



Q1 Fiscal 2018 Statistics

FedEx Corporation

Financial and Operating Statistics

First Quarter Fiscal 2018

September 19, 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. For more information, write or call:

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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
FY2018	7
CAPITAL EXPENDITURES	8

• **FEDEX EXPRESS SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	9
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	10
FY2016 – FY2017	11
FY2018	12
ANNUAL SHIPMENT STATISTICS	13
QUARTERLY SHIPMENT STATISTICS	
FY2014 – FY2015	14
FY2016 – FY2017	15
FY2018 – FY2019	16
AIRCRAFT AND VEHICLE FLEET STATISTICS	17
JET FUEL STATISTICS	18

• **FEDEX GROUND SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	19
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	20
FY2016 – FY2017	21
FY2018	22
ANNUAL SHIPMENT STATISTICS	23
QUARTERLY SHIPMENT STATISTICS	24

• **FEDEX FREIGHT SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	25
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2014 – FY2015	26
FY2016 – FY2017	27
FY2018	28
ANNUAL SHIPMENT STATISTICS	29
QUARTERLY SHIPMENT STATISTICS	
FY2014 – FY2017	30
FY2018 – FY2019	31

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 \$61 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 5.5 million shipments and 24 million pounds of freight each business day. The FedEx Express business segment financial results also include TNT Express and FedEx Trade Networks. As discussed in our Annual Report, in the first quarter of 2018, we began to report TNT Express as part of the FedEx Express segment.

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 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:	268,178,523 (as of August 31, 2017)
STOCKHOLDERS OF RECORD:	12,186 (as of August 31, 2017)
TRANSFER AGENT & REGISTRAR:	COMPUTERSHARE PO BOX 50500 Louisville, KY 40233-5000 (800) 446-2617
FISCAL YEAR END:	May 31

FedEx Corporation

Condensed Consolidated Balance Sheets

FY 2014 – FY 2018

May 31
In millions (except share data)

	FY 2014	FY 2015	FY 2016	FY 2017	Aug. 31, 2017
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 2,908	\$ 3,763	\$ 3,534	\$ 3,969	\$ 3,503
Receivables, less allowances	5,460	5,719	7,252	7,599	8,006
Spare parts, supplies and fuel, less allowances	463	498	496	514	516
Deferred income taxes ¹	522	—	—	—	—
Prepaid expenses and other	330	355	707	546	697
Total current assets	<u>9,683</u>	<u>10,335</u>	<u>11,989</u>	<u>12,628</u>	<u>12,722</u>
Property and Equipment, at Cost					
Aircraft and related equipment	15,632	16,186	17,499	18,833	
Package handling and ground support equipment ²	6,082	6,725	7,961	8,989	
Information technology ²	5,097	5,208	5,149	5,396	
Vehicles ²	5,514	5,816	6,422	6,961	
Facilities and other ²	8,366	8,929	9,987	10,447	
	<u>40,691</u>	<u>42,864</u>	<u>47,018</u>	<u>50,626</u>	<u>51,540</u>
Less accumulated depreciation and amortization	<u>21,141</u>	<u>21,989</u>	<u>22,734</u>	<u>24,645</u>	<u>25,305</u>
Net property and equipment	<u>19,550</u>	<u>20,875</u>	<u>24,284</u>	<u>25,981</u>	<u>26,235</u>
Other Long-Term Assets					
Goodwill	2,790	3,810	6,747	7,154	7,382
Other assets ^{1,3}	1,047	1,511	2,939	2,789	3,011
Total other long-term assets	<u>3,837</u>	<u>5,321</u>	<u>9,686</u>	<u>9,943</u>	<u>10,393</u>
	<u>\$ 33,070</u>	<u>\$ 36,531</u>	<u>\$ 45,959</u>	<u>\$ 48,552</u>	<u>\$ 49,350</u>
LIABILITIES AND STOCKHOLDERS' INVESTMENT					
Current Liabilities					
Current portion of long-term debt	\$ 1	\$ 19	\$ 29	\$ 22	\$ 19
Accrued salaries and employee benefits	1,277	1,436	1,972	1,914	1,656
Accounts payable	1,971	2,066	2,944	2,752	2,938
Accrued expenses ¹	2,063	2,435	3,063	3,230	3,177
Total current liabilities	<u>5,312</u>	<u>5,956</u>	<u>8,008</u>	<u>7,918</u>	<u>7,790</u>
Long-Term Debt, Less Current Portion³	<u>4,736</u>	<u>7,249</u>	<u>13,733</u>	<u>14,909</u>	<u>15,137</u>
Other Long-Term Liabilities					
Deferred income taxes ¹	2,114	1,210	1,567	2,485	2,730
Pension, postretirement healthcare and other benefit obligations	3,484	4,893	6,227	4,487	4,313
Self-insurance accruals	1,038	1,120	1,314	1,494	1,603
Deferred lease obligations	758	711	400	531	575
Deferred gains, principally related to aircraft transactions	206	181	155	137	126
Other liabilities	145	218	771	518	458
Total other long-term liabilities	<u>7,745</u>	<u>8,333</u>	<u>10,434</u>	<u>9,652</u>	<u>9,805</u>
Commitments and Contingencies					
Common Stockholders' Investment					
Common stock \$0.10 par value; 800 million shares auth.	32	32	32	32	32
Additional paid-in capital	2,643	2,786	2,892	3,005	3,030
Retained earnings	16,229	16,900	18,371	20,833	21,156
Accumulated other comprehensive (loss) income	506	172	(169)	(415)	(325)
Treasury stock, at cost	(4,133)	(4,897)	(7,342)	(7,382)	(7,275)
Total common stockholders' investment	<u>15,277</u>	<u>14,993</u>	<u>13,784</u>	<u>16,073</u>	<u>16,618</u>
	<u>\$ 33,070</u>	<u>\$ 36,531</u>	<u>\$ 45,959</u>	<u>\$ 48,552</u>	<u>\$ 49,350</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 were 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 2018

