



Q1 Fiscal 2017 Statistics

FedEx Corporation

Financial and Operating Statistics

First Quarter Fiscal 2017

September 20, 2016

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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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 \$58 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 90 percent of the world's gross domestic product within one to three business days. Unmatched air route authorities and transportation infrastructure, combined with leading-edge information technologies, make FedEx Express the world's largest express transportation company, providing fast and reliable delivery of more than 4 million shipments each business day. The FedEx Express business segment financial results also include FedEx Trade Networks and FedEx SupplyChain Systems.

TNT Express was acquired on May 25, 2016. TNT Express operates road transportation networks and delivers documents, parcels and freight to over 200 countries.

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 Ground business segment financial results include FedEx SmartPost, which specializes in the consolidation and delivery of high volumes of low-weight, less time-sensitive business-to-consumer packages using the U.S. Postal Service for last mile delivery to residences, and GENCO, one of the largest third-party logistics providers in North America.

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

FedEx Services provides sales, marketing, information technology, communications, customer service, technical support, billing and collections services for our U.S. customers and 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: | 265,771,363 (as of August 31, 2016) |
| STOCKHOLDERS OF RECORD: | 12,394 (as August 31, 2016) |
| TRANSFER AGENT & REGISTRAR: | Computershare Investor Services 211 Quality Circle, Suite 210 College Station, TX 77845 (800) 446-2617 |
| FISCAL YEAR END: | May 31 |

FedEx Corporation

Condensed Consolidated Balance Sheets

FY 2014 – FY 2017

May 31
In millions (except share data)

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|--|------------------|------------------|------------------|------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ 2,908 | \$ 3,763 | \$ 3,534 | \$ 2,989 |
| Receivables, less allowances | 5,460 | 5,719 | 7,252 | 7,233 |
| Spare parts, supplies and fuel, less allowances | 463 | 498 | 496 | 512 |
| Deferred income taxes ¹ | 522 | — | — | — |
| Prepaid expenses and other | 330 | 355 | 707 | 667 |
| Total current assets | <u>9,683</u> | <u>10,335</u> | <u>11,989</u> | <u>11,401</u> |
| Property and Equipment, at Cost | | | | |
| Aircraft and related equipment | 15,632 | 16,186 | 17,499 | |
| Package handling and ground support equipment ² | 6,082 | 6,725 | 7,961 | |
| Computer and electronic equipment ² | 5,097 | 5,208 | 5,149 | |
| Vehicles ² | 5,514 | 5,816 | 6,422 | |
| Facilities and other ² | <u>8,366</u> | <u>8,929</u> | <u>9,987</u> | |
| | 40,691 | 42,864 | 47,018 | 48,121 |
| Less accumulated depreciation and amortization | <u>21,141</u> | <u>21,989</u> | <u>22,734</u> | <u>23,317</u> |
| Net property and equipment | <u>19,550</u> | <u>20,875</u> | <u>24,284</u> | <u>24,804</u> |
| Other Long-Term Assets | | | | |
| Goodwill | 2,790 | 3,810 | 6,747 | 6,783 |
| Other assets ^{1,3} | <u>1,047</u> | <u>1,511</u> | <u>2,939</u> | <u>2,587</u> |
| Total other long-term assets | <u>3,837</u> | <u>5,321</u> | <u>9,686</u> | <u>9,370</u> |
| | <u>\$ 33,070</u> | <u>\$ 36,531</u> | <u>\$ 45,959</u> | <u>\$ 45,575</u> |
| LIABILITIES AND STOCKHOLDERS' INVESTMENT | | | | |
| Current Liabilities | | | | |
| Current portion of long-term debt | \$ 1 | \$ 19 | \$ 29 | 47 |
| Accrued salaries and employee benefits | 1,277 | 1,436 | 1,972 | 1,603 |
| Accounts payable | 1,971 | 2,066 | 2,944 | 2,851 |
| Accrued expenses ¹ | <u>2,063</u> | <u>2,435</u> | <u>3,063</u> | <u>2,973</u> |
| Total current liabilities | <u>5,312</u> | <u>5,956</u> | <u>8,008</u> | <u>7,474</u> |
| Long-Term Debt, Less Current Portion³ | <u>4,736</u> | <u>7,249</u> | <u>13,733</u> | <u>13,735</u> |
| Other Long-Term Liabilities | | | | |
| Deferred income taxes ¹ | 2,114 | 1,210 | 1,567 | 1,762 |
| Pension, postretirement healthcare and other benefit obligations | 3,484 | 4,893 | 6,227 | 6,063 |
| Self-insurance accruals | 1,038 | 1,120 | 1,314 | 1,338 |
| Deferred lease obligations | 758 | 711 | 400 | 457 |
| Deferred gains, principally related to aircraft transactions | 206 | 181 | 155 | 150 |
| Other liabilities | <u>145</u> | <u>218</u> | <u>771</u> | <u>454</u> |
| Total other long-term liabilities | <u>7,745</u> | <u>8,333</u> | <u>10,434</u> | <u>10,224</u> |
| Commitments and Contingencies | | | | |
| Common Stockholders' Investment | | | | |
| Common stock \$0.10 par value; 800 million shares auth. | 32 | 32 | 32 | 32 |
| Additional paid-in capital | 2,643 | 2,786 | 2,892 | 2,918 |
| Retained earnings | 16,229 | 16,900 | 18,371 | 18,862 |
| Accumulated other comprehensive income | 506 | 172 | (169) | (176) |
| Treasury stock, at cost | <u>(4,133)</u> | <u>(4,897)</u> | <u>(7,342)</u> | <u>(7,494)</u> |
| Total common stockholders' investment | <u>15,277</u> | <u>14,993</u> | <u>13,784</u> | <u>14,142</u> |
| | <u>\$ 33,070</u> | <u>\$ 36,531</u> | <u>\$ 45,959</u> | <u>\$ 45,575</u> |

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

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

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

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

FedEx Corporation

Condensed Consolidated Statements of Cash Flows

FY 2014 – FY 2017

Years ended May 31
In millions

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|---|-----------------|-----------------|-----------------|-----------------|
| OPERATING ACTIVITIES | | | | |
| Net income | \$ 2,324 | \$ 1,050 | \$ 1,820 | \$ 715 |
| Adjustments to reconcile net income to cash provided by operating activities: | | | | |
| Depreciation and amortization | 2,587 | 2,611 | 2,631 | 739 |
| Provision for uncollectible accounts | 130 | 145 | 121 | 39 |
| Deferred income taxes and other noncash items | 339 | (572) | 31 | 173 |
| Impairment and other charges ¹ | – | 246 | – | – |
| Stock-based compensation | 117 | 133 | 144 | 57 |
| Retirement plans mark-to-market adjustment | 15 | 2,190 | 1,498 | – |
| Changes in operating assets and liabilities, net of the effects of businesses acquired: | | | | |
| Receivables | (516) | (392) | (199) | 20 |
| Other current assets | (22) | 25 | (234) | (4) |
| Pension and postretirement assets and liabilities, net | (453) | (692) | (346) | – |
| Accounts payable and other operating liabilities | (235) | 659 | 467 | (753) |
| Other, net | (22) | (37) | (225) | (15) |
| Cash provided by operating activities | 4,264 | 5,366 | 5,708 | 971 |
| INVESTING ACTIVITIES | | | | |
| Capital expenditures | (3,533) | (4,347) | (4,818) | (1,215) |
| Business acquisitions, net of cash acquired | (36) | (1,429) | (4,618) | – |
| Proceeds from asset dispositions and other | 18 | 24 | (10) | 9 |
| Cash used in investing activities | (3,551) | (5,752) | (9,446) | (1,206) |
| FINANCING ACTIVITIES | | | | |
| Principal payments on debt | (254) | (5) | (41) | (12) |
| Proceeds from debt issuances | 1,997 | 2,491 | 6,519 | – |
| Proceeds from stock issuances | 557 | 320 | 183 | 40 |
| Excess tax benefits on the exercise of stock options | 44 | 51 | 3 | 2 |
| Dividends paid | (187) | (227) | (277) | (106) |
| Purchase of treasury stock | (4,857) | (1,254) | (2,722) | (222) |
| Other, net | (19) | (27) | (54) | (15) |
| Cash (used in) provided by financing activities | (2,719) | 1,349 | 3,611 | (313) |
| Effect of exchange rate changes on cash | (3) | (108) | (102) | 3 |
| CASH AND CASH EQUIVALENTS | | | | |
| Net (decrease) increase in cash and cash equivalents | (2,009) | 855 | (229) | (545) |
| Cash and cash equivalents at beginning of period | 4,917 | 2,908 | 3,763 | 3,534 |
| Cash and cash equivalents at end of period | <u>\$ 2,908</u> | <u>\$ 3,763</u> | <u>\$ 3,534</u> | <u>\$ 2,989</u> |

