Wilson Sons Limited

Condensed consolidated interim financial statements September 30, 2012

Wilson Sons Limited

Condensed consolidated interim financial statements

September 30, 2012

Contents

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Independent Accountants' Review Report on the Quarterly Information (ITR)

To
The Board of Directors and Shareholders' of
Wilson Sons Limited
Hamilton - Bermuda

Introduction

We have reviewed the condensed consolidated interim accounting information of Wilson Sons Limited ("the Company"), contained in the quarterly information form for the quarter ended September 30, 2012, which comprises the condensed consolidated statement of financial position as of September 30, 2012 and the respective condensed consolidated statements of comprehensive income for the three and nine-month periods ended at that date, changes in shareholders' equity and cash flows for the nine-month period ended at that date, as well as the explanatory notes.

Management is responsible for the preparation of the interim accounting information in accordance with IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), applicable to the preparation of quarterly information. Our responsibility is to express our conclusion on this condensed consolidated interim accounting information based on our review.

Scope of the review

We have conducted our review in accordance with international interim information review standards (ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim information consists of making inquiries primarily to persons responsible for financial and accounting matters and applying analytical and other review procedures. The scope of a review is significantly less than that of an audit conducted in accordance with auditing standards and, accordingly, we were unable to obtain reasonable assurance that we were aware of all the material issues that would have been identified in an audit. Therefore, we do not express an audit opinion.

Conclusion on the condensed consolidated interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the condensed consolidated interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with IAS 34 applicable to the preparation of the interim information.

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Independent Accountants' Review Report on the Quarterly Information (ITR) (continued)

Other issues

Our review also comprehended the convenience translation of the presentation currency amounts (United States Dollar) into Brazilian Real amounts and, based on our review nothing has come to our attention that causes us to believe that such convenience translation has been made in conformity with the basis stated in Note 2. The translation of the condensed consolidated interim financial information amounts into Brazilian Reais has been made solely for the convenience of readers in Brazil and does not purport to represent amounts in accordance with International Financial Reporting Standards.

Audit and review of the figures corresponding to the previous year and quarter, respectively

Figures corresponding to the year and period ended December 31, 2011 and September 30, 2011, respectively, presented for comparison purposes, were audited and reviewed by other independent auditors, which issued an unqualified report dated March 23, 2012 and November 10, 2011, respectively.

Rio de Janeiro, November 9, 2012

KPMG Auditores Independentes

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Wilson Sons Limited

Condensed consolidated statements of comprehensive income

For the period ended September 30, 2012 and 2011

(Amounts expressed in thousands, unless otherwise noted - Brazilian Real amounts are the result of a convenience translation) - Unaudited

						Convenience translation			
		Three-month periods ended		Nine-month periods ended		Three-month periods ended		Nine-month periods ended	
	Notes	September 30, 2012 US$	September 30, 2011 US$	September 30, 2012 US$	September 30, 2011 US$	September 30, 2012 R$	September 30, 2011 R$	September 30, 2012 R$	September 30, 2011 R$
Revenue	4	157,455	182,279	468,616	521,227	319,728	338,018	951,571	966,563
Raw materials and consumables used		(12,014)	(24,466)	(49,563)	(62,065)	(24,395)	(45,370)	(100,642)	(115,093)
Employee benefits expense	5	(55,677)	(57,118)	(182,257)	(177,050)	(113,057)	(105,920)	(370,091)	(328,322)
Depreciation and amortization expenses		(18,241)	(15,493)	(49,793)	(42,333)	(37,041)	(28,730)	(101,108)	(78,502)
Other operating expenses	6	(42,345)	(55,067)	(131,179)	(163,943)	(85,986)	(102,116)	(266,373)	(304,016)
Profit on disposal of property, plant and equipment		(41)	1,584	(36)	2,672	(84)	2,937	(73)	4,955
Finance income	7	(2,178)	(7,213)	(4,901)	2,825	(4,423)	(13,376)	(9,953)	5,239
Finance costs	7	(3,642)	(6,242)	(11,549)	(13,155)	(7,395)	(11,575)	(23,450)	(24,395)
Profit before tax		23,317	18,264	39,338	68,178	47,347	33,868	79,881	126,429
Income tax expense	8	(6,412)	(24,351)	(20,561)	(40,883)	(13,021)	(45,158)	(41,752)	(75,813)
Profit for the period		16,905	(6,087)	18,777	27,295	34,326	(11,290)	38,129	50,616
Profit for the period attributable to:									
Owners of the Company		16,549	(6,159)	18,343	27,018	33,603	(11,423)	37,248	50,102
Non controlling interests		356	72	434	277	723	133	881	514
		16,905	(6,087)	18,777	27,295	34,326	(11,290)	38,129	50,616
Other comprehensive income									
Exchange differences on translating		(387)	(17,655)	(7,554)	(11,230)	(785)	(32,739)	(15,339)	(20,825)
Total comprehensive income for the period		16,518	(23,742)	11,223	16,065	33,541	(44,029)	22,790	29,791
Total comprehensive income for the period attributable to:									
Owners of the Company		16,159	(23,363)	10,981	16,063	32,812	(43,327)	22,299	29,787
Non controlling interests		359	(379)	242	2	729	(702)	491	4
		16,518	(23,742)	11,223	16,065	33,541	(44,029)	22,790	29,791
Earnings per share from continuing operations									
Basic and diluted (cents per share)	21	23,26c	(8,66c)	25,78c	37,98c	47,23c	(16,06c)	52,36c	70,42c

Exchange rates
09/30/12 - R$2.0306/ US$1.00
12/31/11 - R$1.8758/ US$1.00
09/30/11 - R$1.8544/ US$1.00

The accompanying notes are an integral part of the condensed consolidated financial statements.

Wilson Sons Limited

Condensed consolidated statements of financial position

For the period ended September 30, 2012 and December 31, 2011

(Amounts expressed in thousands, unless otherwise noted - Brazilian Real amounts are the result of a convenience translation) - Unaudited

	Notes	2012 US$ (Unaudited)	2011 US$	Convenience translation 2012 R$ (Unaudited)	Convenience translation 2011 R$
ASSETS					
NON-CURRENT ASSETS					
Goodwill	9	15,612	15,612	31,702	29,285
Other intangible assets	10	29,815	28,546	60,541	53,547
Property, plant and equipment	11	792,174	725,859	1,608,589	1,361,566
Deferred tax assets	16	32,258	28,525	65,504	53,507
Trade and other receivables	13	25,739	28,240	52,265	52,972
Other non-current assets		8,998	8,414	18,272	15,783
Long term-investments	14	1,072	1,072	2,179	2,012
Total non-current assets		905,668	836,268	1,839,052	1,568,672
CURRENT ASSETS					
Inventories	12	25,710	21,142	52,206	39,657
Trade and other receivables	13	137,052	135,517	278,298	254,203
Short-term investments	14	20,000	24,500	40,612	45,957
Cash and cash equivalents	14	115,829	112,388	235,202	210,817
Total current assets		298,591	293,547	606,318	550,634
TOTAL ASSETS		1,204,259	1,129,815	2,445,370	2,119,306
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Share capital	21	9,905	9,905	20,113	18,580
Capital reserves		94,324	94,324	191,535	176,932
Profit reserve		1,981	1,981	4,023	3,716
Contributed surplus		9,379	9,379	19,045	17,594
Retained earnings		350,889	350,616	712,516	657,685
Translation reserve		1,781	9,143	3,617	17,150
Equity attributable to owners of the Company		468,259	475,348	950,849	891,657
Non-controlling interests		2,389	2,147	4,852	4,028
Total equity		470,648	477,495	955,701	895,685
NON-CURRENT LIABILITIES					
Trade and other payables	19	2,506	2,471	5,089	4,635
Bank loans	15	501,508	451,381	1,018,362	846,700
Deferred tax liabilities	16	24,359	26,093	49,462	48,945
Provisions for tax, labor and civil risks	17	10,648	13,378	21,621	25,094
Obligations under finance leases	18	3,005	3,278	6,102	6,149
Total non-current liabilities		542,026	496,601	1,100,636	931,523
CURRENT LIABILITIES					
Trade and other payables	19	143,673	115,788	291,743	217,196
Current tax liabilities		3,364	3,472	6,830	6,512
Obligations under finance leases	18	1,913	3,787	3,885	7,104
Bank overdrafts and loans	15	42,635	32,672	86,575	61,286
Total current liabilities		191,585	155,719	389,033	292,098
Total liabilities		733,611	652,320	1,489,669	1,223,621
TOTAL EQUITY AND LIABILITIES		1,204,259	1,129,815	2,445,370	2,119,306

Exchange rates

09/30/12 – R$2.0306/ US$1.00
12/31/11 – R$1.8758/ US$1.00
09/30/11 – R$1.8544/ US$1.00

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Wilson Sons Limited

Condensed consolidated statements of changes equity

For the quarters ended September 30, 2012 and 2011

(Amounts expressed in thousands, unless otherwise noted **-** *Brazilian Real amounts are the result of a convenience translation)* **-** *Unaudited*

			Capital reserves									
	Notes	**Share capital US$**	**Share premium US$**	**Others US$**	**Additional paid- in capital US$**	**Profit reserve US$**	**Contributed surplus US$**	**Retained earnings US$**	**Translation reserve US$**	**Attributable to owners of the Company US$**	**Non-controlling interests US$**	**Total US$**
BALANCE AT JANUARY 1, 2011		9,905	67,951	28,383	(4,850)	1,981	27,449	313,299	20,924	465,042	-	465,042
Profit for the period		-	-	-	-	-	-	27,018	-	27,018	277	27,295
Other comprehensive income		-	-	-	-	-	-	-	(10,955)	(10,955)	(275)	(11,230)
Total comprehensive income for the period		-	-	-	-	-	-	27,018	(10,955)	16,063	2	16,065
Sale of shares to non-controlling interests		-	-	-	2,840	-	-	-	-	2,840	2,408	5,248
Dividends		-	-	-	-	-	(18,070)	-	-	(18,070)	-	(18,070)
BALANCE AT SEPTEMBER 30, 2011	21	9,905	67,951	28,383	(2,010)	1,981	9,379	340,317	9,969	465,875	2,410	468,285
BALANCE AT JANUARY 1, 2012		9,905	67,951	28,383	(2,010)	1,981	9,379	350,616	9,143	475,348	2,147	477,495
Profit for the period		-	-	-	-	-	-	18,343	-	18,343	434	18,777
Other comprehensive income		-	-	-	-	-	-	-	(7,362)	(7,362)	(192)	(7,554)
Total comprehensive income for the period		-	-	-	-	-	-	18,343	(7,362)	10,981	242	11,223
Dividends		-	-	-	-	-	-	(18,070)	-	(18,070)	-	(18,070)
BALANCE AT SEPTEMBER 30, 2012	21	9,905	67,951	28,383	(2,010)	1,981	9,379	350,889	1,781	468,259	2,389	470,648

(continue)

Wilson Sons Limited

Condensed consolidated statements of changes equity

For the quarters ended September 30, 2012 and 2011

(Amounts expressed in thousands, unless otherwise noted - *Brazilian Real amounts are the result of a convenience translation)* - *Unaudited*

			Capital reserves									
	Notes	**Share capital R$**	**Share premium R$**	**Others R$**	**Additional paid- in capital R$**	**Profit reserve R$**	**Contributed surplus R$**	**Retained earnings R$**	**Translation reserve R$**	**Attributable to owners of the parent R$**	**Non-controlling interests R$**	**Total R$**
BALANCE AT JANUARY 1, 2011		16,504	113,220	47,291	(8,080)	3,301	45,736	522,019	34,864	774,855	-	774,855
Profit for the period		-	-	-	-	-	-	50,102	-	50,102	514	50,616
Other comprehensive income		-	-	-	-	-	-	-	(20,315)	(20,315)	(510)	(20,825)
Total comprehensive income for the period		-	-	-	-	-	-	50,102	(20,315)	29,787	4	29,791
Sale of shares to non-controlling interests		-	-	-	5,266	-	-	-	-	5,266	4,466	9,732
Dividends		-	-	-	-	-	(33,509)	-		(33,509)	-	(33,509)
Translation adjustment to Real		1,864	12,788	5,342	(914)	373	5,166	58,963	3,938	87,520	(1)	87,519
BALANCE AT SEPTEMBER 30, 2011	21	18,368	126,008	52,633	(3,728)	(3,674)	17,393	631,084	18,487	863,919	4,469	868,388
BALANCE AT JANUARY 1, 2012		18,580	127,462	53,241	(3,771)	3,716	17,594	657,685	17,150	891,657	4,028	895,685
Profit for the period		-	-	-	-	-	-	37,248	-	37,248	881	38,129
Other comprehensive income		-	-	-	-	-	-	-	(14,949)	(14,949)	(390)	(15,339)
Total comprehensive income for the period		-	-	-	-	-	-	37,248	(14,949)	22,299	491	22,790
Dividends		-	-	-	-	-	-	(36,693)	-	(36,693)	-	(36,693)
Translation adjustment to Real		1,533	10,519	4,395	(311)	307	1,451	54,276	1,416	73,586	333	73,919
BALANCE AT SEPTEMBER 30, 2012	21	20,113	137,981	57,636	(4,082)	4,023	19,045	712,516	3,617	950,849	4,852	955,701

