



Historical Statistics

FedEx Corporation

Financial and Operating Statistics

FY 1998 – FY 2007

This report is a statistical supplement to FedEx's financial reports and should be used in conjunction with our quarterly statistical book for more recent information.

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

TABLE OF CONTENTS

• **FEDEX CORP.**

OVERVIEW	1
CONDENSED CONSOLIDATED BALANCE SHEETS	2
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS	3
ANNUAL CONSOLIDATED STATEMENTS OF INCOME	4
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY1998 – FY1999	5
FY2000 – FY2001	6
FY2002 – FY2003	7
FY2004 – FY2005	8
FY2006 – FY2007	9
CAPITAL EXPENDITURES	10

• **FEDEX EXPRESS SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	11
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY1998 – FY1999	12
FY2000 – FY2001	13
FY2002 – FY2003	14
FY2004 – FY2005	15
FY2006 – FY2007	16
ANNUAL SHIPMENT STATISTICS	17
QUARTERLY SHIPMENT STATISTICS	
FY1998 – FY1999	18
FY2000 – FY2001	19
FY2002 – FY2003	20
FY2004 – FY2005	21
FY2006 – FY2007	22
AIRCRAFT AND VEHICLE FLEET STATISTICS	23
JET FUEL STATISTICS	24

• **FEDEX GROUND SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	25
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2001 – FY2002	26
FY2003 – FY2004	27
FY2005 – FY2006	28
FY2007	29
ANNUAL SHIPMENT STATISTICS	30
QUARTERLY SHIPMENT STATISTICS	31

• **FEDEX FREIGHT SEGMENT**

ANNUAL CONSOLIDATED STATEMENTS OF INCOME	32
QUARTERLY CONSOLIDATED STATEMENTS OF INCOME	
FY2001 – FY2002	33
FY2003 – FY2004	34
FY2005 – FY2006	35
FY2007	36
ANNUAL SHIPMENT STATISTICS	37
QUARTERLY SHIPMENT STATISTICS	38

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 \$34 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 275,000 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. 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 Supply Chain Services 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., 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 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 FedEx Express, FedEx Ground (including FedEx SmartPost), the FedEx Freight LTL Group and FedEx Office U.S. customers; FedEx Supply Chain Services, which provides a range of logistics services to our customers; and FedEx Office, which provides retail access to our customers for our package transportation businesses and an array of document and business services. Effective September 1, 2009, FedEx Supply Chain Services was realigned to become part of the FedEx Express reporting segment.

FedEx Corp. Condensed Consolidated Balance Sheets

FY 1998 – FY 2007

May 31

In millions (except share data)

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004¹</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
ASSETS										
Current Assets:										
Cash and cash equivalents	\$ 229	\$ 325	\$ 68	\$ 121	\$ 331	\$ 538	\$ 1,046	\$ 1,039	\$ 1,937	\$ 1,569
Other current assets:										
Receivables, less allowances	1,943	2,153	2,547	2,506	2,491	2,627	3,027	3,297	3,516	3,942
Spare parts, supplies and fuel, less allowances	365	292	255	269	251	228	249	250	308	338
Deferred income taxes	233	291	318	488	469	416	489	510	539	536
Prepaid expenses and other	110	80	97	117	123	132	159	173	164	244
Total other current assets	<u>2,651</u>	<u>2,816</u>	<u>3,217</u>	<u>3,380</u>	<u>3,334</u>	<u>3,403</u>	<u>3,924</u>	<u>4,230</u>	<u>4,527</u>	<u>5,060</u>
Total current assets	<u>2,880</u>	<u>3,141</u>	<u>3,285</u>	<u>3,501</u>	<u>3,665</u>	<u>3,941</u>	<u>4,970</u>	<u>5,269</u>	<u>6,464</u>	<u>6,629</u>
Property and Equipment, at Cost:										
Aircraft and related equipment	4,057	4,557	4,960	5,313	5,843	6,624	7,001	7,610	8,611	9,593
Package handling and GSE and vehicles	3,425	3,859	4,204	4,621	4,866	5,013	5,296	5,360	5,761	3,889
Computer and electronic equipment	2,163	2,363	2,417	2,637	2,816	3,180	3,537	3,893	4,331	4,685
Other	2,819	2,941	3,161	3,841	4,051	4,200	4,477	5,154	5,371	8,923
	<u>12,464</u>	<u>13,720</u>	<u>14,742</u>	<u>16,412</u>	<u>17,576</u>	<u>19,017</u>	<u>20,311</u>	<u>22,017</u>	<u>24,074</u>	<u>27,090</u>
Less accumulated depreciation and amort.	<u>6,529</u>	<u>7,161</u>	<u>7,659</u>	<u>8,312</u>	<u>9,274</u>	<u>10,317</u>	<u>11,274</u>	<u>12,374</u>	<u>13,304</u>	<u>14,454</u>
Net property and equipment	<u>5,935</u>	<u>6,559</u>	<u>7,083</u>	<u>8,100</u>	<u>8,302</u>	<u>8,700</u>	<u>9,037</u>	<u>9,643</u>	<u>10,770</u>	<u>12,636</u>
Other Long-Term Assets:										
Goodwill	356	344	501	1,052	1,063	1,063	2,802	2,835	2,825	3,497
Other assets	515	604	658	739	782	1,681	2,325	2,657	2,631	1,238
Total other long-term assets	<u>871</u>	<u>948</u>	<u>1,159</u>	<u>1,791</u>	<u>1,845</u>	<u>2,744</u>	<u>5,127</u>	<u>5,492</u>	<u>5,456</u>	<u>4,735</u>
	<u>\$9,686</u>	<u>\$10,648</u>	<u>\$11,527</u>	<u>\$13,392</u>	<u>\$13,812</u>	<u>\$15,385</u>	<u>\$19,134</u>	<u>\$20,404</u>	<u>\$22,690</u>	<u>\$24,000</u>
LIABILITIES AND STOCKHOLDERS' INVESTMENT										
Current Liabilities:										
Current portion of long-term debt	\$ 258	\$ 15	\$ 7	\$ 221	\$ 6	\$ 308	\$ 750	\$ 369	\$ 850	\$ 639
Other current liabilities:										
Accrued salaries and employee benefits	612	741	755	700	739	724	1,062	1,275	1,325	1,354
Accounts payable	1,145	1,134	1,121	1,256	1,133	1,168	1,615	1,739	1,908	2,016
Accrued expenses	789	895	1,008	1,073	975	1,135	1,380	1,351	1,390	1,419
Total other current liabilities	<u>2,546</u>	<u>2,770</u>	<u>2,884</u>	<u>3,029</u>	<u>2,847</u>	<u>3,027</u>	<u>4,057</u>	<u>4,365</u>	<u>4,623</u>	<u>4,789</u>
Total current liabilities	<u>2,804</u>	<u>2,785</u>	<u>2,891</u>	<u>3,250</u>	<u>2,853</u>	<u>3,335</u>	<u>4,807</u>	<u>4,734</u>	<u>5,473</u>	<u>5,428</u>
Long-Term Debt, Less Current Portion	1,385	1,360	1,776	1,900	1,800	1,709	2,837	2,427	1,592	2,007
Deferred Income Taxes	274	293	345	508	599	882	1,106	1,206	1,367	897
Other Long-Term Liabilities	1,262	1,547	1,730	1,834	2,015	2,171	2,348	2,449	2,747	3,012
COMMON STOCKHOLDERS' INVESTMENT:										
Common stock \$0.10 par value;										
800 million shares authorized	15	30	30	30	30	30	30	30	31	31
Additional paid-in capital	993	1,061	1,079	1,120	1,144	1,088	1,079	1,213	1,438	1,689
Retained earnings	2,999	3,616	4,295	4,880	5,465	6,250	7,001	8,363	10,068	11,970
Accumulated other comprehensive loss	(27)	(25)	(36)	(56)	(53)	(30)	(46)	(17)	(24)	(1,030)
	<u>3,980</u>	<u>4,682</u>	<u>5,368</u>	<u>5,974</u>	<u>6,586</u>	<u>7,338</u>	<u>8,064</u>	<u>9,589</u>	<u>11,513</u>	<u>12,660</u>
Less treasury stock, at cost, and deferred comp.	19	19	583	74	41	50	28	1	2	4
Total common stockholders' investment	<u>3,961</u>	<u>4,663</u>	<u>4,785</u>	<u>5,900</u>	<u>6,545</u>	<u>7,288</u>	<u>8,036</u>	<u>9,588</u>	<u>11,511</u>	<u>12,656</u>
	<u>\$9,686</u>	<u>\$10,648</u>	<u>\$11,527</u>	<u>\$13,392</u>	<u>\$13,812</u>	<u>\$15,385</u>	<u>\$19,134</u>	<u>\$20,404</u>	<u>\$22,690</u>	<u>\$24,000</u>

1 - Financial information for FedEx Office has been included from February 12, 2004.

Differences may result due to rounding.

FedEx Corp. Condensed Consolidated Statements of Cash Flows

FY 1998 – FY 2007

Years ended May 31
In millions

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004¹</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Operating Activities:										
Income from continuing operations	\$ 498	\$ 631	\$ 688	\$ 584	\$ 710	\$ 830	\$ 838	\$1,449	\$1,806	\$2,016
Noncash charges:										
Lease accounting charge	-	-	-	-	-	-	-	-	79	-
Depreciation and amortization	964	1,035	1,155	1,276	1,364	1,351	1,375	1,462	1,548	1,742
Other, net	95	19	48	216	209	454	141	209	379	246
Changes in operating assets and liabilities, net	48	87	(266)	(32)	(55)	(764)	666	(3)	(136)	(447)
Net cash provided by operating activities	1,605	1,772	1,625	2,044	2,228	1,871	3,020	3,117	3,676	3,557
Investing Activities:										
Capital expenditures ²	(1,880)	(1,770)	(1,627)	(1,893)	(1,615)	(1,511)	(1,271)	(2,236)	(2,518)	(2,882)
Proceeds from sale-leaseback transactions	323	81	-	237	-	-	-	-	-	-
Reimbursements of A300 and MD11 deposits	107	67	24	-	-	-	-	-	-	-
Business acquisitions, net of cash acquired	-	-	(257)	(477)	(35)	-	(2,410)	(122)	-	(1,310)
Proceeds from asset dispositions and other	162	173	152	20	38	21	19	10	64	68
Net cash used in investing activities	(1,288)	(1,449)	(1,708)	(2,113)	(1,612)	(1,490)	(3,662)	(2,348)	(2,454)	(4,124)
Financing Activities:										
Principal payments on debt	(534)	(269)	(115)	(650)	(320)	(10)	(319)	(791)	(369)	(906)
Proceeds from debt issuances	267	-	518	744	-	-	1,599	-	-	1,054
Proceeds from stock issuances	34	50	16	29	88	81	115	99	144	115
Excess tax benefits on the exercise of stock option	-	-	-	-	-	-	-	-	-	45
Dividends paid	(8)	-	-	-	-	(60)	(66)	(84)	(97)	(110)
Purchases of treasury stock	(7)	(8)	(607)	-	(177)	(186)	(179)	-	-	-
Other, net	1	(1)	14	(1)	3	1	-	-	(2)	(5)
Net cash (used in) provided by financing activities	(247)	(228)	(174)	122	(406)	(174)	1,150	(776)	(324)	193
Effect of exchange rate changes on cash										6
Cash provided by (used in) continuing operations	70	96	(257)	53	210	207	508	(7)	898	(368)
Cash used in discontinued operations	(2)	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at beginning of period	161	229	325	68	121	331	538	1,046	1,039	1,937
Cash and cash equivalents at end of period	<u>\$ 229</u>	<u>\$ 325</u>	<u>\$ 68</u>	<u>\$ 121</u>	<u>\$ 331</u>	<u>\$ 538</u>	<u>\$1,046</u>	<u>\$1,039</u>	<u>\$1,937</u>	<u>\$1,569</u>

1 - Financial information for FedEx Office has been included from February 12, 2004.

2 - Excludes equivalent capital of \$459 million, \$561 million and \$365 million in 1998, 1999 and 2000, respectively.

Differences may result due to rounding.

