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**AMERICAN EXPRESS REPORTS FIRST QUARTER EPS OF \$1.15, UP 7% FROM A YEAR AGO
REVENUES AND CARDMEMBER SPENDING RISE, CREDIT QUALITY REMAINS EXCELLENT**

(Millions, except per share amounts)

	Quarters Ended		Percentage Inc/(Dec)
	<u>March 31,</u> <u>2013</u>	<u>2012</u>	
Total Revenues Net of Interest Expense	\$ 7,881	\$ 7,587	4 %
Net Income	\$ 1,280	\$ 1,256	2 %
Earnings Per Common Share – Diluted			
Net Income Attributable to Common Shareholders ¹	\$ 1.15	\$ 1.07	7 %
Average Diluted Common Shares Outstanding	1,106	1,166	(5) %
Return on Average Equity	23.2 %	27.1 %	

New York – April 17, 2013 - **American Express Company (NYSE: AXP)** today reported first-quarter net income of \$1.3 billion, up 2 percent from a year ago. Diluted earnings per share was \$1.15, up 7 percent from \$1.07 a year ago.

Consolidated total revenues net of interest expense were \$7.9 billion, up 4 percent from \$7.6 billion a year ago. The increase reflected strong cardmember spending as well as higher net interest income and annual cardmember fees.

Adjusted for foreign currency translations, total revenues net of interest expense rose 5 percent from a year ago.²

¹ Represents net income, less earnings allocated to participating share awards of \$11 million and \$14 million for the three months ended March 31, 2013 and 2012, respectively.

² As reported in this release, FX adjusted information, which constitute non-GAAP financial measures, 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 the three months ended March 31, 2013 apply to the period(s) against which such results are being compared). The company believes the presentation of information on an F/X 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.



Consolidated provisions for losses totaled \$497 million, up 21 percent from \$412 million a year ago. The increase reflected a larger lending reserve release a year ago, partially offset by lower net write-offs in the current quarter. Credit indicators continued to be at historically strong levels.

Consolidated expenses totaled \$5.5 billion, up 1 percent from \$5.4 billion a year ago. The slight increase from a year ago reflects continued investments in the business along with ongoing efforts to contain operating expenses.³ Adjusted for foreign currency translations, consolidated total expenses rose 2 percent from a year ago.²

The effective tax rate was 33 percent, up from 29 percent a year ago, reflecting the realization of certain foreign tax credits last year.

The company's return on average equity (ROE) was 23.2 percent, down from 27.1 percent a year ago.

"We are off to a strong start in 2013, thanks to our ability to grow revenue in a slow growth economy, control expenses and maintain a strong balance sheet," said Kenneth I. Chenault, chairman and chief executive officer. "Cardmember spending grew 6 percent (7 percent adjusted for foreign currency translations) and we saw a modest increase in loans outstanding. Revenue from annual cardmember fees was also up from a year ago, reflecting the value our customers see in their relationship with American Express. Credit indicators continued to be excellent.

"We made good headway throughout the business and continue to see very encouraging customer response to initiatives like our reloadable prepaid products and loyalty marketing initiatives that are expanding our footprint into newer segments of the market.

"Progress on cost control initiatives allowed us to continue to make investments to grow the business, while holding operating expenses well within our target of less than 3 percent annual growth for the next two years. A lean operating structure is a critical advantage for any business, and the flexibility it gives us to allocate resources toward growth initiatives keeps us in a good position to deliver results for our shareholders.

"Capital strength is also a critical advantage in uncertain times, and the advantages of our spend-centric business model were again underscored by results of the Federal Reserve's

³ Operating expenses represent salaries and employee benefits, professional services, occupancy and equipment, communications and other expenses



annual stress test. Our performance was among the best in the hypothetical severe stress scenario and as a result, we plan to increase our dividend to 23 cents per share next quarter, a 15 percent increase for shareholders. We are also moving ahead with plans to repurchase common shares that would return up to \$3.2 billion to shareholders during the remainder of this year and up to an additional \$1.0 billion in the first quarter of 2014.”

Segment Results

U.S. Card Services reported first-quarter net income of \$804 million, up 7 percent from \$752 million a year ago.

Total revenues net of interest expense increased 5 percent to \$4.1 billion from \$3.9 billion a year ago. The increase was driven by an 8 percent increase in cardmember spending and higher net interest income.

Provisions for losses totaled \$338 million, up 12 percent from \$301 million a year ago. The increase primarily reflected a larger lending reserve release a year ago, partially offset by lower net write-offs in the current quarter.

Total expenses increased 3 percent to \$2.5 billion from \$2.4 billion a year ago. Marketing, promotion, rewards and cardmember services expenses increased 5 percent from a year ago. Salaries and employee benefits and other operating expenses were unchanged from a year ago.

The effective tax rate was 37 percent compared to 36 percent a year ago.

International Card Services reported first-quarter net income of \$178 million, down 10 percent from \$197 million a year ago.

Total revenues net of interest expense were \$1.3 billion, up 1 percent from a year ago, reflecting higher cardmember spending and growth in annual cardmember fees. Adjusted for foreign currency translations, revenues net of interest expense rose 4 percent from a year ago.²

Provisions for losses totaled \$95 million, up 76 percent from \$54 million a year ago. The increase primarily reflected larger reserve releases a year ago.

Total expenses were \$1.0 billion, down 2 percent from a year ago. Adjusted for foreign currency translations, expenses rose 1 percent from a year ago.²



The effective tax rate was 8 percent compared to (1) percent a year ago, reflecting the realization of certain foreign tax credits last year.

Global Commercial Services reported first-quarter net income of \$191 million, up 8 percent from \$177 million a year ago.

Total revenues net of interest expense were \$1.2 billion, up 1 percent from a year ago, reflecting increased spending by corporate cardmembers, partially offset by lower travel commissions and fees. Foreign currency translations did not result in a material change to revenues this quarter.

Total expenses decreased 4 percent to \$843 million from \$878 million a year ago. The decline primarily reflected lower salaries and employee benefits and other operating expenses. Adjusted for foreign currency translations, expenses decreased 3 percent from a year ago.²

The effective tax rate was 33 percent compared to 27 percent a year ago, reflecting the realization of certain foreign tax credits last year.

Global Network & Merchant Services reported first quarter net income of \$373 million, up 4 percent from \$357 million a year ago.

Total revenues net of interest expense increased 4 percent to \$1.3 billion from \$1.2 billion a year ago. The increase reflected higher merchant-related revenues driven by global cardmember spending, as well as an increase in revenues from Global Network Services' bank partners. Adjusted for foreign currency translations, revenues net of interest expense rose 6 percent from a year ago.²

Total expenses increased 1 percent to \$701 million from \$691 million a year ago. Adjusted for foreign currency translations, expenses rose 2 percent from a year ago.²

The effective tax rate was 36 percent, compared to 34 percent a year ago.

Corporate and Other reported first-quarter net loss of \$266 million compared with net loss of \$227 million a year ago.

About American Express

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The 2013 First Quarter Earnings Supplement will be available today on the American Express web site at <http://ir.americanexpress.com>. An investor conference call will be held at 5:00 p.m. (ET) today to discuss first-quarter earnings results. Live audio and presentation slides for the investor conference call will be available to the general public at the same web site. A replay of the conference call will be available later today at the same web site address.

This release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the company's expected business and financial performance and are subject to risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including those contained in the company's Annual Report on Form 10-K for the year ended December 31, 2012, and the company's other filings with the Securities and Exchange Commission. 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.