



Q4 Fiscal 2010 Statistics

FedEx Corporation

Financial and Operating Statistics

Fourth Quarter Fiscal 2010

June 16, 2010

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

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FEDEX CORPORATION OVERVIEW

FedEx Corporation provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services. With annual revenues of \$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 3.5 million shipments each business day. Effective June 1, 2009, former FedEx Freight Corporation subsidiary Caribbean Transportation Services ("CTS") was merged into FedEx Express. The FedEx Express segment also includes FedEx Trade Networks, which provides international trade services, specializing in customs brokerage and global cargo distribution. Effective September 1, 2009, FedEx SupplyChain Systems was realigned to become part of the FedEx Express reporting segment.

FedEx Ground is a leading provider of ground small-package delivery services, providing service to the U.S. and Canada. FedEx Home Delivery, the industry's first ground service dedicated to residential delivery, is available from FedEx Ground and 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 FedEx Custom Critical, North America's largest time-specific, critical shipment carrier.

FedEx Services operates combined sales, marketing, administrative and information technology functions in a shared services operation that supports our transportation businesses and allows us to pursue synergies from the combination of these functions. The FedEx Services segment includes: FedEx Services, which provides sales, marketing and information technology support to our other companies; FCIS, which is responsible for customer service, billings and collections for U.S. customers of our major business units; and FedEx Office, which provides retail access to our customers for our package transportation businesses and an array of document and business 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:	314,281,728 (as of May 31, 2010)
STOCKHOLDERS OF RECORD:	15,150 (as of May 31, 2010)
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 27, 2010

FedEx Corporation

Condensed Consolidated Balance Sheets

FY 2007 – FY 2010

May 31
In millions (except share data)

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,569	\$ 1,539	\$ 2,292	\$ 1,952
Receivables, less allowances	3,942	4,359	3,391	4,163
Spare parts, supplies and fuel, less allowances	338	435	367	389
Deferred income taxes	536	544	511	529
Prepaid expenses and other	244	367	555	251
Total current assets	<u>6,629</u>	<u>7,244</u>	<u>7,116</u>	<u>7,284</u>
Property and Equipment, at Cost				
Aircraft and related equipment	9,593	10,165	10,118	
Package handling and GSE	3,889	4,817	4,960	
Computer and electronic equipment	4,685	5,040	4,280	
Vehicles	2,561	2,754	3,078	
Facilities and other	6,362	6,529	6,824	
	<u>27,090</u>	<u>29,305</u>	<u>29,260</u>	<u>31,302</u>
Less accumulated depreciation and amort.	<u>14,454</u>	<u>15,827</u>	<u>15,843</u>	<u>16,917</u>
Net property and equipment	<u>12,636</u>	<u>13,478</u>	<u>13,417</u>	<u>14,385</u>
Other Long-Term Assets				
Goodwill	3,497	3,165	2,229	2,200
Pension assets	–	827	311	–
Intangible and other assets	1,238	919	1,171	1,033
Total other long-term assets	<u>4,735</u>	<u>4,911</u>	<u>3,711</u>	<u>3,233</u>
	<u>\$ 24,000</u>	<u>\$ 25,633</u>	<u>\$ 24,244</u>	<u>\$ 24,902</u>
LIABILITIES AND STOCKHOLDERS' INVESTMENT				
Current Liabilities				
Current portion of long-term debt	\$ 639	\$ 502	\$ 653	\$ 262
Accrued salaries and employee benefits	1,354	1,118	861	1,146
Accounts payable	2,016	2,195	1,372	1,522
Accrued expenses	1,419	1,553	1,638	1,715
Total current liabilities	<u>5,428</u>	<u>5,368</u>	<u>4,524</u>	<u>4,645</u>
Long-Term Debt, Less Current Portion	<u>2,007</u>	<u>1,506</u>	<u>1,930</u>	<u>1,668</u>
Other Long-Term Liabilities				
Deferred income taxes	897	1,264	1,071	891
Pension, postretirement health and other benefit obligations	1,164	989	934	1,705
Self-insurance accruals	759	804	904	960
Deferred lease obligations	655	671	802	804
Deferred gains, principally related to aircraft transactions	343	315	289	267
Other liabilities	91	190	164	151
Total other long-term liabilities	<u>3,909</u>	<u>4,233</u>	<u>4,164</u>	<u>4,778</u>
Commitments and Contingencies				
Common Stockholders' Investment				
Common stock \$0.10 par value; 800 million shares auth.	31	31	31	31
Additional paid-in capital	1,689	1,922	2,053	2,261
Retained earnings	11,970	13,002	12,919	13,966
Accumulated other comprehensive loss ¹	(1,030)	(425)	(1,373)	(2,440)
Treasury stock, at cost	(4)	(4)	(4)	(7)
Total common stockholders' investment	<u>12,656</u>	<u>14,526</u>	<u>13,626</u>	<u>13,811</u>
	<u>\$ 24,000</u>	<u>\$ 25,633</u>	<u>\$ 24,244</u>	<u>\$ 24,902</u>

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. FY10 amount includes other comprehensive income charge of \$1.0 billion, net of taxes, related to the funded status of our retirement plans at May 31, 2010.

