Overview 2012

175 YEARS

Wilson, Sons

Wilson, Sons

Index

1 Wilson Sons

Message from the Board

Delivering key assets for a brighter future

The year will be remembered not only for the Company's 175th Anniversary, but for the conclusion of important projects which significantly improved our capacity and strengthened the Company's position as a leading provider in the Ports and Maritime Service industries. Through this annual report we wish to share some of this history and reveal Wilson Sons' accomplishments during the year.

The Company has once again proven to be a strong cash generator with comprehensive operating margins. With a diverse yet highly integrated business portfolio, we delivered strong cash flow through 2012, allowing us to consistently invest in our long term projects. Despite the global economic challenges, we advanced diligently with our investment plan for the year.

Wilson Sons responded to the demanding environment by inaugurating the expansion of Tecon Salvador in November, 2012, which increased the terminal's capacity and which will act as catalyst for growth in northeast Brazil. In Tecon Rio Grande we celebrated 15 years of activity with some of the country's leading companies, while providing the highest level services to local community. In the Logistics business we inaugurated the first of two Logistics Centres (LCs) and expanded capacity in our Bonded Warehouse in Santo André-SP by over 30%, both of which have been instrumental in enhancing logistics business' strategy of focusing on key assets that allow for long term competitive advantage through differentiated service levels to clients.

In Maritime Services, we successfully delivered tugboats Hamal and Delphinus and PSVs (Platform Supply Vessels) Sterna and Batuíra, and had another 8 vessels under construction at year end. Naval construction continues to be a key competitive advantage in creating value to Wilson Sons' stakeholders. We recently completed the expansion works of the new Shipyard in Guarujá, São Paulo. Wilson Sons now enjoys over twice the shipbuilding capacity it did before the launch of the new dry-dock. Highlights for 2013 will include a boost in third party shipyard revenues with the ROVSV (Remotely Operated Vehicle Supply Vessel) entering later phases of construction.

The Offshore Vessels business increased its operations as the business continues to execute its expansion plan. The Company ended 2012 with 14 vessels fully contracted to supply Brazil's Platforms both in traditional production and in the promising Pre Salt, with an additional 5 vessels expected to begin operating by the end of 2013.

Tecon Salvador

In Towage, we achieved record Revenues in 2012. The business is currently working on expanding its new Towage Operations Centre, which features a tracking system for the tugboat fleet across Brazilian waters. The centre will improve planning, strategy, and reduce operational risks.

Shipping Agency also posted record revenues after successfully concluding a project of cargo management to bring a cement plant from China to Brazil. Our longest-running business continues to be one of the largest independent shipping agencies in the country.

On a corporate governance note, our team improved service levels by implementing a new Enterprise Resource Planning system. The system will enhance operational and financial information, while improving data quality and transaction controls.

Our commitment to the sustainable development of the business has always been one of our top goals. Our Health, Safety and Environment indicators made impressive gains as the Company continues to extend the reach of the HSE programme. As a result of this effort our HSE team won the DuPont award for best project in Health and Safety management for its progress in the Company's shipyard.

During the past 175 years, the company has built its reputation based on strong values and principles and solid relationships with its clients while focusing on safe and reliable operations. Such longevity, thriving and growing through the political, economic and cultural changes in a nation as diverse, and with such rich history as Brazil is a privilege of only a few.

The year 2013 will mark the availability of new capacity from investments made in recent years. For this, we wish to thank our truly talented employees for their professionalism and determination in these deliveries. Every year we are overwhelmed by the perseverance and passion demonstrated by our team across Brazil, pushing and breaking new ground despite uncertainties for global economic recovery. We also want to thank our business partners - clients, financiers, suppliers and shareholders - for their continued interest and trust in our business.

José Francisco Gouvêa Vieira
Chairman of the Board of Directors

Cezar Baião
CEO of Operations, Brazil

Business Profile

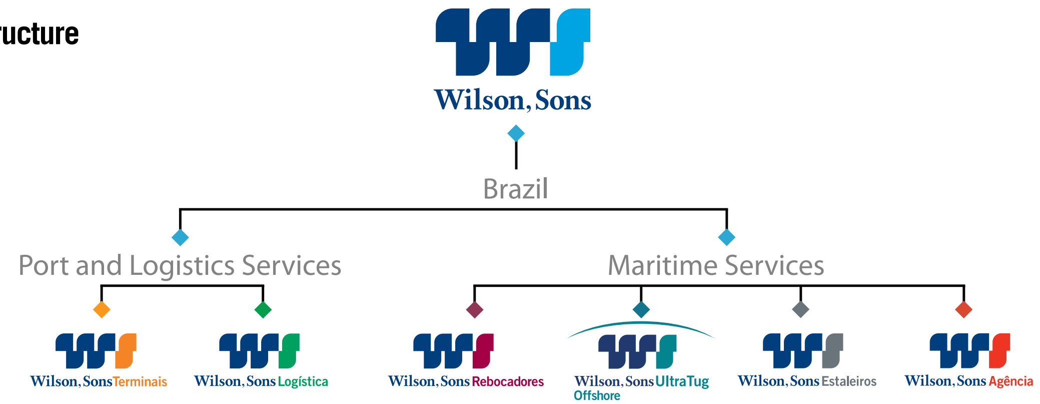
Wilson Sons is one of the largest port, maritime and logistics operators in Brazil offering specialised solutions in the areas of port terminals, maritime towage, offshore support, logistics, shipyards, and shipping agency. The Company maintains long-lasting relationships with over two thousand active clients including shipping companies, importers, exporters, oil and gas companies as well as other participants in more diverse sectors of the economy such as food, pharmaceuticals, paper and cellulose, steel and petrochemicals.

Wilson Sons is a publicly listed company that is headquartered in Bermuda. It is traded on the Luxembourg Stock Exchange and its shares have been listed on the BM&FBovespa exchange through Brazilian Depository Receipts (BDRs) since 2007. It is controlled by Ocean Wilson Holdings Limited, which is also a publicly listed company, and has been listed on the London Stock Exchange for over one hundred years.

Our Markets

Wilson Sons' Brazilian businesses include two main segments; Port and Logistics, and Maritime Services. Through these the Company focuses on two growth drivers; the oil and gas industry, and trade flows for the Brazilian international and domestic economy.

Business Structure



Vessel attended by Wilson Sons Agency

Wilson Sons is one of the largest port, maritime and logistics operators in Brazil, offering specialised solutions in the areas of port terminals, maritime towage, offshore support, logistics, shipyards and shipping agency

Port And Logistics

This segment is represented by Wilson Sons Terminals and by Wilson Sons Logistics. Wilson Sons Terminals comprises two of Brazil's main container terminals and Brasco, the Company's oil and gas support base. Wilson Sons Logistics specialises in flexible and individualised solutions of all logistics phases of the supply chain. These include storage, internal transport, and multimodal distribution and transport. Its assets include a Logistics Centre in Itapevi, SP, a Logistics Centre in Suape, PE and a Bonded Warehouses, in Santo André, SP.

Wilson Sons Terminals

Tecon Rio Grande

Tecon Rio Grande is located in Rio Grande, RS, 420km from Porto Alegre and has been operated by Wilson Sons since 1997. The terminal has a total area of 670,000 square metres and 900 metres of continuous berth, with an annual shipping capacity estimated at 1.35 million TEU[1].

In 2012 the Container Terminal celebrated its 15th anniversary under Wilson Sons operation and has had a 14% average annual increase in volume and 15% in Revenues since its first year of operation. In February 2011, Tecon Rio Grande began operating six new pieces of equipment acquired in 2010. With this equipment (2 STSs[2] Super Post-Panamax and 4 RTGs[3]), Tecon Rio Grande now has 6 STSs, 2 MHC cranes (Mobile Harbour Cranes), 8 RTGs, 18 Reach Stackers (large forklifts) and 48 terminal tractors. Throughout 2012, the terminal served 718 ships moving 636 thousand TEU and achieved a new record of 121 mph maximum productivity.

[1]Unit of measurement equivalent to one 20´ container.

[2]Ship to Shore Cranes: Cranes used for loading and unloading containers from ships.

[3]Rubber Tire Gantry Crane: Cranes used to handle containers in the yard.

Tecon Salvador

Operated by Wilson Sons since 2000, Tecon Salvador moved 272 thousand TEU from 455 ships in 2012. The year also marked the inauguration of the terminal's expansion, in November 2012. The terminal is now 118,000 square metres in area, with a principle berth of 377 metres and 15 metres of draft, and an additional berth of 240 metres with 12 metres of draft.

With the expansion and new equipment, Tecon Salvador is able to attend both Post-Panamax and Super-Post-Panamax ships, the former increasingly used by shipping companies with routes to Brazil.

The terminal also benefits from investments made by the Government of the state of Bahia, and through the Growth Acceleration Programme (PAC), including dredging of the access channel to the port. A new Expressway will link the Terminal to Bahia State's main highway, thus reducing transit time for cargo and eliminating relevant bottlenecks to and from the terminal.

Brasco

Brasco is a logistics support company, specialised in integrated solutions to the oil and gas industry. Brasco is a pioneer in the Brazilian offshore logistics support sector and operates one of the largest private port terminals dedicated to oil and gas companies, routinely providing services to oil and gas majors operating in the country including Petrobras, Chevron, Statoil and Anadarko.

Brasco's operations include storage and handling of supplies to maritime platforms. These supplies include parts, equipment, drilling mud, cement, chemical products, food and water. The oil and gas support base also offers aggregated services for the industry, including container rental, equipment and personnel.

In addition, the O&G base receives, processes, separates and disposes of residues from oil and gas platforms through the Residue Collection Centre. Its primary operation, strategically located on Conceição Island near Niterói (RJ), allows Brasco to provide support for the Campos, Santos and Espírito Santo Basins.

