

All information in the following tables is presented on a basis prepared in accordance with U.S. generally accepted accounting principles (GAAP), unless otherwise indicated.

(Preliminary)

American Express Company  
Condensed Consolidated Statements of Income  
(Unaudited)

|                                                          | Quarters Ended |               | Percentage<br>Inc/(Dec) | Nine Months Ended |                 | Percentage<br>Inc/(Dec) |
|----------------------------------------------------------|----------------|---------------|-------------------------|-------------------|-----------------|-------------------------|
|                                                          | September 30,  |               |                         | September 30,     |                 |                         |
|                                                          | 2004           | 2003          |                         | 2004              | 2003            |                         |
| <b>Revenues</b>                                          |                |               |                         |                   |                 |                         |
| Discount revenue                                         | \$ 2,535       | \$ 2,221      | 14.1 %                  | \$ 7,432          | \$ 6,349        | 17.1 %                  |
| Net investment income                                    | 766            | 730           | 4.9                     | 2,292             | 2,277           | 0.6                     |
| Management and distribution fees                         | 732            | 603           | 21.2                    | 2,261             | 1,692           | 33.6                    |
| Cardmember lending net finance charge revenue            | 562            | 476           | 18.1                    | 1,664             | 1,511           | 10.1                    |
| Net card fees                                            | 474            | 462           | 2.5                     | 1,418             | 1,368           | 3.7                     |
| Travel commissions and fees                              | 426            | 349           | 22.0                    | 1,311             | 1,062           | 23.5                    |
| Other commissions and fees                               | 574            | 486           | 18.2                    | 1,668             | 1,429           | 16.7                    |
| Insurance and annuity revenues                           | 389            | 345           | 12.8                    | 1,131             | 1,000           | 13.2                    |
| Securitization income, net                               | 295            | 301           | (1.9)                   | 807               | 812             | (0.6)                   |
| Other                                                    | 449            | 446           | 0.8                     | 1,386             | 1,298           | 6.8                     |
| <b>Total revenues</b>                                    | <u>7,202</u>   | <u>6,419</u>  | 12.2                    | <u>21,370</u>     | <u>18,798</u>   | 13.7                    |
| <b>Expenses</b>                                          |                |               |                         |                   |                 |                         |
| Human resources                                          | 1,796          | 1,559         | 15.2                    | 5,414             | 4,625           | 17.0                    |
| Marketing, promotion, rewards<br>and cardmember services | 1,314          | 1,016         | 29.3                    | 3,611             | 2,735           | 32.0                    |
| Provision for losses and benefits                        | 1,054          | 1,080         | (2.3)                   | 3,156             | 3,265           | (3.3)                   |
| Interest                                                 | 216            | 239           | (9.4)                   | 629               | 700             | (10.1)                  |
| Other operating expenses                                 | 1,568          | 1,463         | 7.2                     | 4,792             | 4,318           | 11.0                    |
| Restructuring charges                                    | -              | (2)           | -                       | -                 | (2)             | -                       |
| <b>Total expenses</b>                                    | <u>5,948</u>   | <u>5,355</u>  | 11.1                    | <u>17,602</u>     | <u>15,641</u>   | 12.5                    |
| Pretax income before accounting change                   | 1,254          | 1,064         | 17.7                    | 3,768             | 3,157           | 19.3                    |
| Income tax provision                                     | 375            | 294           | 27.3                    | 1,148             | 933             | 23.0                    |
| Income before accounting change                          | 879            | 770           | 14.1                    | 2,620             | 2,224           | 17.8                    |
| Cumulative effect of accounting change, net of tax       | -              | -             | -                       | (71) (A)          | -               | -                       |
| <b>Net income</b>                                        | <u>\$ 879</u>  | <u>\$ 770</u> | 14.1                    | <u>\$ 2,549</u>   | <u>\$ 2,224</u> | 14.6                    |

(A) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax) related to the January 1, 2004 adoption of SOP 03-1.

(Preliminary)

**American Express Company**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

(Billions)

|                                             | <u>September 30,<br/>2004</u> | <u>December 31,<br/>2003</u> |
|---------------------------------------------|-------------------------------|------------------------------|
| <b>Assets</b>                               |                               |                              |
| Cash and cash equivalents                   | \$ 8                          | \$ 6                         |
| Accounts receivable                         | 32                            | 31                           |
| Investments                                 | 59                            | 57                           |
| Loans                                       | 32                            | 32                           |
| Separate account assets                     | 32                            | 31                           |
| Other assets                                | 16                            | 18                           |
| Total assets                                | <u>\$ 179</u>                 | <u>\$ 175</u>                |
| <b>Liabilities and Shareholders' Equity</b> |                               |                              |
| Separate account liabilities                | \$ 32                         | \$ 31                        |
| Short-term debt                             | 14                            | 19                           |
| Long-term debt                              | 27                            | 21                           |
| Other liabilities                           | 90                            | 89                           |
| Total liabilities                           | <u>163</u>                    | <u>160</u>                   |
| Shareholders' Equity                        | <u>16</u>                     | <u>15</u>                    |
| Total liabilities and shareholders' equity  | <u>\$ 179</u>                 | <u>\$ 175</u>                |

(Preliminary)

**American Express Company**  
**Financial Summary**  
(Unaudited)

(Millions)

|                                                                | Quarters Ended<br>September 30, |                 | Percentage<br>Inc/(Dec) | Nine Months Ended<br>September 30, |                  | Percentage<br>Inc/(Dec) |
|----------------------------------------------------------------|---------------------------------|-----------------|-------------------------|------------------------------------|------------------|-------------------------|
|                                                                | 2004                            | 2003            |                         | 2004                               | 2003             |                         |
| <b>Revenues (A)</b>                                            |                                 |                 |                         |                                    |                  |                         |
| Travel Related Services                                        | \$ 5,362                        | \$ 4,758        | 12.7 %                  | \$ 15,790                          | \$ 13,978        | 13.0 %                  |
| American Express Financial Advisors                            | 1,714                           | 1,525           | 12.3                    | 5,205                              | 4,432            | 17.4                    |
| American Express Bank                                          | 205                             | 199             | 2.6                     | 618                                | 596              | 3.6                     |
|                                                                | <u>7,281</u>                    | <u>6,482</u>    | 12.3                    | <u>21,613</u>                      | <u>19,006</u>    | 13.7                    |
| Corporate and other,<br>including adjustments and eliminations | (79)                            | (63)            | (26.2)                  | (243)                              | (208)            | (17.0)                  |
| <b>CONSOLIDATED REVENUES</b>                                   | <u>\$ 7,202</u>                 | <u>\$ 6,419</u> | 12.2                    | <u>\$ 21,370</u>                   | <u>\$ 18,798</u> | 13.7                    |
| <b>Pretax Income (Loss) Before Accounting Change</b>           |                                 |                 |                         |                                    |                  |                         |
| Travel Related Services                                        | \$ 1,047                        | \$ 892          | 17.3                    | \$ 3,099                           | \$ 2,687         | 15.3                    |
| American Express Financial Advisors                            | 257                             | 224             | 14.3                    | 838                                | 611              | 37.0                    |
| American Express Bank                                          | 49                              | 41              | 20.9                    | 139                                | 109              | 28.0                    |
|                                                                | <u>1,353</u>                    | <u>1,157</u>    | 16.9                    | <u>4,076</u>                       | <u>3,407</u>     | 19.6                    |
| Corporate and other                                            | (99)                            | (93)            | (7.0)                   | (308)                              | (250)            | (23.5)                  |
| <b>PRETAX INCOME BEFORE ACCOUNTING CHANGE</b>                  | <u>\$ 1,254</u>                 | <u>\$ 1,064</u> | 17.7                    | <u>\$ 3,768</u>                    | <u>\$ 3,157</u>  | 19.3                    |
| <b>Net Income (Loss)</b>                                       |                                 |                 |                         |                                    |                  |                         |
| Travel Related Services                                        | \$ 726                          | \$ 606          | 19.8                    | \$ 2,123                           | \$ 1,824         | 16.4                    |
| American Express Financial Advisors                            | 186                             | 197             | (6.1)                   | 517 (B)                            | 487              | 6.0                     |
| American Express Bank                                          | 32                              | 27              | 18.4                    | 90                                 | 73               | 22.7                    |
|                                                                | <u>944</u>                      | <u>830</u>      | 13.6                    | <u>2,730</u>                       | <u>2,384</u>     | 14.5                    |
| Corporate and other                                            | (65)                            | (60)            | (7.4)                   | (181)                              | (160)            | (12.8)                  |
| <b>NET INCOME</b>                                              | <u>\$ 879</u>                   | <u>\$ 770</u>   | 14.1                    | <u>\$ 2,549 (B)</u>                | <u>\$ 2,224</u>  | 14.6                    |

(A) Managed net revenues are reported net of American Express Financial Advisors' provision for losses and benefits and exclude the effect of TRS' securitization activities. The following table reconciles consolidated GAAP revenues to Managed Basis net revenues:

|                               |                 |                 |        |                  |                  |        |
|-------------------------------|-----------------|-----------------|--------|------------------|------------------|--------|
| GAAP revenues                 | \$ 7,202        | \$ 6,419        | 12.2 % | \$ 21,370        | \$ 18,798        | 13.7 % |
| Effect of TRS securitizations | 223             | 255             |        | 698              | 735              |        |
| Effect of AEFA provisions     | (520)           | (535)           |        | (1,553)          | (1,567)          |        |
| <b>Managed net revenues</b>   | <u>\$ 6,905</u> | <u>\$ 6,139</u> | 12.4   | <u>\$ 20,515</u> | <u>\$ 17,966</u> | 14.2   |

(B) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax) related to the January 1, 2004 adoption of SOP 03-1.

