



First Quarter 2019 Earnings Call

Thursday, April 25, 2019



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 most recent Form 10-K 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

Financial Overview

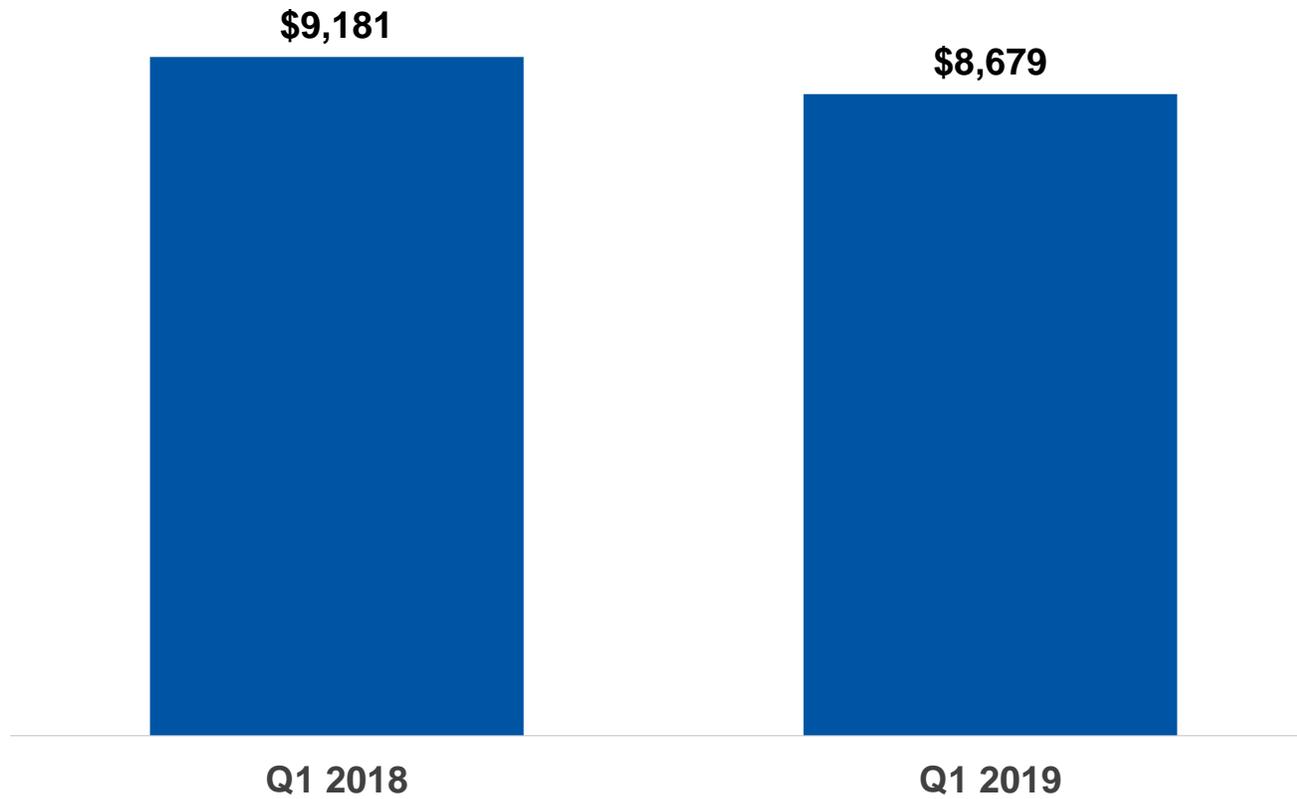
Ira Birns

Executive Vice President and
Chief Financial Officer

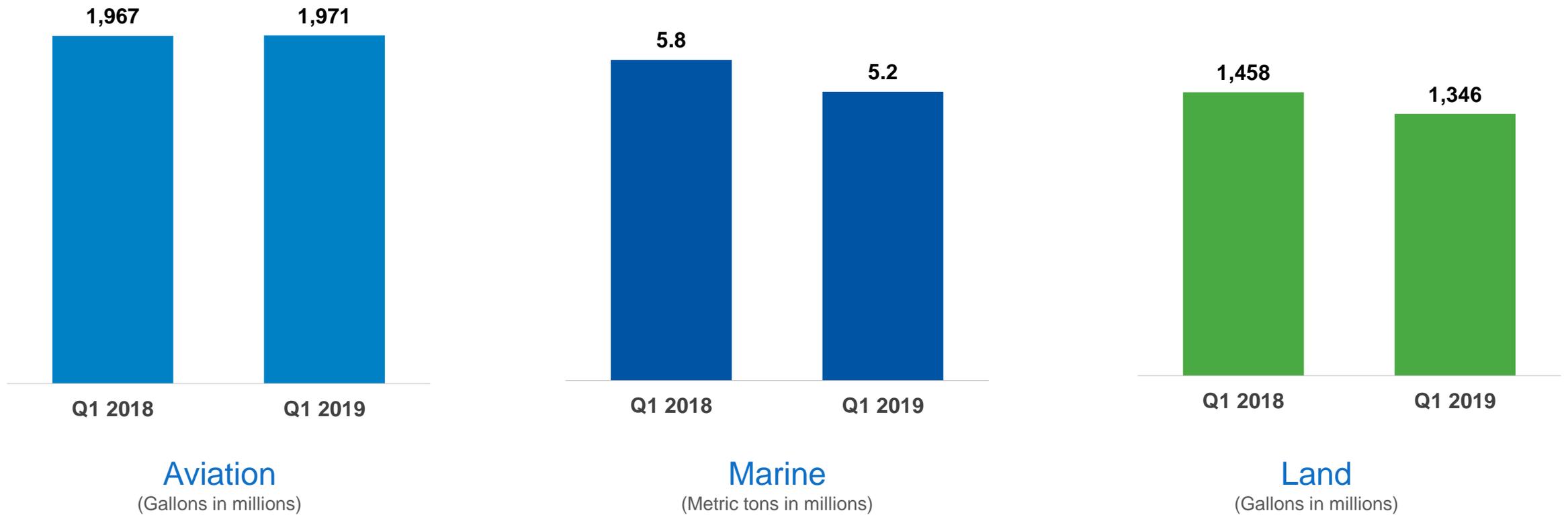
Financial Overview

- ❑ Adjusted EBITDA for the first quarter was \$95 million, up \$14 million or 17%
- ❑ Improved operating leverage; 2019 improvement target remains 250 bps
- ❑ Net debt-to-adjusted EBITDA fell to 1.3x

Consolidated Revenue (\$ in millions)



