

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 1996

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

(Address of Principal Executive Offices)

33166

(Zip Code)

Registrant's Telephone Number, including area code: (305) 884-2001

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 No

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of December 31, 1996, the registrant had a total of 8,042,518 shares of common stock, par value \$0.01 per share, issued and outstanding.

ITEM 1. FINANCIAL STATEMENTS

The following unaudited, condensed consolidated financial statements of World Fuel Services Corporation (the "Company") have been prepared in accordance with the instructions to Form 10-Q and, therefore, omit or condense certain footnotes and other information normally included in financial statements prepared in accordance with generally accepted accounting principles. In the opinion of management, all adjustments necessary for a fair presentation of the financial information for the interim periods reported have been made. Results of operations for the nine months ended December 31, 1996, will not be necessarily indicative of the results for the entire fiscal year ending March 31, 1997.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

ASSETS

	DECEMBER 31, 1996	MARCH 31, 1996
	-----	-----
CURRENT ASSETS:		
Cash and cash equivalents	\$ 15,990,000	\$ 12,856,000
Accounts receivable, net of allowance for bad debts of \$4,397,000 and \$4,363,000 at December 31 and March 31, 1996, respectively	73,889,000	62,745,000
Inventories	6,077,000	4,592,000
Prepaid expenses and other assets	6,647,000	3,059,000
	-----	-----
Total current assets	102,603,000	83,252,000
	-----	-----
PROPERTY, PLANT AND EQUIPMENT, at cost:		
Land	601,000	601,000
Buildings and improvements	2,977,000	2,890,000
Office equipment and furniture	3,181,000	2,645,000
Plant, machinery and equipment	14,781,000	14,171,000
Construction in progress	880,000	67,000
	-----	-----
	22,420,000	20,374,000
Less accumulated depreciation and amortization	6,801,000	5,856,000
	-----	-----
	15,619,000	14,518,000
	-----	-----
OTHER ASSETS:		
Unamortized cost in excess of net assets of acquired companies, net of accumulated amortization	11,876,000	12,123,000
Other	1,520,000	2,081,000
	-----	-----
	\$131,618,000	\$111,974,000
	=====	=====

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WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(CONTINUED)

LIABILITIES AND STOCKHOLDERS' EQUITY

	DECEMBER 31, 1996	MARCH 31, 1996
	-----	-----
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 1,937,000	\$ 1,944,000
Accounts payable and accrued expenses	40,774,000	37,808,000
Customer deposits	2,634,000	1,467,000
Accrued salaries and wages	1,905,000	2,055,000
Income taxes payable	1,545,000	432,000
	-----	-----
Total current liabilities	48,795,000	43,706,000
	-----	-----
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities	9,075,000	2,103,000
Deferred compensation	1,666,000	1,572,000
Deferred income taxes	351,000	843,000
	-----	-----
	11,092,000	4,518,000
	-----	-----
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$1.00 par value; 100,000 shares authorized, none issued	--	--
Common stock, \$0.01 par value; 10,000,000 shares authorized, 8,043,000 and 8,039,000 shares issued and outstanding at December 31 and March 31, 1996, respectively	81,000	80,000
Capital in excess of par	22,652,000	22,615,000
Retained earnings	49,055,000	41,112,000
Less treasury stock, at cost	57,000	57,000
	-----	-----
	71,731,000	63,750,000
	-----	-----
	\$131,618,000	\$111,974,000
	=====	=====

