

2Q 2014 Report

14 August 2014

## Wilson Sons announces 2Q Net Income of US\$14.7M

- Solid performance in Towage and Offshore Vessels;
- Growth in Rio Grande Container transshipment volumes; and
- Announcement of two Platform Supply Vessel contracts in the quarter.

### Cezar Baião, CEO of Operations in Brazil

"We delivered a quarter with strong volume growth for Container Terminals, Towage and Offshore Vessels. This performance, however, was not enough to translate into EBITDA growth with a difficult operating quarter for the Shipyards and Logistics segments.

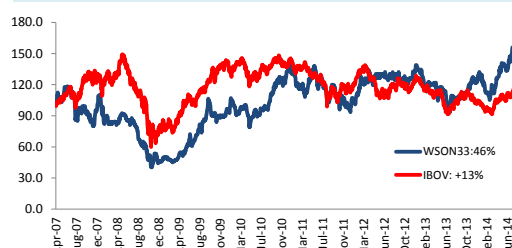
Nonetheless, we can draw confidence from the long term prospects of our business strategy that has enabled robust growth of Net Profit and the signature of a further two Platform Supply Vessel (PSV) contracts with Petrobras in the quarter. These vessels will be built in the Wilson Sons Guarujá Shipyard and chartered and operated by our Wilson Sons Ultratug Offshore Joint Venture.

I once again thank our stakeholders, whether they be clients, shareholders, suppliers, employees or any of a number of indirect beneficiaries of the important services we provide to Brazil's trade flow and the oil and gas industry. Your commitment, support and trust is essential to the sustainable growth of our business."

### Company Data

Ticker (BM&FBovespa)	WSN33
Sector	Logistics / Infrastructure
Price (13/08/2014)	R\$ 34.21
52-week BDR price range	R\$ 24.50 - R\$ 37.49
Shares Outstanding	71,144,000
Free Float	29,700,000
3 months Avg. Daily volume (R\$ '000)	1,460.5
Total Market Cap (R\$ M)	2,433.8

### Stock Performance since IPO



### Wilson Sons Conference Call Details August 20, 2014, Wednesday

#### English

Time: 11 am (NY) / 4 pm (London) / 12 pm (Brasilia)  
Webcast: <http://webcall.riweb.com.br/wilsonsons/english>  
Dial-in access: +1 646 843 6054 (NY) / 44 203 051 6929 (London)

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### Financial Highlights

(US\$ million)	2Q14	2Q13	Chg. (%)	1H14	1H13	Chg. (%)
<b>Net Revenues</b>	<b>152.2</b>	<b>158.1</b>	<b>-3.7</b>	<b>299.9</b>	<b>306.4</b>	<b>-2.1</b>
Port Terminals & Logistics	77.0	82.9	-7.1	152.8	161.9	-5.6
Towage & Ship Agency	58.1	53.0	9.7	110.5	102.1	8.2
Shipyards	17.0	22.2	-23.3	36.6	42.4	-13.7
<b>EBITDA</b>	<b>28.1</b>	<b>44.7</b>	<b>-37.1</b>	<b>68.3</b>	<b>80.7</b>	<b>-15.4</b>
Port Terminals & Logistics	18.6	21.7	-14.4	41.9	44.5	-6.0
Towage & Ship Agency	17.4	15.0	16.3	37.5	30.3	23.9
Shipyards	1.7	7.1	-75.9	3.7	12.3	-69.7
Corporate	(9.6)	1.0	n.a.	(14.8)	(6.4)	-131.0
<b>EBIT</b>	<b>12.2</b>	<b>30.7</b>	<b>-60.2</b>	<b>36.6</b>	<b>52.9</b>	<b>-30.7</b>
<b>Share of Result of Joint Ventures<sup>1</sup></b>	<b>2.4</b>	<b>(1.2)</b>	<b>n.a.</b>	<b>1.6</b>	<b>(0.0)</b>	<b>n.a.</b>
<b>Net Income</b>	<b>14.7</b>	<b>(7.0)</b>	<b>n.a.</b>	<b>39.0</b>	<b>12.5</b>	<b>211.0</b>
<b>CAPEX</b>	<b>31.3</b>	<b>19.5</b>	<b>60.2</b>	<b>58.7</b>	<b>41.1</b>	<b>43.0</b>
<b>Avg. US\$/R\$ rate</b>	<b>2.23</b>	<b>2.07</b>	<b>7.8</b>	<b>2.30</b>	<b>2.03</b>	<b>13.0</b>
<b>Opening US\$/R\$ rate</b>	<b>2.26</b>	<b>2.01</b>	<b>12.2</b>	<b>2.34</b>	<b>2.04</b>	<b>14.7</b>
<b>Closing US\$/R\$ rate</b>	<b>2.20</b>	<b>2.22</b>	<b>-0.6</b>	<b>2.20</b>	<b>2.22</b>	<b>9.6</b>

Positive percentage demonstrates a positive result

<sup>1</sup> Corresponding to Wilson Sons 50% participation in Wilson Sons Ultratug Offshore ("WSUT") and Atlantic Offshore

### Operational Highlights

	2Q14	2Q13	Chg. (%)	1H14	1H13	Chg. (%)
Container Terminals ('000 TEU)	245.8	229.3	7.2	489.3	425.0	15.1
Tecon Rio Grande ('000 TEU)	181.9	159.5	14.0	355.3	293.6	21.0
Tecon Salvador ('000 TEU)	63.9	69.7	-8.4	134.1	131.5	2.0
Towage (# of Manoeuvres)	14,015	13,193	6.2	27,697	25,707	7.7
Towage (% of Special Op. in Revs)	11.2	17.2	-6.0 p.p.	12.1	12.6	-0.6 p.p.
Logistics (# of Operations)	10	13	-23.1	10	13	-23.1
Offshore Vessels (Days of Op.) - own OSV	1,700	1,273	33.6	3,191	2,408	32.5

