



## 2Q11 EARNINGS RESULTS

August 3<sup>rd</sup>, 2011

## Disclaimer

This presentation may contain forward-looking statements. Such forward-looking statements are and will be subject to many risks and uncertainties relating to factors that are beyond the Tarpon's ability to control or estimate precisely, such as future market conditions, competitive environment, currency and inflation fluctuations, changes in governmental and regulatory policies and other factors relating to the operations of Tarpon, which may cause actual future results of Tarpon to differ materially from those expressed or implied in such forward-looking statements

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## 2Q11 highlights

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### AUM

Assets under management (“AuM”) amounted to R\$5.9 billion as of June 30<sup>th</sup> 2011, (+19% over 1H10)

### Fund's Performance

Absolute returns (Jan – Jun 2011)

Long Only Equity: -1.5% (R\$) and 2.0% (US\$)

Hybrid Equity: 10.9% (US\$)

Ibovespa Index: -9.9% (R\$) and -3.9 % (US\$)

### Fees business

Gross revenues related to our fee business: R\$218.4 million in 1H11 (+33% over 1H10)

### Net Income

R\$94.6 million in net revenues during 1H11.

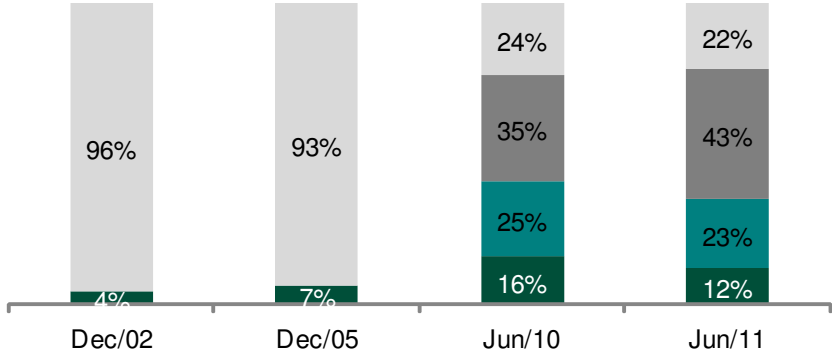
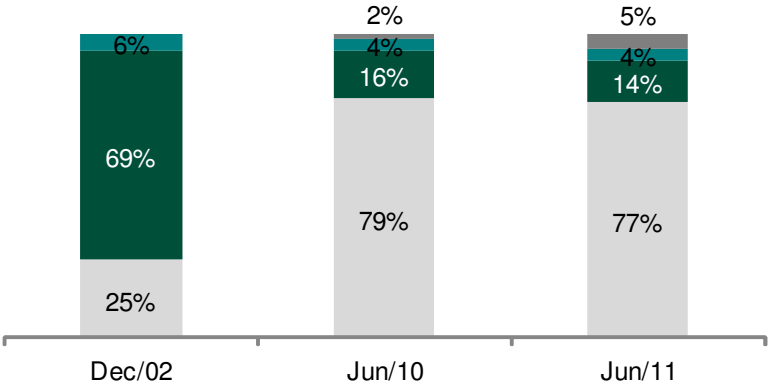
### Dividends

R\$ 1,98 per share, as approved by the board on July, 28<sup>th</sup>

# Tarpon's AuM composition

Major portion of our assets under management coming from long-standing clients. Capital from our employees and executives, together with TIG's "permanent" investments represented 12% of AuM as of June 30<sup>th</sup>, 2011.

AUM by region
AuM by client



- Americas (ex. Brazil)
- Brazil
- Europe
- Asia and Middle East
- TIG Holding Ltd. & Tarpon's executives and employees.
- Endowments e Foundations
- Sovereign Wealth Funds & Pension Plans
- Non Institutional Funds

# Investment strategy

We conduct our asset management activity through three main investment strategies:

## Long-Only Equity Strategy

The Long-Only Equity strategy comprises the Tarpon Funds that invest exclusively in Brazilian publicly traded companies listed at the BM&FBOVESPA.

