there was a ceiling?

NOBODY TOLD US!

IN 2000 EXPEDITORS KEPT GROWING: OUR NUMBERS SHOW IT; OUR CAPABILITIES PROVE IT; OUR CULTURE KEEPS US ON TRACK.

Combine our skill, experience, resources, dedication and willingness to look for new and better ways to be the best and something happens. Something with an energy and focus that we call Expeditors. Driven by an intangible that creates very tangible results, in 2000 Expeditors kept on growing by being one of the most complete, most emulated logistics providers in the world.

THEY'RE CALLED IMPORTS,
NO MATTER WHERE YOU LIVE.
WE HELP CAR MAKERS GET TO
WHERE THEY'RE GOING.

30%

estimated brokerage compound annual growth rate – automotive

IN OUR BROKERAGE BUSINESS WE ESTIMATE THAT WE PROCESSED 770,000 AUTOMOTIVE RELATED CUSTOMS CLEARANCES IN THE PAST THREE YEARS, AT AN ESTIMATED COMPOUND ANNUAL GROWTH RATE – AUTOMOTIVE – OF NEARLY 30 PERCENT, YEAR OVER YEAR SINCE 1998. MAYBE WE KEPT GROWING IN 2000 BECAUSE AUTO MANUFACTURERS LIKE OUR SPEED AND RESPONSIVE HANDLING.

WE’RE HAPPY TO TELL YOU THAT ALMOST TEN PERCENT OF OUR OCEAN FREIGHT WAS MADE UP OF TOYS.

31%

estimated compound annual growth rate – ocean freight containers – toys

SINCE 1998, WE ESTIMATE THAT THE NUMBER OF OCEAN FREIGHT CONTAINERS WE BOOKED WITH TOYS NEARLY DOUBLED, GROWING FROM 14,000 IN 1998 TO OVER 24,000 IN 2000. MUST BE BECAUSE WE UNDERSTAND THAT WHEN IT COMES TO PEAK SEASON, GETTING THE TOYS INTO THE STORES IS ANYTHING BUT A GAME.

BUSINESSES WERE BUYING IN 2000. OFFICE EQUIPMENT COMPRISED 26 PERCENT OF OUR BUSINESS.

52%

estimated growth of office equipment ocean container shipments since 1998

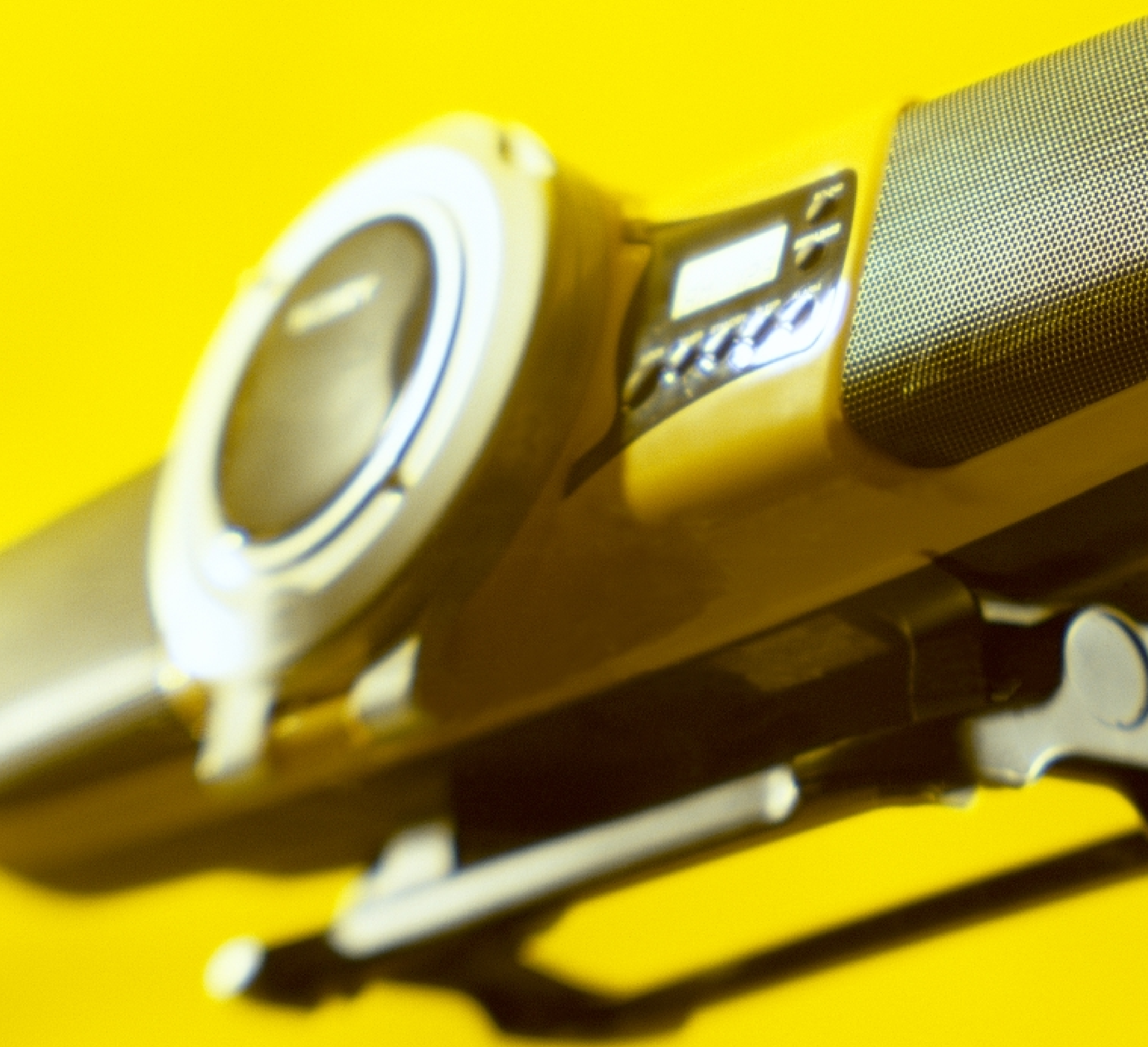
WE KNOW HOW TO KEEP OUR TECHNOLOGY CUSTOMERS CONNECTED. THE GROWTH WE'VE POSTED IN HIGH TECHNOLOGY PRODUCT SHIPMENTS HAS BEEN NOTHING SHORT OF EXPLOSIVE. AIRFREIGHT OF PCs AND OFFICE EQUIPMENT GREW AN ESTIMATED 52 PERCENT FROM 1998 TO 2000. AND OCEAN TURNED IN AN IMPRESSIVE ESTIMATED 72 PERCENT INCREASE FOR THE SAME PERIOD.

LISTEN. THE SAME GROWTH RATES ARE TRUE IN THE WORLD OF CONSUMER ELECTRONICS.

51%

increased consumer electronics airfreight volume

FROM BOOM BOXES TO PDAs, THE DEMAND FOR CONSUMER ELECTRONICS HAS NOT SLOWED. AIRFREIGHT VOLUME INCREASED AN ESTIMATED 51 PERCENT OVER THE PAST THREE YEARS, AND OCEAN FOLLOWED SUIT, INCREASING AN ESTIMATED 71 PERCENT DURING THE SAME THREE YEAR PERIOD. ALL OF WHICH IS MUSIC TO OUR EARS.



IF RETAIL IS SLOWING DOWN,
YOU CAN'T PROVE IT BY US.
AND EVEN IF IT DOES, WE THINK WE
STILL HAVE ROOM TO GROW.

20%

estimated ocean group compound annual growth rate – retail

OUR OCEAN GROUP DELIVERED A COMPOUND ANNUAL GROWTH RATE ESTIMATED AT 20 PERCENT FROM 1998 TO 2000. AIRFREIGHT CHECKED IN AT AN ESTIMATED 24 PERCENT COMPOUND ANNUAL GROWTH RATE OVER THE SAME PERIOD. THE RESULTS SPEAK FOR THEMSELVES, BECAUSE WHEN IT COMES TO CUSTOMERS, WE'RE READY TO WALK MILES IN THEIR SHOES.

to our shareholders

It was another year of growth and expansion. We're extremely pleased to see that profits are back in vogue and that Expeditors survived the dot com mania that had been so pervasive during the last two years. While the markets churned and our stock got treated very much like a yo-yo, we turned in another record year. Expeditors opened 11 new offices and added some 700 new family members to our network. In the Far East, we added new offices in Ho Chi Minh City, Vietnam; Phnom Penh, Cambodia; and Saipan, Mariana Islands; and in Europe: Budapest, Hungary; and Bordeaux, France. In South America, we opened Manaus and Belo Horizonte in Brazil; Ciudad Juarez in Mexico; and in the United States, we opened in Kansas City, Missouri; Savannah, Georgia; and Washington, D.C. This brought us to 160 offices worldwide at the end of 2000. Additionally, we opened new sales and customer service offices in Austin, Texas; Milwaukee, Wisconsin; and Calgary, Alberta.

As our offices grew, so did the opportunities for our people. Expeditors saw several major internal appointments in Europe. From our London office, Jim Anderson was promoted to Regional Vice President – Ireland, U.K., South Africa and Mauritius. In Frankfurt, Manfred Amberger assumed increased duties as Senior Vice President – Continental Europe. In Beirut, Rommel Saber is now our Executive Vice President in charge of Europe/Africa, in addition to his existing responsibilities in the Middle East, India and Pakistan. In Mexico, we hired Bruce Krebs to head up our operations throughout that country. Finally, in Asia, we welcome Sandy Liu, who was appointed Chief Operating Officer – Asia and will be based in Hong Kong. Obviously, these are large territories to manage. Stay tuned for further appointments.

Awards and recognition matched the pace of our growth. Expeditors corporate headquarters and our Seattle branch came in second in Washington State's "Best companies to work for" list. In Hong Kong we were awarded the "Good People Management Award 2000" from the Labour Department of HKSAR Government. Kudos to all these offices for proving that our performance demonstrates just "how far our people will go," no matter where in the world you deal with Expeditors.

I believe it was Winston Churchill who said, "Expeditors will be the leading logistics provider in the world in the next millennium." Actually, we can't prove that he said this, but whoever said it would have been right. Our industry continues to see major consolidation and acquisitions. In 2000 alone, three of our large competitors were gobbled up. Far from feeling left out, this has afforded us tremendous opportunities to secure new offices and personnel. We firmly believe that our controlled organic style of growth really pays off for our customers, vendors and employees. We will remain steadfast, since our way of growing assures those who depend on us, our employees and our customers, that there will be no traumatic changes in their daily dealings.

Finally, while it's great to get this chance to look back on what has been another "best year ever," there is more work to be done and it's time to focus on the challenges ahead. As always, we thank our shareholders, vendors, customers, and above all, our people. You are the best. Thank you.

PETER J. ROSE Peter J. Rose CHAIRMAN AND CEO

THE WAY WE SEE IT

TIMOTHY C. BARBER
EXECUTIVE VICE PRESIDENT
GLOBAL SALES

EXPERIENCE HAS TAUGHT US THERE ARE TWO KINDS OF CUSTOMERS; THOSE THAT MAKE US AN EXTENSION OF THEIR COMPANY'S LOGISTICS DEPARTMENTS AND THOSE THAT SEEK ONLY THE LOWEST COST TRANSACTION. OUR MARKETING GROUP PUT ITS FOCUS ON CULTIVATING CUSTOMERS WITH WHOM WE CAN COLLABORATE TO DEVELOP SPECIFIC SOLUTIONS CAPABLE OF STREAMLINING THEIR EXISTING LOGISTICS PROCESSES, LOWERING OVERALL COSTS, AND IMPROVING PRODUCT FLOW. WE MADE GREAT STRIDES IN 2000 BY PROVIDING OUR ACCOUNT MANAGERS WITH NEW TOOLS AND PROCESSES THAT HELPED THEM EXECUTE AND MEASURE OUR SERVICES FOR GLOBAL CUSTOMERS ON A GLOBAL SCALE. THE RESULT IS CLEAR: WHEN EXPEDITORS BECOMES A STRATEGIC PARTNER, WE HELP FACILITATE DRAMATIC PROCESS IMPROVEMENTS FOR OUR CUSTOMERS.

RICHARD P. BALLANTYNE
DIRECTOR
GLOBAL DISTRIBUTION SERVICES

WE ARE NOW IN 105 LOCATIONS AND SERVE OVER 600 CUSTOMERS. WE ARE STRATEGICALLY LOCATED TO RECEIVE, STOCK AND FULFILL ORDERS FOR JUST-IN-TIME MANUFACTURING OPERATIONS AND FINISHED GOODS SHIPMENTS TO CUSTOMERS. COMPREHENSIVE SERVICES INCLUDE VENDOR MANAGED INVENTORY HUBS, PRODUCT POSTPONEMENT AND ORDER FULFILLMENT CENTERS. WE PROVIDE COMPLEMENTARY SERVICES FOR ALL OTHER EXPEDITORS VALUE-ADDED SERVICES. INFORMATION CONTINUES TO RANK AT THE HIGHEST LEVEL OF CUSTOMER REQUIREMENTS, AND ALL OUR SERVICES ARE BACKED BY THE POWER OF ONE GLOBAL DISTRIBUTION MANAGEMENT SYSTEM THAT PROVIDES REAL-TIME ACCESS TO ORDER STATUS, INVENTORY LEVELS AND CUSTOMER DEFINED REPORTING.