Volume by Segment

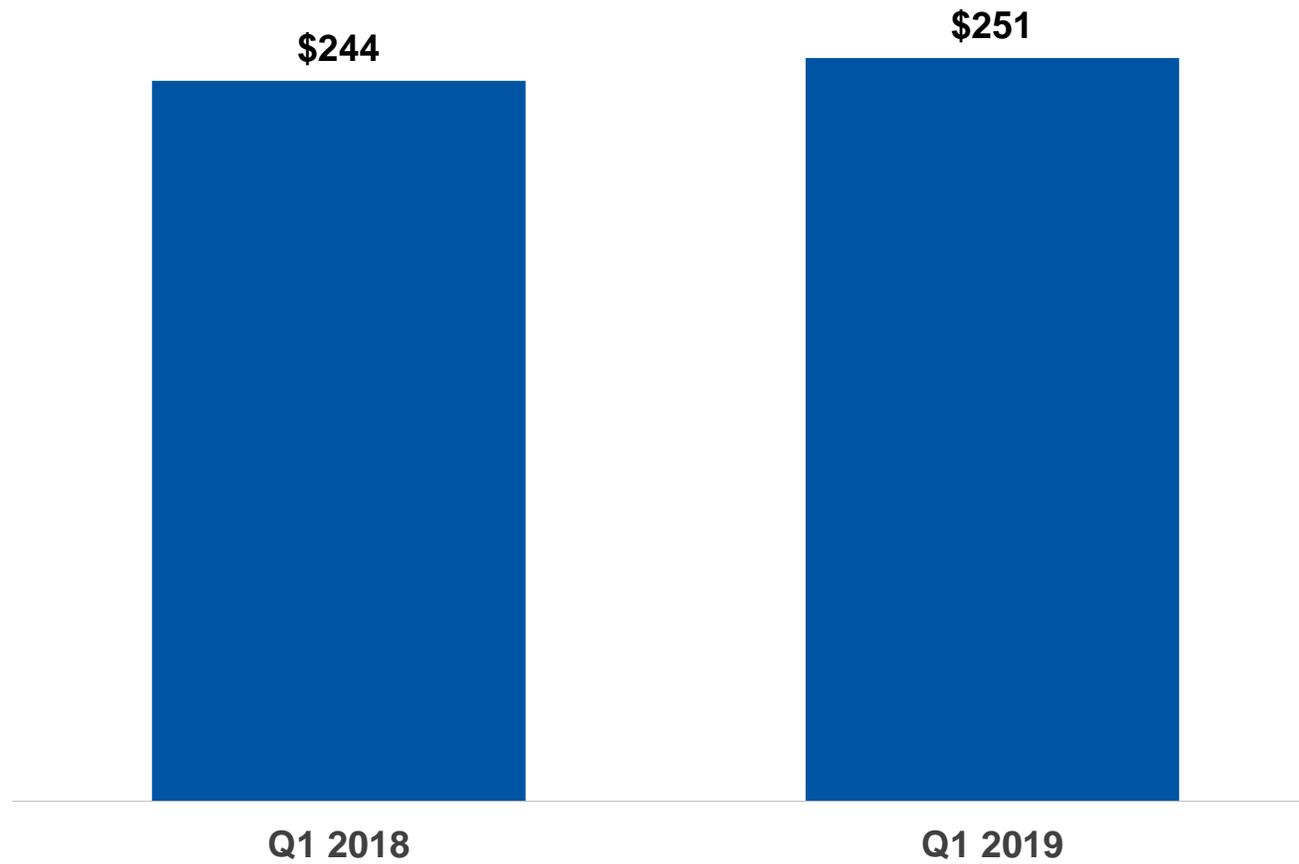


Non-Operational Items ⁽¹⁾ (\$ in millions)

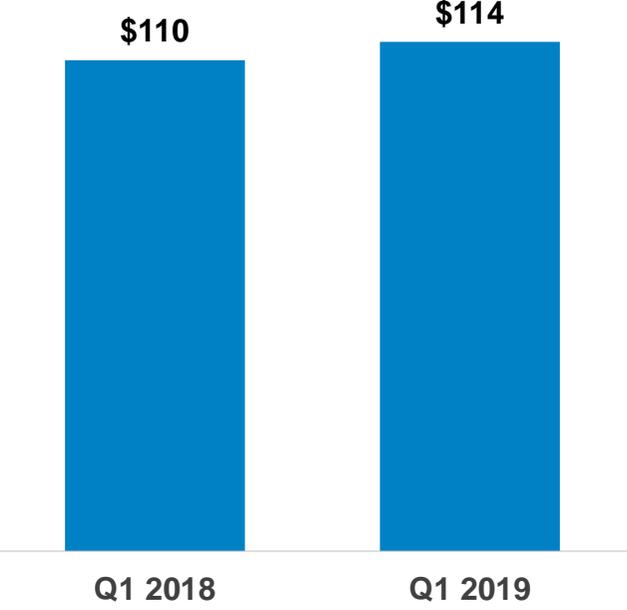
LAND SEGMENT	\$1.1
UNALLOCATED CORPORATE.....	\$0.4
AVIATION SEGMENT	\$0.4
MARINE SEGMENT.....	\$0.3
TOTAL NON-OPERATIONAL ITEMS	\$2.2

(1) Consists of acquisition, severance and other restructuring costs.

Consolidated Gross Profit (\$ in millions)



Gross Profit by Segment (\$ in millions)



