



Wilson Sons Limited

Condensed consolidated interim
financial statements June 30, 2012



Wilson Sons Limited

Condensed consolidated interim financial statements

June 30, 2012

Contents

Independent accountants' Review Report on the Quarterly Information (ITR)	3 - 4
Condensed consolidated statements of comprehensive income	5
Condensed consolidated statements of financial position	6
Condensed consolidated statements of changes in equity	7 - 8
Condensed consolidated statements of cash flows	9
Notes to the condensed consolidated interim financial statements	10 - 70



KPMG Auditores Independentes
Av. Almirante Barroso, 52 - 4º
20031-000 - Rio de Janeiro, RJ - Brasil
Caixa Postal 2888
20001-970 - Rio de Janeiro, RJ - Brasil

Central Tel 55 (21) 3515-9400
Fax 55 (21) 3515-9000
Internet www.kpmg.com.br

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 June 30, 2012, which comprises the condensed consolidated statement of financial position as of June 30, 2012 and the respective condensed consolidated statements of comprehensive income for the three and six-month periods ended at that date, changes in shareholders' equity, and cash flows for the six-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.



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 June 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 August 11, 2011, respectively.

Rio de Janeiro, August 13, 2012

KPMG Auditores Independentes

KPMG Auditores Independentes

Wilson Sons Limited

Condensed consolidated statements of comprehensive income

For the period ended June 30, 2012 and 2011

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

	Notes	Three-month periods ended		Six-month periods ended		Convenience translation				
		June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011	Three-month periods ended		Six-month periods ended		
		US\$	US\$	US\$	US\$	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011	
							R\$	R\$	R\$	R\$
Revenue	4	153,997	182,315	311,161	338,948	311,274	284,612	628,951	529,133	
Raw materials and consumables used		(17,989)	(20,269)	(37,549)	(37,599)	(36,360)	(31,642)	(75,899)	(58,696)	
Employee benefits expense	5	(61,610)	(71,387)	(126,580)	(119,932)	(124,532)	(111,442)	(255,856)	(187,226)	
Depreciation and amortization expenses		(14,116)	(13,969)	(31,552)	(26,840)	(28,532)	(21,807)	(63,775)	(41,900)	
Other operating expenses	6	(44,798)	(58,004)	(88,834)	(108,876)	(90,551)	(90,550)	(179,561)	(169,966)	
Profit on disposal of property, plant and equipment		(9)	1,058	5	1,088	(18)	1,652	11	1,698	
Finance income	7	(9,926)	5,866	(2,723)	10,038	(20,063)	9,157	(5,503)	15,670	
Finance costs	7	(3,689)	(3,553)	(7,907)	(6,913)	(7,457)	(5,547)	(15,983)	(10,792)	
Profit before tax		1,860	22,057	16,021	49,914	3,761	34,433	32,385	77,921	
Income tax expense	8	(6,488)	(8,372)	(14,149)	(16,532)	(13,114)	(13,072)	(28,599)	(25,808)	
Profit for the period		(4,628)	13,685	1,872	33,382	(9,353)	21,361	3,786	52,113	
Profit for the period attributable to:										
Owners of the Company		(4,444)	13,692	1,794	33,177	(8,982)	21,371	3,629	51,793	
Non controlling interests		(184)	(7)	78	205	(371)	(10)	157	320	
		(4,628)	13,685	1,872	33,382	(9,353)	21,361	3,786	52,113	
Other comprehensive income										
Exchange differences on translating		(9,787)	4,509	(7,167)	6,425	(19,782)	7,040	(14,487)	10,030	
Total comprehensive income for the period		(14,415)	18,194	(5,295)	39,807	(29,135)	28,401	(10,701)	62,143	
Total comprehensive income for the period attributable to:										
Owners of the Company		(13,981)	18,084	(5,178)	39,426	(28,259)	28,230	(10,466)	61,548	
Non controlling interests		(434)	110	(117)	381	(876)	171	(235)	595	
		(14,415)	18,194	(5,295)	39,807	(29,135)	28,401	(10,701)	62,143	
Earnings per share from continuing operations										
Basic and diluted (cents per share)	21	(6,25c)	19,25c	2,52c	46,63c	(12,63c)	30,04c	5,10c	72,80c	

Exchange rates

06/30/12 - R\$2.0213/ US\$1.00

12/31/11 - R\$1.8758/ US\$1.00

06/30/11 - R\$1.5611/ 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 June 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)	2011 R\$
ASSETS					
NON-CURRENT ASSETS					
Goodwill	9	15,612	15,612	31,557	29,285
Other intangible assets	10	30,303	28,546	61,251	53,547
Property, plant and equipment	11	763,688	725,859	1,543,642	1,361,566
Deferred tax assets	16	30,751	28,525	62,157	53,507
Trade and other receivables	13	25,728	28,240	52,004	52,972
Long term- investments	14	1,076	1,072	2,175	2,012
Other non-current assets		8,794	8,414	17,776	15,783
Total non-current assets		875,952	836,268	1,770,562	1,568,672
CURRENT ASSETS					
Inventories	12	15,005	21,142	30,330	39,657
Trade and other receivables	13	147,146	135,517	297,426	254,203
Short-term investments	14	-	24,500	-	45,957
Cash and cash equivalents	14	119,766	112,388	242,082	210,817
Total current assets		281,917	293,547	569,838	550,634
TOTAL ASSETS		1,157,869	1,129,815	2,340,400	2,119,306
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Share capital	21	9,905	9,905	20,021	18,580
Capital reserves		94,324	94,324	190,658	176,932
Profit reserve		1,981	1,981	4,004	3,716
Contributed surplus		9,379	9,379	18,957	17,594
Retained earnings		334,340	350,616	675,802	657,685
Translation reserve		2,171	9,143	4,389	17,150
Equity attributable to owners of the Company		452,100	475,348	913,831	891,657
Non-controlling interests		2,030	2,147	4,103	4,028
Total equity		454,130	477,495	917,934	895,685
NON-CURRENT LIABILITIES					
Trade and other payables	19	2,518	2,471	5,090	4,635
Bank loans	15	481,351	451,381	972,954	846,700
Deferred tax liabilities	16	25,103	26,093	50,741	48,945
Provisions for tax, labor and civil risks	17	13,439	13,378	27,163	25,094
Obligations under finance leases	18	3,030	3,278	6,125	6,149
Total non-current liabilities		525,441	496,601	1,062,073	931,523
CURRENT LIABILITIES					
Trade and other payables	19	133,616	115,788	270,078	217,196
Current tax liabilities		3,124	3,472	6,314	6,512
Obligations under finance leases	18	2,946	3,787	5,954	7,104
Bank overdrafts and loans	15	38,612	32,672	78,047	61,286
Total current liabilities		178,298	155,719	360,393	292,098
Total liabilities		703,739	652,320	1,422,466	1,223,621
TOTAL EQUITY AND LIABILITIES		1,157,869	1,129,815	2,340,400	2,119,306

Exchange rates

06/30/12 - R\$2.0213/ US\$1.00

12/31/11 - R\$1.8758/ US\$1.00

06/30/11 - R\$1.5611/ 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 June 30, 2012 and 2011

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

	Notes	Capital reserves				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\$
		Share capital US\$	Share premium US\$	Others US\$	Additional paid-in capital 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		-	-	-	-	-	-	33,177	-	33,177	205	33,382
Other comprehensive income		-	-	-	-	-	-	-	6,249	6,249	176	6,425
Total comprehensive income for the period		-	-	-	-	-	-	33,177	6,249	39,426	381	39,807
Sale of shares to non-controlling interests		-	-	-	2,840	-	-	-	-	2,840	2,408	5,248
Dividends		-	-	-	-	-	(18,070)	-	-	(18,070)	-	(18,070)
BALANCE AT JUNE 30, 2011	21	<u>9,905</u>	<u>67,951</u>	<u>28,383</u>	<u>(2,010)</u>	<u>1,981</u>	<u>9,379</u>	<u>346,476</u>	<u>27,173</u>	<u>489,238</u>	<u>2,789</u>	<u>492,027</u>
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		-	-	-	-	-	-	1,794	-	1,794	78	1,872
Other comprehensive income		-	-	-	-	-	-	-	(6,972)	(6,972)	(195)	(7,167)
Total comprehensive income for the period		-	-	-	-	-	-	1,794	(6,972)	(5,178)	(117)	(5,295)
Dividends		-	-	-	-	-	-	(18,070)	-	(18,070)	-	(18,070)
BALANCE AT JUNE 30, 2012	21	<u>9,905</u>	<u>67,951</u>	<u>28,383</u>	<u>(2,010)</u>	<u>1,981</u>	<u>9,379</u>	<u>334,340</u>	<u>2,171</u>	<u>452,101</u>	<u>2,030</u>	<u>454,130</u>

