American Express Company Earnings Conference Call Q3'11

October 19, 2011

Summary Financial Performance

($ in millions, except per share amounts)	Q3'11	Q3'10	% Inc/(Dec)
Total Revenues Net of Interest Expense	$7,571	$6,973	9%
FX Adjusted†		$7,118	6%
Net Income	$1,235	$1,093	13%
Diluted EPS*	$1.03	$0.90	14%
Return on Average Equity	28%	26%	
Average Diluted Shares Outstanding	1,181	1,199	(2%)

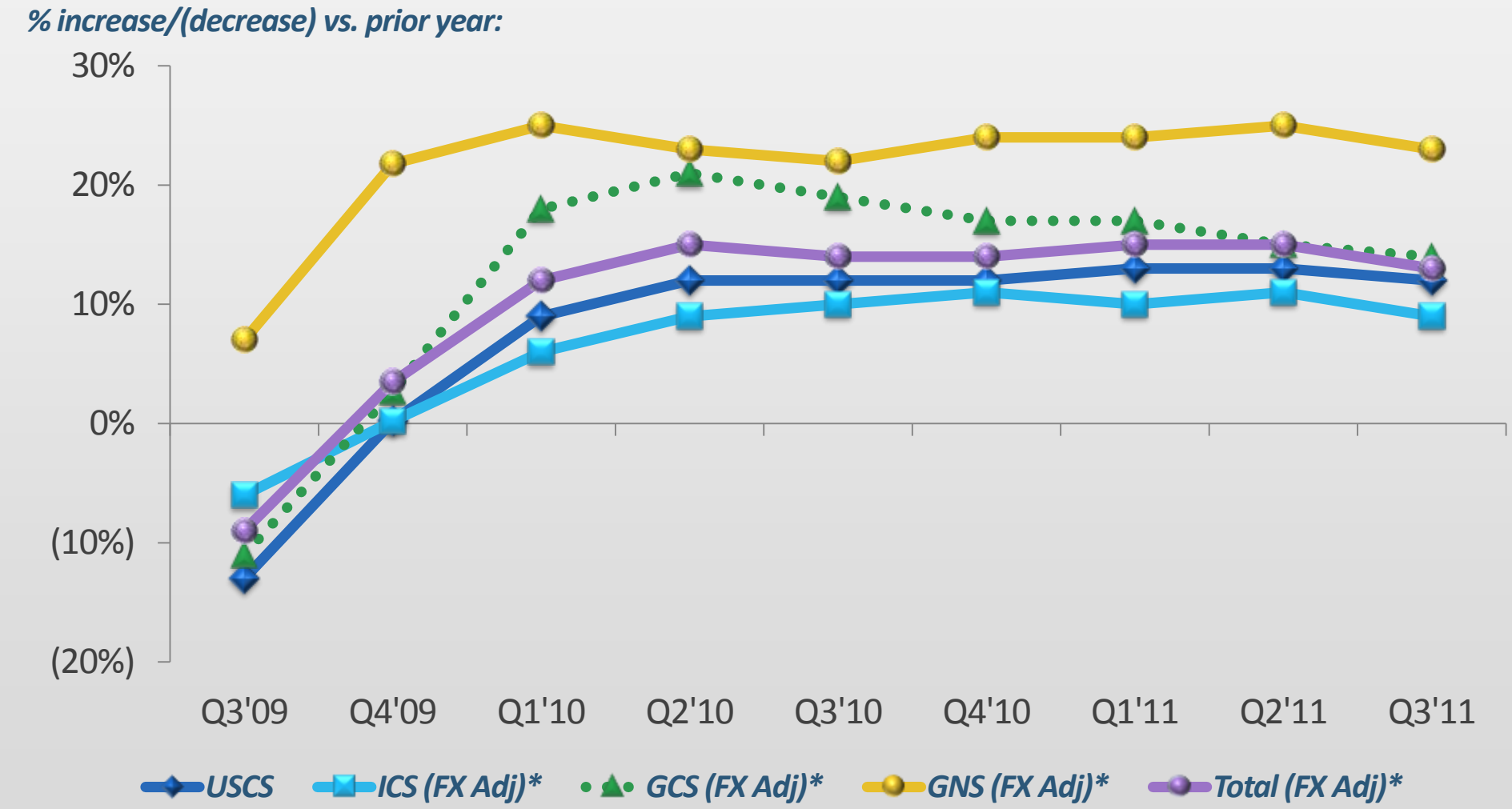
**Attributable to common shareholders. Represents income from continuing operations less earnings allocated to participating share awards and other items of $15MM and $13MM for Q3'11 and Q3'10, respectively. †This is a Non-GAAP measure. FX adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (i.e., assumes Q3'11 foreign exchange rates apply to Q3'10 results). The Company's calculations of non-GAAP measures may differ from the calculations of similarly titled measures of other companies.*

Metric Performance

	Q3'11	Q3'10	% Inc/Dec	FX Adj.*
Billed Business ($ in B)**	$207.7	$179.3	16%	13%
Total Cards In Force (MM)	95.8	89.0	8%	
Avg. Basic Cardmember Spending (Dollars)†	$3,739	$3,330	12%	10%
Cardmember Loans ($ in B)	$58.2	$57.2††	2%	2%
WW Travel Sales ($ in B)	$6.0	$5.3	13%	10%

**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 Q3'11 foreign exchange rates apply to Q3'10 results). **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. †Computed from proprietary card activities only. ††On an FX adjusted basis, Q3'10 cardmember loans would also have been $57.2B.*

Billed Business Growth by Segment



*See Annex 1 for reported billings growth rates.

Billed Business Growth by Region

% increase/(decrease) vs. prior year:

25%
15%
5%
(5%)
(15%)
(25%)

