

TRAVEL RELATED SERVICES

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

STATEMENTS OF INCOME

(Managed Basis)

(millions)

Net Revenues:		<u>2001</u>		<u>2000</u>		<u>1999</u>		<u>1998</u>		<u>1997</u>
Discount Revenue	\$	7,714	\$	7,779	\$	6,741	\$	6,115	\$	5,666
Net Card Fees		1,691		1,653		1,604		1,584		1,609
Lending:										
Finance Charge Revenue		4,622		3,977		2,884		2,470		2,105
Interest Expense		<u>1,484</u>		<u>1,594</u>		<u>955</u>		<u>810</u>		<u>694</u>
Net Finance Charge Revenue		3,138		2,383		1,929		1,660		1,411
Travel Commissions and Fees		1,537		1,821		1,802		1,647		1,489
Travelers Cheque Investment Income		394		387		345		330		331
Other Revenues:										
Other Commissions and Assessments		2,014		1,800		1,485		1,339		1,252
Interest & Dividends		249		351		281		233		221
Insurance Premiums		192		150		138		131		123
Publishing		204		207		192		181		155
All Other		<u>969</u>		<u>910</u>		<u>717</u>		<u>304</u>		<u>373</u>
Total		<u>3,628</u>		<u>3,418</u>		<u>2,813</u>		<u>2,188</u>		<u>2,124</u>
Total Net Revenues		<u>18,102</u>		<u>17,441</u>		<u>15,234</u>		<u>13,524</u>		<u>12,630</u>
Expenses:										
Marketing and Promotion		1,145		1,348		1,247		1,130		1,025
Provision for Losses and Claims:										
Charge Card		1,231		1,157		995		994		1,105
Lending		2,243		1,486		1,186		1,093		937
Other		<u>164</u>		<u>105</u>		<u>85</u>		<u>90</u>		<u>88</u>
Total		3,638		2,748		2,266		2,177		2,130
Charge Card Interest Expense		1,476		1,408		1,055		1,040		973
Human Resources		3,992		4,126		3,931		3,610		3,154
Other Operating Expenses:										
Occupancy and Equipment		1,225		1,188		1,011		904		828
Professional Fees		1,374		1,254		1,048		860		747
Taxes Other Than Income		146		125		118		112		110
Other		<u>2,634</u>		<u>2,531</u>		<u>2,175</u>		<u>1,621</u>		<u>1,758</u>
Total		<u>5,379</u>		<u>5,098</u>		<u>4,352</u>		<u>3,497</u>		<u>3,443</u>
Restructuring Charges		414		-		-		-		-
Disaster Recovery Charge*		<u>79</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>
Total Expenses		<u>16,123</u>		<u>14,728</u>		<u>12,851</u>		<u>11,454</u>		<u>10,725</u>
Pretax Income		1,979		2,713		2,383		2,070		1,905
Income Tax Provision		<u>520</u>		<u>784</u>		<u>691</u>		<u>579</u>		<u>551</u>
Net Income	\$	<u>1,459</u>	\$	<u>1,929</u>	\$	<u>1,692</u>	\$	<u>1,491</u>	\$	<u>1,354</u>

*Excludes approximately \$8 million of waived finance charges and late fees recognized in the third quarter of 2001.

TRAVEL RELATED SERVICES

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

STATEMENTS OF INCOME

(GAAP Reporting Basis)

(millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Net Revenues:					
Discount Revenue	\$ 7,714	\$ 7,779	\$ 6,741	\$ 6,115	\$ 5,666
Net Card Fees	1,675	1,651	1,599	1,587	1,604
Lending:					
Finance Charge Revenue	1,865	2,026	2,007	2,007	1,848
Interest Expense	953	1,039	674	653	604
Net Finance Charge Revenue	912	987	1,333	1,354	1,244
Travel Commissions and Fees	1,537	1,821	1,802	1,647	1,489
Travelers Cheque Investment Income	394	387	345	330	331
Other Revenues:					
Other Commissions and Assessments	2,358	2,155	1,767	1,531	1,423
Interest & Dividends	315	416	298	251	230
Insurance Premiums	192	150	138	131	123
Publishing	204	207	192	181	155
All Other	2,058	1,567	915	403	402
Total	5,127	4,495	3,310	2,497	2,333
Total Net Revenues	<u>17,359</u>	<u>17,120</u>	<u>15,130</u>	<u>13,530</u>	<u>12,667</u>
Expenses:					
Marketing and Promotion	1,237	1,434	1,338	1,166	1,062
Provision for Losses and Claims:					
Charge Card	1,195	1,006	865	701	858
Lending	1,318	891	799	922	817
Other	164	105	85	90	88
Total	2,677	2,002	1,749	1,713	1,763
Charge Card Interest Expense	1,443	1,202	835	809	743
Net Discount Expense	96	489	479	665	597
Human Resources	3,992	4,126	3,931	3,610	3,154
Other Operating Expenses:					
Occupancy and Equipment	1,225	1,188	1,011	904	828
Professional Fees	1,374	1,254	1,048	860	747
Taxes Other Than Income	146	125	118	112	110
Other	2,697	2,587	2,238	1,621	1,758
Total	5,442	5,154	4,415	3,497	3,443
Restructuring Charges	414	-	-	-	-
Disaster Recovery Charge*	79	-	-	-	-
Total Expenses	<u>15,380</u>	<u>14,407</u>	<u>12,747</u>	<u>11,460</u>	<u>10,762</u>
Pretax Income	1,979	2,713	2,383	2,070	1,905
Income Tax Provision	520	784	691	579	551
Net Income	<u>\$ 1,459</u>	<u>\$ 1,929</u>	<u>\$ 1,692</u>	<u>\$ 1,491</u>	<u>\$ 1,354</u>