FedEx Corp. Annual Consolidated Statements of Income

FY 1998 – FY 2007

Years ended May 31
In millions, except EPS and FTEs

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenue:										
FedEx Express segment	\$13,255	\$13,979	\$15,096	\$15,645	\$15,438	\$16,467	\$17,497	\$19,485	\$21,446	\$22,681
FedEx Ground segment	2,000	2,162	2,345	2,565	2,918	3,581	3,910	4,680	5,306	6,043
FedEx Freight segment ¹	–	–	–	993	2,253	2,443	2,689	3,217	3,645	4,586
FedEx Services segment ²	–	–	–	–	–	–	620	2,066	2,088	2,137
Other & eliminations	618	632	816	426	(2)	(4)	(6)	(85)	(191)	(233)
Total Revenue	15,873	16,773	18,257	19,629	20,607	22,487	24,710	29,363	32,294	35,214
Operating Expenses:										
Salaries and employee benefits ³	6,647	7,088	7,598	8,263	9,099	9,778	10,728	11,963	12,571	13,740
Purchased transportation ⁴	1,482	1,538	1,675	1,713	1,825	2,155	2,407	2,935	3,251	3,977
Rentals and landing fees ⁵	1,304	1,396	1,539	1,650	1,780	1,803	1,918	2,299	2,390	2,343
Depreciation and amortization	964	1,035	1,155	1,276	1,364	1,351	1,375	1,462	1,550	1,742
Fuel ⁴	727	605	919	1,163	1,146	1,396	1,531	2,317	3,256	3,429
Maintenance and repairs	874	959	1,101	1,170	1,240	1,398	1,523	1,695	1,777	1,952
Airline stabilization	–	–	–	–	(119)	–	–	48	–	–
Business realignment costs ⁶	–	–	–	–	–	–	435	–	–	–
Other ⁷	2,864	2,989	3,049	3,323	2,951	3,135	3,353	4,173	4,485	4,755
Total Operating Expenses	14,862	15,610	17,036	18,558	19,286	21,016	23,270	26,892	29,280	31,938
Operating Income (Loss):										
FedEx Express segment ^{3,5,6,7}	837	871	899	836	801	783	665	1,493	1,813	1,991
FedEx Ground segment ^{4,7}	176	213	203	113	337	494	531	624	716	822
FedEx Freight segment ¹	–	–	–	61	185	193	244	354	485	463
FedEx Services segment ²	–	–	–	–	–	–	–	–	–	–
Other & eliminations	(2)	79	119	61	(2)	1	–	–	–	–
Total Operating Income	1,011	1,163	1,221	1,071	1,321	1,471	1,440	2,471	3,014	3,276
Other Income (Expense):										
Interest, net	(124)	(98)	(106)	(144)	(139)	(118)	(116)	(139)	(104)	(53)
Other, net	13	(4)	23	–	(22)	(15)	(5)	(19)	(11)	(8)
Total Other Income (Expense)	(111)	(102)	(83)	(144)	(161)	(133)	(121)	(158)	(115)	(61)
Income Before Income Taxes	900	1,061	1,138	927	1,160	1,338	1,319	2,313	2,899	3,215
Provision for Income Taxes⁸	402	430	450	343	435	508	481	864	1,093	1,199
Income from Continuing Operations	498	631	688	584	725	830	838	1,449	1,806	2,016
Income from Discontinued Operations, Net of Income Taxes	5	–	–	–	–	–	–	–	–	–
Cumulative Effect of Change in Accounting	–	–	–	–	(15)	–	–	–	–	–
Net Income	\$ 503	\$ 631	\$ 688	\$ 584	\$ 710	\$ 830	\$ 838	\$1,449	\$1,806	\$2,016
Basic Earnings Per Share:										
Continuing operations	\$1.70	\$2.13	\$2.36	\$2.02	\$2.43	\$2.79	\$2.80	\$4.81	\$5.94	\$6.57
Discontinued operations	0.02	–	–	–	–	–	–	–	–	–
Cumulative Effect of Accounting Change	–	–	–	–	(0.05)	–	–	–	–	–
Net Basic Earnings per Share	\$1.72	\$2.13	\$2.36	\$2.02	\$2.38	\$2.79	\$2.80	\$4.81	\$5.94	\$6.57
Diluted Earnings Per Share:										
Continuing operations	\$1.67	\$2.10	\$2.32	\$1.99	\$2.39	\$2.74	\$2.76	\$4.72	\$5.83	\$6.48
Discontinued operations	0.02	–	–	–	–	–	–	–	–	–
Cumulative Effect of Accounting Change	–	–	–	–	(0.05)	–	–	–	–	–
Diluted Earnings Per Share	\$1.69	\$2.10	\$2.32	\$1.99	\$2.34	\$2.74	\$2.76	\$4.72	\$5.83	\$6.48
Avg Common and Common Equivalent Shares	298	301	296	293	303	303	304	307	310	311
SELECTED STATISTICS										
Operating Margin	6.4%	6.9%	6.7%	5.5%	6.4%	6.5%	5.8%	8.4%	9.3%	9.3%
Pretax Margin	5.7%	6.3%	6.2%	4.7%	5.6%	5.9%	5.3%	7.9%	9.0%	9.1%
Return on Assets ⁹	5.4%	6.2%	6.2%	4.7%	5.2%	5.7%	4.9%	7.3%	8.4%	8.6%
Return on Equity ⁹	13.5%	14.6%	14.6%	10.9%	11.4%	12.0%	10.9%	16.4%	17.1%	16.7%
FedEx Corp. Average FTEs	150,823	156,386	163,324	176,960	184,953	190,918	195,838	215,838	221,677	241,903

1 - The FedEx Freight segment includes the operations of FedEx Freight West from December 1, 2000, FedEx Freight East from January 1, 2001 and FedEx National LTL from September 3, 2006. Prior to December 1, 2000, FedEx Freight West results are included in Other.

2 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY07 amounts have been revised to conform to our current segment presentation.

3 - 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.

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. FY07 amounts have been revised to conform to the current presentation.

5 - Results for FY06 include a \$79 million charge to adjust the accounting for certain facility leases, predominantly at FedEx Express.

6 - FY04 includes \$435 million (\$270 million, net of tax, or \$0.89 per diluted share) of business realignment costs.

7 - FY01 includes a \$124 million charge associated with curtailing certain aircraft modification and development programs and reorganizing operations at FedEx Supply Chain Services. Of the total, \$102 million was incurred at FedEx Express and \$22 million was incurred at FedEx Supply Chain Services.

8 - FY04 includes a \$37 million, net of tax, or \$0.12 per diluted share benefit related to a favorable ruling on a tax case and the reduction of the company's effective tax rate. FY05 includes a \$12 million or \$0.04 per diluted share benefit from an income tax adjustment.

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

Differences may result due to rounding. Certain prior period amounts have been reclassified to conform to current period's presentation.

FedEx Corp. Quarterly Consolidated Statements of Income

FY 1998 – FY 1999

Years ended May 31
In millions, except EPS and FTEs

	FY 1998				FY 1999			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$3,297	\$3,299	\$3,233	\$3,426	\$3,417	\$3,482	\$3,431	\$3,649
FedEx Ground segment ¹	419	487	583	511	509	555	525	573
Other & eliminations	150	156	171	141	157	172	142	161
Total Revenue	<u>3,866</u>	<u>3,942</u>	<u>3,987</u>	<u>4,078</u>	<u>4,083</u>	<u>4,209</u>	<u>4,098</u>	<u>4,383</u>
Operating Expenses:								
Salaries and employee benefits	1,637	1,615	1,688	1,707	1,748	1,757	1,762	1,821
Purchased transportation	329	368	415	370	371	397	376	394
Rentals and landing fees	292	336	347	329	331	348	364	353
Depreciation and amortization	230	237	250	247	250	252	264	269
Fuel	179	186	191	171	149	154	146	156
Maintenance and repairs	213	210	217	234	248	236	238	237
Other ^{2,3}	683	701	783	697	700	728	797	764
Total Operating Expenses	<u>3,563</u>	<u>3,653</u>	<u>3,891</u>	<u>3,755</u>	<u>3,797</u>	<u>3,872</u>	<u>3,947</u>	<u>3,994</u>
Operating Income (Loss):								
FedEx Express segment	264	214	98	261	219	251	95	306
FedEx Ground segment	35	57	37	47	43	62	43	65
Other & eliminations ²	4	18	(39)	15	22	24	14	19
Total Operating Income	<u>303</u>	<u>289</u>	<u>96</u>	<u>323</u>	<u>284</u>	<u>337</u>	<u>152</u>	<u>390</u>
Other Income (Expense):								
Interest, net	(29)	(32)	(34)	(29)	(25)	(25)	(25)	(23)
Other, net ³	10	–	2	1	(4)	1	(6)	5
Total Other Income (Expense)	<u>(19)</u>	<u>(32)</u>	<u>(32)</u>	<u>(28)</u>	<u>(29)</u>	<u>(24)</u>	<u>(31)</u>	<u>(18)</u>
Income Before Income Taxes	284	257	64	295	255	313	121	372
Provision for Income Taxes ^{4,5}	120	107	51	124	106	130	43	151
Income from Continuing Operations	164	150	13	171	149	183	78	221
Income from Discontinued Operations, Net of Income Taxes	–	–	5	–	–	–	–	–
Net Income	<u>\$ 164</u>	<u>\$ 150</u>	<u>\$ 18</u>	<u>\$ 171</u>	<u>\$ 149</u>	<u>\$ 183</u>	<u>\$ 78</u>	<u>\$ 221</u>
Basic Earnings Per Share:								
Continuing operations	\$0.56	\$0.51	\$0.04	\$0.58	\$0.51	\$0.62	\$0.26	\$0.74
Discontinued operations	–	–	0.02	–	–	–	–	–
Net Basic Earnings Per Share	<u>\$0.56</u>	<u>\$0.51</u>	<u>\$0.06</u>	<u>\$0.58</u>	<u>\$0.51</u>	<u>\$0.62</u>	<u>\$0.26</u>	<u>\$0.74</u>
Weighted Avg. Common Shares	293	293	293	295	295	295	296	298
Diluted Earnings Per Share:								
Continuing operations	\$0.55	\$0.50	\$0.04	\$0.57	\$0.50	\$0.61	\$0.26	\$0.73
Discontinued operations	–	–	0.02	–	–	–	–	–
Net Diluted Earnings Per Share	<u>\$0.55</u>	<u>\$0.50</u>	<u>\$0.06</u>	<u>\$0.57</u>	<u>\$0.50</u>	<u>\$0.61</u>	<u>\$0.26</u>	<u>\$0.73</u>
Avg Common and Common Equiv. Shares	297	299	298	299	299	298	302	304
SELECTED STATISTICS								
Operating Margin	7.8%	7.3%	2.4%	7.9%	7.0%	8.0%	3.7%	8.9%
Pretax Margin	7.3%	6.5%	1.6%	7.2%	6.2%	7.4%	3.0%	8.5%
FedEx Corp. Average FTEs	147,745	150,888	152,239	152,580	153,369	156,701	158,155	157,406

1 - Included in Q3 FY99 FedEx Ground revenue was approximately \$7 million resulting from a one-time change in revenue recognition for in-transit shipments.

2 - FedEx Freight West Q3 FY98 results include a one-time \$16 million gain on the sale of certain assets.

3 - FedEx Express incurred approximately \$81 million of operating expenses and \$10 million of bank fees and negative arbitrage on borrowings in Q3 FY99 as part of the contingency plans in connection with the FedEx pilot negotiations.

4 - The FY98 rates of 79.8% and 45.9% for the third quarter and YTD periods reflect certain one-time Caliber transactions which were non-deductible for federal and state income tax purposes.

5 - FY99 Q3 and YTD effective tax rates are lower than the comparable periods, primarily due to the combination of stronger than expected YTD results from international operations and lower worldwide income taxes on foreign earnings. This change increased Q3 and Q4 FY99 earnings per share by \$0.02 and \$0.01, respectively, and Q3 and Q4 FY99 YTD by \$0.02 and \$0.04, respectively.

Unaudited. Differences may result due to rounding.

FedEx Corp. Quarterly Consolidated Statements of Income

FY 2000 – FY 2001

Years ended May 31
In millions, except EPS and FTEs

	FY 2000				FY 2001			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$3,587	\$3,736	\$3,758	\$4,015	\$3,944	\$4,010	\$3,811	\$3,880
FedEx Ground segment	552	600	563	630	623	670	613	659
FedEx Freight segment ¹	–	–	–	–	–	–	415	578
Other & eliminations ¹	181	234	197	204	212	215	–	(1)
Total Revenue	4,320	4,570	4,518	4,849	4,779	4,895	4,839	5,116
Operating Expenses:								
Salaries and employee benefits	1,831	1,874	1,926	1,967	1,995	2,000	2,098	2,170
Purchased transportation	390	438	417	430	435	439	412	427
Rentals and landing fees	367	393	387	392	390	407	418	435
Depreciation and amortization	277	285	294	299	303	310	326	337
Fuel ²	185	225	257	252	250	313	310	290
Maintenance and repairs	255	278	271	297	310	278	270	312
Other ^{2,3}	731	772	760	786	785	803	814	921
Total Operating Expenses	4,036	4,265	4,312	4,423	4,468	4,550	4,648	4,892
Operating Income:								
FedEx Express segment ³	209	212	143	335	257	267	156	156
FedEx Ground segment ³	47	59	35	62	34	48	8	23
FedEx Freight segment ¹	–	–	–	–	–	–	22	39
Other & eliminations ¹	28	34	28	29	20	30	5	6
Total Operating Income	284	305	206	426	311	345	191	224
Other Income (Expense):								
Interest, net	(21)	(27)	(30)	(28)	(33)	(35)	(34)	(42)
Other, net ⁴	–	5	11	7	(4)	5	1	(2)
Total Other Income (Expense)	(21)	(22)	(19)	(21)	(37)	(30)	(33)	(44)
Income Before Income Taxes	263	283	187	405	274	315	158	180
Provision for Income Taxes	104	112	74	160	105	121	50	67
Net Income	\$ 159	\$ 171	\$ 113	\$ 245	\$ 169	\$ 194	\$ 108	\$ 113
Basic Earnings Per Share	\$0.53	\$0.58	\$0.39	\$0.86	\$0.59	\$0.68	\$0.38	\$0.38
Weighted Avg. Common Shares	298	293	289	286	285	285	288	297
Diluted Earnings Per Share	\$0.52	\$0.57	\$0.39	\$0.85	\$0.58	\$0.67	\$0.37	\$0.38
Avg Common and Common Equiv. Shares	304	298	294	290	289	290	293	302
SELECTED STATISTICS								
Operating Margin	6.6%	6.7%	4.6%	8.8%	6.5%	7.0%	3.9%	4.4%
Pretax Margin	6.1%	6.2%	4.1%	8.4%	5.7%	6.4%	3.3%	3.5%
FedEx Corp. Average FTEs	157,781	162,738	164,902	166,504	168,589	171,924	182,263	185,132

1 - The FedEx Freight segment includes the operations of FedEx Freight West from December 1, 2000 and FedEx Freight East from January 1, 2001. Prior to December 1, 2000, FedEx Freight West results are included in 'Other & eliminations'.

2 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight Segment.

3 - Q4 FY01 includes a \$124 million charge associated with curtailing certain aircraft modification and development programs and reorganizing operations at FedEx Supply Chain Services. Of the total, \$102 million was incurred at FedEx Express and \$22 million was incurred at FedEx Supply Chain Services.

4 - FedEx Express realized a gain on the sale of securities in Q3 FY00, increasing EPS by \$0.02, and a \$12 million gain in Q4 FY00 from the insurance settlement on an MD11 aircraft destroyed in an accident.

Unaudited. Differences may result due to rounding.

