



Q1 Fiscal 2009 Statistics

FedEx Corporation

Financial and Operating Statistics

First Quarter Fiscal 2009

September 18, 2008

This report is a statistical supplement to FedEx's interim financial reports and is prepared quarterly. Additional copies are available for downloading and printing at www.fedex.com/us/investorrelations. For more information, write or call:

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TABLE OF CONTENTS

• **FEDEX CORPORATION**

OVERVIEW	1
CONDENSED CONSOLIDATED BALANCE SHEETS	2
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS	3
ANNUAL CONSOLIDATED STATEMENTS OF INCOME	4
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2007 – FY2008	5
FY2009 – FY2010	6
CAPITAL EXPENDITURES	7

• **FEDEX EXPRESS SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	8
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2007 – FY2008	9
FY2009 – FY2010	10
ANNUAL SHIPMENT STATISTICS	11
QUARTERLY SHIPMENT STATISTICS	
FY2007 – FY2008	12
FY2009 – FY2010	13
AIRCRAFT AND VEHICLE FLEET STATISTICS	14
JET FUEL STATISTICS	15

• **FEDEX GROUND SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	16
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2007 – FY2008	17
FY2009 – FY2010	18
ANNUAL SHIPMENT STATISTICS	19
QUARTERLY SHIPMENT STATISTICS	20

• **FEDEX FREIGHT SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	21
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2007 – FY2008	22
FY2009 – FY2010	23
ANNUAL SHIPMENT STATISTICS	24
QUARTERLY SHIPMENT STATISTICS	25

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 \$39 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 290,000 employees and contractors 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 distribution 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 make FedEx Express the world's largest express transportation company, providing fast and reliable services for 3.4 million shipments each business day. The FedEx Express segment also includes FedEx Trade Networks, which provides international trade services, specializing in customs brokerage and global cargo distribution.

FedEx Ground is a leading provider of ground small-package delivery services, providing service to the U.S., Canada and Puerto Rico. FedEx Home Delivery, the industry's first ground service dedicated to residential delivery, is available from FedEx Ground and is backed by a money-back guarantee. FedEx Ground 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 final delivery to residences.

FedEx Freight, together with FedEx National LTL, is a leading regional and long-haul less-than-truckload (LTL) carrier and the market leader in providing next-day and second-day regional LTL freight services. FedEx Freight segment financial results also include Caribbean Transportation Services and FedEx Custom Critical, North America's largest time-specific, critical shipment carrier.

FedEx Services has overall responsibility for FedEx sales, marketing and customer-facing information technology. FedEx Services segment financial results include FedEx Office, a leading provider of document solutions and business services, FedEx Customer Information Services, which is responsible for customer service, billings and collections for FedEx Express and FedEx Ground, and FedEx Global Supply Chain Services, which provides a range of logistics services.

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:	311,233,121 (as of August 31, 2008)
STOCKHOLDERS OF RECORD:	18,961 (as of August 31, 2008)
TRANSFER AGENT & REGISTRAR:	Computershare Investor Services P.O. Box 43069 Providence, RI 02940-3069 (800) 446-2617 or John Ruocco (312) 499-7033
FISCAL YEAR END:	May 31
ANNUAL MEETING:	September 29, 2008

FedEx Corporation

Condensed Consolidated Balance Sheets

FY 2007 – FY 2009

May 31

In millions (except share data)

	FY 2007	FY 2008	Aug. 31, 2008
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents	\$ 1,569	\$ 1,539	\$ 1,573
Receivables, less allowances	3,942	4,359	
Spare parts, supplies and fuel, less allowances	338	435	
Deferred income taxes	536	544	
Prepaid expenses and other	244	367	
Total current assets	6,629	7,244	7,174
Property and Equipment, at Cost			
Aircraft and related equipment	9,593	10,165	
Package handling and GSE	3,889	4,817	
Computer and electronic equipment	4,685	5,040	
Vehicles	2,561	2,754	
Facilities and other	6,362	6,529	
	27,090	29,305	
Less accumulated depreciation and amort.	14,454	15,827	
Net property and equipment	12,636	13,478	13,533
Other Long-Term Assets			
Goodwill	3,497	3,165	
Pension assets	–	827	
Intangible and other assets	1,238	919	
Total other long-term assets	4,735	4,911	5,436
	\$ 24,000	\$ 25,633	\$ 26,143
<u>LIABILITIES AND STOCKHOLDERS' INVESTMENT</u>			
Current Liabilities			
Current portion of long-term debt	\$ 639	\$ 502	\$ 1,001
Accrued salaries and employee benefits	1,354	1,118	
Accounts payable	2,016	2,195	
Accrued expenses	1,419	1,553	
Total current liabilities	5,428	5,368	5,519
Long-Term Debt, Less Current Portion			
	2,007	1,506	1,007
Other Long-Term Liabilities			
Deferred income taxes	897	1,264	
Pension, postretirement health and other benefit obligations	1,164	989	
Self-insurance accruals	759	804	
Deferred lease obligations	655	671	
Deferred gains, principally related to aircraft transactions	343	315	
Other liabilities	91	190	
Total other long-term liabilities	3,909	4,233	4,477
Commitments and Contingencies			
Common Stockholders' Investment			
Common stock \$0.10 par value; 800 million shares auth.	31	31	
Additional paid-in capital	1,689	1,922	
Retained earnings	11,970	13,002	
Accumulated other comprehensive loss	(1,030)	(425)	
Treasury stock, at cost	(4)	(4)	
Total common stockholders' investment	12,656	14,526	15,140
	\$ 24,000	\$ 25,633	\$ 26,143

