

**Item 1. Financial Statements**

**World Fuel Services Corporation  
Consolidated Balance Sheets**

(Unaudited—In thousands, except share and per share data)

	As of	
	March 31, 2007	December 31, 2006
<b>Assets:</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 164,545	\$ 176,495
Short-term investments	27,544	12,500
Accounts receivable, net	886,260	860,084
Inventories	65,827	74,519
Receivables related to derivative contracts	47,062	37,070
Prepaid expenses and other current assets	43,405	35,423
Total current assets	<u>1,234,643</u>	<u>1,196,091</u>
Property and equipment, net	29,005	26,730
Goodwill	44,321	44,321
Identifiable intangible assets, net	4,650	4,961
Other assets	9,207	5,297
Total assets	<u>\$1,321,826</u>	<u>\$1,277,400</u>
<b>Liabilities:</b>		
<b>Current liabilities:</b>		
Short-term debt	\$ 8	\$ 10
Accounts payable	731,905	720,790
Payables related to derivative contracts	49,653	34,209
Accrued expenses and other current liabilities	62,291	71,752
Total current liabilities	<u>843,857</u>	<u>826,761</u>
Long-term debt	20,061	20,062
Liabilities for unrecognized tax benefits, interest and penalties	23,172	—
Deferred compensation and other long-term liabilities	5,015	4,608
Total liabilities	<u>892,105</u>	<u>851,431</u>
<b>Commitments and contingencies</b>		
<b>Shareholders' equity:</b>		
Preferred stock, \$1.00 par value; 100,000 shares authorized, none issued	—	—
Common stock, \$0.01 par value; 50,000,000 shares authorized, 28,526,000 shares and 28,488,000 shares issued and outstanding at March 31, 2007 and December 31, 2006, respectively	285	285
Capital in excess of par value	172,258	170,275
Retained earnings	257,026	255,245
Accumulated other comprehensive income	152	164
Total shareholders' equity	<u>429,721</u>	<u>425,969</u>
Total liabilities and shareholders' equity	<u>\$1,321,826</u>	<u>\$1,277,400</u>

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