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, a significant data breach or other disruption to our technology infrastructure, anti-trade measures and changes in international trade policies, our ability to successfully integrate the businesses and operations of FedEx Express and TNT Express in the expected time frame and at the expected cost and to achieve the expected benefits from the combined businesses, changes in fuel prices or currency exchange rates, our ability to match capacity to shifting volume levels, evolving or new U.S. domestic or international government regulation, future guidance, regulations, interpretations or challenges to our tax positions relating to the Tax Cuts and Jobs Act (TCJA) and our ability to realize the benefits of certain provisions of the TCJA, our ability to effectively operate, integrate, leverage and grow acquired businesses, our ability to successfully implement our cost-reduction initiatives and productivity enhancements, legal challenges or changes related to owner-operators engaged by FedEx Ground and the drivers providing services on their behalf, disruptions or modifications in service by, or changes in the business or financial soundness of, the U.S. Postal Service, the impact of the United Kingdom's vote to leave the European Union, the impact of any international conflicts or terrorist activities 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.
Unmatched Global Network
Links More Than 99% of World’s GDP

- Over 220 countries and territories, every address in the U.S.
- 678 aircraft and more than 180,000 motorized vehicles
- Approximately 5,000 operating facilities; more than 650 airports served worldwide
- Sorts and processes over 15M shipments per day
- Over 450,000 team members worldwide

See fedex.com/dream for more information

Broad Portfolio of Services

FY18 Revenues: $65.5 billion
Team Members: More than 450,000
Countries and Territories Served: More than 220

FedEx Express: $36.2 billion (55%)
FedEx Ground: $18.4 billion (28%)
FedEx Freight: $6.8 billion (10%)
FedEx Services: $1.7 billion (3%)

FedEx Express, FedEx Ground, FedEx Freight and FedEx Services show segment revenue. Not included in the chart is $2.4 billion other and eliminations revenue. FedEx Trade Networks operating results are included in other and eliminations revenue.
Bundle of Solutions

% of Revenue

- FedEx Express (FXE) 1.5%
- FedEx Ground (FXG) 0.6%
- FedEx Freight (FXF) 1.4%
- FXE+FXG 17.3%
- FXE+FXF 0.3%
- All Opcos 78.6%
- FXG+FXF 0.2%

- Our portfolio of solutions creates a strong value proposition
- 96% of U.S. revenue comes from customers of two or more operating companies
- We manage service offerings as a portfolio for the benefit of our customers and FedEx
- Our independent operations enable optimal service quality, reliability and focus

Revenue from U.S. payors for the period February 2017 – January 2018. Customer defined at the Country HQ level. FXG includes FedEx SmartPost service revenue.

FedEx Long-Term Financial Goals

- Increase EPS 10%–15% per year
- Grow profitable revenue
- Achieve 10%+ operating margin
- Improve cash flows
- Increase ROIC
- Increase returns to shareowners
Well Positioned for Profitable Growth

- E-commerce, including B2B e-commerce, and global trade growth are increasing demand for our services
- Implementing cost-reduction initiatives to mitigate below-plan performance
- FedEx Ground continues to gain revenue share with double-digit margins
- FedEx Freight margins are rebounding as the industrial environment improves
- FedEx service levels and culture remain strong

Macroeconomic Trends

Global economic growth is slowing as growth eases in the Eurozone, China, and other large economies. Given the importance of access to global supply chains to U.S. competitiveness and jobs, it is important to have a policy environment that encourages free trade. Higher tariffs represent a downside risk to the economic outlook, especially as global trade growth slows. The U.S. economy continues to be strong.

<table>
<thead>
<tr>
<th>GDP Forecast</th>
<th>CY18</th>
<th>CY19</th>
<th>CY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>2.9%</td>
<td>2.5%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Global</td>
<td>3.1%</td>
<td>2.9%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>U.S. Growth</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial Production</td>
<td>3.9%</td>
<td>2.6%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Consumer Spending</td>
<td>2.7%</td>
<td>2.7%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

FedEx analysis as of January 4, 2019
FedEx Business Trends
Meeting E-Commerce Demands

- Significant enhancements to the FedEx portfolio
  - Long-term alliance agreement with Walgreens for FedEx OnSite
  - Alliance with Walmart; anticipate adding FedEx Office locations in Walmart stores to total 500 by May 2020
  - FedEx Returns Technology to enable e-tailers
  - Extra Hours

Customers want to drop off or pick up at places convenient to their everyday lives — the FedEx retail convenience network offers nearly 55,000 U.S. locations.