EDWARD KWAS
PRINCIPAL
EXPEDITORS TRADEWIN, LLC

TRADEWIN OFFERS CUSTOMERS EXTENSIVE, PRACTICAL EXPERIENCE IN CUSTOMS COMPLIANCE ASSESSMENTS, ANALYSIS OF U.S. CUSTOMS-SUPPLIED IMPORTER DATA, DRAWBACK SERVICES AND CONSULTATION, DATA MANAGEMENT AND FILING SERVICES FOR THE U.S. CUSTOMS RECONCILIATION PROTOTYPE PROGRAM. NEW PRODUCTS INCLUDED THE INTRODUCTION OF MAQ!CL¡C™ ALLOWING COMPANIES WITH MAQUILADORA OPERATIONS IN MEXICO TO GET BOTTOMLINE COST ANALYSES OF CHANGES IN NAFTA LAWS. TRADEWIN ADDED MORE TECHNICAL EXPERTISE IN VALUATION, FOREIGN TRADE ZONES AND ADDITIONAL LINES OF PRODUCT CLASSIFICATION, WHILE EXPANDING TRANSACTION SAMPLING PROGRAMS TO OTHER COUNTRIES. IN 2001 WE'LL CONTINUE TO GROW OUR SERVICES INTO EXPORT COMPLIANCE AND LOGISTICS.

ERIN M. THOMASSON
VICE PRESIDENT
INSURANCE

DESPITE A TIGHTENING INSURANCE MARKET, WE EXPERIENCED SOLID GROWTH IN OUR BOOK OF BUSINESS BY CONCENTRATING ON OUR NICHE AS A SPECIALIZED CARGO INSURANCE BROKER, ABLE TO OFFER COVERAGE THE NON-SPECIALIZED BROKERS SIMPLY CAN'T MATCH. IN 2000 WE ALIGNED OURSELVES WITH SEVERAL INSURANCE COMPANIES TO PROVIDE ACCESS TO NEW MARKETS. IN 2001 WE PLAN TO OFFER OUR SERVICES IN CANADA, MEXICO AND LATIN AMERICA. WE'LL ALSO MAKE ADDITIONS TO OUR PRODUCT MANAGEMENT STAFF, INTEGRATE OUR INSURANCE SERVICES WITH EXPEDITORS' TRANSPORTATION SYSTEMS, AND INTRODUCE EASY-TO-USE WEB-BASED TOOLS. WE NOW HAVE THE POTENTIAL TO INTRODUCE NEW SERVICES FOR INSURANCE, INCLUDING THIRD-PARTY CLAIMS ADMINISTRATION AND A FULLY SECURED PRODUCT.

ROGER A. IDIART
VICE PRESIDENT
GLOBAL AIR CARGO

WE REALIZED SIGNIFICANT GROWTH IN 2000 BY EFFECTIVELY MANAGING CAPACITY AND CONTROLLING COSTS THANKS TO OUR STRONG RELATIONSHIPS WITH AIRLINES AND STRATEGIC USE OF CHARTERS. THE INCREASE IN DEMAND CAME WITH A NEED FOR LOWERING COSTS, IMPROVING REPORTS, CYCLE TIMES AND CONNECTIVITY. EXPEDITORS WAS ABLE TO MEET OR EXCEED THE TRANSIT TIMES THAT OUR CUSTOMERS DEMANDED. OUR HUMAN AND ELECTRONIC SYSTEMS AND EDI CAPABILITIES CONTINUED TO DELIVER EFFICIENCY. AND, AS EXPORT COMPLIANCE BECAME A BIGGER ISSUE, WE WORKED TO SEE THAT REGULATIONS WERE ADHERED TO. FOR 2001, WE'LL ENHANCE OUR ELECTRONIC BOOKING SYSTEMS, DELIVER MORE TIME-DEFINITE PRODUCTS AND MULTI-MODAL PROGRAMS AS WE MANAGE FOR CONTINUING GROWTH.

DAVID M. LINCOLN
SENIOR VICE PRESIDENT
AND CHIEF INFORMATION OFFICER

THE RIGHT OPPORTUNITY AND THE RIGHT TECHNOLOGY PRODUCE PROFITABLE RESULTS. WE MAKE CERTAIN THAT OUR INFORMATION SYSTEMS OPERATE AT THE SAME LEVEL IN EVERY OFFICE THROUGHOUT OUR WORLDWIDE NETWORK EVEN AS WE CONTINUE TO INTRODUCE SIGNIFICANT SYSTEMS ENHANCEMENTS. OUR INTERNET-BASED CUSTOMER INFORMATION SYSTEM, EXP.O, WAS IMPROVED, PROVIDING GREATER REAL-TIME VISIBILITY INTO EVERY ASPECT OF CUSTOMER SHIPMENTS. IN 2001 WE WILL WORK TO MORE CLOSELY TIE INFORMATION WITH THE PHYSICAL MOVEMENT OF GOODS AND INTRODUCE NEW INNOVATIONS. THE WORK ISN'T EASY, BUT THERE ARE NO SHORT CUTS TO BUILDING AND MAINTAINING AN INTEGRATED GLOBAL NETWORK.

ROSANNE ESPOSITO
VICE PRESIDENT
IMPORTS

WE EMPHASIZE LOCAL CUSTOMS EXPERTISE IN INDIVIDUAL MARKETPLACES, COMBINED WITH GLOBAL VISIBILITY FOR CLEARANCE STATUS AND CONSISTENT SERVICE. WE STRENGTHENED OUR FOCUS ON CYCLE TIMES FOR CUSTOMS CLEARANCE WHILE MANAGING COMPLIANCE WITH FRONT-END SYSTEMS AND OUTPUT ANALYSIS. DATA TOOLS, INTERNET VISIBILITY, GLOBAL PROCESS MANAGEMENT AND IMAGING TECHNOLOGY PROVIDED ADDITIONAL BENEFITS TO OUR CUSTOMERS. THESE BECAME VITAL AS CUSTOMS ENTRY VOLUMES INCREASED IN NORTH AMERICA. OUR U.K. AND EUROPE OFFICES BEGAN IMPLEMENTATION OF SIMPLIFIED CLEARANCE PROCEDURES AND OUR OFFICE AT CHARLES DE GAULLE AIRPORT BECOME ONE OF THE FIRST TO USE SIMPLIFIED CLEARANCE PROCEDURES IN FRANCE. WE'LL CONTINUE TO INNOVATE IN 2001.

WILLIAM J. COOGAN
SENIOR VICE PRESIDENT
OCEAN CARGO

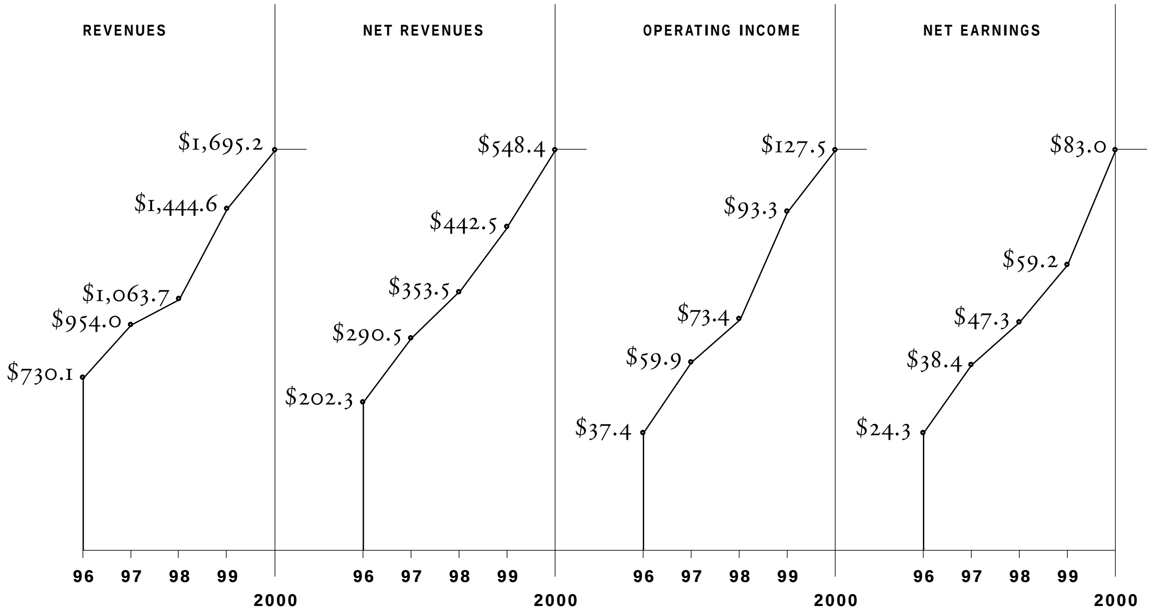
WORLD TRADE CONTINUED TO GROW AT A HEALTHY PACE MAKING 2000 A GREAT YEAR FOR EXPEDITORS OCEAN. WE RODE THE WAVE OF TRADE GROWTH, EXPANDED OUR COVERAGE, INCREASED OUR CARRIER BASE AND DEVELOPED NEW BUSINESS WHILE DOUBLING OUR EFFORTS TO COMPENSATE FOR THE SERVICE VOID CREATED BY INDUSTRY CONSOLIDATION. IN 2001 WE WILL CONTINUE TO REFINE OUR FORMULA FOR SUCCESS. THE COMBINED STRENGTH OF OUR OFFICES MAKES US A POWERFUL RESOURCE, LEVERAGING GLOBAL MIGHT TO BROADEN OUR SCOPE AND COMMAND MORE CARRIER SUPPORT. WE'LL NEVER COMPROMISE ON LOCAL REPRESENTATION, WHICH ALLOWS US TO FOCUS ON INDIVIDUAL CUSTOMER NEEDS. ONLY BY SATISFYING OUR CUSTOMERS WILL WE GROW. AND THAT IS WHAT WE INTEND TO DO.

PAST PERFORMANCE

2000 FINANCIAL REVIEW

FINANCIAL CHARTS

DOLLARS IN MILLIONS 1996 – 2000



FINANCIAL HIGHLIGHTS

IN THOUSANDS EXCEPT PER SHARE DATA

	2000	1999	1998	1997	1996
Revenues	$1,695,181	1,444,575	1,063,707	954,002	730,088
Net earnings	83,035	59,175	47,274	38,411	24,263
Basic earnings per share	1.62	1.18	.96	.79	.50
Diluted earnings per share	1.52	1.10	.89	.73	.48
Cash dividends paid per share	.14	.10	.07	.05	.04
Working capital	222,829	149,633	94,601	87,252	83,468
Total assets	661,740	535,461	419,493	337,288	273,837
Shareholders' equity	361,784	282,385	217,198	171,854	140,011
Basic weighted average shares outstanding	51,153	50,137	49,234	48,858	48,322
Diluted weighted average shares outstanding	54,679	53,828	53,058	52,647	51,288

All share and per share information have been adjusted to reflect a 2-for-1 stock split effected in May, 1999 and December, 1996.

CONSOLIDATED BALANCE SHEETS

IN THOUSANDS EXCEPT SHARE DATA

DECEMBER 31,	2000	1999
Current Assets		
Cash and cash equivalents	$169,005	71,183
Short-term investments	1,884	1,171
Accounts receivable, less allowance for doubtful accounts of $11,825 in 2000 and $10,266 in 1999	347,114	314,789
Other	4,782	15,566
Total current assets	522,785	402,709
Property and Equipment		
Buildings and leasehold improvements	77,726	73,792
Furniture, fixtures, and equipment	92,277	79,820
Vehicles	4,669	4,718
	174,672	158,330
Less accumulated depreciation and amortization	83,640	67,684
	91,032	90,646
Land	15,615	15,259
Net property and equipment	106,647	105,905
Deferred Federal and state income taxes	8,830	5,584
Other assets, net	23,478	21,263
	$661,740	535,461

DECEMBER 31,	2000	1999
Current Liabilities		
Short-term debt	$ 4,671	19,442
Accounts payable	229,534	182,510
Accrued expenses, primarily salaries and related costs	42,801	36,811
Deferred Federal and state income taxes	5,699	3,232
Federal, state, and foreign income taxes	17,251	11,081
Total current liabilities	299,956	253,076
Shareholders' Equity		
Preferred stock, par value $.01 per share		
Authorized 2,000,000 shares; none issued	–	–
Common stock, par value $.01 per share		
Authorized 160,000,000 shares; issued and outstanding 51,451,163 shares at December 31, 2000 and 50,644,407 shares at December 31, 1999	515	507
Additional paid-in capital	37,386	29,729
Retained earnings	333,049	257,198
Accumulated other comprehensive loss	(9,166)	(5,049)
Total shareholders' equity	361,784	282,385
Commitments and contingencies		
	$661,740	535,461

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS

IN THOUSANDS EXCEPT SHARE DATA

YEARS ENDED DECEMBER 31,	2000	1999	1998
Revenues			
Airfreight	$1,014,375	916,832	685,613
Ocean freight	472,853	356,205	236,848
Customs brokerage and import services	207,953	171,538	141,246
Total revenues	1,695,181	1,444,575	1,063,707
Operating Expenses			
Airfreight consolidation	788,947	733,065	539,706
Ocean freight consolidation	357,879	269,024	170,551
Salaries and related costs	290,581	240,740	190,288
Selling and promotion	20,231	16,896	15,018
Rent	19,390	17,768	15,459
Depreciation and amortization	22,481	20,819	15,547
Other	68,148	52,940	43,766
Total operating expenses	1,567,657	1,351,252	990,335
Operating income	127,524	93,323	73,372