*Excludes approximately \$8 million of waived finance charges and late fees recognized in the third quarter of 2001.

TRAVEL RELATED SERVICES

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

SELECTED FINANCIAL STATISTICS AND DATA

(Amounts in billions, except percentages and where indicated)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Total Cards in Force (millions):					
United States	34.6	33.3	29.9	27.8	29.6
Outside the United States	<u>20.6</u>	<u>18.4</u>	<u>16.1</u>	<u>14.9</u>	<u>13.1</u>
Total	<u>55.2</u>	<u>51.7</u>	<u>46.0</u>	<u>42.7</u>	<u>42.7</u>
<i>Percent increase in total Cards in Force</i>	6.8%	12.2%	7.8%	0.1%	2.9%
Basic Cards in Force (millions):					
United States	26.8	26.3	23.4	21.7	23.3
Outside the United States	<u>15.6</u>	<u>13.9</u>	<u>12.3</u>	<u>11.5</u>	<u>10.0</u>
Total	<u>42.4</u>	<u>40.2</u>	<u>35.7</u>	<u>33.2</u>	<u>33.3</u>
<i>Percent increase(decrease) in total Basic Cards in Force</i>	5.7%	12.4%	7.7%	(0.2%)	3.7%
Card Billed Business:					
United States	\$ 224.5	\$ 221.7	\$ 186.4	\$ 165.6	\$ 150.5
Outside the United States	<u>73.5</u>	<u>75.0</u>	<u>67.7</u>	<u>61.9</u>	<u>58.7</u>
Total	<u>\$ 298.0</u>	<u>\$ 296.7</u>	<u>\$ 254.1</u>	<u>\$ 227.5</u>	<u>\$ 209.2</u>
<i>Percent increase in total Billed Business</i>	0.4%	16.8%	11.7%	8.7%	13.5%
Average Discount Rate (A)	2.67%	2.70%	2.72%	2.73%	2.73%
Average Basic Cardmember Spending (dollars) (A):					
United States	\$8,364	\$8,844	\$8,301	\$7,152	\$6,568
Outside the United States	<u>\$5,939</u>	<u>\$6,682</u>	<u>\$6,465</u>	<u>\$6,229</u>	<u>\$6,233</u>
Total	<u>\$7,666</u>	<u>\$8,229</u>	<u>\$7,758</u>	<u>\$6,885</u>	<u>\$6,473</u>
<i>Percent increase in total Average Basic Cardmember Spending</i>	6.8%	6.1%	12.7%	6.4%	6.6%
Average Fee per Card-Managed (dollars) (A)	\$34	\$36	\$39	\$38	\$39
Non-Amex Brand (B):					
Cards in Force (millions)	0.7	0.6	0.3	0.2	-
Billed Business	<u>\$3.4</u>	<u>\$3.2</u>	<u>\$0.7</u>	<u>\$0.2</u>	-
Worldwide Travel:					
Sales	\$17.2	\$22.6	\$22.5	\$19.9	\$17.4
<i>Percent increase in Sales</i>	(24.1%)	0.6%	13.0%	14.7%	10.2%
Travel Commissions and Fees/Sales (C)	8.9%	8.1%	8.0%	8.3%	8.6%
Travelers Cheque:					
Sales	\$23.5	\$24.6	\$23.3	\$23.6	\$25.0
<i>Percent increase (decrease) in Sales</i>	(4.5%)	5.3%	(1.2%)	(5.4%)	(4.0%)
Average Outstanding	\$6.4	\$6.4	\$6.2	\$6.0	\$5.9
<i>Percent increase (decrease) in Average Outstanding</i>	0.7%	4.7%	2.7%	1.1%	(2.1%)
Tax Equivalent Yield	9.0%	8.9%	8.8%	9.0%	9.2%
Weighted average interest rate during the year on debt of Credco	6.14%	6.04%	5.16%	5.66%	5.66%
Number of TRS employees at year end (actual):					
United States	39,254	42,503	41,851	40,355	34,519
Outside United States	<u>32,660</u>	<u>32,354</u>	<u>32,192</u>	<u>30,535</u>	<u>25,722</u>
Total	<u>71,914</u>	<u>74,857</u>	<u>74,043</u>	<u>70,890</u>	<u>60,241</u>

(A) Computed from proprietary card activities only.

