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FOR IMMEDIATE RELEASE

AMERICAN EXPRESS BUSINESS TRAVEL ANNOUNCES ADJUSTED RESULTS OF FORECAST IN ANTICIPATION OF GLOBAL ECONOMIC SLOWDOWN

-- Potential Decreases in the Cost of Airfares Likely; Prices Could Move from -3 Percent to 5 Percent for Domestic Air Travel in North America --

-- Hotel Occupancy is Expected to Decline and Hold Rates Steady --

NEW YORK – October 22, 2008 – American Express Business Travel today published its annual Global Business Travel Forecast and Trends report. Originally slated for release in September, the American Express Advisory Services department responsible for producing the report delayed its release in order to evaluate the impact of market activities that have occurred over the last 30 days. In the past weeks, modifications were made to reflect the potential impact of the anticipated global economic slowdown. In certain markets, the Forecast predicts a negative increase in 2009 to airfares and hotel rates. Both suppliers and buyers of travel and related services are expected to face new operating challenges in the coming year.

“Based on forecasted economic conditions for 2009 and the substantial increase in fares already experienced in 2008, it is possible that airfares in 2009 may decrease,” said Hervé Sedky, vice president and general manager, Global Advisory Services, American Express Business Travel. “However, this doesn’t necessarily correlate to a decrease in prices paid as airlines continue their pursuit of expanding the suite of fees charged for services such as in-flight meals and baggage. In this difficult economic environment, successful T&E management strategies will be based upon the total cost of a business trip, which takes into consideration costs such as parking fees, airline fees, meals and other related expenses.”

Global Business Travel Forecast

Sedky continued, “Considering airfare, car rental and hotel stay, we expect the average domestic trip to increase 2.8 percent, or \$31 USD, to a total of approximately \$1139 USD. An increase of 4.3 percent, or approximately \$147 USD, is expected for international trips to bring the average cost to \$3556. However, if you include the costs of additional travel expenses including baggage fees, dining, airport parking and even package shipping, it can add an estimated \$400 to the total trip cost.”

Global – 2009 Forecasted Increases				
Region	Airlines		Hotel Rates	
	Domestic/Short-Haul (Economy Class)	International/Long-Haul (Business Class)	Mid-Range	Upper-Range
North America	(-3)% to 5%	1% to 6%	(-1)% to 6%	(-2)% to 4.5%
Europe	0% to 4%	1% to 9%	0% to 6.5%	0% to 5%
LAC	3% to 5%	2% to 4%	4% to 6%	3% to 7%
Global	(-1)% to 5%	2% to 7%	(-1)% to 6%	(-2)% to 5%

Global Airfare Forecast

The proliferation of new fees and a delicate supply and demand balancing act will determine whether airfares remain steady, increase or potentially decrease compared to 2008.

“In response to the record energy prices in 2008, many airlines began charging fees for different services such as checked luggage, in-flight refreshments and aisle seating. To help mitigate the impact of these new charges, which can increase air travel costs up to an additional 15 percent per trip, we advise companies to consider increasing their focus on demand management to ensure planned trips meet the guidelines designed to promote the most effective use of their business investment,” continued Sedky.

- Capacity cuts are likely to lead to a shortage of available seats at lower price points, while changes in ticketing and minimum-stay requirements, uncertainty surrounding the future price of jet fuel, movement in airline consolidation and alliances and tighter controls over contract performance measurement are likely to drive price increases.
- Prices are predicted to experience downward pressure due to a slowing global economy, improved demand management by corporations and stronger traveler compliance. The expansion of low-cost carriers, more efficient aircraft and airline operations and the continued liberalization of the industry are also expected to mitigate increases.

Global Hotel Rate Forecast

Although American Express Business Travel forecasts some rate growth in the global hotel industry, most regions will likely experience declines in occupancy, which will keep rate increases below the level of those seen in 2008.