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

FedEx Corporation

Condensed Consolidated Statements of Cash Flows

FY 2007 – FY 2009

Years ended May 31
In millions

	FY 2007	FY 2008	Q1 YTD FY 2009 ¹
OPERATING ACTIVITIES			
Net income	\$ 2,016	\$ 1,125	\$ 384
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	1,742	1,946	492
Provision for uncollectible accounts	106	134	
Deferred income taxes and other noncash items	37	124	
Impairment charges ²	–	882	–
Stock-based compensation	103	101	
Other noncash charges, net			103
Changes in operating assets and liabilities, net of the effects of businesses acquired:			(281)
Receivables	(323)	(447)	
Other current assets	(85)	(237)	
Pension assets and liabilities, net	(69)	(273)	
Accounts payable and other operating liabilities	66	190	
Other, net	(36)	(80)	
Cash provided by operating activities	3,557	3,465	698
INVESTING ACTIVITIES			
Capital expenditures	(2,882)	(2,947)	(636)
Business acquisitions, net of cash acquired	(1,310)	(4)	–
Proceeds from asset dispositions and other	68	54	15
Cash used in investing activities	(4,124)	(2,897)	(621)
FINANCING ACTIVITIES			
Principal payments on debt	(906)	(639)	(1)
Proceeds from debt issuances	1,054	–	–
Proceeds from stock issuances	115	108	
Excess tax benefits on the exercise of stock options	45	38	
Dividends paid	(110)	(124)	(34)
Other, net	(5)	–	5
Cash provided by (used in) financing activities	193	(617)	(30)
Effect of exchange rate changes on cash	6	19	(13)
CASH AND CASH EQUIVALENTS			
Net (decrease) increase in cash and cash equivalents	(368)	(30)	34
Cash and cash equivalents at beginning of period	1,937	1,569	1,539
Cash and cash equivalents at end of period	\$ 1,569	\$ 1,539	\$ 1,573

1 - FY09 year-to-date cash flow information has been included on a condensed basis and therefore certain line items are not presented individually.

2 - FY08 impairment charges of \$882 million include noncash impairment charges associated with the decision to minimize the use of the Kinko's tradename (\$515 million) and goodwill resulting from the Kinko's acquisition (\$367 million).

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

FedEx Corporation

Annual Consolidated Statements of Income

FY 2007 – FY 2009

Years ended May 31
In millions, except EPS and FTEs

	<u>FY 2007</u>	<u>FY 2008</u>	<u>Q1 YTD</u> <u>FY 2009</u>
Revenue:			
FedEx Express segment	\$ 22,681	\$ 24,421	\$ 6,419
FedEx Ground segment	6,043	6,751	1,761
FedEx Freight segment	4,586	4,934	1,353
FedEx Services segment ¹	2,137	2,138	513
Other & eliminations ¹	(233)	(291)	(76)
Total Revenue	35,214	37,953	9,970
Operating Expenses:			
Salaries and employee benefits ²	13,740	14,202	3,585
Purchased transportation	3,873	4,447	1,207
Rentals and landing fees	2,343	2,441	617
Depreciation and amortization	1,742	1,946	492
Fuel	3,533	4,596	1,599
Maintenance and repairs	1,952	2,068	537
Impairment charges ³	–	882	–
Other	4,755	5,296	1,303
Total Operating Expenses	31,938	35,878	9,340
Operating Income (Loss):			
FedEx Express segment	1,991	1,901	345
FedEx Ground segment	822	736	196
FedEx Freight segment	463	329	89
FedEx Services segment ^{1,3}	–	(891)	–
Total Operating Income	3,276	2,075	630
Other Income (Expense):			
Interest, net	(53)	(54)	(9)
Other, net	(8)	(5)	(3)
Total Other Income (Expense)	(61)	(59)	(12)
Income Before Income Taxes	3,215	2,016	618
Provision for Income Taxes	1,199	891	234
Net Income	\$ 2,016	\$ 1,125	\$ 384
Basic Earnings Per Share ³	\$ 6.57	\$ 3.64	\$ 1.24
Weighted Avg. Common Shares	307	309	311
Diluted Earnings Per Share ³	\$ 6.48	\$ 3.60	\$ 1.23
Avg Common and Common Equiv. Shares	311	312	313
<u>SELECTED STATISTICS</u>			
Operating Margin	9.3%	5.5%	6.3%
Pretax Margin	9.1%	5.3%	6.2%
Return on Assets ⁴	8.6%	4.5%	4.1%
Return on Equity ⁴	16.7%	8.3%	7.2%
FedEx Corp. Average FTEs	241,903	254,142	251,826
Dividends Paid Per Common Share	\$ 0.36	\$ 0.40	\$ 0.11

1 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

2 - Results for FY07 include a \$143 million charge for signing bonuses and other upfront compensation associated with the new pilot labor contract at FedEx Express.

3 - FedEx Services segment FY08 operating expenses included a charge of approximately \$891 million (\$696 million, net of tax, or \$2.23 per diluted share), predominantly related to noncash impairment charges associated with the decision to minimize the use of the Kinko's trade name and goodwill resulting from the Kinko's acquisition. The charges are included in the results of the FedEx Services segment and were not allocated to our transportation segments as the charges are unrelated to the core performance of these businesses.

4 - 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 2007 – FY 2008

Years ended May 31
In millions, except EPS and FTEs

	FY 2007				FY 2008			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$ 5,640	\$ 5,693	\$ 5,523	\$ 5,825	\$ 5,889	\$ 6,037	\$ 6,129	\$ 6,366
FedEx Ground segment	1,417	1,520	1,523	1,583	1,618	1,698	1,720	1,715
FedEx Freight segment	1,013	1,225	1,101	1,247	1,233	1,236	1,155	1,310
FedEx Services segment ¹	527	543	508	558	525	550	511	552
Other & eliminations ¹	(52)	(55)	(63)	(62)	(66)	(70)	(78)	(77)
Total Revenue	8,545	8,926	8,592	9,151	9,199	9,451	9,437	9,866
Operating Expenses:								
Salaries and employee benefits ²	3,285	3,526	3,414	3,515	3,483	3,510	3,593	3,616
Purchased transportation	896	996	1,009	972	1,025	1,136	1,128	1,158
Rentals and landing fees	570	584	598	591	593	611	615	622
Depreciation and amortization	399	430	449	464	473	482	492	499
Fuel	941	860	829	903	964	1,060	1,180	1,392
Maintenance and repairs	515	492	484	461	544	519	479	526
Impairment charges ³	-	-	-	-	-	-	-	882
Other	1,155	1,199	1,168	1,233	1,303	1,350	1,309	1,334
Total Operating Expenses	7,761	8,087	7,951	8,139	8,385	8,668	8,796	10,029
Operating Income (Loss):								
FedEx Express segment	475	508	395	613	519	531	425	426
FedEx Ground segment	159	193	196	274	190	173	170	203
FedEx Freight segment	150	138	50	125	105	79	46	99
FedEx Services segment ^{1,3}	-	-	-	-	-	-	-	(891)
Total Operating Income	784	839	641	1,012	814	783	641	(163)
Other Income (Expense):								
Interest, net	(9)	(17)	(11)	(16)	(25)	(15)	(10)	(4)
Other, net	(5)	1	(1)	(3)	(2)	-	(3)	-
Total Other Income (Expense)	(14)	(16)	(12)	(19)	(27)	(15)	(13)	(4)
Income Before Income Taxes	770	823	629	993	787	768	628	(167)
Provision for Income Taxes	295	312	209	383	293	289	235	74
Net Income	\$ 475	\$ 511	\$ 420	\$ 610	\$ 494	\$ 479	\$ 393	(\$241)
Basic Earnings Per Share ³	\$ 1.55	\$ 1.67	\$ 1.37	\$ 1.98	\$ 1.60	\$ 1.55	\$ 1.27	(\$0.78)
Weighted Avg. Common Shares	306	307	307	308	308	309	309	310
Diluted Earnings Per Share ³	\$ 1.53	\$ 1.64	\$ 1.35	\$ 1.96	\$ 1.58	\$ 1.54	\$ 1.26	(\$0.78)
Avg Common and Common Equiv. Shares	310	311	311	311	312	312	312	310
SELECTED STATISTICS								
Operating Margin	9.2%	9.4%	7.5%	11.1%	8.8%	8.3%	6.8%	(1.7%)
Pretax Margin	9.0%	9.2%	7.3%	10.9%	8.6%	8.1%	6.7%	(1.7%)
FedEx Corp. Average FTEs	229,943	243,286	244,763	248,443	250,678	256,038	256,252	253,636
Dividends Paid Per Common Share	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10

