



Forward-Looking Statements

Certain statements in this presentation may be considered forward-looking statements, such as statements relating to management's views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the global markets in which we operate, our ability to successfully integrate the businesses and operations of FedEx Express and TNT Express in the expected time frame, our ability to match capacity to shifting volume levels, changes in fuel prices or currency exchange rates, a significant data breach or other disruption to our technology infrastructure, legal challenges or changes related to FedEx Ground's owner-operators and the drivers providing services on their behalf, new U.S. domestic or international government regulation, our ability to effectively operate, integrate and leverage acquired businesses, disruptions or modifications in service by, or changes in the business of, the U.S. Postal Service, the impact from any terrorist activities or international conflicts and other factors which can be found in FedEx Corp.'s and its subsidiaries' press releases and FedEx Corp.'s filings with the SEC. Any forward-looking statement speaks only as of the date on which it is made. We do not undertake or assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

FedEx Executives on the Call

- Frederick W. Smith, Chairman and CEO
- David J. Bronczek, President and COO
- Alan B. Graf, Jr., EVP and CFO
- Christine P. Richards, EVP, General Counsel & Secretary
- Robert B. Carter, EVP, FedEx Information Services and CIO
- Donald F. Colleran, EVP, Chief Sales Officer
- Rajesh Subramaniam, EVP, Chief Marketing & Communications Officer
- Henry J. Maier, President and CEO of FedEx Ground
- Michael L. Ducker, President and CEO of FedEx Freight

Overview



Frederick W. Smith
Chairman and CEO

Marketing Review and Outlook



Rajesh Subramaniam
Executive Vice President,
Chief Marketing and Communications Officer

Economic Outlook

Expectation for Continued Moderate Growth

| | CY16 | CY17 | CY18 |
|-----------------------|--------|------|------|
| GDP Forecast* | | | |
| U.S. | 1.6% | 2.2% | 2.5% |
| Global | 2.3% | 2.7% | 2.8% |
| U.S. Growth* | | | |
| Industrial Production | (1.2%) | 1.9% | 2.5% |
| Consumer Spending | 2.7% | 2.6% | 2.6% |

* FedEx Forecast June 2017

FedEx Express U.S. Domestic

Growing U.S. Domestic Package Revenue and Yield (Revenue Per Package)

| | Q4 FY17 | Q4 FY16 | Change |
|--------------------------------|---------|---------|--------|
| U.S. Domestic Package Revenue* | \$3.18B | \$2.97B | 7% |
| U.S. Domestic Package ADV | 2.66M | 2.65M | - |
| U.S. Domestic Package Yield* | \$18.39 | \$17.20 | 7% |

* Includes fuel surcharges

FedEx Express International Export

Growing Demand for International Services

| | Q4 FY17 | Q4 FY16 | Change |
|-------------------------------|---------|---------|--------|
| Int'l Export Package Revenue* | \$2.21B | \$2.05B | 8% |
| Int'l Export Package ADV | 614K | 583K | 5% |
| Int'l Export Package Yield* | \$55.23 | \$54.02 | 2% |

* Includes fuel surcharges and exchange rate impact

FedEx Ground Growth

Higher Volume and Yields

| | Q4 FY17 | Q4 FY16 | Change |
|--------------------------------|---------|---------|--------|
| Segment Revenue* | \$4.68B | \$4.29B | 9% |
| FedEx Ground Package ADV | 7.70M | 7.45M | 3% |
| FedEx Ground Package Yield* | \$8.57 | \$8.01 | 7% |

* Includes fuel surcharges

FedEx Freight Growth

Increasing LTL Revenue per Shipment

| | Q4 FY17 | Q4 FY16 | Change |
|----------------------------------|----------|----------|--------|
| Segment Revenue* | \$1.70B | \$1.61B | 6% |
| Average Daily LTL Shipments | 103K | 103K | - |
| Weight per LTL Shipment (lbs) | 1,174 | 1,173 | - |
| LTL Revenue Per Shipment* | \$239.68 | \$226.71 | 6% |

