

American Express Company

2016 Annual Shareholder Meeting

May 2, 2016

AMERICAN EXPRESS

Financial Performance

($ in billions; except per share amounts)

	FY'15	FY'14	FY'15 Inc/(Dec)
Total Revenues Net of Interest Expense	$32.8	$34.2	(4%)
*Adjusted for FX, GBT & Concur**		*$31.5*	*4%*
Diluted EPS	$5.05	$5.56	(9%)
Adj. Diluted EPS†	*$5.38*		
Return on Average Equity	24%	29%	

** FX-adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (i.e., assumes 2015 foreign exchange rates apply to 2014 results). Certain amounts included in the calculations of FX-adjusted revenues and expenses, which constitute non-GAAP measures, are subject to management allocations. Total revenues net of interest expense, adjusted for FX and excluding Business Travel revenues from H1'14 and the gain on the Q4'14 sale of the Concur investment and related growth rates are non-GAAP measures. See Annex 1 for a reconciliation. †Adjusted Diluted EPS, a non-GAAP measure, excludes the Q4'15 Enterprise Growth charges. See Annex 2 for a reconciliation to Diluted EPS on a GAAP basis.*

Metric Trends

% increase/(decrease) vs. prior year



** See slide 2 for an explanation of FX-adjusted information. † The 2015 Adjusted Card Member loans growth rate excludes Q4'14 ending 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 (the Held For Sale portfolios), is a non-GAAP measure. See Annex 4 for a reconciliation.*

Business Performance Highlights

- Pro-active in the co-brand space
- Expense Management
- Card Member Acquisition
- Investment in International
- Merchant Network Expansion
- Growth in Lending
- Digital Capabilities and Partnerships
- Streamlined Management Structure
- Service Commitment


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Q1 2016 Highlights

- EPS of $1.45, down 2%
- Total Revenues up 2% (up 4% FX-Adjusted*)
- Return on Average Equity of 24%
- Worldwide Card Billings up 3% (up 6% FX-Adjusted*)**
- Worldwide Total Loans down 14% (up 11% Adjusted †)
- Global Net Write-off Rate: 1.5% ††
- Capital Ratios: **well capitalized**

** See slide 2 for an explanation of FX-adjusted information. **See Annex 3 for reported billings growth rates .† Total Loans reflects Card Member loans held for investment and Other loans. Adjusted loans excludes Q1'15 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 (the Held For Sale portfolios). The related growth rate, which also excludes the impact of foreign exchange rates, is a non-GAAP measure. See Annex 5 for a reconciliation. †† Rate reflects principal losses only. See Statistical Tables in the Company's First Quarter 2016 Earnings Release for net write-off rates including interest and/or fees.*


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Annex 1

Revenue Net of Interest Adjusted for FX, Global Business Travel and Concur

($ in billions)

	2014	2015	Q1'15	Q1'16
GAAP Revenue Net of Interest Expense	$34.2	$32.8	$8.0	$8.1
Global Business Travel Revenue Net of Interest*	($0.7)			
Q4'14 Gain on Sale of Concur Investment	($0.7)			
Revenue Net of Interest Excluding GBT and Concur	$32.7	$32.8	$8.0	$8.1
FX** - Adjusted Revenue Net of Interest Excluding GBT and Concur	$31.5		$7.8	
YoY% Increase/Decrease in GAAP Revenue Net of Interest		**(4%)**	**(3%)**	**2%**
YoY% Increase/Decrease in Adjusted Revenue Net of Interest Excluding GBT and Concur		**0%**	**1%**	**2%**
YoY% Increase/Decrease in FX- Adjusted Revenue Net of Interest Excluding GBT and Concur		**4%**	**5%**	**4%**

*Note: In Q1'15, the Company reclassified amounts related to certain payments to co-brand partners reducing both marketing and promotion expense and discount revenue. Prior periods have been revised to conform to the current period presentation. * Represents operating performance of Global Business Travel as reported in H1'14. Does not include other Global Business Travel-related items, including equity earnings from the joint venture and impacts related to a transition services agreement that will phase out over time. **See Slide 2 for an explanation of FX-adjusted information.*

Annex 2

Adjusted Net Income & Diluted EPS

($ in millions)

	Q4'15	FY'15
Net Income	$899	$5,163
Q4'15 Enterprise Growth Impairment Charge, After-tax*	$335	$335
Adjusted Net Income	$1,234	$5,498
Adjusted Net Income Attributable to Common Shareholders	$1,208	$5,398
Diluted EPS Attributable to Common Shareholders	**$0.89**	**$5.05**
Adjusted Diluted EPS Attributable to Common Shareholders	**$1.23**	**$5.38**

**The Q4'14 Enterprise Growth charge was driven primarily by the impairment of goodwill and technology, plus some restructuring costs.*

