American Express Company Earnings Conference Call Q1'11

April 20, 2011

Summary Financial Performance

($ in millions, except per share amounts)	Q1'11	Q1'10	% Inc/(Dec)
Total Revenues Net of Interest Expense	$7,031	$6,560	7%
Net Income	$1,177	$885	33%
Diluted EPS*	$0.97	$0.73	33%
Return on Average Equity	28%	18%	
Average Diluted Shares Outstanding	1,198	1,191	1%

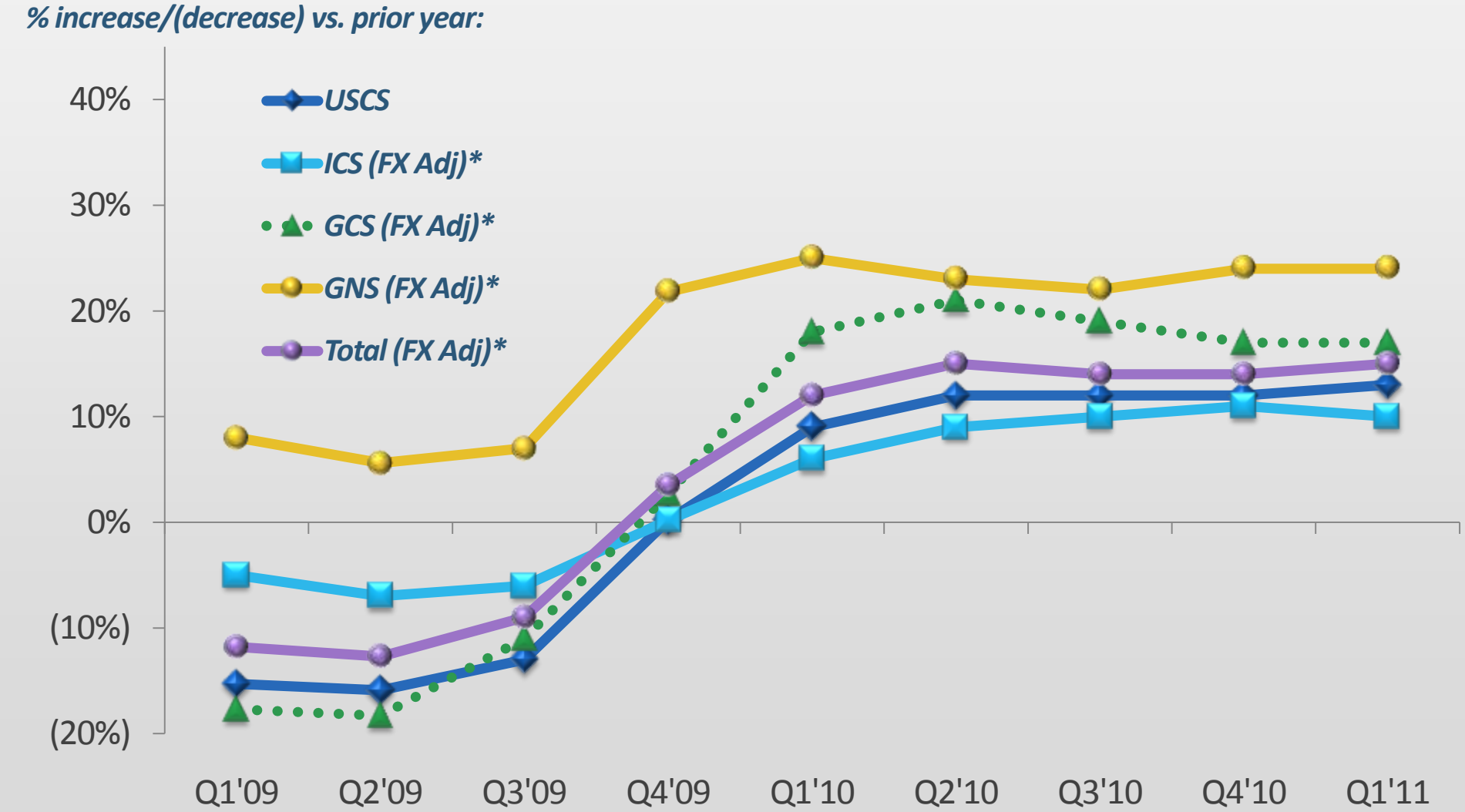
**Attributable to common shareholders. Represents net income less earnings allocated to participating share awards and other items of $14MM and $12MM for Q1'11 and Q1'10, respectively.*

Metric Performance

	Q1'11	Q1'10	% Inc/Dec	FX Adj.*
Billed Business ($ in B)**	$187.9	$161.0	17%	15%
Total Cards In Force (MM)***	92.4	88.0	5%	
Avg. Basic Cardmember Spending (Dollars)†	$3,438	$3,012	14%	13%
Cardmember Loans ($ in B)	$57.8	$57.6††	-	(1%)
WW Travel Sales ($ in B)	$6.0	$5.1	17%	15%

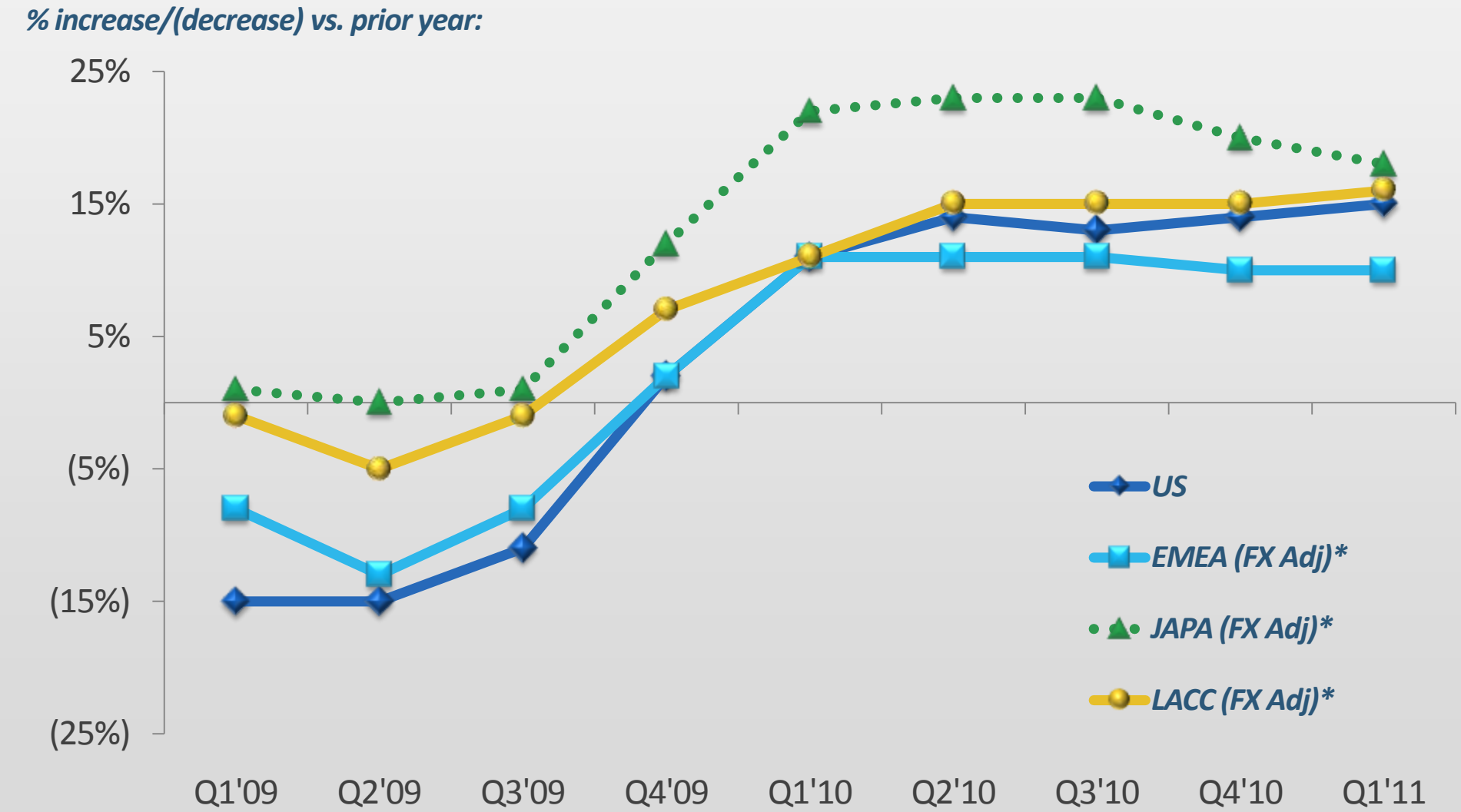
**FX adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars. (i.e., assumes Q1'11 foreign exchange rates apply to Q1'10 results.) **Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements, and certain insurance fees charged on proprietary cards. ***In Q3'10 ,cards-in-force (CIF) was reduced by 1.6MM cards due to a change in the definition of CIF for certain retail co-brand cards in GNS. Adjusted for this change, Q1'11 CIF would have increased 7% versus last year. †Computed from proprietary card activities only. ††On an FX adjusted basis, Q1'10 loans would have been $58.2B.*

