

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
Consolidated Statements of Income

(Millions)

	Quarters Ended		Percentage Inc/(Dec)	Six Months Ended		Percentage Inc/(Dec)
	June 30,			June 30,		
	2008	2007		2008	2007	
Revenues						
Discount revenue	\$ 3,991	\$ 3,670	9 %	\$ 7,709	\$ 7,025	10 %
Net card fees	576	500	15	1,143	984	16
Travel commissions and fees	573	491	17	1,067	928	15
Other commissions and fees	590	587	1	1,212	1,123	8
Securitization income, net	227	332	(32)	671	789	(15)
Other	573	426	35	929	813	14
Total	<u>6,530</u>	<u>6,006</u>	9	<u>12,731</u>	<u>11,662</u>	9
Interest income						
Cardmember lending finance revenue	1,521	1,514	-	3,146	2,882	9
Other	289	357	(19)	568	660	(14)
Total	<u>1,810</u>	<u>1,871</u>	(3)	<u>3,714</u>	<u>3,542</u>	5
Total revenues	<u>8,340</u>	<u>7,877</u>	6	<u>16,445</u>	<u>15,204</u>	8
Interest expense						
Cardmember lending	364	431	(16)	781	816	(4)
Charge card and other	492	508	(3)	994	966	3
Total	<u>856</u>	<u>939</u>	(9)	<u>1,775</u>	<u>1,782</u>	-
Revenues net of interest expense	<u>7,484</u>	<u>6,938</u>	8	<u>14,670</u>	<u>13,422</u>	9
Expenses						
Marketing, promotion, rewards and cardmember services	1,924	1,826	5	3,680	3,288	12
Human resources	1,495	1,334	12	2,965	2,635	13
Professional services	607	580	5	1,158	1,098	5
Occupancy and equipment	412	352	17	787	680	16
Communications	115	112	3	230	224	3
Other, net	276	348	(21)	572	641	(11)
Total	<u>4,829</u>	<u>4,552</u>	6	<u>9,392</u>	<u>8,566</u>	10
Provisions for losses and benefits						
Charge card	241	233	3	586	442	33
Cardmember lending	1,537	638	#	2,346	1,212	94
Other (including investment certificates)	111	106	5	226	182	24
Total	<u>1,889</u>	<u>977</u>	93	<u>3,158</u>	<u>1,836</u>	72
Pretax income from continuing operations	766	1,409	(46)	2,120	3,020	(30)
Income tax provision	111	369	(70)	491	885	(45)
Income from continuing operations	655	1,040	(37)	1,629	2,135	(24)
(Loss) Income from discontinued operations, net of tax	(2)	17	#	15	(21)	#
Net income	<u>\$ 653</u>	<u>\$ 1,057</u>	(38)	<u>\$ 1,644</u>	<u>\$ 2,114</u>	(22)

- Denotes a variance of more than 100%.

(Preliminary)

American Express Company
Condensed Consolidated Balance Sheets

(Billions)

	<u>June 30,</u> <u>2008</u>	<u>December 31,</u> <u>2007</u>
Assets		
Cash and cash equivalents	\$ 20	\$ 12
Accounts receivable	43	42
Investments	15	16
Loans	48	53
Other assets	11	10
Assets of discontinued operations	-	17
Total assets	<u>\$ 137</u>	<u>\$ 150</u>
Liabilities and Shareholders' Equity		
Short-term debt	\$ 18	\$ 18
Long-term debt	57	55
Other liabilities	50	50
Liabilities of discontinued operations	-	16
Total liabilities	<u>125</u>	<u>139</u>
Shareholders' equity	<u>12</u>	<u>11</u>
Total liabilities and shareholders' equity	<u>\$ 137</u>	<u>\$ 150</u>

(Preliminary)

American Express Company
Financial Summary

(Millions)

	Quarters Ended June 30,		Percentage Inc/(Dec)	Six Months Ended June 30,		Percentage Inc/(Dec)
	2008	2007		2008	2007	
Revenues net of interest expense						
U.S. Card Services	\$ 3,593	\$ 3,560	1 %	\$ 7,315	\$ 6,924	6 %
International Card Services	1,256	1,049	20	2,451	2,028	21
Global Commercial Services	1,308	1,083	21	2,452	2,077	18
Global Network & Merchant Services	1,083	966	12	2,086	1,843	13
	7,240	6,658	9	14,304	12,872	11
Corporate & Other, including adjustments and eliminations	244	280	(13)	366	550	(33)
CONSOLIDATED REVENUES NET OF INTEREST EXPENSE	\$ 7,484	\$ 6,938	8	\$ 14,670	\$ 13,422	9
Pretax income (loss) from continuing operations						
U.S. Card Services	\$ (63)	\$ 827	#	\$ 728	\$ 1,858	(61)
International Card Services	73	92	(21)	190	188	1
Global Commercial Services	326	218	50	544	413	32
Global Network & Merchant Services	455	418	9	790	792	-
	791	1,555	(49)	2,252	3,251	(31)
Corporate & Other	(25)	(146)	(83)	(132)	(231)	(43)
PRETAX INCOME FROM CONTINUING OPERATIONS	\$ 766	\$ 1,409	(46)	\$ 2,120	\$ 3,020	(30)
Net income (loss)						
U.S. Card Services	\$ 21	\$ 580	(96)	\$ 544	\$ 1,224	(56)
International Card Services	115	117	(2)	248	219	13
Global Commercial Services	227	162	40	378	291	30
Global Network & Merchant Services	299	266	12	522	502	4
	662	1,125	(41)	1,692	2,236	(24)
Corporate & Other	(7)	(85)	(92)	(63)	(101)	(38)
Income from continuing operations	655	1,040	(37)	1,629	2,135	(24)
(Loss) Income from discontinued operations, net of tax	(2)	17	#	15	(21)	#
NET INCOME	\$ 653	\$ 1,057	(38)	\$ 1,644	\$ 2,114	(22)

- Denotes a variance of more than 100%.

(Preliminary)

American Express Company
Financial Summary (continued)

	<u>Quarters Ended</u> <u>June 30,</u>		<u>Percentage</u> <u>Inc/(Dec)</u>	<u>Six Months Ended</u> <u>June 30,</u>		<u>Percentage</u> <u>Inc/(Dec)</u>
	<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>	
EARNINGS PER COMMON SHARE						
BASIC						
Income from continuing operations	\$ 0.57	\$ 0.88	(35) %	\$ 1.41	\$ 1.80	(22) %
Income (Loss) from discontinued operations	-	0.02	#	0.02	(0.01)	#
Net income	<u>\$ 0.57</u>	<u>\$ 0.90</u>	(37) %	<u>\$ 1.43</u>	<u>\$ 1.79</u>	(20) %
Average common shares outstanding (millions)	<u>1,154</u>	<u>1,179</u>	(2) %	<u>1,153</u>	<u>1,183</u>	(3) %
DILUTED						
Income from continuing operations	\$ 0.56	\$ 0.86	(35) %	\$ 1.40	\$ 1.77	(21) %
Income (Loss) from discontinued operations	-	0.02	#	0.01	(0.02)	#
Net income	<u>\$ 0.56</u>	<u>\$ 0.88</u>	(36) %	<u>\$ 1.41</u>	<u>\$ 1.75</u>	(19) %
Average common shares outstanding (millions)	<u>1,163</u>	<u>1,203</u>	(3) %	<u>1,163</u>	<u>1,207</u>	(4) %
Cash dividends declared per common share	<u>\$ 0.18</u>	<u>\$ 0.15</u>	20 %	<u>\$ 0.36</u>	<u>\$ 0.30</u>	20 %

