penetration calculated as AXP SME customers as a percentage of total SMEs in the country as reported by Dun & Bradstreet. UK market penetration based on AXP prospect risk database.*

We are replicating and adapting our US "playbook" while investing in distribution and capabilities

Growth Drivers

- Investment in Commercial distribution
- Investment in digital capabilities
- Consumer products infrastructure
- Integrated network of B2B suppliers

Case Study

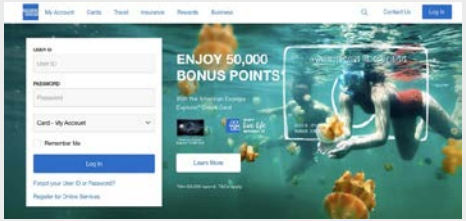
QANTAS

Premium Consumer & Business Cards





Single Digital Channel



B2B + B2C Merchant Network

International Small & Medium Enterprises

US SME

Int'l SME



Global & Large

Differentiate and grow core card business

Scale working capital and supplier payment solutions

We are addressing customer cross-border payment needs with a range of capabilities and solutions

Growing Opportunity

~8B

Cross-border B2B transactions in 2018, an increase of 7% YoY*

Customer Needs

- Quick, efficient and flexible solution
- Secure and transparent process
- Digital and easy to use capabilities

AXP Solutions

FX International Payments

Global Currency Solutions

Buyer Initiated Payments

* *Juniper Research: B2B Money Transfer, Cross Border Market Opportunities 2018-2022*

Global & Large Enterprises

US SME

Int'l SME

Global & Large



Differentiate and grow core card business

Scale working capital and supplier payment solutions

We are using our scale & integrated network model to generate robust industry benchmarking & insights

Analytics Engine



- Analytics Center of Excellence
- Transaction & Travel Data
- Scale for Benchmarking

Customer Impact

- **Improved control:** Non-compliant spend **reduced by over 40%** for a global client
- **Savings opportunities:** Cost per mile **savings of 7%** on top 20 routes for a global client
- **Increased program participation:** Total employee utilization **improved from 72% to >90%** for a large client

Global & Large Enterprises

US SME

Int'l SME

Global & Large



Differentiate and grow core card business

Scale working capital and supplier payment solutions

Innovative products like Early Pay help customers optimize a greater portion of their supplier payments



Buyers

Want to pay their suppliers **later**





Suppliers

Want to be paid **earlier**

Through our partnerships we are embedding AXP solutions in client AP environments

B2B Networks Approach & Partners

SAP Ariba

amazonbusiness

TRADESHIFT

$2.8T

of transacted commerce across SAP Ariba, Tradeshift and Amazon Business*

60%

of AXP Global Customers leverage at least one of these platforms

AXP Value Drivers

- Greater monetization and working capital
- Increased control and security through virtual payments
- Enhanced data and automation for reconciliation

** Ariba.com; Bloomberg, Amazon says Business Sales on Pace for $10B Annually; and, Tradeshift Q3 2018 Results report.*

Commercial and B2B Agenda

- Commercial and B2B Today
- Opportunity and Growth Potential
- Growth Priorities
- **Conclusion**

Executing on our strategic priorities will drive positive economics

US SME



- Further strengthen leadership in cards
- Expand reach beyond cards in supplier payments (domestic and cross-border) and working capital

Int'l SME



- Achieve scale in international priority growth countries
- Accelerate growth in cross-border payments

Global & Large



- Increase T&E spend capture & retention
- Capture greater share of our customers' supplier payments volumes



DON'T *do business* WITHOUT IT℠

Agenda

CEO Update	Steve Squeri
Commercial and B2B Expansion	Anna Marrs
Digital	**Mohammed Badi**
Financial Outlook	Jeff Campbell
Q&A	

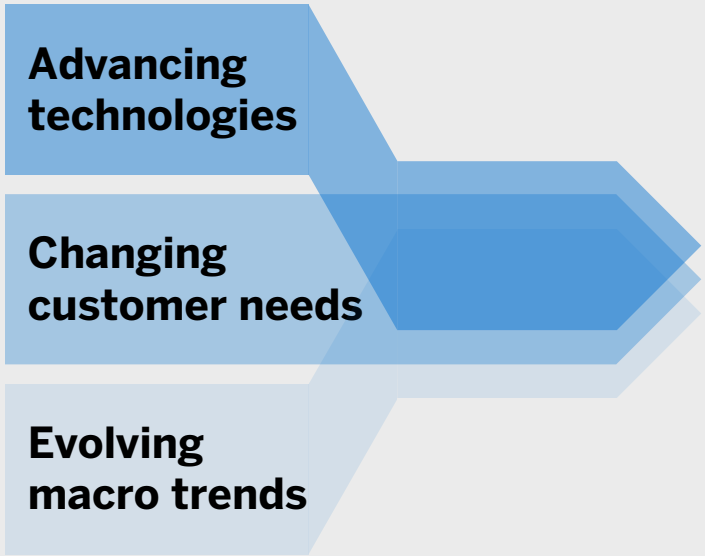
Digital Overview

1 **Amex has transformed into a digital-first company**

2 Our digital-first approach spans all elements of our differentiated model

3 As we look forward, we believe we are well placed to capitalize on what the future holds

The payments landscape is evolving, creating new and attractive growth opportunities



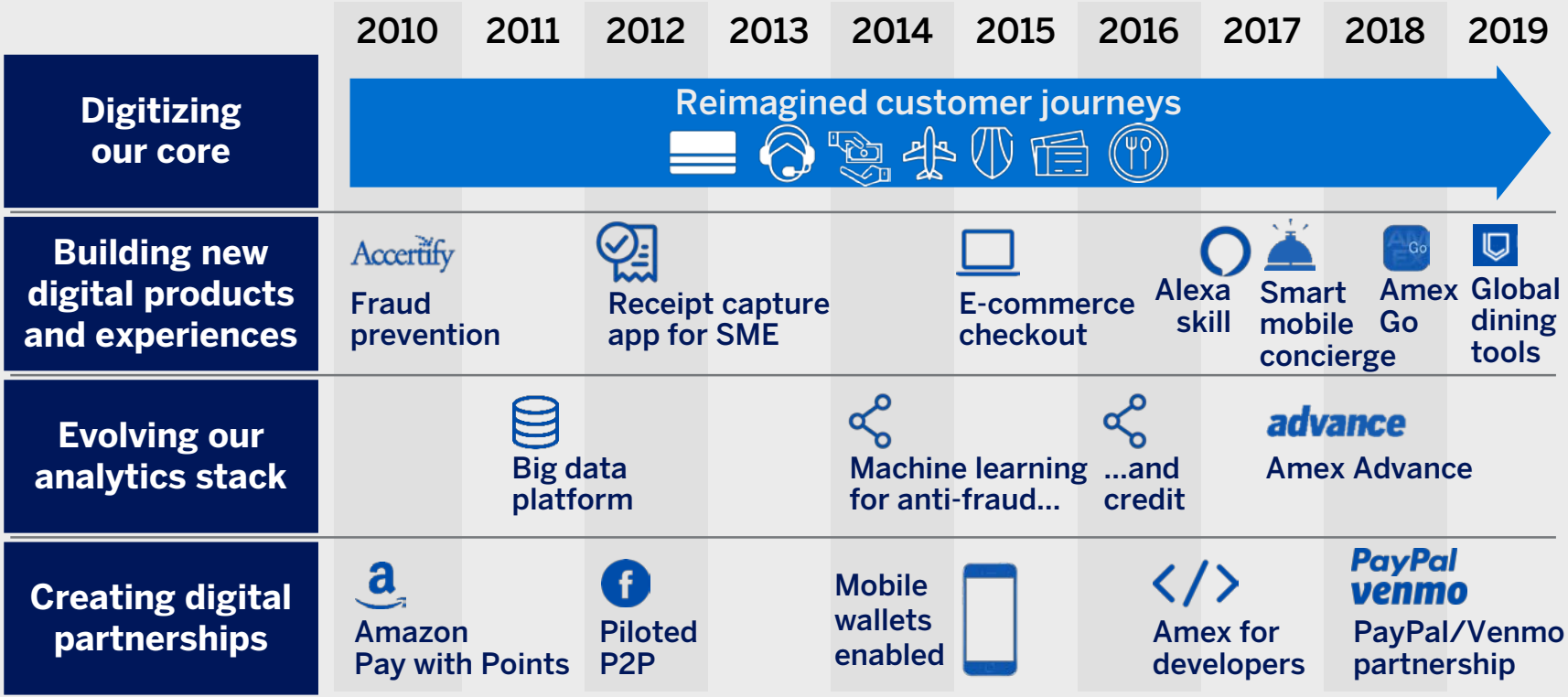
Cash conversion + growth of e-commerce
Proliferation of digital payments

Open banking + machine learning
New frontiers for real-time credit and lending in digital channels

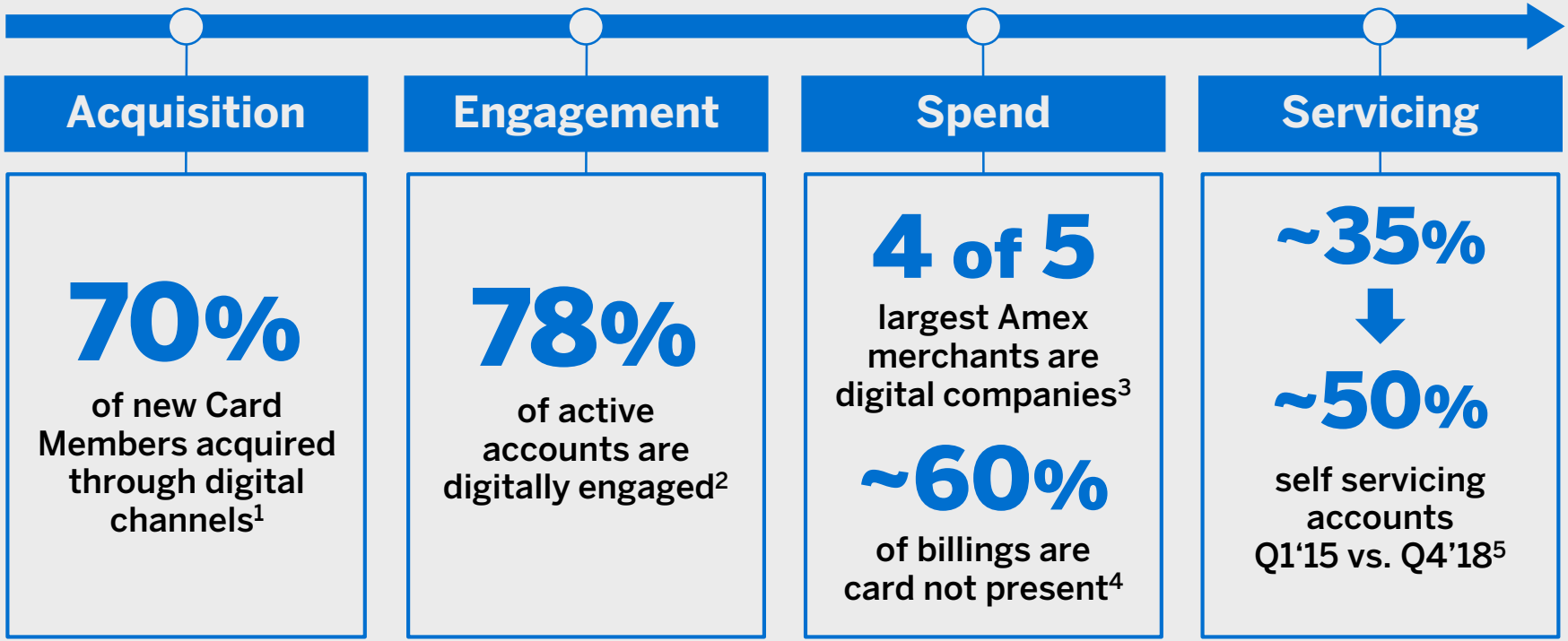
Personalization + AI
Customized and location-specific services and offers

Biometrics + mobile-first behavior
Advanced forms of digital security and form factors

In parallel, Amex has undergone its own digital transformation



Today, we operate as a digital-first company



(1) Global Consumer and SME; excludes Corporate. FY 2018. (2) Accounts with spend >0 and at least 1 website or mobile app visit vs. all accounts with spend >0, FY 2018. (3) Largest merchants by number of transactions. (4) FY 2018. Excludes spend at GNS acquired merchants. (5) Self-service is defined as US consumer accounts that have logged in to solve a servicing need within a calendar month and have not called into a customer care professional within the same month.

Our customers demonstrate high engagement…

Increased engagement

Consumer and SME

Digitally acquired Card Members are…

57%

more likely to engage with our app[1]

And overall….

~70%

of acquired accounts are digitally active within first month[2]

Corporate

+22

higher NPS when app active[3]

Merchant

32%

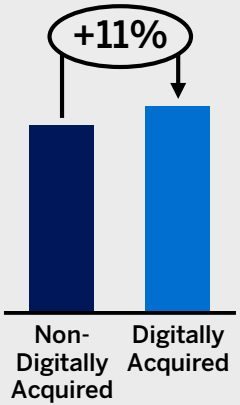
growth in merchant-funded Amex Offers[4]

(1) As compared to Card Members acquired through non-digital channels. Digital engagement defined as logging in at least once during Dec 2018 for Card Members acquired at least one year prior (FY 2017). (2) Number of new accounts acquired who are active on our website or app within 30 days of card approval date / new acquired accounts. Dec 2018. (3) As compared to non-digitally active decision makers (i.e., corporate card program administrators); Digitally active defined as using the mobile app. Surveyed in June 2018. (4) Dollar volume of offers, 2018 vs. 2017.

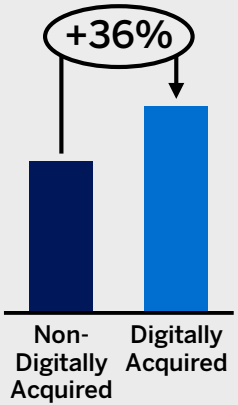
...and our business thrives in this new digital reality

Increased spend[1]

Average Spend SME



Average Spend Consumer



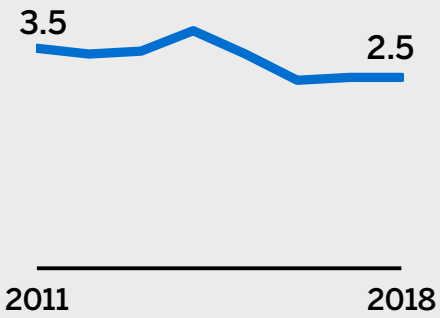
Increased marketing efficiencies

21%

Improvement in overall marketing efficiency[2]

Decrease in fraud

US Net Fraud Loss Rate 2011 - 2018 (bps)



Decrease in opex

92%

Payments received digitally[3]

70%

Paperless statement enrollment among Millennials[4]

30%

Reduction in paper servicing communications[5]

(1) FY 2018. Average spend defined as Billed Business Acquired over New Accounts Acquired. (2) As measured by 2-year CAGR of billings acquired per dollar invested, Global Consumer, FY 2016 - FY 2018 (3) Includes auto-pay, web/app and voice-response, compared to check and phone payments. December 2018. (4) 2018 exit rate. (5) Jan 2016 to Jan 2019.

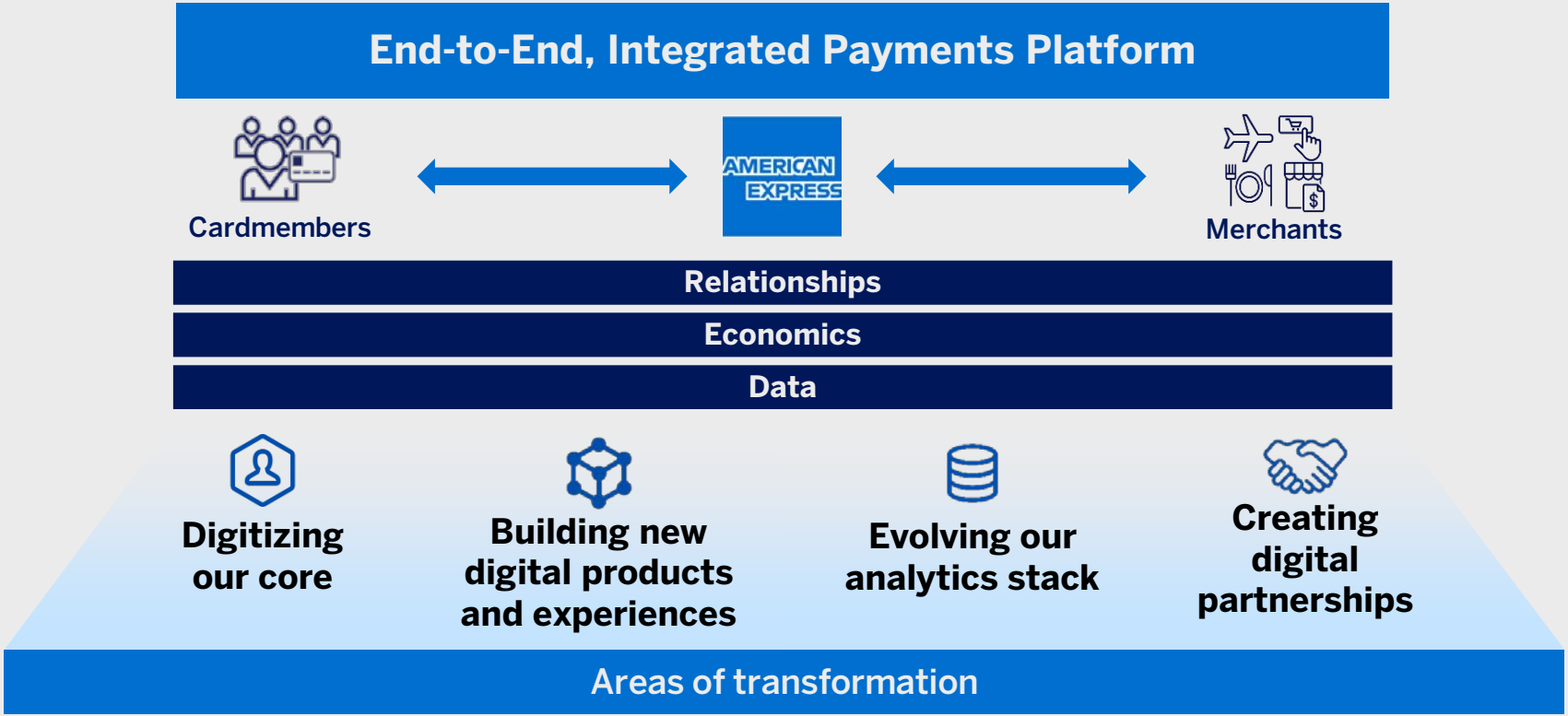
Digital Overview

1 Amex has transformed into a digital-first company

2 Our digital-first approach spans all elements of our differentiated model

3 As we look forward, we believe we are well placed to capitalize on what the future holds

Our business model is well suited to take advantage of the evolving digital landscape



