

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

FOR THE FISCAL YEAR ENDED MARCH 31, 2001

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER 1-9533

WORLD FUEL SERVICES CORPORATION
(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation or organization)

59-2459427
(I.R.S. Employer Identification No.)

700 South Royal Poinciana Blvd., Suite 800
Miami Springs, Florida
(Address of Principal Executive Offices)

33166
(Zip Code)

Registrant's Telephone Number, including area code: (305) 884-2001

Securities registered pursuant to Section 12(b) of the Act:

Title of each class: -----	Name of each exchange on which registered: -----
Common Stock, par value \$0.01 per share	New York Stock Exchange Pacific Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. Yes No .

Indicate by check mark if disclosure of delinquent filers pursuant to Item
405 of Regulation S-K is not contained herein, and will not be contained, to
the best of Registrant's knowledge, in definite proxy or information statements
incorporated by reference in Part III of this Form 10-K or any amendment to the
Form 10-K [].

The aggregate market value of the voting stock (which consists solely of
shares of common stock) held by non-affiliates of the registrant was
\$116,049,000 (computed by reference to the closing sale price as of June 7,
2001).

The registrant had 10,403,000 outstanding shares of common stock, par value
\$.01 per share, as of June 7, 2001.

Documents incorporated by reference:

Part III - Definitive Proxy Statement for the 2001 Annual Meeting of
Shareholders.

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ITEM 1. BUSINESS

General

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World Fuel Services Corporation ("World Fuel") markets aviation and marine fuel services. In its aviation fuel services business, World Fuel extends credit and provides around-the-world single-supplier convenience, 24-hour service, and competitively-priced aviation fuel and other aviation related services, including fuel management services, to passenger, cargo and charter airlines. World Fuel also offers flight plans and weather reports to its corporate customers. In its marine fuel services business, World Fuel markets marine fuel and related services to a broad base of international shipping companies and to the U.S. military. World Fuel offers 24-hour around-the-world service, credit terms, and competitively priced fuel.

Financial information with respect to World Fuel's business segments and geographic information is provided in Note 8 to the accompanying consolidated financial statements.

History

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World Fuel was incorporated in Florida in July 1984. Its executive offices are located at 700 South Royal Poinciana Boulevard, Suite 800, Miami Springs, Florida 33166 and its telephone number at this address is (305) 884-2001. World Fuel presently conducts its aviation fuel services business through ten subsidiaries, with principal offices in Florida, Texas, United Kingdom, Singapore, Mexico, and Costa Rica. World Fuel conducts its marine fuel services business through eleven subsidiaries with principal offices in New Jersey, California, Washington, United Kingdom, Denmark, Norway, Costa Rica, South Africa, South Korea, Singapore, Japan, and Dubai, United Arab Emirates. See "Item 2 - Properties" for a list of principal offices by business segment and "Exhibit 21 - Subsidiaries of the Registrant".

World Fuel, which began operations in 1984 as a used oil-recycler in the southeast United States, exited this segment in February 2000 through the sale of the stock of its International Petroleum Corporation subsidiaries, to Dallas-based EarthCare Company ("EarthCare"). For additional information regarding this transaction, refer to Note 2 to the consolidated financial statements, included herein, and "Item 3 - Legal Proceedings." In 1986, World Fuel diversified its operations by entering, through an acquisition, the aviation fuel services business. This new segment expanded rapidly, from a business primarily concentrated in Florida, to an international sales company covering airports throughout most of the world. This expansion resulted from acquisitions and the establishment of new offices.

In January 1995, World Fuel further diversified its fuel services operations and entered the marine fuel business by acquiring the Trans-Tec Services group of companies. In April 1999, World Fuel acquired the operations of the Bunkerfuels group of companies, increasing World Fuel Services' share of the world marine fuel market. During the fourth quarter of fiscal 2001 and the beginning of the first quarter of fiscal 2002, World Fuel continued its expansion of the marine business through the acquisitions of Norse Bunkers, based in Oslo, Norway, and Marine Energy, located in Dubai, United Arab Emirates, respectively. Since its entry into the marine business, World Fuel has opened various new offices in key strategic markets, such as South Africa, Japan, Denmark, and Seattle, Washington. In December 2000, World Fuel acquired a 50% interest in PAFCO L.L.C. ("PAFCO") from Signature Flight Support Services Corporation. PAFCO markets aviation fuel and related services. For additional information on the PAFCO transaction, refer to Note 1 and 7 to the consolidated financial statements included in this report.

For additional information regarding World Fuel's acquisitions since April 1999, refer to Note 1 to the consolidated financial statements, included herein.

See "Potential Risks", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and the accompanying consolidated financial statements for additional information.

Description of Business

Aviation Fuel Services

World Fuel markets aviation fuel and services to passenger, cargo and charter airlines, as well as corporate customers. World Fuel has developed an extensive network which enables it to provide fuel and aviation related services to customers at airports throughout most of the world. The aviation services offered by World Fuel include fuel management, flight plans, weather reports, ground handling, and obtaining flight permits.

In general, the aviation industry is capital intensive and highly leveraged. Recognizing the financial risks of the airline industry, fuel suppliers generally refrain from extending unsecured lines of credit to smaller airlines and avoid doing business with smaller airlines directly. Consequently, most carriers are required to post a cash collateralized letter of credit or prepay for fuel purchases. This impacts the airlines' working capital. World Fuel recognizes that the extension of credit is a risk, but also a significant area of opportunity. Accordingly, World Fuel extends unsecured credit to most of its customers.

World Fuel purchases its aviation fuel from suppliers worldwide. World Fuel's cost of fuel is generally tied to market-based formulas or is government controlled. World Fuel is usually extended unsecured trade credit for its fuel purchases. However, certain suppliers require a letter of credit. World Fuel may prepay its fuel purchases to take advantage of financial discounts, or as required to transact business in certain countries.

Outside of the United States, World Fuel does not maintain fuel inventory and arranges to have the fuel delivered directly into the customer's aircraft. In the United States, sales are made directly into a customer's aircraft or the customer's designated storage with fuel provided by World Fuel's suppliers or delivered from World Fuel's inventory. Inventory is held at multiple locations in the United States for competitive reasons and inventory levels are kept at an operating minimum. World Fuel has arrangements with its suppliers and other third parties for the storage and delivery of fuel, and related aviation services.

During the fiscal years ended March 31, 2001, 2000 and 1999, none of World Fuel's aviation fuel customers accounted for more than 10% of World Fuel's consolidated revenue. World Fuel currently employs 181 persons in its aviation fuel services segment.

Marine Fuel Services

World Fuel markets marine fuel and services to a broad base of customers, including international container and tanker fleets, time charter operators, as well as U.S. military vessels. Fuel and related services are provided throughout most of the world.

Through its vast network of strategically located sales offices, World Fuel provides its customers global market intelligence and rapid access to quality and competitively priced marine fuel, 24-hours a day, every day of the year. The cost of fuel is a major component of a vessel's operating overhead. Therefore, the need for cost effective and professional fueling services is essential.

As an increasing number of ship owners, time charter operators, and suppliers continue to outsource their marine fuel purchasing and/or marketing needs, World Fuel's value added service has become an integral part of the oil and transportation industries' push to shed non-core functions and reduce costs. Suppliers use World Fuel's global sales, marketing and financial infrastructure to sell a spot or ratable volume of product to a diverse, international purchasing community. End customers use World Fuel's real time analysis of the availability, quality, and price of marine fuels in ports worldwide to maximize their competitive position.

World Fuel, in its marine operations, acts as a broker and as a source of market information for the end user, negotiates the transaction by arranging the fuel purchase contract between the supplier and the end user, and expedites the arrangements for the delivery of fuel. For this service, World Fuel is paid a commission from the supplier. World Fuel also acts as a reseller, when it purchases the fuel from a supplier, marks it up, and resells the fuel to a customer at a profit.

During the fiscal years ended March 31, 2001, 2000 and 1999, none of World Fuel's marine fuel customers accounted for more than 10% of World Fuel's consolidated revenue. World Fuel currently employs 97 persons in its marine fuel services segment.

Potential Risks

Credit. World Fuel's aviation and marine fueling businesses extend unsecured
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credit to most of their customers. World Fuel's success in attracting business has been due, in part, to its willingness to extend credit on an unsecured basis to customers which exhibit a high credit risk profile and would otherwise be required to prepay or post letters of credit with their suppliers of fuel and related services. World Fuel's management recognizes that extending credit and setting the appropriate reserves for receivables is a largely subjective decision based on knowledge of the customer and the industry. Active management of World Fuel's credit risk is essential to its success. World Fuel does not insure its receivables, and diversification of credit risk is difficult since World Fuel sells primarily within the aviation and marine industries. World Fuel's sales executives and their respective staff meet regularly to evaluate credit exposure, in the aggregate and by individual credit. Credit exposure also includes the amount of estimated unbilled sales. World Fuel also has a credit committee for each of its segments. The credit committees are responsible for approving credit limits above certain amounts, setting and maintaining credit standards, and ensuring the overall quality of the credit portfolio.

In World Fuel's aviation segment, the level of credit granted to a customer is largely influenced by its estimated fuel requirements for thirty to forty-five days and its credit history with World Fuel. This period represents the average business cycle of World Fuel's typical customer. In World Fuel's marine segment, the level of credit granted to a customer is influenced by a customer's credit history with World Fuel, including claims experience and payment patterns.

During fiscal 2001, world oil prices continued to exhibit volatility and have remained high. Fuel costs represent a significant part of an airline's and vessel's operating expenses. Accordingly, the increase in fuel prices has to date, and will continue to adversely affect World Fuel's customers.

Most of World Fuel's transactions are denominated in United States Dollars. However, a rapid devaluation in currency affecting a customer of World Fuel could have an adverse effect on the customer's operations and ability to convert local currency to U.S. Dollars to make the required payments to World Fuel.

World Fuel may also incur credit losses due to other causes, including deteriorating conditions in the world economy, or in the aviation or shipping industries. Any credit losses, if significant, will have a material adverse effect on World Fuel's financial position and results of operations.

Senior Management. World Fuel's ability to maintain its competitive position is
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dependent largely on the services of its senior management team. World Fuel may not be able to retain the existing senior management personnel, or to attract qualified senior management personnel. World Fuel provides employment agreements to its senior management with terms ranging from two to five years. The employment agreements have non-compete provisions, which World Fuel believes would prevent the individual from competing against World Fuel for the period of the non-compete.

Revolving Line of Credit. World Fuel's revolving credit agreement imposes
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certain operating and financial restrictions, including limitations on the amount of dividends that may be paid. World Fuel's failure to comply with the obligations under the revolving credit agreement, including meeting certain financial ratios, could result in an event of default. Such an event of default, if not cured or waived, would permit acceleration of any outstanding indebtedness under the revolving credit facility, or impair World Fuel's ability to receive advances and may have a material adverse effect on World Fuel.

Market Risks. World Fuel is a provider of aviation fuel and related services
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primarily to secondary passenger and cargo airlines, and a provider of marine fuel and related services to international container and tanker fleets, time charter operators, and the U.S. military. World Fuel's fuel services are provided through relationships with the large independent oil suppliers, as well as government owned oil companies. World Fuel could be adversely affected by industry consolidation, on the customer side, because of increased merger activity in the airline and shipping industries and, on the supply side, because of increased competition from the larger oil companies who may choose to directly market to smaller airlines and shipping companies or to provide less advantageous credit and price terms to World Fuel.

Competition. The Company is subject to aggressive competition in all areas of
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its business. The Company's competitors are numerous, ranging from large multinational corporations to relatively small and specialized firms. The Company competes primarily on the basis of credit, price, reliability, customer service and support.

Pollution and Third Party Liability. In the aviation and marine fuel segments,

World Fuel utilizes subcontractors which provide various services to customers, including into-plane fueling at airports, fueling of vessels in-port and at-sea, and transportation and storage of fuel and fuel products. World Fuel is subject to possible claims by customers, regulators and others who may be injured by a spill or other accident. In addition, World Fuel may be held liable for damages to the environment arising out of such events. Although World Fuel generally requires its subcontractors to carry liability insurance, not all subcontractors carry adequate insurance. World Fuel's liability insurance policy does not cover the acts or omissions of its subcontractors. If World Fuel is held responsible for any liability caused by its subcontractors, and such liability is not adequately covered by the subcontractor's insurance and is of sufficient magnitude, World Fuel's financial position and results of operations will be adversely affected. See "Item 3 - Legal Proceedings."

World Fuel has exited several businesses which handled hazardous and non-hazardous waste. World Fuel treated and/or transported this waste to various disposal facilities. World Fuel may be held liable as a potentially responsible party for the clean-up of such disposal facilities, or be required to clean-up facilities previously operated by World Fuel, in certain circumstances, pursuant to current U.S. federal and state laws and regulations.

World Fuel continuously reviews the adequacy of its insurance coverage. However, World Fuel lacks coverage for various risks. An uninsured claim arising out of World Fuel's activities, if successful and of sufficient magnitude, will have a material adverse effect on World Fuel's financial position and results of operations.

Regulation

World Fuel's activities, including discontinued operations, are subject to substantial regulation by federal, state and local government agencies, both in and outside the United States, which enforce laws and regulations governing the transportation, sale, storage and disposal of fuel and the collection, transportation, processing, storage, use and disposal of hazardous substances and wastes, including waste oil.

The principal laws and regulations affecting the business of World Fuel and the markets it serves are as follows:

The Comprehensive Environmental Response, Compensation and Liability Act of 1980

("Superfund" or "CERCLA") establishes a program for federally directed response

or remedial actions with respect to the uncontrolled discharge of hazardous substances, pollutants or contaminants, including waste oil, into the environment. The law authorizes the U.S. federal government either to seek a binding order directing responsible parties to undertake such actions or authorizes the U.S. federal government to undertake such actions and then to seek compensation for the cost of clean-up and other damages from potentially responsible parties. U.S. Congress established a federally managed trust fund, commonly known as the Superfund, to fund response and remedial actions undertaken by the U.S. federal government. The trust fund is used to fund federally conducted actions when no financially able or willing responsible party has been found.

The Superfund Amendments and Re-authorization Act of 1986 ("SARA") adopted more

detailed and stringent standards for remedial action at Superfund sites, and clarified provisions requiring damage assessments to determine the extent and monetary value of injury to the environment. SARA also provides a separate funding mechanism for the clean-up of underground storage tanks.

The Resource Conservation and Recovery Act of 1976 ("RCRA") established a

comprehensive regulatory framework for the management of hazardous waste at active facilities. RCRA sets up a "cradle-to-grave" system for the management of hazardous waste, imposing upon all parties who generate, transport, treat, store or dispose of waste, above certain minimum quantities, requirements for performance, testing and record keeping. RCRA also requires permits for construction, operation and closure of facilities and requires 30 years of post-closure care and monitoring. RCRA was amended in 1984 to increase the scope of RCRA regulation of small quantity waste generators and waste oil handlers and recyclers; require corrective action at hazardous waste facilities (including remediation at certain previously closed solid waste management units); phase in restrictions on disposal of hazardous waste; and require the identification and regulation of underground storage tanks containing petroleum and certain chemicals.

The Clean Water Act of 1972, as amended in 1987, establishes water pollutant

discharge standards applicable to many basic types of manufacturing plants and imposes standards on municipal sewage treatment plants. The act requires states to set water quality standards for significant bodies of water within their boundaries and to ensure attainment and/or maintenance of those standards. Most industrial and government facilities must apply for and obtain discharge permits, monitor pollutant discharges, and under certain conditions reduce certain discharges.

The Safe Drinking Water Act, as amended in 1986, regulates public water supplies

by requiring the EPA to establish primary drinking water standards. These standards are likely to be further expanded under the EPA's evolving groundwater protection strategy which is intended to set levels of protection or clean-up of the nation's groundwater resources. These groundwater quality requirements will then be applied to RCRA facilities and CERCLA sites, and remedial action will be required for releases of contaminants into groundwater.

The International Convention for the Prevention of Pollution from Ships

("MARPOL") places strict limitations on the discharge of oil at sea and in port and requires ships to transfer oily waste to certified reception facilities. The U.S. Coast Guard has issued regulations effective March 10, 1986 which implement the requirements of MARPOL. Under these regulations, each terminal and port of the United States that services oceangoing tankers or cargo ships over 400 gross tons must be capable of receiving an average amount of oily waste based on the type and number of ships it serves. The reception facilities may be fixed or mobile, and may include tank trucks and tank barges.

The National Pollutant Discharge Elimination System ("NPDES"), a program

promulgated under the Clean Water Act, permits states to issue permits for the discharge of pollutants into the waters of the United States in lieu of federal EPA regulation. State programs must be consistent with minimum U.S. federal requirements, although they may be more stringent. NPDES permits are required for, among other things, certain industrial discharges of storm water.

The Oil Pollution Act of 1990 imposes liability for oil discharges, or threats

of discharge, into the navigable waters of the United States on the owner or operator of the responsible vessel or facility. Oil is defined to include oil refuse and oil mixed with wastes other than dredged spoil, but does not include oil designated as a hazardous substance under CERCLA. The act requires the responsible party to pay all removal costs, including the costs to prevent, minimize or mitigate oil pollution in any case in which there is a discharge or a substantial threat of an actual discharge of oil. In addition, the responsible party may be held liable for damages for injury to natural resources, loss of use of natural resources and loss of revenues from the use of such resources.

State and Local Government Regulations. Many states have been authorized by the

EPA to enforce regulations promulgated under RCRA and other U.S. federal programs. In addition, there are numerous state and local authorities that regulate the environment, some of which impose stricter environmental standards than U.S. federal laws and regulations. Some states, including Florida, have enacted legislation which generally provides for registration, record keeping, permitting, inspection, and reporting requirements for transporters, collectors and recyclers of hazardous waste and waste oil. The penalties for violations of state law include injunctive relief, recovery of damages for injury to air, water or property and fines for non-compliance. In addition, some local governments have established local pollution control programs, which include environmental permitting, monitoring and surveillance, data collection and local environmental studies.

Non U.S. Government Regulations. Many non-U.S. governments impose laws and

regulations relating to the protection of the environment and the discharge of pollutants in the environment. Such laws and regulations could impose significant liability on World Fuel for damages, clean-up costs and penalties for discharges of pollutants in the environment, as well as injunctive relief. In addition, some non-U.S. government agencies have established pollution control programs, which include environmental permitting, monitoring and surveillance, data collection and environmental impact assessments.

U.S. Federal, State, and Non-U.S. Taxes on Fuel. World Fuel's aviation and

marine fueling operations are affected by various U.S. federal and state taxes imposed on the purchase and sale of aviation and marine fuel products. In the United States, federal law imposes a manufacturer's excise tax on sales of aviation and marine fuel. Sales to aircraft and vessels engaged in non-U.S. trade are exempt from this tax. These exemptions may be realized either through tax-free or tax-reduced sales, if the seller qualifies as a producer under applicable regulations, or, if the seller does not so qualify, through a tax-paid sale followed by a refund to the exempt user. Several states, where World Fuel sells aviation and marine fuel, impose excise and sales taxes on fuel sales; certain sales of fuel by World Fuel qualify for full or partial exemptions from these state taxes. Non-U.S. jurisdictions also impose certain taxes on fuel, such as VAT and excise taxes. World Fuel continuously reviews its compliance with U.S. and non-U.S. laws which impose taxes on World Fuel's operations. Sales and excise taxes on fuel are generally added to the sales price and passed on to World Fuel's customer. However, in certain cases World Fuel may be responsible for these taxes, including cases where the customer fails to reimburse World Fuel or where World Fuel or the customer does not qualify for an exemption believed to be available at the time of the sale.

ITEM 2. PROPERTIES

The following pages set forth by segment and subsidiary the principal properties owned or leased by World Fuel as of June 7, 2001. World Fuel considers its properties and facilities to be suitable and adequate for its present needs.

WORLD FUEL SERVICES CORPORATION and SUBSIDIARIES

PROPERTIES

Owner/Lessee and Location -----	Principal Use -----	Owned or Leased -----
Corporate -----		
World Fuel Services Corporation 700 S. Royal Poinciana Blvd., Suite 800 Miami Springs, FL 33166	Executive and administrative offices	Leased to October 2002
200 Lanidex Plaza Parsippany, NJ 07054	Administrative office	Leased to September 2001
Aviation Fuel Services -----		
World Fuel Services of FL World Fuel Services, Inc. 700 S. Royal Poinciana Blvd., Suite 800 Miami Springs, FL 33166	Executive, administrative, operations, and sales offices	Leased to October 2002
4995 East Anderson Avenue Fresno, CA 93727	Administrative, operations and sales offices	Leased month-to-month
World Fuel International S.R.L. PetroServicios de Costa Rica S.A. Oficentro Ejecutivo La Sabana Sur Edificio #5, Primer Piso San Jose, Costa Rica	Administrative, operations and sales offices	Leased to April 2002
World Fuel Services Ltd. Baseops Europe Ltd. AirData Limited Kingfisher House, Northwood Park, Gatwick Rd. Crawley, West Sussex, RH10 2XN United Kingdom	Administrative, operations and sales offices	Leased to December 2007
World Fuel Services (Singapore) Pte., Ltd. 101 Thomson Road #09-03, United Square Singapore 307591	Administrative, operations and sales offices	Leased to June 2003
PetroServicios de Mexico S.A. de C.V. Servicios Auxiliares de Mexico S.A. de C.V. Avenida Fuerza Aerea Mexicana No. 465 Colonia Federal 15700 Mexico, D.F.	Administrative, operations and sales offices	Leased month-to-month
Baseops International, Inc. 333 Cypress Run #200 Houston, Texas 77094	Administrative, operations and sales offices	Leased to February 2006

(Continued)

WORLD FUEL SERVICES CORPORATION and SUBSIDIARIES

PROPERTIES

(Continued)

Owner/Lessee and Location -----	Principal Use -----	Owned or Leased -----
Marine Fuel Services -----		
Trans-Tec Services, Inc. 700 S. Royal Poinciana Blvd., Suite 800 Miami Springs, FL 33166	Executive and administrative offices	Leased to October 2002
Heights Plaza 777 Terrace Ave., 5th Floor Hasbrouck Heights, NJ 07604	Administrative, operations and sales offices	Leased to October 2001
60 East Sir Francis Drake Blvd., Suite 301 Larkspur, CA 94939	Administrative, operations and sales offices	Leased to January 2004
2nd Floor Kipun Building 200 Naeja-Dong Chongru-Ku Seoul, South Korea	Sales office	Leased month-to-month
Seagram House, 2nd Floor 71 Dock Road, Waterfront Capetown, South Africa 8001	Sales office	Leased to March 2002
Trans-Tec Services (UK) Ltd. Millbank Tower, 21/24 Millbank London SW1P 4QP United Kingdom	Administrative, operations and sales offices	Leased to November 2002
Gammelbyved 2 Karise, Denmark 4653	Sales office	Leased month-to-month
Trans-Tec International S.R.L. Casa Petro S.A. Oficentro Ejecutivo La Sabana Sur Edificio #5, Primer Piso San Jose, Costa Rica	Administrative, operations and sales offices	Leased to April 2002
Trans-Tec Services (Singapore) PTE., Ltd. 101 Thomson Road #09-03, United Square Singapore 307591	Administrative, operations and sales offices	Leased to June 2003
Trans-Tec Services (Japan) Co. K.K. 6th floor, Tozan Building, 4-4-2 Nihonbashi Hon-Cho, Chuo-Ku Tokyo 103-0023, Japan	Sales office	Leased month-to-month
Pacific Horizon Petroleum Services, Inc. 2025 First Ave., Suite 1110 Seattle, WA 98121	Administrative, operations and sales offices	Leased to December 2005

(Continued)

WORLD FUEL SERVICES CORPORATION and SUBSIDIARIES

PROPERTIES

(Continued)

Owner/Lessee and Location	Principal Use	Owned or Leased
Marine Fuel Services, Continued		
Bunkerfuels Corporation 45 Wyckoff's Mills Road Cranbury, NJ 08512	Administrative, operations and sales offices	Leased month-to-month
700 Irwin St., Suite 202 San Rafael, CA 94901	Administrative, operations and sales offices	Leased to July 2001
Room 2504, Jangkyo Bldg., 1 Jangkyo-Dong Seoul, Korea	Sales office	Leased month-to-month
Bunkerfuels UK Limited 8 City Business Centre, Lower Road Rotherhithe, London SE16 2XB United Kingdom	Administrative, operations and sales offices	Owned
Norse Bunkers Niels Juels gate 11 B 0272 Oslo, Norway	Administrative, operations and sales offices	Leased to February 2003
Marine Energy Arabia City Tower 1 Dubai, United Arab Emirates	Sales office	Leased to December 2001

ITEM 3. LEGAL PROCEEDINGS

In February and March 2000, two shareholders filed class action lawsuits against World Fuel and four of its executive officers in the United States District Court for the Southern District of Florida. The lawsuits were subsequently consolidated. The lawsuit alleged violations of U.S. federal securities laws and sought an unspecified amount of damages arising from the decrease in World Fuel's stock price on January 31, 2000. In June 2000, the plaintiffs amended their complaint to delete two of the claims made therein and to drop two of World Fuel's officers as defendants. In December 2000, the United States District Court of the Southern District of Florida dismissed the lawsuit filed against World Fuel and its executive officers and in April 2001, the same Court denied the plaintiffs' motion to alter and/or amend the case dismissal judgment.