(Preliminary)

**American Express Company**  
**Financial Summary (continued)**  
**(Unaudited)**

|                                              | <u>Quarters Ended</u><br><u>September 30,</u> |                | <u>Percentage</u><br><u>Inc/(Dec)</u> | <u>Nine Months Ended</u><br><u>September 30,</u> |                | <u>Percentage</u><br><u>Inc/(Dec)</u> |
|----------------------------------------------|-----------------------------------------------|----------------|---------------------------------------|--------------------------------------------------|----------------|---------------------------------------|
|                                              | <u>2004</u>                                   | <u>2003</u>    |                                       | <u>2004</u>                                      | <u>2003</u>    |                                       |
| <b>EARNINGS PER COMMON SHARE</b>             |                                               |                |                                       |                                                  |                |                                       |
| <b>BASIC</b>                                 |                                               |                |                                       |                                                  |                |                                       |
| Income before accounting change              | \$ 0.70                                       | \$ 0.60        | 16.7 %                                | \$ 2.07                                          | \$ 1.73        | 19.7 %                                |
| Net income                                   | <u>\$ 0.70</u>                                | <u>\$ 0.60</u> | 16.7 %                                | <u>\$ 2.02</u> (A)                               | <u>\$ 1.73</u> | 16.8 %                                |
| Average common shares outstanding (millions) | <u>1,251</u>                                  | <u>1,278</u>   | (2.1) %                               | <u>1,264</u>                                     | <u>1,287</u>   | (1.8) %                               |
| <b>DILUTED</b>                               |                                               |                |                                       |                                                  |                |                                       |
| Income before accounting change              | \$ 0.69                                       | \$ 0.59        | 16.9 %                                | \$ 2.03                                          | \$ 1.71        | 18.7 %                                |
| Net income                                   | <u>\$ 0.69</u>                                | <u>\$ 0.59</u> | 16.9 %                                | <u>\$ 1.98</u> (A)                               | <u>\$ 1.71</u> | 15.8 %                                |
| Average common shares outstanding (millions) | <u>1,275</u>                                  | <u>1,297</u>   | (1.7) %                               | <u>1,289</u>                                     | <u>1,298</u>   | (0.7) %                               |
| Cash dividends declared per common share     | <u>\$ 0.12</u>                                | <u>\$ 0.10</u> | 20.0 %                                | <u>\$ 0.32</u>                                   | <u>\$ 0.28</u> | 14.3 %                                |

**Selected Statistical Information**  
**(Unaudited)**

|                                                  | <u>Quarters Ended</u><br><u>September 30,</u> |             | <u>Percentage</u><br><u>Inc/(Dec)</u> | <u>Nine Months Ended</u><br><u>September 30,</u> |             | <u>Percentage</u><br><u>Inc/(Dec)</u> |
|--------------------------------------------------|-----------------------------------------------|-------------|---------------------------------------|--------------------------------------------------|-------------|---------------------------------------|
|                                                  | <u>2004</u>                                   | <u>2003</u> |                                       | <u>2004</u>                                      | <u>2003</u> |                                       |
| Return on average total shareholders' equity (B) | 21.5%                                         | 20.4%       |                                       | 21.5%                                            | 20.4%       |                                       |
| Common shares outstanding (millions)             | 1,255                                         | 1,285       | (2.4) %                               | 1,255                                            | 1,285       | (2.4) %                               |
| Book value per common share                      | \$ 12.62                                      | \$ 11.54    | 9.4 %                                 | \$ 12.62                                         | \$ 11.54    | 9.4 %                                 |
| Shareholders' equity (billions)                  | \$ 15.8                                       | \$ 14.8     | 6.8 %                                 | \$ 15.8                                          | \$ 14.8     | 6.8 %                                 |

(A) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax), or \$0.05 per share on both a basic and diluted basis related to the January 1, 2004 adoption of SOP 03-1.

(B) Computed on a trailing 12-month basis using total shareholders' equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(Preliminary)

**American Express Company**  
**Condensed Consolidated Statements of Income**  
(Unaudited)

(Millions)

|                                                          | Quarters Ended        |                  |                   |                      |                       |
|----------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                          | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>Revenues</b>                                          |                       |                  |                   |                      |                       |
| Discount revenue                                         | \$ 2,535              | \$ 2,529         | \$ 2,368          | \$ 2,432             | \$ 2,221              |
| Net investment income                                    | 766                   | 785              | 741               | 786                  | 730                   |
| Management and distribution fees                         | 732                   | 750              | 779               | 758                  | 603                   |
| Cardmember lending net finance charge revenue            | 562                   | 561              | 541               | 531                  | 476                   |
| Net card fees                                            | 474                   | 472              | 472               | 467                  | 462                   |
| Travel commissions and fees                              | 426                   | 468              | 417               | 445                  | 349                   |
| Other commissions and fees                               | 574                   | 565              | 529               | 531                  | 486                   |
| Insurance and annuity revenues                           | 389                   | 378              | 364               | 366                  | 345                   |
| Securitization income, net                               | 295                   | 282              | 230               | 293                  | 301                   |
| Other                                                    | 449                   | 468              | 469               | 459                  | 446                   |
| Total revenues                                           | <u>7,202</u>          | <u>7,258</u>     | <u>6,910</u>      | <u>7,068</u>         | <u>6,419</u>          |
| <b>Expenses</b>                                          |                       |                  |                   |                      |                       |
| Human resources                                          | 1,796                 | 1,839            | 1,779             | 1,708                | 1,559                 |
| Marketing, promotion, rewards<br>and cardmember services | 1,314                 | 1,250            | 1,047             | 1,166                | 1,016                 |
| Provision for losses and benefits                        | 1,054                 | 1,080            | 1,022             | 1,164                | 1,080                 |
| Interest                                                 | 216                   | 210              | 203               | 205                  | 239                   |
| Other operating expenses                                 | 1,568                 | 1,613            | 1,611             | 1,735                | 1,463                 |
| Restructuring charges                                    | -                     | -                | -                 | -                    | (2)                   |
| Total expenses                                           | <u>5,948</u>          | <u>5,992</u>     | <u>5,662</u>      | <u>5,978</u>         | <u>5,355</u>          |
| Pretax income before accounting change                   | 1,254                 | 1,266            | 1,248             | 1,090                | 1,064                 |
| Income tax provision                                     | 375                   | 390              | 383               | 314                  | 294                   |
| Income before accounting change                          | 879                   | 876              | 865               | 776                  | 770                   |
| Cumulative effect of accounting change, net of tax       | -                     | -                | (71) (A)          | (13) (B)             | -                     |
| Net income                                               | <u>\$ 879</u>         | <u>\$ 876</u>    | <u>\$ 794</u>     | <u>\$ 763</u>        | <u>\$ 770</u>         |

(A) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax) related to the January 1, 2004 adoption of SOP 03-1.

(B) Reflects a \$20 million non-cash pretax charge (\$13 million after-tax) related to the December 31, 2003 adoption of FIN 46, as revised.

(Preliminary)

**American Express Company**  
**Financial Summary**  
(Unaudited)

(Millions)

|                                                                | Quarters Ended        |                  |                   |                      |                       |
|----------------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                                | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>Revenues (A)</b>                                            |                       |                  |                   |                      |                       |
| Travel Related Services                                        | \$ 5,362              | \$ 5,378         | \$ 5,050          | \$ 5,211             | \$ 4,758              |
| American Express Financial Advisors                            | 1,714                 | 1,763            | 1,728             | 1,740                | 1,525                 |
| American Express Bank                                          | 205                   | 203              | 210               | 205                  | 199                   |
|                                                                | <u>7,281</u>          | <u>7,344</u>     | <u>6,988</u>      | <u>7,156</u>         | <u>6,482</u>          |
| Corporate and other,<br>including adjustments and eliminations | (79)                  | (86)             | (78)              | (88)                 | (63)                  |
| <b>CONSOLIDATED REVENUES</b>                                   | <u>\$ 7,202</u>       | <u>\$ 7,258</u>  | <u>\$ 6,910</u>   | <u>\$ 7,068</u>      | <u>\$ 6,419</u>       |
| <b>Pretax Income (Loss) Before Accounting Change</b>           |                       |                  |                   |                      |                       |
| Travel Related Services                                        | \$ 1,047              | \$ 1,079         | \$ 973            | \$ 884               | \$ 892                |
| American Express Financial Advisors                            | 257                   | 264              | 317               | 248                  | 224                   |
| American Express Bank                                          | 49                    | 42               | 48                | 42                   | 41                    |
|                                                                | <u>1,353</u>          | <u>1,385</u>     | <u>1,338</u>      | <u>1,174</u>         | <u>1,157</u>          |
| Corporate and other                                            | (99)                  | (119)            | (90)              | (84)                 | (93)                  |
| <b>PRETAX INCOME BEFORE ACCOUNTING CHANGE</b>                  | <u>\$ 1,254</u>       | <u>\$ 1,266</u>  | <u>\$ 1,248</u>   | <u>\$ 1,090</u>      | <u>\$ 1,064</u>       |
| <b>Net Income (Loss)</b>                                       |                       |                  |                   |                      |                       |
| Travel Related Services                                        | \$ 726                | \$ 732           | \$ 665            | \$ 606               | \$ 606                |
| American Express Financial Advisors                            | 186                   | 174              | 157 (B)           | 182 (C)              | 197                   |
| American Express Bank                                          | 32                    | 28               | 30                | 29                   | 27                    |
|                                                                | <u>944</u>            | <u>934</u>       | <u>852</u>        | <u>817</u>           | <u>830</u>            |
| Corporate and other                                            | (65)                  | (58)             | (58)              | (54)                 | (60)                  |
| <b>NET INCOME</b>                                              | <u>\$ 879</u>         | <u>\$ 876</u>    | <u>\$ 794 (B)</u> | <u>\$ 763 (C)</u>    | <u>\$ 770</u>         |

(A) Managed net revenues are reported net of American Express Financial Advisors' provision for losses and benefits and exclude the effect of TRS' securitization activities. The following table reconciles consolidated GAAP revenues to

Managed Basis net revenues:

|                               |                 |                 |                 |                 |                 |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| GAAP revenues                 | \$ 7,202        | \$ 7,258        | \$ 6,910        | \$ 7,068        | \$ 6,419        |
| Effect of TRS securitizations | 223             | 196             | 279             | 208             | 255             |
| Effect of AEFA provisions     | (520)           | (532)           | (501)           | (555)           | (535)           |
| Managed net revenues          | <u>\$ 6,905</u> | <u>\$ 6,922</u> | <u>\$ 6,688</u> | <u>\$ 6,721</u> | <u>\$ 6,139</u> |

(B) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax) related to the January 1, 2004 adoption of SOP 03-1.

