Operator:

Good morning, ladies and gentlemen. At this time we would like to welcome everyone to the conference call of Wilson Sons Limited 2Q08 results. Today with us are Mr. Cezar Baião, CEO of the Brazilian Subsidiary; Mr. Felipe Gutterres, CFO of the Brazilian Subsidiary, Legal Representative & Investor Relations; and Mr. Arnaldo Calbucci, Towage, Offshore and Shipyard Officer.

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

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

Before proceeding, let me mention that forward-looking statements are based on the beliefs and assumptions of Wilson, Sons management and on information currently available to the Company. They involve risks and uncertainties because they relate to future events and therefore depend on circumstances that may or may not occur.

Investors should understand that conditions related to macroeconomic environment, industry and other factors could also results to differ materially from those expressed in such forward looking statements.

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

Cezar Baião:

Good morning everyone. We are here to present to you Wilson, Sons results for the 2Q08 and to answer your questions regarding the Company's 1S performance.

I would like to start by saying that we believe Wilson, Sons delivered solid results in the 2Q08, even considering the unfavorable exchange rate environment in this period. The Company's positive performance was mainly driven by favorable pricing and by our focus on high profit services. I would like to call your attention to a list of growth drivers highlighted on the top left hand side of this slide, which illustrate Wilson, Sons positive results in this 2Q08.

We are now in the slide number three. The main drivers were: higher margins mostly in the port terminals, towage and offshore businesses, higher number of special operations delivered in towage, carrying better margins. The start of operations of the PSV Pelicano in Mid-May of 2008, better mix in Harbour Storage manoeuvres, third-party services handled at our Shipyard and also the positive net effect from reversal of provisions and fiscal credit.

Each of these factors helped to strengthen the Company's consolidated results in 2Q08, as well as in the 1H08 relative to 2007 figures. Consolidated net revenues were up by 27% in 2Q08 over 2Q07, reaching US$127 million, and also higher by 36% year to date relative to the 1H07 figures. Operating profit increased in the 2Q08 and in 1H08 by 110% and 55% respectively, as compared to the 2007 figures.

Our operational margins also remained higher in this quarter and year to date at double-digit levels, as we illustrate on the top right-hand side of this slide. Consolidated EBITDA and net income results are also illustrated here at the bottom of this slide with double and triple-digit growth. You can see that the net income went up from US$21 million in 1H07 to US$39 million in 1H08.

Let us move now to the next slide, slide number four. On this slide we present highlights on Wilson, Sons listed by business segment. Let us begin with Port Terminals. In this 2Q08 we moved forward in the expansion of our container terminals, mainly through investments in Tecon Rio Grande third berth, expected to be completed by the year-end 2008. All the equipment, the two gantry cranes and three RTGs, are in place and operational, as one additional RTG is scheduled to operate in the next few months.

At Tecon Salvador, our plan for capacity expansion remains on target. We believe in negotiations with the port authority will advance and that we shall receive the support from public institutions and regulators.

Moving now to towage business, our clear focus on more profitable services allowed us to raise the number of special operations, carrying higher margins, and therefore, increased diversification of activities in the period. Growth in services such as the support to offloading and support to salvage operations contributed to our superior results in towage activities in 2Q08.

Our offshore segment results in 2Q08, benefited mainly from pricing and higher operating margins, and, also from the start of operations in May of 2008 by our PSV Pelicano. Delivery of another PSV is expected for September 2008 to be followed by two additional units, one to be delivered in 2009 and one by 2010.

Going to the shipyard, the result of our shipyard operation in this 2Q08 was mainly impacted by the start of construction of four PSVs to a Chilean Company, in the total amount of US$100 million. All those four PSVs will be fully delivered by 2011.

In terms of logistics business, our 2Q results were positively influenced by activities in the Company's bonded warehouse, located in Santo André, and by a weaker USD, which caused import volumes to go up in the 2Q08.

Finally, I would like to mention that a series of new projects continued to be evaluated and are currently in different stages of development. New projects and business opportunities are constantly being assessed by Wilson, Sons, both in Brazil and in South America. Also our plans for shipyard expansion have become strategic to us, given the positive outlook from new Petrobras bids for offshore vessels.

Now I will pass the floor to Felipe, our CFO, who will comment on our performance by business unit, Felipe.

Felipe Gutterres:

Thank you, Cezar. Let me start by port terminals on slide five. Although total volumes were lower in the 2Q08 and in 1H08, as compared to the 2007 results, and financial results ended higher, benefited mainly by margin recovery, warehousing activities, and a better mix of service provided, as the nature of containers handled, full to empty ratio, also improved.