FedEx Corp. Quarterly Consolidated Statements of Income

FY 2002 – FY 2003

Years ended May 31
In millions, except EPS and FTEs

	FY 2002				FY 2003			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$3,767	\$3,842	\$3,800	\$4,029	\$3,962	\$4,128	\$4,094	\$4,283
FedEx Ground segment	683	728	715	792	869	905	886	921
FedEx Freight segment	588	565	505	595	615	634	568	626
Other & eliminations	(1)	–	(1)	–	(1)	–	(3)	–
Total Revenue	5,037	5,135	5,019	5,416	5,445	5,667	5,545	5,830
Operating Expenses:								
Salaries and employee benefits	2,236	2,231	2,246	2,386	2,426	2,403	2,464	2,485
Purchased transportation	445	464	442	474	518	549	535	553
Rentals and landing fees	432	472	444	432	444	465	452	442
Depreciation and amortization	336	342	341	345	339	338	334	340
Fuel ¹	302	294	255	295	306	348	363	379
Maintenance and repairs	312	292	306	330	371	354	344	329
Airline stabilization compensation	–	(116)	(3)	–	–	–	–	–
Other ¹	739	723	751	738	758	783	784	810
Total Operating Expenses	4,802	4,702	4,782	5,000	5,162	5,240	5,276	5,338
Operating Income (Loss):								
FedEx Express segment	120	306	138	237	128	230	130	295
FedEx Ground segment	59	81	69	128	101	135	109	149
FedEx Freight segment	55	55	22	53	54	62	28	49
Other & eliminations	1	(9)	8	(2)	–	–	2	(1)
Total Operating Income	235	433	237	416	283	427	269	492
Other Income (Expense):								
Interest, net	(37)	(36)	(36)	(30)	(31)	(28)	(29)	(30)
Other, net	2	(2)	(7)	(15)	3	(4)	(3)	(11)
Total Other Income (Expense)	(35)	(38)	(43)	(45)	(28)	(32)	(32)	(41)
Income Before Income Taxes	200	395	194	371	255	395	237	451
Provision for Income Taxes	76	150	74	135	97	150	90	171
Income Before Accounting Change	124	245	120	236	158	245	147	280
Cumulative Effect of Change in Accounting	(15)	–	–	–	–	–	–	–
Net Income	\$ 109	\$ 245	\$ 120	\$ 236	\$ 158	\$ 245	\$ 147	\$ 280
Basic Earnings Per Share:								
Income Before Accounting Change	\$0.42	\$0.82	\$0.40	\$0.79	\$0.53	\$0.82	\$0.49	\$0.94
Cumulative Effect of Accounting Change	(0.05)	–	–	–	–	–	–	–
Basic Earnings Per Share	\$0.37	\$0.82	\$0.40	\$0.79	\$0.53	\$0.82	\$0.49	\$0.94
Diluted Earnings Per Share:								
Income Before Accounting Change	\$0.41	\$0.81	\$0.39	\$0.78	\$0.52	\$0.81	\$0.49	\$0.92
Cumulative Effect of Accounting Change	(0.05)	–	–	–	–	–	–	–
Diluted Earnings Per Share	\$0.36	\$0.81	\$0.39	\$0.78	\$0.52	\$0.81	\$0.49	\$0.92
Avg Common and Common Equiv. Shares	302	302	304	304	302	303	303	303

SELECTED STATISTICS

Operating Margin	4.7%	8.4%	4.7%	7.7%	5.2%	7.5%	4.8%	8.4%
Pretax Margin	4.0%	7.7%	3.9%	6.9%	4.7%	7.0%	4.3%	7.7%
FedEx Corp. Average FTEs	183,586	185,490	184,338	186,414	190,616	192,445	191,495	189,098
Dividends Paid Per Common Share					\$0.05	\$0.05	\$0.05	\$0.05

1 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight Segment.

Unaudited. Differences may result due to rounding.

FedEx Corp. Quarterly Consolidated Statements of Income

FY 2004 – FY 2005

Years ended May 31
In millions, except EPS and FTEs

	FY 2004				FY 2005			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$4,137	\$4,279	\$4,374	\$4,707	\$4,616	\$4,834	\$4,915	\$5,120
FedEx Ground segment	914	978	960	1,058	1,073	1,174	1,200	1,233
FedEx Freight segment	637	664	630	758	807	820	747	843
FedEx Services segment ¹	–	–	99	521	490	525	498	553
Other & eliminations	(1)	(1)	(1)	(3)	(11)	(19)	(21)	(34)
Total Revenue	5,687	5,920	6,062	7,041	6,975	7,334	7,339	7,715
Operating Expenses:								
Salaries and employee benefits	2,570	2,559	2,649	2,950	2,920	2,930	3,026	3,087
Purchased transportation	555	598	602	652	681	747	748	759
Rentals and landing fees ²	429	447	474	568	551	577	585	586
Depreciation and amortization	334	336	340	365	360	363	368	371
Fuel ²	334	352	402	443	483	592	570	672
Maintenance and repairs ²	364	370	380	409	428	422	413	432
Airline stabilization	–	–	–	–	–	48	–	–
Business realignment costs ³	132	283	14	6	–	–	–	–
Other ²	769	792	829	963	973	1,055	1,077	1,068
Total Operating Expenses	5,487	5,737	5,690	6,356	6,396	6,734	6,787	6,975
Operating Income (Loss):								
FedEx Express segment ³	23	(19)	218	438	325	357	348	463
FedEx Ground segment	116	135	112	167	151	141	150	182
FedEx Freight segment	61	66	37	80	103	102	54	95
FedEx Services segment ¹	–	–	–	–	–	–	–	–
Other & eliminations	–	1	5	–	–	–	–	–
Total Operating Income	200	183	372	685	579	600	552	740
Other Income (Expense):								
Interest, net	(5)	(35)	(36)	(40)	(39)	(38)	(34)	(28)
Other, net	1	(2)	(2)	(2)	(6)	(8)	(4)	(1)
Total Other Income (Expense)	(4)	(37)	(38)	(42)	(45)	(46)	(38)	(29)
Income Before Income Taxes	196	146	334	643	534	554	514	711
Provision for Income Taxes ⁴	68	55	127	231	204	200	197	263
Net Income	\$ 128	\$ 91	\$ 207	\$ 412	\$ 330	\$ 354	\$ 317	\$ 448
Basic Earnings Per Share	\$0.43	\$0.31	\$0.69	\$1.38	\$1.10	\$1.18	\$1.05	\$1.48
Weighted Avg. Common Shares	298	298	299	299	300	301	302	302
Diluted Earnings Per Share	\$0.42	\$0.30	\$0.68	\$1.36	\$1.08	\$1.15	\$1.03	\$1.46
Avg Common and Common Equiv. Shares	303	304	303	304	305	307	308	308

SELECTED STATISTICS

Operating Margin	3.5%	3.1%	6.1%	9.7%	8.3%	8.2%	7.5%	9.6%
Pretax Margin	3.4%	2.5%	5.5%	9.1%	7.7%	7.6%	7.0%	9.2%
FedEx Corp. Average FTEs	189,912	191,061	195,692	207,023	210,692	215,805	218,898	217,214
Dividends Paid Per Common Share	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07

1 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY05 amounts have been revised to conform to the current segment presentation.

2 - Certain prior period amounts have been reclassified to conform to the current presentation.

3 - Q1 FY04 includes \$132 million (\$82 million, net of tax, or \$0.27 per diluted share) of business realignment costs.

Q2 FY04 includes \$283 million (\$175 million, net of tax, or \$0.57 per diluted share) of business realignment costs.

Q3 FY04 includes \$14 million (\$9 million, net of tax, or \$0.03 per diluted share) of business realignment costs.

Q4 FY04 includes \$6 million (\$4 million, net of tax, or \$0.01 per diluted share) of business realignment costs.

4 - Q1 FY04 includes a \$26 million, net of tax, or \$0.08 per diluted share benefit related to a favorable ruling on a tax case.

Q2 FY05 includes an \$11 million or \$0.04 per diluted share benefit from an income tax adjustment.

Unaudited. Differences may result due to rounding.

FedEx Corp. Quarterly Consolidated Statements of Income

FY 2006 – FY 2007

Years ended May 31
In millions, except EPS and FTEs

	FY 2006				FY 2007			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Revenue:								
FedEx Express segment	\$5,122	\$5,370	\$5,340	\$5,614	\$5,640	\$5,693	\$5,523	\$5,825
FedEx Ground segment	1,219	1,307	1,363	1,417	1,417	1,520	1,523	1,583
FedEx Freight segment	892	932	848	973	1,013	1,225	1,101	1,247
FedEx Services segment ¹	517	528	501	542	527	543	508	558
Other & eliminations	(43)	(47)	(49)	(52)	(52)	(55)	(63)	(62)
Total Revenue	7,707	8,090	8,003	8,494	8,545	8,926	8,592	9,151
Operating Expenses:								
Salaries and employee benefits ²	3,062	3,081	3,162	3,266	3,285	3,526	3,414	3,515
Purchased transportation ³	771	812	814	854	925	1,020	1,031	1,001
Rentals and landing fees ⁴	665	584	577	564	570	584	598	591
Depreciation and amortization	370	386	391	403	399	430	449	464
Fuel ³	728	891	774	863	912	836	807	874
Maintenance and repairs	468	445	427	437	515	492	484	461
Other	1,059	1,101	1,145	1,180	1,155	1,199	1,168	1,233
Total Operating Expenses	7,123	7,300	7,290	7,567	7,761	8,087	7,951	8,139
Operating Income (Loss):								
FedEx Express segment	297	489	452	575	475	508	395	613
FedEx Ground segment	151	165	189	211	159	193	196	274
FedEx Freight segment	135	135	73	142	150	138	50	125
FedEx Services segment ¹	-	-	-	-	-	-	-	-
Other & eliminations	1	1	(1)	(1)	-	-	-	-
Total Operating Income	584	790	713	927	784	839	641	1,012
Other Income (Expense):								
Interest, net	(24)	(30)	(28)	(22)	(9)	(17)	(11)	(16)
Other, net	(11)	-	(2)	2	(5)	1	(1)	(3)
Total Other Income (Expense)	(35)	(30)	(30)	(20)	(14)	(16)	(12)	(19)
Income Before Income Taxes	549	760	683	907	770	823	629	993
Provision for Income Taxes	210	289	255	339	295	312	209	383
Net Income	\$ 339	\$ 471	\$ 428	\$ 568	\$ 475	\$ 511	\$ 420	\$ 610
Basic Earnings Per Share	\$1.12	\$1.55	\$1.41	\$1.86	\$1.55	\$1.67	\$1.37	\$1.98
Weighted Avg. Common Shares	303	303	305	306	306	307	307	308
Diluted Earnings Per Share	\$1.10	\$1.53	\$1.38	\$1.82	\$1.53	\$1.64	\$1.35	\$1.96
Avg Common and Common Equiv. Shares	308	308	310	312	310	311	311	311

SELECTED STATISTICS

Operating Margin	7.6%	9.8%	8.9%	10.9%	9.2%	9.4%	7.5%	11.1%
Pretax Margin	7.1%	9.4%	8.5%	10.7%	9.0%	9.2%	7.3%	10.9%
FedEx Corp. Average FTEs	217,499	221,730	223,170	223,091	229,943	243,286	244,763	248,443
Dividends Paid Per Common Share	\$0.08	\$0.08	\$0.08	\$0.08	\$0.09	\$0.09	\$0.09	\$0.09

1 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY06 - FY07 amounts have been revised to conform to the current segment presentation.

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

3 - In Q2 FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense. FY07 amounts have been revised to conform to the current period presentation.

4 - Results for first quarter fiscal 2006 include a \$79 million charge to adjust the accounting for certain facility leases, predominantly at FedEx Express.

Unaudited. Differences may result due to rounding.

FedEx Corp. Capital Spending FY 1998 – FY 2007

Years ended May 31
In millions

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
By Asset Type										
Aircraft and Related Equipment		\$ 606	\$ 469	\$ 756	\$ 730	\$ 762	\$ 372	\$ 990	\$ 1,033	\$ 1,107
Facilities and Sort Equipment		466	437	353	292	254	332	496	507	674
Information Technology Investments		366	378	406	288	273	249	331	394	431
Vehicles ¹		–	–	–	–	116	212	261	413	445
Other Equipment ¹		332	343	378	305	106	106	158	171	225
Total On-Balance Sheet Capital	<u>\$1,880</u>	<u>\$1,770</u>	<u>\$1,627</u>	<u>\$1,893</u>	<u>\$1,615</u>	<u>\$1,511</u>	<u>\$1,271</u>	<u>\$2,236</u>	<u>\$2,518</u>	<u>\$2,882</u>
Equivalent Capital, Principally Aircraft-Related	<u>459</u>	<u>561</u>	<u>365</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total On- and Off-Balance Sheet Capital	<u>\$2,339</u>	<u>\$2,331</u>	<u>\$1,992</u>	<u>\$1,893</u>	<u>\$1,615</u>	<u>\$1,511</u>	<u>\$1,271</u>	<u>\$2,236</u>	<u>\$2,518</u>	<u>\$2,882</u>
By Segment										
FedEx Express segment						\$ 917	\$ 592	\$1,195	\$1,408	\$1,672
FedEx Ground segment						252	314	456	487	489
FedEx Freight segment						139	130	217	274	287
FedEx Services Segment ²						202	234	364	344	432
Other						1	1	4	5	2
Total On-Balance Sheet Capital	<u>\$1,880</u>	<u>\$1,770</u>	<u>\$1,627</u>	<u>\$1,893</u>	<u>\$1,615</u>	<u>\$1,511</u>	<u>\$1,271</u>	<u>\$2,236</u>	<u>\$2,518</u>	<u>\$2,882</u>
Equivalent Capital, Principally Aircraft-Related	<u>459</u>	<u>561</u>	<u>365</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total On- and Off-Balance Sheet Capital	<u>\$2,339</u>	<u>\$2,331</u>	<u>\$1,992</u>	<u>\$1,893</u>	<u>\$1,615</u>	<u>\$1,511</u>	<u>\$1,271</u>	<u>\$2,236</u>	<u>\$2,518</u>	<u>\$2,882</u>

1 - Vehicles were included in the Other Equipment classification prior to FY03

2 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY07 amounts have been revised to conform to the current segment presentation

Unaudited. Differences may result due to rounding.