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Exchange rates
09/30/12 – R$2.0306 / US$1.00
12/31/11 – R$1.8758/ US$1.00
09/30/11 – R$1.8544/ US$1.00

Wilson Sons Limited

Condensed consolidated statements of cash flows

For the nine month periods ended September 30, 2012 and 2011

(Amounts expressed in thousands, unless otherwise noted - Brazilian Real amounts are the result of a convenience translation) - Unaudited

				Convenience translation	
	Note	2012 US$	2011 US$	2012 R$	2011 R$
NET CASH GENERATED BY OPERATING ACTIVITIES	27	93,087	79,280	189,022	147,017
CASH FLOW FROM INVESTING ACTIVITIES					
Interest received		7,140	6,996	14,498	12,970
Proceeds on disposal of property, plant and equipment		(157)	5,835	(319)	10,820
Purchases of property, plant and equipment		(125,954)	(172,702)	(255,763)	(320,258)
Investment - short term and long term investment		4,500	23,162	9,139	42,950
Advance for future investment – Briclog		-	(5,393)	-	(10.000)
Net cash used in investing activities		(114,444)	(142,102)	(232,445)	(263,518)
CASH FLOW FROM FINANCING ACTIVITIES					
Dividends paid		(18,070)	(18,070)	(36,693)	(33,509)
Repayments of borrowings		(24,091)	(23,196)	(48,920)	(43,014)
Repayments of obligation under finance leases		(2,478)	(5,007)	(5,032)	(9,286)
New bank loans raised		84,580	87,943	171,749	163,081
(Purchase) Sale of non-controlling interest in subsidiary		-	669	-	1,243
Net cash generated by financing activities		39,941	42,339	81,104	78,515
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		18,557	(20,483)	37,681	(37,986)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		112,388	118,172	210,818	196,898
Effect of foreign exchange rate changes		(15,117)	(6,029)	(30,694)	(11,180)
Translation adjustment to Real			-	17,398	22,242
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		115,829	91,660	235,203	169,974

(*) Exchange rates for convenience translation
06/30/12 – R$2.0306/ US$1.00
12/31/11 – R$1.8758/ US$1.00
06/30/11 – R$1.8544/ US$1.00

The accompanying notes are an integral part of the condensed consolidated financial statements.

Wilson Sons Limited

Notes to the condensed consolidated interim financial statements

Quarter ended September 30, 2012

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

1 General information

Wilson Sons Limited (the “Group” or “Company”) is a limited company incorporated in Bermuda under the Companies Act 1981. The address of the registered office is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda. The Group is one of the largest providers of integrated port and maritime logistics and supply chain solutions in Brazil. Throughout over 175 years in the Brazilian market, the Company has developed a nationwide network and has also provided a variety of services related to international trade, particularly in the port and maritime sectors. The Company’s principal activities are divided into the following segments: operation of port terminals, towage services, logistics, shipping agency, support to offshore oil and natural gas platforms and shipyards.

2 Significant accounting policies and critical accounting judgments

Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), specifically with International Accounting Standards (“IAS”) 34, and do not include all of the information required for full annual financial statements.

Basis of preparation

The condensed consolidated interim financial statements are presented in US Dollars because that is the currency of the economic environment in which Company operates. Entities with a functional currency other than US Dollars are consolidated in accordance with the IFRS.

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial instruments and the share-based payments liability that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The accounting policies and most significant judgments adopted by the Group's management were not modified in relation to those presented in the consolidated financial statements for the year ended December 31, 2011, approved on March 23, 2012.

Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the applications of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key source of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2011.

Convenience translation

The condensed consolidated interim financial statements were originally prepared in US Dollars. A convenience translation to the Real, the Brazilian currency, was carried out solely for the convenience of readers in Brazil and does not purport to represent amounts in accordance with International Financial Reporting Standards, and should not be construed as implying that the amounts in US Dollars represent, or could have been or could be converted into Brazilian Real, at such rates or at any other rate.

The exchange rates used for the purposes of this convenience translation were the PTAX exchange rates prevailing at the end of the reporting period, as disclosed by the *Banco Central do Brasil*. On September 30, 2012, December 31, 2011 and September 30, 2011 the applicable exchange rates were R$2.0306, R$1.8758, and R$1.8544, respectively. The difference between the applicable exchanges rates applied at the end of the reporting period generates impacts on the translation of the financial statements opening balances in Brazilian Real and the changes therein disclosed in the financial statements for the subsequent period. The effect of this difference is disclosed in the Brazilian Real Condensed Consolidated Statement of Changes in Equity (Other Comprehensive Income).

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

3 Segment information

Reportable segments

For management purposes, the Group is currently organized into six reportable segments: Towage, port terminals, shipping agency, offshore, logistics and shipyards. These divisions are reported for the purposes of resource allocation and assessment of segment performance.

Finance costs relating to liabilities were allocated to reporting segments based on the loans taken to finance the acquisition or the construction of fixed assets in that segment.

Finance income arising from bank balances held by Brazilian operating segments, including foreign exchange differences on such balances, were not allocated to the reporting segments as cash management is performed centrally by the corporate function. Administrative expenses are presented as non-segment activities.

Segment information relating to these businesses is presented below:

	2012								
September 30, 2012	**Towage US$**	**Port terminals US$**	**Ship agency US$**	**Offshore US$**	**Logistics US$**	**Shipyard US$**	**Non segment activities US$**	**Elimination US$**	**Consolidated US$**
(Three-month period ended)									
Revenue	46,515	58,360	6,716	11,839	27,106	34,726	-	(27,807)	157,455
Operating profit	14,806	19,273	2,197	1,817	120	3,043	(10,184)	(1,935)	29,137
Finance costs	(1,459)	(1,128)	(12)	(1,426)	(660)	12	984	47	(3,642)
Operating profit adjusted by finance cost	13,347	18,145	2,185	391	(540)	3,055	(9,200)	(1,888)	25,495
Finance income	-	-	-	-	-	-	-	-	(2,178)
Profit before tax	-	-	-	-	-	-	-	-	23,317
Other information:									
Capital expenditures	(6,531)	(13,227)	(69)	(6,.757)	(3,397)	(16,839)	(1,112)	-	(47,932)
Depreciation and amortization	(4,504)	(5,945)	(300)	(2,828)	(3,198)	(475)	(991)	-	(18,241)

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

September 30, 2011	Towage US$	Port terminals US$	Ship agency US$	Offshore US$	Logistics US$	Shipyard US$	Non segment activities US$	Elimination US$	Consolidated US$
	2011								
(Three-month period ended)									
Revenue	44,528	72,033	5,469	11,747	37,955	36,749	-	(26,202)	182,279
Operating profit	11,345	17,658	1,752	1,917	5,793	6,721	(7,647)	(5,820)	31,719
Finance costs	(1,362)	(2,572)	(2)	(1,137)	(1,097)	-	(72)	-	(6,242)
Operating profit adjusted by finance cost	9,983	15,086	1,750	780	4,696	6,721	(7,719)	(5,820)	25,477
Finance income	-	-	-	-	-	-	-	-	(7,213)
Profit before tax	-	-	-	-	-	-	-	-	18,264
Other information:									
Capital expenditures	(34,602)	(14,410)	(420)	(16,865)	(4,320)	(9,933)	(1,480)	-	(87,030)
Depreciation and amortization	(4,514)	(5,230)	(53)	(2,234)	(2,705)	(28)	(729)	-	(15,493)

September 30, 2012	Towage US$	Port terminals US$	Ship agency US$	Offshore US$	Logistics US$	Shipyard US$	Non Segment activities US$	Elimination US$	Consolidated US$
	2012								
(Nine-month period ended)									
Revenue	128,035	169,945	17,930	32,856	86,136	90,972	-	(57,258)	468,616
Operating profit	28,096	42,670	2,584	3,685	3,881	13,815	(33,122)	(5,821)	55,788
Finance costs	(4,437)	(3,154)	(32)	(4,178)	(2,179)	(19)	2,404	46	(11,549)
Operating profit adjusted by finance cost	23,659	39,516	2,552	(493)	1,702	13,796	(30,718)	(5,775)	44,239
Finance income	-	-	-	-	-	-	-	-	(4,901)
Profit before tax	-	-	-	-	-	-	-	-	39,338
Other information:									
Capital expenditures	(24,456)	(42,727)	(172)	(22,303)	(3,988)	(38,001)	(3,994)	-	(135,641)
Depreciation and amortization	(13,205)	(17,017)	(420)	(6.986)	(8,209)	(628)	(3,328)	-	(49,793)

Notes to the condensed consolidated interim financial statements

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	2011								
September 30, 2011	**Towage US$**	**Port terminals US$**	**Ship agency US$**	**Offshore US$**	**Logistics US$**	**Shipyard US$**	**Non Segment activities US$**	**Elimination US$**	**Consolidated US$**
(Nine-month period ended)									
Revenue	120,88	209,470	14,302	28,788	108,385	114,671	-	(75,277)	521,227
Operating profit	26,206	58,102	984	1,783	12,836	23,743	(30,757)	(14,389)	78,508
Finance costs	(3,547)	(3,088)	(6)	(2,950)	(3,335)	-	(229)	-	(13,155)
Operating profit adjusted by finance cost	22,659	55,014	978	(1,167)	9,501	23,743	(30,986)	(14,389)	65,353
Finance income	-	-	-	-	-	-	-	-	2,825
Profit before tax	-	-	-	-	-	-	-	-	68,178
Other information:									
Capital expenditures	(66,768)	(54,977)	(539)	(31,197)	(15,608)	(20,013)	(2,760)	-	(191,862)
Depreciation and amortization	(12,498)	(13,681)	(160)	(160)	(7,979)	(107)	(1,992)	-	(42,333)

	2012								
September 30, 2012	**Towage R$**	**Port terminals R$**	**Ship agency R$**	**Offshore R$**	**Logistics R$**	**Shipyard R$**	**Non segment activities R$**	**Elimination R$**	**Consolidated R$**
(Three-month periods ended)									
Revenue	94,453	118,506	13,638	24,040	55,041	70,514	-	(56,464)	319,728
Operating profit	30,065	39,135	4,462	3,689	243	6,181	(20,681)	(3,929)	59,165
Finance costs	(2,963)	(2,291)	(24)	(2,896)	(1,340)	24	1,999	96	(7,395)
Operating profit adjusted by finance cost	27,102	36,844	4,438	793	(1,097)	6,205	(18,682)	(3,833)	51,770
Finance income	-	-	-	-	-	-	-	-	(4,423)
Profit before tax	-	-	-	-	-	-	-	-	47,347
Other information:									
Capital expenditures	(13,262)	(26,859)	(140)	(13,721)	(6,898)	(34,193)	(2,258)	-	(97,331)
Depreciation and amortization	(9,146)	(12,072)	(609)	(5,743)	(6,494)	(965)	(2,012)	-	(37,041)

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

					2011				
September 30, 2011	**Towage R$**	**Port terminals R$**	**Ship agency R$**	**Offshore R$**	**Logistics R$**	**Shipyard R$**	**Non segment activities R$**	**Elimination R$**	**Consolidated R$**
(Three-month period ended)									
Revenue	82,572	133,578	10,142	21,784	70,384	68,147	-	(48,589)	338,018
Operating profit	21,038	32,745	3,249	3,555	10,743	12,463	(14,181)	(10,793)	58,819
Finance costs	(2,525)	(4,770)	(4)	(2,108)	(2,034)	-	(134)	-	(11,575)
Operating profit adjusted by finance cost	18,513	27,975	3,245	1,447	8,709	12,463	(14,315)	(10,793)	47,244
Finance income	-	-	-	-	-	-	-	-	(13,376)
Profit before tax	-	-	-	-	-	-	-	-	33,868
Other information:									
Capital expenditures	(73,438)	(26,722)	(779)	(31,274)	(8,011)	(18,420)	(2,745)	-	(161,389)
Depreciation and amortization	(8,370)	(9,699)	(98)	(4,143)	(5,016)	(52)	(1,352)	-	(28,730)