The Company increased its revenues from warehousing related services as compared to 2Q07 mainly due to higher imports and internal revenue service auditors on strike, which ended up delaying billions of cargo in container terminals nationwide. Growth in cabotage services, in turn, had a positive impact on quarterly performance as well.

Net revenues and EBITDA figures were up considerably in 2Q08 and in 1H08 as well, as compared to results in 2007, illustrated on the right-hand side of this slide, as you can see, 2Q08 net revenues were up by 21.3% over 2Q07, and by 24% in 1H08 versus 1H07. 2Q08 EBITDA increased by 43% over 2Q07, as margins also grew steadily, both quarterly and year-to-date, over respective 2007 figures.

Finally, Brasco, a terminal through which we provide support services to the oil and gas industry, ended 2Q08 with revenues relatively lower than in 2Q07, the same for year-to-date figures. Brasco results were basically impacted by the average reduction in the number of contracts in our oil and gas terminals, due to the lack of platforms available for operation by foreign companies.

Moving now to the next slide, I present here our results in the towage business. Operational and financial indicators confirmed our optimistic view of the business, helped by a better mix in harbour manoeuvres, pricing strategy, higher margins, more profitable services rendered, as well as by services delivered to vessels with greater deadweight. 2Q08 net revenues were up by 15% over 2Q07 and 19% if we compare the 1H08 to the 1H07. 2Q08 EBITDA ended 49% higher than in 2Q07. Quarterly EBITDA margin also rose by, 8 p.p. over 2Q07 figures.

Net effect from reversed contingency provisions in the amount equivalent to US$900,000, as well as a fiscal credit in the amount of US$1.6 million, impacted positively the 2Q08 results. By excluding contingency provision and fiscal credits, the 2Q08 EBITDA would still reach US$13.4 million or 25% rise over 2Q07 figures.

Also, a greater number of special operations positively impacted performance in the quarter when compared to 2007, evidenced by a larger number of support operations to offloading activities, via our tugboat Volans, assistance to salvage and also ocean towage.

On the bottom left-hand side, we illustrate the significant percentage increase in the participation of special operations into the total number of manoeuvres, both quarterly and year-to-date. I would also like to call your attention to the fact that these operations have a high EBITDA margin.

Going to slide seven, we focus now on the logistics results. As you can see by the operational indicators, the number of trips decreased slightly in 2Q08, but remained high in 1H08. Financial indicators, in turn, show that 2Q08 net revenues were up significantly, by

55% over 2007 and by 52% comparing 1H08 with the same period of last year, driven by the positive impact, in this case, from a weakening USD, and also these impacts of the weakening USD in volumes in our bonded warehouse.

2Q08 EBITDA also ended the quarter lower in the 2Q07, by 14.5%, but still higher 35% when we compare 1H08 to the 1H07. The causes of the lower EBITDA of this quarter was basically a result of higher overhead costs to support new operations in the start-up phase, improvements made to the commercial team responsible for increasing sales, and review of our pricing strategy, which puts pressure on margins in the short term, but favours longer-term contracts with clients in the transportation industry.

Moving now to slide eight, I would like to focus now on shipping agency results. Nonetheless, we were able to serve 18% more vessel calls in 2Q08, as compared to the same period of last year, and 10.3% more vessel calls in 1H08, compared to the 1H07. Net revenues ended flat quarterly and year-to-date, as the lower number of containers controlled adversely impacted results. With margins also under pressure, 2Q08 EBITDA fell sharply versus last year, amid a weaker USD, 16% lower than the 2Q07, and higher personnel costs, as a result of new collective labour agreement.

Despite that this business unit is very adversely impacted by the weaker USD, considering that we have more revenues denominated in USD and almost 100% of our costs denominated in Reais. On the positive side, in order to reduce negative exposure to the USD, we chose to repackage certain fees and managed to increase BL fee.

The shipping agency segment faces a challenging business environment. However, we believe that its nationwide presence combined with longstanding expertise in operating with both liner and tramp vessels, will contribute to broaden the Company’s portfolio of clients, while focusing on efforts to rebuild margins.

Turning over to slide nine, now we discuss offshore, both operating and financial results in this segment showed solid overall performance, mainly impacted by pricing, higher operating margins, increase in daily rates, and also spot market operations.