Years ended May 31
In millions

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
OPERATING ACTIVITIES					
Net income	\$ 2,324	\$ 1,050	\$ 1,820	\$ 2,997	\$ 596
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation and amortization	2,587	2,611	2,631	2,995	751
Provision for uncollectible accounts	130	145	121	136	60
Deferred income taxes and other noncash items	339	(572)	31	909	97
Impairment and other charges ¹	–	246	–	–	–
Stock-based compensation	117	133	144	154	62
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)	(271)
Other current assets	(22)	25	(234)	78	(142)
Pension and postretirement assets and liabilities, net	(453)	(692)	(346)	(1,688)	–
Accounts payable and other operating liabilities	(235)	659	467	103	(540)
Other, net	(22)	(37)	(225)	(139)	(23)
Cash provided by operating activities	4,264	5,366	5,708	4,930	590
INVESTING ACTIVITIES					
Capital expenditures	(3,533)	(4,347)	(4,818)	(5,116)	(1,044)
Business acquisitions, net of cash acquired	(36)	(1,429)	(4,618)	–	–
Proceeds from asset dispositions and other	18	24	(10)	135	6
Cash used in investing activities	(3,551)	(5,752)	(9,446)	(4,981)	(1,038)
FINANCING ACTIVITIES					
Principal payments on debt	(254)	(5)	(41)	(82)	(12)
Proceeds from debt issuances	1,997	2,491	6,519	1,190	–
Proceeds from stock issuances	557	320	183	337	150
Dividends paid	(187)	(227)	(277)	(426)	(134)
Purchase of treasury stock	(4,857)	(1,254)	(2,722)	(509)	(86)
Other, net	25	24	(51)	18	(6)
Cash (used in) provided by financing activities	(2,719)	1,349	3,611	528	(88)
Effect of exchange rate changes on cash	(3)	(108)	(102)	(42)	70
CASH AND CASH EQUIVALENTS					
Net decrease (increase) in cash and cash equivalents	(2,009)	855	(229)	435	(466)
Cash and cash equivalents at beginning of period	4,917	2,908	3,763	3,534	3,969
Cash and cash equivalents at end of period	<u>\$ 2,908</u>	<u>\$ 3,763</u>	<u>\$ 3,534</u>	<u>3,969</u>	<u>3,503</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 2018

Years ended May 31
In millions, except EPS

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
Revenue:					
FedEx Express segment ¹	\$ 27,121	\$ 27,239	\$ 26,451	\$ 34,742	\$ 8,652
FedEx Ground segment	11,617	12,984	16,574	18,075	4,639
FedEx Freight segment	5,757	6,191	6,200	6,443	1,752
FedEx Services segment	1,536	1,545	1,593	1,621	400
Eliminations and other	(464)	(506)	(453)	(562)	(146)
Total Revenue	<u>45,567</u>	<u>47,453</u>	<u>50,365</u>	<u>60,319</u>	<u>15,297</u>
Operating Expenses:					
Salaries and employee benefits	16,171	17,110	18,581	21,542	5,518
Purchased transportation	8,011	8,483	9,966	13,630	3,445
Rentals and landing fees	2,622	2,682	2,854	3,240	818
Depreciation and amortization	2,587	2,611	2,631	2,995	751
Fuel	4,557	3,720	2,399	2,773	703
Maintenance and repairs	1,862	2,099	2,108	2,374	675
Impairment and other charges ²	-	276	-	-	-
Retirement plans mark-to-market adjustment	15	2,190	1,498	(24)	-
Other ^{3,4}	5,927	6,415	7,251	8,752	2,270
Total Operating Expenses	<u>41,752</u>	<u>45,586</u>	<u>47,288</u>	<u>55,282</u>	<u>14,180</u>
Operating Income:					
FedEx Express segment ^{1,2}	1,428	1,584	2,519	2,762	433
FedEx Ground segment	2,021	2,172	2,276	2,292	626
FedEx Freight segment	351	484	426	397	176
Eliminations, corporate and other ^{4,6}	15	(2,373)	(2,144)	(414)	(118)
Total Operating Income ⁷	<u>3,815</u>	<u>1,867</u>	<u>3,077</u>	<u>5,037</u>	<u>1,117</u>
Other Income (Expense):					
Interest, net	(142)	(221)	(315)	(479)	(114)
Other, net	(15)	(19)	(22)	21	(21)
Total Other Income (Expense)	<u>(157)</u>	<u>(240)</u>	<u>(337)</u>	<u>(458)</u>	<u>(135)</u>
Income Before Income Taxes ⁸	3,658	1,627	2,740	4,579	982
Provision for Income Taxes	1,334	577	920	1,582	386
Net Income	<u>\$ 2,324</u>	<u>\$ 1,050</u>	<u>\$ 1,820</u>	<u>\$ 2,997</u>	<u>\$ 596</u>
Basic Earnings Per Share ^{2,4,5,6,7,8}	<u>\$ 7.56</u>	<u>\$ 3.70</u>	<u>\$ 6.59</u>	<u>\$ 11.24</u>	<u>\$ 2.22</u>
Weighted Avg. Common Shares	307	283	276	266	268
Diluted Earnings Per Share ^{2,4,5,6,7,8}	<u>\$ 7.48</u>	<u>\$ 3.65</u>	<u>\$ 6.51</u>	<u>\$ 11.07</u>	<u>\$ 2.19</u>
Avg Common and Common Equiv. Shares	310	287	279	270	272
SELECTED STATISTICS					
Operating Margin	8.4%	3.9%	6.1%	8.4%	7.3%
Pretax Margin	8.0%	3.4%	5.4%	7.6%	6.4%
Return on Assets ⁹	7.0%	3.0%	4.4%	6.3%	5.9%
Return on Equity ⁹	14.2%	6.9%	12.6%	20.1%	17.6%
Dividends Paid Per Common Share	\$ 0.60	\$ 0.80	\$ 1.00	\$ 1.60	\$ 0.50

1 - FY17 amounts have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

2 - 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.

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

4 - FY18 amounts include legal charges of \$7 million (\$5 million, net of tax, or \$0.02 per diluted share). 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).

5 - FY18 amounts include TNT Express integration expenses of \$112 million (\$82 million, net of tax, or \$0.30 per diluted share). These expenses are included in the "Eliminations, corporate and other", and FedEx Express results. FY18 amounts also include the negative impact of the NotPetya cyberattack at TNT Express by an estimated \$300 million or \$0.79 per diluted share.

6 - 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.

7 - 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" and FedEx Express results.

8 - 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.