Q3'09 Q4'09 Q1'10 Q2'10 Q3'10 Q4'10 Q1'11 Q2'11 Q3'11

US
*EMEA (FX Adj)**
*JAPA (FX Adj)**
*LACC (FX Adj)**

**See Annex 2 for reported billings growth rates.*

Lending Billed Business vs. Managed Loan Growth

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

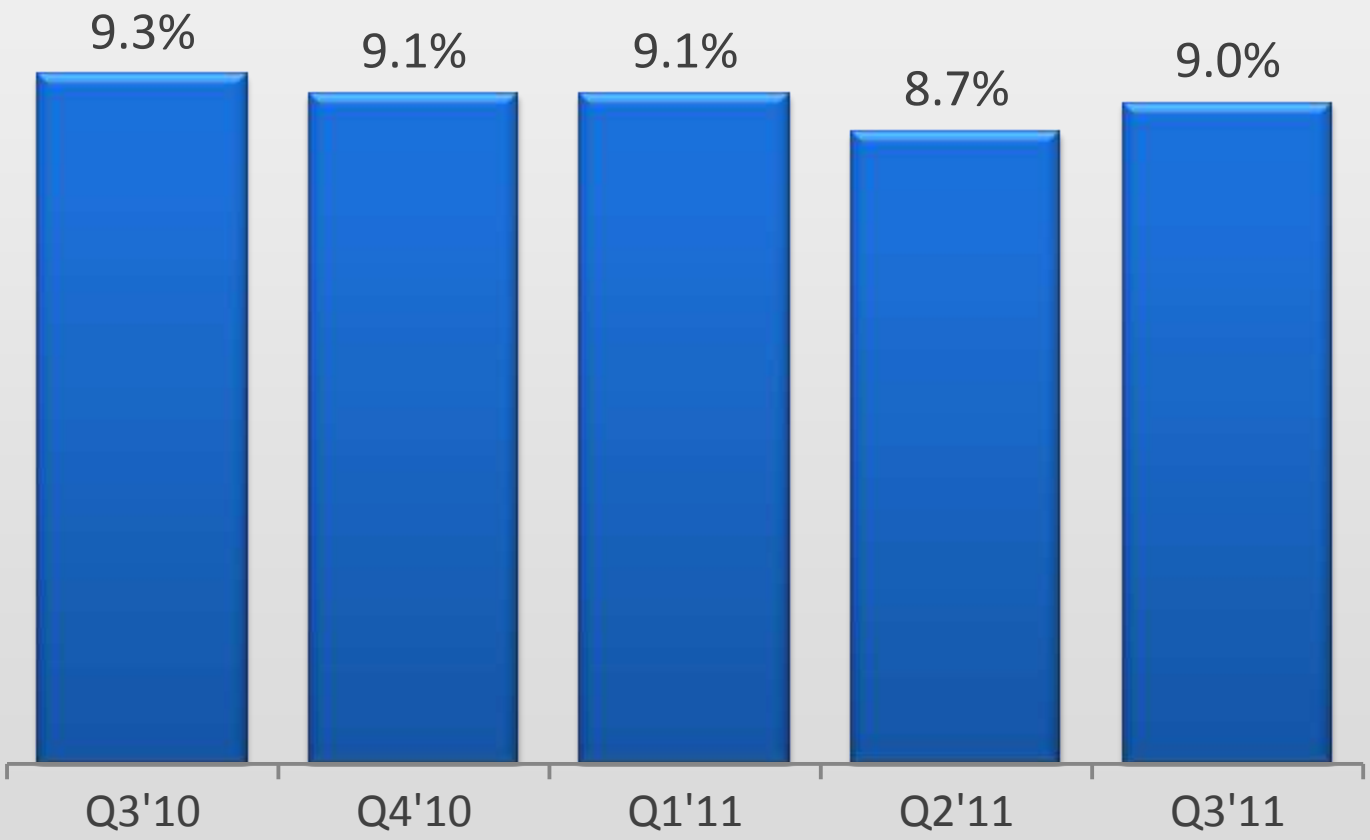
25%
15%
5%
(5%)
(15%)
(25%)

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

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)

	Q3'11	Q3'10	% Inc/(Dec)
Discount Revenue	$4,218	$3,761	12%
Net Card Fees	556	527	6%
Travel Commissions & Fees	480	483	(1%)
Other Commissions & Fees	604	515	17%
Other Revenue	534	503	6%
Net Interest Income	1,179	1,184	-
Total Revenues Net of Interest Expense*	$7,571	$6,973	9%

**Total revenues net of interest expense on an FX adjusted basis, a non-GAAP measure, increased 6%. 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 Q3'11 foreign exchange rates apply to Q3'10 results).*

Provisions for Losses

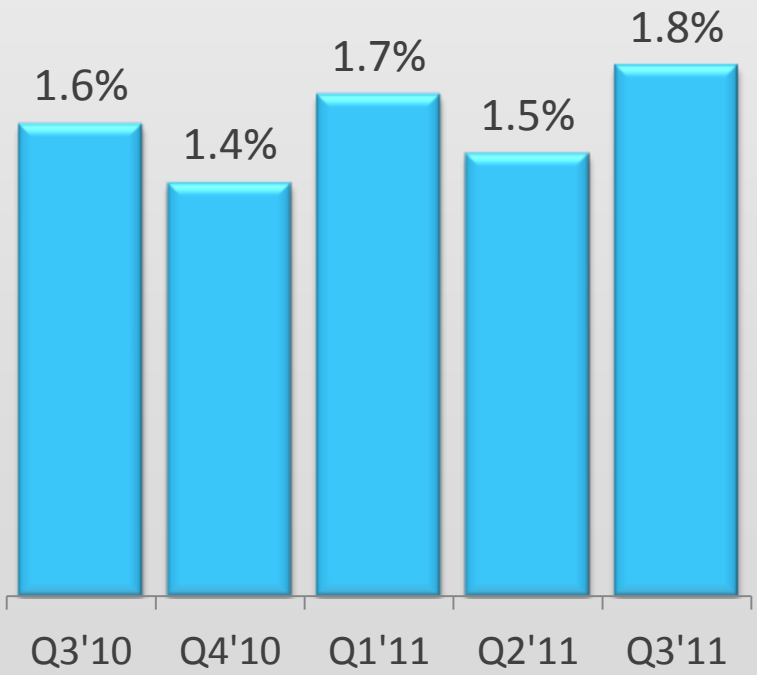
($ in millions)

	Q3'11	Q3'10	% Inc/(Dec)
Charge Card	$174	$89	96%
Cardmember Loans	48	262	(82%)
Other	27	22	23%
Total*	$249	$373	(33%)

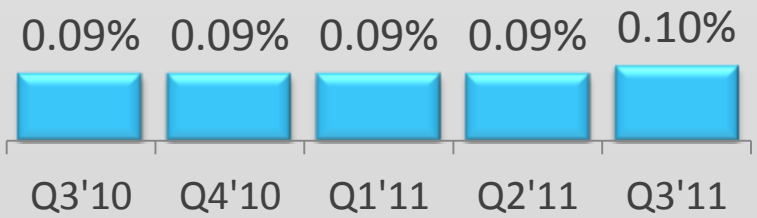
**Total provision on an FX adjusted basis, a non-GAAP measure, decreased 35%. FX adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (i.e., assumes Q3'11 foreign exchange rates apply to Q3'10 results).*