Billed Business Growth by Segment



*See Annex 1 for reported billings growth rates.

Billed Business Growth by Region



*See Annex 2 for reported billings growth rates.

Lending Billed Business vs. Managed Loan Growth

% increase/(decrease) vs. prior year, Managed:

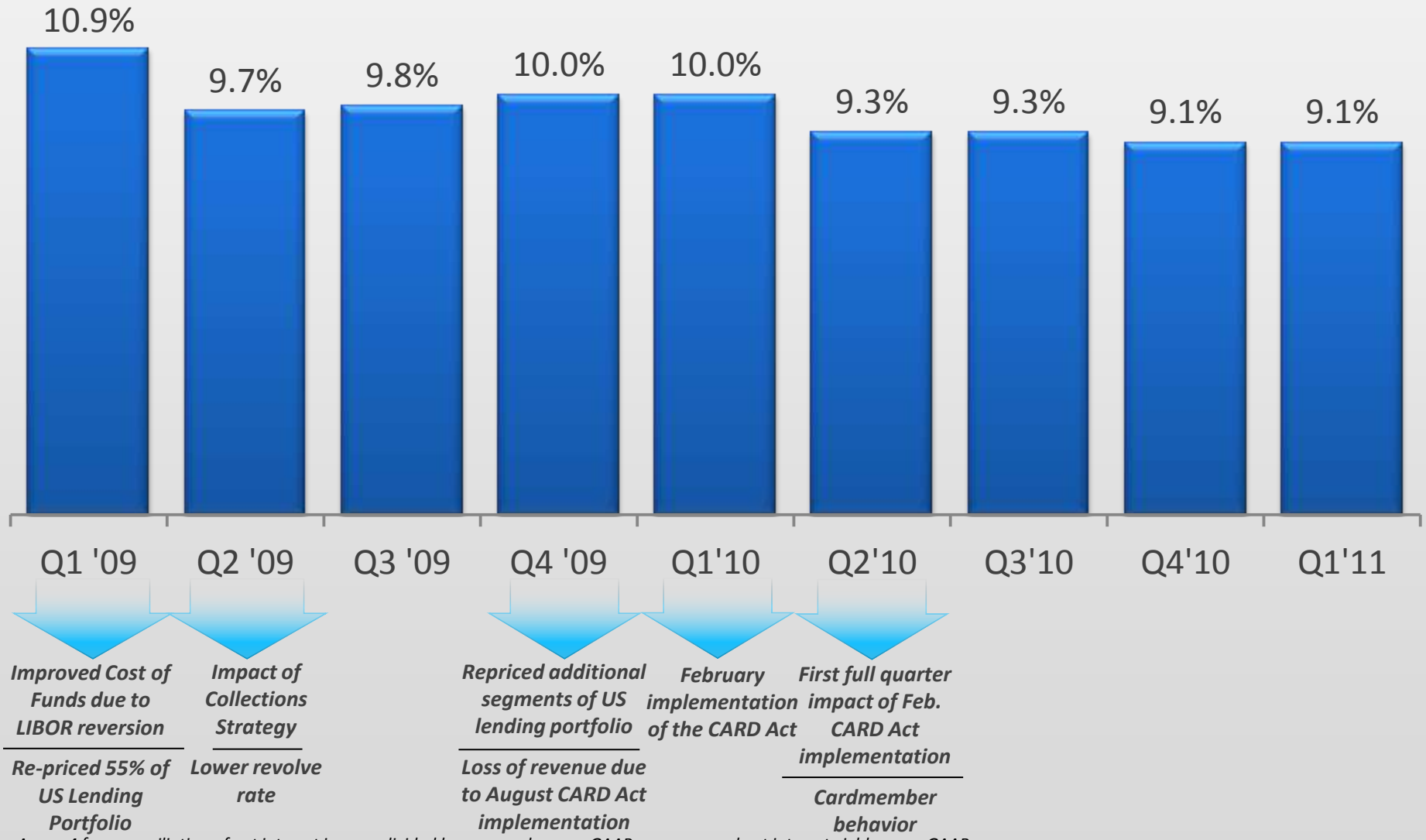
25%
20%
15%
10%
5%
0%
(5%)
(10%)
(15%)
(20%)
(25%)

Q1'08 Q3'08 Q1'09 Q3'09 Q1'10 Q3'10 Q1'11

Proprietary Credit Card Billed Business* Ending Loans - Managed**

**Includes lending on charge billed business. **See Annex 3 for GAAP basis for periods prior to 2010.*

USCS Net Interest Yield
Managed Cardmember Loans



See Annex 4 for reconciliation of net interest income divided by average loans, a GAAP measure, and net interest yield, a non-GAAP measure.

Revenue Performance

($ in millions)	Q1'11	Q1'10	% Inc/(Dec)
Discount Revenue	$3,902	$3,422	14%
Net Card Fees	537	521	3%
Travel Commissions & Fees	454	385	18%
Other Commissions & Fees	529	500	6%
Other Revenue	475	425	12%
Net Interest Income	1,134	1,307	(13%)
Total Revenues Net of Interest Expense*	$7,031	$6,560	7%

**On an FX Adjusted basis, total revenues net of interest expense increased 5%.*

Provisions for Losses

($ in millions)

	Q1'11	Q1'10	% Inc/(Dec)
Charge Card	$198	$227	(13%)
Cardmember Loans	(120)	688	#
Other	19	28	(32%)
Total*	$97	$943	(90%)

*# denotes variance of greater than 100%. *On an FX adjusted basis, total provision decreased 90%.*

