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

(Mark One)

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

FOR THE FISCAL YEAR ENDED MARCH 31, 1998

[ ] 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	59-2459427
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
700 SOUTH ROYAL POINCIANA BLVD., SUITE 800 MIAMI SPRINGS, FLORIDA	33166
(Address of Principal Executive Offices)	(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 [X] 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 $223,195,000 (computed by reference to the closing sale price as of May 22, 1998).

The registrant had 12,486,411 outstanding shares of common stock, par value $.01 per share, as of May 22, 1998.

DOCUMENTS INCORPORATED BY REFERENCE:

Part III - Definitive Proxy Statement for the 1998 Annual Meeting of Shareholders.

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PART I

ITEM 1. BUSINESS

GENERAL

World Fuel Services Corporation (the "Company") markets aviation and marine fuel services, and recycles used oil. In its aviation fuel services business, the Company extends credit and provides around-the-world single-supplier convenience, 24-hour service, and competitively-priced aviation fuel and flight plans, weather reports, and other aviation related services to passenger, cargo and charter airlines, as well as corporate customers. In its marine fuel services business, the Company markets marine fuel and fuel 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 and competitively priced fuel. In its oil recycling business, the Company collects and recycles non-hazardous petroleum products and petroleum contaminated liquids throughout the southern and mid-atlantic United States. The Company sells the recycled oil to industrial and commercial customers.

Financial information with respect to the Company's business segments and foreign operations is provided in Note 7 to the accompanying financial statements.

HISTORY

The Company 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. The Company presently conducts its aviation fuel services business through ten subsidiaries and a joint venture, with principal offices in Florida, Texas, England, Singapore, Mexico, Ecuador and Costa Rica. The Company conducts its marine fuel services business through six subsidiaries with principal offices in New Jersey, California, Washington, England, Costa Rica, South Korea and Singapore, and its oil recycling business is conducted through five subsidiaries with offices in Florida, Louisiana, Maryland and Delaware. See "Item 2 - Properties" for a list of principal offices by business segment and "Exhibit 21 - - Subsidiaries of the Registrant".

The Company began operations in 1984 as a used oil recycler in the southeast United States. The Company expanded this business through acquisitions, the development of new processing technology and the establishment of new offices. 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 the state of Florida, to an international sales company covering airports throughout the world. This expansion resulted from acquisitions and the establishment of new offices.

In 1995, the Company further diversified its fuel services operations through the acquisition of a group of companies which are considered leaders in the marine fuel services business. This new segment provided the Company with operational and supplier side synergies and entry into fast growing markets in the Far East and Eastern Europe.

In January 1998, the Company purchased all of the outstanding stock of Baseops International, Inc. and its affiliates ("Baseops"). Baseops provides a sophisticated array of aviation services to a diversified clientele of corporate, government, and private aircraft worldwide.

See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 1 to the accompanying financial statements for additional information.

DESCRIPTION OF BUSINESS

AVIATION FUEL SERVICES

The Company markets aviation fuel and services to passenger, cargo and charter airlines, as well as corporate customers. The Company has developed an extensive network which enables it to provide fuel and aviation related services to customers at airports throughout the world. The aviation services offered by the Company include 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. The Company recognizes that the extension of credit is a risk but also a significant area of opportunity. Accordingly, the Company extends unsecured credit to many of its customers.

The Company purchases its aviation fuel from suppliers worldwide. The Company's cost of fuel is generally tied to market-based formulas or is government controlled. The Company is usually extended unsecured trade credit for its fuel purchases. However, certain suppliers require a letter of credit. The Company 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, the Company 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 the Company's suppliers or delivered from the Company's inventory. Inventory is held at multiple locations in the United States for competitive reasons and inventory levels are kept at an operating minimum. The Company has arrangements with its suppliers and other third parties for the delivery of fuel.

The primary risk in the Company's aviation fueling business is the extension of unsecured trade credit. The Company's success in attracting business has been due, in large part, to its willingness to extend credit on an unsecured basis to customers which exhibit a higher credit risk profile and would otherwise be required to prepay or post cash collateralized letters of credit with their suppliers of fuel. 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. Active management of this risk is essential to the Company's success. A strong capital position and liquidity provide the financial flexibility necessary to respond to customer needs. Diversification of risk is difficult since the

Company sells primarily within the airline industry. The Company's management meets regularly to evaluate credit exposure in the aggregate, and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio.

The level of credit granted to a customer is largely influenced by its estimated fuel requirements for thirty to forty-five days. This period of time represents the average business cycle of the Company's typical customer. The Company regularly monitors its credit portfolio by reviewing a customer's payment patterns and estimated overall exposure, including estimated unbilled fuel sales.

During the fiscal years ended March 31, 1998, 1997 and 1996, none of the Company's aviation fuel customers accounted for more than 10% of the Company's consolidated revenue. The Company currently employs 128 persons in its aviation fuel services segment.

MARINE FUEL SERVICES

The Company, through its Trans-Tec Services subsidiaries, markets marine fuel and services related to the marine business 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 the world.

Through strategic sales offices located in the United States, Singapore, England, Denmark, South Africa, South Korea and Costa Rica, Trans-Tec Services 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 look to outsource their marine fuel purchasing and/or marketing needs, Trans-Tec Services' value added service has become an integral part of the oil and transportation industries' push to shed non-core functions. Suppliers use Trans-Tec Services' global sales, marketing and financial infrastructure to sell a spot or ratable volume of product to a diverse, international purchasing community. End customers use Trans-Tec Services' real time analysis of the availability, quality, and price of marine fuels in ports worldwide to maximize their competitive position.

Trans-Tec Services 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 end user, and expedites the arrangements for the delivery of fuel. For this service, Trans-Tec Services is paid a commission from the supplier. Trans-Tec Services 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. The Company holds inventory in its offshore fueling operations and assumes minimal price risk; however, in most resale transactions the Company extends unsecured trade credit.

The Company's management meets regularly to evaluate credit exposure in the aggregate and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio. The level of credit is largely influenced by a customer's credit history with the Company, including claims experience and payment patterns.

During the fiscal years ended March 31, 1998, 1997 and 1996, none of the Company's marine fuel customers accounted for more than 10% of the Company's consolidated revenue. The Company currently employs 72 persons in its marine fuel services segment.

OIL RECYCLING

The Company, through its International Petroleum Corporation subsidiaries ("IPC"), collects, blends, and recycles petroleum products and petroleum contaminated water. The Company's recycled oil products are sold primarily to industrial and commercial customers. The Company generates revenue from the sale of its recycled oil products and from fees paid by customers for the collection of used oil, contaminated water and other non-hazardous liquids.

IPC collects only non-hazardous waste oil, waste water, anti-freeze and petroleum contaminated liquids from generators such as service stations, quick lube shops, automobile dealerships, and industrial, governmental, marine, and utility generators. The Company uses its own fleet of trucks to collect approximately 60 percent of its needs from generators within close proximity to its facilities. The balance is sourced from independent collectors. Every shipment is analyzed at the collection site or at the Company's laboratories to determine its specifications and the treatment needed to convert the waste fluid into marketable fuel products.

The Company has three recycling facilities. The facilities located in Plant City, Florida and Wilmington, Delaware utilize a closed-loop, two stage distillation process. The Company's third recycling facility, located in New Orleans, Louisiana, utilizes a batch recycling process. The Company also has collection and transfer facilities in Baltimore, Maryland, Jacksonville, Florida, and Trenton, New Jersey. The resulting recycled oil product is sold as is, or it may be blended to customer specification. The Company's products range from commercial diesel fuel to #6 grade residual oil.

The used oil industry is highly fragmented and consists primarily of small scale operators that collect and resell used oil, many of which lack the necessary facilities to adequately test and recycle the oil. However, the industry also includes a few large-scale operators that have the facilities to collect, re-refine, and market lubricating products.

During the fiscal years ended March 31, 1998, 1997 and 1996, none of the Company's recycled fuel customers accounted for more than 10% of the Company's consolidated revenue. The Company currently employs 164 persons in the oil recycling segment.

POTENTIAL LIABILITY AND INSURANCE

The Company, through the use of subcontractors and its own operations, transports, stores or processes flammable aviation, marine and residual fuel subjecting it to possible claims by employees, customers, regulators and others who may be injured. In addition, the Company may be held liable for the clean-up costs of spills or releases of materials from its facilities or vehicles, or for damages to natural resources arising out of such events. The Company follows what it believes to be prudent procedures to protect its employees and customers and to prevent spills or releases of these materials. The Company's domestic and international fueling activities also subject it to the risks of significant potential liability under federal and state statutes, common law and indemnification agreements. The

Company has general and automobile liability insurance coverage, including the statutory Motor Carrier Act/MCS 90 endorsement for sudden and accidental pollution.

In the aviation and marine fuel segments, the Company utilizes subcontractors which provide various services to customers, including intoplane fueling at airports, fueling of vessels in port and at sea, and transportation and storage of fuel and fuel products. 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 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 in certain cases pursuant to current federal and state laws and regulations.

The Company continuously reviews the adequacy of its insurance coverage. However, the Company lacks coverage for various risks. A 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.

REGULATION

The Company's operations are subject to substantial regulation by federal, state and local government agencies, including, but not limited to, regulations which restrict the transportation, storage and disposal of hazardous waste and the collection, transportation, processing, storage, use and disposal of waste oil.

The principal U.S. federal statutes affecting the business of the Company 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 federal government either to seek a binding order directing responsible parties to undertake such actions or authorizes the federal government to undertake such actions and then to seek compensation for the cost of clean-up and other damages from potentially responsible parties. Congress established a federally-managed trust fund, commonly known as the Superfund, to fund response and remedial actions undertaken by the 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 natural resources. 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, complementing the Superfund program which addresses inactive and abandoned waste sites. 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 new and existing facilities to obtain permits for construction, operation and closure 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.

On November 29, 1985, the Environmental Protection Agency ("EPA") issued final regulations under RCRA which restrict the burning of waste oil. These regulations prohibit burning waste oil in non-industrial boilers unless the oil meets certain standards for levels of lead, arsenic, chromium, chlorine, cadmium, and flashpoint. The regulations do not restrict the burning of waste oil in industrial boilers and furnaces. These regulations have not had a significant impact on the Company's business because the Company does not presently sell recycled fuel to non-industrial burners. Industrial burners of recycled oil, however, must comply with certain notification and administrative procedures.