\* Total number for WSUT, a joint-venture of which Wilson, Sons owns 50%

### Margins & Leverage

	2Q14	2Q13	Chg. (%)	1H14	1H13	Chg. (%)
EBITDA Margin (%)	18.5	28.3	-9.8 p.p.	22.8	26.3	-3.6 p.p.
Net Margin (%)	9.7	n.a.	n.a.	13.0	4.1	8.9 p.p.
Net Debt / Trailing 12 Month EBITDA	1.7 x	1.3 x	0.4 x	1.7 x	1.3 x	0.4 x
Company's Long-Term Debt (%)	86.2	89.2	-3.0 p.p.	86.2	89.2	-3.0 p.p.
Total Debt from FMM (%)	64.5	62.1	2.4 p.p.	64.5	62.1	2.4 p.p.
Total Debt in US\$ (%)	89.2	90.1	-0.9 p.p.	89.2	90.1	-0.9 p.p.



**Net Revenues**

(US\$ millions)	2Q14	2Q13	Chg. (%)
Port Terminals & Logistics	77.0	82.9	-7.1
Towage & Ship Agency	58.1	53.0	9.7
Shipyard	17.0	22.2	-23.3
<b>Total</b>	<b>152.2</b>	<b>158.1</b>	<b>-3.7</b>

**Net Revenues**

• Although towage revenues are higher off the back of ships with heavier deadweight and increased harbour manoeuvres the following negative impacts mean total 2Q Net Revenues are down against the comparative:

- Lower Shipyard revenues with production impacted due to the suspension of one client PSV which has yet to close bank finance;
- Lower Logistics revenues with fewer dedicated operations; and
- The depreciation of the Brazilian Real, impacting Real denominated revenues.

**Consolidated Income Statement**

(US\$ millions)	2Q14	2Q13	Chg. (%)
Net Revenues	152.2	158.1	-3.7
Raw Materials	(17.8)	(18.8)	5.1
Operating Materials	(12.3)	(13.2)	7.0
Petrol & Oil	(5.5)	(5.5)	0.7
Personnel Expenses	(58.9)	(54.6)	-7.9
Salaries and Benefits	(50.4)	(48.5)	-3.9
Social Securities and Charges	(7.3)	(8.9)	18.4
Pension Costs	(0.3)	(0.4)	24.8
Long Term Incentive Plan ("LTIP")	(0.9)	3.2	n.a.
Other Operating Expenses	(47.4)	(48.9)	3.0
Services <sup>1</sup>	(19.2)	(18.7)	-2.8
Freights and Rentals	(7.9)	(8.4)	5.5
Rent of Tugs	(6.7)	(7.8)	13.4
Energy, water and communication	(5.5)	(6.6)	16.7
Container handling	(3.4)	(4.0)	15.3
Insurance	(1.1)	(1.5)	25.4
Others <sup>2</sup>	(3.6)	(2.0)	-80.3
Profit on disposal of PP&E <sup>3</sup>	0.0	8.8	-99.9
EBITDA	28.1	44.7	-37.1
Depreciation & Amortisation	(15.9)	(14.0)	-13.3
EBIT	12.2	30.7	-60.2
Interest on investments	1.6	2.2	-25.3
Interest on bank loans and leasing	(3.3)	(3.2)	-5.1
FX on investments and loans	1.7	(5.5)	n.a.
Other financial results	0.9	1.2	-26.9
Exchange Gain (Loss) <sup>4</sup>	3.8	(17.0)	n.a.
Gross Income	17.0	8.4	102.6
Current Taxes	(5.7)	(8.5)	33.2
Deferred Taxes	1.0	(5.6)	n.a.
Share of Result of Joint Ventures <sup>5</sup>	2.4	(1.2)	n.a.
<b>Net Income</b>	<b>14.7</b>	<b>(7.0)</b>	<b>n.a.</b>

<sup>1</sup> Temporary workers, Outsourced Services , etc.

<sup>2</sup> Travel, Sales Commission, Audit Fees, etc.

<sup>3</sup> Property, Plant & Equipment

<sup>4</sup> Exchange Gain (Loss) on Translation of Monetary Items

<sup>5</sup> Corresponding to Wilson Sons 50% participation in Wilson Sons Ultratug Offshore and Atlantic Offshore

**Costs and Expenses**

- Raw Materials decreased mainly as a result of Shipyard operating activities.
- Personnel Expenses in the 2013 comparative included a reversion of US\$3.2M for the cash settled stock option plan which was subsequently discontinued in 2014. Salaries and Benefits were negatively impacted by performance bonuses which were US\$ 1.5M higher against the comparative.
- The 2Q14 Others line item includes two separate Shipyard non-recurring costs totalling US\$1M in respect of financing break fees and taxes not recovered from insurance processes.
- Profit on disposal of PP&E in the 2Q13 comparative included a non-recurring sale of property which positively impacted the comparative by US\$8.8M.
- Quarterly Costs and Expenses benefited from the Brazilian Real currency devaluation. The Company seeks a natural operating cash flow hedge by balancing total values of R\$ denominated revenues and costs. Roughly 90% of the Company's operating cash costs are denominated in R\$, and approximately 62% of revenues are R\$ denominated.