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

	NINE MONTHS ENDED 1996	DECEMBER 31, 1995
	-----	-----
Revenue	\$558,708,000	\$451,289,000
Cost of sales	523,734,000	421,876,000
	-----	-----
Gross profit	34,974,000	29,413,000
	-----	-----
Operating expenses:		
Salaries and wages	10,859,000	9,662,000
Provision for bad debts	3,636,000	1,185,000
Other	8,238,000	7,124,000
	-----	-----
	22,733,000	17,971,000
	-----	-----
Income from operations	12,241,000	11,442,000
	-----	-----
Other income, net:		
Equity in earnings of aviation joint venture	1,436,000	1,236,000
Other, net	237,000	43,000
	-----	-----
	1,673,000	1,279,000
	-----	-----
Income before income taxes	13,914,000	12,721,000
Provision for income taxes	4,162,000	4,660,000
	-----	-----
Net income	\$ 9,752,000	\$ 8,061,000
	=====	=====
Net income per share	\$ 1.19	\$ 1.00
	=====	=====
Weighted average shares outstanding	8,189,000	8,072,000
	=====	=====

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

	THREE MONTHS ENDED DECEMBER 31, 1996	1995	
	-----	-----	
Revenue	\$207,665,000	\$166,671,000	
Cost of sales	195,949,000	156,343,000	
	-----	-----	
Gross profit	11,716,000	10,328,000	
	-----	-----	
Operating expenses:			
Salaries and wages	3,987,000	3,467,000	
Provision for bad debts	1,102,000	349,000	
Other	2,653,000	2,476,000	
	-----	-----	
	7,742,000	6,292,000	
	-----	-----	
Income from operations	3,974,000	4,036,000	
	-----	-----	
Other income, net:			
Equity in earnings of aviation joint venture	556,000	380,000	
Other, net	39,000	75,000	
	-----	-----	
	595,000	455,000	
	-----	-----	
Income before income taxes	4,569,000	4,491,000	
Provision for income taxes	1,174,000	1,630,000	
	-----	-----	
Net income	\$ 3,395,000	\$ 2,861,000	
	=====	=====	
Net income per share	\$ 0.41	\$ 0.35	
	=====	=====	
Weighted average shares outstanding	8,209,000	8,111,000	
	=====	=====	

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	NINE MONTHS ENDED 1996	DECEMBER 31, 1995
	-----	-----
Cash flows from operating activities:		
Net income	\$ 9,752,000	\$ 8,061,000
	-----	-----
Adjustments to reconcile net income to net cash (used in) provided by operating activities -		
Depreciation and amortization	1,401,000	1,231,000
Provision for bad debts	3,636,000	1,185,000
Deferred income taxes	(492,000)	641,000
Equity in earnings of aviation joint venture, net	(416,000)	(74,000)
Other non-cash operating charges (credits)	5,000	(54,000)
Changes in assets and liabilities, net of dispositions:		
(Increase) decrease in -		
Accounts receivable	(14,780,000)	(25,242,000)
Inventories	(1,485,000)	(755,000)
Prepaid expenses and other current assets	(3,545,000)	778,000
Other assets	410,000	(213,000)
Increase (decrease) in -		
Accounts payable and accrued expenses	2,765,000	16,195,000
Customer deposits	1,167,000	(695,000)
Accrued salaries and wages	(150,000)	1,125,000
Income taxes payable	1,113,000	(704,000)
Deferred compensation	94,000	20,000
	-----	-----
Total adjustments	(10,277,000)	(6,562,000)
	-----	-----
Net cash (used in) provided by operating activities	(525,000)	1,499,000
	-----	-----
Cash flows from investing activities:		
Additions to property, plant and equipment	(2,120,000)	(1,062,000)
Advances to aviation joint venture	(288,000)	--
Repayments from aviation joint venture	288,000	338,000
Proceeds from disposition of assets	29,000	325,000
Proceeds from notes receivable	380,000	1,940,000
Additional expenditures for acquisition of business	(8,000)	(40,000)
	-----	-----
Net cash (used in) provided by investing activities	\$ (1,719,000)	\$ 1,501,000
	-----	-----

(Continued)

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(CONTINUED)

