

**World Fuel Services Corporation**  
**Consolidated Statements of Cash Flows**  
(Unaudited—In thousands)

	For the Three Months ended March 31,	
	2007	2006
<b>Cash flows from operating activities:</b>		
Net income	\$ 14,829	\$ 14,978
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for bad debts	(387)	508
Depreciation and amortization	1,332	1,004
Deferred income tax (benefit) provision	(124)	2,487
Share-based payment compensation costs for employees and non-employee directors	1,829	934
Unrealized losses (gains) from derivatives and related hedged items, net	337	(426)
Other non-cash operating charges	(49)	193
Changes in operating assets and liabilities:		
Accounts receivable	(25,789)	(70,892)
Inventories	11,157	(7,162)
Receivables related to derivative contracts	(10,041)	(16,317)
Prepaid expenses and other current assets	(6,279)	(12,265)
Other assets	(473)	131
Accounts payable	11,117	83,076
Payables related to derivative contracts	12,640	16,861
Accrued expenses and other current liabilities	(5,002)	10,048
Liabilities for unrecognized tax benefits, interest and penalties	1,108	—
Deferred compensation and other long-term liabilities	368	(233)
Total adjustments	(8,256)	7,947
Net cash provided by operating activities	6,573	22,925
<b>Cash flows from investing activities:</b>		
Capital expenditures	(2,604)	(2,062)
Purchase of short-term investments	(15,058)	(21,055)
Proceeds from the sale of short-term investments	50	21,055
Acquisition of minority interests	—	(2,600)
Net cash used in investing activities	(17,612)	(4,662)
<b>Cash flows from financing activities:</b>		
Dividends paid on common stock	(1,063)	(1,027)
Minority interest distribution	—	(512)
Repayment of promissory notes	—	(500)
Proceeds from exercise of stock options	429	467
Purchases of stock tendered by employees to satisfy the required withholding taxes related to share-based awards	(371)	(65)
Other	94	(233)
Net cash used in financing activities	(911)	(1,870)
Net (decrease) increase in cash and cash equivalents	(11,950)	16,393
Cash and cash equivalents, at beginning of period	176,495	133,284
Cash and cash equivalents, at end of period	<u>\$ 164,545</u>	<u>\$ 149,677</u>

**Supplemental Schedule of Noncash Investing and Financing Activities:**

Cash dividends declared, but not yet paid, were \$1.1 million and \$1.0 million at March 31, 2007 and 2006, respectively, and were paid in April 2007 and 2006, respectively.

We had capital expenditures of approximately \$1.9 million and \$1.0 million at March 31, 2007 and 2006, respectively, which were included in accrued expenses and other current liabilities.

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