



# ***Q4 Fiscal 2017 Statistics***

FedEx Corporation

Financial and Operating Statistics

Fourth Quarter Fiscal 2017

July 17, 2017

*This report is a statistical supplement to FedEx's interim financial reports and is prepared quarterly. Additional copies are available for downloading and printing at [www.fedex.com/us/investorrelations](http://www.fedex.com/us/investorrelations). For more information, write or call:*

*Mickey Foster, Vice President*

*Elizabeth Allen, Director*

*Stephen Hughes, Director*

*Jeff Smith, Director*

*FedEx Corp. Investor Relations*

*942 S. Shady Grove Road*

*Memphis, TN 38120*

*Telephone: (901) 818-7200*

# TABLE OF CONTENTS

## • **FEDEX CORPORATION**

OVERVIEW	1
CONDENSED CONSOLIDATED BALANCE SHEETS	2
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS	3
ANNUAL CONSOLIDATED STATEMENTS OF INCOME	4
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	5
FY2016 – FY2017	6
CAPITAL EXPENDITURES	7

## • **FEDEX EXPRESS SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	8
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	9
FY2016 – FY2017	10
ANNUAL SHIPMENT STATISTICS	11
QUARTERLY SHIPMENT STATISTICS	
FY2014 – FY2015	12
FY2016 – FY2017	13
FY2018	14
AIRCRAFT AND VEHICLE FLEET STATISTICS	15
JET FUEL STATISTICS	16

## • **TNT EXPRESS SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME AND SHIPMENT STATISTICS	
FY2017	17
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME AND SHIPMENT STATISTICS	
FY2017	18

## • **FEDEX GROUND SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	19
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	20
FY2016 – FY2017	21
ANNUAL SHIPMENT STATISTICS	22
QUARTERLY SHIPMENT STATISTICS	23

• **FEDEX FREIGHT SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	24
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	25
FY2016 – FY2017	26
ANNUAL SHIPMENT STATISTICS	27
QUARTERLY SHIPMENT STATISTICS	
FY2014 – FY2017	28
FY2018	29

## FEDEX CORPORATION OVERVIEW

**FedEx Corporation** provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services. With annual revenues of \$60 billion, the company offers integrated business applications through operating companies competing collectively and managed collaboratively, under the respected FedEx brand. Consistently ranked among the world's most admired and trusted employers, FedEx inspires its more than 400,000 team members to remain "absolutely, positively" focused on safety, the highest ethical and professional standards and the needs of their customers and communities.

**FedEx Express** invented express transportation and remains the industry's global leader, providing rapid, reliable, time-definite delivery to more than 220 countries and territories, connecting markets that comprise more than 99 percent of the world's gross domestic product. Unmatched air route authorities and transportation infrastructure, combined with leading-edge information technologies, make FedEx Express the world's largest express transportation company, providing fast and reliable delivery of more than 4 million shipments each business day. The FedEx Express business segment financial results also include FedEx Trade Networks and FedEx SupplyChain Systems. Effective June 1, 2017, products and solutions offered by FedEx SupplyChain have been combined with similar offerings within FedEx Custom Critical, FedEx Express and FedEx Supply Chain (formerly GENCO).

**TNT Express** was acquired on May 25, 2016. TNT Express operates road transportation networks and delivers documents, parcels and freight to over 200 countries. Beginning in fiscal 2018, TNT Express financial results will be included in the FedEx Express segment. This one segment is the result of combining financial information of the FedEx Express and TNT Express segments.

**FedEx Ground** is a leading North American provider of ground small-package delivery services, providing service to the U.S. and Canada. FedEx Home Delivery, the industry's first ground service dedicated to residential delivery, is available from FedEx Ground and provides Saturday delivery for no additional charge. FedEx SmartPost is a FedEx Ground service that specializes in the consolidation and delivery of high volumes of low-weight, less time-sensitive business-to-consumer packages primarily using the U.S. Postal Service for last mile delivery to residences. FedEx Ground business segment financial results include FedEx Supply Chain (formerly GENCO), one of the largest third-party logistics providers in North America.

**FedEx Freight** is a leading U.S. provider of less-than-truckload (LTL) freight services across all lengths of haul. FedEx Freight business segment financial results also include FedEx Custom Critical, a leading U.S. provider of time-specific, critical shipment services. FedEx Multimodal service is available from FedEx Freight.

**FedEx Services** provides sales, marketing, information technology, communications, customer service, technical support, billing and collections services for U.S. customers of our major business units and certain back-office functions that support our other companies. The FedEx Services business segment includes FedEx Office and Print Services, Inc., which provides document and business services and retail access to our package transportation businesses.

CORPORATE HEADQUARTERS:	942 S. Shady Grove Road Memphis, TN 38120
COMMON STOCK LISTING:	The New York Stock Exchange
STOCK SYMBOL:	FDX
COMMON SHARES AUTHORIZED:	800,000,000
COMMON SHARES OUTSTANDING:	267,152,812 (as of May 31, 2017)
STOCKHOLDERS OF RECORD:	12,249 (as of May 31, 2017)
TRANSFER AGENT & REGISTRAR:	Computershare Investor Services 211 Quality Circle, Suite 210 College Station, TX 77845 (800) 446-2617
FISCAL YEAR END:	May 31

# FedEx Corporation

## Condensed Consolidated Balance Sheets

### FY 2014 – FY 2017

May 31  
In millions (except share data)

	FY 2014	FY 2015	FY 2016	FY 2017
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 2,908	\$ 3,763	\$ 3,534	\$ 3,969
Receivables, less allowances	5,460	5,719	7,252	7,599
Spare parts, supplies and fuel, less allowances	463	498	496	514
Deferred income taxes <sup>1</sup>	522	–	–	–
Prepaid expenses and other	330	355	707	546
Total current assets	<u>9,683</u>	<u>10,335</u>	<u>11,989</u>	<u>12,628</u>
<b>Property and Equipment, at Cost</b>				
Aircraft and related equipment	15,632	16,186	17,499	18,833
Package handling and ground support equipment <sup>2</sup>	6,082	6,725	7,961	8,989
Information technology <sup>2</sup>	5,097	5,208	5,149	5,396
Vehicles <sup>2</sup>	5,514	5,816	6,422	6,961
Facilities and other <sup>2</sup>	8,366	8,929	9,987	10,447
	<u>40,691</u>	<u>42,864</u>	<u>47,018</u>	<u>50,626</u>
Less accumulated depreciation and amortization	<u>21,141</u>	<u>21,989</u>	<u>22,734</u>	<u>24,645</u>
Net property and equipment	<u>19,550</u>	<u>20,875</u>	<u>24,284</u>	<u>25,981</u>
<b>Other Long-Term Assets</b>				
Goodwill	2,790	3,810	6,747	7,154
Other assets <sup>1,3</sup>	1,047	1,511	2,939	2,789
Total other long-term assets	<u>3,837</u>	<u>5,321</u>	<u>9,686</u>	<u>9,943</u>
	<u>\$ 33,070</u>	<u>\$ 36,531</u>	<u>\$ 45,959</u>	<u>\$ 48,552</u>
<b>LIABILITIES AND STOCKHOLDERS' INVESTMENT</b>				
<b>Current Liabilities</b>				
Current portion of long-term debt	\$ 1	\$ 19	\$ 29	\$ 22
Accrued salaries and employee benefits	1,277	1,436	1,972	1,914
Accounts payable	1,971	2,066	2,944	2,752
Accrued expenses <sup>1</sup>	2,063	2,435	3,063	3,230
Total current liabilities	<u>5,312</u>	<u>5,956</u>	<u>8,008</u>	<u>7,918</u>
<b>Long-Term Debt, Less Current Portion<sup>3</sup></b>				
	<u>4,736</u>	<u>7,249</u>	<u>13,733</u>	<u>14,909</u>
<b>Other Long-Term Liabilities</b>				
Deferred income taxes <sup>1</sup>	2,114	1,210	1,567	2,485
Pension, postretirement healthcare and other benefit obligations	3,484	4,893	6,227	4,487
Self-insurance accruals	1,038	1,120	1,314	1,494
Deferred lease obligations	758	711	400	531
Deferred gains, principally related to aircraft transactions	206	181	155	137
Other liabilities	145	218	771	518
Total other long-term liabilities	<u>7,745</u>	<u>8,333</u>	<u>10,434</u>	<u>9,652</u>
<b>Commitments and Contingencies</b>				
<b>Common Stockholders' Investment</b>				
Common stock \$0.10 par value; 800 million shares auth.	32	32	32	32
Additional paid-in capital	2,643	2,786	2,892	3,005
Retained earnings	16,229	16,900	18,371	20,833
Accumulated other comprehensive (loss) income	506	172	(169)	(415)
Treasury stock, at cost	(4,133)	(4,897)	(7,342)	(7,382)
Total common stockholders' investment	<u>15,277</u>	<u>14,993</u>	<u>13,784</u>	<u>16,073</u>
	<u>\$ 33,070</u>	<u>\$ 36,531</u>	<u>\$ 45,959</u>	<u>\$ 48,552</u>

1 - FY15 amounts were revised in FY16 as part of our adoption of an accounting standard that requires us to classify all deferred tax assets and liabilities as noncurrent on the balance sheet.

2 - FY14 amounts were revised in FY15 to reclassify \$1.1 billion of vehicles that were previously presented in package handling and ground support equipment and \$67 million of facilities and other that were previously presented in computer and electronic equipment. The reclassification had no impact on the net book value of PP&E, total assets, or depreciation expense.

3 - FY16 amounts have been revised in FY17 as part of our adoption of an accounting standard that requires us to present debt issuance costs related to a recognized debt liability as a direct reduction from the carrying amount of that debt liability, rather than as an asset.

Current period financial results are unaudited. Differences may result due to rounding.

