

WORLD FUEL SERVICES CORP  
Form 8-K/A  
August 09, 2004

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

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**FORM 8-K/A**

**AMENDMENT NO. 2**

**CURRENT REPORT**  
**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

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Date of Report (Date of earliest event reported): April 2, 2004

COMMISSION FILE NUMBER 1-9533

**WORLD FUEL SERVICES CORPORATION**

(Exact name of registrant as specified in its charter)

**Florida**  
(State or other jurisdiction of  
  
incorporation)

**59-2459427**  
(I.R.S. Employer Identification No.)

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9800 N.W. 41<sup>st</sup> Street, Suite 400

Miami, Florida  
(Address of principal executive offices)

33178  
(Zip Code)

Registrant's telephone number, including area code: (305) 428-8000

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This Amendment No. 2 to Registrant's Current Report on Form 8-K filed on April 16, 2004 (the Report) amends Items 7(a) and 7(b) of the Report to provide restated financial statements of the business acquired and revised pro forma financial information. The restated historical financial statements relate to periods ended prior to the acquisition, were prepared in accordance with the UK GAAP and were audited by PricewaterhouseCoopers LLP in accordance with auditing standards of the Public Company Accounting Oversight Board (United States), with a reconciliation to US GAAP. In the restatements, several adjustments were made to the UK GAAP accounts filed with Amendment No. 1. The revised pro forma financial information also contains several adjustments, but no material difference in pro forma net income.

**Item 7. Financial Statements and Exhibits**

(a) Financial Statements of the Business Acquired.

Consolidated balance sheets of Tramp Holdings Limited and its subsidiaries (THL) as of 31 January 2004 and 2003, and the related consolidated profit and loss account, cash flows and the statement of total recognized gains and losses for each of the three years in the period ended 31 January 2004. The consolidated financial statements of THL were prepared in accordance with United Kingdom Generally Accepted Accounting Principles (UK GAAP) and audited in accordance with auditing standards of the Public Company Accounting Oversight Board (United States).

(b) Pro Forma Financial Information.

Pro forma combined condensed balance sheet as of December 31, 2003 and the combined condensed statement of income for the year ended December 31, 2003.

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
23.1	Consent of Independent Registered Public Accounting Firm.

**FINANCIAL STATEMENTS OF THE BUSINESS ACQUIRED**

**TRAMP HOLDINGS LIMITED**

**FINANCIAL STATEMENTS**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM TO THE DIRECTORS OF**

**TRAMP HOLDINGS LIMITED**

We have audited the accompanying consolidated balance sheets of Tramp Holdings Ltd and its subsidiaries as of 31 January 2004 and 2003, and the related consolidated profit and loss account, cash flows and the statement of total recognised gains and losses for each of the three years in the period ended 31 January 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Companies Accounting Oversight Board (United States). 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, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of 31 January 2004 and 2003 and the results of its operations and its cash flows for each of the three years in the period ended 31 January 2004, in conformity with accounting principles generally accepted in the United Kingdom.

As discussed in Note 2, *Restatement of Previously Issued Financial Statements*, the Company has restated its financial statements for the three years ended 31 January 2004 to correct for departures from UK GAAP.

Accounting principles generally accepted in the United Kingdom vary in certain significant respects from accounting principles generally accepted in the United States of America. Information relating to the nature and effect of such differences is presented in Note 30 to the consolidated financial statements.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

London

29 July 2004

## TRAMP HOLDINGS LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

for the year ended 31st January 2004

	Notes	2004	2003	2002
		£	£	£
		(restated)	(restated)	(restated)
<b>Turnover</b>	3	<b>628,760,965</b>	538,770,837	497,824,139
Cost of sales		<b>(619,700,940)</b>	(530,458,815)	(487,238,346)
<b>Gross profit</b>		<b>9,060,025</b>	8,312,022	10,585,793
Administrative expenses		<b>(7,324,368)</b>	(8,001,052)	(6,775,119)
Other operating income	4	<b>2,228,226</b>	1,816,690	2,351,184
<b>Operating profit</b>	5	<b>3,963,883</b>	2,127,660	6,161,858
Interest receivable and similar income	8	<b>571,380</b>	437,672	476,342
Interest payable	9	<b>(73,614)</b>	(102,584)	(226,554)
<b>Profit on ordinary activities before taxation</b>		<b>4,461,649</b>	2,462,748	6,411,646
Taxation	10	<b>(1,388,096)</b>	(892,978)	(1,594,879)
<b>Profit on ordinary activities after taxation</b>		<b>3,073,553</b>	1,569,770	4,816,767
Minority interests		<b>(503,839)</b>	(250,212)	(693,444)
<b>Profit for the financial year</b>		<b>2,569,714</b>	1,319,558	4,123,323
Appropriation for dividend on non-equity shares	23	<b>(2,294,026)</b>	(2,085,478)	(1,895,889)
<b>Profit/(loss) for the financial year</b>	22	<b>275,688</b>	(765,920)	2,227,434
<b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</b>				
Profit for the financial year		<b>2,569,714</b>	1,319,558	4,123,323
Currency translation differences on foreign currency investments		<b>(277,315)</b>	(475,711)	53,857
<b>Total recognised gains and losses</b>		<b>2,292,399</b>	843,847	4,177,180

All the above results were derived from continuing activities and there were no acquisitions in the year.

