American Express Company

Financial Community Meeting

February 5, 2014
Financial Community Meeting

Kenneth Chenault
Chairman and Chief Executive Officer

Susan Sobbott
President, OPEN

Anré Williams
President, Global Merchant Services
Agenda

- Financial and Business Performance
- Business Model Advantages
- Growth Opportunities
- Small Business Opportunity
  - Global Small Business Issuing
  - Small Merchant Coverage Strategy
- Q&A
### Financial Performance

$ in billions; except per share amounts

<table>
<thead>
<tr>
<th></th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues Net of Interest Expense</td>
<td>$7.9</td>
<td>$8.2</td>
<td>$8.3</td>
<td>$8.5</td>
<td>$33.0</td>
</tr>
<tr>
<td>Growth vs. Prior Year</td>
<td>4%</td>
<td>4%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>FX Adjusted Growth vs. Prior Year</strong></td>
<td>5%</td>
<td>4%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$1.3</td>
<td>$1.4</td>
<td>$1.4</td>
<td>$1.3</td>
<td>$5.4</td>
</tr>
<tr>
<td>Diluted EPS*</td>
<td>$1.15</td>
<td>$1.27</td>
<td>$1.25</td>
<td>$1.21</td>
<td>$4.88</td>
</tr>
<tr>
<td>Growth vs. Prior Year</td>
<td>7%</td>
<td>10%</td>
<td>15%</td>
<td>#</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Adjusted Growth vs. Prior Year</strong></td>
<td></td>
<td></td>
<td></td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Return on Average Equity</td>
<td>23%</td>
<td>24%</td>
<td>24%</td>
<td>28%</td>
<td>28%</td>
</tr>
</tbody>
</table>

# Denotes variance of more than 100%. *Attributable to common shareholders. Represents net income less earnings allocated to participating share awards and other items of $11MM in Q1’13, $13MM in Q2’13, $12MM in Q3’13, $11MM in Q4’13 and $47MM for FY’13. **The growth rate of adjusted diluted earnings per share, a non-GAAP measure, is calculated by excluding from diluted EPS the Q4’12 restructuring charges, Membership Rewards U.S. URR estimation process enhancement expense, and Card Member reimbursements. Refer to Annex 1 for a breakdown of these amounts and a reconciliation to diluted EPS on a GAAP basis. A Membership Rewards international URR estimation process enhancement expense, reengineering costs and Card Member reimbursements were not excluded from Q4’13 or FY’13 diluted EPS. † Total revenue net of interest expense on an FX-adjusted basis is a non-GAAP measure. FX adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (e.g., assumes foreign exchange rates used for Q4’13 applies to Q4’12, rate used for Q3’13 applies to Q3’12, etc).
February '13 Potential Slow Growth Scenarios

Scenario 1
- Revenue: 5%
- OPEX*: 700bps
- M&P/Rewards: (200bps)
- Provision/Credit: (300bps)
- Share Repurchase: 500bps
- EPS: 12%

Scenario 2
- Revenue: 5%
- OPEX*: 500bps
- M&P/Rewards: (200bps)
- Provision/Credit: (300bps)
- Share Repurchase: 400bps
- EPS: 9%

Scenario 3
- Revenue: 7%
- OPEX*: 700bps
- M&P/Rewards: (200bps)
- Provision/Credit: (300bps)
- Share Repurchase: 600bps
- EPS: 15%

*Operating expense includes salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net.
Note: Figures rounded. *The growth rates of adjusted diluted earnings per share, adjusted operating expense and adjusted rewards expense, non-GAAP measures, are calculated by excluding from 2012 diluted EPS, operating expense and rewards expense the Q4'12 restructuring charges, Membership Rewards U.S. URR estimation process enhancement expense and Card Member reimbursements, as applicable. Refer to Annex 1 and 2 for a breakdown of these amounts and a reconciliation to diluted EPS, operating expense and rewards expense on a GAAP basis. An MR international URR estimation process enhancement expense, reengineering costs, and Card Member reimbursement were not excluded from 2013 diluted EPS, operating expense and rewards expense.
AXP Financial Target

On average and over time:

- EPS: 12-15%
- 2010-2013 CAGR: 13%
## Metric Trends

### Billed Business*

<table>
<thead>
<tr>
<th></th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
</tr>
</tbody>
</table>

### Billed Business FX Adjusted**

<table>
<thead>
<tr>
<th></th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

### Total Cards In Force

<table>
<thead>
<tr>
<th></th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

### Card Member Loans

<table>
<thead>
<tr>
<th></th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>4%</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

### Worldwide Lending Write-off Rate†

<table>
<thead>
<tr>
<th></th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.0%</td>
<td>1.9%</td>
<td>2.0%</td>
<td>1.7%</td>
<td>1.6%</td>
<td></td>
</tr>
</tbody>
</table>

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*Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements (non-proprietary billed business), and certain insurance fees charged on proprietary cards. **See slide 4 for an explanation of FX adjusted information. †Principal Only. See Statistical tables in Q4’13 Earnings Release for net write-off rates including interest and/or fees.
Billed Business Growth by Region

% increase/(decrease) vs. prior year:

FY’13 (FX Adj)*
- U.S. 8%
- International 10%
- Worldwide 8%

*See slide 4 for a definition of FX-Adjusted and Annex 3 for reported billings growth rates.
Billings Growth – U.S.

% increase/(decrease) vs. prior year:

AXP U.S. FY'13 Growth

- Consumer 7%
- Corporate 8%
- Small Business 11%

Source: Company filed reports.
Billings Growth – Global

FX adjusted† % increase/(decrease) vs. prior year

AXP FY’13 Growth (FX Adj)

<table>
<thead>
<tr>
<th>Category</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>7%</td>
</tr>
<tr>
<td>Corporate</td>
<td>6%</td>
</tr>
<tr>
<td>Small Business</td>
<td>10%</td>
</tr>
<tr>
<td>GNS</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Company filed reports. Note: Visa results exclude Visa Europe, which is a separate entity. †See slide 4 for definition of FX adjusted and Annex 4 for AXP reported basis.
2013 Volumes – Relative Performance

**Billed Business**

<table>
<thead>
<tr>
<th>$ in billions</th>
<th>Growth vs. PY</th>
</tr>
</thead>
<tbody>
<tr>
<td>AXP</td>
<td>$952</td>
</tr>
<tr>
<td>JPM*</td>
<td>$420</td>
</tr>
<tr>
<td>Citi**</td>
<td>$365</td>
</tr>
<tr>
<td>BofA***</td>
<td>$206</td>
</tr>
<tr>
<td>CapOne†</td>
<td>$201</td>
</tr>
<tr>
<td>Discover††</td>
<td>$110</td>
</tr>
</tbody>
</table>