					2012				
September, 30, 2012 (Nine-month period ended)	**Towage R$**	**Port terminals R$**	**Ship agency R$**	**Offshore R$**	**Logistics R$**	**Non segment activities R$**	**Shipyard R$**	**Elimination R$**	**Consolidated R$**
Revenue	259,988	345,090	36,409	66.717	174,908	184,727	-	(116,268)	951,571
Operating profit	57,052	86,646	5,247	7,483	7,881	28,053	(67,258)	(11,820)	113,284
Finance costs	(9,010)	(6,405)	(65)	(8,484)	(4,425)	(38)	4,882	95	(23,450)
Operating profit adjusted by finance cost	48,042	80,241	5,182	(1,001)	3,456	28,015	(62,376)	(11,725)	89,834
Finance income	-	-	-	-	-	-	-	-	(9,953)
Profit before tax	-	-	-	-	-	-	-	-	79,881
Other information:									
Capital expenditures	(49,660)	(86,761)	(349)	(45,288)	(8,099)	(77,165)	(8,111)	-	(275,433)
Depreciation and amortization	(26,814)	(34,555)	(853)	(14,186)	(16,668)	(1,274)	(6,758)	-	(101,108)

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September 30, 2011 (Nine-month period ended)	Towage R$	Port terminals R$	Ship agency R$	Offshore R$	Logistics R$	Shipyard R$	Non segment activities R$	Elimination R$	Consolidated R$
	2011								
Revenue	224,175	388,441	26,522	53,384	200,989	212,646	-	(139,594)	966,563
Operating profit	48,597	107,744	1,825	3,306	23,803	44,029	(57,036)	(26,683)	145,585
Finance costs	(6,579)	(5,726)	(11)	(5,470)	(6,184)	-	(425)	-	(24,395)
Operating profit adjusted by finance cost	42,018	102,018	1,814	(2,164)	17,619	44,029	(57,461)	(26,683)	121,190
Finance income	-	-	-	-	-	-	-	-	5,239
Profit before tax	-	-	-	-	-	-	-	-	126,429
Other information:									
Capital expenditures	(123,815)	(101,949)	(1,000)	(57,852)	(28,943)	(37,113)	(5,118)	-	(355,790)
Depreciation and amortization	(23,177)	(25,370)	(297)	(11,100)	(14,796)	(198)	(3,564)	-	(78,502)

Geographical information

The Group's operations are mainly located in Brazil. The Group earns income on cash and cash equivalents and short-term investments in Bermuda and in Brazil and incurs expenses on its activities in the both countries.

4 Revenue

The following is an analysis of the Group's revenue from continuing operations for the period (excluding Finance income - Note 7).

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Sales of services	150,538	171,780	434,903	483,277
Revenue from construction contracts	6,917	10,499	33,713	37,950
Total	157,455	182,279	468,616	521,227

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Sales of services	305,682	318,550	883,114	896,190
Revenue from construction contracts	14,046	19,468	68,457	70,373
Total	319,728	338,018	951,571	966,563

5 Employee benefits expense

	Three-month period ended		Nine-month period ended	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Salaries and benefits	44,317	51,474	142,148	147,108
Payroll taxes	11,820	12,995	36,651	36,675
Pension costs	372	336	1,149	926
Long-term incentive plan (Note 20)	(832)	(7,687)	2,309	(7,659)
Total	55,677	57,118	182,257	177,050

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Salaries and benefits	89,990	95,453	288,645	272,797
Payroll taxes	24,002	24,098	74,424	68,010
Pension costs	754	623	2,335	1,717
Long-term incentive plan (Note 20)	(1,689)	(14,254)	4,687	(14,202)
Total	113,057	105,920	370,091	328,322

Pension costs are for defined contribution retirement benefit schemes for all eligible employees of the Group's Brazilian business, Group contributions to the scheme are made at rates specified in plan rules. Plan assets are held separately from those of the Group, in funds under the control of independent managers. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

6 Other operating expenses

	Three-month period ended		Nine-month period ended	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Service cost	12,747	19,219	39,821	53,043
Rent of tugs	4,973	6,825	16,568	18,567
Freight	2,957	3,632	7,481	13,526
Other rentals	6,639	9,456	17,910	29,845
Energy, water and communication	6,667	4,166	18,428	12,413
Container handling	2,731	4,209	9,242	10,790
Insurance	1,325	1,800	5,259	5,952
Other taxes	2,796	3,282	8,624	9,920
Other expenses	1,510	2,478	7,846	9,887
Total	42,345	55,067	131,179	163,943

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Service cost	25,884	35,640	80,861	98,362
Rent of tugs	10,098	12,657	33,643	34,431
Freight	6,004	6,736	15,191	25,082
Other rentals	13,481	17,535	36,368	55,345
Energy, water and communication	13,538	7,726	37,420	23,018
Container handling	5,546	7,805	18,767	20,009
Insurance	2,691	3,337	10,679	11,037
Other taxes	5,678	6,085	17,512	18,397
Other expenses	3,066	4,595	15,932	18,335
Total	85,986	102,116	266,373	304,016

7 Finance income and finance costs

	Three-month period ended		Nine-month period ended	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Interest on investments	1,881	3,238	7,324	7,959
Exchange gain (loss) on investments	(4,283)	(10,824)	(15,117)	(6,030)
Other interest income	224	373	2,892	896
Total finance income	(2,178)	(7,213)	(4,901)	2,825
Interest on bank loans and overdrafts	(3,415)	(3,572)	(10,453)	(9,507)
Exchange gain (loss) on loans	162	(2,073)	197	(1,790)
Interest on obligations under finance leases	(211)	(319)	(701)	(1,149)
Total borrowing costs	(3,464)	(5,964)	(10,957)	(12,446)
Other interest	(178)	(278)	(592)	(709)
Total finance costs	(3,642)	(6,242)	(11,549)	(13,155)

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(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Interest on investments	3,820	6,002	14,872	14,759
Exchange gain (loss) on investments	(8,696)	(20,071)	(30,696)	(11,182)
Other interest income	453	693	5,871	1,662
Total finance income	(4,423)	(13,376)	(9,953)	5,239
Interest on bank loans and overdrafts	(6,935)	(6,625)	(21,226)	(17,630)
Exchange gain on loans	330	(3,843)	401	(3,319)
Interest on obligations under finance leases	(427)	(592)	(1,422)	(2,131)
Total borrowing costs	(7,032)	(11,060)	(22,247)	(23,080)
Other interest	(363)	(515)	(1,203)	(1,315)
Total finance costs	(7,395)	(11,575)	(23,450)	(24,395)

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

8 Income tax expense

Income tax recognized in profit or loss:

	Three-month period ended		Nine-month period ended	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Current				
Brazilian taxation				
Income tax	6,294	8,398	17,978	23,217
Social contribution	2,499	2,924	6,458	8,310
Total Brazilian current tax	8,793	11,322	24,436	31,527
Deferred tax				
Total deferred tax	(2,381)	13,029	(3,875)	9,356
Total income tax expense	6,412	24,351	20,561	40,883

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Current				
Brazilian taxation				
Income tax	12,780	15,575	36,506	43,054
Social contribution	5,075	5,421	13,115	15,410
Total Brazilian current tax	17,855	20,996	49,621	58,464
Deferred tax				
Total deferred tax	(4,834)	24,162	(7,869)	17,349
Total income tax expense	13,021	45,158	41,752	75,813

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Brazilian income tax is calculated at 25% of the taxable profit for the period. Brazilian social contribution tax is calculated at 9% of the taxable profit for the period.

The income tax expense for the period can be reconciled to the accounting profit as follows:

	Three-month period ended		**Nine-month period ended**	
	09/30/12 US$	**09/30/11 US$**	**09/30/12 US$**	**09/30/11 US$**
Profit before tax	23,317	18,264	39,338	68,178
Tax at statutory Brazilian tax rate (34%)	7,928	6,211	13,375	23,181
Effect of exchange differences arising on translation - IAS 21	(519)	39,603	6,959	29,378
Exchange differences on US Dollar loans	2,337	(22,049)	412	(11,260)
Effect of different tax rates in other jurisdictions	(147)	(2,432)	2,904	(2,107)
Effect of tax losses unrecognized in deferred tax assets	(816)	-	(2,609)	-
Others	(2,371)	3,018	(480)	1,691
Income tax expense	6,412	24,351	20,561	40,883
Effective rate for the period	27%	133%	52%	60%

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
	09/30/12 R$	**09/30/11 R$**	**09/30/12 R$**	**09/30/11 R$**
Profit before tax	47,347	33,868	79,881	126,949
Tax at statutory Brazilian tax rate (34%)	16,098	11,520	27,159	42,987
Effect of exchange differences arising on translation - IAS 21	(1,054)	73,440	14,131	54,479
Exchange differences on US Dollar loans	4,746	(40,887)	837	(20,880)
Effect of different tax rates in other jurisdictions	(298)	(4,511)	5,897	(3,907)
Effect of tax losses unrecognized in deferred tax assets	(1,657)	-	(5,298)	-
Others	(4,814)	5,596	(974)	3,134
Income tax expense	13,021	45,158	41,752	75,813
Effective rate for the period	27%	133%	52%	60%

The tax rate used for the 2012 and 2011 reconciliations above is the corporate tax rate of 34% payable by entities in Brazil under the tax law in that jurisdiction.

9 Goodwill

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Cost and carrying amount attributed to:				
Tecon Rio Grande	13,132	13,132	26,666	24,633
Tecon Salvador	2,480	2,480	5,036	4,652
Total	15,612	15,612	31,702	29,285

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

For the purposes of testing goodwill for impairment losses, the Group prepares, at each year end, cash flow forecasts for the relevant cash-generating unit (Tecon Rio Grande and Tecon Salvador) derived from the most recent financial budget for the following year and extrapolates cash flows for the remaining life of the concession based on an estimated annual growth of between 8% and 10% for Tecon Rio Grande and 7% and 10% for Tecon Salvador. This rate does not exceed the average long-term historical growth rate for the relevant market. After testing goodwill as mentioned above, no impairment losses were recognised for the periods presented.

10 Other intangible assets

	US$	**R$**
At January 1, 2011	19,214	32,014
Additions	6,807	12,769
Exchange differences	(2,063)	(3,871)
Transfer from property, plant and equipment (software)	15,149	28,416
Foreign currency gains in respect of translation into Brazilian Real	-	4,029
At December 31, 2011	39,107	73,357
Additions	6,737	13,680
Write off	(592)	(1,202)
Exchange differences	(2,000)	(4,061)
Foreign currency gains in respect of translation into Brazilian Real		6,054
At September 30, 2012	43,252	87,828
Accumulated amortization		
At January 1, 2011	2,373	3,954
Charge for the year	2,700	5,066
Exchange differences	(301)	(564)
Transfer from property, plant and equipment (software)	5,789	10,859
Foreign currency gains in respect of translation into Brazilian Real	-	495
At December 31, 2011	10,561	19,810
Charge for the period	3,911	7,939

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	US$	R$
Write off	(586)	(1,186)
Exchange differences	(449)	(912)
Foreign currency gains in respect of translation into Brazilian Real		1,636
At September 30, 2012	13,437	27,287
Carrying amount		
September 30, 2012	29,815	60,541
December 31, 2011	28,546	53,547

In 2011, additions were principally costs relating to the implementation of integrated management software (SAP), transfers related to expenditure on SAP and other software in prior years.