(continues)

Wilson Sons Limited

Condensed consolidated statements of changes equity

For the quarters ended June 30, 2012 and 2011

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

Notes	Share capital R\$	Capital reserves			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\$	
		Share premium R\$	Others R\$	Additional paid-in capital R\$								
BALANCE AT JANUARY 1, 2011	16,504	113,220	47,291	(8,080)	3,301	45,737	522,017	34,864	774,854	-	774,854	
Profit for the period	-	-	-	-	-	-	51,793	-	51,793	320	52,113	
Other comprehensive income	-	-	-	-	-	-	-	9,755	9,755	275	10,030	
Total comprehensive income for the period	-	-	-	-	-	-	51,793	9,755	61,548	595	62,143	
Sale of shares to non-controlling interests	-	-	-	4,433	-	-	-	-	4,433	3,759	8,192	
Dividends	-	-	-	-	-	(28,209)	-	-	(28,209)	-	(28,209)	
Translation adjustment to Real	(1,041)	(7,142)	(2,982)	509	(208)	(2,886)	(32,926)	(2,199)	(48,875)	-	(48,875)	
BALANCE AT JUNE 30, 2011	21	15,463	106,078	44,309	(3,138)	3,093	14,642	540,884	42,420	763,751	4,354	768,105
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		-	-	-	-	-	3,627	-	3,627	157	3,784	
Other comprehensive income		-	-	-	-	-	-	(14,093)	(14,093)	(366)	(14,459)	
Total comprehensive income for the period		-	-	-	-	-	3,627	(14,093)	(10,466)	(209)	(10,675)	
Dividends		-	-	-	-	-	(36,525)	-	(36,525)	-	(36,525)	
Translation adjustment to Real		1,441	9,888	4,131	(293)	288	1,363	51,015	1,332	69,165	284	69,449
BALANCE AT JUNE 30, 2012	21	20,021	137,350	57,372	(4,064)	4,004	18,957	675,802	4,389	913,831	4,103	917,934

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

Exchange rates

06/30/12 – R\$2.0213 / US\$1.00

12/31/11 – R\$1.8758 / US\$1.00

06/30/11 – R\$1.5611 / US\$1.00

Wilson Sons Limited

Condensed consolidated statements of cash flows

For the six month periods ended June 30, 2012 and 2011

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

	Note	2012 US\$	2011 US\$	Convenience translation	
				2012 R\$	2011 R\$
NET CASH GENERATED BY OPERATING ACTIVITIES	27	46,860	36,681	94,719	57,263
CASH FLOW FROM INVESTING ACTIVITIES					
Interest received		5,443	4,146	11,002	6,472
Proceeds on disposal of property, plant and equipment		(55)	3,571	(111)	5,575
Purchases of property, plant and equipment		(78,779)	(103,398)	(159,236)	(161,415)
Investment - short term and long term investment		24,496	11,478	49,515	17,918
Advance for future investment – Briclog		-	(6,406)	-	(10,000)
Net cash used in investing activities		<u>(48,895)</u>	<u>(90,609)</u>	<u>(98,830)</u>	<u>(141,450)</u>
CASH FLOW FROM FINANCING ACTIVITIES					
Dividends paid		(18,070)	(18,070)	(36,525)	(28,209)
Repayments of borrowings		(14,627)	(13,069)	(29,566)	(20,403)
Repayments of obligation under finance leases		(1,221)	(3,950)	(2,468)	(6,167)
New bank loans raised		49,618	41,790	100,293	65,238
(Purchase) Sale of non-controlling interest in subsidiary		-	669	-	1,045
Net cash generated by financing activities		<u>15,700</u>	<u>7,370</u>	<u>31,734</u>	<u>11,504</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		13,665	(46,558)	27,623	(72,683)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		112,388	118,172	210,817	196,898
Effect of foreign exchange rate changes		(6,287)	4,793	(12,710)	7,483
Translation adjustment to Real		-	-	16,354	(12,419)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		<u>119,766</u>	<u>76,407</u>	<u>242,084</u>	<u>119,279</u>

(*) Exchange rates for convenience translation
 06/30/12 – R\$2.0213/ US\$1.00
 12/31/11 – R\$1.8758/ US\$1.00
 06/30/11 – R\$1.5611/ 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 June 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 nation wide 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.

Wilson Sons Limited

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

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 June 30, 2012, December 31, 2011 and June 30, 2011 the applicable exchange rates were R\$2.0213, R\$1.8758, and R\$1.5611, respectively. The difference between the applicable exchange 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).

Wilson Sons Limited

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

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								
June 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 periods ended)									
Revenue	41,123	51,665	5,502	11,659	29,232	23,720	-	(8,904)	153,997
Operating profit	9,883	9,236	484	2,809	2,178	780	(11,324)	1,429	15,475
Finance costs	(1,519)	(1,375)	(18)	(1,576)	(687)	(31)	1,517	-	(3,689)
Operating profit adjusted by finance cost	8,364	7,861	466	1,233	1,491	749	(9,807)	1,429	11,786
Finance income	-	-	-	-	-	-	-	-	(9,926)
Profit before tax	-	-	-	-	-	-	-	-	1,860
Other information:									
Capital expenditures	(3,195)	(15,708)	(67)	(11,909)	(138)	(10,832)	(2,646)	-	(44,495)
Depreciation and amortization	(3,123)	(5,524)	(67)	(1,700)	(2,390)	(109)	(1,203)	-	(14,116)

Wilson Sons Limited

Notes to the condensed consolidated interim financial statements

Quarter ended June 30, 2012

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

		2011								
		Towage	Port	Ship	Offshore	Logistics	Shipyard	Non	Elimination	Consolidated
		US\$	terminals	agency	US\$	US\$	US\$	segment	US\$	US\$
		US\$	US\$	US\$	US\$	US\$	US\$	activities	US\$	US\$
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
June 30, 2011										
(Three-month periods ended)										
Revenue		40,164	72,661	4,878	10,102	37,373	49,415	-	(32,278)	182,315
Operating profit		6,847	19,972	(738)	209	3,819	11,280	(15,472)	(6,173)	19,744
Finance costs		(1,103)	(247)	(2)	(968)	(1,161)	-	(72)	-	(3,553)
Operating profit adjusted by finance cost		5,744	19,725	(740)	(759)	2,658	11,280	(15,544)	(6,173)	16,191
Finance income		-	-	-	-	-	-	-	-	5,866
Profit before tax		-	-	-	-	-	-	-	-	22,057
Other information:										
Capital expenditures		(9,774)	(16,583)	(88)	(12,237)	(5,964)	(4,653)	(694)	-	(49,993)
Depreciation and amortization		(3,998)	(4,531)	(54)	(1,927)	(2,815)	(38)	(606)	-	(13,969)
2012										
		Towage	Port	Ship	Offshore	Logistics	Shipyard	Non	Elimination	Consolidated
		US\$	terminals	agency	US\$	US\$	US\$	Segment	US\$	US\$
		US\$	US\$	US\$	US\$	US\$	US\$	activities	US\$	US\$
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
June 30, 2012										
(Six-month periods ended)										
Revenue		81,520	111,585	11,214	21,017	59,030	56,246	-	(29,451)	311,161
Operating profit		13,290	23,397	387	1,868	3,761	10,772	(22,938)	(3,886)	26,651
Finance costs		(2,978)	(2,026)	(20)	(2,752)	(1,519)	(32)	1,420	-	(7,907)
Operating profit adjusted by finance cost		10,312	21,371	367	(884)	2,242	10,740	(21,518)	(3,886)	18,744
Finance income		-	-	-	-	-	-	-	-	(2,723)
Profit before tax		-	-	-	-	-	-	-	-	16,021
Other information:										
Capital expenditures		(17,925)	(29,500)	(103)	(15,546)	(591)	(21,162)	(2,882)	-	(87,709)
Depreciation and amortization		(8,701)	(11,072)	(120)	(4,158)	(5,011)	(154)	(2,336)	-	(31,552)