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

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

FedEx Corporation

Annual Consolidated Statements of Income

FY 2014 – FY 2017

Years ended May 31
In millions, except EPS

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|---|-----------------|-----------------|-----------------|----------------|
| Revenue: | | | | |
| FedEx Express segment | \$ 27,121 | \$ 27,239 | \$ 26,451 | \$ 6,656 |
| TNT Express segment | – | – | – | 1,804 |
| FedEx Ground segment | 11,617 | 12,984 | 16,574 | 4,290 |
| FedEx Freight segment | 5,757 | 6,191 | 6,200 | 1,658 |
| FedEx Services segment | 1,536 | 1,545 | 1,593 | 395 |
| Eliminations and other | (464) | (506) | (453) | (140) |
| Total Revenue | 45,567 | 47,453 | 50,365 | 14,663 |
| Operating Expenses: | | | | |
| Salaries and employee benefits | 16,171 | 17,110 | 18,581 | 5,311 |
| Purchased transportation | 8,011 | 8,483 | 9,966 | 3,240 |
| Rentals and landing fees | 2,622 | 2,682 | 2,854 | 790 |
| Depreciation and amortization | 2,587 | 2,611 | 2,631 | 739 |
| Fuel | 4,557 | 3,720 | 2,399 | 650 |
| Maintenance and repairs | 1,862 | 2,099 | 2,108 | 598 |
| Impairment and other charges ¹ | – | 276 | – | – |
| Retirement plans mark-to-market adjustment | 15 | 2,190 | 1,498 | – |
| Other ^{2,3} | 5,927 | 6,415 | 7,251 | 2,071 |
| Total Operating Expenses | 41,752 | 45,586 | 47,288 | 13,399 |
| Operating Income: | | | | |
| FedEx Express segment ¹ | 1,428 | 1,584 | 2,519 | 624 |
| TNT Express segment ⁴ | – | – | – | (14) |
| FedEx Ground segment | 2,021 | 2,172 | 2,276 | 610 |
| FedEx Freight segment | 351 | 484 | 426 | 135 |
| Corporate, eliminations, and other ^{3,5} | 15 | (2,373) | (2,144) | (91) |
| Total Operating Income | 3,815 | 1,867 | 3,077 | 1,264 |
| Other Income (Expense): | | | | |
| Interest, net | (142) | (221) | (315) | (113) |
| Other, net | (15) | (19) | (22) | (9) |
| Total Other Income (Expense)⁶ | (157) | (240) | (337) | (122) |
| Income Before Income Taxes⁷ | 3,658 | 1,627 | 2,740 | 1,142 |
| Provision for Income Taxes | 1,334 | 577 | 920 | 427 |
| Net Income | \$ 2,324 | \$ 1,050 | \$ 1,820 | \$ 715 |
| Basic Earnings Per Share^{1,3,4,5,6,7} | \$ 7.56 | \$ 3.70 | \$ 6.59 | \$ 2.69 |
| Weighted Avg. Common Shares | 307 | 283 | 276 | 265 |
| Diluted Earnings Per Share^{1,3,4,5,6,7} | \$ 7.48 | \$ 3.65 | \$ 6.51 | \$ 2.65 |
| Avg Common and Common Equiv. Shares | 310 | 287 | 279 | 269 |
| SELECTED STATISTICS | | | | |
| Operating Margin | 8.4% | 3.9% | 6.1% | 8.6% |
| Pretax Margin | 8.0% | 3.4% | 5.4% | 7.8% |
| Return on Assets ⁸ | 7.0% | 3.0% | 4.4% | 4.4% |
| Return on Equity ⁸ | 14.2% | 6.9% | 12.6% | 12.5% |
| Dividends Paid Per Common Share | \$ 0.60 | \$ 0.80 | \$ 1.00 | \$ 0.40 |

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

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

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

4 - FY17 includes intangible asset amortization of \$28 million (\$21 million, net of tax, or \$0.08 per diluted share).

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

6 - FY17 includes TNT Express integration and Outlook program restructuring costs of \$68 million (\$45 million, net of tax, or \$0.17 per diluted share). These expenses are included in the FedEx Express and TNT Express segment and "Corporate, eliminations and other" results.

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

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

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

FedEx Corporation

Quarterly Consolidated Statements of Income

FY 2014 - FY 2015

Years ended May 31
In millions, except EPS

| | FY 2014 | | | | FY 2015 | | | |
|--|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| Revenue: | | | | | | | | |
| FedEx Express segment | \$ 6,605 | \$ 6,844 | \$ 6,674 | \$ 6,998 | \$ 6,862 | \$ 7,024 | \$ 6,656 | \$ 6,697 |
| FedEx Ground segment | 2,730 | 2,849 | 3,031 | 3,007 | 2,960 | 3,063 | 3,393 | 3,568 |
| FedEx Freight segment | 1,424 | 1,434 | 1,347 | 1,552 | 1,609 | 1,585 | 1,428 | 1,569 |
| FedEx Services segment | 375 | 391 | 368 | 402 | 374 | 394 | 370 | 407 |
| Eliminations and other | (110) | (115) | (119) | (120) | (121) | (127) | (131) | (127) |
| Total Revenue | 11,024 | 11,403 | 11,301 | 11,839 | 11,684 | 11,939 | 11,716 | 12,114 |
| Operating Expenses: | | | | | | | | |
| Salaries and employee benefits | 3,981 | 4,052 | 4,071 | 4,067 | 4,114 | 4,229 | 4,335 | 4,432 |
| Purchased transportation | 1,879 | 2,040 | 2,063 | 2,029 | 2,054 | 2,185 | 2,165 | 2,079 |
| Rentals and landing fees | 640 | 648 | 662 | 672 | 660 | 663 | 686 | 673 |
| Depreciation and amortization | 639 | 647 | 652 | 649 | 651 | 651 | 652 | 657 |
| Fuel | 1,104 | 1,136 | 1,163 | 1,154 | 1,120 | 1,052 | 810 | 738 |
| Maintenance and repairs | 480 | 479 | 438 | 465 | 556 | 543 | 505 | 495 |
| Impairment and other charges 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 | 10,133 | 10,480 | 10,564 | 10,575 | 10,622 | 10,851 | 10,678 | 13,435 |
| 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) | 891 | 923 | 737 | 1,264 | 1,062 | 1,088 | 1,038 | (1,321) |
| Other Income (Expense): | | | | | | | | |
| Interest, net | (27) | (30) | (38) | (47) | (48) | (47) | (58) | (68) |
| Other, net | (2) | (5) | (9) | 1 | (2) | 5 | 5 | (27) |
| Total Other Expense | (29) | (35) | (47) | (46) | (50) | (42) | (53) | (95) |
| Income 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 | \$ 548 | \$ 559 | \$ 437 | \$ 780 | \$ 653 | \$ 663 | \$ 628 | (\$895) |
| Basic Earnings Per Share ^{1,2,3} | \$ 1.73 | \$ 1.77 | \$ 1.44 | \$ 2.66 | \$ 2.29 | \$ 2.34 | \$ 2.21 | (\$3.16) |
| Weighted Avg. Common Shares | 316 | 315 | 303 | 293 | 285 | 283 | 283 | 283 |
| Diluted Earnings Per Share ^{1,2,3} | \$ 1.72 | \$ 1.75 | \$ 1.42 | \$ 2.62 | \$ 2.26 | \$ 2.31 | \$ 2.18 | (\$3.16) |
| Avg Common and Common Equiv. Shares | 319 | 319 | 307 | 296 | 289 | 287 | 287 | 283 |
| 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, \$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 | \$ 6,591 | \$ 6,588 | \$ 6,557 | \$ 6,715 | \$ 6,656 | | | |
| TNT Express segment | - | - | - | - | 1,804 | | | |
| FedEx Ground segment | 3,830 | 4,050 | 4,408 | 4,286 | 4,290 | | | |
| FedEx Freight segment | 1,601 | 1,547 | 1,447 | 1,605 | 1,658 | | | |
| FedEx Services segment | 390 | 403 | 384 | 416 | 395 | | | |
| Eliminations and other | (133) | (135) | (142) | (43) | (140) | | | |
| Total Revenue | 12,279 | 12,453 | 12,654 | 12,979 | 14,663 | | | |
| Operating Expenses: | | | | | | | | |
| Salaries and employee benefits | 4,525 | 4,570 | 4,712 | 4,774 | 5,311 | | | |
| Purchased transportation | 2,344 | 2,538 | 2,623 | 2,461 | 3,240 | | | |
| Rentals and landing fees | 695 | 682 | 744 | 733 | 790 | | | |
| Depreciation and amortization | 648 | 653 | 663 | 667 | 739 | | | |
| Fuel | 712 | 615 | 537 | 535 | 650 | | | |
| Maintenance and repairs | 548 | 529 | 504 | 527 | 598 | | | |
| Retirement plans mark-to-market adjustment | - | - | - | 1,498 | - | | | |
| Other ¹ | 1,663 | 1,729 | 2,007 | 1,852 | 2,071 | | | |
| Total Operating Expenses | 11,135 | 11,316 | 11,790 | 13,047 | 13,399 | | | |
| Operating Income (Loss): | | | | | | | | |
| FedEx Express segment | 545 | 622 | 595 | 757 | 624 | | | |
| TNT Express segment ² | - | - | - | - | (14) | | | |
| FedEx Ground segment | 537 | 526 | 557 | 656 | 610 | | | |
| FedEx Freight segment | 132 | 101 | 56 | 137 | 135 | | | |
| Corporate, eliminations and other ^{1,3} | (70) | (112) | (344) | (1,618) | (91) | | | |
| Total Operating Income (Loss) ⁴ | 1,144 | 1,137 | 864 | (68) | 1,264 | | | |
| Other Income (Expense): | | | | | | | | |
| Interest, net | (63) | (74) | (81) | (97) | (113) | | | |
| Other, net | 3 | (8) | (1) | (16) | (9) | | | |
| Total Other Expense | (60) | (82) | (82) | (113) | (122) | | | |
| Income Before Income Taxes ⁵ | 1,084 | 1,055 | 782 | (181) | 1,142 | | | |
| Provision for Income Taxes | 392 | 364 | 275 | (111) | 427 | | | |
| Net Income | \$ 692 | \$ 691 | \$ 507 | (\$70) | \$ 715 | | | |
| Basic Earnings Per Share ^{1,2,3,4,5} | \$ 2.45 | \$ 2.47 | \$ 1.86 | (\$0.26) | \$ 2.69 | | | |
| Weighted Avg. Common Shares | 282 | 279 | 272 | 269 | 265 | | | |
| Diluted Earnings Per Share ^{1,2,3,4,5} | \$ 2.42 | \$ 2.44 | \$ 1.84 | (\$0.26) | \$ 2.65 | | | |
| Avg Common and Common Equiv. Shares | 286 | 283 | 275 | 269 | 269 | | | |
| SELECTED STATISTICS | | | | | | | | |
| Operating Margin | 9.3% | 9.1% | 6.8% | (0.5%) | 8.6% | | | |
| Pretax Margin | 8.8% | 8.5% | 6.2% | (1.4%) | 7.8% | | | |
| Dividends Paid Per Common Share | \$ 0.25 | \$ 0.25 | \$ 0.25 | \$ 0.25 | \$ 0.40 | | | |

