



1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	© VALUE LINE PUB., INC.	10-12
18.19	18.72	9.64	9.60	10.93	11.45	12.69	14.16	15.87	17.85	16.97	18.24	20.14	23.31	19.55	22.63	23.95	24.90	Revenues per sh ^A	33.05
1.26	.88	1.05	1.16	1.32	1.53	1.56	1.47	1.86	2.42	2.19	2.78	2.86	3.42	2.81	3.44	3.90	4.40	Travel Service Inc. p sh	6.05
.70	.44	.77	.89	1.04	1.30	1.38	1.59	1.81	2.07	1.28	2.01	2.31	2.74	2.30	2.82	3.29	3.45	Earnings per sh ^B	4.90
.31	.33	.33	.30	.30	.30	.30	.30	.30	.32	.32	.32	.36	.42	.48	.54	.60	.72	Div'ds Decl'd per sh ^C	1.05
.46	.40	.19	.22	.24	.31	.25	.29	.55	.69	.65	.51	.80	.59	.49	.72	.85	1.00	Investm. Serv. Inc. psh ^G	1.45
4.81	4.86	5.60	3.99	5.53	6.01	6.84	7.18	7.53	8.81	9.04	10.62	11.93	12.83	8.50	8.77	9.50	10.15	Book Value per sh	12.40
1416.5	1439.9	1469.5	1487.6	1449.3	1418.7	1399.2	1351.5	1340.7	1326.0	1331.0	1305.0	1284.0	1249.0	1241.0	1199.0	1158.0	1128.0	Common Shs Outst'g ^D	1090.0
11.2	17.2	13.0	10.9	12.0	12.0	17.8	20.2	24.1	25.8	30.2	18.3	18.0	18.9	23.1	19.3	17.9		Avg Ann'l P/E Ratio	15.5
.72	1.04	.77	.71	.80	.75	1.03	1.05	1.37	1.68	1.55	1.00	1.03	1.00	1.23	1.04	.94		Relative P/E Ratio	1.05
4.0%	4.4%	3.3%	3.1%	2.4%	1.9%	1.2%	.9%	.7%	.6%	.8%	.9%	.9%	.9%	.8%	1.0%	1.0%		Avg Ann'l Div'd Yield	1.4%

CAPITAL STRUCTURE as of 9/30/07				1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Revenues per (\$mill) ^A	36000
ST Debt \$15442 mill.	Due in 5 Yrs \$38000 mill.	LT Debt \$54060 mill.	LT Interest \$3000 mill.	17760	19132	21278	23675	22582	23807	25866	29115	24267	27136	27731	28100	Revenues per (\$mill) ^A	36000
(LT interest earned: 5.1x; total interest coverage: 5.0x)				42.7	42.7	46.0	51.7	55.2	57.3	60.5	65.4	71.0	78.0	86.5	93.0	Cards In Force (\$mill)	115
(83% of Cap'l)				5.9	6.0	6.2	6.4	6.4	6.5	6.6	7.0	7.1	7.0	7.0	7.0	Avg. Travellers Checks ^I	9.0
Pension Assets-12/06 \$2398 mill.	Oblig. \$2666 mill.			1991.0	2201.0	2475.0	2810.0	1722.0	2671.0	3000.0	3516.0	2891.0	3482.0	3945.0	4030	Net Profit (\$mill)	5350
				27.6%	27.4%	28.0%	28.1%	17.9%	28.3%	29.4%	29.0%	29.0%	30.0%	29.5%	30.0%	Income Tax Rate	34.0%
				11.2%	11.5%	11.6%	11.9%	7.6%	11.2%	11.6%	12.1%	11.9%	12.8%	14.2%	14.3%	Net Profit Margin	15.0%
				120003	126933	148517	154423	151100	157253	175001	192638	113960	127853	150000	164000	Total Assets	210000
				7873.0	7019.0	5995.0	4711.0	7788.0	16308	20654	33061	30781	42747	55000	66000	Long-Term Debt (\$mill)	90000
				9574.0	9698.0	10095	11684	12037	13861	15323	16020	10549	10511	11000	11450	Shr. Equity (\$mill)	13500
				13.0%	14.0%	16.4%	19.0%	11.2%	9.8%	9.3%	8.0%	8.1%	7.7%	8.5%	8.0%	Return on Total Cap'l	8.0%
				20.8%	22.7%	24.5%	24.1%	14.3%	19.3%	19.6%	21.9%	27.4%	33.1%	36.0%	35.0%	Return on Shr. Equity	39.5%
				16.4%	18.4%	20.5%	20.4%	10.8%	16.2%	16.5%	18.6%	21.7%	26.8%	29.5%	28.0%	Retained to Com Eq	31.0%
				21%	19%	16%	15%	25%	16%	16%	15%	21%	19%	18%	20%	All Div'ds to Net Prof	21%