**Ending Loans**

<table>
<thead>
<tr>
<th>$ in billions</th>
<th>Growth vs. PY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citi**</td>
<td>$150</td>
</tr>
<tr>
<td>JPM*</td>
<td>$128</td>
</tr>
<tr>
<td>BofA***</td>
<td>$92</td>
</tr>
<tr>
<td>CapOne†</td>
<td>$81</td>
</tr>
<tr>
<td>AXP</td>
<td>$67</td>
</tr>
<tr>
<td>Discover††</td>
<td>$53</td>
</tr>
</tbody>
</table>

See slide 8 for a definition of AXP Billed Business.*Billings exclude commercial card. **Global. ***U.S. Consumer Credit Card. †Global card; 2013 billings growth rate impacted by HSBC acquisition which increased billings growth in Q1’13 and Q2’13. ††Billed business is credit card sales volume; disclosed credit card volume was $119B and increased 3% vs. prior year.
Revenue Growth vs. Issuing Competitors

% increase/(decrease) vs. prior year

Source: Company Reports. Note: Issuing Competitors reflect rewards costs as a contra revenue item whereas the majority of AXP rewards costs are reported as an expense.

*Card Services reclassified in Q2’13 as "Consumer Lending" to include Dealer Financial Services (auto). **Global Card. †Represent total company results, including Student Loan Portfolio and Home Loan Center acquisitions. ‡Global Card, includes HSBC acquisition.
Lending Managed Net Write-off Rate*

**Managed Net Write-off Rate (Principal Only). See Statistical Tables in the Company’s Fourth Quarter 2013 Earnings Release for net write-off rates including interest and/or fees. See Annex 5 for GAAP basis for USCS for periods prior to 2010. There are no off-balance sheet ICS securitizations; therefore, the net write-off rates for ICS are on a GAAP basis. **Industry weighted average includes Bank of America Card, Citi North America (Retail and Branded Cards), Capital One US Card, Discover and JP Morgan.
Net Fraud Losses
As a % of Total U.S. General Purpose Purchase Volumes

*Source: Nilson.*
Adjusted Total Operating Expense Growth*

% increase/(decrease) vs. prior year:

- **2010**: 8%
- **2011**: 9%
- **2012**: 2%
- **2013**: 0%

<3% Annual Target

Note: See slide 5 for definition of operating expenses. *The growth rate of adjusted total operating expenses, a non-GAAP measure, excludes Visa/MasterCard litigation settlement proceeds from 2010-2012 and Q4’12 restructuring charges from total operating expenses. Reported operating expense growth rates were 11%, 12%, 10% and (12%) for 2010, 2011, 2012 and 2013, respectively. Refer to Annex 6 for a reconciliation of adjusted growth rates and their components. Adjusted total operating expenses do not exclude reengineering costs (other than the Q4’12 restructuring charges) or Card Member reimbursements (unlike Q4’13 and FY’13 adjusted diluted EPS growth rates shown on slide 4 and FY’13 adjusted Opex and adjusted diluted EPS growth rates shown on slide 6).
Marketing and Promotion Expense

($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1'09</th>
<th>Q4'09</th>
<th>Q4'10</th>
<th>Q4'11</th>
<th>Q4'12</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$370</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td>$871</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td>$722</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2.9</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$3.0</td>
</tr>
</tbody>
</table>

Full Year ($ in B)

2009: $2.0
2010: $3.1
2011: $3.0
2012: $2.9
2013: $3.0
Loyalty Partner Update

Customers (Collectors)

~34MM
~50MM
~60MM

+75%

Oct'11
Dec'12
Dec'13

Mexico
India
Poland
Germany

~34MM
~50MM
~60MM

18
**Enterprise Growth Customer Trends**

**Enterprise Growth Customers**

# of customers in millions

### Reloadable Prepaid Statistics

- 90% of Serve/Bluebird customers do not have an existing American Express account
- 54% of Serve customers are under age 35 (since product re-launch)
- 46% of Bluebird customers are under age 35

*Cumulative customer orders for General Purpose Reloadable Cards, Serve, Bluebird, and Travel Cards; Vente-Privee registered users; and Lianlian agents and consumer relationships. Includes accounts in pended status.*
Strong Capital Position

Percentage of Capital Generated Returned to Shareholders

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payout Ratio</td>
<td>30%</td>
<td>56%</td>
<td>98%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Tier 1 Common Risk-Based Capital Ratio*

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>11.1%</td>
<td>12.3%</td>
<td>11.9%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

Note: Payout Ratio is calculated by dividing the total amount returned to shareholders through dividends and share repurchases during the respective period by the total capital generated through net income attributable to common shareholders and employee plans during the respective period. *The Risk-Based Capital Ratios represent a preliminary estimate as of the date of these earnings slides and may be revised in the Company’s 2013 Annual Report on Form 10-K. The Tier 1 Common Risk-Based Capital Ratio is calculated as Tier 1 Common Equity, a non-GAAP measure, divided by Risk-Weighted Assets. See Annex 7 for a reconciliation between Tier 1 Common Equity and Total Shareholders’ Equity.
2013 Payout Ratio

Note: Payout Ratio is calculated by dividing the total amount returned to shareholders through dividends and share repurchases during the respective period by the total capital generated through net income attributable to common shareholders during the respective period.
Voice of the Customer

**Recommend to a Friend** (RTF) measures a Card Member’s satisfaction with the level of servicing provided by American Express customer care professionals. The metric is calculated from ratings given by Card Members in response to the question: "Based on this recent service experience, how likely are you to recommend American Express to a friend or colleague? Please use a 1 to 10 scale where '10' means 'extremely likely' and '1' means 'extremely unlikely.'" Card Members who respond with a rating of 9 or 10 are "Promoters" while Card Members who respond with a rating between 1 and 6 are "Detractors." RTF is the difference between the percentage of Card Members who are "Promoters" vs. "Detractors." Survey is conducted via email and administered by an independent research company on behalf of American Express. Responses from inbound phone and off-line servicing are gathered representing over 1MM surveys in a 12 month period.
USCS Card Member Non-credit Attrition*

Indexed to FY’08 levels

Note: Q4’08, Q1’09 and Q2’09 were normalized for inactive card cancellations of 300K cards in Q4’08, 500K cards in Q1’09 and 2.6MM cards in Q2’09. *Non-Credit attrition includes voluntary attrition (Card Member initiated) and attrition resulting from non-activity (Amex initiated), death, or the supplemental card cancellation by the basic Card Member.
U.S. Membership Rewards Redeemer Performance

### Percentage of MR Enrollees Who Have Redeemed

<table>
<thead>
<tr>
<th></th>
<th>Indexed to Q4'09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'09</td>
<td>1.0</td>
</tr>
<tr>
<td>Q4'10</td>
<td>1.2</td>
</tr>
</tbody>
</table>