Key to our transformation is the digitization of our core, brought to life in customer journeys



Acquisition

- Apply for my card
- Set up my account
- Refer a friend or business to Amex

Engagement

- Use my Amex Offers
- Redeem my points
- Visit an Amex lounge

Spend

- Pay online with my Amex card
- Pay my supplier
- Book my travel

Servicing

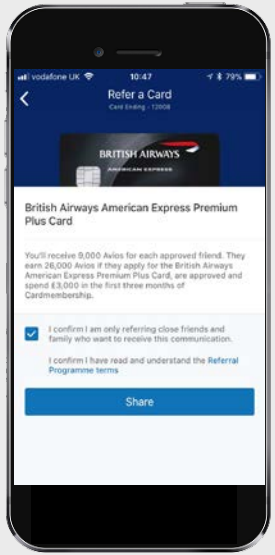
- Update my account
- Resolve my dispute
- Check my spend capacity

Personalized and relevant to the customer

Thoughtfully coordinated across channels and services

Seamlessly designed to save effort

American Express has developed a leading digital acquisition experience



Friend refers

Tailored across:

- Offer
- Messaging
- Product

6x

Increased likelihood that Card Members acquired through MGM will refer a friend*

Prospect applies

- Mobile-first
- Pre-filled fields to shorten application

32

Points higher FICO score among referral program applicants**

Prospect is approved and provisioned

- Dynamic decisioning
- Digital card seamlessly added to e-wallet

72%

Of eligible Card Members can access their benefits instantly***

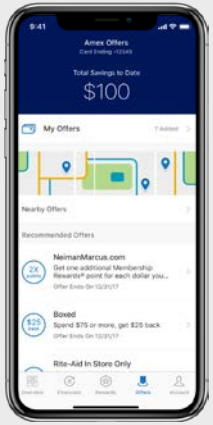
** US Consumer, FY 2018, Card Members acquired through MGM compared to those acquired through other digital channels. ** Based on comparison to non-Member Get Member applicants. US Consumer, FY 2018. *** Eligible Card Members are those approved at time of application. Available only for US Consumer Card Members. FY 2018. Through MGM channel.*

Our digital programs help connect merchants and Card Members in the Amex ecosystem

Merchant designs campaign

- Customized offer construct
- Flexible rewards options
- Personalized customer targeting

Amex delivers merchant offer



- Available in mobile and web
- Stored effortlessly

Merchant makes sale with offer

- Push notification at purchase
- Seamless, integrated redemption

24%

Growth in number of unique Card Members redeeming offers*

** Unique redeemers defined as individual AXP Card Members, Consumer and SME, 2018 vs. 2017.*

Increasingly, these journeys rely on industry-leading automation that covers multiple processes

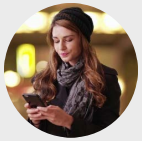
Our automation evolution began five years ago...

'14 Began **targeted investment in back-end automation** applications

'17 Won ***Best Enterprise Implementation*** **award** from automation partner

'18 Automated **~350 processes** across customer journeys

...and we have streamlined operations across the business



Consumers

Manual review of applicant IDs where required → **Verifying ID with Optical Character Recognition**



Businesses

Manually adjusting spend limits → **Automatically updating spend limits**



Merchants

Customer service responding to emails one-by-one → **Interpreting email and proposing responses**

Supporting each customer journey are the ongoing investments in network modernization



Speed



Innovation



Flexibility



B2B Payments

Beyond customer journeys, Amex has delivered a range of digitally-enabled products and experiences

Consumer

- Spend, lend and loyalty solutions
- Smart mobile concierge
- Digital servicing chatbots

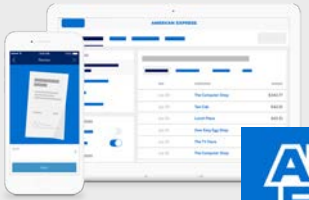
PAY IT PLAN IT

ask AMEX

MEMBERSHIP rewards

Commercial

- SME financing solutions
- T&E management and insights
- Virtual-card and supplier payment solutions



AMEX BUSINESS

AMEX Go

Merchant & Network

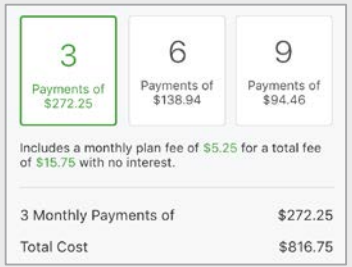
- Amex Offers
- Fraud management solutions
- SafeKey

SMALL BUSINESS SATURDAY NOV 25

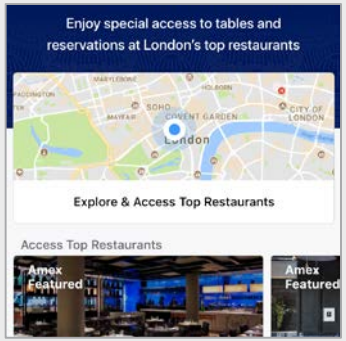
Accertify Focused on Fraud Prevention

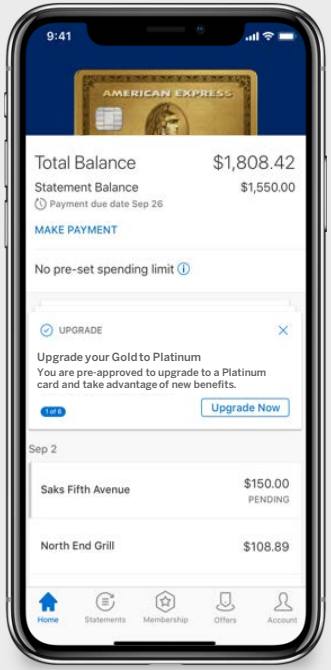
Our best-in-class mobile app is a hub for many of these products and experiences

Pay It Plan It

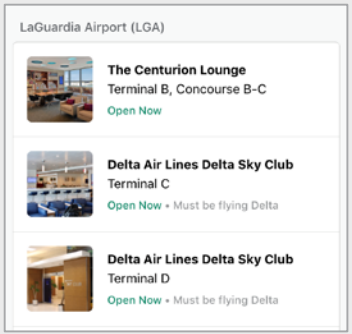


Dining

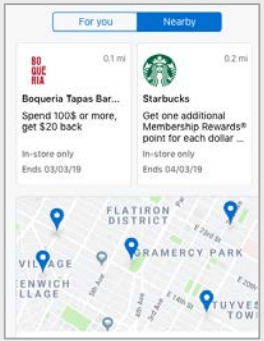




Lounges



Amex Offers





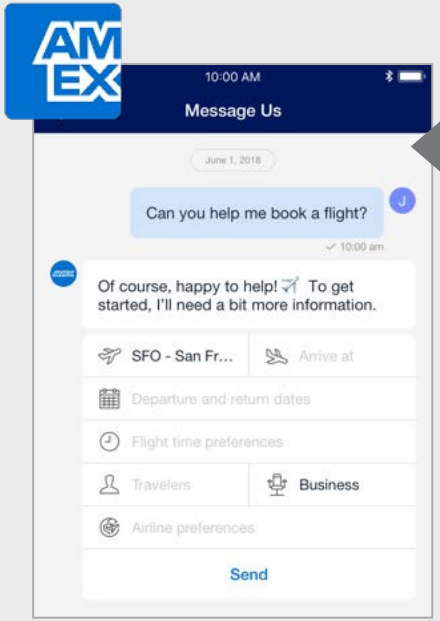
#1

Best Credit Card App in Customer Satisfaction*

"Major feature updates add robust functionality to the app"

*Pay It Plan It and Amex Offers available in the U.S. Dining available in the UK. Lounges available globally. * For J.D. Power 2018 award information, visit jdpower.com/awards*

In addition to our app, we use a range of channels to digitally interact with customers in real time



Messaging in Amex app combines automated and human servicing

- Alexa skill allows for voice servicing and benefit notifications
- Facebook messenger integrates benefits, transaction info, and more
- Piloting Apple business chat integration

96%
Growth in mobile messaging conversations*

1 in 4
Mobile messaging conversations are fully automated**

** Mobile messaging refers to mobile app chat servicing. Available in the US. H2'17 vs. H2'18. ** Fully automated conversations did not require interaction between Card Member and Customer Care Professional; Oct 2018.*

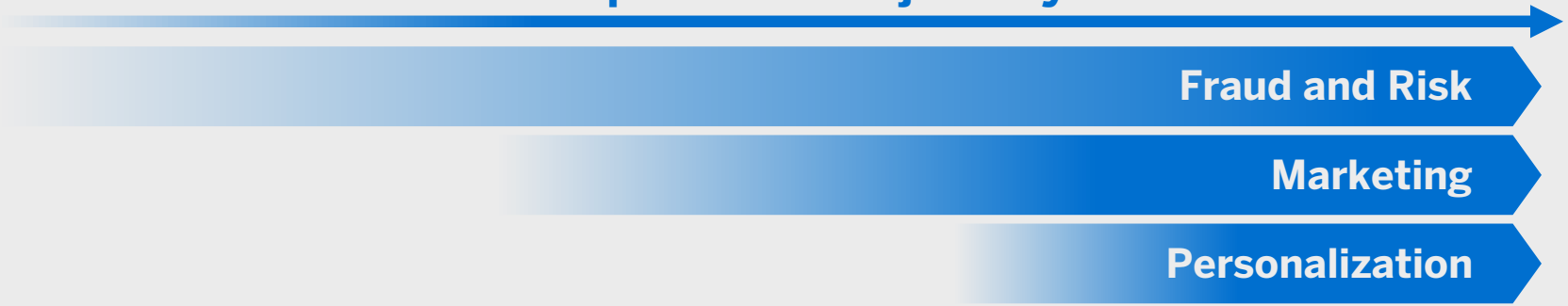
We capitalize on our expanding data in new ways, enhancing all of our products and experiences…

We have multiple sources of valuable data…

Card Members

Merchant Locations

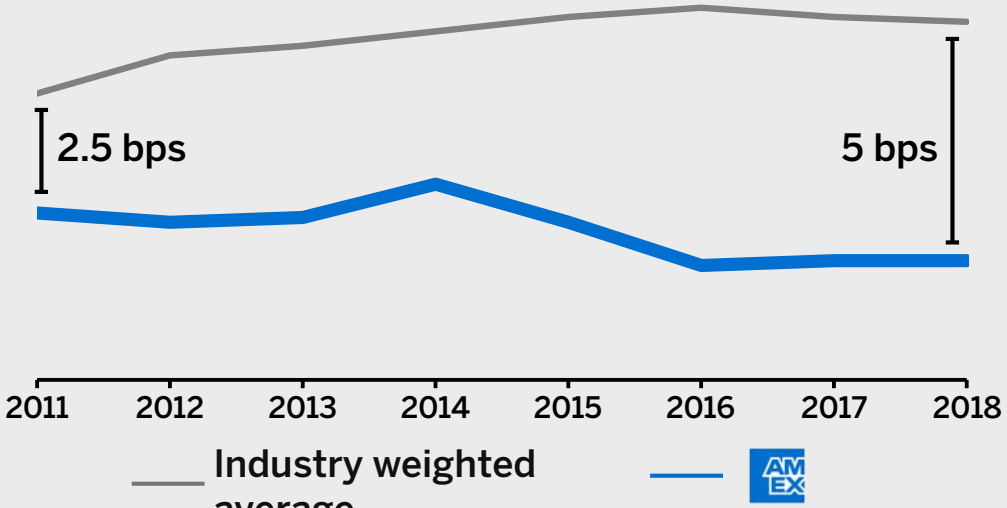
…and we are at different points in our journey to action this data



...and we've seen successful results from our leading machine learning models

Fraud

US net fraud loss rate gap, Amex vs. industry, 2011 vs. 2018 (bps)*



Credit

90%

of approvable new account decisions are driven by machine learning**

** Industry data from Nilson represents weighted average of V, MA, DFS % of total volume for US General Purpose Credit Cards; as of YE 2018.*
*** US Consumer.*

In addition, we pursue a broad array of partnerships to deliver digital experiences customers value



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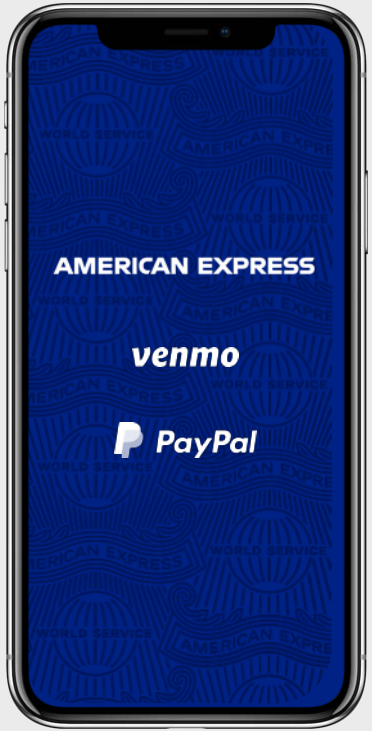
Our partnership with PayPal creates new digital utility for Card Members

PayPal

- Relevance with Millennials and Gen Z
- Leader in peer-to-peer payments



Peer-to-peer payments

Industry-first integration will enable eligible Card Members to send money to friends from the Amex app

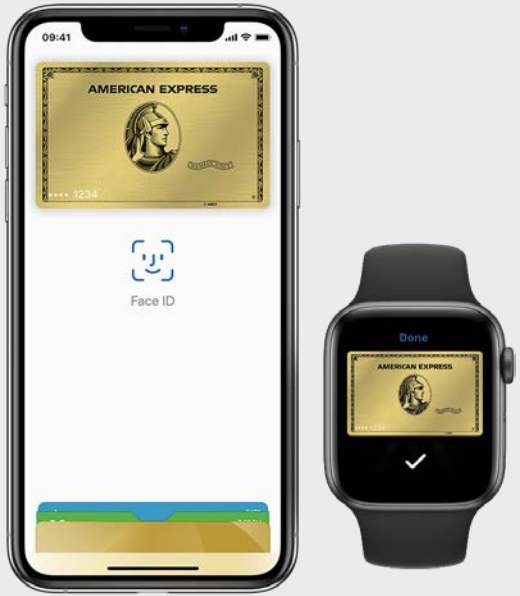
Pay with Points

Eligible Card Members will be able to use Membership Rewards points at millions of PayPal merchants

Our partnership with Apple drives digital billings growth by delivering Card Member value

Apple

- Key merchant for Card Member spend
- Popular mobile wallet for Card Members



Scaled Apple Pay enablement

Amex is present with Apple Pay in more countries than any other issuer

iTunes collaboration

Direct link to iTunes receipt details on Amex statement

Marketing campaigns & Amex Offers

Bring value to Card Members

Digital Overview

1 Amex has transformed into a digital-first company

2 Our digital-first approach spans all elements of our differentiated model

3 As we look forward, we believe we are well placed to capitalize on what the future holds

As our landscape evolves, we can draw on our existing strengths and ability to move quickly

Strong foundation



#1 Financial Services brand*

$1.2T
Annual Billed Business



Global premium consumer base



Global presence

Enterprise-wide digital teams

- **Digital product and tech organizations:** consolidated digital decisions, engineer base, hackathons and pilots
- **Digital Labs:** innovation incubator

Innovative mindset

- Enterprise-wide scaled agile adoption
- Global centralized technology
- Always-on test-and-learn environment

External perspective

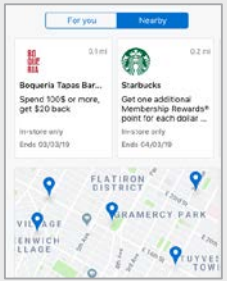
40+
Investments by American Express Ventures

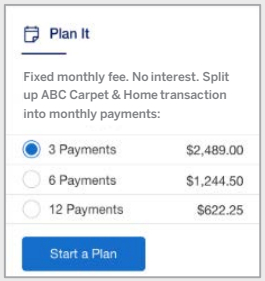
Bill.com PLAID Boxed TRADESHIFT

* *Interbrand Best Global Brands 2018 Rankings, Financial Services sector.*

We will continue finding ways to be essential in the digital lives of our customers…

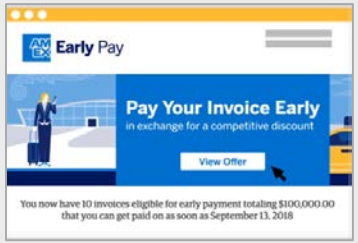






Merchant: Engagement

- Scaling ecosystem of local and national offers sourced by third parties
- Further experimentation with Pay It Plan It



Commercial: Payments

- Bringing new digital services to our customers
- Scaling B2B solutions internationally



Consumer: Lifestyle

- Expanding our travel and lifestyle assets across the globe
- Expanding and enhancing our global dining platform

...enabled by our differentiated model that facilitates digital integration across the value chain



Closing thoughts

1. **Amex has transformed into a digital-first company**

2. **Our digital-first approach spans all elements of our differentiated model**

3. **As we look forward, we believe we are well placed to capitalize on what the future holds**

DON'T *be digital* WITHOUT IT™

DON'T *live life* WITHOUT IT™

DON'T *do business* WITHOUT IT™

Agenda

CEO Update	Steve Squeri
Commercial and B2B Expansion	Anna Marrs
Digital	Mohammed Badi
Financial Outlook	**Jeff Campbell**
Q&A	

Key Themes from Today

- We have strong **momentum in our core business** and a foundation for growth. We will accelerate progress against our strategic imperatives through three enterprise-wide initiatives

- We are a leader in commercial payments and focused on growing our core card business as well as **capturing a greater share of the B2B and working capital opportunity**

- We have a **digital-first approach** across our differentiated business model and we are well placed to capitalize on what the future holds

- Our **strong and resilient financial model** allows us to invest for share, scale and relevance and we are focused on driving topline growth that delivers steady and consistent earnings per share growth

