



**THE MARKET**

American Express is a world leader in travel and financial services including charge and credit cards, Travellers Cheques, foreign exchange and insurance and international banking. Through its family of Corporate Card and business travel services, American Express helps companies manage their travel, entertainment and purchasing expenses.

As the world’s largest travel agency, American Express offers travel and related consulting services to individuals and corporations around the world. The company also provides private banking services and personal financial services to individuals outside the United States.

In Australia, American Express operates in a highly competitive and dynamic industry. The company dominates the Corporate Card and Small Business market, and offers consumer Cardmembers one of the most highly regarded loyalty programs in Australia – the Membership Rewards™ program.

**ACHIEVEMENTS**

American Express was the first financial services company to offer a loyalty program – the program was launched in 1992 as Membership Miles. The Membership Rewards program is unique in many

ways – with no expiry on points earned as long as your account remains current. It is also the only financial services rewards program in Australia to offer tenured rewards, a special offer to long tenured customers that offers them a special selection of rewards for fewer points. Membership Rewards is also the only Card rewards program to offer customers the flexibility of combining their points to redeem large ticket items or to transfer a portion of their points balance to a family member or friend as a gift.

Choice citation by the Federal Government’s Employer of Choice for Women Agency (EOWA) in March 2007 for the seventh year in a row. Marie Claire also recently featured American Express as a ‘Best in the Business’ employer on its website. Hewitt Associates also announced American Express as Australia’s best employer in the ‘Large Organisation’ category at the annual 2007 Hewitt Best Employers Award ceremony for the fourth year in a row.



The American Express Membership Rewards program was awarded 5 stars in CANNEX’s 2007 Rewards Star Ratings, the first national comparison of rewards program. The American Express Platinum Credit Card was also recently named fully featured credit card of the year in the 2007 Financial Review’s Smart Investor Blue Ribbon Awards.

American Express was awarded an Employer of

**HISTORY**

The express and freight forwarding business upon which American Express was founded was an essential service, and its stagecoach, express wagon and railway car

staff were rugged individuals whose duties were romanticised by the public.

During the latter half of the 19th Century, as Americans developed an intense appetite for travel, the company expanded its freight forwarding services into Europe. Americans abroad began to rely on the company for travel advice, and American Express increasingly became a travel services company.

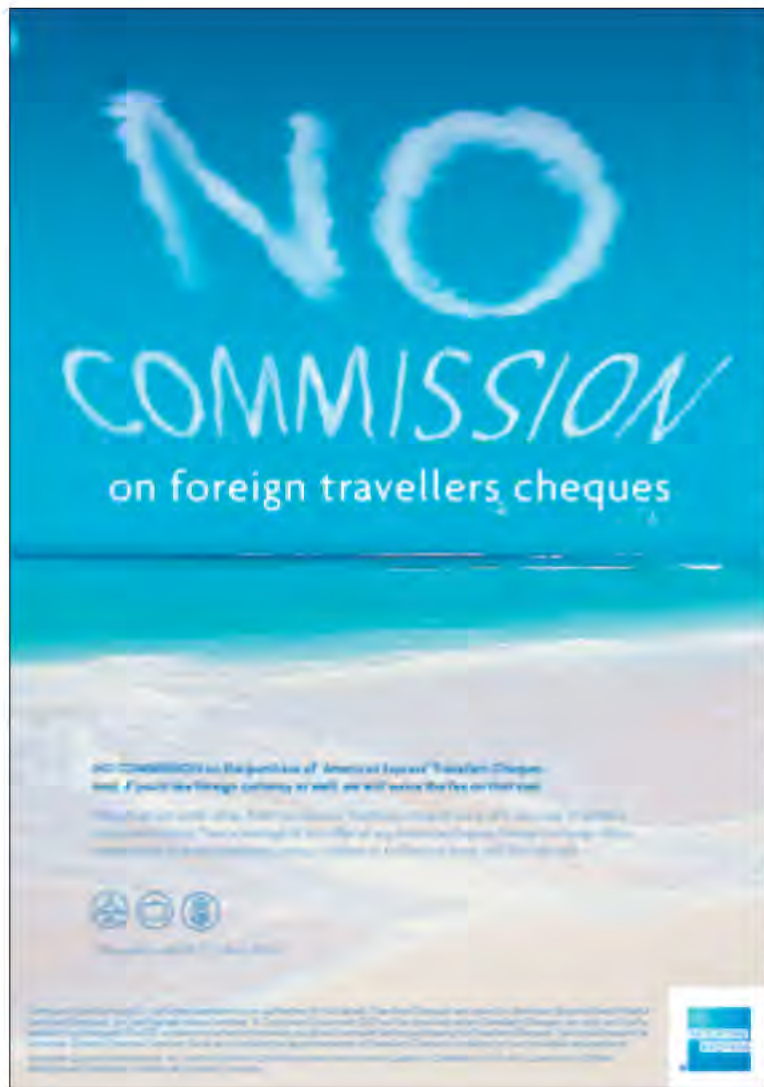
With World War I, American Express’ international growth plans were quashed. When the United States entered the war in 1917, the railroads were commandeered for government purposes and the express and freight companies were consolidated into a single entity, known as the American Railway Express Company.