### Avg. Spend per Account*

<table>
<thead>
<tr>
<th></th>
<th>Indexed to Q4'09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'09</td>
<td>~5x</td>
</tr>
<tr>
<td>Q4'10</td>
<td>1x</td>
</tr>
</tbody>
</table>

### Share of Wallet**

<table>
<thead>
<tr>
<th></th>
<th>Indexed to Q4'09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'11</td>
<td>~1.8x</td>
</tr>
<tr>
<td>Q4'12</td>
<td>1.0x</td>
</tr>
</tbody>
</table>

### Attrition***

<table>
<thead>
<tr>
<th></th>
<th>Indexed to Q4'09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'13</td>
<td>~0.7x</td>
</tr>
<tr>
<td></td>
<td>1.0x</td>
</tr>
</tbody>
</table>

Note: MR Enrollees represent U.S. Card Members enrolled in the Membership Rewards program who have earned at least one Membership Reward point. *2013 spend on MR-enrolled cards. Does not include spend on non-MR eligible cards issued to MR Enrollees. **Share of Wallet defined as the percent of an MR Enrollee’s total credit and charge spend (based on internal modeling) that is on an AXP MR-eligible card. ***2013 attrition includes voluntary and involuntary attrition (including credit related attrition).
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- Q&A
AXP Managed Revenue Performance*

*Managed revenue on an FX-Adjusted basis is a non-GAAP measure. On a reported basis, the 2010-2013 CAGR was 6% and the 2013 year-over-year growth rate was 4%. See slide 4 for an explanation of FX adjusted information.
U.S. Consumer Revolving Credit – Industry Growth

% increase/(decrease) vs. prior year:

Avg. '02-'08 = 5%
Avg. '11-'13 = (1%)

U.S. Charge/Credit Purchase Volume – Industry Growth

% increase/(decrease) vs. prior year:

Avg. '02-'08 = 8%

Avg. '11-Q3’13 = 9%

*Source: AXP internal data and The Nilson Report.
Industry Loan and Purchase Volume Growth

% increase/(decrease) vs. prior year:

**U.S. Revolving Credit Growth**
- Avg. '02-'08 = 5%
- Avg. '11-'13 = (1%)

**U.S. Charge/Credit Purchase Volume**
- Avg. '02-'08 = 8%
- Avg. '11-Q3’13 = 9%

Note: See source information on slides 28 & 29.
Cumulative Revenue Growth vs. Issuer Peers

Indexed to 2010

AXP

+6% CAGR

Indexed to 2010

Card Issuing Peers

(2)% CAGR

2010 2013

100 120

NII* as a % of Revenue

17% 15%

2010 2013

100 94

75% 76%

Note: Issuing Competitors reflect rewards costs as a contra revenue item whereas the majority of AXP rewards costs are reported as an expense. Peers include Citi, JP Morgan, Capital One, Discover and Bank of America. *NII is Net Interest Income.
Agenda

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New First Year Spend* by Product Type

7% YoY Growth

- Prop Lending
- Co-Brand
- Charge

Cards Acquired in 2012
Cards Acquired in 2013

Note: Includes customers acquired in the USCS and ICS segments. *First Year Spend reflects the first 12 months of spending for a new customer acquired. For customers acquired less than 12 months prior, internal estimates have been used for their expected spending over the 12 month period, i.e., a new customer acquired on 8/1/13 includes 5 months of actual spend and 7 months of internally forecasted spend.
High Spending Card Members

FY’13 vs. FY’07 – Worldwide Average Card Member Spend

$ in thousands

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AXP - Proprietary Cards</td>
<td>$16.3</td>
<td>$12.1</td>
<td>$11.5</td>
<td>$9.8</td>
</tr>
<tr>
<td>AXP - Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visa</td>
<td>$4.1</td>
<td>$2.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MasterCard</td>
<td>$3.3</td>
<td>$2.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Calculated using a five point average of worldwide total basic cards in force for AXP and credit card and charge accounts for Visa and MasterCard (excludes debit and cash). Visa’s 2013 data assumes Q4’13 number of accounts equals Q3’13 number of accounts.
Source: Company reports, 2013 data based upon four-quarters-ended December 31, 2013.
U.S. Consumer Affluent* Spend

2013 Average Annual Spend
Indexed to All Other Card Member Spend

Affluent Card Member Spend: ~6x
All Other Card Member Spend: 1x

Spend Growth
Indexed to 2011 levels

2011: 100
2013: 121

*Affluent Card Members defined as U.S. Consumer Basic Card Members that have household income reported above $150k or annual spend above $30k in the past twelve months.
Note: AXP figures represent Corporate Card volumes. AXP B2B includes vPayment, Buyer-initiated Payment, and Purchasing Card. *Industry includes Visa and MasterCard Purchase Volumes per The Nilson Report. B2B/Purchasing card volumes include Purchasing Card as well as MasterCard Multi-card, JPM Single Use, and USB OneCard.
International Business Operations* Performance

**International represents the sum of the Europe, Middle East and Africa (EMEA) region, the Japan, Asia/Pacific and Australia (JAPA) region and the Latin America, Caribbean and Canada (LACC) region.**

**See slide 4 for an explanation of FX adjusted information. On a reported basis, International billed business CAGR from 2011 to 2013 was 6%.**
GNS Performance

Billed Business

($ in billions)

CAGR 1999-2013

23%

New Deals

WELLS FARGO

us bank

PREMIERMILES
citibank

EQUITY Bank • Your Listening, Caring Partner
AXP Acquires

PAYBACK launch in Mexico

India PAYBACK co-brand card launch

Interjet PAYBACK co-brand cards launch in Mexico

PAYBACK launch in India

Germany PAYBACK co-brand card launch

PAYBACK launch in Italy

Loyalty Partner

(Operating in Germany, Poland & India)
Serve Software Platform: International Opportunities

Retail Around the World

China Partnerships

Partnership With Payback

Cross Border Payments & Commerce
Digital Progress

**Digital Metrics**

- **7.4M** (58% YoY) Cumulative AXP Mobile App downloads
- **83%** Payments Received Electronically*
- **3.0M+** (86% YoY) Registered Card Offers Redeemed
- **1.0M+** (60% YoY) Card Syncs
- **39%** 2013 Bluebird Funds Loaded via Direct Deposit

**New Deals**

- **Sync to Buy**
- **Receipt Match**
- **Pay With Points on Mobile**
- **Digital Offer Ecosystem**
- **Digital Marketing**

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*Electronic includes payments received via phone, online, AutoPay, 3rdParty remits and wire transfers.
Untapped Opportunity: U.S.