1 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

2 - Results for second quarter fiscal 2007 include a \$143 million charge for signing bonuses and other upfront compensation associated with the new pilot labor contract at FedEx Express.

3 - FedEx Services segment operating expenses included a charge of approximately \$891 million (\$696 million, net of tax, or \$2.22 per diluted share), predominantly related to noncash impairment charges associated with the decision to minimize the use of the Kinko's trade name and goodwill resulting from the Kinko's acquisition. The charges are included in the results of the FedEx Services segment and were not allocated to our transportation segments as the charges are unrelated to the core performance of these businesses.

Unaudited. Differences may result due to rounding.

FedEx Corporation

Quarterly Consolidated Statements of Income

FY 2009 – FY 2010

Years ended May 31
In millions, except EPS and FTEs

	FY 2009				FY 2010			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment		\$ 6,419						
FedEx Ground segment		1,761						
FedEx Freight segment		1,353						
FedEx Services segment		513						
Other & eliminations		(76)						
Total Revenue		<u>9,970</u>						
Operating Expenses:								
Salaries and employee benefits		3,585						
Purchased transportation		1,207						
Rentals and landing fees		617						
Depreciation and amortization		492						
Fuel		1,599						
Maintenance and repairs		537						
Other		<u>1,303</u>						
Total Operating Expenses		<u>9,340</u>						
Operating Income:								
FedEx Express segment		345						
FedEx Ground segment		196						
FedEx Freight segment		89						
FedEx Services segment		—						
Total Operating Income		<u>630</u>						
Other Income (Expense):								
Interest, net		(9)						
Other, net		<u>(3)</u>						
Total Other Income (Expense)		<u>(12)</u>						
Income Before Income Taxes		618						
Provision for Income Taxes		<u>234</u>						
Net Income		<u>\$ 384</u>						
Basic Earnings Per Share		<u>\$ 1.24</u>						
Weighted Avg. Common Shares		311						
Diluted Earnings Per Share		<u>\$ 1.23</u>						
Avg Common and Common Equiv. Shares		313						

SELECTED STATISTICS

Operating Margin	6.3%
Pretax Margin	6.2%
FedEx Corp. Average FTEs	251,826
Dividends Paid Per Common Share	\$ 0.11

Unaudited. Differences may result due to rounding.

FedEx Corporation Capital Spending FY 2007 – FY 2009

Years ended May 31
In millions

	<u>FY 2007</u>	<u>FY 2008</u>	<u>Q1 YTD FY 2009</u>
<u>By Asset Type</u>			
Aircraft and Related Equipment	\$ 1,107	\$ 998	\$ 240
Facilities and Sort Equipment	674	900	153
Vehicles	445	404	133
Information Technology Investments	431	366	67
Other Equipment	225	279	43
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 636</u>
 <u>By Segment</u>			
FedEx Express segment	\$ 1,672	\$ 1,716	\$ 333
FedEx Ground segment	489	509	134
FedEx Freight segment	287	266	100
FedEx Services segment ¹	432	455	69
Other	2	1	–
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 636</u>

1 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. FY07 amounts were revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Annual Consolidated Statements of Income

FY 2007 – FY 2009

Years ended May 31
In millions, except FTEs

	<u>FY 2007</u>	<u>FY 2008</u>	<u>Q1 YTD</u>	<u>FY 2009</u>
Package Revenue:				
U.S. Overnight Box	\$ 6,485	\$ 6,578	\$	1,711
U.S. Overnight Envelope	1,990	2,012	525	
Total U.S. Overnight	8,475	8,590	2,236	
U.S. Deferred	2,883	2,995	762	
Total U.S. Package Revenue	11,358	11,585	2,998	
International Priority ¹	6,722	7,666	2,044	
International Domestic ²	369	663	170	
Total Package Revenue	18,449	19,914	5,212	
Freight Revenue:				
U.S.	2,412	2,398	598	
International Priority ¹	1,044	1,243	340	
International Airfreight ¹	395	406	131	
Total Freight Revenue	3,851	4,047	1,069	
Other Revenue ³	381	460	138	
Total Revenue	22,681	24,421	6,419	
Operating Expenses:				
Salaries and employee benefits ⁴	8,234	8,451	2,129	
Purchased transportation	1,098	1,208	336	
Rentals and landing fees	1,610	1,673	417	
Depreciation and amortization	856	944	239	
Fuel	2,946	3,785	1,319	
Maintenance and repairs	1,444	1,512	394	
Intercompany charges ⁵	2,046	2,134	533	
Other	2,456	2,813	707	
	20,690	22,520	6,074	
Operating Income	<u>\$ 1,991</u>	<u>\$ 1,901</u>	<u>\$ 345</u>	

SELECTED STATISTICS

Operating Margin	8.8%	7.8%	5.4%
Average FTEs	124,164	131,242	129,723

1 - In FY07, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. We have reclassified the amounts for FY07 to include these revenues within our Freight revenues.

