

TARPON  
INVESTIMENTOS

1Q12 EARNINGS RESULTS

May 10<sup>th</sup>, 2012

## 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 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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## 1Q12 highlights

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### AUM

Assets under management (“AuM”) amounted to R\$7.5 billion as of March 31<sup>st</sup> 2012, (+10% over 4Q11)

### Fund's Performance

Absolute returns in 1Q12:

- Portfolio Fund's Long Only Equity: 10.27% (R\$) and 13.19% (US\$)
- Portfolio Fund's Hybrid Equity: 8.49% (US\$)
- Ibovespa Index: 13.67% (R\$) and 17.02 % (US\$)

### Fees business

Gross revenues related to our fee business: R\$27.6 million as of March 31<sup>st</sup> 2012 (+31% over 4Q11)

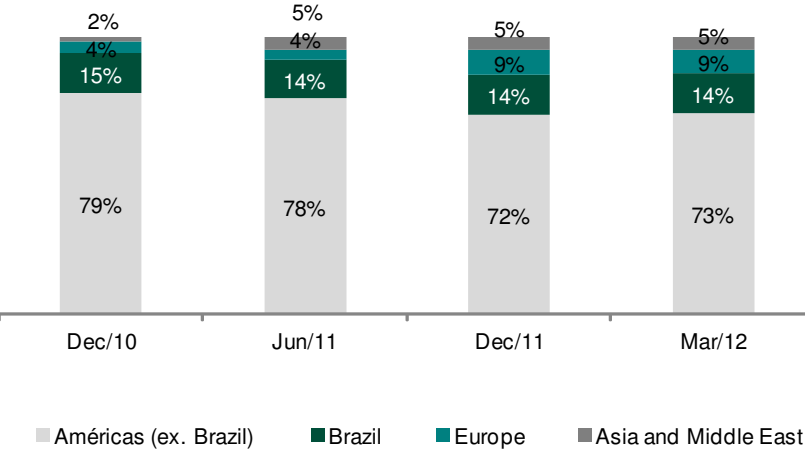
### Net Income

Net income in 1Q12 amounted to R\$12.0 million.

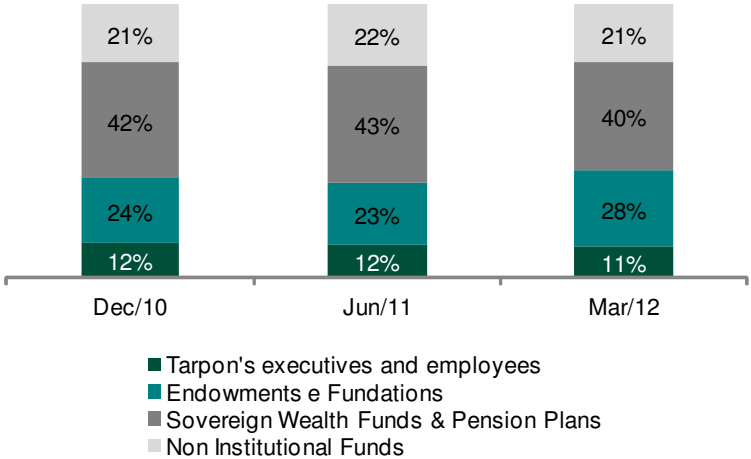
# Tarpon's AuM composition

Major portion of our assets under management coming from long-standing clients.  
Capital from our employees and executives represented 11% of AuM as of March 31<sup>st</sup>, 2012.

