**Operator**

Good morning, ladies and gentlemen. At this time we would like to welcome everyone to the conference call for Wilson Sons Limited Third Quarter 2012 results. Today with us we have **Mr. Felipe Gutterres**, CFO of the Brazilian Subsidiary and Investor Relations, **Mr. Arnaldo Cabucci**, COO of Towage, Offshore vessels, Shipyard and Ship Agency. We would like to inform you that all participants will be in a listen-only mode during the Company’s. 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 slideshow, may be accessed online through the Wilson Sons Investor Relations website, at www.wilsonsons.com.br/ir

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 will turn the conference over to the CFO of the Brazilian Subsidiary & Investor Relations, Mr. Felipe Gutterres, who will begin the presentation. Mr. Gutterres, you may begin your comments now, sir.

**Felipe Gutterres**

Good morning everyone. Thank you for being with us today. I am here with Arnaldo Calbucci to comment on Wilson Sons’ results for the third quarter of 2012. Please turn to slide number 4 of our presentation for a brief summary of our consolidated results.

The Company generated USD 157.5 million in Revenues, which was 13.6% lower than 3Q11. We would like to firstly point out the strong devaluation of the Brazilian Reais which continues to impact the Company’s top-line when translated to US Dollars in comparison to last year. Currently, 65% of our Revenues are denominated in Brazilian Reais.

Although Revenues were lower in the quarter, EBITDA grew in Container Terminals, Offshore, Shipyard and Shipping Agency. Weaker results were however seen in Logistics and Brasco - our Oil & Gas Support Base - due to the end of certain operations during the past 12 months. This quarter we highlight the strongest EBITDA in 2012.

Moving now to the next slide, slide 5, we present Net Revenues and EBITDA highlights for the year by business.

In **Container Terminals,** Revenues are 10% lower mainly as a result of the Real depreciation and of the decline in export volumes at Tecon RG, which contributed to weaker Deep-sea results. During the first nine months of 2012, total Brazilian export volumes dropped 5% compared to the same period of last year on the back of a weaker global economic environment, directly affecting our largely export-based container terminals, and which contributed to a drop of 11.5% in YTD EBITDA.

In our **Oil & Gas Support Base (“Brasco”)** figures dropped as a result of the end of the Petrobras operation in the public port of Rio de Janeiro in October/2011, which represented roughly 30% of its EBITDA in 9M11. The strong demand from the International Oil Companies and the overall expansion in the pre-salt projects continue to provide the base for our O&G Terminal growth going forward.

**Logistics** EBITDA included the effect of discontinuation of some dedicated operations, as the business concentrates efforts on more profitable operations more integrated with our current business platform, such as our bonded-warehouse (EADI Santo André). We recently commenced operations at the new Logistics Centres in Itapevi, which have already reached 55% utilization in the first three months of operation.

**Towage** revenues reached USD 128.0 million, increasing 6% against its 2011 comparative. The business benefitted from a larger operational fleet, and a better price mix. EBITDA was also strong, improving 6.7% as a result of the mentioned increase in revenues as well as lower maintenance costs and the renegotiation of some contracts such as insurance.

**Offshore** EBITDA grew 37% as a result of a higher average daily rate due to price renegotiations and the launch of new vessels Sterna and Batuíra, demonstrating consistent and vigorous growth for the business.

The **Shipyard** business saw its revenues affected by currency devaluation as most of its activities are priced in Reais. YTD EBITDA was affected by some pre-operational costs for Guarujá II, such as hiring and training of workers for the new Dry-dock, still affecting this yuear in comparison to last year.

**Shipping Agency** continues to show strong results and to support our business platform.

Now moving to slide 6, here I breakdown the main events which contributed to the Net Income evolution.

The quarter comparative period had positive provisions for the Long Term Incentive Plan, or “LTIP”, and a strong negative impact of FX movement on Income Tax and investments during 3Q11. Better operating margins has also helped boost 3Q12 figures, with a USD 7.0 million EBITDA ex-LTIP increase against the comparative. In addition, higher Depreciation & Amortisation and lower financial costs helped shape the quarter’s bottom-line.