* Includes fuel surcharges



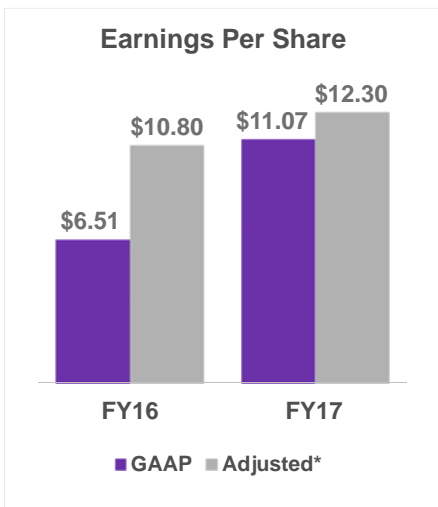
Preparations are underway for the 2017 peak holiday shipping season

Financial Review and Outlook



Alan B. Graf, Jr.
Executive Vice President and CFO

FedEx Corporation Full-Year FY17 Results



- Higher base rates and increased package volume
- FedEx Express continues to manage costs
- FedEx Ground network expansion costs higher
- FY17 capital expenditures \$5.1 billion
- Repurchased 3 million shares at an average price of \$172.13 per share
- Increased quarterly dividend

*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures

FedEx Corporation

Fourth Quarter FY17 Results

- Adjusted EPS of \$4.25 per share, up 29%*
- Adjusted operating margin 11.2%*
- Higher base rates and package volume

*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures

FedEx Express

Q4 Results, Record Operating Profit

- Adjusted operating margin 12.7%*
- Higher base rates and package volume
- U.S. Domestic package yields up 7%
- International package volume strong

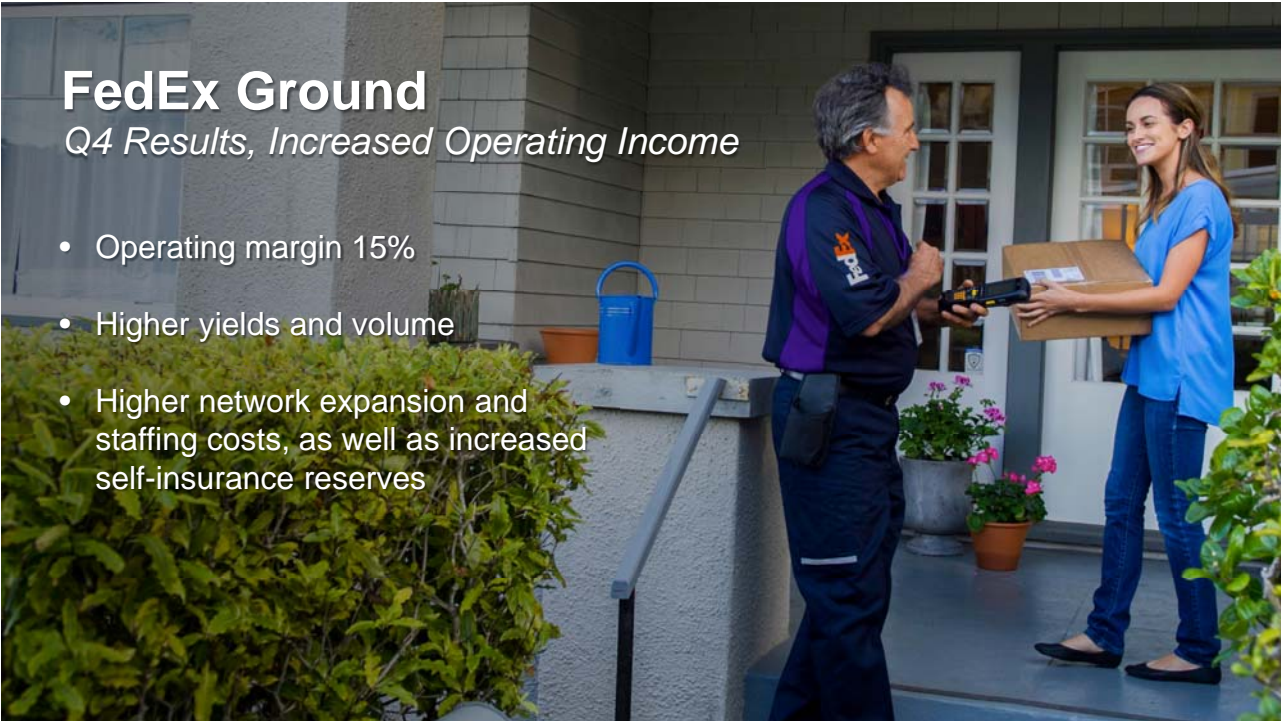
*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures

