

---

# Section 1: 8-K (FORM 8-K OF AMERICAN EXPRESS COMPANY)

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 18, 2018

# AMERICAN EXPRESS COMPANY

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction  
of incorporation or organization)

1-7657

(Commission File Number)

13-4922250

(IRS Employer Identification No.)

200 Vesey Street  
New York, New York

(Address of principal executive offices)

10285

(Zip Code)

Registrant's telephone number, including area code: (212) 640-2000

Not Applicable

(Former name or former address, if changed since last  
report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

---

---

---

## Item 2.02 Results of Operations and Financial Condition and Item 7.01 Regulation FD Disclosure

The following information is furnished under Item 2.02 – Results of Operations and Financial Condition and Item 7.01 – Regulation FD Disclosure:

On July 18, 2018, American Express Company (the "Company") issued a press release regarding its financial results for the second quarter of 2018. A copy of such press release is attached to this report as Exhibit 99.1. The Company also made available additional information relating to the financial results for the second quarter of 2018. Such additional financial information is attached to this report as Exhibit 99.2.

An investor conference call will be held at 5:00 p.m. (ET) on July 18, 2018 to discuss second-quarter earnings results. Live audio and presentation slides for the investor conference call will be available to the general public on the American Express Investor Relations website at <http://ir.americanexpress.com>. A replay of the conference call will be available at the same website address. This quarter, there will also be a listen-only conference call available to the general public at 1-800-260-0719, participant access code 452125. The presentation slides will also be available on the American Express website at <http://about.americanexpress.com>.

### Exhibit Description

- |      |  |
|------|--|
| 99.1 | <a href="#"><u>Press Release, dated July 18, 2018, of American Express Company regarding its financial results for the second quarter of 2018.</u></a> |
| 99.2 | <a href="#"><u>Additional information relating to the financial results of American Express Company for the second quarter of 2018.</u></a>            |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN EXPRESS COMPANY  
(REGISTRANT)

By: /s/ Tangela S. Richter  
Name: Tangela S. Richter  
Title: Corporate Secretary

Date: July 18, 2018

-3-

[\(Back To Top\)](#)

**Section 2: EX-99.1 (EXHIBIT 99.1)**

**EXHIBIT 99.1**

**News Release**

**News Release**

**News Release**

**News Release**



**FOR IMMEDIATE RELEASE**

***Media Contact:***

Marina H. Norville, marina.h.norville@aexp.com, +1.212.640.2832

***Investors/Analysts Contacts:***

Edmund Reese, edmund.reese@aexp.com, +1.212.640.5574

Shreya Patel, shreya.patel@aexp.com, +1.212.640.5574

**AMERICAN EXPRESS REPORTS SECOND-QUARTER EPS OF \$1.84**

**REVENUES RISE 9 PERCENT WITH BROAD-BASED GROWTH IN CARD MEMBER SPENDING AND LOANS**

**COMPANY REAFFIRMS FULL-YEAR EPS GUIDANCE AT HIGH-END OF \$6.90 TO \$7.30 OUTLOOK**

(Millions, except percentages and per share amounts)

**Quarters Ended**

**Six Months Ended**

	June 30,		Percentage Inc/(Dec)	June 30,		Percentage Inc/(Dec)
	2018	2017		2018	2017	
Total Revenues Net of Interest Expense	\$ 10,002	\$ 9,172	9	\$ 19,720	\$ 17,881	10
Net Income	\$ 1,623	\$ 1,344	21	\$ 3,257	\$ 2,595	26
<b>Earnings Per Common Share – Diluted:</b>						
Net Income Attributable to Common Shareholders <sup>1</sup>	\$ 1.84	\$ 1.47	25	\$ 3.70	\$ 2.82	31
Average Diluted Common Shares Outstanding	862	893	(3)	862	898	(4)

**New York – July 18, 2018 - American Express Company (NYSE: AXP)** today reported second-quarter net income of \$1.6 billion, up 21 percent from \$1.3 billion a year ago. Diluted earnings per share was \$1.84, up 25 percent from \$1.47 per share a year ago.

Second-quarter consolidated total revenues net of interest expense were a record \$10.0 billion, up 9 percent from \$9.2 billion a year ago. The increase reflected higher spending by consumer, small business, and corporate Card Members. Revenues for the quarter also benefitted from higher loan volumes and fee income.

Consolidated provisions for losses were \$806 million, up 38 percent from \$583 million a year ago. The increase, which was in line with the company's full-year expectations, reflected growth in the loan and charge portfolios and higher write-off rates.

Consolidated expenses were \$7.1 billion, up 7 percent from \$6.6 billion a year ago. The rise primarily reflected higher rewards expenses and costs associated with marketing and business development. The latter category included continued investments in partnerships and higher spending on growth initiatives. Operating expenses were down 2 percent from a year ago.<sup>2</sup>

<sup>1</sup> Represents net income less (i) earnings allocated to participating share awards of \$12 million and \$11 million for the three months ended June 30, 2018 and 2017, respectively, and \$25 million and \$21 million for the six months ended June 30, 2018 and 2017, respectively, and (ii) dividends on preferred shares of \$20 million and \$19 million for the three months ended June 30, 2018 and 2017, respectively, and \$41 million and \$40 million for the six months ended June 30, 2018 and 2017, respectively.

<sup>2</sup> Operating expenses represent salaries and employee benefits, professional services, occupancy and equipment, professional services, and other expenses.

The consolidated effective tax rate was 22 percent, down from 31 percent a year ago. For consolidated results and all segments, the current quarter reflected the reduction in the U.S. federal statutory tax rate as a result of the 2017 Tax Cuts and Jobs Act.

"We are a globally integrated payments company and the power of our differentiated business model was evident throughout this quarter's results," said Stephen J. Squeri, chairman and chief executive officer. "Revenue growth was driven by broad-based increases in Card Member spending and fees. It also reflected the benefit of higher loan volumes, which that spending helped to generate.

"With total Card Member spending up 10 percent and 2.9 million new cards acquired, we are both strengthening relationships with current customers and attracting new ones through innovative products and services.

"We continued our progress towards parity coverage in the U.S., expanded our network internationally and announced new card offerings with three important business partners – Amazon, Marriott, and Wells Fargo.

"Our disciplined control of operating expenses, combined with revenue growth, gave us the flexibility to make substantial investments in our global brand campaign, additional customer benefits, and digital capabilities that will help to grow our business over the long term.

"After completing this year's Federal Reserve stress test, we received a green light to increase the quarterly dividend and are resuming our share buybacks this quarter."

Mr. Squeri also noted an important legal win during the quarter: "The U.S. Supreme Court ruled in our favor, found that our differentiated business model has spurred innovation, and ended a long-running antitrust case."

Looking ahead, Mr. Squeri said, "We expect 2018 revenues to be up at least 9 percent, and we are reaffirming our full-year EPS guidance at the high end of the \$6.90 – \$7.30 range we set earlier this year."

### **Segment Results**

As previously announced, effective for the second quarter of 2018, the company realigned its reportable operating segments to reflect the organizational changes announced during the first quarter of 2018. Prior periods have been revised to conform to the new operating segments, which are as follows:

- **Global Consumer Services Group (GCSG)**, which primarily issues a wide range of proprietary consumer cards globally. GCSG also provides services to consumers, including travel services and non-card financing products, and manages certain international joint ventures and our partnership agreements in China.
- **Global Commercial Services (GCS)**, which primarily issues a wide range of proprietary corporate and small business cards and provides payment and expense management services globally. In addition, GCS provides commercial financing products.

- **Global Merchant and Network Services (GMNS)**, which operates a global payments network that processes and settles card transactions, acquires merchants and provides multi-channel marketing programs and capabilities, services and data analytics, leveraging our global integrated network. GMNS enters into partnership agreements with third-party card issuers and acquirers, licensing the American Express brand and extending the reach of the global network. GMNS also manages loyalty coalition businesses in certain countries around the world and our reloadable prepaid and gift card businesses.

Corporate functions and certain other businesses and operations are included in Corporate and Other.

**Global Consumer Services Group** reported second-quarter net income of \$770 million, up 25 percent from \$615 million a year ago.