$4.4T Estimated Total Small Business Spend (ex. Payroll) in 2013¹

1. "Estimated Total Small Business Spend" U.S. small businesses with less than $10MM in revenue based on "McKinsey Payments Map (January 2014)" from McKinsey. "Plastic Spend" includes General Purpose Credit Card and Debit Spend. The "McKinsey Payments Map" reports on the following payment methods for small businesses: Cash, General Purpose Credit Card, Debit, Wire, ACH, and Check. "Non-Plastic" Spend includes all non-payroll small business expenditures not included in General Purpose Credit Card or Debit. Example spend categories of "Non-Plastic Spend" are based on the January 2014 "Small Business Directions" report by Edna Luther (Third party research firm). The 2013 survey asked 1,000 small business owners to categorize their business expenditures into categories of spend, with the following results: Products for resale (16.3%), Business travel (total) (11.6%), Office products (excludes computers and software) (11.0%), Computer hardware and software (9.6%), Materials used in manufacturing (9.3%), Insurance (8.6%), Telecommunications (8.4%), Advertising (6.8%), Shipping (5.8%), and All other expenses (12.6%). Source: McKinsey, Edna Luther.
Global Small Business Issuing Update

Susan Sobbott
President, American Express OPEN
Small Business: Why Focus on the Sector?

- 99.7% of all U.S. firms\(^1\)
- Nearly 50% of non-farm GDP\(^2\)
- Over $4T in annual spend\(^3\)
- Less than 10% of spend on plastic\(^4\)

---

1. % of U.S. Employer Firms and % of Non-Farm GDP based on “Frequently Asked Questions September 2012” Small Business Administration (SBA) – Office of Advocacy Source: SBA.
4. “Small Business Plastic Spend” includes General Purpose Credit, Charge, and Debit Spend figures based on “McKinsey Payments Map (January 2014)”.

---

KENNY FELDMAN
FELDMAN LUMBER
CARD MEMBER SINCE ’72
Small Business: Growth Focus

New businesses formed every day

Substantial spending with checks

We grow as small businesses grow
Small Business: Our Mission

Helping Small Businesses Do More Business

MABLE LEE
LALA PRESS
CARD MEMBER SINCE ‘99
Small Business: Our OPEN Members

Less than $10MM in revenue, up to 100 employees

Operate across diverse industries

Growth focus

MORDY KOHN
SUNSHINE LIGHTING
CARD MEMBER SINCE '88
Small Business: Our OPEN Members

TED VADAKAN & ANGIE MYUNG
POKETO
CARD MEMBERS SINCE '05
Small Business: Our OPEN Members

JESSICA BANKS & MIHAE MUKAIDA
ROCKPAPERROBOT
CARD MEMBERS SINCE ‘09
Small Business: Unique Business Needs

NELSON GUTIERREZ
Strictly Bikes
Card Member Since '01
Small Business: Unique Business Needs

JACQUELINE SHARP
FORT
CARD MEMBER SINCE ’13

Large purchases

Controls over employee spend

Expense tracking and assign to specific clients

Service delays impact their bottom line
Growth Strategy: Pillars

ATTRACT

ENGAGE
Attract: Small Business Saturday
Attract: Small Business Saturday
Attract: OPEN Forum

Welcome to the NEW OPEN FORUM

Exchange Advice. Make Smart Decisions.

GET INSIGHTS
LEADERSHIP

Bre Pettis Of MakerBot: From Living Off Ramen To Creating A $400M Company

Katie Morell
Freelance Writer and editor. Self-e..

JANUARY 21, 2014 - This company has made 3D printing at home a snap for hobbyists and professionals everywhere. But getting it to market wasn't so easy.

READ ARTICLE

SEE WHAT WORKS FOR OTHERS
MARKETING

Get your brand out there in 2014! Here's some tips that will help cover all your bases.

VIEW ADVICE+

James Halloran (Blog Commentator, Brand.com) shared advice on Branding

SHARE WHAT WORKS FOR YOU
MARKETING

What is everyone’s opinion on SEM? Good for a company? Good for SEO backlinks?

SEE RESPONSES+

Wayne Cichanski (Co-Founder, Managing Partner, Digital Blitz SEO) is looking for advice on SEO
Attract: OPEN Forum

Inside SUCCESSFUL SMALL BUSINESS

Successful small business owners share the most important lessons they've learned the hard way.

Currently watching:
Always Be Open to New Ideas

More videos in this series:
Pound the Pavement
Inventory: The Silent Killer
When to Fire Your Customers
Let Your Vendors Be a Part of Your Success

There's not only one way to do something.
Attract: Charge Cards

Here’s another reason to get a Business Card from American Express OPEN.
Attract: Lending Cards

The SimplyCash® Business Credit Card
Attract: OPEN Savings

Boost Your Value with the OPEN Savings® Benefit

You can get up to 4 additional Membership Rewards points OR up to 10% discounts on eligible purchases with OPEN Savings Partners when you use your Business Card from American Express OPEN.1

Choose Your Benefit
Attract: Service

Joanna Gutierrez
Strictly Bikes
Card member since '01
Attract: Digital Acquisition

Power to Purchase.
Power to Earn.

With the Enhanced Business Gold Rewards Card, you get business-sized purchasing power that can grow as your business grows. Whatever your business might be.
A Card with business-sized purchasing power that can evolve with your business.
MEMBERSHIP IS FOR PEOPLE WHO NEED TO BUY THINGS THAT ARE BIGGER THAN THE THINGS REGULAR PEOPLE NEED TO BUY.
Engage: ReceiptMatch

RECEIPTMATCH™

DIGITALLY MATCH AND STORE BUSINESS CARD RECEIPTS TO YOUR ONLINE STATEMENT.
Growth Strategy: Why OPEN?

- Business growth programs
- Business sized purchasing capacity
- Rewards and savings
- Best-in-class service

JOHN KAPLAN
WEIGLWORKS
CARD MEMBER SINCE ’09
Financial Performance: OPEN Card Billed Business

Card Billed Business Growth

Indexed to 2010

CAGR +12%

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
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<tbody>
<tr>
<td>2010</td>
<td>100</td>
</tr>
<tr>
<td>2011</td>
<td>114</td>
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<tr>
<td>2012</td>
<td>127</td>
</tr>
<tr>
<td>2013</td>
<td>141</td>
</tr>
</tbody>
</table>
First Year Spend reflects the first 12 months of spending for a new customer acquired.

For customers acquired less than 12 months prior, internal estimates have been used for their expected spending over the 12 month period, i.e., a new customer acquired on 8/1/13 includes 5 months of actual spend and 7 months of internally forecasted spend.