Selected Statistical Information

	<u>Quarters Ended</u> <u>June 30,</u>		<u>Percentage</u> <u>Inc/(Dec)</u>	<u>Six Months Ended</u> <u>June 30,</u>		<u>Percentage</u> <u>Inc/(Dec)</u>
	<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>	
Return on average equity (A)	31.1%	37.5%		31.1%	37.5%	
Return on average tangible equity (A)	37.7%	44.0%		37.7%	44.0%	
Common shares outstanding (millions)	1,159	1,182	(2) %	1,159	1,182	(2) %
Book value per common share	\$ 10.58	\$ 9.00	18 %	\$ 10.58	\$ 9.00	18 %
Shareholders' equity (billions)	\$ 12.3	\$ 10.6	16 %	\$ 12.3	\$ 10.6	16 %

- Denotes a variance of more than 100%.

(A) Computed on a trailing 12-month basis using net income over average total shareholders' equity (including discontinued operations) as included in the Consolidated Financial Statements prepared in accordance with GAAP. Return on average tangible equity excludes goodwill and other intangibles. The Company believes average tangible shareholders' equity is a more meaningful measure because it reflects the tangible equity deployed in the Company. Refer to page 37 for a reconciliation of shareholders' equity to tangible shareholders' equity.

(Preliminary)

American Express Company
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Card billed business (A):			
United States	\$ 123.5	\$ 115.7	7 %
Outside the United States	57.4	45.4	26
Total	<u>\$ 180.9</u>	<u>\$ 161.1</u>	12
Total cards-in-force (millions) (B):			
United States	53.5	50.5	6 %
Outside the United States	36.6	31.7	15
Total	<u>90.1</u>	<u>82.2</u>	10
Basic cards-in-force (millions) (B):			
United States	41.9	39.2	7 %
Outside the United States	31.6	27.0	17
Total	<u>73.5</u>	<u>66.2</u>	11
Average discount rate (C)	2.56%	2.57%	
Average basic cardmember spending (dollars) (D)	\$ 3,199	\$ 3,049	5 %
Average fee per card (dollars) (D)	\$ 34	\$ 31	10 %

(A) Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements, and certain insurance fees charged on proprietary cards. Card billed business is reflected in the United States or outside the United States based on where the cardmember is domiciled.

(B) Total cards-in-force represents the number of cards that are issued and outstanding. Proprietary basic consumer cards-in-force includes basic cards issued to the primary account owner and does not include additional supplemental cards issued on that account. Proprietary basic small business and corporate cards-in-force include basic and supplemental cards issued to employee cardmembers. Non-proprietary basic cards-in-force includes all cards that are issued and outstanding under network partnership agreements.

(C) This calculation is designed to approximate merchant pricing. It represents the percentage of billed business (both proprietary and Global Network Services) retained by the Company from merchants it acquires, prior to payments to third parties unrelated to merchant acceptance.

(D) Average basic cardmember spending and average fee per card are computed from proprietary card activities only. Average fee per card is computed based on net card fees, including the amortization of deferred direct acquisition costs, divided by average worldwide proprietary cards-in-force. The adjusted average fee per card is computed in the same manner, but excludes amortization of deferred direct acquisition costs. The adjusted average fee per card was \$39 for the quarter ended June 30, 2008, and \$36 for the quarter ended June 30, 2007, and the amount of amortization excluded for these periods was \$82 million for the quarter ended June 30, 2008, and \$71 million for the quarter ended June 30, 2007. The Company presents adjusted average fee per card because management believes that this metric presents a better picture of card fee pricing across a range of its proprietary card products.

(Preliminary)

American Express Company
Selected Statistical Information (continued)

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	2008	2007	
Worldwide cardmember receivables:			
Total receivables	\$ 39.9	\$ 38.4	4 %
90 days past due as a % of total	3.0%	2.7%	
Loss reserves (millions):			
Beginning balance	\$ 1,221	\$ 979	25 %
Provision	241	233	3
Net write offs	(293)	(217)	35
Other	(23)	(14)	64
Ending balance	<u>\$ 1,146</u>	<u>\$ 981</u>	17
% of receivables	2.9%	2.6%	
% of 90 days past due	97%	95%	
Net loss ratio as a % of charge volume	0.29%	0.24%	
Worldwide cardmember lending - owned basis (A):			
Total loans	\$ 49.7	\$ 48.3	3 %
30 days past due loans as a % of total	3.9%	2.8%	
Loss reserves (millions):			
Beginning balance	\$ 1,919	\$ 1,271	51 %
Provision	1,506	606	#
Net write offs	(827)	(473)	75
Other	(4)	13	#
Ending balance	<u>\$ 2,594</u>	<u>\$ 1,417</u>	83
% of loans	5.2%	2.9%	
% of past due	135%	106%	
Average loans	\$ 49.7	\$ 45.6	9 %
Net write-off rate	6.7%	4.1%	
Net finance revenue(B)/average loans	9.4%	9.5%	
Worldwide cardmember lending - managed basis (C):			
Total loans	\$ 76.6	\$ 68.6	12 %
30 days past due loans as a % of total	3.6%	2.6%	
Loss reserves (millions):			
Beginning balance	\$ 2,811	\$ 1,787	57 %
Provision	2,368	780	#
Net write offs	(1,191)	(662)	80
Other	(4)	12	#
Ending balance	<u>\$ 3,984</u>	<u>\$ 1,917</u>	#
% of loans	5.2%	2.8%	
% of past due	144%	106%	
Average loans	\$ 75.9	\$ 65.9	15 %
Net write-off rate	6.3%	4.0%	
Net finance revenue(B)/average loans	9.5%	9.3%	

- Denotes a variance of more than 100%.

(A) "Owned," a GAAP basis measurement, reflects only cardmember loans included in the Company's Consolidated Balance Sheets.

(B) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(C) Includes on-balance sheet cardmember loans and off-balance sheet securitized cardmember loans. The difference between the "owned basis" (GAAP) information and "managed basis" information is attributable to the effects of securitization activities. Refer to the information set forth under U.S. Card Services Selected Financial Information on page 20 for further discussion of the managed basis presentation.