Launched in May/2002

## Hybrid-Equity Strategy

The Hybrid-Equity strategy comprises the Tarpon Funds that have the flexibility to invest in either public equities or privately held companies in Brazil or Latin American countries.

Launched in October/2006

## Co-investment strategy

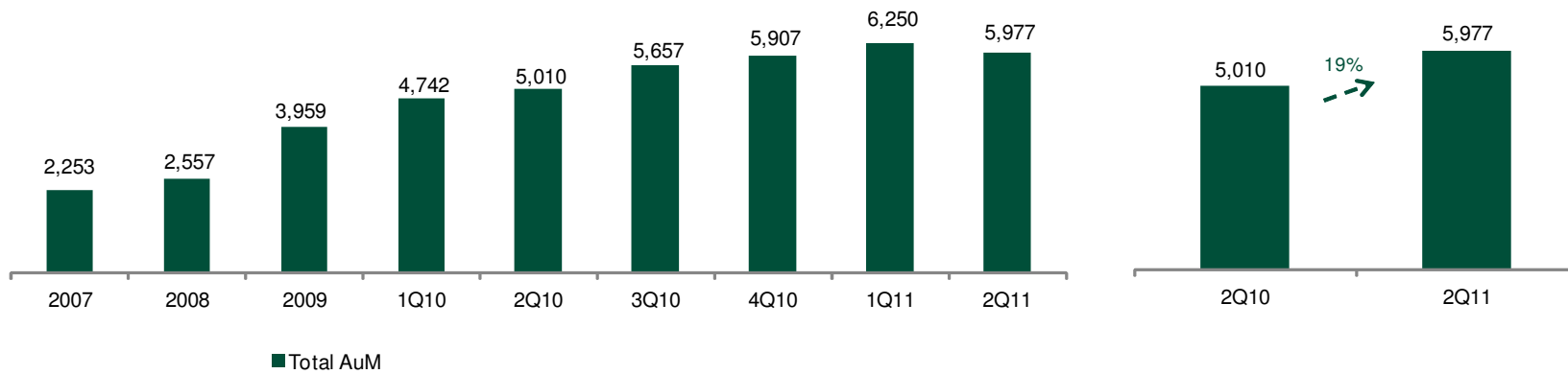
The Co-investment strategy serves as a sidecar/co-investment structure whose primary objective is to co-invest with the other Tarpon Funds in specific public and private equities.

Launched in January/2010

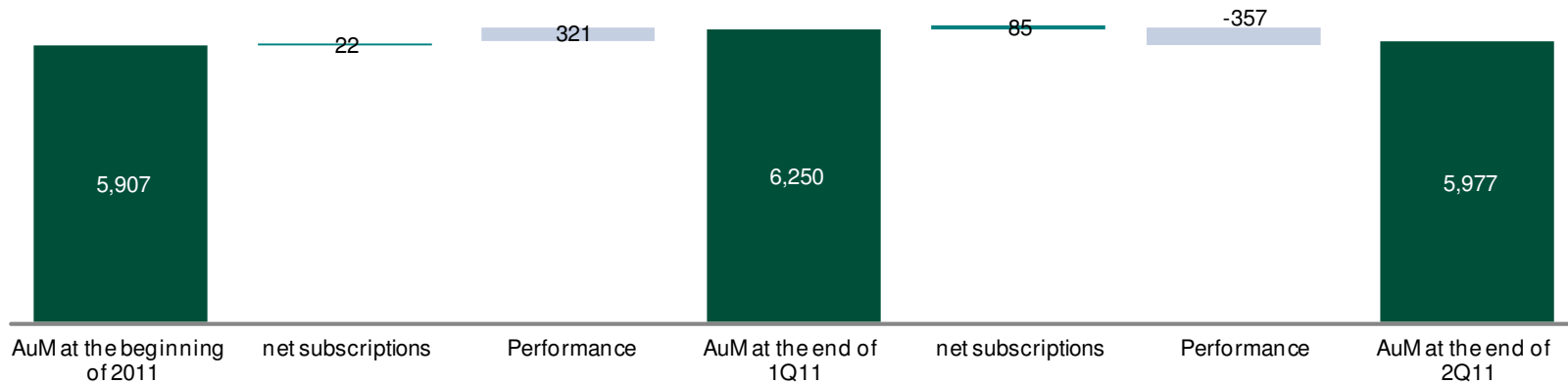
# Assets under Management

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## Total Historical AuM - R\$ million