TNT Express

Q4 Results, Integration Is On Track

- Adjusted operating profit \$83 million*
- Adjusted operating margin 4.4%*
- Going forward, one FedEx Express reportable segment

*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures



FedEx Ground

Q4 Results, Increased Operating Income

- Operating margin 15%
- Higher yields and volume
- Higher network expansion and staffing costs, as well as increased self-insurance reserves



FedEx Ground

Outlook

- Balanced yield and volume growth
- FedEx SmartPost route optimization software rollout in Q1 FY18
- Complete ISP transition in second half of CY20
- Investments in network expansion to continue in FY18
- Capital spending slightly higher in FY18

FedEx Freight

Q4 Results

- Improving revenue quality
- Year-over-year yield growth has improved sequentially
- Salaries and wages and information technology expenses impacting operating results



FedEx Corporation

Full-Year FY18 Guidance

Dollars in millions, except EPS

| | |
|--|---------------------------|
| Diluted EPS before mark-to-market pension adjustments (non-GAAP)* | \$12.45 to \$13.25 |
|--|---------------------------|

Excluding:

| | |
|----------------------------------|-------|
| TNT Express integration expenses | \$275 |
|----------------------------------|-------|

| | |
|--------------------------------------|---------------------------|
| Diluted EPS with adjustments* | \$13.20 to \$14.00 |
|--------------------------------------|---------------------------|

*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures

FedEx Corporation

Full-Year FY18 Guidance

- Adjusted FY18 earnings guidance range is \$13.20 to \$14.00*
 - Includes \$65 million intangible asset amortization for TNT Express
- Capital expenditures expected to be \$5.9 billion for FY18
- Lower pension contributions planned for FY18
- Goal of \$1.2 - \$1.5 billion of additional operating profit at new FedEx Express segment in FY20 versus FY17

*See the Non-GAAP Appendix for a reconciliation of presented non-GAAP measures to the most directly comparable GAAP measures