AUM by region



AuM by client



# Investment strategy

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

## Portfolio Funds Strategy

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

Launched in May/2002

## Co-investment strategy

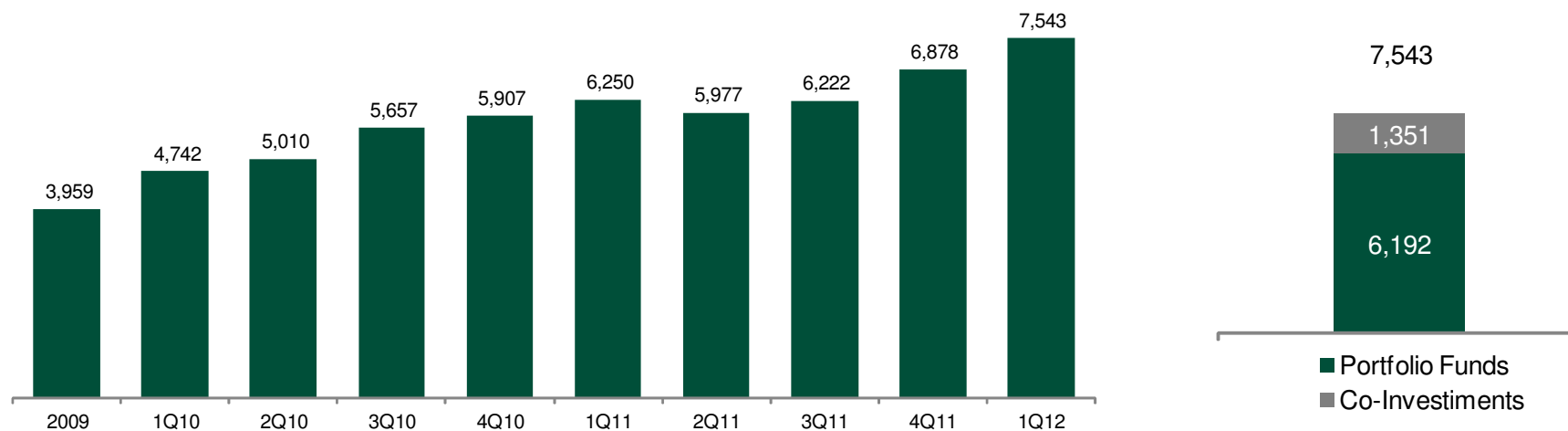
The Co-investment strategy serves as a sidecar/co-investment structure whose primary objective is to increase Tarpon's exposure to selected invested companies.

Launched in Mar/2010

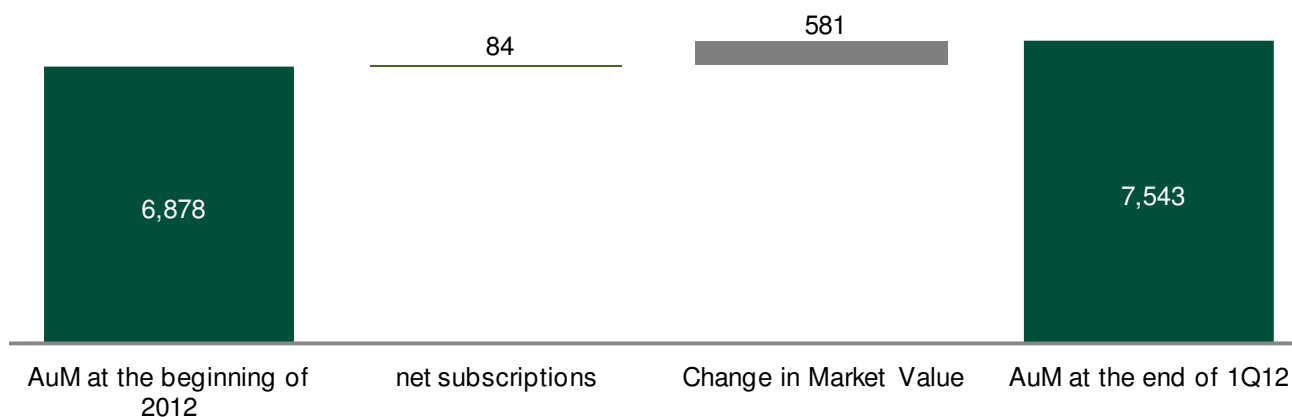
# Assets under Management

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## Total Historical AuM - R\$ million



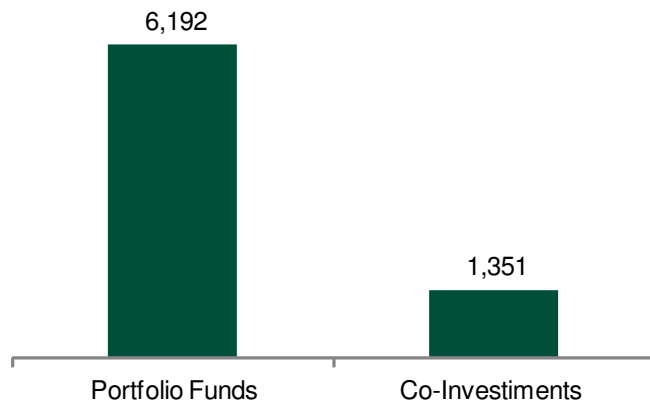
## AuM growth: performance & net commitments - R\$ million