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

FedEx Corporation

Condensed Consolidated Statements of Cash Flows

FY 2007 – FY 2010

Years ended May 31
In millions

	FY 2007	FY 2008	FY 2009	FY 2010 ¹
OPERATING ACTIVITIES				
Net income	\$ 2,016	\$ 1,125	\$ 98	\$ 1,184
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation and amortization	1,742	1,946	1,975	1,958
Provision for uncollectible accounts	106	134	181	
Deferred income taxes and other noncash items	37	124	299	
Noncash impairment charges ²	–	882	1,103	18
Stock-based compensation	103	101	99	
Other noncash charges, net				556
Changes in operating assets and liabilities, net of the effects of businesses acquired:				(578)
Receivables	(323)	(447)	762	
Other current assets	(85)	(237)	(196)	
Pension assets and liabilities, net	(69)	(273)	(913)	
Accounts payable and other operating liabilities	66	190	(628)	
Other, net	(36)	(80)	(27)	
Cash provided by operating activities	3,557	3,465	2,753	3,138
INVESTING ACTIVITIES				
Capital expenditures	(2,882)	(2,947)	(2,459)	(2,816)
Business acquisitions, net of cash acquired	(1,310)	(4)	(3)	
Proceeds from asset dispositions and other	68	54	79	35
Cash used in investing activities	(4,124)	(2,897)	(2,383)	(2,781)
FINANCING ACTIVITIES				
Principal payments on debt	(906)	(639)	(501)	(653)
Proceeds from debt issuances	1,054	–	1,000	–
Proceeds from stock issuances	115	108	41	
Excess tax benefits on the exercise of stock options	45	38	4	
Dividends paid	(110)	(124)	(137)	(138)
Other, net	(5)	–	(7)	99
Cash provided by (used in) financing activities	193	(617)	400	(692)
Effect of exchange rate changes on cash	6	19	(17)	(5)
CASH AND CASH EQUIVALENTS				
Net (decrease) increase in cash and cash equivalents	(368)	(30)	753	(340)
Cash and cash equivalents at beginning of period	1,937	1,569	1,539	2,292
Cash and cash equivalents at end of period	<u>\$ 1,569</u>	<u>\$ 1,539</u>	<u>\$ 2,292</u>	<u>\$ 1,952</u>

1 - FY10 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). 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 2010

Years ended May 31
In millions, except EPS and FTEs

	FY 2007	FY 2008	FY 2009	FY 2010
Revenue:				
FedEx Express segment	\$ 22,681	\$ 24,421	\$ 22,364	\$ 21,555
FedEx Ground segment	6,043	6,751	7,047	7,439
FedEx Freight segment	4,586	4,934	4,415	4,321
FedEx Services segment ¹	2,137	2,138	1,977	1,770
Other & eliminations ¹	(233)	(291)	(306)	(351)
Total Revenue	<u>35,214</u>	<u>37,953</u>	<u>35,497</u>	<u>34,734</u>
Operating Expenses:				
Salaries and employee benefits ²	13,740	14,202	13,767	14,027
Purchased transportation ⁴	3,977	4,634	4,534	4,728
Rentals and landing fees	2,343	2,441	2,429	2,359
Depreciation and amortization	1,742	1,946	1,975	1,958
Fuel ⁴	3,429	4,409	3,811	3,106
Maintenance and repairs	1,952	2,068	1,898	1,715
Impairment and other charges ³	–	882	1,204	18
Other	4,755	5,296	5,132	4,825
Total Operating Expenses	<u>31,938</u>	<u>35,878</u>	<u>34,750</u>	<u>32,736</u>
Operating Income (Loss):				
FedEx Express segment	1,991	1,901	794	1,127
FedEx Ground segment	822	736	807	1,024
FedEx Freight segment	463	329	(44)	(153)
FedEx Services segment ^{1,3}	–	(891)	(810)	–
Total Operating Income	<u>3,276</u>	<u>2,075</u>	<u>747</u>	<u>1,998</u>
Other Income (Expense):				
Interest, net	(53)	(54)	(59)	(71)
Other, net	(8)	(5)	(11)	(33)
Total Other Income (Expense)	<u>(61)</u>	<u>(59)</u>	<u>(70)</u>	<u>(104)</u>
Income Before Income Taxes	3,215	2,016	677	1,894
Provision for Income Taxes	1,199	891	579	710
Net Income	<u>\$ 2,016</u>	<u>\$ 1,125</u>	<u>\$ 98</u>	<u>\$ 1,184</u>
Basic Earnings Per Share ³	<u>\$ 6.57</u>	<u>\$ 3.64</u>	<u>\$ 0.31</u>	<u>\$ 3.78</u>
Weighted Avg. Common Shares	307	309	311	312
Diluted Earnings Per Share ³	<u>\$ 6.48</u>	<u>\$ 3.60</u>	<u>\$ 0.31</u>	<u>\$ 3.76</u>
Avg Common and Common Equiv. Shares	311	312	312	314
SELECTED STATISTICS				
Operating Margin	9.3%	5.5%	2.1%	5.8%
Pretax Margin	9.1%	5.3%	1.9%	5.5%
Return on Assets ⁵	8.6%	4.5%	0.4%	4.8%
Return on Equity ⁵	16.7%	8.3%	0.7%	8.6%
FedEx Corp. Average FTEs	241,903	254,142	247,908	245,109
Dividends Paid Per Common Share	\$ 0.36	\$ 0.40	\$ 0.44	\$ 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 part of the 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 our pilot labor contract at FedEx Express.

