



Investor Relations

Roadshow presentation

June 23, 2026



Forward-Looking Statements and Non-GAAP Financial Measures

Certain statements in this presentation may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act, such as statements regarding expected cost savings, the optimization of our network through Network 2.0, future financial targets, business strategies, management's views with respect to future events and financial performance, and the assumptions underlying such expected cost savings, targets, strategies, and statements. Forward-looking statements include those preceded by, followed by or that include the words "will," "may," "could," "would," "should," "believes," "expects," "forecasts," "anticipates," "plans," "estimates," "targets," "projects," "intends," "determined to," or similar expressions. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the global markets in which we operate; uncertainty and additional volatility in the global trade environment; our ability to successfully implement our business strategies and global transformation program and network optimization initiatives, including Network 2.0 and Tricolor, effectively respond to changes in market dynamics, and achieve the anticipated benefits of such strategies and actions; our ability to achieve our cost reduction initiatives and financial performance goals, including our 2029 financial performance targets; our ability to achieve the anticipated benefits of the tax-free full separation of the FedEx Freight business into a new publicly traded company (the "FedEx Freight Spin-Off"); the possibility of disruption, including changes to existing business relationships, disputes, litigation, or unanticipated costs in connection with the FedEx Freight Spin-Off; the timing and amount of any costs or benefits or any specific outcome, transaction, or change (of which there can be no assurance), or the terms, timing, and structure thereof, related to our global transformation program and other ongoing reviews and initiatives; a significant data breach or other disruption to our technology infrastructure; damage to our reputation or loss of brand equity; our ability to meet our labor and purchased transportation needs while controlling related costs; failure of third-party service providers to perform as expected, or disruptions in our relationships with those providers or their provision of services to FedEx; the effect of any international conflicts or terrorist activities, including as a result of the current conflicts between Russia and Ukraine and in the Middle East; evolving or new U.S. domestic or international laws and government regulations, policies, and actions, including regulatory and/or legal compliance requirements that can affect our ability to efficiently or fully utilize our aircraft; changes in fuel prices or currency exchange rates, including significant increases in fuel prices as a result of the ongoing conflicts between Russia and Ukraine and in the Middle East and other geopolitical and regulatory developments; the effect of intense competition; our ability to match capacity to shifting volume levels; an increase in self-insurance accruals and expenses; loss or delay in the collection of accounts receivable, including those related to tariffs in light of recent judicial rulings; the effect of technology developments, including autonomous technology and artificial intelligence; failure to receive or collect expected insurance coverage; our ability to effectively operate, integrate, leverage, and grow acquired businesses and complete and realize the anticipated benefits of acquisitions and other strategic transactions including FedEx's investment in InPost, as a consortium member, and related commercial agreements; noncash impairment charges related to our goodwill and certain deferred tax assets; the future rate of e-commerce growth; future guidance, regulations, interpretations, challenges, or judicial decisions related to tariffs and our tax positions; labor-related disruptions; legal challenges or changes related to service providers contracted to conduct certain linehaul and pickup-and-delivery operations and the drivers providing services on their behalf and the coverage of U.S. employees at Federal Express Corporation under the Railway Labor Act of 1926, as amended; our ability to quickly and effectively restore operations following adverse weather or a localized disaster or disturbance in a key geography; the effects of a widespread outbreak of an illness or any other communicable disease or public health crises; any liability resulting from and the costs of defending against litigation, including refunds of tariffs; our ability to achieve or demonstrate progress on our goal of carbon-neutral operations by 2040; successful completion of stock repurchases; and other factors which can be found in FedEx Corp.'s and its subsidiaries' press releases and FedEx Corp.'s filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended May 31, 2025 and subsequent Quarterly Reports on Form 10-Q. Any forward-looking statement speaks only as of the date on which it is made. We do not undertake or assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

FedEx reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). We have supplemented the reporting of our financial information determined in accordance with GAAP with certain non-GAAP (or "adjusted") financial measures. Reconciliations of non-GAAP measures used in this presentation to the most directly comparable GAAP measures are included below under "Appendix."

The financial targets and outlook provided herein and discussed during this presentation assume the company's current economic forecast and fuel price expectations, successful completion of planned stock repurchases, and no additional adverse economic, geopolitical, or international trade-related developments. FedEx's earnings per share and effective tax rate forecasts are based on current law and related regulations and guidance. This presentation should be reviewed in conjunction with our fourth quarter and full year fiscal 2026 earnings release and webcast of the earnings presentation conference call, which is available on FedEx's website at investors.fedex.com.



Unmatched global network

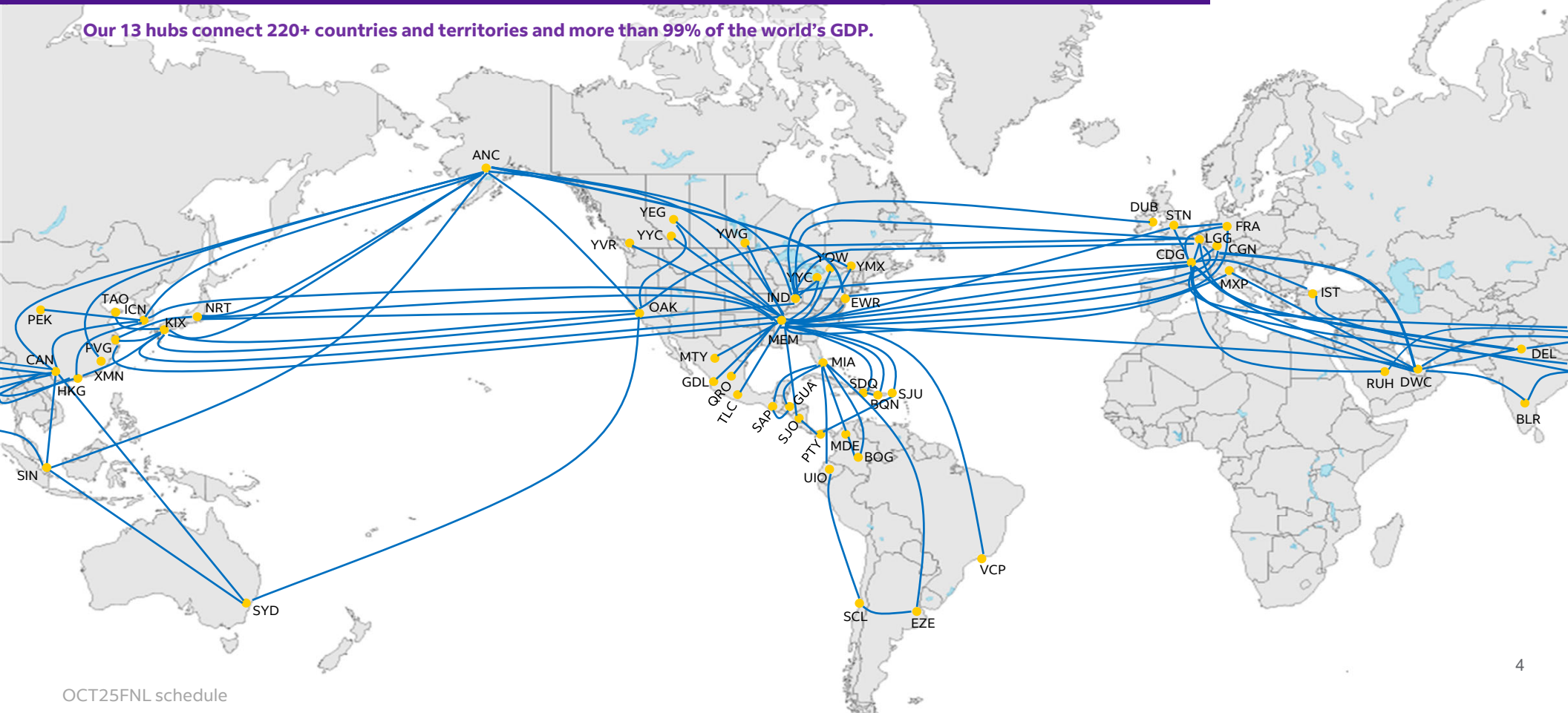
Linking more than 99% of world's GDP

- Over 220 countries and territories, including every address in the U.S.
- 700 aircraft and more than 175,000 motorized vehicles
- More than 4,000 operating facilities; more than 650 airports served worldwide
- Delivers nearly 18M shipments per day*
- More than 450,000 employees worldwide

*Average daily volume information for Q4 FY26, YTD

Federal Express Global Air Network

Our 13 hubs connect 220+ countries and territories and more than 99% of the world's GDP.



CY26 outlook¹

	Range
Revenue growth rate YoY	~11%
Adjusted EPS*	\$16.90 - \$18.10
Effective tax rate*	~23%
Capital Spend	\$3.9B