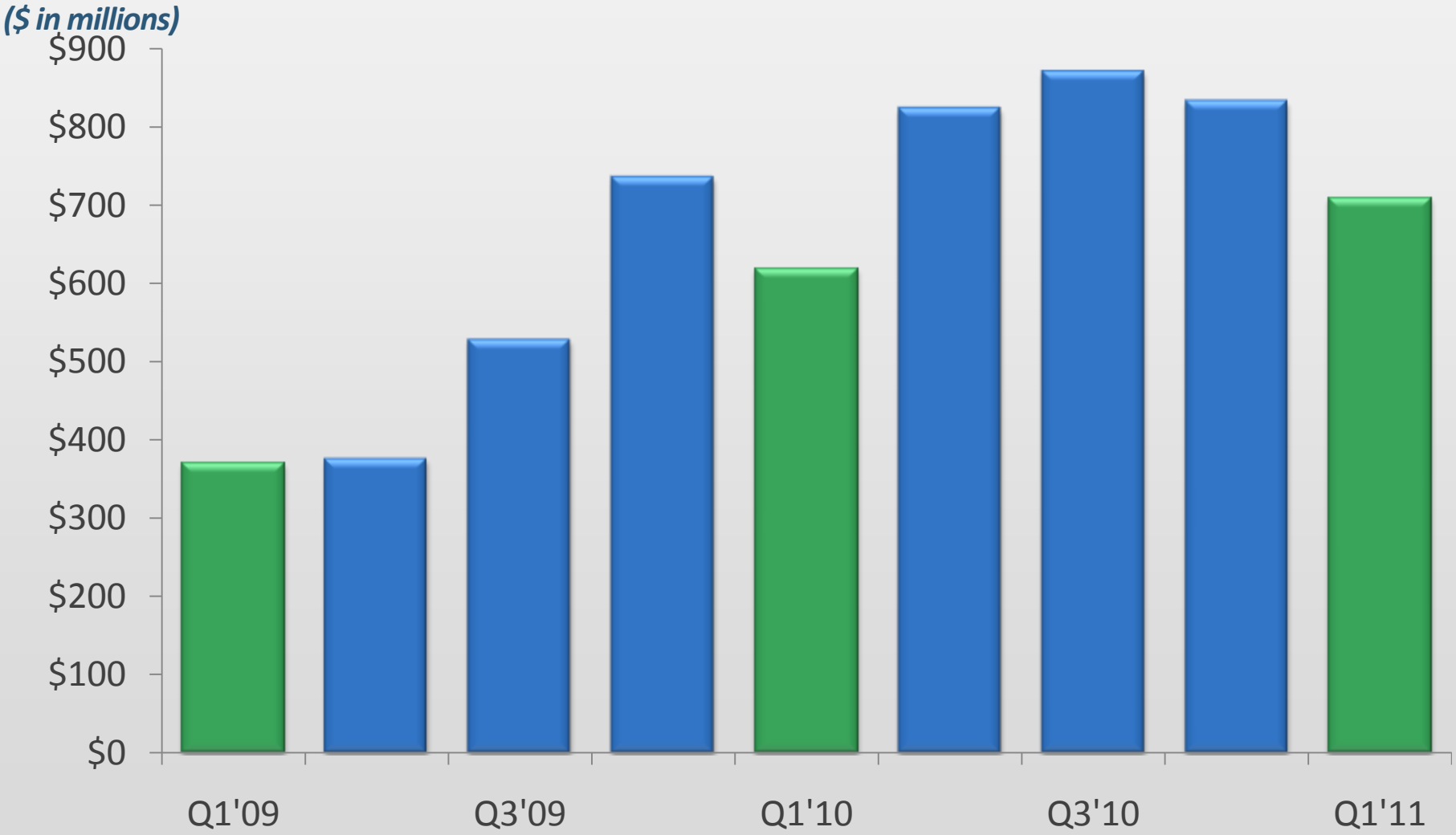
Expense Performance

($ in millions)

	Q1'11	Q1'10	% Increase/(Decrease) vs: Q1'10	Q4'10
Marketing and Promotion	$709	$619	15%	(15%)
Cardmember Rewards and Services	1,741	1,368	27%	16%
Salaries and Employee Benefits	1,522	1,327	15%	(3%)
Professional Services	663	561	18%	(27%)
Occupancy and Equipment	394	384	3%	(8%)
Communications	95	95	-	(4%)
Other, Net	78	11	#	(59%)
Total Expenses*	$5,202	$4,365	19%	(6%)
Effective Tax Rate	32%	29%		

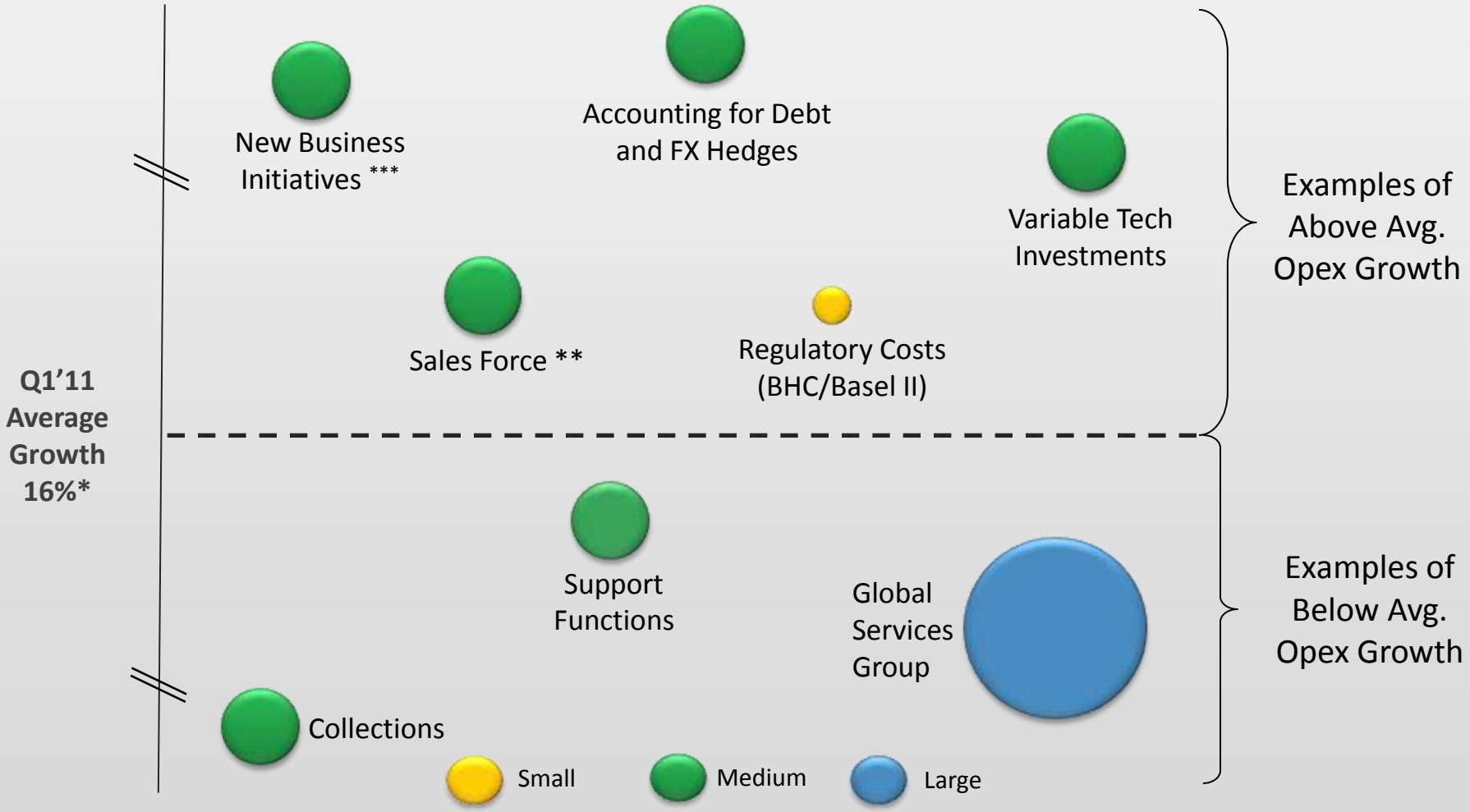
*# denotes a variance of greater than 100%. *On an FX adjusted basis, expenses increased 17% versus last year.*

Marketing and Promotion Expense



Note: Prior periods reflect the reclassification of certain partner payments from other expense to marketing and promotion.