2 - International Domestic shipments are shipments where the origin and destination are both within the same non-U.S. country, including the United Kingdom, Canada, India and China.

3 - Other revenue includes FedEx Trade Networks.

4 - Results for FY07 include a \$143 million charge for signing bonuses and other upfront compensation associated with the new pilot labor contract.

5 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

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

FedEx Express Segment

Quarterly Consolidated Statements of Income

FY 2007 – FY 2008

Years ended May 31
In millions, except FTEs

	FY 2007				FY 2008			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$ 1,654	\$ 1,634	\$ 1,573	\$ 1,624	\$ 1,615	\$ 1,616	\$ 1,652	\$ 1,695
U.S. Overnight Envelope	511	489	476	514	512	480	496	524
Total U.S. Overnight	2,165	2,123	2,049	2,138	2,127	2,096	2,148	2,219
U.S. Deferred	705	716	740	722	711	730	799	755
Total U.S. Packages	2,870	2,839	2,789	2,860	2,838	2,826	2,947	2,974
International Priority ¹	1,665	1,696	1,597	1,764	1,820	1,911	1,889	2,046
International Domestic ²	52	56	114	147	156	173	163	171
Total Package Revenue	4,587	4,591	4,500	4,771	4,814	4,910	4,999	5,191
Freight Revenue:								
U.S.	607	624	586	595	593	604	614	587
International Priority ¹	249	271	251	273	292	312	309	330
International Airfreight ¹	104	106	91	94	94	96	96	120
Total Freight Revenue	960	1,001	928	962	979	1,012	1,019	1,037
Other Revenue ³	93	101	95	92	96	115	111	138
Total Revenue	5,640	5,693	5,523	5,825	5,889	6,037	6,129	6,366
Operating Expenses:								
Salaries and employee benefits ⁴	2,002	2,116	2,043	2,073	2,060	2,059	2,154	2,178
Purchased transportation	263	269	300	266	280	299	302	327
Rentals and landing fees	398	392	411	409	411	417	421	424
Depreciation and amortization	205	208	216	227	230	234	240	240
Fuel	798	716	691	741	800	872	980	1,133
Maintenance and repairs	398	365	357	324	402	376	346	388
Intercompany charges ⁵	502	520	499	525	515	536	555	528
Other	599	599	611	647	672	713	706	722
	5,165	5,185	5,128	5,212	5,370	5,506	5,704	5,940
Operating Income	\$ 475	\$ 508	\$ 395	\$ 613	\$ 519	\$ 531	\$ 425	\$ 426

SELECTED STATISTICS

Operating Margin	8.4%	8.9%	7.2%	10.5%	8.8%	8.8%	6.9%	6.7%
Average FTEs	121,119	121,075	124,745	129,689	131,013	131,031	132,254	130,672

1 - In FY07, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. We have reclassified the amounts for FY07 to include these revenues within our Freight revenues.

2 - International Domestic shipments are shipments where the origin and destination are both within the same non-U.S. country, including the United Kingdom, Canada, India and China.

3 - Other revenue includes FedEx Trade Networks.

4 - Results for FY07 include a \$143 million charge for signing bonuses and other upfront compensation associated with the new pilot labor contract.

5 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Express Segment

Quarterly Consolidated Statements of Income

FY 2009 – FY 2010

Years ended May 31
In millions, except FTEs

	FY 2009				FY 2010			
	<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			\$ 1,711					
U.S. Overnight Envelope			525					
Total U.S. Overnight			2,236					
U.S. Deferred			762					
Total U.S. Packages			2,998					
International Priority			2,044					
International Domestic			170					
Total Package Revenue			5,212					
Freight Revenue:								
U.S.			598					
International Priority			340					
International Airfreight			131					
Total Freight Revenue			1,069					
Other Revenue ¹			138					
Total Revenue			6,419					
Operating Expenses:								
Salaries and employee benefits			2,129					
Purchased transportation			336					
Rentals and landing fees			417					
Depreciation and amortization			239					
Fuel			1,319					
Maintenance and repairs			394					
Intercompany charges			533					
Other			707					
			6,074					
Operating Income			<u>\$ 345</u>					

SELECTED STATISTICS

Operating Margin	5.4%
Average FTEs	129,723

1 - Other revenue includes FedEx Trade Networks.

Unaudited. Differences may result due to rounding.

FedEx Express Annual Shipment Statistics FY 2007 – FY 2009

	FY 2007	FY 2008	Q1 YTD FY 2009
<u>AVG DAILY VOLUME / POUNDS</u>			
Average Daily Package Volume (000s):			
U.S. Overnight Box (FO, EHB, POB, SOB)	1,174	1,151	1,103
U.S. Overnight Envelope (EHE, POE, SOE)	706	677	629
Total U.S. Overnight (FO, EH, PO, SO)	1,880	1,828	1,732
U.S. Deferred (E2, ES)	898	895	828
Total U.S. Packages	2,778	2,723	2,560
International Priority (IP,IE) ¹	487	517	495
International Domestic ²	135	296	307
Total Avg Daily Packages	<u>3,400</u>	<u>3,536</u>	<u>3,362</u>
Average Daily Freight Pounds (000s):			
U.S. (F1/F2/F3/Domestic ATA)	9,569	8,648	7,296
International Priority (IPF,IEF) ¹	1,878	2,220	2,312
International Airfreight (IXF/ATA) ¹	1,831	1,817	1,866
Total Avg Daily Freight Pounds	<u>13,278</u>	<u>12,685</u>	<u>11,474</u>
<u>YIELD</u>			
Revenue Per Package:			
U.S. Overnight Box (FO, EHB, POB, SOB)	\$ 21.66	\$ 22.40	\$ 24.24
U.S. Overnight Envelope (EHE, POE, SOE)	11.06	11.66	13.04
Total U.S. Overnight (FO, EH, PO, SO)	17.68	18.42	20.17
U.S. Deferred (E2, ES)	12.59	13.12	14.38
Total U.S. Packages	16.04	16.68	18.30
International Priority (IP,IE) ¹	54.13	58.11	64.54
International Domestic ²	10.77	8.80	8.63
Total Composite Package Yield	<u>\$ 21.28</u>	<u>\$ 22.08</u>	<u>\$ 24.23</u>
Revenue Per Freight Pound:			
U.S. (F1/F2/F3/Domestic ATA)	\$ 0.99	\$ 1.09	\$ 1.28
International Priority (IPF,IEF) ¹	2.18	2.20	2.30
International Airfreight (IXF/ATA) ¹	0.84	0.88	1.10
Total Composite Freight Yield	<u>\$ 1.14</u>	<u>\$ 1.25</u>	<u>\$ 1.46</u>
<u>PACKAGE GROWTH RATES</u>			
Average Daily Volume Growth:			
U.S. Overnight Box (FO, EHB, POB, SOB)	(2.4%)	(2.0%)	(3.2%)
U.S. Overnight Envelope (EHE, POE, SOE)	(1.0%)	(4.1%)	(10.0%)
Total U.S. Overnight (FO, EH, PO, SO)	(1.9%)	(2.8%)	(5.8%)
U.S. Deferred (E2, ES)	(0.3%)	(0.3%)	(4.1%)
Total U.S. Packages	(1.4%)	(2.0%)	(5.2%)
International Priority (IP,IE) ¹	4.5%	6.2%	(0.2%)
International Domestic ²	N/A	119.3%	10.0%
Total Package Volume Growth	3.6%	4.0%	(3.3%)
Revenue Growth:			
U.S. Overnight Box (FO, EHB, POB, SOB)	1.0%	1.4%	5.9%
U.S. Overnight Envelope (EHE, POE, SOE)	0.8%	1.1%	2.5%
Total U.S. Overnight (FO, EH, PO, SO)	0.9%	1.4%	5.1%
U.S. Deferred (E2, ES)	1.1%	3.9%	7.2%
Total U.S. Packages	1.0%	2.0%	5.6%
International Priority (IP,IE) ¹	9.5%	14.0%	12.3%
International Domestic ²	N/A	79.7%	9.0%
Total Package Revenue Growth	6.1%	7.9%	8.3%
AVG POUNDS PER PACKAGE	7.3	7.7	7.6
AVG REVENUE PER PACKAGE LB.	\$ 2.92	\$ 2.87	\$ 3.19
OPERATING WEEKDAYS	255	255	64