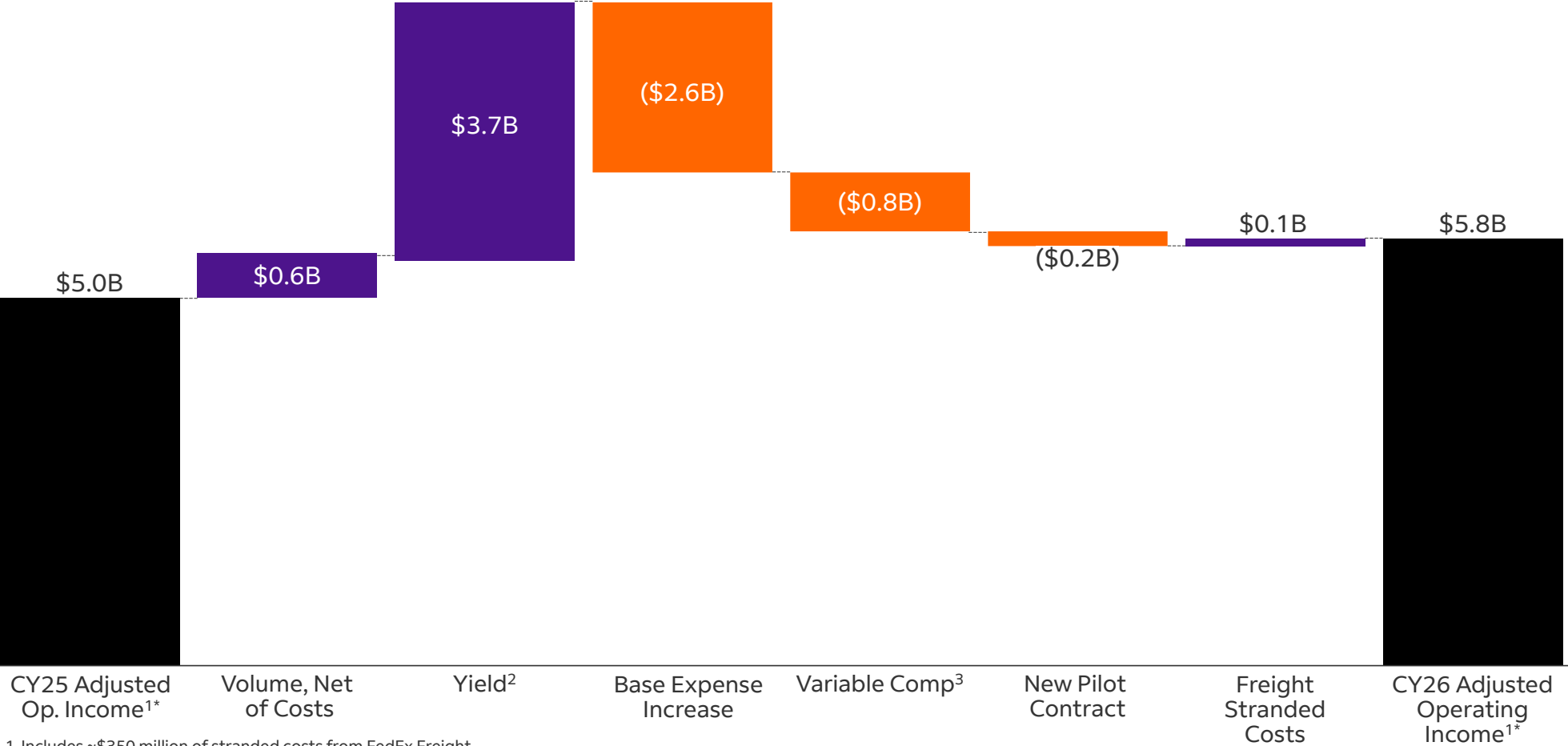
Assumptions:

- Revenue growth to be approximately 11% including three percentage points of assumed fuel-price driven surcharge benefit
- Adjusted EPS range of \$16.90-\$18.10, with a midpoint of \$17.50
- Pension contributions of \$475M
- Releasing 8-K filing with our recasted and resegmented financials for CY2024 and CY2025 by mid-August
- For preliminary comparison purpose, assume a \$15.00 CY25 adjusted EPS baseline, excluding FedEx Freight*

*Non-GAAP financial measure; prior to mark-to-market retirement plans accounting adjustments, which are impracticable to calculate at this time. See appendix for more information

1. The baseline for the calendar year 2026 financial metrics is the calendar year 2025 preliminary recasted results from continuing operations, which reflects FedEx Freight as discontinued operations. See Calendar 2025 Diluted Earnings Per Share from Continuing Operations information

Illustrative operating income bridge based on the midpoint of CY26 adjusted EPS* outlook

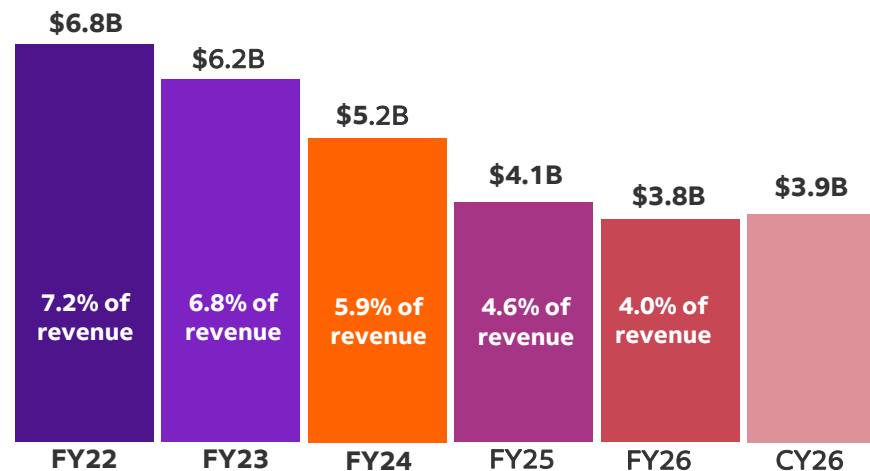


1-Includes ~\$350 million of stranded costs from FedEx Freight
 2-Yield excludes fuel price-driven surcharge benefit and currency exchange rate effects
 3-\$700 million of the Variable Comp. increase was incurred during the Jan-May 2026 period

*Non-GAAP financial measure; see appendix for more information

Capital allocation priorities

Committed to prudent capital allocation and maximizing stockholder returns



- Lowest CapEx intensity since FedEx Corporation was formed
- Third fiscal year in FedEx's history where CapEx was lower than depreciation and amortization
- Achieved FY26 aircraft CapEx target, coming in below \$1 billion
- Expect robust levels of free cash flow* for CY26, and fully committed to \$6 billion adjusted free cash flow* target in CY29

*Non-GAAP financial measure; see appendix for more information

FedEx Business Trends

Meeting e-commerce demands

- Year-round, seven-day-per-week U.S. residential delivery through our ground services*
- Significantly later pick up times offered with FedEx Extra Hours Service
- Widespread retail convenience network with Walgreens, Dollar General, and our own FedEx Office locations
- Building our network's capabilities to more efficiently handle growth in large items

*Sunday residential delivery offered to 67% of the U.S. population as of June 2025.





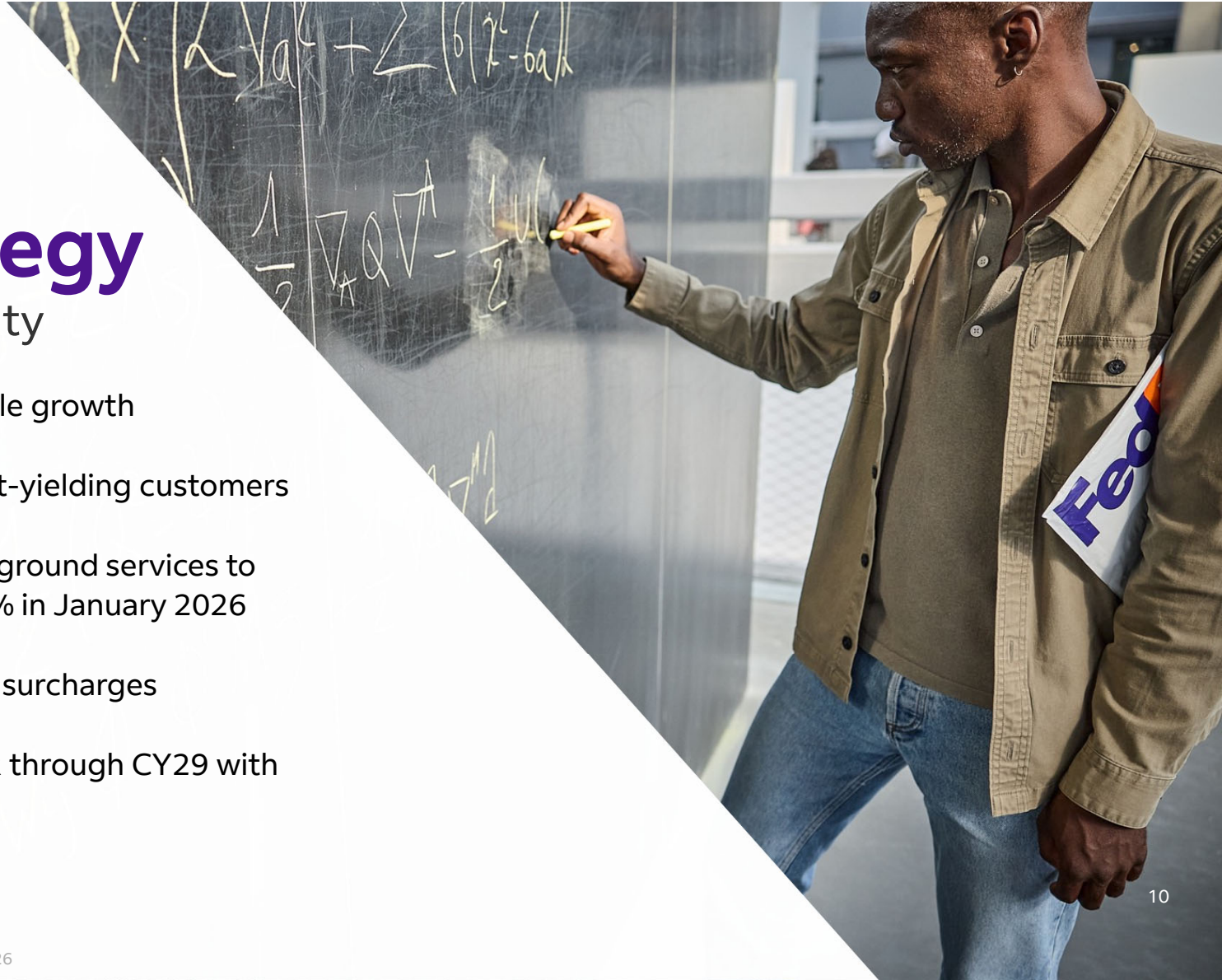
92% of people in the U.S. are within five miles of a FedEx hold location

- Customers want to drop off or pick up at places convenient to their everyday lives — the FedEx retail convenience network offers nearly 50,000 U.S. locations
- Now U.S. consumers can pick up their packages at more than 18,000 convenient, secure locations
- FedEx Consolidated Returns enables shoppers to drop off items from participating merchants that they wish to return – no box or label required – at more than 2,000 FedEx Office locations

Pricing Strategy

Improving revenue quality

- Focused on long-term profitable growth
- Prioritizing capacity for highest-yielding customers
- Shipping rates for express and ground services to increased by an average of 5.9% in January 2026
- Additional changes to fees and surcharges
- Assume 2% yield growth CAGR through CY29 with upside opportunity



* Based on Investor Day outlook provided on February 12, 2026

Strong portfolio of residential package services



Express

- 1–3 days transit time
- Time-definite
- Money Back Guarantee
- Declared value up to \$50K