	NINE MONTHS ENDED 1996	DECEMBER 31, 1995
	-----	-----
Cash flows from financing activities:		
Borrowings under revolving credit facility	\$ 7,000,000	\$ 2,000,000
Dividends paid on common stock	(1,608,000)	(1,452,000)
Repayment of long-term debt	(52,000)	(241,000)
Proceeds from issuance of common stock	38,000	863,000
	-----	-----
Net cash provided by financing activities	5,378,000	1,170,000
	-----	-----
Net increase in cash and cash equivalents	3,134,000	4,170,000
Cash and cash equivalents, at beginning of period	12,856,000	10,907,000
	-----	-----
Cash and cash equivalents, at end of period	\$ 15,990,000	\$ 15,077,000
	=====	=====
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$ 52,000	\$ 52,000
	=====	=====
Income taxes	\$ 3,617,000	\$ 4,996,000
	=====	=====

SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:

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 \$603,000 and \$402,000, are included in accounts payable and accrued expenses as of December 31, 1996 and 1995, respectively.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

THE NINE MONTHS ENDED DECEMBER 31, 1996 COMPARED TO THE NINE MONTHS ENDED
DECEMBER 31, 1995

The Company's revenue for the nine months ended December 31, 1996 was \$558,708,000, an increase of \$107,419,000 or 23.8%, as compared to revenue of \$451,289,000 for the corresponding period of the prior year. The Company's revenue during these periods was attributable to the following segments:

	NINE MONTHS ENDED DECEMBER 31,	
	1996	1995
	-----	-----
Aviation Fueling	\$ 276,228,000	\$ 214,180,000
Marine Fueling	264,887,000	223,641,000
Oil Recycling	17,593,000	13,468,000
	-----	-----
Total Revenue	\$ 558,708,000	\$ 451,289,000
	=====	=====

The aviation fueling segment contributed \$276,228,000 in revenue for the nine months ended December 31, 1996. This represented an increase in revenue of \$62,048,000, or 29.0%, as compared to the same period of the prior year. The increase in revenue was due to an increase in volume and the average price per gallon sold. The marine fueling segment contributed \$264,887,000 in revenue for the nine months ended December 31, 1996, an increase of \$41,246,000, or 18.4%, over the corresponding period of the prior year. The increase in revenue was related to an increase in the average sales price per metric ton, partially offset by a slight decrease in the volume of metric tons brokered. The oil recycling segment contributed \$17,593,000 in revenue for the nine months ended December 31, 1996, an increase of \$4,125,000, or 30.6%, as compared to the same period of the prior 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 of \$34,974,000 for the nine months ended December 31, 1996, increased \$5,561,000, or 18.9%, as compared to the same period of the prior year. The Company's gross margin decreased slightly from 6.5% for the nine months ended December 31, 1995, to 6.3% for the nine months ended December 31, 1996. The decrease resulted from an overall increase in sales prices across all three segments, despite increases in the average gross profit per gallon and metric ton sold.

The Company's aviation fueling business achieved a 6.3% gross margin for the nine months ended December 31, 1996, as compared to 7.1% achieved for the same period during the prior year. The Company's marine fueling segment achieved a 4.3% gross margin for the nine months ended December 31, 1996, as compared to a 4.4% gross margin for the same period of the prior year. The gross margin in the Company's oil recycling segment increased from 33.2% for the nine months ended December 31, 1995, to 34.8% for the nine months ended December 31, 1996.

Total operating expenses for the nine months ended December 31, 1996 were \$22,733,000, an increase of \$4,762,000, or 26.5%, as compared to the same period of the prior 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. The Company added professional staff, implemented telecommunications, sales, operational and accounting systems, and established an international headquarters office in Costa Rica. The increase in operating expenses also resulted from a \$2,402,000 higher provision for bad debts in the aviation fueling segment.