(C) Reflects a \$20 million non-cash pretax charge (\$13 million after-tax) related to the December 31, 2003 adoption of FIN 46, as revised.

(Preliminary)

**American Express Company**  
**Financial Summary (continued)**  
(Unaudited)

|                                              | Quarters Ended        |                  |                    |                      |                       |
|----------------------------------------------|-----------------------|------------------|--------------------|----------------------|-----------------------|
|                                              | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004  | December 31,<br>2003 | September 30,<br>2003 |
| <b>EARNINGS PER COMMON SHARE</b>             |                       |                  |                    |                      |                       |
| <b>BASIC</b>                                 |                       |                  |                    |                      |                       |
| Income before accounting change              | \$ 0.70               | \$ 0.69          | \$ 0.68            | \$ 0.61              | \$ 0.60               |
| Net income                                   | <u>\$ 0.70</u>        | <u>\$ 0.69</u>   | <u>\$ 0.62</u> (A) | <u>\$ 0.60</u> (B)   | <u>\$ 0.60</u>        |
| Average common shares outstanding (millions) | <u>1,251</u>          | <u>1,263</u>     | <u>1,277</u>       | <u>1,277</u>         | <u>1,278</u>          |
| <b>DILUTED</b>                               |                       |                  |                    |                      |                       |
| Income before accounting change              | \$ 0.69               | \$ 0.68          | \$ 0.66            | \$ 0.60              | \$ 0.59               |
| Net income                                   | <u>\$ 0.69</u>        | <u>\$ 0.68</u>   | <u>\$ 0.61</u> (A) | <u>\$ 0.59</u> (B)   | <u>\$ 0.59</u>        |
| Average common shares outstanding (millions) | <u>1,275</u>          | <u>1,288</u>     | <u>1,305</u>       | <u>1,299</u>         | <u>1,297</u>          |
| Cash dividends declared per common share     | <u>\$ 0.12</u>        | <u>\$ 0.10</u>   | <u>\$ 0.10</u>     | <u>\$ 0.10</u>       | <u>\$ 0.10</u>        |

**Selected Statistical Information**  
(Unaudited)

|                                                  | Quarters Ended        |                  |                   |                      |                       |
|--------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                  | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| Return on average total shareholders' equity (C) | 21.5%                 | 21.2%            | 20.7%             | 20.6%                | 20.4%                 |
| Common shares outstanding (millions)             | 1,255                 | 1,267            | 1,281             | 1,284                | 1,285                 |
| Book value per common share                      | \$ 12.62              | \$ 11.96         | \$ 12.30          | \$ 11.93             | \$ 11.54              |
| Shareholders' equity (billions)                  | \$ 15.8               | \$ 15.2          | \$ 15.7           | \$ 15.3              | \$ 14.8               |

(A) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax), or \$0.06 on a basic per share basis and \$0.05 on a diluted per share basis, related to the January 1, 2004 adoption of SOP 03-1.

(B) Reflects a \$20 million non-cash pretax charge (\$13 million after-tax), or \$0.01 per share on both a basic and diluted basis, related to the December 31, 2003 adoption of FIN 46, as revised.

(C) Computed on a trailing 12-month basis using total shareholders' equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(Preliminary)

Travel Related Services  
Statements of Income  
(Unaudited)

(Millions)

|                                                          | Quarters Ended |          | Percentage<br>Inc/(Dec) |
|----------------------------------------------------------|----------------|----------|-------------------------|
|                                                          | September 30,  |          |                         |
|                                                          | 2004           | 2003     |                         |
| Net revenues:                                            |                |          |                         |
| Discount revenue                                         | \$ 2,535       | \$ 2,221 | 14.1 %                  |
| Lending:                                                 |                |          |                         |
| Finance charge revenue                                   | 714            | 592      | 20.7                    |
| Interest expense                                         | 152            | 116      | 31.5                    |
| Net finance charge revenue                               | 562            | 476      | 18.1                    |
| Net card fees                                            | 474            | 462      | 2.5                     |
| Travel commissions and fees                              | 426            | 349      | 22.0                    |
| Other commissions and fees                               | 563            | 465      | 21.0                    |
| Travelers Cheque investment income                       | 96             | 90       | 6.9                     |
| Securitization income, net                               | 295            | 301      | (1.9)                   |
| Other revenues                                           | 411            | 394      | 4.9                     |
| Total net revenues                                       | 5,362          | 4,758    | 12.7                    |
| Expenses:                                                |                |          |                         |
| Marketing, promotion, rewards<br>and cardmember services | 1,280          | 994      | 28.8                    |
| Provision for losses and claims:                         |                |          |                         |
| Charge card                                              | 206            | 213      | (3.4)                   |
| Lending                                                  | 233            | 279      | (16.3)                  |
| Other                                                    | 84             | 31       | #                       |
| Total                                                    | 523            | 523      | -                       |
| Charge card interest expense                             | 174            | 186      | (6.4)                   |
| Human resources                                          | 1,074          | 938      | 14.5                    |
| Other operating expenses                                 | 1,264          | 1,225    | 3.3                     |
| Total expenses                                           | 4,315          | 3,866    | 11.7                    |
| Pretax income                                            | 1,047          | 892      | 17.3                    |
| Income tax provision                                     | 321            | 286      | 12.1                    |
| Net income                                               | \$ 726         | \$ 606   | 19.8                    |

# - Denotes a variance of more than 100%.

(Preliminary)

**Travel Related Services**  
**Selected Financial Information**  
(Unaudited)

Quarters Ended September 30,  
(Millions)

|                                                          | GAAP Basis |          | Percentage<br>Inc/(Dec) | Securitization Effect |        | Managed Basis |          | Percentage<br>Inc/(Dec) |
|----------------------------------------------------------|------------|----------|-------------------------|-----------------------|--------|---------------|----------|-------------------------|
|                                                          | 2004       | 2003     |                         | 2004                  | 2003   | 2004          | 2003     |                         |
| Net revenues:                                            |            |          |                         |                       |        |               |          |                         |
| Discount revenue                                         | \$ 2,535   | \$ 2,221 | 14.1 %                  |                       |        |               |          |                         |
| Lending:                                                 |            |          |                         |                       |        |               |          |                         |
| Finance charge revenue                                   | 714        | 592      | 20.7                    | \$ 573                | \$ 585 | \$ 1,287      | \$ 1,177 | 9.5 %                   |
| Interest expense                                         | 152        | 116      | 31.5                    | 108                   | 74     | 260           | 190      | 38.0                    |
| Net finance charge revenue                               | 562        | 476      | 18.1                    | 465                   | 511    | 1,027         | 987      | 4.0                     |
| Net card fees                                            | 474        | 462      | 2.5                     |                       |        |               |          |                         |
| Travel commissions and fees                              | 426        | 349      | 22.0                    |                       |        |               |          |                         |
| Other commissions and fees                               | 563        | 465      | 21.0                    | 53                    | 45     | 616           | 510      | 20.6                    |
| Travelers Cheque investment income                       | 96         | 90       | 6.9                     |                       |        |               |          |                         |
| Securitization income, net                               | 295        | 301      | (1.9)                   | (295)                 | (301)  | -             | -        | -                       |
| Other revenues                                           | 411        | 394      | 4.9                     |                       |        |               |          |                         |
| Total net revenues                                       | 5,362      | 4,758    | 12.7                    | 223                   | 255    | 5,585         | 5,013    | 11.4                    |
| Expenses:                                                |            |          |                         |                       |        |               |          |                         |
| Marketing, promotion, rewards<br>and cardmember services | 1,280      | 994      | 28.8                    | (6)                   | -      | 1,274         | 994      | 28.2                    |
| Provision for losses and claims:                         |            |          |                         |                       |        |               |          |                         |
| Charge card                                              | 206        | 213      | (3.4)                   |                       |        |               |          |                         |
| Lending                                                  | 233        | 279      | (16.3)                  | 232                   | 255    | 465           | 534      | (13.0)                  |
| Other                                                    | 84         | 31       | #                       |                       |        |               |          |                         |
| Total                                                    | 523        | 523      | -                       | 232                   | 255    | 755           | 778      | (3.1)                   |
| Charge card interest expense                             | 174        | 186      | (6.4)                   |                       |        |               |          |                         |
| Human resources                                          | 1,074      | 938      | 14.5                    |                       |        |               |          |                         |
| Other operating expenses                                 | 1,264      | 1,225    | 3.3                     | (3)                   | -      | 1,261         | 1,225    | 3.0                     |
| Total expenses                                           | 4,315      | 3,866    | 11.7                    | \$ 223                | \$ 255 | \$ 4,538      | \$ 4,121 | 10.1                    |
| Pretax income                                            | 1,047      | 892      | 17.3                    |                       |        |               |          |                         |
| Income tax provision                                     | 321        | 286      | 12.1                    |                       |        |               |          |                         |
| Net income                                               | \$ 726     | \$ 606   | 19.8                    |                       |        |               |          |                         |

# - Denotes a variance of more than 100%.

Securitization income, net represents revenue related to the Company's securitized loan receivables, which includes net gains and charges from securitization activity, net finance charge revenue on retained interests in securitized loans and servicing income, net of related discounts or fees. Management views the gains from securitizations as discretionary benefits to be used for card acquisition expenses, which are reflected in both marketing, promotion, rewards and cardmember services expenses and other operating expenses. Consequently, the above managed Selected Financial Information for the quarter ended September 30, 2004 assumes that the impact of this net activity of \$9 million from lending securitizations was offset by higher marketing, promotion, rewards and cardmember services expenses of \$6 million and other operating expenses of \$3 million. Accordingly, the incremental expenses, as well as the impact of this net activity, have been eliminated.