Home Delivery

- 1–5 days transit time*
- Day-definite
- Declared value up to \$50K

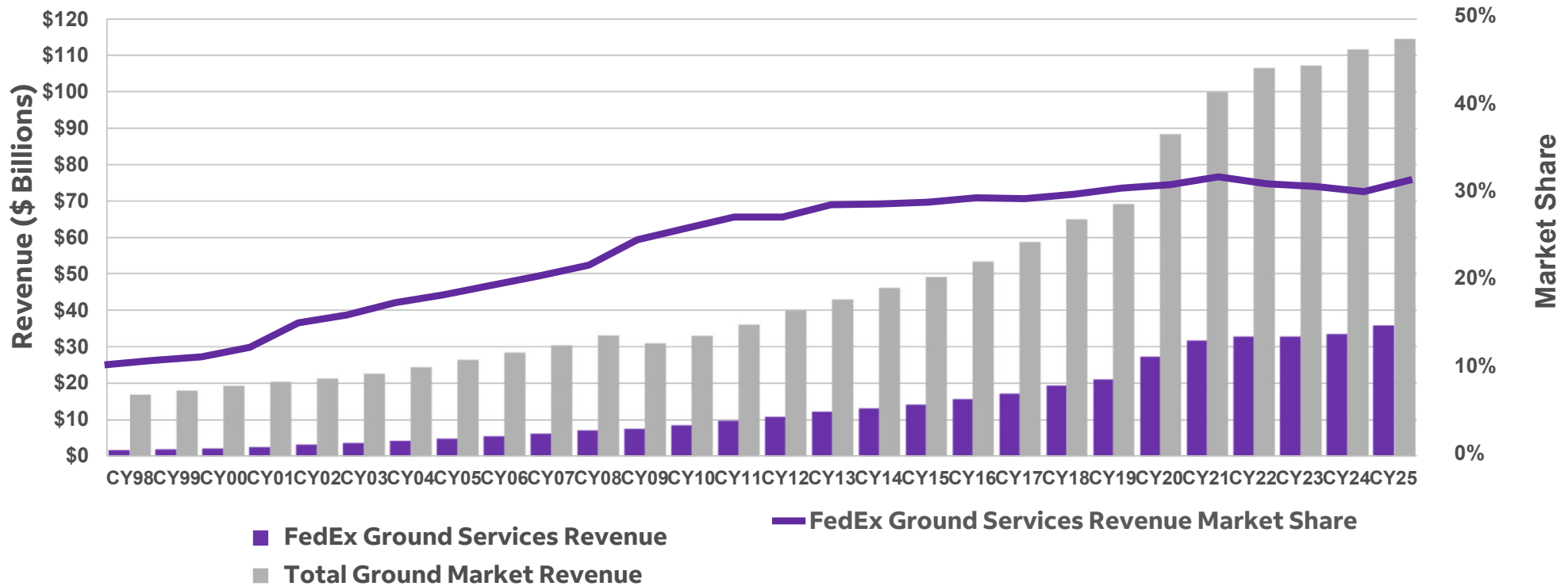


Ground Economy

- 2–7 days transit time*
- No declared value
- Lighter-weight
- E-commerce merchant offering

*Transit time is for the continental U.S.

FedEx Ground Revenue Market Share Has Grown to More Than 31%



Source: FedEx analysis Notes: Figures exclude USPS Priority Mail; Ground Market includes USPS Workshare and Parcel Select Products

Go-Forward Strategy

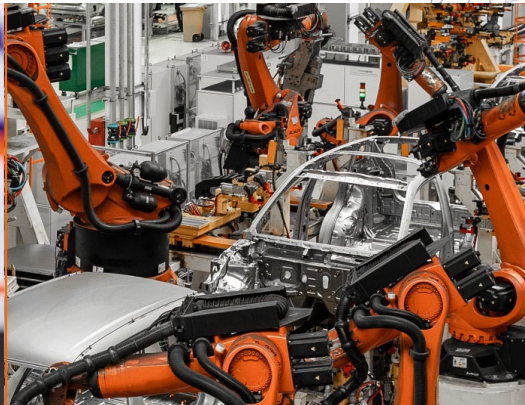


B2B GROWTH STRATEGY

Target verticals represent a combined total addressable market¹ (TAM) >\$130B



HEALTHCARE



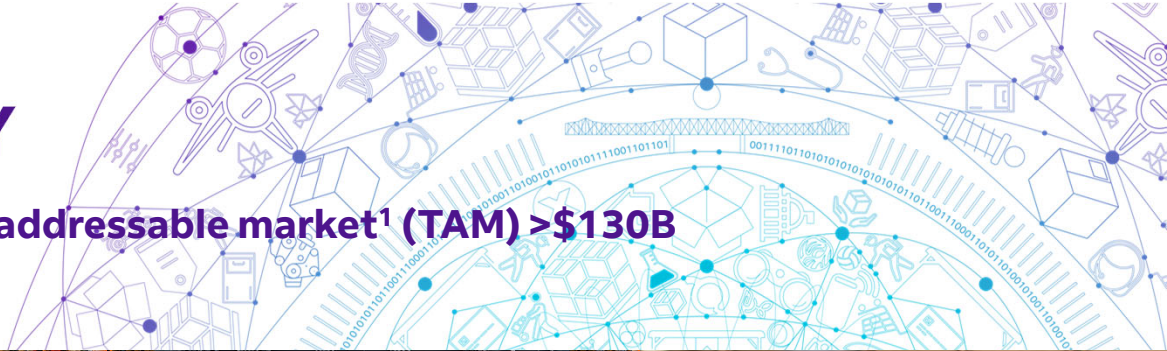
AUTOMOTIVE



DATA CENTERS



AEROSPACE



1. FedEx estimate

GROWING & LEADING **INDUSTRIAL NETWORK**

Breadth and balance of portfolio create a powerful and differentiated network

U.S. DOMESTIC

Intelligent, integrated network powering U.S. commerce

45% B2B revenue¹

INTERNATIONAL

Leading network with global reach and focus on growth markets

75% B2B revenue¹

GLOBAL PORTFOLIO¹

30%
INTERNATIONAL
REVENUE



70%
U.S. DOMESTIC
REVENUE

1. Based on FY25 FEC revenue

WINNING **HIGH-VALUE B2C**

Growing profitable share in higher-value, longer-haul B2C

B2C OPPORTUNITY

COMPETITIVE ADVANTAGES

- 70% of ground service revenue from shipments traveling >300 miles
- Advanced digital suite of solutions
- Superior value proposition and disciplined focus on revenue quality

FEDEX TARGET:

**Low-single
digit**

Volume growth CAGR²



1. Throughout this deck, FY26 estimates are based on guidance issued in December

2. Based on FY26E-2029E

3. Based on Investor Day outlook provided on February 12, 2026

DATAWORKS NEXT: FROM INSIGHTS TO ORCHESTRATION



THREE LAYERS OF VALUE CREATION

DATA INTELLIGENCE & INSIGHTS

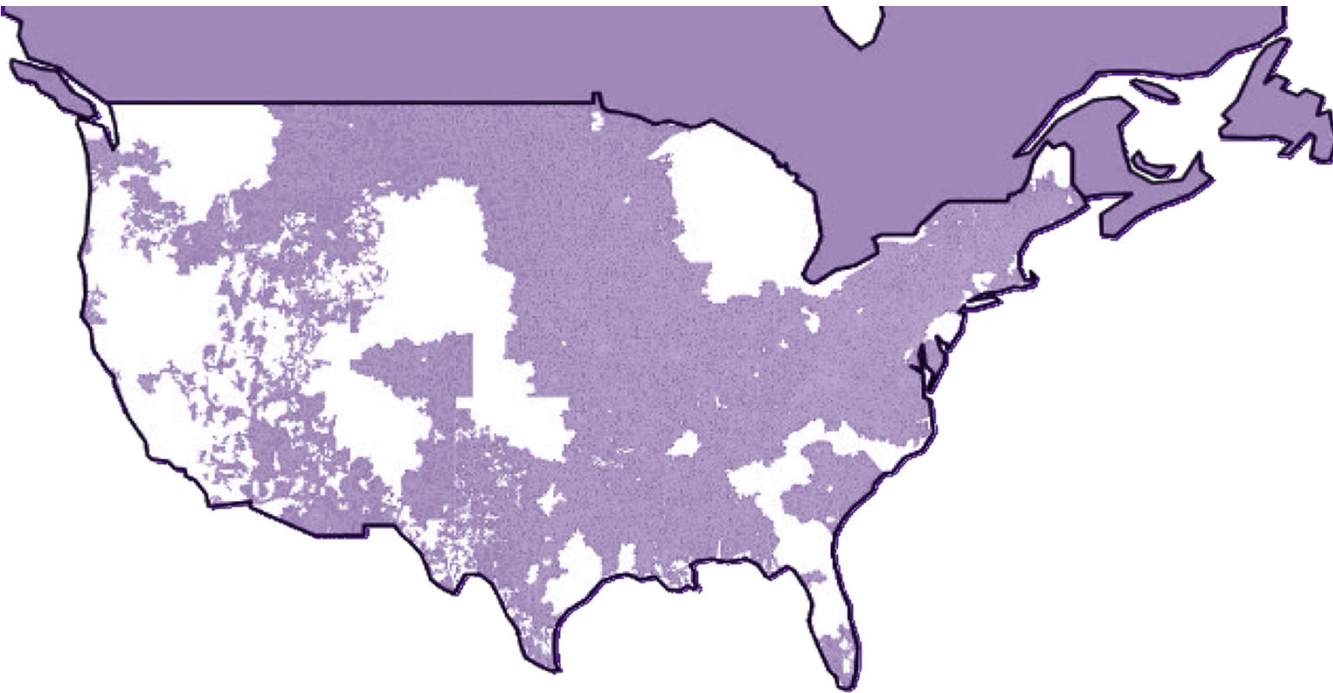
Embed predictive signals and benchmarks into customer workflows, as we are doing with ServiceNow and Dun & Bradstreet partnerships

PRODUCTIZED CAPABILITIES

Externalize proven internal tools (planning, risk, customs intelligence) as modular offerings

ORCHESTRATION

Selectively coordinate action across multiple parties—closing the loop between digital insight and physical execution