FedEx Express Segment Annual Consolidated Statements of Income FY 1998 – FY 2007

Years ended May 31
In millions, except FTEs

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Package Revenue:										
U.S. Overnight Box		\$5,409	\$5,684	\$5,830	\$5,338	\$5,432	\$5,558	\$5,969	\$6,422	\$6,485
U.S. Overnight Envelope		1,776	1,854	1,871	1,755	1,715	1,700	1,798	1,974	1,990
Total U.S. Overnight	\$6,811	7,185	7,538	7,701	7,093	7,147	7,258	7,767	8,396	8,475
U.S. Deferred	2,179	2,271	2,428	2,492	2,383	2,510	2,592	2,799	2,853	2,883
Total U.S. Package Revenue	8,990	9,456	9,966	10,193	9,476	9,657	9,850	10,566	11,249	11,358
International Priority ¹	2,627	2,868	3,302	3,607	3,475	3,941	4,609	5,464	6,139	6,722
International Domestic ²										369
Total Package Revenue	11,617	12,324	13,268	13,800	12,951	13,598	14,459	16,030	17,388	18,449
Freight Revenue:										
U.S.	337	440	566	651	1,273	1,564	1,609	1,854	2,218	2,412
International Priority ¹	104	151	250	333	358	426	522	670	840	1,044
International Airfreight ¹	598	531	492	424	384	400	393	381	434	395
Total Freight Revenue	1,039	1,122	1,308	1,408	2,015	2,390	2,524	2,905	3,492	3,851
Other Revenue ³	599	533	520	437	471	479	514	550	566	381
Total Revenue	\$13,255	\$13,979	\$15,096	\$15,645	\$15,438	\$16,467	\$17,497	\$19,485	\$21,446	\$22,681
Operating Expenses:										
Salaries and employee benefits ⁴	5,832	6,225	6,654	6,382	6,565	7,001	7,403	7,704	8,033	8,234
Purchased transportation ⁵	–	–	–	584	564	609	694	843	971	1,098
Rentals and landing fees ⁶	1,221	1,318	1,431	1,424	1,531	1,557	1,531	1,608	1,696	1,610
Depreciation and amortization	845	912	1,001	809	819	818	810	798	805	856
Fuel	709	594	888	1,063	1,009	1,231	1,343	2,012	2,786	2,946
Maintenance and repairs	808	888	1,027	971	983	1,087	1,193	1,276	1,344	1,444
Airline stabilization	–	–	–	–	(119)	–	–	48	–	–
Business realignment costs	–	–	–	–	–	–	428	–	–	–
Intercompany charges ⁷	–	–	–	1,317	1,331	1,328	1,406	1,430	1,496	2,046
Other ^{5,8}	2,989	3,171	3,196	2,259	1,954	2,053	2,024	2,273	2,502	2,456
Merger expenses	14	–	–	–	–	–	–	–	–	–
	12,418	13,108	14,197	14,809	14,637	15,684	16,832	17,992	19,633	20,690
Operating Income	837	871	899	836	801	783	665	1,493	1,813	1,991
SELECTED STATISTICS										
Operating Margin	6.3%	6.2%	6.0%	5.3%	5.2%	4.8%	3.8%	7.7%	8.5%	8.8%
Average FTEs	119,072	123,274	127,592	125,304	122,638	123,506	121,733	123,334	124,730	124,164

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 1998-2007 to include these revenues within our Freight revenues.

2 - Beginning Q1 FY08, FedEx Express began disclosing International Domestic shipment revenue for FY08 and FY07. 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 and India.

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 - Purchased transportation is included in Other through FY 2000.

6 - Fiscal 2006 results include a \$75 million charge to adjust the accounting for certain facility leases.

7 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY07 amounts have been revised to conform to the current segment presentation.

8 - FY01 includes a \$102 million charge associated with curtailing certain aircraft modification and development programs.

NOTE: FY01 large element expense detail for FedEx Express is not directly comparable to prior periods due to intercompany chargebacks resulting from the creation of FedEx Services.

Differences may result due to rounding.

FedEx Express Segment Quarterly Consolidated Statements of Income

FY 1998 – FY 1999

Years ended May 31
In millions, except FTEs

	FY 1998				FY 1999			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box					\$1,333	\$1,346	\$1,320	\$1,410
U.S. Overnight Envelope					445	431	432	468
Total U.S. Overnight	\$1,702	\$1,663	\$1,667	\$1,779	1,778	1,777	1,752	1,878
U.S. Deferred	560	518	549	552	544	558	584	585
Total U.S. Packages	2,262	2,181	2,216	2,331	2,322	2,335	2,336	2,463
International Priority ¹	634	673	637	684	694	725	692	756
Total Package Revenue	2,896	2,854	2,853	3,015	3,016	3,060	3,028	3,219
Freight Revenue:								
U.S.	73	85	86	93	100	108	108	124
International Priority ¹	21	26	26	30	32	37	38	45
International Airfreight ¹	151	166	139	142	134	139	129	129
Total Freight Revenue	245	277	251	265	266	284	275	298
Other Revenue	156	168	129	146	135	138	128	132
Total Revenue	3,297	3,299	3,233	3,426	3,417	3,482	3,431	3,649
Operating Expenses:								
Salaries and employee benefits	1,451	1,425	1,448	1,508	1,541	1,542	1,546	1,596
Rentals and landing fees	274	317	321	309	313	328	344	333
Depreciation and amortization	202	209	215	219	220	222	233	237
Fuel	174	182	186	167	147	151	144	152
Maintenance and repairs	198	196	200	214	229	218	219	222
Other ^{2,3}	734	756	751	748	748	770	850	803
Merger Expenses	-	-	14	-	-	-	-	-
	3,033	3,085	3,135	3,165	3,198	3,231	3,336	3,343
Operating Income	264	214	98	261	219	251	95	306
 <u>SELECTED STATISTICS</u>								
Operating Margin	8.0%	6.5%	3.0%	7.6%	6.4%	7.2%	2.8%	8.4%
Average FTEs	116,039	118,366	120,804	121,114	121,148	122,983	125,315	123,741

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 1998-1999 to include these revenues within our Freight revenues.

2 - FedEx Express incurred approximately \$81 million of operating expenses and \$10 million of bank fees and negative arbitrage on borrowings in Q3 FY99 as part of the contingency plans in connection with the FedEx pilot negotiations.

3 - Includes purchased transportation.

Unaudited. Differences may result due to rounding.

FedEx Express Segment Quarterly Consolidated Statements of Income

FY 2000 – FY 2001

Years ended May 31
In millions, except FTEs

	FY 2000				FY 2001			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$1,380	\$1,393	\$1,421	\$1,490	\$1,479	\$1,484	\$1,425	\$1,442
U.S. Overnight Envelope	453	451	454	496	472	456	451	492
Total U.S. Overnight	1,833	1,844	1,875	1,986	1,951	1,940	1,876	1,934
U.S. Deferred	559	588	642	639	618	634	639	601
Total U.S. Packages	2,392	2,432	2,517	2,625	2,569	2,574	2,515	2,535
International Priority ¹	769	815	822	896	905	933	861	909
Total Package Revenue	3,161	3,247	3,339	3,521	3,474	3,507	3,376	3,444
Freight Revenue:								
U.S.	130	144	141	151	162	177	157	155
International Priority ¹	49	66	65	70	79	90	84	79
International Airfreight ¹	126	127	117	122	115	102	103	104
Total Freight Revenue	305	337	323	343	356	369	344	338
Other Revenue	121	152	96	151	114	134	91	98
Total Revenue	3,587	3,736	3,758	4,015	3,944	4,010	3,811	3,880
Operating Expenses:								
Salaries and employee benefits	1,609	1,640	1,686	1,719	1,615	1,604	1,595	1,568
Purchased transportation					150	147	144	143
Rentals and landing fees	347	365	356	363	345	355	357	367
Depreciation and amortization	242	245	256	258	200	204	202	203
Fuel	181	217	248	242	241	300	276	246
Maintenance and repairs	238	258	253	278	268	239	216	248
Intercompany charges	-	-	-	-	327	346	321	323
Other ^{2,3}	761	799	816	820	541	548	544	626
	3,378	3,524	3,615	3,680	3,687	3,743	3,655	3,724
Operating Income	209	212	143	335	257	267	156	156

SELECTED STATISTICS

Operating Margin	5.8%	5.7%	3.8%	8.3%	6.5%	6.7%	4.1%	4.0%
Average FTEs	124,625	126,138	129,125	130,483	125,313	125,787	126,694	123,470

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2000-2001 to include these revenues within our Freight revenues.

2 - Includes purchased transportation for FY 2000.

3 - Q4 FY01 includes a \$102 million charge associated with curtailing certain aircraft modifications and development programs.

4 - FedEx Express realized a gain on the sale of securities in Q3 FY00, increasing EPS by \$0.02, and a \$12 million gain in Q4 FY00 from the insurance settlement on an MD11 aircraft destroyed in an accident.

NOTE: FY01 and subsequent expense detail for FedEx Express is not directly comparable to prior periods due to intercompany chargebacks resulting from the creation of FedEx Services.

Unaudited. Differences may result due to rounding.

FedEx Express Segment Quarterly Consolidated Statements of Income

FY 2002 – FY 2003

Years ended May 31
In millions, except FTEs

	FY 2002				FY 2003			
	<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	\$1,373	\$1,299	\$1,299	\$1,368	\$1,335	\$1,351	\$1,355	\$1,391
U.S. Overnight Envelope	465	420	424	447	427	423	418	447
Total U.S. Overnight	1,838	1,719	1,723	1,815	1,762	1,774	1,773	1,838
U.S. Deferred	583	573	618	608	591	623	666	630
Total U.S. Packages	2,421	2,292	2,341	2,423	2,353	2,397	2,439	2,468
International Priority ¹	874	861	816	924	930	987	954	1,069
Total Package Revenue	3,295	3,153	3,157	3,347	3,283	3,384	3,393	3,537
Freight Revenue:								
U.S.	173	363	357	381	380	402	394	388
International Priority ¹	81	92	83	102	100	113	97	117
International Airfreight ¹	97	99	90	97	92	101	100	107
Total Freight Revenue	351	554	530	580	572	616	591	612
Other Revenue	121	135	113	102	107	128	110	134
Total Revenue	3,767	3,842	3,800	4,029	3,962	4,128	4,094	4,283
Operating Expenses:								
Salaries and employee benefits	1,610	1,609	1,633	1,713	1,719	1,716	1,781	1,785
Purchased transportation	143	143	137	141	144	151	151	163
Rentals and landing fees	370	402	384	375	382	400	391	384
Depreciation and amortization	202	203	207	207	204	205	203	206
Fuel	264	258	226	261	271	307	320	333
Maintenance and repairs	247	231	242	263	294	277	269	247
Airline stabilization compensation	-	(116)	(3)	-	-	-	-	-
Intercompany charges	333	322	334	342	335	324	328	341
Other	478	484	502	490	485	518	521	529
	3,647	3,536	3,662	3,792	3,834	3,898	3,964	3,988
Operating Income	120	306	138	237	128	230	130	295
 <u>SELECTED STATISTICS</u>								
Operating Margin	3.2%	8.0%	3.6%	5.9%	3.2%	5.6%	3.2%	6.9%
Average FTEs	122,561	122,162	122,717	123,095	123,730	123,408	124,581	122,325

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2002-2003 to include these revenues within our Freight revenues.

NOTE: FY01 and subsequent expense detail for FedEx Express is not directly comparable to prior periods due to intercompany chargebacks resulting from the creation of FedEx Services.

Unaudited. Differences may result due to rounding.

FedEx Express Segment Quarterly Consolidated Statements of Income

FY 2004 – FY 2005

Years ended May 31
In millions, except FTEs

	FY 2004				FY 2005			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$1,348	\$1,347	\$1,385	\$1,478	\$1,449	\$1,471	\$1,493	\$1,556
U.S. Overnight Envelope	432	408	398	461	439	432	444	483
Total U.S. Overnight	1,780	1,755	1,783	1,939	1,888	1,903	1,937	2,039
U.S. Deferred	606	626	686	675	648	682	759	710
Total U.S. Packages	2,386	2,381	2,469	2,614	2,536	2,585	2,696	2,749
International Priority ¹	1,046	1,129	1,144	1,290	1,289	1,361	1,347	1,467
Total Package Revenue	3,432	3,510	3,613	3,904	3,825	3,946	4,043	4,216
Freight Revenue:								
U.S.	365	401	419	424	421	471	474	488
International Priority ¹	109	129	127	157	151	176	167	177
International Airfreight ¹	105	98	97	94	90	91	94	106
Total Freight Revenue	579	628	643	675	662	738	735	771
Other Revenue	126	141	118	128	129	150	137	134
Total Revenue	4,137	4,279	4,374	4,707	4,616	4,834	4,915	5,120
Operating Expenses:								
Salaries and employee benefits	1,834	1,806	1,855	1,908	1,889	1,873	1,961	1,981
Purchased transportation	158	169	177	190	191	206	216	230
Rentals and landing fees	370	384	388	389	383	399	411	415
Depreciation and amortization	204	203	203	200	200	199	199	200
Fuel	293	310	356	384	422	513	498	579
Maintenance and repairs	285	293	300	315	325	322	307	322
Airline Stabilization Act charge	-	-	-	-	-	48	-	-
Business realignment costs	132	279	12	5	-	-	-	-
Intercompany charges ²	342	347	345	372	347	350	374	359
Other	496	507	515	506	534	567	601	571
	4,114	4,298	4,151	4,269	4,291	4,477	4,567	4,657
Operating Income (Loss)	23	(19)	223	438	325	357	348	463
 <u>SELECTED STATISTICS</u>								
Operating Margin	0.6%	(0.4%)	5.1%	9.3%	7.0%	7.4%	7.1%	9.0%
Average FTEs	122,897	121,807	122,025	120,227	121,566	122,120	125,865	123,842

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2004-2005 to include these revenues within our Freight revenues.

2 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY05 amounts have been revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Express Segment Quarterly Consolidated Statements of Income

FY 2006 – FY 2007

Years ended May 31
In millions, except FTEs

	FY 2006				FY 2007			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Package Revenue:								
U.S. Overnight Box	\$1,560	\$1,605	\$1,597	\$1,660	\$1,654	\$1,634	\$1,573	\$1,624
U.S. Overnight Envelope	489	480	486	519	511	489	476	514
Total U.S. Overnight	2,049	2,085	2,083	2,179	2,165	2,123	2,049	2,138
U.S. Deferred	687	701	750	715	705	716	740	722
Total U.S. Packages	2,736	2,786	2,833	2,894	2,870	2,839	2,789	2,860
International Priority ¹	1,459	1,543	1,489	1,648	1,665	1,696	1,597	1,764
International Domestic ²	52	56	114	147	52	56	114	147
Total Package Revenue	4,195	4,329	4,322	4,542	4,587	4,591	4,500	4,771
Freight Revenue:								
U.S.	505	565	574	574	607	624	586	595
International Priority ¹	175	214	202	249	249	271	251	273
International Airfreight ¹	105	117	107	105	104	106	91	94
Total Freight Revenue	785	896	883	928	960	1,001	928	962
Other Revenue ³	142	145	135	144	93	101	95	92
Total Revenue	5,122	5,370	5,340	5,614	5,640	5,693	5,523	5,825
Operating Expenses:								
Salaries and employee benefits ⁴	1,971	1,959	2,019	2,084	2,002	2,116	2,043	2,073
Purchased transportation	241	236	238	256	263	269	300	266
Rentals and landing fees ⁵	483	409	408	396	398	392	411	409
Depreciation and amortization	193	203	203	206	205	208	216	227
Fuel	628	760	666	732	798	716	691	741
Maintenance and repairs	361	339	320	324	398	365	357	324
Intercompany charges ⁶	345	371	380	400	502	520	499	525
Other	602	605	654	641	599	599	611	647
	4,824	4,882	4,888	5,039	5,165	5,185	5,128	5,212
Operating Income	298	488	452	575	475	508	395	613
SELECTED STATISTICS								
Operating Margin	5.8%	9.1%	8.5%	10.2%	8.4%	8.9%	7.2%	10.5%
Average FTEs	125,249	123,898	125,694	124,089	121,119	121,075	124,745	129,689

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2006-2007 to include these revenues within our Freight revenues.