Now U.S. consumers can pick up their packages at more than 12,000 convenient, secure locations, including more than 9,700 retail locations such as Walgreens. We anticipate placing 500 new FedEx Office locations within Walmart stores nationwide.
Pricing Strategy: Grow Yields
Increases Effective January 2019*

- FedEx Express and FedEx Ground increased shipping rates an average of 4.9%
- FedEx Freight increased rates an average of 5.9%
- Dimensional weight pricing applied to FedEx SmartPost packages
- Changes to certain fuel surcharges effective September 10, 2018

*Details related to these and additional changes to rates and surcharges are available at fedex.com/rates2019

Cost-Reduction Actions to Mitigate Below-Plan Performance

- Lowered variable compensation
- Voluntary buyout program for eligible employees
- International network capacity reductions
- Limited hiring in staff functions
- Reductions in discretionary spending
- Efforts to improve productivity will continue
- Reevaluating capital spending
Aligning Synergies with TNT
Integration focused on more complex, higher value markets

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

FedEx Express: Long-Term Opportunity

• Modernizing air fleet for greater reliability and fuel efficiency
• Continuing yield management
• International volume growth
• Identifying new revenue and cost management opportunities
• Integration of networks will provide growth opportunities
FedEx Ground: Building A Better Business

- Superior service, innovation and speed advantage
- Three distinct services: FedEx Ground®, FedEx Home Delivery®, FedEx SmartPost®
- Flexible business model
- Now operating six days per week year-round in the U.S.
- Benefiting from yield growth including higher pricing on larger shipments

FedEx Ground Is Faster Than UPS Ground

<table>
<thead>
<tr>
<th>Lanes</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faster than UPS</td>
<td>29.1%</td>
</tr>
<tr>
<td>Equal to UPS</td>
<td>67.8%</td>
</tr>
<tr>
<td>UPS lanes faster</td>
<td>3.1%</td>
</tr>
<tr>
<td>Net FedEx advantage</td>
<td>25.9%</td>
</tr>
</tbody>
</table>

FedEx analysis September 2017
Strong Portfolio of Residential Services

**FedEx Express**
- 1–2 days transit time
- Time-definite
- MBG
- Declared value up to $50K

**FedEx Ground**
- Home Delivery:
  - 1–5 days transit time
  - Day-definite
  - MBG
  - Declared value up to $50K
  - Heavier-weight

**FedEx Ground**
- SmartPost:
  - 2–8 days transit time
  - Final delivery by the USPS or FXG
  - No MBG
  - No declared value
  - Lighter-weight

Ground’s Revenue Market Share Has Increased for 19 Consecutive Years

Source: FedEx analysis  
Notes: Figures Exclude USPS Priority Mail; Ground Market includes USPS Workshare and Parcel Select Products
FedEx Ground: Increasing Operating Income

- Continued focus on balancing capacity and volume growth with cost reduction, yield management, customer mix and pricing strategies
- Operating income, margins and cash flow are expected to increase over the long-term

FedEx Freight: Competitive Advantages

- The only nationwide LTL that offers Priority and Economy from one network
- 95% of total shipments are from customers that use both Priority and Economy*
- Priority: Fastest published times of any nationwide LTL*
- Canada: Fastest published times of any LTL service connecting the U.S. and major Canadian markets*

* National account payor based view, FedEx analysis as of December 2016
* As of September 2017
FedEx Freight: Continuing Improvements

- Cross selling with package business; focusing on small and medium enterprises, including a FedEx Freight box
- Margins are improving with a better balance of volume, pricing and capacity
- Investing in safety and efficiency improvements
- Optimizing rail usage, over 19% of total linehaul miles*
- U.S. industrial production has accelerated

* FedEx analysis as of October 2018

LTL Industry Market Share Revenue (Includes Fuel Surcharge)

Source: FedEx Analysis
Non-GAAP reconciliations are included herein. FY17 and FY18 include TNT Express and have been recast to reflect the new pension accounting rules in effect beginning in FY19.

Non-GAAP reconciliations are included herein. FY17 and FY18 include TNT Express.
**Capital Expenditures**

(\% of Revenues)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>7.8%</td>
</tr>
<tr>
<td>FY15</td>
<td>9.2%</td>
</tr>
<tr>
<td>FY16</td>
<td>9.6%</td>
</tr>
<tr>
<td>FY17</td>
<td>8.5%</td>
</tr>
<tr>
<td>FY18</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

**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. Reconciliations of non-GAAP measures used in this presentation to the most directly comparable GAAP measures are included herein.