- The record oil prices that began in 2008 are expected to continue to impact the hotel industry and airline capacity cuts should drive down demand in some markets
- As new hotels expand global supply and demand decreases in some markets, travel buyers should have increased bargaining power for 2009 rates.

Strategic Meeting Management Forecast

As economic conditions continue to draw attention to meetings as a source for savings, senior business leaders are expected to seek further visibility into meetings spending and aim to measure the return on investment of meetings and events for their companies.

- Effective demand management tactics and a movement toward shorter events in more local destinations should help corporations achieve the best return on investment
- Implementing and managing meetings policy is expected to provide companies the ability to drive certain cost-saving behaviors. Based on a recent survey of American Express clients, over 70 percent of companies do not have a stand alone meetings policy

- Technology developments offer cost-effective ways to supplement meetings and events schedules. Teleconferencing and social networking sites are gaining popularity as tools to strengthen the interpersonal relationships created through traditional meetings.
- Leveraging transient hotel programs with a meetings hotel program is expected to enable companies to have visibility in both areas and drive savings. Negotiating packages for the preferred properties will likely simplify the process to drive and support compliance.

Cost Containment Strategies for 2009

Companies across the globe are seeking new ways to manage their travel investments and maximize the value of their T&E programs.

- Companies should revisit their travel policies to ensure that travelers have a comprehensive guide to navigate the current travel environment.
- In addition to a tight travel policy, demand management and an increased focus on traveler compliance can deliver savings.
- Benchmarking that is based on average segment cost or average ticket price is no longer sufficient due to the expansion of airline fees. Companies should benchmark the entire cost of a trip in an effort to minimize expenditures related to business travel.

Regional Highlights

North America – Air/Hotel/Car Forecast and Trends

The expected global economic slowdown may lead to a slowing growth of demand for available seats on a plane, and when coupled with the unbundling of airline service fees from base fares, it is likely that in North America, a decrease in airfares could occur.

North America – 2009 Forecasted Increases					
Region	Airfares		Hotel Rates		Car Rental
	Domestic / Short-Haul (Economy Class)	International / Long-Haul (Business Class)	Mid-Range	Upper-Range	
United States	(-5)% to 5%	1% to 6%	(-1)% to 5.5%	(-2)% to 4.5%	(-2)% to 3%
Canada	(-3)% to 5%	3% to 8%	2% to 7%	1% to 5%	0% to 3%
North America	(-3)% to 5%	1% to 6%	(-1)% to 6%	(-2)% to 4.5%	(-2)% to 3%

- Factors that could drive increases:
 - Air: In keeping with global trends, the North American segment will likely see reduced capacity, increased ticketing restrictions, menu-based pricing (especially in the U.S. market) and stricter contract enforcement.
 - Hotel: Demand for hotel rooms in key U.S. cities will likely continue to put upward pressure on rates.
 - Car: Rental taxes and higher fuel prices may add to the strain on rental car budgets.
- Pressures that could mitigate increases:
 - Air: Reduced demand, potentially falling fuel prices and efforts by companies to gain greater policy compliance and demand management will likely help keep costs down.
 - Hotel: As the pendulum swings toward a buyer's market, slowing domestic demand and occupancy rates (which could be offset by increases in international demand) coupled with increased inventory and tighter restrictions from corporations could moderate fare increases.

- o Car Rental: Competition will help to moderate any increase in the cost of a car rental, while an anticipated increase in demand, which is expected to be led by corporations directing employees to car rentals instead of using their personal vehicles, will add pressure to increase the cost of a rental.

