



World Fuel Services Corporation

2016 Third Quarter Earnings Call
October 27, 2016



Safe Harbor Statement

Caution Concerning Forward Looking Statements

Certain statements made today, including comments about World Fuel's expectations regarding future plans, performance and acquisitions are forward-looking statements that are subject to a range of uncertainties and risks that could cause World Fuel's actual results to materially differ from the forward-looking information. A description of the risk factors that could cause results to materially differ from these projections can be found in World Fuel's Form 10-K for the year ended December 31, 2015 and other reports filed with the Securities and Exchange Commission. World Fuel assumes no obligation to revise or publicly release the results of any revisions to these forward-looking statements in light of new information or future events.

This presentation includes certain non-GAAP financial measures, as defined in Regulation G. A reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures is included in World Fuel's press release and can be found on its website.

Business Overview



Michael Kasbar

Chairman and Chief Executive Officer

Third Quarter Overview

- **Third quarter adjusted earnings of \$45 million or \$0.65 diluted earnings per share**
- **Aviation posted record results in volume and profitability**
 - 13% volume growth year-over-year
 - Corporate and general aviation continues to perform well
 - We will begin the phased acquisition of ExxonMobil fueling operations in Q4
- **Marine market continued to experience poor macroeconomic environment**
 - We are taking steps to reduce our cost structure
- **Continued market share growth in the land segment**
 - We are at an annual volume runrate of more than 5 ½ billion gallons
 - Focus on further market penetration and expansion as we head into the seasonally strongest quarters for the segment
- **Our deep market knowledge, solid balance sheet and integrated global platform makes us a reliable counterparty for suppliers and customers**