In February 2000, World Fuel filed a lawsuit against American Home Assurance Company ("AHAC"), a subsidiary of AIG, seeking recovery under World Fuel's insurance policies for World Fuel's loss of product by theft off the coast of Nigeria. Six of World Fuel's shipments of marine fuel, with a total value of approximately \$2,683,000, were diverted in the course of transshipment to Nigeria, and were never received by World Fuel's intended customer. AHAC is contesting World Fuel's insurance claim. World Fuel intends to vigorously prosecute its action against AHAC.

In March 2001, World Fuel and EarthCare entered into a settlement agreement which resolved their differences with respect to the sale of World Fuel's oil-recycling segment, dismissed all pending proceedings and released each other from other obligations arising from the sale. In connection with the settlement agreement, World Fuel received a settlement payment of \$1,750,000 in April 2001. In addition, as part of the settlement agreement, Donald F. Moorehead, Jr., Chairman of EarthCare, agreed to purchase the EarthCare stock owned by World Fuel for \$4,979,000. On May 1, 2001, Mr. Moorehead defaulted on his agreement to purchase those shares. World Fuel has commenced legal proceedings against Mr. Moorehead to enforce his contract to purchase the EarthCare stock owned by World Fuel.

In April 2001, Miami-Dade County in Florida (the "County") filed suit (the "County Suit") against 17 defendants to seek reimbursement from such parties for the cost of remediating environmental contamination at Miami International Airport

(the "Airport"). One of those defendants is Page Avjet Fuel Corporation, now known as PAFCO L.L.C. ("PAFCO"). On or about December 31, 2000, World Fuel acquired a 50% interest in PAFCO from Signature Flight Support Corporation ("Signature"). Pursuant to the acquisition agreement, dated December 22, 2000, relating to the PAFCO transaction, Signature agreed to indemnify World Fuel for all liabilities of PAFCO arising prior to the closing ("Closing") of World Fuel's purchase of its interest in PAFCO. Because the Airport contamination occurred prior to Closing, World Fuel believes that the County Suit is covered by Signature's indemnification obligation. World Fuel has notified Signature of the County Suit, as stipulated in the acquisition agreement. World Fuel expects Signature to defend this claim on behalf of PAFCO and at Signature's expense.

On or about April 9, 2001, the County sent a letter to approximately 250 potentially responsible parties ("PRP's"), including World Fuel and a subsidiary, advising them of their potential liability for the clean-up costs which are the subject of the County Suit. The County has threatened to add the PRP's as defendants in the County Suit, unless they agree to share in the cost of the environmental clean-up at the Airport. On May 4, 2001, World Fuel advised the County that: (1) neither World Fuel nor any of its subsidiaries were responsible for any environmental contamination at the Airport, and (2) to the extent World Fuel or any subsidiary was so responsible, their liability was subject to indemnification by the County pursuant to the indemnity provisions contained in the lease agreement with the County.

World Fuel intends to vigorously defend all claims asserted by the County relating to environmental contamination at the Airport. World Fuel believes its liability in these matters (if any) should be adequately covered by the indemnification obligations of Signature as to PAFCO, and the County as to the other World Fuel companies.

There can be no assurance that World Fuel will prevail on the above legal proceedings and management cannot estimate the exposure or recovery to World Fuel if it does not prevail. A ruling against World Fuel in any of the proceedings described above may have a material adverse effect on World Fuel's financial condition and results of operation. World Fuel is also involved in litigation and administrative proceedings primarily arising in the normal course of its business. In the opinion of management, except as set forth above, World Fuel's liability, if any and except as set forth above, under any pending litigation or administrative proceedings, will not materially affect its financial condition or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of shareholders, through the solicitation of proxies or otherwise, during the fourth quarter of fiscal year 2001.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

World Fuel's common stock is traded on the New York Stock Exchange and the Pacific Stock Exchange under the symbol INT. In May 2001, World Fuel's Board of Directors approved a resolution to delist World Fuel from the Pacific Stock Exchange. The following table sets forth, for each quarter within the fiscal years ended March 31, 2001 and 2000, the closing sales prices of World Fuel's common stock as reported by the New York Stock Exchange and the quarterly cash dividends per share of common stock declared during the periods indicated.

	Price		Cash Dividends Per Share
	High	Low	
Year ended March 31, 2001			
First quarter	\$ 8.88	\$ 6.56	\$0.05
Second quarter	9.44	7.38	0.05
Third quarter	8.13	6.19	0.05
Fourth quarter	9.70	7.38	0.05
Year ended March 31, 2000			
First quarter	\$14.75	\$10.75	\$0.05
Second quarter	15.63	9.50	0.05
Third quarter	10.38	7.19	0.05
Fourth quarter	9.00	6.00	0.05

World Fuel's loan agreement with Bank of America restricts the payment of cash dividends to a maximum of 25% of net income for the preceding four quarters. For fiscal 2001, World Fuel's payment of the above dividends was in compliance with the Bank of America loan agreement. For additional information, see Note 3 to the consolidated financial statements.

As of June 7, 2001, there were 276 shareholders of record for World Fuel's common stock. On May 31, 2001, World Fuel's Board of Directors approved the following cash dividend schedule for the 2002 fiscal year:

Declaration Date	Per Share	Record Date	Payment Date
May 31, 2001	* \$0.175	June 15, 2001	July 3, 2001
August 31, 2001	\$0.075	September 14, 2001	October 4, 2001
November 30, 2001	\$0.075	December 14, 2001	January 3, 2002
March 1, 2002	\$0.075	March 15, 2002	April 4, 2002

* Includes a \$0.10 per share special cash dividend.

During fiscal 2000, World Fuel issued 1,500 shares of its common stock in connection with the exercise of certain stock options. The aforementioned issuance of common stock was made without registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon the exemptions from registration afforded by section 4(2) of the Securities Act. During fiscal 2001, no shares of World Fuel's common stock were issued in connection with the exercise of stock options.

During fiscal 2001 and 2000, World Fuel issued 2,500 and 2,000 shares, respectively, of common stock to its non-employee directors pursuant to a stock grant program whereby each non-employee director is given an annual stock grant of 500 shares of World Fuel's common stock. In addition, during fiscal 2001, the non-employee Chairman of the Audit and the Compensation Committees of the Board of Directors received an additional stock grant of 1,000 shares of World Fuel's common stock for additional services performed by the individual in his capacity as Chairman of these two committees.

World Fuel's Board of Directors, from time to time, has authorized certain stock repurchase programs whereby World Fuel could repurchase World Fuel's common stock, subject to certain restrictions pursuant to World Fuel's credit facility. The Board of Directors resolved that the repurchased shares may be reissued for any proper corporate purpose, without limitation and including future acquisitions. The following summarizes the status of World Fuel's common stock repurchase programs:

Stock Repurchase Programs	Authorized Stock Repurchases	Repurchases			Remaining Authorized Stock Repurchases
		Shares	Aggregate Cost	Average Price	
August 1998	\$ 6,000,000	616,000	\$ 6,000,000	\$9.74	\$ -
January 2000	\$10,000,000	1,391,000	\$10,000,000	\$7.19	\$ -
September 2000	\$10,000,000	109,000	\$ 730,000	\$6.70	\$9,270,000
		2,116,000	\$16,730,000		

Pursuant to these programs, World Fuel repurchased 324,000 shares at an aggregate cost of \$3,902,000; 1,194,000 shares at an aggregate cost of \$8,423,000; and 598,000 shares at an aggregate cost of \$4,404,000 during fiscal 1999, 2000, and 2001, respectively.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data has been summarized from World Fuel's consolidated financial statements set forth in Item 8 of this report. The selected financial data should be read in conjunction with the notes set forth at the end of these tables, the consolidated financial statements and the related notes thereto, and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations."

	For the year ended March 31,				
	2001	2000	1999	1998	1997
	(In thousands, except earnings per share data)				
Consolidated Income Statement Data					
Revenue	\$1,529,242	\$1,200,297	\$720,561	\$776,617	\$749,706
Cost of sales	1,457,500	1,136,052	667,302	733,379	710,721
Gross profit	71,742	64,245	53,259	43,238	38,985
Operating expenses	57,590	57,327	38,198	28,455	27,877
Income from operations	14,152	6,918	15,061	14,783	11,108
Other income (expense)	2,191	(5,646)	1,539	2,260	2,245
Income from continuing operations before income taxes	16,343	1,272	16,600	17,043	13,353
Provision for income taxes	4,557	1,444	2,910	3,467	2,865
Income (loss) from continuing operations	11,786	(172)	13,690	13,576	10,488
Discontinued operations, net of tax:					
Income from operations of oil-recycling segment	-	1,564	1,417	2,277	2,777
(Loss) gain on sale of oil-recycling segment	(1,152)	8,243	-	-	-
(Loss) income from discontinued operations	(1,152)	9,807	1,417	2,277	2,777
Net income	\$ 10,634	\$ 9,635	\$ 15,107	\$ 15,853	\$ 13,265

(Continued)

SELECTED FINANCIAL DATA
(Continued)

	As of, for the year ended March 31,				
	2001	2000	1999	1998	1997
(In thousands, except earnings per share data)					
Consolidated Income Statement Data, Continued					

Basic earnings (loss) per share:					
Continuing operations	\$ 1.11	\$ (0.01)	\$ 1.11	\$ 1.11	\$ 0.87
Discontinued operations	-	0.13	0.11	0.19	0.23
(Loss) gain on sale of discontinued operations	(0.11)	0.68	-	-	-
Net income	\$ 1.00	\$ 0.80	\$ 1.22	\$ 1.30	\$ 1.10
	=====	=====	=====	=====	=====
Weighted average shares - basic	10,644	12,045	12,375	12,230	12,068
	=====	=====	=====	=====	=====
Diluted earnings (loss) per share:					
Continuing operations	\$ 1.11	\$ (0.01)	\$ 1.10	\$ 1.09	\$ 0.85
Discontinued operations	-	0.13	0.11	0.18	0.23
(Loss) gain on sale of discontinued operations	(0.11)	0.68	-	-	-
Net income	\$ 1.00	\$ 0.80	\$ 1.21	\$ 1.27	\$ 1.08
	=====	=====	=====	=====	=====
Weighted average shares - diluted	10,663	12,045	12,533	12,528	12,295
	=====	=====	=====	=====	=====
Consolidated Balance Sheet Data					

Current assets	\$188,225	\$196,409	\$128,012	\$107,755	\$ 93,837
Total assets	222,165	227,915	164,394	141,213	121,354
Current liabilities	112,439	122,368	56,741	46,546	43,930
Long-term liabilities	5,866	5,886	6,856	2,756	2,166
Stockholders' equity	103,860	99,661	100,797	91,911	75,258

NOTES TO SELECTED FINANCIAL DATA

World Fuel declared and paid cash dividends beginning in fiscal 1995. See "Item 5 - Market for Registrant's Common Equity and Related Stockholder Matters."

In October 1997, the Board of Directors approved a 3-for-2 stock split for all shares of common stock outstanding as of November 17, 1997. The shares were distributed on December 1, 1997. Accordingly, all share and per share data, as appropriate, were retroactively adjusted to reflect the effects of this split.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" ("SFAS 128"). World Fuel adopted this standard as of December 31, 1997. Earnings per share information for fiscal 1997 was restated to conform to the requirements of SFAS 128.

Pursuant to various stock repurchase programs, World Fuel repurchased 324,000 shares at an aggregate cost of \$3,902,000; 1,194,000 shares at an aggregate cost of \$8,423,000; and 598,000 shares at an aggregate cost of \$4,404,000 during fiscal 1999, 2000, and 2001, respectively. See "Item 5 - Market for Registrant's Common Equity and Related Stockholder Matters" for additional information.

In February 2000, World Fuel sold its oil-recycling segment. Accordingly, as of December 31, 1999, World Fuel reported its oil-recycling segment as a discontinued operation. The consolidated financial statements of World Fuel were reclassified to report separately the net assets and operating results of the discontinued operation for all periods presented. Financial results for periods prior to the dates of discontinuance have been reclassified to reflect continuing operations.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS

 OF OPERATIONS

The following discussion should be read in conjunction with "Item 6 - Selected Financial Data," and with the consolidated financial statements and related notes thereto appearing elsewhere in this report.

Forward-looking Disclosure

This document includes forward-looking statements. The words believes, intends, expects, anticipates, projects, estimates, predicts, and similar expressions are intended to identify forward-looking statements. Such statements, estimates, and projections reflect various assumptions by World Fuel's management concerning anticipated results, and are subject to significant business, economic and competitive risks and contingencies, many of which are beyond management's control. Factors that could cause results to differ include, but are not limited to, quarterly fluctuations in results; the management of growth; fluctuations in world oil prices or foreign currency; major changes in political, economic, regulatory or environmental conditions; the loss of key customers, suppliers or members of senior management; uninsured losses; competition; credit risk associated with accounts and notes receivable; and other risks detailed in this report and in World Fuel's other Securities and Exchange Commission filings. Actual results may differ materially from any forward-looking statements set forth herein.

Results of Operations

Profit from World Fuel's aviation fuel services business is directly related to the volume and the gross profit achieved on sales, as well as the overall level of operating expenses, which may be significantly affected to the extent that World Fuel is required to provision for potential bad debts. Profit from World Fuel's marine fuel services business is determined primarily by the volume and commission rate of brokering business generated and by the volume and gross profit achieved on trade sales, as well as the overall level of operating expenses, which may be significantly affected to the extent that World Fuel is required to provision for potential bad debts.

In April 1999, World Fuel acquired the operations of the Bunkerfuels group of companies. Bunkerfuels forms part of World Fuel's worldwide marine fuel marketing segment. In February 2000, World Fuel sold its oil-recycling segment to EarthCare. World Fuel reported its oil-recycling segment as a discontinued operation as of December 31, 1999. In October 2000, the aviation joint venture in Ecuador ceased operations.

During fiscal 2000 and 2001, world oil prices continued to exhibit volatility and have remained high. The increase in fuel prices has to date, and will continue to adversely affect World Fuel's customers. World Fuel's profitability during the comparable fiscal 2001 versus fiscal 2000 was favored by an improvement in the gross profit per gallon in aviation, and metric ton in marine, as well as a lower provision for bad debts. During the same comparable periods, earnings were affected by a decline in overall volume principally in aviation, and the severance expense related to the termination of the employment agreement with World Fuel's former Chairman of the Board. The decline in aviation volume reflects consolidation within the aviation industry, as well as management's decision to refine its credit practices.

Fiscal Year Ended March 31, 2001 Compared to the Fiscal Year Ended March 31,

2000

World Fuel's revenue for fiscal 2001 was \$1,529,242,000, an increase of \$328,945,000, or 27.4%, as compared to revenue of \$1,200,297,000 for the prior fiscal year. The revenue increase is due to a substantial increase in world oil prices. World Fuel's revenue during these periods was attributable to the following segments:

	Fiscal Year Ended March 31, 2001	2000
	-----	-----
Aviation Fueling	\$ 524,670,000	\$ 461,740,000
Marine Fueling	1,004,572,000	738,557,000
	-----	-----
Total Revenue	\$1,529,242,000	\$1,200,297,000
	=====	=====

The aviation fueling segment contributed \$524,670,000 in revenue for fiscal 2001. This represented an increase in revenue of \$62,930,000, or 13.6%, as compared to the prior fiscal year. The increase in revenue results from a 36.2% increase in the average price per gallon sold, partially offset by a 16.6% decrease in the volume of gallons sold. The marine fueling segment contributed \$1,004,572,000 in revenue for fiscal 2001, an increase of \$266,015,000, or 36.0%, over the prior fiscal year. The increase in revenue for the marine segment was related to 31.5% and 8% increases in the average price per metric ton sold and brokered, respectively. Also contributing to the increase in revenue for the marine segment was an increase in the volume of metric tons sold of 3.8%.

World Fuel's gross profit of \$71,742,000 for fiscal 2001 increased \$7,497,000, or 11.7%, as compared to the prior fiscal year. World Fuel's gross margin decreased from 5.4% for fiscal 2000 to 4.7% for fiscal 2001. World Fuel's aviation fueling business achieved a 6.6% gross margin for fiscal 2001, as compared to 8.2% achieved for the prior fiscal year. This decrease resulted from an increase in the average price per gallon sold, partially offset by an increase in the average gross profit per gallon sold. World Fuel's marine fueling segment achieved a 3.7% gross margin for fiscal 2001, as compared to a 3.6% gross margin for the prior fiscal year. The marine segment increased its gross margin despite higher fuel prices, due to an increase in the average gross profit per metric ton sold and brokered, the result of better pricing and reduction in low margin business activity.

Total operating expenses for fiscal 2001 were \$57,590,000, an increase of \$263,000, or 0.5%, as compared to the prior fiscal year. The increase resulted from higher compensation, professional fees, and information technology spending, and a \$3,505,000 executive severance charge incurred in terminating the employment agreement with World Fuel's former Chairman of the Board. Largely offsetting was an \$11,341,000 decrease in the provision for bad debts.

World Fuel's income from operations for fiscal 2001 was \$14,152,000, an increase of \$7,234,000, or 104.6%, as compared to the prior fiscal year. Income from operations during these periods was attributable to the following segments:

	Fiscal Year Ended March 31,	
	2001	2000
	-----	-----
Aviation Fueling	\$ 11,790,000	\$ 4,440,000
Marine Fueling	13,161,000	7,516,000
Corporate Overhead	(10,799,000)	(5,038,000)
	-----	-----
Total Income from Operations	\$ 14,152,000	\$ 6,918,000
	=====	=====

The aviation fueling segment's income from operations was \$11,790,000 for fiscal 2001, an increase of \$7,350,000, or 165.5%, as compared to the prior fiscal year. This increase resulted from a decrease in the provision for bad debts and an improvement in the gross profit per gallon sold; partially offset by a decrease in gallons sold and an increase in compensation and other operating expenses. The marine fueling segment earned \$13,161,000 in income from operations for fiscal 2001, an increase of \$5,645,000, or 75.1%, as compared to the prior fiscal year. The increase in the marine segment resulted from an improved gross profit per metric ton on traded and brokered transactions and a volume increase in metric tons sold. Partially offsetting was a volume decrease in metric tons brokered and increases in operating expenses, including the provision for bad debts. Corporate overhead costs not charged to the business segments totaled \$10,799,000 in fiscal 2001, an increase of \$5,761,000, or 114.4%, as compared to the prior fiscal year. The increase resulted from an executive severance charge incurred in terminating the employment agreement with World Fuel's former Chairman of the Board, and higher compensation, professional fees, and information technology spending.

During fiscal 2001, World Fuel reported \$2,191,000 in other income, net, compared to other expense, net, of \$5,646,000, for the prior fiscal year. In fiscal 2000, World Fuel recorded a \$3,092,000 non-recurring charge in the marine segment due to the theft of product in Nigeria, a \$953,000 non-recurring charge in the aviation segment related to a substantial write-down of World Fuel's investment in and advances to its aviation joint venture in Ecuador, and a \$1,593,000 special charge to the provision for bad debts in World Fuel's aviation joint venture in Ecuador related to certain customers based in Ecuador. Also contributing to the variance were foreign exchange gains, increases in net interest income of \$1,240,000, and a recovery of \$365,000 on the previously provisioned write-down in World Fuel's aviation joint venture in Ecuador.

Income taxes for fiscal 2001 reflect the impact of the executive severance and the provision for bad debts, for which World Fuel received an income tax benefit. Income taxes for fiscal 2000 reflect the impact of the provision for bad debts and non-recurring losses in aviation and marine, for which World Fuel did not receive an income tax benefit. Thus, World Fuel's effective income tax rate for fiscal 2001 decreased substantially as compared to the prior fiscal year.

Net income from continuing operations for fiscal 2001 was \$11,786,000, as compared to a net loss of \$172,000 for the prior fiscal year. Diluted income per share on income from continuing operations was \$1.11 for fiscal 2001, as compared to a loss per share of \$0.01 in the prior year.

In fiscal 2001, World Fuel incurred a net loss from discontinued operations of \$1,152,000, or \$0.11 per diluted share, as compared to net income of \$9,807,000, or \$0.81 per diluted share, for the prior fiscal year. During fiscal 2001, World Fuel recorded additional income taxes of \$496,000 related to the gain on the sale of the oil-recycling segment, and a \$656,000 reduction of the amount of assets World Fuel ultimately realized in connection with the discontinuance of its used oil-recycling business.

Including discontinued operations, net income for fiscal 2001 was \$10,634,000, an increase of \$999,000, or 10.4%, as compared to net income of \$9,635,000 for the prior fiscal year. Diluted earnings per share of \$1.00 for fiscal 2001 increased \$0.20, or 25.0%, over the \$0.80 achieved during the prior fiscal year.