Financial Growth Algorithm

We are focused on sustaining

high levels of Revenue growth

that deliver steady and consistent

double-digit EPS growth

Our investment strategy drives share, scale, relevance…

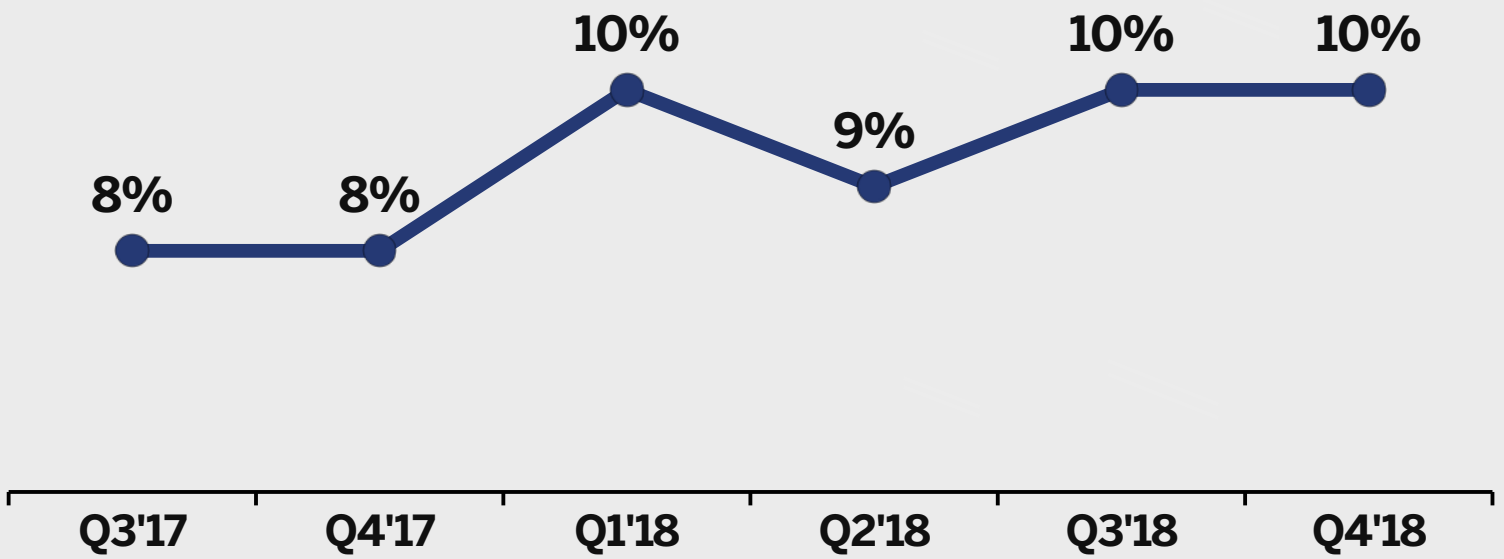
Long-term focus	2018 Stats
SHARE	▪ Increase in **U.S. Billings share**(1) and **U.S. Consumer Lending share**(2) ▪ AXP Billings growth exceeds industry in 7 of 8 top international countries(3)
SCALE	▪ 19% Increase in **New Cards Acquired** ▪ Largest **U.S. Small Business** portfolio by billings(4) ▪ Over 1.6M **U.S. Merchant** locations added and double-digit growth in **International Merchant** locations
RELEVANCE	▪ 78% of active accounts are **digitally engaged** with AXP(5) ▪ 98% billings **retention**

(1) Based on AXP growth vs. other networks, (2) Based on AXP U.S. Consumer Lending growth vs U.S. Consumer Credit Card from NY Fed Household Debt, (3) Euromonitor, AXP growth exceeds industry in the Canada, Mexico, U.K., Italy, Germany, Japan and Australia. 8 top countries also includes France and together they comprise ~80% of AXP's international proprietary billings. (4) The Nilson Report for non-AXP purchase volume in 2017; AXP based on internal data. (5) Accounts with spend > 0 and at least one website or mobile app visit versus all accounts with spend > 0, FY 2018.

...which leads to strong and sustainable revenue growth

Revenue growth at least 8% for six consecutive quarters

% Increase/(decrease) vs. Prior year (Fx-adjusted):



Total Revenue Net of Interest Expense adjusted for Fx and the related growth rates are non-GAAP measures. See Annex A for a reconciliation to total Revenue Net of Interest Expense on a GAAP basis

Our results and guidance are in line with our focus on high revenue growth and double digit earnings growth

Investment Strategy	2018 Actuals	2019 Guidance
■ Share ■ Scale ■ Relevance	**10%** Revenue Growth (Fx adjusted*) **13%** Adj. EPS Growth**	**8-10%** Revenue Growth **$7.85-$8.35** EPS

*The 2019 adjusted EPS guidance, a non-GAAP measure, is subject to contingencies and legal settlements. A reconciliation to EPS guidance on a GAAP basis is not available without unreasonable efforts. * See Annex A. ** Adjusted Diluted Earnings Per Share, excluding the impacts of certain discrete tax benefits in Q4'18 and the impacts of the Tax Act in Q4'17 and estimating the EPS impact when applying the FY'18 effective tax rate to FY'17 Pre-tax Income, is a non-GAAP measure. See Annex B for a reconciliation to Diluted EPS on a GAAP basis.*

AXP Financial Model

We are focused on driving topline growth that delivers steady and consistent earnings per share growth, generated by:

- Broad-based and sustainable **revenue** growth
- Increasingly efficient **investments** in areas that drive share, scale and relevance
- Our long-standing history of driving **operating expense leverage,** which mitigates the impact of margin compression from investment growth
- A disciplined approach to **risk management**
- A disciplined approach to **capital deployment** leveraging our high ROE businesses to create value for shareholders

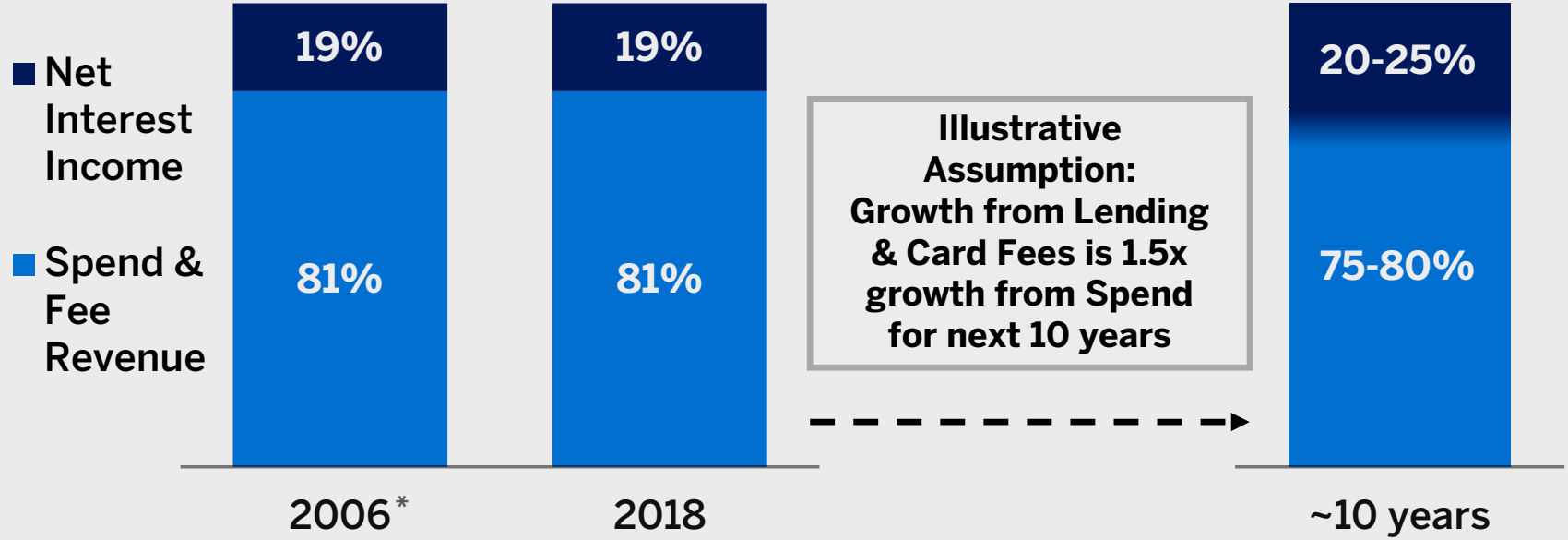
Our revenue growth is broad-based…

Revenue Breakdown			
FY 2018 *(Fx Adjusted)*	**Growth YOY**	**Contribution to growth**	**% of Total**
Discount Revenue	**8%**	**5%**	**61%**
Net Card Fees	**12%**	**1%**	**9%**
Other Revenue	**1%**	**0%**	**11%**
Spend & Fee Revenue	**8%**	**6%**	**81%**
Net Interest Income	**19%**	**3%**	**19%**
Total Revenue	**10%**	**10%**	**100%**

Total Revenues Net of Interest Expense, and its components, adjusted for Fx are non-GAAP measures. Contribution to growth does not sum due to rounding. See Annex G for a reconciliation.

...and we continue to be a spend and fee-driven business

Revenue Mix

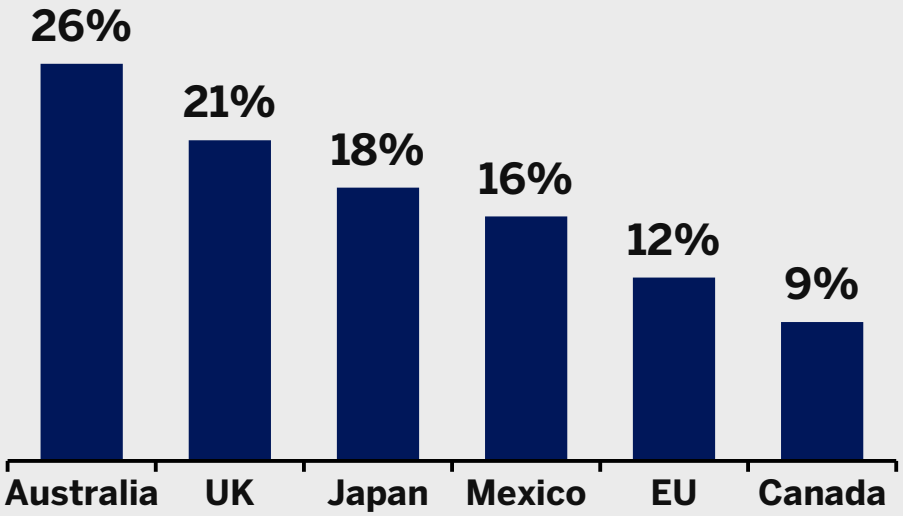


** The "managed basis" presentation includes on-balance sheet Card Member loans and off-balance sheet securitized Card Member loans. Upon adoption of new GAAP effective January 1, 2010, both the company's securitized and non-securitized Card Member loans are included in the consolidated financial statements. See Annex H for a reconciliation between "owned basis" (GAAP) information and "managed basis" information for 2006.*

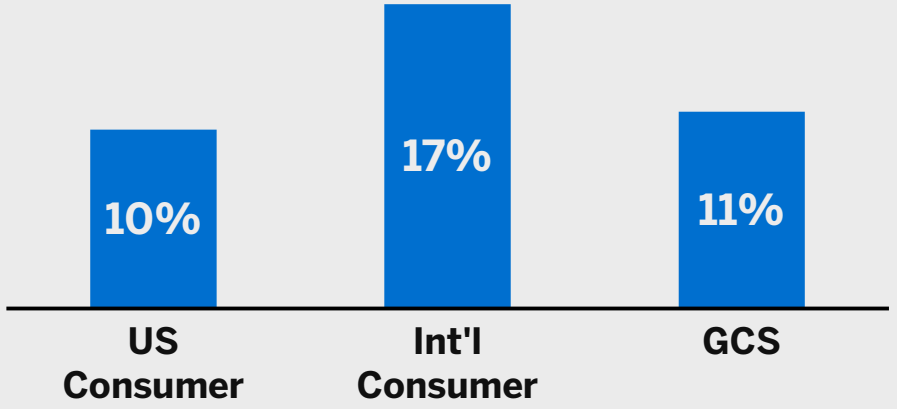
Proprietary billings growth was strong across geographies and customer segments…

% Increase/(decrease) vs. Prior year (Fx-adjusted):

FY 2018 Proprietary Billings Growth by Geography



FY 2018 Proprietary Billings Growth by Customer Segment

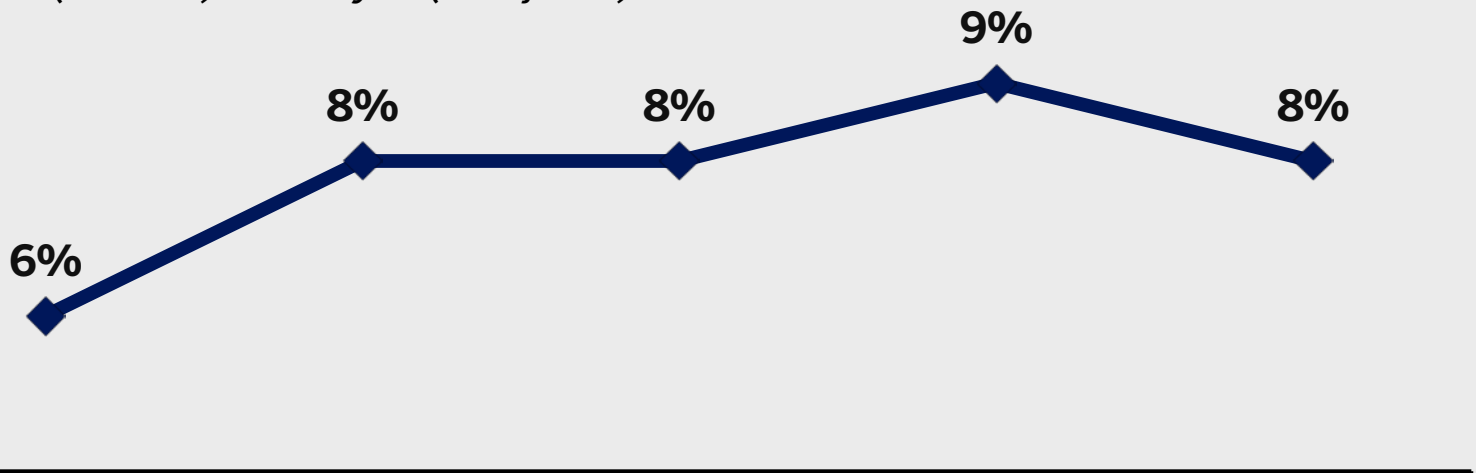


See Annexes C and I for reported billings growth rates. EU excludes the UK.

...resulting in strong discount revenue growth

Discount Revenue Growth

% Increase/(decrease) vs. Prior year (Fx-adjusted):



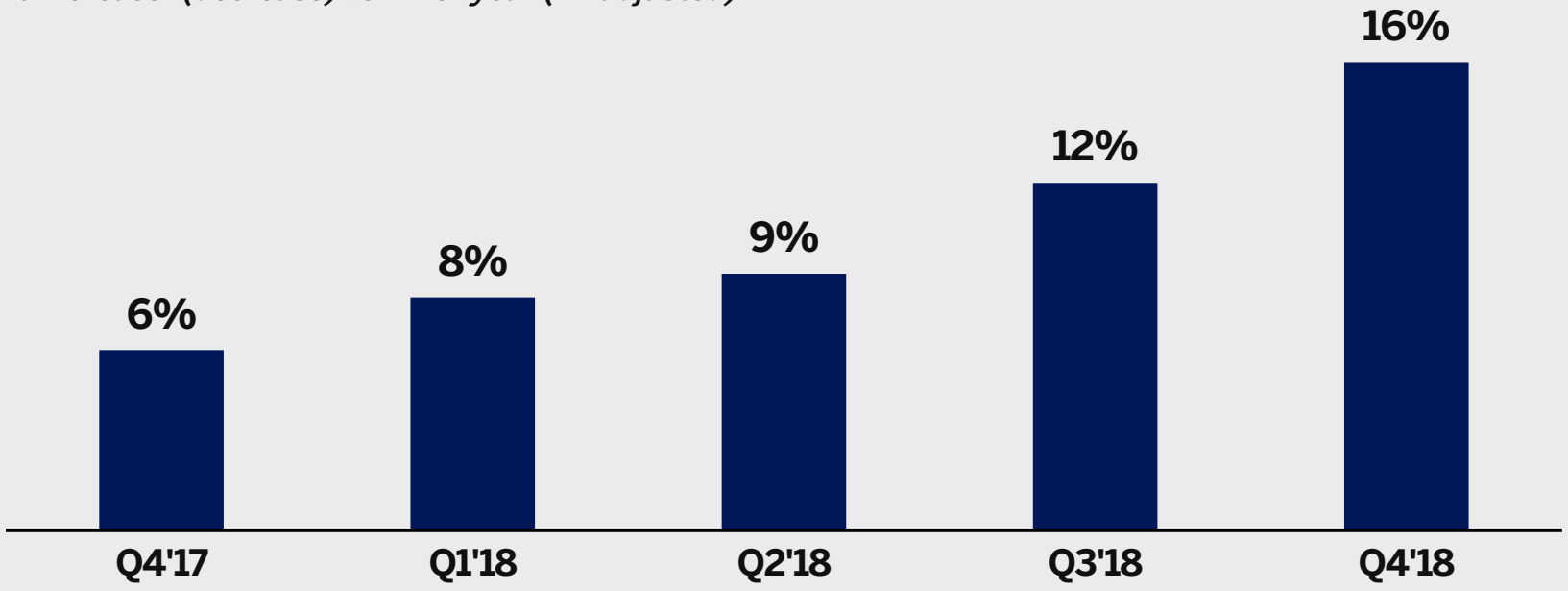
	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18
Avg. Discount Rate	2.37%	2.37%	2.37%	2.38%	2.36%

Discount revenue growth adjusted for Fx is a non-GAAP measure. See Annex J for a reconciliation.

We have momentum in net card fees growth…

Net Card Fees Growth

% Increase/(decrease) vs. Prior year (Fx-adjusted):



Net Card Fees growth adjusted for Fx is a non-GAAP measure. See Annex K for a reconciliation.