Total revenues net of interest expense were \$5.3 billion, up 12 percent from \$4.7 billion a year ago. The rise primarily reflected higher loans, Card Member spending, and fee income.

Provisions for losses totaled \$565 million, up 32 percent from \$428 million a year ago. The rise primarily reflected growth in the loan portfolio and, as expected, an increase in the lending write-off rate.

Total expenses were \$3.8 billion, up 11 percent from \$3.4 billion a year ago. The rise primarily reflected higher rewards expenses and costs associated with marketing and business development.

The effective tax rate was 20 percent, down from 32 percent a year ago.

**Global Commercial Services** reported second-quarter net income of \$564 million, up 18 percent from \$477 million a year ago.

Total revenues net of interest expense were \$3.2 billion, up 8 percent from \$2.9 billion a year ago. The increase primarily reflected higher Card Member spending.

Provisions for losses totaled \$235 million, up 55 percent from \$152 million a year ago, driven primarily by the charge portfolio.

Total expenses were \$2.2 billion, up 9 percent from \$2.0 billion a year ago. The rise primarily reflected higher costs associated with marketing and business development, and growth in rewards expenses.

The effective tax rate was 21 percent, down from 35 percent a year ago.

**Global Merchant and Network Services** reported second-quarter net income of \$543 million, up 14 percent from \$476 million a year ago.

Total revenues net of interest expense were \$1.6 billion, up 1 percent from a year ago, primarily reflecting higher proprietary Card Member spending, partially offset by an expected decrease in the average discount rate and lower revenues from network partners.

Total expenses were \$838 million, up 1 percent from \$829 million a year ago.

The effective tax rate was 27 percent, down from 36 percent a year ago.

Corporate and Other reported second-quarter net loss of \$254 million compared with net loss of \$224 million a year ago.

###

### **About American Express**

American Express is a global services company, providing customers with access to products, insights and experiences that enrich lives and build business success. Learn more at [americanexpress.com](http://americanexpress.com) and connect with us on [facebook.com/americanexpress](https://www.facebook.com/americanexpress), [instagram.com/americanexpress](https://www.instagram.com/americanexpress), [linkedin.com/company/american-express](https://www.linkedin.com/company/american-express), [twitter.com/americanexpress](https://twitter.com/americanexpress), and [youtube.com/americanexpress](https://www.youtube.com/americanexpress).

Key links to products, services and corporate responsibility information: charge and credit cards, business credit cards, travel services, gift cards, prepaid cards, merchant services, Accertify, InAuth, corporate card, business travel, and corporate responsibility.

**This earnings release should be read in conjunction with the company's statistical tables for the second-quarter 2018, available on the American Express website at <http://ir.americanexpress.com> and in a Form 8-K filed today with the Securities and Exchange Commission.**

An investor conference call will be held at 5:00 p.m. (ET) today to discuss second-quarter earnings results. Live audio and presentation slides for the investor conference call will be available to the general public on the above-mentioned American Express Investor Relations website. A replay of the conference call will be available later today at the same website address.

This quarter, there will also be a listen-only conference call available to the general public at 1-800-260-0719, participant access code 452125. The second quarter earnings press release, slides, and statistical tables are also available on the American Express website at <http://about.americanexpress.com/>.

###

### ***CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS***

This release 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 2018, among other matters, contain words such as "believe," "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 2018 earnings per common share outlook, which will depend in part on the following: revenues growing consistently with current expectations, which could be impacted by, among other things, the factors identified in the subsequent bullet; credit performance remaining consistent with current expectations; 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, an increase in Card Member reimbursements, restructurings, impairments and changes in reserves; the ability to control operating expense growth; the amount the Company spends on Card Member engagement and the Company's ability 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 certain cobrand agreements than expected, which could be affected by volumes and customer engagement; 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, changes to the fourth quarter 2017 provisional tax charge due to changes in interpretations and assumptions the Company has made as well as actions the Company may take as a result of the Tax Cuts and Jobs Act, the Company's geographic mix of income, further changes in tax laws and regulation, unfavorable tax audits and other unanticipated tax items; and the impact of accounting changes;

-4-

- 
- the ability of the Company to grow revenues net of interest expense consistent with its 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 and grow spending, continued growth of Card Member loans, a greater decline of the average discount rate than expected, the strengthening of the U.S. dollar, more cautious spending by corporate Card Members, the



willingness of Card Members to pay higher card fees, lower spending on new cards acquired than estimated; and the Company's ability 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 cobrand relationships, competition from new and non-traditional competitors and the success of marketing, promotion or rewards programs;
- a decline of the average discount rate by a greater amount than anticipated, 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), competition, pricing regulation (including regulation of competitors' interchange rates in the European Union and elsewhere), a greater shift of existing merchants into the OptBlue program and other factors;
- 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, mix of balances, 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 Card Member loans not remaining consistent with current expectations, which will be influenced by, among other things, interest rates, changes in consumer behavior that affect loan balances, such as paydown rates, the Company's Card Member acquisition strategy, changes in the level of loans at promotional rates, product mix, cost of funds, credit actions, including line size and other adjustments to credit availability, potential pricing changes and deposit rates, 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 the 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 greater rewards offerings; the Company's ability to enhance card products and services to make them attractive to Card Members; and the amount the Company spends on the promotion of enhanced services and rewards categories and the success of such promotion;
- 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 and changes in macroeconomic conditions; the actual amount of advertising and Card Member acquisition costs; the Company's ability to continue to shift Card Member acquisition to digital channels; contractual obligations with business partners and other fixed costs and prior commitments; 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 ability of the Company to control operating expense growth, which could be impacted by the need to increase significant categories of operating expenses, such as consulting or professional fees, including as a result of increased litigation, compliance or regulatory-related costs or fraud costs; continuing to implement and achieve benefits from reengineering plans, which could be impacted by factors such as an inability to mitigate the operational and other risks posed by potential staff reductions and underestimating hiring and other employee needs; 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;
- 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 changes in the stress testing and capital planning process and the continued non-objection by the Company's primary regulators to its capital plans; the amount of capital required to support asset growth; the amount the Company spends on acquisitions of companies; and the Company's results of operations and the economic environment in any given period;
- 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, 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 other payment 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, 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;
- the possibility that the Company will not execute on its plans to expand the merchant base, 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 to merchants, OptBlue merchant acquirers and GNS partners, as well as the awareness and willingness of Card Members to use American Express cards at small merchants and of those merchants to accept American Express cards;
- 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 cyber attacks, 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 our ability to continue certain GNS and other partnerships; 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, 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 the Company's Annual Report on Form 10-K for the year ended December 31, 2017, the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 and the Company's other reports filed with the Securities and Exchange Commission.

-8-

[\(Back To Top\)](#)

## Section 3: EX-99.2 (EXHIBIT 99.2)

EXHIBIT 99.2

American Express Company

(Preliminary)

Consolidated Statements of Income

(Millions, except percentages and per share amounts)