## TRAMP HOLDINGS LIMITED

## GROUP BALANCE SHEET

as at 31st January 2004

	Notes	2004		2003	
		£	£	£	£
		(restated)	(restated)	(restated)	(restated)
<b>FIXED ASSETS</b>					
Tangible assets	12		<b>188,823</b>		174,009
Investments	14		<b>30,413</b>		42,022
			<b>219,236</b>		216,031
<b>CURRENT ASSETS</b>					
Stocks	15	<b>6,067,862</b>		6,339,945	
Debtors	16	<b>57,959,031</b>		74,456,261	
Investments	17	<b>938,581</b>		784,644	
Cash at bank and in hand		<b>32,173,145</b>		18,309,107	
		<b>97,138,619</b>		99,889,957	
<b>CREDITORS: amounts falling due within one year</b>	18	<b>(56,641,650)</b>		(62,257,698)	
<b>Net current assets</b>			<b>40,496,969</b>		37,632,259
<b>Total assets less current liabilities</b>			<b>40,716,205</b>		37,848,290
<b>CREDITORS: amounts falling due after more than one year</b>	19	<b>(76,140)</b>		(52,319)	
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	20	<b>(232,765)</b>		(138,079)	
			<b>(308,905)</b>		(190,398)
<b>Net assets</b>			<b>40,407,300</b>		37,657,892
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		<b>5,680,000</b>		5,680,000
Profit and loss account	22		<b>8,113,139</b>		8,122,424
Other reserves	23		<b>21,322,306</b>		19,020,622
<b>Shareholders funds</b>	24		<b>35,115,445</b>		32,823,046
Minority interests - equity			<b>5,291,855</b>		4,834,846
			<b>40,407,300</b>		37,657,892

The amount of shareholders funds attributable to equity interests was £9,881,161 (2003: £9,882,788) and to non equity interests was £25,234,284 (2003: £22,940,258).

## TRAMP HOLDINGS LIMITED

## GROUP CASH FLOW STATEMENT

for the year ended 31st January 2004

	Notes	2004	2003	2002
		£	£	£
		(restated)	(restated)	(restated)
Cash flow from operating activities	25	<b>6,949,107</b>	7,089,518	5,635,691
Returns on investments and servicing of finance	26	<b>485,402</b>	289,478	202,140
Taxation	26	<b>(1,624,515)</b>	(1,675,334)	(1,854,431)
Capital expenditure and financial investment	26	<b>(70,540)</b>	(128,216)	(188,183)
Acquisitions and disposals	26	<b>23,534</b>	85,823	5,527
<b>Cash inflow before financing</b>		<b>5,762,988</b>	5,661,269	3,800,744
Financing	26	<b>(16,240)</b>	(21,582)	14,146
<b>Increase in cash in the period</b>		<b>5,746,748</b>	5,639,687	3,814,890
<b>Reconciliation of net cash flow to movement in net funds</b>	27			
Increase in cash in the period		<b>5,746,748</b>	5,639,687	3,814,890
Cash outflow from decrease in debt and hire purchase financing		<b>16,240</b>	21,582	(14,146)
<b>Change in funds resulting from cash flows</b>		<b>5,762,988</b>	5,661,269	3,800,744
New hire purchase agreements		<b>(53,003)</b>		
<b>Movement in net debt in the period</b>		<b>5,709,985</b>	5,661,269	3,800,744
Net funds at 1st February 2003		<b>17,532,892</b>	11,871,623	8,070,879
<b>Net funds at 31st January 2004</b>		<b>23,242,877</b>	17,532,892	11,871,623



**NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Basis of consolidation**

All group companies are consolidated. Tramp Oil Schiffahrts und Handels GmbH, Tramp Oil Germany GmbH & Co KG, Tramp Oil (Brasil) Ltda and Tramp Oil & Marine (South Cone) S.A. have been consolidated based on the accounts for the year ended 31st December 2003.

**Basis of translation of foreign currencies**

At the year end all foreign currency assets and liabilities of the group and company are translated at the applicable rates of exchange ruling on that date. The results of overseas subsidiary undertakings are translated into sterling at the average rates. Exchange differences which arise from the translation at rates different from those used in the previous year's financial statements of the share capital and reserves of overseas subsidiary undertakings are dealt with through reserves. Exchange profits and losses on trading transactions are included in the group's trading profits.

**Turnover**

Turnover is the amount derived from the provision of goods and services falling within the group's ordinary activities after deduction of trade discounts and value added tax.

**Deferred taxation**

Deferred tax liabilities are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are recognised to the extent they are considered recoverable. Deferred tax balances are not discounted.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. All repairs are written off as incurred. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

The estimated useful lives are:

Fixtures, fittings and equipment	- 3-5 years
Plant and machinery	- 4-5 years
Short leasehold	- 10 years
Freehold property	- 10 years

**NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES** *continued*

**Investments**

**(i) Fixed assets**

Fixed asset investments are stated at cost less provision for impairment.

**(ii) Current assets**

Current asset investments are stated at the lower of cost and net realisable value.

**(iii) Leased assets**

Rental payments under operating leases are charged to the profit and loss account as incurred

**Stock**

Stock, is valued at the lower of cost, on a first in first out basis, and net realisable value.

**Pension costs**

The group continues to operate a group personal pension plan and a death benefit scheme for which contributions are charged to the profit and loss account in the period for which they are paid. The liability of the group is limited to the contributions paid in the year.

**2 RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS**

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In April 2004, World Fuel Services Corporation ( World Fuel ), a publicly traded company incorporated in the United States, through its wholly-owned subsidiary of World Fuel Services European Holding Company I, Limited, a company incorporated in the United Kingdom, acquired all the outstanding ordinary and preference shares of Tramp Holdings Limited. Due to the relative size of the acquisition to World Fuel, three years of income statements and two years balance sheets audited in accordance with US generally accepted auditing standards with a reconciliation to US GAAP were required to be included in World Fuel 's Form 8-K filing with the US Securities and Exchange Commission.

During the re-audit of the UK balances several adjustments were noted. Below is a description of those adjustments made to the UK GAAP accounts:

### Accruals for indirect taxes

The audit of the indirect taxes revealed that there were under accruals in certain social security and excise taxes in the operations of one of the Company 's foreign subsidiaries. In addition to this under accrual, the Company incorrectly invoiced some aviation sales as zero rated value-added tax (VAT) when in fact VAT should have been charged. It is unlikely that this VAT liability will be recovered from customers and accordingly has been expensed.

## NOTES TO THE FINANCIAL STATEMENTS

**2 RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS** *continued*Changes in Provisioning

Tramp had previously recorded provisions which were deemed, either to be unnecessary or did not meet the definition of a liability under UK accounting standards. Previously, Tramp would de-recognise these provisions in the following year, taking the amount to income. These financial statements have been restated to remove the unnecessary provision in the year booked and remove the credit to income when the provision was released.

Accrual for contingencies and claims

Tramp did not accrue for certain claims and contingencies which were in existence at the balance sheet date. As part of the re-audit, an accrual was established for the expected settlement of these claims.