9 - 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	<u>11,024</u>	<u>11,403</u>	<u>11,301</u>	<u>11,839</u>	<u>11,684</u>	<u>11,939</u>	<u>11,716</u>	<u>12,114</u>
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 ¹	-	-	-	-	-	-	-	276
Retirement plans mark-to-market adjustment	-	-	-	15	-	-	-	2,190
Other ²	1,410	1,478	1,515	1,524	1,467	1,528	1,525	1,895
Total Operating Expenses	<u>10,133</u>	<u>10,480</u>	<u>10,564</u>	<u>10,575</u>	<u>10,622</u>	<u>10,851</u>	<u>10,678</u>	<u>13,435</u>
Operating Income (Loss):								
FedEx Express segment ¹	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 ^{2,3}	-	8	8	(1)	(28)	19	19	(2,383)
Total Operating Income (Loss)	<u>891</u>	<u>923</u>	<u>737</u>	<u>1,264</u>	<u>1,062</u>	<u>1,088</u>	<u>1,038</u>	<u>(1,321)</u>
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)	<u>(29)</u>	<u>(35)</u>	<u>(47)</u>	<u>(46)</u>	<u>(50)</u>	<u>(42)</u>	<u>(53)</u>	<u>(95)</u>
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)	<u>\$ 548</u>	<u>\$ 559</u>	<u>\$ 437</u>	<u>\$ 780</u>	<u>\$ 653</u>	<u>\$ 663</u>	<u>\$ 628</u>	<u>(\$895)</u>
Basic Earnings Per Share ^{1,2,3}	<u>\$ 1.73</u>	<u>\$ 1.77</u>	<u>\$ 1.44</u>	<u>\$ 2.66</u>	<u>\$ 2.29</u>	<u>\$ 2.34</u>	<u>\$ 2.21</u>	<u>(\$3.16)</u>
Weighted Avg. Common Shares	316	315	303	293	285	283	283	283
Diluted Earnings Per Share ^{1,2,3}	<u>\$ 1.72</u>	<u>\$ 1.75</u>	<u>\$ 1.42</u>	<u>\$ 2.62</u>	<u>\$ 2.26</u>	<u>\$ 2.31</u>	<u>\$ 2.18</u>	<u>(\$3.16)</u>
Avg Common and Common Equiv. Shares	319	319	307	296	289	287	287	283

SELECTED STATISTICS

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, or \$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
Revenue:								
FedEx Express segment ¹	\$ 6,591	\$ 6,588	\$ 6,557	\$ 6,715	\$ 8,460	\$ 8,642	\$ 8,569	\$ 9,071
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)	(140)
Total Revenue	12,279	12,453	12,654	12,979	14,663	14,931	14,997	15,728
Operating Expenses:								
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 ^{2,3}	1,663	1,729	2,007	1,852	2,071	2,201	2,160	2,320
Total Operating Expenses	11,135	11,316	11,790	13,047	13,399	13,764	13,972	14,147
Operating Income (Loss):								
FedEx Express segment ¹	545	622	595	757	610	706	557	889
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 ^{2,3}	(70)	(112)	(344)	(1,618)	(91)	(92)	(88)	(143)
Total Operating Income (Loss) ⁴	1,144	1,137	864	(68)	1,264	1,167	1,025	1,581
Other Income (Expense):								
Interest, net	(63)	(74)	(81)	(97)	(113)	(119)	(122)	(125)
Other, net	3	(8)	(1)	(16)	(9)	30	(4)	4
Total Other Income (Expense)	(60)	(82)	(82)	(113)	(122)	(89)	(126)	(121)
Income (Loss) Before Income Taxes ⁵	1,084	1,055	782	(181)	1,142	1,078	899	1,460
Provision for Income Taxes	392	364	275	(111)	427	378	337	440
Net Income (Loss)	\$ 692	\$ 691	\$ 507	\$ (70)	\$ 715	\$ 700	\$ 562	\$ 1,020
Basic Earnings Per Share ^{2,3,4,5}	\$ 2.45	\$ 2.47	\$ 1.86	\$ (0.26)	\$ 2.69	\$ 2.63	\$ 2.11	\$ 3.81
Weighted Avg. Common Shares	282	279	272	269	265	266	266	267
Diluted Earnings Per Share ^{2,3,4,5}	\$ 2.42	\$ 2.44	\$ 1.84	\$ (0.26)	\$ 2.65	\$ 2.59	\$ 2.07	\$ 3.75
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- FY17 amounts have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

2- 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). 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 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).

4- 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" and FedEx Express Express results.

5- 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

Quarterly Consolidated Statements of Income

FY 2018

Years ended May 31
In millions, except EPS

	FY 2018			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:				
FedEx Express segment	\$ 8,652			
FedEx Ground segment	4,639			
FedEx Freight segment	1,752			
FedEx Services segment	400			
Eliminations and other	(146)			
Total Revenue	15,297			
Operating Expenses:				
Salaries and employee benefits	5,518			
Purchased transportation	3,445			
Rentals and landing fees	818			
Depreciation and amortization	751			
Fuel	703			
Maintenance and repairs	675			
Retirement plans mark-to-market adjustment	-			
Other ¹	2,270			
Total Operating Expenses	14,180			
Operating Income (Loss):				
FedEx Express segment	433			
FedEx Ground segment	626			
FedEx Freight segment	176			
Eliminations, corporate and other ¹	(118)			
Total Operating Income (Loss) ²	1,117			
Other Income (Expense):				
Interest, net	(114)			
Other, net	(21)			
Total Other Income (Expense)	(135)			
Income (Loss) Before Income Taxes	982			
Provision for Income Taxes	386			
Net Income (Loss)	\$ 596			
Basic Earnings Per Share ^{1,2}	\$ 2.22			
Weighted Avg. Common Shares	268			
Diluted Earnings Per Share ^{1,2}	\$ 2.19			
Avg Common and Common Equiv. Shares	272			
 SELECTED STATISTICS				
Operating Margin	7.3%			
Pretax Margin	6.4%			
Dividends Paid Per Common Share	\$ 0.50			

1- Q1 FY18 amounts include legal charges of \$7 million (\$5 million, net of tax, or \$0.02 per diluted share).

2- Q1 FY18 amounts include TNT Express integration expenses of \$112 million (\$82 million, net of tax, or \$0.30 per diluted share). These expenses are included in the "Eliminations, corporate and other", and FedEx Express results. Q1 FY18 amounts also include the negative impact of the NotPetya cyberattack at TNT Express by an estimated \$300 million or \$0.79 per diluted share.

Unaudited. Differences may result due to rounding.