1- 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).

2- Q1 FY17 includes intangible asset amortization of \$28 million (\$21 million, net of tax, or \$0.08 per diluted share).

3- 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- Q1 FY17 includes TNT Express integration and Outlook program restructuring costs of \$68 million (\$45 million, net of tax, or \$0.17 per diluted share). These expenses are included in the FedEx Express and TNT Express segment and "Corporate, eliminations and other" 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 "Corporate, eliminations and other" results.

Unaudited. Differences may result due to rounding.

FedEx Corporation Capital Spending FY 2014 – FY 2017

Years ended May 31
In millions

| | <u>FY 2014</u> | <u>FY 2015</u> | <u>FY 2016</u> | <u>Q1 YTD FY17</u> |
|---|-----------------|-----------------|-----------------|------------------------|
| <u>By Asset Type¹</u> | | | | |
| Aircraft and related equipment | \$ 1,327 | \$ 1,866 | \$ 1,697 | \$ 592 |
| Package handling and ground support equipment | 549 | 752 | 1,323 | 197 |
| Vehicles | 780 | 604 | 1,000 | 149 |
| Information technology investments | 422 | 377 | 445 | 159 |
| Facilities and other | 455 | 748 | 353 | 118 |
| Total | <u>\$ 3,533</u> | <u>\$ 4,347</u> | <u>\$ 4,818</u> | <u>\$ 1,215</u> |
| <u>By Segment</u> | | | | |
| FedEx Express segment | \$ 1,994 | \$ 2,380 | \$ 2,356 | \$ 775 |
| TNT Express segment | – | – | – | 56 |
| FedEx Ground segment | 850 | 1,248 | 1,597 | 237 |
| FedEx Freight segment | 325 | 337 | 433 | 45 |
| FedEx Services segment | 363 | 381 | 432 | 102 |
| Other | 1 | 1 | – | – |
| Total | <u>\$ 3,533</u> | <u>\$ 4,347</u> | <u>\$ 4,818</u> | <u>\$ 1,215</u> |

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

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Annual Consolidated Statements of Income

FY 2014 – FY 2017

Years ended May 31
In millions

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|--|-----------------|-----------------|-----------------|----------------|
| Package Revenue: | | | | |
| U.S. Overnight Box | \$ 6,555 | \$ 6,704 | \$ 6,763 | \$ 1,722 |
| U.S. Overnight Envelope | 1,636 | 1,629 | 1,662 | 443 |
| Total U.S. Overnight | 8,191 | 8,333 | 8,425 | 2,165 |
| U.S. Deferred | 3,188 | 3,342 | 3,379 | 810 |
| Total U.S. Package Revenue | 11,379 | 11,675 | 11,804 | 2,975 |
| International Priority | 6,451 | 6,251 | 5,697 | 1,434 |
| International Economy | 2,229 | 2,301 | 2,282 | 584 |
| Total International Export Package Revenue | 8,680 | 8,552 | 7,979 | 2,018 |
| International Domestic ¹ | 1,446 | 1,406 | 1,285 | 320 |
| Total Package Revenue | 21,505 | 21,633 | 21,068 | 5,313 |
| Freight Revenue: | | | | |
| U.S. | 2,355 | 2,300 | 2,481 | 616 |
| International Priority | 1,594 | 1,588 | 1,384 | 360 |
| International Airfreight | 205 | 180 | 126 | 27 |
| Total Freight Revenue | 4,154 | 4,068 | 3,991 | 1,003 |
| Other Revenue ² | 1,462 | 1,538 | 1,392 | 340 |
| Total Revenue | 27,121 | 27,239 | 26,451 | 6,656 |
| Operating Expenses: | | | | |
| Salaries and employee benefits | 9,797 | 10,104 | 10,240 | 2,588 |
| Purchased transportation | 2,511 | 2,544 | 2,301 | 557 |
| Rentals and landing fees | 1,705 | 1,693 | 1,688 | 401 |
| Depreciation and amortization | 1,488 | 1,460 | 1,385 | 348 |
| Fuel | 3,943 | 3,199 | 2,023 | 501 |
| Maintenance and repairs | 1,182 | 1,357 | 1,294 | 357 |
| Impairment and other charges ³ | - | 276 | - | - |
| Intercompany charges | 1,888 | 1,842 | 1,846 | 462 |
| Other | 3,179 | 3,180 | 3,155 | 818 |
| | 25,693 | 25,655 | 23,932 | 6,032 |
| Operating Income ⁴ | <u>\$ 1,428</u> | <u>\$ 1,584</u> | <u>\$ 2,519</u> | <u>\$ 624</u> |

SELECTED STATISTICS

| | | | | |
|------------------|------|------|------|------|
| Operating Margin | 5.3% | 5.8% | 9.5% | 9.4% |
|------------------|------|------|------|------|

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

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

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

4 - FY17 includes costs related to the integration of TNT Express of \$22 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 | 388 | 417 | 379 | 410 | 395 | 412 | 375 | 406 |
| International Airfreight | 54 | 55 | 48 | 48 | 46 | 42 | 45 | 47 |
| Total Freight Revenue | 1,066 | 1,057 | 1,004 | 1,027 | 1,020 | 1,040 | 1,000 | 1,008 |
| Other Revenue ² | 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 ³ | - | - | - | - | - | - | - | 276 |
| Intercompany charges | 455 | 479 | 471 | 483 | 448 | 452 | 460 | 482 |
| Other | 773 | 790 | 826 | 790 | 763 | 822 | 796 | 799 |
| | 6,300 | 6,455 | 6,474 | 6,464 | 6,485 | 6,532 | 6,263 | 6,375 |
| Operating Income | <u>\$ 305</u> | <u>\$ 389</u> | <u>\$ 200</u> | <u>\$ 534</u> | <u>\$ 377</u> | <u>\$ 492</u> | <u>\$ 393</u> | <u>\$ 322</u> |

