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; anti-trade measures and additional changes in international trade policies and relations; a significant data breach or other disruption to our technology infrastructure; 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; our ability to successfully implement our business strategy and effectively respond to changes in market dynamics; the impact of the United Kingdom’s expected withdrawal from the European Union and the terms of its withdrawal if it ultimately occurs; the rate and mix of future global e-commerce growth and our ability to successfully compete in the e-commerce market, our ability to match capacity to shifting volume levels; changes in fuel prices or currency exchange rates; the impact of intense competition; evolving or new U.S. domestic or international government regulation or regulatory actions; future guidance, regulations, interpretations or challenges to our tax positions relating to the Tax Cuts and Jobs Act (TCJA) and our ability to defend our interpretations of the TCJA; our ability to effectively operate, integrate, leverage and grow acquired businesses; legal challenges or changes related to service providers 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 any international conflicts or terrorist activities; our ability to quickly and effectively restore operations following adverse weather or a localized disaster or disturbance in a key geography and other factors which can be found in FedEx Corp.’s and its subsidiaries’ press releases and FedEx Corp.’s filings with the Securities and Exchange Commission. 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. Guidance discussed during this presentation was effective as of our most recent earnings release and earnings call issued and held on December 17, 2019. Nothing discussed during this presentation should be construed as reaffirming or disaffirming such guidance.
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
- More than 5,000 operating facilities; more than 650 airports served worldwide
- Sorts and processes over 15M shipments per day
- Over 490,000 team members worldwide

See fedex.com/dream for more information.

Broad Portfolio of Services

FY19 Revenues: $69.7 billion
Team Members: More than 490,000
Countries and Territories Served: More than 220

<table>
<thead>
<tr>
<th>Service</th>
<th>Revenue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FedEx Express</td>
<td>$37.3B</td>
<td>54%</td>
</tr>
<tr>
<td>FedEx Ground</td>
<td>$20.5B</td>
<td>29%</td>
</tr>
<tr>
<td>FedEx Freight</td>
<td>$7.6B</td>
<td>11%</td>
</tr>
<tr>
<td>FedEx Services</td>
<td>$1.7B</td>
<td>2%</td>
</tr>
</tbody>
</table>

FedEx Express, FedEx Ground, FedEx Freight and FedEx Services show segment revenue. Other represents $2.6 billion (4%) of revenue. The FedEx Logistics operating results are included in Corporate, other and eliminations.
Bundle of Solutions

% of Revenue

- Our portfolio of solutions creates a strong value proposition
- 96.8% 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 May 2018–April 2019. 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
Positioning for Long-Term Growth

- E-commerce, including B2B e-commerce, is increasing demand for our services
- FedEx Express integrating TNT while modernizing its aircraft fleet and major sort facilities
- FedEx Ground gaining revenue share in our highest margin segment
- FedEx Freight focused on revenue quality and improving margins
- FedEx service levels and culture remains strong

Macroeconomic Trends

Global economic growth has slowed as manufacturing output has flagged and trade has declined. World real GDP growth is forecasted at 2.5% in CY2020 and 2.7% in CY2021. The U.S.-China and UK-EU trade negotiations and geopolitical tensions represent risks to the economic outlook. 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.

<table>
<thead>
<tr>
<th>GDP Forecast</th>
<th>CY19</th>
<th>CY20</th>
<th>CY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>2.3%</td>
<td>1.8%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Global</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.7%</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>0.8%</td>
<td>0.7%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Consumer Spending</td>
<td>2.6%</td>
<td>2.3%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

FedEx analysis as of January 6, 2019
The projected growth of the U.S. domestic E-Commerce (EC) market provides huge market opportunity for FedEx

EC is projected to account for over 90% of total market volume growth through CY26

56% of EC market volume growth is projected to be addressable market for FedEx through CY26

FedEx Business Trends

Meeting E-Commerce Demands

- Year-round, seven-day-per-week residential delivery by FedEx Ground beginning Jan. 2020
- Significantly later pick up times with FedEx Extra Hours Service
- Expanding our convenience network with retailers like Walgreens, Dollar General and Walmart
- Targeting 500 FedEx Office locations in Walmart stores
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 14,000 convenient, secure locations, including more than 11,300 retail locations such as Walgreens, Kroger and Albertsons. Additionally, we anticipate adding access to FedEx drop-off and pickup services at more than 8,000 Dollar General store locations by the end of 2020 and placing up to 500 new FedEx Office locations within Walmart stores nationwide.