...driven by global product refreshes and strong acquisition and retention on fee-based products

Global Refresh Example: Platinum

Platinum refreshed across 8 geographies in 2018


India


Australia


Mexico


Singapore


Japan


Hong Kong


Taiwan


Thailand

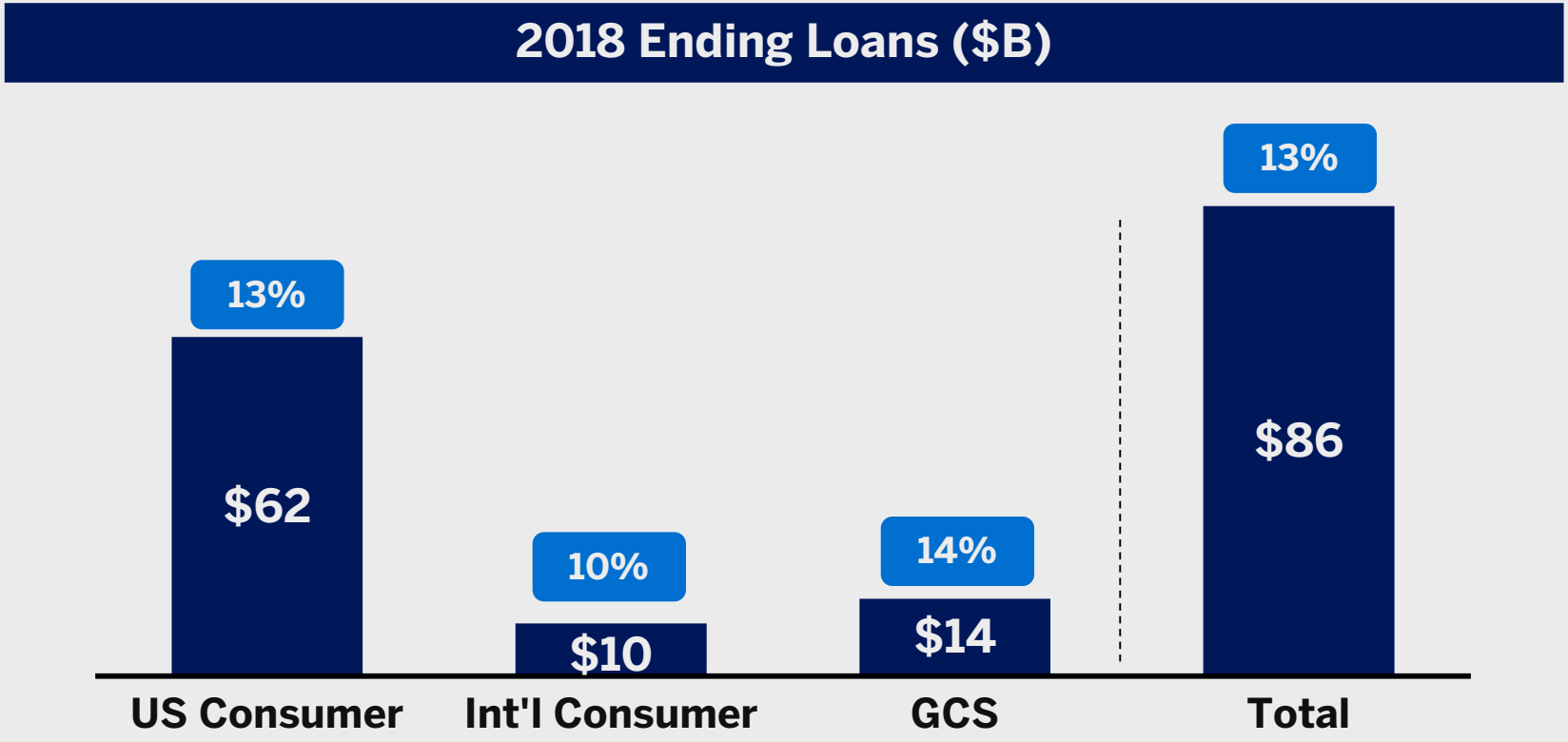
Key AXP Statistics (2018)

12M
cards acquired

64%
of acquisition on fee-based products

98%
billings retention

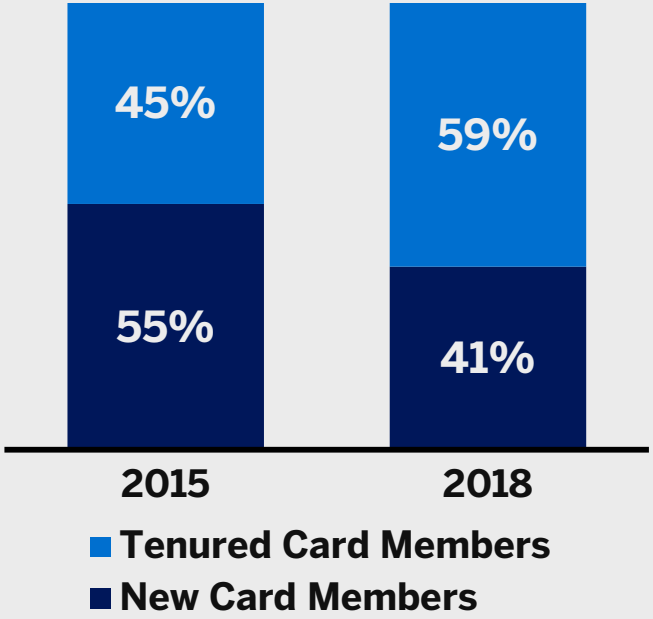
Loan growth is diverse across our lines of business…



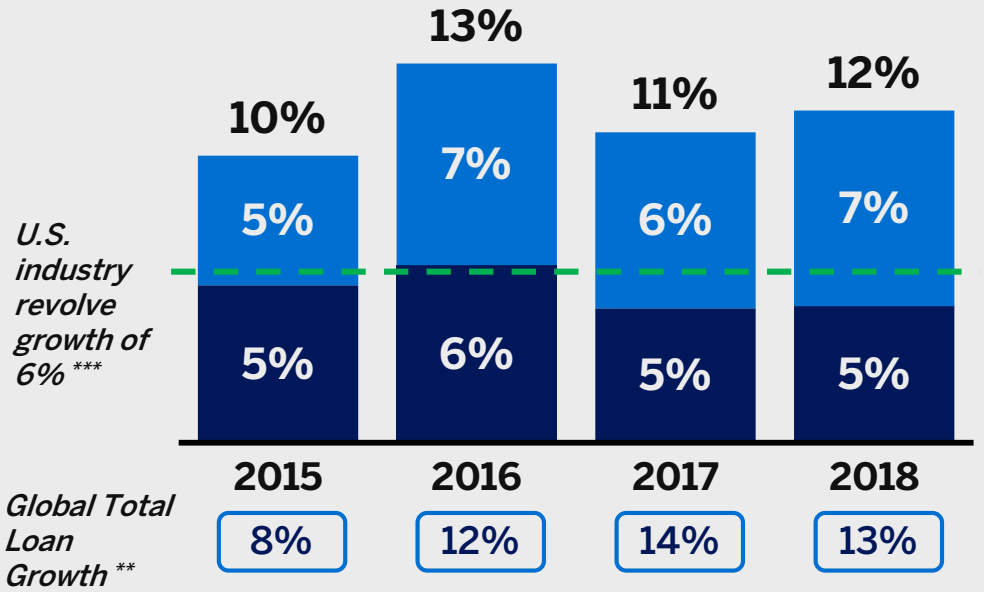
Includes Card Member and Other Loans. See Annex D.

...and is fueled by existing Card Members...

Mix of U.S. Card Member Loan Growth*



Contribution to U.S. Card Member Loan Growth**

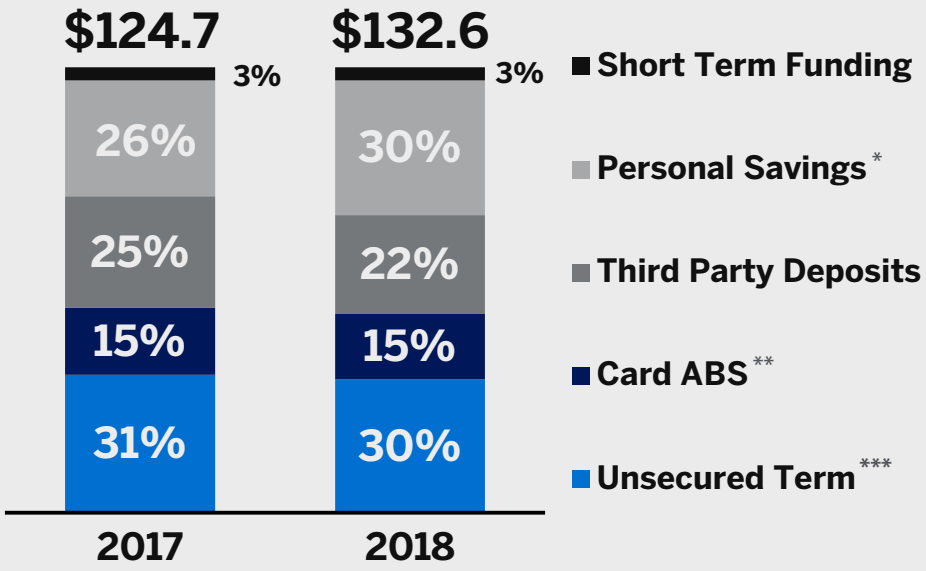


*Represents Revolving Loans on Charge and Credit Cards for US Consumer and US Small Business, adjusted for balances from sold Costco & JetBlue Cobrand accounts. Tenured defined as U.S. Card Members acquired prior to 2015 and 2018, respectively. **Adjusted U.S. and Global loan growth rate for 2015 excludes 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. See Annexes L and M for a reconciliation. *** Source: U.S. Consumer Credit Card from NY Fed Household Debt, average annual growth rate 2015-2018.

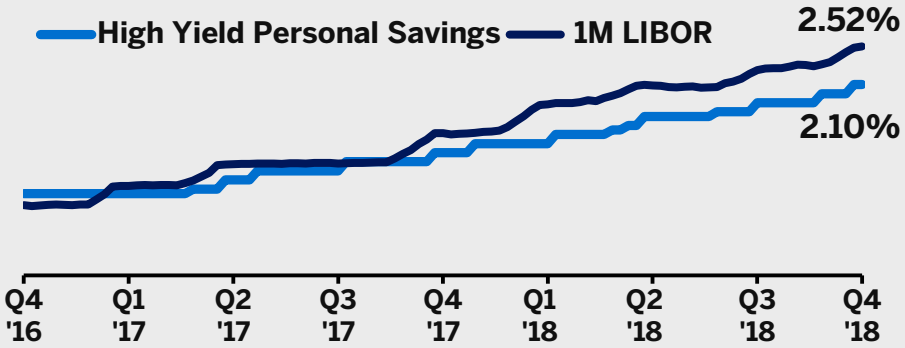
… and increasingly funded by deposit growth…

Funding Mix

$ in billions



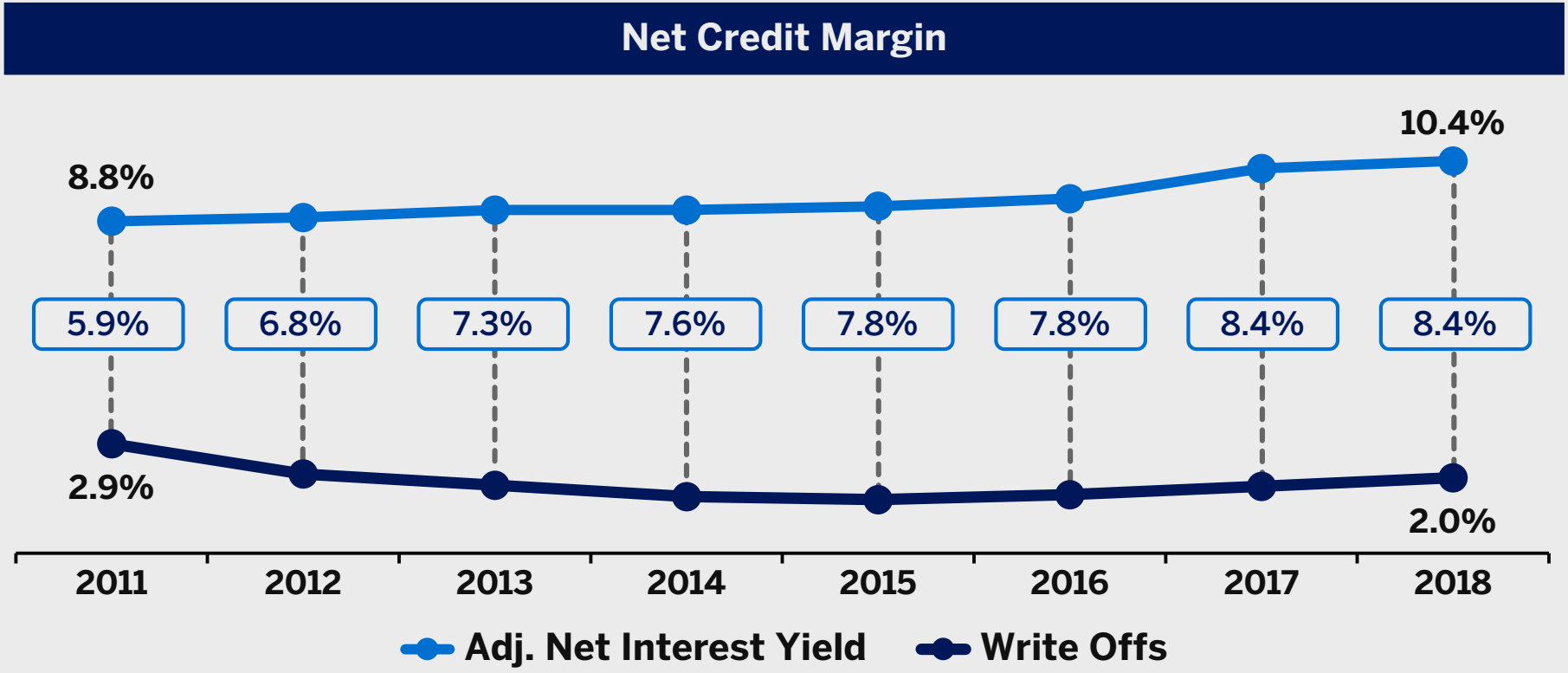
High Yield Personal Savings Rate



	2017	2018
High Yield Personal Savings	$32B	$39B
YOY growth	3%	24%
Beta	0.60	0.68

** Consists of $39.5B from high yield savings accounts and $0.8B from direct CDs as of December 31, 2018. ** Reflects face amount of Card ABS, net of securities retained by the Company. Includes outstanding ABS secured borrowing facility draws. ***Reflects face amount of unsecured term debt; the long-term debt balance on the Company's consolidated balance sheet includes capitalized leases and certain adjustments that are not included in these balances.*

...resulting in strong lending economics



See Annex N for a reconciliation of net interest income divided by card member average loans, a GAAP measure. Lending net write-off rates include Principal only. Adjusted Net Interest Yield is net of interest write-off.

The strong momentum in 2018 gives us confidence in our 2019 revenue growth outlook

2019 Revenue Guidance: 8%-10% growth

- **Discount Revenue:** Led by broad-based proprietary billings growth
- **Net Card Fees:** Fueled by acquisition and global product refreshes
- **Net Interest Income:** Driven by loan growth from existing customers

AXP Financial Model

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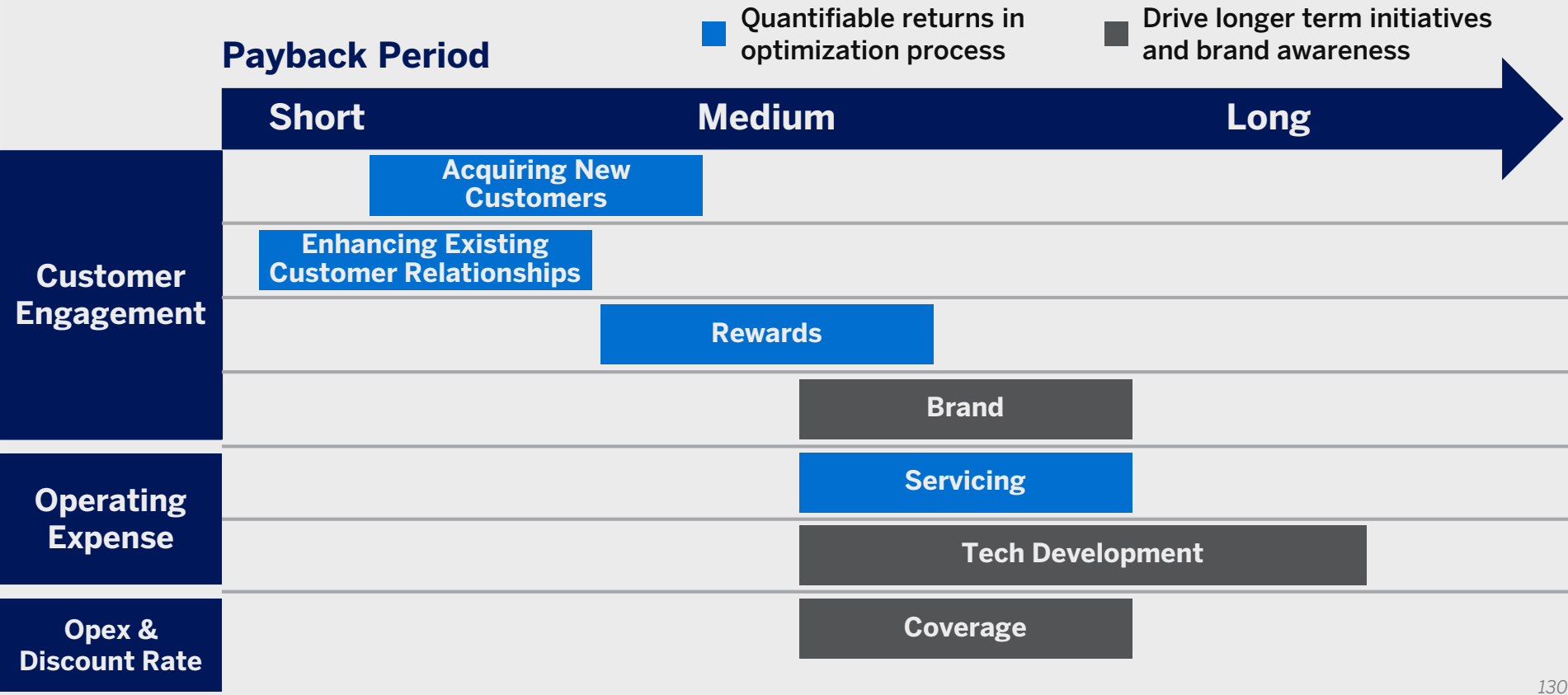
- Our long-standing history of driving **operating expense leverage,** which mitigates the impact of margin compression from investment growth
- A disciplined approach to **risk management**
- A disciplined approach to **capital deployment** leveraging our high ROE businesses to create value for shareholders

Our rigorous investment optimization process gives us confidence in our returns and payback periods