Financial Performance:
OPEN New First Year Spend

Indexed to 2010

CAGR +18%

1. First Year Spend reflects the first 12 months of spending for a new customer acquired. For customers acquired less than 12 months prior, internal estimates have been used for their expected spending over the 12 month period, i.e., a new customer acquired on 8/1/13 includes 5 months of actual spend and 7 months of internally forecasted spend.
Financial Performance: OPEN Average Spend Per Small Business Card

OPEN Card Spend\(^1\)

Indexed to 2010

\[\begin{array}{c}
2010 & 100 \\
2011 & 115 \\
2012 & 126 \\
2013 & 137 \\
\end{array}\]

CAGR +11%

Average OPEN Card Spend vs. Industry\(^2\)

2012, Indexed to Industry Average

\[\begin{array}{c}
\text{OPEN} & \text{U.S. Small Business Credit Card Industry Average} \\
& 3.3x \\
\end{array}\]

1. Calculated using billed business and a five point average of total basic cards in force for U.S. small business credit card and charge accounts.
Financial Performance: OPEN Write-Off Rates

OPEN Charge and Lending Write-Off Rates

1. Net Write-off Rates (Principal Only) for OPEN Charge and Lending Products.
Financial Performance: Summary

One of best examples of spend centric model

Outpacing AXP top-line metrics

High return on equity
Performance: Net Promoter Score (NPS)

**OPEN 2013 NPS Among Small Business Owners vs. Industry**

Indexed to Average of Top 4 Small Business Card Issuing Competitors

Note: NPS is the percentage of customer ‘promoters’ (i.e., customers who are likely to recommend the company to friends and colleagues) less its ‘detractors’ (i.e., customers who express low ratings when asked if they would recommend the company to friends and colleagues). Respondents were asked: “How likely would you be to recommend these brands (American Express, Visa, MasterCard, Discover, Bank of America, Capital One, Chase, and Citibank) to another business owner?”

1. Issuer Average based on NPS scores of Capital One, Chase, Bank of America, Citibank. Source: 2013 OPEN Brand Health Tracker (Q1’2013-Q4’2013). Conducted among small business owners with annual revenue $200k - $10mm.
Performance: U.S. Share Growth

OPEN Billed Business Growth vs. Industry Growth

OPEN Growth Rate over Industry Growth Rate

1. Year over Year industry growth calculated by totaling the purchase volume of Visa and MasterCard Small Business Credit Card purchase volumes listed per Nilson Reports. Discover purchase volume is not included in the Nilson Reports. 2013 data for U.S. issuers is not yet available. Source: The Nilson Report (July 2011, July 2012, August 2013)
Untapped Opportunity: U.S. Small Business

$4.4T Estimated Total Small Business Spend (ex. Payroll) in 2013

Non-Plastic Spend 91%
Business Plastic Spend 9%

Example Spend Categories
- Raw Materials
- Advertising
- Telecommunications
- Shipping
- Computer Hardware & Software

1. "Estimated Total Small Business Spend (ex. Payroll)" for U.S. small businesses with less than $10MM in revenue based on "McKinsey Payments Map (January 2014)" from McKinsey. "Plastic Spend" includes General Purpose Credit, Charge and Debit Spend. The "McKinsey Payments Map" reports on the following payment methods for small businesses: Cash, General Purpose Credit, Charge, or Debit, Wire, ACH, and Check. "Non-Plastic Spend" includes all non-payroll small business expenditures not included in General Purpose Credit Card or Debit. Example spend categories of "Non-Plastic Spend" are based on the January 2014 "Small Business Directions" report by Edna Luther and Associates (Third party research firm). The 2013 survey asked 1,000 small business owners to categorize their business expenditures into categories of spend, with the following results: Products for resale (16.3%), Business travel (total) (11.6%), Office products (excludes computers and software) (11.0%), Computer hardware and software (9.6%), Materials used in manufacturing (9.3%), Insurance (8.6%), Telecommunications (8.4%), Advertising (6.8%), Shipping (5.8%), and All other expenses (12.6%) Source: McKinsey, Edna Luther and Associates.
Untapped Opportunity: International Small Business

1. Estimated number of small business (defined as companies with less than 250 employees) in France, Italy, Germany, Japan, and the UK. Australian small businesses defined as companies with less than 200 employees. Canadian small businesses defined as companies with less than 100 employees. Sources: Internal AXP data, OECD and Euromonitor (2011), Government of Canada, Small to Medium Enterprise Australia (Government of Australia) and Small to Medium Enterprise Agency of Japan.

Indexed to 2010, FX Adjusted

International Small Business Card Billed Business Growth

CAGR +9%

1. F/X adjusted assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars. On a reported basis, international card billed business 2010-2013 CAGR was 9%. International Small Business Card Billed Business is for proprietary markets only.
Conclusions

Vital to global economy

Growth strategy

Strong track record of performance

Future opportunity
Small Merchant Coverage Strategy

Anré Williams
President
Global Merchant Services
GMS Strategy

Issues
- U.S. Consumer
- Int’l Consumer
- Small Business
- Bank Partners
- Corporate Payments
- Serve/Prepaid

Merchants
- Global
- National
- Regional
- Small Merchants

Global Merchant Services
Merchant Landscape

- Global
- National
- Regional
- Small
Small Merchants’ Perceptions

- Many believe AXP is too expensive (i.e. Discount Rate too high)
- Many say accepting AXP is more cumbersome than Visa/MasterCard
  - Our statements are separate and look different
  - Our “Speed of Pay” is too slow
  - Our policies are different
- AXP Card Members carry and can pay with other products
AXP’s Coverage Evolution

1950s/60s: T&E
- AVIS
- Lufthansa

1970s/80s: Large Retail
- Macy’s
- ExxonMobil

Early 1990s: Every Day Spend
- Walmart
- ShopRite

Mid 1990s: Third Party Acquirers
- heartland payment systems
- global payments

Late 1990s/2000s: Partners
- GNS Co-Brand
- SAMSUNG
- Garanti
- Bradesco
- Delta
- Costco
- David Jones
Actions We Are Taking Today

- New Acquiring Constructs
- Policy Changes
- Tools
## U.S. Merchant Acquisition Channels: Overview

<table>
<thead>
<tr>
<th>Channel</th>
<th>Merchants Acquired</th>
<th>New Volume (Indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct/Proprietary</td>
<td>X</td>
<td>100</td>
</tr>
<tr>
<td>Inbound</td>
<td>3X</td>
<td>54</td>
</tr>
<tr>
<td>Third Party Acquirers</td>
<td>21X</td>
<td>97</td>
</tr>
<tr>
<td>External Sales Agent</td>
<td>73X</td>
<td>144</td>
</tr>
<tr>
<td>OnePoint</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Average annual data, 2012-2013.
## U.S. Merchant Acquisition Channels: Overview

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<td></td>
<td></td>
</tr>
<tr>
<td>External Sales Agent</td>
<td>21X</td>
<td>97</td>
</tr>
<tr>
<td>OnePoint</td>
<td>73X</td>
<td>144</td>
</tr>
<tr>
<td>Aggregators</td>
<td>105X</td>
<td>77</td>
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</tbody>
</table>