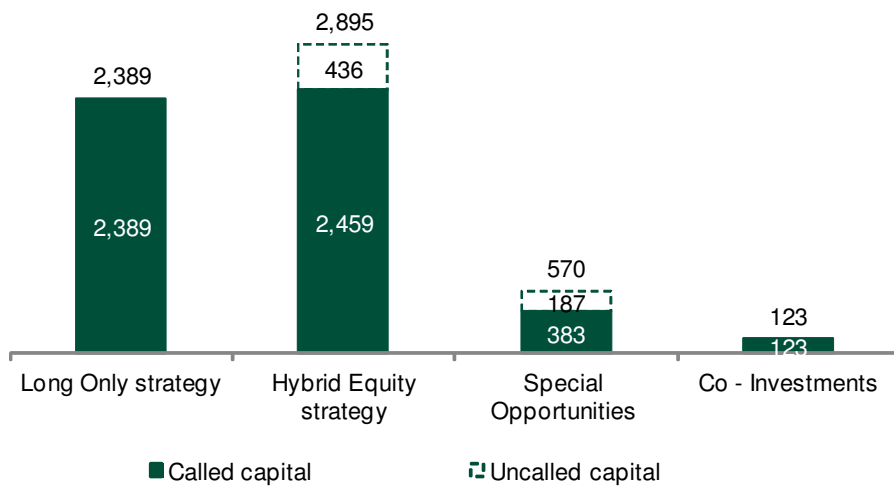
## AuM growth: performance & net commitments - R\$ million



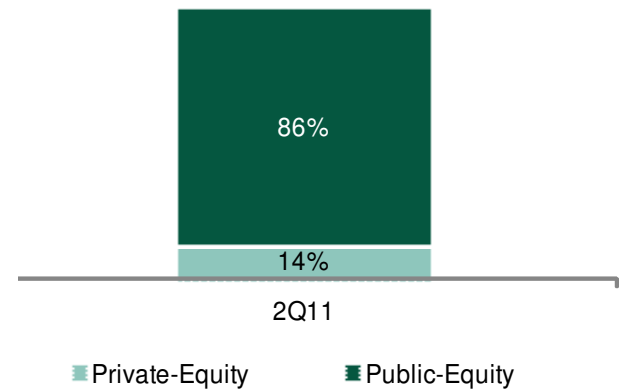
# AuM by investment strategy & asset class

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AuM by investment strategy - R\$ million



AuM by asset class



## Tarpon Funds' performance

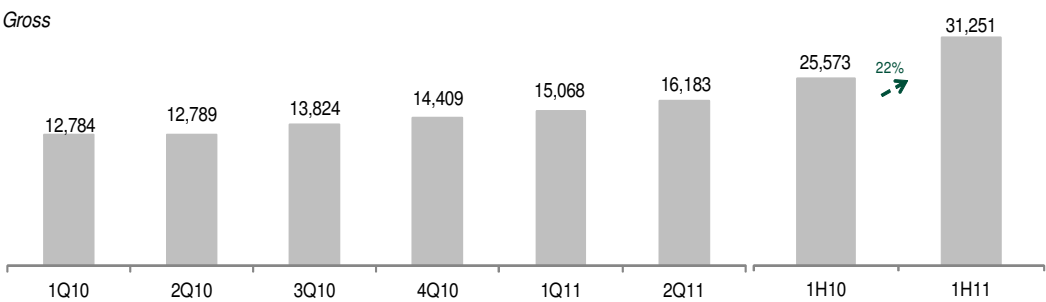
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Strategy	Inception	Performance				
		2Q11	Jan – Jun 2011	2 years	5 years	Since launch (annualized)
Long-Only Equity (R\$)	May 2002	-6.2%	-1.5%	92.1%	186.5%	33.5%
Long-Only Equity (US\$)	May 2002	-3.5%	2.0%	117.9%	252.8%	35.4%
Hybrid-Equity (US\$)	Oct. 2006	1.0%	10.9%	136.4%	-	33.0%
Stock market index		2Q11	Jan – Jun 2011	2 years	5 years	Since May 2002 (annualized)
Ibovespa (R\$)		-9.0%	-9.9%	21.2%	70.3%	19.1%
IBX (R\$)		-7.3%	-6.7%	24.5%	75.3%	22.1%
Ibovespa (US\$)		-5.0%	-3.9%	51.5%	136.1%	24.8%
IBX (US\$)		-3.3%	-0.4%	55.6%	143.1%	27.8%