(B) This data relates to Visa and Eurocards issued in connection with joint venture activities

(C) Computed from information provided herein.

TRAVEL RELATED SERVICES

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

SELECTED STATISTICAL INFORMATION

(Managed Basis)

(Amounts in billions, except percentages and where indicated)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Charge Card Receivables:					
Total Receivables	\$26.2	\$29.0	\$27.0	\$24.0	\$23.5
90 Days Past Due as a % of Total	2.9%	2.3%	2.5%	2.7%	3.1%
Loss Reserves (millions)	\$1,032	\$964	\$857	\$897	\$951
% of Receivables	3.9%	3.3%	3.2%	3.7%	4.0%
% of 90 Days Past Due	136%	142%	126%	138%	132%
Net Loss Ratio	0.42%	0.36%	0.41%	0.46%	0.50%
Average life (in days) of Charge Card receivables	40	41	40	40	38
U.S. Cardmember Lending:					
Total Loans	\$32.0	\$28.7	\$23.4	\$16.7	\$14.6
Past Due Loans as a % of Total:					
30-89 Days	2.1%	1.9%	1.8%	2.2%	2.4%
90+ Days	1.2%	0.9%	0.8%	0.9%	1.1%
Loss Reserves (millions):					
Beginning Balance	\$820	\$672	\$619	\$589	\$488
Provision	1,933	1,258	994	961	867
Net Charge-Offs/Other	<u>(1,676)</u>	<u>(1,110)</u>	<u>(941)</u>	<u>(931)</u>	<u>(766)</u>
Ending Balance	<u>\$1,077</u>	<u>\$820</u>	<u>\$672</u>	<u>\$619</u>	<u>\$589</u>
% of Loans	3.4%	2.9%	2.9%	3.7%	4.0%
% of Past Due	101%	104%	110%	120%	116%
Average Loans	\$30.7	\$25.8	\$18.9	\$15.0	\$13.3
Net Write-Off Rate	5.6%	4.4%	5.0%	6.4%	6.0%
Net Interest Yield	8.8%	7.6%	8.6%	9.5%	9.1%
Worldwide Cardmember Loans	\$36.0	\$31.7	\$25.6	\$18.3	\$15.8
Securitized Receivables & Loans:					
Cardmember Receivables	\$3.0	\$2.9	\$3.5	\$4.0	\$3.3
Cardmember Loans	\$14.3	\$11.3	\$7.3	\$3.0	\$2.0

Note: Managed Cardmember receivables and loans include securitized assets not reflected in the Condensed Balance Sheets.

TRAVEL RELATED SERVICES

CONDENSED BALANCE SHEET

(Dollars in millions)

	December 31,				
	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
ASSETS					
Cash & investment securities	\$ 13,222	\$ 16,427	\$ 14,908	\$ 10,284	\$ 8,925
Cardmember & other receivables, net	28,486	29,621	25,622	21,542	20,888
Loans, net	21,037	20,034	17,910	14,947	13,373
Land, buildings, & equipment, net	1,846	1,602	1,356	1,097	990
Other assets	4,793	3,735	3,437	3,294	3,011
Total assets	\$ 69,384	\$ 71,419	\$ 63,233	\$ 51,164	\$ 47,187
LIABILITIES & EQUITY					
Travelers Cheques outstanding	\$ 6,190	\$ 6,127	\$ 6,213	\$ 5,823	\$ 5,634
Customers' deposits	5,010	4,319	3,797	2,056	841
Accounts payable	5,302	7,116	5,971	5,025	3,983
Insurance reserves	192	165	149	141	104
Debt	37,786	40,056	35,686	27,770	26,936
Deferred card fees	832	789	786	770	733
Other liabilities	7,359	6,277	5,087	4,225	3,906
Total liabilities	62,671	64,849	57,689	45,810	42,137
Shareholder's equity	6,713	6,570	5,544	5,354	5,050
Total liabilities & shareholder's equity	\$ 69,384	\$ 71,419	\$ 63,233	\$ 51,164	\$ 47,187
Return on average equity (A)	21.9%	33.0%	31.2%	29.1%	27.9%
Return on average assets (B)	2.1%	3.0%	3.1%	3.1%	3.0%

(A) Excluding the effect on Shareholder's Equity of SFAS No. 115 and SFAS No. 133. TRS adopted SFAS No. 133 on January 1, 2001.

(B) Excluding the effect on Total Assets of SFAS No. 115 and SFAS No. 133 to the extent that they directly affect Shareholder's Equity.