Brasco's logistics system includes a retro-area in Guaxindiba, São Gonçalo (RJ), regular operations in Salvador (BA), Vitória (ES) and São Luís (MA), and the ability to set up support operations in any location along the coast of Brazil including new exploration blocks in the north and northeast of the country.

Through Brasco, Wilson Sons signed a contract to acquire Briclog, a company also providing port services for the oil and gas industry. The contract for acquisition is subject to certain conditions precedent and includes a 30 year lease for a 66,860 square metre private terminal located in Guanabara Bay (RJ). With these and other measures the Company is targeting strong growth, driven by the synergy among the existing operations, and positioning Brasco as the largest independent logistic operations company for the offshore industry in Brazil.

Wilson Sons Logistics

The Logistics business operates in all phases of the logistics supply chain, with services that include storage, in-house operations, distribution and multimodal transport.

This business is currently divided into three business units: Dedicated Operations, Terminals and Transport, and Bonded Warehousing Operations. Currently, the business focuses on key assets that allow for long term competitive advantage through differentiated service levels to clients, through logistics centres and bonded warehouses.

Dedicated Operations are customised solutions designed to serve the specific needs of clients. The unit has clients in various sectors of the economy, including Steel, Paper and Cellulose, Petrochemicals and Pharmaceuticals.

Wilson Sons´ Santo André (SP) Bonded Warehouse supports international trade flow, and is the largest dry port in the state of São Paulo by value of cargo imported. The complex is located 70 Km from the Santos Port with a total area of 92,000 square metres, and a total covered area of 34,000 all of which are dedicated to bonded warehouse activity, and capable of receiving, amongst others, cargo under customs control, controlled medications, pharmaceuticals, and healthcare and cosmetic products.

The new logistics centres in Itapevi (SP), with 15,800 square metres of storage area, and Suape (PE) with 23,000 square metres of storage area will provide services to pharmaceutical, consumer goods and petrochemical industries.

Maritime Services

The Maritime Services segment consists of Wilson Sons Towage, Shipyard, and Shipping Agency services. Also part of the maritime system is Wilson Sons Ultratug Offshore Vessels, offering support to the oil and gas exploration and production platforms.

Wilson Sons Towage

Wilson Sons Towage has the largest and most modern fleet of tugboats in Brazil. Over 60% of the fleet has azimuth propulsion, which provides superior manoeuvrability, safety and speed to operations.

The construction of new tugboats is part of the strategy to increase and renovate the fleet to serve the demand driven by growth in the oil and gas industry and international trade flow. In addition to towing services, the business offers special operations, including Salvage, Fire Fighting, Ocean Towage, support to the construction of platforms and FPSOs (Floating Production, Storage and Offloading Vessels).

In 2012, two new tugboats were launched – Delphinus and Hamal – and four other scheduled to be launched in 2013. The Towage business enjoys funding through the *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES), and Banco do Brasil, as agents for the Merchant Marine Fund (FMM), with attractive interest rates and extended amortization period. Importantly, in 2012 Wilson Sons signed a contract with Banco do Brasil to provide finance of up to $150,000,000 to build 12 azimuth tugs.

Wilson Sons Shipyards

Located in Guarujá (SP), the combined 39,000 square metre shipyard complex is designed for the construction and maintenance of small and medium sized vessels, mainly for the offshore and port terminal industries. The Guarujá Shipyards are strategically located close to two of Brazil's most important oil basins – Santos (SP) and Campos (RJ).

The Shipyards are strategically important for the renewal and growth of Wilson Sons' tugboat and offshore vessel fleets. Third party highlights in 2012 include the commencement of the contract to build a Remotely Operated Vehicle Support Vessel (ROVSV). The vessel is scheduled for delivery in 1H14, and will be equipped with remote undersea vehicles which can be used in the observation, assembly, maintenance and cleaning of offshore submarine structures. The new 83 metre-long vessel is designed by the Dutch company Damen, and will have diesel electric propulsion.

Wilson Sons Ultratug Offshore Vessels

Wilson Sons Ultratug Offshore operates offshore support vessels (OSV´s) which provide a number of important services to oil and gas platforms including transport equipment, drilling mud, pipes, food, cement, residues, and other materials between offshore platforms and support bases.

In 2012 the Company launched two new Platform Supply Vessels (PSVs), Sterna and Batuíra, resulting in a total of 14 Company-owned vessels in the fleet. Five new vessels are scheduled for delivery in 2013, including Tagaz which began operating for Petrobras in March 2013. Currently all of the Company's offshore supply vessels service long-term contracts with Petrobras. The business also provides flag cover to three international vessels servicing the fast growing Oil & Gas industry.

Wilson Sons Agency

Wilson Sons Agency began operations in 1837 as the Company's first business. It is one of the largest independent shipping agencies in the country, operating in Brazil's main ports. It provides services and commercial representation for ship owners, and has exclusive representatives in Europe and the U.S., in addition to the Company's own office in Shanghai, China.

Shipping Agency manages equipment logistics, boarding documents and the scheduling of regular (liner) and non-regular (tramp) ships. Its expertise extends in preparing documents related to sea transport, logistical management of containers and demurrage (time required for container return) control.

The Shipping Agency branches service ships, loads and crew supported by the Shared Services Centre, which provides efficient flow of information between the Company, ship-owners and their clients. The platform also includes document and cost management services, in addition to having the strategic function of gathering relevant information about the industry.

In addition to dispatch and release services, Shipping Agency offers temporary job services, importation of vessels, parts and pieces, heliport use approval, inspection and certificates from port authorities, issuance of visas, dispatch and coordination of crew change, delivery of spare parts and supplies, on-board pre-inspection and general coordination.

Company Philosophy and Competitive Advantages

Mission

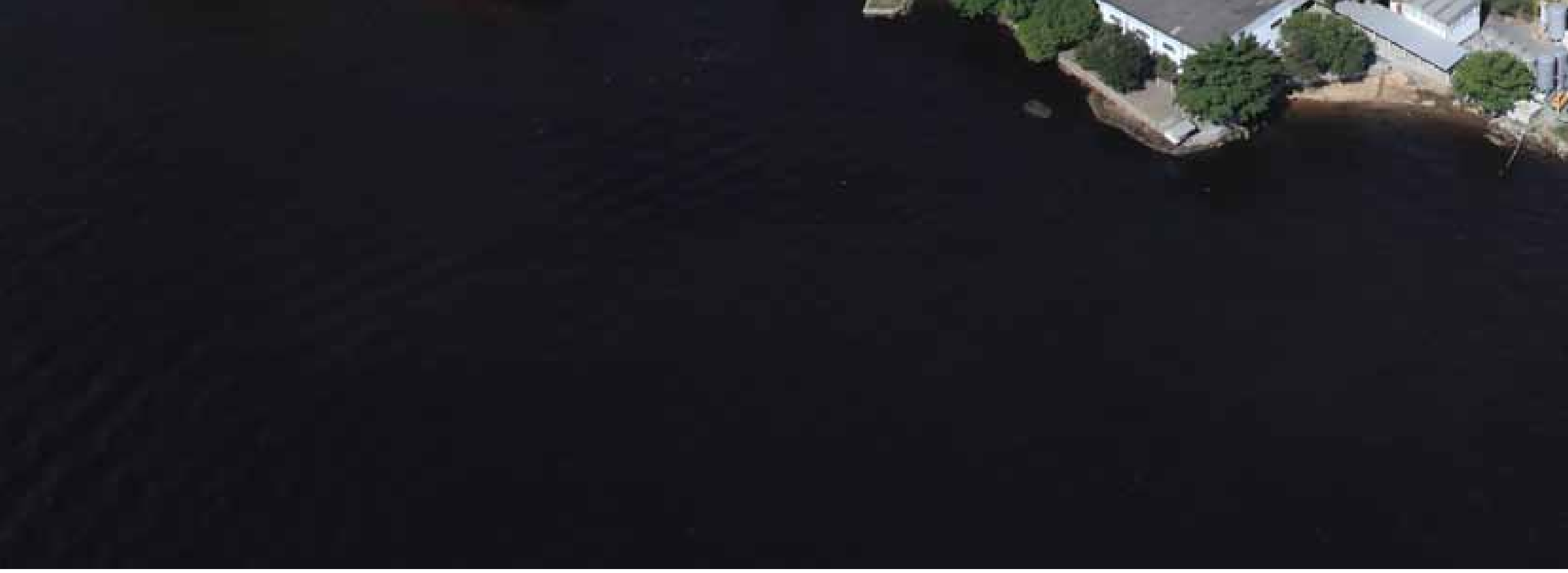
Develop and provide high value-added solutions for our clients in port, maritime and logistic activities, in a sustainable and innovative way, while, at the same time, valuing the career development of our employees.

Vision

To be the first choice of our employees, clients, and investors in port, maritime, and logistic segments, growing in a bold, synergetic, and sustainable way.

Principles

- To stimulate the career development of our employees by creating advancement opportunities, while recognizing their contribution, enthusiasm, and commitment to Wilson Sons.
- To guarantee customer satisfaction by delivering services with quality, reliability, efficiency, availability, and safety.
- To assure our shareholders adequate returns on their invested capital, while stimulating continuous reinvestment in the Company's businesses, for long-term growth.
- To continuously encourage freedom of expression and provide incentives for creativity and the development of technology.
- To act according to accepted ethical standards of behaviour, with respect to human life, the environment, culture, and the rule of law.



Intangible Competitive Advantages

Wilson Sons has consolidated differentials which distinguish its services amongst other market players and strengthens the Company's business. These differentials therefore help add value to the Company.

Brand Strength

The solid image Wilson Sons enjoys in the market contributes to a close and long-term relationship with clients and other business partners. We are recognised and trusted for the know-how acquired throughout our 175 years of delivering high quality service to the most demanding clients.