Pricing Strategy: Grow Yields

• Focused on long-term profitable growth
• FedEx Express and FedEx Ground will increase shipping rates an average of 4.9% effective January 2020
• FedEx Freight will increase rates an average of 5.9% effective January 2020
• Additional changes to rates and surcharges

*Details are available at fedex.com/rates2020
Reducing Cost to Serve

- Post-peak reductions to the global FedEx Express air network
- Temporarily parking additional aircraft
- Full retirement of the Airbus A310 fleet in 2019
- Permanently retiring an additional 29 aircraft by end of FY22
- Expected decrease of flight hours by 6-8% YOY in Q4
- Efforts to improve efficiency continuing
- Restricted hiring

FedEx Express: Long-Term Opportunity

- Integration of TNT will provide growth opportunities and reduce operational costs
- Improving hub automation
- Modernizing air fleet for greater reliability and fuel efficiency
- Continuing yield management
- International revenue growth
Aligning Synergies with 

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

Milestones for Integration

- **End of FY20**
  - European Ground Interoperability
    - Linking import and transit clearance
    - Enabling cross-sort capabilities
    - Linking air hubs to ground networks

- **FY21**
  - Integrating linehaul and pickup-and-delivery operations
  - Single portfolio of services

- **1H FY22**
  - International air network interoperability
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.
• In Jan. 2020, implementing year-round seven-day-per-week residential delivery in the U.S.

Major U.S. metro areas began receiving Sunday residential service in January 2020

• Residential service offering only – no changes to commercial offerings
• 75% of U.S. GDP covered
• 7,700+ cities and towns served
• 188 million people within coverage area
• 28% of volume will be delivered up to 2 days earlier
FedEx Ground Is Faster Than UPS Ground

Lanes *faster* than UPS 28.0%
Lanes *equal* to UPS 68.6%
UPS lanes faster 3.3%

**Net FedEx advantage** 24.7%

FedEx analysis May 2019

---

Strong Portfolio of Residential Package Services

<table>
<thead>
<tr>
<th>FedEx Express</th>
<th>FedEx Ground</th>
<th>FedEx Ground</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 1–2 days transit time</td>
<td>Home Delivery:</td>
<td>SmartPost:</td>
</tr>
<tr>
<td>- Time-definite</td>
<td>- 1–5 days transit time</td>
<td>- 2–8 days transit time</td>
</tr>
<tr>
<td>- MBG</td>
<td>- Day-definite</td>
<td>- Final delivery by the USPS or FXG</td>
</tr>
<tr>
<td>- Declared value up to $50K</td>
<td>- MBG</td>
<td>- No MBG</td>
</tr>
<tr>
<td></td>
<td>- Declared value up to $50K</td>
<td>- No declared value</td>
</tr>
<tr>
<td></td>
<td>- Heavier-weight</td>
<td>- Lighter-weight</td>
</tr>
</tbody>
</table>
FedEx Ground Revenue Market Share Has Grown to more than 30%

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

FedEx Ground Annual Revenue of $20B with a CAGR of 12% Since 2001

Source: FedEx analysis, $20.5 billion revenue for FY19.
FedEx Freight: Competitive Advantages

- The only nationwide LTL that offers Priority and Economy from one network
- **Priority:** Fastest published times of any nationwide LTL*
- Focused on improving margins with a better balance of volume, pricing and capacity
- Expanding FedEx Freight Direct service for heavy and hard to handle items requiring delivery inside the home or business
- Investing in safety and efficiency improvements

* National account payor based view, FedEx analysis as of December 2019

LTL Industry Market Share Revenue

![LTL Industry Market Share Revenue Graph](image-url)

Source: FedEx Analysis
Corporate Operating Margin

Non-GAAP reconciliations are included herein.

Earnings Per Share

Non-GAAP reconciliations are included herein.
From FY14 through FY19, FedEx returned over $14 billion to shareholders through repurchases and dividends, including an 18% reduction in outstanding shares and a more than quadrupling of the company’s quarterly dividend. Our stock buyback level is expected to be significantly lower in FY20 compared to recent years, and our 1Q FY20 dividend remains at $0.65/share. Each quarterly dividend payment is subject to review and approval by our Board of Directors, and we evaluate our dividend payment amount on an annual basis. For more information, see http://investors.fedex.com/stock-information/dividends/default.aspx.
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).

FY19 Reconciliation for FedEx Corp.