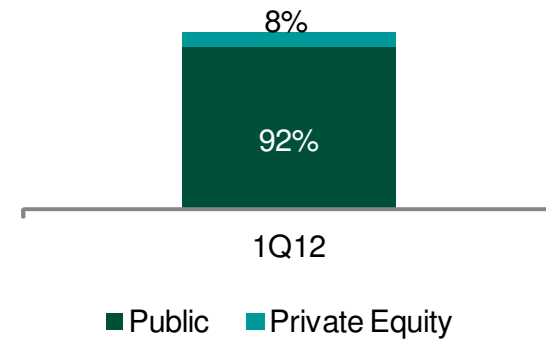
# AuM by investment strategy & asset class

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AuM by investment strategy - R\$ million



AuM by asset class



# Tarpon Funds' performance

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Strategy	Inception	Performance <sup>(1)</sup> <sup>(2)</sup>				
		1Q12	2012	2 years	5 years	Since launch (annualized)
Portfolio Funds Long-Only Equity (R\$)	May 2002	10.27%	10.27%	48.96%	133.84%	32.86%
Portfolio Funds Long-Only Equity (US\$)	May 2002	13.19%	13.19%	35.77%	140.98%	32.35%
Portfolio Funds Hybrid-Equity (US\$)	Oct. 2006	8.49%	8.49%	45.81%	150.25%	26.66%
Stock market index		1Q12	2012	2 years	5 years	
Ibovespa (R\$)		13.67%	13.67%	-7.79%	40.84%	
IBX (R\$)		11.82%	11.82%	0.36%	47.67%	
Ibovespa (US\$)		17.02%	17.02%	-9.15%	58.49%	
IBX (US\$)		15.11%	15.11%	-1.12%	66.17%	

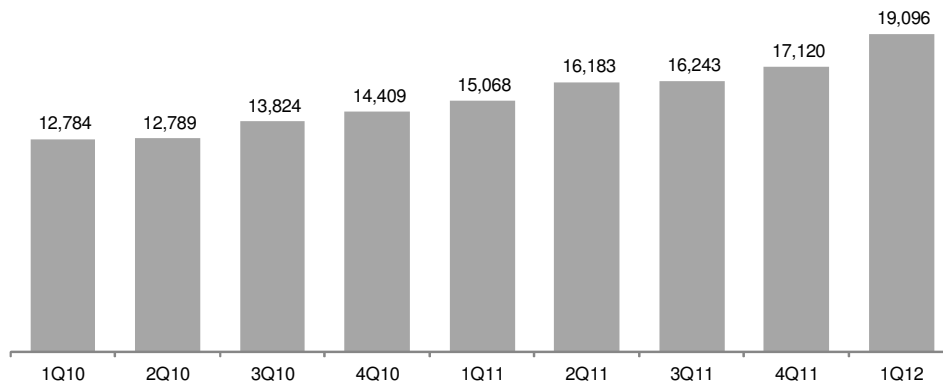
(1) - Performance net of fees.

(2) - Performance up to March 31<sup>st</sup>, 2012.