2 - Beginning Q1 FY08, FedEx Express began disclosing International Domestic shipment revenue for FY08 and FY07. 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 and India.

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 - First quarter fiscal 2006 results include a \$75 million charge to adjust the accounting for certain facility leases.

6 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY06 - FY07 amounts have been revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Express Annual Shipment Statistics FY 1998 – FY 2007

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
AVG DAILY VOLUME / POUNDS										
Average Daily Package Volume (000s):										
U.S. Overnight Box (FO, EHB, POB, SOB)		1,207	1,249	1,264	1,170	1,176	1,179	1,184	1,203	1,174
U.S. Overnight Envelope (EHE, POE, SOE)		751	771	757	699	679	667	680	713	706
Total U.S. Overnight (FO, EH, PO, SO)	1,886	1,958	2,020	2,021	1,869	1,855	1,846	1,864	1,916	1,880
U.S. Deferred (E2, ES)	872	893	916	899	868	897	925	958	901	898
Total U.S. Packages	2,758	2,851	2,936	2,920	2,737	2,752	2,771	2,822	2,817	2,778
International Priority (IP, IE) ¹	257	278	315	343	338	366	393	433	466	487
International Domestic ²										135
Total Avg Daily Packages	3,015	3,129	3,251	3,263	3,075	3,118	3,164	3,255	3,283	3,400
Average Daily Freight Pounds (000s):										
U.S. (F1/F2/F3/Domestic ATA)	3,356	4,332	4,693	4,337	7,736	8,969	8,519	8,885	9,374	9,569
International Priority (IPF, IEF) ¹	265	388	613	786	901	978	1,148	1,395	1,634	1,878
International Airfreight (IXF/ATA) ¹	2,770	2,633	2,420	2,208	2,082	2,174	2,093	1,914	2,126	1,831
Total Avg Daily Freight Pounds	6,391	7,353	7,726	7,331	10,719	12,121	11,760	12,194	13,134	13,278
YIELD										
Revenue Per Package:										
U.S. Overnight Box (FO, EHB, POB, SOB)		\$17.51	\$17.70	\$18.09	\$17.90	\$18.18	\$18.49	\$19.77	\$20.94	\$21.66
U.S. Overnight Envelope (EHE, POE, SOE)		9.24	9.36	9.69	9.84	9.95	10.00	10.37	10.86	11.06
Total U.S. Overnight (FO, EH, PO, SO)	\$14.22	14.34	14.52	14.95	14.88	15.17	15.42	16.34	17.19	17.68
U.S. Deferred (E2, ES)	9.84	9.93	10.31	10.87	10.77	11.02	10.99	11.46	12.42	12.59
Total U.S. Packages	12.83	12.96	13.21	13.69	13.58	13.82	13.94	14.69	15.66	16.04
International Priority (IP, IE) ¹	40.26	40.22	40.83	41.21	40.36	42.38	45.96	49.47	51.64	54.13
International Domestic ²										10.77
Total Avg Daily Packages	\$15.17	\$15.37	\$15.87	\$16.59	\$16.52	\$17.17	\$17.92	\$19.31	\$20.77	\$21.28
Revenue Per Freight Pound:										
U.S. (F1/F2/F3/Domestic ATA)	\$0.40	\$0.40	\$0.47	\$0.59	\$0.65	\$0.69	\$0.74	\$0.82	\$0.93	\$0.99
International Priority (IPF, IEF) ¹	1.54	1.53	1.59	1.66	1.56	1.72	1.78	1.88	2.02	2.18
International Airfreight (IXF/ATA) ¹	0.85	0.79	0.79	0.75	0.72	0.72	0.74	0.78	0.80	0.84
Total Composite Freight Yield	\$0.64	\$0.60	\$0.66	\$0.75	\$0.74	\$0.78	\$0.84	\$0.93	\$1.04	\$1.14
PACKAGE GROWTH RATES										
Average Daily Volume Growth:										
U.S. Overnight Box (FO, EHB, POB, SOB)			3.5%	1.2%	(7.4%)	0.5%	0.3%	0.4%	1.6%	(2.4%)
U.S. Overnight Envelope (EHE, POE, SOE)			2.7%	(1.8%)	(7.7%)	(2.9%)	(1.8%)	1.9%	4.9%	(1.0%)
Total U.S. Overnight (FO, EH, PO, SO)	3.8%	3.2%	0.0%	(7.5%)	(0.7%)	(0.5%)	1.0%	2.8%	(1.9%)	
U.S. Deferred (E2, ES)	2.4%	2.6%	(1.9%)	(3.4%)	3.3%	3.1%	3.6%	(5.9%)	(0.3%)	
Total U.S. Packages	3.4%	3.0%	(0.5%)	(6.3%)	0.5%	0.7%	1.8%	(0.2%)	(1.4%)	
International Priority (IPF, IEF) ¹	8.2%	13.3%	8.9%	(1.5%)	8.3%	7.4%	10.2%	7.6%	4.5%	
International Domestic ²										N/A
Total Package Volume Growth	3.8%	3.9%	0.4%	(5.8%)	1.4%	1.5%	2.9%	0.9%	3.6%	
Revenue Growth:										
U.S. Overnight Box (FO, EHB, POB, SOB)			5.1%	2.6%	(8.4%)	1.8%	2.3%	7.4%	7.6%	1.0%
U.S. Overnight Envelope (EHE, POE, SOE)			4.4%	0.9%	(6.2%)	(2.3%)	(0.9%)	5.8%	9.8%	0.8%
Total U.S. Overnight (FO, EH, PO, SO)	5.5%	4.9%	2.2%	(7.9%)	0.8%	1.6%	7.0%	8.1%	0.9%	
U.S. Deferred (E2, ES)	4.2%	6.9%	2.6%	(4.4%)	5.3%	3.3%	8.0%	1.9%	1.1%	
Total U.S. Packages	5.2%	5.4%	2.3%	(7.0%)	1.9%	2.0%	7.3%	6.5%	1.0%	
International Priority (IPF, IEF) ¹	9.2%	15.1%	9.2%	(3.7%)	13.4%	17.0%	18.5%	12.4%	9.5%	
International Domestic ²										N/A
Total Package Revenue Growth	6.1%	7.7%	4.0%	(6.2%)	5.0%	6.3%	10.9%	8.5%	6.1%	
AVG POUNDS PER PACKAGE	7.4	7.4	7.5	7.3	6.8	6.8	7.1	7.1	7.1	7.3
AVG REVENUE PER PACKAGE LB.	\$2.06	\$2.07	\$2.11	\$2.28	\$2.42	\$2.53	\$2.52	\$2.71	\$2.93	\$2.92
OPERATING WEEKDAYS	254	256	257	255	255	254	255	255	255	255

1 - In fiscal 2007, we reclassified certain revenues previously included within International Priority package revenues in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 1998-2007 to include these revenues within our Freight revenues.

2 - Beginning Q1 FY08, FedEx Express began disclosing International Domestic shipments for FY08 and FY07. 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 and India.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics FY 1998 – FY 1999

	FY 1998				FY 1999			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG DAILY VOLUME / POUNDS								
Average Daily Package Volume (000s):								
U.S. Overnight Box (FO, POB, SOB)					1,150	1,211	1,236	1,232
U.S. Overnight Envelope (POE, SOE)					730	743	759	771
Total U.S. Overnight	1,858	1,868	1,877	1,941	1,880	1,954	1,995	2,003
U.S. Deferred (E2, ES)	826	854	933	873	835	895	966	884
Total U.S. Packages	2,684	2,722	2,810	2,814	2,715	2,849	2,961	2,887
International Priority (IP, IE) ¹	244	262	253	269	262	282	276	294
Total Avg Daily Packages	2,928	2,984	3,063	3,083	2,977	3,131	3,237	3,181
Average Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	2,705	3,410	3,495	3,815	3,930	4,480	4,391	4,541
International Priority (IPF, IEF) ¹	199	285	272	303	317	388	416	432
International Airfreight (IXF/ATA) ¹	2,652	2,984	2,690	2,756	2,621	2,719	2,645	2,551
Total Avg Daily Freight Pounds	5,556	6,679	6,458	6,874	6,867	7,588	7,452	7,524
YIELD								
Revenue Per Package:								
U.S. Overnight Box (FO, POB, SOB)					\$17.56	\$17.64	\$17.23	\$17.60
U.S. Overnight Envelope (POE, SOE)					9.25	9.22	9.17	9.33
Total U.S. Overnight	\$14.31	\$14.13	\$14.10	\$14.32	14.33	14.44	14.16	14.42
U.S. Deferred (E2, ES)	10.59	9.63	9.33	9.89	9.88	9.89	9.76	10.19
Total U.S. Packages	13.16	12.72	12.51	12.95	12.96	13.01	12.73	13.12
International Priority (IP, IE) ¹	40.55	40.76	40.01	39.73	40.08	40.84	40.46	39.56
Total Avg Daily Packages	\$15.44	\$15.17	\$14.78	\$15.28	\$15.34	\$15.51	\$15.08	\$15.56
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$0.42	\$0.40	\$0.39	\$0.38	\$0.39	\$0.38	\$0.40	\$0.42
International Priority (IPF, IEF) ¹	1.66	1.47	1.52	1.55	1.52	1.51	1.46	1.60
International Airfreight (IXF/ATA) ¹	0.89	0.88	0.82	0.80	0.77	0.81	0.79	0.78
Total Composite Freight Yield	\$0.69	\$0.66	\$0.62	\$0.60	\$0.59	\$0.59	\$0.59	\$0.61
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box (FO, POB, SOB)								
U.S. Overnight Envelope (POE, SOE)								
Total U.S. Overnight					1.2%	4.6%	6.3%	3.2%
U.S. Deferred (E2, ES)					1.0%	4.7%	3.5%	1.2%
Total U.S. Packages					1.2%	4.6%	5.4%	2.6%
International Priority (IP, IE) ¹					7.4%	7.6%	9.1%	9.3%
Total Package Volume Growth					1.7%	4.9%	5.7%	3.2%
Revenue Growth:								
U.S. Overnight Box (FO, POB, SOB)								
U.S. Overnight Envelope (POE, SOE)								
Total U.S. Overnight					4.5%	6.9%	5.1%	5.6%
U.S. Deferred (E2, ES)					(2.8%)	7.6%	6.5%	5.9%
Total U.S. Packages					2.7%	7.0%	5.5%	5.6%
International Priority (IP, IE) ¹					9.5%	7.7%	8.6%	10.5%
Total Package Revenue Growth					4.1%	7.2%	6.1%	6.8%
AVG POUNDS PER PACKAGE	7.3	7.5	7.3	7.3	7.4	7.6	7.3	7.4
AVG REVENUE PER PACKAGE LB.	\$2.12	\$2.02	\$2.02	\$2.10	\$2.06	\$2.03	\$2.06	\$2.11
OPERATING WEEKDAYS	64	63	63	64	66	63	62	65

1 - In fiscal 2007, we reclassified certain statistics previously included within International Priority package statistics in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 1998-1999 to include these revenues within our Freight revenues.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics

FY 2000 – FY 2001

	FY 2000				FY 2001			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG DAILY VOLUME / POUNDS								
Average Daily Package Volume (000s):								
U.S. Overnight Box (FO, POB, SOB)	1,205	1,241	1,277	1,275	1,254	1,292	1,288	1,222
U.S. Overnight Envelope (POE, SOE)	748	770	765	800	758	757	749	764
Total U.S. Overnight	1,953	2,011	2,042	2,075	2,012	2,049	2,037	1,986
U.S. Deferred (E2, ES)	839	913	991	921	876	925	962	837
Total U.S. Packages	2,792	2,924	3,033	2,996	2,888	2,974	2,999	2,823
International Priority (IP, IE) ¹	294	319	314	333	335	356	337	344
Total Avg Daily Packages	3,086	3,243	3,347	3,329	3,223	3,330	3,336	3,167
Average Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	4,555	5,072	4,607	4,547	4,369	4,749	4,204	4,032
International Priority (IPF, IEF) ¹	462	634	650	708	721	876	809	741
International Airfreight (IXF/ATA) ¹	2,505	2,574	2,266	2,337	2,312	2,233	2,164	2,121
Total Avg Daily Freight Pounds	7,522	8,280	7,523	7,592	7,402	7,858	7,177	6,894
YIELD								
Revenue Per Package:								
U.S. Overnight Box (FO, POB, SOB)	\$17.62	\$17.82	\$17.38	\$17.98	\$18.15	\$18.23	\$17.84	\$18.15
U.S. Overnight Envelope (POE, SOE)	9.31	9.29	9.29	9.54	9.59	9.56	9.70	9.91
Total U.S. Overnight	14.44	14.56	14.35	14.73	14.93	15.03	14.85	14.98
U.S. Deferred (E2, ES)	10.25	10.22	10.12	10.67	10.85	10.88	10.71	11.06
Total U.S. Packages	13.18	13.20	12.97	13.48	13.69	13.74	13.52	13.82
International Priority (IP, IE) ¹	40.33	40.58	40.98	41.37	41.47	41.60	41.17	40.61
Total Avg Daily Packages	\$15.75	\$15.88	\$15.58	\$16.26	\$16.58	\$16.72	\$16.32	\$16.73
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$0.44	\$0.45	\$0.48	\$0.51	\$0.57	\$0.59	\$0.60	\$0.59
International Priority (IPF, IEF) ¹	1.62	1.66	1.56	1.53	1.69	1.63	1.68	1.65
International Airfreight (IXF/ATA) ¹	0.78	0.78	0.81	0.80	0.76	0.73	0.77	0.75
Total Composite Freight Yield	\$0.62	\$0.65	\$0.67	\$0.70	\$0.74	\$0.75	\$0.78	\$0.75
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box (FO, POB, SOB)	4.7%	2.5%	3.3%	3.5%	4.1%	4.1%	0.9%	(4.1%)
U.S. Overnight Envelope (POE, SOE)	2.5%	3.6%	0.7%	3.7%	1.3%	(1.7%)	(2.0%)	(4.5%)
Total U.S. Overnight	3.9%	2.9%	2.4%	3.6%	3.0%	1.9%	(0.2%)	(4.3%)
U.S. Deferred (E2, ES)	0.5%	2.0%	2.7%	4.3%	4.4%	1.3%	(3.0%)	(9.1%)
Total U.S. Packages	2.8%	2.6%	2.4%	3.8%	3.4%	1.7%	(1.1%)	(5.8%)
International Priority (IP, IE) ¹	12.2%	13.1%	13.8%	13.3%	13.9%	11.6%	7.3%	3.3%
Total Package Volume Growth	3.7%	3.6%	3.4%	4.7%	4.4%	2.7%	(0.3%)	(4.9%)
Revenue Growth:								
U.S. Overnight Box (FO, POB, SOB)	3.5%	3.5%	7.6%	5.7%	7.2%	6.5%	0.3%	(3.2%)
U.S. Overnight Envelope (POE, SOE)	1.6%	4.4%	5.4%	6.1%	4.3%	1.2%	(0.9%)	(0.9%)
Total U.S. Overnight	3.1%	3.8%	7.0%	5.8%	6.4%	5.2%	0.1%	(2.6%)
U.S. Deferred (E2, ES)	2.7%	5.4%	9.9%	9.2%	10.6%	7.8%	(0.6%)	(5.8%)
Total U.S. Packages	3.0%	4.2%	7.7%	6.6%	7.4%	5.8%	(0.1%)	(3.4%)
International Priority (IP, IE) ¹	10.8%	12.4%	18.8%	18.5%	17.7%	14.5%	4.7%	1.5%
Total Package Revenue Growth	4.8%	6.1%	10.3%	9.4%	9.9%	8.0%	1.1%	(2.2%)
AVG POUNDS PER PACKAGE	7.5	7.7	7.4	7.4	7.5	7.6	7.1	6.9
AVG REVENUE PER PACKAGE LB.	\$2.10	\$2.06	\$2.10	\$2.19	\$2.20	\$2.21	\$2.29	\$2.43
OPERATING WEEKDAYS	65	63	64	65	65	63	62	65