3 - FY08 includes impairment 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 (FedEx Services Segment). 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 charges included in the results of the FedEx Services Segment were not allocated to our transportation segments as the charges were 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 - 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 Share³	\$ 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 Share³	\$ 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 part of the 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 our 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	\$ 4,924	\$ 5,314	\$ 5,440	\$ 5,877
FedEx Ground segment	1,761	1,789	1,793	1,704	1,730	1,837	1,910	1,962
FedEx Freight segment	1,353	1,200	914	948	982	1,068	1,040	1,231
FedEx Services segment	513	528	458	478	451	465	406	448
Other & eliminations	(76)	(77)	(78)	(75)	(78)	(88)	(95)	(90)
Total Revenue	9,970	9,538	8,137	7,852	8,009	8,596	8,701	9,428
Operating Expenses:								
Salaries and employee benefits	3,585	3,503	3,414	3,265	3,377	3,424	3,549	3,677
Purchased transportation ¹	1,278	1,181	1,060	1,015	1,054	1,155	1,220	1,299
Rentals and landing fees	617	612	609	591	578	593	593	595
Depreciation and amortization	492	491	496	496	495	487	488	488
Fuel ¹	1,528	1,106	636	541	666	744	810	886
Maintenance and repairs	537	521	449	391	401	410	404	500
Impairment and other charges ²	–	–	–	1,204	–	–	–	18
Other	1,303	1,340	1,291	1,198	1,123	1,212	1,221	1,269
Total Operating Expenses	9,340	8,754	7,955	8,701	7,694	8,025	8,285	8,732
Operating Income (Loss):								
FedEx Express segment	345	540	45	(136)	104	345	265	413
FedEx Ground segment	196	212	196	203	209	238	258	319
FedEx Freight segment	89	32	(59)	(106)	2	(12)	(107)	(36)
FedEx Services segment ²	–	–	–	(810)	–	–	–	–
Total Operating Income (Loss)	630	784	182	(849)	315	571	416	696
Other Income (Expense):								
Interest, net	(9)	(10)	(19)	(21)	(18)	(15)	(19)	(19)
Other, net	(3)	–	(4)	(4)	(3)	(9)	(16)	(5)
Total Other Income (Expense)	(12)	(10)	(23)	(25)	(21)	(24)	(35)	(24)
Income (Loss) Before Income Taxes	618	774	159	(874)	294	547	381	672
Provision for Income Taxes	234	281	62	2	113	202	142	253
Net Income (Loss)	\$ 384	\$ 493	\$ 97	(\$876)	\$ 181	\$ 345	\$ 239	\$ 419
Basic Earnings Per Share	\$ 1.24	\$ 1.59	\$ 0.31	(\$2.82)	\$ 0.58	\$ 1.10	\$ 0.76	\$ 1.34
Weighted Avg. Common Shares	311	311	311	311	312	312	312	313
Diluted Earnings Per Share	\$ 1.23	\$ 1.58	\$ 0.31	(\$2.82)	\$ 0.58	\$ 1.10	\$ 0.76	\$ 1.33
Avg Common and Common Equiv. Shares	313	312	312	311	312	314	315	316

SELECTED STATISTICS

Operating Margin	6.3%	8.2%	2.2%	(10.8%)	3.9%	6.6%	4.8%	7.4%
Pretax Margin	6.2%	8.1%	2.0%	(11.1%)	3.7%	6.4%	4.4%	7.1%
FedEx Corp. Average FTEs	252,046	251,852	247,892	239,335	238,548	243,572	249,578	248,047
Dividends Paid Per Common Share	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 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 (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.

Unaudited. Differences may result due to rounding.

FedEx Corporation Capital Spending FY 2007 – FY 2010

Years ended May 31
In millions

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<u>By Asset Type</u>				
Aircraft and Related Equipment	\$ 1,107	\$ 998	\$ 925	\$ 1,537
Facilities and Sort Equipment	674	900	742	630
Vehicles	445	404	319	220
Information Technology Investments	431	366	298	289
Other Equipment	225	279	175	140
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 2,459</u>	<u>\$ 2,816</u>
<u>By Segment</u>				
FedEx Express segment	\$ 1,672	\$ 1,716	\$ 1,348	\$ 1,864
FedEx Ground segment	489	509	636	400
FedEx Freight segment	287	266	240	212
FedEx Services segment ¹	432	455	235	340
Other	2	1	-	-
Total	<u>\$ 2,882</u>	<u>\$ 2,947</u>	<u>\$ 2,459</u>	<u>\$ 2,816</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 part of the 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 2010