Additional information about FedEx’s historical financial results is available on our website (investors.fedex.com).
## FY18 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th></th>
<th>Op Income</th>
<th>Op Margin</th>
<th>Income Taxes</th>
<th>Net Income</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Measure</strong></td>
<td>$4,272</td>
<td>6.5%</td>
<td>($219)</td>
<td>$4,572</td>
<td>$16.79</td>
</tr>
<tr>
<td>Mark-to-Market (MTM) Retirement Plan Accounting and Other Pension Adjustments⁴</td>
<td>---</td>
<td>---</td>
<td>(1)</td>
<td>(9)</td>
<td>(0.03)</td>
</tr>
<tr>
<td>TNT Express Integration Expenses⁵</td>
<td>477</td>
<td>0.7%</td>
<td>105</td>
<td>372</td>
<td>1.36</td>
</tr>
<tr>
<td>FedEx Supply Chain Goodwill and Other Asset Impairments⁶</td>
<td>380</td>
<td>0.6%</td>
<td>1</td>
<td>379</td>
<td>1.39</td>
</tr>
<tr>
<td>FedEx Trade Networks Legal Matters</td>
<td>8</td>
<td>---</td>
<td>2</td>
<td>6</td>
<td>0.02</td>
</tr>
<tr>
<td>Net U.S. Deferred Tax Liability Remeasurement</td>
<td>---</td>
<td>---</td>
<td>1,150</td>
<td>(1,150)</td>
<td>(4.22)</td>
</tr>
<tr>
<td><strong>Non-GAAP Measure</strong></td>
<td>$5,137</td>
<td>7.8%</td>
<td>$1,039</td>
<td>$4,169</td>
<td>$15.31</td>
</tr>
</tbody>
</table>

¹,²,³,⁴,⁵,⁶ See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

## FY17 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th></th>
<th>Op Income</th>
<th>Op Margin</th>
<th>Income Taxes</th>
<th>Net Income</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Measure</strong></td>
<td>$4,566</td>
<td>7.6%</td>
<td>$1,582</td>
<td>$2,997</td>
<td>$11.07</td>
</tr>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustments⁴</td>
<td>---</td>
<td>---</td>
<td>(18)</td>
<td>(6)</td>
<td>(0.02)</td>
</tr>
<tr>
<td>TNT Express Integration Expenses⁵</td>
<td>327</td>
<td>0.5%</td>
<td>82</td>
<td>245</td>
<td>0.91</td>
</tr>
<tr>
<td>FedEx Trade Networks Legal Matters</td>
<td>39</td>
<td>0.1%</td>
<td>15</td>
<td>24</td>
<td>0.09</td>
</tr>
<tr>
<td>FedEx Ground Legal Matters</td>
<td>22</td>
<td>---</td>
<td>9</td>
<td>13</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>Non-GAAP Measure</strong></td>
<td>$4,954</td>
<td>8.2%</td>
<td>$1,670</td>
<td>$3,273</td>
<td>$12.09</td>
</tr>
</tbody>
</table>

¹,²,³,⁴,⁵ See “Footnotes for Non-GAAP Reconciliation Slides” below for details.
## FY16 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th>GAAP Measure</th>
<th>Op Income</th>
<th>Op Margin</th>
<th>Income Taxes</th>
<th>Net Income</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Measure</strong></td>
<td>$3,077</td>
<td>6.1%</td>
<td>$920</td>
<td>$1,820</td>
<td>$6.51</td>
</tr>
<tr>
<td>Tax Impact – Corporate Restructuring for TNT Integration</td>
<td>-</td>
<td>-</td>
<td>76</td>
<td>(76)</td>
<td>(0.27)</td>
</tr>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustments</td>
<td>1,498</td>
<td>3.0%</td>
<td>552</td>
<td>946</td>
<td>3.39</td>
</tr>
<tr>
<td>FedEx Ground Legal Matters7</td>
<td>256</td>
<td>0.5%</td>
<td>97</td>
<td>158</td>
<td>0.57</td>
</tr>
<tr>
<td>TNT Expenses and Operating Results8</td>
<td>115</td>
<td>0.2%</td>
<td>6</td>
<td>125</td>
<td>0.45</td>
</tr>
<tr>
<td>FedEx Trade Networks Legal Matter7</td>
<td>69</td>
<td>0.1%</td>
<td>26</td>
<td>43</td>
<td>0.15</td>
</tr>
<tr>
<td><strong>Non-GAAP Measure</strong></td>
<td>$5,014</td>
<td>10.0%</td>
<td>$1,678</td>
<td>$3,016</td>
<td>$10.80</td>
</tr>
</tbody>
</table>