ENTERING THE SCALING PHASE: **FROM PROOF OF CONCEPT TO ENTERPRISE**

FOCUS SHIFTING TO LARGEST METROS AND SCALE ROLLOUT COMPLETION

Optimized geography by end of CY26

Network 2.0 PROGRESS EXPECTED BY END OF CY26

~65%

of eligible U.S. and
Canada ADV optimized

PROGRESS EXPECTED BY END OF 2027

>900

optimized stations across
U.S. and Canada

>475

closed stations

>30%

closed stations

RAMPING NETWORK 2.0 AND ONE FEDEX SAVINGS BY END OF 2027

SAVINGS ON TRACK

~\$1B Savings expected by the end of CY26

\$2B Savings expected by the end of 2027



PRIMARY STRUCTURAL COST LEVERS



PICK UP AND DELIVERY



REDUCED FOOTPRINT



ONE FEDEX SAVINGS

NEW ERA FOCUSED ON **THREE FINANCIAL PRINCIPLES**

1

Expand operating margins and grow operating income

2

Lower capital intensity and improve ROIC

3

Significantly and sustainably increase free cash flow



2029 Financial Targets



STRONG & DURABLE 2029 FINANCIAL TARGETS



~\$8B

Operating income in 2029
~14% adj. operating income CAGR^{1,3}

~8%

Operating margin in 2029
~200 bps of adj. margin expansion³

\$25

GAAP earnings per share² in 2029³

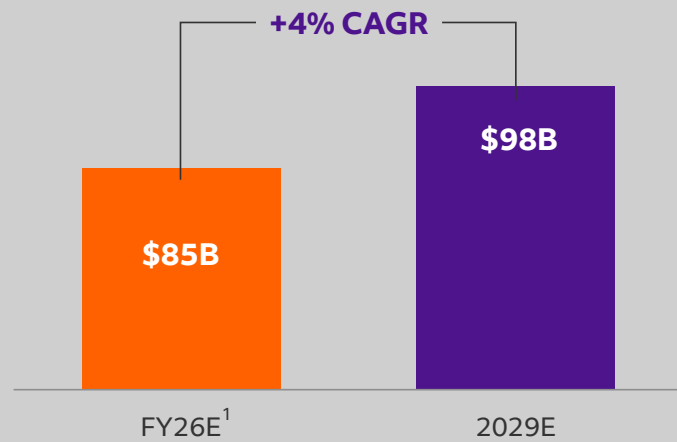
~\$6B

Adj. free cash flow in 2029³

1. Based on FY26E-2029E CAGR. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight
2. Excludes FedEx Freight; compared to FY26 adjusted EPS of \$15 for FedEx Corp; Based on December 2025 guidance.
3. Based on Investor Day outlook provided on February 12, 2026

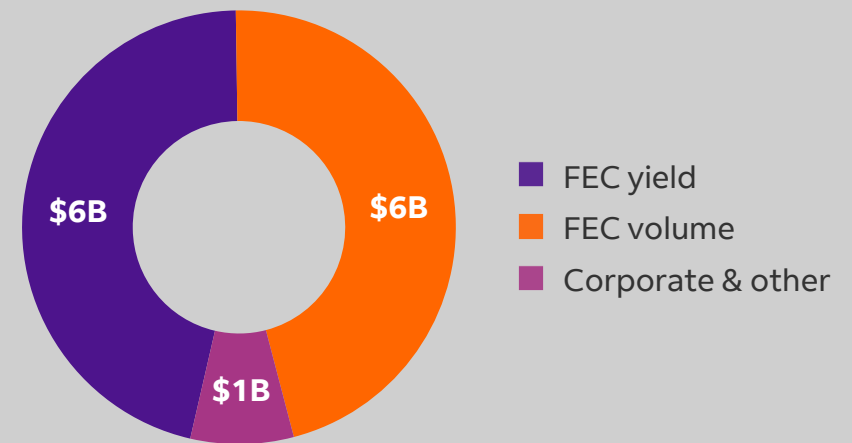
PRUDENT REVENUE ASSUMPTIONS

TOTAL REVENUES²



YIELD/VOLUME/OTHER²

Contribution to \$13B revenue growth through 2029



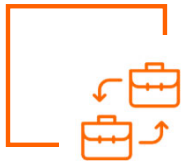
1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight

2. Based on Investor Day outlook provided on February 12, 2026

U.S. DOMESTIC SEGMENT



Executing Network 2.0 and One FedEx initiatives...
~\$2 billion in cumulative cost savings

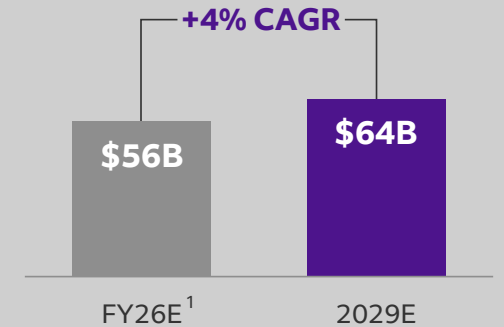


Rigorously focus our top-line growth on **expanding yields and continuing to win share in the B2B market**, which comes with very strong incremental margins



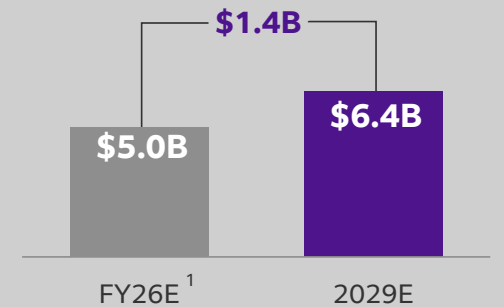
Optimizing revenue quality through **longer-haul and heavier-weight B2C shipments**

U.S. DOMESTIC REVENUE²



OPERATING INCOME²

+110bps of adj. operating margin expansion



1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight

2. Based on Investor Day outlook provided on February 12, 2026

INTERNATIONAL SEGMENT



Leveraging our improved service, top-line performance and lower cost structure in Europe to **support improved incremental margins**

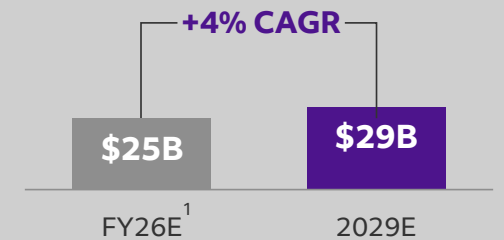


Continued growth in the **premium cross-border and intercontinental segments** of the European market



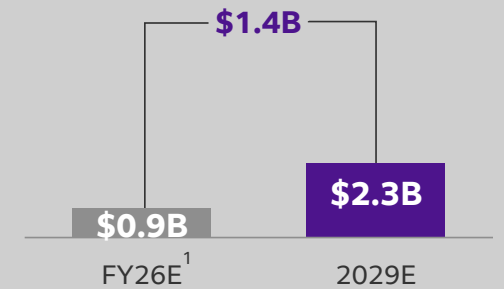
We will also be **growing our international air freight business through Tricolor**, which is already translating into very strong incremental profit flow through

INTERNATIONAL REVENUE²



OPERATING INCOME²

+440bps of adj. operating margin expansion



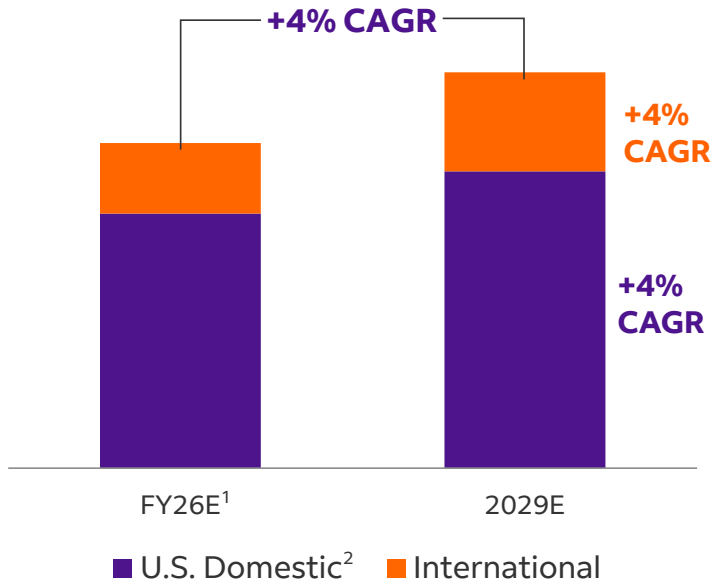
1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight

2. Based on Investor Day outlook provided on February 12, 2026

HIGH-QUALITY, DURABLE REVENUE GROWTH

Focus on B2B, SMBs, and high-value B2C revenue opportunities

TOTAL CORE REVENUE³



SUSTAINABLE, PROFITABLE GROWTH

\$6B of incremental yield-related revenue through 2029³

\$6B of incremental volume-related revenue through 2029³

Additional \$1B of revenue from Office, Logistics, Supply Chain, and Dataworks³

Positioned to generate premium revenue and drive sustained, strong bottom-line flow-through³

1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight

2. Anticipate addressable U.S. domestic e-commerce volume to grow at a ~5% CAGR from CY25-29. U.S. Domestic B2B addressable market estimated to grow at ~1.4% CAGR over CY25-29. Total U.S. domestic parcel market is estimated to be ~105M ADV in CY29

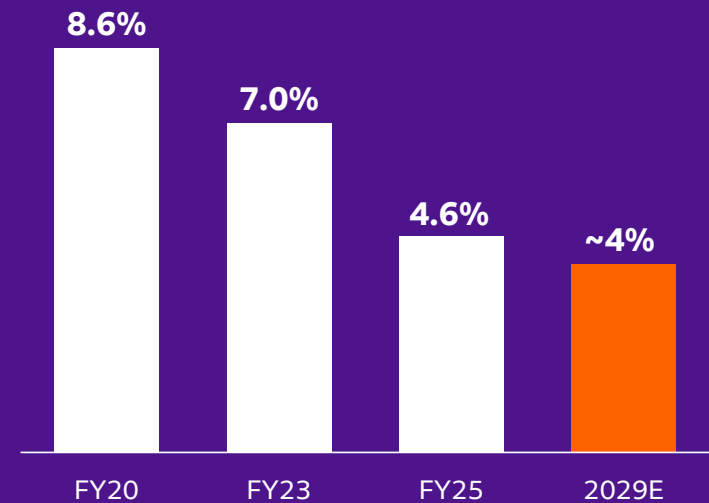
3. Based on Investor Day outlook provided on February 12, 2026

LOWER CAPITAL INTENSITY

- FY26 aircraft CapEx below \$1B
- Expect aircraft CapEx to remain at or below \$1B through 2029, supporting FCF expansion
- CY29 outlook assumes 90% of capital investments will be to maintain network, modernize equipment or facilities, or other efficiency-related needs

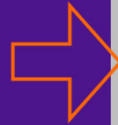
COMMITTED TO FURTHER REDUCING CAPITAL INTENSITY¹