SELECTED STATISTICS

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

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

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

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

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Quarterly Consolidated Statements of Income

FY 2016 – FY 2017

Years ended May 31
In millions

| | FY 2016 | | | | FY 2017 | | | |
|--|--------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| | <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> |
| Package Revenue: | | | | | | | | |
| U.S. Overnight Box | \$ 1,658 | \$ 1,682 | \$ 1,704 | \$ 1,719 | \$ 1,722 | | | |
| U.S. Overnight Envelope | 422 | 397 | 408 | 435 | 443 | | | |
| Total U.S. Overnight | 2,080 | 2,079 | 2,112 | 2,154 | 2,165 | | | |
| U.S. Deferred | 816 | 826 | 926 | 811 | 810 | | | |
| Total U.S. Packages | 2,896 | 2,905 | 3,038 | 2,965 | 2,975 | | | |
| International Priority | 1,464 | 1,433 | 1,346 | 1,454 | 1,434 | | | |
| International Economy | 574 | 568 | 546 | 594 | 584 | | | |
| Total International Export Package Revenue | 2,038 | 2,001 | 1,892 | 2,048 | 2,018 | | | |
| International Domestic ¹ | 327 | 336 | 303 | 319 | 320 | | | |
| Total Package Revenue | 5,261 | 5,242 | 5,233 | 5,332 | 5,313 | | | |
| Freight Revenue: | | | | | | | | |
| U.S. | 573 | 578 | 647 | 683 | 616 | | | |
| International Priority | 350 | 354 | 325 | 355 | 360 | | | |
| International Airfreight | 36 | 32 | 30 | 28 | 27 | | | |
| Total Freight Revenue | 959 | 964 | 1,002 | 1,066 | 1,003 | | | |
| Other Revenue ² | 371 | 382 | 322 | 317 | 340 | | | |
| Total Revenue | 6,591 | 6,588 | 6,557 | 6,715 | 6,656 | | | |
| Operating Expenses: | | | | | | | | |
| Salaries and employee benefits | 2,523 | 2,513 | 2,602 | 2,602 | 2,588 | | | |
| Purchased transportation | 601 | 616 | 545 | 539 | 557 | | | |
| Rentals and landing fees | 410 | 399 | 452 | 427 | 401 | | | |
| Depreciation and amortization | 347 | 349 | 342 | 347 | 348 | | | |
| Fuel | 607 | 517 | 455 | 444 | 501 | | | |
| Maintenance and repairs | 345 | 330 | 306 | 313 | 357 | | | |
| Intercompany charges | 445 | 462 | 464 | 475 | 462 | | | |
| Other | 768 | 780 | 796 | 811 | 818 | | | |
| | 6,046 | 5,966 | 5,962 | 5,958 | 6,032 | | | |
| Operating Income ³ | <u>\$ 545</u> | <u>\$ 622</u> | <u>\$ 595</u> | <u>\$ 757</u> | <u>\$ 624</u> | | | |

SELECTED STATISTICS

| | | | | | |
|------------------|------|------|------|-------|------|
| Operating Margin | 8.3% | 9.4% | 9.1% | 11.3% | 9.4% |
|------------------|------|------|------|-------|------|

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

2 - Includes FedEx Trade Networks and FedEx SupplyChain Systems.

3 - Q1 FY17 includes costs related to the integration of TNT Express of \$22 million.

Unaudited. Differences may result due to rounding.

FedEx Express Annual Shipment Statistics FY 2014 – FY 2017

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|--------------------------------------|----------|----------|----------|----------------|
| AVG DAILY VOLUME / POUNDS | | | | |
| Average Daily Package Volume (000s): | | | | |
| U.S. Overnight Box | 1,164 | 1,240 | 1,271 | 1,255 |
| U.S. Overnight Envelope | 538 | 527 | 541 | 570 |
| Total U.S. Overnight | 1,702 | 1,767 | 1,812 | 1,825 |
| U.S. Deferred | 869 | 916 | 901 | 824 |
| Total U.S. Packages | 2,571 | 2,683 | 2,713 | 2,649 |
| International Priority | 410 | 410 | 394 | 385 |
| International Economy | 170 | 176 | 181 | 178 |
| Total International Export Packages | 580 | 586 | 575 | 563 |
| International Domestic ¹ | 819 | 853 | 888 | 875 |
| Total Avg Daily Packages | 3,970 | 4,122 | 4,176 | 4,087 |
| Average Daily Freight Pounds (000s): | | | | |
| U.S. | 7,854 | 7,833 | 8,178 | 8,067 |
| International Priority | 2,922 | 2,887 | 2,510 | 2,534 |
| International Airfreight | 798 | 684 | 623 | 585 |
| Total Avg Daily Freight Pounds | 11,574 | 11,404 | 11,311 | 11,186 |
| YIELD | | | | |
| Revenue Per Package: | | | | |
| U.S. Overnight Box | \$ 22.18 | \$ 21.29 | \$ 20.79 | \$ 21.11 |
| U.S. Overnight Envelope | 11.97 | 12.15 | 11.99 | 11.96 |
| Total U.S. Overnight | 18.95 | 18.56 | 18.16 | 18.25 |
| U.S. Deferred | 14.44 | 14.36 | 14.66 | 15.12 |
| Total U.S. Packages | 17.42 | 17.13 | 17.00 | 17.28 |
| International Priority | 61.88 | 60.05 | 56.47 | 57.30 |
| International Economy | 51.75 | 51.54 | 49.15 | 50.48 |
| Total International Export Packages | 58.92 | 57.50 | 54.16 | 55.15 |
| International Domestic ¹ | 6.95 | 6.49 | 5.65 | 5.62 |
| Total Composite Package Yield | \$ 21.32 | \$ 20.66 | \$ 19.71 | \$ 20.00 |
| Revenue Per Freight Pound: | | | | |
| U.S. | \$ 1.18 | \$ 1.16 | \$ 1.19 | \$ 1.18 |
| International Priority | 2.15 | 2.17 | 2.15 | 2.19 |
| International Airfreight | 1.01 | 1.04 | 0.79 | 0.70 |
| Total Composite Freight Yield | \$ 1.41 | \$ 1.40 | \$ 1.38 | \$ 1.38 |
| PACKAGE YOY GROWTH RATES | | | | |
| Average Daily Volume Growth: | | | | |
| U.S. Overnight Box | 2.6% | 6.5% | 2.5% | 3.7% |
| U.S. Overnight Envelope | (6.3%) | (2.0%) | 2.7% | 5.4% |
| Total U.S. Overnight | (0.4%) | 3.8% | 2.5% | 4.2% |
| U.S. Deferred | 4.1% | 5.4% | (1.6%) | (4.7%) |
| Total U.S. Packages | 1.1% | 4.4% | 1.1% | 1.3% |
| International Priority | (2.6%) | - | (3.9%) | (1.0%) |
| International Economy | 9.7% | 3.5% | 2.8% | 1.1% |
| Total International Export Packages | 0.7% | 1.0% | (1.9%) | (0.4%) |
| International Domestic ¹ | 4.3% | 4.2% | 4.1% | 2.3% |
| Total Package Volume Growth | 1.7% | 3.8% | 1.3% | 1.3% |
| Revenue Growth: | | | | |
| U.S. Overnight Box | 0.6% | 2.3% | 0.9% | 3.9% |
| U.S. Overnight Envelope | (4.0%) | (0.4%) | 2.0% | 5.0% |
| Total U.S. Overnight | (0.3%) | 1.7% | 1.1% | 4.1% |
| U.S. Deferred | 5.6% | 4.8% | 1.1% | (0.7%) |
| Total U.S. Packages | 1.3% | 2.6% | 1.1% | 2.7% |
| International Priority | (2.0%) | (3.1%) | (8.9%) | (2.0%) |
| International Economy | 8.9% | 3.2% | (0.8%) | 1.7% |
| Total International Export Packages | 0.6% | (1.5%) | (6.7%) | (1.0%) |
| International Domestic ¹ | 3.4% | (2.8%) | (8.6%) | (2.1%) |
| Total Package Revenue Growth | 1.1% | 0.6% | (2.6%) | 1.0% |
| AVG POUNDS PER PACKAGE | 10.6 | 10.6 | 10.6 | 10.5 |
| AVG REVENUE PER PACKAGE LB. | \$ 2.01 | \$ 1.95 | \$ 1.86 | \$ 1.90 |
| OPERATING WEEKDAYS | 254 | 254 | 256 | 65 |