THE CLEAN AIR ACT OF 1970, as amended in 1977, was the first major federal legislation enacted after NEPA became law. The Act authorized the EPA to establish National Ambient Air Quality Standards for certain pollutants, which are to be achieved by the individual states through State Implementation Plans ("SIPs"). SIPs typically attempt to meet ambient standards by regulating the quantity and quality of emissions from specific industrial sources. For toxic emissions, the Act authorizes the EPA to regulate emissions from industrial facilities directly. The EPA also directly establishes emissions limits for new sources of pollution, and is responsible for ensuring compliance with air quality standards. The Clean Air Act Amendments of 1990 place the primary responsibility for the prevention and control of air pollution upon state and local governments. The 1990 amendments require regulated emission sources to obtain operating permits, which could impose emission limitations, standards, and compliance schedules.

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 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 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 federal programs. In addition, there are numerous state and local authorities that regulate the environment, some of which impose stricter environmental standards than federal laws and regulations. Some states, including Florida, have enacted legislation which generally provides for registration, recordkeeping, 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.

EXCISE TAX ON DIESEL, AVIATION AND MARINE FUEL. The Company's aviation and marine fueling operations are affected by various 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 foreign 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 the Company sells aviation and marine fuel, impose excise and sales taxes on fuel sales; certain sales of the Company qualify for full or partial exemptions from these state taxes.

ITEM 2. PROPERTIES

The following pages set forth by segment and subsidiary the principal properties owned or leased by the Company as of May 15, 1998. The Company considers its properties and facilities to be suitable and adequate for its present needs.

WORLD FUEL SERVICES CORPORATION AND SUSIDIARIES
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 offices	Leased to December 2002
AVIATION FUELING		
World Fuel Services of FL 700 S. Royal Poinciana Blvd., Suite 800 Miami Springs, FL 33166	Administrative, operations and sales offices	Leased to December 2002
World Fuel Services, Inc. 700 S. Royal Poinciana Blvd., Suite 800 Miami Springs, FL 33166	Administrative, operations and sales offices	Leased to December 2002
333 Cypress Run #200 Houston, Texas 77094	Administrative, operations and sales offices	Leased to February 2006
4995 East Anderson Avenue Fresno, CA 93727	Administrative, operations and sales offices	Leased month-to-month
World Fuel International S.A. 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 1999
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 2002
World Fuel Services (Singapore) Pte., Ltd. 101 Thomson Road #09-03A, United Square Singapore 307591	Administrative, operations and sales offices	Leased to June 2000
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 to March 1999
Baseops International, Inc. 333 Cypress Run #200 Houston, Texas 77094	Administrative, operations and sales offices	Leased to February 2006

WORLD FUEL SERVICES CORPORATION AND SUSIDIARIES
PROPERTIES

OWNER/LESSEE AND LOCATION	PRINCIPAL USE	OWNED OR LEASED
MARINE FUELING		
Trans-Tec Services, Inc.		
Glenpointe Center West 500 Frank W. Burr Blvd. Teaneck, NJ 07666	Administrative, operations and sales offices	Leased to May 2002
60 East Sir Francis Drake, No. 301 Larkspur, CA 94939	Administrative, operations and sales offices	Leased to December 1999
2nd Floor Kipun Building 200 Naeja-Dong Chongru-Ku Seoul, South Korea	Administrative, operations and sales offices	Leased to December 1998
Seagram House, 2nd Floor 71 Dock Road, Waterfront Capetown, South Africa 8001	Administrative, operations and sales offices	Leased to September 1998
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	Administrative, operations and sales offices	Leased month-to-month
Trans-Tec International S.A. 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 1999
Pacific Horizon Petroleum Services, Inc. 2025 First Ave., Suite 1110 Seattle, WA 98121	Administrative, operations and sales offices	Leased to July 2000
Trans-Tec Services (Signapore) PTE., LTD. 101 Thomson Road #09-03A, United Square Singapore 307591	Administrative, operations and sales offices	Leased to June 2000
OIL RECYCLING		
International Petroleum Corporation 105 South Alexander Street Plant City, FL 33566	Storage tanks, recycling plant, laboratory and administrative offices	Leased to August 2001
International Petroleum Corp. of Delaware 505 South Market Street Wilmington, DE 19801	Storage tanks, recycling plant, laboratory and administrative offices	Owned
International Petroleum Corp. of LA 14890 Intercoastal Drive New Orleans, LA 70129	Storage tanks, recycling plant, laboratory and administrative offices	Partially owned; Partially leased to August 2001
International Petroleum Corp. of Maryland 6305 East Lombard Street Baltimore, MD 21224	Collection and transfer facility and administrative offices	Owned

ITEM 3.   LEGAL PROCEEDINGS

There are no material legal proceedings to which the Company or any of its subsidiaries is a party.

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

No matter was submitted to a vote of stockholders, through the solicitation of proxies or otherwise, during the fourth quarter of fiscal year 1998.

PART II

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

The Company's common stock is traded on the New York Stock Exchange and the Pacific Stock Exchange under the symbol INT. The following table sets forth, for each quarter within the fiscal years ended March 31, 1998 and 1997, the sale prices of the Company'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. The amounts shown have been restated to reflect a 3-for-2 stock split of the Company's common stock which was effective November 17, 1997. See Note 4 to the financial statements included as part of this report.

	PRICE		CASH DIVIDENDS PER SHARE
	HIGH	LOW	
Year ended March 31, 1998			
First quarter	$14 13/16	$11 3/16	$0.05
Second quarter	16 7/8	13 7/16	0.05
Third quarter	21	15 11/16	0.05
Fourth quarter	23 9/16	18 13/16	0.05
Year ended March 31, 1997			
First quarter	$13 1/16	$11 1/16	$0.05
Second quarter	12 7/16	10 7/16	0.05
Third quarter	15	10 11/16	0.05
Fourth quarter	15 1/16	11 3/4	0.05

As of May 12, 1998, there were 359 shareholders of record of the Company's common stock. On March 19, 1998 the Company's Board of Directors approved the following cash dividend schedule for the 1999 fiscal year:

DECLARATION DATE	PER SHARE	RECORD DATE	PAYMENT DATE
June 4, 1998	$0.05	June 19, 1998	July 7, 1998
September 3, 1998	$0.05	September 18, 1998	October 7, 1998
December 3, 1998	$0.05	December 18, 1998	January 8, 1999
March 4, 1999	$0.05	March 19, 1999	April 7, 1999

The Company's loan agreement with NationsBank restricts the payment of cash dividends to a maximum of 25% of net income for the preceding four quarters. The Company's payment of the above dividends is in compliance with the NationsBank loan agreement.

In January 1998, the Company issued 150,000 shares of its Common Stock in connection with the acquisition of Baseops. During the fourth quarter of fiscal year 1998, the Company issued 70,386 shares of its Common Stock in connection with the exercise of certain employee incentive stock options. Each of the aforementioned issuances of Common Stock were 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.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data has been summarized from the Company'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."

SELECTED FINANCIAL DATA

	FISCAL YEAR ENDED MARCH 31,				
	1998	1997	1996	1995	1994
	(In thousands, except earnings per share data)				
CONSOLIDATED INCOME STATEMENT DATA					
Revenue	$ 801,763	$ 772,618	$ 642,299	$ 361,891	$ 250,527
Cost of Sales	751,368	725,991	601,930	334,134	223,576
Gross profit	50,395	46,627	40,369	27,757	26,951
Operating Expenses	31,868	31,001	25,423	16,508	17,181
Income from operations	18,527	15,626	14,946	11,249	9,770
Other income (expense), net	2,219	2,243	1,875	1,774	(1,333)
Income before income taxes	20,746	17,869	16,821	13,023	8,437
Provision for income taxes	4,893	4,604	5,876	4,935	3,242
Net income	$ 15,853	$ 13,265	$ 10,945	$ 8,088	$ 5,195
Basic earnings per common share	$ 1.30	$ 1.10	$ 0.92	$ 0.74	$ 0.49
Weighted average shares	12,230	12,068	11,945	10,957	10,582
Diluted earnings per common share	$ 1.27	$ 1.08	$ 0.90	$ 0.73	$ 0.49
Weighted average shares - diluted	12,528	12,295	12,150	11,038	10,652

(Continued)

SELECTED FINANCIAL DATA
(Continued)

	AS OF MARCH 31,				
	1998	1997	1996	1995	1994
	(In thousands)				
CONSOLIDATED BALANCE SHEET DATA					
Current assets	$107,548	$ 93,436	$ 83,252	$ 58,006	$ 33,682
Total assets	143,259	123,139	111,974	89,536	53,687
Current liabilities	47,447	44,851	43,706	30,486	13,141
Long-term liabilities	3,901	3,030	4,518	6,984	575
Stockholders' equity	91,911	75,258	63,750	52,066	39,971

NOTES TO SELECTED FINANCIAL DATA

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

Effective January 1, 1995, the Company acquired the Trans-Tec group of companies. The acquisition was accounted for under the purchase method. Accordingly, the selected financial information for the year ended March 31, 1995, includes the results of the Trans-Tec group since January 1, 1995.

In June 1995, the Board of Directors approved a 3-for-2-stock split for all shares of common stock outstanding as of June 19, 1995. The shares were distributed on June 27, 1995. 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, have been retroactively adjusted to reflect the effects of these splits.

In February 1997, the Financial Accounting Standards Board issued SFAS No. 128, "Earnings per Share" ("SFAS 128"). The Company adopted this standard as of December 31, 1997. Earnings per share information for all prior periods presented have been restated to conform to the requirements of SFAS 128.

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.

RESULTS OF OPERATIONS

Profit from the Company's aviation fuel services business is directly related to the volume and the margins achieved on sales, as well as the extent to which the Company is required to provision for potential bad debts. Profit from the Company's marine fuel services business is determined primarily by the volume of brokering business generated and by the volume and margins achieved on trade sales, as well as the extent to which the Company is required to provision for potential bad debts. The Company's profit from oil recycling is principally determined by the volume and margins of recycled oil sales and used oil collection revenue.