(Preliminary)

Travel Related Services  
Selected Financial Information  
(Unaudited)

Quarters Ended  
(Millions)

|                                                          | GAAP Basis       |                   |                      | Securitization Effect |                   |                      | Managed Basis    |                   |                      |
|----------------------------------------------------------|------------------|-------------------|----------------------|-----------------------|-------------------|----------------------|------------------|-------------------|----------------------|
|                                                          | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | June 30,<br>2004      | March 31,<br>2004 | December 31,<br>2003 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 |
| Net revenues:                                            |                  |                   |                      |                       |                   |                      |                  |                   |                      |
| Discount revenue                                         | \$ 2,529         | \$ 2,368          | \$ 2,432             |                       |                   |                      |                  |                   |                      |
| Lending:                                                 |                  |                   |                      |                       |                   |                      |                  |                   |                      |
| Finance charge revenue                                   | 697              | 668               | 654                  | \$ 489                | \$ 539            | \$ 532               | \$ 1,186         | \$ 1,207          | \$ 1,186             |
| Interest expense                                         | 136              | 127               | 123                  | 61                    | 83                | 84                   | 197              | 210               | 207                  |
| Net finance charge revenue                               | 561              | 541               | 531                  | 428                   | 456               | 448                  | 989              | 997               | 979                  |
| Net card fees                                            | 472              | 472               | 467                  |                       |                   |                      |                  |                   |                      |
| Travel commissions and fees                              | 468              | 417               | 445                  |                       |                   |                      |                  |                   |                      |
| Other commissions and fees                               | 551              | 510               | 515                  | 50                    | 53                | 53                   | 601              | 563               | 568                  |
| Travelers Cheque investment income                       | 95               | 93                | 93                   |                       |                   |                      |                  |                   |                      |
| Securitization income, net                               | 282              | 230               | 293                  | (282)                 | (230)             | (293)                | -                | -                 | -                    |
| Other revenues                                           | 420              | 419               | 435                  |                       |                   |                      |                  |                   |                      |
| Total net revenues                                       | 5,378            | 5,050             | 5,211                | 196                   | 279               | 208                  | 5,574            | 5,329             | 5,419                |
| Expenses:                                                |                  |                   |                      |                       |                   |                      |                  |                   |                      |
| Marketing, promotion, rewards<br>and cardmember services | 1,225            | 1,023             | 1,141                | (6)                   | (4)               | -                    | 1,219            | 1,019             | 1,141                |
| Provision for losses and claims:                         |                  |                   |                      |                       |                   |                      |                  |                   |                      |
| Charge card                                              | 189              | 198               | 227                  |                       |                   |                      |                  |                   |                      |
| Lending                                                  | 314              | 287               | 330                  | 205                   | 287               | 208                  | 519              | 574               | 538                  |
| Other                                                    | 33               | 29                | 28                   |                       |                   |                      |                  |                   |                      |
| Total                                                    | 536              | 514               | 585                  | 205                   | 287               | 208                  | 741              | 801               | 793                  |
| Charge card interest expense                             | 175              | 168               | 187                  |                       |                   |                      |                  |                   |                      |
| Human resources                                          | 1,081            | 1,065             | 1,003                |                       |                   |                      |                  |                   |                      |
| Other operating expenses                                 | 1,282            | 1,307             | 1,411                | (3)                   | (4)               | -                    | 1,279            | 1,303             | 1,411                |
| Total expenses                                           | 4,299            | 4,077             | 4,327                | \$ 196                | \$ 279            | \$ 208               | \$ 4,495         | \$ 4,356          | \$ 4,535             |
| Pretax income                                            | 1,079            | 973               | 884                  |                       |                   |                      |                  |                   |                      |
| Income tax provision                                     | 347              | 308               | 278                  |                       |                   |                      |                  |                   |                      |
| Net income                                               | \$ 732           | \$ 665            | \$ 606               |                       |                   |                      |                  |                   |                      |

Securitization income, net represents revenue related to the Company's securitized loan receivables, which includes net gains and charges from securitization activity, net finance charge revenue on retained interests in securitized loans and servicing income, net of related discounts or fees. Management views the gains from securitizations as discretionary benefits to be used for card acquisition expenses, which are reflected in both marketing, promotion, rewards and cardmember services expenses and other operating expenses. Consequently, the above managed Selected Financial Information for the quarters ended June 30, 2004 and March 31, 2004 assumes that the impact of this net activity of \$9 million and \$8 million, respectively, from lending securitizations was offset by higher marketing, promotion, rewards and cardmember services expenses of \$6 million and \$4 million, respectively, and other operating expenses of \$3 million and \$4 million, respectively. Accordingly, the incremental expenses, as well as the impact of this net activity, have been eliminated.

(Preliminary)

Travel Related Services  
Selected Statistical Information  
(Unaudited)

(Billions, except percentages and where indicated)

|                                                         | Quarters Ended  |                | Percentage<br>Inc/(Dec) |
|---------------------------------------------------------|-----------------|----------------|-------------------------|
|                                                         | September 30,   |                |                         |
|                                                         | 2004            | 2003           |                         |
| <b>Total cards-in-force (millions) (A):</b>             |                 |                |                         |
| United States                                           | 38.0            | 35.9           | 6.1 %                   |
| Outside the United States                               | 25.3            | 23.4           | 7.8                     |
| Total                                                   | <u>63.3</u>     | <u>59.3</u>    | 6.8                     |
| <b>Basic cards-in-force (millions):</b>                 |                 |                |                         |
| United States                                           | 28.9            | 27.3           | 5.9 %                   |
| Outside the United States                               | 20.8            | 19.3           | 7.5                     |
| Total                                                   | <u>49.7</u>     | <u>46.6</u>    | 6.5                     |
| <b>Card billed business:</b>                            |                 |                |                         |
| United States                                           | \$ 75.6         | \$ 66.3        | 13.9 %                  |
| Outside the United States                               | 27.2            | 22.5           | 20.9                    |
| Total                                                   | <u>\$ 102.8</u> | <u>\$ 88.8</u> | 15.7                    |
| <b>Average discount rate (A)</b>                        | 2.57%           | 2.60%          |                         |
| <b>Average basic cardmember spending (dollars) (A)</b>  | \$ 2,330        | \$ 2,101       | 10.8 %                  |
| <b>Average fee per card - managed (dollars) (A)</b>     | \$ 34           | \$ 35          | (2.9) %                 |
| <b>Non-Amex brand (B):</b>                              |                 |                |                         |
| Cards-in-force (millions)                               | 0.6             | 0.7            | (9.2) %                 |
| Billed business                                         | \$ 1.1          | \$ 1.0         | 9.4                     |
| <b>Travel sales</b>                                     | \$ 4.6          | \$ 3.7         | 23.4 %                  |
| Travel commissions and fees/sales (C)                   | 9.2%            | 9.3%           |                         |
| <b>Travelers Cheque and prepaid products:</b>           |                 |                |                         |
| Sales                                                   | \$ 5.8          | \$ 6.0         | (3.1) %                 |
| Average outstanding                                     | \$ 7.1          | \$ 7.0         | 2.5 %                   |
| Average investments                                     | \$ 7.6          | \$ 7.4         | 3.4 %                   |
| Investment yield                                        | 5.4%            | 5.2%           |                         |
| Tax equivalent yield                                    | 8.3%            | 8.0%           |                         |
| <b>Total debt</b>                                       | \$ 39.1         | \$ 33.3        | 17.6 %                  |
| <b>Shareholder's equity</b>                             | \$ 9.0          | \$ 8.0         | 11.5 %                  |
| <b>Return on average total shareholder's equity (D)</b> | 32.7%           | 31.2%          |                         |
| <b>Return on average total assets (E)</b>               | 3.5%            | 3.4%           |                         |

(A) Cards-in-force include proprietary cards and cards issued under network partnership agreements outside the United States. Average discount rate, average basic cardmember spending and average fee per card are computed from proprietary card activities only.

(B) These data relate to Visa and Eurocards issued in connection with joint venture activities.

(C) Computed from information provided herein.

(D) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(E) Computed on a trailing 12-month basis using total assets as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(Preliminary)

**Travel Related Services**  
**Selected Statistical Information (continued)**  
(Unaudited)

(Billions, except percentages and where indicated)

|                                           | Quarters Ended<br>September 30, |                 | Percentage<br>Inc/(Dec) |
|-------------------------------------------|---------------------------------|-----------------|-------------------------|
|                                           | 2004                            | 2003            |                         |
| <b>Worldwide charge card receivables:</b> |                                 |                 |                         |
| Total receivables                         | \$ 28.6                         | \$ 26.4         | 8.5 %                   |
| 90 days past due as a % of total          | 1.8%                            | 2.0%            |                         |
| Loss reserves (millions)                  | \$ 847                          | \$ 921          | (8.1) %                 |
| % of receivables                          | 3.0%                            | 3.5%            |                         |
| % of 90 days past due                     | 160%                            | 174%            |                         |
| Net loss ratio as a % of charge volume    | 0.26%                           | 0.28%           |                         |
| <b>Worldwide lending - owned basis:</b>   |                                 |                 |                         |
| Total loans                               | \$ 25.2                         | \$ 22.6         | 11.9 %                  |
| <b>Past due loans as a % of total:</b>    |                                 |                 |                         |
| 30-89 days                                | 1.6%                            | 1.7%            |                         |
| 90+ days                                  | 0.9%                            | 1.1%            |                         |
| <b>Loss reserves (millions):</b>          |                                 |                 |                         |
| Beginning balance                         | \$ 1,030                        | \$ 1,017        | 1.3 %                   |
| Provision                                 | 205                             | 261             | (21.9)                  |
| Net charge-offs                           | (255)                           | (282)           | (9.9)                   |
| Other                                     | 28                              | (58)            | #                       |
| Ending balance                            | <u>\$ 1,008</u>                 | <u>\$ 938</u>   | 7.5                     |
| % of loans                                | 4.0%                            | 4.2%            |                         |
| % of past due                             | 159%                            | 150%            |                         |
| Average loans                             | \$ 26.2                         | \$ 22.5         | 16.5 %                  |
| Net write-off rate                        | 3.9%                            | 5.0%            |                         |
| Net interest yield                        | 9.3%                            | 9.2%            |                         |
| <b>Worldwide lending - managed basis:</b> |                                 |                 |                         |
| Total loans                               | \$ 45.6                         | \$ 42.1         | 8.2 %                   |
| <b>Past due loans as a % of total:</b>    |                                 |                 |                         |
| 30-89 days                                | 1.6%                            | 1.7%            |                         |
| 90+ days                                  | 0.9%                            | 1.1%            |                         |
| <b>Loss reserves (millions):</b>          |                                 |                 |                         |
| Beginning balance                         | \$ 1,535                        | \$ 1,594        | (3.7) %                 |
| Provision                                 | 437                             | 518             | (15.7)                  |
| Net charge-offs                           | (463)                           | (535)           | (13.6)                  |
| Other                                     | 28                              | (58)            | #                       |
| Ending balance                            | <u>\$ 1,537</u>                 | <u>\$ 1,519</u> | 1.2                     |
| % of loans                                | 3.4%                            | 3.6%            |                         |
| % of past due                             | 132%                            | 128%            |                         |
| Average loans                             | \$ 45.3                         | \$ 42.1         | 7.9 %                   |
| Net write-off rate                        | 4.1%                            | 5.1%            |                         |
| Net interest yield                        | 8.6%                            | 9.0%            |                         |