FedEx Corporation Capital Spending FY 2014 – FY 2018

Years ended May 31
In millions

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
<u>By Asset Type</u>¹					
Aircraft and related equipment	\$ 1,327	\$ 1,866	\$ 1,697	\$ 1,808	\$ 410
Package handling and ground support equipment	549	752	1,196	1,093	197
Vehicles	780	604	723	895	122
Information technology investments	422	377	471	594	126
Facilities and other	455	748	731	726	189
Total	<u>\$ 3,533</u>	<u>\$ 4,347</u>	<u>\$ 4,818</u>	<u>\$ 5,116</u>	<u>\$ 1,044</u>
<u>By Segment</u>²					
FedEx Express segment	\$ 1,994	\$ 2,380	\$ 2,356	\$ 2,730	\$ 582
FedEx Ground segment	850	1,248	1,597	1,539	327
FedEx Freight segment	325	337	433	431	28
FedEx Services segment	363	381	432	416	107
Other	1	1	–	–	–
Total	<u>\$ 3,533</u>	<u>\$ 4,347</u>	<u>\$ 4,818</u>	<u>\$ 5,116</u>	<u>\$ 1,044</u>

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

2 - FedEx Express segment FY17 capital expenditures have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Annual Consolidated Statements of Income¹

FY 2014 – FY 2018

Years ended May 31
In millions

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
Package Revenue:					
U.S. Overnight Box	\$ 6,555	\$ 6,704	\$ 6,763	\$ 6,955	\$ 1,750
U.S. Overnight Envelope	1,636	1,629	1,662	1,750	450
Total U.S. Overnight	8,191	8,333	8,425	8,705	2,200
U.S. Deferred	3,188	3,342	3,379	3,526	878
Total U.S. Package Revenue	11,379	11,675	11,804	12,231	3,078
International Priority	6,451	6,251	5,697	6,940	1,741
International Economy	2,229	2,301	2,282	2,876	770
Total International Export Package Revenue	8,680	8,552	7,979	9,816	2,511
International Domestic ²	1,446	1,406	1,285	4,227	1,044
Total Package Revenue	21,505	21,633	21,068	26,274	6,633
Freight Revenue:					
U.S.	2,355	2,300	2,481	2,527	613
International Priority ³	1,100	1,140	999	1,910	470
International Economy ³	494	448	385	1,740	381
International Airfreight	205	180	126	355	83
Total Freight Revenue	4,154	4,068	3,991	6,532	1,547
Other Revenue ⁴	1,462	1,538	1,392	1,936	472
Total Revenue	27,121	27,239	26,451	34,742	8,652
Operating Expenses:					
Salaries and employee benefits	9,797	10,104	10,240	12,613	3,196
Purchased transportation	2,511	2,544	2,301	5,369	1,366
Rentals and landing fees	1,705	1,693	1,688	1,971	490
Depreciation and amortization	1,488	1,460	1,385	1,670	417
Fuel	3,943	3,199	2,023	2,378	603
Maintenance and repairs	1,182	1,357	1,294	1,557	460
Impairment and other charges ⁵	-	276	-	-	-
Intercompany charges	1,888	1,842	1,846	1,898	488
Other	3,179	3,180	3,155	4,524	1,199
	25,693	25,655	23,932	31,980	8,219
Operating Income ⁶	<u>\$ 1,428</u>	<u>\$ 1,584</u>	<u>\$ 2,519</u>	<u>\$ 2,762</u>	<u>\$ 433</u>

SELECTED STATISTICS

Operating Margin	5.3%	5.8%	9.5%	8.0%	5.0%
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1 - FY17 amounts have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

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

3 - FY14 - FY16 amounts have been revised to conform to the current presentation of the FedEx Express segment.

4 - Includes FedEx Trade Networks.

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

6 - FY18 includes TNT Express integration expenses of \$88 million. FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$206 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 ¹	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 ²	264	290	261	285	274	294	273	298
International Economy ²	124	127	118	125	121	118	102	108
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 ³	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 ⁴	-	-	-	-	-	-	-	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%
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1 - International domestic revenues represent our international intra-country operations.

2 - Amounts have been revised to conform to the current presentation of the FedEx Express segment.

3 - Includes FedEx Trade Networks.

4 - 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 Income¹

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	\$ 1,782
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	2,245
U.S. Deferred	816	826	926	811	810	834	954	928
Total U.S. Packages	2,896	2,905	3,038	2,965	2,975	2,965	3,118	3,173
International Priority	1,464	1,433	1,346	1,454	1,715	1,762	1,667	1,797
International Economy	574	568	546	594	693	716	692	775
Total International Export Package Revenue	2,038	2,001	1,892	2,048	2,408	2,478	2,359	2,572
International Domestic ²	327	336	303	319	1,015	1,088	1,033	1,090
Total Package Revenue	5,261	5,242	5,233	5,332	6,398	6,531	6,510	6,835
Freight Revenue:								
U.S.	573	578	647	683	616	612	667	632
International Priority ³	253	256	234	256	449	476	471	516
International Economy ³	97	98	91	99	409	419	437	473
International Airfreight	36	32	30	28	93	93	84	85
Total Freight Revenue	959	964	1,002	1,066	1,567	1,600	1,659	1,706
Other Revenue ⁴	371	382	322	317	495	511	400	530
Total Revenue	6,591	6,588	6,557	6,715	8,460	8,642	8,569	9,071
Operating Expenses:								
Salaries and employee benefits	2,523	2,513	2,602	2,602	3,109	3,114	3,170	3,220
Purchased transportation	601	616	545	539	1,325	1,352	1,286	1,406
Rentals and landing fees	410	399	452	427	487	485	511	488
Depreciation and amortization	347	349	342	347	420	412	420	418
Fuel	607	517	455	444	555	565	633	625
Maintenance and repairs	345	330	306	313	393	379	386	399
Intercompany charges	445	462	464	475	462	468	473	495
Other	768	780	796	811	1,099	1,161	1,133	1,131
	6,046	5,966	5,962	5,958	7,850	7,936	8,012	8,182
Operating Income⁵	\$ 545	\$ 622	\$ 595	\$ 757	\$ 610	\$ 706	\$ 557	\$ 889

SELECTED STATISTICS

Operating Margin	8.3%	9.4%	9.1%	11.3%	7.2%	8.2%	6.5%	9.8%
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1 - FY17 amounts have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

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

3 - FY16 amounts have been revised to conform to the current presentation of the FedEx Express segment.

4 - Includes FedEx Trade Networks.

5 - Q4 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$83 million. Q3 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$53 million. Q2 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$28 million. Q1 FY17 includes TNT Express integration expenses, which include restructuring charges at TNT Express, of \$48 million.

