Operator:

Good morning, ladies and gentlemen. At this time we would like to welcome everyone to the conference call for Wilson Sons Limited 1Q09 results. Today with us are Mr. Cezar Baião, CEO of the Brazilian subsidiary; Mr. Felipe Gutterres, CFO of the Brazilian subsidiary, Legal Representative & Investor Relations; and Mr. Arnaldo Calbucci, Towage, Offshore and Shipyard Officer.

We would like to inform you that all participants will be in a listen-only mode during the Company's presentation. After remarks by the Company's management, there will be a question and answer session for industry analysts. At that time, further instructions will be given. Should any participant need assistance during this call, please press *0 to reach an operator.

Today's live webcast, including both audio and slide show, may be accessed online through Wilson, Sons investor relations website, at www.wilsonsons.com/ir. The slide show presented today by the Company's management is also available on the Company's investor relations website.

Before proceeding, let me mention that forward-looking statements are based on the beliefs and assumptions of Wilson, Sons management and on information currently available to the Company. They involve risks and uncertainties because they relate to future events and therefore depend on circumstances that may or may not occur. Investors should understand that conditions related to macroeconomic environment, industry and other factors could also cause results to differ materially from those expressed in such forward looking statements.

Now, I'll turn the conference over to the CEO of the Brazilian subsidiary, Mr. Cezar Baião, who will begin this presentation. Mr. Baião, you may begin your comments now.

Cezar Baião:

Ok, thank you. Good morning, everyone. Thank you for being with us today. I am here with Felipe to present Wilson, Sons' results for the first quarter of 2009 and our comments on the Company's overall performance year-to-date. Now, I would like to invite you to turn over to slide number 3 of this presentation, for a brief overview of our 1Q09 consolidated results.

I begin by saying that, overall, our consolidated results were positive in the First Quarter 2009, as illustrated by EBITDA and Net Income performance indicators shown at the bottom of this slide. We achieved these results despite lower volumes at our core businesses mainly from worsening market conditions in Q1, given the latest global recession and its implications for Brazil's trade flow.

Having said that, our key financials improved, mostly from solid operating performance in the offshore business, the rising share of special operations into towage revenues, and higher volume of warehousing-related activities at our port terminals and logistics divisions.

Also, we generated savings in Q1 mainly as a result of the positive net effect from FX variation in the period on costs linked to Brazilian Reais, given US Dollar gains over the Real relative to 1Q08.

Before we move on to the next slide, where we present the key highlights for each business segment at Wilson, Sons, I would like to call your attention to our resilient margin performance in Q1, as illustrated in this slide 3.

Although Net Revenues fell, by 14.5%, on lower volumes and adverse market conditions, our EBITDA was up by 44%, mostly given expanded presence in the offshore business, special operations in towage, warehousing-related activities in port terminals and logistics, and Brasco's better performance. Net income figures also edged higher in 1Q09, reflecting the Company's diversified business model, able to sustain the impact from an overall downward trend in market conditions in 1Q09.

Let's move now to the next slide, slide number 4. Starting by our Port Terminals, Tecon Rio Grande showed the most resiliency in terms of volume decline, while in Tecon Salvador we saw volumes suffer from lower export volumes and challenging business environment early in the year. We acquired Brasco's operational base area in January 2009 and managed to settle new mid- and long-term contracts as well.

In Towage, one new tugboat was delivered, the "Atria", as of late 1Q09, to make up for a total fleet of 69 vessels and, as in previous quarters, we continued to provide special operations to further diversify our portfolio of towage services, these operations normally carry better daily rates, and so higher margins.

In our Offshore segment, we continued operating spot services with 2 PSVs, in addition to the 3 PSVs operating at long-term contracts to Petrobras. In terms of our participation in new Petrobras bids, we remain confident we are well-positioned going forward.

In terms of our Logistics business, we provided a larger number of value-added services, as well as warehousing-related activities.

As for construction activities at our Shipyard, we delivered PSV Petrel in March, the first of a series of 4 vessels under construction to third parties, in line with our focus on profitable shipbuilding activities. As for growth in capacity, we are confident in obtaining an environmental license to expand our Guarujá facility, an expected USD 41 million total investment.