(Preliminary)

American Express Company
Consolidated Statements of Income

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues					
Discount revenue	\$ 3,991	\$ 3,718	\$ 3,912	\$ 3,659	\$ 3,670
Net card fees	576	567	544	522	500
Travel commissions and fees	573	494	514	484	491
Other commissions and fees	590	622	650	644	587
Securitization income, net	227	444	326	392	332
Other	573	356	470	362	426
Total	<u>6,530</u>	<u>6,201</u>	<u>6,416</u>	<u>6,063</u>	<u>6,006</u>
Interest income					
Cardmember lending finance revenue	1,521	1,625	1,682	1,581	1,514
Other	289	279	302	309	357
Total	<u>1,810</u>	<u>1,904</u>	<u>1,984</u>	<u>1,890</u>	<u>1,871</u>
Total revenues	<u>8,340</u>	<u>8,105</u>	<u>8,400</u>	<u>7,953</u>	<u>7,877</u>
Interest expense					
Cardmember lending	364	417	474	444	431
Charge card and other	492	502	562	564	508
Total	<u>856</u>	<u>919</u>	<u>1,036</u>	<u>1,008</u>	<u>939</u>
Revenues net of interest expense	<u>7,484</u>	<u>7,186</u>	<u>7,364</u>	<u>6,945</u>	<u>6,938</u>
Expenses					
Marketing, promotion, rewards and cardmember services	1,924	1,756	2,719	1,810	1,826
Human resources	1,495	1,470	1,437	1,366	1,334
Professional services	607	551	646	539	580
Occupancy and equipment	412	375	382	374	352
Communications	115	115	119	118	112
Other, net	276	296	(591)	339	348
Total	<u>4,829</u>	<u>4,563</u>	<u>4,712</u>	<u>4,546</u>	<u>4,552</u>
Provisions for losses and benefits					
Charge card	241	345	419	279	233
Cardmember lending	1,537	809	970	579	638
Other (including investment certificates)	111	115	134	124	106
Total	<u>1,889</u>	<u>1,269</u>	<u>1,523</u>	<u>982</u>	<u>977</u>
Pretax income from continuing operations	766	1,354	1,129	1,417	1,409
Income tax provision	111	380	290	343	369
Income from continuing operations	655	974	839	1,074	1,040
(Loss) Income from discontinued operations, net of tax	(2)	17	(8)	(7)	17
Net income	<u>\$ 653</u>	<u>\$ 991</u>	<u>\$ 831</u>	<u>\$ 1,067</u>	<u>\$ 1,057</u>

(Preliminary)

American Express Company
Financial Summary

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues net of interest expense					
U.S. Card Services	\$ 3,593	\$ 3,722	\$ 3,709	\$ 3,589	\$ 3,560
International Card Services	1,256	1,195	1,189	1,114	1,049
Global Commercial Services	1,308	1,144	1,128	1,064	1,083
Global Network & Merchant Services	1,083	1,003	1,041	980	966
	<u>7,240</u>	<u>7,064</u>	<u>7,067</u>	<u>6,747</u>	<u>6,658</u>
Corporate & Other, including adjustments and eliminations	244	122	297	198	280
CONSOLIDATED REVENUES NET OF INTEREST EXPENSE	<u>\$ 7,484</u>	<u>\$ 7,186</u>	<u>\$ 7,364</u>	<u>\$ 6,945</u>	<u>\$ 6,938</u>
Pretax income (loss) from continuing operations					
U.S. Card Services	\$ (63)	\$ 791	\$ (40)	\$ 912	\$ 827
International Card Services	73	117	(181)	110	92
Global Commercial Services	326	218	144	187	218
Global Network & Merchant Services	455	335	379	389	418
	<u>791</u>	<u>1,461</u>	<u>302</u>	<u>1,598</u>	<u>1,555</u>
Corporate & Other	(25)	(107)	827	(181)	(146)
PRETAX INCOME FROM CONTINUING OPERATIONS	<u>\$ 766</u>	<u>\$ 1,354</u>	<u>\$ 1,129</u>	<u>\$ 1,417</u>	<u>\$ 1,409</u>
Net income (loss)					
U.S. Card Services	\$ 21	\$ 523	\$ 7	\$ 592	\$ 580
International Card Services	115	133	(68)	140	117
Global Commercial Services	227	151	110	135	162
Global Network & Merchant Services	299	223	254	266	266
	<u>662</u>	<u>1,030</u>	<u>303</u>	<u>1,133</u>	<u>1,125</u>
Corporate & Other	(7)	(56)	536	(59)	(85)
Income from continuing operations	655	974	839	1,074	1,040
(Loss) Income from discontinued operations, net of tax	(2)	17	(8)	(7)	17
NET INCOME	<u>\$ 653</u>	<u>\$ 991</u>	<u>\$ 831</u>	<u>\$ 1,067</u>	<u>\$ 1,057</u>

(Preliminary)

American Express Company
Financial Summary (continued)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
EARNINGS PER COMMON SHARE					
BASIC					
Income from continuing operations	\$ 0.57	\$ 0.84	\$ 0.72	\$ 0.92	\$ 0.88
Income (Loss) from discontinued operations	-	0.02	-	(0.01)	0.02
Net income	<u>\$ 0.57</u>	<u>\$ 0.86</u>	<u>\$ 0.72</u>	<u>\$ 0.91</u>	<u>\$ 0.90</u>
Average common shares outstanding (millions)	<u>1,154</u>	<u>1,153</u>	<u>1,157</u>	<u>1,170</u>	<u>1,179</u>
DILUTED					
Income from continuing operations	\$ 0.56	\$ 0.84	\$ 0.71	\$ 0.90	\$ 0.86
Income (Loss) from discontinued operations	-	0.01	-	-	0.02
Net income	<u>\$ 0.56</u>	<u>\$ 0.85</u>	<u>\$ 0.71</u>	<u>\$ 0.90</u>	<u>\$ 0.88</u>
Average common shares outstanding (millions)	<u>1,163</u>	<u>1,163</u>	<u>1,178</u>	<u>1,192</u>	<u>1,203</u>
Cash dividends declared per common share	<u>\$ 0.18</u>	<u>\$ 0.18</u>	<u>\$ 0.18</u>	<u>\$ 0.15</u>	<u>\$ 0.15</u>

Selected Statistical Information

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Return on average equity (A)	31.1%	35.9%	37.3%	38.2%	37.5%
Return on average tangible equity (A)	37.7%	42.7%	44.0%	44.9%	44.0%
Common shares outstanding (millions)	1,159	1,158	1,158	1,169	1,182
Book value per common share	\$ 10.58	\$ 9.94	\$ 9.53	\$ 9.32	\$ 9.00
Shareholders' equity (billions)	\$ 12.3	\$ 11.5	\$ 11.0	\$ 10.9	\$ 10.6

(A) Computed on a trailing 12-month basis using net income over average total shareholders' equity (including discontinued operations) as included in the Consolidated Financial Statements prepared in accordance with GAAP. Return on average tangible equity excludes goodwill and other intangibles. The Company believes average tangible shareholders' equity is a more meaningful measure because it reflects the tangible equity deployed in the Company. Refer to page 37 for a reconciliation of shareholders' equity to tangible shareholders' equity.