	<u>Q2'18</u>	<u>Q1'18</u>	<u>Q4'17</u>	<u>Q3'17</u>	<u>Q2'17</u>	YOY % change	<u>YTD'18</u>	<u>YTD'17</u>	YOY % change
<b>Non-interest revenues</b>									
Discount revenue	\$ 6,194	\$ 5,889	\$ 6,060	\$ 5,700	\$ 5,743	8	\$ 12,083	\$ 11,130	9
Net card fees	844	830	785	786	771	9	1,674	1,519	10
Other fees and commissions	786	781	778	755	746	5	1,567	1,457	8
Other	349	377	345	372	379	(8)	726	740	(2)
<b>Total non-interest revenues</b>	<b>8,173</b>	<b>7,877</b>	<b>7,968</b>	<b>7,613</b>	<b>7,639</b>	<b>7</b>	<b>16,050</b>	<b>14,846</b>	<b>8</b>
<b>Interest income</b>									
Interest on loans	2,387	2,326	2,205	2,131	1,950	22	4,713	3,812	24
Interest and dividends on investment securities	27	21	21	22	23	17	48	46	4
Deposits with banks and other	126	115	93	92	81	56	241	141	71
<b>Total interest income</b>	<b>2,540</b>	<b>2,462</b>	<b>2,319</b>	<b>2,245</b>	<b>2,054</b>	<b>24</b>	<b>5,002</b>	<b>3,999</b>	<b>25</b>
<b>Interest expense</b>									
Deposits	300	270	241	213	176	70	570	325	75
Long-term debt and other	411	351	339	355	345	19	762	639	19
<b>Total interest expense</b>	<b>711</b>	<b>621</b>	<b>580</b>	<b>568</b>	<b>521</b>	<b>36</b>	<b>1,332</b>	<b>964</b>	<b>38</b>
<b>Net interest income</b>	<b>1,829</b>	<b>1,841</b>	<b>1,739</b>	<b>1,677</b>	<b>1,533</b>	<b>19</b>	<b>3,670</b>	<b>3,035</b>	<b>21</b>
<b>Total revenues net of interest expense</b>	<b>10,002</b>	<b>9,718</b>	<b>9,707</b>	<b>9,290</b>	<b>9,172</b>	<b>9</b>	<b>19,720</b>	<b>17,881</b>	<b>10</b>
<b>Provisions for losses</b>									
Charge card	245	242	205	214	163	50	487	376	30
Card Member loans	528	499	596	531	404	31	1,027	741	39
Other	33	34	33	25	16	#	67	39	72
<b>Total provisions for losses</b>	<b>806</b>	<b>775</b>	<b>834</b>	<b>770</b>	<b>583</b>	<b>38</b>	<b>1,581</b>	<b>1,156</b>	<b>37</b>
<b>Total revenues net of interest expense after provisions for losses</b>	<b>9,196</b>	<b>8,943</b>	<b>8,873</b>	<b>8,520</b>	<b>8,589</b>	<b>7</b>	<b>18,139</b>	<b>16,725</b>	<b>8</b>
<b>Expenses</b>									
Marketing and business development (A)	1,663	1,345	1,535	1,446	1,456	14	3,008	2,741	10
Card Member rewards	2,433	2,347	2,262	2,168	2,196	11	4,780	4,257	12
Card Member services	416	409	383	351	341	22	825	658	25
Salaries and employee benefits	1,280	1,326	1,436	1,265	1,293	(1)	2,606	2,557	2
Professional services	508	457	534	494	511	(1)	965	1,012	(5)
Occupancy and equipment	484	520	493	567	484	-	1,004	958	5
Other, net (A)	321	457	432	398	351	(9)	778	746	4

Total expenses	7,105	6,861	7,075	6,689	6,632	7	13,966	12,929	8
Pretax income	2,091	2,082	1,798	1,831	1,957	7	4,173	3,796	10
Income tax provision	468	448	3,004	472	613	(24)	916	1,201	(24)
Net income (loss)	\$ 1,623	\$1,634	\$(1,206)	\$1,359	\$1,344	21	\$ 3,257	\$ 2,595	26
Net income (loss) attributable to common shareholders (B)	\$ 1,591	\$1,600	\$(1,228)	\$1,327	\$1,314	21	\$ 3,191	\$ 2,534	26
Effective tax rate	22.4%	21.5%	167.1%	25.8%	31.3%		22.0%	31.6%	

#### Earnings Per Common Share

<b>Basic</b>									
Net income (loss) attributable to common shareholders	\$ 1.85	\$ 1.86	\$ (1.42)	\$ 1.51	\$ 1.48	25	\$ 3.71	\$ 2.83	31
Average common shares outstanding	860	859	865	878	890	(3)	859	895	(4)
<b>Diluted</b>									
Net income (loss) attributable to common shareholders	\$ 1.84	\$ 1.86	\$ (1.42)	\$ 1.51	\$ 1.47	25	\$ 3.70	\$ 2.82	31
Average common shares outstanding	862	861	865	881	893	(3)	862	898	(4)
Cash dividends declared per common share	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.32	9	\$ 0.70	\$ 0.64	9

# - Denotes a variance of more than 100 percent.

See Appendix III for footnote references

## American Express Company

(Preliminary)

## Consolidated Balance Sheets and Related Statistical Information

*(Billions, except percentages, per share amounts and where indicated)*

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change
<b>Assets</b>						
Cash & cash equivalents	\$ 30	\$ 31	\$ 33	\$ 26	\$ 30	-
Card Member receivables, less reserves	54	54	54	51	49	10
Card Member Loans, less reserves	74	71	72	66	65	14
Investment securities	5	3	3	3	3	67
Other (C)	22	21	19	23	20	10
<b>Total assets</b>	<b>\$ 185</b>	<b>\$ 180</b>	<b>\$ 181</b>	<b>\$ 169</b>	<b>\$ 167</b>	<b>11</b>
<b>Liabilities and Shareholders' Equity</b>						
Customer deposits	\$ 67	\$ 67	\$ 64	\$ 61	\$ 58	16
Short-term borrowings	2	2	3	2	3	(33)
Long-term debt	56	52	56	49	52	8
Other (C)	39	39	40	36	33	18
<b>Total liabilities</b>	<b>164</b>	<b>160</b>	<b>163</b>	<b>148</b>	<b>146</b>	<b>12</b>
<b>Shareholders' Equity</b>	<b>21</b>	<b>20</b>	<b>18</b>	<b>21</b>	<b>21</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 185</b>	<b>\$ 180</b>	<b>\$ 181</b>	<b>\$ 169</b>	<b>\$ 167</b>	<b>11</b>
<b>Return on average equity (D)</b>	<b>16.7%</b>	<b>15.2%</b>	<b>13.2%</b>	<b>22.6%</b>	<b>21.7%</b>	
<b>Return on average common equity (D)</b>	<b>17.5%</b>	<b>15.9%</b>	<b>13.7%</b>	<b>23.9%</b>	<b>22.9%</b>	
<b>Book value per common share (dollars)</b>	<b>\$22.42</b>	<b>\$20.96</b>	<b>\$19.42</b>	<b>\$22.43</b>	<b>\$22.19</b>	<b>1</b>

# - Denotes a variance of more than 100 percent.

See Appendix III for footnote references

American Express Company  
Consolidated Capital

(Preliminary)

	<u>Q2'18</u>	<u>Q1'18</u>	<u>Q4'17</u>	<u>Q3'17</u>	<u>Q2'17</u>
<b>Shares Outstanding (in millions)</b>					
Beginning of period	860	859	871	885	895
Repurchase of common shares	-	-	(14)	(15)	(10)
Net impact of employee benefit plans and others	1	1	2	1	-
End of period	861	860	859	871	885
<b>Risk-Based Capital Ratios - Basel III (\$ in billions) (E)</b>					
Common Equity Tier 1/Risk Weighted Assets (RWA)	10.1%	9.4%	9.0%	11.9%	12.3%
Tier 1	11.1%	10.5%	10.1%	13.0%	13.5%
Total	12.8%	12.2%	11.8%	14.7%	15.2%
Common Equity Tier 1	\$ 15.2	\$ 13.9	\$ 13.2	\$ 16.4	\$ 16.4
Tier 1 Capital	\$ 16.8	\$ 15.5	\$ 14.7	\$ 17.9	\$ 18.0
Tier 2 Capital	\$ 2.5	\$ 2.4	\$ 2.4	\$ 2.3	\$ 2.3
Total Capital	\$ 19.3	\$ 17.9	\$ 17.1	\$ 20.2	\$ 20.3
RWA	\$ 150.9	\$ 147.4	\$ 145.9	\$ 138.0	\$ 133.5
Tier 1 Leverage	9.7%	8.8%	8.6%	10.9%	11.0%
Supplementary Leverage Ratio (SLR) (F)	8.3%	7.6%	7.4%	9.3%	9.4%
Average Total Assets to calculate the Tier 1 Leverage Ratio (G)	\$ 172.5	\$ 175.0	\$ 171.2	\$ 164.6	\$ 164.2
Total Leverage Exposure to calculate SLR	\$ 202.4	\$ 204.4	\$ 198.8	\$ 191.7	\$ 190.4

See Appendix III for footnote references

## American Express Company

(Preliminary)