Finally, YTD Net Income was helped by similar reasons, apart from translation losses and an EBITDA fall due to lower volumes.

Please turn to slide 7 for some brief information on our investment activities.

Capital Expenditures for the quarter totaled USD 47.9 million and included:

* USD 5.2 million for the Guarujá II Shipyard construction, which is expected to be operational by the end of the year.
* USD 6.9 million related to civil works for the expansion of Tecon SSA. The expansion is also scheduled to be finalized by the end of this year;
* USD 24.9 million related to Offshore Vessels expansion and the renewal of Towage fleet.

The Company has invested USD 135.6 million so far this year.

The majority of the Company’s Debt, roughly 74%, is provided by BNDES and Banco do Brasil as agents for the Fundo da Marinha Mercante. Additionally, 93.5% of our debt is denominated in US dollars and 92% of it is long-term, 58% of which have maturity longer than 5 years.

Net Debt of USD 413.2 million at quarter-end is still at a comfortable 2.8 times Net Debt/EBITDA in the trailing twelve months, with an average cost of 3.66%.

At this time I would like to go to the outlook of this presentation, Moving to slide 9, we present updated pictures of the ongoing expansion of Tecon Salvador, which by the end of this year will nearly double the terminal capacity from 300,000 to 530,000 TEU per year.

You may notice the new retro area already in use for container storage and handling. In October we began servicing larger ships as the Terminal quay and equipments are already operational.

On top of this, the Brazilian Navy acknowledged last week the new draught and authorized the operation of super post panamax vessels with capacity over 10.000 TEU.

Moving on to slide number 10.

Here you can see Tecon Salvador in a different perspective. We would like draw attention to the expressway which will link Salvador’s main highway directly into our Container Terminal. The expressway will be used exclusively by trucks carrying containers, and was entirely financed by federal and local government.

Going to slide number 11.

Here we can see that civil works related to Guarujá II Shipyard are in the final stages and we expect it to be operational by the end of the year. The expansion will increase the Company’s naval construction capacity from 4,500 to 10,000 tons of processed steel per year.

The dry-dock is almost complete and there are new buildings still under construction to support the shipyard activities.

Wilson Sons Shipyard strategy contemplates the construction of Offshore and Towage vessels as well as third party vessels, such as the ROVSV for Fugroand obviously the maintenance, and dry docking services for its own fleet.

Going now to slide number twelve.

There are a number of business highlights that we can expect in the near term:

* The completion of Tecon Salvador and Guarujá II Shipyard at the end of the 2012, and the construction of the new ROVSV for Fugro;
* The beginning of civil works of the new berths for Briclog;
* New Offshore Vessels and Tugboats to be delivered in 2013; and
* New Logistics Centre in Suape, expected for the 1H13.

At this time, I would like to invite you to move to the Q&A portion of today’s Conference Call.

**Operator**

Thank you. The call is now open for questions. If you have a questions please press \*1.

Kevin Lapwood from Seymour Pierce would like to make a question.

**Kevin Lapwood (Seymour Pierce)**

I have three questions if I may. I will give you the three at once if that is ok. The first one is in Logistics. Obviously you have flagged before these results that intend to move out of lower value contracts and that has been reflected in the Net Revenue on the quarter. I’m slightly surprised with the EBITDA margins down though. When do you expect to see the recovery on EBITDA Margins reflect the fact that you move on to higher value contracts?

Number two could you perhaps talk about your thoughts on what the capital expenditure will be for the rest of this year and for next year because you are quite a long way down last year.

My third question is: you seemed in the presentation to be very confident that the Briclog acquisition will go ahead. Now the negotiations appear to have been extended until December Can you give us some clarity on why you are reasonably certain that the negotiation goes ahead in 2013?

**Felipe Gutterres**

Going to the Logistics question, we expect higher margins in the end of second half of 2013 when we will have Itapevi distribution center fully operational and operating at a higher rate of utilization that we have today. In three months we have reached 55% of utilization rate in Itapevi. Besides that, we will have Suape, the other distribution center that we will have in the Northeast region operating and we will continue the phase out of these dedicated operations that obviously impact negatively the margins during the year. So end of second half is when we expect to start seeing margins getting up.