# - Denotes a variance of more than 100%.

(Preliminary)

Travel Related Services  
Statements of Income  
(Unaudited)

(Millions)

|                                                          | Quarters Ended        |                  |                   |                      |                       |
|----------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                          | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| Net revenues:                                            |                       |                  |                   |                      |                       |
| Discount revenue                                         | \$ 2,535              | \$ 2,529         | \$ 2,368          | \$ 2,432             | \$ 2,221              |
| Lending:                                                 |                       |                  |                   |                      |                       |
| Finance charge revenue                                   | 714                   | 697              | 668               | 654                  | 592                   |
| Interest expense                                         | 152                   | 136              | 127               | 123                  | 116                   |
| Net finance charge revenue                               | 562                   | 561              | 541               | 531                  | 476                   |
| Net card fees                                            | 474                   | 472              | 472               | 467                  | 462                   |
| Travel commissions and fees                              | 426                   | 468              | 417               | 445                  | 349                   |
| Other commissions and fees                               | 563                   | 551              | 510               | 515                  | 465                   |
| Travelers Cheque investment income                       | 96                    | 95               | 93                | 93                   | 90                    |
| Securitization income, net                               | 295                   | 282              | 230               | 293                  | 301                   |
| Other revenues                                           | 411                   | 420              | 419               | 435                  | 394                   |
| Total net revenues                                       | 5,362                 | 5,378            | 5,050             | 5,211                | 4,758                 |
| Expenses:                                                |                       |                  |                   |                      |                       |
| Marketing, promotion, rewards<br>and cardmember services | 1,280                 | 1,225            | 1,023             | 1,141                | 994                   |
| Provision for losses and claims:                         |                       |                  |                   |                      |                       |
| Charge card                                              | 206                   | 189              | 198               | 227                  | 213                   |
| Lending                                                  | 233                   | 314              | 287               | 330                  | 279                   |
| Other                                                    | 84                    | 33               | 29                | 28                   | 31                    |
| Total                                                    | 523                   | 536              | 514               | 585                  | 523                   |
| Charge card interest expense                             | 174                   | 175              | 168               | 187                  | 186                   |
| Human resources                                          | 1,074                 | 1,081            | 1,065             | 1,003                | 938                   |
| Other operating expenses                                 | 1,264                 | 1,282            | 1,307             | 1,411                | 1,225                 |
| Total expenses                                           | 4,315                 | 4,299            | 4,077             | 4,327                | 3,866                 |
| Pretax income                                            | 1,047                 | 1,079            | 973               | 884                  | 892                   |
| Income tax provision                                     | 321                   | 347              | 308               | 278                  | 286                   |
| Net income                                               | \$ 726                | \$ 732           | \$ 665            | \$ 606               | \$ 606                |

(Preliminary)

**Travel Related Services**  
**Selected Managed Basis Information**  
(Unaudited)

(Millions)

|                                                          | <b>Quarters Ended</b>         |                          |                           |                              |                               |
|----------------------------------------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|-------------------------------|
|                                                          | <b>September 30,<br/>2004</b> | <b>June 30,<br/>2004</b> | <b>March 31,<br/>2004</b> | <b>December 31,<br/>2003</b> | <b>September 30,<br/>2003</b> |
| Lending finance charge revenue                           | \$ 1,287                      | \$ 1,186                 | \$ 1,207                  | \$ 1,186                     | \$ 1,177                      |
| Lending interest expense                                 | 260                           | 197                      | 210                       | 207                          | 190                           |
| Other commissions and fees                               | 616                           | 601                      | 563                       | 568                          | 510                           |
| Marketing, promotion, rewards<br>and cardmember services | 1,274                         | 1,219                    | 1,019                     | 1,141                        | 994                           |
| Lending provision                                        | 465                           | 519                      | 574                       | 538                          | 534                           |
| Other operating expenses                                 | 1,261                         | 1,279                    | 1,303                     | 1,411                        | 1,225                         |

Note: See prior page for comparable GAAP measures.

(Preliminary)

**Travel Related Services**  
**Selected Statistical Information**  
(Unaudited)

(Billions, except percentages and where indicated)

|                                                         | Quarters Ended        |                  |                   |                      |                       |
|---------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                         | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>Total cards-in-force (millions) (A):</b>             |                       |                  |                   |                      |                       |
| United States                                           | 38.0                  | 37.5             | 37.0              | 36.4                 | 35.9                  |
| Outside the United States                               | 25.3                  | 25.0             | 24.6              | 24.1                 | 23.4                  |
| <b>Total</b>                                            | <b>63.3</b>           | <b>62.5</b>      | <b>61.6</b>       | <b>60.5</b>          | <b>59.3</b>           |
| <b>Basic cards-in-force (millions):</b>                 |                       |                  |                   |                      |                       |
| United States                                           | 28.9                  | 28.5             | 28.1              | 27.7                 | 27.3                  |
| Outside the United States                               | 20.8                  | 20.8             | 20.4              | 19.9                 | 19.3                  |
| <b>Total</b>                                            | <b>49.7</b>           | <b>49.3</b>      | <b>48.5</b>       | <b>47.6</b>          | <b>46.6</b>           |
| <b>Card billed business:</b>                            |                       |                  |                   |                      |                       |
| United States                                           | \$ 75.6               | \$ 75.7          | \$ 70.1           | \$ 72.3              | \$ 66.3               |
| Outside the United States                               | 27.2                  | 26.7             | 25.3              | 26.2                 | 22.5                  |
| <b>Total</b>                                            | <b>\$ 102.8</b>       | <b>\$ 102.4</b>  | <b>\$ 95.4</b>    | <b>\$ 98.5</b>       | <b>\$ 88.8</b>        |
| <b>Average discount rate (A)</b>                        | 2.57%                 | 2.56%            | 2.59%             | 2.56%                | 2.60%                 |
| <b>Average basic cardmember spending (dollars) (A)</b>  | \$ 2,330              | \$ 2,339         | \$ 2,202          | \$ 2,314             | \$ 2,101              |
| <b>Average fee per card - managed (dollars) (A)</b>     | \$ 34                 | \$ 34            | \$ 35             | \$ 35                | \$ 35                 |
| <b>Non-Amex brand (B):</b>                              |                       |                  |                   |                      |                       |
| Cards-in-force (millions)                               | 0.6                   | 0.7              | 0.7               | 0.7                  | 0.7                   |
| Billed business                                         | \$ 1.1                | \$ 1.0           | \$ 1.0            | \$ 1.1               | \$ 1.0                |
| <b>Travel sales</b>                                     | \$ 4.6                | \$ 5.2           | \$ 4.8            | \$ 4.7               | \$ 3.7                |
| Travel commissions and fees/sales (C)                   | 9.2%                  | 9.0%             | 8.7%              | 9.5%                 | 9.3%                  |
| <b>Travelers Cheque and prepaid products:</b>           |                       |                  |                   |                      |                       |
| Sales                                                   | \$ 5.8                | \$ 4.8           | \$ 4.4            | \$ 4.7               | \$ 6.0                |
| Average outstanding                                     | \$ 7.1                | \$ 6.9           | \$ 6.8            | \$ 6.6               | \$ 7.0                |
| Average investments                                     | \$ 7.6                | \$ 7.3           | \$ 7.3            | \$ 7.1               | \$ 7.4                |
| Investment yield                                        | 5.4%                  | 5.5%             | 5.4%              | 5.5%                 | 5.2%                  |
| Tax equivalent yield                                    | 8.3%                  | 8.5%             | 8.3%              | 8.4%                 | 8.0%                  |
| <b>Total debt</b>                                       | \$ 39.1               | \$ 38.8          | \$ 38.7           | \$ 38.4              | \$ 33.3               |
| <b>Shareholder's equity</b>                             | \$ 9.0                | \$ 8.6           | \$ 8.1            | \$ 7.9               | \$ 8.0                |
| <b>Return on average total shareholder's equity (D)</b> | 32.7%                 | 32.1%            | 31.7%             | 31.3%                | 31.2%                 |
| <b>Return on average total assets (E)</b>               | 3.5%                  | 3.4%             | 3.4%              | 3.4%                 | 3.4%                  |

(A) Cards-in-force include proprietary cards and cards issued under network partnership agreements outside the United States. Average discount rate, average basic cardmember spending and average fee per card are computed from proprietary card activities only.

(B) These data relate to Visa and Eurocards issued in connection with joint venture activities.

(C) Computed from information provided herein.