FISCAL YEAR ENDED MARCH 31, 1998 COMPARED TO THE FISCAL YEAR ENDED MARCH 31, 1997

The Company's revenue for the fiscal year ended March 31, 1998 was $801,763,000, an increase of $29,145,000, or 3.8%, as compared to revenue of $772,618,000 for the prior fiscal year. The Company's revenue during these periods was attributable to the following segments:

	FISCAL YEAR ENDED MARCH 31,	
	1998	1997
Aviation Fueling	$383,010,000	$381,236,000
Marine Fueling	393,607,000	368,470,000
Oil Recycling	25,146,000	22,912,000
Total Revenue	$801,763,000	$772,618,000

The aviation fueling segment contributed $383,010,000 in revenue for the fiscal year ended March 31, 1998. This represented an increase in revenue of $1,774,000, or 0.5%, as compared to the prior fiscal year. The increase in revenue was due to a higher volume of gallons sold, largely offset by a decrease in the average price per gallon sold, which resulted primarily from a decrease in the world market price of fuels. The marine fueling segment contributed $393,607,000 in revenue for the fiscal year ended March 31, 1998, an increase of $25,137,000, or 6.8%, over the prior fiscal year. The increase in revenue was related primarily to an increase in the volume of metric tons traded, partially offset by a decrease in the average sales price of metric tons traded. The oil recycling segment contributed $25,146,000 in revenue for the fiscal year ended March 31, 1998, an increase of $2,234,000, or 9.7%, as compared to the prior fiscal year. The increase in revenue was due to an increase in volume of recycled oil sold and higher used oil and waste water collection revenue, partially offset by a decrease in the average sales price per gallon of recycled oil sold.

The Company's gross profit for the fiscal year ended March 31, 1998 was $50,395,000, an increase of $3,768,000, or 8.1%, as compared to the prior fiscal year. The Company's gross margin increased from 6.0% for the fiscal year ended March 31, 1997 to 6.3% for the fiscal year ended March 31, 1998.

The Company's aviation fueling business achieved a 6.1% gross margin for the fiscal year ended March 31, 1998, as compared to 6.0% achieved for the prior fiscal year. This resulted from the decline in the average price per gallon sold. The Company's marine fueling segment achieved a 5.1% gross margin for the fiscal year ended March 31, 1998, as compared to a 4.4% gross margin for the prior fiscal year. This resulted from an increase in the average gross profit per metric ton traded and lower fuel prices. The gross margin in the Company's oil recycling segment decreased from 33.4% for the fiscal year ended March 31, 1997, to 28.5% for the fiscal year ended March 31, 1998. This decrease resulted from a lower gross profit per gallon of recycled oil sold, due primarily to lower world oil prices.

Total operating expenses for the fiscal year ended March 31, 1998 were $31,868,000, an increase of $867,000, or 2.8%, as compared to the prior fiscal year. The increase resulted from higher salaries and wages related principally to staff additions and performance bonuses, and higher operating expenses in the aviation and marine segments related to business expansion, partially offset by a $3,690,000 lower provision for bad debts over the corresponding period during the prior year. In relation to revenue, total operating expenses remained unchanged at 4.0%.

The Company's income from operations for the fiscal year ended March 31, 1998 was $18,527,000, an increase of $2,901,000, or 18.6%, as compared to the prior fiscal year. Income from operations during these periods was attributable to the following segments:

	FISCAL YEAR ENDED MARCH 31,	
	1998	1997
Aviation Fueling	$ 12,558,000	$ 10,620,000
Marine Fueling	7,403,000	5,013,000
Oil Recycling	4,155,000	5,020,000
Corporate Overhead	(5,589,000)	(5,027,000)
Total Income from Operations	$ 18,527,000	$ 15,626,000

The aviation fueling segment's income from operations was $12,558,000 for the fiscal year ended March 31, 1998, an increase of $1,938,000, or 18.2%, as compared to the prior fiscal year. This resulted from a higher volume of gallons sold and a decrease in operating expenses, principally in the provision for bad debts, partially offset by a decrease in average gross profit per gallon sold. The marine fueling segment earned $7,403,000 in income from operations for the fiscal year ended March 31, 1998, an increase of $2,390,000, or 47.7%, as compared to the prior fiscal year. The increase was due to a higher volume and average gross profit per metric ton sold, partially offset by an increase in operating expenses. The oil recycling segment contributed $4,155,000 in income from operations for fiscal year 1998, a decrease of $865,000, or 17.2%, for the fiscal year ended March 31, 1998, as compared to the prior fiscal year. The decrease is mostly the result of lower world oil prices, which caused a decrease in gross profit per recycled gallon sold. Corporate overhead costs not charged to the business segments totaled $5,589,000 for the fiscal year ended March 31, 1998, an increase of $562,000, or 11.2%, as compared to the prior fiscal year. The increase resulted from higher salaries and wages related principally to staff additions and performance bonuses.

Net income for the fiscal year ended March 31, 1998 was $15,853,000, an increase of $2,588,000, or 19.5%, as compared to net income of $13,265,000 for the fiscal year ended March 31, 1997. Basic earnings per share of $1.30 for the fiscal year ended March 31, 1998 exhibited a $0.20, or 18.2%, increase over the $1.10 achieved during the prior fiscal year.

FISCAL YEAR ENDED MARCH 31, 1997 COMPARED TO THE FISCAL YEAR ENDED MARCH 31, 1996

The Company's revenue for the fiscal year ended March 31, 1997 was $772,618,000, an increase of $130,319,000, or 20.3%, as compared to revenue of $642,299,000 for the prior fiscal year. The Company's revenue during these periods was attributable to the following segments:

	FISCAL YEAR ENDED MARCH 31,	
	1997	1996
Aviation Fueling	$381,236,000	$302,101,000
Marine Fueling	368,470,000	321,216,000
Oil Recycling	22,912,000	18,993,000
Intersegment Eliminations	--	(11,000)
Total Revenue	$772,618,000	$642,299,000

The aviation fueling segment contributed $381,236,000 in revenue for the fiscal year ended March 31, 1997. This represented an increase in revenue of $79,135,000, or 26.2%, as compared to the prior fiscal year. The increase in revenue was due to an increase in volume and the average price per gallon sold. The marine fueling segment contributed $368,470,000 in revenue for the fiscal year ended March 31, 1997, an increase of $47,254,000, or 14.7%, over the prior fiscal year. The increase in revenue was related to an increase in the average price per metric ton sold and brokered, partially offset by a decrease in the volume of metric tons brokered. The oil recycling segment contributed $22,912,000 in revenue for the fiscal year ended March 31, 1997, an increase of $3,919,000, or 20.6%, as compared to the prior fiscal year. The increase in revenue was due to an increase in volume and the average sales price per gallon of recycled oil sold, and higher used oil and waste water collection revenue.

The Company's gross profit for the fiscal year ended March 31, 1997, was $46,627,000, an increase of $6,258,000, or 15.5%, as compared to the prior fiscal year. The Company's gross margin decreased from 6.3% for the fiscal year ended March 31, 1996 to 6.0% for the fiscal year ended March 31, 1997. The decrease resulted primarily from an overall increase in the average sales price per gallon sold in the Company's aviation segment, despite an increase in the average gross profit per gallon sold.

The Company's aviation fueling business achieved a 6.0% gross margin for the fiscal year ended March 31, 1997, as compared to 6.7% achieved for the prior fiscal year. The Company's marine fueling segment achieved a 4.4% gross margin for the fiscal year ended March 31, 1997, as compared to a 4.3% gross margin for the prior fiscal year. The gross margin in the Company's oil recycling segment remained relatively constant at 33.4% for the fiscal year ended March 31, 1997, as compared to 33.5% for the prior fiscal year.

Total operating expenses for the fiscal year ended March 31, 1997 were $31,001,000, an increase of $5,578,000, or 21.9%, as compared to the prior fiscal year. Operating expenses increased partly as a result of the Company's international expansion. During this period, the Company devoted substantial resources to the expansion of its international infrastructure, adding professional staff, implementing telecommunications, sales, operational and accounting systems, and establishing an international headquarters office in Costa Rica. The increase in operating expenses also resulted from an increase of $2,398,000 in the provision for bad debts in the aviation fueling segment.

The Company's income from operations for the fiscal year ended March 31, 1997 was $15,626,000, an increase of $680,000, or 4.5%, as compared to the prior fiscal year. Income from operations during these periods was attributable to the following segments:

	FISCAL YEAR ENDED MARCH 31,	
	1997	1996
Aviation Fueling	$ 10,620,000	$ 12,858,000
Marine Fueling	5,013,000	3,425,000
Oil Recycling	5,020,000	3,976,000
Corporate Overhead	(5,027,000)	(5,313,000)
Total Income from Operations	$ 15,626,000	$ 14,946,000

The aviation fueling segment's income from operations was $10,620,000 for the fiscal year ended March 31, 1997, a decrease of $2,238,000, or 17.4%, as compared to the prior fiscal year. This resulted from an increase in operating expenses, due to expenses incurred in the Company's international expansion and a higher provision for bad debts. The increase in operating expenses was partially offset by an increase in the volume and gross profit of product sold. The marine fueling segment earned $5,013,000 in income from operations for the fiscal year ended March 31, 1997, an increase of $1,588,000, or 46.4%, as compared to the prior fiscal year. The increase was related primarily to an increase in the average gross profit per metric ton sold, partially offset by a decrease in the volume of metric tons brokered and higher operating expenses. Income from operations of the oil recycling segment increased by $1,044,000, or 26.3%, for the fiscal year ended March 31, 1997, as compared to the prior fiscal year. This improvement resulted from an increase in the volume and average gross profit per gallon of recycled oil sold. Corporate overhead costs not charged to the business segments totaled $5,027,000 for the fiscal year ended March 31, 1997, a decrease of $286,000, or 5.4%, as compared to the prior fiscal year.

The Company's effective income tax rate for the fiscal year ended March 31, 1997 was 25.8%, as compared to 34.9% for the prior fiscal year. The decrease resulted largely from an overall decline in foreign income taxes.

Net income for the fiscal year ended March 31, 1997 was $13,265,000, an increase of $2,320,000, or 21.2%, as compared to net income of $10,945,000 for the fiscal year ended March 31, 1996. Basic earnings per share of $1.10 for the fiscal year ended March 31, 1997 exhibited a $0.18, or 19.6%, increase over the $0.92 achieved during the prior fiscal year.