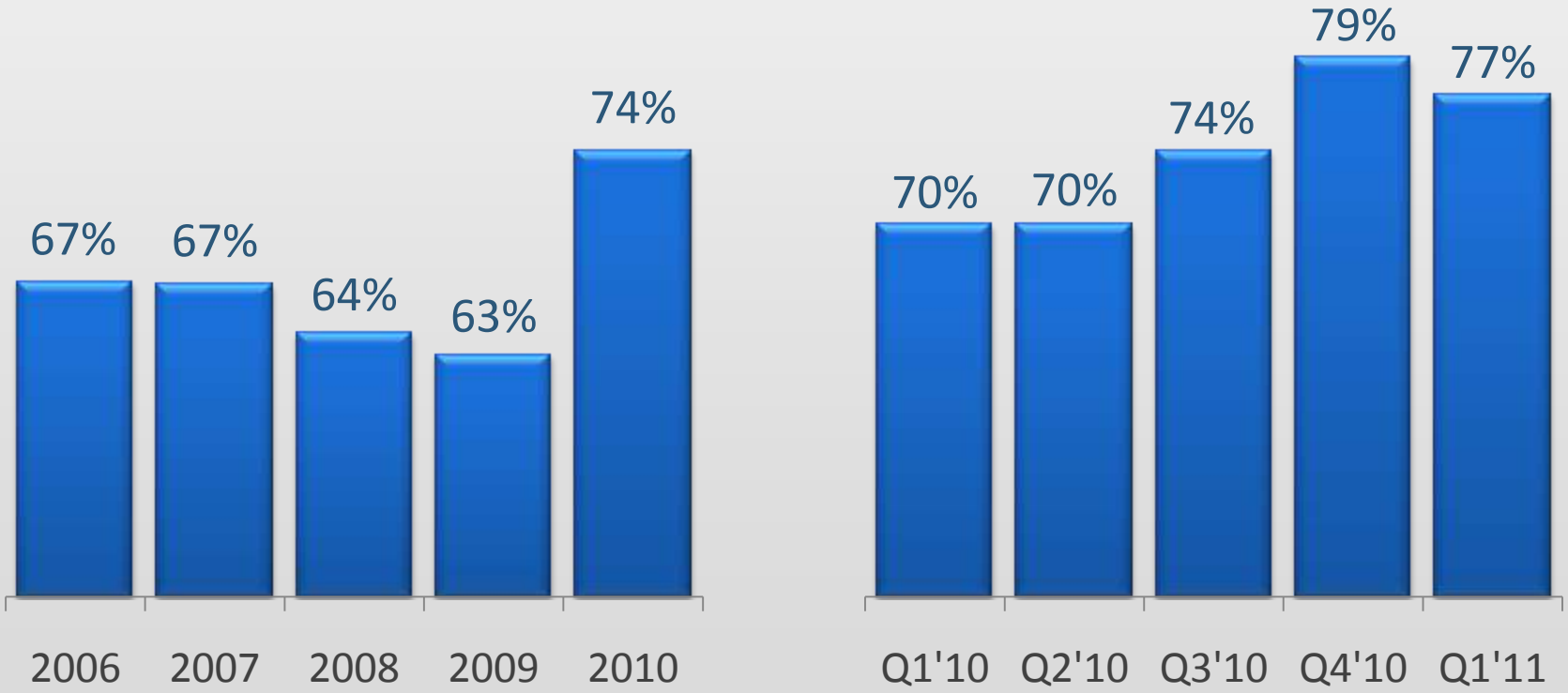
Operating Expense* Analysis



** Includes Salaries and employee benefits, Professional services, Occupancy and equipment, Communications, and Other, net. Adjusted for impact of changes in foreign exchange rates, operating expenses grew 14%. **Sales Force includes sales force and client management . ***Includes costs related to Loyalty Edge, Mobile and Online Capabilities, Business Insights, Accertify and Loyalty Partner.*

Expense Flexibility Over Time

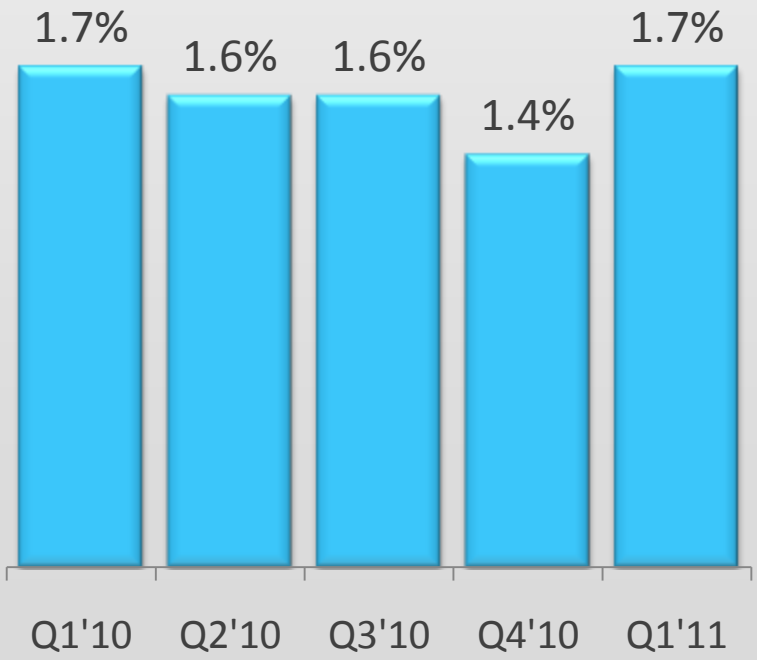
Adjusted Expenses as % of Managed Revenue*



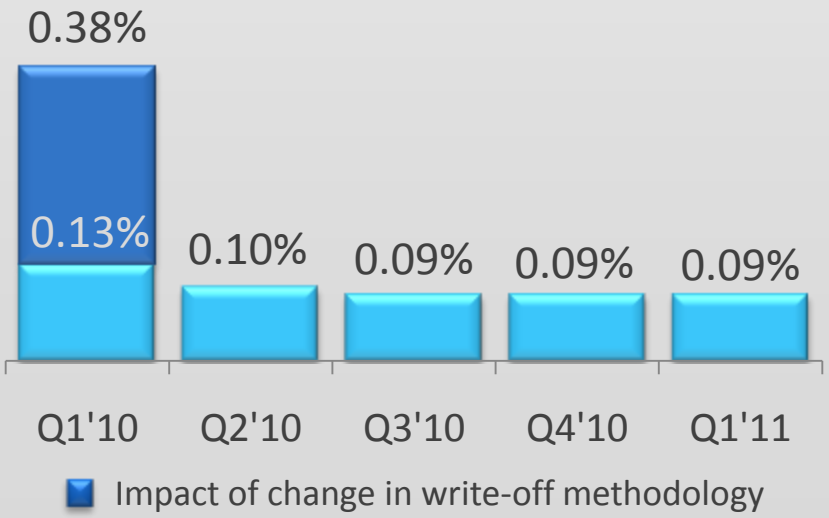
**Adjusted Expenses as a % of Total managed revenues net of interest expense. Adjusted Expenses are Total Expenses on a GAAP basis less the settlement proceeds from MasterCard and Visa, which were $1.13B in 2007, $580MM in 2008, $880MM in 2009 and 2010, and $220MM in each quarter presented above. In addition, beginning in 2011, the Company reclassified certain contractual lump sum payments to partners as either contra discount revenue or marketing and promotion expense rather than 'Other, net' expense. Results for 2009 and 2010 reflect this change. Periods prior to 2009 have not been revised to reflect this change. See Annex 5 for total expenses as a % of total revenue net of interest expense on a GAAP basis.*