Charge Card Credit Performance

USCS Net Write-off Rate

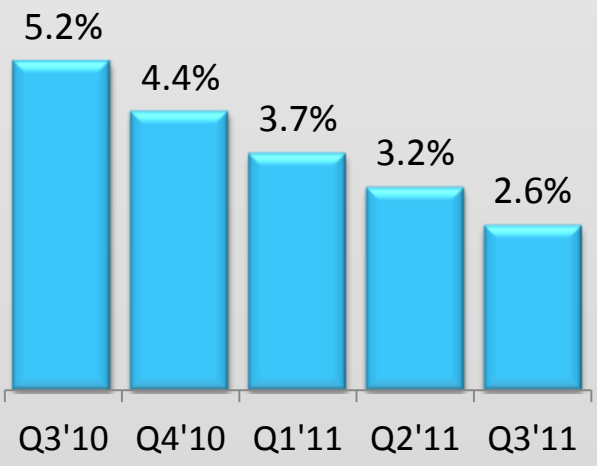


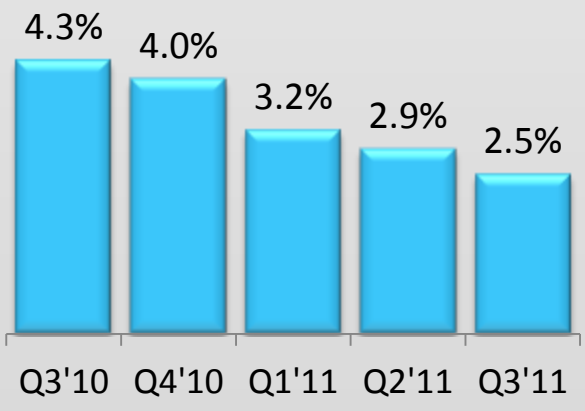
ICS/GCS Net Loss Ratio

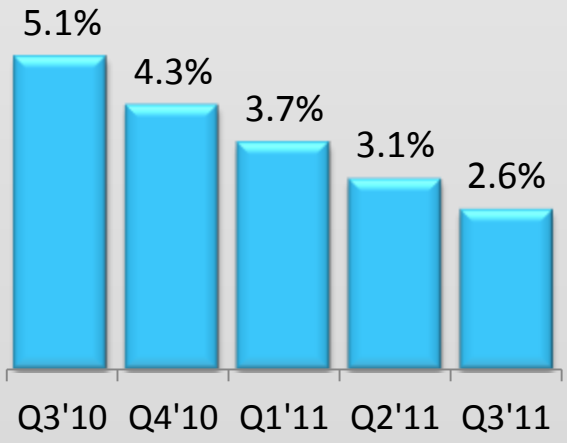


Note: USCS Net write-off rates above include Principal only. See Statistical tables in Q3'11 Earnings Release for net write-off rates including interest and/or fees.

Lending Net Write-off Rates







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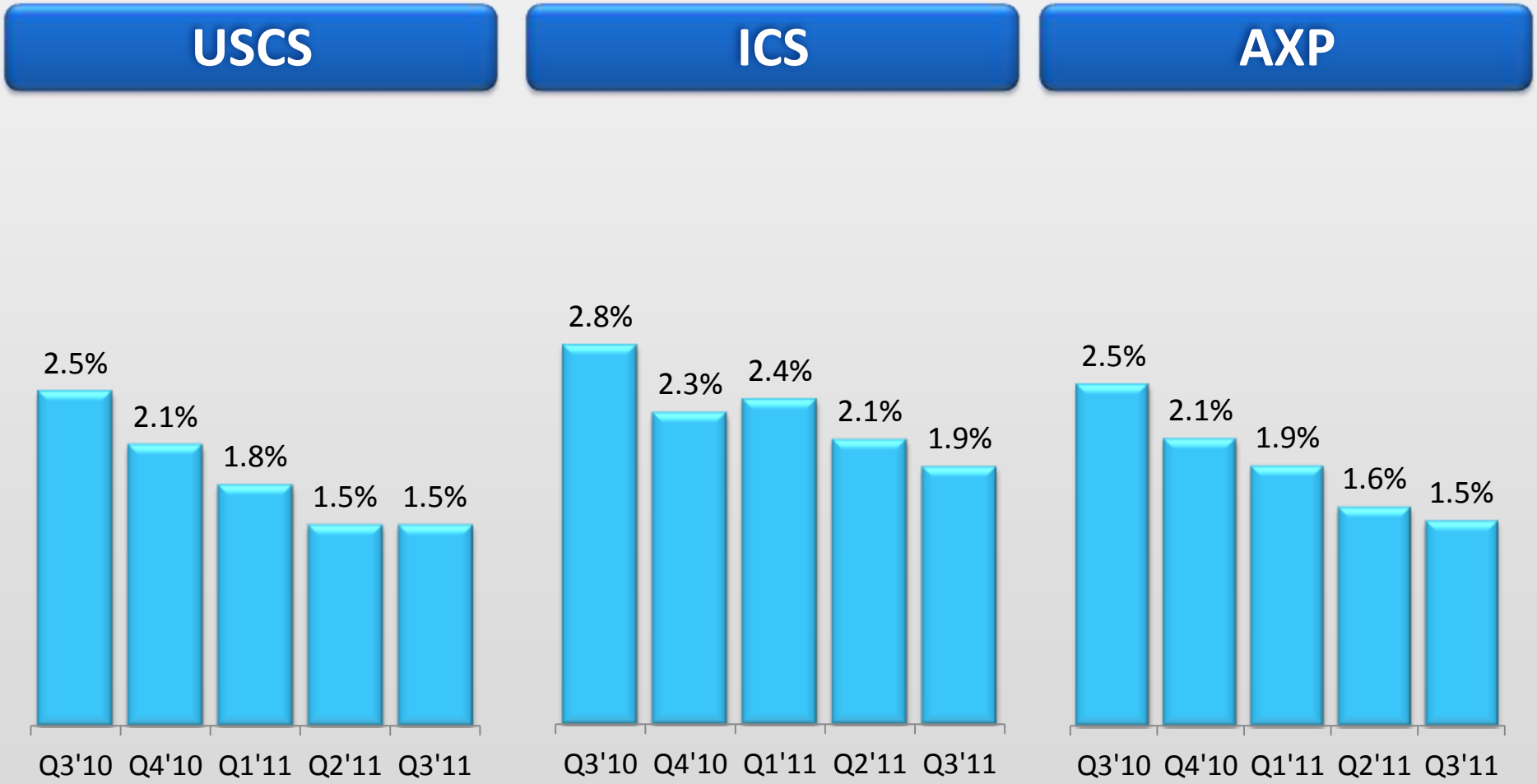
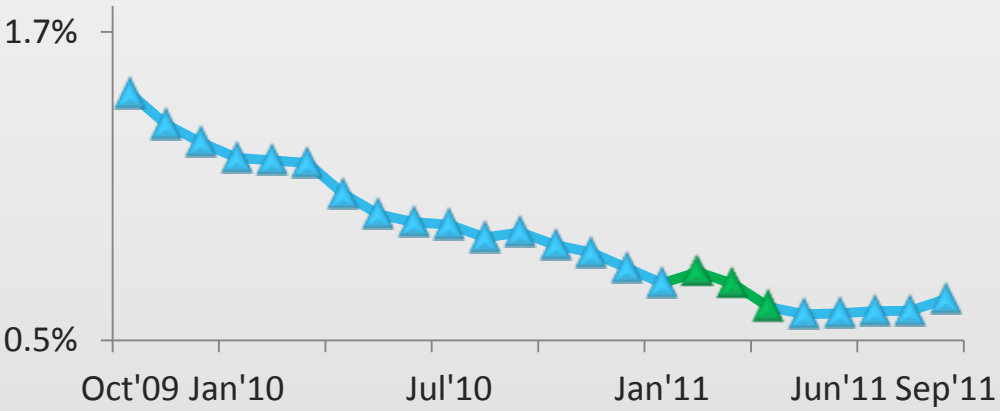
Lending 30 Days Past Due

