

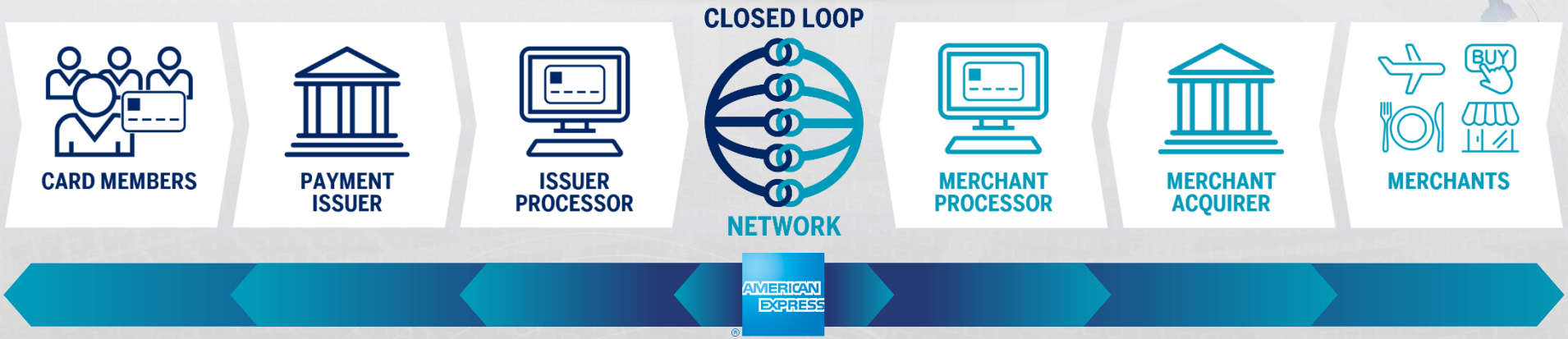
American Express Company

Goldman Sachs U.S. Financial Services Conference

December 6, 2016

AMERICAN EXPRESS

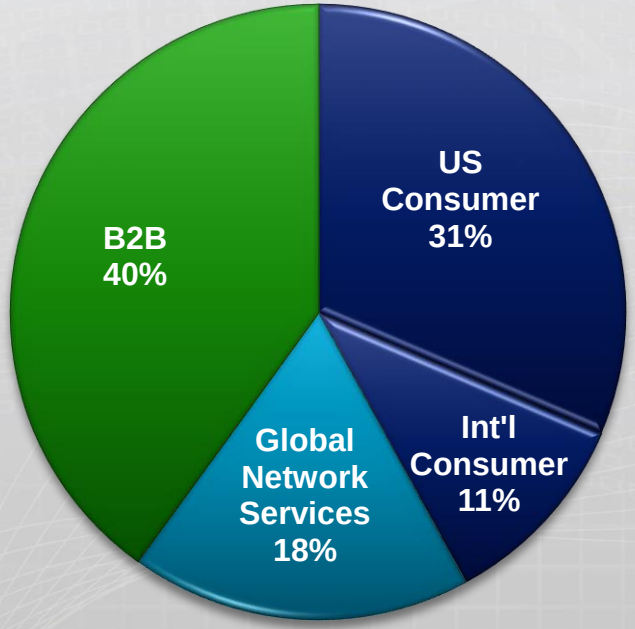
AXP Business Model



Diverse Customers and Geographies

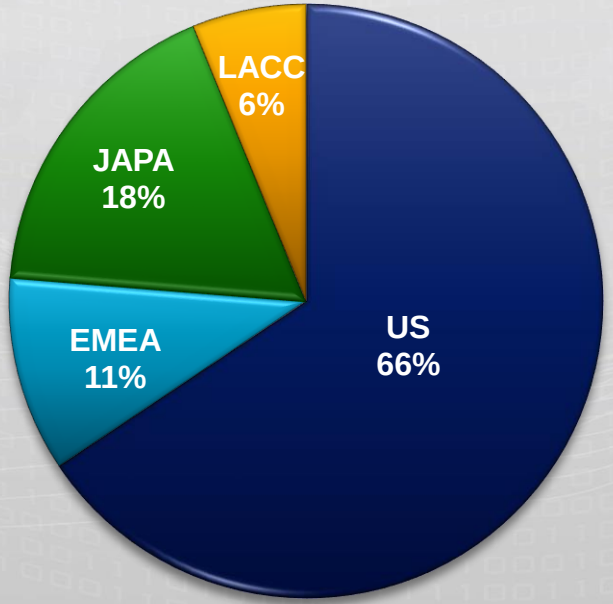
Customers

% of Billings, Q3'16

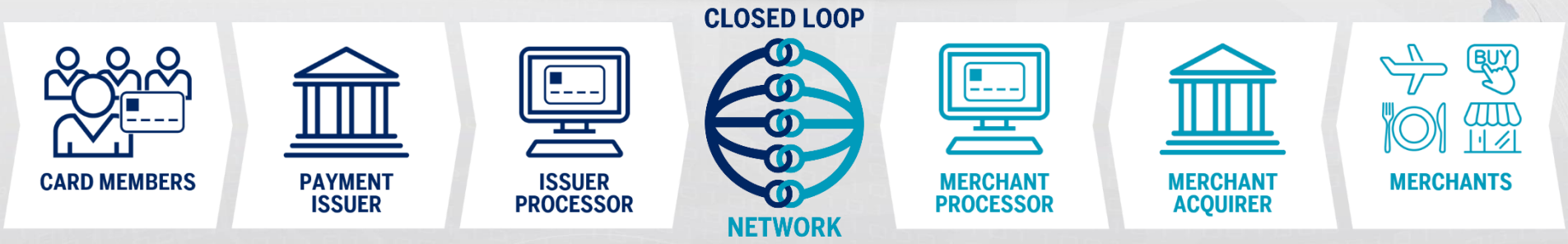


Geographies

% of Billings, Q3'16



AXP Business Model



Assets

- Trusted Brand
- Premium Positioning
- Channels
- Closed Loop Data and Information
- Travel Network
- Processing Infrastructure

Capabilities

- Marketing / Sales
- Risk Management
- Data Analytics
- Servicing
- Rewards
- Partnering
- Expense Leverage

Relationships

- Diverse Customers
- Merchants
- Corporate Clients
- Business Partners
- GNS Partners