(Preliminary)

American Express Company
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Card billed business (A):					
United States	\$ 123.5	\$ 114.6	\$ 123.0	\$ 115.2	\$ 115.7
Outside the United States	57.4	51.8	54.5	47.3	45.4
Total	\$ 180.9	\$ 166.4	\$ 177.5	\$ 162.5	\$ 161.1
Total cards-in-force (millions) (B):					
United States	53.5	52.9	52.3	51.7	50.5
Outside the United States	36.6	35.1	34.1	33.0	31.7
Total	90.1	88.0	86.4	84.7	82.2
Basic cards-in-force (millions) (B):					
United States	41.9	41.4	40.9	40.1	39.2
Outside the United States	31.6	30.2	29.2	28.3	27.0
Total	73.5	71.6	70.1	68.4	66.2
Average discount rate (C)	2.56%	2.57%	2.54%	2.57%	2.57%
Average basic cardmember spending (dollars) (D)	\$ 3,199	\$ 2,984	\$ 3,228	\$ 3,006	\$ 3,049
Average fee per card (dollars) (D)	\$ 34	\$ 34	\$ 33	\$ 32	\$ 31

(A) Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements, and certain insurance fees charged on proprietary cards. Card billed business is reflected in the United States or outside the United States based on where the cardmember is domiciled.

(B) Total cards-in-force represents the number of cards that are issued and outstanding. Proprietary basic consumer cards-in-force includes basic cards issued to the primary account owner and does not include additional supplemental cards issued on that account. Proprietary basic small business and corporate cards-in-force include basic and supplemental cards issued to employee cardmembers. Non-proprietary basic cards-in-force includes all cards that are issued and outstanding under network partnership agreements.

(C) This calculation is designed to approximate merchant pricing. It represents the percentage of billed business (both proprietary and Global Network Services) retained by the Company from merchants it acquires, prior to payments to third parties unrelated to merchant acceptance.

(D) Average basic cardmember spending and average fee per card are computed from proprietary card activities only. Average fee per card is computed based on net card fees, including the amortization of deferred direct acquisition costs, divided by average worldwide proprietary cards-in-force. The adjusted average fee per card is computed in the same manner, but excludes amortization of deferred direct acquisition costs. The adjusted average fee per card was \$39 for the quarters ended June 30, 2008 and March 31, 2008, \$37 for the quarter ended December 31, 2007, and \$36 for the quarters ended September 30, 2007 and June 30, 2007. The amount of amortization excluded for these periods was \$82 million for the quarter ended June 30, 2008, \$77 million for the quarter ended March 31, 2008, \$74 million for the quarter ended December 31, 2007, and \$71 million for the quarters ended September 30, 2007 and June 30, 2007. The Company presents adjusted average fee per card because management believes that this metric presents a better picture of card fee pricing across a range of its proprietary card products.

(Preliminary)

American Express Company
Selected Statistical Information (continued)

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Worldwide cardmember receivables:					
Total receivables	\$ 39.9	\$ 39.0	\$ 40.1	\$ 38.5	\$ 38.4
90 days past due as a % of total	3.0%	3.3%	3.0%	2.8%	2.7%
Loss reserves (millions):					
Beginning balance	\$ 1,221	\$ 1,149	\$ 998	\$ 981	\$ 979
Provision	241	345	419	279	233
Net write offs	(293)	(257)	(249)	(247)	(217)
Other	(23)	(16)	(19)	(15)	(14)
Ending balance	<u>\$ 1,146</u>	<u>\$ 1,221</u>	<u>\$ 1,149</u>	<u>\$ 998</u>	<u>\$ 981</u>
% of receivables	2.9%	3.1%	2.9%	2.6%	2.6%
% of 90 days past due	97%	96%	95%	91%	95%
Net loss ratio as a % of charge volume	0.29%	0.25%	0.25%	0.26%	0.24%
Worldwide cardmember lending - owned basis (A):					
Total loans	\$ 49.7	\$ 49.6	\$ 54.5	\$ 50.5	\$ 48.3
30 days past due loans as a % of total	3.9%	3.8%	3.4%	3.0%	2.8%
Loss reserves (millions):					
Beginning balance	\$ 1,919	\$ 1,831	\$ 1,469	\$ 1,417	\$ 1,271
Provision	1,506	776	924	543	606
Net write offs	(827)	(693)	(579)	(499)	(473)
Other	(4)	5	17	8	13
Ending balance	<u>\$ 2,594</u>	<u>\$ 1,919</u>	<u>\$ 1,831</u>	<u>\$ 1,469</u>	<u>\$ 1,417</u>
% of loans	5.2%	3.9%	3.4%	2.9%	2.9%
% of past due	135%	101%	100%	97%	106%
Average loans	\$ 49.7	\$ 50.8	\$ 51.7	\$ 48.8	\$ 45.6
Net write-off rate	6.7%	5.5%	4.5%	4.1%	4.1%
Net finance revenue(B)/average loans	9.4%	9.6%	9.3%	9.3%	9.5%
Worldwide cardmember lending - managed basis (C):					
Total loans	\$ 76.6	\$ 75.2	\$ 77.2	\$ 72.0	\$ 68.6
30 days past due loans as a % of total	3.6%	3.6%	3.2%	2.8%	2.6%
Loss reserves (millions):					
Beginning balance	\$ 2,811	\$ 2,581	\$ 1,991	\$ 1,917	\$ 1,787
Provision	2,368	1,231	1,387	762	780
Net write offs	(1,191)	(1,007)	(813)	(696)	(662)
Other	(4)	6	16	8	12
Ending balance	<u>\$ 3,984</u>	<u>\$ 2,811</u>	<u>\$ 2,581</u>	<u>\$ 1,991</u>	<u>\$ 1,917</u>
% of loans	5.2%	3.7%	3.3%	2.8%	2.8%
% of past due	144%	105%	106%	97%	106%
Average loans	\$ 75.9	\$ 75.8	\$ 74.1	\$ 70.1	\$ 65.9
Net write-off rate	6.3%	5.3%	4.4%	4.0%	4.0%
Net finance revenue(B)/average loans	9.5%	10.0%	9.4%	9.4%	9.3%

(A) "Owned," a GAAP basis measurement, reflects only cardmember loans included in the Company's Consolidated Balance Sheets

(B) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(C) Includes on-balance sheet cardmember loans and off-balance sheet securitized cardmember loans. The difference between the "owned basis" (GAAP) information and "managed basis" information is attributable to the effects of securitization activities. Refer to the information set forth under U.S. Card Services Selected Financial Information on page 20 for further discussion of the managed basis presentation.

(Preliminary)

U.S. Card Services
Selected Income Statement Data

(Millions)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Revenues			
Discount revenue, net card fees and other	\$ 2,743	\$ 2,642	4 %
Cardmember lending finance revenue	1,086	1,179	(8)
Securitization income, net	227	332	(32)
Total revenues	<u>4,056</u>	<u>4,153</u>	(2)
Interest expense			
Cardmember lending	305	363	(16)
Charge card and other	158	230	(31)
Revenues net of interest expense	<u>3,593</u>	<u>3,560</u>	1
Expenses			
Marketing, promotion, rewards and cardmember services	1,240	1,266	(2)
Human resources and other operating expenses	900	827	9
Total	<u>2,140</u>	<u>2,093</u>	2
Provisions for losses	<u>1,516</u>	<u>640</u>	#
Pretax segment (loss) income	(63)	827	#
Income tax (benefit) provision	(84)	247	#
Segment income	<u>\$ 21</u>	<u>\$ 580</u>	(96)

- Denotes a variance of more than 100%.