Charge Card Credit Performance

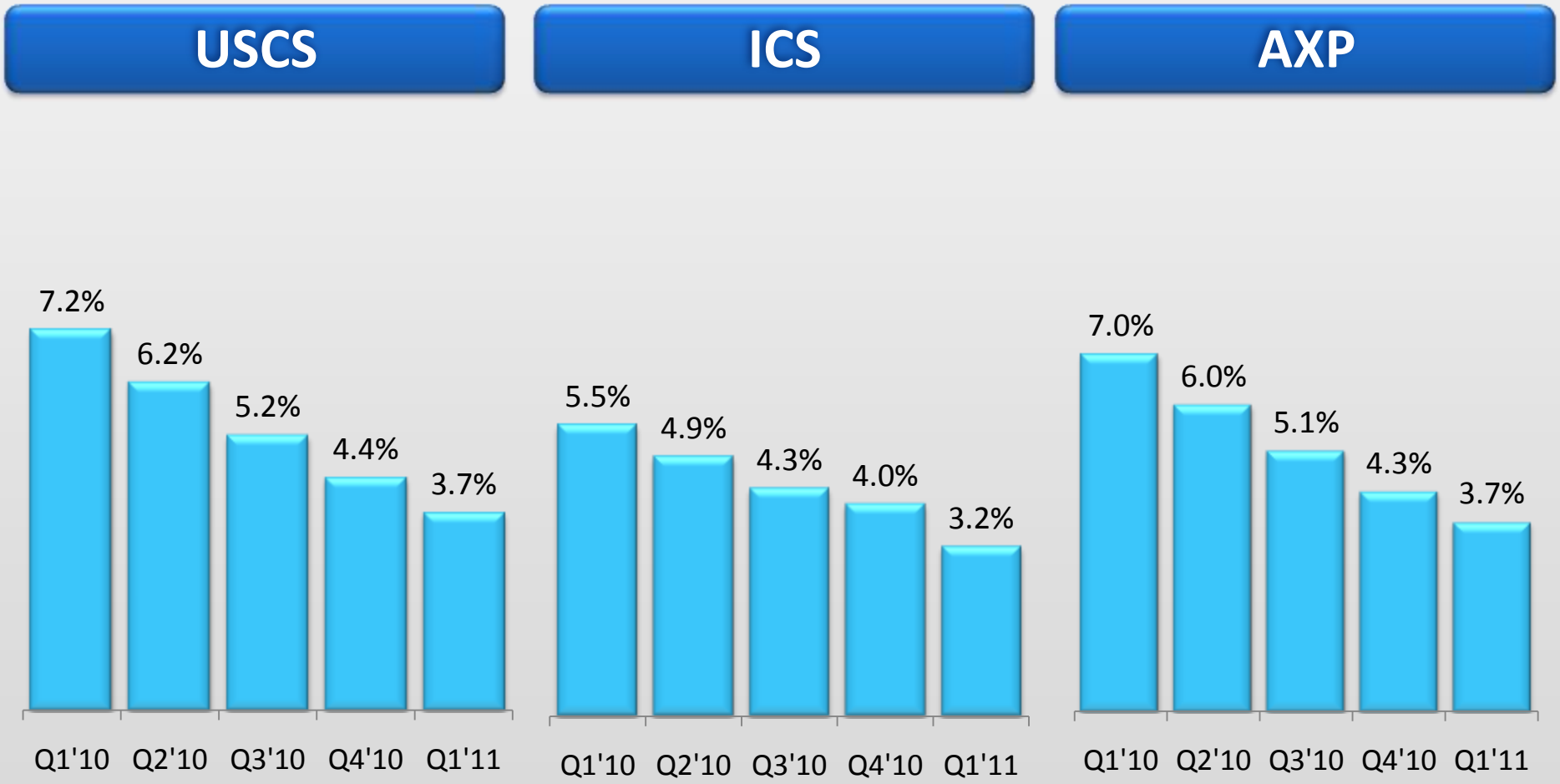
USCS Net Write-off Rate



ICS/GCS Net Loss Ratio

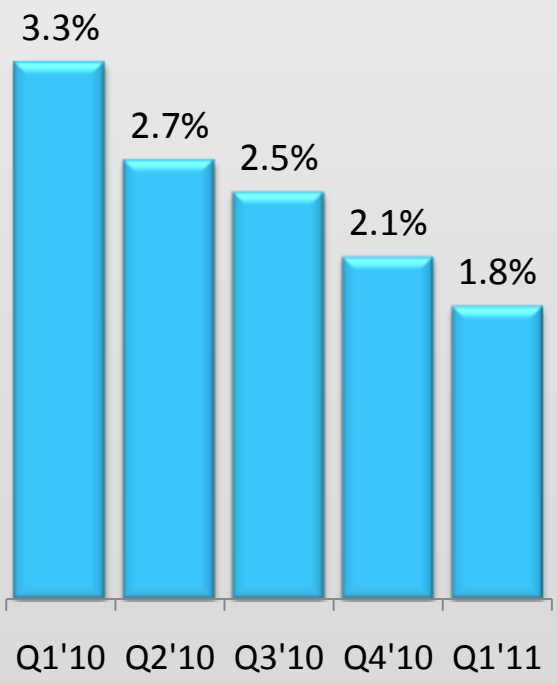


Lending Net Write-off Rates

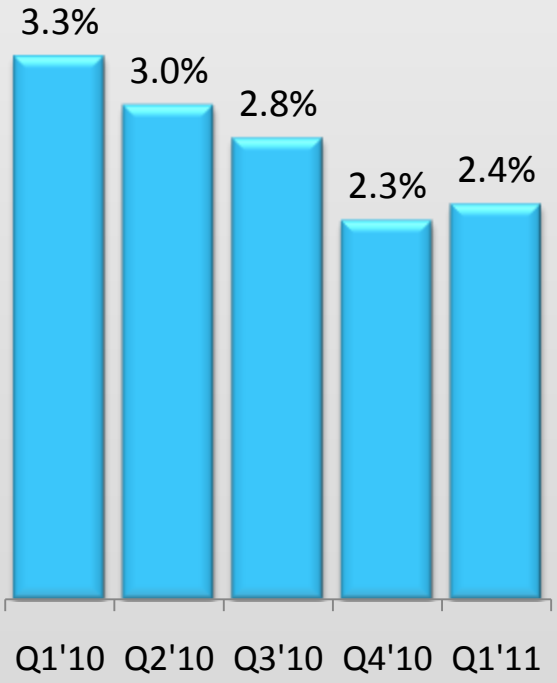


Lending 30 Days Past Due

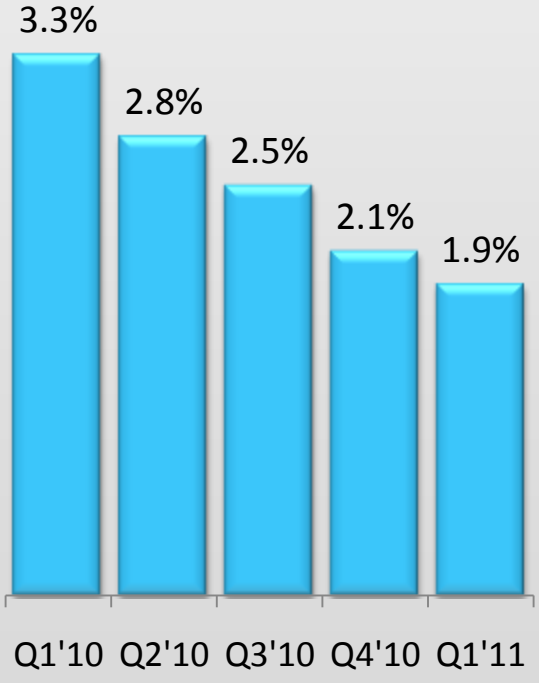
USCS



ICS

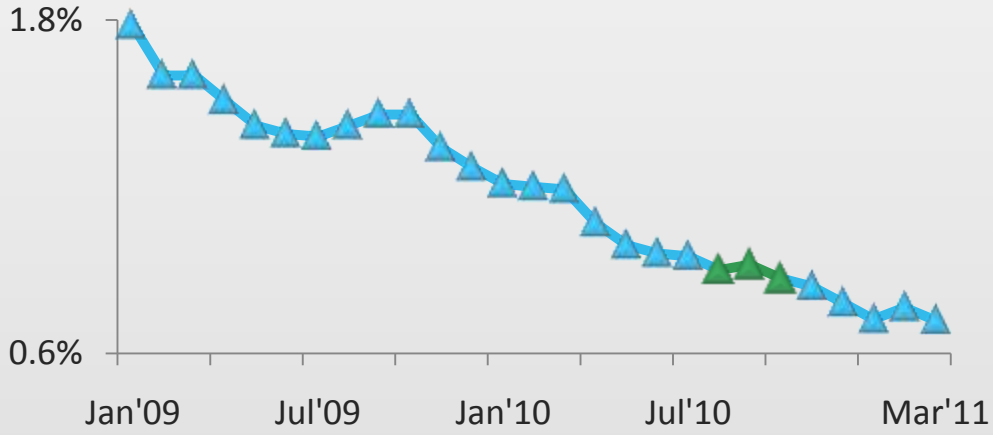


AXP

