

# Minutes of a meeting of the Board of Directors 4Q08

MINUTES of a meeting of the Board of Directors of Wilson Sons Limited (the “Company”) held at the Elbow Beach Hotel, South Shore Road, Paget, Bermuda on 23 and 24 March 2009.

PRESENT: Mr. F. Gros (Chairman)

Dr. J. F. Gouvea Vieira

Mr. W. Salomon

Mr. C. Baiao

Mr. C. Marote

Mr. F. Gutterres

Mr. P. Fleury

IN ATTENDANCE: Mr. K. Middleton

Mr. M. S. Mitchell (Secretary)

Mr. Alex Cooper

## 1. CHAIRMAN AND SECRETARY

Mr. F. Gros took the chair and Mr. Malcolm S. Mitchell acted as Secretary to the meeting.

## 2. CONFIRMATION OF NOTICE AND QUORUM

The Secretary confirmed that notice of the meeting had been given to all Directors and that a quorum was present.

## 3. MINUTES

The minutes of the Board of Directors meeting held on 13 November 2008 were approved.

## 4. MANAGEMENT PRESENTATION

Mr. Felipe Gutterres presented the Management report on the Company.

For the financial year 2008, net revenues increased by 23.3% year over year, to USD 498.3 million from USD404 million in 2007. EBITDA increased by 34.3% from USD91.4 million to USD122.7 million.

### Towage

Net revenue for towage totalled USD147.1 million for 2008. Net revenues were lower in the fourth quarter of 2008, relative to 2007, as a result of the deepening global crisis and a decrease in the number of harbour manoeuvres. In addition, net revenues were also negatively affected by the adverse foreign exchange impact on revenues denominated in Brazilian Reais.

Full year 2008 revenues were mostly in line with those of the previous year and special operations represented 9.1%

of towage net revenues for 2008, an increase of 1.5% year over year.

It was then noted that the towage segment had reported higher average prices with more special operations mainly from services rendered to Norsul and Petrobras. In addition, a better mix of vessels were served with higher deadweight tonnage. Tax credits were also realised during this period although there was also a lower number of harbour manoeuvres and a lower market share in some ports.

#### Offshore

Net revenue increased by 152.4% from USD10.7 million in 2007 to USD21.6 million in 2008. Operating profit increased 338.9% from USD1.8 million to USD8.1 million.

In terms of EBITDA, fourth quarter 2008 EBITDA in offshore activities amounted to USD 6.6 million, as compared to USD1.5 million in the fourth quarter of 2007. Fourth quarter 2008 and financial year 2008 EBITDA margins were decisively higher as well year over year, an increase of 35% and 18.1% respectively.

The Board was then advised that the Company was able to take advantage of the spot market with higher daily rates for the vessels Pelicano and Atoba before the contractual commitment of these vessels to Petrobras. In addition, the Company has been able to obtain higher daily rates for the various vessels supporting the offshore markets.

#### Port Operations

Net revenue increased by 14.4% from USD149 million in 2007 to USD170.5 million in 2008. Operating profit at USD50.9 million for 2008 was 18.7% ahead of 2007 due to higher - margin services provided, mostly from warehousing activities, a better mix of deep sea containers handled, and the benefit from non-recurring fiscal credits reclaimed. Year over year, total volumes at port terminals increased 2.1% in the fourth quarter of 2008, relative to fourth quarter 2007 figures, but declined 3.8% overall for the 2008 financial year.

For the fourth quarter 2008 EBITDA results totalled USD 16.9 million, mainly due to higher – margin services provided. For financial year 2008 EBITDA results totalled USD 63.4 million, an increase of 28%.

It was reported that the Company had implemented a price increase in warehousing at both Tecon Rio Grande and Tecon Salvador. In addition, management has applied for capacity expansion in Salvador (Bahia) and discussions continue with the public authorities and regulators. Logistics

Net revenue from the logistics business grew 29.3% from USD69.1 million in 2007 to USD89.3 million in 2008. Although fourth quarter 2008 operating figures were mixed, overall performance in logistics improved, year over year. Net revenues for the fourth quarter 2008 reached USD 20.3 million, a 6.7% reduction relative to fourth quarter 2007, principally due to the strengthening US Dollar in late 2008. Logistics experienced strong, double-digit growth in terms of EBITDA, both in the fourth quarter 2008 and in financial year 2008 (+51.1% and +25.4%, year over year, respectively). Operating profit increased by 16.2% from USD4.6 million in 2007 to USD5.3 million in 2008. Among the main positive factors which contributed to the logistics results in 2008 were: higher warehousing volumes at EADI, improved operating margins linked to value-added transportation services (mostly in the state of Sao Paulo), a broader portfolio of services rendered to existing clients, and, finally, lowering costs and general expenses in consulting and office-related activities.

#### Shipping Agency

Net revenues in shipping agency declined 38.8% in the fourth quarter of 2008 compared to last year. For the financial year 2008, net revenue declined 13.8% from USD20.4 million in 2007 to USD17.6 million in 2008.

Operating profit was in line with 2007, due to the combination of two positive factors: the impact from the reversal in

provisions for doubtful accounts and the favourable exchange rate environment for shipping agency, as the US Dollar continued to appreciate against the Brazilian Real. This translated into more favourable conditions for margin recovery. Mr. Gutterres then reviewed the cash flow for 2008, the capital expenditure breakdown for 2008 and a comparison between IFRS results and market consensus. The Board then discussed the 2009 budget together with the budget assumptions made and it was noted that it is projected that net revenue will decrease to USD 453 million in 2009, a 17% decrease year over year. The Board also reviewed the 2009 Budget by business segment - EBITDA as well as by business segment – CAPEX.