Fiscal Year Ended March 31, 2000 Compared to the Fiscal Year Ended March 31,

1999

World Fuel's revenue for fiscal 2000 was \$1,200,297,000, an increase of \$479,736,000, or 66.6%, as compared to revenue of \$720,561,000 for the prior fiscal year. The revenue increase was due to a substantial increase in world oil prices and the Bunkerfuels acquisition. World Fuel's revenue during these periods was attributable to the following segments:

	Fiscal Year Ended March 31,	
	2000	1999
	-----	-----
Aviation Fueling	\$ 461,740,000	\$327,844,000
Marine Fueling	738,557,000	392,717,000
	-----	-----
Total Revenue	\$1,200,297,000	\$720,561,000
	=====	=====

The aviation fueling segment contributed \$461,740,000 in revenue for fiscal 2000. This represented an increase in revenue of \$133,896,000, or 40.8%, as compared to the prior fiscal year. The increase in revenue was due largely to an increase in the average price per gallon sold. The marine fueling segment contributed \$738,557,000 in revenue for fiscal 2000, an increase of \$345,840,000 over the prior fiscal year. The increase in revenue was mostly related to an increase in the average price per metric ton sold and the acquisition of Bunkerfuels.

World Fuel's gross profit for fiscal 2000 was \$64,245,000, an increase of \$10,986,000, or 20.6%, as compared to the prior fiscal year. World Fuel's gross margin decreased from 7.4% for fiscal 1999 to 5.4% for fiscal 2000, the result of a substantial increase in the average price of fuel.

World Fuel's aviation fueling business achieved an 8.2% gross margin for fiscal 2000, as compared to 9.7% achieved for the prior fiscal year. This resulted from an increase in the average price per gallon sold, partially offset by an increase in the average gross profit per gallon sold. World Fuel's marine fueling segment achieved a 3.6% gross margin for fiscal 2000, as compared to a 5.4% gross margin for the prior fiscal year. An increase in the average price per metric ton traded, and a lower gross profit per metric ton sold and brokered caused the margin reduction.

Total operating expenses for fiscal 2000 were \$57,327,000, an increase of \$19,129,000, or 50.1%, as compared to the prior fiscal year. The increase was mostly due to a \$14,171,000 higher provision for bad debts principally attributed to World Fuel's aviation segment, which included a \$2,122,000 special charge related to certain customers based in Ecuador. Also contributing to the increase were the operating expenses associated with the Bunkerfuels operations and the implemented financial systems.

World Fuel's income from operations for fiscal 2000 was \$6,918,000, a decrease of \$8,143,000, or 54.1%, as compared to the prior fiscal year. Income from operations during these periods was attributable to the following segments:

	Fiscal Year Ended March 31,	
	2000	1999
	-----	-----
Aviation Fueling	\$ 4,440,000	\$13,331,000
Marine Fueling	7,516,000	7,515,000
Corporate Overhead	(5,038,000)	(5,785,000)
	-----	-----
Total Income from Operations	\$ 6,918,000	\$15,061,000
	=====	=====

The aviation fueling segment's income from operations was \$4,440,000 for fiscal 2000, a decrease of \$8,891,000, or 66.7%, as compared to the prior fiscal year. This resulted from an increase in the provision for bad debts, partially offset by an increase in gross profit. The marine fueling segment earned \$7,516,000 in income from operations for fiscal 2000, consistent with the prior fiscal year. A decrease in marine's core business was offset by the contribution of Bunkerfuels. Corporate overhead costs not charged to the business segments totaled \$5,038,000 in fiscal 2000, a decrease of \$747,000, or 12.9%, as compared to the prior fiscal year. This decrease resulted from lower general and administrative expenses.

During fiscal 2000, World Fuel reported \$5,646,000 in other expense, net, compared to other income, net, of \$1,539,000, for fiscal 1999. This variance was the result of the non-recurring charges in the aviation and marine segments, and the special charge to the provision for bad debts in World Fuel's aviation joint venture in Ecuador which were recorded during fiscal 2000. Also contributing to the variance was an increase in interest expense due to borrowings on World Fuel's line of credit prior to the closing of the sale of World Fuel's oil-recycling segment in February 2000. The increase in fuel prices, the acquisition of Bunkerfuels, World Fuel's stock repurchase program and the investment in World Fuel's new financial system increased World Fuel's borrowing requirements. World Fuel's effective income tax rate for fiscal 2000 increased substantially because of the impact of the non-recurring charges and the special provisions for bad debts, for which World Fuel did not receive a tax benefit.

The net loss from continuing operations for fiscal 2000 was \$172,000, as compared to net income from continuing operations of \$13,690,000 for fiscal 1999. Loss per share on income from continuing operations was \$0.01 for the year ended March 31, 2000, as compared to \$1.10 in diluted earnings per share achieved during the same period of the prior year. In the aggregate, the product theft in Nigeria, the write-down of World Fuel's investment in and advances to its aviation joint venture in Ecuador, and the charges related to the Ecuador based customers had a \$0.54 impact on diluted earnings per share for fiscal 2000.

World Fuel's net income from discontinued operations for fiscal 2000 was \$9,807,000, or \$0.81 per diluted share, as compared to \$1,417,000, or \$0.11 per diluted share, for the prior fiscal year. Net income from discontinued operations included \$1,564,000 in income from operations of the oil-recycling segment, and \$8,243,000 for the gain on sale of the segment. The increase in the market price of oil benefited the oil-recycling business, while operating expenses increased modestly during the comparative periods.

Net income for fiscal 2000 was \$9,635,000, a decrease of \$5,472,000, or 36.2%, as compared to net income of \$15,107,000 for fiscal 1999. Diluted earnings per share of \$0.80 for fiscal 2000 exhibited a \$0.41, or 33.9%, decrease over the \$1.21 achieved during the prior fiscal year.

Liquidity and Capital Resources

In World Fuel's aviation and marine fuel businesses, the primary use of working capital is to finance receivables. World Fuel maintains aviation fuel inventories at certain locations in the United States, mostly for competitive reasons. World Fuel's aviation and marine fuel businesses historically have not required significant capital investment in fixed assets as World Fuel subcontracts fueling services and maintains inventories at third party storage facilities.

Cash and cash equivalents amounted to \$38,977,000 at March 31, 2001, as compared to \$32,773,000 at March 31, 2000. The principal source of cash during fiscal 2001 was \$28,137,000 in net cash provided by continuing operating activities, after deducting \$4,522,000 for the payment of severance and deferred compensation to World Fuel's former Chairman of the

Board. Partially offsetting this cash source were net cash used in discontinued operations of \$9,813,000, which is primarily related to the payment of income taxes associated with the gain on the sale of the oil-recycling business, \$4,404,000 for the purchase of treasury stock, \$2,684,000 for capital expenditures, \$2,154,000 in dividends paid on common stock, and \$2,860,000 related to the fiscal 2001 acquisitions made by World Fuel. Other components of changes in cash and cash equivalents are detailed in the accompanying Consolidated Statements of Cash Flows.

Working capital as of March 31, 2001 was \$75,786,000, exhibiting a \$1,745,000 increase compared to World Fuel's working capital as of March 31, 2000. As of March 31, 2001, World Fuel's accounts receivable and notes receivable, excluding the allowance for bad debts, and inventories, amounted to \$142,039,000, a decrease of \$26,353,000 as compared to the March 31, 2000 balance. This decrease is mostly related to the refinement of World Fuel's credit practices that resulted in an overall improvement in Days Sales Outstanding, and improved inventory management. In the aggregate, short-term debt, accounts payable, accrued expenses, customer deposits, and accrued salaries and wages decreased \$3,593,000. The allowance for doubtful accounts as of March 31, 2001 amounted to \$11,167,000, a decrease of \$4,035,000 compared to the March 31, 2000 balance. During fiscal 2001 and 2000, World Fuel charged \$7,909,000 and \$19,250,000, respectively, to the provision for bad debts and had charge-offs in excess of recoveries of \$11,944,000 and \$10,757,000, respectively.

Capital expenditures of \$2,684,000 for fiscal 2001 consisted primarily of \$1,421,000 for the purchase of computer equipment and \$1,101,000 in computer software development costs. Other assets increased by \$1,423,000 as a result of \$4,462,000 in goodwill, related to the fiscal 2001 acquisitions, net of amortization; partially offset by the reclassification of \$522,000 of certain notes receivable and \$2,500,000 of EarthCare common stock, received by World Fuel pursuant to the sale of the oil-recycling segment, to other current assets. See Note 2 to the consolidated financial statements included in this report, and "Item 3 - Legal Proceedings." Long-term liabilities of \$5,866,000, as of March 31, 2001, included \$3,050,000 in acquisition debt, \$2,045,000 in deferred compensation, and \$663,000 in deferred income tax liabilities.

Stockholders' equity amounted to \$103,860,000, or \$9.98 per share, at March 31, 2001, compared to \$99,661,000, or \$9.06 per share, at March 31, 2000. This increase of \$4,199,000 was due to \$10,634,000 in earnings for fiscal 2001, partially offset by the declaration of dividends of \$2,120,000 and purchases of treasury stock of \$4,404,000.

World Fuel expects to meet its working capital and capital expenditures requirements for fiscal year 2002 from existing cash, operations and additional borrowings, as necessary, under its existing credit facility. World Fuel's business has been, and will continue to be affected by the increases in fuel prices.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

World Fuel conducts the vast majority of its business transactions in U.S. Dollars. However, in certain markets, primarily in Mexico, payments to its aviation fuel supplier are denominated in local currency. This subjects World Fuel to foreign currency exchange risk, which may adversely affect its results of operations and financial condition. World Fuel seeks to minimize the risks from currency exchange rate fluctuations through its regular operating and financing activities.

World Fuel's borrowings pursuant to its credit facility provides for various market driven variable interest rate options. These interest rates are subject to interest rate changes in the United States and the Eurodollar market. World Fuel does not currently use, nor has it historically used, derivative financial instruments to manage or reduce interest rate risk. See Note 3 to the accompanying consolidated financial statements for additional information.

To take advantage of favorable market conditions or for competitive reasons, World Fuel enters into short-term cancelable fuel purchase commitments for the physical delivery of product in the United States. World Fuel simultaneously may hedge the physical delivery through a commodity based derivative instrument, to minimize the effects of commodity price fluctuations.

World Fuel offers swaps and caps to customers in the marine business as part of its fuel management services. World Fuel simultaneously enters into a commodity based derivative instrument with its customer and a counterparty. The counterparties are major oil companies and derivative trading firms. Accordingly, World Fuel does not anticipate non-performance by such counterparties. Pursuant to these transactions, World Fuel is not affected by market price fluctuations since the contracts have the same terms and conditions except for the fee or spread earned by World Fuel. Performance risk under these contracts is considered a credit risk. This risk is minimized by dealing with customers meeting additional credit criteria. As of March 31, 2001, World Fuel had one outstanding swap contract for 45,000 metric tons expiring on December 31, 2001.

World Fuel's policy is to not use derivative financial instruments for speculative purposes.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Attached hereto and filed as a part of this Form 10-K are the financial statements required by Regulation S-X and the supplementary data required by Regulation S-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

No disagreements with accountants on any matter of accounting principles or practices or financial statement disclosure have been reported on a Form 8-K within the twenty-four months prior to the date of the most recent financial statement.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information concerning the directors and executive officers of World Fuel set forth under the captions "Election of Directors" and "Information Concerning Executive Officers", respectively, appearing in the definitive Proxy Statement of World Fuel for its 2001 Annual Meeting of Shareholders (the "2001 Proxy Statement"), is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information set forth in the 2001 Proxy Statement under the caption "Compensation of Officers" and "Board of Directors - Compensation of Directors" is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information set forth under the caption "Principal Shareholders and Security Ownership of Management" in the 2001 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information set forth under the caption "Transactions with Management and Others" in the 2001 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) (1)	The following consolidated financial statements are filed as a part of this report:
(i)	Report of Independent Certified Public Accountants. 23
(ii)	Consolidated Balance Sheets as of March 31, 2001 and 2000. 24
(iii)	Consolidated Statements of Income for the Years Ended March 31, 2001, 2000 and 1999. 25
(iv)	Consolidated Statements of Stockholders' Equity for the Years Ended March 31, 2001, 2000 and 1999. 26
(v)	Consolidated Statements of Cash Flows for the Years Ended March 31, 2001, 2000 and 1999. 27
(vi)	Notes to the Consolidated Financial Statements. 29
(a) (2)	The following consolidated financial statement schedule is filed as a part of this report:
(I)	Schedule II - Valuation and Qualifying Accounts. 49

Schedules not set forth herein have been omitted either because the required information is set forth in the Consolidated Financial Statements or Notes thereto, or the information called for is not required.

(a) (3) The exhibits set forth in the following index of exhibits are filed as a part of this report:

EXHIBIT NO. DESCRIPTION

- (3) Articles of Incorporation and By-laws:
 - (a) Articles of Incorporation are incorporated by reference to World Fuel's Registration Statement on Form S-18 filed February 3, 1986.
 - (b) By-laws are incorporated by reference to World Fuel's Registration Statement on Form S-18 filed February 3, 1986.
- (4) Instruments defining rights of security holders:
 - (a) 1986 Employee Stock Option Plan is incorporated by reference to World Fuel's Registration Statement on Form S-18 filed February 3, 1986.
 - (b) 1993 Non-Employee Directors Stock Option Plan is incorporated by reference to World Fuel's Schedule 14A filed June 28, 1994.
 - (c) 1996 Employee Stock Option Plan is incorporated by reference to World Fuel's Schedule 14A filed June 18, 1997.

(10) Material contracts filed with this Form 10-K:

- (a) Amendment to Employment Agreement with Mr. Jerrold Blair, Chairman of the Board of Directors and Chief Executive Officer, dated January 31, 2001, effective as of April 1, 2000.
- (b) Amended and Restated Employment Agreement with Mr. Paul Stebbins, President and Chief Operating Officer, dated January 3, 2001, effective as of August 1, 2000.
- (c) Amendment Agreement No. 2 to Revolving Credit and Reimbursement Agreement, dated June 22, 2000, by and among World Fuel Services Corporation, Trans-Tec International, S.A., and World Fuel International, S.A., as borrowers, and Bank of America, N.A., successor by merger of NationsBank, N.A.

(21) Subsidiaries of the Registrant.

- (b) No reports on Form 8-K were filed during the fourth quarter of World Fuel's fiscal year ended March 31, 2001.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WORLD FUEL SERVICES CORPORATION

Dated: June 12, 2001

By: /S/ Paul H. Stebbins

Paul H. Stebbins, Director, President, and
Chief Operating Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: June 12, 2001

By: /S/ Jerrold Blair

Jerrold Blair, Chairman of the Board
of Directors
and Chief Executive Officer

Dated: June 12, 2001

By: /S/ Paul H. Stebbins

Paul H. Stebbins, Director, President, and
Chief Operating Officer

Dated: June 12, 2001

By: /S/ Carlos A. Abaunza

Carlos A. Abaunza, Chief Financial Officer and
Treasurer (Principal Financial and Accounting
Officer)

Dated: June 12, 2001

By: /S/ Phillip S. Bradley

Phillip S. Bradley, Director and Chief
Executive
Officer of Aviation Fuel Services

Dated: June 12, 2001

By: /S/ Michael J. Kasbar

Michael J. Kasbar, Director and Chief Executive
Officer of Marine Fuel Services

Dated: June 12, 2001

By: /S/ John R. Benbow

John R. Benbow, Director

Dated: June 12, 2001

By: /S/ Ralph Feuerring

Ralph Feuerring, Director

Dated: June 12, 2001

By: /S/ Myles Klein

Myles Klein, Director

Dated: June 12, 2001

By: /S/ Jerome Sidel

Jerome Sidel, Director

Dated: June 12, 2001

By: /S/ Luis R. Tinoco

Luis R. Tinoco, Director

To World Fuel Services Corporation:

We have audited the accompanying consolidated balance sheets of World Fuel Services Corporation (a Florida corporation) and subsidiaries as of March 31, 2001 and 2000, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended March 31, 2001. These consolidated financial statements and the schedule referred to below are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and the schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of World Fuel Services Corporation and subsidiaries as of March 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2001 in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedule II is presented for purposes of complying with the Securities and Exchange Commission's rules and is not a required part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/S/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Miami, Florida,
May 30, 2001.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	March 31,	
	2001	2000
ASSETS		

Current assets:		
Cash and cash equivalents	\$ 38,977,000	\$ 32,773,000
Accounts and notes receivable, net of allowance for bad debts of \$11,167,000 and \$15,202,000 at March 31, 2001 and 2000, respectively	125,863,000	142,250,000
Inventories	5,009,000	10,418,000
Prepaid expenses and other current assets	18,376,000	10,968,000

Total current assets	188,225,000	196,409,000

Property and equipment:		
Leasehold and improvements	357,000	335,000
Office equipment, computer equipment and software	9,803,000	9,074,000
Computer software development in progress	1,101,000	-

	11,261,000	9,409,000
Less accumulated depreciation and amortization	5,130,000	4,289,000

	6,131,000	5,120,000

Other assets:		
Cost in excess of net assets of acquired companies, net of accumulated amortization	24,598,000	23,040,000
Other	3,211,000	3,346,000

	\$ 222,165,000	\$ 227,915,000
	=====	
LIABILITIES		

Current liabilities		
Short-term debt	\$ 2,321,000	\$ 17,000
Accounts payable	69,147,000	80,404,000
Accrued expenses	28,465,000	27,455,000
Customer deposits	5,781,000	3,017,000
Accrued salaries and wages	5,144,000	3,558,000
Income taxes payable	1,581,000	1,419,000
Net liabilities of discontinued operations	-	6,498,000

Total current liabilities	112,439,000	122,368,000

Long-term liabilities	5,866,000	5,886,000

	118,305,000	128,254,000

Commitments and contingencies (Note 6)		
STOCKHOLDERS' EQUITY		

Preferred stock, \$1.00 par value; 100,000 shares authorized, none issued	-	-
Common stock, \$0.01 par value; 25,000,000 shares authorized, 12,541,000 and 12,537,000 shares issued and outstanding at March 31, 2001 and 2000, respectively	125,000	125,000
Capital in excess of par value	26,889,000	26,800,000
Retained earnings	93,770,000	85,256,000
Less treasury stock, at cost; 2,138,000 and 1,540,000 shares at March 31, 2001 and 2000, respectively	16,924,000	12,520,000

	103,860,000	99,661,000

	\$ 222,165,000	\$ 227,915,000
	=====	

The accompanying notes to the consolidated financial statements are an integral part of these consolidated balance sheets.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

For the Year Ended March 31,

	2001	2000	1999
Revenue	\$ 1,529,242,000	\$ 1,200,297,000	\$ 720,561,000
Cost of sales	1,457,500,000	1,136,052,000	667,302,000
Gross profit	71,742,000	64,245,000	53,259,000
Operating expenses:			
Salaries and wages	26,299,000	21,587,000	18,842,000
Executive severance charge	3,505,000	-	-
Provision for bad debts	7,909,000	19,250,000	5,079,000
Other	19,877,000	16,490,000	14,277,000
	57,590,000	57,327,000	38,198,000
Income from operations	14,152,000	6,918,000	15,061,000
Other income (expense), net:			
Interest, net	1,617,000	377,000	1,601,000
Earnings (losses) from aviation joint ventures, net	24,000	(362,000)	199,000
Non-recurring credit (charge) in aviation and marine segment	365,000	(4,045,000)	-
Special provision for bad debts in aviation joint venture in Ecuador	-	(1,593,000)	-
Other, net	185,000	(23,000)	(261,000)
	2,191,000	(5,646,000)	1,539,000
Income from continuing operations before income taxes	16,343,000	1,272,000	16,600,000
Provision for income taxes	4,557,000	1,444,000	2,910,000
Income (loss) from continuing operations	11,786,000	(172,000)	13,690,000
Discontinued operations, net of tax:			
Income from operations of oil-recycling segment	-	1,564,000	1,417,000
(Loss) gain on sale of oil-recycling segment	(1,152,000)	8,243,000	-
(Loss) income from discontinued operations	(1,152,000)	9,807,000	1,417,000
Net income	\$ 10,634,000	\$ 9,635,000	\$ 15,107,000
Basic earnings (loss) per share:			
Continuing operations	\$ 1.11	\$ (0.01)	\$ 1.11
Discontinued operations	-	0.13	0.11
(Loss) gain on sale of discontinued operations	(0.11)	0.68	-
Net income	\$ 1.00	\$ 0.80	\$ 1.22
Weighted average shares - basic	10,644,000	12,045,000	12,375,000
Diluted earnings (loss) per share:			
Continuing operations	\$ 1.11	\$ (0.01)	\$ 1.10
Discontinued operations	-	0.13	0.11
(Loss) gain on sale of discontinued operations	(0.11)	0.68	-
Net income	\$ 1.00	\$ 0.80	\$ 1.21
Weighted average shares - diluted	10,663,000	12,045,000	12,533,000

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Treasury Stock		Total
	Shares	Amount			Shares	Amount	
Balance at March 31, 1998	12,492,000	\$ 125,000	\$ 26,479,000	\$ 65,364,000	11,000	\$ (57,000)	\$ 91,911,000
Purchases of stock	-	-	-	-	324,000	(3,902,000)	(3,902,000)
Cash dividends declared	-	-	-	(2,471,000)	-	-	(2,471,000)
Other	42,000	-	290,000	-	11,000	(138,000)	152,000
Net income	-	-	-	15,107,000	-	-	15,107,000
Balance at March 31, 1999	12,534,000	125,000	26,769,000	78,000,000	346,000	(4,097,000)	100,797,000
Purchases of stock	-	-	-	-	1,194,000	(8,423,000)	(8,423,000)
Cash dividends declared	-	-	-	(2,379,000)	-	-	(2,379,000)
Other	3,000	-	31,000	-	-	-	31,000
Net income	-	-	-	9,635,000	-	-	9,635,000
Balance at March 31, 2000	12,537,000	125,000	26,800,000	85,256,000	1,540,000	(12,520,000)	99,661,000
Purchases of stock	-	-	-	-	598,000	(4,404,000)	(4,404,000)
Cash dividends declared	-	-	-	(2,120,000)	-	-	(2,120,000)
Other	4,000	-	89,000	-	-	-	89,000
Net income	-	-	-	10,634,000	-	-	10,634,000
Balance at March 31, 2001	12,541,000	\$ 125,000	\$ 26,889,000	\$ 93,770,000	2,138,000	\$ (16,924,000)	\$ 103,860,000

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended March 31,		
	2001	2000	1999
Cash flows from continuing operating activities:			
Income (loss) from continuing operations	\$ 11,786,000	\$ (172,000)	\$ 13,690,000
Adjustments to reconcile income (loss) from continuing operations to net cash provided by continuing operating activities -			
Provision for bad debts	7,909,000	19,250,000	5,079,000
Depreciation and amortization	2,350,000	2,430,000	1,703,000
Deferred income tax benefit	(743,000)	(2,762,000)	(889,000)
(Earnings) losses from aviation joint ventures, net	(24,000)	1,955,000	(199,000)
Non-recurring (credit) charge in aviation and marine segment	(365,000)	4,045,000	-
Other non-cash operating charges (credits)	155,000	21,000	(7,000)
Changes in assets and liabilities, net of acquisitions and dispositions:			
Accounts and notes receivable	9,000,000	(68,174,000)	(20,728,000)
Inventories	5,409,000	(5,100,000)	(605,000)
Prepaid expenses and other current assets	(1,106,000)	1,348,000	(1,302,000)
Other assets	347,000	50,000	483,000
Accounts payable and accrued expenses	(10,213,000)	57,589,000	8,917,000
Customer deposits	2,764,000	(1,057,000)	1,538,000
Accrued salaries and wages	1,586,000	9,000	516,000
Income taxes payable	162,000	(233,000)	(764,000)
Deferred compensation	(880,000)	77,000	126,000
Total adjustments	16,351,000	9,448,000	(6,132,000)
Net cash provided by continuing operating activities	28,137,000	9,276,000	7,558,000
Cash flows from investing activities:			
Capital expenditures	(2,684,000)	(1,860,000)	(3,451,000)
Payment for acquisition of businesses, net of cash acquired	(1,824,000)	(4,184,000)	-
Investment in aviation joint venture	(1,036,000)	-	-
Proceeds from the sale of oil-recycling segment	-	28,000,000	-
(Advances to) repayment from aviation joint venture, net	-	(409,000)	77,000
Net cash (used in) provided by investing activities	(5,544,000)	21,547,000	(3,374,000)
Cash flows from financing activities:			
Dividends paid on common stock	(2,154,000)	(2,434,000)	(2,486,000)
Purchases of treasury stock	(4,404,000)	(8,423,000)	(3,902,000)
Repayment of debt	(18,000)	(1,456,000)	(23,000)
(Payments) borrowings under revolving credit facility, net	-	(4,000,000)	4,000,000
Proceeds from issuance of common stock	-	10,000	297,000
Net cash used in financing activities	(6,576,000)	(16,303,000)	(2,114,000)
Discontinued operations	(9,813,000)	1,726,000	(222,000)
Net increase in cash and cash equivalents	6,204,000	16,246,000	1,848,000
Cash and cash equivalents, at beginning of period	32,773,000	16,527,000	14,679,000
Cash and cash equivalents, at end of period	\$ 38,977,000	\$ 32,773,000	\$ 16,527,000

(Continued)

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

 CONSOLIDATED STATEMENTS OF CASH FLOWS

(Continued)

For the Year Ended March 31,

	2001	2000	1999
	-----	-----	-----
Cash paid during the period for:			
Interest	\$ 254,000	\$ 838,000	\$ 257,000
	=====	=====	=====
Income taxes	\$ 14,752,000	\$ 4,280,000	\$ 5,088,000
	=====	=====	=====

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the period for:

Interest

\$ 254,000 \$ 838,000 \$ 257,000

Income taxes

\$ 14,752,000 \$ 4,280,000 \$ 5,088,000

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

Cash dividends declared, but not yet paid, totaling \$520,000, \$554,000 and \$609,000 are included in accrued expenses as of March 31, 2001, 2000 and 1999, respectively.