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Quarterly Consolidated Statements of Income

FY 2018

Years ended May 31
In millions

	FY 2018			
	FIRST	SECOND	THIRD	FOURTH
	QUARTER	QUARTER	QUARTER	QUARTER
Package Revenue:				
U.S. Overnight Box	\$ 1,750			
U.S. Overnight Envelope	450			
Total U.S. Overnight	2,200			
U.S. Deferred	878			
Total U.S. Packages	3,078			
International Priority	1,741			
International Economy	770			
Total International Export Package Revenue	2,511			
International Domestic ¹	1,044			
Total Package Revenue	6,633			
Freight Revenue:				
U.S.	613			
International Priority	470			
International Economy	381			
International Airfreight	83			
Total Freight Revenue	1,547			
Other Revenue ²	472			
Total Revenue	8,652			
Operating Expenses:				
Salaries and employee benefits	3,196			
Purchased transportation	1,366			
Rentals and landing fees	490			
Depreciation and amortization	417			
Fuel	603			
Maintenance and repairs	460			
Intercompany charges	488			
Other	1,199			
	8,219			
Operating Income ³	\$ 433			

SELECTED STATISTICS

Operating Margin	5.0%
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1 - International domestic revenues represent our international intra-country operations.

2 - Includes FedEx Trade Networks.

3 - Q1 FY18 includes TNT Express integration expenses of \$88 million.

Unaudited. Differences may result due to rounding.

FedEx Express

Annual Shipment Statistics^{1,2}

FY 2014 – FY 2018

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
AVG DAILY VOLUME / POUNDS					
Average Daily Package Volume (000s):					
U.S. Overnight Box	1,164	1,240	1,271	1,265	1,188
U.S. Overnight Envelope	538	527	541	561	557
Total U.S. Overnight	1,702	1,767	1,812	1,826	1,745
U.S. Deferred	869	916	901	900	876
Total U.S. Packages	2,571	2,683	2,713	2,726	2,621
International Priority	410	410	394	528	502
International Economy	170	176	181	254	252
Total International Export Packages	580	586	575	782	754
International Domestic ³	819	853	888	2,542	2,421
Total Avg Daily Packages	3,970	4,122	4,176	6,050	5,796
Average Daily Freight Pounds (000s):					
U.S.	7,854	7,833	8,178	8,185	7,727
International Priority ⁴	1,760	1,879	1,702	5,213	4,906
International Economy ⁴	1,162	1,008	808	12,274	10,281
International Airfreight	798	684	623	1,902	1,778
Total Avg Daily Freight Pounds	11,574	11,404	11,311	27,574	24,692
YIELD					
Revenue Per Package:					
U.S. Overnight Box	\$ 22.18	\$ 21.29	\$ 20.79	\$ 21.57	\$ 22.67
U.S. Overnight Envelope	11.97	12.15	11.99	12.24	12.43
Total U.S. Overnight	18.95	18.56	18.16	18.70	19.40
U.S. Deferred	14.44	14.36	14.66	15.36	15.42
Total U.S. Packages	17.42	17.13	17.00	17.60	18.07
International Priority	61.88	60.05	56.47	51.57	53.25
International Economy	51.75	51.54	49.15	44.38	46.97
Total International Export Packages	58.92	57.50	54.16	49.24	51.16
International Domestic ³	6.95	6.49	5.65	6.52	6.64
Total Composite Package Yield	\$ 21.32	\$ 20.66	\$ 19.71	\$ 17.03	\$ 17.61
Revenue Per Freight Pound:					
U.S.	\$ 1.18	\$ 1.16	\$ 1.19	\$ 1.21	\$ 1.22
International Priority ⁴	2.46	2.39	2.29	1.44	1.48
International Economy ⁴	1.67	1.75	1.86	0.56	0.57
International Airfreight	1.01	1.04	0.79	0.73	0.72
Total Composite Freight Yield	\$ 1.41	\$ 1.40	\$ 1.38	\$ 0.93	\$ 0.96
PACKAGE YOY GROWTH RATES					
Average Daily Volume Growth:					
U.S. Overnight Box	2.6%	6.5%	2.5%	(0.5%)	(5.3%)
U.S. Overnight Envelope	(6.3%)	(2.0%)	2.7%	3.7%	(2.3%)
Total U.S. Overnight	(0.4%)	3.8%	2.5%	0.8%	(4.4%)
U.S. Deferred	4.1%	5.4%	(1.6%)	(0.1%)	6.3%
Total U.S. Packages	1.1%	4.4%	1.1%	0.5%	(1.1%)
International Priority	(2.6%)	-	(3.9%)	34.0%	0.4%
International Economy	9.7%	3.5%	2.8%	40.3%	5.9%
Total International Export Packages	0.7%	1.0%	(1.9%)	36.0%	2.2%
International Domestic ³	4.3%	4.2%	4.1%	186.3%	4.9%
Total Package Volume Growth	1.7%	3.8%	1.3%	44.9%	1.8%
Revenue Growth:					
U.S. Overnight Box	0.6%	2.3%	0.9%	2.8%	1.6%
U.S. Overnight Envelope	(4.0%)	(0.4%)	2.0%	5.3%	1.6%
Total U.S. Overnight	(0.3%)	1.7%	1.1%	3.3%	1.6%
U.S. Deferred	5.6%	4.8%	1.1%	4.4%	8.4%
Total U.S. Packages	1.3%	2.6%	1.1%	3.6%	3.5%
International Priority	(2.0%)	(3.1%)	(8.9%)	21.8%	1.5%
International Economy	8.9%	3.2%	(0.8%)	26.0%	11.1%
Total International Export Packages	0.6%	(1.5%)	(6.7%)	23.0%	4.3%
International Domestic ³	3.4%	(2.8%)	(8.6%)	228.9%	2.9%
Total Package Revenue Growth	1.1%	0.6%	(2.6%)	24.7%	3.7%
AVG POUNDS PER PACKAGE	10.6	10.6	10.6	13.7	13.6
AVG REVENUE PER PACKAGE LB.	\$ 2.01	\$ 1.95	\$ 1.86	\$ 1.24	\$ 1.29
OPERATING WEEKDAYS	254	254	256	255	65

1 - FY17 amounts have been revised to reflect our reporting of TNT Express as part of the FedEx Express segment.

2 - Package and freight statistics include only the operations of FedEx Express for FY14 - FY16, and of FedEx Express and TNT Express for FY17 - FY18.

