SHAREHOLDER REMARKS

April 30, 2012

TITLE SLIDE

Good morning.

Welcome to our 2012 Annual Meeting of Shareholders. I'm very pleased you could join us today.

With me on the dais is Carol Schwartz, Secretary of the Company, who will assist me in conducting the meeting.

Before we begin, I remind you that the order of business and the rules of the meeting are set forth in the printed Agenda handed out when you came in.

Now, before I comment on the Company's financial performance, Carol will read a statement called for under the securities laws.

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Thanks, Carol. Let me begin today with our 2011 performance.

2011 was an exceptionally strong year for the company. We generated excellent growth in our financials, while at the same time making substantial investments in our future performance.

HISTORICAL FINANCIAL PERFORMANCE

For 2011 we generated $4.9 billion of net income, EPS growth of 22%, revenue growth of 9% and a Return on Average Equity of 28%.

Given the continued uncertainty across the global economy last year, I'm very proud of our performance.

Our profitability growth was strong; our revenue performance improved on both an absolute basis and relative to our card issuing peers; and our strong return on equity reflected the strength of our business model and our hard work to provide superior value to our customers.

Our results in 2011 were driven by the strong performance of our business metrics.

METRIC PERFORMANCE

Billed business, cards in force, average cardmember spending and worldwide loan growth have all rebounded from the lows of 2009, and our billings clearly outperformed the pace of the economy overall.

At $822 billion, billed business for the full year was our highest ever, as was our average spend of almost $15,000 per basic cardmember.

After several years of declines, we stabilized and then prudently grew our worldwide loan balances, consistent with our premium lending strategy.

NET WRITE OFF RATE

Even as we modestly grew our loan portfolio we continued to focus on our credit quality, and we ended the year with the lowest net write-off rate among our major competitors.

RELATIVE PERFORMANCE

On a relative basis the strength of our performance was quite clear.

Our total billings were more than double that of our nearest issuing competitor, and our growth rate of 15% was the second highest among the major issuers shown here.

As you can also see, we were the only major issuer to generate positive growth in average loan balances. Given that our issuing peers are dependent on loan acquisition to drive revenue growth within their card businesses, they face a high hurdle when it comes to their financial performance.

RELATIVE PERFORMANCE

Even with positive growth in billings, these issuing peers all had negative revenue growth in their card businesses.

Our spend-based model is driven by billings, rather than loans, a much stronger position to be in given the substantial de-leveraging that's occurred among consumers and small businesses over the last several years.

Against our network competitors we also did well in 2011.

U.S. PURCHASE VOLUME

In the U.S. our growth rates translated into a 90 basis point increase in our share of U.S. credit and charge purchase volume.

This outcome has been the result of a lot of hard work in an extremely competitive environment, along with our consistent investment in both cardmember and merchant value.

In fact, because of our substantial, long-term investments and ongoing focus on value, we've now moved into the number two position among U.S. card networks in terms of credit and charge spend, with a billings share of that spend that now exceeds Mastercard.

INVESTMENT PRIORITIES IN 2011

The strength of our financial performance allowed us to invest back into our businesses in 2011 at near record levels, leading to:

- the acquisition of new cardmembers and merchants;

- the launch of a game changing reloadable prepaid card in the U.S., which has no purchase or maintenance fees;
- the continued expansion of Global Network Services, which passed the $100 billion mark in annual billings in 2011, a terrific milestone for this business;
- initiatives such as Small Business Saturday, which gave small businesses across the U.S. a day of their own to start the holiday season and which had an estimated 103 million people shopping small;
- and the expansion of Loyalty Partner, our loyalty coalition company.

As I mentioned to you last year, we have been working steadily at transforming all of our businesses for the digital marketplace and developing new products and services that can capitalize on the opportunities it presents.

In 2011 we made good progress against this objective:

We did a national rollout of our offer platform with foursquare, which automatically generates offers to enrolled cardmembers when they check in on their mobile phones at participating merchants.

We launched Link, Like, Love a first ever Facebook application that provides participating cardmembers with deals, access and experiences based on their “likes”, interests and social connections.

We rolled out Go Social, a site that enables small business merchants in the U.S. to create couponless deals for cardmembers on digital and mobile platforms to help them grow their business.

And we continued to expand the relevance of Membership Rewards points as a virtual currency by signing new Pay With Points partners such as Facebook, Groupon and Zynga.