1 - In FY07, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. We have reclassified the amounts for FY07 to include these revenues within our Freight revenues.

2 - International Domestic shipments are shipments where the origin and destination are both within the same non-U.S. country, including the United Kingdom, Canada, India and China.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics

FY 2007 – FY 2008

	FY 2007				FY 2008			
	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	1,166	1,183	1,191	1,157	1,139	1,163	1,165	1,140
U.S. Overnight Envelope	703	700	699	719	699	677	659	672
Total U.S. Overnight	1,869	1,883	1,890	1,876	1,838	1,840	1,824	1,812
U.S. Deferred (E2, ES)	855	895	965	880	863	902	966	851
Total U.S. Packages	2,724	2,778	2,855	2,756	2,701	2,742	2,790	2,663
International Priority (IP, IE) ¹	466	501	490	491	496	535	518	520
International Domestic ²	44	49	161	284	279	310	295	298
Total Avg Daily Packages	3,234	3,328	3,506	3,531	3,476	3,587	3,603	3,481
Avg. Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	9,374	9,917	9,785	9,220	8,843	8,915	8,967	7,873
International Priority (IPF, IEF) ¹	1,775	1,980	1,845	1,912	2,025	2,279	2,234	2,347
International Airfreight (IXF/ATA) ¹	1,899	1,946	1,715	1,764	1,752	1,827	1,739	1,950
Total Avg Daily Freight Pounds	13,048	13,843	13,345	12,896	12,620	13,021	12,940	12,170
YIELD								
Revenue Per Package:								
U.S. Overnight Box	\$ 21.83	\$ 21.92	\$ 21.29	\$ 21.58	\$ 21.83	\$ 22.06	\$ 22.51	\$ 23.22
U.S. Overnight Envelope	11.19	11.06	11.01	10.99	11.26	11.27	11.93	12.20
Total U.S. Overnight	17.83	17.88	17.49	17.53	17.81	18.09	18.69	19.13
U.S. Deferred (E2, ES)	12.69	12.70	12.37	12.62	12.67	12.84	13.14	13.86
Total U.S. Packages	16.21	16.21	15.76	15.96	16.17	16.36	16.77	17.45
International Priority (IP, IE) ¹	54.97	53.72	52.52	55.29	56.42	56.63	57.85	61.51
International Domestic ²	18.33	18.41	11.40	7.99	8.59	8.90	8.77	8.92
Total Composite Package Yield	\$ 21.83	\$ 21.90	\$ 20.70	\$ 20.79	\$ 21.31	\$ 21.73	\$ 22.02	\$ 23.30
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$ 1.00	\$ 1.00	\$ 0.97	\$ 0.99	\$ 1.03	\$ 1.08	\$ 1.09	\$ 1.17
International Priority (IPF, IEF) ¹	2.16	2.18	2.20	2.20	2.22	2.17	2.19	2.20
International Airfreight (IXF/ATA) ¹	0.84	0.86	0.85	0.82	0.83	0.83	0.89	0.96
Total Composite Freight Yield	\$ 1.13	\$ 1.15	\$ 1.12	\$ 1.15	\$ 1.19	\$ 1.23	\$ 1.25	\$ 1.33
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box	(1.2%)	(2.3%)	(2.8%)	(3.3%)	(2.3%)	(1.7%)	(2.2%)	(1.5%)
U.S. Overnight Envelope	(1.1%)	(0.3%)	(1.7%)	(1.0%)	(0.6%)	(3.3%)	(5.7%)	(6.5%)
Total U.S. Overnight	(1.2%)	(1.6%)	(2.4%)	(2.4%)	(1.7%)	(2.3%)	(3.5%)	(3.4%)
U.S. Deferred (E2, ES)	(4.7%)	1.0%	-	2.6%	0.9%	0.8%	0.1%	(3.3%)
Total U.S. Packages	(2.3%)	(0.8%)	(1.6%)	(0.9%)	(0.8%)	(1.3%)	(2.3%)	(3.4%)
International Priority (IP, IE) ¹	5.7%	5.5%	3.4%	3.4%	6.4%	6.8%	5.7%	5.9%
International Domestic ²	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.9%
Total Package Volume Growth	0.2%	1.6%	3.9%	8.5%	7.5%	7.8%	2.8%	(1.4%)
Revenue Growth:								
U.S. Overnight Box	6.0%	1.8%	(1.5%)	(2.2%)	(2.4%)	(1.1%)	5.0%	4.4%
U.S. Overnight Envelope	4.5%	1.9%	(2.1%)	(1.0%)	0.2%	(1.8%)	4.2%	1.9%
Total U.S. Overnight	5.7%	1.8%	(1.6%)	(1.9%)	(1.8%)	(1.3%)	4.8%	3.8%
U.S. Deferred (E2, ES)	2.6%	2.1%	(1.3%)	1.0%	0.9%	2.0%	8.0%	4.6%
Total U.S. Packages	4.9%	1.9%	(1.6%)	(1.2%)	(1.1%)	(0.5%)	5.7%	4.0%
International Priority (IP, IE) ¹	14.1%	9.9%	7.3%	7.0%	9.3%	12.7%	18.3%	16.0%
International Domestic ²	N/A	N/A	N/A	N/A	N/A	N/A	N/A	16.3%
Total Package Revenue Growth	9.3%	6.1%	4.1%	5.0%	4.9%	6.9%	11.1%	8.8%
AVG POUNDS PER PACKAGE	7.1	7.3	7.4	7.5	7.6	7.9	7.6	7.6
AVG REVENUE PER PACKAGE LB.	\$ 3.07	\$ 3.02	\$ 2.80	\$ 2.77	\$ 2.80	\$ 2.75	\$ 2.90	\$ 3.07
OPERATING WEEKDAYS	65	63	62	65	65	63	63	64