Europe – Air/Hotel/Car Forecast and Trends

Europe – 2009 Forecasted Increases					
Region	Airfares		Hotel Rates		Car Rental
	Domestic / Short-Haul (Economy Class)	International / Long-Haul (Business Class)	Mid-Range	Upper-Range	
France	1% to 3%	3% to 8%	3% to 6.5%	2% to 5%	0% to 3%
Germany	2% to 5%	3% to 9%	2.5% to 6.5%	1% to 5%	(-1)% to 2%
Nordic/ Sweden	1% to 4%	4% to 8%	2% to 5%	1.5% to 4.5%	(-1)% to 2%
UK	(-2)% to 1%	(-2)% to 2%	0% to 5%	0% to 4.5%	(-1)% to 2%
Europe	0% to 4%	1% to 9%	0% to 6.5%	0% to 5%	(-1)% to 2%

- Factors that could drive increases:
 - o Air: Increased demand on Asian business routes may drive higher pricing along with volatile fuel costs and a decrease in capacity for short-haul routes.
 - o Hotel: Demand is strong in cities with substantial oil and natural resource sector and gateway cities linked to this sector such as Aberdeen, Dubai, Oslo and Moscow.
- Pressures that could mitigate increases:
 - o Air: The slowdown in the economy could cause a decrease in demand at the same time as competition for international and long-haul routes increases.
 - o Hotel: Decreasing demand as a result of slowing business traffic to areas exposed to the financial services industry (specifically London and Frankfurt) should help mitigate increases in 2009.

Latin America & the Caribbean (LAC) – Air/Hotel/Car Forecast and Trends

Latin America & the Caribbean – 2009 Forecasted Increases					
Region	Airfares		Hotel Rates		Car Rental
	Domestic / Short-Haul (Economy Class)	International / Long-Haul (Business Class)	Mid-Range	Upper-Range	
Argentina	3% to 7%	0% to 3%	6% to 9%	4% to 6%	0% to 2%
Brazil	5% to 8%	1% to 3%	7% to 9%	6% to 8%	0% to 2%
Mexico	2% to 5%	2% to 4%	3% to 5%	2% to 5%	0% to 2%
LAC	3% to 5%	2% to 4%	4% to 6%	3% to 7%	0% to 2%

- Factors that could drive increases:
 - o Air: Capacity reductions, driven partially by industry consolidation and liquidation, along with rising fuel costs should put upward pressure on airfares.
 - o Hotel: Higher operating costs may drive rate increases in the coming year.

- Pressures that could mitigate increases:
 - Air: Improved corporate travel policy compliance and demand management, along with increased penetration of the market by low-fare carriers, may help negate some of the projected increases.
 - Hotel: A decrease in demand based on the current air industry situation and the introduction of additional supply to the market should help mitigate rate increases.

Asia-Pacific Region

Regional data from the 2009 Business Travel Forecast for the Asia-Pacific region will be released during the upcoming China Business Travel Forum on October 28 and 29.

The 2009 American Express Global Business Travel Forecast is available for purchase in two different report forms. To order a copy, please visit <https://www.b-there.com/arm/2009GBTf>.

Forecast Methodology

Projections were based on a combination of statistical forecasting, in-depth research of supplier markets, regional economic trends, interviews with American Express industry analysts, and analyses of reports generated within and outside American Express. Smith Travel Research was also utilized for hotel research into specific markets and trends.

The forecasts and projections provided in the report are based on information gathered from a number of different internal and external sources and no representation or warranty is made as to the accuracy of the forecasts or projections made herein. In addition, actual changes in business travel costs could vary significantly from forecasted data, particularly as a result of unforeseen future political, economic and/or environmental events.

All ranges represent forecasted year-over-year increases.

About American Express Business Travel

American Express Business Travel (www.americanexpress.com/businesstravel), a division of the American Express Company, is dedicated to helping its clients realize the greatest possible value from their investment in travel through increased cost savings, outstanding customer service and greater spend control. For small businesses, medium-sized enterprises and multinational corporations, American Express Business Travel provides a combination of industry-leading booking technology, travel management consulting expertise, strategic sourcing and supplier negotiation support, and customer service available online and offline, around the world.

American Express operates one of the world's largest travel agency networks with \$26.4 billion in global travel sales in 2007.

American Express Company (www.americanexpress.com) is a diversified worldwide travel, financial and network services company founded in 1850. It is a world leader in charge and credit cards, Travelers Cheques, travel, and business services.

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