## Selected Card Related Statistical Information

(Billions, except percentages and where indicated)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change	YTD'18	YTD'17	YOY % change
<b>Card billed business (H)</b>									
U.S.	\$ 195.4	\$ 182.5	\$ 188.9	\$ 176.4	\$ 177.6	10	\$ 377.9	\$ 343.0	10
Outside the U.S.	101.1	101.3	102.5	95.5	92.0	10	202.4	178.9	13
<b>Total</b>	<b>\$ 296.5</b>	<b>\$ 283.8</b>	<b>\$ 291.4</b>	<b>\$ 271.9</b>	<b>\$ 269.6</b>	<b>10</b>	<b>\$ 580.3</b>	<b>\$ 521.9</b>	<b>11</b>
Proprietary	\$ 251.1	\$ 236.9	\$ 242.6	\$ 225.3	\$ 223.8	12	\$ 488.0	\$ 432.7	13
Global Network Services (GNS)	45.4	46.9	48.8	46.6	45.8	(1)	92.3	89.2	3
<b>Total</b>	<b>\$ 296.5</b>	<b>\$ 283.8</b>	<b>\$ 291.4</b>	<b>\$ 271.9</b>	<b>\$ 269.6</b>	<b>10</b>	<b>\$ 580.3</b>	<b>\$ 521.9</b>	<b>11</b>
<b>Cards-in-force (millions) (I)</b>									
U.S.	51.9	51.3	50.0	49.5	48.9	6	51.9	48.9	6
Outside the U.S.	62.4	62.9	62.8	63.4	63.3	(1)	62.4	63.3	(1)
<b>Total</b>	<b>114.3</b>	<b>114.2</b>	<b>112.8</b>	<b>112.9</b>	<b>112.2</b>	<b>2</b>	<b>114.3</b>	<b>112.2</b>	<b>2</b>
Proprietary	67.4	66.4	64.6	63.9	63.0	7	67.4	63.0	7
GNS	46.9	47.8	48.2	49.0	49.2	(5)	46.9	49.2	(5)
<b>Total</b>	<b>114.3</b>	<b>114.2</b>	<b>112.8</b>	<b>112.9</b>	<b>112.2</b>	<b>2</b>	<b>114.3</b>	<b>112.2</b>	<b>2</b>
<b>Basic cards-in-force (millions) (I)</b>									
U.S.	40.9	40.4	39.4	39.0	38.6	6	40.9	38.6	6
Outside the U.S.	52.0	52.4	52.2	52.7	52.6	(1)	52.0	52.6	(1)
<b>Total</b>	<b>92.9</b>	<b>92.8</b>	<b>91.6</b>	<b>91.7</b>	<b>91.2</b>	<b>2</b>	<b>92.9</b>	<b>91.2</b>	<b>2</b>
<b>Average proprietary basic Card Member spending (dollars)</b>									
U.S.	\$ 5,275	\$ 5,015	\$ 5,300	\$ 5,018	\$ 5,128	3	\$ 10,294	\$ 9,989	3
Outside the U.S.	\$ 3,909	\$ 3,869	\$ 3,918	\$ 3,598	\$ 3,468	13	\$ 7,781	\$ 6,752	15
<b>Average</b>	<b>\$ 4,871</b>	<b>\$ 4,677</b>	<b>\$ 4,890</b>	<b>\$ 4,596</b>	<b>\$ 4,633</b>	<b>5</b>	<b>\$ 9,551</b>	<b>\$ 9,022</b>	<b>6</b>
<b>Card Member loans</b>									
U.S.	\$ 66.3	\$ 63.9	\$ 64.5	\$ 59.9	\$ 58.5	13	\$ 66.3	\$ 58.5	13
Outside the U.S.	9.1	8.9	8.9	8.0	7.5	21	9.1	7.5	21
<b>Total</b>	<b>\$ 75.4</b>	<b>\$ 72.8</b>	<b>\$ 73.4</b>	<b>\$ 67.9</b>	<b>\$ 66.0</b>	<b>14</b>	<b>\$ 75.4</b>	<b>\$ 66.0</b>	<b>14</b>
<b>Average discount rate (J)</b>									
	2.37%	2.37%	2.37%	2.40%	2.42%		2.37%	2.42%	
<b>Average fee per card (dollars) (K)</b>									
	\$ 51	\$ 51	\$ 49	\$ 49	\$ 49	4	\$ 51	\$ 49	4

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references



## Selected Credit Related Statistical Information

(Billions, except percentages and where indicated)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change	YTD'18	YTD'17	YOY % change
<b>Worldwide Card Member loans</b>									
Total loans	\$ 75.4	\$ 72.8	\$ 73.4	\$ 67.9	\$ 66.0	14	\$ 75.4	\$ 66.0	14
<b>Loss reserves (millions):</b>									
Beginning balance	\$1,786	\$1,706	\$1,502	\$1,320	\$1,248	43	\$ 1,706	\$ 1,223	39
Provisions - principal, interest and fees	528	499	596	531	404	31	1,027	741	39
Net write-offs - principal less recoveries	(389)	(358)	(325)	(299)	(285)	36	(747)	(557)	34
Net write-offs - interest and fees less recoveries	(77)	(71)	(64)	(57)	(55)	40	(148)	(106)	40
Other (L)	(8)	10	(3)	7	8	#	2	19	(89)
Ending balance	\$1,840	\$1,786	\$1,706	\$1,502	\$1,320	39	\$ 1,840	\$ 1,320	39
Ending reserves - principal	\$1,737	\$1,691	\$1,622	\$1,427	\$1,247	39	\$ 1,737	\$ 1,247	39
Ending reserves - interest and fees	\$ 103	\$ 95	\$ 84	\$ 75	\$ 73	41	\$ 103	\$ 73	41
% of loans	2.4%	2.5%	2.3%	2.2%	2.0%		2.4%	2.0%	
% of past due	188%	174%	177%	174%	167%		188%	167%	
Average loans	\$ 74.1	\$ 72.7	\$ 70.1	\$ 67.1	\$ 65.1	14	\$ 73.5	\$ 64.6	14
Net write-off rate (principal only) (M)	2.1%	2.0%	1.8%	1.8%	1.8%		2.0%	1.7%	
Net write-off rate (principal, interest and fees) (M)	2.5%	2.4%	2.2%	2.1%	2.1%		2.4%	2.1%	
30+ days past due loans as a % of total	1.3%	1.4%	1.3%	1.3%	1.2%		1.3%	1.2%	
<b>Net interest income divided by average Card Member loans (N)</b>									
	9.9%	10.1%	9.9%	10.0%	9.4%		10.0%	9.4%	
<b>Net interest yield on average Card Member loans (N)</b>									
	10.6%	10.8%	10.5%	10.7%	10.3%		10.6%	10.3%	
<b>Worldwide Card Member receivables</b>									
Total receivables	\$ 55.0	\$ 54.2	\$ 54.0	\$ 51.5	\$ 49.4	11	\$ 55.0	\$ 49.4	11
<b>Loss reserves (millions):</b>									
Beginning balance	\$ 565	\$ 521	\$ 512	\$ 475	\$ 491	15	\$ 521	\$ 467	12
Provisions - principal and fees	245	242	205	214	163	50	487	376	30
Net write-offs - principal and fees less recoveries	(236)	(199)	(188)	(175)	(179)	32	(435)	(373)	17
Other (L)	(16)	1	(8)	(2)	-	-	(15)	5	#
Ending balance	\$ 558	\$ 565	\$ 521	\$ 512	\$ 475	17	\$ 558	\$ 475	17
% of receivables	1.0%	1.0%	1.0%	1.0%	1.0%		1.0%	1.0%	
<b>Net write-off rate, excluding Global Corporate Payments (GCP) (principal only) (M)</b>									
	1.8%	1.6%	1.5%	1.5%	1.5%		1.7%	1.6%	
<b>Net write-off rate, excluding GCP (principal and fees) (M)</b>									
	2.1%	1.8%	1.6%	1.7%	1.7%		1.9%	1.8%	
<b>30+ days past due as a % of total, excluding GCP</b>									
	1.3%	1.5%	1.4%	1.3%	1.3%		1.3%	1.3%	
<b>GCP Net loss ratio (as a % of charge volume) (O)</b>									
	0.12%	0.10%	0.11%	0.09%	0.10%		0.11%	0.10%	
<b>GCP 90+ days past billing as a % of total (O)</b>									
	0.8%	0.8%	0.9%	0.9%	0.8%		0.8%	0.8%	