Aviation



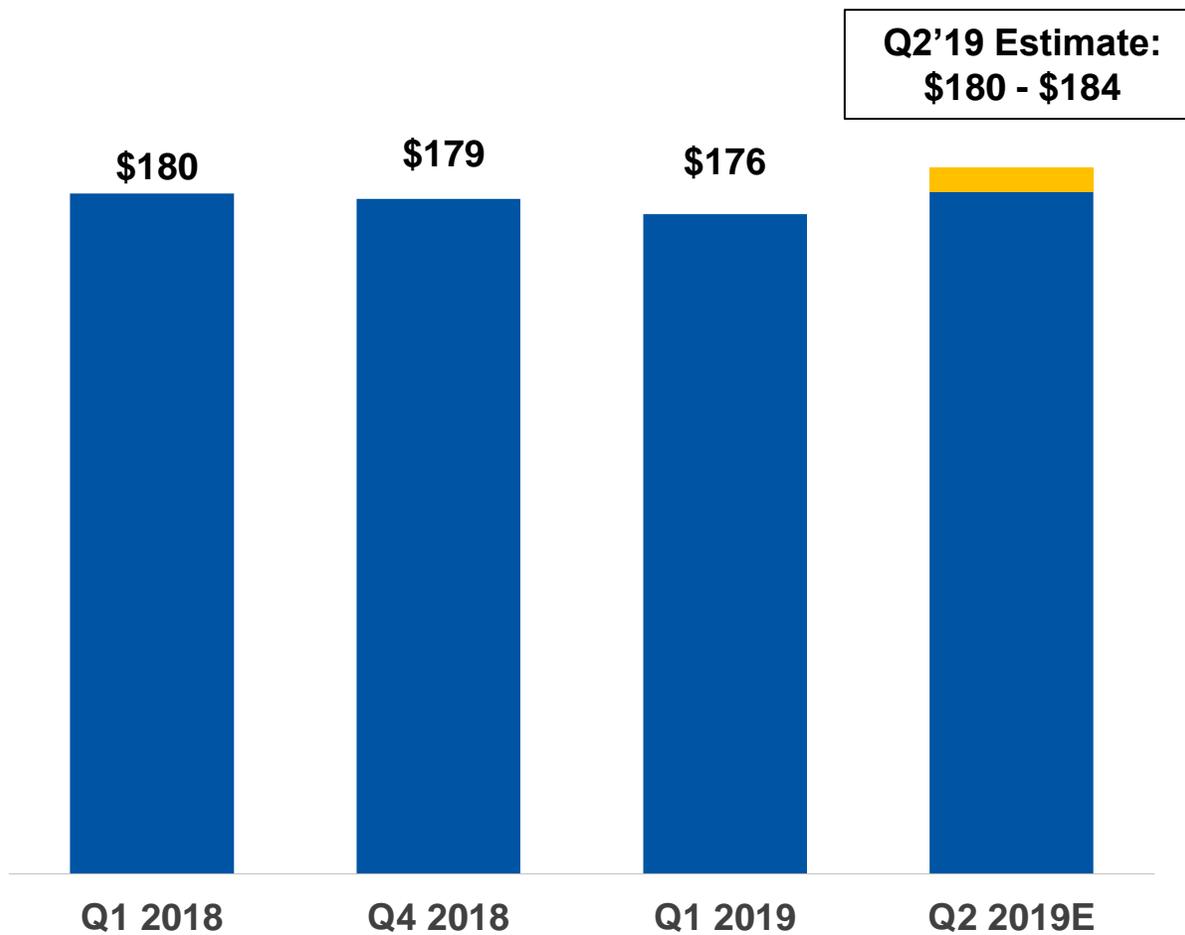
Marine