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

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics

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 ¹ | 789 | 896 | 780 | 813 | 816 | 917 | 831 | 850 |
| Total Avg Daily Packages | 3,825 | 4,011 | 4,048 | 4,000 | 3,979 | 4,216 | 4,202 | 4,095 |
| Avg. Daily Freight Pounds (000s): | | | | | | | | |
| U.S. | 7,423 | 7,872 | 8,263 | 7,865 | 7,318 | 8,039 | 8,145 | 7,836 |
| International Priority | 2,862 | 3,068 | 2,823 | 2,936 | 2,792 | 2,983 | 2,823 | 2,953 |
| International Airfreight | 850 | 907 | 757 | 677 | 670 | 630 | 718 | 716 |
| Total Avg Daily Freight Pounds | 11,135 | 11,847 | 11,843 | 11,478 | 10,780 | 11,652 | 11,686 | 11,505 |
| 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 ¹ | 6.84 | 6.82 | 7.05 | 7.10 | 7.10 | 6.63 | 6.28 | 5.96 |
| Total Composite Package Yield | \$ 21.18 | \$ 21.32 | \$ 20.91 | \$ 21.87 | \$ 21.46 | \$ 20.97 | \$ 19.99 | \$ 20.66 |
| Revenue Per Freight Pound: | | | | | | | | |
| U.S. | \$ 1.31 | \$ 1.18 | \$ 1.11 | \$ 1.13 | \$ 1.24 | \$ 1.16 | \$ 1.13 | \$ 1.11 |
| International Priority | 2.12 | 2.16 | 2.13 | 2.18 | 2.21 | 2.19 | 2.11 | 2.15 |
| International Airfreight | 0.99 | 0.97 | 1.00 | 1.12 | 1.07 | 1.07 | 1.00 | 1.01 |
| Total Composite Freight Yield | \$ 1.50 | \$ 1.42 | \$ 1.35 | \$ 1.40 | \$ 1.48 | \$ 1.42 | \$ 1.36 | \$ 1.37 |
| 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 ¹ | 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 ¹ | 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 - International domestic statistics represent our international intra-country operations.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics

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 | | | |
| U.S. Overnight Envelope | 541 | 531 | 535 | 558 | 570 | | | |
| Total U.S. Overnight | 1,751 | 1,821 | 1,851 | 1,827 | 1,825 | | | |
| U.S. Deferred | 865 | 900 | 1,015 | 825 | 824 | | | |
| Total U.S. Packages | 2,616 | 2,721 | 2,866 | 2,652 | 2,649 | | | |
| International Priority | 389 | 402 | 386 | 399 | 385 | | | |
| International Economy | 176 | 186 | 179 | 184 | 178 | | | |
| Total International Export Packages | 565 | 588 | 565 | 583 | 563 | | | |
| International Domestic ¹ | 855 | 954 | 878 | 869 | 875 | | | |
| Total Avg Daily Packages | 4,036 | 4,263 | 4,309 | 4,104 | 4,087 | | | |
| Avg. Daily Freight Pounds (000s): | | | | | | | | |
| U.S. | 7,278 | 8,213 | 8,340 | 8,885 | 8,067 | | | |
| International Priority | 2,491 | 2,605 | 2,414 | 2,530 | 2,534 | | | |
| International Airfreight | 609 | 678 | 622 | 586 | 585 | | | |
| Total Avg Daily Freight Pounds | 10,378 | 11,496 | 11,376 | 12,001 | 11,186 | | | |
| YIELD | | | | | | | | |
| Revenue Per Package: | | | | | | | | |
| U.S. Overnight Box | \$ 21.08 | \$ 20.70 | \$ 20.56 | \$ 20.83 | \$ 21.11 | | | |
| U.S. Overnight Envelope | 11.99 | 11.87 | 12.11 | 11.99 | 11.96 | | | |
| Total U.S. Overnight | 18.27 | 18.13 | 18.11 | 18.13 | 18.25 | | | |
| U.S. Deferred | 14.52 | 14.55 | 14.48 | 15.12 | 15.12 | | | |
| Total U.S. Packages | 17.03 | 16.94 | 16.83 | 17.20 | 17.28 | | | |
| International Priority | 57.86 | 56.52 | 55.35 | 56.12 | 57.30 | | | |
| International Economy | 50.18 | 48.53 | 48.36 | 49.49 | 50.48 | | | |
| Total International Export Packages | 55.47 | 54.00 | 53.14 | 54.02 | 55.15 | | | |
| International Domestic ¹ | 5.88 | 5.59 | 5.47 | 5.66 | 5.62 | | | |
| Total Composite Package Yield | \$ 20.05 | \$ 19.52 | \$ 19.27 | \$ 19.99 | \$ 20.00 | | | |
| Revenue Per Freight Pound: | | | | | | | | |
| U.S. | \$ 1.21 | \$ 1.12 | \$ 1.23 | \$ 1.18 | \$ 1.18 | | | |
| International Priority | 2.16 | 2.16 | 2.14 | 2.16 | 2.19 | | | |
| International Airfreight | 0.92 | 0.75 | 0.76 | 0.73 | 0.70 | | | |
| Total Composite Freight Yield | \$ 1.42 | \$ 1.33 | \$ 1.40 | \$ 1.37 | \$ 1.38 | | | |
| PACKAGE YOY GROWTH RATES | | | | | | | | |
| Average Daily Volume Growth: | | | | | | | | |
| U.S. Overnight Box | (0.1%) | 2.5% | 4.6% | 3.1% | 3.7% | | | |
| U.S. Overnight Envelope | 2.7% | 1.9% | 3.7% | 2.0% | 5.4% | | | |
| Total U.S. Overnight | 0.7% | 2.3% | 4.3% | 2.8% | 4.2% | | | |
| U.S. Deferred | 2.2% | (1.6%) | (0.9%) | (6.4%) | (4.7%) | | | |
| Total U.S. Packages | 1.2% | 1.0% | 2.4% | (0.3%) | 1.3% | | | |
| International Priority | (4.9%) | (5.2%) | (3.0%) | (2.2%) | (1.0%) | | | |
| International Economy | 3.5% | 3.3% | 2.3% | 3.4% | 1.1% | | | |
| Total International Export Packages | (2.4%) | (2.6%) | (1.4%) | (0.5%) | (0.4%) | | | |
| International Domestic ¹ | 4.8% | 4.0% | 5.7% | 2.2% | 2.3% | | | |
| Total Package Volume Growth | 1.4% | 1.1% | 2.5% | 0.2% | 1.3% | | | |
| Revenue Growth: | | | | | | | | |
| U.S. Overnight Box | (1.4%) | (1.3%) | 3.1% | 3.3% | 3.9% | | | |
| U.S. Overnight Envelope | 1.7% | (0.7%) | 4.1% | 3.1% | 5.0% | | | |
| Total U.S. Overnight | (0.8%) | (1.2%) | 3.3% | 3.3% | 4.1% | | | |
| U.S. Deferred | 2.6% | (1.0%) | 3.5% | (0.9%) | (0.7%) | | | |
| Total U.S. Packages | 0.1% | (1.2%) | 3.3% | 2.1% | 2.7% | | | |
| International Priority | (10.2%) | (13.1%) | (8.0%) | (3.6%) | (2.0%) | | | |
| International Economy | 0.5% | (5.0%) | (2.5%) | 3.8% | 1.7% | | | |
| Total International Export Packages | (7.4%) | (10.9%) | (6.5%) | (1.6%) | (1.0%) | | | |
| International Domestic ¹ | (11.9%) | (12.3%) | (7.6%) | (1.5%) | (2.1%) | | | |
| Total Package Revenue Growth | (3.7%) | (5.9%) | (1.1%) | 0.4% | 1.0% | | | |
| AVG POUNDS PER PACKAGE | 10.6 | 10.9 | 10.2 | 10.5 | 10.5 | | | |
| AVG REVENUE PER PACKAGE LB. | \$ 1.89 | \$ 1.79 | \$ 1.89 | \$ 1.90 | \$ 1.90 | | | |
| OPERATING WEEKDAYS | 65 | 63 | 63 | 65 | 65 | 63 | 62 | 65 |

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

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics FY 2018

FY 2018

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

AVG. DAILY VOLUME / POUNDS

Avg. Daily Package Volume (000s):

- U.S. Overnight Box
- U.S. Overnight Envelope
 - Total U.S. Overnight
- U.S. Deferred
 - Total U.S. Packages
- International Priority
- International Economy
 - Total International Export Packages
- International Domestic¹
 - Total Avg Daily Packages

Avg. Daily Freight Pounds (000s):

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

YIELD

Revenue Per Package:

- U.S. Overnight Box
- U.S. Overnight Envelope
 - Total U.S. Overnight
- U.S. Deferred
 - Total U.S. Packages
- International Priority
- International Economy
 - Total International Export Packages
- International Domestic¹
 - Total Composite Package Yield

Revenue Per Freight Pound:

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

PACKAGE YOY GROWTH RATES

Average Daily Volume Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
 - Total U.S. Overnight
- U.S. Deferred
 - Total U.S. Packages
- International Priority
- International Economy
 - Total International Export Packages
- International Domestic¹
 - Total Package Volume Growth

Revenue Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
 - Total U.S. Overnight
- U.S. Deferred
 - Total U.S. Packages
- International Priority
- International Economy
 - Total International Export Packages
- International Domestic¹
 - Total Package Revenue Growth

AVG POUNDS PER PACKAGE

AVG REVENUE PER PACKAGE LB.