As a tangible sign of our commitment to digital commerce we opened an office in Silicon Valley and also announced a multiyear initiative to invest $100 million in early-stage start-ups that are developing innovative digital commerce technologies.

A major step in our digital transformation occurred with the launch of our Serve payments platform in March. Serve is our new digital payments and commerce platform, which gives consumers new ways to spend, receive and send funds, both online as well as through mobile devices.

Working with a range of business partners such as Ticketmaster, Verizon, Sprint and AOL, we've begun embedding Serve into their payment processes, providing value both to our partners and our customers.

ONLINE BILLINGS

All of these digital initiatives contributed to another strong year of online billings growth.

In 2011 we estimate that our online billings grew to over $130 billion, up approximately 22% from 2010. From all of the numbers and analysis we've seen, we continue to believe we're the spend volume leader among card issuers in online payments.

INVESTMENT PRIORITIES IN 2011

While our digital transformation has been a key focus for us, we haven't lost sight of our heritage and, as such, we continued to strengthen our customer service capabilities.

New and improved tools, along with the incredible service ethos and commitment of our customer care professionals and travel counselors, allow us to fulfill the promise of our brand each and every day.

It's what earned us our 5th J.D. Power award in the United States last year, and the many other service awards we won around the world.

So, overall, our financial performance in 2011 allowed us to make substantial investments in our future growth, and I believe we did so productively.

Our financial results and the progress we made against our growth objectives led to a very strong year in terms of the performance of our share price.

SHARE PRICE PERFORMANCE 2011

Whether looking over a one, two, or three year time horizon, our total shareholder return outperformed both the S&P 500 and the S&P Financials, and I'm very proud of the value we were able to provide to all of our shareholders in 2011.

BLUE BOX

While our business model and growth opportunities are important drivers of my confidence in our potential, another contributing factor is the strength of our organization.

Our employees continue to be highly motivated.
They are committed to winning, and winning the right way, in accordance with our values.
Given the challenges we face and the ambitious goals we have as a company, we must have motivated and committed people. And I'm proud to say we do.

Our goal as a leadership team over the last year was to navigate through the near-term challenges of the marketplace, while continuing to capitalize on our long-term growth opportunities. And I believe we achieved this goal.

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As we move into 2012 our company priorities are the same as they were for 2011 -- to:

MANTRA

- Drive Growth
- Drive Efficiency
- And Deliver Superior Service.

Driving growth is critical to our profitability, position in the marketplace and our long-term success.

Driving efficiency allows us to compete effectively and provides a funding source for future investments.

And Deliver Superior Service is about who we are as a company. It's about our customer commitment and it provides us with a significant competitive advantage. While we have a great deal of work ahead of us, our first quarter results are a good sign of the momentum we've already generated against our goals.

We announced our results on April 18th and I believe we had a strong quarter.

Q1 2012 HIGHLIGHTS

- We generated **$1.07** of EPS, up **10%** from last year;
- **Revenues** grew by **8%**;
- And our **Return on Average Equity** was **27%.**
- **World wide Card billings** grew by **12%** on a reported basis and **13%** on an FX adjusted basis.
- Worldwide **loans** grew by **4%**;

- Our global net writeoff rate was **2.3%,** down **140** basis points from the first quarter last year;

- And, finally, our capital ratios continue to be well above our regulatory benchmarks.

As a result of our capital strength we were advised in March that the Federal Reserve had no objection to the capital distribution plan we submitted.

This plan included repurchasing up to $4 billion of company shares as part of our buyback program in 2012, and up to a further $1 billion of shares during the first quarter of 2013.

The actual number of shares that will be repurchased will be based on our business plans, financial performance and market conditions.

The plan we submitted also included an 11% increase in our dividend rate, from 18 cents to 20 cents a quarter, which the Board approved at our March meeting and which we'll begin in the second quarter.

Now, a number of large financial companies submitted plans to the Federal Reserve to raise their dividends, but for most of them these increases serve to only partially restore the cuts they were forced to make during the financial crisis.

Our increase represents an actual gain for shareholders since we were able to manage through the crisis without eliminating or reducing our dividends to all of you.

We know that many shareholders rely on our dividend and it was important to our Board that we try to fulfill these expectations.