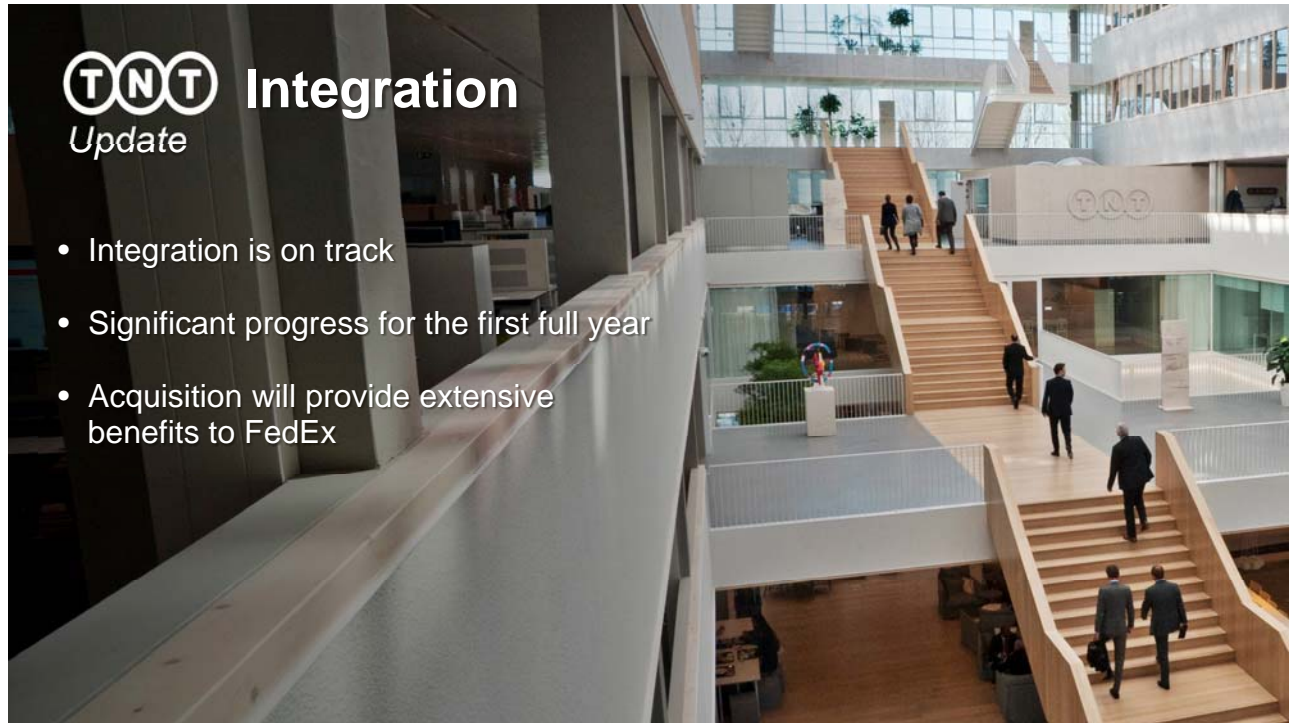
TNT Integration



David J. Bronczek
President and Chief Operating Officer

TNT Integration Update

- Integration is on track
- Significant progress for the first full year
- Acquisition will provide extensive benefits to FedEx



Synergies with TNT Significant Progress in FY17



Optimized Pickup and Delivery Operations



Integrated Global Express Network



Improved Efficiency of Staff Functions and Processes (SG&A)



Grow Revenue With Best-In-Class Service Portfolio

- FY18 integration focuses on more complex, higher value markets

If you would like to send a question for the call, please include your full name and contact information with your email to ir@fedex.com

Preference will be given to inquiries of a long-term, strategic nature.

Non-GAAP Appendix

Explanatory Note on Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP”). We have supplemented the reporting of our financial information determined in accordance with GAAP with certain non-GAAP (or “adjusted”) financial measures. The rationale for management’s use of these non-GAAP financial measures is included in the earnings release for the quarter ended May 31, 2017. Reconciliations of certain non-GAAP measures used in this earnings presentation to the most directly comparable GAAP measures are included in this Non-GAAP Appendix.

Q4 FY17 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

| | Operating Income | Operating Margin | Income Taxes ¹ | Net Income ² | Diluted EPS |
|--|---------------------|---------------------|------------------------------|----------------------------|----------------|
| GAAP measure | \$1,581 | 10.1% | \$440 | \$1,020 | \$3.75 |
| Mark-to-Market pension accounting adjustments ³ | (24) | (0.1%) | (18) | (6) | (0.02) |
| TNT Express integration expenses ⁴ | 124 | 0.8% | 37 | 87 | 0.32 |
| FedEx Trade Networks legal matters | 39 | 0.2% | 15 | 24 | 0.09 |
| TNT Express intangible asset amortization | 20 | 0.1% | 4 | 16 | 0.06 |
| FedEx Ground legal matters | 22 | 0.1% | 9 | 13 | 0.05 |
| Non-GAAP measure | \$1,762 | 11.2% | \$487 | \$1,154 | \$4.25 |

^{1,2,3,4} See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

Q4 FY17 Reconciliation for FedEx Express Segment

Dollars in millions

| | Operating | |
|----------------------------------|--------------|--------------|
| | Income | Margin |
| GAAP measure | \$863 | 12.0% |
| TNT Express integration expenses | 46 | 0.7% |
| Non-GAAP measure | \$909 | 12.7% |

Q4 FY17 Reconciliation for TNT Express Segment

Dollars in millions

| | Operating | |
|---|-------------|-------------|
| | Income | Margin |
| GAAP measure | \$26 | 1.4% |
| TNT Express integration expenses | 37 | 1.9% |
| TNT Express intangible asset amortization | 20 | 1.1% |
| Non-GAAP measure | \$83 | 4.4% |

FY17 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

| | Operating Income | Operating Margin | Income Taxes ¹ | Net Income ² | Diluted EPS ⁵ |
|--|---------------------|---------------------|------------------------------|----------------------------|-----------------------------|
| GAAP measure | \$5,037 | 8.4% | \$1,582 | \$2,997 | \$11.07 |
| Mark-to-Market pension accounting adjustments ³ | (24) | - | (18) | (6) | (0.02) |
| TNT Express integration expenses ⁴ | 327 | 0.5% | 82 | 245 | 0.91 |
| TNT Express intangible asset amortization | 74 | 0.1% | 17 | 57 | 0.21 |
| FedEx Trade Networks legal matters | 39 | 0.1% | 15 | 24 | 0.09 |
| FedEx Ground legal matters | 22 | - | 9 | 13 | 0.05 |
| Non-GAAP measure | \$5,475 | 9.1% | \$1,687 | \$3,330 | \$12.30 |

^{1,2,3,4,5} See "Footnotes for Non-GAAP Reconciliation Slides" below for details.