CapEx-to-revenue ratio

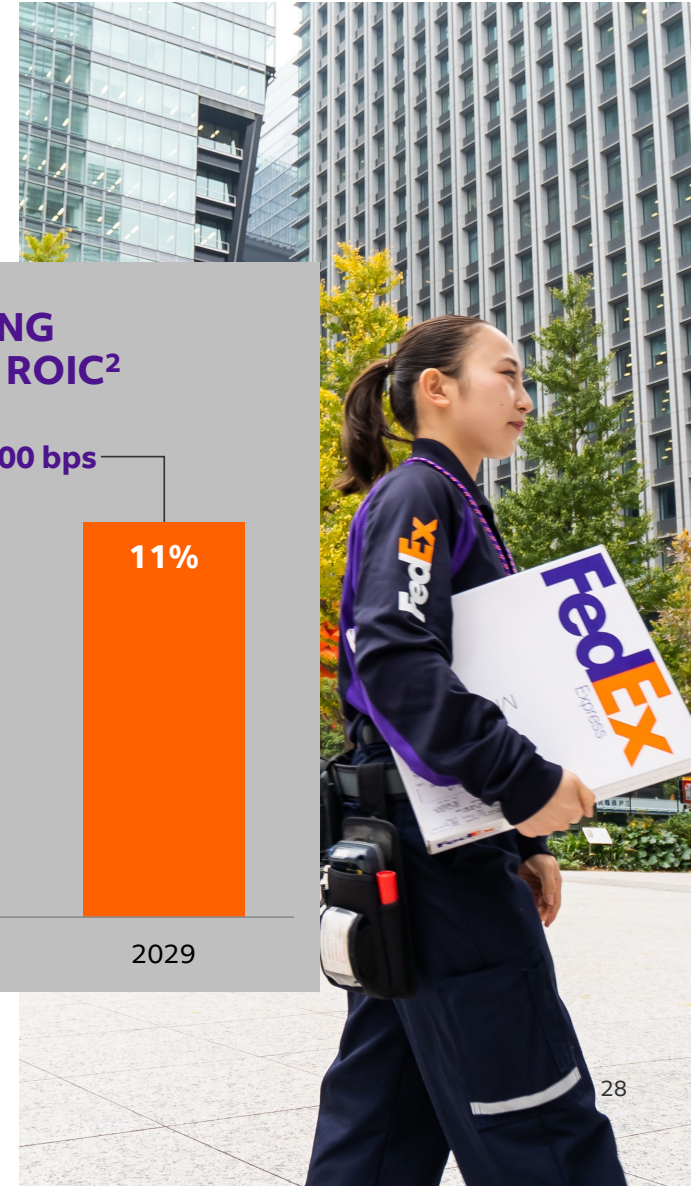
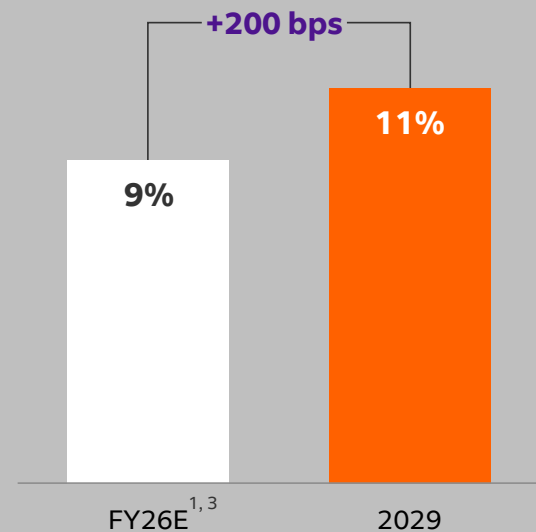


HIGHER ROIC

- Ensuring that our business generates significant stockholder returns is a top priority
- Focused on leveraging the scale and scope of to drive unprecedented stockholder value in years to come
- Expect to drive 200 bps of ROIC expansion, driven primarily by adjusted operating income improvement

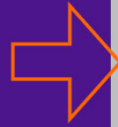


PRIORITIZING IMPROVED ROIC²

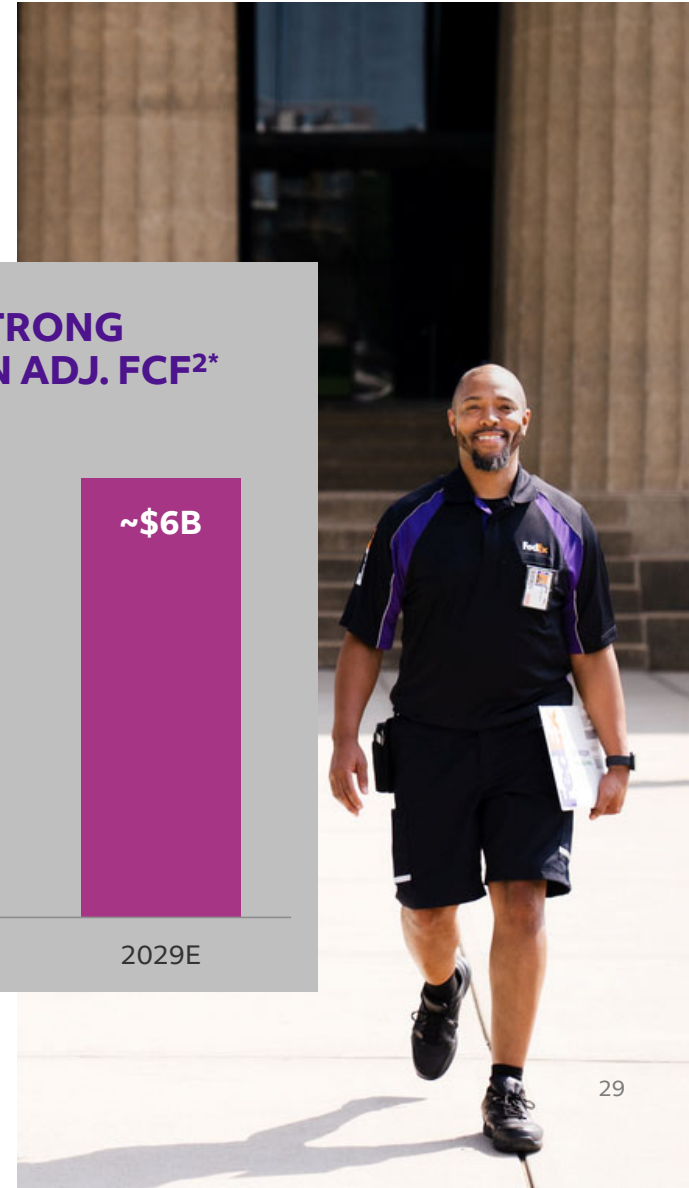
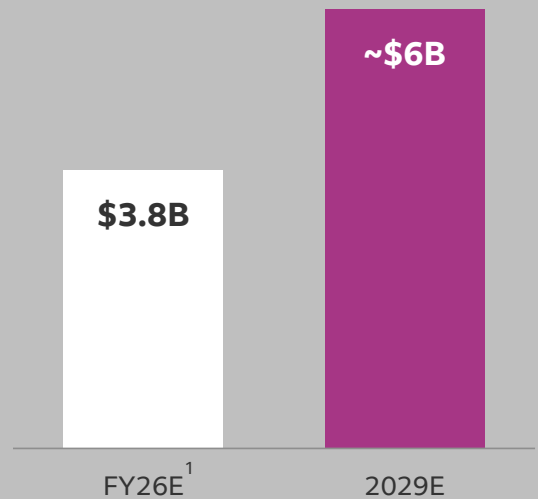


ADJUSTED FREE CASH FLOW* IMPROVEMENT

- Expect to generate a cumulative \$16B of adj. free cash* from FY26 through 2029²
- Expect >100% adj. FCF* conversion in 2029 vs. ~90% in FY25²
- Strong adj. FCF growth reflects shift from era of network expansion to new era focused on returns on >50 years of investments



DRIVING STRONG GROWTH IN ADJ. FCF^{2*}



1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025, and includes FedEx Freight

2. Based on Investor Day outlook provided on February 12, 2026

*Non-GAAP financial measure; see appendix for more information

Carbon neutral operations goal by 2040



Aircraft

Fuel conservation, fleet modernization, and cost-effective sustainable aviation fuel (SAF)

- 2030** Obtain 30% of jet fuel from alternative sources (blended SAF)
- 2032** Complete 3rd phase of plan to retire all 3-engine aircraft
- 2034** 40% reduction in aircraft emissions intensity (2005 baseline)



Vehicles

Route optimization, EV pickup and delivery vehicles (PUDs), testing alternative fuels

- 2025** 50% of all new purchase orders for owned PUDs are EVs
- 2030** 100% of all new purchase orders for owned PUDs are EVs
- 2040** All FedEx PUDs are EVs, including contracted transportation



Facilities

Renewable energy, energy management, building efficiency and resiliency

- 2028** Source 500 GWh of renewable energy
- 2033** Source 1,300 GWh of renewable energy
- 2040** Source 100% renewable energy in FedEx facilities



Natural carbon capture

Accelerate research and scalable solutions to permanently capture and store carbon by helping establish the Yale Center for Natural Carbon Capture



Customer solutions

Support for customer sustainability goals, like the FedEx® Sustainability Insights carbon emissions reporting tool and sustainable packaging offerings

Corporate social responsibility

Awards & recognition

World's Most Admired Companies 2026

FORTUNE

- Our 26th consecutive year we've been ranked among the top 20 in the FORTUNE Most Admired Companies List

World's Most Ethical Companies 2026

Ethisphere

One of "America's Best Companies 2026"

Forbes

Quest for Quality Awards 2025: #1 Airfreight Express Carriers and #1 Surface Package Carriers