Wilson Sons Limited

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									
June 30, 2011	Towage US\$	Port terminals US\$	Ship agency US\$	Offshore US\$	Logistics US\$	Shipyards US\$	Non Segment activities US\$	Elimination US\$	Consolidated US\$
(Six-month periods ended)									
Revenue	76,360	137,437	8,833	17,041	70,430	77,922	-	(49,075)	338,948
Operating profit	14,861	40,444	(768)	(134)	7,043	17,022	(23,110)	(8,569)	46,789
Finance costs	(2,185)	(516)	(4)	(1,813)	(2,238)	-	(157)	-	(6,913)
Operating profit adjusted by finance cost	12,676	39,928	(772)	(1,947)	4,805	17,022	(23,267)	(8,569)	39,876
Finance income	-	-	-	-	-	-	-	-	10,038
Profit before tax	-	-	-	-	-	-	-	-	49,914
Other information:									
Capital expenditures	(27,165)	(40,567)	(119)	(14,332)	(11,288)	(10,080)	(1,280)	-	(104,831)
Depreciation and amortization	(7,984)	(8,451)	(107)	(3,752)	(5,274)	(79)	(1,193)	-	(26,840)
2012									
June 30, 2012	Towage R\$	Port terminals R\$	Ship agency R\$	Offshore R\$	Logistics R\$	Shipyards R\$	Non segment activities R\$	Elimination R\$	Consolidated R\$
(Three-month periods ended)									
Revenue	83,123	104,430	11,121	23,566	59,087	47,945	-	(17,998)	311,274
Operating profit	19,977	18,669	978	5,678	4,402	1,577	(22,889)	2,889	31,281
Finance costs	(3,070)	(2,779)	(36)	(3,186)	(1,389)	(63)	3,066	-	(7,457)
Operating profit adjusted by finance cost	16,907	15,890	942	2,492	3,013	1,514	(19,823)	2,889	23,824
Investment income	-	-	-	-	-	-	-	-	(20,063)
Profit before tax	-	-	-	-	-	-	-	-	3,761
Other information:									
Capital expenditures	(6,458)	(31,751)	(135)	(24,072)	(279)	(21,895)	(5,348)	-	(89,938)
Depreciation and amortization	(6,313)	(11,166)	(135)	(3,436)	(4,831)	(219)	(2,432)	-	(28,532)

Wilson Sons Limited

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								
		Towage	Port	Ship	Offshore	Logistics	Shipyard	Non	Elimination	Consolidated
		R\$	terminals	agency	R\$	R\$	R\$	segment	R\$	R\$
		R\$	R\$	R\$	R\$	R\$	R\$	activities	R\$	R\$
		R\$	R\$	R\$	R\$	R\$	R\$	R\$	R\$	R\$
June 30, 2011										
(Three-month periods ended)										
Revenue		62,700	113,431	7,615	15,770	58,343	77,142	-	(50,389)	284,612
Operating profit		10,690	31,178	(1,152)	326	5,962	17,609	(24,153)	(9,637)	30,823
Finance costs		(1,723)	(386)	(3)	(1,511)	(1,812)	-	(112)	-	(5,547)
Operating profit adjusted by finance cost		8,967	30,792	(1,155)	(1,185)	4,150	17,609	(24,265)	(9,637)	25,276
Investment income		-	-	-	-	-	-	-	-	9,157
Profit before tax		-	-	-	-	-	-	-	-	34,433
Other information:										
Capital expenditures		(15,258)	(25,888)	(137)	(19,103)	(9,310)	(7,264)	(1,083)	-	(78,043)
Depreciation and amortization		(6,243)	(7,073)	(84)	(3,008)	(4,394)	(59)	(946)	-	(21,807)
		2012								
		Towage	Port	Ship	Offshore	Logistics	Shipyard	Non	Elimination	Consolidated
		R\$	terminals	agency	R\$	R\$	R\$	segment	R\$	R\$
		R\$	R\$	R\$	R\$	R\$	R\$	activities	R\$	R\$
		R\$	R\$	R\$	R\$	R\$	R\$	R\$	R\$	R\$
June, 30, 2012										
(Six-month periods ended)										
Revenue		164,777	225,547	22,667	42,482	119,317	113,690	-	(59,529)	628,951
Operating profit		26,863	47,292	782	3,776	7,602	21,773	(46,365)	(7,852)	53,871
Finance costs		(6,019)	(4,095)	(40)	(5,563)	(3,070)	(65)	2,870	-	(15,983)
Operating profit adjusted by finance cost		20,844	43,197	742	(1,787)	4,532	21,709	(43,494)	(7,852)	37,888
Investment income		-	-	-	-	-	-	-	-	(5,503)
Profit before tax		-	-	-	-	-	-	-	-	32,382
Other information:										
Capital expenditures		(36,231)	(59,629)	(208)	(31,423)	(1,194)	(42,775)	(5,825)	-	(177,285)
Depreciation and amortization		(17,589)	(22,380)	(243)	(8,405)	(10,129)	(311)	(4,718)	-	(63,775)

Wilson Sons Limited

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								Consolidated R\$
	Towage R\$	Port terminals R\$	Ship agency R\$	Offshore R\$	Logistics R\$	Shipyards R\$	Non segment activities R\$	Elimination R\$	
June 30, 2011 (Six-month periods ended)									
Revenue	119,207	214,553	13,789	26,603	109,948	121,644	-	(76,611)	529,133
Operating profit	23,200	63,137	(1,199)	(209)	10,995	26,573	(36,077)	(13,377)	73,043
Finance costs	(3,411)	(806)	(6)	(2,830)	(3,494)	-	(245)	-	(10,792)
Operating profit adjusted by finance cost	19,789	62,331	(1,205)	(3,039)	7,501	26,573	(36,322)	(13,377)	62,251
Investment income	-	-	-	-	-	-	-	-	15,670
Profit before tax	-	-	-	-	-	-	-	-	77,921
Other information:									
Capital expenditures	(42,408)	(63,329)	(186)	(22,374)	(17,622)	(15,736)	(1,998)	-	(163,653)
Depreciation and amortization	(12,465)	(13,193)	(167)	(5,857)	(8,233)	(123)	(1,862)	-	(41,900)

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).

Wilson Sons Limited

Notes to the condensed consolidated interim financial statements

Quarter ended June 30, 2012

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

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	06/30/12 US\$	06/30/11 US\$	06/30/12 US\$	06/30/11 US\$
Sales of services	139,103	165,771	284,365	311,497
Revenue from construction contracts	<u>14,894</u>	<u>16,544</u>	<u>26,796</u>	<u>27,451</u>
Total	<u><u>153,997</u></u>	<u><u>182,315</u></u>	<u><u>311,161</u></u>	<u><u>338,948</u></u>

	<u>Three-month periods ended</u>		<u>Six-month period ended</u>	
	06/30/12 R\$	06/30/11 R\$	06/30/12 R\$	06/30/11 R\$
Sales of services	281,169	258,785	574,787	486,278
Revenue from construction contracts	<u>30,105</u>	<u>25,827</u>	<u>54,164</u>	<u>42,855</u>
Total	<u><u>311,274</u></u>	<u><u>284,612</u></u>	<u><u>628,951</u></u>	<u><u>529,133</u></u>

5 Employee benefits expense

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	06/30/12 US\$	06/30/11 US\$	06/30/12 US\$	06/30/11 US\$
Salaries and benefits	50,080	52,383	97,831	95,634
Payroll taxes	13,197	12,814	24,831	23,680
Pension costs	415	324	778	590
Long-term incentive plan (Note 20)	<u>(2,082)</u>	<u>5,866</u>	<u>3,140</u>	<u>28</u>
Total	<u><u>61,610</u></u>	<u><u>71,387</u></u>	<u><u>126,580</u></u>	<u><u>119,932</u></u>