11 Property, plant and equipment

	Land and buildings US$	Vessels US$	Vehicles, plant and equipment US$	Assets under construction US$	Total US$
Cost or valuation					
At January 1, 2011	145,017	380,275	206,914	24,059	756,265
Additions	79,960	30,065	67,219	78,883	256,127
Transfers	-	73,258	-	(73,258)	-
Transfer to other intangible assets (software)	-	-	(15,149)	-	(15,149)
Exchange differences	(10,281)	-	(14,849)	-	(25,130)
Disposals	(594)	(1,394)	(10,333)	-	(12,321)
At December 31, 2011	214,102	482,204	233,802	29,684	959,792
Additions	54,835	5,659	16,394	52,016	128,904
Transfers	(19)	43,452	19	(43,452)	-
Exchange differences	(10,307)	-	(11,247)	-	(21,554)
Disposals	(364)	(113)	(1,463)	-	(1,940)
At September 30, 2012	258,247	531,202	237,505	38,248	1,065,202

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	Land and buildings US$	Vessels US$	Vehicles, plant and equipment US$	Assets under construction US$	Total US$
Accumulated depreciation					
At January 1, 2011	27,908	100,173	67,352	-	195,433
Charge for the year	8,740	25,979	22,059	-	56,778
Transfer other intangible assets (Software)	-	-	(5,789)	-	(5,789)
Exchange differences	(1,283)	-	(4,294)	-	(5,577)
Disposals	(373)	(761)	(5,778)	-	(6,912)
At December 31, 2011	34,992	125,391	73,550	-	233,933
Additions	8,901	19,481	17,499	-	45,881
Exchange differences	(1,206)	-	(3,760)	-	(4,966)
Disposals	(350)	(75)	(1,395)	-	(1,820)
At September 30, 2012	42,337	144,797	85,894	-	273,028
Carrying amount					
September 30, 2012	215,910	386,405	151,611	38,248	792,174
December 31, 2011	179,110	356,813	160,252	29,684	725,859

Cost or valuation	Land and buildings R$	Vessels R$	Vehicles, plant and equipment R$	Assets under construction R$	Total R$
At January 1, 2011	241,627	633,615	344,760	40,086	1,260,088
Additions	149,990	56,396	126,089	147,969	480,444
Transfers	-	137,417	-	(137,417)	-
Transfer to other intangible assets (software)	-	-	(28,416)	-	(28,416)
Exchange differences	(19,284)	-	(27,854)	-	(47,138)
Disposals	(1,115)	(2,615)	(19,382)	-	(23,112)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	30,396	79,705	43,370	5,040	158,511
At December 31, 2011	401,614	904,518	438,567	55,678	1,800,377

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Cost or valuation	Land and buildings R$	Vessels R$	Vehicles, plant and equipment R$	Assets under construction R$	Total R$
Additions	111,348	11,492	33,290	105,623	261,753
Transfers	(39)	88,234	39	(88,234)	-
Exchange differences	(20,930)	-	(22,838)	-	(43,768)
Disposals	(739)	(231)	(2,970)	-	(3,940)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	33,144	74,646	36,189	4,599	148,578
At September 30, 2012	524,398	1,078,659	482,277	77,666	2,163,000
Accumulated depreciation					
At January 1, 2011	46,500	166,908	112,222	-	325,630
Charge for the year	16,394	48,733	41,378	-	106,505
Transfer to other intangible assets (software)	-	-	(10,859)	-	(10,859)
Exchange differences	(2,406)	-	(8,055)	-	(10,461)
Disposals	(699)	(1,427)	(10,839)	-	(12,965)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	5,849	20,994	14,118	-	40,961
At December 31, 2011	65,638	235,208	137,965	-	438,811
Charge for the period	18,076	39,558	35,533	-	93,167
Exchange differences	(2,450)	-	(7,635)	-	(10,085)
Disposals	(711)	(152)	(2,834)	-	(3,697)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	5,417	19,411	11,387	-	36,215
At September 30, 2012	85,970	294,025	174,416	-	554,411
Carrying amount					
September 30, 2012	438,428	784,634	307,861	77,666	1,608,589
December 31, 2011	335,976	669,310	300,602	55,678	1,361,566

The cost balance of the Group's vehicles, plant and equipment includes an amount of US$19.9 million (R$40.4 million) (2011: US$21.0 million (R$39.4 million)) in respect of assets held under finance leases.

Land and buildings with a net carrying amount of US$0.2 million (R$0.5 million) (2011: US$0.3 million (R$0.5 million)) and tugboats with a net carrying amount of US$2.2 million (R$4.5 million) (2011: US$2.4 million (R$4.5 million) have been pledged as guarantee of various lawsuits.

The Group has pledged assets with a carrying amount of approximately US$606.1 million (R$1.231 million) (2011: US$439.4 million (R$824.2 million)) to secure loans granted to the Group.

The amount of borrowing costs capitalized in 2012 is US$8.9 million (R$17.9 million) (2011: US$4.9 million (R$9.2 million)), at an average interest rate of 3.33% (2011: 3.37%).

On August 5, 2011, the Group acquired 4 tugboats from Navemar Transportes e Comércio Marítimo Ltda for a consideration of US$10.9 million (R$20.0 million at the transaction date) in cash, plus the assumption of a total debt of US$9.0 million (R$16.7 million at the transaction date) with BNDES, as agent for the Fundo da Marinha Mercante (FMM).

As part of the continuing review of the economic useful life of vessels, on April 2, 2012, the Group concluded the research of its fleet of tugboats and Platform Supply Vessels, supported by technical evidence presented in a report prepared by the specialized engineers and directors of the Group. As a result of this survey the economic life of its vessels was amended with prospective effect from the date of the report. Given the result of the study, the estimated useful life of vessels was adjusted from 20 years to be 25 years for all new vessels built post 1986, with assets prior to this date depreciated over periods 30 to 35 years depending on specification and factors such as remotorisation.

As a result of the change in estimated useful lives of vessels, the depreciation expense was US$49.8 million, (against US$52.7 million that would have been recorded if the change had not occurred).

On September 30, 2012, the Group had contractual commitments to suppliers for the acquisition and construction of property, plant and equipment amounting to US$25.1 million (R$51.1 million) (2011: US$26.5 million (R$49.7 million)). The amount mainly refers to the expansion of Tecon Salvador and Tecon Rio Grande and to the construction of the Guarujá II shipyard.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

12 Inventories

	09/30/12 US$	12/31/11 US$	09/30/12 R$	12/31/11 R$
Operating materials	15,454	11,543	31,381	21,652
Raw materials for construction contracts (external customers)	10,256	9,599	20,825	18,006
Total	25,710	21,142	52,206	39,657

13 Trade and other receivables

	09/30/12 US$	12/31/11 US$	09/30/12 R$	12/31/11 R$
Receivables for services rendered	76,717	73,529	155,783	137,926
Allowance for doubtful debts	(2,141)	(927)	(4,350)	(1,739)
Income tax recoverable (IT and SC)	13,579	11,485	27,574	21,544
Recoverable taxes and levies	42,819	42,286	86,948	79,320
Prepayment	16,983	22,462	34,486	42,133
Other	14,834	14,922	30,122	27,991
Total	162,791	163,757	330,563	307,175
Total current	137,052	135,517	278,298	254,203
Total non-current	25,739	28,240	52,265	52,972

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Trade receivables disclosed are classified as financial assets measured at amortised cost.

Non-current trade receivables with maturities over 365 days refer principally to: (i) recoverable taxes related to PIS, COFINS, ISS and INSS; and (ii) receivables from Intermarítima (Note 22). There is no impairment evidence related to these receivables.

As a matter of routine, the Group reviews taxes and levies impacting its business to ensure that payments of such amounts are correctly made and that no amounts are paid unnecessarily. The Group is developing a plan to use its tax credits, respecting the legal term for use of tax credits from prior years and, if the inability to recover by compensation is evidenced, requesting reimbursement of these values from the Receita Federal do Brasil.

The aging list of receivables for services rendered is as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Current	58,516	55,591	118,822	104,278
Overdue but not impaired:				
01 to 30 days	9,026	15,289	18,328	28,679
31 to 90 days	3,967	1,085	8,054	2,035
91 to 180 days	3,067	637	6,229	1,195
Impaired:				
More than 180 days	2,141	927	4,350	1,739
Total	76,717	73,529	155,783	137,926

Generally, interest of one percent per month plus a two-percent penalty discharged on overdue balances. The Group has recognized an allowance for doubtful debts of all receivables over 180 days. Based on historical experience these receivables are not recoverable. Allowances for doubtful debts are recognized as a reduction of receivables whenever a loss is identified. Identification of such losses are based on estimated unrecoverable amounts determined by reference to past default experience of the counterparty and based on an analysis of the counterparty’s current financial position.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Changes in allowance for doubtful debts are as follows:

	US$	**R$**
At January 1, 2011	1,320	2,200
Amounts written off during the year	(2,570)	(4,820)
Increase in allowance	2,316	4,344
Exchange difference	(139)	(261)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	-	276
At December 31, 2011	927	1,739
Amounts written off during the period	4,632	9,406
Increase in allowance	(3,302)	(6,705)
Exchange difference	(116)	(236)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	-	146
At September 30, 2012	2,141	4,350

Management believes that no additional accrual is required for the allowance for doubtful debts.

14 Cash and cash equivalents, short-term investments and long term investments

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank accounts and short-term investments that are highly liquid and readily convertible to known amounts of cash, and which are subject to an immaterial risk of changes in value.

US dollar-denominated cash and cash equivalents refer principally to investments in deposit certificates placed with major financial institutions, Real-denominated cash and cash equivalents refer principally to investments in deposit certificates and Brazilian treasury bonds.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Short-term investments

Short-term investments comprise investments with maturity dates of more than 90 days but less than 365 days.

Long-term investments

Long term investments comprise restricted cash related to a loan agreement with Banco do Brasil held by a joint venture of the Group. This investment will be retained until financing settlement, with minimum remuneration at savings account or by other financial instrument with similar risk, at financial institution discretion, and operated exclusively by the financial institution.

The breakdown of cash and cash equivalents, short-term investmentsand long-term investments is as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Denominated in US dollar:				
Cash and cash equivalents	4,185	572	8,497	1,073
Short-term investments	20,000	24,500	40,612	45,957
Long-term investments	1,072	1,072	2,179	2,012
Total	25,257	26,144	51,288	49,042
Denominated in Brazilian Real:				
Cash and cash equivalents	111,644	111,816	226,705	209,744
Total	111,644	111,816	226,705	209,744
Total cash and cash equivalents	115,829	112,388	235,202	210,817
Total short-term investments	20,000	24,500	40,612	45,957
Total long-term investments	1,072	1,072	2,179	2,012

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Private investment fund

The Group has investments in a private investment fund called Hydrus Fixed Income Private Credit Investment Fund which are consolidated in these financial statements. This private investment fund comprises deposit certificates and equivalent instruments, with final maturities ranging from November 2012 to April 2018, and government bonds, with final maturities ranging from September 2013 to March 2018. About 81.93% of the securities included in the portfolio of the Private Investment Fund have daily liquidity and are marked to fair value on a daily basis against current earnings. This private investment fund does not have significant financial obligations. Any financial obligations are limited to service fees to the asset management company employed to execute investment transactions, audit fees and other similar expenses.