Years ended May 31
In millions, except FTEs

	FY 2007	FY 2008	FY 2009	FY 2010
Package Revenue:				
U.S. Overnight Box	\$ 6,485	\$ 6,578	\$ 6,074	\$ 5,602
U.S. Overnight Envelope	1,990	2,012	1,855	1,640
Total U.S. Overnight	8,475	8,590	7,929	7,242
U.S. Deferred	2,883	2,995	2,789	2,589
Total U.S. Package Revenue	11,358	11,585	10,718	9,831
International Priority ¹	6,722	7,666	6,978	7,087
International Domestic ²	369	663	565	578
Total Package Revenue	18,449	19,914	18,261	17,496
Freight Revenue:				
U.S.	2,412	2,398	2,165	1,980
International Priority ¹	1,044	1,243	1,104	1,303
International Airfreight ¹	395	406	369	251
Total Freight Revenue	3,851	4,047	3,638	3,534
Other Revenue ³	381	460	465	525
Total Revenue	22,681	24,421	22,364	21,555
Operating Expenses:				
Salaries and employee benefits ⁴	8,234	8,451	8,217	8,402
Purchased transportation	1,098	1,208	1,112	1,177
Rentals and landing fees	1,610	1,673	1,613	1,577
Depreciation and amortization	856	944	961	1,016
Fuel	2,946	3,785	3,281	2,651
Maintenance and repairs	1,444	1,512	1,351	1,131
Impairment and other charges ⁵	-	-	260	-
Intercompany charges ⁶	2,046	2,134	2,103	1,940
Other	2,456	2,813	2,672	2,534
	20,690	22,520	21,570	20,428
Operating Income	<u>\$ 1,991</u>	<u>\$ 1,901</u>	<u>\$ 794</u>	<u>\$ 1,127</u>

SELECTED STATISTICS

Operating Margin	8.8%	7.8%	3.6%	5.2%
Average FTEs	124,164	131,242	128,197	127,828

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, China, India and Mexico.

3 - Other revenue includes FedEx Trade Networks and, beginning in the second quarter of FY10, FedEx SupplyChain Systems.

4 - Results for FY07 include a \$143 million charge for signing bonuses and other upfront compensation associated with our 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 part of the 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, 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, China, India and Mexico.

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 our 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 part of the 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 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>
Package Revenue:								
U.S. Overnight Box	\$ 1,711	\$ 1,619	\$ 1,410	\$ 1,334	\$ 1,331	\$ 1,372	\$ 1,413	\$ 1,486
U.S. Overnight Envelope	525	486	426	418	408	395	400	437
Total U.S. Overnight	2,236	2,105	1,836	1,752	1,739	1,767	1,813	1,923
U.S. Deferred	762	740	682	605	601	626	692	670
Total U.S. Packages	2,998	2,845	2,518	2,357	2,340	2,393	2,505	2,593
International Priority	2,044	1,930	1,507	1,497	1,594	1,763	1,748	1,982
International Domestic ¹	170	158	117	120	134	151	142	151
Total Package Revenue	5,212	4,933	4,142	3,974	4,068	4,307	4,395	4,726
Freight Revenue:								
U.S.	598	594	523	450	449	490	525	516
International Priority	340	323	221	220	260	321	329	393
International Airfreight	131	111	69	58	61	63	61	66
Total Freight Revenue	1,069	1,028	813	728	770	874	915	975
Other Revenue ²	138	137	95	95	86	133	130	176
Total Revenue	6,419	6,098	5,050	4,797	4,924	5,314	5,440	5,877
Operating Expenses:								
Salaries and employee benefits	2,129	2,059	2,064	1,965	2,043	2,036	2,136	2,187
Purchased transportation	336	294	241	241	255	283	292	347
Rentals and landing fees	417	403	400	393	385	396	397	399
Depreciation and amortization	239	241	241	240	252	251	254	259
Fuel	1,319	953	551	458	571	638	694	748
Maintenance and repairs	394	381	318	258	261	267	261	342
Impairment and other charges ³	–	–	–	260	–	–	–	–
Intercompany charges	533	532	530	508	469	470	497	504
Other	707	695	660	610	584	628	644	678
	6,074	5,558	5,005	4,933	4,820	4,969	5,175	5,464
Operating Income (Loss)	\$ 345	\$ 540	\$ 45	(\$136)	\$ 104	\$ 345	\$ 265	\$ 413

SELECTED STATISTICS

Operating Margin	5.4%	8.9%	0.9%	(2.8%)	2.1%	6.5%	4.9%	7.0%
Average FTEs	129,723	128,375	129,424	125,266	125,223	126,414	129,833	128,998

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

2 - Other revenue includes FedEx Trade Networks and, beginning in the second quarter of FY10, FedEx SupplyChain Systems.