LIQUIDITY AND CAPITAL RESOURCES

In the Company's aviation and marine fuel businesses, the primary use of capital is to finance accounts receivable. The Company maintains aviation fuel inventories at certain locations in the United States for competitive reasons, but inventory levels are kept at an operating minimum. The Company also maintains inventory in its offshore fueling operations. The Company's aviation and marine fuel businesses historically have not required significant capital investment in fixed assets as the Company subcontracts fueling services and maintains inventory at third party storage facilities.

In contrast to the Company's aviation and marine fueling segments, the oil recycling segment capital requirements are for the financing of property, plant and equipment, and accounts receivable. The Company generally utilizes internally generated cash to fund capital expenditures, and secondarily the Company will utilize its available line of credit or enter into leasing or installment note arrangements to match-fund the useful life of certain long-term assets. The Company's oil recycling operations also require working capital to purchase and carry an inventory of used oil, as well as the costs of operating the plant until the proceeds from the re-refined oil sales are received.

Cash and cash equivalents amounted to $14,459,000 at March 31, 1998, as compared to $11,035,000 at March 31, 1997. The principal uses of cash during the fiscal year ended March 31, 1998 were $4,245,000 of repayments on notes payable, $2,432,000 in dividends paid on common stock, $3,484,000 used for the purchase and construction of plant, equipment and other capital expenditures, and $807,000 net cash paid for the acquisition of the Baseops group of companies. Partially offsetting these cash uses were $12,894,000 in net cash provided by operating activities, $809,000 from collections on notes receivable and $1,158,000 from the issuance of common stock in connection with the exercise of options.

Working capital as of March 31, 1998 was $60,101,000, exhibiting a $11,516,000 increase from working capital as of March 31, 1997. As of March 31, 1998, the Company's accounts receivable, excluding the allowance for bad debts, amounted to $86,242,000, an increase of $11,063,000 as compared to the March 31, 1997 balance. In the aggregate, accounts payable, accrued expenses and customer deposits increased $2,905,000. The net increase in trade credit of $8,158,000 was attributed to the marine segment's business expansion and the acquisition of Baseops. The allowance for doubtful accounts as of March 31, 1998 amounted to $4,594,000, an increase of $234,000 compared to the March 31, 1997 balance. During the fiscal years ended March 31, 1998 and 1997, the Company charged $1,417,000 and $5,107,000, respectively, to the provision for bad debts and had charge-offs in excess of recoveries of $1,301,000 and $5,110,000, respectively.

Inventories at March 31, 1998 were $945,000 lower as compared to March 31, 1997. This decrease was principally due to decreases in the Company's aviation inventories, partially offset by the Company's marine offshore fueling operations. Prepaid expenses and other current assets as of March 31, 1998 were $5,937,000, exhibiting an increase of $804,000 over the March 31, 1997 balance. This is primarily related to the reclassification of a note receivable from other assets to current assets.

Capital expenditures, which amounted to $3,484,000 for the fiscal year ended March 31, 1998, consisted primarily of $1,505,000 in office and computer equipment and $1,681,000 in plant, machinery and equipment related primarily to the Company's recycled oil segment. During fiscal year 1999, the Company anticipates spending approximately $3,000,000 for the expansion of the Company's business and the upgrade of existing plant, machinery and equipment. The Company also anticipates spending an additional estimated $1,000,000 over the next several years to clean up contamination which was present at one of the Company's sites when it was acquired by the Company.

The clean up cost will be capitalized as part of the cost of the site, up to the fair market value of the site.

Long-term liabilities as of March 31, 1998 were $3,901,000, exhibiting a $871,000 increase as compared to March 31, 1997. This increase was primarily the result of a $556,000 increase in deferred compensation and a $379,000 increase in deferred income taxes.

Stockholders' equity amounted to $91,911,000, or $7.36 per share, at March 31, 1998, compared to $75,258,000, or $6.19 per share, at March 31, 1997. This increase of $16,653,000 was due to $15,853,000 in earnings for the period, $1,158,000 due to the issuance of common stock pursuant to the exercise of stock options, and $2,090,000 due to the issuance of common stock pursuant to the Baseops acquisition. Partially offsetting was $2,448,000 in cash dividends declared.

The Company expects to meet its capital investment and working capital requirements for fiscal year 1999 from existing cash, operations and additional borrowings, as necessary, under its existing line of credit. The Company's business has not been significantly affected by inflation during the periods discussed in this report.

The Company has completed a risk assessment of the ability of its information systems to operate in light of the "year 2000 issue." Based on the assessment, the Company has developed an action plan, which primarily consists of replacing existing non-compliant systems with new systems. The Company believes it is feasible to acquire such new systems before the year 2000 and that the cost of such systems are within its capital cost budget and financing capabilities.

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 the Company set forth under the captions "Election of Directors" and "Information Concerning Executive Officers", respectively, appearing in the definitive Proxy Statement of the Company for its 1998 Annual Meeting of Shareholders (the "1998 Proxy Statement"), is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information set forth in the 1998 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 Stockholders and Security Ownership of Management" in the 1998 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 1998 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:

(a)(2) The following consolidated financial statement schedule is filed as a part of this report:

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 the Company's Registration Statement on Form S-18 filed February 3, 1986.
	(b) By-laws are incorporated by reference to the Company'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 the Company's Registration Statement on Form S-18 filed February 3, 1986.

(b) 1993 Non-Employee Directors Stock Option Plan is incorporated by reference to the Company's Schedule 14A filed June 28, 1994.

(c) 1996 Employee Stock Option Plan is incorporated by reference to the Company's Schedule 14A filed June 18, 1997.

(10) Material Contracts:

(a) Material contracts incorporated by reference to the Company's Report on Form 10-K filed May 20, 1997:

(i) Amended and Restated Credit Agreement, dated February 21, 1997, by and among World Fuel Services Corporation and NationsBank, N.A. (South).

(ii) Promissory note, dated February 21, 1997, executed by World Fuel Services Corporation and its subsidiaries in favor of NationsBank, N.A. (South).

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

(i) Amendment to Employment Agreement with Jerrold Blair, dated April 29, 1997

(ii) Amendment to Employment Agreement with Ralph Weiser, dated April 29, 1997

(21) Subsidiaries of the Registrant.

(27) Financial Data Schedule.

(b) No reports on Form 8-K were filed during the fourth quarter of the Company's fiscal year ended March 31, 1998.

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: May 19, 1998 By:/s/ JERROLD BLAIR
Jerrold Blair, President

Dated: May 19, 1998 By:/s/ CARLOS A. ABAUNZA
Carlos A. Abaunza, Chief Financial 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: May 19, 1998 By: /s/ RALPH R. WEISER
Ralph R. Weiser, Director

Dated: May 19, 1998 By: /s/ JERROLD BLAIR
Jerrold Blair, Director

Dated: May 19, 1998 By: /s/ PHILLIP S. BRADLEY
Phillip S. Bradley, Director

Dated: May 19, 1998 By: /s/ RALPH FEUERRING
Ralph Feuerring, Director

Dated: May 19, 1998 By: /s/ JOHN R. BENBOW
John R. Benbow, Director

Dated: May 19, 1998 By: /s/ MYLES KLEIN
Myles Klein, Director

Dated: May 19, 1998 By: /s/ MICHAEL J. KASBAR
Michael J. Kasbar, Director

Dated: May 19, 1998 By: /s/ PAUL H. STEBBINS
Paul H. Stebbins, Director

Dated: May 19, 1998 By: /s/ LUIS R. TINOCO
Luis R. Tinoco, Director

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of 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, 1998 and 1997, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended March 31, 1998. 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 generally accepted auditing standards. 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 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, 1998 and 1997, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 1998 in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic consolidated 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 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 18, 1998.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS

	MARCH 31, 1998	MARCH 31, 1997
CURRENT ASSETS:		
Cash and cash equivalents	$ 14,459,000	$ 11,035,000
Accounts receivable, net of allowance for bad debts of $4,594,000 and $4,360,000 at March 31, 1998 and 1997, respectively	81,648,000	70,819,000
Inventories	5,504,000	6,449,000
Prepaid expenses and other current assets	5,937,000	5,133,000
Total current assets	107,548,000	93,436,000
PROPERTY, PLANT AND EQUIPMENT, at cost:		
Land	1,054,000	601,000
Buildings and improvements	3,098,000	2,998,000
Office equipment and furniture	5,286,000	3,331,000
Plant, machinery and equipment	17,458,000	16,310,000
Construction in progress	230,000	135,000
	27,126,000	23,375,000
Less accumulated depreciation and amortization	9,065,000	7,094,000
	18,061,000	16,281,000
OTHER ASSETS:		
Unamortized cost in excess of net assets of acquired companies, net of accumulated amortization	15,402,000	11,785,000
Other	2,248,000	1,637,000
	$143,259,000	$123,139,000

(Continued)

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Continued)

LIABILITIES AND STOCKHOLDERS' EQUITY

	MARCH 31, 1998	MARCH 31, 1997
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 119,000	$ 2,191,000
Accounts payable and accrued expenses	40,560,000	37,950,000
Customer deposits	2,536,000	2,241,000
Accrued salaries and wages	1,851,000	2,187,000
Income taxes payable	2,381,000	282,000
Total current liabilities	47,447,000	44,851,000
LONG-TERM LIABILITIES	3,901,000	3,030,000
COMMITMENTS AND CONTINGENCIES		
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 at March 31, 1998; 12,481,000 and 12,163,000 shares issued and outstanding at March 31, 1998 and 1997, respectively	125,000	122,000
Capital in excess of par value	26,479,000	23,234,000
Retained earnings	65,364,000	51,959,000
Less treasury stock, at cost	57,000	57,000
	91,911,000	75,258,000
	$143,259,000	$123,139,000