In connection with the sale of the oil-recycling segment in February 2000, World Fuel Services Corporation (the "Company") received \$5,000,000 of EarthCare Company ("EarthCare") stock, subject to lock-up and price protection agreements. Pursuant to these agreements, half of the EarthCare stock could be sold after February 15, 2001, and the balance could be sold after August 15, 2001. As of March 31, 2000, the Company recorded the EarthCare stock as an investment. The current portion of \$2,500,000 was included in Prepaid expenses and other current assets and the long-term portion of \$2,500,000 was included in Other assets. In March 2001, as part of the settlement agreement between the Company, EarthCare, and Donald F. Moorehead, Jr., Chairman of EarthCare, Mr. Moorehead agreed to purchase the EarthCare stock owned by the Company for \$4,979,000, representing the balance after deducting \$21,000 received by the Company on a previous sale of 10,000 shares of EarthCare stock. As of March 31, 2001, the payment due from Mr. Moorehead is included in Prepaid expenses and other current assets. For additional information, see Note 2 and 6 in the Notes to the consolidated financial statements.

In connection with the April 1999 acquisition of the Bunkerfuels group of companies, the Company issued 7 3/4% promissory notes totaling \$4,250,000, payable over three years. See Notes 1 and 3, in the Notes to the consolidated financial statements, for additional information.

In connection with the December 2000 joint venture agreement for PAFCO, L.L.C., the Company issued a non-interest bearing promissory note of \$2,500,000, payable over five years. See Notes 1, 3 and 7, in the Notes to the consolidated financial statements, for additional information.

In connection with the February 2001 acquisition of certain assets of Norse Bunker A.S., the Company issued a 7% promissory note of \$540,000, payable in one year. See Notes 1 and 3, in the Notes to the consolidated financial statements, for additional information.

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Acquisitions

World Fuel Services Corporation began operations in 1984 as a used oil-recycler in the southeast United States. However, after sixteen years, the Company sold its oil-recycling business in February 2000. In 1986, the Company diversified its operations by entering, through an acquisition, the aviation fuel services business. This new segment expanded rapidly, from a business primarily concentrated in Florida, to an international sales company covering airports throughout most of the world through acquisitions and the establishment of new offices. In 1995, the Company further diversified its fuel services operations by entering the marine fuel services business through the acquisition of the Trans-Tec Services group of companies.

In April 1999, the Company continued the expansion of its global presence in the marine fuel services business by acquiring the operations of the Bunkerfuels group of companies. The acquisition was accounted for as a purchase. Accordingly, the results of operations of the Bunkerfuels group of companies are included with the results of the Company from April 1, 1999. The Company paid approximately \$4,184,000 in cash, \$4,250,000 in the form of 7 3/4% promissory notes, payable over three years, of which \$1,410,000 was paid in March 2000 and \$1,403,000 was paid in April 2001, and \$197,000 in short term payables, which were paid to the sellers at closing. The outstanding balance of the promissory notes is collateralized by outstanding letters of credit. The cost in excess of net assets acquired amounted to approximately \$8,520,000, including an estimated \$78,000 in acquisition costs, and is being amortized over 35 years using the straight-line method. No other significant intangible assets existed at the date of acquisition.

In December 2000, the Company entered into a joint venture agreement with Signature Flight Support Corporation ("Signature"), a Delaware corporation, through the acquisition of a 50% equity interest in PAFCO, L.L.C. ("PAFCO") from Signature for \$1,000,000 in cash, and \$2,500,000 in the form of a non-interest bearing promissory note, payable over five years. PAFCO markets aviation fuel and related services. Under the equity method of accounting, the Company has recorded its share of PAFCO's results since January 1, 2001. The investment cost in excess of 50% of the net assets of PAFCO amounted to \$2,978,000, after discounting the promissory note at 9% and including an estimated \$36,000 in acquisition costs. The investment cost is being amortized over 10 years using the straight-line method. No other significant intangible assets existed at the date of acquisition. See Note 7 for additional information.

In February 2001 and March 2001, the Company acquired Norse Bunker A.S., a Norway corporation, and TransportEdge, Inc., a Delaware corporation, respectively, for an aggregate purchase price of approximately \$2,364,000, including an estimated \$64,000 in acquisition costs. These acquisitions were accounted for as purchases. Accordingly, the operations of these acquisitions have been included in the results of the Company since their respective dates of acquisition. The cost in excess of net assets acquired, or goodwill, for these acquisitions amounted to approximately \$2,364,000. The goodwill is being amortized over 20 years for Norse Bunker A.S., a marine fuel marketer, and 7 years for TransportEdge, Inc., a software development company, using the straight-line method. No other significant intangible assets existed at the dates of these acquisitions. Subsequent to March 31, 2001, the Company made another acquisition for approximately \$5,000,000, and this acquisition will be accounted for as a purchase.

Basis of Consolidation

The accompanying consolidated financial statements and related notes to the consolidated financial statements include the accounts of the Company and its majority owned or controlled subsidiaries, after elimination of all significant intercompany accounts, transactions, and profits. Investments in non-majority controlled subsidiaries representing ownership of at least 20%, but less than 50%, are accounted for under the equity method. Accordingly, the Company uses the equity method of accounting to record its share of the earnings and losses of its aviation joint ventures.

Cash and Cash Equivalents

The Company classifies as cash equivalents all highly liquid investments with a maturity of three months or less from the date of purchase. The Company's interest earning cash and cash equivalents amounted to \$37,398,000 and \$31,212,000 at March 31, 2001 and 2000, respectively, consisting principally of bank repurchase agreements collateralized by the United

States Government, bank money market accounts, and commercial paper rated A1P1. Interest income, included in Interest, net, in the accompanying Consolidated Statements of Income, totaled \$1,965,000, \$1,330,000 and \$1,851,000 for the years ended March 31, 2001, 2000 and 1999, respectively.

Inventories

Inventories are stated at the lower of cost (principally, first-in, first-out) or market. Components of inventory cost include fuel purchase costs, and the related transportation costs and storage fees. Also included in inventories are costs not yet billed, consistent with the Company's revenue recognition policies.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	YEARS -----
Leasehold and improvements	10
Office equipment, computer equipment and software	3 - 8

Costs of major additions and improvements, including appropriate interest, are capitalized and expenditures for maintenance and repairs which do not extend the life of the asset are expensed. Upon sale or disposition of property and equipment, the cost and related accumulated depreciation and amortization are eliminated from the accounts and any resulting gain or loss is credited or charged to income. Long-lived assets held and used by the Company are reviewed based on market factors and operational considerations for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Computer software costs are accounted for under Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use." SOP 98-1 established criteria for determining which costs of developing or obtaining internal-use computer software should be charged to expense and which should be capitalized. In March 2000, the Emerging Issues Task Force ("EITF") reached a consensus on Issue No. 00-2, "Accounting for Web Site Development Costs", which applies to all web site development costs incurred for quarters beginning after June 30, 2000. The consensus states that the accounting for specific web site development costs should be based on a model consistent with SOP 98-1. As of March 31, 2001 and 2000, capitalized computer software costs, including web site development costs, amounted to \$2,605,000 and \$2,791,000, net of accumulated amortization of \$1,099,000 and \$522,000, respectively, and were included in Office equipment, computer equipment and software in the accompanying Consolidated Balance Sheets. In addition, as of March 31, 2001, capitalized computer software development costs in progress, including web site development cost, amounted to \$1,101,000.

Cost in Excess of Net Assets of Acquired Companies

Cost in excess of net assets of acquired companies is being amortized over 7-40 years using the straight-line method. For the years ended March 31, 2001, 2000, and 1999, the Company recorded amortization expense of \$750,000, \$730,000, and \$481,000, respectively. As of March 31, 2001 and 2000, accumulated amortization amounted to \$3,490,000 and \$2,740,000, respectively. Subsequent to an acquisition, the Company continually evaluates whether events and circumstances have occurred that indicate the remaining useful life of this asset may warrant revision or that the remaining balance of this asset may not be recoverable.

The Company's policy is to assess any impairment in value by making a comparison of the current and projected undiscounted cash flows associated with each business segment, to the carrying amount of the unamortized costs in excess of the net assets of the acquired companies. Such carrying amount would be adjusted, if necessary, to reflect any impairment in the value of the asset based on the amount, if any, by which the carrying value exceeds fair value.

Revenue Recognition

Revenue is generally recorded in the period when the sale is made or as the services are performed. The Company contracts with third parties to provide the fuel and/or delivery of most services. This causes delays in receiving the necessary information for invoicing. Accordingly, revenue may be recognized in a period subsequent to when the actual delivery of

fuel or service was performed. This policy does not result in reported results that are materially different than if the revenue were recognized in the period of actual performance.

In December 1999, the staff of the Securities and Exchange Commission (the "SEC") published Staff Accounting Bulletin 101, "Topic 13: Revenue Recognition," ("SAB 101") to provide guidance on the recognition, presentation and disclosure of revenue in financial statements. SAB 101 also provides guidance on disclosures that should be made for revenue recognition policies and the impact of events and trends on revenue. The Company adopted SAB 101, effective June 30, 2000, as required. The implementation of SAB 101 did not have a material effect on the Company's financial position or results of operations.

Accounting for Derivatives

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Premiums received or paid for fuel price cap agreements are amortized to premium revenue and expense, respectively, over the term of the caps. Unamortized premiums are included in accrued expenses on a net basis. Accounts receivable or payable under fuel price swap agreements related to the physical delivery of product are recognized as deferred gains or losses, which are included in prepaid expenses and other current assets on a net basis, until the underlying physical delivery transaction is recognized in income. The Company follows the accrual method for fuel price swap agreements which do not involve physical delivery. Under the accrual method, each net receipt due or payment owed under the derivative instrument is recognized in income as fee income or expense, respectively, during the period to which the receipt or payment relates.

Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," and SFAS No. 138, "Accounting for Derivative Instruments and Certain Hedging Activities—an amendment of FASB Statement No. 133," are effective for the Company's fiscal year ending March 31, 2002. SFAS No. 133, as amended, establishes accounting and reporting standards requiring that qualifying derivative instruments (including certain derivative instruments embedded in other contracts) be recorded on the balance sheet as either an asset or a liability measured at its fair value. Adoption of SFAS No. 133, as amended, is not expected to have a material effect on its financial position or results of operations.

Income Taxes

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The Company and its U.S. subsidiaries file a consolidated U.S. federal income tax return. The Company's non-U.S. subsidiaries file income tax returns in their respective countries of incorporation, where applicable. The Company provides for deferred income taxes on temporary differences arising from assets and liabilities whose basis are different for financial reporting and U.S. federal, state and non-U.S. income tax purposes. A valuation allowance is recorded to reduce deferred income tax assets when it is more likely than not that an income tax benefit will not be realized. For the periods herein presented, no valuation allowance was recorded.

Foreign Currency Translation

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The Company's primary functional currency is the U.S. Dollar, which also serves as its reporting currency. Most non-U.S. entities translate monetary assets and liabilities at fiscal year-end exchange rates while non-monetary assets and liabilities are translated at historical rates. Income and expense accounts are translated at the average rates in effect during the year, except for depreciation which is translated at historical rates. For the fiscal years ended March 31, 2001, 2000, and 1999, the Company recorded net foreign currency translation losses, which are included in Other, net, of \$127,000, \$428,000, and \$167,000, respectively, relating to the translation of non-U.S. entities' assets, liabilities, income, and expense.

Some of the Company's purchases, from certain aviation fuel suppliers, are denominated in local currency. Foreign currency exchange gains and losses on transactions are included in Other, net, in the period incurred, and amounted to a net gain of \$376,000 and \$312,000 for the years ended March 31, 2001 and 2000, respectively, and a net loss of \$89,000 for the year ended March 31, 1999.

Earnings Per Share

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Basic earnings per share is computed based on the weighted average number of common shares outstanding. Diluted earnings per share is based on the sum of the weighted average number of common shares outstanding plus common stock equivalents arising out of employee stock options and non-employee stock options and warrants. The Company's net income is the same for basic and diluted earnings per share calculations.

The Company had approximately 1,226,000, 1,088,000, and 406,000 options and warrants outstanding for the fiscal years ended March 31, 2001, 2000, and 1999, respectively, which were not included in the calculation of diluted earnings per share because their impact was antidilutive.

Use of Estimates -----

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates primarily relate to the realizability of accounts and notes receivable, and unsettled transactions and events as of the date of the financial statements. Accordingly, actual results could differ from estimated amounts.

Fair Value of Financial Instruments -----

The estimated fair values of financial instruments which are presented herein have been determined by the Company's management using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of amounts the Company could realize in a current market exchange.

Cash and cash equivalents, accounts and notes receivable, net, and accounts payable are reflected in the accompanying Consolidated Balance Sheets at amounts considered by management to reasonably approximate fair value due to their short-term nature.

The Company estimates the fair value of its long-term debt generally using discounted cash flow analysis based on the Company's current borrowing rates for similar types of debt. At March 31, 2001, the carrying value of the long-term debt approximated the fair value of such instruments.

Comprehensive Income -----

Effective April 1, 1998, the Company adopted SFAS No. 130, "Reporting Comprehensive Income". SFAS No. 130 establishes standards for the reporting and disclosure of comprehensive income and its components, which are presented in association with a company's financial statements. There were no significant items of other comprehensive income, and, thus, net income is equal to comprehensive income for all periods presented.

Reclassifications -----

Certain prior year amounts have been reclassified to conform to the fiscal 2001 presentation.

(2) DISCONTINUED OPERATIONS -----

In January 2000, the Company's Board of Directors authorized the sale of its oil-recycling segment. Accordingly, as of December 31, 1999, the Company reported its oil-recycling segment as a discontinued operation. The consolidated financial statements of the Company from prior to December 31, 1999 have been reclassified to report separately the net assets and operating results of the discontinued operation for all periods presented. Financial results for periods prior to the dates of discontinuance have been reclassified to reflect continuing operations.

In February 2000, the Company sold the stock of its oil-recycling subsidiaries, the International Petroleum Corporation group ("IPC"), to EarthCare Company. Pursuant to the stock purchase agreement between the parties, the Company received \$28,000,000 in cash and \$5,000,000 in EarthCare common stock, subject to lock-up and price protection agreements. In addition to the \$33 million purchase price, after the sale, EarthCare was to pay the Company the value of certain assets employed in the oil-recycling business through the collection of the Company's accounts receivable by EarthCare and the sale of inventory, prepaids and other assets to EarthCare. EarthCare failed to pay the Company the amounts due after closing of the sale, and the Company commenced legal proceedings to collect these amounts.

In March 2001, the Company entered into a settlement agreement with EarthCare (the "Settlement Agreement") which dismissed the pending proceedings. Pursuant to this settlement, in April 2001, the Company received \$1,750,000 from EarthCare, in settlement of amounts due to the Company. The Settlement Agreement also released the Company from all indemnifications previously provided to EarthCare, including environmental indemnifications, as stated in the original purchase agreement for the IPC companies. The settlement resulted in a reduction in the amount of assets the Company ultimately realized in connection with the discontinuance of its used oil-recycling business. Accordingly, this was reflected in a non-recurring after-tax charge of \$656,000 to the Company's discontinued operations for the year ended March 31, 2001. The Company also recorded additional income taxes of \$496,000 in discontinued operations based on the actual fiscal 2000 income tax returns filed. As of March 31, 2001, the \$1,750,000 settlement is included in Prepaid expenses and other current assets in the accompanying Consolidated Balance Sheets.

As part of the Settlement Agreement, Donald F. Moorehead, Jr., Chairman of EarthCare, agreed to purchase the EarthCare stock owned by the Company for \$4,979,000, representing the balance after deducting \$21,000 received by the Company from a previous sale of 10,000 shares of EarthCare stock. On May 1, 2001, Mr. Moorehead defaulted on his agreement to purchase those shares. The Company has commenced legal proceedings against Mr. Moorehead to enforce his contract to purchase the EarthCare stock owned by the Company. The Company believes it will recover the full amount due under the contract. See Note 6, Commitments and Contingencies - Legal Matters. As of March 31, 2001, the payment due from Mr. Moorehead is included in Prepaid expenses and other current assets in the accompanying Consolidated Balance Sheets. As of March 31, 2000, the Company recorded the EarthCare stock as an investment. Pursuant to the lock-up and price protection agreements, half of the EarthCare stock could be sold after February 15, 2001, and the balance could be sold after August 15, 2001. Accordingly, the current portion, or \$2,500,000 was included in Prepaid expenses and other current assets and the long-term portion, or \$2,500,000 was included in Other assets in the accompanying Consolidated Balance Sheets.

During fiscal 2000, the Company recognized net income of \$9,807,000 on the disposal of its oil-recycling segment. Net income from discontinued operations included \$1,564,000, net of \$980,000 in taxes, for the oil-recycling segment operating income for the ten months ended January 31, 2000, the measurement date, and \$8,243,000, net of \$5,218,000 in taxes and \$92,000 in provision for certain costs during the phase-out period, for the gain on sale of the segment.

At March 31, 2000, the Company reported current net liabilities of discontinued operations of \$6,498,000, which consisted of \$9,168,000 in income taxes payable, partially offset by \$2,670,000 of current net assets of discontinued operations. Revenue applicable to the discontinued operations was \$22,462,000 and \$23,621,000 for fiscal 2000 and 1999, respectively. Income from operations of the discontinued operations for the years ended March 31, 2000 and 1999, was \$2,537,000 and \$2,337,000, respectively.

(3) DEBT OBLIGATIONS

Short-term debt consisted of the following at March 31:

	2001	2000
	-----	-----
7.00% promissory note issued in connection with business acquisition, payable on February 12, 2002	\$ 540,000	\$ -
Current maturities of long-term debt	1,781,000	17,000
	-----	-----
Total short-term debt	\$ 2,321,000	\$ 17,000
	=====	=====

Long-term debt consisted of the following at March 31:

	2001	2000
	-----	-----
Promissory notes issued in connection with business acquisitions:		
7.75% promissory note, payable annually through April 2, 2002, secured by letters of credit	\$ 2,832,000	\$ 2,840,000
Non-interest bearing promissory note of \$2,500,000, payable annually through January 5, 2006, net of unamortized imputed discount (at 9%) of \$513,000 at March 31, 2001	1,987,000	-
Other	120,000	138,000
Long-term debt	----- 4,939,000	----- 2,978,000
Less current maturities of long-term debt	(1,781,000)	(17,000)
Total long-term debt	----- \$ 3,158,000 =====	----- \$ 2,961,000 =====

The Company has a \$30,000,000 unsecured revolving credit facility with a sublimit of \$15,000,000 for letters of credit. Approximately \$10,658,000 in letters of credit were outstanding under the credit facility as of March 31, 2001. Any outstanding principal and interest matures on November 29, 2003. The revolving credit facility bears interest at market rates, as defined under the credit facility. Interest is payable quarterly in arrears. The credit facility imposes certain operating and financial restrictions. The Company's failure to comply with the obligations under the revolving credit facility, including meeting certain financial ratios, could result in an event of default. An event of default, if not cured or waived, would permit acceleration of any outstanding indebtedness under the credit facility, or impair the Company's ability to receive advances. The Company also had a \$10,000,000, 364-day unsecured revolving credit facility which matured on April 7, 2001. There were no outstanding principal balances on the credit facilities at March 31, 2001. As of March 31, 2001, the Company was in compliance with the operating and financial requirements under the credit facilities.