Annex 3

*Billed Business – Reported & FX-Adjusted**

% Increase/(decrease) vs. prior year

	2013	2014	2015	Q1'16
Worldwide				
Reported	7%	7%	2%	3%
FX-Adjusted	8%	9%	6%	6%

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

Annex 4

Adjusted Card Member Loan Growth

($ in billions)

	2014	2015
Card Member Loans Held for Investment	$70.4	$58.6
Loans Held for Investment related to Costco in the U.S. and JetBlue	$15.8	
Card Member Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue*	$54.6	$58.6
YoY Card Member Loans Growth on a GAAP basis		**(17%)**
YoY Card Member Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and JetBlue*		**7%**

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

Annex 5

Adjusted Total Loan Growth

($ in billions)

	Q1'15	Q1'16
Total Loans Held for Investment	$67.8	$58.6
Loans Held for Investment related to Costco in the U.S. and JetBlue	$14.6	
Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue*	$53.2	$58.6
FX-Adj. Total Loans excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**	$52.7	
YoY Total Loans Growth on a GAAP basis		**(14%)**
YoY Total FX-Adj. Loans Growth, excl. Loans Held for Investment related to Costco in the U.S. and JetBlue**		**11%**

**Costco and JetBlue loans reclassified as Held For Sale as of December 2015. **See slide 2 for an explanation of FX-adjusted information.*

Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance and which include management's outlook for 2016-2017, among other matters, contain words such as "believe," "expect," "estimate," "anticipate," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," and similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The Company undertakes no obligation to update or revise any forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements, include, but are not limited to, the following:

- the Company's ability to achieve its earnings per common share outlook for 2016 and 2017, which will depend in part on the following: an acceleration of billed business and revenue growth above the level generated in 2015, 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, continued 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, growing loyalty coalitions and increasing merchant acceptance; the timing and impact of the expected sale of the Costco U.S. Card Member loan portfolio; realizing incremental economics associated with the Costco U.S. contract extension, which could be impacted by, among other things, Card Member behavior, including the desire of Costco U.S. Card Members to continue to use their Costco U.S. cobrand cards and the availability to those Card Members of other payment forms; the impact of any potential restructuring charges or other contingencies, including, but not limited to, litigation-related expenses, impairments, the imposition of fines or civil money penalties, an increase in Card Member reimbursements and changes in reserves; credit performance remaining in line with current expectations; continued growth of Card Member loans held for investment; 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; 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 being in the 34-35% range, which could be impacted by, among other things, the Company's geographic mix of income being weighted more to higher tax jurisdictions than expected 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;

Forward Looking Statements

- the actual amount to be spent on growth initiatives, 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, the amount of any potential gain arising from a sale of the Costco U.S. Card Member loan portfolio management decides to invest in the business, 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 performance, and the Company's ability to realize efficiencies, optimize investment spending and control expenses to fund such spending;

- the ability of the Company to reduce its overall cost base by $1 billion by the end of 2017, which will depend in part on the timing and financial impact of future 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, underestimating hiring needs related to some of the job positions being eliminated and other employee needs not currently anticipated, lower than expected attrition rates and higher than expected redeployment rates; the ability of the Company to identify synergies and redundancies within its organizational structure, as well as reduce management layers; 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 mailing costs, competitive pressures that may require additional expenditures or limit the Company's ability to reduce costs, 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;

Forward Looking Statements

- the Company's ability to execute against its lending strategy to grow Card Member loans held for investment as well as merchant financing and other non-card loans without changing the overall risk profile of the Company as well as non-card 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 services and rewards programs, attract new Card Members, reduce Card Member attrition and capture a greater share of existing Card Members' spending and borrowings;

- uncertainties associated with the timing and impact of the expected sale of the Costco U.S. Card Member loan portfolio, such as operational issues related to the transfer of Card Member loans and accounts, the parties' ability to satisfy the closing conditions and the amount of any gain recognized by the Company as a result of a sale, which could be impacted by the credit quality and performance of the portfolio, the amount of any volume decline experienced by the cobrand portfolio and the timing of the potential sale as the gain will be determined by the amount of the aggregate outstanding loans transferred at closing;

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

- the Company's ability to attract and retain Card Members, which will be impacted in part by competition, brand perceptions 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 update systems and platforms to support new products, services and benefits;

- uncertainty relating to the ultimate outcome of the antitrust lawsuit filed against the Company by the U.S. Department of Justice and certain state attorneys general, including the success or failure of our appeal and the impact on existing private merchant cases and potentially additional litigation and/or arbitrations;

Forward Looking Statements

- changes affecting the ability or desire of the Company to return capital to shareholders through dividends and share repurchases, including the opportunity for incremental capital returns related to the Costco U.S. portfolio sale, 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, including consumer and business spending, the availability and cost of capital, unemployment and political conditions, foreign currency rates, fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, health pandemics, terrorism, cyber attacks or fraud, which could significantly affect spending on American Express cards, delinquency rates, loan balances and travel-related spending or disrupt the Company's global network systems and ability to process transactions.

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