



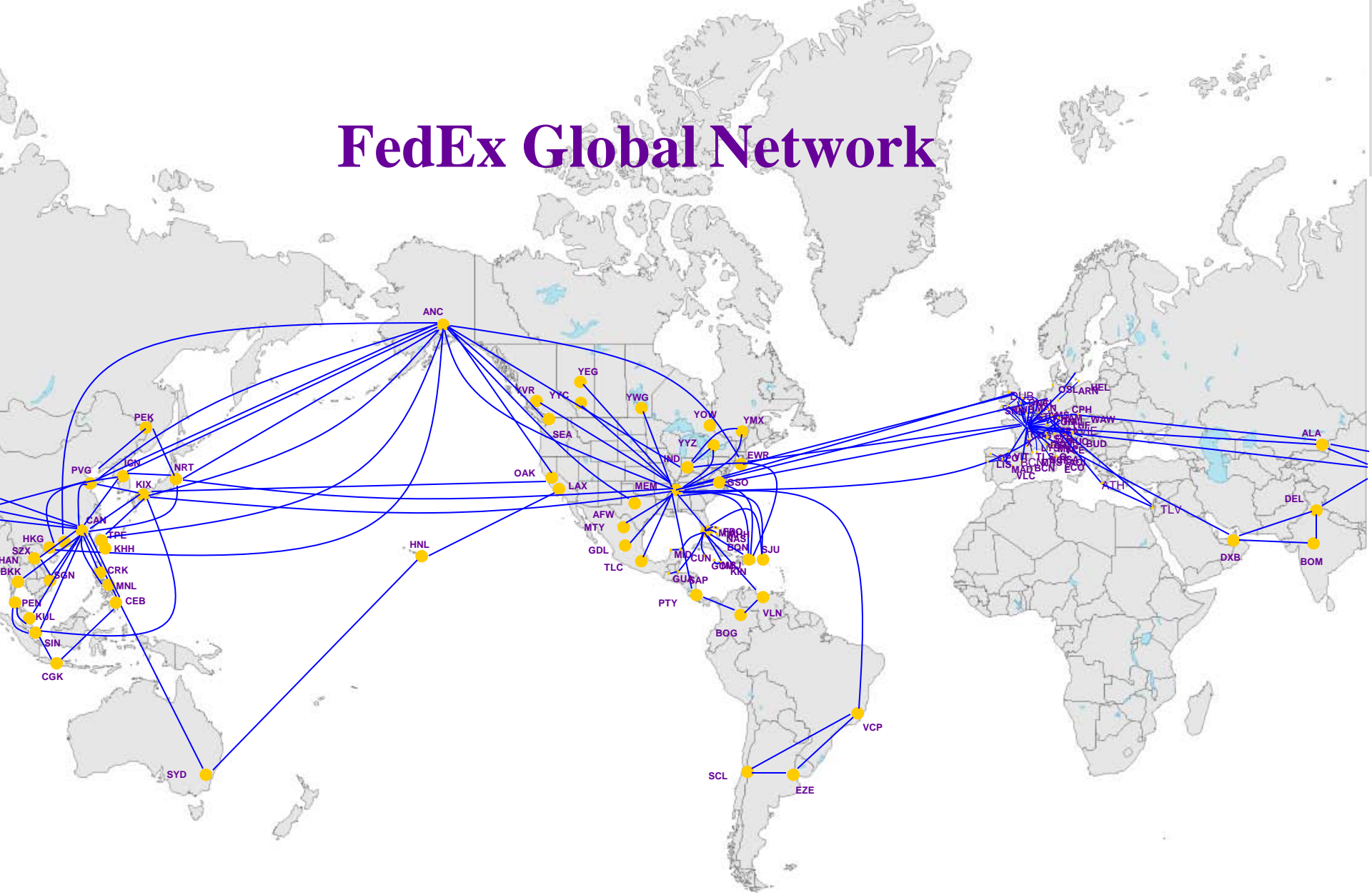
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FedEx Corporation overview

- Four major operating co's
- 220 countries and territories
- 280,000 team members
- 8 million shipments per day
- 684 aircraft
- 80,000 motorized vehicles
- 375 airports served with 10 hubs
 - US: MEM, EWR, ANC, IND, OAK, AFW
 - Int'l: CDG, CAN, MIA, CGN, DXB