However, with its strong money order sales and the introduction of the Travellers Cheque in 1891, American Express had diversified its businesses enough to separate its growing travel and financial operations from the freight and express businesses and the company thrived despite the loss of its core business. In time the travel business flourished, and the company’s financial businesses also performed well.

By the early 1950s, American Express had solidified its position as one of the world’s premier travel companies. Its offices around the globe – like the famous 11, rue Scribe site in Paris – were







every American traveller's "home away from home." The company's Travellers Cheques became the best-selling product of their kind in the world, a position they still hold. American Express' international banking business expanded, and the company's contracts with the U.S. government to provide banking services to military personnel and their families stationed outside the United States following World War II helped build a broader customer base for the company.

The 1950s also brought about another dramatic transformation of American Express, including the beginning of a continued presence in Australia. In 1954, the company opened a travel office located in a department store in Sydney. In the U.S. in 1958, American Express launched the American Express Card, which became the touchstone for the company's next transformation. The Card business, which had been viewed as a supplemental business unit, quickly became the company's core business.

In 1974, Australia's dollar became only the 16th currency to have its own denominated card. In the 1970s and early 1980s, American Express diversified its holdings through acquisitions and became what the business press dubbed a 'financial supermarket'.

During the early 1990s, American Express reinvented itself and focused almost single-

in over 130 countries around the globe, with its products and services as diverse as the company itself. The company's principal lines of business are organised into four groups: The Global Financial

Services Group (which includes American Express Financial Advisors and American Express Bank); the U.S. Consumer and Small Business Services Group (which includes its Credit and Charge Card businesses); the Global Corporate Services Group (which includes the company's Corporate Card and Corporate Travel businesses); and the Establishment Services International and Travellers Cheque Group.

Through these four groups, American Express serves the broad needs of its global customer base. Whether you are a student booking a tour through a travel service office, a small business owner or a multinational

corporation, American Express' commitment to delivering a superior customer experience means customised service designed to meet your unique needs.

#### RECENT DEVELOPMENTS

American Express built on its reputation as having the best cards for travellers with the 2006 launch of the Qantas American Express Card. This fully featured card offers Qantas Frequent Flyers

mindedly on the brand and its application to those businesses. The company's U.S. financial planning unit was rebranded in 1995 as American Express Financial Advisors. In the late 1990s as the company experienced a period of market share gains across several of its businesses, American Express launched the world's first card rewards program, Membership Miles (later called Membership Rewards™), which has spawned a host of followers.

The company also began the process of extending its brand through a broad range of partnerships with companies sharing its core brand attributes of Quality, Customer Commitment, Security, Trust and Integrity which has seen American Express enter the new millennium with a strong and visible brand that is meaningful and respected by people around the world.

#### THE PRODUCT

American Express operates

accelerated points, earning rates and financial flexibility.

In August 2007, American Express offered an emerging group of travellers a new way to fly with the launch of the Blue Sky Credit Card. It is currently the only credit card in Australia that offers travellers the chance to use their points to book flights on a number of leading airlines to a range of popular domestic and international destinations for a set number of points without needing to join a frequent flyer program.

Broadening its merchant coverage continues to be a focus for American Express, who signed 35,000 new merchants in 2006 alone.

#### PROMOTION

American Express has long been known for its inventive advertising. From 'Mr Wong' and 'Don't leave home without it' to the 'Membership Has Its Privileges' campaign of the 1980s or the highly visible participation of Jerry Seinfeld and Tiger Woods as American Express spokesmen in the 1990s and beyond, advertising has long played a role in American Express' sustained recognition.

American Express takes an holistic view of its brand positioning and today's advertising campaigns reflect the company's innovative range of products and business solutions and its unique ability to provide its customers with access to unique experiences and privileges.

#### BRAND VALUES

American Express has set itself the vision of becoming the world's most respected service brand.

American Express is committed to making a positive difference in its clients' lives.

No matter how they choose to define 'success,' whatever their aspirations, whatever they choose to accomplish, wherever their dreams take them, the company's will to win and sense of personal accountability will ensure that American Express is there to help.



#### THINGS YOU DIDN'T KNOW ABOUT AMERICAN EXPRESS

- American Express has a long-standing tradition of assisting customers, but few people know just how outstanding! While on board a cruise ship in Australia, a Cardmember found that someone had removed the last ten pages of a novel she was reading. The Cardmember contacted American Express, who faxed her a copy of the missing pages.
- A Platinum Cardmember wanted to buy two Siamese kittens. American Express found them after searching various breeders throughout Australia and delivered them straight to their new home.
- During a mission in the First Gulf War, a Royal Air Force (RAF) pilot needed to make an unscheduled landing in Saudi Arabia to refuel. The petrol station attendant happily charged the 14,000 litres of fuel to the pilot's American Express Card.