



Q4 Fiscal 2009 Statistics

FedEx Corporation

Financial and Operating Statistics

Fourth Quarter Fiscal 2009

June 17, 2009

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:

*Mickey Foster, Vice President
Elizabeth Allen, Manager
Stephen Hughes, Manager
Jeff Smith, Manager
FedEx Corp. Investor Relations
942 S. Shady Grove Road
Memphis, TN 38120
Telephone: (901) 818-7200*

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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 \$35 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 280,000 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 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 more than 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 ("CTS") and FedEx Custom Critical, North America's largest time-specific, critical shipment carrier. Effective June 1, 2009, CTS was integrated into FedEx Express to leverage synergies between CTS and FedEx Express and to gain cost efficiencies by maximizing the use of FedEx Express assets for this service offering.

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 ("FCIS"), 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. The costs of the sales, marketing and information technology support provided by FedEx Services and the customer service functions of FCIS, together with the normal, ongoing net operating costs of FedEx Global Supply Chain Services and FedEx Office, are allocated primarily to the FedEx Express and FedEx Ground segments based on metrics such as relative revenues or estimated services provided.

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:	311,937,194 (as of May 31, 2009)
STOCKHOLDERS OF RECORD:	18,027 (as of May 31, 2009)
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 28, 2009

FedEx Corporation

Condensed Consolidated Balance Sheets

FY 2007 – FY 2009

May 31
In millions (except share data)

	FY 2007	FY 2008	FY 2009
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents	\$ 1,569	\$ 1,539	\$ 2,292
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	7,116
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	13,417
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	3,711
	\$ 24,000	\$ 25,633	\$ 24,244
<u>LIABILITIES AND STOCKHOLDERS' INVESTMENT</u>			
Current Liabilities			
Current portion of long-term debt	\$ 639	\$ 502	\$ 653
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	4,524
Long-Term Debt, Less Current Portion			
	2,007	1,506	1,930
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	4,164
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 ¹	12,656	14,526	13,626
	\$ 24,000	\$ 25,633	\$ 24,244

1 - FY09 amount includes other comprehensive income charge of \$1.2 billion, net of taxes, related to the funded status of our retirement plans at May 31, 2009.

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	FY 2009 ¹
OPERATING ACTIVITIES			
Net income	\$ 2,016	\$ 1,125	\$ 98
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	1,742	1,946	1,975
Provision for uncollectible accounts	106	134	
Deferred income taxes and other noncash items	37	124	
Noncash impairment charges ^{2, 3}	–	882	1,103
Stock-based compensation	103	101	
Other noncash charges, net			579
Changes in operating assets and liabilities, net of the effects of businesses acquired:			(1,002)
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	2,753
INVESTING ACTIVITIES			
Capital expenditures	(2,882)	(2,947)	(2,459)
Business acquisitions, net of cash acquired	(1,310)	(4)	
Proceeds from asset dispositions and other	68	54	76
Cash used in investing activities	(4,124)	(2,897)	(2,383)
FINANCING ACTIVITIES			
Principal payments on debt	(906)	(639)	(501)
Proceeds from debt issuances	1,054	–	1,000
Proceeds from stock issuances	115	108	
Excess tax benefits on the exercise of stock options	45	38	
Dividends paid	(110)	(124)	(137)
Other, net	(5)	–	38
Cash provided by (used in) financing activities	193	(617)	400
Effect of exchange rate changes on cash	6	19	(17)
CASH AND CASH EQUIVALENTS			
Net (decrease) increase in cash and cash equivalents	(368)	(30)	753
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	\$ 2,292

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 noncash impairment charges of \$882 million include 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).

3 - FY09 noncash impairment charges of \$1.1 billion include an \$810 million charge related to the reduction of the value of goodwill related to the Kinko's acquisition, \$90 million related to the reduction of the value of goodwill related to the Watkins Motor Lines acquisition and asset impairment charges primarily related to aircraft.