2016 – 2017 Key Priorities

- Accelerate Revenue Growth
- Optimize Investments
- Reset the Cost Base

Progress on Investor Day Initiatives

Resetting the Cost Base

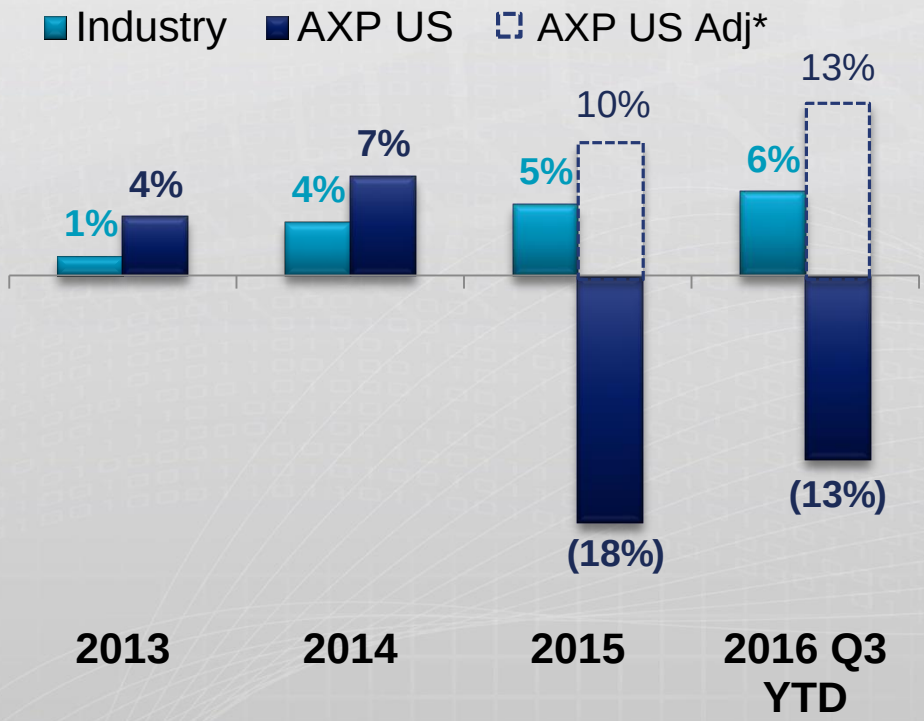
Progress on Investor Day Initiatives

Resetting the Cost Base

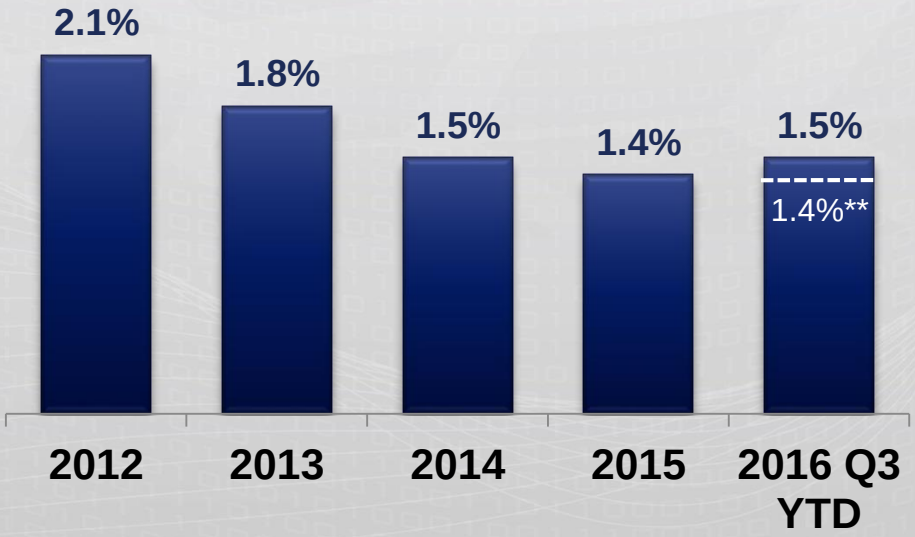
Strong Loan Growth and Credit Quality

US Loan Growth and Credit Quality

U.S. Revolving Credit YoY Growth



AXP U.S. Write-Off Rate



*Note: U.S Revolving credit growth based on non-seasonally adjusted data per Fed Consumer Credit G.19 report. *Adjusted loans exclude for Q2'15-Q3'15 Card Member balances related to cobrand partnerships with Costco in the U.S. and JetBlue, which were moved to Held For Sale as of December 2015. See Annex 1 for a reconciliation. **Adjusted write-off rate, a non-GAAP measure, excludes the Costco cobrand retained loans in Q2'16 and Q3'16.*