YEARS ENDED DECEMBER 31,		2000	1999	1998
Other Income (Expense)				
Interest income		6,327	2,253	2,206
Interest expense		(432)	(1,070)	(487)
Other, net		(71)	139	486
Other income, net		5,824	1,322	2,205
Earnings before income taxes		133,348	94,645	75,577
Income tax expense		50,313	35,470	28,303
Net earnings	$	83,035	59,175	47,274
Basic earnings per share	$	1.62	1.18	.96
Diluted earnings per share	$	1.52	1.10	.89
Weighted average basic shares outstanding		51,152,620	50,137,045	49,234,438
Weighted average diluted shares outstanding		54,679,018	53,827,817	53,058,384

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME

IN THOUSANDS EXCEPT SHARE DATA

YEARS ENDED DECEMBER 31, 2000, 1999 AND 1998	COMMON STOCK SHARES	COMMON STOCK PAR VALUE	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE LOSS	TOTAL
Balance at December 31, 1997	49,092,760	$491	15,288	159,225	(3,150)	171,854
Exercise of stock options	318,100	3	1,354	–	–	1,357
Issuance of shares under stock purchase plan	225,554	2	3,617	–	–	3,619
Shares repurchased under provisions of stock repurchase plan	(272,732)	(2)	(4,733)	–	–	(4,735)
Tax benefits from employee stock plans	–	–	1,747	–	–	1,747
Comprehensive income						
Net earnings	–	–	–	47,274	–	47,274
Foreign currency translation adjustments, net of deferred tax credit of $253	–	–	–	–	(469)	(469)
Total comprehensive income	–	–	–	–	–	46,805
Dividends paid ($.07 per share)	–	–	–	(3,449)	–	(3,449)
Balance at December 31, 1998	49,363,682	$494	17,273	203,050	(3,619)	217,198
Exercise of stock options	1,323,405	13	4,572	–	–	4,585
Issuance of shares under stock purchase plan	251,391	3	4,139	–	–	4,142
Shares repurchased under provisions of stock repurchase plan	(294,071)	(3)	(8,989)	–	–	(8,992)
Tax benefits from employee stock plans	–	–	12,734	–	–	12,734
Comprehensive income						
Net earnings	–	–	–	59,175	–	59,175
Foreign currency translation adjustments, net of deferred tax credit of $770	–	–	–	–	(1,430)	(1,430)
Total comprehensive income	–	–	–	–	–	57,745
Dividends paid ($.10 per share)	–	–	–	(5,027)	–	(5,027)
Balance at December 31, 1999	50,644,407	$507	29,729	257,198	(5,049)	282,385
Exercise of stock options	855,805	9	4,833	–	–	4,842
Issuance of shares under stock purchase plan	204,018	2	5,397	–	–	5,399
Shares repurchased under provisions of stock repurchase plan	(253,067)	(3)	(11,499)	–	–	(11,502)
Tax benefits from employee stock plans	–	–	8,926	–	–	8,926
Comprehensive income						
Net earnings	–	–	–	83,035	–	83,035
Foreign currency translation adjustments, net of deferred tax credit of $2,217	–	–	–	–	(4,117)	(4,117)
Total comprehensive income	–	–	–	–	–	78,918
Dividends paid ($.14 per share)	–	–	–	(7,184)	–	(7,184)
Balance at December 31, 2000	51,451,163	$ 515	37,386	333,049	(9,166)	361,784

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

IN THOUSANDS

YEARS ENDED DECEMBER 31,	2000	1999	1998
Operating Activities			
Net earnings	$ 83,035	59,175	47,274
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Provision for losses on accounts receivable	4,043	2,966	2,612
Depreciation and amortization	22,481	20,819	15,547
Deferred income tax expense	1,203	3,433	1,950
Tax benefits from employee stock plans	8,926	12,734	1,747
Amortization of cost in excess of net assets of acquired businesses	920	748	536
Changes in operating assets and liabilities:			
Increase in accounts receivable	(34,399)	(81,316)	(31,272)
Increase in accounts payable, accrued expenses and taxes payable	57,805	41,646	18,449
Other	10,444	(6,894)	(3,605)
Net cash provided by operating activities	154,458	53,311	53,238
Investing Activities			
Increase in short-term investments	(818)	(750)	(121)
Purchase of property and equipment	(25,582)	(26,582)	(52,455)
Other	(3,081)	(4,381)	(93)
Net cash used in investing activities	(29,481)	(31,713)	(52,669)

YEARS ENDED DECEMBER 31,	2000	1999	1998
Financing Activities			
Borrowings (repayments) of short-term debt, net	(14,501)	7,328	10,067
Proceeds from issuance of common stock	10,241	8,727	4,976
Repurchases of common stock	(11,502)	(8,992)	(4,735)
Dividends paid	(7,184)	(5,027)	(3,449)
Net cash provided by (used in) financing activities	(22,946)	2,036	6,859
Effect of exchange rate changes on cash	(4,209)	(1,880)	(93)
Increase in cash and cash equivalents	97,822	21,754	7,335
Cash and cash equivalents at beginning of year	71,183	49,429	42,094
Cash and cash equivalents at end of year	$169,005	71,183	49,429
Interest and Taxes Paid			
Interest	$ 208	989	503
Income taxes	19,442	19,345	27,003

See accompanying notes to consolidated financial statements.

One

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) **BASIS OF PRESENTATION** Expeditors International of Washington, Inc. ("the Company") is a global logistics company operating through a worldwide network of offices, international service centers and exclusive or non-exclusive agents. The Company's customers include retailing and wholesaling, electronics, and manufacturing companies around the world. The Company grants credit upon approval to customers.

International trade is influenced by many factors, including economic and political conditions in the United States and abroad, currency exchange rates, and United States and foreign laws and policies relating to tariffs, trade restrictions, foreign investments and taxation. Periodically, governments consider a variety of changes to current tariffs and trade restrictions. The Company cannot predict which, if any, of these proposals may be adopted, nor can the Company predict the effects adoption of any such proposal will have on the Company's business. Doing business in foreign locations also subjects the Company to a variety of risks and considerations not normally encountered by domestic enterprises. In addition to being affected by governmental policies concerning international trade, the Company's business may also be affected by political developments and changes in government personnel or policies in the nations in which it does business.

The consolidated financial statements include the accounts of the Company and its subsidiaries. In addition, the accounts of exclusive agents have been consolidated in those circumstances where the Company maintains unilateral control over the agents' assets and operations, notwithstanding a lack of technical majority ownership of the agents' common stock.

All significant intercompany accounts and transactions have been eliminated in consolidation.

All dollar amounts in the notes are presented in thousands except for share data.

b) **SHORT-TERM INVESTMENTS** Short-term investments are designated as available-for-sale and cost approximates market at December 31, 2000 and 1999.

c) **LONG-LIVED ASSETS, DEPRECIATION AND AMORTIZATION** Property and equipment are recorded at cost, including interest capitalized for the construction of certain facilities, and are depreciated or amortized on the straight-line method over the shorter of the assets' estimated useful lives or lease terms. Useful lives for major categories of property and equipment are as follows:

Buildings	28 to 40 years
Furniture, fixtures and equipment	3 to 5 years
Vehicles	3 to 5 years

No interest was capitalized in 2000 and 1999. Interest of $193 was capitalized in 1998.

Expenditures for maintenance, repairs, and renewals of minor items are charged to earnings as incurred. Major renewals and improvements are capitalized. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is included in income for the period.

The excess of the cost over the fair value of the net assets of acquired businesses (included in other assets, net) is amortized on the straight-line method over periods up to 40 years.

In accordance with Statement of Financial Accounting Standards (SFAS) No. 121, "Accounting for the Impairment of Long-Lived Assets and for Assets to Be Disposed Of," long-lived assets (property and equipment) and certain identifiable intangible assets (excess costs over the fair value of the net assets of acquired businesses) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-term assets is measured by a comparison of the carrying amount of such assets against the undiscounted future cash flows expected to be generated by the assets. If such assets are determined to be impaired, the impairment to be recognized is measured by the amount by which the assets' carrying amounts exceeds the assets' discounted future cash flows.

d) **REVENUES AND REVENUE RECOGNITION** Airfreight revenues include the charges to the Company for carrying the shipments when the Company acts as a freight consolidator. Ocean freight revenues include the charges to the Company for carrying the shipments when the Company acts as a Non-Vessel Operating Common Carrier (NVOCC). Revenues realized in other capacities include only the commissions and fees earned.

Revenues related to shipments are recognized at the time the freight is tendered to a direct carrier at origin. All other revenues, including breakbulk services, local transportation, customs formalities, distribution services and logistics management, are recognized upon performance.

e) **INCOME TAXES** Income taxes are accounted for under the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributed to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

f) **NET EARNINGS PER COMMON SHARE** Diluted earnings per share is computed using the weighted average number of common shares and dilutive potential common shares outstanding. Dilutive potential common shares represent outstanding stock options. Basic earnings per share is calculated using the weighted average of common shares outstanding without taking into consideration dilutive potential common shares outstanding.

g) **FOREIGN CURRENCY** Foreign currency amounts attributable to foreign operations have been translated into U.S. Dollars using year-end exchange rates for assets and liabilities, historical rates for equity, and average annual rates for revenues and expenses. Unrealized gains or losses arising from fluctuations in the year-end exchange rates are generally recorded as components of other comprehensive income as adjustments from foreign currency translation. Currency fluctuations are a normal operating factor in the conduct of the Company's business and exchange transaction gains and losses are generally included in freight consolidation expenses.

SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" establishes accounting standards for derivative and hedging transactions and is effective for fiscal years beginning after June 15, 2000. Adoption of this standard by the Company on January 1, 2001, had no material impact on the Company's consolidated financial statements. The Company follows a policy of accelerating international currency settlements to manage its foreign exchange exposure. Accordingly, the Company enters into foreign currency hedging transactions only in limited locations where there are regulatory or commercial limitations on the Company's ability to move money freely around the world. Such hedging activity during 2000, 1999 and 1998 was insignificant. Net foreign currency gains realized during 2000 and 1999 were $309 and $196, respectively. Net foreign currency losses realized during 1998 was $534.

h) **CASH EQUIVALENTS** All highly liquid investments with a maturity of three months or less at date of purchase are considered to be cash equivalents.

i) **COMPREHENSIVE INCOME** Comprehensive income consists of net income and other gains and losses affecting shareholders' equity that, under generally accepted accounting principles, are excluded from net income. For the Company, these consist of foreign currency translation gains and losses, net of related income tax effects.

j) **SEGMENT REPORTING** The Company is organized functionally in geographic operating segments. Accordingly, management focuses its attention on revenues, net revenues, operating income, identifiable assets, capital expenditures, depreciation and amortization and equity generated by or allocated to each of these geographical areas when evaluating effectiveness of geographic management.

k) **USE OF ESTIMATES** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

l) **RECLASSIFICATION** Certain prior year amounts have been reclassified to conform with the 2000 presentation.

Two

CREDIT ARRANGEMENTS

The Company has a $50,000 United States bank line of credit extending through June 29, 2001. Borrowings under the line bear interest at LIBOR +0.75% (7.18% at December 31, 2000) and are unsecured. As of December 31, 2000, the Company had no borrowings under this line.

The majority of the Company's foreign subsidiaries maintain bank lines of credit for short-term working capital purposes. These credit lines are supported by standby letters of credit issued by a United States bank, or guarantees issued by the Company to the foreign banks issuing the credit line. Lines of credit bear interest at .5% to 1.5% over the foreign banks' equivalent prime rates. At December 31, 2000 and 1999, the Company was liable for $4,671 and $1,442, respectively, of borrowings under these lines, and at December 31, 2000 was contingently liable for approximately $24,154 under outstanding standby letters of credit and guarantees related to these lines of credit and other obligations.

In addition, at December 31, 2000 the Company had a $7,392 credit facility with a United Kingdom bank (U.K. facility), secured by a corporate guarantee. The Company was contingently liable under the U.K. facility at December 31, 2000 for $7,392 used to secure customs bonds issued by foreign governments.

At December 31, 2000, the Company was in compliance with all restrictive covenants of these credit lines and the associated credit facilities, including maintenance of certain minimum asset, working capital and equity balances and ratios.