**Net Income**

- Net Income increased in the quarter with joint venture results improving to US\$2.4M profit from US\$1.2M loss in 2Q13. Details of the joint venture results are elaborated on page 5 of this report.
- The 2Q13 comparative was negatively impacted by three significant foreign exchange effects:
  - The first is the 2Q13 Exchange Loss of US\$17.0M as a result of Balance Sheet translations of R\$ denominated Net Monetary Assets, disclosed in the Exchange Gain (Loss) line.
  - The second is the negative 2Q13 Deferred Tax impact of US\$5.6M.
  - The third is the negative 2Q13 foreign exchange impact on investments and loans of US\$5.5M.

**CAPEX**

(US\$ millions)	2Q14	2Q13	Chg. (%)
Port Terminals & Logistics	15.5	14.4	7.3
Towage & Ship Agency	15.4	2.2	612.3
Shipyards	0.1	1.7	-93.0
Corporate	0.3	1.2	-79.0
<b>Total (IFRS)</b>	<b>31.3</b>	<b>19.5</b>	<b>60.2</b>
CAPEX - Offshore Vessels (JV)	2.1	13.4	-84.2
<b>Total (WS + Offshore Vessels - JV)</b>	<b>33.4</b>	<b>32.9</b>	<b>1.4</b>

**CAPEX**

- Capex for the period includes:
  - The Shipyard accelerated in-house construction for tugboats delivering US\$15.4M of vessel construction in the quarter taking advantage of available capacity;
  - The Company's expansion of Brasco Caju (Briclog) Oil & Gas Terminal and the remaining civil works of Tecon Salvador.
- The Company maintains Capex expectation of about US\$113M in 2014, excluding the Offshore Vessels business. The most significant capital expenditure items are as follows:
  - Construction of five tugboats for fleet renewal and capacity increase;
  - Brasco Caju Oil & Gas Support Terminal expansion; and
  - Maintenance and improvements in Container Terminals.

Net Debt	30/06/14	31/03/14	Chg. (%)
(US\$ millions)			
Total Debt	393.0	380.7	3.2
Short Term	54.2	40.3	34.5
Long Term	338.8	340.4	-0.5
(-) Cash & Cash Equivalents	(95.2)	(138.8)	-31.4
<b>(=) Net Debt (Cash)<sup>1</sup></b>	<b>297.9</b>	<b>241.9</b>	<b>23.1</b>

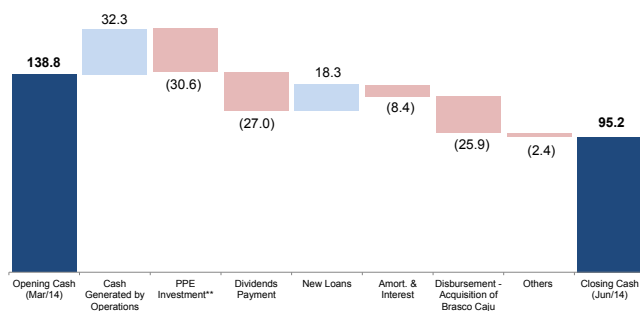
<sup>1</sup> Cash and Cash Equivalents includes amounts placed on short-term investments.

**Debt and Cash Profiles**

- The reported consolidated figures do not include US\$249.6M of debt from the Company's 50% share in the Offshore Vessels joint venture. 97% of the JV's debt is funded by the *Fundo da Marinha Mercante* ("FMM") through BNDES and Banco do Brasil, as agents.
- Net debt totalled US\$297.9M, with debt service ratios benefitting from low average interest costs and long amortisation periods. The trailing twelve month Net Debt to EBITDA was 1.7x. If the Offshore Vessels Income Statement and debt were proportionally consolidated, the trailing twelve month Net Debt to EBITDA would have been 2.7x.
- Cash, cash-equivalents and short-term investments decreased from the previous quarter to US\$95.2M, primarily due to US\$27M in dividend payments by the Company in the quarter and a disbursement of US\$25.9M in relation to the final payment of the acquisition of Brasco Caju.
- At quarter-end, the Company's weighted average cost of debt was 2.9% per year and 86.2% of debt was long-term. The weighted average tenor of the company debt amounts to 11 years.

**Consolidated Cash Flows\***

(US\$ millions)



\* Please see Consolidated Cash Flows and note 27 of Financial Statements for more details

\*\* Property, Plant & Equipment Cash Investment

**Corporate**

(US\$ millions)	2Q14	2Q13	Chg. (%)
Personnel Expenses	(8.3)	(5.4)	-53.6
Other Operating Expenses	(1.2)	(2.5)	50.6
Profit on disposal of PP&E <sup>1</sup>	(0.0)	8.9	n.a.
<b>EBITDA</b>	<b>(9.6)</b>	<b>1.0</b>	<b>n.a.</b>

<sup>1</sup> Property, Plant, and Equipment

**Corporate Costs**

- Corporate Costs in the 2Q13 comparative included a non-recurring sale of property which positively impacted the comparative by US\$8.9M.
- Personnel Expenses in the comparative quarter include a reversion of the cash settled stock option plan amounting to US\$1.4M.

**Container Terminals**

	2Q14	2Q13	Chg. (%)
Net Revenues (US\$ million)	47.6	48.0	-0.8
EBITDA (US\$ million)	16.2	16.9	-3.8
EBITDA Margin (%)	34.1	35.2	-1.1 p.p.
EBIT (US\$ million)	8.2	9.9	-17.4
EBIT Margin (%)	17.2	20.6	-3.5 p.p.