(Preliminary)

U.S. Card Services
Selected Financial Information
Managed Basis Presentation

(Millions)

	Quarters Ended June 30,		Percentage Inc/(Dec)
	2008	2007	
<u>Income Statement Data</u>			
Discount revenue, net card fees and other:			
Reported for the period (GAAP)	\$ 2,743	\$ 2,642	4 %
Securitization adjustments	95	80	19
Managed discount revenue, net card fees and other	<u>\$ 2,838</u>	<u>\$ 2,722</u>	4
Cardmember lending finance revenue:			
Reported for the period (GAAP)	\$ 1,086	\$ 1,179	(8)
Securitization adjustments	824	724	14
Managed cardmember lending finance revenue	<u>\$ 1,910</u>	<u>\$ 1,903</u>	-
Securitization income, net:			
Reported for the period (GAAP)	\$ 227	\$ 332	(32)
Securitization adjustments	(227)	(332)	(32)
Managed securitization income, net	<u>\$ -</u>	<u>\$ -</u>	-
Cardmember lending interest expense:			
Reported for the period (GAAP)	\$ 305	\$ 363	(16)
Securitization adjustments	184	274	(33)
Managed cardmember lending interest expense	<u>\$ 489</u>	<u>\$ 637</u>	(23)
Provisions for losses:			
Reported for the period (GAAP)	\$ 1,516	\$ 640	#
Securitization adjustments	409	177	#
Managed provisions for losses	<u>\$ 1,925</u>	<u>\$ 817</u>	#

- Denotes a variance of more than 100%.

For U.S. Card Services, the managed basis presentation assumes that there have been no off-balance sheet securitization transactions, i.e., all securitized cardmember loans and related income effects are reflected as if they were in the Company's balance sheets and income statements, respectively. For the managed basis presentation, revenue and expenses related to securitized cardmember loans are reflected in other commissions and fees (included above in discount revenue, net card fees and other), cardmember lending finance revenue, cardmember lending interest expense, and provisions for losses. On a managed basis, there is no securitization income, net as the managed basis presentation assumes no securitization transactions have occurred.

The Company presents U.S. Card Services information on a managed basis because that is the way the Company's management views and manages the business. Management believes that a full picture of trends in the Company's cardmember lending business can only be derived by evaluating the performance of both securitized and non-securitized cardmember loans. Management also believes that use of a managed basis presentation presents a more accurate picture of the key dynamics of the cardmember lending business. Irrespective of the on and off-balance sheet funding mix, it is important for management and investors to see metrics for the entire cardmember lending portfolio because they are more representative of the economics of the aggregate cardmember relationships and ongoing business performance and trends over time. It is also important for investors to see the overall growth of cardmember loans and related revenue in order to evaluate market share. These metrics are significant in evaluating the Company's performance and can only be properly assessed when all non-securitized and securitized cardmember loans are viewed together on a managed basis. The Company does not currently securitize international loans.

(Preliminary)

U.S. Card Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Card billed business	\$ 100.0	\$ 94.6	6 %
Total cards-in-force (millions)	44.2	42.1	5 %
Basic cards-in-force (millions)	33.0	31.2	6 %
Average basic cardmember spending (dollars)	\$ 3,047	\$ 3,054	-
U.S. Consumer Travel:			
Travel sales (millions)	\$ 884	\$ 815	8 %
Travel commissions and fees/sales	9.0%	8.0%	
Total segment assets	\$ 83.5	\$ 76.1	10 %
Segment capital (millions) (A)	\$ 4,850	\$ 4,547	7 %
Return on segment capital (B)	25.0%	49.9%	
Return on tangible segment capital (B)	26.1%	51.9%	
Cardmember receivables:			
Total receivables	\$ 19.8	\$ 19.8	-
90 days past due as a % of total	4.1%	3.6%	
Net loss ratio as a % of charge volume	0.44%	0.30%	
Cardmember lending - owned basis (C):			
Total loans	\$ 37.9	\$ 38.3	(1) %
30 days past due loans as a % of total	4.1%	2.7%	
Average loans	\$ 38.0	\$ 35.9	6 %
Net write-off rate	7.1%	3.7%	
Net finance revenue(D)/average loans	8.3%	9.1%	
Cardmember lending - managed basis (E):			
Total loans	\$ 64.7	\$ 58.6	10 %
30 days past due loans as a % of total	3.7%	2.6%	
Average loans	\$ 64.2	\$ 56.3	14 %
Net write-off rate	6.5%	3.7%	
Net finance revenue(D)/average loans	8.9%	9.0%	

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$175 million and \$22 million for the quarter ended June 30, 2008, and \$168 million and none for the quarter ended June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(C) "Owned," a GAAP basis measurement, reflects only cardmember loans included in the Company's Consolidated Balance Sheets.

(D) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(E) Includes on-balance sheet cardmember loans and off-balance sheet securitized cardmember loans. The difference between the "owned basis" (GAAP) information and "managed basis" information is attributable to the effects of securitization activities. Refer to the information set forth under U.S. Card Services Selected Financial Information on page 20 for further discussion of the managed basis presentation.

(Preliminary)

U.S. Card Services
Selected Income Statement Data

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues					
Discount revenue, net card fees and other	\$ 2,743	\$ 2,605	\$ 2,747	\$ 2,632	\$ 2,642
Cardmember lending finance revenue	1,086	1,206	1,304	1,224	1,179
Securitization income, net	227	444	326	392	332
Total revenues	<u>4,056</u>	<u>4,255</u>	<u>4,377</u>	<u>4,248</u>	<u>4,153</u>
Interest expense					
Cardmember lending	305	345	440	402	363
Charge card and other	158	188	228	257	230
Revenues net of interest expense	<u>3,593</u>	<u>3,722</u>	<u>3,709</u>	<u>3,589</u>	<u>3,560</u>
Expenses					
Marketing, promotion, rewards and cardmember services	1,240	1,144	1,739	1,191	1,266
Human resources and other operating expenses	900	906	871	848	827
Total	<u>2,140</u>	<u>2,050</u>	<u>2,610</u>	<u>2,039</u>	<u>2,093</u>
Provisions for losses	<u>1,516</u>	<u>881</u>	<u>1,139</u>	<u>638</u>	<u>640</u>
Pretax segment (loss) income	(63)	791	(40)	912	827
Income tax (benefit) provision	(84)	268	(47)	320	247
Segment income	<u>\$ 21</u>	<u>\$ 523</u>	<u>\$ 7</u>	<u>\$ 592</u>	<u>\$ 580</u>

(Preliminary)

U.S. Card Services
Selected Financial Information
Managed Basis Presentation

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Income Statement Data					
Discount revenue, net card fees and other:					
Reported for the period (GAAP)	\$ 2,743	\$ 2,605	\$ 2,747	\$ 2,632	\$ 2,642
Securitization adjustments	95	73	76	67	80
Managed discount revenue, net card fees and other	\$ 2,838	\$ 2,678	\$ 2,823	\$ 2,699	\$ 2,722
Cardmember lending finance revenue:					
Reported for the period (GAAP)	\$ 1,086	\$ 1,206	\$ 1,304	\$ 1,224	\$ 1,179
Securitization adjustments	824	903	828	821	724
Managed cardmember lending finance revenue	\$ 1,910	\$ 2,109	\$ 2,132	\$ 2,045	\$ 1,903
Securitization income, net:					
Reported for the period (GAAP)	\$ 227	\$ 444	\$ 326	\$ 392	\$ 332
Securitization adjustments	(227)	(444)	(326)	(392)	(332)
Managed securitization income, net	\$ -	\$ -	\$ -	\$ -	\$ -
Cardmember lending interest expense:					
Reported for the period (GAAP)	\$ 305	\$ 345	\$ 440	\$ 402	\$ 363
Securitization adjustments	184	220	287	302	274
Managed cardmember lending interest expense	\$ 489	\$ 565	\$ 727	\$ 704	\$ 637
Provisions for losses:					
Reported for the period (GAAP)	\$ 1,516	\$ 881	\$ 1,139	\$ 638	\$ 640
Securitization adjustments	409	387	263	226	177
Managed provisions for losses	\$ 1,925	\$ 1,268	\$ 1,402	\$ 864	\$ 817

See page 20 for discussion of managed basis presentation.