Translation of income statement at average rates

Previously, Tramp had translated the income statement items using the end rate under UK GAAP. While this treatment is acceptable under SSAP 20, it is not the preferred method of accounting. With the implementation of FRS 18, it was determined that the income statement should be translated at average rates. This revised treatment is also in line with the requirements under US GAAP.

**Profit and Loss (restated)**

	2004	2003	2002
	£	£	£
Net income (before preferred dividend) previously reported	3,332,563	1,788,623	4,762,691
Additional liabilities for indirect taxes	(485,035)	(481,613)	(460,714)
Changes in provisioning for debtors and other assets	(233,016)	3,056	(163,586)
Increase provisioning for claims and contingencies	(67,300)	0	0
Translation of income statement at average rates	22,502	9,492	(15,068)
<b>Net income (before preferred dividend) as restated</b>	<b>2,569,714</b>	<b>1,319,558</b>	<b>4,123,323</b>



## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

2 RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS *continued*

## Balance Sheet (restated)

	2004	2003	2002
	£	£	£
Net assets previously reported	42,122,074	38,527,617	37,032,585
Additional liabilities for indirect taxes	(1,492,612)	(987,430)	(483,899)
Changes in provisioning for debtors and other assets	(355,768)	119,247	33,354
Changes in the tax liability as a result of the above adjustments	133,606	(1,542)	78,341
<b>Net assets as restated</b>	<b>40,407,300</b>	<b>37,657,892</b>	<b>36,660,381</b>

## 3 TURNOVER AND OPERATING PROFIT

Turnover and operating profit information has not been disclosed as in the opinion of the directors the disclosure of turnover and operating profit by class of business and geographical area would be prejudicial to the interests of the group.

## 4 OTHER OPERATING INCOME

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
Interest receivable from clients	1,790,104	1,663,504	1,996,591
Profit on disposal of tangible fixed assets	35,249	13,478	3,610
Profit on disposal of fixed asset investments		74,640	54,287
Net profit on trading ships shares	51,238	46,324	44,392
Decrease in provision against current asset investments	167,547		
Decrease in bad debt provisions			120,279
Decrease in provision against claims	52,835		
Other income	131,253	18,744	22,596
Fee income			109,429
	<b>2,228,226</b>	<b>1,816,690</b>	<b>2,351,184</b>

Interest receivable from clients arises as an integral element of trading activities and is therefore treated as an operating item.



**TRAMP HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****5 OPERATING PROFIT** is stated after charging:

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
Depreciation of tangible fixed assets - owned assets	<b>96,587</b>	98,155	131,985
Directors remuneration (including pension contributions) as executives (note 5)	<b>534,071</b>	455,918	890,967
Auditors remuneration for audit services	<b>45,644</b>	65,700	63,319
Non-audit fees paid to auditors	<b>33,200</b>	42,338	31,850
Amounts written off investments in ships	<b>13,427</b>	12,869	12,019
Operating lease rentals payable for land and buildings	<b>125,175</b>	267,527	217,530
Other operating lease rentals payable	<b>2,367</b>	1,374	
Increase in provision against current asset investments	<b>32,453</b>	429,787	143,307
Increase in bad debt provision		356,751	
Increase in provision against claims		50,838	

**6 DIRECTORS EMOLUMENTS**

The directors set out below served throughout the year. C.C Carlsen has retired after the year end.

The interests of the directors, who both served throughout the year, in the share capital of the company were as follows:

	31st January 2003 and 2004
10% cumulative preference shares of 1 each	
C C Carlsen	4,980,000
J R Cole	
Ordinary shares of 1 each	
C C Carlsen	620,000
J R Cole	80,000

**Remuneration**

The remuneration of the directors was as follows:

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	2004	2003	2002
	£	£	£
Emoluments	<b>465,102</b>	386,949	719,620
Company contributions to money purchase pension schemes	<b>68,969</b>	68,969	171,347
	<b>534,071</b>	455,918	890,967

## NOTES TO THE FINANCIAL STATEMENTS

**6 DIRECTORS EMOLUMENTS** *continued***Pensions**

The number of directors who accrued benefits under pension schemes was as follows:

	<u>Number</u>	<u>Number</u>	<u>Number</u>
Money purchase schemes (Number)	1	1	1

**Highest paid director**

The above amounts for remuneration include the following in respect of the highest paid director:

	<u>£</u>	<u>£</u>	<u>£</u>
Emoluments	234,750	193,622	394,404
Company contributions to money purchase schemes	68,969	68,969	102,378
	<b>303,719</b>	262,591	496,782

**7 EMPLOYEES**

The average monthly number of employees of the group, excluding directors, during the year was 80 made up as follows:

	<u>2004</u> <u>Number</u>	<u>2003</u> <u>Number</u>	<u>2002</u> <u>Number</u>
Sales	36	36	34
Administration	44	42	35

**80                      78                      69**

Staff costs during the year amounted to:

	<u>£</u>	<u>£</u>	
Wages and salaries	<b>3,519,346</b>	2,814,865	3,452,954
Social security costs	<b>305,817</b>	243,913	320,479
Other pension costs	<b>144,077</b>	132,442	113,658
	<b><u>3,969,240</u></b>	<u>3,191,221</u>	<u>3,887,091</u>

## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 8 INTEREST RECEIVABLE AND SIMILAR INCOME

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
Interest receivable	<b>537,313</b>	408,057	444,371
Income from listed investments	<b>21,510</b>	21,702	20,898
Income from overseas investments	<b>12,557</b>	7,913	11,073
	<b>571,380</b>	437,672	476,342

Interest receivable from clients is detailed in note 3 above.