Aggregate annual maturities of long-term debt as of March 31, 2001, are as follows:

Fiscal year ending March 31,	

2002	\$ 1,781,000
2003	1,796,000
2004	398,000
2005	433,000
2006	471,000
Thereafter	60,000
	----- \$ 4,939,000 =====

Interest expense, which is included in Interest, net, in the accompanying Consolidated Statements of Income, is as follows for the years ended March 31:

	2001	2000	1999
	-----	-----	-----
Interest cost	\$ 377,000	\$ 953,000	\$ 325,000
Less capitalized interest on capital expenditures	29,000	-	76,000
Interest expense	----- \$ 348,000 =====	----- \$ 953,000 =====	----- \$ 249,000 =====

(4) INCOME TAXES

United States and non-U.S. income (loss) from continuing operations before income taxes, based on the country of incorporation of the Company and its subsidiaries, consist of the following for the years ended March 31:

	2001	2000	1999
United States	\$ (5,014,000)	\$ (1,769,000)	\$ 902,000
Non-U.S.	21,357,000	3,041,000	15,698,000
	\$ 16,343,000	\$ 1,272,000	\$ 16,600,000

The provision (benefit) for income taxes related to continuing operations consist of the following components for the years ended March 31:

	2001	2000	1999
Current:			
U.S. federal	\$ 106,000	\$ 584,000	\$ 549,000
State	(99,000)	(386,000)	283,000
Non-U.S.	5,293,000	4,008,000	2,967,000
	5,300,000	4,206,000	3,799,000
Deferred:			
U.S. federal	(1,109,000)	(479,000)	(749,000)
State	233,000	(139,000)	(80,000)
Non-U.S.	133,000	(2,144,000)	(60,000)
	(743,000)	(2,762,000)	(889,000)
Total	\$ 4,557,000	\$ 1,444,000	\$ 2,910,000

The difference between the reported income tax provision and the provision computed by applying the statutory U.S. federal income tax rate currently in effect to income from continuing operations before income taxes for each of the three years ended March 31, 2001, is primarily due to state income taxes and the effect of non-U.S. income tax rates and foreign tax credits.

The Company's share of undistributed earnings of non-U.S. subsidiaries not included in its consolidated U.S. federal income tax return that could be subject to additional U.S. federal income taxes, if remitted, was approximately \$39,505,000 and \$41,187,000 at March 31, 2001 and 2000, respectively. The distribution of these earnings would result in additional U.S. federal income taxes to the extent they are not offset by foreign tax credits. No provision has been recorded for the U.S. taxes that could result from the remittance of such earnings since the Company intends to reinvest these earnings outside the U.S. indefinitely and it is not practicable to estimate the amount of such taxes.

During fiscal 2001, the Company's non-U.S. subsidiaries remitted \$21,500,000 of earnings to the Company. The distribution of these earnings did not result in any significant additional U.S. federal income taxes for the year ended March 31, 2001 due to foreign income tax credits and previously provided U.S. federal income taxes.

The temporary differences which comprise the Company's net deferred income tax assets are as follows:

	March 31,	
	2001	2000
Excess of provision for bad debts over charge-offs	\$ 4,330,000	\$ 4,921,000
Accrued expenses recognized for financial reporting purposes, not currently tax deductible	1,005,000	1,090,000
Excess of tax over financial reporting amortization of identifiable intangibles	(963,000)	(657,000)
Foreign income tax credits	2,491,000	-
Other, net	(481,000)	(128,000)
Total deferred income tax assets, net	\$ 6,382,000	\$ 5,226,000
Deferred income tax assets, current	\$ 7,045,000	\$ 4,993,000
Deferred income tax assets, non-current	\$ -	\$ 233,000
Deferred income tax liabilities, non-current	\$ 663,000	\$ -

The deferred current and non-current income tax assets, and deferred non-current income tax liabilities are included in Prepaid expenses and other current assets, Other assets, and Long-term liabilities in the accompanying Consolidated Balance Sheets, respectively. The Company's foreign income tax credits will expire after fiscal 2006.

During fiscal 2000, the Internal Revenue Service commenced an examination of the Company's consolidated U.S. Federal Income Tax returns for the fiscal years ended March 31, 1999 and 1998. The Company does not anticipate that the results of such examination will have a material adverse impact on its result of operations or financial position.

(5) STOCKHOLDERS' EQUITY

Treasury Stock

The Company's Board of Directors, from time to time, has authorized certain stock repurchase programs whereby the Company could repurchase the Company's common stock, subject to certain restrictions pursuant to the Company's credit facility. The Board of Directors resolved that the repurchased shares may be reissued for any proper corporate purpose, without limitation and including future acquisitions. The following summarizes the status of the Company's common stock repurchase programs:

Stock Repurchase Programs	Authorized Stock Repurchases	Repurchases			Remaining Authorized Stock Repurchases
		Shares	Aggregate Cost	Average Price	
August 1998	\$ 6,000,000	616,000	\$ 6,000,000	\$ 9.74	\$ -
January 2000	\$10,000,000	1,391,000	\$ 10,000,000	\$ 7.19	\$ -
September 2000	\$10,000,000	109,000	\$ 730,000	\$ 6.70	\$ 9,270,000
		2,116,000	\$ 16,730,000		

Pursuant to these programs, the Company repurchased 324,000 shares at an aggregate cost of \$3,902,000; 1,194,000 shares at an aggregate cost of \$8,423,000; and 598,000 shares at an aggregate cost of \$4,404,000 during fiscal 1999, 2000, and 2001, respectively.

Dividends

The Company declared cash dividends of \$0.20 per share of common stock during each of the three fiscal years ended March 31, 2001. On May 30, 2001, the Company's Board of Directors approved a special cash dividend of \$0.10 per share and an increase to its annual regular cash dividend from \$0.20 per share to \$0.30 per share. The special cash dividend of \$0.10 per share and the regular cash dividend for the first quarter of fiscal 2002 of \$0.075 were declared on May 31, 2001.

Warrants

On July 1, 2000, the Company granted a warrant to an investment-banking firm in connection with the engagement of such firm to provide advisory services to the Company. The warrant entitles the holder to purchase up to 50,000 shares of the Company's common stock at an exercise price of \$9.50 per share, for a period of three years. In accordance with EITF Issue No. 96-18, "Accounting for Equity Instruments That Are Issued through Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services," the Company determined the fair value of this warrant to be approximately \$60,000 based on the Black-Scholes option-pricing model. On October 2000, the Company terminated its relationship with the investment-banking firm. Accordingly, the Company expensed the entire estimated value of this warrant during the year ended March 31, 2001.

Employee Stock Option Plans

In August 1996, the Company's Board of Directors authorized the 1996 Employee Stock Option Plan (the "1996 Plan"), which received stockholder approval at the Company's 1997 annual shareholders' meeting. Under the provisions of the 1996 Plan, the Company's Board of Directors is authorized to grant Incentive Stock Options ("ISO") to employees of the Company and its subsidiaries and Non-Qualified Stock Options ("NSO") to employees, independent contractors and agents. The 1996 Plan, as amended in August 1998, permits the issuance of options to purchase up to an aggregate of 1,250,000 shares of the Company's common stock. As of March 31, 2001, options to purchase 1,212,910 shares of the Company's common stock remain outstanding under the 1996 Plan and 37,090 shares are available for future grant. Subsequent to March 31, 2001, additional options to purchase 10,000 shares of the Company's stock were granted.

The minimum price at which any option may be exercised will be the fair market value of the stock on the date of grant; provided, however, that with respect to ISOs granted to an individual owning more than 10% of the Company's outstanding common stock, the minimum exercise price will be 110% of the fair market value of the common stock on the date of grant. All ISOs granted pursuant to the 1996 Plan must be exercised within ten years after the date of grant, except that ISOs granted to individuals owning more than 10% of the Company's outstanding common stock and NSOs must be exercised within five years after the date of grant. A majority of the ISOs and NSOs granted vest over two years.

The following summarizes the status of the 1996 Plan and the related transactions for the years ended March 31, 2001, 2000, and 1999:

	Options Outstanding		Options Exercisable	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Options outstanding at March 31, 1998	360,500	\$ 13.76	17,516	\$ 11.42
Granted	457,500	17.98		
Options outstanding at March 31, 1999	818,000	16.12	242,504	11.85
Granted	53,500	11.44		
Forfeited/expired	(15,000)	15.32		
Options outstanding at March 31, 2000	856,500	15.84	380,578	14.48
Granted	402,500	8.22		
Forfeited/expired	(46,090)	15.36		
Options outstanding at March 31, 2001	1,212,910	\$ 13.33	909,631	\$ 14.23

The following table summarizes information about stock options outstanding at March 31, 2001 under the 1996 Plan:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Options	Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
\$ 7.40 to \$ 9.25	402,500	9.7	\$ 8.22	200,000	\$ 7.40
\$10.75 to \$19.38	450,724	6.5	11.94	372,382	12.00
\$20.25 to \$21.63	359,686	7.0	20.79	337,249	20.75
Total	1,212,910		\$ 13.33	909,631	\$ 14.23

In May 2001, the Company's Board of Directors authorized the 2001 Omnibus Plan, subject to stockholders' approval at the next annual shareholders' meeting. Under the provisions of the 2001 Omnibus Plan, the Company's Compensation Committee of the Board of Directors is authorized to grant various stock based awards to employees, including stock options, to purchase up to an aggregate of 500,000 shares of the Company's common stock.

The Company's 1986 Employee Stock Option Plan (the "1986 Plan") expired in January 1996. Options granted, but not yet exercised, survive the 1986 Plan until the options expire. As of March 31, 2001, the exercise prices of these options ranged from \$6.67 to \$8.39. The weighted average remaining contractual life of these options is 3.9 years at March 31, 2001. The following summarizes the status of the 1986 Plan and the related transactions for the years ended March 31, 2001, 2000, and 1999:

	Options Outstanding		Options Exercisable	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Options outstanding at March 31, 1998	175,091	\$ 7.16	155,670	\$ 7.00
Exercised	(32,344)	6.89		
Options outstanding at March 31, 1999	142,747	7.22	142,747	7.22
Exercised	(1,500)	6.89		
Forfeited/expired	(5,624)	6.22		
Options outstanding at March 31, 2000	135,623	7.26	135,623	7.26
Forfeited/expired	(4,125)	6.89		
Options outstanding at March 31, 2001	131,498	\$ 7.27	131,498	\$ 7.27

In addition to the options shown in the above tables, prior to 1996, the Company issued certain non-qualified options outside of the 1986 Plan. As of March 31, 2001, such non-qualified stock options are exercisable and entitle the holders thereof to purchase a total of 45,898 shares of the Company's common stock at exercise prices ranging from \$6.89 to \$8.39 per share. As of March 31, 2001, the weighted average exercise price and remaining contracted life of these options are \$7.56 and 3.9 years, respectively.

Non-Employee Directors Stock Option Plan

In August 1994, at the annual shareholders' meeting, the 1993 Non-Employee Directors Stock Option Plan (the "1993 Directors Plan") was adopted. The 1993 Directors Plan, as amended in August 1997 and September 2000, permits the issuance of options to purchase up to an aggregate of 150,000 shares of the Company's common stock.

Under the 1993 Directors Plan, members of the Board of Directors who are not employees of the Company or any of its subsidiaries or affiliates will receive annual stock options to purchase common stock in the Company pursuant to the following formula. Each non-employee director will receive a non-qualified option to purchase 5,000 shares when such person is first elected to the Board of Directors and will receive a non-qualified option to purchase 5,000 shares each year that the individual is re-elected. The stock option grant was increased from 2,500 shares to 5,000 shares during fiscal 2001, when the Company's Board of Directors authorized an amendment to the 1993 Directors Plan.

The exercise price for options granted under the 1993 Directors Plan may not be less than the fair market value of the common stock, which is defined as the closing price for the common stock at the end of the day preceding the grant. Options granted under the 1993 Directors Plan become fully exercisable one year after the date of grant. All options expire five years after the date of grant. The exercise price must be paid in cash or in common stock, subject to certain restrictions. As of March 31, 2001, options to purchase 67,500 shares of the Company's common stock remain outstanding under the 1993 Directors Plan and 61,250 shares are available for future grant. The exercise price of the options granted and outstanding under the 1993 Directors Plan ranged from \$7.00 to \$14.88. The weighted average remaining contractual life of these options is 2.9 years at March 31, 2001.

The following summarizes the status of the 1993 Directors Plan and the related transactions for the years ended March 31, 2001, 2000, and 1999:

	Options Outstanding		Options Exercisable	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Options outstanding at March 31, 1998	46,875	\$ 11.19	31,875	\$ 9.46
Granted	10,000	14.88		
Exercised	(7,500)	9.92		

Options outstanding at March 31, 1999	49,375	12.13	39,375	11.44
Granted	10,000	13.69		
Forfeited/expired	(9,375)	8.37		

Options outstanding at March 31, 2000	50,000	13.15	40,000	13.02
Granted	25,000	7.94		
Forfeited/expired	(7,500)	9.25		

Options outstanding at March 31, 2001	67,500	\$ 11.65	42,500	\$ 13.84
	=====	=====	=====	=====

Stock Options Pro forma Disclosures

The Company applies Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" and related interpretations in accounting for options granted under the Company's stock option plans. Accordingly, no compensation expense has been recognized for stock options granted to employees and non-employee directors when the exercise price is at or above fair market value. As required by SFAS No. 123, "Accounting for Stock-Based Compensation," the Company has determined the pro forma effects of these stock options under the fair value method, which would be to reduce the Company's net income by \$435,000, \$483,000 and \$399,000 for fiscal 2001, 2000 and 1999, respectively, with a corresponding reduction in basic and diluted earnings per share of \$0.04 for fiscal 2001 and 2000, and \$0.03 for fiscal 1999.

The weighted average fair value of options granted in fiscal 2001, 2000 and 1999 was \$1.12, \$2.48 and \$3.39, respectively. The fair value of each option granted is estimated using the Black-Scholes option pricing model with the following weighted average assumptions: expected life of 4 years for fiscal 2001, 2000 and 1999; dividend yields of 1.74%, 1.45% and 1.39% for fiscal 2001, 2000 and 1999, respectively; and risk-free interest rates of 5.04%, 5.06% and 5.40% for fiscal 2001, 2000 and 1999, respectively. In addition, the Company utilized an expected volatility assumption of 20% for fiscal 2001 and 2000, and 15% for fiscal 1999.

(6) COMMITMENTS AND CONTINGENCIES

Lease Commitments

At March 31, 2001, the future minimum lease payments under operating leases with an initial non-cancelable term in excess of one year are as follows:

Fiscal year ending March 31,	
2002	\$ 1,005,000
2003	733,000
2004	305,000
2005	253,000
2006	227,000
Thereafter	166,000

	\$ 2,689,000
	=====

Rental expense under operating leases with an initial non-cancelable term in excess of one year was \$1,101,000, \$1,176,000, and \$1,081,000 for the years ended March 31, 2001, 2000 and 1999, respectively.

Service Contract Commitments

In the normal course of business, the Company has entered into service contracts with minimum service fee commitments for telecommunication, and computer data and document storage. At March 31, 2001, the future minimum payments under these service contracts with an initial non-cancelable term in excess of one year are as follows:

Fiscal year ending March 31,	
2002	\$ 798,000
2003	129,000
2004	32,000

	\$ 959,000
	=====

Surety Bonds

In the normal course of business, the Company is required to post bid, performance and garnishment bonds. The majority of the bonds issued relate to the Company's aviation fuel services business. As of March 31, 2001, the Company had \$10,200,000 in outstanding bonds.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to credit risk consist primarily of trade accounts receivable and notes receivable. The Company extends credit on an unsecured basis to many of its customers. In the aviation fuel services segment, the Company's largest credit line to a single customer is \$3,000,000. In the marine fuel services segment, the Company has extended lines of credit to certain customers in amounts exceeding \$5,000,000. The Company's success in attracting business has been due, in part, to its willingness to extend credit on an unsecured basis to customers which exhibit a high credit risk profile and otherwise would be required to prepay or post cash collateralized letters of credit with their suppliers of fuel. The Company does not insure its receivables and diversification of credit risk is difficult since the Company sells primarily in the aviation and marine industries. In addition, during fiscal 2001, world oil prices continued to exhibit volatility and have remained high. Fuel costs represent a significant part of an airline's and vessel's operating expenses. Accordingly, the increase in fuel prices has to date, and will continue to adversely affect the Company's customers.

The Company's management recognizes that extending credit and setting appropriate reserves for receivables is largely a subjective decision based on knowledge of the customer and the industry. Active management of this risk is essential to the Company's success. The Company's sales executives and their respective staff meet regularly to evaluate credit exposure in the aggregate, and by individual credit. Credit exposure also includes the amount of estimated unbilled sales. The Company also has a credit committee for each of its segments. The credit committees are responsible for approving credit limits above certain amounts, setting and maintaining credit standards, and ensuring the overall quality of the credit portfolio.

Pollution and Third Party Liability

In the aviation and marine fuel segments, the Company utilizes subcontractors which provide various services to customers, including into-plane fueling at airports, fueling of vessels in-port and at-sea, and transportation and storage of fuel and fuel products. The Company is subject to possible claims by customers, regulators and others who may be injured by a spill or other accident. In addition, the Company may be held liable for damages to the environment arising out of such events. Although the Company generally requires its subcontractors to carry liability insurance, not all subcontractors carry adequate insurance. The Company's liability insurance policy does not cover the acts or omissions of its subcontractors. If the Company is held responsible for any liability caused by its subcontractors, and such liability is not adequately covered by the subcontractor's insurance and is of sufficient magnitude, the Company's financial position and results of operations will be adversely affected.

The Company has exited several environmental businesses which handled hazardous and non-hazardous waste. This waste was transported to various disposal facilities and/or treated by the Company. The Company may be held liable as a potentially responsible party for the clean-up of such disposal facilities, or required to clean up facilities previously operated by the Company, in certain cases pursuant to current U.S. federal and state laws and regulations.

The Company continuously reviews the adequacy of its insurance coverage. However, the Company lacks coverage for various risks. An uninsured claim arising out of the Company's activities, if successful and of sufficient magnitude will have a material adverse effect on the Company's financial position and results of operations.

Legal Matters

In February and March 2000, two shareholders filed class action lawsuits against the Company and four of its executive officers in the United States District Court for the Southern District of Florida. The lawsuits were subsequently consolidated. The lawsuit alleged violations of U.S. federal securities laws and sought an unspecified amount of damages arising from the decrease in the Company's stock price on January 31, 2000. In June 2000, the plaintiffs amended their complaint to delete two of the claims made therein and to drop two of the Company's officers as defendants. In December 2000, the United States District Court of the Southern District of Florida dismissed the lawsuit filed against the Company and its executive officers and in April 2001, the same Court denied the plaintiffs' motion to alter and/or amend the case dismissal judgment.

In February 2000, the Company filed a lawsuit against American Home Assurance Company ("AHAC"), a subsidiary of AIG, seeking recovery under the Company's insurance policies for the Company's loss of product by theft off the coast of Nigeria. Six of the Company's shipments of marine fuel, with a total value of approximately \$2,683,000, were diverted in the course of transshipment to Nigeria, and were never received by the Company's intended customer. AHAC is contesting the Company's insurance claim. The Company intends to vigorously prosecute its action against AHAC.

In March 2001, the Company and EarthCare entered into a Settlement Agreement which resolved their differences with respect to the sale of the Company's oil-recycling segment, dismissed all pending proceedings and released each other from other obligations arising from the sale. In connection with the Settlement Agreement, the Company received a settlement payment from EarthCare of \$1,750,000 in April 2001. In addition, as part of the Settlement Agreement, Donald F. Moorehead, Jr., Chairman of EarthCare, agreed to purchase the EarthCare stock owned by the Company for \$4,979,000. On May 1, 2001, Mr. Moorehead defaulted on his agreement to purchase those shares. The Company has commenced legal proceedings against Mr. Moorehead to enforce his contract to purchase the EarthCare stock owned by the Company.

In April 2001, Miami-Dade County in Florida (the "County") filed suit (the "County Suit") against 17 defendants to seek reimbursement from such parties for the cost of remediating environmental contamination at Miami International Airport (the "Airport"). One of those defendants is Page Avjet Fuel Corporation, now known as PAFCO L.L.C. ("PAFCO"). On or about December 31, 2000, the Company acquired a 50% interest in PAFCO from Signature Flight Support Corporation ("Signature"). Pursuant to the acquisition agreement, dated December 22, 2000, relating to the PAFCO transaction, Signature agreed to indemnify the Company for all liabilities of PAFCO arising prior to the closing ("Closing") of the Company's purchase of its interest in PAFCO. Because the Airport contamination occurred prior to Closing, the Company believes that the County Suit is covered by Signature's indemnification obligation. The Company has notified Signature of the County Suit, as stipulated in the acquisition agreement. The Company expects Signature to defend this claim on behalf of PAFCO and at Signature's expense.

On or about April 9, 2001, the County sent a letter to approximately 250 potentially responsible parties ("PRP's") including the Company and a subsidiary, advising them of their potential liability for the clean-up costs which are the subject of the County Suit. The County has threatened to add the PRP's as defendants in the County Suit, unless they agree to share in the cost of the environmental clean-up at the Airport. On May 4, 2001, the Company advised the County that: (1) neither the Company nor any of its subsidiaries were responsible for any environmental contamination at the Airport, and (2) to the extent the Company or any subsidiary was so responsible, their liability was subject to indemnification by the County pursuant to the indemnity provisions contained in the lease agreement with the County.

The Company intends to vigorously defend all claims asserted by the County relating to environmental contamination at the Airport. The Company believes its liability in these matters (if any) should be adequately covered by the indemnification obligations of Signature as to PAFCO, and the County as to the other World Fuel companies.

There can be no assurance that the Company will prevail on the above legal proceedings and management cannot estimate the exposure or recovery to the Company if it does not prevail. A ruling against the Company in any of the proceedings described above may have a material adverse effect on the Company's financial condition and results of operation. The Company is also involved in litigation and administrative proceedings primarily arising in the normal course of its business. In the opinion of management, except as set forth above, the Company's liability, if any, under any pending litigation or administrative proceedings, will not materially affect its financial condition or results of operations.

Purchase Commitments and Off-Balance Sheet Transactions (Derivatives)

To take advantage of favorable market conditions or for competitive reasons, the Company enters into short-term cancelable fuel purchase commitments for the physical delivery of product in the United States. The Company simultaneously may hedge the physical delivery through a commodity based derivative instrument, to minimize the effects of commodity price fluctuations.

The Company offers its marine customers swaps and caps as part of its fuel management services. Typically, the Company simultaneously enters into the commodity based derivative instruments with its customer and a counterparty. The counterparties are major oil companies and derivative trading firms. Accordingly, the Company does not anticipate non-performance by such counterparties. Pursuant to these transactions, the Company is not affected by market price fluctuations since the contracts have the same terms and conditions except for the fee or spread earned by the Company. Performance risk under these contracts is considered a credit risk. This risk is minimized by dealing with customers meeting additional credit criteria. As of March 31, 2001, the Company had one outstanding swap contract for 45,000 metric tons expiring on December 31, 2001. Gains or losses on these contracts are recognized at the completion of each transaction.

On July 31, 2000, the Company's Board of Directors terminated the employment of its Chairman ("Former Chairman"). Pursuant to the terms of the Former Chairman's employment agreement, the Company was required to pay severance equal to three times the executive's average salary and bonus during the five-year period preceding termination, plus all deferred compensation. Accordingly, during the year ended March 31, 2001, the Company recorded an executive severance charge of \$3,505,000 and, in August 2000, paid the Former Chairman \$4,522,000, including deferred compensation of \$1,017,000.