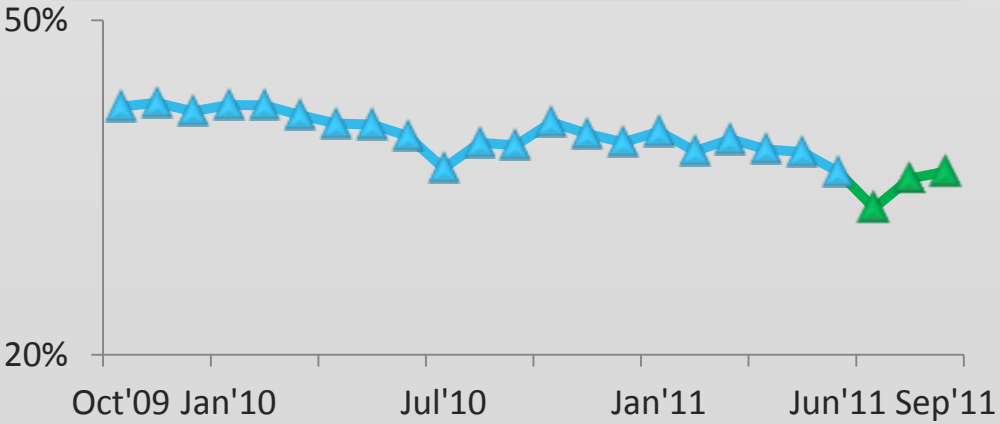


USCS Managed Lending
Roll Rates and Bankruptcy Filings

Current to 30 Days Past Due

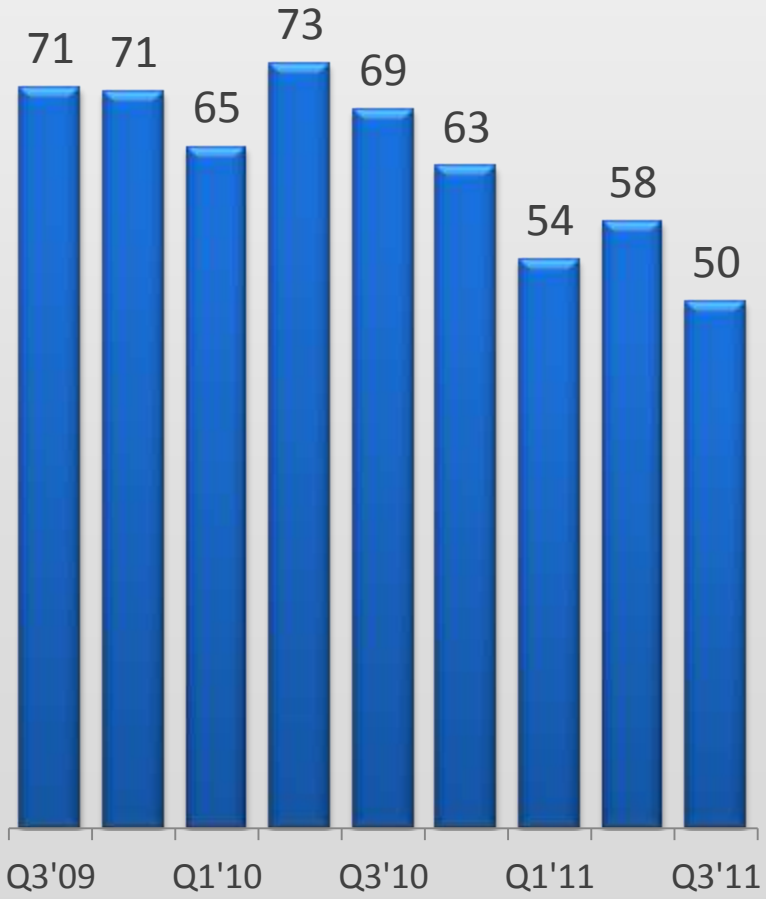


30 Days Past Due to Write-off



Number of Bankruptcy Filings

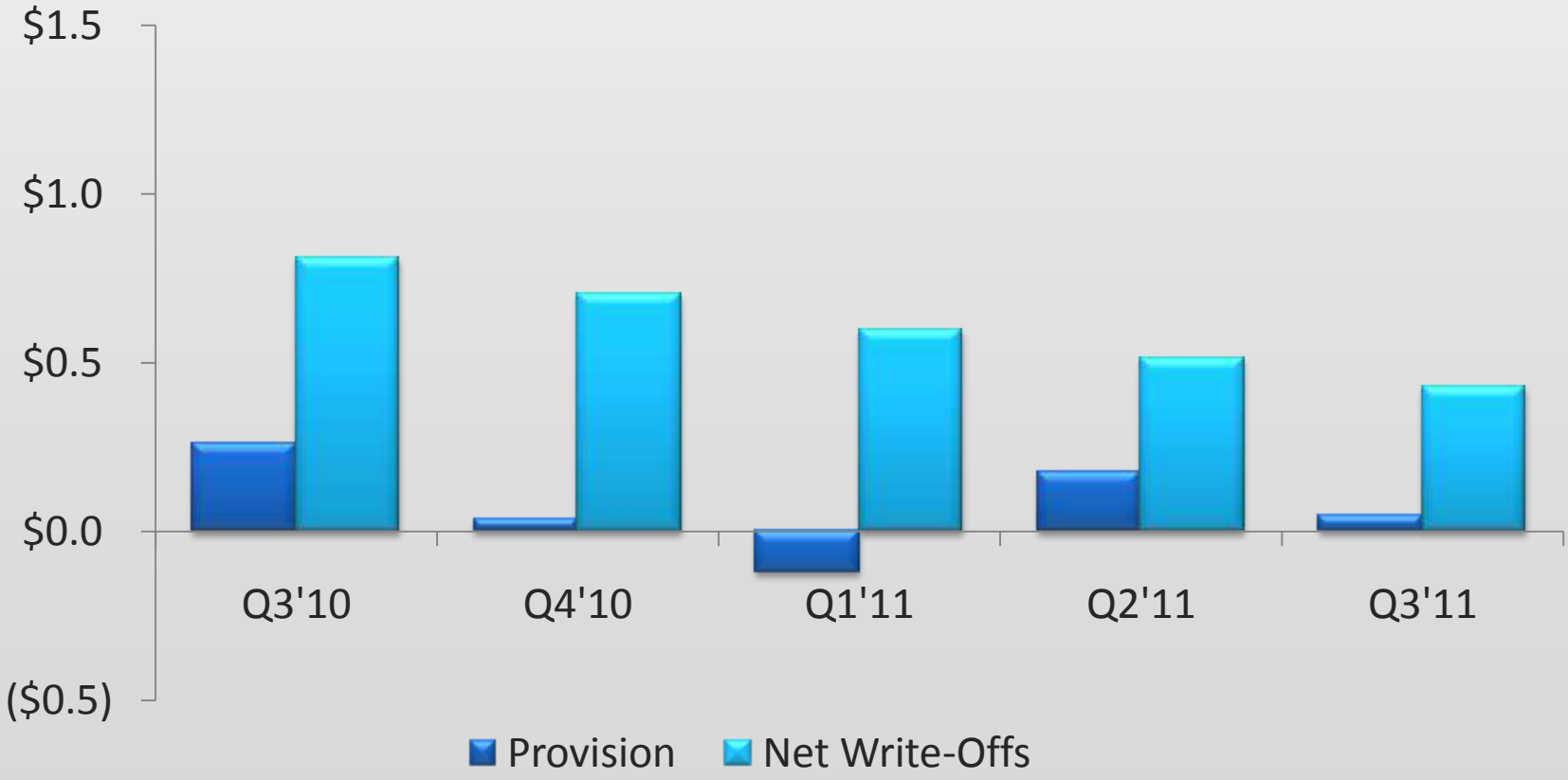
USCS Customers, x000



AXP WW Lending Reserve Releases

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

($ in billions)



Lending Reserve Coverage

	Q3'11	Q2'11	Q3'10
US Card Services			
% of Loans	3.7%	4.5%	7.7%
% of Past Due	249%	294%	315%
Principal Months Coverage*	16.5x	16.6x	17.3x
Worldwide			
% of Loans	3.7%	4.4%	7.5%
% of Past Due	238%	273%	302%
Principal Months Coverage*	16.3x	16.3x	17.3x