## 9 INTEREST PAYABLE

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
On loans wholly repayable within five years	<b>73,614</b>	100,897	217,288
On overdue tax		1,687	9,266
	<b>73,614</b>	102,584	226,554

## NOTES TO THE FINANCIAL STATEMENTS

## 10 TAXATION

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
<b>Current tax</b>			
Corporation tax based on the adjusted profit for the year	<b>1,116,272</b>	649,394	1,591,541
Less: Double taxation relief	<b>(268,236)</b>	(219,076)	(432,490)
	<b>848,036</b>	430,318	1,159,051
Over provision in previous years	<b>(28,191)</b>	(25,111)	(4,799)
Overseas taxation	<b>566,100</b>	485,589	438,550
Tax credit on franked investment income written off	<b>2,151</b>	2,182	2,077
<b>Tax on profit on ordinary activities</b>	<b>1,388,096</b>	892,978	1,594,879

## Factors affecting tax charge for the period

The tax assessed for the period is greater than the standard rate of corporation tax in the UK (30%). The differences are explained below:

Profit on ordinary activities before taxation	<b>4,461,649</b>	2,462,748	6,411,646
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	<b>1,338,495</b>	738,824	1,923,494
Effects of:			
Expenses not deductible for tax purposes	<b>(23,090)</b>	85,837	(44,317)
Capital allowances for period in excess of depreciation	<b>(13,313)</b>	(10,153)	(1,730)
Utilisation of tax losses	<b>19,776</b>	12,116	(13,863)
Starting rate, small companies rate and marginal relief	<b>(2,663)</b>	(6,680)	(4,365)
Higher rate taxes on overseas earnings	<b>29,674</b>	47,405	1,491
Adjustments to tax charge in respect of previous periods	<b>39,217</b>	25,629	(265,831)
<b>Current tax on charge for the period</b>	<b>1,388,096</b>	892,978	1,594,879

## 11 DEFERRED TAXATION

There is no provision for deferred taxation in the accounts of the group at 31st January 2004 (2003: £nil).

There are capital losses carried forward of £912,346 (2003: £846,246).

## NOTES TO THE FINANCIAL STATEMENTS

## 12 TANGIBLE FIXED ASSETS

Group	Freehold Property	Short leasehold	Fixtures, fittings and equipment	Plant and machinery	Total
	£	£	£	£	£
<b>Cost</b>					
1st February 2003	22,532	48,963	1,039,353	308,633	1,419,481
Exchange difference		523	(2,562)	(2,508)	(4,547)
Additions		169	38,538	88,540	127,247
Disposals			(2,918)	(161,655)	(164,573)
<b>31st January 2004</b>	<b>22,532</b>	<b>49,655</b>	<b>1,072,411</b>	<b>233,010</b>	<b>1,377,608</b>
<b>Depreciation</b>					
1st February 2003	11,265	37,907	948,645	247,655	1,245,472
Exchange difference		39	(1,788)	(2,777)	(4,526)
Charge for the year	2,253	2,600	49,281	42,453	96,587
Disposals			(2,918)	(145,830)	(148,748)
<b>31st January 2004</b>	<b>13,518</b>	<b>40,546</b>	<b>993,220</b>	<b>141,501</b>	<b>1,188,785</b>
<b>Net book value</b>					
<b>31st January 2004</b>	<b>9,014</b>	<b>9,109</b>	<b>79,191</b>	<b>91,509</b>	<b>188,823</b>
31st January 2003	11,267	11,056	90,708	60,978	174,009



## NOTES TO THE FINANCIAL STATEMENTS

**13 SUBSIDIARY UNDERTAKINGS**

The company owns 100% of the share capital of Tramp Oil Financial Products Limited, a company incorporated and operating in the UK, marketing and providing financial products to the bunker industry.

Tramp Holdings Limited owns 87.5% of Tramp Group Limited, a company operating in the UK. The company and its subsidiaries are primarily engaged in the business of oil trading.

**The following are wholly owned subsidiary undertakings of Tramp Group Limited:**

Tramp Shipping & Chartering Aps	- Ship chartering
Tramp Oil & Marine Limited	- Oil trading
Tramp Oil Schiffahrts und Handels GmbH	- Oil trading
Tramp Chartering Limited	- Ship chartering and agency
TOM Oil Limited	- Oil trading
Tramp Oil & Marine (Far East) Pte Ltd	- Oil trading
Tramp Oil & Marine (Med) Limited	- Oil trading
Tramp Oil Aviation Limited	- Oil trading
TOM Oil (Broking) Limited	- Oil broking
Tramp Oil Products Limited	- Oil trading
Tramp Oil Fuel Supplies Limited	- Oil trading
Tramp Oil & Marine (Romania) SRL	- Dormant

Tramp Shipping and Chartering Aps is incorporated and operating in Denmark.

Tramp Oil Schiffahrts und Handels GmbH is incorporated and operates in Germany.

Tramp Oil & Marine (Far East) Pte Limited is incorporated and operates in Singapore.

Tramp Oil & Marine (Med) Limited is incorporated in the UK and operates in Cyprus.

Tramp Oil & Marine (Romania) SRL is incorporated in Romania.

Tramp Group Limited owns the entire allotted equity share capital, consisting of £1 ordinary shares, of the eight UK companies.

Tramp Group Limited owns 100% of a German partnership, Tramp Oil Germany GmbH & Co KG, whose business is oil trading and who changed its name from Tramp Oil Schiffahrts und Handels GmbH & Co KG during the year.

Tramp Group Limited owns 67% of the share capital of Tramp Oil (Brasil) Limitada, a company incorporated and operating in Brazil as oil traders.

During the year Tramp Oil (Brasil) Limitada subscribed for 100% of the share capital of Tobras Distribuidora de Combustiveis Limitada, a company incorporated in Brazil. This company had not commenced trading at 31st January 2004.

Tramp Group Limited owns 65% of the share capital of Tramp Oil & Marine (South Cone) S.A., a company incorporated and operating in Chile as oil traders.

## NOTES TO THE FINANCIAL STATEMENTS

## 14 FIXED ASSET INVESTMENTS

	Interest in associated undertakings	Investment in ships	Total
	£	£	£
<b>Cost</b>			
1st February 2003	35	213,301	213,336
Exchange difference		9,235	9,235
<b>31st January 2004</b>	<b>35</b>	<b>222,536</b>	<b>222,571</b>
<b>Provisions</b>			
1st February 2003		171,314	171,314
Exchange difference		7,417	7,417
Amounts written off in the year		13,427	13,427
<b>31st January 2004</b>		<b>192,158</b>	<b>192,158</b>
<b>Net book value</b>			
<b>31st January 2004</b>	<b>35</b>	<b>30,378</b>	<b>30,413</b>
31st January 2003	35	41,987	42,022

## 15 STOCKS

	2004	2003
	£	£
Stocks of oil products	<b>6,067,862</b>	6,339,945

The replacement value of stock approximates the balance sheet value.

## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 16 DEBTORS

	2004	2003
	£	£
	(restated)	(restated)
Trade debtors	56,700,585	73,048,469
Other debtors	778,363	915,714
Prepayments and accrued income	480,083	492,078
	<u>57,959,031</u>	<u>74,456,261</u>

Other debtors includes £5,905 (2003: £29,524) in respect of hire purchase contracts of which £nil (2003: £5,905) is due after more than one year.

Prepayments and accrued income includes £nil (2003: £41,807) in respect of pension premiums prepaid.

## 17 CURRENT ASSET INVESTMENTS

	2004	2003
	£	£
	(restated)	(restated)
<b>Cost</b>		
Listed shares held in United Kingdom	845,707	863,133
Unlisted shares held in United Kingdom	300,000	300,000
Bonds in Germany	14,372	6,395
Bonds and stocks in Denmark	46,678	71,671
Other overseas equities	344,799	323,967
	<u>1,551,556</u>	<u>1,565,166</u>
Less: Provision for impairment	(612,975)	(780,522)
	<u>938,581</u>	<u>784,644</u>
Market value	<u>1,212,085</u>	<u>1,015,660</u>

## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**18 CREDITORS:** amounts falling due within one year

	2004	2003
	£	£
	(restated)	(restated)
Hire purchase obligations	12,942	
Bank loans and overdrafts	8,841,186	723,896
Trade creditors	43,348,735	58,546,832
Corporation tax	1,309	194,582
Other taxes and social security costs	2,618,308	1,903,064
Other creditors	1,073,971	276,317
Accruals and deferred income	745,199	613,007
	<b>56,641,650</b>	<b>62,257,698</b>

Accruals and deferred income includes £18,412 (2003: £nil) in respect of pension premiums accrued.

**19 CREDITORS:** amounts falling due after more than one year

	2004	2003
	£	£
Hire purchase obligations	17,958	
Secured loans	58,182	52,319
	<b>76,140</b>	<b>52,319</b>

The secured loans are repayable by equal half-yearly instalments of capital plus interest. The period outstanding on the loans vary between 1 and 10 years and interest rates range from 8% to variable market rates. The mortgages are secured by charges over the investment in ships. The hire purchase obligations are payable in more than one year but less than five years.

## NOTES TO THE FINANCIAL STATEMENTS

## 20 PROVISIONS FOR LIABILITIES AND CHARGES

	2004	2003
	£	£
	(restated)	(restated)
Provision against exchange losses	43	23,338
Other	232,722	114,741
	<b>232,765</b>	<b>138,079</b>

Movements on provisions during the year were as follows:

	£
Balance at 1st February 2003	138,079
Transfer from profit and loss account	94,686
<b>Balance at 31st January 2004</b>	<b>232,765</b>

## 21 SHARE CAPITAL

	Authorised		Allotted, issued and fully paid	
	2004	2003	2004	2003
	£	£	£	£
10% Cumulative preference shares of £1 each	5,000,000	5,000,000	4,980,000	4,980,000
Ordinary shares of £1 each	1,000,000	1,000,000	700,000	700,000
	<b>6,000,000</b>	<b>6,000,000</b>	<b>5,680,000</b>	<b>5,680,000</b>

The 10% cumulative preference shares were issued on the terms that the preference dividend entitlement shall be calculated from 28 December 1986. The resultant cumulative entitlement from that date, net of dividends already paid, £80,000 (2003: £80,000) amounts to £20,254,284 (2003: £17,960,258). The company's articles of association do not require that this entitlement be settled at any time, other than in a winding up or reduction of capital, and if no preference dividend is determined by the directors, the company remains able to declare dividends on its ordinary shares of £1 each.

On a winding up assets available to members will be applied first in repaying the nominal amount paid up on the preference shares along with the arrears of preference dividends.

## NOTES TO THE FINANCIAL STATEMENTS

## 22 PROFIT AND LOSS ACCOUNT

	<b>Total</b>
	<b>£</b>
	(restated)
Balance at 1st February 2002	9,368,421
Exchange differences	(480,077)
Profit/(loss) for the year	(765,920)
<b>Balance at 31st January 2003</b>	<b>8,122,424</b>
Balance at 1st February 2003	8,122,424
Exchange differences	(284,973)
Profit/(loss) for the year	275,688
<b>Balance at 31st January 2004</b>	<b>8,113,139</b>

## 23 OTHER RESERVES

	<b>Redemption</b>	<b>Other</b>	<b>Total</b>
	<b>reserve</b>	<b>reserves</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1st February 2002	15,874,780	1,055,998	16,930,778
Exchange differences		4,366	4,366
Transfer	2,085,478		2,085,478
<b>Balance at 31st January 2003</b>	<b>17,960,258</b>	<b>1,060,364</b>	<b>19,020,622</b>
Balance at 1st February 2003	17,960,258	1,060,364	19,020,622
Exchange differences		7,658	7,658
Transfer	2,294,026		2,294,026
<b>Balance at 31st January 2004</b>	<b>20,254,284</b>	<b>1,068,022</b>	<b>21,322,306</b>

The redemption reserve represents dividends on the 10% cumulative preference shares which although not declared have been appropriated from the profit and loss account in accordance with Financial Reporting Standard 4, Capital Instruments.



## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	2004	2003
	£	£
	(restated)	(restated)
Profit for the financial year	2,569,714	1,319,558
Appropriation for dividend	(2,294,026)	(2,085,478)
Transfer to redemption reserve	2,294,026	2,085,478
	<u>2,569,714</u>	<u>1,319,558</u>
Other recognised gains and losses	(277,315)	(475,711)
	<u>2,292,399</u>	843,847
Opening shareholders funds	32,823,046	31,979,199
	<u>35,115,445</u>	<u>32,823,046</u>

## 25 RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
Operating profit	3,963,883	2,127,660	6,161,858
Depreciation of tangible fixed assets	96,587	98,155	131,985
Profit on disposal of tangible fixed assets	(35,249)	(13,478)	(3,610)
Amounts written off fixed asset investments	13,427	12,869	12,019
Profit on disposal of fixed asset investments		(74,640)	(54,287)
Loss on disposal of current asset investments	60,980	33,717	
Provision for impairment of current asset investments	(167,547)	429,787	143,307
Provision against claims	117,981	(28,725)	143,466
Provision against exchange losses	(23,295)	(83,840)	12,936
Exchange differences	(135,373)	(388,005)	532,266
Change in stocks	272,083	(2,787,426)	3,077,144
Change in debtors	16,621,678	(15,683,636)	1,709,512
Change in creditors	(13,836,048)	23,447,080	(6,230,905)
	<u>6,949,107</u>	<u>7,089,518</u>	<u>5,635,691</u>