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>FY 2009</u>
Revenue:			
FedEx Express segment	\$ 22,681	\$ 24,421	\$ 22,364
FedEx Ground segment	6,043	6,751	7,047
FedEx Freight segment	4,586	4,934	4,415
FedEx Services segment ¹	2,137	2,138	1,977
Other & eliminations ¹	(233)	(291)	(306)
Total Revenue	35,214	37,953	35,497
Operating Expenses:			
Salaries and employee benefits ²	13,740	14,202	13,767
Purchased transportation ⁴	3,977	4,634	4,534
Rentals and landing fees	2,343	2,441	2,429
Depreciation and amortization	1,742	1,946	1,975
Fuel ⁴	3,429	4,409	3,811
Maintenance and repairs	1,952	2,068	1,898
Impairment and other charges ^{3,5}	–	882	1,204
Other	4,755	5,296	5,132
Total Operating Expenses	31,938	35,878	34,750
Operating Income (Loss):			
FedEx Express segment	1,991	1,901	794
FedEx Ground segment	822	736	807
FedEx Freight segment	463	329	(44)
FedEx Services segment ^{1,3,5}	–	(891)	(810)
Total Operating Income	3,276	2,075	747
Other Income (Expense):			
Interest, net	(53)	(54)	(59)
Other, net	(8)	(5)	(11)
Total Other Income (Expense)	(61)	(59)	(70)
Income Before Income Taxes	3,215	2,016	677
Provision for Income Taxes	1,199	891	579
Net Income	\$ 2,016	\$ 1,125	\$ 98
Basic Earnings Per Share ^{3,5}	\$ 6.57	\$ 3.64	\$ 0.31
Weighted Avg. Common Shares	307	309	311
Diluted Earnings Per Share ^{3,5}	\$ 6.48	\$ 3.60	\$ 0.31
Avg Common and Common Equiv. Shares	311	312	312
<u>SELECTED STATISTICS</u>			
Operating Margin	9.3%	5.5%	2.1%
Pretax Margin	9.1%	5.3%	1.9%
Return on Assets ⁶	8.6%	4.5%	0.4%
Return on Equity ⁶	16.7%	8.3%	0.7%
FedEx Corp. Average FTEs	241,903	254,142	247,908
Dividends Paid Per Common Share	\$ 0.36	\$ 0.40	\$ 0.44

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. 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 - In FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

5 - FY09 includes impairment and other charges of approximately \$1.2 billion (\$1.1 billion, net of tax, or \$3.45 per diluted share), including an \$810 million charge related to the reduction of the value of goodwill related to the Kinko's acquisition (FedEx Services Segment), \$90 million related to the reduction of the value of goodwill related to the Watkins Motor Lines acquisition (FedEx Freight Segment), aircraft-related charges and other charges primarily associated with aircraft-related lease and contract termination costs, and employee severance. The charge included in the results of the FedEx Services Segment was not allocated to our transportation segments as the charge was unrelated to the core performance of these businesses.

6 - 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 ⁴	925	1,020	1,031	1,001	1,057	1,178	1,174	1,225
Rentals and landing fees	570	584	598	591	593	611	615	622
Depreciation and amortization	399	430	449	464	473	482	492	499
Fuel ⁴	912	836	807	874	932	1,018	1,134	1,325
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 (Loss)	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 (Loss) 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 (Loss)	\$ 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. 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.

4 - In FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

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	\$ 6,098	\$ 5,050	\$ 4,797				
FedEx Ground segment	1,761	1,789	1,793	1,704				
FedEx Freight segment	1,353	1,200	914	948				
FedEx Services segment	513	528	458	478				
Other & eliminations	(76)	(77)	(78)	(75)				
Total Revenue	9,970	9,538	8,137	7,852				
Operating Expenses:								
Salaries and employee benefits	3,585	3,503	3,414	3,265				
Purchased transportation ¹	1,278	1,181	1,060	1,015				
Rentals and landing fees	617	612	609	591				
Depreciation and amortization	492	491	496	496				
Fuel ¹	1,528	1,106	636	541				
Maintenance and repairs	537	521	449	391				
Impairment and other charges ²	-	-	-	1,204				
Other	1,303	1,340	1,291	1,198				
Total Operating Expenses	9,340	8,754	7,955	8,701				
Operating Income (Loss):								
FedEx Express segment	345	540	45	(136)				
FedEx Ground segment	196	212	196	203				
FedEx Freight segment	89	32	(59)	(106)				
FedEx Services segment	-	-	-	(810)				
Total Operating Income (Loss)	630	784	182	(849)				
Other Income (Expense):								
Interest, net	(9)	(10)	(19)	(21)				
Other, net	(3)	-	(4)	(4)				
Total Other Income (Expense)	(12)	(10)	(23)	(25)				
Income (Loss) Before Income Taxes	618	774	159	(874)				
Provision for Income Taxes	234	281	62	2				
Net Income (Loss)	<u>\$ 384</u>	<u>\$ 493</u>	<u>\$ 97</u>	<u>(\$876)</u>				
Basic Earnings Per Share	<u>\$ 1.24</u>	<u>\$ 1.59</u>	<u>\$ 0.31</u>	<u>(\$2.82)</u>				
Weighted Avg. Common Shares	311	311	311	311				
Diluted Earnings Per Share	<u>\$ 1.23</u>	<u>\$ 1.58</u>	<u>\$ 0.31</u>	<u>(\$2.82)</u>				
Avg Common and Common Equiv. Shares	313	312	312	311				