1 - In fiscal 2007, we reclassified certain statistics previously included within International Priority package statistics in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2000-2001 to include these revenues within our Freight revenues.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics

FY 2002 – FY 2003

	FY 2002				FY 2003			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG DAILY VOLUME / POUNDS								
Average Daily Package Volume (000s):								
U.S. Overnight Box (FO, POB, SOB)	1,165	1,141	1,193	1,179	1,153	1,183	1,189	1,180
U.S. Overnight Envelope (POE, SOE)	721	676	698	702	680	685	662	687
Total U.S. Overnight	1,886	1,817	1,891	1,881	1,833	1,868	1,851	1,867
U.S. Deferred (E2, ES)	814	845	958	859	846	903	978	863
Total U.S. Packages	2,700	2,662	2,849	2,740	2,679	2,771	2,829	2,730
International Priority (IP, IE) ¹	333	335	329	354	355	377	355	377
Total Avg Daily Packages	3,033	2,997	3,178	3,094	3,034	3,148	3,184	3,107
Average Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	4,352	8,547	8,985	9,145	8,965	9,469	9,131	8,324
International Priority (IPF, IEF) ¹	760	935	877	1,030	951	1,052	881	1,027
International Airfreight (IXF/ATA) ¹	2,107	2,089	1,989	2,138	2,019	2,271	2,183	2,224
Total Avg Daily Freight Pounds	7,219	11,571	11,851	12,313	11,935	12,792	12,195	11,575
YIELD								
Revenue Per Package:								
U.S. Overnight Box (FO, POB, SOB)	\$18.12	\$18.06	\$17.56	\$17.86	\$18.08	\$18.12	\$18.09	\$18.43
U.S. Overnight Envelope (POE, SOE)	9.93	9.87	9.78	9.78	9.81	9.79	10.03	10.16
Total U.S. Overnight	14.99	15.02	14.69	14.84	15.01	15.07	15.21	15.39
U.S. Deferred (E2, ES)	11.03	10.77	10.41	10.89	10.93	10.95	10.82	11.40
Total U.S. Packages	13.80	13.67	13.25	13.60	13.72	13.73	13.69	14.13
International Priority (IP, IE) ¹	40.47	40.76	40.01	40.20	40.96	41.51	42.70	44.29
Total Avg Daily Packages	\$16.72	\$16.70	\$16.02	\$16.64	\$16.91	\$17.06	\$16.92	\$17.79
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$0.61	\$0.67	\$0.64	\$0.64	\$0.66	\$0.67	\$0.69	\$0.73
International Priority (IPF, IEF) ¹	1.63	1.57	1.53	1.52	1.64	1.70	1.74	1.78
International Airfreight (IXF/ATA) ¹	0.71	0.75	0.73	0.70	0.71	0.71	0.73	0.75
Total Composite Freight Yield	\$0.75	\$0.76	\$0.72	\$0.72	\$0.75	\$0.76	\$0.77	\$0.83
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box (FO, POB, SOB)	(7.1%)	(11.7%)	(7.4%)	(3.6%)	(1.0%)	3.7%	(0.4%)	0.1%
U.S. Overnight Envelope (POE, SOE)	(4.9%)	(10.7%)	(6.8%)	(8.0%)	(5.6%)	1.3%	(5.1%)	(2.2%)
Total U.S. Overnight	(6.3%)	(11.3%)	(7.2%)	(5.3%)	(2.8%)	2.8%	(2.1%)	(0.7%)
U.S. Deferred (E2, ES)	(7.1%)	(8.6%)	(0.4%)	2.6%	3.9%	6.9%	2.0%	0.5%
Total U.S. Packages	(6.5%)	(10.5%)	(5.0%)	(3.0%)	(0.8%)	4.1%	(0.7%)	(0.4%)
International Priority (IP, IE) ¹	(0.6%)	(5.9%)	(2.4%)	2.9%	6.6%	12.5%	7.9%	6.5%
Total Package Volume Growth	(5.9%)	(10.0%)	(4.7%)	(2.3%)	0.0%	5.0%	0.2%	0.4%
Revenue Growth:								
U.S. Overnight Box (FO, POB, SOB)	(7.2%)	(12.5%)	(8.8%)	(5.1%)	(2.8%)	4.0%	4.3%	1.7%
U.S. Overnight Envelope (POE, SOE)	(1.5%)	(7.8%)	(6.1%)	(9.2%)	(8.2%)	0.7%	(1.4%)	-
Total U.S. Overnight	(5.8%)	(11.4%)	(8.2%)	(6.2%)	(4.1%)	3.2%	2.9%	1.3%
U.S. Deferred (E2, ES)	(5.6%)	(9.5%)	(3.2%)	1.0%	1.4%	8.8%	7.8%	3.6%
Total U.S. Packages	(5.8%)	(10.9%)	(6.9%)	(4.5%)	(2.8%)	4.6%	4.2%	1.9%
International Priority (IP, IE) ¹	(3.4%)	(7.7%)	(5.2%)	1.7%	6.4%	14.6%	16.9%	15.7%
Total Package Revenue Growth	(5.2%)	(10.1%)	(6.5%)	(2.8%)	(0.4%)	7.3%	7.5%	5.7%
AVG POUNDS PER PACKAGE	6.9	7.0	6.7	6.7	6.8	7.0	6.8	6.8
AVG REVENUE PER PACKAGE LB.	\$2.42	\$2.40	\$2.40	\$2.48	\$2.49	\$2.45	\$2.50	\$2.62
OPERATING WEEKDAYS	65	63	62	65	64	63	63	64

1 - In fiscal 2007, we reclassified certain statistics previously included within International Priority package statistics in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2002-2003 to include these revenues within our Freight revenues.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics

FY 2004 – FY 2005

	FY 2004				FY 2005			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG DAILY VOLUME / POUNDS								
Average Daily Package Volume (000s):								
U.S. Overnight Box (FO, POB, SOB)	1,169	1,169	1,197	1,182	1,150	1,179	1,217	1,192
U.S. Overnight Envelope (POE, SOE)	682	655	628	700	662	663	681	712
Total U.S. Overnight	1,851	1,824	1,825	1,882	1,812	1,842	1,898	1,904
U.S. Deferred (E2, ES)	871	924	1,003	902	862	941	1,086	947
Total U.S. Packages	2,722	2,748	2,828	2,784	2,674	2,783	2,984	2,851
International Priority (IP, IE) ¹	367	394	389	422	415	439	432	448
Total Avg Daily Packages	3,089	3,142	3,217	3,206	3,089	3,222	3,416	3,299
Average Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	7,898	8,649	9,082	8,459	8,213	9,008	9,331	9,012
International Priority (IPF, IEF) ¹	976	1,193	1,110	1,311	1,294	1,505	1,385	1,399
International Airfreight (IXF/ATA) ¹	2,276	2,092	2,060	1,944	1,861	1,874	1,868	2,051
Total Avg Daily Freight Pounds	11,150	11,934	12,252	11,714	11,368	12,387	12,584	12,462
YIELD								
Revenue Per Package:								
U.S. Overnight Box (FO, POB, SOB)	\$18.02	\$18.29	\$18.37	\$19.24	\$19.37	\$19.81	\$19.79	\$20.08
U.S. Overnight Envelope (POE, SOE)	9.90	9.90	10.06	10.14	10.21	10.33	10.51	10.44
Total U.S. Overnight	15.03	15.27	15.51	15.86	16.02	16.40	16.46	16.48
U.S. Deferred (E2, ES)	10.87	10.74	10.85	11.52	11.57	11.51	11.26	11.54
Total U.S. Packages	13.70	13.75	13.86	14.45	14.59	14.74	14.57	14.84
International Priority (IP, IE) ¹	44.54	45.50	46.65	46.98	47.80	49.24	50.38	50.41
Total Avg Daily Packages	\$17.36	\$17.73	\$17.83	\$18.74	\$19.05	\$19.44	\$19.09	\$19.66
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$0.72	\$0.74	\$0.73	\$0.77	\$0.79	\$0.83	\$0.82	\$0.83
International Priority (IPF, IEF) ¹	1.75	1.72	1.81	1.84	1.79	1.86	1.94	1.94
International Airfreight (IXF/ATA) ¹	0.72	0.74	0.75	0.74	0.74	0.77	0.81	0.80
Total Composite Freight Yield	\$0.81	\$0.84	\$0.83	\$0.88	\$0.90	\$0.94	\$0.94	\$0.95
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box (FO, POB, SOB)	1.4%	(1.2%)	0.7%	0.2%	(1.6%)	0.9%	1.7%	0.8%
U.S. Overnight Envelope (POE, SOE)	0.2%	(4.4%)	(5.1%)	1.9%	(2.9%)	1.2%	8.4%	1.7%
Total U.S. Overnight	1.0%	(2.4%)	(1.4%)	0.8%	(2.1%)	1.0%	4.0%	1.2%
U.S. Deferred (E2, ES)	3.0%	2.3%	2.6%	4.5%	(1.0%)	1.8%	8.3%	5.0%
Total U.S. Packages	1.6%	(0.9%)	(0.0%)	2.0%	(1.8%)	1.3%	5.5%	2.4%
International Priority (IP, IE) ¹	3.4%	4.5%	9.6%	11.9%	13.1%	11.4%	11.1%	6.2%
Total Package Volume Growth	1.8%	(0.2%)	1.0%	3.2%	-	2.5%	6.2%	2.9%
Revenue Growth:								
U.S. Overnight Box (FO, POB, SOB)	1.0%	(0.3%)	2.2%	6.3%	7.5%	9.2%	7.8%	5.3%
U.S. Overnight Envelope (POE, SOE)	1.2%	(3.5%)	(4.8%)	3.1%	1.6%	5.9%	11.6%	4.8%
Total U.S. Overnight	1.0%	(1.1%)	0.6%	5.5%	6.1%	8.4%	8.6%	5.2%
U.S. Deferred (E2, ES)	2.5%	0.4%	3.0%	7.1%	6.9%	8.9%	10.6%	5.2%
Total U.S. Packages	1.4%	(0.7%)	1.2%	5.9%	6.3%	8.6%	9.2%	5.2%
International Priority (IP, IE) ¹	12.5%	14.4%	19.9%	20.7%	23.2%	20.5%	17.7%	13.7%
Total Package Revenue Growth	4.5%	3.7%	6.5%	10.4%	11.5%	12.4%	11.9%	8.0%
AVG POUNDS PER PACKAGE	7.0	7.3	7.1	7.1	7.2	7.3	7.0	7.0
AVG REVENUE PER PACKAGE LB.	\$2.48	\$2.43	\$2.52	\$2.65	\$2.66	\$2.65	\$2.73	\$2.82
OPERATING WEEKDAYS	64	63	63	65	65	63	62	65

1 - In fiscal 2007, we reclassified certain statistics previously included within International Priority package statistics in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2004-2005 to include these revenues within our Freight revenues.

Unaudited. Differences may result due to rounding.