**Container Terminals Revenues Breakdown**

	2Q14	2Q13	Chg. (%)
Net Revenues Breakdown (US\$ Mn)			
Containers Handling	29.1	30.4	-4.2
Warehousing	11.0	11.1	-0.8
Other Services <sup>1</sup>	7.5	6.5	14.9
<b>Total</b>	<b>47.6</b>	<b>48.0</b>	<b>-0.8</b>

<sup>1</sup> Depot, energy supply, container monitoring, and other auxiliary services

**Volume indicators**

	2Q14	2Q13	Chg. (%)
TEU '000			
<b>Tecon Rio Grande</b>			
Full	117.2	101.2	15.8
Export	44.9	53.6	-16.4
Import	22.5	23.1	-2.2
Cabotage	9.9	10.0	-0.9
Others <sup>1</sup>	39.8	14.5	175.0
Empty	64.8	58.3	11.1
<b>Total</b>	<b>181.9</b>	<b>159.5</b>	<b>14.0</b>
<b>Tecon Salvador</b>			
Full	47.5	49.1	-3.3
Export	19.9	18.3	9.1
Import	13.4	15.1	-11.1
Cabotage	11.2	12.2	-8.3
Others <sup>1</sup>	3.0	3.6	-16.7
Empty	16.4	20.6	-20.4
<b>Total</b>	<b>63.9</b>	<b>69.7</b>	<b>-8.4</b>
<b>Grand Total</b>	<b>245.8</b>	<b>229.3</b>	<b>7.2</b>

<sup>1</sup> Shifting and Transhipment

**O&G Support Base ("Brasco")**

	2Q14	2Q13	Chg. (%)
Net Revenues (US\$ million)	10.4	11.1	-6.2
EBITDA (US\$ million)	2.6	2.9	-13.4
EBITDA Margin (%)	24.6	26.6	-2.0 p.p.
EBIT (US\$ million)	1.7	2.6	-35.0
EBIT Margin (%)	16.6	23.9	-7.3 p.p.

**Volume Indicators**

	2Q14	2Q13	Chg. (%)
Vessel Turnarounds Total (#) <sup>1</sup>	362	204	77.5

<sup>1</sup> Includes all base operations

**Logistics**

	2Q14	2Q13	Chg. (%)
Net Revenues (US\$ million)	19.0	23.8	-20.1
EBITDA (US\$ million)	-0.2	1.8	n.a.
EBITDA Margin (%)	n.a.	7.7	n.a.
EBIT (US\$ million)	-1.6	0.1	n.a.
EBIT Margin (%)	n.a.	0.2	n.a.

**Volume Indicators**

	2Q14	2Q13	Chg. (%)
# of Operations	10	13	-23.1

**Business Highlights - Port & Logistics Services****Container Terminals**

- Container Terminal revenues were negatively impacted by the devaluation of the Brazilian currency, since most of this business revenues are in R\$.
- EBITDA Margin was lower against the comparative due to a higher percentage of transshipment volumes means revenues did not accompany total volume increase.
- Rio Grande Container Terminal operating volumes were highlighted by:
  - Argentinian transshipment volume with solid Patagonian fruit and fish volumes although the apple and kiwi volume has seasonal concentration in the first half; and
  - Exports declining due to a weak performance of shipments like tobacco, chicken, pork and synthetic resins.
- Salvador highlights include:
  - A reduction of import activities, as the comparative period was substantially benefited by a high volume of imported machinery and equipment, stimulated by the installation of some industries in Bahia; and
  - Exports driven by increased movements of wood pulp, chemicals (mainly polyethylene), tires and copper.

**Oil & Gas Support Base ("Brasco")**

- Although the number of vessel turnarounds substantially increased from previous quarter, 2Q14 Revenues were down mainly as a result of a reduction in spot activities and the end of a client's operation in Salvador.
- The Brasco Caju Oil & Gas Support Terminal's civil works continue to progress well and are expected to be concluded in 2015.

**Logistics (Considering 100% share of Allink NVOCC)**

- The Logistics business continues to shift its strategy, now focusing on integrated logistics solutions such as bonded-warehouses and logistics centres. In 2Q14 dedicated operations amounted to 38% of logistics revenues while in 2Q13 the participation of dedicated operations was 55%.
- 2Q14 EBITDA Margin compressed due to the end of two dedicated operations, which produced US\$1.9M reduction in EBITDA and costs and delays in the implementation of the Suape logistics complex.
- Another challenge is the increased competition that the Santo André bonded warehouse faces from additional airport and port terminal bonded capacity in the São Paulo area, increasing the importance of current commercial efforts.



**Towage & Ship Agency**

	2Q14	2Q13	Chg. (%)
Net Revenues (US\$ million)	58.1	53.0	9.7
Harbour Manoeuvres	47.5	38.8	22.3
Special Operations	6.0	8.1	-25.6
Ship Agency	4.6	6.1	-24.3
EBITDA (US\$ million)	17.4	15.0	16.3
Towage	17.9	14.2	25.8
Ship Agency	-0.5	0.7	n.a.
EBITDA Margin (%)	29.9	28.2	1.7 p.p.
EBIT (US\$ million)	13.0	11.4	13.8
EBIT Margin (%)	22.3	21.5	0.8 p.p.