Progress on Investor Day Initiatives

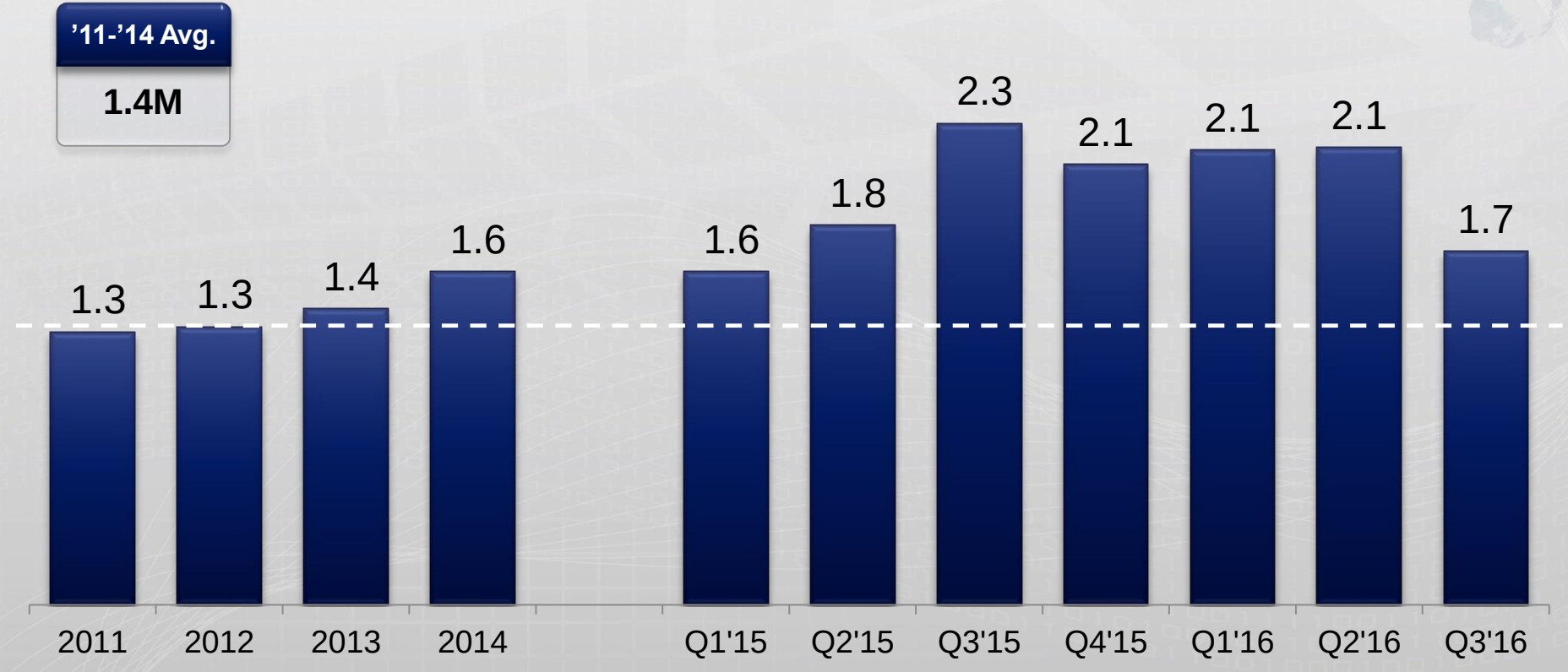
Resetting the Cost Base

Strong Loan Growth and Credit Quality

Record Number of New Card Members

AXP-Issued U.S. Card Acquisitions

Quarterly Average for 2011-2014, in millions



Progress on Investor Day Initiatives

Resetting the Cost Base

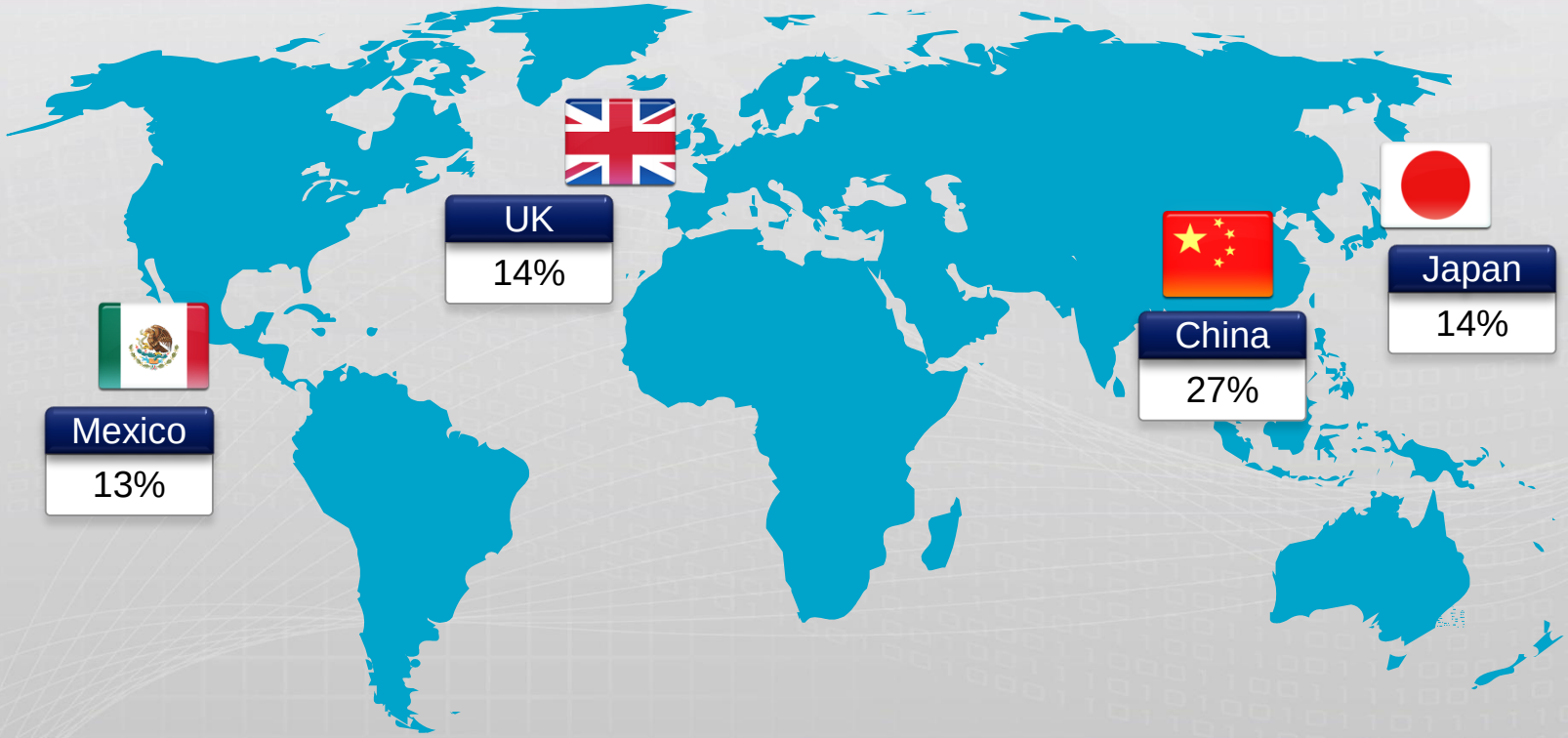
Strong Loan Growth and Credit Quality

Record Number of New Card Members

Strong International Billings Growth

International Billed Business Growth

Q3'16 YTD FX Adj % Increase/(decrease) vs. Prior year:



Progress on Investor Day Initiatives

- Resetting the Cost Base
- Strong Loan Growth and Credit Quality
- Record Number of New Card Members
- Strong International Billings Growth
- Progress on Digital Initiatives

Digital Assets and Capabilities

Digitally Acquired Cards*



Amex Checkout

Average 2015 Conversion Rate



Source: PYMNTS.com insider report, READY.SET.BUY(BUTTONS)

Digital Partnerships

UBER

airbnb

amazon

BEST BUY

ticketmaster®

Amex Offers



Millennial Engagement

- Make up 40% of digital card acquisitions*
- New Card Members are on average 5 years younger than in 2010**

Note: The trademarks, logos and service marks used on this slide and throughout this presentation are the property of their respective owners. **Represents new Global Consumer Accounts Acquired through digital channels, including desktop, mobile, tablet, mobile app, as a % of all New Global Consumer Accounts Acquired. **Represents the average age of newly acquired customers in US Consumer and US Small Business.*