Three

INCOME TAXES

Income tax expense for 2000, 1999 and 1998 includes the following components:

	FEDERAL	STATE	FOREIGN	TOTAL
2000				
Current	$ 9,717	2,802	27,665	40,184
Deferred	7,975	2,154	–	10,129
	$17,692	4,956	27,665	50,313
1999				
Current	$ 3,823	1,331	14,149	19,303
Deferred	14,098	2,069	–	16,167
	$17,921	3,400	14,149	35,470
1998				
Current	$ 9,526	2,071	13,009	24,606
Deferred	2,726	971	–	3,697
	$12,252	3,042	13,009	28,303

Income tax expense differs from amounts computed by applying the U.S. Federal income tax rate of 35% to earnings before income taxes as a result of the following:

	2000	1999	1998
Computed "expected" tax expense	$46,672	33,126	26,452
Increase (reduction) in income taxes resulting from:			
State and local income taxes, net of Federal income tax benefit	3,221	2,210	1,977
Decrease in valuation allowance for deferred tax assets	(68)	(147)	(207)
Other, net	488	281	81
	$50,313	35,470	28,303

The components of earnings before income taxes are as follows:

	2000	1999	1998
United States	$ 34,176	30,403	28,542
Foreign	99,172	64,242	47,035
	$133,348	94,645	75,577

The tax effects of temporary differences, tax credits and operating loss carryforwards that give rise to significant portions of deferred tax assets and deferred tax liabilities at December 31, 2000 and 1999 are as follows:

YEARS ENDED DECEMBER 31,	2000	1999
Deferred tax assets		
Foreign tax credits related to unremitted foreign earnings	$ 43,596	29,044
Accrued intercompany and third party charges, deductible for taxes upon economic performance (i.e. actual payment)	3,274	2,998
Foreign currency translation adjustment	5,169	2,952
Provision for doubtful accounts receivable	2,371	2,194
Excess of financial statement over tax depreciation	3,150	2,181
Other	1,129	943
Total gross deferred tax assets	58,689	40,312
Less valuation allowance	(8)	(76)
	58,681	40,236
Deferred tax liabilities		
Unremitted foreign earnings	(50,476)	(33,823)
Other	(5,074)	(4,061)
Total gross deferred tax liabilities	$ (55,550)	(37,884)
Net deferred tax assets	$ 3,131	2,352
Plus current deferred tax liabilities	$ 5,699	3,232
Noncurrent deferred tax assets	$ 8,830	5,584

At December 31, 2000, the Company has net operating loss carryforwards for foreign income tax purposes of $22 which are available over an indefinite period to offset future foreign taxable income.

The Company has not provided U.S. Federal income taxes on undistributed earnings of foreign subsidiaries accumulated through December 31, 1992 since the Company intends to reinvest such earnings indefinitely or to distribute them in a manner in which no significant additional taxes would be incurred. Such undistributed earnings are approximately $41,900 and the additional Federal and state taxes payable in a hypothetical distribution of such accumulated earnings would approximate $10,100. Since 1993, the Company has been providing for Federal and state income tax expense on foreign earnings without regard to whether such earnings will be permanently reinvested outside the United States.

Four

SHAREHOLDERS' EQUITY

a) **DIVIDENDS** On May 5, 1999, the Board of Directors declared a 2-for-1 stock split, effected in the form of a stock dividend of one share of common stock for every share outstanding, and increased the authorized common stock to 160,000,000 shares. The stock dividend was distributed on May 31, 1999 to shareholders of record on May 17, 1999. All share and per share information, except par value, has been adjusted for all years to reflect the stock split.

b) **NON-DISCRETIONARY STOCK REPURCHASE PLAN** The Company has a Non-Discretionary Stock Repurchase Plan under which management is authorized to repurchase up to 2,200,000 shares of the Company's common stock in the open market with the proceeds received from the exercise of Employee and Director Stock Options. As of December 31, 2000, the Company had repurchased and retired 2,061,560 shares of common stock at an average price of $16.33 over the period from 1994 through 2000. Subsequent to December 31, 2000, the amount of shares to be repurchased was increased to 5,000,000.

c) **STOCK OPTION PLANS** The Company has two stock option plans (the "1985 Plan" and the "1997 Plan") for employees under which the Board of Directors may grant officers and key employees options to purchase common stock at prices equal to or greater than market value on the date of grant. The 1985 Plan provides for non-qualified grants at exercise prices equal to or greater than the market value on the date of grant. Outstanding options generally vest and become exercisable over periods up to five years from the date of grant and expire no more than 10 years from the date of grant. The 1997 Plan provides for qualified and non-qualified grants of options to purchase shares, limited to not more than 100,000 per person per year. Grants less than or equal to 20,000 shares in any fiscal year, are granted at or above common stock prices on the date of grant. Any 1997 Plan grants in excess of the initial 20,000 shares granted per person per year ("Excess Grants") require an exercise price of not less than 120% of the common stock price on the date of grant. Excess Grants expire no later than 5 years from the date of grant. Excess Grants in 1997 vested completely, 3 years from the date of grant.

The Company also has a stock option plan ("Directors' Plan") under which non-employee directors elected at each annual meeting are granted non-qualified options to purchase 8,000 shares of common stock on the first business day of the month following the meeting.

Upon the exercise of non-qualified stock options, the Company derives a tax deduction measured by the excess of the market value over the option price at the date of exercise. The related tax benefit is credited to additional paid-in capital.

Details regarding the plans are as follows:

	UNOPTIONED SHARES			OUTSTANDING OPTIONS	
	1985 PLAN	1997 PLAN	DIRECTORS' PLAN	NUMBER OF SHARES	WEIGHTED AVERAGE PRICE PER SHARE
Balance at December 31, 1997	388,228	3,215,600	104,000	5,536,460	$ 5.65
Options granted	(210,000)	(863,400)	(24,000)	1,097,400	$ 21.78
Options exercised	–	–	–	(318,100)	$ 4.54
Options canceled	66,250	52,400	–	(118,650)	$ 4.27
Balance at December 31, 1998	244,478	2,404,600	80,000	6,197,110	$ 8.49
Options granted	(100,000)	(908,900)	(24,000)	1,032,900	$ 31.98
Options exercised	–	–	–	(1,323,405)	$ 3.47
Options canceled	43,750	138,000	–	(181,750)	$20.04
Balance at December 31, 1999	188,228	1,633,700	56,000	5,724,855	$ 13.47
Options granted	(95,000)	(781,250)	(32,000)	908,250	$ 38.07
Options exercised	–	–	–	(855,805)	$ 5.66
Options canceled	68,500	136,925	–	(205,425)	$ 23.73
Balance at December 31, 2000	161,728	989,375	24,000	5,571,875	$ 18.30

The Company applies APB Opinion No. 25 and related interpretations in accounting for its stock option and its employee stock purchase rights plans. Accordingly, no compensation cost has been recognized for its fixed stock option or employee stock purchase rights plans. Had compensation cost for the Company's three stock based compensation and employee stock purchase rights plans been determined consistent with SFAS No. 123, the Company's net earnings, basic earnings per share and diluted earnings per share would have been decreased to the pro forma amounts indicated below:

	2000	1999	1998
Net earnings – as reported	$83,035	59,175	47,274
Net earnings – pro forma	$73,592	52,111	42,697
Basic earnings per share – as reported	$ 1.62	1.18	.96
Basic earnings per share – pro forma	$ 1.45	1.05	.87
Diluted earnings per share – as reported	$ 1.52	1.10	.89
Diluted earnings per share – pro forma	$ 1.36	.98	.82

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used for grants:

	2000	1999	1998
Dividend yield	.48%	.23%	0.3%
Volatility	51%	47%	45%
Risk-free interest rates	5.1 – 6.4%	5.1 – 5.9%	4.6 – 5.7%
Expected life (years) – stock option plans	5.6	5.5 – 7	7
Expected life (years) – stock purchase rights plan	1	1	1
Weighted average fair value of stock options granted during the year	$19.61	17.55	11.49
Weighted average fair value of stock purchase rights	$15.67	8.98	6.25

The following table summarizes information about fixed-price stock options outstanding at December 31, 2000:

RANGE OF EXERCISE PRICE	NUMBER OUTSTANDING	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED AVERAGE EXERCISE PRICE
$ 2.82 – 4.38	1,044,500	1.6 years	$ 3.39	1,044,500	$ 3.39
$ 5.63 – 14.66	1,706,750	5.2 years	$ 8.06	1,352,500	$ 7.22
$15.04 – 21.94	992,100	6.6 years	$20.97	144,000	$15.76
$27.50 – 32.09	939,600	8.3 years	$31.98	24,000	$29.25
$37.90 – 53.69	888,925	9.3 years	$38.07	32,000	$41.38
$ 2.82 – 53.69	5,571,875	5.9 years	$ 18.30	2,597,000	$ 6.78

d) **BASIC AND DILUTED EARNINGS PER SHARE** The following table reconciles the numerator and the denominator of the basic and diluted per share computations for earnings per share in 2000, 1999 and 1998.

	NET EARNINGS	WEIGHTED AVERAGE SHARES	EARNINGS PER SHARE
2000			
Basic earnings per share	$ 83,035	51,152,620	$1.62
Effect of dilutive potential common shares	–	3,526,398	–
Diluted earnings per share	$ 83,035	54,679,018	$ 1.52
1999			
Basic earnings per share	$ 59,175	50,137,045	$ 1.18
Effect of dilutive potential common shares	–	3,690,772	–
Diluted earnings per share	$ 59,175	53,827,817	$ 1.10
1998			
Basic earnings per share	$ 47,274	49,234,438	$ .96
Effect of dilutive potential common shares	–	3,823,946	–
Diluted earnings per share	$ 47,274	53,058,384	$ .89

e) **STOCK PURCHASE PLAN** The Company's 1988 Employee Stock Purchase Plan provides for 2,800,000 shares of the Company's common stock to be reserved for issuance upon exercise of purchase rights granted to employees who elect to participate through regular payroll deductions beginning August 1 of each year. The purchase rights are exercisable on July 31 of the following year at a price equal to the lesser of (1) 85% of the fair market value of the Company's stock on July 31 or (2) 85% of the fair market value of the Company's stock on the preceding August 1. At December 31, 2000, 1999 and 1998, an aggregate of 2,373,253 shares, 2,169,235 shares and 1,917,844 shares, respectively, had been issued under the plan, and at December 31, 2000, $3,360 had been withheld in connection with the plan year ending July 31, 2001.

Five

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments, other than cash, consist primarily of cash equivalents, short-term investments, accounts receivable, short-term debt, accounts payable and accrued expenses, and stock purchase rights. The fair values of these financial instruments, excluding stock purchase rights, approximate their carrying amounts based upon market interest rates or their short-term nature. The fair value of the stock purchase rights, which have a carrying value of zero, has been determined using market prices for the related stock, and is approximately $1,364 as of December 31, 2000.

Six

COMMITMENTS

a) **LEASES** The Company occupies office and warehouse facilities under terms of operating leases expiring up to 2006. At December 31, 2000, future minimum annual lease payments under all leases are as follows:

2001	$20,746
2002	16,940
2003	13,540
2004	8,813
2005	4,667
Thereafter	3,359
	$68,065

b) **EMPLOYEE BENEFITS** The Company has employee savings plans under which the Company provides a discretionary matching contribution. In 2000, 1999 and 1998, the Company's contributions under the plans were $2,596, $2,663, and $2,219, respectively.

Seven

CONTINGENCIES

The Company is ordinarily involved in claims and lawsuits which arise in the normal course of business, none of which currently, in management's opinion, will have a significant effect on the Company's financial condition.

Eight

BUSINESS SEGMENT INFORMATION

Financial information regarding the Company's 2000, 1999 and 1998 operations by geographic area are as follows:

	UNITED STATES	OTHER NORTH AMERICA	FAR EAST	EUROPE	AUSTRALIA/ NEW ZEALAND	LATIN AMERICA	MIDDLE EAST	ELIMINATIONS	CONSOLIDATED
2000									
Revenues from unaffiliated customers	$434,136	35,315	922,057	210,294	13,740	14,060	65,579	–	1,695,181
Transfers between geographic areas	22,437	1,255	3,866	9,649	3,235	2,772	3,025	(46,239)	–
Total revenues	$456,573	36,570	925,923	219,943	16,975	16,832	68,604	(46,239)	1,695,181
Net revenues	$241,844	24,172	138,671	103,725	11,289	8,331	20,323	–	548,355
Operating income	$ 36,280	3,210	55,884	23,682	2,321	1,422	4,725	–	127,524
Identifiable assets at year end	$352,737	21,215	119,056	115,631	11,040	9,531	19,676	12,854	661,740
Capital expenditures	$ 13,075	1,925	3,591	3,876	550	1,037	1,528	–	25,582
Depreciation and amortization	$ 12,529	1,106	3,712	3,187	542	342	1,063	–	22,481
Equity	$361,784	4,582	98,713	31,371	7,117	897	5,997	(148,677)	361,784
1999									
Revenues from unaffiliated customers	$358,454	21,407	821,977	175,794	12,995	8,224	45,724	–	1,444,575
Transfers between geographic areas	18,150	1,049	3,347	7,364	3,227	2,001	1,950	(37,088)	–
Total revenues	$376,604	22,456	825,324	183,158	16,222	10,225	47,674	(37,088)	1,444,575
Net revenues	$206,198	14,699	101,790	89,043	10,974	4,983	14,799	–	442,486
Operating income	$ 29,647	2,279	38,879	17,535	2,127	442	2,414	–	93,323
Identifiable assets at year end	$273,391	14,280	94,652	98,030	9,183	7,587	17,288	21,050	535,461
Capital expenditures	$ 14,109	1,347	3,740	3,733	693	272	2,688	–	26,582
Depreciation and amortization	$ 11,511	618	3,429	3,302	614	251	1,094	–	20,819
Equity	$282,385	2,814	81,956	24,888	6,558	(179)	2,931	(118,968)	282,385
1998									
Revenues from unaffiliated customers	$311,897	12,361	562,500	143,925	10,160	3,172	19,692	–	1,063,707
Transfers between geographic areas	13,116	765	3,061	6,558	2,400	1,482	1,029	(28,411)	–
Total revenues	$325,013	13,126	565,561	150,483	12,560	4,654	20,721	(28,411)	1,063,707
Net revenues	$170,748	8,492	82,025	74,199	8,589	3,604	5,793	–	353,450
Operating income	$ 27,214	906	29,343	13,945	1,384	(264)	844	–	73,372
Identifiable assets at year end	$220,786	12,511	70,465	84,112	6,987	3,547	8,188	12,897	419,493
Capital expenditures	$ 40,053	592	5,998	3,686	748	570	808	–	52,455
Depreciation and amortization	$ 8,225	459	2,481	2,957	511	251	663	–	15,547
Equity	$217,198	1,184	71,012	17,283	4,874	(865)	1,556	(95,044)	217,198

The Company charges its subsidiaries and affiliates for services rendered in the United States on a cost recovery basis.