Human and intellectual capital

Our employees are committed to the quality of services delivered and are aligned with the values and principles that guide Wilson Sons' vision. The personal and professional potential of each employee is maximised through holistic people management, which includes training and actions for continuous exchange of experiences, with purpose of maintaining intellectual capital in constant evolution.

Synergy of the businesses

The complementary interaction between the business units is one of the keys to its sustainable growth. Evidence of this is that 70% of the Company´s top ten clients receive services from three or more business units of the Company.

Portfolio of services

The Company's complete range of services strengthens its image as one of the largest operators in port terminals, logistics and maritime services in Brazil. The portfolio includes specialised solutions in the areas of port terminal, towage, logistics, shipping agency, offshore support vessels for the oil and gas industry, and shipbuilding.

Strategic location of assets

The Company is present in Brazil's main port terminals and the location of its shipyards in Guarujá (SP) and oil and gas support base in Niterói (RJ), are strategically positioned to support vessels for the fast growing oil and gas market. Wilson Sons also distinguishes itself with its shipping agency coverage, offered across the most important ports in Brazil, with exclusive representatives in Europe and the United States, and its own office in Shanghai, China. The Company's container terminals are located in states of great economic importance – Rio Grande do Sul and Bahia.

Pioneering Spirit

The Company was the first of its sector in Brazil to use azimuth propulsion on its tugboats, the first to operate in a publically auctioned private container terminal in the country, as well as the first company to receive certification of quality in the shipbuilding sector. The Company has long innovated with local producers to increase local content in the vessels it produces and in recognition won the award for the best Shipyard for local content by Syndarma.

Committed to the environment

This commitment is expressed in the Company's principles, resulting in practical actions that are part of day-to-day operations.

Brasco

History

Wilson Sons' history stretches over 175 years and it is one of the most traditional companies in Brazil. Its rich heritage of solidity, ethics and business diversity have helped the Company grow into one of the largest integrated maritime, port, and logistics operators in the country. A few of the Company's milestones are illustrated below:

- **1837** – Wilson, Sons & Company was founded in Salvador (BA) providing **shipping agency services** and trading coal internationally.
- **1869** – Participation in the most ambitious construction projects of the period such as the Brazilian Great Western Railroad (currently part of the Federal Railroad Network).
- **1870** – The solidity of the Company is reflected in its participation in the coal trade as well as in the importation of products such as cotton, wool, linen and silk, the most profitable businesses of that time.
- **1911** – Rio de Janeiro Lighterage Company Limited (John Mackenzie – Trustee) and Wilson Sons & Company Limited sign a merger agreement.
- **1928** – Inauguration of the largest covered warehouse in Latin America, in São Cristóvão (RJ).
- **1936** – Beginning of **towage operations**, with the acquisition of Rio de Janeiro Lighterage Company.
- **1964** – Change of Company name from Rio de Janeiro Lighterage Company (subsidiary of WS Co, Ltd) to Companhia de Saveiros do Rio de Janeiro.
- **1966** - Acquisition of Camuyrano Serviços Marítimos which doubles the size and importance of the fleet. Saveiros and Camuyrano begin to operate as associated companies.
- **1973** – Acquisition of Guarujá **shipyard**, initiating shipbuilding activities
- **1997** - **Port terminal** operations begin with the successful bid which privatised the container terminal of Rio Grande – **Tecon Rio Grande.**
- **1999** – Foundation of **Brasco**, an offshore logistics company.
- **2000** – **Logistics** operations begin with the institution of Wilson Sons Logistics. Acquisition of the **Salvador Container Terminal** through public auction.
- **2003** – **Offshore** operations begin with the launch of first Platform Supply Vessel (PSV) vessel –Albatroz – built by Wilson Sons Shipyards.
- **2007** – Wilson Sons becomes a publicly listed company, with shares traded on BM&FBovespa in the form of BDRs.
- **2008** – Construction of the Third Birth in Tecon Rio Grande, resulting in Brazil's largest container terminal in retro-area.
- **2010** – Acquisition of the remaining 25% of Brasco, bringing Wilson Sons control to 100% of the asset.
- **2012** – Expansion of Tecon Salvador almost doubling the terminal's capacity. Wilson Sons celebrates 175 years since the Company foundation and Tecon Rio Grande celebrates 15 years of operations.

Geographic Regions

Main Indicators

	2008	2009	2010	2011	2012
CONSOLIDATED RESULTS (US$ MI)					
Net Revenue	498.3	477.9	575.6	698.0	645.3
Inputs and raw material	-86.5	-49.6	-67.2	-82.9	-77.7
Personnel Expenses	-136.3	-149.1	-198.7	-236.6	-238.7
Other operations expenses	-153.5	-151.3	-188.3	-217.2	-176.9
Permanent Assets Sales Results	0.7	0.6	0.1	2.0	-0.5
EBITDA	122.7	128.4	121.4	163.3	151.5
Depreciation and Amortization	-26.3	-32.1	-42.9	-59.5	-66.6
Operations Results	96.4	96.3	78.5	103.8	84.9
Net Income	46.9	90.0	70.5	37.3	48.0
MARGINS (%)					
EBITDA Margins	24.6%	26.9%	21.0%	23.4%	23.5%
EBIT Margins	19.4%	20.2%	13.6%	14.9%	13.2%
Net Margins	9.4%	18.8%	12.2%	5.4%	7.4%
FINANCIAL INDICATORS (US$ MI)					
Total Assets	609.6	808.2	938.8	1,129.8	1,251.1
Equity (US$ mi)	332.2	423.5	465.0	477.5	500.7
Net Debt	5.2	78.7	170.4	354.2	431.4
Net debt/ EBITDA	0.0x	0.6x	1.4x	2.2x	2.8 x
Return on Equity (ROE)	14.1%	21.2%	15.1%	7.8%	9.6%
Investments - CAPEX	93.5	149.6	166.8	262.9	184.2
MARKET INDICATORS					
Share price variation WSON (%)	-57.9%	96.2%	49.0%	-20.6%	25.9%
Dividends paid previously (US$ mi)	16.0	16.0	22.6	18.1	18.1
Number of shares	71,144,000	71,144,000	71,144,000	71,144,000	71,144,000
Market Capitalization (US$ mi)	333.3	877.7	1,367.0	967.9	1,113.7
OPERATIONS INDICATORS					
Port Terminals - Total number of TEUs (thousand)	865.1	888.3	928.7	901.3	908.3
Towage - Number of Maneuvers	55,655	50,065	51,507	54,661	52,204
Offshore - Number of PSVs	5	7	10	12	14
Shipyard - # of vessels built (OSV + Tugs)	4	10	8	6	8
Shipping Agency - Number of vessels called	5,824	6,527	7,258	7,712	7,188
PRODUCTIVITY INDICATORS					
Number of employees	4,327	4,296	5,601	6,572	6,538
Net Income per employee (US$ thousand)	10.8	21.0	12.6	5.7	7.4
Assets per employee (US$ thousand)	140.9	188.3	167.6	171.9	192.1

2 2012 Achievements

Economic Analysis

Tugboat Delphinus

2012 was marked by continuous instability in the economic environment particularly in North America, Europe and the Mediterranean. Brazil posted low growth in a period in which global economy and trade flow were to a large extent driven by monetary and fiscal policies from the advanced economies. According to the Brazilian Institute of Geography and Statistics (IBGE), the increase in the gross domestic product (GDP) was 0.9%, reaching R$4.4 trillion. Global economy advanced mere 0.2% during the same period.

The investment index in Brazil, which measures the volume of investments over GDP, declined to 18.1%, from a higher 19.3% in 2011. The savings index reached 17.2% of GDP, unchanged from 2011. The instability observed in 2012 was largely a result of global macroeconomic factors, including the on-going European debt crisis, the volatility of trade and the uncertainties for recovery in developed economies.

The Brazilian balance of payments experienced a surplus of US$18.9 billion in 2012. The current account recorded a deficit of US$54.2 billion. 2011 results had also been negative by US$52.6 billion. International reserves reached record volume of US$378.6 billion by the end of December – US$26.6 billion – or 7.6% -higher than the US$352 billion in 2011. Total estimated external debt was US$316.7 billion (US$279.3 billion long-term and US$37.4 billion short-term), which represents an increase of 6.2% in comparison to the total debt in 2011, estimated at US$298.2 billion.

Inflation measured by the Consumer Price Index (IPCA) reached 5.84% in 2012 and the average interest rate (SELIC index) for the year was 7.1% based on the analysis of the committee for Monetary Politics (Copom). The exchange rate for US dollars ended 2012 at R$2.04.

Even though outlining expectations can be difficult given instability factors, the Brazilian Finance Ministry estimates that in the coming years the economy (GDP) will accelerate. Considering the period between 2012 and 2015, the country should see an average growth index of 3.4%. Annual expectations are 3.1% in 2013, 3.6% in 2014 and 3.6% in 2015.

In addition to the growth of the economy, there are other important factors impacting Wilson Sons' businesses. The international trade flow totalled US$465.7 billion, with exports of US$242.6 billion and imports of US$223.1 billion, which represents a decline of

3.4%, 5.2% and 1.3% respectively, relative to 2011. According to the Central Bank, the Brazilian trade balance is expected to increase 6.0% in 2013.

Positive numbers have also been released by independent consulting firm Instituto de Logística e Supply Chain (ILOS). The movement of containers in Brazil is expected to show a compound annual growth rate (CAGR) of 7.4% through 2021, reaching 15 million TEU.