Note: Average annual data, 2012-2013.
U.S. Merchant Acquisition Channels: Roles

<table>
<thead>
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<th></th>
<th>American Express</th>
<th>External</th>
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<tbody>
<tr>
<td></td>
<td>Acquire</td>
<td>Contract/Rate</td>
</tr>
<tr>
<td>Direct/Proprietary</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Inbound</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Third Party Acquirers</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>External Sales Agent</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>OnePoint</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>OptBlue</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>
OptBlue Overview

- One Pricing Construct
- Single Statement
- One Settlement Process
- One Contact for Servicing
Japan

<table>
<thead>
<tr>
<th>merchants acquired</th>
<th>new volume (indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct/Proprietary</td>
<td>X 100</td>
</tr>
<tr>
<td>Third Party Acquirers</td>
<td>44X 141</td>
</tr>
</tbody>
</table>

Note: Average annual data, 2012-2013.
<table>
<thead>
<tr>
<th>Merchants Acquired</th>
<th>New Volume (Indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct/Proprietary</td>
<td>X</td>
</tr>
<tr>
<td>GNS Third Party Acquirers</td>
<td>11X</td>
</tr>
<tr>
<td>Bradesco/Cielo</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>206</td>
</tr>
</tbody>
</table>

Note: Average annual data: Direct/Proprietary (2005-2006); Bradesco/Cielo (2012-2013).
<table>
<thead>
<tr>
<th>Direct/Proprietary</th>
<th>Merchants Acquired</th>
<th>New Volume (Indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMERICAN EXPRESS</td>
<td>X</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Third Party Acquirers</th>
<th>Merchants Acquired</th>
<th>New Volume (Indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WorldPay</td>
<td>4X</td>
<td>25</td>
</tr>
<tr>
<td>Elavon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First Data. Merchant Solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>barclaycard</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LLOYDS BANK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARDNET</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Average annual data, 2012-2013.
Small Merchant Policy Changes

- Eliminating Statement Fees
- New Chargeback Policy (U.S. Only)
- Faster “Speed of Pay”
Small Merchant Coverage Strategy

- New Acquiring Constructs
- Policy Changes
- Tools
Annex 1

### Adjusted Diluted EPS

($ in millions except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Q4’12</th>
<th>Q4’13</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Net Income</td>
<td>$637</td>
<td>$1,308</td>
<td>$4,482</td>
<td>$5,359</td>
</tr>
<tr>
<td>Adjustments for Q4’12 Charges (After-Tax)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Charges*</td>
<td>$287</td>
<td>$287</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Rewards Estimation Process Enhancement Expense*</td>
<td>$212</td>
<td>$212</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Card Member Reimbursements*</td>
<td>$95</td>
<td>$95</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Net Income</td>
<td>$1,231</td>
<td>$1,308</td>
<td>$5,076</td>
<td>$5,359</td>
</tr>
<tr>
<td>GAAP Common Shares Outstanding - Diluted (millions)</td>
<td>1,116</td>
<td>1,073</td>
<td>1,141</td>
<td>1,089</td>
</tr>
<tr>
<td>GAAP Diluted earnings per share attributable to common shareholders</td>
<td>$0.56</td>
<td>$1.21</td>
<td>$3.89</td>
<td>$4.88</td>
</tr>
<tr>
<td>Adjustment to Diluted earnings per share</td>
<td>$0.53</td>
<td>$0.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Diluted earnings per share</td>
<td>$1.09</td>
<td>$1.21</td>
<td>$4.40</td>
<td>$4.88</td>
</tr>
</tbody>
</table>

**GAAP Diluted earnings per share year-over-year growth**
- 116%
- 25%

**Adjusted Diluted earnings per share year-over-year growth**
- 11%
- 11%

*To the extent comparable categories of items were recognized in periods other than Q4’12, they have not been excluded.*
### Annex 2

<table>
<thead>
<tr>
<th>Adjusted Total Operating Expense* and Card Member Rewards Expense</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ in millions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP Total Operating Expenses</td>
<td>$ 13,170</td>
<td>$ 12,709</td>
</tr>
<tr>
<td>Adjustments for Q4’12 Charges (Before-Tax)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Charges**</td>
<td>$ 400</td>
<td></td>
</tr>
<tr>
<td>Card Member Reimbursements**</td>
<td>$ 33</td>
<td></td>
</tr>
<tr>
<td>Adjusted Total Operating Expenses</td>
<td>$ 12,737</td>
<td>$ 12,709</td>
</tr>
</tbody>
</table>

**YoY % Increase/(Decrease) in GAAP Total Operating Expenses**
- (4%)

**YoY % Increase/(Decrease) in Adjusted Total Operating Expenses**
- (0%)

**GAAP Total Operating Expense Contribution to GAAP EPS Growth**
- 1600bps

**Adjusted Total Operating Expense Contribution to Adjusted EPS Growth**
- 800bps

<table>
<thead>
<tr>
<th>GAAP Card Member Rewards Expense</th>
<th>$ 6,282</th>
<th>$ 6,457</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments for Q4’12 Charges (Before-Tax)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Rewards Estimation Process Enhancement Expense**</td>
<td>$ 342</td>
<td></td>
</tr>
<tr>
<td>Card Member Reimbursements**</td>
<td>$ 27</td>
<td></td>
</tr>
<tr>
<td>Adjusted Card Member Rewards Expense</td>
<td>$ 5,913</td>
<td>$ 6,457</td>
</tr>
</tbody>
</table>

**YoY % Increase/(Decrease) in GAAP Card Member Rewards Expense**
- 3%

**YoY % Increase/(Decrease) in Adjusted Card Member Rewards Expense**
- 9%

**YoY % Increase/(Decrease) in GAAP Marketing and Promotion Expense**
- 5%

**GAAP M&P/Card Member Rewards Contribution to GAAP EPS Growth**
- 200bps

**GAAP M&P/Adjusted Card Member Rewards Contribution to Adjusted EPS Growth**
- (400bps)

*See Slide 5 for a definition of Total Operating Expenses. **To the extent comparable categories of items were recognized in periods other than Q4’12, they have not been excluded.
## Region Billed Business - Reported & FX Adjusted*

% increase/(decrease) vs. prior year:

<table>
<thead>
<tr>
<th></th>
<th>Q4'11</th>
<th>Q1'12</th>
<th>Q2'12</th>
<th>Q3'12</th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td><strong>EMEA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reported</td>
<td>4%</td>
<td>4%</td>
<td>(4%)</td>
<td>(4%)</td>
<td>5%</td>
<td>2%</td>
<td>7%</td>
<td>10%</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>FX Adjusted</td>
<td>4%</td>
<td>6%</td>
<td>4%</td>
<td>3%</td>
<td>5%</td>
<td>4%</td>
<td>6%</td>
<td>8%</td>
<td>6%</td>
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<tr>
<td><strong>JAPA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Reported</td>
<td>18%</td>
<td>22%</td>
<td>10%</td>
<td>8%</td>
<td>11%</td>
<td>6%</td>
<td>8%</td>
<td>4%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>FX Adjusted</td>
<td>17%</td>
<td>18%</td>
<td>14%</td>
<td>9%</td>
<td>10%</td>
<td>9%</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td><strong>LACC</strong></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Reported</td>
<td>8%</td>
<td>11%</td>
<td>3%</td>
<td>5%</td>
<td>11%</td>
<td>6%</td>
<td>8%</td>
<td>7%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>FX Adjusted</td>
<td>13%</td>
<td>14%</td>
<td>12%</td>
<td>11%</td>
<td>11%</td>
<td>9%</td>
<td>10%</td>
<td>12%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td><strong>Worldwide</strong></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Reported</td>
<td>11%</td>
<td>12%</td>
<td>7%</td>
<td>6%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>FX Adjusted</td>
<td>11%</td>
<td>13%</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>International</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Reported</td>
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<td></td>
<td></td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>FX Adjusted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10%</td>
</tr>
</tbody>
</table>

*See slide 4 for an explanation of FX-adjusted information.
Annex 4

Billed Business - Reported & FX Adjusted*
% increase/(decrease) vs. prior year:

<table>
<thead>
<tr>
<th></th>
<th>Q2'09</th>
<th>Q3'09</th>
<th>Q4'09</th>
<th>Q1'10</th>
<th>Q2'10</th>
<th>Q3'10</th>
<th>Q4'10</th>
<th>Q1'11</th>
<th>Q2'11</th>
<th>Q3'11</th>
<th>Q4'11</th>
<th>Q1'12</th>
<th>Q2'12</th>
<th>Q3'12</th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
<th>Q3'13</th>
<th>Q4'13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reported</td>
<td>(16%)</td>
<td>(11%)</td>
<td>8%</td>
<td>16%</td>
<td>16%</td>
<td>14%</td>
<td>15%</td>
<td>17%</td>
<td>18%</td>
<td>16%</td>
<td>11%</td>
<td>12%</td>
<td>7%</td>
<td>6%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>FX Adjusted</td>
<td>(13%)</td>
<td>(9%)</td>
<td>4%</td>
<td>12%</td>
<td>15%</td>
<td>14%</td>
<td>14%</td>
<td>15%</td>
<td>15%</td>
<td>13%</td>
<td>11%</td>
<td>13%</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
</tr>
</tbody>
</table>

| **Consumer** | 2013 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Reported      | 6%   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FX Adjusted   | 7%   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |

| **Corporate** |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Reported      | 5%   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FX Adjusted   | 6%   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |

| **Small Business** |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Reported      | 10%  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FX Adjusted   | 10%  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |

| **GNS** |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Reported      | 12%  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FX Adjusted   | 16%  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |

*See slide 4 for an explanation of FX-adjusted information.
## Annex 5

### Owned/Managed Credit Data

<table>
<thead>
<tr>
<th>USCS Net Write-Off Rate</th>
<th>Q4'08</th>
<th>Q1'09</th>
<th>Q2'09</th>
<th>Q3'09</th>
<th>Q4'09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardmember Lending GAAP Basis</td>
<td>7.0%</td>
<td>8.5%</td>
<td>10.3%</td>
<td>9.8%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Cardmember Lending Managed Basis</td>
<td>6.7%</td>
<td>8.5%</td>
<td>10.0%</td>
<td>8.9%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

*Note: For periods ended on or prior to December 31, 2009, information presented is based on the Company’s historical non-GAAP, or “managed” basis presentation. Unlike the GAAP basis presentation, the information presented on a managed basis in such periods includes both the securitized and non-securitized Card Member loans. The adoption of new accounting standards on January 1, 2010 resulted in accounting for both the Company’s securitized and non-securitized Card Member loans in the consolidated financial statements. As a result, the Company’s 2010 GAAP presentations and managed basis presentations prior to 2010 are generally comparable. Refer to page 19 in the Company’s fourth quarter 2010 earnings financial tables for a discussion of managed basis information.*
### Adjusted Total Operating Expenses
($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Total Operating Expenses</td>
<td>$9,619</td>
<td>$10,673</td>
<td>$11,964</td>
<td>$13,170</td>
<td>$12,709</td>
</tr>
<tr>
<td>Visa/MasterCard Settlement Payments</td>
<td>880</td>
<td>880</td>
<td>580</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment in a Foreign Subsidiary</td>
<td>180</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4’12 Charges:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Charges*</td>
<td>(400)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Total Operating Expenses</strong></td>
<td><strong>$10,679</strong></td>
<td><strong>$11,553</strong></td>
<td><strong>$12,544</strong></td>
<td><strong>$12,770</strong></td>
<td><strong>$12,709</strong></td>
</tr>
</tbody>
</table>

**YoY % Increase/(Decrease) in GAAP Total Operating Expenses**

- 2009: 11%
- 2010: 12%
- 2011: 10%
- 2012: (4%)

**YoY % Increase/(Decrease) in Adjusted Total Operating Expenses**

- 2009: 8%
- 2010: 9%
- 2011: 2%
- 2012: 0%

*To the extent comparable categories of items were recognized in periods other than Q4’12, they have not been excluded.
## Tier 1 Common Equity Reconciliation

($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Shareholders’ Equity</td>
<td>$16,230</td>
<td>$18,794</td>
<td>$18,886</td>
<td>$19,496</td>
</tr>
</tbody>
</table>

Effect of certain items in accumulated other comprehensive loss excluded from Tier 1 common equity:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>415</td>
<td>194</td>
<td>173</td>
<td>336</td>
<td></td>
</tr>
</tbody>
</table>

Less:

| Ineligible goodwill and intangible assets | (3,332) | (4,051) | (3,921) | (3,474) |
| Ineligible deferred tax assets            | (217)   | (58)    | (228)   | (192)   |

**Tier 1 Common Equity**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$13,096</td>
<td>$14,879</td>
<td>$14,910</td>
<td>$16,166</td>
</tr>
</tbody>
</table>
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, among other matters, contain words such as “believe,” “expect,” “estimate,” “anticipate,” “optimistic,” “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 ability to hold annual operating expense growth to less than 3 percent during 2014, which will depend in part on unanticipated increases in significant categories of operating expenses, such as consulting or professional fees, compliance or regulatory-related costs and technology costs, the payment of monetary damages and penalties, disgorgement and restitution, the Company’s decision to increase or decrease discretionary operating expenses depending on overall business performance, the Company’s ability to achieve the expected benefits of the Company’s reengineering plans, the Company’s ability to balance expense control and investments in the business, the impact of changes in foreign currency exchange rates on costs and results, the impact of accounting changes and reclassifications, and the level of acquisition activity and related expenses;