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

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

Unaudited. Differences may result due to rounding.

FedEx Express Aircraft and Vehicle Fleet Statistics FY 2014 – FY 2022

| <u>Aircraft Type</u> | <u>Gross Max Structural Payload (Lbs/Aircraft)</u> | <u>May 31</u> | | | <u>As of Aug. 31</u> | <u>To Be Delivered (Retired/Lease Expiration) in FY</u> | | | | | |
|------------------------------------|--|--------------------|--------------------|--------------------|--------------------------|---|-----------------|-----------------|-----------------|--------------------|------------------|
| | | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
| Boeing 757-200 ¹ | 63,000 | 106 | 119 | 119 | 119 | – | – | – | – | – | – |
| Boeing 767F ² | 127,100 | 4 | 21 | 32 | 38 | 6 | 13 | 15 | 16 | 10 | 10 |
| Boeing MD10-10 | 137,500 | 45 | 36 | 30 | 30 | (9) | (4) | (2) | (5) | (10) | – |
| Boeing MD10-30 | 175,900 | 16 | 13 | 13 | 13 | (3) | (4) | – | – | (6) | – |
| Boeing MD11 ³ | 192,600 | 64 | 56 | 56 | 57 | (2) | (4) | (2) | (2) | (1) | – |
| Boeing 777F ⁴ | 233,300 | 25 | 25 | 27 | 27 | – | 2 | 2 | 3 | 3 | 4 |
| Boeing 747-400 | 261,400 | – | – | 2 | 2 | – | – | – | – | – | – |
| Airbus A300-600 | 106,600 | 71 | 68 | 68 | 68 | – | (1) | (5) | (8) | (10) | (1) |
| Airbus A310-200/300 | 83,170 | 29 | 21 | 10 | 10 | – | – | – | – | – | – |
| Cessna 208B | 2,830 | 243 | 241 | 239 | 239 | – | – | – | – | – | – |
| ATR-72 | 17,970 | 21 | 21 | 21 | 21 | – | – | – | – | – | – |
| ATR-42 | 12,070 | <u>26</u> | <u>26</u> | <u>26</u> | <u>26</u> | <u>–</u> | <u>–</u> | <u>–</u> | <u>–</u> | <u>–</u> | <u>–</u> |
| Aircraft Fleet Total | | <u>650</u> | <u>647</u> | <u>643</u> | <u>650</u> | <u>(8)</u> | <u>2</u> | <u>8</u> | <u>4</u> | <u>(14)</u> | <u>13</u> |
| <u>Vehicle Fleet (000s)</u> | | | | | | | | | | | |
| Long-Haul Tractors | | 3.2 | 3.1 | 3.2 | 3.3 | | | | | | |
| All Other Motorized Vehicles | | <u>45.1</u> | <u>44.8</u> | <u>45.2</u> | <u>45.8</u> | | | | | | |
| Vehicle Fleet Total | | <u>48.3</u> | <u>47.9</u> | <u>48.4</u> | <u>49.1</u> | | | | | | |

NOTE: Aircraft fleet delivery schedule is subject to change.

1 - As of August 31, 2016, B757 count includes 4 aircraft that are not currently in operation.

2 - As of August 31, 2016, B767 count includes 2 aircraft that are not currently in operation. As of August 31, 2016, we are committed to purchase 79 B767Fs. Aircraft to be delivered statistics include certain lease expirations.

3 - As of August 31, 2016, MD11 count includes 1 aircraft that is not currently in operation.

4 - As of August 31, 2016, we are committed to purchase 16 B777Fs.

Unaudited.

FedEx Express Jet Fuel Statistics FY 2014 – FY 2017

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

| | FY 2016 | | | | FY 2017 | | | |
|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| | <u>FIRST QUARTER</u> | <u>SECOND QUARTER</u> | <u>THIRD QUARTER</u> | <u>FOURTH QUARTER</u> | <u>FIRST QUARTER</u> | <u>SECOND QUARTER</u> | <u>THIRD QUARTER</u> | <u>FOURTH QUARTER</u> |
| Jet Fuel Gallons (000s) | 277,269 | 276,180 | 296,643 | 289,243 | 282,563 | | | |
| Price Per Gallon | \$ 1.881 | \$ 1.604 | \$ 1.299 | 1.301 | 1.516 | | | |
| Jet Fuel Expense (\$000s) | \$ 521,642 | \$ 442,889 | \$ 385,386 | \$ 376,428 | \$ 428,345 | | | |

Unaudited. Differences may result due to rounding.

TNT Express Segment

Annual Consolidated Statements of Income and Shipment Statistics

FY 2017

Years ended May 31
In millions

| | Q1 YTD FY17 |
|--------------------------------------|----------------|
| Revenues | \$ 1,804 |
| Operating Expenses: | |
| Salaries and employee benefits | 521 |
| Purchased transportation | 768 |
| Rentals and landing fees | 86 |
| Depreciation and amortization | 72 |
| Fuel | 54 |
| Maintenance and repairs | 36 |
| Other | 281 |
| | 1,818 |
| Operating Loss ¹ | (\$14) |
| <u>SELECTED STATISTICS</u> | |
| Operating Margin | (0.8%) |
| <u>SHIPMENT STATISTICS</u> | |
| Package: | |
| Average Daily Package Volume (000s): | 919 |
| Yield (Revenue Per Package) | \$ 25.97 |
| Freight: | |
| Average Daily Freight Pounds (000s): | 3,702 |
| Revenue Per Freight Pound: | \$ 0.62 |
| OPERATING WEEKDAYS | 64 |

1 - FY17 includes restructuring costs related to the Outlook program of \$20 million and intangible asset amortization of \$28 million.

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

TNT Express Segment

Quarterly Consolidated Statements of Income and Shipment Statistics

FY 2017

Years ended May 31
In millions

| | FY 2017 | | | |
|--------------------------------------|------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| Revenues | \$ 1,804 | | | |
| Operating Expenses: | | | | |
| Salaries and employee benefits | 521 | | | |
| Purchased transportation | 768 | | | |
| Rentals and landing fees | 86 | | | |
| Depreciation and amortization | 72 | | | |
| Fuel | 54 | | | |
| Maintenance and repairs | 36 | | | |
| Other | 281 | | | |
| | 1,818 | | | |
| Operating Loss ¹ | (\$14) | | | |
| <u>SELECTED STATISTICS</u> | | | | |
| Operating Margin | (0.8%) | | | |
| <u>SHIPMENT STATISTICS</u> | | | | |
| Package: | | | | |
| Average Daily Package Volume (000s) | 919 | | | |
| Yield (Revenue Per Package) | \$ 25.97 | | | |
| Freight: | | | | |
| Average Daily Freight Pounds (000s): | 3,702 | | | |
| Revenue Per Freight Pound: | \$ 0.62 | | | |
| OPERATING WEEKDAYS | 64 | 63 | 65 | 63 |

1 - Q1 FY17 includes restructuring costs related to the Outlook program of \$20 million and intangible asset amortization of \$28 million.