The oil and gas sector, one of Wilson Sons' growth drivers is showing increase in its figures despite the Oil &Gas companies in Brazil announcing slower production rates mid-2012. Based on data released by companies in the sector, the Company estimates that the production of oil in Brazil will rise from 2.1 million barrels per day in 2012 to 3.5 million barrels per day in 2015. Production in 2020 is expected to reach 6.7 million barrels per day. The demand for new support vessels in Brazil has the potential to grow approximately 68% in the next 8 years, reaching 686 units in 2020. This represents a scenario of opportunities for potential naval construction and maritime services in Brazil.

Financials and Economic Indicators

The following comments and analyses are on the financial and economic performance of the Company in 2012. All data, except when indicated, is presented in US dollars. The operational and financial performance of Wilson Sons is directly influenced by two main drivers: (i) the behaviour of Brazilian domestic and international trade flow; and (ii) the dynamics of the Brazilian oil and gas industry.

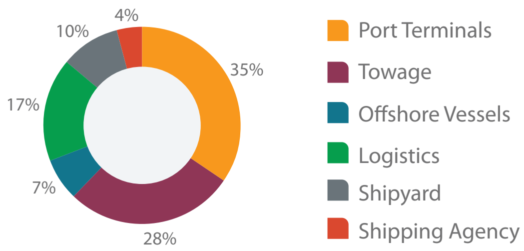
Net Revenue

In 2012, Wilson Sons produced Net Revenues of US$645.3 million, which represents a drop of 7.6% over the previous year primarily as a result of higher USD/BRL rate. The average exchange rate depreciation of the Real currency relative to US Dollar was 16.7% in 2012 against the previous year. Approximately 62% of Wilson Sons' revenues are BRL denominated.

Other major contributors to the decline include the softer revenues in Port Terminals, and Logistics, due to the phase out of dedicated operations which occurred during the year. These results were however offset by record revenues in Towage, Shipyard, Shipping Agency and Offshore, the latter resulting from the expansion of the PSV fleet.

2012 Net Revenue

US$645.3 million



Costs and Expenses

Annual operational costs and expenses totalled US$493.8 million, 7.6% lower than in 2011 (US$534.7 million). This was primarily affected by depreciation of the Real currency relative to US Dollar, given that a large portion of the Company costs are BRL-based.

Personnel Expenses reached US$238.7 million, in line with the US$236.6 million in the prior year. This reflects the movement in the FX rate which was offset by hiring and training expenses with the new Guarujá II Drydock, and launch of vessels Sterna and Batuíra.

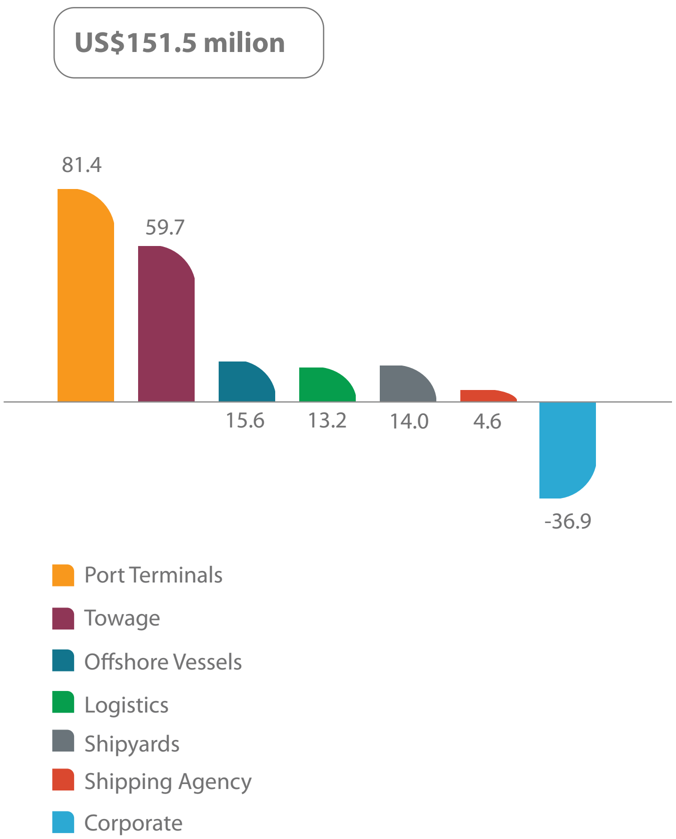
Costs with Depreciation and Amortization reached US$66.6 million, 12% higher than 2011 (US$59.5 million). This resulted from a larger asset base as a reflection of growth of the Towage and Offshore Vessels fleet. In addition, On the 1st of April 2012, following expert internal appraisal and external benchmarking, the useful life of the company´s Towage and Offshore vessel fleets changed from 20 years to a new policy of 25 years for all new vessels built post 1986, with assets prior to this date depreciated over periods of 30 to 35 years depending on specification and factors such as remotorisation. This change generated a positive impact of USD 4.2M for the 2012 depreciation charge.

EBITDA

Company EBITDA for 2012 totalled US$151.5 million, declining 7.2% when compared to 2011. EBITDA margins however were in line at 23.5%. Adjusted EBITDA[1] closed the year at US$153.2 million, dropping 0.7% from the US$154.4 million recorded in 2011.

The discontinuation of dedicated operations in the Logistics business and the end of Brasco's operation for Petrobras in the public port of Rio de Janeiro were the two major contributors for the decline in 2012 EBITDA, with decreases of 11.3 million (46.1%) and 5.4 million (55.7%), respectively. Similarly, EBIT in 2012 reached US$84.9 million, a drop of 18.2% when compared to the US$103.8 million earned in the previous year.

EBITDA 2012



[1]Adjusted EBITDA excludes provisions for cash-settled stock options (LTIP), which fluctuate according to several variables, including the closing share price.

Tecon Rio Grande

Net Income

Net Income grew 28.5% in 2012 primarily due to better financial results and lower deferred income taxes on the back of a positive impact from the recognition of a Deferred Tax Asset in the amount of USD 13.1M (2011: nil) in 2012 due to probable future flows of related taxable income. The expected recoverability of Income tax credits, for some Group subsidiaries, was based on projections of future taxable income taking into consideration various business and financial assumptions. Higher costs with Depreciation and Amortization, as a consequence of the intensive cycle of investments of the Company, and a negative impact in the Long Term Incentive Scheme partially offset these results. As a result, the Company recorded a Net Income of US$48 million in 2012, higher than the US$37.3 million in the previous year.

CAPEX

Large share of the US$184.2 million invested in 2012 was directed at the Tecon Salvador and the Guarujá II Shipyard expansion projects, in addition to the continued renovation and expansion of the Offshore and, to less extent, Towage fleets. The 30% drop in CAPEX against 2011 is principally a result of the depreciation of the Real and to reduced investments in the Logistics business and in Towage, since most of the fleet expansion programme had taken place in 2011.

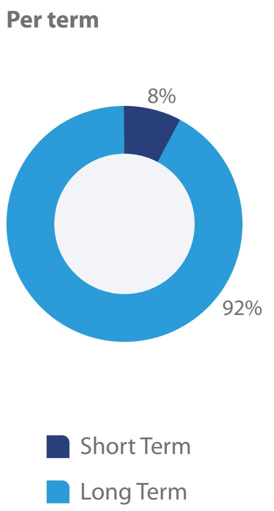
The Tecon Salvador expansion was inaugurated in November 2012, although there was deferral of some expenditure in the project plan until 2013, namely, the terminal's depot. The expansion of the Guarujá II Shipyard is expected to be fully completed by April 2013, although an increase in shipbuilding activity began in the later months of 2012 with the new dry-dock commencing operations.

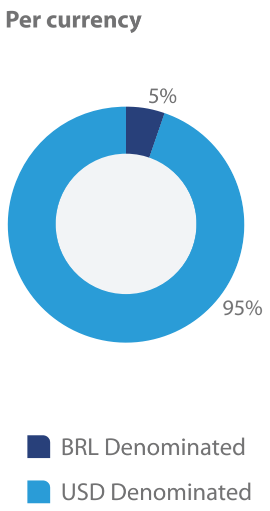
Debt Profile and Cash Position

At the close of the 2012 financial year, Wilson Sons Gross Debt totalled US$572.1 million. Net Debt, calculated by the subtraction of the Cash balance and Short-Term Investments (US$140.7 millions), was US$431.4 million and reflected the increased investment activity of the Company, as described in the CAPEX section.

As shown in the following graphs, Wilson Sons debt profile indicates that 92.2% of loans are long-term and 94.7% are in U.S. dollars. The total balance of loans obtained from the Merchant Marine Fund (FMM) through BNDES and Banco do Brasil reached US$426.4 million, which corresponds to 74.5% of total debt.

Debt Profile and Cash Position
31-12-2012 – US$572.1 million





Platform Supply Vessels (PSVs) Atobá

Business Performance

Port and Logistics Services

Container Terminals and Brasco

In 2012, Net Revenue from Port Terminals – Tecon Rio Grande, Tecon Salvador and Brasco – reached US$226.9 million, 16.5% lower year over year. EBITDA fell 10.8%, reaching US$81.4 million.

Net Revenues for Container Terminals alone (Tecons) reached US$189.0 million, slightly lower (-7.1%) than the previous year principally due to a weaker Brazilian currency given most of these revenues are denominated in BRL. It is worth mentioning, however, that Tecon Salvador posted record volumes, improved mix of import-to-export cargo and stronger reefer exports. Additionally, EBITDA margins were up as the expansion project increased retro-area contributing to an increase in warehousing and storage services in the second half of 2012. Tecon Rio Grande movement experienced a fall in transhipment levels, a result of ship-owners transferring these lower-value cargo services to their own ports in Santa Catarina state since mid-2011.

Brasco recorded Net Revenue of US$37.9 million, a drop of 44.5% with the end of Brasco's operation for Petrobras in the public port of Rio de Janeiro in October/2011, which contributed to approximately 30% of the Support Base's EBITDA in the annual comparative. Annual results were also impacted by the devaluation of the BRL, since its revenues and costs are all denominated in Brazilian currency.