During fiscal 2001, the employment agreements for the Company's newly appointed Chairman of the Board and President were amended and restated to reflect their respective promotions. The amended and restated employment agreements provided a higher base salary as well as a bonus structure based on the Company's earnings per share growth along with the granting of additional employee stock options. The amended and restated employment agreements will expire on March 31, 2005. The Company and the executives may mutually agree to extend the employment agreements for subsequent one-year periods. For the Chairman of the Board, the amended and restated employment agreement provides the following: (1) a base salary of \$600,000, effective April 1, 2000; (2) a bonus for fiscal 2001 based on the bonus formula in the executive's previous employment agreement with a maximum annual bonus of \$638,000, which the executive earned for the year ended March 31, 2001; (3) stock options to purchase 200,000 shares; half of which have an exercise price of \$7.40 per share and were awarded and vested on December 21, 2000, and the remaining half were awarded on January 2, 2001, at an exercise price of \$9.25, which was 125% of the market price on that date, and will vest in one year; (4) effective with the fiscal year beginning April 1, 2001, a bonus as a percent of the executive's base salary which shall be calculated based on basic earnings per share growth, year over year, as adjusted by the Company's Compensation Committee of the Board of Directors; and (5) a termination severance payment, as specified in the employment agreement. For the President, the amended and restated employment agreement provides the following: (1) a base salary of \$500,000, effective August 1, 2000; (2) a bonus for calendar year 2000 based on the bonus formula in the executive's previous employment agreement; (3) stock options to purchase 150,000 shares which will vest in two years for ISOs and over three years for NSOs, of which 100,000 options have an exercise price of \$7.40 per share and were awarded on December 21, 2000, and the remaining 50,000 options were awarded on January 2, 2001 at an exercise price of \$9.25, which was 125% of the market price on that date; (4) effective with the fiscal year beginning April 1, 2001, a bonus as a percent of the executive's base salary which shall be calculated on basic earnings per share growth, year over year, as adjusted by the Company's Compensation Committee of the Board of Directors; and (5) a termination severance payment, as specified in the employment agreement.

In addition, the payment of any portion of the bonus causing the executive's compensation to exceed \$1,000,000 during any fiscal year will be deferred and accrue interest at the U.S. Prime rate, until a fiscal year during the employment term in which the executive earns less than \$1,000,000; provided, however, that in the event of the executive's death, the termination of the executive for any reason, or the expiration of the employment agreement, the deferred portion of any bonus, including any interest earned thereon, shall be paid to the executive within ten days of such death, termination or expiration. As of March 31, 2001, \$1,331,000 was deferred under the Chairman's employment agreement, and is included in Long-term liabilities in the accompanying Consolidated Balance Sheets. As of March 31, 2000, \$1,972,000 was deferred under the employment agreements of the Company's Former Chairman and previous President, and was included in Long-term liabilities in the accompanying Consolidated Balance Sheets.

In addition to the Chairman of the Board and the President, the Company and its subsidiaries have also entered into employment, consulting and non-compete agreements with certain of their executive officers and employees. The agreements provide for minimum salary levels, and for certain executive officers and employees, bonus formulas which are payable if specified performance goals are attained.

During the years ended March 31, 2001, 2000 and 1999, approximately \$18,564,000, \$11,696,000, and \$11,402,000, respectively, was expensed under the terms of the above described agreements. The fiscal 2001 amount includes the Former Chairman's severance.

The future minimum commitments under employment agreements, excluding discretionary and performance bonuses, as of March 31, 2001 are as follows:

Fiscal year ending March 31,

2002	\$ 9,195,000
2003	5,034,000
2004	2,737,000
2005	1,577,000
2006	421,000
Thereafter	630,000

	\$19,594,000
	=====

Deferred Compensation Plans

The Company's Deferred Compensation Plan ("Deferred Plan") relates to the marine segment and it is administered by a Deferred Plan Committee appointed by the Board of Directors of Trans-Tec Services, Inc. The Deferred Plan was suspended effective August 1, 1997 by the Deferred Plan Committee. The Deferred Plan is unfunded and is not a qualified plan under the Internal Revenue Code. The Deferred Plan allowed for distributions of vested amounts over a five-year period, subject to certain requirements, during and after employment with the Company. Participants became fully vested over a five-year period. Fully vested participants must wait two years from the year of contribution to be eligible for the distribution of deferred account balances. As of March 31, 2001 and 2000, the Company's liability under the Deferred Plan was \$714,000 and \$953,000, respectively, and is included in Long-term liabilities in the accompanying Consolidated Balance Sheets. As of March 31, 2001, all participants in the Deferred Plan are vested.

The Company maintains a 401(k) defined contribution plan which covers all U.S. employees who meet minimum requirements and elect to participate. Participants may contribute up to 15% of their compensation, subject to certain limitations. During fiscal 2001, the Company made matching contributions of 25% of the participants' contributions up to 1% of the participant's compensation. Annual contributions by the Company are made at its sole discretion. During the fiscal years ended March 31, 2001, 2000 and 1999, approximately \$60,000, \$50,000 and \$74,000, respectively, was expensed as Company contributions.

Certain non-U.S. subsidiaries of the Company have defined contribution benefit plans, which allow for voluntary contributions by the employees. The non-U.S. subsidiaries paid all general and administrative expenses of the plans and in some cases made employer contributions on behalf of the employees. During the fiscal years ended March 31, 2001, 2000 and 1999, approximately \$77,000, \$67,000 and \$73,000, respectively, was expensed as Company contributions.

Severance Benefit Payable

In accordance with local laws of certain non-U.S. subsidiaries, the Company has accrued \$496,000 in employee severance benefits payable as of March 31, 2001.

(7) AVIATION JOINT VENTURES

In August 1994, the Company began operation of an aviation joint venture in Ecuador (the "Ecuador Venture"). The Ecuador Venture was organized to distribute jet fuel pursuant to a contract with the nationally owned oil company and the airport authority. In October 2000, the Ecuador Venture ceased operations.

The Company's ownership interest in the Ecuador Venture was 50%. Accordingly, the Company used the equity method of accounting to record its proportionate share of the Ecuador Venture's earnings or losses. During fiscal year 2000, the Company wrote down the investment in and advances to the Ecuador Venture by \$953,000, and recorded a special provision for bad debts of \$1,593,000 as a result of the catastrophic political and economic conditions in Ecuador. During fiscal 2001, the Company completed the closure of the Ecuador Venture, recovering approximately \$365,000, of the previously provisioned investment write down.

In December 2000, the Company acquired a 50% equity interest in PAFCO from Signature for \$1,000,000 in cash and a \$2,500,000 note, payable in five equal annual installments of \$500,000 beginning on January 5, 2002. The non-interest bearing promissory note was discounted at 9% and the discount of \$558,000 is being amortized as interest expense over five years using the interest method. For the year ended March 31, 2001, the Company recorded interest expense of \$45,000, which is included in Earnings (losses) from aviation joint ventures in the accompanying Consolidated Statements of Income. The investment cost in excess of 50% of the net assets of PAFCO amounted to \$2,978,000, including an estimated \$36,000 in acquisition costs, and is being amortized over 10 years using the straight-line method. As of, and for the year ended March 31, 2001, the unamortized investment cost of \$2,904,000 and the amortization expense of \$74,000, are included in Other assets in the accompanying Consolidated Balance Sheets and in Earnings (losses) from aviation joint ventures in the accompanying Consolidated Statements of Income, respectively.

In accordance with the joint venture operating agreement, the Company is entitled to 80% of PAFCO's results. The higher allocation percentage versus the ownership percentage is in consideration of the risks assumed by the Company with respect to credit losses on PAFCO's accounts receivable. The Company is required to purchase, without recourse, PAFCO's accounts receivable that are 120 days past due, subject to certain requirements. Net losses, including infrequent or unusual losses, and interest expense incurred by PAFCO, and any gain resulting from the liquidation of the joint venture, will be allocated 50% between the Company and Signature. For the three months since acquisition, ending March 31, 2001, the Company did not purchase any of PAFCO's accounts receivable. As of March 31, 2001, the amount due from PAFCO of \$161,000, related to the Company's share of PAFCO's results, is included in Other assets in the accompanying Consolidated Balance Sheets. For the three months ended March 31, 2001, the Company's net earnings from the PAFCO joint venture amounted to \$42,000, and are included in Earnings (losses) from aviation joint ventures in the accompanying Consolidated Statements of Income.

(8) BUSINESS SEGMENTS, GEOGRAPHIC INFORMATION, AND MAJOR CUSTOMERS

Business Segments

The Company markets fuel services and has two reportable operating segments: aviation and marine fuel services. In its aviation fuel services business, the Company extends credit and provides around-the-world single-supplier convenience, 24-hour service, fuel management services, and competitively priced aviation fuel and other aviation related services to passenger, cargo and charter airlines. The Company also offers flight plans and weather reports to its corporate customers. In its marine fuel services business, the Company markets marine fuel and related management services to a broad base of international shipping companies and to the U.S. military. Services include credit terms, 24-hour around-the-world service, fuel management services, and competitively priced fuel.

Performance measurement and resource allocation for the reportable operating segments are based on many factors. One of the primary financial measures used is income from operations. The Company employs shared-service concepts to realize economies of scale and efficient use of resources. The costs of shared services and other corporate center operations managed on a common basis are allocated to the segments based on usage, where possible, or on other factors according to the nature of the activity. The accounting policies of the reportable operating segments are the same as those described in the Summary of Significant Accounting Policies (see Note 1).

Information concerning the Company's operations by business segment is as follows:

	As of, and for the year ended March 31,		
	2001	2000	1999
Revenue			
Aviation fuel services	\$ 524,670,000	\$ 461,740,000	\$ 327,844,000
Marine fuel services	1,004,572,000	738,557,000	392,717,000
Total	\$ 1,529,242,000	\$ 1,200,297,000	\$ 720,561,000
Income from operations			
Aviation fuel services	\$ 11,790,000	\$ 4,440,000	\$ 13,331,000
Marine fuel services	13,161,000	7,516,000	7,515,000
Corporate overhead	(10,799,000)	(5,038,000)	(5,785,000)
Total	\$ 14,152,000	\$ 6,918,000	\$ 15,061,000
Depreciation and amortization			
Aviation fuel services	\$ 435,000	\$ 528,000	\$ 543,000
Marine fuel services	822,000	923,000	695,000
Corporate	1,093,000	979,000	465,000
Total	\$ 2,350,000	\$ 2,430,000	\$ 1,703,000
Accounts and notes receivable, net			
Aviation fuel services, net of allowance for bad debts of \$6,010,000, \$12,163,000, and \$4,417,000 at March 31, 2001, 2000, and 1999, respectively	\$ 47,965,000	\$ 56,953,000	\$ 50,398,000
Marine fuel services, net of allowance for bad debts of \$5,157,000, \$3,039,000, and \$2,292,000 at March 31, 2001, 2000, and 1999, respectively	77,898,000	85,297,000	45,038,000
Total	\$ 125,863,000	\$ 142,250,000	\$ 95,436,000
Assets			
Aviation fuel services	\$ 75,830,000	\$ 79,778,000	\$ 68,765,000
Marine fuel services	113,798,000	107,258,000	69,250,000
Corporate	30,787,000	40,879,000	9,306,000
Discontinued operations, net	1,750,000	-	17,073,000
Total	\$ 222,165,000	\$ 227,915,000	\$ 164,394,000
Capital expenditures			
Aviation fuel services	\$ 251,000	\$ 240,000	\$ 419,000
Marine fuel services	1,276,000	211,000	200,000
Corporate	1,157,000	1,409,000	2,832,000
Total	\$ 2,684,000	\$ 1,860,000	\$ 3,451,000

Geographic Information

A summary of financial data segregated between US and non-U.S. countries is shown below as of, and for the fiscal years ended, March 31, 2001, 2000 and 1999. This information is presented based on the country of incorporation where the revenue and assets are recorded. Income (loss) from operations is before other income (expense) and provision for income taxes.

	2001	2000	1999
United States			
Revenue	\$ 940,036,000	\$ 615,951,000	\$ 405,755,000
Income (loss) from operations	\$ (4,933,000)	\$ (776,000)	\$ 79,000
Assets	\$ 137,655,000	\$ 151,795,000	\$ 100,800,000
United Kingdom			
Revenue	\$ 204,409,000	\$ 239,150,000	\$ 106,221,000
Income from operations	\$ 5,896,000	\$ 2,851,000	\$ 3,393,000
Assets	\$ 27,746,000	\$ 27,364,000	\$ 17,823,000
Singapore			
Revenue	\$ 191,937,000	\$ 146,828,000	\$ 79,178,000
Income from operations	\$ 6,761,000	\$ 2,363,000	\$ 4,313,000
Assets	\$ 23,863,000	\$ 14,138,000	\$ 13,949,000
Other non-U.S. countries			
Revenue	\$ 192,860,000	\$ 198,368,000	\$ 129,407,000
Income from operations	\$ 6,428,000	\$ 2,480,000	\$ 7,276,000
Assets	\$ 32,901,000	\$ 34,618,000	\$ 31,822,000
Total			
Revenue	\$1,529,242,000	\$1,200,297,000	\$ 720,561,000
Income from operations	\$ 14,152,000	\$ 6,918,000	\$ 15,061,000
Assets	\$ 222,165,000	\$ 227,915,000	\$ 164,394,000

Major Customers

No customer accounted for more than 10% of total consolidated revenue for the years ended March 31, 2001, 2000 and 1999.

For the three months ended

	June 30, 2000	September 30, 2000	December 31, 2000	March 31, 2001
Revenue	\$ 374,530,000	\$ 378,083,000	\$ 408,567,000	\$ 368,062,000
Gross profit	\$ 17,068,000	\$ 16,652,000	\$ 18,109,000	\$ 19,913,000
Net income (loss):				
Continuing operations	\$ 3,247,000	\$ 215,000 (1)	\$ 3,912,000	\$ 4,412,000
Discontinued operations	-	-	(496,000)	(656,000)
Net income	\$ 3,247,000	\$ 215,000	\$ 3,416,000	\$ 3,756,000
Basic earnings (loss) per share:				
Continuing operations	\$ 0.30	\$ 0.02 (1)	\$ 0.37	\$ 0.42
Discontinued operations	-	-	(0.05)	(0.06)
Net income	\$ 0.30	\$ 0.02	\$ 0.32	\$ 0.36
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.30	\$ 0.02 (1)	\$ 0.37	\$ 0.42
Discontinued operations	-	-	(0.05)	(0.06)
Net income	\$ 0.30	\$ 0.02	\$ 0.32	\$ 0.36

For the three months ended

	June 30, 1999	September 30, 1999	December 31, 1999	March 31, 2000
Revenue	\$ 225,446,000	\$ 299,759,000	\$ 323,063,000	\$ 352,029,000
Gross profit	\$ 15,052,000	\$ 16,743,000	\$ 15,284,000	\$ 17,166,000
Net income (loss):				
Continuing operations	\$ 1,807,000 (2)	\$ (896,000) (3)	\$ 669,000 (4)	\$ (1,752,000)
Discontinued operations	435,000	654,000	530,000	8,188,000
Net income (loss)	\$ 2,242,000	\$ (242,000)	\$ 1,199,000	\$ 6,436,000
Basic earnings (loss) per share:				
Continuing operations	\$ 0.15 (2)	\$ (0.07) (3)	\$ 0.06 (4)	\$ (0.15)
Discontinued operations (5)	0.03	0.05	0.04	0.70
Net income (loss)	\$ 0.18	\$ (0.02)	\$ 0.10	\$ 0.55
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.15 (2)	\$ (0.07) (3)	\$ 0.06 (4)	\$ (0.15)
Discontinued operations (5)	0.03	0.05	0.04	0.70
Net income (loss)	\$ 0.18	\$ (0.02)	\$ 0.10	\$ 0.55

- (1) Includes a \$1,920,000 after-tax charge, or \$0.18 per basic and diluted share, for the executive severance charge incurred in terminating the employment agreement with the Company's Former Chairman of the Board.
- (2) Includes after-tax charges totaling \$2,279,000, or \$0.19 per basic and diluted share, for special provisions of bad debts in the aviation fuel services segment for certain accounts receivable related to customers based in Ecuador.
- (3) Includes after-tax charges totaling \$3,872,000, or \$0.32 per basic and diluted share, for the marine fuel services segment due to the theft of product in Nigeria and special provisions of bad debts in the aviation fuel services segment for certain accounts receivable related to customers based in Ecuador.
- (4) Includes an after-tax charge of \$953,000, or \$0.08 per basic and diluted share, for the write-down in the aviation fuel services segment's joint venture in Ecuador.
- (5) The earnings per share on the Consolidated Statements of Income differs from the sum of each of the quarterly per share data because of a significantly large concentration of repurchases of the Company's stock, pursuant to the stock repurchase programs, during the three months ended March 31, 2000, as compared to the total fiscal 2000 stock repurchases. Of the total shares repurchased by the Company during fiscal 2000, 1,132,000 shares, or 94.8%, were repurchased in the 4th quarter of fiscal 2000.

SCHEDULE II

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS

	Balance at beginning of period =====	Additions -----		Deductions (2) =====	Balance at end of period =====
		Charged to costs and expenses =====	Charged to other accounts (1) =====		
Year Ended March 31, 2001 -----					
Allowance for bad debts	\$ 15,202,000 =====	\$ 7,909,000 =====	\$ 201,000 =====	\$ 12,145,000 =====	\$ 11,167,000 =====
Year Ended March 31, 2000 -----					
Allowance for bad debts	\$ 6,709,000 =====	\$ 19,250,000 =====	\$ 486,000 =====	\$ 11,243,000 =====	\$ 15,202,000 =====
Year Ended March 31, 1999 -----					
Allowance for bad debts	\$ 4,513,000 =====	\$ 5,079,000 =====	\$ 895,000 =====	\$ 3,778,000 =====	\$ 6,709,000 =====

Notes:

- (1) Recoveries of bad debts.
- (2) Uncollectible accounts written off.

[LOGO]
World
Fuel
Services
Corporation

January 31, 2001

Mr. Jerrold Blair
700 South Royal Poinciana Blvd., Suite 800
Miami Springs, Florida 33166

Re: Employment Agreement Between Jerrold Blair and World Fuel Services
Corporation (the "Company") dated March 31, 1996, as amended

Dear Jerry:

As approved by the Compensation Committee of the Board of Directors (the "Committee"), at its meeting of December 8, 2000, this letter is intended to amend the above-referenced employment agreement (the "Agreement"). Unless otherwise defined in this letter, all capitalized terms used herein will have the meanings assigned to them in the Agreement. For good and valuable consideration, we have agreed as follows:

1. Position; Base Salary. Your position and title will be "Chairman of

the Board and Chief Executive Officer," and, effective April 1, 2000, your base salary will be \$600,000 per year.

2. Renewals; Nonrenewal Payment. The following paragraphs are added to

Section 1 of the Agreement:

1.1 The Employment Term expires March 31, 2005. The Company and Executive may (but shall not be obligated to) mutually agree to extend the Employment Term for subsequent one-year periods. At least twelve (12) months prior to each date on which the Employment Term otherwise would terminate, the Company and the Executive shall notify each other in writing whether they elect to extend the Employment Term for an additional year, and the Employment Term shall not be so extended unless both parties so elect to extend the Employment

Term. If the Company is electing not to extend the Employment Term for Cause, or the Executive is electing not to extend the Employment Term for Good Reason, it or he shall so state in the notice.

1.2 If the Company elects not to extend the Employment Term pursuant to Section 1.1 hereof other than for Cause, and the Employment Term expires prior to, or more than three (3) years after, the date on which a Change of Control has occurred, then the Company shall: (a) pay to the Executive his Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid), by cashier's check within five (5) business days after his Date of Termination; (b) pay Executive an amount equal to \$1,000,000, such sum to be payable in twenty-six (26) consecutive bi-weekly installments commencing two weeks from the Date of Termination; and (c) continue to provide the benefits described in Sections (II) and (IV) of Exhibit A for a period of one (1) year following the Date of Termination. In addition, the Executive shall be entitled to exercise his Stock Rights, as defined in Section III of Exhibit A, for the period specified in said Section III.

1.3 The Company may discontinue the payment of any amounts and provision of any benefits required under Section 1.2 above in the event that, during the Continuation Period, either (i) the Executive fails to comply in any material respect with any provision of Section 6 of the Agreement other than an insubstantial and an inadvertent failure not occurring in bad faith and which is remedied by the Executive within five (5) business days after receipt of notice thereof given by the Company, or (ii) if requested by the Company to do so, the Executive fails to provide up to ten hours per calendar month of consulting services (including any travel time) to the Company as reasonably requested by the Company, at such times and places as shall be mutually agreeable to the Company and the Executive so as not to materially interfere with any other obligations or commitments of the Executive and subject to the Company's reimbursement to the Executive of his reasonable expenses incurred in providing such consulting services.

2 Bonus. Subsections (a) and (b) of Section 2.2 of the Agreement are

deleted and replaced with the following provisions:

(a) For the fiscal year ending March 31, 2001, the Company shall pay to the Executive the bonus that would have been payable to the Executive for such fiscal year under Section 2.2 of the Agreement; provided, however, that

such Bonus shall be adjusted to the extent necessary so that total Salary and Bonus paid to Executive for the fiscal year ended March 31, 2001 shall not exceed \$1,250,000.

(i) Subject to subsections (c), (d), (e), and (f) below, the Company shall pay Executive an annual bonus (the "Bonus") for the period beginning April 1, 2001 and ending March 31, 2002, and unless otherwise agreed to in writing by the Compensation Committee and the Executive, for each 12 month period beginning each April thereafter (each a "Bonus Period") equal to a percentage of the Executive's Base Salary as of the last day of the Bonus Period for which the

Bonus is being calculated, determined as follows based upon the Growth in EPS for the Bonus Period:

Growth in EPS for Bonus Period		Bonus as Percentage of Base Salary
-----		-----
Equal to or Greater Than	But Less Than	
-----	-----	
	10%	0
10%	12.5%	25%
12.5%	15%	50%
15%	17.5%	75%
17.5%		100%

(ii) For purposes of the foregoing formula, "Growth in EPS" for a Bonus Period shall mean the quotient obtained by dividing (x) the amount, if any, by which (i) the EPS for the Bonus Period exceeds (ii) the EPS for the 12 month period ending on the March 31 immediately preceding the Bonus Period (the "Prior Year's EPS"), by (y) the Prior Year's EPS. For purposes of the foregoing formula, EPS shall mean the Company's basic earnings per share, computed in accordance with FASB Statement 128. However, the Compensation Committee has the right to adjust financial results to eliminate the effect of certain accounting adjustments and other one-time events, so that the bonus payouts reflect ongoing operating results and are not artificially inflated, or deflated, due to unusual, one-time events.

(iii) After the Bonus Period ending March 31, 2002, the Compensation Committee and the Executive shall review the bonus formula and make such changes, if any, as they mutually agree in writing to be appropriate. If the Compensation Committee and the Executive fail to come to such a mutual agreement by June 30, 2002, then the bonus formula for each subsequent Bonus Period shall be the formula as set forth in Section 2.2(a) (i) hereof, unless the Company notifies the Executive in writing by no later than July 15, 2002, of a different bonus formula that will apply for each subsequent Bonus Period.

(b) The requirement that the Company achieve the Growth in EPS goals under this Section 2.2 (the "Performance Goal") is intended as a "performance goal" for Executive, as that term is used in Section 162(m) (4) (C) of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations promulgated thereunder. The Company hereby represents and warrants to Executive that such Performance Goal has been determined and approved by the Compensation Committee, consisting solely of at least two (2) outside directors, as required by Code (S) 162(m) (4) (C) (i) and Treasury Regulations promulgated thereunder.