# FedEx Corporation

## Condensed Consolidated Statements of Cash Flows

### FY 2014 – FY 2017

Years ended May 31  
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<b>OPERATING ACTIVITIES</b>				
Net income	\$ 2,324	\$ 1,050	\$ 1,820	\$ 2,997
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation and amortization	2,587	2,611	2,631	2,995
Provision for uncollectible accounts	130	145	121	136
Deferred income taxes and other noncash items	339	(572)	31	909
Impairment and other charges <sup>1</sup>	–	246	–	–
Stock-based compensation	117	133	144	154
Retirement plans mark-to-market adjustment	15	2,190	1,498	(24)
Gain from sale of investment	–	–	–	(35)
Changes in operating assets and liabilities, net of the effects of businesses acquired:				
Receivables	(516)	(392)	(199)	(556)
Other current assets	(22)	25	(234)	78
Pension and postretirement assets and liabilities, net	(453)	(692)	(346)	(1,688)
Accounts payable and other operating liabilities	(235)	659	467	103
Other, net	(22)	(37)	(225)	(139)
Cash provided by operating activities	<u>4,264</u>	<u>5,366</u>	<u>5,708</u>	<u>4,930</u>
<b>INVESTING ACTIVITIES</b>				
Capital expenditures	(3,533)	(4,347)	(4,818)	(5,116)
Business acquisitions, net of cash acquired	(36)	(1,429)	(4,618)	–
Proceeds from asset dispositions and other	18	24	(10)	135
Cash used in investing activities	<u>(3,551)</u>	<u>(5,752)</u>	<u>(9,446)</u>	<u>(4,981)</u>
<b>FINANCING ACTIVITIES</b>				
Principal payments on debt	(254)	(5)	(41)	(82)
Proceeds from debt issuances	1,997	2,491	6,519	1,190
Proceeds from stock issuances	557	320	183	337
Dividends paid	(187)	(227)	(277)	(426)
Purchase of treasury stock	(4,857)	(1,254)	(2,722)	(509)
Other, net	25	24	(51)	18
Cash provided by (used in) financing activities	<u>(2,719)</u>	<u>1,349</u>	<u>3,611</u>	<u>528</u>
Effect of exchange rate changes on cash	(3)	(108)	(102)	(42)
<b>CASH AND CASH EQUIVALENTS</b>				
Net increase (decrease) in cash and cash equivalents	(2,009)	855	(229)	435
Cash and cash equivalents at beginning of period	4,917	2,908	3,763	3,534
Cash and cash equivalents at end of period	<u>\$ 2,908</u>	<u>\$ 3,763</u>	<u>\$ 3,534</u>	<u>3,969</u>

1 - FY15 includes noncash impairment charges of \$246 million to permanently retire and adjust the retirement schedule of certain aircraft and related engines.

Current period financial results are unaudited. Differences may result due to rounding.

# FedEx Corporation

## Annual Consolidated Statements of Income

### FY 2014 – FY 2017

Years ended May 31  
In millions, except EPS

	FY 2014	FY 2015	FY 2016	FY 2017
<b>Revenue:</b>				
FedEx Express segment	\$ 27,121	\$ 27,239	\$ 26,451	\$ 27,358
TNT Express segment	–	–	–	7,401
FedEx Ground segment	11,617	12,984	16,574	18,075
FedEx Freight segment	5,757	6,191	6,200	6,443
FedEx Services segment	1,536	1,545	1,593	1,621
Eliminations and other	(464)	(506)	(453)	(579)
<b>Total Revenue</b>	<b>45,567</b>	<b>47,453</b>	<b>50,365</b>	<b>60,319</b>
<b>Operating Expenses:</b>				
Salaries and employee benefits	16,171	17,110	18,581	21,542
Purchased transportation	8,011	8,483	9,966	13,630
Rentals and landing fees	2,622	2,682	2,854	3,240
Depreciation and amortization	2,587	2,611	2,631	2,995
Fuel	4,557	3,720	2,399	2,773
Maintenance and repairs	1,862	2,099	2,108	2,374
Impairment and other charges <sup>1</sup>	–	276	–	–
Retirement plans mark-to-market adjustment	15	2,190	1,498	(24)
Other <sup>2,3</sup>	5,927	6,415	7,251	8,752
<b>Total Operating Expenses</b>	<b>41,752</b>	<b>45,586</b>	<b>47,288</b>	<b>55,282</b>
<b>Operating Income:</b>				
FedEx Express segment <sup>1</sup>	1,428	1,584	2,519	2,678
TNT Express segment <sup>4</sup>	–	–	–	84
FedEx Ground segment	2,021	2,172	2,276	2,292
FedEx Freight segment	351	484	426	397
Eliminations, corporate and other <sup>3,5</sup>	15	(2,373)	(2,144)	(414)
<b>Total Operating Income<sup>6</sup></b>	<b>3,815</b>	<b>1,867</b>	<b>3,077</b>	<b>5,037</b>
<b>Other Income (Expense):</b>				
Interest, net	(142)	(221)	(315)	(479)
Other, net	(15)	(19)	(22)	21
<b>Total Other Income (Expense)</b>	<b>(157)</b>	<b>(240)</b>	<b>(337)</b>	<b>(458)</b>
<b>Income Before Income Taxes<sup>7</sup></b>	<b>3,658</b>	<b>1,627</b>	<b>2,740</b>	<b>4,579</b>
<b>Provision for Income Taxes</b>	<b>1,334</b>	<b>577</b>	<b>920</b>	<b>1,582</b>
<b>Net Income</b>	<b>\$ 2,324</b>	<b>\$ 1,050</b>	<b>\$ 1,820</b>	<b>\$ 2,997</b>
<b>Basic Earnings Per Share<sup>1,3,4,5,6,7</sup></b>	<b>\$ 7.56</b>	<b>\$ 3.70</b>	<b>\$ 6.59</b>	<b>\$ 11.24</b>
<b>Weighted Avg. Common Shares</b>	<b>307</b>	<b>283</b>	<b>276</b>	<b>266</b>
<b>Diluted Earnings Per Share<sup>1,3,4,5,6,7</sup></b>	<b>\$ 7.48</b>	<b>\$ 3.65</b>	<b>\$ 6.51</b>	<b>\$ 11.07</b>
<b>Avg Common and Common Equiv. Shares</b>	<b>310</b>	<b>287</b>	<b>279</b>	<b>270</b>

#### SELECTED STATISTICS

Operating Margin	8.4%	3.9%	6.1%	8.4%
Pretax Margin	8.0%	3.4%	5.4%	7.6%
Return on Assets <sup>8</sup>	7.0%	3.0%	4.4%	6.3%
Return on Equity <sup>8</sup>	14.2%	6.9%	12.6%	20.1%
Dividends Paid Per Common Share	\$ 0.60	\$ 0.80	\$ 1.00	\$ 1.60

1 - FY15 includes aircraft impairment and related charges of approximately \$276 million (\$175 million, net of tax, or \$0.61 per diluted share) to permanently retire and adjust the retirement schedule of certain aircraft and related engines; such charges are included in FedEx Express segment results.

2 - Includes predominantly costs associated with outside service contracts (such as security, facility services and cargo handling), insurance, legal reserves, professional fees and uniforms.

3 - FY17 includes legal charges of \$39 million (\$24 million, net of tax, or \$0.09 per diluted share) and \$22 million (\$13 million, net of tax, or \$0.05 per diluted share). FY16 includes legal settlement expenses and certain expected losses (net of recognized insurance recovery) of \$256 million (\$158 million, net of tax, or \$0.57 per diluted share) and \$69 million (\$43 million, net of tax, or \$0.15 per diluted share). FY15 includes a legal reserve increase of \$197 million (\$133 million, net of tax, or \$0.46 per diluted share).

4 - FY17 includes TNT Express intangible asset amortization of \$74 million (\$57 million, net of tax, or \$0.21 per diluted share).

5 - Includes mark-to-market pension gain of approximately \$24 million (\$6 million, net of tax, or \$0.02 per diluted share) in FY17 and losses of approximately \$1.5 billion (\$0.9 billion, net of tax, or \$3.39 per diluted share) in FY16, \$2.2 billion (\$1.4 billion, net of tax, or \$4.81 per diluted share) in FY15 and \$15 million (\$9 million, net of tax, or \$0.03 per diluted share) in FY14.

6 - FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$327 million (\$245 million, net of tax, or \$0.91 per diluted share). These expenses are included in the "Eliminations, corporate and other", FedEx Express and TNT Express.

7 - FY16 includes transaction, financing and integration planning expenses related to the TNT Express acquisition as well as TNT Express's immaterial operating results from the time of acquisition of \$132 million (\$125 million, net of tax, or \$0.45 per diluted share). These expenses are predominantly included in the "Eliminations, corporate and other" results.

8 - Return on Assets and Return on Equity for the current year-to-date are calculated on a rolling four quarter basis.

*Current period financial results are unaudited. Differences may result due to rounding.*

# FedEx Corporation

## Quarterly Consolidated Statements of Income

### FY 2014 - FY 2015

Years ended May 31  
In millions, except EPS

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$ 6,605	\$ 6,844	\$ 6,674	\$ 6,998	\$ 6,862	\$ 7,024	\$ 6,656	\$ 6,697
FedEx Ground segment	2,730	2,849	3,031	3,007	2,960	3,063	3,393	3,568
FedEx Freight segment	1,424	1,434	1,347	1,552	1,609	1,585	1,428	1,569
FedEx Services segment	375	391	368	402	374	394	370	407
Eliminations and other	(110)	(115)	(119)	(120)	(121)	(127)	(131)	(127)
Total Revenue	11,024	11,403	11,301	11,839	11,684	11,939	11,716	12,114
Operating Expenses:								
Salaries and employee benefits	3,981	4,052	4,071	4,067	4,114	4,229	4,335	4,432
Purchased transportation	1,879	2,040	2,063	2,029	2,054	2,185	2,165	2,079
Rentals and landing fees	640	648	662	672	660	663	686	673
Depreciation and amortization	639	647	652	649	651	651	652	657
Fuel	1,104	1,136	1,163	1,154	1,120	1,052	810	738
Maintenance and repairs	480	479	438	465	556	543	505	495
Impairment and other charges <sup>1</sup>	-	-	-	-	-	-	-	276
Retirement plans mark-to-market adjustment	-	-	-	15	-	-	-	2,190
Other <sup>2</sup>	1,410	1,478	1,515	1,524	1,467	1,528	1,525	1,895
Total Operating Expenses	10,133	10,480	10,564	10,575	10,622	10,851	10,678	13,435
Operating Income (Loss):								
FedEx Express segment <sup>1</sup>	305	389	200	534	377	492	393	322
FedEx Ground segment	486	441	493	601	545	465	559	603
FedEx Freight segment	100	85	36	130	168	112	67	137
Corporate, eliminations and other <sup>2,3</sup>	-	8	8	(1)	(28)	19	19	(2,383)
Total Operating Income (Loss)	891	923	737	1,264	1,062	1,088	1,038	(1,321)
Other Income (Expense):								
Interest, net	(27)	(30)	(38)	(47)	(48)	(47)	(58)	(68)
Other, net	(2)	(5)	(9)	1	(2)	5	5	(27)
Total Other Income (Expense)	(29)	(35)	(47)	(46)	(50)	(42)	(53)	(95)
Income (Loss) Before Income Taxes	862	888	690	1,218	1,012	1,046	985	(1,416)
Provision for Income Taxes	314	329	253	438	359	383	357	(521)
Net Income (Loss)	\$ 548	\$ 559	\$ 437	\$ 780	\$ 653	\$ 663	\$ 628	(\$895)
Basic Earnings Per Share <sup>1,2,3</sup>	\$ 1.73	\$ 1.77	\$ 1.44	\$ 2.66	\$ 2.29	\$ 2.34	\$ 2.21	(\$3.16)
Weighted Avg. Common Shares	316	315	303	293	285	283	283	283
Diluted Earnings Per Share <sup>1,2,3</sup>	\$ 1.72	\$ 1.75	\$ 1.42	\$ 2.62	\$ 2.26	\$ 2.31	\$ 2.18	(\$3.16)
Avg Common and Common Equiv. Shares	319	319	307	296	289	287	287	283
<b>SELECTED STATISTICS</b>								
Operating Margin	8.1%	8.1%	6.5%	10.7%	9.1%	9.1%	8.9%	(10.9%)
Pretax Margin	7.8%	7.8%	6.1%	10.3%	8.7%	8.8%	8.4%	(11.7%)
Dividends Paid Per Common Share	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20

1- Q4 FY15 amounts include aircraft impairment and related charges of approximately \$276 million (\$175 million, net of tax, \$0.62 per diluted share).