**Volume Indicators**

	2Q14	2Q13	Chg. (%)
Harbour Manoeuvres	14,015	13,193	6.2
Avg. Deadweights Attended ('000 tons) <sup>1</sup>	62.6	56.7	10.5

<sup>1</sup> Does not include São Luis and Barra dos Coqueiros calls

**Offshore Vessels <sup>1</sup>**

US\$ Million	2Q14	2Q13	Chg. (%)
Net Revenues	19.8	12.9	53.8
EBITDA	10.3	5.1	101.4
Depreciation & Amortisation	(4.3)	(3.1)	-40.8
EBIT	6.0	2.0	193.2
Financial Revenues	0.0	0.3	-91.0
Financial Expenses	(2.3)	(1.8)	-29.6
Exchange Gain/Loss on Translation <sup>2</sup>	0.7	(2.1)	n.a.
Gross Profit	4.4	(1.5)	n.a.
Current Taxes	(0.1)	(0.1)	-68.7
Deferred Taxes	(1.8)	0.3	n.a.
Net Income (WSL % Share of JV)	2.4	(1.2)	n.a.
EBITDA Margin (%)	52.2	39.9	12.4 p.p.
EBIT Margin (%)	30.2	15.9	14.4 p.p.
Net Margin (%)	12.3	n.a.	n.a.

**CAPEX and Debt**

US\$ Million	2Q14	2Q13	Chg. (%)
CAPEX	2.1	13.4	-84.2
Total Debt	249.6	238.4	4.7
Cash & Cash Equivalents	7.9	6.3	24.7

**Volume Indicators <sup>3</sup>**

	2Q14	2Q13	Chg. (%)
# OSVs (end of period)	22	18	22.2
# Own OSVs	19	15	26.7
# of Third Party OSVs	3	3	0.0
# Days in Operation / Contract Days	1,973	1,546	27.6
Own OSVs	1,700	1,273	33.6
Third Party OSVs	273	273	0.0
Avg. Daily Rate (US\$)	23,248	20,195	15.1

<sup>1</sup> Figures here presented are considered in a single line item in IS and BS

<sup>2</sup> Translation of Monetary Items

<sup>3</sup> Considering total number of WSUT, of which Wilson Sons owns 50%

**Shipyards**

	2Q14	2Q13	Chg. (%)
Net Revenues (US\$ million)	17.0	22.2	-23.3
EBITDA (US\$ million)	1.7	7.1	-75.9
EBITDA Margin (%)	10.1	32.1	-22.0 p.p.
EBIT (US\$ million)	1.6	6.6	-76.3
EBIT Margin (%)	9.2	29.7	-20.6 p.p.

**Business Highlights - Maritime Services****Towage & Ship Agency**

- Revenues increased by 9.7% helped by better volumes in harbour manoeuvres and greater deadweight of vessels served.
- EBITDA increased by 16.3% as a result of aforementioned effects together with the depreciation of the R\$ against the US\$. Most of the Towage revenues are denominated in US\$, while costs are mainly denominated in R\$.
- The business had lower special operations revenues in 2Q14 against the comparative, particularly for the oil & gas industry.
- Tugboat WS Antares entered into operations in the quarter and WS Bellatrix in July 2014. A further nine tugboats are on order for construction in the Guarujá Shipyard.
- The decrease in Ship Agency activities is a result of the loss of a significant client.

**Offshore Vessels (Considering 50% share of Joint Venture)**

- The results presented correspond to Wilson Sons 50% participation in Wilson Sons Ultratug Offshore ("WSUT") and Atlantic Offshore Services.
- Consistent growth of 53.8% in revenues reflects a larger operating fleet with own vessel operational days up 33.6% and newer vessels with higher daily rates.
- Zarapito was delivered to Petrobras in the beginning of April 2014 and the Joint Venture has contracts for the construction of a further five PSV's: three of them in an international third party shipyard, and two in Wilson Sons Guarujá Shipyards.

**Shipyards**

- The financial statements presented correspond to shipbuilding activities for third-parties. Construction of own vessels is intercompany and, as such, can be observed as assets at cost in the consolidated balance sheet. In house construction for tugboats amounted to US\$15.4M in the quarter.
- EBITDA for the quarter is lower than 2Q13 due to the suspension of one client PSV which has yet to close bank finance. Also contributing to reduced results were delays in vessel delivery, a result of the warehouse fire last year. The 2Q14 EBITDA includes two separate non-recurring costs totalling US\$1M in respect of financing break fees for non utilisation and taxes not recovered from insurance processes.
- The Shipyard order book currently includes: the completion of one ROVSV for Fugro expected by October 2014, two OSRV's for Oceanpact, two PSV's for WSUT, and nine tugboats for our towage business. Moreover the shipyard has an additional two OSRV's under option for construction.