3 Good Reason. The definition of "Good Reason" is amended by adding the

following immediately after subsection (e) of Section 3.4 of the Agreement:

"(f) the Executive's termination of employment for any reason by no later than August 15, 2002, in the event that the Company and the Executive fail to mutually agree pursuant to Section 2.2(a)(iii) upon a bonus formula for fiscal years ending after March 31, 2002, and the Executive does not accept a formula selected by the Company that differs from the formula set forth in Section 2.2(a); or

(g) any failure by the Company to comply with any of the provisions of Section 2 of the Agreement other than an insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company within five (5) business days after receipt of notice thereof given by the Executive; or

(h) the Executive's termination of his employment, for any reason, during the thirty (30) day period that begins six (6) months after the completion of any Change-in-Control.

4 Options. Prior to the date of this Agreement, the Company granted to

the Executive non-qualified options (the "Initial Options") to purchase 200,000 shares of common stock (the "Common Stock") of the Company under (and therefore subject to all terms and conditions of) the Company's 1996 World Fuel Services Corporation Employee Stock Option Plan, and any successor plan thereto (the "Stock Option Plan") and all rules and regulations of the Securities and Exchange Commission applicable to stock option plans then in effect. The option price per share for the right under the Initial Option to purchase 100,000 shares of Common Stock (the "FMV Options") shall be \$7.40 per share, which exceeds the Fair Market Value of a share of Common Stock on the effective date of the grant, determined in accordance with the Stock Option Plan, and the option price per share for the right to purchase the remaining 100,000 shares of Common Stock (the "125% Options") under the Initial Option shall be \$9.25 per share. In addition to the Initial Option, the Executive shall be eligible to receive additional option grants under the Plan in such number and on such terms and conditions as shall be determined by the Board or the Compensation Committee of the Board. The FMV Options shall vest immediately upon granting and the 125% Options shall vest one (1) year after the date of grant; provided, that any

options granted to Executive hereunder, and any options granted to Executive prior to the date hereof, shall upon the occurrence of a Change of Control (as defined in the Agreement) immediately vest and become exercisable, notwithstanding anything to the contrary contained in Exhibit "A" to the Agreement or in the applicable stock option agreement or stock option plan.

5 Stock Ownership. Executive acknowledges that the Committee has

requested that Executive and the Company's President beneficially own a number of shares of the Company's Common Stock (exclusive of shares subject to options) which have an aggregate value of at least three (3) times his base salary (in the case of Executive, \$1,800,000 in 2001); provided, the foregoing shall not

create any contractual other obligation on the part of Executive, and merely reflects a non-binding recommendation of the Committee.

The terms of this amendment shall supersede any contrary terms set forth in the Agreement. Except for the modifications of the Agreement set forth above, all of the terms, provisions and conditions set forth in the Agreement and prior amendments, including without limitation the Covenant Against Unfair Competition set forth in Section 6 of the Agreement, shall remain in full force and effect. If the foregoing correctly sets forth our agreement, please sign this letter on the line provided below whereupon this letter shall constitute a binding agreement between you and the Company.

Sincerely yours,

/s/ John Benbow

John R. Benbow
Chairman of the Compensation Committee

AGREED AND ACCEPTED:

/s/ Jerrold Blair

Jerrold Blair

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the 1/st/ day of August, 2000, by and between World Fuel Services Corporation, a Florida corporation (the "Company"), and Paul H. Stebbins (the "Executive").

RECITALS. Executive currently is employed by the Company pursuant to an

employment agreement that expires December 31, 2002 (the "Prior Employment Agreement"). Executive has been elected by the Board of Directors of the Company (the "Board") to serve as the President of the Company effective as of August 1, 2000. As a result, the Company and the Executive now wish to amend and restate the Prior Employment Agreement in its entirety to reflect the Executive's new position and duties, his compensation, and other terms and conditions of his employment, as President of the Company.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the Prior Employment Agreement is hereby amended and restated in its entirety to read as follows:

1. Employment. The Company hereby employs Executive pursuant to the terms

and conditions of this Agreement for a term (the initial "Employment Term"), commencing on the date hereof and ending on March 31, 2005. At least one (1) year prior to each date on which the Employment Term otherwise would terminate, the Company and the Executive shall notify each other in writing whether they elect to extend the Employment Term for an additional year, and the Employment Term shall not be so extended unless both parties so elect to extend the Employment Term. If the Company is electing not to extend the Employment Term for Cause, or the Executive is electing not to extend the Employment Term for Good Reason, if or he shall so state in the notice. During the Employment Term, the Executive shall serve as the President of the Company, shall faithfully and diligently perform all services as may be assigned to him by the Board consistent with his position as President of the Company, shall report solely to the Chairman of the Board and Chief Executive Officer of the Company (the "Chairman and CEO") and shall exercise such power and authority as may from time to time be delegated to him by the Chairman and CEO. The Executive shall devote his full business time and attention to the business and affairs of the Company, render such services to the best of his ability, and use his reasonable best efforts to promote the interests of the Company. Notwithstanding the foregoing or any other provision of this Agreement, it shall not be a breach or violation of this Agreement for the Executive to (i) serve on corporate, civic or charitable boards or committees, (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, or (iii) manage personal investments, so long as such activities do not significantly interfere with or significantly detract from the performance of the Executive's responsibilities to the Company in accordance with this Agreement.

2. Compensation and Benefits. During the Employment Term, the Company

shall pay Executive the compensation and other amounts set forth below.

2.1 Base Salary. The Company shall pay Executive an annual salary

("Base Salary") of \$500,000 during each year of the Employment Term, payable in equal installments according to the Company's regular payroll practices and subject to such deductions as may be required by law. The Base Salary shall be reviewed, at least annually, for merit increases and may, by action and in the discretion of the Board or the Compensation Committee of the Board (the "Compensation Committee"), be increased at any time or from time to time. Base Salary shall not be decreased and, if increased, shall not thereafter be decreased for any reason.

2.2 Bonus.

(a) For the calendar year ending December 31, 2000, the Company shall pay to the Executive the bonus that would have been payable to the Executive for the calendar year 2000, under Section 2.2 of the Prior Employment Agreement.

(b) (i) Subject to subsections (d), (e), (f), and (g) below, the Company shall pay Executive an annual bonus (the "Bonus") for the period beginning April 1, 2001 and ending March 31, 2002, and unless otherwise agreed to in writing by the Compensation Committee and the Executive, for each 12 month period beginning each April thereafter (each a "Bonus Period") equal to a percentage of the Executive's Base Salary as of the last day of the Bonus Period for which the Bonus is being calculated, determined as follows based upon the Growth in EPS for the Bonus Period:

Growth in EPS for Bonus Period		Bonus as Percentage of Base Salary
Equal to or Greater Than	But Less Than	
	10%	0
10%	12.5%	25%
12.5%	15%	50%
15%	17.5%	75%
17.5%		100%

(ii) For purposes of the foregoing formula, "Growth in EPS" for a Bonus Period shall mean the quotient obtained by dividing (x) the amount, if any, by which (i) the EPS for the Bonus Period exceeds (ii) the EPS for the 12 month period ending on the March 31 immediately preceding the Bonus Period (the "Prior Year's EPS"), by (y) the Prior Year's EPS. For purposes of the foregoing formula, EPS shall mean the Company's basic earnings per share, computed in accordance with FASB Statement 128. However, the

Compensation Committee has the right to adjust financial results to eliminate the effect of certain accounting adjustments and other one-time events, so that the bonus payouts reflect ongoing operating results and are not artificially inflated, or deflated, due to unusual, one-time events.

(iii) After the Bonus Period ending March 31, 2002, the Compensation Committee and the Executive shall review the bonus formula and make such changes, if any, as they mutually agree in writing to be appropriate. If the Compensation Committee and the Executive fail to come to such a mutual agreement by June 30, 2002, then the bonus formula for each subsequent Bonus Period shall be the formula as set forth in Section 2.2(b) (i) hereof, unless the Company notifies the Executive in writing by no later than July 15, 2002, of a different bonus formula that will apply for each subsequent Bonus Period.

(c) The requirement that the Company achieve the Growth in EPS goals under this Section 2.2 (the "Performance Goal") is intended as a "performance goal" for Executive, as that term is used in Section 162(m) (4) (C) of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations promulgated thereunder. The Company hereby represents and warrants to Executive that such Performance Goal has been determined and approved by the Compensation Committee, consisting solely of at least two (2) outside directors, as required by Code (S) 162(m) (4) (C) (i) and Treasury Regulations promulgated thereunder.

(d) Notwithstanding anything to the contrary contained herein, in no event shall Executive receive any portion of his Bonus if and to the extent that the Company could not reasonably deduct such portion solely by operation of Code (S) 162(m). For purposes of this limitation: (i) no portion of the Executive's compensation or benefits, the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment, shall be taken into account; (ii) no portion of any compensation or benefits shall be taken into account which, in the opinion of tax counsel selected by the Company's independent auditors and acceptable to Executive, does not constitute "applicable employee remuneration" within the meaning of Code (S) 162(m) and Treasury Regulations promulgated thereunder; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Executive's remuneration shall be determined by the Company's independent auditors in accordance with the Code. This subsection (d) shall not prohibit the payment of any Bonus (or portion thereof) which is deferred in accordance with subsection (g) below.

(e) At any time during the Employment Term, upon written request of Executive, the Company shall submit the Performance Goal and other material compensation terms provided herein for approval by the Company's shareholders so as to comply with Code (S) 162(m) (4) (C) (ii) and Regulations promulgated thereunder, and the Company shall use reasonable efforts to secure such shareholder approval; provided, (i) the Company shall not be required to call a special shareholders meeting for the sole purpose of complying with this section; and (ii) in order to have such approval sought at the Company's annual shareholders meeting, Executive shall provide written notice thereof to the Company no less than ninety (90) days prior to the scheduled date of the annual meeting. If any executive officer of the Company requests that his Performance Goal and compensation terms be submitted for shareholder approval pursuant to this Agreement, the Company shall have the right to submit the

Performance Goals and compensation arrangements of all executive officers for shareholder approval at the same meeting.

(f) If required to comply with Code (S)162(m)(4)(C)(iii), the Company's Compensation Committee shall, before the payment of any Bonus, certify in writing, if applicable, that the Performance Goal and any other material terms hereof were satisfied, as necessary to comply with Code (S) 162(m)(4)(C)(iii).

(g) Unless the Company's shareholders have approved the Performance Goal and other material compensation terms provided herein, the payment of any portion of the Bonus causing Executive's compensation to exceed the limitation under Section 162(m)(i) of the Code during any fiscal year of the Company (the "Excess Amount") will be deferred until a fiscal year during the Employment Term in which Executive earns less than the limitation under Section 162(m)(i) of the Code; provided, however, that in the event of Executive's

death, the termination of Executive for any reason, or the expiration of this Agreement, any Excess Amount, including any interest earned thereon, shall be paid to Executive within ten (10) days of such death, termination, or expiration. Any Excess Amount shall earn interest at the prime rate as published in the Wall Street Journal until such amount is paid to the Executive. The Company shall hold any Excess Amount, including any interest earned thereon, in trust for Executive until such amount is paid to Executive in accordance with the terms hereof; provided, that all amounts held in trust for Executive shall be subject to the claims of the creditors of the Company.

(h) The provisions of this Section 2.2 are intended, and shall be interpreted, to comply with the requirements of Code (S) 162(m) so as to permit the Company to deduct all payments of applicable employee remuneration made to Executive pursuant to this Agreement.

2.3 Stock Options. Upon execution of this Agreement, the Company

shall grant to the Executive options (the "Initial Options") to purchase 150,000 shares of common stock (the "Common Stock") of the Company under (and therefore subject to all terms and conditions of) the Company's 1996 World Fuel Services Corporation Employee Stock Option Plan, and any successor plan thereto (the "Stock Option Plan") and all rules of regulation of the Securities and Exchange Commission applicable to stock option plans then in effect. The option price per share for the right under the Initial Option to purchase 100,000 shares of Common Stock shall be the Fair Market Value of a share of Common Stock on the date of grant, determined in accordance with the Stock Option Plan, and the option price per share for the right to purchase the remaining 50,000 shares of Common Stock under the Initial Option shall be 125% of the Fair Market Value of a share of Common Stock on the date of grant. Those Initial Options that are incentive Stock Options (as described below) shall become exercisable at the rate of one-third per year commencing on the first anniversary of the date of grant, and those Initial Options that are non-qualified stock options shall become exercisable in full on the second anniversary of the date of grant. In addition to the Initial Option, the Executive shall be eligible to receive additional option grants under the Plan in such number and on such terms and conditions as shall be determined by the Board or the Compensation Committee of the Board. All of the stock options granted to the Executive by the Company shall become immediately

exercisable in the event of a Change of Control of the Company as defined in Section 3.1 hereof. The options granted to the Executive shall be incentive stock options, within the meaning of Section 422(b) of the Internal Revenue Code of 1986 as amended (the "Code"), to the extent that such options do not exceed the limitations imposed by Section 422(d) of the Code, and the balance of the options granted to the Executive shall be non-qualified stock options. The Initial Options that are granted with an option price equal to the Fair Market Value per share of Common Stock shall be granted as incentive stock options if and to the extent they do not exceed the limitations imposed by Section 422(d) of the Code.

2.4 Other Benefits. Executive: (i) shall be entitled to receive all

medical, health, disability, life and dental insurance, and other similar employee benefit programs, which may be provided by the Company to its executive employees from time-to-time; (ii) shall be entitled to reimbursement for reasonable and necessary out-of-pocket expenses incurred in the performance of his duties hereunder, including but not limited to travel and entertainment expenses (such expenses shall be reimbursed by the Company, from time to time, upon presentation of appropriate receipts therefor); (iii) shall be paid an auto allowance of \$1,000.00 per month; (iv) shall be entitled to six (6) weeks paid vacation each calendar year, and any vacation time not taken during any calendar year shall be carried over into subsequent calendar years if and to the extent such carried over vacation time does not exceed six (6) weeks; and (v) shall be entitled to reimbursement from the Company for all of his legal fees and expenses incurred in connection with the preparation of this Employment Agreement.

3. Certain Definitions.

3.1 Change of Control. For purposes of this Agreement, a "Change of

Control" shall be deemed to have occurred if:

(a) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but excluding any employee benefit plan or plans of the Company and its subsidiaries and affiliates, becomes the beneficial owner, directly or indirectly, of twenty percent (20%) or more of the combined voting power of the Company's outstanding voting securities ordinarily having the right to vote for the election of directors of the Company; or

(b) the individuals who, as of the date hereof, constitute the Board of Directors of the Company (the "Board" generally and as of the date hereof the "Incumbent Board") cease for any reason to constitute at least two-thirds (2/3) of the Board, or in the case of a merger or consolidation of the Company, do not constitute or cease to constitute at least two-thirds (2/3) of the board of directors of the surviving company (or in a case where the surviving corporation is controlled, directly or indirectly by another corporation or entity, do not constitute or cease to constitute at least two-thirds (2/3) of the board of such controlling corporation or do not have or cease to have at least two-thirds (2/3) of the voting seats on any body comparable to a board of directors of such controlling entity, or if there is no body comparable to a board of directors, at least two-thirds (2/3) voting control of such controlling entity); provided that any person becoming a director (or, in the case of a controlling non-corporate entity, obtaining a position comparable to a director or obtaining a voting interest in such entity) subsequent to the

date hereof whose election, or nomination for election, was approved by a vote of the persons comprising at least two-thirds (2/3) of the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest), shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board; or

(c) there is a liquidation or dissolution of the Company or a sale of all or substantially all of the assets of either or both of (i) the aviation division, or (ii) the marine division, of the Company as of the date hereof, or

(d) if the Company enters into an agreement or series of agreements or the Board passes a resolution which will result in the occurrence of any of the matters described in Subsections (a), (b) or (c), and the Executive's employ is terminated subsequent to the date of execution of such agreement or series of agreements or the passage of such resolution, but prior to the occurrence of any of the matters described in Subsection (a), (b) or (c), then, upon the occurrence of any of the matters described in Subsections (a), (b) or (c), a Change of Control shall be deemed to have retroactively occurred on the date of the execution of the earliest of such agreement(s) or the passage of such resolution.

3.2 Cause. For purposes of this Agreement, "Cause" means (i) an act

or acts of fraud, misappropriation, or embezzlement on the Executive's part which result in or are intended to result in his personal enrichment at the expense of the Company or its subsidiaries or affiliates, (ii) conviction of a felony, or (iii) willful failure to report to work for more than thirty (30) continuous days not attributable to eligible vacation or supported by a licensed physician's statement.

3.3 Disability. For purposes of this Agreement, "Disability" means

disability which after the expiration of more than twelve (12) months after its commencement is determined to be total and permanent by an independent physician mutually agreeable to the parties. Notwithstanding any disability of Executive, he shall continue to receive all compensation and benefits provided under Section 2 until his employment is actually terminated, by a Notice of Termination pursuant to Section 4.2.

3.4 Good Reason. For purposes of this Agreement, "Good Reason" means:

(a) any failure by the Company to comply with any of the provisions of Section 2 of this Agreement other than an insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company within five (5) business days after receipt of notice thereof given by the Executive;

(b) following a Change in Control, any failure by the Company and/or its subsidiaries or affiliates to furnish the Executive and/or where applicable, his family, with: (i) total annual cash compensation (including annual bonus), (ii) total aggregate value of perquisites, (iii) total aggregate value of benefits, or (iv) total aggregate value of long term compensation, including but not limited to stock options, in each case at least equal to or exceeding or otherwise comparable to in the aggregate, the highest level received by the Executive from the Company

and/or its subsidiaries or affiliates during the six (6) month period (or the one (1) year period for compensation, perquisites and benefits which are paid less frequently than every six (6) months) immediately preceding the Change of Control, other than an insubstantial and inadvertent failure remedied by the Company within five (5) business days after receipt of notice thereof given by the Executive;

(c) the Company's and/or its subsidiaries' or affiliates' requiring the Executive to be based or to perform services at any site or location more than fifteen (15) miles from Miami, Florida, except for travel reasonably required in the performance of the Executive's responsibilities (which does not materially exceed the level of travel previously required of the Executive);

(d) any failure by the Company to obtain the assumption and agreement to perform this Agreement by a successor as contemplated by Section 9;

(e) without the express prior written consent of the Executive (which consent the Executive has the absolute right to withhold), (i) the assignment to the Executive of any duties inconsistent in any material respect with the Executive's position (including titles and reporting relationships), authority, responsibilities or status as President of the Company or (ii) any other material adverse change in such position, authority, responsibility or status; or

(f) the Executive's termination of employment for any reason by no later than August 15, 2002, in the event that the Company and the Executive fail to mutually agree pursuant to Section 2.2(b)(iii) upon a bonus formula for fiscal years ending after March 31, 2002, and the Executive does not accept a formula selected by the Company that differs from the formula set forth in Section 2.2(b).

For the purposes of this Section 3.4, any good faith interpretation by the Executive of the foregoing definitions of "Good Reason" shall be conclusive on the Company. No termination by Executive for Good Reason shall be deemed a voluntary termination by Executive for purposes of any stock option, employee benefit or similar plan of the Company.

3.5 Notice of Termination. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the Date of Termination is other than the date of receipt of such notice, specifies the Date of Termination (which date shall be not more than fifteen (15) days after the giving of such notice).

3.6 Date of Termination. Date of Termination means the date of receipt of the Notice of Termination or any later date specified therein, as the case may be.

4. Termination.

4.1 Events of Termination. The Executive may terminate his employment

with the Company, for Good Reason, at any time, and may terminate his employment with the Company without Good Reason upon thirty (30) days written notice to the Company. The Company may terminate Executive's employment with the Company at any time upon the occurrence of one or more of the events set forth in subsections (a) through (c) below. The death or Disability of Executive shall in no event be deemed a termination of employment by Executive.

- (a) The death of Executive.
- (b) The Disability of Executive.
- (c) The discharge of Executive by the Company for Cause.

4.2 Notice of Termination. Any termination of the Executive's

employment by the Executive for Good Reason or otherwise, or by the Company for Cause or otherwise, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 10(h).

5. Obligations Upon Termination.

5.1 Voluntary Termination by Executive and Termination For Cause. If

the Executive's employment with the Company is terminated (i) voluntarily by the Executive, for any reason other than Good Reason, or (ii) by the Company for Cause, the Company shall pay Executive, within five (5) business days after his Date of Termination, his Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid), and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive shall continue to receive such rights and benefits in accordance with the terms of such plans.

5.2 Termination for Death or Disability. If Executive's employment is

terminated by the Company due to the Executive's death or Disability, the Company shall pay Executive (or his heirs and/or personal representatives): (i) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); and (ii) the Bonus payable under Section 2.2, if any, for the fiscal year in which Executive's termination occurred, as if Executive had been employed by the Company for the full fiscal year; and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive shall continue to receive such rights and benefits in accordance with the terms of such plans. Amounts payable under subsection (i) of this Section 5.2 shall be paid within five (5) business days after the Date of Termination, and the Bonus payable under subsection (ii) shall be

paid on or before May 15 of the fiscal year following the fiscal year in which the termination occurred.

5.3 Termination by the Company in Default of Agreement; Company's

Refusal to Extend without Cause; Termination of Employment by the Executive for

Good Reason. If (i) Executive's employment with the Company is terminated by

the Company for any reason other than the Executive's death or Disability, and other than for Cause, or (ii) the Company elects not to extend the Employment Term pursuant to Section 1 hereof other than for Cause, or (iii) the Executive terminates employment with the Company for Good Reason, or elects not to extend the Employment Term pursuant to Section 1 hereof for Good Reason, then the Company shall pay and provide Executive:

(a) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); plus

(b) an amount equal to the cash payment described in Section I of Exhibit A attached hereto and made a part hereof; plus

(c) the benefits described in Sections II through IV of Exhibit A.

The amounts payable under subsections (a) and (b) of this Section 5.3 shall be paid to Executive by cashier's check within five (5) business days after his Date of Termination. The payments and benefits paid and provided pursuant to this Section 5.3 (the "Default Payments") shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and as liquidated damages and in full settlement of any and all claims by Executive against the Company as a result of the Company's breach of this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive shall continue to receive such rights and benefits in accordance with the terms of such plans. Such Default Payments: (i) are not contingent on the occurrence of any change in the ownership or effective control of the Company; (ii) are not intended as a penalty; and (iii) are intended to compensate Executive for his damages incurred by reason of the Company's breach of this Agreement, which damages are difficult to ascertain.