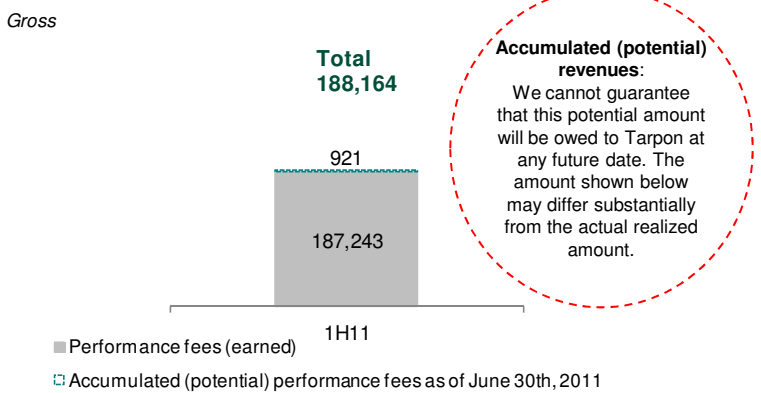


# Financial highlights – R\$ million

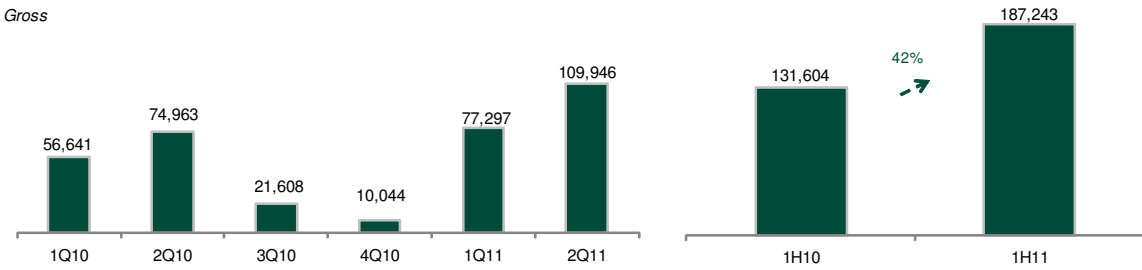
## Revenues related to management fees



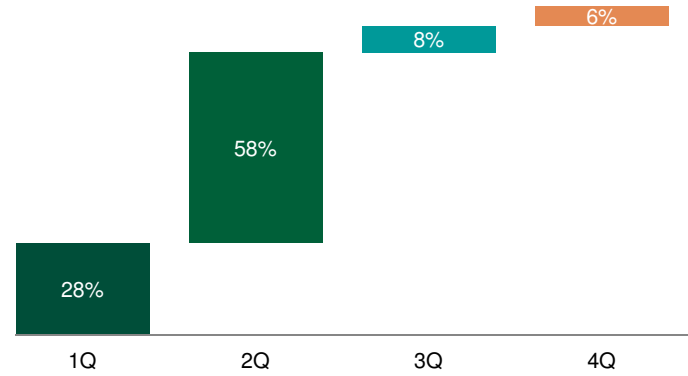