Logistics Management Magazine

Top 100 Global Brands 2025

Brand Finance

One of "Fortune AIQ 50" companies 2025

that lead the way in Artificial Intelligence
FORTUNE

Most Trusted Brands 2025

Morning Consult

Best Companies to Work For 2025

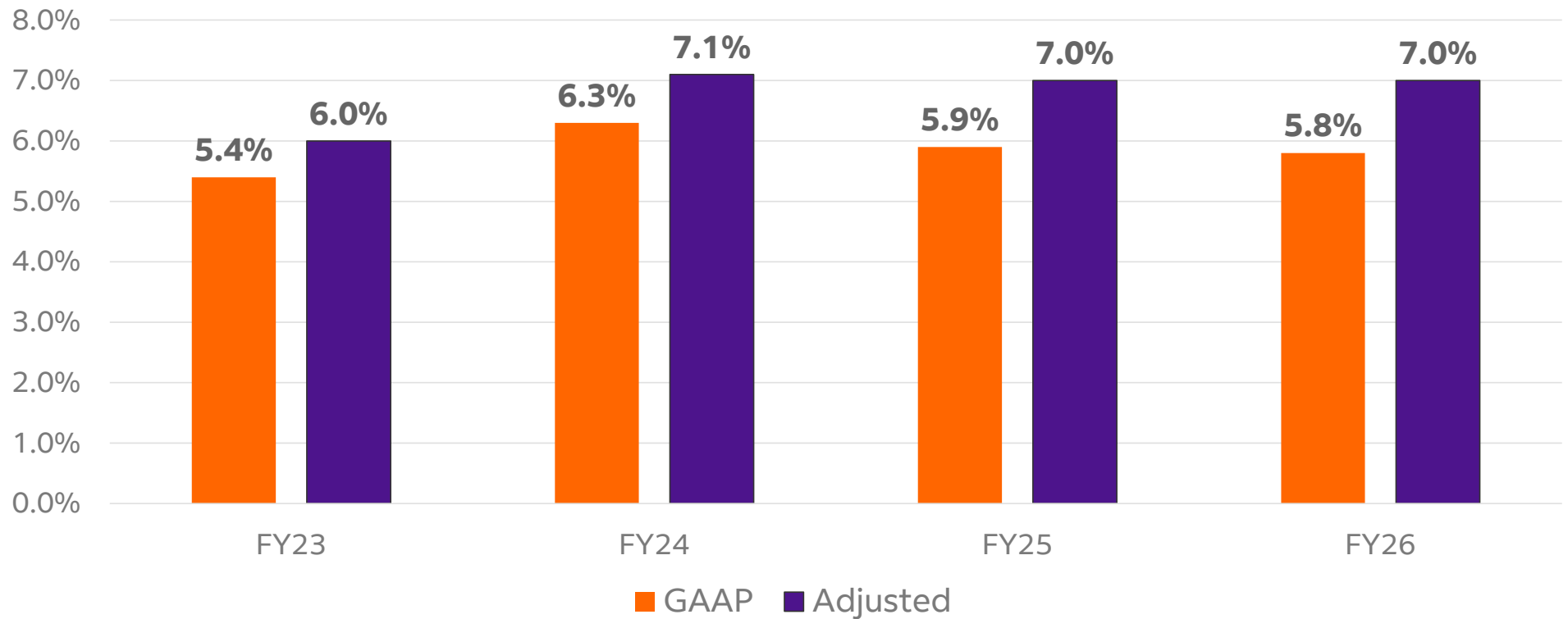
Women's Choice Awards

Best Reputation Among "The 100 Most Visible Companies in America" 2025

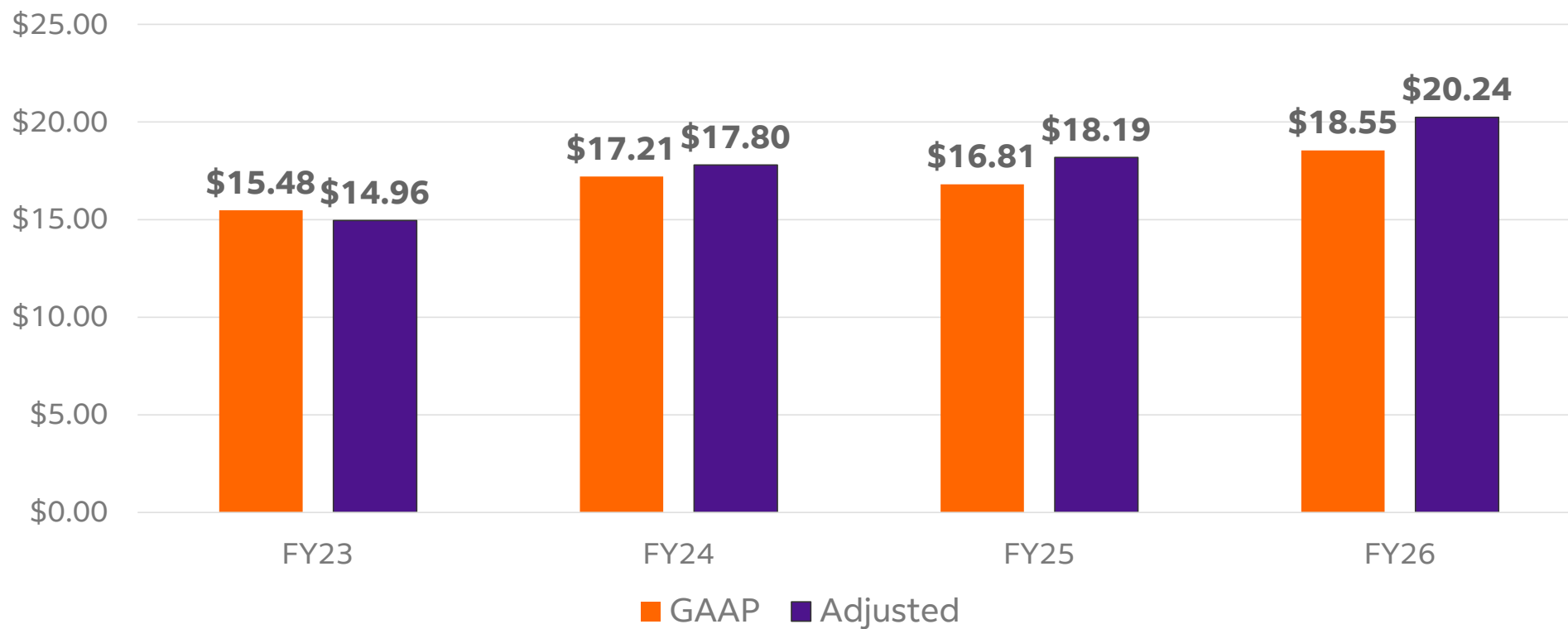
Axios Harris Poll 100



Consolidated operating margin*



Earnings per share*

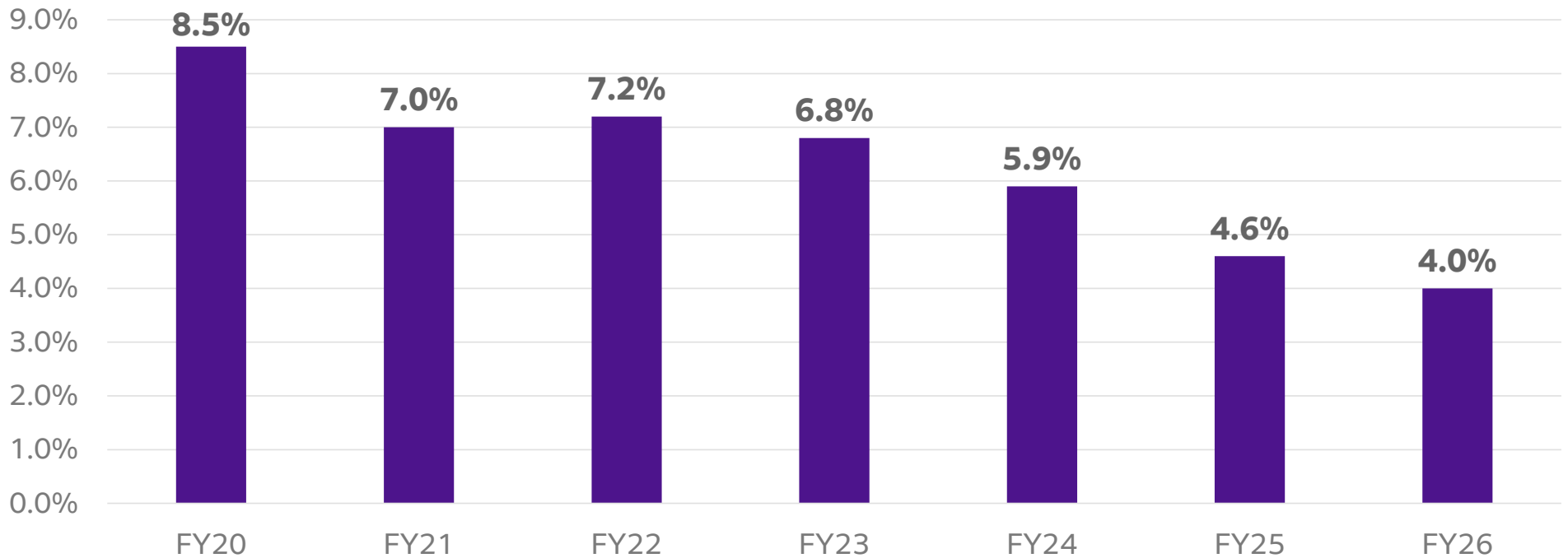


Non-GAAP financial measure. See Appendix for more details..

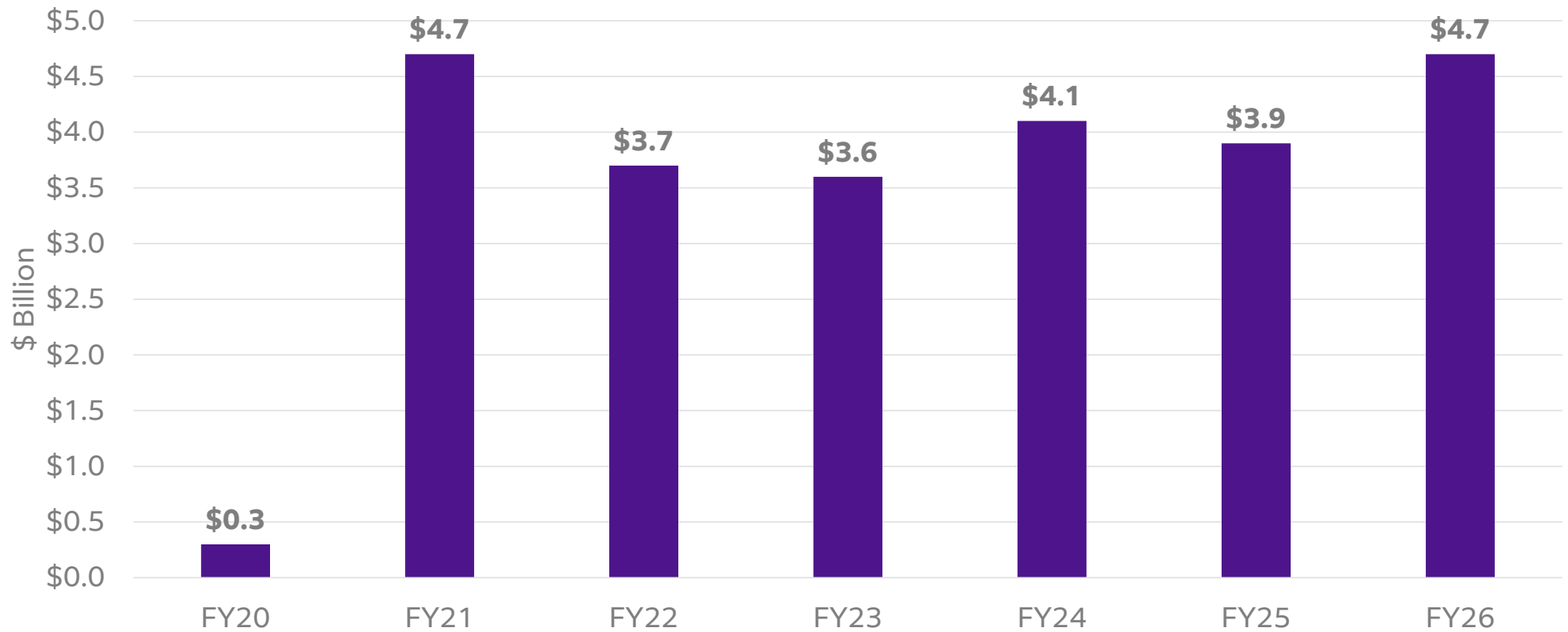
*Includes FedEx Freight

Capital expenditures*

(% of Revenues)