– the actual amount to be spent by the Company on investments in the business, including on marketing, promotion, rewards and Card Member services and certain operating expenses and in such areas as affluent consumers, small businesses, business-to-business payments, merchant coverage, international growth, prepaid and online/mobile commerce, as well as the actual amount of any potential gain arising from the proposed Global Business Travel joint venture transaction the Company decides to invest in growth initiatives, which will be based in part on management’s assessment of competitive opportunities and the Company’s performance, and the ability to control operating, infrastructure, advertising, promotion and rewards expenses as business expands or changes, including the changing behavior of Card Members;

– the ability of the Company to meet its on-average and over-time growth targets for revenues net of interest expense, earnings per share and return on average equity, which will depend on factors such as the Company’s success in implementing its strategies and business initiatives including growing the Company’s share of overall spending, increasing merchant coverage, enhancing its pre-paid offerings, expanding the Global Network Services business and controlling expenses, and on factors outside management’s control including the willingness and ability of Card Members to sustain spending, the effectiveness of marketing and loyalty programs, regulatory and market pressures on pricing, credit trends, currency and interest rate fluctuations, and changes in general economic conditions, such as GDP growth, consumer confidence, unemployment and the housing market;
Forward-Looking Statements

– the ability of the Company to meet its on-average and over-time objective to return 50 percent of capital generated to shareholders through dividends and share repurchases, which will depend on factors such as approval of the Company’s capital plans by its regulators, the amount the Company spends on acquisitions, the Company’s results of operations and capital needs in any given period, and the amount of shares issued by the Company to employees upon the exercise of options;

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

– uncertainties associated with creation of a joint venture for the Company’s Global Business Travel division, including events impacting the likelihood and timing of the creation of the joint venture, execution of transaction documentation and completion of the transaction, such as continued negotiations, ongoing diligence, board and regulatory approvals and consultation requirements; the ability of the potential investors to fund their investment in the joint venture; uncertainty relating to the timing and magnitude of the recognition of a gain by American Express as a result of the transaction, such as the amount of the funds ultimately raised by the joint venture and when assets are transferred to the joint venture; the underlying assumptions related to the transaction proving to be inaccurate or unrealized, such as the ability of the transaction to accelerate the transformation and growth of the corporate travel business and the ability to realize strategic linkages between the business operations of the joint venture and American Express following the transaction, including the acceleration of growth in the corporate payments business; and the joint venture’s ability to successfully create additional investment capacity and enhance the suite of products and services available upon consummation of the transaction;

– uncertainty relating to the outcomes and costs associated with the two putative merchant class actions, including the success or failure of the settlement agreement, such as objections to the settlement agreement by plaintiffs and other parties and uncertainty and timing related to the approval of the settlement agreement by the Court, which can be impacted by appeals;

– the impact of final laws and regulations, if any, arising from the European Commission’s legislative proposals covering a range of issues affecting the payments industry, which will depend on various factors, including, but not limited to, the issues presented and decisions made in the European legislative and regulatory processes addressing the proposed regulation of interchange fees and other practices related to card-based payment transactions, the amount of time these processes take to reach completion, and the actual pricing and other requirements ultimately adopted in the final laws and regulations in the European Union and its member states;

– the Company’s ability to execute against its premium lending strategy, which may be affected by increasing competition, brand perceptions and reputation, and the behavior of the Company’s Card Members and their actual spending 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 borrowing;
Forward-Looking Statements

--changes in the Company’s ability to attract or retain small business Card Members, including any changes that may result from increasing competition, brand perceptions and reputation, and ineffective or diminished investments by the Company, including on marketing and promotion expenses and attractive services and rewards programs;

--the ability of the Company to grow its Global Network Services business, which will depend in part on the competitive environment, the ability of the Company to offer value propositions that potential partners and customers will find attractive, the extent to which the Company identifies potential partnerships that further enhance the Company’s brand and the Company’s ability to consummate partnership opportunities because of business, regulatory or legal complexities;

--the ability of the Company to execute its strategy with respect to Loyalty Partner including expanding to one or two countries a year over the moderate term and leveraging the Serve platform for Loyalty Partner’s Payback program, which will depend in part on the willingness of collectors to consider using Serve as part of or along with the Payback program and the Company’s success in obtaining necessary licenses and regulatory approvals to operate in new countries, improving the value to merchants and collectors and innovating new features that are attractive to merchants and collectors;

--the ability of the Company to continue to enhance and expand its prepaid card offerings, including Serve and Bluebird, including driving higher levels of retention, load and spending, which will depend in part on the amount the Company invests in such offerings, the ability of the Company to innovate and introduce new features, competition with other providers of consumer products and the degree of interest of customers, distributors and retailers in the value proposition offered by such features and products;

--the ability of the Company to expand Serve internationally, which will depend in part on competition with other providers of consumer products for placement and promotion of products in stores and online, the Company’s success in finding partners outside the U.S. to embed the Serve platform in their businesses to provide enhanced payment functionality to their customers, the Company’s ability to tailor products and services to make them attractive to local customers, the ability to obtain necessary licenses and regulatory approvals, and the attractiveness of the economic terms offered to the Company by such partners;

--the possibility that the Company will not fully execute on its plans for Serve with its current and future partners, including Lianlian, which will depend in part on the ability of the Company and such partners to effectively integrate the Serve platform with partners’ systems and the ability of the Company and such partners to offer value propositions involving Serve that customers will find attractive in terms of functionality and pricing;

--the ability of the Company to maintain and expand its presence in the digital payments space, including online and mobile channels, which will depend on the Company’s success in evolving its business models and processes for the digital environment, building partnerships and executing programs with companies, and utilizing digital capabilities that can be leveraged for future growth;
Forward-Looking Statements

—the Company’s ability to continue to grow its fee businesses and generate good margins and economics, which will depend on, among other things, the Company’s success in identifying and exploiting new opportunities, the ability of the Company to offer attractive value propositions to potential customers, regulatory and market pressures, brand perceptions and reputation, and ineffective or diminished investments by the Company;

—the possibility that the Company will not fully execute on its plans for OptBlue, including increasing small merchant acquisition and offsetting decreases in the average discount rate with higher spend volume, which will depend in part on launching OptBlue in a timely manner, the Company’s ability to partner with additional merchant acquirers and 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 and the value proposition offered to small merchants;

—the ability of the Company to implement policy changes and launch new tools for small merchants, which will depend in part on the ongoing investment in the Company’s merchant services and expanding merchant coverage, the ability of the Company to update its systems and platforms to support the policy changes and tools, the degree of interest of small merchants in the value proposition offered by the Company and the Company’s ability to tailor policy changes and tools to make them attractive to small merchants; 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, fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, 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, 2012, the Company’s Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2013 and the Company’s other reports filed with the Securities and Exchange Commission.