Wilson Sons Limited

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

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u> <u>R\$</u>	<u>06/30/11</u> <u>R\$</u>	<u>06/30/12</u> <u>R\$</u>	<u>06/30/11</u> <u>R\$</u>
Salaries and benefits	101,226	81,775	197,745	149,294
Payroll taxes	26,675	20,004	50,191	36,967
Pension costs	839	506	1,573	921
Long-term incentive plan (Note 20)	(4,208)	9,157	6,347	44
Total	<u>124,532</u>	<u>111,442</u>	<u>255,856</u>	<u>187,226</u>

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

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u> <u>US\$</u>	<u>06/30/11</u> <u>US\$</u>	<u>06/30/12</u> <u>US\$</u>	<u>06/30/11</u> <u>US\$</u>
Service cost	12,832	18,317	27,074	33,824
Rent of tugs	6,000	6,491	11,595	11,742
Freight	2,398	4,653	4,524	9,893
Other rentals	5,161	11,254	11,271	20,389
Energy, water and communication	7,873	4,441	11,761	8,247
Container handling	3,714	3,986	6,511	6,581
Insurance	2,154	2,473	3,934	4,152
Other taxes	2,239	3,040	5,828	6,639
Other expenses	2,427	3,349	6,336	7,409
Total	<u>44,798</u>	<u>58,004</u>	<u>88,834</u>	<u>108,876</u>

Wilson Sons Limited

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

	Three-month periods ended		Six-month periods ended	
	06/30/12 R\$	06/30/11 R\$	06/30/12 R\$	06/30/11 R\$
Service cost	25,935	28,594	54,725	52,802
Rent of tugs	12,128	10,133	23,437	18,330
Freight	4,847	7,264	9,144	15,444
Other rentals	10,432	17,569	22,782	31,829
Energy, water and communication	15,914	6,932	23,773	12,874
Container handling	7,507	6,223	13,161	10,274
Insurance	4,356	3,861	7,951	6,482
Other taxes	4,527	4,745	11,780	10,364
Other expenses	4,905	5,229	12,808	11,567
Total	<u>90,551</u>	<u>90,550</u>	<u>179,561</u>	<u>169,966</u>

7 Finance income and finance costs

	Three-month periods ended		Six-month periods ended	
	06/30/12 US\$	06/30/11 US\$	06/30/12 US\$	06/30/11 US\$
Interest on investments	2,595	2,507	5,443	4,721
Exchange gain (loss) on investments	(14,065)	3,105	(10,834)	4,793
Other interest income	1,544	254	2,668	524
Total finance income	<u>(9,926)</u>	<u>5,866</u>	<u>(2,723)</u>	<u>10,038</u>
Interest on bank loans and overdrafts	(3,423)	(3,063)	(7,038)	(5,935)
Exchange gain (loss) on loans	53	185	35	283
Interest on obligations under finance leases	(218)	(414)	(490)	(830)
Total borrowing costs	<u>(3,588)</u>	<u>(3,292)</u>	<u>(7,493)</u>	<u>(6,482)</u>
Other interest	(101)	(261)	(414)	(431)
Total finance costs	<u>(3,689)</u>	<u>(3,553)</u>	<u>(7,907)</u>	<u>(6,913)</u>

Wilson Sons Limited

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

	Three-month periods ended		Six-month periods ended	
	06/30/12	06/30/11	06/30/12	06/30/11
	R\$	R\$	R\$	R\$
Interest on investments	5,246	3,912	11,002	7,370
Exchange gain (loss) on investments	(28,430)	4,848	(21,899)	7,483
Other interest income	3,121	397	5,394	817
Total finance income	<u>(20,063)</u>	<u>9,157</u>	<u>(5,503)</u>	<u>15,670</u>
Interest on bank loans and overdrafts	(6,919)	(4,783)	(14,227)	(9,265)
Exchange gain on loans	108	289	71	442
Interest on obligations under finance leases	(443)	(646)	(991)	(1,296)
Total borrowing costs	<u>(7,254)</u>	<u>(5,140)</u>	<u>(15,147)</u>	<u>(10,119)</u>
Other interest	(203)	(407)	(836)	(673)
Total finance costs	<u>(7,457)</u>	<u>(5,547)</u>	<u>(15,983)</u>	<u>(10,792)</u>

Wilson Sons Limited

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

8 Income tax expense

Income tax recognized in profit or loss:

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u>	<u>06/30/11</u>	<u>06/30/12</u>	<u>06/30/11</u>
	US\$	US\$	US\$	US\$
Current				
Brazilian taxation				
Income tax	4,012	8,310	11,684	14,819
Social contribution	<u>1,243</u>	<u>3,024</u>	<u>3,959</u>	<u>5,386</u>
Total Brazilian current tax	<u>5,255</u>	<u>11,334</u>	<u>15,643</u>	<u>20,205</u>
Deferred tax				
Total deferred tax	<u>1,233</u>	<u>(2,962)</u>	<u>(1,494)</u>	<u>(3,673)</u>
Total income tax expense	<u>6,488</u>	<u>8,372</u>	<u>14,149</u>	<u>16,532</u>
	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u>	<u>06/30/11</u>	<u>06/30/12</u>	<u>06/30/11</u>
	R\$	R\$	R\$	R\$
Current				
Brazilian taxation				
Income tax	8,109	12,975	23,618	23,134
Social contribution	<u>2,512</u>	<u>4,721</u>	<u>8,003</u>	<u>8,408</u>
Total Brazilian current tax	<u>10,621</u>	<u>17,696</u>	<u>31,621</u>	<u>31,542</u>
Deferred tax				
Total deferred tax	<u>2,493</u>	<u>(4,624)</u>	<u>(3,022)</u>	<u>(5,734)</u>
Total income tax expense	<u>13,114</u>	<u>13,072</u>	<u>28,599</u>	<u>25,808</u>

Wilson Sons Limited

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

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:

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u>	<u>06/30/11</u>	<u>06/30/12</u>	<u>06/30/11</u>
	US\$	US\$	US\$	US\$
Profit before tax	1,860	22,057	16,021	49,914
Tax at statutory Brazilian tax rate (34%)	632	7,500	5,447	16,971
Effect of exchange differences arising on translation - IAS 21	11,935	(7,117)	7,478	(10,225)
Exchange differences on US Dollar loans	(4,420)	7,536	(1,893)	10,789
Effect of different tax rates in other jurisdictions	1,103	2,251	3,051	325
Effect of tax losses unrecognized in deferred tax assets	(5,648)	-	(1,834)	-
Others	2,886	(1,798)	1,900	(1,328)
Income tax expense	<u>6,488</u>	<u>8,372</u>	<u>14,149</u>	<u>16,532</u>
Effective rate for the period	<u>35%</u>	<u>38%</u>	<u>88%</u>	<u>33%</u>

Wilson Sons Limited

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

	<u>Three-month periods ended</u>		<u>Six-month periods ended</u>	
	<u>06/30/12</u> <u>R\$</u>	<u>06/30/11</u> <u>R\$</u>	<u>06/30/12</u> <u>R\$</u>	<u>06/30/11</u> <u>R\$</u>
Profit before tax	3,759	34,433	32,385	77,921
Tax at statutory Brazilian tax rate (34%)	1,277	11,712	11,010	26,493
Effect of exchange differences arising on translation - IAS 21	24,124	(11,110)	15,115	(15,962)
Exchange differences on US Dollar loans	(8,934)	11,764	(3,826)	16,843
Effect of different tax rates in other jurisdictions	2,229	3,513	6,167	507
Effect of tax losses unrecognized in deferred tax assets	(11,416)	-	(3,707)	-
Others	5,833	(2,807)	3,840	(2,073)
Income tax expense	<u>13,113</u>	<u>13,072</u>	<u>28,599</u>	<u>25,808</u>
Effective rate for the period	<u>35%</u>	<u>38%</u>	<u>88%</u>	<u>33%</u>

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

	<u>06/30/12</u> <u>US\$</u>	<u>12/31/11</u> <u>US\$</u>	<u>06/30/12</u> <u>R\$</u>	<u>12/31/11</u> <u>R\$</u>
Cost and carrying amount attributed to:				
Tecon Rio Grande	13,132	13,132	26,543	24,633
Tecon Salvador	<u>2,480</u>	<u>2,480</u>	<u>5,014</u>	<u>4,652</u>
Total	<u>15,612</u>	<u>15,612</u>	<u>31,557</u>	<u>29,285</u>