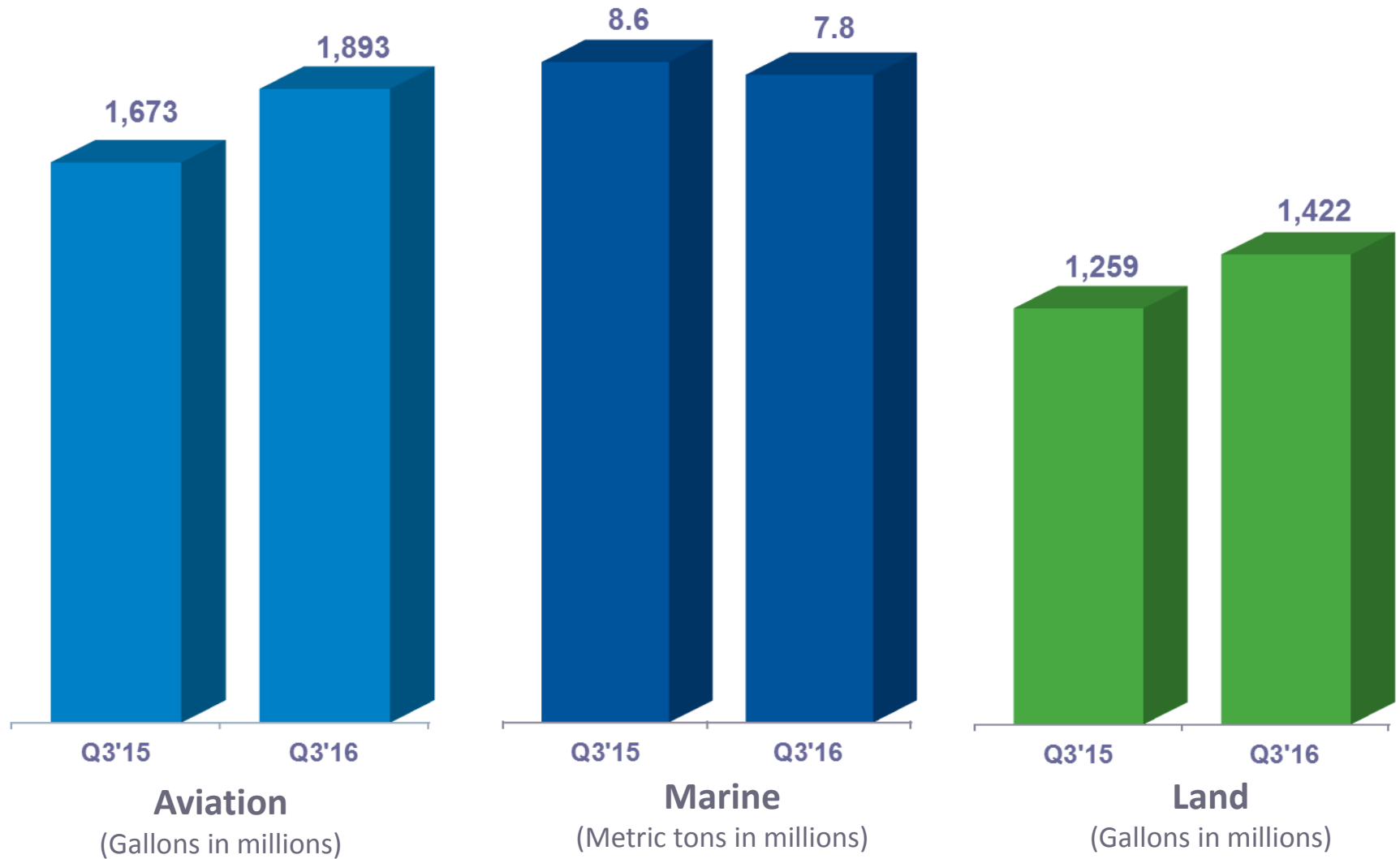
Financial Overview



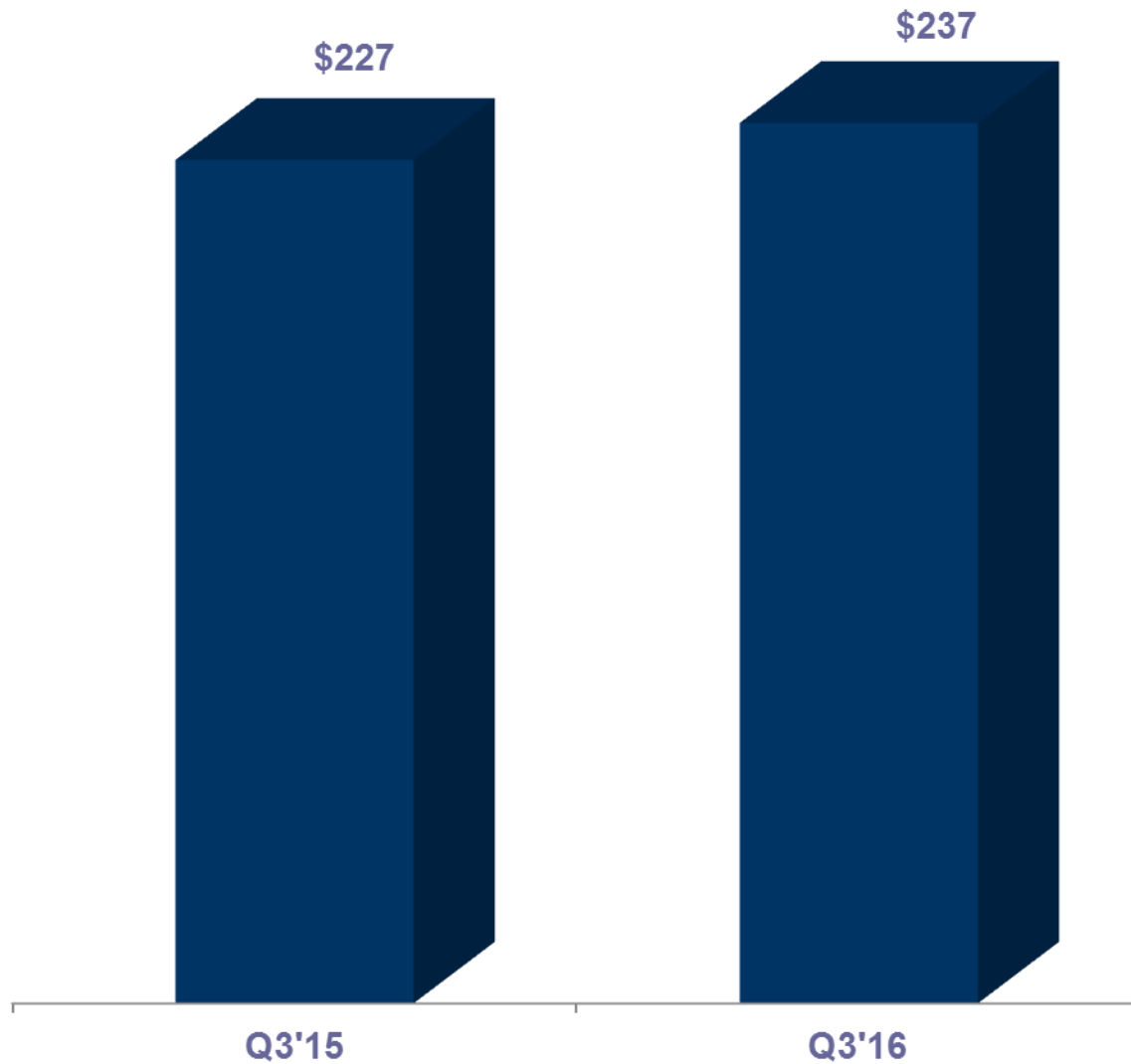
Ira Birns

Executive Vice President and
Chief Financial Officer