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

4 - FY14 - FY16 amounts have been revised to conform to the current presentation of the FedEx Express segment.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics¹

FY 2014 - FY 2015

	FY 2014				FY 2015			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG. DAILY VOLUME / POUNDS								
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 ²	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 ³	1,687	1,855	1,693	1,807	1,733	1,922	1,875	1,989
International Economy ³	1,175	1,213	1,130	1,129	1,059	1,061	948	964
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
YIELD								
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 ²	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 ³	2.44	2.48	2.45	2.47	2.47	2.43	2.31	2.34
International Economy ³	1.65	1.66	1.65	1.73	1.78	1.76	1.72	1.75
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
PACKAGE YOY GROWTH RATES								
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 ²	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 ²	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.

3 - Amounts have been revised to conform to the current presentation of the FedEx Express segment.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics¹

FY 2016 - FY 2017

	FY 2016				FY 2017			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG. DAILY VOLUME / POUNDS								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box	1,210	1,290	1,316	1,269	1,255	1,283	1,322	1,202
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	1,767
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	2,657
International Priority	389	402	386	399	500	538	535	540
International Economy	176	186	179	184	238	259	253	265
Total International Export Packages	565	588	565	583	738	797	788	805
International Domestic ²	855	954	878	869	2,309	2,696	2,613	2,561
Total Avg Daily Packages	4,036	4,263	4,309	4,104	5,696	6,199	6,297	6,023
Avg. Daily Freight Pounds (000s):								
U.S.	7,278	8,213	8,340	8,885	8,067	8,177	8,458	8,050
International Priority ³	1,701	1,763	1,621	1,722	4,793	5,417	5,238	5,409
International Economy ³	790	842	793	808	11,154	12,593	12,578	12,795
International Airfreight	609	678	622	586	1,869	1,959	1,995	1,787
Total Avg Daily Freight Pounds	10,378	11,496	11,376	12,001	25,883	28,146	28,269	28,041
YIELD								
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	16.04
Total U.S. Packages	17.03	16.94	16.83	17.20	17.28	17.39	17.36	18.37
International Priority	57.86	56.52	55.35	56.12	52.78	52.06	50.28	51.20
International Economy	50.18	48.53	48.36	49.49	44.78	43.80	44.05	44.88
Total International Export Packages	55.47	54.00	53.14	54.02	50.20	49.37	48.27	49.12
International Domestic ²	5.88	5.59	5.47	5.66	6.76	6.40	6.38	6.56
Total Composite Package Yield	\$ 20.05	\$ 19.52	\$ 19.27	\$ 19.99	\$ 17.28	\$ 16.72	\$ 16.67	\$ 17.46
Revenue Per Freight Pound:								
U.S.	\$ 1.21	\$ 1.12	\$ 1.23	\$ 1.18	\$ 1.18	\$ 1.19	\$ 1.27	\$ 1.21
International Priority ³	2.28	2.31	2.29	2.29	1.44	1.39	1.45	1.46
International Economy ³	1.89	1.84	1.83	1.87	0.57	0.53	0.56	0.57
International Airfreight	0.92	0.75	0.76	0.73	0.76	0.76	0.68	0.73
Total Composite Freight Yield	\$ 1.42	\$ 1.33	\$ 1.40	\$ 1.37	\$ 0.93	\$ 0.90	\$ 0.95	\$ 0.94
PACKAGE YOY GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box	(0.1%)	2.5%	4.6%	3.1%	3.7%	(0.5%)	0.5%	(5.3%)
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%	(3.3%)
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%	0.2%
International Priority	(4.9%)	(5.2%)	(3.0%)	(2.2%)	28.5%	33.8%	38.6%	35.3%
International Economy	3.5%	3.3%	2.3%	3.4%	35.2%	39.2%	41.3%	44.0%
Total International Export Packages	(2.4%)	(2.6%)	(1.4%)	(0.5%)	30.6%	35.5%	39.5%	38.1%
International Domestic ²	4.8%	4.0%	5.7%	2.2%	170.1%	182.6%	197.6%	194.7%
Total Package Volume Growth	1.4%	1.1%	2.5%	0.2%	41.1%	45.4%	46.1%	46.8%
Revenue Growth:								
U.S. Overnight Box	(1.4%)	(1.3%)	3.1%	3.3%	3.9%	1.6%	2.2%	3.7%
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%	4.2%
U.S. Deferred	2.6%	(1.0%)	3.5%	(0.9%)	(0.7%)	1.0%	3.0%	14.4%
Total U.S. Packages	0.1%	(1.2%)	3.3%	2.1%	2.7%	2.1%	2.6%	7.0%
International Priority	(10.2%)	(13.1%)	(8.0%)	(3.6%)	17.1%	23.0%	23.8%	23.6%
International Economy	0.5%	(5.0%)	(2.5%)	3.8%	20.7%	26.1%	26.7%	30.5%
Total International Export Packages	(7.4%)	(10.9%)	(6.5%)	(1.6%)	18.2%	23.8%	24.7%	25.6%
International Domestic ²	(11.9%)	(12.3%)	(7.6%)	(1.5%)	210.4%	223.8%	240.9%	241.7%
Total Package Revenue Growth	(3.7%)	(5.9%)	(1.1%)	0.4%	21.6%	24.6%	24.4%	28.2%
AVG POUNDS PER PACKAGE	10.6	10.9	10.2	10.5	13.5	14.1	13.5	14.1
AVG REVENUE PER PACKAGE LB.	\$ 1.89	\$ 1.79	\$ 1.89	\$ 1.90	\$ 1.28	\$ 1.19	\$ 1.23	\$ 1.24
OPERATING WEEKDAYS	65	63	63	65	65	63	62	65

1 - Package and freight statistics include only the operations of FedEx Express for FY16, and of FedEx Express and TNT Express for FY17.