Progress on Investor Day Initiatives

- Resetting the Cost Base
- Strong Loan Growth and Credit Quality
- Record Number of New Card Members
- Strong International Billings Growth
- Progress on Digital Initiatives

Marketing and Promotion Expenses

($ in millions)



Q4'16 Marketing Initiatives

- Platinum enhancements
- Q4 Shop Small promotion
- Digital initiatives
- Card acquisition efforts
- Brand advocacy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Annex 1

➲ *Adjusted Loan Growth*

($ in billions)

	Dec'12	Dec'13	Dec'14	Sep'15	Dec'15	Sep'16
Total US Loans Held for Investment	**56.0**	**58.4**	**62.6**	**62.1**	**51.5**	**53.9**
Loans Held For Investment related to Costco and JetBlue*			15.8	14.5		
Total Loans excl. Loans Held for Investment related to Costco and JetBlue	56.0	58.4	46.8	47.7	51.5	53.9
YoY Total Loans Growth on a GAAP basis		**4%**	**7%**		**(18%)**	**(13%)**
YoY Loans Growth excl. Loans Held for Investment related to Costco and JetBlue					**10%**	**13%**

**Note: Costco and JetBlue loans reclassified as Held For Sale as of December 2015.*

Annex 2

Adjusted Total Operating Expense Growth

($ in millions)

	Q3'15	Q3'16
GAAP Total Operating Expenses	**$2,847**	**$2,761**
Restructuring Charges		($44)
Adjusted Total Operating Expenses	**$2,847**	**$2,717**
YoY Growth GAAP Total Operating Expenses		**(3%)**
YoY Growth Adjusted Total Operating Expenses		**(5%)**

Note: Operating Expenses represent salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net.

Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, contain words such as "believe," "expect," "estimate," "anticipate," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," and similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The Company undertakes no obligation to update or revise any forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements, include, but are not limited to, the following:

- the Company's ability to grow in the future, which will depend in part on the following: revenues growing consistently with current expectations, which could be impacted by, among other things, weakening economic conditions in the United States or internationally, a decline in consumer confidence impacting the willingness and ability of Card Members to sustain spending, a further decline in airfare and gas prices, a further strengthening of the U.S. dollar, a greater erosion of the average discount rate than expected, a greater impact on discount revenue from cash back, GNS volumes and cobrand partner and client incentive payments, more cautious spending by large and global corporate Card Members and lower spending on new cards acquired than estimated; the Company's success in addressing competitive pressures and implementing its strategies and business initiatives, including growing profitable spending from new and existing Card Members, increasing penetration among middle market and small business clients, expanding its international footprint and increasing merchant acceptance; the level of spend in bonus categories on rewards-based and/or cash-back cards and redemptions of Card Member rewards and offers; the impact of any future restructuring charges or other contingencies, including, but not limited to, litigation-related settlements, judgments or expenses, impairments, the imposition of fines or civil money penalties, an increase in Card Member reimbursements and changes in reserves; credit performance remaining consistent with current expectations; continued growth of Card Member loans; the ability to continue to realize benefits from restructuring actions and operating leverage at levels consistent with current expectations; the amount the Company spends on growth initiatives and the Company's ability to drive growth from such investments; changes in interest rates beyond current expectations; the impact of regulation and litigation, which could affect the profitability of the Company's business activities, limit the Company's ability to pursue business opportunities, require changes to business practices or alter the Company's relationships with partners, merchants and Card Members; the Company's tax rate remaining in line with current expectations, which could be impacted by, among other things, the Company's geographic mix of income being weighted more to higher tax jurisdictions than expected, changes in tax laws and regulation (including final and temporary Treasury regulations under Section 385 of the U.S. Internal Revenue Code) and unfavorable tax audits and other unanticipated tax items; the impact of accounting changes and reclassifications; and the Company's ability to continue executing its share repurchase program;

- the actual amount to be spent on marketing and promotion, including on marketing support for, and enhancements to, the Company's Platinum Card franchise, "shop small" offers, acquisition efforts and brand advertising, as well as the timing of any such spending, which will be based in part on management's assessment of competitive opportunities; overall business performance; prior commitments, contractual obligations with business partners and other fixed costs relative to revenue levels; 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;

Forward Looking Statements

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

- the ability to reduce annual operating expenses, which could be impacted by increases in significant categories of operating expenses, such as consulting or professional fees, including as a result of increased litigation, compliance or regulatory-related costs, technology costs or fraud costs; the ability of the Company to develop, implement and achieve substantial benefits from reengineering plans; higher than expected employee levels; the impact of changes in foreign currency exchange rates on costs; the payment of civil money penalties, disgorgement, restitution, non-income tax assessments and litigation-related settlements; impairments of goodwill or other assets; management's decision to increase or decrease spending in such areas as technology, business and product development and sales forces depending on overall business performance; greater than expected inflation or merit increases; the Company's ability to balance expense control and investments in the business; the impact of accounting changes and reclassifications; and the level of M&A activity and related expenses;

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

- the Company's ability to execute against its lending strategy to grow loans, which may be affected by increasing competition, brand perceptions and reputation, the Company's ability to manage risk in a growing Card Member loan portfolio, and the behavior of Card Members and their actual spending and borrowing patterns, which in turn may be driven by the Company's ability to issue new and enhanced card products, offer attractive non-card lending products, capture a greater share of existing Card Members' spending and borrowings, reduce Card Member attrition and attract new customers;

Forward Looking Statements

- the possibility that the Company will not fully execute on its plans for OptBlue to significantly increase merchant coverage, which will depend in part on the success of OptBlue merchant acquirers in signing merchants to accept American Express, which could be impacted by the pricing set by the merchant acquirers, the value proposition offered to small merchants and the efforts of OptBlue merchant acquirers to sign merchants for American Express acceptance, as well as the willingness of Card Members to use American Express cards at small merchants and of those merchants to accept American Express cards;

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

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

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

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

Forward Looking Statements

- changes affecting the ability or desire of the Company to return capital to shareholders through dividends and share repurchases, which will depend on factors such as approval of the Company's capital plans by its primary regulators, the amount the Company spends on acquisitions and the Company's results of operations and capital needs in any given period; and

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

A further description of these uncertainties and other risks can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2016 and the Company's other reports filed with the Securities and Exchange Commission.