(Preliminary)

U.S. Card Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Card billed business	\$ 100.0	\$ 92.1	\$ 101.2	\$ 94.2	\$ 94.6
Total cards-in-force (millions)	44.2	43.8	43.3	42.9	42.1
Basic cards-in-force (millions)	33.0	32.7	32.3	31.8	31.2
Average basic cardmember spending (dollars)	\$ 3,047	\$ 2,838	\$ 3,161	\$ 2,986	\$ 3,054
U.S. Consumer Travel:					
Travel sales	\$ 0.9	\$ 0.8	\$ 0.7	\$ 0.7	\$ 0.8
Travel commissions and fees/sales	9.0%	7.7%	8.2%	8.5%	8.0%
Total segment assets	\$ 83.5	\$ 81.9	\$ 82.3	\$ 79.0	\$ 76.1
Segment capital (A)	\$ 4.9	\$ 4.5	\$ 4.5	\$ 4.5	\$ 4.5
Return on segment capital (B)	25.0%	37.9%	40.2%	50.5%	49.9%
Return on tangible segment capital (B)	26.1%	39.4%	41.8%	52.5%	51.9%
Cardmember receivables:					
Total receivables	\$ 19.8	\$ 19.2	\$ 21.4	\$ 19.4	\$ 19.8
90 days past due as a % of total	4.1%	4.6%	3.9%	3.9%	3.6%
Net loss ratio as a % of charge volume	0.44%	0.35%	0.35%	0.34%	0.30%
Cardmember lending - owned basis (C):					
Total loans	\$ 37.9	\$ 38.1	\$ 43.3	\$ 40.0	\$ 38.3
30 days past due loans as a % of total	4.1%	4.1%	3.5%	3.1%	2.7%
Average loans	\$ 38.0	\$ 39.6	\$ 40.9	\$ 38.6	\$ 35.9
Net write-off rate	7.1%	5.5%	4.3%	3.7%	3.7%
Net finance revenue(D)/average loans	8.3%	8.7%	8.4%	8.5%	9.1%
Cardmember lending - managed basis (E):					
Total loans	\$ 64.7	\$ 63.7	\$ 66.0	\$ 61.5	\$ 58.6
30 days past due loans as a % of total	3.7%	3.7%	3.2%	2.9%	2.6%
Average loans	\$ 64.2	\$ 64.6	\$ 63.2	\$ 60.0	\$ 56.3
Net write-off rate	6.5%	5.3%	4.3%	3.7%	3.7%
Net finance revenue(D)/average loans	8.9%	9.6%	8.8%	8.9%	9.0%

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$175 million and \$22 million as of June 30, 2008, \$175 million and \$26 million as of March 31, 2008, \$175 million and none as of December 31, 2007, and \$168 million and none as of September 30, 2007 and June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(C) "Owned," a GAAP basis measurement, reflects only cardmember loans included in the Company's Consolidated Balance Sheets.

(D) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(E) Includes on-balance sheet cardmember loans and off-balance sheet securitized cardmember loans. The difference between the "owned basis" (GAAP) information and "managed basis" information is attributable to the effects of securitization activities. Refer to the information set forth under U.S. Card Services Selected Financial Information on page 20 for further discussion of the managed basis presentation.

(Preliminary)

International Card Services
Selected Income Statement Data

(Millions)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Revenues			
Discount revenue, net card fees and other	\$ 1,043	\$ 900	16 %
Cardmember lending finance revenue	433	333	30
Total revenues	<u>1,476</u>	<u>1,233</u>	20
Interest expense			
Cardmember lending	158	120	32
Charge card and other	62	64	(3)
Revenues net of interest expense	<u>1,256</u>	<u>1,049</u>	20
Expenses			
Marketing, promotion, rewards and cardmember services	404	293	38
Human resources and other operating expenses	537	453	19
Total	<u>941</u>	<u>746</u>	26
Provisions for losses	242	211	15
Pretax segment income	73	92	(21)
Income tax benefit	(42)	(25)	68
Segment income	<u>\$ 115</u>	<u>\$ 117</u>	(2)

- Denotes variance of more than 100%.

(Preliminary)

International Card Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Card billed business	\$ 28.3	\$ 23.6	20 %
Total cards-in-force (millions)	16.3	15.7	4 %
Basic cards-in-force (millions)	11.5	11.2	3 %
Average basic cardmember spending (dollars)	\$ 2,476	\$ 2,123	17 %
International Consumer Travel:			
Travel sales (millions)	\$ 369	\$ 279	32 %
Travel commissions and fees/sales	8.1%	8.6%	
Total segment assets	\$ 22.7	\$ 19.7	15 %
Segment capital (millions) (A)	\$ 2,179	\$ 1,892	15 %
Return on segment capital (B)	15.8%	22.8%	
Return on tangible segment capital (B)	21.5%	32.2%	
Cardmember receivables:			
Total receivables	\$ 6.6	\$ 5.9	12 %
90 days past due as a % of total	2.4%	2.0%	
Net loss ratio as a % of charge volume	0.22%	0.28%	
Cardmember lending:			
Total loans	\$ 11.8	\$ 10.0	18 %
30 days past due loans as a % of total	3.1%	2.9%	
Average loans	\$ 11.6	\$ 9.7	20 %
Net write-off rate	5.2%	6.0%	
Net finance revenue(C)/average loans	9.5%	8.9%	

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$519 million and \$25 million as of the quarter ended June 30, 2008, and \$519 million and \$19 million as of the quarter ended June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(C) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(Preliminary)

International Card Services
Selected Income Statement Data

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues					
Discount revenue, net card fees and other	\$ 1,043	\$ 992	\$ 1,022	\$ 953	\$ 900
Cardmember lending finance revenue	433	415	376	353	333
Total revenues	<u>1,476</u>	<u>1,407</u>	<u>1,398</u>	<u>1,306</u>	<u>1,233</u>
Interest expense					
Cardmember lending	158	147	138	126	120
Charge card and other	62	65	71	66	64
Revenues net of interest expense	<u>1,256</u>	<u>1,195</u>	<u>1,189</u>	<u>1,114</u>	<u>1,049</u>
Expenses					
Marketing, promotion, rewards and cardmember services	404	358	638	354	293
Human resources and other operating expenses	537	491	512	453	453
Total	<u>941</u>	<u>849</u>	<u>1,150</u>	<u>807</u>	<u>746</u>
Provisions for losses	242	229	220	197	211
Pretax segment income (loss)	73	117	(181)	110	92
Income tax benefit	(42)	(16)	(113)	(30)	(25)
Segment income (loss)	<u>\$ 115</u>	<u>\$ 133</u>	<u>\$ (68)</u>	<u>\$ 140</u>	<u>\$ 117</u>

