Operator:

Good morning, ladies and gentlemen. At this time we would like to welcome everyone to the conference call for Wilson Sons Limited 4Q08 and 2008 results. Today with us are Mr. Cezar Baião, CEO of the Brazilian subsidiary; Mr. Felipe Gutterres, CFO of the Brazilian subsidiary, Legal Representative & Investor Relations; and Mr. Sergio Fisher, Port Terminal and Logistics Officer.

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

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

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

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

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

Cezar Baião:

Good morning everyone. Thank you for being with us today. I am here with Felipe and Fisher to present our comments on Wilson, Sons' results for the 4Q08 and our overall performance in 2008. Now, I would like to invite you to turn over to slide number three of this conference call presentation for a brief overview of our stated 4Q08 and full year 2008 consolidated results.

I begin by saying that overall our consolidated results were positive, both in the 4Q08 and full year 2008. Following a favorable business environment in 1H08, we faced much more challenging market conditions in the 2H08 with business volumes under pressure worsening the macro environment and global financial instability, especially during the 4Q08. Having said that, the Company's EBITDA improved both, in the 4Q08 and in the full year 2008, and so did consolidated net revenues, operating profits and margins.

Our key financials are illustrated in greater detail in this slide. I would like to call your attention to the sum of the main growth drivers and challenges from last quarter, listed on the top left-hand corner of this slide number three. They are presented on a year-over-year basis and, as you can see here, included overall growth in 4Q08 despite the adverse impact of the recent global crisis, 4Q08 consolidated net revenue in line with 4Q07 and 23.3% higher in full year 2008, reaching US$498 million at the year end.

Operating profit is 64% higher in the 4Q08 with growth of 33% in the full year 2008. EBITDA results climbed 57.7% in the 4Q08 to almost US$40 million, while in the full year 2008 EBITDA increased by 34.3% to almost US$123 million. As in the previous quarter, consolidated net income was negatively impacted in the 4Q08 by the adverse gain in loss effect from the IRFS accounting of foreign exchange. I would like to emphasize that this is only an accounting effect, this caused negative adjustment to our 4Q08 and full year 2008 financial results. Net income declined 71% in the 4Q08 and almost 19% in the full year 2008.

In our view, higher full year 2008 results year-over-year derived mainly for a more profitable service mix overall, from focusing on operating initiatives in our core business, as you will see from port terminal and towage, while taking advantage of new growth opportunities in offshore, logistics and shipyard activities and also from balancing out new investments in capacity expansion with a healthy balance sheet and low leverage ratios.

Let us move now to the next slide, slide number four. Here we show you key highlights for Wilson, Sons main businesses. Let us begin with port terminals, where we focus on a more profitable service mix, delivered the expansion of a third berth at Tecon Rio Grande in October 2008 and acquired the remaining 10% share stake in Tecon Salvador from IFC, the International Finance Corporation. In our towage business intern we moved forward with the modernization of our fleet of tugboat and delivered one new vessel in the 4Q08, the Draco, expanding our current fleet to 68 units. Six new tugboats are scheduled for delivery by 2010 and we continue to provide special operations as the support to LNG activities to further diversify our portfolio of services. These operations carry better daily rates and they have higher margins.

In our offshore segment, we continue to focus on better pricing and operating margins and larger fleet size, currently a total of five PSVs, two of which having operated at an attractive daily rate from spot services until 2010. After 2010, they will go for a long term contract with Petrobras. Overall we delivered two new PSVs in 2008 in line with our guidance from previous quarters.

With respect to the project announced in partnership with Magallanes Navegação Brasileira for the creation of a 50-50 joint venture to operate offshore support vessels in Brazil, we continue to view it as a merge we believe would generate gain in scale and in an industry driving by fleet size and create synergies from expertise in operating Anchor Handling Tug Supply, thus enhancing our ability to become a stronger player in the offshore market. We also see it as an opportunity to optimize our capital structure and to identify industry consolidation opportunities aiming at expanding our footprint in the offshore business.

In terms of our participation in the new Petrobras bid, we took an active role in the first round of the bid for a total 24 new offshore supply vessels, part of which we remain confident we are well positioned to compete for and win going forward.

As for our shipyard operations, construction for the third port has continued in this 4Q08 and we are just waiting for the environmental license needed to put in place our expansion plan for the Guarujá area estimated at US$41 million investment.