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references

American Express Company  
Selected Income Statement Information by Segment  
(Millions)

	Global Consumer Services Group (GCSG)	Global Commercial Services (GCS)	Global Merchant and Network Services (GMNS)	Corporate and Other	Consolidated
<b>Q2'18</b>					
Non-interest revenues	\$ 3,678	\$ 2,977	\$ 1,513	\$ 5	\$ 8,173
Interest income	1,994	393	7	146	2,540
Interest expense	370	204	(68)	205	711
Total revenues net of interest expense	5,302	3,166	1,588	(54)	10,002
Total provision	565	235	6	-	806
Total revenues net of interest expense after provisions for losses	4,737	2,931	1,582	(54)	9,196
Marketing, business development, rewards, Card Member services	2,695	1,482	312	23	4,512
Salaries and employee benefits, and other operating expenses	1,081	734	526	252	2,593
Pretax income (loss)	961	715	744	(329)	2,091
Income tax provision (benefit)	191	151	201	(75)	468
Net income (loss)	770	564	543	(254)	1,623
<b>Q2'17</b>					
Non-interest revenues	\$ 3,345	\$ 2,738	\$ 1,518	\$ 38	\$ 7,639
Interest income	1,616	334	9	95	2,054
Interest expense	247	145	(47)	176	521
Total revenues net of interest expense	4,714	2,927	1,574	(43)	9,172
Total provision	428	152	1	2	583
Total revenues net of interest expense after provisions for losses	4,286	2,775	1,573	(45)	8,589
Marketing, business development, rewards, Card Member services	2,322	1,347	314	10	3,993
Salaries and employee benefits, and other operating expenses	1,066	692	515	366	2,639
Pretax income (loss)	898	736	744	(421)	1,957
Income tax provision (benefit)	283	259	268	(197)	613
Net income (loss)	615	477	476	(224)	1,344
<b>YOY % change</b>					
Non-interest revenues	10	9	-	(87)	7
Interest income	23	18	(22)	54	24
Interest expense	50	41	45	16	36
Total revenues net of interest expense	12	8	1	26	9
Total provision	32	55	#	#	38
Total revenues net of interest expense after provisions for losses	11	6	1	20	7
Marketing, business development, rewards, Card Member services	16	10	(1)	#	13
Salaries and employee benefits, and other operating expenses	1	6	2	(31)	(2)
Pretax income (loss)	7	(3)	-	(22)	7
Income tax provision (benefit)	(33)	(42)	(25)	(62)	(24)
Net income (loss)	25	18	14	13	21

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references

American Express Company  
Billed Business Growth Trend

(Preliminary)

	YOY % change											
	Reported					FX-Adjusted (P)					Reported	FX-Adjusted (P)
	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YTD'18	YTD'18
<b>Worldwide (Q)</b>												
<b>Billed Business</b>	10%	12%	11%	8%	-	9%	10%	9%	8%	1%	11%	10%
<b>Proprietary billed business</b>	12	13	11	9	(1)	12	11	10	9	-	13	12
<b>GNS billed business</b>	(1)	8	9	4	5	(3)	3	6	4	5	3	-
<b>Airline-related volume (8% of Q2'18 worldwide billed business)</b>	8	10	7	5	1	7	6	4	3	1	9	6
<b>U.S. (Q)</b>												
<b>Billed Business</b>	10	10	8	7	(4)	n/a	n/a	n/a	n/a	n/a	10	n/a
<b>Proprietary consumer billed business</b>	10	11	8	7	(9)	n/a	n/a	n/a	n/a	n/a	11	n/a
<b>Proprietary commercial billed business</b>	10	10	9	9	4	n/a	n/a	n/a	n/a	n/a	10	n/a
<b>T&amp;E-related volume (26% of Q2'18 U.S. billed business)</b>	8	8	6	3	(3)	n/a	n/a	n/a	n/a	n/a	8	n/a
<b>Non-T&amp;E-related volume (74% of Q2'18 U.S. billed business)</b>	10	11	9	8	(4)	n/a	n/a	n/a	n/a	n/a	11	n/a
<b>Airline-related volume (7% of Q2'18 U.S. billed business)</b>	7	7	5	2	(1)	n/a	n/a	n/a	n/a	n/a	7	n/a
<b>Outside the U.S. (Q)</b>												
<b>Billed Business</b>	10	17	15	10	9	8	9	10	9	11	13	9
<b>Japan, Asia Pacific &amp; Australia billed business</b>	9	16	15	8	12	7	10	11	9	13	13	8
<b>Latin America &amp; Canada billed business</b>	5	12	11	10	8	11	11	8	8	9	6	12
<b>Europe, Middle East &amp; Africa billed business</b>	14	20	19	13	7	9	7	10	10	10	17	8
<b>Proprietary consumer billed business</b>	20	25	20	15	9	18	16	14	13	12	23	17
<b>Proprietary commercial billed business</b>	19	23	19	14	8	18	14	13	11	10	21	16

See Appendix III for footnote references



## Global Consumer Services Group

(Preliminary)

## Selected Income Statement and Statistical Information

(Millions, except percentages)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change	YTD'18	YTD'17	YOY % change
Non-interest revenues	\$ 3,678	\$ 3,491	\$ 3,535	\$ 3,361	\$ 3,345	10	\$ 7,169	\$ 6,482	11
Interest income	1,994	1,949	1,848	1,781	1,616	23	3,943	3,160	25
Interest expense	370	327	306	281	247	50	697	460	52
Net interest income	1,624	1,622	1,542	1,500	1,369	19	3,246	2,700	20
Total revenues net of interest expense	5,302	5,113	5,077	4,861	4,714	12	10,415	9,182	13
Provisions for losses	565	530	641	568	428	32	1,095	787	39
Total revenues net of interest expense after provisions for losses	4,737	4,583	4,436	4,293	4,286	11	9,320	8,395	11
<b>Expenses</b>									
Marketing, business development, rewards, Card Member services	2,695	2,446	2,479	2,351	2,322	16	5,141	4,403	17
Salaries and employee benefits and other operating expenses	1,081	1,089	1,100	1,026	1,066	1	2,170	2,120	2
Total expenses	3,776	3,535	3,579	3,377	3,388	11	7,311	6,523	12
Pretax segment income	961	1,048	857	916	898	7	2,009	1,872	7
Income tax provision	191	222	233	236	283	(33)	413	584	(29)
Segment income	\$ 770	\$ 826	\$ 624	\$ 680	\$ 615	25	\$ 1,596	\$ 1,288	24
Effective tax rate	19.9%	21.2%	27.2%	25.8%	31.5%		20.6%	31.2%	

(Billions, except percentages and where indicated)

## Proprietary card billed business (H)

U.S.	\$ 93.6	\$ 86.0	\$ 91.0	\$ 83.7	\$ 84.8	10	\$ 179.6	\$ 162.2	11
Outside the U.S.	\$ 34.6	\$ 33.3	\$ 33.8	\$ 30.5	\$ 28.8	20	\$ 67.9	\$ 55.5	22
Total	\$ 128.2	\$ 119.3	\$ 124.8	\$ 114.2	\$ 113.6	13	\$ 247.5	\$ 217.7	14

## Proprietary cards-in-force (millions) (I)

U.S.	36.7	36.1	34.9	34.4	33.8	9	36.7	33.8	9
Outside the U.S.	16.5	16.2	15.8	15.7	15.5	6	16.5	15.5	6
Total	53.2	52.3	50.7	50.1	49.3	8	53.2	49.3	8

## Proprietary basic cards-in-force (millions) (I)

U.S.	26.2	25.8	25.0	24.6	24.2	8	26.2	24.2	8
Outside the U.S.	11.4	11.2	10.9	10.8	10.7	7	11.4	10.7	7
Total	37.6	37.0	35.9	35.4	34.9	8	37.6	34.9	8