We have strong investment opportunities as we saw in 2018

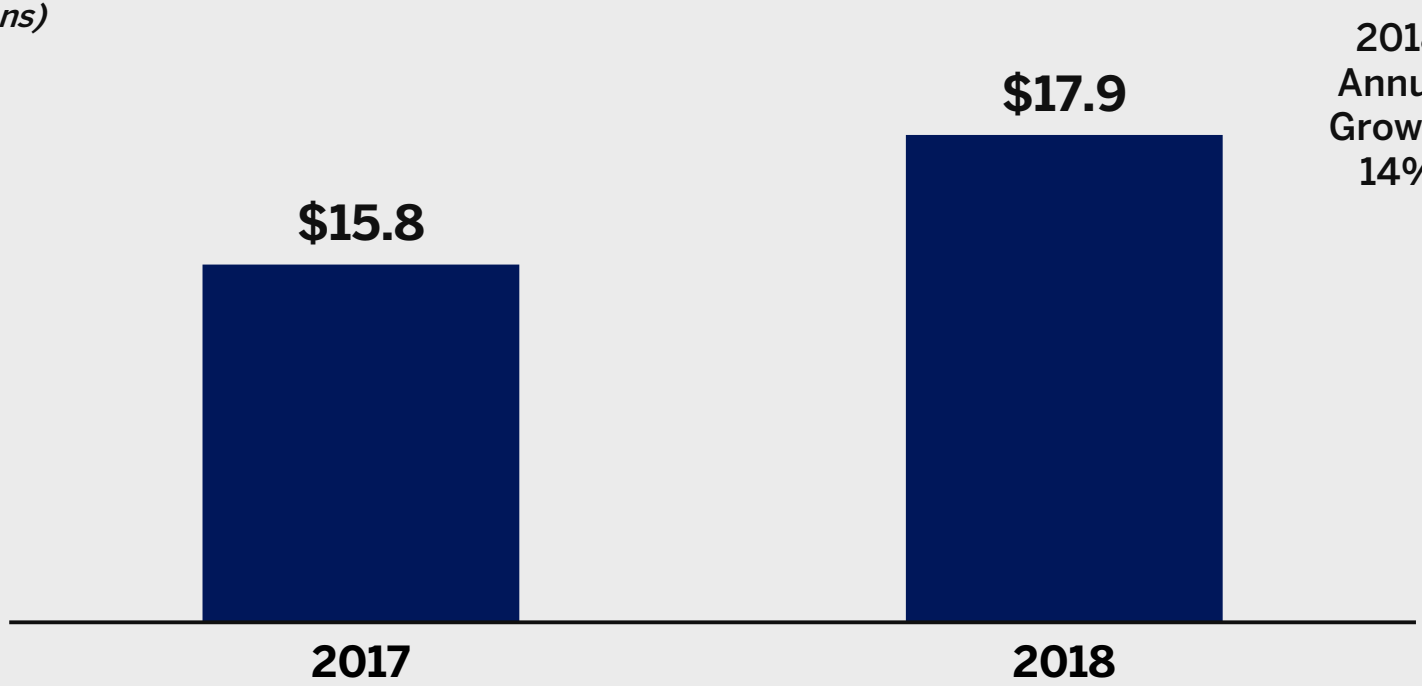
Investment Optimization Process:

Investments funded at beginning of year	Plan at beginning of year starts with a baseline level of investments (e.g. brand, acquisition, etc).
Investments funded through the year	Business momentum or discrete impacts enable funding of investments through the year (e.g. tax changes & revenue momentum in 2018)
Unfunded investments	Strong returns but not prioritized relative to investments funded
Inv. returns below threshold	Returns fall below threshold for investment

Customer engagement investments are increasing as we focus on initiatives that drive share, scale and relevance…

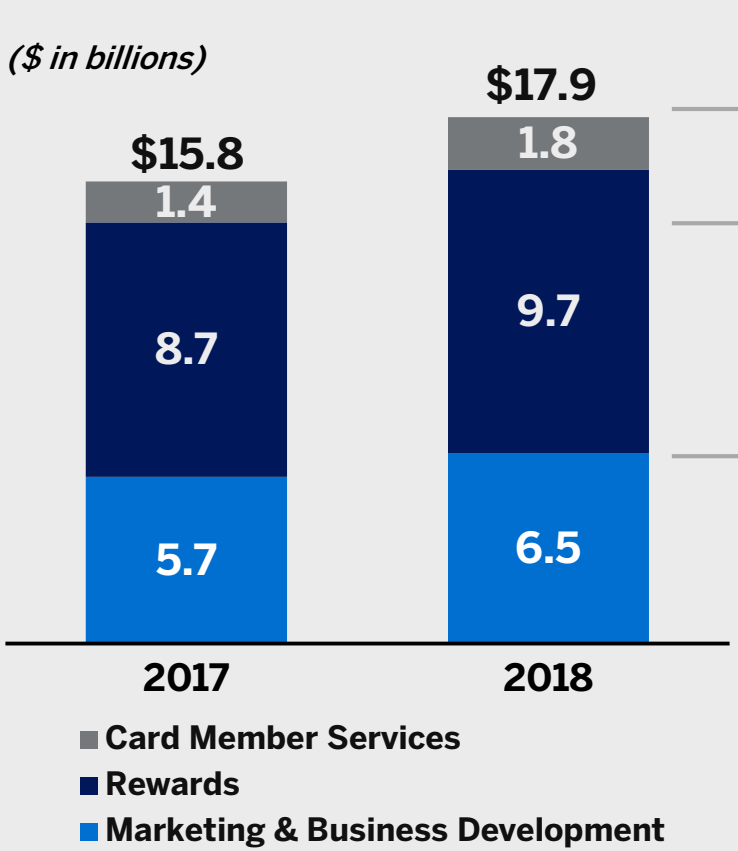
Customer Engagement

($ in billions)



Customer engagement reflects Rewards, Marketing and Business Development and Card Member Services expenses.

...with more investments going towards differentiated benefits



2018 Annual growth

14%	
28%	▪ **Card Member Services:** Fastest growing line represents differentiated value prop
12%	▪ **Rewards:** Based on competitive environment, grows broadly in line with Proprietary Billings
13%	▪ **Business Development:** Payments to partners, client incentives, GNS issuer payments ▪ **Marketing:** Becoming more efficient over time and is flexible based on performance

Card Member Services includes a range of differentiated value offered to our customers

Unique Partnerships

DELTA
First checked bag free. Lounge access.

FINE HOTELS & RESORTS
Average $550 of value per hotel stay

Co-funded with partners

Scalable Assets

THE CENTURION® LOUNGE
9 lounges with 5 new planned; 35%+ more usage in 2018

mezi
Concierge benefits

Fixed cost base delivers efficiency with growth

Experiential Access

us open™
Private suite on center court and Platinum House access

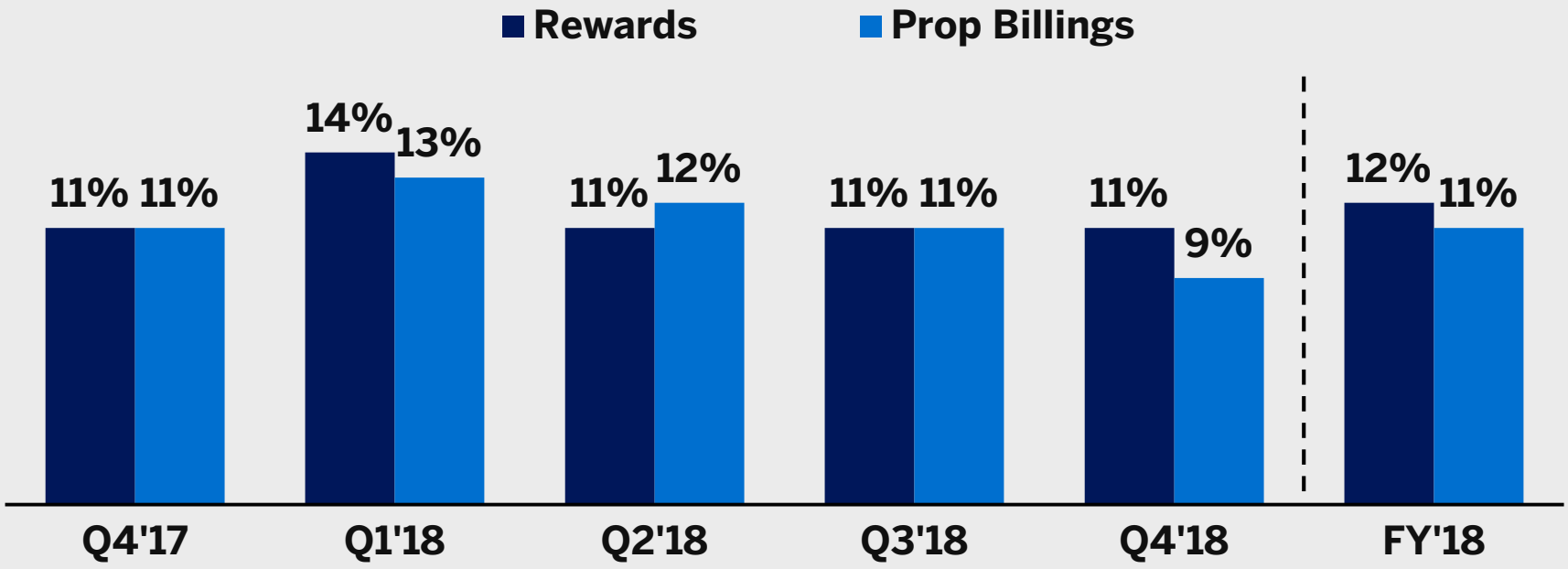
NBA
Premium access at NBA events

Drives spend, engagement and brand value

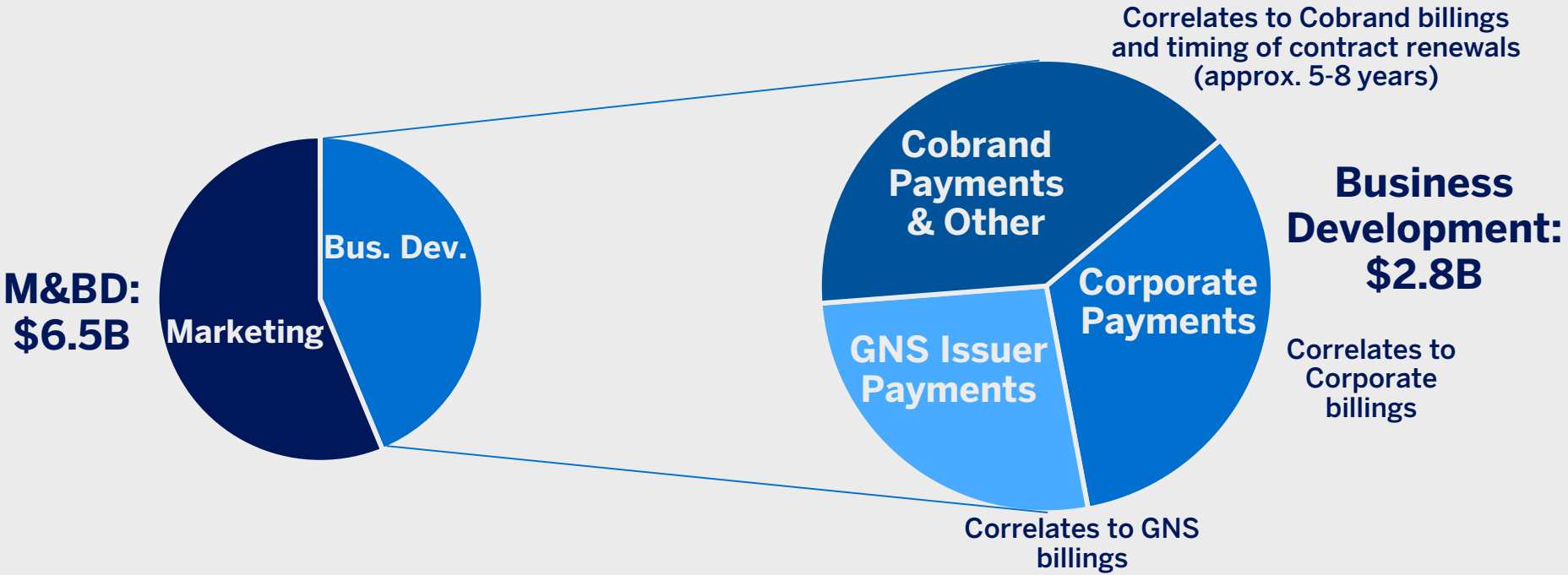
We expect competitive pressure on rewards with growth broadly in line with proprietary billings

Rewards to Proprietary Billings

% Increase/(decrease) vs. Prior year:



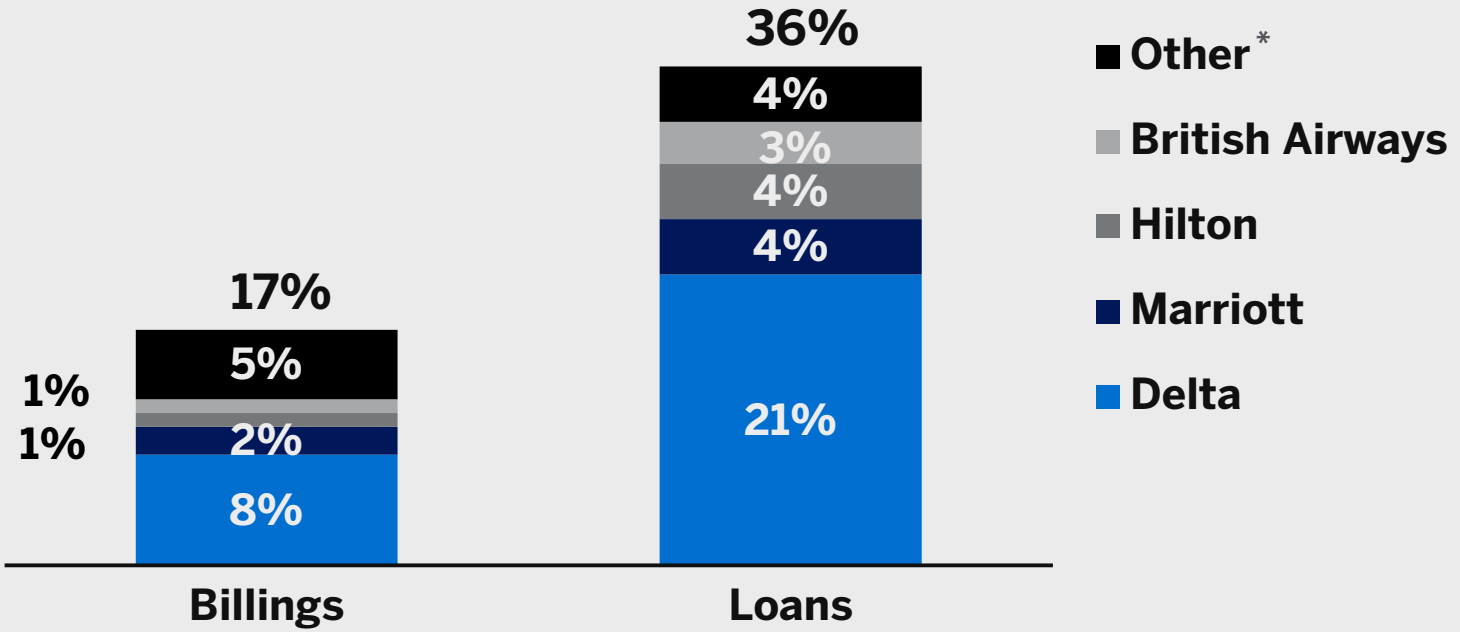
Business development reflects payments to our diverse set of partners, including Corporate, GNS and Cobrands



While cobrands are competitive, our integrated model drives value to partners and attractive economics for AXP

2018 Cobrand Loans & Billings

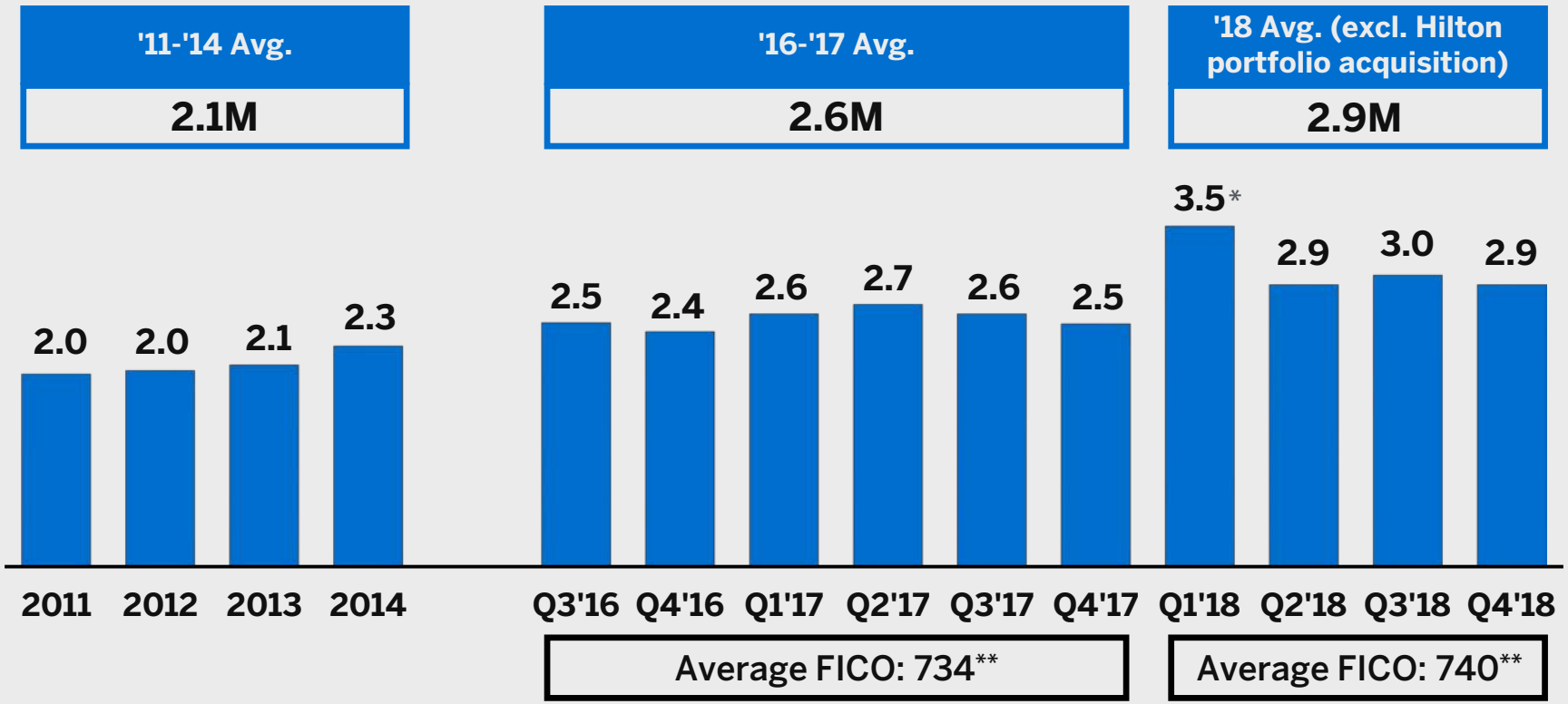
% of AXP Global Billings, Card Member Loans



*Other Cobrands includes more than 50 agreements.