In terms of capital expenditures we believe something around USD 190 million for next year is what we will have.

Briclog. We are still waiting for some final conditions precedent to be fulfilled by the sellers, such as the reinforcement of 80 meters of the existing berth, which is currently in progress. There is also an environmental license for future berth expansion that is underway and we expect and we have been working hard with that to have this finalized by December. So that is our expectation.

**Operator**

If you have a questions please press \*1. Kevin Lapwood from Seymour Pierce would like to make a question

**Kevin Lapwood (Seymour Pierce)**

No mention in this particular statement of progress of the Shipyard Rio Grande. Is anything else to be said there or are you reasonably confident that that goes through in 2014?

**Arnaldo Calbucci**

Kevin, it’s Arnaldo. We still have no updates on this matter. Rio Grande still requires some pending licenses and the authorization for use of the water access before we commence civil works. We still are waiting for some bureaucratic problems. Unfortunately we do not have any news.

**Kevin (Seymour Pierce)**

Ok. Thank you.

**Operator**

Ms. Jacqueline from Utilico would like to make a question.

**Jessica**

Hi, is Jessica from Utilico and I’ve just got three questions. The first question is that I’m trying to understand what you think the growth rate outlook for the next year and 2014 for the Port Terminals business?

The second question have we got any acquisitions in the pipeline and then you are looking potentially to the Suape terminal that is coming up potentially fully operational in 2013 as well

The third question is that I’m trying to understand the Port review that is coming out I think on Monday and if you think we will have impacts at your renewal Port concessions.

**Felipe Gutterres**

Ok. Obviously the expansion of Tecon Salvador we expect that will see growth in volumes next year. In Tecon Rio Grande we have been working hard to attract new cargoes and to increase the containerization rate of Rio Grande do Sul State so we are working to attract Uruguay and Argentina cargo and also to experiment new cargoes in containers in Rio Grande that obviously will and can improve volumes there.

In terms of acquisitions in the pipeline we don’t have anything in the pipeline for acquisitions but we are analyzing deeply the Suape concession and we will participate for sure in the bid process.

In terms of regulatory environment, we are following up very closely the discussions. We think that the Government probably will solve the issue of private terminals with mixed cargo, own cargo and the third party cargo which is something that has to be solved once the legislation obviously treats the ports as we have, the Ports that were privatized in the 90’s in the mid-2000s, were you have a public service being provided by a private operator on the concession of 25 years such as the ones we have in Rio Grande and Salvador. Probably by doing that the Government will treat some couple of advantages that private terminals have in comparison to the concession in public ports operated by private operators. Discussions about investments for the renewal of the concessions are part of the current equation. So there are no renewal cases in Brazil without anticipated investments or increase in investments. We had that at Tecon Rio Grande, we had that not at the renewal but to have more space for Terminal in Salvador, and we had to invest more in infrastructure. So is something that is not new, is part of the renewal discussion equation so we don’t see any distance there but we are on the matter very closely.

**Jessica**

Ok. Thank you.

**Operator**

Remembering, If you have a question please press \*1. There are no questions. I would like to have the word over to Mr. Felipe Gutterres for final consideration. Please Mr. Felipe, you may proceed.

**FINAL MESSAGE**

**Felipe Gutterres**

I wish to thank everyone for being with us today. These are exciting times for Wilson Sons since the expansion projects, such as Tecon Salvador, the Guarujá II Shipyard and the Logistics Centers are close to being finalized.

I would like to thank our staff for their continued contribution as our business case would not have been successful to this date without their commitment, trust and hard work. We recently managed to successfully deliver some important internal projects which aimed at improving our processes and controls, at the same time supporting investments decisions. We appreciate the effort everyone has put into these projects.

To our shareholders I would like to restate that we continue to employ the maximum financial discipline to deliver our growth strategy, while alert to new opportunities.

We remain aware of the challenges ahead, analyzing daily the potential impacts on the execution of our strategic plan, and working hard to deliver the long term returns expected by our shareholders.

Thank you.