1 - In FY07, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. We have reclassified the amounts for FY07 to include these revenues within our Freight revenues.

2 - International Domestic shipments are shipments where the origin and destination are both within the same non-U.S. country, including the United Kingdom, Canada, India and China.

Unaudited. Differences may result due to rounding.

FedEx Express

Quarterly Shipment Statistics

FY 2009 - FY2010

	FY 2009				FY 2010			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<u>AVG. DAILY VOLUME / POUNDS</u>								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box			1,103					
U.S. Overnight Envelope			629					
Total U.S. Overnight			1,732					
U.S. Deferred (E2, ES)			828					
Total U.S. Packages			2,560					
International Priority (IP,IE)			495					
International Domestic			307					
Total Avg Daily Packages			3,362					
Avg. Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)			7,296					
International Priority (IPF,IEF)			2,312					
International Airfreight (IXF/ATA)			1,866					
Total Avg Daily Freight Pounds			11,474					
<u>YIELD</u>								
Revenue Per Package:								
U.S. Overnight Box			\$ 24.24					
U.S. Overnight Envelope			13.04					
Total U.S. Overnight			20.17					
U.S. Deferred (E2, ES)			14.38					
Total U.S. Packages			18.30					
International Priority (IP,IE)			64.54					
International Domestic			8.63					
Total Composite Package Yield			\$ 24.23					
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)			\$ 1.28					
International Priority (IPF,IEF)			2.30					
International Airfreight (IXF/ATA)			1.10					
Total Composite Freight Yield			\$ 1.46					
<u>PACKAGE GROWTH RATES</u>								
Average Daily Volume Growth:								
U.S. Overnight Box			(3.2%)					
U.S. Overnight Envelope			(10.0%)					
Total U.S. Overnight			(5.8%)					
U.S. Deferred (E2, ES)			(4.1%)					
Total U.S. Packages			(5.2%)					
International Priority (IP,IE)			(0.2%)					
International Domestic			10.0%					
Total Package Volume Growth			(3.3%)					
Revenue Growth:								
U.S. Overnight Box			5.9%					
U.S. Overnight Envelope			2.5%					
Total U.S. Overnight			5.1%					
U.S. Deferred (E2, ES)			7.2%					
Total U.S. Packages			5.6%					
International Priority (IP,IE)			12.3%					
International Domestic			9.0%					
Total Package Revenue Growth			8.3%					
AVG POUNDS PER PACKAGE			7.6					
AVG REVENUE PER PACKAGE LB.			\$ 3.19					
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65

Unaudited. Differences may result due to rounding.

FedEx Express Aircraft and Vehicle Fleet Statistics FY 2006 – FY 2014

<u>Aircraft Type</u>	<u>Max. Operational Revenue Payload (Lbs/Aircraft)¹</u>	<u>May 31</u>			<u>As of Aug. 31</u>	<u>To Be Delivered (Retired) in FY</u>					
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Boeing 727-100	27,700	13	1	–	–	–	–	–	–	–	–
Boeing 727-200	38,000	94	94	90	85	(5)	(10)	(13)	(18)	(13)	(6)
Boeing 757-200 ²	45,800	–	4	12	16	12	7	5	2	–	–
Boeing DC10-10 ³	113,100	25	13	5	4	(4)	–	–	–	–	–
Boeing DC10-30 ⁴	114,200	14	13	10	10	(3)	(2)	–	(1)	(2)	(2)
Boeing MD10-10	113,100	41	50	58	59	4	–	–	–	–	–
Boeing MD10-30	114,200	6	7	10	10	3	–	–	–	–	(1)
Boeing MD11	164,200	58	58	58	58	1	1	–	–	–	–
Boeing 777F	172,800	–	–	–	–	–	4	10	1	–	–
Airbus A300-600 ⁵	85,600	53	60	68	68	3	–	–	–	–	–
Airbus A310-200/300	61,900	65	66	66	66	–	(10)	(3)	(3)	–	–
Cessna 208A	1,900	10	10	10	10	–	–	–	–	–	–
Cessna 208B	2,500	243	243	243	242	–	–	–	–	–	–
Fokker F-27	9,850	9	8	5	4	(1)	(2)	(1)	–	–	–
ATR-72	14,660	11	13	13	13	–	–	–	–	–	–
ATR-42	10,880	<u>29</u>	<u>29</u>	<u>29</u>	<u>27</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Aircraft Fleet Total		<u>671</u>	<u>669</u>	<u>677</u>	<u>672</u>	<u>10</u>	<u>(12)</u>	<u>(2)</u>	<u>(19)</u>	<u>(15)</u>	<u>(9)</u>
<u>Vehicle Fleet (000s)</u>											
Long-Haul Tractors		2.8	2.7	2.7	2.7						
All Other Motorized Vehicles		<u>39.8</u>	<u>40.9</u>	<u>41.6</u>	<u>41.2</u>						
Vehicle Fleet Total		<u>42.6</u>	<u>43.6</u>	<u>44.3</u>	<u>43.9</u>						

NOTE: Aircraft fleet delivery schedule is subject to change.

1 - Maximum Operational Revenue Payload (MORP) is the lesser of the net volume-limited payload and the net maximum structural payload.