Dollars in millions, except EPS

<table>
<thead>
<tr>
<th>GAAP Measure</th>
<th>Op Income</th>
<th>Op Margin¹</th>
<th>Income Taxes²</th>
<th>Net Income³</th>
<th>Diluted EPS⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustment⁵</td>
<td>---</td>
<td>---</td>
<td>902</td>
<td>2,981</td>
<td>11.22</td>
</tr>
<tr>
<td>TNT Express Integration Expenses⁶</td>
<td>388</td>
<td>0.6%</td>
<td>74</td>
<td>314</td>
<td>1.18</td>
</tr>
<tr>
<td>Business Realignment Costs⁷</td>
<td>320</td>
<td>0.5%</td>
<td>77</td>
<td>243</td>
<td>0.91</td>
</tr>
<tr>
<td>FedEx Ground Legal Matter</td>
<td>46</td>
<td>0.1%</td>
<td>3</td>
<td>43</td>
<td>0.16</td>
</tr>
<tr>
<td>Net U.S. Deferred Tax Liability Remeasurement</td>
<td>---</td>
<td>---</td>
<td>(4)</td>
<td>4</td>
<td>0.02</td>
</tr>
<tr>
<td>Non-GAAP Measure</td>
<td>$5,220</td>
<td>7.5%</td>
<td>$1,167</td>
<td>$4,125</td>
<td>$15.52</td>
</tr>
</tbody>
</table>

¹,²,³,⁴,⁵,⁶,⁷ See “Footnotes for Non-GAAP Reconciliation Slides” below for details.
## FY18 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 1,2</th>
<th>Net Income 1,3</th>
<th>Diluted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FedEx Supply Chain Goodwill and Other Asset Impairments 8</td>
<td>380</td>
<td>0.6%</td>
<td>1</td>
<td>379</td>
<td>1.39</td>
</tr>
<tr>
<td>TNT Express Integration Expenses 6</td>
<td>477</td>
<td>0.7%</td>
<td>105</td>
<td>372</td>
<td>1.36</td>
</tr>
<tr>
<td>FedEx Logistics Legal Matters</td>
<td>8</td>
<td>---</td>
<td>2</td>
<td>6</td>
<td>0.02</td>
</tr>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustment 5</td>
<td>---</td>
<td>---</td>
<td>(1)</td>
<td>(9)</td>
<td>(0.03)</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>Non-GAAP Measure</td>
<td>$5,137</td>
<td>7.8%</td>
<td>$1,039</td>
<td>$4,169</td>
<td>$15.31</td>
</tr>
</tbody>
</table>

1,2,3,5,6,8 See “Footnotes for Non-GAAP Reconciliation Slides” below for details.

## FY17 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 2</th>
<th>Net Income 3</th>
<th>Diluted EPS 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark-to-Market Retirement Plan Accounting Adjustment 5</td>
<td>---</td>
<td>---</td>
<td>(18)</td>
<td>(6)</td>
<td>(0.02)</td>
</tr>
<tr>
<td>TNT Express Integration Expenses 6</td>
<td>327</td>
<td>0.5%</td>
<td>82</td>
<td>245</td>
<td>0.91</td>
</tr>
<tr>
<td>FedEx Logistics 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>Non-GAAP Measure</td>
<td>$4,954</td>
<td>8.2%</td>
<td>$1,670</td>
<td>$3,273</td>
<td>$12.09</td>
</tr>
</tbody>
</table>

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

1 – Does not sum to total due to rounding.
2 – Income taxes are based on the company’s approximate statutory tax rates applicable to each transaction and give consideration to the effects of the TCJA on the applicable rates.
3 – Effect of “Total other (expense) income” on net income amount not shown.
4 – Fiscal 2019 diluted earnings per share prior to the year-end mark-to-market (MTM) retirement plan accounting adjustment was $13.25.
5 – The MTM retirement plan accounting adjustment reflects the year-end adjustment to the valuation of the company’s defined benefit pension and other postretirement plans. For the fourth quarter and full-year fiscal 2018 periods, the MTM retirement plan accounting adjustment includes the one-time $210 million charge recognized in the fourth quarter of fiscal 2018 related to the transfer of approximately $6 billion of FedEx Corporation’s tax-qualified U.S. domestic pension plan obligations to Metropolitan Life Insurance Company.
6 – These expenses, including restructuring charges, were recognized at FedEx Corporate and FedEx Express.
7 – Business realignment costs are recognized at FedEx Corporate.
8 – Goodwill impairment charges are not deductible for income tax purposes.