FedEx Express Quarterly Shipment Statistics FY 2006 – FY 2007

	FY 2006				FY 2007			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
AVG DAILY VOLUME / POUNDS								
Average Daily Package Volume (000s):								
U.S. Overnight Box (FO, POB, SOB)	1,180	1,211	1,225	1,196	1,166	1,183	1,191	1,157
U.S. Overnight Envelope (POE, SOE)	711	702	711	726	703	700	699	719
Total U.S. Overnight	1,891	1,913	1,936	1,922	1,869	1,883	1,890	1,876
U.S. Deferred (E2, ES)	897	886	965	858	855	895	965	880
Total U.S. Packages	2,788	2,799	2,901	2,780	2,724	2,778	2,855	2,756
International Priority (IP,IE) ¹	441	475	474	475	466	501	490	491
International Domestic ²					44	49	161	284
Total Avg Daily Packages	3,229	3,274	3,375	3,255	3,234	3,328	3,506	3,531
Average Daily Freight Pounds (000s):								
U.S. (F1/F2/F3/Domestic ATA)	8,885	9,544	9,619	9,464	9,374	9,917	9,785	9,220
International Priority (IPF,IEF) ¹	1,386	1,756	1,620	1,777	1,775	1,980	1,845	1,912
International Airfreight (IXF/ATA) ¹	2,039	2,283	2,177	2,012	1,899	1,946	1,715	1,764
Total Avg Daily Freight Pounds	12,310	13,583	13,416	13,253	13,048	13,843	13,345	12,896
YIELD								
Revenue Per Package:								
U.S. Overnight Box (FO, POB, SOB)	\$20.34	\$21.03	\$21.03	\$21.34	\$21.83	\$21.92	\$21.29	\$21.58
U.S. Overnight Envelope (POE, SOE)	10.57	10.86	11.01	11.01	11.19	11.06	11.01	10.99
Total U.S. Overnight	16.67	17.30	17.35	17.44	17.83	17.88	17.49	17.53
U.S. Deferred (E2, ES)	11.78	12.56	12.54	12.82	12.69	12.70	12.37	12.62
Total U.S. Packages	15.10	15.80	15.75	16.01	16.21	16.21	15.76	15.96
International Priority (IP,IE) ¹	50.93	51.53	50.62	53.36	54.97	53.72	52.52	55.29
International Domestic ²					18.33	18.41	11.40	7.99
Total Avg Daily Packages	\$19.99	\$20.99	\$20.65	\$21.46	\$21.83	\$21.90	\$20.70	\$20.79
Revenue Per Freight Pound:								
U.S. (F1/F2/F3/Domestic ATA)	\$0.88	\$0.94	\$0.96	\$0.93	\$1.00	\$1.00	\$0.97	\$0.99
International Priority (IPF,IEF) ¹	1.94	1.93	2.01	2.16	2.16	2.18	2.20	2.20
International Airfreight (IXF/ATA) ¹	0.79	0.81	0.80	0.80	0.84	0.86	0.85	0.82
Total Composite Freight Yield	\$0.98	\$1.05	\$1.06	\$1.08	\$1.13	\$1.15	\$1.12	\$1.15
PACKAGE GROWTH RATES								
Average Daily Volume Growth:								
U.S. Overnight Box (FO, POB, SOB)	2.6%	2.7%	0.7%	0.3%	(1.2%)	(2.3%)	(2.8%)	(3.3%)
U.S. Overnight Envelope (POE, SOE)	7.4%	5.9%	4.4%	2.0%	(1.1%)	(0.3%)	(1.7%)	(1.0%)
Total U.S. Overnight	4.4%	3.9%	2.0%	0.9%	(1.2%)	(1.6%)	(2.4%)	(2.4%)
U.S. Deferred (E2, ES)	4.1%	(5.8%)	(11.1%)	(9.4%)	(4.7%)	1.0%	-	2.6%
Total U.S. Packages	4.3%	0.6%	(2.8%)	(2.5%)	(2.3%)	(0.8%)	(1.6%)	(0.9%)
International Priority (IP,IE) ¹	6.3%	8.2%	9.7%	6.0%	5.7%	5.5%	3.4%	3.4%
International Domestic ²					N/A	N/A	N/A	N/A
Total Package Volume Growth	4.5%	1.6%	(1.2%)	(1.3%)	0.2%	1.6%	3.9%	8.5%
Revenue Growth:								
U.S. Overnight Box (FO, POB, SOB)	7.7%	9.1%	7.0%	6.7%	6.0%	1.8%	(1.5%)	(2.2%)
U.S. Overnight Envelope (POE, SOE)	11.4%	11.1%	9.5%	7.5%	4.5%	1.9%	(2.1%)	(1.0%)
Total U.S. Overnight	8.5%	9.6%	7.5%	6.9%	5.7%	1.8%	(1.6%)	(1.9%)
U.S. Deferred (E2, ES)	6.0%	2.8%	(1.2%)	0.7%	2.6%	2.1%	(1.3%)	1.0%
Total U.S. Packages	7.9%	7.8%	5.1%	5.3%	4.9%	1.9%	(1.6%)	(1.2%)
International Priority (IP,IE) ¹	13.2%	13.4%	10.5%	12.3%	14.1%	9.9%	7.3%	7.0%
International Domestic ²					N/A	N/A	N/A	N/A
Total Package Revenue Growth	9.7%	9.7%	6.9%	7.7%	9.3%	6.1%	4.1%	5.0%
AVG POUNDS PER PACKAGE	7.0	7.3	7.0	7.1	7.1	7.3	7.4	7.5
AVG REVENUE PER PACKAGE LB.	\$2.85	\$2.87	\$2.95	\$3.04	\$3.07	\$3.02	\$2.80	\$2.77
OPERATING WEEKDAYS	65	63	62	65	65	63	62	65

1 - In fiscal 2007, we reclassified certain statistics previously included within International Priority package statistics in the table above that were international priority freight shipments to International Priority Freight statistics to more precisely present the nature of the services provided. Our revenue growth associated with these freight service offerings has been significant, and accordingly, we have reclassified the amounts for 2006-2007 to include these revenues within our Freight revenues.

2 - Beginning Q1 FY08, FedEx Express began disclosing International Domestic shipments for FY08 and FY07. 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 and India.

Unaudited. Differences may result due to rounding.

FedEx Express Aircraft and Vehicle Fleet Statistics FY 1998 – FY 2007

<u>Aircraft Type</u>	<u>Max. Operational Revenue Payload (Lbs/Aircraft)¹</u>	<u>May 31</u>									
		<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Boeing 727-100	27,500	68	68	66	52	42	28	19	18	13	1
Boeing 727-200	38,200	95	95	95	95	95	94	94	94	94	94
Boeing 757-200	45,800	–	–	–	–	–	–	–	–	–	4
Boeing DC10-10	108,700	47	58	69	48	48	48	39	30	25	13
Boeing DC10-30	114,200	22	22	22	22	19	17	17	17	14	13
Boeing MD10-10	108,700	–	–	–	3	11	19	27	36	41	50
Boeing MD10-30	114,200	–	–	–	2	5	5	5	5	6	7
Boeing MD11	164,200	25	28	30	34	39	42	42	57	58	58
Airbus A300-600	85,600	24	31	36	37	37	43	44	47	53	60
Airbus A310-200/300	61,900	39	39	41	46	50	51	51	62	65	66
Cessna 208A	1,900	10	10	10	10	10	10	10	10	10	10
Cessna 208B	2,500	251	251	251	248	248	247	246	246	243	243
Fokker F-27	9,850	32	32	32	32	32	30	27	17	9	8
ATR 72	14,660	–	–	–	–	–	–	2	2	11	13
ATR 42	10,880	–	–	–	–	–	8	22	29	29	29
Shorts SD3-60	8,300	–	–	<u>11</u>	<u>11</u>	<u>11</u>	<u>1</u>	–	–	–	–
Aircraft Fleet Total		<u>613</u>	<u>634</u>	<u>663</u>	<u>640</u>	<u>647</u>	<u>643</u>	<u>645</u>	<u>670</u>	<u>671</u>	<u>669</u>
<u>Vehicle Fleet (000s)</u>											
Long-Haul Tractors		1.9	2.2	2.7	2.7	2.9	2.8	2.8	2.7	2.8	2.7
All Other Motorized Vehicles		<u>39.0</u>	<u>40.3</u>	<u>41.9</u>	<u>42.1</u>	<u>41.8</u>	<u>39.9</u>	<u>38.9</u>	<u>37.4</u>	<u>39.8</u>	<u>40.9</u>
Vehicle Fleet Total		<u>40.9</u>	<u>42.5</u>	<u>44.6</u>	<u>44.8</u>	<u>44.7</u>	<u>42.7</u>	<u>41.7</u>	<u>40.1</u>	<u>42.6</u>	<u>43.6</u>

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

FedEx Express Jet Fuel Statistics FY 1998 – FY 2007

	<u>FY 1998</u>				<u>FY 1999</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	195,304	212,020	207,603	212,030	213,962	216,362	223,327	221,524
Price Per Gallon	\$0.711	\$0.710	\$0.710	\$0.633	\$0.541	\$0.555	\$0.501	\$0.541
Jet Fuel Expense (\$000s)	\$138,826	\$150,604	\$147,318	\$134,213	\$115,820	\$120,064	\$111,853	\$119,861

	<u>FY 2000</u>				<u>FY 2001</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	224,825	233,838	227,069	232,209	233,321	244,978	233,734	233,251
Price Per Gallon	\$0.648	\$0.766	\$0.897	\$0.841	\$0.833	\$1.038	\$0.968	\$0.846
Jet Fuel Expense (\$000s)	\$145,626	\$179,011	\$203,569	\$195,379	\$194,329	\$254,303	\$226,194	\$197,361

	<u>FY 2002</u>				<u>FY 2003</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	234,860	269,365	268,660	278,320	280,355	286,423	277,402	280,582
Price Per Gallon	\$0.932	\$0.825	\$0.707	\$0.794	\$0.831	\$0.925	\$0.992	\$1.015
Jet Fuel Expense (\$000s)	\$218,868	\$222,241	\$189,892	\$221,087	\$233,022	\$264,942	\$275,253	\$284,799

	<u>FY 2004</u>				<u>FY 2005</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	277,029	281,115	283,460	284,014	284,564	294,796	294,325	299,168
Price Per Gallon	\$0.907	\$0.949	\$1.093	\$1.170	\$1.300	\$1.553	\$1.488	\$1.717
Jet Fuel Expense (\$000s)	\$251,379	\$266,842	\$309,748	\$332,296	\$370,074	\$457,720	\$438,031	\$513,753

	<u>FY 2006</u>				<u>FY 2007</u>			
	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>	<u>FIRST QUARTER</u>	<u>SECOND QUARTER</u>	<u>THIRD QUARTER</u>	<u>FOURTH QUARTER</u>
Jet Fuel Gallons (000s)	302,980	307,504	305,771	309,490	309,348	312,274	311,345	311,503
Price Per Gallon	\$1.850	\$2.226	\$1.947	\$2.122	\$2.318	\$2.072	\$1.980	\$2.115
Jet Fuel Expense (\$000s)	\$560,586	\$684,611	\$595,258	\$656,643	\$717,150	\$646,913	\$616,323	\$658,788

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Consolidated Statements of Income FY 2001 – FY 2007

Years ended May 31
In millions

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
<u>FINANCIAL RESULTS</u>							
Revenues	\$2,565	\$2,918	\$3,581	\$3,910	\$4,680	\$5,306	\$6,043
Operating Expenses:							
Salaries and employee benefits	593	623	709	740	845	929	1,006
Purchased transportation ¹	921	1,067	1,327	1,465	1,791	2,019	2,430
Rentals	94	85	88	98	122	133	166
Depreciation and amortization	118	136	155	154	176	224	268
Fuel ¹	9	5	11	16	48	93	13
Maintenance and repairs	69	76	89	95	110	118	134
Business realignment costs	–	–	–	1	–	–	–
Intercompany charges ²	244	256	346	423	462	515	569
Other	404	333	362	387	502	559	635
	<u>2,452</u>	<u>2,581</u>	<u>3,087</u>	<u>3,379</u>	<u>4,056</u>	<u>4,590</u>	<u>5,221</u>
Operating Income	<u>\$ 113</u>	<u>\$ 337</u>	<u>\$ 494</u>	<u>\$ 531</u>	<u>\$ 624</u>	<u>\$ 716</u>	<u>\$ 822</u>
<u>SELECTED STATISTICS</u>							
Operating Margin	4.4%	11.5%	13.8%	13.6%	13.3%	13.5%	13.6%

1 - In Q2 FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense. FY07 amounts have been revised to conform to the current period presentation.

2 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 - FY07 amounts have been revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Consolidated Statements of Income

FY 2001 – FY 2002

Years ended May 31
In millions

	FY 2001				FY 2002			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues	\$623	\$670	\$613	\$659	\$683	\$728	\$715	\$792
Operating Expenses:								
Salaries and employee benefits	141	153	148	151	150	156	156	161
Purchased transportation	228	237	222	234	249	269	266	283
Rentals	21	24	24	25	21	24	21	19
Depreciation and amortization	26	29	31	32	32	33	35	36
Fuel	1	2	3	3	2	1	1	1
Maintenance and repairs	18	16	18	17	19	19	19	19
Intercompany charges	60	62	59	63	66	61	63	66
Other	94	99	100	111	85	84	85	79
	589	622	605	636	624	647	646	664
Operating Income	\$ 34	\$ 48	\$ 8	\$ 23	\$ 59	\$ 81	\$ 69	\$128
SELECTED STATISTICS								
Operating Margin	5.5%	7.2%	1.3%	3.5%	8.6%	11.1%	9.7%	16.2%

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Consolidated Statements of Income

FY 2003 – FY 2004

Years ended May 31
In millions

	FY 2003				FY 2004			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues	\$ 869	\$ 905	\$ 886	\$ 921	\$ 914	\$ 978	\$ 960	\$1,058
Operating Expenses:								
Salaries and employee benefits	176	179	176	178	177	187	183	193
Purchased transportation	318	337	335	337	342	367	367	389
Rentals	23	23	23	19	20	26	26	26
Depreciation and amortization	37	40	38	40	37	39	38	40
Fuel	1	3	3	4	2	3	4	7
Maintenance and repairs	22	22	22	23	23	24	22	26
Business realignment costs	-	-	-	-	-	-	1	-
Intercompany charges ¹	94	81	90	81	102	103	107	111
Other	97	85	90	90	95	94	100	98
	<u>768</u>	<u>770</u>	<u>777</u>	<u>772</u>	<u>798</u>	<u>843</u>	<u>848</u>	<u>890</u>
Operating Income	<u>\$ 101</u>	<u>\$ 135</u>	<u>\$ 109</u>	<u>\$ 149</u>	<u>\$ 116</u>	<u>\$ 135</u>	<u>\$ 112</u>	<u>\$ 168</u>
SELECTED STATISTICS								
Operating Margin	11.6%	14.9%	12.3%	16.2%	12.7%	13.8%	11.6%	15.9%

1 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY04 amount have been revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Consolidated Statements of Income

FY 2005 – FY 2006

Years ended May 31
In millions

	FY 2005				FY 2006			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues	\$1,073	\$1,174	\$1,200	\$1,233	\$1,219	\$1,307	\$1,363	\$1,417
Operating Expenses:								
Salaries and employee benefits	197	213	214	221	221	230	237	241
Purchased transportation	410	456	464	461	466	506	517	530
Rentals	26	32	31	33	31	36	35	31
Depreciation and amortization	40	43	47	46	50	53	58	63
Fuel	7	13	11	17	18	27	21	27
Maintenance and repairs	26	26	28	30	29	28	29	32
Intercompany charges ¹	112	113	121	116	117	127	133	138
Other	105	137	132	128	136	135	144	144
	<u>923</u>	<u>1,033</u>	<u>1,048</u>	<u>1,052</u>	<u>1,068</u>	<u>1,142</u>	<u>1,174</u>	<u>1,206</u>
Operating Income	<u>\$ 150</u>	<u>\$ 141</u>	<u>\$ 152</u>	<u>\$ 181</u>	<u>\$ 151</u>	<u>\$ 165</u>	<u>\$ 189</u>	<u>\$ 211</u>
SELECTED STATISTICS								
Operating Margin	14.0%	12.0%	12.7%	14.7%	12.4%	12.6%	13.9%	14.9%

1 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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. FY05-FY06 amounts have been 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

Years ended May 31
In millions

	FY 2007			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS				
Revenues	\$1,417	\$1,520	\$1,523	\$1,583
Operating Expenses:				
Salaries and employee benefits	241	256	251	258
Purchased transportation ¹	582	616	619	613
Rentals	36	44	45	41
Depreciation and amortization	61	65	71	71
Fuel ¹	2	4	4	3
Maintenance and repairs	31	32	35	36
Intercompany charges ²	134	145	141	149
Other	171	165	161	138
	1,258	1,327	1,327	1,309
Operating Income	\$ 159	\$ 193	\$ 196	\$ 274

SELECTED STATISTICS

Operating Margin	11.2%	12.7%	12.9%	17.3%
------------------	-------	-------	-------	-------

1 - In Q2 FY09, the company reclassified certain fuel supplemental costs at FedEx Ground related to its independent contractors from fuel expense to purchased transportation expense. FY07 amounts have been revised to conform to the current period presentation.