2- Q4 FY15 amounts include a legal reserve increase of \$197 million (\$133 million, net of tax, or \$0.47 per diluted share).

3- Q4 FY15 amounts include a mark-to-market pension charge of approximately \$2.2 billion (\$1.4 billion, net of tax, or \$4.81 per diluted share).  
Q4 FY14 amounts include a mark-to-market pension charge of approximately \$15 million (\$9 million, net of tax, or \$0.03 per diluted share).

Unaudited. Differences may result due to rounding.



# FedEx Corporation

## Quarterly Consolidated Statements of Income

### FY 2016 - FY 2017

Years ended May 31  
In millions, except EPS

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<b>Revenue:</b>								
FedEx Express segment	\$ 6,591	\$ 6,588	\$ 6,557	\$ 6,715	\$ 6,656	\$ 6,743	\$ 6,779	\$ 7,180
TNT Express segment	—	—	—	—	1,804	1,899	1,790	\$ 1,908
FedEx Ground segment	3,830	4,050	4,408	4,286	4,290	4,419	4,688	4,678
FedEx Freight segment	1,601	1,547	1,447	1,605	1,658	1,597	1,492	1,696
FedEx Services segment	390	403	384	416	395	414	389	423
Eliminations and other	(133)	(135)	(142)	(43)	(140)	(141)	(141)	(157)
<b>Total Revenue</b>	<b>12,279</b>	<b>12,453</b>	<b>12,654</b>	<b>12,979</b>	<b>14,663</b>	<b>14,931</b>	<b>14,997</b>	<b>15,728</b>
<b>Operating Expenses:</b>								
Salaries and employee benefits	4,525	4,570	4,712	4,774	5,311	5,353	5,395	5,483
Purchased transportation	2,344	2,538	2,623	2,461	3,240	3,431	3,498	3,461
Rentals and landing fees	695	682	744	733	790	802	834	814
Depreciation and amortization	648	653	663	667	739	740	762	754
Fuel	712	615	537	535	650	658	735	730
Maintenance and repairs	548	529	504	527	598	579	588	609
Retirement plans mark-to-market adjustment	—	—	—	1,498	—	—	—	(24)
Other <sup>1,2</sup>	1,663	1,729	2,007	1,852	2,071	2,201	2,160	2,320
<b>Total Operating Expenses</b>	<b>11,135</b>	<b>11,316</b>	<b>11,790</b>	<b>13,047</b>	<b>13,399</b>	<b>13,764</b>	<b>13,972</b>	<b>14,147</b>
<b>Operating Income (Loss):</b>								
FedEx Express segment	545	622	595	757	624	636	555	863
TNT Express segment <sup>3</sup>	—	—	—	—	(14)	70	2	26
FedEx Ground segment	537	526	557	656	610	465	515	702
FedEx Freight segment	132	101	56	137	135	88	41	133
Eliminations, corporate and other <sup>1,2,4</sup>	(70)	(112)	(344)	(1,618)	(91)	(92)	(88)	(143)
<b>Total Operating Income (Loss)<sup>5</sup></b>	<b>1,144</b>	<b>1,137</b>	<b>864</b>	<b>(68)</b>	<b>1,264</b>	<b>1,167</b>	<b>1,025</b>	<b>1,581</b>
<b>Other Income (Expense):</b>								
Interest, net	(63)	(74)	(81)	(97)	(113)	(119)	(122)	(125)
Other, net	3	(8)	(1)	(16)	(9)	30	(4)	4
<b>Total Other Income (Expense)</b>	<b>(60)</b>	<b>(82)</b>	<b>(82)</b>	<b>(113)</b>	<b>(122)</b>	<b>(89)</b>	<b>(126)</b>	<b>(121)</b>
<b>Income (Loss) Before Income Taxes<sup>6</sup></b>	<b>1,084</b>	<b>1,055</b>	<b>782</b>	<b>(181)</b>	<b>1,142</b>	<b>1,078</b>	<b>899</b>	<b>1,460</b>
Provision for Income Taxes	392	364	275	(111)	427	378	337	440
<b>Net Income (Loss)</b>	<b>\$ 692</b>	<b>\$ 691</b>	<b>\$ 507</b>	<b>(\$70)</b>	<b>\$ 715</b>	<b>\$ 700</b>	<b>\$ 562</b>	<b>\$ 1,020</b>
<b>Basic Earnings Per Share<sup>1,2,3,4,5,6</sup></b>	<b>\$ 2.45</b>	<b>\$ 2.47</b>	<b>\$ 1.86</b>	<b>(\$0.26)</b>	<b>\$ 2.69</b>	<b>\$ 2.63</b>	<b>\$ 2.11</b>	<b>\$ 3.81</b>
Weighted Avg. Common Shares	282	279	272	269	265	266	266	267
<b>Diluted Earnings Per Share<sup>1,2,3,4,5,6</sup></b>	<b>\$ 2.42</b>	<b>\$ 2.44</b>	<b>\$ 1.84</b>	<b>(\$0.26)</b>	<b>\$ 2.65</b>	<b>\$ 2.59</b>	<b>\$ 2.07</b>	<b>\$ 3.75</b>
Avg Common and Common Equiv. Shares	286	283	275	269	269	270	271	271

#### SELECTED STATISTICS

Operating Margin	9.3%	9.1%	6.8%	(0.5%)	8.6%	7.8%	6.8%	10.1%
Pretax Margin	8.8%	8.5%	6.2%	(1.4%)	7.8%	7.2%	6.0%	9.3%
Dividends Paid Per Common Share	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40

1- Q4 FY17 amounts include legal charges of \$39 million (\$24 million, net of tax, or \$0.09 per diluted share) and \$22 million (\$13 million, net of tax, or \$0.05 per diluted share).

2- Q4 FY16 amounts include legal settlement expenses of \$11 million (\$6 million, net of tax, or \$0.02 per diluted share). Q3 FY16 amounts include legal settlement expenses and certain expected losses of \$204 million (\$126 million, net of tax, or \$0.46 per diluted share) and \$69 million (\$43 million, net of tax, or \$0.15 per diluted share). Q2 FY16 amounts include a legal reserve increase of \$41 million (\$25 million, net of tax, or \$0.09 per diluted share).

3- Q4 FY17 includes TNT Express intangible asset amortization of \$20 million (\$16 million, net of tax, or \$0.06 per diluted share). Q3 FY17 includes TNT Express intangible asset amortization of \$16 million (\$13 million, net of tax, or \$0.05 per diluted share). Q2 FY17 includes TNT Express intangible asset amortization of \$10 million (\$7 million, net of tax, or \$0.03 per diluted share). Q1 FY17 includes intangible asset amortization of \$28 million (\$20 million, net of tax, or \$0.08 per diluted share).

4- Q4 FY17 amounts include a mark-to-market pension gain of approximately \$24 million (\$6 million, net of tax, or \$0.02 per diluted share). Q4 FY16 amounts include a mark-to-market pension charge of approximately \$1.5 billion (\$0.9 billion, net of tax, or \$3.47 per diluted share).

5- Q4 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$124 million (\$87 million, net of tax, or \$0.32 per diluted share). Q3 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$78 million (\$63 million, net of tax, or \$0.23 per diluted share). Q2 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$58 million (\$50 million, net of tax, or \$0.18 per diluted share). Q1 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$68 million (\$45 million, net of tax, or \$0.17 per diluted share). These expenses are included in the "Eliminations, corporate and other", FedEx Express and TNT Express results.

6- Q4 FY16 includes transaction, financing and integration planning expenses related to the TNT Express acquisition as well as TNT Express's immaterial operating results from the time of acquisition of \$79 million (\$91 million, with tax, or \$0.34 per diluted share). Q3 FY16 amounts include expenses related to our pending acquisition of TNT Express of \$25 million (\$15 million, net of tax, or \$0.06 per diluted share). Q2 FY16 amounts include expenses related to our pending acquisition of TNT Express of \$19 million (\$12 million, net of tax, or \$0.04 per diluted share). These expenses are predominantly included in the "Eliminations, corporate and other" results.

Unaudited. Differences may result due to rounding.

# FedEx Corporation Capital Spending FY 2014 – FY 2017

Years ended May 31  
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<b><u>By Asset Type</u><sup>1</sup></b>				
Aircraft and related equipment	\$ 1,327	\$ 1,866	\$ 1,697	\$ 1,808
Package handling and ground support equipment	549	752	1,196	1,093
Vehicles	780	604	723	895
Information technology investments	422	377	471	594
Facilities and other	455	748	731	726
Total	<u>\$ 3,533</u>	<u>\$ 4,347</u>	<u>\$ 4,818</u>	<u>\$ 5,116</u>
 <b><u>By Segment</u></b>				
FedEx Express segment	\$ 1,994	\$ 2,380	\$ 2,356	\$ 2,525
TNT Express segment	–	–	–	205
FedEx Ground segment	850	1,248	1,597	1,539
FedEx Freight segment	325	337	433	431
FedEx Services segment	363	381	432	416
Other	1	1	–	–
Total	<u>\$ 3,533</u>	<u>\$ 4,347</u>	<u>\$ 4,818</u>	<u>\$ 5,116</u>

1 - FY14 - FY16 amounts have been revised in FY17 to conform to the current presentation of asset types.