FedEx Global Network



The World's Largest Cargo Airports

Rank	City (Airport)	Total Cargo* (*loaded and unloaded freight and mail in metric tons.)
1	MEMPHIS TN (MEM)	3 695 438
2	HONG KONG (HKG)	3 660 901
3	SHANGHAI (PVG)	2 602 916
4	INCHEON (ICN)	2 423 717
5	ANCHORAGE AK (ANC)	2 339 831
6	PARIS (CDG)	2 280 050
7	FRANKFURT (FRA)	2 111 031
8	TOKYO (NRT)	2 100 448
9	LOUISVILLE KY (SDF)	1 974 276
10	SINGAPORE (SIN)	1 883 894

Source: CE: Airports Council International

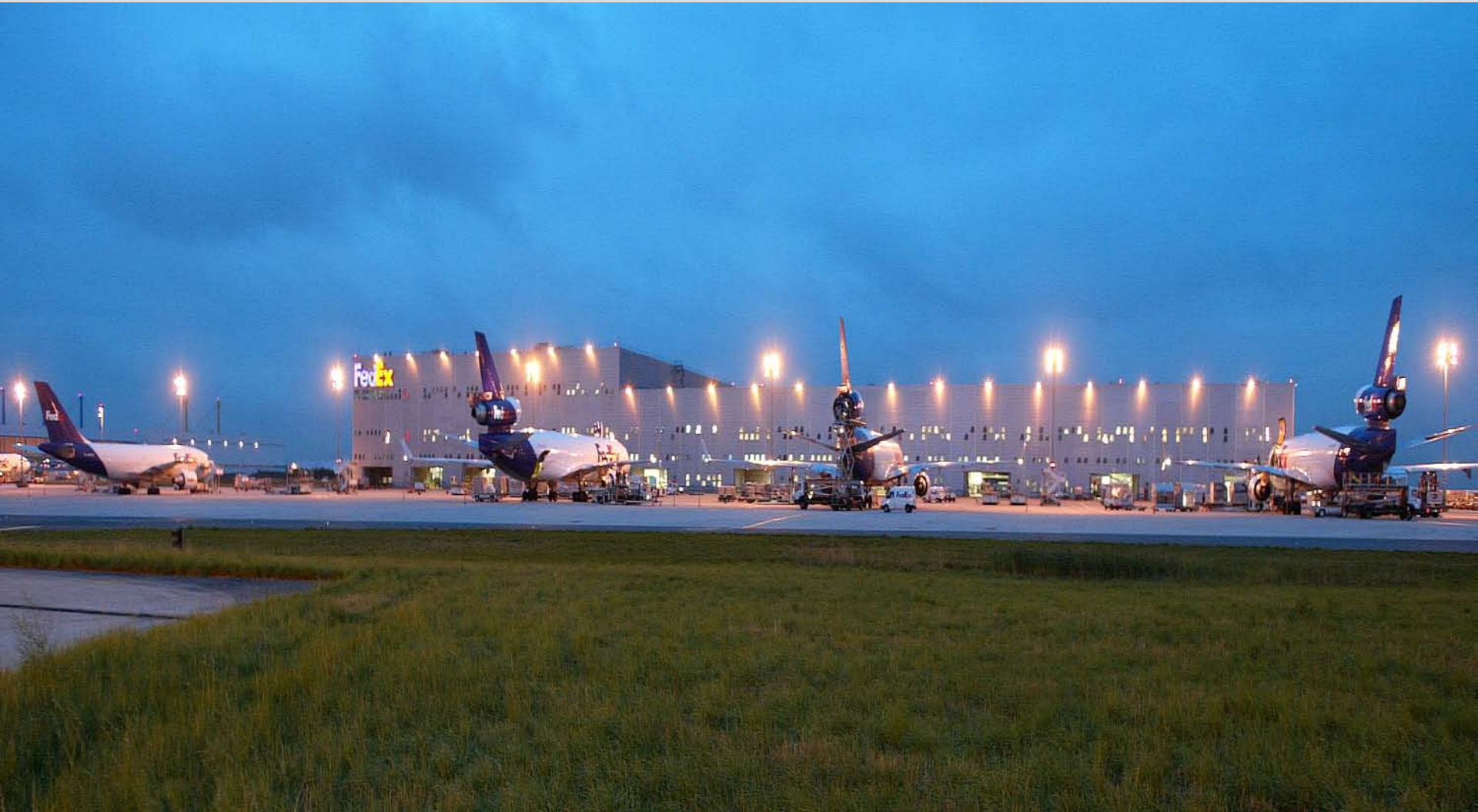
Memphis International Airport – Memphis TN



MEM: 2 Million Packages Processed in 3 Hours, Every Night



Charles de Gaulle Airport - Paris, France



Guangzhou International Airport – Guangzhou China



Air Cargo Hubs Attract Investment

Memphis has become a multi-modal distribution center:

- World's largest cargo airport
- 3rd largest US rail port
- 4th largest US inland waterway port
- 3rd busiest US trucking corridor (I-40 and I-55)
- 100,000 logistics/distribution related jobs
- Top 10 distribution centers cover over 27 million sq. ft.
- World's largest: DVD distributor, drug testing lab, laptop repair
- Distribution centers for apparel, foot ware, electronics, pharmaceuticals, medical devices, auto parts

Getting the Right Policy Environment

- **Air Services Agreements:** Open Skies?
- **Customs Regime:** Modern? Flexible? Collaborative? Dedicated Space?
- **Trade/Investment Environment:** Open? FDI Restrictions? WTO Commitments?
- **Postal Regime:** Open and fair competition? Taxes? Regulation? Licensing?
- **Environment:** Noise Restrictions? Urban planning?
- **Security Environment:** Layered, Risk-Managed?

Key Airport Infrastructure Elements

- **Geographic location? Weather? Fog?**
- **Adequate space? Slots? Room to Grow? Near taxiways? Customs clearance space?**
- **Fuel supply? Snow removal? De-icing? Fire? Air traffic control?**
- **Quality of Airport Management?**
- **Technical Support? Maintenance? Parts?**
- **Ground-handling – Competitive? Rights to self-handle?**
- **Good passenger airline connections?**
- **Road/Rail connections?**
- **Close to customer base?**
- **Financial Incentives? Support of the local and national government?**

Some Trends We Are Seeing at FedEx (That We Like)

- **Latin America, India are growing, too – it's not just China anymore (BIC!)**
 - But we are expanding in China, with domestic service, too
- **Open Skies is finally coming of age – 100, that is**
 - Brazil might be the best news in a long time (see previous bullet!)
- **Specialized service are needed by special customers**
 - FedEx Health Care Industry Solutions offers temperature-controlled services
 - Apparel industry wants speed to market, with clothes on hangars, too
- **Extra flights and charters for high-tech goodies**
 - Big product launches require inventory to be simultaneously positioned for rapid deployment

Some Trends We Are Seeing at FedEx (That We Don't Like)

- **Trade barriers must continue to fall**
 - We support the pending FTA's but don't see everyone else joining in
 - Protectionist responses to the recession only penalizes the exporters, while not really helping domestic producers. Retaliation is the only tool available in trade arsenal, with escalation being the norm.
- **Security must continue to be layered and risk based**
 - We have to avoid too-fast reactions that only result in higher cost, not more secure movements
- **Airlines are not cash cows**
 - Actually I'm talking about climate change remediation charges and other enviro taxes, but if this sounds like a lead-in to a rant on airport charges to you...

Airport-Specific Concerns

- **Equality** – we want to be a signatory carrier (some airports won't extend that to cargo operators). We've probably been at your airport a long time, and very doubtful we are going away (coverage is critical to us)
- **Fairness** – we want to only pay for what we use (please don't charge us for the rental car parking lots or such). We will pay for everything we do use.
- **Transparency** – we want to know what it is we are being charged for. The offenders probably know who they are, since we are arguing with them.
- **Convenience** – please remember when installing common use items such as de-icing pads that some of your most regular operators do not depart from the passenger terminal.

We're Bringing You Green

- Our “20/20” goal aims to reduce aircraft emissions by 20% (per ATM’s) by 2020 – which we will do with our 777’s and 757’s now being phased in and 30 other program elements (CDA, etc.)
 - Also, we are saving over one million gallons of fuel each month by using ground power rather than aircraft power by saving 1.5 hours of engine use each trip
 - Ground support equipment at FedEx operations at select airports has been converted from internal combustion engine models to electric units, which saves almost 1 million gallons of jet fuel per month
- FedEx currently operates the largest fleet of commercial hybrid trucks in North America, (just added some all-electrics in London, LA and Paris)
- Solar power is being used at OAK and is the driving force – pardon the pun – for our new Cologne, Germany hub, where we save the equivalent of 440,00 gallons of gas/year
- Noise: Did I mention the quieter 777’s and 757’s coming soon?

Merry Christmas from (and via) FedEx!

- We will carry 223 million shipments between Thanksgiving and Christmas (11% growth over 2009)
- December 13 will be the global peak day, with 13 million shipments moving through all our systems – Express, Ground, and Freight
- This year, our fastest growing product is FedEx SmartPost – FedEx Ground with the last mile provided by USPS
- And lastly, 15,000 Trees for Troops will be delivered this year