1,2,3,4,7,8 See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

## FY15 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th>GAAP Measure</th>
<th>Op Income</th>
<th>Op Margin</th>
<th>Income Taxes</th>
<th>Net Income</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Measure</strong></td>
<td>$1,867</td>
<td>3.9%</td>
<td>$577</td>
<td>$1,050</td>
<td>$3.65</td>
</tr>
<tr>
<td>Segment Reporting Change9</td>
<td>(266)</td>
<td>(0.6%)</td>
<td>(98)</td>
<td>(168)</td>
<td>(0.58)</td>
</tr>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustments</td>
<td>2,190</td>
<td>4.6%</td>
<td>808</td>
<td>1,382</td>
<td>4.81</td>
</tr>
<tr>
<td>Aircraft Impairment &amp; Related Charges</td>
<td>276</td>
<td>0.6%</td>
<td>101</td>
<td>175</td>
<td>0.61</td>
</tr>
<tr>
<td>FedEx Ground Legal Matter</td>
<td>197</td>
<td>0.4%</td>
<td>64</td>
<td>133</td>
<td>0.46</td>
</tr>
<tr>
<td><strong>Non-GAAP Measure</strong></td>
<td>$4,264</td>
<td>9.0%</td>
<td>$1,451</td>
<td>$2,572</td>
<td>$8.95</td>
</tr>
</tbody>
</table>

1,2,3,4,9 See “Footnotes for Non-GAAP Reconciliation Slides” below for details.
## FY14 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th>GAAP Measure</th>
<th>Op Income</th>
<th>Op Margin</th>
<th>Income Taxes&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Net Income&lt;sup&gt;3&lt;/sup&gt;</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Reporting Change&lt;sup&gt;9&lt;/sup&gt;</td>
<td>(237)</td>
<td>(0.5%)</td>
<td>(94)</td>
<td>(143)</td>
<td>(0.46)</td>
</tr>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustments&lt;sup&gt;4&lt;/sup&gt;</td>
<td>15</td>
<td>---</td>
<td>6</td>
<td>9</td>
<td>0.03</td>
</tr>
<tr>
<td>Non-GAAP Measure</td>
<td>$3,593</td>
<td>7.9%</td>
<td>$1,246</td>
<td>$2,190</td>
<td>$7.05</td>
</tr>
</tbody>
</table>

<sup>1,3,4,9</sup> See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

## Footnotes for Non-GAAP Reconciliation Slides

1. Income taxes are based on the company’s approximate statutory tax rates applicable to each transaction, and for fiscal 2018, give consideration to the effects of the TCJA on the fiscal 2018 rates.
2. Does not sum to total due to rounding.
3. Effect of “Total other (expense) income” on net income amount not shown.
4. Mark-to-Market (MTM) retirement plan accounting adjustments reflect the year-end adjustment to the valuation of the company’s defined benefit pension and other postretirement plans. MTM retirement plan accounting and other pension adjustments include the one-time $210 million charge recognized in the fourth quarter of fiscal 2018 related to the previously announced transfer of approximately $6 billion of FedEx Corporation’s tax-qualified U.S. domestic pension plan obligations to Metropolitan Life Insurance Company. Under the new pension accounting rules going into effect in fiscal 2019, only pension service cost is included in operating expenses. All of the other elements of pension expense, including the annual MTM adjustment, are classified as non-operating expenses.
5. These expenses, including restructuring charges, were recognized at FedEx Corporate and FedEx Express.
6. Goodwill impairment charges are not deductible for income tax purposes.
7. Net of recognized insurance recovery.
8. TNT Express’s operating results for fiscal 2016 are immaterial from the time of acquisition (May 25, 2016).
9. Represents the adjustment in “Corporate, other and eliminations” resulting from the change in recognizing expected return on plan assets for our defined benefit pension and other postretirement plans at the segment level associated with the adoption of MTM accounting.