*Unaudited. Differences may result due to rounding.*

# FedEx Express Segment

## Annual Consolidated Statements of Income

### FY 2014 – FY 2017

Years ended May 31  
In millions

	FY 2014	FY 2015	FY 2016	FY 2017
Package Revenue:				
U.S. Overnight Box	\$ 6,555	\$ 6,704	\$ 6,763	\$ 6,958
U.S. Overnight Envelope	1,636	1,629	1,662	1,750
Total U.S. Overnight	8,191	8,333	8,425	8,708
U.S. Deferred	3,188	3,342	3,379	3,528
Total U.S. Package Revenue	11,379	11,675	11,804	12,236
International Priority	6,451	6,251	5,697	5,827
International Economy	2,229	2,301	2,282	2,412
Total International Export Package Revenue	8,680	8,552	7,979	8,239
International Domestic <sup>1</sup>	1,446	1,406	1,285	1,299
Total Package Revenue	21,505	21,633	21,068	21,774
Freight Revenue:				
U.S.	2,355	2,300	2,481	2,528
International Priority	1,594	1,588	1,384	1,502
International Airfreight	205	180	126	118
Total Freight Revenue	4,154	4,068	3,991	4,148
Other Revenue <sup>2</sup>	1,462	1,538	1,392	1,436
Total Revenue	27,121	27,239	26,451	27,358
Operating Expenses:				
Salaries and employee benefits	9,797	10,104	10,240	10,536
Purchased transportation	2,511	2,544	2,301	2,337
Rentals and landing fees	1,705	1,693	1,688	1,618
Depreciation and amortization	1,488	1,460	1,385	1,431
Fuel	3,943	3,199	2,023	2,153
Maintenance and repairs	1,182	1,357	1,294	1,414
Impairment and other charges <sup>3</sup>	–	276	–	–
Intercompany charges	1,888	1,842	1,846	1,881
Other	3,179	3,180	3,155	3,310
	25,693	25,655	23,932	24,680
Operating Income <sup>4</sup>	<u>\$ 1,428</u>	<u>\$ 1,584</u>	<u>\$ 2,519</u>	<u>\$ 2,678</u>

#### SELECTED STATISTICS

Operating Margin	5.3%	5.8%	9.5%	9.8%
------------------	------	------	------	------

1 - International domestic revenues represent our international intra-country operations.

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

3 - FY15 includes impairment and related charges of \$276 million to permanently retire and adjust the retirement schedule of certain aircraft and related engines.

4 - FY17 includes expenses related to the integration of TNT Express of \$117 million.

*Current period financial results are unaudited. Differences may result due to rounding.*

# FedEx Express Segment

## Quarterly Consolidated Statements of Income

### FY 2014 - FY 2015

Years ended May 31  
In millions

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$ 1,584	\$ 1,625	\$ 1,643	\$ 1,703	\$ 1,682	\$ 1,705	\$ 1,653	\$ 1,664
U.S. Overnight Envelope	419	398	393	426	415	400	392	422
Total U.S. Overnight	2,003	2,023	2,036	2,129	2,097	2,105	2,045	2,086
U.S. Deferred	729	771	869	819	795	834	895	818
Total U.S. Packages	2,732	2,794	2,905	2,948	2,892	2,939	2,940	2,904
International Priority	1,576	1,642	1,542	1,691	1,630	1,649	1,463	1,509
International Economy	532	567	540	590	571	598	560	572
Total International Export Package Revenue	2,108	2,209	2,082	2,281	2,201	2,247	2,023	2,081
International Domestic <sup>1</sup>	345	385	347	369	371	383	328	324
Total Package Revenue	5,185	5,388	5,334	5,598	5,464	5,569	5,291	5,309
Freight Revenue:								
U.S.	624	585	577	569	579	586	580	555
International Priority	388	417	379	410	395	412	375	406
International Airfreight	54	55	48	48	46	42	45	47
Total Freight Revenue	1,066	1,057	1,004	1,027	1,020	1,040	1,000	1,008
Other Revenue <sup>2</sup>	354	399	336	373	378	415	365	380
Total Revenue	6,605	6,844	6,674	6,998	6,862	7,024	6,656	6,697
Operating Expenses:								
Salaries and employee benefits	2,411	2,439	2,480	2,467	2,478	2,524	2,572	2,530
Purchased transportation	608	660	608	635	647	681	614	602
Rentals and landing fees	421	420	432	432	426	422	436	409
Depreciation and amortization	369	373	374	372	374	368	364	354
Fuel	956	986	1,010	991	970	906	697	626
Maintenance and repairs	307	308	273	294	379	357	324	297
Impairment and other charges <sup>3</sup>	-	-	-	-	-	-	-	276
Intercompany charges	455	479	471	483	448	452	460	482
Other	773	790	826	790	763	822	796	799
	6,300	6,455	6,474	6,464	6,485	6,532	6,263	6,375
Operating Income	<u>\$ 305</u>	<u>\$ 389</u>	<u>\$ 200</u>	<u>\$ 534</u>	<u>\$ 377</u>	<u>\$ 492</u>	<u>\$ 393</u>	<u>\$ 322</u>

#### SELECTED STATISTICS

Operating Margin	4.6%	5.7%	3.0%	7.6%	5.5%	7.0%	5.9%	4.8%
------------------	------	------	------	------	------	------	------	------

1 - International domestic revenues represent our international intra-country operations.

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

3 - Q4 FY15 includes impairment and related charges of \$276 million resulting from the decision to permanently retire and adjust the retirement schedule of certain aircraft and related engines.

Unaudited. Differences may result due to rounding.

# FedEx Express Segment

## Quarterly Consolidated Statements of Income

### FY 2016 – FY 2017

Years ended May 31  
In millions

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$ 1,658	\$ 1,682	\$ 1,704	\$ 1,719	\$ 1,722	\$ 1,709	\$ 1,742	\$ 1,785
U.S. Overnight Envelope	422	397	408	435	443	422	422	463
Total U.S. Overnight	2,080	2,079	2,112	2,154	2,165	2,131	2,164	2,248
U.S. Deferred	816	826	926	811	810	834	954	930
Total U.S. Packages	2,896	2,905	3,038	2,965	2,975	2,965	3,118	3,178
International Priority	1,464	1,433	1,346	1,454	1,434	1,443	1,398	1,552
International Economy	574	568	546	594	584	605	570	653
Total International Export Package Revenue	2,038	2,001	1,892	2,048	2,018	2,048	1,968	2,205
International Domestic <sup>1</sup>	327	336	303	319	320	332	312	335
Total Package Revenue	5,261	5,242	5,233	5,332	5,313	5,345	5,398	5,718
Freight Revenue:								
U.S.	573	578	647	683	616	612	667	633
International Priority	350	354	325	355	360	378	355	409
International Airfreight	36	32	30	28	27	27	28	36
Total Freight Revenue	959	964	1,002	1,066	1,003	1,017	1,050	1,078
Other Revenue <sup>2</sup>	371	382	322	317	340	381	331	384
Total Revenue	6,591	6,588	6,557	6,715	6,656	6,743	6,779	7,180
Operating Expenses:								
Salaries and employee benefits	2,523	2,513	2,602	2,602	2,588	2,604	2,662	2,682
Purchased transportation	601	616	545	539	557	603	562	615
Rentals and landing fees	410	399	452	427	401	398	431	388
Depreciation and amortization	347	349	342	347	348	360	360	363
Fuel	607	517	455	444	501	509	572	571
Maintenance and repairs	345	330	306	313	357	339	348	370
Intercompany charges	445	462	464	475	462	463	467	489
Other	768	780	796	811	818	831	822	839
	6,046	5,966	5,962	5,958	6,032	6,107	6,224	6,317
Operating Income <sup>3</sup>	<u>\$ 545</u>	<u>\$ 622</u>	<u>\$ 595</u>	<u>\$ 757</u>	<u>\$ 624</u>	<u>\$ 636</u>	<u>\$ 555</u>	<u>\$ 863</u>

#### SELECTED STATISTICS

Operating Margin	8.3%	9.4%	9.1%	11.3%	9.4%	9.4%	8.2%	12.0%
------------------	------	------	------	-------	------	------	------	-------

1 - International domestic revenues represent our international intra-country operations.

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

3 - Q4 FY17 includes TNT Express integration expenses of \$46 million. Q3 FY17 includes TNT Express integration expenses of \$31 million. Q2 FY17 includes TNT Express integration expenses of \$18 million. Q1 FY17 includes TNT Express integration expenses of \$22 million.

Unaudited. Differences may result due to rounding.

# FedEx Express Annual Shipment Statistics<sup>1</sup> FY 2014 – FY 2017

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>AVG DAILY VOLUME / POUNDS</u>				
Average Daily Package Volume (000s):				
U.S. Overnight Box	1,164	1,240	1,271	1,265
U.S. Overnight Envelope	538	527	541	561
Total U.S. Overnight	1,702	1,767	1,812	1,826
U.S. Deferred	869	916	901	900
Total U.S. Packages	2,571	2,683	2,713	2,726
International Priority	410	410	394	405
International Economy	170	176	181	186
Total International Export Packages	580	586	575	591
International Domestic <sup>1</sup>	819	853	888	934
Total Avg Daily Packages	3,970	4,122	4,176	4,251
Average Daily Freight Pounds (000s):				
U.S.	7,854	7,833	8,178	8,190
International Priority	2,922	2,887	2,510	2,670
International Airfreight	798	684	623	641
Total Avg Daily Freight Pounds	11,574	11,404	11,311	11,501
<u>YIELD</u>				
Revenue Per Package:				
U.S. Overnight Box	\$ 22.18	\$ 21.29	\$ 20.79	\$ 21.57
U.S. Overnight Envelope	11.97	12.15	11.99	12.24
Total U.S. Overnight	18.95	18.56	18.16	18.70
U.S. Deferred	14.44	14.36	14.66	15.37
Total U.S. Packages	17.42	17.13	17.00	17.60
International Priority	61.88	60.05	56.47	56.44
International Economy	51.75	51.54	49.15	50.83
Total International Export Packages	58.92	57.50	54.16	54.68
International Domestic <sup>1</sup>	6.95	6.49	5.65	5.45
Total Composite Package Yield	\$ 21.32	\$ 20.66	\$ 19.71	\$ 20.09
Revenue Per Freight Pound:				
U.S.	\$ 1.18	\$ 1.16	\$ 1.19	\$ 1.21
International Priority	2.15	2.17	2.15	2.21
International Airfreight	1.01	1.04	0.79	0.72
Total Composite Freight Yield	\$ 1.41	\$ 1.40	\$ 1.38	\$ 1.41
<u>PACKAGE YOY GROWTH RATES</u>				
Average Daily Volume Growth:				
U.S. Overnight Box	2.6%	6.5%	2.5%	(0.5%)
U.S. Overnight Envelope	(6.3%)	(2.0%)	2.7%	3.7%
Total U.S. Overnight	(0.4%)	3.8%	2.5%	0.8%
U.S. Deferred	4.1%	5.4%	(1.6%)	(0.1%)
Total U.S. Packages	1.1%	4.4%	1.1%	0.5%
International Priority	(2.6%)	–	(3.9%)	2.8%
International Economy	9.7%	3.5%	2.8%	2.8%
Total International Export Packages	0.7%	1.0%	(1.9%)	2.8%
International Domestic <sup>1</sup>	4.3%	4.2%	4.1%	5.2%
Total Package Volume Growth	1.7%	3.8%	1.3%	1.8%
Revenue Growth:				
U.S. Overnight Box	0.6%	2.3%	0.9%	2.9%
U.S. Overnight Envelope	(4.0%)	(0.4%)	2.0%	5.3%
Total U.S. Overnight	(0.3%)	1.7%	1.1%	3.4%
U.S. Deferred	5.6%	4.8%	1.1%	4.4%
Total U.S. Packages	1.3%	2.6%	1.1%	3.7%
International Priority	(2.0%)	(3.1%)	(8.9%)	2.3%
International Economy	8.9%	3.2%	(0.8%)	5.7%
Total International Export Packages	0.6%	(1.5%)	(6.7%)	3.3%
International Domestic <sup>2</sup>	3.4%	(2.8%)	(8.6%)	1.1%
Total Package Revenue Growth	1.1%	0.6%	(2.6%)	3.4%
AVG POUNDS PER PACKAGE	10.6	10.6	10.6	10.8
AVG REVENUE PER PACKAGE LB.	\$ 2.01	\$ 1.95	\$ 1.86	\$ 1.86
OPERATING WEEKDAYS	254	254	256	255

1 - Package and freight statistics include only the operations of FedEx Express.