#### 5. REMUNERATION COMMITTEE

RESOLVED that the appointment of Mr. Paulo Fleury as a member of the Remuneration Committee be and is hereby approved.

The Chairman then reported on the proceedings of the Committee held earlier in the day and the bonuses awarded to management.

The meeting then adjourned and reconvened on 24 March 2009.

#### 6. FINANCIAL STATEMENTS AND AUDITORS REPORT

The consolidated financial statements of the Company for the financial year ended 31 December 2008 were reviewed by the Board and after discussion, it was:

RESOLVED:

That the financial statements of the Company for the financial year ended 31 December 2008 together with the Auditor's report thereon, as presented to the meeting, be and are hereby approved for presentation to the Members at the upcoming annual general meeting AND that any two Directors be and are hereby authorised to sign the balance sheet on behalf of the Board of Directors.

#### 7. PROPOSALS FOR ANNUAL GENERAL MEETING

##### Notice of 2009 Annual General Meeting

The Board reviewed the draft notice of the 2009 annual general meeting submitted to the meeting.

After discussion, it was RESOLVED that the draft notice of the 2009 annual general meeting and the following proposals contained therein be and hereby are approved as proposals of the Directors to the Members to consider at the 2009 Annual General Meeting.

##### i) Legal Reserve

The Board reviewed whether any sums should be credited to the Legal Reserve pursuant to Bye-Law 15.3 (a). It was:

RESOLVED to recommend to the Members at the 2009 annual general meeting that no sums should be credited to the Legal Reserve.

##### ii) Contingency Reserve

The Board reviewed whether any sums were required to be set aside to meet contingencies as a Contingency Reserve pursuant to Bye-law 15.3(b). It was noted that the maximum amount referred to in Bye-law 15.3(b) had been previously set aside to the Contingency Reserve. It was: RESOLVED to recommend to the Members at the 2009 annual general meeting that no sums be set aside to the Contingency Reserve.

iii) Dividend

The Board discussed the amount available for payment as dividends based on the Company's net profit for 2008, pursuant to Bye-law 15.3(c). It was: RESOLVED to recommend to the Members at the 2009 annual general meeting that US\$16,007,400 be made available for payment as dividends at the discretion of the Board.

iv) Auditors

It was RESOLVED to recommend to the Members at the annual general meeting that Deloitte Touche and Tohmatsu be appointed auditor of the Company to hold office for a further year and to delegate to the Board of Directors the authority to establish the auditors' remuneration. v) The Board considered the proposals that the following persons be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as Directors of the Company until the conclusion of the 2011 Annual General Meeting.

Mr. C. Baiao

Mr. P.F. Fleury

Mr. F. Gros

Mr. F. Gutterres

Mr. C. Marote

Mr. W.H. Salomon

Mr. J.F.G. Vieira

and that the Board of Directors so appointed be authorized to appoint on behalf of the Members an additional director to serve until the conclusion of the 2011 Annual General Meeting.

(a) IT WAS RESOLVED, Mr. C. Baiao abstaining from voting, that Mr. C. Baiao be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(b) IT WAS RESOLVED, Mr. P.F. Fleury abstaining from voting, that Mr. P.F. Fleury be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(c) IT WAS RESOLVED, Mr. F. Gros abstaining from voting, that Mr. F. Gros be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(d) IT WAS RESOLVED, Mr. F. Gutterres abstaining from voting, that Mr. F. Gutterres be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(e) IT WAS RESOLVED, Mr. C. Marote abstaining from voting, that Mr. C. Marote be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(f) IT WAS RESOLVED, Mr. W.H. Salomon abstaining from voting, that Mr. W.H. Salomon be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of the 2011 Annual General Meeting.

(g) IT WAS RESOLVED, Mr. J.F.G. Vieira abstaining from voting, that Mr. J.F.G. Vieira be nominated to the Members at the 2009 Annual General Meeting for re-election and appointment as a Director of the Company until the conclusion of

the 2011 Annual General Meeting.

(h) IT WAS RESOLVED that the Directors nominate to the Members at the 2009 Annual General Meeting that the Board so appointed by the Members be authorised to appoint on behalf of the Members an additional Director to serve until the conclusion of the 2011 Annual General Meeting.

vi) The Board considered the proposals, that Mr. F. Gros be nominated to the Members at the 2009 Annual General Meeting for appointment to serve as Chairman and Dr. J. F. G. Vieira for appointment to serve as Deputy Chairman until the conclusion of the 2010 Annual General Meeting.

(a) IT WAS RESOLVED, Mr. F. Gros abstaining from voting, that Mr. F. Gros be nominated to the members at the 2009 Annual General Meeting for appointment to serve as Chairman until the conclusion of the 2010 Annual General Meeting; and

(b) IT WAS RESOLVED, Dr. J. F. G. Vieira abstaining from voting, that Dr. J. F. G. Vieira be nominated to the members at the 2009 Annual General Meeting for appointment to serve as Deputy Chairman until the conclusion of the 2010 Annual General Meeting.

IT WAS RESOLVED that the Secretary and Mr. Gutterres, as the legal representative of the Company in Brazil, be instructed to deliver the said notice of the 2009 Annual General Meeting so approved to the Members entitled to receive notice thereof, to the Luxembourg Stock Exchange, to CVM and BOVESPA in accordance with the regulations of such exchanges.

## 8. CLOSE

There being no further business, the proceedings then concluded.

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Mr. Francisco Gros  
Chairman