Account acquisition has increased…

Average Quarterly Proprietary Cards Acquired

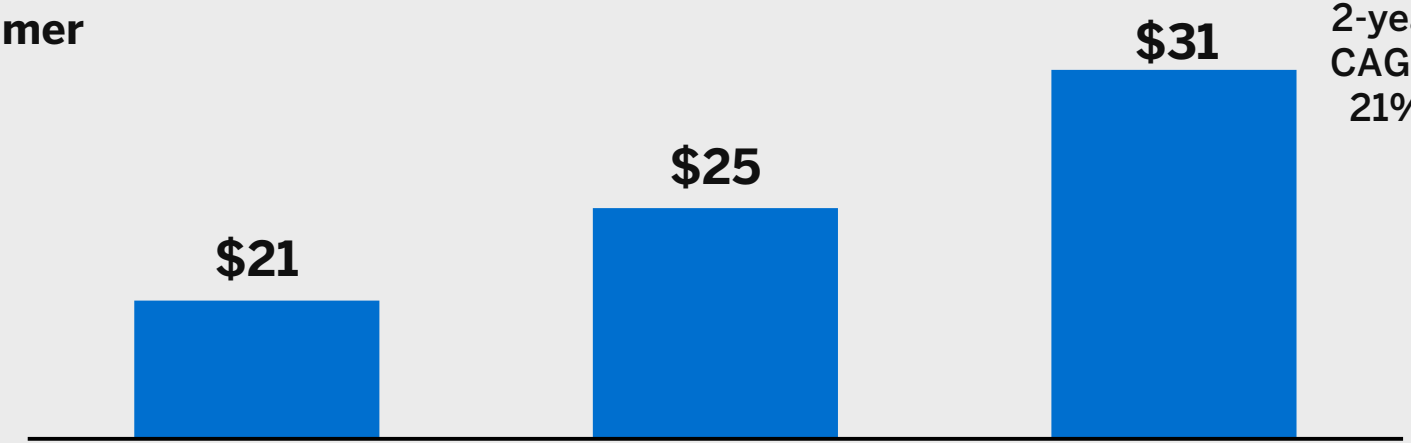


** Includes 0.7M Hilton cards. **Average FICO relates to US consumer average approved FICO.*

...and marketing has become more efficient with higher billings acquired for every dollar spent

AXP Billed Business Acquired per $1 invested

Global Consumer



	2016	2017	2018
Digital	$24	$27	$33
Non-Digital	$17	$22	$25

Investment in new card acquisition. Digital Billed Business Acquired per $1 invested is new spend that was acquired through a digital channel (mobile, tablet, web), divided by the total investment for acquisition through digital channels. Non-digital Business Acquired per $1 invested is the new spend that was acquired through a non-digital channel (phone or direct mail), divided by the investment for acquisition through non-digital channels.

AXP Financial Model

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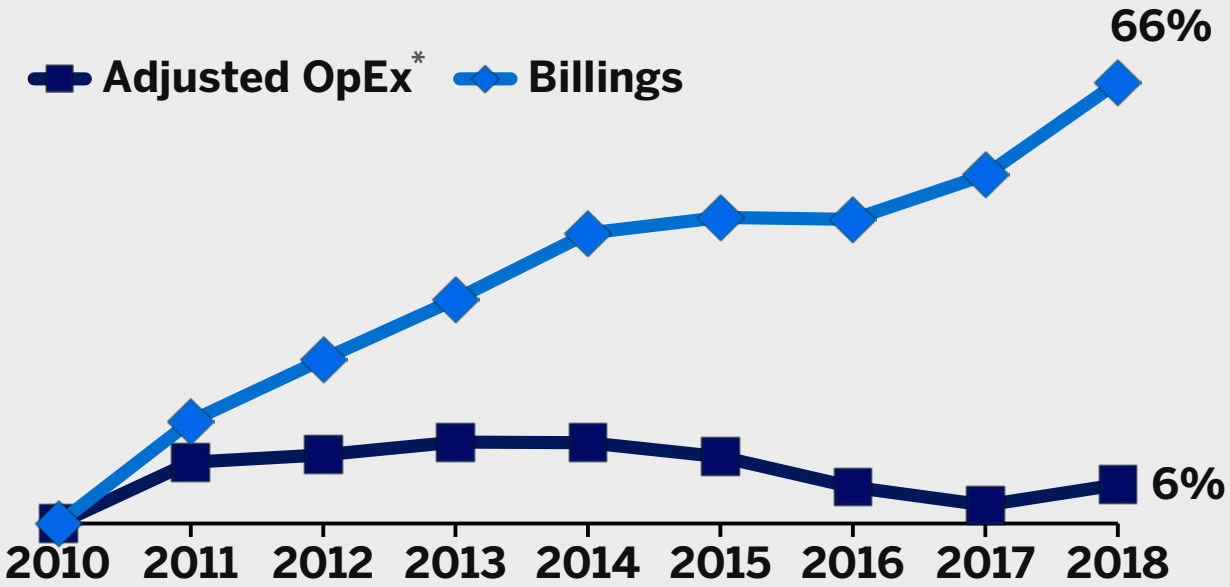
- Our long-standing history of driving **operating expense leverage,** which mitigates the impact of margin compression from investment growth
- A disciplined approach to **risk management**
- A disciplined approach to **capital deployment** leveraging our high ROE businesses to create value for shareholders

We have a proven track record of driving operating leverage…

Operating Expense Leverage

Indexed to 2010



Key drivers of leverage:

- Digital servicing
- Centers of excellence
- Technology cost efficiencies

**The growth rate of adjusted total operating expenses, a non-GAAP measure, excludes Visa/MasterCard litigation settlement proceeds, restructuring charges, Business Travel operating expenses, Q2'14 Business Travel JV gain and transaction-related costs, Q2'14 AXP Foundation contribution, Q4'15 Prepaid Services Business charge, Q2'16 gain on sale of Costco portfolio, Q3'17 charges related to US Loyalty and US Prepaid Services Businesses and Q4'17 Profit Sharing and CRA Tax Impairment from total operating expenses. Refer to Annex O for a reconciliation to Operating Expense.*

… while balancing investments in opex that drive revenue growth

Steady cost efficiencies	Revenue-driving increases to Opex
Servicing *(Ex: Digital servicing efficiencies)*	**Sales Force**
Economies of Scale *(Ex: Centers of Excellence)*	**Expanding Merchant Coverage**
Digital Effectiveness *(Ex: Technology costs)*	**Digital Capabilities**

AXP Financial Model

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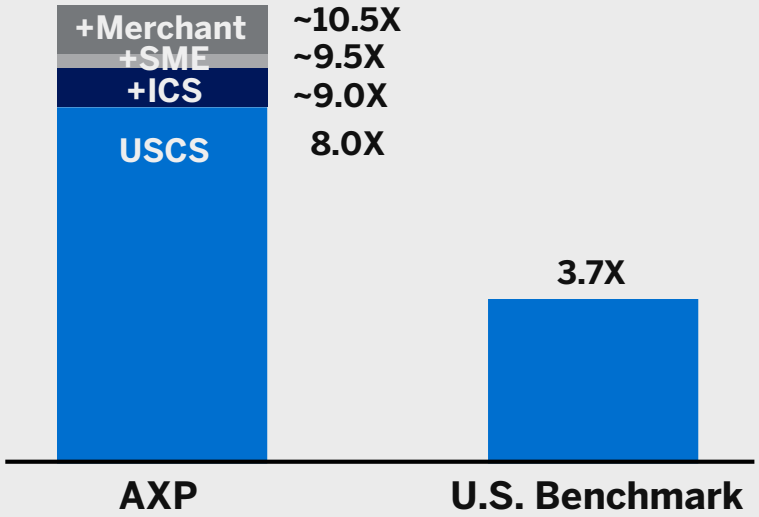
- A disciplined approach to **risk management**
- A disciplined approach to **capital deployment** leveraging our high ROE businesses to create value for shareholders

We are focused on making through-the-cycle profitability decisions…

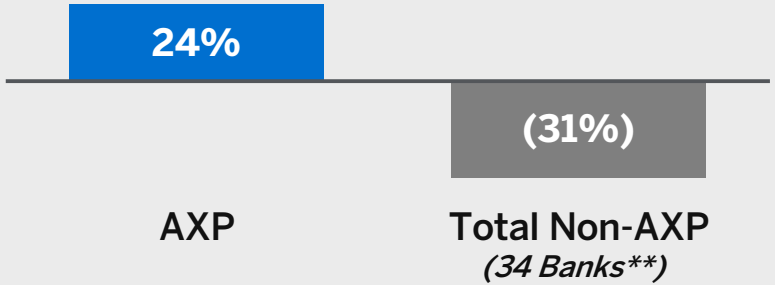
2018 Revenue Loss Coverage



2018 CCAR Results

- Highest profit margin* over the CCAR period
- One of 4 banks with cumulative profits over the 9 quarter stress test period

Est. Profit margin over 9 quarter CCAR period



*Federal Reserve estimates in the severely adverse scenario, DFAST Supervisory Stress Test Methodology and Results (June 2018). The stress test results represent estimates under a hypothetical macroeconomic scenario that is more adverse than the current and economist consensus forecasted macroeconomic environments. Thus, the profit margin estimates are not forecasts and are not necessarily indicative of future performance under a severe stress scenario. Actual results could differ materially. * Pre-tax Income as % of Pre-Provision Revenue. ** Weighted Average of 34 other banks in the CCAR process. Loss coverage is revenue net of interest expense, rewards expense, interest and fee write-offs, over net principal write-offs. Merchant is approximate portion of net discount revenue from Consumer and SME Card Members in GMNS segment. U.S. Benchmark is 2018 weighted average for C, COF, DFS, JPM, USB.*

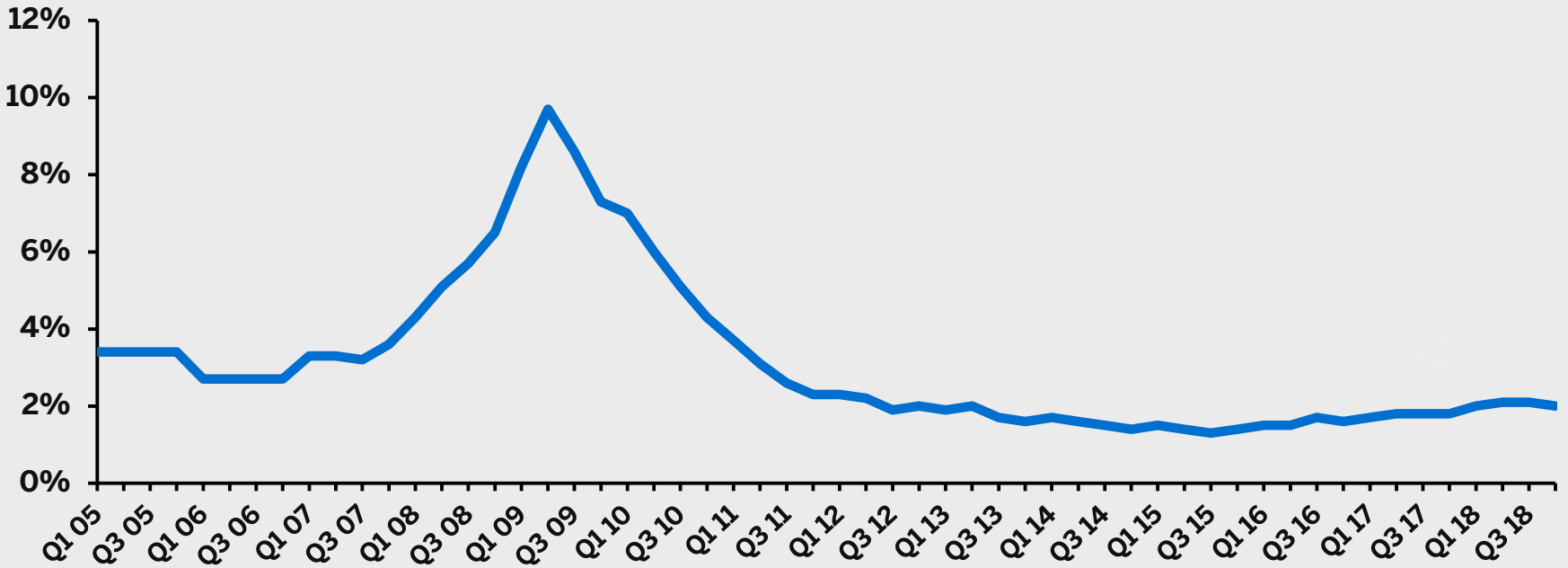
…and through-the-cycle risk decisions…

Risk Management Actions

- **Credit line management**
- **Pricing actions**
- **Tighten underwriting standards**
- **Tighten guardrails in higher-risk channels**
- **Rebalance acquisition toward higher credit channels**
- **Improved collections process**

...which leads to overall credit metrics at historical lows...

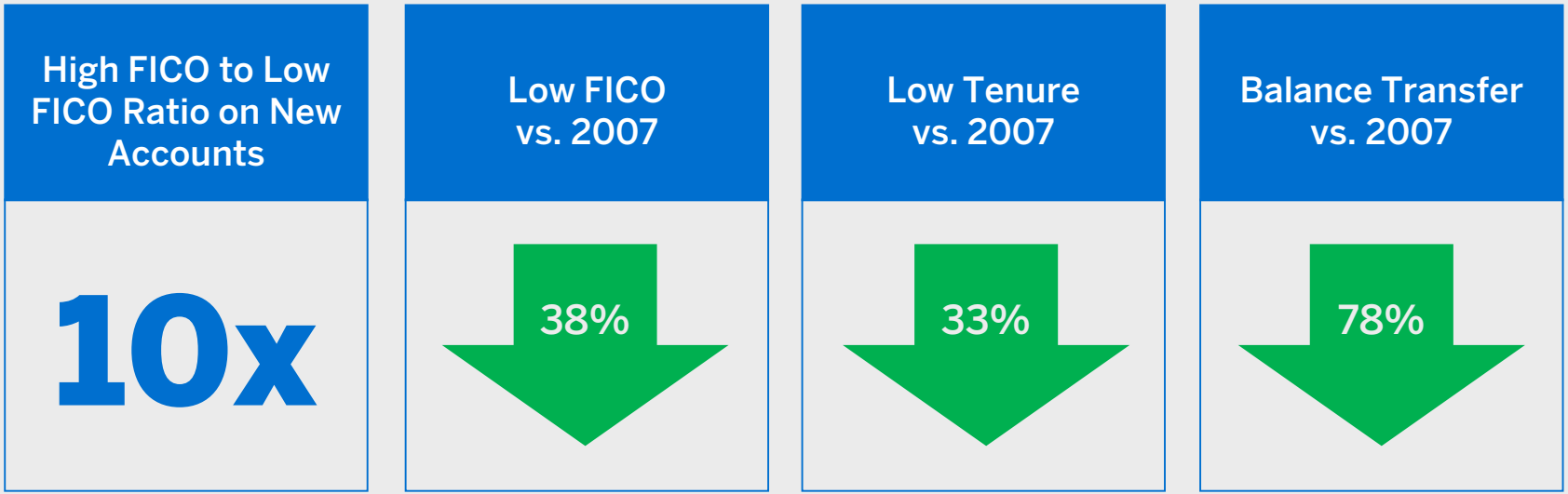
Total AXP Write-Off Rates



Q1'05-Q4'06 estimated based on managed full year write offs, principal only. 2007 -2010 based on managed write off rates, refer to Annex P for reconciliation. 2011-2018 represents reported write off rates, principal only.

...as well as a high quality loan portfolio

U.S. Consumer Credit Statistics - % of Total Loans (2018)

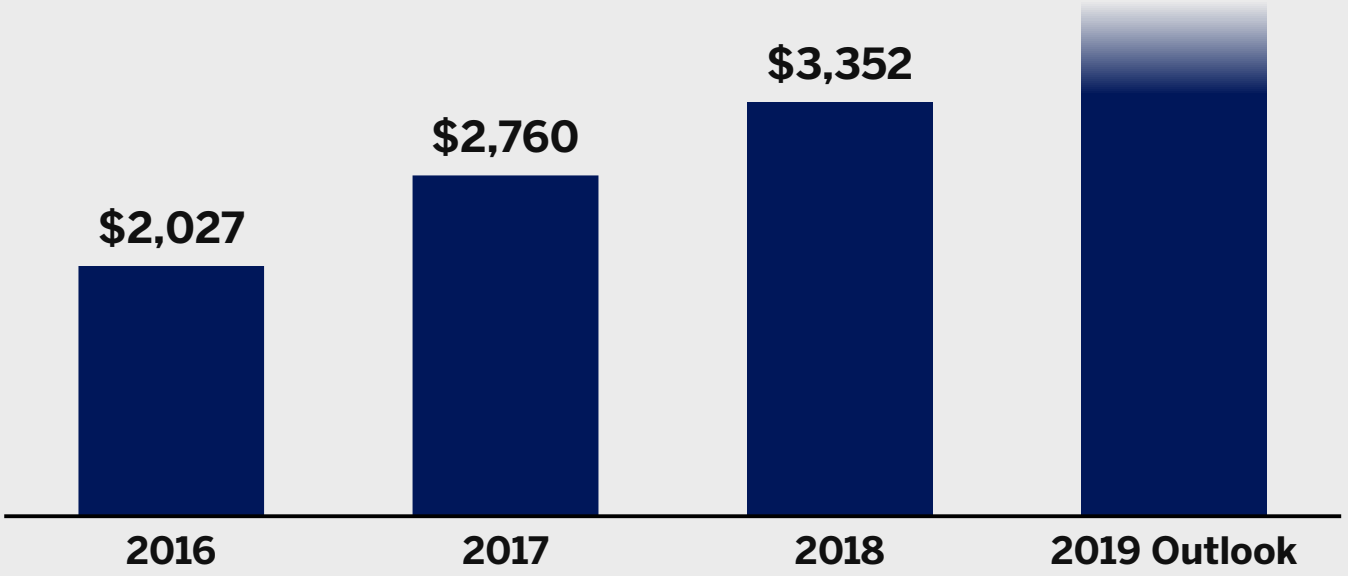


High FICO to Low FICO ratio based on acquisition as of December 2018. High FICO defined as above 720. Low FICO defined as below 660. Low Tenure refers to Customers with less than 2 years tenure. See Annex Q.