3 - 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 2010

	FY 2007	FY 2008	FY 2009	FY 2010
<u>AVG DAILY VOLUME / POUNDS</u>				
Average Daily Package Volume (000s):				
U.S. Overnight Box (FO, POB, SOB)	1,174	1,151	1,127	1,157
U.S. Overnight Envelope (POE, SOE)	706	677	627	614
Total U.S. Overnight (FO, PO, SO)	1,880	1,828	1,754	1,771
U.S. Deferred (E2, ES)	898	895	849	867
Total U.S. Packages	2,778	2,723	2,603	2,638
International Priority (IP,IE) ¹	487	517	475	523
International Domestic ²	135	296	298	318
Total Avg Daily Packages	3,400	3,536	3,376	3,479
Average Daily Freight Pounds (000s):				
U.S. (F1/F2/F3/Domestic ATA)	9,569	8,648	7,287	7,141
International Priority (IPF,IEF) ¹	1,878	2,220	1,959	2,544
International Airfreight (IXF/ATA) ¹	1,831	1,817	1,475	1,222
Total Avg Daily Freight Pounds	13,278	12,685	10,721	10,907
<u>YIELD</u>				
Revenue Per Package:				
U.S. Overnight Box (FO, POB, SOB)	\$ 21.66	\$ 22.40	\$ 21.21	\$ 19.00
U.S. Overnight Envelope (POE, SOE)	11.06	11.66	11.65	10.47
Total U.S. Overnight (FO, PO, SO)	17.68	18.42	17.79	16.04
U.S. Deferred (E2, ES)	12.59	13.12	12.94	11.70
Total U.S. Packages	16.04	16.68	16.21	14.61
International Priority (IP,IE) ¹	54.13	58.11	57.81	53.10
International Domestic ²	10.77	8.80	7.50	7.14
Total Composite Package Yield	\$ 21.28	\$ 22.08	\$ 21.30	\$ 19.72
Revenue Per Freight Pound:				
U.S. (F1/F2/F3/Domestic ATA)	\$ 0.99	\$ 1.09	\$ 1.17	\$ 1.09
International Priority (IPF,IEF) ¹	2.18	2.20	2.22	2.01
International Airfreight (IXF/ATA) ¹	0.84	0.88	0.99	0.81
Total Composite Freight Yield	\$ 1.14	\$ 1.25	\$ 1.34	\$ 1.27
<u>PACKAGE GROWTH RATES</u>				
Average Daily Volume Growth:				
U.S. Overnight Box (FO, POB, SOB)	(2.4%)	(2.0%)	(2.1%)	2.7%
U.S. Overnight Envelope (POE, SOE)	(1.0%)	(4.1%)	(7.4%)	(2.1%)
Total U.S. Overnight (FO, PO, SO)	(1.9%)	(2.8%)	(4.0%)	1.0%
U.S. Deferred (E2, ES)	(0.3%)	(0.3%)	(5.1%)	2.1%
Total U.S. Packages	(1.4%)	(2.0%)	(4.4%)	1.3%
International Priority (IP,IE) ¹	4.5%	6.2%	(8.1%)	10.1%
International Domestic ²	N/A	119.3%	0.7%	6.7%
Total Package Volume Growth	3.6%	4.0%	(4.5%)	3.1%
Revenue Growth:				
U.S. Overnight Box (FO, POB, SOB)	1.0%	1.4%	(7.7%)	(7.8%)
U.S. Overnight Envelope (POE, SOE)	0.8%	1.1%	(7.8%)	(11.6%)
Total U.S. Overnight (FO, PO, SO)	0.9%	1.4%	(7.7%)	(8.7%)
U.S. Deferred (E2, ES)	1.1%	3.9%	(6.9%)	(7.2%)
Total U.S. Packages	1.0%	2.0%	(7.5%)	(8.3%)
International Priority (IP,IE) ¹	9.5%	14.0%	(9.0%)	1.6%
International Domestic ²	N/A	79.7%	(14.8%)	2.3%
Total Package Revenue Growth	6.1%	7.9%	(8.3%)	(4.2%)
AVG POUNDS PER PACKAGE	7.3	7.7	7.4	7.5
AVG REVENUE PER PACKAGE LB.	\$ 2.92	\$ 2.87	\$ 2.88	\$ 2.63
OPERATING WEEKDAYS	255	255	254	255

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, China, India and Mexico.

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, 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, China, India and Mexico.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics FY 2009 - FY2011