In terms of our logistics business, quarter results were higher year over year, also new operations in start-up phase begun in this last quarter of 2008. In terms of new projects in our pipeline, we announced in early October 2008 the approval by the Board of Directors Council of FMM, the Merchant Marine Fund of Brazil, of our request for priority steps to access a new funding line in the amount of up to US$736 million intend for the construction of offshore support vessels.

Now, I will hand it over to Felipe our CFO, who will comment on our business units.

Felipe Gutterres:

Thank you, Baião. Let me start by port terminals on slide five. Our operational indicators illustrated here on this slide along with key financials show that volumes were 2.1% higher in the 4Q08 and 3.8% lower in full year 2008, as compared to respective 2007 results. Volumes at Tecon Rio Grande were 13.3% higher in the 4Q08, mainly as a result of growth in trade activity of frozen chicken and rice. Also, Tecon Rio Grande's third birth expansion increased operating capacity in the 4Q08 and full year 2008. On the downside, however, container movement at Tecon Salvador fell by 10.7% in 4Q08 year over year due to a slowdown export volume of petrochemicals and auto parts.

Overall 4Q08 and full year 2008 key financials at port terminals improved year over year despite a mixed scenario in terms of volume growth and moderate decline in 4Q08 in net revenues. Net revenues growth in full year 2008 reached 14.4% at US$170.5 million at yearend 2008. EBITDA rose 16.1% in the 4Q08, mostly from higher margin services provided, such as warehousing activities and net effects from non-recurring fiscal credits, in addition to growth in Brasco revenues.

Just to give you a color on the portfolio of products moved in our terminals, the most relevant ones at Tecon Rio Grande in the 4Q08 included, tobacco, frozen chicken, rice and resin, while in Salvador, fruits, chemical products, metals and rubber and rubber derived goods.

Moving now to the next slide, I present our results in the towage business. In the 4Q08 and full year 2008 we saw the total number of harbor towage maneuver decline year over year mostly as a result of the impact from the worsening global crisis in the 4Q08.

Although the number of liner maneuvers was slightly down year over year volumes fell sharply in terms of crane maneuvers by our tug boats 4Q08, especially from decline in terms of bulk cargo movements.

Net revenues declined in 4Q08 by 21.4%, partially due to the adverse set back impacts on revenues denominated in Brazilian Reais, but managed to end the year 2008 with a slight growth of 0.2% year over year, when we reached US$147.1 million.

The proportion of value-added special operations increased from 7.6% in full year 2007 to 9.1% in full year 2008, which is very important, as illustrated on the bottom left-hand side of this slide. Besides that, in 4Q08 the Company closed the deal to support LNG activities and the same to Petrobras carrying above average margins.

In terms of EBITDA, 4Q08 results declined 11.9% to R$14.3 million, while in the full year 2008 EBITDA was 1.5% up. The positive net effect results of non-recurring fiscal credits also helped our performance at our towage segment.

Turning over to slide seven, now we focus on logistics. Although operational indicator shows an 8.5% decline year over year in number of trips made in 4Q08, they were followed by a 2.8% increase trips made in full year 2008 to over 70,000 trips in total. Operations completed increased both in 4Q08 and full year 2008 as illustrated on the left-hand side of this slide.

Similarly to operating figures in 4Q08 and full year 2008, net revenue performance in logistics was mixed. 4Q08 net revenues fell by 6.7%, mostly explained by the strengthening in USD in late 2008, giving almost all of its revenue base, and the cost matrix linked to Brazilian Real, but ended the year 29.3% higher in comparison to full year 2007, at US$89.3 million in 2008.

EBITDA results on the other hand improved both in 4Q08 and full year 2008. The main positive factors were higher warehousing volumes at EADI, improved operating margins linked to value added transportation services, and broader portfolio of services rendered to existing clients.

Moving now to slide eight, I can give you some color on shipping agencies. Our operating results in shipping agencies were lower year over year, as seen on the left-hand side of this slide, mainly as a result of the continued impact from loss of a major shipping agency client, which occurred throughout 2008.

The challenging market conditions in 4Q08 resulted in the lower number of containers controlled and BLs issued, although we managed to end the year with 5.2% more vessel calls served, totaling 5,800 calls in 2008.

4Q08 EBITDA results rebounded year over year at US$0.7 million due to the combination of two positive factors, impact from reverse and provisions for doubtful accounts and favorable exchange rate environment, as the USD continue to appreciate against the Brazilian Real, which allowed for gradual margin recovery.