Lastly, we have announced on May 5th, payment of dividends at USD 16 million, USD 0.225 per share, an amount equivalent to 34.1% of 2008 Net Income.

Now, I will hand it over to Felipe, our CFO, who will comment on our business units.

Felipe Gutterres:

Thank you, Baião. Let me start by port terminals, on slide 5. Operational indicators illustrated on this slide, along with key financials, show that volumes in port terminals declined considerably in 1Q09, more so at Tecon Salvador than in Rio Grande, mostly from lower trade flow and export volumes, caused by adverse market conditions in Q1.

Volumes at Tecon Rio Grande declined by 6.5%, mainly as a result of the negative impact from the current economic downturn, which deepened as of late 2008. At Tecon Salvador, volumes suffered even further, also due to a slowdown in trade flow.

However, on the positive side, higher volume of warehousing-related activities and better pricing from spot operations at Brasco, combined, helped ease the negative impact from deteriorating market conditions on business volumes, thus partially offsetting a net revenue drop of 8.8%. EBITDA dropped 9.7%.

Moving now to the next slide, slide number 6. I can share some information in towage with you.

In 1Q09, we saw the total number of harbour manoeuvres decline, mostly as a result of the impact from the worsening global crisis, affecting more tramp vessels in the period. Hence, net revenues declined in 1Q09, by 13.7%

Nevertheless, the proportion of value-added special operations increased from roughly 7% in 1Q08 to 13% in 1Q09, as illustrated on the bottom left-hand side of this slide. In addition to salvage operations and ocean towage, the Company maintained its portfolio of special services designed to support offshore activities along Ceará's coastline and offloading activities in the Campos basin, both of which were delivered to Petrobras. These services combined were responsible for improved margins and helped mitigate the negative impact from lower volume of harbour manoeuvres, as we saw in the beginning of this slide.

Turning over to the next slide, slide 7. Now we focus on logistics results for 1Q09, and you can see that despite tougher market conditions, we managed to add some key clients to our portfolio and to broaden the scope of services rendered to existing ones.

Although operational indicators explain declining net revenues as a result of lower demand in 1Q09, as illustrated here on this slide by a 10% drop in the number of trips completed and 8% lower number of operations, logistics results were positively impacted in Q1 by an increase in the number of value-added services linked to new and existing clients, as well as by a decrease in the number of low-margin operations.

In addition to that, better results achieved in warehousing-related activities at EADI, both in terms of cargo profile (given higher value-added goods stored) and in terms of longer staying periods were reflected on EBITDA results, which rose by 35.5% relative to 1Q08 results.

Moving to slide 8. Operating results in shipping agency were lower in the quarter, as seen on the left-hand side of this slide, mainly as a result of the lower number of services rendered to tramp vessels and continued impact from loss of a major shipping agency client, which occurred throughout.

Turning over to the next slide, slide number 9. With a higher number of platform supply vessels and days in operation in 1Q09, key operating and financial highlights in our offshore business showed, once again, solid performance year-over-year. Having increased its fleet size from three to five platform supply vessels since 2008 and given that these new vessels have been operated at more advantageous spot daily rates.

As a result, higher value-added services rendered and better pricing helped boost margin growth in the period. As seen on this slide, our offshore business ended 1Q09 higher across the board, with accelerated EBITDA growth and higher EBITDA Margin. The Company's offshore business maintained its position as the Company's third largest unit, in terms of EBITDA creation.

Moving on to the next slide, slide number 10. I call your attention now to our non-segmented activities, which allocate services provided by the shipyard to third parties and includes all costs related with management of the Company, serving each of our business segments.

Here on this slide we present a detailed breakdown of the most significant factors which, combined, impacted our 1Q09 results. They included, mainly, construction activities for third parties at our shipyard and FX impact on costs denominated in Reais.

With that, we finish our comments on each of Wilson, Sons' business segments. On the next few slides, I will share with you the Company's EBITDA and Net Income results, as well as key Capex figures for the period.

Going now to slide 11, I start with EBITDA results explanations, and you can see that EBITDA results increased by 44% relative to 1Q08.