Putting all of this together, we expect 2019 Provision growth of less than 30%

2019 Outlook: Provision growth < 30%

$ in millions



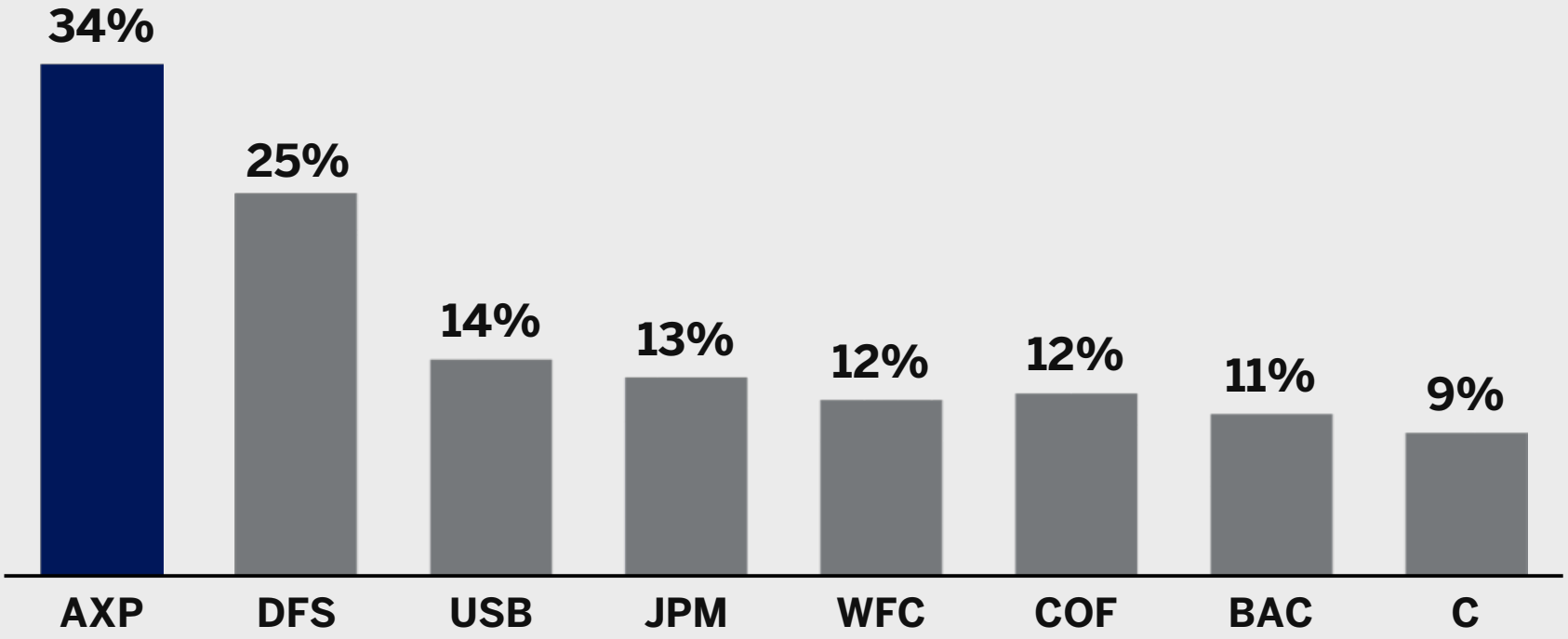
AXP Financial Model

We are focused on driving topline growth that delivers steady and consistent earnings per share growth, generated by:

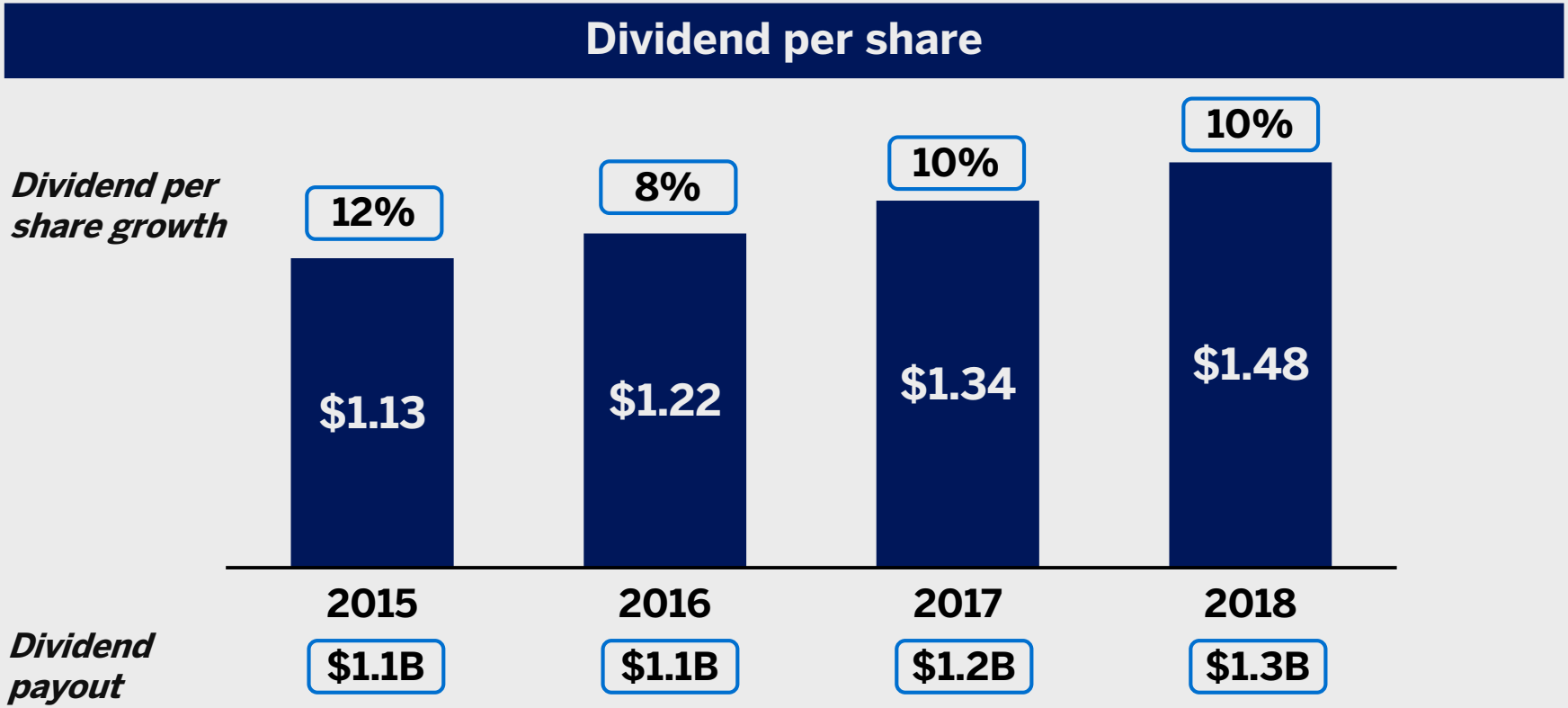
- Broad-based and sustainable **revenue** growth
- Increasingly efficient **investments** in areas that drive share, scale and relevance
- Our long-standing history of driving **operating expense leverage,** which mitigates the impact of margin compression from investment growth
- A disciplined approach to **risk management**
- A disciplined approach to **capital deployment** leveraging our high ROE businesses to create value for shareholders

Our business generates strong return on equity

2018 Return on Equity

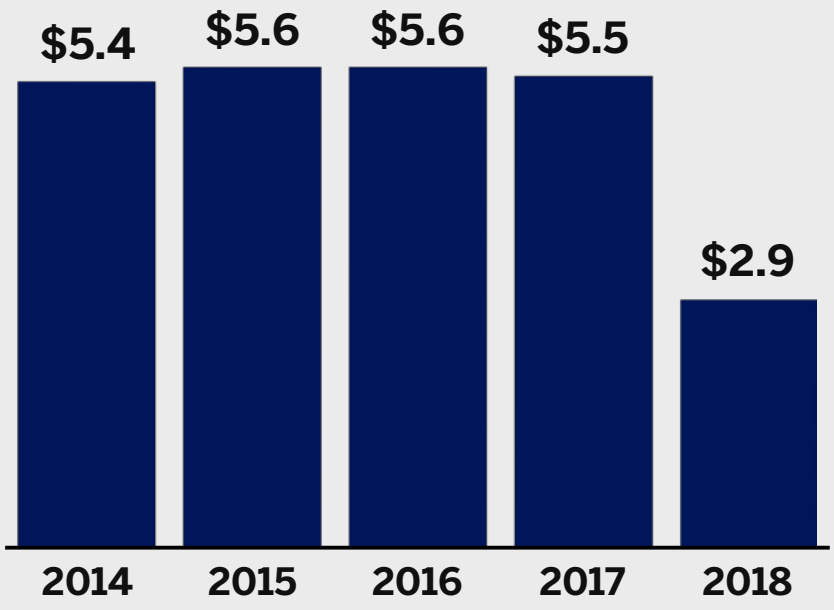


We have a track record of increasing our dividends...

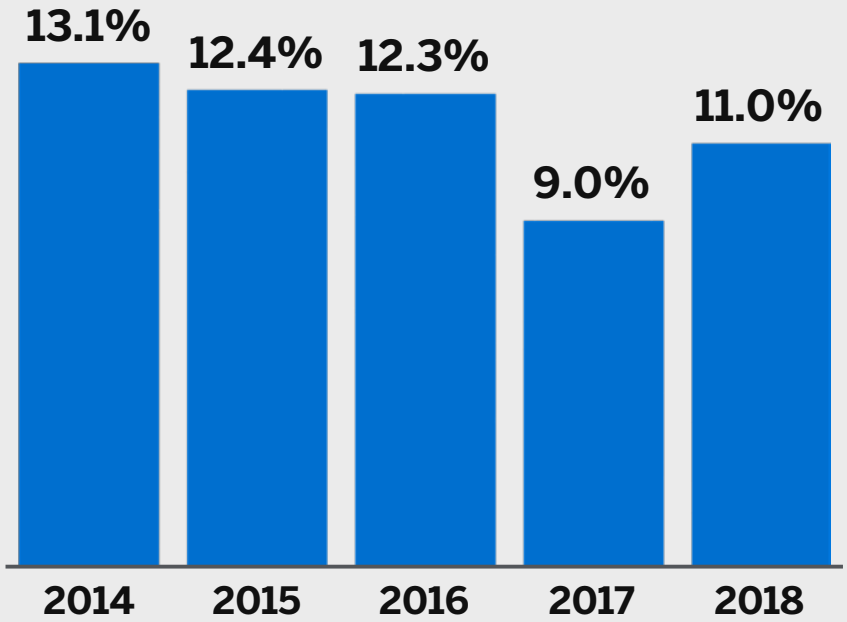


...and returning capital to shareholders while achieving our CET1 target capital range of 10-11%

Capital Return ($B)



Common Equity Tier 1



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Q1 2019 is off to a solid start…

- **Billings and loans growth**
- **Revenue growth**
- **Provision**
- **Customer Engagement**

… and we remain committed to our full year 2019 guidance

2019
Revenue Growth:
8-10%
EPS:
$7.85 - $8.35

The 2019 adjusted EPS guidance, a non-GAAP measure, is subject to contingencies and legal settlements. A reconciliation to EPS guidance on a GAAP basis is not available without unreasonable efforts.

Key Themes

- We have strong momentum in our core business and a foundation for growth
- We will accelerate progress against our strategic imperatives by:
  - Focusing on our customers as a platform for growth
  - Expanding strategic partnerships
  - Focusing our international strategy
- Today, we're going to highlight progress we're making against two of our strategic imperatives
  - B2B – we are positioned to add scale and win share
  - Digital – we are a digital-first company
- Our financial growth algorithm enables us to focus on sustaining high levels of revenue growth that deliver steady and consistent double-digit EPS growth

AMERICAN EXPRESS

Q&A

Glossary

- Adjusted net interest income — Represents net interest income attributable to Card Member loans and loans Held for Sale (HFS) (which includes, on a GAAP basis, interest that is deemed uncollectible), excluding the impact of interest expense and interest income not attributable to Card Member loans.
- AI - Artificial Intelligence
- AP - Accounts Payable
- API - Application programming interface
- Average discount rate — This calculation is generally designed to reflect the average pricing at all merchants accepting American Express cards and represents the percentage of proprietary and GNS billed business retained by us from merchants we acquire, or from merchants acquired by third parties on our behalf, net of amounts retained by such third parties.
- Billed business — Represents transaction volumes (including cash advances) on cards and other payment products issued by American Express (proprietary billed business) and cards issued under network partnership agreements with banks and other institutions, including joint ventures (GNS billed business). In-store spending activity within GNS retail cobrand portfolios, from which we earn no revenue, is not included in billed business. Billed business is reported as in the United States or outside the United States based on the location of the issuer.
- Billed business acquired (spend from new customers) — Reflects the first 12 months of spending for a new customer acquired. For customers acquired less than 12 months prior, internal estimates have been used for their expected spending over the 12 month period. Digital billed business acquired is new spend that was acquired through a digital channel (mobile, tablet, web) vs. phone or direct mail.
- Card Member loans — Represents the outstanding amount due from Card Members for charges made on their American Express credit cards, as well as any interest charges and card-related fees. Card Member loans also include revolving balances on certain American Express charge card products.
- Common Equity Tier 1 (CET1) – Common Equity Tier 1 Risk-Based Capital Ratio, calculated as Common Equity Tier 1 capital, divided by risk-weighted assets.
- Discount revenue — Primarily represents revenue earned from fees charged to merchants who have entered into a card acceptance agreement. The discount fee is generally deducted from our payment for Card Member purchases.
- Fx-adjusted information — Assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (e.g., assumes 2018 foreign exchange rates apply to 2017 results). Fx-adjusted revenues and expenses constitute non-GAAP measures.
- Net interest yield on average Card Member loans — Reflects adjusted net interest income divided by average Card Member loans, computed on an annualized basis. 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 promoter score (NPS) — Measures the level of customer advocacy for AXP acceptance. The metric is calculated from ratings given by customers in response to a question that asks the customer if they were having a conversation with a peer, how likely would they be to recommend American Express, using a 1-10 scale where “1” means “Not at all Likely” and “10” means “Extremely Likely.” Customers who respond with a rating of 9 or 10 are “Promoters” while customers who respond with a rating between 1 and 6 are “Detractors.” The Net Promoter Score is calculated by subtracting the percentage of Detractors from the percentage of Promoters. The survey, conducted annually, is done via email and phone and administered by an independent research company on behalf of American Express.

Glossary

- Net write-off rate — principal only — Represents the amount of proprietary consumer or small business Card Member loans or receivables written off, consisting of principal (resulting from authorized transactions), less recoveries, as a percentage of the average loan or receivables balance during the period.
- Net write-off rate — principal, interest and fees — Includes, in the calculation of the net write-off rate, amounts for interest and fees in addition to principal for Card Member loans and fees in addition to principal for Card Member receivables.
- Operating expenses — Represents salaries and employee benefits, professional services, occupancy and equipment, and other expenses.
- Return on average equity — Calculated by dividing one-year period net income by one-year average total shareholders' equity.
- SME — Small and mid-sized enterprises.
- Total loans — Represents Card Member loans and Other loans.

Annex A

Revenues Net of Interest Expense – Reported & Fx-Adjusted*

($ in billions)

	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	FY'17	FY'18
GAAP Revenues Net of Interest Expense	**$8.6**	**$8.9**	**$8.7**	**$9.2**	**$9.3**	**$9.7**	**$9.7**	**$10.0**	**$10.1**	**$10.5**	**$36.9**	**$40.3**
Fx-Adjusted Revenues Net of Interest*	$8.5	$8.8	$8.9	$9.2	$9.2	$9.6					$36.8	
YoY% Inc/(Dec) in GAAP Revenues Net of Interest					**8%**	**10%**	**12%**	**9%**	**9%**	**8%**		**9%**
YoY% Inc/(Dec) in Fx-Adjusted Revenues Net of Interest*					8%	8%	10%	9%	10%	10%		10%

*See glossary for an explanation of Fx-Adjusted information.

Annex B

Diluted Earnings per Share Growth

($ share amounts)

	FY'18	FY'17	Inc / (Dec)
Diluted EPS – GAAP	$7.91	$2.99	#
Resolution of certain prior years' tax audits	(0.18)		
Adjustment to Tax Act provisional charge	(0.09)		
Certain other discrete tax impacts*	(0.31)		
Tax Act provisional charge		2.90	
Q4 Discrete Tax Items	($0.58)	$2.90	
Diluted EPS – Adjusted	$7.33	$5.89	24%
Tax Rate Impacts**		0.59	
Diluted EPS – Adjusted	$7.33	$6.48	13%

**Reflects the impact of changes in the tax method of accounting for certain expenses. **Represents estimated EPS impact when applying FY'18 effective tax rate, excluding 2018 discrete tax items, to FY'17 Pre-tax Income. The FY'18 effective tax rate is not necessarily indicative of what the effective tax rate would have been in FY'17 had the lower U.S. federal corporate income tax rate as a result of the Tax Cuts and Jobs Act been effective for that year. # Denotes a variance of more than 100%.*

Annex C

Billed Business – Reported & Fx-Adjusted*

% Increase/(decrease) vs. prior year

	FY'18
US Consumer Proprietary	
Reported	10%
Int'l Consumer Proprietary	
Reported	17%
Fx-Adjusted*	17%
Total Proprietary	
Reported	11%
Fx-Adjusted*	11%

	FY'18
GCS	
Reported	11%
Fx-Adjusted*	11%
Worldwide	
Reported	9%
Fx-Adjusted*	9%

*See glossary for an explanation of Fx-adjusted information.