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

3 - Amounts have been recast to conform to the current presentation of the FedEx Express segment.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics¹

FY 2018 - FY 2019

	FY 2018				FY 2019			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG. DAILY VOLUME / POUNDS								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box	1,188							
U.S. Overnight Envelope	557							
Total U.S. Overnight	1,745							
U.S. Deferred	876							
Total U.S. Packages	2,621							
International Priority	502							
International Economy	252							
Total International Export Packages	754							
International Domestic ²	2,421							
Total Avg Daily Packages	5,796							
Avg. Daily Freight Pounds (000s):								
U.S.	7,727							
International Priority	4,906							
International Economy	10,281							
International Airfreight	1,778							
Total Avg Daily Freight Pounds	24,692							
YIELD								
Revenue Per Package:								
U.S. Overnight Box	\$ 22.67							
U.S. Overnight Envelope	12.43							
Total U.S. Overnight	19.40							
U.S. Deferred	15.42							
Total U.S. Packages	18.07							
International Priority	53.25							
International Economy	46.97							
Total International Export Packages	51.16							
International Domestic ²	6.64							
Total Composite Package Yield	\$ 17.61							
Revenue Per Freight Pound:								
U.S.	\$ 1.22							
International Priority	1.48							
International Economy	0.57							
International Airfreight	0.72							
Total Composite Freight Yield	\$ 0.96							
PACKAGE YOY GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box	(5.3%)							
U.S. Overnight Envelope	(2.3%)							
Total U.S. Overnight	(4.4%)							
U.S. Deferred	6.3%							
Total U.S. Packages	(1.1%)							
International Priority	0.4%							
International Economy	5.9%							
Total International Export Packages	2.2%							
International Domestic ²	4.9%							
Total Package Volume Growth	1.8%							
Revenue Growth:								
U.S. Overnight Box	1.6%							
U.S. Overnight Envelope	1.6%							
Total U.S. Overnight	1.6%							
U.S. Deferred	8.4%							
Total U.S. Packages	3.5%							
International Priority	1.5%							
International Economy	11.1%							
Total International Export Packages	4.3%							
International Domestic ²	2.9%							
Total Package Revenue Growth	3.7%							
AVG POUNDS PER PACKAGE	13.6							
AVG REVENUE PER PACKAGE LB.	\$ 1.29							
OPERATING WEEKDAYS	65	63	62	65	65	63	62	65

1 - Package and freight statistics do not include FedEx Trade Networks.

2 - 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>As of Aug. 31 2017</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	119	-	-	-	-	-	-
Boeing 767F ¹	127,100	4	21	32	46	48	9	15	16	10	10	6
Boeing MD10-10	137,500	45	36	30	26	26	(11)	(2)	(5)	(8)	-	-
Boeing MD10-30	175,900	16	13	13	13	13	(6)	-	-	(7)	-	-
Boeing MD11	192,600	64	56	56	57	57	(2)	(2)	(2)	(1)	-	(2)
Boeing 777F ²	233,300	25	25	27	30	30	4	2	3	3	4	-
Boeing 747-400	261,400	-	-	2	2	2	-	-	-	-	-	-
Airbus A300-600	106,600	71	68	68	68	68	(1)	(5)	(8)	(10)	(1)	(2)
Airbus A310-200/300	83,170	29	21	10	10	10	-	-	-	-	-	-
Cessna 208B	2,830	243	241	239	239	239	-	-	-	-	-	-
ATR-72	17,970	21	21	21	21	21	-	-	-	-	-	-
ATR-42	12,070	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Aircraft Fleet Total		<u>650</u>	<u>647</u>	<u>643</u>	<u>657</u>	<u>659</u>	<u>(7)</u>	<u>8</u>	<u>4</u>	<u>(13)</u>	<u>13</u>	<u>2</u>
<u>Vehicle Fleet (000s)³</u>												
Long-Haul Tractors		3.2	3.1	3.2	3.3	3.5						
All Other Motorized Vehicles		<u>45.1</u>	<u>44.8</u>	<u>45.2</u>	<u>45.8</u>	<u>46.8</u>						
Vehicle Fleet Total		<u>48.3</u>	<u>47.9</u>	<u>48.4</u>	<u>49.1</u>	<u>50.3</u>						

NOTE: Aircraft fleet delivery schedule is subject to change.

1 - As of August 31, 2017, we are committed to purchase 68 B767Fs. Aircraft to be delivered statistics include certain lease expirations.

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

3 - Vehicle fleet totals do not include TNT Express.

Unaudited.

FedEx Express Jet Fuel 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>
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

	<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>
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

	<u>FY 2018</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	312,427			
Price Per Gallon	\$ 1.619			
Jet Fuel Expense (\$000s)	\$ 505,684			

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Consolidated Statements of Income FY 2014 – FY 2018

Years ended May 31
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Q1 YTD FY18</u>
Revenues:					
FedEx Ground ^{1,2}	\$ 11,617	\$ 12,568	\$ 15,050	\$ 16,497	\$ 4,241
FedEx Supply Chain ³	–	416	1,524	1,578	398
Total Revenues	<u>11,617</u>	<u>12,984</u>	<u>16,574</u>	<u>18,075</u>	<u>4,639</u>
Operating Expenses⁴:					
Salaries and employee benefits	1,749	2,146	2,834	3,228	836
Purchased transportation ¹	4,635	5,021	6,817	7,406	1,859
Rentals	402	485	639	764	201
Depreciation and amortization	468	530	608	684	173
Fuel	17	12	10	10	2
Maintenance and repairs	222	244	288	322	82
Intercompany charges	1,095	1,123	1,230	1,317	354
Other	1,008	1,251	1,872	2,052	506
	<u>9,596</u>	<u>10,812</u>	<u>14,298</u>	<u>15,783</u>	<u>4,013</u>
Operating Income	<u>\$ 2,021</u>	<u>\$ 2,172</u>	<u>\$ 2,276</u>	<u>\$ 2,292</u>	<u>\$ 626</u>

SELECTED STATISTICS

Operating Margin	17.4%	16.7%	13.7%	12.7%	13.5%
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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 ¹	\$ 2,730	\$ 2,849	\$ 3,031	\$ 3,007	\$ 2,960	\$ 3,063	\$ 3,306	\$ 3,239
FedEx Supply Chain ²	—	—	—	—	—	—	87	329
Total Revenues	2,730	2,849	3,031	3,007	2,960	3,063	3,393	3,568
Operating Expenses ³ :								
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%
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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 ^{1,2}	\$ 3,460	\$ 3,677	\$ 4,025	\$ 3,889	\$ 3,891	\$ 4,015	\$ 4,296	\$ 4,295
FedEx Supply Chain ³	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 ⁴ :								
Salaries and employee benefits	653	696	756	729	766	820	834	808
Purchased transportation ¹	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%
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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 2018

Years ended May 31
In millions

	FY 2018			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues:				
FedEx Ground	\$ 4,241			
FedEx Supply Chain ¹	398			
Total Revenues	4,639			
Operating Expenses:				
Salaries and employee benefits	836			
Purchased transportation	1,859			
Rentals	201			
Depreciation and amortization	173			
Fuel	2			
Maintenance and repairs	82			
Intercompany charges	354			
Other	506			
	4,013			
Operating Income	\$ 626			

SELECTED STATISTICS

Operating Margin	13.5%
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1 - During the third quarter of 2017, we announced the rebranding of GENCO to FedEx Supply Chain.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Shipment Statistics FY 2014 - FY 2018