(D) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(E) Computed on a trailing 12-month basis using total assets as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(Preliminary)

**Travel Related Services**  
**Selected Statistical Information (continued)**  
(Unaudited)

(Billions, except percentages and where indicated)

|                                           | Quarters Ended        |                  |                   |                      |                       |
|-------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                           | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>Worldwide charge card receivables:</b> |                       |                  |                   |                      |                       |
| Total receivables                         | \$ 28.6               | \$ 28.4          | \$ 27.9           | \$ 28.4              | \$ 26.4               |
| 90 days past due as a % of total          | 1.8%                  | 1.9%             | 2.0%              | 1.9%                 | 2.0%                  |
| Loss reserves (millions)                  | \$ 847                | \$ 864           | \$ 896            | \$ 916               | \$ 921                |
| % of receivables                          | 3.0%                  | 3.0%             | 3.2%              | 3.2%                 | 3.5%                  |
| % of 90 days past due                     | 160%                  | 163%             | 164%              | 171%                 | 174%                  |
| Net loss ratio as a % of charge volume    | 0.26%                 | 0.25%            | 0.26%             | 0.27%                | 0.28%                 |
| <b>Worldwide lending - owned basis:</b>   |                       |                  |                   |                      |                       |
| Total loans                               | \$ 25.2               | \$ 26.4          | \$ 24.5           | \$ 25.8              | \$ 22.6               |
| <b>Past due loans as a % of total:</b>    |                       |                  |                   |                      |                       |
| 30-89 days                                | 1.6%                  | 1.5%             | 1.7%              | 1.6%                 | 1.7%                  |
| 90+ days                                  | 0.9%                  | 1.0%             | 1.1%              | 1.1%                 | 1.1%                  |
| <b>Loss reserves (millions):</b>          |                       |                  |                   |                      |                       |
| Beginning balance                         | \$ 1,030              | \$ 994           | \$ 998            | \$ 938               | \$ 1,017              |
| Provision                                 | 205                   | 282              | 257               | 304                  | 261                   |
| Net charge-offs                           | (255)                 | (267)            | (264)             | (275)                | (282)                 |
| Other                                     | 28                    | 21               | 3                 | 31                   | (58)                  |
| Ending balance                            | <u>\$ 1,008</u>       | <u>\$ 1,030</u>  | <u>\$ 994</u>     | <u>\$ 998</u>        | <u>\$ 938</u>         |
| % of loans                                | 4.0%                  | 3.9%             | 4.1%              | 3.9%                 | 4.2%                  |
| % of past due                             | 159%                  | 154%             | 145%              | 146%                 | 150%                  |
| Average loans                             | \$ 26.2               | \$ 25.9          | \$ 25.1           | \$ 23.8              | \$ 22.5               |
| Net write-off rate                        | 3.9%                  | 4.1%             | 4.2%              | 4.6%                 | 5.0%                  |
| Net interest yield                        | 9.3%                  | 9.4%             | 9.4%              | 9.6%                 | 9.2%                  |
| <b>Worldwide lending - managed basis:</b> |                       |                  |                   |                      |                       |
| Total loans                               | \$ 45.6               | \$ 45.1          | \$ 44.8           | \$ 45.3              | \$ 42.1               |
| <b>Past due loans as a % of total:</b>    |                       |                  |                   |                      |                       |
| 30-89 days                                | 1.6%                  | 1.5%             | 1.7%              | 1.6%                 | 1.7%                  |
| 90+ days                                  | 0.9%                  | 1.0%             | 1.0%              | 1.1%                 | 1.1%                  |
| <b>Loss reserves (millions):</b>          |                       |                  |                   |                      |                       |
| Beginning balance                         | \$ 1,535              | \$ 1,570         | \$ 1,541          | \$ 1,519             | \$ 1,594              |
| Provision                                 | 437                   | 486              | 545               | 511                  | 518                   |
| Net charge-offs                           | (463)                 | (504)            | (519)             | (520)                | (535)                 |
| Other                                     | 28                    | (17)             | 3                 | 31                   | (58)                  |
| Ending balance                            | <u>\$ 1,537</u>       | <u>\$ 1,535</u>  | <u>\$ 1,570</u>   | <u>\$ 1,541</u>      | <u>\$ 1,519</u>       |
| % of loans                                | 3.4%                  | 3.4%             | 3.5%              | 3.4%                 | 3.6%                  |
| % of past due                             | 132%                  | 136%             | 128%              | 127%                 | 128%                  |
| Average loans                             | \$ 45.3               | \$ 44.9          | \$ 44.8           | \$ 43.3              | \$ 42.1               |
| Net write-off rate                        | 4.1%                  | 4.5%             | 4.6%              | 4.8%                 | 5.1%                  |
| Net interest yield                        | 8.6%                  | 8.6%             | 8.7%              | 8.7%                 | 9.0%                  |

(Preliminary)

**American Express Financial Advisors**  
**Statements of Income**  
**(Unaudited)**

(Millions)

|                                    | Quarters Ended<br>September 30, |               | Percentage<br>Inc/(Dec) |
|------------------------------------|---------------------------------|---------------|-------------------------|
|                                    | 2004                            | 2003          |                         |
| <b>Revenues:</b>                   |                                 |               |                         |
| Management and distribution fees   | \$ 733                          | \$ 606        | 21.1 %                  |
| Net investment income              | 581                             | 551           | 5.5                     |
| Other revenues                     | 400                             | 368           | 8.2                     |
| Total revenues                     | <u>1,714</u>                    | <u>1,525</u>  | 12.3                    |
| <b>Expenses:</b>                   |                                 |               |                         |
| Provision for losses and benefits: |                                 |               |                         |
| Annuities                          | 252                             | 277           | (8.8)                   |
| Insurance                          | 223                             | 212           | 4.8                     |
| Investment certificates            | 45                              | 46            | (1.2)                   |
| Total                              | <u>520</u>                      | <u>535</u>    | (2.8)                   |
| Human resources                    | 612                             | 511           | 19.9                    |
| Other operating expenses           | 325                             | 255           | 26.9                    |
| Total expenses                     | <u>1,457</u>                    | <u>1,301</u>  | 12.0                    |
| Pretax income                      | 257                             | 224           | 14.3                    |
| Income tax provision               | 71                              | 27            | #                       |
| Net income                         | <u>\$ 186</u>                   | <u>\$ 197</u> | (6.1)                   |

# - Denotes a variance of more than 100%.

(Preliminary)

**American Express Financial Advisors**  
**Selected Statistical Information**  
(Unaudited)

(Millions, except percentages and where indicated)

|                                                                                           | Quarters Ended   |                  | Percentage<br>Inc/(Dec) |
|-------------------------------------------------------------------------------------------|------------------|------------------|-------------------------|
|                                                                                           | 2004             | 2003             |                         |
| Investments (billions) (A)                                                                | \$ 43.1          | \$ 42.3          | 1.9 %                   |
| Client contract reserves (billions)                                                       | \$ 42.9          | \$ 40.8          | 5.2 %                   |
| Shareholder's equity (billions)                                                           | \$ 6.9           | \$ 7.1           | (3.3) %                 |
| Return on average total shareholder's equity<br>before accounting change (B)              | 11.4%            | 10.1%            |                         |
| Return on average total shareholder's equity (B)                                          | 10.1%            | 10.1%            |                         |
| Life insurance inforce (billions)                                                         | \$ 142.5         | \$ 127.5         | 11.7 %                  |
| Assets owned, managed or<br>administered (billions):                                      |                  |                  |                         |
| Assets managed for institutions                                                           | \$ 127.4         | \$ 116.7         | 9.2 %                   |
| Assets owned, managed or administered<br>for individuals:                                 |                  |                  |                         |
| Owned assets:                                                                             |                  |                  |                         |
| Separate account assets                                                                   | 32.4             | 27.6             | 17.2                    |
| Other owned assets                                                                        | 59.6             | 53.3             | 11.8                    |
| Total owned assets                                                                        | 92.0             | 80.9             | 13.7                    |
| Managed assets                                                                            | 108.6            | 96.6             | 12.4                    |
| Administered assets                                                                       | 55.3             | 45.6             | 21.4                    |
| Total                                                                                     | <u>\$ 383.3</u>  | <u>\$ 339.8</u>  | 12.8                    |
| Market appreciation (depreciation) and foreign<br>currency translation during the period: |                  |                  |                         |
| Owned assets:                                                                             |                  |                  |                         |
| Separate account assets                                                                   | \$ (377)         | \$ 613           | #                       |
| Other owned assets                                                                        | \$ 752           | \$ (388)         | #                       |
| Managed assets                                                                            | \$ (194)         | \$ 2,134         | #                       |
| Cash sales:                                                                               |                  |                  |                         |
| Mutual funds                                                                              | \$ 8,066         | \$ 7,361         | 9.6 %                   |
| Annuities                                                                                 | 1,887            | 1,866            | 1.1                     |
| Investment certificates                                                                   | 1,786            | 1,542            | 15.8                    |
| Life and other insurance products                                                         | 239              | 198              | 21.0                    |
| Institutional                                                                             | 1,664            | 680              | #                       |
| Other                                                                                     | 991              | 1,595            | (37.8)                  |
| Total cash sales                                                                          | <u>\$ 14,633</u> | <u>\$ 13,242</u> | 10.5                    |
| Number of financial advisors                                                              | 12,071           | 11,742           | 2.8 %                   |
| Fees from financial plans and advice services                                             | \$ 28.1          | \$ 34.9          | (19.6) %                |
| Percentage of total sales from financial plans<br>and advice services                     | 75.4%            | 75.0%            |                         |

# - Denotes a variance of more than 100%.

(A) Excludes cash, derivatives, short-term and other investments.

(B) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(Preliminary)

American Express Financial Advisors  
Statements of Income  
(Unaudited)

(Millions)

|                                                    | Quarters Ended        |                  |                   |                      |                       |
|----------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                    | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| <b>Revenues:</b>                                   |                       |                  |                   |                      |                       |
| Management and distribution fees                   | \$ 733                | \$ 752           | \$ 781            | \$ 759               | \$ 606                |
| Net investment income                              | 581                   | 603              | 556               | 599                  | 551                   |
| Other revenues                                     | 400                   | 408              | 391               | 382                  | 368                   |
| Total revenues                                     | <u>1,714</u>          | <u>1,763</u>     | <u>1,728</u>      | <u>1,740</u>         | <u>1,525</u>          |
| <b>Expenses:</b>                                   |                       |                  |                   |                      |                       |
| Provision for losses and benefits:                 |                       |                  |                   |                      |                       |
| Annuities                                          | 252                   | 266              | 255               | 274                  | 277                   |
| Insurance                                          | 223                   | 218              | 201               | 226                  | 212                   |
| Investment certificates                            | 45                    | 48               | 45                | 55                   | 46                    |
| Total                                              | <u>520</u>            | <u>532</u>       | <u>501</u>        | <u>555</u>           | <u>535</u>            |
| Human resources                                    | 612                   | 646              | 603               | 592                  | 511                   |
| Other operating expenses                           | 325                   | 321              | 307               | 345                  | 255                   |
| Total expenses                                     | <u>1,457</u>          | <u>1,499</u>     | <u>1,411</u>      | <u>1,492</u>         | <u>1,301</u>          |
| Pretax income before accounting change             | 257                   | 264              | 317               | 248                  | 224                   |
| Income tax provision                               | 71                    | 90               | 89                | 53                   | 27                    |
| Income before accounting change                    | 186                   | 174              | 228               | 195                  | 197                   |
| Cumulative effect of accounting change, net of tax | -                     | -                | (71) (A)          | (13) (B)             | -                     |
| Net income                                         | <u>\$ 186</u>         | <u>\$ 174</u>    | <u>\$ 157</u>     | <u>\$ 182</u>        | <u>\$ 197</u>         |

(A) Reflects a \$109 million non-cash pretax charge (\$71 million after-tax) related to the January 1, 2004 adoption of SOP 03-1.