Nine

QUARTERLY RESULTS (UNAUDITED)

	1ST	2ND	3RD	4TH
2000				
Revenues	$349,044	404,496	475,363	466,278
Net revenues	115,472	128,114	151,325	153,444
Net earnings	13,356	18,099	25,642	25,938
Basic earnings per share	.26	.35	.50	.50
Diluted earnings per share	.25	.33	.47	.47
1999				
Revenues	$283,712	331,980	406,139	422,743
Net revenues	94,413	104,230	119,719	124,124
Net earnings	9,521	13,229	17,839	18,587
Basic earnings per share	.19	.26	.35	.37
Diluted earnings per share	.18	.25	.33	.34

Net revenues are determined by deducting freight consolidation costs from total revenues. The sum of quarterly per share data may not equal the per share total reported for the year.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Expeditors International of Washington, Inc.:

We have audited the consolidated balance sheets of Expeditors International of Washington, Inc. and subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of earnings, shareholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2000. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Expeditors International of Washington, Inc. and subsidiaries as of December 31, 2000 and 1999, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States of America.

KPMG LLP

Seattle, Washington
February 23, 2001

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Expeditors International of Washington, Inc. is engaged in the business of global logistics management, including international freight forwarding and consolidation, for both air and ocean freight. The Company acts as a customs broker in all domestic offices, and in many of its international offices. The Company also provides additional services for its customers including value added distribution, purchase order management, vendor consolidation and other logistics solutions. The Company offers domestic forwarding services only in conjunction with international shipments. The Company does not compete for overnight courier or small parcel business. The Company does not own or operate aircraft or steamships.

International trade is influenced by many factors, including economic and political conditions in the United States and abroad, currency exchange rates, and United States and foreign laws and policies relating to tariffs, trade restrictions, foreign investments and taxation. Periodically, governments consider a variety of changes to current tariffs and trade restrictions. The Company cannot predict which, if any, of these proposals may be adopted, nor can the Company predict the effects adoption of any such proposal will have on the Company's business. Doing business in foreign locations also subjects the Company to a variety of risks and considerations not normally encountered by domestic enterprises. In addition to being affected by governmental policies concerning international trade, the Company's business may also be affected by political developments and changes in government personnel or policies in the nations in which it does business.

The Company's ability to provide services to its customers is highly dependent on good working relationships with a variety of entities including airlines, ocean steamship lines, and governmental agencies. The Company considers its current working relationships with these entities to be satisfactory. However, changes in space allotments available from carriers, governmental deregulation efforts, "modernization" of the regulations governing customs brokerage, and/or changes in governmental quota restrictions could affect the Company's business in unpredictable ways.

Historically, the Company's operating results have been subject to a seasonal trend when measured on a quarterly basis. The first quarter has traditionally been the weakest and the third and fourth quarters have traditionally been the strongest. This pattern is the result of, or is influenced by, numerous factors including climate, national holidays, consumer demand, economic conditions and a myriad of other similar and subtle forces. In addition, this historical quarterly trend has been influenced by the growth and diversification of the Company's international network and service offerings. The Company cannot accurately forecast many of these factors nor can the Company estimate accurately the relative influence of any particular factor and, as a result, there can be no assurance that historical patterns, if any, will continue in future periods.

A significant portion of the Company's revenues are derived from customers in retail industries whose shipping patterns are tied closely to consumer demand, and from customers in industries whose shipping patterns are dependent upon just-in-time production schedules. Therefore, the timing of the Company's revenues are, to a large degree, impacted by factors out of the Company's control, such as a sudden change in consumer demand for retail goods and/or manufacturing production delays. Additionally, many customers ship a significant portion of their goods at or near the end of a quarter, and therefore, the Company may not learn of a shortfall in revenues until late in a quarter. To the extent that a shortfall in revenues or earnings was not expected by securities analysts, any such shortfall from levels predicted by securities analysts could have an immediate and adverse effect on the trading price of the Company's stock.

RESULTS OF OPERATIONS

The following table shows the consolidated net revenues (revenues less transportation expenses) attributable to the Company's principal services and the Company's expenses for 2000, 1999 and 1998, expressed as percentages of net revenues. With respect to the Company's services other than freight consolidation, net revenues are identical to revenues. Management believes that net revenues are a better measure than total revenues of the relative importance of the Company's principal services since total revenues earned by the Company as a freight consolidator include the carriers' charges to the Company for carrying the shipment whereas revenues earned by the Company in its other capacities include only the commissions and fees actually earned by the Company.

IN THOUSANDS	2000 AMOUNT	2000 PERCENT OF NET REVENUES	1999 AMOUNT	1999 PERCENT OF NET REVENUES	1998 AMOUNT	1998 PERCENT OF NET REVENUES
Net Revenues						
Airfreight	$225,428	41%	183,767	41%	145,907	41%
Ocean freight	114,974	21	87,181	20	66,297	19
Customs brokerage and import services	207,953	38	171,538	39	141,246	40
Net revenues	548,355	100	442,486	100	353,450	100
Operating Expenses						
Salaries and related costs	290,581	53	240,740	54	190,288	54
Other	130,250	24	108,423	25	89,790	25
Total operating expenses	420,831	77	349,163	79	280,078	79
Operating income	127,524	23	93,323	21	73,372	21
Other income, net	5,824	1	1,322	0	2,205	0
Earnings before income taxes	133,348	24	94,645	21	75,577	21
Income tax expense	50,313	9	35,470	8	28,303	8
Net earnings	$ 83,035	15%	59,175	13%	47,274	13%

2000 COMPARED WITH 1999

Airfreight net revenues in 2000 increased 23% compared with 1999 primarily due to (1) increased airfreight shipments and tonnages handled by the Company from the Far East to North America and Europe, (2) increased prices charged by the airlines which were passed along to customers, and (3) increased export airfreight shipments and tonnages from North America and Europe. Airfreight margins expanded approximately 2% during 2000 as compared with 1999. Higher freight volumes and efficient consolidations of dense and fluffy (volumetric) freight allowed the Company to maximize purchased transportation costs while still offering competitive rates to customers. The Company's North American export airfreight net revenues increased 21% in 2000 compared to 1999. Airfreight net revenues from the Far East and from Europe increased 31% and 9%, respectively, for 2000 compared with 1999. Airfreight rates on Far East to North American trade lanes, the Company's most dominant lane, remained strong throughout 2000.

Ocean freight net revenues increased 32% in 2000 compared to 1999. Ocean freight demand remained strong throughout 2000 and ocean freight rates from the Far East, the Company's largest trade lane, increased in the last half of the year. During 2000, management continued to expand market share, increase ocean tonnage, and increase net ocean freight revenues while offering competitive market rates to customers. Changes in the regulatory environment in the United States created new opportunities for the Company's NVOCC operations to provide services to customers who had previously dealt directly with the ocean carriers. Margins remained nearly constant in 2000 as compared with 1999. Expeditors Cargo Management Systems (ECMS), a PC-based ocean freight consolidation management and purchase order tracking service, continued to be instrumental in attracting new business. The Company's North American export ocean freight net revenues increased 26% in 2000 compared to 1999. This increase was a result of the Company handling more ocean shipments moving from North America to the Far East and, to a lesser extent, from North America to Europe. Ocean freight net revenues from the Far East and from Europe increased 38% and 26%, respectively, for 2000 compared with 1999.

Customs brokerage and import services revenues increased 21% in 2000 as compared with 1999 as a result of (1) the Company's growing reputation for providing high quality service, (2) consolidation within the customs brokerage market as customers seek out customs brokers with more sophisticated computerized capabilities critical to an overall logistics management program, and (3) the growing importance of distribution services as a separate and distinct service offered to existing and potential customers. Distribution services accounted for nearly 22% of the increase in customs brokerage and import services revenues for 2000 compared with 1999.

Salaries and related costs increased in 2000 compared to 1999 as a result of (1) the Company's increased hiring of sales, operations, and administrative personnel in existing and new offices to accommodate increases in business activity and (2) increased compensation levels. Salaries and related costs decreased 1% as a percentage of net revenues. Management believes that this decrease is due to the Company's ability to service larger freight volumes with a relatively smaller group of people. Management attributes this to technological enhancement and operational process improvement initiatives. The relatively consistent relationship between salaries and net revenues is the result of a compensation philosophy that has been maintained since the inception of the Company: offer a modest base salary and the opportunity to share in a fixed and determinable percentage of the operating profit of the business unit controlled by each key employee. Using this compensation model, changes in individual compensation will occur in proportion to changes in Company profits. Management believes that the growth in revenues, net revenues and net earnings for 2000 are a result of the incentives inherent in the Company's compensation program.

Other operating expenses increased in 2000 as compared with 1999 as rent expense, communications expense, quality and training expenses, and other costs expanded to accommodate the Company's growing operations. Other operating expenses as a percentage of net revenues decreased 1% in 2000 as compared with 1999.

Other income, net, increased in 2000 as compared to 1999 primarily due to interest income earned on higher cash balances and short-term investments in 2000. Management attributes higher cash balances, in large part, to the success of cash management and billing improvement initiatives.

The Company pays income taxes in the United States and other jurisdictions, as well as other taxes which are typically included in costs of operations. The Company's consolidated effective income tax rate remained relatively constant in 2000 at 37.7%.

1999 COMPARED WITH 1998

Airfreight net revenues in 1999 increased 26% compared with 1998 primarily due to (1) increased airfreight shipments and tonnages handled by the Company from the Far East to North America and Europe, (2) increased prices charged by the airlines which were passed along to customers, and (3) increased export airfreight shipments and tonnages from North America and Europe. The

Company's North American export airfreight net revenues increased 21% in 1999 compared to 1998. Airfreight net revenues from the Far East and from Europe increased 26% and 23%, respectively, for 1999 compared with 1998.

Ocean freight net revenues increased 32% in 1999 compared to 1998. Ocean freight demand remained strong throughout 1999 and ocean freight rates from the Far East, the Company's largest trade lane, increased in the last half of the year. During 1999, management continued to expand market share, increase ocean tonnage, and increase net ocean freight revenues while offering competitive market rates to customers. Margins diminished slightly as a result of this increased demand and due to regulatory constraints which restricted the Company's ability to promptly pass carrier rate increases to NVOCC customers. ECMS continued to be instrumental in attracting new business. The Company's North American export ocean freight net revenues increased 18% in 1999 compared to 1998. This increase was a result of the Company handling more ocean shipments moving from North America to the Far East and, to a lesser extent, from North America to Europe. Ocean freight net revenues from the Far East and from Europe increased 36% and 32%, respectively, for 1999 compared with 1998.

Customs brokerage and import services revenues increased 21% in 1999 as compared with 1998 as a result of (1) the Company's growing reputation for providing high quality service, (2) consolidation within the customs brokerage market as customers seek out customs brokers with more sophisticated computerized capabilities critical to an overall logistics management program, and (3) the growing importance of distribution services as a separate and distinct service offered to existing and potential customers. Distribution services accounted for nearly 29% of the increase in customs brokerage and import services revenues for 1999 compared with 1998.

Salaries and related costs increased in 1999 compared to 1998 as a result of (1) the Company's increased hiring of sales, operations, and administrative personnel in existing and new offices to accommodate increases in business activity and (2) increased compensation levels. Salaries and related costs remained constant as a percentage of net revenues.

Other operating expenses increased in 1999 as compared with 1998 as rent expense, communications expense, quality and training expenses, and other costs expanded to accommodate the Company's growing operations. Other operating expenses as a percentage of net revenues remained constant in 1999 as compared with 1998.

Other income, net, decreased in 1999 as compared to 1998 primarily due to smaller foreign exchange gains recorded in 1999 than in 1998. Interest income was slightly higher in 1999 than in 1998. Interest expense was also higher in 1999 due to an increase in short-term borrowings.

The Company pays income taxes in the United States and other jurisdictions, as well as other taxes which are typically included in costs of operations. The Company's consolidated effective income tax rate remained constant in 1999 at 37.5%.

CURRENCY AND OTHER RISK FACTORS

International air/ocean freight forwarding and customs brokerage are intensively competitive and are expected to remain so for the foreseeable future. There are a large number of entities competing in the international logistics industry; however, the Company's primary competition is confined to a relatively small number of companies within this group. While there is currently a marked trend within the industry toward consolidation into large firms with multinational offices and agency networks, regional and local broker/forwarders remain a competitive force.

Historically, the primary competitive factors in the international logistics industry have been price and quality of service, including reliability, responsiveness, expertise, convenience, and scope of operations. The Company emphasizes quality service and believes that its prices are competitive with those of others in the industry. Recently, customers have exhibited a trend towards more sophisticated and efficient procedures for the management of the logistics supply chain by embracing strategies such as just-in-time inventory management. Accordingly, sophisticated computerized customer service capabilities and a stable worldwide network have become significant factors in attracting and retaining customers.

Developing these systems and a worldwide network has added a considerable indirect cost to the services provided to customers. Smaller and middle-tier competitors, in general, do not have the resources available to develop customized systems and a worldwide network. As a result, there is a significant amount of consolidation currently taking place in the industry. Management expects that this trend toward consolidation will continue for the short- to medium-term.