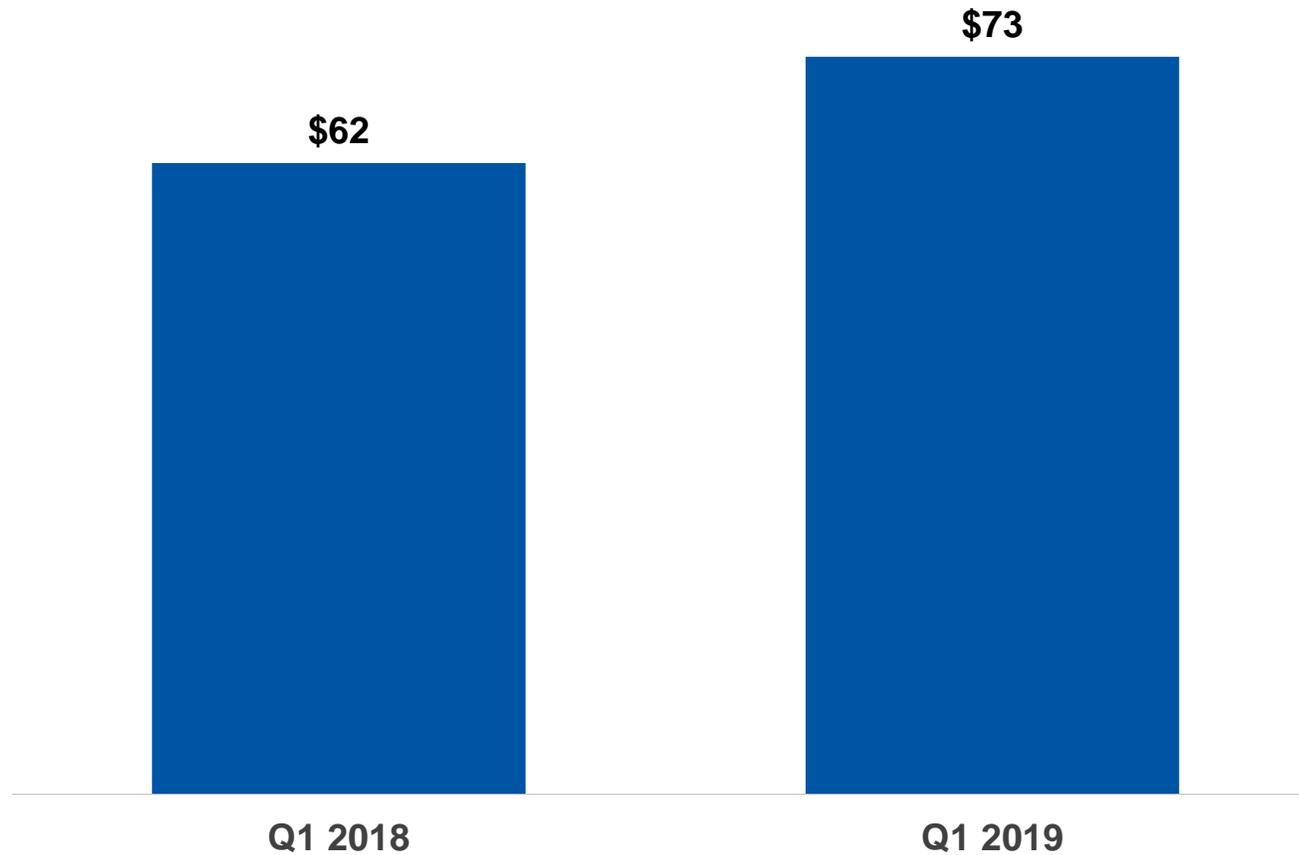
Land

Consolidated Operating Expenses (excluding bad