

AMERICAN EXPRESS CO
Form 10-Q
May 09, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

**x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2007

or

**o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from to

Commission file number 1-7657

AMERICAN EXPRESS COMPANY

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

13-4922250
(I.R.S. Employer Identification No.)

World Financial Center, 200 Vesey Street, New York, NY
(Address of principal executive offices)

10285
(Zip Code)

Registrant's telephone number, including area code **(212) 640-2000**

None

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Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act). (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 24, 2007
Common Shares (par value \$.20 per share)	1,188,614,630 shares

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AMERICAN EXPRESS COMPANY

CONSOLIDATED STATEMENTS OF INCOME

(Millions, except per share amounts)

(Unaudited)

	Three Months Ended	
	2007	2006
March 31,		
Revenues		
Discount revenue	\$ 3,355	\$ 2,969
Net card fees	484	520
Travel commissions and fees	437	418
Other commissions and fees	622	639
Securitization income, net	457	386
Other	415	396
Total	5,770	5,328
Interest income:		
Cardmember lending finance revenue	1,368	947
International banking	264	257
Other	229	188
Total	1,861	1,392
Total revenues	7,631	6,720
Interest expense:		
Cardmember lending	385	246
International banking	126	88
Charge card and other	452	333
Total	963	667
Revenues net of interest expense	6,668	6,053
Expenses		
Marketing, promotion, rewards and cardmember services	1,464	1,522
Human resources	1,280	1,240
Professional services	629	561
Occupancy and equipment	370	346
Communications	116	113
Other	349	278
Total	4,208	4,060
Provisions for losses and benefits:		
Charge card	209	209
Cardmember lending	574	321
International banking and other (including investment certificates)	83	138
Total	866	668
Pretax income from continuing operations	1,594	1,325
Income tax provision	529	449
Income from continuing operations	1,065	876
Loss from discontinued operations, net of tax	(8)	(3)
Net income	\$ 1,057	