## Financial Highlights

(US\$ millions)	2Q14	2Q13	Chg. (%)	1Q14	Chg. (%)	1H14	1H13	Chg. (%)
<b>Net Revenues</b>	<b>152.2</b>	<b>158.1</b>	-3.7	<b>147.7</b>	3.0	<b>299.9</b>	<b>306.4</b>	-2.1
Port Terminals & Logistics	77.0	82.9	-7.1	75.8	1.7	152.8	161.9	-5.6
Container Terminals	47.6	48.0	-0.8	44.8	6.3	92.4	93.2	-0.8
Brasco	10.4	11.1	-6.2	10.5	-1.3	20.9	19.1	9.6
Logistics	19.0	23.8	-20.1	20.5	-6.9	39.5	49.7	-20.5
Towage & Ship Agency	58.1	53.0	9.7	52.3	11.0	110.5	102.1	8.2
Towage	53.5	46.9	14.0	48.1	11.3	101.6	90.3	12.6
Ship Agency	4.6	6.1	-24.3	4.2	8.4	8.8	11.8	-25.3
Shipyard	17.0	22.2	-23.3	19.6	-13.3	36.6	42.4	-13.7
<b>EBITDA</b>	<b>28.1</b>	<b>44.7</b>	-37.1	<b>40.2</b>	-30.1	<b>68.3</b>	<b>80.7</b>	-15.4
Port Terminals & Logistics	18.6	21.7	-14.4	23.3	-20.4	41.9	44.5	-6.0
Container Terminals	16.2	16.9	-3.8	17.7	-8.1	33.9	32.7	3.6
Brasco	2.6	2.9	-13.4	3.3	-23.4	5.9	4.6	29.2
Logistics	(0.2)	1.8	n.a.	2.3	n.a.	2.1	7.2	-71.3
Towage & Ship Agency	17.4	15.0	16.3	20.1	-13.5	37.5	30.3	23.9
Towage	17.9	14.2	25.8	19.4	-7.8	37.4	28.6	30.6
Ship Agency	(0.5)	0.7	n.a.	0.7	n.a.	0.2	1.7	-90.2
Shipyard	1.7	7.1	-75.9	2.0	-14.5	3.7	12.3	-69.7
Corporate	(9.6)	1.0	n.a.	(5.3)	-82.3	(14.8)	(6.4)	-131.0
<b>EBIT</b>	<b>12.2</b>	<b>30.7</b>	-60.2	<b>24.4</b>	-50.0	<b>36.6</b>	<b>52.9</b>	-30.7
Port Terminals & Logistics	8.3	12.6	-34.5	13.1	-36.7	21.3	26.5	-19.6
Container Terminals	8.2	9.9	-17.4	9.8	-16.4	18.0	19.0	-5.2
Brasco	1.7	2.6	-35.0	2.5	-31.4	4.2	3.9	6.9
Logistics	(1.6)	0.1	n.a.	0.8	n.a.	(0.9)	3.6	n.a.
Towage & Ship Agency	13.0	11.4	13.8	15.8	-18.0	28.8	22.9	25.9
Towage	13.7	10.9	26.0	15.3	-10.7	29.0	21.6	34.6
Ship Agency	(0.7)	0.5	n.a.	0.5	n.a.	(0.2)	1.3	n.a.
Shipyard	1.6	6.6	-76.3	1.9	-17.1	3.5	11.7	-70.5
Corporate	(10.6)	0.0	n.a.	(6.4)	-66.9	(17.0)	(8.2)	-106.4
<b>Share of Result of Joint Ventures <sup>1</sup></b>	<b>2.4</b>	<b>(1.2)</b>	n.a.	<b>(0.8)</b>	n.a.	<b>1.6</b>	<b>(0.0)</b>	n.a.
<b>Net Income</b>	<b>14.7</b>	<b>(7.0)</b>	n.a.	<b>24.3</b>	-39.4	<b>39.0</b>	<b>12.5</b>	211.0
<b>CAPEX</b>	<b>31.3</b>	<b>19.5</b>	60.2	<b>27.5</b>	13.8	<b>58.7</b>	<b>41.1</b>	43.0
Port Terminals & Logistics	15.5	14.4	7.3	12.3	25.8	27.8	26.0	6.7
Container Terminals	14.1	13.2	7.2	12.1	16.7	26.3	24.4	7.5
Brasco	0.0	0.0	n.a.	0.0	n.a.	0.0	0.0	n.a.
Logistics	1.3	1.2	9.3	0.2	628.8	1.5	1.6	-5.7
Towage & Ship Agency	15.4	2.2	612.3	14.0	9.9	29.4	6.5	349.4
Towage	15.4	2.1	615.2	14.0	9.8	29.3	6.5	349.6
Ship Agency	0.0	0.0	181.9	0.0	111.4	0.1	0.0	275.9
Shipyard	0.1	1.7	-93.0	1.1	-88.9	1.2	5.1	-77.3
Corporate	0.3	1.2	-79.0	0.1	169.0	0.4	3.3	-89.2

<sup>1</sup> Corresponding to Wilson Sons 50% participation in Wilson Sons Ultratug Offshore and Atlantic Offshore