debt provision)

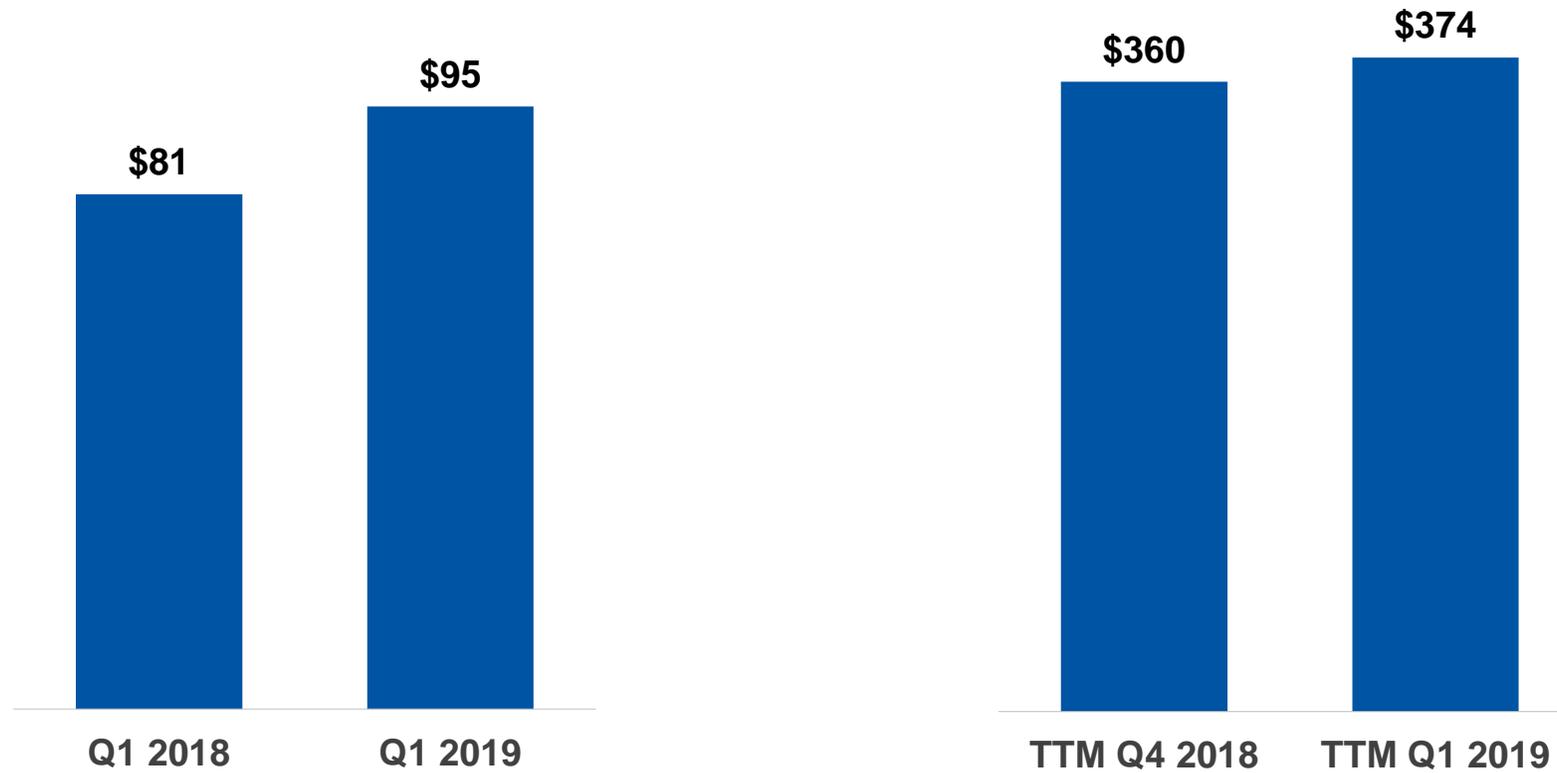
(\$ in millions)