Wilson Sons Limited

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

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
	<u>39,107</u>	<u>73,357</u>
At December 31, 2011		
Additions	4,578	9,255
Write off	(639)	(1,291)
Exchange differences	(1,300)	(2,628)
Foreign currency gains in respect of translation into Brazilian Real	-	5,688
	<u>41,746</u>	<u>84,381</u>
At June 30, 2012		
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
	<u>10,561</u>	<u>19,810</u>
At December 31, 2011		

Wilson Sons Limited

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

	US\$	R\$
Charge for the period	1,828	3,694
Exchange differences	(583)	(1,179)
Write off	(363)	(733)
Foreign currency gains in respect of translation into Brazilian Real	-	1,538
At June 30, 2012	<u>11,443</u>	<u>23,130</u>
Carrying amount		
June 30, 2012	<u>30,303</u>	<u>61,251</u>
December 31, 2011	<u>28,546</u>	<u>53,547</u>

In 2011, additions were principally costs relating to the implementation of integrated management software (SAP), transfers relate 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	<u>214,102</u>	<u>482,204</u>	<u>233,802</u>	<u>29,684</u>	<u>959,792</u>
Additions	42,271	5,381	9,630	25,849	83,131
Transfers	-	46,739	-	(46,739)	-
Exchange differences	(7,680)	-	(10,336)	-	(18,016)
Disposals	(50)	(113)	(1,109)	-	(1,272)
At June 30, 2012	<u>248,643</u>	<u>534,211</u>	<u>231,987</u>	<u>8,794</u>	<u>1,023,635</u>

Wilson Sons Limited

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

	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	5,527	13,509	11,901	-	30,937
Exchange differences	(814)	-	(3,010)	-	(3,824)
Disposals	(41)	-	(1,058)	-	(1,099)
At June 30, 2012	39,664	138,900	81,383	-	259,947
Carrying amount					
June 30, 2012	208,979	395,311	150,604	8,794	763,688
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

Wilson Sons Limited

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

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	85,442	10,877	19,461	52,249	168,029
Transfers	-	94,474	-	(94,474)	-
Exchange differences	(15,523)	-	(20,888)	-	(36,411)
Disposals	(101)	(228)	(2,241)	-	(2,570)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	31,150	70,159	34,017	4,321	139,647
At June 30, 2012	502,582	1,079,800	468,916	17,774	2,069,072
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	11,171	27,306	24,055	-	62,532
Exchange differences	(1,645)	-	(6,083)	-	(7,728)
Disposals	(81)	-	(2,139)	-	(2,220)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	5,093	18,241	10,701	-	34,035
At June 30, 2012	80,176	280,755	164,499	-	525,430
Carrying amount					
June 30, 2012	422,406	799,045	304,417	17,774	1,543,642
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\$20.0 million (R\$40.4 million) (2011: US\$21.0 million (R\$39.4 million)) in respect of assets held under finance leases.

Wilson Sons Limited

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

Land and buildings with a net carrying amount of US\$0.2 million (R\$0.4 million) (2011: US\$0.3 million (R\$0.5 million)) and tugboats with a net carrying amount of US\$2.2 million (R\$4.4 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\$532.1 million (R\$1.075million) (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\$6.1 million (R\$12.3 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 specialised 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\$ 29.7 million, (against US\$31.1 million that would have been recorded if the change had not occurred).

On June 30, 2012, the Group had contractual commitments to suppliers for the acquisition and construction of property, plant and equipment amounting to US\$28.7 million (R\$ 58.0 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.

Wilson Sons Limited

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

12 Inventories

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Operating materials	10,902	11,543	22,036	21,652
Raw materials for construction contracts (external customers)	<u>4,103</u>	<u>9,599</u>	<u>8,294</u>	<u>18,005</u>
Total	<u>15,005</u>	<u>21,142</u>	<u>30,330</u>	<u>39,657</u>

13 Trade and other receivables

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Receivables for services rendered	78,589	73,529	158,852	137,926
Allowance for doubtful debts	(1,849)	(927)	(3,737)	(1,739)
Income tax recoverable (IT and SC)	13,062	11,485	26,402	21,544
Recoverable taxes and levies	45,205	42,286	91,373	79,320
Prepayment	20,981	22,462	42,410	42,133
Other	<u>16,886</u>	<u>14,922</u>	<u>34,130</u>	<u>27,991</u>
Total	<u>172,874</u>	<u>163,757</u>	<u>349,430</u>	<u>307,175</u>
Total current	<u>147,146</u>	<u>135,517</u>	<u>297,426</u>	<u>254,203</u>
Total non-current	<u>25,728</u>	<u>28,240</u>	<u>52,004</u>	<u>52,972</u>

Wilson Sons Limited

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

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 of Brasil.

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

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Current	<u>51,148</u>	<u>55,591</u>	<u>103,385</u>	<u>104,278</u>
Overdue but not impaired:				
01 to 30 days	15,639	15,289	31,611	28,679
31 to 90 days	8,456	1,085	17,092	2,035
91 to 180 days	1,497	637	3,027	1,195
Impaired:				
More than 180 days	<u>1,849</u>	<u>927</u>	<u>3,737</u>	<u>1,739</u>
Total	<u>78,589</u>	<u>73,529</u>	<u>158,852</u>	<u>137,926</u>

Generally, interest of one percent per month plus a two-percent penalty is charged 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.

Wilson Sons Limited

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

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	<u>-</u>	<u>276</u>
At December 31, 2011	<u>927</u>	<u>1,739</u>
Amounts written off during the period	2,824	5,708
Increase in allowance	(1,795)	(3,628)
Exchange difference	(107)	(216)
Foreign currency gains/(loss) in respect of translation into Brazilian Real	<u>-</u>	<u>134</u>
At June 30, 2012	<u>1,849</u>	<u>3,737</u>

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.

Wilson Sons Limited

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

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 investments and long-term investments is as follows:

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Denominated in US dollar:				
Cash and cash equivalents	6,033	572	12,193	1,073
Short-term investments	-	24,500	-	45,957
Long-term investments	<u>1,076</u>	<u>1,072</u>	<u>2,175</u>	<u>2,012</u>
Total	<u>7,109</u>	<u>26,144</u>	<u>14,368</u>	<u>49,042</u>
Denominated in Brazilian Real:				
Cash and cash equivalents	<u>113,733</u>	<u>111,816</u>	<u>229,889</u>	<u>209,744</u>
Total	<u>113,733</u>	<u>111,816</u>	<u>229,889</u>	<u>209,744</u>
Total cash and cash equivalents	<u>119,766</u>	<u>112,388</u>	<u>242,082</u>	<u>210,817</u>
Total short-term investments	<u>-</u>	<u>24,500</u>	<u>-</u>	<u>45,957</u>
Total long-term investments	<u>1,076</u>	<u>1,072</u>	<u>2,175</u>	<u>2,012</u>

Wilson Sons Limited

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

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 July 2012 to April 2018, and government bonds, with final maturities ranging from January 2014 to March 2018. About 87.14% 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 - %	06/30/12 US\$	12/31/11 US\$	06/30/12 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 13% p.a.	26,101	30,591	52,758	57,383
BNDES - FMM linked to US Dollar	2.11% to 6% p.a.	329,458	300,460	665,933	563,601
BNDES - FMM Real	9,71%	4,079	4,540	8,246	8,516
BNDES - linked to US Dollar	5.07% to 5.36% p.a.	14,948	15,447	30,214	28,975
Total BNDES		374,586	351,038	757,151	658,475
IFC - US Dollar	3.37% to 8.5% p.a.	72,042	57,208	145,619	107,311
IFC - linked to Real	14.09% p.a.	3,022	3,618	6,109	6,787
Total IFC		75,064	60,826	151,728	114,098
Eximbank - US Dollar	2.49% p.a.	14,740	15,769	29,793	29,579
Finimp - US Dollar	2.38% to 4,54% p.a.	4,116	3,152	8,320	5,913
BB - FMM linked to US Dollar	3,1% p.a.	51,097	52,649	103,281	98,759
Caterpillar - Real	4.41% to 7.44% p.a.	360	487	728	914
Total others		70,313	72,057	142,122	135,165