(Preliminary)

International Card Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Card billed business	\$ 28.3	\$ 26.1	\$ 28.2	\$ 24.7	\$ 23.6
Total cards-in-force (millions)	16.3	16.1	16.0	15.8	15.7
Basic cards-in-force (millions)	11.5	11.4	11.3	11.2	11.2
Average basic cardmember spending (dollars)	\$ 2,476	\$ 2,309	\$ 2,515	\$ 2,209	\$ 2,123
International Consumer Travel:					
Travel sales	\$ 0.4	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3
Travel commissions and fees/sales	8.1%	8.4%	8.7%	8.8%	8.6%
Total segment assets	\$ 22.7	\$ 21.3	\$ 21.4	\$ 20.8	\$ 19.7
Segment capital (A)	\$ 2.2	\$ 2.0	\$ 2.1	\$ 2.0	\$ 1.9
Return on segment capital (B)	15.8%	16.4%	15.3%	24.4%	22.8%
Return on tangible segment capital (B)	21.5%	22.6%	21.4%	34.3%	32.2%
Cardmember receivables:					
Total receivables (C)	\$ 6.6	\$ 6.3	\$ 6.6	\$ 6.1	\$ 5.9
90 days past due as a % of total	2.4%	2.2%	1.8%	1.8%	2.0%
Net loss ratio as a % of charge volume	0.22%	0.21%	0.21%	0.26%	0.28%
Cardmember lending:					
Total loans (C)	\$ 11.8	\$ 11.4	\$ 11.2	\$ 10.5	\$ 10.0
30 days past due loans as a % of total	3.1%	3.0%	2.8%	2.7%	2.9%
Average loans	\$ 11.6	\$ 11.2	\$ 10.8	\$ 10.2	\$ 9.7
Net write-off rate	5.2%	5.1%	5.1%	5.5%	6.0%
Net finance revenue(D)/average loans	9.5%	9.6%	8.7%	8.9%	8.9%

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$519 million and \$25 million as of June 30, 2008, \$519 million and \$16 million as of March 31, 2008, \$519 million and \$17 million as of December 31, 2007, \$520 million and \$19 million as of September 30, 2007, and \$519 million and \$19 million as of June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(C) The March 31, 2008 balance reflect a reclassification of \$393 million from cardmember receivables to cardmember lending for charge card products with lending features.

(D) Net finance revenue, which represents cardmember lending finance revenue less cardmember lending interest expense, is computed on an annualized basis.

(Preliminary)

Global Commercial Services
Selected Income Statement Data

(Millions)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Revenues			
Discount revenue, net card fees and other	\$ 1,425	\$ 1,210	18 %
Interest expense			
Charge card and other	117	127	(8)
Revenues net of interest expense	1,308	1,083	21
Expenses			
Marketing, promotion, rewards and cardmember services	99	83	19
Human resources and other operating expenses	843	746	13
Total	942	829	14
Provisions for losses	40	36	11
Pretax segment income	326	218	50
Income tax provision	99	56	77
Segment income	\$ 227	\$ 162	40

- Denotes variance of more than 100%.

(Preliminary)

Global Commercial Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Card billed business	\$ 35.4	\$ 31.0	14 %
Total cards-in-force (millions)	7.0	6.8	3 %
Basic cards-in-force (millions)	7.0	6.8	3 %
Average basic cardmember spending (dollars)	\$ 5,083	\$ 4,583	11 %
Global Corporate Travel:			
Travel sales	\$ 6.2	\$ 5.3	17 %
Travel commissions and fees/sales	7.5%	7.5%	
Total segment assets	\$ 25.8	\$ 21.7	19 %
Segment capital (millions) (A)	\$ 3,280	\$ 2,085	57 %
Return on segment capital (B)	23.6%	25.3%	
Return on tangible segment capital (B)	46.7%	42.2%	
Cardmember receivables:			
Total receivables	\$ 13.4	\$ 12.2	10 %
90 days past due as a % of total	1.6%	1.6%	
Net loss ratio as a % of charge volume	0.10%	0.10%	

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$1.6 billion and \$345 million as of the quarter ended June 30, 2008, and \$745 million and \$120 million as of the quarter ended June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(Preliminary)

Global Commercial Services
Selected Income Statement Data

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues					
Discount revenue, net card fees and other	\$ 1,425	\$ 1,250	\$ 1,259	\$ 1,180	\$ 1,210
Interest expense					
Charge card and other	117	106	131	116	127
Revenues net of interest expense	<u>1,308</u>	<u>1,144</u>	<u>1,128</u>	<u>1,064</u>	<u>1,083</u>
Expenses					
Marketing, promotion, rewards and cardmember services	99	86	135	86	83
Human resources and other operating expenses	843	778	794	749	746
Total	<u>942</u>	<u>864</u>	<u>929</u>	<u>835</u>	<u>829</u>
Provisions for losses	40	62	55	42	36
Pretax segment income	326	218	144	187	218
Income tax provision	99	67	34	52	56
Segment income	<u>\$ 227</u>	<u>\$ 151</u>	<u>\$ 110</u>	<u>\$ 135</u>	<u>\$ 162</u>

(Preliminary)

Global Commercial Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Card billed business	\$ 35.4	\$ 32.8	\$ 32.2	\$ 29.9	\$ 31.0
Total cards-in-force (millions)	7.0	6.9	6.8	6.8	6.8
Basic cards-in-force (millions)	7.0	6.9	6.8	6.8	6.8
Average basic cardmember spending (dollars)	\$ 5,083	\$ 4,770	\$ 4,695	\$ 4,389	\$ 4,583
Global Corporate Travel:					
Travel sales	\$ 6.2	\$ 5.4	\$ 5.5	\$ 4.9	\$ 5.3
Travel commissions and fees/sales	7.5%	7.4%	7.8%	8.0%	7.5%
Total segment assets	\$ 25.8	\$ 28.4	\$ 21.1	\$ 21.8	\$ 21.7
Segment capital (A)	\$ 3.3	\$ 3.4	\$ 2.2	\$ 2.2	\$ 2.1
Return on segment capital (B)	23.6%	23.2%	25.3%	26.2%	25.3%
Return on tangible segment capital (B)	46.7%	42.4%	43.3%	44.3%	42.2%
Cardmember receivables:					
Total receivables	\$ 13.4	\$ 12.8	\$ 11.4	\$ 12.5	\$ 12.2
90 days past due as a % of total	1.6%	1.7%	2.1%	1.6%	1.6%
Net loss ratio as a % of charge volume	0.10%	0.12%	0.12%	0.11%	0.10%

(A) Segment capital includes an allocation attributable to goodwill and other intangibles of \$1.6 billion and \$345 million as of June 30, 2008, \$1.6 billion and \$344 million as of March 31, 2008, \$771 million and \$139 million as of December 31, 2007, \$767 million and \$129 million as of September 30, 2007, and \$745 million and \$120 million as of June 30, 2007, respectively.