## NOTES TO THE FINANCIAL STATEMENTS

## 26 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004	2003	2002
	£	£	£
	(restated)	(restated)	(restated)
<b>Returns on investment and servicing of finance</b>			
Interest received	526,027	403,826	445,224
Dividends received	31,772	27,841	28,918
Interest paid	(72,397)	(107,720)	(236,539)
Dividends paid to minority interest		(34,469)	(35,463)
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>485,402</b>	<b>289,478</b>	<b>202,140</b>
<b>Taxation</b>			
UK Corporation tax paid	(1,047,216)	(780,286)	(1,561,477)
Foreign tax paid	(577,299)	(895,048)	(292,954)
<b>Taxation paid</b>	<b>(1,624,515)</b>	<b>(1,675,334)</b>	<b>(1,854,431)</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	(74,244)	(93,178)	(80,186)
Sale of tangible fixed assets	51,074	14,571	4,411
Purchase of fixed asset investments		(35)	
Sale of fixed asset investments		31,810	
Purchase of current asset investments	(251,177)	(477,260)	(830,708)
Sale of current asset investments	203,807	395,876	718,300
<b>Net cash outflow for capital expenditure and financial investment</b>	<b>(70,540)</b>	<b>(128,216)</b>	<b>(188,183)</b>
<b>Financing</b>			
Secured loan drawn/(repaid)	5,863	(21,582)	14,146
Capital element of hire purchase payments	(22,103)		
<b>Net cash outflow from financing</b>	<b>(16,240)</b>	<b>(21,582)</b>	<b>14,146</b>
<b>Acquisition and disposals</b>			
Disposal of shares in subsidiary company		73,658	
Investment by minority interest in subsidiary	23,534	14,945	5,527
Net cash outflow of purchase of shares in subsidiary		(2,780)	
<b>Net cash inflow for acquisitions and disposals</b>	<b>23,534</b>	<b>85,823</b>	<b>5,527</b>

## TRAMP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## 27 ANALYSIS OF NET FUNDS

	At		At
	1st February 2002	Movements during the year	31 January 2003
	£	£	£
Cash at bank and in hand	16,767,185	1,541,922	<b>18,309,107</b>
Bank overdrafts	(4,821,661)	4,097,765	<b>(723,896)</b>
Secured loans due after more than one year	(73,901)	21,582	<b>(52,319)</b>
<b>TOTAL</b>	<b>11,871,623</b>	<b>5,661,269</b>	<b>17,532,892</b>

	At		At
	1st February 2003	Movements during the year	Other non-cash changes
	£	£	£
Cash at bank and in hand	18,309,107	13,864,038	<b>32,173,145</b>
Bank overdrafts	(723,896)	(8,117,290)	<b>(8,841,186)</b>
Hire purchase obligations		22,103	(53,003)
Secured loans due after more than one year	(52,319)	(5,863)	<b>(58,182)</b>
<b>TOTAL</b>	<b>17,532,892</b>	<b>5,762,988</b>	<b>(53,003)</b>

## 28 CONTINGENT LIABILITIES

At the year end, the group's principal bankers held cross guarantees from Tramp Group Limited and three of its subsidiary undertakings in respect of certain group borrowings and guarantees issued on the group's behalf up to a maximum of £12,593,000 (2003: £10,301,000).

At 31st January 2004 the net borrowings and guarantees of the group covered by these facilities amounted to £3,212,000 (2003: £755,000) and there were credit balances under two of the facilities of £14,168,000 (2003: £3,987,000).

## NOTES TO THE FINANCIAL STATEMENTS

## 29 FINANCIAL COMMITMENTS

The group is committed to make the following payments during the year following the period under review under operating lease contracts.

	Land and Buildings		Other	
	2004	2003	2004	2003
	£	£	£	£
Operating leases which expire:				
Within 1 year	28,360	19,389		
Within 2-5 years	27,272		2,203	2,386
After 5 years	157,240	224,361		
	<b>212,872</b>	<b>243,750</b>	<b>2,203</b>	<b>2,386</b>

## 30 ULTIMATE CONTROLLING PARTY

C C Carlsen has a controlling interest in the ordinary share capital of the company.

## 31 SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

These financial statements have been prepared in accordance with UK GAAP, which differs in certain significant respects from US GAAP. The tables below summarize the significant adjustments to the loss for the year and shareholders' funds which would be required if US GAAP had been applied instead of UK GAAP.

## Reconciliation of net profit for the year ended 31 January

	Note	2004	2003
		£	£
Net profit/(loss) under UK GAAP attributable to Group shareholder		275,688	(765,920)

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**US GAAP adjustments**

- Derivative financial instruments	(a)	1,256,325	27,396
- Current investments	(b)	(167,546)	129,788
- Deferred tax	(c)	(242,082)	111,460
Net profit under US GAAP attributable to Group shareholders		1,122,385	(497,276)
- Preference shares	(d)	2,294,026	2,085,478
		<u>          </u>	<u>          </u>
<b>Net profit under US GAAP attributable to ordinary shareholders</b>		<b>3,416,411</b>	<b>1,588,202</b>
		<u>          </u>	<u>          </u>

## NOTES TO THE FINANCIAL STATEMENTS

**31 SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) *continued*****Reconciliation of shareholders' fund as at 31 January**

	Note	2004	2003
		£	£
Equity shareholders' funds under UK GAAP		40,407,300	37,657,892
<b>US GAAP adjustments</b>			
- Derivative financial instruments	(a)	1,251,366	(4,959)
- Current investments	(b)	66,337	22,151
- Deferred tax	(c)	282,599	524,681
- Preference shares	(d)	(5,000,000)	(5,000,000)
<b>Shareholders' funds under US GAAP</b>		<b>37,007,602</b>	<b>33,199,765</b>

## a) Derivative financial instruments

Under UK GAAP, the Company does not recognize any unrealized gains on financial instruments but does recognize any unrealised loss positions at the year-end. Under US GAAP, the Group applies SFAS 133, *Accounting for derivative instrument and hedging activities*. The statement requires that every derivative instrument including certain derivative instruments embedded in other contracts are to be recorded in the balance sheet as either an asset or liability measured at its fair value. It also requires that changes in the derivative's fair value should be recognised in earnings unless specific hedge criteria are met. Under US GAAP the Group has not designated any of its derivative instruments as qualifying hedge instruments under SFAS 133 and accordingly all derivative financial instruments are valued at fair value, and changes in their fair value are reflected in earnings.