5.4 Termination Following a Change in Control. In the event that (i)

a Change in Control in the Company shall occur during the Employment Term, and (ii) prior to the earlier of the Expiration Date and three (3) years after the date of the Change in Control, either (x) the Term of Employment is terminated by the Company without Cause, or (y) the Executive terminates the Term of Employment for Good Reason, the Company shall pay and provide Executive, within five (5) business days after the Date of Termination, as severance compensation, the cash amounts and benefits (collectively, "Severance Benefits") payable to the Executive under Section 5.3 hereof. For this purpose, termination of employment by the Executive for any reason during the 30 day period that begins 6-months after the Change in Control occurs shall be deemed to be a termination by the Executive for Good Reason. The Severance Benefits so paid and provided shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and in full settlement of any and all claims by Executive for such compensation or benefits; except that, to the extent that the Company's

insurance, stock option and other employee benefit plans provide certain rights and benefits after an employee's termination, Executive shall continue to receive such rights and benefits in accordance with the terms of such plans. The Company agrees that following a Change of Control, the Company shall not, without the Executive's consent, amend any employee insurance or benefit plan or program of the Company or its subsidiaries or affiliates in any manner that would adversely affect the Executive's rights under such plan or program.

5.5 Certain Additional Payments by the Company

(a) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment, distribution or other action by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, including any additional payments required under this Section 5.5) (a "Payment") would be subject to an excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), or any interest or penalties are incurred by the Executive with respect to any such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), the Company shall make a payment to the Executive (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including any Excise Tax) imposed upon the Gross-Up Payment, the Executive retains (or has had paid to the Internal Revenue Service on his behalf) an amount of the Gross-Up Payment equal to the sum of (x) the Excise Tax imposed upon the Payments and (y) the product of any deductions disallowed because of the inclusion of the Gross-Up Payment in the Executive's adjusted gross income and the highest applicable marginal rate of federal income taxation for the calendar year in which the Gross-Up Payment is to be made. For purposes of determining the amount of the Gross-Up Payment, the Executive shall be deemed to (i) pay federal income taxes at the highest marginal rates of federal income taxation for the calendar year in which the Gross-Up Payment is to be made, and (ii) pay applicable state and local income taxes at the highest marginal rate of taxation for the calendar year in which the Gross-Up Payment is to be made, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(b) Subject to the provisions of paragraph (c) of this Section 5.5, all determinations required to be made under this Section 5.5, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by Arthur Anderson & Co. (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Executive shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Section 5.5, shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. If the Accounting Firm determines that no Excise Tax is payable by the Executive, it shall furnish the Executive with a written opinion that failure to report the Excise

Tax on the Executive's applicable federal income tax return would not result in the imposition of a negligence or similar penalty. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. In the event that the Company exhausts its remedies pursuant to Section 5.5 and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given no later than fifteen (15) business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which he gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim ;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 5.5(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forego any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the

Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5.5(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of Section 5.5(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5.5(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

6. Covenant Against Unfair Competition.

(a) Executive agrees that while he is employed by the Company, and for a period of three (3) years following any termination of his employment, for any reason, he will not, for his own account or jointly with another, directly or indirectly, for or on behalf of any individual, partnership, corporation or other legal entity, as principal, agent or otherwise:

(i) own, control, manage, be employed by, consult with, or otherwise participate in, a business (other than that of the Company) involved within the Trade Area (as hereinafter defined) with any of the following businesses (the "Businesses"): (1) the storage, handling, delivery, marketing, sale, distribution or brokerage of aviation fuel, marine fuel or lubricants, aviation flight services, or marine fuel services, or (2) any other service or activity which is competitive with the services or activities which are or have been performed by the Company or its subsidiaries or affiliates since January 1, 1995;

(ii) solicit, call upon, or attempt to solicit, the patronage of any individual, partnership, corporation or other legal entity to whom the Company or its subsidiaries or affiliates sold products or provided services, or from whom the Company or its subsidiaries or affiliates purchased products or services, at any time since January 1, 1995, for the purpose of obtaining the patronage in any of the Businesses of any such individual, partnership, corporation or other legal entity;

(iii) solicit or induce, or in any manner attempt to solicit or induce, any person employed by the Company or its subsidiaries or affiliates to leave such employment, whether or not such employment is pursuant to a written contract and whether or not such employment is at will; or

(iv) use, directly or indirectly, on behalf of himself or any other person or business entity, any trade secrets or confidential information concerning the business activities of the Company or any of the Company's subsidiaries or affiliates. Trade secrets and confidential information shall include, but not be limited to, lists of names and addresses of customers and suppliers, sources of leads and methods of obtaining new business, methods of marketing and selling products and performing services, and methods of pricing.

(b) As used herein, the term "Trade Area" shall mean: (i) the States of Florida, Louisiana, Georgia, Delaware, Pennsylvania, New York, California, Virginia, New Jersey, and Maryland, (ii) Singapore, Greece, South Korea, England and Costa Rica, and (iii) any airports or seaports throughout the world which are or were serviced by the Company or its subsidiaries or affiliates at any time since January 1, 1995.

(c) Executive recognizes the importance of the covenant contained in this Section 6 and acknowledges that, based on his past experience and training as an executive of the Company, the projected expansion of the Company's business, and the nature of his services to be provided under this Agreement, the restrictions imposed herein are: (i) reasonable as to scope, time and area; (ii) necessary for the protection of the Company's legitimate business interests, including without limitation, the Company's trade secrets, goodwill, and its relationship with customers and suppliers; and (iii) not unduly restrictive of Executive's rights as an individual. Executive acknowledges and agrees that the covenants contained in this Section 6 are essential elements of this Agreement and that but for these covenants, the Company would not have agreed to enter into this Agreement.

(d) If Executive commits a breach or threatens to commit a breach of any of the provisions of this Section 6, the Company shall have the right and remedy, in addition to any others that may be available, at law or in equity, to have the provisions of this Section 6 specifically enforced by any court having equity jurisdiction, through injunctive or other relief, it being acknowledged that any such breach or threatened breach will cause irreparable injury to the Company, the amount of which will be difficult to determine, and that money damages will not provide an adequate remedy to the Company.

(e) If any covenant contained in this Section 6, or any part thereof, is hereafter construed to be invalid or unenforceable, the same shall not affect the remainder of the covenants, which shall be given full effect, without regard to the invalid portions, and any court having jurisdiction shall have the power to reduce the duration, scope and/or area of such covenant and, in its reduced form, said covenant shall then be enforceable.

(f) The provisions of this Section 6 shall survive the expiration and termination of this Agreement, and the termination of Executive's employment hereunder, for any reason.

7. Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or

limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its subsidiaries or affiliates and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any employment, stock option or other agreements with the Company or any of its subsidiaries or affiliates. In the event there are any amounts which represent vested benefits or which the Executive is otherwise entitled to receive under any other plan or program of the Company or any of its subsidiaries or affiliates at or subsequent to the Date of Termination, the Company shall pay or cause the relevant plan or program to pay such amounts, to the extent not already paid, in accordance with the provisions of such plan or program.

8. Full Settlement. Except as specifically provided otherwise in this

Agreement, the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any setoff, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others. The Executive shall not be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. Except as expressly provided in Section II of Exhibit A, the Severance Benefits shall not be reduced by any compensation or benefits earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise. The Company agrees to pay all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company or others of the validity or enforceability of, or liability under any provision of this Agreement or any guarantee of performance thereof, in each case plus interest, compounded daily, on the total unpaid amount determined to be payable under this Agreement, such interest to be calculated on the basis of two percent (2%) over the base or prime rate announced by Bank of America in effect from time to time during the period of such nonpayment, but in no event greater than the highest interest rate permitted by law for such payments.

9. Successors. This Agreement is personal to the Executive and without the

prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives, executors, heirs and legatees.. This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether directly or indirectly, by purchase, merger, consolidation, acquisition of stock, or otherwise, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place, by a written agreement in form and substance reasonably satisfactory to the Executive, delivered to the Executive within five (5) business days after such succession.

10. Miscellaneous.

(a) Modification and Waiver. Any term or condition of this

Agreement may be waived at any time by the party hereto that is entitled to the benefit thereof; provided, however, that any such waiver shall be in writing and signed by the waiving party, and no such

waiver of any breach or default hereunder is to be implied from the omission of the other party to take any action on account thereof. A waiver on one occasion shall not be deemed to be a waiver of the same or of any other breach on a future occasion. This Agreement may be modified or amended only by a writing signed by all of the parties hereto.

(b) Governing Law. The validity and effect of this Agreement shall be

governed by and construed and enforced in accordance with the laws of the State of Florida. In any action or proceeding arising out of or relating to this Agreement (an "Action"), each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of any federal or state court sitting in Miami, Florida, and further agrees that any Action may be heard and determined in such federal court or in such state court. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any action in Miami, Florida.

(c) Tax Withholding. The payments and benefits under this Agreement

may be compensation and as such may be included in either the Executive's W-2 earnings statements or 1099 statements. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation, as well as any other deductions consented to in writing by the Executive.

(d) Section Captions. Section and other captions contained in this

Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

(e) Severability. Every provision of this Agreement is intended to be

severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

(f) Integrated Agreement. This Agreement constitutes the entire

understanding and agreement among the parties hereto with respect to the subject matter hereof, and supersedes any other employment agreements executed before the date hereof. There are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth herein or herein provided for.

(g) Interpretation. No provision of this Agreement is to be

interpreted for or against any party because that party or that party's legal representative drafted such provision. For purposes of this Agreement: "herein", "hereby", "hereunder", "herewith", "hereafter" and "hereinafter" refer to this Agreement in its entirety, and not to any particular subsection or paragraph. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

(h) Notices. All notices and other communications hereunder shall be

in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: at the Executive's last address appearing in the

payroll/personnel records of the Company.

If to the Company:

World Fuel Services Corporation
700 S. Royal Poinciana Blvd.
Suite 800
Miami Springs, FL 33166

or to such other address as either party shall have furnished to the other in
writing in accordance herewith. Notices and communications shall be effective
when actually received by addressee,

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals
the day and year first above written.

WORLD FUEL SERVICES CORPORATION

By: /s/ John Benbow

Title: Chairman of the Compensation Committee

By: /s/ Jerrold Blair

Title: Chairman of the Board of Directors

/s/ Paul Stebbins

Paul H. Stebbins
Executive

EXHIBIT A

SEVERANCE BENEFITS

(I) Cash Payment. The Company shall pay to the Executive the aggregate of

the amounts determined pursuant to clauses (A) through (C) below:

(A) if not already paid, the Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination; and

(B) an amount equal to the annual Base Salary and annual car allowance (collectively, the "Base Amount") payable to the Executive immediately prior to the Date of Termination, multiplied by three (3) if the termination is pursuant to Section 5.4 hereof following a Change in Control, or otherwise multiplied by two (2);

(C) an amount equal to (i) if the Date of Termination is prior to April 1, 2002, the annual Base Salary payable to the Executive immediately prior to the Date of Termination, or (ii) if the Date of Termination is on or after April 1, 2002, the product of (x) the average annual bonus payable to the Executive for the three (3) fiscal years beginning on or after April 1, 2001 (or such lesser number of full fiscal years as shall have been completed after April 1, 2001) immediately preceding the fiscal year of termination, multiplied by (y) three (3) if the termination is pursuant to Section 5.4 hereof following a Change in Control, or otherwise multiplied by two (2);

The Company shall pay to the Executive the aggregate of the amounts determined pursuant to clauses (A) through (C) above in a lump sum by cashier's check within five (5) business days after the Executive's Date of Termination.

(II) Medical, Dental, Disability, Life Insurance and Other Similar Plans

and Programs. Until the earlier to occur of (i) the last day of the Severance

Period, (ii) the date on which the Executive becomes eligible for the designated or comparable coverage as an employee of another employer which provides or offers such coverage to its employees, or (iii) in the case of benefits requiring employee contributions, the date the Executive fails to make such contributions pursuant to the Company's or the plan's instructions (which instructions shall be reasonable and given to the Executive by the Company within five (5) business days following the Executive's Date of Termination) or otherwise cancels his coverage in accordance with plan provisions, the Company shall continue to provide all benefits which the Executive and/or his family is or would have been entitled to receive under all medical, dental, disability, supplemental life, group life, accidental death and executive accident insurance, and other similar plans and programs of the Company and/or its subsidiaries or affiliates not otherwise provided for in this Agreement, in each case on a basis providing the Executive and/or his family with the opportunity to receive benefits at least equal to the greatest level of benefits provided by the Company and/or its subsidiaries or affiliates for the Executive under such plans and programs as in effect at any time during the six (6) month period immediately preceding the Notice of Termination. The benefits will be paid for by the Company and, to the extent applicable, will be provided in accordance

with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). If the Executive's participation in any such plan or program is barred by COBRA or for any other reason, the Company shall pay or provide for payment of such benefits or substantially similar benefits to the Executive and/or his family.

(III) Stock Options and Rights. If the Executive is a participant in

any stock option or stock purchase plan of the Company, or if the Executive is the holder of any options, warrants or rights to acquire capital stock of the Company (collectively "Stock Rights"), the Executive shall have all of the rights set forth in the relevant plans and Stock Rights. The phrase "Termination Date" as used in the Stock Rights shall mean the end of the Severance Period with respect to Non-Qualified Stock Options granted to the Executive, and the Executive's Date of Termination with respect to Incentive Stock Options granted to Executive.

(IV) Deferred Compensation. The Company shall pay to the Executive the

Executive's salary or incentive compensation awards that have been previously deferred, if any, in accordance with the terms of the Executive's individual deferred compensation agreement(s) or the applicable plan(s), as appropriate. The last day of the Severance Period will be considered to be the Executive's termination date for purposes of such agreement(s).

(V) Definition of Severance Period. For purposes of this Exhibit

A, the term "Severance Period" shall mean the three (3) year period immediately following the Date of Termination, if the termination is pursuant to Section 5.4 of the Agreement following a Change of Control, or the two (2) year period immediately following the Date of Termination in the case of any other termination.

Dated as of the 3rd day of January 2001.

AMENDMENT AGREEMENT NO. 2
TO REVOLVING CREDIT AND REIMBURSEMENT AGREEMENT

THIS AMENDMENT AGREEMENT NO. 2 TO REVOLVING CREDIT AND REIMBURSEMENT AGREEMENT (this "Amendment Agreement") is made and entered into as of this 22nd day of June, 2000, by and among WORLD FUEL SERVICES CORPORATION, a Florida corporation (the "Parent"), TRANS-TEC INTERNATIONAL, S.A., a corporation organized under the laws of Costa Rica ("TTI") and WORLD FUEL INTERNATIONAL, S.A., a corporation organized under the laws of Costa Rica ("WFI" and together with the Parent and TTI, collectively, the "Borrowers" and individually a "Borrower") and BANK OF AMERICA, N.A., successor by merger of NationsBank, N.A., a national banking association (the "Lender"), parties to the Credit Agreement described below.

W I T N E S S E T H :

WHEREAS, the Borrowers and the Lender have entered into a Revolving Credit and Reimbursement Agreement dated June 4, 1999, as amended by Amendment No. 1 dated October 8, 1999 (the "Credit Agreement") pursuant to which the Lender has agreed to make available to the Borrowers a revolving credit facility of up to \$30,000,000 and a 364 Day revolving credit facility in the amount of \$10,000,000; and

WHEREAS, as a condition to the making of loans the Lender has required that each Domestic Subsidiary of Borrower execute a Facility Guaranty whereby it guarantees payment of the Obligations arising under the Credit Agreement; and

WHEREAS, the Borrowers have requested that the Lender extend the 364 Day revolving credit facility and the Lender has agreed, subject to the terms and conditions of this Agreement, to amend the Credit Agreement in order to provide for such extension;

NOW, THEREFORE, in consideration of the mutual covenants, promises and conditions herein set forth, it is hereby agreed as follows:

1. Definitions. The term "Credit Agreement" as used herein and in the

Loan Documents shall mean that certain Credit Agreement as heretofore and hereby amended and as from time to time further amended or modified. Unless the context otherwise requires, all capitalized terms used herein without definition shall have the respective meanings provided therefor in the Credit Agreement.

2. Amendments. Subject to the conditions set forth herein, the definition

of "364 Day Extension Date" in Section 1.1 of the Credit Agreement shall be and hereby is amended, effective as of the date hereof, by deleting the date "October 7, 2000" appearing therein and inserting in lieu thereof the date "April 7, 2001".

3. Guarantors. Each of the Guarantors has joined in the execution of this

Agreement for the purpose of consenting to the amendment contained herein and reaffirming its guaranty of the Obligations.

4. Borrowers' Representations and Warranties. Each Borrower hereby

represents, warrants and certifies that:

(a) The representations and warranties made by it in Article VII of

the Credit Agreement are true on and as of the date hereof before and after giving effect to this Agreement except that (i) the financial statements referred to in Section 7.6(a) shall be those most recently furnished to

each Lender pursuant to Section 8.1(a) and (b) of the Credit Agreement and

(ii) Schedule 7.10 is amended by reference to item 3 of the Borrower's Form

10-K report for the Fiscal Year ended March 31, 2000;

(b) The Borrower has the power and authority to execute and perform this Agreement and has taken all action required for the lawful execution, delivery and performance thereof.

(c) There has been no material adverse change in the condition, financial or otherwise, of the Borrower and its Subsidiaries since the date of the most recent financial reports of the Borrower received by each

Lender under Section 8.1 of the Credit Agreement, other than changes in the

ordinary course of business, none of which has been a material adverse change;

(d) The business and properties of the Borrower and its Subsidiaries are not, and since the date of the most recent financial report of the Borrower and its Subsidiaries received by the Bank under Section 8.1 of the

Credit Agreement have not been, adversely affected in any substantial way as the result of any fire, explosion, earthquake, accident, strike, lockout, combination of workmen, flood, embargo, riot, activities of armed forces, war or acts of God or the public enemy, or cancellation or loss of any major contracts; and

(e) No event has occurred and no condition exists which, upon the consummation of the transaction contemplated hereby, constitutes a Default or an Event of Default on the part of the Borrower under the Credit Agreement or the Notes either immediately or with the lapse of time or the giving of notice, or both.

5. Conditions to Effectiveness. This Amendment Agreement shall become

effective upon receipt by the Lender of the following:

(a) four (4) counterparts of this Amendment Agreement executed by the parties hereto;

(b) an opinion of counsel for the Borrowers and each of the Guarantors in form acceptable to the Lender;

(c) copies of resolutions of the Boards of Directors of the Borrower and each of the Guarantors authorizing the transaction contemplated by this Amendment Agreement certified by the Secretary or Assistant Secretary of each Borrower and Guarantor;

(d) such other instruments and documents as the Lender may reasonably request; and

(e) payment to the Lender of an up-front fee of \$10,000 and all other fees and expenses of Lender, including reasonable fees and expenses of its counsel.

6. Entire Agreement. This Agreement sets forth the entire understanding

and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relative to such subject matter. None of the terms or conditions of this Agreement may be changed, modified, waived or canceled orally or otherwise, except by writing, signed by all the parties hereto, specifying such change, modification, waiver or cancellation of such terms or conditions, or of any proceeding or succeeding breach thereof.

7. Full Force and Effect of Agreement. Except as hereby specifically

amended, modified or supplemented, the Credit Agreement and all of the other Loan Documents are hereby confirmed and ratified in all respects and shall remain in full force and effect according to their respective terms.

8. Counterparts. This Agreement may be executed in any number of

counterparts and all the counterparts taken together shall be deemed to constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers, all as of the day and year first above written.

BORROWERS:

WORLD FUEL SERVICES CORPORATION

By: /s/ Carlos Abaunza

Name: Carlos Abaunza
Title: Vice President & Chief Financial Officer

TRANS-TEC INTERNATIONAL, S.A.

By: /s/ Carlos Abaunza

Name: Carlos Abaunza
Title: Vice President & Chief Financial Officer

WORLD FUEL INTERNATIONAL, S.A.

By: /s/ Carlos Abaunza

Name: Carlos Abaunza
Title: Vice President & Chief Financial Officer

GUARANTORS:

TRANS-TEC SERVICES, INC.
ADVANCE PETROLEUM, INC.
INTERNATIONAL PETROLEUM CORPORATION
INTERNATIONAL PETROLEUM CORP. OF LA
INTERNATIONAL PETROLEUM CORP. OF MARYLAND
INTERNATIONAL PETROLEUM CORP. OF DELAWARE
WORLD FUEL SERVICES, INC.
BASEOPS INTERNATIONAL, INC.
PACIFIC HORIZON PETROLEUM SERVICES INC.
ADVANCE AVIATION SERVICES, INC.
AIR-TERMINALING, INC.

By: /s/ Carlos Abaunza

Name: Carlos Abaunza
Title: Vice President & Chief Financial Officer

LENDER:

BANK OF AMERICA, N.A.,

By: /s/ Richard M. Starke

Name: Richard M. Starke
Title: Managing Director

Exhibit 21 - Subsidiaries of the Registrant

Advance Petroleum, Inc., a Florida corporation, operates under the name "World Fuel Services of FL."

AirData Limited, a United Kingdom corporation, a wholly owned subsidiary of Baseops Europe Ltd.

Atlantic Fuel Services, S.A., a Costa Rica corporation (5)

Baseops Europe Ltd., a United Kingdom corporation, a wholly owned subsidiary of Baseops International, Inc.

Baseops International, Inc., a Texas corporation

Bunkerfuels (Del), Inc., a Delaware corporation

Bunkerfuels UK Limited, a United Kingdom corporation

Casa Petro S.A., a Costa Rica corporation

Marine Energy Arabia Co. LLC, a United Arab Emirate corporation, a majority controlled subsidiary of Marine Energy Arabia Establishment Ltd.

Marine Energy Arabia Establishment Ltd., a British Virgin Islands corporation (2)

Norse Bunkers AS, a Norway corporation (2)

Pacific Horizon Petroleum Services, Inc., a Delaware corporation

PetroServicios de Costa Rica S.A., a Costa Rica corporation (4)

PetroServicios de Mexico S.A. de C.V., a Mexico corporation (3)

Resource Recovery Atlantic, Inc., a Virginia corporation (1)(5)

Resource Recovery Mid South, Inc., a Virginia corporation (1)(5)

Resource Recovery of America, Inc., a Florida corporation (5)

Servicios Auxiliares de Mexico S.A. de C.V., a Mexico corporation (3)

Trans-Tec International S.R.L., a Costa Rica corporation

Trans-Tec Services, Inc., a Delaware corporation

Trans-Tec Services (Japan) Co., K.K., a Japan corporation, a wholly owned subsidiary of Trans-Tec Services (Singapore) PTE. Ltd.

Trans-Tec Services (UK) Ltd., a United Kingdom corporation

Trans-Tec Services (Singapore) PTE. Ltd., a Singapore corporation, a wholly owned subsidiary of Trans-Tec Services (UK) Ltd.

World Fuel ApS, a Denmark corporation

World Fuel International S.R.L., a Costa Rica corporation

World Fuel Services, Inc., a Texas corporation

World Fuel Services, Ltd., a United Kingdom corporation

World Fuel Services (Singapore) PTE. Ltd., a Singapore corporation

- (1) These corporations are wholly owned subsidiaries of Resource Recovery of America, Inc.
- (2) These corporations are wholly owned subsidiaries of World Fuel ApS.
- (3) These corporations are owned 50% by Advance Petroleum, Inc. and 50% by World Fuel Services Corporation.
- (4) This corporation is owned 55% by Casa Petro S.A. and 45% by World Fuel Services Corporation.
- (5) These corporations are inactive.