15 Bank overdrafts and loans

	Interest rate - %	09/30/12 US$	12/31/11 US$	09/30/12 R$	12/31/11 R$
Unsecured borrowings					
Bank overdrafts - Real	12.4% p.a.	-	132	-	248
Total unsecured borrowings		-	132	-	248
Secured borrowings					
BNDES - FINAME Real	4.5% to 12,5% p.a.	23,802	30,591	48,331	57,383
BNDES - FMM linked to US Dollar	2.11% to 6% p.a.	350,665	300,460	712,061	563,601
BNDES - FMM Real	9,71% p.a.	4,086	4,540	8,298	8,516
BNDES - linked to US Dollar	5.07% to 5.36% p.a.	14,408	15,447	29,257	28,975
Total BNDES		392,961	351,038	797,947	658,475
IFC - US Dollar	3.43% to 8.49% p.a.	76,897	57,208	156,147	107,311
IFC - linked to Real	14.09% p.a.	2,577	3,618	5,233	6,787
Total IFC		79,474	60,826	161,380	114,098
Eximbank - US Dollar	2.43% p.a.	13,602	15,769	27,620	29,579
Finimp - US Dollar	2.34% to 4.54% p.a.	6,860	3,152	13,931	5,913
BB - FMM linked to US Dollar	3,1% p.a.	50,934	52,649	103,427	98,759
Caterpillar - Real	4.41% to 7.44% p.a.	312	487	632	914
Total others		71,708	72,057	145,610	135,165
Total secured borrowings		544,143	483,921	1,104,937	907,738
Total		544,143	484,053	1,104,937	907,986

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The breakdown of bank overdrafts and loans by maturity is as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Within one year	42,635	32,672	86,575	61,286
In the second year	46,555	41,197	94,536	77,277
In the third to fifth years (including)	136,272	127,351	276,713	238,885
After five years	318,681	282,833	647,113	530,538
Total	544,143	484,053	1,104,937	907,986
Total current	42,635	32,672	86,575	61,286
Total non-current	501,508	451,381	1,018,362	846,700

The analysis of borrowings by currency is as follows:

	Real US$	**Real linked to US Dollars US$**	**US Dollars US$**	**Total US$**	**Real R$**	**Real linked to US Dollars R$**	**US Dollars R$**	**Total R$**
September 30, 2012								
Bank loans	30,777	416,007	97,359	544,143	62,494	844,745	197,698	1,104,937
Total	30,777	416,007	97,359	544,143	62,494	844,745	197,698	1,104,937
December 31, 2011								
Bank overdrafts	132	-	-	132	248	-	-	248
Bank loans	39,236	368,556	76,129	483,921	73,600	691,335	142,803	907,738
Total	39,368	368,556	76,129	484,053	73,848	691,335	142,803	907,986

The Group's main lenders are described as follows:

The total debt amount with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) was US$393.0 million (R$797.9 million) on September 30, 2012 (2011: US$351.0 million (R$658.5 million)). As an agent of Fundo da Marinha Mercante's (FMM), BNDES finances the construction of tugboats, platform supply vessels, and shipyard facilities with a debt amount of US$354.8 million (R$720.4 million) on September 30, 2012 (2011: US$305.0 million (R$572.1 million)). FINAME credit line, through a variety of financial agents, finances Logistics and Port Operation equipment acquisition amounting US$23.8 million (R$48.3 million) on September 30, 2012 (2011: US$30.6 million (R$57.4 million)). Through FINEM credit line, BNDES is also financing Tecon Rio Grande's existing fixed assets improvement, amounting US$14.4 million (R$29.3 million) on September 30, 2012 (2011: US$15.4 million (R$29.0 million)). The debt amount is repayable over different periods up to 20 years. Loans linked to US Dollars bear fixed interest rates between 2.11% p.a. and 6%p.a., loans linked to UMBNDES bear floating interest rate of BNDES's external funding cost plus a spread of 1.48 % p.a., whereas loans denominated in Brazilian-Real, have fixed interest rates between 4.5 % p.a. and 13 % p.a.

Banco do Brasil ("BB") as a Fundo da Marinha Mercante's (FMM) agent, finances the acquisition of four platform supply vessels, with a debt amount of US$50.9 million (R$103.4 million) on September 30, 2012 (2011: US$52.6 million (R$98.7 million)). This debt was acknowledged when the Company officially formed the Wilson, Sons Ultratug Offshore joint venture with Remolcadores Ultratug Ltda. The Company recognized fifty percent of the liability. The contract shall be repaid in 17 years with monthly amortization and interest payment. This loan is linked to US Dollars and bears a fixed interest rate of 3.1% p.a..

International Finance Corporation (IFC) finances projects in both container terminals -Tecon Rio Grande and Tecon Salvador. There are three loan agreements, one for Tecon Rio Grande and two for Tecon Salvador. The total debt amount of US$79.5 million (R$161.4 million) on September 30, 2012 (2011: US$60.8 million (R$114.1 million)) is repayable up to 7.5 years. The amortization and interest payment are semiannual. The Tecon Rio Grande loan is denominated in US Dollar and carries a fixed interest rate of 8.49% p.a. Tecon Salvador loans are denominated part in US Dollar and part in Brazilian Real. The first bears a floating interest rate of Libor (6 months) plus a 2.75% p.a. spread, whereas the one denominated in Brazilian Real, has interest rate fixed at 14.09% p.a.

The Export-Import Bank of China (Eximbank) finances Tecon Rio Grande's equipment acquisition. As per loan agreement principal shall be repaid in 6.5 years with semiannual amortization and interest payment. The loan is denominated in US Dollars with a floating interest rate of Libor (6 months) plus a spread of 1.7 % p.a. Additionally, there is a 2.0 % p.a. guarantee fee paid to Banco Itaú BBA. The debt amount was US$13.6 million (R$27.6 million) on September 30, 2012 (2011: US$15.8 million (R$29.6 million)).

Banco Itaú BBA S.A finances Tecon Rio Grande's equipment acquisition through an Import Finance Facility ("FINIMP"). One loan is denominated in US Dollars with a floating interest rate of Libor (6 months) plus a spread of 1.63% p.a. Banco Itaú BBA S.A. also charges a 1.75 % p.a. local fee. As per loan agreement principal shall be repaid in 2.5 years with semiannual amortization and interest payment. The other loan was signed on January 06, 2012. The total contract worth US$9.2 million is under disbursement. The loan agreement is denominated in US Dollars with a floating interest rate of Libor (6 months) plus a spread of 3.8% p.a.. As per loan agreement principal shall be repaid in 5 years with semiannual amortization and interest payment. The debt amount was US$6.9 million (R$13.9 million) on September 30, 2012 (2011: US$3.2 million (R$5.9 million)).

Guarantees

Loans with BNDES rely on a corporate guarantee from Wilson Sons de Administração e Comércio Ltda. For some contracts, the corporate guarantee is additional to: (i) pledge of the respective financed tug boat or platform supply vessel, (ii) guarantee of Petroleo Brasileiro S.A. - Petrobras contract receivables and/or (iii) lien of logistics and port operations equipment financed.

Loans with Banco do Brasil are guaranteed by a pledge over the financed supply vessels, "Standby Letter of Credit" and fiduciary assignment of Petrobras long-term contracts. The Magallanes Navegação Brasileira S.A. subsidiary, in accordance to this Financing Agreement with Banco do Brasil, constituted a restricted cash account, accounted for under Long term investments, in the amount of US$1.1 million (R$2.2 million). This reserve will be retained until financing settlement, with minimum remuneration as savings account or by other financial instrument with similar risk, at the financial institution's discretion, and operated exclusively by the financial institution.

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The loans that Tecon Salvador and Tecon Rio Grande hold with IFC are guaranteed by shares of each company, projects' cash flows, equipment and buildings.

The loan with "The Export-Import Bank of China" is guaranteed by a "Standby Letter of Credit" issued for Tecon Rio Grande by Banco Itaú BBA S.A., with the financing bank as beneficiary, as counter-guarantee, Tecon Rio Grande obtained a formal authorization from IFC trustee to pledge the equipment funded by "The Export-Import Bank of China" to Banco Itaú BBA S.A.

Loan with Itaú BBA S.A. is guaranteed by the corporate guarantee from Wilson Sons de Administração e Comércio Ltda. The contract signed on January 06, 2012 is additionally guaranteed by promissory note and pledge of the respective financed equipment.

Undrawn credit facilities

At September 30, 2012, the Group had available US$395.0 million of undrawn borrowing facilities. For each disbursement, there is a set of precedent conditions that must be satisfied.

Fair value

Management estimates the fair value of the Group's borrowings as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Bank overdrafts	-	132	-	248
Bank loans				
BNDES	392,961	351,038	797,947	658,475
IFC	79,702	60,934	161,844	114,300
Eximbank	13,602	15,769	27,620	29,579
Finimp	6,860	3,152	13,931	5,913
BB	50,934	52,649	103,427	98,759
Caterpillar	312	487	632	914
Total bank loans	544,371	484,029	1,105,401	907,940
Total	544,371	484,161	1,105,401	908,188

Covenants

The subsidiaries Tecon Rio Grande, Tecon Salvador and Magallanes Navegação Brasileira S.A. and the holding Wilson, Sons de Administração e Comércio Ltda have to comply with specific financial covenants.

According to IFC loans, the subsidiaries Tecon Rio Grande and Tecon Salvador have specific restrictive clauses. These covenants are mainly related to the maintenance of specific liquidity ratios. On September 30, 2012 these subsidiaries were in compliance with all clauses in those loan contracts.

According to the BNDES loan, the subsidiary Tecon Rio Grande has specific restrictive clauses. These covenants are mainly related to the maintenance of specific liquidity ratios. On September 30, 2012 this subsidiary was in compliance with all clauses in this loan contract.

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16 Deferred taxes

The following are the major deferred tax assets and liabilities recognized by the Group during the current and prior reporting periods:

	Accelerated depreciation US$	**Exchange Differences on loans US$**	**Timing differences US$**	**Non-monetary items US$**	**Total US$**
At January 1, 2011	(22,405)	(11,811)	15,077	32,989	13,850
(Charge) credit to income	(2,668)	15,368	10,775	(33,749)	(10,274)
Exchange differences	-	(85)	(1,059)	-	(1,144)
At December 31, 2011	(25,073)	3,472	24,793	(760)	2,432
(Charge)/credit to income	(2,842)	9,001	13,385	(15,669)	3,875
Exchange differences	259	(110)	(532)	-	(383)
Exchange Variations	-		1,975	-	1,975
At September 30, 2012	(27,656)	12,363	39,621	(16,429)	7,899

	Accelerated depreciation R$	**Exchange Differences on loans R$**	**Timing differences R$**	**Non-monetary items R$**	**Total R$**
At January 1, 2011	(37,332)	(19,680)	25,123	54,966	23,077
(Charge) credit to income	(5,005)	28,828	20,210	(63,306)	(19,273)
Exchange differences	-	(159)	(1,986)	-	(2,145)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	(4,696)	(2,473)	3,158	6,914	2,903
At December 31, 2011	(47,033)	6,516	46,505	(1,426)	4,562
(Charge)/credit to income	(5,770)	18,279	27,182	(31,817)	7,874
Exchange differences	526	(223)	(1,082)		(779)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	(3,880)	534	7,849	(118)	4,385
At September 30, 2012	(56,157)	25,106	80.454	(33,361)	16,042

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Certain tax assets and liabilities have been offset on an entity-by-entity basis. In the condensed consolidated interim financial statements, a deferred tax asset of one Group entity cannot be offset against a deferred tax liability of another Group entity as there is no legally enforceable right to offset tax assets and liabilities between Group companies. After offset, deferred tax balances are disclosed in the balance sheet as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Deferred tax liabilities	(24,359)	(26,093)	(49,462)	(48,945)
Deferred tax assets	32,258	28,525	65,504	53,507
Total	7,899	2,432	16,042	4,562

At the end of the reporting period, the Group has unutilized tax loss carry forwards of US$103,193 (R$209,544) (2011: US$56,122 (R$105,273)) available for offset against future taxable income.

A deferred tax asset in the amount of US$8.6 million (R$17.5 million) has been recognized due to the probable future flows of this portion of related taxable income, integrally related to both the proximity of the completion Guarujá II Shipyard expansion and the 2012 delivery new offshore vessels which give the Company sufficient confidence for the implementation of its objectives. The expected recoverability of the tax credits is based on projections of future taxable income taking into consideration various business and financial assumptions. Accordingly, these estimates may differ from the effective taxable income in the future due the inherent uncertainties involved with these estimates.

Also a deferred tax asset in the amount of US$12,537 (R$25,458) (2011: US$16,311 (R$30,597)) has not been recognized due to the unpredictability of this portion of future flows of related taxable income. Part of this amount, US$1,790(R$3,635), refers to unutilized tax loss carry forwards generated by the holding entities of the group, the remaining amount of US$10,747 (R$21,823) refers to operational entities.

Deferred tax assets and liabilities arise on Brazilian property, plant and equipment, inventories and prepaid expense held in US Dollar functional currency businesses. Deferred taxes are calculated on the difference between the historical US Dollar balances recorded in the Group’s accounts and the Real balances used in the Group's Brazilian tax calculations.

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Deferred tax liabilities arise from exchange gains on the Group's US dollar-denominated borrowings and the real-denominated loans pegged to the US dollar that are taxable when settled and not in the period in which the gains arise.

17 Provisions for tax, labor and civil risks

	US$	**R$**
At January 1, 2011	12,289	20,476
Addition to provision	5,650	10,598
Reversal of provision	(3,208)	(6,017)
Exchange difference	(1,353)	(2,537)
Foreign currency gains in respect of translation into Brazilian Real	-	2,574
At December 31, 2011	13,378	25,094
Addition to provision	2,039	4,141
Reversal of provision	(2,684)	(5,451)
Exchange difference	(2,085)	(4,234)
Foreign currency gains in respect of translation into Brazilian Real	-	2,071
At September 30, 2012	10,648	21,621

The breakdown of the provision by type of risk is as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Civil cases	1,594	1,910	3,236	3,583
Tax cases	1,015	169	2,061	317
Labor claims	8,039	11,299	16,324	21,194
Total	10,648	13,378	21,621	25,094

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In the normal course of business in Brazil, the Group remains exposed to numerous local legal claims. It is the Group's policy to vigorously contest such claims, many of which appear to have little substance in merit, and to manage such claims through its legal counsel.