Logistics

Logistics reported Net Revenues of US$108.2 million (reducing 23.0% year over year) and EBITDA of US$13.2 million (down 46.1% from the previous year). The significant reduction in EBITDA is a result of the discontinuation of dedicated operations. The business is focusing on assets with clearer competitive advantage, such as bonded warehouses and logistics centres.

Logistics centre in Itapevi (SP)

Maritime Services

Towage

Net Revenue annual growth for towage was 6.2% in 2012, climbing from US$167.4 million in 2011 to reach a record US$177.7 million in 2012. This growth was a result of an increase in services to ships with larger deadweight (load capacity). EBITDA was slightly lower at US$59.7 million, 2.8% lower than 2011.With the expansion of the Brazilian naval and infrastructure industries, the participation of special operations in the total towage Revenue remained strong, highlighted by Project Cargo vessels, particularly equipment for new third party port terminals during second half of 2012.

Offshore

The Offshore businesses reached Net Revenues of US$46.3 million, which compared to US$41.4 million in 2011, saw a year-over-year increase of 11.8%. The growth in Revenue was the result of an increase in the fleet, and increased average daily rates. The results correspond to 50% participation of Wilson Sons in Wilson Sons Ultratug Offshore.

Wilson Sons´ Santo André (SP) Bonded Warehouse

Tugboat Hamal

The 2011 comparative period include two AHTS bareboat charter contracts, yielding higher Revenues and lower EBITDA margin. In 2012 the Company's fleet contained three foreign-flagged AHTS with flag cover contracts.

In addition, the industry's long term contracts continue pressured as a result of high wage inflation for Merchant Naval Officers. While there has been a considerable increase in the training of merchant mariners, there is a lag time before they can start working in the Offshore industry. This has led to a severe shortage of qualified officers, which has been reflected in the steady increase of local crew costs. With new bidding rounds for blocks expected in 2013, and the pre-salt still a catalyst for long-term growth, the industry's strong fundamentals remain unchanged.

Shipyard

Net Revenues (US$61.8 million) were up 9% as shipbuilding activities advanced in the later months of the year with the anticipation of block construction as the new Dry-dock approached its inauguration. Annual EBITDA was reduced by 8.3% (to US$14 million) year-over-year mainly a result of pre-operational costs such as hiring and training related to the new Guarujá II shipyard. Two PSVs were delivered in 2012 and another four are scheduled to be delivered to Wilson Sons Ultratug Offshore in 2012. Approximately 90% of the new shipyard was financed by the Fundo de Marinha Mercante (FMM).

Shipping Agency

Net Revenue for the business grew to US$24.4 million from US$20.3 million in 2011, a year-over-year increase of 20.5%. EBITDA margins also grew 5.6 percentage points to 18.9%. This was as a result of increased volumes and higher average rates for some services, driven by both domestic and international demand. Highlights for the year included a project of cargo management to bring a cement plant from China to Brazil.

3 Sustainability

Vision Of Sustainabilty

Guarujá Shipyards´ employees

Wilson Sons believes in sustainability as a comprehensive concept that should be present in the economic, social and environmental aspects of the organization – creating the sustainability triple bottom line. To achieve this we support management that is focused on long-term results for both the Company and for society.

Dimensions of Sustainability

From this vision, and with the support of the Brazilian Foundation for Sustainable Development (FBDS), Wilson Sons has continued working on projects and commitments indicated in the sustainability diagnosis initiated in 2008, taking into consideration the economic, social and environmental aspects of the business, as well as the aspects evaluated by the BM&FBovespa Index of Business Sustainability (ISE).

Throughout the year we have invested in internal dissemination of sustainability concepts via bulletin boards, e-newsletters and the internal ‘NEW,S’ magazine column on the Company intranet. The sustainability diagnosis has now been implemented in Brasco, Tecon Salvador, the logistics and offshore businesses, and in 2013 will be extended to one other business of the Company.

Professionals of the Group

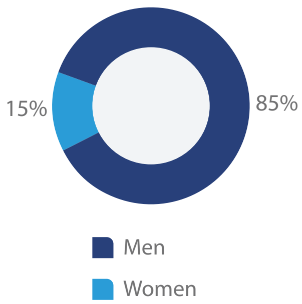
Our goal is to be the first choice for employees. This is our constant challenge and it is an important guide for the Human and Organizational Development Department, which manages people in the Company. We have three corporate management teams: Planning and compensation management, administration, and development. Each team is responsible for defining and implementing strategies that align with the organizational culture of the Company as they work with the business managers who focus on each specific activity.

Our staff in Brazil was composed of 6,538 employees by the end of 2012, in line with the 6,572 in 2011. Increases in headcount across businesses were offset by a reduction in Logistics, due to the phase out of certain dedicated operations.

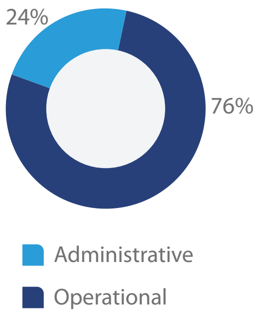
The majority of staff (85%) are men, as commonly seen in the industry. Most professionals (76%) work in operational areas as illustrated in the graphs below.

Principle Staff Indicators

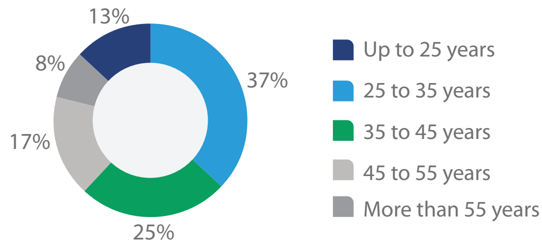
GENDER



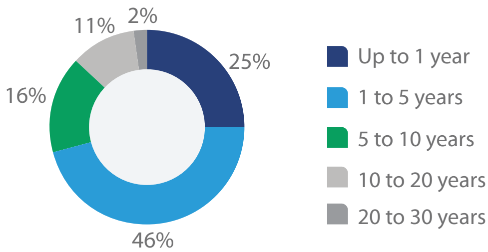
AREA



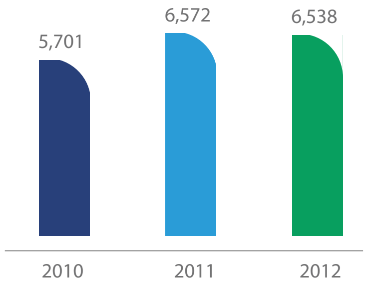
AGE RANGE



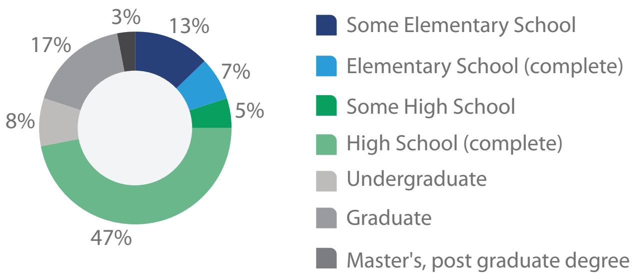
YEARS WITH THE COMPANY



NUMBER OF WORKERS FROM 2010 TO 2012



EDUCATION



Brasco´s employees

Research on Employee Engagement

Research is an important tool for gaining new knowledge on topics upon which we plan to take strategic action. The Company has done important employee engagement research in 2012.

For Wilson Sons, measuring engagement goes beyond evaluating organizational environment. Based on this, it was possible to measure satisfaction and level of staff adherence to Company culture. Voluntary participation in research reached 63%, which is considered high even for prominent companies such as Wilson Sons. Analysis of results has given Wilson Sons different perspectives and has helped with the development of action plans for 2012, including all steps from planning to implementation, in the corporation and followed by its businesses.

On a corporate note, the Executive Committee worked together on generating the following pillars: Culture, Leadership, Strategy and Recognition. Each of these has a wide agenda of activities throughout the Group. In each business, action plans were tailored to specific development needs and the implementation of these actions will continue throughout 2013.

Guarujá II Shipyard

Strategic Human Resource Management

Wilson Sons is aware of the dynamics of the job market and therefore the importance of being close to its employees. The Company uses a Platform for Strategic Management of staff. The platform is divided into three separate lines of work – performance evaluation, succession and retention, and compensation. Our intention is to help aligning employees´ personal and professional goals and those of the Company, and the development of new talent.

In 2012 we consolidated the platform and expect to have the positions of Supervisors incorporated in the management tool which will entail relevant gains for the Company regarding their recognition and development, whose performance is of considerable importance to the business and Group's results.

Performance evaluation

The Management Development Program is also integrated into the Platform for Strategic Management of staff and in line with performance management. This program continued, with focus on excellence in people management and improving leadership skills. In 2012, the Platform for Strategic Management of staff, which was designed in the light of Wilson Sons' culture, worked on results from the engagement survey and by 2013 will include the positions of Supervisor. This reflects the comprehensive agenda that has been developed since the revision of Wilson Sons' vision in 2009, that is, to be the first choice of its employees.

Compensation and Benefits

Since 2004, Wilson Sons has used a methodology which includes annual research aimed at updating the range of salaries adopted by businesses, to manage its positions and salaries. For employees with variable compensation, the Company offers a Profit Sharing Programme, which includes a specific format for managers, administrative and operations staff. Additionally, the package of benefits offered by the Company includes personal pension plans (defined contribution lump sum or monthly disbursement), life insurance, funeral assistance and other traditional benefits found in collective labour agreements.

Health, Safety, and Environment (HSE)

Wilson Sons manages the areas of Occupational Health, Safety, and Environment (HSE) in a strategic and responsible way, since it is of fundamental importance for the development of sustainable business.

