

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

American Express Company

Three Years Ended December 31, 2002 (Millions)	Total	Common Shares	Capital Surplus	Accumulated Other Comprehensive Income/(Loss)	Retained Earnings
Balances at December 31, 1999	\$ 10,095	\$ 268	\$ 5,196	\$ (402)	\$ 5,033
Comprehensive income:					
Net income	2,810				2,810
Change in net unrealized securities gains	151			151	
Foreign currency translation adjustments	33			33	
Total comprehensive income	2,994				
Repurchase of common shares	(1,327)	(5)	(228)		(1,094)
Other changes, primarily employee plans	348	2	471		(125)
Cash dividends declared:					
Common, \$0.32 per share	(426)				(426)
Balances at December 31, 2000	11,684	265	5,439	(218)	6,198
Comprehensive income:					
Net income	1,311				1,311
Change in net unrealized securities gains	479			479	
Cumulative effect of adopting SFAS No. 133	(120)			(120)	
Change in net unrealized derivatives losses	(605)			(605)	
Derivatives losses reclassified to earnings	429			429	
Foreign currency translation adjustments	(39)			(39)	
Minimum pension liability adjustment	(103)			(103)	
Total comprehensive income	1,352				
Repurchase of common shares	(626)	(2)	(53)		(571)
Other changes, primarily employee plans	51	3	141		(93)
Cash dividends declared:					
Common, \$0.32 per share	(424)				(424)
Balances at December 31, 2001	12,037	266	5,527	(177)	6,421
Comprehensive income:					
Net income	2,671				2,671
Change in net unrealized securities gains	770			770	
Change in net unrealized derivatives losses	(614)			(614)	
Derivatives losses reclassified to earnings	372			372	
Foreign currency translation adjustments	(86)			(86)	
Minimum pension liability adjustment	54			54	
Total comprehensive income	3,167				
Repurchase of common shares	(1,153)	(7)	(139)		(1,007)
Other changes, primarily employee plans	235	2	287		(54)
Cash dividends declared:					
Common, \$0.32 per share	(425)				(425)
Balances at December 31, 2002	\$ 13,861	\$ 261	\$ 5,675	\$ 319	\$ 7,606

See Notes to Consolidated Financial Statements.