## b) Current investments

Under UK GAAP, the Group records its investment at the lower of cost or market value. Under US GAAP the Group's listed investments were classified as available-for-sale securities in accordance with SFAS 115 *Accounting for Certain investments in Debt and Equity Securities*, accordingly such investments are marked-to-market and the aggregate fair value of the unrealised holding gains and losses are reported as a separate component in shareholder's funds.

## c) Deferred tax

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Under UK GAAP, the group accounts for deferred tax in accordance with FRS 19, deferred tax as described in the notes on the accounting policy in the financial statements. Under US GAAP, deferred taxes are accounted for on all temporary differences and a valuation allowance is established in respect of those deferred tax assets where it is more likely than not that some portion will remain unrealised.

**NOTES TO THE FINANCIAL STATEMENTS**

**31 SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) *continued***

d) Preference share

Under UK GAAP cumulative preferred dividends, although not yet declared, have been appropriated from the profit and loss account. Under US GAAP, the preferred dividends are not accounted for until declared.

Under US GAAP, the preference shares are considered mandatory redeemable since the conditions for redemption are not solely within the control of the Company. In accordance with US GAAP, these preference shares are classified between long-term debt and shareholders' funds, but are not aggregated under either caption. The preferred shares are measured at their historical cost value, because the redemption depends on uncertain events that are not considered probable as at 31 January 2004.



**PRO FORMA FINANCIAL INFORMATION**

The following unaudited pro forma combined condensed financial statements ( Financial Statements ) give effect to the April 2, 2004 purchase of all the outstanding shares of THL and shares of TGL, a subsidiary of THL, which was not otherwise held by THL prior to the purchase of THL by World Fuel Services Corporation (the Company. )

The unaudited pro forma combined condensed balance sheet ( Balance Sheet ) was prepared as if the acquisition had occurred as of December 31, 2003. The Balance Sheet was based upon the historical consolidated balance sheet of the Company as of December 31, 2003 and the historical consolidated balance sheet of THL as of January 31, 2004, as adjusted for U.K. GAAP to U.S. GAAP differences and translated to U.S. Dollars using a year-end exchange rate of 1.8162.

The unaudited pro forma combined condensed statement of income ( Statement of Income ) was prepared as if the acquisition had occurred as of the beginning of the period presented (i.e. January 1, 2003, the first day of the Company s 2003 fiscal year). The Statement of Income was based upon the historical consolidated statement of income of the Company for the year ended December 31, 2003 and the historical consolidated statement of income of THL for the year ended January 31, 2004, as adjusted for U.K. GAAP to U.S. GAAP differences and translated to U.S. Dollars using an average exchange rate of 1.6528.

These pro forma statements do not purport to represent what the Company s financial position or results of operations would actually have been if the sale had occurred on the dates referred to above or to be indicative of the Company s future results of operations or financial position. The Financial Statements should be read together with the audited financial statements and notes thereto as included in the Company s 2003 Annual Report on Form 10-K, and THL included elsewhere in this report.

## WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES

## PRO FORMA COMBINED CONDENSED BALANCE SHEETS

DECEMBER 31, 2003

(Unaudited - In thousands)

	Historical			Combined
	World Fuel Services Corporation	Tramp Holdings Limited	Acquisition Adjustments	
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 76,256	\$ 58,432	\$ 30,207 <sup>(a)</sup> (75,504) <sup>(b)</sup> (34,860) <sup>(c)</sup> (758) <sup>(d)</sup> 20,000 <sup>(e)</sup>	\$ 73,773
Investments		1,760	(1,654) <sup>(a)</sup>	106
Accounts and notes receivable, net	192,119	102,980	(22,696) <sup>(a)</sup>	272,403
Inventories	22,940	11,021	(448) <sup>(a)</sup> (400) <sup>(f)</sup>	33,113
Prepaid expenses and other current assets	19,706	2,285	(1,658) <sup>(a)</sup>	20,333
<b>Total current assets</b>	<b>311,021</b>	<b>176,478</b>	<b>(87,771)</b>	<b>399,728</b>
Property and equipment, net	6,963	343	(198) <sup>(a)</sup>	7,108
Other:				
Goodwill, net	36,860		7,070 <sup>(g)</sup>	43,930
Identifiable intangible assets, net	1,104		7,560 <sup>(g)</sup>	8,664
Other assets	1,730			1,730
	<b>\$ 357,678</b>	<b>\$ 176,821</b>	<b>\$ (73,339)</b>	<b>\$ 461,160</b>
<b>LIABILITIES:</b>				
Current liabilities:				
Short-term debt and bank overdrafts	\$ 1,600	\$ 16,057	\$ 18,803 <sup>(a)</sup> (34,860) <sup>(c)</sup>	\$ 1,600
Due to seller			8,314 <sup>(h)</sup>	8,314
Accounts payable	172,885	78,730	(15,257) <sup>(a)</sup>	236,358
Accrued expenses	9,987	6,135	1,138 <sup>(a)</sup> 425 <sup>(f)</sup> 300 <sup>(d)</sup>	17,985
Other current liabilities	20,290	2,374	559 <sup>(a)</sup>	23,223
<b>Total current liabilities</b>	<b>204,762</b>	<b>103,296</b>	<b>(20,578)</b>	<b>287,480</b>
Long-term liabilities:				
Long-term debt	1,936		20,000 <sup>(e)</sup>	21,936
Minority interest payable		9,611	493 <sup>(a)</sup> (10,104) <sup>(i)</sup>	
Other long-term liabilities	2,601	138	(129) <sup>(a)</sup>	2,610

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Total long-term liabilities	4,537	9,749	10,260	24,546
Commitments and contingencies				
STOCKHOLDERS EQUITY	148,379	63,776	(2,054) <sup>(a)</sup>	149,134
			(61,722) <sup>(i)</sup>	
			755 <sup>(i)</sup>	
	\$ 357,678	\$ 176,821	\$ (73,339)	\$ 461,160

<sup>(a)</sup> To reflect the estimated fair value acquired assets and assumed liabilities of THL at their estimated fair value at the acquisition date.