## Potential performance revenues



## Revenues related to performance fees



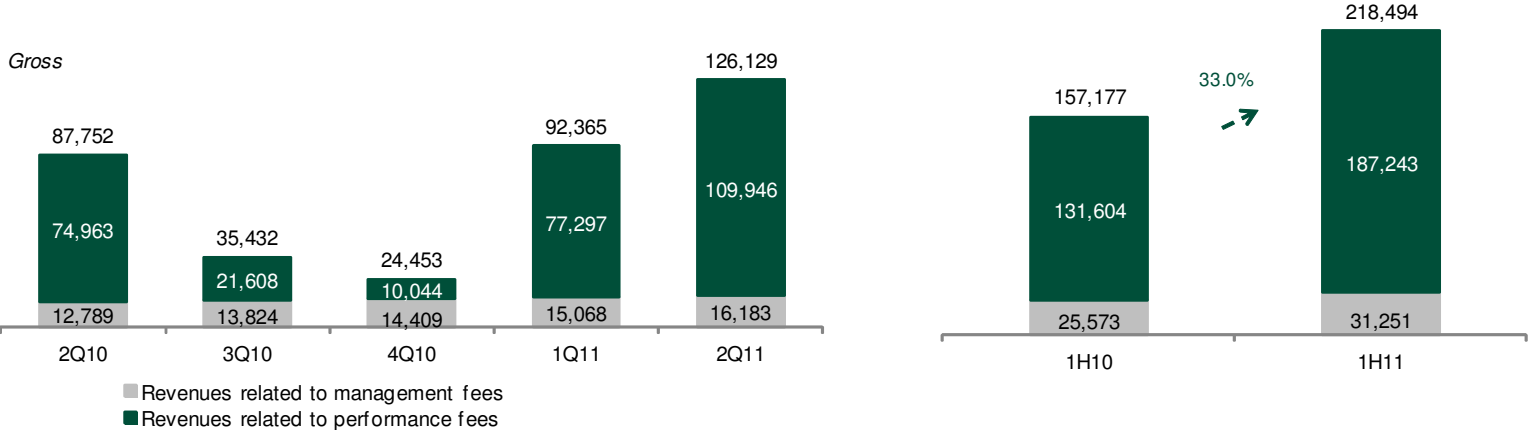
## Fee Payment Schedule



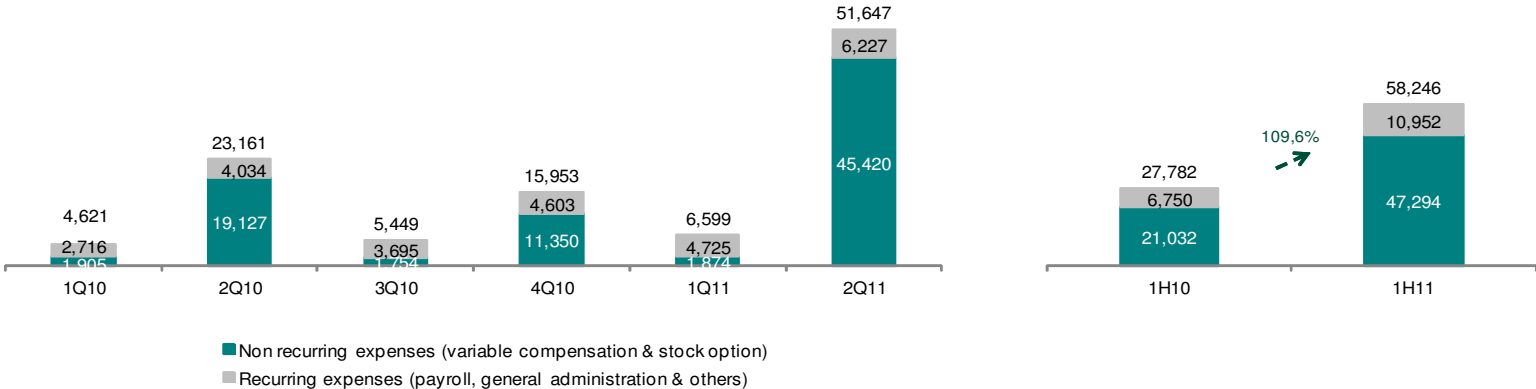
As of June 30<sup>th</sup>, 2011, 41% of the funds' NAV was above the high water mark