2 - FedEx Office was acquired in the fourth quarter of fiscal 2004. During Q1 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 amount have been revised to conform to the current segment presentation.

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Annual Shipment Statistics FY 1998 – FY 2007

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
<u>FedEx Ground</u>										
Total Package Volume (000s)	339,504	350,501	366,315	386,155	443,912	546,313	580,459	667,904	717,825	797,130
Average Daily Package Volume (000s)	1,326	1,385	1,442	1,520	1,755	2,168	2,285	2,609	2,815	3,126
Yield	\$5.04	\$5.36	\$5.55	\$5.79	\$6.11	\$6.25	\$6.48	\$6.68	\$7.02	\$7.21
Average Daily YOY Volume Growth Rate	18.3%	4.4%	4.1%	5.4%	15.5%	23.5%	5.4%	14.2%	7.9%	11.0%
OPERATING WEEKDAYS	256	253	254	254	253	252	254	256	255	255
<u>FedEx SmartPost</u>										
Total Package Volume (000s)										151,547
Average Daily Package Volume (000s)										599
Yield										\$1.88
Average Daily YOY Volume Growth Rate										N/A
OPERATING WEEKDAYS										253

Unaudited. Differences may result due to rounding.

FedEx Ground Segment Quarterly Shipment Statistics FY 1998 – FY 2007

	FY 1998				FY 1999			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Total Package Volume (000s)	71,422	83,204	100,309	84,569	83,886	90,756	84,572	91,286
Average Daily Package Volume (000s)	1,231	1,410	1,337	1,321	1,311	1,464	1,364	1,404
Yield	\$5.00	\$5.05	\$4.94	\$5.17	\$5.25	\$5.30	\$5.38	\$5.49
Avg Daily YOY Package Growth Rate	21.5%	21.3%	18.3%	12.7%	6.4%	3.8%	2.0%	6.3%
OPERATING WEEKDAYS	58	59	75	64	64	62	62	65
	FY 2000				FY 2001			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Total Package Volume (000s)	86,004	95,559	87,744	97,009	95,800	102,195	90,807	97,353
Average Daily Package Volume (000s)	1,365	1,541	1,415	1,448	1,452	1,648	1,441	1,545
Yield	\$5.53	\$5.45	\$5.54	\$5.66	\$5.67	\$5.69	\$5.82	\$5.99
Avg Daily YOY Package Growth Rate	4.2%	5.3%	3.8%	3.1%	6.3%	6.9%	1.8%	6.7%
OPERATING WEEKDAYS	63	62	62	67	66	62	63	63
	FY 2002				FY 2003			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Total Package Volume (000s)	102,252	113,238	108,465	119,957	134,325	141,439	134,579	135,970
Average Daily Package Volume (000s)	1,573	1,826	1,746	1,874	2,099	2,281	2,171	2,125
Yield	\$6.10	\$5.98	\$6.16	\$6.19	\$6.15	\$6.10	\$6.27	\$6.47
Avg Daily YOY Package Growth Rate	8.4%	10.8%	21.4%	21.3%	33.4%	24.9%	24.1%	13.3%
OPERATING WEEKDAYS	65	62	62	64	64	62	62	64
	FY 2004				FY 2005			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Total Package Volume (000s)	135,400	147,536	142,345	155,178	159,058	171,675	167,580	169,650
Average Daily Package Volume (000s)	2,116	2,342	2,296	2,387	2,447	2,725	2,660	2,610
Yield	\$6.44	\$6.37	\$6.52	\$6.59	\$6.54	\$6.48	\$6.79	\$6.91
Avg Daily YOY Package Growth Rate	0.8%	2.7%	5.8%	12.4%	15.6%	16.4%	15.9%	9.3%
OPERATING WEEKDAYS	64	63	62	65	65	63	63	65
	FY 2006				FY 2007			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FedEx Ground								
Total Package Volume (000s)	168,090	179,109	182,528	188,110	190,190	204,246	199,392	203,320
Average Daily Package Volume (000s)	2,586	2,843	2,944	2,894	2,926	3,242	3,216	3,128
Yield	\$6.92	\$6.90	\$7.10	\$7.13	\$7.13	\$7.04	\$7.26	\$7.43
Avg Daily YOY Package Growth Rate	5.7%	4.3%	10.7%	10.9%	13.1%	14.0%	9.2%	8.1%
OPERATING WEEKDAYS	65	63	62	65	65	63	62	65
FedEx SmartPost								
Total Package Volume (000s)					33,540	41,391	38,820	37,895
Average Daily Package Volume (000s)					516	657	647	583
Yield					\$1.75	\$1.95	\$1.92	\$1.90
Average Daily YOY Volume Growth Rate					N/A	N/A	N/A	N/A
OPERATING WEEKDAYS					65	63	60	65

Unaudited. Differences may result due to rounding.

FedEx Freight Segment Annual Consolidated Statements of Income

FY 2002 – FY 2007

Years ended May 31
In millions

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007¹</u>
FINANCIAL RESULTS						
Revenues	\$2,253	\$2,443	\$2,689	\$3,217	\$3,645	\$4,586
Operating Expenses:						
Salaries and employee benefits	1,218	1,303	1,427	1,650	1,801	2,250
Purchased transportation	197	224	254	315	298	465
Rentals	101	105	100	99	94	112
Depreciation and amortization	91	88	92	102	120	195
Fuel ²	133	154	172	257	377	468
Maintenance and repairs	91	115	116	128	120	165
Intercompany charges	13	17	21	26	37	61
Other ²	224	244	263	286	313	407
	<u>2,068</u>	<u>2,250</u>	<u>2,445</u>	<u>2,863</u>	<u>3,160</u>	<u>4,123</u>
Operating Income	<u>\$ 185</u>	<u>\$ 193</u>	<u>\$ 244</u>	<u>\$ 354</u>	<u>\$ 485</u>	<u>\$ 463</u>
SELECTED STATISTICS						
Operating Margin	8.2%	7.9%	9.1%	11.0%	13.3%	10.1%

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 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight Segment.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment Quarterly Consolidated Statements of Income

FY 2001 – FY 2002

Years ended May 31
In millions

	FY 2001				FY 2002			
	FIRST QUARTER	SECOND QUARTER	THIRD ¹ QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues			\$415	\$578	\$588	\$565	\$505	\$595
Operating Expenses:								
Salaries and employee benefits			208	303	310	300	287	321
Purchased transportation			45	52	53	53	41	50
Rentals			22	26	25	25	26	25
Depreciation and amortization			20	30	21	23	25	22
Fuel ²			32	40	37	34	28	34
Maintenance and repairs			15	24	23	22	20	26
Intercompany charges			1	–	3	3	3	4
Other ²			50	64	61	50	53	60
			393	539	533	510	483	542
Operating Income			\$ 22	\$ 39	\$ 55	\$ 55	\$ 22	\$ 53

SELECTED STATISTICS

Operating Margin	5.3%	6.7%	9.4%	9.7%	4.4%	8.9%
------------------	------	------	------	------	------	------

1 - Includes three months of operations for FedEx Freight West and two months of operations for FedEx Freight East (January and February).

2 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight segment.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment Quarterly Consolidated Statements of Income

FY 2003 – FY 2004

Years ended May 31
In millions

	FY 2003				FY 2004			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues	\$615	\$634	\$568	\$626	\$637	\$664	\$630	\$758
Operating Expenses:								
Salaries and employee benefits	328	329	313	333	340	345	346	396
Purchased transportation	57	62	51	54	56	64	59	75
Rentals	26	29	25	25	24	25	25	26
Depreciation and amortization	23	20	22	23	21	24	24	23
Fuel ¹	35	38	39	42	39	39	43	51
Maintenance and repairs	28	31	27	29	27	29	28	32
Intercompany charges	5	4	5	3	6	4	5	6
Other ¹	59	59	58	68	63	68	63	69
	561	572	540	577	576	598	593	678
Operating Income	\$ 54	\$ 62	\$ 28	\$ 49	\$ 61	\$ 66	\$ 37	\$ 80
SELECTED STATISTICS								
Operating Margin	8.8%	9.8%	4.9%	7.8%	9.6%	10.0%	5.9%	10.6%

1 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight segment.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment Quarterly Consolidated Statements of Income

FY 2005 – FY 2006

Years ended May 31
In millions

	FY 2005				FY 2006			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
FINANCIAL RESULTS								
Revenues	\$807	\$820	\$747	\$843	\$892	\$932	\$848	\$973
Operating Expenses:								
Salaries and employee benefits	410	406	404	430	439	442	449	471
Purchased transportation	84	88	71	72	72	81	68	77
Rentals	25	26	25	23	24	25	23	22
Depreciation and amortization	24	26	25	27	30	29	29	32
Fuel ¹	54	65	61	77	82	104	87	104
Maintenance and repairs	31	31	33	33	28	30	30	32
Intercompany charges	6	7	6	7	9	9	9	10
Other ¹	70	69	68	79	73	77	80	83
	704	718	693	748	757	797	775	831
Operating Income	\$103	\$102	\$ 54	\$ 95	\$135	\$135	\$ 73	\$ 142
SELECTED STATISTICS								
Operating Margin	12.8%	12.5%	7.2%	11.3%	15.1%	14.5%	8.6%	14.6%

1 - Beginning Q2 FY05, certain FedEx Freight expenses have been reclassified from Other Expense to Fuel Expense. Reclassifications extend back to Q3 FY01, the inception of the FedEx Freight segment.

Unaudited. Differences may result due to rounding.

FedEx Freight Segment Quarterly Consolidated Statements of Income FY 2007

Years ended May 31
In millions

	FY 2007			
	FIRST QUARTER	SECOND QUARTER ¹	THIRD QUARTER ¹	FOURTH QUARTER ¹
<u>FINANCIAL RESULTS</u>				
Revenues	\$1,013	\$1,225	\$1,101	\$1,247
Operating Expenses:				
Salaries and employee benefits	484	592	569	605
Purchased transportation	83	140	117	125
Rentals	23	30	30	29
Depreciation and amortization	31	52	55	57
Fuel	112	116	111	129
Maintenance and repairs	32	45	42	46
Intercompany charges	14	16	15	16
Other	84	96	112	115
	863	1,087	1,051	1,122
Operating Income	\$150	\$138	\$50	\$125
 <u>SELECTED STATISTICS</u>				
Operating Margin	14.8%	11.3%	4.5%	10.0%

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

Unaudited. Differences may result due to rounding.

FedEx Freight Annual LTL Shipment Statistics FY 2002 – FY 2007

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007¹</u>
Shipments Per Day	56,000	56,403	57,702	63,358	66,748	78,236
Weight Per Shipment	1,114	1,114	1,127	1,132	1,143	1,130
Revenue/CWT	\$12.41	\$13.40	\$14.23	\$15.48	\$16.84	\$18.65
Avg Daily YOY Shipment Growth Rate		0.7%	2.3%	9.8%	5.4%	17.2%
OPERATING WEEKDAYS	253	252	253	254	254	254

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

Unaudited. Differences may result due to rounding.

FedEx Freight Quarterly LTL Shipment Statistics FY 2001 – FY 2007

	<u>FY 2001</u>				<u>FY 2002</u>			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> ¹ <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			54,176	57,198	57,367	56,284	52,585	57,568
Weight Per Shipment			1,132	1,133	1,120	1,112	1,108	1,116
Revenue/CWT			\$11.80	\$11.84	\$12.23	\$12.55	\$12.39	\$12.50
Avg Daily YOY Shipment Growth Rate							(2.9%)	0.6%
OPERATING WEEKDAYS			42	65	65	62	61	65

	<u>FY 2003</u>				<u>FY 2004</u>			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>
Shipments Per Day	58,155	58,973	52,607	55,838	55,831	57,675	54,957	62,188
Weight Per Shipment	1,120	1,104	1,110	1,120	1,118	1,119	1,121	1,146
Revenue/CWT	\$12.80	\$13.55	\$13.59	\$13.69	\$13.97	\$14.32	\$14.35	\$14.28
Avg Daily YOY Shipment Growth Rate	1.4%	4.8%	0.0%	(3.0%)	(4.0%)	(2.2%)	4.5%	11.4%
OPERATING WEEKDAYS	64	62	62	64	64	62	62	65

	<u>FY 2005</u>				<u>FY 2006</u>			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u>	<u>THIRD</u> <u>QUARTER</u>	<u>FOURTH</u> <u>QUARTER</u>
Shipments Per Day	64,397	65,104	60,051	63,810	65,321	68,266	64,171	69,185
Weight Per Shipment	1,128	1,130	1,129	1,142	1,132	1,161	1,141	1,137
Revenue/CWT	\$14.98	\$15.55	\$15.58	\$15.82	\$16.55	\$16.80	\$16.74	\$17.25
Avg Daily YOY Shipment Growth Rate	15.3%	12.9%	9.3%	2.6%	1.4%	4.9%	6.9%	8.4%
OPERATING WEEKDAYS	65	62	62	65	65	62	62	65

	<u>FY 2007</u>			
	<u>FIRST</u> <u>QUARTER</u>	<u>SECOND</u> <u>QUARTER</u> ²	<u>THIRD</u> <u>QUARTER</u> ²	<u>FOURTH</u> <u>QUARTER</u> ²
Shipments Per Day	69,635	86,976	77,096	79,701
Weight Per Shipment	1,130	1,127	1,129	1,136
Revenue/CWT	\$17.90	\$18.73	\$18.68	\$19.18
Avg Daily YOY Shipment Growth Rate	6.6%	27.4%	20.1%	15.2%
OPERATING WEEKDAYS	65	61	62	66

1 - Based on the portion of the quarter that included both FedEx Freight East and FedEx Freight West (January and February).

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

Unaudited. Differences may result due to rounding.