(B) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(Preliminary)

Global Network & Merchant Services
Selected Income Statement Data

(Millions)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	2008	2007	
Revenues			
Discount revenue, fees and other	\$ 1,026	\$ 887	16 %
Interest expense			
Cardmember lending	(25)	(31)	(19)
Other	(32)	(48)	(33)
Revenues net of interest expense	1,083	966	12
Expenses			
Marketing and promotion	149	150	(1)
Human resources and other operating expenses	422	389	8
Total	571	539	6
Provisions for losses	57	9	#
Pretax segment income	455	418	9
Income tax provision	156	152	3
Segment income	\$ 299	\$ 266	12

- Denotes a variance of more than 100%.

(Preliminary)

Global Network & Merchant Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended		Percentage Inc/(Dec)
	June 30,		
	<u>2008</u>	<u>2007</u>	
Global Card billed business (A)	\$ 180.9	\$ 161.1	12 %
Global Network & Merchant Services:			
Total segment assets	\$ 7.2	\$ 4.3	67 %
Segment capital (millions) (B)	\$ 1,378	\$ 1,071	29 %
Return on segment capital (C)	88.1%	78.0%	
Return on tangible segment capital (C)	90.7%	81.2%	
Global Network Services:			
Card billed business	\$ 17.5	\$ 12.3	42 %
Total cards-in-force (millions)	22.6	17.6	28 %

(A) Global Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements, and certain insurance fees charged on proprietary cards.

(B) Segment capital includes an allocation attributable to goodwill and other intangibles of \$28 million and \$11 million as of the quarter ended June 30, 2008, and \$27 million and \$5 million as of the quarter ended June 30, 2007, respectively.

(C) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(Preliminary)

Global Network & Merchant Services
Selected Income Statement Data

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues					
Discount revenue, fees and other	\$ 1,026	\$ 942	\$ 961	\$ 902	\$ 887
Interest expense					
Cardmember lending	(25)	(26)	(34)	(33)	(31)
Other	(32)	(35)	(46)	(45)	(48)
Revenues net of interest expense	<u>1,083</u>	<u>1,003</u>	<u>1,041</u>	<u>980</u>	<u>966</u>
Expenses					
Marketing and promotion	149	136	165	151	150
Human resources and other operating expenses	422	495	466	417	389
Total	<u>571</u>	<u>631</u>	<u>631</u>	<u>568</u>	<u>539</u>
Provisions for losses	57	37	31	23	9
Pretax segment income	455	335	379	389	418
Income tax provision	156	112	125	123	152
Segment income	<u>\$ 299</u>	<u>\$ 223</u>	<u>\$ 254</u>	<u>\$ 266</u>	<u>\$ 266</u>

(Preliminary)

Global Network & Merchant Services
Selected Statistical Information

(Billions, except percentages and where indicated)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Global Card billed business (A)	\$ 180.9	\$ 166.4	\$ 177.5	\$ 162.5	\$ 161.1
Global Network & Merchant Services:					
Total segment assets	\$ 7.2	\$ 6.8	\$ 6.5	\$ 4.6	\$ 4.3
Segment capital (B)	\$ 1.4	\$ 1.2	\$ 1.2	\$ 1.1	\$ 1.1
Return on segment capital (C)	88.1%	91.3%	90.7%	84.7%	78.0%
Return on tangible segment capital (C)	90.7%	94.2%	93.4%	87.5%	81.2%
Global Network Services:					
Card billed business	\$ 17.5	\$ 15.7	\$ 16.0	\$ 14.1	\$ 12.3
Total cards-in-force (millions)	22.6	21.2	20.3	19.2	17.6

(A) Global Card billed business includes activities (including cash advances) related to proprietary cards, cards issued under network partnership agreements, and certain insurance fees charged on proprietary cards.

(B) Segment capital includes an allocation attributable to goodwill and other intangibles of \$28 million and \$11 million as of June 30, 2008, \$27 million and \$10 million as of March 31, 2008, \$27 million and \$4 million as of December 31, 2007, \$27 million and \$5 million as of September 30, 2007, and \$27 million and \$5 million as of June 30, 2007, respectively.

(C) Computed on a trailing 12-month basis using segment income and equity capital allocated to segments based upon specific business operational needs, risk measures, and regulatory capital requirements. Return on tangible segment capital excludes goodwill and other intangibles. The Company believes tangible segment capital is a more meaningful measure because it reflects the tangible segment capital deployed in the Company. Refer to page 37 for a reconciliation of segment capital to tangible segment capital.

(Preliminary)

American Express Company
Reconciliation of Shareholders' Equity to Tangible Shareholders' Equity and
Segment Capital to Tangible Segment Capital

(Millions)

	Quarters Ended				
	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
<u>Consolidated</u>					
Shareholders' equity	\$ 12,269	\$ 11,511	\$ 11,029	\$ 10,898	\$ 10,635
Goodwill	2,313	2,315	1,508	1,504	1,475
Intangibles	447	441	204	153	144
Tangible shareholders' equity	<u>\$ 9,509</u>	<u>\$ 8,755</u>	<u>\$ 9,317</u>	<u>\$ 9,241</u>	<u>\$ 9,016</u>
<u>USCS</u>					
Segment capital	\$ 4,850	\$ 4,517	\$ 4,454	\$ 4,468	\$ 4,547
Goodwill	175	175	175	168	168
Intangibles	22	26	-	-	-
Tangible segment capital	<u>\$ 4,653</u>	<u>\$ 4,316</u>	<u>\$ 4,279</u>	<u>\$ 4,300</u>	<u>\$ 4,379</u>
<u>ICS</u>					
Segment capital	\$ 2,179	\$ 2,041	\$ 2,062	\$ 1,983	\$ 1,892
Goodwill	519	519	519	520	519
Intangibles	25	16	17	19	19
Tangible segment capital	<u>\$ 1,635</u>	<u>\$ 1,506</u>	<u>\$ 1,526</u>	<u>\$ 1,444</u>	<u>\$ 1,354</u>
<u>GCS</u>					
Segment capital	\$ 3,280	\$ 3,352	\$ 2,239	\$ 2,230	\$ 2,085
Goodwill	1,576	1,578	771	767	745
Intangibles	345	344	139	129	120
Tangible segment capital	<u>\$ 1,359</u>	<u>\$ 1,430</u>	<u>\$ 1,329</u>	<u>\$ 1,334</u>	<u>\$ 1,220</u>
<u>GNMS</u>					
Segment capital	\$ 1,378	\$ 1,167	\$ 1,170	\$ 1,125	\$ 1,071
Goodwill	28	27	27	27	27
Intangibles	11	10	4	5	5
Tangible segment capital	<u>\$ 1,339</u>	<u>\$ 1,130</u>	<u>\$ 1,139</u>	<u>\$ 1,093</u>	<u>\$ 1,039</u>