FY17 Reconciliation for FedEx Express Segment

Dollars in millions

| | Operating | |
|----------------------------------|----------------|--------------|
| | Income | Margin |
| GAAP measure | \$2,678 | 9.8% |
| TNT Express integration expenses | 117 | 0.4% |
| Non-GAAP measure | \$2,795 | 10.2% |

FY17 Reconciliation for TNT Express Segment

Dollars in millions

| | Operating | |
|---|--------------|-------------|
| | Income | Margin |
| GAAP measure | \$84 | 1.1% |
| TNT Express integration expenses | 89 | 1.2% |
| TNT Express intangible asset amortization | 74 | 1.0% |
| Non-GAAP measure | \$247 | 3.3% |

Q4 FY16 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

| | Operating Income ⁵ | Operating Margin | Income Taxes ¹ | Net Income ² | Diluted EPS ⁵ |
|---|----------------------------------|---------------------|------------------------------|----------------------------|-----------------------------|
| GAAP measure | (\$68) | (0.5%) | (\$111) | (\$70) | (\$0.26) |
| Tax impact – legal entity restructuring for TNT integration | - | - | 76 | (76) | (0.28) |
| Mark-to-Market pension accounting adjustments ³ | 1,498 | 11.6% | 552 | 946 | 3.47 |
| TNT expenses and operating results ⁶ | 66 | 0.5% | (13) | 91 | 0.34 |
| FedEx Ground legal matter | 11 | 0.1% | 4 | 6 | 0.02 |
| Non-GAAP measure | \$1,506 | 11.7% | \$508 | \$897 | \$3.30 |

^{1,2,3,5,6} See "Footnotes for Non-GAAP Reconciliation Slides" below for details.

FY16 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

| | Operating Income ⁵ | Operating Margin ⁵ | Income Taxes ^{1,5} | Net Income ² | Diluted EPS |
|---|----------------------------------|----------------------------------|--------------------------------|----------------------------|----------------|
| GAAP measure | \$3,077 | 6.1% | \$920 | \$1,820 | \$6.51 |
| Tax impact – legal entity restructuring for TNT integration | - | - | 76 | (76) | (0.27) |
| Mark-to-Market pension accounting adjustments ³ | 1,498 | 3.0% | 552 | 946 | 3.39 |
| FedEx Ground legal matters ⁷ | 256 | 0.5% | 97 | 158 | 0.57 |
| TNT expenses and operating results ⁶ | 115 | 0.2% | 6 | 125 | 0.45 |
| FedEx Trade Networks legal matter ⁷ | 69 | 0.1% | 26 | 43 | 0.15 |
| Non-GAAP measure | \$5,014 | 10.0% | \$1,678 | \$3,016 | \$10.80 |

^{1,2,3,5,6,7} See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

FedEx Corporation

Full-Year FY18 Guidance

Dollars in millions, except EPS

| | <u>Adjustments</u> | <u>Diluted EPS</u> |
|--|--------------------|---------------------------|
| Diluted EPS before mark-to-market pension accounting adjustments (non-GAAP) ⁸ | | \$12.45 to \$13.25 |
| TNT Express integration expenses | \$275 | |
| Income tax effect ¹ | (71) | |
| Net of tax effect | \$204 | \$0.75 |
| Diluted EPS with adjustments⁸ | | \$13.20 to \$14.00 |

^{1,8} See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

Footnotes for FedEx Corp. Non-GAAP Reconciliation Slides

1. Income taxes are based on the company's approximate statutory tax rates applicable to each transaction.
2. Effect of "Total other (expense) income" on net income amount not shown.
3. Mark-to-Market (MTM) pension accounting adjustments reflect the year-end noncash adjustment to the valuation of the company's defined benefit pension and other postretirement plans.
4. These expenses, including restructuring charges at TNT Express, were recognized at FedEx Corporate, FedEx Express and TNT Express.
5. Does not sum to total due to rounding.
6. TNT Express's financial results are immaterial from the time of acquisition (May 25, 2016).
7. Net of recognized insurance recovery.
8. The year-end MTM pension accounting adjustments, which are impracticable to calculate at this time, are excluded.