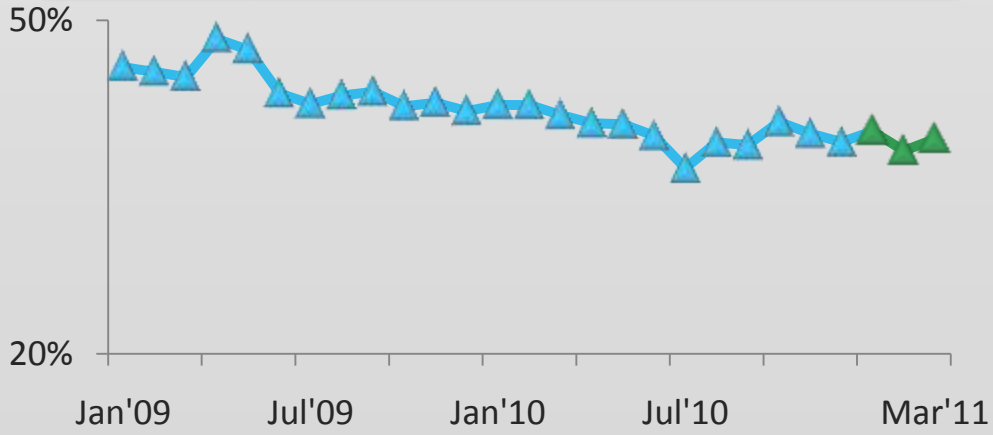


USCS Managed Lending
Roll Rates and Bankruptcy Filings

Current to 30 Days Past Due

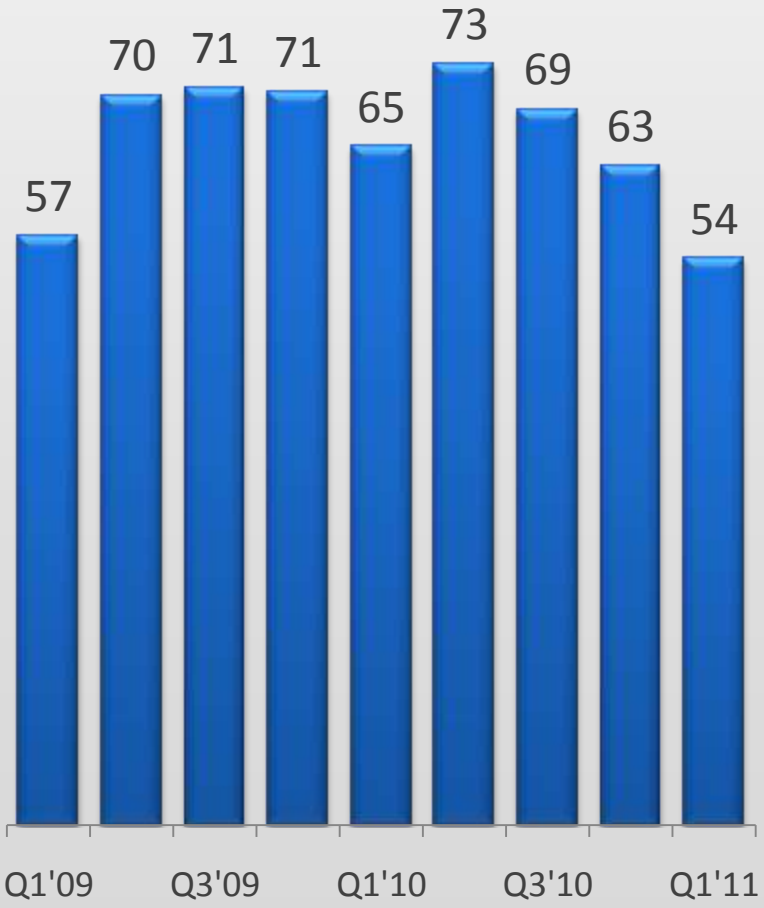


30 Days Past Due to Write-off



Number of Bankruptcy Filings

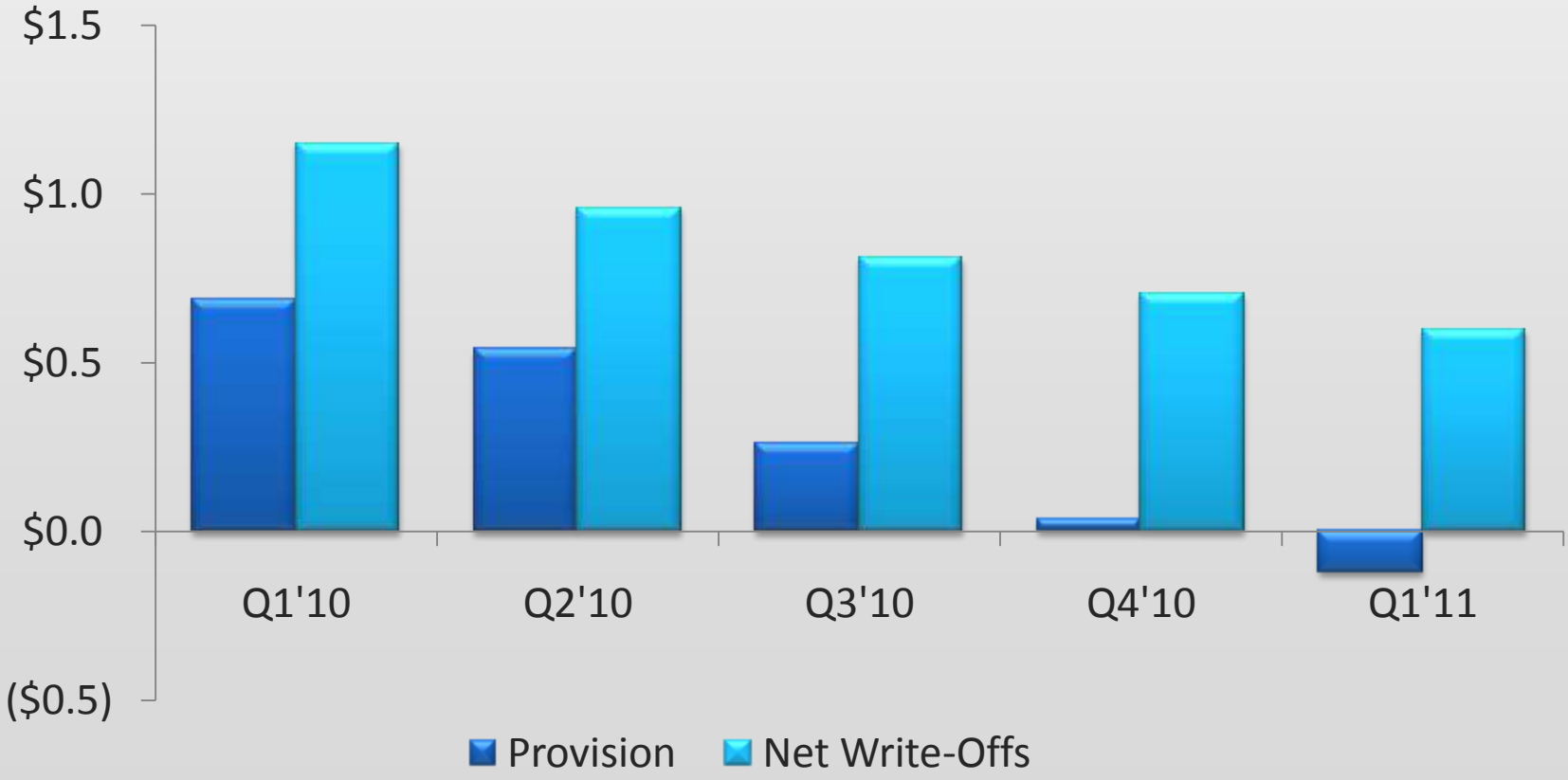
USCS Customers, x000



AXP WW Lending Reserve Releases

Reserve Release	$0.5	$0.4	$0.5	$0.7	$0.7

($ in billions)