SELECTED STATISTICS

Operating Margin	6.3%	8.2%	2.2%	(10.8%)
Pretax Margin	6.2%	8.1%	2.0%	(11.1%)
FedEx Corp. Average FTEs	252,046	251,852	247,892	239,335
Dividends Paid Per Common Share	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11

1- In FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

2- Q4 FY09 includes impairment and other charges of approximately \$1.2 billion (\$1.1 billion, net of tax, or \$3.46 per diluted share), including an \$810 million charge related to the reduction of the value of goodwill related to the Kinko's acquisition, \$90 million related to the reduction of the value of goodwill related to the Watkins Motor Lines acquisition, aircraft-related charges and other charges primarily associated with aircraft-related lease and contract termination costs, and employee severance.

Unaudited. Differences may result due to rounding.

FedEx Corporation Capital Spending FY 2007 – FY 2009

Years ended May 31
In millions

<u>By Asset Type</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Aircraft and Related Equipment	\$ 1,107	\$ 998	\$ 925
Facilities and Sort Equipment	674	900	742
Vehicles	445	404	319
Information Technology Investments	431	366	298
Other Equipment	225	279	175
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 2,459</u>
<u>By Segment</u>			
FedEx Express segment	\$ 1,672	\$ 1,716	\$ 1,348
FedEx Ground segment	489	509	636
FedEx Freight segment	287	266	240
FedEx Services segment ¹	432	455	235
Other	2	1	-
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 2,459</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>FY 2009</u>
Package Revenue:			
U.S. Overnight Box	\$ 6,485	\$ 6,578	\$ 6,074
U.S. Overnight Envelope	1,990	2,012	1,855
Total U.S. Overnight	<u>8,475</u>	<u>8,590</u>	<u>7,929</u>
U.S. Deferred	2,883	2,995	2,789
Total U.S. Package Revenue	<u>11,358</u>	<u>11,585</u>	<u>10,718</u>
International Priority ¹	6,722	7,666	6,978
International Domestic ²	369	663	565
Total Package Revenue	<u>18,449</u>	<u>19,914</u>	<u>18,261</u>
Freight Revenue:			
U.S.	2,412	2,398	2,165
International Priority ¹	1,044	1,243	1,104
International Airfreight ¹	395	406	369
Total Freight Revenue	<u>3,851</u>	<u>4,047</u>	<u>3,638</u>
Other Revenue ³	<u>381</u>	<u>460</u>	<u>465</u>
Total Revenue	<u>22,681</u>	<u>24,421</u>	<u>22,364</u>
Operating Expenses:			
Salaries and employee benefits ⁴	8,234	8,451	8,217
Purchased transportation	1,098	1,208	1,112
Rentals and landing fees	1,610	1,673	1,613
Depreciation and amortization	856	944	961
Fuel	2,946	3,785	3,281
Maintenance and repairs	1,444	1,512	1,351
Impairment and other charges ⁵	–	–	260
Intercompany charges ⁶	2,046	2,134	2,103
Other	<u>2,456</u>	<u>2,813</u>	<u>2,672</u>
	<u>20,690</u>	<u>22,520</u>	<u>21,570</u>
Operating Income	<u>\$ 1,991</u>	<u>\$ 1,901</u>	<u>\$ 794</u>

SELECTED STATISTICS

Operating Margin	8.8%	7.8%	3.6%
Average FTEs	124,164	131,242	128,197

1 - In FY07, the company 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. The company has reclassified the amounts for FY07 to include these revenues within its 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 - Results for FY09 include charges of \$260 million related to noncash impairment charges associated with aircraft-related asset impairments and other charges primarily associated with aircraft-related lease and contract termination costs and employee severance.