# Financial highlights – R\$ million

## Total revenues



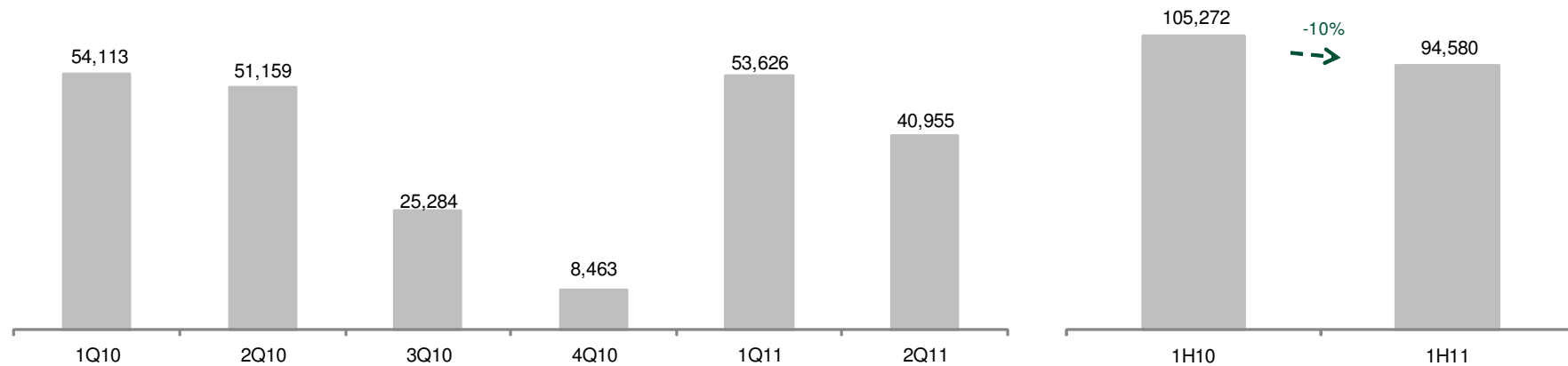
## Total operating expenses



# Financial highlights – R\$ million

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## Net income



# TRPN3 performance

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## Tarpon Investimentos S.A.

O/S: 47,700,632

Stockmarket: BM&F Bovespa / Novo Mercado

Ticker: TRPN3

Listing: 05/26/2009

Share Price 08/01/2011: 16.59

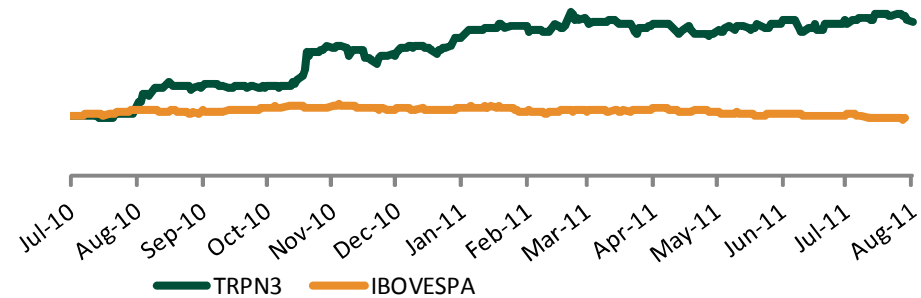
Market Cap: R\$791.3 million

### Share Performance:

2Q11: 3,5%

YTD (August 2<sup>nd</sup>): 11,4%

LTM: 107,2%



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Appendix – Financial Statements