Wilson Sons Limited

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

	Interest rate - %	06/30/12	12/31/11	06/30/12	12/31/11
		US\$	US\$	R\$	R\$
Total secured borrowings		519,963	483,921	1,051,001	907,738
Total		519,963	484,053	1,051,001	907,986

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

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Within one year	38,612	32,672	78,047	61,286
In the second year	44,002	41,197	88,941	77,277
In the third to fifth years (including)	131,871	127,351	266,551	238,885
After five years	305,478	282,833	617,462	530,538
Total	<u>519,963</u>	<u>484,053</u>	<u>1,051,001</u>	<u>907,986</u>
Total current	<u>38,612</u>	<u>32,672</u>	<u>78,047</u>	<u>61,286</u>
Total non-current	<u>481,351</u>	<u>451,381</u>	<u>972,954</u>	<u>846,700</u>

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\$
June 30, 2012								
Bank loans	33,562	395,503	90,898	519,963	67,841	799,428	183,732	1,051,001
Total	<u>33,562</u>	<u>395,503</u>	<u>90,898</u>	<u>519,963</u>	<u>67,841</u>	<u>799,428</u>	<u>183,732</u>	<u>1,051,001</u>
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	<u>39,368</u>	<u>368,556</u>	<u>76,129</u>	<u>484,053</u>	<u>73,848</u>	<u>691,335</u>	<u>142,803</u>	<u>907,986</u>

Wilson Sons Limited

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

The Group's main lenders are described as follows:

The total debt amount with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) was US\$ 374.6 million (R\$757.5 million) on June 30, 2012 (2011: US\$351.0million(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\$333.5 million (R\$674.2 million) on June 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\$26.1 million (R\$52.8 million) on June 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\$ 14.9 million (R\$ 30.2 million) on June 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\$51.1 million (R\$103.3 million) on June 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\$ 75.1 million (R\$151.7 million) on June 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.

Wilson Sons Limited

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

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\$14.7 million (R\$29.8 million) on June 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\$4.1 million (R\$8.3 million) on June 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.

Wilson Sons Limited

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

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 June 30, 2012, the Group had available US\$422.8 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:

	06/30/12 US\$	12/31/11 US\$	06/30/12 R\$	12/31/11 R\$
Bank overdrafts	-	132	-	248
Bank loans				
BNDES	374,586	351,038	757,151	658,475
IFC	75,191	60,934	151,986	114,300
Eximbank	14,740	15,769	29,793	29,579
Finimp	4,116	3,152	8,320	5,913
BB	51,097	52,649	103,281	98,759
Caterpillar	360	487	728	914
Total bank loans	<u>520,090</u>	<u>484,029</u>	<u>1,051,259</u>	<u>907,940</u>
Total	<u>520,090</u>	<u>484,161</u>	<u>1,051,259</u>	<u>908,188</u>

Wilson Sons Limited

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

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 June 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 June 30, 2012 this subsidiary was in compliance with all clauses in this loan contract.

According to Banco do Brasil loan, the subsidiary Magallanes Navegação Brasileira S.A. was not in compliance with one of its covenants, the Debt Service Coverage Ratio (EBITDA/debt service), as of March 31, 2012. This contract requires the maintenance of a debt service coverage ratio equal to or higher than 1.1, calculated annually based on audited financial statements. Also, according to the Financing Agreement, if the subsidiary does not comply with this ratio, the shareholders must make a capital injection of the amount necessary to restore compliance with the covenant. The management will discuss with Banco do Brasil a waiver to this covenant. If it is not possible, the Group has the capacity to make the aforementioned capital injection. Non compliance with Banco do Brasil's agreement covenants does not trigger a cross default in other financing agreements.

Wilson Sons Limited

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

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	<u>(25,073)</u>	<u>3,472</u>	<u>24,793</u>	<u>(760)</u>	<u>2,432</u>
(Charge) credit to income	(1,166)	6,707	12,306	(16,353)	1,494
Exchange differences	-	(121)	1,843	-	1,722
At June 30, 2012	<u><u>(26,239)</u></u>	<u><u>10,058</u></u>	<u><u>38,942</u></u>	<u><u>(17,113)</u></u>	<u><u>5,648</u></u>

	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	<u>(47,033)</u>	<u>6,516</u>	<u>46,505</u>	<u>(1,426)</u>	<u>4,562</u>
(Charge) credit to income	(2,357)	13,557	24,877	(33,055)	3,022
Exchange differences	-	(245)	3,722	-	3,477
Foreign currency gains/(loss) in respect of translation into Brazilian Real	(3,647)	502	3,609	(109)	355
At June 30, 2012	<u><u>(53,037)</u></u>	<u><u>20,330</u></u>	<u><u>78,713</u></u>	<u><u>(34,590)</u></u>	<u><u>11,416</u></u>

Wilson Sons Limited

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

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:

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Deferred tax liabilities	(25,103)	(26,093)	(50,741)	(48,945)
Deferred tax assets	<u>30,751</u>	<u>28,525</u>	<u>62,157</u>	<u>53,507</u>
Total	<u>5,648</u>	<u>2,432</u>	<u>11,416</u>	<u>4,562</u>

At the end of the reporting period, the Group has unutilized tax loss carryforwards of US\$ 101,074 (R\$204,301) (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\$ 17.4 million) has been recognized in the quarter 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\$ 11,847 (R\$ 23,946) (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\$3,784 (R\$7,650), refers to unutilized tax loss carry forwards generated by the holding entities of the group, the remaining amount of US\$ 8,063 (R\$16,298) 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.

Wilson Sons Limited

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

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	<u>12,289</u>	<u>20,476</u>
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	<u>-</u>	<u>2,574</u>
At December 31, 2011	13,378	25,094
Addition to provision	1,833	3,703
Reversal of provision	(1,108)	(2,239)
Exchange difference	(664)	(1,343)
Foreign currency gains in respect of translation into Brazilian Real	<u>-</u>	<u>1,948</u>
At June 30, 2012	<u><u>13,439</u></u>	<u><u>27,163</u></u>

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

	06/30/12 US\$	12/31/11 US\$	06/30/12 R\$	12/31/11 R\$
Civil cases	1,676	1,910	3,386	3,583
Tax cases	799	169	1,615	317
Labor claims	<u>10,964</u>	<u>11,299</u>	<u>22,162</u>	<u>21,194</u>
Total	<u><u>13,439</u></u>	<u><u>13,378</u></u>	<u><u>27,163</u></u>	<u><u>25,094</u></u>

Wilson Sons Limited

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

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\$88,664 (R\$179,215) (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:

	06/30/12 US\$	12/31/11 US\$	06/30/12 R\$	12/31/11 R\$
Civil cases	8,714	6,261	17,612	11,744
Tax cases	35,569	25,775	71,896	48,348
Labor claims	44,381	37,382	89,707	70,121
Total	<u>88,664</u>	<u>69,418</u>	<u>179,215</u>	<u>130,213</u>

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

- **Civil and environmental cases** - Discussions on contractual matters, being the most significant of which related to occasional disagreement on transport contract. There is also a significant provision related to an indemnification claim resulting from a collision of a tug boat in 1992.
- **Labor claims** - These lawsuits claim payment of salary differences, overtime worked without payment, and other allowances. The most relevant probable claims relates to a work accident with death amounting to US\$0.6 million (R\$1.2 million).
- **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).