6 - 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	<u>\$ 475</u>	<u>\$ 508</u>	<u>\$ 395</u>	<u>\$ 613</u>	<u>\$ 519</u>	<u>\$ 531</u>	<u>\$ 425</u>	<u>\$ 426</u>

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, the company 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. The company has reclassified the amounts for FY07 to include these revenues within its 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			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$ 1,711	\$ 1,619	\$ 1,410	\$ 1,334				
U.S. Overnight Envelope	525	486	426	418				
Total U.S. Overnight	2,236	2,105	1,836	1,752				
U.S. Deferred	762	740	682	605				
Total U.S. Packages	2,998	2,845	2,518	2,357				
International Priority	2,044	1,930	1,507	1,497				
International Domestic	170	158	117	120				
Total Package Revenue	5,212	4,933	4,142	3,974				
Freight Revenue:								
U.S.	598	594	523	450				
International Priority	340	323	221	220				
International Airfreight	131	111	69	58				
Total Freight Revenue	1,069	1,028	813	728				
Other Revenue ¹	138	137	95	95				
Total Revenue	6,419	6,098	5,050	4,797				
Operating Expenses:								
Salaries and employee benefits	2,129	2,059	2,064	1,965				
Purchased transportation	336	294	241	241				
Rentals and landing fees	417	403	400	393				
Depreciation and amortization	239	241	241	240				
Fuel	1,319	953	551	458				
Maintenance and repairs	394	381	318	258				
Impairment and other charges ²	—	—	—	260				
Intercompany charges	533	532	530	508				
Other	707	695	660	610				
	6,074	5,558	5,005	4,933				
Operating Income (Loss)	\$ 345	\$ 540	\$ 45	(\$136)				

SELECTED STATISTICS

Operating Margin	5.4%	8.9%	0.9%	(2.8%)
Average FTEs	129,723	128,375	129,424	125,266

1 - Other revenue includes FedEx Trade Networks.

2 - Q4 FY09 results include charges of \$260 million related to noncash impairment charges associated with aircraft-related asset impairments and other charges primarily associated with aircraft-related charges and other charges primarily associated with aircraft-related lease and contract termination costs and employee severance.

Unaudited. Differences may result due to rounding.

FedEx Express Annual Shipment Statistics FY 2007 – FY 2009

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
<u>AVG DAILY VOLUME / POUNDS</u>			
Average Daily Package Volume (000s):			
U.S. Overnight Box (FO, POB, SOB)	1,174	1,151	1,127
U.S. Overnight Envelope (POE, SOE)	706	677	627
Total U.S. Overnight (FO, PO, SO)	<u>1,880</u>	<u>1,828</u>	<u>1,754</u>
U.S. Deferred (E2, ES)	898	895	849
Total U.S. Packages	<u>2,778</u>	<u>2,723</u>	<u>2,603</u>
International Priority (IP,IE) ¹	487	517	475
International Domestic ²	135	296	298
Total Avg Daily Packages	<u><u>3,400</u></u>	<u><u>3,536</u></u>	<u><u>3,376</u></u>
Average Daily Freight Pounds (000s):			
U.S. (F1/F2/F3/Domestic ATA)	9,569	8,648	7,287
International Priority (IPF,IEF) ¹	1,878	2,220	1,959
International Airfreight (IXF/ATA) ¹	<u>1,831</u>	<u>1,817</u>	<u>1,475</u>
Total Avg Daily Freight Pounds	<u><u>13,278</u></u>	<u><u>12,685</u></u>	<u><u>10,721</u></u>
<u>YIELD</u>			
Revenue Per Package:			
U.S. Overnight Box (FO, POB, SOB)	\$ 21.66	\$ 22.40	\$ 21.21
U.S. Overnight Envelope (POE, SOE)	11.06	11.66	11.65
Total U.S. Overnight (FO, PO, SO)	<u>17.68</u>	<u>18.42</u>	<u>17.79</u>
U.S. Deferred (E2, ES)	12.59	13.12	12.94
Total U.S. Packages	<u>16.04</u>	<u>16.68</u>	<u>16.21</u>
International Priority (IP,IE) ¹	54.13	58.11	57.81
International Domestic ²	10.77	8.80	7.50
Total Composite Package Yield	<u><u>\$ 21.28</u></u>	<u><u>\$ 22.08</u></u>	<u><u>\$ 21.30</u></u>
Revenue Per Freight Pound:			
U.S. (F1/F2/F3/Domestic ATA)	\$ 0.99	\$ 1.09	\$ 1.17
International Priority (IPF,IEF) ¹	2.18	2.20	2.22
International Airfreight (IXF/ATA) ¹	<u>0.84</u>	<u>0.88</u>	<u>0.99</u>
Total Composite Freight Yield	<u><u>\$ 1.14</u></u>	<u><u>\$ 1.25</u></u>	<u><u>\$ 1.34</u></u>
<u>PACKAGE GROWTH RATES</u>			
Average Daily Volume Growth:			
U.S. Overnight Box (FO, POB, SOB)	(2.4%)	(2.0%)	(2.1%)
U.S. Overnight Envelope (POE, SOE)	(1.0%)	(4.1%)	(7.4%)
Total U.S. Overnight (FO, PO, SO)	<u>(1.9%)</u>	<u>(2.8%)</u>	<u>(4.0%)</u>
U.S. Deferred (E2, ES)	(0.3%)	(0.3%)	(5.1%)
Total U.S. Packages	<u>(1.4%)</u>	<u>(2.0%)</u>	<u>(4.4%)</u>
International Priority (IP,IE) ¹	4.5%	6.2%	(8.1%)
International Domestic ²	N/A	119.3%	0.7%
Total Package Volume Growth	<u>3.6%</u>	<u>4.0%</u>	<u>(4.5%)</u>
Revenue Growth:			
U.S. Overnight Box (FO, POB, SOB)	1.0%	1.4%	(7.7%)
U.S. Overnight Envelope (POE, SOE)	0.8%	1.1%	(7.8%)
Total U.S. Overnight (FO, PO, SO)	<u>0.9%</u>	<u>1.4%</u>	<u>(7.7%)</u>
U.S. Deferred (E2, ES)	1.1%	3.9%	(6.9%)
Total U.S. Packages	<u>1.0%</u>	<u>2.0%</u>	<u>(7.5%)</u>
International Priority (IP,IE) ¹	9.5%	14.0%	(9.0%)
International Domestic ²	N/A	79.7%	(14.8%)
Total Package Revenue Growth	<u>6.1%</u>	<u>7.9%</u>	<u>(8.3%)</u>
AVG POUNDS PER PACKAGE	7.3	7.7	7.4
AVG REVENUE PER PACKAGE LB.	\$ 2.92	\$ 2.87	\$ 2.88
OPERATING WEEKDAYS	255	255	254