## Income statement – consolidated

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<i>In R\$'000</i>	2Q11	1H11	2Q10	1H10
<b>Net revenues</b>	<b>119,150</b>	<b>206,410</b>	<b>83,296</b>	<b>149,146</b>
Personnel expenses	(2,417)	(5,110)	(1,761)	(3,607)
Stock option	(1,795)	(3,669)	(1,955)	(3,860)
Administrative expenses	(3,584)	(5,639)	(937)	(1,868)
Variable compensation	(43,625)	(43,625)	(17,172)	(17,172)
Other income/(expense)	(226)	(203)	(1,336)	(1,275)
<b>Results from operating activities</b>	<b>67,503</b>	<b>148,164</b>	<b>60,135</b>	<b>121,364</b>
Financial income / (expense)	2,430	3,955	1,247	1,916
Share of profit of equity accounted investees	-	-	(196)	(253)
<b>Profit before income tax</b>	<b>69,933</b>	<b>152,119</b>	<b>61,186</b>	<b>123,027</b>
Income tax and social contribution	(28,978)	(57,539)	(10,126)	(17,882)
Minorities	-	-	99	128
<b>Net income</b>	<b>40,955</b>	<b>94,580</b>	<b>51,159</b>	<b>105,273</b>

## Cash Flow – consolidated

2Q11  
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<i>In R\$'000</i>	2Q11	1H11	2Q10	1H10
<b>Net income</b>	<b>40,955</b>	<b>94,580</b>	<b>51,159</b>	<b>105,273</b>
Depreciation	67	134	14	27
Profit from equity accounted investees	-	-	97	125
Stock Option plan	1,795	3,669	1,955	3,860
<b>Adjusted net income</b>	<b>42,817</b>	<b>98,383</b>	<b>53,225</b>	<b>109,285</b>
Working capital	62,921	80,068	20,171	23,615
Trade receivables	(27,109)	(94,162)	(16,163)	(71,661)
<b>Net cash provided by (used in) operating activities</b>	<b>78,629</b>	<b>84,289</b>	<b>57,233</b>	<b>61,239</b>
Change in permanent assets	(95)	(133)	93	84
Change in financial assets	(77,494)	(62,003)	(57,316)	(54,674)
Dividends paid	-	(33,713)	(5)	(6,838)
Exercise of stock option plan	-	12	-	176
<b>Net cash provided by (used in) financing activities</b>	<b>(77,589)</b>	<b>(83,461)</b>	<b>(57,228)</b>	<b>(61,252)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,040</b>	<b>828</b>	<b>5</b>	<b>(13)</b>
<b>Cash and cash equivalents at the beginning of the quarter/year</b>	<b>82</b>	<b>294</b>	<b>24</b>	<b>42</b>
<b>Cash and cash equivalents as of June 30th</b>	<b>1,122</b>	<b>1,122</b>	<b>29</b>	<b>29</b>

## Balance Sheet – consolidated

<i>In R\$'000</i>	2Q11	4Q10	2Q10
<b>Assets</b>			
Cash and cash equivalents	1,122	294	29
Financial assets measured at fair value through profit and loss	107,220	45,217	69,441
Available for sale financial assets	-	-	4,719
Trade receivables *	115,444	21,282	81,645
Other assets	13,082	1,523	923
<b>Total current assets</b>	<b>236,868</b>	<b>68,316</b>	<b>156,757</b>
Property, plants and equipments	1,435	1,435	340
<b>Total non-current assets</b>	<b>1,435</b>	<b>1,435</b>	<b>340</b>
<b>Total assets</b>	<b>238,303</b>	<b>69,751</b>	<b>157,097</b>
<b>Current liabilities</b>			
Accounts payable	41,710	10,333	17,733
Current tax liabilities	63,596	6,396	14,208
Payroll accruals	4,369	1,319	1,147
Dividends payable	-	33,713	-
<b>Total current liabilities</b>	<b>109,675</b>	<b>51,761</b>	<b>33,088</b>
<b>Equity</b>			
Share capital	5,419	4,180	4,180
Capital reserve	16,678	2,102	2,102
Statutory reserve	30	30	30
Legal reserve	836	836	801
			4,619
Stock option	11,085	10,842	7,004
Retained earnings	94,580	-	105,273
<b>Total equity</b>	<b>128,628</b>	<b>17,990</b>	<b>124,009</b>
<b>Total equity and current liabilities</b>	<b>238,303</b>	<b>69,751</b>	<b>157,097</b>

\* Until 2<sup>nd</sup> August, 2011 approximately 100% of the trade receivables were received.



## Contact Details

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