Annex D

Total Loans – Reported

($ in billions)

	FY'18	FY'17	Inc / (Dec)
US Consumer			
CM Loans	$59.9	$53.6	12%
Other Loans	$2.0	$1.3	55%
Total Loans	$61.9	$54.9	13%
International Consumer			
CM Loans	$9.6	$8.7	10%
Other Loans	$0.1	$0.1	0%
Total Loans	$9.7	$8.8	10%
GCS			
CM Loans	$12.4	$11.1	12%
Other Loans	$1.7	$1.3	32%
Total Loans	$14.1	$12.4	14%
AXP			
CM Loans	$81.9	$73.4	12%
Other Loans	$3.8	$2.7	41%
Total Loans	$85.7	$76.1	13%

Annex E

GCS Billed Business, Total Loans and Revenue Growth

($ in billions)

	FY'18	FY'17	Inc / (Dec)
GCS Billed Business	**$486**	**$438**	**11%**
Fx-Adjusted GCS Billed Business*		$438	11%
US SME Billed Business	**$304**	**$276**	**10%**
Int'l SME Billed Business	**$58**	**$48**	**21%**
Fx-Adjusted Int'l SME Billed Business*		$47	23%
Global & Large Billed Business	**$124**	**$114**	**8%**
Fx-Adjusted Global & Large Billed Business*		$114	8%
GAAP GCS Total Loans	**$14**	**$12**	**14%**
Fx-Adjusted GCS Total Loans*		$12	14%
GAAP GCS Revenues Net of Interest Expense	**$13**	**$12**	**8%**
Fx-Adjusted GCS Revenues Net of Interest Expense*		$12	8%

**See glossary for an explanation of Fx-adjusted information. **FY'17 Fx-adjusted GCS Billed Business components do not sum to $438B due to rounding.*

Annex F

International SME Billed Business Growth – Top 5 Countries

% Increase/(decrease) vs. prior year

	FY'18
UK Reported	48%
UK Fx-Adjusted*	45%
Japan Reported	28%
Japan Fx-Adjusted*	27%
Canada Reported	14%
Canada Fx-Adjusted*	15%
Mexico Reported	20%
Mexico Fx-Adjusted*	23%
Australia Reported	21%
Australia Fx-Adjusted*	25%
Top 5 Int'l SME Countries Reported	24%
Top 5 Int'l SME Countries Fx-Adjusted*	25%

**See glossary for an explanation of Fx-adjusted information.*

Annex G

Revenue Breakdown – Reported & Fx-Adjusted*

($ in billions)

	FY'18	FY'17	Inc / (Dec)	Contr. to Growth ***
GAAP Discount Revenue	**$24.7**	**$22.9**	**8%**	**5%**
Fx-Adjusted Discount Revenue*		$22.9	8%	5%
GAAP Net Card Fees	**$3.4**	**$3.1**	**11%**	**1%**
Fx-Adjusted Net Card Fees*		$3.1	$12%	1%
GAAP Other Revenue**	**$4.5**	**$4.4**	**1%**	**0%**
Fx-Adjusted Other Revenue*		$4.4	1%	0%
GAAP Spend & Fee Revenue	**$32.7**	**$30.4**	**7%**	**7%**
Fx-Adjusted Spend & Fee Revenue*		$30.4	8%	7%
GAAP Net Interest Income	**$7.7**	**$6.5**	**19%**	**3%**
Fx-Adjusted Net Interest Income*		$6.4	19%	3%
Total Revenues Net of Interest Expense	**$40.3**	**$36.9**	**9%**	**10%**
Fx-Adjusted Total Revenues Net of Interest Expense*		$36.8	10%	10%

**See glossary for an explanation of Fx-adjusted information. **Represents Other Revenues and Other Fees & Commissions as reported in the Company's consolidated financial statements. ***Components of 10% contribution to growth do not sum due to rounding.*

Annex H

Historical Revenue Mix

($ in billions)

	FY'06	% of Total	FY'18	% of Total
GAAP Net Interest Income	$2.8	11%	$7.7	19%
Securitization Activities*	$1.9			
Adjusted Net Interest Income	$4.7	19%	$7.7	19%
GAAP Noninterest Income	$22.0	89%	$32.7	81%
Securitization Activities*	($1.3)			
Adjusted Noninterest Income	$20.7	81%	$32.7	81%
GAAP Revenues Net of Interest Expense	$24.8		$40.3	
Securitization Activities*	$0.6			
Adjusted Revenues Net of Interest Expense	$25.4		$40.3	

**Effective January 1, 2010, the Company's non-securitized Card Member loans and related debt performance are included in the consolidated financial statements.*

Annex I

Billed Business – Reported & Fx-Adjusted*

% Increase/(decrease) vs. prior year

	FY'18
Australia Proprietary	
Reported	22%
Fx-Adjusted*	26%
UK Proprietary	
Reported	24%
Fx-Adjusted*	21%
Japan Proprietary	
Reported	20%
Fx-Adjusted*	18%

	FY'18
Mexico Proprietary	
Reported	13%
Fx-Adjusted*	16%
EU (excl. UK) Proprietary	
Reported	16%
Fx-Adjusted*	12%
Canada Proprietary	
Reported	8%
Fx-Adjusted*	9%

**See glossary for an explanation of Fx-adjusted information.*

Annex J

Discount Revenue – Reported & Fx-Adjusted*

($ in billions)

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18
GAAP Discount Revenue	**$5.6**	**$5.4**	**$5.7**	**$5.7**	**$6.1**	**$5.9**	**$6.2**	**$6.2**	**$6.5**
Fx-Adjusted Discount Revenue*	$5.6	$5.5	$5.8	$5.7	$6.0				
YoY% Inc/(Dec) in GAAP Discount Revenue					**7%**	**9%**	**8%**	**8%**	**7%**
YoY% Inc/(Dec) in Fx-Adjusted Discount Revenue*					6%	8%	8%	9%	8%

See glossary for an explanation of Fx-adjusted information.

Annex K

Net Card Fees – Reported & Fx-Adjusted*

($ in billions)

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18
GAAP Net Card Fees	**$0.7**	**$0.7**	**$0.8**	**$0.8**	**$0.8**	**$0.8**	**$0.8**	**$0.9**	**$0.9**
Fx-Adjusted Net Card Fees*	$0.7	$0.8	$0.8	$0.8	$0.8				
YoY% Inc/(Dec) in GAAP Net Card Fees					**8%**	**11%**	**9%**	**11%**	**14%**
YoY% Inc/(Dec) in Fx-Adjusted Net Card Fees*					6%	8%	9%	12%	16%

**See glossary for an explanation of Fx-adjusted information.*

Annex L

US Card Member Loan Growth

($ in billions)

	2014	2015	2016	2017	2018
Total U.S. Card Member Loans	$62.6	$51.4	$58.3	$64.5	$72.0
CM Loans related to Costco in the U.S. and JetBlue *	$15.8				
Total U.S. CM loans excl. CM loans related to Costco in the U.S. and JetBlue	$46.8	$51.4	$58.3	$64.5	$72.0
YoY% Inc/(Dec) in Total U.S. CM Loans		(18%)	13%	11%	12%
YoY% Inc/(Dec) in Total U.S. CM loans excl. CM loans related to Costco in the U.S. and JetBlue		10%	13%	11%	12%

** Card Member loans related to cobrand partnerships with Costco in the U.S. and JetBlue were reclassified as Held For Sale as of December 2015.*

Annex M

Global Total Loan Growth

($ in billions)

	2014	2015	2016	2017	2018
Total Loans	$71.3	$59.8	$66.7	$76.1	$85.7
Total Loans related to Costco in the U.S. and JetBlue *	$15.8				
Total Loans excl. Total loans related to Costco in the U.S. and JetBlue	$55.5	$59.8	$66.7	$76.1	$85.7
YoY% Inc/(Dec) in Total Loans		(16%)	12%	14%	13%
YoY% Inc/(Dec) in Total loans excl. Total Loans related to Costco in the U.S. and JetBlue		8%	12%	14%	13%

** Card Member loans related to cobrand partnerships with Costco in the U.S. and JetBlue were reclassified as Held For Sale as of December 2015.*

Annex N

Consolidated Adjusted Net Interest Yield on Average Card Member Loans

($ in Millions, except where indicated)	2011	2012	2013	2014	2015	2016	2017	2018
GAAP Net interest income	$4,376	$4,628	$5,047	$5,472	$5,922	$5,779	$6,451	$7,663
Exclude:								
Interest expense not attributable to the Card Member loan portfolio (a)	$1,445	$1,367	$1,181	$1,019	$961	$954	$1,149	$1,456
Interest income not attributable to the Card Member loan portfolio (b)	($476)	($401)	($361)	($359)	($387)	($405)	($637)	($1,010)
Adjusted net interest income (c)	$5,345	$5,594	$5,867	$6,132	$6,496	$6,328	$6,963	$8,109
Net interest write-offs (d)	($160)	($121)	($115)	($129)	($123)	($132)	($167)	($227)
Adjusted net interest income, excluding net interest write-offs	$5,185	$5,473	$5,752	$6,003	$6,373	$6,196	$6,796	$7,882
Average Card Member loans, including HFS portfolios (billions) (e)	$59.1	$61.5	$63.3	$66.0	$69.0	$65.8	$66.7	$75.8
Net interest income divided by average Card Member loans	7.4%	7.5%	8.0%	8.3%	8.6%	8.8%	9.7%	10.1%
Net interest yield on average Card Member loans (c)	9.1%	9.1%	9.3%	9.3%	9.4%	9.6%	10.4%	10.7%
Net Interest yield on average Card Member loans, excluding net interest write-offs (d)	8.8%	8.9%	9.1%	9.1%	9.2%	9.4%	10.2%	10.4%
Write-off rate (principal only)	2.9%	2.1%	1.8%	1.5%	1.4%	1.6%	1.8%	2.0%
Net credit margin (Net interest income divided by average Card Member loans less write-off rate)	4.5%	5.4%	6.2%	6.8%	7.2%	7.2%	7.9%	8.1%
Net credit margin (Net interest yield on average Card Member loans, excluding net interest write-offs, less write-off rate)	5.9%	6.8%	7.3%	7.6%	7.8%	7.8%	8.4%	8.4%

a) Primarily represents interest expense attributable to maintaining our corporate liquidity pool and funding Card Member receivables.
b) Primarily represents interest income attributable to Other loans, interest-bearing deposits and our Travelers Cheque and other stored-value investment portfolio.
c) Adjusted net interest income and net interest yield on average Card Member loans are non-GAAP measures. See glossary for explanation.
d) Net interest yield on average Card Member loans is presented excluding net interest write-offs, which are in Total provisions for losses, for purposes of comparing Net interest yield on average Card Member loans with Net write-off rates (Net credit margin).
e) Beginning December 1, 2015 through to the sale completion dates, for the purposes of the calculation of net interest yield on average Card Member loans, average Card Member loans included the HFS loan portfolios.
Note: Pre- 2016 not recast for revenue recognition standard.

Annex O

Total Operating Expenses Indexed to 2010

($ in billions)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
GAAP Total Operating Expenses (OpEx)	$10.7	$12.0	$13.4	$13.0	$12.2	$11.8	$10.2	$10.9	$10.9
Operating Expenses Reclassifications	$0.2	$0.3							
Visa/MasterCard Settlement Payments	$0.9	$0.6							
GBT Operating Expenses*	($1.5)	($1.6)	($1.7)	($1.4)	($0.7)				
Q2'14 GBT Transaction Gain					$0.6				
Q2'14 GBT Transaction-related Costs					($0.1)				
AXP Foundation Contribution**					($0.0)				
Gain on Sale of Costco Portfolio							$1.1		
Restructuring Charges**			($0.4)		($0.4)		($0.4)		
Prepaid Business Services Impairment Charge						($0.4)			
US Loyalty Coalition and US Prepaid Business charges								($0.2)	
CRA Impairment/Profit Sharing**								($0.1)	
Adjusted Total OpEx	$10.3	$11.3	$11.4	$11.6	$11.6	$11.3	$10.9	$10.6	$10.9
YoY% Inc/(Dec) in GAAP Total OpEx	11%	12%	12%	-3%	-6%	-3%	-13%	7%	0%
Total GAAP OpEx Growth Indexed to 2010	~0%	~12%	~26%	~22%	~14%	~10%	~(4%)	~2%	~2%
YoY% Inc/(Dec) in Adjusted Total OpEx	12%	9%	1%	2%	0%	(2%)	(4%)	(3%)	3%
Total Adjusted OpEx Growth Indexed to 2010	0%	~9%	~10%	~12%	~12%	~10%	~5%	~3%	~6%

Represents operating performance of Global Business Travel as reported in 2010-2013 and H1'14. Does not include other Global Business Travel-related items in the periods indicated above, including impacts related to a transition services agreement that will phase out over time. To the extent comparable categories of charges were recognized in periods other than the periods indicated above, they have not been excluded.*

Not all periods are presented on a consistent basis, though the numbers presented represent the most recent publicly reported figures for the respective years.

Annex P

Net Write Off Rates (Principal Only)

	2005 FY*	2006 FY*	Q1' 07	Q2' 07	Q3' 07	Q4' 07	Q1' 08	Q2' 08	Q3' 08	Q4' 08	Q1' 09	Q2' 09	Q3' 09	Q4' 09	Q1' 10	Q2' 10	Q3' 10	Q4' 10
Reported Net Write Off Rate	3.4%	3.1%	3.4%	3.4%	3.4%	3.7%	4.5%	5.5%	5.8%	6.5%	8.0%	9.6%	9.1%	7.4%	7.0%	6.0%	5.1%	4.3%
Managed Net Write Off Rate	3.4%	2.7%	3.3%	3.3%	3.2%	3.6%	4.3%	5.1%	5.7%	6.5%	8.2%	9.7%	8.6%	7.3%	7.0%	6.0%	5.1%	4.3%

The "managed basis" presentation includes on-balance sheet Card Member loans and off-balance sheet securitized Card Member loans. Upon adoption of new GAAP effective January 1, 2010, both the company's securitized and non-securitized Card Member loans are included in the consolidated financial statements.

**2005 and 2006 estimated based on Managed and Reported Write Off Rates including Principal, Interest and Fees.*

Annex Q

U.S. Consumer – Total Loan % composition vs. 2007

	2017	2018
Total U.S. Consumer Total Loans		
Reduction in % of Loans from Low FICO	40%	38%
Reduction in % of Loans from Low Tenure	39%	33%
Reduction in % of Loans from Balance Transfers	92%	78%

Low FICO defined as below 660. Low Tenure refers to Customers with less than 2 years tenure.

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 American Express Company's current expectations regarding business and financial performance, including management's outlook for 2019, among other matters, contain words such as "expect," "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 2019 earnings per common share outlook, which will depend in part on revenue growth, credit performance and the effective tax rate remaining consistent with current expectations, the company's ability to control operating expense growth and generate operating leverage, and the company's ability to continue executing its share repurchase program; any of which could be impacted by, among other things, the factors identified in the subsequent paragraphs as well as the following: issues impacting brand perceptions and the company's reputation; 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, increases in Card Member reimbursements, restructurings, impairments and changes in reserves; the amount the company spends on customer engagement and the company's inability 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 new or renegotiated cobrand agreements than expected, which could be affected by spending volumes and customer engagement; and 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 ability of the company to achieve its 2019 revenue growth outlook, 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 and revolve balances, growth in Card Member loans and the yield on Card Member loans not remaining consistent with current expectations, the average discount rate changing by a greater amount than expected, the strengthening of the U.S. dollar beyond expectations, the willingness of Card Members to pay higher card fees, lower spending on new cards acquired than estimated, and the company's inability to address competitive pressures and implement its strategies and business initiatives, including within the premium consumer segment, commercial payments, the global network and digital environment;

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

- the average discount rate changing by a greater amount than expected, 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), pricing initiatives, competition, pricing regulation (including regulation of competitors' interchange rates in the European Union and elsewhere) and other factors;

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- the company's delinquency and write-off rates and growth of provisions for losses being higher or lower than current expectations, which will depend in part on changes in the level of loan and receivable balances and delinquencies generally as well as in macroeconomic factors, the mix of balances, newer vintages and balance transfers, 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, collections capabilities and recoveries of previously written-off loans and receivables;

- the company's ability to continue to grow loans, which may be affected by increasing competition, brand perceptions and reputation, the company's ability to manage risk, the behavior of Card Members and their actual spending and borrowing patterns, and 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 average Card Member loans not remaining consistent with current expectations, which will be influenced by, among other things, the difference between the prime rate and the company's cost of funds, changes in consumer behavior that affect loan balances (such as paydown rates), the company's Card Member acquisition strategy, product mix, credit actions, including line size and other adjustments to credit availability, changes in the level of loans at promotional rates and pricing changes, 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 their 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 additional benefits and services and greater rewards offerings; the company's ability to enhance card products and services to make them attractive to Card Members; and the pace and cost of the expansion of the company's global lounge collection;

- the actual amount to be spent on marketing and business development, which will be based in part on management's assessment of competitive opportunities; overall business performance, corporate and GNS billings and changes in macroeconomic conditions; costs related to advertising and Card Member acquisition; the company's ability to continue to shift Card Member acquisition to digital channels; contractual obligations with business partners and other fixed costs and commitments, including as a result of partnership renegotiations; 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 ability to control operating expense growth, which could be impacted by increases in costs, such as cyber, fraud or compliance expenses or consulting, legal and other professional fees, including as a result of increased litigation or internal and regulatory reviews; higher than expected employee levels; an inability to innovate efficient channels of customer interactions, such as chat supported by artificial intelligence, or customer acquisition; 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; and the level of M&A activity and related expenses;

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- the company's tax rate not remaining consistent with current expectations, which could be impacted by, among other things, the company's geographic mix of income, further changes in tax laws and regulation, unfavorable tax audits and other unanticipated tax items;

- the company's ability to strengthen its leadership in the premium segment, 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 investments, 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 extend its leadership in commercial payments, including through B2B payments and working capital, which will depend in part on competition, the willingness and ability of companies to use credit and charge cards for procurement and other business expenditures as well as use the company's products for financing needs, 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 to potential customers, the company's ability to enhance and expand its payment and lending solutions and the company's ability to grow internationally, including through digital acquisitions and customer engagement capabilities;

- the ability of the company to innovate and strengthen its global network, 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 its ability to make funds available for such investments, and technological developments, including capabilities that allow greater digital connections;

- the ability of the company to play a more essential role in the digital lives of its customers, which will depend on the company's success in evolving its products and processes for the digital environment, introducing new features in the Amex app and 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, developing digital capabilities and artificial intelligence to address travel and lifestyle needs and successfully integrating platforms we may acquire, all of which will be impacted by investment levels, new product innovation and development and infrastructure to support new products, services and benefits;

- the possibility that the company will not execute on its plans to expand merchant coverage, which will depend in part on the success of the company, OptBlue merchant acquirers and GNS partners in signing merchants to accept American Express, which could be impacted by the value propositions offered by the company to merchants and merchant acquirers for card acceptance, as well as the awareness and willingness of Card Members to use American Express cards at merchants and of those merchants to accept American Express cards;

- the ability of the company to grow internationally, 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 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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- the ability of the company to realize the benefits from its strategic partnerships, which is dependent in part on the ability of the companies to collaborate and develop capabilities, features and functionalities, successfully integrate them in their platforms and technologies and launch the solutions in accordance with agreed upon conditions;

- the possibility the actual amount the company's new Card Members spend during their first full year as Card Members will be lower than estimated, which will depend in part on factors such as changes in the economic and business environment, the company's ability to successfully identify higher spending Card Members, the effectiveness of the company's marketing and loyalty programs to continue to engage Card Members and the willingness of Card Members to sustain their spending at current levels;

- the company's deposit rates increasing faster or slower than current expectations and changes affecting the company's ability to grow Personal Savings deposits consistent with expectations, including as a result of market demand, changes in benchmark interest rates or regulatory restrictions on the company's ability to obtain deposit funding or offer competitive interest rates, which could affect the company's net interest yield and ability to fund its businesses;

- 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 company's capital levels and capital ratios; changes in the stress testing and capital planning process; the views of the company's primary regulators and rating agencies as it relates to the company's capital plans; the amount of capital required to support asset growth; the amount the company spends on acquisitions of companies; the company's results of operations and financial condition; and the economic environment and market conditions in any given period;

- a failure in or breach of the company's operational or security systems, processes or infrastructure, or those of third parties, including as a result of cyberattacks, which could compromise the confidentiality, integrity, privacy and/or security of data, disrupt its operations, reduce the use and acceptance of American Express cards and lead to regulatory scrutiny, litigation, remediation and response costs, and reputational harm;

- legal and regulatory developments, which could require the company to make fundamental changes to many of its business practices, including its ability to continue certain cobrand and agent relationships in their current form in the EU; 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 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 generally, the availability and cost of capital, unemployment rates, geopolitical conditions, Brexit, trade policies, foreign currency rates and interest rates, as well as fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, health pandemics or terrorism, any of which could significantly affect demand for and spending on American Express cards, delinquency rates, loan and receivable 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 American Express Company's Annual Report on Form 10-K for the year ended December 31, 2018 and the company's other reports filed with the Securities and Exchange Commission.

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