	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	1,128	1,154	1,190	1,156
U.S. Overnight Envelope	629	611	622	644	617	606	601	632
Total U.S. Overnight	1,732	1,697	1,799	1,788	1,745	1,760	1,791	1,788
U.S. Deferred (E2, ES)	828	832	907	829	823	858	949	843
Total U.S. Packages	2,560	2,529	2,706	2,617	2,568	2,618	2,740	2,631
International Priority (IP,IE)	495	500	450	456	475	529	530	560
International Domestic ¹	307	311	281	289	293	338	317	323
Total Avg Daily Packages	3,362	3,340	3,437	3,362	3,336	3,485	3,587	3,514
Avg. Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	7,296	7,335	7,664	6,859	6,584	7,193	7,906	6,916
International Priority (IPF,IEF)	2,312	2,216	1,590	1,715	2,142	2,571	2,577	2,889
International Airfreight (IXF/ATA)	1,866	1,605	1,251	1,178	1,297	1,207	1,184	1,198
Total Avg Daily Freight Pounds	11,474	11,156	10,505	9,752	10,023	10,971	11,667	11,003
YIELD								
Revenue Per Package:								
U.S. Overnight Box	\$ 24.24	\$ 23.66	\$ 19.02	\$ 18.22	\$ 18.16	\$ 18.87	\$ 19.16	\$ 19.77
U.S. Overnight Envelope	13.04	12.62	10.85	10.15	10.17	10.36	10.70	10.64
Total U.S. Overnight	20.17	19.68	16.19	15.31	15.33	15.95	16.32	16.55
U.S. Deferred (E2, ES)	14.38	14.13	11.94	11.39	11.23	11.58	11.77	12.23
Total U.S. Packages	18.30	17.86	14.77	14.07	14.02	14.51	14.74	15.16
International Priority (IP,IE)	64.54	61.30	53.12	51.29	51.61	52.88	53.23	54.45
International Domestic ¹	8.63	8.06	6.63	6.52	7.05	7.09	7.22	7.22
Total Composite Package Yield	\$ 24.23	\$ 23.44	\$ 19.13	\$ 18.47	\$ 18.76	\$ 19.62	\$ 19.76	\$ 20.69
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$ 1.28	\$ 1.29	\$ 1.08	\$ 1.02	\$ 1.05	\$ 1.08	\$ 1.07	\$ 1.15
International Priority (IPF,IEF)	2.30	2.32	2.21	2.01	1.87	1.98	2.06	2.09
International Airfreight (IXF/ATA)	1.10	1.09	0.88	0.78	0.72	0.83	0.84	0.85
Total Composite Freight Yield	\$ 1.46	\$ 1.46	\$ 1.23	\$ 1.17	\$ 1.18	\$ 1.26	\$ 1.26	\$ 1.36
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box	(3.2%)	(6.6%)	1.0%	0.4%	2.3%	6.3%	1.1%	1.0%
U.S. Overnight Envelope	(10.0%)	(9.7%)	(5.6%)	(4.2%)	(1.9%)	(0.8%)	(3.4%)	(1.9%)
Total U.S. Overnight	(5.8%)	(7.8%)	(1.4%)	(1.3%)	0.8%	3.7%	(0.4%)	-
U.S. Deferred (E2, ES)	(4.1%)	(7.8%)	(6.1%)	(2.6%)	(0.6%)	3.1%	4.6%	1.7%
Total U.S. Packages	(5.2%)	(7.8%)	(3.0%)	(1.7%)	0.3%	3.5%	1.3%	0.5%
International Priority (IP,IE)	(0.2%)	(6.5%)	(13.1%)	(12.3%)	(4.0%)	5.8%	17.8%	22.8%
International Domestic ¹	10.0%	0.3%	(4.7%)	(3.0%)	(4.6%)	8.7%	12.8%	11.8%
Total Package Volume Growth	(3.3%)	(6.9%)	(4.6%)	(3.4%)	(0.8%)	4.3%	4.4%	4.5%
Revenue Growth:								
U.S. Overnight Box	5.9%	0.2%	(14.6%)	(21.3%)	(22.2%)	(15.3%)	0.2%	11.4%
U.S. Overnight Envelope	2.5%	1.0%	(14.1%)	(20.2%)	(22.3%)	(18.7%)	(6.1%)	4.5%
Total U.S. Overnight	5.1%	0.4%	(14.5%)	(21.0%)	(22.2%)	(16.1%)	(1.3%)	9.8%
U.S. Deferred (E2, ES)	7.2%	1.4%	(14.6%)	(19.9%)	(21.1%)	(15.4%)	1.5%	10.7%
Total U.S. Packages	5.6%	0.7%	(14.6%)	(20.7%)	(21.9%)	(15.9%)	(0.5%)	10.0%
International Priority (IP,IE)	12.3%	1.0%	(20.2%)	(26.8%)	(22.0%)	(8.7%)	16.0%	32.4%
International Domestic ¹	9.0%	(9.2%)	(28.2%)	(29.8%)	(21.2%)	(4.4%)	21.4%	25.8%
Total Package Revenue Growth	8.3%	0.5%	(17.1%)	(23.4%)	(21.9%)	(12.7%)	6.1%	18.9%
AVG POUNDS PER PACKAGE	7.6	7.7	7.1	7.1	7.2	7.6	7.5	7.6
AVG REVENUE PER PACKAGE LB.	\$ 3.19	\$ 3.04	\$ 2.69	\$ 2.60	\$ 2.61	\$ 2.58	\$ 2.63	\$ 2.72
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65

FY 2011			
FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER

OPERATING WEEKDAYS 65 63 62 65

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

Unaudited. Differences may result due to rounding.

FedEx Express Aircraft and Vehicle Fleet Statistics FY 2007 – FY 2016

<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>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>	<u>2016</u>
Boeing 727-100	27,500	1	–	–	–	–	–	–	–	–	–
Boeing 727-200	38,200	94	90	79	77	(9)	(25)	(10)	(16)	(11)	(6)
Boeing 757-200 ²	45,800	4	12	24	36	16	8	–	–	–	–
Boeing DC10-10	108,700	13	5	1	–	–	–	–	–	–	–
Boeing DC10-30 ³	114,200	13	10	6	2	(2)	–	–	–	–	–
Boeing MD10-10	108,700	50	58	57	58	–	–	–	–	–	–
Boeing MD10-30 ³	114,200	7	10	12	15	2	(1)	(2)	(3)	–	–
Boeing MD11	164,200	58	58	57	59	–	–	–	–	(1)	(1)
Boeing 777F ⁴	178,000	–	–	–	6	6	5	5	3	3	3
Airbus A300-600	85,600	60	68	71	71	–	–	–	–	–	–
Airbus A310-200/300	61,900	66	66	56	49	(2)	(3)	(4)	–	–	–
Cessna 208A	1,900	10	10	10	10	–	–	–	–	–	–
Cessna 208B	2,500	243	243	242	242	–	–	–	–	–	–
Fokker F-27	9,850	8	5	–	–	–	–	–	–	–	–
ATR-72	14,660	13	13	13	13	8	–	–	–	–	–
ATR-42	10,880	<u>29</u>	<u>29</u>	<u>26</u>	<u>26</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Aircraft Fleet Total		<u>669</u>	<u>677</u>	<u>654</u>	<u>664</u>	<u>19</u>	<u>(16)</u>	<u>(11)</u>	<u>(16)</u>	<u>(9)</u>	<u>(4)</u>
<u>Vehicle Fleet (000s)</u>											
Long-Haul Tractors		2.7	2.7	2.7	2.8						
All Other Motorized Vehicles		<u>40.9</u>	<u>41.6</u>	<u>40.2</u>	<u>38.5</u>						
Vehicle Fleet Total		<u>43.6</u>	<u>44.3</u>	<u>42.9</u>	<u>41.3</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, 2010 757 count includes 6 aircraft that are not currently in operation but awaiting completion of modification and 8 aircraft awaiting modification.

