

Tax Information for Ameriprise Spin-off

October 3, 2005

Dear American Express Shareholder:

On September 30, 2005, American Express Company (“American Express”) distributed all of the shares of common stock of Ameriprise Financial, Inc. (“Ameriprise”) to the shareholders of American Express. American Express and Ameriprise are now two independent, publicly owned companies. This letter contains a general explanation of certain U.S. Federal income tax consequences of the distribution for American Express shareholders. Also enclosed with this letter is a form of Tax Information Statement that must be filed by U.S. shareholders with their 2005 U.S. Federal income tax returns.

CONSULT YOUR TAX ADVISOR

The information in this letter represents our general understanding of the application of certain existing U.S. Federal income tax laws and regulations relating to the distribution. It does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. *You should consult your own tax advisor regarding the particular consequences of the distribution to you, including the applicability and effect of all U.S. Federal, state and local and foreign tax laws.*

INFORMATION ABOUT THE DISTRIBUTION

American Express shareholders of record as of September 19, 2005 will receive a distribution of full shares of Ameriprise common stock based on a distribution ratio of one share of Ameriprise common stock for every five shares of American Express common stock. Those shareholders entitled to a fractional share of Ameriprise common stock will receive a cash payment instead of a fractional share. The fractional shares of Ameriprise common stock will be aggregated and sold through an independent agent, and the proceeds will be paid to shareholders entitled to a fractional share.

GENERAL TAX INFORMATION

American Express received a private letter ruling from the Internal Revenue Service and an opinion of counsel (which is not binding on the Internal Revenue Service) to the effect that the distribution of Ameriprise common stock generally qualifies as a tax-free distribution for U.S. Federal income tax purposes. If the distribution is tax-free, shareholders generally will not recognize gain or loss on the receipt of Ameriprise common stock, except in connection with cash received in lieu of a fractional share. The taxable gain or loss recognized for U.S. Federal income tax purposes in respect of a fractional share will generally equal the difference, if any, between the cash received and the shareholder’s tax basis in the fractional share (which may be determined as described below).

GUIDANCE ON HOW TO DETERMINE AND ALLOCATE TAX BASIS

As a consequence of the distribution, you will need to allocate the tax basis in your American Express shares immediately before the distribution between your American Express shares and your newly-received Ameriprise shares (including any Ameriprise fractional share for which you receive cash). If you purchased your shares of American Express common stock for cash, the tax basis in your American Express shares would generally equal the cost of these shares including commissions. If you received your American Express shares as a gift, through an employee compensation arrangement, or through some other means, we recommend that you consult your own tax advisor to determine your tax basis in these shares. If you acquired shares at different times, you will need to make separate basis calculations for each group of shares.

The allocation of tax basis between shares of American Express common stock and Ameriprise common stock you receive in the distribution is based on their relative fair market values immediately after the distribution. U.S. Federal income tax law does not specify how to determine these fair market values. We believe that one appropriate approach is to use (i) in the case of American Express shares, the official New York Stock Exchange only adjusted closing price of American Express common stock on the September 30, 2005 distribution date, which is \$50.28, and (ii) in the case of Ameriprise shares, the official New York Stock Exchange only closing price of Ameriprise common stock trading “when issued” on September 30, 2005, which is \$35.80, divided by 5 (which reflects the distribution ratio), or \$7.16. You are not bound by this approach and may, in consultation with your tax advisor, use another approach in determining fair market values for American Express shares and Ameriprise shares.

Based on the approach described above, your aggregate tax basis in American Express common stock immediately prior to the distribution would be allocated between your American Express shares and your newly-received Ameriprise shares (including any Ameriprise fractional share) in accordance with the following percentages:

<u>Shares</u>	<u>Allocation of Basis Percentage</u>
American Express Shares	87.53%
Ameriprise Shares	12.47

HYPOTHETICAL EXAMPLE OF TAX BASIS ALLOCATION

The following is an example of how the basis allocation may be applied based on the approach described above and the following assumptions:

Assumptions:

Number of American Express shares owned by shareholder	1,004
Shareholder's total tax basis (\$20 per share)(A)	\$20,080
Number of Ameriprise shares received in the distribution (including fractional shares) (1,004 shares of American Express common stock/5)	200.80

Tax Basis Allocation:

	Number of Shares Owned	NYSE Only Closing Price (9/30/05)	Percentage of Total Market Value (B)	Allocated Total Tax Basis = A x B	Allocated Tax Basis Per Share
American Express Shares	1,004	\$50.28	87.53%	\$17,576.02 (\$20,080 x 87.53%)	\$17.51
Ameriprise Shares	200.80	\$35.80	12.47%	\$2,503.98 (\$20,080 x 12.47%)	\$12.47*
Totals			100%	\$20,080.00	

*Tax basis in a fractional share may be computed by multiplying the allocated tax basis per share, in this example \$12.47, by the fraction of the share sold, in this example four-fifths (0.8), resulting in a basis of \$9.98.

SHAREHOLDER STATEMENT TO BE FILED WITH U.S. TAX RETURN

U.S. Treasury Department regulations require that you sign and attach to your U.S. Federal income tax return a statement setting forth certain prescribed information about the distribution. We are enclosing a proposed statement that you may want to consider using for this purpose after consulting your tax advisor.

If you have any questions, please contact the American Express Corporate Secretary's Office at 212-640-2555 or 212-640-5583.

Sincerely,

Stephen P. Norman
Corporate Secretary

**INFORMATION STATEMENT PURSUANT TO TREASURY REGULATIONS SECTION
1.355-5(b) BY A SHAREHOLDER THAT RECEIVED A DISTRIBUTION OF STOCK IN
AMERIPRISE FINANCIAL, INC.**

On September 30, 2005, American Express Company, a New York corporation ("American Express"), distributed (the "Distribution") all the outstanding shares of common stock of Ameriprise Financial, Inc., a Delaware corporation and a wholly-owned subsidiary of American Express ("Ameriprise"), to the holders of record of American Express common stock as of 5 P.M. EDT on September 19, 2005 (the "Record Time"). As a result of the Distribution, each American Express shareholder of record as of the Record Time was entitled to receive one share of Ameriprise common stock for each five shares of American Express common stock held by such shareholder as of the Record Time.

1. Name, address and employer identification number of the distributing corporation:

American Express Company
200 Vesey Street
New York, NY 10285
EIN: 13-4922250

2. Name, address and employer identification number of the controlled corporation:

Ameriprise Financial, Inc.
707 2nd Avenue, South
Minneapolis, MN 55474
EIN: 13-3180631

3. The undersigned was a shareholder owning shares of American Express common stock as of the Record Time and solely received shares of Ameriprise common stock in the Distribution, except possibly for cash received in lieu of a fractional share of Ameriprise common stock, which was aggregated with fractional shares of other shareholders and sold by a transfer agent.
4. The undersigned did not surrender any stock or securities in American Express in connection with the Distribution.
5. American Express received a private letter ruling from the Internal Revenue Service and an opinion of its counsel to the effect that the Distribution will generally qualify as tax-free under Sections 368(a)(1)(D) and 355 of the Internal Revenue Code of 1986, as amended.

Shareholder's Name (please print)

Taxpayer's Signature

Taxpayer's Identification Number or
Social Security Number

THIS STATEMENT SHOULD BE COMPLETED AND ATTACHED TO YOUR 2005 FEDERAL INCOME TAX RETURN. IT SHOULD NOT BE SENT TO AMERICAN EXPRESS OR AMERIPRISE.