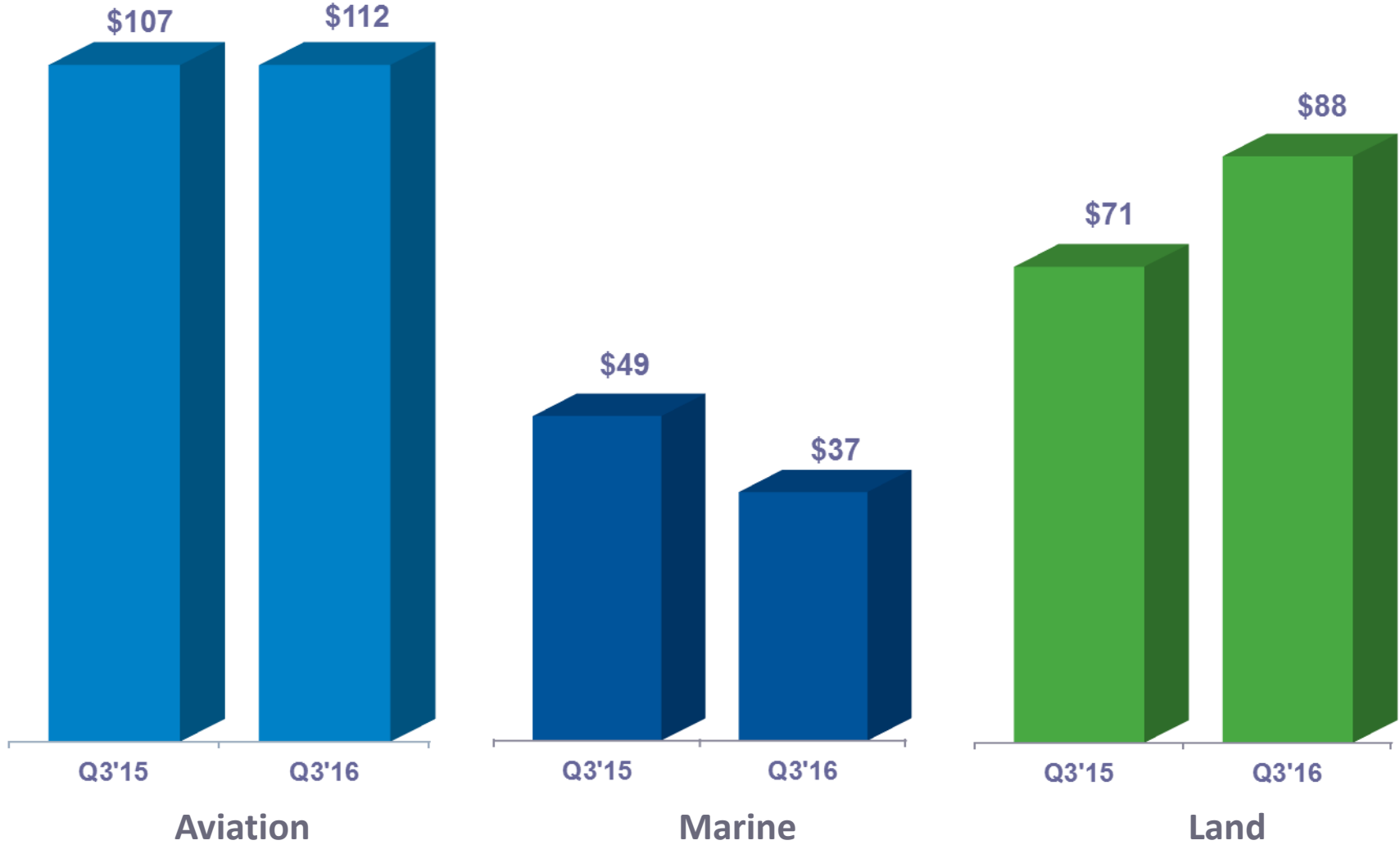
Volume by Segment



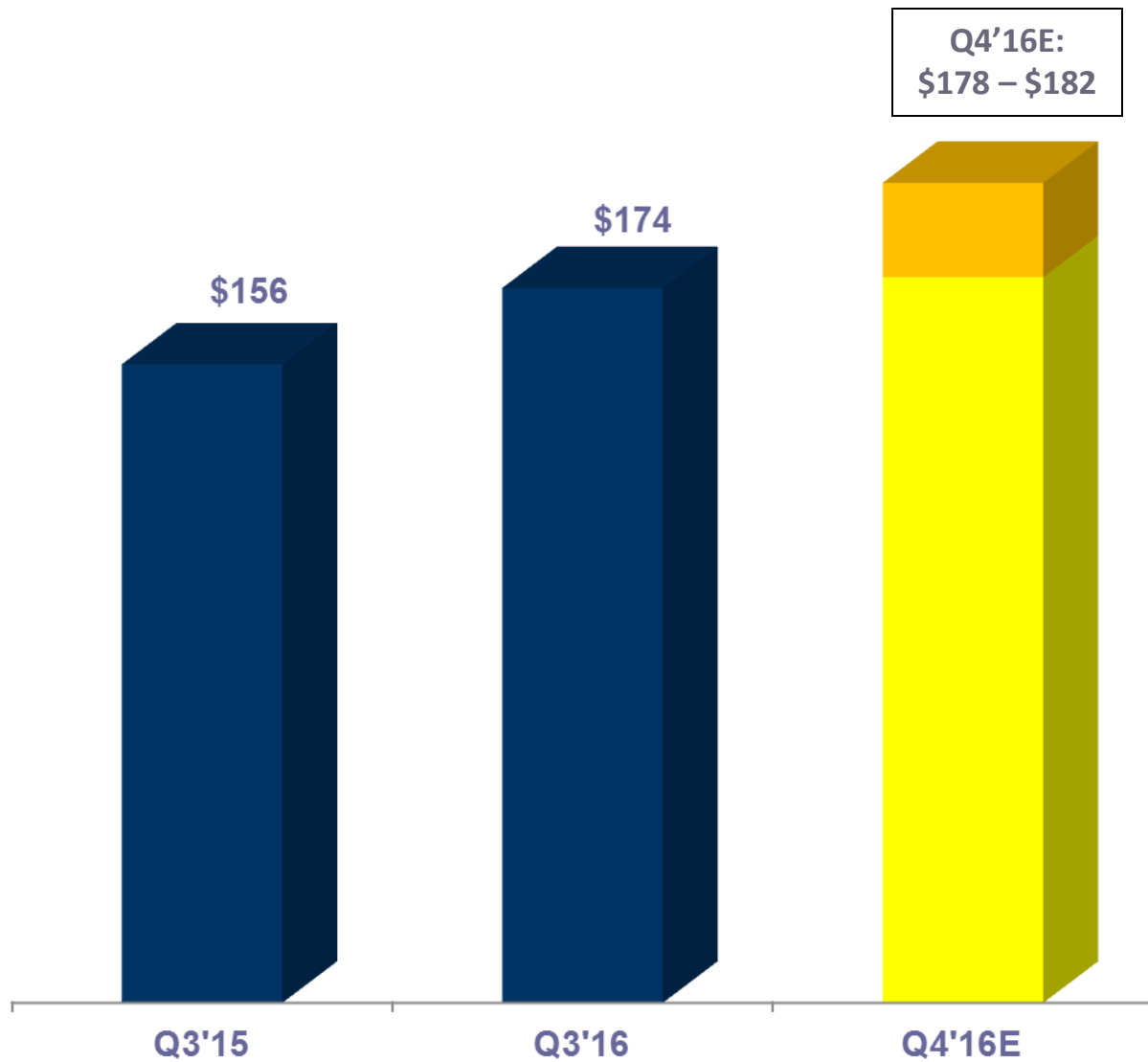
Consolidated Gross Profit (\$ in millions)