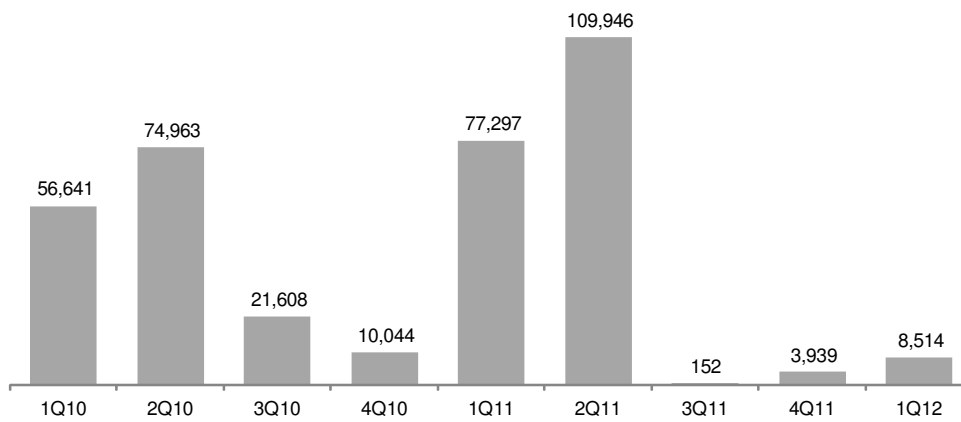


## Financial highlights – R\$ million

### Revenues related to management fees

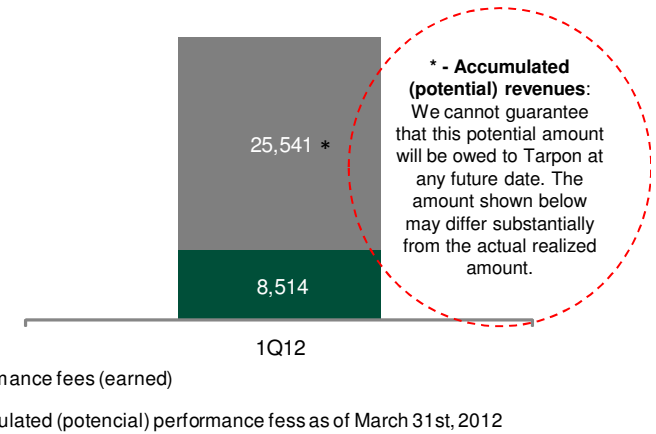


### Revenues related to performance fees

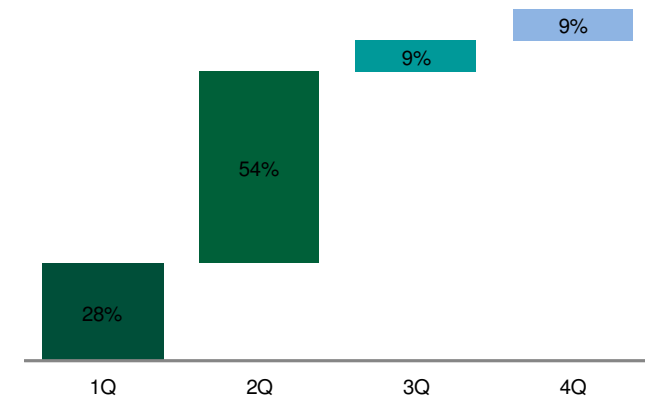


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### Potential performance revenues