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**WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES**
**NOTES TO PRO FORMA COMBINED CONDENSED BALANCE SHEETS****DECEMBER 31, 2003****(Unaudited)**

- (b) To reflect total cash paid at closing to purchase of all the outstanding shares of THL and shares of TGL, a subsidiary of THL, which were not otherwise held by THL prior to the Company's purchase of THL.
- (c) To reflect the repayment of short-term debt and bank overdrafts of THL.
- (d) To reflect the estimated external acquisition costs related to professional fees which have been paid or accrued.
- (e) To reflect the Company's borrowing on its credit facility to partially finance the purchase of all the outstanding shares of THL and shares of TGL, a subsidiary of THL, which were not otherwise held by THL prior to the Company's purchase of THL.
- (f) To write-off inventories and to record an accrual associated with the exiting of a non-core business, which was acquired as part of the acquisition of THL.
- (g) The acquisition of all the outstanding shares of THL and shares of TGL, a subsidiary of THL, which were not otherwise held by THL prior to the Company's purchase of THL, will be accounted for using the purchase method of accounting. The following preliminary pro forma allocation of the purchase price is based on the estimated purchase price at closing. The final purchase price may be higher or lower due to certain post-closing adjustments:

Cash and cash equivalents	\$ 88,639
Investments	106
Accounts receivable	80,284
Inventories	10,173
Prepaid expenses and other current assets	627
Property and equipment	145
Short-term debt and bank overdrafts	(34,860)
Accounts payable	(63,473)
Accrued expenses	(7,698)
Other current liabilities	(2,933)
Other long-term liabilities	(9)
	<hr/>
Net assets acquired	\$ 71,001
	<hr/>
Purchase price and acquisition costs <sup>(b)+(d)-(h)-(j)</sup>	\$ 85,631
Less net assets acquired, indicated above	(71,001)
	<hr/>
Excess to be allocated	\$ 14,630
	<hr/>
Identifiable intangible asset	\$ 7,560
Goodwill	7,070
	<hr/>
	\$ 14,630

- <sup>(h)</sup> To reflect the remaining amount payable to the sellers within 10 days after the Adjusted Net Asset Value of THL as of the closing date, as defined in the THL Acquisition Agreement, is agreed upon between the Company and the sellers.

- (i) To eliminate both the capital structure of THL and the minority interest related to shares of TGL not otherwise held by THL prior to the Company's purchase of all outstanding shares of THL.
  
- (ii) To reflect the issuance of approximately 19 thousand shares of the Company's stock to one of the sellers of THL as restricted stock, which vest after 5 years. The fair value of these restricted shares was based on the market value of the Company's stock at acquisition date and represented additional purchase price.

**WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES**  
**PRO FORMA COMBINED CONDENSED STATEMENTS OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**  
**(Unaudited - In thousands, except per share data)**

	Historical			Combined
	World Fuel Services Corporation	Tramp Holdings Limited	Acquisition Adjustments	
Revenue	\$ 2,661,790	\$ 1,041,188	\$	\$ 3,702,978
Cost of revenue	(2,561,082)	(1,023,230)		(3,584,312)
Gross profit	100,708	17,958		118,666
Operating expenses:				
Salaries and wages	(38,757)	(5,816)		(44,573)
Provision for bad debts	(6,281)			(6,281)
Other	(28,680)	(6,231)	(1,080) <sup>(aa)</sup>	(35,991)
	(73,718)	(12,047)	(1,080)	(86,845)
Income from operations	26,990	5,911	(1,080)	31,821
Other (expense) income, net:				
Interest income, net	513	823	(950) <sup>(bb)</sup>	(263)
			(649) <sup>(cc)</sup>	
Other, net	115	1,977		2,092
	628	2,800	(1,599)	1,829
Income before income taxes	27,618	8,711	(2,679)	33,650
Provision for income taxes	(5,744)	(2,694)	516 <sup>(dd)</sup>	(7,922)
	21,874	6,017	(2,163)	25,728
Minority interest		(1,043)	903 <sup>(ee)</sup>	(140)
Net income	\$ 21,874	\$ 4,974	\$ (1,260)	\$ 25,588
Basic earnings per share	\$ 2.06			\$ 2.41
Basic weighted average shares	10,617		19 <sup>(ff)</sup>	10,636
Diluted earnings per share	\$ 1.96			\$ 2.29
Diluted weighted average shares	11,169		19 <sup>(ff)</sup>	11,188

<sup>(aa)</sup> To reflect the amortization of the preliminary identifiable intangible asset over an estimated useful life.



**WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES**

**NOTES TO PRO FORMA COMBINED CONDENSED STATEMENTS OF INCOME**

**FOR THE YEAR ENDED DECEMBER 31, 2003**

**(Unaudited)**

- (bb) To reflect the estimated interest expense on the Company's borrowing on its credit facility to partially finance the purchase of all the outstanding shares of THL and shares of TGL, a subsidiary of THL, which were not otherwise held by THL prior to the Company's purchase of THL.
- (cc) To reflect the estimated reduction in interest income from the Company's operating cash used in the acquisition.
- (dd) To reflect the estimated income tax benefit on the pro forma adjustments.
- (ee) To eliminate the minority interest associated with the minority owner of TGL related to shares of TGL not otherwise held by THL prior to the Company's purchase of THL.
- (ff) To reflect the issuance of approximately 19 thousand shares of the Company's stock as restricted stock, vesting after 5 years, to one of the sellers of THL.

**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: August 9, 2004

**World Fuel Services Corporation**

/s/ Michael J. Kasbar

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Michael J. Kasbar  
President and Chief Operating Officer

/s/ Francis X. Shea

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Francis X. Shea  
Executive Vice President and Chief Financial Officer  
(Principal Financial and Accounting Officer)