Gross Profit by Segment (\$ in millions)



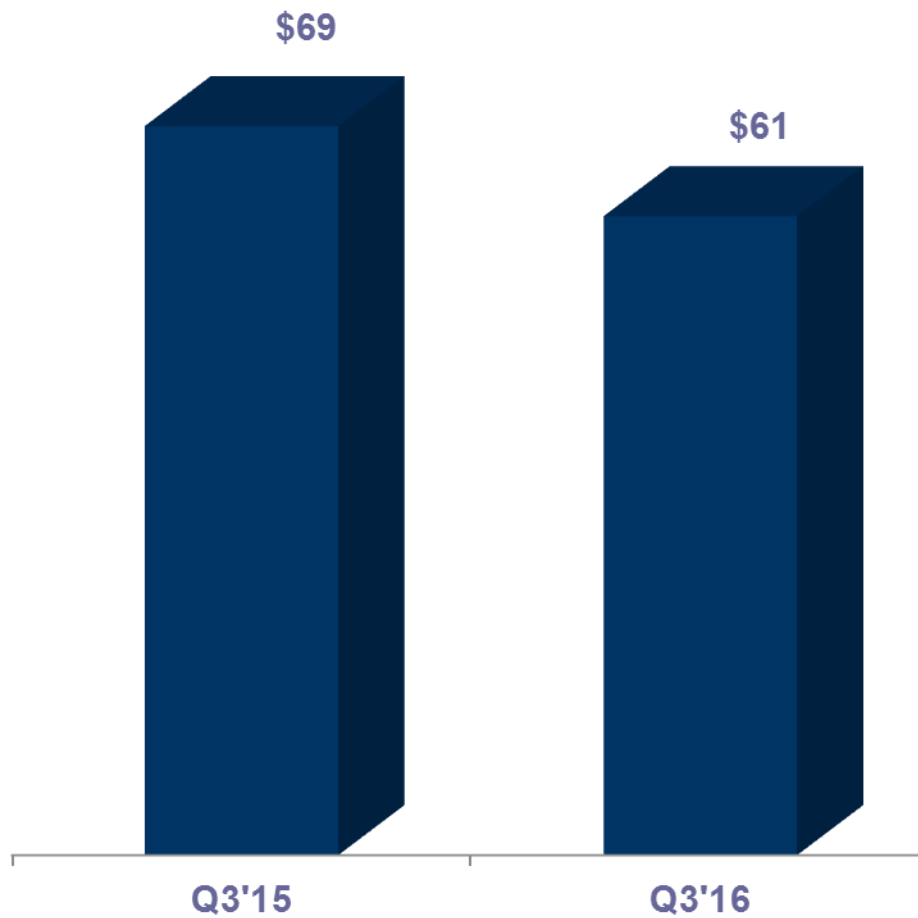
Consolidated Operating Expenses (excluding bad debt provision) (\$ in millions)