3 - May 31, 2010 DC10-30 count includes 2 aircraft that are not currently in operation but awaiting completion of modification. FY11 retirements and deliveries represent aircraft that will be converted to an MD10 configuration.

4 - May 31, 2010 777F count includes 2 aircraft that are not currently in operation but awaiting completion of modification.

FedEx Express Jet Fuel Statistics FY 2007 – FY 2010

	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				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>
Jet Fuel Gallons (000s)	294,734	284,518	278,740	262,021	261,655	271,153	275,746	281,865
Price Per Gallon	\$ 4.058	\$ 3.014	\$ 1.730	\$ 1.511	\$ 1.911	\$ 2.081	\$ 2.227	\$ 2.357
Jet Fuel Expense (\$000s)	\$ 1,196,114	\$ 857,659	\$ 482,322	\$ 395,888	\$ 499,895	\$ 564,146	\$ 613,991	\$ 664,307

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Consolidated Statements of Income FY 2007 – FY 2010

Years ended May 31
In millions

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Revenues	\$ 6,043	\$ 6,751	\$ 7,047	\$ 7,439
Operating Expenses:				
Salaries and employee benefits	1,006	1,073	1,102	1,158
Purchased transportation ¹	2,430	2,878	2,918	2,966
Rentals	166	189	222	244
Depreciation and amortization	268	305	337	334
Fuel ¹	13	14	9	8
Maintenance and repairs	134	145	147	166
Intercompany charges ²	569	658	710	795
Other	635	753	795	744
	<u>5,221</u>	<u>6,015</u>	<u>6,240</u>	<u>6,415</u>
Operating Income	<u>\$ 822</u>	<u>\$ 736</u>	<u>\$ 807</u>	<u>\$ 1,024</u>
 <u>SELECTED STATISTICS</u>				
Operating Margin	13.6%	10.9%	11.5%	13.8%

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 part of the 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 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 part of the 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	\$ 1,730	\$ 1,837	\$ 1,910	\$ 1,962
Operating Expenses:								
Salaries and employee benefits	267	279	278	278	282	288	289	299
Purchased transportation ¹	771	745	725	677	693	733	771	769
Rentals	51	58	58	55	58	63	63	60
Depreciation and amortization	80	81	85	91	85	83	83	83
Fuel ¹	2	3	3	1	1	2	3	2
Maintenance and repairs	37	37	35	38	38	40	41	47
Intercompany charges	178	180	180	172	184	196	207	208
Other	179	194	233	189	180	194	195	175
	<u>1,565</u>	<u>1,577</u>	<u>1,597</u>	<u>1,501</u>	<u>1,521</u>	<u>1,599</u>	<u>1,652</u>	<u>1,643</u>
Operating Income	<u>\$ 196</u>	<u>\$ 212</u>	<u>\$ 196</u>	<u>\$ 203</u>	<u>\$ 209</u>	<u>\$ 238</u>	<u>\$ 258</u>	<u>\$ 319</u>

SELECTED STATISTICS

Operating Margin	11.1%	11.9%	10.9%	11.9%	12.1%	13.0%	13.5%	16.3%
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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 2010

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<u>FedEx Ground</u>				
Total Package Volume (000s)	797,130	858,101	864,660	898,464
Average Daily Package Volume (000s)	3,126	3,365	3,404	3,523
Yield (Revenue Per Package)	\$ 7.21	\$ 7.48	\$ 7.70	\$ 7.73
Average Daily YOY Volume Growth Rate	11.0%	7.6%	1.2%	3.5%
OPERATING WEEKDAYS	255	255	254	255
<u>FedEx SmartPost</u>				
Total Package Volume (000s)	151,547	156,958	208,315	309,282
Average Daily Package Volume (000s)	599	618	827	1,222
Yield (Revenue Per Package)	\$ 1.88	\$ 2.09	\$ 1.81	\$ 1.56
Average Daily YOY Volume Growth Rate	N/A	3.2%	33.8%	47.8%
OPERATING WEEKDAYS	253	254	252	253

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Shipment Statistics FY 2007 – FY 2011

	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>
FedEx Ground								
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
FedEx SmartPost								
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 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>
FedEx Ground								
Total Package Volume (000s)	213,676	218,812	221,169	211,003	215,200	226,943	227,797	228,524
Avg. Daily Package Vol. (000s)	3,339	3,473	3,511	3,297	3,311	3,602	3,674	3,516
Yield (Revenue Per Package)	\$ 7.86	\$ 7.70	\$ 7.62	\$ 7.63	\$ 7.60	\$ 7.54	\$ 7.75	\$ 8.04
Avg. Daily YOY Pkg. Growth Rate	4.0%	(0.9%)	1.9%	(0.2%)	(0.8%)	3.7%	4.6%	6.6%
OPERATING WEEKDAYS	64	63	63	64	65	63	62	65
FedEx SmartPost								
Total Package Volume (000s)	37,387	48,982	62,189	59,756	65,554	79,676	89,312	74,740
Avg. Daily Package Vol. (000s)	584	777	1,020	934	1,009	1,265	1,489	1,150
Yield (Revenue Per Package)	\$ 2.14	\$ 2.07	\$ 1.67	\$ 1.54	\$ 1.41	\$ 1.57	\$ 1.59	\$ 1.63
Avg. Daily YOY Pkg. Growth Rate	9.2%	15.6%	44.3%	65.8%	72.8%	62.8%	46.0%	23.1%
OPERATING WEEKDAYS	64	63	61	64	65	63	60	65
FY 2011								
	FY 2011							
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>				
FedEx Ground								
OPERATING WEEKDAYS	65	63	62	65				
FedEx SmartPost								
OPERATING WEEKDAYS	65	63	62	65				