Lending Reserve Coverage

	Q1'11	Q4'10	Q1'10
US Card Services			
% of Loans	5.2%	6.1%	9.5%
% of Past Due	279%	298%	283%
Principal Months Coverage*	16.0x	17.0x	14.9x
Worldwide			
% of Loans	5.1%	6.0%	9.2%
% of Past Due	263%	287%	277%
Principal Months Coverage*	15.9x	16.9x	15.0x

**Calculated by dividing the ending principal reserve balance by a monthly average of net principal write-offs during the respective quarter.*

Capital Ratios

(Preliminary)

	Q1'11	Q4'10
Tier 1 Common Risk-Based	11.8%	11.1%
Tier 1 Leverage	9.4%	9.3%
Tier 1 Risk-Based Capital	11.8%	11.1%
Total Risk-Based Capital	13.9%	13.1%
Tangible Common Equity to Risk-Weighted Assets ("TCE/RWA")*	11.7%	10.7%

*Note: These ratios represent a preliminary estimate as of the date of these earnings slides and may be revised in the Company's first quarter Form 10-Q. *TCE equals common shareholders' equity of $17.5B, less goodwill and intangibles of $4.5B for Q1'11. RWA is $111.4B for Q1'11.*

Q1'11 Liquidity Snapshot

($ in billions)

Resources		Funding Maturities	
Cash*	$22	Q2'11	4
Operating Cash	(5)	Q3'11	2
CP and Short-Term Deposits Outstanding	(1)	Q4'11	8
Readily Marketable Securities	4	Q1'12	3
Excess Cash & Securities	**$20**	**Twelve Month Maturities**	**$17****

**Cash and Cash Equivalents. **Includes maturities of long term unsecured debt of $9.9B, asset-backed securitization liabilities of $2.6B and long-term certificates of deposit of $4.8B.*

US Retail Deposit Programs

($ in billions)

	Direct *	Third Party CDs	Third Party Sweep	Total Deposits
December 31, 2010 Balance	$8.8	$ 11.4	$ 8.9	$ 29.1
Maturities		(1.9)		(1.9)
Amount Raised	3.9			3.9
March 31, 2011 Balance	$ 12.7	$ 9.5	$ 8.9	$ 31.1

Retail CD Portfolio†: 3/31/11		
	Weighted Avg., Remaining Maturity	19.5 Months
	Average Rate at Issuance	2.6%

** Direct primarily includes the Personal Savings Program, which consists of $11.4B from high yield savings accounts and $0.9B from retail CDs. †Retail CDs include both third party and direct CDs.*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Annex 1

Segment Billed Business - Reported & FX Adjusted*

% increase/(decrease) vs. prior year:

	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11
ICS									
Reported	(21%)	(20%)	(12%)	14%	19%	12%	12%	12%	16%
FX Adjusted	(5%)	(7%)	(6%)	0%	6%	9%	10%	11%	10%
GCS									
Reported	(23%)	(23%)	(14%)	8%	23%	21%	19%	16%	19%
FX Adjusted	(18%)	(18%)	(11%)	3%	18%	21%	19%	17%	17%
GNS									
Reported	(6%)	(3%)	2%	34%	36%	27%	24%	26%	29%
FX Adjusted	8%	6%	7%	22%	25%	23%	22%	24%	24%
Total									
Reported	(16%)	(16%)	(11%)	8%	16%	16%	14%	15%	17%
FX Adjusted	(12%)	(13%)	(9%)	4%	12%	15%	14%	14%	15%

**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 rate used for Q1'11 applies to Q1'10; rate used for Q3'10 applies to Q3'09, etc.)*

Annex 2

Region Billed Business - Reported & FX Adjusted*

% increase/(decrease) vs. prior year:

	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11
U.S.	(15%)	(15%)	(11%)	2%	11%	14%	13%	14%	15%
EMEA									
Reported	(23%)	(24%)	(15%)	11%	16%	5%	5%	4%	13%
FX Adjusted	(8%)	(13%)	(8%)	2%	11%	11%	11%	10%	10%
JAPA									
Reported	(15%)	(12%)	(1%)	34%	44%	34%	31%	29%	28%
FX Adjusted	1%	0%	1%	12%	22%	23%	23%	20%	18%
LACC									
Reported	(19%)	(19%)	(11%)	20%	26%	24%	19%	18%	21%
FX Adjusted	(1%)	(5%)	(1%)	7%	11%	15%	15%	15%	16%

**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 rate used for Q1'11 applies to Q1'10; rate used for Q3'10 applies to Q3'09, etc.)*

Annex 3

Worldwide Cardmember Lending

($ in billions, except percentages)

	Q1'08	Q2'08	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09
Total Worldwide Ending Loans								
GAAP	$49.4	$ 49.6	$ 45.7	$ 42.2	$ 36.7	$ 32.5	$31.5	$32.8
Growth vs PY	*17%*	*3%*	*(9%)*	*(22%)*	*(26%)*	*(34%)*	*(31%)*	*(22%)*
Managed	$75.1	$ 76.5	$ 75.5	$ 72.0	$ 65.0	$ 62.9	$60.7	$61.8
Growth vs PY	*19%*	*12%*	*5%*	*(7%)*	*(13%)*	*(18%)*	*(20%)*	*(14%)*

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 cardmember loans. The adoption of new GAAP on January 1, 2010 resulted in accounting for both the Company's securitized and non-securitized cardmember 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.

Annex 4 (A)

($ in millions, except percentages)	Quarters Ended								
	3/31/09	6/30/09	9/30/09	12/31/09	3/31/10	6/30/10	9/30/10	12/31/10	3/31/11
USCS - Calculation based on 2010 and 2009 GAAP information (B):									
Net interest income	$766	$612	$649	$621	$1,221	$1,111	$1,124	$1,122	$1,091
Average loans (billions)	$30.2	$26.5	$23.4	$22.7	$50.5	$49.1	$49.1	$49.8	$49.6
Adjusted net interest income (C)	$775	$581	$558	$537	$1,246	$1,145	$1,150	$1,143	$1,112
Adjusted average loans (billions) (D)	$30.3	$26.6	$23.5	$22.8	$50.5	$49.2	$49.2	$49.8	$49.6
Net interest income divided by average loans (E)	10.3%	9.3%	11.0%	10.9%	9.8%	9.1%	9.1%	8.9%	8.9%
Net interest yield on cardmember loans (F)	10.4%	8.8%	9.4%	9.4%	10.0%	9.3%	9.3%	9.1%	9.1%
USCS - Calculation based on 2010 and 2009 managed information (G):									
Net interest income (H)	$1,569	$1,335	$1,305	$1,292	$1,221	$1,111	$1,124	$1,122	$1,091
Average loans (billions)	$59.1	$55.1	$52.9	$51.8	$50.5	$49.1	$49.1	$49.8	$49.6
Adjusted net interest income (C)	$1,592	$1,343	$1,315	$1,308	$1,246	$1,145	$1,150	$1,143	$1,112
Adjusted average loans (billions) (D)	$59.2	$55.2	$53.0	$51.9	$50.5	$49.2	$49.2	$49.8	$49.6
Net interest yield on cardmember loans (F)	10.9%	9.7%	9.8%	10.0%	10.0%	9.3%	9.3%	9.1%	9.1%