The Company's income from operations for the nine months ended December 31, 1996 was \$12,241,000, an increase of \$799,000, or 7.0%, as compared to the same period of the prior year. Income from operations during these periods was attributable to the following segments:

	NINE MONTHS ENDED 1996	DECEMBER 31, 1995
	-----	-----
Aviation Fueling	\$ 8,146,000	\$ 10,403,000
Marine Fueling	3,558,000	2,332,000
Oil Recycling	4,159,000	2,699,000
Corporate Overhead	(3,622,000)	(3,992,000)
	-----	-----
Total Income from Operations	\$ 12,241,000	\$ 11,442,000
	=====	=====

The aviation fueling segment's income from operations was \$8,146,000 for the nine months ended December 31, 1996, a decrease of \$2,257,000, or 21.7%, as compared to the nine months ended December 31, 1995. This resulted from an increase in operating expenses, due to expenses incurred in international expansion, as discussed above, and a higher provision for bad debts in the aviation segment. The increase in operating expenses was partially offset by an increase in the volume and gross profit of product sold. The Company's aviation fueling segment also earned \$1,436,000 from its joint venture during the nine months ended December 31, 1996, as compared to \$1,236,000 during the same period of the prior year. The results of the joint venture are shown in other income. The marine fueling segment earned \$3,558,000 in income from operations for the nine months ended December 31, 1996, an increase of \$1,226,000, or 52.6% over the corresponding period of the prior year. This increase was related primarily to an increase in the average gross profit per metric ton, 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 \$1,460,000, or 54.1%, for the nine months ended December 31, 1996, as compared to the same period of the prior 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 \$3,622,000 for the nine months ended December 31, 1996, a decrease of \$370,000, or 9.3%, as compared to the same period of the prior year.

The Company's effective income tax rate for the nine months ended December 31, 1996 was 29.9%, as compared to 36.6% for the same period of the prior year. The decrease is the result of an overall decline in foreign income taxes.

Net income for the nine months ended December 31, 1996 was \$9,752,000, an increase of \$1,691,000, or 21.0%, as compared to net income for the nine months ended December 31, 1995. Earnings per share

of \$1.19 for the nine months ended December 31, 1996 exhibited a \$0.19, or 19.0% increase, over the \$1.00 achieved during the same period of the prior year.

THE THREE MONTHS ENDED DECEMBER 31, 1996 COMPARED TO THE THREE MONTHS ENDED DECEMBER 31, 1995

The Company's revenue for the three months ended December 31, 1996 was \$207,665,000, an increase of \$40,994,000, or 24.6%, as compared to revenue of \$166,671,000 for the corresponding period of the prior year. The Company's revenue during these periods was attributable to the following segments:

	THREE MONTHS ENDED DECEMBER 31,	
	1996	1995
	-----	-----
Aviation Fueling	\$ 97,743,000	\$ 77,782,000
Marine Fueling	103,965,000	83,705,000
Oil Recycling	5,957,000	5,184,000
	-----	-----
Total Revenue	\$ 207,665,000	\$ 166,671,000
	=====	=====

The aviation fueling segment contributed \$97,743,000 in revenue for the three months ended December 31, 1996. This represented an increase in revenue of \$19,961,000, or 25.7%, as compared to the same period of the prior year. The increase in revenue was due to an increase in the average price per gallon sold, which was partially offset by a slight decrease in volume. The marine fueling segment contributed \$103,965,000 in revenue for the three months ended December 31, 1996, an increase of \$20,260,000, or 24.2%, over the corresponding period of the prior year. The increase in revenue was related to an increase in the average price per metric ton, partially offset by a decrease in volume traded and brokered. The oil recycling segment contributed \$5,957,000 in revenue for the three months ended December 31, 1996, an increase of \$773,000, or 14.9%, as compared to the same period of the prior year. The increase in revenue was due to an increase in the average sales price per gallon of recycled oil sold, and higher used oil and waste water collection revenue, partially offset by a decrease in volume of recycled oil sales.

The Company's gross profit of \$11,716,000 for the three months ended December 31, 1996, increased \$1,388,000, or 13.4%, as compared to the same period of the prior year. The Company's gross margin decreased from 6.2% for the three months ended December 31, 1995, to 5.6% for the three months ended December 31, 1996. The decrease resulted from an overall increase in sales prices across all three segments, despite increases in the average gross profit per gallon and metric ton sold.