2Q08 net revenues were up by 56% over 2007, and by 64% in 1H08 versus 1H07. EBITDA growth, in turn, reached 138% in 2Q08, over 2Q07, as EBITDA margin also outperformed, rising by 16.4 p.p. over the same period of last year.

Going to slide ten, I would like to call your attention to improvement in our 2Q08 and 1H08 EBITDA figures from our non-segmented activities. Just to remind you, these non-segmented activities include services rendered to third parties at our shipyard and general management costs, related to backoffice services company-wide.

Such positive results come basically from services rendered to third parties at our shipyard. By analyzing 2Q08 and 2Q07, I also wish to comment on the net effect from reversal of provisions to contingencies in the amount of US$800,000, savings coming from the absence of CPMF tax charges in the amount of US$600,000, and US$500,000 from the end of Dragaport operations. Going to 1H08 results, the reasons that explain such differences are the same, as shipyard accounted for US$2.5 million, CPMF US$1 million and Dragaport a loss of US$200,000. With that we have finished our comments on each of

Wilson, Sons business segments. And on the next two slides I will present the Company's net income in 2Q08 and also 1H08.

Going to slide eleven, 2Q08 net income increased by 179%, compared to the 2Q of last year, reaching US$26 million, as you can see on this slide. A number of factors impacted the Company's bottom line which ended the period with nominal growth in the amount of US$16.4 million, in terms of consolidated net income figures.

The main point that I would like to call your attention to, is basically the growth in net revenues, mainly coming from the growth in activities in port terminals, towage, offshore, as well as from positive results at our shipyard. Costs related to inputs and raw materials increased as a result of the construction activities PSVs to third parties at our shipyard, higher consumption of fuel at port terminals and in the towage activities. We also had higher personnel expenses as result of collective labour agreement; increase in headcount to serve the Company's growth; and accounting provision for phantom stock-options, in the amount equivalent to US$1.7 million; and, lastly, due to a weakening USD, its impact on our costs.

In 2Q08, other operating expenses were positively impacted by lower costs, reversal in provisions for contingencies, with net effect of US$1.9 million, and allowance for doubtful accounts, with net effect equivalent to US$500,000, as well as from fiscal credits in the amount of US$3.7 million, which together explain this line's performance.

Financial revenues increased mainly due to an increase in cash investment balance and foreign exchange gains on cash reflected in Brazilian currency.

Moving now to slide twelve, here we note that net income in 1H08 increased by 83% over 1H07, reaching US$39 million, and present another breakdown in the major factors which impacted our consolidated results year-to-date. Basically, the same factors which impacted the 2Q08 results, as mentioned on the previous slide, also had an impact on 1H08 results, as compared to the same period of last year.

On the next slide, slide number thirteen, we conclude our presentation by sharing our comments on the Company's CAPEX figures and leverage indicators, both quarterly and year-to-date. So, you can see the evolution of our capital expenditure in the quarter. We increase our CAPEX to US$19.5 million, up by 38% over 2Q07. Year-to-date, capital expenditure also increased by 24% versus 1H07. Also on the left-hand side of this slide, we illustrate quarterly breakdown in CAPEX figures, showing that port terminals, towage and offshore activities received most of the capital expenditures in the period, as was the case of last year.

As mentioned previously, projects under way in the quarter included expansion of the third-birth at Tecon Rio Grande, acquisition of equipment for both Tecon Rio Grande and Tecon Salvador, leasing of equipment from the logistics business, and also investments in the construction of new tugboats and in PSV Atobá.

On the right-hand side, leverage indicators show that Wilson, Sons' total debt increased by US$17.5 million in 2Q08, reaching US$162 million as of June 30th, 2008. Additional funds were released by BNDES for the expansion of our fleet of vessels, and by IFC for capacity expansion at Tecon Salvador. Almost 90% of Wilson, Sons total debt is long term, as the amount of debt denominated in foreign currency accounted for 96% of the Company's total debt as of June 30th, 2008.

Still on the right-hand side of this slide, the Company's net cash position amounted to US$39 million. Cash generated in this quarter was absorbed mainly by partial repayment of the Company's debt as well as by new investments and payment of US$16 million in annual dividends to shareholders in May, 2008.

Now, I would like to pass the floor back to Mr. Cezar Baião.

Cezar Baião:

OK. Thank you, Felipe. I would like to invite you to move to the Q&A portion of our conference call.