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,		
	1998	1997	1996
Revenue	$801,763,000	$772,618,000	$642,299,000
Cost of sales	751,368,000	725,991,000	601,930,000
Gross profit	50,395,000	46,627,000	40,369,000
Operating expenses:			
Salaries and wages	17,382,000	14,795,000	13,266,000
Provision for bad debts	1,417,000	5,107,000	2,291,000
Other	13,069,000	11,099,000	9,866,000
	31,868,000	31,001,000	25,423,000
Income from operations	18,527,000	15,626,000	14,946,000
Other income, net:			
Equity in earnings of aviation joint venture	1,100,000	1,773,000	1,748,000
Other, net	1,119,000	470,000	127,000
	2,219,000	2,243,000	1,875,000
Income before income taxes	20,746,000	17,869,000	16,821,000
Provision for income taxes	4,893,000	4,604,000	5,876,000
Net income	$ 15,853,000	$ 13,265,000	$ 10,945,000
Basic earnings per common share	$ 1.30	$ 1.10	$ 0.92
Weighted average shares	12,230,000	12,068,000	11,945,000
Diluted earnings per common share	$ 1.27	$ 1.08	$ 0.90
Weighted average shares - diluted	12,528,000	12,295,000	12,150,000

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		
	SHARES	AMOUNT	EXCESS OF PAR VALUE	RETAINED EARNINGS	TREASURY STOCK
Balance at March 31, 1995	11,707,000	$ 117,000	$ 20,375,000	$ 31,631,000	$ (57,000)
Exercise of options	174,000	2,000	861,000	--	--
Issuance of shares for litigation settlement	177,000	2,000	1,298,000	--	--
Cash dividends declared	--	--	--	(1,464,000)	--
Net Income	--	--	--	10,945,000	--
Other	--	--	40,000	--	--
Balance at March 31, 1996	12,058,000	121,000	22,574,000	41,112,000	(57,000)
Exercise of options	105,000	1,000	660,000	--	--
Cash dividends declared	--	--	--	(2,418,000)	--
Net Income	--	--	--	13,265,000	--
Balance at March 31, 1997	12,163,000	122,000	23,234,000	51,959,000	(57,000)
Exercise of options	168,000	2,000	1,156,000	--	--
Issuance of shares for acquisition	150,000	1,000	2,089,000	--	--
Cash dividends declared	--	--	--	(2,448,000)	--
Net Income	--	--	--	15,853,000	--
Balance at March 31, 1998	12,481,000	$ 125,000	$ 26,479,000	$ 65,364,000	$ (57,000)

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,		
	1998	1997	1996
Cash flows from operating activities:			
Net income	$ 15,853,000	$ 13,265,000	$ 10,945,000
Adjustments to reconcile net income to net cash provided by operating activities -			
Depreciation and amortization	2,418,000	1,938,000	1,656,000
Provision for bad debts	1,417,000	5,107,000	2,291,000
Deferred income tax (benefit) provision	379,000	(369,000)	1,108,000
Equity in earnings of aviation joint venture, net	(526,000)	(675,000)	(354,000)
Other non-cash operating credits	--	(19,000)	(123,000)
Changes in assets and liabilities, net of acquisitions and dispositions:			
(Increase) decrease in -			
Accounts receivable	(8,889,000)	(13,181,000)	(26,286,000)
Inventories	945,000	(1,857,000)	(953,000)
Prepaid expenses and other current assets	(1,834,000)	(2,067,000)	1,371,000
Other assets	(231,000)	250,000	11,000
Increase (decrease) in -			
Accounts payable and accrued expenses	1,154,000	(64,000)	13,731,000
Customer deposits	(93,000)	774,000	(92,000)
Accrued salaries and wages	(336,000)	132,000	1,308,000
Income taxes payable	2,081,000	(150,000)	(1,286,000)
Deferred compensation	556,000	594,000	335,000
Total adjustments	(2,959,000)	(9,587,000)	(7,283,000)
Net cash provided by operating activities	12,894,000	3,678,000	3,662,000
Cash flows from investing activities:			
Additions to property, plant and equipment	(3,484,000)	(3,199,000)	(1,407,000)
(Advances to) repayments from aviation joint venture, net	(319,000)	(106,000)	338,000
Proceeds from disposition of assets	--	43,000	381,000
Proceeds from notes receivable	809,000	774,000	2,046,000
Payment for acquisition of business, net of cash acquired	(807,000)	--	--
Net cash (used in) provided by investing activities	(3,801,000)	(2,488,000)	1,358,000

(Continued)

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Continued)

	FOR THE YEAR ENDED MARCH 31,		
	1998	1997	1996
Cash flows from financing activities:			
Dividends paid on common stock	(2,432,000)	(2,212,000)	(1,854,000)
Repayment of notes payable	(4,245,000)	(1,872,000)	(1,817,000)
Repayment of long-term debt	(150,000)	(74,000)	(263,000)
Proceeds from issuance of long-term debt	--	486,000	--
Proceeds from issuance of common stock	1,158,000	661,000	863,000
Net cash used in financing activities	(5,669,000)	(3,011,000)	(3,071,000)
Net increase (decrease) in cash and cash equivalents	3,424,000	(1,821,000)	1,949,000
Cash and cash equivalents, at beginning of period	11,035,000	12,856,000	10,907,000
Cash and cash equivalents, at end of period	$ 14,459,000	$ 11,035,000	$ 12,856,000
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest	$ 288,000	$ 423,000	$ 613,000
Income taxes	$ 2,516,000	$ 5,182,000	$ 6,368,000

SUPPLEMENTAL SCHEDULE OF NONCASH ACTIVITIES:

In April 1995, the Company paid $1,300,000, representing its share of a litigation settlement, by issuing 176,737 shares of the Company's common stock at an agreed upon price of $7.36 per share (restated to reflect the 3-for-2 stock splits).

As partial consideration for the sale of certain assets on June 1, 1995, the Company received a $979,000 note receivable, with an original maturity date of July 1, 2007. In October 1995, the entire outstanding principal balance was collected in cash, net of a $98,000 pre-payment discount.

Cash dividends declared, but not yet paid, totaling $624,000, $608,000 and $402,000 are included in accounts payable and accrued expenses as of March 31, 1998, 1997 and 1996, respectively.

In January 1998, the Company issued 150,000 shares of its common stock valued at $2,090,000 in connection with the acquisition of the Baseops group of companies.

During fiscal year 1998, the Company reclassified approximately $1,000,000 from accounts receivable to notes receivable. The notes receivable are shown in the prepaid and other current assets, and other assets sections of the balance sheet.

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 (the "Company") began operations in 1984 as a used oil recycler in the southeast United States. The Company expanded this business through acquisitions, the development of new processing technology and the establishment of new offices. 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 the state of Florida, to an international sales company covering airports throughout the world. This expansion resulted from acquisitions and the establishment of new offices.

In 1995, the Company further diversified its fuel services operations through the acquisition of a group of companies which are considered leaders in the marine fuel services business. This new segment provided the Company with operational and supplier side synergies and entry into fast growing markets in the Far East and Eastern Europe.

In January 1998, the Company purchased all the outstanding stock of Baseops International, Inc. and its affiliates ("Baseops"). Baseops provides a sophisticated array of aviation services to a diversified clientele of corporate, government, and private aircraft worldwide. The acquisition of Baseops by the Company has been accounted for as a purchase. The aggregate purchase price of the acquisition was approximately $2,897,000, including $77,000 in acquisition costs. The Company paid approximately $807,000 in cash and 150,000 shares of the Company's common stock valued at $2,090,000 ($13.93 per share, or approximately 65% of the quoted market price) in the Company's restricted stock. The newly issued shares of the Company's common stock issued in connection with the acquisition were valued by the Company's Board of Directors. In accordance with the acquisition agreement, 75,000 shares are being held in escrow until the second anniversary of the closing date. The escrow shares are pledged to the Company to secure the seller's obligation to indemnify the Company pursuant to the acquisition agreement. The sum of the purchase price and the $1,110,000 fair value of the net liabilities of the acquired companies, which amounted to $4,007,000, has been allocated to goodwill, and is being amortized over a period of 35 years. The Company determined that no other identifiable intangible assets existed.

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. The Company uses the equity method of accounting to record its proportionate share of the earnings of its aviation joint venture.

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 investments at March 31, 1998 and 1997 amounted to $11,988,000 and $8,461,000 respectively, consisting principally of bank repurchase agreements collateralized by United States Government Securities and bank money market accounts which invest primarily in A1P1 commercial paper. Interest income, which is included in Other, net in the accompanying consolidated statements of income, totaled $1,460,000, $862,000 and $1,029,000 for the years ended March 31, 1998, 1997 and 1996, respectively.

INVENTORIES

Inventories are stated at the lower of cost (principally, first-in, first-out) or market. Components of inventory cost include oil and fuel purchase costs, direct materials, direct and indirect labor and refining overhead related to the Company's used oil recycling.

PROPERTY, PLANT AND EQUIPMENT

Property, plant 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
Buildings and improvements	10 - 40
Office equipment and furniture	3 - 8
Plant, machinery and equipment	3 - 40

Costs of major additions and improvements are capitalized and expenditures for maintenance and repairs which do not extend the lives of the assets are expensed. Upon sale or disposition of property, plant and equipment, the cost and related accumulated depreciation and amortization are eliminated from the accounts and any resultant gain or loss is credited or charged to income.

UNAMORTIZED COST IN EXCESS OF NET ASSETS OF ACQUIRED COMPANIES

Unamortized cost in excess of net assets of acquired companies is being amortized over 35-40 years using the straight-line method. Accumulated amortization amounted to $1,529,000 and $1,138,000, as of March 31, 1998 and 1997, 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 the acquired companies, 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.

REVENUE RECOGNITION

Revenue is generally recorded in the period when the sale is made or as the services are performed. In the Company's aviation and marine fueling segments, the Company contracts third parties to provide the fuel and/or delivery services. This may cause delays in receiving the necessary information for invoicing. Accordingly, revenue may be recognized in a period subsequent to when the delivery of fuel took place. Costs not yet billed are classified as current assets and are included under Inventories. The Company's revenue recognition policy with respect to the aviation and marine fueling segment does not result in amounts that are materially different than accounting under generally accepted accounting principles.

ACCOUNTING FOR DERIVATIVES

Premiums received or paid for fuel price cap agreements are amortized to premium revenue and expense, respectively, over the terms of the caps. Unamortized premiums are included in Accounts payable and 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.

INCOME TAXES

The Company and its United States subsidiaries file consolidated income tax returns. In addition, the Company's foreign subsidiaries file income tax returns in their respective countries of incorporation.