(A) Beginning in the first quarter of 2010, the Company changed the manner in which it allocates related interest expense and capital to its reportable operating segments to more accurately reflect the funding and capital characteristics of the Company's segments. The change to interest allocation impacted the segment's net interest yield on cardmember loans. Accordingly, the net interest yields for periods prior to the first quarter of 2010 have been revised for this change. (B) For periods ended on or prior to December 31, 2009, the Company's cardmember loans and related debt performance information on a GAAP basis was referred to as the "owned" basis presentation. The information presented on a GAAP basis for such periods includes only non-securitized cardmember loans that were included in the Company's balance sheet. Effective January 1, 2010, the Company's securitized portfolio of cardmember loans and related debt is also consolidated on its balance sheet upon the adoption of the new GAAP. Accordingly, beginning January 1, 2010, the GAAP basis presentation includes both securitized and non-securitized cardmember loans. Refer to page 19 of the Company's fourth quarter 2010 earnings financial tables for a discussion of GAAP basis information. (C) Represents net interest income allocated to the Company's cardmember loans portfolio on a GAAP or managed basis, as applicable, in each case excluding the impact of card fees on loans and balance transfer fees attributable to the Company's cardmember loans. (D) Represents average cardmember loans on a GAAP or managed basis, as applicable, in each case excluding the impact of deferred card fees, net of deferred direct acquisition costs of cardmember loans. (E) This calculation includes elements of total interest income and total interest expense that are not attributable to the cardmember loan portfolio, and thus is not representative of net interest yield on cardmember loans. The calculation includes interest income and interest expense attributable to investment securities and other interest-bearing deposits as well as to cardmember loans,and interest expense attributable to other activities, including cardmember receivables. (F) Net interest yield on cardmember loans is a non-GAAP financial measure that represents the net spread earned on cardmember loans. Net interest yield on cardmember loans is computed by dividing adjusted net interest income by adjusted average loans, computed on an annualized basis. The calculation of net interest yield on cardmember loans includes interest that is deemed uncollectible. For all presentations of net interest yield on cardmember loans, reserves and net write-offs related to uncollectible interest are recorded through provisions for losses - cardmember loans; therefore, such reserves and net write-offs are not included in the net interest yield calculation. (G) 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 cardmember loans. The adoption of new GAAP on January 1, 2010 resulted in accounting for both the Company's securitized and non-securitized cardmember 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.(H) For periods ended on or prior to December 31, 2009, the information presented includes the adjustments to the GAAP "owned" basis presentation for such periods attributable to securitization activity for interest income and interest expense to arrive at the non-GAAP "managed" basis information, which adjustments are set forth under the U.S. Card Services managed basis presentation on page 22 of the Company's fourth quarter 2010 earnings financial tables.

Annex 5

($ in millions)	2006	2007	2008	2009	2010	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11
GAAP Total Revenues Net of Interest Expense	**$24,826**	**$27,559**	**$28,365**	**$24,336**	**$27,582**	**$6,560**	**$6,805**	**$6,973**	**$7,244**	**$7,031**
Securitization Adjustments:										
Discount revenue, net card fees and other	199	310	400	331	NA	NA	NA	NA	NA	NA
Interest income	2,937	3,130	3,512	3,097	NA	NA	NA	NA	NA	NA
Securitization income, net	(1,489)	(1,507)	(1,070)	(400)	NA	NA	NA	NA	NA	NA
Interest expense	(1,057)	(1,136)	(830)	(244)	NA	NA	NA	NA	NA	NA
Managed Total Revenues Net of Interest Expense	**$25,416**	**$28,356**	**$30,377**	**$27,120**	**$27,582**	**$6,560**	**$6,805**	**$6,973**	**$7,244**	**$7,031**
GAAP Total Expenses	**$17,008**	**$17,762**	**$18,986**	**$16,182**	**$19,411**	**$4,365**	**$4,558**	**$4,960**	**$5,528**	**$5,202**
GAAP Total Expenses divided by GAAP Total Revenues Net of Interest Expense	*69%*	*64%*	*67%*	*66%*	*70%*	*67%*	*67%*	*71%*	*76%*	*74%*

Note: Beginning in 2011, the Company reclassified certain contractual lump sum payments to partners as either contra discount revenue or marketing and promotion expense rather than 'Other, net' expense. Results for 2009 and 2010 reflect this change. Periods prior to 2009 have not been revised to reflect this change. 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 cardmember loans. The adoption of new GAAP on January 1, 2010 resulted in accounting for both the Company's securitized and non-securitized cardmember 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.

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," "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:

- *changes in global economic and business conditions, including consumer and business spending, the availability and cost of credit, unemployment and political conditions, all of which may significantly affect spending on the Card, delinquency rates, loan balances and other aspects of our business and results of operations;*
- *changes in capital and credit market conditions, which may significantly affect the company's ability to meet its liquidity needs, access to capital and cost of capital, including changes in interest rates; changes in market conditions affecting the valuation of our assets; or any reduction in our credit ratings or those of our subsidiaries, which could materially increase the cost and other terms of our funding, restrict our access to the capital markets or result in contingent payments under contracts;*
- *litigation, such as class actions or proceedings brought by governmental and regulatory agencies (including the lawsuit filed against the Company by the U.S. Department of Justice and certain state attorneys general), that could result in (i) the imposition of behavioral remedies against the Company or the Company's voluntarily making certain changes to its business practices, the effects of which in either case could have a material adverse impact on the Company's financial performance; (ii) the imposition of substantial monetary damages in private actions against the Company; and/or (iii) damage to the Company's global reputation and brand;*
- *legal and regulatory developments wherever we do business, including legislative and regulatory reforms in the United States, such as the Dodd-Frank Act's stricter regulation of large, interconnected financial institutions, changes in requirements relating to securitization and the establishment of the Bureau of Consumer Financial Protection, which could make fundamental changes to many of our business practices or materially affect our capital requirements, results of operations, ability to pay dividends or repurchase our stock; or actions and potential future actions by the FDIC and credit rating agencies applicable to securitization trusts, which could impact the company's ABS program;*
- *changes in the substantial and increasing worldwide competition in the payments industry, including competitive pressure that may impact the prices we charge merchants that accept our Cards and the success of marketing, promotion or rewards programs;*
- *changes in technology or in our ability to protect our intellectual property (such as copyrights, trademarks, patents and controls on access and distribution), and invest in and compete at the leading edge of technological developments across our businesses, including technology and intellectual property of third parties whom we rely on, all of which could materially affect our results of operations;*
- *data breaches and fraudulent activity, which could damage our brand, increase our costs or have regulatory implications, and changes in regulation affecting privacy and data security under federal, state and foreign law, which could result in higher compliance and technology costs to ourselves or our vendors;*
- *changes in our ability to attract or retain qualified personnel in the management and operation of the company's business, including any changes that may result from increasing regulatory supervision of compensation practices;*

Forward-Looking Statements (Cont.)

- *changes in the financial condition and creditworthiness of our business partners, such as bankruptcies, restructurings or consolidations, involving merchants that represent a significant portion of our business, such as the airline industry, or our partners in Global Network Services or financial institutions that we rely on for routine funding and liquidity, which could materially affect our financial condition or results of operations;*
- *uncertainties associated with business acquisitions, including the ability to realize anticipated business retention, growth and cost savings or effectively integrate the acquired business into our existing operations;*
- *changes affecting the success of our reengineering and other cost control initiatives, such as the ability to execute plans during the year with respect to certain of the company's facilities, which may result in the company not realizing all or a significant portion of the benefits that we intend;*
- *the actual amount to be spent by the Company on investments in the business, including on marketing, promotion, rewards and cardmember services and certain other operating expenses, which will be based in part on management's assessment of competitive opportunities and the Company's performance and the ability to control and manage operating, infrastructure, advertising and promotion expenses as business expands or changes;*
- *the effectiveness of the company's risk management policies and procedures, including credit risk relating to consumer debt, liquidity risk in meeting business requirements and operational risks;*
- *changes affecting our ability to accept or maintain deposits due to market demand or regulatory constraints, such as changes in interest rates and regulatory restrictions on our ability to obtain deposit funding or offer competitive interest rates, which could affect our liquidity position and our ability to fund our business; and*
- *factors beyond our control such as fire, power loss, disruptions in telecommunications, severe weather conditions, natural disasters, terrorism, "hackers" or fraud, which could affect travel-related spending or disrupt our 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, 2009, its Quarterly Reports on Form 10-Q for the three months ended March 31, June 30, and September 30, 2010, and the company's other reports filed with the SEC.