The nature of the Company's worldwide operations necessitates the Company dealing with a multitude of currencies other than the U.S. Dollar. This results in the Company being exposed to the inherent risks of the international currency markets and governmental interference. Some of the countries where the Company maintains offices and/or agency relationships have strict currency control regulations which influence the Company's ability to hedge foreign currency exposure. The Company tries to compensate for these exposures by accelerating international currency settlements among its offices or agents. Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities" establishes accounting standards for derivative and hedging transactions and is effective for fiscal years beginning after June 15, 2000. Adoption of this standard by the Company on January 1, 2001, had no material impact on the Company's consolidated financial statements. The Company enters into foreign currency hedging transactions only in limited locations where there are regulatory or commercial limitations on the Company's ability to move money freely around the world or the short-term financial outlook in any country is such that hedging is the most time-sensitive way to avoid short-term exchange losses. Any such hedging activity during 2000, 1999 and 1998 was insignificant. Net foreign currency gains realized during 2000 were $309,000. Net foreign currency gains realized in 1999 were $196,000. Net foreign currency losses realized in 1998 were $534,000.

The Company has traditionally generated revenues from airfreight, ocean freight and customs brokerage and import services. In light of the customer-driven trend to provide customer rates on a door-to-door basis, management foresees the potential, in the medium- to long-term, for fees normally associated with customs house brokerage to be de-emphasized and included as a component of other services offered by the Company.

On January 1, 1999, eleven of fifteen member countries of the European Union established fixed conversion rates between their existing currencies ("legacy currencies") and a new common currency – the Euro. The Euro trades on currency exchanges and may be used in business transactions. The conversion to the Euro eliminates currency exchange rate risk between the member countries. Beginning in January 2002, new Euro-denominated bills and coins will be issued and legacy currencies will be withdrawn from circulation. The Company has established plans to address the issues raised by the Euro currency conversion including the need to adapt computer systems and business processes to accommodate Euro-denominated transactions. Since existing financial systems currently accommodate multiple currencies, the plans contemplate full conversion by the end of 2001. The Company does not expect the conversion costs to be material and is actively pursuing conversion plans and initiatives to fully accommodate the introduction of the Euro as the financial reporting currency of the member states. Due to numerous uncertainties, the Company is evaluating the effects one common European currency will have on pricing. The Company is unable to predict the resulting impact, if any, on the Company's consolidated financial statements. As of December 31, 2000, the Company had not experienced any significant disruption as a result of this phased conversion.

SOURCES OF GROWTH

Historically, growth through aggressive acquisition has proven to be a challenge for many of the Company's competitors and typically involves the purchase of significant "goodwill", the value of which can be realized in large measure only by retaining the customers and profit margins of the acquired business. As a result, the Company has pursued a strategy emphasizing organic growth supplemented by certain strategic acquisitions, where future economic benefit significantly exceeds the "goodwill" recorded in the transaction.

OFFICE ADDITIONS

The Company opened 11 start-up offices during 2000.

NORTH AMERICA	EUROPE	LATIN AMERICA	ASIA
UNITED STATES	**HUNGARY**	**BRAZIL**	**CAMBODIA**
Washington, D.C.	Budapest	Manaus	Phnom Penh
Kansas City, MO		Belo Horizonte	
Savannah, GA	**FRANCE**		**VIETNAM**
	Bordeaux		Ho Chi Minh City
MEXICO			
Ciudad Juarez			**MARIANA ISLANDS**
			Saipan

The Company, at the request of a major customer, opened an office in Huizen, The Netherlands during early 2000. When promised revenue levels were not achieved, the Company transferred existing business and personnel to other Netherlands offices and closed the Huizen office as of November 2000. This customer continues to purchase services from the Company.

INTERNAL GROWTH

Management believes that a comparison of "same store" growth is critical in the evaluation of the quality and extent of the Company's internally generated growth. This "same store" analysis isolates the financial contributions from offices that have been included in the Company's operating results for at least one full year. The table below presents "same store" comparisons on a year-over-year basis for the years ended December 31, 2000, 1999 and 1998.

SAME STORE COMPARISONS

FOR THE YEARS ENDED DECEMBER 31,	2000	1999	1998
Net revenues	23%	22%	18%
Operating income	36%	24%	21%

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal source of liquidity is cash generated from operating activities. Net cash provided by operating activities for the year ended December 31, 2000 was approximately $154 million, as compared with $53 million for the same period of 1999. This $101 million increase is principally due to a smaller increase in accounts receivable ($47 million) between 2000 and 1999 than was experienced between 1999 and 1998. Management believes that the smaller increase in accounts receivable is due to internal initiatives to increase the quality and timeliness of customer billings, which in turn improved the rate of customer collections. The Company also did a more effective job in 2000 of matching cash outflows with inflows. This resulted in a $16 million increase in accounts payable and other accrued expenses and taxes payable in 2000 over the increase in 1999.

The Company's business is subject to seasonal fluctuations. Cash flow fluctuates as a result of this seasonality. Historically, the first quarter shows an excess of customer collections over customer billings. This results in positive cash flow. The increased activity associated with peak season (typically commencing late second or early third quarter) causes an excess of customer billings over customer collections. This cyclical growth in customer receivables consumes available cash. In the past, the Company has utilized short-term borrowings to satisfy normal operating expenditures when temporary cash outflows exceed cash inflows. These short-term borrowings have been repaid when the trend reverses and customer collections exceed customer billings. During 2000, short-term borrowings were not required in the United States; the market where cash flow pressures are most intense due to funds advanced in association with customs brokerage activity.

As a customs broker, the Company makes significant 5-10 business day cash advances for the payment of duties and freight. These advances are made as an accommodation for a select group of credit-worthy customers. Cash advances are a "pass through" and are not recorded as a component of revenue and expense, but are accounted for as a direct increase in accounts receivable and accounts payable. As a result of these "pass through" billings, the conventional Days Sales Outstanding or DSO calculation does not directly measure collection efficiency.

Cash used in investing activities for the year ended December 31, 2000 was $29 million, as compared with $32 million during the same period of 1999. The largest use of cash in investing activities is cash paid for capital expenditures. For the year ended December 31, 2000, the Company made capital expenditures of $26 million as compared with $27 million for the same period in 1999. Capital expenditures in 2000 and in 1999 related primarily to investments in technology and office furniture and equipment.

Cash used in financing activities for the year ended December 31, 2000 was $23 million as compared with cash provided by financing activities of $2 million for the same period in 1999. In 2000, the Company paid down $15 million on short-term debt, as compared with an increase in short-term debt of $7 million that occurred during the same period of 1999. The Company uses the proceeds from stock option exercises to repurchase the Company's stock on the open market. The differences shown at year end of 2000 and 1999 between proceeds from the issuance of common stock and the amounts paid to repurchase common stock represent a timing difference in the receipt of proceeds and the subsequent repurchase of outstanding shares.

At December 31, 2000, working capital was $223 million, including cash and short-term investments of $171 million. The Company had no long-term debt at December 31, 2000. While the nature of its business does not require an extensive investment in property and equipment, the Company cannot eliminate the possibility that it could acquire an equity interest in property in certain geographic locations. The Company currently expects to spend approximately $60 million on property and equipment in 2001. In addition to normal capital expenditures for leasehold improvements, warehouse equipment, computer hardware and furniture and fixtures, this total includes estimates for building projects in Egypt, Ireland and Malaysia. The Company expects to finance capital expenditures in 2001, with cash.

The Company borrows internationally and domestically under unsecured bank lines of credit. The U.S. facility totals $50 million and international bank lines of credit totaled $11.1 million. In addition, the Company maintains a bank facility with its U.K. bank for $7.4 million. At December 31, 2000, the Company was directly liable for $4.7 million drawn on these lines of credit and was contingently liable for an additional $24.2 million from standby letters of credit.

Management believes that the Company's current cash position, bank financing arrangements, and operating cash flows will be sufficient to meet its capital and liquidity requirements for the foreseeable future.

In some cases, the Company's ability to repatriate funds from foreign operations may be subject to foreign exchange controls. In addition, certain undistributed earnings of the Company's subsidiaries accumulated through December 31, 1992 would, under most circumstances, be subject to some additional United States income tax if distributed to the Company. The Company has not provided for this additional tax because the Company intends to reinvest such earnings to fund the expansion of its foreign activities, or to distribute them in a manner in which no significant additional taxes would be incurred.

IMPACT OF INFLATION

To date, the Company's business has not been adversely affected by inflation, nor has the Company experienced significant difficulty in passing carrier rate increases on to its customers by means of price increases. Direct carrier rate increases could occur over the short- to medium-term period. Due to the high degree of competition in the market place, these rate increases might lead to an erosion in the Company's margins. However, as the Company is not required to purchase or maintain extensive property and equipment and has not otherwise incurred substantial interest rate-sensitive indebtedness, the Company currently has no direct exposure to increased costs resulting from increases in interest rates.

The forward-looking statements contained in this document involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from these statements include, but are not limited to: risks associated with foreign operations, elimination of intercompany transactions, matching of expenses with the associated revenue, seasonality, shifts in consumer demand, the effect that the adoption of the Euro as the primary currency of 11 member states of the European Union might have on the global economy and the Company's international and domestic customers, other accounting estimates and other risk factors disclosed from time to time in the Company's public reports.

DIRECTORS AND EXECUTIVE OFFICERS

DIRECTORS

PETER J. ROSE
Chairman of the Board
and Chief Executive Officer,
Director

JAMES L. K. WANG
President – Asia,
Director

R. JORDAN GATES
Executive Vice President –
Chief Financial Officer
and Treasurer, Director

JAMES J. CASEY
Director

DAN P. KOURKOUMELIS
Director

MICHAEL J. MALONE
Director
Chairman and
Chief Executive Officer,
AEI Music

JOHN W. MEISENBACH
Director
President, MCM Financial
A Financial Services Company

EXECUTIVE OFFICERS

GLENN M. ALGER
President and
Chief Operating Officer

SANDY K. Y. LIU
Chief Operating
Officer – Asia

TIMOTHY C. BARBER
Executive Vice President –
Global Sales

ROMMEL C. SABER
Executive Vice President –
Europe, Africa and Near/
Middle East

ROBERT L. VILLANUEVA
Executive Vice President –
The Americas

EUGENE K. ALGER
Sr. Vice President –
North America

L. MANFRED AMBERGER
Sr. Vice President –
Continental Europe

JEAN CLAUDE CARCAILLET
Sr. Vice President – Australasia

WILLIAM J. COOGAN
Sr. Vice President –
Ocean Cargo

PHILIP M. COUGHLIN
Sr. Vice President –
North America

JEFFREY J. KING
Sr. Vice President –
General Counsel
and Secretary

DAVID M. LINCOLN
Sr. Vice President
and Chief Information
Officer

CHARLES J. LYNCH
Vice President –
Corporate Controller

ADDITIONAL PRODUCT, SERVICE AND GEOGRAPHIC MANAGERS

GLOBAL PRODUCT AND SERVICES

RICK BALLANTYNE
Director – Global Distribution Services

ROSANNE ESPOSITO
Vice President – Imports

ROGER IDIART
Vice President – Global Air Cargo

ADAM SEIDENWERG
Vice President – E.C.M.S.

ERIN THOMASSON
Vice President – Insurance

LARRY WU
Sr. Vice President – E.C.M.S.

FAR EAST

JOHNNY CHANG
Vice President – Air Product – Asia

JACOBUS HSIEH
Regional Director – South Asia

SYED ERSHAD AHMED
Managing Director – Bangladesh

T. H. CHIU
Managing Director – Philippines

PAUL DUAN
General Manager – Vietnam

ANDRE FERNANDO
Managing Director – Sri Lanka

KEVIN FUNG
General Manager – Southern China

ANDY HSIA
Managing Director – China

DAVID HSIEH
Managing Director – Taiwan

LANCE LIOU
Managing Director – Singapore

MARK KATO
Managing Director – Japan

J. I. KIM
Managing Director – Korea

SARWAN KUMAR
General Manager – Ocean – Indonesia

E. J. ONG
Managing Director – Malaysia

NIXEN TANEX
General Manager – Air – Indonesia

DUMRONGSAK THANAWALEEKUL
General Manager – Ocean – Thailand

MICHAEL WANG
General Manager – Northern China

WILSON YANG
General Manager – Air – Thailand

NORTH AMERICA

JOE COOGAN
Regional Vice President – U.S.

DENNIS EGAN
Regional Vice President – U.S.

KARL FRANCISCO
Regional Vice President – U.S.

J. ROSS HURST
Managing Director – Canada

BRUCE KREBS
Managing Director – Mexico

BRYAN LILLY
Regional Vice President – U.S.

JEFF MUSSER
Regional Vice President – U.S.

RICHARD ROSTAN
Regional Vice President – U.S.

JOSE UBEDA
Regional Vice President – U.S.