Growth in 1Q09 was mostly due to the Company's expanded presence in the offshore business, higher share of special operations into towage revenues, which normally carry better daily rates, an increase in warehousing-related activities at port terminals and logistics, and also to Brasco's positive performance in the period, thereby confirming the upward trend for our consolidated EBITDA results and EBITDA margin from previous quarters.

In addition, positive performance was boosted in 1Q09, to a certain extent, by the impact from cost-cutting initiatives, as well as from the favorable net effect from FX variation on costs linked to the Brazilian Real.

Moving now to slide 12. 1Q09 Net Income improved by 22.5%, despite an environment of global financial instability, which took its toll on trade flow and therefore on our business volumes in Q1.

The step-chart on this slide shows each net effect on consolidated net income for 1Q09. The main factors which contributed to changes in net income, relative to 1Q08, were: declining net revenues, given adverse market conditions; lower raw material costs, given relatively higher costs in 1Q08 associated with PSV construction activities carried out for third parties at the Company's shipyard; lower personnel expenses, mainly from the positive net impact of FX variation in the period on costs denominated in Brazilian Real; and other operating expenses, mostly from lower business volumes relative to 1Q08 figures.

On the next slide, number 13, we will conclude our presentation by sharing with you some comments on the company's Capex figures and leverage indicators.

1Q09 CAPEX reached USD 44.5 million, more-than-doubled the amount invested in 1Q08. On the bottom left-hand side of this slide, we show a breakdown in CAPEX figures for both 1Q09 and 1Q08, and I would like to call your attention to the fact that we invested most in port terminals, towage, offshore activities, and we acquired the Brasco's base in Niteroi.

On the right-hand side, leverage indicators provide a continuing view of Wilson, Sons' debt schedule and cash holdings. Cash balance has seen a 10% decline relative to FYE 2008, resulting from disbursements made to support fleet expansion and, to a lesser extent, from the negative net effect from FX changes in the period on cash investments denominated in Brazilian Reais.

As of 1Q09, our amortisation schedule shows that 90% of the Company's total debt obligations were due in the long term, while 98% was denominated in US Dollars, in line with previous quarters. As of 1Q09, the Company's net debt position reached USD 15.8 million. It is important to remind you that we do not hold any financial derivative instruments.

With respect to subsequent events, as highlighted earlier by Baião, I would like to point out that Wilson, Sons has announced the distribution of dividends to its shareholders in early May, in the amount of USD 16 million, or the equivalent to USD 0.225 per share. This sum represented just over 34% of total Net Income for the year 2008.

At this time, I would like to invite you to move to the Q&A portion of today's conference call.

Gustavo Moreira, UBS:

Good morning, everyone. I have a question regarding volumes in your port terminals, in the towage business. How are they trending in the 2Q vis-à-vis the 1Q?

Cezar Baião:

Gustavo, we usually do not give this volume guidance, but they are more or less in line with the 1Q, both in the container terminals and in the towage division.

Gustavo Moreira:

And when you say in line, do you say the decrease in percentage terms or are you saying in absolute numbers?

Cezar Baião:

No, when I say in line the figure is going to be the same as in the 1Q, more or less.

Gustavo Moreira:

OK. Thank you.

Derek White, North Investment:

What is the current status on the offshore joint venture with Magallanes?

Felipe Gutterres:

OK, Derek, negotiations are on their way. We expect to obtain authorizations from regulators, and we should follow up on the status of the joint venture in the 2H09.

Operator:

Gentlemen, it appears that we have no further questions at this time. Would you like to make some closing comments?

Cezar Baião:

We would like to finish our comments and our slide presentation now by saying that Wilson, Sons' stated performance in 1Q09 was positive and that we remain on track to meet the challenges ahead of us, to achieve sustainable, long-term growth, while always alert to the prevailing market conditions and new opportunities which may arise.

Finally, we would like to thank our clients, shareholders, and employees once again for their confidence in Wilson, Sons' management team and in our vision for the Company's future.

Operator:

Thank you. This concludes today's conference call on Wilson, Sons's Limited 1Q09 results. You may now disconnect your lines at this time.