The Company's aviation fueling business achieved a 5.7% gross margin for the three months ended December 31, 1996, as compared to 6.4% achieved for the same period during the prior year. The Company's marine fueling segment achieved a 3.9% gross margin for the three months ended December 31, 1996, as compared to a 4.3% gross margin for the same period of the prior year. The gross margin in the Company's oil recycling segment increased from 34.0% for the three months ended December 31, 1995, to 35.1%, for the three months ended December 31, 1996.

Total operating expenses for the three months ended December 31, 1996 were \$7,742,000, an increase of \$1,450,000, or 23.0%, as compared to the same period of the prior year. Operating expenses increased partly as a result of the Company's international expansion, as previously discussed. The increase also resulted from a higher provision for bad debts in the aviation fueling segment.

The Company's income from operations for the three months ended December 31, 1996 was \$3,974,000, a decrease of \$62,000, or 1.5%, as compared to the same period of the prior year. Income from operations during these periods was attributable to the following segments:

	THREE MONTHS ENDED DECEMBER 31,	
	1996	1995
	-----	-----
Aviation Fueling	\$ 2,437,000	\$ 3,425,000
Marine Fueling	1,346,000	879,000
Oil Recycling	1,352,000	1,227,000
Corporate Overhead	(1,161,000)	(1,495,000)
	-----	-----
Total Income from Operations	\$ 3,974,000	\$ 4,036,000
	=====	=====

The aviation fueling segment's income from operations was \$2,437,000 for the three months ended December 31, 1996, a decrease of \$988,000, or 28.8%, as compared to the three months ended December 31, 1995. This resulted from an increase in operating expenses, as previously discussed, partially offset by an increase in the average gross profit per gallon. The Company's aviation fueling segment also earned \$556,000 from its joint venture during the three months ended December 31, 1996, as compared to \$380,000 during the same period of the prior year. The results of the joint venture are shown in other income. The marine fueling segment earned \$1,346,000 in income from operations for the three months ended December 31, 1996, an increase of \$467,000, or 53.1% over the corresponding period of the prior year. This increase was related primarily to an increase in the average gross profit per metric ton, partially offset by a decrease in volume. Income from operations of the oil recycling segment increased by \$125,000, or 10.2%, for the three months ended December 31, 1996, as compared to the same period of the prior year. This improvement resulted from an increase in the average gross profit per recycled oil gallon sold, partially offset by an increase in operating expenses and a decrease in volume. Corporate overhead costs not charged to the business segments totaled \$1,161,000 for the three months ended December 31, 1996, a decrease of \$334,000, or 22.3%, as compared to the same period of the prior year.

The Company's effective income tax rate for the three months ended December 31, 1996 was 25.7%, as compared to 36.3% for the same period of the prior year. The decrease is the result of an overall decline in foreign income taxes.

Net income for the three months ended December 31, 1996, was \$3,395,000, an increase of \$534,000, or 18.7%, as compared to net income for the three months ended December 31, 1995. Earnings per share of

\$0.41 for the three months ended December 31, 1996 exhibited a \$0.06, or 17.1% increase over the \$0.35 achieved during the same period of the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents amounted to \$15,990,000 at December 31, 1996, as compared to \$12,856,000 at March 31, 1996. The principal sources of cash for the first nine months of fiscal year 1997 were \$7,000,000 in net borrowings under the Company's revolving credit facility and \$380,000 from collections on notes receivable. Partially offsetting the increase in cash and cash equivalents was \$525,000 in net cash used in operating activities, \$2,120,000 for capital expenditures and \$1,608,000 in dividends paid on common stock. Other components of changes in cash and cash equivalents are detailed in the Consolidated Statements of Cash Flows.