Turning over to slide nine, we can see offshore with a higher number of Platform Supply Vessels and days in operation in the 4Q08, in the full year 2008, key operating in financial highlights the, offshore showed solid performance year over year. Results were also impacted by better pricing, growth in margins and attractive daily rates from spot contracts.

As seen on this slide, our offshore segment results in 4Q08 and full year 2008 were higher across the board, with accelerated EBITDA growth in 4Q08 and full year 2008. The Company's offshore business continued to achieve high levels of growth in the core, and maintaining its position as the Company's third largest business in terms of EBITDA creation.

Following the announcement in early October 2008 of approval for the Company's request for priorities starters to access new funding line in the amount of up to US$736 million with the FMM and negotiations for the creation of a joint venture to operate vessels to support oil and gas already mentioned by Baião earlier. We remain focused on expanding our offshore business.

Moving on to the next slide, number ten, I would like to call your attention to our non-segmented activities, which also allocate services provided by the shipyard to third-parties and all costs incurred to management of the Company that serves each of the business segments. The most important factors that explain the performance of this segment were construction activities for third-parties at our shipyard and FX impact.

Going to slide 11, now we talk about 4Q08 and 2008 EBITDA results. In terms of the Company's consolidated results 4Q08 EBITDA improved by 58%, building US$39.9 million in the 4Q08, but this EBITDA included some non-recurring items. But even excluding the non-recurring items, as you can see in the graph, we may note that adjusted EBITDA posted a growth of 38.3%.

This adjusted EBITDA is mainly explained by three non-recurring items: one is reversal of provisions for funds and stock option; second, fiscal credits; and third, the, negative impact from applicable IFRS non-cash expense effect derived from FX change in the period.

Full year of 2008 EBITDA results, as you can see on the bottom left-hand side of this slide were up by 34.3% in comparison to 2007 figures, totaling US$122.7 million for full year 2008. This was a result of better price strategies throughout the year, a more profitable mix of services, as well as accelerated growth in the offshore business.

Looking at the graph on the bottom right-hand side, we present adjusted EBITDA results for the entire year. You may note that adjusted EBITDA posted growth of 23.6% in comparison to 2007 figures.

Moving now to slide 12, 4Q08 net income declined 71.1% as Baião mentioned, relative to 4Q07 results, at US$5 million, mostly due to the impact from recent appreciation of the USD versus the Brazilian Real, that generates two adverse effects: translation of cash invested in Reais to USD, and adverse movements on deferred income tax due to translation rules determined by IFRS. You can see in the FX graph how the devaluation of Real was concentrated in the 4Q08.

As explained in greater detail during our last earnings conference call, it is important to address that the deferred income tax impact is an accounting effect only. We posted net income of US$46.9 million in 2008, which was 18.9% lower than the last year, when we delivered US$57.8 million.

Now I would like to share with you comments on the Company's capital expenditure and leverage indicators in the next chart. I am now on slide 13. 4Q08 capital expenditure reached almost US$34 million, and in 2008 we invested US$93.5 million.

On the left-hand side of this slide we illustrate a quarterly breakdown capital expenditure figures, showing that towage port terminals in offshore activities received the largest portion of capital expenditures, both in 4Q and full year 2008, mainly invested in the acquisition of new equipment, construction activities for new tug boats and capacity expansion at Tecon Rio Grande.

On the right-hand side, leverage indicators showed that Wilson, Sons total debt obligation increased in the 4Q08 to R$185.2 million as of December 30th, 2008, mostly due to additional funds supported by BNDES used to finance our fleet expansion.

Also at yearend our amortization schedule shows that 92% of the Company's total debt were due in the long term, while almost 98% of total debt was denominated in USD. The Company's net debt position reached US$5.2 million in the yearend. It is important to call your attention to the fact that the Company does not hold any financial derivative instruments.

Now I would like to hand it back to Baião to make his closing remarks.

Cezar Baião:

Thank you, Felipe. As in our last quarterly earnings conference call, I would like to make a few comments on the current market conditions and how they may impact our strategy going forward.

We plan on continuing to hold road shows with our clients and suppliers to discuss the opportunities and understand what the next steps ought to be given the current macro scenario. We will move forward with aggressive commercial approach to each of our businesses, aiming at expanding our portfolio of services.