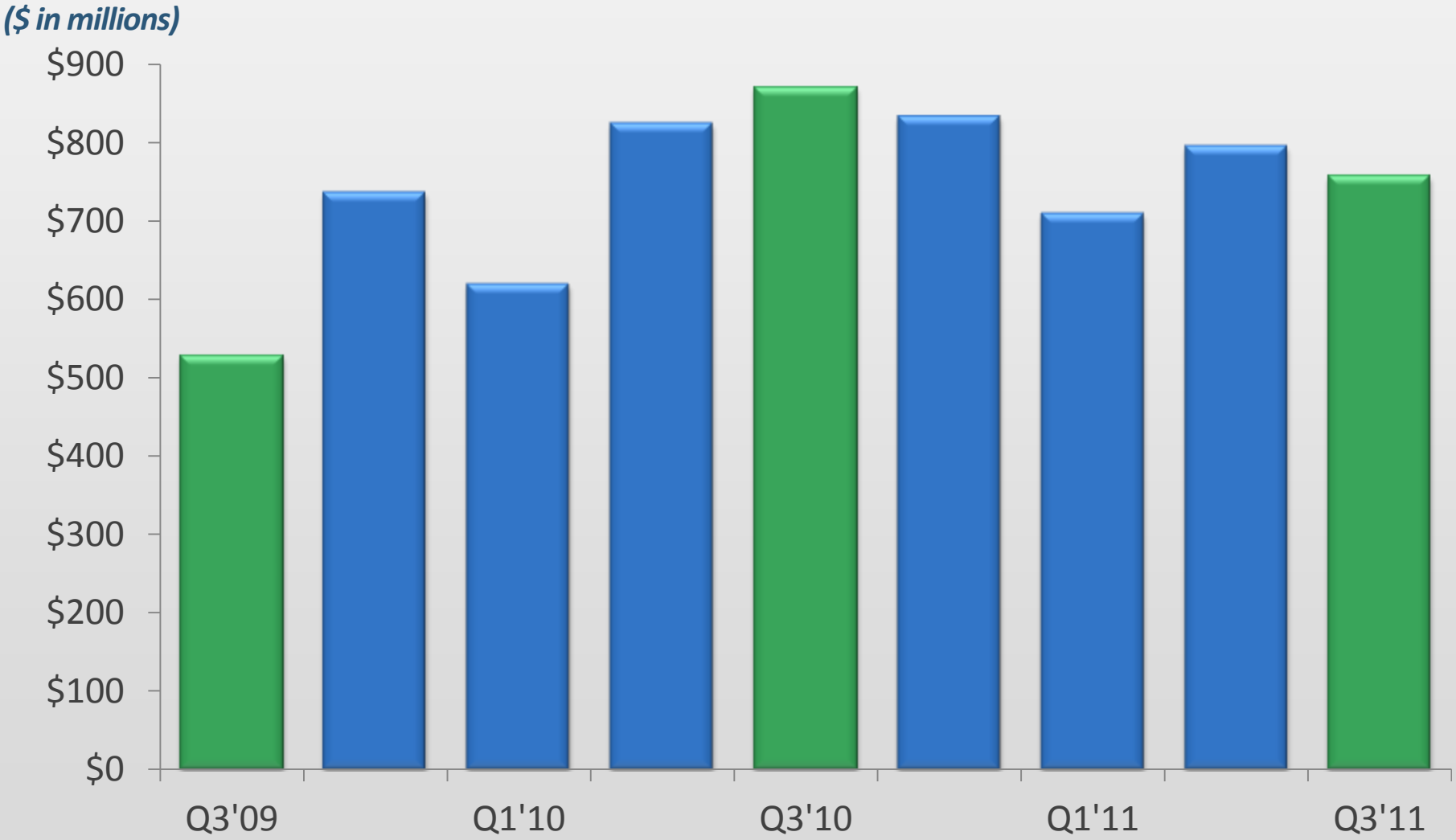
**Calculated by dividing the ending principal reserve balance by a monthly average of net principal write-offs during the respective quarter.*

Expense Performance

($ in millions)	Q3'11	Q3'10	% Inc/(Dec)	Adjusted Growth†	Q2'11 % Inc/(Dec)
Marketing and Promotion	$757	$871	(13%)		
Cardmember Rewards and Services	1,754	1,404	25%		
Total Operating Expenses*	3,100	2,685	15%	9%	21%
Total Expenses**	$5,611	$4,960	13%	10%	21%
Effective Tax Rate	28%	33%			

**Includes salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net. See slide 18 for a breakdown of these amounts. **Total expenses on an FX adjusted basis, a non-GAAP measure, increased 11% versus last year. †The growth rate of adjusted total operating expenses and adjusted total expenses, both non-GAAP measures, are calculated by excluding MasterCard settlement proceeds of $150MM from total operating expenses and total expenses in Q3'10. Excluding such litigation settlement proceeds, adjusted total operating expenses were $3,100 MM and $2,835MM in Q3'11 and Q3'10, respectively, and adjusted total expenses were $5,611MM and $5,110MM in Q3'11 and Q3'10, respectively.*

Marketing and Promotion Expense



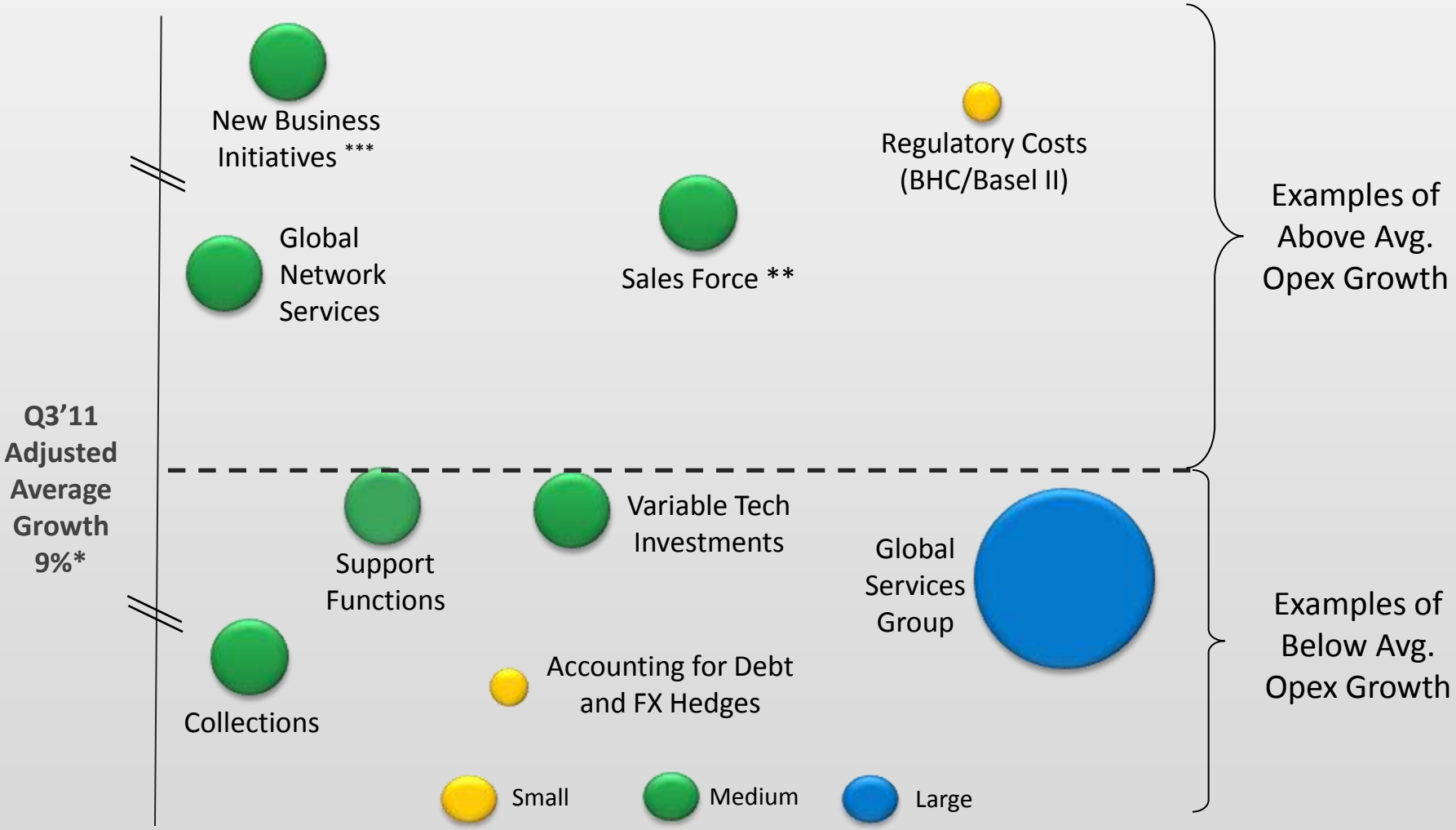
Note: Prior periods reflect the reclassification of certain partner payments from other expense to marketing and promotion.