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

FedEx Ground Segment Annual Consolidated Statements of Income FY 2014 – FY 2017

Years ended May 31
In millions

| | <u>FY 2014</u> | <u>FY 2015</u> | <u>FY 2016</u> | <u>Q1 YTD FY17</u> |
|--|-----------------|-----------------|-----------------|------------------------|
| Revenues: | | | | |
| FedEx Ground ^{1,2} | \$ 11,617 | \$ 12,568 | \$ 15,050 | \$ 3,891 |
| GENCO | – | 416 | 1,524 | 399 |
| Total Revenues | <u>11,617</u> | <u>12,984</u> | <u>16,574</u> | <u>4,290</u> |
| Operating Expenses³: | | | | |
| Salaries and employee benefits | 1,749 | 2,146 | 2,834 | 766 |
| Purchased transportation ¹ | 4,635 | 5,021 | 6,817 | 1,692 |
| Rentals | 402 | 485 | 639 | 181 |
| Depreciation and amortization | 468 | 530 | 608 | 163 |
| Fuel | 17 | 12 | 10 | 2 |
| Maintenance and repairs | 222 | 244 | 288 | 76 |
| Intercompany charges | 1,095 | 1,123 | 1,230 | 325 |
| Other | 1,008 | 1,251 | 1,872 | 475 |
| | <u>9,596</u> | <u>10,812</u> | <u>14,298</u> | <u>3,680</u> |
| Operating Income | <u>\$ 2,021</u> | <u>\$ 2,172</u> | <u>\$ 2,276</u> | <u>\$ 610</u> |

SELECTED STATISTICS

| | | | | |
|------------------|-------|-------|-------|-------|
| Operating Margin | 17.4% | 16.7% | 13.7% | 14.2% |
|------------------|-------|-------|-------|-------|

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 - Beginning February 2015, operating expenses include those related to the 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} | \$ 2,730 | \$ 2,849 | \$ 3,031 | \$ 3,007 | \$ 2,960 | \$ 3,063 | \$ 3,306 | \$ 3,239 |
| GENCO | — | — | — | — | — | — | 87 | 329 |
| Total Revenues | <u>2,730</u> | <u>2,849</u> | <u>3,031</u> | <u>3,007</u> | <u>2,960</u> | <u>3,063</u> | <u>3,393</u> | <u>3,568</u> |
| 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 |
| | <u>2,244</u> | <u>2,408</u> | <u>2,538</u> | <u>2,406</u> | <u>2,415</u> | <u>2,598</u> | <u>2,834</u> | <u>2,965</u> |
| Operating Income | <u>\$ 486</u> | <u>\$ 441</u> | <u>\$ 493</u> | <u>\$ 601</u> | <u>\$ 545</u> | <u>\$ 465</u> | <u>\$ 559</u> | <u>\$ 603</u> |

SELECTED STATISTICS

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

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 - Beginning February 2015, operating expenses include those related to the 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 | | | |
| GENCO | 370 | 373 | 383 | 397 | 399 | | | |
| Total Revenues | <u>3,830</u> | <u>4,050</u> | <u>4,408</u> | <u>4,286</u> | <u>4,290</u> | | | |
| Operating Expenses ³ : | | | | | | | | |
| Salaries and employee benefits | 653 | 696 | 756 | 729 | 766 | | | |
| Purchased transportation ¹ | 1,527 | 1,712 | 1,891 | 1,687 | 1,692 | | | |
| Rentals | 145 | 155 | 166 | 173 | 181 | | | |
| Depreciation and amortization | 146 | 146 | 159 | 157 | 163 | | | |
| Fuel | 3 | 2 | 3 | 2 | 2 | | | |
| Maintenance and repairs | 69 | 69 | 71 | 79 | 76 | | | |
| Intercompany charges | 297 | 301 | 312 | 320 | 325 | | | |
| Other | 453 | 443 | 493 | 483 | 475 | | | |
| | <u>3,293</u> | <u>3,524</u> | <u>3,851</u> | <u>3,630</u> | <u>3,680</u> | | | |
| Operating Income | <u>\$ 537</u> | <u>\$ 526</u> | <u>\$ 557</u> | <u>\$ 656</u> | <u>\$ 610</u> | | | |

SELECTED STATISTICS

| | | | | | |
|------------------|-------|-------|-------|-------|-------|
| Operating Margin | 14.0% | 13.0% | 12.6% | 15.3% | 14.2% |
|------------------|-------|-------|-------|-------|-------|

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 - Beginning February 2015, operating expenses include those related to the GENCO acquisition.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Shipment Statistics FY 2014 - FY 2017

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|--|-----------|-----------|-----------|----------------|
| <u>FedEx Ground</u>¹ | | | | |
| Total Package Volume (000s) | 1,715,963 | 1,751,314 | 1,926,666 | 480,256 |
| Average Daily Package Volume (000s) | 6,774 | 6,911 | 7,526 | 7,389 |
| Yield (Revenue Per Package) | \$ 6.75 | \$ 7.16 | \$ 7.80 | \$ 8.09 |
| Average Daily YOY Volume Growth Rate | 7.9% | 2.0% | 8.9% | 10.0% |
| Yield YOY Growth Rate | 2.3% | 6.1% | 8.9% | 2.3% |
| OPERATING WEEKDAYS | 254 | 254 | 256 | 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 2018

| | FY 2014 | | | | FY 2015 | | | |
|---------------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| 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 | | | |
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| FedEx Ground¹ | | | | | | | | |
| Total Package Volume (000s) | 436,628 | 480,229 | 525,363 | 484,447 | 480,256 | | | |
| Avg. Daily Package Vol. (000s) | 6,717 | 7,623 | 8,339 | 7,453 | 7,389 | | | |
| Yield (Revenue Per Package) | \$ 7.91 | \$ 7.64 | \$ 7.65 | \$ 8.01 | \$ 8.09 | | | |
| Avg. Daily YOY Pkg. Growth Rate | 4.0% | 9.4% | 11.2% | 10.5% | 10.0% | | | |
| Yield YOY Growth Rate | 10.6% | 9.8% | 8.4% | 6.9% | 2.3% | | | |
| OPERATING WEEKDAYS | 65 | 63 | 63 | 65 | 65 | 63 | 62 | 65 |
| | | | | | | | | |
| | FY 2018 | | | | | | | |
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER | | | | |
| FedEx Ground¹ | | | | | | | | |
| Total Package Volume (000s) | | | | | | | | |
| Avg. Daily Package Vol. (000s) | | | | | | | | |
| Yield (Revenue Per Package) | | | | | | | | |
| Avg. Daily YOY Pkg. Growth Rate | | | | | | | | |
| Yield YOY Growth Rate | | | | | | | | |
| OPERATING WEEKDAYS | 65 | 63 | 62 | 65 | | | | |

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

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Annual Consolidated Statements of Income

FY 2014 – FY 2017

Years ended May 31
In millions

| | <u>FY 2014</u> | <u>FY 2015</u> | <u>FY 2016</u> | <u>Q1 YTD FY17</u> |
|--------------------------------|----------------|----------------|----------------|------------------------|
| Revenues | \$ 5,757 | \$ 6,191 | \$ 6,200 | \$ 1,658 |
| Operating Expenses: | | | | |
| Salaries and employee benefits | 2,442 | 2,698 | 2,925 | 772 |
| Purchased transportation | 981 | 1,045 | 962 | 259 |
| Rentals | 131 | 129 | 142 | 30 |
| Depreciation and amortization | 231 | 230 | 248 | 64 |
| Fuel | 595 | 508 | 363 | 91 |
| Maintenance and repairs | 179 | 201 | 206 | 54 |
| Intercompany charges | 431 | 444 | 456 | 126 |
| Other | 416 | 452 | 472 | 127 |
| | <u>5,406</u> | <u>5,707</u> | <u>5,774</u> | <u>1,523</u> |
| Operating Income | <u>\$ 351</u> | <u>\$ 484</u> | <u>\$ 426</u> | <u>\$ 135</u> |

SELECTED STATISTICS

| | | | | |
|------------------|------|------|------|------|
| Operating Margin | 6.1% | 7.8% | 6.9% | 8.1% |
|------------------|------|------|------|------|

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Quarterly Consolidated Statements of Income

FY 2014 - FY 2015

Years ended May 31
In millions

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

SELECTED STATISTICS

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

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Quarterly Consolidated Statements of Income

FY 2016 - FY 2017

Years ended May 31
In millions

| | FY 2016 | | | | FY 2017 | | | |
|--------------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| | <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> |
| Revenues | \$ 1,601 | \$ 1,547 | \$ 1,447 | \$ 1,605 | \$ 1,658 | | | |
| Operating Expenses: | | | | | | | | |
| Salaries and employee benefits | 721 | 731 | 716 | 757 | 772 | | | |
| Purchased transportation | 251 | 246 | 223 | 242 | 259 | | | |
| Rentals | 43 | 33 | 33 | 33 | 30 | | | |
| Depreciation and amortization | 59 | 61 | 65 | 63 | 64 | | | |
| Fuel | 102 | 95 | 80 | 86 | 91 | | | |
| Maintenance and repairs | 53 | 53 | 48 | 52 | 54 | | | |
| Intercompany charges | 113 | 112 | 112 | 119 | 126 | | | |
| Other | 127 | 115 | 114 | 116 | 127 | | | |
| | 1,469 | 1,446 | 1,391 | 1,468 | 1,523 | | | |
| Operating Income | <u>\$ 132</u> | <u>\$ 101</u> | <u>\$ 56</u> | <u>\$ 137</u> | <u>\$ 135</u> | | | |

SELECTED STATISTICS

| | | | | | |
|------------------|------|------|------|------|------|
| Operating Margin | 8.2% | 6.5% | 3.9% | 8.5% | 8.1% |
|------------------|------|------|------|------|------|

Unaudited. Differences may result due to rounding.