Working capital as of December 31, 1996 was \$53,808,000, exhibiting a \$14,262,000 increase from working capital as of March 31, 1996. As of December 31, 1996, the Company's accounts receivable, excluding the allowance for bad debts, amounted to \$78,286,000, an increase of \$11,178,000, as compared to the March 31, 1996 balance. In the aggregate, accounts payable, accrued expenses, and customer deposits increased \$4,133,000. The net increase in trade credit of \$7,046,000 was primarily attributable to rising fuel prices in the aviation and marine segments. The allowance for bad debts as of December 31, 1996 amounted to \$4,397,000, an increase of \$34,000 compared to the March 31, 1996 balance. During the first nine months of fiscal year 1997, the Company recorded a \$3,636,000 provision for bad debts and had charge-offs in excess of recoveries of \$3,602,000. The provision and charge-offs are primarily related to the Company's aviation segment.

Prepaid and other current assets as of December 31, 1996, were \$6,647,000, exhibiting an increase of \$3,588,000 over the March 31, 1996 balance. This is partially related to increases in prepaid fuel and prepaid insurance totaling \$1,659,000. In addition, during fiscal year 1997, accounts receivable totaling \$898,000 were converted to short-term notes receivable and the Company reclassified \$1,312,000 related to its aviation joint venture investment, which was previously classified as non-current, to other current assets.

Capital expenditures, which amounted to \$2,120,000 for the first nine months of fiscal year 1997, consisted primarily of \$570,000 in computer and office equipment, \$555,000 in plant, machinery and equipment, and \$930,000 in construction in progress to increase the storage capacity at the Company's Louisiana used oil facility. During the balance of fiscal year 1997 and throughout fiscal year 1998, the Company anticipates spending approximately \$1,500,000 to upgrade plant, machinery and equipment. The Company also anticipates spending 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.

The Company's working capital requirements are not expected to vary substantially for the balance of fiscal year 1997 and throughout fiscal year 1998. The Company expects to meet its cash requirements for the balance of fiscal year 1997 and throughout fiscal year 1998 from existing cash, operations, and additional borrowings, as necessary, under its existing credit facility. The Company's business has not been significantly affected by inflation during the periods discussed in this report.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In December 1996, the South Carolina Department of Health and Environmental Control ("DHEC") sued the Company, along with other defendants (or potentially responsible persons), in the U.S. District Court of South Carolina, to recover response or cleanup costs for the Aqua-Tech Waste Disposal site near Greer, South Carolina under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Sec. 9601, et. seq. (CERCLA or Superfund) and state law. The suit relates to disposal activities conducted from 1983 to 1986 by an unrelated third party. DHEC seeks to hold the Company responsible for the disposal activities of this third party because an indirect subsidiary of the Company, Resource Recovery Atlantic, Inc., acquired selected assets from this third party in May 1988. The Company believes it has valid defenses to this suit and intends to vigorously defend this action. There can be no assurance the Company will prevail in this legal proceeding, and management cannot estimate at this time the exposure of the Company if it does not prevail in the proceeding. Except for the foregoing, there are no material legal proceedings to which the Company or any of its subsidiaries is a party.

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

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

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- (a) During the three months ended December 31, 1996, the Company did not file any reports on Form 8-K.
- (b) Exhibit 27 Financial Data Schedule (for SEC use only).

SIGNATURES

Pursuant to the requirements 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.

DATE: JANUARY 30, 1997

WORLD FUEL SERVICES CORPORATION

/s/ JERROLD BLAIR

Jerrold Blair
President

/s/ CARLOS A. ABAUNZA

Carlos A. Abaunza
Chief Financial Officer

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S DECEMBER 31, 1996 UNAUDITED FINANCIAL STATEMENTS FILED ON FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

9-MOS		
	MAR-31-1997	
	APR-01-1996	
	DEC-31-1996	
		15,990,000
		0
		78,286,000
		4,397,000
		6,077,000
	102,603,000	
		22,420,000
		6,801,000
		131,618,000
	48,795,000	
		0
	0	
		0
		81,000
		71,650,000
131,618,000		
		558,708,000
	558,708,000	
		523,734,000
		523,734,000
		0
		3,636,000
		328,000
		13,914,000
		4,162,000
	9,752,000	
		0
		0
		0
		9,752,000
		1.19
		1.19