## Average proprietary basic Card Member spending (dollars)

U.S.	\$ 3,594	\$ 3,371	\$ 3,672	\$ 3,433	\$ 3,538	2	\$ 6,969	\$ 6,837	2
Outside the U.S.	\$ 3,057	\$ 3,001	\$ 3,106	\$ 2,840	\$ 2,726	12	\$ 6,060	\$ 5,269	15
Average	\$ 3,431	\$ 3,259	\$ 3,499	\$ 3,251	\$ 3,289	4	\$ 6,693	\$ 6,355	5

Segment assets (R)	\$ 126.8	\$ 120.8	\$ 123.5	\$ 117.8	\$ 112.7	13	\$ 126.8	\$ 112.7	13
--------------------	----------	----------	----------	----------	----------	----	----------	----------	----

## Card Member loans

## Total loans

U.S.	\$ 54.7	\$ 52.7	\$ 53.7	\$ 49.3	\$ 48.3	13	\$ 54.7	\$ 48.3	13
Outside the U.S.	\$ 8.8	\$ 8.6	\$ 8.6	\$ 7.8	\$ 7.3	21	\$ 8.8	\$ 7.3	21
Total	\$ 63.5	\$ 61.3	\$ 62.3	\$ 57.1	\$ 55.6	14	\$ 63.5	\$ 55.6	14

## Average loans

U.S.	\$ 53.7	\$ 52.9	\$ 51.1	\$ 49.0	\$ 47.7	13	\$ 53.4	\$ 47.6	12
Outside the U.S.	\$ 8.8	\$ 8.7	\$ 8.1	\$ 7.5	\$ 7.1	24	\$ 8.8	\$ 7.0	26
Total	\$ 62.5	\$ 61.6	\$ 59.2	\$ 56.5	\$ 54.8	14	\$ 62.2	\$ 54.6	14

## Lending Credit Metrics

U.S.	Net write-off rate (principal only)
------	-------------------------------------

(M)	2.2%	2.0%	1.9%	1.8%	1.8%	2.1%	1.7%		
Net write-off rate (principal, interest and fees) (M)	2.6%	2.4%	2.2%	2.1%	2.1%	2.5%	2.0%		
30+ days past due loans as a % of total	1.3%	1.4%	1.3%	1.3%	1.1%	1.3%	1.1%		
<b>Outside the U.S.</b>									
Net write-off rate (principal only) (M)	2.1%	2.1%	2.0%	2.2%	2.0%	2.1%	2.0%		
Net write-off rate (principal, interest and fees) (M)	2.6%	2.6%	2.4%	2.7%	2.5%	2.6%	2.5%		
30+ days past due loans as a % of total	1.5%	1.6%	1.4%	1.6%	1.7%	1.5%	1.7%		
<b>Total</b>									
Net write-off rate (principal only) (M)	2.2%	2.0%	1.9%	1.8%	1.8%	2.1%	1.8%		
Net write-off rate (principal, interest and fees) (M)	2.6%	2.4%	2.3%	2.2%	2.1%	2.5%	2.1%		
30+ days past due loans as a % of total	1.3%	1.4%	1.3%	1.3%	1.2%	1.3%	1.2%		
<b>Net interest income divided by average Card Member loans (N)</b>									
	10.4%	10.5%	10.4%	10.6%	10.0%	10.5%	9.9%		
<b>Net interest yield on average Card Member loans (N)</b>									
U.S.	10.6%	10.7%	10.5%	10.6%	10.1%	10.7%	10.0%		
Outside the U.S.	10.5%	11.0%	10.8%	11.6%	11.2%	10.7%	11.1%		
Total	10.6%	10.8%	10.5%	10.7%	10.2%	10.7%	10.2%		
<b>Card Member receivables</b>									
U.S.	\$ 12.0	\$ 11.7	\$ 13.1	\$ 11.2	\$ 11.3	6	\$ 12.0	\$ 11.3	6
Outside the U.S.	\$ 7.0	\$ 7.0	\$ 7.8	\$ 6.5	\$ 6.0	17	\$ 7.0	\$ 6.0	17
Total receivables	\$ 19.0	\$ 18.7	\$ 20.9	\$ 17.7	\$ 17.3	10	\$ 19.0	\$ 17.3	10
<b>Charge Credit Metrics</b>									
<b>U.S.</b>									
Net write-off rate (principal only) (M)	1.4%	1.3%	1.3%	1.2%	1.2%	1.4%	1.4%		
Net write-off rate (principal and fees) (M)	1.5%	1.5%	1.4%	1.3%	1.4%	1.5%	1.5%		
30+ days past due as a % of total	1.1%	1.3%	1.1%	1.2%	1.1%	1.1%	1.1%		
<b>Outside the U.S.</b>									
Net write-off rate (principal only) (M)	2.1%	2.0%	1.8%	2.2%	1.9%	2.1%	2.0%		
Net write-off rate (principal and fees) (M)	2.3%	2.2%	1.9%	2.4%	2.0%	2.2%	2.2%		
30+ days past due as a % of total	1.4%	1.5%	1.3%	1.4%	1.4%	1.4%	1.4%		
<b>Total</b>									
Net write-off rate (principal only) (M)	1.7%	1.6%	1.5%	1.5%	1.5%	1.6%	1.6%		
Net write-off rate (principal and fees) (M)	1.8%	1.7%	1.6%	1.7%	1.6%	1.8%	1.8%		
30+ days past due as a % of total	1.2%	1.4%	1.2%	1.3%	1.2%	1.2%	1.2%		

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references

## Global Commercial Services

(Preliminary)

## Selected Income Statement and Statistical Information

(Millions, except percentages)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change	YTD'18	YTD'17	YOY % change
Non-interest revenues	\$2,977	\$2,838	\$2,866	\$2,734	\$2,738	9	\$ 5,815	\$ 5,342	9
Interest income	393	377	357	351	334	18	770	653	18
Interest expense	204	171	168	159	145	41	375	268	40
Net interest income	189	206	189	192	189	-	395	385	3
Total revenues net of interest expense	3,166	3,044	3,055	2,926	2,927	8	6,210	5,727	8
Provisions for losses	235	240	187	195	152	55	475	361	32
Total revenues net of interest expense after provisions for losses	2,931	2,804	2,868	2,731	2,775	6	5,735	5,366	7
<b>Expenses (R)</b>									
Marketing, business development, rewards, Card Member services	1,482	1,374	1,362	1,312	1,347	10	2,856	2,637	8
Salaries and employee benefits and other operating expenses	734	722	743	685	692	6	1,456	1,383	5
Total expenses	2,216	2,096	2,105	1,997	2,039	9	4,312	4,020	7
Pretax segment income	715	708	763	734	736	(3)	1,423	1,346	6
Income tax provision	151	162	221	229	259	(42)	313	464	(33)
Segment income	\$ 564	\$ 546	\$ 542	\$ 505	\$ 477	18	\$ 1,110	\$ 882	26
Effective tax rate	21.1%	22.9%	29.0%	31.2%	35.2%		22.0%	34.5%	

(Billions, except percentages and where indicated)