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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

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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
AVG. DAILY VOLUME / POUNDS								
Avg. Daily Package Volume (000s):								
U.S. Overnight Box	1,103	1,086	1,177	1,144				
U.S. Overnight Envelope	629	611	622	644				
Total U.S. Overnight	1,732	1,697	1,799	1,788				
U.S. Deferred (E2, ES)	828	832	907	829				
Total U.S. Packages	2,560	2,529	2,706	2,617				
International Priority (IP,IE)	495	500	450	456				
International Domestic	307	311	281	289				
Total Avg Daily Packages	3,362	3,340	3,437	3,362				
Avg. Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	7,296	7,335	7,664	6,859				
International Priority (IPF,IEF)	2,312	2,216	1,590	1,715				
International Airfreight (IXF/ATA)	1,866	1,605	1,251	1,178				
Total Avg Daily Freight Pounds	11,474	11,156	10,505	9,752				
YIELD								
Revenue Per Package:								
U.S. Overnight Box	\$ 24.24	\$ 23.66	\$ 19.02	\$ 18.22				
U.S. Overnight Envelope	13.04	12.62	10.85	10.15				
Total U.S. Overnight	20.17	19.68	16.19	15.31				
U.S. Deferred (E2, ES)	14.38	14.13	11.94	11.39				
Total U.S. Packages	18.30	17.86	14.77	14.07				
International Priority (IP,IE)	64.54	61.30	53.12	51.29				
International Domestic	8.63	8.06	6.63	6.52				
Total Composite Package Yield	\$ 24.23	\$ 23.44	\$ 19.13	\$ 18.47				
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$ 1.28	\$ 1.29	\$ 1.08	\$ 1.02				
International Priority (IPF,IEF)	2.30	2.32	2.21	2.01				
International Airfreight (IXF/ATA)	1.10	1.09	0.88	0.78				
Total Composite Freight Yield	\$ 1.46	\$ 1.46	\$ 1.23	\$ 1.17				
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box	(3.2%)	(6.6%)	1.0%	0.4%				
U.S. Overnight Envelope	(10.0%)	(9.7%)	(5.6%)	(4.2%)				
Total U.S. Overnight	(5.8%)	(7.8%)	(1.4%)	(1.3%)				
U.S. Deferred (E2, ES)	(4.1%)	(7.8%)	(6.1%)	(2.6%)				
Total U.S. Packages	(5.2%)	(7.8%)	(3.0%)	(1.7%)				
International Priority (IP,IE)	(0.2%)	(6.5%)	(13.1%)	(12.3%)				
International Domestic	10.0%	0.3%	(4.7%)	(3.0%)				
Total Package Volume Growth	(3.3%)	(6.9%)	(4.6%)	(3.4%)				
Revenue Growth:								
U.S. Overnight Box	5.9%	0.2%	(14.6%)	(21.3%)				
U.S. Overnight Envelope	2.5%	1.0%	(14.1%)	(20.2%)				
Total U.S. Overnight	5.1%	0.4%	(14.5%)	(21.0%)				
U.S. Deferred (E2, ES)	7.2%	1.4%	(14.6%)	(19.9%)				
Total U.S. Packages	5.6%	0.7%	(14.6%)	(20.7%)				
International Priority (IP,IE)	12.3%	1.0%	(20.2%)	(26.8%)				
International Domestic	9.0%	(9.2%)	(28.2%)	(29.8%)				
Total Package Revenue Growth	8.3%	0.5%	(17.1%)	(23.4%)				
AVG POUNDS PER PACKAGE	7.6	7.7	7.1	7.1				
AVG REVENUE PER PACKAGE LB.	\$ 3.19	\$ 3.04	\$ 2.69	\$ 2.60				
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics FY 2011