In addition to the cases for which the Group booked the provision, there are other tax, civil and labor disputes amounting to US$86,407 (R$175,456) (2011: US$69,418 (R$130,213)), whose probability of loss was estimated by the legal counsel as possible.

The breakdown of possible losses is described as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Civil cases	6,837	6,261	13,881	11,744
Tax cases	36,160	25,775	73,427	48,348
Labor claims	43,410	37,382	88,148	70,121
Total	86,407	69,418	175,456	130,213

The main probable and possible claims against the Group are described below:

- **Civil and environmental cases -** Discussions on contractual matters and lawsuits involving cargo handling charge of Port Terminals.

- **Labor claims-** These lawsuits claim payment of salary differences, overtime worked without payment, and other allowances.

- **Tax cases-** The Group itself litigates against governments in respect of assessments considered inappropriate.

The Group considers as relevant causes involving amounts, assets or rights over US$2.5 million (R$5 million).

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

18 Obligations under finance leases

	Minimum lease payments		Present value of minimum lease payments	
	09/30/12 US$	**12/31/11 US$**	**09/30/12 US$**	**12/31/11 US$**
Amounts payable under finance leases:				
Within one year	2,410	4,607	1,913	3,787
From second to fifth years, inclusive	3,875	4,365	3,005	3,278
	6,285	8,972	4,918	7,065
Less future finance charges	(1,367)	(1,907)	-	-
Present value of lease obligations	4,918	7,065	-	-
Total current	1,913	3,787	-	-
Total non-current	3,005	3,278	-	-

	Minimum lease payments		Present value of minimum lease payments	
	09/30/12 R$	**12/31/11 R$**	**09/30/12 R$**	**12/31/11 R$**
Amounts payable under finance leases:				
Within one year	4,893	8,642	3,885	7,104
From second to fifth years inclusive	7,869	8,187	6,102	6,149
	12,762	16,829	9,987	13,253
Less future finance charges	(2,775)	(3,576)	-	-
Present value of lease obligations	9,987	13,253	-	-
Total current	3,885	7,104	-	-
Total non-current	6,102	6,149	-	-

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

It is the Group's policy to lease certain of its vehicles and equipment under finance leases. The average lease term is 50 months, of which, at the end of September 2012, only 29 months on average remained.

For the period ended September 30, 2012, the average effective leasing interest rate was 15.18 percent per annum (2011: 16.65 percent), Interest rates are set at contract date.

All leases include a fixed repayment and a variable finance charge linked to the Brazilian interest rate. The interest rates ranges from 10.0 to 17.32 percent per annum.

Leases are denominated in Reais.

There is a non significant difference between the fair value and the present value of the Group's lease obligations. The present value is calculated with its own interest rate over the future instalments of each contract.

The Group's obligations under finance leases are secured by the lessors' rights to the leased assets.

19 Trade and other payables

	09/30/12 US$	12/31/11 US$	09/30/12 R$	12/31/11 R$
Trade payables	102,491	73,973	208,119	138,758
Taxes	15,246	17,950	30,959	33,671
Share-based payment (provision)	16,680	14,371	33,870	26,958
Accruals and other payables	11,762	11,965	23,884	22,444
	146,179	118,259	296,832	221,831
Total current	143,673	115,788	291,743	217,196
Total non-current	2,506	2,471	5,089	4,635

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

The Group has financial risk management policies in place to ensure that payables are paid within the credit timeframe,

Construction contracts in progress at the end of each reporting period:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Contract costs incurred plus recognized revenues less recognized losses to date	40,384	36,307	82,004	68,105
Less unbilled services	(58,214)	(48,211)	(118,209)	(90,434)
Net liability included in suppliers	(17,830)	(11,904)	(36,205)	(22,329)

20 Cash-settled share-based payments

On April 9, 2007, the board of Wilson Sons Limited approved a stock option plan (the "Share-Based Payment" or "Long-Term Incentive Scheme"), which allows for the grant of phantom options to eligible employees to be selected by the board over the next five years. The options will provide cash payments, on exercise, based on the number of options multiplied by the growth in the price of a Brazilian Depositary Receipts ("BDR") of Wilson Sons Limited between the date of grant (the Base Price) and the date of exercise (the "Exercise Price"). The plan is regulated by the laws of Bermuda.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

The changes on the accrual for the plan are as follows:

	US$	R$
Liability at January 1, 2011	23,795	39,647
Reversal for the year	(8,879)	(16,654)
Payment for the year	(545)	(1,022)
Foreign currency gains in respect of translation into Brazilian Real	-	4,987
Liability at December 31, 2011	14,371	26,958
Accrual / payment for the period	2,309	4,689
Foreign currency gains in respect of translation into Brazilian Real	-	2,223
Liability at September 30, 2012	16,680	33,870

The liability above is included in 'Share-Based Payment' presented in Note 19.

Outstanding stock options are broken down as follows:

	Number of share options
Outstanding at January 1, 2011	3,897,760
Granted during the year	148,000
Exercised during the year	(118,000)
Forfeited during the year	(101,500)
Outstanding at December 31, 2011	3,826,260
Exercised during the period	(109,000)
Outstanding at September 30, 2012	3,717,260

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

The fair value of the recorded liability in the amount of US$16,680 (R$33,870) (2011: US$16,592(R$28,914)) was determined using the Binomial model based on the assumptions mentioned below:

	09/30/12	**12/31/11**
Closing share price (in Real)	R$29,85	R$25,40
Expected volatility	29-32%	30-33%
Expected life	10 years	10 years
Risk free rate	3,90%	7.10%
Expected dividend yield	1,6%	1.61%

Expected volatility was determined by calculating the historical volatility of the Group's share price. The expected life used in the model has been adjusted based on management´s best estimate for exercise restrictions and behavioral considerations.

Options series	**Number**	**Grant date**	**Vesting date**	**Expiry date**	**Exercise price (R$)**
07 ESO - 2 Year	854,690	5/5/2007	5/5/2009	5/5/2017	23.77
07 ESO - 3 Year	854,690	5/5/2007	5/5/2010	5/5/2017	23.77
07 ESO - 4 Year	856,690	5/5/2007	5/5/2011	5/5/2017	23.77
07 ESO - 5 Year	880,690	5/5/2007	5/5/2012	5/5/2017	23.77
08 ESO - 2 Year	21,250	15/8/2008	17/8/2010	17/8/2018	18.70
08 ESO - 3 Year	33,750	15/8/2008	17/8/2011	17/8/2018	18.70
08 ESO - 4 Year	33,750	15/8/2008	17/8/2012	17/8/2018	18.70
08 ESO - 5 Year	33,750	15/8/2008	17/8/2013	17/8/2018	18.70
11 ESO - 2 Year	37,000	10/11/2011	10/11/2013	9/11/2021	24.58
11 ESO - 3 Year	37,000	10/11/2011	10/11/2014	9/11/2021	24.58
11 ESO - 4 Year	37,000	10/11/2011	10/11/2015	9/11/2021	24.58
11 ESO - 5 Year	37,000	10/11/2011	10/11/2016	9/11/2021	24.58

The options terminate on the expiry date or immediately on the resignation of the director or senior employee, whichever is earlier.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Share options outstanding at the end of the period had a weighted average exercise price of R$23.64(2011: R$23.64) and a weighted average remaining contractual life of 1.759 days (2011: 2.031 days).

In order to show the sensitivity of the charge to changes in the share price, the Group considered a 10% increase/decrease in the share price. In each case, the dividend yield was adjusted in line with the change in share price, but all other assumptions were kept unchanged, including the volatility of the share price.

	Actual	**(+10%)**	**(-10%)**
Share price at September 30, 2012 - R$	29,85	32,84	26,87
	US$	**US$**	**US$**
Balance sheet liability at September 30, 2012	16,680	19,944	13,178
	R$	**R$**	**R$**
Balance sheet liability at September 30, 2012	33,871	40,498	26,759

The sensitivities illustrated by the table above are hypothetical and presented for information purposes only. The analysis is based on the stock price and the facts known at the reporting date,

21 Equity

Share capital

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
71,144,000 common shares issued and fully paid	9,905	9,905	20,113	18,580

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Dividends

Under the Company's by-laws, an amount of no less than 25% of the Adjusted Net Profit for the current year shall be declared by the Board as a dividend to be paid to the Members before the next Annual General Meeting. The by-laws provide that the dividend will be mandatory unless the Board considers that the payment of such dividends are not be in the interests of the Company. The final dividend is subject to approval by shareholders at the Annual General Meeting.

At the Annual General Meeting of the Company held on April 27, 2012 the shareholders of the Company resolved to set aside US$18,070 to be distributed to shareholders at the discretion of the Board of Directors in accordance with the Bye-laws.

At the Board Meeting held on May 3, 2012, the Board of Directors declared the payment of a dividend of US$0.254 cents per share (2011: US$0.254 cents per share), totalling US$18,070 (2011: US$18,070) to shareholders, recognized on May 03, 2012, and the payment of such dividend on May 10, 2012.

Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	09/30/12 US$	**09/30/11 US$**	**09/30/12 R$**	**09/30/11 R$**
Profit for the period attributable to owners of the Company	18,343	27,018	37,248	50,102
Weighted average number of common shares	71,144,000	71,144,000	71,144,000	71,144,000
Basic and diluted earnings per share (cents per share)	25.78	37.98	52.36	70.42

Capital reserves

The capital reserves arise principally from transfers from revenue which in prior periods were required by law to be transferred to capital reserves and other profits not available for distribution, share premium on incoming IPO issues and gains/losses on purchase and sale of non-controlling interest.

Profit reserve

An amount equal to 5% of the Company's net profit for the current year is to be credited to a retained earnings account to be called "Profit Reserve" until such account equals 20% of the Company's paid up share capital. The Company does not recognize any further profit reserve, because it has already reached the limit of 20% of share capital.

Translation reserve

The translation reserve arises from exchange differences on the translation of operations with a functional currency other than the US Dollar.

22 Subsidiaries

Sales of shares to non-controlling interests of Tecon Salvador

In 2011, the Group disposed of 7.5% equity interest in Tecon Salvador S.A. to Intermarítima, reducing its continuing interest to 92.5%.

Part of the proceeds of R$11.2 million from this transaction (equivalent to US$6.7 million at the transaction date) was received in cash and the remaining will be received in the following years. An amount of R$3.8 million (equivalent to US$2.4 million at the transaction date) corresponding to the proportionate share in the carrying amount of Tecon Salvador S.A.'s net assets has been transferred to non-controlling interests. The amount of R$4.4 million (equivalent to US$2.8 million at the transaction date), being the difference between the increase in non-controlling interests and the consideration received, net of taxes, has been credited in the consolidated statement of changes in equity.

Acquisition of Briclog

The Group announced on the 2nd of June 2011, it has through its wholly-owned subsidiary Brasco Logística Offshore Ltda (“Brasco”), signed an amendment to the contract for the acquisition of 100% of the issued share capital of Bric Brazilian Intermodal Complex S/A, (“Briclog”) adjusting the consideration to one hundred and sixteen million five hundred thousand Brazilian Reais (R$116.5 million (equivalent to US$63.9 million at the transaction date)).The closing of the acquisition is subject to conditions precedent expected on or before the December 1, 2012.

Consideration for the acquisition is payable in three amounts including R$10 million (equivalent to US$5.4 million at the transaction date) already paid in deposit, R$53.25 million (equivalent to US$29.2 million at the transaction date) payable on satisfaction of the conditions precedent, and R$53.25 million (equivalent to US$29.2 million at the transaction date) 300 days from the closing with the latter two payments adjusted for movement in the Brazilian index of consumer prices (IPCA) from the date of the amendment. As at September 30, 2012, no effect of the business combination transaction has been recognized in this combined consolidated interim financial statement.