Proprietary card billed business (H)	\$122.0	\$115.7	\$116.6	\$109.7	\$109.0	12	\$ 237.7	\$ 211.9	12
Proprietary cards-in-force (millions) (I)	14.3	14.1	14.0	13.9	13.8	4	14.3	13.8	4
Average Card Member spending (dollars)	\$8,592	\$8,233	\$8,356	\$7,907	\$7,920	8	\$16,828	\$15,455	9
<b>Segment assets (R)</b>									
Segment assets (R)	\$ 52.9	\$ 52.1	\$ 49.1	\$ 49.3	\$ 47.3	12	\$ 52.9	\$ 47.3	12
Card Member loans	\$ 11.9	\$ 11.5	\$ 11.1	\$ 10.7	\$ 10.4	14	\$ 11.9	\$ 10.4	14
Card Member receivables	\$ 36.0	\$ 35.5	\$ 33.1	\$ 33.8	\$ 32.1	12	\$ 36.0	\$ 32.1	12
<b>Card Member loans (S)</b>									
Total loans - Global Small Business Services (GSBS)	\$ 11.8	\$ 11.4	\$ 11.0	\$ 10.7	\$ 10.3	15	\$ 11.8	\$ 10.3	15
30+ days past due as a % of total - GSBS	1.2%	1.3%	1.2%	1.1%	1.1%		1.2%	1.1%	
Average loans - GSBS	\$ 11.6	\$ 11.1	\$ 10.9	\$ 10.5	\$ 10.1	15	\$ 11.4	\$ 9.8	16
Net write-off rate (principal only) - GSBS (M)	1.8%	1.6%	1.6%	1.6%	1.5%		1.7%	1.5%	
Net write-off rate (principal, interest and fees) - GSBS (M)	2.1%	1.9%	1.9%	1.9%	1.8%		2.0%	1.8%	
<b>Net interest income divided by average Card Member loans (N)</b>									
Member loans (N)	6.5%	7.4%	6.9%	7.3%	7.4%		6.9%	7.7%	
Net interest yield on average Card Member loans (N)	10.4%	10.7%	10.5%	10.7%	10.8%		10.6%	10.9%	
<b>Card Member receivables</b>									
Total receivables - GCP (O)	\$ 19.3	\$ 19.3	\$ 17.0	\$ 17.9	\$ 16.9	14	\$ 19.3	\$ 16.9	14
90+ days past billing as a % of total - GCP (O)	0.8%	0.8%	0.9%	0.9%	0.8%		0.8%	0.8%	
Net loss ratio (as a % of charge volume) - GCP	0.12%	0.10%	0.11%	0.09%	0.10%		0.11%	0.10%	
Total receivables - GSBS	\$ 16.7	\$ 16.2	\$ 16.1	\$ 15.9	\$ 15.2	10	\$ 16.7	\$ 15.2	10
30+ days past due as a % of total - GSBS	1.4%	1.8%	1.6%	1.4%	1.4%		1.4%	1.4%	
Net write-off rate (principal only) - GSBS (M)	2.1%	1.7%	1.5%	1.5%	1.6%		1.9%	1.7%	
Net write-off rate (principal and fees) - GSBS (M)	2.3%	1.9%	1.7%	1.7%	1.8%		2.1%	1.9%	

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references





Global Merchant and Network Services  
 Selected Income Statement and Statistical Information

(Preliminary)

(Millions, except percentages)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YOY % change	YTD'18	YTD'17	YOY % change
<b>Non-interest revenues</b>	<b>\$1,513</b>	<b>\$1,532</b>	<b>\$1,554</b>	<b>\$1,491</b>	<b>\$1,518</b>	-	\$ 3,045	\$ 2,980	2
Interest income	7	9	10	8	9	(22)	16	24	(33)
Interest expense	(68)	(59)	(55)	(48)	(47)	45	(127)	(85)	49
Net interest income	75	68	65	56	56	34	143	109	31
Total revenues net of interest expense	1,588	1,600	1,619	1,547	1,574	1	3,188	3,089	3
Provisions for losses	6	5	4	9	1	#	11	3	#
Total revenues net of interest expense after provisions for losses	1,582	1,595	1,615	1,538	1,573	1	3,177	3,086	3
<b>Expenses</b>									
Marketing, business development, rewards, Card Member services	312	267	332	292	314	(1)	579	603	(4)
Salaries and employee benefits and other operating expenses	526	620	617	685	515	2	1,146	1,065	8
Total expenses	838	887	949	977	829	1	1,725	1,668	3
Pretax segment income	744	708	666	561	744	-	1,452	1,418	2
Income tax provision	201	192	207	141	268	(25)	393	509	(23)
Segment income	\$ 543	\$ 516	\$ 459	\$ 420	\$ 476	14	\$ 1,059	\$ 909	17
Effective tax rate	27.0%	27.1%	31.1%	25.1%	36.0%		27.1%	35.9%	

(Billions)

Segment assets (R)	\$ 31.3	\$ 31.0	\$ 30.6	\$ 27.9	\$ 26.8	17	\$ 31.3	\$ 26.8	17
--------------------	---------	---------	---------	---------	---------	----	---------	---------	----

# - Denotes a variance of 100 percent or more.

See Appendix III for footnote references

## Appendix I

## Components of Return on Average Equity (ROE) and Return on Average Common Equity (ROCE)

*(Millions, except percentages)*

	For the Twelve Months Ended				
	Jun 30, 2018	Mar 31, 2018	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017
<b>ROE</b>					
Net income	\$ 3,410	\$ 3,131	\$ 2,748	\$ 4,763	\$ 4,546
Average shareholders' equity	\$ 20,393	\$ 20,536	\$ 20,857	\$ 21,038	\$ 20,946
Return on average equity (D)	16.7%	15.2%	13.2%	22.6%	21.7%
<b>Reconciliation of ROCE</b>					
Net income	\$ 3,410	\$ 3,131	\$ 2,748	\$ 4,763	\$ 4,546
Preferred shares dividends and related accretion	82	81	81	80	80
Earnings allocated to participating share awards and other	38	37	21	38	36
Net income attributable to common shareholders	\$ 3,290	\$ 3,013	\$ 2,646	\$ 4,645	\$ 4,430
Average shareholders' equity	\$ 20,393	\$ 20,536	\$ 20,857	\$ 21,038	\$ 20,946
Average preferred shares	1,584	1,584	1,584	1,584	1,584
Average common shareholders' equity	\$ 18,809	\$ 18,952	\$ 19,273	\$ 19,454	\$ 19,362
Return on average common equity (D)	17.5%	15.9%	13.7%	23.9%	22.9%

See Appendix III for footnote references

## American Express Company

(Preliminary)

## Appendix II

## Net Interest Yield on Average Card Member Loans

(Millions, except percentages and where indicated)

	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17	YTD'18	YTD'17
<b>Consolidated</b>							
Net interest income	\$1,829	\$1,841	\$1,739	\$1,677	\$1,533	\$ 3,670	\$ 3,035
<i>Exclude:</i>							
Interest expense not attributable to the Company's Card Member loan portfolio (T)	359	302	297	309	295	661	542
Interest income not attributable to the Company's Card Member loan portfolio (U)	(236)	(213)	(177)	(174)	(156)	(449)	(287)
Adjusted net interest income (V)	\$1,952	\$1,930	\$1,859	\$1,812	\$1,672	\$ 3,882	\$ 3,290
Average Card Member loans (billions)	\$ 74.1	\$ 72.7	\$ 70.1	\$ 67.1	\$ 65.1	\$ 73.5	\$ 64.6
Net interest income divided by average Card Member loans (W)	9.9%	10.1%	9.9%	10.0%	9.4%	10.0%	9.4%
Net interest yield on average Card Member loans (X)	10.6%	10.8%	10.5%	10.7%	10.3%	10.6%	10.3%
<b>U.S.</b>							
Net interest income	\$1,410	\$1,403	\$1,337	\$1,293	\$1,182	\$ 2,813	\$ 2,331
<i>Exclude:</i>							
Interest expense not attributable to the Company's Card Member loan portfolio (T)	53	\$ 37	\$ 45	\$ 44	\$ 41	90	75
Interest income not attributable to the Company's Card Member loan portfolio (U)	(42)	(39)	(31)	(29)	(23)	(81)	(41)
Adjusted net interest income (V)	\$1,421	\$1,401	\$1,351	\$1,308	\$1,200	\$ 2,822	\$ 2,365
Average Card Member loans (billions)	\$ 53.7	\$ 52.9	\$ 51.1	\$ 49.0	\$ 47.7	\$ 53.4	\$ 47.6
Net interest income divided by average Card Member loans (W)	10.5%	10.6%	10.5%	10.6%	9.9%	10.5%	9.8%
Net interest yield on average Card Member loans (X)	10.6%	10.7%	10.5%	10.6%	10.1%	10.7%	10.0%
<b>Outside the U.S.</b>							
Net interest income	\$ 215	\$ 218	\$ 205	\$ 206	\$ 187	\$ 433	\$ 370
<i>Exclude:</i>							
Interest expense not attributable to the Company's Card Member loan portfolio (T)	16	18	17	16	12	34	21
Interest income not attributable to the Company's Card Member loan portfolio (U)	(2)	(3)	(1)	(3)	(2)	(5)	(5)
Adjusted net interest income (V)	\$ 229	\$ 233	\$ 221	\$ 219	\$ 197	\$ 462	\$ 386
Average Card Member loans (billions)	\$ 8.8	\$ 8.6	\$ 8.1	\$ 7.5	\$ 7.1	\$ 8.7	\$ 7.0
Net interest income divided by average Card Member loans (W)	9.8%	10.1%	10.1%	11.0%	10.5%	10.0%	10.6%
Net interest yield on average Card Member loans (X)	10.5%	11.0%	10.8%	11.6%	11.2%	10.7%	11.1%
<b>Global Consumer Services Group</b>							
Net interest income	\$1,624	\$1,622	\$1,542	\$1,499	\$1,369	\$ 3,246	\$ 2,700
<i>Exclude:</i>							
Interest expense not attributable to the Company's Card Member loan portfolio (T)	70	\$ 54	\$ 62	\$ 60	\$ 53	124	96
Interest income not attributable to the Company's Card Member loan portfolio (U)	(45)	(41)	(32)	(32)	(25)	(86)	(45)
Adjusted net interest income (V)	\$1,649	\$1,635	\$1,572	\$1,527	\$1,397	\$ 3,284	\$ 2,751
Average Card Member loans (billions)	\$ 62.5	\$ 61.6	\$ 59.2	\$ 56.5	\$ 54.8	\$ 62.1	\$ 54.6
Net interest income divided by average Card Member loans (W)	10.4%	10.5%	10.4%	10.6%	10.0%	10.5%	9.9%
Net interest yield on average Card Member loans (X)	10.6%	10.8%	10.5%	10.7%	10.2%	10.7%	10.2%
<b>Global Commercial Services</b>							
Net interest income	\$ 189	\$ 206	\$ 189	\$ 192	\$ 189	\$ 395	\$ 385
<i>Exclude:</i>							
Interest expense not attributable to the Company's Card Member loan portfolio (T)	152	126	128	122	114	278	210
Interest income not attributable to the Company's Card Member loan portfolio (U)	(38)	(37)	(30)	(29)	(28)	(75)	(56)
Adjusted net interest income (V)	\$ 303	\$ 295	\$ 287	\$ 285	\$ 275	\$ 598	\$ 539

