

All information is presented on a GAAP basis unless otherwise indicated

TRAVEL RELATED SERVICES
FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA
STATEMENTS OF INCOME

(millions)

	GAAP Basis					Effect of Securitizations									
						Securitization Effect					Managed Basis				
	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
Net Revenues:															
Discount revenue	\$8,781	\$7,931	\$7,714	\$7,779	\$6,741										
Net card fees	1,835	1,726	1,675	1,651	1,599	\$ -	\$ -	\$16	\$2	\$5	\$1,835	\$1,726	\$1,691	\$1,653	\$1,604
Lending:															
Finance charge revenue	2,525	2,338	2,643	2,457	2,275	2,172	2,166	1,979	1,520	609	4,697	4,504	4,622	3,977	2,884
Interest expense	483	510	939	1,025	658	272	340	545	569	297	755	850	1,484	1,594	955
Net finance charge revenue	2,042	1,828	1,704	1,432	1,617	1,900	1,826	1,434	951	312	3,942	3,654	3,138	2,383	1,929
Travel commissions and fees	1,507	1,408	1,537	1,821	1,802										
Other commissions and fees	1,901	1,833	1,861	1,708	1,424	193	185	153	92	61	2,094	2,018	2,014	1,800	1,485
Travelers Cheque investment income	367	375	394	387	345										
Securitization income, net	1,150	1,049	846	708	257	(1,150)	(1,049)	(846)	(708)	(257)	-	-	-	-	-
Other revenues:															
Interest & dividends	105	184	315	367	298	-	(14)	(14)	(16)	(17)	105	170	301	351	281
Insurance premiums	267	238	192	150	138										
Publishing	190	189	204	207	192										
All other	1,044	960	917	910	717										
Total other revenues	1,606	1,571	1,628	1,634	1,345	-	(14)	(14)	(16)	(17)	1,606	1,557	1,614	1,618	1,328
Total net revenues	19,189	17,721	17,359	17,120	15,130	943	948	743	321	104	20,132	18,669	18,102	17,441	15,234
Expenses:															
Marketing, promotion, rewards and cardmember services	3,814	3,027	2,654	2,714	2,403	(74)	(81)	(92)	(86)	(91)	3,740	2,946	2,562	2,628	2,312
Provision for losses and claims:															
Charge card	853	960	1,195	1,006	865	-	-	36	151	130	853	960	1,231	1,157	995
Lending	1,218	1,369	1,318	891	799	1,067	1,098	925	595	387	2,285	2,467	2,243	1,486	1,186
Other	127	149	164	105	85										
Total	2,198	2,478	2,677	2,002	1,749	1,067	1,098	961	746	517	3,265	3,576	3,638	2,748	2,266
Charge card interest expense	786	1,001	1,443	1,202	835	-	(14)	33	206	220	786	987	1,476	1,408	1,055
Net discount expense	-	-	96	489	479	-	-	(96)	(489)	(479)	-	-	-	-	-
Human resources	3,822	3,503	3,992	4,126	3,931										
Other operating expenses:															
Occupancy and equipment	1,199	1,102	1,225	1,188	1,011										
Professional fees	1,958	1,693	1,374	1,254	1,048										
Communications	452	443	461	442	452										
Taxes other than income	124	152	146	125	118										
Other	1,265	1,246	819	865	721	(50)	(55)	(63)	(56)	(63)	1,215	1,191	756	809	658
Total other operating expenses	4,998	4,636	4,025	3,874	3,350	(50)	(55)	(63)	(56)	(63)	4,948	4,581	3,962	3,818	3,287
Restructuring charges	-	(4)	414	-	-										
Disaster recovery charge	-	-	79	-	-										
Total expenses	15,618	14,641	15,380	14,407	12,747	\$943	\$948	\$743	\$321	\$104	\$16,561	\$15,589	\$16,123	\$14,728	\$12,851
Pretax income	3,571	3,080	1,979	2,713	2,383										
Income tax provision	1,141	945	520	784	691										
Net income	\$2,430	\$2,135	\$1,459	\$1,929	\$1,692										

TRAVEL RELATED SERVICES
FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA
SELECTED FINANCIAL STATISTICS

(Amounts in billions, except percentages and where indicated)