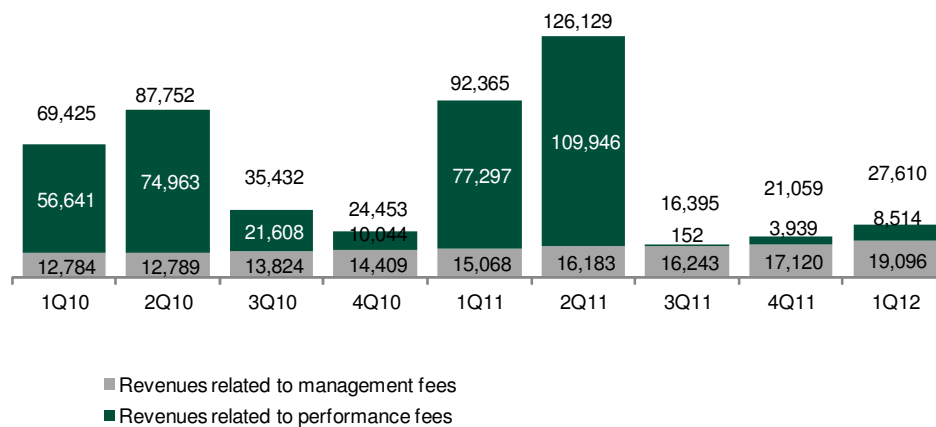


### Fee Payment Schedule

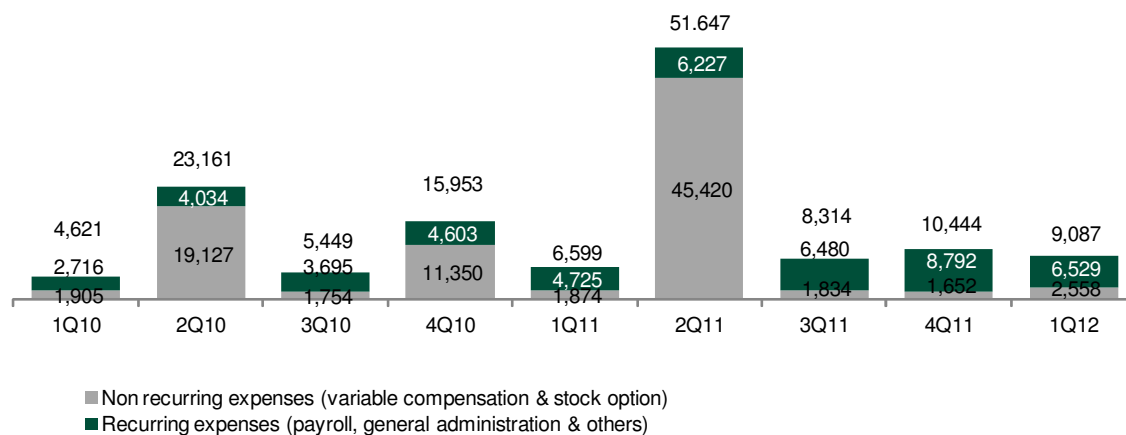


## Financial highlights – R\$ million

### Total revenues



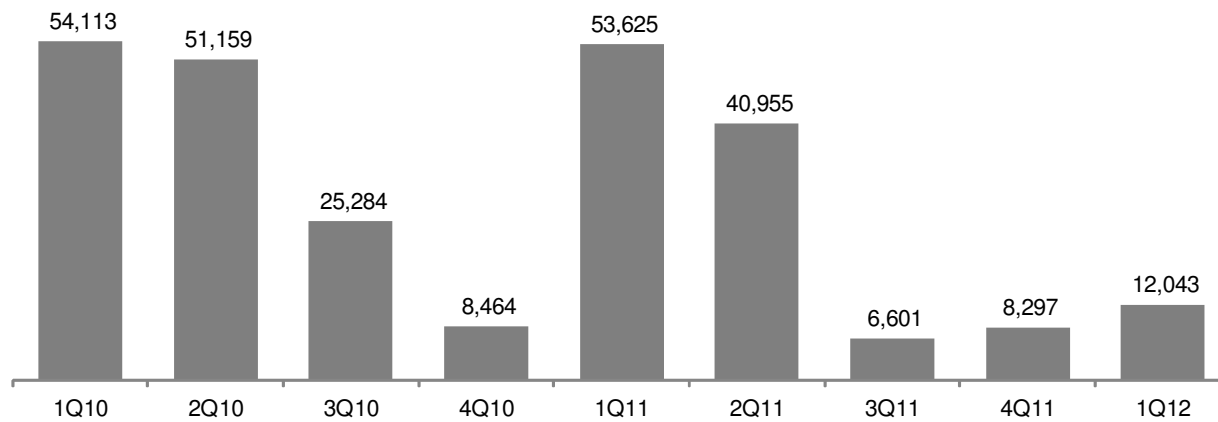
### Total operating expenses



## Financial highlights – R\$ million

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### Net income



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# TRPN3 performance

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**Tarpon Investimentos S.A.**