Operating Expense Performance

($ in millions)	Q3'11	Q3'10	% Inc/(Dec)	Adjusted Growth†	Q2'11 % Inc/(Dec)
Salaries and Employee Benefits	$1,598	$1,354	18%		
Professional Services	690	701	(2%)		
Occupancy and Equipment	433	371	17%		
Communications	93	92	1%		
Adjusted Other, Net**	356	387	(8%)		
Litigation Settlement Proceeds	(70)	(220)	(68%)		
Total Operating Expenses*	$3,100	$2,685	15%	9%	21%

**Total operating expenses on an FX adjusted basis, a non-GAAP measure, increased 13% versus last year. ** Adjusted other, net expense, a non-GAAP measure, is calculated by excluding proceeds from Visa and MasterCard litigation settlement proceeds, which amounts are set forth as the litigation settlement proceeds line item above. Other, net expense on a GAAP basis equals $286MM and $167MM for Q3'11 and Q3'10 respectively, representing a growth rate of 71%. †The growth rate of adjusted total operating expenses, a non-GAAP measure, excludes MasterCard litigation settlement proceeds of $150MM from total operating expenses in Q3'10, resulting in adjusted total operating expenses of $3,100MM and $2,835MM in Q3'11 and Q3'10, respectively.*

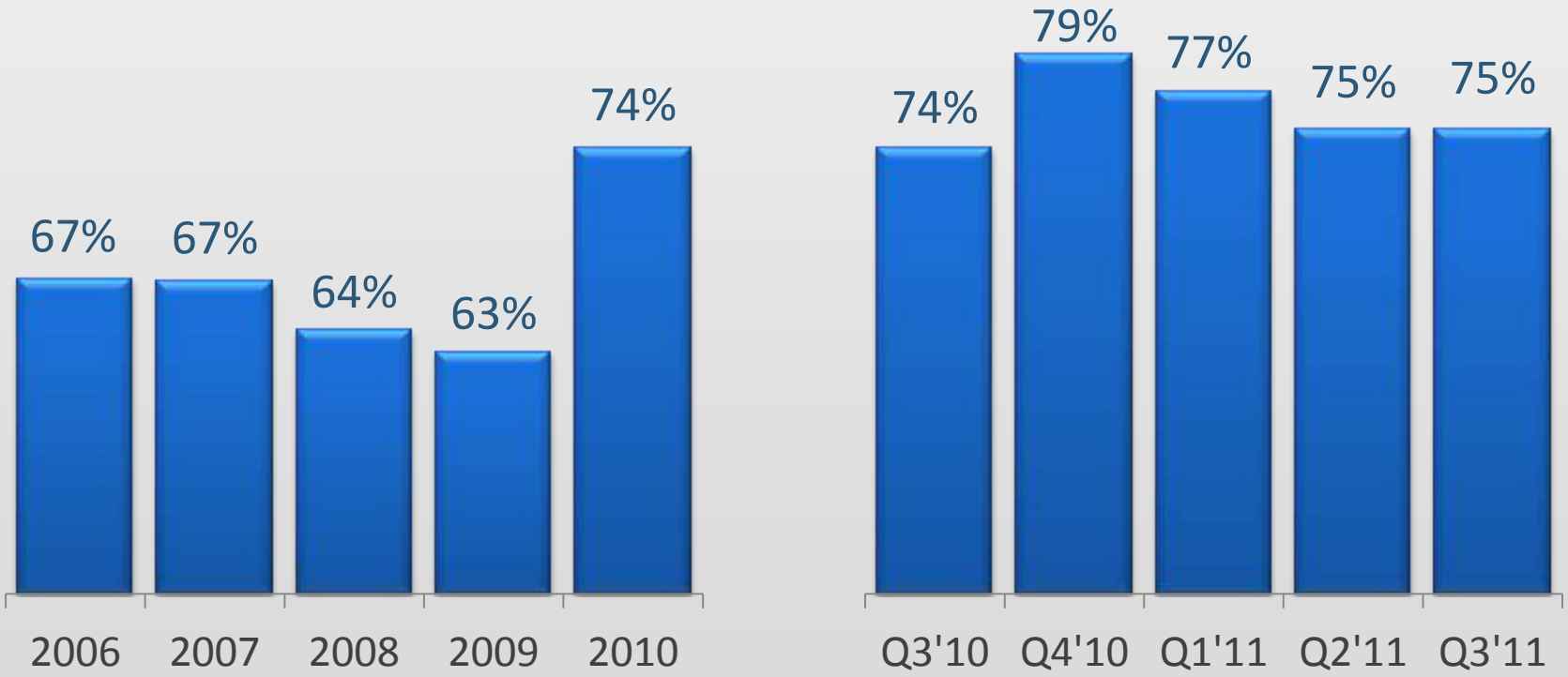
Operating Expense* Analysis



** The adjusted growth rate, a non-GAAP measure, includes salaries and employee benefits, professional services, occupancy and equipment, communications, and other, net excluding the proceeds from the MasterCard litigation settlement. The Q3'11 growth rate on a GAAP basis, equaled 15%. See slide 18 for a calculation of the adjusted growth rate. **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, $220MM from Q3'10 to Q2'11 and $70MM in Q3'11. 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.*