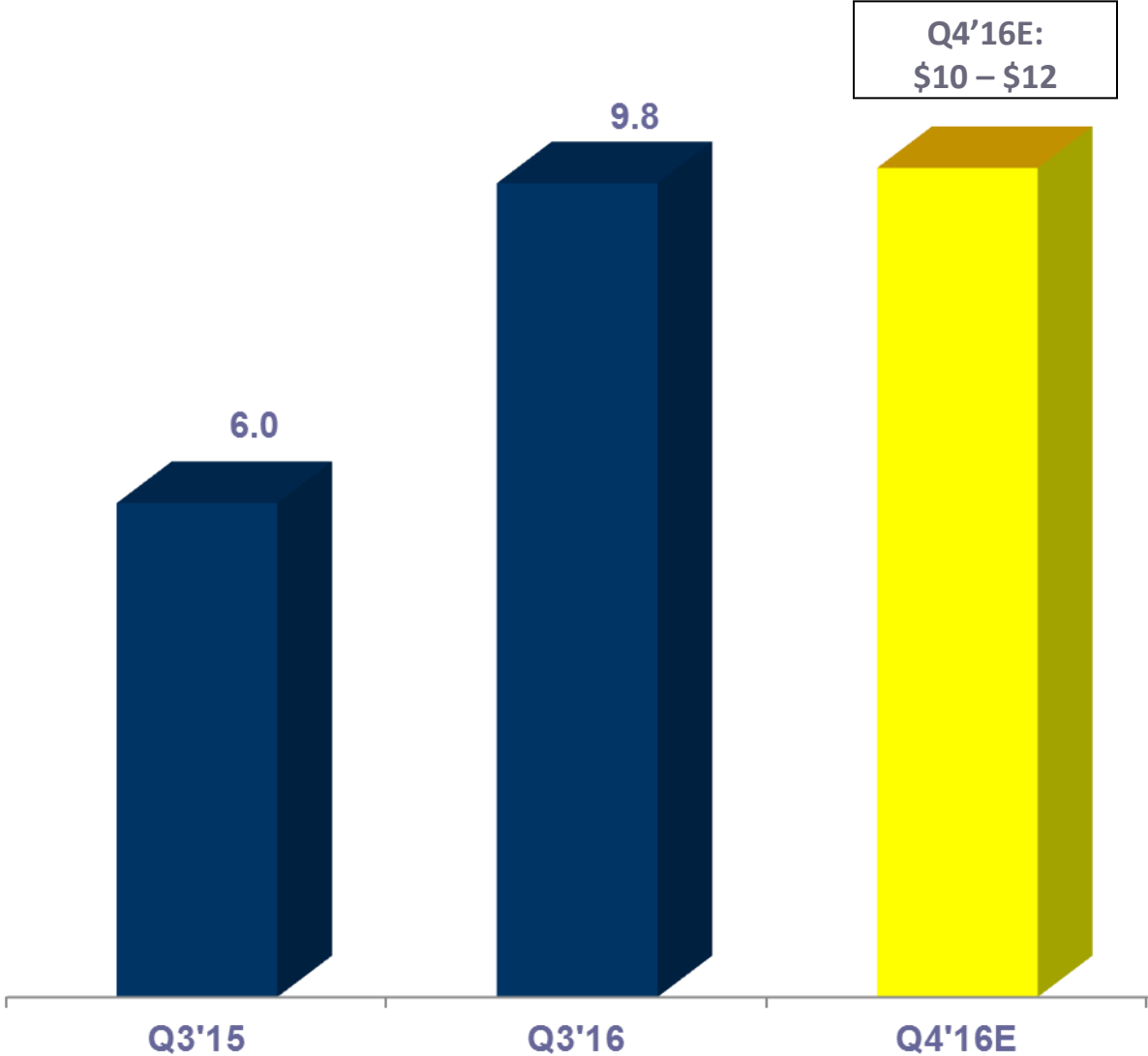
Reconciliation of Non-Recurring Items (\$ in millions)

Aviation segment	\$1.7
Land segment	\$0.7
Marine segment	\$0.2
Total non-recurring items	<u>\$2.6</u>