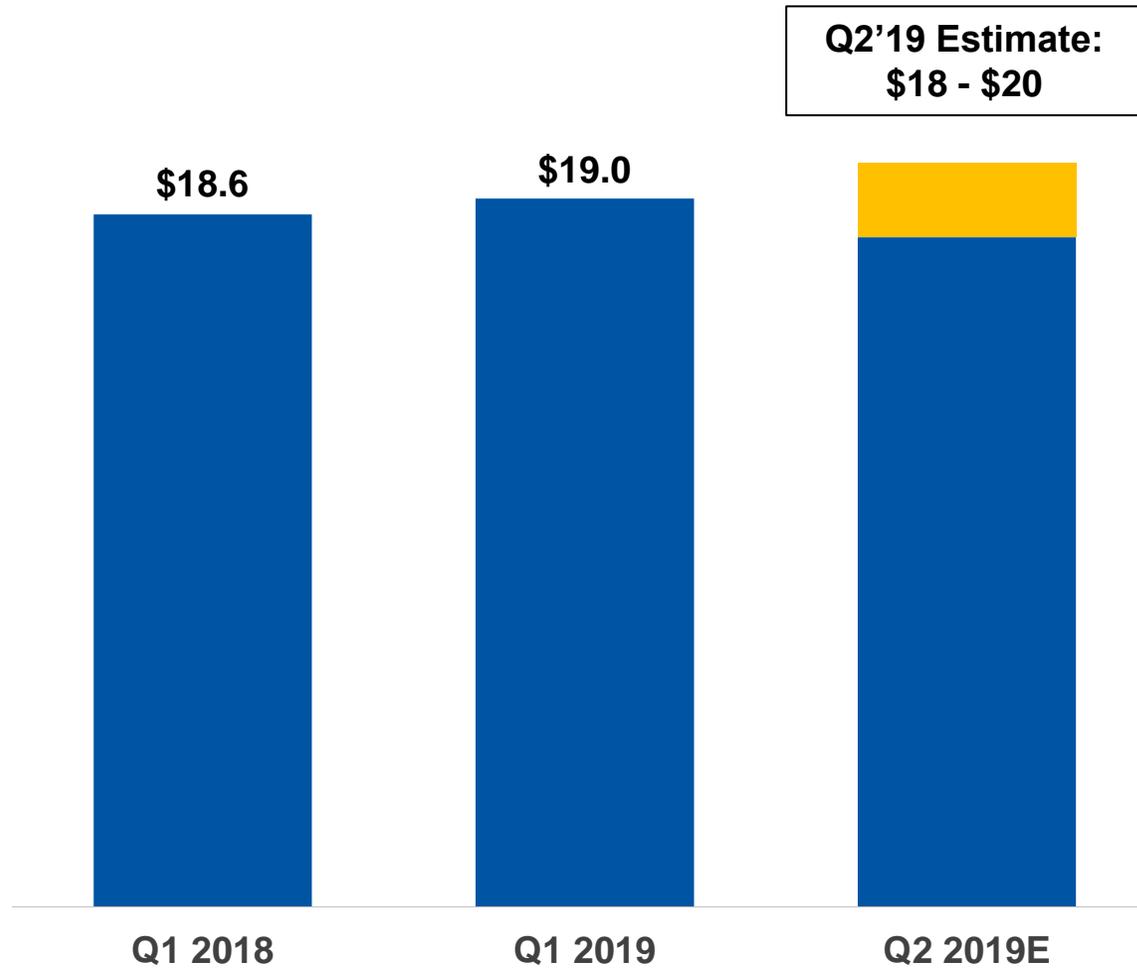
Consolidated Income From Operations (\$ in millions)