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BLUE BOX

While the environment in 2012 has some ongoing challenges, I believe our performance in the first quarter keeps us in a strong competitive position.
We grew our businesses while also making progress against our digital transformation and our goal of being a major player in the digital space.

Here are some examples:

Q1 BUSINESS ACCOMPLISHMENTS

In early January we announced an operating agreement with Lianlian Group, which will allow them to use our Serve commerce platform for their customer base in China.

Lianlian is a fast growing mobile payment provider with a network across China that has served approximately 300 million mobile phone accounts.

Under the agreement, which includes an equity investment, our Serve platform will power the digital wallet that Lianlian expects to launch to their customer base, strengthening our position in the mobile payments space in China.

Related to Serve in the U.S., we launched the first application on Facebook that allows users to send, receive and request money from their Facebook friends. This application serves to further strengthen our already close partnership with Facebook and adds substantially to the relevance of Serve as a digital commerce platform.

Also in the U.S. we introduced a new experience for our cardmembers using Twitter.

When cardmembers synch their eligible cards to their Twitter accounts and tweet using special offer hashtags, they qualify for special savings at participating merchants.

We launched this capability at South by Southwest, an important interactive festival in Austin, Texas, and received a great deal of positive feedback.
Several reporters made the point that ours was the first major application to actually drive commerce through Twitter's capability and customer base.

We believe our Sync, Tweet and Save program is a win for our cardmembers, our merchants, Twitter and us.

Our core businesses also had a number of important announcements during the first quarter:

- We announced a new co-brand card for clients of Morgan Stanley;
- we expanded our global alliance with Concur in global corporate payments;
- and we expanded the reach of our prepaid products through a new distribution agreement with Office Depot.

MEMBERSHIP EFFECT VISUAL

Our business progress was supported by our newest brand campaign, entitled "The Membership Effect" which is intended to "Welcome In" cardmembers, merchants, partners and other customers into the American Express franchise.

We strongly believe in the power of our network and in the benefits of the community we've built over the years among our consumers, small businesses, large corporations and business partners.

Through this campaign we want to highlight the commerce connections and opportunities that we drive, and the value these connections bring to all members of our franchise.

BLUE BOX

The final highlight I'll mention for the quarter was an external recognition we received: being named #16 on Fortune's list of the World's Most Admired Companies.

Now, making lists of this kind is not a goal of ours; it's an outcome of our efforts. And I'm pleased with this recognition because of what it says about our people, our company and our culture.

Yes, it recognizes our financial performance and our business results, but it also recognizes how we achieve our results – by being a good employer, a fair competitor, and a socially responsible corporate citizen.

As a leadership team, we're not just focused on quarterly results. Our goal is to drive growth over the moderate to long-term, while adhering to our values, since that is what truly generates sustained benefits for our shareholders.

In closing my discussion of our performance, let me just say a few things.

As I've discussed with you before, my focus over the last several years has been on making sure our company navigated through challenging economic conditions in the best position possible, relative to our payments and card issuing competitors.

Our business model and our assets, capabilities and relationships are unique in the industry and I believe they position us well for future growth.

We have sound strategies in place, with excellent people implementing them. While we'll always face competitive and environmental challenges I'm very pleased with, and proud of, the position of the company today.

Unlike a number of companies that are firmly entrenched in traditional financial services, I believe our growth options and potential have far fewer limits.

In 2012 and beyond we're moving forward on transforming our 162 year old company for the digital environment, and extending our leadership within payments and services.

With our commitment to shareholder value, our financial strength, our unique competitive advantages, the power of our brand and, most of all, the quality, character and commitment of our people, I believe we're more than up for this challenge.

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Before beginning the formalities of our annual meeting I also want to mention one important member of our board, Dan Akerson.

Dan is not with us today as he is not standing for election, but I couldn't let this meeting pass without conveying my appreciation for his service to American Express and to all of us as shareholders.

Dan joined our board in 1995 and has served as our senior board member for the last several years.

As most of you know Dan was named Chairman and CEO of General Motors in September of 2010. Given the time requirements of his position, Dan advised us earlier this year that he would not be standing for re-election.

On behalf of our Board of Directors and all of our shareholders, I want to thank Dan for his commitment and service to American Express.

We will certainly miss his insight and judgment, but we understand Dan's priorities and wish him all the best as he successfully leads General Motors into a new era.

Now, let's proceed with the meeting.