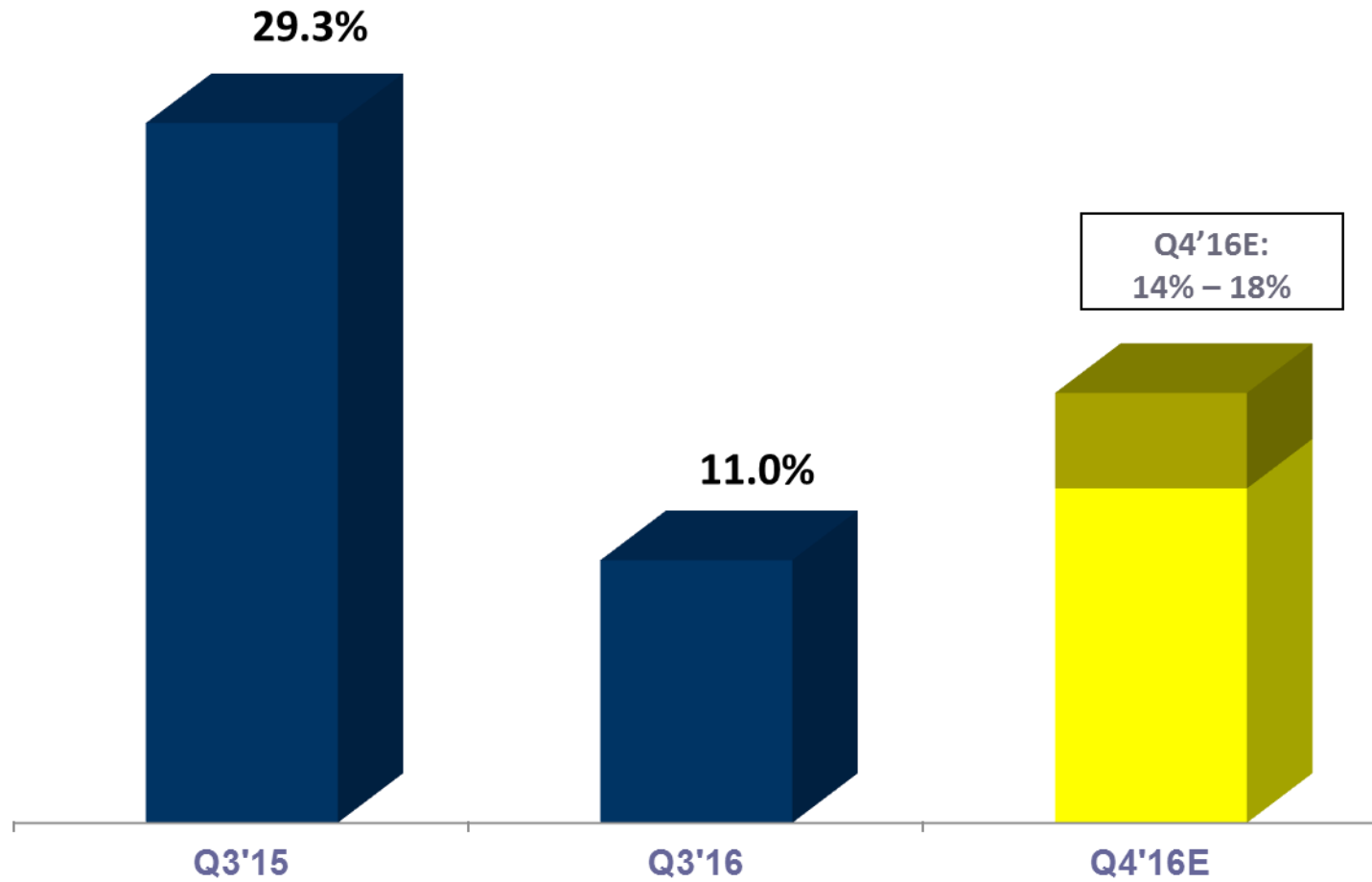
Consolidated Income From Operations (\$ in millions)