FY 2011			
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 (E2, ES)
- Total U.S. Packages
- International Priority (IP,IE)
- International Domestic
- Total Avg Daily Packages

Avg. Daily Freight Pounds (000s):

- U.S. (F1/F2/F3/Domestic ATA)
- International Priority (IPF,IEF)
- International Airfreight (IXF/ATA)
- Total Avg Daily Freight Pounds

YIELD

Revenue Per Package:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred (E2, ES)
- Total U.S. Packages
- International Priority (IP,IE)
- International Domestic
- Total Composite Package Yield

Revenue Per Freight Pound:

- U.S. (F1/F2/F3/Domestic ATA)
- International Priority (IPF,IEF)
- International Airfreight (IXF/ATA)
- Total Composite Freight Yield

PACKAGE GROWTH RATES

Average Daily Volume Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred (E2, ES)
- Total U.S. Packages
- International Priority (IP,IE)
- International Domestic
- Total Package Volume Growth

Revenue Growth:

- U.S. Overnight Box
- U.S. Overnight Envelope
- Total U.S. Overnight
- U.S. Deferred (E2, ES)
- Total U.S. Packages
- International Priority (IP,IE)
- International Domestic
- Total Package Revenue Growth

AVG POUNDS PER PACKAGE

AVG REVENUE PER PACKAGE LB.

OPERATING WEEKDAYS	65	63	62	65
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Unaudited. Differences may result due to rounding.

FedEx Express Aircraft and Vehicle Fleet Statistics FY 2006 – FY 2015

<u>Aircraft Type</u>	<u>Max. Operational Revenue Payload (Lbs/Aircraft)¹</u>	<u>May 31</u>				<u>To Be Delivered (Retired) in FY</u>					
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Boeing 727-100	27,500	13	1	-	-	-	-	-	-	-	-
Boeing 727-200	38,200	94	94	90	79	(6)	(9)	(17)	(13)	(20)	(11)
Boeing 757-200 ²	45,800	-	4	12	24	12	16	8	-	-	-
Boeing DC10-10 ⁵	108,700	25	13	5	1	(1)	-	-	-	-	-
Boeing DC10-30 ³	114,200	14	13	10	6	(5)	(1)	-	-	-	-
Boeing MD10-10	108,700	41	50	58	57	1	-	-	-	-	-
Boeing MD10-30 ³	114,200	6	7	10	12	5	1	(1)	(2)	(3)	-
Boeing MD11	164,200	58	58	58	57	2	-	-	-	-	(1)
Boeing 777F	172,800	-	-	-	-	4	4	3	3	3	3
Airbus A300-600 ⁴	85,600	53	60	68	71	-	-	-	-	-	-
Airbus A310-200/300	61,900	65	66	66	56	(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	-	-	-	-	-	-	-
ATR-72	14,660	11	13	13	13	-	-	-	-	-	-
ATR-42	10,880	<u>29</u>	<u>29</u>	<u>29</u>	<u>26</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>654</u>	<u>2</u>	<u>8</u>	<u>(10)</u>	<u>(12)</u>	<u>(20)</u>	<u>(9)</u>

Vehicle Fleet (000s)

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>40.2</u>
Vehicle Fleet Total	<u>42.6</u>	<u>43.6</u>	<u>44.3</u>	<u>42.9</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 - May 31, 2009 757 count includes 5 aircraft that are not currently in operation but awaiting completion of modification and 9 aircraft awaiting modification.