Capital Ratios

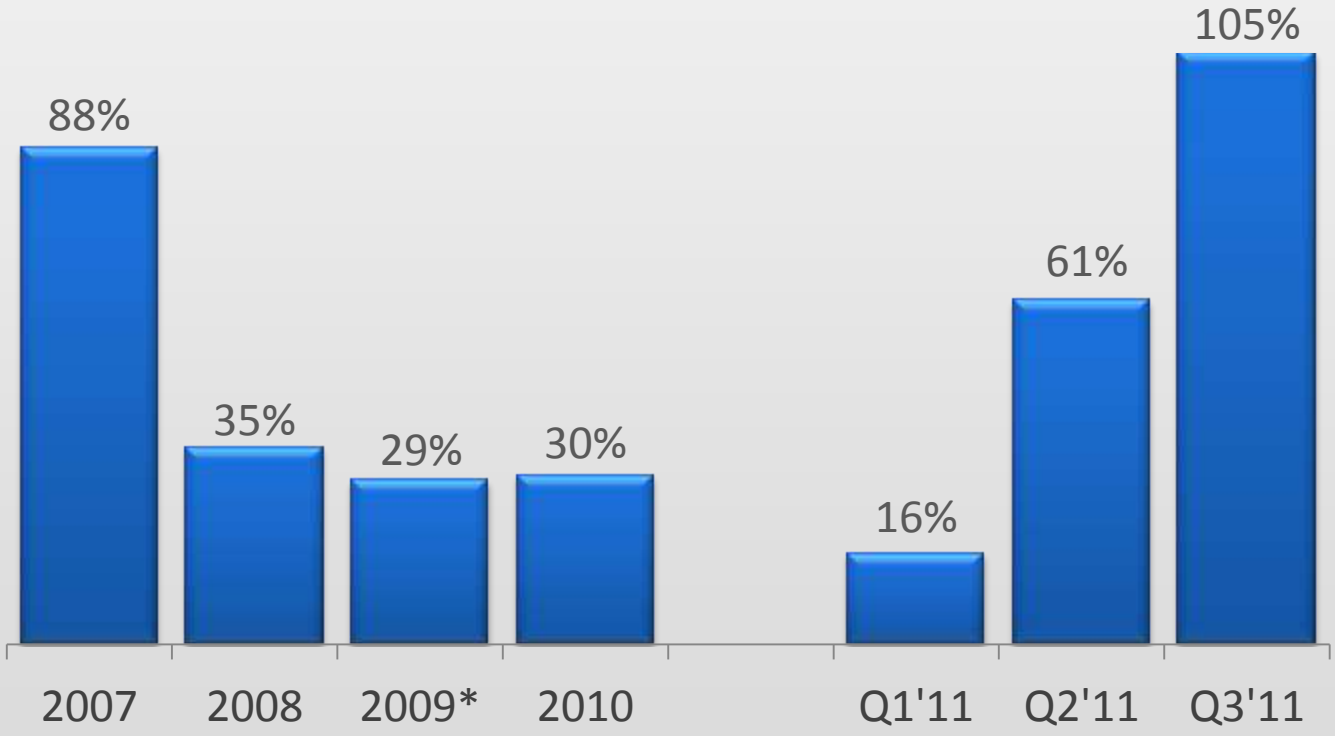
(Preliminary)

	Q3'11	Q2'11
Tier 1 Common Risk-Based*	12.3%	12.3%
Tier 1 Leverage	9.8%	10.1%
Tier 1 Risk-Based Capital	12.3%	12.3%
Total Risk-Based Capital	14.3%	14.3%
Tangible Common Equity to Risk-Weighted Assets ("TCE/RWA")**	12.0%	11.9%

*Note: These ratios represent a preliminary estimate as of the date of these earnings slides and may be revised in the Company's third quarter Form 10-Q. *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 6 for reconciliation between Tier 1 Common Equity and Total Shareholders' Equity. **Common equity equals Total Shareholders' equity of $18.1B. TCE, a non-GAAP measure, equals common shareholders' equity, less goodwill and intangibles of $4.4B for Q3'11. RWA is $114.3B for Q3'11. The Company's calculations of Non-GAAP measures may differ from the calculations of similarly titled measures of other companies.*

Total Payout Ratio

Percentage of Capital Generated Returned to Shareholders



($ Billions)

	2007	2008	2009*	2010	Q1'11	Q2'11	Q3'11
Share Repurchases	$3.6	$0.2	-	$0.6	-	$0.8	$1.2

*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. *Excludes warrants, preferred dividends, and the accelerated accretion of preferred dividends related to preferred shares issued under the U.S. Treasury's Capital Purchase Program during 2009.*

Q3'11 Liquidity Snapshot

($ in billions)

Resources		Funding Maturities	
Cash*	$20	Q4'11	8
Readily Marketable Securities	3	Q1'12	3
Liquidity Portfolio	23	Q2'12	4
CP and Short-Term Deposits Outstanding	(1)	Q3'12	4
Excess Cash & Securities	**$22**	**Twelve Month Maturities**	**$19****

**Includes $24.9B classified as Cash and Cash Equivalents, less $5.4B of cash available to fund day-to-day operations. **Includes maturities of long term unsecured debt of $9.7B, asset-backed securitization liabilities of $5.7B and long-term certificates of deposit of $3.7B.*

US Retail Deposit Programs

($ in billions)

	Direct *	Third Party CDs	Third Party Sweep	Total Deposits
June 30, 2011 Balance	$13.9	$8.6	$9.1	$31.6
Maturities	(0.1)	(0.6)	-	(0.7)
Amount Raised	0.3	1.2	0.1	1.6
September 30, 2011 Balance	$ 14.1	$9.2	$9.2	$32.5

Retail CD Portfolio†: 9/30/11		
	Weighted Avg., Remaining Maturity	19 Months
	Weighted Avg., Rate at Issuance	2.5%

** Direct primarily includes the Personal Savings Program, which consists of $13.1B from high yield savings accounts and $0.8B from retail CDs. †Retail CDs include both third party and direct CDs.*


AMERICAN
EXPRESS

Annex 1

Segment Billed Business - Reported & FX Adjusted*

% increase/(decrease) vs. prior year:

	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11
ICS									
Reported	(12%)	14%	19%	12%	12%	12%	16%	24%	16%
FX Adjusted	(6%)	0%	6%	9%	10%	11%	10%	11%	9%
GCS									
Reported	(14%)	8%	23%	21%	19%	16%	19%	19%	17%
FX Adjusted	(11%)	3%	18%	21%	19%	17%	17%	15%	14%
GNS									
Reported	2%	34%	36%	27%	24%	26%	29%	36%	30%
FX Adjusted	7%	22%	25%	23%	22%	24%	24%	25%	23%
Total									
Reported	(11%)	8%	16%	16%	14%	15%	17%	18%	16%
FX Adjusted	(9%)	4%	12%	15%	14%	14%	15%	15%	13%

**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 Q3'11 applies to Q3'10; rate used for Q2'11 applies to Q2'10, etc).*

Annex 2

Region Billed Business - Reported & FX Adjusted*

% increase/(decrease) vs. prior year:

	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11
U.S.	(11%)	2%	11%	14%	13%	14%	15%	14%	13%
EMEA									
Reported	(15%)	11%	16%	5%	5%	4%	13%	23%	15%
FX Adjusted	(8%)	2%	11%	11%	11%	10%	10%	11%	8%
JAPA									
Reported	(1%)	34%	44%	34%	31%	29%	28%	36%	31%
FX Adjusted	1%	12%	22%	23%	23%	20%	18%	19%	19%
LACC									
Reported	(11%)	20%	26%	24%	19%	18%	21%	22%	18%
FX Adjusted	(1%)	7%	11%	15%	15%	15%	16%	15%	14%