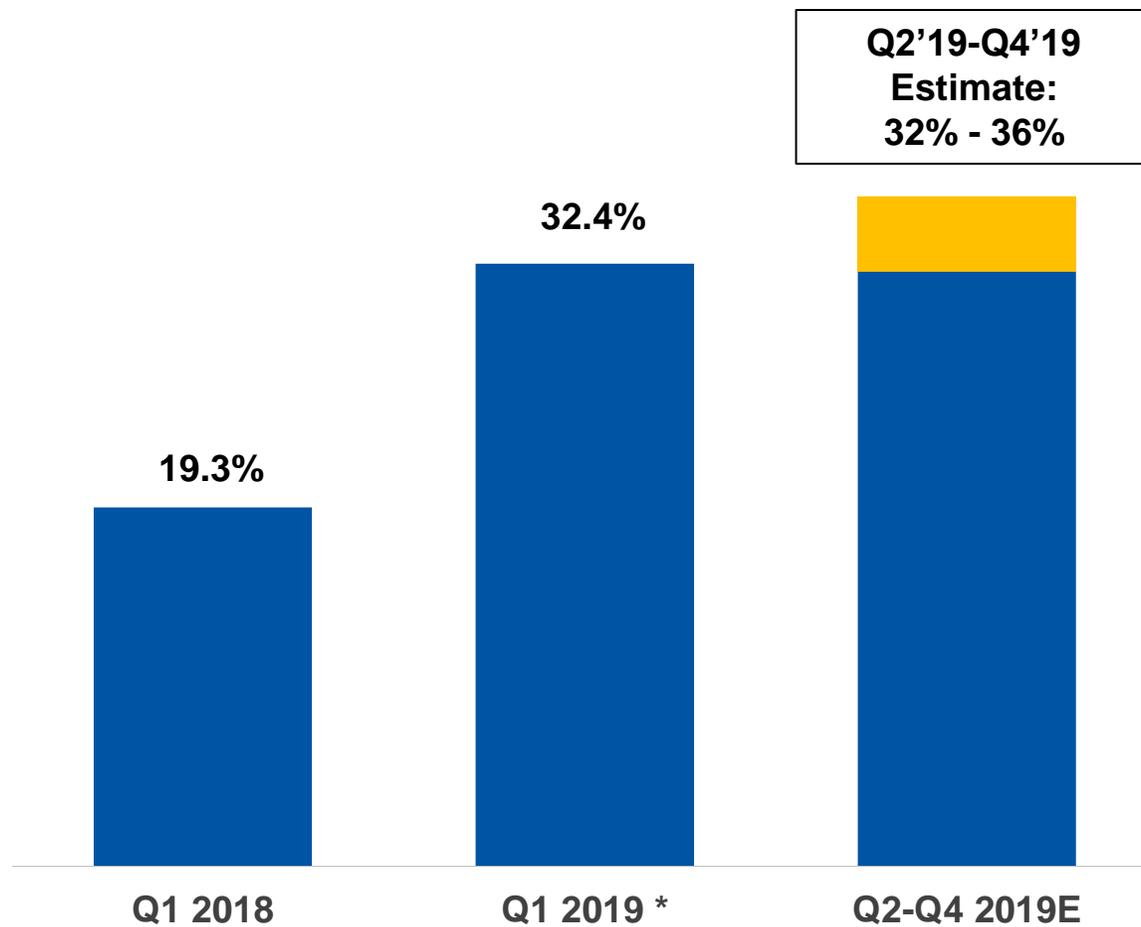
Consolidated EBITDA (\$ in millions)



Non-Operating Expenses (\$ in millions)