2 - August 31, 2008 757 count includes 14 aircraft that are not currently in operation but awaiting modification.

3 - August 31, 2008 DC10-10 count includes 2 aircraft that are not currently in operation but awaiting completion of modification. Retirements and deliveries represent aircraft that will be converted to an MD10 configuration.

4 - August 31, 2008 DC10-30 count includes 1 aircraft that are not currently in operation but awaiting completion of modification. Retirements and deliveries represent aircraft that will be converted to an MD10 configuration.

5 - August 31, 2008 A300 count includes 2 aircraft that are not currently in operation but awaiting modification.

FedEx Express Jet Fuel Statistics FY 2007 – FY 2009

	<u>FY 2007</u>				<u>FY 2008</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	309,348	312,274	311,345	311,503	310,794	306,283	308,662	301,551
Price Per Gallon	\$ 2.318	\$ 2.072	\$ 1.980	\$ 2.115	\$ 2.295	\$ 2.559	\$ 2.852	\$ 3.377
Jet Fuel Expense (\$000s)	\$ 717,150	\$ 646,913	\$ 616,323	\$ 658,788	\$ 713,393	\$ 783,874	\$ 880,199	\$ 1,018,220

	<u>FY 2009</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	294,734			
Price Per Gallon	\$ 4.058			
Jet Fuel Expense (\$000s)	\$ 1,196,114			

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Consolidated Statements of Income FY 2007 – FY 2009

Years ended May 31
In millions

	<u>FY 2007</u>	<u>FY 2008</u>	<u>Q1 YTD</u> <u>FY 2009</u>
Revenues	\$ 6,043	\$ 6,751	\$ 1,761
Operating Expenses:			
Salaries and employee benefits	1,006	1,073	267
Purchased transportation	2,326	2,691	699
Rentals	166	189	51
Depreciation and amortization	268	305	80
Fuel	117	201	74
Maintenance and repairs	134	145	37
Intercompany charges ¹	569	658	178
Other	635	753	179
	<u>5,221</u>	<u>6,015</u>	<u>1,565</u>
Operating Income	<u>\$ 822</u>	<u>\$ 736</u>	<u>\$ 196</u>

SELECTED STATISTICS

Operating Margin	13.6%	10.9%	11.1%
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1 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Consolidated Statements of Income FY 2007 – FY 2008

Years ended May 31
In millions

	FY 2007				FY 2008			
	<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	\$ 1,417	\$ 1,520	\$ 1,523	\$ 1,583	\$ 1,618	\$ 1,698	\$ 1,720	\$ 1,715
Operating Expenses:								
Salaries and employee benefits	241	256	251	258	260	272	272	269
Purchased transportation	553	592	597	584	620	697	699	675
Rentals	36	44	45	41	43	50	49	47
Depreciation and amortization	61	65	71	71	73	77	77	78
Fuel	31	28	26	32	34	46	51	70
Maintenance and repairs	31	32	35	36	34	38	36	37
Intercompany charges ¹	134	145	141	149	159	165	172	162
Other	171	165	161	138	205	180	194	174
	<u>1,258</u>	<u>1,327</u>	<u>1,327</u>	<u>1,309</u>	<u>1,428</u>	<u>1,525</u>	<u>1,550</u>	<u>1,512</u>
Operating Income	<u>\$ 159</u>	<u>\$ 193</u>	<u>\$ 196</u>	<u>\$ 274</u>	<u>\$ 190</u>	<u>\$ 173</u>	<u>\$ 170</u>	<u>\$ 203</u>

SELECTED STATISTICS

Operating Margin	11.2%	12.7%	12.9%	17.3%	11.7%	10.2%	9.9%	11.8%
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1 - In FY08, the company revised its reportable segments as a result of an internal reorganization of FedEx Office. As a result, FedEx Office is now part of the new FedEx Services reportable segment. Net operating costs of the FedEx Services segment are allocated to the transportation segments it supports. FY07 amounts were revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment

Quarterly Consolidated Statements of Income

FY 2009 – FY 2010

Years ended May 31
In millions

	FY 2009				FY 2010			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,761							
Operating Expenses:								
Salaries and employee benefits	267							
Purchased transportation	699							
Rentals	51							
Depreciation and amortization	80							
Fuel	74							
Maintenance and repairs	37							
Intercompany charges	178							
Other	179							
	1,565							
Operating Income	\$ 196							

SELECTED STATISTICS

Operating Margin 11.1%

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Shipment Statistics FY 2007 – FY 2009

	<u>FY 2007</u>	<u>FY 2008</u>	<u>Q1 YTD FY 2009</u>
<u>FedEx Ground</u>			
Total Package Volume (000s)	797,130	858,101	213,676
Average Daily Package Volume (000s)	3,126	3,365	3,339
Yield (Revenue Per Package)	\$ 7.21	\$ 7.48	\$ 7.86
Average Daily YOY Volume Growth Rate	11.0%	7.6%	4.0%
OPERATING WEEKDAYS	255	255	64
<u>FedEx SmartPost</u>			
Total Package Volume (000s)	151,547	156,958	37,387
Average Daily Package Volume (000s)	599	618	584
Yield (Revenue Per Package)	\$ 1.88	\$ 2.09	\$ 2.14
Average Daily YOY Volume Growth Rate	N/A	3.2%	9.2%
OPERATING WEEKDAYS	253	254	64

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Shipment Statistics FY 2007 – FY 2010