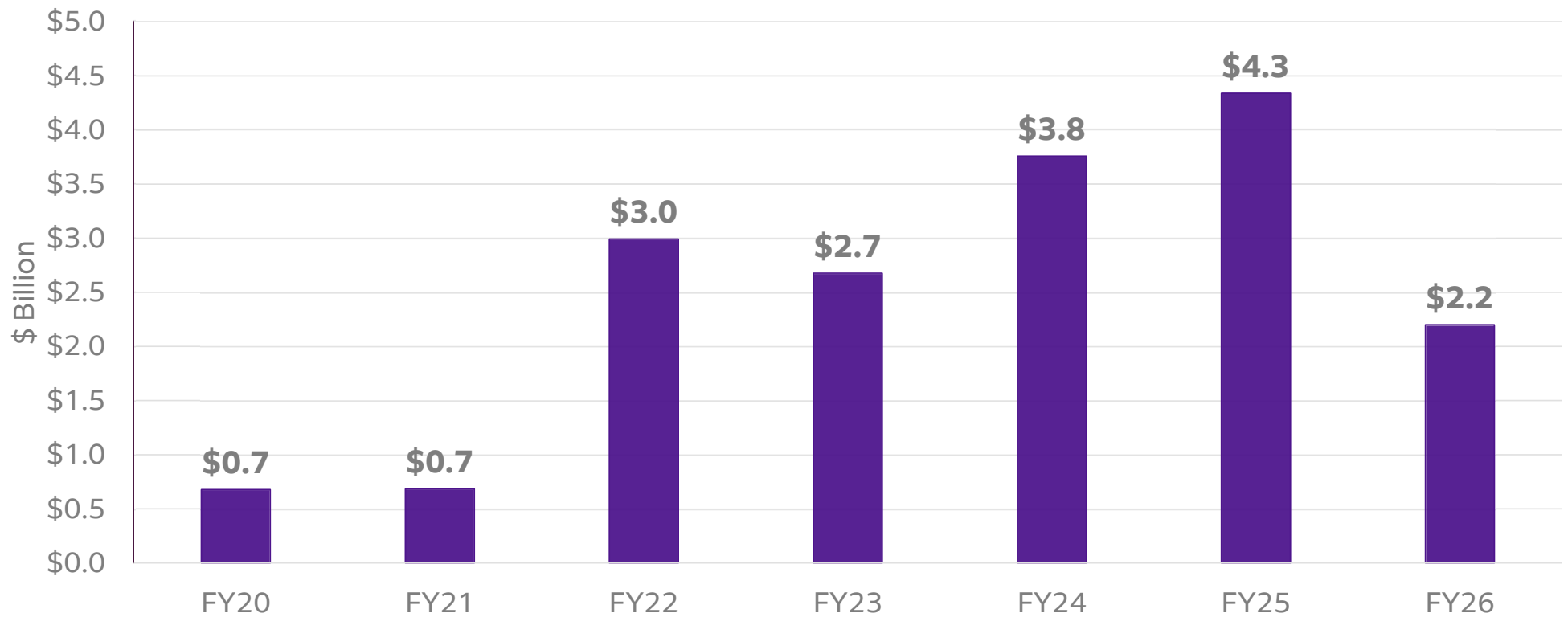


Adjusted Free Cash Flow*



Non-GAAP financial measure. See Appendix for more details. *Includes FedEx Freight

Capital Returns*



Capital Returns calculated based on dividend payments and stock repurchases *Includes FedEx Freight

Appendix



Non-GAAP financial measures

Calendar 2026 Forecast and Calendar 2025 Earnings Per Share (EPS) and Effective Tax Rate (ETR)

We have provided forecasts for calendar 2026 earnings per share and adjusted earnings per share, which are derived from calendar year 2025 preliminary recasted results from continuing operations, which reflects FedEx Freight as discontinued operations. Our calendar 2026 earnings per share and adjusted per share forecast and calendar 2025 earnings per share and adjusted per share are non-GAAP financial measures because they exclude calendar 2026 and 2025 MTM adjustments for retirement plan accounting, calendar 2026 estimated or calendar 2025 costs related to business optimization initiatives, calendar 2025 adjustments related to international regulatory and legacy FedEx Ground legal matters, calendar 2026 estimated costs related to the spin-off of FedEx Freight, calendar 2026 and 2025 asset impairment charges, and calendar 2026 and 2025 costs related to the fiscal year change. Our calendar 2026 ETR forecast and calendar 2025 ETR are non-GAAP financial measures because they exclude the effect of calendar 2026 and 2025 MTM adjustments for retirement plan accounting, and adjustments related to the MTM accounting for the FedEx Freight investment and the utilization of the FedEx Freight spin-off dividend.

We have provided these non-GAAP financial measures for the same reasons that were outlined above for historical non-GAAP measures. Actual and estimated costs related to business optimization initiatives, actual and estimated costs related to the spin-off of FedEx Freight, asset impairment charges, and costs related to the fiscal year change, as well as MTM adjustments for retirement plan accounting, are excluded from our calendar 2026 and 2025 earnings per share forecasts for the same reasons described above for historical non-GAAP measures.

We are unable to predict the amount of additional calendar 2026 MTM adjustments for retirement plan accounting, and adjustments related to MTM accounting for the FedEx Freight investment and utilization of the FedEx Freight spin-off dividend, as they are significantly affected by changes in interest rates and the financial markets, so such additional adjustments are not included in our calendar 2026 earnings per share and ETR forecasts. For this reason, a full reconciliation of our calendar 2026 earnings per share and ETR forecasts to the most directly comparable GAAP measures is impracticable. It is reasonably possible, however, that our additional calendar 2026 MTM adjustments for retirement plan accounting, and adjustments related to MTM accounting for the FedEx Freight investment and utilization of the FedEx Freight spin-off dividend, could have a material effect on our calendar 2026 consolidated financial results and ETR.

The table included below titled “Calendar 2026 Forecasted Diluted Earnings Per Share from Continuing Operations” outlines the effects of the items that are excluded from our calendar 2026 earnings per share forecast, other than the additional MTM adjustments for retirement plan accounting, and adjustments related to MTM accounting for the FedEx Freight investment and utilization of the FedEx Freight spin-off dividend. The table included below titled “Calendar 2025 Diluted Earnings Per Share from Continuing Operations” outlines the effects of the items that are excluded from our calendar 2025 earnings per share.

Our non-GAAP financial measures are intended to supplement and should be read together with, and are not an alternative or substitute for, and should not be considered superior to, our reported financial results. Accordingly, users of our financial statements should not place undue reliance on these non-GAAP financial measures. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies’ non-GAAP financial measures having the same or similar names

Free cash flow and adjusted free cash flow

Free cash flow and adjusted free cash flow are not defined under GAAP. Therefore, they should not be considered a substitute for income or cash flow data prepared in accordance with GAAP and may not be comparable to similarly titled measures used by other companies. It should not be inferred that our non-GAAP free cash flow and adjusted free cash flow measures represent amounts available for discretionary expenditures.

GAAP to non-GAAP reconciliations

FedEx Corporation

Full Year FY26

<i>Dollars in millions, except EPS</i>	Operating Income	Operating Margin	Income Taxes ¹	Net Income ²	Diluted Earnings Per Share
GAAP measure	\$ 5,463	5.8 %	\$ 1,360	\$ 4,433	\$ 18.55
MTM retirement plans accounting adjustment ⁶	—	—	(150)	(497)	(2.08)
FedEx Freight spin-off costs ⁵	738	0.8 %	155	589	2.46
Business optimization costs ⁴	366	0.4 %	81	285	1.19
Fiscal year change costs ⁶	33	— %	7	26	0.11
Asset impairment charges ⁶	23	— %	5	18	0.08
International regulatory and legacy FedEx Ground legal matters	(12)	— %	4	(16)	(0.07)
Non-GAAP measure	\$ 6,611	7.0 %	\$ 1,462	\$ 4,838	\$ 20.24

1,2,3,5,6,7 See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

FedEx Corporation

<i>Dollars in millions, except EPS</i>	Q4 FY26					Q4 FY25				
	Operating Income	Operating Margin	Income Taxes ¹	Net Income ²	Diluted Earnings Per Share	Operating Income	Operating Margin	Income Taxes ¹	Net Income ²	Diluted Earnings Per Share
GAAP measure	\$ 1,551	6.2 %	\$ 510	\$ 1,598	\$ 6.60	\$ 1,793	8.1 %	\$ 575	\$ 1,648	\$ 6.88
MTM retirement plans accounting adjustment ³	—	— %	(150)	(497)	(2.05)	—	— %	(125)	(390)	(1.63)
FedEx Freight spin-off costs ⁷	298	1.2 %	62	238	0.97	33	0.1 %	7	27	0.11
Business optimization costs ⁴	204	0.8 %	45	159	0.66	123	0.6 %	29	93	0.39
Fiscal year change costs ⁴	13	0.1 %	3	10	0.04	—	— %	—	—	—
Asset impairment charges ³	23	0.1 %	5	18	0.07	21	0.1 %	5	16	0.07
International regulatory matter ⁶	\$ —	— %	\$ —	\$ —	\$ —	\$ 50	0.2 %	\$ (11)	\$ 61	\$ 0.26
Non-GAAP measure	\$ 2,089	8.4 %	\$ 475	\$ 1,526	\$ 6.31	\$ 2,020	9.1 %	\$ 480	\$ 1,455	\$ 6.07

1,2,3,4,5 See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

Federal Express Segment

<i>Dollars in millions</i>	Q4 FY26		Q4 FY25	
	Operating Income	Operating Margin	Operating Income	Operating Margin
GAAP measure	\$ 1,651	7.7 %	\$ 1,586	8.4 %
FedEx Freight spin-off costs	26	0.1 %	—	— %
Business optimization costs	208	1.0 %	43	0.2 %
Fiscal year change costs	6	— %	—	— %
Asset impairment charges	\$ 23	0.1 %	21	0.1 %
International regulatory matter	—	— %	50	0.3 %
Non-GAAP measure	\$ 1,914	8.9 %	\$ 1,700	9.0 %

FedEx Freight Segment

<i>Dollars in millions</i>	Q4 FY26		Q4 FY25	
	Operating Income	Operating Margin	Operating Income	Operating Margin
GAAP measure	\$ 158	6.6 %	\$ 477	20.8 %
FedEx Freight spin-off costs	205	8.5 %	—	— %
Non-GAAP measure	\$ 363	15.1 %	\$ 477	20.8 %

Note: tables may not sum to totals due to rounding.

