Operator:

Good morning, ladies and gentlemen. Welcome to the conference call for the Wilson Sons Limited's 1Q 2017 results. Today with us we have **Mr. Cezar Baião**, CEO of Operations in Brazil, **Mr. Arnaldo Calbucci**, COO of Maritime Services, and **Mr. Fernando Salek**, CFO of the Brazilian subsidiary and Investor Relations.

As a reminder, this conference is being recorded and we will have simultaneous translation for those who wish to listen to the English version. During the Company's presentation, all participants will be connected in a listen-only mode.Then we will begin the question and answer session for industry analysts.

Before proceeding, we would like to mention that page two (2) of the presentation contains the usual forward-looking statements for your reference.

Now, I would like toturn the conference over to **Mr. Fernando Salek**.

Fernando Salek:

Thank you. Good morning everyone. Welcome to our results conference call for the first quarter of 2017.

Let's start with slide 3. Here I present the Group's safety performance between 2010 and 2017, with the lost time injury frequency rate.

In this period we had a 96% decrease in the rate, which demonstrates our commitment to safety in all our operations.

As a testament to our work on continuous improvement in safety, in February 2017 we achieved a new mark exceeding 5 million work hours without registering any lost time accidents, which corresponds to more than 4 months without occurrences.

Turning to slide 4.

Here is a summary of our consolidated results.

Considering the **Offshore Vessels** joint venture, the Group's proforma net revenue amounted to US$135 million in the quarter. Compared to 1Q16, net revenues increased by 16% mainly due to the impact of the devaluation of the Brazilian Real and, operationally, improved warehousing revenues in the **Container Terminals**.

EBITDA was 3.3% higher than in 1Q16, mainly as a result of a more profitable sales mix across both **Terminals**, contributing to improved margins. Proforma EBITDA increased by 6.9% for the quarter, with higher **Offshore Vessels** operating days due to the addition of two new vessels to the fleet.

Looking at the investments made during the quarter, there was a significant reduction due to the completion of the construction plan for tugboats and offshore vessels in 2016. CAPEX was mainly concentrated on the **Container Terminals**, with delivery of new container cranes.

We now move to slide 5.

Here I present a summary of the quarterly highlights by business unit.

- Import volumes in **Salvador** were mainly driven by cargoes related to the solar power sector, while **Tecon Rio Grande** benefited from increased volumes of plastics and chemical products.

- As in the last quarter, **Brasco** revenues and EBITDA decreased against the comparative. Revenues continued negatively impacted by the end of a client's operation in October 2016, as well as weaker vessel turnarounds. The higher numberof layup operations at **Brasco Rio** continues to partially offset the lower volumes.

- In **Logistics**, we had improved revenues due to bonded warehousing services, although margins remained weak given the macroeconomic backdrop.

- In **Towage**, the number of harbour manoeuvres increased due to improved results in some specific ports. Revenues were negatively impacted by the decline in special operations, mainly for the oil and gas industry.

- The **Shipyard** revenues and EBITDA were positively impacted by the appreciation of the Brazilian Real and third-party shipbuilding activities.

- In the case of **Offshore Vessels**, days in operation were up due to the contract start of the Larus and Penguin vessels, delivered in 2016, in addition to the Albatroz, Gaivota and Fragata vessels that also operated during the quarter. Daily rates improved with the new vessels contracted with rates above the fleet average, and also positively impactedby the stronger Brazilian Real.

Following on to slide 6.

On this slide, I present the historical results since 2004, which shows a solid revenue and EBITDA evolution and a positive start for 2017. However, the most significant takeaway would be the Company's CAPEX reduction, reflecting the conclusion of a large investment cycle which allowed us to expand capacity in almost all business units, as we anticipated.

Moving to slide 7.

Here on this slide we can see some of our liquidity and leverage ratios.

The metrics show that net debt decreased slightly compared to the previous quarter. All liquidity ratios remain strong.

There was an increase in cash as a result of the positive operational cash flow.

Now we move on to slide 8.

In this slide we outline the latest operating data for the **Container Terminals**, **Towage** and **Offshore Vessels** businesses.

Tecon Rio Grande had a flat result, however, confirming the improved sales mix seen in the first quarter. Full container volumes increased by 4%, offsetting lower empty containers handling. Imports grew driven by chemicals and plastics, although exports decreased due to lower volumes of frozen chicken and tobacco. Cabotage increased by 14%, with highlights to rice and timber volumes. For other cargoes, which include shifting and transhipment, growth was mainly due to the beginning of the inland waterway operations of the Santa Clara Terminal.

Tecon Salvador grew by 6.3% in the quarter against the comparative, driven by imports growth. Even though exports declined due to lower demand for cargoes such as cellulose and ores, imports grew strongly driven by cargoes related to the solar power industry. Cabotage increased with good performance of chemical and petrochemical products. There was also an increase in transhipment volumes.

In the **Towage** business, harbour manoeuvres grew with an increase in the number of tugboats in operation compared to 2016. Stronger performance of harbour manoeuvres is helping overcome the challenge of lower levels of special operations to the oil and gas industry.

As mentioned previously, **Offshore Vessels** had an increase in operating days, mainly due to the commencement of Larus and Penguin, delivered in 2016, in addition to other vessels operating in the period. Although we have a solid contract orderbook for 2017, which contributed to a positive result in this quarter, the challenging scenario for the oil industry continues to limit the outlook for 2018.

At this time, I would like to invite you to the Q&A session.

Thank you.

Operator

We'll now start the Q&A session. (Operator Instructions).

The first question comes from Rob Byde.

Rob Byde, Analyst

Good morning, everyone. Three questions please.

The first question.Can you update us on the expansion work atTecon Salvador? Are you able to start work now and what are the next steps in the legal process?

The second question is on the Container Terminals. April volumes were weak, I think down around 7%. So, how much of that was one-off factors?

And then the third question, on the Shipyards. There seems to be a small recovery in activity and the pipeline seems to have improved. So, is that the start of a more positive trend do you think? Thank you.

Cezar Baião, Chief Executive Officer

Good morning, Robert. This is Cezar Baião. As to your first question, about Salvador's expansion, let me say that this is a project that is at a preliminary stage. We're still defining what the most suitable project would be for that expansion,but we are moving according to plan, but this is a very early stage. Later this year or at the start of next year, civil works should start. We're still designing the expansion,and analysing what the most appropriate project would be.

The second question is about the volume of containers, right?

Rob Byde, Analyst

Yes, that's correct. The April volumes were weaker, and I just wanted to ask how much of that is due to one-off factors.

Fernando Salek, CFO of the Brazilian subsidiary and Investor Relations

Rob, as to exports, there was some variation. We cannot detect any clear trend. We should look at the cumulative period of the last four months, considering operational information, so this decrease in activity would not be that significant.

Arnaldo Calbucci, COO of Maritime Services

This is our Arnaldo Calbucci. I'm addressing your question about the Shipyard. Despite an improvement in the Shipyard's orderbook, activity should remain below average in the shortand mid-term period. The Shipyard is prepared for the oil and gas industry. And we cannot detect any uptake in the short-term in terms of construction activities. The Shipyard is now more focused to repair offshore vessels and construction of smaller-size vessels such as tugboats. So the uptake will take longer especially when compared to the activity level of two years ago and further back in the past.

Rob Byde, Analyst

Thank you very much. Have a good day.