Andrew West, Harding Loevner:

Good morning gentlemen. Nice set of results. I was wondering with the capacity becoming available, later this year, in the port, how rapidly do you expect the port to increase? Do you expect, in other words, is there a lot of demand, sort of waiting, because of capacity issues? Or are you going to have to attract new usage to the port, is it going to change your mix of products and possibly your margins? So just sort of an idea of how the capacity is going to flow through to the port and what then might be the pricing margins and also an overview of what underlying export/import activity is looking like?

Cezar Baião:

OK. Andrew, regarding the new capacity of Tecon Rio Grande terminal, which will be increased by 50% to 60%, we are positive that in three to four years we will fill this extra capacity. Although, if we change a little bit our strategy, and start to handle more shipment containers in our terminal, we could fill the extra capacity earlier than three to four years, I mean, as you might know, the new vessels, the new big container vessels that we will begin to come to South America next year, most probably, will not call Buenos Aires and then, there is a good potential for Tecon Rio Grande to start handling transshipment in Rio Grande, and all those big vessels would turn in Rio Grande, leave all the containers that would go to Buenos in Rio Grande, and smaller vessels would take those containers to Buenos Aires. So if we decide to change a little bit our strategy and start to focus on transshipment, maybe in one year or two we could fill 100% of this extra capacity. We have not decided yet if we are going to do that or not.

Andrew West:

Thank you. And how export is holding up with a strong Real?

Cezar Baião:

Look, this strong Real and weak USD, always, in general, affects exports, like in any country. But there are some types of cargo that we handle in Rio Grande that are still very strong, for example, we still export a lot of frozen chicken from Rio Grande, and this has been growing, even with this very strong Brazilian currency. Therefore, we are still exporting, and increasing exports, of frozen chicken to Asia, for instance.

Another type of cargo with increasing exports through our terminal Rio Grande is beef. Since last year, we started to increase the volume of beef being exported through our terminal, in Rio Grande. Although, in general, a very strong local currency always affects a little bit the capacity of the Country to keep exports growing, we are still very strong in some types of cargo. On the other hand, imports are growing, and higher volume of imports also generates a better margin for the terminals, because imported cargo brings bonded warehouse revenue which is very profitable.

Felipe Gutterres:

As you can see in our results, we also called your attention to warehousing results, in our port terminals mainly because of the import increase. Besides that, and going back to strategy, we are saying that if we focus on transshipment, we can fill the terminal, but with a different margin mix. We are also saying that, by doing this, we will expand the volume Rio Grande will handle, basically because we will not be open only to Rio Grande do Sul cargo, but to Mercosul cargo. So, it is something that makes the market scenario look a little bit different, even considering this unbalance between exports and imports because of the exchange rate.

Andrew West:

And then also relating to the ports, there is sort of a lot of new information relating to regulations and new entrances into the port industry in Brazil. So I am wondering if you could give me an update on competition, maybe within your regions or even potential competition within your terminal, within the port, considering possible new entrances into this, into either competing ports or competition among terminals?

Cezar Baião:

In the State of Rio Grande do Sul, we are the only container operator and we do not see in our region, in the South of Brazil, Rio Grande do Sul, a new competitor coming soon. Also, since we are expanding, it makes harder for a new competitor to enter.

In Salvador we are also the only container operator and there are no new projects or new competitors coming. Different from Santos and the State of Santa Catarina, where you always see projects coming, and an announcement of new competition for container terminals is probably coming. But this is not the case in the State of Rio Grande do Sul, and neither in the State of Bahia.

The closest to a new possible project for container terminal that might come to Brazil, the closest one to us is located in Ibituba, which is almost 700 kilometers away from us, which might become a competitor in the future, but we do not see this happening in the next few years. But even so, it would be located600 to 700 kilometers away from us. So I really do not see that as a major problem for us.

Related to the legal aspects that you asked, I do not know if you are aware, but in Brazil, the few private terminals, except for public ports, can only handle their own cargo, like the Vale do Rio Doce terminal, which only handles iron ore for Vale. So, today in Brazil, the law requires that all private terminals, except for public ports only handle their own cargo.

So the problem is that, now some projects in the container segment have been announced, saying that they will build private terminals from outside the public port to handle containers, which today is illegal. So this is where we stand, which is a big issue, today, for Brazilian market.

Andrew West:

OK. So, that actually make it harder for new competition against you, you say?

Cezar Baião:

I would say yes.

Andrew West:

OK. Now the towage segment continues to be very strong, especially in terms of the margins and I asked you, I think in the last quarter, whether you expected it to continue and you said yes, and it has. So I ask you again, is this a trend that is going to continue, and when is it likely that absolute volumes will pick up rather than sort of mix shift for more profitable business?