(B) Reflects a \$20 million non-cash pretax charge (\$13 million after-tax) related to the December 31, 2003 adoption of FIN 46, as revised.

(Preliminary)

American Express Financial Advisors  
Selected Statistical Information  
(Unaudited)

(Millions, except percentages and where indicated)

|                                                                                           | Quarters Ended        |                  |                   |                      |                       |
|-------------------------------------------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                                                           | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| Investments (billions) (A)                                                                | \$ 43.1               | \$ 41.8          | \$ 43.4           | \$ 42.1              | \$ 42.3               |
| Client contract reserves (billions)                                                       | \$ 42.9               | \$ 41.9          | \$ 41.6           | \$ 41.2              | \$ 40.8               |
| Shareholder's equity (billions)                                                           | \$ 6.9                | \$ 6.3           | \$ 7.4            | \$ 7.1               | \$ 7.1                |
| Return on average total shareholder's equity<br>before accounting change (B)              | 11.4%                 | 11.7%            | 11.5%             | 10.4%                | 10.1%                 |
| Return on average total shareholder's equity (B)                                          | 10.1%                 | 10.5%            | 10.2%             | 10.2%                | 10.1%                 |
| Life insurance inforce (billions)                                                         | \$ 142.5              | \$ 139.1         | \$ 135.0          | \$ 131.4             | \$ 127.5              |
| Assets owned, managed or<br>administered (billions):                                      |                       |                  |                   |                      |                       |
| Assets managed for institutions                                                           | \$ 127.4              | \$ 125.5         | \$ 123.4          | \$ 116.4 (C)         | \$ 116.7              |
| Assets owned, managed or administered<br>for individuals:                                 |                       |                  |                   |                      |                       |
| Owned assets:                                                                             |                       |                  |                   |                      |                       |
| Separate account assets                                                                   | 32.4                  | 32.9             | 32.4              | 30.8                 | 27.6                  |
| Other owned assets                                                                        | 59.6                  | 57.9             | 58.9              | 53.8 (D)             | 53.3                  |
| Total owned assets                                                                        | 92.0                  | 90.8             | 91.3              | 84.6                 | 80.9                  |
| Managed assets                                                                            | 108.6                 | 108.8            | 109.3             | 110.2                | 96.6                  |
| Administered assets                                                                       | 55.3                  | 55.3             | 54.4              | 54.1                 | 45.6                  |
| Total                                                                                     | <u>\$ 383.3</u>       | <u>\$ 380.4</u>  | <u>\$ 378.4</u>   | <u>\$ 365.3</u>      | <u>\$ 339.8</u>       |
| Market appreciation (depreciation) and foreign<br>currency translation during the period: |                       |                  |                   |                      |                       |
| Owned assets:                                                                             |                       |                  |                   |                      |                       |
| Separate account assets                                                                   | \$ (377)              | \$ (101)         | \$ 756            | \$ 2,752             | \$ 613                |
| Other owned assets                                                                        | \$ 752                | \$ (1,476)       | \$ 713            | \$ (275)             | \$ (388)              |
| Managed assets                                                                            | \$ (194)              | \$ 232           | \$ 5,453          | \$ 15,767            | \$ 2,134              |
| Cash sales:                                                                               |                       |                  |                   |                      |                       |
| Mutual funds                                                                              | \$ 8,066              | \$ 8,480         | \$ 9,799          | \$ 9,096             | \$ 7,361              |
| Annuities                                                                                 | 1,887                 | 1,912            | 2,186             | 1,683                | 1,866                 |
| Investment certificates                                                                   | 1,786                 | 1,445            | 1,324             | 1,520                | 1,542                 |
| Life and other insurance products                                                         | 239                   | 221              | 218               | 212                  | 198                   |
| Institutional                                                                             | 1,664                 | 2,841            | 1,415             | 939                  | 680                   |
| Other                                                                                     | 991                   | 1,116            | 1,292             | 978                  | 1,595                 |
| Total cash sales                                                                          | <u>\$ 14,633</u>      | <u>\$ 16,015</u> | <u>\$ 16,234</u>  | <u>\$ 14,428</u>     | <u>\$ 13,242</u>      |
| Number of financial advisors                                                              | 12,071                | 11,943           | 12,070            | 12,121               | 11,742                |
| Fees from financial plans and advice services                                             | \$ 28.1               | \$ 39.3          | \$ 33.2           | \$ 20.6              | \$ 34.9               |
| Percentage of total sales from financial plans<br>and advice services                     | 75.4%                 | 74.6%            | 75.3%             | 74.6%                | 75.0%                 |

(A) Excludes cash, derivatives, short-term and other investments.

(B) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(C) As a result of AEFA's December 31, 2003 adoption of FIN 46, as revised, managed assets decreased by \$3.8 billion.

(D) As a result of AEFA's December 31, 2003 adoption of FIN 46, as revised, \$0.5 billion of additional assets were consolidated.

(Preliminary)

American Express Bank  
Statements of Income  
(Unaudited)

(Millions)

|                                            | Quarters Ended<br>September 30, |        | Percentage<br>Inc/(Dec) |
|--------------------------------------------|---------------------------------|--------|-------------------------|
|                                            | 2004                            | 2003   |                         |
| Net revenues:                              |                                 |        |                         |
| Interest income                            | \$ 132                          | \$ 139 | (5.3) %                 |
| Interest expense                           | 56                              | 52     | 8.2                     |
| Net interest income                        | 76                              | 87     | (13.4)                  |
| Commissions and fees                       | 69                              | 58     | 19.7                    |
| Foreign exchange income and other revenues | 60                              | 54     | 10.4                    |
| Total net revenues                         | 205                             | 199    | 2.6                     |
| Expenses:                                  |                                 |        |                         |
| Human resources                            | 71                              | 71     | (0.9)                   |
| Other operating expenses                   | 74                              | 69     | 7.2                     |
| Provision for losses                       | 11                              | 20     | (45.6)                  |
| Restructuring charges                      | -                               | (2)    | -                       |
| Total expenses                             | 156                             | 158    | (2.0)                   |
| Pretax income                              | 49                              | 41     | 20.9                    |
| Income tax provision                       | 17                              | 14     | 25.8                    |
| Net income                                 | \$ 32                           | \$ 27  | 18.4                    |

(Preliminary)

**American Express Bank**  
**Selected Statistical Information**  
(Unaudited)

(Billions, except percentages and where indicated)

|                                                       | Quarters Ended |         | Percentage<br>Inc/(Dec) |
|-------------------------------------------------------|----------------|---------|-------------------------|
|                                                       | September 30,  |         |                         |
|                                                       | 2004           | 2003    |                         |
| Total shareholder's equity (millions)                 | \$ 931         | \$ 952  | (2.2) %                 |
| Return on average total shareholder's equity (A)      | 12.4%          | 10.4%   |                         |
| Return on average total assets (B)                    | 0.85%          | 0.74%   |                         |
| Total loans                                           | \$ 6.4         | \$ 6.2  | 2.7 %                   |
| Total non-performing loans (millions) (C)             | \$ 32          | \$ 84   | (62.6) %                |
| Other non-performing assets (millions)                | \$ 1           | \$ 15   | (91.0) %                |
| Reserve for credit losses (millions) (D)              | \$ 98          | \$ 125  | (22.1) %                |
| Loan loss reserve as a % of total loans               | 1.5%           | 1.9%    |                         |
| Total Personal Financial Services (PFS) loans         | \$ 1.3         | \$ 1.4  | (5.3) %                 |
| 30+ days past due PFS loans as a % of total PFS loans | 5.1%           | 5.3%    |                         |
| Deposits                                              | \$ 10.5        | \$ 10.6 | (1.1) %                 |
| Assets managed (E) / administered                     | \$ 17.6        | \$ 15.0 | 17.6 %                  |
| Assets of non-consolidated joint ventures (F)         | \$ 1.7         | \$ 1.7  | 2.5 %                   |
| Risk-based capital ratios (G):                        |                |         |                         |
| Tier 1                                                | 10.8%          | 10.5%   |                         |
| Total                                                 | 10.6%          | 10.8%   |                         |
| Leverage ratio                                        | 5.7%           | 6.0%    |                         |

(A) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(B) Computed on a trailing 12-month basis using total assets as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(C) AEB defines non-performing loans as loans (other than certain smaller-balance loans) on which the accrual of interest is discontinued because the contractual payment of principal or interest has become 90 days past due or if, in management's opinion, the borrower is unlikely to meet its contractual obligations. For smaller-balance loans, management establishes reserves it believes to be adequate to absorb credit losses inherent in the portfolio. Generally, these loans are written off in full when an impairment is determined or when the loan becomes 120 or 180 days past due, depending on loan type.

(D) Allocation of reserves (millions):

|                                                                                 |              |               |
|---------------------------------------------------------------------------------|--------------|---------------|
| Loans                                                                           | \$ 96        | \$ 117        |
| Other assets, primarily matured foreign exchange and other derivative contracts | 1            | 6             |
| Other credit-related commitments                                                | 1            | 2             |
| Total reserve for credit losses                                                 | <u>\$ 98</u> | <u>\$ 125</u> |

(E) Includes assets managed by American Express Financial Advisors.

(F) Excludes American Express International Deposit Company's total assets (which are 100% consolidated at AEFA) for each period presented (and which totaled \$5.2 billion at September 30, 2004).

(G) Based on legal entity financial information.