Wilson Sons Limited

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

18 Obligations under finance leases

	Minimum lease payments		Present value of minimum lease payments	
	06/30/12 US\$	12/31/11 US\$	06/30/12 US\$	12/31/11 US\$
Amounts payable under finance leases:				
Within one year	3,543	4,607	2,946	3,787
From second to fifth years, inclusive	3,976	4,365	3,030	3,278
	<u>7,519</u>	<u>8,972</u>	<u>5,976</u>	<u>7,065</u>
Less future finance charges	<u>(1,543)</u>	<u>(1,907)</u>	-	-
Present value of lease obligations	<u>5,976</u>	<u>7,065</u>	-	-
Total current	<u>2,946</u>	<u>3,787</u>	-	-
Total non-current	<u>3,030</u>	<u>3,278</u>	-	-

	Minimum lease payments		Present value of minimum lease payments	
	06/30/12 R\$	12/31/11 R\$	06/30/12 R\$	12/31/11 R\$
Amounts payable under finance leases:				
Within one year	7,161	8,642	5,954	7,104
From second to fifth years inclusive	8,036	8,187	6,125	6,149
	<u>15,197</u>	<u>16,829</u>	<u>12,079</u>	<u>13,253</u>
Less future finance charges	<u>(3,118)</u>	<u>(3,576)</u>	-	-
Present value of lease obligations	<u>12,079</u>	<u>13,253</u>	-	-
Total current	<u>5,954</u>	<u>7,104</u>	-	-
Total non-current	<u>6,125</u>	<u>6,149</u>	-	-

Wilson Sons Limited

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

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 June 2012, only 23 months on average remained.

For the period ended June 30, 2012, the average effective leasing interest rate was 15.71 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 11.02 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

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Trade payables	90,673	73,973	183,277	138,758
Taxes	17,853	17,950	36,086	33,671
Share-based payment (provision)	17,511	14,371	35,394	26,958
Accruals and other payables	<u>10,097</u>	<u>11,965</u>	<u>20,411</u>	<u>22,444</u>
	<u>136,134</u>	<u>118,259</u>	<u>275,168</u>	<u>221,831</u>
Total current	<u>133,616</u>	<u>115,788</u>	<u>270,078</u>	<u>217,196</u>
Total non-current	<u>2,518</u>	<u>2,471</u>	<u>5,090</u>	<u>4,635</u>

Wilson Sons Limited

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

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:

	06/30/12 US\$	12/31/11 US\$	06/30/12 R\$	12/31/11 R\$
Contract costs incurred plus recognized revenues less recognized losses to date	50,963	36,307	103,012	68,105
Less unbilled services	<u>(62,101)</u>	<u>(48,211)</u>	<u>(125,525)</u>	<u>(90,434)</u>
Net liability included in suppliers	<u>(11,138)</u>	<u>(11,904)</u>	<u>(22,513)</u>	<u>(22,329)</u>

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.

Wilson Sons Limited

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

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

	US\$	R\$
Liability at January 1, 2011	<u>23,795</u>	<u>39,647</u>
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	<u>-</u>	<u>4,987</u>
Liability at December 31, 2011	<u>14,371</u>	<u>26,958</u>
Accrual / payment for the period	3,140	6,347
Foreign currency gains in respect of translation into Brazilian Real	<u>-</u>	<u>2,089</u>
Liability at June 30, 2012	<u>17,511</u>	<u>35,394</u>

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	<u>3,826,260</u>
Exercised during the period	(109,000)
Outstanding at June 30, 2012	<u>3,717,260</u>

Wilson Sons Limited

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

The fair value of the recorded liability in the amount of US\$17,511(R\$35,394) (2011: US\$14,371 (R\$26,958)) was determined using the Binomial model based on the assumptions mentioned below:

	06/30/12	06/30/11
Closing share price (in Real)	R\$30.50	R\$30.39
Expected volatility	30-33%	26-31%
Expected life	10 years	10 years
Risk free rate	5.3%	7.70%
Expected dividend yield	1.6%	1.35%

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.

Wilson Sons Limited

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

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 1,858 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 June 30, 2012 - R\$	30.50	33.55	27.45
	US\$	US\$	US\$
Balance sheet liability at June 30, 2012	17,511	20,532	14,283
	R\$	R\$	R\$
Balance sheet liability at June 30, 2012	35,394	41,501	28,871

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

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
71,144,000 common shares issued and fully paid	9,905	9,905	20,021	18,580

Wilson Sons Limited

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

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:

	06/30/12	06/30/11	06/30/12	06/30/11
	US\$	US\$	R\$	R\$
Profit for the period attributable to owners of the Company	<u>1,794</u>	<u>33,177</u>	<u>3,629</u>	<u>51,793</u>
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)	2.52	46.63	5.10	72.80

Wilson Sons Limited

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

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.

Wilson Sons Limited

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

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 October 5, 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 June 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.

Wilson Sons Limited

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

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	
		06/30/12	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%

Wilson Sons Limited

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

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 June 30, 2012:

	Place of incorporation and operation	Proportion of ownership interest	
		06/30/12	12/31/11
Towage			
Consórcio de Rebocadores Barra de Coqueiros	Brazil	50%	50%
Consórcio de Rebocadores Baía 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%

(*) 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:

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Current assets	21,371	23,165	43,198	43,453
Non-current assets	232,473	224,991	469,897	422,038
Current liabilities	(52,121)	(55,202)	(105,352)	(103,548)
Non-current liabilities	(163,896)	(155,642)	(331,283)	(291,953)

Wilson Sons Limited

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

	Three-month periods ended		Six-month periods ended	
	06/30/12	06/30/11	06/30/12	06/30/11
	US\$	US\$	US\$	US\$
Income	17,250	15,203	32,522	27,197
Expenses	(17,197)	(12,936)	(27,970)	(22,745)

	Three-month periods ended		Six-month periods ended	
	06/30/12	06/30/11	06/30/12	06/30/11
	R\$	R\$	R\$	R\$
Income	34,867	23,733	65,736	42,456
Expenses	(34,761)	(20,194)	(56,537)	(35,507)

24 Operating lease arrangements and other obligations

The Group as lessee

	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	R\$	R\$
Minimum lease payments under operating leases recognized in income for the year	13,822	17,520	27,938	32,864

On June 30, 2012, the minimum amount due by the Group for future lease payments under cancellable operating leases was US\$11,622(R\$23,492) (2011: US\$12,549 (R\$23,539)).

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.

Wilson Sons Limited

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

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:

	06/30/12 US\$	12/31/11 US\$	06/30/12 R\$	12/31/11 R\$
Within one year	2,519	2,549	5,092	4,781
In the second to fifth year inclusive	<u>13,642</u>	<u>15,081</u>	<u>27,575</u>	<u>28,289</u>
Total	<u>16,161</u>	<u>17,630</u>	<u>32,667</u>	<u>33,070</u>

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 June 30, 2012 is 6 years and 5 months. These rental payments are updated by a Brazilian general inflation index (IGPM - General Market Price Index).

Wilson Sons Limited

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

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 counterpart 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.

Wilson Sons Limited

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

b. Categories of financial instruments

	Fair value		Book value	
	06/30/12 US\$	12/31/11 US\$	06/30/12 US\$	12/31/11 US\$
Financial assets:				
Cash and cash equivalents	119,766	112,388	119,766	112,388
Short Term Investments	-	24,500	-	24,500
Long Term Investments	1,076	1,072	1,076	1,072
Trade and other receivables	172,874	163,757	172,874	163,757
	<u>293,716</u>	<u>301,717</u>	<u>293,716</u>	<u>301,717</u>
Financial liabilities:				
Bank loans and overdrafts	520,090	484,161	519,963	484,053
Obligations under finance leases	5,976	7,065	5,976	7,065
Trade and other payables	136,134	118,259	136,134	118,259
	<u>662,200</u>	<u>609,485</u>	<u>662,073</u>	<u>609,377</u>

	Fair value		Book value	
	06/30/12 R\$	12/31/11 R\$	06/30/12 R\$	12/31/11 R\$
Financial assets:				
Cash and cash equivalents	242,082	210,817	242,082	210,817
Short Term Investments	-	45,958	-	45,958
Long Term Investments	2,175	2,011	2,175	2,011
Trade and other receivables	349,430	307,175	349,430	307,175
	<u>593,687</u>	<u>565,961</u>	<u>593,687</u>	<u>565,961</u>
Financial liabilities:				
Bank loans and overdrafts	1,051,258	908,189	1,051,001	907,987
Obligations under finance leases	12,079	13,253	12,079	13,253
Trade and other payables	275,168	221,830	275,168	221,830
	<u>1,338,505</u>	<u>1,143,272</u>	<u>1,338,248</u>	<u>1,143,070</u>

Wilson Sons Limited

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

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.