HSE currently counts on over 120 dedicated people, as well as many different management tools which include policies, procedures, instructions, awareness programmes and process review. The drivers for HSE are based on the following concepts: continuous improvement, relationship with interested parties, emergency resolution, risk management, training, legal compliance, leadership and responsibility.

HSE management integrates into the Organizational Development department, which also includes the areas of Communication and Sustainability, and Human and Organizational Development. As for the Group's businesses, HSE management groups have also been created for the Shipyards, Shipping Agency, Towage, Brasco, Logistics, Tecon Rio Grande and Tecon Salvador businesses.

Wilson Sons is aware of the dynamics of the job market and therefore the importance of being close to its employees. The Company uses a Platform for Strategic Management of staff

Safety Behavioural Change

Wilson Sons has been demonstrating resilient improvement in Safety with accident indicators dropping to lowest levels in recent years despite the growth of the Company during the same period. The graph below describes the drop in accidents in relative terms, and the number of fatal accidents, which we are proud to divulge as zero in the past three years.

While largely committed to safety and environmental protection, Wilson Sons has been implementing a project to change the HSE culture, named "WS+". The programme is based on the establishment and revision of processes and procedure, operational discipline, management of deviations, responsibility of the organization, behavioural approach and engagement of leadership.

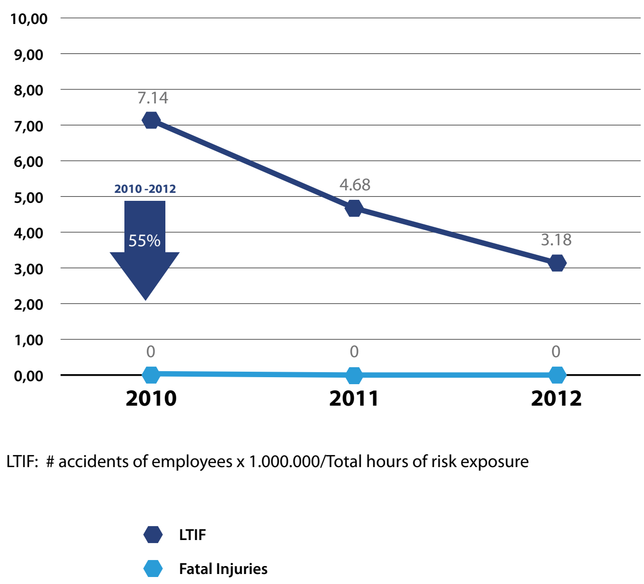
The programme was first implemented in the Company's Shipyard in 2011, and was expanded to Tecon Rio Grande, EADI Santo André, and Towage and Shipping Agency subsidiaries of Rio de Janeiro, Vitória and Santos. Furthermore, we established a formal agenda between HSE and the Executive Committee (CEO, Vice Presidents and DHO), with monthly meetings dealing exclusively with HSE related issues. This governance structure, in turn, breaks down into other committees and subcommittees reaching the departments of units receiving the programme.

In qualitative terms, the goal of WS+ is to achieve a culture of interdependent HSE management, where all professionals are aware of HSE agenda, without necessarily belonging to this area. In quantitative terms, the principal goal of the project is to reduce the frequency and severity accident rates, implement and maintain routines of behavioural observation for HSE practices, among other indicators of performance. Results derived from the WS+ confirm its effectiveness: In Guarujá Shipyard, for example, the frequency of accidents dropped approximately 60% since the beginning of the programme.

In 2013, the programme will include the remaining Towage and Shipping Agency branches. All Group businesses will receive the methodology by 2014.

In addition to the WS+ program, the Group has promoted further actions concerning safety, such as the Brasco Commitment Programme, which emphasises the commitment of leaders and their teams to rules of safety operations, a campaign for the description of minor accidents in Logistics, in order to increase the level of reporting of minor incidents, and the simulation of emergencies at Brasco and the container terminals in Rio Grande and Salvador.

LOST TIME INJURY FREQUENCY RATE (LTIF) AND FATAL INJURIES (EMPLOYEES)



Você 100%

With focus on employee health and operational safety, Wilson Sons has developed a drug and alcohol prevention programme, based on assumptions such as transparency, confidentiality, reliability, equality and

discipline. The programme begins with the awareness of participants and leadership training, toxicology tests are applied in various modalities: randomly; after accidents; before high risk operations; as follow-ups on first-time positive test results; and through manager referral. In cases of testing positive the employee also receives a warning for breaking safety rules and is referred for medical treatment; attesting positive for a second time will result in the termination of the employee's contract.

Environmental Commitment

The environmental responsibility of Wilson Sons is demonstrated in various ways, such as: preservation and conscientious use of natural resources, the search for different options aiming to reduce the environmental impact of operations, certifications, adoption of clean technologies, and acquisition of equipment which emits reduced levels of greenhouse effect emissions.

At Tecon Salvador, the highlight was the acquisition of electric Rubber-Tired Gantries (RTGs) which represent lower environmental impact technology when compared to diesel equipment. This new equipment is estimated to avoid CO_2 emissions by approximately 2,500 tons per year.

Other initiatives focused on the efficient use of water. In Logistics, EADI Santo André implemented a system to capture rainwater, which allows for collection, filter, storage, and delivery so as to use in cleaning floors, resulting in an estimated saving of 530m³ of water per year. In Brasco, the Niterói site implemented a system to reuse water from toilets, which is collected, treated and reused, with annual savings estimated at 1,300 m³.

Certifications and Awards

For Wilson Sons, certifications are important instruments for the improvement of processes and quality management, as well as demonstrating the high level of leadership present in the Company. As a result, all businesses have been granted ISO 9001 certifications, which establishes requirements for quality management.

Guarujá shipyard´s employee

In addition to ISO 9001, other certifications have been granted to specific businesses, based on either an activity with specific rules or on the phases of process development at each business unit. One certification granted to several Wilson Sons Logistics units is the certification for Safety, Health, Environment and Quality evaluation (SASSMAQ), which focuses on management and distribution of chemical products. Another example can be seen in Wilson Sons Ultratug Offshore, which has been certified by the International Safety Management Code (part of the International Convention for Safety at Sea), which represents an international standard for the management and safe exploration of vessels, pollution prevention and the safeguard of workers at sea.

Concerning Environmental Issues, the Brasco unit at Niterói (RJ) has the ISO 14001 certification, which defines guidance to establish an effective environment management system targeting the balance between profitability and environmental impact reduction.

In March 2013 Brasco received the OHSAS 18001 certification, which attests to the quality of the company's occupational health and safety. The award was a great achievement and another step Towards Brasco' pursuit of excellence in HSE, one of its Business Pillars.

Another highlight in 2012 was the 1st prize in the DuPont Award for Management of Workers' Health and Safety, one of the most important HSE awards in the country. While competing with large companies from various sectors of the industry, Wilson Sons was recognised for its case on implementation of the WS+ Programme in the Guarujá Shipyard.

Wilson Sons supports and encourages volunteer work that brings the Company closer to the community, by providing resources and employee mobilization

Social Responsibility

Wilson Sons social commitment can be observed in different actions taken by the Company, and is associated with its role of introducing best practices for the sustainable development of the business and society.

The Company is a co-founding member of the Brazilian Council for Social Volunteering (CBVE). It is also member of the Commission for Social Responsibility of the Brazilian Petroleum Institute (IBP), and was the first in its industry to sign the United Nations Global Pact. In Brazil, the action mobilises the business community to adopt socially responsible policies, taking into account ten principles of human rights, labour rights, environmental protection, and the battle against corruption. Visit: www.pactoglobal.org.br. Additionally, the Company participates in projects that target respect and value of human life and preservation of historical and cultural assets through financial support and volunteer work.

Prize Highlights Brazilian Investments

In 2012, Wilson Sons Shipyards was again rewarded with the Naval Quality and Sustainability Award (PNQS). In this second edition of the awards, organised by the National Union of Naval Construction, Repair and Offshore Industry (Sinaval) and the Aro Foundation, Wilson Sons was recognised by social actions promoted by the Group volunteer programme Criando Laços. In the first edition of PNQS in 2011, the company also ranked among the best in the industry.

Historical Assets

Wilson Sons believes that one of the ways to demonstrate its social responsibility is by preserving its historical assets. For this reason the Company has maintained a Historical Centre with records related to over 175 years of Company history.

The iconographic and documented collection has approximately 4,000 registered items, which serve as the source of historical information for employees, students and researchers. This catalogue was initiated during the production of a book written to celebrate the Company's 170th anniversary.

To celebrate its long-lived history, Wilson Sons Group launched in 2012 the book Wilson Sons 175 years Onboard the Future. The book tells the story of the Company, of Walter Salomon, who, with his family, in 1954 acquired control of Wilson Sons. There are also reports of Company employees, who describe their involvement with Wilson Sons.

For more information visit:
http://www.wilsonsons.com.br/en/about-group/our-history

Volunteering

In addition to impacting the lives of beneficiaries, volunteer work creates internal results, such as personal satisfaction, and the development of team work. With this in mind, Wilson Sons supports and encourages volunteer work that brings the Company closer to the community, by providing resources and employee mobilization.

The Company prioritises support of children and teenagers at risk, a central issue for the United Nations Children's and Adolescents' Rights Convention. The actions are centred on the Criando Laços programme, which has a committee responsible for guiding action of each business involved.

In 2012, 380 employees volunteered providing recreational and educational activities for children, youngsters and elderly people. Additionally, volunteers are aiding communities, institutions, and day care centres in Rio Grande (RS), Guarujá (SP), Paranaguá (PR), Santo André (SP), Vitória (ES), Rio de Janeiro (RJ), São Sebastião (SP), and São Francisco do Sul (SC). The beneficiaries of the volunteer activities of 2012 totalled 1400 people.