FOREIGN CURRENCY TRANSLATION

The Company's primary functional currency is the U.S. Dollar which also serves as its reporting currency. Most foreign 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. The Company's Ecuador joint venture uses the Company's reporting currency as the functional currency (as it operates in a highly inflationary economy) and translates net assets at fiscal year-end rates while income and expense accounts are translated at average exchange rates. Gains or losses from changes in exchange rates are recognized in consolidated income in the year of occurrence and are included in Other, net.

The Company's purchases from certain aviation fuel suppliers are denominated in local currency. Foreign currency exchange gains and losses are included in Other, net, in the period incurred, and amounted to a net loss of $119,000 for the fiscal year ended March 31, 1996. There were no significant foreign currency gains or losses in fiscal years 1998 or 1997.

EARNINGS PER SHARE

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" ("SFAS 128"). The Company adopted this standard as of December 31, 1997. Earnings per share information for all prior periods have been restated to conform to the requirements of SFAS 128.

Basic earnings per common share is computed based on the weighted average shares outstanding. Diluted earnings per common 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 benefit plans. The Company's net income is the same for basic and diluted earnings per share calculations.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and 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. Actual results could differ from those estimates.

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 receivable and accounts payable and accrued expenses 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, 1998, the carrying value of the long-term debt and the fair value of such instruments was not considered to be significantly different.

NEW ACCOUNTING PRONOUNCEMENTS

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" ("SFAS 130"). SFAS No. 130 establishes standards for the reporting and disclosure of comprehensive income and its components which will be presented in association with a company's financial statements. Comprehensive income is defined as the change in a business enterprise's equity during a period arising from transactions, events, or circumstances relating to non-owner sources, such as foreign currency translation adjustments and unrealized gains or losses on available-for-sale securities. It includes all changes in equity during a period except those resulting from investments by or distributions to owners. SFAS No. 130 is effective for fiscal years beginning after December 15, 1997.

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 131, "Disclosures About Segments of an Enterprise and Related Information" ("SFAS No. 131"), superseding SFAS No. 14, "Financial Reporting of Segments of a Business Enterprise."

SFAS No. 131 establishes new standards for reporting operating segment information in annual and interim financial statements. The new standard requires reporting of operating segment information based on the way that financial operations for the entity is organized by senior management for performance evaluation and resource allocation. The standard is effective for fiscal year 1999 and need not be applied to interim financial statements in that year.

In March 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants ("ACSEC") issued Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use". SOP 98-1 establishes criteria for determining which costs of developing or obtaining internal-use computer software should be charged to expense and which should be capitalized. SOP 98-1 is effective for all transactions entered into in fiscal years beginning after December 15, 1998.

In April 1998, the ACSEC issued SOP 98-5, "Reporting on the Costs of Start-Up Activities". SOP 98-5 establishes standards for the reporting and disclosure of start-up costs, including organization costs. SOP 98-5 is effective for financial statements issued after December 15, 1998.

The Company believes that the implementation of the above mentioned accounting pronouncements will not have a material effect on the Company's financial position or results of operations or disclosures.

(2) LONG-TERM DEBT

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

	1998	1997
Equipment notes, payable monthly through January 2002, interest rates ranging from 6.76% to 11.00%, secured by equipment	$451,000	$ 529,000
Promissory notes issued in connection with the acquisition of the Trans-Tec group of companies, paid off in January 1998	--	2,058,000
	451,000	2,587,000
Less current maturities	119,000	2,191,000
	$332,000	$ 396,000

The Company has an unsecured credit facility providing a $25,000,000 revolving line of credit with sublimits of $10,000,000 for standby letters of credit and documentary letters of credit. Approximately $5,693,000 in standby letters of credit were outstanding as of March 31, 1998 under the credit facility. The Company also has $100,000 outstanding in standby letters of credit from other financing institutions and has pledged $100,000 of cash as collateral on these letters of credit.

The revolving line of credit bears interest, at the Company's option, at the NationsBank Prime rate, or LIBOR, as defined under the credit facility. Interest is payable quarterly in arrears. The credit facility, in addition to other restrictions, requires the maintenance of certain financial ratios. As of March 31, 1998 and 1997, there were no amounts outstanding under the revolving line of credit. Any outstanding principal and interest will mature on March 1, 2001. As of March 31, 1998, the Company was in compliance with the requirements under the credit facility.

Aggregate annual maturities of long-term debt as of March 31, 1998, are as follows:

1999	$ 119,000
2000	126,000
2001	111,000
2002	95,000
	$ 451,000

Interest expense, which is included in Other, net, in the accompanying consolidated statements of income, is as follows for the years ended March 31:

	1998	1997	1996
Interest expense	$ 284,000	$ 395,000	$ 565,000

(3) INCOME TAXES

The provision for income taxes consists of the following components for the years ended March 31:

	1998	1997	1996
Current:			
Federal	$ 1,976,000	$ 3,061,000	$ 3,568,000
State	251,000	417,000	567,000
Foreign	2,287,000	1,495,000	633,000
	4,514,000	4,973,000	4,768,000
Deferred:			
Federal	403,000	(157,000)	998,000
State	50,000	(22,000)	138,000
Foreign	(74,000)	(190,000)	(28,000)
	379,000	(369,000)	1,108,000
Total	$ 4,893,000	$ 4,604,000	$ 5,876,000

The difference between the reported tax provision and the provision computed by applying the statutory U.S. federal income tax rate currently in effect to income before income taxes for each of the three years ended March 31, 1998, is primarily due to state income taxes and the effect of foreign income tax rates.

The Company's share of undistributed earnings of foreign 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 $23,467,000 and $13,065,000 at March 31, 1998 and 1997, 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.

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

	MARCH 31,	
	1998	1997
Excess of provision for bad debts over charge-offs	$ 1,308,000	$ 1,522,000
Excess of Tax over financial reporting depreciation and amortization	(2,481,000)	(2,006,000)
Accrued expenses recognized for financial reporting purposes, not currently tax deductible	775,000	290,000
Excess of tax over financial reporting amortization of identifiable intangibles	(504,000)	(428,000)
Other, net	55,000	154,000
Total deferred tax liability	$ (847,000)	$ (468,000)

(4) STOCKHOLDERS' EQUITY

COMMON STOCK ACTIVITY

In August 1997, at the annual meeting of stockholders of the Company, the Company's Articles of Incorporation were amended to increase the number of authorized shares of Common Stock from 10,000,000 shares to 25,000,000 shares.

On October 30, 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, have been retroactively adjusted to reflect the effect of this split.

DIVIDENDS

The Company declared cash dividends of $0.20 per share of common stock for fiscal years 1998 and 1997 (restated to reflect the 3-for-2 stock split).

EMPLOYEE STOCK OPTION ACTIVITY

The Company has adopted Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), which was effective for the Company's 1997 fiscal year, and relates to the accounting for stock-based transactions with non-employees. The Company has evaluated the proforma effects of SFAS 123 and determined the effects of SFAS 123 are not material to the Company's consolidated financial position or results of operations. Accordingly, the disclosure provisions of SFAS 123 have been omitted. The Company accounts for its stock-based transactions with employees under the provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), as permitted by SFAS 123.

In August 1996, the Company's Board of Directors authorized the establishment of 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 plan permits the issuance of options to purchase up to an aggregate of 750,000 shares of the Company's common stock, adjusted to reflect the three-for-two stock split. 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.

The following summarizes the status of the 1996 Employee Stock Option Plan at, and for the year ended, March 31:

	1998	1997
Granted	117,500	243,000
Per Share Price Range	$11.67 - $21.00	$11.42
Outstanding	360,500	243,000
Per Share Price Range	$11.42 - $21.00	$11.42
Weighted Average Per Share Price	$13.76	$11.42
Weighted Average Contractual Life	8.8 years	9.4 years
Available for future grant	389,500	507,000
Exercisable	17,516	None
Per Share Price Range	$11.42	
Weighted Average Per Share Price	$11.42	

The Company's 1986 Employee Stock Option Plan expired in January 1996. Options granted, but not yet exercised, survive the 1986 Employee Stock Option Plan until the options expire. The following summarizes the status of the 1986 Employee Stock Option Plan at, and for the year ended, March 31:

	1998	1997	1996
Granted	None	None	98,091
Per Share Price Range			$10.33 - $12.58
Adjustment for 3:2 stock split	114,243	None	86,464
Expired	None	5,250	None
Exercised	167,634	54,375	69,375
Per Share Price Range	$6.55 - $8.39	$9.08 - $9.33	$2.00 - $9.33
Proceeds received by the Company	$1,158,000	$499,000	531,000
Outstanding	175,091	228,482	288,107
Per Share Price Range	$6.22 - $8.39	$9.33 - $12.58	$9.08 - $12.58
Weighted Average Per Share Price	$7.16	$10.55	$ 10.29
Weighted Average Contractual Life	6.9 years	6.4 years	7.3 years
Available for future grant	None	None	153,489
Exercisable	155,670	202,588	120,707
Per Share Price Range	$6.22 - $8.39	$9.33 - $10.33	$9.33 - $9.83
Weighted Average Per Share Price	$7.00	$10.29	$9.60

In addition to the options shown in the above tables, prior to 1996 the Company issued certain non-qualified options outside of the 1986 and 1996 stock option plans. As of March 31, 1998, such non-qualified stock options entitled the holders thereof to purchase a total of 45,898 shares of the Company's common stock at an exercise price ranging from $6.89 to $8.39 per share. All such options are currently exercisable. As of March 31, 1998, the weighted average per share price and contractual life of these options is $7.56 and 4.2 years, respectively.

NON-EMPLOYEE DIRECTORS STOCK OPTION PLAN

In August, 1994, at the annual meeting of the stockholders of the Company, the 1993 Non-Employee Directors Stock Option Plan ("1993 Directors Plan") was adopted. The 1993 Directors Plan was amended in August 1997 by stockholders' vote to increase the number of shares reserved for issuance from 50,000 shares to 100,000 shares.

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 2,500 shares when such person is first elected to the Board of

Directors and will receive a non-qualified option to purchase 2,500 shares each year that the individual is re-elected. As of March 31, 1998, options to purchase 46,875 shares of the Company's common stock remain outstanding under the 1993 Directors Plan and 39,375 shares are available for future grant.