(Preliminary)

**American Express Bank**  
**Statements of Income**  
(Unaudited)

(Millions)

|                                            | <b>Quarters Ended</b>         |                          |                           |                              |                               |
|--------------------------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|-------------------------------|
|                                            | <b>September 30,<br/>2004</b> | <b>June 30,<br/>2004</b> | <b>March 31,<br/>2004</b> | <b>December 31,<br/>2003</b> | <b>September 30,<br/>2003</b> |
| <b>Net revenues:</b>                       |                               |                          |                           |                              |                               |
| Interest income                            | \$ 132                        | \$ 131                   | \$ 134                    | \$ 139                       | \$ 139                        |
| Interest expense                           | 56                            | 51                       | 53                        | 57                           | 52                            |
| Net interest income                        | 76                            | 80                       | 81                        | 82                           | 87                            |
| Commissions and fees                       | 69                            | 70                       | 70                        | 68                           | 58                            |
| Foreign exchange income and other revenues | 60                            | 53                       | 59                        | 55                           | 54                            |
| Total net revenues                         | 205                           | 203                      | 210                       | 205                          | 199                           |
| <b>Expenses:</b>                           |                               |                          |                           |                              |                               |
| Human resources                            | 71                            | 71                       | 75                        | 75                           | 71                            |
| Other operating expenses                   | 74                            | 78                       | 81                        | 67                           | 69                            |
| Provision for losses                       | 11                            | 12                       | 6                         | 21                           | 20                            |
| Restructuring charges                      | -                             | -                        | -                         | -                            | (2)                           |
| Total expenses                             | 156                           | 161                      | 162                       | 163                          | 158                           |
| Pretax income                              | 49                            | 42                       | 48                        | 42                           | 41                            |
| Income tax provision                       | 17                            | 14                       | 18                        | 13                           | 14                            |
| Net income                                 | \$ 32                         | \$ 28                    | \$ 30                     | \$ 29                        | \$ 27                         |

(Preliminary)

**American Express Bank**  
**Selected Statistical Information**  
(Unaudited)

(Billions, except percentages and where indicated)

|                                                       | Quarters Ended        |                  |                   |                      |                       |
|-------------------------------------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|
|                                                       | September 30,<br>2004 | June 30,<br>2004 | March 31,<br>2004 | December 31,<br>2003 | September 30,<br>2003 |
| Total shareholder's equity (millions)                 | \$ 931                | \$ 953           | \$ 992            | \$ 949               | \$ 952                |
| Return on average total shareholder's equity (A)      | 12.4%                 | 11.9%            | 11.9%             | 10.8%                | 10.4%                 |
| Return on average total assets (B)                    | 0.85%                 | 0.81%            | 0.81%             | 0.74%                | 0.74%                 |
| Total loans                                           | \$ 6.4                | \$ 6.5           | \$ 6.4            | \$ 6.5               | \$ 6.2                |
| Total non-performing loans (millions) (C)             | \$ 32                 | \$ 50            | \$ 69             | \$ 78                | \$ 84                 |
| Other non-performing assets (millions)                | \$ 1                  | \$ 2             | \$ 10             | \$ 15                | \$ 15                 |
| Reserve for credit losses (millions) (D)              | \$ 98                 | \$ 105           | \$ 113            | \$ 121               | \$ 125                |
| Loan loss reserve as a % of total loans               | 1.5%                  | 1.6%             | 1.7%              | 1.7%                 | 1.9%                  |
| Total Personal Financial Services (PFS) loans         | \$ 1.3                | \$ 1.3           | \$ 1.3            | \$ 1.4               | \$ 1.4                |
| 30+ days past due PFS loans as a % of total PFS loans | 5.1%                  | 5.5%             | 5.5%              | 6.6%                 | 5.3%                  |
| Deposits                                              | \$ 10.5               | \$ 11.2          | \$ 10.7           | \$ 10.8              | \$ 10.6               |
| Assets managed (E) / administered                     | \$ 17.6               | \$ 16.9          | \$ 16.8           | \$ 16.2              | \$ 15.0               |
| Assets of non-consolidated joint ventures (F)         | \$ 1.7                | \$ 1.7           | \$ 1.8            | \$ 1.7               | \$ 1.7                |
| Risk-based capital ratios (G):                        |                       |                  |                   |                      |                       |
| Tier 1                                                | 10.8%                 | 12.0%            | 11.7%             | 11.4%                | 10.5%                 |
| Total                                                 | 10.6%                 | 11.8%            | 11.5%             | 11.3%                | 10.8%                 |
| Leverage ratio                                        | 5.7%                  | 5.9%             | 5.7%              | 5.5%                 | 6.0%                  |

(A) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(B) Computed on a trailing 12-month basis using total assets as included in the Consolidated Financial Statements prepared in accordance with GAAP.

(C) AEB defines non-performing loans as loans (other than certain smaller-balance loans) on which the accrual of interest is discontinued because the contractual payment of principal or interest has become 90 days past due or if, in management's opinion, the borrower is unlikely to meet its contractual obligations. For smaller-balance loans, management establishes reserves it believes to be adequate to absorb credit losses inherent in the portfolio. Generally, these loans are written off in full when an impairment is determined or when the loan becomes 120 or 180 days past due, depending on loan type.

(D) Allocation of reserves (millions):

|                                                                                 |              |               |               |               |               |
|---------------------------------------------------------------------------------|--------------|---------------|---------------|---------------|---------------|
| Loans                                                                           | \$ 96        | \$ 103        | \$ 106        | \$ 113        | \$ 117        |
| Other assets, primarily matured foreign exchange and other derivative contracts | 1            | 1             | 6             | 6             | 6             |
| Other credit-related commitments                                                | 1            | 1             | 1             | 2             | 2             |
| Total reserve for credit losses                                                 | <u>\$ 98</u> | <u>\$ 105</u> | <u>\$ 113</u> | <u>\$ 121</u> | <u>\$ 125</u> |

(E) Includes assets managed by American Express Financial Advisors.

(F) Excludes American Express International Deposit Company's total assets (which are 100% consolidated at AEFA ) for each period presented (and which totaled \$5.2 billion at September 30, 2004).

(G) Based on legal entity financial information.

This release includes forward-looking statements, which are subject to risks and uncertainties. The words "believe," "expect," "anticipate," "optimistic," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," and similar expressions are intended to identify forward-looking statements. 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 Company's ability to improve its operating expense to revenue ratio both in the short-term and over time, which will depend in part on the effectiveness of reengineering and other cost-control initiatives, as well as factors impacting the Company's revenues; the Company's ability to cost effectively manage and expand cardmember benefits, including containing the growth of its marketing, promotion, rewards and cardmember services expenses; the Company's ability to accurately estimate the provision for the cost of the Membership Rewards program; the Company's ability to grow its business and meet or exceed its return on shareholders' equity target by reinvesting approximately 35% of annually-generated capital, and returning approximately 65% of such capital to shareholders, over time, which will depend on the Company's ability to manage its capital needs and the effect of business mix, acquisitions and rating agency requirements; the ability of the Company to generate sufficient revenues for expanded investment spending and to actually spend such funds to the extent available, and the ability to capitalize on such investments to improve business metrics; credit risk related to consumer debt, business loans, merchant bankruptcies and other credit exposures both in the U.S. and internationally; volatility in the valuation assumptions for the interest-only (I/O) strip relating to TRS' lending securitizations; fluctuation in the equity and fixed income markets, which can affect the amount and types of investment products sold by AEFA, the market value of its managed assets, and management, distribution and other fees received based on the value of those assets; AEFA's ability to recover Deferred Acquisition Costs (DAC), as well as the timing of such DAC amortization, in connection with the sale of annuity, insurance and certain mutual fund products; changes in assumptions relating to DAC, which could impact the amount of DAC amortization; the ability to improve investment performance in AEFA's businesses, including attracting and retaining high-quality personnel; the success, timeliness and financial impact, including costs, cost savings and other benefits including increased revenues, of reengineering initiatives being implemented or considered by the Company, including cost management, structural and strategic measures such as vendor, process, facilities and operations consolidation, outsourcing (including, among others, technologies operations), relocating certain functions to lower-cost overseas locations, moving internal and external functions to the Internet to save costs, and planned staff reductions relating to certain of such reengineering actions; the ability to control and manage operating, infrastructure, advertising and promotion and other expenses as business expands or changes, including balancing the need for longer-term investment spending; the potential negative effect on the Company's businesses and infrastructure, including information technology, of terrorist attacks, disasters or other catastrophic events in the future; the impact on the Company's businesses resulting from continuing geopolitical uncertainty; the overall level of consumer confidence; consumer and business spending on the Company's travel related services products, particularly credit and charge cards and growth in card lending balances, which depend in part on the ability to issue new and enhanced card products and increase revenues from such products, attract new cardholders, capture a greater share of existing cardholders' spending, sustain premium discount rates on its card products in light of market pressures, increase merchant coverage, retain cardmembers after low introductory lending rates have expired, and expand the global network services business; the triggering of obligations to make payments to certain co-brand partners, merchants, vendors and customers under contractual arrangements with such parties under certain circumstances; AEFA's ability to develop and roll out new and attractive products to clients in a timely manner and effectively manage the economics in selling

a growing volume of non-proprietary mutual funds and other retail financial products to clients; successfully cross-selling financial, travel, card and other products and services to the Company's customer base, both in the United States and internationally; a downturn in the Company's businesses and/or negative changes in the Company's and its subsidiaries' credit ratings, which could result in contingent payments under contracts, decreased liquidity and higher borrowing costs; fluctuations in interest rates, which impact the Company's borrowing costs, return on lending products and spreads in the insurance, annuity and investment certificate businesses; credit trends and the rate of bankruptcies, which can affect spending on card products, debt payments by individual and corporate customers and businesses that accept the Company's card products and returns on the Company's investment portfolios; bankruptcies, restructurings or similar events affecting the airline or any other industry representing a significant portion of TRS' billed business, including any potential negative effect on particular card products and services and billed business generally that could result from the actual or perceived weakness of key business partners in such industries; risks associated with the Company's commitment to Delta Air Lines to prepay \$500 million for the future purchases of Delta SkyMiles rewards points and to loan \$100 million to Delta; fluctuations in foreign currency exchange rates; political or economic instability in certain regions or countries, which could affect lending and other commercial activities, among other businesses, or restrictions on convertibility of certain currencies; changes in laws or government regulations; the costs and integration of acquisitions; and outcomes and costs associated with litigation and compliance and regulatory matters. A further description of these and other risks and uncertainties can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2003, and its other reports filed with the SEC.