2 - International domestic statistics represent our international intra-country operations.

Unaudited. Differences may result due to rounding.

# FedEx Express

## Quarterly Shipment Statistics<sup>1</sup>

### FY 2014 - FY 2015

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<b>AVG. DAILY VOLUME / POUNDS</b>								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box	1,112	1,146	1,202	1,195	1,211	1,259	1,258	1,231
U.S. Overnight Envelope	563	535	515	539	527	521	516	547
Total U.S. Overnight	1,675	1,681	1,717	1,734	1,738	1,780	1,774	1,778
U.S. Deferred	790	841	984	864	846	915	1,024	881
Total U.S. Packages	2,465	2,522	2,701	2,598	2,584	2,695	2,798	2,659
International Priority	406	421	399	416	409	424	398	408
International Economy	165	172	168	173	170	180	175	178
Total International Export Packages	571	593	567	589	579	604	573	586
International Domestic <sup>2</sup>	789	896	780	813	816	917	831	850
Total Avg Daily Packages	3,825	4,011	4,048	4,000	3,979	4,216	4,202	4,095
Avg. Daily Freight Pounds (000s):								
U.S.	7,423	7,872	8,263	7,865	7,318	8,039	8,145	7,836
International Priority	2,862	3,068	2,823	2,936	2,792	2,983	2,823	2,953
International Airfreight	850	907	757	677	670	630	718	716
Total Avg Daily Freight Pounds	11,135	11,847	11,843	11,478	10,780	11,652	11,686	11,505
<b>YIELD</b>								
Revenue Per Package:								
U.S. Overnight Box	\$ 22.27	\$ 22.50	\$ 21.70	\$ 22.26	\$ 21.69	\$ 21.50	\$ 20.85	\$ 21.12
U.S. Overnight Envelope	11.61	11.84	12.09	12.36	12.32	12.15	12.07	12.07
Total U.S. Overnight	18.68	19.11	18.82	19.18	18.85	18.76	18.30	18.34
U.S. Deferred	14.42	14.55	14.01	14.81	14.68	14.48	13.88	14.50
Total U.S. Packages	17.32	17.59	17.07	17.73	17.49	17.31	16.68	17.07
International Priority	60.65	61.87	61.38	63.57	62.19	61.64	58.40	57.85
International Economy	50.41	52.27	51.01	53.21	52.60	52.88	50.60	50.10
Total International Export Packages	57.70	59.08	58.30	60.52	59.38	59.04	56.01	55.49
International Domestic <sup>2</sup>	6.84	6.82	7.05	7.10	7.10	6.63	6.28	5.96
Total Composite Package Yield	\$ 21.18	\$ 21.32	\$ 20.91	\$ 21.87	\$ 21.46	\$ 20.97	\$ 19.99	\$ 20.66
Revenue Per Freight Pound:								
U.S.	\$ 1.31	\$ 1.18	\$ 1.11	\$ 1.13	\$ 1.24	\$ 1.16	\$ 1.13	\$ 1.11
International Priority	2.12	2.16	2.13	2.18	2.21	2.19	2.11	2.15
International Airfreight	0.99	0.97	1.00	1.12	1.07	1.07	1.00	1.01
Total Composite Freight Yield	\$ 1.50	\$ 1.42	\$ 1.35	\$ 1.40	\$ 1.48	\$ 1.42	\$ 1.36	\$ 1.37
<b>PACKAGE YOY GROWTH RATES</b>								
Average Daily Volume Growth:								
U.S. Overnight Box	1.8%	0.4%	2.2%	5.7%	8.9%	9.9%	4.7%	3.0%
U.S. Overnight Envelope	(2.1%)	(5.1%)	(9.5%)	(8.0%)	(6.4%)	(2.6%)	0.2%	1.5%
Total U.S. Overnight	0.5%	(1.4%)	(1.6%)	1.0%	3.8%	5.9%	3.3%	2.5%
U.S. Deferred	3.7%	1.6%	4.2%	6.5%	7.1%	8.8%	4.1%	2.0%
Total U.S. Packages	1.5%	(0.4%)	0.4%	2.8%	4.8%	6.9%	3.6%	2.3%
International Priority	(0.5%)	(5.4%)	(5.0%)	0.2%	0.7%	0.7%	(0.3%)	(1.9%)
International Economy	15.4%	9.6%	8.4%	5.5%	3.0%	4.7%	4.2%	2.9%
Total International Export Packages	3.6%	(1.5%)	(1.4%)	1.7%	1.4%	1.9%	1.1%	(0.5%)
International Domestic <sup>2</sup>	15.9%	1.4%	(0.1%)	2.1%	3.4%	2.3%	6.5%	4.6%
Total Package Volume Growth	4.5%	(0.2%)	0.1%	2.5%	4.0%	5.1%	3.8%	2.4%
Revenue Growth:								
U.S. Overnight Box	(1.2%)	1.0%	2.1%	0.7%	6.2%	4.9%	0.6%	(2.3%)
U.S. Overnight Envelope	(2.6%)	(2.7%)	(4.8%)	(6.0%)	(1.0%)	0.5%	(0.3%)	(0.9%)
Total U.S. Overnight	(1.5%)	0.2%	0.7%	(0.7%)	4.7%	4.1%	0.4%	(2.0%)
U.S. Deferred	3.8%	5.3%	7.0%	5.8%	9.1%	8.2%	3.0%	(0.1%)
Total U.S. Packages	(0.1%)	1.6%	2.5%	1.0%	5.9%	5.2%	1.2%	(1.5%)
International Priority	(5.1%)	(2.1%)	(1.6%)	0.7%	3.4%	0.4%	(5.1%)	(10.8%)
International Economy	9.2%	10.3%	10.0%	6.5%	7.3%	5.5%	3.7%	(3.1%)
Total International Export Packages	(1.9%)	0.8%	1.2%	2.1%	4.4%	1.7%	(2.8%)	(8.8%)
International Domestic <sup>2</sup>	11.7%	0.3%	1.5%	1.7%	7.5%	(0.5%)	(5.5%)	(12.2%)
Total Package Revenue Growth	(0.2%)	1.2%	1.9%	1.5%	5.4%	3.4%	(0.8%)	(5.2%)
AVG POUNDS PER PACKAGE	10.5	11.0	10.3	10.5	10.7	10.9	10.3	10.5
AVG REVENUE PER PACKAGE LB.	\$ 2.02	\$ 1.94	\$ 2.03	\$ 2.08	\$ 2.01	\$ 1.92	\$ 1.94	\$ 1.97
OPERATING WEEKDAYS	64	63	63	64	64	63	63	64

1 - Package and freight statistics include only the operations of FedEx Express.

2 - International domestic statistics represent our international intra-country operations.

Unaudited. Differences may result due to rounding.

# FedEx Express

## Quarterly Shipment Statistics<sup>1</sup>

### FY 2016 - FY 2017

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<b>AVG. DAILY VOLUME / POUNDS</b>								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box	1,210	1,290	1,316	1,269	1,255	1,283	1,322	1,204
U.S. Overnight Envelope	541	531	535	558	570	557	549	565
Total U.S. Overnight	1,751	1,821	1,851	1,827	1,825	1,840	1,871	1,769
U.S. Deferred	865	900	1,015	825	824	866	1,025	890
Total U.S. Packages	2,616	2,721	2,866	2,652	2,649	2,706	2,896	2,659
International Priority	389	402	386	399	385	409	407	419
International Economy	176	186	179	184	178	189	182	195
Total International Export Packages	565	588	565	583	563	598	589	614
International Domestic <sup>2</sup>	855	954	878	869	875	982	943	939
Total Avg Daily Packages	4,036	4,263	4,309	4,104	4,087	4,286	4,428	4,212
Avg. Daily Freight Pounds (000s):								
U.S.	7,278	8,213	8,340	8,885	8,067	8,177	8,458	8,071
International Priority	2,491	2,605	2,414	2,530	2,534	2,743	2,592	2,810
International Airfreight	609	678	622	586	585	600	645	732
Total Avg Daily Freight Pounds	10,378	11,496	11,376	12,001	11,186	11,520	11,695	11,613
<b>YIELD</b>								
Revenue Per Package:								
U.S. Overnight Box	\$ 21.08	\$ 20.70	\$ 20.56	\$ 20.83	\$ 21.11	\$ 21.15	\$ 21.24	\$ 22.81
U.S. Overnight Envelope	11.99	11.87	12.11	11.99	11.96	12.00	12.41	12.60
Total U.S. Overnight	18.27	18.13	18.11	18.13	18.25	18.38	18.65	19.55
U.S. Deferred	14.52	14.55	14.48	15.12	15.12	15.30	15.00	16.07
Total U.S. Packages	17.03	16.94	16.83	17.20	17.28	17.39	17.36	18.39
International Priority	57.86	56.52	55.35	56.12	57.30	56.04	55.42	56.97
International Economy	50.18	48.53	48.36	49.49	50.48	50.75	50.56	51.46
Total International Export Packages	55.47	54.00	53.14	54.02	55.15	54.37	53.92	55.23
International Domestic <sup>2</sup>	5.88	5.59	5.47	5.66	5.62	5.36	5.34	5.51
Total Composite Package Yield	\$ 20.05	\$ 19.52	\$ 19.27	\$ 19.99	\$ 20.00	\$ 19.80	\$ 19.66	\$ 20.89
Revenue Per Freight Pound:								
U.S.	\$ 1.21	\$ 1.12	\$ 1.23	\$ 1.18	\$ 1.18	\$ 1.19	\$ 1.27	\$ 1.21
International Priority	2.16	2.16	2.14	2.16	2.19	2.18	2.21	2.24
International Airfreight	0.92	0.75	0.76	0.73	0.70	0.72	0.71	0.74
Total Composite Freight Yield	\$ 1.42	\$ 1.33	\$ 1.40	\$ 1.37	\$ 1.38	\$ 1.40	\$ 1.45	\$ 1.43
<b>PACKAGE YOY GROWTH RATES</b>								
Average Daily Volume Growth:								
U.S. Overnight Box	(0.1%)	2.5%	4.6%	3.1%	3.7%	(0.5%)	0.5%	(5.1%)
U.S. Overnight Envelope	2.7%	1.9%	3.7%	2.0%	5.4%	4.9%	2.6%	1.3%
Total U.S. Overnight	0.7%	2.3%	4.3%	2.8%	4.2%	1.0%	1.1%	(3.2%)
U.S. Deferred	2.2%	(1.6%)	(0.9%)	(6.4%)	(4.7%)	(3.8%)	1.0%	7.9%
Total U.S. Packages	1.2%	1.0%	2.4%	(0.3%)	1.3%	(0.6%)	1.0%	0.3%
International Priority	(4.9%)	(5.2%)	(3.0%)	(2.2%)	(1.0%)	1.7%	5.4%	5.0%
International Economy	3.5%	3.3%	2.3%	3.4%	1.1%	1.6%	1.7%	6.0%
Total International Export Packages	(2.4%)	(2.6%)	(1.4%)	(0.5%)	(0.4%)	1.7%	4.2%	5.3%
International Domestic <sup>2</sup>	4.8%	4.0%	5.7%	2.2%	2.3%	2.9%	7.4%	8.1%
Total Package Volume Growth	1.4%	1.1%	2.5%	0.2%	1.3%	0.5%	2.8%	2.6%
Revenue Growth:								
U.S. Overnight Box	(1.4%)	(1.3%)	3.1%	3.3%	3.9%	1.6%	2.2%	3.8%
U.S. Overnight Envelope	1.7%	(0.7%)	4.1%	3.1%	5.0%	6.3%	3.4%	6.4%
Total U.S. Overnight	(0.8%)	(1.2%)	3.3%	3.3%	4.1%	2.5%	2.5%	4.4%
U.S. Deferred	2.6%	(1.0%)	3.5%	(0.9%)	(0.7%)	1.0%	3.0%	14.7%
Total U.S. Packages	0.1%	(1.2%)	3.3%	2.1%	2.7%	2.1%	2.6%	7.2%
International Priority	(10.2%)	(13.1%)	(8.0%)	(3.6%)	(2.0%)	0.7%	3.9%	6.7%
International Economy	0.5%	(5.0%)	(2.5%)	3.8%	1.7%	6.5%	4.4%	9.9%
Total International Export Packages	(7.4%)	(10.9%)	(6.5%)	(1.6%)	(1.0%)	2.3%	4.0%	7.7%
International Domestic <sup>2</sup>	(11.9%)	(12.3%)	(7.6%)	(1.5%)	(2.1%)	(1.2%)	3.0%	5.0%
Total Package Revenue Growth	(3.7%)	(5.9%)	(1.1%)	0.4%	1.0%	2.0%	3.2%	7.2%
AVG POUNDS PER PACKAGE	10.6	10.9	10.2	10.5	10.5	11.0	10.5	11.0
AVG REVENUE PER PACKAGE LB.	\$ 1.89	\$ 1.79	\$ 1.89	\$ 1.90	\$ 1.90	\$ 1.80	\$ 1.87	\$ 1.90
OPERATING WEEKDAYS	65	63	63	65	65	63	62	65