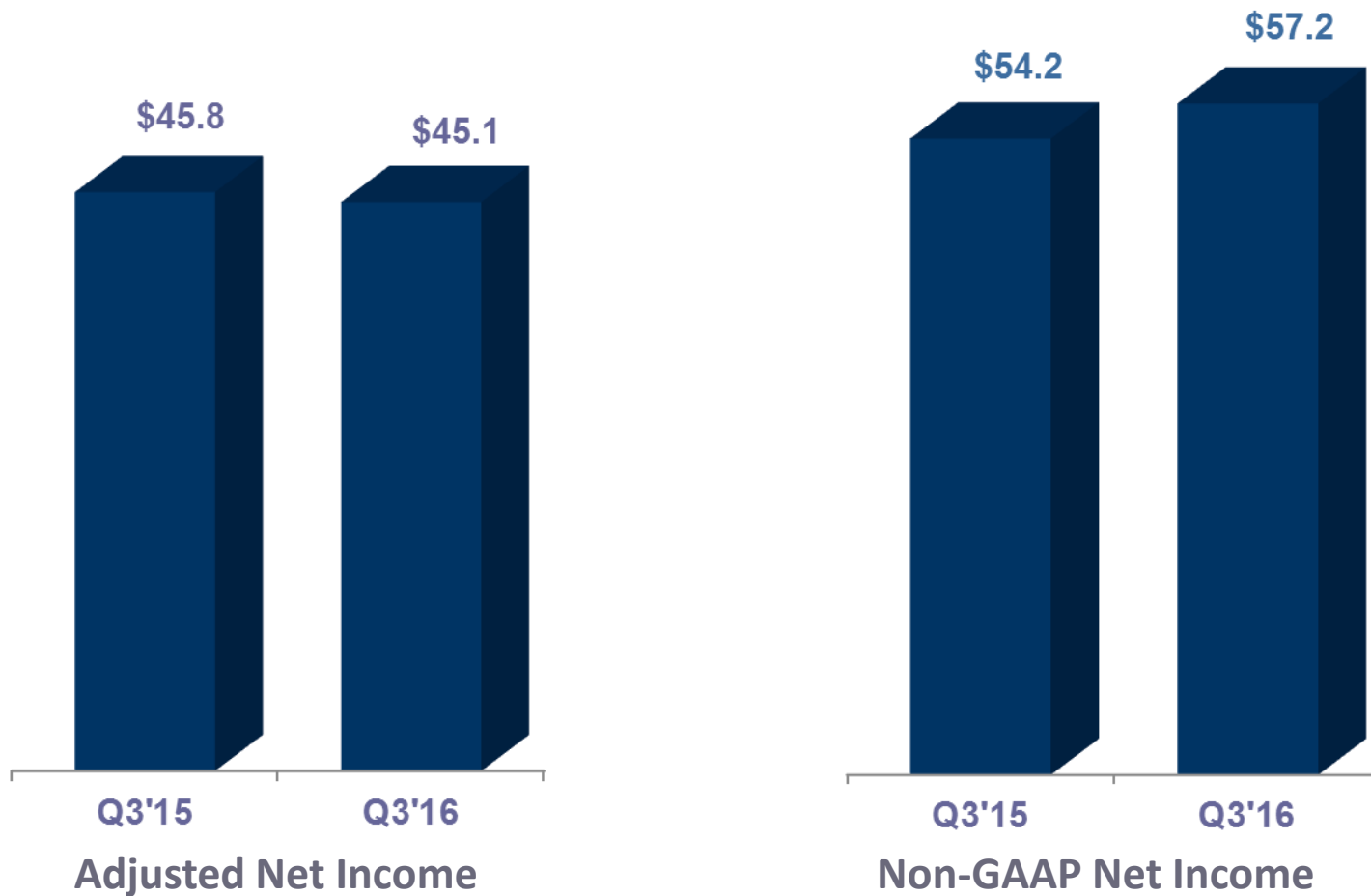
Non-Operating Expense (\$ in millions)