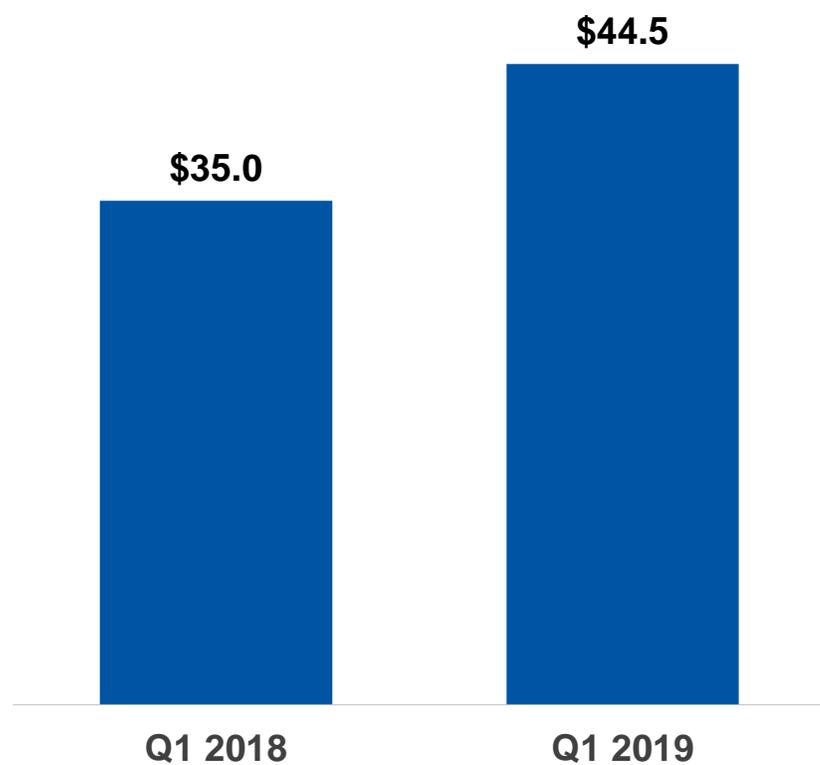
Effective Tax Rate



* Q1 2019 excludes a discrete tax benefit of \$8.8 million which corrects a prior period with respect to a foreign tax filing

Adjusted Net Income & Adjusted Diluted Earnings Per Share

(\$ in millions except EPS)



Adjusted Net Income



Adjusted Diluted EPS

Balance Sheet Management

Total Accounts Receivable
\$2.7 Billion at quarter end

Cash Flow from Operations
\$22 million generated in the first quarter

Net debt-to-Adjusted EBITDA
1.3x driven by solid working capital management



Financial Overview

- We delivered strong results while further improving our balance sheet and liquidity profile
- We remain focused on sharpening our portfolio of business activities
- Continued focus on cost control resulted in improvement in operating expense ratio
- We remain focused on delivering 250 bps reduction in operating expense ratio for the full year



Questions + Answers

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

	As Reported	Adjustments ¹	As Adjusted	As Reported	Adjustments ¹	As Adjusted
Aviation						
Gross Profit	\$110.0	\$0.2	\$110.2	\$114.3	\$0.0	\$114.3
Operating Expenses	62.2	(0.8)	61.4	58.7	(0.3)	58.4
Income from Operations	47.8	1.0	48.8	55.6	0.4	56.0
Marine						
Gross Profit	31.2	-	31.2	35.2	-	35.2
Operating Expenses	22.7	(1.0)	21.6	21.7	(0.3)	21.4
Income from Operations	8.6	1.0	9.6	13.5	0.3	13.8
Land						
Gross Profit	102.2	-	102.2	101.5	0.3	101.8
Operating Expenses	82.6	(2.5)	80.1	80.5	(0.8)	79.7
Income from Operations	19.6	2.5	22.1	21.0	1.1	22.1
Corporate (Unallocated)						
Operating Expenses	18.7	(0.3)	18.4	19.7	(0.4)	19.4
Income from Operations	(18.7)	0.3	(18.4)	(19.7)	0.4	(19.4)
WFS						
Gross Profit	243.4	0.2	243.6	251.1	0.3	251.3
Operating Expenses	186.2	(4.6)	181.5	180.7	(1.9)	178.8
Income from Operations	57.2	4.9	62.1	70.4	2.2	72.5
Non-operating expense, net	18.6	-	18.6	19.0	-	19.0
Income before income taxes	38.6	4.9	43.5	51.3	2.2	53.5
Provision for income taxes	7.3	1.0	8.4	8.4	0.5	8.9
Net income (loss) attributable to noncontrolling interest	0.1	-	0.1	0.1	-	0.1
Net income	\$31.2	\$3.8	\$35.0	\$42.8	\$1.7	\$44.5
Diluted earnings per common share	\$0.46	\$0.06	\$0.52	\$0.64	\$0.03	\$0.66

1) Adjustments are related to acquisitions, severance, and other restructuring costs