The exercise price for options granted under the Plan may not be less than the fair market value of the common stock, which is defined as the closing bid quotation for the common stock at the end of the day preceding the grant.

Options granted under the 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.

(5) COMMITMENTS AND CONTINGENCIES

LEASE COMMITMENTS

The Company leases premises in New Orleans, Louisiana and Plant City, Florida from trusts co-managed by the President of the Company under two operating leases with rent aggregating $101,000 per year. The leases expire in August 2001. The Company has an option to purchase the properties at current market value at any time during the lease term. The Company intends to exercise the purchase options on both leases. The Company also leases office space and railroad tank cars from unrelated third parties.

At March 31, 1998, the future minimum lease payments under operating leases with an initial non-cancelable term in excess of one year were as follows:

	OPERATING LEASES
1999	$1,357,000
2000	1,186,000
2001	1,046,000
2002	909,000
2003	545,000
thereafter	409,000
Total minimum lease payments	$ 5,452,000

Rental expense under operating leases with an initial non-cancellable term in excess of one year was $1,106,000, $843,000, and $722,000 for the years ended March 31, 1998, 1997 and 1996, respectively.

CAPITAL EXPENDITURES

During fiscal year 1999, the Company anticipates spending approximately $3,000,000 for the upgrade of plant, machinery and equipment. The Company intends to spend an estimated $1,000,000 over the next several years to clean up contamination which was present at one of the Company's sites when it was acquired by the Company. The clean up costs will be capitalized as part of the cost of the site, up to the fair market value of the site.

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 fueling business. As of March 31, 1998, the Company had $5,429,000 in outstanding bonds.

CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Company to credit risk consist primarily of trade accounts receivable. The Company extends credit on an unsecured basis to many of its aviation and marine customers, some of which have a line of credit in excess of $2,000,000. The Company's management recognizes that extending credit and setting appropriate reserves for accounts receivable is largely a subjective decision based on knowledge of the customer. Active management of this risk is essential to the Company's success. A strong capital position and liquidity provide the financial flexibility necessary to respond to customer needs. The Company's management meets regularly to evaluate credit exposure in the aggregate, and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio.

POTENTIAL LIABILITY AND INSURANCE

The Company, through the use of subcontractors and its own operations, transports, stores or processes flammable aviation, marine and residual fuel subjecting it to possible claims by employees, customers, regulators and others who may be injured. In addition, the Company may be held liable for the clean-up costs of spills or releases of materials from its facilities or vehicles, or for damages to natural resources arising out of such events. The Company follows what it believes to be prudent procedures to protect its employees and customers and to prevent spills or releases of these materials. The Company's domestic and international fueling activities also subject it to the risks of significant potential liability under federal and state statutes, common law and contractual indemnification agreements. The Company has general and automobile liability insurance coverage, including the statutory Motor Carrier Act/MCS 90 endorsement for sudden and accidental pollution.

In the aviation and marine fuel segments, the Company utilizes subcontractors which provide various services to customers, including intoplane fueling at airports, fueling of vessels in port and at sea, and transportation and storage of fuel and fuel products. 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 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 in certain cases pursuant to current federal and state laws and regulations.

The Company continuously reviews the adequacy of its insurance coverage. However, the Company lacks coverage for various risks. A 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

The Company is involved in litigation and administrative proceedings primarily arising in the normal course of its business. In the opinion of management, the Company's liability, if any, under any pending litigation or administrative proceedings, will not materially affect its financial condition or operations.

PURCHASE COMMITMENTS AND OFF-BALANCE SHEET TRANSACTIONS

Recognizing favorable market conditions or for competitive reasons, the Company may enter into short term 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. As of March 31, 1998, the Company did not have any outstanding purchase commitments.

The Company offers its 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 conterparties. 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, 1998, the Company had outstanding swap contracts for 22,500 metric tons and 20,000 barrels, expiring December 31, 1998 and May 31, 1998, respectively, and $87,000 in deferred cap fees. Gains on these contracts are recognized at the completion of each month.

EMPLOYMENT AGREEMENTS

The Company's amended and restated employment agreements with its Chairman of the Board and President expire on March 31, 2002. Each agreement provides for a fixed salary and an annual bonus equal to 5% of the Company's income before income taxes in excess of $2,000,000. 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 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, any excess amount, including any interest earned thereon, shall be paid to the executive within ten (10) days of such death, termination or expiration. As of March 31, 1998 and 1997, $1,121,000 and $473,000, respectively, including accrued interest, was deferred under the agreements. The agreements also provide that, if the Company terminates the employment of the executive for reasons other than death, disability, or cause, or, if the executive terminates employment with the Company for good reason, including under certain circumstances, a change in control of the Company, the Company will pay the executive compensation of up to three times his average salary and bonus during the five year period preceding his termination.

The Company and its subsidiaries have also entered into employment, consulting and non-competition agreements with certain of their executive officers, and previous and current employees. The agreements provide for minimum salary levels, as well as bonuses which are payable if specified management goals are attained. During the years ended March 31, 1998, 1997 and 1996, approximately $10,411,000, $9,136,000 and $7,632,000, respectively, was expensed under the terms of the above described agreements.

The future minimum commitments under employment agreements, excluding bonuses, as of March 31, 1998 are as follows:

1999	$6,214,000
2000	4,861,000
2001	3,058,000
2002	1,569,000
2003	839,000
Thereafter	454,000
	$16,995,000

DEFERRED COMPENSATION PLANS

The Company's Deferred Compensation Plan ("Plan") was suspended effective August 1, 1997 by the Plan Committee. This plan provided incentive compensation to certain key personnel whose performance contributed to the profitability and growth of the existing Trans-Tec group of companies. The Plan is unfunded and is not a qualified plan under the Internal Revenue Code. Under the Plan, participants were awarded units equal to 20% of the Trans-Tec group's annual net income, excluding the incentive compensation expense, and earn interest on their deferred amounts. The Plan allows for distributions of vested amounts over a five year period, subject to certain requirements, during and after employment with the Company. Participants become 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. Through July 31, 1997, the Company expensed $234,000 for deferred compensation under the Plan. As of March 31, 1998, the Company's liability under the plan was $1,657,000.

The Plan is administered by a Plan Committee appointed by the Board of Directors of Trans-Tec Services, Inc. The Plan Committee has the authority to suspend or terminate the plan, as well as the responsibility to allocate the amount of incentive compensation among participants, during each plan year. The Plan's fiscal year corresponds to the Company's fiscal year.

The Company maintains a 401(k) defined contribution plan which covers all employees who meet minimum requirements and elect to participate. Participants may contribute up to 15% of their compensation, subject to certain limitations. During fiscal year 1998, the Company made matching contributions of 25% of the participants' contributions up to 4% of the participant's compensation. Annual contributions are made at the Company's sole discretion. During the fiscal years ended March

31, 1998, 1997 and 1996, approximately $96,000, $82,000 and $52,000, respectively, was expensed as Company contributions.

YEAR 2000 ISSUE

The Company has completed a risk assessment of the ability of its information systems to operate in light of the "year 2000 issue." Based on the assessment, the Company has developed an action plan, which primarily consists of replacing existing non-compliant systems with new systems. The Company believes it is feasible to acquire such new systems before the year 2000 and that the cost of such systems are within its capital cost budget and financing capabilities.

(6) AVIATION JOINT VENTURE

In August 1994, the Company began operation of a joint venture with Petrosur, an Ecuador corporation. The joint venture was organized to distribute jet fuel in Ecuador pursuant to a contract with the nationally owned oil company and the airport authority. The contract with the government entities may be terminated at any time. The joint venture arrangement has a term of five years and will automatically renew for a similar term unless one of the partners objects at least ninety days prior to the end of the term.

The Company's current ownership interest in the joint venture is 50%. Accordingly, the Company uses the equity method of accounting to record its proportionate share of joint venture earnings. The amount of the investment in and advances to the joint venture totaled $2,271,000 and $1,681,000 at March 31, 1998 and 1997, respectively. Of these amounts, $1,171,000 and $1,681,000 are included in Prepaid expenses and other current assets as of March 31, 1998 and 1997, respectively, and $1,100,000 is included in Other assets as of March 31, 1998.

(7) BUSINESS SEGMENTS, FOREIGN OPERATIONS AND MAJOR CUSTOMERS

BUSINESS SEGMENTS

The Company operates in three business segments: aviation fueling, marine fueling and oil recycling. Information concerning the Company's operations by business segment is as follows:

	FOR THE FISCAL YEAR ENDED MARCH 31,		
	1998	1997	1996
REVENUE			
Aviation fueling	$ 383,010,000	$ 381,236,000	$ 302,101,000
Marine fueling	393,607,000	368,470,000	321,216,000
Oil recycling	25,146,000	22,912,000	18,993,000
Intersegment eliminations			(11,000)
Consolidated revenue	$ 801,763,000	$ 772,618,000	$ 642,299,000
INCOME FROM OPERATIONS			
Aviation fueling	$ 12,558,000	$ 10,620,000	$ 12,858,000
Marine fueling	7,403,000	5,013,000	3,425,000
Oil recycling	4,155,000	5,020,000	3,976,000
Corporate	(5,589,000)	(5,027,000)	(5,313,000)
Consolidated income from operations	$ 18,527,000	$ 15,626,000	$ 14,946,000
IDENTIFIABLE ASSETS			
Aviation fueling	$ 57,867,000	$ 54,129,000	$ 42,345,000
Marine fueling	53,819,000	43,013,000	39,948,000
Oil recycling	19,055,000	17,574,000	15,567,000
Corporate	12,518,000	8,423,000	14,114,000
Consolidated identifiable assets	$ 143,259,000	$ 123,139,000	$ 111,974,000
CAPITAL EXPENDITURES			
Aviation fueling	$ 218,000	$ 369,000	$ 66,000
Marine fueling	609,000	208,000	424,000
Oil recycling	1,793,000	2,426,000	623,000
Corporate	864,000	196,000	294,000
Consolidated capital expenditures	$ 3,484,000	$ 3,199,000	$ 1,407,000
DEPRECIATION AND AMORTIZATION			
Aviation fueling	$ 312,000	$ 189,000	$ 116,000
Marine fueling	708,000	599,000	535,000
Oil recycling	1,021,000	916,000	819,000
Corporate	377,000	234,000	186,000
Consolidated depreciation and amortization	$ 2,418,000	$ 1,938,000	$ 1,656,000

FOREIGN OPERATIONS

A summary of financial data for foreign operations is shown below as of, and for the fiscal years ended, March 31, 1998, 1997 and 1996. Non-U.S. operations of the Company and its subsidiaries are conducted primarily from offices in the United Kingdom, Singapore, Mexico, South Africa, South Korea, Denmark and Costa Rica. Income from operations is before the allocation of corporate general and administrative expenses and income taxes.