Unaudited. Differences may result due to rounding.

FedEx Freight Segment

Annual Consolidated Statements of Income

FY 2007 – FY 2010

Years ended May 31
In millions

	<u>FY 2007¹</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Revenues	\$ 4,586	\$ 4,934	\$ 4,415	\$ 4,321
Operating Expenses:				
Salaries and employee benefits	2,250	2,381	2,247	2,128
Purchased transportation	465	582	540	690
Rentals	112	119	139	116
Depreciation and amortization	195	227	224	198
Fuel	468	608	520	445
Maintenance and repairs	165	175	153	148
Impairment and other charges ³	-	-	100	18
Intercompany charges ²	61	81	109	351
Other	407	432	427	380
	<u>4,123</u>	<u>4,605</u>	<u>4,459</u>	<u>4,474</u>
Operating Income (Loss)	<u>\$ 463</u>	<u>\$ 329</u>	<u>(\$44)</u>	<u>(\$153)</u>

SELECTED STATISTICS

Operating Margin	10.1%	6.7%	(1.0%)	(3.5%)
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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 - In Q1 FY10, approximately 2,700 FedEx Freight segment employees were transferred to FedEx Services and FCIS. These employees represented the sales, information technology, marketing, pricing, customer service, claims and credit and collection functions of the FedEx Freight segment and were transferred to allow further centralization of these functions into the FedEx Services segment shared service organization. For FY10, the costs of the functions will be allocated to the FedEx Freight segment through intercompany charges.

3 - 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			
	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	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			
	<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	\$ 1,353	\$ 1,200	\$ 914	\$ 948	\$ 982	\$ 1,068	\$ 1,040	\$ 1,231
Operating Expenses:								
Salaries and employee benefits	614	592	529	512	507	513	532	576
Purchased transportation	180	151	104	105	118	168	191	213
Rentals	33	35	34	37	29	27	29	31
Depreciation and amortization	54	53	59	58	55	46	49	48
Fuel	206	150	83	81	94	104	112	135
Maintenance and repairs	43	41	33	36	34	35	36	43
Impairment and other charges ²	–	–	–	100	–	–	–	18
Intercompany charges ¹	22	29	29	29	52	98	99	102
Other	112	117	102	96	91	89	99	101
	<u>1,264</u>	<u>1,168</u>	<u>973</u>	<u>1,054</u>	<u>980</u>	<u>1,080</u>	<u>1,147</u>	<u>1,267</u>
Operating Income (Loss)	<u>\$ 89</u>	<u>\$ 32</u>	<u>(\$59)</u>	<u>(\$106)</u>	<u>\$ 2</u>	<u>(\$12)</u>	<u>(\$107)</u>	<u>(\$36)</u>

SELECTED STATISTICS

Operating Margin	6.6%	2.7%	(6.5%)	(11.2%)	0.2%	(1.1%)	(10.3%)	(2.9%)
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1 - In Q1 FY10, approximately 2,700 FedEx Freight segment employees were transferred to FedEx Services and FCIS. These employees represented the sales, information technology, marketing, pricing, customer service, claims and credit and collection functions of the FedEx Freight segment and were transferred to allow further centralization of these functions into the FedEx Services segment shared service organization. For FY10, the costs of the functions will be allocated to the FedEx Freight segment through intercompany charges.

2 - 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 2010

	<u>FY 2007¹</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Shipments Per Day	78,236	79,706	74,389	82,290
Weight Per Shipment	1,130	1,136	1,126	1,134
LTL Yield (Revenue Per Hundredweight)	\$ 18.65	\$ 19.65	\$ 19.07	\$ 17.07
Avg. Daily Shipment Growth Rate	17.2%	1.9%	(6.7%)	10.6%
OPERATING WEEKDAYS	254	253	252	253

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			
	FIRST QUARTER	SECOND QUARTER ¹	THIRD QUARTER ¹	FOURTH QUARTER ¹	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
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			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Shipments Per Day	82,735	80,305	65,991	68,448	71,384	82,928	83,426	91,523
Weight Per Shipment	1,140	1,122	1,121	1,119	1,109	1,128	1,133	1,160
LTL Yield (Revenue Per Hundredweight)	\$ 20.44	\$ 19.44	\$ 18.21	\$ 17.78	\$ 17.87	\$ 17.09	\$ 16.82	\$ 16.69
Avg. Daily Shipment Growth Rate	4.3%	(2.0%)	(12.6%)	(16.6%)	(13.7%)	3.3%	26.4%	33.7%
OPERATING WEEKDAYS	64	62	62	64	65	62	61	65

	FY 2011			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
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.