EUROPE AND AFRICA

JAMES M. ANDERSON
Regional Vice President – Ireland, U.K., South Africa and Mauritius

CARLOS A. J. DA CONCEICAO
Regional Vice President – Italy, Spain, Portugal and North Africa

HENRIK HEDENSIO
Regional Vice President – Scandinavia

MARCEL SCHENK
Regional Vice President – Benelux and France

JOHN F. BERMINGHAM
Managing Director – Ireland

HANS JOACHIM BUCHHOLZ
Managing Director – Germany

STEPHANE P. CARLIER
Managing Director – Belgium

THOMAS EGBERS
Managing Director – The Netherlands

RENE GRABMULLER
Managing Director – Czech Republic

GILLES KERGOAT
Managing Director – Mauritius

RICHARD P. MALLABONE
Managing Director – South Africa

ANTONIO REY
Managing Director – Spain

CHRISTOPHE C. RICHARD
Managing Director – France

GUNTER SOUCEK
Managing Director – Austria

NEAR/MIDDLE EAST AND INDIAN SUB-CONTINENT

KURT MEISTER
Regional Vice President – Gulf States, Pakistan and India

HAMDI ISMAIL ALI
Managing Director – Egypt

ELIAS ATSAROS
Managing Director – Greece

SAMIR GHAOUI
Managing Director – Beirut

AFSAR MAHMOOD
Managing Director – Pakistan

K. MURALI
Managing Director – India

AMIN SABER
Managing Director – U.A.E. – Dubai

SULEYMAN TURE
Managing Director – Turkey

LATIN AMERICA

IDEVALDO R. SILVA
Vice President and Managing Director – Latin America and Caribbean

GUILLERMO AYERBE
Country Manager – Argentina

JEAN CHEVALIER
Country Manager – Colombia

EUGENIO MEJIAS
Country Manager – Chile

CARLOS NOVOA
Country Manager – Venezuela

RICARDO NUNES
Country Manager – Brazil

CORPORATE INFORMATION

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CORPORATE HEADQUARTERS

Expeditors International
of Washington, Inc.
1015 Third Avenue
12th Floor
Seattle, WA 98104

Information is available on the World Wide Web at http://www.expeditors.com

OFFICES AND AGENTS

Major cities of the world

ANNUAL MEETING

The annual meeting of shareholders is Wednesday, May 9, 2001, at 2:00 pm at:

Expeditors'
Corporate Headquarters
1015 Third Avenue
Seattle, Washington

FORM 10-K

The Company files an Annual Report with the Securities and Exchange Commission on Form 10-K. Shareholders may obtain a copy of this report without charge by writing:

Jeffrey J. King, Secretary
Expeditors International
of Washington, Inc.
1015 Third Avenue
12th Floor
Seattle, WA 98104

STOCK PRICE AND SHAREHOLDER DATA

The following table sets forth the high and low sale prices in the over-the-counter market for the Company's Common Stock as reported by The NASDAQ National Market System under the symbol EXPD.

COMMON STOCK

QUARTER	HIGH	LOW
2000		
First	45 1/2	32 5/8
Second	48	34 3/4
Third	51 5/16	42 1/4
Fourth	60 1/8	39 5/8
1999		
First	27 3/16	20 5/16
Second	33 1/2	25
Third	37 3/4	27
Fourth	46 3/8	31 1/2

There were 1,882 shareholders of record as of December 31, 2000. Management estimates that there were approximately 12,000 beneficial shareholders at that date.

In 1999 and 2000, the Board of Directors declared a semi-annual dividend of \$.05 per share and \$.07 per share, respectively which was paid as follows:

2000	15 June 15 December
1999	15 June 15 December

see you next year!

Expeditors®

You'd be surprised how far we'll go for you.

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ONE MAN'S CEILING IS ANOTHER MAN'S FLOOR.

Expeditors

致公司股東

又是一個成長及豐碩的一年。在過去兩年網際網路盛行之際，我們很高興看到 Expeditors 仍能屹立不搖並創造佳績。動盪不安的市場並不影響我們股票表現，反而帶給我們空前豐收的一年。Expeditors 設立 11 家新的辦事處，並有 700 位生力軍加入我們的團隊。其增加的新辦事處如下：在遠東區域有越南的胡志明市、高棉的金邊、馬里亞那群島的塞班；在歐洲有匈牙利的布達佩斯、法國的波爾多；在南美有巴西的瑪瑙斯及柏路哈里桑塔、墨西哥的赫瓦拉斯城；在美國有密蘇里州的堪薩斯城、喬治亞州的塞芬拿、華盛頓。上述各區促使我們在 2000 年歲末擁有全球 160 家辦事處。此外，在德州的奧斯丁、密爾瓦基、威斯康辛州及卡加立、亞伯達省均成立新的銷售客戶服務處。

分公司的成長相對的給予員工更多的發展機會。Expeditors 在歐洲地區有了以下重要的人事安排與變動。倫敦辦事處 Jim Anderson 晉升爲愛爾蘭、英國、南非及毛里西斯之區域副總裁。法蘭克福的 Manfred Amberger 擔任歐洲大陸的資深副總裁，負責更多的任務。貝魯特的 Rommel Saber 除了負責中東、印度及巴基斯坦的業務外，亦擔任歐洲/非洲地區之執行副總裁。此外，我們亦任用 Bruce Krebs 掌管墨西哥所有的營運作業。在亞洲，我們很高興能請劉克涯先生加入我們的團隊擔任執行長的職務並派駐在香港亞洲總部. 很顯然的，除了維持現有的格局，我們期待日後將有更好的發展

得獎與表揚更印證了我們不斷成長與進步。Expeditors 總部及西雅圖分公司排名華盛頓州"最佳就職公司"名單中第二名。我們亦榮獲香港政府勞工處所頒發的"2000 年優良人事管理獎"。上述榮譽正證實了我們的表現，"在世界各地，Expeditors 竭盡所能提供您極大的便利。"

溫士頓邱吉爾似乎曾說過"Expeditors 將成爲下一個千禧年全球物流運輸業的領導者"。雖然我們不確定他是否曾說過此話，但我們已證實了這句話的真實性。在我們的產業裏，不斷有重大的合併收購。單在西元 2000 年，就有 3 家我們主要的競爭者採取合併聯盟，如此一來，使我們擁有更多的機會來拓展新的分公司及網羅市場精英。在公司自然成長管理方式之下，我們確信能提供給客戶廠商及員工實質的利益。我們將繼續努力來確保我們的員工及客戶在平日交易中不致有重大的改變並將會持續穩定的成長下去。

最後，回顧以往卓越的成果，此刻我們應負起更多的責任以接受日後的挑戰。我們特別感謝所有的股東、廠商及客戶，因爲你們才是最優秀的。

致上最誠摯謝意

AOS NOSSOS ACCIONISTAS

Lá se foi mais um ano de crescimento e expansão. Estamos satisfeitos que os lucros estejam na moda outra vez, e que a Expeditors tenha sobrevivido à mania DOT COM tão difundida durante os dois últimos anos. Enquanto os mercados agitaram-se e nossas ações subiram e desceram como um ioiô, viramos outro ano recorde. A Expeditors abriu onze novos escritórios e acrescentou 700 novos membros à nossa família. No Extremo Oriente, abrimos novos escritórios na cidade de Ho Chi Minh, Vietnã; Phnom Penh, Camboja e Saipan, Mariana Islands; e na Europa, em Budapeste, Hungria; e Bordeaux, França. Na América do Sul, abrimos em Manaus e Belo Horizonte no Brazil; Ciudad Juarez no México; e nos Estados Unidos abrimos em Kansas City, Missouri; Savana, Geórgia; e Washington, D.C. Com isto alcançamos 160 escritórios em todo o mundo no final de 2000. Além disso, abrimos novos escritórios de vendas e atendimento ao consumidor em Austin, Texas; Milwaukee, Wisconsin e Calgary, Alberta.

Do mesmo modo que cresceram os nossos escritórios, cresceram também as oportunidades para a nossa gente. A Expeditors assistiu a várias grandes nomeações na Europa. De nosso escritório em Londres, Jim Anderson foi promovido a Vice-Presidente Regional - Irlanda, Reino Unido, África do Sul e Mauricius. Em Frankfurt, Manfred Amberger assumiu responsabilidades crescentes como Vice-Presidente Sênior _ Europa Continental. Em Beirute, Rommel Saber é agora nosso Vice-Presidente Executivo, encarregado pela Europa/África, além de suas responsabilidades existentes no Oriente Médio, Índia e Paquistão. No México, contratamos Bruce Krebs para dirigir nossas operações em todo o país. Finalmente, na Ásia, damos as boas-vindas para Sandy Liu, que foi nomeada como Diretora de Operações-Ásia e terá sua base em Hong-Kong. Obviamente, há grandes regiões para se gerenciar: fique sintonizado para futuras nomeações.

Recompensa e reconhecimento combinaram o compasso do nosso crescimento. Os escritórios centrais da corporação Expeditors e nossa filial em Seattle vêm em segundo lugar na lista das “Melhores Empresas para se Trabalhar” no Estado de Washington. Em Hong Kong, fomos premiados com o “Good People Management Award 2000” do Departamento Trabalhista do Governo de HKSAR. Glória para todos esses escritórios por provar que nosso desempenho demonstra o “quão longe nossa gente irá”, onde quer que você negocie com a Expeditors no mundo.

Acredito que foi Winston Churchill quem disse: “A Expeditors será o provedor de logística líder mundial no próximo milênio.” Na verdade, não podemos provar que foi Winston Churchill quem disse isto, mas seja lá quem tenha sido, estava certo. Nossa indústria continua a visualizar grandes consolidações e aquisições. Só em 2000, três dos nossos grandes concorrentes foram engolidos. Longe de sermos indiferentes, isto nos trouxe tremendas oportunidades de garantir novos escritórios e novo pessoal. Acreditamos firmemente que nosso estilo orgânico controlado de crescimento recompensa nossos clientes, vendedores e funcionários. Permaneceremos firmes, pois o nosso caminho de crescimento assegura àqueles que dependem de nós, nossos funcionários e clientes, que não haverá quaisquer mudanças traumáticas nos seus negócios diários.

Finalmente, ao mesmo tempo que é formidável olhar para trás e ver que foi novamente “um dos melhores anos,” há muito trabalho a ser feito e é hora de se concentrar nos desafios à frente. Como sempre, agradecemos nossos acionistas, vendedores, clientes e todos acima, nossa GENTE. Vocês são os melhores. Obrigado a todos.

AN UNSERE AKTIONÄRE

Es war ein weiteres Jahr des Wachstums und der Expansion. Wir freuen uns besonders, dass Gewinne wieder in Mode kommen und dass Expeditors die Turbulenzen des DOT COM Phänomens gut überstanden hat, welche die Welt in den beiden letzten Jahren so bewegt haben. Während die Märkte heftig ins Wanken gerieten und unsere Aktien sich wie ein Jojo auf und ab bewegten, gelang uns dennoch ein neues Rekordjahr. Expeditors eröffnete elf neue Niederlassungen und ca. 700 neue Familienmitglieder kamen weltweit hinzu. In Fernost eröffneten wir neue Niederlassungen in Ho Chi Minh City, Vietnam; Phnom Penh, Kambodscha sowie Saipan, Marianeninseln und in Europa: Budapest, Ungarn; sowie Bordeaux, Frankreich. In Südamerika kamen Manaus sowie Belo Horizonte in Brasilien; Ciudad Juarez in Mexiko hinzu und in den Vereinigten Staaten von Amerika, gibt es neue Niederlassungen in Kansas City, Missouri; Savannah, Georgia und Washington, D.C. Damit kamen wir zum Jahresende 2000 auf 160 Stationen weltweit. Weiterhin eröffneten wir neue Verkaufs- und Kundendienstbüros in Austin, Texas; Milwaukee, Wisconsin sowie Calgary, Alberta.

Wie die Anzahl unserer Niederlassungen, so stiegen auch die Aufstiegschancen unserer Mitarbeiter. Es gab eine Reihe wichtiger interner Beförderungen innerhalb Europas. Jim Anderson, London, wurde zum Regional Vice President für Großbritannien, Irland, Südafrika und Mauritius befördert. Manfred Amberger, Frankfurt, hat zusätzliche Aufgaben als Senior Vice President für Kontinentaleuropa übernommen. Rommel Saber, Beirut, wurde zu unserem neuen Executive Vice President für Europa/Afrika, unter Beibehaltung seiner bisherigen Verantwortung für Nahost, Indien und Pakistan ernannt. Bruce Krebs wurde die Verantwortung für Mexico übertragen. Zu guter Letzt heißen wir Sandy Liu als neuen Chief Operating Officer - Asia willkommen; welcher in Hongkong stationiert sein wird. Weitere Ernennungen sind auf Grund der Größe dieser Regionen zu erwarten.

Auszeichnungen und Anerkennungen hielten Schritt mit unserem Wachstum. Expeditors Corporate Headquarters und unsere Niederlassung in Seattle errangen den 2. Platz in der Liste der »Besten Arbeitgeber« (State of Washington). In Hongkong wurden wir mit dem „Good People Management Award 2000" ausgezeichnet, der vom Labour Department der HKSAR Regierung verliehen wird. Grosse Anerkennung an alle diese Niederlassungen deren Leistung beweist „how far our people will go” egal in welchem Teil dieser Welt Sie mit Expeditors zusammen arbeiten.

War es Winston Churchill, der einmal sagte: »Expeditors wird der führende Logistikanbieter der Welt im nächsten Millenium werden«. Nun, beweisen können wir das nicht, aber wer immer es gesagt hätte, hätte Recht gehabt. In unserer Branche werden Sie weitere Zusammenschlüsse und Übernahmen sehen. Alleine im Jahr 2000 wurden drei unserer großen Mitbewerber geschluckt. Anstatt uns ausgeschlossen zu fühlen, sehen wir diese Entwicklung als hervorragende Gelegenheit, neue Niederlassungen und Mitarbeiter zu gewinnen. Wir glauben fest daran, dass unser kontrolliertes, organisches Wachstum für unsere Kunden, Partner und Mitarbeiter gewinnbringend ist. Wir werden unseren Weg konsequent weitergehen, da unser Weg des Wachstums allen die uns vertrauen, unseren Mitarbeitern und Kunden, die Gewissheit vermittelt, daß es keine traumatischen Veränderungen geben wird.