	1998	1997	1996
Revenue	$419,701,000	$287,589,000	$184,768,000
Income from operations	$ 10,774,000	$ 7,753,000	$ 2,555,000
Identifiable assets	$ 43,524,000	$ 37,313,000	$ 13,506,000

MAJOR CUSTOMERS

No customer accounted for more than 10% of total consolidated revenue for the years ended March 31, 1998, 1997 and 1996.

(8) QUARTERLY INFORMATION (UNAUDITED)

	FOR THE THREE MONTHS ENDED			
	JUNE 30, 1997	SEPTEMBER 30, 1997	DECEMBER 31, 1997	MARCH 31, 1998
Revenue	$186,307,000	$205,792,000	$208,879,000	$200,785,000
Gross Profit	$ 11,074,000	$ 12,233,000	$ 12,455,000	$ 14,633,000
Net Income	$ 3,803,000	$ 4,125,000	$ 4,148,000	$ 3,777,000
Basic earnings per share	$ 0.31	$ 0.34	$ 0.34	$ 0.31
Diluted earnings per share	$ 0.31	$ 0.33	$ 0.33	$ 0.30

	FOR THE THREE MONTHS ENDED			
	JUNE 30, 1996	SEPTEMBER 30, 1996	DECEMBER 31, 1996	MARCH 31, 1997
Revenue	$170,694,000	$180,349,000	$207,665,000	$213,910,000
Gross Profit	$ 11,632,000	$ 11,626,000	$ 11,716,000	$ 11,653,000
Net Income	$ 3,104,000	$ 3,253,000	$ 3,395,000	$ 3,513,000
Basic earnings per share	$ 0.26	$ 0.27	$ 0.28	$ 0.29
Diluted earnings per share	$ 0.25	$ 0.27	$ 0.27	$ 0.28

SCHEDULE II
WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS

	BALANCE AT BEGINNING OF PERIOD	ADDITIONS: ACQUISITION OF BUSINESS	ADDITIONS: CHARGED TO COSTS AND EXPENSES	ADDITIONS: CHARGED TO OTHER ACCOUNTS (1)	DEDUCTIONS (2)	BALANCE AT END OF PERIOD
YEAR ENDED MARCH 31, 1998						
Allowance for bad debts	$ 4,360,000	$ 118,000	$ 1,417,000	$ 919,000	$ 2,220,000	$ 4,594,000
YEAR ENDED MARCH 31, 1997						
Allowance for bad debts	$ 4,363,000	$ -	$ 5,107,000	$ 415,000	$ 5,525,000	$ 4,360,000
YEAR ENDED MARCH 31, 1996						
Allowance for bad debts	$ 4,566,000	$ -	$ 2,291,000	$ 785,000	$ 3,279,000	$ 4,363,000

Notes:
(1) Recoveries of bad debts and reclassifications.

(2) Accounts determined to be uncollectible.

EXHIBIT INDEX

EXHIBIT	DESCRIPTION
10B(1)	Amendment to Employment Agreement with Jerrold Blair, dated April 29, 1997
10B(2)	Amendment to Employment Agreement with Ralph Weiser, dated April 29, 1997
21	Subsidiaries of the Registrant
27	Financial Data Schedule

[LOGO]

April 29, 1997

Mr. Jerrold Blair
World Fuel Services Corporation
700 S. Royal Poinciana Boulevard
Suite 800
Miami Springs, FL 33166

Dear Jerry:

Pursuant to the minutes of the meeting of the Compensation Committee of April 29, 1997, this letter is intended to extend your employment agreement (the "Agreement") dated March 31, 1996 with World Fuel Services Corporation (the "Company"). According to the terms of the Agreement, the Company has agreed to employ you until March 31, 2001, and you have agreed not to compete with the Company, on the terms and conditions set forth in the Agreement. In this regard, for good and valuable consideration, the Company agrees as follows:

2. The Company agreed to extend the term of Executive's employment with the Company for one additional year, so that it now expires on March 31, 2002.

Except for the modifications of the agreement set forth above, all of the terms, provisions and conditions set forth in the Agreement, including without limitations the Covenant Against Unfair competition set forth in Section 6 of the Agreement, shall remain in full force and effect.

Sincerely yours,

By: /s/ JOHN R. BENBOW
- ----------------------
Chairman of the Compensation Committee

WITNESSES:	ACCEPTED AND AGREED:
By: /s/ JANET D. RUSAKOV	By: /s/ JERROLD BLAIR
- ------------------------	---------------------
By: /s/ SONIA ASENCIO	
- ---------------------	

[LETTERHEAD]

EXHIBIT 10.B(2)

[LOGO]

April 29, 1997

Mr. Ralph Weiser
World Fuel Services Corporation
700 S. Royal Poinciana Boulevard
Suite 800
Miami Springs, FL 33166

Dear Ralph:

Pursuant to the minutes of the meeting of the Compensation Committee of April 29, 1997, this letter is intended to extend your employment agreement (the "Agreement") dated March 31, 1996 with World Fuel Services Corporation (the "Company"). According to the terms of the Agreement, the Company has agreed to employ you until March 31, 2001, and you have agreed not to compete with the Company, on the terms and conditions set forth in the Agreement. In this regard, for good and valuable consideration, the Company agrees as follows:

1. The Company agreed to extend the term of Executive's employment with the Company for one additional year, so that it now expires on March 31, 2002.

Except for the modifications of the agreement set forth above, all of the terms, provisions and conditions set forth in the Agreement, including without limitations the Covenant Against Unfair competition set forth in Section 6 of the Agreement, shall remain in full force and effect.

Sincerely yours,

By: /s/ JOHN R. BENBOW
- ----------------------
Chairman of the Compensation Committee

WITNESSES:

By: /s/ SONIA ASENCIO
- ---------------------

By: /s/ JANET D. RUSAKOV
- ------------------------

ACCEPTED AND AGREED:

By: /s/ RALPH WEISER

[LETTERHEAD]

Exhibit 21 - Subsidiaries of the Registrant

Advance Petroleum, Inc., a Florida corporation (1)
Advance Aviation Services, Inc., a Florida corporation (10)
AirData Limited, a United Kingdom corporation (2)
Air Terminaling, Inc., a Florida corporation (10)
Baseops Europe Ltd., a United Kingdom corporation (3)
Baseops International, Inc., a Texas corporation
Casa Petro S.A., a Costa Rica corporation
Cherokee Group, Inc., a Florida corporation
International Environmental Services, Inc., a Florida corporation
International Petroleum Corporation, a Florida corporation (4)
International Petroleum Corporation of LA, a Louisiana corporation (4)
International Petroleum Corporation of Lafayette, a Louisiana corporation
International Petroleum Corporation of Maryland, a Maryland corporation (4)
International Petroleum Corp. of Delaware, a Delaware corporation (4)
International Petroleum Corp. of Georgia, a Georgia corporation (10)
International Petroleum Corp. of Pennsylvania, a Pennsylvania corporation (10)
Pacific Horizon Petroleum Corporation, a Delaware corporation
PetroServicios de Costa Rica S.A., a Costa Rica corporation (5)
PetroServicios de Mexico S.A. de C.V., a Mexico corporation (6)
PetroServicios WFS del Peru, S.A., a Peru corporation (9)(10)
Resource Recovery Atlantic, Inc., a Delaware corporation (7)(10)
Resource Recovery Mid South, Inc., a Virginia corporation (7)(10)
Resource Recovery of America, Inc., a Florida corporation (10)
Servicios Auxiliares de Mexico S.A. de C.V., a Mexico corporation (6)
Trans-Tec Argentina S.A., an Argentina corporation (10)
Trans-Tec International S.A., a Costa Rica corporation
Trans-Tec Services, Inc., a Delaware corporation
Trans-Tec Services (UK) Ltd., a United Kingdom corporation
Trans-Tec Services (Singapore) PTE. Ltd., a Singapore corporation (8)
World Fuel International S.A., a Costa Rica corporation
World Fuel Miami, Inc., a Florida corporation (10)
World Fuel Services, Inc., a Texas corporation
World Fuel Services, Ltd., a United Kingdom corporation
World Fuel Services (Singapore) PTE. Ltd., a Singapore corporation
World Fuel Services of Chile S.A., a Chile corporation (6)(10)
World Fuel Services del Peru, S.A., a Peru corporation (9)(10)

(1) Advance Petroleum, Inc., operates under the name "World Fuel Services of FL.
(2) This corporation is a wholly-owned subsidiary of Baseops Europe Ltd.
(3) This corporation is a wholly-owned subsidiary of Baseops International, Inc.
(4) These corporations collect and purchase used oil under the name "International Oil Service."
(5) This corporation is owned 55% by Casa Petro S.A. and 45% by World Fuel Services Corporation.
(6) This corporation is owned 50% by Advance Aviation Services, Inc. and 50% by Air Terminaling, Inc.
(7) These corporations are wholly-owned subsidiaries of Resource Recovery of America, Inc.
(8) This corporation is a wholly-owned subsidiary of Trans-Tec Services (UK) Ltd.
(9) These corporations are owned 99% by World Fuel Services Corporation and 1% by Advance Aviation Services, Inc.
10) Inactive.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S MARCH 31, 1998 AUDITED FINANCIAL STATEMENTS FILED ON FORM 10-K AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

12-MOS
MAR-31-1998
APR-01-1997
MAR-31-1998
14,459,000
0
86,242,000
4,594,000
5,504,000
107,548,000
27,126,000
9,065,000
143,259,000
47,447,000
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125,000
91,786,000
143,259,000
801,763,000
801,763,000
751,368,000
751,368,000
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1,417,000
284,000
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4,893,000
15,853,000
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0
0
15,853,000
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1.27