	2003	2002	2001	2000	1999
Total cards-in-force (millions):					
United States	36.4	34.8	34.3	33.3	29.9
Outside the United States	24.1	22.2	20.6	18.4	16.1
Total	60.5	57.0	54.9	51.7	46.0
<i>Percent increase in total cards-in-force</i>	6.1%	3.8%	6.3%	12.2%	7.8%
Basic cards-in-force (millions):					
United States	27.7	26.9	26.8	26.3	23.4
Outside the United States	19.9	18.3	15.6	13.9	12.3
Total	47.6	45.2	42.4	40.2	35.7
<i>Percent increase in total basic cards-in-force</i>	5.3%	3.5%	5.7%	12.4%	7.7%
Card billed business:					
United States	\$262.1	\$234.1	\$224.5	\$221.7	\$186.4
Outside the United States	90.1	77.3	73.5	75.0	67.7
Total	\$352.2	\$311.4	\$298.0	\$296.7	\$254.1
<i>Percent increase in total billed business</i>	17.1%	4.5%	0.4%	16.8%	11.7%
Worldwide average discount rate (A)	2.59%	2.64%	2.67%	2.70%	2.72%
Average basic cardmember spending (dollars) (A):					
United States	\$9,608	\$8,728	\$8,364	\$8,844	\$8,301
Outside the United States	\$5,827	\$5,319	\$5,939	\$6,682	\$6,465
Total	\$8,367	\$7,645	\$7,666	\$8,229	\$7,758
<i>Percent increase in total average basic cardmember spending</i>	9.4%	2.7%	6.8%	6.1%	12.7%
Worldwide average fee per card (dollars) (A)	\$35	\$34	\$34	\$36	\$39
Non-Amex brand (B):					
Card- in-force (millions)	0.7	0.7	0.7	0.6	0.3
Billed business	\$3.9	\$3.7	\$3.4	\$3.2	\$0.7
Worldwide travel:					
Sales	\$16.0	\$15.5	\$17.2	\$22.6	\$22.5
<i>Percent increase (decrease) in sales</i>	3.2%	(10.0%)	(24.1%)	0.6%	13.0%
Travel commissions and fees/sales (C)	9.4%	9.1%	8.9%	8.1%	8.0%
Worldwide Travelers Cheque:					
Sales	\$19.2	\$22.1	\$23.5	\$24.6	\$23.3
<i>Percent increase (decrease) in sales</i>	(13.1%)	(6.0%)	(4.5%)	5.3%	(1.2%)
Average outstanding	\$6.6	\$6.5	\$6.4	\$6.4	\$6.2
<i>Percent increase in average outstanding</i>	1.8%	2.0%	0.7%	4.7%	2.7%
Investment yield	5.4%	5.6%	5.8%	5.8%	5.7%
Tax equivalent yield	8.4%	8.7%	9.0%	8.9%	8.8%
Credco's weighted average interest cost on an annual basis	3.46%	3.96%	5.98%	6.04%	5.16%
Number of TRS employees at year end (actual):					
United States	33,416	32,477	39,254	42,503	41,851
Outside United States	32,307	31,079	32,660	32,354	32,192
Total	65,723	63,556	71,914	74,857	74,043

- (A) Cards-in-force include proprietary cards and cards issued under network partnership agreements outside the United States. Average discount rate, average basic cardmember spending and average fee per card are computed from proprietary card activities only. Total cards-in-force for prior periods have been reduced, reflecting a correction to the number of supplemental cards-in-force.
- (B) These data relate 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

(Amounts in billions, except percentages and where indicated)