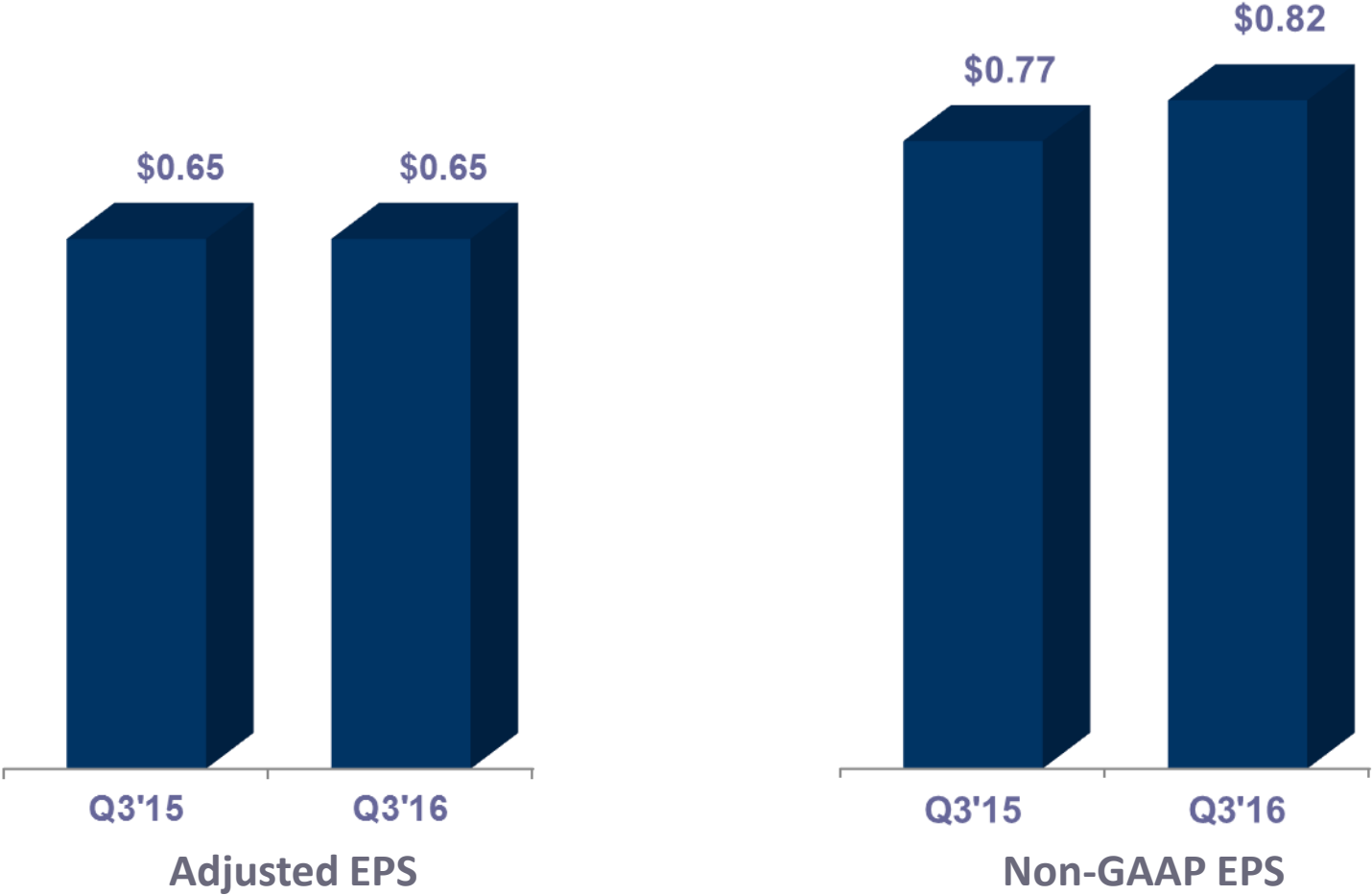
Effective Tax Rate



Net Income (\$ in millions)



Diluted Earnings Per Share



Balance Sheet Management

- **Total accounts receivable was \$2 billion at quarter end**
 - Effectively flat with the third quarter of 2015
- **Net working capital was \$989 million**
 - Net working capital increased \$166 million principally due to recent acquisitions
- **Generated \$19 million of operating cash flow during quarter**
 - Positive operating cash flow for the past seventeen consecutive quarters
- **Increased size of overall bank facility by approximately \$500 million to \$2.1 billion**
 - Extended maturity of our revolving credit facility and term loans to 2021

In Closing

- **Our balance sheet continues to benefit from consistent cash flow generation and we amended our bank facilities which will significantly increase our liquidity available to invest in our business**
- **Our diversified business model continues to serve us well as we grow market share**
- **The addition of recent acquisitions, aided by our previously announced cost reduction initiatives, add to our excitement about the prospects of strong performance in 2017 and beyond**

Questions & Answers

Earnings Reconciliation (\$ in millions, except per share data)

	<u>Q3 2015</u>	<u>Q3 2016</u>
Revenue, as reported	\$ 7,810.7	\$ 7,399.8
Gross profit, as reported	\$ 226.7	\$ 236.7
Operating expenses, as reported	\$ 160.4	\$ 178.4
Expenses related to the acquisitions and other non-recurring charges	(3.0)	(2.6)
Operating expenses, as adjusted	<u>\$ 157.3</u>	<u>\$ 175.9</u>
Operating income, as reported	\$ 66.3	\$ 58.2
Expenses related to the acquisitions and other non-recurring charges	3.0	2.6
Operating income, as adjusted	<u>\$ 69.4</u>	<u>\$ 60.8</u>
Income before tax, as reported	\$ 60.4	\$ 48.4
Expenses related to the acquisitions and other non-recurring charges	3.0	2.6
Income before tax, as adjusted	<u>\$ 63.4</u>	<u>\$ 51.0</u>
Provision for income taxes, as reported	\$ 17.7	\$ 5.4
Expenses related to the acquisitions and other non-recurring charges	0.9	0.2
Provision for income taxes, as adjusted	<u>\$ 18.6</u>	<u>\$ 5.6</u>
Minority interest , as reported	\$ (1.0)	\$ 0.3
Net income , as reported	\$ 43.7	\$ 42.7
Expenses related to the acquisitions and other non-recurring charges	2.1	2.3
Net income, as adjusted	<u>\$ 45.8</u>	<u>\$ 45.1</u>
Diluted earnings per common share, as reported	\$ 0.62	\$ 0.61
Expenses related to the acquisitions and other non-recurring charges	\$ 0.03	\$ 0.03
Diluted earnings per common share, as adjusted	<u>\$ 0.65</u>	<u>\$ 0.65</u>