Brasco´s employees

Support and Sponsorship

De peito aberto (www.depeitoaberto.com.br): Created by a group of athletes, sports enthusiasts and professionals, “De peito aberto” Sport Incentive Programme is a civil organization of public interest, therefore non-profit that was created in order to meet the needs of sport, education, health and culture, by promoting the integration of public and private institutions, creating professional relationships and educating athletes. Wilson Sons is sponsoring the project in partnership with the Araketu programme and impacts over 600 children, adolescents and young adults.

Brigada Mirim (www.brigadamirim.org.br): Founded in 1989 with the initiative of residents of Ilha Grande, off the coast of Rio de Janeiro, the organization provides employment, health, education and citizenship for young people. With activities among tourists and locals, the Brigade’s mission is to preserve nature and raise awareness about the importance of taking care of the region.

Escola de Gente (www.escoladegente.org.br): Located in Barra da Tijuca, in the city of Rio de Janeiro, the organisation works towards the inclusion of socially vulnerable groups, especially people with disabilities. Their actions involve courses to companies and institutions, training young people and creating a multiplier effect of the social inclusion concept.

Rio Voluntário (www.riovoluntario.org.br): The NGO is located in the city center of Rio de Janeiro, and focuses on corporate volunteer work. Wilson Sons supports the children’s party conducted by project Brasileirinho, consisted of nurseries assisted by the entity, and is one of the sponsor companies.

Passaporte da Cidadania (http://www.pastoraldomenor.com.br): Project linked to the Pastoral do Menor which focuses on young people involved with drugs. It is a mobile service consisting of a bus equipped to receive these people in need.

Legal Environment World Meeting for Rio +20: The event attracted 400 people and discussed the importance of establishing global regulatory frameworks. Key speakers on Environmental Law in Asia, Europe and the Americas attended the meeting.

Expo Rio +20 in Darwin’ Trail – Evolution of Sustainability: The event took place on boat Tocorimé and had the support of the University of São Paulo (USP) and NASA. The exhibition received 2000 visitors.

Ethos Human Rights Working Group: We launched the Group’s commitment letter at the Ethos International Conference. In addition, the Company promotes the meeting “Affirmative Action for the Promotion of Racial Equality.”

Logistics centre in Suape (PE)

Corporate Governance

Ethics and Transparency

Wilson Sons employs best practices in governance, through principles of transparency and ethics. While its shares are listed on the BM&FBovespa exchange through Brazilian Depositary Receipts (BDRs), the Company continues to strive to meet standards of the *Novo Mercado* companies, the most up to date international models, and the experience of its controlling company, Ocean Wilson Holdings Limited, which has been listed on the London Stock Exchange for over a century.

The Company´s Code of Ethical Conduct expresses the values that guide corporate governance and relations with all stakeholders. Employees are asked to confirm their knowledge and understanding of the document. In 2012 the Company initiated discussion about the practical application of the principles of ethics and transparency using examples related to everyday activities of the Group.

Investor Relations

Transparency is the guiding principal for Investor Relations (IR) at Wilson Sons. In addition to meeting mandatory compliance requirements for companies listed on the stock exchange, the Company dedicates special attention to communication with this strategic audience, constantly investing in service channel upgrades.

The Company maintains an Investor link on its website (www.wilsonsons.com.br/ir). It is regularly updated with information on performance and results. Moreover, Investors can subscribe and receive news updates, market communications, and other additional relevant information. The website was remodelled in 2011 and again in 2012 and added new applications which allow greater interaction and access to information. In addition to traditional means of communication, social networks such as Twitter, LinkedIn and You Tube, are also employed to assist in disclosing relevant information.

Every quarter Investor Relations organises the dissemination of results, hosting a public teleconference that provides investors an opportunity to communicate directly with the Company's chief officers.

The Wilson Sons "Meet the Management Day", a public meeting to facilitate communication among individual investors, bank representatives and investment fund representatives is held every two years and a 2013 edition will be held in May. In 2012, the Company also participated in several non-deal road shows (individual or group meetings with investors) and eleven site visits (visits to group operations with investors), as well as meeting with individual and small groups of analysts at twelve conferences.

The Company´s Code of Ethical Conduct expresses the values that guide corporate governance and relations with all stakeholders

Management Structure

Board of Directors

Wilson Sons' Board of Directors is comprised of professionals with solid experience in different fields and focuses on promoting long-term returns to shareholders. The team´s responsibility is to define Company strategy, and bring independent judgement on issues of performance and risk, while supervising the Corporate Officers' actions through approval of projects and assessment of results. Additionally, the Board approves each of the quarterly and full-year financial results and dividend announcements.

Company bylaws allow for the formation of the Board of Directors, composed of at least five members, with terms of office of up to three years, with the right to re-election. Currently, there is one independent director within a total of seven directors, all of which have been appointed for term ending at the Ordinary General Meeting (AGO) of 2013. Council meetings are conducted once every three months, and extraordinarily when convened by any member of the Board.

The number of meetings of the company's Board of Directors and of each board committee held during the year, and the number of meetings attended by each Director were:

Meetings of Board/Committees

	Board Meeting		Audit Commitee Meetting	
	A	B	A	B
José Francisco Gouvêa Vieira	7	7	2	2
William Henry Salomon	5	7	2	2
Cezar Baião	7	7	-	-
Felipe Gutterres	7	7	-	-
Claudio Marote	7	7	2	2
Andres Rozental	7	7	2	2
Paulo Fernando Fleury	5	7	2	2
	45	49	10	10

A = Attendance

B = Number of Meetings during the time the Board Member held office

MEMBERS

José Francisco Gouvêa Vieira – Chairman: Mr. Gouvêa Vieira received a Law Degree from the Catholic University of Rio de Janeiro in 1972. He holds a Masters degree in Law from Columbia University, New York (1978). He has been a Partner with Gouvea Vieira Advogados since 1971 and has been with the Company since 1991. He has served as Chairman of the Board (1997) and Director of Wilson, Sons de Administração e Comércio (1992), Ocean Wilsons Holdings Limited (1997) and of Ocean Wilsons (Investments) Limited (1997). He is member of the Board of Directors of various companies, including Banco PSA Finance Brasil S.A. (1999), PSA Finance S.A. Arrendamento Mercantil (1999), Concremat – Engenharia e Tecnologia S.A (2008), Cetip Educational (2008) and International Meal Company (2010). He was a member of the Corporate Governance Committee of the American Chamber of Commerce – São Paulo (2005) and honorary consul to the Kingdom of Morocco in Rio de Janeiro (2007).

William Henry Salomon – Deputy Chairman: Mr. William Henry Salomon Graduated in Law from Magdalene College in Cambridge, England where he also received the title of post-graduate degree in Law. In 1987, qualifying with the English Bar, Mr. Salomon served as vice-president on the team of Finsbury Asset Management that merged with Rea Brothers Group in 1995. When Close Brothers Company acquired Rea Brothers Group, he was granted the position of Deputy Chairman of the investment division. In 1999, Mr Salomon established Hansa Capital, where he is the Senior Partner. He is a Director of various UK and international listed companies and is currently Chairman of the New India Investment Trust as well as Director of Hansa Trust. In addition, Mr. Salomon is also Deputy Chairman of Ocean Wilsons Holdings Limited (OWHL), the company which holds the controlling share in Wilson Sons; and is a Director of Hanseatic Asset Management LBG.

Cezar Baião – Board Member: Mr. Cezar Baião graduated in Economics from the Catholic University of Rio de Janeiro (PUC/RJ). Having joined Wilson Sons in 1994 as CFO, he currently acts as the CEO of operations in Brazil. From 1982 to 1989, he served as Money Market Manager at JP Morgan and also as Finance Director of Grupo Lachmann Agência Marítima, between 1989 and 1994. He holds one of the vice presidency positions at the National Union of Shipping Companies (Syndarma) and acts as adviser to the board of directors at the Brazilian Association of Public-Use Container Terminals (Abratec). Mr. Baião is also member of the Oil & Gas production Committee at the São Paulo Industry Federation (COMPETRO - FIESP) and Business Counsellor of Infrastructure at the Rio de Janeiro Industry Federation (FIRJAN).

Felipe Gutterres – Board Member: Mr. Gutterres holds a Harvard Business School diploma in General Management and an MBA from COPPEAD, having previously graduated in Economics from the Federal University of Rio de Janeiro. He joined the Company in 1998 and currently serves as the CFO of the Brazilian Subsidiary and Investor Relations. From 1994 to1998, Mr. Gutterres held executive positions at Shell Brasil S.A.

Claudio Marote – Board Member: Mr. Marote earned a law degree from Faculty of Law of Curitiba (FDC). He also holds diplomas from the following institutions: International Maritime Law from Lloyds of London, England; Executive Development Programme of the Kellogg Institute from Northwestern University, Evanston, Illinois, U.S.A.; Structures and Economic Systems - FDC, Paraná; and in Brazilian Policies and Strategies from the Association of Graduates of the Higher War College, in Santos, São Paulo. He joined the Company in 1964 and has held various executive positions, from branch manager to regional director, to superintendent-director. He began his professional career in 1956 at Agência Marítima Intermares Ltda., a subsidiary of the Bunge BornGroup. He is currently a Director of the Company and a Partner at CMMR – Intermediação Comercial Ltda.

Andres Rozental – Board Member: Mr. Rozental has a Bachelor Degree in International Relations from the University of the Americas in Mexico, and a MSc. in International Economics from the University of Pennsylvania. He was a career diplomat for more than 35 years with the Mexican Foreign Ministry holding a number of senior diplomatic posts. He is the author of four books on Mexican foreign policy and of numerous articles on international affairs. He has been a foreign policy adviser to President Vicente Fox and Felipe Calderón. Currently, he is Chairman of the Board of Directors of Arcelor Mittal Mexico and is an Independent Director to Arcelor Mittal Brazil, Ocean Wilson Holdings and Director of Wilson Sons. He serves on the advisory board of Kansas City Southern de México, EADS de México, Toyota de México and Advent International Private Equity.