3 - May 31, 2009 DC10-30 count includes 3 aircraft that are not currently in operation but awaiting completion of modification and 3 aircraft in operation that will be modified in FY10-FY11. Retirements and deliveries represent aircraft that will be converted to an MD10 configuration.

4 - May 31, 2009 A300 count includes 2 aircraft that are not currently in operation but awaiting completion of modification.

5 - May 31, 2009 DC10-10 count includes 1 aircraft that is not currently in operation but awaiting completion of modification. Retirements and deliveries represent aircraft that will be converted to an MD10 configuration.

FedEx Express Jet Fuel Statistics FY 2007 – FY 2009

	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>
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

	FY 2009			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	294,734	284,518	278,740	262,021
Price Per Gallon	\$ 4.058	\$ 3.014	\$ 1.730	\$ 1.511
Jet Fuel Expense (\$000s)	\$ 1,196,114	\$ 857,659	\$ 482,322	\$ 395,888

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>FY 2009</u>
Revenues	\$ 6,043	\$ 6,751	\$ 7,047
Operating Expenses:			
Salaries and employee benefits	1,006	1,073	1,102
Purchased transportation ¹	2,430	2,878	2,918
Rentals	166	189	222
Depreciation and amortization	268	305	337
Fuel ¹	13	14	9
Maintenance and repairs	134	145	147
Intercompany charges ²	569	658	710
Other	635	753	795
	<u>5,221</u>	<u>6,015</u>	<u>6,240</u>
Operating Income	<u>\$ 822</u>	<u>\$ 736</u>	<u>\$ 807</u>

SELECTED STATISTICS

Operating Margin	13.6%	10.9%	11.5%
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1 - In FY09, the company reclassified certain fuel supplemental costs related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

2 - 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			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
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 ¹	582	616	619	613	652	739	745	742
Rentals	36	44	45	41	43	50	49	47
Depreciation and amortization	61	65	71	71	73	77	77	78
Fuel ¹	2	4	4	3	2	4	5	3
Maintenance and repairs	31	32	35	36	34	38	36	37
Intercompany charges ²	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 FY09, the company reclassified certain fuel supplemental costs related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

2 - 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			
	<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	\$ 1,761	\$ 1,789	\$ 1,793	\$ 1,704				
Operating Expenses:								
Salaries and employee benefits	267	279	278	278				
Purchased transportation ¹	771	745	725	677				
Rentals	51	58	58	55				
Depreciation and amortization	80	81	85	91				
Fuel ¹	2	3	3	1				
Maintenance and repairs	37	37	35	38				
Intercompany charges	178	180	180	172				
Other	179	194	233	189				
	<u>1,565</u>	<u>1,577</u>	<u>1,597</u>	<u>1,501</u>				
Operating Income	<u>\$ 196</u>	<u>\$ 212</u>	<u>\$ 196</u>	<u>\$ 203</u>				

SELECTED STATISTICS

Operating Margin	11.1%	11.9%	10.9%	11.9%
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1 - In FY09, the company reclassified certain fuel supplemental costs related to its independent contractors from fuel expense to purchased transportation expense to conform to the current period presentation.

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>FY 2009</u>
<u>FedEx Ground</u>			
Total Package Volume (000s)	797,130	858,101	864,660
Average Daily Package Volume (000s)	3,126	3,365	3,404
Yield (Revenue Per Package)	\$ 7.21	\$ 7.48	\$ 7.70
Average Daily YOY Volume Growth Rate	11.0%	7.6%	1.2%
OPERATING WEEKDAYS	255	255	254
<u>FedEx SmartPost</u>			
Total Package Volume (000s)	151,547	156,958	208,315
Average Daily Package Volume (000s)	599	618	827
Yield (Revenue Per Package)	\$ 1.88	\$ 2.09	\$ 1.81
Average Daily YOY Volume Growth Rate	N/A	3.2%	33.8%
OPERATING WEEKDAYS	253	254	252

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Shipment Statistics FY 2007 – FY 2011