Formation of Ecos Gerenciamento de Fluidos LTDA ("Ecocleaning Limpeza de Fluidos")

On January 23, 2012 the Company formed Ecos Gerenciamento de Fluidos LTDA ("Ecocleaning Limpeza de Fluidos") along with ICS DB, LLC, The startup enterprise will provide innovative tank cleaning services to the upstream Oil and Gas industry, Wilson Sons holds a 70% participation and ICS DB, LLC, a participation of 30% although the capital of the entity is not yet paid up by either partner.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Details of the Company's subsidiaries at the end of the reporting period are as follows:

	Place of incorporation and operation	Proportion of ownership interest 09/30/12	Proportion of ownership interest 12/31/11
Holding company			
Wilson, Sons de Administração e Comércio Ltda.	Brazil	100%	100%
Vis Limited	Guernsey	100%	100%
WS Participações S.A.	Brazil	100%	100%
Towage			
Saveiros Camuyrano Serviços Marítimos S.A.	Brazil	100%	100%
Sobrare - Servemar Ltda.	Brazil	100%	100%
Wilson, Sons Apoio Marítimo Ltda.	Brazil	100%	100%
Wilson, Sons Operações Marítimas Especiais Ltda.	Brazil	100%	100%
Shipyard			
Wilson, Sons S.A. Comércio, Indústria, e Agência de Navegação Ltda.	Brazil	100%	100%
Wilson, Sons Estaleiro Ltda.	Brazil	100%	100%
Ship Agency			
Wilson, Sons Agência Marítima Ltda.	Brazil	100%	100%
Wilson, Sons Navegação Ltda.	Brazil	100%	100%
Transamérica Visas Serviços de Despachos Ltda.	Brazil	100%	100%
Logistics			
Wilson, Sons Logística Ltda.	Brazil	100%	100%
EADI Santo André Terminal de Carga Ltda.	Brazil	100%	100%
Port terminal			
Brasco Logística Offshore Ltda.	Brazil	100%	100%
Ecos Gerenciamento de Fluidos Ltda.	Brazil	70%	-
Tecon Rio Grande S.A.	Brazil	100%	100%
Tecon Salvador S.A.	Brazil	92,5%	92,5%
Wilport Operadores Portuários Ltda.	Brazil	100%	100%
Wilson, Sons Operadores Portuários Ltda.	Brazil	100%	100%
Wilson, Sons Terminais de Cargas Ltda.	Brazil	100%	100%

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

The Group also holds 100% of ownership interest in a Brazilian Private Investment Fund called the Hydrus Fixed Income Private Credit Investment Fund. This fund is managed by Itaú bank and its policies and objectives are determined by the Group's treasury (Note 14).

23 Joint ventures

The Group holds the following significant interests in joint ventures at September 30, 2012:

	Place of incorporation and operation	Proportion of ownership interest	
		09/30/12	**12/31/11**
Towage			
Consórcio de Rebocadores Barra de Coqueiros	Brazil	50%	50%
Consórcio de Rebocadores Baia de São Marcos	Brazil	50%	50%
Logistics			
Allink Transportes Internacionais Ltda	Brazil	50%	50%
Consórcio EADI Santo André	Brazil	50%	50%
Porto Campinas, Logística e Intermodal Ltda	Brazil	50%	50%
Offshore			
Wilson, Sons Ultratug Participações S.A.*	Brazil	50%	50%
Atlantic Offshore S.A.	Panama	50%	-

(*) Wilson, Sons Ultratug Participações S.A. controls Wilson, Sons Offshore S.A. and Magallanes Navegação Brasileira S.A. These latter two companies are indirect joint ventures of the Company.

The following amounts are included in the Group's financial statements as a result of proportionate consolidation of joint ventures:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Current assets	22,779	23,165	46,255	43,453
Non-current assets	250,487	224,991	508,640	422,038
Current liabilities	(55,216)	(55,202)	(112,121)	(103,548)

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

	Three-month period ended		Nine-month period ended	
Non-current liabilities	(180,927)	(155,642)	(367,390)	(291,953)
	09/30/12	**09/30/11**	**09/30/12**	**09/30/11**
	US$	**US$**	**US$**	**US$**
Income	17,721	18,670	50,243	45,867
Expenses	(17,473)	(13,604)	(45,443)	(36,349)

	Three-month period ended		Nine-month period ended	
	09/30/12	**09/30/11**	**09/30/12**	**09/30/11**
	R$	**R$**	**R$**	**R$**
Income	35,984	34,622	102,024	85,056
Expenses	(35,480)	(25,227)	(92,276)	(67,406)

24 Operating lease arrangements and other obligations

The Group as lessee

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Minimum lease payments under operating leases recognized in income for the year	13,317	17,520	27,041	32,864

On September 30, 2012, the minimum amount due by the Group for future lease payments under cancellable operating leases was US$11,923 (R$24,211) (2011: US$13,054 (R$24,207)).

Lease commitments for land and buildings with a term of over 5 years are recognized as an expense on a straight-line basis over the lease term. These operating lease arrangements are entered into between Tecon Rio Grande and the Rio Grande port authority, and between Tecon Salvador and the Salvador port authority. The Tecon Rio Grande minimum period extends to 2022 and the Tecon Salvador minimum period extends to 2025. Both have an option to renew the concession for a maximum period of 25 years.

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The Tecon Rio Grande guaranteed payments consist of two elements: a fixed rental, and fee per 1,000 containers moved based on minimum forecast volumes.

Tecon Salvador guaranteed payments consist of three elements: a fixed rental, a fee per container handled based on minimum forecast volumes and a fee per ton of non-containerized cargo handled based on minimum forecast volumes.

At the end of the reporting period, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	09/30/12 US$	**12/31/11 US$**	**09/30/12 R$**	**12/31/11 R$**
Within one year	2,482	2,549	5,039	4,781
In the second to fifth year inclusive	12,822	15,081	26,037	28,289
Total	15,304	17,630	31,076	33,070

Non-cancellable lease payments represent rental payments by the Group for the bonded warehouse used by EADI Santo Andre.

In November, 2008 the Group's renewed the concession to operate EADI Santo Andre (a bonded warehouse) for a further ten years. With this, the Group’s management renewed the rental agreement contract of the bonded warehouse used by EADI Santo Andre for the same period. The unexpired lease period at September 30, 2012 is 6 years. These rental payments are updated by a Brazilian general inflation index (IGPM - General Market Price Index).

Other obligations

The Group entered into an agreement on August 15, 2011 with the City of Guarujá and State of São Paulo's Prosecutor, revoking the subpoena that ordered the suspension of construction of the Guaruja II shipyard. The agreement states that the Company will make investments in social and environmental projects for the city of Guaruja, from 2011 through 2014. During this period, up to US$2.7 million (equivalent to R$5.0 million at the transaction date) will be invested in these projects as an additional cost necessary for the completion of the shipyard construction. All projects are located within the area of influence of the shipyard in the city of Guaruja.

The liability was accounted for at its present value of US$2.5 million (equivalent to R$4.6 million at the transaction date), under trade payables with conterpart in fixed assets.

25 Financial instruments and risk assessment

a. Capital risk management

The Group manages its capital to ensure that its entities will be able to continue as going concerns, while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's capital structure consists of debt (which includes the borrowing disclosed in Note 15), cash and cash equivalents, short-term investments and long-term investments disclosed in Note 14, and equity attributable to owners of the parent comprising issued capital, reserves, and retained earnings as disclosed in Note 21.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

b. Categories of financial instruments

	Fair value		**Book value**	
	09/30/12 US$	**12/31/11 US$**	**09/30/12 US$**	**12/31/11 US$**
Financial assets:				
Cash and cash equivalents	115,829	112,388	115,829	112,388
Short Term Investments	20,000	24,500	20,000	24,500
Long Term Investments	1,072	1,072	1,072	1,072
Trade and other receivables	162,791	163,757	162,791	163,757
	299,692	301,717	299,692	301,717
Financial liabilities:				
Bank loans and overdrafts	544,371	484,161	544,143	484,053
Obligations under finance leases	4,918	7,065	4,918	7,065
Trade and other payables	146,180	118,259	146,179	118,259
	695,469	609,485	695,240	609,377

	Fair value		**Book value**	
	09/30/12 R$	**12/31/11 R$**	**09/30/12 R$**	**12/31/11 R$**
Financial assets:				
Cash and cash equivalents	235,202	210,817	235,202	210,817
Short Term Investments	40,612	45,957	40,612	45,957
Long Term Investments	2,179	2,012	2,179	2,012
Trade and other receivables	330,563	307,175	330,563	307,175
	608,556	565,961	608,556	565,961
Financial liabilities:				
Bank loans and overdrafts	1,105,401	908,189	1,104,937	907,986
Obligations under finance leases	9,987	13,253	9,987	13,253
Trade and other payables	296,832	221,830	296,832	221,831
	1,412,220	1,143,272	1,411,756	1,143,070

c. *Financial risk management objectives*

The Group's Structured Finance Department monitors and manages financial risks related to the operations. These risks include market risk, credit risk and liquidity risk. The primary objective is to keep a minimum exposure to those risks by using financial instruments and by assessing and controlling the credit and liquidity risks. The Group does not operate financial instruments with different goals than protection (hedging).

d. *Foreign currency risk management*

The operating cash flows are exposed to currency fluctuations because they are denominated part in Brazilian Real and part in US Dollars. These proportions vary according to the characteristics of each business, in general terms, for operating cash flows, the Group seeks to neutralize the currency risk by matching assets (receivables) and liabilities (payments). Furthermore, the Group seeks to generate an operating cash surplus in the same currency in which the debt service of each business is denominated.

Cash flows from investments in fixed assets are denominated in Brazilian Real and US Dollars. These investments are subject to currency fluctuations between the time that price of goods or services are settled and the actual payment date. The resources and their application are monitored with purpose of matching the currency cash flows and due dates.

The Group has contracted US Dollar-denominated and Brazilian Real-denominated debt, and the cash and cash equivalents balances are also US Dollar-denominated and Brazilian Real-denominated.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting dates are as follows:

	Assets		**Liabilities**	
	09/30/12 US$	**12/31/11 US$**	**09/30/12 US$**	**12/31/11 US$**
Amounts denominated in Dollar	320,019	310,823	189,788	207,637

	Assets		**Liabilities**	
	09/30/12 R$	**12/31/11 R$**	**09/30/12 R$**	**12/31/11 R$**
Amounts denominated in Real	649,831	583,042	385,384	389,486

Foreign currency sensitivity analysis

The sensitivity analysis presented in the following sections, which refer to the position on September 30, 2012, seeks to simulate how a stress on the risk variables may impact the Company. The first step was to identify the main factors that have potential to generate losses in the results, which in the case of the Company, summed up the exchange rate. The analysis commenced with abase line scenario, represented by the carrying value of the operations, considering the PTAX of September 30, 2012 and accrued interest. Additionally, three scenarios were drawn: the likely scenario (Probable) and two possible scenarios of deterioration of 25% (Possible) and 50% (Remote) in the exchange rate. The Group uses Focus BACEN to parameterize the probable scenario.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Exchange rates (i)		
Probable scenario	**Possible scenario (25%)**	**Remote scenario (50%)**
R$2.000/US$1.00	R$2.500/US$1.00	R$3.000/US$1.00

Operation	Risk	Amount USD	Result	Probable scenario	Possible scenario (25%)	Remote scenario (50%)
Total assets	BRL	320,019	Exchange effects	4,869	(60,087)	(103,409)
Total liabilities	BRL	189,788	Exchange effects	(2,904)	35,635	61,327
			Net effect	1,992	(24,452)	(42,082)

e. Interest rate risk management

Most of the Group's fixed rates loans are with BNDES and Banco do Brasil as agents of the FMM.

Other loans exposed to floating rates,are as follows:

1. TJLP (Brazilian Long Term Interest Rate) for Brazilian Real-denominated funding through FINAME credit line to Port Operations and Logistics operations.

2. DI (Brazilian Interbank Interest Rate) for Brazilian Real-denominated funding in Logistics operations.

3. 6-month Libor (London Interbank Offered Rate) for US Dollar-denominated funding for Port Operations.

The Brazilian Real-denominated investments yield interest rates corresponding to the DI daily fluctuation for privately-issued securities and/or “Selic-Over” government-issued bonds. The US Dollar-denominated investments are part in time deposits, with short-term maturities, and part linked to PTAX variation.