1 - Package and freight statistics include only the operations of FedEx Express.

2 - International domestic statistics represent our international intra-country operations.

Unaudited. Differences may result due to rounding.



# FedEx Express

## Quarterly Shipment Statistics

### FY 2018

FY 2018

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
------------------	-------------------	------------------	-------------------

AVG. DAILY VOLUME / POUNDS

Avg. Daily Package Volume (000s):

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred
- Total U.S. Packages
- International Priority
- International Economy
- Total International Export Packages
- International Domestic<sup>1</sup>
- Total Avg Daily Packages

Avg. Daily Freight Pounds (000s):

- U.S.
- International Priority
- International Airfreight
- Total Avg Daily Freight Pounds

YIELD

Revenue Per Package:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred
- Total U.S. Packages
- International Priority
- International Economy
- Total International Export Packages
- International Domestic<sup>1</sup>
- Total Composite Package Yield

Revenue Per Freight Pound:

- U.S.
- International Priority
- International Airfreight
- Total Composite Freight Yield

PACKAGE YOY GROWTH RATES

Average Daily Volume Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred
- Total U.S. Packages
- International Priority
- International Economy
- Total International Export Packages
- International Domestic<sup>1</sup>
- Total Package Volume Growth

Revenue Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred
- Total U.S. Packages
- International Priority
- International Economy
- Total International Export Packages
- International Domestic<sup>1</sup>
- Total Package Revenue Growth

AVG POUNDS PER PACKAGE

AVG REVENUE PER PACKAGE LB.

OPERATING WEEKDAYS	65	63	62	65
--------------------	----	----	----	----

1 - International domestic statistics represent our international intra-country operations.

Unaudited. Differences may result due to rounding.

# FedEx Express Aircraft and Vehicle Fleet Statistics FY 2014 – FY 2023

<u>Aircraft Type</u>	<u>Gross Max Structural Payload (Lbs/Aircraft)</u>	<u>May 31</u>				<u>To Be Delivered (Retired/Lease Expiration) in FY</u>					
		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Boeing 757-200	63,000	106	119	119	119	–	–	–	–	–	–
Boeing 767F <sup>1</sup>	127,100	4	21	32	46	11	15	16	10	10	6
Boeing MD10-10	137,500	45	36	30	26	(11)	(2)	(5)	(8)	–	–
Boeing MD10-30	175,900	16	13	13	13	(6)	–	–	(7)	–	–
Boeing MD11	192,600	64	56	56	57	(3)	(2)	(2)	(1)	–	(2)
Boeing 777F <sup>2</sup>	233,300	25	25	27	30	4	2	3	3	4	–
Boeing 747-400	261,400	–	–	2	2	–	–	–	–	–	–
Airbus A300-600	106,600	71	68	68	68	(1)	(5)	(8)	(10)	(1)	(2)
Airbus A310-200/300	83,170	29	21	10	10	–	–	–	–	–	–
Cessna 208B	2,830	243	241	239	239	–	–	–	–	–	–
ATR-72	17,970	21	21	21	21	–	–	–	–	–	–
ATR-42	12,070	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
<b>Aircraft Fleet Total</b>		<b><u>650</u></b>	<b><u>647</u></b>	<b><u>643</u></b>	<b><u>657</u></b>	<b><u>(6)</u></b>	<b><u>8</u></b>	<b><u>4</u></b>	<b><u>(13)</u></b>	<b><u>13</u></b>	<b><u>2</u></b>
<b><u>Vehicle Fleet (000s)</u></b>											
Long-Haul Tractors		3.2	3.1	3.2	3.3						
All Other Motorized Vehicles		<u>45.1</u>	<u>44.8</u>	<u>45.2</u>	<u>45.8</u>						
<b>Vehicle Fleet Total</b>		<b><u>48.3</u></b>	<b><u>47.9</u></b>	<b><u>48.4</u></b>	<b><u>49.1</u></b>						

NOTE: Aircraft fleet delivery schedule is subject to change.

1 - As of May 31, 2017, B767F count includes 1 aircraft that is not currently in operation. As of May 31, 2017, we are committed to purchase 71 B767Fs. Aircraft to be delivered statistics include certain lease expirations.

2 - As of May 31, 2017, we are committed to purchase 16 B777Fs.

Unaudited.

# FedEx Express Jet Fuel Statistics FY 2014 – FY 2017

	FY 2014				FY 2015			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	277,808	277,833	284,827	281,287	279,197	283,724	294,059	281,567
Price Per Gallon	\$ 3.055	\$ 3.161	\$ 3.159	\$ 3.125	\$ 3.078	\$ 2.832	\$ 2.072	\$ 1.934
Jet Fuel Expense (\$000s)	\$ 848,598	\$ 878,145	\$ 899,647	\$ 879,142	\$ 859,234	\$ 803,387	\$ 609,383	\$ 544,420

	FY 2016				FY 2017			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	277,269	276,180	296,643	289,243	282,563	280,625	293,551	293,024
Price Per Gallon	\$ 1.881	\$ 1.604	\$ 1.299	\$ 1.301	\$ 1.516	\$ 1.556	\$ 1.686	\$ 1.689
Jet Fuel Expense (\$000s)	\$ 521,642	\$ 442,889	\$ 385,386	\$ 376,428	\$ 428,345	\$ 436,769	\$ 495,012	\$ 495,018

*Unaudited. Differences may result due to rounding.*

# TNT Express Segment Annual Consolidated Statements of Income and Shipment Statistics FY 2017

Years ended May 31  
In millions

	<b>FY 2017</b>
Revenues	\$ 7,401
Operating Expenses:	
Salaries and employee benefits	2,077
Purchased transportation	3,049
Rentals and landing fees	353
Depreciation and amortization	239
Fuel	225
Maintenance and repairs	143
Intercompany charges	17
Other	1,214
	7,317
Operating Income <sup>1</sup>	\$ 84
<b><u>SELECTED STATISTICS</u></b>	
Operating Margin	1.1%
<b><u>SHIPMENT STATISTICS</u></b>	
Package:	
Average Daily Package Volume (000s):	1,022
Yield (Revenue Per Package)	\$ 24.77
Freight:	
Average Daily Freight Pounds (000s):	3,608
Revenue Per Freight Pound:	\$ 0.56
OPERATING WEEKDAYS	253

1 - FY17 includes integration expenses, which include restructuring charges, of \$89 million and intangible asset amortization of \$74 million.

*Current period financial results are unaudited. Differences may result due to rounding.*

# TNT Express Segment

## Quarterly Consolidated Statements of Income and Shipment Statistics

### FY 2017

Years ended May 31  
In millions

	FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,804	\$ 1,899	\$ 1,790	\$ 1,908
Operating Expenses:				
Salaries and employee benefits	521	510	508	538
Purchased transportation	768	749	724	808
Rentals and landing fees	86	87	80	100
Depreciation and amortization	72	52	60	55
Fuel	54	56	61	54
Maintenance and repairs	36	40	38	29
Intercompany charges	-	5	6	6
Other	281	330	311	292
	1,818	1,829	1,788	1,882
Operating Income (Loss) <sup>1</sup>	(\$14)	\$ 70	\$ 2	\$ 26

#### SELECTED STATISTICS

Operating Margin	(0.8%)	3.7%	0.1%	1.4%
------------------	--------	------	------	------

#### SHIPMENT STATISTICS

Package:				
Average Daily Package Volume (000s)	919	1,071	1,034	1,046
Yield (Revenue Per Package)	\$ 25.97	\$ 24.88	\$ 24.15	\$ 24.77
Freight:				
Average Daily Freight Pounds (000s):	3,702	3,484	3,169	3,494
Revenue Per Freight Pound:	\$ 0.62	\$ 0.59	\$ 0.54	\$ 0.54
OPERATING WEEKDAYS	64	62	64	63

1 - Q4 FY17 includes integration expenses, which include restructuring charges, of \$37 million and intangible asset amortization of \$20 million. Q3 FY17 includes integration expenses, which include restructuring charges, of \$22 million and intangible asset amortization of \$16 million. Q2 FY17 includes integration expenses, which include restructuring charges, of \$10 million and intangible asset amortization of \$10 million. Q1 FY17 includes integration expenses, which include restructuring charges, of \$20 million and intangible asset amortization of \$28 million.