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
<u>FedEx Ground¹</u>					
Total Package Volume (000s)	1,715,963	1,751,314	1,926,666	2,013,434	499,745
Average Daily Package Volume (000s)	6,774	6,911	7,526	7,896	7,688
Yield (Revenue Per Package)	\$ 6.75	\$ 7.16	\$ 7.80	\$ 8.18	\$ 8.47
Average Daily YOY Volume Growth Rate	7.9%	2.0%	8.9%	4.9%	4.0%
Yield YOY Growth Rate	2.3%	6.1%	8.9%	4.9%	4.7%
OPERATING WEEKDAYS	254	254	256	255	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 Ground Segment Quarterly Shipment Statistics FY 2014 – FY 2019

	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>
FedEx Ground¹								
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
	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>
FedEx Ground¹								
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
	FY 2018				FY 2019			
	<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>
FedEx Ground¹								
Total Package Volume (000s)	499,745							
Avg. Daily Package Vol. (000s)	7,688							
Yield (Revenue Per Package)	\$ 8.47							
Avg. Daily YOY Pkg. Growth Rate	4.0%							
Yield YOY Growth Rate	4.7%							
OPERATING WEEKDAYS	65	63	62	65	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 2018

Years ended May 31
In millions

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Q1 YTD FY18</u>
Revenues	\$ 5,757	\$ 6,191	\$ 6,200	\$ 6,443	\$ 1,752
Operating Expenses:					
Salaries and employee benefits	2,442	2,698	2,925	3,058	802
Purchased transportation	981	1,045	962	988	258
Rentals	131	129	142	136	36
Depreciation and amortization	231	230	248	269	69
Fuel	595	508	363	384	97
Maintenance and repairs	179	201	206	215	57
Intercompany charges	431	444	456	497	126
Other	416	452	472	499	131
	<u>5,406</u>	<u>5,707</u>	<u>5,774</u>	<u>6,046</u>	<u>1,576</u>
Operating Income	<u>\$ 351</u>	<u>\$ 484</u>	<u>\$ 426</u>	<u>\$ 397</u>	<u>\$ 176</u>

SELECTED STATISTICS

Operating Margin	6.1%	7.8%	6.9%	6.2%	10.0%
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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			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
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
	1,324	1,349	1,311	1,422	1,441	1,473	1,361	1,432
Operating Income	\$ 100	\$ 85	\$ 36	\$ 130	\$ 168	\$ 112	\$ 67	\$ 137

SELECTED STATISTICS

Operating Margin	7.0%	5.9%	2.7%	8.4%	10.4%	7.1%	4.7%	8.7%
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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%
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Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Quarterly Consolidated Statements of Income

FY 2018

Years ended May 31
In millions

	FY 2018			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,752			
Operating Expenses:				
Salaries and employee benefits	802			
Purchased transportation	258			
Rentals	36			
Depreciation and amortization	69			
Fuel	97			
Maintenance and repairs	57			
Intercompany charges	126			
Other	131			
	1,576			
Operating Income	\$ 176			

SELECTED STATISTICS

Operating Margin	10.0%
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Unaudited. Differences may result due to rounding.

FedEx Freight

Annual LTL Shipment Statistics

FY 2014 – FY 2018

	FY 2014	FY 2015	FY 2016	FY 2017	Q1 YTD FY18
Shipments Per Day					
Priority	62,868	66,864	67,743	70,658	74,432
Economy	27,687	28,626	31,054	30,951	31,648
Total shipments per day	<u>90,555</u>	<u>95,490</u>	<u>98,797</u>	<u>101,609</u>	<u>106,080</u>
Weight Per LTL Shipment (lbs)					
Priority	1,262	1,272	1,191	1,176	1,184
Economy	1,000	1,003	1,145	1,129	1,147
Composite Weight per LTL Shipment	<u>1,182</u>	<u>1,191</u>	<u>1,177</u>	<u>1,161</u>	<u>1,173</u>
LTL Revenue/Shipment					
Priority	\$ 223.61	\$ 229.57	\$ 218.50	\$ 221.67	\$ 226.16
Economy	258.05	264.34	261.27	265.77	277.04
Composite LTL Revenue/Shipment	<u>\$ 234.23</u>	<u>\$ 240.09</u>	<u>\$ 232.11</u>	<u>\$ 235.20</u>	<u>\$ 241.34</u>
LTL Revenue/CWT					
Priority	\$ 17.73	\$ 18.05	\$ 18.35	\$ 18.85	\$ 19.11
Economy	25.80	26.34	22.81	23.55	24.15
Composite LTL Revenue/CWT	<u>\$ 19.82</u>	<u>\$ 20.15</u>	<u>\$ 19.73</u>	<u>\$ 20.25</u>	<u>\$ 20.58</u>
Avg. Daily Shipment Growth Rate					
Priority	6.1%	6.4%	1.3%	4.3%	2.7%
Economy	5.0%	3.4%	8.5%	(0.3%)	(2.0%)
Total shipments per day	5.7%	5.4%	3.5%	2.8%	1.2%
LTL Revenue/Shipment Growth Rate					
Priority	1.5%	2.7%	(4.8%)	1.5%	4.0%
Economy	0.7%	2.4%	(1.2%)	1.7%	8.4%
Total Composite LTL Revenue/Shipment	1.2%	2.5%	(3.3%)	1.3%	5.3%
OPERATING WEEKDAYS	252	252	254	254	65

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/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
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
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 2019

	FY 2018				FY 2019			
	<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>
Shipments Per Day								
Priority	74,432							
Economy	31,648							
Total shipments per day	106,080							
Weight Per LTL Shipment (lbs)								
Priority	1,184							
Economy	1,147							
Composite Weight per LTL Shipment	1,173							
LTL Revenue/Shipment								
Priority	\$ 226.16							
Economy	277.04							
Composite LTL Revenue/Shipment	\$ 241.34							
LTL Revenue/CWT								
Priority	\$ 19.11							
Economy	24.15							
Composite LTL Revenue/CWT	\$ 20.58							
Avg. Daily Shipment Growth Rate								
Priority	2.7%							
Economy	(2.0%)							
Total shipments per day	1.2%							
LTL Revenue/Shipment Growth Rate								
Priority	4.0%							
Economy	8.4%							
Total Composite LTL Revenue/Shipment	5.3%							
OPERATING WEEKDAYS	65	62	62	65	65	62	61	65

Unaudited. Differences may result due to rounding.