	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	218,812	221,169	211,003				
Avg. Daily Package Vol. (000s)	3,339	3,473	3,511	3,297				
Yield (Revenue Per Package)	\$ 7.86	\$ 7.70	\$ 7.62	\$ 7.63				
Avg. Daily YOY Pkg. Growth Rate	4.0%	(0.9%)	1.9%	(0.2%)				
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65
<u>FedEx SmartPost</u>								
Total Package Volume (000s)	37,387	48,982	62,189	59,756				
Avg. Daily Package Vol. (000s)	584	777	1,020	934				
Yield (Revenue Per Package)	\$ 2.14	\$ 2.07	\$ 1.67	\$ 1.54				
Avg. Daily YOY Pkg. Growth Rate	9.2%	15.6%	44.3%	65.8%				
OPERATING WEEKDAYS	64	63	61	64	65	63	62	65
	FY 2011							
	<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)								
Avg. Daily Package Vol. (000s)								
Yield (Revenue Per Package)								
Avg. Daily YOY Pkg. Growth Rate								
OPERATING WEEKDAYS	65	63	62	65				
<u>FedEx SmartPost</u>								
Total Package Volume (000s)								
Avg. Daily Package Vol. (000s)								
Yield (Revenue Per Package)								
Avg. Daily YOY Pkg. Growth Rate								
OPERATING WEEKDAYS	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 2007¹</u>	<u>FY 2008</u>	<u>FY 2009</u>
Revenues	\$ 4,586	\$ 4,934	\$ 4,415
Operating Expenses:			
Salaries and employee benefits	2,250	2,381	2,247
Purchased transportation	465	582	540
Rentals	112	119	139
Depreciation and amortization	195	227	224
Fuel	468	608	520
Maintenance and repairs	165	175	153
Impairment and other charges ²	–	–	100
Intercompany charges	61	81	109
Other	407	432	427
	<u>4,123</u>	<u>4,605</u>	<u>4,459</u>
Operating Income (Loss)	<u>\$ 463</u>	<u>\$ 329</u>	<u>(\$44)</u>

SELECTED STATISTICS

Operating Margin	10.1%	6.7%	(1.0%)
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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.

2 - Results for FY09 include charges of \$100 million related to noncash impairment charges associated with goodwill related to the Watkins Motor Lines acquisition and other charges primarily associated with employee severance.

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			
	<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>
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	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
	<u>863</u>	<u>1,087</u>	<u>1,051</u>	<u>1,122</u>	<u>1,128</u>	<u>1,157</u>	<u>1,109</u>	<u>1,211</u>
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	\$ 1,200	\$ 914	\$ 948				
Operating Expenses:								
Salaries and employee benefits	614	592	529	512				
Purchased transportation	180	151	104	105				
Rentals	33	35	34	37				
Depreciation and amortization	54	53	59	58				
Fuel	206	150	83	81				
Maintenance and repairs	43	41	33	36				
Impairment and other charges ¹	–	–	–	100				
Intercompany charges	22	29	29	29				
Other	112	117	102	96				
	<u>1,264</u>	<u>1,168</u>	<u>973</u>	<u>1,054</u>				
Operating Income (Loss)	<u>\$ 89</u>	<u>\$ 32</u>	<u>(\$59)</u>	<u>(\$106)</u>				

SELECTED STATISTICS

Operating Margin	6.6%	2.7%	(6.5%)	(11.2%)
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¹ - Q4 FY09 results include charges of \$100 million related to noncash impairment charges associated with goodwill related to the Watkins Motor Lines acquisition and other charges primarily associated with employee severance.

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>FY 2009</u>
Shipments Per Day	78,236	79,706	74,389
Weight Per Shipment	1,130	1,136	1,126
LTL Yield (Revenue Per Hundredweight)	\$ 18.65	\$ 19.65	\$ 19.07
Avg. Daily Shipment Growth Rate	17.2%	1.9%	(6.7%)
OPERATING WEEKDAYS	254	253	252

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 2011

	FY 2007				FY 2008			
	<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

	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>
Shipments Per Day	82,735	80,305	65,991	68,448				
Weight Per Shipment	1,140	1,122	1,121	1,119				
LTL Yield (Revenue Per Hundredweight)	\$ 20.44	\$ 19.44	\$ 18.21	\$ 17.78				
Avg. Daily Shipment Growth Rate	4.3%	(2.0%)	(12.6%)	(16.6%)				
OPERATING WEEKDAYS	64	62	62	64	65	62	61	65

	FY 2011			
	<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				
Weight Per Shipment				
LTL Yield (Revenue Per Hundredweight)				
Avg. Daily Shipment Growth Rate				
OPERATING WEEKDAYS	65	62	62	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.