*Unaudited. Differences may result due to rounding.*

# FedEx Ground Segment

## Annual Consolidated Statements of Income

### FY 2014 – FY 2017

Years ended May 31  
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<b>Revenues:</b>				
FedEx Ground <sup>1,2</sup>	\$ 11,617	\$ 12,568	\$ 15,050	\$ 16,497
FedEx Supply Chain <sup>3</sup>	–	416	1,524	1,578
<b>Total Revenues</b>	<u>11,617</u>	<u>12,984</u>	<u>16,574</u>	<u>18,075</u>
<b>Operating Expenses<sup>4</sup>:</b>				
Salaries and employee benefits	1,749	2,146	2,834	3,228
Purchased transportation <sup>1</sup>	4,635	5,021	6,817	7,406
Rentals	402	485	639	764
Depreciation and amortization	468	530	608	684
Fuel	17	12	10	10
Maintenance and repairs	222	244	288	322
Intercompany charges	1,095	1,123	1,230	1,317
Other	1,008	1,251	1,872	2,052
	<u>9,596</u>	<u>10,812</u>	<u>14,298</u>	<u>15,783</u>
<b>Operating Income</b>	<u>\$ 2,021</u>	<u>\$ 2,172</u>	<u>\$ 2,276</u>	<u>\$ 2,292</u>

#### SELECTED STATISTICS

Operating Margin	17.4%	16.7%	13.7%	12.7%
------------------	-------	-------	-------	-------

1 - Effective June 1, 2015, FedEx Ground began recording FedEx SmartPost service revenues on a gross basis (including postal fees). Postal fees, which previously were netted against revenue, are now charged to purchased transportation.

2 - Effective August 31, 2015, our FedEx SmartPost business merged into FedEx Ground. For presentation purposes, FedEx SmartPost service revenues have been combined with our FedEx Ground service offerings.

3 - During the third quarter of 2017, we announced the rebranding of GENCO to FedEx Supply Chain.

4 - Beginning February 2015, operating expenses include those related to the FedEx Supply Chain (formerly GENCO) acquisition.

*Unaudited. Differences may result due to rounding.*

# FedEx Ground Segment

## Quarterly Consolidated Statements of Income

### FY 2014 - FY 2015

Years ended May 31  
In millions

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues:								
FedEx Ground <sup>1</sup>	\$ 2,730	\$ 2,849	\$ 3,031	\$ 3,007	\$ 2,960	\$ 3,063	\$ 3,306	\$ 3,239
FedEx Supply Chain <sup>2</sup>	—	—	—	—	—	—	87	329
Total Revenues	2,730	2,849	3,031	3,007	2,960	3,063	3,393	3,568
Operating Expenses <sup>3</sup> :								
Salaries and employee benefits	412	444	458	435	448	485	564	649
Purchased transportation	1,064	1,159	1,253	1,159	1,154	1,263	1,348	1,256
Rentals	92	102	105	103	108	115	126	136
Depreciation and amortization	111	118	121	118	119	126	136	149
Fuel	3	4	7	3	3	3	3	3
Maintenance and repairs	53	56	57	56	56	57	61	70
Intercompany charges	269	276	273	277	275	278	281	289
Other	240	249	264	255	252	271	315	413
	2,244	2,408	2,538	2,406	2,415	2,598	2,834	2,965
Operating Income	\$ 486	\$ 441	\$ 493	\$ 601	\$ 545	\$ 465	\$ 559	\$ 603

#### SELECTED STATISTICS

Operating Margin	17.8%	15.5%	16.3%	20.0%	18.4%	15.2%	16.5%	16.9%
------------------	-------	-------	-------	-------	-------	-------	-------	-------

1 - Effective August 31, 2015, our FedEx SmartPost business merged into FedEx Ground. For presentation purposes, FedEx SmartPost service revenues have been combined with our FedEx Ground service offerings.

2 - During the third quarter of 2017, we announced the rebranding of GENCO to FedEx Supply Chain.

3 - Beginning February 2015, operating expenses include those related to the FedEx Supply Chain (formerly GENCO) acquisition.

*Unaudited. Differences may result due to rounding.*

# FedEx Ground Segment

## Quarterly Consolidated Statements of Income

### FY 2016 - FY 2017

Years ended May 31  
In millions

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues:								
FedEx Ground <sup>1,2</sup>	\$ 3,460	\$ 3,677	\$ 4,025	\$ 3,889	\$ 3,891	\$ 4,015	\$ 4,296	\$ 4,295
FedEx Supply Chain <sup>3</sup>	370	373	383	397	399	404	392	383
Total Revenues	3,830	4,050	4,408	4,286	4,290	4,419	4,688	4,678
Operating Expenses <sup>4</sup> :								
Salaries and employee benefits	653	696	756	729	766	820	834	808
Purchased transportation <sup>1</sup>	1,527	1,712	1,891	1,687	1,692	1,861	2,015	1,838
Rentals	145	155	166	173	181	189	197	197
Depreciation and amortization	146	146	159	157	163	168	177	176
Fuel	3	2	3	2	2	3	3	2
Maintenance and repairs	69	69	71	79	76	78	83	85
Intercompany charges	297	301	312	320	325	328	330	334
Other	453	443	493	483	475	507	534	536
	3,293	3,524	3,851	3,630	3,680	3,954	4,173	3,976
Operating Income	\$ 537	\$ 526	\$ 557	\$ 656	\$ 610	\$ 465	\$ 515	\$ 702

#### SELECTED STATISTICS

Operating Margin	14.0%	13.0%	12.6%	15.3%	14.2%	10.5%	11.0%	15.0%
------------------	-------	-------	-------	-------	-------	-------	-------	-------

1 - Effective June 1, 2015, FedEx Ground began recording FedEx SmartPost service revenues on a gross basis (including postal fees). Postal fees, which previously were netted against revenue, are now charged to purchased transportation.

2 - Effective August 31, 2015, our FedEx SmartPost business merged into FedEx Ground. For presentation purposes, FedEx SmartPost service revenues have been combined with our FedEx Ground service offerings.

3 - During the third quarter of 2017, we announced the rebranding of GENCO to FedEx Supply Chain.

4 - Beginning February 2015, operating expenses include those related to the FedEx Supply Chain (formerly GENCO) acquisition.

*Unaudited. Differences may result due to rounding.*



## FedEx Ground Segment Annual Shipment Statistics FY 2014 - FY 2017

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<b><u>FedEx Ground</u><sup>1</sup></b>				
Total Package Volume (000s)	1,715,963	1,751,314	1,926,666	2,013,434
Average Daily Package Volume (000s)	6,774	6,911	7,526	7,896
Yield (Revenue Per Package)	\$ 6.75	\$ 7.16	\$ 7.80	\$ 8.18
Average Daily YOY Volume Growth Rate	7.9%	2.0%	8.9%	4.9%
Yield YOY Growth Rate	2.3%	6.1%	8.9%	4.9%
OPERATING WEEKDAYS	254	254	256	255

1 - Operating statistics include only the operations of FedEx Ground (including FedEx SmartPost). Our FedEx SmartPost business was merged into FedEx Ground on August 31, 2015. Effective June 1, 2015, FedEx Ground began recording FedEx SmartPost service revenues on a gross basis (including postal fees). Postal fees, which previously were netted against revenue, are now charged to purchased transportation.

*Unaudited. Differences may result due to rounding.*

## FedEx Ground Segment Quarterly Shipment Statistics FY 2014 – FY 2018

	<u>FY 2014</u>				<u>FY 2015</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
<b><u>FedEx Ground<sup>1</sup></u></b>								
Total Package Volume (000s)	409,926	431,227	457,780	417,029	413,140	438,890	467,557	431,726
Avg. Daily Package Vol. (000s)	6,405	6,845	7,346	6,517	6,456	6,967	7,496	6,746
Yield (Revenue Per Package)	\$ 6.64	\$ 6.59	\$ 6.61	\$ 7.19	\$ 7.15	\$ 6.96	\$ 7.06	\$ 7.49
Avg. Daily YOY Pkg. Growth Rate	15.2%	8.3%	5.7%	3.1%	0.8%	1.8%	2.0%	3.5%
Yield YOY Growth Rate	(2.2%)	1.4%	3.3%	6.7%	7.7%	5.6%	6.8%	4.2%
OPERATING WEEKDAYS	64	63	63	64	64	63	63	64
	<u>FY 2016</u>				<u>FY 2017</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
<b><u>FedEx Ground<sup>1</sup></u></b>								
Total Package Volume (000s)	436,628	480,229	525,363	484,447	480,256	504,297	528,381	500,500
Avg. Daily Package Vol. (000s)	6,717	7,623	8,339	7,453	7,389	8,005	8,522	7,700
Yield (Revenue Per Package)	\$ 7.91	\$ 7.64	\$ 7.65	\$ 8.01	\$ 8.09	\$ 7.95	\$ 8.12	\$ 8.57
Avg. Daily YOY Pkg. Growth Rate	4.0%	9.4%	11.2%	10.5%	10.0%	5.0%	2.2%	3.3%
Yield YOY Growth Rate	10.6%	9.8%	8.4%	6.9%	2.3%	4.1%	6.1%	7.0%
OPERATING WEEKDAYS	65	63	63	65	65	63	62	65
	<u>FY 2018</u>							
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>				
<b><u>FedEx Ground<sup>1</sup></u></b>								
Total Package Volume (000s)								
Avg. Daily Package Vol. (000s)								
Yield (Revenue Per Package)								
Avg. Daily YOY Pkg. Growth Rate								
Yield YOY Growth Rate								
OPERATING WEEKDAYS	65	63	62	65				

1 - Operating statistics include only the operations of FedEx Ground (including FedEx SmartPost). Our FedEx SmartPost business was merged into FedEx Ground on August 31, 2015. Effective June 1, 2015, FedEx Ground began recording FedEx SmartPost service revenues on a gross basis (including postal fees). Postal fees, which previously were netted against revenue, are now charged to purchased transportation.

Unaudited. Differences may result due to rounding.