Paulo Fernando Fleury – Independent Board Member: Dr. Fleury is Professor at the Federal University of Rio de Janeiro and CEO of the ILOS Logistics Institute. He holds degrees in Mechanical Engineering from UFRJ, MSc. in Production Engineering from COPPE\ UFRJ, and a PhD in Industrial Management from Loughborough University of Technology. He was the CEO of the Rio de Janeiro State Development Agency and was responsible for its implementation and management. He was also a visiting researcher at Harvard Business School in 1983 and a guest lecturer at the Sloan School of Management, MIT in 1986. He has many years of experience in teaching, researching and consulting in Logistics and Supply Chain Management.

Corporate Officers Of The Brazilian Subsidiary

The board of Corporate Officers is composed of qualified professionals responsible for establishing management and operation policies, and meeting goals established by the Board of Directors. The members of this board take part in the Company's daily operations and are involved in the decision making and execution of strategy set by the Board of Directors to meet the interest of shareholders. They bring a wide range of skills and experiences which balances with the Company's objectives and needs. The board includes the CEO and CFO, and two COOs: the first responsible for Port Terminals and Logistics, and the second for Towage, Offshore, Shipping Agency and Shipyard businesses.

Capital Markets

Shares

Wilson Sons is a publicly listed company with shares traded on the Luxembourg Stock Exchange, and on the BM&FBovespa exchange in the form of Brazilian Depositary Receipts (BDRs). It is controlled by Ocean Wilsons Holding Limited, a Bermuda based company listed on the London Stock Exchange.

	Amount of Shares (ordinary)	% of capital
Ocean Wilsons Holdings Ltda	41,444,000	58.3%
Other (free float)	29,700,000	41.7%
Total Capital	71,144,000	100%

In 2012, Wilson Sons BDRs (ticker: WSON11) ended the year at R$31.99, an increase of 25.9%. During the same period, the São Paulo Stock Exchange Index (Ibovespa) recorded a devaluation of 7.4%.

Total volume traded through BM&FBovespa reached a record R$1.78 trillion in 2012, significantly higher than R$1.61 trillion during the prior year. The market value of companies at year end 2012 reached R$2.52 trillion (364 companies), 10% higher than the R$2.29 trillion reported in 2011 (373 companies).

Remuneration of Shareholders

In a meeting held by the Wilson Sons Board on May 3, 2012, the 2011 dividend payments of US$18,070,576.00 were approved and subsequently paid to the shareholders. The effective value of dividends paid to Wilson Sons shareholders on May 10, 2012 was R$0.491 per share, or US$0.254 per share when converted by the PTAX rate published on May 8, 2012.

Risk Management

Wilson Sons has an Internal Audit team which coordinates the identification, evaluation and classification of different risks intrinsic to the Company´s businesses. The group is also responsible for developing solutions to avoid exposure to each potential risk, and to verify if proposed actions are being correctly adopted. This includes a cell of Information Security, responsible for identifying risks related to corporate systems linked to business units, in order to attest for confidentiality, integrity, availability and authenticity of information.

The Company also has risk management software that allows managers to follow the application of mitigation processes for financial and operational risks. Every model used is supported by the Enterprise Risk Management methodology (ERM), adopted by the Committee of Sponsoring Organizations (COSO), an international organization dedicated to the establishment and dissemination of best practices in business management. As for Information Security, the method is based on COBIT (Control Objectives for Information and related Technology) which consists of a set of guidelines, indicators, processes and best practices for the management - and governance - of information systems.

Wilson Sons maintains an insurance portfolio for prevention and protection from risks intrinsic to operations, including risks to the assets of our clients, our facilities and equipment, and continuity of operations. These insurance policies, are contracted by leading insurers and are renewed periodically. The main risks are divided into the following categories.

Strategic Risks

The Company is exposed to various unavoidable strategic risks. These include political risk, industrial risk, market risk, and risk related to social and environmental responsibility. In certain situations, it also includes material risks related to the acquisition of fixed assets. This is due to long construction periods and life cycle of assets that are typically made available to the market.

Financial Risks

Financial risks include market, credit and liquidity risks. The Market Risk Committee has the purpose of applying standards, policies and guidelines specific to market risk. The agenda includes: definition of the criteria, scope of the criteria, methodology to measure and track identified exposures, risk prevention and impact reduction tools. In light of this agenda, the Committee seeks to take actions to minimize the impact of market variables on the Company's cash flow.

Other Financial Risks, such as credit and liquidity risk are continuously identified and mitigated by the Finance Department in accordance with standards and procedures set by the management.

Operations Risks

Some areas are subject to working conditions that expose employees to physical risk. Consequently, large part of operational risk is related to the environment and safety. Additionally, the Company is exposed to operational risks from suppliers, IT and processes. Actions related to sustainability, environmental impact and social responsibility are described in their respective sections of this report.

Regulatory Risks

Wilson Sons operates in different Brazilian states, each having its own regulations. This exposes the Company to a variety of legal and tax risks and those related to government penalties which vary with the regulations of each state.

The Company has an organizational structure designed to identify, monitor and manage the most significant risks, employing best practices when conducting business. Risk management is conducted independently by the business operations units, taking into account the nature of each sector. Additionally, the Board of Corporate Officers and the Board of Directors periodically evaluate the most significant risks and implement appropriate risk management initiatives.

Glossary

A

ABRATEC
Associação Brasileira dos Terminais de Contêineres de Uso Público (Brazilian National Association of Public Container Terminals).

ANTAQ
Agência Nacional de Transportes Aquaviários (National Maritime Transport Agency).

ANVISA
Agência Nacional de Vigilância Sanitária (National Health Surveillance Agency).

B

Bareboat charter
An agreement by which the charterer has the possession, use and control of the vessel for a given period, including the right of designating the captain and crew.

BDR or BDRs
Brazilian Depository Receipt, 1 BDR = 1 common share.

BM&FBovespa
São Paulo Stock Exchange.

BNDES
Banco Nacional de Desenvolvimento Econômico e Social (National Bank for Social and Economic Development).

C

CAGR
Compounded Annual Growth Rate.

Clearstream
Clearstream Banking, societe anonyme – Luxembourg.

Companies Act
Bermuda Companies Act of 1981 and further amendments.

Company or Wilson Sons
Concerns Wilson Sons Limited.

CSSF (Committee for sector surveillance)
Finances of Luxembourg or CSSF Commission for Surveillance du Secteur Financer, the Luxembourg regulating authority for the financial sector.

CVM
Comissão de Valores Mobiliários (Securities and Exchange Commission).

D

Dredging
Digging service in the access channels and docking areas of ports for maintenance or increase of its depth.

E

EBIT
The EBITDA reflects net profit before net financial revenue and expenses, and tax.

EBITDA
The EBITDA reflects net profit before net financial revenue and expenses, tax, depreciation and amortization.

EUROCLEAR
Euroclear Clearance System.

EuroMTF
The self-regulated trading market of the Luxembourg Stock Exchange.

F

FMM
Fundo da Marinha Mercante (Merchant Marine Fund).

I

IFRS
International Financial Reporting Standards.

ILOS
Logistics and Supply Chain Institute.

O

Organised Ports
Ports built and equipped to serve the needs of navigation, passenger transport, merchandise storage and transport, which are granted by the Union, with route and port operations under the jurisdiction of a port authority. The port authority, which can be the Union or the entity that granted the Organised Port, is responsible for the administration of the Organised Port.

OSV
Offshore Support Vessel; vessels that support offshore platforms involved in oil and gas exploration and production.

P

PPRA
Programa de Prevenção de Riscos Ambientais (Environmental Risks Prevention Program).

PSV
Platform Supply Vessel
Vessel that support oil and gas exploration and production platforms.

R

Regulation S
Regulation S of the Securities Act.

ROVSV
Remotely Operated Vehicle Support Vessel; vessel that support oil and gas exploration and production platforms.

RTG or RTGs
Rubber-Tired Gantry cranes; yard equipment in container terminal.

Rule 144A
Rule 144A of the Securities Act.

S

SEC U.S.
Securities and Exchange Commission.

Securities Act
U.S. Securities Act of 1933, as amended.

SELIC
Sistema Especial de Liquidação e Custódia (Special system for settlement and custody).

SINDAMAR
Sindicato das Agências de Navegação Marítima do Estado de São Paulo (Shipping Agencies Labor Union of the state of São Paulo).

STS
Ship-to-shore Gantry Cranes – harbour equipment in a container terminal.

SYNDARMA
Sindicato Nacional das Empresas de Navegação Marítima (National Union of Naval Companies)

T

TEU
Twenty Foot Equivalent Unit, international measurement system to measure containers, equivalent to 20 feet.

U

US GAAP
Accounting Practices generally accepted in the USA.

Corporate Information

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Independent Auditors
KPMG Independent Auditors

Securities and Assets Business Markets
São Paulo Stock Exchange (Bovespa)
Share Code: WSON11 (BDRs)

Luxembourg Stock Exchange (Bourse de Luxembourg)
Share Code: BMG968101094

Credits

Wilson Sons project coordinators
Investors Relations
Communication and Sustainability

Text
Wilson Sons

Coordination
MVL Comunicação

Graphic Project
MZ Group

Photographs
Wilson Sons archives

Platform Supply Vessels (PSVs) Batuíra


BATUÍRA
6M4
2
6M
8
6
4

Wilson, Sons

Wilson, Sons

As part of our continuing efforts to reduce the environmental impact of our Company, this printed Overview contains only the main highlights of our business. The full report is available at: www.wilsonsons.com.br/ir

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