Average Card Member loans (billions)	\$ 11.7	\$ 11.2	\$ 10.9	\$ 10.5	\$ 10.2	\$ 11.4	\$ 10.0
Net interest income divided by average Card Member loans (W)	6.5%	7.4%	6.9%	7.3%	7.4%	6.9%	7.7%
Net interest yield on average Card Member loans (X)	10.4%	10.7%	10.5%	10.7%	10.8%	10.6%	10.9%

See Appendix III for footnote references

All Information in the preceding tables is presented on a basis prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), unless otherwise indicated. Certain reclassifications of prior period amounts have been made to conform to the current period presentation.

- (A) Effective January 1, 2018, includes reclassification of certain business development expenses from Other expenses to Marketing and business development that are not directly attributable to the adoption of the new revenue recognition guidance. Prior periods have been conformed to the current period presentation.
- (B) Represents net income (loss), less (i) earnings allocated to participating share awards of \$12 million, \$13 million, \$2 million, \$11 million and \$11 million in Q2'18, Q1'18, Q4'17, Q3'17 and Q2'17, respectively; and (ii) dividends on preferred shares of \$20 million, \$21 million, \$20 million, \$21 million and \$19 million in Q2'18, Q1'18, Q4'17, Q3'17 and Q2'17, respectively.
- (C) Within assets, "other" includes the following items as presented in the Company's Consolidated Balance Sheets: Other receivables, Other loans (including merchant financing loans), Premises and equipment and Other assets; and within liabilities, "other" includes the following items: Travelers Cheques and other prepaid products, Accounts payable and Other liabilities.
- (D) Return on average equity and return on average common equity are calculated by dividing one year period net income/net income attributable to common shareholders by one year average total shareholders' equity/average common shareholders' equity, respectively. Refer to Appendix I for components of return on average equity and return on average common equity.
- (E) Effective January 1, 2018, we have exited transitional Basel III reporting and our ratios exclude all transitional provisions. Current ratios represent preliminary estimates as of the date of Second Quarter 2018 Earnings Release and may be revised in the Company's 2018 Form 10-Q for period ended June 30, 2018.
- (F) Supplementary Leverage Ratio is calculated by dividing Tier 1 capital by total leverage exposure under Basel III. Leverage exposure, which reflects average total consolidated assets with adjustments for Tier 1 capital deductions, average off-balance sheet derivatives exposures, securities purchased under agreements to resell and credit equivalents of undrawn commitments that are both conditionally and unconditionally cancellable.
- (G) Presented for the purpose of calculating the Tier 1 Leverage Ratio.
- (H) Billed business represents transaction volumes (including cash advances) on cards and other payment products issued by American Express (proprietary card billed business) and cards issued under network partnership agreements with banks and other institutions, including joint ventures (GNS card 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 United States or outside the United States based on the location of the issuer.
- (I) Cards-in-force represents the number of cards that are issued and outstanding by American Express (proprietary cards-in-force) and cards issued and outstanding under network partnership agreements with banks and other institutions, including joint ventures (GNS cards-in-force) except for GNS retail cobrand cards that have no out of store spend activity during the prior 12 months. Basic cards-in-force excludes supplemental cards issued on consumer accounts.
- (J) 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 the Company from merchants it acquires, or from merchants acquired by third parties on its behalf, net of amounts retained by such third parties. Effective January 1, 2018, the Company began including billed business related to certain business-to-business products in the calculation of the average discount rate to reflect our expanding business-to-business product offerings. Prior periods have been conformed to the current period presentation.
- (K) Average fee per card is computed based on proprietary basic net card fees divided by average proprietary basic cards-in-force.
- (L) Other includes foreign currency impact on balance sheet re-measurement and translation.
- (M) The Company presents a net write-off rate based on principal losses only (i.e., excluding interest and/or fees) to be consistent with industry convention. In addition, as the Company's practice is to include uncollectible interest and/or fees as part of its total provision for losses, a net write-off rate including principal, interest and/or fees is also presented.
- (N) See Appendix II for calculations of net interest yield on average Card Member loans, a non-GAAP measure, and net interest income divided by average Card Member loans, a GAAP measure, and the Company's rationale for presenting net interest yield on average Card Member loans (refer to Footnotes "W" and "X").
- (O) GCP reflects global, large and middle market corporate accounts. GCP delinquency data for periods other than 90 days past billing is not available due to system constraints.
- (P) 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 the foreign exchange rates used to determine results for Q2'18 apply to the period(s) against which such results are being compared). The Company believes the presentation of information on an FX-adjusted basis is helpful to investors by making it easier to compare the Company's performance in one period to that of another period without the variability caused by fluctuations in currency exchange rates.
- (Q) Captions not designated as "proprietary" or "GNS" include both proprietary and GNS data.
- (R) Includes changes in certain corporate allocations that are not directly attributable to our new segment structure.
- (S) Effective Q3'17, GSBS loans and associated metrics reflect worldwide small business services loans. Prior to Q3'17, due to certain system limitations, small business services loans outside the U.S. and associated credit metrics are reflected within GCSG, and were not significant to either GCSG or GCS.
- (T) Primarily represents interest expense attributable to maintaining our corporate liquidity pool and funding Card Member receivables.
- (U) Primarily represents interest income attributable to Other loans, interest-bearing deposits and the fixed income investment portfolios.

- (V) Adjusted net interest income is a non-GAAP measure that represents net interest income attributable to our Card Member loans (which includes, on a GAAP basis, interest that is deemed uncollectible), excluding the impact of interest expense and interest income not attributable to our Card Member loans. The Company believes adjusted net interest income is useful to investors because it represents the interest expense and interest income attributable to our Card Member loan portfolio and is a component of net interest yield on average Card Member loans, which provides a measure of profitability of our Card Member loan portfolio.
- (W) 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.
- (X) Net interest yield on average Card Member loans is a non-GAAP measure that is computed by dividing adjusted net interest income by average Card Member loans. The Company believes that net interest yield on average Card Member loans is useful to investors because it provides a measure of profitability of the Company's Card Member loan portfolio.