	FY 2007				FY 2008			
	<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>
<u>FedEx Ground</u>								
Total Package Volume (000s)	190,190	204,246	199,392	203,320	208,715	220,815	217,035	211,527
Avg. Daily Package Vol. (000s)	2,926	3,242	3,216	3,128	3,211	3,505	3,445	3,305
Yield (Revenue Per Package)	\$ 7.13	\$ 7.04	\$ 7.26	\$ 7.43	\$ 7.41	\$ 7.27	\$ 7.50	\$ 7.74
Avg. Daily YOY Pkg. Growth Rate	13.1%	14.0%	9.2%	8.1%	9.7%	8.1%	7.1%	5.7%
OPERATING WEEKDAYS	65	63	62	65	65	63	63	64
<u>FedEx SmartPost</u>								
Total Package Volume (000s)	33,540	41,391	38,820	37,895	34,775	43,008	43,127	36,029
Avg. Daily Package Vol. (000s)	516	657	647	583	535	672	707	563
Yield (Revenue Per Package)	\$ 1.75	\$ 1.95	\$ 1.92	\$ 1.90	\$ 2.01	\$ 2.12	\$ 2.11	\$ 2.11
Avg. Daily YOY Pkg. Growth Rate	N/A	N/A	N/A	N/A	3.7%	2.3%	9.3%	(3.5%)
OPERATING WEEKDAYS	65	63	60	65	65	64	61	64
	FY 2009				FY 2010			
	<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>
<u>FedEx Ground</u>								
Total Package Volume (000s)	213,676							
Avg. Daily Package Vol. (000s)	3,339							
Yield (Revenue Per Package)	\$ 7.86							
Avg. Daily YOY Pkg. Growth Rate	4.0%							
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65
<u>FedEx SmartPost</u>								
Total Package Volume (000s)	37,387							
Avg. Daily Package Vol. (000s)	584							
Yield (Revenue Per Package)	\$ 2.14							
Avg. Daily YOY Pkg. Growth Rate	9.2%							
OPERATING WEEKDAYS	64	63	61	64	65	63	62	65

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Annual Consolidated Statements of Income

FY 2007 – FY 2009

Years ended May 31
In millions

	<u>FY 2007</u> ¹	<u>FY 2008</u>	<u>Q1 YTD</u> <u>FY 2009</u>
Revenues	\$ 4,586	\$ 4,934	\$ 1,353
Operating Expenses:			
Salaries and employee benefits	2,250	2,381	614
Purchased transportation	465	582	180
Rentals and landing fees	112	119	33
Depreciation and amortization	195	227	54
Fuel	468	608	206
Maintenance and repairs	165	175	43
Intercompany charges	61	81	22
Other	407	432	112
	<u>4,123</u>	<u>4,605</u>	<u>1,264</u>
Operating Income	<u>\$ 463</u>	<u>\$ 329</u>	<u>\$ 89</u>

SELECTED STATISTICS

Operating Margin	10.1%	6.7%	6.6%
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1 - The results of operations of FedEx National LTL are included in FedEx Freight segment results from the date of its acquisition on September 3, 2006.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Quarterly Consolidated Statements of Income

FY 2007 – FY 2008

Years ended May 31
In millions

	FY 2007				FY 2008			
	FIRST QUARTER	SECOND QUARTER ¹	THIRD QUARTER ¹	FOURTH QUARTER ¹	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,013	\$ 1,225	\$ 1,101	\$ 1,247	\$ 1,233	\$ 1,236	\$ 1,155	\$ 1,310
Operating Expenses:								
Salaries and employee benefits	484	592	569	605	595	607	582	597
Purchased transportation	83	140	117	125	130	147	139	166
Rentals and landing fees	23	30	30	29	28	29	30	32
Depreciation and amortization	31	52	55	57	57	58	56	56
Fuel	112	116	111	129	130	141	148	189
Maintenance and repairs	32	45	42	46	47	45	39	44
Intercompany charges	14	16	15	16	21	20	20	20
Other	84	96	112	115	120	110	95	107
	863	1,087	1,051	1,122	1,128	1,157	1,109	1,211
Operating Income	<u>\$ 150</u>	<u>\$ 138</u>	<u>\$ 50</u>	<u>\$ 125</u>	<u>\$ 105</u>	<u>\$ 79</u>	<u>\$ 46</u>	<u>\$ 99</u>

SELECTED STATISTICS

Operating Margin	14.8%	11.3%	4.5%	10.0%	8.5%	6.4%	4.0%	7.6%
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1 - The results of operations of FedEx National LTL are included in FedEx Freight segment results from the date of its acquisition on September 3, 2006.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Quarterly Consolidated Statements of Income

FY 2009 – FY 2010

Years ended May 31
In millions

	FY 2009				FY 2010			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenues	\$ 1,353							
Operating Expenses:								
Salaries and employee benefits	614							
Purchased transportation	180							
Rentals and landing fees	33							
Depreciation and amortization	54							
Fuel	206							
Maintenance and repairs	43							
Intercompany charges	22							
Other	112							
	1,264							
Operating Income	\$ 89							

SELECTED STATISTICS

Operating Margin 6.6%

Unaudited. Differences may result due to rounding.

FedEx Freight Annual LTL Shipment Statistics FY 2007 – FY 2009

	<u>FY 2007</u> ¹	<u>FY 2008</u>	<u>Q1 YTD</u> <u>FY 2009</u>
Shipments Per Day	78,236	79,706	82,735
Weight Per Shipment	1,130	1,136	1,140
LTL Yield (Revenue Per Hundredweight)	\$ 18.65	\$ 19.65	\$ 20.44
Avg. Daily Shipment Growth Rate	17.2%	1.9%	4.3%
OPERATING WEEKDAYS	254	253	64

1 - The results of operations of FedEx National LTL are included in FedEx Freight segment results from the date of its acquisition on September 3, 2006.

Unaudited. Differences may result due to rounding.

FedEx Freight Quarterly LTL Shipment Statistics FY 2007 – FY 2010

	<u>FY 2007</u>				<u>FY 2008</u>			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u> ¹	<u>THIRD</u> <u>QUARTER</u> ¹	<u>FOURTH</u> <u>QUARTER</u> ¹	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>
Shipments Per Day	69,635	86,976	77,096	79,701	79,331	81,928	75,468	82,038
Weight Per Shipment	1,130	1,127	1,129	1,136	1,131	1,129	1,143	1,142
LTL Yield (Revenue Per Hundredweight)	\$ 17.90	\$ 18.73	\$ 18.68	\$ 19.18	\$ 19.39	\$ 19.56	\$ 19.63	\$ 19.98
Avg. Daily Shipment Growth Rate	6.6%	27.4%	20.1%	15.2%	13.9%	(5.8%)	(2.1%)	2.9%
OPERATING WEEKDAYS	65	61	62	66	65	62	62	64

	<u>FY 2009</u>				<u>FY 2010</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>	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>
Shipments Per Day	82,735							
Weight Per Shipment	1,140							
LTL Yield (Revenue Per Hundredweight)	\$ 20.44							
Avg. Daily Shipment Growth Rate	4.3%							
OPERATING WEEKDAYS	64	62	62	64	65	62	61	65

1 - The results of operations of FedEx National LTL are included in FedEx Freight segment results from the date of its acquisition on September 3, 2006.

Unaudited. Differences may result due to rounding.