Wilson Sons Limited

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

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

	Assets		Liabilities	
	06/30/12	12/31/11	06/30/12	12/31/11
	US\$	US\$	US\$	US\$
Amounts denominated in Dollar	324,348	310,823	215,203	207,637

	Assets		Liabilities	
	06/30/12	12/31/11	06/30/12	12/31/11
	R\$	R\$	R\$	R\$
Amounts denominated in Real	655,605	583,042	434,990	389,486

Foreign currency sensitivity analysis

The sensitivity analysis presented in the following sections, which refer to the position on June 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 a baseline scenario, represented by the carrying value of the operations, considering the PTAX of June 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.

Exchange rates (i)		
Probable scenario	Possible scenario (25%)	Remote scenario (50%)
R\$1.95/US\$1.00	R\$2.437/US\$1.00	R\$2.925/US\$1.00

Wilson Sons Limited

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

Operation	Risk	Amount USD	Result	Probable scenario	Possible scenario (25%)	Remote scenario (50%)
Total assets	BRL	324,348	Exchange effects	11,859	(55,382)	(100,210)
Total liabilities	BRL	215,203	Exchange effects	(7,869)	36,746	66,489
			Net effect	3,990	(18,636)	(33,721)

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.

Wilson Sons Limited

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

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			1.06%	1.33%	1.60%	
Investments			0.73%	0.91%	1.09%	
Transaction	Risk	Amount USD	Result	Probable scenario	Possible scenario (25%)	Remote scenario (50%)
IFC loan	Libor	69,707	Interest	(173)	(316)	(460)
Eximbank loan	Libor	14,740	Interest	(34)	(67)	(100)
Finimp loan	Libor	4,079	Interest	(9)	(18)	(26)
Investments	Libor	5,500	Income	18	23	29
Net effect				(198)	(378)	(557)

Wilson Sons Limited

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

CDI (ii)

Transaction	Probable scenario		Possible scenario	Remote scenario	
	7.16%		25%	50%	
Investments	7.16%		8.95%	10.74%	

Transaction	Risk	Principal US dollars	Result	Probable scenario	Possible scenario 25%	Remote scenario 50%
Investments	CDI	107,102	Income	(761)	1,272	3,306
			Net effect	(761)	1,272	3,306

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

The investment rate risk mix is 4.8% Libor, 94.2% CDI, and 0.1% 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 cashflow requirements and optimizing there turn on cash investments.

Wilson Sons Limited

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

Normally, the Group ensures it has sufficient cash reserves to meet the expected operational expenses, including financial obligations. This practice excludes the potential impact of extreme circumstances that can not 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.

June 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	15.71	2,946	2,642	388	5,976
Variable interest rate instruments	4.06	9,746	55,130	35,247	100,123
Fixed interest rate instruments	3.50	28,866	120,743	270,231	419,840
		41,558	178,515	305,866	525,939

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.

Wilson Sons Limited

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

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 June 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 June 30, 2012 and December 31, 2011 at amounts similar to the fair value at those dates. These instruments are managed through 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.

Wilson Sons Limited

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

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.

Wilson Sons Limited

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

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.	4	10	-
2. Consórcio de Rebocadores Barra de Coqueiros	99	144	-
3. Consórcio de Rebocadores Baía de São Marcos	1,523	4	573
4. Wilson Sons Ultratug and subsidiaries	(7,988)	27,321	-
Other:			
5. Gouvêa Vieira Advogados Associados	(14)	-	112
6. CMMR Intermediação Comercial Ltda.	(13)	-	122
7. Transamérica Ag.Marítima	(1,544)	-	99
Six-month period ended June 30, 2012	(7,933)	27,479	906
Three-month period ended June 30, 2012	-	15,372	300
At December 31, 2011	8,418	56,135	1,585
Six-month period ended June 30, 2011	4,105	28,774	1,186
Three-month period ended June 30, 2011	-	17,208	77

Wilson Sons Limited

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

	Current Assets (liabilities) R\$	Revenues R\$	Expenses R\$
Joint ventures:			
1. Allink Transportes Internacionais Ltda.	8	20	-
2. Consórcio de Rebocadores Barra de Coqueiros	200	291	-
3. Consórcio de Rebocadores Baía de São Marcos	3,078	8	1,158
4. Wilson Sons Ultratug and subsidiaries	(16,146)	55,224	-
Other:			
5. Gouvêa Vieira Advogados Associados	(28)	-	227
6. CMMR Intermediação Comercial Ltda.	(26)	-	247
7. Transamérica Ag.Marítima	(3,121)	-	200
Six-month period ended June 30, 2012	(16,035)	55,543	1,832
Three-month period ended June 30, 2012	-	32,123	729
At December 31, 2011	15,790	105,298	2,973
Six-month period ended June 30, 2011	6,410	44,920	1,851
Three-month period ended June 30, 2011	-	26,080	43

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.

Wilson Sons Limited

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

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

	06/30/12 US\$	06/30/11 US\$	06/30/12 R\$	06/30/11 R\$
Profit before tax	16,021	49,914	32,383	77,921
Less: Investment revenues	2,723	(10,038)	5,504	(15,670)
Add: Finance costs	<u>7,907</u>	<u>6,913</u>	<u>15,982</u>	<u>10,792</u>
Operating profit from operations	<u>26,651</u>	<u>46,789</u>	<u>53,869</u>	<u>73,043</u>
Adjustments for:				
Depreciation and amortization expenses	31,552	26,840	63,776	41,900
Gain on disposal of property, plant and equipment	(5)	(1,088)	(10)	(1,698)
Provision (reversal) for cash-settled share-based payment	3,140	(28)	6,347	(44)
Increase in provisions	<u>983</u>	<u>1,614</u>	<u>1,987</u>	<u>2,519</u>
	<u>62,321</u>	<u>74,127</u>	<u>125,969</u>	<u>115,720</u>
Decrease in inventories	6,137	2,282	12,405	3,250
Increase in trade and other receivables	(10,039)	(24,874)	(20,292)	(38,830)
Increase in trade and other payables	14,737	12,093	29,788	18,878
Increase in other non-current assets	<u>(380)</u>	<u>(1,282)</u>	<u>(768)</u>	<u>(2,001)</u>
Cash generated by operations	<u>72,776</u>	<u>62,146</u>	<u>147,102</u>	<u>97,017</u>
Income taxes paid	(17,797)	(19,089)	(35,972)	(29,800)
Interest paid	<u>(8,119)</u>	<u>(6,376)</u>	<u>(16,411)</u>	<u>(9,954)</u>
Net cash from operating activities	<u>46,860</u>	<u>36,681</u>	<u>94,719</u>	<u>57,263</u>

Wilson Sons Limited

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

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:

	06/30/12 US\$	06/30/11 US\$	06/30/12 R\$	06/30/11 R\$
Additions to fixed assets				
Equipment acquisition through finance leases	530	1,493	1,071	2,331
Tecon Rio Grande equipment through loans	1,398	-	2,826	-
Fixed assets suppliers	-	437	-	682
Capitalized interest	6,091	486	12,312	759
Taxes settlement				
Income tax compensation	577	278	1,166	434
Receivables				
Receivables from Intermarítima transaction	-	6,405	-	9,998

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 periods ended		Six-month periods ended	
	Jun 30, 2012 US\$	Jun 30, 2011 US\$	Jun 30, 2012 US\$	Jun 30, 2011 US\$
Short-term employee benefits	4,485	5,982	5,829	7,524
Post-employment benefits and social charges	679	646	1,179	1,211
Share-based payment provision	(2,082)	5,866	3,140	28
Total	3,082	12,494	10,148	8,763

Wilson Sons Limited

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

	Three-month periods ended		Six-month periods ended	
	Jun 30, 2012	Jun 30, 2011	Jun 30, 2012	Jun 30, 2011
	R\$	R\$	R\$	R\$
Short-term employee benefits	9,065	9,233	11,784	11,745
Post-employment benefits and social charges	1,372	970	2,383	1,890
Share-based payment provision	<u>(4,208)</u>	<u>9,157</u>	<u>6,347</u>	<u>44</u>
Total	<u>6,229</u>	<u>19,360</u>	<u>20,514</u>	<u>13,679</u>

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 August 13, 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.