Cezar Baião:

Andrew, we are still very positive about our towage segment, and about towage market in Brazil. The answer for you is yes, we are still positive about volume and about pricing, or better mix of service. We are very bullish for towage in Brazil for the next years.

Andrew West:

Great. And specifically the construction for ships, the contract of the Chilean company, I was a little bit surprised that you are deciding to allocate some of your capacity for external contract, because I have thought that you were sort of going to use all of your capacity on your own fleet. So what was the decision making process here?

Cezar Baião:

That is a very good question. Look, in the last Petrobras bid that took place, the maximum allowed to one vessel operator to win was four vessels. So Wilson, Sons bid, and won four vessels. Since at the time, we had capacity in our shipyard to build more than four vessels, we also offered this service to the second bidder of the Petrobras, who also had won another four vessels, because we could not build more vessels to ourselves. So, since we were limited to build only four vessels for us, that was the maximum that the tender documents allowed us, and we had more capacity in the shipyard, we decided to build for a third-party.

Felipe Gutterres:

And made money with that.

Andrew West:

Right. So in the past, the way I thought about the shipyard was almost pretty much pure cost and now it is moving towards becoming more of a profit generator.

Felipe Gutterres:

Yeah, with the construction for third-parties, it is exactly that.

Andrew West:

OK. Thank you very much.

Bart Vandenwijngaard, Petercam:

I have a question regarding your towage capacities. Smith International is building up the position in the Brazilian Harbour towage market and it seems that it has a competitive advantage since it brings in international deficit for large clients, in this light, what will be your strategy going forward for the towage activities? Will you become price target and maintain the large international clients or do you see another solution?

Cezar Baião:

OK. We have heard this question many times during our IPO last year. In the beginning of last year, when we were doing our road show, a lot of potential investors asked about Smith, because at that time Smith had already announced that they would come to Brazil. Smith being one of the biggest tug operators in the world, they have those clients in most of the ports in the world and etc. So, Smith is here already, operating their own tugs for almost one year, and we have not lost one single client to Smith. So, I mean, we are really not worried to lose clients to Smith because Smith also provides service to those clients elsewhere. We have 67 tugs in Brazil, Brazil has a very long coast with more than 20 different ports, most of the shipping lines, when they call Brazilian ports, they call at least five different ports and the only tug operator who can provide to liner ship line, or to a liner containers vessels, towage service in all Brazilian ports is Wilson, Sons.

All the others, with 10 tugs or 20 tugs can maximum provide service to ship lining in four different ports, maximum. We are the only one with a fleet of 67 tugs, and increasing, next year we are going to deliver six new tugs, we are the only one who can provide and handle port service to the entire Brazilian coast.

I mean, it is very tough to any other player to compete with us. Besides that we have our own shipyard so, every time we need to increase our capacity we have our own shipyards to do that. That is why next year we are delivering six new tugs, and since Smith does not have a shipyard, it is very tough to compete in this conditions.

Bart Vandenwijngaard:

OK. Thank you.

John Simpson, MSE Investments:

Does Wilson, Sons have the capacity of taking advantage of a new Petrobras seeder of oil supply vessels?

Cezar Baião:

I will ask Mr. Arnaldo to answer this question.

Arnaldo Calbucci:

Yes, for sure we have capacity to take advantage of the new tenders of Petrobras.

In our shipyard, with the current structure, we are able to build vessels for the next bid. In addition, as we already mentioned, in near past conference calls, we are looking to expand the activity of our shipyards, or at least to double the capacity of the shipyards, and we have few options to do that.

One is to expand the current area of our shipyard, and the other is to rent or buy an area close to our shipyard in Guarujá, what we have already got, and we have two other possibilities: to start a greenfield project and build a dry dock or a facility to build vessels, and to buy a small shipyard and expand its capacity. In all these options we can count on the excellent finance lines from the *Fundo de Marinha Mercante*, the Marine Merchant Fund.

Operator:

Thank you, this concludes the Q&A session of this conference call. At this time I would like to turn the floor back over to Mr. Cezar Baião for his closing remarks.

Cezar Baião:

OK. We would like to finish our slide presentation by saying that we are pleased with Wilson, Sons' quarterly and year-to-date performance, given our businesses' consistent results, which we believe reflects our commitment to value creation, as well as the support from our shareholders, employees and clients. So, thank you very much.

Operator:

Thank you. This concludes today's conference call on Wilson Sons Limited 2Q08 results. You may now disconnect your line at this time. Have a nice day.