FINANCIAL POSITION 2005 2006 9/30/07 (\$MILL.)

Cash Assets	7126	7956	8410
Invest. Sec's	21334	20990	16485
Receivables	35497	38851	40230
Other	50003	60056	75802
Total Assets	113960	127853	140927
Deposits	24579	24656	9036
Accounts Payable	7503	8764	10308
Other	71329	83922	110685
Total Liab.	103411	117342	130029

BUSINESS: American Express Company is a leading global payments, network, and travel firm established in 1850. Its business segments are: Global Consumer Group, Global Business-to-Business Group, International Card Services, and Global Commercial Services. Divested AMEX Life, 10/95; Spun off Lehman Brothers to shareholders, 5/94; American Express Financial Advisors, 9/05. Has around 65,400 employees. Officers and directors hold 1.1% of common stock; Berkshire Hathaway, 12.8%; Davis Selected Advisers, 6.5% (3/07 Proxy). Chairman and Chief Executive Officer: Kenneth I. Chenault. Incorporated: New York. Address: 200 Vesey Street, New York, New York 10285. Telephone: 212-640-2000. Internet: www.americanexpress.com.

AMERICAN EXPRESS MAY HAVE A DIFFICULT TIME MAKING HEADWAY ON THE EARNINGS FRONT THIS YEAR. That's largely because of a weakening domestic economy (reflecting rising unemployment and the housing slump), which is causing cardmember spending levels to slow and write-offs and delinquency rates to rise. To help counteract this, management has implemented cost-containment initiatives. Still, we believe that earnings per share will advance only in the mid-single-digit range in 2008. But assuming an improvement in business conditions, the bottom line stands to increase at a stronger 13% rate next year.

THE TOUGH OPERATING ENVIRONMENT PROMPTED THE COMPANY TO BOOST THE RESERVE FOR CREDIT LOSSES DURING LAST YEAR'S FOURTH QUARTER. This resulted in an after-tax charge of \$274 million (or \$0.23 a share), included in our figures. That amount seems adequate.

THE COMPANY RECEIVED HALF OF THE \$2.3 BILLION PRE-TAX (OR \$0.59 A SHARE AFTER TAX) OWED TO IT FROM VISA, UNDER A SETTLEMENT AGREEMENT, IN THE FINAL QUARTER OF 2007. In return, Amex dropped Visa as a defendant in a lawsuit it filed in 2004, alleging that Visa, MasterCard, and their member banks (including Provident and Capital One) illegally blocked American Express from the bank-issued card business in the U.S. Normally, we exclude those amounts from our presentation because of their one-time nature. But we have not done so in this case because the balance of the settlement is expected to be paid in installments of up to \$70 million per quarter (pre-tax) over the next four years.

Cal-endar	QUARTERLY REVENUES (\$ mill.) ^{A, H}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2004	6910	7232	7202	7771	29115
2005	5672	6090	6068	6437	24267
2006	6319	6850	6759	7208	27136
2007	6484	6938	6945	7364	27731
2008	6650	7000	7000	7450	28100

Cal-endar	EARNINGS PER SHARE ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2004	.66	.68	.69	.71	2.74
2005	.58	.56	.61	.55	2.30
2006	.67	.67	.76	.72	2.82
2007	.86	.81	.87	.75	3.29
2008	.83	.85	.88	.89	3.45

Cal-endar	QUARTERLY DIVIDENDS PAID ^{C, M}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2004	.10	.10	.10	.12	.42
2005	.12	.12	.12	.12	.48
2006	.12	.12	.15	.15	.54
2007	.15	.15	.15	.15	.60
2008	.18				

Company's Financial Strength A+
Stock's Price Stability 90
Price Growth Persistence 45
Earnings Predictability 70