## Operational Highlights

Container Terminals	2Q14	2Q13	Chg. (%)	1Q14	Chg. (%)	1H14	1H13	Chg. (%)
Tecon Rio Grande (TEU '000)								
Full	117.2	101.2	15.8	108.5	8.0	225.6	189.7	19.0
Export	44.9	53.6	-16.4	43.5	3.2	88.3	98.1	-10.0
Import	22.5	23.1	-2.2	22.6	-0.3	45.2	44.1	2.5
Cabotage	9.9	10.0	-0.9	8.4	18.4	18.3	17.8	2.9
Others*	39.8	14.5	175.0	34.0	17.1	73.8	29.7	148.8
Empty	64.8	58.3	11.1	64.9	-0.2	129.7	103.9	24.8
Total	181.9	159.5	14.0	173.4	4.9	355.3	293.6	21.0
Tecon Salvador (TEU '000)								
Full	47.5	49.1	-3.3	47.6	-0.4	95.1	94.6	0.5
Export	19.9	18.3	9.1	21.9	-9.0	41.8	37.5	11.4
Import	13.4	15.1	-11.1	13.0	3.1	26.4	27.9	-5.4
Cabotage	11.2	12.2	-8.3	10.2	9.5	21.4	22.4	-4.4
Others*	3.0	3.6	-16.7	2.6	15.9	5.5	6.8	-19.5
Empty	16.4	20.6	-20.4	22.5	-27.1	39.0	36.8	5.8
Total	63.9	69.7	-8.4	70.2	-9.0	134.1	131.5	2.0
Grand Total	245.8	229.3	7.2	243.5	0.9	489.3	425.0	15.1
* Shifting and Transhipment								
<b>Brasco</b>	<b>2Q14</b>	<b>2Q13</b>	<b>Chg. (%)</b>	<b>1Q14</b>	<b>Chg. (%)</b>	<b>1H14</b>	<b>1H13</b>	<b>Chg. (%)</b>
Vessel Turnarounds Total (#) *	362	204	77.5	392	-7.7	754	508	48.4
* Includes all base operations								
<b>Logistics</b>	<b>2Q14</b>	<b>2Q13</b>	<b>Chg. (%)</b>	<b>1Q14</b>	<b>Chg. (%)</b>	<b>1H14</b>	<b>1H13</b>	<b>Chg. (%)</b>
# of Operations	10	13	-23.1	12	-16.7	10	13	-23.1
<b>Towage</b>	<b>2Q14</b>	<b>2Q13</b>	<b>Chg. (%)</b>	<b>1Q14</b>	<b>Chg. (%)</b>	<b>1H14</b>	<b>1H13</b>	<b>Chg. (%)</b>
# of Harbour Manoeuvres	14,015	13,193	6.2	13,683	2.4	27,697	25,707	7.7
Avg. Deadweights ('000 tons) *	62.6	56.7	10.5	61.6	1.7	62.1	56.6	9.6
* Does not include São Luis and Barra dos Coqueiros calls								
<b>Offshore Vessels</b>	<b>2Q14</b>	<b>2Q13</b>	<b>Chg. (%)</b>	<b>1Q14</b>	<b>Chg. (%)</b>	<b>1H14</b>	<b>1H13</b>	<b>Chg. (%)</b>
# OSVs (end of period) *	22	18	22.2	21	4.8	22	18	22.2
# own OSVs (end of period)	19	15	26.7	18	5.6	19	15	26.7
# of third party OSVs (end of period)	3	3	0.0	3	0.0	3	3	0.0
# Days in Operation/Contract Days *	1,973	1,546	27.6	1,761	12.0	3,734	2,951	26.5
# own OSVs	1,700	1,273	33.6	1,491	14.0	3,191	2,408	32.5
# of third party OSVs	273	273	0.0	270	1.1	543	543	0.0

\* Considering total number of WSUT, of which Wilson Sons owns 50%

**WILSON SONS LIMITED****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED JUNE 30, 2014 AND 2013**

(Amounts expressed in thousands, unless otherwise noted) - Unaudited

	<b>Three-month period ended</b>		<b>Six-month period ended</b>		<b>Three-month period ended</b>		<b>Six-month period ended</b>	
	<b>30 June 2014 US\$</b>	<b>30 June 2013 US\$</b>	<b>30 June 2014 US\$</b>	<b>30 June 2013 US\$</b>	<b>30 June 2014 R\$</b>	<b>30 June 2013 R\$</b>	<b>30 June 2014 R\$</b>	<b>30 June 2013 R\$</b>
Revenue	152,179	158,105	299,907	306,419	338,185	331,392	684,489	630,234
Raw materials and consumables used	(17,789)	(18,753)	(39,824)	(37,744)	(41,222)	(35,895)	(92,712)	(74,212)
Employee benefits expense	(58,861)	(54,564)	(101,287)	(104,840)	(131,075)	(112,897)	(231,369)	(213,389)
Depreciation and amortisation expenses	(15,898)	(14,033)	(31,675)	(27,813)	(31,352)	(26,319)	(62,115)	(52,534)
Other operating expenses	(47,439)	(48,884)	(90,267)	(92,977)	(104,706)	(103,153)	(204,598)	(190,559)
Profit (loss) on disposal of property, plant and equipment	6	8,790	(242)	9,812	209	20,440	(45)	22,631
Results from operating activities	12,198	30,661	36,612	52,857	30,039	73,568	93,650	122,171
Share of result of joint ventures	2,428	(1,246)	1,612	(45)	6,600	(1,249)	6,464	1,729
Finance income	2,249	3,132	3,960	5,074	5,430	6,558	10,793	11,273
Finance costs	(1,295)	(8,390)	(1,695)	(11,315)	(2,893)	(21,021)	(4,265)	(24,252)
Exchange gain (loss) on translation	3,803	(17,037)	9,931	(12,761)	6,819	(48,846)	21,501	(37,128)
Profit before tax	19,383	7,120	50,420	33,810	45,995	9,010	128,143	73,793
Income tax expense	(4,659)	(14,116)	(11,410)	(21,266)	(10,314)	(30,162)	(26,408)	(44,490)
Profit for the period	14,724	(6,996)	39,010	12,544	35,681	(21,152)	101,735	29,303
Profit for the period attributable to:								
Owners of the Company	13,881	(7,326)	37,512	11,430	33,694	(21,610)	98,127	27,053
Non controlling interests	843	330	1,498	1,114	1,987	458	3,608	2,250
	14,724	(6,996)	39,010	12,544	35,681	(21,152)	101,735	29,303
Other comprehensive income								
Items that are or may be reclassified to profit or loss								
Exchange differences on translating	2,544	(5,767)	5,681	(3,380)	(30,175)	94,637	(75,259)	73,496
Effective portion of changes in fair value of cash flow hedges	(539)	-	(484)	-	(1,211)	-	(1,149)	-
Total comprehensive income for the period	16,729	(12,763)	44,207	9,164	4,295	73,485	25,327	102,799
Total comprehensive income for the period attributable to:								
Owners of the Company	15,744	(12,543)	42,371	8,438	2,399	73,027	21,806	100,549
Non controlling interests	985	(220)	1,836	726	1,896	458	3,521	2,250
	16,729	(12,763)	44,207	9,164	4,295	73,485	25,327	102,799
Earnings per share from continuing operations								
Basic (cents per share)	19.51c	(10.30c)	52.73c	16.07c	47.36c	(30.38c)	137.93c	38.03c
Diluted (cents per share)	18.74c	(10.30c)	50.65c	16.07c	45.50c	(30.38c)	132.50c	38.03c