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Interest rate sensitivity analysis

The Group does not account for any financial asset or liability interest rate at fair value through profit or loss, and the Group does not use derivatives (interest rate swaps) as hedging instruments under a model of hedge accounting at fair value. Therefore, a change in interest rates at the reporting date would not change the result. The Group uses two important information sources to estimate the probable scenario, BM&F (*Bolsa de Mercadorias e Futuros*) and Bloomberg.

The following analysis concerns a possible fluctuation of revenue or expenses linked to the transactions and scenarios shown, without considering their fair value.

Libor - (i)

Transaction	**Probable scenario**	**Possible scenario 25%**	**Remote scenario 50%**
Loans	1.02%	1.28%	1.54%
Investments	0.69%	0.87%	1.04%

Transaction	**Risk**	**Amount USD**	**Result**	**Probable scenario**	**Possible scenario (25%)**	**Remote scenario (50%)**
IFC loan	Libor	75.093	Interest	(191)	(332)	(473)
Eximbank loan	Libor	13.602	Interest	(34)	(64)	(93)
Finimp loan	Libor	6.846	Interest	(15)	(29)	(42)
Investments	Libor	23.000	Income	(183)	(142)	(99)
			Net effect	(423)	(567)	(707)

CDI (ii)

(Amounts expressed in thousands, unless otherwise noted - Brazilian real amounts are the result of a Convenience Translation - See Note 2) - Unaudited

Transaction	Probable scenario	Possible scenario 25%	Remote scenario 50%
Investments	7.17%	8.96%	10.76%

Transaction	Risk	Principal US dollars	Result	Probable scenario	Possible scenario 25%	Remote scenario 50%
Investments	CDI	104,570	Income	100	1,741	3,381

The net effect was obtained by assuming a 12 month period starting September 30, 2012 in which interest rates vary and all other variables are held constant.

The investment rate risk mix is 17.9% Libor, 81.3% CDI, and 0.8% on exchange rate variation (PTAX).

f. Liquidity risk management

The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities.

Liquidity risk is the risk that the Group will encounter difficulty in fulfilling obligations associated with its financial liabilities that are settled with cash payments or other financial asset. The Group's approach in managing liquidity is to ensure that the Group always has sufficient liquidity to fulfill the obligations that expire, under normal and stress conditions, without causing unacceptable losses or risk damage to the reputation of the Group.

The Group uses costing based on activities to price the products and services, which assists in monitoring cash flow requirements and optimizing there tur non cash investments.
Normally, the Group ensures it has sufficient cash reserves to meet the expected operational expenses, including financial obligations. This practice excludes the potential

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impact of extreme circumstances that cannot be reasonably foreseen, such as natural disasters.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

September 30, 2012	**Weighted average effective interest rate %**	**Less than 12 months US$**	**1-5 years US$**	**More than 5 years US$**	**Total US$**
Finance lease liabilities	15,18	1,913	2,609	396	4,918
Variable interest rate instruments	3,99	12,509	59,806	33,976	106,291
Fixed interest rate instruments	3,44	30,126	123,021	284,705	437,852
		44,548	185,436	319,077	549,061

December 31, 2011	**Weighted average effective interest rate %**	**Less than 12 months US$**	**1-5 years US$**	**More than 5 years US$**	**Total US$**
Finance lease liabilities	16.65	3,787	2,865	413	7,065
Variable interest rate instruments	4.18	6,268	52,183	27,723	86,174
Fixed interest rate instruments	3.66	26,404	116,362	255,110	397,876
		36,459	171,410	283,246	491,115

g. Credit risk

The Group’s credit risk can be attributed mainly to balances such as cash and cash equivalents and trade receivables. Trade and other receivables disclosed in the balance sheet are shown net of the allowance for doubtful debts.

The allowance is booked whenever a loss is identified, which based on past experience is an indication of impaired cash flows.

The Group invests temporary cash surpluses in government and private bonds, according to regulations approved by management, which follow the Group policy on credit risk concentration. Credit risk on investments in non-government backed bonds is mitigated by investing only in assets issued by leading financial institutions.

The Group's sales policy follows the criteria for credit sales set by management, which seeks to mitigate any loss due to customer default.

h. Derivatives

The Group may enter into derivatives contracts to manage risks arising from exchange rate fluctuations and interest. At September 30, 2012 the Group did not have derivatives.

i. Fair value of financial instruments

The Group's financial instruments are recorded in balance sheet accounts at September 30, 2012 and December 31, 2011 at amounts similar to the fair value at those dates. These instruments are managed though operating strategies aimed to obtain liquidity, profitability and security. The control policy consists of ongoing monitoring of rates agreed versus those in force in the market, and confirmation of whether its short-term financial investments are being properly marked to market by the institutions dealing with its funds.

The Group does not make speculative investments in derivatives or in any other risk assets. The determination of estimated realization values of Company's financial assets and liabilities relies on information available in the market and relevant assessment methodologies. Nevertheless, considerable judgment is required when interpreting market data to derive the most adequate estimated realization value.

j. Criteria, assumptions and limitations used when computing market values

Cash and cash equivalents

The market values of the bank current account balances are consistent with book balances.

Investments

The carrying amounts of short-term and long-term investments approximate their fair value.

Trade and other receivables/payables

According to the Group's management the book balances of trade and other receivables and payables approximate fair values.

Bank Overdrafts and Loans

Fair value of loan arrangements were calculated at their present value determined by future cash flows and at interest rates applicable to instruments of similar nature, terms and risks or at market quotations of these securities. Fair value measurements recognized in the condensed consolidated financial statements are grouped into levels based on the degree to which the fair value is observable, level 3.

The fair values of BNDES, Caterpillar, BB, Finimp, and Eximbank financing arrangements are similar to their carrying amounts since there are no similar instruments, with comparable maturity dates and interest rates.

As for the loan arrangement with IFC, fair value was obtained using the same spread as in the most recent agreement plus Libor.

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26 Related-party transactions

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its associates, joint ventures, other investments, and other related parties are disclosed below.

	Current Assets (liabilities) US$	**Revenues US$**	**Expenses US$**
Joint ventures:			
1. Allink Transportes Internacionais Ltda.	2	30	-
2. Consórcio de Rebocadores Barra de Coqueiros	34	263	-
3. Consórcio de Rebocadores Baía de São Marcos	1,863	72	573
4. Wilson Sons Ultratug and subsidiaries	(14,560)	34,515	-
Other:			
5. Gouvêa Vieira Advogados Associados	-	-	135
6. CMMR Intermediação Comercial Ltda.	-	-	145
7. Transamérica Ag. Marítima	-	-	118
Nine-month period ended September 30, 2012	(12,661)	34,880	971
Three-month period ended September 30,2012	-	7,401	65
At December 31, 2011	8,418	56,135	1,585
Nine-month period ended September 30, 2011	9,638	35,479	618
Three-month period ended September 30, 2011	-	18,271	542

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	Current Assets (liabilities) R$	**Revenues R$**	**Expenses R$**
Joint ventures:			
1. Allink Transportes Internacionais Ltda.	4	61	-
2. Consórcio de Rebocadores Barra de Coqueiros	69	534	-
3. Consórcio de Rebocadores Baía de São Marcos	3,783	146	1,164
4. Wilson Sons Ultratug and subsidiaries	(29,566)	70,086	-
Other:			
5. Gouvêa Vieira Advogados Associados	-	-	274
6. CMMR Intermediação Comercial Ltda.	-	-	294
7. Transamérica Agência Marítima	-	-	240
Nine-month period ended September 30, 2012	(25,710)	70,827	1,972
Three-month period ended September 30,2012	-	15,028	132
At December 31, 2011	15,790	105,298	2,973
Nine-month period ended September 30, 2011	17,869	65,792	1,146
Three-month period ended September 30, 2011	-	33,882	(659)

1. Allink Transportes Internacionais Ltda. is 50% owned by the Group and rents office space and terminal warehousing from the Group.

2-3. The transactions with the joint ventures are disclosed as a result of proportionate amounts not eliminated on consolidation.

4. Intergroup loans with Wilson, Sons Ultratug (interest – 0.3% per month; with no maturity) and trade payables from Wilson, Sons Offshore and Magallanes to Wilson, Sons shipyards relate to proportionate amounts of vessel construction not eliminated on consolidation.

5. Mr. J.F. Gouvea Vieira is a managing partner with the law firm Gouvea Vieira Advogados, fees were paid to Gouvea Vieira Advogados for legal services.

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6. Mr. C.M. Marote is a shareholder and director of CMMR Intermediação Comercial Ltda. Fees were paid to CMMR Intermediação Comercial Ltda. for consultancy services to the Wilson, Sons towage segment.

7. Trade and other payables to Transamérica (interest - 1% per month; with no maturity).

The Company has adopted the policy of netting the assets and liabilities of the group related party transactions.

27 Notes to the consolidated statement of cash flows

	09/30/12 US$	**09/30/11 US$**	**09/30/12 R$**	**09/30/11 R$**
Profit before tax	39,338	68,178	79,881	126,429
Less: Investment revenues	4,901	(2,825)	9,953	(5,239)
Add: Finance costs	11,549	13,155	23,450	24,395
Operating profit from operations	55,788	78,508	113,284	145,585
Adjustments for:				
Depreciation and amortization expenses	49,793	42,333	101,110	78,502
Gain on disposal of property, plant and equipment and investments	36	(2,672)	73	(4,955)
Provision (reversal) for cash-settled share-based payment	2,309	(7,659)	4,689	(14,203)
Increase/decrease in provisions	(2,731)	330	(5,544)	612
	105,195	110,840	213,610	205,541
Decrease in inventories	(4,568)	(722)	(9,276)	(1,339)
Increase in trade and other receivables	(249)	(16,103)	(506)	(29,861)
Increase in trade and other payables	25,611	24,669	52,006	45,746
Increase in other non-current assets	(585)	(1,600)	(1,188)	(2,966)
Cash generated by operations	125,404	117,084	254,646	217,121
Income taxes paid	(19,078)	(25,634)	(38,739)	(47,536)
Interest paid – borrowings	(11,956)	-	(24,279)	-
Interest paid – leasing	(690)	-	(1,401)	-
Interest paid - others	(593)	(12,170)	(1,204)	(22,568)
Net cash from operating activities	93,087	79,280	189,023	147,017

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Non-cash transactions

During the current period, the Group entered into the following non-cash investing and financing activities which are not reflected in the consolidated statement of cash flows:

	09/30/12 US$	**09/30/11 US$**	**09/30/12 R$**	**09/30/11 R$**
Additions to fixed assets				
Cost of construction from agreement of Guarujá II	-	2.565	-	4.756
Tugboats acquisition through loans	-	9.167	-	16.999
Tugboats acquisition through payables	-	4.314	-	8.000
Equipment acquisition through finance leases	742	2.032	(1,508)	3.768
Fixed assets suppliers	-	771	-	1.429
Capitalized interest	8,944	882	(18,162)	1.635
Taxes settlement				
Income tax compensation	577	278	1,172	515
Receivables				
Receivables from Intermarítima transaction	-	6,281	-	11,647

28 Compensation of key management personnel

Compensation, of the Group's key management personnel, is set out below in aggregate for each of the categories:

	Three-month period ended		**Nine-month period ended**	
	Sep 30, 2012 US$	**Sep 30, 2011 US$**	**Sep 30, 2012 US$**	**Sep 30, 2011 US$**
Short-term employee benefits	1,465	384	7,294	7,908
Post-employment benefits and social charges	542	378	1, 720	1, 589
Share-based payment provision	(832)	(7,687)	2,309	(7,659)
Total	1,175	(6,925)	11,323	1,838

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	Three-month periods ended		**Nine-month periods ended**	
	Sep 30, 2012 R$	**Sep 30, 2011 R$**	**Sep 30, 2012 R$**	**Sep 30, 2011 R$**
Short-term employee benefits	3,027	712	14,811	14,665
Post-employment benefits and social charges	1,112	701	3,495	2,946
Share-based payment provision	(1,689)	(14,254)	4,687	(14,202)
Total	2,450	(12,841)	22,993	3,409

29 Approval of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements were approved by the board of directors and authorized for issue on November 09, 2012.

Directors Declaration

In compliance with article 25, section V of CVM Instruction 480 of December 7, 2009, the Directors of WILSON SONS LTD, a publicly traded company, registered at the Brazilian Ministry of Finance under the CNPJ 05.721.735/0001-28, based in Clarendon House, 2 Church Street, Hamilton HM 11 - Bermuda, declare that they have reviewed, discussed and agreed with the Financial Statements and the views expressed in the review report of the independent auditors.