Zum guten Schluss, wenn es auch großartig ist auf ein weiteres Rekord Jahresergebnis zurück zu schauen, ist es jetzt an der Zeit sich auf die Herausforderungen, die vor uns liegen zu konzentrieren; es gibt viel zu tun. Wie immer an dieser Stelle danken wir unseren Aktionären, Partnern, Kunden und insbesondere unseren MITARBEITERN. „You are the best”.

الى المساهمين الكرام

كانت سنة أخرى من النمو والتوسّع. ويسرّنا جداً أن نرى بأن الأرباح هي كما عهدناها، وان إكسبديترز استطاعت أن تتخطى هوس الـــ "دوت كوم" الذي شهد انتشاراً لا يُصدّق في السنتين الأخيرتين.

بينما كانت الأسواق تتحرك باضطراب ، وبالرغم من التلاعب الذي كان يصيب سهم شركتنا. كلعبة اليويو ، فقد حققنا سنة قياسية . فقد قامت إكسبديترز بافتتاح أحد عشر مكتباً جديداً وزادت حوالي 700 فرد الى عائلة مكاتبنا.

ففي الشرق الأقصى، زدنا مكاتب في مدينة هوشي مين ، فييتنام– بنوم بين ، كامبوديا – سايبن ، جزر ماريانا – وفي أوروبا : بودابست ، هنغاريا – بوردو، فرنسا – وفي أميركا الجنوبية أسّسنا ماتوس وبيلواوريزونتي في البرازيل وسيوداد هواريز في المكسيك . وفي الولايات المتحدة الأميركية فتحنا مكاتب في مدينة كنساس ، ميسوري – سافانا ، جورجيا – وواشنطن دي سي. هذا أوصلنا الى 160 مكتب في جميع أنحاء العالم بنهاية العام 2000 . إضافة الى هذا ، فقد افتتحنا أيضاً مكاتب مبيعات وخدمات العملاء في أوستن ، تكساس – ميلووكي ، ويسكونسن – وكالغاري ، ألبيرتا.

مع نمو مكاتبنا ، ازدادت الفرص أمام موظفينا ، فشهدت إكسبديترز تعيينات في مراكز عالية مختلفة داخل أوروبا . فمن مكتبنا في لندن ، رُقّي جيم أندرسون الى نائب رئيس لمنطقة إيرلندا – المملكة المتحدة – إفريقيا الجنوبية والموريتشيوس . وفي فرانكفورت زادت مهام مانفرد أمبرغر ليصبح نائب الرئيس لمنطقة أوروبا . وفي بيروت أصبح رومل صابر ، نائب الرئيس التنفيذي لمنطقة أوروبا/إفريقيا، إضافة الى المهام والمسؤوليات المكلّف بها في الشرق الأوسط والهند والباكستان .

وفي المكسيك، عيّنا بروس كريبز لترؤس كافة عملياتنا في البلد. وأخيراً في منطقة آسيا نُسَرّ بضم ساندي لو، الذي عُيّن رئيساً تنفيذياً للعمليات لقارة آسيا، وسوف يكون مركزه في مدينة هونغ كونغ.

من الواضح أن هذه المناطق كبيرة جداً لإدارتها لذلك سوف يكون هنالك تعيينات جديدة.

تُوِّج النمو الذي شهدناه بجوائز وتقديرات متعددة . فقد جاء مركز إكسبديترز الرئيسي إضافة الى فرع سياتل ، في المرتبة الثانية في ولاية واشنطن بين الشركات المفضّلة للعمل لديها . وفي هونغ كونغ حصلنا على جائزة " إدارة أفضل الأشخاص " من دائرة العمل في حكومة hksar .

تحية مجد واحترام لكافة هذه المكاتب التي أثبتت من خلال أعمالها ، صحة شعارنا " الى أي مدى نلتزم لأجلكم " وذلك من خلال تعاملكم مع أي من مكاتب إكسبديترز المنتشرة في العالم.

أعتقد بأن ونستون تشرشل هو من قال بأن إكسبديترز ستكون الشركة الرائدة في أعمال اللوجستية في العالم في الألفية القادمة . في الواقع لا يمكننا إثبات هذا القول، إلا أن كائناً من كان القائل فقد كان على حق .

لا يزال حقل عملنا هذا يرى دمج وشراء شركات . ففي عام 2000 فقط تمّت السيطرة على ثلاثٍ من أكبر منافسينا مما أعطانا فرصاً كبيرةً في تأمين مكاتب جديدة وموظفين . نؤمن بأن الأسلوب المنظّم من الداخل الذي نعتمده للنمو هو الأفضل لزبائننا وبائعينا وموظفينا . سوف نبقى ثابتين على هذا لأن طريقتنا في النمو تؤمن لهؤلاء الذين يعتمدون علينا – موظفينا وزبائننا – عدم حدوث أي تغييرات جذرية في أعمالهم اليومية.

وأخيراً ، وعلى الرغم من أنه يسرّنا الحصول على فرصة التمتع بالنظر الى ما كان " من أفضل السنين أبداً " إلا أنه يبقى الكثير من العمل لنقوم به ، وقد حان الوقت للتركيز على التحديات المستقبلية.

كالعادة نشكر مساهمينا، بائعينا وزبائننا وفوق هذا كله نشكر موظفينا . أنتم الأفضل على الإطلاق.

وشكراً.

A NUESTROS ACCIONISTAS

Fue otro año de crecimiento y expansión. Estamos muy complacidos de ver que las ganancias nuevamente están de moda, y que Expeditors sobrevivió a la manía de las PUNTO COM que fue tan penetrante durante los últimos dos años.

Mientras que los mercados se agitaron, nuestra acción se comportó como un yo-yo, nosotros tuvimos otro año récord. Expeditors abrió once nuevas oficinas e incorporó cerca de 700 nuevos miembros a la familia de nuestra red. En el Lejano Oriente, añadimos nuevas oficinas en la ciudad de Ho Chi Minh, Vietnam; Phnom Penh, Camboya; y Saipan, en las Islas Mariana. En Europa, Budapest, Hungría; y Bordeaux, Francia. En América del Sur, abrimos Manaus y Belo Horizonte en Brasil. Ciudad Juarez en México; y en los Estados Unidos, abrimos oficinas en la ciudad de Kansas, Missouri; Savannah, Georgia; y Washington, D.C. Esto elevó a 160 el número de oficinas en todo el mundo hacia fines del 2000. Inclusive, abrimos oficinas de ventas y de atención al cliente en Austin, Texas; Milwaukee, Wisconsin y Calgary, Alberta.

A medida que nuestras oficinas crecieron, las oportunidades para nuestros empleados también se incrementaron. Expeditors realizó importantes promociones en Europa, entre otras podemos citar: en nuestra oficina en Londres, Jim Anderson fue ascendido a Vice Presidente Regional - Irlanda, Gran Bretaña, Africa del Sur y Mauritius. En Frankfurt, Manfred Amberger asumió mayores responsabilidades como Vice Presidente Senior del Continente Europeo. En Beirut, Rommel Saber es el nuevo Vice Presidente Ejecutivo a cargo de Europa y Africa, esto se agrega a sus ya existentes responsabilidades en el Este Medio, India y Pakistán. En México, hemos incorporado a Bruce Krebs para liderar nuestras operaciones en ese país. Finalmente en Asia, Sandy Liu, fue designado Chief Operating Officer y estará basado en Hong Kong. Obviamente, hay una gran cantidad de territorios para ser conducidos: por lo tanto mantenerse alerta para futuras designaciones.

Premios y reconocimientos acompañan el ritmo de nuestro crecimiento. Las sedes corporativas de Expeditors y nuestra oficina en Seattle ingresaron segundos en la lista de "Mejores compañías para trabajar" en el Estado de Washington. En Hong Kong fuimos premiados con el premio "Good People Management" por el Departamento de Trabajo del Gobierno de HKSAR. Felicitamos a todas esas oficinas por demostrar hasta que punto nuestro rendimiento refleja cabalmente el lema de Expeditors "cuan lejos nuestra gente llega", sin importar en que lugar del mundo usted haga negocios con Expeditors.

Yo creo que fue Winston Churchill quien dijo, "Expeditors será el proveedor líder en servicios logísticos en el mundo en el próximo milenio". Actualmente, no podemos probar que él realmente dijo esto, pero quienquiera que lo haya dicho tendrá que ser cierto. Nuestra industria sigue viendo consolidaciones y adquisiciones. En el año 2000, sólo tres de nuestros mayores competidores fueron devorados. Lejos de sentirnos excluidos, esto nos ha ofrecido tremendas oportunidades para afirmar nuevas oficinas y personal. Nosotros creemos firmemente que nuestro estilo de crecimiento orgánico y controlado, realmente es un beneficio para nuestros clientes, vendedores y empleados. Estaremos firmes, desde nuestro camino de crecimiento, asegurando aquellos que dependen de nosotros, nuestros empleados y nuestros clientes, que no tendrán cambios traumáticos en sus transacciones diarias.

Finalmente, mientras esto nos brinda la posibilidad de mirar hacia atrás sobre lo que ha sido otro "gran año", hay mas trabajo para ser hecho y es el tiempo de enfocarnos sobre los próximos desafíos. Como siempre, agradecemos a nuestros accionistas, vendedores, clientes, y muy especialmente a nuestra GENTE. Ustedes son los mejores. Gracias.

CHERS ACTIONNAIRES

Cette année fut à nouveau marquée par la croissance et le développement. Nous sommes très heureux de voir les bénéfices revenir à la mode : Expeditors a survécu à la « dot.com mania » si envahissante ces deux dernières années. Pendant que les fortes fluctuations des marchés boursiers malmenaient le cours de notre titre, nous avons encore une fois enregistré des résultats records. Expeditors a ouvert 11 nouvelles agences et plus de 700 personnes ont rejoint notre grande famille.

En Extrême-Orient, nous avons ouvert Ho Chi Minh au Vietnam ; Phnom Penh au Cambodge ; et Saipan aux Iles Mariannes ; en Europe, Budapest en Hongrie et Bordeaux en France; en Amérique du Sud, Manaus et Belo Horizonte au Brésil et Ciudad Juarez au Mexique; aux Etats-Unis enfin, nous avons ouvert Kansas City dans le Missouri ; Savannah en Géorgie et Washington D. C. A la fin 2000, nous comptabilisions 160 bureaux répartis à travers le monde. Nous avons aussi ouvert de nouveaux centres de service client à Austin au Texas ; Milwaukee au Wisconsin et Calgary à Alberta.

Si notre réseau d'agences s'est développé, il en a été de même pour les opportunités de carrière. Nous avons eu en effet des promotions importantes en Europe : A Londres, où Jim Anderson a été nommé Regional Vice President en charge de l'Irlande, du Royaume-Uni, de l'Afrique du Sud et de l'Ile Maurice. A Frankfort, où Manfred Amberger a été nommé Senior Vice President en charge de l'Europe Continentale. A Beyrouth enfin, où Rommel Saber a été nommé Executive Vice President, reprenant en cela la responsabilité de l'Europe et de l'Afrique en plus de ses responsabilités actuelles sur le Moyen-Orient, l'Inde et le Pakistan. Au Mexique, nous avons recruté Bruce Krebs pour suivre nos opérations dans ce pays. Enfin, nous souhaitons la bienvenue à Sandy Liu, qui nous a rejoint en tant que Chief Operating Officer pour l'Asie, et qui sera basé à Hong Kong. Ces régions sont manifestement de grands territoires à gérer : attendez vous donc à de nouvelles nominations.

Cette année aussi, les prix décernés à Expeditors, ont suivi la même tendance. Le siège social d'Expeditors ainsi que l'agence de Seattle ont été classés deuxième parmi les sociétés les plus prisées par l'état de Washington. A Hong Kong, nous avons aussi reçu le prix du Management par le ministère du travail de HKSAR. Bravo à toutes ces agences. Elles démontrent, au travers de ces performances que, quel que soit la situation géographique, notre personnel est toujours prêt à se surpasser pour vous.

Je crois que c'est Winston Churchill qui a dit un jour : "Expeditors sera l'un des leaders logistiques mondiaux au cours du prochain millénaire ». En fait, nous ne pouvons pas vraiment prouver que c'est lui qui a dit cela, mais peu importe celui qui l'a dit, il avait sans doute raison. Notre activité continue à être témoin de fusions et d'Acquisitions majeures. En l'an 2000 seulement, ce sont trois de nos plus gros concurrents qui ont été absorbés. Loin de nous sentir laissés pour compte, nous voyons au contraire ces mouvements comme autant de formidables opportunités à saisir pour consolider nos agences et nos équipes. Nous croyons fermement que notre modèle de croissance interne contrôlée est finalement extrêmement positif pour nos clients, nos fournisseurs et nos employés. Nous resterons intransigeants sur ce point, car ce modèle de croissance garantit, à ceux dont nous avons la responsabilité, nos employés et nos clients, qu'il n'y aura pas de changement traumatisant dans leurs relations de travail quotidiennes.

Enfin, bien que ce soit une chance de pouvoir nous féliciter d'une autre « année record », nous avons encore beaucoup à accomplir, et il est temps de nous concentrer sur les défis à venir. Comme toujours, nous remercions nos actionnaires, nos fournisseurs, nos clients et surtout, notre personnel. Vous êtes les meilleurs. Merci.