**WILSON SONS LIMITED****CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION AS AT JUNE 30, 2014 AND DECEMBER 31, 2013**

(Amounts expressed in thousands, unless otherwise noted) - Unaudited

	<b>30 June 2014 US\$ Unaudited</b>	<b>31 December 2013 US\$</b>	<b>30 June 2014 R\$ Unaudited</b>	<b>31 December 2013 R\$</b>
<b>Assets</b>				
Non-current assets				
Goodwill	39,022	37,622	85,946	88,134
Other intangible assets	45,812	46,650	100,901	109,280
Property, plant and equipment	655,845	616,912	1,444,499	1,445,179
Deferred tax assets	29,894	30,099	65,842	70,510
Investment in joint ventures	6,212	2,577	13,682	6,036
Trade and other receivables	54,015	66,198	118,968	155,076
Other non-current assets	11,885	10,209	26,174	23,915
Total non-current assets	<u>842,685</u>	<u>810,267</u>	<u>1,856,012</u>	<u>1,898,130</u>
Current assets				
Inventories	36,369	29,090	80,102	68,145
Trade and other receivables	98,877	108,487	217,777	254,143
Short-term investments	18,000	33,000	39,645	77,306
Cash and cash equivalents	77,163	97,946	169,952	229,448
Total current assets	<u>230,409</u>	<u>268,523</u>	<u>507,476</u>	<u>629,042</u>
Total assets	<u>1,073,094</u>	<u>1,078,790</u>	<u>2,363,488</u>	<u>2,527,172</u>
<b>Equity and liabilities</b>				
Capital and reserves				
Share capital	9,905	9,905	26,815	26,815
Capital reserves	94,324	94,324	208,550	208,550
Profit reserve	359	807	(326)	737
Share Options	1,477	-	3,393	-
Retained earnings	419,792	409,315	873,078	835,026
Translation reserve	4,255	(1,052)	56,062	131,322
Equity attributable to owners of the Company	530,112	513,299	1,167,572	1,202,450
Non-controlling interests	5,535	3,699	12,191	8,670
Total equity	<u>535,647</u>	<u>516,998</u>	<u>1,179,763</u>	<u>1,211,120</u>
Non-current liabilities				
Bank loans	334,523	334,394	736,787	783,351
Derivatives	1,649	1,130	3,632	2,648
Post-employment benefits	2,572	2,251	5,665	5,273
Deferred tax liabilities	29,925	33,761	65,910	79,088
Provisions for tax, labour and civil risks	11,862	10,262	26,126	24,039
Obligations under finance leases	4,283	4,812	9,433	11,273
Total non-current liabilities	<u>384,814</u>	<u>386,610</u>	<u>847,553</u>	<u>905,672</u>
Current liabilities				
Trade and other payables	97,518	135,317	214,783	316,995
Derivatives	197	110	433	257
Current tax liabilities	697	211	1,534	492
Obligations under finance leases	1,630	1,547	3,590	3,623
Bank loans	52,591	37,997	115,832	89,013
Total current liabilities	<u>152,633</u>	<u>175,182</u>	<u>336,172</u>	<u>410,380</u>
Total liabilities	<u>537,447</u>	<u>561,792</u>	<u>1,183,725</u>	<u>1,316,052</u>
Total equity and liabilities	<u>1,073,094</u>	<u>1,078,790</u>	<u>2,363,488</u>	<u>2,527,172</u>

**WILSON SONS LIMITED****CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2014 AND 2013**

(Amounts expressed in thousands, unless otherwise noted) - Unaudited

	<b>2014 US\$</b>	<b>2013 US\$</b>	<b>2014 R\$</b>	<b>2013 R\$</b>
Net cash generated by operating activities	28,988	50,388	72,345	98,684
Cash flow from investing activities				
Interest received	4,043	4,889	9,241	9,990
Proceeds on disposal of property, plant and equipment	133	14,662	1,921	31,749
Purchases of property, plant and equipment	(57,591)	(36,292)	(130,545)	(75,701)
Other intangible assets	(496)	(914)	(1,125)	(1,840)
Investment - short term and long term investment	15,000	20,000	37,661	40,870
Net cash used in investing activities	(38,911)	2,345	(82,847)	5,068
Cash flow from financing activities				
Dividends paid	(27,035)	(18,070)	(60,077)	(36,194)
Repayments of borrowings	(20,332)	(18,194)	(46,987)	(36,655)
Repayments of obligation under finance leases	(1,015)	(812)	(2,302)	(1,633)
Derivative paid	(71)	-	(162)	-
New bank loans raised	32,815	18,065	74,963	38,531
Net cash generated by financing activities	(15,638)	(19,011)	(34,565)	(35,951)
Net increase (decrease) in cash and cash equivalents	(25,561)	33,722	(45,067)	67,801
Cash and cash equivalents at beginning of the period	97,946	116,018	229,448	237,083
Effect of foreign exchange rate changes	4,778	(6,066)	(14,429)	13,440
Cash and cash equivalents at end of the period	<u>77,163</u>	<u>143,674</u>	<u>169,952</u>	<u>318,324</u>