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Worldwide charge card receivables:					
Total receivables	\$28.4	\$26.3	\$26.2	\$29.0	\$27.0
90 days past due as a % of total	1.9%	2.2%	2.9%	2.3%	2.5%
Loss reserves (millions)	\$916	\$930	\$1,032	\$964	\$857
% of receivables	3.2%	3.5%	3.9%	3.3%	3.2%
% of 90 days past due	171%	162%	136%	142%	126%
Net loss ratio	0.28%	0.38%	0.42%	0.36%	0.41%
Average life (in days) of charge card receivables	37	38	40	41	40
Worldwide lending - owned basis:					
Total loans	\$25.8	\$22.6	\$21.0	\$20.7	\$18.2
Past due loans as a % of total:					
30-89 days	1.6%	1.9%	2.0%	1.7%	1.6%
90+ days	1.1%	1.3%	1.3%	0.9%	0.8%
Loss reserves (millions):					
Beginning balance	\$1,030	\$831	\$650	\$581	\$593
Provision	1,121	1,271	1,231	791	709
Net charge-offs/other	<u>(1,153)</u>	<u>(1,072)</u>	<u>(1,050)</u>	<u>(722)</u>	<u>(721)</u>
Ending balance	<u>\$998</u>	<u>\$1,030</u>	<u>\$831</u>	<u>\$650</u>	<u>\$581</u>
% of loans	3.9%	4.6%	4.0%	3.1%	3.2%
% of past due	145%	144%	120%	122%	131%
Average loans	\$22.6	\$19.9	\$20.4	\$18.6	\$15.5
Net write-off rate	5.1%	5.9%	5.3%	4.0%	4.8%
Net interest yield	9.0%	9.2%	8.4%	7.7%	10.4%
Worldwide lending - managed basis:					
Total loans	\$45.3	\$39.8	\$36.0	\$31.7	\$25.6
Past due loans as a % of total:					
30-89 days	1.6%	1.9%	2.1%	1.9%	1.8%
90+ days	1.1%	1.2%	1.2%	0.9%	0.8%
Loss reserves (millions):					
Beginning balance	\$1,529	\$1,240	\$917	\$747	\$681
Provision	2,188	2,370	2,166	1,387	1,097
Net charge-offs/other	<u>(2,176)</u>	<u>(2,081)</u>	<u>(1,843)</u>	<u>(1,217)</u>	<u>(1,031)</u>
Ending balance	<u>\$1,541</u>	<u>\$1,529</u>	<u>\$1,240</u>	<u>\$917</u>	<u>\$747</u>
% of loans	3.4%	3.8%	3.4%	2.9%	2.9%
% of past due	127%	124%	103%	104%	112%
Average loans	\$41.6	\$36.7	\$34.2	\$28.3	\$20.7
Net write-off rate	5.2%	5.9%	5.1%	4.4%	5.0%
Net interest yield	9.5%	10.0%	9.2%	8.4%	9.3%
Securitized receivables & loans:					
Receivables	\$3.0	\$5.0	\$3.0	\$2.9	\$3.5
Loans	\$19.5	\$17.2	\$15.1	\$11.3	\$7.3

Note: Managed basis loans include securitized assets not reflected in the Consolidated Condensed Balance Sheets.

TRAVEL RELATED SERVICES
CONSOLIDATED CONDENSED BALANCE SHEETS

(Dollars in millions)

December 31,

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
ASSETS					
Cash & investment securities	\$ 14,164	\$ 14,770	\$ 13,222	\$ 16,427	\$ 14,908
Cardmember & other receivables, net	30,219	28,103	28,486	29,621	25,622
Loans, net	26,719	22,292	21,037	20,034	17,910
Land, buildings, & equipment, net	2,165	1,873	1,846	1,602	1,356
Other assets	6,015	5,167	4,793	3,735	3,437
Total assets	\$ 79,282	\$ 72,205	\$ 69,384	\$ 71,419	\$ 63,233
LIABILITIES & EQUITY					
Travelers Cheques outstanding	\$ 6,819	\$ 6,623	\$ 6,190	\$ 6,127	\$ 6,213
Customers' deposits	9,330	7,809	5,010	4,319	3,797
Accounts payable	6,894	5,529	5,302	7,116	5,971
Insurance reserves	146	104	192	165	149
Debt	38,410	36,443	37,786	40,056	35,686
Deferred card fees	986	838	832	789	786
Other liabilities	8,812	7,606	7,359	6,277	5,087
Total liabilities	71,397	64,952	62,671	64,849	57,689
Shareholder's equity	7,885	7,253	6,713	6,570	5,544
Total liabilities & shareholder's equity	\$ 79,282	\$ 72,205	\$ 69,384	\$ 71,419	\$ 63,233
Return on average equity (A)	31.3%	30.3%	21.8%	32.2%	30.6%
Return on average assets (B)	3.4%	3.2%	2.1%	3.0%	3.1%

(A) Computed on a trailing 12-month basis using total shareholder's equity as included in the Consolidated Financial Statements prepared in accordance with GAAP

(B) Computed on a trailing 12-month basis using total assets as included in the Consolidated Financial Statements prepared in accordance with GAAP