FedEx Freight

Annual LTL Shipment Statistics

FY 2014 – FY 2017

| | FY 2014 | FY 2015 | FY 2016 | Q1 YTD FY17 |
|--------------------------------------|-----------|-----------|-----------|----------------|
| Shipments Per Day | | | | |
| Priority | 62,868 | 66,864 | 67,743 | 72,509 |
| Economy | 27,687 | 28,626 | 31,054 | 32,302 |
| Total shipments per day | 90,555 | 95,490 | 98,797 | 104,811 |
| Weight Per LTL Shipment (lbs) | | | | |
| Priority | 1,262 | 1,272 | 1,191 | 1,176 |
| Economy | 1,000 | 1,003 | 1,145 | 1,098 |
| Composite Weight per LTL Shipment | 1,182 | 1,191 | 1,177 | 1,152 |
| LTL Revenue/CWT | | | | |
| Priority | \$ 17.73 | \$ 18.05 | \$ 18.35 | \$ 18.49 |
| Economy | 25.80 | 26.34 | 22.81 | 23.26 |
| Composite LTL Revenue/CWT | \$ 19.82 | \$ 20.15 | \$ 19.73 | \$ 19.89 |
| LTL Revenue/Shipment | | | | |
| Priority | \$ 223.61 | \$ 229.57 | \$ 218.50 | \$ 217.50 |
| Economy | 258.05 | 264.34 | 261.27 | 255.46 |
| Composite LTL Revenue/Shipment | \$ 234.23 | \$ 240.09 | \$ 232.11 | \$ 229.20 |
| Avg. Daily Shipment Growth Rate | | | | |
| Priority | 6.1% | 6.4% | 1.3% | 9.1% |
| Economy | 5.0% | 3.4% | 8.5% | 5.3% |
| Total shipments per day | 5.7% | 5.4% | 3.5% | 7.9% |
| LTL Revenue/Shipment Growth Rate | | | | |
| Priority | 1.5% | 2.7% | (4.8%) | (2.6%) |
| Economy | 0.7% | 2.4% | (1.2%) | (5.1%) |
| Total Composite LTL Revenue/Shipment | 1.2% | 2.5% | (3.3%) | (3.6%) |
| OPERATING WEEKDAYS | 252 | 252 | 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/CWT | | | | | | | | |
| Priority | \$ 17.88 | \$ 17.89 | \$ 17.54 | \$ 17.60 | \$ 18.14 | \$ 18.36 | \$ 18.02 | \$ 17.68 |
| Economy | 25.84 | 25.92 | 25.71 | 25.73 | 26.19 | 26.29 | 26.38 | 26.52 |
| Composite LTL Revenue/CWT | \$ 19.99 | \$ 19.98 | \$ 19.67 | \$ 19.66 | \$ 20.18 | \$ 20.37 | \$ 20.17 | \$ 19.89 |
| LTL Revenue/Shipment | | | | | | | | |
| Priority | \$ 222.45 | \$ 221.99 | \$ 224.63 | \$ 225.29 | \$ 228.07 | \$ 228.62 | \$ 231.92 | \$ 229.97 |
| Economy | 256.47 | 257.15 | 257.74 | 260.71 | 265.42 | 265.46 | 265.66 | 261.02 |
| Composite LTL Revenue/Shipment | \$ 233.05 | \$ 232.73 | \$ 235.14 | \$ 235.91 | \$ 239.16 | \$ 239.49 | \$ 242.52 | \$ 239.46 |
| Avg. Daily Shipment Growth Rate | | | | | | | | |
| Priority | (0.6%) | 3.7% | 7.7% | 14.0% | 13.0% | 9.8% | 4.2% | (1.0%) |
| Economy | 4.0% | 4.7% | 4.2% | 7.1% | 5.4% | 4.4% | 1.9% | 1.8% |
| Total shipments per day | 0.8% | 4.0% | 6.6% | 11.8% | 10.6% | 8.2% | 3.5% | (0.2%) |
| LTL Revenue/Shipment Growth Rate | | | | | | | | |
| Priority | 3.3% | 0.7% | 0.6% | 1.2% | 2.5% | 3.0% | 3.2% | 2.1% |
| Economy | 1.3% | (1.1%) | (0.5%) | 2.7% | 3.5% | 3.2% | 3.1% | 0.1% |
| Total Composite LTL Revenue/Shipment | 2.7% | 0.1% | 0.1% | 1.5% | 2.6% | 2.9% | 3.1% | 1.5% |
| OPERATING WEEKDAYS | 64 | 62 | 62 | 64 | 64 | 62 | 62 | 64 |

| | FY 2016 | | | | FY 2017 | | | |
|--------------------------------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| Shipments Per Day | | | | | | | | |
| Priority | 66,466 | 68,889 | 64,722 | 70,810 | 72,509 | | | |
| Economy | 30,687 | 31,440 | 30,022 | 32,035 | 32,302 | | | |
| Total shipments per day | 97,153 | 100,329 | 94,744 | 102,845 | 104,811 | | | |
| Weight Per LTL Shipment (lbs) | | | | | | | | |
| Priority | 1,198 | 1,179 | 1,189 | 1,197 | 1,176 | | | |
| Economy | 1,168 | 1,141 | 1,152 | 1,121 | 1,098 | | | |
| Composite Weight per LTL Shipment | 1,189 | 1,167 | 1,177 | 1,173 | 1,152 | | | |
| LTL Revenue/CWT | | | | | | | | |
| Priority | \$ 18.63 | \$ 18.53 | \$ 18.35 | \$ 17.91 | \$ 18.49 | | | |
| Economy | 23.06 | 23.09 | 22.42 | 22.66 | 23.26 | | | |
| Composite LTL Revenue/CWT | \$ 20.01 | \$ 19.93 | \$ 19.67 | \$ 19.33 | \$ 19.89 | | | |
| LTL Revenue/Shipment | | | | | | | | |
| Priority | \$ 223.26 | \$ 218.52 | \$ 218.15 | \$ 214.32 | \$ 217.50 | | | |
| Economy | 269.33 | 263.47 | 258.35 | 254.11 | 255.46 | | | |
| Composite LTL Revenue/Shipment | \$ 237.81 | \$ 232.60 | \$ 231.61 | \$ 226.71 | \$ 229.20 | | | |
| Avg. Daily Shipment Growth Rate | | | | | | | | |
| Priority | (3.6%) | (1.7%) | 4.4% | 6.7% | 9.1% | | | |
| Economy | 5.3% | 7.2% | 12.1% | 9.6% | 5.3% | | | |
| Total shipments per day | (1.0%) | 0.9% | 6.7% | 7.6% | 7.9% | | | |
| LTL Revenue/Shipment YOY Growth Rate | | | | | | | | |
| Priority | (2.1%) | (4.4%) | (5.9%) | (6.8%) | (2.6%) | | | |
| Economy | 1.5% | (0.7%) | (2.8%) | (2.6%) | (5.1%) | | | |
| Total Composite LTL Revenue/Shipment | (0.6%) | (2.9%) | (4.5%) | (5.3%) | (3.6%) | | | |
| OPERATING WEEKDAYS | 65 | 62 | 62 | 65 | 65 | 62 | 62 | 65 |

Unaudited. Differences may result due to rounding.

FedEx Freight Quarterly LTL Shipment Statistics FY 2018

FY 2018

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

| | | | | |
|--------------------------------------|----|----|----|----|
| Shipments Per Day | | | | |
| Priority | | | | |
| Economy | | | | |
| Total shipments per day | | | | |
| Weight Per LTL Shipment (lbs) | | | | |
| Priority | | | | |
| Economy | | | | |
| Composite Weight per LTL Shipment | | | | |
| LTL Revenue/CWT | | | | |
| Priority | | | | |
| Economy | | | | |
| Composite LTL Revenue/CWT | | | | |
| LTL Revenue/Shipment | | | | |
| Priority | | | | |
| Economy | | | | |
| Composite LTL Revenue/Shipment | | | | |
| Avg. Daily Shipment Growth Rate | | | | |
| Priority | | | | |
| Economy | | | | |
| Total shipments per day | | | | |
| LTL Revenue/Shipment Growth Rate | | | | |
| Priority | | | | |
| Economy | | | | |
| Total Composite LTL Revenue/Shipment | | | | |
| OPERATING WEEKDAYS | 65 | 62 | 62 | 65 |

Unaudited. Differences may result due to rounding.