We are also focusing our efforts on a cost reduction program put in place in the 2H08, in addition to customizing our investments to favor capacity expansion at our core businesses. And also in terms of keeping our levels of profitability, we plan on focusing throughout 2009 on improvement of the mix of service we provide and on preserving our cash holdings and liquidity positions while securing a clean balance sheet going forward.

At this time, I would like to invite you to move to the Q&A portion of today's conference call. Thank you.

Gustavo Moreira, UBS:

Good morning. I would like to know if you could give us more color on the 1Q volumes, since we are only one day to finish the quarter, especially if you could quantify on the terminal volumes, and in the towage as well.

Cezar Baião:

Hi, Gustavo. I cannot give you the numbers, but I can tell you that in terms of number of containers we are more or less in line in this first two or three months of 2009 with the volume of 2008 in container terminals. In towage we are a little bit under the volumes we had in 2008. But unfortunately I cannot give you the right figures.

Gustavo Moreira:

Sure. And as far as the decline in the towage business, is it smaller than the decline we saw in the 4Q?

Cezar Baião:

It is more or less the same, Gustavo.

Gustavo Moreira:

Thank you.

Bart Winkgaard, Petercam:

Hi. I have a question regarding your towage activities. Could you put a little bit of color on the number of new built structures that will be delivered in 2009 and 2010 and beyond 2010?

Cezar Baião:

Bart, can you repeat your question? Is it our new buildings or the market new buildings? Sorry about that.

Bart Winkgaard:

Your new built structures for the towage and tug activities.

Cezar Baião:

We are going to deliver five new tugs in 2009, and most probably another two or three in 2010. But those for 2010 we do not guarantee you, but the 2009 new ship building for tugs are going to be five; we are going to have five new units in our towage division.

Bart Winkgaard:

OK. And second question, Smiths International seems to be gaining market share in Brazil, and by 2012 they will have a nationwide coverage. What is your strategy going forward? Are you moving tugs to other locations? What is your strategy in the midterm?

Cezar Baião:

Smith is getting market share because they had none, I mean, they did not have any market share, they are getting some. By December 2008, they reached 4.5% market share in terms of number of maneuvers, although they have more or less 8% in terms of tugs of all the Brazilian fleet to get 4.5% market share in number of maneuvers.

I do not think that they will have a national coverage. I do not know if you are aware of Brazilian towage market. We have more or less 18 very important ports, and to have a national coverage, which means to provide towage service in 18 ports, you need at least 50 tugs. And with 18 tugs for sure they will not be a national player; this I guarantee you.

Bart Winkgaard:

But they will have 30 tugs in 2012.

Cezar Baião:

What we all know is that they will have 18 by the end of 2009. Beyond that, I cannot tell you. At least in all those shipyards that we talk in Brazil, they have not put any other to increase the 18. But anyway, with 30 tugs it is impossible to become a national tug provider in Brazil.

Felipe Gutterres:

Just to add some information. As you know, only tugs builded in Brazil can provide towage services. So, if they do not put any order in the shipyards in Brazil it means that obviously they will not be able to provide tug services in Brazil.

Bart Winkgaard:

OK. Thank you.

(question from the Internet) John Connerly, TWH Investments:

Based on the outlook for the oil and gas sector in Brazil, what is your view on Wilson, Sons' participation, especially with respect to the latest Petrobras bids?

Cezar Baião:

This is a segment that we are still very positive, the oil and gas segment in Brazil. Even not considering the pre-salt fields, Petrobras really needs a lot of new offshore support vessels. The last Petrobras bid happened in November last year, and we were very well positioned in it.

Although Petrobras has not decided, has not concluded the bid yet, but we were very well positioned and we are very positive that we are going to win some vessels on this bid.

Operator:

This concludes the question and answer session for this conference call. At this time I would like to hand the conference back over to Mr. Cezar Baião for his closing remarks.

Cezar Baião:

We would like to finish our comments and our slide presentation now by saying that Wilson, Sons' stated performance throughout 2008 continues to support our long-term business strategy, and that we strongly believe to be well-positioned to address the many challenges ahead of us, in 2009 and beyond.

Finally, we would like to take this opportunity to thank all our clients, shareholders and employees for their confidence in Wilson Sons management team and in our vision for the Company's future. Thank you very much.

Operator:

Thank you. This concludes today's conference call on Wilson, Sons Limited 4Q08 and 2008 results. You may disconnect your lines at this time.