**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 Q3'11 applies to Q3'10; rate used for Q2'11 applies to Q2'10, etc).*

Annex 3

Worldwide Cardmember Lending

($ in billions, except percentages)

	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09
Total Worldwide Ending Loans						
GAAP	$ 45.7	$ 42.2	$ 36.7	$ 32.5	$31.5	$32.8
Growth vs PY	*(9%)*	*(22%)*	*(26%)*	*(34%)*	*(31%)*	*(22%)*
Managed	$ 75.5	$ 72.0	$ 65.0	$ 62.9	$60.7	$61.8
Growth vs PY	*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

($ in millions, except percentages)

USCS - Net Interest Yield on Cardmember Loans	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11
Net interest income	$1,124	$1,122	$1,091	$1,063	$1,128
Average loans (billions)	$49.1	$49.8	$49.6	$49.7	$50.2
Adjusted net interest income (A)	$1,150	$1,143	$1,112	$1,080	$1,142
Adjusted average loans (billions) (B)	$49.2	$49.8	$49.6	$49.5	$50.2
Net interest income divided by average loans (C)	9.1%	8.9%	8.9%	8.6%	8.9%
Net interest yield on cardmember loans (D)	9.3%	9.1%	9.1%	8.7%	9.0%

(A) Represents net interest income allocated to the Company's cardmember loan portfolio excluding the impact of card fees on loans and balance transfer fees attributable to the Company's cardmember loans. (B) Represents average cardmember loans excluding the impact of deferred card fees, net of deferred direct acquisition costs of cardmember loans. (C) 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. (D) Net interest yield on cardmember loans, a non-GAAP measure, 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.

Annex 5

($ in millions)	2006	2007	2008	2009	2010	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11
GAAP Total Revenues Net of Interest Expense	**$24,826**	**$27,559**	**$28,365**	**$24,336**	**$27,582**	**$6,973**	**$7,244**	**$7,031**	**$7,618**	**$7,571**
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**	**$6,973**	**$7,244**	**$7,031**	**$7,618**	**$7,571**
GAAP Total Expenses	**$17,008**	**$17,762**	**$18,986**	**$16,182**	**$19,411**	**$4,960**	**$5,528**	**$5,202**	**$5,496**	**$5,611**
GAAP Total Expenses divided by GAAP Total Revenues Net of Interest Expense	*69%*	*64%*	*67%*	*66%*	*70%*	*71%*	*76%*	*74%*	*72%*	*74%*
MA/V Settlement		1130	580	880	880	220	220	220	220	70
Adjusted Exp	$17,008	$18,892	$19,566	$17,062	$20,291	$5,180	$5,748	$5,422	$5,716	$5,681
Margin on Slide	*67%*	*67%*	*64%*	*63%*	*74%*	*74%*	*79%*	*77%*	*75%*	*75%*

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.

Annex 6

The Tier 1 Common Risk-Based Capital Ratio is calculated as Tier 1 Common Equity, a non-GAAP measure, divided by Risk-weighted assets. Tier 1 Common Equity is calculated by reference to Total Shareholders' Equity as shown below:

Tier 1 Common Equity Reconciliation as of September 30, 2011
($ in Millions)

Total Shareholders' Equity	*18,100*
Effect of certain items in accumulated other comprehensive income/(loss) excluded from Tier 1 common equity	185
Less:	
Ineligible goodwill and intangible assets	(4,083)
Ineligible deferred tax assets	(162)
Tier 1 Common Equity	***$ 14,040***

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:

- *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 American Express cards, delinquency rates, loan balances and other aspects of our business and results of operations;*

- *changes in capital and credit market conditions, including sovereign credit worthiness, 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 the Company's assets; or any reduction in the Company's credit ratings or those of its subsidiaries, which could materially increase the cost and other terms of the Company's funding, restrict its 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 the Company does business, including legislative and regulatory reforms in the United States, such as the Dodd-Frank Reform 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 the Company's business practices or materially affect its capital requirements, results of operations or ability to pay dividends or repurchase its stock; actions and potential future actions by the FDIC and credit rating agencies applicable to securitization trusts, which could impact the Company's ABS program; or potential changes in the federal tax system that could substantially alter, among other things, the taxation of the Company's international businesses, the allowance of deductions for significant expenses, or the incidence of consumption taxes on the Company's transactions, products and services;*

- *the Company's net interest yield on U.S. cardmember loans not remaining at historical levels, which will be influenced by, among other things, the effects of the CARD Act (including the regulations requiring the Company to periodically reevaluate APR increases), interest rates, changes in consumer behavior that affect loan balances, such as paydown rates, the credit quality of the Company's portfolio and the Company's cardmember acquisition strategy, product mix, cost of funds, credit actions, including line size and other adjustments to credit availability, and potential pricing changes;*

- *changes in the substantial and increasing worldwide competition in the payments industry, including competitive pressure that may impact the prices the Company charges merchants that accept the Company's cards and the success of marketing, promotion or rewards programs;*

Forward-Looking Statements

- *changes in technology or in the Company's ability to protect its 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 the Company's businesses, including technology and intellectual property of third parties on whom the Company relies, all of which could materially affect the Company's results of operations;*

- *data breaches and fraudulent activity, which could damage the Company's brand, increase the Company's 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 the Company or the Company's vendors;*

- *changes in the Company's 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;*

- *changes in the financial condition and creditworthiness of the Company's business partners, such as bankruptcies, restructurings or consolidations, involving merchants that represent a significant portion of the Company's business, such as the airline industry, or the Company's partners in Global Network Services or financial institutions that the Company relies on for routine funding and liquidity, which could materially affect the Company's financial condition or results of operations;*

- *uncertainties associated with business acquisitions, including the ability to realize anticipated business retention, growth and cost savings, accurately estimate the value of goodwill and intangibles associated with individual acquisitions, effectively integrate the acquired business into the Company's existing operations or implement or remediate controls, procedures and policies at the acquired company;*

- *changes affecting the success of the Company's 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 the Company intends;*

- *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, promotion and rewards expenses as business expands or changes, including the changing behavior of cardmembers;*

- *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 risk;*

- *the Company's lending write-off rates for the remainder of 2011 and into 2012 not remaining below the average historical levels of the last ten years, which will depend in part on changes in the level of the Company's loan balances, delinquency rates of cardmembers, unemployment rates, the volume of bankruptcies and recoveries of previously written-off loans;*

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- *changes affecting the Company's ability or desire to repurchase up to $2.3 billion of its common shares in 2011, such as acquisitions, results of operations and capital needs in the fourth quarter, among other factors;*

- *changes affecting the Company's ability to accept or maintain deposits due to market demand or regulatory constraints, such as changes in interest rates and regulatory restrictions on the Company's ability to obtain deposit funding or offer competitive interest rates, which could affect the Company's liquidity position and the Company's ability to fund the Company's business;*

- *factors beyond the Company's 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 the Company's global network systems and ability to process transactions; and*

- *the Company's funding plan for the full year 2011 being implemented in a manner inconsistent with current expectations, which will depend on various factors such as future business growth, the impact of global economic, political and other events on market capacity, demand for securities offered by the Company, regulatory changes, ability to securitize and sell receivables and the performance of receivables previously sold in securitization 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, 2010, the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2011, and the Company's other filings with the Securities and Exchange Commission.