# FedEx Freight Segment

## Annual Consolidated Statements of Income

### FY 2014 – FY 2017

Years ended May 31  
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Revenues	\$ 5,757	\$ 6,191	\$ 6,200	\$ 6,443
Operating Expenses:				
Salaries and employee benefits	2,442	2,698	2,925	3,058
Purchased transportation	981	1,045	962	988
Rentals	131	129	142	136
Depreciation and amortization	231	230	248	269
Fuel	595	508	363	384
Maintenance and repairs	179	201	206	215
Intercompany charges	431	444	456	497
Other	416	452	472	499
	<u>5,406</u>	<u>5,707</u>	<u>5,774</u>	<u>6,046</u>
Operating Income	<u>\$ 351</u>	<u>\$ 484</u>	<u>\$ 426</u>	<u>\$ 397</u>

#### SELECTED STATISTICS

Operating Margin	6.1%	7.8%	6.9%	6.2%
------------------	------	------	------	------

*Unaudited. Differences may result due to rounding.*

# FedEx Freight Segment

## Quarterly Consolidated Statements of Income

### FY 2014 - FY 2015

Years ended May 31  
In millions

	FY 2014				FY 2015			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>
Revenues	\$ 1,424	\$ 1,434	\$ 1,347	\$ 1,552	\$ 1,609	\$ 1,585	\$ 1,428	\$ 1,569
Operating Expenses:								
Salaries and employee benefits	598	610	598	636	656	686	664	692
Purchased transportation	234	250	231	266	284	273	235	253
Rentals	32	31	31	37	32	31	33	33
Depreciation and amortization	57	57	58	59	58	58	54	60
Fuel	145	145	146	159	147	143	109	109
Maintenance and repairs	46	46	42	45	46	53	49	53
Intercompany charges	112	110	104	105	110	111	108	115
Other	100	100	101	115	108	118	109	117
	<u>1,324</u>	<u>1,349</u>	<u>1,311</u>	<u>1,422</u>	<u>1,441</u>	<u>1,473</u>	<u>1,361</u>	<u>1,432</u>
Operating Income	<u>\$ 100</u>	<u>\$ 85</u>	<u>\$ 36</u>	<u>\$ 130</u>	<u>\$ 168</u>	<u>\$ 112</u>	<u>\$ 67</u>	<u>\$ 137</u>

#### SELECTED STATISTICS

Operating Margin	7.0%	5.9%	2.7%	8.4%	10.4%	7.1%	4.7%	8.7%
------------------	------	------	------	------	-------	------	------	------

Unaudited. Differences may result due to rounding.

# FedEx Freight Segment

## Quarterly Consolidated Statements of Income

### FY 2016 - FY 2017

Years ended May 31  
In millions

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,601	\$ 1,547	\$ 1,447	\$ 1,605	\$ 1,658	\$ 1,597	\$ 1,492	\$ 1,696
Operating Expenses:								
Salaries and employee benefits	721	731	716	757	772	761	733	792
Purchased transportation	251	246	223	242	259	250	230	249
Rentals	43	33	33	33	30	35	36	35
Depreciation and amortization	59	61	65	63	64	66	69	70
Fuel	102	95	80	86	91	92	99	102
Maintenance and repairs	53	53	48	52	54	55	50	56
Intercompany charges	113	112	112	119	126	124	120	127
Other	127	115	114	116	127	126	114	132
	1,469	1,446	1,391	1,468	1,523	1,509	1,451	1,563
Operating Income	\$ 132	\$ 101	\$ 56	\$ 137	\$ 135	\$ 88	\$ 41	\$ 133

#### SELECTED STATISTICS

Operating Margin	8.2%	6.5%	3.9%	8.5%	8.1%	5.5%	2.7%	7.8%
------------------	------	------	------	------	------	------	------	------

*Unaudited. Differences may result due to rounding.*

# FedEx Freight

## Annual LTL Shipment Statistics

### FY 2014 – FY 2017

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Shipments Per Day				
Priority	62,868	66,864	67,743	70,658
Economy	27,687	28,626	31,054	30,951
Total shipments per day	<u>90,555</u>	<u>95,490</u>	<u>98,797</u>	<u>101,609</u>
Weight Per LTL Shipment (lbs)				
Priority	1,262	1,272	1,191	1,176
Economy	1,000	1,003	1,145	1,129
Composite Weight per LTL Shipment	<u>1,182</u>	<u>1,191</u>	<u>1,177</u>	<u>1,161</u>
LTL Revenue/Shipment				
Priority	\$ 223.61	\$ 229.57	\$ 218.50	\$ 221.67
Economy	258.05	264.34	261.27	265.77
Composite LTL Revenue/Shipment	<u>\$ 234.23</u>	<u>\$ 240.09</u>	<u>\$ 232.11</u>	<u>\$ 235.20</u>
LTL Revenue/CWT				
Priority	\$ 17.73	\$ 18.05	\$ 18.35	\$ 18.85
Economy	25.80	26.34	22.81	23.55
Composite LTL Revenue/CWT	<u>\$ 19.82</u>	<u>\$ 20.15</u>	<u>\$ 19.73</u>	<u>\$ 20.25</u>
Avg. Daily Shipment Growth Rate				
Priority	6.1%	6.4%	1.3%	4.3%
Economy	5.0%	3.4%	8.5%	(0.3%)
Total shipments per day	5.7%	5.4%	3.5%	2.8%
LTL Revenue/Shipment Growth Rate				
Priority	1.5%	2.7%	(4.8%)	1.5%
Economy	0.7%	2.4%	(1.2%)	1.7%
Total Composite LTL Revenue/Shipment	1.2%	2.5%	(3.3%)	1.3%
OPERATING WEEKDAYS	252	252	254	254

Unaudited. Differences may result due to rounding.

## FedEx Freight Quarterly LTL Shipment Statistics FY 2014 – FY 2017

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Shipments Per Day								
Priority	61,044	63,830	59,491	67,031	68,969	70,102	61,968	66,366
Economy	27,643	28,085	26,281	28,708	29,138	29,325	26,788	29,216
Total shipments per day	88,687	91,915	85,772	95,739	98,107	99,427	88,756	95,582
Weight Per LTL Shipment (lbs)								
Priority	1,244	1,241	1,280	1,280	1,258	1,245	1,287	1,301
Economy	993	992	1,002	1,013	1,013	1,010	1,007	984
Composite Weight per LTL Shipment	1,166	1,165	1,195	1,200	1,185	1,176	1,203	1,204
LTL Revenue/CWT								
Priority	\$ 17.88	\$ 17.89	\$ 17.54	\$ 17.60	\$ 18.14	\$ 18.36	\$ 18.02	\$ 17.68
Economy	25.84	25.92	25.71	25.73	26.19	26.29	26.38	26.52
Composite LTL Revenue/CWT	\$ 19.99	\$ 19.98	\$ 19.67	\$ 19.66	\$ 20.18	\$ 20.37	\$ 20.17	\$ 19.89
LTL Revenue/Shipment								
Priority	\$ 222.45	\$ 221.99	\$ 224.63	\$ 225.29	\$ 228.07	\$ 228.62	\$ 231.92	\$ 229.97
Economy	256.47	257.15	257.74	260.71	265.42	265.46	265.66	261.02
Composite LTL Revenue/Shipment	\$ 233.05	\$ 232.73	\$ 235.14	\$ 235.91	\$ 239.16	\$ 239.49	\$ 242.52	\$ 239.46
Avg. Daily Shipment Growth Rate								
Priority	(0.6%)	3.7%	7.7%	14.0%	13.0%	9.8%	4.2%	(1.0%)
Economy	4.0%	4.7%	4.2%	7.1%	5.4%	4.4%	1.9%	1.8%
Total shipments per day	0.8%	4.0%	6.6%	11.8%	10.6%	8.2%	3.5%	(0.2%)
LTL Revenue/Shipment Growth Rate								
Priority	3.3%	0.7%	0.6%	1.2%	2.5%	3.0%	3.2%	2.1%
Economy	1.3%	(1.1%)	(0.5%)	2.7%	3.5%	3.2%	3.1%	0.1%
Total Composite LTL Revenue/Shipment	2.7%	0.1%	0.1%	1.5%	2.6%	2.9%	3.1%	1.5%
OPERATING WEEKDAYS	64	62	62	64	64	62	62	64

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Shipments Per Day								
Priority	66,466	68,889	64,722	70,810	72,509	72,689	65,547	71,744
Economy	30,687	31,440	30,022	32,035	32,302	31,436	29,035	30,965
Total shipments per day	97,153	100,329	94,744	102,845	104,811	104,125	94,583	102,709
Weight Per LTL Shipment (lbs)								
Priority	1,198	1,179	1,189	1,197	1,176	1,165	1,179	1,183
Economy	1,168	1,141	1,152	1,121	1,098	1,113	1,155	1,152
Composite Weight per LTL Shipment	1,189	1,167	1,177	1,173	1,152	1,149	1,172	1,174
LTL Revenue/Shipment								
Priority	\$ 223.26	\$ 218.52	\$ 218.15	\$ 214.32	\$ 217.50	\$ 220.34	\$ 224.63	\$ 224.60
Economy	269.33	263.47	258.35	254.11	255.46	261.28	272.74	274.65
Composite LTL Revenue/Shipment	\$ 237.81	\$ 232.60	\$ 231.61	\$ 226.71	\$ 229.20	\$ 232.70	\$ 239.82	\$ 239.68
LTL Revenue/CWT								
Priority	\$ 18.63	\$ 18.53	\$ 18.35	\$ 17.91	\$ 18.49	\$ 18.92	\$ 19.06	\$ 18.98
Economy	23.06	23.09	22.42	22.66	23.26	23.48	23.61	23.83
Composite LTL Revenue/CWT	\$ 20.01	\$ 19.93	\$ 19.67	\$ 19.33	\$ 19.89	\$ 20.25	\$ 20.47	\$ 20.41
Avg. Daily Shipment Growth Rate								
Priority	(3.6%)	(1.7%)	4.4%	6.7%	9.1%	5.5%	1.3%	1.3%
Economy	5.3%	7.2%	12.1%	9.6%	5.3%	0.0%	(3.3%)	(3.3%)
Total shipments per day	(1.0%)	0.9%	6.7%	7.6%	7.9%	3.8%	(0.2%)	(0.1%)
LTL Revenue/Shipment YOY Growth Rate								
Priority	(2.1%)	(4.4%)	(5.9%)	(6.8%)	(2.6%)	0.8%	3.0%	4.8%
Economy	1.5%	(0.7%)	(2.8%)	(2.6%)	(5.1%)	(0.8%)	5.6%	8.1%
Total Composite LTL Revenue/Shipment	(0.6%)	(2.9%)	(4.5%)	(5.3%)	(3.6%)	0.0%	3.5%	5.7%
OPERATING WEEKDAYS	65	62	62	65	65	62	62	65

Unaudited. Differences may result due to rounding.

# FedEx Freight Quarterly LTL Shipment Statistics FY 2018

	FY 2018			
	FIRST	SECOND	THIRD	FOURTH
	QUARTER	QUARTER	QUARTER	QUARTER
Shipments Per Day				
Priority				
Economy				
Total shipments per day				
Weight Per LTL Shipment (lbs)				
Priority				
Economy				
Composite Weight per LTL Shipment				
LTL Revenue/CWT				
Priority				
Economy				
Composite LTL Revenue/CWT				
LTL Revenue/Shipment				
Priority				
Economy				
Composite LTL Revenue/Shipment				
Avg. Daily Shipment Growth Rate				
Priority				
Economy				
Total shipments per day				
LTL Revenue/Shipment Growth Rate				
Priority				
Economy				
Total Composite LTL Revenue/Shipment				
OPERATING WEEKDAYS	65	62	62	65

*Unaudited. Differences may result due to rounding.*