FY26 OUTLOOK NON-GAAP RECONCILIATION

FY26 outlook midpoint¹

<i>Dollars in millions</i>	FY26 outlook - consolidated		
	Revenue	Operating income	Operating margin
GAAP measure (including FedEx Freight)	\$93,500	\$5,272	5.6%
Removal of FedEx Freight segment, net of related eliminations	(8,500)	(740)	
Consolidated, excluding FedEx Freight	\$85,000	\$4,532	5.3%
Business optimization costs	-	310	0.4%
FedEx Freight spin-off costs	-	140	0.2%
Fiscal year change costs	-	30	0.0%
International regulatory matter	-	(12)	(0.0%)
Non-GAAP measure	\$85,000	\$5,000	6.0%

<i>Dollars in millions</i>	FY26 outlook - FEC U.S. domestic		
	Revenue	Operating income	Operating margin
GAAP measure	\$56,000	\$4,750	8.5%
Business optimization costs	-	190	0.3%
FedEx Freight spin-off costs	-	30	0.1%
Fiscal year change costs	-	30	0.1%
Non-GAAP measure	\$56,000	\$5,000	8.9%

<i>Dollars in millions</i>	FY26 outlook - FEC international		
	Revenue	Operating income	Operating margin
GAAP measure	\$25,000	\$882	3.5%
Business optimization costs	-	30	0.1%
FedEx Freight spin-off costs	-	0	0.0%
Fiscal year change costs	-	0	0.0%
International regulatory matter	-	(12)	(0.0%)
Non-GAAP measure	\$25,000	\$900	3.6%

1. Represents midpoint of FedEx FY26 guidance range, issued in December 2025; excludes FedEx Freight

GAAP to non-GAAP reconciliations

CY26 Outlook

CY26 Diluted Earnings Per Share Forecast

<i>Dollars in millions, except EPS</i>	Adjustments	Diluted Earnings per Share
Diluted earnings per share before MTM retirement plans accounting adjustments; MTM FedEx Freight investment accounting adjustments; and adjustments associated with the utilization of the FedEx Freight spin-off dividend (non-GAAP) ¹²		\$16.55 to \$17.75
Business optimization costs	660	
Fiscal year change costs	19	
Aircraft Impairment charges	23	
FedEx Freight Spin-off Costs	50	
MTM retirement plans accounting adjustment	(639)	
Income tax effect ¹	(23)	
Net of tax effect	\$ 90	0.35
Diluted earnings per share with adjustments (non-GAAP) ¹²		\$16.90 to \$18.10

CY26 Outlook Midpoint Operating Income Forecast

<i>Dollars in millions, except EPS</i>	CY26 Outlook	
Operating income (GAAP measure)	\$	5,048
Aircraft Impairment charges		23
Business optimization costs		660
Fiscal year change costs		19
Freight Spin-off Costs		50
Total adjustments		752
Operating income (Non-GAAP measure)	\$	5,800

^{1,8} See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

CY25 Diluted Earnings Per Share	CY25 Actuals	
	Adjustments	Diluted Earnings per Share
<i>Dollars in millions, except EPS</i>		
Diluted earnings per share before MTM retirement plans accounting adjustments (non-GAAP) ^{1,2}		\$14.80
Business optimization costs	344	
Fiscal year change costs	14	
Aircraft Impairment charges	21	
International regulatory matter & legacy FedEx Ground legal matter	76	
MTM retirement plans accounting adjustment	(418)	
Total Adjustment	37	
Income tax effect ¹	13	
Net of tax effect	\$ 50	0.20
Diluted earnings per share with adjustments (non-GAAP) ^{1,2}		\$15.00

	CY25 Actuals	
<i>Dollars in millions, except EPS</i>		
Operating income (GAAP measure)^{1,2}	\$	4,545
Business optimization costs		344
Aircraft impairment charges		21
International regulatory and legacy FedEx Ground legal matter		76
Fiscal year change cost		14
Total adjustments		455
Operating income (Non-GAAP measure) ^{1,2}	\$	5,000

1,8 See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

FedEx Corporation

FY26 Adjusted Free Cash flow reconciliation

	<u>Full Year FY26</u>
	<u>Cash Movements</u>
Cash provided by operating activities (GAAP)	\$ 8,925
-Capital expenditures	(3,809)
+ Proceeds from asset dispositions	97
Free cash flow (non-GAAP)	5,213
+ Voluntary contributions to tax qualified U.S Domestic pension plans	275
- IEEPA tariff refunds due to customers	(805)
Adjusted free cash flow (non-GAAP)	\$ 4,683

1,8 See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

FY20 - FY25 Free Cash Flow and Adjusted Free Cash Flow

Dollars in millions

	FY20	FY21	FY22	FY23	FY24	FY25
Cash Provided by Operating Activities (GAAP)	\$ 5,097	\$ 10,135	\$ 9,832	\$ 8,848	\$ 8,312	\$ 7,036
Capital expenditures	(5,868)	(5,884)	(6,763)	(6,174)	(5,176)	(4,055)
Proceeds from disposition of property and equipment	22	102	94	84	114	115
Free Cash Flow (non-GAAP)	(749)	4,353	3,163	2,758	3,250	3,096
Voluntary Pension Contributions	1,000	300	500	800	800	800
Adjusted Free Cash Flow (non-GAAP)	\$ 251	\$ 4,653	\$ 3,663	\$ 3,558	\$ 4,050	\$ 3,896

GAAP to non-GAAP reconciliations

FY23 Reconciliation for FedEx Corporation

	FY23				
<i>Dollars in millions, except EPS</i>	Operating Income	Operating Margin	Income Taxes ¹	Net Income ²	Diluted Earnings Per Share
GAAP measure	\$ 4,912	5.4%	\$ 1,391	\$ 3,972	\$ 15.48
MTM retirement plans accounting adjustment ³	—	—	(157)	(493)	(1.92)
Business optimization costs ⁴	273	0.3%	64	209	0.81
Goodwill and other asset impairment charges ⁹	117	0.1%	19	98	0.38
Business realignment costs ⁶	36	—	9	27	0.11
FedEx Ground legal matter ⁵	35	—	9	26	0.10
Non-GAAP measure	\$ 5,373	6.0%	\$ 1,335	\$ 3,839	\$ 14.96

1,2,3,4,5,6,9 See “Footnotes for Non-GAAP Reconciliation Slides” below for details.
Note: tables may not sum to totals due to rounding.

GAAP to non-GAAP reconciliations

FY22 Reconciliation for FedEx Corporation

	FY22				
<i>Dollars in millions, except EPS</i>	Operating Income	Operating Margin	Income Taxes ¹	Net Income ²	Diluted Earnings Per Share
GAAP measure	\$ 6,245	6.7%	\$ 1,070	\$ 3,826	\$ 14.33
MTM retirement plans accounting adjustment ³	—	—	379	1,199	4.49
Business realignment costs ⁶	278	0.3%	64	214	0.80
FedEx Ground legal matter ⁵	210	0.2%	50	160	0.60
TNT Express integration expenses ⁴	132	0.1%	29	103	0.39
Non-GAAP measure	\$ 6,865	7.3%	\$ 1,592	\$ 5,502	\$ 20.61

1,2,3,4,5,6 See "Footnotes for Non-GAAP Reconciliation Slides" below for details.
Note: tables may not sum to totals due to rounding.

Footnotes for non-GAAP reconciliation slides

- 1 - Income taxes are based on the company's approximate statutory tax rates applicable to each transaction.
- 2 - Effect of "total other (expense) income" on net income amount not shown.
- 3 - The MTM retirement plans accounting adjustment reflects the year-end adjustment to the valuation of the company's defined benefit pension and other postretirement plans.
- 4 - These expenses were recognized at Federal Express, as well as Corporate, other, and eliminations.
- 5 - These items were recognized at Corporate, other, and eliminations.
- 6 - These expenses were recognized at Federal Express.
- 7 - These expenses were recognized at FedEx Freight, Corporate, other, and eliminations, as well as Federal Express.
- 8 - The MTM retirement plans accounting adjustments, which are impracticable to calculate at this time, are excluded.
- 9 - Goodwill impairment charges recognized at FedEx Dataworks are not deductible for income tax purposes. Other asset impairment charges were recognized at FedEx Express and FedEx Dataworks. The charges recognized at FedEx Dataworks are related to the ShopRunner acquisition.
- 10 - These adjustments reflect the May 31 fiscal year-end adjustment to the valuation of the company's defined benefit pension and other postretirement plans, as recorded.
- 11 - Additional MTM adjustments for retirement plan accounting for calendar 2026, and adjustments related to MTM accounting for the FedEx Freight investment and the utilization of the FedEx Freight spin-off dividend, which are impracticable to calculate at this time, are excluded.
- 12 - The baseline for the calendar 2026 financial metrics is calendar year 2025 preliminary recasted results from continuing operations, which reflects FedEx Freight as discontinued operations. FedEx expects to file a Current Report on Form 8-K including recasted and resegmented financial statements for calendar 2024 and 2025, reflecting FedEx Freight as discontinued operations, by mid-August 2026.