**O/S:** 46,022,582

**Stockmarket:** BM&F Bovespa / Novo Mercado

**Ticker:** TRPN3

**Listing:** 05/26/2009

**Share Price 05/07/2012:** 14.06

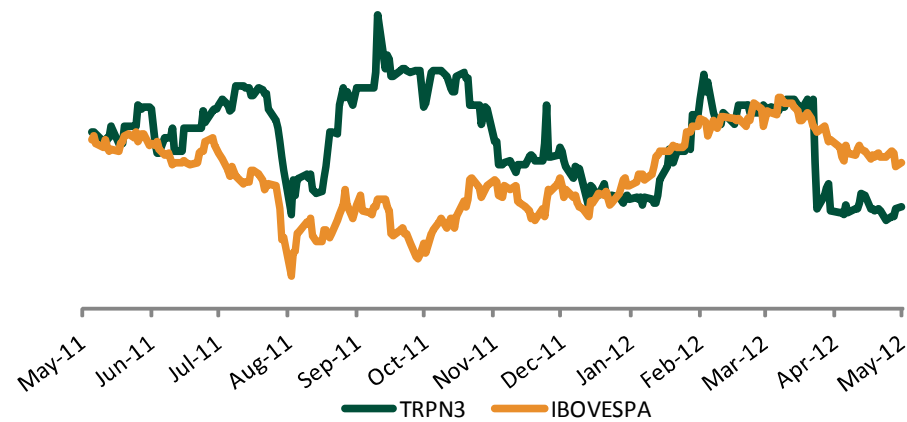
**Market Cap:** R\$647.1 million

**Share Performance:**

**1Q12:** -2.43%

**YTD (May 7<sup>th</sup>):** -2.01%

**LTM:** -12.54%



# Income statement

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<i>In R\$'000</i>	1Q12	1Q11
<b>Net revenues</b>	<b>26,334</b>	<b>87,260</b>
Personnel expenses	(3,934)	(2,693)
Stock option	(1,103)	(1,874)
Administrative expenses	(3,268)	(2,055)
Variable compensation	(728)	-
Other income/(expense)	(54)	23
Share of profit of equity accounted investees	-	
<b>Results from operating activities</b>	<b>17,247</b>	<b>80,661</b>
Financial income / (expense)	1,808	1,525
<b>Profit before income tax</b>	<b>19,055</b>	<b>82,186</b>
Income tax and social contribution	(7,013)	(28,561)
<b>Net income</b>	<b>12,043</b>	<b>53,625</b>

# Cash Flow

1Q12  
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<i>In R\$'000</i>	1Q12	1Q11
<b>Net income</b>	<b>12,043</b>	<b>53,625</b>
Depreciation	122	67
Stock Option plan	1,831	1,874
<b>Adjusted net income</b>	<b>13,996</b>	<b>55,566</b>
Working capital	(29,481)	17,109
Trade receivables	(5,356)	(67,053)
<b>Net cash provided by (used in) operating activities</b>	<b>(20,841)</b>	<b>5,622</b>
Change in permanent assets	(192)	-
Change in financial assets	30,260	15,491
Dividends paid	(8,451)	(33,713)
Exercise of stock option plan	-	12,388
<b>Net cash provided by (used in) financing activities</b>	<b>21,617</b>	<b>(5,834)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>776</b>	<b>(212)</b>
<b>Cash and cash equivalents at the beginning of the quarter/year</b>	<b>479</b>	<b>294</b>
<b>Cash and cash equivalents at the end of Quarter</b>	<b>1,255</b>	<b>82</b>

# Balance Sheet

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<i>In R\$'000</i>	2012	2011	<i>In R\$'000</i>	2012	2011
<b>Assets</b>			<b>Current liabilities</b>		
Cash and cash equivalents	1,255	479	Accounts payable	681	592
Financial assets measured at fair value through profit and loss	53,770	84,030	Current tax liabilities	7,687	64,349
Trade receivables *	14,314	8,958	Payroll accruals	2,256	1,984
Other assets	4,088	30,955	Dividends payable	-	8,451
<b>Total current assets</b>	<b>73,427</b>	<b>124,422</b>	<b>Total current liabilities</b>	<b>10,624</b>	<b>75,376</b>
Property, plants and equipments	2,294	2,253	Accounts payable	143	191
<b>Total non-current assets</b>	<b>2,294</b>	<b>2,253</b>	<b>Total non-current liabilities</b>	<b>143</b>	<b>191</b>
<b>Total assets</b>	<b>75,721</b>	<b>126,675</b>	<b>Equity</b>		
			Share capital	6,116	6,116
			Capital reserve	26,507	26,507
			Statutory reserve	6,116	6,116
			Legal reserve	1,223	1,223
			Adjustment of Conversion	104	133
			Stock option	12,844	11,013
			Retained earnings	12,043	-
			<b>Total equity</b>	<b>64,954</b>	<b>51,108</b>
			<b>Total equity and liabilities</b>	<b>75,721</b>	<b>126,675</b>

\* As of May 7th, 2012, 100% of the trade receivables were paid.



## Contact Details

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